

CHINA EVERBRIGHT WATER LIMITED
中国光大水务有限公司
(the “Company” or “Everbright Water”)
(“本公司”或“光大水务”)
(Incorporated in Bermuda)
(于百慕大注册成立)

MINUTES OF THE ANNUAL GENERAL MEETING
股东周年大会会议记录

Date and Time : Wednesday, 26 April 2023 at 9.30 a.m. (Singapore time)
会议日期和时间 : 二零二三年四月二十六日（星期三）上午九时三十分（新加坡时间）

Form of Meeting : Electronic Meeting
会议形式 : 电子会议

PRESENT

出席

DIRECTORS

董事

In person:

亲身出席:

Mr. Lim Yu Neng Paul – Chairman of the AGM (defined below) and Independent Non-Executive Director

林御能先生 – 本次股东周年大会（定义如下）的主席和独立非执行董事

Ms. Cheng Fong Yee – Independent Non-Executive Director

郑凤仪女士 – 独立非执行董事

Via live audio-visual webcast:

透过实时视听网络直播:

Mr. Hu Yanguo – Executive Director and Chairman of the Board of Directors

胡延国先生 – 执行董事兼董事长

Mr. Tao Junjie – Executive Director and Chief Executive Officer

陶俊杰先生 – 执行董事兼总裁

Mr. Luo Junling – Executive Director and Chief Financial Officer

罗俊岭先生 – 执行董事兼首席财务官

Mr. Zhai Haitao – Independent Non-Executive Director

翟海涛先生 – 独立非执行董事

Ms. Hao Gang – Independent Non-Executive Director

郝刚女士 – 独立非执行董事

JOINT COMPANY SECRETARIES

联席公司秘书

Ms. Kwan Yun Fui (who attended the AGM in person)

关詠蔚女士（亲身出席本次股东周年大会）

Ms. Ho Wing Tsz Wendy (who attended the AGM via live audio-visual webcast)

何咏紫女士（透过实时视听网络直播出席本次股东周年大会）

SHAREHOLDERS

股东

As per Attendance Sheet

如出席表所载

BY INVITATION

被邀请出席者

As per Attendance Sheet

如出席表所载

CHAIRMAN 主席

At the request of Mr. Hu Yanguo, the Chairman of the Board (defined below), Mr. Lim Yu Neng Paul (the “**Chairman**”) chaired the 2023 Annual General Meeting (the “**AGM**” or the “**Meeting**”).

应本公司董事长胡延国先生的邀请，林御能先生（“**主席**”）担任二零二三年股东周年大会（“**本次股东周年大会**”或“**本次大会**”）的主席。

The AGM was convened and held in accordance with the Bye-laws of the Company (the “**Bye-laws**”), the Bermuda laws and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debentures Holders) Order 2020.

本次股东周年大会是根据本公司细则（“**细则**”）、百慕大法律以及《COVID-19（临时措施）（公司、可变资本公司、商业信托、单位信托和债券持有人会议的替代安排）2020年法令》召集并举行。

QUORUM 法定人数

The AGM was convened and held via electronic means and accordingly, the shareholders of the Company (the “**Shareholders**”) were unable to attend the AGM in person. In compliance with the Bermuda laws, Ms. Cheng Fong Yee and the Chairman, both Independent Non-Executive Directors and Shareholders, attended the AGM in person to constitute the requisite quorum for the AGM.

本次股东周年大会通过电子方式召开并举行，因此本公司股东（“**股东**”）无法亲身出席本次股东周年大会。为遵守百慕大法律的要求，郑凤仪女士和主席（均为本公司的独立非执行董事和股东）亲身出席本次股东周年大会，以构成本次股东周年大会的必要法定人数。

The Joint Company Secretaries confirmed that a quorum was present and the Chairman called the Meeting to order at 9.30 a.m.

经联席公司秘书确认，本次大会的出席人数已达到法定人数。主席宣布本次大会于上午9时30分正式开始。

NOTICE CONVENING THE AGM 召开本次股东周年大会的通知

The notice of the AGM dated 21 March 2023 has been delivered to the Shareholders within the requisite statutory period. The notice of the AGM was taken as read.
日期为二零二三年三月二十一日之本次股东周年大会通知已在法定期间内寄送给股东。本次股东周年大会的会议通知被视为已读。

STEPS TO ASK QUESTIONS AT THE AGM 于本次股东周年大会上提交问题的步骤

The Chairman informed the Shareholders that they could submit their questions via the online chat box during the AGM. The Chairman then gave detailed instructions regarding the submission of questions via the online chat box during the AGM and invited the Shareholders to submit any other questions relevant to the agenda of the AGM via the online chat box.
主席通知股东可以在本次股东周年大会期间通过在线聊天窗口提交问题。主席随后提供了关于在本次股东周年大会期间通过在线聊天窗口提交问题的详细指引，并邀请股东通过在线聊天窗口提交与本次股东周年大会议程相关的问题。

CORPORATE PRESENTATION 公司介绍

The Chairman invited Mr. Tao Junjie, the Chief Executive Officer of the Company (“CEO”), to make presentations on the Group’s:
主席邀请本公司总裁（“**总裁**”）陶俊杰先生介绍本集团的：

- (i) financial review;
财务回顾；
- (ii) operating results; and
经营业绩；和
- (iii) business prospects
行业展望

(collectively, “**2023 AGM Presentation**”).
(统称“二零二三年股东周年大会简报”)。

A copy of the 2023 AGM Presentation was uploaded on SGXNet and the websites of the Hong Kong Exchanges and Clearing Limited (the “**HKEX**”) and the Company on 25 April 2023. The said presentation is set out in “**Annex A**” hereto.
二零二三年股东周年大会简报已于二零二三年四月二十五日上载至 SGXNet 及香港交易及结算所有有限公司（“**港交所**”）及本公司的网站。该简报已载于本纪要之“**附件A**”。

QUESTIONS AND ANSWERS (“Q&A”) SESSION 问答环节

After the 2023 AGM Presentation by the CEO, the Chairman informed the Shareholders that the online chat box for the submission of further questions would be closing soon.
总裁介绍二零二三年股东周年大会简报结束后，主席通知股东在线聊天窗口即将关闭。

The Chairman informed the Shareholders that the Company had received some questions from the Shareholders prior to the AGM. As some of the questions submitted by the Shareholders at the pre-registration stage were substantially similar or related, the Company had re-organised those questions

accordingly. The Chairman further informed the Shareholders that all the substantial and relevant questions received from the Shareholders before the submission deadline of 23 April 2023 had been addressed by the Company and the answers to those questions had been published on SGXNet and the websites of HKEX and the Company on 25 April 2023 (the “**25 April 2023 Announcement**”). The Chairman advised the Shareholders to refer to the 25 April 2023 Announcement for full details on the Company’s responses to the pre-submitted questions.

主席通知股东，本公司于本次股东周年大会前已经收到股东的一些提问。由于本公司收到的部分问题十分相似或具有关联性，本公司将问题重新排序。主席进一步通知股东，本公司已回答在二零二三年四月二十三日的截止日期前收到股东提问的所有实质性及相关问题，并在二零二三年四月二十五日将回应发布于 SGXNet、港交所及本公司网站（“二零二三年四月二十五日之公告”）。主席建议股东参阅二零二三年四月二十五日之公告来获悉本公司的回复。

The Chairman also informed the Shareholders that the Company had received questions from the Securities Investors Association (Singapore) (“**SIAS**”) relating to (i) the Group’s financial performance, in particular the revenue and trade receivables; (ii) the interest rate trends and hedging of the Group’s interest rate risks; (iii) the Company’s financing arrangements; and (iv) the overview of the water industry in the People’s Republic of China, which the Company had responded to in the 25 April 2023 Announcement. The Chairman advised the Shareholders to refer to the 25 April 2023 Announcement for details.

主席亦通知股东本公司近期也收到了新加坡证券投资者协会（“**SIAS**”）提出的一些涉及以下事项的问题：(i) 本集团的财务业绩，特别是收入及应收款项；(ii) 利率趋势和对冲本集团的利率风险；(iii) 本公司的融资安排；及(iv) 中国水务行业的概述，并于二零二三年四月二十五日之公告回答。主席建议股东可以参阅二零二三年四月二十五日之公告来获悉本公司的回复。

The Chairman announced that the online chat box had been closed and then proceeded to address those substantial and relevant questions.

主席宣布在线聊天窗口已关闭，并进行回答实质性及相关问题环节。

The board (the “**Board**”) of directors (the “**Directors**”) of the Company had selected and addressed two pre-submitted questions (i.e. questions 1 and 2 under Section A of the 25 April 2023 Announcement) during the AGM.

本公司董事（“**董事**”）或（“**董事会**”）在本次股东周年大会选择并回答两条预先提交的问题（即二零二三年四月二十五日之公告 A 部第一条和第二条问题）。

Once the selected questions had been addressed, the Board then moved on to address those questions received via online chat box, if they were substantial and relevant questions which had not been addressed. The question received via online chat box and the corresponding response are set out below. 董事会回答预先提交的问题后，并回复了通过在线聊天窗口所提交的问题中尚未回复的实质相关问题。该问题及相关回复已载列如下。

1. What were the challenges and opportunities the Management anticipated for 2023? How confident is the Management in facing those challenges and opportunities?

请问管理层预计 2023 年将遇到什么挑战与机遇？管理层是否有信心面对该等挑战及机遇？

Mr. Tao Junjie, the Executive Director and Chief Executive Officer of the Company, replied as below:

本公司执行董事兼总裁陶俊杰先生回复如下：

2023 is a year filled with both opportunities and challenges. In the short term, amid the challenging external environment, the water industry had entered into an adjustment period

(during which, the industry had been moving from “rapid growth” to “high-quality development”) and the regulatory power of the water industry had been becoming more stringent than ever before. Meanwhile, despite the relaxation of the local COVID-19 pandemic prevention and control measures in China, the future development remains uncertain given that the recovery of the global economy takes time. Therefore, the environmental protection industry and the relevant market players would still face tremendous challenges and move forward tirelessly.

2023 年可以说是机遇与挑战并存。从短期来看，面临严峻的外部环境，且水务行业进入了一个由高速度发展转向高质量发展的调整期，行业监管力度空前。与此同时，尽管中国新冠疫情防控措施大幅放开，考虑到经济复苏需要过渡期，因此未来发展仍具有不确定性，环保行业及从业企业仍将面对巨大挑战，需要负重前行。

In the long term, China has been promoting the transformation of a green economy and social development by enhancing the construction of ecological civilisation and continuously rolling out various positive policies that are in favour of the water industry. In particular, China had proposed to promote green development and the harmonious coexistence of man and nature in the fourth quarter of 2022, further emphasising the concept that “lucid waters and lush mountains are invaluable assets”, and advocating integrated protection, systematic treatment and coordinated development. Therefore, in the long term, the environmental protection industry would have plenty of room for development.

从长期来看，中国生态文明建设力度加大，水务行业利好的政策陆续出台，现正处于全面推进经济社会向绿色发展转型期；尤其是在 2022 年底第四季度，中国提出了推动绿色发展，促进人与自然和谐共生，进一步强调“绿水青山就是金山银山”的理念，倡导一体化保护、系统治理、统筹发展，因此从长期来看环保行业仍将拥有广阔的发展空间。

In conclusion, in order to cope with the challenges and seize the opportunities, Everbright Water will focus on its core business, and explore and discover new development paths by looking beyond its traditional development models that were driven by investments. It would also nurture and create its “second growth curves” based on its own characteristics and needs, and by relying on new businesses, new models, new technologies, new products and high-quality services. This would drive the next round of high-quality and sustainable development.

总之，为更好迎接挑战和强抓机遇，下一步，光大水务将聚焦行业，跳出原有的以传统投资驱动增长的发展模式，思考和探索新的发展路径。光大水务也将依托新业务、新模式、新技术、新产品和优质服务，培育和打造符合自身特点和需要的“第二增长曲线”，实现新一轮的高质量、可持续发展。

Meanwhile, given all the guidelines and requirements set out in China’s “14th Five-Year Plan”, it is believed that low-carbon development, implementation of “Intelligent Water” and rural ecological environmental protection would be the key future development directions of the water industry. These areas would also serve as the entry points for the relevant enterprises to create their “second growth curves”. Looking forward, Everbright Water will continue its “technological innovation-driven development” and steadily implement the development vision of “Creating Value to Industries through Various Water-Related Businesses”. By focusing on “Seeking Steady Progress” and “reducing cost and expanding income sources, and enhancing quality and efficiency”, Everbright Water will further implement the five development concepts of “Innovation, Coordination, Green, Openness and Sharing”. By relying on its traditional businesses and focusing on various segments, Everbright Water will explore and develop new business directions, enhance technological and digital empowerment, and strengthen its management proficiencies in five aspects (namely operations, engineering, finance, procurement and safety and environmental management), in a bid to lay a good foundation for the next stage of the development.

同时，结合中国“十四五”规划的指引和要求，相信在低碳化发展、智慧化建设、农村生态环境保护等都将是水务行业在未来的重要发展方向，也可能成为企业打造“第二增长曲线”的重要切入点。展望未来，光大水务将继续科技创新引领和驱动发展，稳步落实“以水为源的产业价值创造”为发展愿景，以“稳中求进”的发展总基调，深入贯彻“创新、协调、绿色、开放、共享”的五大发展理念，以“开源节流、提质增效”为工作核心；依托传统业务，聚焦细分领域，培育打造新兴业务，强化科技及数字两项赋能作用，充分发挥“运营、工程、财务、采购及安全与环境”五大管理效能，为下一阶段发展打下坚实的基础。

The challenges brought by COVID-19 that lasted for few years had reunited Everbright Water's teams and enhanced the strength of Everbright Water. Looking forward, in 2023, Everbright Water will keep its direction consistent from top to bottom, set a clearer objective, strongly grasp the opportunities and work even harder. The Management is confident of achieving a new breakthrough in its financial performance.

经历了近几年新冠疫情的考验，使光大水务整体团队变得更加团结，意志更加坚强，凝聚力空前高涨。展望 2023 年，光大水务上下思想高度统一，目标更加明确，也定会强抓机遇，奋发有为，有信心实现业绩新突破。

The Q&A session ended at 10.33 a.m. The Chairman reminded the Shareholders to refer to the 25 April 2023 Announcement for further information regarding the Company's response to the pre-submitted questions as well as those questions raised by SIAS. A copy of the 25 April 2023 Announcement is set out in "**Annex B**" hereto.

问答环节于上午十时三十三分结束。主席提醒股东可以参阅二零二三年四月二十五日之公告来获悉更多有关本公司回应预先提交的问题及 SIAS 的提问。二零二三年四月二十五日之公告已载于本纪要之 "**附件 B**"。

The Chairman proceeded with the remaining agenda of the Meeting.

主席继续进行本次大会的剩余议程。

VOTE BY POLL 股数投票表决方式

Boardroom Corporate & Advisory Services Pte. Ltd. was appointed as the polling agent for the Meeting and Reliance 3P Advisory Pte. Ltd. was the scrutineer for the Meeting.

Boardroom Corporate & Advisory Services Pte. Ltd.担任本次大会的计票人，Reliance 3P Advisory Pte. Ltd.担任本次大会的监票人。

The Chairman has been appointed as a proxy by certain Shareholders and he voted in accordance with their instructions.

一些股东已委任主席为受委代表，主席按照其指示进行投票。

The Chairman provided detailed instructions regarding the casting of votes by the Shareholders during the AGM via the electronic polling system.

主席提供了关于股东在本次股东周年大会期间通过电子投票系统进行投票的详细说明。

ORDINARY BUSINESS 一般事项

- 1. ORDINARY RESOLUTION 1 - TO RECEIVE AND CONSIDER THE DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND THE AUDITOR'S REPORT THEREON**

普通决议1 - 审阅及考虑董事会声明以及截至二零二二年十二月三十一日止财政年度的经审计的本公司财务报表及其审计师报告

The motion was proposed by the Chairman and put to vote by poll.
这项决议由主席提议，并以股数投票方式表决。

2. **ORDINARY RESOLUTION 2 - TO DECLARE AND PAY A FINAL ONE-TIER TAX EXEMPT DIVIDEND OF 5.14 HONG KONG CENTS (EQUIVALENT TO 0.86 SINGAPORE CENT) PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AS RECOMMENDED BY THE BOARD**

普通决议 2 - 根据董事会建议，宣布派发截至二零二二年十二月三十一日止财政年度的每股普通股 5.14 港仙（等值 0.86 新加坡分）的一级税项豁免末期股息

The motion was proposed by the Chairman and put to vote by poll.
这项决议由主席提议，并以股数投票方式表决。

3. **ORDINARY RESOLUTION 3 - TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF S\$340,000 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (2021: S\$340,000)**

普通决议 3 - 批准支付截至二零二二年十二月三十一日止财政年度的董事袍金 340,000 新加坡元整（二零二一年：340,000 新加坡元整）

The motion was proposed by the Chairman and put to vote by poll.
这项决议由主席提议，并以股数投票方式表决。

4. **ORDINARY RESOLUTION 4 - TO RE-ELECT MS. HAO GANG, A DIRECTOR RETIRING PURSUANT TO THE BYE-LAW 86(1) OF THE BYE-LAWS, AND WHO, BEING ELIGIBLE, WILL OFFER HERSELF FOR RE-ELECTION AS A DIRECTOR**

普通决议 4 - 重选根据细则第 86(1) 条规定即将退任的董事郝刚女士，彼符合资格并接受重选为董事

The motion was proposed by the Chairman and put to vote by poll.
这项决议由主席提议，并以股数投票方式表决。

5. **ORDINARY RESOLUTION 5 - TO RE-APPOINT ERNST & YOUNG LLP AS AUDITOR OF THE COMPANY, TO HOLD OFFICE UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX ITS REMUNERATION**

普通决议 5 - 续聘 ERNST & YOUNG LLP 为本公司审计师，任期直至下届股东周年大会结束为止，并授权董事会厘定其薪酬

The motion was proposed by the Chairman and put to vote by poll.
这项决议由主席提议，并以股数投票方式表决。

SPECIAL BUSINESS 特别事项

6. **ORDINARY RESOLUTION 6 - AUTHORITY TO ALLOT AND ISSUE NEW SHARES**

普通决议 6 - 分配和发行新股份之权力

The following motion was proposed by the Chairman and put to vote by poll.
以下决议由主席提议，并以股数投票方式表决。

“It was RESOLVED:

“已决议通过:

- (a) That, pursuant to the Bye-laws, the Listing Manual (the “**SGX-ST Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX**” or “**SGX-ST**”) and the Rules (the “**SEHK Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), approval be and is hereby given to the Board at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
根据细则、新加坡证券交易有限公司（“**新交所**”）上市手册（“**新交所上市手册**”）及香港联合交易所有限公司（“**联交所**”）证券上市规则（“**联交所上市规则**”），授权董事会全权酌情认为适当的条规及目的，向彼等全权酌情认为合适的人士:
- (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of right, bonus or otherwise;
通过供股、红利或其他方式分配及发行本公司股份（“**本公司股份**”）；
 - (ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares; and/or
作出或授予可能或将须发行本公司股份的要约、协议或期权，或其他可转让的认购或购买本公司股份的权利（统称“**文据**”），包括但不限于创设并发行权证、债券或其他可转换成本公司股份的文据；及/或
 - (iii) issue additional instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and
关于供股、红利或资本化发行，因调整之前发行的文据数目而发行额外的文据；和
- (b) (notwithstanding that the authority conferred by the Shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Board while the authority was in force, provided always that, subject to any applicable regulations as may be prescribed by SGX-ST and the SEHK,
（尽管股东授权可能已不再有效）于该授权生效时，根据董事会所作出或授予的任何文据发行本公司股份，须符合新交所及联交所可能规定的任何适用规例:
- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to

be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to existing Shareholders does not exceed twenty per cent. (20%) of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this Resolution, the issued Shares shall be the Company's total number of issued Shares excluding treasury shares at the time this Resolution is passed, after adjusting for:

根据本决议将予发行的本公司股份总数（包括因根据本决议所作出或授予的文据将予发行的本公司股份）不超过已发行本公司股份总数（不包括本公司库存股）的百分之五十(50%)，其中非按比例向现有股东发行的本公司股份总数（包括根据本决议所作出或授予的文据将予发行的本公司股份）不超过已发行本公司股份总数（不包括本公司库存股）的百分之二十(20%)，且就本决议而言，已发行本公司股份应为通过本决议案时、经以下各项调整后的已发行本公司股份总数计算（不包括本公司库存股）：

- a) new Shares arising from the conversion or exercise of any convertible securities outstanding or subsisting at the date of the general meeting where the share issue mandate is approved;
转换或行使于批准股份发行授权的股东大会当日发行在外或存续的任何可转换证券产生的新本公司股份；
 - b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual and Chapter 17 of the SEHK Listing Rules;
and
行使遵照新交所上市手册第8章第VIII部分及联交所上市规则第17章授予的期权或归属于本决议通过时尚未行权或存续的股份奖励产生的新本公司股份；及
 - c) any subsequent bonus issue, consolidation or subdivision of Shares;
任何其后的红利发行、本公司股份合并或分拆；
- (ii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the SGX-ST Listing Manual as amended from time to time (unless such compliance has been waived by SGX-ST), the SEHK Listing Rules as amended from time to time (unless such compliance has been waived by the SEHK) and the Bye-laws; and 行使本决议案所授予之权力时，本公司须遵守经不时修订之新交所上市手册之条文（除非已获新交所豁免遵守）及经不时修订之联交所上市规则（除非已获联交所豁免遵守）及细则；及
- (iii) such authority shall, unless revoked or varied by the Company at a General Meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

除非本公司在股东大会上撤销或修订，否则给予的授权将持续有效，直至下届股东周年大会结束时或法律规定本公司须举行下届股东周年大会当日（以较早者为准）为止。”

7. ORDINARY RESOLUTION 7 – AUTHORITY TO ALLOT AND ISSUE SHARES UNDER THE CHINA EVERBRIGHT WATER LIMITED SCRIP DIVIDEND SCHEME (THE “SCRIP DIVIDEND SCHEME”)

普通决议7 - 在中国光大水务有限公司以股代息计划（“以股代息计划”）项下分配和发行本公司股份的权力

The following motion was proposed by the Chairman and put to vote by poll.
以下决议由主席提议，并以股数投票方式表决。

“It was RESOLVED THAT authority be and is hereby given to the Board to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme.”

