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DONGJIANG ENVIRONMENTAL COMPANY LIMITED*

東江環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 00895)

INSIDE INFORMATION 2023 THIRD 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 third quarterly report of Dongjiang Environmental Company Limited* (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) were prepared in accordance with the China Accounting Standards for Business Enterprises and were unaudited. The reporting period is from 1 July 2023 to 30 September 2023 (the “**Reporting Period**”).

This report is prepared in Chinese and English. Should there be any discrepancies between the two versions, the Chinese version shall prevail.

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 Person in charge 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 information contained in this quarterly report.
3. Whether the third quarterly report is audited or not

Yes No

I. MAJOR FINANCIAL INFORMATION

(I) Major Accounting Information and Financial Indicators

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

Yes No

Unit: RMB

	The Reporting Period	Increase/decrease for the Reporting Period as compared with the corresponding period of last year	From the beginning of the year to the end of the Reporting Period	Increase or decrease from the beginning of the year to the end of the Reporting Period over the corresponding period of last year
Revenue from operations (RMB)	980,225,664.55	20.29%	2,986,709,917.86	4.86%
Net profit attributable to shareholders of the listed company (RMB)	-158,002,912.38	-42.79%	-356,923,762.11	-295.50%
Net profit attributable to shareholders of the listed company after deduction of extraordinary gains or losses (RMB)	-165,972,573.52	-37.69%	-377,145,853.03	-201.62%
Net cash flow from operating activities (RMB)	—	—	-173,554,471.18	-194.21%
Basic earnings per share (RMB/share)	-0.14	-7.69%	-0.32	-220.00%
Diluted earnings per share (RMB/share)	-0.14	-7.69%	-0.32	-220.00%
Weighted average rate of return on net assets	-3.18%	-0.75%	-7.97%	-5.99%
	As at the end of the Reporting Period	As at the end of the last year	Increase/decrease as at the end of the Reporting Period as compared with that at the end of last year	
Total assets (RMB)	12,231,906,264.73	11,738,378,872.19	4.20%	
Total owners' equity attributable to shareholders of the listed company (RMB)	4,896,749,516.50	4,058,594,516.26	20.65%	

(II) Extraordinary Gain or Loss Items and Amount

Applicable Not Applicable

Unit: RMB

Item	Amount for the Reporting Period	From the beginning of the year to the end of the Reporting Period	Explanation
Gains or losses on disposal of non-current assets (including the written-off portion of provisions for asset impairment)	-104,585.30	155,106.37	
Government grants included in profit or loss for the current period (excluding government grant closely related to the Company's normal operation, and entitled in fixed amounts or quantities on a continuous basis according to national standards)	10,582,349.86	28,984,823.14	
Gains and losses from change in the fair value of the held-for-trading financial assets and held-for-trading financial liabilities held by the Company and investment income from disposal of held-for-trading financial assets, held-for-trading financial liabilities and available-for-sale financial assets other than the valid hedging services related to the normal operating activities of the Company	1,459,369.87	1,459,369.87	
Other non-operating income and expenses apart from those stated above	709,679.54	266,542.58	
Less: Effect on income tax	2,675,892.82	6,183,306.18	
Effect on minority interests (after tax)	2,001,260.01	4,460,444.86	
Total	7,969,661.14	20,222,090.92	--

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

Applicable Not Applicable

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

Particulars of items of extraordinary gains or losses illustrated in "Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No. 1 – Extraordinary Gains or Losses" that are defined as items of recurring gains or losses

Applicable Not Applicable

There were no items of extraordinary gains or losses illustrated in "Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No. 1 – Extraordinary Gains or Losses" that are defined as items of recurring gains or losses.

