2025

Annual Report

年度報告

Corporate Information
公司資料

AUTHORISED REPRESENTATIVES

Mr. Li Zhong
Mr. Zhou Wei (appointed on 1 January 2025
and resigned with effect from 4 February 2026)
Mr. Du Lindong (appointed on 4 February 2026)
Mr. Zhao Juanxian (alias, Zhao Junxian)
(resigned with effect from 1 January 2025)

授權代表

李中先生
周偉先生（於二零二五年一月一日
獲委任並自二零二六年二月四日起辭任）
杜林東先生（於二零二六年二月四日獲委任）
趙雋賢先生（自二零二五年一月一日起辭任）

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111 Cayman Islands

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111 Cayman Islands

HEADQUARTER AND PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA ("CHINA" OR THE "PRC")

No. 72 Avenue of Stars
High-Tech Park
North New Zone
Chongqing
The PRC

總部／媗魷岪犧梏骶鼊狳骶軉骶鰝拼威拼檶拼

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 6409, 64/F
Central Plaza
18 Harbour Road,
Wanchai
Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

Corporate Information
公司資料

LEGAL ADVISER
As to Cayman Islands law:
Conyers Dill & Pearman

PRINCIPAL BANKER
Industrial and Commercial Bank of China
China Construction Bank
Bank of China
China Minsheng Bank
The Export-Import Bank of China

AUDITOR
Ernst & Young

STOCK CODE
6136

COMPANY WEBSITE
http://www.kangdaep.com

法律顧問
有關開曼群島法律：
Conyers Dill & Pearman

主要往來銀行
中國工商銀行
中國建設銀行
中國銀行
中國民生銀行
中國進出口銀行

核數師
安永會計師事務所

股份代號
6136

公司網址
http://www.kangdaep.com

Chairman's Statement
主席報告

and operation mechanism for wastewater treatment plants. They also promote comprehensive coverage of urban domestic wastewater networks and ensure compliance with pollutant discharge standards, thereby safeguarding the health and stability of aquatic ecosystems and enhancing the quality of the living environment. At the same time, these measures encourage and support private capital to participate in infrastructure development, which will be supported through increased central budget allocations and the issuance of local government special bonds, actively supporting more eligible private investment projects to issue infrastructure-related real estate investment trusts (REITs), increasing the proportion of government contract advance payments to private enterprises, and providing financing support for infrastructure projects including wastewater treatment. The Group is confident that the wastewater treatment industry will continue to develop healthily.

基礎建設，加大中央預算，發行地方政府專項債券，積極支持更多符合條件的民間投資項目發行基礎設施領域不動產投資信託基金(REITs)，提高政府對民營企業的合同預付款比例等，為包括污水處理的基礎建設項目提供融資支援。本集團相信污水處理行業將會持續健康發展。

DEVELOPMENT STRATEGY AND FUTURE OUTLOOK

The Group will continue to enhance the profitability of existing projects through comprehensive cost management, while deepening energy-saving and consumption-reduction measures. We will promote intelligent control models to reduce pharmaceutical and electricity consumption costs, achieve efficiency gains through workforce optimisation, and actively pursue reasonable adjustments to wastewater treatment pricing, thereby increasing group revenue and improving gross profit margins. The Group will make full use of the national policies supporting private enterprises, make every effort to collect and resolve accounts receivable, and seek and promote diversified solutions, including seeking local governments or government-related enterprises to repurchase inefficient projects, while reducing the Group's financial burden and interest expenses. The Group will also actively promote a professional asset-light operation model and actively expand its operation and technical consulting services. The Group believes that the above measures will increase revenue and profits in the long run, enhance operating cash flow, and create greater value for shareholders.

本集團發展策略及未來展望

本集團將繼續通過綜合管理成本提升現有項目的盈利水平，並會繼續深化節能降耗措施，推廣智能管控模式降低藥耗、電耗成本及減員增效，同時積極爭取污水處理價格合理調整，增加集團收入和提升毛利率。本集團將充分利用國家扶持民營企業的政策，全力催收及化解應收帳款，尋求並推動多元解決方案，包括尋求地方政府或政府關聯企業回購低效項目，同時降低本集團的財務負擔及減少利息支出。本集團亦會積極推廣輕資產專業化運營模式，積極拓展運營和技術諮詢服務。本集團相信通過以上措施可以長遠增加收入與利潤，增強經營性現金流，為股東創造更大價值。

Finally, I would like to take this opportunity to express our gratitude to all the Shareholders and all the collaborative partners of our Group for their dedicated support to the Group's development, and also to all staff of our Group for their endeavors and contributions made during the year.

最後，本人亦藉此機會衷心感謝本集團的全體股東及所有合作夥伴對於本集團的發展一直給予的支持，並向本集團全體員工於年內作出的努力和貢獻致以敬意。

Du Lin Dong
Chairman

Hong Kong, 19 March 2026

主席
杜林東

香港，二零二六年三月十九日

Management Discussion and Analysis
管理層討論及分析

BUSINESS REVIEW

During the year ended 31 December 2025 (the "Reporting Period"), the Group's principal business activities remained focusing on the Urban Water Treatment, followed by the on-hand projects of Water Environment Comprehensive Remediation and the Rural Water Improvement.

The scope of Urban Water Treatment includes the design, construction, upgrade and operation of wastewater treatment plants (the "WTPs"), reclaimed water treatment plants (the "RWTPs"), sludge treatment plants (the "STPs"), water distribution plants (the "WDPs"), and in the operation and maintenance of wastewater treatment facilities entrusted by governments (the "O&M"). The Group's business has covered the overall industry chain in Urban Water Treatment industry by executing contracts of Build-Operate-Transfer ("BOT"), Transfer-Operate-Transfer (the "TOT"), Public-Private-Partnership (the "PPP"), Build-Own-Operate (the "BOO"), Engineering-Procurement-Construction (the "EPC") and O&M. The Group had 103 service concession arrangement projects under operation while its operational treatment capacity was over 4 million tons per day as at 31 December 2025.

The scope of Water Environment Comprehensive Remediation includes river harnessing and improvement, foul water body treatment and sponge city construction. The Group engages in Water Environment Comprehensive Remediation by executing previously signed contracts of PPP and EPC.

The scope of Rural Water Improvement includes the construction and operation related to "the Water Environment Facilities of Beautiful Village" s

1.1 Urban Water Treatment

As at 31 December 2025, the Group had entered into a total of 106 service concession arrangements projects, including 100 wastewater treatment plants, 1 water distribution plant, 3 sludge treatment plants and 2 reclaimed water treatment plants. The Group will further expand its Urban Water Treatment chain in the future, in order to improve its profitability and competitiveness.

Analysis of the Group's projects on hand as at 31 December 2025 is as follows:

1.1 城鎮水務

於二零二五年十二月三十一日，本集團共訂立106個服務特許經營安排項目，包括100個污水處理廠、1個供水廠、3個污泥處理廠及2個再生水處理廠。未來本集團將通過進一步擴展城鎮水務處理產業鏈，實現盈利能力與競爭力的提升。

本集團於二零二五年十二月三十一日的現有項目分析如下：

		Daily wastewater treatment capacity 日污水處理能力	Daily water distribution capacity 日供水能力	Daily reclaimed water treatment capacity 日再生水處理能力	Daily sludge treatment capacity 日污泥處理能力	Total 總計
(Tonnes)	*(噸)*					
In operation	運營中	4,039,500	–	65,000	550	4,105,050
Not yet start operation/ Not yet transferred	尚未開始運營／尚未移交	80,500	30,000	–	–	110,500
Total	總計	4,120,000	30,000	65,000	550	4,215,550
(Number of projects)	*(項目數量)*					
In operation	運營中	98	–	2	3	103
Not yet start operation/ Not yet transferred	尚未開始運營／尚未移交	2	1	–	–	3
Total	總計	100	1	2	3	106

		Number of projects 項目數量	Treatment capacity 處理量 (Tonnes/Day) (噸／日)	Actual processing volume during the year ended 31 December 2025 截至二零二五年十二月三十一日止年度的實際處理量 (Million Tonnes) (百萬噸)
Wastewater treatment services	**污水處理服務**			
Shandong	山東	44	1,190,000	364.0
Henan	河南	22	1,040,000	309.4
Heilongjiang	黑龍江	6	425,000	131.2
Shanxi	山西	2	350,000	118.6
Zhejiang	浙江	2	250,000	86.4
Guangdong	廣東	3	190,000	63.5
Anhui	安徽	2	160,000	53.0
Jiangsu	江蘇	5	100,000	36.1
Other provinces/municipalities*	其他省／直轄市*	14	415,000	85.4
		100	4,120,000	1,247.6
Water distribution services	**供水服務**	1	30,000	–
Reclaimed water treatment services	**再生水處理服務**	2	65,000	4.5
Total	合計	103	4,215,000	1,252.1
Sludge treatment services	**污泥處理服務**	3	550	–
Total	合計	106	4,215,550	1,252.1

* Other provinces/municipalities include Beijing, Tianjin, Hebei, Jilin, Liaoning, Shaanxi, Sichuan and Fujian.

* 其他省／直轄市包括北京、天津、河北、吉林、遼寧、陝西、四川及福建。

For the year ended 31 December 2025, construction revenue was recognised for 16 projects, including 14 wastewater treatment plants, 1 water distribution plant, and 1 sludge treatment plant, which were mainly located in Shandong, Shanxi, and Heilongjiang provinces in Chinese mainland. Total construction revenue of those projects for the year ended 31 December 2025 was RMB394.0 million, representing a year-on-year increase of approximately 57% (year ended 31 December 2024: RMB251.2 million). The corresponding increase was primarily due to the increase in construction work of new upgrade projects. As at 31 December 2025, the total daily treatment capacity of the service concession arrangements plants, which were still in the construction stage, was 30,500 tonnes, including 500 tonnes of wastewater treatment plant and 30,000 tonnes of water distribution plant.

截至二零二五年十二月三十一日止年度，已就16個項目確認建設收益，包括14個污水處理廠、1個供水廠及1個污泥處理廠，主要位於中國內地的山東省、山西省及黑龍江省。截至二零二五年十二月三十一日止年度，該等項目的總建設收益為人民幣394.0百萬元，同比增加約57%（截至二零二四年十二月三十一日止年度：人民幣251.2百萬元），相應增加主要由於新提標項目的建設工程增加。於二零二五年十二月三十一日，該等服務特許經營安排水廠（仍在建設階段）的每日總處理量為30,500噸，包括污水處理廠500噸及供水廠30,000噸。

1.2 Water Environment Comprehensive Remediation

In the year of 2025, the Group continued to devote efforts to implementing the existing projects of Water Environment Comprehensive Remediation. The Group devoted efforts to lower the risk and enhance the reasonable profit for the existing projects. The Group will integrate resources to execute the Water Environment Comprehensive Remediation projects under the contracts of EPC and O&M.

The Group had 6 Water Environment Comprehensive Remediation projects under construction during the year ended 31 December 2025. The projects were mainly located in Heilongjiang and Henan provinces in Chinese mainland. For the year ended 31 December 2025, total revenue of those projects was RMB136.3 million, representing a significant increase as compared to the same period last year (year ended 31 December 2024: RMB22.1 million). The corresponding increase was primarily due to the execution of newly signed EPC projects.

1.2 水環境綜合治理

二零二五年，本集團繼續致力於執行現有水環境綜合治理項目。本集團仍致力於降低現有項目的風險並提升合理利潤。本集團將整合資源，以執行EPC與運營及維護合約下的水環境綜合治理項目。

截至二零二五年十二月三十一日止年度，本集團有6個處於建設階段的水環境綜合治理項目。這些項目主要位於中國內地的黑龍江省及河南省。截至二零二五年十二月三十一日止年度，該等項目總收益為人民幣136.3百萬元，較去年同期大幅增加（截至二零二四年十二月三十一日止年度：人民幣22.1百萬元）。相應增加主要由於新簽EPC項目的執行。

1.3 Rural Water Improvement

The Group had 2 Rural Water Improvement projects during the year ended 31 December 2025. The projects were located in Guangdong province in Chinese mainland. For the year ended 31 December 2025, total revenue of those projects was RMB23.3 million, representing a year-on-year decrease of approximately 70% (year ended 31 December 2024: RMB78.9 million). The corresponding decrease was primarily due to the decrease in the construction and operation revenue.

1.3 鄉村污水治理

截至二零二五年十二月三十一日止年度，本集團有2個鄉村污水治理項目。這些項目位於中國內地的廣東省。截至二零二五年十二月三十一日止年度，該等項目總收益為人民幣23.3百萬元，同比減少約70%（截至二零二四年十二月三十一日止年度：人民幣78.9百萬元）。相應減少主要由於建設工程收益以及運營收益的減少。

FINANCIAL ANALYSIS

Revenue

For the year ended 31 December 2025, the Group recorded a revenue of RMB2,426.9 million, representing an increase of approximately 7% as compared to the previous corresponding period of RMB2,261.3 million. The increase was mainly due to the increase in construction work of new upgrade projects of Urban Water Treatment and the execution of newly signed EPC projects of Water Environment Comprehensive Remediation, which result in the increase in construction revenue.

Cost of Sales

The Group's cost of sales for the year ended 31 December 2025 amounted to RMB1,336.3 million, including construction costs of RMB420.3 million and operation costs of water treatment plants of RMB916.0 million, representing an increase of approximately 14% as compared to the previous corresponding period of RMB1,172.3 million. The increase was mainly due to the increase in construction costs of new upgrade projects of Urban Water Treatment, and the increase in construction cost of newly signed EPC projects of Water Environment Comprehensive Remediation.

Gross Profit Margin

For the year ended 31 December 2025, the Group's gross profit margin was approximately 45%, representing a decrease of 3 percentage points as compared to the previous corresponding period of approximately 48%. The decrease was primarily due to the increase in the proportion of construction revenue.

財務分析

收益

截至二零二五年十二月三十一日止年度，本集團錄得收益人民幣2,426.9百萬元，較去年同期的人民幣2,261.3百萬元增加約7%。該增加主要是由於城鎮水務新提標項目的建設工程增加及水環境綜合治理新簽EPC項目的執行，使建設收益增加。

銷售成本

截至二零二五年十二月三十一日止年度，本集團的銷售成本為人民幣1,336.3百萬元（包括建設成本人民幣420.3百萬元及水處理廠的運營成本人民幣916.0百萬元），較去年同期的人民幣1,172.3百萬元增加約14%。該增加主要是由於城鎮水務新提標項目的建設成本增加及水環境綜合治理新簽EPC項目的建設成本增加。

毛利率

截至二零二五年十二月三十一日止年度，本集團毛利率約為45%，較去年同期約48%的毛利率下降了3個百分點。該下降主要是由於建設收益的佔比的提升。

Other Income and Gains

The Group recorded other income and gains of RMB89.3 million for the year ended 31 December 2025, representing an increase of approximately 34% as compared to the previous corresponding period of RMB66.8 million. The amount for the Reporting Period primarily included government grants of RMB32.7 million, which mainly comprised of VAT refund under "Notice on the Issuing of the Catalogue of Value-Added Tax Preferences for Products and Labor Services Involving the Comprehensive Utilization of Resources (Cai Shui [2015] No. 78)"* (關於印發《資源綜合利用產品和勞務增值稅優惠目錄》的通知(財稅[2015]78號文)) and grants for environmental protection, interest income of RMB12.5 million from loans to a third party, a joint venture, and an associate.

其他收入及收益

截至二零二五年十二月三十一日止年度，本集團錄得其他收入及收益人民幣89.3百萬元，較去年同期的人民幣66.8百萬元增加約34%。報告期內的金額主要包括政府補助人民幣32.7百萬元，其主要組成部分包括「關於印發《資源綜合利用產品和勞務增值稅優惠目錄》的通知(財稅[2015]78號文)」項下增值稅退稅以及環保補貼，向一家第三方、一家合營企業及一家聯營公司貸款而收取的利息收入人民幣12.5百萬元。

Administrative Expenses

The Group's administrative expenses for the year ended 31 December 2025 was RMB246.8 million, representing a decrease of approximately 13% as compared to the previous corresponding period of RMB284.0 million. The decrease was mainly due to the Group's adoption of refined management, optimization of internal management processes and strict control of non-essential expenses.

行政開支

截至二零二五年十二月三十一日止年度，本集團的行政開支為人民幣246.8百萬元，較去年同期的人民幣284.0百萬元減少約13%。該減少主要是由於本集團實行精細化管理、優化內部管理流程、嚴控非必要開支。

Other Expenses

Other expenses for the year ended 31 December 2025 was RMB137.5 million, representing a significant increase as compared to the previous corresponding period of RMB88.3 million. The increase was mainly due to the losses on disposal of subsidiaries to facilitate capital recovery.

其他開支

截至二零二五年十二月三十一日止年度，其他開支為人民幣137.5百萬元，較去年同期的人民幣88.3百萬元大幅增加。該增加主要是由於出售附屬公司以回籠資金產生的虧損。

Finance Costs

The Group's finance costs for the year ended 31 December 2025 was RMB446.8 million, representing a decrease of approximately 18% as compared to the previous corresponding period of RMB544.2 million. The decrease in finance costs was mainly due to the decrease in average borrowing rate of 0.79 percentage points as compared to the previous corresponding period, and the decrease in average balance of interest-bearing bank and other borrowings. The average interest rate for the Reporting Period was 4.72%.

融資成本

截至二零二五年十二月三十一日止年度，本集團的融資成本為人民幣446.8百萬元，較去年同期的人民幣544.2百萬元減少約18%。融資成本減少主要是由於平均借款利率較去年同期下降0.79個百分點，以及平均計息銀行借款和其他借款餘額的減少。報告期內平均利率為4.72%。

Share of Profits and Losses of Associates

The Group's share of profits of associates for the year ended 31 December 2025 was RMB0.8 million, representing a minor decrease as compared to the share of profits of associates of RMB1.1 million in the previous corresponding period. The Group will further execute practical ways to reduce the losses brought by the associates.

分佔聯營公司溢利及虧損

截至二零二五年十二月三十一日止年度，本集團分佔聯營公司溢利為人民幣0.8百萬元，較去年同期分佔聯營公司溢利人民幣1.1百萬元略有減少。本集團將進一步執行可行措施以減少聯營公司帶來的虧損。

* For identification purposes only

Share of Profits and Losses of Joint ventures

Share of losses of joint ventures for the year ended 31 December 2025 was RMB4.3 million, representing a minor increase as compared to share of losses of joint ventures of RMB3.1 million in the previous corresponding period. The Group will further execute practical ways to reduce the losses brought by the joint ventures.

分佔合營企業溢利及虧損

截至二零二五年十二月三十一日止年度，本集團分佔合營企業虧損為人民幣4.3百萬元，較去年同期分佔合營企業虧損人民幣3.1百萬元略有增加。本集團將進一步執行可行措施以減少合營企業帶來的虧損。

Income Tax Expense

Income tax expense for the year ended 31 December 2025 included the current PRC income tax of RMB53.6 million and deferred tax expenses of RMB47.3 million, which were RMB37.4 million and RMB28.0 million for the previous corresponding period, respectively. The Group's effective tax rate for the year ended 31 December 2025 was approximately 29%, representing an increase of 1 percentage point as compared with approximately 28% for the previous corresponding period, which was mainly due to the increase in effect of tax effect of disposal of subsidiaries.

所得稅開支

截至二零二五年十二月三十一日止年度的所得稅開支包括當期中國所得稅人民幣53.6百萬元及遞延稅項開支人民幣47.3百萬元，而去年同期分別為人民幣37.4百萬元及人民幣28.0百萬元。本集團截至二零二五年十二月三十一日止年度的實際稅率約為29%，較去年同期的約28%上升1個百分點，主要由於出售附屬公司的稅務影響增加。

Financial Receivables

金融應收款項

		As at 於 31 December 2025 二零二五年十二月三十一日 RMB'000 人民幣千元	31 December 2024 二零二四年十二月三十一日 RMB'000 人民幣千元
Receivables for service concession arrangements	服務特許經營安排應收款項	**11,504,306**	11,673,981
Portion classified as current	分類為即期的部分	**(1,976,967)**	(2,041,985)
Non-current portion	非即期部分	**9,527,339**	9,631,996

As at 31 December 2025, the Group's financial receivables of RMB11,504.3 million (31 December 2024: RMB11,674.0 million) decreased by RMB169.7 million, which was mainly due to the increase in the portion transferred to service concession intangible assets, and subsidiaries disposed, which were partially offset by the increase in financial receivables which were reclassified from contract assets once the construction and upgrade period is ended for the water treatment projects.

於二零二五年十二月三十一日，本集團金融應收款項為人民幣11,504.3百萬元(二零二四年十二月三十一日：人民幣11,674.0百萬元)，減少人民幣169.7百萬元，主要是由於轉入無形資產 — 服務特許經營的部分增加以及出售附屬公司所致，相應減少被水處理項目建造及提標改造週期結束後而從合約資產重新分類至金融應收款項的增加所部分抵銷。

Management Discussion and Analysis

Cash and Cash Equivalents

As at 31 December 2025, the Group's cash and cash equivalents of RMB259.0 million (31 December 2024: RMB177.1 million) increased by RMB81.9 million as compared with that as at the end of previous period. The increase was due to the increase in cash inflows in operating activities of the Group.

現金及現金等價物

於二零二五年十二月三十一日，本集團現金及現金等價物為人民幣259.0百萬元（二零二四年十二月三十一日：人民幣177.1百萬元），較去年期末增加人民幣81.9百萬元。該增加主要是由於本集團經營活動的現金流入增加所致。

		For the year ended 31 December 截至十二月三十一日止年度	
		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Net cash flows from operating activities[1]	經營活動所得現金流量淨額[1]	**681,140**	403,143
Net cash flows from investing activities	投資活動所得現金流量淨額	**7,298**	151,770
Net cash flows used in financing activities	融資活動所用現金流量淨額	**(606,537)**	(626,024)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額	**81,901**	(71,111)
Effect of foreign exchange rate changes	外匯匯率變動的影響	**(46)**	(153)
Cash and cash equivalents at beginning of the period	於期初的現金及現金等價物	**177,096**	248,360
Cash and cash equivalents at end of the period	於期末的現金及現金等價物	**258,951**	177,096
Cash and cash equivalents attributable to a disposal group classified as held for sale	分類為持有待售的出售組別應佔的現金及現金等價物	**–**	(54,938)
Cash and cash equivalents as stated in the statement of financial position	財務狀況表內所列現金及現金等價物	**258,951**	122,158

Note:

(1) For the year ended 31 December 2025 and 2024, the Group invested RMB199.9 million and RMB165.1 million, respectively, in the Group's BOT/TOT and PPP projects. Such investments were accounted for as cash flows used in operating activities. Under the relevant accounting treatment, part of such cash outflows used in operating activities was used to form the non-current portion of financial receivables and contract assets in the Group's consolidated statement of financial position. For the year ended 31 December 2025 and 2024, the Group would have incurred cash inflows of RMB881.0 million and RMB568.2 million, respectively, if the Group's investments in BOT/TOT and PPP activities were not accounted for as cashflows used in operating activities

附註：

(1) 截至二零二五年及二零二四年十二月三十一日止年度，本集團於BOT/TOT及PPP項目分別投資人民幣199.9百萬元及人民幣165.1百萬元。該等投資計入經營活動所用現金流量。根據相關會計處理，經營活動所用部分現金流出乃用於形成本集團綜合財務狀況表內金融應收款項及合約資產的非即期部分。截至二零二五年及二零二四年十二月三十一日止年度，倘本集團於BOT/TOT及PPP業務的投資並無入賬列為經營活動所用現金流量，本集團將分別產生現金流入人民幣881.0百萬元及人民幣568.2百萬元。

Trade and Bills Payables

As at 31 December 2025, the Group's trade and bills payables of RMB1,562.0 million (31 December 2024: RMB1,849.7 million) decreased by RMB287.7 million. The decrease was primarily due to the subsidiaries disposed in the Reporting Period.

貿易應付款項及應付票據

於二零二五年十二月三十一日，本集團貿易應付款項及應付票據為人民幣1,562.0百萬元（二零二四年十二月三十一日：人民幣1,849.7百萬元），減少人民幣287.7百萬元。該減少主要由於報告期內出售附屬公司所致。

Other Payables and Accruals

As at 31 December 2025, the Group's other payables and accruals of RMB130.9 million (31 December 2024: RMB142.0 million), decreased by RMB11.1 million, which was mainly due to the decrease in salary and welfare payables, the decrease in advance equity payment, which were partially offset by the increase in other operational payables.

其他應付款項及應計費用

於二零二五年十二月三十一日，本集團其他應付款項及應計費用為人民幣130.9百萬元（二零二四年十二月三十一日：人民幣142.0百萬元），減少人民幣11.1百萬元，主要由於應付工資及福利的減少，預收股權款項的減少，部分被及其他經營應付款的增加所抵銷。

Liquidity and Financial Resources

The Group's principal liquidity and capital requirements primarily relate to investments in Urban Water Treatment projects, Water Environment Comprehensive Remediation projects, and Rural Water Improvement projects, merger and acquisition of subsidiaries, costs and expenses related to the operation and maintenance of the Group's facilities, working capital and general corporate purpose.

流動資金及財務資源

本集團的主要流動性及資本需求主要與投資城鎮水務項目、水環境綜合治理項目及鄉村污水治理項目、合併及收購附屬公司、運營及維護本集團設施相關的成本及開支、營運資金及一般公司用途有關。

As at 31 December 2025, the carrying amount of the Group's cash and cash equivalents was RMB259.0 million, representing an increase of approximately RMB81.9 million as compared to RMB177.1 million as at 31 December 2024, which was mainly due to the net cash inflows of RMB681.1 million from operating activities, the net cash outflows used in financing activities of RMB606.5 million for debt repayment and interest payment.

於二零二五年十二月三十一日，本集團現金及現金等價物的賬面值為人民幣259.0百萬元，較二零二四年十二月三十一日的人民幣177.1百萬元增加約人民幣81.9百萬元，主要是由於經營活動現金淨流入人民幣681.1百萬元，因償債及付息等融資活動所用現金淨流出人民幣606.5百萬元。

As at 31 December 2025, the Group's total interest-bearing debts decreased to RMB9,336.7 million (31 December 2024: RMB9,610.3 million), 63.5% (31 December 2024: 69.2%) of the Group's interest-bearing debts are long term; over 70% of interest-bearing bank and other borrowings bear interest at floating rates.

於二零二五年十二月三十一日，本集團的計息債務總額減少至人民幣9,336.7百萬元（二零二四年十二月三十一日：人民幣9,610.3百萬元），本集團的計息債務中的63.5%（二零二四年十二月三十一日：69.2%）屬長期債務；超過70%的計息銀行及其他借款按浮動利率計息。

As at 31 December 2025, the Group had banking facilities amounting to RMB9,092.3 million, of which RMB1,642.9 million have not been utilized. The unutilized amount of RMB278.8 million were mainly limited to be utilized on environmental protection infrastructure and comprehensive management.

於二零二五年十二月三十一日，本集團的銀行授信額度為人民幣9,092.3百萬元，其中人民幣1,642.9百萬元並未動用。未動用金額人民幣278.8百萬元主要受限制用於投資環保基礎設施及綜合治理。

As at 31 December 2025, the gearing ratio of the Group (calculated by total liabilities divided by total assets) decreased by 2.4 percentage points as compared with the previous corresponding period, decreased to 66.2%, while the gearing ratio was 68.6%, as at the corresponding period last year.

於二零二五年十二月三十一日，本集團資產負債比率(按負債總額除以資產總值計算)同比下降2.4個百分點，降低至66.2%，而於去年同期的資產負債比率為68.6%。

Charges on the Group's Assets

Outstanding balance of interest-bearing bank and other borrowings as at 31 December 2025 was approximately RMB9,336.7 million, which were repayable within one month to twenty years and were secured by financial receivables, service concession intangible assets, investment properties, trade receivables, equity interests in an investment company, contract assets, pledged deposits, and property, plant and equipment of which the total amounts of the pledge of assets amounted to RMB9,818.4 million.

本集團資產抵押

於二零二五年十二月三十一日，計息銀行借款和其他借款的未償還結餘約為人民幣9,336.7百萬元，須於一個月至二十年期間償還，且由金融應收款項、無形資產 — 特許經營權、投資物業、貿易應收款項、一家投資公司的股權、合約資產、抵押存款、以及物業、廠房及設備所抵押，其中所質押資產的總額為人民幣9,818.4百萬元。

Capital Expenditure

During the year ended 31 December 2025, the Group's total capital expenditure were RMB312.3 million, compared to RMB203.8 million in 2024, mainly representing the consideration of approximately RMB310.6 million for construction and acquisition of BOT, TOT, BOO and PPP projects.

資本支出

截至二零二五年十二月三十一日止年度，本集團資本支出總額為人民幣312.3百萬元，二零二四年為人民幣203.8百萬元，主要是BOT、TOT、BOO及PPP項目的建設支出及收購代價約人民幣310.6百萬元。

EMPLOYEES AND REMUNERATION POLICIES

The Group had 2,187 employees as at 31 December 2025. The remuneration package of the Group is generally determined with reference to market conditions and individual performance. Salaries are normally reviewed annually based on performance appraisals and other relevant factors. The Group provides external and internal training programs to its employees.

僱員及薪酬政策

於二零二五年十二月三十一日，本集團聘有2,187名僱員。本集團的薪酬組合一般參照市場情況及個人表現釐定。薪金一般會根據表現評核及其他相關因素每年進行檢討。本集團為其僱員提供外部及內部培訓計劃。

In respect of pension scheme contributions, the Group adopts a defined contribution plan. The Group's contributions to the defined contribution plan are recognised as expenses when incurred. Forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) may not be used by the Group and its subsidiaries to reduce the existing level of contributions.

就退休金計劃供款而言，本集團採納一項界定供款計劃。本集團向界定供款計劃作出的供款於產生時確認為開支。本集團及其附屬公司不可使用被沒收供款(由僱主代表於有關供款全數歸屬前退出計劃的僱員作出)以減低現有供款水準。

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any significant contingent liabilities (31 December 2024: Nil).

FOREIGN EXCHANGE RISK

Majority of the subsidiaries of the Company operate in the PRC with

Directors and Senior Management
董事及高級管理層

EXECUTIVE DIRECTORS (Continued)

Ms. Liu Yujie (劉玉杰), aged 61, was graduated from University of International Business and Economic* (對外經濟貿易大學) located in Beijing and obtained a master degree in business administration. Ms. Liu Yujie has been working in Hong Kong, Singapore and the Chinese mainland for over 20 years in total and is familiar with the business environment and regulatory system of the three places. She has comprehensive experience in capital market, business promotion and corporate management, participated in IPO and underwriting of over 30 companies on the Hong Kong Stock Exchange, led and completed merger and acquisition of three companies in Hong Kong and Singapore, assisted capital raising and management of large-scale industrial fund for investment in the PRC, and acted as executive directors of listed companies in Hong Kong and Singapore which engaged in utilities and infrastructure investment. She is currently an executive director of New Universe Environmental Group Limited (stock code: 436), an independent non-executive director of Zhongyu Energy Holdings Limited (stock code: 3633), and was a director of China Water from 2014 to 2025, which are listed on the main board of the Hong Kong Stock Exchange. She joined the Group in 2019.

Mr. Duan, Jerry Linnan (段林楠), aged 35, studied in Beijing Normal University with a major in psychology. He joined China Water as the president assistant in 2011, mainly focusing on hotel operating and intelligent water businesses. At the same time, Mr. Duan, Jerry Linnan assisted the directors of China Water in capital market and investor relations, etc. In 2015, Mr. Duan, Jerry Linnan was appointed as the general manager of the hotel under China Water in Nanjing, and was in charge of the construction, procurement and daily operation of various hotels of China Water. Mr. Duan, Jerry Linnan has comprehensive experiences in human resources and corporate management. Currently, he is also an executive director of China Water. He is the son of Mr. Duan Chuan Liang, a substantial shareholder of the Company. He joined the Group in 2019.

執行董事 (續)

劉玉杰女士，61歲，畢業於位於北京的對外經濟貿易大學，獲工商管理碩士學位。劉玉杰女士在香港、新加坡及中國大陸三地工作合計超過二十年，並熟悉三地的營商環境及監管體系。彼於資本市場、業務推廣及企業管理方面擁有豐富經驗；曾參與三十多間公司在聯交所的首次公開發售及包銷；在香港及新加坡主導並完成三間公司合併收購；協助於中國的大型產業基金投資的集資和管理；及擔任多家從事公用事業及基礎設施投資的香港及新加坡上市公司的執行董事。彼現時亦為新宇環保集團有限公司(股份代號：436)的執行董事及中裕能源控股有限公司(股份代號：3633)的獨立非執行董事，並曾於二零一四至二零二五年擔任中國水務的董事，該等公司均於聯交所主板上市。彼於二零一九年加入本集團。

段林楠先生，35歲，就讀於北京師範大學心理專業。彼於二零一一年加入中國水務，任總裁助理，主要專注於酒店經營和智慧水務業務。同時，段林楠先生協助中國水務董事負責資本市場和投資者關係等方面工作。段林楠先生於二零一五年獲委任為中國水務旗下於南京的酒店總經理，並負責中國水務內多間酒店建設、採購及日常運營。段林楠先生在人力資源及企業管理方面擁有豐富經驗。現時，彼亦擔任中國水務執行董事。彼為本公司主要股東段傳良先生之子。彼於二零一九年加入本集團。

Directors and Senior Management
董事及高級管理層

NON-EXECUTIVE DIRECTOR

Mr. Zhao Juanxian (alias, Zhao Junxian) (趙雋賢), aged 73, is the founder of the Group. He was an executive Director, and the co-chairman of the Board (the "Co-Chairman") of the Company during the year ended 31 December 2024 and ceased to be the Co-Chairman and re-designated as non-executive Director with effect from 1 January 2025. He was responsible for strategic development and planning, overall operational management, market development and major decision making. He was appointed as a Director on 22 August 2011. He has acted as a director and the chief executive officer of Chongqing Kangda since the beginning of the establishment of Chongqing Kangda and ceased to be the chief executive officer of Chongqing Kangda in September 2012. Mr. Zhao has served as the chairman of the board of directors and general manager of Chongqing Kangte Environmental Protection Industry Holdings Co., Ltd.* (重慶康特環保產業控股有限公司) since November 1994. He graduated from the political administration at elementary level* (黨政幹部基礎科專業) from Sichuan University* (四川大學) located in Chengdu City, Sichuan Province, and Sichuan Higher Vocational and Examination Committee* (四川省高等中專教育自學考試指導委員會) in June 1988, and attended a one-month education programme of Sichuan foreign-related business from Shenzhen University* (深圳大學) located in Shenzhen City, Guangdong Province, in July 1988.

Mr. Zhao Juanxian has over 25 years of experience in the environmental protection and wastewater treatment industry and was awarded for several times for his valuable contribution to the development of environmental protection and his expertise in environmental protection technology by relevant environmental protection industry associations from 2004 to 2009. Mr. Zhao Juanxian was granted the title of Outstanding Environmental Technology Entrepreneurs by the Chinese Society for Environmental Sciences* (中國環境科學學會) in September 2004. He received the China Environmental Protection Industry Development Award granted by the China Association of Environmental Protection Industry* (中國環境保護產業協會) in January 2005. He was also granted the title of Outstanding Individual of Environmental Protection by the People's Government of Chongqing Municipal* (重慶市人民政府) in July 2006 and Outstanding Entrepreneur of China Environmental Protection Industry by China Association of Environmental Protection Industry* (中國環境保護產業協會) in October 2009. Mr. Zhao Juanxian served as the vice president of the 3rd and 4th Session of Chongqing Municipal Environmental Protection Industry Association* (重慶市環境保護產業協會第三屆及第四屆理事會) in 2005 and 2012, respectively, and the vice president of the 3rd and 4th Session of China Association of Environmental Protection Industry* (中國環境保護產業協會第三屆及第四屆理事會) in 2005 and 2009, respectively. In January 2015, he served as the vice chairman of the board of directors of China State-owned Industry Innovation Alliance (中國國資國企產業創新戰略聯盟) and the vice chairman of the board of directors of Hong Kong-Mainland International Investment Society (香港國際投資總會), respectively.