“已决议通过：授权董事会不时地分配和发行根据以股代息计划可能需要分配和发行的相应数量的本公司股份。”

8. ORDINARY RESOLUTION 8 – RENEWAL OF THE SHARE BUY-BACK MANDATE

普通决议8 - 更新股份回购授权

The following motion was proposed by the Chairman and put to vote by poll.
以下决议由主席提议，并以股数投票方式表决。

“It was RESOLVED THAT:

“已决议通过：

- (a) the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

授权董事会行使本公司通过下列方式、以董事会不时决定的不超过最高限价（定义见下文）的价格购买或以其它方式收购总额不超过最高限额（定义见下文）的已发行本公司股份的全部权力：

- (i) market purchase(s) on the SGX-ST and/or the SEHK; and/or
在新交所和/或联交所市场上购买；和/或
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST and/or the SEHK, as the case may be) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall, as required under the SGX-ST Listing Manual, satisfy all the conditions prescribed by Section 76C of the Companies Act 1967 of Singapore (the “Singapore Companies Act”),
按照董事认为适当而可能决定或制定的任何平等购买计划进行场外购股（如果购买不是在新交所和/或联交所市场上实施，视情况而定），该等计划应如新交所上市手册所要求、满足一九六七年新加坡《公司法》（“新加坡公司法”）第76C条规定的所有条件，

in accordance with the Companies Act 1981 of Bermuda (as amended), the SGX-ST Listing Manual, the SEHK Listing Rules, the Code on Share Buybacks of Hong Kong, and the Code on Takeovers and Mergers of Hong Kong, as may for the time being be applicable (the “**Share Buy-back Mandate**”);

需遵守届时可能适用的百慕大一九八一年《公司法》（修订版）、新交所上市手册、联交所上市规则、香港《公司股份回购守则》及香港《公司收购及合并守则》（“**股份回购授权**”）；

- (b) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing on and from the date of the passing of this Resolution and expiring on the earliest of:

除非本公司在股东大会上更改或撤销，否则董事可根据股份回购授权授予董事的权力由本决议案获通过当日（包括该日）起至下列日期（以较早者为准）随时及不时进行：

- (i) the date on which the next Annual General Meeting of the Company is held;

本公司下届股东周年大会举行之日；

- (ii) the date on which the next Annual General Meeting of the Company is required by law to be held; and

法律规定的最晚举行本公司下届股东周年大会之日；和

- (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; 根据股份回购授权购买和收购的本公司股份达到所授权的上限之日；

- (c) in this Resolution:

在本决议中：

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) market days on which the Shares were transacted on the SGX-ST or the SEHK (“**Market Days**”), as the case may be, before the date of the market purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the SGX-ST Listing Manual for any corporate action which occurs during the relevant five (5) Market Days and the day on which the purchases are made;

“**平均收市价**”是指在本公司进行市场购买之日前，或视情况而定，根据市场外购买作出要约之日前，本公司股份在新交所或联交所（视情况而定）交易的近五(5)个交易日（“**交易日**”）的平均收市价，且该等平均收市价视为已经根据新交所上市手册和在相关五(5)个交易日期间内以及购买之日发生的公司行动进行了调整；

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from the Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for

each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

“作出要约之日”是指本公司作出要约向股东购买或收购本公司股份之日，该等要约中需说明每股购买价格（不应超过最高限价）以及实施市场外购买的平等购买计划的相关条款；

“**Maximum Limit**” means the number of Shares representing 10 per cent. (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding any treasury shares and any Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Singapore Companies Act); and

“**最高限额**”是指于通过本决议之日已发行本公司股份总数的百分之十(10%)的本公司股份数量（不含任何库存股以及在新加坡公司法第21(4)条、21(4B)条、21(6A)条和21(6C)条描述的情况下，所有由本公司的附属公司持有的本公司股份）；和

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses), which shall not exceed:

关于购买或收购本公司股份的“**最高限价**”，是指每股购买价格（不含经纪人佣金、手续费、适用的商品和服务税以及其他相关费用），该价格不得超过：

- (i) in the case of a market purchase of a Share, five per cent. (5%) above the Average Closing Price; and
在市场上购买本公司股份的情况下，平均收市价的105%；和
 - (ii) in the case of an off-market purchase of a Share, five per cent. (5%) above the Average Closing Price; and
在市场外购买本公司股份的情况下，平均收市价的105%；以及
- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Buy-back Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Buy-back Mandate.”
- 授权董事会完成和作出所有其认为必要、合适或有效或有利于本公司的使本决议和股份回购授权生效的行为及事宜（包括但不限于签署可能需要的关于本决议和股份回购授权的全部协议和文件）。”

9. **ORDINARY RESOLUTION 9 – RENEWAL OF THE INTERESTED PERSON TRANSACTION MANDATE** **普通决议 9 – 续期关联人士交易授权**

The following motion was proposed by the Chairman and put to vote by poll.
以下决议由主席提议，并以股数投票方式表决。

“It was RESOLVED THAT:

“已决议通过：

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the SGX-ST Listing Manual (“**Chapter 9**”), for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9), or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in Appendix 1 to the Company’s Circular to Shareholders dated 21 March 2023 (the “**Circular**”) with any party who is of the class of interested persons described in Appendix 1 to the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the “**IPT Mandate**”); 为新交所上市手册第九章（“**第九章**”）之目的，授权本公司及其附属公司和联营公司（当它们是第九章所定义的风险实体时），或其中任何一方，与本公司日期为二零二三年三月二十一日之股东通函（“**股东通函**”）的附录一中所载明的任何一类关联人士进行股东通函的附录一中所载明的任何一类关联人士交易，前提是该等交易是按照正常商业条款进行并已通过相关审阅程序（“**关联人士交易授权**”）；
- (b) the renewal of the IPT Mandate above shall unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and 除非被本公司在股东大会上撤回或更改，上述关联人士交易授权续期持续有效直至下届股东周年大会结束为止；及
- (c) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the IPT Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the IPT Mandate.” 授权董事会完成和作出所有其认为必要、合适或有效或有利于本公司的使本决议和关联人士交易授权生效的行为及事宜（包括但不限于签署可能需要的关于本决议和关联人士交易授权的全部协议和文件）。

10. SPECIAL RESOLUTION 10 – AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF A NEW SET OF BYE-LAWS
特别决议 10 – 修订细则及采纳一套新细则

The following motion was proposed by the Chairman and put to vote by poll.

以下决议由主席提议，并以股数投票方式表决。

“It was RESOLVED THAT:

“已决议通过：

- (a) the amendments to the Bye-laws (the “**Amendments**”), the details of which are set out in Appendix 2 to the Circular be and are hereby approved; 批准对细则之修订（“**修订**”），有关详情载于股东通函附录二；
- (b) a new set of bye-laws of the Company (the “**New Bye-laws**”), which incorporates and consolidates all the Amendments, reproduced in their entirety in Appendix 3 to the Circular, be and is hereby approved and adopted as the new bye-laws in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect after the close of this Annual General Meeting; and

批准及采纳一套新本公司细则（“新细则”）（当中纳入并整合所有修订，其全文转载于股东通函附录三）为新细则，以取代及摒除本公司现有细则并于本次股东周年大会结束后即时生效；及

- (c) any Director be and is hereby authorised to do all things necessary to effect and record the adoption of the New Bye-laws.”
授权任何董事作出一切必要事宜，以落实及记录采纳新细则。”

All the resolutions had been duly voted and verified by the scrutineer, and the results of the votes for all the resolutions were announced and shown on the screen:

所有决议均已经过适当表决并经监票人核实，所有决议案的表决结果被宣布并显示在屏幕上：

RESULTS OF THE POLL

投票结果

Resolution number and details 决议编号及细节	Total number of Shares represented by votes for and against the relevant Resolution 赞成及反对相关决议的票数所代表的股份总数	FOR 赞成		AGAINST 反对	
		Number of Shares 股份数目	As a percentage of total number of votes for and against the Resolution (%) 占赞成及反对决议的总票数的百分比 (%)	Number of Shares 股份数目	As a percentage of total number of votes for and against the Resolution (%) 占赞成及反对决议的总票数的百分比 (%)
Ordinary Business 普通事项					
Ordinary Resolution 1 第1项普通决议	2,207,459,787	2,207,166,837	99.99	292,950	0.01
To receive and consider the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the Auditor's Report thereon. 审览及考虑董事会声明以及截至二零二二					

China Everbright Water Limited 中国光大水务有限公司

(Incorporated in Bermuda) (于百慕大注册成立)

Minutes of the Annual General Meeting held on Wednesday, 26 April 2023

于二零二三年四月二十六日（星期三）举行的股东周年大会会议记录

年十二月三十一日止 财政年度的经审计的 本公司财务报表及其 审计师报告。					
Ordinary Resolution 2 第 2 项普通决议 To declare and pay a final one-tier tax exempt dividend of 5.14 Hong Kong cents (equivalent to 0.86 Singapore cent) per ordinary share for the financial year ended 31 December 2022 as recommended by the Board. 根据董事会建议，宣 布派发截至二零二二 年十二月三十一日止 财政年度的每股普通 股5.14港仙（等值0.86 新加坡分）的一级税 项豁免末期股息。	2,207,459,787	2,207,166,837	99.99	292,950	0.01
Ordinary Resolution 3 第 3 项普通决议 To approve the payment of Directors' fees of S\$340,000 for the financial year ended 31 December 2022. (2021: S\$340,000) 批准支付截至二零二 二年十二月三十一日 止财政年度的董事袍 金 340,000 新加坡元 整。（二零二一年： 340,000新加坡元整）	2,207,459,787	2,207,071,530	99.98	388,257	0.02
Ordinary Resolution 4 第 4 项普通决议 To re-elect Ms. Hao Gang, a Director retiring pursuant to the Bye-law 86(1) of the Bye-laws, and who, being eligible,	2,207,459,787	2,207,166,837	99.99	292,950	0.01

China Everbright Water Limited 中国光大水务有限公司

(Incorporated in Bermuda) (于百慕大注册成立)

Minutes of the Annual General Meeting held on Wednesday, 26 April 2023

于二零二三年四月二十六日（星期三）举行的股东周年大会会议记录

will offer herself for re-election as a Director. 重选根据细则第86(1)条规定即将退任的董事郝刚女士，彼符合资格并接受重选为董事。					
Ordinary Resolution 5 第 5 项普通决议 To re-appoint Ernst & Young LLP as Auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix its remuneration. 续聘 Ernst & Young LLP 为本公司审计师，任期直至下届股东周年大会结束为止，并授权董事会厘定其薪酬。	2,207,459,787	2,207,021,472	99.98	438,315	0.02
Special Business 特别事项					
Ordinary Resolution 6 第 6 项普通决议 Authority to allot and issue new Shares. 分配和发行新股份之权力。	2,207,459,787	2,206,517,097	99.96	942,690	0.04
Ordinary Resolution 7 第 7 项普通决议 Authority to allot and issue Shares under the China Everbright Water Limited Scrip Dividend Scheme. 在中国光大水务有限公司以股代息计划项下分配和发行本公司股份的权力。	2,207,459,787	2,207,151,695	99.99	308,092	0.01

Ordinary Resolution 8 第 8 项普通决议 Renewal of the share buy-back mandate. 更新股份回购授权。	2,207,459,787	2,207,166,837	99.99	292,950	0.01
Ordinary Resolution 9 第 9 项普通决议 Renewal of the interested person transaction mandate. 续期关联人士交易的授权。	122,735,215	122,442,265	99.76	292,950	0.24
Special Resolution 10 第 10 项特别决议 Amendments to the Bye-laws and adoption of a new set of Bye-laws. 修订细则及采纳一套新细则。	2,207,459,787	2,207,166,837	99.99	292,950	0.01

Based on the poll results, the Chairman declared that all the resolutions were duly passed. It was noted that the resolutions passed at the AGM have been voted by way of poll pursuant to SGX-ST Listing Manual and SEHK Listing Rules.

根据投票结果，主席宣布所有决议获正式通过。根据新交所上市手册及联交所上市规则，本次股东周年大会上所有通过的决议均以股数投票方式进行表决。

PARTIES WHO ABSTAINED FROM VOTING

放弃投票的人士

Details of Party(ies) 相关人士详情	Number of Shares held (in own name and/or name of nominee) 持有股份数目（以其名义及／或代名人名义）	Resolution number and details 决议编号及细节
China Everbright Water Holdings Limited 中国光大水务控股有限公司	2,084,724,572	Ordinary Resolution 9 第 9 项普通决议 Renewal of the interested person transaction mandate. 续期关联人士交易的授权。

China Everbright Water Limited 中国光大水务有限公司
(Incorporated in Bermuda) (于百慕大注册成立)
Minutes of the Annual General Meeting held on Wednesday, 26 April 2023
于二零二三年四月二十六日（星期三）举行的股东周年大会会议记录

CLOSURE OF MEETING

会议结束

There being no other business, the Meeting concluded at 10.45 a.m. The Chairman thanked the Shareholders for attending and participating in the AGM.

本次大会没有其他事务，会议于上午十时四十五分结束，主席感谢股东出席并参与本次股东周年大会。

CONFIRMED AS A TRUE RECORD OF THE PROCEEDINGS

确认为真实的程序记录



.....
LIM YU NENG PAUL

林御能先生

CHAIRMAN OF THE MEETING

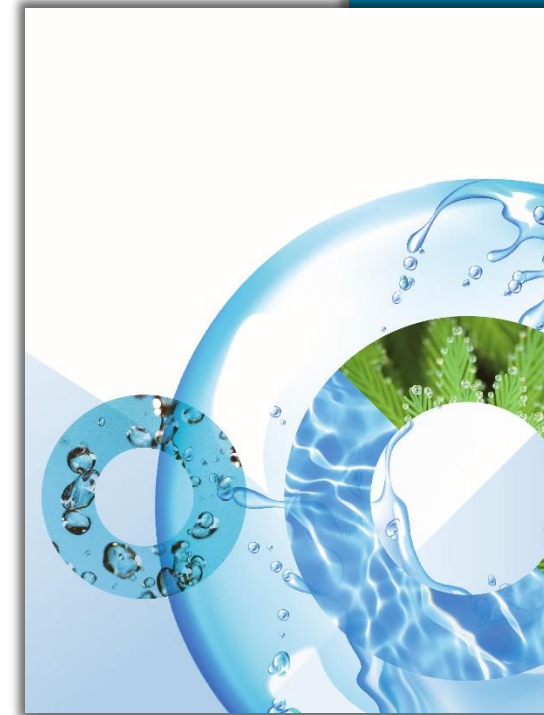
本次大会的主席

“Annex A”
“附件A”

2023 Annual General Meeting

26 April 2023

China Everbright Water Limited



Forward-looking Statement



This presentation may contain forward-looking statements. Any such forward-looking statements are based on a number of assumptions about the operations of China Everbright Water Limited (the “Company”, together with its subsidiaries, collectively the “Group”) and factors beyond the Company's control and are subject to significant risks and uncertainties, and accordingly, actual results may differ materially from these forward-looking statements. The Company undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such dates.

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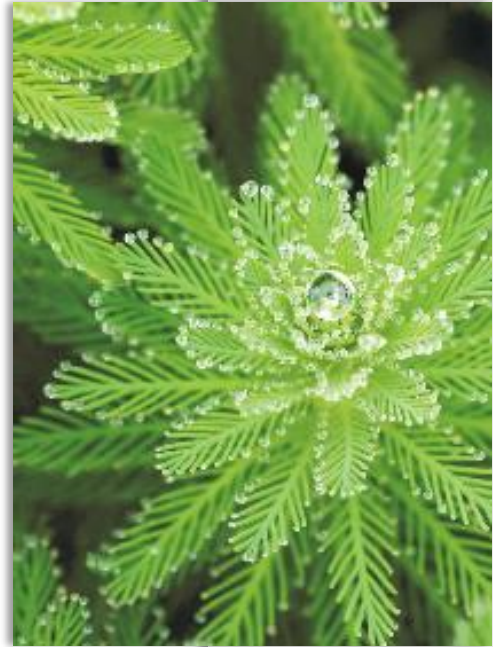
02. Operating Results

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01. Financial Review

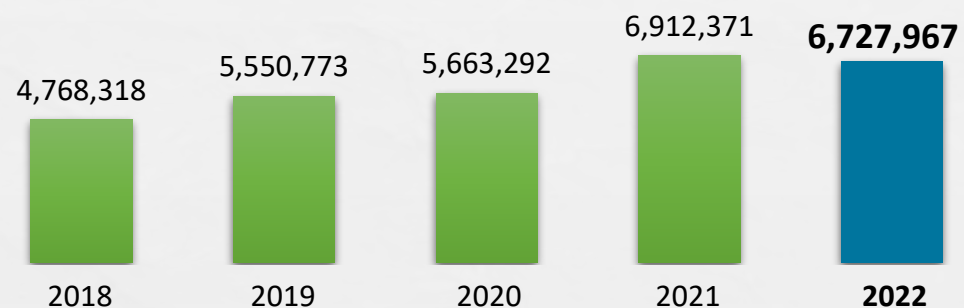


Financial Review

Revenue

(HK\$'000)

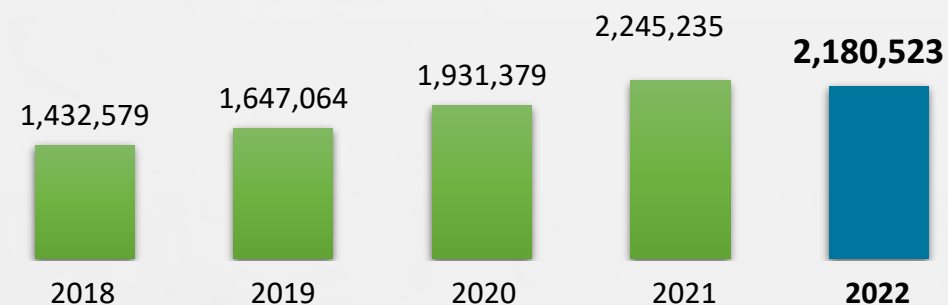
CAGR: 9%



Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

(HK\$'000)

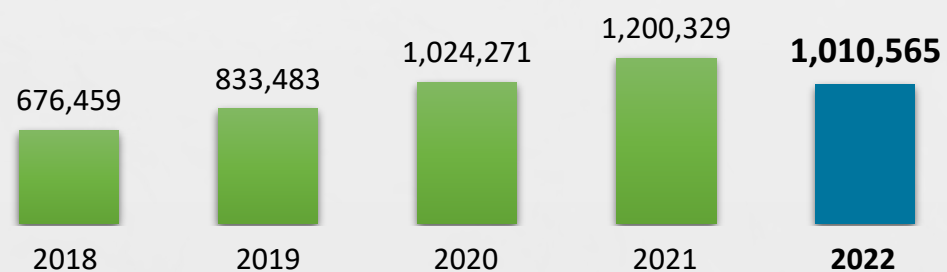
CAGR: 11%



Profit Attributable to Equity Holders of the Company

(HK\$'000)

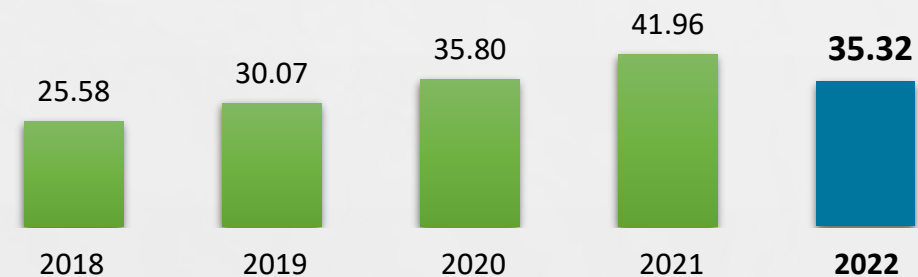
CAGR: 11%



Basic Earnings per Share

(HK cents)

CAGR: 8%

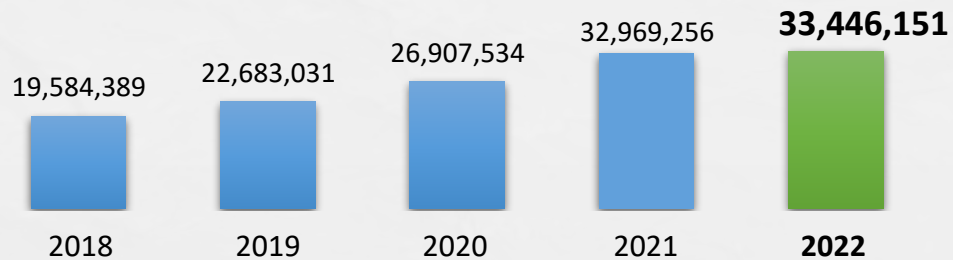


Financial Review

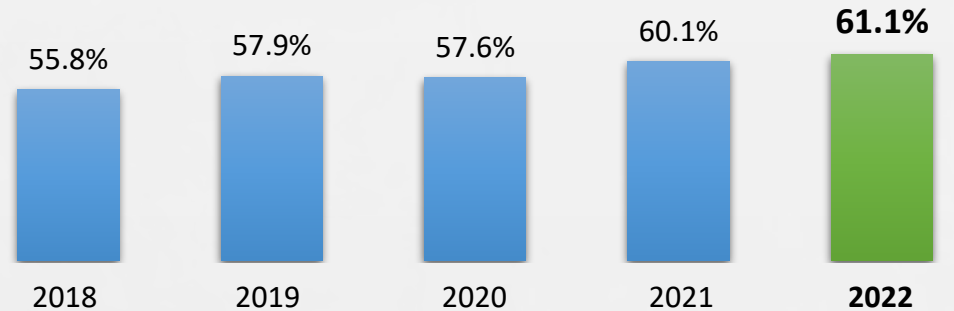
Total Assets

(HK\$'000)

