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## **DONGJIANG ENVIRONMENTAL COMPANY LIMITED\***

**東江環保股份有限公司**

(a joint stock company limited by shares, incorporated in the People's Republic of China)  
(Stock code: 00895)

### **INSIDE INFORMATION 2023 FIRST QUARTERLY REPORT**

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The financial statements set out in the first quarterly report of the Company and its subsidiaries "if the Group's financial statements are audited or not" for Business Enterprises and were unaudited. The reporting period is from 1 January 2023 to 31 March 2023 (the "Reporting Period").

#### **IMPORTANT NOTICE:**

1. The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of the Company guarantee that the contents of this quarterly report are true, accurate and complete and do not contain false information, misleading statements or material omissions, and individually and collectively accept legal responsibility thereof.
2. The Chairman of the Company, Person in charge of Accounting, and Head of Accounting Department (Accounting Supervisor) hereby declare that they guarantee the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
3. Whether the first quarterly report is audited or not

Yes ☒ No

#### **I. MAJOR FINANCIAL DATA**

##### **(I) Major Accounting Data and Financial Indicators**

Retrospective adjustments to or restatement of the accounting data for the prior year by the Company

Yes ☒ No

|   | The Reporting Period | The corresponding period of last year | Increase/decrease for the Reporting Period as compared with the corresponding period of last year |
|---|----------------------|---------------------------------------|---|
| Revenue from operations (RMB)                                       | 828,715,785.69       | 963,644,836.52                        | -14.00%   |
| Net profit attributable to shareholders of the listed company (RMB) | -117,659,832.94      | 5,238,970.33                          | -2,345.86%  |
| Net profit attributable to shareholders of the listed               |                      |                                       |   |

|   |              |  |
|---|--------------|--|
| Other non-operating income and expenses apart from those stated above | -406,760.86  |  |
| Less: Effect on income tax  | 1,469,452.38 |  |
| Effect on minority interests (after tax)                              | 1,040,650.35 |  |
| Total   | 5,325,048.13 |  |

Particulars of other gain or loss items conforming with the definition of extraordinary gains or losses:

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There are no particulars of other gain or loss items of the Company conforming with the definition of extraordinary gains or losses.

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### (III) Substantial Changes in Major Accounting Data and Financial Indicators and the Reasons Thereof

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Unit: RMB

| Item                  | Balance at the end of the period | Balance at the beginning of the period/the corresponding period of last year | Change  | Attributable reasons  |
|-----------------------|----------------------------------|--|---------|---|
| Notes receivable      | 3,439,906.89                     | 16,541,947.42  | -79.20% | Mainly due to the expiration of endorsements and discounted bills.  |
| Receivables financing | 73,863,643.39                    | 24,420,525.44  | 202.47% | Mainly due to an increase in bank acceptance bills received by the Company during the Reporting Period.   |
| Prepayments           | 280,818,779.61                   | 149,703,661.79   | 87.58%  | Mainly due to the increase in prepayment for raw materials by Chenzhou Xiongfang Environmental Protection Company Limited "Xiongfang Environment" oldha the Reporting Period. |
| Right-of-use assets   | 13,643,513.37                    | 3,496,322.14   | 290.22% | Mainly due to the new leasing of subsidiaries during the Reporting Period.  |