非執行董事

趙雋賢先生，73歲，本集團創辦人。彼於截至二零二四年十二月三十一日止年度為本公司的執行董事兼本公司董事會聯席主席(「聯席主席」)，並自二零二五年一月一日起辭任聯席主席及調任為非執行董事。彼負責策略開發及規劃、整體運營管理、市場開發及主要決策制定。彼於二零一一年八月二十二日獲委任為董事。彼自重慶康達成立起擔任重慶康達董事兼行政總裁，並於二零一二年九月起終止擔任重慶康達行政總裁。自一九九四年十一月，趙先生擔任重慶康特環保產業控股有限公司董事會主席兼總經理。彼於一九八八年六月從四川大學(位於四川省成都市)及四川省高等中專教育自學考試指導委員會取得黨政幹部基礎科專業畢業證書，並於一九八八年七月參加深圳大學(位於廣東省深圳市)為期一個月的四川外國相關業務教育課程。

趙雋賢先生擁有超過25年的環保及污水處理行業經驗，於二零零四年至二零零九年間因其對環保發展作出的寶貴貢獻及其在環保技術方面的專業知識而屢次獲相關環保行業協會授予獎項。趙雋賢先生於二零零四年九月獲中國環境科學學會授予優秀環境科技實業家稱號。彼於二零零五年一月獲中國環境保護產業協會授予中國環保產業發展貢獻獎。彼亦於二零零六年七月獲重慶市人民政府授予環境保護先進個人稱號及於二零零九年十月獲中國環境保護產業協會授予中國環保產業優秀企業家稱號。趙雋賢先生分別於二零零五年及二零一二年擔任重慶市環境保護產業協會第三屆及第四屆理事會副會長並分別於二零零五年及二零零九年擔任中國環境保護產業協會第三屆及第四屆理事會副會長。於二零一五年一月，分別擔任中國國資國企產業創新戰略聯盟副理事長和香港國際投資總會董事會副主席。

Directors and Senior Management
董事及高級管理層

獨立非執行董事

周錦榮先生，63歲，在審計、稅務及財務管理方面擁有逾三十年經驗，亦曾於多間聯交所上市公司任職財務總監。周先生於二零零零年獲取美國三藩市大學(University of San Francisco)的工商管理碩士學位。彼亦為英國特許公認會計師公會資深會員及香港會計師公會的執業會員。周先生現為盈利時控股有限公司（股份代號：6838）的財務董事，以及譚木匠控股有限公司（股份代號：837謙

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Peng Yongzhen (彭永臻), aged 77, was graduated from Harbin Institute of Technology* (哈爾濱工業大學) (formerly known as Harbin University of Architecture and Engineering (哈爾濱建築大學), the same below) with a doctor degree in environmental engineering and was a senior visiting scholar in Gunma University (日本群馬大學) from October 1996 to April 1997. Mr. Peng previously held various positions in water supply and sewerage engineering major in the urban construction department of Harbin Institute of Technology* (哈爾濱工業大學), including the teaching assistant position from September 1976 to October 1978, the teaching assistant, lecturer and associate professor positions from December 1981 to September 1993, and the professor position from September 1993 to February 2000. Since 2000, he has been a chief professor of the environment engineering department, a professor, a tutor of doctoral candidates and the chief of the environmental engineering department and water pollution control research laboratory in Beijing University of Technology* (北京工業大學), Director of National Engineering Lab for Advanced Municipal Wastewater Treatment and Reuse Technology ("城鎮污水深度處理與資源化利用技術"國家工程實驗室) and the chief of Beijing Engineering Technology Research Center of Sewage Nitrogen and Phosphorus Removal* (北京市污水脫氮除磷處理工程技術研究中心) of Beijing University of Technology, concurrently.

He has long been engaged in the research of urban sewage disposal measures, of which some technological achievements have been massively applied into practice. Mr. Peng has earned diverse national-level titles and awards for his academic achievements, including without limitations National Role Model Lecturer* (全國模範教師) in 2007, National Outstanding Faculty* (國家教學名師) in 2009 and National Excellent Technical Personnel* (全國優秀科技工作者) in 2012. He was selected to be one of the first talents sponsored by National Special Support Plan for High-level Personnel* (國家高層次人才特殊支持計劃) in 2013. He was granted the Second Prize of the State Scientific and Technological Progress Award* (國家科技進步獎) in 2004, 2009 and 2012, respectively, the Second Prize of the State Technology Invention Award* (國家科技發明獎) in 2020, the First Prize of Beijing Science and Technology Progress Award* (北京市科技進步獎) in 2012 and 2020, respectively, the First Prize of Shanghai Science and Technology Award for Technical Invention* (上海市科技發明獎) in 2020, and awarded the Ho Leung Ho Lee Foundation Prize for Scientific and Technological Progress 2021 (二零二一年度何梁何利基金科學與技術進步獎). Mr. Peng received a special allowance from China's State Council in 2000, and was appointed as member of Chinese Academy of Engineering (中國工程院) in 2015. He joined the Group in 2015. He is also the chairman of the remuneration committee and a member of the audit committee and nomination committee of the Company.

獨立非執行董事(續)

彭永臻先生，77歲，畢業於哈爾濱工業大學(原稱哈爾濱建築大學，下同)，持有環境工程博士學位，並於一九九六年十月至一九九七年四月任日本群馬大學高級訪問學者。彭先生之前曾在哈爾濱工業大學城市建設系給水排水工程專業擔任多個職位，包括於一九七六年九月至一九七八年十月任職助教；於一九八一年十二月至一九九三年九月任職助教、講師及副教授；以及於一九九三年九月至二零零零年二月任職教授。自二零零零年起，彼一直為北京工業大學環境工程學科首席教授、環境工程系及水污染防治研究室的教授、博士生導師及系主任，並兼任「城鎮污水深度處理與資源化利用技術」國家工程實驗室主任、北京工業大學北京市污水脫氮除磷處理工程技術研究中心的主任。

彼長期從事城市污水處理措施的研究工作，其中部分技術成果已廣泛實踐。彭先生因其學術成就而贏得多個國家級稱號及獎項，包括但不限於二零零七年獲全國模範教師、二零零九年獲國家教學名師及二零一二年獲全國優秀科技工作者。彼於二零一三年獲選為首批國家高層次人才特殊支持計劃贊助的人才之一。彼分別於二零零四年、二零零九年及二零一二年獲頒國家科技進步獎二等獎，二零二零年獲頒國家科技发明獎二等獎，於二零一二年及二零二零年獲頒北京市科技進步獎一等獎，於二零二零年獲頒上海市科技发明獎一等獎，及獲頒二零二一年度何梁何利基金科學與技術進步獎。彭先生於二零零零年獲得中國國務院特別津貼，於二零一五年增選為中國工程院院士。彼於二零一五年加入本集團。彼亦為本公司薪酬委員會之主席以及審核委員會及提名委員會之成員。

Corporate Governance Report
企業管治報告

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to the recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that lead to the success of the Company and in balancing the interests of Shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

During the year ended 31 December 2025, the Company has complied with all the applicable provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Group further strengthened the control over budget, risk, performance and responsibilities, optimised management approaches and strategies, improved supporting mechanism and enhanced control effectiveness and operational efficiency of the Group.

The Group enhanced overall control over target responsibilities and budget control, which was promoted and implemented within the entities under the Group as well as management level, and implemented the main body responsibility system through organic combination of the trinity to fully stimulate team members' initiative.

The Group also took initiative to enhance efforts in fund management, financial risk control, project investment decisions, legal risk control, information disclosure and maintenance of investor relationship to strive for more effective and transparent management in accordance with the CG Code.

企業管治常規

配合及遵守企業管治原則及常規的公認標準一直為本公司最優先原則之一。董事會相信良好的企業管治是引領本公司走向成功及平衡股東、客戶以及僱員之間利益關係的因素之一，董事會致力於持續改善該等原則及常規的效率及有效性。

截至二零二五年十二月三十一日止年度，本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄C1所載企業管治守則(「企業管治守則」)所有適用條文。

本集團進一步加強預算、風險、績效和責任管控，優化管理手段與策略，完善配套機制，增強本集團管控效力，提高運營效率。

本集團強化目標責任與預算控制的全面管控，並在全集團內部各單位和管理層級進行推廣和執行，落實主體責任制，實現責權利三位一體有機結合，充分調動團隊成員的積極性。

本集團亦根據企業管治守則，積極加強在資金管理、財務風險控制、項目投資決策、法律風險控制、信息披露、投資者關係維護等方面的努力，以圖集團管理更加高效透明。

OUR CULTURE

The Group is one of the first private enterprises in the environmental pollution treatment industry in Chinese mainland. With the corporate mission of "creating an environment with greener water, lusher mountains and bluer skies" and the corporate vision of "leading the environmental protection industry and making Kangda International a century-old company", the Group is engaged in urban sewage treatment, water environment comprehensive remediation and rural water improvement in Chinese mainland, providing customised and comprehensive sewage treatment solutions and services to our customers.

企業文化

本集團是中國內地環境污染治理行業首批民營企業之一，以「讓水更綠，讓山更青，讓天更藍」為企業使命，以「創環保一流，鑄百年康達」為企業願景，在中國大陸從事城鎮污水處理、水環境綜合治理和鄉村污水治理等業務，向客戶提供訂製及綜合的污水處理解決方案及服務。

OUR CULTURE (Continued)

In the course of business, the Group adheres to high standards and strict requirements on engineering and operation quality and regards occupational health, safety in production and environmental protection as an important part of fulfilling social responsibilities, which are integrated into the Company's sustainable development strategy. We have been certified by the Ministry of Housing and Urban-Rural Development as an enterprise qualified as a Class A General Construction Contractor of Municipal and Public Works and Class B Contractor of Environmental Engineering Works, as well as the CAEPI level-1 industrial wastewater and domestic sewage operation and service ability evaluation certification, ISO9001 Quality Management System, ISO14001 Environmental Management System, and ISO45001 Occupational Health And Safety Management System certifications. A number of environmental protection projects led by us have also won the National Important Environmental Protection Practical Technology Demonstration Project Award. The Group is well-recognised in the environmental protection industry in the Mainland. The Group is currently the deputy chairman unit of the National Industrial and Commercial and Environmental Protection Association (全國工商環境協會) and a member of the China Environment Protection Industry Association, as well as a winner of the Contribution Award for Integrity Construction in the Ecological and Environmental Protection Industry awarded by the China Association of Environmental Protection Industry and a AAA Credit Enterprise.

The Group requires all employees to actively practice the corporate core values of "sincere commitment and repaying the society". We have established management rules and regulations that meet the requirements of public enterprises, including "Employee Handbook", "Anti-Fraud Management System", "Employee Whistleblowing Policy", etc. Meanwhile, through employee cultural training, we advocate integrity and self-discipline, enhance the compliance awareness of all employees, and make employees deeply understand the corporate culture and integrate it into their daily work. In order to advocate a green and low-carbon culture, we continue to pay attention to the development of new technologies, actively apply new technologies in the construction and operation of sewage treatment projects, improve energy efficiency, and actively organise various operating companies to carry out tree planting activities to promote low-carbon travel.

企業文化 (續)

在開展業務的時候，本集團堅持以高標準嚴格要求工程及運營質量，把職業健康、安全生產、環境保護作為履行社會責任的一項重要內容，貫穿於公司可持續發展戰略中。我們獲得國家住建部市政公用工程建設施工總承包壹級資質企業和環保工程專業承包貳級企業的資格肯定，亦先後通過了中國環境保護產業協會工業廢水、生活污水一級運行服務能力評價認證、ISO9001質量管理體系、ISO14001環境管理體系、ISO45001職業健康安全管理體系認證。由我們主導的多個環保工程項目也曾榮獲國家重點環境保護實用技術示範工程。本集團在內地環保行業中備受肯定，目前是全國工商環境協會副會長單位及中國環境保護產業協會會員，及中國環協生態環保產業誠信建設貢獻獎獲得企業和AAA級信用企業。

本集團要求全體員工積極踐行「誠信盡責，回報社會」的企業核心價值觀，我們制定了符合公眾企業要求的管理規章，包括《員工手冊》、《反舞弊管理制度》、《員工舉報政策》等。同時通過員工文化培訓，倡導廉潔自律，提升全員合規意識，讓員工深入理解企業文化並融入日常工作之中。為倡導綠色、低碳文化，我們持續關注新技術的開發，在污水治理工程建設和營運中積極應用新技術，提高能源利用率，亦積極組織轄屬各運營公司開展植樹活動，提倡低碳出行。

OUR CULTURE (Continued)

We adhere to the philanthropic concept of "Goodness and Greatness for Contribution to Integrity Construction in the Ecological and Environmental Protection Industry" pooling the strength of each employee and focusing on two major community development directions: green co-construction and public welfare. With a heart full of gratitude, we give back to society, continuously carry out various public welfare activities, and strive to deliver greater value for society. In order to popularise environmental protection knowledge and skills, spread positivity, and disseminate new knowledge, we organised the "Public Open Day for Environmental Protection Facilities" campaign in each factory, inviting the public to visit our factories to learn, helping them to understand the capabilities and effectiveness of wastewater treatment facilities, and raising public awareness of ecological environment protection, water conservation, and water environment protection.

We will continue to focus on building an environment-friendly and resource-saving enterprise to achieve the harmonious development of people, nature and the environment.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules as a code of conduct regarding the Directors' dealings in the Company's securities. Having made specific enquiries of all the Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the year ended 31 December 2025.

THE BOARD OF DIRECTORS

The Board is responsible for leadership and control of the Company and overseeing the Group's businesses, strategic decisions and performance. The Board has delegated to the chief executive officer, of which the Directors also undertake, and through him, to the senior management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

企業文化 (續)

我們秉持「執善心、築生態環保產業誠信建設貢獻大業」的慈善理念，凝聚每一位員工的愛心力量，並圍繞綠色共建和公益慈善兩大社區建設方向，懷抱感恩之心反哺社會，持續開展各類公益活動，致力於為社會創造更大價值。為普及環境保護知識與技能，傳遞正能量，傳播新知識，我們在各工廠開展「環保設施公眾開放日」活動，邀請公眾實地參觀學習，幫助公眾了解污水處理設施的治污能力和治污效果，提高公眾生態環境保護、節約水資源、保護水環境的意識。

我們將繼續著力建設環境友好型、資源節約型企業，實現人、自然、環境的和諧發展。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄C3所載《上市發行人董事進行證券交易的標準守則》(「標準守則」) 作為董事買賣本公司證券的行為守則。經向全體董事作出具體查詢，各董事已確認，彼等已於截至二零二五年十二月三十一日止年度內遵守標準守則所載的規定標準。

董事會

董事會負責領導及控制本公司，並監督本集團的業務、戰略決定及表現。董事會已向行政總裁授權而董事亦承擔，並透過行政總裁向高級管理層轉授權力及職責，負責本集團日常管理及運作。此外，董事會已成立董事委員會，並向該等董事委員會授予多項職責，有關職責載於其各自的職權範圍內。

THE BOARD OF DIRECTORS (Continued)

The Board is collectively responsible for performing the corporate governance duties and formalised the inclusion of the following corporate governance duties into the terms of reference of the Board:

a. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

b. to define the Company's purpose, value and strategy and review alignment with corporate culture;

c. to review and monitor the training and continuous professional development of directors and senior management;

董事會 (續)

董事會共同負責履行企業管治責任，並將以下企業管治責任納入董事會權責範圍內：

a. 制定及檢討本公司的企業管治政策及常規，並向董事會作出推薦建議；

b. 界定本公司的宗旨、價值及戰略，並檢討與企業文化的一致性；

c. 檢討及監察董事及高級管理層的培訓及持續專業發展；

d. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；

e. 制定、檢討及監察適用於僱員及董事的操守準則、反舞弊、舉報政策及合規手冊(如有)；及

f. 檢討本公司遵守企業管治守則的情況及在本公司年報中的企業管治報告的披露。

董事會已檢討及批准本年報所載的企業管治報告。董事會亦已檢討本公司的企業管治政策及常規以及遵守法律及監管規定的情況。

THE BOARD OF DIRECTORS (Continued)

As at 31 December 2025 and up to the date of this annual report, the composition of the Board is set out below:

Executive Directors

Li Zhong *(Chairman)*
(ceased to be Chairman with effect from 4 February 2026)
Liu Yujie
Duan, Jerry Linnan
Zhou Wei (resigned with effect from 4 February 2026) (((((((

董事會 (續)

於二零二五年十二月三十一日及直至本年報日期，董事會的組成載列如下：

執行董事

李中 *(主席)*
(自二零二六年二月四日起不再擔任主席)
劉玉杰
段林楠
周偉(自二零二六年二月四日起辭任)
杜林東 *(主席)* (於二零二六年二月四日獲委任為執行董事兼主席)

非執行董事

趙雋賢(自二零二五年一月一日起不再擔任聯席主席，並調任為非執行董事)

獨立非執行董事

周錦榮
常清
彭永臻

董事之間概無財務、業務、家族或其他重大／相關關係。

於截至二零二五年十二月三十一日止年度，董事會一直遵守上市規則有關委任至少三名獨立非執行董事，且其中至少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識的規定。

本公司已收到各獨立非執行董事根據上市規則第3.13條提交的年度獨立性確認書，且本公司認為，根據上市規則所載獨立性指引，所有獨立非執行董事均為獨立人士。

企業管治守則的守則條文規定，董事須向發行人披露其於公眾公司或組織所擔任職位的數目及性質、其他重大承擔以及公眾公司或組織的性質及有關職務所涉及的時間，各董事已同意及時向本公司披露其承擔。

委任及重選董事(續)

根據本公司的組織章程細則(「組織章程細則」),

DIRECTORS' TRAINING

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

During the year ended 31 December 2025, the Directors participated in the following continuous professional development:

董事的培訓

本公司致力就全體董事的持續專業發展為彼等安排合適的培訓，並提供資助。全體董事亦了解持續專業發展的重要性，並承諾參與任何合適的培訓，以發展及更新彼等的知識及技能。

截至二零二五年十二月三十一日止年度，各董事已出席以下的持續專業發展：

Name of Directors	董事姓名	Reading Materials update on rules and regulations 更新有關規則及法規的閱讀材料
Executive Directors	**執行董事**	
Li Zhong *(Chairman)* (ceased to be Chairman with effect from 4 February 2026)	李中*(主席)*(自二零二六年二月四日起不再擔任主席)	
Liu Yujie	劉玉杰	
Duan, Jerry Linnan *(Chief Executive Officer)*	段林楠*(行政總裁)*	
Zhou Wei *(Chief Financial Officer)* (resigned with effect from 4 February 2026)	周偉*(財務總監)*(於二零二六年二月四日起辭任)	
Non-executive Directors	**非執行董事**	
Zhao Juanxian (alias, Zhao Junxian) (ceased to be Co-Chairman and re-designated as non-executive director with effect from 1 January 2025)	趙雋賢(自二零二五年一月一日起辭任聯席主席並調任為非執行董事)	
Independent Non-executive Directors	**獨立非執行董事**	
Chau Kam Wing Donald	周錦榮	
Chang Qing	常清	
Peng Yongzhen	彭永臻	

BOARD MEETINGS

The Board is provided with relevant materials in relation to the matters brought before the meetings. Reasonable notices of meetings are given to the Directors and the Directors are encouraged to express freely their independent views and propose new items as any other business for discussion at the meetings. The Directors have separate access to the Company's senior management for information at all times and may seek independent professional advice at the Company's expenses, if necessary, to ensure that independent views and opinions are available to the Board. Minutes are kept by the company secretary and are open for inspections by all Directors at any reasonable time. Procedures for convening meetings of the Board and Board committees and preparing minutes of the meetings have complied with the requirements of the Articles of Association and applicable rules and regulations.

The attendance records of each Director at the Board meetings and the annual general meeting during the year ended 31 December 2025 are set out below:

董事會會議

董事獲提供有關偃会与清

Name of Directors	董事姓名	Attendance/ Number of Board Meetings 董事會會議 出席次數／舉行次數	Attendance/ Number of General Meeting 股東大會 出席次數／舉行次數
Executive Directors	**執行董事**		
Li Zhong *(Chairman)* (ceased to be Chairman with effect from 4 February 2026)	李中 *(主席)* (自二零二六年二月四日起不再擔任主席)	13/13	1/1
Liu Yujie	劉玉杰	13/13	1/1
Duan, Jerry Linnan *(Chief Executive Officer)*	段林楠 *(行政總裁)*	13/13	1/1
Zhou Wei *(Chief Financial Officer)* (resigned with effect from 4 February 2026)	周偉 *(財務總監)* (於二零二六年二月四日起辭任)	13/13	1/1
Non-executive Directors	**非執行董事**		
Zhao Juanxian (alias, Zhao Junxian) (ceased to be Co-Chairman and re-designated as non-executive director with effect from 1 January 2025)	趙雋賢 (自二零二五年一月一日起不再為聯席主席並調任為非執行董事)	13/13	1/1
Independent Non-executive Directors	**獨立非執行董事**		
Chau Kam Wing Donald	周錦榮	13/13	1/1
Chang Qing	常清	13/13	1/1
Peng Yongzhen	彭永臻	13/13	1/1

Corporate Governance Report
企業管治報告

DELEGATION BY THE BOARD

The Board undertakes responsibility for decision making in major Company matters, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to its Chief Executive Officer and the senior management.

BOARD COMMITTEES

The Board has established three committees, namely, the nomination committee, the remuneration committee and the audit committee.

NOMINATION COMMITTEE

The Company has established a nomination committee (the "Nomination Committee") to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the chief executive. As at 31 December 2025, the Nomination Committee consisted of two executive Directors and three independent non-executive Directors, comprising Mr. Chau Kam Wing Donald (chairman), Mr. Li Zhong, Ms. Liu Yujie, Mr. Peng Yongzhen and Mr. Chang Qing.

The Nomination Committee reviewed the size, structure and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board to complement the Group's corporate strategy and made recommendations to the Board on the appointment and re-appointment of Directors during the year ended 31 December 2025. The Nomination Committee also assessed the independence of independent non-executive directors of the Company.

董事會授權

董事會負責對本公司重大事宜作出決策，包括批准及監督所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易(尤其是可能涉及利益衝突的交易)、財務資料及其他重大財務及運作事宜。

全體董事可及時取得所有相關資料以及公司秘書的意見及服務，以確保符合董事會議事程序以及遵守所有適用法律及規例。向董事會提出要求後，各董事一般可於適當情況下徵詢獨立專業意見，費用由本公司承擔。

本公司日常管理、行政及運作均由其行政總裁及高級管理層負責。

董事委員會

董事會已成立三個委員會，即提名委員會、薪酬委員會及審核委員會。

提名委員會

本公司已成立提名委員會(「提名委員會」)，就委任或續聘董事及董事的繼任計劃(特別是主席及行政總裁)向董事會提供建議。於二零二五年十二月三十一日，提名委員會由兩名執行董事及三名獨立非執行董事組成，即周錦榮先生(主席)、李中先生、劉玉杰女士、彭永臻先生及常清先生。

截至二零二五年十二月三十一日止年度，提名委員會檢討董事會的規模、架構及多元性(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期)以配合本集團的企業策略，並就董事會委任及重新委任董事提供推薦建議。提名委員會亦會評估本公司獨立非執行董事的獨立性。

REMUNERATION COMMITTEE (Continued)

The Remuneration Committee held one meeting during the year ended 31 December 2025 and the attendance records are set out below:

薪酬委員會(續)

截至二零二五年十二月三十一日止年度，薪酬委員會舉行一次會議，各董事的出席記錄載列如下：

Name of Directors	董事姓名	Attendance/ Number of Meetings 會議出席次數／舉行次數
Mr. Peng Yongzhen	彭永臻先生	1/1
Mr. Zhao Juanxian (alias, Zhao Junxian)	趙雋賢先生	1/1
Mr. Chau Kam Wing Donald	周錦榮先生	1/1

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a formal and transparent procedure for formulating policies on remuneration of senior management of the Group. All senior management of the Group are executive Directors and details of the remuneration of each of the Directors for the year ended 31 December 2025 are set out in note 8 to the Consolidated Financial Statements. During the year, no equity-based remuneration with performance-related elements was paid to Independent Non-executive Directors.

董事及高級管理層的薪酬

本公司已建立制訂本集團高級管理層薪酬政策的正式及透明的程序。截至二零二五年十二月三十一日止年度，本集團所有高級管理層均為執行董事，而各董事的薪酬詳情載於綜合財務報表附註8。於年內，概無向獨立非執行董事支付以權益為基礎的薪酬。

The biographies of the senior management are disclosed in the section headed "Directors and Senior Management" in this annual report.

高級管理層的履歷於本年報「董事及高級管理層」一節披露。

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") to assist the Board in providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems, oversee the audit process, monitor, review and assist in the research of the Company's environmental, social and governance matters, and perform other duties and responsibilities as assigned by the Board. As at 31 December 2025, the Audit Committee consisted of three independent non-executive Directors, being Mr. Chau Kam Wing Donald (chairman), Mr. Peng Yongzhen and Mr. Chang Qing.

審核委員會

本公司已成立審核委員會(「審核委員會」)，以協助董事會就財務申報程序、內部監控及風險管理系統的有效性提供獨立意見、監督審核程序、監督、審查及協助研究本公司的環境、社會及管治事宜，以及履行董事會指派的其他職務及職責。於二零二五年十二月三十一日，審核委員會由三名獨立非執行董事組成，即周錦榮先生(主席)、彭永臻先生及常清先生。

The Audit Committee has reviewed the annual results and annual report of the Group for the year ended 31 December 2025. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

審核委員會已審閱本集團截至二零二五年十二月三十一日止年度的年度業績及年報。審核委員會亦已與本公司高級管理層成員討論有關本公司所採納的會計政策及慣例以及內部監控的事宜。

AUDIT COMMITTEE (Continued)

During the year ended 31 December 2025, the Audit Committee discussed with the management of the Company about the internal controls, financial reporting and environmental, social and governance matters, and reviewed the accounting principles and practices adopted by the Group and the effectiveness of the Group's internal control system. The Audit Committee also met with the external auditor to review the annual report of the Company for the year ended 31 December 2024 and the interim report of the Company for the six months ended 30 June 2025 and discuss about the annual audit planning of the Company for the year ended 31 December 2025.

The Audit Committee had reviewed, evaluated and reported to the Board on ESG related risks and opportunities, developed corresponding objectives and motored the progress towards the objectives, which include but not limited to environmental risks such as climate change, water resources, pollutant discharge, as well as social risks such as employment, supply chain and corruption.

The Audit Committee held two meetings during the year ended 31 December 2025 and the attendance records are set out below:

Corporate Governance Report
企業管治報告

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 31 December 2025. The Directors consider that the Group has adequate resources to continue in business for the foreseeable future and are not aware of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

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

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

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is solely responsible for the risk management and internal control system to protect the interests of the Company and the Shareholders as a whole. To achieve its aim, the Board monitors and approves the strategies and policies of the Group's risk management and internal control systems. The purpose of the relevant strategies and policies is to evaluate and determine the nature and extent of risks to make it suitable for the Group's strategic objectives and risk endurance. The main target is to provide reasonable assurance against material misstatement or loss, rather than eliminate the risk of failure to achieve business objectives. To this end, management continues to allocate resources for an internal control and risk management system compatible with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) standards to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure in the operating system of the Group and in achieving business objectives by the Group.

問責及審核

董事認同其編製本公司截至二零二五年十二月三十一日止年度的綜合財務報表的責任。董事認為本集團有充足資源，能於可預見未來繼續其業務，且並不知悉可能嚴重令本公司持續經營的能力存疑的重大不明朗因素。

董事會負責對年度及中期報告、內幕資料公告及上市規則及其他法定及監管規定要求的其他披露資料呈列均衡、明確及容易理解的評估。

管理層已向董事會提供所需的說明及資料，從而令董事會對提交董事會批准的本公司綜合財務報表作出知情評估。

風險管理及內部監控

董事會對風險管理及內部監控系統承擔全部責任，以保障本公司及其股東的整體利益。為此，董事會監督及審批本集團的風險管理及內部監控系統的策略與政策，相關策略與政策旨在評估及釐定風險性質及程度符合本集團的策略目標及風險承受能力，主要目的是為合理地保證不會出現嚴重誤述或損失，而非消除未能達成業務目標的風險。為達到這個目的，管理層對標COSO (Committee of Sponsoring Organizations of the Treadway Commission)標準，持續分配資源予內部監控及風險管理系統，合理(但並非絕對)地保證不會出現嚴重的誤報或損失，並管理(但並非完全消除)本集團運營系統失誤及未能達到業務目標的風險。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

The Board, through the Audit Committee, has continuously monitored and annually reviewed the effectiveness of risk management and internal control system of the Group and its subsidiaries, and is of the view that the existing risk management and internal control system is sufficient and effective. The review covered all material aspects with regard to control, including financial control, operational control and compliance control. The internal audit reports submitted to the Audit Committee by the Group also covered aspects of risk management and internal control. The Board is not aware of any significant areas of concern which may affect the Shareholders, and believes that the Group has fully complied with the code provisions on internal controls, including compliance with legal and regulatory requirements, as set forth in the CG Code. The Board, through the appraisal performed by the Audit Committee, reviewed the adequacy of resources, staff qualifications and experience, training programs received by the staff and budget of the Group's accounting, internal auditing and financial reporting function at the Board meeting. In light of the Group's nature of business and the recommendations on the Board's role in risk management, the Group has developed risk management system and policies, and established a risk control department, which is responsible for the Group's risk management, to communicate and assess the Group's risk profile and material risks, and track the progress of mitigation plans and initiatives of material risks and report on detailed examinations of specific risks as required.

風險管理及內部監控(續)

董事會已透過審核委員會就本集團及其附屬公司的風險管理及內部監控系統是否有效進行持續監督及年度檢討，並認為現有的風險管理及內部監控系統足夠而有效。有關檢討涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控。本集團向審核委員會提交審閱的內部審計報告中亦涵蓋風險管理及內控部分。董事會並不察覺任何可能影響股東而須予關注的重要事項，並相信本集團的內部監控完全符合企業管治守則中各項有關內部監控的守則條文，包括符合法律和規例上的要求。董事會經審核委員會所作之評估，已於董事會會議上就本集團在會計、內部審計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠進行檢討。基於本集團的業務性質及董事會在風險管理上扮演的角色所提出的建議，本集團制訂了風險管理制度和政策，並成立風險控制部，專責本集團的風險管理事務，就本集團的風險狀況和重大風險進行溝通及評估，跟蹤推行重大風險紓緩計劃及措施的進度，並按需要匯報特定風險的詳細檢查結果。

Corporate Governance Report
企業管治報告

RISK MANAGEMENT ORGANISATION SYSTEM

The Group has established a comprehensive organization structure to manage the risks encountered by the Group. The risk management structure comprises two key factors: risk management structure and risk management program.

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

風險管理組織體系(續)

1. Risk management structure

一、 風險管理架構

REGULATORY ORGANISATION 監督機構

The Board is responsible for the effectiveness of the overall risk management
董事會，就全面風險管理工作的有效性負責

- determine the overall objective, risk appetites and risk tolerance for corporate risk management, and approve risk management strategies, major risk mitigation solutions and risk management measures;
  確定企業風險管理總體目標、風險偏好、風險容忍度，批准風險管理策略和重大風險紓緩方案以及風險管理措施；
- understand and manage each major risks faced by the enterprise and its existing management situations, and make effective risks control decisions; approve the decision-making standards or mechanisms regarding major decisions, major risks, major events and major business processes;
  瞭解和掌握企業面臨的各項重大風險及其目前的風險管理現狀，做出有效控制風險的決策；批准重大決策、重大風險、重大事件和重要業務流程的決策標準或機制；
- approve risk management report related to major decisions; and
  批准重大決策事項的風險管理報告；及
- approve the annual comprehensive risk management report.
  批准年度全面風險管理報告。

RISK MANAGEMENT ORGANISATION 風險管理機構

The Audit Committee, the highest risk management organisation in the Company, is accountable to the Board
審核委員會，本公司最高層級的風險管理機構，對董事會負責

- review the establishment and planning of the comprehensive risk management system;
  審議全面風險管理體系的建設規劃；
- review the proposal on the structure of the risk management organisations and their responsibilities;
  審議風險管理組織機構設置及其職責方案；
- review the annual comprehensive risk management report and submit to the Board;
  審議並向董事會提交年度全面風險管理報告；
- review risk management strategies, major risk management solutions and risk management measures; and
  審議風險管理策略、重大風險管理解決方案以及風險管理措施；及
- review the annual risk management work plan.
  審議年度風險管理工作計劃。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

風險管理組織體系(續)

1. Risk management structure (Continued)

一、 風險管理架構(續)

RISK IMPLEMENTATION ORGANISATION
風險執行機構

Each functional department of the Company shall be under the coordination and supervision by the Internal Audit and Inspection Department
本公司各個職能部門，應接受內審稽核部的協調及監督

- implement the basic procedures in risk management;
  執行風險管理基本流程；
- research and propose decision-making standards or mechanisms regarding major decisions, major risks, major events and major business processes of the functional department;
  研究提出本職能部門重大決策、重大風險、重大事件和重要業務流程的決策標準或機制；
- research and propose risk assessment report of the functional department; properly carry out risk management work of the functional department; and
  研究提出本職能部門的風險評估報告；做好本職能部門的風險管理工作；及
- establish comprehensive risk management procedures for the functional department.
  建立健全本職能部門的風險管理流程。

2. Risk management program

The Group has established a comprehensive risk management program which is led and implemented by the internal audit and inspection department. The risk management program is as follows:

(1) to collect first-hand information for risk management;

(2) to analyse and assess risks;

(3) to propose risk management strategies and formulate risk management solutions; and

(4) to supervise the implementation of risk management works performed by each business units and verify the overall appraisal.

二、 風險管理程式

本集團已建立一套完善的風險管理程式，該程式由內審稽核部牽頭及內審部門協助執行。風險管理程式如下：

(1) 風險管理初始資訊收集；

(2) 風險分析和評估；

(3) 提出風險應對策略，並形成風險管理解決方案；及

(4) 對各業務單位風險管理工作實施情況進行監督並核對綜合評價。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

2. Risk management program (Continued)

Key risk management program of the Group

風險管理組織體系 (續)

二、 風險管理程式 (續)

本集團主要風險管理程式

Risk Management Program 風險管理程式	Collection of Information 資訊收集	Risk Assessment 風險評估	Risk Management Strategies 風險管理策略	Risk Management Solutions 風險管理解決方案	Supervision and Enhancement of Risk Management 風險管理監督與改進
Designed Functions 職能設置	Each department collects first-hand information for risk management 各職能部門進行風險管理初始資訊收集	Organise meetings to analyse and assess risks 組織會議進行風險分析和評估	Arrange discussion between the management and each risk unit and propose risk strategies 組織管理層與各風險單位討論並提出風險策略	Arrange discussion between the management and each risk unit and propose risk management solutions 組織管理層與各風險單位討論並提出風險管理解決方案	Supervise the implementation of risk management works and verify the overall appraisal 對風險管理工作實施情況進行監督並核對綜合評價

SUPERVISION AND ENHANCEMENT OF RISK MANAGEMENT

The Group has set up basic procedures that cover the whole process of risk management, connecting the channels of communication of risk management information along the reporting lines and among various departments and business units to ensure timely, accurate and complete sharing of information and this has laid the foundation for the supervision and enhancement of risk management.