CAGR: 14%



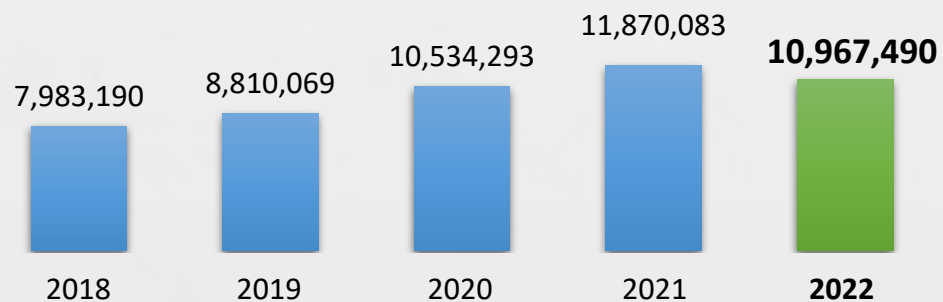
Gearing Ratio



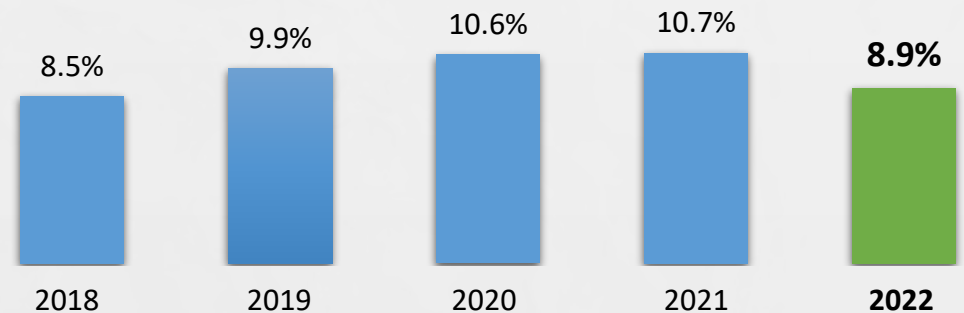
Equity Attributable to Equity Holders of the Company

(HK\$'000)

CAGR: 8%



Return on Shareholders' Equity



Financial Review

(HK\$'000)		Full year ended 31 December		Change (increase/ decrease)
		2022	2021	
Revenue		6,727,967	6,912,371	(3%)
Gross Profit		2,563,987	2,801,589	(8%)
Gross Profit Margin (%)		38	41	(3ppt*)
EBITDA		2,180,523	2,245,235	(3%)
Profit Attributable to Equity Holders of the Company		1,010,565	1,200,329	(16%)
Basic Earnings per Share (HK cents)		35.32	41.96	(16%)
Final Dividend per Share	(HK cents)	5.14	6.83	(25%)
	(equivalent to Singapore cents)	0.86	1.19	(28%)
Full-year Dividend per Share	(HK cents)	10.59	12.58	(16%)
	(equivalent to Singapore cents)	1.84	2.20	(16%)

*ppt: percentage point

Financial Review

(HK\$'000)	As at 31/12/2022	As at 31/12/2021	Change (increase/ decrease)
Total Assets	33,446,151	32,969,256	1%
Total Liabilities	20,445,273	19,806,024	3%
Equity Attributable to Equity Holders of the Company	10,967,490	11,870,083	(8%)
Gearing Ratio (%) (total liabilities/total assets)	61.1	60.1	1ppt*
Return on Shareholders' Equity (%)	8.9	10.7	(1.8ppt*)
Dividend Payout Ratio (%)	30	30	No change

- The Company holds quality assets and has ready access to various financing channels with a reasonable gearing ratio, and is in a healthy financial position.
- The constant and steady dividend payout over the years demonstrates the Company's adherence to its philosophy of "sharing the operating results with its shareholders".

*ppt: percentage point

Financial Review

(HK\$'000)	As at 31/12/2022	As at 31/12/2021	Change (increase/ decrease)
Short-term Borrowings	5,686,435	3,392,028	68%
Long-term Borrowings	9,575,700	11,049,910	(13%)
Total Borrowings [#]	15,262,135	14,441,938	6%
Current Ratio (%)	100	111	(11ppt*)
Unutilised Banking Facilities	3,893,924	6,263,941	(38%)
Bank Deposit Balance and Cash	2,845,907	2,281,986	25%
Cash/Banking Facilities Available [#]	6,739,831	8,545,927	(21%)

- As at 31 December 2022, the Group's bank deposit balance and cash were abundant, with the unutilised banking facilities of approx. HK\$3.89 billion, providing solid capital support for the Group's future development.
- As at 31 December 2022, the Group's total borrowings were approx. HK\$15.26 billion, with long-term borrowings accounting for 63% of the total, demonstrating a healthy current ratio.

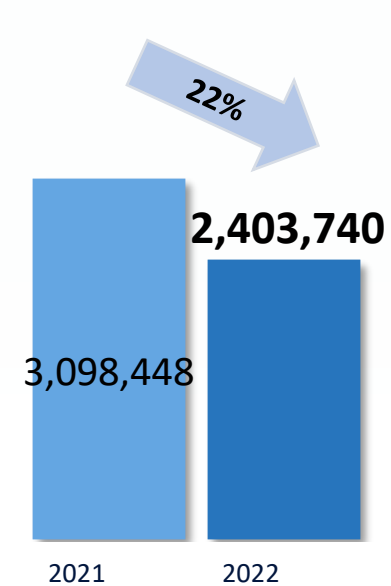
[#]Total borrowings = short-term borrowings + long-term borrowings

Cash/Banking facilities available = unutilised banking facilities + bank deposit balance and cash

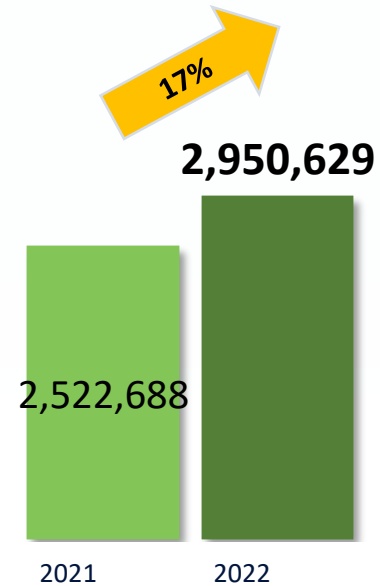
*ppt: percentage point

Revenue Analysis by Categories for the Full-year Period

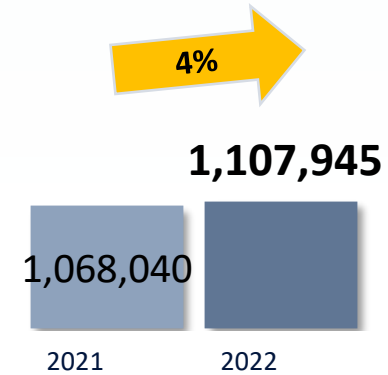
(HK\$'000)



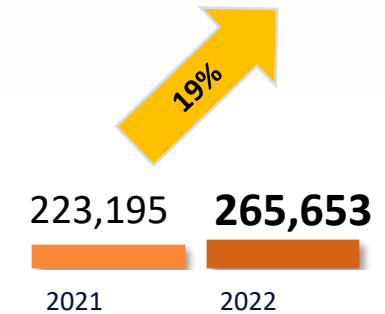
Construction service revenue



Operation income



Finance income

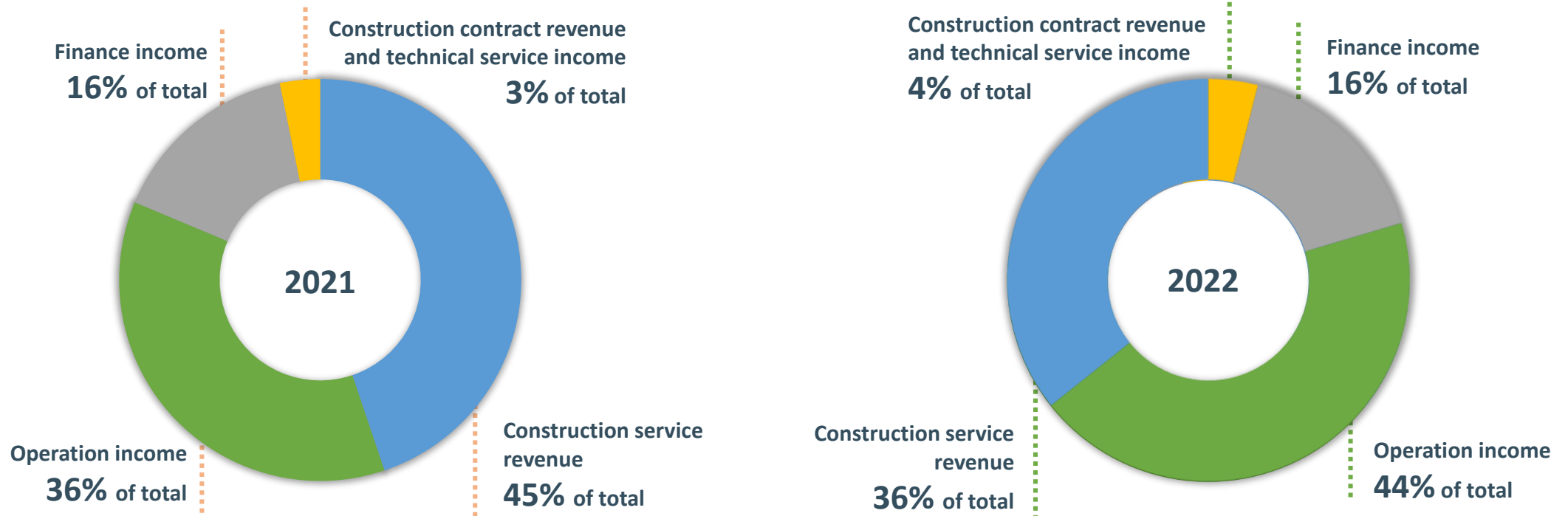


Construction contract revenue and technical service income

Total revenue in 2022: HK\$6,727,967,000

Total revenue in 2021: HK\$6,912,371,000

Proportion of Revenue in Each Category for the Full-year Period



In 2022, the proportion of operation income out of total revenue increased as compared with 2021. Following the completion of construction and commencement of operation for the projects which are in preparatory stage or under construction, the amount of the operation income is expected to increase further.

02. Operating Results



Operating Results in 2022

– Good Progress of “Water-related” Business Deployment

In 2022, while focusing on the “water-related business” for development, the Group solidified and deepened its footprints in its traditional business areas and continued its asset-light business development in both domestic and overseas markets. It also tapped on its specialised teams to explore new business directions and successfully implemented new projects in the fields of industrial waste water treatment (“WWT”) and sludge treatment and disposal. During the year under review, the Group invested in and secured 10 projects. It also undertook various asset-light projects and services, such as engineering, procurement and construction (“EPC”), operation and management (“O&M”), equipment supply and technical services.

New Investment

RMB **1.309** billion

New Contract Value

RMB **595** million

Additional Treatment Capacity

187,500^{*} m³/day

New projects in 2022 (including O&M projects)

Shandong Ji’nan Prior Zone Detonation Area WWT Plant Public-Private Partnership (“PPP”) Project	Inner Mongolia Autonomous Region Tongliao Development Zone WWT Plant Advanced Treatment Project
Shandong Zibo Zhangdian East Chemical Industry Park Industrial WWT Plant Upgrading and Expansion Project	Jiangsu Jiangyin WWT Project (Shizhuang Plant) Upgrading
Shandong Dezhou Lingcheng WWT Project (Plant 1) Upgrading II	Liaoning Anshan Municipal Sludge Disposal Project Phase I
Shandong Linyi Luozhuang Economic Development Zone WWT Plant and Ancillary Pipeline Network Project Phase I	Liaoning Dandong WWT Plant Sludge Dewatering Project
Shandong Ji’nan Zhangqiu WWT (Plant 5) PPP Project	Jiangsu Yixing Economic Development Zone Industrial WWT O&M Project
Shandong Binzhou Boxing WWT Project Upgrading	Jiangsu Xuzhou Yanqun Household Waste Landfill Leachate Full-Volume Emergency Treatment O&M Project

* Including the treatment capacity of O&M projects

Operating Results in 2022

– Steady Growth of Business Scale

Total
project investment

approx.
RMB29.6 billion

Total number of projects

Invested in and held **161** water projects and undertook **5** O&M projects; also undertook various asset-light services of other types, such as EPC, technical services, equipment supply and technological processes, amongst others.



Total
water treatment capacity

approx.
7.25 million
m³/day

Business footprint

Business spans over **50** districts, counties and cities across **12** provinces, municipalities and autonomous regions in China, in addition to **1** overseas market

Operating Results in 2022

– High-Quality and Efficient Construction Works*

5

5 projects commenced construction

- 5 WWT projects
- Total investment of approx. RMB2.327 billion
- Aggregate designed water treatment capacity of 150,000 m³/day

4

4 projects completed construction/ commenced operation upon completion of construction

- 3 WWT projects and 1 river-basin ecological restoration project
- Total investment of approx. RMB1.981 billion
- Aggregate designed water treatment capacity of 190,000 m³/day

17

17 projects under construction

- 13 WWT projects, 3 river-basin ecological restoration projects and 1 raw water protection project
- Total investment of approx. RMB8.485 billion
- Aggregate designed water treatment capacity of 1,145,000 m³/day

18

18 projects in preparatory stage[#]

- 12 WWT projects, 2 river-basin ecological restoration projects, 2 sludge treatment and disposal projects, 1 water supply project and 1 reusable water project
- Total investment of approx. RMB4.033 billion
- Aggregate designed water treatment capacity of 407,000 m³/day and designed sludge treatment and disposal capacity of 625 tonnes/day

* Excluding EPC project(s)

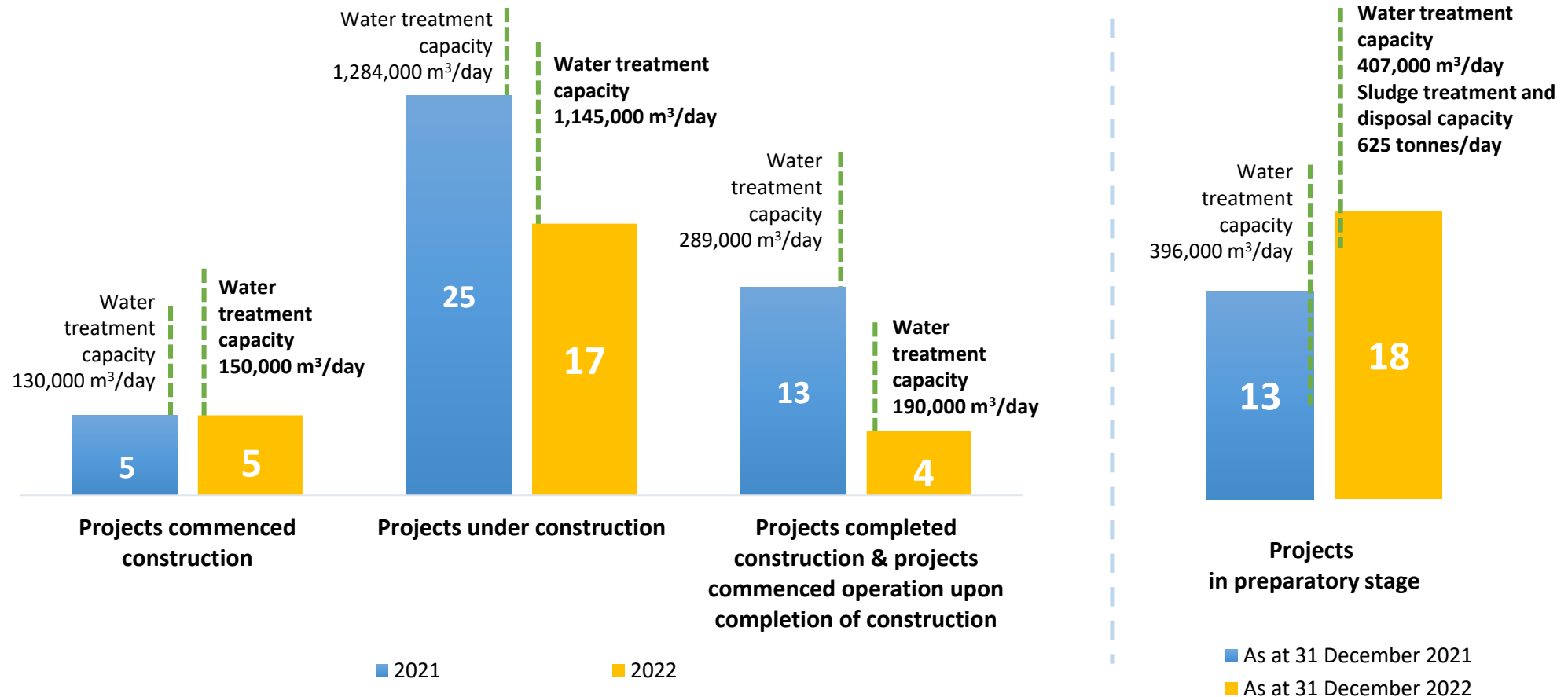
[#] As at 31 December 2022

Operating Results in 2022

– High-Quality and Efficient Construction Works

Construction Work Progress for the Full-year Period *

(Number of projects)



* Excluding EPC project(s)

Operating Results in 2022

– Enhanced Quality and Efficiency in Operations Management

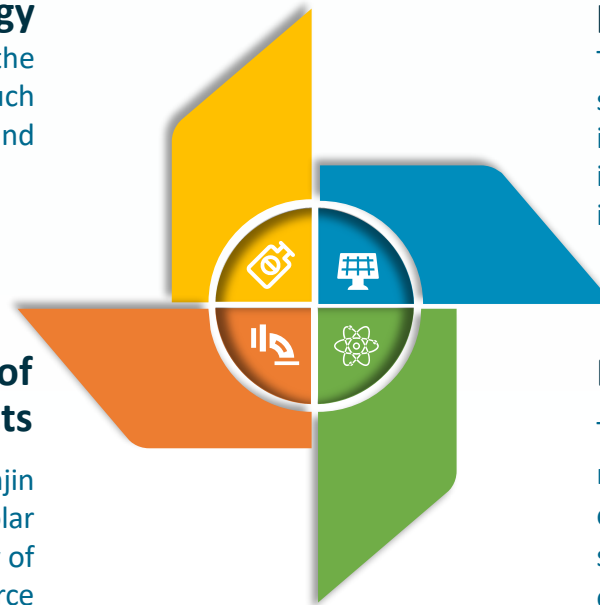
Since 2022, with a focus on “Cost Reduction and Efficiency Enhancement”, the Group has made positive progress in pollution and carbon reduction, energy conservation, cost reduction and efficiency enhancement, achieving a steady reduction in project operating costs and a continuous increase in project operating income.

Carbon source substitution technology

Through collaboration with local enterprises, a number of the Group’s projects introduced alternative carbon sources, such as expired beverages, to reduce chemical consumption and project operating costs.

Development of low-carbon demonstration projects

The Group tapped the potential of its water projects in Tianjin Municipality, and adopted measures such as in-plant solar energy, waste water thermal energy extraction, direct supply of reusable water to the community and sludge resource utilisation, which improved the recycling level of water resources and their by-products and facilitated the development of low-carbon demonstration projects.



In-plant solar energy pilot programme

The Group enhanced the implementation of its in-plant solar energy pilot programme and had completed the installation of 6 sets of solar power generation facilities at its projects, with the total capacity of such facilities installed in the pilot project plant areas exceeding 8 MW.

Digital transformation

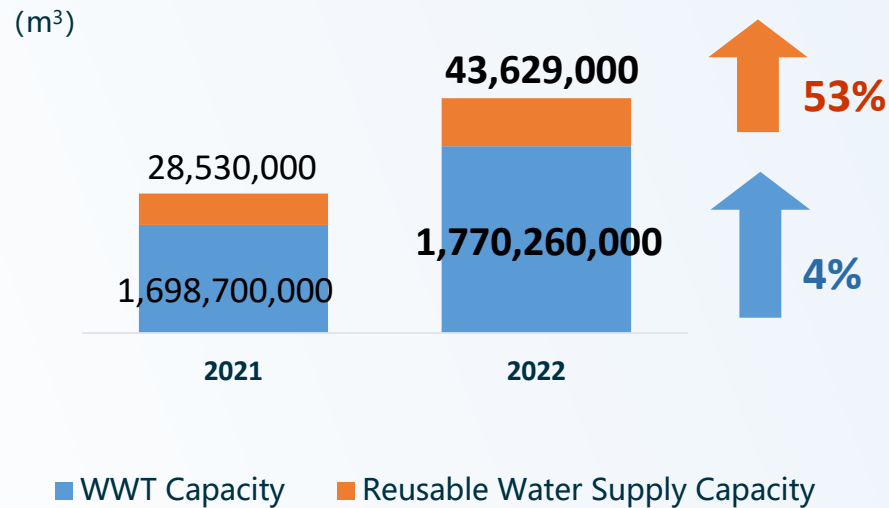
The Group completed the upgrading of its operations management system, and applied the system across its operating projects. It also implemented intelligent water source management and introduced the first intelligent operation means such as sampling by unmanned ships and image analysis of water source scenes.

