



ANNUAL
REPORT
年度報告
2021

CHINA EVERBRIGHT WATER LIMITED
中國光大水務有限公司

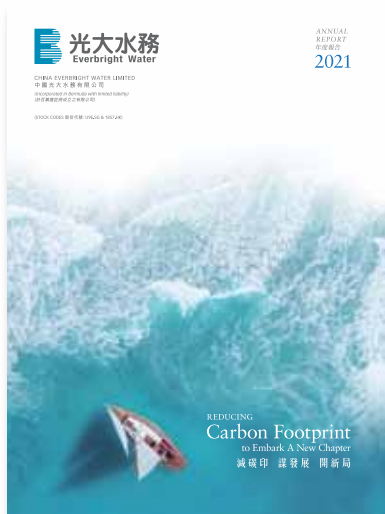
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

(STOCK CODES 股份代號: U9E.SG & 1857.HK)

REDUCING
Carbon Footprint

to Embark A New Chapter

減碳印 謀發展 開新局



Design Concept 設計概念

This cover design is themed with “Reducing Carbon Footprint to Embark A New Chapter”, implying that Everbright Water, with a strong spirit of riding the wind and waves, overcame all the challenges and forged ahead in 2021. With a focus on water environment management, Everbright Water explored new development directions and embarked a new development layout.

本封面設計以「減碳印 謀發展 開新局」為主題，寓意光大水務於二零二一年，以乘風破浪的精神，迎難而上、急流勇進，圍繞水環境綜合治理業務，探索新發展方向，打開新發展格局。

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FORGE AHEAD WITH

Strong Cohesion and Hard Work

凝心聚力 奮力拼搏

Corporate Profile

公司簡介

An Environmental Protection Company focusing on Water Environment Management

以水環境綜合治理
業務為主業的環保集團

China Everbright Water Limited (“**Everbright Water**” or the “**Company**” together with its subsidiaries, the “**Group**”) is an environmental protection company focusing on water environment management. It is listed on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX**” or “**SGX-ST**”) and the Main Board of The Stock Exchange of Hong Kong Limited (the “**SEHK**”) (stock codes: U9E.SG & 1857.HK), with its direct controlling shareholder being China Everbright Environment Group Limited (stock code: 257.HK, “**Everbright Environment**”).

Everbright Water has developed a full-fledged business coverage, which includes raw water protection, water supply, municipal waste water treatment, industrial waste water treatment, reusable water, river-basin ecological restoration, and sludge treatment and disposal. Meanwhile, the Company has formed a full industry chain in the water business, including project investment, planning and design, technology research and development, engineering and construction, operations management, among others. Its geographical footprint spans across East, Central, South, North, Northeast and Northwest China, covering 12 provinces, municipalities and autonomous regions in China, namely Beijing, Tianjin, Hebei, Jiangsu, Zhejiang, Shandong, Shaanxi, Henan, Hubei, Guangxi, Liaoning and Inner Mongolia. The Company also has overseas business presence in Mauritius. As at 31 December 2021, the Company invested in and operated water treatment projects with a designed daily water treatment capacity of over 7 million m³.

With the leadership of its experienced management team, the Company will seize opportunities and strive to emerge as a leader in the water industry of China.

中國光大水務有限公司（「光大水務」或「本公司」，連同其附屬公司統稱「本集團」）是以水環境綜合治理業務為主業的環保集團，為新加坡證券交易所有限公司（「新交所」）及香港聯合交易所有限公司（「聯交所」）主板上市公司（股份代號：U9E.SG及1857.HK），直接控股股東為中國光大環境（集團）有限公司（股份代號：257.HK，「光大環境」）。

光大水務目前已實現原水保護、供水、市政污水處理、工業廢水處理、中水回用、流域治理及污泥處理處置等全業務範圍覆蓋，精專於項目投資、規劃設計、科技研發、工程建設、運營管理等業務領域，形成水務行業全產業鏈佈局。業務分佈於中國華東、華中、華南、華北、東北及西北地區，涵蓋北京、天津、河北、江蘇、浙江、山東、陝西、河南、湖北、廣西、遼寧、內蒙古共計12個省市自治區，海外業務佈局毛里求斯。於二零二一年十二月三十一日，本公司投資建設及運營管理的水處理項目設計規模逾700萬立方米/日。

在經驗豐富的管理團隊的帶領下，本公司將緊抓行業機遇，全力以赴，致力成為中國水務行業的翹楚。

Chairman's Statement

董事長致辭



MR. HU YANGUO
胡延國先生

Executive Director and Chairman
執行董事兼董事長

Dear Shareholders,

The year 2021 marks an exceptional year for countries across the world. Amidst the ongoing novel coronavirus (“COVID-19”) pandemic, supply chain disruption and frequent extreme weather events, the global economy experienced a slow recovery and was full of uncertainties. Facing the unprecedented change in a century, the People’s Republic of China (the “PRC” or “China”) has once again delivered remarkable results in terms of the COVID-19 pandemic control and economic development. This marks a good start to the country’s “14th Five-Year Plan”.

In the opening year of the “14th Five-Year Plan”, China continued with the tough battle against pollution to serve the overall national economic development. Adhering to the commitments of “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” (“Dual Carbons”), China has also made “Carbon Emission Reduction” a key strategy in its ecological conservation progress, actively promoted “Reducing Pollution and Carbon Emission” and “Boosting Synergy and Efficiency”, and carried out comprehensive green transformation in economic and social development. This reflects China’s commitment as a big country in “putting words in action”. These initiatives opened up new ideas, new requirements and new challenges for the water environment management sector and the entire environmental protection industry.

尊敬的各位股東：

二零二一年是世界各國發展無比尋常的一年。在新型冠狀病毒引發的疫情（「新冠疫情」）反覆、供應鏈失衡、極端氣候頻發等因素的衝擊下，全球經濟復甦步履蹣跚，不確定性突顯。面對百年未有之變局，中華人民共和國（「中國」）在新冠疫情防控、經濟發展等方面再次交出靚麗答卷，實現國家「十四五」規劃的良好開局。

在「十四五」規劃的開局之年，中國繼續深入開展污染防治攻堅戰，積極服務國家經濟發展大局。圍繞向國際社會做出的「碳達峰」、「碳中和」（「雙碳」）莊嚴承諾，中國亦將「碳減排」作為生態文明建設的重點戰略方向，積極推動「減污降碳」、「協同增效」相關部署，促進經濟社會發展全面綠色轉型——彰顯了「言行並重」的大國擔當。相關部署也給水環境綜合治理乃至整個環保行業開啟新思路、提出新要求、帶來新挑戰。

The year 2021 represents a fruitful year for Everbright Water. Facing the severe and complex external environment and the inherent needs of strategic transformation, Everbright Water remained committed to its original aspiration and strategic focus, and worked hard with strong cohesion. As such, the Group has achieved remarkable results in growing market presence, improving management efficiency, enhancing “Innovation-Driven” development, and solidifying its financial position. It ventured into the water markets of Tianjin Municipality, Hebei Province and Mauritius successively; gained recognitions from authoritative organisations for its technology research results, indicating a strong momentum in application and commercialisation of technologies; continuously improved management efficiency through measures such as optimising relevant systems and introducing innovative methods; and developed more flexible financial resources by solidifying its diverse financing channels that provide for long- and short-term financing tools. As at 31 December 2021, the Group had invested over RMB28 billion in projects and recorded total assets of approximately HK\$33 billion. The Group’s projects have an aggregate designed daily water treatment capacity of over 7 million m³, with water treatment service covering 12 provinces, municipalities and autonomous regions across China, in addition to 1 overseas market.

Thanks to its excellent operation, the Company was shortlisted as one of the “Top 10 Influential Enterprises in China’s Water Industry” for the fourth consecutive year and received the “ListCo Excellence Award” for the second consecutive year. The Company also, for the first time, won awards conferred by authoritative organisations in Hong Kong such as the Chamber of Hong Kong Listed Companies and Hong Kong Institute of Certified Public Accountants. Such awards included: the “Award of Excellence in Corporate Governance”, the “Award of Excellence in Environmental, Social and Governance” (category for newly-listed companies) and a Special Mention for Environmental, Social and Governance (“**ESG**”) in the Non-Hang Seng Index (small market capitalisation) category. In addition, the Group’s Jiangsu Zhenjiang Sponge City Construction Public-Private Partnership (“**PPP**”) Project was shortlisted as a Top 5 and an Honorary Mention in the “Building Back Better Infrastructure Award” of the United Nations Economic Commission for Europe (“**UNECE**”). A technological and application project, in which the Company’s subsidiary joined as a key participant, received the second prize of the 2020 State Scientific and Technological Progress Award. It was a challenging yet rewarding journey. On behalf of the board (the “**Board**”) of directors (the “**Directors**”) and the management team of the Company, I would like to extend my sincere gratitude to all staff who remained at their posts with hard work, as well as the people from all social circles who have given their long-term support to the Group’s development.

二零二一年是光大水務發展成果豐碩的一年。面對嚴峻複雜的外部環境與戰略轉型的內在需求，光大水務堅守初心、保持定力、上下一心、奮力拼搏，在拓展市場寬度、挖潛管理效能、強化創新引領、鞏固財務保障等方面收獲好成績；先後突破天津市、河北省、毛里求斯的水務市場；科技成果獲得多項權威認可，技術應用轉化勢頭強勁；通過加強制度優化、引入創新手段等方式，帶動管理效能持續提升；鞏固長短期兼備的多元化融資手段，打造更加靈活的資金保障。截至二零二一年十二月三十一日，本集團累計項目投資額超過280億元人民幣，總資產約330億港元；旗下項目設計日水處理規模超過700萬立方米，水處理服務遍及國內12個省市自治區以及1個海外市場。

憑藉出色的經營，本公司不僅連續第四年入選「中國水業十大影響力企業」榜單、連續第二年獲得「傑出上市公司大獎」，更首次獲得香港上市公司商會、香港會計師公會等香港權威機構授予的各類獎項，包括：新上市公司類別「公司管治卓越獎」、「環境、社會及管治卓越獎」以及非恒指成份股公司類別（小市值企業組別）「環境、社會及管治特別提名獎」；本集團旗下江蘇鎮江海綿城市建設政府和社會資本合作（「**PPP**」）項目入圍聯合國歐洲經濟委員會（「**聯合國歐經會**」）「更好重建」基礎設施獎項評選五強並獲得榮譽提名獎；本公司附屬公司作為主要單位之一參與的技術及應用項目獲得二零二零年度「國家科學技術進步獎」二等獎。征途充滿汗水，成績來之不易。我謹代表本公司董事（「**董事**」）會（「**董事會**」）及管理層，感謝全體同仁的勤勉敬業以及各界人士對本集團的長期支持。

Chairman's Statement

董事長致辭

In October 2021, myself and Mr. Tao Junjie were appointed by the Board as Executive Director and Chairman, and Executive Director and Chief Executive Officer, respectively. On behalf of the Company, I would like to thank Mr. Wang Tianyi and Mr. An Xuesong for their significant contributions to Everbright Water over the past years. We will work with the Board members, the management team and all staff to strive for further success of the Company. In line with the principle of sharing the fruitful operating results with the shareholders of the Company (the “Shareholders”), the Board recommended a final dividend of 6.83 Hong Kong cents (“HK cents”) (equivalent to 1.19 Singapore cents (“Sing cents”)) per ordinary share to the Shareholders for the financial year ended 31 December 2021 (“FY2021” or the “year under review”) (for the financial year ended 31 December 2020 (“FY2020”): HK6.07 cents (equivalent to 1.04 Sing cents) per ordinary share), which makes the total dividend for FY2021 amount to HK12.58 cents (equivalent to 2.20 Sing cents) per ordinary share (FY2020: HK9.81 cents (equivalent to 1.71 Sing cents) per ordinary share).

We can achieve our dreams on this long journey by working hard and staying pragmatic. Looking ahead to 2022, amidst an ever-changing environment with both challenges and opportunities, Everbright Water will adhere to its corporate mission of being “Devoted to Ecology and Environment for a Beautiful China”, deeply participate in the national development process and actively study the industry trends. While prioritising its stability, the Group will firmly adhere to the “Innovation-Driven” development approach, and enhance its strategic vision to be more market-oriented, professional and international. In the process of corporate development, the Group will tap into the potential of traditional businesses through innovative means to optimise existing businesses while exploring new areas to foster business expansion. It will also enhance development agility, improve technology strengths, and nurture open ecospheres to steadily “Make Progress in Stability, Pursue Excellence in Progress, and Seek Innovation in Excellence”. Looking forward, Everbright Water is full of confidence and determination to continuously pursue “high-quality development” with a new paradigm of innovative development. The Group strives to create sustainable and good returns for the Shareholders and other stakeholders, and to contribute to China's green and low-carbon development process.

MR. HU YANGUO

Executive Director and Chairman
8 March 2022

二零二一年十月，我本人與陶俊杰先生獲董事會任命，分別接任本公司執行董事兼董事長、執行董事兼總裁。我謹代表本公司感謝王天義先生與安雪松先生多年來為光大水務做出的重要貢獻。我們將與董事會成員、管理團隊及全體同仁一道，奮力再創佳績。本著與本公司股東（「股東」）共享企業發展成果之原則，董事會建議就截至二零二一年十二月三十一日止的財政年度（「二零二一財政年度」或「回顧年度」）向股東派發末期股息每股普通股6.83港仙（「港仙」）（等值1.19新加坡分（「新分」））（截至二零二零年十二月三十一日止的財政年度（「二零二零財政年度」）：每股普通股6.07港仙，等值1.04新分）；據此，二零二一財政年度股息總額將達每股普通股12.58港仙（等值2.20新分）（二零二零財政年度：每股普通股9.81港仙（等值1.71新分））。

征途漫漫，惟有奮鬥；夢想成真，惟有實幹。 二零二二年，世界風雲萬變，挑戰機遇並存。光大水務將秉承「情系生態環境，築夢美麗中國」的企業使命，深度參與國家發展進程，積極研判行業發展趨勢；把握「穩字當頭」的總基調，堅持「創新引領」的發展思路，提升「市場化、專業化、國際化」的戰略視野。在發展過程中，本集團將通過創新手段，挖潛傳統業務，實現存量優化；探索新興領域，推動增量拓展；增強發展敏捷度，加強科技硬實力，打造開放生態圈，穩步實現「穩中求進、進中求優、優中求新」。面向未來，光大水務滿懷信心、幹勁十足，將以創新發展的新格局，繼續推動高品質發展，為股東及各持份者創造可持續的良好回報，為國家的綠色低碳發展進程貢獻力量。

胡延國先生

執行董事兼董事長
二零二二年三月八日

Chief Executive Officer's Report

總裁報告



MR. TAO JUNJIE
陶俊杰先生

Executive Director and CEO
執行董事兼總裁

Business Review and Prospects

Operating Results

During FY2021, the ongoing COVID-19 pandemic has caused increasing challenges and complexity to the global macroeconomic environment. Despite various external pressure, China's economy continued demonstrating strong resilience and navigating through the new development outlook to pursue "high-quality development". This marked a good start to the "14th Five-Year Plan" period.

In the first year of the "14th Five-Year Plan", China successfully achieved all the eight binding targets in the areas of ecology and environment as set out in the national economic and social development plan. This demonstrates good progress in terms of the domestic ecological and environmental protection work and shows China's full attention and firm determination on environmental protection tasks. As the global sense of crisis and voices on climate change are getting stronger, promotion of green and low-carbon development has also become an important task in China's tough battle against pollution and climate change. Following China's strategic goals of Dual Carbons, "Reducing Pollution and Carbon Emission" and "Boosting Synergy and Efficiency" have become key development themes for the water environment management sector and even the whole environmental protection industry.

業務回顧及前景

經營業績

二零二一財政年度，伴隨著新冠疫情持續反覆，全球宏觀經濟環境更加趨於複雜嚴峻。在重重外部壓力之下，中國經濟持續展現出強大的韌性，一路乘風破浪，在高質量發展進程中構建新發展格局，實現了國家「十四五」規劃階段的良好開局。

在「十四五」階段的起步之年，中國國民經濟和社會發展計劃中生態環境領域涉及的八項約束性指標全部達成，標誌著國內生態環境保護工作取得良好進展，彰顯著國家對於生態環保工作的高度重視和堅定決心。隨著全球應對氣候變化的危機感越來越強、呼聲越來越高，推動綠色低碳發展也已成爲中國污染防治攻堅戰及應對氣候變化的重要任務，圍繞國家雙碳戰略目標，「減污降碳」、「協同增效」成爲了水環境治理領域乃至整個環保行業的重要發展趨勢。

Chief Executive Officer's Report

總裁報告

Amidst the new landscape, new opportunities and new challenges, the Group, during the year under review, made steady progress with unremitting effort. Moreover, with the hard work and concerted effort, the Group has achieved fruitful results in the areas of market expansion, technological innovation, engineering and construction, operations management, safety and environmental management, among others. In the meantime, the Group has further developed its strategies which emphasise the “Innovation-driven Development” in various aspects such as business, management and research and development (“R&D”) to nurture competitive businesses. During the year under review, the Group achieved steady operating results and continued solidifying its competitive advantages and market position in the water environment management sector.

As at 31 December 2021, the Group invested in and held 153 environmental protection projects, with a total investment of approximately RMB28.43 billion. In addition, it undertook 4 engineering, procurement and construction (“EPC”) projects and 3 operation and management (“O&M”) projects (including 1 overseas O&M project). A summary of the number of projects and water treatment/supply capacity is set out below:

面對新形勢、新挑戰、新機遇，本集團於回顧年度內圍繞市場拓展、科技創新、工程建設、運營管理、安全與環境（「安環」）管理等方面，凝聚共識、真抓實幹、奮力拚搏，各項工作亮點紛呈；同時進一步明確了要從業務、管理、研究與開發（「研發」）等多維度「創新引領發展」，打造優勢產業。回顧年度內，本集團整體經營狀況穩步向好，持續鞏固本集團於水環境綜合治理領域的競爭優勢與市場地位。

截至二零二一年十二月三十一日，本集團投資並持有153個環保項目，涉及總投資約284.3億元人民幣，另承接4個工程總包（「EPC」）項目與3個委託運營（「委託運營」）項目（包括1個海外委託運營項目）。項目個數及水處理/供水規模摘要如下：

Project Type ⁽¹⁾ 項目類別 ⁽¹⁾		Number of Projects 項目數量	Water Treatment/ Supply Capacity (m ³ /day) 水處理/供水規模 (立方米/日)
Municipal waste water treatment projects ⁽²⁾	市政污水處理項目 ⁽²⁾	120	5,639,000
Industrial waste water treatment projects ⁽²⁾	工業廢水處理項目 ⁽²⁾	15	206,000
Reusable water projects	中水回用項目	8	250,600
River-basin ecological restoration projects	流域治理項目	6	115,000
Water supply projects	供水項目	3	250,000
Raw water protection project	原水保護項目	1	600,000
Leachate treatment project	滲濾液處理項目	1	600
Waste water source heat pump projects	污水源熱泵項目	2	N/A 不適用
Total	總計	156	7,061,200

Notes:

(1) Excluding EPC projects

(2) Including O&M projects

附註：

(1) 不含EPC項目

(2) 含委託運營項目

In terms of operating results for FY2021, with its stable operating momentum, the Group recorded revenue of HK\$6.91 billion, representing an increase of 22% from HK\$5.66 billion for FY2020; earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) was HK\$2.25 billion, representing an increase of 16% from HK\$1.93 billion in FY2020; profit attributable to equity holders of the Company reached HK\$1.20 billion, representing an increase of 17% from HK\$1.02 billion in FY2020; basic earnings per share were HK41.96 cents, indicating an increase of HK6.16 cents or 17% from HK35.80 cents in FY2020; overall gross profit margin was 41%, up 2 percentage points (“**ppt**”) compared to FY2020. The Group has ready access to diverse financing channels with comprehensive long- and short-term financing tools, holds quality assets and sufficient funds with a reasonable gearing ratio, and is in a healthy financial position.

With respect to market development, the Group, during the year under review, firmly pursued “high-quality development” and made its first entry into the water markets in Tianjin Municipality, Hebei Province and Mauritius. Thereby, the Group has solidified its business footprint in China’s strategic regions such as the Beijing-Tianjin-Hebei region, and successfully entered the water market along the “Belt and Road” route, further expanding its business outlook. During the year under review, the purchase of 65% equity interest in Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd. (“**Tianjin Huantang**”) helped the Group tap into Tianjin’s water market and gain valuable experience in pursuing opportunities under the mixed-ownership reform of China’s state-owned enterprises; securing Hebei Cangzhou Huanghua Waste Water Treatment Plants PPP Project enabled the Group to achieve comprehensive development in the Beijing-Tianjin-Hebei market; and securing the O&M project in relation to the Mauritius St. Martin Waste Water Treatment Plant, through the Company’s 80%-owned subsidiary E+B Umwelttechnik GmbH, marked an important milestone and a good start of the Group in developing overseas markets. Additionally, the Group, during the year under review, signed a framework agreement for Shandong Qingdao Maidao Waste Water Treatment Plant Expansion and Upgrading Project, as part of its effort to transform the Group’s Qingdao Waste Water Treatment Project (Maidao Plant) into an iconic “community-friendly” project that integrates high-quality water treatment facilities and a neighbourhood-friendly park. In FY2021, the Group secured 14 waste water treatment projects and 1 reusable water project, commanding a total investment of approximately RMB3.76 billion. The Group also undertook 1 EPC project and 1 overseas O&M project. These newly-secured projects contribute an additional designed daily waste water treatment capacity of 489,000 m³ (including capacity of the O&M project) and an additional designed daily reusable water supply capacity of 54,000 m³.

