

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的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本公告全部或任何部份內容而產生或因倚賴該等內容而引致的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)

海外監管公告

本海外監管公告乃根據香港聯合交易所有限公司證券上市規則第13.10B條而刊發。

請參閱隨附的中國光大水務有限公司(「本公司」)已於今日在北京金融資產交易所、上海清算所及中國外匯交易中心暨全國銀行間同業拆借中心之網站刊發之文件。

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，二零二四年四月三十日

於本公告日期，本公司董事會成員包括：(i)一名非執行董事－樂祖盛先生(董事長)；(ii)兩名執行董事－陶俊杰先生(總裁)及王悅興先生；以及(iii)四名獨立非執行董事－翟海濤先生、郝剛女士、黃裕喜先生及蘇國良先生。



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中国光大水务有限公司

2023 年年度报告

中国光大水务有限公司(公章)



2024 年 4 月 30 日

重要提示

公司承诺将及时、公平地履行信息披露义务，企业及其全体董事、高级管理人员或履行同等职责的人员保证定期报告信息披露的真实、准确、完整，不存在虚假记载、误导性陈述或重大遗漏。

全体董事、高级管理人员已按照《公司信用类债券信息披露管理办法》及银行间市场相关自律管理要求履行了相关内部程序。

风险提示

投资者在评价和购买公司各期债券时，应认真考虑各项可能对各期债券的偿付、债券价值判断和投资者权益保护产生重大不利影响的风险因素，并仔细阅读募集说明书中有关章节内容。

1、政策变动风险

本公司面对中国污水处理、流域生态修复、海绵城市建设、中水回用、供水、污水源热泵、潜在新业务投资项目及政府和 PPP 机制的法规及政策变动风险。若立法、监管或行业规定出现任何变动，可能导致本公司若干项目或相关技术过时或本公司的运营、新业务投资于法律监管、经济上不可行，进而可能对本公司的经营业绩及发展前景造成不利影响。为维持本公司在环保水务行业的领先地位，本公司需要持续关注中国政府环保政策及 PPP 机制走向，研究市场与新业态模式变化，及时顺应环保政策的变化而调整本公司发展路线，以确保本公司持续稳定发展经营目标的实现。

回顾年度内，本公司积极响应中国政府政策号召，已成立若干专项团队持续就减污降碳与资源化循环利用、农业面源污染治理与新农村建设、新业务投资等有关课题进行研究，持续关注“双碳”相关法律政策，加快 PPP 机制法律研究，密切关注监管条例与市场变化。目前管控措施整体有效，本项风险等级维持不变。

2、新业务投资与市场竞争风险

传统水务项目面临激烈市场竞争，本公司需要拓展新业务投资。大量资本和竞争对手进入本公司所在的环保水务行业，如本公司未来不能有效分析、预估市场趋势和行业发展情况，或未能就自身优势特点对现有资源进行有效整合，或未能发掘新业务投资并实现合理预期收益，则会导致本公司投资收益不理想或者竞争优势不明显。

回顾年度内，本公司加大新业务的研究与拓展力度，新增农业面源污染治理与新农村建设，以及环境、社会及管治与工业园区等柔性小组，积极研究重点工业产业领域、农业面源污染防治领域、“双碳”和中国重点流域生态保护治理等政策文件，探寻水务行业和本公司业务发展的新机遇。本公司亦持续关注合适的并购机会、境外环保水务项目等。目前管控措施整体有效，但考虑到中国环保水务行业竞争态势、新业务投资需要较长时间的调研和审慎的商业论证，本项风险维持不变。

3、应收账款风险

受限于业务模式，本公司的业务、财务状况、经营业绩及前景受本公司环保水务项目客户收入、客户信用情况影响较大。若客户财政紧张而造成其支付服务费用的能力下降，或者客户较合同约定的时点延后支付服务费用，将对本公司的资金管理和利润造成影响。本公司主要客户为各环保水务

项目所在地的中国地方政府。回顾年度内，因国际贸易摩擦等原因，中国经济仍处于恢复发展阶段。本公司面临的应收账款风险等级较高。

回顾年度内，本公司高度重视应收账款的催收工作，定期对应收账款情况进行分析、制定工作计划与回款方案，将应收账款回收纳入考核，积极与各地方政府沟通水费清欠事宜。目前管控措施整体有效，但经济复苏、中国地方政府财政收支状况好转需要时间，本项风险等级维持不变。

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释 义

在本报告中，除非文中另有所指，下列词语具有如下含义：

发行人/公司	指	中国光大水务有限公司
光大集团	指	中国光大集团股份公司
光大环境	指	中国光大环境（集团）有限公司
报告期内	指	2023年1月1日至2023年12月31日
报告期末	指	2023年12月31日

第一章 企业及中介机构主要情况

一、企业基本情况

(一) 公司基本情况

中文名称	中国光大水务有限公司
中文简称	光大水务
外文名称	China Everbright Water Limited
外文缩写	Everbright Water
董事长	栾祖盛 ¹
注册资本（万元）	1,000,000.00 ²
实缴资本（万元）	286,087.6723
注册地址	境外 Clarendon House, 2 Church Street Hamilton HM11, Bermuda
办公地址	广东省深圳市福田区深南大道1003号东方新天地广场A座26楼
邮政编码	518000
公司网址	www.ebwater.com
电子信箱	info@ebwater.com

(二) 债务融资工具信息披露事务负责人的基本信息

姓名	关詠蔚
职位	法律顾问兼联席公司秘书
联系地址	新加坡百德里路9号MYP中心#20-02室 邮编：049910
电话	(65)62217666
传真	(65)62257666
电子信箱	kwanyf@ebwater.com

(三) 报告期内本公司控股股东、实际控制人变更及变更情况

报告期末控股股东姓名/名称： 光大环境

报告期末实际控制人姓名/名称： 光大集团

报告期内控股股东、实际控制人信息变更/变化： 无

¹ 于2024年3月18日获委任

² 注册资本及实缴资本币种均为港币

（四）报告期内董事、监事、高级管理人员或履行同等职责人员的变更及变更情况

报告期内，董事、监事、高级管理人员或履行同等职责人员未发生变更。

截至本报告出具日，公司董事、监事、高级管理人员或履行同等职责人员变更情况如下：

姓名	担任的职务	变动情形	变动生效日期
栾祖盛	非执行董事兼董事长、战略委员会主席和提名委员会成员	委任	2024年3月18日
胡延国	执行董事兼董事长、战略委员会主席和提名委员会成员	离任	2024年3月18日
罗俊岭	执行董事兼首席财务官、战略委员会成员	离任	2024年3月18日
王悦兴	执行董事、战略委员会成员	委任	2024年3月18日
黄裕喜	独立非执行董事	委任	2024年3月18日
苏国良	独立非执行董事	委任	2024年3月18日
宋丽斌	首席财务官	委任	2024年3月18日
林御能	独立非执行董事、审计委员会主席、薪酬委员会成员及提名委员会成员	退任	2024年4月26日
郑凤仪	独立非执行董事、薪酬委员会主席及审计委员会成员	退任	2024年4月26日

（五）报告期内本公司与控股股东、实际控制人在资产、人员、机构、财务、业务经营等方面是否相互独立

是 否

（六）报告期内本公司控股股东是否存在占用企业非经营性资金用的情况

是 否

(七) 报告期内本公司是否有违反法律法规、公司章程、信息披露事务管理制度规定以及发行文件约定或承诺的情况

是 否

(八) 报告期内本公司业务范围、主营业务情况、业务发展目标、行业状况、行业地位及面临的主要竞争状况发生的重大变化情况

适用 不适用

(九) 报告期末本公司除债券外其他有息债务的逾期情况

适用 不适用

二、对应债务融资工具相关中介机构情况

(一) 会计师事务所

会计师事务所名称	安永会计师事务所
办公地址	新加坡莱佛士码头1号北座18楼
签字会计师	陈碧嫻

(二) 主承销商³

债券简称	主承销商名称	办公地址	联系人	联系电话
22 光大水务 MTN001	中国银行 股份有限公司	北京市复兴门内大街 1 号	刘新铨	010-66595079
	国信证券 股份有限公司	深圳市罗湖区红岭中路 1012 号国信证券大厦十六层至二 十六层	薛跃	010-88005037
22 光大水务 MTN002	光大证券 股份有限公司	上海市静安区南京西路 1266 号 1 期 51 层	王一聪、 顾艺璐	021-52523176
	中信银行 股份有限公司	北京市朝阳区光华路 10 号院 1 号楼	宋妤	010-66635905
23 光大水务 MTN001	光大证券 股份有限公司	上海市静安区南京西路 1266 号 1 期 51 层	王一聪、 顾艺璐	021-52523176
	上海浦东发展银 行股份有限公司	上海市浦东新区白莲泾路 29 号浦发银行大厦	林杰	021-31886388
23 光大水务 MTN002	光大证券 股份有限公司	上海市静安区南京西路 1266 号 1 期 51 层	王一聪、 顾艺璐	021-52523176
23 光大水务 MTN003	光大证券 股份有限公司	上海市静安区南京西路 1266 号 1 期 51 层	王一聪、 顾艺璐	021-52523176
	中国邮政储蓄银 行股份有限公司	北京市西城区金融大街 3 号	王天一、 陈思婷	010-68857495、 0755-88891152
24 光大水务 MTN001	光大证券 股份有限公司	上海市静安区南京西路 1266 号 1 期 51 层	王一聪、 顾艺璐	021-52523176
	中国银行股份有 限公司	中国北京市西城区复兴门内 大街 1 号	张舜	010-66595482
	上海浦东发展银 行股份有限公司	上海市浦东新区白莲泾路 29 号浦发银行大厦	杨声伟	021-31886478
	中国邮政储蓄银 行股份有限公司	北京市西城区金融大街 3 号	郝子龙、 陈思婷	010-68858100、 0755-88891152
	兴业银行股份有 限公司	北京市朝阳区朝阳门北大街 20 号兴业银行大厦 15 层	张昊	010-89926615
	浙商银行股份有 限公司	浙江省杭州市萧山区鸿宁路 1788 号	蔡樱妮	0755-23888727

³根据《银行间债券市场非金融企业债务融资工具存续期信息披露表格体系（2021 版）》，本次报告需披露报告批准报出日前存续的所有融资工具的存续情况，下同。

(三) 存续期管理机构

主承销商名称	办公地址	联系人	联系电话
中国银行股份有限公司	北京市复兴门内大街1号	荀雅梅	010-66592749
光大证券股份有限公司	上海市静安区南京西路1266号1期51层	王一聪、顾艺珺	021-52523176

(四) 进行跟踪评级的评级机构

评级机构名称	办公地址	联系人	联系电话
上海新世纪资信评估投资服务有限公司	中国上海市黄浦区汉口路398号华盛大厦14楼	楼雯仪	021-63501349

第二章 债务融资工具存续情况

一、存续债务融资工具信息

(一) 存续债务融资工具情况

存续债务融资工具信息

单位：人民币亿元、%

序号	债券名称	债券简称	债券代码	发行日	起息日	到期日	债券余额	利率	付息兑付方式	交易场所	主承销商	存续期管理机构	受托管理人(如有)
1	中国光大水务有限公司 2022 年度 第一期中期票据	22 光大水务 MTN001	102280813. IB	2022-04-14	2022-04-18	2025-04-18	10	3.10	每年付息一次，到期一次还本	银行间债券市场	中国银行股份有限公司、国信证券股份有限公司	中国银行股份有限公司	无
2	中国光大水务有限公司 2022 年度 第二期中期票据	22 光大水务 MTN002	102281244. IB	2022-06-09	2022-06-13	2025-06-13（若发行人不行使赎回选择权，则本期中期票据将继续存续）	7	3.30	每年付息一次，发行人有权选择在本期中期票据每个票面利率重置日按面值加应付利息（包括所有递延支付的利息及其孳息）	银行间债券市场	光大证券股份有限公司、中信银行股份有限公司	光大证券股份有限公司	无

									(如有)) 赎回本期中期票据。若发行人不行使赎回选择权, 则本期中期票据将继续存续。				
3	中国光大水务有限公司 2023 年度 第一期中期票据	23 光大水务 MTN001	102380899. IB	2023-04-13	2023-04-17	2028-04-17 (附第 3 个计息年末发行人利率调整选择权和投资人回售选择权, 下一行权日为 2026-04-17)	10	3.20	每年付息一次, 到期一次还本(若投资者行使回售选择权, 则其回售部分本期中期票据本金的兑付日为 2026 年 4 月 17 日, 未回售部分债券的本金兑付日为 2028 年 4 月 17 日。)	银行间债券市场	光大证券股份有限公司、上海浦东发展银行股份有限公司	光大证券股份有限公司	无
4	中国光大水务有限公司 2023 年度 第二期中期票据	23 光大水务 MTN002	102381697. IB	2023-07-13	2023-07-17	2028-07-17 (附第 3 个计息年末发行人利率调整选择权和投资人回售选择权, 下一行权日为 2026-07-17)	15	2.97	每年付息一次, 到期一次还本(若投资者行使回售选择权, 则其回售部分本期中期票据本金的兑付日为 2026 年 7 月 17 日, 未回售部分债券的本金兑付日为 2028 年 7 月 17 日。)	银行间债券市场	光大证券股份有限公司	光大证券股份有限公司	无
5	中国光大水务有限公司 2023 年度 第三期中期票据	23 光大水务 MTN003	102382170. IB	2023-08-21	2023-08-23	2028-08-23 (附第 3 个计息年末发行人利	10	2.82	每年付息一次, 到期一次还本(若投资者行使回售选择权, 则其回售部分本	银行间债券市场	光大证券股份有限公司、中国邮	光大证券股份有限公司	无

						率调整选择权和投资人回售选择权，下一行权日为 2026-08-23)			期中期票据本金的兑付日为 2026 年 8 月 23 日，未回售部分债券的本金兑付日为 2028 年 8 月 23 日。)		政储蓄银行股份有限公司	司	
6	中国光大水务有限公司 2024 年度第一期中期票据	24 光大水务 MTN001	102480045. IB	2024-01-04	2024-01-08	2029-01-08 (附第 3 个计息年末发行人利率调整选择权和投资人回售选择权，下一行权日为 2027-01-08)	15	2.80	每年付息一次，到期一次还本 (若投资者行使回售选择权，则其回售部分本期中期票据本金的兑付日为 2027 年 1 月 8 日，未回售部分债券的本金兑付日为 2029 年 1 月 8 日。)	银行间债券市场	光大证券股份有限公司、中国银行股份有限公司、中国邮政储蓄银行股份有限公司、浙商银行股份有限公司、上海浦东发展银行股份有限公司、兴业银行股份有限公司	光大证券股份有限公司	无

(二) 是否存在逾期未偿还的债务融资工具

是 否

二、报告期内信用评级结果调整情况

报告期内主体评级或评级展望发生调整

是 否

报告期内债项评级或评级展望发生调整

是 否

三、附特殊条款的存续债务融资工具报告期内的触发和执行情况

报告期末存续债务融资工具不涉及投资人保护条款等特殊条款，设置的发行人或投资者选择权条款如下：

序号	债券名称	债券简称	发行人选择权条款	投资人选择权条款	行权日	触发和/或执行情况
1	中国光大水务有限公司2022年度第二期中期票据	22光大水务MTN002	时点赎回条款，有条件赎回条款，延期条款，调整票面利率条款，续期选择权	无	2024-06-13 (利息递延支付选择权)、 2025-6-13(赎回权)	尚未行权
2	中国光大水务有限公司2023年度第一期中期票据	23光大水务MTN001	中期票据存续期的第3个计息年度末，发行人有权选择上调或者下调本期中期票据的票面利率。调整后的票面利率在后2个计息年度固定不变	发行人披露投资人回售选择权行使公告后，投资人有权选择在投资人回售登记期内进行登记，将持有的本期中期票据按面值全部或部分回售给发行人，或选择继续持有本期中期票据	2026-04-17	尚未行权

3	中国光大水务有限公司 2023 年度第二期中期票据	23 光大 水务 MTN002	中期票据存续期的第 3 个计息年度末，发行人有权选择上调或者下调本期中期票据的票面利率。调整后的票面利率在后 2 个计息年度固定不变	发行人披露投资人回售选择权行使公告后，投资人有权选择在投资人回售登记期内进行登记，将持有的本期中期票据按面值全部或部分回售给发行人，或选择继续持有本期中期票据	2026-07-17	尚未行权
4	中国光大水务有限公司 2023 年度第三期中期票据	23 光大 水务 MTN003	中期票据存续期的第 3 个计息年度末，发行人有权选择上调或者下调本期中期票据的票面利率。调整后的票面利率在后 2 个计息年度固定不变	发行人披露投资人回售选择权行使公告后，投资人有权选择在投资人回售登记期内进行登记，将持有的本期中期票据按面值全部或部分回售给发行人，或选择继续持有本期中期票据	2026-08-23	尚未行权
5	中国光大水务有限公司 2024 年度第一期中期票据	24 光大 水务 MTN001	中期票据存续期的第 3 个计息年度末，发行人有权选择上调或者下调本期中期票据的票面利率。调整后的票面利率在后 2 个计息年度固定不变	发行人披露投资人回售选择权行使公告后，投资人有权选择在投资人回售登记期内进行登记，将持有的本期中期票据按面值全部或部分回售给发行人，或选择继续持有本期中期票据	2027-01-08	尚未行权

四、其他情况

报告期末存续债务融资工具无增信机制，偿债计划及其他偿债保障措施在报告期内无变化，未发生对债务融资工具投资者权益产生影响的变化。

第三章 债务融资工具募集资金使用情况

一、募集资金使用情况

报告期末存续及报告期内到期的债务融资工具，截至报告期末的募集资金使用情况：

单位：人民币亿元

债务融资工具简称	募集总金额	资金用途	资金投向行业	计划使用金额	已使用金额	是否与承诺用途或最新披露用途一致	未使用金额
20 光大水务 MTN001	10	补充运营资金	污水处理	10	10	是	0
21 光大水务 MTN001	10	补充运营资金	污水处理	10	10	是	0
22 光大水务 MTN001	10	补充运营资金	污水处理	10	10	是	0
22 光大水务 MTN002	7	置换存量借款	不适用	7	7	是	0
22 光大水务 SCP002	10	补充运营资金	污水处理	10	10	是	0
23 光大水务 MTN001	10	补充运营资金	污水处理	10	10	是	0
23 光大水务 SCP001	10	置换存款借款	不适用	10	10	是	0
23 光大水务 MTN002	15	补充运营资金、置换存量借款	污水处理	15	15	是	0
23 光大水务 MTN003	10	补充运营资金	污水处理	10	10	是	0
24 光大水务 MTN001	15	补充运营资金、置换存量借款	污水处理	15	15	是	0

二、募集资金用途变更情况

存续期债务融资工具已使用资金的用途未发生变更。

三、募集资金特定用途使用情况（如有）

（一）基本情况

不适用。

（二）募集资金特定用途使用情况

不适用。

四、募集资金用于建设项目（如有）

（一）项目的进展情况及运营效益

不适用

五、募集资金设置专项账户（如有）

（一）募集资金专项账户运作情况

不适用。

六、报告期内募集资金违规使用

是

否

第四章 报告期内重要事项

一、报告期内会计政策、会计估计变更或重大会计差错更正

(一) 会计政策变更情况

报告期内，发行人不涉及会计政策、会计估计变更或会计差错更正的情况。

(二) 会计估计变更情况

适用 不适用

(三) 会计差错更正情况

适用 不适用

二、财务报告审计情况

标准无保留 其他审计意见 未经审计

三、报告期内合并报表范围是否发生重大变化

适用 不适用

四、报告期内合并报表是否发生亏损超过净资产规模 10% 的情况

是 否

五、受限资产情况

截至 2023 年 12 月末，本公司的受限资产总额为 55.51 亿港元，占 2023 年末本公司净资产的比例为 41.62%。

发行人之附属子公司通过向商业银行申请发展资金以及项目建设资金等方式获得资金，增信方式包括特许经营权质押、应收账款质押以及土地使用权抵押等方式，因此产生受限资产。该

等事项不会对发行人的经营产生重大影响。

六、对外担保情况

适用 不适用

七、重大未决诉讼情况

适用 不适用

八、信息披露事务管理制度变更情况

适用 不适用

九、环境信息披露

公司不属于应当履行环境信息披露义务的主体。

第五章 财务报告

一、审计报告

中国光大水务有限公司 2023 年度审计报告附后。

第六章 备查文件

一、备查文件

1、中国光大水务有限公司2023年度审计报告

二、查询地址

广东省深圳市深南大道东方新天地广场A座26楼

三、查询网站

投资者可通过北京金融资产交易所 (<https://www.cfae.cn>)、中国货币网 (<https://www.chinamoney.com.cn>) 或上海清算所 (<https://www.shclearing.com.cn>) 查询本公司 2023 年年度报告。

(以下无正文)

(本页无正文，为《中国光大水务有限公司 2023 年年度报告》
之盖章页)

The stamp is a red circular seal. The outer ring contains the text "EVERBRIGHT WATER LIMITED" in English. The inner circle contains the Chinese characters "中国光大水务有限公司" (China Everbright Water Limited).
中国光大水务有限公司 (盖章)
2024 年 4 月 30 日

Audited Financial Statements

CHINA EVERBRIGHT WATER LIMITED
(Incorporated in Bermuda with limited liability)

31 December 2023



CHINA EVERBRIGHT WATER LIMITED

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Independent auditor's report
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of China Everbright Water Limited (the "Company") and its subsidiaries (the "Group") set out on pages 7 to 103 which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Basis for opinion

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

Key audit matters

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

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

Independent auditor's report (continued)
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><i>HK(IFRIC) Interpretation 12 - Service Concession Arrangements ("HK(IFRIC)-Int 12") and Revenue Recognition</i></p> <p>The Group enters into service concession arrangements with municipalities in the People's Republic of China to build and/or operate waste water treatment plants. The Group recognises the consideration for the construction services as contract assets and/or intangible assets for service concession arrangements within the scope of HK(IFRIC)-Int 12. As the related amounts are material and the application of HK(IFRIC)-Int 12 requires significant management judgement, we identified this as a key audit matter.</p> <p>The Group applies HK(IFRIC)-Int 12 in its recognition of revenue from service concession arrangements, which includes revenue relating to construction services, operation income and finance income. Disclosure of the revenue is included in notes 2.5, 3 and 5 to the financial statements.</p> <p>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 the year. Significant judgement is required in determining the fair value of the construction services and involves estimation of the total construction costs and the margin for each contract. The Group engaged an independent financial modelling consultant to assist in the estimation of the fair value of the construction services. The percentage of construction completed during the year is estimated based on the survey of work performed by independent surveyors with relevant qualifications and industry experience. Judgement is required in estimating the percentage of construction completed.</p>	<p>We assessed the appropriateness of the Group's revenue recognition policies, evaluated the Group's process in assessing the applicability of HK(IFRIC)-Int 12 and also reviewed the associated agreements to assess whether these agreements are appropriately identified as service concession arrangements to be within the scope of HK(IFRIC)-Int 12.</p> <p>We considered the competence, capability and objectivity of the independent consultant and surveyors engaged by management. We reviewed the progress reports for projects under construction and the reasonableness of the revenue recognised over time.</p> <p>We reviewed management's computation of amortised cost of contract assets and intangible assets and allocation of consideration between contract assets and intangible assets and the related revenue recognised during the year and tested key estimates including discount rates used by management by comparing to the relevant market interest rates to assess appropriateness.</p> <p>We engaged our internal specialists to review the valuation methodology and the reasonableness of certain key assumptions such as the margin used and the industry comparable companies in the determination of the fair value of the construction services in the financial model.</p> <p>We also considered the adequacy of the disclosures related to service concession arrangements in the financial statements.</p>

Independent auditor's report (continued)
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><i>Recoverability of trade receivables</i></p> <p>As at 31 December 2023, the Group had trade receivables amounting to HK\$4,434,548,000, net of expected credit loss ("ECL") allowance of HK\$626,215,000. The Group determines impairment losses by making debtor-specific assessment of ECL for credit impaired debtors and has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment for the remaining group of debtors.</p> <p>The estimation of impairment loss of trade receivables is based on the evaluation of collectability and ageing analysis of trade receivables as well as expectation of forward-looking factors. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, taking into consideration the current creditworthiness and the past collection history of each debtor. Accordingly, we identified this as a key audit matter. Disclosures of the trade receivables are included in notes 2.5, 3 and 21 to the financial statements.</p>	<p>We obtained an understanding of management's processes relating to the monitoring of trade receivables.</p> <p>In assessing the adequacy of the ECL allowance, we reviewed the ageing analysis of the debtors to identify potential collectability issues, reviewed data used in management's assessment of default rates and assessed the reasonableness of management's assumptions used in establishing the forward-looking adjustments. In addition, we discussed with management about the status of significant overdue individual debtors' balance, management's consideration of the debtors' specific profiles and risks, reviewed settlement history and assessed management's assumptions used to determine the ECL allowance. We also requested direct confirmations and considered receipts subsequent to the year end.</p> <p>We further considered the adequacy of the Group's disclosures regarding the estimation uncertainty involved in determining the ECL allowance.</p>

Independent auditor's report (continued)
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p><i>Impairment assessment of goodwill</i></p> <p>HKAS 36 <i>Impairment of Assets</i> requires goodwill to be tested annually for impairment or more frequently when there is an indication that the cash-generating unit ("CGU") may be impaired. This assessment requires the exercise of significant judgement about the future market conditions, including future cash flows to be generated from the continuing use of the waste water treatment plants over the service concession period. The determination of the recoverable amount requires judgement in both identification and valuation of the relevant CGU. Accordingly, we identified this as a key audit matter.</p> <p>The Group determined that the water environment management segment was accounted for as a collective CGU for the purpose of impairment testing. The impairment assessment was determined using a value-in-use model based on the discounted cash flows projection. Assumptions such as estimated key financial data, the growth rate and discount rate used to determine the discounted cash flows required significant judgements by the Group.</p> <p>As at 31 December 2023, the goodwill carried in the Group's financial statements amounted to HK\$1,364,093,000. Disclosures of goodwill are included in notes 2.5, 3 and 16 to the financial statements.</p>	<p>We reviewed the appropriateness of the Group's determination of the CGU.</p> <p>We assessed the appropriateness of the discount rate used by assessing the cost of capital of the Company and comparable organisations in the industry, and using our internal valuation specialists to independently develop expectations for the discount rate, and comparing the independent expectations to those used by management.</p> <p>We reviewed the cash flows forecasts by comparing them to recent and past performance, taking into consideration the approach used in the valuation. We tested the reasonableness of key assumptions used in the cash flows forecast, which include growth rate, discount rate and long-term growth rate.</p> <p>We also assessed the adequacy of the disclosures made in the financial statements on the impairment assessment, specifically on the key assumptions that have the most significant effect on the determination of the recoverable amount of the goodwill.</p>

Independent auditor's report (continued)
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Responsibilities of the directors for the consolidated financial statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

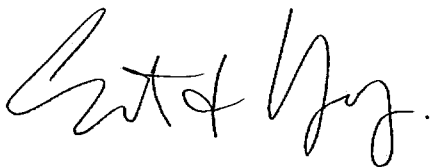
Independent auditor's report (continued)
To the directors of China Everbright Water Limited
(Incorporated in Bermuda with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion:

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

The engagement partner on the audit resulting in this independent auditor's report is Chung Yuk Man.



Certified Public Accountants
Hong Kong
30 April 2024

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
REVENUE	5	6,704,684	6,727,967
Direct costs and operating expenses		<u>(3,882,301)</u>	<u>(4,163,980)</u>
Gross profit		2,822,383	2,563,987
Other income and gains, net	6	46,007	53,793
Administrative and other operating expenses		(641,273)	(730,683)
Finance income	7	26,658	28,302
Finance costs	7	(590,921)	(544,615)
Share of profits of associates		2,008	11,226
Share of profit of a joint venture		<u>1,261</u>	<u>-</u>
PROFIT BEFORE TAX	8	1,666,123	1,382,010
Income tax	9	<u>(404,910)</u>	<u>(315,101)</u>
PROFIT FOR THE YEAR		<u>1,261,213</u>	<u>1,066,909</u>
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:			
Exchange differences arising on translation of functional currency to presentation currency		<u>(445,920)</u>	<u>(1,672,596)</u>
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF INCOME TAX		<u>(445,920)</u>	<u>(1,672,596)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>815,293</u>	<u>(605,687)</u>

continued/...

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

Year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
PROFIT ATTRIBUTABLE TO:			
Equity holders of the Company		1,187,412	1,010,565
Holders of perpetual capital instruments		37,578	14,334
Non-controlling interests		<u>36,223</u>	<u>42,010</u>
		<u>1,261,213</u>	<u>1,066,909</u>
TOTAL COMPREHENSIVE INCOME/(LOSS)			
ATTRIBUTABLE TO:			
Equity holders of the Company		774,922	(550,953)
Holders of perpetual capital instruments		37,578	14,334
Non-controlling interests		<u>2,793</u>	<u>(69,068)</u>
		<u>815,293</u>	<u>(605,687)</u>
EARNINGS PER SHARE ATTRIBUTABLE TO			
EQUITY HOLDERS OF THE COMPANY			
- Basic and diluted	11	<u>HK41.51 cents</u>	<u>HK35.32 cents</u>

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	12	970,663	994,950
Right-of-use assets	14(a)	88,500	89,835
Investment properties	13	11,096	11,398
		<u>1,070,259</u>	<u>1,096,183</u>
Intangible assets	15	2,156,026	2,369,863
Goodwill	16	1,364,093	1,400,952
Interests in associates	17	11,953	11,094
Interest in a joint venture	18	1,262	-
Contract assets	19	19,779,711	19,077,113
Other receivables	21	235,125	556,154
Deferred tax assets	27	880	3,253
		<u>24,619,309</u>	<u>24,514,612</u>
Total non-current assets			
CURRENT ASSETS			
Contract assets	19	2,157,706	2,010,393
Other financial assets	22	121,148	221,717
Inventories	20	58,336	85,820
Trade and other receivables	21	5,382,761	3,767,702
Cash and cash equivalents	23	1,881,401	2,845,907
		<u>9,601,352</u>	<u>8,931,539</u>
Total current assets			
CURRENT LIABILITIES			
Trade and other payables	24	3,241,736	3,168,112
Borrowings	25	4,606,893	5,686,435
Tax payable		84,410	61,329
Lease liabilities	14(b)	5,412	2,656
		<u>7,938,451</u>	<u>8,918,532</u>
Total current liabilities			
NET CURRENT ASSETS			
		<u>1,662,901</u>	<u>13,007</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>26,282,210</u>	<u>24,527,619</u>

continued/...

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
NON-CURRENT LIABILITIES			
Borrowings	25	10,798,480	9,575,700
Deferred tax liabilities	27	2,029,945	1,950,690
Lease liabilities	14(b)	1,443	351
Total non-current liabilities		<u>12,829,868</u>	<u>11,526,741</u>
NET ASSETS		<u>13,452,342</u>	<u>13,000,878</u>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	28	2,860,877	2,860,877
Reserves	29	<u>8,545,244</u>	<u>8,106,613</u>
Perpetual capital instruments		11,406,121	10,967,490
Non-controlling interests	30	<u>806,982</u>	<u>806,982</u>
		<u>1,239,239</u>	<u>1,226,406</u>
TOTAL EQUITY		<u>13,452,342</u>	<u>13,000,878</u>

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Director

王悦兴

.....
Director

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to equity holders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Foreign currency translation reserve HK\$'000	Statutory reserve HK\$'000	Contributed surplus reserve HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total instruments HK\$'000	Perpetual capital instruments HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2022	2,860,877	1,599,765	598,589	578,129	1,229,302	8,203	4,995,218	11,870,083	-	1,293,149	13,163,232
Profit for the year	-	-	-	-	-	-	1,010,565	1,010,565	14,334	42,010	1,066,909
Other comprehensive loss for the year:											
Foreign currency translation differences	-	-	(1,561,518)	-	-	-	-	(1,561,518)	-	(111,078)	(1,672,596)
Total comprehensive income/(loss) for the year	-	-	(1,561,518)	-	-	-	1,010,565	550,953	14,334	69,068	605,687

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CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

Year ended 31 December 2023

		Attributable to equity holders of the Company										
		Share capital	Share premium	Foreign currency translation reserve	Statutory reserve	Contributed surplus reserve	Other reserves	Retained earnings	Total instruments	Perpetual capital instruments	Non-controlling interests	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Notes											
		-	-	(1,561,518)	-	-	-	1,010,565	550,953	14,334	(69,068)	605,687
	Total comprehensive income/(loss) for the year											
	2021 final dividend declared							(195,468)	(195,468)			(195,468)
	2022 interim dividend declared							(156,172)	(156,172)			(156,172)
	Dividend declared to a non-controlling shareholder of a subsidiary										(22,219)	(22,219)
	Capital contribution received by a non wholly-owned subsidiary from a non-controlling shareholder										24,544	24,544
	Issuance of perpetual capital instruments									806,982		806,982
	Distribution to holders of perpetual capital instruments									(14,334)		(14,334)
	Transfer to statutory reserve											
	At 31 December 2022	2,860,877	1,599,765	(962,929)	689,734	1,229,302	8,203	5,542,538	10,967,490	806,982	1,226,406	13,000,878

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

Year ended 31 December 2023

	Attributable to equity holders of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Foreign currency translation reserve HK\$'000	Statutory reserve HK\$'000	Contributed surplus reserve HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total instruments HK\$'000	Perpetual capital instruments HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
At 1 January 2023	2,860,877	1,599,765	(962,929)	689,734	1,229,302	8,203	5,542,538	10,967,490	806,982	1,226,406	13,000,878
Profit for the year	-	-	-	-	-	-	1,187,412	1,187,412	37,578	36,223	1,261,213
Other comprehensive loss for the year:											
Foreign currency translation differences	-	-	(412,490)	-	-	-	-	(412,490)	-	(33,430)	(445,920)
Total comprehensive income/(loss) for the year	-	-	(412,490)	-	-	-	1,187,412	774,922	37,578	2,793	815,293

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CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

Year ended 31 December 2023

		Attributable to equity holders of the Company										
		Share capital	Share premium	Foreign currency translation reserve	Statutory reserve	Contributed surplus reserve	Other reserves	Retained earnings	Total instruments	Perpetual capital instruments	Non-controlling interests	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Total comprehensive income/(loss) for the year	-	-	(412,490)	-	-	-	1,187,412	774,922	37,578	2,793	815,293
	2022 final dividend declared	-	-	-	-	-	-	(146,390)	(146,390)	-	-	(146,390)
	2023 interim dividend declared	-	-	-	-	-	-	(189,901)	(189,901)	-	-	(189,901)
	Dividend declared to a non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	-	(37,187)	(37,187)
	Capital contributions received by non wholly-owned subsidiaries from non-controlling shareholders	-	-	-	-	-	-	-	-	-	47,227	47,227
	Distribution to holders of perpetual capital instruments	-	-	-	-	-	-	-	-	(37,578)	-	(37,578)
	Transfer to statutory reserve	-	-	-	86,981	-	-	(86,981)	-	-	-	-
	At 31 December 2023	2,860,877	1,599,765*	(1,375,419)*	776,715*	1,229,302*	8,203*	6,306,678*	11,406,121	806,982	1,239,239	13,452,342

* These reserve accounts comprise the consolidated reserves of HK\$8,545,244,000 (2022: HK\$8,106,613,000) in the consolidated statement of financial position.

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,666,123	1,382,010
Adjustments for:			
Depreciation of property, plant and equipment	8	51,771	63,424
Depreciation of right-of-use assets	8	10,055	13,243
Amortisation of intangible assets	8	150,641	177,231
Loss/(gain) on disposal of property, plant and equipment	8	(19)	94
Loss on disposal of intangible assets	8	2,853	-
Finance costs	7	590,921	544,615
Interest income	7	(26,658)	(28,302)
Share of profits of associates		(2,008)	(11,226)
Share of profit of a joint venture		(1,261)	-
Fair value changes of other financial assets, net	6	32,804	15,785
Allowance for expected credit losses on trade receivables, net	8	194,487	226,899
Allowance for expected credit losses on other receivables, net	8	466	33,829
Allowance for expected credit losses on contract assets	8	1,282	4,002
Impairment of intangible assets	8	-	14,230
Effect on foreign exchange rates changes, net		<u>(100,668)</u>	<u>(155,383)</u>
		2,570,789	2,280,451
Decrease/(increase) in inventories		26,126	(22,344)
Increase in contract assets		(1,433,887)	(1,275,259)
Increase in trade and other receivables		(1,565,580)	(1,310,398)
Increase/(decrease) in trade and other payables		<u>116,264</u>	<u>(61,043)</u>
		(286,288)	(388,593)
Cash used in operations		<u>(242,495)</u>	<u>(251,036)</u>
People's Republic of China ("PRC") income tax paid			
Net cash flows used in operating activities		<u>(528,783)</u>	<u>(639,629)</u>

continued/...