The senior management of the Group, focusing on material risks, material matters and material decisions, important management matters and the business flow, supervises the work relating to the first-hand information collection for risk management, risk assessment, risk management strategies, critical control activities and the implementation of risk management solutions. The internal audit and inspection department carries out an annual review and examination

風險管理的監督與改進

本集團已建立貫穿於整個風險管理基本流程，連接各上下級、各部門和業務單位的風險管理資訊溝通管道，確保資訊溝通的及時、準確、完整，為風險管理監督與改進奠定基礎。

本集團的高級管理層以重大風險、重大事件和重大決策、重要管理及業務流程為重點，對風險管理初始資訊收集、風險評估、風險管理策略、關鍵控制活動及風險管理解決方案的實施情況進行監督。內審稽核部每年組織對各部門和業務單位風險管理工作實施情況和有效性進行一次年度檢查和檢驗，對風險管理策略進行評估，對跨部門和業務單位的風險管理解決方案進行評價，提出調整或改進建議，出具評價和建議報告，及時報送相關高級管理層。

本集團可能面臨的重大風險

於二零二五年，我們在業務規劃過程中識別本集團可能面臨的重大風險包括延期收款風險、政府違約風險、應收帳款管理風險、資金流動性風險及宏觀經濟風險。

延期收款的潛在風險的產生原因為由於市場大環境影響，政府財政緊縮導致無法如期支付款項導致公司利益受損，收款期延長。本集團應對有關風險的措施包括與政府保持良好溝通，瞭解情況進行催收。

政府違約的潛在風險的產生原因為地方財政緊張或單方面修改合作項目要求而造成的項目停滯或停止及經濟損失況況致好腰岷項半

ANTI-CORRUPTION AND WHISTLEBLOWING SYSTEM

The Group has incorporated anti-corruption and anti-bribery policies in its standard of business conduct, and anti-corruption training are provided to its employees and Directors to promote integrity and enhance awareness about malpractice. Employees and other stakeholders can report suspected misconduct and violations of law and standards to the Group's Internal Audit and Inspection Department by phone or email, or to the Audit Committee by e-mail on anonymous basis. During the year, there is no incident involving serious fraud or misconduct have been received from employees nor external parties. The Audit Committee will continuously review and monitor the implementation and effectiveness of the whistleblowing system.

MANAGEMENT OF INSIDE INFORMATION

The Group has formulated a set of program of continuing obligations on information management and disclosure to formally regulate the monitoring of inside information that arises during the course of its current business development and has established the practice of delivering such information to the Shareholders, the media and analysts. When handling the relevant matters, the Group will comply with "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission and the related provisions issued by regulatory organisations and the Group has clearly stated that the unauthorised use of confidential or inside information is prohibited. The Group has set up a system of answering enquiries from external parties about the Group's affairs, and will appoint and authorise the senior executives of the Group to act as the Company's spokesperson in response to enquiries on a particular area.

反舞弊及舉報制度

本集團已將反舞弊及反賄賂政策納入其商業行為標準，並向其僱員及董事提供反舞弊培訓，以促進廉潔及提高對不當行為的認識。僱員及其他利益相關方可通過電話或電郵向本集團內審稽核部報告涉嫌不當行為以及違反法律及準則的行為，或通過電郵向審核委員會匿名報告。於年內，並無收到僱員或外部人士涉及嚴重欺詐或不當行為的事件。審核委員會將持續檢討及監督舉報制度的實施及有效性。

內幕消息管理

本集團制訂了一套持續消息管理和披露責任程式，正式規範現行在業務發展時出現內幕消息的監察，及將有關資料向股東、媒體及分析員傳達的實務。於處理有關事務時恪守證券及期貨事務監察委員會頒佈的《內幕消息披露指引》，及監管機構頒佈的相關條文，明確訂明嚴禁未經授權使用機密或內幕資料，以及就外界對本集團事務作出的查詢訂立回應體系，並指定及授權本集團內高級行政人員擔任本公司發言人，響應特定範疇的查詢。

Corporate Governance Report

CONVENING OF EXTRAORDINARY GENERAL MEETINGS AND PUTTING FORWARD PROPOSALS

Pursuant to the Articles of Association, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

召開股東特別大會及提出建議方案

根據組織章程細則，任何一位或以上於遞呈要求當日持有不少於十分之一的有權於本公司股東大會上以每股一票基準投票的本公司繳足股本的股東，有權隨時透過向本公司董事會或秘書發出書面要求讓董事會召開股東特別大會，以處理有關要求中指明的任何事項或決議案；而上述會議應於遞呈相關要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內董事會未有召開有關股東大會，則遞呈要求人士可自行僅於一個地點召開實體股東大會，該地點將作為主要股東大會地點，而遞呈要求人士因董事會未有召開股東大會而合理產生的所有開支應由本公司向要求人士作出償付。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable Shareholders and investors to make the best investment decisions. The general meetings of the Company provide a forum for face-to-face communication between the Board and the Shareholders dialogue. The Chairman as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, are available to answer questions at general meetings.

與股東及投資者的溝通／投資者關係

本公司認為，與股東保持有效溝通對促進投資者關係及加深投資者對本集團業務表現及策略的了解至為重要。本公司亦深明保持透明度及適時披露公司資料，讓股東及投資者得以作出最佳投資決定的重要性。本公司股東大會為董事會及股東提供了一個面對面的溝通平台。主席以及提名委員會主席、薪酬委員會主席及審核委員會主席(或(倘彼等缺席)各委員會的其他成員)，以及(如適用)獨立董事委員會主席會於股東大會上回答提問。

To promote effective communication, the Company maintains on its website up-to-date information and updates on the Company's business operations and developments. Interim and annual reports, environmental, social, and governance report, announcements and circulars issued by the Company and other information are posted and are available for public access. The Company also arranges periodic investors' conference and sets up dedicated investor relations' e-mail address to receive enquiries from the shareholders and potential investors. The Board had reviewed the shareholder's communication policy during the year ended 31 December 2025 and considered that the policy has been properly implemented and is effective.

為促進有效溝通，本公司設立網站，本公司的業務運作及發展的最新資料及更新均上載至該網站。本公司所刊發的中期報告及年報、環境、社會及管治報告、公告及通函和其他資料亦有登載，以供公眾人士閱覽。本公司亦定期安排投資者會議，並設立投資者關係專用電郵地址，以接收股東及潛在投資者的查詢。截至二零二五年十二月三十一日止年度，董事會已檢討股東溝通政策，並認為該政策已妥善實施且有效。

DIVIDEND POLICY

The Company has adopted a dividend policy, pursuant to which the Company may declare and distribute dividends to the Shareholders to allow Shareholders to share the Company's profits.

The recommendation for the payment of any dividend is subject to the absolute discretion of the Board. In deciding whether to propose any dividend payout, the Board will take into account, among other things, the financial results, the earnings and distributable reserves, the operations and liquidity requirements, the debt ratio and possible effects on the credit lines, and the current and future development plans of the Company and any other factors that the Board deems appropriate. The declaration, form, frequency and amount of any dividend payout of the Company must also be in accordance with relevant laws, rules and regulations and subject to the Articles of Association.

After considering the above mentioned factors, the Board has recommended a final dividend of HK0.5 cents per ordinary share for the year ended 31 December 2025. The Board will review the dividend policy from time to time and may exercise at its sole and absolute discretion to update, amend and/or modify the dividend policy at any time as it deems fit and necessary.

CONSTITUTIONAL DOCUMENTS

In the annual general meeting of the Company held on 6 June 2025, resolution for amendments to the Articles of Association of the Company for the purposes of, among others, (i) removing the requirement of having two (2) co-chairmen at all times; (ii) updating and better aligning the existing Articles of Association with the latest regulatory requirements in relation to (a) the expanded paperless regime and the electronic dissemination of corporate communications by listed issuers; and (b) treasury shares, which came into effect from 31 December 2023 and 11 June 2024 respectively; and (iii) incorporating certain housekeeping changes, was propose and passed. Details of the a

Report of Directors
董事會報告

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

董事會欣然呈列其報告，連同本集團截至二零二五年十二月三十一日止年度的經審核綜合財務報表。

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Details of the principal activities of the principal subsidiaries are set out in note 1 to the consolidated financial statements.

主要業務

本公司為一家投資控股公司。主要附屬公司的主要業務詳情載於綜合財務報表附註1。

BUSINESS REVIEW

Business review of the Group is set out in "Business Review" section of "Management Discussion and Analysis".

業務回顧

本集團的業務回顧載於「管理層討論及分析」的「業務回顧」一節。

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities, which are extracted from the annual audited reports, are set out on page 243 and page 244 of this annual report. This summary does not form part of the audited consolidated financial statements.

財務概要

摘錄自經審核年報的本集團業績、資產及負債概要載於本年報第243頁及第244頁。概要並不構成經審核綜合財務報表的一部分。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 and its financial position at that date are set out on the financial statements on pages 87 to 90 of this annual report.

The Board has recommended a final dividend of HK0.5 cents per ordinary share (2024: nil), which is subject to the approval by the Shareholders at the forthcoming annual general meeting to be held on Friday, 12 June 2026 (the "Annual General Meeting") and will be payable on or about Friday, 7 August 2026 to the Shareholders whose names appear on the register of members on Friday, 10 July 2026.

業績及股息

本集團截至二零二五年十二月三十一日止年度的業績及其於該日的財務狀況載於本年報第87頁至第90頁的財務報表。

董事會建議派發末期股息每股普通股港幣0.5仙（二零二四年：無），待即將於二零二六年六月十二日（星期五）舉行之股東週年大會（「股東週年大會」）上獲股東批准後，末期股息將於二零二六年八月七日（星期五）或相近日子派發予於二零二六年七月十日（星期五）名列股東名冊的股東。

CLOSURE OF REGISTER OF MEMBERS

(a) For Annual General Meeting

The transfer books and register of members of the Company will be closed from Tuesday, 9 June 2026 to Friday, 12 June 2026, both days inclusive, during which period no transfer of Shares can be registered. The record date for entitlement to attend and vote at the forthcoming annual general meeting of the Company (the "Annual General Meeting") is Friday, 12 June 2026. In order to be qualified for attending and voting at the Annual General Meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 8 June 2026.

(b) For entitlement to the proposed final dividend

The proposed final dividend is subject to the passing of an ordinary resolution by the Shareholders at the Annual General Meeting. The record date for entitlement to the proposed final dividend is Friday, 10 July 2026. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 8 July 2026 to Friday, 10 July 2026, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, for registration not later than 4:30 p.m. on Tuesday, 7 July 2026. Subject to the approval by Shareholders at the Annual General Meeting, the proposed final dividend will be paid on or around Friday, 7 August 2026.

暫停辦理股份過戶登記

(a) 就股東週年大會

本公司將於二零二六年六月九日(星期二)至二零二六年六月十二日(星期五)(包括首尾兩日)暫停辦理股份過戶登記,期間不會辦理任何股份過戶登記手續。符合資格出席本公司應屆股東週年大會(「股東週年大會」)並於會上投票之記錄日期為二零二六年六月十二日(星期五)。為符合資格出席股東週年大會並於會上投票,所有股份過戶文件連同相關股票必須於二零二六年六月八日(星期一)下午四時三十分前交回本公司的香港股份過戶登記處香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17樓1712–1716號舖。

(b) 就獲派擬派末期股息之資格

擬派末期股息須待股東於股東週年大會上通過普通決議案後,方可作實。收取擬派末期股息權利之記錄日期為二零二六年七月十日(星期五)。為釐定股東收取擬派末期股息之權利,本公司將於二零二六年七月八日(星期三)至二零二六年七月十日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續,於此期間,概不受理股份過戶登記。如欲符合資格收取擬派末期股息,所有股份過戶文件連同相關股票最遲須於二零二六年七月七日(星期二)下午四時三十分前送達至本公司之香港股份過戶登記處香港中央證券登記有限公司,以便辦理股份過戶登記手續。待股東於股東週年大會批准後,擬派末期股息將於二零二六年八月七日(星期五)或相近日子派發。

PRINCIPAL RISKS AND UNCERTAINTIES

The political, economic and social conditions in China are experiencing changes and reforms, which may adversely affect our business, growth strategies, operating results and financial condition.

Demand for the Group's services and business, financial condition, results of operations and prospects may be adversely affected by the following factors:

- political instability or changes in social conditions in China;
- changes in laws, regulations and administrative directives;
- measures which may be introduced to control inflation or deflation; and
- changes in the rate or method of taxation.

These factors are affected by a number of variables which are beyond control.

主要風險和不確定因素

中國政治、經濟及社會條件正經歷變化和改革，可能對我們的業務、增長戰略、經營業績及財務狀況造成不利影響。

對本集團服務的需求以及業務、財務狀況、經營業績及前景可能受到以下因素的不利影響：

- 中國政局不穩定或社會條件的變動；
- 法律、法規及行政指令的變動；
- 可採用以控制通貨膨脹或通貨緊縮的措施；及
- 稅務比率或徵稅方法的變動。

該等因素均受到多個無法控制的變量所影響。

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group adheres to the concept of green environmental protection in conducting its business and is dedicated to reduce environmental impacts and contribute to environmental conservation. The Group has endeavored to comply with applicable environmental protection laws and regulations and has developed policies in relation to water resources, energy saving, office resources, chemical resources, construction materials, sewage discharge, exhaust gas, solid waste and noise. For example:

- the Group has adopted water conservation management system and provided manual on water conservation for employees;
- energy-saving designs and equipment are used in the Group's wastewater treatment plants;
- paper conservation and doubles-sided printing are promoted, digital office system is employed to reduce office resources consumption;
- Energy-saving and recycled materials are used in constructions;
- Dust and noise reducing measures are used in construction sites.

環境政策及表現

本集團秉承綠色環保理念開展其業務，致力減少對環境的影響，並為環境保護作出貢獻。本集團努力遵守適用的環境保護法律法規，並制定有關水資源、節能、辦公資源、化學資源、建築材料、污水排放、廢氣、固體廢物及噪音的政策。例如：

- 本集團已採用節水管理制度，並為僱員提供節水手冊；
- 本集團污水處理廠採用節能設計及設備；
- 提倡節約用紙及雙面打印，採用數字化辦公系統，減少辦公資源消耗；
- 建築中使用了節能再生材料；
- 建築工地採取降塵降噪措施。

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, in particular, those which have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

法律及法規合規

合規程序已實施，以確保遵守適用的法律、法規及規章，特別是對本集團產生重大影響的在適用的法律、法規及規章。相關僱員及相關經營單位須不時留意適用法律、法規及規章的任何變動。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2025 are set out in note 13 to the consolidated financial statements.

物業、廠房及設備

本集團物業、廠房及設備於截至二零二五年十二月三十一日止年度的變動的詳情載於綜合財務報表的附註13。

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2025 are set out in note 30 to the consolidated financial statements.

股本

本公司股本於截至二零二五年十二月三十一日止年度的變動詳情載於綜合財務報表附註30。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Companies Act of the Cayman Islands where the Company was incorporated, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

優先購買權

組織章程細則或開曼群島(本公司註冊成立地點)公司法並無優先購買權的條文，使本公司須受責按比例向現有股東提呈新股以供認購。

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025.

購買、出售及贖回本公司上市證券

截至二零二五年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2025 are set out in note 43 to the consolidated financial statements and in the consolidated statement of changes in equity on pages 91 to 92 of this annual report respectively.

As at 31 December 2025, the Company's reserves available for distribution, calculated in accordance with the provisions of Companies Act, amounted to approximately RMB1,740.9 million (2024: RMB1,728.2 million).

儲備及可分派儲備

本公司及本集團的儲備於截至二零二五年十二月三十一日止年度的變動的詳情分別載於本年報綜合財務報表附註43和本年報第91頁至第92頁的綜合權益變動表。

於二零二五年十二月三十一日，根據公司法條文計算所得的本公司可供分派儲備約為人民幣1,740.9百萬元(二零二四年：人民幣1,728.2百萬元)。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2025, the Group's five largest suppliers accounted for 19.7% of the Group's total purchases and purchase from the Group's largest supplier included therein amounted to 7.2% of the total purchases for the year.

For the year ended 31 December 2025, the Group's sales to its five largest customers accounted for 39.8% of the Group's total sales and sales to the largest customer included therein amounted to 13.7% of the total sales for the year.

Jiangxi Silver Dragon Water Environment Construction Co., Ltd.* (江西銀龍水環境建設有限責任公司) ("Jiangxi Silver Dragon") is one of the five largest suppliers of the Group during the year ended 31 December 2025. Jiangxi Silver Dragon is a non-wholly owned subsidiary of China Water, a substantial shareholder of the Company. Mr. Li Zhong and Mr. Duan, Jerry Linnan, the executive Directors of the Company, are also directors of China Water and Mr. Chau Kam Wing Donald, an independent non-executive Director of the Company, is also an independent non-executive director of China Water. Besides, Mr. Duan Chuan Liang, a substantial shareholder of the Company, is the chairman and executive director of China Water. Further details are set out in the section "Connected Transaction" below. Save as disclosed, none of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

BANK LOANS

Particulars of interest-bearing bank and other borrowings of the Group as at 31 December 2025 are set out in note 29 to the consolidated financial statements.

CAPITAL MANAGEMENT

Details of the Group's policies on capital management are set out in note 41 to the consolidated financial statements.

SIGNIFICANT INVESTMENTS HELD

For the year ended 31 December 2025, the Group did not hold any material investments in the equity interest of other companies.

主要客戶及供應商

於截至二零二五年十二月三十一日止年度，本集團的五大供應商佔本集團採購總額的19.7%，而向當中本集團最大供應商作出的採購額佔全年採購總額的7.2%。

於截至二零二五年十二月三十一日止年度，本集團向五大客戶作出的銷售額佔本集團銷售總額的39.8%，而向當中最大客戶作出的銷售額佔全年銷售總額的13.7%。

江西銀龍水環境建設有限責任公司(「江西銀龍」)於截至二零二五年十二月三十一日止年度為本集團五大供應商之一。江西銀龍為本公司主要股東中國水務的非全資附屬公司。本公司執行董事李中先生及段林楠先生均為中國水務董事，而本公司獨立非執行董事周錦榮先生亦為中國水務獨立非執行董事。此外，本公司主要股東段傳良先生為中國水務主席及執行董事。有關進一步詳情載於下文「關連交易」一節。除所披露者外，概無董事或其任何緊密聯繫人或股東(據董事所知，擁有5%以上的本公司已發行股本)於本集團的五大客戶及供應商擁有任何權益。

銀行貸款

本集團於二零二五年十二月三十一日的計息銀行及其他借款的詳情載於綜合財務報表附註29。

資本管理

本集團的資本管理政策詳情載於綜合財務報表附註41。

所持重大投資

截至二零二五年十二月三十一日止年度，本集團並無任何其他公司的股權中持有的任何重大投資。

MATERIAL INVESTMENT AND FUTURE PLANS OF CAPITAL ASSETS

As of 31 December 2025, Group had no material investment and other plans for capital assets.

MATERIAL DISPOSALS OF SUBSIDIARIES

Details of the Group's disposals during the year ended 31 December 2025 are set out in notes 37 to the consolidated financial statements.

RELATIONSHIPS WITH KEY STAKEHOLDERS EMPLOYEES

Employees are regarded as the most important and valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise performing staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement.

CUSTOMERS AND SUPPLIERS

The Group's customers are generally municipal, district or county level governments or their designees in China. We typically enter into agreements with the Group's customers to provide wastewater treatment and other services on a project-by-project basis.

The Group's business is built on a customer-oriented culture, and are focused on establishing relationships with district or county level governments or their designees in China. The Group also understands that it is important to maintain good relationship with its suppliers and customers to fulfil its immediate and long-term goals. To maintain its market competitiveness within the industry, the Group aims at delivering constantly high standards of quality in the service to its customers.

SHAREHOLDERS

One of the corporate goals of the Group is to enhance corporate value to Shareholders. The Group is poised to foster business developments for achieving the sustainability of earnings growth and rewarding Shareholders.

Report of Directors
董事會報告

DIRECTORS

The Directors during the year ended 31 December 2025 and up to the date of this annual report were:

Executive Directors:

Li Zhong *(Chairman)*
(ceased to be Chairman with effect from 4 February 2026)
Liu Yujie
Duan, Jerry Linnan *(Chief Executive Officer)*
Zhou Wei *(Chief Financial Officer)*
(resigned with effect from 4 February 2026)
Du Lindong *(Chairman)* (appointed as an Executive Director and Chairman on 4 February 2026)

Non-executive Directors:

Zhao Juanxian (alias, Zhao Junxian) (ceased to be Co-Chairman and re-designated as non-executive director with effect from 1 January 2025)

Independent non-executive Directors:

Chau Kam Wing Donald
Chang Qing
Peng Yongzhen

In accordance with the Articles of Association, Mr. Li Zhong, Ms. Liu Yujie and Mr. Chau Kam Wing Donald will retire at the Annual General Meeting, and being eligible, will offer themselves for re-election.

In accordance with the Articles of Association, any Director appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Accordingly, Mr. Du Lindong who was appointed as an executive Director with effect from 4 February 2026 will be eligible for re-election and has offered himself for re-election at the Annual General Meeting.

Details of the Directors to be re-elected at the Annual General Meeting are set out in the circular to the Shareholders.

Biographical details of the Directors and senior management of the Group are set out on pages 21 to 26 of this annual report.

董事

於截至二零二五年十二月三十一日止年度及直至本年報日期的董事如下：

執行董事：

李中 *(主席)*
（自二零二六年二月四日起不再為主席）
劉玉杰
段林楠 *(行政總裁)*
周偉 *(財務總監)*
（自二零二六年二月四日起辭任）
杜林東 *(主席)* (於二零二六年二月四日獲委任為執行董事兼主席)

非執行董事：

趙雋賢 (自二零二五年一月一日起不擔任聯席主席並調任為非執行董事)

獨立非執行董事：

周錦榮

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into service contract with the Company for an initial fixed term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party to the other.

Each of the non-executive director and independent non-executive directors has entered into service contract/letter of appointment with the Company for an initial fixed term of one year and will continue thereafter until terminated by not less than one month's notice in writing served by either party to the other.

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS OF SIGNIFICANCE, ARRANGEMENTS OR CONTRACTS

Save as disclosed elsewhere in this annual report, no Director or his/her connected party had a material interest, either directly or indirectly,

SHARE OPTION SCHEMES
2014 SHARE OPTION SCHEME

The Company has adopted the share option scheme on 14 June 2014 (the "2014 Share Option Scheme"). Subject to the terms of the 2014 Share Option Scheme, the Board shall be entitled at any time within 10 years from the adoption date of the 2014 Share Option Scheme to offer the grant of an option to any eligible person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the 2014 Share Option Scheme) determine. The following is a summary of principal terms of the 2014 Share Option Scheme:

i) Purpose of the 2014 Share Option Scheme

The purpose of the 2014 Share Option Scheme is to give the Eligible Persons of the 2014 Share Option Scheme (as defined in the following paragraph) an opportunity to have a personal stake in the Company and help motivate them to optimise their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons of the 2014 Share Option Scheme who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of Executives (as defined below), to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

ii) Participants of the 2014 Share Option Scheme

The Board may, at its absolute discretion, grant options to subscribe for such number of Shares in accordance with the terms set out in the 2014 Share Option Scheme to:

(a) any executive Director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group ("Executive"), any full-time or part-time employee, or person for the time being seconded to work full-time or part-time for any member of the Group ("Employee");

(b) a Director or proposed Director (including an independent non-executive Director) of any member of the Group;

(c) a direct or indirect shareholder of any member of the Group;

購股權計劃
二零一四年購股權計劃

本公司於二零一四年六月十四日採納購股權計劃(「二零一四年購股權計劃」)。在二零一四年購股權計劃的條款規限下，董事會於二零一四年購股權計劃採納日期起計的十年內，有權隨時向其全權酌情選擇的任何合資格人士授出購股權，按認購價認購董事會在二零一四年購股權計劃條款規限下所釐定的股份數目。以下為二零一四年購股權計劃主要條款的概述：

i) 二零一四年購股權計劃的目的

二零一四年購股權計劃旨在給予二零一四年購股權計劃的合資格人士(定義見以下文段)於本公司持有個人權益的機會及激勵彼等日後於本集團發揮最佳表現及提升效率及／或就彼等過去的貢獻給予獎勵，吸引及留聘或以其他方式與該等二零一四年購股權計劃的合資格人士(該等二零一四年購股權計劃的合資格人士對本集團的表現、增長或成功乃屬重要及／或其貢獻有利於或將有利於本集團的表現、增長或成功)維持持續的合作關係

SHARE OPTION SCHEMES (Continued)

2014 SHARE OPTION SCHEME (Continued)

ii) Participants of the 2014 Share Option Scheme (Continued)

(d) a supplier of goods or services to any member of the Group;

(e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group;

(f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; and

(g) an associate of any of the persons referred to in paragraphs (a) to (f) above (the person referred above are the "Eligible Persons of the 2014 Share Option Scheme").

iii) Total number of shares available for issue under the 2014 Share Option Scheme

The 2014 Share Option Scheme was expired on 13 June 2024 and no Share will be issued under the 2014 Share Option Scheme as at the date of this annual report.

iv) Maximum entitlement of each participant

No option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of options granted and to be granted to that person in any 12-month period exceeds 1% of the Company's issued share capital from time to time.

Where any further grant of options to such person would result in

SHARE OPTION SCHEMES (Continued)

2014 SHARE OPTION SCHEME (Continued)

v) Period within which the option may be exercised by the grantee

The Board may in its absolute discretion determine the period during which a share option may be exercised and which shall not exceed 10 years from the date of grant but subject to the provisions for early termination under the terms of the 2014 Share Option Scheme.

vi) The vesting period of option granted

There is no specific requirement under the 2014 Share Option

SHARE OPTION SCHEMES (Continued)
2014 SHARE OPTION SCHEME (Continued)

Notes:

(1) All share options granted on 31 May 2024 under the 2014 Share Option Scheme were vested on 31 May 2025. The weighted average closing price of the shares immediately before the date on which the share options were vested is HK$0.345.

(2) The exercise period may be extended by the Board in its absolute discretion, provided that the end date shall not be later than 10 years from the date of grant.

(3) A total of 44,200,000 share options were cancelled at the price of HK$0.048 for each share option upon the acceptance of option offer made to the optionholders. Further details of the option offer are set out in the Company's composite document dated 1 September 2025 and announcement dated 22 September 2025.

2025 SHARE OPTION SCHEME

An ordinary resolution was passed in the annual general meeting of Company held on 6 June 2025 to approve the adoption of a new share option scheme (the "2025 Share Option Scheme"). The 2025 Share Option Scheme became unconditional and was adopted on 9 June 2025 (the "Adoption Date").

i) **Purpose of the 2025 Share Option Scheme**

The purpose of the 2025 Share Option Scheme is to reward the eligible participants for their contributions, to attract, motivate and retain the best available and high calibre personnel of the Group, to provide additional incentives to the eligible participants and to promote the overall success of the business of the Group. The 2025 Share Option Scheme will give the eligible participants an opportunity to have a personal stake in the Company which will help motivate the eligible participants in optimising their performance and efficiency and attract and retain the eligible participants whose contributions and/or potential contributions are important to the long-term growth, performance and/or success of the Group.

購股權計劃 (續)
二零一四年購股權計劃 (續)

附註：

(1) 根據二零一四年購股權計劃於二零二四年五月三十一日授出的所有購股權，已於二零二五年五月三十一日歸屬。緊接購股權歸屬日前的股份加權平均收市價為0.345港元。

(2) 行使期可由董事會全權酌情延長，惟結束日期不得遲於授出日期起計10年。

(3) 在接納向認股權持有人作出的購股權要約後，合共44,200,000份認購權以每份購股權價格0.048港元予以註銷。有關購股權要約的更多詳情載於本公司日期為二零二五年九月一日的綜合文件及日期為二零二五年九月二十二日的公告。

二零二五年購股權計劃

本公司於二零二五年六月六日舉行的股東週年大會上通過一項普通決議案，批准採納新購股權計劃(「二零二五年購股權計劃」)。二零二五年購股權計劃已成為無條件，並於二零二五年六月九日(「採納日期」)採納。

i) **二零二五年購股權計劃的目的**

二零二五年購股權計劃旨在獎勵合資格參與者作出貢獻，吸引、激勵及挽留本集團最優秀及有才幹的人才，為合資格參與者提供額外激勵，並促進本集團業務整體取得成功。二零二五年購股權計劃將給予合資格參與者個人在本公司擁有權益的機會，這將有助激勵合資格參與者優化其表現及效率，並吸引及挽留對本集團的長期增長、表現及／或成功作出重要貢獻及／或可能作出重要貢獻的合資格參與者。

SHARE OPTION SCHEMES (Continued)

2025 SHARE OPTION SCHEME (Continued)

ii) Participants of the 2025 Share Option Scheme

Pursuant to the terms of the 2025 Share Option Scheme, eligible participants include:

(a) employee participant(s) which include the director(s) and employee(s) (whether full-time or part-time but excludes a former employee of the Group unless such former employee otherwise qualifies as an eligible participant) of any member of the Group (including persons who are granted options under the 2025 Share Option Scheme as inducement to enter into employment contracts with any member of the Group);

(b) related entity participant(s) which include directors and employees (whether full time or part time but excludes any former employee unless such former employee otherwise qualifies as an eligible participant) of the holding companies, fellow subsidiaries or associated companies of the Company; and

(c) service provider(s) which include person(s) who provide services to any member of the Group on a continuing or

SHARE OPTION SCHEMES (Continued)
2025 SHARE OPTION SCHEME (Continued)

iv) Maximum entitlement of each participant

For any twelve (12)-month period up to and including the date of grant of an option, the aggregate number of Shares issued and to be issued (including any treasury shares which may be transferred, as applicable) in respect of all options and awards granted to such eligible participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) shall not in aggregate exceed 1% of the total number of Shares in issue (excluding treasury Shares) as at the date of grant unless separately approved by the Company's shareholders in general meeting with such eligible participant and his/her close associates (or associates if the eligible participant is a connected person) abstaining from voting.

Where options are proposed to be granted to an independent non-executive Director or a substantial shareholder (as defined in the Listing Rules) or any of their respective associates and if such grant would result in the Shares issued and to be issued (including any treasury Shares which may be transferred, as applicable) in respect of all options and awards granted and to be granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12)-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued Shares (excluding treasury Shares), such further grant of options must be approved by Company's shareholders in a general meeting of the Company with such grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour of the proposed grant at such general meeting.

v) Period within which the option may be exercised by the grantee

Subject to the terms of the 2025 Share Option Scheme, an option may be exercised in whole or in part at any time during the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer for the grant of option provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular option but subject to the provisions for early termination of the 2025 Share Option Scheme.

購股權計劃 (續)
二零二五年購股權計劃 (續)

iv) 各參與人士的權利上限

於截至授出購股權日期(包括該日)止的任何十二(12)個月期間內，就向合資格參與者授予的所有購股權及獎勵(不包括根據相關計劃條款失效的任何購股權及獎勵)所發行及將發行的股份總數(包括可能轉讓的任何庫存股份(如適用))合計不得超過授予日期已發行股份總數(不包括庫存股份)的1%，經股東於股東大會上另行批准且該合資格參與者及其緊密聯繫人(或如合資格參與者為關連人士，則其聯繫人)於股東大會上放棄投票則除外。

倘建議向獨立非執行董事或主要股東(定義見上市規則)或彼等各自的聯繫人授予購股權，且該等授予將導致於截至授予日期(包括該日)的任何十二(12)個月期間內，就向該人士授予及將授予的所有購股權及獎勵(不包括根據相關計劃條款失效的任何購股權及獎勵)所發行及將發行的股份(包括可能轉讓的任何庫存股份(如適用))合計超過已發行股份總數(不包括庫存股份)的0.1%，則該等進一步授出購股權必須經股東於本公司股東大會批准，且該承授人、其聯繫人及本公司所有核心關連人士須在該股東大會上就建議授出放棄投贊成票。

v) 承授人行使購股權的期間

根據二零二五年購股權計劃的條款，承授人可於董事會於提出授出購股權要約時釐定及通知的期間內，隨時行使全部或部分購股權，前提為該期間不得超過自特定購股權授出日期起計之十(10)年，惟須受二零二五年購股權計劃之提前終止條文所規限。

SHARE OPTION SCHEMES (Continued)

2025 SHARE OPTION SCHEME (Continued)

vi) M

SHARE OPTION SCHEMES (Continued)

2025 SHARE OPTION SCHEME (Continued)

vii) Amount payable upon acceptance of the option and the period within which payment must be made

The offer of a grant of option may be accepted within twenty-one (21) days from the date of grant, upon payment of a consideration of HK$1 by the grantee.

viii) Basis of determining the exercise price of options

The exercise price per share in relation to an option under the 2025 Share Option Scheme may be determined by the Board at its absolute discretion, provided that it shall not be less than the highest of: (a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a business day; and (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive business days immediately preceding the offer date; and (c) the nominal value of the Share on the offer date.

ix) The remaining life of the Share Option Scheme

The New Share Option Scheme shall continue in force for the period commencing from the Adoption Date, and expiring at the close of business on the date which falls ten (10) years after the Adoption Date (i.e. 9 June 2035).

The number of options available for grant under the scheme mandate limit and the service provider sublimit under the 2025 Share Option Scheme are 213,973,500 and 85,589,400

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five highest paid individuals are set out in notes 8 and 9 to the consolidated financial statements.

董事及五名最高薪酬人士的薪酬

董事及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註8及9。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (i) which were required 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 interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於二零二五年十二月三十一日，本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉)，或(ii)根據證券及期貨條例第352條須載入本公司所存置的登記冊的權益及淡倉，或(iii)根據標準守則須知會本公司及香港聯交所的權益及淡倉如下：

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本的概約百分比
Mr. Li Zhong 李中先生	Beneficial owner (long position) 實益擁有人(好倉)	26,000,000	1.13%
Ms. Liu Yujie 劉玉杰女士	Beneficial owner (long position) 實益擁有人(好倉)	26,000,000	1.13%
Mr. Duan, Jerry Linnan 段林楠先生	Beneficial owner (long position) 實益擁有人(好倉)	26,000,000	1.13%
Mr. Chau Kam Wing Donald 周錦榮先生	Beneficial owner (long position) 實益擁有人(好倉)	4,000,000	0.17%
Mr. Chang Qing 常清先生	Beneficial owner (long position) 實益擁有人(好倉)	4,000,000	0.17%
Mr. Peng Yongzhen 彭永臻先生	Beneficial owner (long position) 實益擁有人(好倉)	4,000,000	0.17%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

主要股東於股份及相關股份中的權益及淡倉

於二零二五年十二月三十一日，就董事所知，以下人士（董事或本公司最高行政人員除外）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉：

Name 姓名／名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares/ Underlying Shares held 所持股份／相關股份數目	Percentage of Issued Share Capital of the Company 佔本公司已發行股本的百分比
Mr. Duan Chuan Liang[(1)] 段傳良先生[(1)]	Beneficial owner (long position) 實益擁有人（好倉）	858,459,455	37.21%
China Water Affairs Group Limited[(2)] ("China Water") 中國水務集團有限公司[(2)]（「中國水務」）	Interest of controlled corporation (long position) 受控制法團權益（好倉）	632,453,657	27.41%
Sharp Profit Investments Limited ("Sharp Profit")[(2)]	Beneficial owner (long position) 實益擁有人（好倉）	632,453,657	27.41%

Notes:

(1) Mr. Duan Chuan Liang is the father of Mr. Duan, Jerry Linnan, an executive Director and the Chief Executive Officer of the Company.

(2) Sharp Profit is wholly owned by China Water. China Water is therefore deemed to be interested in Sharp Profit's interests in the Company under the SFO.