經營業績方面，二零二一財政年度，本集團經營勢頭穩健，錄得收入69.1億港元，較二零二零財政年度之56.6億港元增長22%；除利息、稅項、折舊及攤銷前盈利22.5億港元，較二零二零財政年度之19.3億港元增長16%；本公司權益持有人應佔盈利12.0億港元，較二零二零財政年度之10.2億港元增長17%；每股基本盈利41.96港仙，較二零二零財政年度之35.80港仙增加6.16港仙，增幅17%；整體毛利率為41%，較二零二零財政年度上升2個百分點（「**百分點**」）。本集團融資渠道多元暢通，融資工具長短期兼備，資產質優，資金充裕，負債合理，財務狀況健康。

市場拓展方面，回顧年度內，本集團堅持推動業務高質量發展，在天津市、河北省、毛里求斯水務市場實現突破，完善了本集團於京津冀等國家戰略區域的業務佈局並成功進入「一帶一路」沿線國家的水務市場，發展格局更加廣闊。回顧年度內，本集團購買天津濱海新區環塘污水處理有限公司（「**天津環塘**」）65%股權，藉此進入天津水務市場，並為本集團參與國有企業混合所有制改革業務提供寶貴的實踐經驗；簽署河北滄州黃驊污水處理廠PPP項目，實現了京津冀市場的全面佈局；依託本公司持股80%的附屬公司E+B Umwelttechnik GmbH取得毛里求斯聖馬丁污水處理廠委託運營項目，標誌著本集團的海外業務取得重要突破，為進一步探索海外市場開啟良好開端。此外，本集團於回顧年度內簽署山東青島麥島污水處理廠品質提升工程項目框架協議，致力於將本集團旗下青島污水處理項目（麥島廠）打造成為集高標準水處理設施和友好社區公園為一體的示範型「鄰利」項目。二零二一財政年度，本集團先後取得14個污水處理項目及1個中水回用項目，涉及總投資約37.6億元人民幣；另承接1個EPC項目及1個海外委託運營項目。新增設計規模為日處理污水489,000立方米（含委託運營項目規模）、日供中水54,000立方米。

Chief Executive Officer's Report

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Against the backdrop of China's "Dual Carbons" strategic goals, the Group has carried out the relevant research and pilot programmes relating to "Reducing Pollution and Carbon Emission" and "Boosting Synergy and Efficiency", by leveraging on its own business characteristics and competitive strengths. The Group, during the year under review, proactively established working teams that specialised in six different areas, such as reusable water, in-plant solar energy and waste water source heat pump, to provide the necessary support for its future strategic development. Among them, the Group launched the in-plant solar energy pilot programme at its Shandong Zibo Waste Water Treatment Project. The solar energy facilities were successfully connected to the power grid in August 2021, which are expected to generate electricity to satisfy 9% of the project's power consumption. This enables the Group to accumulate valuable experience to further promote such programmes in the future. In addition, the Group, during the year under review, participated in the first batch of pilot projects for monitoring and evaluation of greenhouse gas emissions, which was organised by the Ministry of Ecology and Environment of the PRC ("MEE"), to carry out water sample analysis and data collection for carbon calculation.

As for technological innovation, the Group continued focusing on the digital transformation which is driven by technological innovation, and has achieved good progress. The Group, during the year under review, further promoted its "Intelligent Water" management system. The application of various systems, such as smart inspection system and smart dosing system, has reduced the workload of frontline staff and enhanced the management proficiency of the water projects. In addition, the Group actively developed the "Intelligent Water" blueprint which covers various aspects including design and operations, and promoted the development of an information and supervisory system and the implementation of smart plants. The Group has widely applied the operations management system to more than 20 waste water treatment plants. In FY2021, the Group provided its in-house developed technological processes to its internal and external clients, with a total contract value of over RMB100 million. The Group, during the year under review, was granted 28 patents (including 1 invention patent, 25 utility models, and 2 software copyrights), and published 28 technical papers.

In terms of safety and environmental management, the Group is devoted to safeguarding the health and safety of individuals and the environment. It increases awareness of safety and environmental risk prevention and strictly complies with the requirements of "zero work safety accident, zero excessive discharge of pollutants, and zero case for violation of regulations or discipline". The Group, during the year under review, comprehensively fostered the accountability of safety and environment, carried out the specified rectification tasks on safe production, and enhanced management and training relating to project safety and environmental protection. A solid foundation has been built for safe production and operation and compliance with emission standards.

在國家雙碳戰略目標的大背景下，本集團從自身業務特點與優勢出發，積極圍繞「減污降碳」、「協同增效」開展相關研究和試點工作。回顧年度內，本集團積極開展中水回用、廠內光伏、污水源熱泵等六方面專項研究，為未來的戰略發展部署提供支撐。其中，本集團位於山東淄博的污水處理項目啟動了廠內光伏項目試點；該光伏設施已於二零二一年八月成功併網發電，預計發電量可滿足項目廠區用電的9%，為未來推廣廠內光伏試點積累良好經驗。本集團亦於回顧年度內參加中國生態環境部組織的首批溫室氣體排放監測評估試點，配合開展碳核算水樣分析與數據採集。

科技創新方面，本集團堅持科技創新引領數字化轉型，並取得良好進展。回顧年度內，本集團深入推廣「智慧水務」管理平台，通過應用智能巡檢、智能加藥等系統，減輕一線人員工作負荷，同時有效提升水務項目的管理水平；積極打造覆蓋設計、運營等多方位的智慧水務藍圖，推進信息化監管平台建設與智慧工廠建設落地；旗下超過20個污水處理廠完成了運營管理系統的推廣應用。二零二一財政年度，本集團向內部及外部客戶繼續提供多項自主創新技術工藝包，涉及合同總金額超過1億元人民幣。回顧年度內，本集團獲得新授權專利28項（包括發明專利1項、實用新型25項、軟件著作權2項），發表技術論文28篇。

安環管理方面，本集團以保障個人與環境的健康安全為使命，強調安環風險防範意識，嚴格執行「零安全事故、零超標排放、零違法違規」要求，於回顧年度內深入落實安環責任制，開展安全生產專項整治工作，加強項目安環管理和培訓，築牢安全生產運營和達標排放底線。

In relation to project construction, the Group, during the year under review, firmly implemented measures to ensure safety and quality of project construction as well as pandemic prevention and control for the smooth progress of its project construction works. In FY2021, the Group had 6 projects that commenced construction, which have an aggregate designed daily waste water treatment capacity of 130,000 m³; 5 projects that completed construction (including EPC projects), which have an aggregate designed daily waste water treatment capacity of 72,500 m³; and 11 projects that completed construction and commenced operation, which have an aggregate designed daily waste water treatment capacity of 249,000 m³. As at 31 December 2021, the Group had 13 projects in the preparatory stage, with an aggregate designed daily water treatment capacity of 396,000 m³.

In relation to operations management, the Group continued exploring various opportunities to boost its operations management efficiency. The Group, during the year under review, proactively explored energy structure optimisation of waste water treatment plants by leveraging on its projects in operation. The Group co-operated with its partners to participate in market-based electricity transactions in Jiangsu and Shandong Provinces, effectively reducing the electricity cost. In FY2021, 9 waste water treatment plants of the Group received regulatory approval for tariff hikes, ranging from 4% to 58%; and subsidies of approximately RMB71.35 million in total were granted to the Group.

In relation to the capital market, the Group, during the year under review, continued with its flexibility in selecting suitable financing tools to match with its business development plan and keep its finance costs within a reasonable range. In January 2021, the Company issued the second tranche of medium term notes (“MTN”), with a principal amount of RMB1 billion and a subscription rate of 1.97 times; and in August 2021, the Company issued the first tranche of super & short-term commercial papers (“SCP”), with a principal amount of RMB800 million. The funds raised from such financing arrangements effectively replenished the working capital of the Company's subsidiaries. While expanding its financing channels, the Group also reviewed its loan structure and finance costs on a regular basis, and made adjustments and improvements as and when appropriate, to provide solid capital protection for “high-quality development” in the future.

工程建設方面，回顧年度內，本集團緊抓各在建項目的建設安全、工程品質和防疫保障，確保各項目工程建設有序推進。二零二一財政年度，本集團共有6個項目新開工建設，設計規模為日處理污水130,000立方米；5個項目建成完工（含EPC項目），設計規模為日處理污水72,500立方米；11個項目建成投運，設計規模為日處理污水249,000立方米。截至二零二一年十二月三十一日，本集團共有13個籌建項目，設計日水處理規模396,000立方米。

運營管理方面，本集團持續挖潛，帶動運營管理效能提升。回顧年度內，本集團以旗下運營項目為依託，積極探索污水處理廠的能源結構優化，並於江蘇省、山東省通過合作方式參與電力市場化交易，有效節約電力成本。二零二一財政年度，本集團旗下共有9個污水處理廠獲批上調水價，幅度介乎4%至58%；獲得各類資金補貼合共約7,135萬元人民幣。

資本市場方面，本集團於回顧年度內繼續靈活調用各類融資渠道，以配合業務發展節奏，將財務成本維持於合理區間。二零二一年一月，本公司發行了本金為10億元人民幣的第二期中期票據（「中期票據」），認購倍數為1.97倍；二零二一年八月，本公司發行了本金為8億元人民幣的首期超短期融資券（「超短期融資券」）。兩次融資安排募得的資金都已有效補充了本公司附屬公司的營運資金。在拓寬融資渠道種類的過程中，本集團亦定期檢討其貸款結構與融資成本，適時調整優化，為今後的高質量發展提供堅實的資金保障。

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The Group highly values the concurrent enhancement of economic, social and environmental benefits as part of its business development, and therefore incorporating social and environmental responsibility initiatives into its day-to-day work. The Group, during the year under review, actively organised various online and offline charitable environmental protection activities in conjunction with several environmental protection-themed days, such as the “World Water Day”, “Earth Day” and “World Environment Day”. These activities have enhanced the local communities’ knowledge and concepts on treasuring water resources and fostered a positive and interactive relationship with the local communities. In addition, the activities increased the local residents’ understanding and recognition of environmental protection facilities. During the year under review, the Group’s projects received more than 400 batches of visitors from all walks of life.

In view of its outstanding performance in business development, operations management and sustainability, the Group, during the year under review, received a number of awards from various well-known domestic and international organisations. The major awards are summarised as below:

本集團在發展過程中高度重視推動經濟、社會和環境效益的同步提升，因此一直都將履行社會與環境責任作為日常要務。回顧年度內，本集團繼續積極圍繞「世界水日」、「世界地球日」、「世界環境日」等環保主題日的倡議號召，策劃並開展線上線下結合、形式靈活多樣的主題環保公益活動，持續向項目所在地的社區傳遞珍惜和保護水資源的科普知識和理念，並與當地社區民眾建立良好互動關係，加深當地民眾對環保設施的了解和認同。回顧年度內，本集團旗下項目累計接待各界來訪人士逾400批次。

得益於二零二一財政年度在業務發展、經營管理、可持續發展等方面的出色表現，本集團於回顧年度內獲得境內外權威機構授予多個獎項，主要榮譽摘要如下：

Award 項目類別	Awarding Organisation(s) 頒發機構
One of the Top 10 Influential Enterprises in China's Water Industry (for the fourth consecutive year) 「中國水業十大影響力企業」之一（連續第四年）	E20 Environment Platform E20環境平台
Award of Excellence in Corporate Governance (category for newly-listed companies) 公司管治卓越獎 (新上市公司類別)	The Hong Kong Corporate Governance and ESG Excellence Awards 2021 by organisations including the Chamber of Hong Kong Listed Companies (“CHKLC”) 香港上市公司商會等聯合舉辦的 「香港公司管治與環境、社會及管治卓越獎2021」
Award of Excellence in ESG (category for newly-listed companies) 環境、社會及管治卓越獎 (新上市公司類別)	The Hong Kong Corporate Governance and ESG Excellence Awards 2021 by organisations including CHKLC 香港上市公司商會等聯合舉辦的 「香港公司管治與環境、社會及管治卓越獎2021」
A Special Mention for ESG in the Non-Hang Seng Index (Small Market Capitalisation) Category 非恒指成份股公司類別（小市值企業組別） 「ESG 特別提名獎」	The Best Corporate Governance and ESG Awards 2021 organised by the Hong Kong Institute of Certified Public Accountants 香港會計師公會舉辦的二零二一年度 「最佳企業管治與環境、社會及管治大獎」
ListCo Excellence Award 2021 (for the second consecutive year) 傑出上市公司大獎2021 (連續第二年)	The annual “ListCo Excellence Awards” by organisations including Hong Kong stock channel of <i>ifeng.com</i> and Hong Kong media “am730” 《鳳凰網港股》、香港媒體《am730》等機構聯合舉辦的「傑出上市公司大獎」年度評選

Award 項目類別	Awarding Organisation(s) 頒發機構
<p>The Group's Jiangsu Zhenjiang Sponge City Construction PPP Project was shortlisted as Top 5 in the Building Back Better Infrastructure Award of UNECE and awarded an Honorary Mention 本集團旗下江蘇鎮江海綿城市建設PPP項目入圍聯合國歐經會「更好重建」基礎設施獎項評選五強，並獲榮譽提名獎</p>	<p>UNECE 聯合國歐經會</p>
<p>The project on "Key Technologies and Applications for Intelligent Monitoring and Optimal Operation of Municipal Waste Water Treatment Plants", in which Everbright Water (Shenzhen) Limited joined as a key participant, received the second prize of the 2020 State Scientific and Technological Progress Award 光大水務（深圳）有限公司作為主要單位之一參與的「城鎮污水處理廠智能監控和優化運行關鍵技術及應用」項目獲得二零二零年度「國家科學技術進步獎」二等獎</p>	<p>The National Office for Science and Technology Awards 國家科學技術獎勵工作辦公室</p>
<p>The whole process technology research on the construction of sponge city in Zhenjiang City received the third prize of the Huaxia Construction Science and Technology Award 2020 鎮江海綿城市建設全過程技術研究獲得二零二零年度「華夏建設科學技術獎」三等獎</p>	<p>Huaxia Construction Science and Technology Award Committee 華夏建設科學技術獎勵委員會</p>
<p>Several water projects of the Group in multiple places, including Jiangsu, Shandong and Henan Provinces, were shortlisted in the fourth batch of the National Environmental Protection Facilities and Urban Waste Water and Waste Treatment Facilities Opened to the Public 本集團位於江蘇、山東和河南的多個水務項目入選第四批全國環保設施和城市污水垃圾處理設施向公眾開放單位名單</p>	<p>MEE and Ministry of Housing and Urban-Rural Development of the PRC 中國生態環境部、住房和城鄉建設部</p>
<p>Second Prize at the "Narrators for Ecology and Environment" Competition 「我是生態環境講解員」二等獎</p>	<p>MEE 中國生態環境部</p>

The Company remains dedicated to creating value for, and sharing fruitful operating results with the Shareholders. The Board recommended a final dividend of HK6.83 cents (equivalent to 1.19 Sing cents) per ordinary share to the Shareholders for FY2021 (FY2020: HK6.07 cents (equivalent to 1.04 Sing cents) per ordinary share), which makes the total dividend for FY2021 amount to HK12.58 cents (equivalent to 2.20 Sing cents) per ordinary share (FY2020: HK9.81 cents (equivalent to 1.71 Sing cents) per ordinary share).

本公司致力於為股東創優價值，並與股東分享經營成果。董事會建議就二零二一財政年度向股東派發末期股息每股普通股6.83港仙（等值1.19新分）（二零二零財政年度：每股普通股6.07港仙（等值1.04新分））。據此，二零二一財政年度股息總額為每股12.58港仙（等值2.20新分）（二零二零財政年度：每股普通股9.81港仙（等值1.71新分））。

Chief Executive Officer's Report

總裁報告

Business Prospect

In 2022, the global macro-economic situation is expected to remain fluid and keep changing, due to the impact brought by several global issues, such as the COVID-19 pandemic, inflation and monetary policy adjustments. Notwithstanding the slowdown in the global economic recovery momentum and divergent recovery trajectories, China will continue responding to various changes with its stability. This is to ensure that its domestic social-economic development will move forward steadily, with the fundamentals remaining positive in the long term.

Despite the divergence in the economic recovery and policy tightening of different countries, governments around the world are firmly determined to promote “Carbon Emission Reduction” in response to climate change, which is a pressing global issue. Following China’s proposal of “Dual Carbons” strategic goals, “Carbon Emission Reduction” has been regarded as a strategic key task of ecological conservation. “Reducing Pollution and Carbon Emission” and “Boosting Synergy and Efficiency” will remain the key missions for the water environment management sector and the whole environmental protection industry. As the traditional water market gradually becomes saturated and more competitive and the industry has higher expectations for innovative developments, there is a pressing need for businesses to transform their development model. “Intelligent Water”, pipe network construction, sludge utilisation and other sub-sectors will open up new space for development and drive the industry to enhance its core competitiveness through technological upgrades, management optimisation and other measures. This will bring steady progress in terms of green and low-carbon transformation.

Marching into 2022, with both opportunities and challenges presenting, the Group is determined to adhere to the national strategies and overall industry trends, focus on stability, explore opportunities, be innovative, and work exceptionally hard. Focusing on “Carbon Emission Reduction”, the Group will proactively carry out pilot programmes, develop landmark projects, and explore industry-leading operation models, all of which are relating to low carbon. Focusing on the key areas such as the Yangtze River Economic Belt, Guangdong-Hong Kong-Macau Greater Bay Area, Beijing-Tianjin-Hebei region and the “Belt and Road” route, the Group will solidify its strength in the existing markets, actively expand its business footprint, and enhance the coordination and synergy among different regions. Following the consolidation and extension of the industrial chain, the Group will actively explore new businesses and new business models to expand new sources of business growth, while enhancing its competitiveness along the existing industry chain. The Group will work diligently and continuously to achieve its goals. In 2022, the Group will strive and forge ahead with determination towards the goal of becoming a water environment management company that is driven by green innovation.

業務前景

二零二二年，受到新冠疫情、通貨膨脹、貨幣政策調整等全球性主題的影響，全球宏觀經濟形勢料將繼續以「變」為主線。在全球經濟復甦動能放緩、復甦進程分化的大環境中，中國以「穩」應「變」的發展基調將繼續保障國內社會經濟發展穩步前行，國家長期向好的基本面不會改變。

儘管全球各國在經濟復甦步伐、政策收緊節奏等方面的分化格局料將延續，但在面對氣候變化這一與人類永續發展休戚相關的議題之時，各國對於推進「碳減排」的態度堅定一致。自中國提出雙碳戰略目標以來，「碳減排」一直被視為國家生態文明建設的戰略重點。「減污降碳」、「協同增效」將繼續成為水環境治理及整個環保行業的重要發展主題。此外，隨著傳統水務市場逐漸飽和、行業競爭加劇，行業對於創新發展的期待更高，從業企業謀求轉型發展的需求也更加迫切。「智慧水務」、管網建設、污泥資源化利用等細分領域料將促進市場空間的持續釋放，推動從業企業通過技術升級、管理優化等方式提升內在競爭力，逐步向綠色低碳轉型升級。

步入機遇與挑戰並存的二零二二年，本集團將堅持與國家戰略同向，與行業大勢同行，穩字當頭、探索創新、奮發有為。圍繞「碳減排」主題，本集團將積極開展低碳試點，打造低碳示範項目，探索行業領先的低碳運營模式；圍繞長江經濟帶、粵港澳大灣區、京津冀、「一帶一路」等重點區域，本集團將鞏固現有市場，積極拓展業務版圖，加強區域聯動與協同；圍繞產業鏈鞏固和延伸，本集團在提升現有產業鏈優勢的同時，將積極探索新業務、新模式，培育新的業務增長點。追風趕月莫停留，平蕪盡處是春山。二零二二年，本集團將朝著成為綠色創新型水環境治理企業的目標全力以赴，堅定前行。

Financial Results

In FY2021, the revenue of the Group increased by 22% to HK\$6,912.37 million compared with the revenue of HK\$5,663.29 million in FY2020. Gross profit of the Group increased from HK\$2,200.54 million in FY2020 to HK\$2,801.59 million in FY2021, representing an increase of 27%. The profit of the Group increased from HK\$1,086.36 million in FY2020 to HK\$1,282.99 million in FY2021, representing a rise of 18%. The profit attributable to equity holders of the Company in FY2021 amounted to HK\$1,200.33 million, representing an increase of 17% over FY2020.

Financial Position

As at 31 December 2021, the Group's total assets amounted to approximately HK\$32.97 billion with net assets amounting to HK\$13.16 billion. Net asset value per share attributable to equity holders of the Company was HK\$4.15 per share, representing an increase of 13% as compared to HK\$3.68 per share as at the end of 2020. As at 31 December 2021, the gearing ratio (total liabilities over total assets) of the Group was 60.1%, which increased by 2.5 ppt from 57.6% at the end of 2020.

Liquidity and Financial Resources

The Group adopts a prudent approach to cash and financial management to ensure proper risk control and low cost of funds. It finances its operations primarily with internally generated cash flow and loan facilities from banks, supplemented by funds raised from issuance of corporate bonds, asset-backed securities ("ABS"), MTN and SCP. As at 31 December 2021, the Group had cash and bank balances of HK\$2.28 billion, representing an increase of HK\$562.46 million as compared to HK\$1.72 billion at the end of 2020. Most of the Group's cash and bank balances, representing approximately 99%, was denominated in HK\$ and RMB.

財務業績

於二零二一財政年度，本集團的收入由二零二零財政年度的56.6329億港元增加22%至69.1237億港元。本集團的毛利由二零二零財政年度的22.0054億港元增加27%至二零二一財政年度的28.0159億港元。本集團的盈利由二零二零財政年度的10.8636億港元增加18%至二零二一財政年度的12.8299億港元。本公司權益持有人於二零二一財政年度應佔盈利為12.0033億港元，較二零二零財政年度增加17%。

財務狀況

於二零二一年十二月三十一日，本集團的總資產約為329.7億港元，淨資產為131.6億港元。本公司權益持有人應佔每股資產淨值為每股4.15港元，較二零二零年底每股3.68港元增加13%。於二零二一年十二月三十一日，本集團資產負債比率（以總負債除以總資產計算所得）為60.1%，較二零二零年底的57.6%增加2.5個百分點。

流動性及財務資源

本集團對現金及財務管理採取審慎的原則，以確保妥善管理風險及降低資金成本。項目運營的資金來源主要為內部現金流及往來銀行提供之貸款，並以發行公司債券、資產支持證券（「資產支持證券」）、中期票據及超短期融資券籌集的資金補充。於二零二一年十二月三十一日，本集團持有現金及銀行結餘22.8億港元，較二零二零年年底之17.2億港元增加5.6246億港元。本集團大部分現金及銀行結餘均為港元及人民幣，約佔比99%。

Chief Executive Officer's Report

總裁報告

Borrowings and Debt Securities of the Group

Amounts payable within one year or less, or on demand

At 31 December 2021 於二零二一年十二月三十一日		At 31 December 2020 於二零二零年十二月三十一日	
Secured 有抵押	Unsecured 無抵押	Secured 有抵押	Unsecured 無抵押
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
385,514	3,006,514	217,228	2,029,445

Amounts payable after one year

At 31 December 2021 於二零二一年十二月三十一日		At 31 December 2020 於二零二零年十二月三十一日	
Secured 有抵押	Unsecured 無抵押	Secured 有抵押	Unsecured 無抵押
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2,121,674	8,928,236	1,658,100	7,173,360

The Group is dedicated to improving financing methods and increasing banking facility limit to reserve funding for developing the water environment management business. As at 31 December 2021, the Group had outstanding borrowings of HK\$14.44 billion, representing an increase of HK\$3.36 billion as compared to HK\$11.08 billion as at the end of 2020. The borrowings included secured interest-bearing borrowings of HK\$2.51 billion and unsecured interest-bearing borrowings of HK\$11.93 billion. The borrowings are mainly denominated in RMB, representing approximately 69% of the total, and the remainder is denominated in HK\$, United States dollars (“USD”) and euros (“EUR”). Most of the borrowings are at floating rates. As at 31 December 2021, the Group had bank loan facilities of HK\$15.36 billion, of which HK\$6.26 billion have not been utilised. The bank loan facilities are of 1 to 17 years terms.