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of a subsidiary, net of cash acquired		-	(9,606)
Purchases of items of property, plant and equipment		(54,079)	(116,979)
Proceeds from disposals of property, plant and equipment		233	478
Payment for additions of intangible assets		(1,636)	(255,754)
Capital contribution to an associate		(443)	-
Decrease/(increase) in amounts due from an associate		2,836	(385)
Proceeds from redemption of other financial assets		9,790	-
Interest received		26,658	28,302
		<u>(16,641)</u>	<u>(353,944)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributions from non-controlling shareholders of subsidiaries	31(a)	10,040	24,544
Proceeds from the issuance of medium-term notes ("MTN"), net of related expenses paid		3,856,583	1,233,688
Proceeds from the issuance of super and short-term commercial papers ("SCP"), net of related expenses paid		1,152,800	2,384,000
Proceeds from the issuance of perpetual capital instruments, net of related expenses paid	30	-	806,982
New bank loans		4,260,355	4,483,246
Repayment of corporate bonds		(858,363)	(820,750)
Repayment of MTN		(1,089,500)	-
Repayment of asset-backed securities ("ABS")		(152,684)	(66,190)
Repayment of SCP		(2,225,800)	(1,156,300)
Repayment of bank loans		(4,393,707)	(4,215,294)
Interest paid	31(a)	(550,329)	(503,664)
Principal elements of lease payments		(7,132)	(10,329)
Interest elements of lease payments		(353)	(602)
Increase in restricted bank balances		(18,919)	(17)
Dividends paid to shareholders of the Company		(336,718)	(356,358)
Dividends paid to a non-controlling shareholder of a subsidiary		-	(17,573)
Distribution to holders of perpetual capital instruments	31(a)	(25,558)	-
		<u>(379,285)</u>	<u>1,785,383</u>
Net cash flows from/(used in) financing activities			

continued/...

CHINA EVERBRIGHT WATER LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 December 2023

	Notes	2023 HK\$'000	2022 HK\$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(924,709)	791,810
Cash and cash equivalents at the beginning of year		2,844,990	2,281,001
Effect of exchange rate fluctuations on cash and cash equivalents, net		<u>(58,374)</u>	<u>(227,821)</u>
 CASH AND CASH EQUIVALENTS AT THE END OF YEAR		<u>1,861,907</u>	<u>2,844,990</u>
 ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statement of financial position	23	1,881,401	2,845,907
Less: Restricted bank balances	23	<u>(19,494)</u>	<u>(917)</u>
 Cash and cash equivalents as stated in the consolidated statement of cash flows		<u>1,861,907</u>	<u>2,844,990</u>

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

1. CORPORATE AND GROUP INFORMATION

China Everbright Water Limited (the "Company") is a limited liability company incorporated in Bermuda and is dual primary listed on the Mainboard of the Singapore Exchange Securities Trading Limited and the Mainboard of The Stock Exchange of Hong Kong Limited. The registered address of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at 26th Floor, Block A, Oriental Xintiandi Plaza, No. 1003 Shennan Avenue, Futian District, Shenzhen, PRC 518000.

The principal activity of the Company is investment holding. The Company's subsidiaries are primarily involved in the water environment management business in the PRC.

The immediate holding company of the Company is China Everbright Water Holdings Limited ("CEWHL"), a limited liability company incorporated in the British Virgin Islands ("BVI"). In the opinion of the directors, the ultimate holding entity of the Company is China Investment Corporation, an entity established in the PRC.

2. ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2.2 BASIS OF PREPARATION

These financial statements are not statutory financial statements and are prepared solely, at the request of management, for the purpose of issuance of corporate bonds or notes to institutional investors in the national inter-bank bond market of the PRC.

These financial statements have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss ("FVPL") which have been measured at fair value.

The functional currency of the Company is Renminbi ("RMB"). These financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's presentation currency, and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2023. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

31 December 2023

2.2 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

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

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

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

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

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 17	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform - Pillar Two Model Rules</i>

31 December 2023

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and the impact of the new and revised HKFRSs that are applicable to the Group are described below:

- (a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in note 2 to the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.
- (b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's financial statements.
- (c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. The amendments had no impact on the Group's financial statements.
- (d) Amendments to HKAS 12 *International Tax Reform - Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments and the mandatory temporary exception retrospectively. Further disclosures are included in note 9 to the financial statements.

31 December 2023

2.4 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following revised HKFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised HKFRSs, if applicable, when they become effective.

Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i> ¹
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i> ^{1,4}
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i> ^{1,4}
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i> ¹
Amendments to HKAS 21	<i>Lack of Exchangeability</i> ²

¹ Effective for annual periods beginning on or after 1 January 2024

² Effective for annual periods beginning on or after 1 January 2025

³ No mandatory effective date yet determined but available for adoption

⁴ As a consequence of the 2020 Amendments and 2022 Amendments, Hong Kong Interpretation 5 *Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised to align the corresponding wording with no change in conclusion

The Group is in the process of making an assessment of the impact of these revised HKFRSs upon initial application, but is not yet in a position to state whether these revised HKFRSs would have any significant impact on its results of operations and financial position.

2.5 MATERIAL ACCOUNTING POLICIES

Investments in associates

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

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

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

31 December 2023

2.5 MATERIAL ACCOUNTING POLICIES (continued)

Investments in associates (continued)

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

Service concession arrangements

The Group has entered into a number of service concession arrangements with the local government authorities in the PRC (the "Grantors").

Under these service concession arrangements:

- the Grantors control or regulate the services the Group must provide with the infrastructure, to whom it must provide them, and at what price; and
- the Grantors control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the term of the arrangement, or the infrastructure is used for its entire useful life under the arrangements, or both the Group's practical ability to sell or pledge the infrastructure is restricted and continuing right of use of the infrastructure is given to the Grantors throughout the period of the arrangements.

The Group's infrastructure includes leasehold land, buildings, plant and machinery that are acquired from the Grantors and/or are derecognised by the Group when the directors of the Company consider that the significant risks and rewards of these assets have been passed to the Grantors.

Consideration given by the grantor

A financial asset (receivable under service concession arrangement) is recognised to the extent that the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services rendered and/or the consideration paid and payable by the Group for the right to manage and operate the infrastructure for public service. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets specified requirements. The financial asset (receivable under service concession arrangement) is accounted for in accordance with the policy set out for "Financial assets and liabilities" below.

An intangible asset (concession right) is recognised to the extent that the Group receives a right to charge users of the public service. The intangible asset (concession right) is stated at cost less accumulated amortisation and any accumulated impairment loss. Amortisation is provided on a straight-line basis over the operation phase of the concession periods.

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially at the fair value of the consideration.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Service concession arrangements (continued)

Construction of service concession related infrastructure

Revenue relating to construction services is accounted for in accordance with the policy for "Revenue recognition" below.

Operating services

Revenue relating to operating services is accounted for in accordance with the policy for "Revenue recognition" below.

Fair value measurement

The Group measures its investment properties and certain equity investments and wealth management products at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

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

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

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

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Related parties (continued)

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

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

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

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

Buildings	2.5% to 4%
Plant and machinery	2.5% to 20%
Leasehold improvements, furniture and fixtures	20% to 25%
Motor vehicles and office equipment	12.5% to 25%

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

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

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

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Business combinations and goodwill

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

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

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

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

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

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

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

Intangible assets (other than goodwill)

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

The following intangible assets are amortised from the date they are available for use and their estimated useful lives are as follows:

Concession rights	20 to 32 years
Patents and trademarks	10 to 20 years
Computer software	5 years
Customer relationships	5 years

The useful life of the patents and trademarks of the Group is determined based on the shorter of their statutory validity periods and the expected benefit periods.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

The useful life of the customer relationships of the Group is determined based on the expected benefit periods with reference to the historical customer attrition rate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the intangible asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant intangible asset.

Research and development costs

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

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

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and FVPL.

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

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest" on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets (continued)

Initial recognition and measurement (continued)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on equity investments are recognised as other income in profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVPL category.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Financial assets (continued)

Derecognition

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

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

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

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

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, or payables, as appropriate.

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

The Group's financial liabilities include trade and other payables, borrowings and lease liabilities.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(ii) Financial liabilities (continued)

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition

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

Impairment of financial assets

HKFRS 9 requires the Group to record an allowance for expected credit losses ("ECLs") for all loans and other debt financial assets not held at FVPL using a forward-looking ECL approach.

The ECL allowance is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate ("EIR").

For contract assets and trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Other receivables are assessed for impairment based on 12-month ECLs: 12-month ECLs are the portion of lifetime ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the asset is less than 12 months). However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

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

Inventories

Inventories, mainly comprise raw materials and consumables used in the repairs and maintenance of the waste water treatment plants, are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short-term deposits and short-term balances in financial institutions with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

For the purpose of the consolidated statement of cash flows, restricted bank balances are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

Provisions

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

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

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Income tax

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

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

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

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

The Group has satisfied a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs
- (b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- (c) The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date

If none of the above conditions are met, the Group recognises revenue at the point in time at which the performance obligation is satisfied.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

When the Group provides more than one service in a service concession arrangement, the transaction price will be allocated to each performance obligation by reference to their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

Construction service revenue

The Group's performance in respect of construction services creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue from construction service over time, by reference to completion of the specific transaction assessed on the basis of the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Revenue from the construction services under a service concession agreement is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.

Operation revenue

The Group recognises revenue from environmental water project operation services when the related services are rendered. The operation revenue from reusable water supply service is recognised at a point in time when the Group has delivered water to the customer; the customer has accepted the water; the Group has the present right to payment and the collection of the consideration is probable. The other operation revenue from service concession arrangements is recognised over the period of time that the services are rendered and the benefits are received and consumed simultaneously by the customers.

Finance and interest income

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

31 December 2023

2.5 MATERIAL ACCOUNTING POLICIES (continued)

Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligation. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

The Group recognises the incremental costs of obtaining a contract with a customer within contract assets if the Group expects to recover those costs.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

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

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

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2.5 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

The functional currencies of the Company, certain overseas subsidiaries, associates and a joint venture are currencies other than the HK\$. As at the end of the reporting period, the assets and liabilities of these entities are translated into HK\$ at the exchange rates prevailing at the end of the reporting period and their statements of comprehensive income are translated into HK\$ at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of the Company, certain overseas subsidiaries, associates and a joint venture are translated into HK\$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of these entities which arise throughout the year are translated into HK\$ at the weighted average exchange rates for the year.

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

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

Service concession arrangements

The Group entered into Build-Operate-Transfer ("BOT"), Transfer-Operate-Transfer ("TOT") and Build-Operate-Own ("BOO") arrangements in respect of its environmental water projects.

The Group has concluded that all the BOT and TOT arrangements and certain BOO arrangements are service concession arrangements under HK(IFRIC) Interpretation 12 *Service Concession Arrangements* ("HK(IFRIC)-Int 12"), because the local government controls and regulates the services that the Group must provide with the infrastructure at a pre-determined service charge. In respect of BOT and TOT arrangements, upon expiry of concession right agreements, the infrastructure has to be transferred to the local government at nil consideration. Infrastructure for BOO arrangements is used in the service concession arrangements for its entire or substantially entire useful life.

Estimation uncertainty

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

Contract assets and/or intangible assets under HK(IFRIC)-Int 12

The Group recognises the consideration received or receivable in exchange for the construction services as a contract asset and/or an intangible asset under a service concession arrangement. However, if the Group is paid for the construction services partly by a contract asset and partly by an intangible asset, it is necessary to account separately for each component of the operator's consideration. The consideration received or receivable for both components shall be recognised initially at the fair value.

The segregation of the consideration for a service concession arrangement between the contract asset component and the intangible asset component, if any, requires the Group to make an estimate of a number of factors, which include, inter alia, fair value of the construction services, expected future water treatment volume of the relevant water treatment plant over its service concession period, future guaranteed receipts and unguaranteed receipts, and also to choose a suitable discount rate in order to calculate the present value of those cash flows. These estimates, including revenue recognition under the contract asset and intangible asset components are determined by the Group's management based on their experience and assessment on current and future market conditions. The carrying amounts of the intangible assets ("concession rights") and contract assets at the end of reporting period are disclosed in notes 15 and 19 to the financial statements, respectively.

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of non-financial assets other than goodwill

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amount may not be recoverable.

Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of property, plant and equipment and intangible assets (other than goodwill) are disclosed in notes 12 and 15 to the financial statements, respectively.

Impairment of financial assets at amortised cost and contract assets

The impairment loss in respect of contract assets, trade and other receivables of the Group is based on the evaluation of collectability and ageing analysis of contract assets, trade and other receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required.

The carrying amounts of the Group's financial assets at amortised cost and contract assets are disclosed in notes 19, 21 and 23 to the financial statements.

Revenue recognition for construction work

The Group recognises contract revenue over time by reference to the progress towards complete satisfaction of the performance obligation at the reporting date. The progress is measured based on the Group's effort or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each performance obligation in the contract. Significant assumptions are required to estimate the recoverable variation works that will affect the progress towards complete satisfaction of the performance obligation. The Group reviews and revises the estimates in each construction contract as the contract progresses.

Impairment losses for goodwill

As explained in the accounting policy set out in note 2.5 to the financial statements for "Business combinations and goodwill", goodwill is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination for the purpose of impairment assessment, which requires significant judgement. The Group determined that the group of cash-generating units to which goodwill was allocated reflected the lowest level at which goodwill was monitored for internal reporting and was not larger than an operating segment in accordance with HKAS 36 *Impairment of Assets*.

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment losses for goodwill (continued)

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at the reporting date is disclosed in note 16 to the financial statements.

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Where the final tax outcome is different from the amounts that were initially recognised, such differences will impact the income and other taxes and deferred tax provisions in the period in which such determination is made.

4. OPERATING SEGMENT INFORMATION

Operating segments are identified based on the internal reports about components of the Group that are regularly reviewed by the Company's management and the board of directors for the purpose of resource allocation and performance assessment.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and expense, interest-bearing borrowings and related expenses and income and deferred taxes. The Group operates in a single business segment which is the water environment management business. No operating segments have been aggregated to form the following reportable operating segment.

Business segment

The Group had only one operating segment for the years ended 31 December 2023 and 2022, namely the water environment management business, the details of which are set out below:

- Water environment management - Engagement in municipal waste water treatment, industrial waste water treatment, water supply, reusable water, sludge treatment and disposal, sponge city construction, river-basin ecological restoration, waste water source heat pump, leachate treatment, research and development ("R&D") of water environment technologies and engineering construction.

CHINA EVERBRIGHT WATER LIMITED

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4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

	2023 HK\$'000	2022 HK\$'000
Mainland China	6,653,554	6,713,391
Germany	<u>51,130</u>	<u>14,576</u>
	<u><u>6,704,684</u></u>	<u><u>6,727,967</u></u>

The revenue information above is based on the locations at which the services were provided.

(b) Non-current assets

	2023 HK\$'000	2022 HK\$'000
Mainland China	24,611,079	24,509,798
Hong Kong	3,164	956
Singapore	2,753	447
Germany	171	158
Mauritius	<u>1,262</u>	<u>-</u>
	<u><u>24,618,429</u></u>	<u><u>24,511,359</u></u>

The non-current assets information above is based on the locations of the assets and excludes deferred tax assets.

Major customers

	2023 HK\$'000	2022 HK\$'000
Customer 1**	875,462	723,986
Customer 2**	<u>N/A*</u>	<u>679,072</u>

* The corresponding revenue from this customer is not disclosed as such revenue alone did not account for 10% or more of the Group's revenue.

** The customers are local government authorities.

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5. REVENUE

	2023 HK\$'000	2022 HK\$'000
Construction service revenue from service concession arrangements	2,066,019	2,403,740
Finance income from service concession arrangements	1,097,182	1,107,945
Operation income from service concession arrangements	3,104,693	2,950,629
Construction contract revenue and technical service income	<u>436,790</u>	<u>265,653</u>
Total	<u>6,704,684</u>	<u>6,727,967</u>
Timing of revenue recognition:		
At a point in time	212,158	170,522
Over time	<u>5,395,344</u>	<u>5,449,500</u>
	5,607,502	5,620,022
Finance income from service concession arrangements	<u>1,097,182</u>	<u>1,107,945</u>
Total	<u>6,704,684</u>	<u>6,727,967</u>

The aggregated amount of construction service revenue, finance income and operation income derived from the local government authorities in the PRC amounted to HK\$6,179,504,000 (2022: HK\$6,357,746,000) for the year ended 31 December 2023. Details of concentrations of credit risk arising from these customers are set out in note 37 to the financial statements.

Included in the revenue recognised in the year ended 31 December 2023, HK\$155,895,000 (2022: Nil) was related to performance obligations satisfied in previous periods.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2023 HK\$'000	2022 HK\$'000
Unsatisfied performance obligations related to service concession arrangements:		
Expected to be recognised within one year	6,312,294	6,370,953
Expected to be recognised after one year	<u>132,941,326</u>	<u>104,437,621</u>
Total transaction price allocated to the unsatisfied performance obligations	<u>139,253,620</u>	<u>110,808,574</u>

The Group has applied the practical expedient under HKFRS 15 and does not include information about revenue that the Group will be entitled to when it satisfied the remaining performance obligations for contracts with an original expected duration of one year or less.

CHINA EVERBRIGHT WATER LIMITED

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6. OTHER INCOME AND GAINS, NET

	2023 HK\$'000	2022 HK\$'000
Government grants*	30,640	37,365
Value-added tax ("VAT") refunds**	21,786	19,855
Fair value gains/(losses), net:		
Other financial assets - unlisted investments	(31,218)	(18,382)
Other financial assets - unlisted equity investments	(1,586)	2,597
Sundry income	<u>26,385</u>	<u>12,358</u>
Total	<u>46,007</u>	<u>53,793</u>

* Government grants were granted during the year ended 31 December 2023 to subsidise certain waste water treatment plants of the Group in the PRC. The receipt of such grants is not subject to any unfulfilled conditions or any other contingencies. There is no assurance that the Group will continue to receive such grants in the future.

** VAT refunds were received/receivable during the year ended 31 December 2023 in relation to the Group's certain environmental water projects in operation in the PRC. The receipt of such tax refunds is not subject to any unfulfilled conditions or any other contingencies. There is no assurance that the Group will continue to receive such tax refunds in the future.

7. NET FINANCE COSTS

	2023 HK\$'000	2022 HK\$'000
<u>Finance income</u>		
Interest income on:		
Bank deposits	26,306	27,929
Amounts due from an associate	<u>352</u>	<u>373</u>
Total finance income	<u>26,658</u>	<u>28,302</u>
<u>Finance costs</u>		
Interest expense on:		
Bank and other loans	(368,128)	(330,138)
Corporate bonds, ABS, MTN and SCP	(222,440)	(213,875)
Lease liabilities	<u>(353)</u>	<u>(602)</u>
Total finance costs	<u>(590,921)</u>	<u>(544,615)</u>
Net finance costs	<u>(564,263)</u>	<u>(516,313)</u>

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

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8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2023 HK\$'000	2022 HK\$'000
Depreciation*			
- property, plant and equipment	12	51,771	63,424
- right-of-use assets	14(a)	10,055	13,243
Amortisation of intangible assets*	15	150,641	177,231
Loss/(gain) on disposal of property, plant and equipment		(19)	94
Loss on disposal of intangible assets		2,853	-
Cost of construction services from service concession arrangements**		1,629,194	1,730,322
R&D costs		52,538	50,976
Rental expenses from short-term leases		1,258	4,188
Allowance for expected credit losses on trade receivables, net	21	194,487	226,899
Allowance for expected credit losses on other receivables, net	21	466	33,829
Allowance for expected credit losses on contract assets	19	1,282	4,002
Impairment of intangible assets	15	-	14,230
Foreign exchange differences, net		(67,813)	(39,620)
Employee benefit expense*			
Wages, salaries, allowances and benefits in kind		431,100	415,334
Retirement scheme contributions		53,010	58,764
Total		<u>484,110</u>	<u>474,098</u>
Auditor's remuneration			
- Audit services		3,650	3,550
- Other services		<u>1,019</u>	<u>1,119</u>

* Amortisation of intangible assets, depreciation and employee benefit expense in total of HK\$381,025,000 (2022: HK\$440,349,000) for the year ended 31 December 2023 are included in "Direct costs and operating expenses" in the consolidated statement of comprehensive income.

** Included in "Direct costs and operating expenses" in the consolidated statement of comprehensive income.

As at 31 December 2023, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years (2022: Nil).

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

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9. INCOME TAX

No provision for Singapore or Hong Kong income tax was made as the Group did not earn any income subject to Singapore or Hong Kong income tax during the year ended 31 December 2023 (2022: Nil).

Tax for the PRC operations is charged at the statutory rate of 25% based on the assessable profits in accordance with the tax rules and regulations in the PRC. During the year ended 31 December 2023, certain PRC subsidiaries of the Group were subject to a preferential tax rate of 15% pursuant to the relevant tax rules and regulations. During the year ended 31 December 2023, certain PRC subsidiaries of the Group were subject to tax at half of the foregoing statutory rate or fully exempted from income tax pursuant to the relevant tax rules and regulations.

	2023 HK\$'000	2022 HK\$'000
Current - PRC:		
Charge for the year	260,619	238,790
Underprovision in prior years	7,066	1,524
Deferred (note 27)	<u>137,225</u>	<u>74,787</u>
Total tax expense for the year	<u>404,910</u>	<u>315,101</u>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2023 HK\$'000	2022 HK\$'000
Profit before tax	<u>1,666,123</u>	<u>1,382,010</u>
Tax calculated at tax rate of 25%	416,531	345,502
Tax concession	(222,363)	(254,369)
Adjustments in respect of current tax of previous periods	7,066	1,524
Profits attributable to associates and a joint venture	(817)	(2,807)
Income not subject to tax	(37,471)	(12,731)
Expenses not deductible for tax	181,186	157,424
Tax losses not recognised	11,017	27,969
Tax losses utilised from previous periods	(6,015)	(1,185)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	<u>55,776</u>	<u>53,774</u>
Tax expense at the Group's effective rate	<u>404,910</u>	<u>315,101</u>

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9. INCOME TAX (continued)

Pillar Two income taxes

As stated in note 2.3(d), the Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, and the legislation will be effective for the Group's financial year beginning 1 January 2024.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which it operates are above 15%. There are a limited number of jurisdictions where the Pillar Two effective tax rate is slightly below 15%. The Group does not expect a material exposure to Pillar Two income taxes.

10. DIVIDENDS

	2023 HK\$'000	2022 HK\$'000
Dividends for the financial year:		
Interim - HK6.63 cents (equivalent to 1.13 Singapore cents ("Sing cents")) (2022: HK5.45 cents (equivalent to 0.98 Sing cent) per ordinary share	189,901	156,172
Proposed final - HK5.81 cents (equivalent to 0.99 Sing cent) (2022: HK5.14 cents (equivalent to 0.86 Sing cent)) per ordinary share	<u>166,323</u>	<u>146,390</u>
Final dividend for the previous financial year which was paid during the financial year - HK5.14 cents (equivalent to 0.86 Sing cent) (2022: HK6.83 cents (equivalent to 1.19 Sing cents)) per ordinary share	<u>146,390</u>	<u>195,468</u>

The proposed final dividend for the year is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

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11. EARNINGS PER SHARE

The calculation of basic earnings per share amount is based on the Group's profit for the year attributable to equity holders of the Company of HK\$1,187,412,000 (2022: HK\$1,010,565,000) divided by the weighted average number of ordinary shares of the Company of approximately 2,860,877,000 (2022: approximately 2,860,877,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022.

12. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK\$'000	Plant and machinery HK\$'000	Leasehold improve- ments, furniture and fixtures HK\$'000	Motor vehicles and office equipment HK\$'000	Construction in progress HK\$'000	Total HK\$'000
31 December 2023						
Cost:						
At 1 January 2023	659,601	336,734	17,659	109,397	83,945	1,207,336
Additions	-	1,189	1,965	6,094	44,831	54,079
Transfers	24,762	90,386	-	40	(115,188)	-
Disposals	-	(9)	(142)	(4,959)	-	(5,110)
Exchange realignment	(17,840)	(10,459)	(437)	(2,875)	(1,041)	(32,652)
At 31 December 2023	<u>666,523</u>	<u>417,841</u>	<u>19,045</u>	<u>107,697</u>	<u>12,547</u>	<u>1,223,653</u>
Accumulated depreciation:						
At 1 January 2023	75,489	57,267	11,401	68,229	-	212,386
Charge for the year	20,729	18,439	1,203	11,400	-	51,771
Disposals	-	(4)	(142)	(4,750)	-	(4,896)
Exchange realignment	(2,300)	(1,826)	(258)	(1,887)	-	(6,271)
At 31 December 2023	<u>93,918</u>	<u>73,876</u>	<u>12,204</u>	<u>72,992</u>	<u>-</u>	<u>252,990</u>
Net carrying amount:						
At 31 December 2023	<u>572,605</u>	<u>343,965</u>	<u>6,841</u>	<u>34,705</u>	<u>12,547</u>	<u>970,663</u>

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12. PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings HK\$'000	Plant and machinery HK\$'000	Leasehold improve- ments, furniture and fixtures HK\$'000	Motor vehicles and office equipment HK\$'000	Construction in progress HK\$'000	Total HK\$'000
31 December 2022						
Cost:						
At 1 January 2022	719,758	367,138	16,527	97,190	12,927	1,213,540
Additions	1,596	1,733	2,525	25,480	85,645	116,979
Disposals	-	(575)	(62)	(4,039)	-	(4,676)
Exchange realignment	(61,753)	(31,562)	(1,331)	(9,234)	(14,627)	(118,507)
At 31 December 2022	<u>659,601</u>	<u>336,734</u>	<u>17,659</u>	<u>109,397</u>	<u>83,945</u>	<u>1,207,336</u>
Accumulated depreciation:						
At 1 January 2022	58,874	41,031	10,910	59,193	-	170,008
Charge for the year	22,599	21,027	1,349	18,449	-	63,424
Disposals	-	(313)	(62)	(3,729)	-	(4,104)
Exchange realignment	(5,984)	(4,478)	(796)	(5,684)	-	(16,942)
At 31 December 2022	<u>75,489</u>	<u>57,267</u>	<u>11,401</u>	<u>68,229</u>	<u>-</u>	<u>212,386</u>
Net carrying amount:						
At 31 December 2022	<u>584,112</u>	<u>279,467</u>	<u>6,258</u>	<u>41,168</u>	<u>83,945</u>	<u>994,950</u>

The property ownership certificates of certain buildings of the Group in the PRC (the "Buildings") with an aggregate net carrying amount of HK\$14,880,000 (2022: HK\$16,572,000) as at 31 December 2023 have not yet been issued by the relevant PRC authorities. In the opinion of the directors of the Company, pursuant to the relevant agreements signed with the local government authorities in the PRC and based on the advice from the Company's PRC legal adviser, Zhong Lun Law Firm, the Group has the proper legal rights to occupy and use the Buildings.

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13. INVESTMENT PROPERTIES

	2023 HK\$'000	2022 HK\$'000
Carrying amount at 1 January	11,398	12,468
Exchange realignment	<u>(302)</u>	<u>(1,070)</u>
Carrying amount at 31 December	<u>11,096</u>	<u>11,398</u>

The directors of the Company have determined that the Group's investment properties are commercial investment properties based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2023 based on valuation performed by management, at HK\$11,096,000 (2022: HK\$11,398,000).

The investment properties are leased or will be leased to third parties under operating leases, further summary details of which are included in note 14 to the financial statements.

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

	<u>Fair value measurement as at 31 December 2023 using</u>			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Recurring fair value measurement for: Commercial investment properties	<u>-</u>	<u>-</u>	<u>11,096</u>	<u>11,096</u>

	<u>Fair value measurement as at 31 December 2022 using</u>			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Recurring fair value measurement for: Commercial investment properties	<u>-</u>	<u>-</u>	<u>11,398</u>	<u>11,398</u>

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13. INVESTMENT PROPERTIES (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2022: Nil).

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties together with a quantitative sensitivity analysis:

	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range</u>	<u>Sensitivity of fair value to the input</u>
Commercial investment property	Discounted cash flow method	Estimated rental value	RMB185 per square meter annually (2022: RMB185 per square meter annually)	5% (2022: 5%) increase (decrease) in estimated rental value would result in increase (decrease) in fair value by HK\$71,000 (2022: HK\$69,000)
		Rent growth	5% (2022: 5%)	1% (2022: 1%) increase (decrease) in rent growth would result in increase in fair value by HK\$58,000 (2022: HK\$113,000) or decrease in fair value by HK\$158,000 (2022: HK\$103,000)
		Discount rate	3% (2022: 3%)	1% (2022: 1%) increase (decrease) in discount rate would result in decrease in fair value by HK\$273,000 (2022: HK\$219,000) or increase in fair value by HK\$203,000 (2022: HK\$259,000)
Commercial investment property	Market comparison approach	Estimated sales price	RMB5,228 per square meter (2022: RMB5,257 per square meter)	5% (2022: 5%) increase (decrease) in estimated sales price would result in increase (decrease) in fair value by HK\$412,000 (2022: HK\$412,000)

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13. INVESTMENT PROPERTIES (continued)

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a property interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Under market comparison approach, fair value of investment properties is determined by reference to recent sales prices of comparable properties on a price per square metre basis, adjusted for a premium or a discount specific to the quality of the Group's buildings compared to the recent sales and the timing on the comparable transactions. Higher premium for higher quality buildings and a favourable adjustment on the timing of comparable transaction will result in higher fair value measurement.

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14. LEASES

The Group as a lessee

The Group has lease contracts for various items of land and buildings, equipment and others used in its operations. Lump sum payments were made upfront to acquire the land lease from the owners with lease terms of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings, equipment and others generally have lease terms between 2 and 3 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amount of the Group's right-of-use assets and movements during the year are as follows:

	Prepaid land lease payments HK\$'000	Buildings HK\$'000	Equipment and others HK\$'000	Total HK\$'000
At 1 January 2022	98,141	6,231	-	104,372
Additions	-	7,166	-	7,166
Disposals	-	(25,627)	(555)	(26,182)
Depreciation charge	(3,043)	(10,200)	-	(13,243)
Write-back on disposals	-	25,627	555	26,182
Exchange realignment	(8,283)	(177)	-	(8,460)
As at 31 December 2022 and 1 January 2023	86,815	3,020	-	89,835
Additions	-	11,003	-	11,003
Disposals	-	(8,331)	-	(8,331)
Depreciation charge	(2,874)	(7,181)	-	(10,055)
Write-back on disposals	-	8,331	-	8,331
Exchange realignment	(2,251)	(32)	-	(2,283)
As at 31 December 2023	<u>81,690</u>	<u>6,810</u>	<u>-</u>	<u>88,500</u>

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NOTES TO FINANCIAL STATEMENTS

31 December 2023

14. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of the Group's lease liabilities and movements during the year are as follows:

	2023 HK\$'000	2022 HK\$'000
Carrying amount at 1 January	3,007	6,402
New leases	11,003	7,166
Accretion of interest recognised during the year	353	602
Payments	(7,485)	(10,931)
Exchange realignment	(23)	(232)
Carrying amount at 31 December	<u>6,855</u>	<u>3,007</u>
Analysed into:		
Current portion	5,412	2,656
Non-current portion	<u>1,443</u>	<u>351</u>
Carrying amount at 31 December	<u>6,855</u>	<u>3,007</u>

(c) The amounts recognised in profit or loss in relation to leases are as below:

	2023 HK\$'000	2022 HK\$'000
Interest expense on lease liabilities (note 7)	353	602
Depreciation charge of right-of-use assets	10,055	13,243
Expense relating to short-term leases (included in "Administrative and other operating expenses")	<u>1,258</u>	<u>4,188</u>
Total amount recognised in profit or loss	<u>11,666</u>	<u>18,033</u>

(d) The total cash outflow for leases is disclosed in note 31(c) to the financial statements.

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14. LEASES (continued)

The Group as a lessor

The Group leases one of its investment properties (note 13), consisting of one commercial investment property in the PRC. The shop had been rented out for a period of 6 years from 1 November 2019 under operating lease arrangements. The terms of the lease generally require the tenant to pay security deposits and provide for periodic rent adjustments according to the prevailing market conditions. Rental income recognised by the Group during the year was HK\$87,000 (2022: HK\$86,000).

At 31 December 2023, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating lease with its tenant are as follows:

	2023 HK\$'000	2022 HK\$'000
Within 1 year	162	507
After 1 year but within 5 years	<u>73</u>	<u>1,836</u>
	<u>235</u>	<u>2,343</u>

15. INTANGIBLE ASSETS

	Concession rights HK\$'000	Patents and trademarks HK\$'000	Computer software HK\$'000	Customer relationships HK\$'000	Total HK\$'000
31 December 2023					
Cost:					
At 1 January 2023	2,929,442	24,335	10,321	12,444	2,976,542
Additions	-	-	1,636	-	1,636
Disposals	(2,852)	-	(1)	-	(2,853)
Exchange realignment	<u>(77,554)</u>	<u>(645)</u>	<u>(301)</u>	<u>(330)</u>	<u>(78,830)</u>
At 31 December 2023	<u>2,849,036</u>	<u>23,690</u>	<u>11,655</u>	<u>12,114</u>	<u>2,896,495</u>
Accumulated amortisation and impairment:					
At 1 January 2023	566,157	24,335	4,987	11,200	606,679
Amortisation provided during the year	148,032	-	1,377	1,232	150,641
Exchange realignment	<u>(15,733)</u>	<u>(645)</u>	<u>(155)</u>	<u>(318)</u>	<u>(16,851)</u>
At 31 December 2023	<u>698,456</u>	<u>23,690</u>	<u>6,209</u>	<u>12,114</u>	<u>740,469</u>
Net carrying amount:					
At 31 December 2023	<u>2,150,580</u>	<u>-</u>	<u>5,446</u>	<u>-</u>	<u>2,156,026</u>

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15. INTANGIBLE ASSETS (continued)

	Concession rights HK\$'000	Patents and trademarks HK\$'000	Computer software HK\$'000	Customer relationships HK\$'000	Total HK\$'000
31 December 2022					
Cost:					
At 1 January 2022	2,695,010	26,618	9,548	13,612	2,744,788
Additions	488,271	-	1,670	-	489,941
Exchange realignment	(253,839)	(2,283)	(897)	(1,168)	(258,187)
At 31 December 2022	<u>2,929,442</u>	<u>24,335</u>	<u>10,321</u>	<u>12,444</u>	<u>2,976,542</u>
Accumulated amortisation and impairment:					
At 1 January 2022	423,577	26,618	4,144	9,529	463,868
Amortisation provided during the year	173,364	-	1,258	2,609	177,231
Impairment provided during the year	14,230	-	-	-	14,230
Exchange realignment	(45,014)	(2,283)	(415)	(938)	(48,650)
At 31 December 2022	<u>566,157</u>	<u>24,335</u>	<u>4,987</u>	<u>11,200</u>	<u>606,679</u>
Net carrying amount:					
At 31 December 2022	<u>2,363,285</u>	<u>-</u>	<u>5,334</u>	<u>1,244</u>	<u>2,369,863</u>

As at 31 December 2023, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with an aggregate carrying amount of HK\$5,550,547,000 (2022: HK\$5,678,281,000) were pledged to secure banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 25, 26 and 32 to the financial statements.

16. GOODWILL

	2023 HK\$'000	2022 HK\$'000
Cost and net carrying amount at 1 January	1,400,952	1,531,576
Exchange realignment	(36,859)	(130,624)
Cost and net carrying amount at 31 December	<u>1,364,093</u>	<u>1,400,952</u>

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16. GOODWILL (continued)

The goodwill arising from the acquisition is attributable mainly to the expected synergies from combining operations of the acquiree and acquirer. None of the goodwill acquired is expected to be deductible for tax purposes.

Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the water environment management segment.

The recoverable amount of the group of cash-generating units within the water environment management segment was determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period using a growth rate of 3% to 10% (2022: 3% to 10%) approved by management. The pre-tax discount rate applied to the cash flow projections was 11.4% (2022: 11.3%), and cash flows beyond the five-year period were extrapolated using a growth rate of 2.5% (2022: 2.5%). Management determined the budgets based on service concession arrangements governing the relevant operations. Based on the assessment, no impairment provision was necessary as at 31 December 2023 (2022: Nil).

17. INTERESTS IN ASSOCIATES

	2023 HK\$'000	2022 HK\$'000
Share of net assets	<u>11,953</u>	<u>11,094</u>

Particulars of the Group's associates are as follows:

Name	Particulars of capital	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Qingdao Haibohe Water Operating Limited	Paid up capital of United States dollars ("US\$") 350,845	PRC/ Mainland China	49	Waste water treatment
EW Data Intelligent Operation (Shenzhen) Limited	Paid up capital of RMB1,000,000	PRC/ Mainland China	40	Intelligent water system development and intelligent water project operation

As at 31 December 2023, the above investments were held by the Company's subsidiaries.

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18. INTEREST IN A JOINT VENTURE

	2023 HK\$'000	2022 HK\$'000
Share of net assets	<u>1,262</u>	<u>-</u>

Particulars of the Group's joint venture are as follows:

Name	Particulars of capital	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
JV Sotravic - St Martin Partner Limited	Paid up capital of Mauritius Rupee 10,000	Mauritius	50	Waste water treatment

As at 31 December 2023, the above investment was held by the Company's subsidiary.

19. CONTRACT ASSETS

	Notes	31 December 2023 HK\$'000	31 December 2022 HK\$'000	1 January 2022 HK\$'000
Non-current				
Service concession assets	(a)	19,798,284	19,094,999	19,766,155
Less: Impairment	(c)	<u>(18,573)</u>	<u>(17,886)</u>	<u>(15,831)</u>
Total - non-current		<u>19,779,711</u>	<u>19,077,113</u>	<u>19,750,324</u>
Current				
Service concession assets	(a)	2,005,427	1,953,883	1,949,143
Less: Impairment	(c)	<u>(1,881)</u>	<u>(1,830)</u>	<u>(1,561)</u>
Other contract assets	(b)	<u>2,003,546</u> 154,160	<u>1,952,053</u> 58,340	<u>1,947,582</u> 42,884
Total - current		<u>2,157,706</u>	<u>2,010,393</u>	<u>1,990,466</u>
Total		<u>21,937,417</u>	<u>21,087,506</u>	<u>21,740,790</u>

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19. CONTRACT ASSETS (continued)

Notes:

- (a) Included in "Service concession assets" as at 31 December 2023 are amounts of HK\$769,354,000 (2022: HK\$525,427,000) and HK\$731,752,000 (2022: HK\$704,322,000) which are due from a non-controlling shareholder of a non wholly-owned subsidiary and a related company of a non wholly-owned subsidiary, respectively.