|   |                 |                 |            |  |
|---|-----------------|-----------------|------------|--|
| Contractual liabilities   | 273,495,985.77  | 142,285,139.51  | 92.22%     | Mainly due to an increase in advance sales payments from Xiongfeng Environment during the Reporting Period.  |
| Employee benefits payables  | 21,113,551.86   | 42,268,421.92   | -50.05%    | Mainly due to the issuance of performance bonuses during the Reporting Period.   |
| Tax payable   | 26,432,940.52   | 39,733,694.75   | -33.47%    | Mainly due to the decrease of income tax payable resulting from the payment of income tax accrued in the previous year of the subsidiaries and the decrease of the total profit of this year during the Reporting Period.  |
| Lease liabilities   | 8,446,924.19    | 1,961,065.63    | 330.73%    | Mainly due to the new leasing of subsidiaries during the Reporting Period.   |
| Gain from investment  | -4,369,664.88   | 2,275,740.06    | -292.01%   | Mainly due to the decrease in net profit of joint ventures during the Reporting Period.  |
| Income tax  | 1,163,848.84    | 6,396,232.01    | -81.80%    | Mainly due to a decrease in total profit during the Reporting Period.  |
| Net profit attributable to shareholders of the listed company (RMB) | -117,659,832.94 | 5,238,970.33    | -2,345.86% | The main reason is that during the Reporting Period, the Company's collection and transportation volume decreased compared to the same period last year, and market competition became increasingly fierce. The disposal price of harmless business decreased, and the discount rate of resource based business collection and transportation increased, resulting in a year-on-year decrease in gross profit margin and a decrease in the Company's net profit. |
| Net cash flow from operating activities (RMB)                       | -122,860,700.59 | -11,653,444.20  | 954.29%    | Mainly due to the decline in operating performance during the Reporting Period, the net cash flow generated from operating activities decreased.   |
| Net cash flow from investing activities (RMB)                       | -134,966,263.77 | -202,164,995.48 | -33.24%    | Mainly due to a decrease in project construction investment during the Reporting Period.   |
| Net cash flows from financing activities (RMB)                      | 416,013,114.89  | 318,038,173.31  | 30.81%     | Mainly due to a decrease in the amount of matured loans to be paid during the Reporting Period compared to the same period   |

## II. SHAREHOLDER INFORMATION

### (I) Table of the total number of shareholders of ordinary shares and number of shareholders of preference shares with voting rights restored and shareholding of top ten shareholders

| Total number of shareholders of ordinary shares at the end of the Reporting Period |                                       | 36,853   | Total number of shareholders of preference shares with voting rights restored at the end of the Reporting Period (if any) |  |                           | 0             |
|--|---------------------------------------|--|---|--|---------------------------|---------------|
| Shareholding of top 10 shareholders  |                                       |  |   |  |                           |               |
| Name of shareholders   | Nature of shareholder                 | Percentage of shareholding                           | Number of shares held (shares)  | Number of shares subject to lock-up held | Pledged, marked or frozen |               |
|  |                                       |  |   |  | Status of shares          | Number        |
| Guangdong Rising Holdings Group Co., Ltd. (廣東省廣晟控股集團有限公司)                          | State-owned legal person              | 22.86%   | 200,968,294   |  | Pledged                   | 81,817,116.00 |
| HKSCC NOMINEES LIMITED   | Overseas legal person                 | 22.76%   | 200,096,887   |  |                           |               |
| Jiangsu High Hope International Group Co., Ltd. (江蘇匯鴻國際集團股份有限公司)                   | State-owned legal person              | 5.70%  | 50,087,669  |  |                           |               |
| Jiangsu High Hope Venture Capital Co., Ltd. (江蘇匯鴻創業投資有限公司)                         | State-owned legal person              | 2.96%  | 25,995,038  |  |                           |               |
| Zhang Weiyang  | Domestic natural person               | 2.83%  | 24,844,903  |  |                           |               |
| Deng Youxian   | Domestic natural person               | 1.96%  | 17,244,640  |  |                           |               |
| Guangdong Tapai Group Co., Ltd (廣東塔牌集團股份有限公司)                                      | Domestic non-state owned legal person | 1.03%  | 9,040,036   |  |                           |               |
| Fan Chongjiao  | Domestic natural person               | 0.82%  | 7,239,093   |  |                           |               |
| Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)                         | Overseas legal person                 | 0.69%  | 6,044,890   |  |                           |               |
| Wang Jianfeng  | Domestic natural person               | 0.26%  | 2,250,000   |  |                           |               |
| Shareholding of top 10 shareholders not subject to lock-up                         |                                       |  |   |  |                           |               |
| Name of shareholders   |                                       | Number of shares not subject to lockup held (shares) | Class of shares   |  |                           |               |
|  |                                       |  | Class of shares   | Number (shares)                          |                           |               |
| Guangdong Rising Holdings Group Co., Ltd. (廣東省廣晟控股集團有限公司)                          |                                       | 200,968,294.00                                       | RMB ordinary shares   |  | 200,968,294               |               |