本集團的借貸及債務證券

一年或以內應付或按要求應付款項

一年後應付款項

本集團致力完善融資方式及提升銀行貸款額度，儲備資金以發展水環境治理業務。於二零二一年十二月三十一日，本集團尚未償還借貸為144.4億港元，較二零二零年年底之110.8億港元增加33.6億港元。借貸包括有抵押之計息借貸25.1億港元及無抵押之計息借貸119.3億港元。本集團的借貸主要以人民幣為單位，佔總額約69%，其餘則以港元、美元（「美元」）及歐元（「歐元」）為單位。本集團的大部分借貸均按浮動利率計息。於二零二一年十二月三十一日，本集團之銀行融資額度為153.6億港元，其中62.6億港元為尚未動用之額度。銀行貸款融資為一至十七年期。

Foreign Exchange Risks

The Group mainly operates in the PRC. Currency exposure arises within entities of the Group when transactions are mainly denominated in foreign currencies such as USD, EUR, Singapore dollars (“SGD”), HK\$ and RMB. In addition, the Group is exposed to currency translation risk upon translation of the new assets in foreign operations into the Group’s reporting currency of HK\$. During FY2021, the Group was affected by the changes in the exchange rates and did not adopt any formal hedging policies nor used any financial instrument for hedging purpose.

Although the Group was exposed to foreign currency exchange risks, the Board believes that the future currency fluctuations will not have any material impact on the Group’s operations.

Pledge of Assets

Certain bank loan facilities and ABS of the Group as at 31 December 2021 and 2020 were 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 Company. As at 31 December 2021, the aggregate net book value of assets and equity interests in subsidiaries under pledge arrangements amounted to HK\$8.51 billion.

Commitments

As at 31 December 2021, the Group had outstanding purchase commitments of HK\$1.70 billion in connection with the construction contracts and an outstanding capital commitment of HK\$25.52 million in connection with an unlisted equity investment.

Contingent Liabilities

As at 31 December 2021, the Company provided financial guarantees to two subsidiaries. The Board does not consider it probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company as at 31 December 2021 for the provision of the guarantees was HK\$934.70 million. Nonetheless, the Group did not recognise any contingent liabilities at the consolidated level as at 31 December 2021.

外匯風險

本集團主要在中國運營。倘交易主要以外幣（如美元、歐元、新加坡元（「新加坡元」）、港元及人民幣）為單位，本集團實體會承受貨幣風險。此外，在換算海外運營的新資產為本集團呈報貨幣港元時，本集團面臨貨幣換算風險。於二零二一財政年度內，本集團受匯率變動影響且並未採納任何正式對沖政策，亦未使用任何金融工具作對沖用途。

儘管本集團面臨外幣兌換風險，但董事會認為，未來的匯率波動不會對本集團的經營產生任何重大影響。

資產抵押

於二零二一年及二零二零年十二月三十一日，本集團若干銀行貸款融資及資產支持證券以本集團服務特許經營權安排下之相關收入、合約資產、應收款項及無形資產以及本公司若干附屬公司之股權作為抵押。於二零二一年十二月三十一日，已抵押資產及附屬公司股權之賬面淨值總額為85.1億港元。

承擔

於二零二一年十二月三十一日，本集團為建造合約而訂約之採購承擔為17.0億港元，及為一項非上市股權投資而訂約之資本承擔為2,552萬港元。

或有負債

於二零二一年十二月三十一日，本公司曾為兩家附屬公司作出財務擔保。董事會認為，有關擔保持有人根據上述擔保向本公司作出申索的可能性較低。於二零二一年十二月三十一日，本公司在上述擔保下之最高負債之撥備為9.3470億港元。儘管如此，本集團於截至二零二一年十二月三十一日在合併層面未確認任何或有負債。

Chief Executive Officer's Report

總裁報告

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

有關附屬公司、聯營公司及合營企業的重大投資、重大收購及出售

(a) As at 31 December 2021, the Group held the following other financial assets:

(a) 截至二零二一年十二月三十一日，本集團持有以下其他金融資產：

The Group

本集團

		At 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元
Non-current	非即期		
Unlisted investments, at fair value	以公允價值計量的非上市投資	-	409,147
Unlisted equity investment, at fair value	以公允價值計量的非上市股權投資	36,122	34,051
Current	即期		
Unlisted investments, at fair value	以公允價值計量的非上市投資	222,880	-
Total	總計	259,002	443,198

As at 31 December 2021 and 2020, the above unlisted investments were wealth management products issued by financial institutions in Hong Kong and the above unlisted equity investment represents the 6% interest in Yancheng CCCC Shanghai Dredging Water Environment Investment Co., Ltd. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest. Details of the other financial assets are set out in note 24 to the financial statements.

於二零二一年及二零二零年十二月三十一日，上述非上市投資為香港金融機構發行的理財產品，上述非上市股權投資為鹽城中交上航水環境投資有限公司的6%股權。該等投資被強制分類為按公允價值計入損益的金融資產，此乃由於其合約現金流量並非純粹為償付本金及利息。關於其他金融資產的詳情載於財務報表附註24。

(b) Acquisition of 65% equity interest in Tianjin Huantang

(b) 收購天津環塘65%股權

On 1 March 2021, the Company has, through its wholly-owned subsidiary, Beijing Everbright Water Investment Management Co., Ltd., completed the acquisition of 65% equity interest in Tianjin Huantang from an independent third party, Tianjin Binhai Environmental Protection Asset Development Co., Ltd. (the "Acquisition"). The purchase consideration for the Acquisition was RMB666.34 million (the "Purchase Consideration") and was determined through a competitive online bidding process. The Purchase Consideration has been paid in full in cash and funded entirely through internal resources. For further details, please refer to the announcements released by the Company on 22 January 2021 and 2 March 2021.

於二零二一年三月一日，本公司已透過其全資附屬公司北京光大水務投資管理有限公司向獨立第三方天津濱海環保產業發展有限公司完成收購天津環塘之65%股權（「收購事項」）。收購事項的購買代價為6.6634億元人民幣（「購買代價」），乃經過網絡競價方式釐定。購買代價乃以現金方式全數以內部資源撥付。有關進一步資料，請參閱本公司於二零二一年一月二十二日及二零二一年三月二日發佈的公告。

(c) Securing of Hebei Cangzhou Huanghua Waste Water Treatment Plants PPP Project

On 18 November 2021, the Company entered into the cooperation agreement and the PPP project agreement with Huanghua City Management and Comprehensive Administrative Law Enforcement Bureau; and incorporated a project company with Huanghua Urban-Rural Development Co., Ltd. pursuant thereto. For further details, please refer to the announcement released by the Company on 19 November 2021.

(d) Disposal of 20% equity interest in Hebei Xiong'an Huashen Water Engineering Technology Limited ("Xiong'an Huashen")

On 10 December 2021, the Company has, through its wholly-owned subsidiary, Everbright Water (Shenzhen) Limited, completed the disposal of 20% equity interest in Xiong'an Huashen to an independent third party (the "**Disposal**").

The sale consideration for the Disposal was RMB1.02 million (approximately HK\$1.22 million) (the "**Sale Consideration**") after taking into consideration the appraised value of 100% of the equity interest in Xiong'an Huashen as at 31 December 2020 using market-based approach, which was determined to be RMB5.09 million. The net asset value of the 20% equity interest in Xiong'an Huashen as at 31 December 2020 was RMB1.01 million. The Sale Consideration was received in full in cash.

Upon completion of the Disposal, the Company and its subsidiaries no longer held any equity interest in Xiong'an Huashen and therefore, Xiong'an Huashen ceased to be an indirect associate of the Company.

(c) 簽署河北滄州黃驊污水處理廠PPP項目

於二零二一年十一月十八日，本公司與黃驊市城市管理綜合行政執法局訂立合作協議及PPP項目合同。據此，本公司與黃驊市城鄉建設發展有限公司已於二零二一年十一月十八日成立項目公司。有關進一步資料，請參閱本公司於二零二一年十一月十九日發佈的公告。

(d) 出售河北雄安華深水務工程技術有限公司（「雄安華深」）20%股權

於二零二一年十二月十日，本公司透過其全資附屬公司光大水務（深圳）有限公司完成向一名獨立第三方出售雄安華深的20%股權（「**出售事項**」）。

出售事項的出售代價為102萬元人民幣（約122萬港元）（「**出售代價**」）。該出售代價乃參考了雄安華深100%股權於二零二零年十二月三十一日採用市場法之估值509萬元人民幣。雄安華深20%股權於二零二零年十二月三十一日的資產淨值為101萬元人民幣。出售代價已以現金一次性收取。

完成出售事項後，本公司及其附屬公司不再持有雄安華深的任何股權，因此雄安華深不再是本公司的間接聯營公司。

Transaction in the Securities of the Company or its subsidiaries

Save as disclosed under the section headed "Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures" in the Chief Executive Officer's Report of this Annual Report, the Group did not have other transactions in the securities of the Company or its subsidiaries during FY2021.

涉及本公司的證券或其附屬公司的證券之交易

除本年度報告中總裁報告內的「有關附屬公司、聯營公司及合營企業的重大投資、重大收購及出售」一節所披露者外，本公司於二零二一財政年度概無任何涉及本公司的證券或其附屬公司的證券之交易。

Chief Executive Officer's Report

總裁報告

Future Plans for Material Investments or Capital Assets

Save as disclosed under the section headed “Future Plans and Use of Proceeds” in the listing document issued by the Company dated 24 April 2019, the Group did not have other future plans for material investments or capital assets during FY2021.

Internal Management

Corporate management and risk control are of paramount importance in ensuring efficient, healthy and sustainable corporate development. The Group has established a sound management structure with four committees under the Board (the “**Board Committees**”), comprising the Audit Committee, the Remuneration Committee, the Nominating Committee and the Strategy Committee. The Company has also established the Management Committee as the decision-making body for its daily management. The Management Committee holds a meeting at least once a month to deliberate the matters regarding the Group’s business and management, ensuring its sustainable development. The Company has also set up various functional departments, including the Legal & Risk Management Department, the Internal Audit Department, the Finance Management Department, the Budget Management Department, the Human Resources Department, the General Management Department, the Operations Management Department, the Safety & Environmental Management Department and the Investment & Development Department. Moreover, in response to business needs, the Group has also set up four regional management centres, in order to manage its projects by region and create favourable synergies. The Group has continuously improved the internal management, established complete management systems and emergency response capacity, and fully implemented the Environmental, Safety, Health and Social Responsibility (“**ESHS**”) Management System (“**ESHS Management System**”) and the Risk Management System at all levels in order to standardise the management of all aspects in the process of project investment, construction and operations, identify and control risks, and enhance the overall operational efficiency and profitability. The Group has continued to promote the establishment and improvement of corporate governance and integrated compliance management into its business activities and processes. During the year under review, the Group established an investigation mechanism, conflict of interest mechanism relating to family members, anti-corruption mechanism and accountability system, and clarified the relevant rules in the “Sunshine Declaration” signed with the suppliers. Accordingly, the suppliers can report the misconduct of the Group’s employees in accordance with the channels provided in the agreement in order to assist the Group to supervise the integrity of its employees. This has further regulated the operation of the Group and enhanced its corporate governance.

重大投資或資本資產的未來計劃

除本公司所刊發日期為二零一九年四月二十四日之上市文件內「未來計劃及所得款項用途」一節所披露者外，本集團於二零二一財政年度概無任何其他重大投資或資本資產的未來計劃。

內部管理

企業管理和風險管控是確保企業高效、健康和可持續發展的基礎。本集團建立了完善的管理架構，董事會下設了四個委員會（「**董事會委員會**」），包括審計委員會、薪酬委員會、提名委員會、戰略委員會。本公司亦建立了管理委員會作為其日常經營管理的決策機構，管理委員會每月至少召開一次會議，審議當期運營和管理情況，確保本集團的可持續發展。本公司設有法律及風險管理部、內審部、財務管理部、預算管理部、人力資源部、綜合管理部、運營管理部、安全與環境管理部、投資發展部等職能部門。此外，根據業務需求，本集團還設立了四大區域管理中心，按區域管理旗下項目，發揮良好的協同效應。本集團持續完善內部管理，建立了完善的管理體系和應急能力，並在各級全面實施環境、安全、健康及社會責任（「**ESHS**」）管理體系（「**ESHS管理體系**」）和風險管理體系，實現項目投資、建設及運營過程中各環節的規範化管理，識別和管控風險，促進整體運行效率和效益的提升。本集團持續推進企業管治建設和優化，將合規管理落實到業務活動及流程中。於回顧年度內，本集團建立了調查機制、親屬回避機制、防腐機制與問責制度，並在與供應商簽訂的《陽光宣言》中明確相關規則，供應商能根據協議內提供的渠道，舉報員工的不當行為，以協助本集團監查員工的誠信廉潔，進一步規範了本集團運作，提高了企業管治水準。

Human Resource Management

The Group highly values its employees and adheres to the “People-Oriented” philosophy and competency-based recruitment approach. Additionally, the Group evaluates its employees based on their integrity, knowledge, ability and performance, and establishes an open, competitive and merit-based recruitment mechanism. During the year under review, the Company has established an evaluation model assessing the employees’ competency level and ability to perform their duties. Such model is to effectively identify outstanding high-potential talents. Moreover, the Company continuously summarised its human resources (“HR”) management experiences, optimised HR management systems, established HR management information systems, and improved the proficiency of the management team. These measures assure the Company’s sustainable development.

The Group puts great emphasis on talent training. Based on its strategic development goal, the Company has organised comprehensive trainings to enhance the capability of its employees in all kinds of positions as well as the development courses and management courses to enhance their vocational skill. The Company has established its internal trainer team to enhance the professional skill and comprehensive quality of its employees by adopting diversified methods of online and offline training. The Company has steadily developed its talent pool comprising various professionals so as to provide internal assurance and support for its long-term development.

The Group cares for its employees and always puts employees’ personal safety as priority. Following the ongoing global pandemic, the Group quickly adopted prevention measures and actively coordinated various resources to provide its employees with adequate preventive and protective materials and conduct health testing to safeguard employees’ safety and health.

As at 31 December 2021, the Group had 2,318 employees, who are remunerated according to their qualifications, experience, job nature, performance and with reference to market conditions. Apart from discretionary bonuses, the Group also provides employees with other benefits such as setting up and maintaining a pension scheme pursuant to the laws and regulations in the relevant jurisdictions. During the year under review, in order to further enhance the employee’s sense of belongings and improve medical and health protection schemes, the Group purchased long-term medical insurance and health protection plan for eligible employees. In addition, the Group is committed to providing all employees with equal opportunities in various aspects and making efforts to employees’ continuous education to keep improving employees’ knowledge, skill and engagement. Details of the salaries and other benefits of the employees are set out in note 8 to the financial statements.

人力資源管理

本集團將員工視為企業的寶貴資源，堅持「以人為本」和「量才適用」，把品德、知識、能力和業績作為衡量人才的主要標準，建立起以公開、競爭、擇優為導向的選拔任用機制。於回顧年度內，建立以崗位勝任素質為基礎的管理人員勝任素質評價模型，有效識別優秀高潛人才；不斷總結本公司人力資源管理實踐經驗，優化人力資源管理制度、建立人力資源管理資訊系統、提升管理團隊的專業能力，為本公司的可持續發展提供良好保障。

本集團高度重視人才培養，基於其企業戰略發展目標，制定了針對各類崗位員工通用素質提升的綜合性課程和職業技能提升的發展培訓課程、管理培訓課程，建立了內部講師團隊，採用線上和線下多元化的培訓方式，提升了員工的專業技能及綜合素質，本公司各類人才隊伍穩步推進建設，為本公司長遠發展提供了內在保障支持。

本集團關愛員工，在任何情況下，始終將員工的人身安全放在首位。全球疫情肆虐，本集團快速建立防疫措施，積極協調各項資源，為員工提供充足的防護物資及做好健康檢測，保障員工的安全與健康。

截至二零二一年十二月三十一日，本集團合共僱用2,318名員工。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況釐定。除了酌情花紅外，本集團亦提供其他福利予僱員，包括根據當地法律法規設立和維持退休金計劃等。於回顧年度內，為進一步提高員工的歸屬感，完善醫療健康保障體系，本集團為符合條件的員工購買了長期醫療保險及健康保障計劃。此外，本集團致力在各方面向所有僱員提供平等機會，對僱員的持續教育作出努力，以不斷提升僱員之知識、技能及敬業精神。關於僱員薪酬及其他福利的詳情載於財務報表附註8。

Chief Executive Officer's Report

總裁報告

Principal Risks and Uncertainties

During the year under review, the Group continued with the implementation of the risk management system, establishment of risk identification and assessment procedures, and the adoption and evaluation of risk control measures. Based on the requirements set out in its “Risk Management Policy” and “Risk Management Manual”, the Group has summarised and analysed the principal risks faced during the year under review including policy changing risk, new business investment and market competition risks, environmental compliance and safe production management risks, accounts receivable risk, engineering management risk, staffing risk, financing management risk, cost control risk, technology and innovation risks, and compliance risk.

During the year under review, the PRC government proposed its targets on “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality”, and issued multiple policies on the eco-environment-oriented development (the “EOD”) model. Amidst the new opportunities and challenges presented to the domestic environmental water industry in China, seeking differentiated products and services and discovering new business growth points have become the common issues of major water enterprises. Therefore, the new business investment and market competition risks faced by the Group are on an upward trend. Given the effect of the implementation of internal controls throughout the Group during the year under review and the past years and taking into account the complexity and diversity of external factors of other key risks which are beyond the Group's control, the risk levels of other key risks remain unchanged during the year under review.

主要風險及不確定性

回顧年度內，本集團持續推進風險管理體系建設、風險識別與評估流程建立、風險管控措施落實和評價等相關工作。本集團基於其《風險管理制度》和《風險管理手冊》要求，已匯總及分析回顧年度內面臨的主要風險，包括政策變動風險、新業務投資與市場競爭風險、環境合規與安全生產管理風險、應收賬款風險、工程管理風險、人員配置風險、融資管理風險、成本控制風險、科技與創新風險、合法合規風險。

回顧年度內，中國政府提出「碳達峰」、「碳中和」目標，出台更多關於生態環境導向開發（「EOD」）模式的政策，中國國內環保水務行業面臨新的機遇與挑戰，尋求差異化的產品與服務、探索新的業務增長點成為主要水務企業面臨的共性問題。因此，本集團面臨的新業務投資與市場競爭風險呈上升趨勢；參考回顧年度及過往本集團內部控制的實施效果，並考慮到其他主要風險事項的外部影響因素複雜多樣且本集團不可控，本集團對回顧年度內其他主要風險的風險等級維持不變。

No. 序號	Name of risk 風險名稱	Effectiveness of control measures 管控措施是否有效	Changes of trend in risk level (Note) 風險等級變化趨勢 (附註)
1	Policy changing risk 政策變動風險	Effective 有效	→
2	New business investment and market competition risks 新業務投資與市場競爭風險	Effective 有效	↑
3	Environmental compliance and safe production management risks 環境合規與安全生產管理風險	Effective 有效	→
4	Accounts receivable risk 應收賬款風險	Effective 有效	→
5	Engineering management risk 工程管理風險	Effective 有效	→
6	Staffing risk 人員配置風險	Effective 有效	→
7	Financing management risk 融資管理風險	Effective 有效	→
8	Cost control risk 成本控制風險	Effective 有效	→
9	Technology and innovation risks 科技與創新風險	Effective 有效	→
10	Compliance risk 合法合規風險	Effective 有效	→

Note:

Change of trend in risk level:

- means that the risk level remains unchanged;
↑ means that the risk level is on an upward trend.

During the year under review, the Group has effectively controlled and managed the risks faced.

附註：

風險等級變化趨勢：

- 指該風險等級維持不變；
↑ 指該風險等級呈上升趨勢。

回顧年度內，本集團對面臨的風險進行有效管控。

Chief Executive Officer's Report

總裁報告

1. Policy Changing Risk

The Group is subject to risks associated with changes in regulations and policies in respect of waste water treatment, river-basin ecological restoration, sponge city construction, reusable water, water supply and waste water source heat pump projects in the PRC. During the year under review, the PRC government issued a number of policy documents on the EOD model. This has enabled the EOD model to become a new research headline in the environmental water industry after “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality”. In order to maintain its leading position in the environmental water industry and maintain its stable business growth, the Group is required to continuously monitor the PRC government's environmental policies, and study changes in the market and new industry patterns. During the year under review, the Group actively responded to the PRC government's policies by setting up special teams to study topics such as reduction of pollutants and carbon and carrying out pilot projects such as water resource utilisation and solar energy, while closely monitoring the changes in government policies and market. The existing control measures are effective as a whole and the risk level remains unchanged.