Service concession assets as at 31 December 2023 totalling HK\$21,803,711,000 (2022: HK\$21,048,882,000) bear interest at rates ranging from 4.20% to 7.83% (2022: 4.40% to 7.83%) per annum. As at 31 December 2023, HK\$20,364,924,000 (2022: HK\$17,360,843,000) related to the service concession arrangements with operation commenced. The amounts for the service concession arrangements are not yet due for payment and will be settled by revenue to be generated during the operating periods of the service concession arrangements. Amounts billed will be transferred to trade receivables (note 21).

- (b) The balance comprised contract assets arising from performance under construction management service contracts. Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.
- (c) Impairment assessment

As at 31 December 2023, HK\$20,454,000 (2022: HK\$19,716,000) was recognised as an allowance for expected credit losses on contract assets. The Group's trading terms and credit policy with customers are disclosed in note 21 to the financial statements.

The movements in the provision for impairment of contract assets are as follows:

	2023 HK\$'000	2022 HK\$'000
At the beginning of year	19,716	17,392
Impairment losses recognised (note 8)	1,282	4,002
Exchange realignment	<u>(544)</u>	<u>(1,678)</u>
At the end of year	<u>20,454</u>	<u>19,716</u>

An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The probabilities of default rates are estimated based on comparable entities with published credit ratings. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information. As at 31 December 2023, the probability of default applied ranging from 0.05% to 0.53% (2022: 0.05% to 0.12%) and the loss given default was estimated ranging from 59.93% to 64.90% (2022: 57.70% to 64.90%).

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19. CONTRACT ASSETS (continued)

As at 31 December 2023, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with an aggregate carrying amount of HK\$5,550,547,000 (2022: HK\$5,678,281,000) were pledged to secure banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 25, 26 and 32 to the financial statements.

20. INVENTORIES

	2023 HK\$'000	2022 HK\$'000
Raw materials and consumables	<u>58,336</u>	<u>85,820</u>

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2023 HK\$'000	2022 HK\$'000
Carrying amount of inventories consumed	<u>966,843</u>	<u>991,870</u>

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21. TRADE AND OTHER RECEIVABLES

	2023 HK\$'000	2022 HK\$'000
Non-current		
Other receivables	22,869	304,462
Less: Impairment	<u>(9,782)</u>	<u>(33,354)</u>
	13,087	271,108
VAT receivables	193,824	285,046
Prepayments	<u>28,214</u>	<u>-</u>
Total - non-current	<u>235,125</u>	<u>556,154</u>
Current		
Trade receivables	5,060,763	3,808,432
Less: Impairment	<u>(626,215)</u>	<u>(446,835)</u>
	4,434,548	3,361,597
Other receivables and sundry deposits	636,027	126,497
Less: Impairment	<u>(29,187)</u>	<u>(17,516)</u>
	606,840	108,981
VAT receivables	121,805	165,655
Amounts due from an associate	6,329	9,365
Prepayments	<u>213,239</u>	<u>122,104</u>
Total - current	<u>5,382,761</u>	<u>3,767,702</u>
Total	<u>5,617,886</u>	<u>4,323,856</u>

The amounts due from an associate are unsecured, repayable on demand and interest-bearing at a rate of 4.75% (2022: 4.75%) per annum.

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21. TRADE AND OTHER RECEIVABLES (continued)

The movements in allowance for expected credit losses of trade receivables are as follows:

	2023 HK\$'000	2022 HK\$'000
At the beginning of year	446,835	252,045
Impairment losses recognised, net (note 8)	194,487	226,899
Exchange realignment	<u>(15,107)</u>	<u>(32,109)</u>
At the end of year	<u>626,215</u>	<u>446,835</u>

The movements in allowance for expected credit losses of other receivables are as follows:

	2023 HK\$'000	2022 HK\$'000
At the beginning of year	50,870	20,350
Impairment losses recognised, net (note 8)	466	33,829
Write-offs	(11,200)	-
Exchange realignment	<u>(1,167)</u>	<u>(3,309)</u>
At the end of the year	<u>38,969</u>	<u>50,870</u>

Trade receivables are due within 30 to 90 days from the date of billing. Trade receivables mainly represent revenue from the provision of operation services and the billed amounts of the contract assets. The Group does not hold any collateral over these balances.

CHINA EVERBRIGHT WATER LIMITED

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31 December 2023

21. TRADE AND OTHER RECEIVABLES (continued)

The Group has applied the simplified approach for providing impairment for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECLs below also incorporate forward looking information. The impairment was determined as follows:

	Current	Past due within 1 year	Past due more than 1 year but within 2 years	Past due over 2 years	Total
31 December 2023:					
Expected loss rate	7.5%	7.2%	17.0%	38.2%	12.4%
Gross carrying amount (HK\$'000)	1,060,050	2,518,405	945,504	536,804	5,060,763
Impairment (HK\$'000)	79,462	180,946	161,000 [^]	204,807 [*]	626,215
31 December 2022:					
Expected loss rate	7.1%	5.7%	25.8%	62.6%	11.7%
Gross carrying amount (HK\$'000)	898,591	2,208,766	492,460	208,615	3,808,432
Impairment (HK\$'000)	63,597	125,733	126,867 [^]	130,638 [*]	446,835

[^] The impairment included an amount of HK\$30,037,000 (2022: HK\$19,408,000) made for specific trade receivables which were considered in default due to indicators which showed that the Group was unlikely to receive the outstanding contractual amounts in full.

^{*} The impairment included an amount of HK\$123,845,000 (2022: HK\$111,997,000) made for specific trade receivables which were considered in default due to indicators which showed that the Group was unlikely to receive the outstanding contractual amounts in full.

Included in "Trade and other receivables" of the Group as at 31 December 2023 were trade receivables of HK\$4,434,548,000 (2022: HK\$3,361,597,000), of which (a) HK\$60,554,000 (2022: Nil) were due from a non-controlling shareholder of a non wholly-owned subsidiary, and (b) HK\$22,735,000 (2022: HK\$13,963,000) were due from a related company of a non wholly-owned subsidiary.

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21. TRADE AND OTHER RECEIVABLES (continued)

Included in "Other receivables and sundry deposits" of the Group as at 31 December 2023 were (a) government compensation receivables of HK\$274,126,000 (2022: HK\$281,585,000) arising from the disposals of service concession arrangement-related intangible assets and contract assets in connection to relocation and expansion of waste water treatment plants of Everbright Water (Zibo) Limited, for which impairment of HK\$11,079,000 (2022: HK\$22,105,000) was provided as at 31 December 2023. The amount will be settled before 31 December 2024; (b) government compensation receivables of HK\$205,380,000 (2022: Nil) arising from the termination of the added 13 subprojects of Everbright River Basin Remediation (Nanjing) Limited, for which impairment of HK\$12,050,000 (2022: Nil) was provided as at 31 December 2023; (c) government compensation receivables of HK\$26,751,000 (2022: HK\$26,508,000) arising from compensation of sludge disposal cost as stipulated in the concession service agreement of Everbright Water (Beijing) Limited; (d) security deposits paid of HK\$21,756,000 (2022: HK\$22,348,000) for the Tongxiang West Area Drinking Water Sources Protection PPP Project, for which impairment of HK\$9,782,000 (2022: HK\$11,249,000) was provided as at 31 December 2023; and (e) consideration receivables of HK\$4,514,000 (2022: HK\$6,394,000) due from third parties arising from the disposals of service concession rights held by Suqian City Cheng Bei Water Treatment Co., Ltd. and Suqian City Cheng Bei Wastewater Treatment Co., Ltd. years ago, for which impairment of HK\$1,309,000 (2022: HK\$2,283,000) was provided as at 31 December 2023.

Included in "Prepayments" as at 31 December 2023 were partial payment of HK\$28,214,000 (2022: Nil) for extending the term of a service concession right of a project.

As at 31 December 2023, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with an aggregate carrying amount of HK\$5,550,547,000 (2022: HK\$5,678,281,000) were pledged to secure banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 25, 26 and 32 to the financial statements.

All the current portions of the above balances are expected to be recovered or recognised as expenses within one year.

22. OTHER FINANCIAL ASSETS

	2023 HK\$'000	2022 HK\$'000
Unlisted investments, at fair value	88,150	186,219
Unlisted equity investment, at fair value	<u>32,998</u>	<u>35,498</u>
Total	<u>121,148</u>	<u>221,717</u>

The above unlisted investments were wealth management products issued by a financial institution in Hong Kong and the above unlisted equity investment represents the 6% equity interest in Yancheng CCCC Shanghai Dredging Water Environment Investment Co., Ltd. They were mandatorily classified as financial assets at FVPL as their contractual cash flows are not solely payments of principal and interest.

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23. CASH AND CASH EQUIVALENTS

	2023 HK\$'000	2022 HK\$'000
Cash on hand and bank balances	1,861,907	2,844,990
Restricted bank balances	<u>19,494</u>	<u>917</u>
Total	<u>1,881,401</u>	<u>2,845,907</u>

As at 31 December 2023, restricted bank balances are pledged to banks for the issuance of guarantees by the banks to the grantors in respect of the specific performance duties by the Group under certain services concession agreements.

Included in "Cash and cash equivalents" of the Group as at 31 December 2023 are deposits of HK\$84,485,000 (2022: HK\$105,290,000) placed with a related party bank, which is a fellow subsidiary of the Company.

As at 31 December 2023, cash and cash equivalents of the Group amounting to HK\$1,820,452,000 (2022: HK\$2,701,367,000) are deposited with banks in the PRC. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. The remittance of funds in and out of Mainland China is subject to exchange restrictions imposed by the PRC government.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2023, cash at banks of the Group were considered to be of low credit risk, and thus the Group has assessed that the ECL for cash at banks is immaterial under the 12-month expected losses method.

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24. TRADE AND OTHER PAYABLES

	2023 HK\$'000	2022 HK\$'000
Trade payables	2,335,983	2,278,842
Distribution payable to holders of perpetual capital instruments	25,128	13,672
Dividend payable to a non-controlling shareholder of a non wholly-owned subsidiary	5,835	5,364
Interest payable	155,216	128,912
VAT and other tax payables	176,442	31,144
Other creditors and accrued expenses	<u>543,132</u>	<u>710,178</u>
Total	<u>3,241,736</u>	<u>3,168,112</u>

Trade payables totalling HK\$1,864,144,000 (2022: HK\$1,653,099,000) as at 31 December 2023 represent construction payables for the Group's BOT, BOO and TOT arrangements. The construction payables are not yet due for payment.

Included in "Trade payables" of the Group as at 31 December 2023 are trade payables of HK\$69,745,000 (2022: HK\$67,617,000) due to non-controlling shareholders of non wholly-owned subsidiaries, which are unsecured, interest-free and repayable on credit terms similar to those offered by the non-controlling shareholders to their major customers.

Included in "Trade payables" of the Group as at 31 December 2023 are trade payables of HK\$3,752,000 (2022: HK\$4,816,000) due to an associate, which are unsecured, interest-free and repayable on credit terms similar to those offered by the associate to its major customers.

Included in "Other creditors and accrued expenses" of the Group as at 31 December 2023 are other payables of HK\$215,385,000 (2022: HK\$215,053,000) due to a non-controlling shareholder of a non wholly-owned subsidiary, which are unsecured, interest-bearing at the rates announced by the People's Bank of China and repayable on demand.

Included in "Other creditors and accrued expenses" of the Group as at 31 December 2022 was a guarantee deposit of HK\$14,229,000 from a former director of a subsidiary.

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25. BORROWINGS

	2023		2022	
	Maturity	HK\$'000	Maturity	HK\$'000
Non-current				
Bank loans - secured	2025 - 2039	2,426,280	2024 - 2039	1,954,369
Bank loans - unsecured	2025 - 2043	3,483,128	2024 - 2037	4,605,701
Bonds payable - unsecured (note 26)	2025 - 2026	<u>4,889,072</u>	2024 - 2025	<u>3,015,630</u>
Total - non-current		<u>10,798,480</u>		<u>9,575,700</u>
Current				
Bank loans - secured	2024	218,916	2023	183,105
Bank loans - unsecured	2024	2,543,566	2023	2,236,241
Bonds payable - secured (note 26)		-	2023	154,202
Bonds payable - unsecured (note 26)	2024	<u>1,844,411</u>	2023	<u>3,112,887</u>
Total - current		<u>4,606,893</u>		<u>5,686,435</u>
Total		<u>15,405,373</u>		<u>15,262,135</u>
			2023	2022
			HK\$'000	HK\$'000
Analysed into:				
Borrowings repayable:				
Within one year or on demand		4,606,893		5,686,435
In the second year		2,240,121		3,767,538
In the third to fifth years, inclusive		5,977,424		3,326,368
Beyond five years		<u>2,580,935</u>		<u>2,481,794</u>
Total		<u>15,405,373</u>		<u>15,262,135</u>

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25. BORROWINGS (continued)

As at 31 December 2023, certain banking facilities of the Group are secured by certain revenue, contract assets, receivables and intangible assets in connection with the Group's service concession arrangements and the equity interests in certain subsidiaries of the Group. Such banking facilities, amounting to HK\$2,919,175,000 (2022: HK\$3,154,472,000), were utilised to the extent of HK\$2,645,196,000 (2022: HK\$2,137,474,000) at 31 December 2023.

As at 31 December 2023, the unsecured banking facilities, amounting to HK\$7,356,294,000 (2022: HK\$9,718,867,000), were utilised to the extent of HK\$6,026,694,000 (2022: HK\$6,841,942,000). Among the unsecured banking facilities of the Group, HK\$734,139,000 (2022: HK\$1,232,109,000) are guaranteed by the Company and were utilised to the extent of HK\$363,150,000 (2022: HK\$698,544,000) as at 31 December 2023.

As at 31 December 2023, banking facilities of HK\$5,927,696,000 (2022: HK\$6,586,105,000) are subject to the fulfilment of covenants relating to certain of the Group's financial ratios. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. At 31 December 2023, such facilities were utilised to the extent of HK\$4,909,540,000 (2022: HK\$5,354,348,000). The Group regularly monitors its compliance with these covenants. Certain banking facilities also restrict some of the Company's subsidiaries from declaring or paying dividends to shareholders without obtaining prior written approval of the banks or require the Group to process waste water treatment operating fee via respective financial institutions. Further details of the Group's management of liquidity risk are set out in note 37 to the financial statements.

As at 31 December 2023, the Group's bank loans of HK\$8,454,330,000 (2022: HK\$8,979,416,000) bear interest at variable rates ranging from 2.80% to 7.02% (2022: 1.72% to 5.94%) per annum, bank loans of HK\$217,560,000 (2022: Nil) bear interest at a fixed rate of 3.35% per annum, and bonds payable of HK\$6,733,483,000 (2022: HK\$6,282,719,000) bear interest at fixed rates ranging from 2.82% to 3.75% (2022: 1.72% to 3.99%) per annum.

As at 31 December 2023, the Group's bank loans of nil (2022: HK\$411,553,000) are denominated in US\$, HK\$6,529,009,000 (2022: HK\$5,002,452,000) are denominated in RMB, HK\$25,207,000 (2022: HK\$197,215,000) are denominated in Euro ("EUR"), and HK\$2,117,674,000 (2022: HK\$3,368,196,000) are denominated in HK\$.

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26. BONDS PAYABLE

	2023 HK\$'000	2022 HK\$'000
Non-current		
Corporate bonds - unsecured	-	782,227
MTN - unsecured	<u>4,889,072</u>	<u>2,233,403</u>
Total - non-current	<u>4,889,072</u>	<u>3,015,630</u>
Current		
ABS - secured	-	154,202
Corporate bonds - unsecured	761,506	881,127
MTN - unsecured	1,082,905	1,114,360
SCP - unsecured	<u>-</u>	<u>1,117,400</u>
Total - current	<u>1,844,411</u>	<u>3,267,089</u>
Total	<u>6,733,483</u>	<u>6,282,719</u>

In April 2020, the Company received a notice of registration acceptance issued by National Association of Financial Market Institutional Investors of the People's Republic of China in respect of the RMB-denominated MTN, with registered amount of RMB3 billion, effective for two years since the notice was issued. On 4 August 2020, the Company issued the first tranche of RMB-denominated MTN with a principal amount of RMB1 billion, before related expenses of RMB3,704,000, with an interest rate at 3.60% per annum, and a maturity period of three years from the issuance date. The interest shall be paid annually from 5 August 2020 and up to the redemption date. The Company has repaid the principal and interest of the first tranche of RMB-denominated MTN in August 2023.

In January 2021, the Company issued the second tranche of RMB-denominated MTN with a principal amount of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 3.75% per annum and a maturity period of three years from the issuance date. The interest shall be paid annually from January 2021 and up to the redemption date.

In April 2022, the Company issued the third tranche of RMB-denominated MTN with a principal amount of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 3.10% per annum and a maturity period of three years from the issuance date. The interest shall be paid annually from April 2022 and up to the redemption date. In September 2022, the Company issued the third tranche of RMB-denominated SCP of RMB1 billion, with an interest rate at 1.72% per annum and redemption date of 18 March 2023. The Company has repaid the principal and interest of the third tranche of RMB-denominated SCP in March 2023.

31 December 2023

26. BONDS PAYABLE (continued)

In March 2023, the Company received a notice of registration acceptance issued by National Association of Financial Market Institutional Investors of the People's Republic of China in respect of MTN, with a registered principal amount of RMB5 billion, effective for two years since the notice was issued. On 17 April 2023, the Company issued the 2023 first tranche of RMB-denominated MTN of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 3.20% per annum, and a maturity period of five years from the issuance date. The interest shall be paid annually from April 2023 and up to the redemption date. On 17 July 2023, the Company issued the 2023 second tranche of RMB-denominated MTN of RMB1.5 billion, before related expenses of RMB4,500,000, with an interest rate at 2.97% per annum, and a maturity period of five years from the issuance date. The interest shall be paid annually from July 2023 and up to the redemption date. On 23 August 2023, the Company issued the 2023 third tranche of RMB-denominated MTN of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 2.82% per annum, and a maturity period of five years from the issuance date. The interest shall be paid annually from August 2023 and up to the redemption date. On 9 March 2023, the Company issued the 2023 first tranche of RMB-denominated SCP of RMB1 billion, with an interest rate at 2.60% per annum and redemption date of 5 September 2023. The interest shall be paid on the redemption date together with the principal. The Company has repaid the principal and interest of the 2023 first tranche of RMB-denominated SCP in September 2023.

The Company submitted the application to the Shanghai Stock Exchange ("SSE") on 28 November 2019 for a possible issuance of ABS by Everbright Water (Shenzhen) Limited ("Shenzhen Water"), a wholly-owned subsidiary of the Company, to qualified investors in the PRC pursuant to an asset-backed securities scheme (the "Scheme"). On 26 March 2020, the SSE issued a no-objection letter (the "No-objection Letter") confirming that it had no objections to the potential issuance of ABS. Pursuant to the No-objection Letter, the issuance size of the ABS shall not be more than RMB300 million and the issuance of ABS shall be completed within 12 months from the date of the No-objection Letter.

On 17 June 2020, the ABS were successfully issued with total amount of RMB300 million, of which the preference ABS amounting to RMB285 million were subscribed by qualified investors in the PRC and the subordinate ABS amounting to RMB15 million was subscribed by Shenzhen Water.

The original beneficiary of the securities is Shenzhen Water. The underlying assets of the ABS are the rights, of three project companies in Liaoning Province in relation to four waste water treatment projects, to receive waste water treatment fees during a specific period of five years starting from 1 March 2020. The relevant project companies have pledged part of the underlying assets in favour of the Scheme.

The preference ABS are classified into five classes based on the maturity dates of such preference ABS, comprising:

- (a) Preference ABS 01 of RMB50,000,000 ("Preference ABS 1");
- (b) Preference ABS 02 of RMB54,500,000 ("Preference ABS 2");
- (c) Preference ABS 03 of RMB57,000,000 ("Preference ABS 3");
- (d) Preference ABS 04 of RMB60,500,000 ("Preference ABS 4"); and
- (e) Preference ABS 05 of RMB63,000,000 ("Preference ABS 5").

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26. BONDS PAYABLE (continued)

The principal and interest of the preference ABS are repayable pursuant to the repayment schedule of the Scheme, with interest rates ranging from 3.38% to 3.99% per annum. The Company has the option to adjust the interest rate of Preference ABS 4 and Preference ABS 5 before 26 March 2023 ("The 12th Repayment Date"), to increase or decrease interest rate of no more than 200 base points (1 base point equals to 0.01%). The holders of Preference ABS 4 and Preference ABS 5 have an option to sell back the notes to the original beneficiary at the nominal price, and the exercisable period of this option is from the 26th day before The 12th Repayment Date to the 17th day before The 12th Repayment Date.

In 2023, the Company repaid all the remaining principal of RMB138,000,000.

On 21 July 2017, the Company entered into an underwriting agreement with the relevant financial institution in relation to the issue of RMB-denominated corporate bonds with an aggregate principal amount of not exceeding RMB2.5 billion (the "Corporate Bond") to the qualified investors in the PRC.

On 16 August 2018 (the "Second Issue Date"), the Company issued the second tranche of the Corporate Bond with principal amount of RMB800 million, before related expenses of RMB4,171,000, with a maturity period of five years from the Second Issue Date. The second tranche of the Corporate Bond comprises two types of bonds: (i) bonds with principal amount of RMB400 million which bear interest at a rate of 4.60% per annum, and (ii) bonds with principal amount of RMB400 million which bear interest at a rate of 4.58% per annum. The interest will be repayable by the Company annually from the Second Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the Second Issue Date, the Company is entitled to adjust the interest rate of the second tranche of the Corporate Bond for the remaining two years before the maturity date. The Company will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the Second Issue Date. The bondholders have an option to sell back the second tranche of the Corporate Bond to the Company at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of the Company's announcement related to the adjustment in interest rate of the second tranche of the Corporate Bond.

In July 2021, the Company announced the adjustment of the interest rate in respect of the first type of the second tranche of the Corporate Bond from 4.60% per annum to 3.20% per annum for the period from 16 August 2021 to 15 August 2023. In July 2021, the Company announced the adjustment of the interest rate in respect of the second type of the second tranche of the Corporate Bond from 4.58% per annum to 3.20% per annum for the period from 16 August 2021 to 15 August 2023.

The Company repurchased the first type of second tranche of the Corporate Bond totaling RMB79,100,000, of which RMB70,000,000 had been resold and the remaining RMB9,100,000 had been cancelled during the year ended 31 December 2021. The Company repurchased the second type of second tranche of the Corporate Bond totaling RMB183,050,000, of which RMB180,000,000 had been resold and the remaining RMB3,050,000 had been cancelled during the year ended 31 December 2021. The Company has repaid the principal and interest of the second tranche of the Corporate Bond in August 2023.

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31 December 2023

26. BONDS PAYABLE (continued)

On 21 January 2019 (the "Third Issue Date"), the Company issued the third tranche of the Corporate Bond with principal amount of RMB700 million, before related expenses of RMB3,632,000, with a maturity period of five years from the Third Issue Date. The third tranche of the Corporate Bond bears interest at a rate of 3.89% per annum. The interest will be repayable by the Company annually from the Third Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the Third Issue Date, the Company is entitled to adjust the interest rate of the third tranche of the Corporate Bond for the remaining two years before the maturity date. The Company will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the Third Issue Date. The bondholders have an option to sell back the third tranche of the Corporate Bond to the Company at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of the Company's announcement related to the adjustment in interest rate of the third tranche of the Corporate Bond. In January 2022, the Company announced the adjustment of the interest rate in respect of the third tranche of the Corporate Bond from 3.89% per annum to 3.08% per annum for the period from 21 January 2022 to 20 January 2024.

27. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

	Fair value adjustments arising from acquisition of a subsidiary HK\$'000
At 1 January 2022	6,127
Deferred tax charged to profit or loss (note 9)	(2,462)
Exchange realignment	<u>(412)</u>
At 31 December 2022 and 1 January 2023	3,253
Deferred tax charged to profit or loss (note 9)	(2,326)
Exchange realignment	<u>(47)</u>
At 31 December 2023	<u><u>880</u></u>

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27. DEFERRED TAX (continued)

Deferred tax liabilities

	Fair value adjustments arising from acquisition of subsidiaries HK\$'000	Temporary differences on assets recognised under HK(IFRIC)- Int 12 HK\$'000	Undistributed profits of subsidiaries HK\$'000	Others HK\$'000	Total HK\$'000
At 1 January 2022	175,918	1,475,181	412,668	(30)	2,063,737
Deferred tax charged/(credited) to profit or loss (note 9)	(11,684)	28,755	55,254	-	72,325
Exchange realignment	<u>(19,885)</u>	<u>(127,522)</u>	<u>(37,968)</u>	<u>3</u>	<u>(185,372)</u>
At 31 December 2022 and 1 January 2023	144,349	1,376,414	429,954	(27)	1,950,690
Deferred tax charged/(credited) to profit or loss (note 9)	(10,528)	89,498	55,900	29	134,899
Exchange realignment	<u>(6,063)</u>	<u>(37,252)</u>	<u>(12,329)</u>	<u>-</u>	<u>(55,644)</u>
At 31 December 2023	<u>127,758</u>	<u>1,428,660</u>	<u>473,525</u>	<u>2</u>	<u>2,029,945</u>

The Group has estimated tax losses arising in Mainland China of approximately HK\$329,763,000 (2022: HK\$203,447,000) as at 31 December 2023 that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets in respect of such tax losses arising in Mainland China have not been recognised as they have arisen in certain subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

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28. SHARE CAPITAL

	2023 HK\$'000	2022 HK\$'000
Authorised:		
10,000,000,000 (2022: 10,000,000,000) ordinary shares of par value of HK\$1.00 each	<u>10,000,000</u>	<u>10,000,000</u>
Issued and fully paid:		
2,860,876,723 (2022: 2,860,876,723) ordinary shares of par value of HK\$1.00 each	<u>2,860,877</u>	<u>2,860,877</u>

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

(i) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of the Company and foreign operations whose functional currencies are different from the Group's presentation currency.

(ii) Statutory reserve

In accordance with the Company Law of the People's Republic of China, the subsidiaries in the PRC are required to allocate 10% of the statutory after-tax profits to the statutory reserve until the cumulative total of the reserve reaches 50% of the subsidiaries' registered capital. Subject to approval from the relevant PRC authorities, the statutory reserve may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The statutory reserve is not available for dividend distribution to shareholders of the PRC subsidiaries.

(iii) Contributed surplus reserve

Contributed surplus reserve arose from the reduction of share premium. Pursuant to the special resolution at the Special General Meeting of the Company held on 15 December 2015, the entire amount standing to the credit of the Company's share premium was reduced to nil and transferred to the contributed surplus reserve.

(iv) Other reserves

Other reserves comprise capital reserve and other reserve.

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30. PERPETUAL CAPITAL INSTRUMENTS

	2023 HK\$'000	2022 HK\$'000
At 1 January	806,982	-
Issuance of perpetual capital instruments	-	806,982
Share of profit for the year	37,578	14,334
Distribution to holders of perpetual capital instruments	<u>(37,578)</u>	<u>(14,334)</u>
At 31 December	<u>806,982</u>	<u>806,982</u>

In June 2022, the Company issued a perpetual capital instrument with a principal amount of RMB700,000,000. Net proceeds after deducting the issuance costs amounted to RMB697,900,000 (equivalent to HK\$806,982,000). The distribution rate for the perpetual capital instrument is 3.30% per annum for the first three years from the date of issuance, and subsequently the distribution rate will be reset every three years.

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 December 2023, the interest expenses on corporate bonds, MTN and SCP of HK\$144,462,000 (2022: HK\$121,613,000) were not yet settled by the Group, and recorded in "Trade and other payables" in the consolidated statement of financial position as at 31 December 2023, and have no cash flow impact to the Group.
- (ii) During the year ended 31 December 2023, the distribution to holders of the first tranche of perpetual capital instruments of HK\$25,128,000 (2022: HK\$13,672,000) was not yet settled by the Group, and recorded in "Trade and other payables" in the consolidated statement of financial position as at 31 December 2023, and have no cash flow impact to the Group.
- (iii) During the year ended 31 December 2023, the non-controlling shareholder of a non wholly-owned subsidiary made capital contribution of HK\$37,187,000 to the non wholly-owned subsidiary by using dividends declared in 2023, and have no cash flow impact to the Group.

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31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

	Bank loans HK\$'000	Bonds payable HK\$'000	Interest payable HK\$'000	Dividend payable to non- controlling shareholders of non wholly-owned subsidiaries HK\$'000
At 1 January 2022	9,091,739	5,350,199	125,637	-
Changes from financing cash flows	267,952	1,574,448	(503,664)	(17,573)
Finance costs	-	-	544,013	-
Dividend declared to non-controlling shareholder of subsidiaries	-	-	-	22,219
Foreign exchange movement	(380,275)	(641,928)	(37,074)	718
At 31 December 2022 and 1 January 2023	8,979,416	6,282,719	128,912	5,364
Changes from financing cash flows	(133,352)	683,036	(550,329)	-
Finance costs	-	-	590,568	-
Dividend declared to a non-controlling shareholder of a subsidiary (note a)	-	-	-	37,187
Capital contribution received by a non wholly-owned subsidiary from a non-controlling shareholder (note a)	-	-	-	(37,187)
Foreign exchange movement	(174,174)	(232,272)	(13,935)	471
At 31 December 2023	<u>8,671,890</u>	<u>6,733,483</u>	<u>155,216</u>	<u>5,835</u>

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

	2023 HK\$'000	2022 HK\$'000
Within operating activities	1,258	4,188
Within financing activities	<u>7,485</u>	<u>10,931</u>

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32. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's ABS and banking facilities are included in notes 25 and 26 to the financial statements. The aggregate net book values of assets amounted to HK\$5,550,547,000 (2022: HK\$6,281,733,000) as at 31 December 2023.

33. COMMITMENTS

(a) The Group had the following commitments at the end of the reporting period:

	2023 HK\$'000	2022 HK\$'000
Purchase commitments outstanding in connection with the Group's construction contracts were as follows:		
Contracted but not provided for	<u>2,857,994</u>	<u>2,017,857</u>

(b) At 31 December 2023, the Group had an outstanding capital commitment of HK\$22,711,000 (2022: HK\$23,329,000) relating to the capital contribution to an unlisted equity investment.

34. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions during the year:

(a) The Group entered into the following related party transactions with non-controlling shareholders of non wholly-owned subsidiaries of the Group:

	2023 HK\$'000	2022 HK\$'000
Revenue from project operation service	87,801	91,401
Finance income	12,790	15,161
Cost of construction service	<u>26,805</u>	<u>182,205</u>

(b) The Group entered into the following related party transactions with a related company of the Group:

	2023 HK\$'000	2022 HK\$'000
Revenue from project operation service	120,642	119,038
Finance income	<u>47,816</u>	<u>50,714</u>

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34. RELATED PARTY TRANSACTIONS (continued)

- (c) The Group entered into the following related party transactions with associates of the Group:

	2023 HK\$'000	2022 HK\$'000
Service expenses for operation of waste water treatment plants	46,165	48,886
Technical operation service fee	<u>42,981</u>	<u>-</u>

- (d) The Group entered into the following related party transactions with fellow subsidiaries of the Group:

	Notes	2023 HK\$'000	2022 HK\$'000
Sales of equipment	(i)	11,509	-
Underwriting service fee	(ii)	8,962	1,722
Insurance expenses	(iii)	2,844	3,038
Healthcare protection services expenses	(iv)	<u>14,615</u>	<u>17,779</u>

Notes:

- (i) The sales of equipment to fellow subsidiaries of the Group were conducted based on mutually agreed terms.
- (ii) The underwriting service fees were paid to a fellow subsidiary in connection to the issuance of the MTN (2022: the issuance of perpetual capital instruments). The fees were calculated pursuant to the relevant underwriting agreements.
- (iii) The insurance expenses were charged by a fellow subsidiary of the Group on mutually agreed terms.
- (iv) The healthcare protection services expenses were charged by a fellow subsidiary of the Group on mutually agreed terms.

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34. RELATED PARTY TRANSACTIONS (continued)

(e) Transactions with other stated-owned entities in Mainland China:

The Group operates in an economic environment predominated by enterprises directly or indirectly owned and/or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "Other SOEs"). During the year ended 31 December 2023, the Group had transactions with the Other SOEs including, but not limited to the waste water treatment service, bank deposits and borrowings, and utilities consumption. The directors of the Company consider that the transactions with the Other SOEs are activities in the ordinary course of the Group's business, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and the Other SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services and such pricing policies are not carried out on non-market terms and do not depend on whether or not the customers are the Other SOEs. Having due regard to the substance of the relationships, the directors of the Company are of the opinion that none of these transactions is a material related party transaction that would require separate disclosure.

(f) The Group paid key management personnel compensation as follows:

	2023 HK\$'000	2022 HK\$'000
Directors' fees, salaries and other short-term employee benefit	20,684	23,027
Defined contribution plans	<u>2,057</u>	<u>2,271</u>
	<u>22,741</u>	<u>25,298</u>

(g) The Group has rental contracts with fellow subsidiaries of the Group. As at 31 December 2023, the Group's right-of-use assets relating to such rental contracts from fellow subsidiaries of the Group amounted to HK\$4,082,000 (2022: HK\$2,572,000) and lease liabilities of HK\$4,076,000 (2022: HK\$2,545,000) are due to fellow subsidiaries of the Group.

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35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade and other payables, current portion of other receivables, lease liabilities, and borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's financial management department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the financial management department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of other receivables, lease liabilities, and borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for borrowings as at 31 December 2023 was assessed to be insignificant.

The fair values of unlisted investments at FVPL are based on net asset value of the investees which approximate to the fair value.

The fair value of unlisted equity investment at FVPL is based on the expected future cash flows of the investment.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Unlisted equity investment at FVPL	Discounted cash flow method	Discount rate	2.8% (2022: 2.8%)	1% (2022: 1%) increase (decrease) in discount rate would result in decrease in fair value by HK\$319,000 (2022: HK\$110,000) or increase in fair value by HK\$325,000 (2022: HK\$111,000)

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35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2023

	<u>Fair value measurement using</u>			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Unlisted investments at FVPL	-	88,150	-	88,150
Unlisted equity investment at FVPL	-	-	32,998	32,998
	<u>-</u>	<u>88,150</u>	<u>32,998</u>	<u>121,148</u>

As at 31 December 2022

	<u>Fair value measurement using</u>			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Unlisted investments at FVPL	-	186,219	-	186,219
Unlisted equity investment at FVPL	-	-	35,498	35,498
	<u>-</u>	<u>186,219</u>	<u>35,498</u>	<u>221,717</u>

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35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

	2023 HK\$'000	2022 HK\$'000
Unlisted equity investment at FVPL:		
At 1 January	35,498	36,122
Fair value gain/(loss) (note 6)	(1,586)	2,597
Exchange realignment	<u>(914)</u>	<u>(3,221)</u>
At 31 December	<u>32,998</u>	<u>35,498</u>

The Group did not have any financial liabilities measured at fair value as at 31 December 2023 and 2022.

During the year ended 31 December 2023, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2022: Nil).

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36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2023

Financial assets

	Financial assets at amortised cost HK\$'000	Financial assets at FVPL HK\$'000	Total HK\$'000
Financial assets included in trade and other receivables	5,060,804	-	5,060,804
Other financial assets	-	121,148	121,148
Cash and cash equivalents	1,881,401	-	1,881,401
	<u>6,942,205</u>	<u>121,148</u>	<u>7,063,353</u>

Financial liabilities

	Financial liabilities at amortised cost HK\$'000
Financial liabilities included in trade and other payables	2,897,784
Borrowings	15,405,373
	<u>18,303,157</u>

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36. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2022

Financial assets

	Financial assets at amortised cost HK\$'000	Financial assets at FVPL HK\$'000	Total HK\$'000
Financial assets included in trade and other receivables	3,751,051	-	3,751,051
Other financial assets	-	221,717	221,717
Cash and cash equivalents	<u>2,845,907</u>	<u>-</u>	<u>2,845,907</u>
	<u>6,596,958</u>	<u>221,717</u>	<u>6,818,675</u>

Financial liabilities

	Financial liabilities at amortised cost HK\$'000
Financial liabilities included in trade and other payables	2,909,074
Borrowings	<u>15,262,135</u>
	<u>18,171,209</u>

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise borrowings and cash. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables, and trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.5 to the financial statements.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, borrowings and balances with group companies. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less cash and cash equivalents and other interest-bearing financial assets) at the end of the reporting period.