(III) Changes in Key Accounting Information and Financial Indicators and Reasons

✓ Applicable □ Not Applicable

Unit: RMB

Item	As at the end of the Reporting Period	Balance at the beginning of the period/the corresponding period of last year	Change	Reasons for changes
Receivables financing	73,986,189.87	24,420,525.44	202.97%	Mainly due to an increase in bank acceptance bills received by the Company during the Reporting Period.
Right-of-use assets	10,958,018.61	3,496,322.14	213.42%	Mainly due to the new leasing of subsidiaries during the Reporting Period.
Development expenditure	4,421,544.07	2,635,451.79	67.77%	Mainly due to the new R & D investment in this year, and the original R & D projects have not reached the stage of forming intangible assets.
Receipts in advance	827,411.35	1,451,742.01	-43.01%	The amount is relatively small and there is no significant abnormality.
Employee benefits payables	11,172,873.22	42,268,421.92	-73.57%	Mainly due to the payment of last year's performance bonus during the Reporting Period.
Tax payable	20,188,611.47	39,733,694.75	-49.19%	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.
Other accounts payable	137,569,232.77	483,547,377.32	-71.55%	Repayment of the loan in the current period is RMB 347 million.
Non-current liabilities due within one year	823,476,204.34	576,774,003.86	42.77%	Mainly due to the increase in long-term borrowings due within one year and bonds payable due within one year.
Other current liabilities	13,720,316.76	529,204,282.66	-97.41%	Repayment of super short-term financing bonds during the Reporting Period.
Long-term borrowings	3,471,431,036.43	2,577,061,794.78	34.70%	Increase in long-term borrowings in response to business needs.
Bonds payable	0.00	499,813,321.28	-100.00%	Reclassified to non-current liabilities due within one year.

Lease liabilities	6,311,808.42	1,961,065.63	221.86%	Mainly due to the new leasing of subsidiaries during the Reporting Period.
Estimated liabilities	241,014,705.81	173,009,985.39	39.31%	Mainly due to the increase in provision for retirement fees of landfills as a result of the transfer of landfills of subsidiaries to fixed assets during the Reporting Period.
Capital reserve	1,419,485,785.32	451,166,208.23	214.63%	Mainly due to the receipt of financing funds from the non-public offering during the Reporting Period, and the part exceeding the par value was included in the capital reserve.
Special reserves	2,162,425.94	1,359,822.41	59.02%	No major anomalies.
Gain from investment	-2,528,450.48	6,434,489.30	-139.30%	Mainly due to the decrease in net profit of joint ventures during the Reporting Period.
Credit impairment loss	-9,514,251.51	-5,593,130.54	70.11%	Mainly due to the increase in receivables as at the end of the Reporting Period as compared with the end of the corresponding period of last year.
Non-operating income	2,943,368.64	15,483,820.47	-80.99%	Mainly due to the large amount of compensation and the amount from winning lawsuit received last year.
Income tax	-1,489,420.28	11,966,279.26	-112.45%	Mainly due to the loss of the enterprise, the small amount of taxable income, and the receipt of the tax refund for the final settlement of last year, resulting in a negative income tax.
Net profit attributable to shareholders of the listed company	-356,923,762.11	-90,247,031.86	295.50%	With the increasingly fierce market competition, the disposal price of the Company's harmless treatment business has declined, the discount rate of the recycling business has increased, and the gross profit margin has decreased year on year, resulting in a decline in the Company's net profit.
Net cash flow from operating activities	-173,554,471.18	184,219,857.17	-194.21%	Mainly due to the decrease in net cash flow from operating activities as a result of the decline in operating results during the Reporting Period.
Net cash flow from investing activities	-675,154,048.93	-468,868,199.38	44.00%	Mainly due to the increase in structural deposits during the Reporting 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

Unit: Shares

Total number of shareholders of ordinary shares at the end of the Reporting Period		34,796	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	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	24.09%	266,279,028	65,310,734	Pledged	22,177,503
HKSCC NOMINEES LIMITED	Overseas legal person	18.10%	200,096,887			
Baowu Group Environmental Resources Technology Co., Ltd.* (寶武集團環境資源科技有限公司)	State-owned legal person	7.84%	86,629,001	86,629,001		
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	4.53%	50,087,669			
Shanghai Baogang New Construction Materials Technology Co., Ltd.* (上海寶鋼新型建材科技有限公司)	State-owned legal person	3.41%	37,664,783	37,664,783		
Zhang Weiyang	Domestic natural person	2.24%	24,744,903			
Jiangsu High Hope Venture Capital Co., Ltd. (江蘇匯鴻創業投資有限公司)	State-owned legal person	2.13%	23,596,438			
Deng Youxian	Domestic natural person	1.56%	17,244,640			
Jinan Hanxiang Investment Management Partnership(L.P.)*	Domestic non-state-owned legal person	1.19%	13,182,674	13,182,674		