Operating Results in 2022

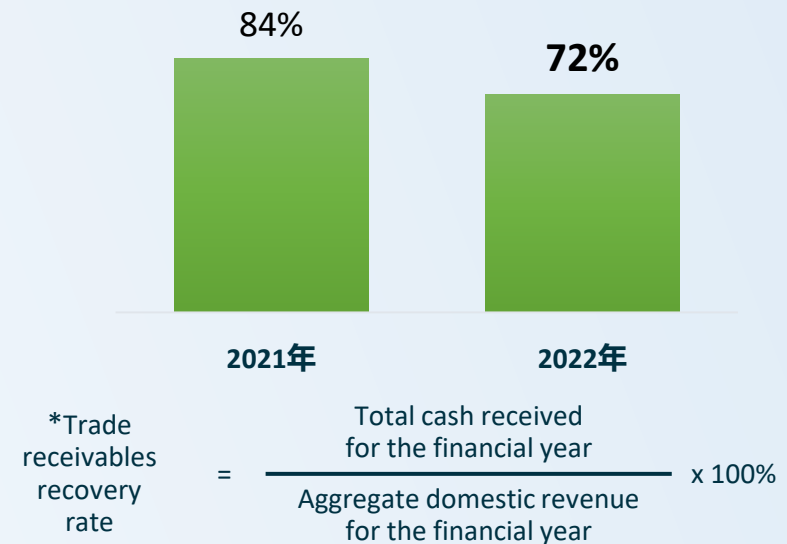
– Enhanced Quality and Efficiency in Operations Management

- In 2022, 8 WWT plants of the Group received regulatory approval for tariff hikes, ranging from 3% to 39%.
- Subsidies of approximately RMB45 million in total were granted to the Group.

WWT/Reusable Water Supply Capacity for the Full-year Period



Trade Receivables Recovery Rate for the Full-year Period*



Operating Results in 2022

– Positive Progress in Technological Innovation

The Group emphasised on “Development Driven by Technological Innovation”, made clear direction on the principle of “Taking a Market-Oriented Approach, Facilitating Project Needs, and Creating Value”, and boosted its efforts in the implementation of relevant works.

Technology research and development

The Group focused on its technological areas including the synergy between pollution and carbon reduction, monitoring and calculation of carbon emissions, ozone-oxygen separation, freeze-drying crystallisation and concentration.

The scientific research projects, in which the Group participated, received several important awards including the first prize of the 2021 Environmental Protection Science and Technology Award and the first prize of the 2021 Jiangsu Science and Technology Award.

Technological processes

The Group developed a number of technological processes including shortcut nitrification and denitrification, biochemical treatment E-BioFAS, FBR-Fenton, and freeze crystallisation and concentration, which have been applied to a number of projects.

In 2022, the Group provided its in-house developed technological processes to internal and external clients, which amounted to a total contract value of approx. RMB326 million.

Patents

In 2022, the Group was newly granted 33 patents and published 4 technical papers.

Operating Results in 2022

– Diverse and Smooth Financing Channels

**RMB
1 Billion**

The second tranche of super and short-term commercial papers (“SCPs”)

Maturity period: 150 days
Interest rate: 2.5%
Subscription rate: 1 time

**RMB
700 Million**

The first tranche of perpetual medium-term notes (“MTNs”)

Maturity period: 3+N years
Interest rate: 3.3%
Subscription rate: 2.36 times
This represents the Group’s active exploration of equity-based financing arrangements.

**RMB
1 Billion**

The third tranche of MTNs

Maturity period: 3 years
Interest rate: 3.1%
Subscription rate: 3.13 times

**RMB
1 Billion**

The third tranche of SCPs

Maturity period: 180 days
Interest rate: 1.72%
Subscription rate: 1 time



Shandong Liaocheng Shen County Waste Water Treatment (Plant 3) and Ancillary Pipeline Network PPP Project

The project, with an estimated investment of approximately RMB668 million, will be invested in, constructed, operated and maintained based on a BOT (Build-Operate-Transfer) model. It is a water plant and pipeline integration project that has the largest industrial WWT capacity and the highest discharge standard among those projects secured by the Group to date.

The project will be constructed in two phases, with a total designed daily industrial WWT capacity of 60,000 m³, for a cooperation period of 30 years. Key indicators of the discharged water from the project will comply with *the Environmental Quality Standards for Surface Water (GB3838-2002) for Category Quasi-IV*.

An illustration of Shandong Liaocheng Shen County Western Shandong Economic Development Zone

Operating Results Since 2023

– Continued Diversification of Financing Channels

The Group completed the issuances of the fourth tranche of SCPs and the 2023 first tranche of MTNs in March and April, respectively, both of which were fully subscribed to by institutional investors in the national inter-bank bond market of mainland China, reflecting institutional investors' confidence in the financial position, business strength and growth prospects of the Group.

The fourth tranche of SCPs

- Principal amount: RMB1 billion
- Maturity term: 180 days
- Interest rate: 2.60%
- Use of proceeds: the repayment of the Company's outstanding debts
- Credit rating: the Company, as the issuer of the fourth tranche of SCPs, was given a credit rating of "AAA" by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.

The 2023 first tranche of MTNs

- Principal amount: RMB1 billion
- Maturity period: 5 years (with interest rate adjustment option and resale option at the third interest-bearing year)
- Interest rate: 3.20%
- Use of proceeds: the replenishment of working capital of the Company's subsidiaries
- Credit rating: the 2023 First Tranche MTNs and the Company, as the issuer of the 2023 First Tranche MTNs, was each given a credit rating of "AAA" by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd.

03. Business Prospects



Policies

In recent years, China's battle against pollution has achieved solid results within mainland China, while China's strategic goals for "Peaking Carbon Dioxide Emissions" and "Achieving Carbon Neutrality" ("Dual Carbons") have been carried out continuously. China has proposed to promote green development and the harmonious coexistence of man and nature in the fourth quarter of 2022 (particularly after the lifting of the relevant COVID-19 control measures), emphasising the concept that "lucid waters and lush mountains are invaluable assets", and advocating integrated protection, systematic treatment and coordinated development. Therefore, it served as a guidance to the future development of the environmental protection industry.

Industry Trends

The industry adjustments guide and inspire relevant enterprises to explore and discover new development paths, apart from their traditional development models that are driven by investments.

Moving forward, China's strategic deployments, such as the "Dual Carbons" commitment and the "Belt and Road" green development initiative, will facilitate the environmental protection enterprises in "seeking innovation and transformation". The environmental protection enterprises shall create their "second growth curves" based on their own characteristics and needs, and by relying on new businesses, new models, new technologies, and new products and services. This will drive the next round of high-quality and sustainable development.

Business Prospects

– Strategic Development Deployment

Looking forward, the Group will maintain its strategic stability despite internal and external difficulties and transformation challenges, and insist on seeking steady progress. The Group will solidify its traditional businesses and explore new business areas to seize “water-related” business opportunities; focus on technology and digital empowerment to enhance the power of endogenous development; and strengthen the foundations of operation, engineering, finance, procurement, and safety and environmental management, to enhance the cornerstone for high-quality development. In 2023, the Group will set “development” as the top priority, actively serve and engage in the new development paradigm, and strive to create its “second growth curve”, in a bid to serve the national strategies with a higher status, bigger picture, longer vision and more practical actions.

- Adhering to the development vision of
“Creating Value to Industries through Various Water-related Businesses”
- Upholding the corporate value of
“Creating Better Investment Value and Undertaking More Social Responsibility”
- Implementing the five development concepts of
“Innovation, Coordination, Green, Openness and Sharing”

Traditional Directions

- The Group will solidify and deepen its traditional business areas, leverage its existing regional advantages, and strive to achieve quality enhancement and a reasonable increase of business scale.
- It will actively expand industry chains relating to its traditional businesses and explore new directions towards carbon reduction by tapping the potential of its existing businesses, such as pipeline network testing and renovation, solar power, reusable water utilisation, sludge synergistic disposal, thermal energy utilisation, and resource recycling.

New Directions

- Relying on the advantages from its traditional businesses, the Group will explore new directions via various channels, approaches, areas and models, to deploy the “water-related business” industrial chain.
 - To further leverage results of the exploration in the industrial WWT field and strengthen business expansion.
 - To actively explore the integration and synergy of the environmental protection and eco-agriculture sectors, so as to tap into new directions relating to the “water-related business plus” concept.



Solidifying Strengths and Exploring New Areas to Unveil a New Development Paradigm

Technological Empowerment

With technology as the driving force, the Group will provide strong support for new business development and technical services, in a bid to build its competitive edges that fulfill its development needs.

- To further enhance efforts in technological innovation relating to water treatment to reduce costs and boost efficiency, by adhering to a market-oriented mindset and leveraging the existing projects.
- To strengthen the development, application and conversion of technological processes.
- To explore and conduct research on new technologies and processes relating to “water-related business” and continuously optimise the “industrial-academic” collaboration.
- To enhance the promotion of innovation in invention, renovation, transformation, design and consulting.

Digital Empowerment

The Group will leverage digital measures to boost the precise management of its various businesses, continuing the digitalised and intelligent transformation.

- To continuously build its intelligent management platform and make solid progress in building sub-systems for finance, budgeting, engineering, etc.
- To deepen research on intelligent water plants and promote the application of various functions, such as intelligent inspection, intelligent dosing and precise aeration in its projects.

 **Promoting Conversion of Driving Forces to Enhance Endogenous Power**

Business Prospects

– Strategic Development Deployment: Managing Five Foundations

Operations Management

To maintain high-quality, green and low-carbon project operations, by enhancing the operation concepts, emphasising efficiency, continuously reducing costs, and boosting efficiency.

Engineering Management

To boost construction progress, enhance budgeting management, strengthen integrated construction management proficiency, in a bid to meet all construction work targets and develop key demonstration projects.

Finance Management

To further diversify its financing channels, continuously strive to reduce loan balances and financing costs, and improve the efficiency of capital utilisation and management.

Procurement Management

To strengthen the management and control of procurement costs and integrity risks; and to improve the scientific basis, standards and cost-effectiveness of all procurement works.

Safety and Environmental Management

To continuously enhance the leadership of safety and environmental management, and develop a new paradigm that helps to avoid risks ahead of time and proactively create a safe environment.

» **Solidifying Management Fundamentals to Enhance Cornerstone for Development**

04. Q&A Session



05. AGM Resolutions



- **Resolution 1:** To receive and consider the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2022 and the Auditors' Report thereon.
- **Resolution 2:** To declare and pay a final one-tier tax exempt dividend of 5.14 Hong Kong cents (equivalent to 0.86 Singapore cent) per ordinary share for the financial year ended 31 December 2022 as recommended by the board (the "Board") of directors (the "Directors") of the Company.
- **Resolution 3:** To approve the payment of Directors' fees of S\$340,000 for the financial year ended 31 December 2022 (2021: S\$340,000).

- **Resolution 4:** To re-elect Ms. Hao Gang, a Director retiring pursuant to the Bye-law 86(1) of the Bye-laws of the Company (the “Bye-laws”), and who, being eligible, will offer herself for re-election as a Director.
- **Resolution 5:** To re-appoint Ernst & Young LLP as Auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix its remuneration.
- **Resolution 6:** Authority to allot and issue shares.
- **Resolution 7:** Authority to allot and issue shares under the China Everbright Water Limited Scrip Dividend Scheme.

- **Resolution 8:** Renewal of the share buy-back mandate.
- **Resolution 9:** Renewal of the interested person transaction mandate.
- **Resolution 10:** Amendments to the Bye-laws and adoption of a new set of Bye-laws.

Green Innovation Leading to Sustainable Growth



二零二三年股東週年大會

2023年4月26日

中國光大水務有限公司



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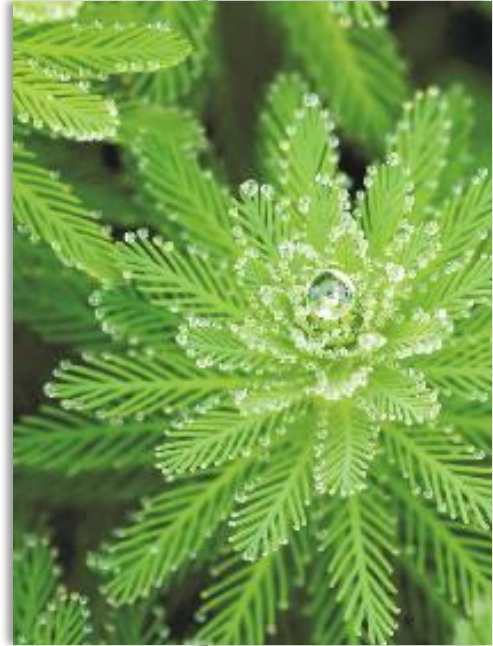
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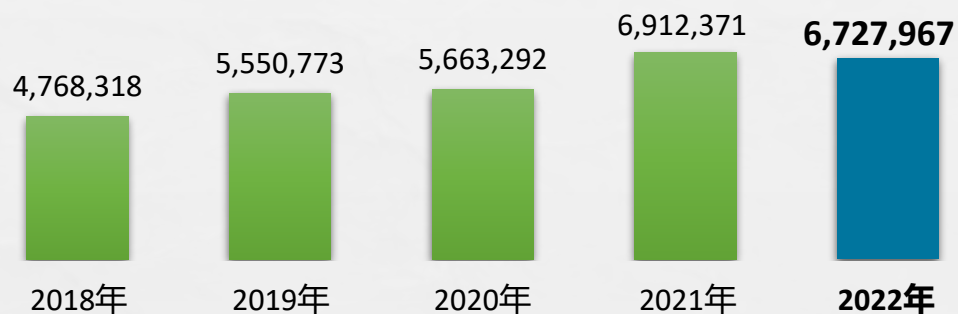
01. 財務回顧



收入

(港幣千元)

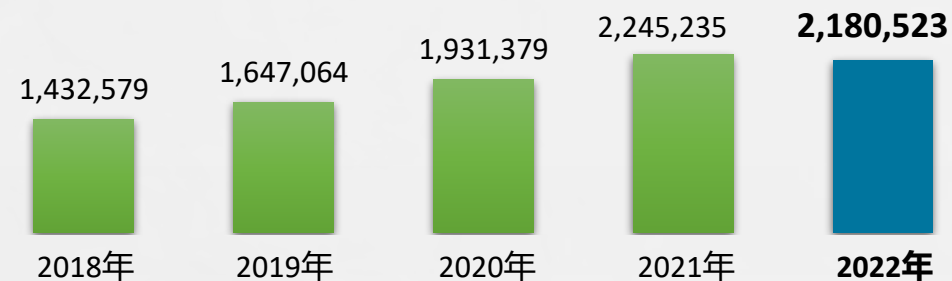
年複合增長率9%



除利息、稅項、折舊及攤銷前盈利 (EBITDA)

(港幣千元)

年複合增長率11%



本公司權益持有人應佔盈利

(港幣千元)

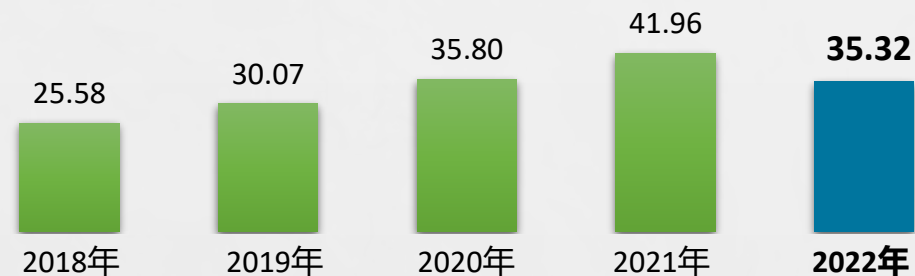
年複合增長率11%



每股基本盈利

(港仙)

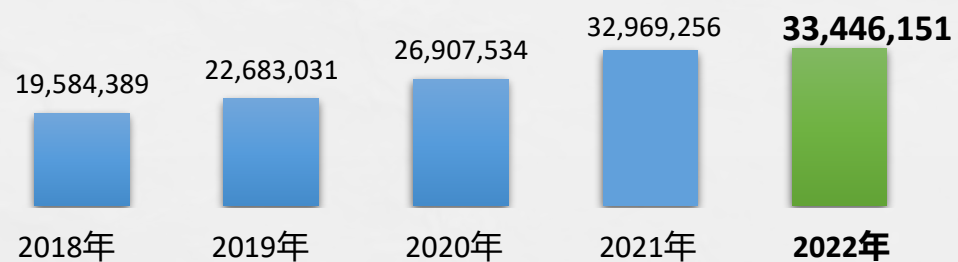
年複合增長率8%



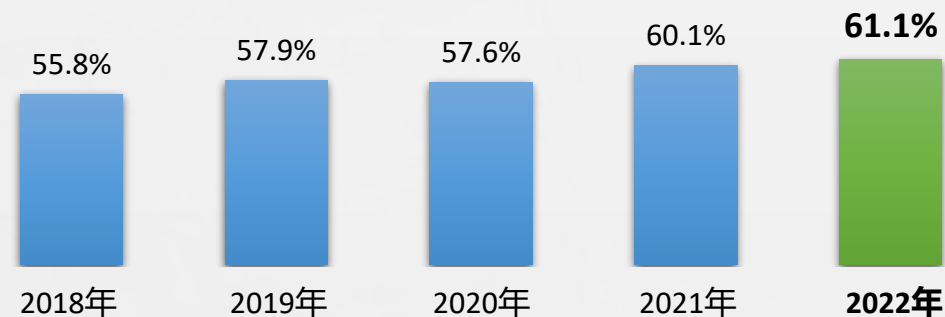
總資產

(港幣千元)

年複合增長率14%



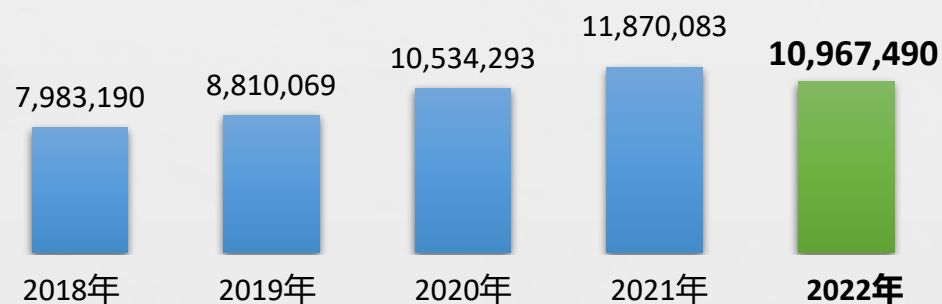
負債比率



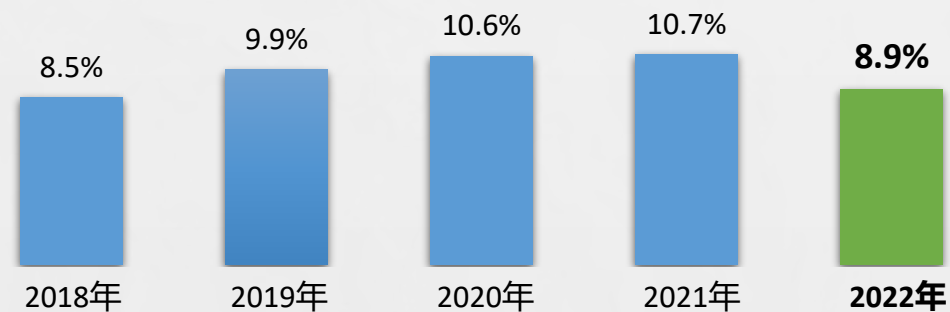
本公司權益持有人權益

(港幣千元)

年複合增長率8%



股東資金回報率



財務回顧

(港幣千元)		截至12月31日止年度		變動 (增加/減少)
		2022	2021	
收入		6,727,967	6,912,371	(3%)
毛利		2,563,987	2,801,589	(8%)
毛利率 (%)		38	41	(3ppt*)
除利息、稅項、折舊及攤銷前盈利		2,180,523	2,245,235	(3%)
本公司權益持有人應佔盈利		1,010,565	1,200,329	(16%)
每股基本盈利 (港仙)		35.32	41.96	(16%)
每股末期股息	(港仙)	5.14	6.83	(25%)
	(等值新加坡分)	0.86	1.19	(28%)
每股全年股息	(港仙)	10.59	12.58	(16%)
	(等值新加坡分)	1.84	2.20	(16%)

*ppt: 百分點

(港幣千元)	於2022年 12月31日	於2021年 12月31日	變動 (增加/減少)
總資產	33,446,151	32,969,256	1%
總負債	20,445,273	19,806,024	3%
本公司權益持有人權益	10,967,490	11,870,083	(8%)
負債比率 (%) (總負債 / 總資產)	61.1	60.1	1ppt*
股東資金回報率 (%)	8.9	10.7	(1.8ppt*)
派息比率 (%)	30	30	無變動

- 本公司資產優質、融資渠道多元暢通、負債比率合理、財務狀況健康。
- 股利派息持續穩定，本公司致力貫徹「與股東分享企業經營成果」的理念。

*ppt: 百分點

(港幣千元)	於2022年 12月31日	於2021年 12月31日	變動 (增加/減少)
短期借貸	5,686,435	3,392,028	68%
長期借貸	9,575,700	11,049,910	(13%)
借貸合計 [#]	15,262,135	14,441,938	6%
流動比率 (%)	100	111	(11ppt*)
未使用銀行貸款額度	3,893,924	6,263,941	(38%)
銀行存款餘額與現金	2,845,907	2,281,986	25%
可動用現金及未使用銀行貸款額度 [#]	6,739,831	8,545,927	(21%)

- 於2022年12月31日，本集團銀行存款餘額與現金充裕，未使用銀行貸款額度約港幣38.9億元，為本集團未來發展提供堅實的資金保障。
- 於2022年12月31日，本集團借貸餘額約為港幣152.6億元，其中長期借貸佔比63%，流動比率良好。