	2023		2022	
	Effective interest rate %	HK\$'000	Effective interest rate %	HK\$'000
Net fixed rate borrowings/(deposits):				
Borrowings	2.82 - 3.75	6,951,043	1.72 - 3.99	6,282,719
Less: Amount due from an associate	4.75	(6,329)	4.75	(9,365)
		<u>6,944,714</u>		<u>6,273,354</u>
Net variable rate borrowings/(deposits):				
Borrowings	2.80 - 7.02	8,454,330	1.72 - 5.94	8,979,416
Less: Cash and cash equivalents	0.00 - 1.85	(1,881,401)	0.00 - 1.85	(2,845,907)
		<u>6,572,929</u>		<u>6,133,509</u>
Total net borrowings		<u>13,517,643</u>		<u>12,406,863</u>

(ii) Sensitivity analysis

At 31 December 2023, it is estimated that a general increase/decrease of one percent in interest rates, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$135,176,000 (2022: HK\$124,069,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before tax is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis was performed on the same basis for 2022.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

(i) Exposure to currency risk

The Group is exposed to currency risk primarily from borrowings, cash and cash equivalents, receivables and payables that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily HK\$, RMB, US\$, SGD and EUR.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in HK\$, translated using the spot rate at the end of the reporting period. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies (expressed in HK\$)				
	At 31 December 2023				
	RMB HK\$'000	SGD HK\$'000	HK\$ HK\$'000	US\$ HK\$'000	EUR HK\$'000
Cash and cash equivalents	16,833	2,522	17,044	15,246	-
Borrowings	(163,170)	-	(1,917,694)	-	(25,207)
Amounts due from/(to) group companies, net	(523,583)	(55)	4,328,433	23	35,252
Trade and other payables	(5,608)	(1,301)	(4,268)	-	(8)
	<u>(675,528)</u>	<u>1,166</u>	<u>2,423,515</u>	<u>15,269</u>	<u>10,037</u>
	Exposure to foreign currencies (expressed in HK\$)				
	At 31 December 2022				
	RMB HK\$'000	SGD HK\$'000	HK\$ HK\$'000	US\$ HK\$'000	EUR HK\$'000
Cash and cash equivalents	62,736	10,098	248,533	53,997	-
Borrowings	-	-	(2,172,925)	(411,553)	(197,215)
Amounts due from/(to) group companies, net	(694,383)	(55)	3,312,305	23	34,832
Trade and other payables	(4,833)	(2,119)	(5,738)	(134)	(151)
	<u>(636,480)</u>	<u>7,924</u>	<u>1,382,175</u>	<u>(357,667)</u>	<u>(162,534)</u>

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before tax that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the HK\$ and the US\$ would be materially unaffected by any changes in movement in value of the US\$ against other currencies. Except for those subsidiaries with their functional currencies other than HK\$, the impact of foreign exchange rate fluctuations with respect to the assets and liabilities denominated in US\$ is insignificant as the HK\$ is pegged to the US\$.

	As at 31 December			
	2023		2022	
	Increase/ (decrease) in foreign exchange rate %	Increase/ (decrease) in profit before tax HK\$'000	Increase/ (decrease) in foreign exchange rate %	Increase/ (decrease) in profit before tax HK\$'000
RMB	10 (10)	(67,553) 67,553	10 (10)	(63,648) 63,648
SGD	10 (10)	117 (117)	10 (10)	792 (792)
HK\$	10 (10)	242,352 (242,352)	10 (10)	138,218 (138,218)
US\$	10 (10)	23,119 (23,119)	10 (10)	(14,564) 14,564
EUR	10 (10)	1,004 (1,004)	10 (10)	(16,253) 16,253

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit before tax measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis was performed on the same basis for 2022.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

Management has a credit policy in place and the exposures to credit risk are monitored on an ongoing basis. Debts are usually due within 30 to 90 days from the date of billing.

Trade receivables of the Group represent receivables in respect of revenue from environmental water project operation services which are settled on a monthly basis. In addition, the Group has contract assets in respect of the BOT, TOT and certain BOO arrangements.

At the end of the reporting period, "Trade and other receivables" and "Contract assets" amounted to HK\$27,555,303,000 (2022: HK\$25,411,362,000), of which HK\$4,239,729,000 (2022: HK\$4,042,740,000) were due from the largest customer and HK\$9,042,498,000 (2022: HK\$8,014,382,000) were due from the five largest customers in aggregate of the Group, respectively. Since the parties to BOT, TOT and BOO arrangements are local government authorities in the PRC, the Group considers the credit risk is low. The Group does not hold any collateral over these balances.

Management groups financial instruments on basis of shared credit risk characteristics, such as instrument type and credit risk ratings for the purpose of determining significant increase in credit risk and calculation of impairment. The carrying amounts of each financial asset in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or past due event;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

To manage credit risk arising from trade receivables and contract assets, the credit quality of the debtors is assessed, taking into account their financial position, historical settlement records, past experience and other factors. The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The ECLs also incorporated forward looking information.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The Group has established a policy to perform an assessment, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group groups its other receivables into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 When other receivables are first recognised, the Group recognised an allowance based on 12 months' ECL.
- Stage 2 When other receivables have shown a significant increase in credit risk since origination, the Group records an allowance for the lifetime ECLs.
- Stage 3 Other receivables considered credit-impaired. The Group records an allowance for the lifetime ECLs.

Management also makes periodic collective assessments for other receivables as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience and other factors. The Group classified other receivables in Stage 1 and continuously monitored their credit risk. Management believes that there is no material credit risk inherent in the Group's outstanding balance of other receivables as at 31 December 2023 and 2022.

As at 31 December 2023, all cash and cash equivalents were deposited with creditworthy financial institutions without significant credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from "Contract assets" as well as "Trade and other receivables" are set out in notes 19 and 21 to the financial statements, respectively.

Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

	2023					
	Carrying amount HK\$'000	Total contractual undiscounted cash flow HK\$'000	Within 1 year or on demand HK\$'000	More than 1 year but within 2 years HK\$'000	More than 2 years but within 5 years HK\$'000	More than 5 years HK\$'000
Financial liabilities included in trade and other payables	2,897,784	2,897,784	2,897,784	-	-	-
Lease liabilities	6,856	7,498	5,596	1,491	64	347
Borrowings	15,405,373	16,911,415	5,055,420	2,575,330	6,368,008	2,912,657
	<u>18,310,013</u>	<u>19,816,697</u>	<u>7,958,800</u>	<u>2,576,821</u>	<u>6,368,072</u>	<u>2,913,004</u>
	2022					
	Carrying amount HK\$'000	Total contractual undiscounted cash flow HK\$'000	Within 1 year or on demand HK\$'000	More than 1 year but within 2 years HK\$'000	More than 2 years but within 5 years HK\$'000	More than 5 years HK\$'000
Financial liabilities included in trade and other payables	2,909,074	2,909,074	2,909,074	-	-	-
Lease liabilities	3,007	3,580	2,733	382	65	400
Borrowings	15,262,135	16,706,762	5,970,717	4,080,570	3,756,098	2,899,377
	<u>18,174,216</u>	<u>19,619,416</u>	<u>8,882,524</u>	<u>4,080,952</u>	<u>3,756,163</u>	<u>2,899,777</u>

As at 31 December 2022, included in borrowings was ABS with a carrying amount of HK\$154,202,000, containing options to sell back the ABS to the Group. For the purpose of the above maturity profile, the total contractual undiscounted cash flow amount of HK\$155,115,000 related to ABS is presented as: HK\$155,115,000 classified as repayable "within 1 year or on demand" as at 31 December 2022.

The ABS would be due for repayment on the respective maturity dates unless being sold back to the Group prior to the maturity pursuant to the terms of ABS. In accordance with the terms of the ABS, the maturity terms as at 31 December 2022 are HK\$70,907,000 in 2023, HK\$89,816,000 in 2024 to 2025.

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares or obtain new borrowings. The Group's strategies are to maintain a prudent balance between the advantage and flexibility afforded by a sound capital position and the higher return on equity that is possible with greater leverage. There is no change in capital management policies during the years ended 31 December 2023 and 2022.

Consistently, the Group monitors capital based on a net debt against equity ratio. The net debt against equity ratio is calculated by dividing net debt by total equity. Net debt is calculated as total liabilities (as shown in the consolidated statement of financial position of the Group, excluding lease liabilities, tax payables and deferred tax liabilities) less cash and cash equivalents. Total equity comprises share capital, reserves, perpetual capital instruments and non-controlling interests.

	2023 HK\$'000	2022 HK\$'000
Trade and other payables	3,241,736	3,168,112
Borrowings	15,405,373	15,262,135
Less: Cash and cash equivalents	<u>(1,881,401)</u>	<u>(2,845,907)</u>
Net debt	<u>16,765,708</u>	<u>15,584,340</u>
Total equity	<u>13,452,342</u>	<u>13,000,878</u>
Net debt against equity ratio	<u>125%</u>	<u>120%</u>

Except for the banking facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in note 25 to the financial statements, the Group does not subject to externally imposed capital requirements.

38. EVENTS AFTER THE REPORTING PERIOD

- (a) On 8 January 2024, the Company announced the completion of the issuance of China Everbright Water Limited First Tranche Medium Term Notes 2024 (the "2024 First Tranche MTN") on 4 January 2024 and 5 January 2024, which was fully subscribed for by institutional investors in the national inter-bank bond market of Mainland China. The 2024 First Tranche MTN has a principal amount of RMB1.5 billion, with a maturity period of 5 year (with an interest rate adjustment option to be exercised by the Company and a resale option to be exercised by the noteholders at the end of the third interest-bearing year) and an interest rate of 2.80% per annum.
- (b) In April 2024, the Company announced the completion of asset-backed securities (the "2024 ABS") to qualified institutional investors in Mainland China, with a principal amount of RMB2 billion. The 2024 ABS comprises preference ABS and subordinate ABS. The preference ABS amounting to RMB1.9 billion were subscribed by qualified investors in the PRC and the subordinate ABS amounting to RMB100 million was subscribed by Shenzhen Water. The preference ABS are classified into seven classes, with maturity periods ranging from approximately 1 to 9 years, and interest rates ranging from 2.50% to 2.70% per annum.

CHINA EVERBRIGHT WATER LIMITED

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2023 HK\$'000	2022 HK\$'000
NON-CURRENT ASSETS		
Interests in subsidiaries	<u>10,023,114</u>	<u>10,618,932</u>
CURRENT ASSETS		
Other receivables	10,505,695	9,611,167
Other financial assets	88,150	186,219
Cash and cash equivalents	<u>42,470</u>	<u>98,085</u>
Total current assets	<u>10,636,315</u>	<u>9,895,471</u>
CURRENT LIABILITIES		
Other payables	183,082	145,880
Borrowings	<u>3,624,164</u>	<u>4,634,455</u>
Total current liabilities	<u>3,807,246</u>	<u>4,780,335</u>
NET CURRENT ASSETS	<u>6,829,069</u>	<u>5,115,136</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>16,852,183</u>	<u>15,734,068</u>
NON-CURRENT LIABILITIES		
Borrowings	<u>6,049,733</u>	<u>4,772,482</u>
NET ASSETS	<u>10,802,450</u>	<u>10,961,586</u>
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	2,860,877	2,860,877
Reserves	<u>7,134,591</u>	<u>7,293,727</u>
	9,995,468	10,154,604
Perpetual capital instruments	<u>806,982</u>	<u>806,982</u>
TOTAL EQUITY	<u>10,802,450</u>	<u>10,961,586</u>

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's subsidiaries at the end of the reporting period are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Anshan City Water Operating Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Beijing EW Corporate Management Co., Ltd. (deregistered on 18 January 2024)	PRC/ Mainland China	RMB 1,200,000,000	-	100	Business management
Bio-Treat International Limited	BVI	US\$ 10,000	-	100	Investment holding
China Everbright Water International Pte. Ltd.	Singapore	SGD 5,000,000	100	-	Investment holding, technology R&D, business development and management services
China Everbright Water Investments Limited	BVI	US\$2	100	-	Investment holding
China Everbright Water Management Limited	Hong Kong	HK\$100	-	100	Investment holding
Dalian Bonded Area EW Water Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Dalian EW Chunliuhe Water Co., Ltd.^ (note (3) & note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Dalian EW Malanhe Water Co., Ltd.^ (note (3) & note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Dalian Pulandian Area EW Water Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 66,500,000	-	100	Waste water treatment
EW Water (Dalian) Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 120,000,000	-	100	Waste water treatment

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Dalian Lvshun City Waste Water Treatment Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 13,000,000	-	100	Waste water treatment
Dalian Lvshun Sanjianpu Waste Water Treatment Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Dalian Siergou Water Co., Ltd. [^] (note (3) & note (4))	PRC/ Mainland China	RMB 30,000,000	-	100	Waste water treatment
Dandong EW Waste Water Treatment Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Dandong EW Water Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 80,000,000	-	100	Waste water treatment and reusable water
Dezhou EW Environmental Protection Limited [^] (note (4))	PRC/ Mainland China	RMB 48,000,000	-	100	Construction management
Shenyang Hunnan EW Water Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
Tongliao City Northern Waste Water Treatment Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 60,000,000	-	100	Waste water treatment
Dalian Zhuanghe EW Water Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
E+B Environmental Technology (Nanjing) Co., Ltd. [*]	PRC/ Mainland China	EUR 13,000,000	-	80	R&D and consultation on water environmental technologies
E+B Umwelttechnik GmbH	Germany	EUR 100,000	-	80	R&D
Everbright Industrial Waste Water Treatment Nanjing Limited [^] (note (4))	PRC/ Mainland China	RMB 507,000,000	-	100	Waste water treatment

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Everbright Reusable Water (Jiangyin) Limited* (note (4))	PRC/ Mainland China	US\$ 20,000,000	-	100	Reusable water
Everbright Reusable Water (Nanjing) Limited* (note (4))	PRC/ Mainland China	US\$ 11,700,000	-	100	Reusable water
Everbright Water (Tongxiang) Limited# (note (4))	PRC/ Mainland China	RMB 270,000,000	-	79.9	Construction and operation of wetland ecological engineering project
Everbright Water (Nantong Haimen) Limited (formerly known as "Everbright Water (Haimen) Limited")# (note (4))	PRC/ Mainland China	RMB 70,000,000	-	90	Waste water treatment and reusable water
Everbright Water (Huai'an) Limited* (note (4))	PRC/ Mainland China	US\$ 20,000,000	-	100	Waste water treatment
Everbright River Basin Remediation (Nanjing) Limited* (note (4))	PRC/ Mainland China	RMB 92,000,000	100	-	River restoration works
Everbright Sponge City Development (Zhenjiang) Limited# (note (4))	PRC/ Mainland China	RMB 462,000,000	70	-	Sponge city construction, operation and R&D
Everbright Water (Beijing) Limited# (note (4))	PRC/ Mainland China	RMB 119,310,000	-	100	Waste water treatment
Everbright Water (Binzhou) Limited* (note (4))	PRC/ Mainland China	RMB 95,061,700	-	100	Waste water treatment
Everbright Water (Boxing) Limited* (note (4))	PRC/ Mainland China	HK\$ 133,884,300	-	100	Waste water treatment
Everbright Water (Dezhou) Holdings Limited	Hong Kong	HK\$100	-	100	Investment holding
Everbright Water (Dezhou) Limited* (note (4))	PRC/ Mainland China	US\$ 12,280,000	-	100	Waste water treatment

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Everbright Water (Jiangyin) Limited [#] (note (4))	PRC/ Mainland China	RMB 278,877,000	-	70	Waste water treatment
Everbright Water (Ji'nan Licheng) Limited* (note (4))	PRC/ Mainland China	RMB 386,848,000	-	100	Waste water treatment
Everbright Water (Ji'nan) Holdings Limited	Hong Kong	HK\$100	-	100	Investment holding
Everbright Water (Changzhou) Limited* (note (4))	PRC/ Mainland China	RMB 183,365,200	-	100	Waste water treatment and reusable water
EW (Zibo Zhangdian) Waste Water Treatment Co., Ltd* (note (4))	PRC/ Mainland China	US\$ 4,925,000	-	100	Waste water treatment and reusable water
EW (Ji'nan Tangye) Water Limited [#] (note (4))	PRC/ Mainland China	RMB 104,291,600	-	99.9	Waste water treatment and reusable water
Everbright Water (Ji'nan) Limited* (note (4))	PRC/ Mainland China	US\$ 106,246,600	-	100	Waste water treatment
Everbright Water (Ji'nan Zhangqiu) Limited [#] (note (4))	PRC/ Mainland China	RMB 85,200,000	-	99	Waste water treatment
Everbright Water (Juxian) Limited* (note (4))	PRC/ Mainland China	RMB 58,200,000	-	100	Waste water treatment
Everbright Water (Kunshan) Limited* (note (4))	PRC/ Mainland China	HK\$ 100,000,000	-	100	Waste water treatment
Everbright Water (Laiyang) Limited [#] (note (4))	PRC/ Mainland China	RMB 169,521,765	-	90	Waste water treatment
Everbright Water (Lianyungang) Limited* (note (4))	PRC/ Mainland China	HK\$ 157,150,387	-	100	Waste water treatment
Everbright Water (Lingxian) Limited* (note (4))	PRC/ Mainland China	US\$ 22,140,200	-	100	Waste water treatment
Everbright Water (Nanjing) Limited* (note (4))	PRC/ Mainland China	RMB 96,186,423	-	100	Waste water treatment

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Everbright Water (Nanning) Limited ("EB Water Nanning") [#] (note (3) & note (4))	PRC/ Mainland China	RMB 488,690,000	79.6 Note (1)	-	River restoration works
Everbright Water (Qingdao) Holdings Limited ("EW (Qingdao) Holdings")	Hong Kong	HK\$ 10,710,680	-	100	Investment holding
Everbright Water (Qingdao) Limited ("EB Water Qingdao") [#] (note (4))	PRC/ Mainland China	US\$ 89,561,700	-	60 Note (2)	Waste water treatment
Everbright Water (Shenzhen) Limited [*]	PRC/ Mainland China	HK\$ 10,000,000	-	100	Investment and management of water business
Everbright Water (Suzhou) Limited [#] (note (4))	PRC/ Mainland China	HK\$ 258,000,000	-	100	Waste water treatment
Everbright Water (Wuxi) Holdings Limited	Hong Kong	HK\$100	-	100	Investment holding
Everbright Water (Xianyang) Limited [^] (note (3) & note (4))	PRC/ Mainland China	RMB 94,000,000	-	100	Waste water treatment
Everbright Water Operating (Xinyi) Limited [#] (note (4))	PRC/ Mainland China	US\$ 19,496,300	-	60.4	Waste water treatment and reusable water
Everbright Water Purification Nanjing Limited [^] (note (4))	PRC/ Mainland China	RMB 14,750,000	-	100	Waste water treatment
Everbright Water Suizhou Water Environment Management Limited [#] (note (4))	PRC/ Mainland China	RMB 260,000,000	78.4	-	River restoration works
Everbright Water (Xinyi) Limited [*] (note (4))	PRC/ Mainland China	HK\$ 174,590,000	-	100	Waste water treatment
Everbright Water (Xuzhou) Holdings Limited	Hong Kong	HK\$100	-	100	Investment holding

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
EW Environmental Protection (Xuzhou) Co., Ltd. ^	PRC/ Mainland China	RMB 15,438,000	-	100	Leachate and waste water treatment
Everbright Water (Yangzhou) Limited* (note (4))	PRC/ Mainland China	US\$ 16,000,000	-	100	Waste water treatment
Everbright Water (Zhangqiu) Limited* (note (4))	PRC/ Mainland China	RMB 30,349,700	-	100	Waste water treatment
Everbright Water (Zhangqiu) Operating Limited# (note (4))	PRC/ Mainland China	RMB 65,507,600	-	95	Waste water treatment and operation services
Everbright Water (Zibo Zhoucun) Water Purification Co., Ltd.* (note (4))	PRC/ Mainland China	HK\$ 153,240,000	-	100	Waste water treatment
Everbright Water (Zibo) Holdings Limited	Hong Kong	HK\$100	-	100	Investment holding
Everbright Water (Zibo) Limited* (note (4))	PRC/ Mainland China	US\$ 85,666,900	-	100	Waste water treatment
Everbright Water Technology Development (Nanjing) Limited^	PRC/ Mainland China	RMB 50,090,000	-	100	R&D and consultation on technology
Everbright Water Treatment (Jiangyin) Limited* (note (4))	PRC/ Mainland China	US\$ 100,000,000	-	100	Waste water treatment and construction and maintenance of pipeline network
Jiangsu Tongyong Environment Engineering Co., Ltd.^	PRC/ Mainland China	RMB 55,080,000	-	100	Construction engineering

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Ji'nan Everbright Water Supply Limited [#] (note (4))	PRC/ Mainland China	RMB 250,000,000	-	80	Water supply, construction and operation of water source and water supply facility
Ju County EW Water Limited* (note (4))	PRC/ Mainland China	HK\$ 83,130,000	-	100	Waste water treatment and reusable water
Ju County EW Waste Water Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 31,523,400	-	100	Waste water treatment and reusable water
New Efficient Limited	BVI	US\$100	-	100	Investment holding
Ocean Force International Limited	BVI	US\$1	100	-	Investment holding
Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd.^	PRC/ Mainland China	RMB 10,000,000	-	65	Waste water treatment
Shaanxi Risheng New Energy Technology Co., Ltd.^	PRC/ Mainland China	RMB 20,000,000	-	100	Solar energy
Ji'nan EW Environment Management Limited*	PRC/ Mainland China	US\$ 35,000,000	-	100	Waste water treatment
EW Environmental Protection (Huanghua) Co., Ltd. [#] (note (4))	PRC/ Mainland China	RMB 69,286,190	-	95	Waste water treatment
Shenzhen City EW Management Limited Liability Company^	PRC/ Mainland China	RMB100	-	100	Business management
Oriental Fortune International Limited	Hong Kong	HK\$10,000	-	100	Investment holding
Panjin City Waste Water Treatment Co., Ltd.^ (note (4))	PRC/ Mainland China	RMB 44,000,000	-	100	Waste water treatment

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Sanmenxia Everbright Water Limited [^] (note (4))	PRC/ Mainland China	RMB 22,000,000	-	100	Waste water treatment
Shenyang Dadong EW Water Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 13,000,000	-	100	Waste water treatment and reusable water
Suqian City Cheng Bei Wastewater Treatment Co., Ltd. [^]	PRC/ Mainland China	RMB 22,107,650	-	100	Waste water treatment
Suqian City Cheng Bei Water Treatment Co., Ltd. [*]	PRC/ Mainland China	RMB 26,403,650	-	100	Waste water treatment
Tianjin Hanquan Environment Technology Limited [*]	PRC/ Mainland China	HK\$ 2,000,000	-	100	Investment holding
Victor Best Holdings Limited	BVI	US\$ 50,000	100	-	Investment holding
World Pioneer Investments Limited	BVI	US\$100	-	100	Investment holding
Xuzhou Municipal Engineering Design Institute Co., Ltd. [^]	PRC/ Mainland China	RMB 100,000,000	-	100	Survey, mapping, design and consultancy for municipal projects
Zhuanghe City EW Waste Water Treatment Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 42,000,000	-	95	Waste water treatment
Zibo Everbright Water Energy Development Company Limited [^] (note (3) & note (4))	PRC/ Mainland China	RMB 51,350,000	-	100	Waste water source heat pump
EW Environmental Protection (Yixing) Co., Ltd. [^] (note (4))	PRC/ Mainland China	RMB 100,000	-	100	Waste water treatment
EW Environmental Protection (Jinan Huaiyin Area) Co., Ltd. [*] (note (4))	PRC/ Mainland China	RMB 106,527,680	-	100	Waste water treatment

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
EW Environment Investment Co., Ltd.*	Korea	South Korean Won 100,000,000	-	100	Investment holding
Linyi EW Water Co., Ltd.* (note (4))	PRC/ Mainland China	US\$ 32,000,000	-	100	Waste water treatment and reusable water
Binzbou Hongsheng New Energy Technology Co., Ltd.^	PRC/ Mainland China	RMB 7,000,000	-	100	Solar energy
Risheng New Energy Technology (Juxian) Co., Ltd.*	PRC/ Mainland China	RMB 10,000,000	-	100	Solar energy
Ji'nan Zhangqiu Guangda Environment Management Limited*	PRC/ Mainland China	RMB 124,000,000	-	100	Investment holding
Ji'nan Zhangqiu EW Environment Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 123,919,500	-	99	Waste water treatment
EW Environmental Protection (Jiangyin) Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 10,000,000	-	100	Waste water treatment
EW Operation Environmental Protection (Lianshui) Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 5,000,000	-	100	Waste water treatment
EW (Anshan) Sludge Disposal Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 62,090,000	-	100	Sludge disposal
EW (Qingdao) Water Investment Co., Ltd.*	PRC/ Mainland China	US\$ 30,000,000	-	100	Investment holding
Ji'nan Start-up Zone EW Waste Water Treatment Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 104,560,000	0.1	84.9	Waste water treatment
Yangzhou Hongsheng Risheng New Energy Technology Co., Ltd.*	PRC/ Mainland China	RMB 4,500,000	-	100	Solar energy

CHINA EVERBRIGHT WATER LIMITED

NOTES TO FINANCIAL STATEMENTS

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and business	Issued ordinary share/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shaoguan EW Zhenghe Environmental Protection Technology Co., Ltd.*	PRC/ Mainland China	RMB 10,100,000	-	60	Resource utilisation of livestock and poultry manure, production and sales of fertilisers, and waste water treatment and reusable water
Risheng New Energy Technology (Zibo) Co., Ltd.*	PRC/ Mainland China	RMB 6,000,000	-	100	Solar energy
EW Water (Liaocheng Shen County) Co., Ltd.* (note (4))	PRC/ Mainland China	RMB 220,000,000	98	-	Waste water treatment

^ Registered under the laws of the PRC as private companies with limited liability

* Registered under the laws of the PRC as foreign investment enterprises

Registered under the laws of the PRC as Sino-foreign cooperative joint ventures

Notes:

- (1) The Company is committed to contributing 79.6474% of EB Water Nanning's registered capital. The remaining 20.3526% registered capital is contributed by three PRC joint venture partners. Except for one of the PRC joint venture partners, who is committed to contributing 0.0097% of registered capital and shall not be entitled to the net profit of EB Water Nanning, the Company and other two PRC joint venture partners share the net profit of EB Water Nanning on the basis of their respective proportion of registered capital contribution.
- (2) EW (Qingdao) Holdings, a wholly-owned subsidiary of the Company and the foreign joint venture partner of EB Water Qingdao, is committed to contributing 60% of EB Water Qingdao's registered capital. The remaining 40% registered capital is contributed by a PRC joint venture partner. EW (Qingdao) Holdings is fully entitled to the net profit of EB Water Qingdao for the first 14 years of the joint venture period. From the 15th year of the joint venture period onwards, the net profit of EB Water Qingdao is to be shared by EW (Qingdao) Holdings and the PRC joint venture partner on a 98:2 basis.

31 December 2023

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

- (3) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain waste water treatment related projects in the PRC for a period of 20 to 32 years. The Group has the obligation to maintain and restore the waste water treatment related projects in good condition. The service fees are based on the extent of services rendered and are subject to approvals from the relevant local government authorities. Upon expiry of the concession periods, the waste water treatment related projects and facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the Grantors and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the waste water treatment related projects are recognised as "Intangible assets" in the consolidated statement of financial position.

- (4) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group has to design, construct and/or upgrade, operate and maintain waste water treatment related projects in the PRC for a period of 10 to 32 years. The Group has the obligation to maintain the waste water treatment related projects in good condition. The Grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the waste water treatment related projects and facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. The standard rights of the Grantors to terminate the agreements include failure of the Group to construct, upgrade or operate the waste water treatment related projects and in the event of a material breach of the terms of the agreements. The standard rights of the Group to terminate the agreements include failure to receive payments for waste water treatment service from the Grantors and in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing or upgrading the waste water treatment related projects is recognised as "Contract assets" in the consolidated statement of financial position.

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 April 2024.

经审核财务报表

中国光大水务有限公司
(于百慕达注册成立的有限公司)

截至二零二三年十二月三十一日止年度

重要提示

以下中国光大水务有限公司及其附属公司审计报告中文版为该公司英文版审计报告的中文翻译稿，仅供参考。如与英文版审计报告存在任何差异，应以英文版审计报告为准。



中国光大水务有限公司

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独立审计师报告
致中国光大水务有限公司董事
(于百慕达注册成立的有限公司)

意见

我们已审计刊载于第 7 页至 99 页的中国光大水务有限公司（以下简称「贵公司」）及其附属公司（以下统称「贵集团」）的综合财务报表，此综合财务报表包括二零二三年十二月三十一日的综合财务状况表与截至该日止年度的综合全面收益表、综合权益变动表和综合现金流量表，以及综合财务报表附注，包括主要会计政策资讯。

我们认为，该等综合财务报表已根据香港会计师公会颁布的《香港财务报告准则》真实而中肯地反映了贵集团于二零二三年十二月三十一日的综合财务状况及截至该日止年度的综合财务表现及综合现金流量。

意见的基础

我们已根据香港会计师公会颁布的《香港审计准则》进行审计。我们在该等准则下承担的责任已在本报告「审计师就审计综合财务报表承担的责任」部分中作进一步阐述。根据香港会计师公会颁布的「专业会计师道德守则」（「守则」），我们独立于贵集团，并履行了职业道德方面的其他责任。我们相信，我们所获得的审计凭证能充足及适当地为我们的审计意见提供基础。

关键审计事项

关键审计事项是根据我们的专业判断，认为对本年度综合财务报表的审计最为重要的事项。这些事项是在我们审计整体综合财务报表及出具意见时进行处理的，且我们不会对这些事项提供单独的意见。下文载有我们的审计如何处理以下各项事项的资料。

我们已履行本报告「审计师就审计综合财务报表承担的责任」部分所述的责任，包括与该等事项有关的责任。因此，我们的审计包括执行程序，以应对我们对综合财务报告中的重大错误陈述风险的评估。我们的审计程序（包括为处理下列事项而采取的程序）结果，为我们对随附综合财务报表所发表的审计意见提供了基础。

独立审计师报告（续）
致中国光大水务有限公司董事
（于百慕达注册成立的有限公司）

关键审计事项（续）

关键审计事项	我们的审计如何处理该事项
香港（国际财务报告解释委员会）－诠释第 12 号「服务特许经营权安排」及收益确认	
<p>贵集团与地方政府部门就污水处理厂的建造及/或运营订立服务特许经营权安排。贵集团对在香港（国际财务报告解释委员会）－诠释第 12 号范围内的服务特许经营权安排中的建造服务对价确认为合约资产及/或无形资产。由于与香港（国际财务报告解释委员会）－诠释第 12 号有关的收入和资产的金额重大且需要管理层作出重大判断，我们将该事项认定为关键审计事项。</p> <p>贵集团采用香港（国际财务报告解释委员会）－诠释第 12 号确认与服务特许经营权安排有关的收入，包括建造服务收入、运营收入和财务收入。收入的披露列示在财务报表附注 2.5、3 及 5。</p> <p>建造收入的计量乃根据贵集团估计的建造服务的公允价值及年内工程完工百分比计算。确定建造服务的公允价值时需要管理层作出重大判断，包括评估每项合同的建造总成本和利润。贵集团聘任独立财务模型顾问协助估计建造服务的公允价值。工程完工百分比需依据具有相关资质和行业经验的第三方监理公司的进度报告来评估，该评估也涉及到管理层判断。</p>	<p>我们评估贵集团的收益确认政策的适当性，评估贵集团判断香港（国际财务报告解释委员会）－诠释第 12 号适用性的程序，并复核相关协议，以评估该等协议是否被恰当地认定为属于香港（国际财务报告解释委员会）－诠释第 12 号范围内的服务特许经营权安排。</p> <p>我们考虑了独立第三方评估顾问及监理公司的胜任性，能力和客观性。此外，我们还复核了在建项目的完工进度报告，以及随时间确认收入的合理性。</p> <p>我们复核了管理层对合约资产和无形资产的摊销成本计算、合约资产与无形资产的对价分配以及相关的收益确认；测试管理层作出的重要估计，包括将管理层使用的折现率与市场利率进行比较，确认管理层估计的适当性。</p> <p>我们聘任了安永内部专家对估值方法的恰当性以及估值时使用假设（如使用的利润率和评估建造服务公允价值时选取的业内可比公司）的合理性进行复核。</p> <p>我们评估了贵集团在财务报表中与服务特许经营权安排相关披露的适当性和充分性。</p>

独立审计师报告（续）
致中国光大水务有限公司董事
（于百慕达注册成立的有限公司）

关键审计事项（续）

关键审计事项	我们的审计如何处理该事项
<p>应收账款可收回性</p> <p>于二零二三年十二月三十一日，贵集团应收账款余额为 4,434,548,000 港元，已扣除预期信贷亏损（「预期信贷亏损」）拨备 626,215,000 港元。贵集团根据针对债务人的预期信贷损失评估来计算预期信贷亏损。贵集团已建立基于贵集团的过往信贷亏损记录的拨备矩阵，可基于债务人特有的及整体经济环境的前瞻性因素而予以调整。</p> <p>应收账款减值损失根据对回收性的评估、应收账款账龄分析以及前瞻性因素的预期分析做出估计。在评估应收账款的最终可收回金额时，包括评估目前债务人的可信赖程度以及每个债务人的以往回收历史，需要大量的判断，因此我们将该事项认定为关键审计事项。应收账款的相关披露列示在财务报表附注 2.5、3 及 21。</p>	<p>我们了解了管理层监控应收账款的相关流程。</p> <p>评估预期信贷亏损是否充分，我们复核了应收账款的账龄，以识别潜在的回收性问题；我们复核了管理层用以计算逾期率的数据，并评估管理层建立前瞻性因素调整时所用的假设的合理性。另外，我们还与管理层就单独的重大逾期的应收账款余额及管理层对该债务人的特殊情况和风险的考虑进行讨论。我们还复核了账款回收的历史，并评估了管理层用于确定预期信贷亏损拨备的假设。我们还要求应收账款询证函的直接回函，并检查了期后回款的情况。</p> <p>我们进一步评估了贵集团就预期信贷亏损拨备所作出的估计不确定性因素的披露是否充分。</p>

独立审计师报告（续）
致中国光大水务有限公司董事
（于百慕达注册成立的有限公司）

关键审计事项（续）

关键审计事项	我们的审计如何处理该事项
<p>商誉减值测试</p> <p>香港会计准则第 36 号 <i>资产减值</i> 要求对商誉每年进行减值测试，若有迹象表明现金产出单元（「现金产出单元」）可能出现减值时应更频繁地进行减值测试。该测试要求对未来市场状况作出重大判断，包括在服务特许期内污水处理厂所产生的未来现金流量。可收回金额的厘定需要对现金产出单元的识别及估值作出判断。因此，我们将该事项认定为关键审计事项。</p> <p>贵集团将商誉分配至现金产出单元—水环境综合治理分部，进行减值测试。减值测试乃使用以折现现金流量为基础的使用价值模型厘定。确定折现现金流量所需要的假设，如估计的关键财务数据，增长率和折现率等，均需要贵集团作出重大判断。</p> <p>截至二零二三年十二月三十一日，贵集团财务报表所载商誉金额为 1,364,093,000 港元。商誉的披露列示在财务报表附注 2.5、3 及 16。</p>	<p>我们评估了贵集团厘定现金产出单元的适当性。</p> <p>我们评估了贵集团及市场可比公司的资本成本以评价管理层使用的折现率，并由安永内部估值专家对折现率进行独立测试并将测试结果与管理层使用的折现率进行对比。</p> <p>我们基于贵集团现在及过往的运营表现，复核了所使用的预测现金流量及估值方法。我们检查了现金流量预测的重要假设的合理性，包括增长率、折现率以及长期增长率。</p> <p>我们也评估了贵集团就减值测试作出的披露是否充分适当，特别是对确定商誉可收回金额影响最为重大的主要假设。</p>

独立审计师报告（续）
致中国光大水务有限公司董事
（于百慕达注册成立的有限公司）

董事就综合财务报表须承担的责任

贵公司董事须负责根据香港会计师公会颁布的《香港财务报告准则》拟备真实而中肯的综合财务报表，并对其认为为使综合财务报表的拟备不存在由于欺诈或错误而导致的重大错误陈述所需的内部控制负责。

在拟备综合财务报表时，贵公司董事负责评估贵集团持续经营的能力，并在适用情况下披露与持续经营有关的事项，以及使用持续经营为会计基础，除非贵公司董事有意将贵集团清盘或停止经营，或别无其他实际的替代方案。

审计师就审计综合财务报表承担的责任

我们的目标，是对综合财务报表整体是否不存在由于欺诈或错误而导致的重大错误陈述取得合理保证，并出具包括我们意见的审计师报告。我们仅向全体董事报告，不作其他用途。我们并不就本报告之内容对任何其他人士承担任何义务或接受任何责任。

合理保证是高水平的保证，但不能保证按照《香港审计准则》进行的审计，在某一重大错误陈述存在时总能发现。错误陈述可以由欺诈或错误引起，如果合理预期它们单独或汇总起来可能影响综合财务报表使用者依赖综合财务报表所作出的经济决定，则有关的错误陈述可被视作重大。

在根据《香港审计准则》进行审计的过程中，我们运用了专业判断，保持了专业怀疑态度。我们亦：

- 识别和评估由于欺诈或错误而导致综合财务报表存在重大错误陈述的风险，设计及执行审计程序以应对这些风险，以及获取充足和适当的审计凭证，作为我们意见的基础。由于欺诈可能涉及串谋、伪造、蓄意遗漏、虚假陈述，或凌驾于内部控制之上，因此未能发现因欺诈而导致的重大错误陈述的风险高于未能发现因错误而导致的重大错误陈述的风险。
- 了解与审计相关的内部控制，以设计适当的审计程序，但目的并非对贵集团内部控制的有效性发表意见。
- 评价董事所采用会计政策的恰当性及作出会计估计和相关披露的合理性。

独立审计师报告（续）
致中国光大水务有限公司董事
（于百慕达注册成立的有限公司）

审计师对财务报表审计的责任（续）

- 对董事采用持续经营会计基础的恰当性作出结论。根据所获取的审计凭证，确定是否存在与事项或情况有关的重大不确定性，从而可能导致对贵集团的持续经营能力产生重大疑虑。如果我们认为存在重大不确定性，则有必要在审计师报告中提请使用者注意综合财务报表中的相关披露。假若有关的披露不足，则我们应当发表非无保留意见。我们的结论是基于审计师报告日止所取得的审计凭证。然而，未来事项或情况可能导致贵集团不能持续经营。
- 评价综合财务报表的整体列报方式、结构和内容，包括披露，以及综合财务报表是否中肯反映相关交易和事项。
- 就贵集团内实体或业务活动的财务信息获取充足、适当的审计凭证，以便对综合财务报表发表意见。我们负责贵集团审计的方向、监督及执行。我们为审计意见承担全部责任。

我们与董事就计划的审计范围、时间安排和重大审计发现等事项进行沟通，包括我们在审计中识别出的值得关注的内部控制缺陷。

出具本独立审计师报告的审计项目合伙人是钟育文。

安永会计师事务所
执业会计师
香港
鲗鱼涌
英皇道 979 号
太古坊一座 27 楼

2024 年 4 月 30 日

中国光大水务有限公司

综合全面收益表

截至二零二三年十二月三十一日止年度

	附注	2023 千港元	2022 千港元
收益	5	6,704,684	6,727,967
直接成本及经营开支		<u>(3,882,301)</u>	<u>(4,163,980)</u>
毛利		2,822,383	2,563,987
其他收入及收益净额	6	46,007	53,793
行政及其他经营费用		(641,273)	(730,683)
财务收益	7	26,658	28,302
财务费用	7	(590,921)	(544,615)
所占联营公司盈利		2,008	11,226
所占合营企业盈利		<u>1,261</u>	<u>-</u>
除税前盈利	8	1,666,123	1,382,010
所得税	9	<u>(404,910)</u>	<u>(315,101)</u>
本年度盈利		<u><u>1,261,213</u></u>	<u><u>1,066,909</u></u>
其他全面亏损			
不会于其后期间重新分类至损益的其他全面亏损： 换算功能货币至呈报货币产生之汇兑差额		<u>(445,920)</u>	<u>(1,672,596)</u>
本年度其他全面亏损（扣除所得税）		<u>(445,920)</u>	<u>(1,672,596)</u>
本年度全面收入／（亏损）总额		<u><u>815,293</u></u>	<u><u>(605,687)</u></u>

续/...