附註：

(1) 段傳良先生為本公司執行董事兼行政總裁段林楠先生之父。

(2) Sharp Profit由中國水務全資擁有。因此根據證券及期貨條例，中國水務被視為於Sharp Profit持有的本公司權益中擁有權益。

Save as disclosed, and as at 31 December 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

除上文披露者外，於二零二五年十二月三十一日，董事並不知悉任何人士（並非董事或本公司最高行政人員）於本公司的股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須予披露或根據證券及期貨條例第336條須載入該條所述登記冊的權益或淡倉。

DIRECTORS' INTEREST IN COMPETING BUSINESS

Save as disclosed in this annual report, as at 31 December 2025, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

董事於競爭業務的權益

除本年報所披露者外，於二零二五年十二月三十一日，概無董事或其各自聯繫人曾從事與或可能與本集團業務競爭的任何業務，或於該等業務中擁有任何權益。

CONNECTED TRANSACTION

On 25 September 2020, Kangda Investment (Hong Kong) Company Limited ("Kangda Investment (Hong Kong)"), an indirectly wholly-owned subsidiary of the Company, entered into a framework construction services agreement (the "Construction Services Agreement") with Jiangxi Silver Dragon, pursuant to which, the parties agreed that Jiangxi Silver Dragon may be selected to provide civil works, construction, installation works and supply of equipment for projects of the Group relating to the construction, upgrading, reconstruction and expansion of wastewater treatment facilities through a tender process in compliance with the applicable laws and regulations in the PRC. The term of the Construction Services Agreement commenced from the date of the Construction Services Agreement and ended on 31 December 2022. Jiangxi Silver Dragon is a non-wholly owned subsidiary of China Water, a substantial shareholder of the Company. Therefore, Jiangxi Silver Dragon is an associate of China Water and a connected person of the Company. The transactions in relation to the Construction Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, and the Company's independent shareholders approved the continuing connected transactions in relation to the Construction Service Agreement in the extraordinary general meeting of the Company held on 16 November 2020. Further details of the Construction Services Agreement were set out in the announcement of the Company dated 25 September 2020 and circular dated 30 October 2020.

On 8 November 2022, Kangda Investment (Hong Kong) and Jiangxi Silver Dragon entered into a new construction services agreement (the "2022 Renewed Construction Services Agreement") to renew the Construction Services Agreement for a term commencing from 1 January 2023 and ending on 31 December 2025. Further details of the 2022 Renewed Construction Services Agreement were set out in the announcement of the Company dated 8 November 2022. The annual caps under the 2022 Renewed Construction Services Agreement for the years ended 31 December 2023, 2024 and 2025 are RMB55 million, RMB55 million and RMB55 million, respectively.

關連交易

於二零二零年九月二十五日，康達投資(香港)有限公司(「康達投資(香港)」)(本公司的間接全資附屬公司)與江西銀龍訂立框架建設服務協議(「建設服務協議」)，據此，訂約方同意江西銀龍可根據中國適用法律及法規通過招標程序獲選為本集團有關污水處理設施的建設、升級、重建及擴建的項目提供土木工程、建設、安裝工程及設備供應。建設服務協議的期限自建設服務協議日期起至二零二二年十二月三十一日止。江西銀龍為本公司主要股東中國水務的非全資附屬公司。因此，江西銀龍是中國水務的聯繫人及本公司的關連人士。根據上市規則第14A章，有關建設服務協議的交易構成本公司的持續關連交易，而本公司獨立股東已於二零二零年十一月十六日舉行的本公司股東特別大會上批准有關建設服務協議的持續關連交易。有關建設服務協議的詳情已載於本公司日期為二零二零年九月二十五日的公告及日期為二零二零年十月三十日的通函內。

於二零二二年十一月八日，康達投資(香港)與江西銀龍訂立新工程服務協議(「二零二二年經重續工程服務協議」)，以重續工程服務協議，年期由二零二三年一月一日起至二零二五年十二月三十一日止。二零二二年經重續工程服務協議的進一步詳情載於本公司日期為二零二二年十一月八日的公告。截至二零二三年、二零二四年及二零二五年十二月三十一日止年度，二零二二年經重續工程服務協議項下的年度上限分別為人民幣55百萬元、人民幣55百萬元及人民幣55百萬元。

關連交易 (續)

於二零二五年十二月二十二日，康達投資(香港)與江西銀龍訂立新工程服務協議(「二零二五年經重續工程服務協議」)，以重續工程服務協議，年期由二零二六年一月一日起至二零二八年十二月三十一日止。更多有關二零二五年經重續工程服務協議之詳情，已載於本公司日期為二零二五年十二月二十二日刊發之公告。根據二零二五年經重續工程服務協議，截至二零二六年、二零二七年及二零二八年十二月三十一日止年度之年度上限分別為人民幣45百萬元、人民幣45百萬元及人民幣45百萬元。

本公司已遵守上市規則的披露規定。

4

POST BALANCE SHEET EVENTS

The material post balance sheet events are disclosed in note 42 to the consolidated financial statements in this report.

AUDIT COMMITTEE

The Audit Committee had reviewed together with the management and independent auditor the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended 31 December 2025.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code contained in the Listing Rules. Specific enquiry has been made to all the Directors and the Directors have confirmed that they had complied with such code of conduct during year ended 31 December 2025.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders of the Company and to enhance corporate value and accountability. During the year ended 31 December 2025, the Company has compiled with all the applicable provisions of the CG Code as set out in Appendix C1 to the Listing Rules.

結算日後事項

重大結算日後事項於本年報綜合財務報表附註42披露。

審核委員會

審核委員會已連同管理層及獨立核數師審核本集團所採納的會計原則及政策以及截至二零二五年十二月三十一日止年度的經審核綜合財務報表。

有關董事進行證券交易的行為守則

本公司已就董事進行證券交易採納一套行為準則，其條款並不遜於上市規則所載標準守則所載的規定標準。經向全體董事作出具體查詢後，董事確定彼等於截至二零二五年十二月三十一日止年度內一直遵守有關行為準則。

企業管治

本公司致力於維持高標準的企業管治以保障本公司的股東利益及提升企業價值及問責性。截至二零二五年十二月三十一日止年度，本公司已遵守上市規則附錄C1所載企業管治守則所有適用條文。

足夠公眾持股量

根據本公司可獲取的公開資料及就董事所知，截至二零二五年十二月三十一日止年度直至本年報日期

Independent Auditor's Report
獨立核數師報告

To the shareholders of
Kangda International Environmental Company Limited
(Incorporated in the Cayman Islands with limited liability)

致康達國際環保有限公司

(於開曼群島註冊成立的有限公司) **股東**

OPINION

We have audited the consolidated financial statements of Kangda International Environmental Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 87 to 242, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

吾等已審計第87頁至第242頁所載康達國際環保有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於二零二五年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表的附註,包括重大會計政策資料。

吾等認為,綜合財務報表已根據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會計準則真實而公平地反映 貴集團於二零二五年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為編製。

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as issued by the International Auditing and Assurance Standards Board ("IAASB"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Professional Accountants* (the "Code") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見的基礎

吾等根據國際審計與鑒證準則理事會(「國際審計與鑒證準則理事會」)頒佈的國際審計準則(「國際審計準則」)進行審計。吾等在該等準則下承擔的責任已在本報告*核數師就審計綜合財務報表*須承擔的責任部分中作進一步闡述。根據香港會計師公會(「香港會計師公會」)頒佈適用於審計公眾利益實體財務報表的專業會計師道德守則(「守則」),吾等獨立於 貴集團。吾等亦已履行守則中的其他專業道德責任。吾等相信,吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

Independent Auditor's Report
獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理，而吾等不會對這些事項提供單獨的意見。吾等乃基於此原則闡釋

KEY AUDIT MATTERS (Continued)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 吾等的審計如何處理關鍵審計事項

Provision for impairment of trade and bills receivables and financial receivables
貿易應收款項及應收票據及金融應收款項減值撥備

Trade and bills receivables and financial receivables were significant to the consolidated financial statements and the majority of the receivables were generated from service concession arrangements, engineering procurement construction ("EPC") contracts, and build-transfer contracts. Expected credit losses ("ECLs") allowances for trade and bills receivables are made based on the assessment of the recoverability of receivables due from customers. The Group is required to regularly assess the recoverability of its trade and bills receivables and financial receivables. This involves significant judgement and estimation as the ECLs allowances must reflect information about past events, current conditions and forecasts of future conditions.
貿易應收款項及應收票據及金融應收款項對綜合財務報表關係重大，而大多數應收款項均源自服務特許經營安排、工程採購建設(「EPC」)合約及建設 — 移交合約。貿易應收款項及應收票據的預期信貸虧損(「預期信貸虧損」)撥備乃根據對應收客戶款項可收回程度所作的評估計提。 貴集團須定期評估其貿易應收款項及應收票據及金融應收款項的可收回程度，而這涉及重大判斷及估計，原因為預期信貸虧損撥備須反映有關過往事件、目前狀況和未來經濟狀況預測的資料。

Relevant disclosures are included in note 2.4 material accounting policies — "impairment of financial assets", note 2.5 significant accounting judgements and estimates — estimation uncertainty — "Provision for expected credit losses on trade and bills receivables, financial receivables and contract assets", note 20 "financial receivables", and note 22 "trade and bills receivables" to the consolidated financial statements.
相關披露載於綜合財務報表附註2.4重大會計政策 —「金融資產減值」、附註2.5重大會計判斷及估計 — 估計不確定性 —「貿易應收款項及應收票據、金融應收款項及合約資產預期信貸虧損撥備」、附註20「金融應收款項」及附註22「貿易應收款項及應收票據」。

Our procedures to assess the recoverability of trade and bills receivables and financial receivables included, among others, obtaining confirmations of trade and bills receivables and financial receivables, examining evidence of collection of trade and bills receivables and financial receivables after the year end, recalculating the ageing analysis by customers, examining the Group's assessment of the customers'

Independent Auditor's Report
獨立核數師報告

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 吾等的審計如何處理關鍵審計事項

Recognition and measurement of the contract revenue for service concession arrangements
服務特許經營安排項下的合約收益確認及計量

The Group engages in certain service concession arrangements under the terms of Build-Operate-Transfer ("BOT") in which the Group carries out the construction work of municipal infrastructure for certain governmental authorities or their designees (the "Grantors") and receives in return the rights to operate municipal infrastructure concerned in accordance with the pre-established conditions set by the Grantors. The measurement of revenue for service concession arrangements which is accounted for under IFRIC 12 *Service Concession Arrangements* involves significant management judgements and estimates including determination of applicable accounting model, estimation of the future guaranteed receipts, prevailing market rate of construction gross margins, and discount rates as used in the valuation process.
根據建設 — 運營 — 移交(「BOT」)的條款， 貴集團訂立若干服務特許經營安排，據此， 貴集團根據若干政府機關或其指定機構(「授予人」)預先訂立的條件對市政基礎設施進行建設工程，並取得市政基礎設施的經營權作為回報。根據國際財務報告詮釋委員會第12號服務特許經營安排計量服務特許經營安排的收益涉及重大管理判斷及估計，包括釐定適用會計模式、估計未來有保證的收費、現行市場的工程毛利率及估值過程中所用貼現率。

Relevant disclosures are included in note 2.4 material accounting policies — "service concession arrangements", note 2.5 significant accounting judgements and estimates — judgements — "accounting for service concession arrangements" and "percentage of completion of construction services", note 4 "revenue" and note 20 "financial receivables" to the consolidated financial statements.
相關披露載於綜合財務報表附註2.4重大會計政策 —「服務特許經營安排」、附註2.5重大會計判斷及估計 — 判斷 —「服務特許經營安排的會計處理」及「建設服務竣工百分比」、附註4「收益」以及附註20「金融應收款項」。

We reviewed the contract terms of the service concession arrangements and assessed the accounting model adopted and the future guaranteed receipts. We evaluated the competency and objectivity of the external appraiser engaged by management to assist the determination of the gross margin for construction service and discount rates. We also evaluated the basis and assumptions in the valuation and performed a comparison of the inputs used in the valuation against external market

Independent Auditor's Report
獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報所載其他資料

貴公司董事須對其他資料負責。其他資料包括年報內的所有資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料。吾等亦不對該等其他資料發表任何形式的鑒證結論。

就吾等對綜合財務報表的審計而言，吾等的責任是閱讀其他資料，並藉此考慮其他資料是否與綜合財務報表或吾等在審計過程中得知的情況存在重大抵觸，或基於其他原因似乎存在重大錯誤陳述的情況。倘基於吾等已執行的工作，所得結論為其他資料出現重大錯誤陳述，吾等需要報告該事實。在這方面，吾等並無任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則會計準則及香港公司條例的披露規定擬備真實而公正的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

在擬備綜合財務報表時， 貴公司董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非 貴公司董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司董事在履行其監督 貴集團財務匯報過程的責任上獲審核委員會提供協助。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

核數師就審計綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎恰當與否作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則吾等須修改意見。吾等的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公正反映相關交易和事項。

- 計劃和執行集團審計，以獲取關於 貴集團內各實體或業務單位財務信息的充足、適當的審計憑證，以對綜合財務報表形成審計意見提供基礎。吾等負責指導、監督和覆核為集團審計而執行的審計工作。吾等就審計意見承擔全部責任。

吾等與審核委員會溝通(其中包括)計劃的審計範圍、時間安排、重大審計發現等，包括吾等在審計中識別出內部監控的任何重大問題。

Independent Auditor's Report
獨立核數師報告

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Leung Yin (practising certificate number: P07553).

Ernst & Young
Certified Public Accountants
Hong Kong

19 March 2026

核數師就審計綜合財務報表須承擔的責任(續)

吾等還向審核委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響吾等獨立性的所有關係和其他事項，以及在適用的情況下，消除威脅所採取的行動或所應用的保障措施。

從與審核委員會溝通的事項中，吾等確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在吾等報告中通報某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中通報該事項。

出具本獨立核數師報告的審計項目合夥人是梁燕(執業證書編號：P07553)。

安永會計師事務所
執業會計師
香港

二零二六年三月十九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

Year ended 31 December 2025　截至二零二五年十二月三十一日止年度

	2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

Year ended 31 December 2025 截至二零二五年十二月三十一日止年度

		Notes 附註	2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
OTHER COMPREHENSIVE INCOME	**其他全面收益**			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	將不會於其後期間重新分類至損益之其他全面收益：			
Equity investments designated at fair value through other comprehensive income:	指定為按公平值計入其他全面收益的股權投資：			
Changes in fair value	公平值變動		**5,000**	52,000
Income tax effect	所得稅影響		**(750)**	(7,800)
			4,250	44,200
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	將不會於其後期間重新分類至損益之其他全面收益淨額		**4,250**	44,200
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**年內其他全面收益，扣除稅項**		**4,250**	44,200
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**年內全面收益總額**		**247,773**	215,081
Attributable to:	下列各項應佔：			
Owners of the parent	母公司擁有人		**241,510**	212,198
Non-controlling interests	非控股權益		**6,263**	2,883
			247,773	215,081

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2025 二零二五年十二月三十一日

		Notes 附註	31 December 2025 二零二五年 RMB'000 人民幣千元	31 December 2024 二零二四年 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	13	**50,810**	48,682
Investment properties	投資物業		**3,551**	10,465
Right-of-use assets	使用權資產	14	**4,047**	1,737
Investments in associates	於聯營公司的投資	15	**235,011**	234,998
Investments in joint ventures	於合營企業的投資	16	**70,662**	74,945
Service concession intangible assets	無形資產 — 服務特許經營	18	**1,443,148**	1,525,762
Other intangible assets	其他無形資產		**1,122**	1,433
Goodwill	商譽	19	**17,170**	17,170
Financial receivables	金融應收款項	20	**9,527,339**	9,631,996
Deferred tax assets	遞延稅項資產	21	**76,474**	81,002
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	23	**15,747**	18,731
Contract assets	合約資產	24	**396,732**	492,730
Total non-current assets	非流動資產總值		**11,841,813**	12,139,651
CURRENT ASSETS	**流動資產**			
Inventories	存貨		**15,044**	17,534
Contract assets	合約資產	24	**87,929**	53,057
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	17	**404,000**	399,000
Financial receivables	金融應收款項	20	**1,976,967**	2,041,985
Trade and bills receivables	貿易應收款項及應收票據	22	**3,004,689**	3,169,688
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	23	**834,917**	760,656
Financial assets at fair value through profit or loss	按損益計入公平值的金融資產		**158**	–
Pledged deposits	抵押存款	25	**137,894**	93,698
Cash and cash equivalents	現金及現金等價物	25	**258,951**	122,158
			6,720,549	6,657,776
Assets of a disposal group classified as held for sale	分類為持有待售的出售組合的資產	26	**127,064**	356,499
Total current assets	流動資產總值		**6,847,613**	7,014,275

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2025 二零二五年十二月三十一日

		Notes 附註	31 December 2025 二零二五年 RMB'000 人民幣千元	31 December 2024 二零二四年 RMB'000 人民幣千元
CURRENT LIABILITIES	**流動負債**			
Trade and bills payables	貿易應付款項及應付票據	27	**1,561,649**	1,849,716
Other payables and accruals	其他應付款項及應計費用	28	**130,889**	142,038
Deferred income	遞延收入		**11,840**	–
Interest-bearing bank and other borrowings	計息銀行及其他借款	29	**3,406,543**	2,960,777
Lease liabilities	租賃負債	14	**1,749**	427
Tax payable	應付稅項		**106,484**	89,223
			5,219,154	5,042,181
Liabilities directly associated with the assets classified as held for sale	與分類為持有待售的資產直接相關的負債	26	**–**	260,448
Total current liabilities	流動負債總額		**5,219,154**	5,302,629
NET CURRENT ASSETS	**流動資產淨額**		**1,628,459**	1,711,646
TOTAL ASSETS LESS CURRENT LIABILITIES	**資產總值減流動負債**		**13,470,272**	13,851,297
NON-CURRENT LIABILITIES	**非流動負債**			
Trade and bills payables	貿易應付款項及應付票據	27	**348**	4
Interest-bearing bank and other borrowings	計息銀行及其他借款	29	**5,930,146**	6,649,551
Lease liabilities	租賃負債	14	**2,418**	1,521
Deferred income	遞延收入		**17,550**	–
Deferred tax liabilities	遞延稅項負債	21	**1,204,368**	1,180,376
Total non-current liabilities	非流動負債總額		**7,154,830**	7,831,452
Net assets	資產淨值		**6,315,442**	6,019,845
EQUITY	**權益**			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	30	**18,651**	17,125
Reserves	儲備	32	**6,207,140**	5,917,837
			6,225,791	5,934,962
Non-controlling interests	非控股權益		**89,651**	84,883
Total equity	權益總額		**6,315,442**	6,019,845

Li Zhong
李中
Director
董事

Duan Jerry Linnan
段林楠
Director
董事

Consolidated Statement of Changes in Equity
綜合權益變動表

Year ended 31 December 2025　截至二零二五年十二月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔									
		Issued capital 已發行股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Special reserve 特別儲備 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Fair value reserve of financial assets at fair value through other comprehensive income 按公平值計入其他全面收益的金融資產公平值儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Non-controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
As at 1 January 2024	於二零二四年一月一日	17,125	1,717,384	390,332	–	65,553	(133,450)	3,654,845	5,711,789	138,243	5,850,032
Profit for the year	年內溢利	–	–	–	–	–	–	167,998	167,998	2,883	170,881
Other comprehensive income for the year:	年內其他全面收益：										
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定為按公平值計入其他全面收益的股權投資公平值變動，扣除稅項	–	–	–	–	–	44,200	–	44,200	–	44,200
Total comprehensive income for the year	年內全面收益總額	–	–	–	–	–	44,200	167,998	212,198	2,883	215,081
Acquisition of non-controlling interests	收購非控股權益	–	–	5,834	–	–	–	–	5,834	(55,085)	(49,251)
Transfer to special reserve (a)	轉撥至特別儲備(a)	–	–	–	3,905	–	–	(3,905)	–	–	–
Utilisation of special reserve (a)	動用特別儲備(a)	–	–	–	(3,905)	–	–	3,905	–	–	–
Dividends paid to non-controlling equity holders	向非控股權益持有人支付之股息	–	–	–	–	–	–	–	–	(1,158)	(1,158)
Equity-settled share option arrangements (b)	以權益結算的購股權安排(b)	–	–	–	–	5,141	–	–	5,141	–	5,141
As at 31 December 2024	於二零二四年十二月三十一日	17,125	1,717,384*	396,166*	–*	70,694*	(89,250)*	3,822,843*	5,934,962	84,883	6,019,845
As at 1 January 2025	於二零二五年一月一日	**17,125**	**1,717,384**	**396,166**	**–**	**70,694**	**(89,250)**	**3,822,843**	**5,934,962**	**84,883**	**6,019,845**
Profit for the year	年內溢利	**–**	**–**	**–**	**–**	**–**	**–**	**237,260**	**237,260**	**6,263**	**243,523**
Other comprehensive income for the year:	年內其他全面收益：										
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定為按公平值計入其他全面收益的股權投資公平值變動，扣除稅項	**–**	**–**	**–**	**–**	**–**	**4,250**	**–**	**4,250**	**–**	**4,250**
Total comprehensive income for the year	年內全面收益總額	**–**	**–**	**–**	**–**	**–**	**4,250**	**237,260**	**241,510**	**6,263**	**247,773**
Capital injection by non-controlling shareholder	非控股股東的注資	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3,505**	**3,505**
Disposal of a subsidiary (c)	出售一家附屬公司(c)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(5,000)**	**(5,000)**
Transfer to special reserve (a)	轉撥至特別儲備(a)	**–**	**–**	**–**	**7,720**	**–**	**–**	**(7,720)**	**–**	**–**	**–**
Utilisation of special reserve (a)	動用特別儲備(a)	**–**	**–**	**–**	**(7,720)**	**–**	**–**	**7,720**	**–**	**–**	**–**
Equity-settled share option arrangements (b)	以權益結算的購股權安排(b)	**1,526**	**44,224**	**–**	**–**	**3,569**	**–**	**–**	**49,319**	**–**	**49,319**
As at 31 December 2025	於二零二五年十二月三十一日	**18,651**	**1,761,608***	**396,166***	**–***	**74,263***	**(85,000)***	**4,060,103***	**6,225,791**	**89,651**	**6,315,442**

* These reserve accounts comprise the consolidated reserves of RMB6,207,140,000 (31 December 2024: RMB5,917,837,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內人民幣6,207,140,000元（二零二四年十二月三十一日：人民幣5,917,837,000元）的綜合儲備。

Consolidated Statement of Changes in Equity
綜合權益變動表

Year ended 31 December 2025　截至二零二五年十二月三十一日止年度

Notes:

(a) The Group provided for and utilised the safety production expense fund according to the Management Measures on the Enterprises Production Safety Expense of Enterprises Appropriation and Utilisation (2022 No.136) issued by the Ministry of Finance and the Ministry of Emergency Management of the People's Republic of China.

(b) On 31 May 2024, the Company granted a total of 213,973,500 share options to subscribe for a total of 213,973,500 ordinary shares in the share capital of the Company under the share option scheme adopted by the Company on 14 June 2014. The Group recognised a share option expense of RMB3,569,000 (31 December 2024: RMB5,141,000) during the year ended 31 December 2025 (note 31).

(c) In 2025, Chongqing Kangda Environmental Protection Industry (Group) Co., Ltd., an indirectly wholly-owned subsidiary of the Company, disposed of its entire 80% interests in Longkou Kangyuan Water Company Limited (龍口市康源水務有限公司) ("Longkou Kangyuan"), which resulted in derecognition of non-controlling interests of RMB5,000,000.

附註：

(a) 本集團根據中華人民共和國財政部及應急管理部頒佈的《關於印發＜企業安全生產費用提取和使用管理辦法＞的通知》([2022]136號) 計提和使用安全生產費用基金。

(b) 於二零二四年五月三十一日，本公司已根據其於二零一四年六月十四日採納的購股權計劃授出合共213,973,500份購股權，以認購本公司股本中合計213,973,500股普通股。截至二零二五年十二月三十一日止年度，本集團確認購股權開支人民幣3,569,000元 (二零二四年十二月三十一日：人民幣5,141,000元) (附註31)。

(c) 於二零二五年，本公司的間接全資附屬公司—重慶康達環保產業 (集團) 有限公司出售其於龍口市康源水務有限公司 (「龍口康源」) 的全部80%權益，以致終止確認非控股權益人民幣5,000,000元。

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2025　截至二零二五年十二月三十一日止年度

		Notes 附註	**2025 二零二五年 RMB'000 人民幣千元**	2024 二零二四年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動所得現金流量**			
Profit before tax	除稅前溢利		**344,471**	236,243
Adjustments for:	經調整下列各項：			
Finance costs	融資成本	7	**446,805**	544,211
Foreign exchange differences, net	外匯差額，淨額	6	**57**	2,228
Share of profits and losses of associates and joint ventures	分佔聯營公司及合營企業損益		**3,476**	2,088
Bank interest income	銀行利息收入	5	**(750)**	(2,215)
Interest income from loans to a third party	向一家第三方貸款的利息收入	5	**(9,117)**	(15,643)
Interest income from loans to an associate and a joint venture	向一家聯營公司及一家合營企業貸款的利息收入	5	**(3,431)**	(1,985)
Investment income from other current financial assets	其他流動金融資產的投資收入		**–**	(1,419)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,13	**4,787**	5,221
Depreciation of investment properties	投資物業折舊	6	**398**	618
Depreciation of right-of-use assets	使用權資產折舊	6,14	**638**	1,069
Amortisation of service concession intangible assets	無形資產 — 服務特許經營攤銷	6,18	**109,993**	118,958
Amortisation of other intangible assets	其他無形資產攤銷	6	**310**	343
Loss on disposal of subsidiaries	出售附屬公司的虧損		**30,442**	–
Loss on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的虧損淨額	6	**–**	10
Loss from changes in fair value through profit or loss	按公平值計入損益的變動產生的虧損		**3,342**	–
Impairment of financial receivables	金融應收款項減值	6,20	**83,332**	46,608
Impairment of contract assets	合約資產減值	6,24	**318**	99
Impairment of prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減值	6,23	**17,761**	6,804
(Reversal of impairment)/impairment of trade and bills receivables	貿易應收款項及應收票據(減值撥回)／減值	6,22	**(5,081)**	19,478
Loss/(gain) for debt restructuring	債務虧損／(收益)		**1,237**	(15,363)
Equity-settled share option expense	以權益結算購股權開支	31	**3,569**	5,141
			1,032,557	952,494

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2025 截至二零二五年十二月三十一日止年度

		Notes 附註	2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Decrease in inventories	存貨減少		**1,980**	558
Increase in financial receivables	金融應收款項增加		**(196,526)**	(405,294)
Decrease in contract assets	合約資產減少		**61,574**	475,823
Increase in trade and bills receivables	貿易應收款項及應收票據增加		**(375,383)**	(509,102)
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產增加		**(337,606)**	(8,542)
Increase/(decrease) in trade and bills payables	貿易應付款項及應付票據增加／(減少)		**185,779**	(67,636)
Increase in other payables and accruals	其他應付款項及應計費用增加		**313,536**	20,852
Increase/(decrease) in deferred income	遞延收入增加／(減少)		**29,390**	(30,629)
Cash generated from operations	經營所得現金		**715,301**	428,524
Interest received	已收利息		**1,150**	2,166
Income taxes paid	已繳所得稅		**(35,311)**	(27,547)
Net cash flows from operating activities	經營活動所得現金流量淨額		**681,140**	403,143
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動所得現金流量**			
Purchase of items of property, plant and equipment	購買物業、廠房及設備項目	13	**(1,214)**	(889)
Additions to intangible assets	添置無形資產		**(40,590)**	(51,214)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項		**678**	354
Proceeds from disposal of service concession intangible assets	出售無形資產 — 服務特許經營所得款項		**55,000**	–
Proceeds from disposal of equity interests in subsidiaries	出售附屬公司權益所得款項		**36,626**	19,210
Proceeds from previous disposal of an associate	過往出售一家聯營公司所得款項		**–**	144,885
Investment income received from other financial assets	其他金融資產收取的投資收入		**–**	1,423
(Increase)/decrease in pledged deposits	抵押存款(增加)／減少		**(44,196)**	35,015
Decrease in loans due from a third party	應收一家第三方貸款減少		**200**	2,349
Dividends received from an associate	自一家聯營公司的已收股息		**794**	637
Net cash flows from investing activities	投資活動所得現金流量淨額		**7,298**	151,770

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2025　截至二零二五年十二月三十一日止年度

		Notes 附註	2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動所得現金流量**			
Increase of interest-bearing bank and other borrowings	計息銀行及其他借款增加		**5,978,825**	5,707,143
Repayment of interest-bearing bank and other borrowings	償還計息銀行及其他借款		**(6,220,190)**	(5,838,047)
Interest paid	已付利息		**(409,599)**	(477,744)
Acquisition of non-controlling interests	收購非控股權益		**(500)**	(16,103)
Principal portion of lease payments	租賃付款的本金部份		**(828)**	(1,273)
Proceeds from exercise of share options	行使購股權的所得款項		**45,750**	–
Capital contribution from the non-controlling shareholder	非控股股東注資所得款項		**3,505**	–
Purchases of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產		**(3,500)**	–
Net cash flows used in financing activities	融資活動所用現金流量淨額		**(606,537)**	(626,024)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**現金及現金等價物增加／(減少)淨額**		**81,901**	(71,111)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		**177,096**	248,360
Effect of foreign exchange rate changes, net	匯率變動的影響淨額		**(46)**	(153)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**年末現金及現金等價物**	25	**258,951**	177,096
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	**現金及現金等價物結餘分析**			
Cash and bank balances	現金及銀行結餘		**396,845**	215,856
Less: Pledged deposits	減：抵押存款		**(137,894)**	(93,698)
Cash and cash equivalents as stated in the statement of financial position	**財務狀況表內所列現金及現金等價物**		**258,951**	122,158
Cash and cash equivalents attributable to a disposal group classified as held for sale	**分類為持有待售的出售組別應佔的現金及現金等價物**		**–**	54,938
Cash and cash equivalents as stated in the statement of cash flows	**現金流量表內所列現金及現金等價物**		**258,951**	177,096

1. CORPORATE AND GROUP INFORMATION

Kangda International Environmental Company Limited (the "Company") was incorporated as an exempted company with

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Kangyu Investment Co., Ltd. (康渝投資有限公司)#^	PRC/Chinese mainland	US$200,000,000	–	100	Investment activities
康渝投資有限公司^	中國／中國內地	200,000,000美元			投資活動
Chongqing Kangda Environmental Protection Industry (Group) Co., Ltd. ("Chongqing Kangda") (重慶康達環保產業(集團)有限公司)#*	PRC/Chinese mainland	RMB1,876,019,000	–	100	Investment in WTPs and construction of municipal infrastructure
重慶康達環保產業(集團)有限公司(「重慶康達」)*	中國／中國內地	人民幣1,876,019,000元			投資污水處理廠及建設市政基礎設施
Kangda Environmental Protection Water Co., Ltd. (康達環保水務有限公司)#*	PRC/Chinese mainland	RMB80,000,000	–	100	Construction of WTPs and provision of WTP operation services
康達環保水務有限公司*	中國／中國內地	人民幣80,000,000元			建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Shangqiu) Water Co., Ltd. (康達環保(商丘)水務有限公司)#*	PRC/Chinese mainland	RMB63,000,000	–	100	Construction of WTPs and provision of WTP operation services
康達環保(商丘)水務有限公司*	中國／中國內地	人民幣63,000,000元			建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Kangda Environmental Protection (Gaomi) Sewage Treatment Co., Ltd. (康達環保(高密)污水處理有限公司)# *	PRC/Chinese mainland	RMB17,000,000	–	100	Construction of WTPs and provision of WTP operation services
康達環保(高密)污水處理有限公司*	中國／中國內地	人民幣17,000,000元			建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Gaomi) Fengcheng Sewage Treatment Co., Ltd. (康達環保(高密)鳳城生活污水處理有限公司)# *	PRC/Chinese mainland	RMB8,500,000	–	100	Provision of WTP operation services
康達環保(高密)鳳城生活污水處理有限公司*	中國／中國內地	人民幣8,500,000元			提供污水處理廠運營服務
Rushan Kangda Water Co., Ltd. (乳山康達水務有限公司)# *	PRC/Chinese mainland	RMB24,000,000	–	100	Construction of WTPs and provision of WTP operation services
乳山康達水務有限公司*	中國／中國內地	人民幣24,000,000元			建設污水處理廠及提供污水處理廠運營服務
Shangqiu Kangda Sewage Treatment Co., Ltd. (商丘康達污水處理有限公司)# *	PRC/Chinese mainland	RMB20,250,000	–	100	Construction of WTPs and provision of WTP operation services
商丘康達污水處理有限公司*	中國／中國內地	人民幣20,250,000元			建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Haiyang Xingcun Kangda Water Co., Ltd. (海陽行村康達水務有限公司)# *	PRC/Chinese mainland	RMB19,490,000	–	100	Construction of WTPs and provision of WTP operation services
海陽行村康達水務有限公司*	中國／中國內地	人民幣19,490,000元			建設污水處理廠及提供污水處理廠運營服務
Shanxian Kangda Environmental Protection Water Co., Ltd. (單縣康達環保水務有限公司)# *	PRC/Chinese mainland	RMB26,500,000	–	100	Construction of WTPs and provision of WTP operation services
單縣康達環保水務有限公司*	中國／中國內地	人民幣26,500,000元			建設污水處理廠及提供污水處理廠運營服務
Kangda (Dongying) Environmental Protection Water Co., Ltd. (康達(東營)環保水務有限公司)# *	PRC/Chinese mainland	RMB163,263,000	–	100	Construction of WTPs and provision of WTP operation services
康達(東營)環保水務有限公司*	中國／中國內地	人民幣163,263,000元			建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Beijing Chang Sheng Si Yuan Environmental Protection Technology Co., Ltd. (北京長盛思源環保科技有限公司)# * 北京長盛思源環保科技有限公司*	PRC/Chinese mainland 中國／中國內地	RMB150,000,000 人民幣150,000,000元	–	100	Investment, management of environmental projects and public infrastructure projects 投資、管理環保項目及公共基礎設施項目
Yucheng Dongjiao Chengjian Sewage Treatment Co., Ltd. (禹城東郊城建污水處理有限公司)# * 禹城東郊城建污水處理有限公司*	PRC/Chinese mainland 中國／中國內地	RMB10,000,000 人民幣10,000,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務
Puyang Kangda Environmental Protection Water Co., Ltd. (濮陽康達環保水務有限公司)# * 濮陽康達環保水務有限公司*	PRC/Chinese mainland 中國／中國內地	RMB50,000,000 人民幣50,000,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務
Jining City Xinkangda Sewage Treatment Co., Ltd. (濟寧市鑫康達水務有限公司)# * 濟寧市鑫康達水務有限公司*	PRC/Chinese mainland 中國／中國內地	RMB64,000,000 人民幣64,000,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Yunan Kangda Environment Treatment Co., Ltd. (郁南康達環境治理有限公司)# *	PRC/Chinese mainland	RMB62,000,000	–	52	Construction, operation and maintenance of WTPs and other environmental protection projects
郁南康達環境治理有限公司*	中國／中國內地	人民幣62,000,000元			建設、運營及維護污水處理廠及其他環保項目
Weihai Kangda Ecological Environment Treatment Co., Ltd. ("Weihai Kangda") (威海康達生態環境綜合治理有限公司)# *	PRC/Chinese mainland	RMB100,000,000	–	88	Construction, operation and maintenance of WTPs, STPs, pipe networks and other municipal infrastructure
威海康達生態環境綜合治理有限公司(「威海康達」)*	中國／中國內地	人民幣100,000,000元			建設、運營及維護污水處理廠、污泥處理廠、管網及其他市政基礎設施
Chongqing Kangda Lvyi Energy Investment Co., Ltd. (重慶康達綠意能源投資有限公司)# *	PRC/Chinese mainland	RMB50,000,000	–	100	Investment in energy industry and provision of WTP operation services
重慶康達綠意能源投資有限公司*	中國／中國內地	人民幣50,000,000元			投資能源行業及提供污水處理廠運營服務
Shangqiu Kangda Water Treatment Co., Ltd. (商丘康達水處理有限公司)# *	PRC/Chinese mainland	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services
商丘康達水處理有限公司*	中國／中國內地	人民幣10,000,000元			建設污水處理廠及提供污水處理廠運營服務