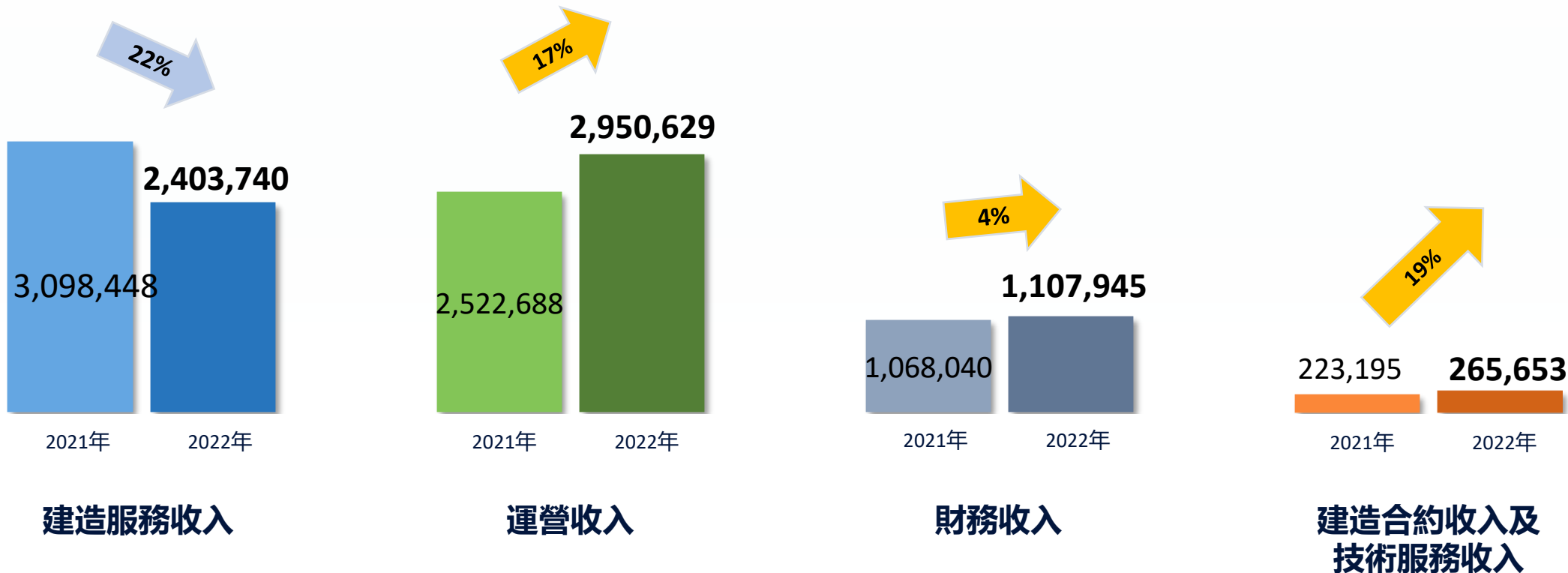
[#]借貸合計=短期借貸+長期借貸

可動用現金及未使用銀行貸款額度=未使用銀行貸款額度+銀行存款餘額與現金

*ppt: 百分點

年度各類收入分析

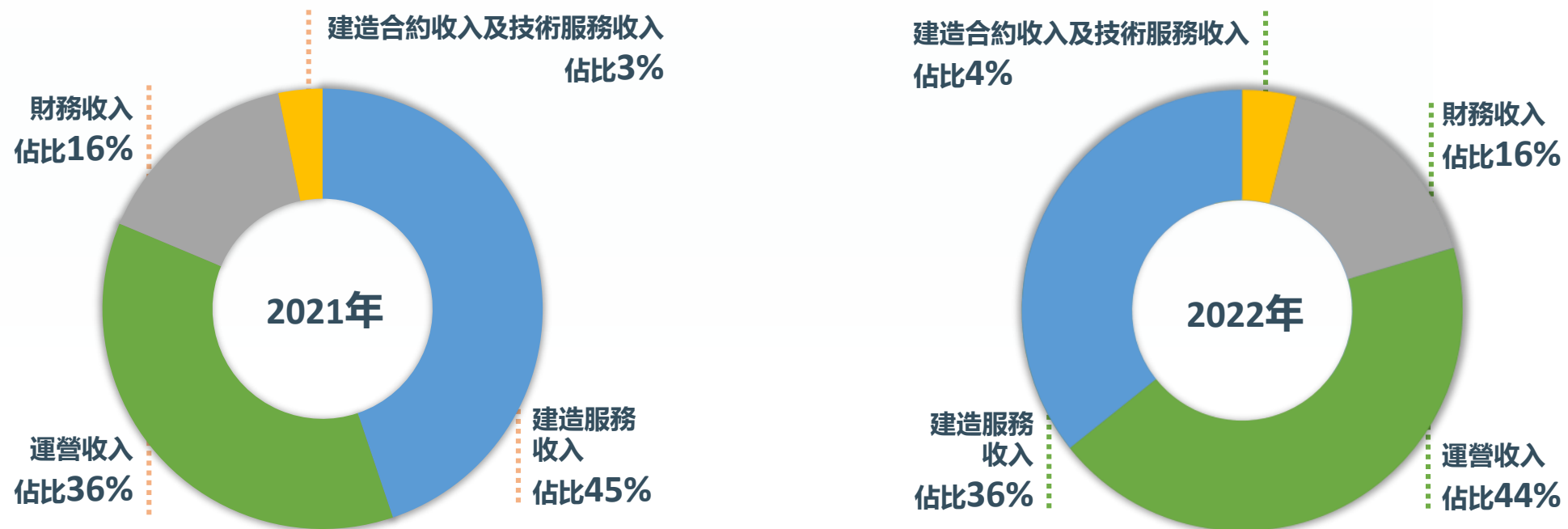
(港幣千元)



2022年總收入: 港幣6,727,967,000元

2021年總收入: 港幣6,912,371,000元

年度各類收入佔比



2022年，營運收入於總收入的佔比較2021年有所上升；隨著籌建 / 在建項目陸續完工並投入運營，預計未來營運收入之金額將會進一步增加。

02. 經營業績



2022年經營業績 – 「泛水」佈局進展良好

2022年，本集團圍繞「泛水」概念，鞏固挖潛傳統業務領域，推動輕資產業務於境內外市場持續發力；依託產業研究柔性團隊探索佈局「新賽道」業務，成功於工業廢水處理、污泥處理處置領域落實新項目。回顧年度內，本集團投資落實10個新項目，另承接各類輕資產項目及服務，涵蓋工程總包（「EPC」）、委託運營、設備供貨、技術服務等。

新增投資額

13.09

億元人民幣

新增合同金額

5.95

億元人民幣

新增處理規模

18.75^{*}

萬立方米/日

2022年落實新項目（含委託運營項目）

山東濟南先行區引爆區污水處理廠政府和社會資本合作（「PPP」）項目

內蒙古自治區通遼開發區污水處理廠深度處理項目

山東淄博張店東部化工區工業廢水處理廠提標擴建項目

江蘇江陰污水處理項目（石莊廠）提標改造

山東德州陵城區污水處理項目（一廠）提標改造II

遼寧鞍山市政污泥處置項目一期

山東臨沂羅莊經濟開發區污水處理廠及配套管網項目一期

遼寧丹東污水處理廠污泥乾化項目

山東濟南章丘第五水質淨化廠PPP項目

江蘇宜興經濟技術開發區工業廢水處理廠委託運營項目

山東濱州博興污水處理項目提標改造

江蘇徐州雁群生活垃圾填埋場滲濾液應急處置委託運營項目

*含委託運營項目處理規模

2022年經營業績 – 業務規模穩健增長

累計項目投資額

約296億元人民幣

項目總數

投資持有**161**個水務項目，並承接**5**個委託運營項目；另外承接多項其他類別的輕資產業務，涵蓋EPC、技術服務、設備供貨、技術工藝包等



水處理總規模

約**725**萬立方米/日

業務足跡

業務遍及中國**12**個省、市、自治區的**50**多個區、縣、市，佈局**1**個海外市場

2022年經營業績 – 工程建設質效並舉*

5

5個新開工項目

- 5個污水處理項目
- 總投資約人民幣23.27億元
- 設計水處理總規模15萬立方米 / 日

4

4個建成完工/建成投運項目

- 3個污水處理項目、1個流域治理項目
- 總投資約人民幣19.81億元
- 設計水處理總規模19萬立方米 / 日

17

17個在建項目

- 13個污水處理項目、3個流域治理項目、1個原水保護項目
- 總投資約人民幣84.58億元
- 設計水處理總規模114.5萬立方米 / 日

18

18個籌建項目#

- 12個污水處理項目、2個流域治理項目、2個污泥處理處置項目、1個供水項目、1個中水回用項目
- 總投資約人民幣40.33億元
- 設計水處理總規模40.7萬立方米 / 日、污泥處理處置規模625噸 / 日

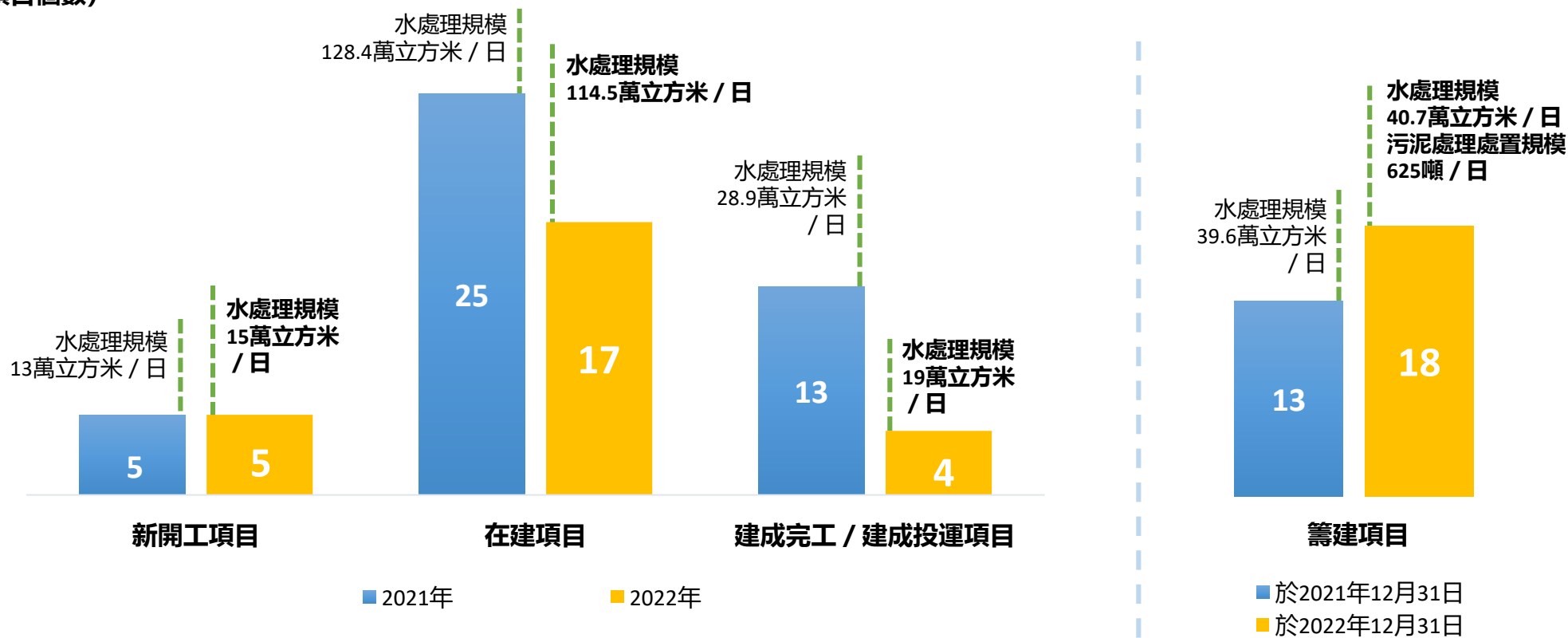
* 不含EPC項目

於2022年12月31日

2022年經營業績 – 工程建設質效並舉

年度項目工程建設情況*

(項目個數)



* 不含EPC項目

2022年經營業績 – 運營管理提質增效

2022年以來，本集團以「降本增效」為抓手，在減污、降碳、節能、降本、增效等方面取得積極進展，推動項目的運營成本穩步下降、運營收益持續上升。

碳源替代技術

旗下項目與當地企業合作引入過期飲料、酒廠廢水等替代碳源，減少藥劑投放，降低項目運營成本。

打造低碳示範項目

挖潛本集團位於天津的水務項目，採用「廠內光伏」、污水熱能提取、中水直供社區、污泥資源化利用等措施，提高對水資源及其副產品的再生利用水平，打造低碳示範項目。



「廠內光伏」試點

深入推廣「廠內光伏」試點項目，完成6個光伏發電配套設施的落地工作，各試點項目廠區內的光伏發電設施總裝機容量逾8兆瓦。

數字化轉型

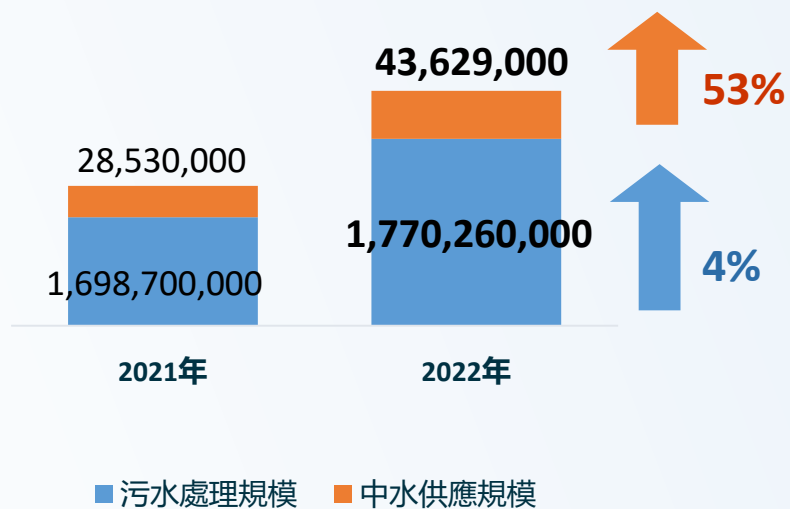
完成運營管理系統升級，並實現運營項目全覆蓋；推行智慧水源地管理，首次引入無人船取樣、水源地場景圖像分析等智慧運營手段。

2022年經營業績 – 運營管理提質增效

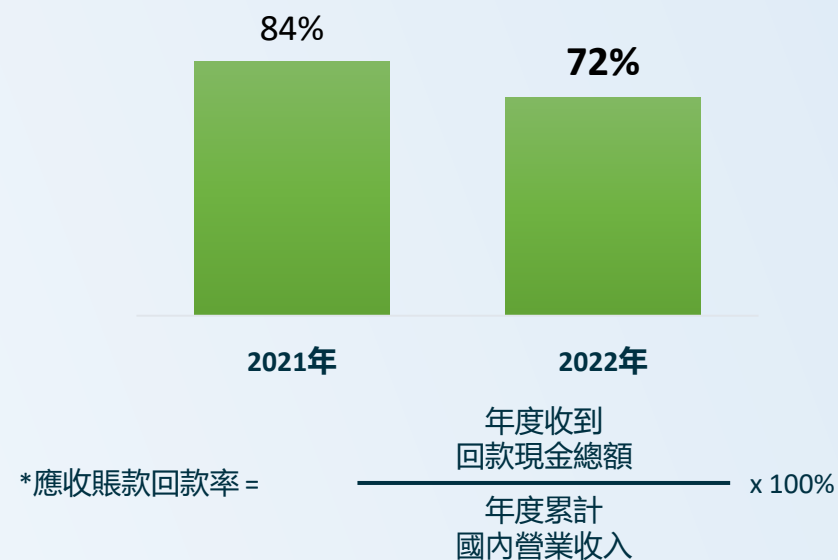
- 2022年，本集團旗下8個污水處理廠獲批上調水價，幅度介乎3%至39%。
- 獲得各類資金補貼合共約4,500萬元人民幣。

年度污水處理 / 中水供應規模

(立方米)



年度應收賬款回款率*



2022年經營業績 – 科技創新進展積極

本集團強調「科技創新引領發展」，並進一步明確「面向市場、服務項目、創造價值」的宗旨，持續加大相關工作投入力度。

科技研發

聚焦減污降碳協同處理、碳監測與核算、臭氧氧氣分離、冷凍結晶濃縮等技術領域。

參與的科研課題榮獲2021年度環境保護科學技術獎一等獎、2021年度江蘇省科學技術獎一等獎等多項重要榮譽認可。

技術工藝包

先後形成了短程硝化反硝化、生化處理E-BioFAS、芬頓流化床、冷凍結晶濃縮等多項技術工藝包，並於多個項目進行轉化應用。

2022年，向內外部客戶提供各類自主創新技術工藝包，合同總額約3.26億元人民幣。

專利

2022年，新增授權專利33項，發表技術論文4篇。

2022年經營業績 – 融資渠道多元暢通

10億元
人民幣

第二期超短期融資券

債券期限：150天
發行利率：2.5%
認購倍數：1倍

7億元
人民幣

第一期永續中期票據

債券期限：3+N年
發行利率：3.3%
認購倍數：2.36倍

代表本集團對權益類融資的積極探索

10億元
人民幣

第三期中期票據

債券期限：3年
發行利率：3.1%
認購倍數：3.13倍

10億元
人民幣

第三期超短期融資券

債券期限：180天
發行利率：1.72%
認購倍數：1倍

2023年以來經營業績 – 簽署新項目

山東聊城莘縣第三污水處理廠及配套管網工程PPP項目

該項目預計投資額約6.68億元人民幣，將採用BOT（建設-運營-移交）模式投資、建設、運營和維護，是本集團目前旗下工業廢水處理規模最大、出水水質標準最高的廠網一體化項目。

該項目將分兩期建設，總設計規模為日處理工業廢水6萬立方米，合作期為30年。主要出水水質執行《地表水環境質量標準》（GB3838-2002）類IV標準。



山東聊城莘縣魯西經濟開發區效果圖

2023年以來經營業績 – 融資渠道持續多元化發展

本集團於3月、4月先後完成了第四期超短期融資券及2023年度第一期中期票據的發行工作，均已由中國內地全國銀行間債券市場機構投資者認購完畢，顯示出機構投資者對本集團財務狀況、業務實力與發展前景信心十足。

第四期超短期融資券

- 發行規模：10億元人民幣
- 債券期限：180天
- 發行利率：2.60%
- 募集資金用途：用於償還本公司到期債務
- 信用評級：經上海新世紀資信評估投資服務有限公司評定，本公司作為第四期超短期融資券發行人獲「AAA」級信用評級

2023年度第一期中期票據

- 發行規模：10億元人民幣
- 債券期限：5年（附第三個計息年度票面利率調整選擇權及回售選擇權）
- 發行利率：3.20%
- 募集資金用途：用於補充本公司附屬公司的營運資金
- 信用評級：經上海新世紀資信評估投資服務有限公司評定，2023年度第一期中期票據以及本公司（作為2023年度第一期中期票據發行人）的信用評級均為「AAA」級

03. 行業展望



行業展望 – 外部及行業趨勢研判

政策環境

近年來，深入打好污染防治攻堅戰相關工作在中國內地落地見效，中國「碳達峰」、「碳中和」（「雙碳」）戰略目標持續推進。中國於二零二二年第四季度（特別是疫情放開以後）重點提出推動綠色發展，促進人與自然和諧共生，強調「綠水青山就是金山銀山」的理念，倡導一體化保護、系統治理、統籌發展，為環保行業指出了發展方向。

行業趨勢

觀當下，環保行業調整正引導和啟發從業企業跳出原有的以傳統投資驅動增長的發展模式，思考和探索新的發展路徑。

思未來，中國「雙碳」承諾、共建「一帶一路」綠色發展等相關戰略部署，為環保企業「求新求變」提供了廣闊的發展空間。環保企業可依託新業務、新模式、新技術、新產品和服務，打造符合自身特點和需要的「第二增長曲線」，實現新一輪的高質量、可持續發展。

行業展望 – 戰略發展部署

展望未來，面對內外困境、轉型挑戰，本集團將保持戰略定力、堅持穩中求進；鞏固傳統業務、探索業務「新賽道」，把握好「泛水」業務機遇；聚焦科技及數字賦能，提升內生發展動力；夯實運營、工程、財務、採購及安全與環境（「安環」）管理基礎，築牢高質量發展基石。2023年，本集團將圍繞「發展」第一要務，主動服務和融入新發展格局，努力打造第二增長曲綫，以更高站位、更大格局、更遠視野、更實行動服務國家戰略。

- 落實「以水為源的產業價值創造」發展願景
- 堅持「創造更好投資價值，承擔更多社會責任」企業價值觀
- 貫徹「創新、協調、綠色、開放、共享」五大發展理念

行業展望 – 戰略發展部署：聚焦兩條賽道

傳統賽道

- 鞏固深耕傳統業務領域，依託現有區域優勢，著力實現質的有效提升和規模的合理增長。
- 積極推動傳統業務產業鏈延伸，圍繞管網檢測與修復、光伏發電、再生水利用、污泥協同處置、熱能利用、資源回收利用等方面，深挖傳統業務潛力，探索降碳新路徑。

新興賽道

- 依託傳統業務優勢，多渠道、多方位、多領域、多模式拓展新賽道，推動「泛水」產業鏈佈局。
 - 進一步發揮工業廢水處理領域的探索成果，加大拓展力度；
 - 積極探索環境環保與生態農業的產業結合與協調發展，切入「泛水+」領域新賽道。

» 積極固本拓新
開啟發展新格局

行業展望 – 戰略發展部署：強化兩個賦能

科技賦能

依靠科技引領，為新業務拓展和技術服務提供有力保障，實現與本集團發展相匹配的競爭能力。

- 堅持科技面向市場，立足現有項目，進一步深化水處理技術創新，降本提效；
- 加強工藝包開發，提升應用轉化水平；
- 探索研究「泛水」領域新技術、新工藝，持續優化產學研合作；
- 深入加大「五小創新」（發明、革新、改造、設計、諮詢）力度。