中国光大水务有限公司

综合全面收益表（续）

截至二零二三年十二月三十一日止年度

	附注	2023 千港元	2022 千港元
应占盈利部分：			
本公司权益持有人		1,187,412	1,010,565
永续资本工具持有人		37,578	14,334
非控股权益		<u>36,223</u>	<u>42,010</u>
		<u>1,261,213</u>	<u>1,066,909</u>
应占全面收入／（亏损）总额部分：			
本公司权益持有人		774,922	(550,953)
永续资本工具持有人		37,578	14,334
非控股权益		<u>2,793</u>	<u>(69,068)</u>
		<u>815,293</u>	<u>(605,687)</u>
本公司权益持有人应占每股盈利	11		
—基本及摊薄		<u>41.51 港仙</u>	<u>35.32 港仙</u>

中国光大水务有限公司

综合财务状况表

二零二三年十二月三十一日

	附注	2023 千港元	2022 千港元
非流动资产			
物业、厂房及设备	12	970,663	994,950
使用权资产	14(a)	88,500	89,835
投资物业	13	11,096	11,398
		<u>1,070,259</u>	<u>1,096,183</u>
无形资产	15	2,156,026	2,369,863
商誉	16	1,364,093	1,400,952
联营公司权益	17	11,953	11,094
合营企业权益	18	1,262	-
合约资产	19	19,779,711	19,077,113
其他应收款项	21	235,125	556,154
递延税项资产	27	880	3,253
非流动资产总额		<u>24,619,309</u>	<u>24,514,612</u>
流动资产			
合约资产	19	2,157,706	2,010,393
其他金融资产	22	121,148	221,717
存货	20	58,336	85,820
应收账款及其他应收款项	21	5,382,761	3,767,702
现金及现金等价物	23	1,881,401	2,845,907
流动资产总额		<u>9,601,352</u>	<u>8,931,539</u>
流动负债			
应付账款及其他应付款项	24	3,241,736	3,168,112
借贷	25	4,606,893	5,686,435
应付税项		84,410	61,329
租赁负债	14(b)	5,412	2,656
流动负债总额		<u>7,938,451</u>	<u>8,918,532</u>
流动资产净值		<u>1,662,901</u>	<u>13,007</u>
资产总值减流动负债		<u>26,282,210</u>	<u>24,527,619</u>

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中国光大水务有限公司

综合财务状况表（续）

二零二三年十二月三十一日

	附注	2023 千港元	2022 千港元
非流动负债			
借贷	25	10,798,480	9,575,700
递延税项负债	27	2,029,945	1,950,690
租赁负债	14(b)	<u>1,443</u>	<u>351</u>
非流动负债总额		<u>12,829,868</u>	<u>11,526,741</u>
资产净额		<u>13,452,342</u>	<u>13,000,878</u>
权益			
本公司权益持有人应占权益			
股本	28	2,860,877	2,860,877
储备	29	<u>8,545,244</u>	<u>8,106,613</u>
永续资本工具		11,406,121	10,967,490
非控股权益	30	<u>806,982</u>	<u>806,982</u>
		<u>1,239,239</u>	<u>1,226,406</u>
权益总额		<u>13,452,342</u>	<u>13,000,878</u>

.....
董事

.....
董事

中国光大水务有限公司

综合权益变动表

截至二零二三年十二月三十一日止年度

	本公司权益持有人应占								非控股 权益 千港元	总权益 千港元		
	附注	股本 千港元	股份溢价 千港元	外币换算 储备 千港元	法定储备 千港元	缴入盈余 储备 千港元	其他储备 千港元	保留盈利 千港元			总额 千港元	永续 资本工具 千港元
于二零二二年一月一日		2,860,877	1,599,765	598,589	578,129	1,229,302	8,203	4,995,218	11,870,083	-	1,293,149	13,163,232
本年度盈利		-	-	-	-	-	-	1,010,565	1,010,565	14,334	42,010	1,066,909
年内其他全面亏损：												
外币换算差额		-	-	(1,561,518)	-	-	-	-	(1,561,518)	-	(111,078)	(1,672,596)
年内全面收入／（亏损）总额		-	-	(1,561,518)	-	-	-	1,010,565	550,953	14,334	(69,068)	605,687
已宣派的二零二一年末期股息	10	-	-	-	-	-	-	(195,468)	195,468	-	-	(195,468)
已宣派的二零二二年中期股息	10	-	-	-	-	-	-	(156,172)	156,172	-	-	(156,172)
宣派予附属公司非控股股东的 股息		-	-	-	-	-	-	-	-	-	(22,219)	(22,219)
非全资附属公司自非控股股东的 注资		-	-	-	-	-	-	-	-	-	24,544	24,544
发行永续资本工具	30	-	-	-	-	-	-	-	-	806,982	-	806,982
分派予永续资本工具持有人 转拨至法定储备	30	-	-	-	-	-	-	-	-	(14,334)	-	(14,334)
于二零二二年十二月三十一日		2,860,877	1,599,765	(962,929)	689,734	1,229,302	8,203	5,542,538	10,967,490	806,982	1,226,406	13,000,878

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中国光大水务有限公司

综合权益变动表（续）

截至二零二三年十二月三十一日止年度

	本公司权益持有人应占										
	股本 千港元	股份溢价 千港元	外币换算 储备 千港元	法定储备 千港元	缴入盈余 储备 千港元	其他储备 千港元	保留盈利 千港元	总额 千港元	永续 资本工具 千港元	非控股 权益 千港元	总权益 千港元
于二零二三年一月一日	2,860,877	1,599,765	(962,929)	689,734	1,229,302	8,203	5,542,538	10,967,490	806,982	1,226,406	13,000,878
本年度盈利	-	-	-	-	-	-	1,187,412	1,187,412	37,578	36,223	1,261,213
年内其他全面亏损：											
外币换算差额	-	-	(412,490)	-	-	-	-	(412,490)	-	(33,430)	(445,920)
年内全面收入／（亏损）总额	-	-	(412,490)	-	-	-	1,187,412	774,922	37,578	2,793	815,293
已宣派的二零二二年末期股息	10	-	-	-	-	-	(146,390)	(146,390)	-	-	(146,390)
已宣派的二零二三年中期股息	10	-	-	-	-	-	(189,901)	(189,901)	-	-	(189,901)
宣派予附属公司非控股股东之股息	-	-	-	-	-	-	-	-	-	(37,187)	(37,187)
非全资附属公司自非控股股东的注资	-	-	-	-	-	-	-	-	-	47,227	47,227
分派予永续资本工具持有人	30	-	-	-	-	-	-	-	(37,578)	-	(37,578)
转拨至法定储备	-	-	-	86,981	-	-	(86,981)	-	-	-	-
于二零二三年十二月三十一日	2,860,877	1,599,765	(1,375,419)*	776,715*	1,229,302*	8,203*	6,306,678*	11,406,121	806,982	1,239,239	13,452,342

* 该等储备账目包括于综合财务状况表之综合储备 8,545,244,000 港元（2022 年：8,106,613,000 港元）。

中国光大水务有限公司

综合现金流量表

截至二零二三年十二月三十一日止年度

	附注	2023 千港元	2022 千港元
经营活动现金流量			
除税前盈利		1,666,123	1,382,010
调整项目:			
物业、厂房及设备折旧	8	51,771	63,424
使用权资产折旧	8	10,055	13,243
无形资产摊销	8	150,641	177,231
处置物业、厂房及设备之亏损／(收益)	8	(19)	94
处置无形资产之亏损	8	2,853	-
财务费用	7	590,921	544,615
利息收入	7	(26,658)	(28,302)
所占联营公司盈利		(2,008)	(11,226)
所占合营企业盈利		(1,261)	-
其他金融资产公允价值变动净额	6	32,804	15,785
应收账款预期信贷亏损拨备净额	8	194,487	226,899
其他应收款项预期信贷亏损拨备净额	8	466	33,829
合约资产预期信贷亏损拨备	8	1,282	4,002
无形资产减值	8	-	14,230
外汇汇率变动的影响净额		(100,668)	(155,383)
		2,570,789	2,280,451
存货减少／(增加)		26,126	(22,344)
合约资产增加		(1,433,887)	(1,275,259)
应收账款及其他应收款项增加		(1,565,580)	(1,310,398)
应付账款及其他应付款项增加／(减少)		116,264	(61,043)
经营所用现金		(286,288)	(388,593)
已付中华人民共和国(「中国」)所得税		(242,495)	(251,036)
经营活动所用现金净流量净额		(528,783)	(639,629)

续/...

中国光大水务有限公司

综合现金流量表（续）

截至二零二三年十二月三十一日止年度

	附注	2023 千港元	2022 千港元
投资活动现金流量			
收购一间附属公司（扣除收购所得现金）		-	(9,606)
购买物业、厂房及设备		(54,079)	(116,979)
处置物业、厂房及设备所得款项		233	478
添置无形资产付款		(1,636)	(255,754)
注资一间联营公司		(443)	-
应收一间联营公司款项减少／（增加）		2,836	(385)
赎回其他金融资产所得款项		9,790	-
已收利息		26,658	28,302
投资活动所用现金流量净额		(16,641)	(353,944)
融资活动现金流量			
附属公司自非控股股东的注资	31(a)	10,040	24,544
发行中期票据（「中期票据」）所得款项 （扣除相关已付开支）		3,856,583	1,233,688
发行超短期融资券（「超短期融资券」）所得款项 （扣除相关已付开支）		1,152,800	2,384,000
发行永续资本工具所得款项（扣除相关已付开支）	30	-	806,982
新增银行贷款		4,260,355	4,483,246
偿还公司债券		(858,363)	(820,750)
偿还中期票据		(1,089,500)	-
偿还资产支持证券（「资产支持证券」）		(152,684)	(66,190)
偿还超短期融资券		(2,225,800)	(1,156,300)
偿还银行贷款		(4,393,707)	(4,215,294)
已付利息	31(a)	(550,329)	(503,664)
租赁付款的本金部分		(7,132)	(10,329)
租赁付款的利息部分		(353)	(602)
受限制银行结余增加		(18,919)	(17)
已付本公司股东股息		(336,718)	(356,358)
已付附属公司非控股股东股息		-	(17,573)
已付永续资本工具持有人的分派	31(a)	(25,558)	-
融资活动所得／（所用）现金流量净额		(379,285)	1,785,383

续/...

中国光大水务有限公司

综合现金流量表（续）

截至二零二三年十二月三十一日止年度

	附注	2023 千港元	2022 千港元
现金及现金等价物增加／（减少）净额		(924,709)	791,810
年初现金及现金等价物		2,844,990	2,281,001
现金及现金等价物的汇率波动影响净额		(58,374)	(227,821)
年末现金及现金等价物		<u>1,861,907</u>	<u>2,844,990</u>
现金及现金等价物结余分析			
综合财务状况表所示的现金及现金等价物	23	1,881,401	2,845,907
减：受限制银行结余	23	(19,494)	(917)
综合现金流量表所示的现金及现金等价物		<u>1,861,907</u>	<u>2,844,990</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

1. 公司资料

中国光大水务有限公司（「本公司」）为于百慕达注册成立的有限公司并于新加坡证券交易所有限公司主板和香港联合交易所有限公司主板双重主要上市。本公司的注册地址为 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda 且其主要营业地点为中国深圳市福田区深南大道 1003 号东方新天地广场 A 座 26 层（邮编：518000）。

本公司的主要业务为投资控股。本公司的附属公司主要涉及中国水环境治理业务。

本公司的直接控股公司为中国光大水务控股有限公司（一间于英属维尔京群岛注册成立的有限公司）。董事认为，本公司的最终控股实体为中国投资有限责任公司，其为于中国成立之实体。

2. 会计政策

2.1 合规声明

该等财务报表乃根据香港会计师公会颁布之香港财务报告准则（包括所有香港财务报告准则、香港会计准则及诠释）而编制。

2.2 编制基准

此等财务报表不是法定财务报表，应管理层的要求，仅为就公司于中国境内向全国银行间债券市场机构投资者发行公司债券或票据事宜而编制。

本财务报表是按历史成本法编制，惟投资物业及按公允价值计入损益的金融资产除外，彼等乃按公允价值计量。

本公司的功能货币为人民币。港币为本公司的列报货币，财务报表以港币列报。除另有说明外，所有以港币列报的财务信息均已按四舍五入原则凑整至最接近的千位。

综合基准

综合财务报表包括本公司及其附属公司（统称「本集团」）截至 2023 年 12 月 31 日止年度之财务报表。附属公司为本公司直接或间接控制的实体（包括结构性实体）。当本集团对被投资公司之业务之浮动回报承担风险或享有权利以及能透过运用其对被投资公司的控制权（即本集团当时获赋予可主导被投资公司相关活动之现有权力）影响该等回报时，即属取得控制权。

2.2 编制基础（续）

综合基准（续）

一般情况下，有一个推定，就是多数投票权形成控制权。倘本公司于被投资公司拥有的投票权或类似权利不及大半，则本公司于评估其是否拥有支配被投资公司之权力时，会考虑所有相关事实及情况，包括：

- (a) 与被投资公司其他投票权持有人订立之合约安排；
- (b) 其他合约安排所产生的权利；及
- (c) 本集团的投票权及潜在投票权。

附属公司之财务报表的报告期间与本公司相同，并采用一致会计政策编制。附属公司之业绩由本集团获取控制权当日起综合入账，并一直综合入账，直至该控制权终止之日为止。

损益及其他全面收入之各组成部分归属于本集团母公司拥有人及非控股权益，即使此举会导致非控股股东权益结余为负数亦然。本集团成员公司之间交易所产生的内部资产及负债、权益、收入、开支及现金流均在综合账目时全数抵销。

倘事实及情况显示上述的三项控制权因素其中一项或多项出现变动，本集团会重新评估其是否仍然控制被投资公司。附属公司拥有权益之变动（并无失去控制权）于入账时列作权益交易。

倘本集团失去附属公司之控股权，则终止确认相关资产（包括商誉）、负债、任何非控股股东权益及外币换算储备；并确认任何仍然保留之投资之公允价值，及将任何因此产生之盈余或亏损计入损益。本集团所占原先于其他全面收入确认之部分会按假若本集团直接出售相关资产及负债而须依据之同一基准重新分类至损益或保留盈利（视何者适用）。

2.3 会计政策及披露之变动

本集团已于本年度之财务报表首次采纳以下新订及经修订香港财务报告准则。

香港财务报告准则第 17 号	<i>保险合同</i>
香港会计准则第 1 号及香港财务报告准则实务说明第 2 号之修订	<i>会计政策之披露</i>
香港会计准则第 8 号之修订	<i>会计估计的定义</i>
香港会计准则第 12 号之修订	<i>与单一交易产生之资产及负债有关之递延税项</i>
香港会计准则第 12 号之修订	<i>国际税务改革 - 第二支柱范本规则</i>

2.3 会计政策及披露之变动（续）

适用于本集团之新订及经修订香港财务报告准则之性质及影响阐述如下：

- (a) 香港会计准则第 1 号之修订要求实体披露主要会计政策资讯，而非重大会计政策。倘会计政策资讯与实体财务报表所载其他资料一并考虑时，可合理预期影响一般用途财务报表的主要使用者基于该等财务报表作出的决定，则该等资讯属主要。香港财务报告准则实务说明第 2 号之修订「作出重大性判断」为如何就会计政策的披露应用重大性概念提供非强制性指引。本集团已于财务报表附注 2 披露主要会计政策资讯。有关修订不会对本集团财务报表内任何项目的计量、确认或呈列造成任何影响。
- (b) 香港会计准则第 8 号之修订澄清会计估计变动与会计政策变动之间的区别。会计估计被定义为财务报表中存在计量不确定性的货币金额。该等修订亦阐明实体如何使用计量技术及输入值制定会计估计。该等修订对本集团的综合财务报表并无影响。
- (c) 香港会计准则第 12 号之修订「与单一交易产生之资产及负债有关之递延税项」缩窄香港会计准则第 12 号中初步确认例外的范围使其不再适用于产生相等应课税及可扣税暂时差额的交易，例如租赁及弃置义务。因此，实体须就该等交易产生的暂时差额确认递延税项资产（惟须有充足应课税盈利）及递延税项负债。该等修订对本集团的综合财务报表并无影响。
- (d) 香港会计准则第 12 号之修订「国际税务改革 - 第二支柱范本规则」对确认及披露因实施经济合作与发展组织发布的第二支柱范本规则而产生的递延税项作出强制性临时例外规定。有关修订亦要求受影响实体作出有关披露以帮助财务报表使用者更好地了解实体所承担的第二支柱所得税风险，包括于第二支柱立法生效期间单独披露与第二支柱所得税相关的即期税项，以及于立法颁布或实质性颁布但尚未生效期间披露其已知或合理估计的第二支柱所得税风险资料。本集团已追溯应用有关修订及强制性临时例外规定。更多披露载于财务报表附注 11。

2.4 已颁布但尚未生效的香港财务报告准则

本集团并无于此等财务报表应用下列已颁布但尚未生效之经修订香港财务报告准则。本集团拟于该等经修订香港财务报告准则（如适用）生效时予以采纳。

香港财务报告准则第 10 号及香港会计准则第 28 号之修订	投资者与其联营公司或合营企业之间的资产出售或注资 ³
香港财务报告准则第 16 号之修订	售后租回之租赁负债 ¹
香港会计准则第 1 号之修订	将负债分类为流动或非流动（「2020 年修订」） ^{1,4}
香港会计准则第 1 号之修订	附带契诺的非流动负债（「2022 年修订」） ^{1,4}
香港会计准则第 7 号及香港财务报告准则第 7 号之修订	供应商融资安排 ¹
香港会计准则第 21 号之修订	缺乏可兑换性 ²

2.4 已颁布但尚未生效的香港财务报告准则（续）

- ¹ 于 2024 年 1 月 1 日或之后开始的年度期间生效
- ² 于 2025 年 1 月 1 日或之后开始的年度期间生效
- ³ 尚未确定强制生效日期，惟可供采纳
- ⁴ 由于 2020 年修订及 2022 年修订，香港诠释第 5 号「财务报表之呈列—借款人对包含按要求偿还条款之定期贷款之分类」作出修订，以使相应措辞保持一致，但结论不变

本集团正在评估首次应用该等经修订香港财务报告准则之影响，但暂时未能指出该等经修订香港财务报告准则会否对本集团之经营业绩及财务状况构成任何重大影响。

2.5 主要会计政策资讯

于联营公司的投资

联营公司为本集团长期持有且一般不少于 20%的股权投票权，并可对其行使重大影响力。重大影响指的是参与投资对象的财务和经营决策的权力，但不是控制或共同控制该等决策的权力。

本集团于联营公司的投资乃按本集团根据权益会计权益法核算应占资产净值减任何减值亏损于综合财务状况表列账。

本集团应占联营公司的收购后业绩及其他全面收入包括在综合全面收益表。此外，归属于联营公司的权益确认有变动，当适用时，则本集团会于综合权益变动表确认其应占任何变动。本集团与其联营公司间交易的未变现收益及亏损抵销以本集团于联营公司的投资为限，但未变现亏损为证实所转让资产减值的则除外。收购联营公司产生的商誉构成本集团于联营公司投资的一部份。

倘于联营公司的投资转变为合营企业的投资或出现相反情况，保留权益不会重新计量。反之，该投资继续采用权益法核算。在所有其他情况下，失去对联营公司的重大影响后，本集团按公允价值计量及确认任何保留投资。联营公司失去重大影响时的账面价值与保留投资及出售所得款项的公允价值之间的任何差额于损益确认。

服务特许经营权安排

本集团已与中国当地政府机关（「授予人」）订立多项服务特许经营权安排。

根据该等服务特许经营权安排：

- 授予人控制或监管本集团利用基础设施所需提供的服务，服务提供的对象以及服务价格；及
- 授予人在安排有效期结束时，通过所有权、实益所有权或其他方式控制基础设施的任何重大剩余利益，或基础设施在该等安排下为于整个可使用年限使用，或限制本集团出售或抵押基础设施的实际权力，以及整个安排期间的基础设施持续使用权授予授予人。

2.5 主要会计政策资讯（续）

服务特许经营权安排（续）

本集团的基础设施包括从授予人收购的租赁土地、楼宇、厂房及机器，并于本公司董事认为该等资产的重大风险及回报已转移到授予人时终止确认。

授予人提供之代价

于本集团有无条件权利就所提供建筑服务及／或本集团就管理及运营公共服务基础设施之权利而支付及应付之代价向授予人或按其指示收取现金或其他金融资产时，金融资产（与服务特许经营权安排相关的金融应收款项）予以确认。倘授予人以合约方式担保向本集团支付(a)指定或待定金额或(b)已收公共服务用户之款项与指定或待定金额两者间之差额（如有），而即使付款须以本集团确保基础设施符合具体规定为条件，本集团仍拥有无条件收取现金的权利。金融资产（与服务特许经营权安排相关的金融应收款项）根据下文「金融资产及负债」所载之政策列账。

无形资产（特许经营权）于本集团获得向公共服务用户收费之权利时确认。无形资产（特许经营权）按成本扣减累计摊销及任何累计减值亏损列账。摊销于特许经营权的运营阶段按直线法计算。

若本集团就建造服务分别获得部分金融资产及无形资产作为报酬，代价各部分会分开列账，并按代价之公允价值进行初步计量。

建造服务特许经营权相关的基础设施

有关建造服务的收益根据下文「收益确认」所载政策入账。

运营服务

有关运营服务的收益根据下文「收益确认」所载政策入账。

公允价值计量

本集团按各报告期末的公允价值计量其投资物业及若干股本投资及财富管理产品。公允价值为市场参与者在计量日期进行的有序交易中出售资产所收取或转移负债所支付的价格。公允价值计量乃基于假设出售资产或转移负债的交易于资产或负债的主要市场或于未有主要市场的情况下，则于资产或负债的最有利市场进行。主要或最有利市场须位于本集团能到达的地方。资产或负债的公允价值乃按假设市场参与者为资产或负债定价时会以最符合经济利益之方式计量。

非金融资产的公允价值计量须考虑市场参与者能否最佳最有效使用该资产而赚取经济效益，或把该资产售予其他市场参与者，其能最佳最有效地使用该资产。

本集团使用适用于不同情况且拥充分数据计量公允价值的估值方法，并尽量使用相关可观察输入数据及尽量减少使用不可观察输入数据。

2.5 主要会计政策资讯（续）

公允价值计量（续）

于财务报表中计量或披露公允价值的所有资产及负债，均根据对公允价值计量整体而言属重大的最低级别输入数据按下述公允价值层级分类：

- 第一层级— 基于相同资产或负债于活跃市场之报价（未经调整）
- 第二层级— 基于对公允价值计量而言属重大的可观察（直接或间接）最低级别输入数据的估值方法
- 第三层级— 基于对公允价值计量而言属重大的不可观察最低级别输入数据的估值方法

就经常性于财务报表确认的资产及负债而言，本集团透过于各报告期末重新评估分类（基于对公允价值计量整体而言属重大的最低等级输入数据）确定是否发生不同层级转移。

非金融资产减值

倘出现减值迹象，或须每年对资产（存货、建造合约资产及金融资产除外）作减值测试时，则评估资产的可收回金额。资产的可收回金额乃资产或现金产出单元的使用价值，与其公允价值扣减出售成本两者的较高者，并就个别资产进行厘定，除非该资产并不产生很大程度上独立于其他资产或资产组别的现金流入，在此情况下，则按资产所属现金产出单元厘定可收回金额。

仅当资产的账面价值超过其可收回金额时，才会确认减值亏损。评估使用价值时，估计未来现金流量使用除税前折现率折现至现值，而该折现率反映市场当时所评估的货币时间价值及该资产的特有风险。减值亏损于其产生期间自损益中与减值资产功能一致的有关开支类别列支扣除。

于各报告期末均会评估，是否有任何迹象表明过往确认的减值亏损可能不复存在或有所减少。如有任何该等迹象，则会估计可收回金额。先前就资产（不包括商誉）确认的减值亏损，仅于用以厘定该资产可收回金额的估计有变时予以拨回，但拨回后金额不得高于假设过往年度并无就该资产确认减值亏损而应有的账面价值（扣除任何折旧／摊销）。减值亏损的拨回于产生期间计入损益。

关联方

在下列情况下，一方被认为与本集团有关联：

- (e) 该方为某人士或其关系密切的家庭成员，且该人士
 - (i) 对本集团有控制权或共同控制权；
 - (ii) 对本集团有重大影响；或
 - (iii) 为本集团或本集团母公司的关键管理人员；

或

2.5 主要会计政策资讯 (续)

关联方 (续)

(b) 该方为符合以下任何条件的实体：

- (i) 该实体与本集团为同一集团的成员公司；
- (ii) 一个实体为另一实体（或另一实体的母公司、附属公司或同系附属公司）的联营公司或合资企业；
- (iii) 该实体及本集团均为同一第三方的合资企业；
- (iv) 一个实体为第三方实体的合资企业，而另一实体则为该第三方实体的联营公司；
- (v) 该实体有以本集团或与本集团有关联实体的雇员为受益人的离职后福利计划；
- (vi) 该实体由(a)项界定的人士控制或共同控制；
- (vii) (a)(i)项界定的人士对该实体有重大影响，或为该实体（或该实体的母公司）的关键管理人员；及
- (viii) 该实体或其所属集团之任何成员公司向本集团或本集团之母公司提供关键管理人员服务。

物业、厂房及设备以及折旧

在建工程以外的物业、厂房及设备按成本扣除累计折旧及任何减值亏损列账。物业、厂房及设备项目的成本包括购买价格及使资产达到拟定用途的运作状态及地点而直接产生的任何成本。

物业、厂房及设备项目投入运作后产生的维修及保养等开支，通常于费用产生期间在损益中扣除。在达到确认条件的情况下，将重大检修开支资本化，作为重置成本，记入资产账面价值。倘物业、厂房及设备的重大部分须不时重置，本集团会将该部分作为具特定可使用年期的独立资产予以确认，并相应计提折旧。

按各物业、厂房及设备项目的折旧以直线法估计按可使用年期将其成本摊销至剩余价值。就此采用的主要年率如下：

楼宇	2.5%至 4%
厂房及机器	2.5%至 20%
租赁物业装修、家私及装置	20%至 25%
汽车及办公室设备	12.5%至 25%

2.5 主要会计政策资讯（续）

物业、厂房及设备以及折旧（续）

倘物业、厂房及设备项目的各部分有不同可使用年期，则在各部分间合理分配该项目的成本，且按各部分单独计提折旧。剩余价值、可使用年期及折旧方法至少于每个财政年度结束时复核及调整（如适用）。

初步确认的物业、厂房及设备项目（包括任何重大部分）于出售或预期使用或出售不会再产生任何未来经济利益时终止确认。有关资产出售所得款项净额与账面值的差异于资产终止确认的年度在损益中确认相关出售或报废盈亏。

在建工程按成本扣减任何减值亏损列账，且不予计提折旧。成本包括建设期间建设的直接成本及相关借入资金的资本化借贷成本。在建工程于竣工且可供使用时重分类至适当物业、厂房及设备类别。

业务合并及商誉

业务合并采用收购法核算。所转让代价按收购日期的公允价值计量，有关公允价值为本集团所转让资产于收购日期的公允价值、本集团对被收购方前拥有人所承担的负债及本集团发行以换取被收购方控制权的股权的总和。于每项业务合并，本集团会选择以公允价值或以被收购方可识别资产净值的应占比例，计量于被收购方的非控制权益，并赋予其持有人权利可于清盘时按比例分占资产净值。非控制权益的所有其他组成部分均按公允价值计量。收购相关成本于产生时列为开支。

当本集团收购业务时，须根据合同条款、收购日期的经济状况及相关条件，评估须承担的金融资产及负债，以作出适当分类及确认，其中包括分离被收购方主合同中的嵌入衍生工具。

倘业务合并分阶段进行，先前持有的股权按其于收购日期的公允价值重新计量，所产生的任何收益或亏损在损益中确认。

收购方将转让的任何或然代价按收购日期的公允价值确认。分类为资产或负债的或然代价按公允价值计量，其公允价值变动于损益确认。分类为权益的或然代价不重新计量，其后结算会于权益中列账。

商誉按成本进行初始计量，即所转让代价、非控制权益的确认金额及本集团先前持有的被收购方任何股权的公允价值总额，与所收购可识别资产净值及所承担负债之间的差额。如果代价与其他项目的总额低于所收购资产净值的公允价值，则于重新评估后的差异将于损益内确认为议价收购收益。

于初始确认后，商誉按成本扣减任何累计减值亏损计量。商誉须每年作减值测试，若有事件发生或情况改变显示账面价值有可能减值时，则会更频密地进行测试。本集团于12月31日对商誉进行年度减值测试。为进行减值测试，因业务合并而购入的商誉自收购日期起，分配至预期可从合并产生的协同效应中获益的本集团各现金产出单元（或现金产出单元组别），而无论本集团其他资产或负债是否被分配至该等单位或单位组别。

2.5 主要会计政策资讯 (续)

业务合并及商誉 (续)

减值乃通过评估与商誉有关的现金产出单元 (现金产出单元组别) 的可收回金额厘定。当现金产出单元 (现金产出单元组别) 的可收回金额低于账面价值时, 减值亏损便予以确认。就商誉确认的减值亏损不得于随后期间拨回。

当商誉被分配至现金产出单元 (现金产出单元组别) 而该单位的部分业务已出售, 则在厘定出售损益时, 与所出售业务相关的商誉会计入该业务的账面价值。在该等情况下出售的商誉乃根据所出售业务的相对价值及现金产出单元的保留份额进行计量。

无形资产 (商誉除外)

单独取得的无形资产于初始确认时按成本计量。通过业务合并取得的无形资产的成本为收购日的公允价值。无形资产的可使用年期分为有限期或无限期。有限期的无形资产后续按可使用经济年期摊销, 并于有迹象显示无形资产可能出现减值时评估减值。可使用年期有限的无形资产的摊销期及摊销方法至少于每个财政年度末复核一次。

以下无形资产由可供使用日起摊销, 其估计可使用年期如下:

特许经营权	20 至 32 年
专利及商标	10 至 20 年
电脑软件	5 年
客户关系	5 年

本集团的专利及商标之可使用年期根据法定有效期及预期利益期间 (以较短者为准) 厘定。

本集团的客户关系之可使用年期经参考过往客户流失率根据预期利益期间厘定。

无形资产于出售时或预期不能再透过使用或出售取得未来经济利益时终止确认。无形资产出售所得款项净额与其账面价值两者间的差异, 于无形资产终止确认的年度在损益中确认相关出售或报废盈亏。

研究及开发成本

所有研究及开发成本于发生时计入损益。

开发新水环境技术产生的开支仅于本集团能证明在技术上可形成无形资产供使用或出售、有意完成及有能力使用或出售该资产, 该资产将产生未来经济利益, 具有完成项目所需的资源且能够可靠地计量开发期间的支出时, 方可资本化并以递延方式入账。未能符合该等标准的水环境技术开发开支概于产生时列作开支。

2.5 主要会计政策资讯（续）

金融工具

金融工具是指产生一个实体的金融资产和另一个实体的金融负债或权益工具的任何合同。

(i) 金融资产

初始确认和计量

金融资产在初始确认时分类，后续按摊销成本、公允价值计入其他综合收益及公允价值计入损益计量。

金融资产在初始确认时的分类取决于金融资产的合同现金流特征和集团管理这些资产的业务模式。除不包含重大融资组成部分或本集团已采用可行权宜处理方法的应收款项外，本集团以公允价值初始计量金融资产，如果金融资产的公允价值不计入损益，则加上交易成本计量。不包含重大融资成分或本集团已采用实际权宜之计的应收款项按交易价格计量。

就按摊销成本或按公允价值计入其他综合收益分类计量之金融资产而言，其产生之现金流量必需纯粹就未偿还本金而支付之本金及利息。

本集团管理金融资产的商业模式是指本集团如何管理其金融资产以产生现金流。商业模式决定了现金流是来自于合同现金流的收取，还是来自于金融资产的出售，或者两者兼而有之。

金融资产的购买或出售于交易日确认，即本集团承诺购买或出售该资产的日期，并要求资产的交付需要在市场上的法规或惯例规定的时间范围内（常规交易）。

后续计量

金融资产的后续计量取决于其分类，如下所示：

按摊销成本计量的金融资产（债务工具）

本集团在满足下列两个条件时，按摊销成本计量金融资产：

- 金融资产是在商业模式下持有的，目的是持有金融资产以收取合同现金流。
- 金融资产的合同条款在指定日期产生的现金流仅为未偿还本金和利息的支付。

以摊销成本计量的金融资产，采用实际利率法进行后续计量，并须计提减值。当资产终止确认、修订或减值时，收益或亏损于损益中确认。

2.5 主要会计政策资讯（续）

金融工具（续）

(i) 金融资产（续）

后续计量（续）

以公允价值计入损益的金融资产

以公允价值计入损益的金融资产，包括交易性金融资产、初始确认时指定为以公允价值计入损益的金融资产，或者强制要求以公允价值计量的金融资产。金融资产在近期内以出售或回购为目的而取得的，归类为交易性金融资产。衍生工具，包括分离的嵌入衍生工具，也被归类为交易性金融资产，除非它们被指定为有效的对冲工具。无论业务模式如何，现金流不完全是本金和利息支付的金融资产均按公允价值计入损益进行分类和计量。尽管有上述按摊销成本分类的债务工具的标准，但如果这样做可以消除或显著减少会计不匹配，债务工具可以在初始确认时以公允价值计量且其变动计入当期损益。

该类别包括本集团没有不可撤销地选择通过其他综合收益按公允价值分类的权益投资。股权投资的股息在确认支付权后在损益中确认为其他收益。

嵌入混合合约的衍生工具（包括财务负债或非金融主体合约），如果其经济特征和风险与主体合约不紧密相关，则作为单独的衍生工具入账；与嵌入衍生工具条款相同的单独工具将符合衍生工具的定义；混合合约并非以公允价值计入损益。嵌入衍生工具按公允价值计入损益计量。只有当合约条款发生变化，显著改变其他情况下所需现金流量时，或当按公允价值计入损益之金融资产重新分类时，才进行重新评估。

终止确认

金融资产（或金融资产的一部分或一组类似金融资产的一部分，如适用）主要在下列情况下终止确认（即从集团的合并财务状况表中删除）：

- 从资产中收取现金流的权利已到期；或
- 本集团已将其从资产中获得现金流的权利转让给第三方，或已根据「转手」安排承担了向第三方全额且没有重大延误的支付所收到的现金流的义务，且(a)本集团已在实质上将所有风险和报酬转让，或者(b)本集团既没有转移也没有实质上保留资产的全部风险和报酬，但转移了对资产的控制。

当本集团已转让其从资产中获得现金流的权利或已订立转手安排时，本集团将评估其是否以及在多大程度上保留了所有权的风险和回报。当本集团既没有实质上转移也没有保留资产的全部风险和报酬，也没有转移对资产的控制时，本集团按继续干涉的程度继续确认所转移的资产。在这种情况下，本集团也确认相关负债。转让资产和相关负债的计量基础应反映本集团保留的权利和义务。

以担保形式对转让资产的继续干涉，按资产的原始账面价值与本集团可能需要偿还的对价的最高金额两者中较低者计量。

2.5 主要会计政策资讯 (续)

金融工具 (续)

(ii) 金融负债

初始确认和测量

金融负债在初始确认时分类为以公允价值计入损益的金融负债、贷款及借款或应付款项 (视情况而定)。

所有金融负债初始按公允价值确认, 如为贷款、借款及应付款项, 扣除直接可归属的交易成本后确认。

本集团的金融负债包括应付账款及其他应付款项、借贷及租赁负债。

后续计量

初始确认后, 计息贷款和借款后续采用实际利率法按摊销成本计量, 除非折现的影响无关紧要, 在此情况下, 则按成本列示。当负债终止确认以及通过实际利率摊销过程时, 损益在损益中确认。摊销成本是通过考虑收购的任何折扣或溢价以及作为实际利率组成部分的费用或成本来计算的。实际利率摊销计入损益中的财务费用。