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Chongqing Kangda Zhishang Environmental Protection Industry Co., Ltd. (重慶康達至尚環保產業有限公司)* 重慶康達至尚環保產業有限公司*	PRC/Chinese mainland 中國／中國內地	RMB70,000,000 人民幣70,000,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務

1. 公司及集團資料（續）

有關附屬公司的資料（續）

有關本公司主要附屬公司的詳情載列如下：（續）

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立[illegible]	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company	Principal activities

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Kangda Environmental Protection (Linyi) Water Co., Ltd. (康達環保(臨沂)水務有限公司)# *	PRC/Chinese mainland	RMB15,000,000	–	100	Construction of WTPs and provision of WTP operation services
康達環保(臨沂)水務有限公司*	中國／中國內地	人民幣15,000,000元			建設污水處理廠及提供污水處理廠運營服務
Fengxian Kangda Environmental Protection the second Sewage treatment Co., Ltd. (豐縣康達環保第二污水處理有限公司)# *	PRC/Chinese mainland	RMB20,000,000	–	100	Construction of WTPs and provision of WTP operation services
豐縣康達環保第二污水處理有限公司*	中國／中國內地	人民幣20,000,000元			建設污水處理廠及提供污水處理廠運營服務
Jining Kangda Environmental Protection Water Co., Ltd. (濟寧康達環保水務有限公司)# *	PRC/Chinese mainland	RMB25,000,000	–	100	Construction of WTPs and provision of WTP operation services
濟寧康達環保水務有限公司*	中國／中國內地	人民幣25,000,000元			建設污水處理廠及提供污水處理廠運營服務
Haiyang Kangda Environmental Protection Water Co., Ltd. (海陽康達環保水務有限公司)# *	PRC/Chinese mainland	RMB6,000,000	–	100	Construction of WTPs and provision of WTP operation services
海陽康達環保水務有限公司*	中國／中國內地	人民幣6,000,000元			建設污水處理廠及提供污水處理廠運營服務
Wendeng Kangda Environmental Protection Water Co., Ltd. (文登康達環保水務有限公司)# *	PRC/Chinese mainland	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services
文登康達環保水務有限公司*	中國／中國內地	人民幣10,000,000元			建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Weifang Binhai Kangda Environmental Protection Water Co., Ltd. (濰坊濱海康達環保水務有限公司)# * 濰坊濱海康達環保水務有限公司*	PRC/Chinese mainland 中國／中國內地	RMB10,500,000 人民幣10,500,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Hebi) Water Treatment Co., Ltd. ("Hebi Kangda") (康達環保(鶴壁)水處理有限公司)# * 康達環保(鶴壁)水處理有限公司(「鶴壁康達」) *	PRC/Chinese mainland 中國／中國內地	RMB5,500,000 人民幣5,500,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務
Huadian Kangda Environmental Protection Water Co., Ltd. (樺甸康達環保水務有限公司)# * 樺甸康達環保水務有限公司*	PRC/Chinese mainland 中國／中國內地	RMB10,000,000 人民幣10,000,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務
Suihua Kangda Environmental Protection Water Co., Ltd. (綏化康達環保水務有限公司)# * 綏化康達環保水務有限公司*	PRC/Chinese mainland 中國／中國內地	RMB52,700,000 人民幣52,700,000元	–	100	Construction of WTPs and provision of WTP operation services 建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Tianjin Kangda Lvyi Sludge Treatment Co., Ltd. (天津康達綠意污泥處理有限公司)# *	PRC/Chinese mainland	RMB2,000,000	–	100	Construction of STPs and provision of STP operation services
天津康達綠意污泥處理有限公司*	中國／中國內地	人民幣2,000,000元			建設污泥處理廠及提供污泥處理廠運營服務
Jiaoling Kangda Environmental Governance Co., Ltd. ("Jiaoling Kangda") (蕉嶺康達環境治理有限公司)# *	PRC/Chinese mainland	RMB56,172,000	–	97	Construction, operation and maintenance of WTPs and other environmental protection projects
蕉嶺康達環境治理有限公司（「蕉嶺康達」）*	中國／中國內地	人民幣56,172,000元			建設、運營及維護污水處理廠及其他環保項目
Wenzhou Chuangyuan Water Co., Ltd. ("Wenzhou Chuangyuan") (溫州市創源水務有限公司)# *	PRC/Chinese mainland	RMB168,000,000	–	100	Construction of WTPs and provision of WTP operation services
溫州市創源水務有限公司（「溫州創源」）*	中國／中國內地	人民幣168,000,000元			建設污水處理廠及提供污水處理廠運營服務
Meiling Environmental Technology (Zibo) Co., Ltd. ("Meiling Zibo") (美陵環境科技(淄博)有限公司)#^	PRC/Chinese mainland	SGD3,780,000	–	100	Construction of WTPs and provision of WTP operation services
美陵環境科技(淄博)有限公司（「美陵淄博」）^	中國／中國內地	3,780,000新加坡元			建設污水處理廠及提供污水處理廠運營服務
Qingzhou Meiling Sewage Purification Co., Ltd. (青州市美陵污水淨化有限公司)# *	PRC/Chinese mainland	RMB5,000,000	–	100	Construction of WTPs and provision of WTP operation services
青州市美陵污水淨化有限公司*	中國／中國內地	人民幣5,000,000元			建設污水處理廠及提供污水處理廠運營服務

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	 Indirect 間接	Principal activities 主要業務
Sichuan Weiyuan Hefeng Bioengineering Co., Ltd. (四川威遠禾豐生物工程有限公司)#*	PRC/Chinese mainland	RMB45,000,000	–	100	Construction of WTPs and provision of WTP operation services
四川威遠禾豐生物工程有限公司*	中國／中國內地	人民幣45,000,000元			建設污水處理廠及提供污水處理廠運營服務
Taiyuan Kangjin Water Co., Ltd. (太原康晉水務有限公司)#*	PRC/Chinese mainland	RMB194,450,000	–	99	Construction of WTPs and provision of WTP operation services
太原康晉水務有限公司*	中國／中國內地	人民幣194,450,000元			建設污水處理廠及提供污水處理廠運營服務
Weiyuan Kangda Environmental Protection Co., Ltd. (威遠康達環保有限公司)#*	PRC/Chinese mainland	RMB38,496,000	–	95	Construction of WTPs and provision of WTP operation services
威遠康達環保有限公司*	中國／中國內地	人民幣38,496,000元			建設污水處理廠及提供污水處理廠運營服務

The English names of these companies referred to in this report represent management's best effort in translating the Chinese names of the companies registered in Chinese mainland, as no English names have been registered.

^ Kangyu Investment Co., Ltd. and Meiling Environmental Technology (Zibo) Co., Ltd. are registered as wholly-foreign-owned enterprises under PRC law.

* These companies are registered as limited liability companies under PRC law.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司英文名稱乃管理層盡力翻譯其中⑦
下：(諷；匕覽樸稂畚殏膀鋼旨瑯軌刎叟陂禲楸滶垚ㄉ鎛躇瑯郎

2. ACCOUNTING POLICIES
2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) as issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance.

The financial statements have been prepared under the historical cost convention, except for equity investments designed at fair value through other comprehensive income and financial assets at fair value through profit or loss, which have been measured at fair value. Disposal groups held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 2.4. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

2. 會計政策
2.1 編製基準

該等財務報表已根據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會計準則(包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)及香港公司條例的披露規定編製。

財務報表已按歷史成本慣例編製，惟指定為按公平值計入其他全面收益的股權投資及按公平值計入損益的金融資產除外，其乃按公平值計量。持作出售之出售組別按其賬面值與公平值減銷售成本兩者中之較低者列賬，詳情載於附註2.4。該等財務報表以人民幣(「人民幣」)呈列，且除另有指明外，所有價值均約整至最接近的千位數。

綜合基準

本綜合財務報表包括本公司及其附屬公司(「本集團」)截至二零二五年十二月三十一日止年度的財務報表。附屬公司乃本公司直接或間接控制的實體(間

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, and any non-controlling interest; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準 (續)

綜合基準 (續)

附屬公司財務報表就本公司相同報告期間編製，並採用一致的會計政策編製。附屬公司的業績由本集團獲得控制權之日作綜合入賬，直至有關控制權終止當日為止。

損益及其他全面收益的各個組成部分歸屬於本集團母公司的擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。所有有關本集團各成員公司間的交易的集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合入賬時全數抵銷。

倘事實及情況顯示上述三項控制因素中的一項或多項出現變化，本集團會重新評估其是否控制投資對象。並無失去控制權的附屬公司擁有權權益變動乃以股本交易入賬。

倘本集團失去對一家附屬公司的控制權，則終止確認相關資產(包括商譽)、負債及任何非控股權益，及確認所保留任何投資的公平值及損益中任何因此產生的盈餘或虧絀。先前已於其他全面收益內確認的本集團應佔部分重新分類至損益或保留溢利(如適當)，基準與本集團直接出售相關資產或負債所需使用的基準相同。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the Group did not have foreign currency transactions, the amendments did not have any impact on the Group's financial statements.

2.2 會計政策及披露的變動

本集團在本年度財務報表首次採納國際會計準則第21號(修訂本)*— 缺乏可兌換性*。本集團並無提前採納任何其他已頒佈但尚未生效的其他準則或修訂。

國際會計準則第21號(修訂本)規定了當缺乏可兌換性時，實體應如何評估一種貨幣是否可兌換為另一種貨幣，以及如何估計計量日的即期匯率。該等修訂要求進行資料披露，以使財務報表使用者了解不可兌換貨幣的影響。由於本集團並無外幣交易，故該等修訂對本集團財務報表並無任何影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1]

2.3 已頒佈但尚未生效的國際財務報告準則會計準則

本集團尚未於財務報表應用以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則會計準則。本集團擬於新訂及經修訂國際財務報告準則會計準則生效後應用該等新訂及經修訂國際財務報告準則會計準則(如適用)。

國際財務報告準則第18號	財務報表的呈列及披露[2]
國際財務報告準則第19號及其修訂本	*無公眾責任的附屬公司：披露*[2]
國際財務報告準則第9號及國際財務報告準則第7號(修訂本)	*金融工具之分類及計量之修訂*[1]
國際財務報告準則第9號及國際財務報告準則第7號(修訂本)	*涉及依賴自然能源生產電力的合約*[1]
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注資*[3]
國際會計準則第21號(修訂本)	

[1] Effective for annual periods beginning on or after 1 January 2026

[2] Effective for annual/reporting periods beginning on or after 1 January 2027

[3] No mandatory effective date yet determined but available for adoption

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss and other comprehensive income into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 Japd [(1)-3 ( )-v33 ( )-v33 ( )-v33 ( )-v33 0g [(a)-3 0g 7 ( )-96 (a)-10 (r)-10 (e)-10 ( )-96 (m)-10f12-96 (0-96 (2-96 (7-96 (m)-10f1w-96 (i-96 (

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now.

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則會計準則 (續)

國際財務報告準則第10號及國際會計準則第28號(修訂本)針對國際財務報告準則第10號及國際會計準則第28號之間有關投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定之不一致情況。該等修訂規定，當資產出售或注資構成一項業務時，須全數確認下游交易產生的收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂已前瞻應用。國際會計準則理事會剔除國際財務報告準則第10號及國際會計準則第28號(修訂本)的以往強制生效日期。然而，該等修訂現時可供採納。

國際會計準則第21號(修訂本)*換算為惡性通貨膨脹呈列貨幣*規定，須按期末匯率將非惡性通貨膨脹功能貨幣換算為惡性通貨膨脹呈列貨幣。該修訂本亦規定，若實體之功能貨幣及呈列貨幣均為惡性通貨膨脹經濟中的貨幣，則須根據國際會計準則第29號*惡性通貨膨脹經濟中的財務報告*第34段，對功能貨幣屬非惡性通貨膨脹經濟中的貨幣之境外業務比較數字採用一般價格指數進行重列。該修訂本引入若干額外披露要求。允許提前應用。預期該修訂本不會對本集團的財務報表產生任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Annual Improvements to IFRS Accounting Standards — Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 7 *Financial Instruments*: Disclosures: The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則會計準則(續)

*國際財務報告準則會計準則的年度改進 — 第11冊*載列了對國際財務報告準則第1號、國際財務報告準則第7號(及隨附的*國際財務報告準則第7號實施指引*)、國際財務報告準則第9號、國際財務報告準則第10號及國際會計準則第7號的修訂。預期適用於本集團的修訂詳情如下：

- 國際財務報告準則第7號*金融工具*：披露：該修訂已更新國際財務報告準則第7號第B38段及*國際財務報告準則第7號實施指引*第IG1、IG14及IG20B段的若干措辭，以簡化或達致與該準則其他段落及／或其他準則中使用的概念和術語的一致性。此外，該修訂澄清有關*國際財務報告準則第7號實施指引*沒有必要說明

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

- IFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則會計準則 (續)

- 國際財務報告準則第10號*綜合財務報表*：該修訂澄清國際財務報告準則第10號B74段所述關係僅為投資者與作為其實際代理人的其他各方之間可能存在的各種關係的其中一個例子，消除了與國際財務報告準則第10號第B73段規定的不一致之處。允許提早應用。該等修訂本預期不會對本集團的財務報表產生任何重大影響。

- 國際會計準則第7號現金*流量表*：繼先前刪除「成本法」的定義後，該修訂以國際會計準則第7號第37段中的「按成本」取代「成本法」。允許提早應用。該等修訂本預期不會對本集團的財務報表產生任何影響。

2.4 MATERIAL ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.4 重大會計政策

於聯營公司及合營企業的投資

聯營公司指本集團擁有一般不少於20%股本投票權的長期權益，並可對其擁有重大影響力的實體。重大影響力指參與被投資方財務及經營決策的權力，但並非控制或共同控制該等政策。

合營企業屬於一種合營安排，據此，在有關安排中擁有共同控制權的合營方對合營企業的淨資產享有權利。共同控制權為以合約形式協定分享一項安排的控制權，只在就有關活動作出決定必須經分享控制權的各方一致同意的情況下出現。

本集團於聯營公司及合營企業的投資以權益會計法按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬，並就消除會計政策上的分歧作出調整。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other case, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 重大會計政策 (續)

於聯營公司及合營企業的投資 (續)

本集團應佔聯營公司及合營企業的收購後業績及其他全面收益計入綜合損益及其他全面收益表。此外，倘直接於聯營公司或合營企業的權益確認一項變動，則本集團會於綜合權益變動表確認其應佔的任何變動(如適用)。本集團與聯營公司或合營企業交易產生的未變現收益及虧損均按本集團於聯營公司或合營企業的投資比例對銷，惟倘未變現虧損證明所轉讓資產出現減值則除外。收購聯營公司或合營企業所產生的商譽計入為本集團於聯營公司或合營企業投資的一部分。

倘於聯營公司的投資成為於合營企業的投資，或於合營企業的投資成為於聯營公司的投資，則不會重新計量保留權益。相反，投資繼續按權益法入賬。在所有其他情況下，於喪失對聯營公司的重大影響力或合營企業的共同控制權時，本集團按公平值計量及確認任何保留投資。於喪失重大影響力或共同控制權時聯營公司或合營企業的賬面值與保留投資的公平值及出售所得款項之間的任何差額於損益內確認。

業務合併及商譽

業務合併使用收購法入賬。轉讓代價按收購日期的公平值計量，該公平值為本集團於收購日期所轉資產的公平值、本集團向被收購方的原擁有人承擔的負債及本集團就換取被收購方控制權而發行的股本權益的總和。就各項業務合併而言，本集團選擇是否以公平值或於被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益。非控股權益的所有其他組成部分均按公平值計量。收購相關成本於產生時列為開支。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策 (續)

業務合併及商譽 (續)

當所收購的一組活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出的能力有重大貢獻，本集團認為其已收購一項業務。

本集團於收購業務時根據合約條款、收購日期的經濟環境及有關狀況評估所承擔的金融資產及負債，以作出適當分類及指定，包括區分被收購方主合約的嵌入式衍生工具。

倘業務合併為分階段實現，先前持有的股權應按收購日期的公平值重新計量，所產生的任何盈虧會於損益或其他全面收益（視情況而定）內確認。

收購方轉讓的任何或有代價將以收購日期的公平值確認。分類為資產或負債的或有代價按公平值計量，而公平值變動於損益確認。倘或有代價被分類為權益項目，則不再對其重新計量，直至其最終於權益內結清為止。

商譽初步按成本計量，成本即已轉讓代價、已確認為非控股權益的金額與本集團過往所持被收購方股權公平值的總和超出所收購可識別資產及所承擔負債的差額。倘該代價與其他項目的總和低於所收購資產淨值的公平值，則差額經重新評估後於損益確認為議價收購收益。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 重大會計政策 (續)

業務合併及商譽 (續)

初次確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試，倘發生事件或情況改變顯示賬面值可能減值，則會更頻繁測試。本集團於每年的十二月三十一日進行商譽減值測試。為進行減值測試，於業務合併中獲得的商譽會自收購日期起分配至本集團預期可從合併產生的協同效益獲益的各現金產生單位或現金產生單位組別，而不論本集團的其他資產或負債是否已分配至該等單位或單位組別。

減值乃透過評估與商譽有關的現金產生單位(現金產生單位組別)的可收回金額釐定。倘現金產生單位(現金產生單位組別)的可收回金額低於賬面值，則確認減值虧損。就商譽確認的減值虧損於其後期間不得撥回。

倘商譽獲分配至現金產生單位(或現金產生單位組別)，而屬於該單位的部分業務已出售，則在釐定出售業務所得盈虧時，與所出售業務相關的商譽會計入該業務的賬面值。在該等情況下出售的商譽，乃根據所出售業務與所保留現金產生單位部分的相對價值計量。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets, investment properties, and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.4 重大會計政策 (續)

公平值計量 (續)

於財務報表中計量或披露公平值的所有資產及負債，乃按對整體公平值計量而言屬重大的最低級輸入值分類至下述的公平值等級：

第一級 — 根據相同資產或負債於活躍市場的報價(未經調整)

第二級 — 根據採用對公平值計量而言屬重大的直接或間接可觀察最低級輸入值的估值方法

第三級 — 根據採用對公平值計量而言屬重大的不可觀察最低級輸入值的估值方法

就按經常性基準於財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類釐定轉撥是否於各級之間發生(基於對整體公平值計量而言屬重大的最低級輸入值)。

非金融資產減值

倘有減值跡象或須對資產(存貨、合約資產、遞延稅項資產、金融資產、投資物業及非流動資產／分類為持有待售的出售組別除外)進行年度減值測試，則會估計資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值或公平值減出售成本(以較高者為準)，並視為個別資產計算，惟倘該項資產並無產生在頗大程度上獨立於其他資產或資產組別的現金流入，則為該項資產所屬的現金產生單位釐定可收回金額。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (Continued)

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策 (續)

非金融資產減值 (續)

就現金產生單位進行減值測試時，倘企業資產 (如總部大樓) 的部分賬面值可按合理一致的基準或以其他方式分配至最小的現金產生單位組別，則其分配至個別現金產生單位。

減值虧損僅於資產賬面值超逾其可收回金額時確認。評估使用價值時，估計未來現金流量按可反映目前市場所評估貨幣時間價值及該資產特定風險的稅前貼現率折現至其現值。減值虧損於產生期間在與減值資產功能相同的開支類別的其他開支中自損益扣除。

本公司於各報告期末評估有否任何跡象顯示之前已確認的減值虧損可能不再存在或已減少。倘有相關跡象存在，則會估計可收回金額。僅在用於釐定資產 (商譽除外) 可收回金額的估計有變時，方可撥回原先已就該資產確認的減值虧損，惟撥回後的金額不得高於假設過往年度並無就資產確認減值虧損而應有的賬面值 (經扣除任何折舊／攤銷)。有關減值虧損的撥回部分會於其產生期間計入損益表。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

2.4 重大會計政策 (續)

關聯方

倘符合下列情況，有關方則被視為與本集團有關聯：

(a) 該方為某人士或某人士的直系親屬，且該人士

(i) 對本集團擁有控制權或共同控制權；

(ii) 對本集團有重大影響力；或

(iii) 為本集團或本集團母公司的主要管理人員；

或

(b) 該方為以下任何條件適用的實體：

(i) 該實體與本集團為同一集團成員公司；

(ii) 該實體為另一實體 (或另一實體的母公司、附屬公司或同系附屬公司) 的聯營公司或合營企業；

(iii) 該實體與本集團為同一第三方的合營企業；

(iv) 該實體為第三方實體的合營企業，而另一實體為第三方實體的聯營公司；

(v) 該實體為以本集團或本集團相關實體僱員為受益人的離職後福利計劃；

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) the party is an entity where any of the following conditions applies: (Continued)

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 重大會計政策(續)

關聯方(續)

(b) 該方為以下任何條件適用的實體：(續)

(vi) 該實體受(a)所述人士控制或共同控制；

(vii) (a)(i)所述人士對該實體具有重大影響力或為該實體(或該實體的母公司)的主要管理人員；及

(viii) 該實體或其所屬集團旗下任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損列賬。倘物業、廠房及設備項目分類為持作出售或倘其為分類為持作出售的出售組合一部分，則不會折舊並根據國際財務報告準則第5號入賬。物業、廠房及設備項目的成本包括購買價及任何使資產達至運營狀況及地點作擬定用途的直接應佔成本。

物業、廠房及設備項目投產後產生的維修及保養等開支，一般於產生期間自損益表扣除。於符合確認標準的情況下，大型檢測開支計入資產賬面值，作為重置成本。倘物業、廠房及設備的重要部分須定期更換，則本集團確認該等部分為具特定使用年期的個別資產並作出相應折舊。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings and other infrastructure	3.13% to 4.50%
Machinery	6.67% to 18.00%
Office equipment and others	6.33% to 33.33%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 重大會計政策 (續)

物業、廠房及設備與折舊 (續)

折舊以直線法計算，按每項物業、廠房及設備項目的估計使用年期撇銷成本至其剩餘價值。就此所採用的主要年率如下：

樓宇及其他基礎設施	3.13%至4.50%
機器	6.67%至18.00%
辦公設備及其他	6.33%至33.33%

倘物業、廠房及設備項目各部分的使用年期不同，則該項目的成本按合理基準分配至各部分，單獨計算折舊。剩餘價值、使用年期及折舊方法至少於各財政年度結算日進行審閱，並作出適當調整。

初步確認的物業、廠房及設備項目及任何重大部分於出售時或預期使用或出售不會再產生未來經濟利益時終止確認。於資產終止確認年度在損益表內確認的任何出售或報廢盈虧，乃有關資產銷售所得款項淨額與賬面值之間的差額。

在建工程按成本扣除任何減值虧損列賬，且並無折舊。在建工程於竣工並可供使用時重新分類至物業、廠房及設備的適當類別。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are interests in land and buildings (including right-of-use assets) held to earn rental income and/or for capital appreciation. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each item of such properties to its residual value over its estimated useful life. The principal annual rate used for this purpose is as follows:

Buildings	4.50%

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

2.4 重大會計政策 (續)

投資物業

投資物業指持作賺取租金收入及／或資本增值而持有的土地及樓宇權益(包括使用權資產)。有關物業首先按成本(包括交易成本)計量。初步確認後，投資物業按成本扣除累計折舊及任何減值虧損列賬。

折舊以直線法計算，按各項有關物業的估計使用年期撇銷成本至其剩餘價值。就此所採用的主要年率如下：

樓宇	4.50%

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併中收購的無形資產的成本為收購日期的公平值。無形資產的可使用年期經評估分為有固定期限或無固定期限。使用年期有限的無形資產隨後於可用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時評估是否減值。使用年期有限的無形資產的攤銷期及攤銷方法至少於各財政年度結算日進行審閱。

軟件

已購買軟件按成本減任何減值虧損列賬並按其估計可使用年期十年以直線法攤銷。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

Operating concessions

For details of the accounting policy of operating concessions, please refer to "Service concession arrangements" below.

Operating contract rights

Operating contract rights represent the fair value of operating rights of WTPs or RWTPs acquired through business combination. These intangible assets are amortised on the straight-line basis over the remaining period of the operating contract rights.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 重大會計政策 (續)

無形資產 (商譽除外) (續)

研發開支

所有研發開支於產生時自損益表中扣除。

發展新產品項目引致的支出，只在本集團可證明完成該項無形資產以供使用或出售在技術上可行，本身亦有意完成該項資產及有能力使用或出售該項資產，以及該項資產日後如何帶來經濟利益，備有所需資源完成項目及有能力可靠計量發展過程所需支出的情況下，方予以資本化及遞延。不符合此等準則的產品發展支出，將於產生時列作支銷。

遞延發展成本乃按成本減任何減值虧損列賬，並於相關產品自投入商業生產當日起計不超過五至七年的商業壽命內按直線法攤銷。

運營特許權

有關運營特許權的會計政策詳情，請參閱下文「服務特許經營安排」。

運營合約權利

運營合約權利指透過業務合併所取得污水處理廠或再生水處理廠運營權的公平值。該等無形資產於運營合約權利的剩餘年期內按直線法攤銷。

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約賦予權利於一段時間內控制已識別資產的用途以換取代價，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃 (惟短期租賃及低價值資產租賃除外) 採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產的權利。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Land	19 years
Office	2 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2.4 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用的日期)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。使用權資產在資產的租期及估計使用年期(以較短者為準)內按直線法計提折舊如下：

土地	19年
辦公室	2至5年

倘於租期結束時租賃資產的擁有權轉讓至本集團或成本反映購買權的行使，折舊則根據資產的估計可使用年期計算。

(b) 租賃負債

租賃負債於租賃開始日期按租賃期內作出的租賃付款之現值計予以確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於某一指數或比率的可變租賃付款，以及預期在剩餘價值擔保下支付的金額。租賃付款亦包括合理確定將由本集團行使的購買選擇權之行使價，及為終止租賃而支付的罰款(倘租賃期反映本集團正行使終止權)。並非取決於某一指數或比率的可變租賃付款於導致付款的事件或條件發生的期間確認為開支。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office properties (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office properties that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債 (續)

於計算租賃付款的現值時，本集團在租賃開始日期使用增量借款利率，因為租賃中所隱含的利率不易確定。在開始日期之後，租賃負債的金額將會增加以反映利息的增加及就已作出的租賃付款作出扣減。此外，倘租期有所更改、變更、租賃付款變更（如指數或比率變更導致未來租賃付款變更）或評估購買相關資產的選擇權有所變更，則重新計量租賃負債的賬面值。

本集團的租賃負債計入計息銀行及其他借款。

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用辦公物業的短期租賃（即自租賃開始日期起計租期為十二個月或以下，並且不包含購買選擇權的租賃）。其亦應用於被視為低價值的辦公物業的低價值資產租賃。

短期租賃的租賃款項及低價值資產租賃在租期內按直線法確認為支出。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in other income and gains in the consolidated statement of profit or loss and other comprehensive income due to its nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income and gains in the period in which they are earned.

Service concession arrangements

The Group has entered into a number of service concession arrangements with the Grantors. The service concession arrangements consist of Build-Operate-Transfer (the "BOT") arrangements and Transfer-Operate-Transfer (the "TOT") arrangements. Under the BOT arrangements, the Group carries out construction work of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure for the Grantors and receives in return the rights to operate the service project concerned for a specified period of time (the "operation period") in accordance with the pre-established conditions set by the Grantors, and the service project should be transferred to the Grantors with nil consideration at the end of the operation period. A TOT arrangement is similar to a BOT arrangement, except that the Group pays consideration for the rights to operate the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure that have been built.

2.4 重大會計政策 (續)

租賃 (續)

本集團作為出租人

當本集團作為出租人時，本集團在租賃開始時(或當存在租賃變更時)將其各租賃分類為經營租賃或融資租賃。

所有本集團並未轉讓資產所有權所附帶的絕大部分風險及回報的租賃歸類為經營租賃。當合約包含租賃及非租賃組成部分時，本集團將合約中的代價以相對獨立的銷售價格分配至各組成部分。由於其性質，租金收入於租期內按直線法列賬並計入綜合損益及其他全面收益表之其他收入及收益。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值，並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間內確認為其他收入及收益。

服務特許經營安排

本集團與授予人訂立多項服務特許經營安排。服務特許經營安排包括建設 — 運營 — 移交(「BOT」)安排及移交 — 運營 — 移交(「TOT」)安排。根據BOT安排，本集團為授予人開展污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的建設工程，並根據授予人預先設定的條件獲得於指定期間(「經營期間」)經營有關服務項目的權利作為回報，而有關服務項目應於經營期末無償轉讓予授予人。TOT安排與BOT安排類似，惟本集團須就已建立的污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的經營權支付代價。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Service concession arrangements (Continued)

Consideration given by the Grantors

A financial asset (financial receivable) is recognised to the extent that the Group has an unconditional right to receive cash or another financial asset from or at the direction of the Grantors for the construction services rendered and/or the consideration

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Service concession arrangements (Continued)

Construction or upgrade services

Costs relating to construction or upgrade services comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads. Revenue from the construction or upgrade services under the BOT agreements is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered in similar locations, and is recognised using the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

Operating services

Revenue relating to operating services is accounted for in accordance with the policy for "Revenue recognition" below. Costs for operating services are expensed in the period in which they are incurred.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

2.4 重大會計政策(續)

服務特許經營安排(續)

建設或改造服務

有關建設或改造服務的成本包括直接物料、分包成本、直接勞工及合適比例的浮動及固定間接成本。BOT協議項下建設或改造服務的收益乃參考於協議日期在類似地點提供類似建設服務適用的現行市場毛利率，按成本加成基準估計，並採用竣工百分比法(參考至今所產生成本佔相關合約估計成本總額的比例計量)確認。

經營服務

有關經營服務的收益乃根據下文「收益確認」所載有關政策入賬。經營服務的成本於其產生期間列為開支。

投資及其他金融資產

初步確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計入其他全面收益以及按公平值計入損益的金融資產。

於初始確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已應用並無調整重大融資成分影響的實際權宜方法貿易應收款項及應收票據外，本集團按公平值加上(倘金融資產並非按公平值計入損益)交易成本計量金融資產。並無重大融資成分或本集團已應用實際權宜方法的貿易應收款項及應收票據根據下文「收入確認」所載的政策按國際財務報告準則第15號釐定的交易價格計量。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

2.4 重大會計政策 (續)

投資及其他金融資產 (續)

初步確認及計量 (續)

按攤銷成本或通過其他全面收益公平值計量及分類的金融資產，產生的現金流量應僅為支付本金及未償還的本金產生的利息 (「SPPI」) (僅為支付本金及利息)。現金流量並非SPPI的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產在旨在持有金融資產以收取合約現金流量的業務模式內持有，而按公平值計入其他全面收益分類及計量的金融資產則在旨在持有以收集合約現金流量及出售的業務模式內持有。並非在上述業務模式內持有的金融資產則以按公平值計入損益分類及計量。

購買或出售金融資產須於監管或市場慣例規定的期間內交付資產，則於交易日 (即本集團承諾購買或出售資產的日期) 確認。

後續計量

金融資產的後續計量視乎其如下分類而定：

按攤銷成本計量的金融資產 (債務工具)

按攤銷成本計量的金融資產後續使用實際利率法計量，並可能受減值影響。當資產終止確認、變更或減值時，收益及虧損於損益表中確認。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 重大會計政策(續)

投資及其他金融資產(續)

後續計量(續)

指定為按公平值計入其他全面收益的金融資產(股權投資)

於初步確認時，本集團可選擇於股權投資符合國際會計準則第32號金融工具：呈報項下的股本定義且並非持作買賣時，將其股權投資不可撤回地分類為指定為按公平值計入其他全面收益的股權投資。分類乃按個別工具基準釐定。

該等金融資產的收益及虧損概不會被重新計入損益表。當確立支付權時，股息於損益表中確認為其他收入，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外，於此等情況下，該等收益於其他全面收益入賬。指定為按公平值計入其他全面收益的股權投資不受減值評估影響。

終止確認金融資產

金融資產(或(如適用)一項金融資產或一組類似金融資產的部分)主要於下列情況下終止確認(即從本集團的綜合財務狀況表內移除)：

- 自資產收取現金流量的權利已屆滿；或
- 本集團已根據「轉讓」安排轉讓自資產收取現金流量的權利或承擔在無重大延誤情況下向第三方悉數支付已收取現金流量的責任，及(a)本集團已轉讓資產的絕大部分風險及回報，或(b)本集團概無轉讓亦無保留資產的絕大部分風險及回報，但已轉讓資產的控制權。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2.4 重大會計政策(續)

終止確認金融資產(續)

倘本集團轉讓自資產收取現金流量的權利或已訂立轉讓安排，本集團會評估其是否有及何種程度上保留資產擁有權的風險及回報。倘本集團概無轉讓或保留資產的絕大部分風險及回報，亦無轉讓資產的控制嘴烎煋§撕縔茶C蒮立 評轉讓或芥薇菍窬

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The various group companies have different credit policies depending on the requirements of their markets in which they operate and the businesses they engage in. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2.4 重大會計政策 (續)

金融資產減值 (續)

一般方式 (續)

於各報告日期，本集團評估信貸風險自初始確認以來是否顯著上升。於評估時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的資料，包括過往經驗及毋須花費不必要成本或努力獲取的前瞻性資料。

各集團公司訂有不同的信貸政策，視乎其業務營運所在市場及所從事業務的要求而定。然而，在若干情況下，倘內部或外部資料顯示，在計及本集團持有的任何信貸提升措施前，本集團不大可能悉數收回未償還合約款項，則本集團亦可認為金融資產已違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按公平值計入其他全面收益的債務工具及按攤銷成本計量的金融資產應以一般方法減值及根據以下預期信貸虧損的計量階段分類，惟貿易應收款項及應收票

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade and bills receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables, interest-bearing bank and other borrowings.