|  |   |                                |             |
|--|---|--------------------------------|-------------|
| HKSCC NOMINEES LIMITED   | 200,096,887.00  | Overseas listed foreign shares | 200,096,887 |
| Jiangsu High Hope International Group Co., Ltd.<br>(江蘇匯鴻國際集團股份有限公司)                    | 50,087,669.00   | RMB ordinary shares            | 50,087,669  |
| Jiangsu High Hope Venture Capital Co., Ltd.<br>(江蘇匯鴻創業投資有限公司)                          | 25,995,038.00   | RMB ordinary shares            | 25,995,038  |
| Zhang Weiyang  | 24,844,903.00   | RMB ordinary shares            | 24,844,903  |
| Deng Youxian   | 17,244,640.00   | RMB ordinary shares            | 17,244,640  |
| Guangdong Tapai Group Co., Ltd<br>(廣東塔牌集團股份有限公司)                                       | 9,040,036.00  | RMB ordinary shares            | 9,040,036   |
| Fan Chongjiao  | 7,239,093.00  | RMB ordinary shares            | 7,239,093   |
| Hong Kong Securities Clearing Company Limited<br>(香港中央結算有限公司)                          | 6,044,890.00  | RMB ordinary shares            | 6,044,890   |
| Wang Jianfeng  | 2,250,000.00  | RMB ordinary shares            | 2,250,000   |
| Details of the connections among, or concerted actions taken by the above shareholders | <p>1. Jiangsu High Hope Venture Capital Co., Ltd. is a wholly-owned subsidiary of Jiangsu High Hope International Group Co., Ltd., a shareholder of over 5% of the Company.</p> <p>2. Shares held by HKSCC NOMINEES LIMITED are the aggregate of H shares of the Company traded on the trading platform of HKSCC NOMINEES LIMITED on its behalf held by shareholders. The Company is not aware of any connections or concerted actions between the aforementioned shareholders.</p> |                                |             |
| Details of top ten shareholders participating in securities margin trading             | N/A   |                                |             |

**(II) Table showing total number of shareholders of preference shares of the Company and shareholding of top 10 shareholders of preference shares**

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**III. OTHER SIGNIFICANT EVENTS**

Applicable ✓ N/A

**IV. QUARTERLY FINANCIAL STATEMENTS**

**(I) FINANCIAL STATEMENTS**

**1. CONSOLIDATED BALANCE SHEET**

*Unit: RMB*

| Item                | Balance at the end of the period | Balance at the beginning of the year |
|---------------------|----------------------------------|--------------------------------------|
| Current assets:     |                                  |                                      |
| Monetary fund       | 778,614,548.14                   | 622,716,432.60                       |
| Settlement Deposits | 0.00                             | 0.00                                 |