» 促進動能轉換
提升內生動力

數字賦能

依託數字手段提升本集團各項業務的精細化管理水平，持續推動本集團向數字化、智慧化轉型。

- 持續打造智慧管理平台，扎實推進財務、預算、工程等子系統建設；
- 深化智慧水廠課題研究，推廣智能巡檢、智能加藥、精確曝氣在項目的應用。

行業展望 – 戰略發展部署：把握五個強化

運營管理

強化經營理念，突出效益，持續推進節流降本、開源增效，扎實推進項目運營高品質、綠色低碳發展。

工程管理

加大工程建設進度，強化預算管理，提升施工綜合管理水平，全力實現各項工程建設工作目標，著力打造重點示範項目。

財務管理

進一步提升融資渠道多元化水平，持續推進貸款餘額、融資成本的雙降工作，提升整體資金利用管理效率。

採購管理

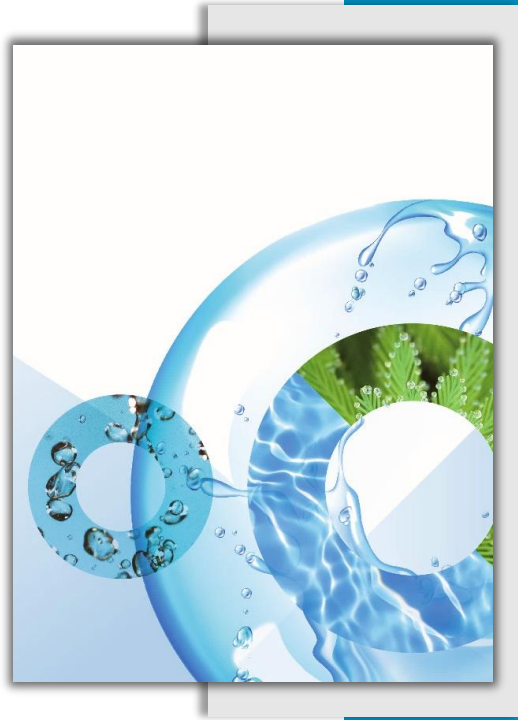
加強採購成本管控與廉潔風險管控，全面提高採購工作的科學性、規範性和經濟性。

安環管理

持續提升安環領導力，打造「超前防範風險，主動營造安全」新局面。

» 夯實管理基礎
築牢發展基石

04. 問答環節



05. 股東週年大會決議



- **第1項決議：** 審覽及考慮董事會聲明以及截至二零二二年十二月三十一日止財政年度的經審計的本公司財務報表及其審計師報告。
- **第2項決議：** 根據本公司董事（「董事」）會（「董事會」）建議，宣佈派發截至二零二二年十二月三十一日止財政年度的每股普通股5.14港仙（等值0.86新加坡分）的一級稅項豁免末期股息。
- **第3項決議：** 批准支付截至二零二二年十二月三十一日止財政年度的董事袍金340,000新加坡元整（二零二一年：340,000新加坡元整）。

- **第4項決議：**重選根據本公司細則（「細則」）第86(1)條規定即將退任的董事郝剛女士，彼符合資格並接受重選為董事。
- **第5項決議：**續聘Ernst & Young LLP為本公司審計師，任期直至下屆股東週年大會結束為止，並授權董事會釐定其薪酬。
- **第6項決議：**分配和發行股份之權力。
- **第7項決議：**在中國光大水務有限公司以股代息計劃項下分配和發行本公司股份的權力。

- **第8項決議：**更新股份回購授權。
- **第9項決議：**續期關聯人士交易的授權。
- **第10項決議：**修訂細則及採納一套新細則。

築綠 · 拓新 · 永續



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CHINA EVERBRIGHT WATER LIMITED

中國光大水務有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1857)

(Singapore Stock Code: U9E)

**RESPONSES TO QUESTIONS RECEIVED FROM
SHAREHOLDERS AND THE SECURITIES INVESTORS
ASSOCIATION (SINGAPORE)**

China Everbright Water Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to thank all the shareholders of the Company (“**Shareholders**”) who submitted their questions in advance of the Company’s Annual General Meeting (“**AGM**”) which will be convened and held by electronic means on Wednesday, 26 April 2023 at 9:30 a.m. (Singapore time). Due to some overlaps in the questions received, the Company has reorganised and grouped the related and similar questions together, and provided responses accordingly. The Company’s responses to the substantial and relevant questions received from Shareholders are set out in Section A.

The Company has also received questions from the Securities Investors Association (Singapore) (“**SIAS**”) ahead of the AGM. The Company’s responses to the questions received from the SIAS are set out in Section B.

SECTION A: RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS

- 1. It is mentioned on page 16 of the Annual Report 2022 that “as at 31 December 2022, the gearing ratio* of the Group was 61.1%, an increase of 1 percentage point compared to that at the end of 2021”. How is the Group’s gearing ratio compared to its competitors? Is it higher or lower compared to its competitors? In the current environment of increasing interest rates, is the management of the Company (the “Management”) intending to reduce the gearing ratio going forward?**

The Company’s response:

As at 31 December 2022, the gearing ratio* of the Group was 61.1%, which was lower than the average of gearing ratios of its main competitors which was approximately 64.8%# and the gearing ratios of its main competitors#. Considering the quality of the Group’s existing assets, its profitability and the external market environment faced by it, the most applicable and optimal gearing ratio that the Group should maintain is in the range of 65% to 67%. From the perspective of achieving its long-term strategic goals, there is still room for the Group to increase its gearing ratio. However, taking into account the latest trends of the external economic environment in the next one to three years and the need to balance between business development and risk management, the Group would steadily and gradually achieve its optimal gearing ratio.

Taking into account its capital expenditure plan for 2023, the Group estimated that, as at 31 December 2023, its gearing ratio would not be higher than 63% and its debt-to-equity ratio would be maintained at not more than 169%.

The Group has been monitoring and controlling its gearing ratio and finance costs. In particular, the Group had been exploring various financing methods in and outside mainland China to diversify its financing channels. The Group is of the view that the diverse financing channels complement each other as they enhance the flexibility of its financing to achieve a balance between equity financing and debt financing and optimise its financing structure. As a result, the Group is able to actively develop its businesses while solidifying its financial position, providing a solid foundation for its long-term development. Through the multiple financing channels, the Group could plan and control the proportion of its long- and short-term loans, the proportion of its loans denominated in RMB and foreign currencies, the proportion of its loans at floating and fixed rates, the replacement of short-term loans with long-term ones, and the replacement of the high-interest rate loans with low-interest rate loans in a flexible and reasonable manner. This enables the Group to better control its finance costs and manage the potential exchange rate risks and liquidity risks.

This was especially true in 2022 as the monetary policies of China and America diversified due to their different economic situations.

On the one hand, mainland China maintained a moderately loose monetary policy: the 5-year loan prime rate (“**LPR**”) was adjusted 3 times during the year, reducing from 4.65% in December 2021 to 4.30% in December 2022. In April 2022, the People’s Bank of China reduced the required reserve ratio by 0.25 percentage points. Capital market interest rates also remained low. For example, the 3-year pricing of China Development Bank RMB Bond Yield remained stable at around 2.50%.

On the other hand, under the pressure of inflation, the Federal Open Market Committee of the Federal Reserve had increased its federal fund rate by a total of 425 basis points during 2022, resulting in a significant increase in London Interbank Offered Rate (“**LIBOR**”) or Secured Overnight Financing Rate (“**SOFR**”), which are the benchmark interest rates for loans denominated in United States dollars (“**USD**”), and the Hong Kong Interbank Offered Rate (“**HIBOR**”), which is the benchmark interest rate for loans denominated in Hong Kong dollars (“**HK\$**”), during 2022.

The Group has closely monitored the interest rate trends in and outside mainland China. Through the issuance of RMB-denominated bonds (such as the issuance of the second tranche of super & short-term commercial papers (“**SCPs**”) with a principal amount of RMB1 billion and an interest rate of 2.50% in January 2022, the issuance of the third tranche of medium term notes (“**MTNs**”) with a principal amount of RMB1 billion and an interest rate of 3.10% in April 2022, the issuance of the first tranche of perpetual MTNs with a principal amount of RMB700 million and an interest rate of 3.30% in June 2022 and the issuance of the third tranche of SCPs with a principal amount of RMB1 billion and an interest rate of 1.72% in September 2022), repricing of project loans, preferential interest rate policies and other methods, the Group has adjusted the proportion of its loans denominated in RMB and foreign currencies (the proportion of loans denominated in foreign currencies decreased from 32% at the end of 2021 to 26% at the end of 2022) and the interest rate structure, therefore offsetting some of the negative impacts arising from the increase of interest rates outside mainland China. The Group expects that the high interest rate environment outside mainland China will continue for some time, and therefore shall pay close attention to the changes in the market and continue to reduce the proportion of its loans denominated in foreign currency, thereby reducing its finance costs.

In addition to adjusting the loan structure, the Group also actively expanded its asset-light business such as operation and management (“O&M”), so as to reduce loans while increasing income, thereby slowing down the speed and scale of the increase in gearing ratio. In 2022, the number of O&M projects undertaken by the Group increased from three at the end of 2021 to five at the end of 2022. With its extensive O&M experiences and continuous innovation of technology, the O&M business will be the focus of the Group’s development.

* the gearing ratio = total liabilities over total assets

The gearing ratios of the Group’s main competitors (which are the top three industry players in China) are calculated by the Group based on the annual results of its main competitors for the financial year ended 31 December 2022 (“FY2022”).

2. **On page 11 of the FY2022 Annual Results Presentation, the trade receivables recovery rate for the full year period had dropped to 72% in FY2022, a decrease of 12% compared to the financial year ended 31 December 2021 (“FY2021”). Is the Management able to explain what are the factors that have caused the drop in recovery rate? How much of these “yet to recover” trade receivables are going to end up as non-recoverable and “write-off”? What is the Management doing to improve the recovery rate to more than 90%?**

The Company’s response:

The Company’s trade receivables recovery rate for FY2022 was 72%, representing a decrease from the trade receivables recovery rate of 84% for FY2021. The decrease was mainly due to the impact of the COVID-19 pandemic on the settlement of waste water treatment service fees by local governments, resulting in a slowdown in payment progress. Since the outbreak of the COVID-19 pandemic in China in early 2020, the economic activities in various regions of China have been significantly reduced or delayed due to the lockdown imposed in various regions to control the recurring pandemic. Furthermore, the local governments had introduced a number of tax and social security relief policies for the benefit of the citizens and enterprises, resulting in a drastic reduction in the local governments’ revenue, which were mainly composed of tax revenue. In addition, the various measures implemented by local governments to prevent and control the pandemic substantially increased their expenditures. Therefore, the local governments recorded declining revenues and increasing expenditures during the period. Moreover, the finances of the local governments were even tighter in 2022, which was the third year after the outbreak of the COVID-19 pandemic. With pandemic control being the priority of local governments, the payments of other expenses including waste water treatment service fees slowed down.

The customers of the Company's trade receivables are mainly local governments. As such, despite the delay in payment of the trade receivables, the risk of default is quite low. Therefore, it is expected that the trade receivables will be gradually recovered in the future and will not be written off.

Managing trade receivables is at all times the key focus of the Management. The Management monitors the recovery of trade receivables on a monthly basis and regularly reviews the ageing analysis of trade receivables and other reports to continuously monitor credit risk. For trade receivables in large amounts or with long ageing, the Company ensures that the responsibilities are delegated to specific persons in charge, and the Management also personally supervises and pays close attention to the recovery of trade receivables.

The Group believes that, following the relaxation of the COVID-19 control measures and lifting of travel restriction by the Chinese government at the end of 2022, the economic activities in various regions have resumed. The focus of local governments will shift from pandemic control to economic development, and the payment of waste water treatment services fees will be accelerated accordingly.

- 3. The biggest concern is the huge negative net cash flow from operating activities amounts to HK\$640 million which is due mainly to the increase in trade receivables of HK\$1.31 billion. Why are the situation of trade receivables so bad considering that most of the customers are local governments?**

The Company's response:

Regarding the recovery of trade receivables from local governments, please refer to the Company's response to question 2 above.

With regard to cash flows from operating activities, the Group recorded net cash outflows from operating activities mainly due to the increase in contract assets. The increase in contract assets represents the cash flows in relation to the construction expenditure (i.e. capital expenditure) arising from the Group's investment and construction of concession projects with guaranteed revenue (i.e. projects with guaranteed minimum water volume). This portion of cash flows is classified as cash flows from operating activities, rather than as cash flows from investing activities according to IFRIC 12 under the International Financial Reporting Standards. Therefore, following the increase in the Group's business scale as well as the increase in the investment and construction of the concession projects, it will likewise increase in the negative cash flow from operating activities.

According to the calculation done by the Group, if the cash flows from capital expenditures associated with the construction of concession projects were reclassified as cash flows from investing activities, the Group's net cash flows from operating activities for each year would have been positive. In 2022, even with the increase of trade receivables amounting to HK1.31 billion, the net adjusted cash flow from operating activities would have been approximately HK\$1.074 billion (2021: HK\$1.460 billion).

- 4. There was a trade receivables impairment allowance of HK\$447 million. Again, considering that most of the customers are local governments, why is the impairment so high?**

The Company's response:

As mentioned in the Company's response to question 2 above, 2022 is the third year after the outbreak of the COVID-19 pandemic in China since early 2020, and the local government's finances have become increasingly tight during the pandemic. With the pandemic control being the priority of local governments, the payments of other expenses including waste water treatment service fees slowed down accordingly. As a result, the trade receivables recovery rate decreased from 92% for FY2020 to 72% for FY2022. The ageing of trade receivables has become longer, the amount of overdue trade receivables also increased. Although there was no default by any local government from year 2020 to year 2022, the delay in the recovery of trade receivables, the drop of the trade receivables recovery rate, the deterioration in the ageing of trade receivables and the increase in the amount of overdue trade receivables are all objective signals of significant increase in credit risk.

In response to the above, the Management has adopted a more prudent approach in assessing the provision for impairment of trade receivables – provision for impairment was not only made for trade receivables with longer ageing in the current period, but also for the risk assessment for each project throughout the operation period in accordance with principle as set out in IFRS 9 (Expected Credit Losses), rather than only for losses incurred. Although most of the customers are local governments, the Group is required to recognise provision for impairment of trade receivables under objective circumstances where there is a significant increase in credit risk.

5. **There has been a drop in revenue for FY2022. Was it a deliberate choice by the Group to focus less on construction projects for the year? Or was there another reason that truly accounted for the fall in revenue?**

The Company's response:

Construction service revenue decreased by HK\$694.71 million or 22% from HK\$3.09845 billion in FY2021 to HK\$2.40374 billion in FY2022. Construction activities in FY2022 were affected by the recurring COVID-19 pandemic in China, resulting in delays in construction progress and a decrease in construction activities. Construction service revenue remains a significant component of the Group's revenue. However, following the increase in the number of projects which have completed and have commenced operation, both the absolute value and proportion of operation income increased significantly, generating more cash flows for the Group.

6. **Can the board of directors (the "Board") of the Company consider carving out assets into a real estate investment trust fund ("REITs") for water services and return the proceeds to the Shareholders? This will close the big gap between trading price and net asset value.**

The Company's response:

Following the joint issuance of the "Notice of the Work Related to Promoting the Pilot Program of Real Estate Investment Trusts (REITs) in the Infrastructure Field" by the China Securities Regulatory Commission and the National Development and Reform Commission since 30 April 2020, the Company has closely followed the policies of REITs and market issuance dynamics. In addition, it communicated with external regulators and external service providers, studied the precedents, and, in combination with the Company's own situation, conducted extensive research on various aspects of REITs, such as selection of projects, transaction structures, tax impacts, impacts on financial statements, etc.

In general, REITs can liquidate the existing assets of the Company, broaden the sources of project construction funds, and form a virtuous circle of investment and financing. At the same time, REITs can also reduce the gearing ratio and narrow the gap between the trading price and the net asset value effectively.

Currently, the Company has carried out preliminary works and due diligences, and maintained regular and comprehensive communications with the external service providers.

The Company will continue monitoring the relevant policies and market developments, steadily carry out various tasks of REITs and based on the prevailing market conditions and its own situation, decide whether to proceed with REITs or not, and will provide the latest information to the Shareholders as and when appropriate.

SECTION B: RESPONSES TO QUESTIONS RECEIVED FROM SIAS

1. For FY2022, the Group reported a decrease in revenue of 3% to HK\$6.73 billion. The Group's gross profit decreased by 8% and profit attributable to equity holders of the Company decreased by 16% compared to FY2021. Accordingly, earnings per share have declined from HK\$0.4196 to HK\$0.3532.

(i) Revenue: In Note 5 (page 219 of the 2022 Annual Report – Revenue), the breakdown of revenue shows that construction service revenue from service concession arrangements fell sharply from HK\$3.1 billion to HK\$2.4 billion. Construction service revenue is measured based on the Group's estimation of the fair value of construction services and the percentage of construction completed during FY2022. What are the reasons for the decrease in construction service revenue from service concession arrangements?

5. REVENUE		5. 收入	
		Year ended 31 December 截至十二月三十一日止年度	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Construction service revenue from service concession arrangements	服務特許經營權安排的建造服務收入	2,403,740	3,098,448
Finance income from service concession arrangements	服務特許經營權安排的財務收入	1,107,945	1,068,040
Operation income from service concession arrangements	服務特許經營權安排的運營收入	2,950,629	2,522,688
Construction contract revenue and technical service income	建造合約收入及技術服務收入	265,653	223,195
		6,727,967	6,912,371

(Source: 2022 Annual Report; emphasis added)

The Company's response:

Construction service revenue decreased by HK\$694.71 million or 22% to HK\$2.40374 billion in FY2022 from HK\$3.09845 billion in FY2021. The construction activities during FY2022 had been affected by the recurring COVID-19 situation in China, which led to delay in construction progress and a drop in construction activities.

- (ii) **If the decrease was due to COVID-related disruptions, have the Group’s operations been fully restored upon the lifting of all or most of the COVID-related measures in China since January 2023?**

The Company’s response:

Since December 2022, the Chinese government has relaxed the COVID-19 control measures and lifted various local travel restrictions. Furthermore, the Chinese government has launched a series of new expansionary fiscal policies, as it strived to quickly recover and develop China's economy. As a result, since January 2023, various aspects of the Group’s business have gradually recovered from the negative impacts caused by the pandemic. While the current macro-economic environment and market conditions are still recovering and remain uncertain, the Group will take proactive actions and make comprehensive plans to carry out various aspects of its business in an orderly manner.

- (iii) **14th Five-Year Plan: For the benefit of Shareholders, could the Management highlight the major opportunities created by the 14th Five-Year Plan? What is the “adjustment period” mentioned in the CEO’s report (page 7 of the 2022 Annual Report)?**

The Company’s response:

In 2021, China issued the outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035 (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》) and “14th Five-Year Plan” for Urban Waste Water Treatment and Resources Utilisation Development (《「十四五」城鎮污水處理及資源化利用發展規劃》). In these plans, the main opportunities are:

- a) the centralised collection rate of urban domestic waste water will reach over 70% by 2025, and it is expected that 80,000 km of wastewater collection pipeline network will be newly constructed and upgraded;
- b) the waste water treatment capacity in cities and counties shall basically meet the needs of economic and social development and the waste water treatment rate in counties shall reach over 95%, and it is expected to increase the waste water treatment capacity by 20 million m³/day;

- c) the utilisation rate of reusable water in water-deficient cities at and above the national prefecture level will reach over 25% and the Beijing-Tianjin-Hebei region will reach over 35%, while water-deficient cities at and above the prefecture level along middle and lower reaches of the Yellow River Basin will reach 30%, and it is expected that the total production capacity of reusable water of newly-built, upgraded and expanded facilities will be no less than 15 million m³/day; and
- d) the urban harmless sludge treatment capacity will reach over 90%, and it is expected that the total capacity of new harmless sludge treatment facilities will be no less than 20,000 tonnes/day (water content: 80%).

However, after nearly 20 years of rapid development, the traditional water industry had gone through its rapid development stage and is now becoming saturated. The industry will gradually move from “rapid growth” to “precision and high-quality development”. The “adjustment period” means that during the “14th Five-Year Plan” period, the water industry will focus on “overcoming shortcomings”, “improving weaknesses”, “recycling” and “harmlessness” and put the emphasis on “high-quality development” instead of rapid growth.

While focusing on improving and enhancing the quality of its traditional business, the Group is also proactively monitoring the industry trends and searching for a breakthrough in new business areas such as industrial waste water, sludge disposal, solar photovoltaic and other business areas. Recently, the Group successfully secured Jiangyin High-tech Zone Industrial Waste Water Treatment Plant Phase I (EPC+O) Project with the treatment capacity of 30,000 tonnes/day, Liaoning Anshan Municipal Sludge Disposal Project Phase I with a capacity of 500 tonnes/day, and installed six sets of solar power generation supporting facilities at its projects, with the total capacity of such facilities installed in the pilot project plant areas exceeding 8 MW.

In addition, the Group will focus on the “water-related business” and explore new business areas and directions, such as “rural revitalisation”, “ecological agriculture” and “green and low-carbon” in depth by deeply studying the industry policies with its key development areas.