Subsequent measurement

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

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

2.4 重大會計政策(續)

金融資產減值(續)

簡化方法

就並無重大融資成分或本集團應用實際權宜方法未調整重大融資成分影響的貿易應收款項及應收票據及合約資產而言，本集團於計算預期信貸虧損時應用簡化方法。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

金融負債

初步確認及計量

金融負債於初步確認時分類為按公平值計入損益的金融負債、貸款及借款、應付款項(如適當)。

所有金融負債初步按公平值確認，而如屬貸款及借款以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項及應付票據、其他應付款項、計息銀行及其他借款。

其後計量

金融負債的其後計量按如下分類進行：

按攤銷成本計量之金融負債(貿易及其他應付款項及借款)

於初步確認後，貿易及其他應付款項及計息借款其後採用實際利率法按攤銷成本計量，惟倘折現並無重大影響，則按成本列賬。當終止確認負債時及在採用實際利率法的攤銷過程中，收益及虧損會在損益表內確認。

計算攤銷成本時須計及收購時的任何折讓或溢價，且包括組成實際利率不可缺少的費用或成本。實際利率攤銷計入損益表的融資成本。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 重大會計政策(續)

終止確認金融負債

倘金融負債的責任被解除、取消或到期，則會終止確認金融負債。

倘現有金融負債被來自同一貸款人的另一項與現有大部分條款不相同的負債所替代，或現有負債的條款大部分被修訂，該項交換或修訂作為終止確認原有負債及確認新負債處理，兩者相應賬面值的差額於損益表內確認。

抵銷金融工具

倘現行存在合法可強制執行的權利以抵銷已確認金融資產及金融負債金額及有意按淨額基準結算，或可同時變現資產並結算負債，則金融資產及金融負債可互相抵銷，抵銷淨額於財務狀況表內呈報。

存貨

存貨按成本與可變現淨值中較低者列賬。成本按先進先出基準釐定。可變現淨值按估計售價減完成及出售時產生的任何估計成本計算。

現金及現金等價物

財務狀況表中的現金及現金等價物包括手頭現金及銀行現金，以及到期日通常在三個月內的短期高流動性存款，其可隨時轉換為已知金額的現金，價值變動風險很小及為滿足短期現金承擔而持有。

就綜合現金流量表而言，現金及現金等價物包括手頭及銀行現金以及上文所界定的短期存款，減須按要求償還並構成本集團現金管理組成部分的銀行透支。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above; and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 重大會計政策(續)

撥備

倘因過往事件須承擔現時責任(法定或推定),而履行該責任可能導致未來資源外流,假設該責任所涉金額能夠可靠估計,則確認撥備。

倘折現影響重大,則確認為撥備的金額為預期履行責任所需未來開支於報告期末的現值。因時間推移而產生的折現現值增加計入損益表的融資成本內。

於業務合併中確認的或然負債初步按其公平值計量,其後則按(i)將根據上述一般撥備政策確認的金額;與(ii)初步確認金額減(指在適當情況下)根據收益確認政策確認的收益金額兩者中的較高值計量。

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認的項目相關的所得稅於損益以外確認,即於其他全面收益或直接於權益確認。

即期稅項資產及負債,乃根據報告期末已實施或大致實施的稅率(及稅法),考慮到本集團經營所在國家現行詮釋及慣例,以預期可自稅務機關收回或向稅務機關支付的金額計量。

遞延稅項乃使用負債法,就於報告期末資產及負債的稅基與其作財務申報用途的賬面值間所有暫時差額作出撥備。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策(續)

所得稅(續)

遞延稅項負債乃就所有應課稅暫時差額確認，惟以下情況除外：

- 倘遞延稅項負債來自初步確認商譽或非業務合併交易中的資產或負債，且於交易時對會計溢利及應課稅溢利或虧損均無影響，且不會產生相等應課稅及可扣稅暫時差額；及

- 對於與附屬公司、聯營公司及合營企業投資有關的應課稅暫時差額，倘能夠控制撥回暫時差額的時間，且於可見將來應不會撥回暫時差額。

遞延稅項資產乃就所有可扣稅暫時差額、結轉的未動用稅項抵免及任何未動用稅項虧損確認。倘可能有可供動用可扣稅暫時差額、結轉的未動用稅項抵免及任何未動用稅項虧損的應課稅溢利，則會確認遞延稅項資產，惟以下情況除外：

- 倘與可扣稅暫時差額有關的遞延稅項資產來自初步確認非業務合併交易中的資產或負債，且於交易時對會計溢利及應課稅溢利或虧損均無影響，且不會產生相等應課稅及可扣稅暫時差額；及

- 對於與附屬公司、聯營公司及合營企業投資有關的可扣稅暫時差額，僅暫時差額有可能在可見將來撥回，以及可能有可供動用暫時差額的應課稅溢利，方會確認遞延稅項資產。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it hasto 1llw 1* [(o ( )-128 (a)-42 (l)-42 (l)-42 ( )-128 (o)822 (r)-42 ((allow a

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2.4 重大會計政策 (續)

收益確認

來自客戶合約的收益

來自客戶合約的收益乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收益金額極有可能不會發生重大收益回撥。

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收益按應收款項的現值計量，使用貼現率折現，該貼現率將反映在本集團與客戶在合約開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為在本集團提供了一年以上的重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上加算的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用國際財務報告準則第15號中實際權宜方法，不會對重大融資部分的影響作出調整。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

(a) BOT arrangements

Revenue from the construction services under the BOT agreements is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered in similar locations, and is recognised using the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

(b) EPC arrangements

Revenue from the provision of construction services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

Claims to customers are amounts that the Group seeks to collect from the customers as reimbursement of costs and margins for scope of works not included in the original construction contract. Claims are accounted for as variable consideration and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group uses the expected value method to estimate the amounts of claims because this method best predicts the amount of variable consideration to which the Group will be entitled.

(c) Provision of operation services

Revenue from the provision of operation services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

2.4 重大會計政策 (續)

收益確認 (續)

來自客戶合約的收益 (續)

(a) BOT安排

BOT協議項下建設服務的收益乃參考於協議日期在類似地點提供類似建設服務適用的現行市場毛利率，按成本加成基準估計，並採用竣工百分比法 (參考至今所產生成本佔相關合約估計成本總額的比例計量) 確認。

(b) EPC安排

提供建設服務的收入隨著時間的推移而確認，服務的收益將繼續使用計量完全達成服務進度的投入法，因為本集團的業績創造或增強了客戶在資產創建或增強時控制的資產。投入法根據實際發生的成本佔建設服務滿足估計總成本的比例確認收入。

向客戶索賠金額乃本集團尋求從客戶處收取的金額，以作為原始建設合約中未包含工程範圍的成本及保證金的補償。索賠作為可變代價進行會計處理並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收益金額極有可能不會發生重大收益回撥。本集團使用預期價值法估計索償金額，因為該方法為預測本集團將有權獲得可變代價金額的最佳方法。

(c) 提供營運服務

由於客戶同時收到及使用本集團所提供的利益，來自提供營運服務的收入於所安排的期間以直線法已獲確認。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

2.4 重大會計政策 (續)

收益確認 (續)

來自其他來源的收益

租賃收益已按時間比例於租賃期間獲確認。

其他收益

利息收益按應計基準使用實際利率法確認，透過應用於金融工具的預期期限或較短期間 (如適用) 其已估算未來現金流量的利率準確變現至金融資產的賬面淨值。

股息收入於股東收取付款權利實施後予以確認，與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠計量。

合約資產

倘本集團於無條件享有合約條款的代價之前，透過向客戶轉讓貨品或服務履行合約，則就所賺取有條件代價確認合約資產。合約資產須作減損測試，其詳情載於金融資產減值會計的政策。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates a share option scheme. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss and other comprehensive income for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

2.4 重大會計政策 (續)

合約負債

合約負債於本集團轉讓相關貨品或服務前收到客戶付款或付款到期 (以較早者為準) 時確認。倘本集團根據合約履約 (即向客戶轉讓相關產品或服務的控制權)，則合約負債確認為收益。

以股份為基礎的付款

本公司設有購股權計劃。本集團僱員 (包括董事) 按以股份為基礎的付款形式收取酬金，而僱員則提供服務換取股本工具 (「股權結算交易」)。

與僱員進行股權結算交易的成本，乃參考購股權授出之日的公平值計量。公平值乃由外部估值師採用二項式模型釐定。

股權結算交易的成本在績效及／或服務條件獲達成期間，連同股本的相應升幅一併於僱員福利開支確認。股權結算交易於各報告期末至歸屬日期間確認的累計開支，反映過去歸屬期屆滿以及本集團就最後歸屬的股本工具數目的最佳估計。期內自綜合損益及其他全面收益表扣除或計入收益的金額，指於該期間期初及期終所確認的累計開支變動。

在釐定獎勵於授予日期的公平值時，服務及非市場績效條件均不予考慮，但會評估符合該等條件的可能性，作為本集團就最終將予歸屬的股本工具數目作出最佳估計的部分工作。市場績效條件在授予日期公平值中反映。某項獎勵附帶的任何其他條件 (

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefit scheme in Hong Kong (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 重大會計政策 (續)

以股份為基礎的付款 (續)

因非市場績效及／或服務條件未能達成而最終無賦予的獎勵並不確認為支出。包含市場或非歸屬條件的獎勵不論市場或非歸屬條件是否獲達成，仍被視為歸屬，但必須符合所有其他績效及／或服務條件。

倘股權結算獎勵的條款被修訂，則確認最低開支，猶如條款未被修改及給予的原條款獲履行。此外，任何增加以股份為基礎的付款的公平值總額，或對以修訂日期計量有關公平值的僱員有利的修訂將確認開支。倘股權結算獎勵被註銷，則被視為已於註銷日期被歸屬，而未就獎勵確認的開支則即時確認。

尚未行使購股權的攤薄影響，於計算每股盈利時，被反映為額外股份攤薄。

其他僱員福利

退休金計劃

本集團於中國內地經營的附屬公司僱員須參與地方市政府設立的中央退休金計劃。該等附屬公司須按工資的一定百分比向中央退休金計劃供款。供款於按照中央退休金計劃的規定須予支付時計入損益。

本集團亦遵照香港強制性公積金計劃條例，在香港為該等合資格參與強積金計劃之僱員設立一項定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金之某一百分比計算，並於根據強積金計劃規則須支付時自損益表扣除。強積金計劃資產由獨立管理基金保管，與本集團資產分開持有。本集團對強積金計劃作出之僱主供款悉數歸屬於僱員。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Other employee benefits (Continued)

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group mak3 (en-U(n)-21 (s)-21i5/Lang /Lang (en-US)1e)-2 ( )-yinsuupl-2 (r)-2 (a)-2 (n)c1 (s)1 (u)1ur-2 (s)-2 (u

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Foreign currencies

The financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重大會計政策(續)

報告期後事項

倘本集團於報告期後但於授權刊發日期前收到有關於報告期末存在的狀況的資料，其將評估有關資料會否影響其財務報表中確認的金額。本集團將調整其財務報表中確認的金額以反映報告期後的任何調整事項，並根據新資料更新與該等狀況有關的披露。就報告期後的未調整事件而言，本集團將不會更改其財務報表中確認的金額，但會披露未調整事項的性質及對其財務影響的估計，或無法作出該估計的聲明(如適用)。

外幣

該等財務報表以本公司的功能貨幣人民幣呈列。本集團旗下各實體自行釐定其功能貨幣，而各實體的財務報表所列的項目採用功能貨幣計量。本集團旗下實體所記錄的外幣交易初步採用其各自於交易日期通行的功能貨幣匯率列賬。以外幣計值的貨幣資產及負債於報告期末按適用的功能貨幣匯率換算。結算或換算貨幣產生的差額於損益表確認。

以外幣歷史成本計量的非貨幣項目採用首次交易日期的匯率換算。以外幣按公平值計量的非貨幣項目採用計量公平值當日的匯率換算。按公平值計量的非貨幣項目換算所產生的收益或虧損，按與確認該項目公平值變動的收益或虧損一致的方式處理(即公平值收益或虧損於其他全面收益或損益確認的項目的換算差額亦分別於其他全面收益或損益確認)。

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

2.4 重大會計政策 (續)

外幣 (續)

於終止確認與預付代價相關的非貨幣性資產或非貨幣性負債時，為釐定初步確認相關資產、開支或收入採用的匯率，初步交易日期為本集團初步確認預付代價產生的非貨幣性資產或非貨幣性負債當日。倘存在多筆預先付款或收款，本集團就每筆預付代價的付款或收款釐定交易日期。

2.5 重大會計判斷及估計

編製本集團的財務報表時，管理層須作出對收益、開支、資產及負債的報告金額、其相關披露以及或然負債的披露產生影響的判斷、估計和假設。這些假設及估計相關的不確定性可[illegible]

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

(i) Accounting for service concession arrangements

The Group engages in certain service concession arrangements in which the Group carries out construction work of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure for the Grantors and receives in return the rights to operate the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure concerned in accordance with the pre-established conditions set by the Grantors. In accordance with IFRIC 12 *Service Concession Arrangements*, the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure under the service concession arrangements may be classified as intangible assets or financial assets. The WTPs, RWTPs, WDPs, STPs or other municipal infrastructure are classified as intangible assets if the Group receives a right (a licence) to charge users of the public service or if the Grantors remunerate the Group on the basis of the extent of use of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure by users, but with no guarantees as to the amounts that will be paid to the Group. Whenever only part of the investment by the Group under these service concession arrangements is covered by a payment commitment from the Grantors, it is recognised as a financial receivable up to the amount guaranteed by the Grantors, and as an intangible asset for the balance. The Group recognises a financial receivable if it has an unconditional contractual right under the service concession arrangements to receive a determinable amount of payments during the concession period irrespective of the usage of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure.

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(i) 服務特許經營安排的會計處理

本集團經營若干服務特許經營安排，據此，本集團為授予人進行污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的建設工程，以根據授予人先前訂下的條件取得經營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的權利作為回報。根據國際財務報告詮釋委員會詮釋第12號服務特許經營安排，服務特許經營安排項下的污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施可分類為無形資產或金融資產。污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施於本集團獲得權利(權限)向公用服務使用者收取費用或授予人按照使用者使用污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的情況對本集團作出補償(但不保證將支付予本集團的金額)時分類為無形資產。倘本集團於這些服務特許經營安排下的投資只有部分可由授予人的付款承諾彌補，則按授予人保證的最高金額確認為金融應收款項，而餘額則確認為無形資產。如本集團根據服務特許權安排獲得無條件合約權利於特許經營期間收取可確定數額的款項(不論污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的用途)，將確認金融應收款項。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

(i) Accounting for service concession arrangements (Continued)

Subsequent to initial recognition, the financial receivable is measured at amortised cost using the effective interest method.

Revenue from the construction service under the terms of service concession arrangements is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of agreement applicable to similar construction services rendered in similar locations, and is recognised on the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract. The Group's prevailing margins of gross construction margin were valued by an independent third-party valuer.

When the Group receives a payment during the concession period, it will apportion such payment among (i) a repayment of the financial receivables (if any), which will be used to reduce the carrying amount of the financial receivables on the statement of financial position, (ii) interest income, which will be recognised as revenue in profit or loss and (iii) revenue from operating and maintaining the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure in profit or loss.

Judgement is also exercised in determining the fair value of the financial receivables. Discount rates, estimates of future cash flows and other factors are used in the valuation process.

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(i) 服務特許經營安排的會計處理(續)

在初步確認後，金融應收款項採用實際利率法按攤銷成本計量。

服務特許經營安排條款下的建設服務收益乃參考適用於協議日期在類似地點提供類似建設服務現行的市場毛利率，按成本加成基準估計，並按竣工百分比法(參考至今所產生成本佔相關合約估計成本總額的比例計量)確認。本集團建設毛利潤率的當時費率由獨立第三方估值師估值。

本集團於特許經營期內收到款項時，會將有關款項分配至(i)償還金融應收款項(如有)，用以減少財務狀況表金融應收款項的賬面值，(ii)利息收入(將於損益確認為收益)及(iii)污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施運營及維護收益(於損益確認)。

在釐定金融應收款項的公平值時亦會作出判斷。折現率、估計未來現金流量及其他因素會於估值過程中使用。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

(ii) Accounting for EPC arrangements

The Group seeks to collect claims from the customers as reimbursement of costs and margins for scope of works not included in the original construction contract, which give rise to variable consideration. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for claims in construction services, given there is a wide range of possible outcomes which are subject to negotiations with third parties.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, current negotiations with customers, profitability of the head contracts of the customers and the current economic conditions.

Withholding tax arising from the distribution of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distributions of dividends from certain subsidiaries according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends or on whether certain subsidiaries of the Group are determined to be Chinese resident enterprises by the PRC governing tax authorities in the future. Management considered that it is not probable that the Group's subsidiaries in the PRC will distribute retained profits as at the end of the year in the foreseeable future, and accordingly no additional provision for withholding tax was made. Where the final outcome of these matters is different from the amounts originally rewarded, the difference will impact the deferred tax provision in the period in which the difference arises.

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(ii) EPC安排的會計處理

本集團尋求向客戶收取賠償，作為原始建設合約未包含工程範圍的成本及保證金的補償，從而產生可變代價。鑒於存在多種可能結果需要與第三方協商，本集團認為預期價值法為用於估計建設服務索償可變代價的最佳方法。

將任何數額可變代價納入交易價格之前，本集團會考慮可變代價金額是否受到約束。根據歷史經驗、與客戶的當前談判、客戶總承包的盈利能力及當前經濟狀況，本集團認為可變代價的估計不受約束。

派發股息產生的預扣稅

本集團釐定是否根據相關稅務司法權區累計若干附屬公司派發股息產生的預扣稅，乃視乎對派付股息的時間或中國規管稅務機關會否於日後釐定本集團若干附屬公司為中國居民企業的判斷而定。管理層認為於可見將來，本集團的中國附屬公司將不大可能於年末派發保留溢利，故並無作出額外預扣稅撥備。如該等事宜的最終結果與原先獲獎勵的金額不同，有關差額將對出現差額期間的遞延稅項撥備造成影響。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group periodically reviews the changes in market conditions, expected physical wear and tear, and the maintenance of the asset. The estimation of the useful life of the asset is based on historical experience of the Group with similar assets that are used in a similar way. Depreciation amount will be adjusted if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed, at the end of the year, based on changes in circumstances.

Current income tax and deferred income tax

The Group is subject to income taxes in Hong Kong and Chinese mainland. Estimation is required in determining the provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the current income tax and deferred income tax in the periods in which the differences arise. Deferred tax assets relating to certain temporary differences or unused tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or the unused losses can be utilised.

The realisation of the deferred tax assets mainly depends on whether sufficient future profits will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which will be recognised in profit or loss in the period in which such a reversal takes place. Details of deferred tax assets are contained in note 21 to the financial statements.

2.5 重大會計判斷及估計(續)

估計的不確定性

下文闡述有重大風險可能導致下一財政年度資產及負債的賬面值作重大調整的政

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Percentage of completion of construction services

The Group recognises revenue according to the percentage of completion of individual contracts of construction works, which requires estimation to be made by management. The stage of completion is estimated by reference to the actual costs incurred over the total budgeted costs. Due to the nature of the activity undertaken in construction works, the date on which the activity commences and the date on which the activity completes usually fall into different accounting periods. Hence, the Group reviews and revises the percentage of completion of construction works. Where the actual contract revenue is less than expected or actual contract costs are more than expected, a foreseeable loss may arise.

Estimation of total budgeted costs and cost to completion for construction services

Total budgeted costs for construction contracts comprise (i) direct material costs and direct labour, (ii) costs of subcontracting, and (iii) an appropriation of variable and fixed construction overheads. In estimating the total budgeted costs for construction contracts, management refers to information such as (i) current offers from sub-contractors and suppliers, (ii) recent offers agreed with sub-contractors and suppliers, and (iii) professional estimation on material costs, labour costs and other costs.

Provision for expected credit losses on trade and bills receivables, financial receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade and bills receivables, financial receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

2.5 重大會計判斷及估計(續)

估計的不確定性(續)

建設服務竣工百分比

本集團根據建設工程個別合約的竣工百分比確認收益，而該確認需要管理層作出估計。竣工階段經參考總預算成本產生的實際成本後進行估計。由於建設工程所進行活動的性質，活動開始日期及活動竣工日期一般屬於不同會計期間。因此，本集團會對建設工程竣工百分比進行審閱及修訂。如實際合約收益低於預期或實際合約成本高於預期，則可能產生可預見虧損。

建設服務的預算成本總額及完工成本估計

建設合約的總預算成本包括(i)直接物料成本及直接工資、(ii)分包成本，及(iii)適當比例的可變及固定建設費用。估計建設合約的總預算成本時，管理層會參考有關資料，例如(i)分包商及供應商的目前報價、(ii)分包商及供應商協定的近期報價、及(iii)有關物料成本、勞工成本及其他成本的專業估計。

貿易應收款項及應收票據、金融應收款項及合約資產預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項及應收票據、金融應收款項及合約資產預期信貸虧損撥備。撥備率乃根據具備類似虧損型態(即按地區、產品類別及評級以及以信用證及其他信用保險形式的保障劃分)的各類客戶分部逾期日數計算。

撥備矩陣最初基於本集團觀察所得的歷史違約率計算。本集團透過調整矩陣方式，藉以透過前瞻性資料對過往信貸虧損經驗作出調整。例如，倘預測經濟狀況(即國內生產總值)預計將於未來一年內惡化，可能導致製造分部違約數量增加，過往違約率因而得到調整。於各報告日期，觀察所得的歷史違約率將會更新，並分析前瞻性評估變動。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

2.5 重大會計判斷及估計(續)

估計的不確定性(續)

租賃 — 估計增量借款利率

本集團未能輕易釐定租賃的隱含利率，因此，其使用增量借款利率(「IBR」)計量租賃負債。IBR為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品於類似期間借入所需資金應支付之利率。因此，IBR反映了本集團「應支付」的利率，當無可觀察的利率時(如就並無訂立融資交易的附屬公司而言)或當須對利率進行調整以反映租賃的條款及條件時，則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據估算IBR並須作出若干實體特定的估計。

非金融資產(商譽除外)減值

本集團於各報告期末評估全部非金融資產(包括使用權資產)是否存在任何減值跡象。具無限年期的無形資產將於每年及出現減值跡象時進行減值測試。其他非金融資產將於有跡象顯示其賬面值可能不可收回時進行減值測試。當一項資產或現金產生單位的賬面值超過其可收回金額時即存在減值，減值為其公平值減出售成本與其使用價值兩者中的較高者。公平值減出售成本乃根據來自類似資產公平交易的受約束銷售交易的可用數據或可觀察市價減出售資產的增量成本計算。採用使用價值計算時，管理層必須估計來自資產或現金產生單位的未來預計現金流量，並選擇適當的折現率，以計算上述現金流量現值。

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to their nature. Each of the Group's operating segments represents a strategic business unit that provides services which are subject to risks and returns that are different from those of the other operating segments. Summary details of the operating segments are as follows:

(a) the segment of Urban Water Treatment engages in the design, construction, upgrade and operation of WTPs, RWTPs, STPs and WDPs, and in the operation and maintenance of waste water treatment facilities entrusted by governments ("O&M");

(b) the segment of Water Environment Comprehensive Remediation engages in river harnessing and improvement, foul water body treatment, and sponge city construction; and

(c) the segment of Rural Water Improvement engages in the construction and operation related to "the Water Environment Facilities of Beautiful Village" such as waste water treatment facilities and pipeline construction for collecting waste water so as to achieve rural living environment improvement.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the reportable segment results, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that unallocated income and gains, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

3. 經營分部資料

為方便管理，本集團經營業務的結構及管理乃按其性質分開處理。本集團各經營分部代表一個戰略業務單位，提供的服務涉及的風險及回報與其他經營分部不同。經營分部的詳情概述如下：

(a) 城鎮水務分部涉及設計、建設、改造及運營污水處理廠、再生水處理廠、污泥處理廠及供水廠以及運營及維護政府委託的污水處理設施(「運營及維護」)；

(b) 水環境綜合治理分部涉及流域治理及改善、黑臭水體修復及海綿城市興建；及

(c) 鄉村污水治理分部涉及建設及營運「美麗鄉村水環境設施」，例如污水處理設施設備及污水收集管網建設，以達致鄉村居住環境改善。

管理層分開監察本集團各經營分部的業績，以作出資源分配及績效評估決定。分部表現按可呈報分部業績評估，並為經調整除稅前溢利的計量方式。經調整除稅前溢利的計量與本集團除稅前溢利一致，惟該計量不包括未分配的收入及收益、融資成本以及企業及其他未分配開支。

3. OPERATING SEGMENT INFORMATION
(Continued)

Year ended 31 December 2025	截至二零二五年十二月三十一日止年度	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue (note 4)	**分部收益(附註4)**				
Sales to external customers	向外部客戶銷售	2,267,202	136,329	23,323	2,426,854
Total segment revenue	分部總收益	2,267,202	136,329	136,329	

3. OPERATING SEGMENT INFORMATION
(Continued)

Year ended 31 December 2025	截至二零二五年十二月三十一日止年度	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Other segment information	**其他分部資料**				
Investments in associates	於聯營公司的投資	–	234,729	–	234,729
Unallocated investments in associates	於聯營公司的未分配投資				282
Investment in a joint venture	於一家合營企業的投資	64,995	–	–	64,995
Unallocated investment in a joint venture	於一家合營企業的未分配投資				5,667
Share of profits and losses of associates	分佔聯營公司的損益	–	862	–	862
Share of profits and losses of unallocated associates	分佔未分配聯營公司的損益				(55)
Share of profit and loss of a joint venture	分佔一家合營企業的損益	(3,268)	–	–	(3,268)
Share of profit and loss of an unallocated joint venture	分佔一家未分配合營企業的損益				(1,015)
Impairment losses recognised in profit or loss, net#	於損益確認的減值虧損淨額#	(84,667)	(11,663)	–	(96,330)
Depreciation and amortisation	折舊及攤銷	(89,632)	(8)	(23,057)	(112,697)
Unallocated depreciation and amortisation	未分配折舊及攤銷				(3,429)
Total depreciation and amortisation	折舊及攤銷總額				(116,126)

3. OPERATING SEGMENT INFORMATION (Continued)

3. 經營分部資料(續)

Year ended 31 December 2024	截至二零二四年十二月三十一日止年度	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Other segment information	**其他分部資料**				
Investments in associates	於聯營公司的投資	–	234,661	–	234,661
Unallocated investments in associates	於聯營公司的未分配投資				337
Investment in a joint venture	於一家合營企業的投資	68,263	–	–	68,263
Unallocated investment in a joint venture	於一家合營企業的未分配投資				6,682
Share of profits and losses of associates	分佔聯營公司的損益	–	1,040	–	1,040
Share of profits and losses of unallocated associates	分佔未分配聯營公司的損益				18
Share of profit and loss of a joint venture	分佔一家合營企業的損益	(1,393)	–	–	(1,393)
Share of profit and loss of an unallocated joint venture	分佔一家未分配合營企業的損益				(1,753)
Impairment losses recognised in profit or loss, net#	於損益確認的減值虧損淨額#	(69,435)	(3,554)	–	(72,989)
Depreciation and amortisation	折舊及攤銷	(89,183)	(8)	(32,894)	(122,085)
Unallocated depreciation and amortisation	未分配折舊及攤銷				(4,124)
Total depreciation and amortisation	折舊及攤銷總額				(126,209)
Capital expenditure	資本開支	32,133	–	3,496	35,629
Unallocated amounts	未分配金額				34
Total capital expenditure*	資本開支總額*				35,663

* Capital expenditure consists of additions to property, plant and equipment and service concession contract assets.

\# The impairment losses recognised in profit or loss consists of the impairment of financial receivables, the impairment of contract assets, the impairment of trade receivables and the impairment of other receivables.

* 資本開支包括添置物業、廠房及設備以及服務特許經營合約資產。

\# 於損益確認的減值虧損包括金融應收款項減值、合約資產減值、貿易應收款項減值及其他應收款項減值。

3. OPERATING SEGMENT INFORMATION
(Continued)

Geographical information

(a) Revenue from external customers

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Chinese mainland	中國內地	**2,426,854**	2,261,282

4. REVENUE

The Group has entered into a number of service concession arrangements with the Grantors on a BOT or a TOT basis in respect of its WTPs, RWTPs, WDPs, STPs or other municipal infrastructure. These service concession arrangements generally involve the Group as an operator in (i) constructing WTPs, RWTPs, WDPs, STPs or other municipal infrastructure for those arrangements on a BOT basis; (ii) paying a specific amount for those arrangements on a TOT basis; and (iii) operating WTPs, RWTPs, WDPs, STPs or other municipal infrastructure on behalf of the Grantors for periods ranging from 17 to 30 years (the "Service Concession Periods"), and the Group will be paid for its services over the Service Concession Periods at prices stipulated through a pricing mechanism.

The Group carries out construction works of other municipal infrastructure under EPC arrangements and agrees with EPC customers to enter into a settled agreement for the construction work during the construction.

Revenue represents: (i) an appropriate proportion of contract revenue from construction contracts under BOT arrangements, EPC arrangements and other construction service projects, net of tax and government surcharges; (ii) revenue from operation of WTPs, RWTPs, WDPs, STPs or other municipal infrastructure under BOT arrangements and TOT arrangements and the provision of Operation and Maintenance services; and (iii) financial income from service concession arrangements. The amounts of each of the significant categories of revenue during the year are as follows:

4. 收益

本集團已就污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施以BOT或TOT方式與授予人訂立多項服務特許經營安排。該等服務特許經營安排一般涉及本集團作為經營者(i)以BOT方式就該等安排建設污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施；(ii)以TOT方式就該等安排支付指定金額；及(iii)於17至30年的期間內(「服務特許經營期間」)代表授予人經營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施，而本集團將於服務特許經營期間就其服務按通過定價機制規定的價格獲得報酬。

本集團根據EPC安排進行其他市政基礎設施的建設工程，並於建設期間與EPC客戶達成訂立建設工程的結算協議。

收益指：(i) BOT安排、EPC安排及其他建設服務項目下建設合約的適當比例合約收益，扣除稅項及政府附加費；(ii) BOT安排及TOT安排下運營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施以及提供運營及維護服務的收益；及(iii)服務特許經營安排的財務收入。於年內各重大收益類別的金額如下：

Revenue from contracts with customers

客戶合約收益

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Revenue from operating services	運營服務收益	**1,197,280**	1,251,647
Revenue from construction services	建設服務收益	**512,784**	266,035
Financial income from service concession arrangements	服務特許經營安排的財務收入	**716,790**	743,600
Total	總計	**2,426,854**	2,261,282

4. REVENUE (Continued)

Revenue from contracts with customers (Continued)

(a) Disaggregated revenue information

For the year ended 31 December 2025

4. 收益(續)

客戶合約收益(續)

(a) 收益資料細分

截至二零二五年十二月三十一日止年度

Segments	分部	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收益	2,267,202	136,329	23,323	2,426,854
Geographical market	**地區市場**				
Chinese mainland	中國內地	2,267,202	136,329	23,323	2,426,854
Total	總額	2,267,202	136,329	23,323	2,426,854
Timing of revenue recognition	**收益確認時間**				
Services transferred over time	隨時間轉移的服務	2,267,202	136,329	23,323	2,426,854
Total	總額	2,267,202	136,329	23,323	2,426,854

4. REVENUE (Continued)

Revenue from contracts with customers (Continued)

(a) Disaggregated revenue information (Continued)

For the year ended 31 December 2024

4. 收益(續)

客戶合約收益(續)

(a) 收益資料細分(續)

截至二零二四年十二月三十一日止年度

Segments	分部	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with customers	**客戶合約收益**	2,160,205	22,133	78,944	2,261,282
Geographical market	**地區市場**				
Chinese mainland	中國內地	2,160,205	22,133	78,944	2,261,282
Total	總額	2,160,205	22,133	78,944	2,261,282
Timing of revenue recognition	**收益確認時間**				
Services transferred over time	隨時間轉移的服務	2,160,205	22,133	78,944	2,261,282
Total	總額	2,160,205	22,133	78,944	2,261,282

Revenue from construction services, operating services of waste water treatment, reclaimed water treatment, water distribution and sludge treatment and financial income from service concession arrangements are recognised over time.

污水處理、再生水處理、供水以及污泥處理的建設服務、運營服務收益以及服務特許經營安排的財務收入均於一段時間內確認。

(b) Performance obligations

The aggregate amount of the transaction prices allocated to the performance obligations of BOT and TOT arrangements that are unsatisfied (or partially unsatisfied) as at 31 December 2025 was RMB29 billion (2024: RMB33 billion). The performance obligations expected to be recognised in more than one year relate to the services to be performed in respect of the BOT and TOT arrangements. The amounts disclosed above do not include variable consideration which is constrained.

(b) 履約責任

於二零二五年十二月三十一日分配至BOT及TOT安排的未履行(或部分未履行)履約責任的交易價格總金額為人民幣290億元(二零二四年:人民幣330億元)。預期於一年以後確認之履約責任與將就BOT及TOT安排履行的服務有關。上文披露的金額不包括受限制的可變代價。

5. OTHER INCOME AND GAINS

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Government grants*	政府補助*	**32,748**	25,178
Interest income from loans to a third party	向一家第三方貸款的利息收入	**9,117**	15,643
Bank interest income	銀行利息收入	**750**	2,215
Interest income from loans to an associate and a joint venture	向一家聯營公司及一家合營企業貸款的利息收入	**3,431**	1,985
Rental income less depreciation of investment properties	租金收入減投資物業折舊	**653**	619
Others	其他	**42,647**	21,174
Total	總計	**89,346**	66,814

6. PROFIT BEFORE TAX (Continued)

6. 除稅前溢利(續)

		Notes 附註	2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Operating lease income	經營租賃收入		**(1,051)**	(1,237)
Less: Depreciation of investment properties	減：投資物業折舊		**398**	618
Rental income less depreciation of investment properties	租金收入減投資物業折舊	5	**(653)**	(619)
Bank interest income	銀行利息收入	5	**(750)**	(2,215)
Government grants	政府補助	5	**(32,748)**	(25,178)
Interest income from loans to a third party	向一家第三方貸款的利息收入	5	**(9,117)**	(15,643)
Interest income from loans to a joint venture and an associate	向一家合營企業及一家聯營公司的貸款的利息收入	5	**(3,431)**	(1,985)
Loss on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目虧損淨額		**–**	10
Foreign exchange differences, net	匯兌差額，淨額		**57**	2,228

The impairment of financial receivables, the impairment of contract assets, the impairment of trade and bills receivables and the impairment of other receivables are included in "Other expenses" in profit or loss.

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

金融應收款項減值、合約資產減值、貿易應收款項及應收票據減值及其他應收款項減值計入至損益的「其他開支」中。

* 概無任何被沒收供款可被本集團作為僱主用於減低現有供款水平。

7. FINANCE COSTS

7. 融資成本

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Interest on interest-bearing bank and other borrowings	計息銀行及其他借款利息	**446,706**	544,126
Interest on lease liabilities	租賃負債利息	**99**	85
Total	總計	**446,805**	544,211

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及最高行政人員薪酬

本年度董事及最高行政人員酬金根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Fees	袍金	**2,181**	2,150
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	**4,441**	6,066
Equity-settled share option expense	以權益結算的購股權開支	**1,202**	1,680
Pension scheme contributions	退休金計劃供款	**56**	49
Total	總計	**7,880**	9,945

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(i) Independent non-executive directors

8. 董事及最高行政人員薪酬 (續)

(i) 獨立非執行董事

		2025 二零二五年			2024 二零二四年		
		Fees 袍金 RMB'000 人民幣千元	Equity-settled share option expense 以權益結算的購股權開支 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Fees 袍金 RMB'000 人民幣千元	Equity-settled share option expense 以權益結算的購股權開支 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Mr. Chau Kam Wing (周錦榮)	周錦榮先生	**329**	**34**	**363**	330	48	378
Mr. Chang Qing (常清)	常清先生	**329**	**34**	**363**	330	48	378
Mr. Peng Yongzhen (彭永臻)	彭永臻先生	**329**	**34**	**363**	330	48	378
Total	總計	**987**	**102**	**1,089**	990	144	1,134

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2024: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining one (2024: one) highest paid employee who is neither a director nor a chief executive of the Company are as follows:

9. 五名最高薪酬僱員

年內，五名最高薪僱員包括四名董事(二零二四年：四名董事)，彼等之薪酬詳情載於上文附註8。本年度餘下一名(二零二四年：一名)既非本公司董事亦非最高行政人員之最高薪酬僱員之薪酬詳情如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	**1,407**	902
Performance related bonuses	表現相關花紅	**–**	90
Equity-settled share option expense	以權益結算的購股權開支	**–**	192
Pension scheme contributions	退休金計劃供款	**5**	66
Total	總計	**1,412**	1,250

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

薪酬在以下範圍內的非董事及非最高行政人員最高薪酬僱員人數如下：

		Number of employees 僱員人數 2025 二零二五年	2024 二零二四年
HK$1,000,001 to HK$1,500,000	1,000,001港元至1,500,000港元	**–**	1
HK$1,500,001 to HK$2,000,000	1,500,001港元至2,000,000港元	**1**	–
Total	總計	**1**	1

10. INCOME TAX EXPENSE

Pursuant to The PRC Enterprise Income Tax Law Implementing Regulations (中華人民共和國企業所得稅法實施條例), most of the subsidiaries established in the PRC, engaged in the operations of waste water treatment projects, are eligible for tax holiday of a three-year full exemption followed by a three-year half exemption commencing from their respective first years of generating operating revenue (the "3+3 Tax Holiday"). At the end of the year, these subsidiaries were qualified for the 3+3 Tax Holiday or in the process of preparation and submission of the required documents to the respective tax authorities to apply for the 3+3 Tax Holiday.