|  |                  |                  |
|--|------------------|------------------|
| Placements with banks and other financial institutions | 0.00             | 0.00             |
| Held-for-trading financial assets                      | 0.00             | 0.00             |
| Derivative financial assets                            | 0.00             | 0.00             |
| Notes receivable                                       | 3,439,906.89     | 16,541,947.42    |
| Accounts receivable                                    | 964,173,070.58   | 1,118,529,140.66 |
| Receivables financing                                  | 73,863,643.39    | 24,420,525.44    |
| Prepayments  | 280,818,779.61   | 149,703,661.79   |
| Premium receivable                                     | 0.00             | 0.00             |
| Reinsurance accounts receivable                        | 0.00             | 0.00             |
| Provision for reinsurance contract receivable          | 0.00             | 0.00             |
| Other accounts receivable                              | 199,794,715.07   | 207,714,985.55   |
| Including: Interest receivable                         | 0.00             | 0.00             |
| Dividend receivable                                    | 0.00             | 0.00             |
| Purchase and resale of financial assets                | 0.00             | 0.00             |
| Inventories  | 757,373,693.26   | 649,715,145.40   |
| Contractual assets                                     | 54,018,765.86    | 50,105,393.03    |
| Assets held-for-sale                                   | 0.00             | 0.00             |
| Non-current asset due within one year                  | 40,359,253.25    | 43,111,546.82    |
| Other current assets                                   | 155,217,819.58   | 144,364,492.80   |
| Total current assets                                   | 3,307,674,195.63 | 3,026,923,271.51 |
| Non-current assets:                                    |                  |                  |
| Granted loans and advances                             | 0.00             | 0.00             |
| Debt investments                                       | 0.00             | 0.00             |
| Other debt investments                                 | 0.00             | 0.00             |
| Long-term accounts receivable                          | 0.00             | 0.00             |
| Long-term equity investment                            | 270,889,918.95   | 271,341,654.23   |
| Investment in other equity instruments                 | 4,242,896.51     | 4,242,896.51     |
| Other non-current financial assets                     | 0.00             | 0.00             |
| Investment properties                                  | 518,285,328.05   | 518,285,328.05   |
| Fixed assets   | 4,202,065,657.11 | 4,306,341,813.80 |
| Construction in progress                               | 1,164,663,651.64 | 1,086,114,237.40 |
| Productive biological assets                           | 0.00             | 0.00             |
| Oil and gas assets                                     | 0.00             | 0.00             |
| Right-of-use assets                                    | 13,643,513.37    | 3,496,322.14     |
| Intangible assets                                      | 1,228,903,459.39 | 1,238,774,553.32 |
| Development expenditure                                | 2,438,861.60     | 2,635,451.79     |

|   |                   |                   |
|---|-------------------|-------------------|
| Goodwill  | 985,053,444.89    | 985,053,444.89    |
| Long-term unamortized expenses  | 96,381,663.48     | 96,736,566.10     |
| Deferred income tax assets  | 25,772,241.53     | 25,887,272.81     |
| Other non-current assets  | 143,688,065.53    | 140,131,395.18    |
| Total non-current assets  | 8,656,028,702.05  | 8,679,040,936.22  |
| Total assets  | 11,963,702,897.68 | 11,705,964,207.73 |
| Current liabilities:  |                   |                   |
| Short-term borrowings   | 856,078,259.18    | 956,740,817.64    |
| Borrowings from central bank  | 0.00              | 0.00              |
| Loans from other banks  | 0.00              | 0.00              |
| Held-for-trading financial liabilities                                    | 0.00              | 0.00              |
| Derivative financial liabilities  | 0.00              | 0.00              |
| Notes payable   | 0.00              | 0.00              |
| Accounts payable  | 565,237,638.59    | 686,424,008.66    |
| Receipts in advance   | 1,613,961.25      | 1,451,742.01      |
| Contractual liabilities   | 273,495,985.77    | 142,285,139.51    |
| Proceeds from disposal of financial assets under agreements to repurchase | 0.00              | 0.00              |
| Receipt of deposits and deposits from other banks                         | 0.00              | 0.00              |
| Funds received as agent of stock exchange                                 | 0.00              | 0.00              |
| Funds received as stock underwriter                                       | 0.00              | 0.00              |
| Employee benefits payables  | 21,113,551.86     | 42,268,421.92     |
| Tax payable   | 26,432,940.52     | 39,733,694.75     |
| Other accounts payable  | 471,688,748.41    | 483,547,377.32    |
| Including: Interest payable   | 0.00              | 0.00              |
| Dividend payable  | 0.00              | 2,895,200.00      |
| Handling fees and commission payable                                      | 0.00              | 0.00              |
| Reinsurance accounts payable  | 0.00              | 0.00              |
| Liabilities held-for-sale   | 0.00              | 0.00              |
| Non-current liabilities due within one year                               | 631,675,944.42    | 576,774,003.86    |
| Other current liabilities   | 507,637,638.04    | 529,204,282.66    |
| Total current liabilities   | 3,354,974,668.04  | 3,458,429,488.33  |
| Non-current liabilities:  |                   |                   |
| Provision for insurance contracts   | 0.00              | 0.00              |
| Long-term borrowings  | 3,082,165,797.62  | 2,577,061,794.78  |
| Bonds payable   | 499,888,505.12    | 499,813,321.28    |
| Including: Preferred shares   | 0.00              | 0.00              |