2. New Business Investment and Market Competition Risks

With the intense market competition faced by traditional water projects, the Group needs to expand new business investments. Massive capital and numerous competitors are entering the environmental water industry where the Group operates. If the Group fails to effectively analyse and predict market trends and industry developments in the future, or fails to effectively integrate existing resources based on its own advantages, it will lead to unsatisfactory investment return or unapparent competitive advantages. During the year under review, the Group strengthened its efforts in research and expansion on new businesses and actively explored development opportunities, such as suitable merger and acquisition opportunities, overseas environmental water projects and new business models. The existing control measures are effective as a whole. However, the risk level is on an upward trend due to the intensifying competition of the environmental water industry in China and the direction of new policies issued by the PRC government during the year under review.

1. 政策變動風險

本集團面臨中國污水處理、流域生態修復、海綿城市建設、中水回用、供水及污水源熱泵項目的法規及政策變動有關的風險。中國政府於回顧年度內發佈多項關於EOD模式的政策文件，使其成為繼「碳达峰」、「碳中和」後環保水務行業新的研究熱點。為維持本集團在環保水務行業的領先地位，保持業務穩定增長，本集團需要持續關注中國政府環保政策走向，研究市場與新行業模式變化。回顧年度內，本集團積極響應中國政府政策號召，已成立若干專項團隊研究減污降碳等有關課題，開展水資源利用、光伏發電等項目試點，並密切關注政府政策與市場變化。目前管控措施整體有效，本項風險等級維持不變。

2. 新業務投資與市場競爭風險

傳統水務項目面臨激烈的市場競爭，本集團需要拓展新投資業務。大量資本和競爭對手正在進入本集團所在的環保水務行業，如本集團未來不能有效分析、預估市場趨勢和行業發展情況，或未能就自身優勢特點有效整合現有資源，則會導致投資收益不理想或者競爭優勢不明顯。回顧年度內，本集團加大新業務的研究與拓展力度，積極探索發展契機，如合適的併購機會、境外環保水務項目、新業務模式等。目前管控措施整體有效，但考慮到中國環保水務行業競爭態勢及回顧年度內中國政府新政策導向，本項風險呈上升趨勢。

3. Environmental Compliance and Safe Production Management Risks

During the year under review, the Group was able to control the environmental compliance and safe production management risks, and no major risk incident took place. During the year under review, the PRC government issued and revised various laws and regulations to strengthen the supervisory and enforcement power on environmental compliance and safe production management. This has resulted in the tightening of external regulations. As such and following the increasing number of its construction and operation projects, the Group was exposed to increasingly stringent pressure in environmental compliance and safe production management. If any incident (such as excessive discharge of pollutants or unsatisfactory safety management) caused by the external environment or any human factors occurs, the Group might be subject to liabilities such as administrative penalties, which might affect its reputation and revenue. The existing control measures are effective as a whole. However, the risk level remains unchanged since the Group has a large number of construction and operation projects.

4. Accounts Receivable Risk

Due to its business model, the business, financial condition, operating results and prospects of the Group are significantly affected by the revenue and creditworthiness of the customers of the Group's environmental water projects. If the customers' abilities to settle service charges are affected due to financial difficulties, or the customers delay their payment of service charges, the Group's capital management and profit may be affected. The major customers of the Group are local PRC governments of the places where the environmental water projects are located. During the year under review, the Group was still subject to high accounts receivable risk since the local PRC governments' financial capability was affected by the COVID-19 pandemic. The Group has put in place various measures to strengthen the recovery of accounts receivable. The existing control measures are effective as a whole. However, the risk level remains unchanged due to the uncontrollability of the relevant factors.

3. 環境合規與安全生產管理風險

回顧年度內，本集團環境合規與安全生產管理風險可控，未發生重大風險事件。回顧年度內，中國政府新增、修訂了若干環境合規與安全生產管理方面的法律法規，強化環境合規與安全生產管理的監管與處罰力度，外部監管日漸趨嚴。隨著本集團建設、投運項目日漸增多，本集團所面臨的環境合規和安全生產管理壓力也日趨嚴峻。一旦由於外部環境或個人為因素導致發生污染物排放超標、安全管理不到位等事件，本集團可能面臨行政處罰等法律責任，進而影響本集團的聲譽與收入。目前管控措施整體有效，但考慮到本集團建設、投運項目眾多，本項風險等級維持不變。

4. 應收賬款風險

受限於業務模式，本集團的業務、財務狀況、經營業績及前景受本集團環保水務項目客戶收入、客戶信用情況影響較大。若客戶財務緊張而造成其支付服務費用的能力下降，或者客戶較合同約定的時點延後支付服務費用，將對本集團的資金管理和利潤造成影響。本集團主要客戶為各環保水務項目所在地的中國地方政府。回顧年度內，由於新冠疫情的衝擊，中國地方政府財務能力受到不同程度的影響，本集團面臨的應收賬款風險等級仍然較高。本集團為加強應收賬款回款已採取各類措施，目前管控措施整體有效，但考慮到相關因素不為本集團所控，本項風險等級保持不變。

Chief Executive Officer's Report

總裁報告

5. Engineering Management Risk

Engineering management risk refers to the mismanagement in different areas, such as the safety, quality, progress and budget of engineering constructions, that potentially leads to losses. Such mismanagement could be due to insufficient staff, tight timelines, and failure of contractors to supervise the participating units properly. In relation to the environmental water industry where the Group operates, engineering construction is the paramount factor in ensuring the subsequent stable and up-to-standard operation and cost control of projects. The Group has closely monitored the engineering management, and no major risk incident took place during the year under review. The existing control measures are effective as a whole. However, the risk level remains unchanged due to the large amount of business and a lot of construction units and staff involved as well as the continuity of the COVID-19 pandemic prevention and control.

6. Staffing Risk

The Group relies on the experience and capability of its key management team and qualified staff in managing different businesses. The training of key staff, management and technical personnel is a cyclical process. Due to its business development and the increasingly competitive conditions in the environmental water industry, the Group needs to bring in suitable management and technical talents as and when appropriate to ensure the stable development of the Group's businesses. During the year under review, the Group remained dedicated to talent training and recruitment, implemented management systems such as "Measures on Management of Reserve Talents" and "Measures on Assessment and Recruitment of Professional and Technical Staff", established and refreshed the talent pool, organised professional training regularly, and strengthened the effort on external recruitment for a few relatively remote projects. The existing control measures are effective as a whole, and during the year under review, the team was stable and all relevant works were carried out in an orderly manner. The risk level remains unchanged.

5. 工程管理風險

工程管理風險是指，由於人員配置不足、工期緊張、總承包方對參建單位管理不到位等原因，在工程安全、質量、進度、預算等方面可能存在管理缺陷，從而發生損失的風險。本集團所在的環保水務行業，項目相關工程建設對於項目後續穩定達標運行、成本控制有著重要影響。本集團一直就工程管理事項重點監控，回顧年度內未發生重大風險事項。目前管控措施整體有效，但考慮到相關業務金額較大、參建單位與人員眾多、新冠疫情防控的持續性，本項風險等級保持不變。

6. 人員配置風險

本集團依賴主要管理團隊及合資格人員的經驗與能力來管理各項業務。關鍵崗位和管理與技術人才的培養具有一定週期性，隨著本集團業務發展及其所在的環保水務行業競爭加劇，為確保本集團業務穩定發展，本集團需要適時補充合適的管理與技術人才。回顧年度內，本集團持續致力於人才培養與招聘工作，已執行《後備幹部管理辦法》和《專業技術職務評聘管理辦法》等管理制度，建立並更新後備人才庫，定期開展專業培訓，對於少量位置相對偏遠的項目已加大外部招聘力度。目前管控措施整體有效，回顧年度內本集團員工隊伍基本穩定、相關工作有序開展，本項風險等級保持不變。

7. Financing Management Risk

In order to maintain its competitiveness and implement growth strategies, the Group is required to have sufficient capital resources. In view of the industry model, the Group spends a large sum of monies in construction during the early stage of projects and gradually receives cash flow during the operation process at the later stage. If it fails to reasonably control the finance cost or fails to obtain a reasonable amount of financings from the financial market as and when needed, the Group may face difficulties in carrying out business and achieving its profit target. To ensure that the Group maintains a sufficient capital reserve and good control of finance cost, the Group, during the year under review, continued monitoring the domestic and overseas financing environment and the trend of the RMB exchange rate, adjusting the Group's borrowing structure as appropriate, and strictly controlling the use of capital. The existing control measures are effective as a whole and the risk level remains unchanged.

8. Cost Control Risk

The Group's business involves engineering construction and operation relating to environmental water projects. Substantial changes in the costs of relevant raw materials, energy, financing and labour would adversely affect the profit of the Group. During the year under review, due to the COVID-19 pandemic and relevant policy adjustments by the PRC government, the prices of certain raw materials and energy required for the Group's construction and operation substantially fluctuated. This led to an adverse impact on the Group's cost control. The Group continuously optimised the tender and procurement systems and procedures, and adopted various measures to control procurement costs and ensure procurement quality. In addition, it strengthened budget management, strictly controlled project investment and operation costs, and conducted regular evaluations. The existing control measures are effective as a whole and the risk level remains unchanged.

9. Technology and Innovation Risks

During the year under review, the competition in the environmental water industry in which the Group operates became very intense and the PRC government continuously promulgated new policy documents on environmental protection and ecological management. This has accelerated the Group's urgency in bringing technological innovation to drive business development. The Group, during the year under review, continuously strengthened its efforts and allocated resources in research and development of relevant technologies, proactively brought in technology specialists and facilitated the technological transformation and project application, with a view to pursuing technology-driven development. The existing control measures are effective as a whole. However, the risk level remains unchanged since the technology research and innovation is a time-consuming process and its outcome may not meet the expectation.

7. 融資管理風險

維持本集團的競爭力及實施發展戰略均要求本集團具備充足的資金資源。受限於行業模式，本集團業務一般需要在項目前期投入大量資金建設，並在後續運營過程中陸續取得現金流。如果本集團不能合理管控融資成本、不能適時在金融市場完成合理規模的融資，可能導致本集團相關業務開展與利潤籌劃目標難以實現。回顧年度內，本集團持續關注國內外融資環境，持續監測人民幣匯率變動走勢，適時調整本集團貸款結構，嚴控資金使用，確保本集團資金儲備充足與融資成本可控。目前管控措施整體有效，本項風險等級保持不變。

8. 成本控制風險

本集團業務涉及環保水務項目的工程建設、運營等事項，如相關原材料、能源、財務、人工等成本的市場價格發生較大變化，將對本集團的利潤造成不利影響。回顧年度內，由於新冠疫情和中國政府相關政策調整，本集團部分建設、運營所需原料以及能源價格有較大波動，對本集團成本控制造成一定影響。本集團已持續完善招標採購制度與流程，採取各項措施控制採購成本和確保採購質量；同時強化預算管理，嚴控項目投資與運營成本，並實施定期考核。風險管控措施整體有效，本項風險等級保持不變。

9. 科技與創新風險

隨著本集團所在的環保水務行業競爭加劇，中國政府於回顧年度內在環境保護與生態治理領域相關新政策文件的持續發佈，本集團對於科技創新以帶動業務發展的需求日益迫切。回顧年度內，本集團持續投入精力與資源研發業務技術，積極嘗試引進專業技術人才、推動技術成果轉化以及項目應用，堅持科技引領發展。目前管控措施整體有效，但由於相關科研與創新工作週期較長，科研成果可能未如預期理想，本項風險等級保持不變。

Chief Executive Officer's Report

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10. Compliance Risk

The Group has established a relatively comprehensive compliance procedure, including the provision of effective legal protection through internal legal personnel and external legal experts, to ensure relevant matters are effectively reviewed and handled. During the year under review, the Group strictly complied with the requirements of the relevant PRC laws and regulations, the Rules Governing the Listing of Securities on the SEHK (the “**SEHK Listing Rules**”), the listing manual of SGX (the “**SGX Listing Manual**”) and relevant industry specifications, and achieved a good compliance record. The existing control measures are effective as a whole and the risk level remains unchanged.

Environmental and Social Management

With a focus on environmental protection, the Group is committed to actively promoting national ecological civilisation and sustainable urban development through its high-quality water environment management business. The Group has been actively evaluating its environmental and social performance based on internationally recognised standards, including the World Bank Group's *Environmental, Health, and Safety Guidelines*, and has been submitting annual monitoring reports to International Finance Corporation since 2016. Such monitoring reports cover all projects of the Group, including projects in the preparatory stage, projects under construction, projects that completed construction and projects in operation. All of the Group's projects have obtained or are actively applying for international management standard certificates, including ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and ISO 45001 Occupational Health and Safety Management System. In addition, the Group will identify and evaluate the project's environmental and social risks prior to investment so as to effectively control environmental and social risks, and ensure that the requisite administrative permissions and approvals, such as environmental impact assessment approvals, are duly obtained before commencing construction.

10. 合法合規風險

本集團已建立較為完善的法律合規實踐，通過內部法律人員與外聘法律專家兩方面提供有效法律保障，確保相關事項均能得到有效的審核與處理。回顧年度內，本集團一直嚴格遵守中國有關法律法規、聯交所證券上市規則（「**聯交所上市規則**」）、新交所的上市手冊（「**新交所上市手冊**」）、相關行業規範等要求，擁有良好的合規記錄。目前管控措施整體有效，本項風險等級保持不變。

環境與社會管理

本集團心繫環保，致力透過優質的水環境治理業務，積極推動國家生態文明建設與城市可持續發展。本集團積極按照世界銀行集團《環境、健康和安全管理指南》等國際認可的標準評估其環境及社會表現，並自二零一六年起每年向國際金融公司提交監測報告。該等監測報告涵蓋本集團的所有項目，包括籌建項目、在建項目、建成完工項目及運營項目。本集團旗下所有項目均已獲得或正在積極申請各類相關體系國際管理證書，包括ISO 9001質量管理體系、ISO 14001環境管理體系及ISO 45001職業健康安全管理体系。此外，本集團在投資項目之前均會識別和評估環境及社會風險，以有效控制環境及社會風險；並確保建設項目於施工前獲得環評批覆等必需的行政許可及批覆文件。

In order to protect the environment, prevent and control pollution and other public nuisances, protect public health and promote ecological civilisation, sustainable economic and social development, the Group strictly complies with the PRC's laws, regulations and standards related to environmental protection, safe production, occupational health and social responsibility. Key laws, regulations, and standards applicable to the Group include *Environmental Protection Law of the PRC*, *Water Pollution Prevention and Control Law of the PRC*, *Marine Environment Protection Law of the PRC*, *Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes*, *Law of the PRC on Environmental Impact Assessment*, *Law of the PRC on Prevention and Control of Environmental Noise Pollution*, *Atmospheric Pollution Prevention and Control Law of the PRC*, *Work Safety Law of the PRC*, *Labour Law of the PRC*, *Social Insurance Law of the PRC*, *Discharge Standard for Pollutants of Municipal Wastewater Treatment Plants (GB18918-2002)* and the relevant discharge standards for pollutants prescribed by local governments, etc. In addition, the Group is committed to continually improving the water environmental conditions of the places at which the Group's projects are located, with all the projects in operation complying with the Grade 1A or higher standard under the *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant (GB18918-2002)*. The Group's projects greatly minimise the environmental damage caused by waste water discharge, protect public health and promote sustainable development of the water environment. No breach of these laws and regulations which resulted in any significant loss or impact to the Group was recorded in FY2021.

The Group implements and organically integrates the comprehensive ESHS Management System and Risk Management System into its daily operations management, and makes timely and comprehensive information disclosure. This will ensure that the Group's management structure and core values in social responsibility, as well as risk management, are safeguarded and applied across various business units at all times. In FY2021, the Group continued implementing the ESHS Management System at all levels, covering all of its employees, on-site third party contractors and subcontractors. This is to standardise the internal management and risk control in all aspects, continuously optimise the management system, and strengthen emergency response ability, for the purpose of sustainable development. The system also minimises the environmental, safety, health and social impacts on the project areas.

為保護和改善環境、防治污染和其他公害、保障公眾健康、推動生態文明建設以及經濟和社會的可持續發展，本集團嚴格遵守中國制定的環境保護、安全生產、職業健康與社會責任相關的法律、法規和標準，包括《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國海洋環境保護法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國環境影響評價法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國安全生產法》、《中華人民共和國勞動法》、《中華人民共和國社會保險法》、《城鎮污水處理廠污染物排放標準》（GB18918-2002）以及地方政府制定的相關污染物排放標準等。同時，本集團致力持續改善項目所在地區的水環境狀態，各運營項目的出水各項指標均符合或優於《城鎮污水處理廠污染物排放標準》（GB18918-2002）的一級A標準，大幅度降低污水排放對環境造成的影響，保障公眾健康和水環境的可持續發展。於二零二一財政年度，本集團沒有因違反這些法律及規例而造成重大損失和影響的記錄。

本集團實施全面的ESHS管理體系和風險管理體系，並將其與日常經營管理有機結合，進行適時全面的信息披露，以此為本集團的管理架構保駕護航並確保本公司各項業務在社會責任和風險管理方面的核心價值始終如一。於二零二一財政年度，本集團持續在各級單位均實施ESHS管理體系，並涵蓋旗下所有員工、駐場第三方承包商及分包商，以規範各個環節的內部管理及風險管控，並持續優化完善管理體系和強化應急能力，推動可持續發展。該體系亦同時保障項目對當地環境、安全、健康和社會方面的影響被降至最低。

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The Group is determined on disclosing transparent, reliable and consistent operation performance information to the public by proactively uploading such information to its corporate website or any other websites designated by the government authorities for public checking and scrutiny, including environmental impact assessment reports, annual environmental monitoring plans, environmental emergency preparedness and response plans, and monitoring results of effluent discharge/odour emissions/noise/sludge, etc. This demonstrates the Group's willingness to undertake greater social and environmental responsibilities and accept public scrutiny to actively promote sustainable development.

Furthermore, to respond to the national initiatives, the Group has been active at the forefront of environmental science popularisation and education enhancing the public awareness of water environmental protection and the soft power of community sustainable development. The Group continued opening up its waste water treatment facilities and plant areas to the public, enhancing its role as an environmental protection publicity base which integrates public visits, practice and training. Provided that the local requirements relating to pandemic prevention and control are complied with and all the safety measures are in place, certain projects have resumed physical visits by the public. In FY2021, a total of 31 projects of the Group had been officially opened to the public and received 9,430 visitors in 267 batches in aggregate. The Group continues actively organising public visits through both online and offline methods. In particular, the Group offered the public to virtually visit its waste water treatment facilities by using various methods, such as: uploading videos to the official media, playing pre-recorded videos and live streaming, for a wider outreach. Such methods attracted more than 550,000 online views during FY2021. At the same time, the Group, in collaboration with local environmental protection, technology associations and government organisation, encourages the public to treasure and conserve water and gain environmental protection knowledge. Such activities also aimed to enhance public awareness and responsibility relating to environmental protection. A total of 13 projects of the Group were awarded with the honorary titles of "Environmental Education Hub" or "Science Popularisation and Education Hub" at the national, provincial and municipal levels and 2 projects were awarded with the title of "Open Day Promotion and Education Centre".

本集團堅持為公眾披露透明、可靠和一致的運營表現，將相關項目運營環境信息上載到本公司網站或當地政府主管部門指定的網站供公眾查閱和監督，包括環評報告、年度環境監測計劃、突發環境事件應急預案、廢水/廢氣/噪聲/污泥監測結果等，展示出本集團勇於承擔更多社會及環境責任，接受來自公眾的監督，積極推動可持續發展。

此外，本集團積極響應國家號召，長期活躍在環保科普教育的前沿，增強公眾在水資源領域的環保意識，提升社區可持續發展軟實力。本集團將旗下污水處理設施及廠區打造集參觀、實踐、培訓為一體的環保宣傳基地，持續面向公眾開放。根據當地疫情防控政策要求，在確保安全的前提下，各公眾開放項目組織線下公眾開放接待參觀活動。於二零二一財政年度，本集團已有31個項目向公眾正式開放，這些項目共接待267批次公眾參觀，合計9,430人次。本集團繼續以線上線下相結合的方式積極實行公眾開放，通過官方媒體、視頻錄製播放、現場直播等多種方式進行污水處理設施「雲開放」，擴大線上參觀受眾面。於二零二一財政年度，線上參觀瀏覽人數超過55萬人次；同時聯同當地環保、科技協會及政府機構等展開環保教育活動，號召廣大民眾惜水愛水及增加環保科普知識，激發公眾參與環境保護的意識和責任感。本集團共有13個項目獲封為國家、省、市級「環境教育基地」或「科普教育基地」，另有2個項目榮獲「公眾開放宣傳教育中心」榮譽稱號。

Dividend

(a) Current financial year reported on

Any dividend declared for the current financial year reported on?
Yes

As part of the Directors' continuing efforts to enhance the Shareholder's return, the Directors have recommended a final dividend of HK6.83 cents (equivalent to 1.19 Sing cents) per ordinary share for FY2021, which is subject to the approval by the Shareholders at the forthcoming annual general meeting to be held on or around 26 April 2022 (Tuesday) (the "AGM").

Name of Dividend	股息名稱	FY2021 Proposed Final Dividend	二零二一財政年度建議末期股息
Dividend Type	股息種類	Cash	現金
Dividend Amount	股息金額	HK6.83 cents (equivalent to 1.19 Sing cents) per ordinary share	每股普通股6.83港仙 (等值1.19新分)
Tax Rate	稅率	One-Tier Tax Exempt	一級稅項豁免

(b) Corresponding period of the immediately preceding financial year

Name of Dividend	股息名稱	FY2020 Final Dividend	二零二零財政年度末期股息
Dividend Type	股息種類	Cash	現金
Dividend Amount	股息金額	HK6.07 cents (equivalent to 1.04 Sing cents) per ordinary share	每股普通股6.07港仙 (等值1.04新分)
Tax Rate	稅率	One-Tier Tax Exempt	一級稅項豁免

(c) Date payable

Subject to the Shareholders' approval, the FY2021 Proposed Final Dividend will be paid on or around 18 May 2022 (Wednesday).

(d) Books closure date

Details on closure of books are set out in the section below entitled "Closure of Register of Transfer and Register of Members – (b) For determining the entitlement to the FY2021 Proposed Final Dividend".