(濟南瀚祥投資管理合夥企業(有限合夥))						
Fan Chongjiao	Domestic natural person	0.65%	7,239,093			
Shareholding of top 10 shareholders not subject to lock-up						
Name of shareholders	Number of shares not subject to lockup held	Class of shares and number				
		Class of shares	Number			
Guangdong Rising Holdings Group Co., Ltd. (廣東省廣晟控股集團有限公司)	200,968,294	RMB ordinary shares	200,968,294			
HKSCC NOMINEES LIMITED	200,096,887	Overseas listed foreign shares	200,096,887			
Jiangsu High Hope International Group Co., Ltd. (江蘇匯鴻國際集團股份有限公司)	50,087,669	RMB ordinary shares	50,087,669			
Zhang Weiyang	24,744,903	RMB ordinary shares	24,744,903			
Jiangsu High Hope Venture Capital Co., Ltd. (江蘇匯鴻創業投資有限公司)	23,596,438	RMB ordinary shares	23,596,438			
Deng Youxian	17,244,640	RMB ordinary shares	17,244,640			
Fan Chongjiao	7,239,093	RMB ordinary shares	7,239,093			
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	6,896,001	RMB ordinary shares	6,896,001			
Industrial and Commercial Bank of China Limited-Xingquan Convertible Bond Mixed Securities Investment Fund	3,701,797	RMB ordinary shares	3,701,797			
Wang Jianfeng	2,250,000	RMB ordinary shares	2,250,000			
Details of the connections among, or concerted actions taken by the above shareholders	<p>1. Shanghai Baogang New Construction Materials Technology Co., Ltd. is a wholly-owned subsidiary of Baowu Group Environmental Resources Technology Co., Ltd., a shareholder of over 5% of the Company.</p> <p>2. 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>3. 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' participation in margin financing and securities lending business	Jiangsu High Hope Venture Capital Co., Ltd. engaged in refinancing securities lending business, and lent 1,228,900 A shares as at the end of the Reporting Period.
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(II) Table showing total number of shareholders of preference shares of the Company and shareholding of top 10 shareholders of preference shares

Applicable Not Applicable

III. OTHER SIGNIFICANT EVENTS

Applicable Not Applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) FINANCIAL STATEMENTS

1. Consolidated Balance Sheet

Unit: RMB

Item	30 September 2023	1 January 2023
Current assets:		
Monetary fund	703,530,254.02	622,716,432.60
Provision of settlement fund	0.00	0.00
Placements with banks and other financial institutions	0.00	0.00
Held-for-trading financial assets	350,742,054.80	0.00
Derivative financial assets	0.00	0.00
Notes receivable	11,277,514.54	16,541,947.42
Accounts receivable	1,078,852,413.28	1,118,529,140.66
Receivables financing	73,986,189.87	24,420,525.44
Prepayments	147,460,717.60	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	181,153,144.73	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	807,265,807.39	649,715,145.40
Contractual assets	48,265,303.72	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	101,890,085.74	144,364,492.80
Total current assets	3,544,782,738.94	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	264,153,818.28	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	4,140,114,031.48	4,306,341,813.80
Construction in progress	1,249,115,315.93	1,086,114,237.40
Productive biological assets	0.00	0.00
Oil and gas assets	0.00	0.00
Right-of-use assets	10,958,018.61	3,496,322.14
Intangible assets	1,200,249,145.07	1,238,774,553.32
Development expenditure	4,421,544.07	2,635,451.79
Goodwill	985,053,444.89	985,053,444.89
Long-term unamortized expenses	107,094,055.34	96,736,566.10
Deferred income tax assets	67,294,365.40	58,301,937.27
Other non-current assets	136,141,562.16	140,131,395.18
Total non-current assets	8,687,123,525.79	8,711,455,600.68
Total assets	12,231,906,264.73	11,738,378,872.19
Current liabilities:		
Short-term borrowings	1,042,394,665.97	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	545,127,746.85	686,424,008.66
Receipts in advance	827,411.35	1,451,742.01
Contractual liabilities	153,735,581.84	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	11,172,873.22	42,268,421.92
Tax payable	20,188,611.47	39,733,694.75
Other accounts payable	137,569,232.77	483,547,377.32
Including: Interest payable	0.00	0.00
Dividend payable	2,208,000.00	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	823,476,204.34	576,774,003.86
Other current liabilities	13,720,316.76	529,204,282.66
Total current liabilities	2,748,212,644.57	3,458,429,488.33
Non-current liabilities:		
Provision for insurance contracts	0.00	0.00
Long-term borrowings	3,471,431,036.43	2,577,061,794.78
Bonds payable	0.00	499,813,321.28
Including: Preferred shares	0.00	0.00
Perpetual bond	0.00	0.00
Lease liabilities	6,311,808.42	1,961,065.63
Long-term accounts payables	0.00	0.00
Long-term employee benefits payables	0.00	0.00
Estimated liabilities	241,014,705.81	173,009,985.39
Deferred income	166,567,701.95	181,266,771.97
Deferred income tax liabilities	69,884,374.67	62,553,946.55
Other non-current liabilities	4,681,757.08	4,854,606.49
Total non-current liabilities	3,959,891,384.36	3,500,521,492.09
Total liabilities	6,708,104,028.93	6,958,950,980.42
Owners' equity:		
Share capital	1,105,255,802.40	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	1,419,485,785.32	451,166,208.23
Less: Treasury stock	0.00	0.00
Other comprehensive income	17,565,546.48	17,597,664.75
Special reserves	2,162,425.94	1,359,822.41
Surplus reserves	269,816,271.96	269,816,271.96
Provision for normal risks	0.00	0.00
Undistributed profits	2,082,463,684.40	2,439,387,446.51
Total equity attributable to owners of the parent company	4,896,749,516.50	4,058,594,516.26
Minority interests	627,052,719.30	720,833,375.51
Total owners' equity	5,523,802,235.80	4,779,427,891.77
Total liabilities and owners' equity	12,231,906,264.73	11,738,378,872.19