In accordance with the relevant tax rules and regulations of Chinese mainland, a number of the Company's subsidiaries enjoy income tax exemptions and reductions because (1) these companies are qualified third-party enterprises engaged in pollution prevention and control, and are entitled to corporate income tax at a reduced tax rate of 15%; and/or (2) they have operations in the Western regions of Chinese mainland that are qualified for a 15% concessionary corporate income tax rate for a prescribed period of time pursuant to the "Announcement on Continuing the Enterprise Income Tax Policy for the Development of the Western Region" ([2020] No.23) issued by the Ministry of Finance, the State Administration of Taxation, the National Development and Reform Commission.

Under the relevant PRC Corporate Income Tax Law and respective regulations, except for the preferential treatments available to certain subsidiaries as mentioned above, other subsidiaries within the Group were subject to corporate income

10. INCOME TAX EXPENSE (Continued)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Current	即期		
— Chinese mainland	— 中國內地	**53,594**	37,414
Deferred	遞延	**47,354**	27,948
Total tax charge for the year	年內稅項支出總額	**100,948**	65,362

A reconciliation of the tax expense/(credit) applicable to profit before tax at the statutory tax rate for the country in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

		2025 二零二五年 RMB'000 人民幣千元	%	2024 二零二四年 RMB'000 人民幣千元	%
Profit before tax	除稅前溢利	**344,471**		236,243	
Tax at the statutory tax rate	按法定稅率計算的稅項	**86,118**	**25.0**	59,061	25.0
Lower tax rates for specific provinces or enacted by local authority	指定省份或當地政府機關頒佈的較低稅率	**(22,835)**	**(6.7)**	(15,617)	(6.5)
Expenses not deductible for tax	不可扣稅開支	**12,719**	**3.7**	3,750	1.6
Tax losses not recognised	未確認稅務虧損	**45,353**	**13.2**	39,670	16.8
Tax losses utilised from previous periods	運用過往期間的稅務虧損	**(26,434)**	**(7.7)**	(28,028)	(11.9)
Reversal of tax losses recognised in previous periods	於過往期間確認的稅務虧損撥回	**–**	**–**	6,004	2.5
Tax effect of disposal of subsidiaries	出售附屬公司的稅務影響	**5,158**	**1.5**	–	–
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司應佔損益	**869**	**0.3**	522	0.2

11. DIVIDENDS

11. 股息

		2025 二零二五年 HK$'000 港幣千元	2024 二零二四年 HK$'000 港幣千元
Proposed final — HK0.5 cent (2024: Nil) per ordinary share	建議末期股息 — 每股普通股港幣0.5仙(二零二四年：無)	11,535	–

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度建議末期股息須待本公司股東在應屆股東週年大會上批准後，方可作實。

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

12. 母公司普通權益持有人應佔每股盈利

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,194,118,000 (2024: 2,139,735,000) outstanding during the year.

每股基本盈利金額乃基於年內母公司普通權益持有人應佔溢利及年內已發行普通股之加權平均數2,194,118,000股(二零二四年：2,139,735,000股)計算。

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

每股攤薄盈利金額乃根據母公司普通權益持有人應佔年內溢利計算。計算時所採用的普通股加權平均數為本年度發行的普通股數量，即與計算每股基本盈利時採用的數量相同，並假設普通股加權平均數已因全部攤薄潛在普通股被視為已行使或轉換為普通股，而按零代價發行。

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

The calculations of basic and diluted earnings per share are based on:

12. 母公司普通權益持有人應佔每股盈利(續)

每股基本及攤薄盈利乃基於以下各項計算：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Earnings:	**盈利：**		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	用於計算每股基本及攤薄盈利的母公司普通權益持有人應佔溢利	**237,260**	167,998

		Number of shares 股份數目 2025 二零二五年	 2024 二零二四年
Shares:	**股份：**		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	用於計算每股基本盈利的年內已發行普通股加權平均數	**2,194,118,000**	2,139,735,000
Effect of dilution — weighted average number of ordinary shares:	攤薄影響 — 普通股加權平均數：		
Share options	購股權	**13,395,000**	–*
Total	總計	**2,207,513,000**	2,139,735,000

* No adjustment has been made in the weighted average number of ordinary shares in computing diluted earnings per share for the year ended 31 December 2024 as the exercise price of those share options was higher than the share price of the Company during the year.

* 由於截至二零二四年十二月三十一日止年度的購股權行使價高於本公司當年的股價，因此在計算每股攤薄盈利時，未對普通股加權平均數作出任何調整。

13. PROPERTY, PLANT AND EQUIPMENT

31 December 2025

		Buildings and other infrastructure 樓宇及其他基礎設施 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Office equipment and others 辦公設備及其他 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2025:	於二零二五年一月一日：					
Cost	成本	85,634	22,540	38,395	725	147,294
Accumulated depreciation and impairment	累計折舊及減值	(43,469)	(21,334)	(33,809)	–	(98,612)
Net carrying amount	賬面淨值	42,165	1,206	4,586	725	48,682
At 1 January 2025, net of accumulated depreciation and impairment	於二零二五年一月一日，扣除累計折舊及減值	42,165	1,206	4,586	725	48,682
Additions	添置	993	–	221	–	1,214
Transferred from investment properties	從投資物業轉移	6,516	–	–	–	6,516
Disposals	出售	(5)	(428)	(245)	–	(678)
Disposal of subsidiaries	出售附屬公司	(55)	–	(82)	–	(137)
Depreciation provided during the year	年內折舊撥備	(3,716)	(541)	(530)	–	(4,787)
At 31 December 2025, net of accumulated depreciation and impairment	於二零二五年十二月三十一日，扣除累計折舊及減值	45,898	237	3,950	725	50,810
At 31 December 2025:	於二零二五年十二月三十一日：					
Cost	成本	93,083				

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

13. 物業、廠房及設備(續)

31 December 2024 二零二四年十二月三十一日

		Buildings and other infrastructure 樓宇及其他基礎設施 RMB'000 人民幣千元	Machinery 機器 RMB'000 人民幣千元	Office equipment and others 辦公設備及其他 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2024:	於二零二四年一月一日：					
Cost	成本	85,866	22,669	37,509	725	146,769
Accumulated depreciation and impairment	累計折舊及減值	(40,042)	(20,453)	(32,896)	–	(93,391)
Net carrying amount	賬面淨值	45,824	2,216	4,613	725	53,378
At 1 January 2024, net of accumulated depreciation and impairment	於二零二四年一月一日，扣除累計折舊及減值	45,824	2,216	4,613	725	53,378
Additions	添置	–	3	886	–	889
Disposals	出售	(232)	(132)	–	–	(364)
Depreciation provided during the year	年內折舊撥備	(3,427)	(881)	(913)	–	(5,221)
At 31 December 2024, net of accumulated depreciation and impairment	於二零二四年十二月三十一日，扣除累計折舊及減值	42,165	1,206	4,586	725	48,682
At 31 December 2024:	於二零二四年十二月三十一日：					
Cost	成本	85,634	22,540	38,395	725	147,294
Accumulated depreciation and impairment	累計折舊及減值	(43,469)	(21,334)	(33,809)	–	(98,612)
Net carrying amount	賬面淨值	42,165	1,206	4,586	725	48,682

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 December 2025, certain of the Group's buildings with a net carrying amount of approximately RMB7,303,000 (2024: RMB8,138,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29). As the payments of the land use rights for the buildings cannot be separated reliably from the payments for the purchase of office buildings, the entire payments are included in the costs of the relevant buildings.

Certain infrastructure with a net carrying amount as at 31 December 2025 of approximately RMB7,940,000 (2024: RMB8,698,000) is situated on a piece of land which is legally owned by the non-controlling shareholder of Jilin Kangda Environmental Protection Company Limited ("Jilin Kangda"), a subsidiary of the Group. The subsidiary is contractually authorised to use the land without charge throughout its operating period.

13. 物業、廠房及設備(續)

於二零二五年十二月三十一日，本集團賬面淨值約為人民幣7,303,000元(二零二四年：人民幣8,138,000元)的若干樓宇已抵押作授予本集團若干計息銀行及其他借款的擔保(附註29)。由於土地使用權的付款無法可靠地從購買辦公樓宇的付款中分離，故全部付款計入相關樓宇成本。

於二零二五年十二月三十一日，賬面淨值約為人民幣7,940,000元(二零二四年：人民幣8,698,000元)的若干基礎設施均位於由本集團的附屬公司吉林康達環保有限公司(「吉林康達」)的非控股股東合法擁有的一幅土地上。該附屬公司獲合約授權於整個運營期間免費使用該土地。

14. LEASES

The Group as a lessee

The Group leases certain land properties and office properties under operating lease arrangements with leases negotiated for terms ranging from 2 to 19 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

14. 租賃

本集團作為承租人

本集團根據經營租賃安排租賃若干土地物業及辦公物業，租賃協定期限介乎二至十九年。一般而言，本集團被限制將租賃資產轉讓及分租予本集團以外的公司。

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

(a) 使用權資產

本集團於年內的使用權資產的賬面值及變動如下：

		Land 土地 RMB'000 人民幣千元	Office 辦公室 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2024	於二零二四年一月一日	1,216	1,070	2,286
Additions	添置	–	520	520
Depreciation charge	折舊開支	(96)	(973)	(1,069)
As at 31 December 2024 and 1 January 2025	於二零二四年十二月三十一日及二零二五年一月一日	**1,120**	**617**	**1,737**
Additions	添置	**–**	**2,948**	**2,948**
Depreciation charge	折舊開支	**(96)**	**(542)**	**(638)**
As at 31 December 2025	於二零二五年十二月三十一日	**1,024**	**3,023**	**4,047**

14. LEASES

14. LEASES (Continued)

The Group as a lessor

The Group leases its investment properties consisting of four commercial properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according

Span <</Lang (531US)/MCID -US89 (lease yLan633 tC an633 Group an633 in an633 futur an633)]iods an633 ts.

15. INVESTMENTS IN ASSOCIATES (Continued)

Particulars of the associates are as follows:

15. 於聯營公司的投資(續)

有關聯營公司的詳情如下：

Company name 公司名稱	Place of registration and operation 登記及營業地點	Issued and fully paid-up capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比	Principal activities 主要業務
Jiangsu Eastern Biological Sludge Treatment Engineering Co., Ltd. ("Eastern Sludge Treatment") (江蘇東方生態清淤工程有限公司)#	PRC/Chinese mainland	RMB35,000,000	49	Treatment of sludge in rivers and lakes
江蘇東方生態清淤工程有限公司(「東方生態清淤」)	中國／中國內地	人民幣35,000,000元		在河流及湖泊進行污泥處理
Fuzhou Fuhe River Investment & Development Co., Ltd. ("Fuzhou Fuhe") (撫州市撫河流域投資開發有限公司)#	PRC/Chinese mainland	RMB300,000,000	24	Investment, construction, operation and management of municipal projects
撫州市撫河流域投資開發有限公司(「撫州撫河」)	中國／中國內地	人民幣300,000,000元		投資、建設、運營及管理市政項目
Sichuan Kangda Zhonghuan Municipal Engineering Design Co., Ltd. ("Sichuan Zhonghuan") (四川康達中環市政工程設計有限公司)#	PRC/Chinese mainland	RMB5,000,000	30	Design and consulting of construction projects
四川康達中環市政工程設計有限公司(「四川中環」)	中國／中國內地	人民幣5,000,000元		建設項目設計及諮詢
Leping Hehu Ecological Environmental Treatment Co., Ltd. ("Leping Hehu") (樂平市河湖生態環境治理有限公司)#	PRC/Chinese mainland	RMB50,000,000	44	Construction, operation and management of environment protection and infrastructure projects
樂平市河湖生態環境治理有限公司(「樂平河湖」)	中國／中國內地	人民幣50,000,000元		建設、運營及管理環保及基建設施項目

The English names of these companies referred to in this report represent management's best effort at translating the Chinese names of the companies registered in Chinese mainland, as no English names have been registered.

由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司英文名稱乃管理層盡力翻譯其中文名稱所得。

15. INVESTMENTS IN ASSOCIATES (Continued)

The percentages of voting power held and profit sharing are the same as the percentages of equity interest attributable to the Group. The Group's shareholdings in the associates comprise equity shares held through wholly-owned subsidiaries of the Company.

The following table illustrates the summarised financial information in respect of some investments in associates, which are individually material, reconciled to their carrying amounts in the consolidated financial statements:

15. 於聯營公司的投資 (續)

持有投票權及溢利分配的百分比與本集團應佔的股權百分比相同。本集團於聯營公司的股權包括本公司全資附屬公司持有的權益股份。

下表說明部分屬個別重大的於聯營公司的投資與在綜合財務報表中的賬面值對賬的財務資料概要：

		2025 二零二五年		2024 二零二四年	
		Fuzhou Fuhe 撫州撫河 RMB'000 人民幣千元	**Leping Hehu 樂平河湖 RMB'000 人民幣千元**	Fuzhou Fuhe 撫州撫河 RMB'000 人民幣千元	Leping Hehu 樂平河湖 RMB'000 人民幣千元
Current assets	流動資產	**520,059**	**28,279**	383,241	27,129
Non-current assets	非流動資產	**1,749,846**	**298,917**	1,814,094	284,154
Current liabilities	流動負債	**(579,077)**	**(43,050)**	(434,923)	(13,016)
Non-current liabilities	非流動負債	**(1,058,520)**	**(167,764)**	(1,130,918)	(181,885)
Net assets	資產淨值	**632,308**	**116,382**	631,494	116,382
Reconciliation to the Group's interests in the associates:	本集團於聯營公司權益的對賬：				
Proportion of the Group's ownership	本集團的所有權比例	**24%**	**44%**	24%	44%
Group's share of net assets of the associates	本集團分佔聯營公司資產淨值	**151,754**	**51,208**	151,559	51,208
Carrying amount of the investments	投資賬面值	**151,754**	**51,208**	151,559	51,208
Revenue	收益	**78,686**	**–**	85,300	–
Profit for the year	年內溢利	**813**	**–**	(42)	–
Total comprehensive income from the year	年內全面收益總額	**813**	**–**	(42)	–

15. INVESTMENTS IN ASSOCIATES (Continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

15. 於聯營公司的投資(續)

下表列示並非個別重大的本集團聯營公司的合併財務資料：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Share of the associates' profit for the year	分佔聯營公司年內溢利	**612**	1,069
Share of the associates' total comprehensive income	分佔聯營公司全面收益總額	**612**	1,069
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司投資的賬面總值	**32,049**	32,231

16. INVESTMENTS IN JOINT VENTURES

16. 於合營企業的投資

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Share of net assets	分佔資產淨值	**70,662**	74,945

Particulars of the joint ventures are as follows:

有關合營企業的詳情如下：

Company name 公司名稱	Place of registration and operation 登記及營業地點	Issued and fully paid-up capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比	Principal activities 主要業務
Zibo Tianqiyuan Water Supply Co., Ltd. ("Tianqiyuan") (淄博市天齊淵供水有限公司)[#] 淄博市天齊淵供水有限公司(「天齊淵」)	PRC/Chinese mainland 中國／中國內地	RMB5,190,000 人民幣5,190,000元	49	Central water supply 中央供水
Gaomi Kangrui Environmental Protection Technology Co., Ltd. ("Gaomi Kangrui") (高密市康瑞環保科技有限公司)[#] 高密市康瑞環保科技有限公司(「高密康瑞」)	PRC/Chinese mainland 中國／中國內地	RMB28,000,000 人民幣28,000,000元	50	Sale and maintenance of environmental protection equipment 銷售及保養環保設備

[#] The English names of these companies referred to in this report represent management's best effort in translating the Chinese names of the companies registered in Chinese mainland, as no English names have been registered.

[#] 由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司英文名稱乃管理層盡力翻譯其中文名稱所得。

18. SERVICE CONCESSION INTANGIBLE ASSETS 18. 無形資產 — 服務特許經營

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Cost at 1 January, net of accumulated amortisation	於一月一日的成本，扣除累計攤銷	**1,525,762**	1,376,539
Additions	添置	**136,789**	268,181
Amortisation provided during the year	年內計提攤銷	**(109,993)**	(118,958)
Disposal of a subsidiary	出售一家附屬公司	**(109,410)**	–
At 31 December	於十二月三十一日	**1,443,148**	1,525,762
At 31 December:	於十二月三十一日：		
Cost	成本	**2,061,395**	2,034,017
Accumulated amortisation	累計攤銷	**(618,247)**	(508,255)
Net carrying amount	賬面淨值	**1,443,148**	1,525,762

As at 31 December 2025, the Group's service concession intangible assets with a carrying value of RMB1,102,170,000 (2024: RMB1,106,152,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29).

於二零二五年十二月三十一日，本集團賬面值人民幣1,102,170,000元（二零二四年：人民幣1,106,152,000元）的無形資產 — 服務特許經營已抵押作授予本集團若干計息銀行及其他借款的擔保（附註29）。

19. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

The recoverable amounts of the cash-generating units of "waste water treatment plant" and "the manufacture of chemicals for waste water treatment" have been determined based on a value in use calculation using cash flow projections based on financial forecasts approved by senior management covering a period of 20 years and based on the assumption that the sizes of the operations remain constant perpetually. The pre-tax discount rate applied to the cash flow projections is 9.33% (2024: 9.33%).

Assumptions were used in the value in use calculation of the "waste water treatment plant" and "the manufacture of chemicals for waste water treatment" cash-generating units for 31 December 2025 and 31 December 2024. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins — The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Discount rates — The discount rates used are before tax and reflect specific risks relating to the relevant units.

Price inflation — The basis used to determine the value assigned to price inflation is the forecast price indices during the budget year for the relevant markets.

The values assigned to the key assumptions on market development of waste water treatment plant and the manufacture of chemicals for waste water treatment, discount rates and price inflation are consistent with external information sources.

19. 商譽 (續)

商譽減值測試 (續)

「污水處理廠」及「生產污水處理所用化學品」現金產生單位的可收回金額已根據使用以高級管理層批准的涵蓋20年期間財政預測，並假設營運規模永久維持不變為依據的現金流量預測計算的使用價值釐定。現金流量預測應用的稅前貼現率為9.33% (二零二四年：9.33%)。

計算二零二五年十二月三十一日及二零二四年十二月三十一日「污水處理廠」及「生產污水處理所用化學品」現金產生單位的使用價值時已運用假設。下文描述了管理層根據其現金流量預測進行商譽減值測試的各項關鍵假設：

預算毛利率 — 釐定分配予預算毛利率的價值所採用的基準為緊接預算年度前一年內所實現的平均毛利率，由於預期的效率提升及預期的市場發展而有所增加。

貼現率 — 所用貼現率未扣除稅項，並反映有關單位的特定風險。

價格通脹 — 用於釐定分配予價格通脹價值的基準為相關市場於預算年度的預測價格指數。

分配予污水處理廠及生產污水處理所用化學品的市場發展、貼現率及價格通脹的主要假設值與外界資料來源一致。

20. FINANCIAL RECEIVABLES

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Receivables under service concession arrangements	服務特許經營安排應收款項	**11,508,458**	11,677,750
Impairment	減值	**(4,152)**	(3,769)
Net carrying amount	賬面淨值	**11,504,306**	11,673,981
Portion classified as current assets	分類為流動資產部分	**(1,976,967)**	(2,041,985)
Non-current portion	非即期部分	**9,527,339**	9,631,996

Receivables for service concession arrangements arose from the service concession contracts to build and operate WTPs or STPs and were recognised to the extent that the Group has an unconditional contractual right to receive cash from or at the direction of the Grantor.

Financial receivables were unbilled receivables mainly due from governmental authorities in Chinese mainland, as the Grantors in respect of the Group's service concession arrangements. The Group does not hold any collateral or other credit enhancements over these balances. Financial receivables represent contract assets as the rights to considerations have yet to be unconditional.

In 2025, RMB319,626,000 (2024: RMB331,018,000) of financial receivables on the statement of financial position arising from construction services were reduced once the performance obligation was satisfied.

The movements in the loss allowance for impairment of financial

20. FINANCIAL RECEIVABLES (Continued)

An impairment analysis is performed at each reporting date using a provision matrix. The provision matrix is initially based on the probabilities of default rates which are estimated based on historical observed default rates and published credit ratings of credit bonds issued in Chinese mainland. The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information.

The increase in the loss allowance was mainly due to the increase in the expected credit loss rate of financial receivables.

Set out below is the information about the credit risk exposure on the Group's financial receivables:

20. 金融應收款項(續)

減值分析於各報告日期採用撥備矩陣進行。撥備矩陣乃最初根據過往違約率及中國內地已發行信貸債券的已公佈信貸評級估計的違約概率得出。該計算反映概率加權結果及於報告日期可得的有關過往事項、當前狀況及前瞻性信貸風險資料的合理及可靠資料。

虧損撥備增加主要是由於金融應收款項預期信貸虧損率增加所致。

有關本集團金融應收款項的信貸風險資料載列如下：

		2025 二零二五年	2024 二零二四年
Expected credit loss rate	預期信貸虧損率	**0.0361%**	0.0323%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	**11,508,458**	11,677,750
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	**4,152**	3,769

As at 31 December 2025, the Group's financial receivables with a carrying value of RMB5,757,038,000 (2024: RMB7,238,507,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29).

於二零二五年十二月三十一日，本集團賬面值人民幣5,757,038,000元(二零二四年：人民幣7,238,507,000元)的金融應收款項已抵押作授予本集團若干計息銀行及其他借款的擔保(附註29)。

21. DEFERRED TAX

The deferred tax assets and liabilities recognised by the Group, and the movements thereon during the year are as follows:

21. 遞延稅項

本年度本集團確認的遞延稅項資產及負債以及其變動如下：

31 December 2025 **二零二五年十二月三十一日**

		Service concession arrangements 服務特許經營安排 RMB'000 人民幣千元	Transaction costs for interest-bearing bank borrowings 計息銀行借款的交易成本 RMB'000 人民幣千元	One-off deduction of machinery 機器的一次性扣減 RMB'000 人民幣千元	Right-of-use assets 使用權資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax liabilities	遞延稅項負債					
At 31 December 2024	於二零二四年十二月三十一日	(1,175,745)	(3,769)	(428)	(434)	(1,180,376)
Deferred tax (credited)/charged to profit or loss during the year	年內於損益(計入)／扣除的遞延稅項	(44,275)	841	164	(306)	(43,576)
Deferred tax liabilities derecognised from the disposal of the subsidiaries	轉撥至持有待售的資產的遞延稅項	19,584	–	–	–	19,584
At 31 December 2025	於二零二五年十二月三十一日	(1,200,436)	(2,928)	(264)	(740)	(1,204,368)

21. DEFERRED TAX (Continued)

21. 遞延稅項(續)

		Impairment of financial and contract assets 金融及合約資產減值 RMB'000 人民幣千元	Losses available for offsetting against future taxable profits 可用於抵銷未來應課稅溢利的虧損 RMB'000 人民幣千元	Fair value adjustments of the equity investments designated at fair value through other comprehensive income 指定為按公平值計入其他全面收益的股權投資公平值調整 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Other 其他 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產						
At 31 December 2024	於二零二四年十二月三十一日	30,146	34,453	15,750	488	165	81,002
Deferred tax debited to equity during the year	年內於權益扣除的遞延稅項	–	–	(750)	–	–	(750)
Deferred tax (charged)/credited to profit or loss during the year	年內於損益(扣除)/計入的遞延稅項	(9,401)	5,343	–	295	(15)	(3,778)
At 31 December 2025	於二零二五年十二月三十一日	20,745	39,796	15,000	783	150	76,474

21. DEFERRED TAX (Continued)

31 December 2024

	Service

22. TRADE AND BILLS RECEIVABLES (Continued)

Included in the Group's trade and bills receivables are amounts due from the Group's associates of RMB101,442,000 (2024: RMB99,297,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

At 31 December 2025, the Group's trade and bills receivables with a carrying value of RMB2,269,093,000 (2024: RMB1,444,439,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29).

An ageing analysis of the Group's trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

22. 貿易應收款項及應收票據(續)

本集團的貿易應收款項及應收票據包括應收本集團聯營公司款項為人民幣101,442,000元(二零二四年:人民幣99,297,000元),該等款項按本集團向主要客戶提供的類似信貸條款償還。

於二零二五年十二月三十一日,本集團賬面值人民幣2,269,093,000元(二零二四年:人民幣1,444,439,000元)的貿易應收款項已抵押作授予本集團若干計息銀行及其他借款的擔保(附註29)。

於報告期末,根據發票日期及扣除虧損撥備後,本集團的貿易應收款項及應收票據的賬齡分析如下:

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Within 3 months	3個月內	**609,977**	530,805
4 to 6 months	4至6個月	**466,295**	428,710
7 to 12 months	7至12個月	**632,828**	585,175
Over 12 months	超過12個月	**1,295,589**	1,624,998
Total	總計	**3,004,689**	3,169,688

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

貿易應收款項及應收票據的減值虧損撥備變動如下:

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
At beginning of the year	於年初	**129,520**	110,042
Impairment losses, net (note 6)	減值虧損淨額(附註6)	**(5,081)**	19,478
Disposal of subsidiaries	出售附屬公司	**(21,014)**	–
At end of the year	於年末	**103,425**	129,520

22. TRADE AND BILLS RECEIVABLES (Continued)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

22. 貿易應收款項及應收票據(續)

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式(即地區、產品類別、客戶類別及評級以及信用證或其他信貸保險形式的保障範圍)的多個客戶分部組別的逾期日數釐定。該計算反映或然率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前狀況及未來經濟狀況預測的合理及可靠資料。

下表載列有關使用撥備矩陣的本集團貿易應收款項及應收票據的信貸風險的資料：

As at 31 December 2025 **於二零二五年十二月三十一日**

		Within 3 months 3個月內	4 to 6 months 4至6個月	7 to 12 months 7至12個月	Over 12 months 超過12個月	Total 合計
Expected credit loss rate	預期信貸虧損率	**1.33%**	**1.55%**	**1.80%**	**5.56%**	**3.33%**
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	**618,189**	**473,638**	**644,447**	**1,371,840**	**3,108,114**
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	**8,212**	**7,343**	**11,619**	**76,251**	**103,425**

As at 31 December 2024 於二零二四年十二月三十一日

		Within 3 months 3個月內	4 to 6 months 4至6個月	7 to 12 months 7至12個月	Over 12 months 超過12個月	Total 合計
Expected credit loss rate	預期信貸虧損率	0.98%	1.16%	1.59%	6.33%	3.93%
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	536,078	433,744	594,654	1,734,732	3,299,208
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	5,273	5,034	9,479	109,734	129,520

23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

23. 預付款項、其他應收款項及其他資產

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Loans to third parties	借予第三方的貸款	**180,951**	181,151
Deductible input VAT	可抵扣增值稅進稅項	**151,671**	131,036
Loans to a joint venture and an associate	借予一家合營企業及一家聯營公司的貸款	**41,486**	45,950
Deposits	按金	**33,224**	33,785
Prepayments	預付款項	**36,812**	20,689
Staff advances	員工墊款	**3,567**	2,953
Other receivables	其他應收款項	**465,304**	408,413
		913,015	823,977
Impairment allowance	減值撥備	**(62,351)**	(44,590)
Total	總計	**850,664**	779,387
Portion classified as current assets	分類為流動資產的部分	**(834,917)**	(760,656)
Non-current portion	非即期部分	**15,747**	18,731

24. CONTRACT ASSETS

24. 合約資產

		31 December 2025 二零二五年十二月三十一日 RMB'000 人民幣千元	31 December 2024 二零二四年十二月三十一日 RMB'000 人民幣千元
Contract assets arising from: Construction services	以下項目所產生的合約資產：建設服務	**485,749**	546,557
Impairment	減值	**(1,088)**	(770)
Net carrying amount	賬面淨值	**484,661**	545,787
Portion classified as current assets	分類為流動資產部分	**(87,929)**	(53,057)
Non-current portion	非即期部分	**396,732**	492,730

Contract assets are initially recognised for revenue earned from construction services as the receipt of consideration is conditional on successful completion of construction. Included in contract assets for construction services are retention receivables. Upon completion of installation or construction and acceptance by the customer, the amounts recognised as contract assets are reclassified to intangible assets and contract assets included in financial receivables under service concession arrangements and operating concession for BOT arrangements and trade and bills receivables for other construction contracts when the rights to considerations are unconditional. The decrease in contract assets in 2025 was the result of the completion of construction services.

由於代價須待建設成功竣工後方可收取，合約資產會就建設服務所賺取的收益單獨予以初始確認。建設服務合約資產包括應收保留金。在完成安裝或建設並獲客戶接納後，確認為合約資產的金額重新分類至無形資產，當代價權利為無條件，合約資產包括在服務特許經營安排項下金融應收款項及BOT安排的運營特許權以及其他建設合約的貿易應收款項及應收票據之中。於二零二五年合約資產減少乃建設服務完成所致。

24. CONTRACT ASSETS (Continued)

The movements in the loss allowance for impairment of contract assets are as follows:

24. 合約資產(續)

合約資產減值虧損撥備變動如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
At beginning of the year	於年初	**770**	671
Impairment losses, net (note 6)	減值虧損淨額(附註6)	**318**	99
At end of the year	於年末	**1,088**	770

An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The probabilities of default rates are estimated based on default rates and published credit ratings of credit bonds issued in Chinese mainland. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information.

減值分析於各報告日期採用違約概率方法進行，以計量預期信貸虧損。違約概率乃根據違約率及中國內地已發行信貸債券的已公佈信貸評級估計。該計算反映概率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前狀況及前瞻性信貸風險資料的合理及可靠資料。

Set out below is the information about the credit risk exposure on the Group's contract assets:

有關本集團合約資產的信貸風險資料載列如下：

		2025 二零二五年	2024 二零二四年
Expected credit loss rate	預期信貸虧損率	**0.22%**	0.14%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	**485,749**	546,557
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	**1,088**	770

At 31 December 2025, the Group's contract assets with a carrying value of RMB133,411,000 (2024: RMB70,277,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29).

於二零二五年十二月三十一日，本集團賬面值人民幣133,411,000元(二零二四年：人民幣70,277,000元)的合約資產已抵押作授予本集團若干計息銀行及其他借款的擔保(附註29)。

Included in the Group's contract assets are amounts due from the Group's associates of RMB39,665,000 (2024: RMB39,442,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

本集團的合約資產包括應收本集團聯營公司款項人民幣39,665,000元(二零二四年：人民幣39,442,000元)，該等款項按本集團向主要客戶提供的類似信貸條款償還。

25. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

25. 現金及現金等價物及抵押存款

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	**396,845**	215,856
Less: Pledged deposits	減：抵押存款	**(137,894)**	(93,698)
Cash and cash equivalents	現金及現金等價物	**258,951**	122,158
Cash and cash equivalents denominated in:	以下列貨幣計值的現金及現金等價物：		
— RMB	— 人民幣	**258,433**	121,561
— United States dollar	— 美元	**224**	298
— Hong Kong dollar	— 港元	**294**	299
Cash and cash equivalents	現金及現金等價物	**258,951**	122,158

The RMB is not freely convertible into other currencies. However, under Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

人民幣不可自由兌換為其他貨幣。然而，根據中國內地外匯管制規定以及結匯及售匯及付匯管理規定，本集團獲准透過獲授權從事外匯業務的銀行將人民幣兌換為其他貨幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances, pledged deposits and time deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of cash and cash equivalents and pledged deposits in the consolidated statement of financial position approximate to their fair values.

銀行現金根據每日銀行存款利率按浮動利率賺取利息。短期存款期限從一天至三個月不等，視乎本集團的即時現金需求，並按各自的短期定期存款利率賺取利息。銀行結餘、抵押存款及定期存款存入近期並無違約記錄的信譽良好銀行。綜合財務狀況表內現金及現金等價物以及抵押存款的賬面值與其公平值相若。

At 31 December 2025, the Group's pledged deposits with a carrying value of RMB98,780,000 (2024: RMB60,287,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 29).

於二零二五年十二月三十一日，本集團賬面值為人民幣98,780,000元（二零二四年：人民幣60,287,000元）的抵押存款已予質押，以擔保授予本集團的若干計息銀行及其他借款（附註29）。

At 31 December 2025, the Group's bills payable were secured by the pledged deposits amounting to RMB24,039,000 (2024: RMB20,155,000) (note 27).

於二零二五年十二月三十一日，本集團的應付票據以人民幣24,039,000元（二零二四年：人民幣20,155,000元）的已抵押存款作抵押（附註27）。

26. ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE/LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

The major classes of the Group's disposal group classified as held for sale are as follows:

26. 分類為持有待售的出售組別的資產／與分類為持有待售的資產直接相關的負債(續)

本集團分類為持有待售的出售組別的主要類別如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Assets	**資產**		
Financial receivables	金融應收款項	**112,719**	276,835
Cash and cash equivalents	現金及現金等價物	**–**	54,938
Trade and bills receivables	貿易應收款項及應收票據	**14,238**	24,714
Others	其他	**107**	12
Assets classified as held for sale*	分類為持有待售的資產*	**127,064**	356,499
Liabilities	**負債**		
Interest-bearing bank and other borrowings	計息銀行及其他借款	**–**	241,710
Deferred tax liabilities	遞延稅項負債	**–**	11,503
Trade and bills payables	貿易應付款項及應付票據	**–**	7,235
Liabilities directly associated with the assets classified as held for sale*	與分類為持有待售的資產直接相關的負債*	**–**	260,448
Net assets directly associated with the disposal group	與出售組別直接相關的資產淨值	**127,064**	96,051

* As at 31 December 2025, certain of the Group's assets classified as held for sale, with a net carrying amount of approximately RMB126,957,000, were pledged for interest-bearing bank and other borrowings with a net carrying amount of approximately RMB9,555,000.

* 於二零二五年十二月三十一日，本集團若干賬面淨值約為人民幣126,957,000元並分類為持有待售的資產為賬面淨值約為人民幣9,555,000元的計息銀行及其他借款作抵押。

The details of pledge of assets are as follows:

資產抵押詳情如下：

		31 December 2025 二零二五年 十二月三十一日 RMB'000 人民幣千元	31 December 2024 二零二四年 十二月三十一日 RMB'000 人民幣千元
Financial receivables	金融應收款項	**112,719**	276,835
Trade and bills receivables	貿易應收款項及應收票據	**14,238**	24,714
Total	總計	**126,957**	301,549

27. TRADE AND BILLS PAYABLES

Trade and bills payables are non-interest-bearing. The credit periods granted by each individual supplier are on a case-by-case basis and are set out in the supplier contracts.

For retention money payables included in trade payables, in

28. OTHER PAYABLES AND ACCRUALS

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Salary and welfare payables (note (a))	應付工資及福利(附註(a))	**47,034**	50,343
Advance equity payment (note (b))	預收股權款項(附註(b))	**–**	19,210
Amounts due to related parties (note (c))	應付關聯方款項(附註(c))	**14,767**	14,248
Other taxes payables	其他應付稅項	**8,719**	8,713
Payables for the acquisitions	應付收購款項	**4,680**	680
Other payables	其他應付款項	**55,689**	48,844
Total	總計	**130,889**	142,038
Portion classified as current other payables and accruals	分類為即期其他應付款項及應計費用的部分	**(130,889)**	(142,038)

Notes:

(a) The salary and welfare payables are non-interest-bearing and are payable on demand. Other payables are non-interest-bearing and have no fixed terms of repayment.

(b) On 23 December 2024, Chongqing Kangda and Zhongshan City Xiaolan Water Company Limited (中山市小欖水務有限公司) ("Zhongshan Xiaolan") entered into an equity transfer agreement, pursuant to which Chongqing Kangda agreed to dispose of its 100% equity interests in Zhongshan Kangda Water Company Limited (中山康達水務有限公司) ("Zhongshan Kangda") for a total consideration of RMB96,051,000. Since the disposal was not yet completed on 31 December 2024, RMB19,210,000 received was recognised as advance equity payment. The payment was settled during the year ended 31 December 2025.