股息

(a) 本報告財政年度

是否就本呈報財政年度宣告任何股息？
是

董事會一直致力於提升股東回報，並已推薦就二零二一財政年度派發末期股息每股普通股6.83港仙（等值1.19新分），惟須待股東於二零二二年四月二十六日（星期二）或前後舉行的應屆股東週年大會（「應屆股東週年大會」）上批准。

(b) 上一財政年度的相應期間

(c) 派息日

待股東批准後，二零二一財政年度建議末期股息將於二零二二年五月十八日（星期三）或前後派付。

(d) 登記截止日

關於登記截止日的詳情載於下文「暫停辦理股份過戶登記手續和暫停更新股東登記冊 – (b) 釐定享有二零二一財政年度建議末期股息的資格」一節。

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Annual General Meeting

The AGM is expected to be held on or around 26 April 2022 (Tuesday). The notice of the AGM will be published on the SGXNet and the websites of the Company and HKEx and despatched to the Shareholders in due course.

Closure of Register of Transfer and Register of Members

(a) For determining the entitlement to attend and vote at the AGM

For Singapore Shareholders

The Register of Transfer and Register of Members of the Company will be closed at 5:00 p.m. on 20 April 2022 (Wednesday) for the purpose of determining the entitlement of Singapore Shareholders to attend and vote at the AGM. Duly completed registrable transfers received by the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5:00 p.m. on 20 April 2022 (Wednesday) will be registered to determine Singapore Shareholders' entitlements to attend and vote at the AGM.

For Hong Kong Shareholders

The Hong Kong branch register of members of the Company will be closed from 21 April 2022 (Thursday) to 26 April 2022 (Tuesday), both days inclusive, for the purpose of determining the entitlement of Hong Kong Shareholders to attend and vote at the AGM. Duly completed registrable transfers of Shares received by the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, up to 4:30 p.m. (Hong Kong time) on 20 April 2022 (Wednesday), will be registered to determine Hong Kong Shareholders' entitlements to attend and vote at the AGM.

應屆股東週年大會

應屆股東週年大會預期將於二零二二年四月二十六日（星期二）或前後舉行。應屆股東週年大會通知將於適當時候在SGXNet和本公司及港交所網站刊發以及寄發予股東。

暫停辦理股份過戶登記手續和暫停更新股東登記冊

(a) 釐定出席應屆股東週年大會並於會上投票的資格

對於新加坡股東

本公司將於二零二二年四月二十日（星期三）下午五時正暫停辦理股份過戶登記手續，以釐定新加坡股東出席應屆股東週年大會並於會上投票的資格。本公司新加坡股份轉讓代理寶德隆企業與諮詢服務有限公司（地址為新加坡港灣道1號吉寶灣大廈#14-07室，郵編：098632）於二零二二年四月二十日（星期三）下午五時正前收到的已正式填妥可登記股份過戶文件將予登記，以釐定新加坡股東享有出席應屆股東週年大會並於會上投票的資格。

對於香港股東

本公司將於二零二二年四月二十一日（星期四）至二零二二年四月二十六日（星期二）止期間（首尾兩天包括在內）暫停辦理香港股東名冊分冊的股份過戶登記手續，以釐定香港股東出席應屆股東週年大會並於會上投票的資格。本公司的香港股份過戶登記處寶德隆證券登記有限公司（地址為香港北角電氣道148號21樓2103B室）於二零二二年四月二十日（星期三）下午四時三十分（香港時間）前收到的已正式填妥可登記股份過戶文件將予登記，以釐定香港股東享有出席應屆股東週年大會並於會上投票的資格。

(b) For determining the entitlement to the FY2021 Proposed Final Dividend

For Singapore Shareholders

The Register of Transfer and Register of Members of the Company will be closed at 5:00 p.m. (Singapore time) on 29 April 2022 (Friday) being the Singapore Books Closure Date for the purpose of determining the entitlement of the Singapore Shareholders to the FY2021 Proposed Final Dividend.

Duly completed registrable transfers of Shares received by the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5:00 p.m. (Singapore time) on 29 April 2022 (Friday) will be registered before entitlements to the FY2021 Proposed Final Dividend are determined. Members whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5:00 p.m. (Singapore time) on 29 April 2022 (Friday) will rank for the FY2021 Proposed Final Dividend.

For Hong Kong Shareholders

The Hong Kong branch register of members of the Company will be closed from 3 May 2022 (Tuesday) to 5 May 2022 (Thursday), both days inclusive, during this period no transfer of shares will be registered. Shareholders whose names appear on the Hong Kong branch register of members of the Company as at 4:30 p.m. (Hong Kong time) on 29 April 2022 (Friday) will be entitled to the FY2021 Proposed Final Dividend.

Duly completed registrable transfers of Shares received by the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, up to 4:30 p.m. (Hong Kong time) on 29 April 2022 (Friday), will be registered before entitlements to the FY2021 Proposed Final Dividend are determined.

(b) 釐定享有二零二一財政年度建議末期股息的資格

對於新加坡股東

本公司將於二零二二年四月二十九日（星期五）（即新加坡暫停辦理股份過戶登記日期）下午五時正（新加坡時間）暫停辦理股份過戶登記手續，以釐定新加坡股東享有二零二一財政年度建議末期股息的資格。

本公司新加坡股份轉讓代理寶德隆企業與諮詢服務有限公司（地址為新加坡港灣道1號吉寶灣大廈#14-07室，郵編：098632）於二零二二年四月二十九日（星期五）下午五時正（新加坡時間）前收到的已填妥之可登記股份過戶文件將予登記，以釐定享有二零二一財政年度建議末期股息的資格。於二零二二年四月二十九日（星期五）下午五時正（新加坡時間），在中央託收私人有限公司開設的證券戶口記存有股份的股東將獲派二零二一財政年度建議末期股息。

對於香港股東

本公司將於二零二二年五月三日（星期二）至二零二二年五月五日（星期四）止期間（首尾兩天包括在內）暫停辦理香港股東名冊分冊的股份過戶登記手續，期間將不會進行股份過戶登記。於二零二二年四月二十九日（星期五）下午四時三十分（香港時間）名列本公司香港股東名冊分冊的股東將有權享有二零二一財政年度建議末期股息。

本公司的香港股份過戶登記處寶德隆證券登記有限公司（地址為香港北角電氣道148號21樓2103B室）於二零二二年四月二十九日（星期五）下午四時三十分（香港時間）前收到的已填妥之可登記股份過戶文件將予登記，以釐定享有二零二一財政年度建議末期股息的資格。

Chief Executive Officer's Report

總裁報告

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities for the year ended 31 December 2021.

Convertibles, Preference Shares and Treasury Shares

The Company did not have any outstanding convertibles, preference shares and treasury shares as at 31 December 2021 and 2020. During the year ended 31 December 2021, there were no sales, transfers, disposal, cancellation and/or use of treasury shares.

MR. TAO JUNJIE

Executive Director and CEO

8 March 2022

購買、出售或贖回上市證券

本公司或任何其附屬公司概無於截至二零二一年十二月三十一日止年度購買、出售或贖回任何其上市證券。

可轉換權益工具、優先股及庫存股份

於二零二一年及二零二零年十二月三十一日，本公司並無任何尚未行使的可轉換權益工具、優先股及庫存股份。於截至二零二一年十二月三十一日止年度，概無銷售、轉讓、處置、註銷及/或動用庫存股份。

陶俊杰先生

執行董事兼總裁

二零二二年三月八日

An aerial photograph of a boat moving through the ocean, leaving a large, circular, white wake behind it. The water is a deep blue, and the wake is a bright, frothy white. The boat is small and positioned at the bottom center of the circular wake. The overall scene is viewed from directly above, creating a symmetrical, circular pattern in the water.

WORK TOGETHER

for a **Bright Future**

攜手同行 共築美好

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Hu Yanguo (Chairman)
Mr. Tao Junjie (Chief Executive Officer)
Mr. Luo Junling (Chief Financial Officer)

Independent Non-Executive Directors

Mr. Zhai Haitao
Mr. Lim Yu Neng Paul
Ms. Cheng Fong Yee
Ms. Hao Gang

AUDIT COMMITTEE

Mr. Lim Yu Neng Paul (Chairman)
Mr. Zhai Haitao
Ms. Cheng Fong Yee
Ms. Hao Gang

REMUNERATION COMMITTEE

Ms. Cheng Fong Yee (Chairman)
Mr. Zhai Haitao
Mr. Lim Yu Neng Paul

NOMINATING COMMITTEE

Mr. Zhai Haitao (Chairman)
Mr. Hu Yanguo
Mr. Lim Yu Neng Paul

STRATEGY COMMITTEE

Mr. Hu Yanguo (Chairman)
Mr. Tao Junjie
Mr. Luo Junling
Ms. Hao Gang

JOINT COMPANY SECRETARIES

Ms. Peng Pei (ACG, ACS)
Ms. Ho Wing Tsz Wendy (FCG, FCS(PE))

REGISTERED OFFICE

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Fax: 86-755-8299 9200
Email: info@ebwater.com

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董事會

執行董事

胡延國先生 (董事長)
陶俊杰先生 (總裁)
羅俊嶺先生 (首席財務官)

獨立非執行董事

翟海濤先生
林御能先生
鄭鳳儀女士
郝剛女士

審計委員會

林御能先生 (主席)
翟海濤先生
鄭鳳儀女士
郝剛女士

薪酬委員會

鄭鳳儀女士 (主席)
翟海濤先生
林御能先生

提名委員會

翟海濤先生 (主席)
胡延國先生
林御能先生

戰略委員會

胡延國先生 (主席)
陶俊杰先生
羅俊嶺先生
郝剛女士

聯席公司秘書

彭珮女士 (ACG, ACS)
何詠紫女士 (FCG, FCS(PE))

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BERMUDA SHARE REGISTRAR

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

SINGAPORE SHARE TRANSFER AGENT

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue, #14-07 Keppel Bay Tower
Singapore 098632

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
2103B, 21/F., 148 Electric Road, North Point
Hong Kong

AUDITOR

Ernst & Young LLP
(Recognised Public Interest Entity Auditor)
One Raffles Quay, North Tower, Level 18
Singapore 048583
Partner-in-charge: Mr. Alvin Phua Chun Yen
(Appointed in Financial Year 2017)

LEGAL ADVISORS

Allen & Gledhill LLP
Li & Partners
China Commercial Law Firm

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited
Bank of Communications Co., Ltd.
Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
China Construction Bank Corporation
DBS Bank Limited, Hong Kong Branch
Far Eastern International Bank
Industrial and Commercial Bank of China Limited
Mizuho Bank, Ltd., Hong Kong Branch

PUBLIC RELATIONS

Citigate Dewe Rogerson

WEBSITE

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STOCK CODES

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百慕達股份過戶登記處

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Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

新加坡股份轉讓代理

寶德隆企業與諮詢服務有限公司
新加坡港灣道1號吉寶灣大廈#14-07室
郵編：098632

香港股份過戶登記處

寶德隆證券登記有限公司
香港北角電氣道148號
21樓2103B室

審計師

Ernst & Young LLP
(認可公眾利益實體核數師)
新加坡萊佛士碼頭1號北座18樓
郵編：048583
主管合夥人：潘俊彥先生
(於二零一七財政年度獲聘)

法律顧問

艾倫格禧律師事務所
李偉斌律師行
華商律師事務所

主要銀行

中國農業銀行股份有限公司
中國銀行(香港)有限公司
中國銀行股份有限公司
交通銀行香港分行

中國建設銀行(亞洲)股份有限公司
中國建設銀行股份有限公司
星展銀行香港分行
遠東國際商業銀行
中國工商銀行股份有限公司
瑞穗銀行香港分行

公關顧問

哲基傑訊

電子網站

www.ebwater.com

股份代號

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Financial Highlights

財務摘要

RESULTS 業績		FY2021 二零二一 財政年度	FY2020 二零二零 財政年度	PERCENTAGE CHANGE FY2021 VS FY2020 二零二一財政年度 對比 二零二零財政年度 變動百分比
		HK\$'000 千港元	HK\$'000 千港元	
Revenue	收入	6,912,371	5,663,292	22%
Gross Profit	毛利	2,801,589	2,200,536	27%
EBITDA	除利息、稅項、折舊及 攤銷前盈利	2,245,235	1,931,379	16%
Profit Attributable to Equity Holders of the Company	本公司權益持有人 應佔盈利	1,200,329	1,024,271	17%
Return on Shareholders' Equity (%)	股東資金回報率 (%)	10.7	10.6	0.1ppt
Basic Earnings per Share (HK cents)	每股基本盈利 (港仙)	41.96	35.80	17%
Total Dividend per Share (HK cents) (equivalent to Sing cents)	每股全年股息 (港仙) (等值新分)	12.58 2.20	9.81 1.71	28% 29%

FINANCIAL POSITION 財務狀況		31 DECEMBER 2021 二零二一年 十二月 三十一日	31 DECEMBER 2020 二零二零年 十二月 三十一日	PERCENTAGE CHANGE 31 DECEMBER 2021 VS 31 DECEMBER 2020 二零二一年 十二月三十一日對比 二零二零年 十二月三十一日 變動百分比
		HK\$'000 千港元	HK\$'000 千港元	
Total Assets	總資產	32,969,256	26,907,534	23%
Total Liabilities	總負債	19,806,024	15,501,675	28%
Equity Attributable to Equity Holders of the Company	本公司權益持有人 應佔權益	11,870,083	10,534,293	13%
Net Asset Value per Share (HK\$)	每股資產淨值 (港元)	4.15	3.68	13%
Gearing Ratio (Total Liabilities/Total Assets) (%)	資產負債率 (總負債/總資產) (%)	60.1	57.6	2.5ppt

REVENUE HK\$'000
收入 千港元

6,912,371

FY2021
二零二一財政年度



5,663,292

FY2020
二零二零財政年度



5,550,773

FY2019
二零一九財政年度



**PROFIT ATTRIBUTABLE TO EQUITY
HOLDERS OF THE COMPANY** HK\$'000
本公司權益持有人應佔盈利 千港元

1,200,329



1,024,271



833,483



BASIC EARNINGS PER SHARE HK cents
每股基本盈利 港仙

41.96

40 —
35 —
30 —
25 —
20 —
15 —
10 —
0 —



FY2021
二零二一財政年度

35.80



FY2020
二零二零財政年度

30.07



FY2019
二零一九財政年度

NET ASSET VALUE PER SHARE HK\$
每股資產淨值 港元

4.15

4.0 —
3.5 —
3.0 —
2.5 —
2.0 —
1.5 —
1.0 —
0.5 —
0 —



31 December 2021
二零二一年十二月三十一日

3.68



31 December 2020
二零二零年十二月三十一日

3.08



31 December 2019
二零一九年十二月三十一日

Corporate Milestones

企業里程碑

FIRST QUARTER OF 2021

二零二一年第一季度



Mauritius St. Martin Waste Water Treatment Plant Operation and Management Project
毛里求斯聖馬丁污水處理廠委託運營項目

- Issued the second tranche of MTN to institutional investors in the national inter-bank bond market of mainland China (the “**Institutional Investors**”), with a principal amount of RMB1 billion and an interest rate of 3.75% per annum
- Purchased majority equity Interest in Tianjin Huantang, exploring the mixed-ownership reform of China’s state-owned enterprises and tapping into Tianjin’s water market
- Won the bid for St. Martin Waste Water Treatment Plant Operation and Management Project in Mauritius, laying a good foundation for the Company’s further expansion in overseas markets
- Announced FY2020 annual results, with profit attributable to equity holders of the Company increasing by 23% year on year
- Launched environmental protection charitable activities that were themed with “Living in Harmony with Water and Protecting Our Home Planet” in celebration of the “World Water Day” and the “China Water Week”
- 於中國境內向全國銀行間債券市場機構投資者（「**機構投資者**」）發行本金為10億元人民幣的第二期中期票據，發行年利率3.75%
- 購買天津環塘多數股權，探索國有企業混合所有制改革模式，佈局天津市水務市場
- 中標毛里求斯聖馬丁污水處理廠委託運營項目，為本公司進一步突破海外市場奠定良好基礎
- 公佈二零二零財政年度全年業績，本公司權益持有人應佔盈利較二零一九財政年度錄得23%增長
- 圍繞「世界水日」和「中國水週」，開展以「和諧人水 守護家園」為主題的環保公益活動



In conjunction with the “World Water Day” and the “China Water Week”, Everbright Water (Ji’nan) Limited played an animated video titled “The Journey of a Water Droplet” via the WeChat platform, explaining to the public how waste water is treated at the waste water treatment plant

光大水務（濟南）有限公司圍繞「世界水日」和「中國水週」，通過微信平台，播放動畫短片「一滴水的旅行」，帶領民眾進入污水處理廠，了解污水處理過程

SECOND QUARTER OF 2021 二零二一年第二季度



Trophy for the "Top Ten Influential Enterprise in China's Water Industry" Award
「中國水業十大影響力企業」獎盃

- Named as a "Top Ten Influential Enterprise in China's Water Industry", as announced by E20 Environment Platform annually, for the fourth consecutive year
- Jiangsu Zhenjiang Sponge City Construction PPP Project ("Zhenjiang Sponge City Project") of the Group was shortlisted as Top 5 and granted an Honorary Mention in the Building Back Better Infrastructure Award 2021 organised by UNECE
- Launched various environmental protection charitable activities, such as the Science Popularisation Lecture and the Kids Craft Contest, with the theme of "Building a Beautiful World Together on the Blue Planet", in conjunction with the "World Environment Day"
- 連續第四年榮登E20環境平台年度「中國水業十大影響力企業」榜單
- 旗下江蘇鎮江海綿城市建設PPP項目（「鎮江海綿城市項目」）入圍聯合國歐經會二零二一年「更好重建」基礎設施獎項評選五強，並獲得榮譽提名獎
- 圍繞「世界環境日」，以「藍色星球共築美好」為主題，推出科普大講堂、少兒環保手工創作比賽等內容豐富的環保科普活動



In conjunction with the "World Environment Day", the Group partnered with Shandong Society for Environmental Sciences in providing the Environmental Science Popularisation Lecture

圍繞「世界環境日」，本集團與山東環境科學學會聯合舉辦環境科普大講堂活動



UNECE's Honorary Mention certificate for Zhenjiang Sponge City Project

聯合國歐經會授予鎮江海綿城市項目的榮譽提名證書

Corporate Milestones

企業里程碑

THIRD QUARTER OF 2021

二零二一年第三季度



Shandong Binzhou Boxing Waste Water Treatment Project Upgrading
山東濱州博興污水處理項目提標改造工程

- Issued the first tranche of SCP to the Institutional Investors, with a principal amount of RMB800 million and an interest rate of 2.4% per annum
- The Company's in-plant solar energy pilot program, which was implemented at Shandong Zibo Waste Water Treatment Project ("**Zibo Project**"), was connected to the power grid and began to generate electricity, providing the relevant experience for future promotion of the pilot program
- Mr. Hu Yanguo appointed as Executive Director and Chairman of the Company and Mr. Tao Junjie appointed as Executive Director and Chief Executive Officer of the Company, both with effect from 5 October 2021
- 向機構投資者發行本金為8億元人民幣的首期超短期融資券，發行年利率2.4%
- 於旗下山東淄博污水處理項目（「**淄博項目**」）進行的「廠內光伏」試點併網發電，為相關試點工作的進一步推廣提供有益經驗
- 胡延國先生獲任本公司執行董事兼董事長，陶俊杰先生獲任本公司執行董事兼總裁，該等任職自二零二一年十月五日起生效



The in-plant solar energy pilot program at Zibo Project
淄博項目廠內光伏試點項目

FOURTH QUARTER OF 2021 二零二一年第四季度



Trophies granted by the Hong Kong Corporate Governance and ESG Excellence Awards 2021
二零二一年度「香港公司管治與環境、社會及管治卓越獎」雙項大獎獎盃



Certificate issued by the Best Corporate Governance and ESG Awards 2021
二零二一年度「最佳企業管治與環境、社會及管治大獎」證書



Certificate for the second prize of the 2020 State Scientific and Technological Progress Award
二零二一年度「國家科學技術進步獎」二等獎獎狀

- The project on “Key Technologies and Applications for Intelligent Monitoring and Optimal Operation of Municipal Waste Water Treatment Plants”, in which Everbright Water (Shenzhen) Limited under the Group joined as a key participant, received the second prize of the 2020 State Scientific and Technological Progress Award
- Secured Hebei Cangzhou Huanghua Waste Water Treatment Plants PPP Project, marking the Company’s breakthrough in Hebei Province’s water market and solidifying its business portfolio in Beijing-Tianjin-Hebei Region
- Signed a framework agreement for Shandong Qingdao Maidao Waste Water Treatment Plant Expansion and Upgrading Project, to transform the project into an iconic “community-friendly” project that integrates high-quality water treatment facilities and a neighbourhood-friendly park
- Received the “ListCo Excellence Award” for the second consecutive year by organisations including the Hong Kong stock channel of *ifeng.com* and Hong Kong media *am730*
- Received the “Award of Excellence in Corporate Governance” and the “Award of Excellence in ESG” under the category of newly-listed companies in the “Hong Kong Corporate Governance and ESG Excellence Awards 2021”, which was jointly organised by the Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy of Hong Kong Baptist University
- Given “A Special Mention for ESG” in the Non-Hang Seng Index (Small Market Capitalisation) Category of the “Best Corporate Governance and ESG Awards 2021”, which was organised by the Hong Kong Institute of Certified Public Accountants
- Secured Shandong Ji’nan International Centre for Medical Sciences Waste Water Treatment Project Phase I, boosting the Company’s aggregate designed daily water treatment capacity to more than 1.5 million m³ in Ji’nan and solidifying the Company’s local market position
- 旗下光大水務（深圳）有限公司作為主要單位之一參與的「城鎮污水處理廠智慧監控和優化運行關鍵技術及應用」項目獲二零二零年度「國家科學技術進步獎」二等獎
- 取得河北滄州黃驊污水處理廠PPP項目，實現本公司河北省水務市場業務突破，完善於京津冀市場的業務佈局
- 簽署山東青島麥島污水處理廠品質提升工程項目框架協議，將項目打造成為集高標準水處理設施和友好社區公園為一體的示範型「鄰利」水務項目
- 連續第二年獲得《鳳凰網港股》、香港媒體《am730》等機構聯合授予「傑出上市公司大獎」
- 於香港上市公司商會與香港浸會大學公司管治與金融政策研究中心聯合舉辦的二零二一年度「香港公司管治與環境、社會及管治卓越獎」評選中，摘得新上市公司組別「公司管治卓越獎」及「環境、社會及管治卓越獎」雙項大獎
- 於香港會計師公會舉辦的二零二一年度「最佳企業管治與環境、社會及管治大獎」評選中，獲得非恒指成份股公司類別（小市值企業組別）「ESG特別提名獎」
- 取得山東濟南國際醫學科學中心污水處理項目一期，令本公司於濟南市的設計日水處理能力突破150萬立方米，鞏固當地市場地位

Board of Directors

董事會成員

MR. HU YANGUO

胡延國先生

Executive Director and Chairman

執行董事兼董事長



Mr. Hu, aged 55, is the Executive Director and Chairman of the Company. He is also the chairman of the Strategy Committee and a member of the Nominating Committee, and a director of several subsidiaries of the Company.