|   |                   |                   |
|---|-------------------|-------------------|
| Perpetual bond  | 0.00              | 0.00              |
| Lease liabilities   | 8,446,924.19      | 1,961,065.63      |
| Long-term accounts payables                               | 0.00              | 0.00              |
| Long-term employee benefits payables                      | 0.00              | 0.00              |
| Estimated liabilities                                     | 176,430,040.24    | 173,009,985.39    |
| Deferred income   | 174,953,555.20    | 181,266,771.97    |
| Deferred income tax liabilities                           | 32,735,319.15     | 33,091,079.87     |
| Other non-current liabilities                             | 4,726,667.67      | 4,854,606.49      |
| Total non-current liabilities                             | 3,979,346,809.19  | 3,471,058,625.41  |
| Total liabilities   | 7,334,321,477.23  | 6,929,488,113.74  |
| Equity:   |                   |                   |
| Share capital   | 879,267,102.40    | 879,267,102.40    |
| Other equity instruments                                  | 0.00              | 0.00              |
| Including: Preferred shares                               | 0.00              | 0.00              |
| Perpetual bond  | 0.00              | 0.00              |
| Capital reserve   | 451,166,208.23    | 451,166,208.23    |
| Less: Treasury stock                                      | 0.00              | 0.00              |
| Other comprehensive income                                | 17,621,767.33     | 17,597,664.75     |
| Special reserves  | 1,982,369.23      | 1,359,822.41      |
| Surplus reserves  | 269,816,271.96    | 269,816,271.96    |
| Provision for normal risks                                | 0.00              | 0.00              |
| Undistributed profits                                     | 2,319,006,846.28  | 2,436,666,679.22  |
| Total equity attributable to owners of the parent company | 3,938,860,565.43  | 4,055,873,748.97  |
| Minority interests  | 690,520,855.02    | 720,602,345.02    |
| Total equity  | 4,629,381,420.45  | 4,776,476,093.99  |
| Total liabilities and equity                              | 11,963,702,897.68 | 11,705,964,207.73 |

## 2. CONSOLIDATED INCOME STATEMENT

Unit: RMB

| Item                                     | Amount for the current period | Amount for the previous period |
|--|-------------------------------|--------------------------------|
| I. Total operating revenue               | 828,715,785.69                | 963,644,836.52                 |
| Including: Operating revenue             | 828,715,785.69                | 963,644,836.52                 |
| Interest income                          | 0.00                          | 0.00                           |
| Premium income                           | 0.00                          | 0.00                           |
| Handling charges and commission income   | 0.00                          | 0.00                           |
| II. Total operating cost                 | 982,547,309.72                | 973,589,084.57                 |
| Including: Cost of operation             | 787,471,469.26                | 762,187,843.93                 |
| Interest expenses                        | 0.00                          | 0.00                           |
| Handling charges and commission expenses | 0.00                          | 0.00                           |
| Surrenders                               | 0.00                          | 0.00                           |
| Net claims expenses                      | 0.00                          | 0.00                           |
| Net                                      |                               |                                |

|   |               |               |
|---|---------------|---------------|
| Including: Investment revenue in associates and joint ventures          | -4,369,664.88 | -4,739,267.53 |
| Gain on derecognition of financial asset measured at the amortized cost |               |               |
| Exchange gain<br>(Loss represented in - signs)                          | 0.00          | 0.00          |
| Gain from net exposure hedges<br>(Loss represented in -                 |               |               |