(c) The amounts mainly represent borrowings provided by the non-con%3 (a)- (l)-63 (a)- (l)-(b)-3 (-)-3 (-)-3 (-)-3 (-)-3 (-)-3 (-)-3 (-)-3 6-dlb- ater Company Limited (

29. INTEREST-BEARING BANK AND OTHER BORROWINGS

	31 December 2025 二零二五年十二月三十一日	31 December 2024 二零二四年十一日

29. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Analysed into:	分析：		
Interest-bearing bank and other borrowings repayable:	應償還計息銀行及其他借款：		
Within one year	一年以內	**3,406,543**	2,960,777
In the second year	第二年	**2,106,189**	2,693,182
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	**1,958,231**	2,218,571
Beyond five years	五年後	**1,865,726**	1,737,798

30. SHARE CAPITAL

Shares

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Authorised: 5,000,000,000 (2024: 5,000,000,000) ordinary shares of HK$0.01 each	法定： 5,000,000,000股(二零二四年：5,000,000,000股)每股面值0.01港元的普通股	**39,766**	39,766
Issued and fully paid: 2,307,008,500 (2024: 2,139,735,000) ordinary shares of HK$0.01 each	已發行及已繳足： 2,307,008,500股(二零二四年：2,139,735,000股)每股面值0.01港元的普通股	**18,651**	17,125

The ordinary shares of the Company do not have a par value.

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue 已發行股份數目	Issued capital 已發行資本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2025				

31. SHARE OPTION SCHEME

On 31 May 2024 (the "Date of Grant"), the Company granted a total of 213,973,500 share options to subscribe for a total of 213,973,500 ordinary shares in the share capital of the Company (the "Shares" and each "Share"), subject to acceptance of the grantees (the "Grantees").

All share options will be vested and can be exercised upon expiration of 12 months from the Date of Grant. All of the share options shall be exercisable at any time during the period commencing from 31 May 2025 to 15 September 2025 (both days inclusive)(or such longer period as may be extended by the Board in its absolute discretion, provided that the end date shall not be later than 10 years from the Date of Grant). Each share option scheme award granted pursuant to the share option scheme has the same terms and conditions.

The exercise price of share options is HK$0.30 per Share, which is no less than the highest of: (i) the nominal value of the Share; (ii) the closing price of HK$0.227 per Share as stated in the daily quotation sheet issued by the Stock Exchange on the Date of Grant; and (iii) the average closing price of HK$0.229 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the share option scheme as an equity-settled plan.

31. 購股權計劃

於二零二四年五月三十一日(「授出日期」),本公司授出合共213,973,500份購股權,以認購本公司股本中合共213,973,500股普通股(「股份」及每股「股份」),惟須待承授人(「承授人」)接納。

所有購股權將自授出日期起計滿12個月後歸屬並可予行使。全部購股權可自二零二五年五月三十一日起至二零二五年九月十五日止期間(包括首尾兩日)(或董事會可能全權酌情延長的有關較長期間,前提為終止日期不得遲於授出日期起計10年)隨時行使。根據購股權計劃授出的每份購股權計劃獎勵受到相同的條款及條件限制。

購股權的行使價為每股股份0.30港元,其不低於以下最高者:(i)股份面值;(ii)於授出日期在聯交所發佈的每日報價表所示的收市價每股股份0.227港元;及(iii)於緊接授出日期前五個營業日在聯交所發佈的每日報價表所示的平均收市價每股股份0.229港元。

概無以現金結算方式替代。本集團並無就該等購股權進行現金結算之過往慣例。本集團將購股權計劃以按權益結算計劃入賬。

31. SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the share option scheme during the year:

		2025 二零二五年		2024 二零二四年	
		Exercise price 行使價 HK$ per share 每股港元	**Number of options 購股權數目 '000 千份**	Exercise price 行使價 HK$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	**0.30**	**213,974**	–	–

32. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 91 and page 92 of the consolidated financial statements.

32. 儲備

本集團本年度及過往年度的儲備金額及其變動呈列於綜合財務報表第91頁至第92頁的綜合權益變動表內。

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB2,948,000 (2024: RMB520,000) and RMB2,948,000 (2024: RMB520,000), respectively, in respect of lease arrangements for office properties.

33. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就辦公室物業租賃安排的使必抱尋禪醪

(b) Changes in liabilities arising from financing activities

2025

		Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Other payables and accruals* 其他應付款項及應計費用* RMB'000 人民幣千元
At 1 January 2025	於二零二五年一月一日	9,610,328	1,948	5,698
Changes from financing cash flows	融資現金流量變動	(241,883)	(828)	518
New leases	新租賃	–	2,948	–
Foreign exchange movement	外匯變動	(503)	–	–
Interest expense	利息開支	446,706	99	–
Interest paid classified as financing cash flows	分類為融資現金流量的已付利息	(409,599)	–	–
Disposal of subsidiaries, net of cash	出售附屬公司(扣除現金)	(68,360)	–	–
At 31 December 2025	於二零二五年十二月三十一日	9,336,689	4,167	6,216

* Other payables and accruals mainly represent interest payable, and certain borrowings provided by related parties.

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

33. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities (Continued)

(b) 融資活動產生的負債變動(續)

2024 二零二四年

		Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Other payables and accruals* 其他應付款項及應計費用* RMB'000 人民幣千元
At 1 January 2024	於二零二四年一月一日	9,914,419	2,616	10,039
Changes from financing cash flows	融資現金流量變動	(131,288)	(1,273)	384
New leases	新租賃	–	520	–
Foreign exchange movement	外匯變動	2,525	–	–
Interest expense	利息開支	544,126	85	–
Interest paid classified as financing cash flows	分類為融資現金流量的已付利息	(477,744)	–	–
Debt restructuring	債務重組	–	–	(4,725)
Decrease arising from classified as liabilities held for sale (note 26)	因分類為持有待售的負債產生的減少(附註26)	(241,710)	–	–
At 31 December 2024	於二零二四年十二月三十一日	9,610,328	1,948	5,698

* Other payables and accruals mainly represent interest payable, and certain borrowings provided by related parties.

* 其他應付款項及應計費用主要指應付利息及若干由關聯方提供的借款。

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

(c) 租賃的現金流出總額

載於現金流量表的租賃現金流出總額如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Within financing activities	融資活動範圍內	**828**	1,273

34. CONTINGENT LIABILITIES

At the end of the year, the Group did not have any significant contingent liabilities.

34. 或然負債

於本年度末，本集團並無任何重大或然負債。

35. PLEDGE OF ASSETS

Details of the Group's bank and other borrowings, which are secured by the assets of the Group, are included in note 29 to the consolidated financial statements.

35. 資產抵押

有關以本集團資產擔保的本集團銀行及其他借款詳情載於綜合財務報表附註29。

36. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

36. 承擔

於報告期末，本集團有以下合約承擔：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但尚未撥備	**109,648**	110,148

The Group had the following commitments with respect to service concession arrangements at the end of the year:

於本年度末，本集團有下列有關服務特許經營安排的承擔：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但尚未撥備	**407,696**	2,178,156

37. DISPOSAL OF SUBSIDIARIES

(a) Disposal of 100% equity interest in Zhongshan Kangda

As disclosed in note 26, the disposal of 100% equity interest in Zhongshan Kangda was completed during the year.

The net assets/liabilities of the subsidiary disposed of during the year ended 31 December 2025 were as follows:

37. 出售附屬公司

(a) 出售中山康達100%的股權

誠如附註26所披露，中山康達出售100%股權已於年內完成。

於截至二零二五年十二月三十一日止年度，所出售之附屬公司之資產／負債淨值如下：

		2025 二零二五年 RMB'000 人民幣千元
Assets and liabilities classified as held for sale including:	分類為持有待售的資產及負債包括：	
Financial receivables	金融應收款項	276,835
Trade and bills receivables	貿易應收款項及應收票據	24,714
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	12
Cash and cash equivalents	現金及現金等價物	54,938
Trade and bills payables	應付貿易款項及應付票據	(7,235)
Other payables and accruals	其他應付款項及應計費用	(241,710)
Deferred tax liabilities	遞延稅項負債	

37. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Disposal of 80% equity interest in Longkou Kangyuan

In 2025, Chongqing Kangda disposed of its 80% equity interest in Longkou Kangyuan for a total consideration of RMB3,126,000.

The net assets/liabilities of the subsidiary disposed of during the year ended 31 December 2025 were as follows:

37. 出售附屬公司 (續)

(b) 出售龍口康源80%股權

於二零二五年，重慶康達出售其於龍口康源80%的股權，總代價為人民幣3,126,000元。

截至二零二五年十二月三十一日止年度，所出售附屬公司的資產／負債淨值如下：

		2025 二零二五年 RMB'000 人民幣千元
Net assets disposed of:	所出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	24
Service concession intangible assets	無形資產 — 服務特許經營	109,410
Inventories	存貨	226
Trade and bills receivables	貿易應收款項及應收票據	13,602
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	2,449
Pledged deposits	抵押存款	454
Cash and cash equivalents	現金及現金等價物	237
Trade and bills payables	貿易應付款項及應付票據	(11,100)
Other payables and accruals	其他應付款項及應計費用	(74,436)
Deferred tax liabilities	遞延稅項負債	(5,107)
Non-controlling interests	非控制權益	(5,000)
Net assets disposed of	所出售資產淨值	30,759
Loss on disposal of subsidiaries	出售附屬公司的虧損	(27,633)
Total consideration	總代價	3,126
Satisfied by:	按以下方式償付：	
Cash	現金	3,126
Cash consideration received during the year ended 31 December 2025	截至二零二五年十二月三十一日止年度已收現金代價	3,126
Cash and bank balances disposed of	所出售現金及銀行結餘	(691)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiary	出售附屬公司的現金及現金等價物流入淨額	2,435

37. DISPOSAL OF SUBSIDIARIES (Continued)

(c) Disposal of 100% equity interest in Liangshan Kangda Water Company Limited ("Liangshan Kangda")

In 2025, Chongqing Kangda disposed of its 100% equity interest in Liangshan Kangda for a total consideration of RMB80,000,000.

The net assets/liabilities of the subsidiaries disposed of during the year ended 31 December 2025 were as follows:

37. 出售附屬公司(續)

(c) 出售梁山康達水務有限公司(「梁山康達」)100%股權

於二零二五年，重慶康達出售其於梁山康達100%的股權，總代價為人民幣80,000,000元。

截至二零二五年十二月三十一日止年度，所出售附屬公司的資產／負債淨值如下：

		2025 二零二五年 RMB'000 人民幣千元
Net assets disposed of:	所出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	2
Financial receivables	金融應收款項	64,980
Inventories	存貨	65
Trade and bills receivables	貿易應收款項及應收票據	82,643
Cash and cash equivalents	現金及現金等價物	7
Trade and bills payables	貿易應付款項及應付票據	(10,781)
Other payables and accruals	其他應付款項及應計費用	(39,060)
Tax payable	應付稅項	(1,132)
Deferred tax liabilities	遞延稅項負債	(14,477)
Net assets disposed of	所出售資產淨值	82,247
Loss on disposal of subsidiaries	出售附屬公司的虧損	(2,247)
Total consideration	總代價	80,000
Satisfied by:	按以下方式償付：	
Cash	現金	80,000
Cash consideration received during the year ended 31 December 2025	截至二零二五年十二月三十一日止年度已收現金代價	48,000
Cash and bank balances disposed of	所出售現金及銀行結餘	(7)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiary	出售附屬公司的現金及現金等價物流入淨額	47,993

37. DISPOSAL OF SUBSIDIARIES (Continued)

(d) Disposal of 100% equity interest in Chongqing Zhongya Technology Co., Ltd.("Chongqing Zhongya")

In 2025, Chongqing Kangda and its subsidiary disposed of their 100% equity interest in Chongqing Zhongya for a total consideration of negative RMB2,000,000.

The net assets/liabilities of the subsidiaries disposed of during the year ended 31 December 2025 were as follows:

37. 出售附屬公司(續)

(d) 出售重慶中雅科技有限公司(「重慶中雅」)100%股權

於二零二五年，重慶康達及其他附屬公司出售其於重慶中雅100%股權，總代價為負人民幣2,000,000元。

截至二零二五年十二月三十一日止年度，所出售附屬公司的資產／負債淨值如下：

		2025 二零二五年 RMB'000 人民幣千元
Net assets disposed of:	所出售資產淨值：	
Trade and bills receivables	貿易應收款項及應收票據	130,892
Prepayments, other receivables and other assets	預付款項、其他應收款及其他資產	216,262
Pledged deposits	抵押存款	10,018
Cash and cash equivalents	現金及現金等價物	14,324
Trade and bills payables	貿易應付款項及應付票據	(329,265)
Other payables and accruals	其他應付款項及應計費用	(4,551)
Interest-bearing bank and other borrowings	計息銀行及其他借款	(39,680)
Net assets disposed of	所出售資產淨值	(2,000)
Loss on disposal of subsidiaries	出售附屬公司的虧損	–
Total consideration	總代價	(2,000)
Satisfied by:	按以下方式償付：	
Cash	現金	(2,000)
Cash consideration paid during the year ended 31 December 2025	截至二零二五年十二月三十一日止年度已付現金代價	(200)
Cash and bank balances disposed of	所出售現金及銀行結餘	(24,342)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiary	出售附屬公司的現金及現金等價物流出淨額	(24,542)

37. DISPOSAL OF SUBSIDIARIES (Continued)

(e) Disposal of 100% equity interest in Chongqing Shengjun Technology Co., Ltd.("Chongqing Shengjun")

In 2025, Chongqing Kangda and its subsidiary disposed of their 100% equity interest in Chongqing Shengjun for a total consideration of negative RMB3,000,000.

The net assets/liabilities of the subsidiaries disposed of during the year ended 31 December 2025 were as follows:

37. 出售附屬公司 (續)

(e) 出售重慶聖駿科技有限公司(「重慶聖駿」)100%股權

於二零二五年，重慶康達及其他附屬公司出售其於重慶聖駿100%股權，總代價為負人民幣3,000,000元。

截至二零二五年十二月三十一日止年度，所出售附屬公司的資產／負債淨值如下：

		2025 二零二五年 RMB'000 人民幣千元
Net assets disposed of:	所出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	17
Inventories	存貨	112
Trade and bills receivables	貿易應收款項及應收票據	304,087
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	1,100
Pledged deposits	抵押存款	10,018
Cash and cash equivalents	現金及現金等價物	283
Trade and bills payables	貿易應付款項及應付票據	(98,100)
Other payables and accruals	其他應付款項及應計費用	(191,837)
Interest-bearing bank and other borrowings	計息銀行及其他借款	(28,680)
Net assets disposed of	所出售資產淨值	(3,000)
Loss on disposal of subsidiaries	出售附屬公司的虧損	–
Total consideration	總代價	(3,000)
Satisfied by:	按以下方式償付：	
Cash	現金	(3,000)
Cash consideration paid during the year ended 31 December 2025	截至二零二五年十二月三十一日止年度已付現金代價	(300)
Cash and bank balances disposed of	所出售現金及銀行結餘	(10,301)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiary	出售附屬公司的現金及現金等價物流出淨額	(10,601)

38. RELATED PARTY TRANSACTIONS

(a) The Group had the following material transactions with related parties during the year:

38. 關聯方交易

(a) 本集團於本年度與關聯方進行的重大交易如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Certain expenses of the Group paid by non-controlling shareholders of:	由下列公司的非控股股東支付的本集團若干開支：		
Huizhou Kangda	惠州康達	**4,462**	384
Services provided to associates and a joint venture:	向聯營公司及一家合營企業提供的服務：		
Leping Hehu	樂平河湖	**5,543**	12,305
Fuzhou Fuhe	撫州撫河	**3,232**	3,236
Gaomi Kangrui	高密康瑞	**1,211**	855
Services provided by a subsidiary of a shareholder:	由股東的一家附屬公司提供的服務：		
Jiangxi Silver Dragon (i)	江西銀龍(i)	**54,549**	41,090
Services provided by a non-controlling shareholder	由一名非控股股東提供的服務		
Jiaoling Kangda	蕉嶺康達	**–**	262

(i) Jiangxi Silver Dragon Water Environment Construction Co., Ltd. (江西銀龍水環境建設有限責任公司) ("Jiangxi Silver Dragon") is a subsidiary of the largest shareholder of the Group. This related party transaction also constitutes a connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

The Group is contractually authorised to use a piece of land which is legally owned by the non-controlling shareholder of Jilin Kangda without charge, and such use also constitutes a related party transaction during the year.

The above related party transactions were conducted in accordance with the terms mutually agreed between the parties.

(i) 江西銀龍水環境建設有限責任公司(「江西銀龍」)為本集團最大股東的附屬公司。該關聯方交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

本集團在合約上獲授權無償使用一塊由吉林康達非控股股東合法擁有的土地，使用該土地亦構成本年度的一宗關聯方交易。

上述關聯方交易乃根據雙方協定的條款進行。

38. RELATED PARTY TRANSACTIONS (Continued)
38. 關聯方交易(續)

(b) Outstanding balances with related parties
(b) 與關聯方的未償還結餘

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Amounts due to non-controlling shareholders of:	應付以下公司非控股股東款項：		
Jilin Kangda	吉林康達	**8,550**	8,550
Huizhou Kangda	惠州康達	**6,216**	5,698
Jiaoling Kangda	蕉嶺康達	**540**	940
Amounts due to associates:	應付以下聯營公司款項：		
Eastern Sludge Treatment (note 27)	東方生態清淤(附註27)	**10,120**	10,120
Amounts due to the subsidiary of a shareholder:	應付股東的以下附屬公司款項：		
Jiangxi Silver Dragon	江西銀龍	**252,868**	253,918
Amounts due from non-controlling shareholders of:	應收以下公司非控股股東款項：		
Jiaoling Kangda	蕉嶺康達	**1,686**	1,686
Shenyang Jinhai	瀋陽近海	**1,100**	1,100
Weihai Kangda	威海康達	**43**	43
Amounts due from associates:	應收以下聯營公司款項：		
Fuzhou Fuhe	撫州撫河	**127,249**	124,017
Leping Hehu	樂平河湖	**44,186**	41,818
Amounts due from joint ventures:	應收以下合營企業款項：		
Tianqiyuan	天齊淵	**7,777**	11,865
Gaomi Kangrui	高密康瑞	**20,066**	18,854

(c) Compensation of key management personnel of the Group
(c) 本集團主要管理層人員的薪酬

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	**629**	1,058
Equity-settled share option expense	以權益結算的購股權開支	**137**	192
Total compensation paid to key management personnel	支付予主要管理層人員的薪酬總額	**766**	1,250

Further details of directors' emoluments are included in note 8 to the consolidated financial statements.

董事酬金的進一步詳情載於綜合財務報表附註8。

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

39. 按類別劃分的金融工具

於報告期末，各類別金融工具的賬面值如下：

31 December 2025 **二零二五年十二月三十一日**

Financial assets 金融資產

		Financial assets at fair value through profit or loss 按公平值計入損益的金融資產 RMB'000 人民幣千元	Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益的金融資產 RMB'000 人民幣千元	Financial assets at amortised cost 按攤銷成本計量的金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	–	404,000	–	404,000
Loans to a joint venture	向一家合營企業的貸款	–	–	20,066	20,066
Loans to an associate	向一家聯營公司的貸款	–	–	30,328	30,328
Financial receivables	金融應收款項	–	–	11,504,306	11,504,306
Trade and bills receivables	貿易應收款項及應收票據	–	–	3,004,689	3,004,689
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	–	–	720,279	720,279
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	158	–	–	158
Pledged deposits	抵押存款	–	–	137,894	137,894
Cash and cash equivalents	現金及現金等價物	–	–	258,951	258,951
Total	總計	158	404,000	15,676,513	16,080,671

Financial liabilities 金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及應付票據	1,561,997	1,561,997
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	75,136	75,136
Interest-bearing bank and other borrowings	計息銀行及其他借款	9,336,689	9,336,689
Total	總計	10,973,822	10,973,822

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

		Carrying amounts 賬面值		Fair values 公平值	
		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元	**2025 二零二五年 RMB'000 人民幣千元**	2024 二零二四年 RMB'000 人民幣千元
Financial assets	**金融資產**				
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	**404,000**	399,000	**404,000**	399,000
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	**158**	–	**158**	–
Financial receivables, non-current portion	金融應收款項，非即期部分	**9,527,339**	9,631,996	**9,693,908**	9,734,966
Total	總計	**9,931,497**	10,030,996	**10,098,066**	10,133,966
Financial liabilities	**金融負債**				
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	**348**	4	**332**	4

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of financial receivables, prepayments, other receivables and other assets, trade and bills payables, interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risks for trade and bills payables, interest-bearing bank and other borrowings as at the end of the year were assessed to be insignificant.

The fair values of unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as price to book value (P/B), for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by book value measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding P/B of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

40. 金融工具公平值及公平值等級 (續)

金融資產及負債的公平值按自願方於一項現行交易中交換有關工具的金額(強迫或清盤出售除外)列值。以下為估計公平值所用的方法及假設於一

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

40. 金融工具公平值及公平值等級(續)

公平值等級

下表說明本集團金融工具的公平值計量等級：

Assets measured at fair value:
As at 31 December 2025

按公平值計量的資產：
於二零二五年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	158	–	–	158
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	–	–	404,000	404,000

As at 31 December 2024

於二零二四年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	–	–	399,000	399,000

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 31 December 2025 and 31 December 2024.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities (2024: Nil).

Assets for which fair values are disclosed:

As at 31 December 2025

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial receivables, non-current portion	金融應收款項，非即期部分	–	9,693,908	–	9,693,908
		–	9,693,908	–	9,693,908

As at 31 December 2024

於二零二四年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial receivables, non-current portion	金融應收款項，非即期部分	–	9,734,966	–	9,734,966
		–	9,734,966	–	9,734,966

40. 金融工具公平值及公平值等級(續)

公平值等級(續)

按公平值計量的負債：

於二零二五年十二月三十一日及二零二四年十二月三十一日，本集團並無任何按公平值計量的金融負債。

於年內，就金融負債而言，第一級與第二級之間並無公平值計量轉撥，亦無項目轉入或轉出第三級(二零二四年：無)。

已披露公平值的資產：

於二零二五年十二月三十一日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities for which fair values are disclosed:

As at 31 December 2025

40. 金融工具公平值及公平值等級(續)

公平值等級(續)

已披露公平值的負債：

於二零二五年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	–	332	–	332
Interest-bearing bank and other borrowings, non-current portion	計息銀行及其他借款，非即期部分	–	6,486,343	–	6,486,343
Total	總計	–	6,486,675	–	6,486,675

As at 31 December 2024 於二零二四年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值(第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	–	4	–	4
Interest-bearing bank and other borrowings, non-current portion	計息銀行及其他借款，非即期部分	–	6,664,128	–	6,664,128
Total	總計	–	6,664,132	–	6,664,132

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as financial receivables, trade and bills receivables and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, liquidity risk and foreign currency risk. Generally, the senior management of the Company meets regularly to analyse and formulate measures to manage the Group's exposure to these risks. In addition, the board of directors of the Company holds meetings regularly to analyse and approve the proposals made by the senior management of the Company. Generally, the Group introduces conservative strategies on its risk management. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors of the Company reviews and agrees policies for managing these risks and they are summarised below.

41. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行及其他借款、現金及現金等價物及抵押存款。該等金融工具主要用於為本集團的經營籌集資金。本集團擁有直接來自其運營的多種其他金融資產及負債，如金融應收款項、貿易應收款項及應收票據及貿易應付款項及應付票據。

本集團金融工具產生的主要風險為利率風險、信用風險、流動資金風險及外幣風險。一般而言，本公司高級管理層會定期召開會議分析及制定措施，管理本集團面臨的該等風險。此外，本公司董事會定期召開會議分析及批准本公司高級管理層提呈的建議。一般而言，本集團於其風險管理中採取保守策略。由於本集團將該等風險維持在最低水平，故本集團未使用任何衍生工具及其他工具作對沖用途。本集團並無持有或發行用作交易的衍生金融工具。本公司董事會檢討及批准管理該等風險的政策，其概要如下。

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates.

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. The Group's interest-bearing bank and other borrowings, pledged deposits and cash and cash equivalents are stated at amortised cost and not revalued

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk

The carrying amounts of cash and cash equivalents, pledged deposits, trade and bills receivables, financial receivables and financial assets included in prepayments, other receivables and other assets represent the Group's maximum exposure to credit risk in relation to these financial assets. Substantially all of the Group's cash and cash equivalents and pledged deposits are held in major financial institutions located in Chinese mainland and Hong Kong, which management believes are of high credit quality. The Group has policies to control the size of the deposits to be placed with various reputable financial institutions according to their market reputation, operating scale and financial background with a view to limiting the credit exposure to each financial institution to an acceptable level.

The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

As the Group's major customers are either PRC government authorities or agencies at the provincial and local levels or other state-owned enterprises, the Group believes that they are reliable and of high credit quality and hence, there is no significant credit risk with these customers. The senior management of the Company keeps reviewing and assessing the creditworthiness of the Group's existing customers on an ongoing basis.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 22 to the financial statements.

(c) Liquidity risk

The liquidity of the Group is primarily dependent on its

41. 財務風險管理目標及政策(續)

(b) 信用風險

現金及現金等價物、抵押存款、貿易應收款項及應收票據、金融應收款項及計入預付款項、其他應收款項及其他資產的金融資產的賬面值為本集團就該等金融資產所承受的最大信用風險。本集團絕大部分現金及現金等價物和抵押存款乃存放於位於中國內地及香港且管理層相信具有高信貸質素的主要金融機構。本集團設有政策根據不同知名金融機構的市場聲譽、運營規模和財政背景控制將存放於該等金融機構的存款數量，旨在將各金融機構的信用風險限制在可接受水平。

本集團僅與獲認可且信用可靠的第三方進行交易。此外，會持續監察應收款項結餘，而本集團的壞賬風險不大。

由於本集團主要客戶為中國省級及地方政府機構或代理或其他國有企業，本集團相信彼等可信賴及具有高信用質素，故該等客戶並無重大信用風險。本公司高級管理層會不斷檢討及評估本集團現有客戶的信用可靠性。

有關本集團來自貿易應收款項及應收票據的信用風險的進一步量化數據於財務報表附註22披露。

(c) 流動資金風險

本集團的流動資金主要依賴其維持充足經營現金流入以於到期時履行債務責任的能力及取得外部融資以履行已承擔未來資本開支的能力。

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities at the end of the year, based on the contractual undiscounted payments, is as follows:

41. 財務風險管理目標及政策(續)

(c) 流動資金風險(續)

於本年度末，本集團的金融負債根據合約未貼現付款劃分的到期狀況如下：

		31 December 2025 二零二五年十二月三十一日				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 5 years 2至5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease liabilities	租賃負債	1,818	1,308	353	1,020	4,499
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他借款（不包括租賃負債）	3,501,190	1,546,928	2,881,953	2,065,736	9,995,807
Trade and bills payables	貿易應付款項及應付票據	1,561,649	348	–	–	1,561,997
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	75,136	–	–	–	75,136
Total contractual undiscounted payments	合約非貼現付款總額	5,139,793	1,548,584	2,882,306	2,066,756	11,637,439

		31 December 2024 二零二四年十二月三十一日				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 5 years 2至5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease liabilities	租賃負債	468	303	398	1,138	2,307
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他借款（不包括租賃負債）	3,161,822	3,038,070	2,658,560	1,815,919	10,674,371
Trade and bills payables	貿易應付款項及應付票據	1,849,716	4	–	–	1,849,720
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	63,772	–	–	–	63,772
Total contractual undiscounted payments	合約非貼現付款總額	5,075,778	3,038,377	2,658,958	1,817,057	12,590,170

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Foreign currency risk

The Group has minimal transactional currency exposures as the majority of the subsidiaries of the Group operate in the PRC with most of the transactions denominated and settled in RMB.

In addition, the Group has currency exposures from its cash and cash equivalents and interest-bearing bank borrowings. The Group manages foreign currency risk by closely monitoring the proportion of its non-Renminbi borrowings and assets.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB/HK$ and RMB/US$ exchange rates, with all other variables held constant, of the Group's profit before tax and the Group's equity.

41. 財務風險管理目標及政策(續)

(d) 貨幣風險

由於本集團大部分附屬公司在中國經營業務，且大部分交易以人民幣計值及結算，故本集團的交易貨幣風險甚微。

此外，本集團因其現金及現金等價物以及計息銀行借款而面臨貨幣風險。本集團透過密切監察其非人民幣借貸及資產的比例管理貨幣風險。

下表顯示在所有其他變數維持不變的情況下，本集團除稅前溢利及本集團權益於報告期末對人民幣／港元及人民幣／美元匯率的合理可能變動的敏感度。

		Increase/ (decrease) in profit before tax 除稅前溢利增加／(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity* 權益增加／(減少)* RMB'000 人民幣千元
2025	**二零二五年**		
If the RMB weakens against the US$ by 5%	倘人民幣兌美元貶值5%	**(1,101)**	**(1,101)**
If the RMB strengthens against the US$ by 5%	倘人民幣兌美元升值5%	**1,101**	**1,101**
If the RMB weakens against the HK$ by 5%	倘人民幣兌港元貶值5%	**11**	**11**
If the RMB strengthens against the HK$ by 5%	倘人民幣兌港元升值5%	**(11)**	**(11)**
2024	二零二四年		
If the RMB weakens against the US$ by 5%	倘人民幣兌美元貶值5%	(1,216)	(1,216)
If the RMB strengthens against the US$ by 5%	倘人民幣兌美元升值5%	1,216	1,216
If the RMB weakens against the HK$ by 5%	倘人民幣兌港元貶值5%	15	15
If the RMB strengthens against the HK$ by 5%	倘人民幣兌港元升值5%	(15)	(15)

* Excluding retained profits

* 不包括保留溢利

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Capital management

The Group's primary objectives for managing capital are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratio in order to support its business and maximise shareholders' value.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. No change was made in the objectives, policies or processes for managing capital during the year. The Group monitors capital using a gearing ratio, which is net debt divided by the capital plus net debt. Net debt includes trade and bills payables, certain other payables and accruals, interest-bearing bank

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Capital management (Continued)

41. 財務風險管理目標及政策(續)

(e) 資本管理(續)

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
Trade and bills payables (note 27)	貿易應付款項及應付票據(附註27)	**1,561,997**	1,849,720
Other payables and accruals (note 28)	其他應付款項及應計費用(附註28)	**130,889**	142,038
Interest-bearing bank and other borrowings (note 29)	計息銀行及其他借款(附註29)	**9,336,689**	9,610,328
Lease liabilities (note 14)	租賃負債(附註14)	**4,167**	1,948
Less: Cash and cash equivalents (note 25)	減：現金及現金等價物(附註25)	**(258,951)**	(122,158)
Less: Pledged deposits (note 25)	減：抵押存款(附註25)	**(137,894)**	(93,698)
Net debt	債務淨額	**10,636,897**	11,388,178
Total equity	總權益	**6,315,442**	6,019,845
Capital and net debt	資本及債務淨額	**16,952,339**	17,408,023
Gearing ratio	資產負債比率	**63%**	65%

42. EVENTS AFTER THE REPORTING PERIOD

No significant events took place subsequent to 31 December 2025.

42. 報告期後事項

於二零二五年十二月三十一日後並無發生重大事項。

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

43. 本公司財務狀況表

報告期末本公司財務狀況表的資料如下：

		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**		
Investments in subsidiaries	於附屬公司的投資	**1,223,131**	1,220,970
Total non-current assets	非流動資產總值	**1,223,131**	1,220,970
CURRENT ASSETS	**流動資產**		
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	**754,617**	746,558
Cash and cash equivalents	現金及現金等價物	**90**	157
Total current assets	流動資產總值	**754,707**	746,715
CURRENT LIABILITIES	**流動負債**		
Other payables and accruals	其他應付款項及應計費用	**218,285**	222,379
Total current liabilities	流動負債總額	**218,285**	222,379
NET CURRENT ASSETS	**流動資產淨值**	**536,422**	524,336
TOTAL ASSETS LESS CURRENT LIABILITIES	**資產總值減流動負債**	**1,759,553**	1,745,306
Net assets	資產淨值	**1,759,553**	1,745,306
EQUITY	**權益**		
Issued capital	已發行股本	**18,651**	17,125
Reserves (note)	儲備(附註)	**1,740,902**	1,728,181
Total equity	權益總額	**1,759,553**	1,745,306

43. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

43. 本公司財務狀況表(續)

附註：

本公司儲備的概要如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Retained profits/ (accumulated losses) 保留溢利／(累計虧損) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2024	於二零二四年一月一日	1,717,384	65,553	(65,950)	1,716,987
Profit for the year	年內溢利	–	–	6,053	6,053
Equity-settled share option arrangements	以權益結算的購股權安排	–	5,141	–	5,141
At 31 December 2024 and 1 January 2025	於二零二四年十二月三十一日及二零二五年一月一日	1,717,384	70,694	(59,897)	1,728,181
Profit for the year	年內溢利	–	–	**(35,072)**	**(35,072)**
Equity-settled share option arrangements	以權益結算的購股權安排	**44,224**	**3,569**	–	**47,793**
At 31 December 2025	於二零二五年十二月三十一日	**1,761,608**	**74,263**	**(94,969)**	**1,740,902**

On 31 May 2024, the Company granted a total of 213,973,500 share options to subscribe for a total of 213,973,500 ordinary shares in the share capital of the Company under the share option scheme adopted by the Company on 14 June 2014. The Group recognised a share option expense of RMB3,569,000 (31 December 2024: RMB5,141,000) during the year ended 31 December 2025.

於二零二四年五月三十一日，本公司已根據其於二零一四年六月十四日採納的購股權計劃授出合共213,973,500份購股權，可認購本公司股本中合共213,973,500股普通股。於截至二零二五年十二月三十一日止年度，本集團確認購股權開支人民幣3,569,000元(二零二四年十二月三十一日：人民幣5,141,000元)。

44. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 19 March 2026.

44. 批准綜合財務報表

該等綜合財務報表於二零二六年三月十九日獲董事會批准及授權刊發。

Financial Summary
財務概要

A summary of the results and of the assets, liabilities and total equity of the Group for the last five financial years is as set below:

RESULTS

		Year ended 31 December 截至十二月三十一日止年度				
		2025 二零二五年 RMB'000 人民幣千元	2024 二零二四年 RMB'000 人民幣千元	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元
Revenue	收益	**2,426,854**	2,261,282	2,216,381	2,896,589	2,918,958
Profit before tax	除稅前溢利	**344,471**	236,243	233,954	374,341	550,245
Income tax	所得稅	**(100,948)**	(65,362)	103,726	134,379	132,064
Profit for the year	年內溢利	**243,523**	170,881	130,228	239,962	418,181
Other comprehensive income	其他全面收益	**4,250**	44,200	(13,600)	97,750	(76,500)
Total comprehensive income for the year	年內全面收益總額	**247,773**	215,081	116,628	337,712	341,681
PROFIT ATTRIBUTABLE TO:	**以下人士應佔溢利：**					

Financial Summary
財務概要

ASSETS, LIABILITIES AND TOTAL EQUITY 資產、負債及權益總額

		As at 31 December 於十二月三十一日				
		2025	2024	2023	2022	2021
		二零二五年	二零二四年	二零二三年	二零二二年	二零二一年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	**18,689,426**	19,153,926	19,227,362	18,965,750	18,281,408
Total liabilities	負債總額	**12,373,984**	13,134,081	13,377,330	13,225,142	12,873,787
NET ASSETS	**資產淨值**	**6,315,442**	6,019,845	5,850,032	5,740,608	5,407,621
Equity attributable to shareholders of the Company	本公司股東應佔權益	**6,225,791**	5,934,962	5,711,789	5,603,435	5,270,006
Non-controlling interests	非控股權益	**89,651**	84,883	138,243	137,173	137,615
TOTAL EQUITY	**權益總額**	**6,315,442**	6,019,845	5,850,032	5,740,608	5,407,621

KANGDA INTERNATIONAL
ENVIRONMENTAL COMPANY LIMITED

康達國際環保有限公司