2. Consolidated Income Statement from the beginning of the year to the end of the Reporting Period

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Total operating revenue	2,986,709,917.86	2,848,333,653.36
Including: Operating revenue	2,986,709,917.86	2,848,333,653.36
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	3,459,393,042.81	3,017,023,540.43
Including: Cost of operation	2,826,422,729.00	2,368,313,667.09
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 provisions for insurance contracts reserve	0.00	0.00
Insurance policy dividend paid	0.00	0.00
Reinsurance costs	0.00	0.00
Tax and levies	33,727,324.14	31,856,437.31
Selling expenses	61,413,177.25	76,391,731.12
Administrative expenses	303,578,281.47	306,198,526.40
Research and development expenses	115,231,171.72	114,638,442.49
Finance costs	119,020,359.23	119,624,736.02
Including: Interest expense	129,922,915.05	126,189,965.20
Interest income	10,989,348.75	6,444,958.47
Add: Other gains	34,938,630.09	46,174,503.46
Gain from investment (Loss represented in “-” signs)	-2,528,450.48	6,434,489.30

Including: Investment revenue in associates and joint ventures	-3,605,765.55	-680,518.29
Gain on derecognition of financial asset measured at the amortized cost		
Exchange gain (Loss represented in “-” signs)	0.00	0.00
Gain from net exposure hedges (Loss represented in “-” signs)	0.00	0.00
Gain on fair value changes (Loss represented in “-” signs)	742,054.80	0.00
Credit impairment loss (Loss represented in “-” signs)	-9,514,251.51	-5,593,130.54
Asset impairment loss (Loss represented in “-” signs)	650.00	-8,817,178.07
Gain on disposal of assets (Loss represented in “-” signs)	502,493.36	449,651.43
III. Operating profit (Loss represented in “-” signs)	-448,541,998.69	-130,041,551.49
Add: Non-operating income	2,943,368.64	15,483,820.47
Less: Non-operating expenses	2,152,531.59	3,245,423.97
IV. Total profit (Total loss represented in “-” signs)	-447,751,161.64	-117,803,154.99
Less: Income tax expenses	-1,489,420.28	11,966,279.26
V. Net profit (Net loss represented in “-” signs)	-446,261,741.36	-129,769,434.25
(1) Classified on a going concern basis		
1. Net profit from continuing operations (Net loss represented in “-” signs)	-446,261,741.36	-129,769,434.25
2. Net profit from discontinued operations		
(2) Classified according to the ownership		
1. Net profit attributable to shareholders of the parent company (Net loss represented in “-” signs)	-356,923,762.11	-90,247,031.86

2.	Profit and loss attributable to minority interests (Net loss represented in “-” signs)	-89,337,979.25	-39,522,402.39
VI.	Other comprehensive income, net of tax	-32,118.27	-18,703.37
	Other comprehensive income attributable to owners of the parent company, net of tax	-32,118.27	-18,703.37
(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 enterprise’s own credit risk		
5.	Others		
(2)	Items can be reclassified to profit and loss	-32,118.27	-18,703.37
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	-32,118.27	-18,703.37
7.	Others	0.00	0.00
	Other comprehensive income attributable to minority interests, net of tax	0.00	0.00
VII.	Total comprehensive income	-446,293,859.63	-129,788,137.62
(1)	Attributable to owners of the parent company	-356,955,880.38	-90,265,735.23
(2)	Attributable to minority interests	-89,337,979.25	-39,522,402.39
VIII.	Earnings per share:		
(1)	Basic earnings per share	-0.32	-0.10
(2)	Diluted earnings per share	-0.32	-0.10