|     |  |                 |               |
|-----|--|-----------------|---------------|
| 2.  | Net profit from discontinued operations<br>(Net loss represented in - signs)                       | 0.00            | 0.00          |
| (2) | Classified according to the ownership  |                 |               |
| 1.  | Net profit attributable to owners of the parent company  | -117,659,832.94 | 5,238,970.33  |
| 2.  | Profit and loss attributable to minority interests   | -29,965,090.07  | -7,788,011.91 |
| VI. | Other comprehensive income, net of tax   | 24,102.58       | 2,535.07      |
|     | Other comprehensive income attributable to owners of the parent company, net of tax                | 24,102.58       | 2,535.07      |
| (1) | Items cannot be reclassified to profit and loss  | 0.00            | 0.00          |
| 1.  | Changes arising from remeasurement of defined benefit plan   |                 |               |
| 2.  | Other comprehensive income that cannot be reclassified into profit or loss under the equity method |                 |               |
| 3.  | Changes in fair value of other equity instrument investments                                       |                 |               |
| 4.  | Change in fair value due to financial instrument credit risk                                       |                 |               |
| 5.  | Others   |                 |               |
| (2) | Items can be reclassified to profit and loss   | 24,102.58       | 2,535.07      |
| 1.  | Other comprehensive income that can be reclassified into profit or loss under the equity method    |                 |               |

|       |   |                 |               |
|-------|---|-----------------|---------------|
| 2.    | Changes in fair value of other debt investment                                |                 |               |
| 3.    | Amount of financial assets reclassified into other comprehensive income       |                 |               |
| 4.    | Credit impairment provisions for other debt investments                       |                 |               |
| 5.    | Reserves for cash flow hedge  |                 |               |
| 6.    | Exchange difference on translation of financial statement in foreign currency | 24,102.58       | 2,535.07      |
| 7.    | Others  | 0.00            | 0.00          |
|       | Other comprehensive income attributable to minority interests, net of tax     | 0.00            | 0.00          |
| VII.  | Total comprehensive income  | -147,600,820.43 | -2,546,506.51 |
|       | Attributable to owners of the parent company                                  | -117,635,730.36 | 5,241,505.40  |
|       | Attributable to minority interests  | -29,965,090.07  | -7,788,011.91 |
| VIII. | Earnings per share:   |                 |               |
| (1)   | Basic earnings per share  | -0.13           | 0.01          |
| (2)   | Diluted earnings per share  | -0.13           | 0.01          |

### 3. CONSOLIDATED CASH FLOW STATEMENT

Unit: RMB

| Item   | Amount for the current period | Amount for the previous period |
|--|-------------------------------|--------------------------------|
| I. Cash flows from operating activities:                               |                               |                                |
| Cash received from sales of goods and rendering of services            | 1,176,887,848.20              | 1,044,840,887.85               |
| Net increase in customer deposits and interbank deposits               | 0.00                          | 0.00                           |
| Net increase in borrowings from central bank                           | 0.00                          | 0.00                           |
| Net increase in placements from other financial institutions           | 0.00                          | 0.00                           |
| Cash received from original insurance contract premium                 | 0.00                          | 0.00                           |
| Net cash received from reinsurance business                            | 0.00                          | 0.00                           |
| Net increase in deposits and investments from policyholders            | 0.00                          | 0.00                           |
| Cash received from interest, handling charges and commission           | 0.00                          | 755,249.99                     |
| Net increase in placements from banks and other financial institutions | 0.00                          | 0.00                           |
| Net increase in cash from repurchase business                          | 0.00                          | 0.00                           |
| Net cash received from securities brokerage services                   | 0.00                          | 0.00                           |
| Refund of taxes and levies   | 15,401,217.10                 | 4,385,142.04                   |
| Other cash receipts relating to operating activities                   | 28,679,257.92                 | 3,370,980.82                   |
| Sub-total of cash inflows from   |                               |                                |