- (iv) Trade receivables: As at 31 December 2022, the Group had trade receivables amounting to HK\$3.36 billion, net of expected credit losses (ECL) allowance of HK\$446.8 million. The recoverability of trade receivables is also a key audit matter highlighted by the auditors in their report. Total carrying amount of trade receivables are nearly 50% higher at HK\$3.81 billion as at 31 December 2022 while impairment has increased by over 77% from HK\$252.0 million to HK\$446.8 million (page 259 of the 2022 Annual Report). In particular, trade receivables past due by over 13 months amount to HK\$851.8 million (page 258 of the 2022 Annual Report), nearly three times the level in FY2021. Can the Management help the Shareholders better understand the severity of the challenges faced by the local governments? What efforts have the Management made to collect on the long-outstanding debt? What recourse, if any, does the Group have?**

The Company's response:

The increase in the Group's total trade receivables was mainly due to the local governments' settlement for waste water treatment service fees being affected by the COVID-19 pandemic, which resulted in a slowdown in payments. Since the outbreak of the COVID-19 pandemic in China at the beginning of 2020, the economic activities in various parts of China were substantially reduced or delayed due to the lockdown imposed in various regions to control the recurring pandemic situation. Furthermore, the local government had introduced several tax and social security relief policies for the benefit of citizens and enterprises, resulting in a drastic reduction in the local government's revenue of which tax revenue forms a main part. Besides, during the COVID-19 pandemic, the various measures implemented by local governments to prevent and control the pandemic substantially increased expenditures. Therefore, the local governments recorded declining revenues and increasing expenditures during the period. Furthermore, the finances of the local governments were even tighter in 2022, which was the third year of the outbreak of the COVID-19 pandemic. With the pandemic control being the priority of local governments, the payments of other expenses including waste water treatment service fee slowed down accordingly.

Managing trade receivables is at all times the key focus of the Management. The Management monitors the recovery of trade receivables on a monthly basis and regularly reviews the ageing analysis of trade receivables and other reports to continuously monitor credit risks. For trade receivables with large amounts and long ageing, the Company ensures that the responsibilities are delegated to specific persons in charge, and the Management also personally supervises and continuously pays attention to the recovery of trade receivables.

2. As at 31 December 2022, the Group had outstanding borrowings of HK\$15.26 billion, representing an increase of HK\$820.20 million as compared to HK\$14.44 billion as at the end of 2021. The borrowings included secured interest-bearing borrowings of HK\$2.29 billion and unsecured interest-bearing borrowings of HK\$12.97 billion. The Group’s borrowings are mainly denominated in RMB, accounting for approximately 74% of total borrowings, while the remainder is denominated in HK\$, USD and euros (“EUR”). Most of the Group’s borrowings are at floating rates.

(i) What is the Management’s view on the interest rates trends in the People’s Republic of China (the “PRC” or “China”).

The Company’s response:

In 2022, China’s economy experienced downward pressure with an uncertain financial market due to various unexpected factors such as the frequent and dispersed pandemic outbreaks, the downturn of real estate cycle, the Russo-Ukrainian crisis and the persistent interest rate hikes outside mainland China. In order to balance between pandemic prevention and control and social-economic development, the overall market liquidity remained loose, with major interest rates in mainland China showing a downward trend and the financing costs of the real economy maintaining at a low level.

In 2023, the foundation for economic recovery is still not solid. In view of the need to stabilise growth and expand domestic demand, it will be difficult to tighten the monetary policy in 2023, which focuses on both total quantity and structure, with the financing costs of the real economy maintaining at a lower range.

In the recent first quarter, the People’s Bank of China decided to cut the required reserve ratio of financial institutions by 0.25 percentage point on 27 March 2023. Therefore, the overall market liquidity will remain loose in the coming year, with interest rates maintaining at the current level.

The Management has stated that the Group does not use financial derivatives to hedge against interest rate risk. Based on the sensitivity analysis, a general increase/decrease of 1% in the interest rates, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$123.1 million.

(ii) Can the Board, especially the Audit Committee, help Shareholders better understand the deliberations it has had on hedging the group's interest rate risks? How costly would it be to hedge the Group's interest rate risks?

The Company's response:

Notwithstanding that the Group's principal businesses are located in mainland China, the Group borrows loans denominated in both RMB and non-RMB currencies to diversify its source of financing. The Group's structure of borrowings is relatively simple, which is mainly affected by the fluctuation of a few benchmark interest rates, such as LIBOR/SOFR, HIBOR and 5Y-LPR. In addition, the aforementioned benchmark interest rates were relatively stable in the past. Therefore, the Group's response to interest rate risk is mainly to monitor interest rates trends by adjusting the structure of borrowings through adjusting the proportion of long- and short-term loans, the proportion of loans denominated in RMB and non-RMB currencies as well as the proportion of loans at floating and fixed interest rates.

In 2022, by referring to the interest rate trends in and outside mainland China, the Group made various adjustments to the interest rates and the proportion of currencies of its financings in order to minimise some of the negative impacts arising from the increase in interest rates outside mainland China, such adjustments including:

- a) re-determining the interest rates of all project loans and credits in mainland China with a single fluctuation range of 85-135 basis points;

- b) seizing the opportunity to issue RMB-denominated bonds at fixed rates during the good window period, such as the issuance of the second tranche of SCPs with a principal amount of RMB1 billion and an interest rate of 2.50% in January 2022, the issuance of the third tranche of MTNs with a principal amount of RMB1 billion and an interest rate of 3.10% in April 2022, the issuance of the first tranche of perpetual MTNs with a principal amount of RMB700 million and an interest rate of 3.30% in June 2022, and the issuance of the third tranche of SCPs with a principal amount of RMB1 billion and an interest rate of 1.72% in September 2022, in order to replace some floating-rate loans; and
- c) adjusting the proportion of its loans denominated in RMB and foreign currencies to leverage on the downward trend of interest rates for the loans denominated in RMB and the upward trend of interest rates for loans denominated in foreign currencies such as USD and HK\$. As such, the proportion of loans denominated in foreign currencies decreased by 6 percentage points from 32% at the end of 2021 to 26% at the end of 2022.

The costs to hedge interest rates depend on the types of the financial derivatives to be used and according to the negotiations and arrangements with the banks or financial institutions.

(iii) How frequently are the borrowings repriced?

The Company's response:

The Group's borrowings include project loans from banks in mainland China, liquidity loans from banks in mainland China, liquidity loans from banks outside mainland China and bonds issued in the open markets, the details of which are as follows:

- a) the repricing cycle for the interest rates of project loans and domestic liquidity loans obtained from the banks in mainland China normally is 12 months;
- b) the repricing cycle for liquidity loans obtained from the banks outside mainland China normally includes 1 month, 3 months and 6 months; and
- c) the interest rate of bonds issued in the open markets of mainland China is fixed and remained the same within the period.

The Group has cooperated with various credit banks for a long time and maintained a good relationship. Although the Group has signed credit contracts with the banks for each credit limit, the Group can approach and discuss with the banks about the re-pricing plan in a timely manner according to the market conditions, in order to ensure that the credit conditions are in line with the market and in the Company's interests.

- (iv) SCPs: During FY2022, the Company issued super SCPs, MTNs and perpetual MTNs. What are the benefits of issuing SCPs? Could the extensive use of SCPs create a duration mismatch? How deep is the SCPs market and is there a risk that the SCPs market may not be available when the Company needs to rollover its SCPs as they mature?**

The Company's response:

SCPs have the characteristics of low interest rate, large issuance amount and simple issuance procedures.

In 2022, the issuance scale of traditional credit bonds in China, comprising the SCPs in the national inter-bank bond market of mainland China, MTNs in the national inter-bank bond market of mainland China and corporate bonds at the Shanghai Stock Exchange, was RMB12.1 trillion, of which the issuance scale of SCPs was RMB4.43 trillion, accounting for 37% of the total issuance scale. It is one of the most important types of credit bonds and the market was very mature.

The issuance of SCPs facilitates the reduction of finance cost of the Company. At any point of time, the outstanding SCPs of the Group shall not exceed RMB1 billion, which was relatively small in amount as compared with the total issuance scale and therefore less risky.

The registered principal amount of SCPs has a revolving nature within the validity period as set out in the notice of registration acceptance, provided that the outstanding amount of SCPs at any point of time shall not exceed the registered principal amount. Upon the maturity of the SCPs, a new tranche of SCPs will be issued for repayment purpose and the investors are usually banks.

The Group will make a filing with National Association of Financial Market Institutional Investors of the PRC one to two weeks before the issuance, and the issuance can be made after the filing is successful. Therefore, the problem of unsuccessful issuance does not exist. In addition, as at 31 December 2022, the Group had cash on hand and bank balance in and outside mainland China of approximately HK\$2.846 billion, with the unutilised banking facilities amounting to approximately HK\$3.893 billion. In March 2023, the Group also obtained the notice of registration acceptance for the issuance of MTNs with a registered principal amount of RMB5 billion (i.e. the issuance limit). All of these can be withdrawn/issued at any time to redeem the SCPs upon their maturity.

3. In the Group’s risk assessment, two risks have been identified as particularly heightened:

- **New business investment and market competition risks (page 24 of the 2022 Annual Report); and**
- **Accounts receivable risk (page 25 of the 2022 Annual Report).**

No. 序號	Name of risk 風險名稱	Effectiveness of control measures 管控措施是否有效	Changes of trend in risk level (Note) 風險等級變化趨勢 (附註)
1	Policy changing risk 政策變動風險	Effective 有效	→
2	New business investment and market competition risks 新業務投資與市場競爭風險	Effective 有效	↑
3	Environmental compliance and safe production management risks 環境合規與安全生產管理風險	Effective 有效	→
4	Accounts receivable risk 應收賬款風險	Effective 有效	↑

(Source: 2022 Annual Report; emphasis added)

- (i) New business investment and market competition: Can the Management help Shareholders better understand the market dynamics of the environmental water industry in the PRC? Has there been any consolidation and what is the Group’s market share in the PRC? What is the Group’s competitive advantage? In addition, how much research and development (“R&D”) does the Group carry out and how strong is the Group’s R&D function?**

The Company’s response:

According to the “14th Five-Year” Plan, the development of the water industry is shifting from “rapid development” to “high-quality” development with more stringent requirements being imposed on the industry. Therefore, the water enterprises will face severe challenges. As its next course of action, the Group will strictly follow the industry requirements and industry trends arising from the “pollution and carbon reduction, green and low-carbon” initiatives, seizing the market opportunities of “resource utilisation” and strengthening the precision management of existing projects. By deeply tapping into the potential, opening up sources, reducing costs and increasing efficiency, the Group can achieve effective qualitative improvement. The Group will continue to solidify its market position in advantageous areas and develop high-quality projects actively, so as to achieve reasonable quantitative growth.

There are quite a number of environmental protection companies in China. Hence, the market share concentration is relatively low. In recent years, due to various factors such as policy changes and overall capability, the market share of private enterprises showed a downward trend. Currently, the market share is primarily dominated by central government-owned enterprises and state-owned enterprises. As of 31 December 2022, the total water treatment capacity of the Group was approximately 7.25 million m³/day and ranked among the best in China in terms of its treatment capacity and operation quality. The Group was selected as one of the “Top Ten Influential Enterprises in China’s Water Industry” for the fifth consecutive year.

The competitive advantages of the Group are as follows: (i) as a leading water environment solution provider in China, the Group has benefited from the favourable policies promulgated by the Chinese government and the rapid development of the water industry; (ii) the Group has extensive experiences in providing various types of water environment solutions and has sufficient ability to seize market opportunities and explore new service combinations; (iii) the Group has a reliable track record and healthy project pipeline to support the endogenous growth of the Group and great potential for acquisition and expansion; (iv) the Group is committed to developing core technologies and having strong R&D capabilities; (v) leveraging on the “Everbright” brand, the Group has unparalleled competitive advantages and growth prospects; and (vi) the Group has an experienced, market-oriented and strong executive management team.

By focusing on its strategic direction and the industry development trend, the Group places great importance on R&D activities and has a professional R&D team. The Group has a technology research centre in China with experts from various fields of technology. The Group has also incorporated a joint venture company (E+B Umwelttechnik GmbH) in Germany, the principal business of which includes the R&D in the water sector, bringing in and introducing advanced global environmental protection technologies. The Group’s R&D activities mainly focus on areas such as the synergy between pollution and carbon reduction, monitoring and calculation of carbon emissions, ozone-oxygen separation as well as freeze-drying crystallisation and concentration. Furthermore, it has developed a number of technological processes including shortcut nitrification and denitrification, biochemical treatment E-BioFAS, FBR-Fenton, freeze-drying crystallisation and concentration, intelligent water resources protection and ozone-oxygen separation. These technologies are not only applied to new projects, but also provide effective support for existing projects. For example, the Group has applied its ozone-oxygen separation technology in the ozone catalytic oxidation process section of Lingxian Wastewater Treatment Plant in Dezhou with high separation degree, stable operations and obvious effects. The oxygen recovery rate is over 95% and 70% of the liquid oxygen is saved.

- (ii) **Accounts receivable:** It was reported by S&P Global that many local governments in the PRC have breached the unofficial thresholds* with their direct debt exceeding 120% of their revenues in 2022. How much consideration is given to the creditworthiness of the local PRC governments before signing any major projects? What safeguards are put in place to ensure that the group's interests are well protected, regardless of the state of the local economy?

* extracted from <https://www.spglobal.com/ratings/en/research/articles/230221-the-clock-is-ticking-for-the-debt-led-growth-of-china-local-governments-12642869>

The Company's response:

The Group has been very prudent in considering the economic and financial capabilities of local governments. Generally speaking, the Group prefers to secure projects in the following regions:

- a) Beijing-Tianjin-Hebei region, Yellow Bohai Sea, Yangtze River Delta, southeast coastal areas and cities in Guangdong-Hong Kong-Macau Greater Bay Area; and
- b) provincial capital cities, prefecture-level cities and top 100 counties in other regions with better fiscal revenue.

The Group and the general managers of its project companies have established and maintained a healthy and efficient communication mechanism with local governments, as an effort to ensure timely payments in accordance with the agreements. The Group and the project companies actively urge local governments to include water treatment service fees into their annual budgets to ensure the source of payments. In addition, the Group will also leverage on the influence, geographical and network advantages of China Everbright Group Ltd. (the controlling shareholder of China Everbright Environment Group Limited, which in turn is the controlling shareholder of the Company), and coordinate with the local governments to ensure timely payment of water treatment service fees.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form a part of any offer, solicitation or invitation to sell, issue, purchase or subscribe for securities in any jurisdiction. No securities of or relating to the Company have been or will be registered under the securities laws of any jurisdiction. No public offering of securities will be made in any jurisdiction where such an offering is restricted or prohibited. No money, securities or other consideration is being solicited by this announcement or the information contained herein and, if sent in response to this announcement or the information contained herein, will not be accepted.

By Order of the Board
China Everbright Water Limited
Kwan Yun Fui
Legal Counsel and Joint Company Secretary

Hong Kong and Singapore, 25 April 2023

As at the date of this announcement, the Board comprises: (i) three executive directors, namely Mr. Hu Yanguo (Chairman), Mr. Tao Junjie (Chief Executive Officer) and Mr. Luo Junling; and (ii) four independent non-executive directors, namely Mr. Zhai Haitao, Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao Gang.

新加坡證券交易所有限公司、香港交易及結算所有限公司及香港聯合交易所有限公司對本公告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不會就本公告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。



CHINA EVERBRIGHT WATER LIMITED

中國光大水務有限公司

(於百慕達註冊成立之有限公司)

(香港股份代號：1857)

(新加坡股份代號：U9E)

回應股東及新加坡證券投資者協會的提問

中國光大水務有限公司(「本公司」，連同其附屬公司合稱「本集團」)僅此感謝本公司所有於本公司股東週年大會(「股東週年大會」)前提交問題的股東(「股東」)。股東週年大會將於二零二三年四月二十六日(星期三)上午九時三十分(新加坡時間)以電子會議方式召開。由於收到的問題出現重疊，本公司對相關和類似的問題重新排序和歸類，並提供了相應的答覆。本公司對股東提出的重要及相關疑問的答覆載於A部。

本公司亦於股東週年大會前收到新加坡證券投資者協會(「SIAS」)的提問。本公司對SIAS的提問的答覆載於B部。

A部：對股東的提問的答覆

1. 二零二二年度報告的第16頁提述「於二零二二年十二月三十一日，本集團資產負債比率*為61.1%，較二零二一年底增加1個百分點」。請問與其競爭對手相比，本集團的資產負債比率如何？是高還是較低？在當前利率持續上升的環境下，本集團管理層（「管理層」）有否打算在未來降低資產負債比率？

本公司的答覆：

於二零二二年十二月三十一日，本集團的資產負債比率*為61.1%，低於其主要競爭對手的平均資產負債比率的約64.8%#以及主要競爭對手的資產負債比率#。結合本集團目前的資產質量、盈利能力以及所面臨的外部市場環境進行綜合判斷，適用於本集團的最優資產負債比率的範圍應在65%至67%之間。從實現長遠戰略目標來看，本集團的資產負債比率還有進一步提升空間。但本集團會結合目前一至三年外部經濟環境的最新變動趨勢，平衡業務發展和風險控制的需求，穩健、小幅地向最優資產負債比率範圍靠齊。

考慮到本集團二零二三年的資本開支計劃，本集團預計其於二零二三年十二月三十一日的資產負債比率將不高於63%，債務股本比率會控制於不超過169%。

本集團一直監控資產負債比率水平及融資成本。本集團在過去一直在中國境內外不斷探索各種融資方式，擴大融資渠道。本集團相信多元渠道融資是相輔相成，增加本公司融資的靈活性來平衡股權融資及債務融資以達至最優化的資本結構，在積極發展業務的同時確保財務狀況的穩健，為本集團長遠發展奠定堅實的基礎。通過多元渠道融資，本集團可以更彈性地合理規劃和管控長短期貸款的比例、人民幣和外幣貸款的比例、浮動利率和固定利率貸款的比例、長期貸款對短期貸款的置換及低利率貸款對高利率貸款的置換，以此控制本集團的融資成本並管理潛在的匯兌風險及流動性風險。

特別在二零二二年，中美不同的經濟形勢使得兩國的貨幣政策分化。

一方面，中國境內，貨幣政策保持適度寬鬆：五年期貸款市場報價利率(Loan Prime Rate, 「**LPR**」)年內下調3次，自二零二一年十二月4.65%下降至二零二二年十二月4.30%；二零二二年四月，中國人民銀行降低存款準備金率0.25個百分點；資本市場利率也持續低位運行，以中債國開債收益率為例，三年期價格穩定在2.50%上下。

另一方面，在通脹壓力下，美國聯邦儲備局的聯邦基金利率二零二二年內累計加息425個基點，導致作為美元(「**美元**」)貸款基準利率的倫敦同業拆放利率(London Interbank Offered Rate, 「**LIBOR**」)或有抵押隔夜融資利率(Secured Overnight Financing Rate, 「**SOFR**」)及作為港元(「**港元**」)貸款基準利率的香港銀行同業拆息(Hong Kong Interbank Offered Rate, 「**HIBOR**」)於二零二二年內大幅上升。

本集團充分把握了中國境內外利率的趨勢，通過發行人民幣計價債券(於二零二二年一月發行10億元人民幣第二期超短期融資券(「**超短期融資券**」)(票面利率：2.50%)、於二零二二年四月發行10億元人民幣第三期中期票據(「**中期票據**」)(票面利率：3.10%)、於二零二二年六月發行7億元人民幣第一期永續中期票據(票面利率：3.30%)及於二零二二年九月發行10億元人民幣第三期超短期融資券(票面利率：1.72%))、項目貸款重新定價、利率優惠政策等方法，調整了本集團貸款幣種結構(外幣貸款佔比從二零二一年末的32%減少至二零二二年末的26%)及利率結構，從而抵消了部份中國境外利率上升的不利影響。本集團預期中國境外高利率環境仍會持續一段時間，因此將密切注意市場的變化，繼續降低外幣貸款佔比，以降低財務成本。

除了調整借款結構外，本集團亦積極拓展委託運營（「委託運營」）等輕資產業務，以減少貸款並同時增加收入，從而放緩資產負債比率增加的速度及幅度。於二零二二年，本集團承辦的委託運營項目從二零二一年末的三個增加至二零二二年末的五個。憑著本集團豐富的運營管理經驗及不斷創新的技術，委託運營業務將是本集團發展的重點。

* 資產負債比率為總負債除以總資產計算所得

主要競爭對手（為中國前三大的行業參與者）的資產負債比率是本集團根據其截至二零二二年十二月三十一日止的財政年度（「二零二二財政年度」）的全年業績計算的結果

2. 二零二二財政年度的全年業績簡報的第11頁，年度應收賬款回款率於二零二二財政年度下降至72%，較截至二零二一年十二月三十一日止的財政年度（「二零二一財政年度」）減少12%。管理層能否說明導致回款率下降的因素？該等「尚未收回」的應收賬款中有多少將會無法收回並「撇銷」？管理層目前正採取什麼措施以提高回款率至超過90%？

本公司的答覆：

本公司二零二二財政年度的應收賬款回款率為72%，較二零二一財政年度的回款率84%有所下降，主要是由於新冠疫情影響了地方政府結算污水處理服務費的工作，導致付款進度放緩。自新冠疫情於二零二零年年初於中國爆發以來，中國各地的經濟活動因反覆的疫情及各地相應的封控措施而大幅減少或受阻，以及地方政府推出多項惠民惠企的稅務社保減免政策，導致各地方政府的主要為稅收的財政收入銳減。再者，於新冠疫情期間各地方政府實施各種防疫及抗疫措施，大大增加支出。這導致地方政府在期間經歷著收入不斷減少支出不斷增加的情況。另外，二零二二年為自新冠疫情爆發後的第三年，地方政府的財政比之前更為緊拙。在優先防疫抗疫前提下，其他支出包括污水處理服務費付款進度因此放緩。

由於本公司的應收賬款的客戶主要是各地方政府，雖然存在應收賬款延期支付的問題，但違約風險較低，因此不存在應收賬款被核銷的情形，預計應收賬款將於後期陸續收回。

應收賬款管理一直是管理層關注的重點，管理層每月監督應收賬款回收情況，定期審閱應收賬款賬齡等分析報告來持續監控信貸風險。對於金額大、賬齡長的應收賬款，本公司確保責任落實到人，管理層亦親自督辦，持續關注應收賬款回收的問題。