3. Consolidated Cash Flow Statement from the beginning of the year to the end of the Reporting Period

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	3,342,730,269.71	3,139,859,977.64
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	1,758,333.27
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	130,331,666.14	127,684,279.08
Other cash receipts relating to operating activities	55,779,266.51	48,330,484.57
Sub-total of cash inflows from operating activities	3,528,841,202.36	3,317,633,074.56
Cash paid for goods and services	2,948,664,768.49	2,388,529,980.37
Net increase in customer loans and advances	0.00	-39,582,200.00
Net increase in deposits with central bank and other banks	0.00	0.00

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 policyholders' dividend	0.00	0.00
Cash paid to and on behalf of employees	513,354,375.60	554,351,193.16
Payments of taxes and levies	118,709,449.82	112,018,463.11
Other cash payments relating to operating activities	121,667,079.63	118,095,780.75
Sub-total of cash outflows from operating activities	3,702,395,673.54	3,133,413,217.39
Net cash flows from operating activities	-173,554,471.18	184,219,857.17
II. Cash flows from investing activities:		
Cash received from investments	260,394,000.00	0.00
Cash received from returns on investments	8,217,315.07	0.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	515,289.00	5,341,510.01
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	269,126,604.07	16,446,771.01
Cash paid to acquire fixed assets, intangible assets and other long-term assets	321,997,872.73	444,128,897.89
Cash paid on investments	622,282,780.27	24,515,104.00
Net increase in pledged loans	0.00	0.00
Net cash paid on acquisition of subsidiaries and other operating unit	0.00	16,670,968.50
Other cash payments relating to investing activities	0.00	0.00

Sub-total of cash outflows from investing activities	944,280,653.00	485,314,970.39
Net cash flows from investing activities	-675,154,048.93	-468,868,199.38
III. Cash flows from financing activities:		
Cash received from financing	1,196,226,412.10	0.00
Including: Cash received by subsidiaries from investment from minority shareholders	0.00	0.00
Cash received from borrowings	3,243,944,187.42	3,293,352,692.08
Cash received from other financing activities	0.00	0.00
Sub-total of cash inflows from financing activities	4,440,170,599.52	3,293,352,692.08
Cash payments for settlement of borrowings	3,311,967,345.87	2,285,768,927.81
Cash payments for distribution of dividend, profit or interest expenses	193,060,133.52	226,713,345.67
Including: Cash payments for distribution of dividends and profit by subsidiaries to minority shareholders	3,871,831.00	41,600,000.00
Other cash payments relating to financing activities	4,179,801.00	0.00
Sub-total of cash outflows from financing activities	3,509,207,280.39	2,512,482,273.48
Net cash flows from financing activities	930,963,319.13	780,870,418.60
IV. Effect of foreign exchange rate changes on cash and cash equivalents	24,102.58	-7,810.92
V. Net increase in cash and cash equivalents	82,278,901.60	496,214,265.47
Add: Balances of cash and cash equivalents at beginning of period	617,856,312.92	521,425,187.03
VI. Balances of cash and cash equivalents at end of period	700,135,214.52	1,017,639,452.50

(II) Initial implementation of new accounting standards to adjust the related items in the financial statements at the beginning of the year from 2023 onward

Applicable Not Applicable

The Interpretation of Accounting Standards for Business Enterprises No.16 was issued by the Ministry of Finance in November 2022, and the Company has implemented the above provisions since 1 January 2023. The specific impact is as follows:

Unit: RMB

Item	31 December 2022	1 January 2023	Adjust the amount
Deferred income tax assets	25,887,272.81	58,301,937.27	32,414,664.46
Deferred income tax liabilities	33,091,079.87	62,553,946.55	29,462,866.68
Undistributed profits	2,436,666,679.22	2,439,387,446.51	2,720,767.29
Minority interests	720,602,345.02	720,833,375.51	231,030.49

(III) Audit Report

Whether the third quarterly report is audited or not

Yes No

The third quarterly report of the Company is unaudited.

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

Shenzhen, the PRC
27 October 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*