Mr. Hu is an executive director and a vice president of Everbright Environment. Mr. Hu is also a member of the disclosure committee and a director of several subsidiaries of Everbright Environment.

Mr. Hu was a non-executive director of China Everbright Greentech Limited (a subsidiary of Everbright Environment and the shares of which are listed on the Main Board of the SEHK). Prior to joining the Group and Everbright Environment, Mr. Hu was the person-in-charge of the accounting department of the Guangzhou branch of China Everbright Bank Company Limited (the shares of which are listed on the Main Board of the SEHK and Shanghai Stock Exchange). Mr. Hu also worked for Northeast Forestry University in the PRC.

Mr. Hu obtained a Master's degree in Forestry Economy and Management and a Bachelor's degree in Mathematics from Northeast Forestry University in the PRC. He is a Certified Public Accountant in the PRC.

Mr. Hu joined the Board in October 2021.

胡先生，現年55歲，為本公司執行董事兼董事長、戰略委員會主席和提名委員會委員以及其若干附屬公司的董事。

胡先生現為光大環境之執行董事兼副總裁。胡先生亦為光大環境董事會轄下披露委員會成員和其多間附屬公司之董事。

胡先生曾任中國光大綠色環保有限公司（光大環境之附屬公司，其股份於聯交所主板上市）之非執行董事。胡先生在加入本集團及光大環境前，曾任職中國光大銀行股份有限公司（其股份於聯交所主板及上海證券交易所上市）廣州分行會計部負責人。胡先生亦曾任職於中國東北林業大學。

胡先生持有中國東北林業大學林業經濟管理碩士及數學學士銜。彼為中國註冊會計師。

胡先生於二零二一年十月加入董事會。

MR. TAO JUNJIE

陶俊杰先生

Executive Director and CEO

執行董事兼總裁



Mr. Tao, aged 56, is the Executive Director and Chief Executive Officer of the Company. He is also a member of the Strategy Committee, and a director of several subsidiaries of the Company.

Mr. Tao has rich experience in engineering construction and operations management. Mr. Tao was formerly the general manager of the Department of Safety and Environmental Management of Everbright Environment, a Vice President of the Company, a director of several subsidiaries of the Company, the deputy general manager of Everbright Environmental Engineering (Shenzhen) Co., Ltd. and the general manager of China Everbright Water Investments Limited. Mr. Tao also worked for Shandong Jianzhu University (formerly known as Shandong Institute of Architecture and Civil Engineering) in the PRC.

Mr. Tao holds a Doctorate degree in Environmental Engineering from Wuhan University of Technology in the PRC, a Master's degree in Architecture and Civil Engineering from Xi'an University of Architecture and Technology in the PRC and a Bachelor's degree in Water Supply and Sewerage Engineering from Shandong Jianzhu University in the PRC. He also holds the certificate of Certified Supervision Engineer and the title of Engineering Technology Researcher in the PRC.

Mr. Tao joined the Board in October 2021.

陶先生，現年56歲，為本公司執行董事兼總裁、戰略委員會委員以及其若干附屬公司的董事。

陶先生具有豐富之工程建設及運營管理經驗。彼曾任光大環境之安全及環境管理部總經理、本公司副總裁、本集團若干附屬公司之董事、光大環保工程（深圳）有限公司副總經理及中國光大水務投資有限公司總經理。彼亦曾任職於中國山東建築大學（原中國山東建築工程學院）。

陶先生持有中國武漢理工大學環境工程工學博士、中國西安建築科技大學建築與土木工程碩士及中國山東建築大學給水排水工程學士學位銜。彼亦取得中國國家註冊監理工程師執業證書及工程技術研究員職稱。

陶先生於二零二一年十月加入董事會。

Board of Directors

董事會成員

MR. LUO JUNLING

羅俊嶺先生

Executive Director and Chief Financial Officer

執行董事兼首席財務官



Mr. Luo, aged 48, is the Executive Director and Chief Financial Officer of the Company. He is also a member of the Strategy Committee and a director of several subsidiaries of the Company.

Mr. Luo has rich experience in accounting management and operations management. Mr. Luo was formerly a Vice President of the Company. Prior to joining the Group and Everbright Environment, Mr. Luo worked at China Construction Bank (Fujian Branch), Fuzhou Guang Min Road and Bridge Construction and Development Co., Ltd., and Fujian Min Xing Accounting Firm.

Mr. Luo holds a Bachelor's degree in International Accounting from Shaanxi Institute of Finance and Economics. He is a Certified Public Accountant and a Certified Tax Agent in China.

Mr. Luo joined the Board in May 2018.

羅先生，現年48歲，為本公司執行董事兼首席財務官、戰略委員會委員以及其若干附屬公司的董事。

羅先生具有豐富之財務管理及運營管理經驗。彼曾任本公司副總裁。在加入本集團及光大環境以前，彼曾任職於中國建設銀行（福建省分行）、福州光閩路橋建設開發有限公司以及福建閩興會計師事務所。

羅先生畢業於陝西財經學院國際會計專業，具有中國註冊會計師和中國註冊稅務師資格。

羅先生於二零一八年五月加入董事會。

MR. ZHAI HAITAO

翟海濤先生

Independent Non-Executive Director

獨立非執行董事



Mr. Zhai, aged 53, is the Independent Non-Executive Director of the Company, the chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. He is also the Independent Non-Executive Director of Everbright Environment.

Mr. Zhai has extensive experience and knowledge in banking, capital market and management. He is currently the President and Partner of Primavera Capital Group, and the Independent Non-Executive Director of China Life Insurance Company Limited (the shares of which are listed on the New York Stock Exchange, the SEHK and the Shanghai Stock Exchange). He was formerly the Managing Director of Goldman Sachs Asia LLC and the Chief Representative of Goldman Sachs Beijing Office. Prior to joining Goldman Sachs, Mr. Zhai worked at the International Department of the People's Bank of China in Beijing, and was the Deputy Representative of the People's Bank of China Representative Office for the Americas based in New York.

Mr. Zhai holds a Master's degree in International Affairs from Columbia University, a Master of Business Administration degree from New York University and a Bachelor of Arts degree in Economics from Peking University.

Mr. Zhai joined the Board in August 2015.

翟先生，現年53歲，為本公司獨立非執行董事、提名委員會主席、審計委員會及薪酬委員會委員。彼亦為光大環境之獨立非執行董事。

翟先生於銀行、資本市場及企業管理方面擁有豐富的經驗及知識。翟先生現任春華資本集團的總裁兼合夥人，以及中國人壽保險股份有限公司（其股份於紐約證券交易所、聯交所及上海證券交易所上市）之獨立非執行董事。翟先生曾任職高盛亞洲有限責任公司董事總經理及高盛集團北京代表處首席代表。在任職高盛以前，翟先生曾在北京任職於中國人民銀行總行國際司，並曾擔任中國人民銀行駐美洲代表處（紐約）副代表。

翟先生持有哥倫比亞大學國際關係碩士、紐約大學工商管理碩士以及北京大學經濟學學士銜。

翟先生於二零一五年八月加入董事會。

Board of Directors

董事會成員

MR. LIM YU NENG PAUL

林御能先生

Independent Non-Executive Director

獨立非執行董事



Mr. Lim, aged 59, is the Independent Non-Executive Director of the Company. He is also the chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee.

Mr. Lim has over 25 years of banking experience with international investment banks including Morgan Stanley, Deutsche Bank, Salomon Smith Barney and Bankers Trust. He is currently the Managing Director and Head of Private Equity of SBI Ven Capital Pte. Ltd., and the Independent Director of Golden Energy and Resources Limited (the shares of which are listed on SGX). He was formerly the Independent Director of Nippecraft Limited (the shares of which are listed on SGX).

Mr. Lim holds a Master of Business Administration degree in Finance and a Bachelor of Science degree in Computer Science from the University of Wisconsin, Madison, United States. He is also a Chartered Financial Analyst.

Mr. Lim was first appointed as the Independent Director of the Company in July 2007 and continued to be the Independent Non-Executive Director of the Company upon the completion of reverse takeover in December 2014.

林先生，現年59歲，為本公司獨立非執行董事、審計委員會主席、提名委員會及薪酬委員會委員。

林先生具有超過二十五年的銀行業經驗，彼曾在多家國際投資銀行包括摩根士丹利、德意志銀行、所羅門美邦及美國信孚銀行任職。林先生現為SBI Ven Capital Pte. Ltd. 董事總經理及SBI Ven Capital Pte. Ltd. 轄屬私募基金主管，以及Golden Energy and Resources Limited（其股份於新交所上市）獨立董事。彼曾為Nippecraft Limited（其股份於新交所上市）獨立董事。

林先生持有美國威斯康星大學金融工商管理碩士及計算機科學學士銜。彼亦為特許金融分析師。

林先生於二零零七年七月被首次委任為本公司的獨立董事，並於二零一四年十二月反向收購完成後繼續擔任本公司的獨立非執行董事。

MS. CHENG FONG YEE

鄭鳳儀女士

Independent Non-Executive Director

獨立非執行董事



Ms. Cheng, aged 65, is the Independent Non-Executive Director of the Company. She is also the chairman of the Remuneration Committee and a member of the Audit Committee.

Ms. Cheng has more than 20 years of experience in the insurance industry and is an Associate of the Australian Insurance Institute. She has been involved in major overseas insurance projects, particularly in the Asia Pacific region, and is actively involved in utilising insurance as a financial tool for project development. Ms. Cheng is currently the head of the Insurance Division of AsiaOne Insurance Agency Pte. Ltd. in Singapore. She also headed the Business Development Department of Aon Insurance Brokers, the biggest broking house in Asia, and managed the insurance division of the Singapore Technologies Group.

Ms. Cheng completed her insurance study at the Australian Insurance Institute.

Ms. Cheng was first appointed as the Independent Director of the Company in July 2007 and continued to be the Independent Non-Executive Director of the Company upon the completion of reverse takeover in December 2014.

鄭女士，現年65歲，為本公司獨立非執行董事、薪酬委員會主席及審計委員會委員。

鄭女士具有超過二十年的保險行業從業經驗，是澳州保險協會會員。彼曾參與重大跨國尤其是亞太地區的保險項目並將保險作為金融工具用以支持項目發展。鄭女士現為AsiaOne Insurance Agency Pte. Ltd.新加坡區保險部主管。彼亦曾為亞洲最大保險經紀Aon Insurance Brokers業務發展部主管及Singapore Technologies Group保險部主管。

鄭女士曾於澳州保險學院完成保險課程學習。

鄭女士於二零零七年七月被首次委任為本公司的獨立董事，並於二零一四年十二月反向收購完成後繼續擔任本公司的獨立非執行董事。

Board of Directors

董事會成員

MS. HAO GANG

郝剛女士

Independent Non-Executive Director

獨立非執行董事



Ms. Hao, aged 63, is the Independent Non-Executive Director of the Company. She is also a member of the Audit Committee and the Strategy Committee.

Ms. Hao is currently an Associate Professor at the Department of Management Sciences, the Associate Dean (Graduate Programmes and Executive Education) of the College of Business, the Co-Director of CityU-TsinghuaU EMBA/MPA (PPP) dual degree programme at the College of Business and the Director of EMBA (Chinese) programme, City University of Hong Kong. Prior to that, she took a number of roles at the City University of Hong Kong, mainly responsible for university development and international programme, amongst others. Ms. Hao also worked in Techno-Economic Research Institute of National Economic Commission of the PRC and participated in a number of major national investment and research projects in China.

Ms. Hao holds a Doctorate degree in Decision Sciences and Operations Management from University of Pittsburgh in the United States, a Master's degree in Industrial Administration from Tianjin University and a Bachelor of Science degree in Mathematics from Sichuan University.

Ms. Hao joined the Board in March 2018.

郝女士，現年63歲，為本公司獨立非執行董事、審計委員會及戰略委員會委員。

郝女士現任香港城市大學商學院管理科學系副教授兼任商學院副院長（研究生課程及高管培訓），香港城市大學—清華大學EMBA/MPA（PPP）雙學位項目聯席主任以及香港城市大學EMBA（中文）項目主任。此前，彼曾於香港城市大學擔任多個職位，主要負責大學發展、國際項目等領域。郝女士亦曾就職於中國國家經濟委員會技術經濟研究所並參與多項中國國家重大投資課題項目。

郝女士持有美國匹茲堡大學決策科學及運營博士、天津大學工業管理工程學碩士以及四川大學數學理學學士銜。

郝女士於二零一八年三月加入董事會。

Senior Management 高級管理層

MR. WANG YUEXING Vice President

Mr. Wang, aged 53, is the Vice President of the Company. He is also a director and/or the general manager of several subsidiaries of the Company.

Mr. Wang has rich experience in engineering construction and operations management. Mr. Wang was formerly the Deputy General Manager of Everbright Environmental Protection Technology Development (Beijing) Limited and Everbright Environmental Protection Engineering (Shenzhen) Limited, and the Plant Manager of Ji'nan Waste Water Treatment Project (Plant 1).

Mr. Wang holds a Master's degree in Environmental Engineering from Tsinghua University, a Master of Business Administration degree from Shandong University and a Bachelor's degree in Civil Engineering from South China University of Technology. He also holds the titles of Certified Cost Engineer and Certified Senior Engineer.

Mr. Wang joined the Group in February 2016.

MR. WANG GUANPING Vice President

Mr. Wang, aged 49, is the Vice President of the Company. He is also a director and/or the general manager of several subsidiaries of the Company.

Mr. Wang has rich experience in technology management and R&D. He was granted several invention patents and utility models. Mr. Wang was formerly the Assistant Dean of Everbright Environmental Research Institute, Chief Technology Officer of China Environmental Protection Science and Technology Holdings Limited, Deputy Chief Engineer of Shenzhen Liyuan Water Design and Consultant Limited and Chief Engineer of Operation Branch of Wuhan Kaidi Water Services Co., Ltd.

Mr. Wang holds a Doctorate degree in Environmental Engineering from Tsinghua University, a Master's degree in Municipal Engineering from Tongji University and a Bachelor's degree in Water Supply and Sewerage Engineering from Huazhong University of Science and Technology. He holds the title of Certified Senior Engineer.

Mr. Wang joined the Group in February 2016.

王悦興先生 副總裁

王先生，現年53歲，為本公司副總裁。彼亦為本公司若干附屬公司的董事和/或總經理。

王先生具有豐富之工程建設及運營管理經驗。彼曾任光大環保科技發展（北京）有限公司副總經理、光大環保工程技術（深圳）有限公司副總經理以及濟南市污水處理一廠廠長。

王先生持有清華大學環境工程碩士、山東大學工商管理碩士及華南理工大學工民建學士銜。彼亦取得國家註冊造價工程師執業證書及高級工程師職稱。

王先生於二零一六年二月加入本集團。

王冠平先生 副總裁

王先生，現年49歲，為本公司副總裁。彼亦為本公司若干附屬公司的董事和/或總經理。

王先生具有豐富之科技管理及技術研發經驗，並獲得多項發明及實用新型專利。彼曾任光大環保技術研究院院長助理，中國環保科技控股有限公司技術總監，深圳市利源水務設計諮詢有限公司副總工程師以及武漢凱迪水務有限公司運營分公司總工程師。

王先生持有清華大學環境工程博士、同濟大學市政工程碩士及華南科技大學給排水工程學士銜，彼亦取得高級工程師職稱。

王先生於二零一六年二月加入本集團。

Senior Management

高級管理層

MR. ZHANG GUOFENG Vice President

Mr. Zhang, aged 45, is the Vice President of the Company. He is also a director of several subsidiaries of the Company.

Mr. Zhang has rich experience in project investment, operations management and mergers and acquisitions. He was formerly the General Manager of the Investment Development Department at Everbright Environmental Protection (China) Limited, the Deputy General Manager of Everbright Water (Zibo) Limited and the Supervisor of Everbright Environmental Energy (Xintai) Limited.

Mr. Zhang holds a Master of Business Administration degree from Yunnan University of Finance and Economics and a Bachelor's degree in Engineering from Qingdao University of Science and Technology. He is a Certified International Accountant with China Association of Chief Accountants, a Certified Management Accountant with the Institute of Certified Management Accountants in the USA and a member of the Association of International Accountants.

Mr. Zhang joined the Group in March 2017.

MR. NIU KESHENG CEO Assistant

Mr. Niu, aged 58, is the CEO Assistant of the Company. He is also a director and/or the general manager of several subsidiaries of the Company.

Mr. Niu has rich experience in operations management within the environmental protection industry.

Mr. Niu holds a Bachelor's Degree in Engineering on Mechanical Manufacturing Process and Equipment from Shandong University of Technology. He also holds the title of Engineering Researcher on Environmental Protection Engineering.

Mr. Niu join the Group in December 2014.

MR. WU ZHIGUO CEO Assistant

Mr. Wu, aged 44, is the CEO Assistant of the Company. He is also a director and/or the general manager of several subsidiaries of the Company.

Mr. Wu has rich experience in waste water treatment and engineering construction management.

張國鋒先生 副總裁

張先生，現年45歲，為本公司副總裁。彼亦為本公司若干附屬公司的董事。

張先生具有豐富之項目投資、運營管理及兼併收購經驗。彼曾任光大環保（中國）有限公司投資發展部總經理、光大水務（淄博）有限公司副總經理及光大環保能源（新泰）有限公司監事。

張先生持有雲南財經大學工商管理碩士及青島科技大學工學學士銜，持有中國總會計師協會的註冊國際會計師、美國管理會計師協會的註冊管理會計師資格，彼亦為國際會計師協會成員。

張先生於二零一七年三月加入本集團。

牛克勝先生 總裁助理

牛先生，現年58歲，為本公司總裁助理。彼亦為本公司若干附屬公司的董事和/或總經理。

牛先生具有豐富之環保行業運營管理經驗。

牛先生持有山東理工大學機械製造工藝及裝備工學學士銜，具有環保工程專業工程技術研究員職稱。

牛先生於二零一四年十二月加入本集團。

吳志國先生 總裁助理

吳先生，現年44歲，為本公司總裁助理。彼亦為本公司若干附屬公司的董事和/或總經理。

吳先生具有豐富之污水處理和工程建設管理經驗。

Mr. Wu holds a Bachelor's Degree in Civil Engineering from Xuzhou University of Technology. He also holds the titles of Human Resources Professional (Intermediate) and Certified Senior Economist.

Mr. Wu joined the Group in May 2016.

MR. AN PINGLIN Technical Director

Mr. An, aged 58, is the Technical Director of the Company. He is also a director of several subsidiaries of the Company.

Mr. An has rich experience in technology management and R&D. He published multiple papers and was granted several patents. Prior to joining the Group, he was formerly the General Manager and Technical Director of a German company, BHU Umwelttechnik GmbH (China branch), the Deputy Director for Education Division of Publicity Department of Qingdao Municipal Committee and the Associate Professor of Qingdao University.

Mr. An holds a Doctorate degree from Karlsruhe Institute of Technology (KIT) in Germany, a Master's degree from Shanghai Donghua University and a Bachelor's degree from Qingdao University. He is currently a member of the German Association for Water, Wastewater and Waste (DWA).

Mr. An joined the Group in January 2017.

MS. PENG PEI Legal Counsel and Joint Company Secretary

Ms. Peng, aged 35, is the Legal Counsel and Joint Company Secretary of the Company. She is also the General Manager of the Legal and Risk Management Department of the Company.

Prior to joining the Company, Ms. Peng was a practising lawyer at the Singapore office of Allen & Gledhill LLP. Her areas of practice included mergers and acquisitions and derivatives. She also participated, as a core member, in a major research project of the Supreme People's Court of the PRC on disregarding the corporate entity to propose the relevant judicial interpretations.

Ms. Peng holds Master of Laws degrees from New York University, National University of Singapore and Tsinghua University and a Bachelor of Laws degree from Tianjin University. She is called to the PRC Bar and the State Bar of California, United States. Ms. Peng is also an associate member of The Chartered Secretaries Institute of Singapore and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators).

Ms. Peng joined the Group in May 2015.