本集團相信隨着二零二二年末中國政府已放寬新冠病毒的防疫措施及全國解封，各地的經濟活動恢復，各地方政府的重心從防疫抗疫重回經濟發展，污水處理服務費的支付進度亦隨之而加快。

3. 最大的擔憂是負經營現金流量淨額6.4億港元，主要由於應收賬款增加13.1億港元。考慮到大部分客戶均為當地政府，為何應收賬款如此糟糕？

本公司的答覆：

關於地方政府應收賬款回收情況，請見上述第二題的答覆。

關於經營活動現金流量，經營活動出現淨現金流出的情況，主要是因為合約資產的增加。合約資產的增加是本集團投資建設有保證收益的特許經營項目（即有保底水量的項目）而產生有關工程建設支出的現金流量（即資本性開支(capital expenditure)）。根據國際財務報告準則(International Financial Reporting Standards)的國際財務報告財務詮釋委員會詮釋第12號(IFRIC12)規定，這部分現金流被歸類為經營活動現金流量，而不是被歸類為投資活動現金流量。因此，隨著本集團業務規模的不斷擴大，投資建設的特許經營項目逐漸增多，這同樣也會增加經營活動負現金流量。

經本集團測算，如果將建設特許經營項目相關的資本性開支的經營活動現金流量調整為投資活動現金流量，則本集團每年的經營活動現金流量淨額為正數。即使應收賬款增加到13.1億港元，經調整的二零二二年經營現金流量達到約10.74億港元的淨流入（二零二一年：14.60億港元）。

4. 應收賬款減值撥備為4.47億港元。同樣考慮到大部分客戶均為當地政府，為何減值金額如此之高？

本公司的答覆：

如上述第二題的答覆，二零二二年為新冠疫情於二零二零年年初在中國爆發後的第三年，地方政府的財政在疫情期間漸趨緊拙。在優先防疫抗疫前提下，其他支出包括污水處理服務費付款進度因此放緩。應收賬款回款率因此從二零二零財政年度的92%下降至二零二二財政年度的72%，應收賬款賬齡變長，逾期應收賬款亦增多。儘管二零二零年至二零二二年在期間沒有任何地方政府發生違約，但是應收賬款回款滯後、回款率下降、應收賬款賬齡惡化以及逾期應收賬款增多都是信貸風險顯著增加的客觀信號。

針對上述情況，管理層採取了更為謹慎的方法評估應收賬款減值撥備，不但對於當期賬齡較長的應收賬款進行減值撥備，同時按照國際財務報告準則第9號(IFRS 9)的預期信貸虧損 (Expected Credit Losses)原則對於每個項目整個運營期間進行風險評估，充分預測計算結果並進行確認減值撥備，而不僅僅是對已發生損失作確認。儘管大部分客戶都是地方政府，在信貸風險顯著增加的客觀情況下，本集團仍需為應收賬款確認減值撥備。

5. 二零二二財政年度的收入有所下降。本集團是否有意選擇減少著重建築項目？還是這並非收入下降的真正原因？

本公司的答覆：

建造服務收入由二零二一財政年度的30.9845億港元減少6.9471億港元或22%至二零二二財政年度的24.0374億港元。二零二二財政年度的建造活動受中國新冠疫情反覆所影響，導致建造進度延誤及建造活動減少，並非本集團主觀性原因。建造收入依然是本集團收入的重要組成部分。但隨著越來越多的項目建成投運，運營收入無論絕對值還是佔比都顯著提升，為本集團帶來更多的現金流量。

6. 本公司董事會（「董事會」）可否考慮將資產分拆成一隻水務不動產投資信託基金（「REITs」）並將收益回饋股東？這將有助縮小交易價格與資產淨值之間的巨大差距。

本公司的答覆：

自二零二零年四月三十日，中國證券監督管理委員會、中華人民共和國國家發展和改革委員會聯合發佈《關於推進基礎設施領域不動產投資信託基金(REITs)試點相關工作的通知》以來，本公司密切跟踪REITs的政策和市場發行動態，與外部監管機構、中介機構溝通交流，學習已發行項目標文檔，並結合本公司自身的情況，從REITs入池項目的遴選、交易結構的搭建、稅收影響、報表影響等方面，展開了積極的研究。

綜合而言，REITs能夠盤活公司存量資產，拓寬項目建設資金來源，形成投融資良性循環，與此同時，REITs還能降低資產負債率，有效縮小交易價格與資產淨值之間的差距。

目前，本公司和中介機構展開了初步工作及盡職調查，並且保持高度及充分的溝通。

本公司後續會持續跟進相關政策和市場動態，穩步做好REITs各項工作，結合市場情況及自身情況確定是否推出，並將適時向股東提供最新資料。

B部：對SIAS的提問的答覆

1. 於二零二二財政年度，本集團的收入減少3%至67.3億港元。與二零二一財政年度相比，本集團的毛利減少8%及本公司權益持有人應佔盈利減少16%。因此，每股盈利由0.4196港元下降至0.3532港元。

(i) 收入：附註5(二零二二年度報告的第219頁-收入)中收入明細顯示，服務特許經營權安排的建造服務收入由31億港元大幅下降至24億港元。建造服務收入是根據本集團估計的建造服務公允價值及二零二二財政年度內工程完工百分比計算。請問導致服務特許經營權安排的建造服務收入下降的原因是什麼？

5. REVENUE		5. 收入	
		Year ended 31 December 截至十二月三十一日止年度	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Construction service revenue from service concession arrangements	服務特許經營權安排的建造服務收入	2,403,740	3,098,448
Finance income from service concession arrangements	服務特許經營權安排的財務收入	1,107,945	1,068,040
Operation income from service concession arrangements	服務特許經營權安排的運營收入	2,950,629	2,522,688
Construction contract revenue and technical service income	建造合約收入及技術服務收入	265,653	223,195
		6,727,967	6,912,371

(來源：二零二二年度報告；重點後加)

本公司的答覆：

建造服務收入由二零二一財政年度的30.9845億港元減少6.9471億港元或22%至二零二二財政年度的24.0374億港元。二零二二財政年度的建造活動受中國新冠疫情反覆所影響，導致建造進度延誤及建造活動減少。

- (ii) 如果下降是由於新冠疫情相關的中斷影響所致，中國自二零二三年一月起解除所有或大部分新冠疫情相關措施後，本集團的業務運營是否已經完全恢復？

本公司的答覆：

中國政府自二零二二年十二月起已經放寬新冠病毒的防疫措施及當地旅遊限制，且陸續出台了一系列刺激經濟發展的新政策，力推中國經濟盡快復甦與發展。藉此自二零二三年一月以來，本集團的各項業務工作在逐步消化此前因疫情造成的不利影響。儘管目前宏觀及市場環境仍處於復甦進程並且依然面臨諸多不確定性，本集團將積極應對、全面部署，有序推進各項業務工作的開展。

- (iii) 「十四五」規劃：管理層可否就股東的利益說明「十四五」規劃所創造的主要機會？總裁報告中提到的「調整期」(二零二二年度報告的第7頁)又是什麼？

本公司的答覆：

二零二一年，中國發佈了《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》和《「十四五」城鎮污水處理及資源化利用發展規劃》。在該等規劃，主要的機遇是：

- a) 城市生活污水集中收集率於二零二五年力爭達到70%以上，預計這將新建和改造污水收集管網8萬公里；
- b) 城市和縣城污水處理能力基本滿足經濟社會發展需要，縣城污水處理率達到95%以上，預計這將新增污水處理能力2,000萬立方米／日；

- c) 全國地級及以上缺水城市再生水利用率達到25%以上，京津冀地區達到35%以上，黃河流域中下游地級及以上缺水城市力爭達到30%，預計這將新建、改建和擴建可再生水生產能力不低於1,500萬立方米／日；及
- d) 城市污泥無害化處置率達到90%以上，預計這將新增污泥無害化處理設施規模不低於2萬噸／日(含水率：80%)。

然而，傳統水務行業經過近二十年的快速發展，已度過了高速發展期，傳統業務趨於飽和，行業將從過去的粗放型增長期逐步走向精細化、高質量發展期。「調整期」是指在「十四五」期間，水務行業將側重於「補短板」、「強弱項」、「資源化」和「無害化」等方面，注重「高質量發展」，而非快速增長。

本集團在做精做細傳統業務的同時，也積極順應行業發展，尋求在新類型業務上有較大突破，如工業污水、污泥處置、光伏等業務領域。本集團近期已成功取得江陰高新區工業污水處理廠(EPC+O)項目一期3萬噸／日、遼寧鞍山市政污泥處置項目一期500噸／日、已在存量項目上安裝6個光伏發電配套設施，各試點項目廠區內的光伏發電設施總裝機容量超過8兆瓦。

另外，本集團也圍繞「泛水」概念，結合行業政策和重點發展領域，深入探索「鄉村振興」、「生態農業」、「綠色低碳」等新領域、新賽道。

- (iv) 應收賬款：截至二零二二年十二月三十一日，本集團的應收賬款為33.6億港元（扣除預期信貸虧損撥備4.468億港元）。審計師亦在獨立審計師報告中將應收賬款可收回性列為關鍵審計事項。於二零二二年十二月三十一日，應收賬款賬面總額增加近50%至38.1億港元，而減值由2.52億港元增加逾77%至4.468億港元（二零二二年度報告的第259頁）。特別是，逾期超過13個月的應收賬款為8.518億港元（二零二二年度報告的第258頁），幾乎是二零二一財政年度的三倍金額。管理層能否更具體告訴股東當地政府面臨的挑戰有多嚴峻？管理層為收回長期未償還債務採取了什麼行動？如有的話，本集團有什麼追討措施？

本公司的答覆：

本集團的應收賬款總額的增加，主要是因為由於新冠疫情影響了地方政府結算污水處理服務費的工作，導致付款進度放緩。自新冠疫情於二零二零年年初在中國爆發以來，中國各地的經濟活動因反覆的疫情及各地相應的封控措施而大幅減少或受阻，以及地方政府推出多項惠民惠企的稅務社保減免政策，導致各地方政府的主要為稅收的財政收入銳減。再者，於新冠疫情期間各地方政府實施各種防疫及抗疫措施，大大增加支出。這導致地方政府在期間經歷著收入不斷減少支出不斷增加的情況。而且二零二二年為自新冠疫情爆發後的第三年，地方政府的財政比之前更為緊拙。在優先防疫抗疫前提下，其他支出包括污水處理服務費付款進度因此放緩。

應收賬款管理一直是管理層關注的重點，管理層每月監督應收賬款回收情況，定期審閱應收賬款賬齡等分析報告來持續監控信貸風險。對於金額大、賬齡長的應收賬款，本公司確保責任落實到人，管理層亦親自督辦，持續關注應收賬款回收的問題。

2. 截至二零二二年十二月三十一日，本集團尚未償還借貸總額為152.6億港元，較二零二一年底的144.4億港元增加8.202億港元。借貸包括有抵押計息借貸22.9億港元及無抵押計息借貸129.7億港元。本集團的貸款主要以人民幣為單位，佔總數約74%，其餘則包括港元、美元和歐元。本集團的大部份貸款均按浮動利率計息。

(i) 管理層對於中國的利率走勢有什麼看法？

本公司的答覆：

二零二二年，面對疫情多發散發、房地產週期下行、俄烏危機、中國境外持續加息等超預期因素衝擊，中國經濟下行壓力和金融市場擾動加大。為統籌疫情防控和經濟社會發展，市場流動性整體維持寬鬆，中國境內主要利率均呈下行態勢，實體經濟融資成本保持在低位。

二零二三年經濟恢復的基礎尚不牢固，在穩增長、擴內需的訴求下，二零二三年貨幣政策難以收緊，將繼續呈現出總量型和結構性並舉的特徵，實體經濟融資成本保持在較低區間。

在過去的第一季度，中國人民銀行決定於二零二三年三月二十七日降低金融機構存款準備金率0.25個百分點。因此在未來的一年，市場流動性整體仍維持寬鬆，利率仍保持在現時的水平。

管理層表示本集團並無使用金融衍生工具來對沖利率風險。根據敏感度分析，如利率整體上調／下調1%，而所有其他不定因素維持不變，本集團的除稅前盈利將會減少／增加約1.231億港元。

- (ii) 董事會，特別是審計委員會，能否更具體告訴股東有關對沖本集團利率風險的討論？對沖本集團利率風險需要多少成本？

本公司的答覆：

儘管本集團的主要業務是在中國內地，但為了使其資金的來源多樣化的資金來源，本集團的貸款包含了人民幣和非人民幣貸款。本集團的結構借款是相對簡單，主要受到少量基準利率如LIBOR/SOFR，HIBOR及5Y-LPR的浮動所影響。加上前述的基準利率在過去相較穩定，因此，本集團應對利率風險主要是透過調整借款結構，如調整長短期貸款的比重、人民幣和非人民幣貸款的比重及浮動利率和固定利率貸款的比重等方式來動態監測利率。

二零二二年，本集團結合境內外利率走勢，在融資利率和幣種結構上進行了一系列優化抵消了部份境外利率上升的不利影響，其中：

- a) 中國境內所有項目貸款與授信重新確定利率，單筆下浮幅度85-135基點不等；

- b) 抓住利率窗口期好的時機發行固定利率人民幣債券(於二零二二年一月發行10億元人民幣第二期超短期融資券(票面利率：2.50%)、於二零二二年四月發行10億元人民幣第三期中期票據(票面利率：3.10%)、於二零二二年六月發行7億元人民幣第一期永續中期票據(票面利率：3.30%)及於二零二二年九月發行10億元人民幣第三期超短期融資券(票面利率：1.72%))以置換部份浮動利率貸款；及
- c) 把握了人民幣貸款利率下調及外幣如美元及港元貸款利率上升的趨勢，調整本外幣借款結構，二零二二年末外幣借款佔比26%，比二零二一年末的32%下降了6個百分點。

對沖利率風險的成本取決於所採用的金融衍生工具的類型以及根據和銀行或金融機構的商協及安排。

(iii) 借貸何時會進行一次重新定價？

本公司的答覆：

本集團借款包括中國境內銀行項目貸款、中國境內銀行流動資金貸款、境外銀行流動資金貸款以及公開市場發行的債券，其中：

- a) 中國境內銀行項目貸款以及中國境內銀行流動資金貸款利率重置週期一般為12個月；
- b) 中國境外銀行流動資金貸款利率重置週期一般包括1個月、3個月和6個月；及
- c) 中國境內公開市場發行的債券，其票面利率在存續期內固定不變。

本集團與各授信行合作時間比較長，關係維護較好。雖然本集團各筆授信都與授信行簽署了授信合同，但是本集團可以根據市場情況，適時聯繫授信行並溝通重新定價方案，能夠力爭授信條件符合市場，符合本公司利益。

- (iv) 超短期融資券：二零二二財政年度內，本公司發行了超短期融資券、中期票據及永續中期票據。發行超短期融資券有何好處？廣泛使用超短期融資券會否造成久期錯配？超短期融資券的市場有多深，而本公司是否面臨在超短期融資券到期時無法在超短期融資券市場進行延期的風險？

本公司的答覆：

超短期融資券具有發行利率低、發行額度大、發行手續簡便等特點。

二零二二年度，以中國內地全國銀行間債券市場超短期融資券，中期票據以及上海交易所公司債為主要發行品種的中國境內傳統信用債發行規模為12.1萬億元人民幣，其中超短期融資券發行規模為4.43萬億元人民幣，發行規模佔比37%，為信用債最主要的發行品種之一，市場非常成熟。

超短期融資券的發行有利於降低本公司財務費用。在任何時間點內，本集團存續的超短期融資券規模未超過10億元人民幣，相對本集團總體債務規模而言金額較小，風險較小。

超短期融資券註冊金額在接受註冊通知書內的有效期內可以循環使用，也即，超短期融資券存續規模不超過註冊金額即可。超短期融資券到期通常會發行新一期超短期融資券進行兌付，投資者一般為銀行。

本集團會於發行前一至兩週在中國銀行間市場交易商協會進行發行備案，備案成功後即可發行，不存在發行不成功的情況。此外，於二零二二年十二月三十一日，本集團中國境內外手持現金及銀行結餘約28.46億港元，同時擁有尚未動用之銀行融資額度約38.93億港元，本集團亦於二零二三年三月獲得註冊本金為50億元人民幣(可發行額度)的中期票據接受註冊通知書，這些都可隨時提取／發行以兌付到期的超短期融資券。

3. 本集團在風險評估中識別出兩項特別重大的風險：

- 新業務投資及市場競爭風險(二零二二年度報告的第24頁)；及
- 應收賬款風險(二零二二年度報告的第25頁)。

No. 序號	Name of risk 風險名稱	Effectiveness of control measures 管控措施是否有效	Changes of trend in risk level (Note) 風險等級變化趨勢 (附註)
1	Policy changing risk 政策變動風險	Effective 有效	→
2	New business investment and market competition risks 新業務投資與市場競爭風險	Effective 有效	↑
3	Environmental compliance and safe production management risks 環境合規與安全生產管理風險	Effective 有效	→
4	Accounts receivable risk 應收賬款風險	Effective 有效	↑

(來源：二零二二年度報告；重點後加)

- (i) 新業務投資及市場競爭：管理層能否更具體向股東說明中國環保水務行業的市場動態？曾否有任何整合？本集團在中國有多少市場份額？本集團有甚麼競爭優勢？另外，本集團進行了多少研究與開發（「研發」）工作，而本集團的研發實力有多強？

本公司的答覆：

結合「十四五」規劃的內容，水務行業將由「高速度發展」轉向「高質量」發展，對行業提出了更嚴格的要求，水務企業均將面臨嚴峻的挑戰。下一步要緊跟行業「減污降碳、綠色低碳」的政策要求，抓住「資源化利用」的行業趨勢和市場機遇，加強對現有項目的精細化管理，通過深度挖掘潛力、開源、降本、增效，實現品質的有效提升；本集團將繼續立足優勢區域，積極拓展優質項目，實現產量的合理增長。

中國投資環保行業的企業很多，市場份額也較為分散，近年來，受制於政策變化、綜合能力等因素，民營企業市場份額有下降趨勢。目前市場佔有份額多以央企、國企為主。截至二零二二年十二月三十一日，本集團的水處理總規模約725萬立方米／日，在處理規模、運營品質位於中國前茅，並連續第五年被評為「中國水業十大影響力企業」。

本集團競爭優勢為：(i)中國領先的綜合水環境解決方案供應商，自中國政府的利好政策及水務行業的快速發展中受益；(ii)提供多種類型的水環境解決方案經驗豐富，且具備足夠能力把握市場良機以開拓新服務組合；(iii)擁有可靠往績及豐富的項目儲備，以支持本集團的內生增長及收購擴張的巨大潛力；(iv)致力於開發核心技術並具備強大的研發實力；(v)依託「光大」品牌，本集團擁有無可比擬的競爭優勢及增長前景；及(vi)擁有一支經驗豐富、以市場為導向且執行力強的管理團隊。

圍繞本集團戰略方向和行業發展趨勢，本集團高度重視研發活動，並設有專業的研發團隊。境內設有技術研究中心，擁有眾多技術方面的專家；境外於德國設有合資公司(E+B Umwelttechnik GmbH)，主要業務包括水務領域的研發工作等，同步借鑒和引進全球先進的環保技術。本集團研發活動主要在減污降碳協同處理、碳監測與核算、臭氧氧氣分離、冷凍結晶濃縮等領域進行技術研發耕耘，形成短程硝化反硝化、生化處理E-BioFAS、芬頓流化床、冷凍結晶濃縮、智慧水源地保護、臭氧氧氣分離等多項工藝包技術。這些技術不僅應用於新簽署的項目，也為存量項目提供了有效的支持。尤其以臭氧氧氣分離技術為例，在德州陵縣污水處理廠臭氧催化氧化工藝段完成工程應用，其分離程度高，運行穩定，效果明顯，氧氣回收率95%以上，液氧節省70%。

- (ii) 應收賬款：根據標普全球的報告，二零二二年中國不少地方政府的直接債務超出收入的120%，突破非官方債務門檻*。本集團在簽署任何重大項目前，對於中國地方政府的信用狀況會有多深入的考慮？本集團採取了什麼防範措施，確保無論當地經濟好壞，本集團的利益均受到全面的保護？

* 摘自<https://www.spglobal.com/ratings/en/research/articles/230221-the-clock-is-ticking-for-the-debt-led-growth-of-china-local-governments-12642869>

本公司的答覆：

本集團對地方政府的經濟和財政能力有謹慎的選擇標準。一般而言，本集團較傾向於在以下地區簽署重大項目：

- a) 京津冀、黃渤海灣、長三角、東南沿海地區以及粵港澳大灣區的地市；
- b) 其他地區財政收入較好的省會城市、地級市和百強縣。

本集團以及各項目公司總經理與地方政府建立並始終保持健康高效的溝通機制力爭實現按協議付費；本集團與項目公司積極推動地方政府將污水處理服務費納入政府年度預算，以確保付費來源。另外，本集團也會發揮中國光大集團股份公司(本公司控股股東，中國光大環境(集團)有限公司的控股股東)的影響力及地域網點優勢，推動協調地方政府按時支付水處理服務費。

重要通知

本公告僅供參考，並不構成或組成於任何司法權區出售、發行、購買或認購證券的任何要約、招攬或邀請的一部分。本公司的證券或有關本公司的證券並非亦不會根據任何司法權區的證券法登記。有關證券將不會於任何受限制或禁止提出要約的司法權區公開發售。本公告或其所載資料並非為索取金錢、證券或其他代價，而倘回應本公告或其所載資料而發出金錢、證券或其他代價將不獲接納。

承董事會命
中國光大水務有限公司
法律顧問兼聯席公司秘書
關詠蔚

香港及新加坡，二零二三年四月二十五日

於本公告日期，董事會成員包括：(i)三名執行董事－胡延國先生(董事長)、陶俊杰先生(總裁)及羅俊嶺先生；以及(ii)四名獨立非執行董事－翟海濤先生、林御能先生、鄭鳳儀女士及郝剛女士。