终止确认

金融负债于负债的责任已解除或撤销或届满时终止确认。当现有金融负债为同一出借人以大不相同的条款的另一项负债取代, 或现有负债的条款经大幅修改时, 有关替代或修改视为终止确认原有负债及确认新负债, 两者账面价值的差异计入损益。

金融资产减值

香港财务报告准则第 9 号要求本集团就非持作按公允价值计入损益的所有贷款及其他债务金融资产的预期信贷亏损计提拨备。

预期信贷亏损拨备乃基于根据合同到期的合同现金流量与本集团预期收取的所有现金流量之间的差额。该差额后续按与资产原有实际利率相近的数值折现。

对于合约资产及应收账款, 本集团已采用该准则的简化方法及根据可使用期内预期信贷亏损计算预期信贷亏损。本集团已建立基于本集团的过往信贷亏损记录的拨备矩阵, 可就债务人及经济环境特有的前瞻性因素而予以调整。

其他应收款项根据 12 个月之预期信贷亏损作出减值评估: 12 个月之预期信贷亏损是指因报告日后 12 个月内 (或倘该资产预计使用年期少于 12 个月, 则以较短期间为准) 可能发生之违约事件而导致部分可使用期内预期信贷亏损。然而, 如信贷风险自产生以来大幅增加, 则将根据可使用期内预期信贷亏损作出拨备。

本集团于合同付款逾期 90 日的金融资产视作违约。然而, 于若干情况下, 当内部或外部信息表明本集团不可能全数收回未偿还合同金额时, 本集团亦可能认为金融资产违约。

2.5 主要会计政策资讯（续）

金融工具的抵销

倘现时存在可执行合法权利抵销已确认金额，且有意以净额结算，或同时变现资产及清偿负债，则金融资产与金融负债抵销后，以净额于财务状况表呈报。

存货

存货（主要包括修理及维护污水处理厂所用的原材料及消耗品）按成本与可变现净值之较低者列账。成本为采用先进先出法厘定。可变现净值根据预计售价扣减完成及出售将产生之任何预计成本计算。消耗存货时，该等存货的账面价值于损益中确认为开支。

现金及现金等价物

现金及现金等价物包括现金结余、短期存款及金融机构中公允价值变动风险不大且自购买日期起三个月或以内到期的短期结余，而该等现金及现金等价物被本集团用于管理其短期承担。

就综合现金流量表而言，不包括受限制的银行结余，但须按要求偿还且组成本集团现金管理必不可少一部分的银行透支则计入现金及现金等价物。

拨备

倘因过往事件须承担现时责任（法定或推定），而履行该责任可能导致未来资源外流，且该责任所涉金额能够可靠估计，则确认拨备。

倘折现影响重大，则确认拨备的金额为预期履行责任所需未来开支于报告期末的现值。折现现值随时间增加的金额计入损益。

所得税

所得税包括即期及递延税项。与于损益外确认的项目有关的所得税于损益外确认，即于其他全面收入或直接于权益中确认。

即期税项资产及负债按预期可自税务机关收回或向其支付的金额计算，基于报告期末已颁布或已实际颁布的税率（及税法），并已考虑本集团经营所在国家的现行诠释及惯例。

递延税项采用负债法计量，以于报告期末的资产及负债的计税基础与其作为财务报告用途的账面价值之间的所有暂时性差异确认金额。

除下列情况外，对所有应课税暂时性差异确认递延税项负债：

- 递延税项负债源于初始确认的商誉或并非业务合并的交易中的资产或负债，且该项交易进行时并不影响会计利润及应课税损益；及
- 与附属公司、联营公司及合营企业的投资有关的应课税暂时性差异而言，当暂时性差异的转回时间可予控制时，且该暂时性差异于可见未来很可能不会转回。

2.5 主要会计政策资讯（续）

所得税（续）

所有可扣减暂时性差异、结转未动用税项抵免及未动用税项亏损均予以确认递延税项资产。在很可能有应课税利润可用作抵销可扣减暂时性差异、结转未动用税项抵免及未动用税项亏损能被利用的情况下，方予以确认递延税项资产，惟下列情况除外：

- 有关可扣减暂时性差异的递延税项资产源于初始确认并非业务合并交易中的资产或负债，且该项交易进行时并不影响会计利润及应课税损益；及
- 与附属公司、联营公司及合营企业的投资有关的可扣减暂时性差异，只有当暂时性差异很可能于可预见未来转回及有应课税利润可用作抵销该暂时性差异的情况下，方予以确认递延税项资产。

递延税项资产的账面价值于各报告期末审核，并减至不可能再有足够应课税利润以利用全部或部分递延税项资产的水平。未确认的递延税项资产将于各报告期末重新评估，并于很可能将有足够的应课税利润以致可收回全部或部分递延税项资产时予以确认。

递延税项资产及负债为按预期资产变现或负债清偿期间所适用的税率（以截至报告期末已颁布或已实质颁布的税率（及税法）为基准）计算。

当且仅当本集团拥有法定行使权可将即期税项资产与即期税项负债相互抵销，且递延税项资产与递延税项负债与由同一税务机关对同一应课税实体或不同的应课税实体所征收的所得税有关，而该等实体有意在日后每个预计有大额递延税项负债需要清偿或大额递延税项资产可以收回的期间内，按净额基准清偿即期税项负债及资产，或同时变现该等资产及清偿该等负债，递延税项资产可与递延税项负债相互抵销。

政府补助

政府补助于可合理保证实体将会收到补助及将遵守相关附带条件时按公允价值确认。倘补助与开支项目有关，则会有系统地在拟补贴的成本支期间确认为收入。

当政府补助与某个资产项目相关联时，公允价值先计入递延收入，并根据相关资产之预期可使用年期以年限平均法计入损益，或者从资产的账面价值中减去，并通过减少折旧费用的方式计入损益。

2.5 主要会计政策资讯 (续)

收益确认

客户合同收益

收益按与客户于合同中约定的代价计量，并不包括第三方代收的金额款项。本集团于其向客户转让产品或服务的控制权时确认收益。

倘符合以下其中一项条件，本集团会于履行履约责任后并随时间推移确认收益：

- (a) 客户同时取得及利用本集团履约时所提供之利益
- (b) 本集团之履约创建或改良一项于资产被创建或改良时客户控制之资产
- (c) 本集团之履约并无创建一项可被本集团用于替代用途之资产，且本集团对迄今已完成之履约付款具有可执行权利

倘不符合所有上述条件，本集团于履约责任获履行时点确认收益。

倘资产的控制权在一段时间内转移，本集团按在合同期间已完成履约责任的进度确认收入。否则，收益于客户获得资产控制权的某一时点确认。

完成履约责任的进度根据本集团为完成履约责任而作出的努力或投入计量，并参考测量师就已进行之工作量所作之评估以及截至报告期末已产生的成本占合同之估计总成本额之百分比。

当本集团在服务特许经营权安排中提供不止一项服务时，则有关交易价格将根据各自的独立售价分配至各履约责任。倘独立售价不可直接观察，则基于预期成本加利润率或经调整市场评估法（视乎可观察数据是否可得）进行估计。

在确定合同交易价格时，若融资成份重大，本集团将根据融资成份的影响调整承诺代价。

建造服务收益

就建造服务而言，本集团之履约行为创造或改良了客户在资产被创造或改良时已控制的资产或在建工程，因此本集团履行履约责任后随时间推移确认建造服务收益并参考测量师就已进行之工作量之评估及截至报告期末已产生的成本占合同之估计总成本之百分比。

来源于服务特许经营权安排的建造服务收益经参考于协议日期提供类似建造服务适用之现行市场毛利率后以成本加成法进行估计。

2.5 主要会计政策资讯 (续)

收益确认 (续)

运营收益

于提供相关服务时，本集团确认来自水环境项目运营服务的收益，而中水回用供应服务的收益为于某个时点确认，即本集团已向客户交付水；客户已接收水；本集团有现时权利可支付及收取代价时，予以确认。服务特许经营权安排其他运营收益均于提供服务的期间及客户同时收到且消耗利益时确认。

财务及利息收入

财务及利息收入乃按应计基准采用实际利率法透过应用有关利率将金融（即于金融工具预计年期或（倘适用）较短期间内将估计未来现金收入准确贴现至财务资产账面净值之利率）计算确认。

合约资产及合约负债

当与客户订立合同后，本集团有权收取来自客户支付的代价，并承担将货物或服务转移至客户的履约责任。该等权利及履约责任共同产生净资产或净负债，并视乎剩余权利与履约责任之间的关系而定。倘合同计量的剩余收款权超过剩余履约责任，则该合同为一项资产，并确认为合约资产。反之，倘剩余履约责任超过剩余收款权，则该合同为一项负债，并确认为合约负债。

倘本集团预计为获得客户合同而产生的增量成本可收回，则将其确认为合约资产。

借贷成本

因收购、建造或生产合资格资产（即需要大量时间方可达致拟定用途或出售的资产）而直接应计的借贷成本，一律资本化作为该等资产的部分成本。当资产大致可供拟定用途或出售，则有关借贷成本停止资本化。特定借贷于用作合资格资产支出前的临时投资所赚取的投资收入于已资本化的借贷成本中扣减。所有其他借贷成本于发生期间费用化。借贷成本包括实体就借入资金产生的利息及其他成本。

外币

本公司的功能货币为人民币。财务报表以港元（本公司之呈列货币）呈列。本公司已采用与本公司直接控股公司中国光大水务控股有限公司所用一致之港元作为其呈列货币。本集团旗下各实体自行决定功能货币，而各实体财务报表中的项目均使用该功能货币计量。本集团旗下实体已入账之外币交易初始按交易日期通行的相关功能货币汇率列账。以外币计值的货币资产与负债按于报告期末通用的功能货币汇率重新换算。结算或换算货币项目产生之差异于损益内确认。

2.5 主要会计政策资讯（续）

外币（续）

因结算或换算货币项目产生的差异于损益确认，惟指定作为对冲本集团海外业务投资净额一部分的货币项目则除外，该等货币项目于其他全面收入中确认，直至该净投资已出售，此时累计金额应重新分类至损益。该等货币项目汇兑差额应占的税项支出及抵免亦计入其他全面收入。

按历史成本列账、以外币计量的非货币项目，采用初始交易日期的汇率换算。按公允价值列账、以外币计量的非货币项目，采用计量公允价值日期的汇率换算。换算按公允价值计量的非货币项目产生的收益或亏损按与确认项目公允价值变动的收益或亏损一致的方式处理（即公允价值收益或亏损于其他全面收入内确认或损益内确认的项目，其换算差额亦分别于其他全面收入内确认或损益内确认）。

本公司、若干境外附属公司、联营公司及合营企业的功能货币为港元以外的货币。于报告期末，该等实体的资产与负债按报告期末的汇率换算为港元，其全面收益表则按年内的加权平均汇率换算为港元。

因此产生的汇兑差额于其他全面收入内确认，在外币换算储备中累计。出售海外业务时，与该项特定海外业务有关的其他全面收入的部分应转入损益。

收购海外业务产生的任何商誉及对收购产生的资产及负债账面金额作出的任何公允价值调整作为海外业务的资产及负债处理，并按收市汇率换算。

就综合现金流量表而言，本公司、若干境外附属公司、联营公司及合营企业的现金流量按现金流量日期的汇率换算为港元。若该等实体于年内经常产生的现金流量则按该年度的加权平均汇率换算为港元。

3. 重大会计判断及估计

编制财务报表时，管理层须作出判断、估计及假设，而有关判断、估计及假设会影响所呈报收益、开支、资产与负债金额以及其随附披露及或然负债披露。有关该等假设及估计的不确定因素可能会导致在未来需要对受影响的资产或负债的账面价值作出重大调整。

判断

在应用本集团的会计政策的过程中，管理层除作出涉及估计的判断外，亦作出下列对财务报表已确认金额构成重大影响的判断：

服务特许经营权安排

本集团就其水环境项目订立建造—运营—移交（「BOT」）、转让—运营—移交（「TOT」）及建造—运营—拥有（「BOO」）安排。

本集团已确定所有 BOT 及 TOT 安排以及若干 BOO 安排均属香港（国际财务报告诠释委员会）—诠释第 12 号 *服务特许经营权安排* 下之服务特许经营权安排，因为当地政府机关控制并监管本集团利用基础设施按预定服务费所须提供之服务。就 BOT 及 TOT 安排而言，在特许经营权协议到期后，有关基础设施须无偿移交当地政府机关所有。就 BOO 安排而言，有关服务特许经营权安排所涉及之基础设施于其整个或大致上整个可使用年期内使用。

估计不确定因素

涉及未来的主要假设，以及于报告期末导致估计出现不确定因素的其他主要缘由（该等因素有可能导致对下个财政年度的资产及负债账面值作出重大调整的重大风险）于下文载述。

香港（国际财务报告诠释委员会）—诠释第 12 号服务特许经营权安排下的合约资产及／或无形资产

本集团根据服务特许经营权安排将以建造服务换取的已收或应收代价确认为合约资产及／或无形资产。然而，倘本集团已就建造服务获付款部分以合约资产及部分以无形资产支付，则需将就已收或应收代价的各部分分别入账。各部分的已收或应收代价按公允价值进行初始确认。

合约资产部分和无形资产部分的服务特许经营权安排对价的分摊，需要本集团对若干因素作出估计，特别包括建造服务的公允价值、有关污水处理厂于其服务特许经营权期内的预期未来污水处理量、未来有担保收款及无担保收款，并需选择适当折现率以计算该等现金流量的现值。该等估计（包括合约资产及无形资产部分的收益确认）由本集团管理层按彼等之经验以及对现有及未来市场状况的评估而厘定。无形资产（「特许经营权」）及合约资产之账面价值分别披露于财务报表附注 15 及 19。

3. 重大会计判断及估计 (续)

估计不确定因素 (续)

非金融资产 (商誉除外) 减值

于各报告日期, 本集团评估所有非金融资产是否有任何减值迹象。当有迹象表明未必能收回账面金额时, 非金融资产会进行减值测试。

估计使用价值要求本集团对来自现金产出单元之预期未来现金流量作出估计, 亦要求选择合适折现率计算该等现金流量之现值。物业、厂房及设备以及无形资产 (除商誉外) 之账面价值分别披露于财务报表附注 12 及 15。

按摊销成本计量的金融资产及合约资产减值

本集团合约资产, 以及应收账款及其他应收款项的减值亏损基于对合约资产, 以及应收账款及其他应收款项的可收回性及账龄分析进行评估, 同时鉴于管理层之判断。在评估该等应收账款的最终收回情况时需作出大量判断, 包括各债务人目前的信誉及过往付款记录。倘本集团债务人的财务状况转差而削弱彼等之付款能力时, 则需要作出额外拨备。

本集团按摊销成本计量的金融资产及合约资产的账面价值披露于财务报表附注 19、21 及 23。

建造工程的收益确认

本集团参考于报告日期已完成履约的责任的进度后, 随时间确认收益。该进度的确认基于本集团的投入而完成履约责任的程度, 同时参考工作量的测量评估, 以及截至报告期末每项履约责任中已发生成本占预计合同总成本比重。在估计已完成履约责任进度的工作变量时, 须作出重大假设。随着合同的进行, 本集团会审阅并修订每份建造合同的估计。

商誉的减值亏损

如财务报表附注 2.5 载列的「业务合并及商誉」的会计政策所述, 商誉被分配至预期可受惠于合并协同效应之现金产出单元或现金产出单元组别以进行减值评估, 而此需要作出重大判断。根据香港会计准则第 36 号 *资产减值*, 本集团厘定获分配商誉之现金产出单元组别为本集团就内部报告目的而监察商誉的最低层次, 且该组别不会大于一个经营分部。

本集团最少每年厘定一次商誉是否出现减值, 这需要对获分配商誉之现金产出单元的使用价值进行估计。在估计使用价值时, 本集团需要估计来自现金产出单元的预计未来现金流量, 并需选择合适的折现率, 以便计算有关现金流量的现值。商誉之账面价值于财务报表附注 16 中披露。

所得税

厘订所得税拨备涉及对若干交易之日后税项处理方法作出判断。本集团会审慎评估交易之相关税务影响, 从而计提税项拨备。本集团会定期重新考虑有关交易之税项处理方法, 并将税务规例之所有变动列为考虑因素。倘最终税项结果与初始确认的金额不同, 则有关差额会影响做出有关决定之期间的所得税, 其他税项以及递延税项拨备。

4. 经营分部资料

经营分部乃按本集团组成部分的内部报告识别。其由本公司管理层及董事会定期审阅，以分配资源及评估其表现。

分部业绩、资产及负债包括直接归属于某一分部，以及可按合理的基础分配的项目的数额。未被分配的项目主要包括企业资产及支出、计息借贷与相关的支出、收入及递延税项。本集团经营单一业务分部，其为经营水环境治理业务。概无合并经营分部以组成下列须予报告之经营分部。

业务分部

截至2023年12月31日及2022年12月31日止年度，本集团只有一个经营分部，即水环境治理业务，详情如下：

- 水环境治理 — 从事市政污水处理、工业废水处理、供水、中水回用、污泥处理处置、海绵城市建设、流域治理、污水源热泵、渗滤液处理以及水环境技术与开发（「研发」）及工程建设。

地域资料

(a) 来自外界客户之收益

	2023 千港元	2022 千港元
中国内地	6,653,554	6,713,391
德国	51,130	14,576
	<u>6,704,684</u>	<u>6,727,967</u>

上述收益信息乃基于服务提供地点划分。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

4. 经营分部资料 (续)

地域资料 (续)

(b) 非流动资产

	2023 千港元	2022 千港元
中国内地	24,611,079	24,509,798
香港	3,164	956
新加坡	2,753	447
德国	171	158
毛里求斯	1,262	-
	<u>24,618,429</u>	<u>24,511,359</u>

上述非流动资产资料乃基于资产所在地点划分 (不包括递延税项资产)。

主要客户

	2023 千港元	2022 千港元
客户 1**	875,462	723,986
客户 2**	<u>N/A*</u>	<u>679,072</u>

* 该客户的收入未予披露, 因为其收入单计未占本集团收入的 10%或以上。

** 该等客户为当地政府机关。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

5. 收益

	2023 千港元	2022 千港元
服务特许经营权安排的建造服务收益	2,066,019	2,403,740
服务特许经营权安排的财务收益	1,097,182	1,107,945
服务特许经营权安排的运营收益	3,104,693	2,950,629
建造合同收益及技术服务收入	<u>436,790</u>	<u>265,653</u>
总额	<u>6,704,684</u>	<u>6,727,967</u>
收益确认时间：		
于某一时间点	212,158	170,522
于一段时间内	<u>5,395,344</u>	<u>5,449,500</u>
	5,607,502	5,620,022
服务特许经营权安排的财务收益	<u>1,097,182</u>	<u>1,107,945</u>
总额	<u>6,704,684</u>	<u>6,727,967</u>

截至 2023 年 12 月 31 日止年度，来自中国当地政府机关的建造服务收益、财务收益及运营收益总额为 6,179,504,000 港元（2022 年：6,357,746,000 港元）。该等客户产生之信贷风险集中的详情载于财务报表附注 37。

在截至 2023 年 12 月 31 日止年度确认之收益中，155,895,000 港元（2022 年：无）乃关于过往期间已履行之履约责任。

于 12 月 31 日已分配至余下履约责任（未履行或部分未履行）的交易金额如下：

	2023 千港元	2022 千港元
与服务特许经营权安排相关的未完成履约责任：		
预期将于一年内确认	6,312,294	6,370,953
预期将于一年后确认	<u>132,941,326</u>	<u>104,437,621</u>
分配至未完成履约责任的交易总金额	<u>139,253,620</u>	<u>110,808,574</u>

本集团应用了香港财务报告准则第 15 号下之可行权宜处理方法及并无包括本集团将于原先预期时限为一年或以内之合约之余下履约责任获完成时有权获得之收益之资料。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

6. 其他收入及收益净额

	2023 千港元	2022 千港元
政府补助金*	30,640	37,365
增值税退税**	21,786	19,855
公允价值收益／（亏损）净额：		
其他金融资产—非上市投资	(31,218)	(18,382)
其他金融资产—非上市股权投资	(1,586)	2,597
杂项收入	<u>26,385</u>	<u>12,358</u>
总额	<u>46,007</u>	<u>53,793</u>

* 截至 2023 年 12 月 31 日止年度，本集团获得的政府补助金以补贴本集团于中国的若干污水处理厂。收取有关补助金不受任何尚未达成之条件或任何其他或然事项影响。概无保证本集团将于日后继续收取有关补助金。

** 截至 2023 年 12 月 31 日止年度，本集团于中国运营的若干水环境项目已获发／将获发增值税退税。收取有关退税不受任何尚未达成之条件或任何其他或然事项影响。概无保证本集团将于日后继续收取有关退税。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

7. 财务费用净额

	2023 千港元	2022 千港元
<u>财务收益</u>		
利息收入：		
银行存款	26,306	27,929
应收一间联营公司款项	<u>352</u>	<u>373</u>
财务收益总额	<u>26,658</u>	<u>28,302</u>
<u>财务费用</u>		
利息开支：		
银行及其他借贷	(368,128)	(330,138)
公司债券、资产支持证券、中期票据及超短期融资券	(222,440)	(213,875)
租赁负债	<u>(353)</u>	<u>(602)</u>
财务费用总额	<u>(590,921)</u>	<u>(544,615)</u>
财务费用净额	<u>(564,263)</u>	<u>(516,313)</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

8. 除税前盈利

本集团之除税前盈利已扣除／（计入）：

	附注	2023 千港元	2022 千港元
折旧*			
—物业、厂房及设备	12	51,771	63,424
—使用权资产	14(a)	10,055	13,243
无形资产之摊销*	15	150,641	177,231
处置物业、厂房及设备之亏损／（收益）		(19)	94
处置无形资产之亏损		2,853	-
来自服务特许经营权安排之建造服务成本**		1,629,194	1,730,322
研发成本		52,538	50,976
短期租赁之租金支出		1,258	4,188
应收账款预期信贷亏损拨备净额	21	194,487	226,899
其他应收款项预期信贷亏损拨备净额	21	466	33,829
合约资产预期信贷亏损拨备	19	1,282	4,002
无形资产减值	15	-	14,230
汇兑差额净额		(67,813)	(39,620)
雇员福利开支*			
—工资、薪金、津贴及实物利益		431,100	415,334
—退休计划供款		53,010	58,764
总额		<u>484,110</u>	<u>474,098</u>
审计师薪酬			
—审计服务		3,650	3,550
—其他服务		1,019	1,119

* 截至2023年12月31日止年度，无形资产摊销、折旧及雇员福利开支总额为381,025,000港元（2022年：440,349,000港元），已被计入综合全面收益表内的「直接成本及经营开支」。

** 被计入综合全面收益表内的「直接成本及经营开支」。

于2023年12月31日，本集团并无被没收供款用以减少其未来年度的退休计划供款（2022年：无）。

9. 所得税

由于本集团截至 2023 年 12 月 31 日止年度并无赚取任何须缴纳新加坡或香港所得税的收入，故并无就新加坡或香港所得税作出拨备（2022 年：无）。

中国业务之税项根据中国税务法律及法规，按应课税盈利以法定税率 25% 计算。截至 2023 年 12 月 31 日止年度内，根据相关中国税务法律及法规，本集团若干中国附属公司享有 15% 的优惠税率。截至 2023 年 12 月 31 日止年度内，根据有关税务法律及法规，本集团若干中国附属公司须按前述法定税率之半数缴纳税项或获所得税税项全数豁免。

	2023 千港元	2022 千港元
即期 - 中国：		
本年度计提	260,619	238,790
过往年度拨备不足	7,066	1,524
递延（附注 27）	<u>137,225</u>	<u>74,787</u>
本年度税项开支总额	<u>404,910</u>	<u>315,101</u>

按适用于本公司及其大部份附属公司所在国家之法定税率计算除税前盈利之税项支出与按实际税率计算之税项支出之对账如下：

	2023 千港元	2022 千港元
除税前盈利	<u>1,666,123</u>	<u>1,382,010</u>
按 25% 的税率计算之税项	416,531	345,502
税项优惠	(222,363)	(254,369)
就过往期间之即期税项作出之调整	7,066	1,524
联营公司和合营企业应占盈利	(817)	(2,807)
毋须课税收入	(37,471)	(12,731)
不可扣税开支	181,186	157,424
未确认税项亏损	11,017	27,969
动用过往期间之税项亏损	(6,015)	(1,185)
本集团中国附属公司可供分派盈利之预扣税之影响	<u>55,776</u>	<u>53,774</u>
按本集团实际税率计算之税项支出	<u>404,910</u>	<u>315,101</u>

9. 所得税（续）

第二支柱所得税

如附注 2.3(d) 所述，本集团对确认及披露有关第二支柱所得税产生的递延税项资产及负债的资料应用强制性例外规定，并将在产生时将第二支柱所得税入账列作即期税项。第二支柱立法已于本集团运营所在的若干司法权区颁布或实质性颁布，且该立法将于本集团自 2024 年 1 月 1 日开始的财政年度生效。

本集团根据有关本集团本年度财务业绩的可得资料评估其潜在风险。因此，有关评估可能并不完全代表未来的情况。根据评估结果，本集团运营所在的大多数司法权区的第二支柱实际税率均高于 15%。第二支柱实际税率略低于 15% 的司法权区数量有限。本集团预计不会面临第二支柱所得税的重大风险。

10. 股息

	2023 千港元	2022 千港元
本财政年度股息：		
中期 — 每股普通股 6.63 港仙（等值 1.13 新加坡分（「新分」））（2022 年： 5.45 港仙（等值 0.98 新分））	189,901	156,172
拟派末期 — 每股普通股 5.81 港仙（等值 0.99 新分）（2022 年：5.14 港仙 （等值 0.86 新分））	<u>166,323</u>	<u>146,390</u>
本财政年度已付的上一个财政年度末期股息 — 每股普通股 5.14 港仙（等值 0.86 新分） （2022 年：6.83 港仙（等值 1.19 新分））	<u>146,390</u>	<u>195,468</u>

本年度建议分派之末期股息须待本公司股东于应届股东周年大会上批准后方可作实。于报告期末后建议分派之末期股息并未在报告期末确认为负债。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

11. 每股盈利

每股基本盈利金额乃按本公司权益持有人应占本集团本年度盈利 1,187,412,000 港元（2022 年：1,010,565,000 港元）除以本公司年内已发行普通股加权平均数约 2,860,877,000 股（2022 年：约 2,860,877,000 股）计算。

截至 2023 年及 2022 年 12 月 31 日止年度，本集团并无任何已发行具潜在摊薄影响之普通股。

12. 物业、厂房及设备

	楼宇 千港元	厂房 及机器 千港元	租赁物业 装修、 傢俬 及装置 千港元	汽车及 办公室 设备 千港元	在建项目 千港元	总额 千港元
二零二三年十二月三十一日						
成本：						
于二零二三年一月一日	659,601	336,734	17,659	109,397	83,945	1,207,336
增置	-	1,189	1,965	6,094	44,831	54,079
转拨	24,762	90,386	-	40	(115,188)	-
处置	-	(9)	(142)	(4,959)	-	(5,110)
汇兑调整	(17,840)	(10,459)	(437)	(2,875)	(1,041)	(32,652)
于二零二三年十二月三十一日	<u>666,523</u>	<u>417,841</u>	<u>19,045</u>	<u>107,697</u>	<u>12,547</u>	<u>1,223,653</u>
累计折旧：						
于二零二三年一月一日	75,489	57,267	11,401	68,229	-	212,386
本年度折旧	20,729	18,439	1,203	11,400	-	51,771
处置	-	(4)	(142)	(4,750)	-	(4,896)
汇兑调整	(2,300)	(1,826)	(258)	(1,887)	-	(6,271)
于二零二三年十二月三十一日	<u>93,918</u>	<u>73,876</u>	<u>12,204</u>	<u>72,992</u>	<u>-</u>	<u>252,990</u>
账面净值：						
于二零二三年十二月三十一日	<u>572,605</u>	<u>343,965</u>	<u>6,841</u>	<u>34,705</u>	<u>12,547</u>	<u>970,663</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

12. 物业、厂房及设备（续）

	楼宇 千港元	厂房 及机器 千港元	租赁物业 装修、 家俬 及装置 千港元	汽车及 办公室 设备 千港元	在建项目 千港元	总额 千港元
二零二二年十二月三十一日						
成本：						
于二零二二年一月一日	719,758	367,138	16,527	97,190	12,927	1,213,540
增置	1,596	1,733	2,525	25,480	85,645	116,979
处置	-	(575)	(62)	(4,039)	-	(4,676)
汇兑调整	(61,753)	(31,562)	(1,331)	(9,234)	(14,627)	(118,507)
于二零二二年十二月三十一日	<u>659,601</u>	<u>336,734</u>	<u>17,659</u>	<u>109,397</u>	<u>83,945</u>	<u>1,207,336</u>
累计折旧：						
于二零二二年一月一日	58,874	41,031	10,910	59,193	-	170,008
本年度折旧	22,599	21,027	1,349	18,449	-	63,424
处置	-	(313)	(62)	(3,729)	-	(4,104)
汇兑调整	(5,984)	(4,478)	(796)	(5,684)	-	(16,942)
于二零二二年十二月三十一日	<u>75,489</u>	<u>57,267</u>	<u>11,401</u>	<u>68,229</u>	<u>-</u>	<u>212,386</u>
账面净值：						
于二零二二年十二月三十一日	<u>584,112</u>	<u>279,467</u>	<u>6,258</u>	<u>41,168</u>	<u>83,945</u>	<u>994,950</u>

中国相关机关并未发出本集团于中国若干楼宇的房产证，该等物业于2023年12月31日之账面净值总额为14,880,000港元（2022年：16,572,000港元）。本公司董事认为，根据与中国当地政府机关订立的相关协议及根据本公司中国法律顾问中伦律师事务所的意见，本集团具有合法权利占用及使用该等楼宇。

13. 投资物业

	2023 千港元	2022 千港元
于一月一日之账面值	11,398	12,468
汇兑调整	<u>(302)</u>	<u>(1,070)</u>
于十二月三十一日之账面值	<u>11,096</u>	<u>11,398</u>

根据各项物业之性质、特性及风险，本公司董事确定本集团之投资物业属商用投资物业。本集团的投资物业已于 2023 年 12 月 31 日根据管理层的价值评估，重估为 11,096,000 港元（2022 年：11,398,000 港元）。

投资物业以经营租赁方式出租予第三方，其进一步资料概要载于财务报表附注 14。

下表说明了本集团投资物业的公允价值计量层级：

	于二零二三年十二月三十一日			总额 千港元
	公允价值计量采用以下基准			
	于活跃市场 的报价 (第一级) 千港元	重大可观察 输入数据 (第二级) 千港元	重大不可观察 输入数据 (第三级) 千港元	
下列项目之经常性的公允价值计量：				
商用投资物业	<u>-</u>	<u>-</u>	<u>11,096</u>	<u>11,096</u>
	于二零二二年十二月三十一日			总额 千港元
	公允价值计量采用以下基准			
	于活跃市场 的报价 (第一级) 千港元	重大可观察 输入数据 (第二级) 千港元	重大不可观察 输入数据 (第三级) 千港元	
下列项目之经常性的公允价值计量：				
商用投资物业	<u>-</u>	<u>-</u>	<u>11,398</u>	<u>11,398</u>

年内，第一级与第二级公允价值计量并无任何转移，第三级亦无任何转入或转出（2022 年：无）。

13. 投资物业（续）

下表概述投资物业估值所使用之估值技术及主要输入数据及其定量敏感性分析：

	估值技术	重大不可观察 输入数据	范围	公允价值对输入 数据的敏感性
商用投资物业	现金流折现方法	预计租金水平	每年每平方米 人民币 185 (2022 年：每年 每平方米人民币 185)	预计租金水平 增加（减少）5% (2022 年：5%) 会导致公允价值 增加（减少） 71,000 港元 (2022 年： 69,000 港元)
		租金增长率	5% (2022 年：5%)	租金增长率 增加（减少）1% (2022 年：1%) 会导致公允价值 增加 58,000 港元 (2022 年： 113,000 港元) 或公允价值减少 158,000 港元 (2022 年： 103,000 港元)
		折现率	3% (2022 年：3%)	折现率增加（减少） 1% (2022 年：1%) 会导致公允价值 减少 273,000 港元 (2022 年： 219,000 港元) 或 公允价值增加 203,000 港元 (2022 年： 259,000 港元)
商用投资物业	市场比较法	预计售价	每平方米 人民币 5,228 (2022 年： 每平方米 人民币 5,257)	预计售价增加 (减少) 5% (2022 年： 5%) 会导致公允价值 增加（减少） 412,000 港元 (2022 年： 412,000 港元)

13. 投资物业（续）

在现金流量折现方法下，公允价值为根据资产寿命期内所有权的权利和义务（包括退出价值或最终价值）的假设来估算的。这种方法涉及在财产权益上的一系列现金流量的预测。根据市场得出的折现率适用于预计的现金流量，以便确定与资产有关的收入的现值。退出收益率通常是单独确定的，与折现率不同。

现金流量的期限和现金流入及流出的具体时点是由诸如租金审查、租约续期和相关的重新出租、重新开发或翻新等事件决定的。适用的期限是由市场行为驱动的，而市场行为是这类房产的一个特征。周期性的现金流量估计等于收入总额减去空缺、不可收回的费用、收款损失、租赁优惠、维修费用、代理和佣金费用以及其他经营和管理费用。然后，对一系列周期性的净经营收入以及预测期结束时预计的终值进行折现。

根据市场比较法，投资物业的公允价值乃参考可比物业按每平方米价格计算的最近售价厘定，并再按集团的建筑物的质量与最近销售及交易时间的可比交易得出的溢价或折扣再作调整。较高质量建筑物所得的溢价及可比交易时机间以得出的有利调整将导致更高公允价值。

14. 租赁

本集团作为承租人

本集团在经营过程中使用了各类土地及楼宇，设备及其他项目的租赁合约。本集团已作出一次性前期付款，以向所有者取得租期为五十年的租赁土地，而根据该等土地租赁之条款，无需作出持续性付款。楼宇、设备及其他项目的租赁期限一般为二年至三年。一般情况下，本集团被限制向本集团以外人士转让及分组其租赁资产。

(a) 使用权资产

本集团使用权资产的账面价值及本年度的变动情况如下：

	预付土地 租赁款项 千港元	楼宇 千港元	设备 及其他 千港元	总额 千港元
于二零二二年一月一日	98,141	6,231	-	104,372
增置	-	7,166	-	7,166
处置	-	(25,627)	(555)	(26,182)
折旧支出	(3,043)	(10,200)	-	(13,243)
处置的转回	-	25,627	555	26,182
汇兑调整	(8,283)	(177)	-	(8,460)
于二零二二年十二月三十一日及 二零二三年一月一日	86,815	3,020	-	89,835
增置	-	11,003	-	11,003
处置	-	(8,331)	-	(8,331)
折旧支出	(2,874)	(7,181)	-	(10,055)
处置的转回	-	8,331	-	8,331
汇兑调整	(2,251)	(32)	-	(2,283)
于二零二三年十二月三十一日	<u>81,690</u>	<u>6,810</u>	<u>-</u>	<u>88,500</u>

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14. 租赁（续）

本集团作为承租人（续）

(b) 租赁负债

本集团租赁负债的账面价值及本年度的变动情况如下：

	2023 千港元	2022 千港元
于一月一日账面值	3,007	6,402
新订租赁	11,003	7,166
年内确认的利息增加	353	602
付款	(7,485)	(10,931)
汇兑调整	<u>(23)</u>	<u>(232)</u>
于十二月三十一日账面值	<u>6,855</u>	<u>3,007</u>
分析为：		
即期部分	5,412	2,656
非即期部分	<u>1,443</u>	<u>351</u>
于十二月三十一日账面值	<u>6,855</u>	<u>3,007</u>

(c) 于损益表中确认之租赁相关金额如下：

	2023 千港元	2022 千港元
租赁负债的利息费用（附注 7）	353	602
使用权资产折旧支出	10,055	13,243
短期租赁的开支（计入「行政及其他经营费用」）	<u>1,258</u>	<u>4,188</u>
于损益中确认的总金额	<u>11,666</u>	<u>18,033</u>

(d) 与租赁相关的现金流出披露于财务报表附注 31(c)。

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14. 租赁（续）

本集团作出租人

本集团根据经营租赁安排租赁其投资物业（附注13），该物业由中国境内的一处商业物业组成。该商铺已根据经营租赁安排从2019年11月1日起租出6年。租约的条款一般要求承租人支付保证金，并根据当时的市场情况定期调整租金。本集团本年度确认的租金收入为87,000港元（2022年：86,000港元）。

于2023年12月31日，本集团与承租人订立的不可撤销经营租赁协议项下，未来期间未折现的应收租赁款项如下：

	2023 千港元	2022 千港元
一年以内	162	507
一年至五年内	<u>73</u>	<u>1,836</u>
	<u>235</u>	<u>2,343</u>

15. 无形资产

	特许经营权 千港元	专利及商标 千港元	电脑软件 千港元	客户关系 千港元	总额 千港元
二零二三年十二月三十一日					
成本：					
于二零二三年一月一日	2,929,442	24,335	10,321	12,444	2,976,542
增置	-	-	1,636	-	1,636
处置	(2,852)	-	(1)	-	(2,853)
汇兑调整	<u>(77,554)</u>	<u>(645)</u>	<u>(301)</u>	<u>(330)</u>	<u>(78,830)</u>
于二零二三年十二月三十一日	<u>2,849,036</u>	<u>23,690</u>	<u>11,655</u>	<u>12,114</u>	<u>2,896,495</u>
累计摊销及减值：					
于二零二三年一月一日	566,157	24,335	4,987	11,200	606,679
年内摊销拨备	148,032	-	1,377	1,232	150,641
汇兑调整	<u>(15,733)</u>	<u>(645)</u>	<u>(155)</u>	<u>(318)</u>	<u>(16,851)</u>
于二零二三年十二月三十一日	<u>698,456</u>	<u>23,690</u>	<u>6,209</u>	<u>12,114</u>	<u>740,469</u>
账面净值：					
于二零二三年十二月三十一日	<u>2,150,580</u>	<u>-</u>	<u>5,446</u>	<u>-</u>	<u>2,156,026</u>