吳先生持有徐州工程學院土木工程學士學位銜，彼亦取得人力資源管理中級職稱及國家高級經濟師職稱。

吳先生於二零一六年五月加入本集團。

安平林先生 技術總監

安先生，現年58歲，為本公司技術總監。彼亦為本公司若干附屬公司的董事。

安先生具有豐富之科技管理及技術研發經驗，並刊發多篇論文及獲得多項專利。在加入本集團前，他曾擔任德國豐羅BHU環保科技公司（中國分公司）總經理及技術總監、青島市市委宣傳部教育處副處長及青島大學副教授。

安先生持有德國卡爾斯魯厄理工學院（KIT）環境工程學博士、上海東華大學碩士及青島大學學士銜。彼亦為德國水資源暨污水處理協會（DWA）會員。

安先生於二零一七年一月加入本集團。

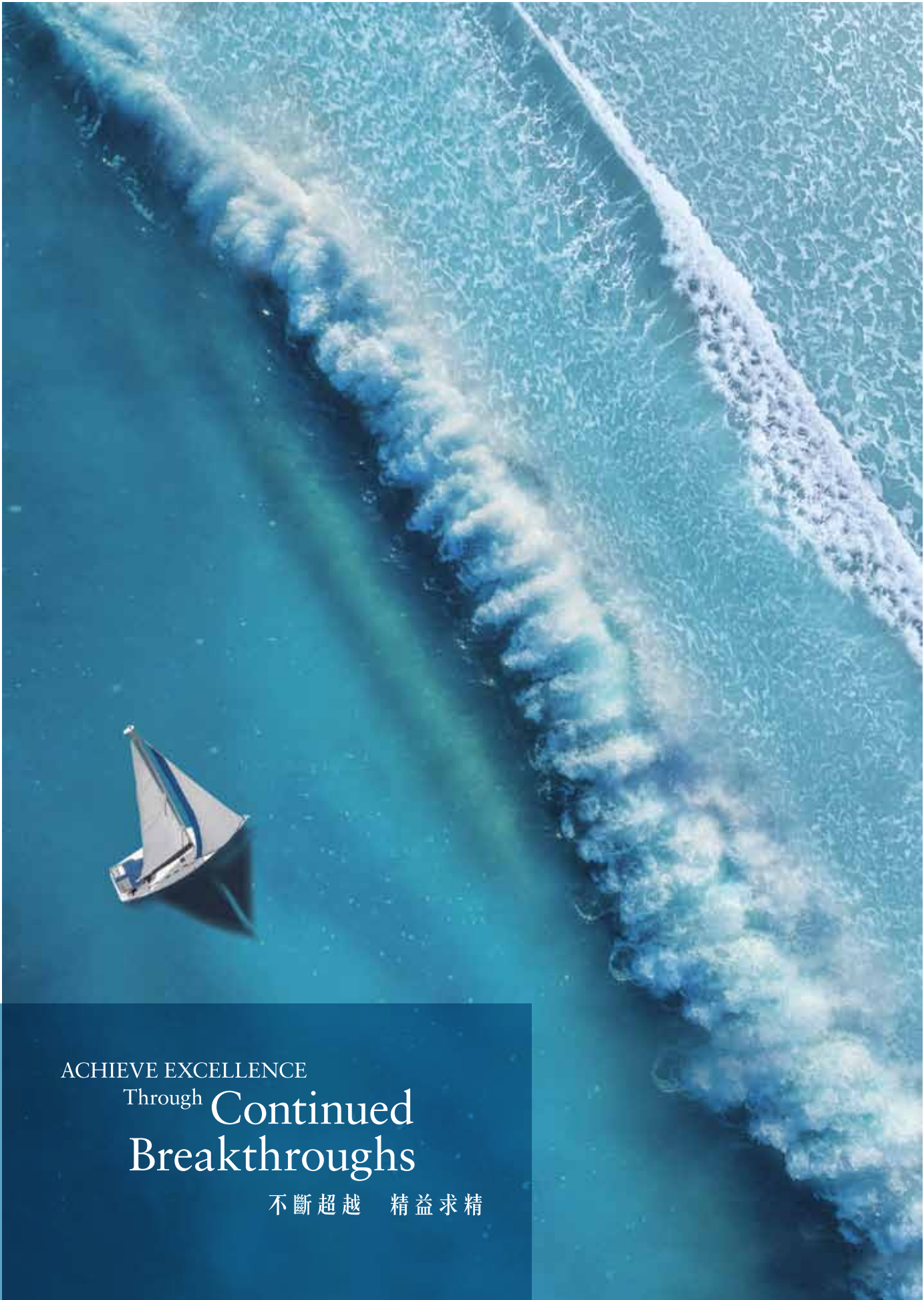
彭珮女士 法律顧問兼聯席公司秘書

彭女士，現年35歲，為本公司法律顧問兼聯席公司秘書。彼亦為本公司法律及風險管理部總經理。

在加入本公司前，彭女士為艾倫格禧律師事務所新加坡辦公室的執業律師，執業領域涵蓋兼併收購與衍生產品。彼亦曾作為核心成員參與中國最高人民法院的公司法人格否認研究項目，為相關制度提供司法解釋建議。

彭女士持有紐約大學法學碩士、新加坡國立大學法學碩士、清華大學法學碩士和天津大學法學學士銜。彭女士擁有中國法律職業資格證和美國加利福尼亞州律師資格證。彼亦為新加坡特許秘書公會和特許公司治理公會（原特許秘書及行政人員公會）之會士。

彭女士於二零一五年五月加入本集團。



ACHIEVE EXCELLENCE

Through **Continued
Breakthroughs**

不斷超越 精益求精

Sustainability Report

可持續發展報告



Environmental and Social Policies
環境及社會政策



Sustainable Development Strategies to Address Climate Change
應對氣候變化的可持續發展戰略



Environmental Performance
環境表現



Talent Development
人才發展



Community Involvement
社區參與



Health and Safety
健康與安全

This is an abstract of Everbright Water's Sustainability Report for FY2021. The full Sustainability Report for FY2021 is prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Comprehensive option, the SGX Listing Manual (Rules 711A and 711B and Practice Note 7.6 *Sustainability Reporting Guide*) and the *Environmental, Social and Governance ("ESG") Reporting Guide* published by the SEHK. To assess the potential climate-related risks and opportunities that the Group may encounter, the Group adopts the framework of *Task Force on Climate-Related Financial Disclosures ("TCFD")* and CDP's *climate change and water security questionnaires* to enhance ESG disclosures in the Sustainability Report for FY2021. In addition, the Sustainable Development Goals of the United Nations ("SDGs") are fully integrated into the Group's environmental and social management strategies to align with its core value of being "Devoted to Ecology and Environment for a Beautiful China" and to demonstrate its commitment to tackling the world's most pressing issues.

The full report, in both Chinese and English languages, will be available for download on the SGXNet (www.sgx.com) and the websites of Everbright Water (www.ebwater.com) and Hong Kong Exchanges and Clearing Limited ("HKEX") (www.hkexnews.hk) in May 2022.

此章節為光大水務二零二一財政年度可持續發展報告的摘要。二零二一財政年度可持續發展報告的完整版是依循全球報告倡議組織（「GRI」）準則：全面選項、新交所上市手冊（第711A條、第711B條和第7.6項應用指引《可持續發展報告指引》）以及聯交所發佈的《環境、社會及管治（「ESG」）報告指引》編制而成。為評估本集團未來面對氣候變化的風險和機遇，光大水務按照「氣候相關財務信息披露工作組」（Task Force on Climate-Related Financial Disclosures）（「TCFD」）及CDP氣候變化及水資源安全問卷的框架，在二零二一財政年度可持續發展報告中加強ESG相關的披露。此外，本集團將聯合國可持續發展目標（「SDGs」）全面融入其環境及社會管理戰略過程，與本集團「情繫生態環境，築夢美麗中國」的核心價值保持一致，並展示其應對全球最迫切議題的決心。

完整版報告（備有中英文版本）可於二零二二年五月通過SGXNet（www.sgx.com）、光大水務網站（www.ebwater.com）及香港交易及結算所有限公司（「港交所」）網站（www.hkexnews.hk）下載及閱覽。

Sustainability Report

可持續發展報告



ENVIRONMENTAL AND SOCIAL POLICIES

環境及社會政策

In response to the requirements on ecological environmental protection in the “14th Five-Year Plan” issued by the PRC government, and the commitment to progressively reduce carbon emissions after reaching its peak, the Group bears the important responsibility in promoting green development, ecological environmental protection and efficient water management. The Group has established a sound enterprise operations management system to enhance its operational efficiency and ensure the continuous provision of efficient and high-quality water environment management services, contributing to the country's ecological civilisation and sustainable development.

The Group has always been committed to fulfilling its corporate social responsibility. By actively and fully implementing the ESHS Management System and the Risk Management System at all levels, the environmental, occupational health and safety risks encountered by each project company are effectively managed. Comprehensive and standardised contingency plans have been established to ensure more stable operations. The Group has extended its corporate social responsibility management into its contractor management. In order to identify and control the relevant environmental, social and safety risks derived from the contracted work process, the Group has also specifically formulated and implemented the *Contractors ESHS Management Measures*. Such measures require the Group to review the contractors in different aspects, including background, qualifications, construction operations and environmental performance.

The Group firmly adheres to the concepts of corporate social responsibility and green operations. The Group has been actively evaluating its environmental and social performance against internationally recognised standards, including the World Bank Group's *Environmental, Health, and Safety Guidelines*, and has been submitting annual monitoring reports to International Finance Corporation since 2016. Such monitoring reports cover all projects of the Group, including projects in the preparatory stage, projects under construction, projects that completed construction and projects in operation. All of the Group's projects have obtained or are actively applying for international management standard certificates, including ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System.

為響應國家在「十四五」規劃中對生態環境保護的要求，實現邁向碳排放達峰後穩中有降的遠景目標，本集團在推動綠色發展、生態環境保護及實現水環境高效能治理方面肩負著重大的使命。本集團已建立完善的企業運營管理體系，以提升其運營效率，確保持續提供高效高質的水環境治理服務，為國家建設生態文明及推動可持續發展作出貢獻。

本集團一直致力履行企業社會責任，透過積極、全面地於各級實施ESHS管理體系和風險管理體系，有效管理各個項目公司運營時所面臨的環境、職業健康及安全風險，並提供全面規範的應急預案，以期使運營更加穩定。本集團亦將企業社會責任管理延伸至承包商管理。同時，本集團制定並實施了《承包商ESHS管理標準》，透過審視承包商的背景、資質、施工作業及環保等各方面的表現，辨識和監控與環境、社會和安全相關的風險。

本集團堅守企業社會責任和綠色運營理念，積極遵循世界銀行集團《環境、健康和安全管理指南》等國際認可標準評估其環境及社會表現，並自二零一六年起每年向國際金融公司提交監測報告。監測報告的範圍涵蓋本集團的所有項目，包括籌建項目、在建項目、建成完工項目及運營項目。本集團旗下所有項目均已獲得或正在積極申請各類相關體系管理證書，包括ISO 9001質量管理體系、ISO 14001環境管理體系及ISO 45001職業健康安全體系。



SUSTAINABLE DEVELOPMENT STRATEGIES TO ADDRESS CLIMATE CHANGE

應對氣候變化的可持續發展戰略

Climate change affects all regions around the world. Storms, floods and droughts caused by extreme weather have occurred more frequently with higher magnitude in recent years. To improve the Group's resilience against climate change, the Group has included climate change risk into its Risk Management System to formulate more comprehensive emergency and natural disaster contingency plans.

The Group understands that climate change will bring various risks to the Group's business. Physical risks, such as water stress, floods and extreme weather, will cause damage and negative impacts on its assets and supply chains; transition risks, such as policy changes and reputation risk may also cause potential financial impacts to the Group. Everbright Water is proactively taking actions to address the impacts of climate change. The Group is committed to reducing and offsetting greenhouse gas emissions and enhancing the resilience of the Group and its projects against climate change. In addition, the Group seizes relevant opportunities to build a cleaner water environment in order to enhance cities' climate resilience and contribute to sustainable development.

Through a series of comprehensive water environment management services, the Group actively participates in constructing sustainable cities, creates a better ecological environment and enhances cities' overall resilience to floods. The Group's Jiangsu Zhenjiang Sponge City Construction PPP project was shortlisted as Top 5 in the Building Back Better Infrastructure Award by the United Nations Economic Commission for Europe and awarded an Honorary Mention during the year under review. This represents an affirmation of the Group's excellent performance in environmental sustainability and response and adaptation to climate change. By adopting the concept of "sponge city", such project controls surface runoff and relieves pressure on urban river channels, thereby improving the city's ability in absorption, infiltration, retention, release and purification of rainwater and enhancing the city as an urban ecosystem. The project was included in the PPP project database of the Jiangsu Provincial Department of Finance in 2015. It is one of the provincial-level pilot projects in Jiangsu Province and was successfully selected as a national PPP demonstration project as recommended by the Jiangsu Provincial Department of Finance.

Everbright Water actively implements carbon reduction strategy. During the year under review, the Group established special teams for various topics such as carbon reduction, in-plant photovoltaics and waste water source heat pumps, to carry out related policy studies, research and pilot projects. During the year under review, the Group's first in-plant photovoltaic facility started operation in Shandong Zibo Waste Water Treatment Project (Plant 1) and was connected to the grid for power generation. In addition, the Group's waste water treatment plants have become pilot projects for the monitoring of greenhouse gas emissions by the Ministry of Ecology and Environment of the PRC, contributing to the improvement of the energy structure and carbon emission reduction work plan of waste water treatment plants.

氣候變化影響全球，極端天氣引致的暴風雨、水災和旱災等近年在世界各地更頻密地發生，威力亦倍增。為提升本集團的氣候變化適應力，本集團將氣候變化風險納入現有的風險管理體系中，以制定更完善的緊急與自然災害應變方案。

本集團深明氣候變化對本集團的業務帶來多種風險，如用水壓力、洪水及極端天氣等實體風險，會對資產及供應鏈造成破壞和負面影響；政策變更及聲譽等轉型風險，亦會造成潛在的財務影響。光大水務積極採取行動應對氣候變化帶來的衝擊。本集團致力降低及抵銷溫室氣體排放、增強本集團及旗下項目對氣候變化的適應力，並抓住相關機遇，務求建立更清潔的水環境，為提升城市的氣候變化抵禦力及促進可持續發展做出貢獻。

本集團透過一系列的水環境綜合治理服務，積極參與建設可持續城市，創建更優質的生態環境，整體加強城市應付水患的抗禦能力。本集團旗下的江蘇鎮江海綿城市建設PPP項目更於回顧年度內入圍聯合國歐洲經濟委員會「更好重建」基礎設施獎項評選五強，並獲頒榮譽提名獎，充分肯定其應對環境可持續性、氣候變化及適應性等方面的優良表現。該項目採用「海綿城市」的理念，透過建立控制表面徑流和防洪排澇的系統，提升城市對雨水的吸納、蓄滲、緩釋和淨化能力，加強城市生態系統功能。此項目於二零一五年被列入江蘇省財政廳PPP項目庫，是江蘇省省級試點項目之一，並經江蘇省財政廳推薦成功入選國家PPP示範項目。

光大水務積極實踐減碳戰略，本集團於回顧年度內組建了碳減排、廠內光伏、污水源熱泵等專項小組，展開一系列政策學習、調查研究、試點項目等工作。回顧年度內，光大水務旗下首個廠內光伏設施於山東淄博污水處理項目（一廠）開始運行，並正式併網發電。此外，本集團旗下的污水處理廠已成為國家生態環境部溫室氣體排放監測試點，為完善污水處理廠能源結構和碳減排工作方案作出貢獻。

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ENVIRONMENTAL PERFORMANCE

環境表現

Amidst the increasingly challenging environmental issues, the Group has aligned itself with the national directions and strictly complied with the environmental regulations and discharge standards. Focusing on the water environment management, the Group's projects cover the entire industry chain in the water business, including raw water protection, water supply, municipal waste water treatment, industrial waste water treatment, reusable water, river-basin ecological restoration, and sludge treatment and disposal. The Group's projects are equipped with online effluent monitoring systems, and qualified third-party laboratories are commissioned to test the water discharge samples regularly to ensure their consistent compliance with the relevant discharge standards. The Group continued to improve China's waterbody conditions and facilitate enhancement on its sanitation standards through various business developments such as the implementation of "Intelligent Water" and enhancement of water resource protection measures, thereby significantly reducing the environmental impact caused by waste water effluent and safeguarding the health and well-being of the public.

面對日益嚴峻的環境挑戰，本集團緊跟國家步伐，嚴格遵循環境法規及排放標準。本集團深耕水環境治理領域，旗下項目涵蓋整個水環境治理產業鏈，包括原水保護、供水、市政污水處理、工業廢水處理、中水回用、流域治理、污泥處理處置等。本集團旗下項目均設有在線出水監測系統，並委託合資格的第三方化驗所定期檢測出水樣本，以確保各項目出水水質穩定達標。本集團亦通過「智慧水務」建設、水資源安全保護措施升級等業務發展，持續提升中國水體狀況，促進改善衛生條件及水生生態環境，大幅降低污水排放造成的環境損害，保障公眾的健康和福祉。

Waste Water and Waste Management

污水及廢物管理

WASTE WATER TREATED

處理污水

approximately

1,698,700,000 m³

約1,698,700,000立方米



CHEMICAL OXYGEN DEMAND (COD) DISCHARGE REDUCED

化學需氧量排放減少 approximately

417,371 tonnes

約417,371噸

REUSABLE WATER 中水供應



approximately **28,530,000 m³**

約28,530,000立方米



ENVIRONMENTAL PERFORMANCE (CONT'D)

環境表現 (續)

Waste Water and Waste Management

The Group applies stringent discharge standards to its waste water treatment projects. Through continuous upgrading works, water discharged from all of the Group's waste water treatment projects complies with the requirements as stipulated in the environmental impact assessment reports approved by the local governments, whilst the effluent quality of projects in operation complying with or beyond Grade 1A standard of *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plants* (GB18918-2002). During the year under review, the Group treated 1,698,710,000 m³ of waste water and reduced approximately 417,371 tonnes of chemical oxygen demand (COD) discharge.

In addition, the Group's reusable water projects purify effluent discharged from waste water treatment plants in accordance with the *Reuse of Urban Recycling Water-Water Quality Standard for Industrial Uses* (GB/T19923-2005) or equivalent standards. To reduce freshwater consumption in cities, reusable water produced by reusable water projects can be used as in-plant cooling water or for general industrial use by other corporations. During the year under review, the Group's reusable water projects produced 28,530,000 m³ of reusable water.

Sludge Management

Apart from treating the sludge produced by its waste water treatment plants in accordance with the national standards such as *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant* (GB18918-2002), the Group also adopts relevant international standards including the World Bank Group's *General Environmental, Health, and Safety Guidelines* and *Environmental, Health, and Safety Guideline for Water and Sanitation* to reduce environmental impacts of sludge treatment and disposal.

Most of the treated sludge with satisfactory testing results is sent to qualified third-parties for further treatment, reuse and/or utilisation, such as utilisation as construction materials and incineration. A small amount of sludge is sent to designated landfills for disposal after undergoing dewatering process for the reduction of water content and volume.

污水及廢物管理

本集團為旗下所有污水處理項目訂立嚴格的排放標準，透過持續的提標改造工程，在符合政府部門批准的環境影響評估報告相關要求的基礎上，各運營項目出水指標均符合或優於《城鎮污水處理廠污染物排放標準》(GB18918-2002)的一級A標準。於回顧年度內，本集團共處理了約1,698,700,000立方米污水，同時減少了大約417,371噸的化學需氧量排放。

此外，本集團將污水處理廠處理後的出水供給中水回用項目，將其按照《城市污水再生利用工業用水水質》(GB/T19923-2005)或同等標準淨化成回用水，用作廠區冷卻水或供其他企業作一般工業用途，從而減少城市的淡水消耗。於回顧年度內，本集團的中水回用項目共生產了約28,530,000立方米的回用水。

污泥管理

除嚴格按照《城鎮污水處理廠污染物排放標準》(GB18918-2002)等有關國家標準處理污水處理項目所產生的污泥外，本集團還將世界銀行集團的《通用環境、健康和安全管理指南》及《水與衛生環境、健康與安全管理指南》等相關國際標準納入考慮，以減少污泥處理與處置對環境的影響。

大部分經處理並檢測合格的污泥會被送到合資格的第三方污泥處理處置單位作進一步處理、循環再用及/或作綜合利用，如建材利用、焚燒等。小部分污泥則先進行脫水處理，在降低含水量及體積後再送到指定填埋場作填埋處理。

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可持續發展報告



TALENT DEVELOPMENT

人才發展

The Group emphasises the importance of innovation and transformation in corporate development, and having an excellent team is the key to achieving innovation and development. The Group has been adhering to the “People-Oriented” philosophy and pays great attention to talent development in achieving mutual success between the teams and leaders. Through a sound human resources management system, the Group provides employees with attractive career development opportunities and a caring working environment. The Group’s *Staff Handbook* and *Code of Conduct* cover topics including compensation and dismissal, recruitment and promotion, working hours, rest days, equal opportunity, diversity, anti-discrimination, the prevention of child labour and forced labour, and other benefits and welfare. The policies also advocate a fair and open workplace and ensure that employees are protected from all forms of discrimination against gender, age, race, nationality, marital status, religions, etc.

During the year under review, the Group continued focusing on talent training and recruitment. Through the development of backup talent pool, the overall quality and management ability of staff have been improved. The Group has also carried out ethics training activities, focusing on the mental health and civilisation for all employees, and strengthening employees’ sense of responsibility to the Company, others and the society.

During the year under review, the Group has implemented the following staff development plans to establish a proactive and innovative team.

本集團強調創新轉化是企業發展的重要一環，而擁有優秀團隊是實現創新發展的必要條件。本集團深信優秀的團隊和領導之間是互相成就的關係，故此多年來一直堅持「以人為本」的理念，高度重視人才隊伍建設，致力透過有效的人力資源管理體系，為員工提供具吸引力的職業發展機會及充滿關愛的工作環境。本集團的《員工手冊》和《行為守則》涵蓋了薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、防止童工及強制勞動以及其他待遇及福利等議題，更提倡公平公開的就業平台，確保員工在工作中不會因性別、年齡、種族、國籍、婚姻狀況、宗教等因素而受到任何形式的歧視。

本集團於回顧年度內持續致力於人才培養和招聘工作，透過後備幹部培訓加強光大水務後備幹部隊伍建設，提升後備幹部的綜合素質及管理能力。本集團亦開展了道德講堂培訓活動，著力於全員精神文明建設，加強員工對公司、他人和社會的責任感。

回顧年度內，本集團推行了下列員工發展計劃，務求建立一支積極主動且富有創造力的團隊。



TALENT DEVELOPMENT (CONT'D)

人才發展 (續)

Comprehensive Appraisal System

綜合考核機制

Through its internal assessment mechanism, the Group closely monitored employees' career development by setting achievable goals along with ongoing evaluation. The system also helped cultivate outstanding employees who embraced the core values of the Group.

內部考核機制為員工制定切實的工作目標並進行持續性的評估，以此緊密監察員工的職業發展。通過此機制，本集團能夠培養擁護其核心價值的優秀員工。

Tiered Talent Development Strategy

梯隊式人才佈局

The Group established a managerial and technical backup talent pool to recognise high performing talents by offering them internal promotion opportunities.

建立後備幹部人才庫，以表彰高績效人才並優先向他們提供內部晉升機會。

Apprenticeship Programme

「師帶徒」計劃

The apprenticeship programme allowed the skilled workers to lead newcomers, which effectively passed valuable skills and knowledge to new employees and helped the fresh blood establish practical career plans.