|   |                  |                  |
|---|------------------|------------------|
| Cash paid for compensation under original insurance contract                                  | 0.00             | 0.00             |
| Net increase in placements with banks and other financial institutions                        | 0.00             | 0.00             |
| Cash paid for interests, handling charges and commissions                                     | 0.00             | 0.00             |
| Cash paid for jifc sbif 1m dividend   | 0.00             | 0.00             |
| Cash paid to and on behalf of employees   | 169,943,427.77   | 188,927,695.70   |
| Payments of taxes and levies  | 60,735,552.92    | 39,485,758.77    |
| Other cash payments relating to operating activities  | 49,158,855.40    | 43,581,691.30    |
| Sub-total of cash outflows from operating activities  | 1,343,829,023.81 | 1,065,005,704.90 |
| Net cash flows from operating activities  | -122,860,700.59  | -11,653,444.20   |
| II. Cash flows from investing activities:   |                  |                  |
| Cash received from investments  | 0.00             | 0.00             |
| Cash received from returns on investments   | 0.00             | 0.00             |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 270,558.91       | 50,000.00        |
| Net cash received from disposal of subsidiaries and other operating units                     | 0.00             | 11,105,261.00    |
| Other cash receipts relating to investing activities  | 0.00             | 0.00             |
| Sub-total of cash inflows from investing activities   | 270,558.91       | 11,155,261.00    |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets               | 125,830,292.58   | 196,123,286.48   |
| Cash paid on investments  | 9,406,530.10     | 17,196,970.00    |
| Net increase in pledged loans   | 0.00             | 0.00             |
| Net cash paid on acquisition of subsidiaries and other operating unit                         | 0.00             | 0.00             |
| Other cash payments relating to investing activities  | 0.00             | 0.00             |

|  |                  |                  |
|--|------------------|------------------|
| Sub-total of cash outflows from investing activities   | 135,236,822.68   | 213,320,256.48   |
| Net cash flows from investing activities   | -134,966,263.77  | -202,164,995.48  |
| III. Cash flows from financing activities:   |                  |                  |
| Cash received from financing   | 0.00             | 0.00             |
| Including: Cash received by subsidiaries from investment from minority shareholders                        | 0.00             | 0.00             |
| Cash received from borrowings  | 1,167,224,353.10 | 1,454,681,501.84 |
| Cash received from other financing activities  | 0.00             | 0.00             |
| Sub-total of cash inflows from financing activities  | 1,167,224,353.10 | 1,454,681,501.84 |
| Cash payments for settlement of borrowings   | 715,792,831.60   | 1,101,321,092.00 |
| Cash payments for distribution of dividend, profit or interest expenses                                    | 33,957,099.56    | 35,322,236.53    |
| Including: Cash payments for distribution of dividends and profit by subsidiaries to minority shareholders | 0.00             | 0.00             |
| Other cash payments relating to financing activities   | 1,461,307.05     | 0.00             |
| Sub-total of cash outflows from financing activities   | 751,211,238.21   | 1,136,643,328.53 |
| Net cash flows from financing activities   | 416,013,114.89   | 318,038,173.31   |
| IV. Effect of foreign exchange rate changes on cash and cash equivalents                                   | 24,102.58        | 2,535.07         |
| V. Net increase in cash and cash equivalents   | 158,210,253.11   | 104,222,268.70   |
| Add: Balances of cash and cash equivalents at beginning of period  | 617,657,809.16   | 521,425,187.03   |
| VI. Balances of cash and cash equivalents at end of period   | 775,868,062.27   | 625,647,455.73   |



(II) **Audit Report**

Whether the first quarterly report is audited or not

S ~~m~~/ No

The first quarterly report of the Company is unaudited.

By order of the Board  
**Dongjiang Environmental Company Limited\***  
**Tan Kan**  
*Chairman*

Shenzhen, the PRC, 27 April 2023

*As at the date of this announcement, the Board of Directors of the Company comprises three executive Directors, being Mr. Tan Kan, Mr. Yu Zhongmin and Mr. Lin Peifeng; three non-executive Directors, being Mr. Tang Yi, Ms. Shan Xiaomin and Mr. Jin Yongfu; and three independent non-executive Directors, being Mr. Li Jinhui, Mr. Siu Chi Hung and Ms. Guo Suyi.*

\* *For identification purposes only*