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15. 无形资产（续）

	特许经营权 千港元	专利及商标 千港元	电脑软件 千港元	客户关系 千港元	总额 千港元
二零二二年十二月三十一日					
成本：					
于二零二二年一月一日	2,695,010	26,618	9,548	13,612	2,744,788
增置	488,271	-	1,670	-	489,941
汇兑调整	(253,839)	(2,283)	(897)	(1,168)	(258,187)
于二零二二年十二月三十一日	<u>2,929,442</u>	<u>24,335</u>	<u>10,321</u>	<u>12,444</u>	<u>2,976,542</u>
累计摊销及减值：					
于二零二二年一月一日	423,577	26,618	4,144	9,529	463,868
年内摊销拨备	173,364	-	1,258	2,609	177,231
年内减值拨备	14,230	-	-	-	14,230
汇兑调整	(45,014)	(2,283)	(415)	(938)	(48,650)
于二零二二年十二月三十一日	<u>566,157</u>	<u>24,335</u>	<u>4,987</u>	<u>11,200</u>	<u>606,679</u>
账面净值：					
于二零二二年十二月三十一日	<u>2,363,285</u>	<u>-</u>	<u>5,334</u>	<u>1,244</u>	<u>2,369,863</u>

于 2023 年 12 月 31 日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、合约资产及应收账款）的账面总额为 5,550,547,000 港元（2022 年：5,678,281,000 港元）已抵押作为本集团获授银行融资及发行资产支持证券之抵押品，进一步详情载于财务报表附注 25、26 及 32。

16. 商誉

	2023 千港元	2022 千港元
于一月一日成本及账面净值	1,400,952	1,531,576
汇兑调整	(36,859)	(130,624)
于十二月三十一日成本及账面净值	<u>1,364,093</u>	<u>1,400,952</u>

收购产生的商誉主要归因于被收购方与收购方的业务合并产生的预期协同效应。收购所得商誉皆不可扣税。

16. 商誉（续）

商誉之减值测试

就减值测试而言，商誉已被分配至水环境治理分部。

水环境治理分部内现金产出单元根据使用价值以基于管理层批准的3%至10%（2022年：3%至10%）增长率计算的五年期财务预算之现金流量预测厘定其可收回金额。适用于现金流量预测的税前折现率为11.4%（2022年：11.3%），以及超过五年期的现金流量乃采用增长率2.5%（2022年：2.5%）予以推测。管理层根据规管相关营运的服务特许经营权安排厘定预算。根据评估，于2023年12月31日并无必要计提减值拨备（2022年：无）。

17. 联营公司权益

	2023 千港元	2022 千港元
所占资产净值	<u>11,953</u>	<u>11,094</u>

本集团联营公司之详情如下：

名称	资本详情	登记及 营业地点	本集团 应占拥有权 权益百分比	主要业务
青岛海泊河水务运营 有限公司	实缴资本 350,845 美元	中国/ 中国内地	49	污水处理
光水数智运营（深圳） 有限公司	实缴资本 人民币 1,000,000	中国/ 中国内地	40	智能水务系统 开发及智能 水务项目运营

于2023年12月31日，上述投资由本公司附属公司持有。

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18. 合营企业权益

	2023 千港元	2022 千港元
所占资产净值	<u>1,262</u>	<u>-</u>

本集团合营企业之详情如下：

名称	资本详情	登记及 营业地点	本集团 应占拥有权 权益百分比	主要业务
JV Sotraviv - St Martin Partner Limited	实缴资本 10,000 卢比	毛里求斯	50	污水处理

于 2023 年 12 月 31 日，上述投资由本公司附属公司持有。

19. 合约资产

	附注	2023 年 12 月 31 日 千港元	2022 年 12 月 31 日 千港元	2022 年 1 月 1 日 千港元
非即期				
服务特许经营资产	(a)	19,798,284	19,094,999	19,766,155
减：减值	(c)	<u>(18,573)</u>	<u>(17,886)</u>	<u>(15,831)</u>
总额 - 非即期		<u>19,779,711</u>	<u>19,077,113</u>	<u>19,750,324</u>
即期				
服务特许经营资产	(a)	2,005,427	1,953,883	1,949,143
减：减值	(c)	<u>(1,881)</u>	<u>(1,830)</u>	<u>(1,561)</u>
其他合约资产	(b)	<u>2,003,546</u> 154,160	<u>1,952,053</u> 58,340	<u>1,947,582</u> 42,884
总额 - 即期		<u>2,157,706</u>	<u>2,010,393</u>	<u>1,990,466</u>
总额		<u>21,937,417</u>	<u>21,087,506</u>	<u>21,740,790</u>

19. 合约资产（续）

附注：

- (a) 于2023年12月31日，计入「服务特许经营资产」包括应收一间非全资附属公司的一名非控股股东款项及应收一间非全资附属公司的一间关联公司款项，分别为769,354,000港元（2022年：525,427,000港元）及731,752,000港元（2022年：704,322,000港元）。

于2023年12月31日，服务特许经营资产合共21,803,711,000港元（2022年：21,048,882,000港元），为按年利率介乎4.20%至7.83%（2022年：4.40%至7.83%）计息。于2023年12月31日，与开始营运的服务特许经营权安排有关的款项为20,364,924,000港元（2022年：17,360,843,000港元）。服务特许经营权安排的尚未到期付款金额，将以服务特许经营权安排运营期间所产生的收益偿付。已开票金额将转拨至应收账款（附注21）。

- (b) 结余包括因履行建造管理服务合约而产生的合约资产。该等合约包含于达致里程碑时须于服务期内分期付款的付款时间表。

(c) 减值测试

于2023年12月31日，20,454,000港元（2022年：19,716,000港元）确认为合约资产的预期信贷亏损拨备。本集团与客户的交易条款及信贷政策在财务报表附注21中披露。

合约资产的减值拨备之变动如下：

	2023 千港元	2022 千港元
于年初	19,716	17,392
已确认的减值亏损（附注8）	1,282	4,002
汇兑调整	<u>(544)</u>	<u>(1,678)</u>
于年末	<u>20,454</u>	<u>19,716</u>

本集团于各个报告日期使用违约概率法进行减值分析，以计量预期信贷亏损。违约概率乃基于已公布信贷评级之可供比较实体进行估计。有关计算反映概率加权结果、货币时间价值及于报告日期可得之有关过往事件及当前情况之合理且有依据之资料以及前瞻性信贷风险资料。于2023年12月31日，所应用之违约概率介乎于0.05%至0.53%（2022年：0.05%至0.12%）。而违约损失率估计介乎59.93%至64.90%（2022年：57.70%至64.90%）。

19. 合约资产 (续)

于 2023 年 12 月 31 日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、合约资产及应收账款）的账面总额为 5,550,547,000 港元（2022 年：5,678,281,000 港元）已抵押作为本集团获授银行融资及发行资产支持证券之抵押品，进一步详情载于财务报表附注 25, 26 及 32。

20. 存货

	2023 千港元	2022 千港元
原材料及耗材	<u>58,336</u>	<u>85,820</u>

已于损益表中确认为开支的存货金额分析如下：

	2023 千港元	2022 千港元
已耗存货的账面价值	<u>966,843</u>	<u>991,870</u>

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21. 应收账款及其他应收款项

	2023 千港元	2022 千港元
非即期		
其他应收款项	22,869	304,462
减：减值	<u>(9,782)</u>	<u>(33,354)</u>
	13,087	271,108
应收增值税	193,824	285,046
预付款项	<u>28,214</u>	<u>-</u>
总额 - 非即期	<u>235,125</u>	<u>556,154</u>
即期		
应收账款	5,060,763	3,808,432
减：减值	<u>(626,215)</u>	<u>(446,835)</u>
	4,434,548	3,361,597
其他应收款项及杂项按金	636,027	126,497
减：减值	<u>(29,187)</u>	<u>(17,516)</u>
	606,840	108,981
应收增值税	121,805	165,655
应收一间联营公司款项	6,329	9,365
预付款项	<u>213,239</u>	<u>122,104</u>
总额 - 即期	<u>5,382,761</u>	<u>3,767,702</u>
总额	<u>5,617,886</u>	<u>4,323,856</u>

应收一间联营公司款项为无抵押、须按要求偿还及按年利率 4.75%（2022 年：4.75%）计息。

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21. 应收账款及其他应收款项（续）

应收账款预期信贷亏损拨备之变动如下：

	2023 千港元	2022 千港元
于年初	446,835	252,045
已确认的减值亏损净值（附注 8）	194,487	226,899
汇兑调整	<u>(15,107)</u>	<u>(32,109)</u>
于年末	<u>626,215</u>	<u>446,835</u>

其他应收款项预期信贷亏损拨备之变动如下：

	2023 千港元	2022 千港元
于年初	50,870	20,350
已确认的减值亏损净值（附注 8）	466	33,829
撤销	(11,200)	-
汇兑调整	<u>(1,167)</u>	<u>(3,309)</u>
于年末	<u>38,969</u>	<u>50,870</u>

应收账款于开票日期后 30 至 90 日到期。应收账款主要指提供运营服务产生的收益及合约资产的开票金额。本集团并不持有该等结余的任何抵押品。

21. 应收账款及其他应收款项（续）

本集团已应用简化方法对香港财务报告准则第9号规定的预期信贷亏损作出拨备，其准许对所有应收账款采用整个存续期的预期亏损拨备。为计算预期信贷亏损，根据共同信贷风险特征及逾期天数将应收账款分类。下文预期信贷亏损亦纳入前瞻性信息。减值厘定如下：

	即期 千港元	逾期 一年内 千港元	逾期超过 一年但于 两年内 千港元	逾期 两年以上 千港元	总额 千港元
2023年12月31日：					
预计亏损率	7.5%	7.2%	17.0%	38.2%	12.4%
账面总值（千港元）	1,060,050	2,518,405	945,504	536,804	5,060,763
减值（千港元）	79,462	180,946	161,000 [^]	204,807 [*]	626,215
2022年12月31日：					
预计亏损率	7.1%	5.7%	25.8%	62.6%	11.7%
账面总值（千港元）	898,591	2,208,766	492,460	208,615	3,808,432
减值（千港元）	63,597	125,733	126,867 [^]	130,638 [*]	446,835

[^] 包括就特定应收账款作出的减值金额 30,037,000 港元（2022 年：19,408,000 港元），由于有迹象显示本集团不可能悉数收回未偿还合同金额，故有关特定应收账款被视为违约。

^{*} 包括就特定应收账款作出的减值金额 123,845,000 港元（2022 年：111,997,000 港元），由于有迹象显示本集团不可能悉数收回未偿还合同金额，故有关特定应收账款被视为违约。

于 2023 年 12 月 31 日，计入本集团之「应收账款及其他应收款项」包括应收账款 4,434,548,000 港元（2022 年：3,361,597,000 港元），其中 (a) 应收一间非全资附属公司的一名非控股股东款项为 60,554,000 港元（2022 年：无），及 (b) 应收一间非全资附属公司的一间关联公司款项为 22,735,000 港元（2022 年：13,963,000 港元）。

21. 应收账款及其他应收款项（续）

于2023年12月31日，计入本集团之「其他应收款项及杂项按金」包括(a) 274,126,000港元（2022年：281,585,000港元）的政府补偿应收款项，该款项因光大水务（淄博）有限公司搬迁及扩建污水处理厂而处置与服务特许经营权安排相关的无形资产及合约资产而产生。其于2023年12月31日计提减值拨备为11,079,000港元（2022年：22,105,000港元）。该款项将于2024年12月31日前结清；(b) 205,380,000港元（2022年：无）的政府赔偿应收款项，该款项由於光大河道整治（南京）有限公司中止13个子公司项目而产生。其于2023年12月31日计提减值拨备为12,050,000港元（2022年：无）；(c) 因光大水务（北京）有限公司服务特许经营权协议约定的政府应付污泥处置费为26,751,000港元（2022年：26,508,000港元）；(d) 因桐乡西部饮用水源保护建设工程政府和社会资本合作项目而支付的保证金为21,756,000港元（2022年：22,348,000港元）。其于2023年12月31日计提减值拨备为9,782,000港元（2022年：11,249,000港元）；及(e) 因数年前处置宿迁市城北水务发展有限公司及宿迁市城北污水处理发展有限公司所持服务特许经营权应收第三方代价为4,514,000港元（2022年：6,394,000港元）。其于2023年12月31日计提减值拨备为1,309,000港元（2022年：2,283,000港元）。

于2023年12月31日，计入本集团之「预付款项」包括因支付延长一个项目的服务特许经营权期限的部份价款为28,214,000港元（2022年：无）。

于2023年12月31日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、合约资产及应收账款）的账面总额为5,550,547,000港元（2022年：5,678,281,000港元）已抵押作为本集团获授银行融资及发行资产支持证券之抵押品，进一步详情载于财务报表附注25、26及32。

上述结余之所有即期部份预期可于一年内收回或确认为开支。

22. 其他金融资产

	2023 千港元	2022 千港元
以公允价值计量的非上市投资（附注）	88,150	186,219
以公允价值计量的非上市股权投资	<u>32,998</u>	<u>35,498</u>
总额	<u>121,148</u>	<u>221,717</u>

上述非上市投资为香港金融机构发行的理财产品，上述非上市股权投资为盐城中交上航水环境投资有限公司的6%股权。该等理财产品被强制分类为按公允价值计入损益的金融资产，此乃由于其合约现金流量并非纯粹为偿付本金及利息。

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23. 现金及现金等价物

	2023 千港元	2022 千港元
库存现金及银行结余	1,861,907	2,844,990
受限制银行结余	<u>19,494</u>	<u>917</u>
总额	<u>1,881,401</u>	<u>2,845,907</u>

于 2023 年 12 月 31 日，受限制银行结余已抵押予银行，就本集团于若干服务特许经营权协议项下的特定履约责任而由银行向授权人发出担保。

于 2023 年 12 月 31 日，计入本集团之「现金及现金等价物」包括存放于本公司关联方银行（其为本公司同系附属公司）之存款为 84,485,000 港元（2022 年：105,290,000 港元）。

于 2023 年 12 月 31 日，本集团存放于中国的银行的现金及现金等价物为 1,820,452,000 港元（2022 年：2,701,367,000 港元）。人民币不能自由兑换成其他货币，然而，根据中国内地《外汇管理条例》及《结汇、售汇及付汇管理规定》，本集团可透过获授权经营外汇业务之银行将人民币兑换成其他货币。资金汇进及汇出中国内地须遵守中国政府实施的外汇管制。

银行存款按浮动息率计息，而浮动息率乃根据每日银行存款息率厘定。银行结余乃存放于信誉良好且近期并无违约纪录之银行。

于 2023 年 12 月 31 日，本集团的银行存款被视为低信贷风险，因此，本集团已根据 12 个月的预期亏损法评估银行存款的预期信贷亏损为不重大。

24. 应付账款及其他应付款项

	2023 千港元	2022 千港元
应付账款	2,335,983	2,278,842
应付永续资本工具持有人的分派	25,128	13,672
应付非全资附属公司的非控股股东股息	5,835	5,364
应付利息	155,216	128,912
增值税及其他应付税项	176,442	31,144
其他应付款项及应计费用	<u>543,132</u>	<u>710,178</u>
总额	<u>3,241,736</u>	<u>3,168,112</u>

于2023年12月31日，应付账款总额1,864,144,000港元（2022年：1,653,099,000港元）为就本集团BOT、BOO及TOT安排下之建造工程应付款项。建造工程应付款项属未到期支付款项。

于2023年12月31日，计入本集团之「应付账款」包括应付非全资附属公司的非控股股东的应付账款69,745,000港元（2022年：67,617,000港元），相关款项为无抵押、免息及须按与该非控股股东授予其主要客户的信贷期相若的信贷期偿还。

于2023年12月31日，计入本集团之「应付账款」包括应付一间联营公司的应付账款3,752,000港元（2022年：4,816,000港元），相关款项为无抵押、免息及须按与该联营公司授予其主要客户的信贷期相若的信贷期偿还。

于2023年12月31日，计入本集团之「其他应付款项及应计费用」包括应付一间非全资附属公司的一名非控股股东之其他应付款项215,385,000港元（2022年：215,053,000港元），相关款项为无抵押、按中国人民银行公布的利率计息及须按要求偿还。

于2022年12月31日，计入本集团之「其他应付款项及应计费用」包括自一间附属公司的一名前董事的担保按金14,229,000港元。

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25. 借贷

	2023		2022	
	到期日	千港元	到期日	千港元
非即期				
银行贷款—有抵押	2025年-2039年	2,426,280	2024年-2039年	1,954,369
银行贷款—无抵押	2025年-2043年	3,483,128	2024年-2037年	4,605,701
应付债券—无抵押 (附注 26)	2025年-2026年	<u>4,889,072</u>	2024年-2025年	<u>3,015,630</u>
总额 - 非即期		<u>10,798,480</u>		<u>9,575,700</u>
即期				
银行贷款—有抵押	2023年	218,916	2023年	183,105
银行贷款—无抵押	2023年	2,543,566	2023年	2,236,241
应付债券—有抵押 (附注 26)		-	2023年	154,202
应付债券—无抵押 (附注 26)	2023年	<u>1,844,411</u>	2023年	<u>3,112,887</u>
总额 - 即期		<u>4,606,893</u>		<u>5,686,435</u>
总额		<u><u>15,405,373</u></u>		<u><u>15,262,135</u></u>
分析为:				
须偿还借贷:				
一年内或按要求		4,606,893	2023	5,686,435
第二年		2,240,121	千港元	3,767,538
第三年至第五年 (包括首尾两年)		5,977,424		3,326,368
第五年后		<u>2,580,935</u>		<u>2,481,794</u>
总额		<u><u>15,405,373</u></u>		<u><u>15,262,135</u></u>

25. 借贷 (续)

于2023年12月31日，本集团之若干银行贷款融资是以若干与本集团服务特许经营权安排相关的收益、合约资产、应收款项及无形资产，以及本公司若干附属公司之股权作抵押。于2023年12月31日，该等银行贷款融资为2,919,175,000港元（2022年：3,154,472,000港元），其中于2023年12月31日已动用2,645,196,000港元（2022年：2,137,474,000港元）。

于2023年12月31日，无抵押银行贷款融资为7,356,294,000港元（2022年：9,718,867,000港元），其中已动用6,026,694,000港元（2022年：6,841,942,000港元）。在本集团无抵押银行贷款融资中，734,139,000港元（2022年：1,232,109,000港元）由本公司担保，其中于2023年12月31日已动用363,150,000港元（2022年：698,544,000港元）。

于2023年12月31日，银行贷款融资5,927,696,000港元（2022年：6,586,105,000港元）须符合与本集团若干财务比率有关的契诺。倘本集团违反契诺，所提取的融资须应要求偿还。于2023年12月31日，有关融资已动用4,909,540,000港元（2022年：5,354,348,000港元）。本集团会定期监察该等契诺的遵守情况。若干银行贷款融资亦限制本公司若干附属公司不得在未获银行事前书面批准下向股东宣派或支付股息，或要求本集团通过指定的财务机构处理污水处理运营费。本集团管理流动资金风险的进一步详情载于财务报表附注37。

于2023年12月31日，本集团银行贷款8,454,330,000港元（2022年：8,979,416,000港元）按浮动年利率介乎2.80%至7.02%（2022年：1.72%至5.94%）计息，银行贷款217,560,000港元（2022年：无）按固定年利率3.35%计息，及应付债券6,733,483,000港元（2022年：6,282,719,000港元）按固定年利率介乎2.82%至3.75%（2022年：1.72%至3.99%）计息。

于2023年12月31日，本集团并无银行贷款（2022年：411,553,000港元）以美元计值；6,529,009,000港元（2022年：5,002,452,000港元）以人民币计值；25,207,000港元（2022年：197,215,000港元）以欧元计值；及2,117,674,000港元（2022年：3,368,196,000港元）以港元计值。

26. 应付债券

	2023 千港元	2022 千港元
非即期		
公司债券—无抵押	-	782,227
中期债券—无抵押	<u>4,889,072</u>	<u>2,233,403</u>
总额 - 非即期	<u>4,889,072</u>	<u>3,015,630</u>
即期		
资产支持证券—有抵押	-	154,202
公司债券—无抵押	761,506	881,127
中期债券—无抵押	1,082,905	1,114,360
超短期融资券—无抵押	<u>-</u>	<u>1,117,400</u>
总额 - 即期	<u>1,844,411</u>	<u>3,267,089</u>
总额	<u>6,733,483</u>	<u>6,282,719</u>

于2020年4月，本公司获得中华人民共和国银行间市场交易商协会就以人民币计值的中期票据发出的接受注册通知书，注册金额为人民币30亿，有效期为自发出通知书起计两年。于2020年8月4日，本公司发行第一期以人民币计值的中期票据，金额为人民币10亿（扣除相关开支人民币3,704,000前），年利率为3.60%及期限由发行日期起计为期三年。利息须由2020年8月5日起至赎回日止每年支付。本公司已于2023年8月兑付第一期以人民币计值的中期票据本金及利息。

于2021年1月，本公司发行以人民币计值的第二期中期票据，金额为人民币10亿（扣除相关开支人民币3,000,000前），年利率为3.75%及期限由发行日期起计为期三年。利息须由2021年1月起至赎回日止每年支付。

于2022年4月，本公司发行以人民币计值的第三期中期票据，金额为人民币10亿（扣除相关开支人民币3,000,000前），年利率为3.10%及期限由发行日期起计为期三年。利息须由2022年4月起至赎回日止每年支付。于2022年9月，本公司发行第三期以人民币计值的超短期融资券，金额为人民币10亿，年利率为1.72%及兑付日期为2023年3月18日。本公司已于2023年3月兑付第三期以人民币计值的超短期融资券本金及利息。

26. 应付债券（续）

于2023年3月，本公司获得中华人民共和国银行间市场交易商协会就中期票据发出的接受注册通知书，注册本金为人民币50亿，有效期为自发出通知书起计两年。于2023年4月17日，本公司发行2023年度第一期以人民币计值的中期票据，金额为人民币10亿（扣除相关开支人民币3,000,000前），年利率为3.20%及期限由发行日期起计为期五年。利息须由2023年4月起至赎回日止每年支付。于2023年7月17日，本公司发行2023年度第二期以人民币计值的中期票据，金额为人民币15亿（扣除相关开支人民币4,500,000前），年利率为2.97%及期限由发行日期起计为期五年。利息须由2023年7月起至赎回日止每年支付。于2023年8月23日，本公司发行2023年度第三期以人民币计值的中期票据，金额为人民币10亿（扣除相关开支人民币3,000,000前），年利率为2.82%及期限由发行日期起计为期五年。利息须由2023年8月起至赎回日止每年支付。于2023年3月9日，本公司发行2023年度第一期以人民币计值的超短期融资券，金额为人民币10亿，年利率为2.60%及兑付日期为2023年9月5日。利息应于兑付日连同本金一并兑付。本公司已于2023年9月兑付2023年度第一期以人民币计值的超短期融资券本金及利息。

本公司于2019年11月28日就光大水务（深圳）有限公司（「深圳水务」，本公司之全资附属公司）根据资产支持证券计划（「该计划」）可能发行资产支持证券予中国合格投资者向上海证券交易所（「上交所」）提交申请。于2020年3月26日，上交所发出无异议函（「无异议函」）确认其对可能发行资产支持证券并无异议。根据无异议函，资产支持证券的发行规模不得多于人民币3亿及资产支持证券须于自无异议函日期起计12个月内完成发行。

于2020年6月17日总额人民币3亿的资产支持证券成功发行，其中人民币2.85亿优先级资产支持证券由中国合格投资者认购及人民币1,500万次级资产支持证券则由深圳水务认购。

该等证券之原始权益人为深圳水务。资产支持证券的相关资产为三个位于辽宁省的项目公司就四个污水处理项目所享有自2020年3月1日起为期5年的特定期间内的污水处理收费收益权。相关项目公司针对部分相关资产向该计划提供了质押担保。

优先级资产支持证券根据有关优先级资产支持证券的到期日分为五个类别，包括：

- (a) 优先级资产支持证券01，为人民币50,000,000（「优先级资产支持证券1」）；
- (b) 优先级资产支持证券02，为人民币54,500,000（「优先级资产支持证券2」）；
- (c) 优先级资产支持证券03，为人民币57,000,000（「优先级资产支持证券3」）；
- (d) 优先级资产支持证券04，为人民币60,500,000（「优先级资产支持证券4」）；及
- (e) 优先级资产支持证券05，为人民币63,000,000（「优先级资产支持证券5」）。

优先级资产支持证券之本金及利息须根据计划之还款时间表偿还，按介乎3.38%至3.99%之年利率计息。本公司可以选择于2023年3月26日（「第12个还款日」）之前调整优先级资产支持证券4及优先级资产支持证券5的利率，利率调整为增加或减少不超过200个基点（1基点等于0.01%）。优先级资产支持证券4及优先级资产支持证券5持有人拥有一项期权，可按名义价格将票据售回深圳水务。该项期权之行使期为自第12个还款日前的第26日起至第12个还款日前的第17日止。

26. 应付债券（续）

于 2023 年，本公司偿还了所有剩余本金人民币 138,000,000。

于 2017 年 7 月 21 日，本公司就向中国合格投资者发行以人民币计值本金总额不超过人民币 25 亿的公司债券（「公司债券」）与相关金融机构订立承销协议。

于 2018 年 8 月 16 日（「第二次发行日期」），本公司发行第二期本金金额为人民币 8 亿（扣除相关开支人民币 4,171,000 前）的公司债券，期限由第二次发行日期起计为期五年。第二期公司债券包括两品种之债券：(i) 本金金额人民币 4 亿按票面利率 4.60% 计息的债券，(ii) 本金金额人民币 4 亿按票面利率 4.58% 计息的债券。本公司将于第二次发行日期起至到期日止每年支付利息。根据公司债券之条款，自第二次发行日期起计三年后，本公司有权调整第二期公司债券于到期日前余下两年之票面利率。本公司将于第二次发行日期后，支付第三年的利息前 20 个工作日公布年利率调整详情（如有）。债券持有人拥有一项期权，可按名义价格将第二期公司债券售回予本公司。该项期权的行使期为紧随本公司发出有关调整第二期公司债券年利率之公布后的五个工作日。

于 2021 年 7 月，本公司宣布将第二期公司债券的品种一在 2021 年 8 月 16 日至 2023 年 8 月 15 日止期间的票面利率从 4.60% 调整为 3.20%。于 2021 年 7 月，本公司宣布将第二期公司债券的品种二在 2021 年 8 月 16 日至 2023 年 8 月 15 日止期间的票面利率从 4.58% 调整为 3.20%。

于截至 2021 年 12 月 31 日止年度，本公司已购回第二期公司债券的品种一合共人民币 79,100,000，其中人民币 70,000,000 已被转售，而剩余人民币 9,100,000 已被注销。于截至 2021 年 12 月 31 日止年度，本公司已购回第二期公司债券的品种二合共人民币 183,050,000，其中人民币 180,000,000 已被转售，而剩余人民币 3,050,000 已被注销。本公司已于 2023 年 8 月兑付了第二期公司债券本金及利息。

于 2019 年 1 月 21 日（「第三次发行日期」），本公司发行第三期本金金额为人民币 7 亿（扣除相关开支人民币 3,632,000 前）的公司债券，期限由第三次发行日期起计为期五年。第三期公司债券按年利率 3.89% 计息及本公司将于第三次发行日期起至到期日止每年支付利息。根据公司债券之条款，自第三次发行日期起计三年后，本公司有权调整第三期公司债券于到期日前余下两年之票面利率。本公司将于第三次发行日期后，支付第三年的利息前 20 个工作日公布年利率调整详情（如有）。债券持有人拥有一项期权，可按名义价格将第三期公司债券售回予本公司。该项期权的行使期为紧随本公司发出有关调整第三期公司债券年利率之公布后的五个工作日。于 2022 年 1 月，本公司宣布将第三期公司债券在 2022 年 1 月 21 日至 2024 年 1 月 20 日止期间的票面利率从 3.89% 调整为 3.08%。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

27. 递延税项

递延税项资产及负债于年内之变动如下：

递延税项资产

	收购附属公司所 产生公允价值调整 千港元
于二零二二年一月一日	6,127
扣除损益的递延税项（附注9）	(2,462)
汇兑调整	<u>(412)</u>
于二零二二年十二月三十一日及二零二三年一月一日	3,253
扣除损益的递延税项（附注9）	(2,326)
汇兑调整	<u>(47)</u>
于二零二三年十二月三十一日	<u>880</u>

递延税项负债

	收购 附属公司 所产生之 公允价值调整 千港元	根据香港 （国际财务 报告诠释委员 会）—诠释 第 12 号确认 之资产之 暂时性差额 千港元	附属公司 未分配溢利 千港元	其他 千港元	总计 千港元
于二零二二年一月一日	175,918	1,475,181	412,668	(30)	2,063,737
扣除／（计入）损益的 递延税项（附注 9）	(11,684)	28,755	55,254	-	72,325
汇兑调整	<u>(19,885)</u>	<u>(127,522)</u>	<u>(37,968)</u>	<u>3</u>	<u>(185,372)</u>
于二零二二年十二月三十一日 及二零二三年一月一日	144,349	1,376,414	429,954	(27)	1,950,690
扣除／（计入）损益的 递延税项（附注 9）	(10,528)	89,498	55,900	29	134,899
汇兑调整	<u>(6,063)</u>	<u>(37,252)</u>	<u>(12,329)</u>	<u>-</u>	<u>(55,644)</u>
于二零二三年十二月三十一日	<u>127,758</u>	<u>1,428,660</u>	<u>473,525</u>	<u>2</u>	<u>2,029,945</u>

27. 递延税项（续）

于 2023 年 12 月 31 日，本集团于中国内地产生之估计税项亏损约 329,763,000 港元（2022 年：203,447,000 港元），有关亏损可用作抵销产生亏损之公司日后应课税盈利，其应用限期将于一至五年内届满。由于有关亏损来自已出现亏损一段时间之若干附属公司，且本集团认为应课税盈利将不可能抵销该等可动用的税项亏损，故概无就中国内地产生之该等税项亏损确认递延税项资产。

根据中国企业所得税法，于中国内地成立的外商投资企业向海外投资者宣派的股息须缴纳 10% 预扣税。该规定自 2008 年 1 月 1 日起生效，并适用于 2007 年 12 月 31 日后之盈利。倘中国内地与海外投资者所属司法权区订有税务协议，则可采用较低预扣税率。本集团的适用税率为 5% 或 10%。因此，本集团须就于中国内地成立的附属公司分派自 2008 年 1 月 1 日起产生之盈利所分派之股息承担预扣所得税。

本公司向其股东派发股息并不附带任何所得税后果。

28. 股本

	2023 千港元	2022 千港元
法定：		
10,000,000,000 股（2022 年：10,000,000,000 股） 每股面值 1.00 港元的普通股	<u>10,000,000</u>	<u>10,000,000</u>
已发行及缴足：		
2,860,876,723 股（2022 年：2,860,876,723 股） 每股面值 1.00 港元的普通股	<u>2,860,877</u>	<u>2,860,877</u>

29. 储备

本集团于本年度及过往年度之储备金额及其变动详情于本报告中之综合权益变动表呈列。

(i) 外币换算储备

外币换算储备指换算功能货币有别于本集团列报货币的本公司及海外业务之财务报表所产生之汇兑差额。

(ii) 法定储备

根据适用于中国附属公司的《中华人民共和国公司法》，中国附属公司须对法定储备作出拨备。根据规定，至少 10% 的法定除税后盈利须分配至法定储备，直至累计储备总额达至附属公司注册资本的 50% 为止。待相关中国机关审批后，法定储备可用于抵销任何累计亏损或增加附属公司的注册资本。法定储备不得用于向中国附属公司之股东派付股息。

(iii) 缴入盈余储备

实缴盈余储备为弥补累计亏损后的股份溢价。根据 2015 年 12 月 15 日本公司举行的特别股东大会所通过的特别决议案，本公司股份溢价的全部金额减至零并转拨至缴入盈余储备。

(iv) 其他储备

其他储备包括资本储备及其他储备。

30. 永续资本工具

	2023 千港元	2022 千港元
于一月一日	806,982	-
发行永续资本工具	-	806,982
所佔本年度盈利	37,578	14,334
分派予永续资本工具持有人	<u>(37,578)</u>	<u>(14,334)</u>
于十二月三十一日	<u>806,982</u>	<u>806,982</u>

于 2022 年 6 月，本公司发行本金为人民币 700,000,000 的永续资本工具，扣除发行成本后的募集资金净额为人民币 697,900,000（相当于 806,982,000 港元）。永续资本工具在发行日起的前三年发行利率为 3.30%，随后每三年发行利率将重新设定。

31. 综合现金流量表附注

(a) 重大非现金交易

- (i) 截至 2023 年 12 月 31 日止年度，本集团尚未支付公司债券、中期票据及超短期融资券的利息费用 144,462,000 港元（2022 年：121,613,000 港元），并记录在 2023 年 12 月 31 日之综合财务状况表的「应付账款及其他应付款项」，对本集团并无现金流量影响。
- (ii) 截至 2023 年 12 月 31 日止年度，本集团尚未支付第一期永续资本工具持有人的分派 25,128,000 港元（2022 年：13,672,000 港元），并记录在 2023 年 12 月 31 日之综合财务状况表的「应付账款及其他应付款项」，对本集团并无现金流量影响。
- (iii) 截至 2023 年 12 月 31 日止年度，一间非全资附属公司的一名非控股股东通过使用用于 2023 年宣派的股息向该非全资附属公司注资 37,187,000 港元，对本集团并无现金流量影响。

(b) 融资活动所产生的负债变动

	银行贷款 千港元	应付债券 千港元	应付利息 千港元	应付非全资 附属公司非 控股股东股息 千港元
于二零二二年一月一日	9,091,739	5,350,199	125,637	-
融资现金流量产生的变动	267,952	1,574,448	(503,664)	(17,573)
财务费用	-	-	544,013	-
向附属公司的非控股股东宣派的股息	-	-	-	22,219
汇兑变动	(380,275)	(641,928)	(37,074)	718
于二零二二年十二月三十一日 及二零二三年一月一日	8,979,416	6,282,719	128,912	5,364
融资现金流量产生的变动	(133,352)	683,036	(550,329)	-
财务费用	-	-	590,568	-
向附属公司的非控股股东宣派的股息 (附注 a)	-	-	-	37,187
从非全资附属公司的非控股股东 收到的注资(附注 a)	-	-	-	(37,187)
汇兑变动	(174,174)	(232,272)	(13,935)	471
于二零二三年十二月三十一日	<u>8,671,890</u>	<u>6,733,483</u>	<u>155,216</u>	<u>5,835</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

31. 综合现金流量表附注（续）

(c) 租赁现金流出总额

综合现金流量表所载之租赁现金流出总额如下：

	2023 千港元	2022 千港元
在经营活动中	1,258	4,188
在融资活动中	<u>7,485</u>	<u>10,931</u>

32. 资产抵押

就本集团资产支持证券及银行融资而已予抵押之本集团资产之详情载于财务报表附注 25 及 26。于 2023 年 12 月 31 日，已抵押资产之总账面净值为 5,550,547,000 港元（2022 年：6,281,733,000 港元）。

33. 承担

(a) 本集团于财务报表期间末的承担如下：

	2023 千港元	2022 千港元
有关本集团建造合约的采购承担如下：		
已订约但未拨备	<u>2,857,994</u>	<u>2,017,857</u>

(b) 于 2023 年 12 月 31 日，本集团一项非上市股权投资注资之资本承担 22,711,000 港元（2022 年：23,329,000 港元）。

34. 关联方交易

除本财务报表其他部分所披露之交易及结余外，于年内，本集团发生了下列重大关联方交易：

(a) 本集团与本集团非全资附属公司的非控股股东发生下列关联方交易：

	2023 千港元	2022 千港元
项目运营服务收益	87,801	91,401
财务收益	12,790	15,161
建造服务成本	<u>26,805</u>	<u>182,205</u>

(b) 本集团与本集团的关联公司发生了下列关联方交易：

	2023 千港元	2022 千港元
项目运营服务收益	120,642	119,038
财务收益	<u>47,816</u>	<u>50,714</u>

(c) 本集团与本集团联营公司发生了下列关联方交易：

	2023 千港元	2022 千港元
污水处理厂的运营服务开支	46,165	48,886
技术运营服务费	<u>42,981</u>	<u>-</u>

34. 关联方交易（续）

(d) 本集团与本集团同系附属公司发生了下列关联方交易：

	附注	2023 千港元	2022 千港元
设备销售	(i)	11,509	-
承销服务费用	(ii)	8,962	1,722
保险费用	(iii)	2,844	3,038
健康保障费用	(iv)	<u>14,615</u>	<u>17,779</u>

附注：

- (i) 设备销售予本集团同系附属公司按双方协议的条款进行。
- (ii) 向本集团同系附属公司于 2023 年及 2022 年支付的承销服务费用分别与发行中期债券及发行永续资本工具有关。该等费用乃根据相关承销协议计算。
- (iii) 向本集团同系附属公司支付的保险费用乃按双方协议的条款收取。
- (iv) 向本集团同系附属公司支付的健康保障费用乃按双方协议的条款收取。

(e) 与中国内地其他国有企业的交易：

本集团在由中国政府通过各种机关、联属人士或其他组织直接或间接拥有及／或控制的企业（统称「其他国有企业」）占主导地位的经济环境中营运。于 2023 年 12 月 31 日止年度，本集团与其他国有企业之间进行的交易包括（但不限于）污水处理服务、银行存款及贷款及公用事业开支。本公司董事认为与该等其他国有企业之间的交易乃属本集团日常业务过程中之活动，而且尽管本集团及其他国有企业最终均由中国政府控制或拥有，但这并不会对本集团的业务造成重大或不当影响。本集团亦就产品及服务确立定价政策，且该等政策并非按非市场条款制订，亦不视乎客户是否为其他国有企业定。经妥为考虑上述关系之本质后，本公司董事认为该等交易概非须另行披露之重大关连方交易。

(f) 本集团已支付予主要管理人员之报酬如下：

	2023 千港元	2022 千港元
董事袍金、薪金及其他短期雇员福利	20,684	23,027
界定供款计划	<u>2,057</u>	<u>2,271</u>
	<u>22,741</u>	<u>25,298</u>

34. 关联方交易（续）

- (g) 本集团与同系附属公司订立不可解除经营租赁合同。于2023年12月31日，本集团与该等与同系附属公司订立之租赁合同有关的使用权资产金额为4,082,000港元（2022年：2,572,000港元），且应付同系附属公司之租赁负债为4,076,000港元（2022年：2,545,000港元）。

35. 金融工具的公允价值及公允价值层级

管理层评定现金及现金等价物、应收账款、应付账款、其他应付款项及其他应收款项、租赁负债及借贷的即期部份之公允价值与其账面值相若，主要由于该等工具于短期内到期。

本集团之财务管理部门专责厘定金融工具公允价值计量之政策及程序。于各个报告日期，财务管理部门会分析金融工具之价值变动，并厘定估值所应用之主要输入数据。估值由财务总监审阅及审批。审核委员会每年两次讨论估值程序及结果，以便作出中期及年度财务报告。

金融资产及负债之公允价值以该工具于自愿交易方（而非强迫或清盘出售）当前交易下之可交易金额入账。下列方法及假设乃用于估计公允价值：

其他应收款项、租赁负债及借贷的非即期部份之公允价值乃按具有类似条款、信贷风险及剩余年期之工具之现行适用利率，贴现预期未来现金流量之方式计算。于2023年12月31日，就借贷而言，本集团本身之不履约风险被评定为甚微。

以公允价值计入损益之非上市投资之公允价值乃根据被投资公司的资产净值厘定，有关资产净值与公允价值相若。

以公允价值计入损益之非上市股权投资之公允价值乃根据投资的预期未来现金流量厘定。

以下为于2023年12月31日对金融工具估值之重大不可观察输入数据概要连同定量敏感度分析：

	估值技巧	重大不可观察输入数据	范围	公允价值对输入数据的敏感性
以公允价值计入损益的非上市股权投资	折现现金流模式	折现率	2.80% (2022年： 2.80%)	折现率上升（下降）1%（2022年：1%）将导致公允价值减少319,000港元（2022年：110,000港元）或增加325,000港元（2022年：111,000港元）

35. 金融工具的公允价值及公允价值层级（续）

公允价值层级

下表列示本集团金融工具的公允价值计量层级：

按公允价值计量的资产：

于 2023 年 12 月 31 日

	公允价值计量采用以下基准			总计 千港元
	于活跃市场 的报价 (第一级) 千港元	重大可观察 输入数据 (第二级) 千港元	重大不可观 察输入数据 (第三级) 千港元	
以公允价值计入损益的 非上市投资	-	88,150	-	88,150
以公允价值计入损益的 非上市股权投资	-	-	32,998	32,998
	<u>-</u>	<u>88,150</u>	<u>32,998</u>	<u>121,148</u>

于 2022 年 12 月 31 日

	公允价值计量采用以下基准			总计 千港元
	于活跃市场 的报价 (第一级) 千港元	重大可观察 输入数据 (第二级) 千港元	重大不可观 察输入数据 (第三级) 千港元	
以公允价值计入损益的 非上市投资	-	186,219	-	186,219
以公允价值计入损益的 非上市股权投资	-	-	35,498	35,498
	<u>-</u>	<u>186,219</u>	<u>35,498</u>	<u>221,717</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

35. 金融工具的公允价值及公允价值层级（续）

公允价值层级（续）

按公允价值计量的资产：（续）

第三级公允价值计量于年内的变动如下：

	2023 千港元	2022 千港元
以公允价值计入损益的非上市股权投资：		
于一月一日	35,498	36,122
公允价值变动收益（附注 6）	(1,586)	2,597
汇兑调整	<u>(914)</u>	<u>(3,221)</u>
于十二月三十一日	<u>32,998</u>	<u>35,498</u>

本集团于 2023 年及 2022 年 12 月 31 日并无任何按公允价值计量的金融负债。

截至 2023 年 12 月 31 日止年度，第一级和第二级公允价值计量之间并无任何转移，至于金融资产及金融负债，第三级亦无任何转入或转出（2022 年：无）。

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财务报表附注

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36. 按类别划分的金融工具

于报告期末，各类别金融工具的账面价值如下：

2023 年

金融资产

	按摊销成本 计量的 金融资产 千港元	按公允价值 计入损益的 金融资产 千港元	总额 千港元
计入应收账款及其他应收款项的金融资产	5,060,804	-	5,060,804
其他金融资产	-	121,148	121,148
现金及现金等价物	<u>1,881,401</u>	<u>-</u>	<u>1,881,401</u>
	<u>6,942,205</u>	<u>121,148</u>	<u>7,063,353</u>

金融负债

	按摊销成本计量的 金融负债 千港元
计入应付账款及其他应付款项的金融负债	2,897,784
借贷	<u>15,405,373</u>
	<u>18,303,157</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

36. 按类别划分的金融工具（续）

于报告期末，各类别金融工具的账面值如下：（续）

2022 年

金融资产

	按摊销成本 计量的 金融资产 千港元	按公允价值 计入损益的 金融资产 千港元	总额 千港元
计入应收账款及其他应收款项的金融资产	3,751,051	-	3,751,051
其他金融资产	-	221,717	221,717
现金及现金等价物	<u>2,845,907</u>	<u>-</u>	<u>2,845,907</u>
	<u>6,596,958</u>	<u>221,717</u>	<u>6,818,675</u>

金融负债

	按摊销成本计量的 金融负债 千港元
计入应付账款及其他应付款项的金融负债	2,909,074
借贷	<u>15,262,135</u>
	<u>18,171,209</u>

37. 财务风险管理目标及政策

本集团之主要金融工具包括借贷及现金。此等金融工具之主要目的在于为本集团之业务运营提供资金。本集团还有其他金融资产及负债，包括应收账款及其他应收款项、及应付账款及其他应付款项，乃直接自其业务产生。

本集团金融工具产生之主要风险包括利率风险、外币风险、信贷风险及流动资金风险。董事会检讨及协定管理各项有关风险之政策，有关政策概述于下文。本集团有关衍生工具之会计政策载于财务报表附注 2.5。

利率风险

本集团之利率风险主要来自本集团之现金及现金等价物、借贷及集团公司间结余。按浮动利率及固定利率批出之借贷令本集团分别承受现金流量利率风险及公允价值利率风险。本集团并无利用金融衍生工具来对冲利率风险。本集团之利率概况由管理层监察，详载于下文(i)。

(i) 利率概况

下表载列本集团于各报告期末之借贷净额（即计息金融负债减现金及现金等价物以及其他计息金融资产）之利率概况。

	2023		2022	
	实际利率 %	千港元	实际利率 %	千港元
定息借贷／（存款）净额:				
借贷	2.82 - 3.75	6,951,043	1.72 - 3.99	6,282,719
减： 应收一间联营公司款项	4.75	(6,329)	4.75	(9,365)
		<u>6,944,714</u>		<u>6,273,354</u>
浮动利率借贷／（存款）净额:				
借贷	2.80 - 7.02	8,454,330	1.72 - 5.94	8,979,416
减： 现金及现金等价物	0.00 - 1.85	(1,881,401)	0.00 - 1.85	(2,845,907)
		<u>6,572,929</u>		<u>6,133,509</u>
总借贷净额		<u>13,517,643</u>		<u>12,406,863</u>

37. 财务风险管理目标及政策（续）

利率风险（续）

(ii) 敏感性分析

于 2023 年 12 月 31 日，在所有其他变量维持不变的情况下，利率总体上升/下降 1%，估计将导致本集团的除税前盈利减少/增加约 135,176,000 港元（2022 年：124,069,000 港元）。

上述敏感性分析指出本集团的除税前盈利可能产生的实时变动。敏感性分析假设利率变动于报告期末已经发生，并已用于重新计量本集团所持有并于报告期末使本集团面临公允价值利率风险的金融工具。对于由本集团于报告期末所持有的浮动利率非衍生工具所产生的现金流量利率风险，其对本集团的除税前盈利的影响是基于利率变动而产生的按年计算之利息支出或收入作估计。有关分析按 2022 年的分析之相同基准进行。

外汇风险

(i) 需承受之货币风险

本集团因以外币（即相关业务之功能货币以外之货币）计值之借贷、现金及现金等价物、应收款项及应付款项而面临货币风险。引起风险的货币主要为港元、人民币、美元、新加坡元及欧元。

下表详列本集团于各报告期末因相关实体的功能货币以外的货币计值对已确认资产或负债而承担的货币风险。为呈列目的，货币风险之金额以港元列示，并按报告期末的现货汇率换算。海外业务之财务报表换算为本集团呈列货币时产生之差额，不会计入货币风险。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

37. 财务风险管理目标及政策 (续)

外汇风险 (续)

(i) 需承受之货币风险 (续)

	需承受之外币风险 (以港元列示)				
	于 2023 年 12 月 31 日				
	人民币 千港元	新加坡元 千港元	港元 千港元	美元 千港元	欧元 千港元
现金及现金等价物	16,833	2,522	17,044	15,246	-
借贷	(163,170)	-	(1,917,694)	-	(25,207)
应收 / (付) 集团公司款项净额	(523,583)	(55)	4,328,433	23	35,252
应付账款及其他应付款项	(5,608)	(1,301)	(4,268)	-	(8)
	<u>(675,528)</u>	<u>1,166</u>	<u>2,423,515</u>	<u>15,269</u>	<u>10,037</u>

	需承受之外币风险 (以港元列示)				
	于 2022 年 12 月 31 日				
	人民币 千港元	新加坡元 千港元	港元 千港元	美元 千港元	欧元 千港元
现金及现金等价物	62,736	10,098	248,533	53,997	-
借贷	-	-	(2,172,925)	(411,553)	(197,215)
应收 / (付) 集团公司款项净额	(694,383)	(55)	3,312,305	23	34,832
应付账款及其他应付款项	(4,833)	(2,119)	(5,738)	(134)	(151)
	<u>(636,480)</u>	<u>7,924</u>	<u>1,382,175</u>	<u>(357,667)</u>	<u>(162,534)</u>

37. 财务风险管理目标及政策（续）

外汇风险（续）

(ii) 敏感度分析

下表载列假设于各报告期末本集团面对重大风险的外汇汇率于该日出现变动，而所有其他可变风险因素保持不变，本集团的除税前盈利将会受到的即时影响。就此而言，假设港元兑美元的挂钩汇率不会因美元兑其他货币价值波动的任何变动而受到重大影响。由于港元与美元挂钩，与以美元计值的资产及负债有关之外汇汇率波动的影响并不重大。

	于 12 月 31 日			
	2023 年		2022 年	
	汇率上升/ (下降) %	除税前 盈利上升/ (下降) 千港元	汇率上升/ (下降) %	除税前 盈利上升/ (下降) 千港元
人民币	10 (10)	(67,553) 67,553	10 (10)	(63,648) 63,648
新加坡元	10 (10)	117 (117)	10 (10)	792 (792)
港元	10 (10)	242,352 (242,352)	10 (10)	138,218 (138,218)
美元	10 (10)	23,119 (23,119)	10 (10)	(14,564) 14,564
欧元	10 (10)	1,004 (1,004)	10 (10)	(16,253) 16,253

上表呈列的分析结果为对本集团实体按各自的功能货币计量并为呈列目的按报告期末的适用汇率换算为港元的除税前盈利的实时影响的总计。

敏感性分析假设外汇汇率的变动已用于重新计量各报告期末本集团所持有及使本集团承受外汇风险的金融工具，包括以贷款人或借款人的功能货币以外的货币计值的集团内公司间应付款项及应收账款。该分析撇除将外国业务的财务报表换算为本集团呈列货币所产生的差额。该分析按 2022 年的分析按同一基准执行。

37. 财务风险管理目标及政策（续）

信贷风险

管理层设定既定的信贷政策，并持续监察集团所面对之信贷风险。债项通常由发单日期起计 30 日至 90 日内到期。

本集团之应收账款指来自水环境项目之运营服务收益之应收款项，有关款项按月收取。此外，本集团亦有涉及 BOT、TOT 及若干 BOO 安排之与服务特许经营权相关的合约资产。

于报告期末，「应收账款及其他应收款项」及「合约资产」为 27,555,303,000 港元（2022 年：25,411,362,000 港元），其中应收最大客户款项为 4,239,729,000 港元（2022 年：4,042,740,000 港元），及应收本集团五大客户款项总额为 9,042,498,000 港元（2022 年：8,014,382,000 港元）。由于 BOT、TOT 及 BOO 安排的交易方为中国地方政府机关，本集团认为信贷风险属低。本集团并无持有该等结余的任何抵押品。

就厘定信贷风险之大幅增加及计算减值而言，管理层基于共同信贷风险特征（例如工具类别及信贷风险评级）分类金融工具。综合财务状况表中各项金融资产的账面价值为本集团就其金融资产承受信贷风险的最高值。

当发生对金融资产估计未来现金流量有不利影响的一个或多个事件时，金融资产发生信用减值。金融资产信用减值的证据包括以下可观察数据：

- 债务人出现严重财务困难；
- 违反合同，如拖欠或逾期事件；
- 债务人很有可能将告破产或进行其他财务重组。

为管理应收账款及合约资产产生的信贷风险，须考虑债务人的财务状况、过往结算记录、过往经验及其他因素以评估其信贷质量。本集团应用香港财务报告准则第 9 号所订明的简化方法就预期信贷亏损作出拨备，香港财务报告准则第 9 号允许对所有应收账款采用整个存续期的预期亏损拨备。预期信贷亏损亦包含前瞻性信息。

37. 财务风险管理目标及政策（续）

信贷风险（续）

本集团已制定了政策以考虑金融工具余下周期的信贷风险的变动来评估金融工具的信贷风险于初次确认后是否已大幅增加。本集团将其他应收款项分为如下所述的第一阶段、第二阶段及第三阶段：

第一阶段 当首次确认其他应收款项时，本集团根据 12 个月的预期信贷亏损确认拨备。

第二阶段 当其他应收款项自产生以来显示信贷风险大幅上升，本集团确认生命周期的预期信贷亏损的拨备。

第三阶段 其他应收款项被视为信贷减值。本集团确认生命周期的预期信贷亏损的拨备。

管理层基于过往结算记录、过往经验及其他因素对其他应收款项是否可回收定期作出整体评估及个别评估。本集团于第一阶段将其他应收款项进行分类并持续监察信贷风险。管理层相信于 2023 年及 2022 年 12 月 31 日本集团未偿还的其他应收款项余额并无重大内在的信贷风险。

于 2023 年 12 月 31 日，所有现金及现金等价物存放于无重大信贷风险且信誉良好的金融机构。

本集团并未提供将令本集团面临信贷风险的任何担保。有关本集团因「合约资产」及「应收账款及其他应收款项」而面临的信贷风险的进一步定量披露分别载于财务报表附注 19 及 21。

流动性风险

本集团内的独立运营实体须自行负责现金管理工作，包括现金盈余的短期投资及筹措贷款以应对预期现金需求。本集团的政策是定期监察流动性需求及监察对贷款契诺的遵行情况，确保本集团维持充裕的现金储备及从主要金融机构取得足够的承诺信贷融资，以应对短期及长期流动性需求。

截至二零二三年十二月三十一日止年度

37. 财务风险管理目标及政策（续）

流动性风险（续）

下表载列本集团于报告期末的非衍生工具金融负债的剩余合约期限情况，乃基于合约未折现现金流量（包括按合约利率或（如属浮息）根据报告期末通行的利率计算的利息）及本集团须偿还有关款项的最早日期列出：

	2023					
	账面价值 千港元	合约未折现 现金流量 总额 千港元	一年内 或按要求 千港元	一年以上 但于 两年内 千港元	两年以上 但于 五年内 千港元	五年以上 千港元
计入应付账款及其他						
应付款项的金融负债	2,897,784	2,897,784	2,897,784	-	-	-
租赁负债	6,856	7,498	5,596	1,491	64	347
借贷	15,405,373	16,911,415	5,055,420	2,575,330	6,368,008	2,912,657
	<u>18,310,013</u>	<u>19,816,697</u>	<u>7,958,800</u>	<u>2,576,821</u>	<u>6,368,072</u>	<u>2,913,004</u>
	2022					
	账面价值 千港元	合约未折现 现金流量 总额 千港元	一年内 或按要求 千港元	一年以上 但于 两年内 千港元	两年以上 但于 五年内 千港元	五年以上 千港元
计入应付账款及其他						
应付款项的金融负债	2,909,074	2,909,074	2,909,074	-	-	-
租赁负债	3,007	3,580	2,733	382	65	400
借贷	15,262,135	16,706,762	5,970,717	4,080,570	3,756,098	2,899,377
	<u>18,174,216</u>	<u>19,619,416</u>	<u>8,882,524</u>	<u>4,080,952</u>	<u>3,756,163</u>	<u>2,899,777</u>

于2022年12月31日，借贷包括账面价值为154,202,000港元的应付资产支持证券，其中包含将资产支持证券售回予本集团的期权。就上述到期情况而言，有关应付资产支持证券的合约未折现现金流量总额155,115,000港元按以下方式呈列：于2022年12月31日，155,115,000港元被分类为「一年内或按要求」偿还）。

资产支持证券将于相关到期日偿还，惟根据资产支持证券之条款于到期前售回予本集团的情况除外。根据资产支持证券之条款，于2022年12月31日的还款条款为：于2023年到期偿还70,907,000港元，及于2024年至2025年到期偿还89,816,000港元。

37. 财务风险管理目标及政策（续）

资本管理

本集团在管理资本时的主要目标为保障本集团继续持续经营及维持最佳资本结构的能力，以提升股东价值最大化。

为保持或达致最佳资本结构，本集团会调整股息派付金额、发行新股份或获得新的借贷。本集团之策略为在充足资本状况所提供之优势及灵活性与杠杆较大而可能获得较高股本回报率两者之间维持审慎平衡。于2023年及2022年12月31日止期间，资本管理政策并无变动。

管理层根据债务净额对权益比率持续监控资本情况。债务净额对权益比率按债务净额除以权益总额计算。债务净额按负债总额（如本集团综合财务状况表所示，不包括租赁负债、应付税项及递延税项负债）减现金及现金等价物计算。权益总额包括股本、储备、永续资本工具及非控股权益。

	2023 千港元	2022 千港元
应付账款及其他应付款项	3,241,736	3,168,112
借贷	15,405,373	15,262,135
减：现金及现金等价物	<u>(1,881,401)</u>	<u>(2,845,907)</u>
债务净额	<u>16,765,708</u>	<u>15,584,340</u>
权益总额	<u>13,452,342</u>	<u>13,000,878</u>
债务净额对权益比率	<u>125%</u>	<u>120%</u>

除财务报表附注25所披露之银行融资须符合有关本集团若干财务比率之契诺外，本集团均无受外界施加之资本规定所限制。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

38. 期后事项

- (a) 于2024年1月8日，本公司公布其已完成在2024年1月4日及2024年1月5日发行中国光大水务有限公司2024年度第一期中期票据（「2024年度第一期中期票据」），并已由中国内地全国银行间债券市场机构投资者全数认购。2024年度第一期中期票据的发行本金为人民币15亿，期限为五年（附第三个计息年度结束时本公司票面利率调整选择权及票据持有人回售选择权），发行票面利率为2.80%。
- (b) 于2024年4月，本公司公布完成发行资产支持证券（「2024资产支持证券」）予中国合格投资者，所发行的资产支持证券总规模为人民币20亿。2024资产支持证券包含优先级资产支持证券和次级资产支持证券。优先级资产支持证券的发行规模为人民币19亿，由中国合格投资者认购；次级资产支持证券的发行规模为人民币1亿，由深圳水务认购。优先级资产支持证券分为7个类别，期限约为1年至9年，年利率介乎2.50%至2.70%。

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

39. 本公司之财务状况表

以下为于报告期末本公司财务状况表之资料：

	2023 千港元	2022 千港元
非流动资产		
附属公司权益	<u>10,023,114</u>	<u>10,618,932</u>
流动资产		
其他应收款项	10,505,695	9,611,167
其他金融资产	88,150	186,219
现金及现金等价物	<u>42,470</u>	<u>98,085</u>
流动资产总额	<u>10,636,315</u>	<u>9,895,471</u>
流动负债		
其他应付款项	183,082	145,880
借贷	<u>3,624,164</u>	<u>4,634,455</u>
流动负债总额	<u>3,807,246</u>	<u>4,780,335</u>
流动资产净值	<u>6,829,069</u>	<u>5,115,136</u>
资产总值减流动负债	<u>16,852,183</u>	<u>15,734,068</u>
非流动负债		
借贷	<u>6,049,733</u>	<u>4,772,482</u>
资产净额	<u>10,802,450</u>	<u>10,961,586</u>
权益		
本公司权益持有人应占权益		
股本	2,860,877	2,860,877
储备	<u>7,134,591</u>	<u>7,293,727</u>
永续资本工具	<u>9,995,468</u>	<u>10,154,604</u>
	806,982	806,982
权益总额	<u>10,802,450</u>	<u>10,961,586</u>

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料

本公司附属公司详情如下：

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册资本	本公司应占 权益百分比		主要业务
			直接	间接	
鞍山城市水务运营有限公司 [^] (附注(4))	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
北京光水企业管理有限公司 (于2024年1月18日 注销)	中国/ 中国内地	人民币 1,200,000,000	-	100	企业管理
Bio-Treat International Limited	英属维尔京群岛	10,000 美元	-	100	投资控股
China Everbright Water International Pte. Ltd.	新加坡	5,000,000 新加坡元	100	-	投资控股、 技术研发、 业务发展及 管理服务
中国光大水务投资有限公司	英属维尔京群岛	2 美元	100	-	投资控股
中国光大水务管理有限公司	香港	100 港元	-	100	投资控股
大连保税区光水水务有限 公司 [^] (附注(4))	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
大连光水春柳河水务有限 公司 [^] (附注(3)及附注(4))	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
大连光水马栏河水务有限 公司 [^] (附注(3)及附注(4))	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
大连市普兰店区光水水务有限 公司 [^] (附注(4))	中国/ 中国内地	人民币 66,500,000	-	100	污水处理
光水水务(大连)有限公司 [^] (附注(4))	中国/ 中国内地	人民币 120,000,000	-	100	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料（续）

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
大连旅顺城市污水处理有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 13,000,000	-	100	污水处理
大连旅顺三涧堡污水处理有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
大连寺儿沟水务有限公司 [^] （附注(3)及附注(4)）	中国/ 中国内地	人民币 30,000,000	-	100	污水处理
丹东光水污水处理有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
丹东光水水务有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 80,000,000	-	100	污水处理及 中水回用
德州市光水环保有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 48,000,000	-	100	工程管理
沈阳浑南光水水务有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
通辽市北部污水处理有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 60,000,000	-	100	污水处理
大连庄河光水水务有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
亿嘉碧环保科技（南京）有限公司 [*]	中国/ 中国内地	13,000,000 欧元	-	80	技术研发及 水环境技术 咨询
E+B Umwelttechnik GmbH	德国	100,000 欧元	-	80	技术研发
光大工业废水处理南京有限公司 [^] （附注(4)）	中国/ 中国内地	人民币 507,000,000	-	100	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料（续）

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册资本	本公司应占 权益百分比		主要业务
			直接	间接	
光大中水利用（江阴） 有限公司*（附注(4)）	中国/ 中国内地	20,000,000 美元	-	100	中水回用
光大中水利用（南京） 有限公司*（附注(4)）	中国/ 中国内地	11,700,000 美元	-	100	中水回用
光大水务（桐乡）有限公司# （附注(4)）	中国/ 中国内地	人民币 270,000,000	-	79.9	湿地生态工 程的建设及 运营
光大水务（南通海门）有限公司 （前称「光大水务（海门） 有限公司」）#（附注(4)）	中国/ 中国内地	人民币 70,000,000	-	90	污水处理及 中水回用
光大水务（淮安）有限公司* （附注(4)）	中国/ 中国内地	20,000,000 美元	-	100	污水处理
光大河道整治（南京）有限 公司*（附注(4)）	中国/ 中国内地	人民币 92,000,000	100	-	河流修复 工程
光大海绵城市发展（镇江） 有限公司#（附注(4)）	中国/ 中国内地	人民币 462,000,000	70	-	海绵城市 建设、运营 及研发
光大水务（北京）有限公司# （附注(4)）	中国/ 中国内地	人民币 119,310,000	-	100	污水处理
光大水务（滨州）有限公司^ （附注(4)）	中国/ 中国内地	人民币 95,061,700	-	100	污水处理
光大水务（博兴）有限公司* （附注(4)）	中国/ 中国内地	133,884,300 港元	-	100	污水处理
光大水务（德州）控股有限公司	香港	100 港元	-	100	投资控股

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
光大水务(德州)有限公司* (附注(4))	中国/ 中国内地	12,280,000 美元	-	100	污水处理
光大水务(江阴)有限公司# (附注(4))	中国/ 中国内地	人民币 278,877,000	-	70	污水处理
光大水务(济南历城)有限 公司*(附注(4))	中国/ 中国内地	人民币 386,848,000	-	100	污水处理
光大水务(济南)控股有限公司	香港	100 港元	-	100	投资控股
光大水务(常州)有限公司* (附注(4))	中国/ 中国内地	人民币 183,365,200	-	100	污水处理及 中水回用
光水(淄博张店)污水处理 有限公司*(附注(4))	中国/ 中国内地	4,925,000 美元	-	100	污水处理及 中水回用
光水(济南唐冶)水务有限公司# (附注(4))	中国/ 中国内地	人民币 104,291,600	-	99.9	污水处理及 中水回用
光大水务(济南)有限公司* (附注(4))	中国/ 中国内地	106,246,600 美元	-	100	污水处理
光大水务(济南章丘)有限公司# (附注(4))	中国/ 中国内地	人民币 85,200,000	-	99	污水处理
光大水务(莒县)有限公司* (附注(4))	中国/ 中国内地	人民币 58,200,000	-	100	污水处理
光大水务(昆山)有限公司* (附注(4))	中国/ 中国内地	100,000,000 港元	-	100	污水处理
光大水务(莱阳)有限公司# (附注(4))	中国/ 中国内地	人民币 169,521,765	-	90	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册资本	本公司应占 权益百分比		主要业务
			直接	间接	
光大水务(连云港)有限公司* (附注(4))	中国/ 中国内地	157,150,387 港元	-	100	污水处理
光大水务(陵县)有限公司* (附注(4))	中国/ 中国内地	22,140,200 美元	-	100	污水处理
光大水务(南京)有限公司^ (附注(4))	中国/ 中国内地	人民币 96,186,423	-	100	污水处理
光大水务(南宁)有限公司 (「光大水务南宁」)^# (附注(3)及附注(4))	中国/ 中国内地	人民币 488,690,000	79.6 附注(1)	-	河流修复 工程
光大水务(青岛)控股有限公司 (「光大水务(青岛)控股」)	香港	10,710,680 港元	-	100	投资控股
光大水务(青岛)有限公司 (「光大水务青岛」)^# (附注(4))	中国/ 中国内地	89,561,700 美元	-	60 附注(2)	污水处理
光大水务(深圳)有限公司*	中国/ 中国内地	10,000,000 港元	-	100	水务投资 及管理
光大水务(苏州)有限公司# (附注(4))	中国/ 中国内地	258,000,000 港元	-	100	污水处理
光大水务(无锡)控股有限公司	香港	100 港元	-	100	投资控股
光大水务(咸阳)有限公司^ (附注(3)及附注(4))	中国/ 中国内地	人民币 94,000,000	-	100	污水处理
光大水务运营(新沂)有限 公司#(附注(4))	中国/ 中国内地	19,496,300 美元	-	60.4	污水处理及 中水回用
光大水质净化南京有限公司^ (附注(4))	中国/ 中国内地	人民币 14,750,000	-	100	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
光大水务随州水环境治理 有限公司# (附注(4))	中国/ 中国内地	人民币 260,000,000	78.4	-	河流修复 工程
光大水务(新沂)有限公司* (附注(4))	中国/ 中国内地	174,590,000 港元	-	100	污水处理
光大水务(徐州)控股有限公司	香港	100 港元	-	100	投资控股
光水环保(徐州)有限公司^	中国/ 中国内地	人民币 15,438,000	-	100	渗滤液及 污水处理
光大水务(扬州)有限公司* (附注(4))	中国/ 中国内地	16,000,000 美元	-	100	污水处理
光大水务(章丘)有限公司* (附注(4))	中国/ 中国内地	人民币 30,349,700	-	100	污水处理
光大水务(章丘)运营有限 公司# (附注(4))	中国/ 中国内地	人民币 65,507,600	-	95	污水处理及 运营服务
光大水务(淄博周村)净水 有限公司* (附注(4))	中国/ 中国内地	153,240,000 港元	-	100	污水处理
光大水务(淄博)控股有限公司	香港	100 港元	-	100	投资控股
光大水务(淄博)有限公司* (附注(4))	中国/ 中国内地	85,666,900 美元	-	100	污水处理
光大水务科技发展(南京) 有限公司^	中国/ 中国内地	人民币 50,090,000	-	100	技术研发 及咨询
光大水处理(江阴)有限公司* (附注(4))	中国/ 中国内地	100,000,000 美元	-	100	污水处理及 管网的建造 及维护
江苏通用环境工程有限公司^	中国/ 中国内地	人民币 55,080,000	-	100	建造工程

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
济南光大供水有限公司# (附注(4))	中国/ 中国内地	人民币 250,000,000	-	80	供水、水源 及供水设施的 建造及运营
莒县光水水务有限公司* (附注(4))	中国/ 中国内地	83,130,000 港元	-	100	污水处理及 中水回用
莒县光水污水处理有限公司^ (附注(4))	中国/ 中国内地	人民币 31,523,400	-	100	污水处理及 中水回用
New Efficient Limited	英属维尔京群岛	100 美元	-	100	投资控股
Ocean Force International Limited	英属维尔京群岛	1 美元	100	-	投资控股
天津滨海新区环塘污水 处理有限公司^	中国/ 中国内地	人民币 10,000,000	-	65	污水处理
陕西日升新能源科技有限公司^	中国/ 中国内地	人民币 20,000,000	-	100	光伏发电
济南光水环境治理有限公司*	中国/ 中国内地	35,000,000 美元	-	100	污水处理
光水环保(黄骅)有限公司# (附注(4))	中国/ 中国内地	人民币 69,286,190	-	95	污水处理
深圳市光水管理有限责任公司^	中国/ 中国内地	人民币 100	-	100	企业管理
东兆国际有限公司	香港	10,000 港元	-	100	投资控股
盘锦城市污水处理有限公司^ (附注(4))	中国/ 中国内地	人民币 44,000,000	-	100	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料（续）

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册资本	本公司应占 权益百分比		主要业务
			直接	间接	
三门峡光大水务有限公司 [^] (附注(4))	中国/ 中国内地	人民币 22,000,000	-	100	污水处理
沈阳大东光水水务有限公司 [^] (附注(4))	中国/ 中国内地	人民币 13,000,000	-	100	污水处理 及中水回用
宿迁市城北污水处理发展 有限公司 [^]	中国/ 中国内地	人民币 22,107,650	-	100	污水处理
宿迁市城北水务发展有限 公司 [*]	中国/ 中国内地	人民币 26,403,650	-	100	污水处理
天津汉泉环保科技有限公司 [*]	中国/ 中国内地	2,000,000 港元	-	100	投资控股
Victor Best Holdings Limited	英属维尔京群岛	50,000 美元	100	-	投资控股
World Pioneer Investments Limited	英属维尔京群岛	100 美元	-	100	投资控股
徐州市市政设计院有限公司 [^]	中国/ 中国内地	人民币 100,000,000	-	100	市政项目的 勘察、测绘、 设计及咨询
庄河市光水污水处理有限公司 [^] (附注(4))	中国/ 中国内地	人民币 42,000,000	-	95	污水处理
淄博光大水务能源开发 有限公司 [^] (附注(3)及附注(4))	中国/ 中国内地	人民币 51,350,000	-	100	污水源热泵
光水环保（宜兴）有限公司 [^] (附注(4))	中国/ 中国内地	人民币 100,000	-	100	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
光水环保(济南槐荫区) 有限公司*(附注(4))	中国/ 中国内地	人民币 106,527,680	-	100	污水处理
EW Environment Investment Co., Ltd.	韩国	100,000,000 韩元	-	100	投资控股
临沂市光水水务有限公司* (附注(4))	中国/ 中国内地	32,000,000 美元	-	100	污水处理 及中水回用
滨州弘晟新能源科技有限 公司^	中国/ 中国内地	人民币 7,000,000	-	100	光伏发电
日升新能源科技(莒县) 有限公司*	中国/ 中国内地	人民币 10,000,000	-	100	光伏发电
济南章丘区泇大环境治理 有限公司*	中国/ 中国内地	人民币 124,000,000	-	100	投资控股
济南章丘区光水环境 有限公司*(附注(4))	中国/ 中国内地	人民币 123,919,500	-	99	污水处理
光水环保(江阴)有限公司* (附注(4))	中国/ 中国内地	人民币 10,000,000	-	100	污水处理
光水运营环保(涟水) 有限公司*(附注(4))	中国/ 中国内地	人民币 5,000,000	-	100	污水处理
光水(鞍山)污泥处置 有限公司*(附注(4))	中国/ 中国内地	人民币 62,090,000	-	100	污泥处置
光水(青岛)水务投资 有限公司*	中国/ 中国内地	30,000,000 美元	-	100	投资控股
济南市起步区光水污水处理 有限公司*(附注(4))	中国/ 中国内地	人民币 104,560,000	0.1	84.9	污水处理

中国光大水务有限公司

财务报表附注

截至二零二三年十二月三十一日止年度

40. 主要附属公司资料 (续)

名称	注册成立/ 登记地点及 营业地点	已发行 普通股/ 注册股本	本公司应占 权益百分比		主要业务
			直接	间接	
扬州弘晟日升新能源科技 有限公司 [*]	中国/ 中国内地	人民币 4,500,000	-	100	光伏发电
韶关光水正合环保科技 有限公司 [*]	中国/ 中国内地	人民币 10,100,000	-	60	畜禽粪便资源 化利用、肥料 生产和销售、 污水处理及 中水回用
日升新能源科技(淄博) 有限公司 [*]	中国/ 中国内地	人民币 6,000,000	-	100	光伏发电
光水水务(聊城莘县) 有限公司 [*] (附注(4))	中国/ 中国内地	人民币 220,000,000	98	-	污水处理

[^] 根据中国法律注册为私营有限公司

^{*} 根据中国法律注册为外商投资企业

[#] 根据中国法律注册为中外合资企业

40. 主要附属公司资料 (续)

附注:

- (1) 本公司承诺注入光大水务南宁 79.6474% 注册资本。余下 20.3526% 注册资本由中国三间合营企业注入。除一间承诺注入 0.0097% 注册资本且无权享有光大水务南宁的净盈利的中国合营企业外，本公司及其他间家中国合营企业基于彼等各自的注册资本注入比例分摊光大水务南宁的净盈利。
- (2) 本公司之全资附属公司兼光大水务青岛之外方合营伙伴 — 光大水务 (青岛) 控股承诺注入光大水务青岛 60% 注册资本。余下 40% 注册资本由中方合营伙伴注入。光大水务 (青岛) 控股于合营期首 14 年可全数享有光大水务青岛之净盈利。而由第 15 年合营期起，光大水务青岛之净盈利将由光大 (青岛) 控股及中方合营伙伴按 98: 2 之比例摊分。
- (3) 本集团该等附属公司与授予人订立服务特许经营权安排。根据服务特许经营权安排，本集团获授权在中国建造、运营及维护污水处理相关项目，为期 20 至 32 年。本集团有责任维持及恢复污水处理相关项目的良好状况。服务费按已提供之服务而定，并须待有关当地行政机关批准后方可作实。待特许经营期届满后，污水处理相关项目将移交当地行政机关所有。

服务特许经营权安排并无续约选择。授予人及本集团均有权于协议条款遭重大违反之情况下终止有关协议。

污水处理相关项目之运营权在综合财务状况表中确认为「无形资产」。

- (4) 本集团该等附属公司与授予人订立服务特许经营权安排。根据服务特许经营权安排，本集团须于中国设计、建造及/或提标、运营及维护污水处理相关项目，为期 10 至 32 年。本集团有责任维持污水处理相关项目的良好状况。授予人担保，就有关安排而言，本集团将可每年收取最低保证款项。待特许经营期届满后，污水处理相关项目及设施将移交当地行政机关所有。

服务特许经营权安排并无续约选择。授予人可行使标准权利终止协议之情况包括：本集团未能建造、提标或运营污水处理相关项目以及协议条款遭重大违反。本集团可行使标准权利终止协议之情况包括：未能从授予人取得污水处理服务费，以及协议条款遭重大违反。

因建造或提标污水处理相关项目而提供建造服务所得之相关收益在综合财务状况表中确认为「合约资产」。

41. 财务报表之批准

本财务报表业经本公司董事会于 2024 年 4 月 30 日决议批准。