讓熟練技工帶領新技工工作，有效地把寶貴的技術知識傳承下去，並協助新人制定可行的職業生涯計劃。

Technical Talent Training Programme

技術型人才培訓計劃

Through "Industrial-Academic" collaboration, the Group invited local and overseas technical experts to provide trainings to managerial and technical employees of its projects, to widen their horizons.

透過「產學研」合作模式，積極組織海內外技術專家對項目管理層及技術人員進行培訓、交流，不斷提升自身人才隊伍的視野水平。

Internal Benchmarking Exchange

內部對標交流

Through sharing and benchmarking exchange for operation and management experience between the Group's project companies, the Group achieved purposes of mutual learning and improvement of operational efficiency.

透過本集團旗下項目公司的運營管理經驗分享及對標交流，達到互學互促、提高生產運營效能等成果。

The average training hours per employee in FY2021 were 7.63 hours.

二零二一財政年度內，每名員工的平均培訓時數為7.63小時。

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HEALTH AND SAFETY

健康與安全

With its priority on safe production, the Group is committed to avoiding non-compliance and ensuring each operational milestone of the Group are achieved, thereby safeguarding the health and safety of its employees and the public.

The Group has implemented a comprehensive ESHS Management System to monitor the operational safety and occupational health of employees at projects in operation and under construction. ESHS management teams have been established at every project company to ensure continuous management on safe production and enhance the awareness on risk prevention. Furthermore, the Group extends the ESHS Management System to its supply chain by clearly stating relevant occupational health and safety requirements in the supplier contracts, thus monitoring the health and safety performance of its key suppliers.

In order to further enhance the safety and environmental awareness of personnel in various positions, the Group is determined to carry out the “Safe Production Month” every year at the project level. To achieve the goal of “zero work safety accident, zero excessive discharge of pollutants, and zero case for violations of regulations and discipline” and enhance the safety and environmental awareness of the employees, the Group organised various online safety and environmental knowledge competitions, themed lectures, training, safety inspections, emergency drills, etc.

In addition, the Group protected its employees’ health by providing annual medical check-ups and occupational disease prevention inspections. Moreover, the Group set up an Employee Safeguard and Safety Fund, which can be disbursed upon application to support employees who suffer from accidents or diseases, relieving the financial burden of their families.

The Group achieved zero work-related injuries during the year under review.

本集團高度重視安全生產，堅決杜絕違規事故發生，以確保本集團各項運營指標順利完成，員工及公眾的健康與安全得到充分保障。

本集團透過完善的ESHS管理體系監督各運營項目和建設項目的生產安全及員工職業健康，並在每個項目公司設立ESHS管理團隊，務求做好安全生產常態化管理，進一步提高風險防範意識。ESHS管理體系亦伸延到供應鏈中，於供應商合約中清楚列明職業健康安全相關的要求，並深入持續評估主要供應商的健康與安全績效。

為進一步提升各崗位人員的安全和環境（「安環」）管理意識，本集團在項目層面堅持每年開展「安全生產月」活動，通過線上安環知識競賽、主題宣講、培訓、安全檢查、應急演練等方式，提高員工安環意識和技能，實現光大水務生產經營「零安全事故、零超標排放、零違法違規」的安環管理目標。

此外，本集團每年為員工提供身體檢查及職業病防範檢查，並設立了員工保障及安全基金，在員工不幸遭遇意外或患病時，可以申領基金以緩解員工家庭的經濟壓力。

本集團員工於回顧年度內成功達到零工傷。



COMMUNITY INVOLVEMENT

社區參與

As a leading enterprise in China's water industry, Everbright Water is committed to promoting the idea of ecological civilisation and shoulders the important responsibility of environmental protection and education. With its competitive advantages in technology, resources and talent, the Group actively joins hands with various tertiary education institutions, environmental, technological associations and government organisations in organising various activities to promote the importance of water resource protection and green living. 15 waste water treatment projects of the Group received various awards and recognitions such as the "Science Popularisation and Education Hub", "Environmental Education Hub" and "Open Day Promotion and Education Centre". During the year under review, Everbright Water (Suzhou) Limited was selected as "Ecological Civilisation Education Practice Base in Jiangsu Province" and "Suzhou Environmental Protection Demonstration Enterprise"; Sanmenxia Everbright Water Limited ("**Sanmenxia Project Company**") was awarded the title of "Top Ten Environmental Protection Facilities Open to Public in 2021" in Henan Province.

The Group actively responded to the requirements under the *Notice on Further Opening the National Environmental Protection Facilities and Urban Waste Water and Waste Treatment Facilities to the Public* issued by the Ministry of Ecology and Environment and the Ministry of Housing and Urban-Rural Development of the PRC, and opened its waste water treatment facilities to the public. The Group is committed to developing itself into an advanced hub for public visits and environmental education that provides on-site visits, practical learnings and technical trainings simultaneously.

作為中國水務行業的領軍企業，光大水務致力於推廣生態文明思想，肩負環境保護及教育的重任。本集團利用其在技術、資源及人才方面的優勢，積極聯同多個高等學府、環保科技協會及政府機構展開各類活動，以宣揚綠色生活和保護水資源的重要性。本集團有十五個污水處理項目獲授予「科普教育基地」、「環境教育基地」、「公眾開放宣傳教育中心」等榮譽稱號。於回顧年度內，光大水務（蘇州）有限公司獲選為「江蘇省生態文明教育實踐基地」和「蘇州市環保示範性企業」；三門峽光大水務有限公司（「三門峽項目公司」）榮獲河南省「二零二一年十佳環保設施開放單位」稱號。

本集團積極響應生態環境部與住房和城鄉建設部《關於進一步做好全國環保設施和城市污水垃圾處理設施向公眾開放工作的通知》要求，主動開放轄屬污水處理設施，致力於把本集團建設成為一個集參觀學習、實踐學習、技能培訓為一體的全國先進的公眾開放和環保宣傳基地。

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COMMUNITY INVOLVEMENT (CONT'D)

社區參與 (續)

22 to 28 March 2021

二零二一年三月二十二至二十八日

2021 “World Water Day” and “China Water Week” Environmental Public Welfare Activities

2021年「世界水日」及「中國水週」環保公益活動

In conjunction with the 29th “World Water Day” and the 34th “China Water Week”, Everbright Water organised “Harmonious People and Water, Protecting Homeland - 2021 World Water Day and China Water Week Environmental Public Welfare Activities”.

光大水務藉著第二十九個「世界水日」，也是第三十四個「中國水週」的到來之際，舉辦了「和諧人水、守護家園—2021年世界水日及中國水週環保公益活動」。

This activity aims to promote the harmonious coexistence of people, water and nature, and encourage the public to protect and preserve precious water resources. The activities were carried out in both online and offline modes and in accordance with the requirements of pandemic prevention and control. Each project company of the Group has organised various innovative online activities, such as “Cloud Animation”, “Cloud Classroom”, and “Cloud Visit” based on the local conditions. Such activities enabled the public to learn about the complete process of waste water treatment in the comfort of their own homes and communicate and interact through the cloud platform. The project companies also carried out various offline public welfare activities to practise corporate social responsibility with actions.

本次環保公益活動旨在促進人、水與自然的和諧共存，呼籲公眾護水愛水，並珍惜寶貴的水資源。活動按照疫情防控要求，以線上線下相結合的創新形式進行。光大水務各項目公司因地制宜，「雲動漫」、「雲課堂」、「雲參觀」等線上活動層出不窮，讓公眾可以在家中了解污水處理全流程，並透過雲端平台進行交流互動。各項目公司還積極開展形式多樣的線下公益活動，以行動踐行企業社會責任。



Online “Cloud Animation” - “The Journey of a Water Droplet” 線上「雲動漫」—《一滴水的旅行》

Everbright Water (Ji’nan) Limited (“**Ji’nan Project Company**”) uploaded an animated video on its Wechat public account of the Science Popularisation Hub. Such video showed how waste water is transformed into a clean water droplet with “Shui Bao Bao” illustrating the whole treatment process, thereby introducing to the audience the waste water treatment process through “Cloud Animation”.

光大水務（濟南）有限公司（「**濟南項目公司**」）在科普基地微信公眾平台上，利用「雲動漫」帶觀眾深入污水處理廠，可愛的水寶寶向觀眾宣傳污水處理的全過程，全過程展現一滴水是如何煥發新生。



COMMUNITY INVOLVEMENT (CONT'D)

社區參與 (續)

22 to 28 March 2021

二零二一年三月二十二至二十八日

2021 “World Water Day” and “China Water Week” Environmental Public Welfare Activities (cont'd)

2021年「世界水日」及「中國水週」環保公益活動 (續)



Offline Public Welfare Activities to Fulfill Corporate Social Responsibility

線下融合互動，公益行動踐行企業社會責任

Everbright Water (Xianyang) Limited organised the “World Water Day” and “China Water Week” activities, inviting the public to visit Xianyang Waste Water Treatment Project. The staff vividly introduced the company profile and treatment process flow which enabled the public to easily understand the complicated waste water treatment process. The activity also helped the public understand the current situation of water resources in China through a question-and-answer session, and enhanced the public awareness of water conservation.

光大水務（咸陽）有限公司舉辦「世界水日」及「中國水週」宣傳活動，邀請廣大市民走進咸陽污水處理項目，由工作人員用生動的方式介紹公司概況和工藝處理流程，使生澀的工藝流程變得淺顯易懂。活動還透過問答環節使公眾了解中國水資源現狀，加強公眾節水護水意識。



Sanmenxia Project Company together with the municipal government organised a visit to Sanmenxia Waste Water Treatment Project which was participated by more than 60 university students during the Chinese New Year. The activity promoted environmental protection and green living, as well as encouraged the participants to take an active role in building a beautiful China.

三門峽項目公司聯合市政府開展環保活動，組織春節返鄉大學生60餘人參觀三門峽污水處理項目，推廣環保思維，踐行綠色生活，爭做美麗中國的推動者。

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COMMUNITY INVOLVEMENT (CONT'D)

社區參與 (續)

9 April 2021

二零二一年四月九日

Teachers and Students from a “Project 211” University Administered by the Ministry of Water Resources visited Everbright Water (Nanjing) Limited (“Nanjing Project Company”)

水利部直屬211重點大學師生參觀光大水務（南京）有限公司（「南京項目公司」）



115 teachers and students from Nanjing Pukou District Urban Construction Group and School of Environment, Hohai University, visited the Group's Nanjing Pukou Waste Water Treatment Project. The students, majoring in water management, showed great interest and actively engaged during the visit. The detailed explanations given by the professional guides from Nanjing Project Company to the students enabled them to gain practical and technical knowledge on waste water treatment and know more about Everbright Water from the visit.

南京市浦口區城建集團、河海大學環境學院師生約115人，到本集團的南京浦口污水處理項目進行參觀學習。本次活動的參加者都是來自高等學府水務專業的高材生，他們在這次研學實習之旅中不時提出自己感興趣的專業問題，南京項目公司的專業解說團隊進行了詳細耐心的講解，讓同學對污水處理及光大水務有了更加深刻的了解。



COMMUNITY INVOLVEMENT (CONT'D)

社區參與 (續)

5 June 2021

二零二一年六月五日

“World Environment Day”

「世界環境日」



In conjunction with the 50th “World Environment Day”, Everbright Water held a series of online and offline activities with a theme of “Strive Together for a Blue Planet”.

為紀念第五十個「世界環境日」，光大水務以「藍色星球，美好共築」為主題，舉辦了一系列線上與線下相互融合的活動。



The Liaoning Regional Management Centre of Everbright Water cooperated with the streaming media for the first time and invited Wang Zizhen, a famous host of Dalian Radio and TV Broadcasting, to host an online visit to the Dalian Malanhe Waste Water Treatment Project. Such “Science Popularisation Lecture” on the cloud platform enabled the audience to learn about the waste water treatment process in an interactive manner.

光大水務遼寧區域管理中心首次與流媒體合作，邀請大連市廣播電視台著名主持人王梓甄走進大連市馬欄河污水處理項目，帶領線上訪問者雲參觀污水處理全過程，為社會公眾呈現了一場別開生面的「科普大講堂」雲直播活動。

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COMMUNITY INVOLVEMENT (CONT'D)

社區參與 (續)



Ji'nan Project Company and Shandong Society for Environmental Sciences jointly launched an online and offline visit. During the event, more than 160 teachers, students and parent representatives from the Primary School Affiliated to Shandong Normal University, Nanshangshan Street Primary School and Hengxin Primary School gathered at Ji'nan Waste Water Treatment Project (Plant 2), where experts in the environmental field of Shandong Province presented an interactive environmental science popularisation seminar to them. It also enabled the live streaming of the whole seminar and online voting system to evaluate the environmental handcrafts award.

濟南項目公司聯合山東環境科學學會共同開展了線上線下相結合的參觀宣傳活動。活動當日來自山東師範大學附屬小學、南上山街小學、恒新小學的160餘名師生與家長代表齊聚濟南污水處理項目（二廠），由山東省環境領域專家為來賓奉上了一場可聽、可看、可體驗的立體式環保科普盛宴。線上則採取全程環保科普大講堂直播並開展了環保手工作品線上投票評獎活動。

As at 31 December 2021, a total of 31 projects of the Group had been officially opened to the public. In FY2021, these projects received 9,430 visitors in 267 batches in aggregate. The Group continued to launch various online and offline activities. Due to the pandemic restrictions, the Group offered the public to virtually visit its waste water treatment facilities through "Cloud Opening" by using various methods, such as: uploading videos to the official media, playing pre-recorded videos and live streaming, for a wider outreach. In FY2021, the online activities attracted more than 550,000 online views. At the same time, the Group, in collaboration with local environmental protection, technology associations and government organisation, organised environmental education activities to encourage the public to treasure and conserve water and gain environmental protection knowledge. Such activities also aimed to enhance public awareness and responsibility relating to environmental protection. The Group has achieved its goals in public education via opening its projects to the public. In line with the national strategies, the Group has also participated actively in domestic and international activities related to environmental technologies, established policies on open day activities and encouraged employees to practise low-carbon living.

截至二零二一年十二月三十一日，本集團已有31個項目向公眾正式開放。於二零二一財政年度，這些項目共接待公眾參觀267批次，9,430人次。本集團繼續以線上線下相結合的方式開展公眾開放；受疫情限制影響，本集團通過官方媒體、視頻錄制播放、現場直播等多種方式進行污水處理設施「雲開放」，擴大線上參觀受眾面；於二零二一財政年度，線上參觀瀏覽人數超過55萬人次；同時聯合當地環保、科技協會及政府機構等開展環保教育活動，號召廣大民眾惜水愛水，增加環保科普知識，激發公眾參與環境保護的意識和責任感。本集團在公眾開放方面落實了具體的目標與措施，並致力參與國內和國際的環保科技活動、配合國家政策、制定環保開放日政策與鼓勵員工實行低碳生活。

Corporate Governance Report

企業管治報告

China Everbright Water Limited (“**Everbright Water**” or the “**Company**”, together with its subsidiaries, the “**Group**”) is committed to achieving high standards of corporate governance to ensure investor confidence in the Company as a trusted business enterprise. The board (the “**Board**”) of directors (the “**Directors**”) and the management of the Company (the “**Management**”) will continue to uphold good corporate governance practices to enhance long-term value and returns for the shareholders of the Company (the “**Shareholders**”) and protect the Shareholders’ interests.

This report outlines the Company’s corporate governance practices for the financial year ended 31 December 2021 (“**FY2021**” or the “**year under review**”) with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “**SG CG Code**”), which forms part of the continuing obligations of the listing manual (the “**SGX Listing Manual**”) of Singapore Exchange Securities Trading Limited (“**SGX**” or “**SGX-ST**”). Throughout FY2021, the Company has complied with the principles and provisions of the SG CG Code unless otherwise specified herein.

Since the listing of the Company’s ordinary shares on the Main Board of the Stock Exchange of Hong Kong Limited (the “**SEHK**”) on 8 May 2019, the Company has adopted the principles and code provisions of the Corporate Governance Code (the “**HK CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the SEHK (the “**SEHK Listing Rules**”) as part of its governance framework, in addition to the principles and provisions under SG CG Code. In the event of any conflicts between the SG CG Code and the HK CG Code, the Company will comply with the more stringent requirements. Throughout FY2021, the Company has complied with the principles and code provisions of the HK CG Code.

(A) BOARD MATTERS

The Board’s conduct of its affairs

The Board is collectively responsible for the long-term success of the Company. Its key responsibilities include providing leadership and supervision to the Management with a view to protecting the Shareholders’ interests and enhancing long-term Shareholders’ value.

All Directors recognise that they have to discharge their duties and responsibilities at all times as fiduciaries who act objectively in the best interest of the Company and hold the Management accountable for performance, and the Board is accountable to the Shareholders through effective governance of the business.

中國光大水務有限公司（「**光大水務**」或「**本公司**」，連同其附屬公司統稱「**本集團**」）致力於實現高標準的企業管治，確保投資者對本公司作為一家值得信賴的企業充滿信心。本公司董事（「**董事**」）會（「**董事會**」）和管理層（「**管理層**」）將繼續維持良好的企業管治常規，以提高本公司的長期價值和本公司股東（「**股東**」）回報，保護股東的權益。

本報告概述了本公司在截至二零二一年十二月三十一日止的財政年度（「**二零二一財政年度**」或「**回顧年度**」）的企業管治常規，具體參考了二零一八年企業管治守則（「**新加坡企業管治守則**」）的原則和條款，該守則也是新加坡證券交易所有限公司（「**新交所**」）上市手冊（「**新交所上市手冊**」）中持續義務的組成部分。除本報告另有說明外，於二零二一財政年度內，本公司已遵守新加坡企業管治守則的全部原則和條款。

自本公司普通股於二零一九年五月八日在香港聯合交易所有限公司（「**聯交所**」）主板上市以來，除了新加坡企業管治守則的原則和條款，本公司已採納聯交所證券上市規則（「**聯交所上市規則**」）附錄十四所載企業管治守則（「**香港企業管治守則**」）中的原則和守則條文，作為其管治框架的一部分。若新加坡企業管治守則和香港企業管治守則有任何衝突，本集團將遵守更嚴格的要求。於二零二一財政年度內，本公司已遵守香港企業管治守則的全部原則和守則條文。

(A) 董事會的運作

董事會的運作

董事會集體為本公司的長遠成功負責。董事會的主要職責是領導和監督管理層，以保護股東權益和提升股東的長期價值。

所有董事均認可，他們作為受信義務人必須在任何時候都履行其職責和義務，客觀地為本公司利益最大化行事，讓管理層對業績負責。董事會通過對企業的有效管治以此向股東負責。

Corporate Governance Report

企業管治報告

The Board's principal functions include the following:

- (1) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- (2) reviewing and approving corporate strategies, financial objectives and direction of the Group;
- (3) establishing a prudent and effective control system to assess and manage risks, including safeguarding the Shareholders' interests and the Group's assets;
- (4) establishing goals for the Management and monitoring the achievement of these goals;
- (5) ensuring the Management's leadership of high quality, effectiveness and integrity;
- (6) reviewing the Management's performance;
- (7) approving annual budgets and investment and divestment proposals;
- (8) reviewing the internal controls, risk management, financial performance and reporting compliance;
- (9) identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation;
- (10) setting the Group's value and standards (including ethical standards), and ensuring that obligations to the Shareholders and other stakeholders are understood and met;
- (11) considering the sustainability issues, such as environmental, health, safety and social factors, as part of its strategic formulation; and
- (12) assuming responsibility for corporate governance.

In respect of its corporate governance functions, the Board is responsible for the following:

- (a) developing and reviewing the Company's policies and practices on corporate governance and making recommendations;
- (b) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Company;

董事會的主要職能包括以下內容：

- (1) 提供企業領導，制定戰略目標，確保本集團擁有實現其目標必要的財力和人力資源；
- (2) 審閱和批准本集團的企業戰略、財務目標和發展方向；
- (3) 建立審慎有效的風險評估和風險管理的控制機制，包括保障股東權益和本集團資產的機制；
- (4) 為管理層設定目標，監督目標的實現；
- (5) 確保管理層的領導優質、有效和誠信廉潔；
- (6) 審閱管理層的績效；
- (7) 批准年度預算和投資、撤資提案；
- (8) 審閱內部控制、風險管理、財務業績和報表的合規性；
- (9) 識別關鍵的持份者群體，認同他們的看法會對本公司聲譽產生影響；
- (10) 制定本集團的價值和標準（包括道德標準），確保本集團理解並履行了對股東和其他持份者的義務；
- (11) 在制定戰略時考慮可持續性問題（如環境、健康、安全和社會因素）；及
- (12) 承擔企業管治的責任。

關於其企業管治職能，董事會負責以下事務：

- (a) 制定及檢討本公司的企業管治政策及常規，並提出建議；
- (b) 檢討及監察本公司各董事及高級管理層的培訓及持續專業發展；

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| <p>(c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;</p> <p>(d) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees of the Company and the Directors; and</p> <p>(e) reviewing the Company's compliance with the SG CG Code, HK CG Code and disclosure in the Corporate Governance Report.</p> | <p>(c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；</p> <p>(d) 制定、檢討及監察本公司僱員及董事的操守準則及合規手冊（如有）；及</p> <p>(e) 審閱本公司遵守新加坡企業管治守則、香港企業管治守則的情況以及在企業管治報告中的披露。</p> |
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The Board performed the above duties during the year under review.

於回顧年度內，董事會已履行上述職責。

The Board has adopted a policy where the Directors who are interested in any matter being considered, should recuse themselves from deliberations and abstain from voting in relation to any such resolution(s) relating to such matter.

董事會已採納一項政策，即：若任何董事對於正在審議的事項擁有利益，則其應迴避審議並對該事項的決議放棄表決。

All Directors exercise due diligence and independent judgment, and are obliged to act in good faith and consider at all times the interest of the Company.

所有董事均勤勉盡責，保持獨立的判斷，且必須誠信行事並始終以本公司的利益為出發點。

The Board meets regularly, at least on a quarterly basis (four times a year). Ad-hoc meetings are held at such times, as and when required, to address any specific significant matters that may arise. In FY2021, the Board held six meetings in total. In respect of the regular meetings of the Board, all Directors are given the opportunity to include matters in the agenda. In addition, formal notices and agenda are sent to all Directors at least 14 days before the respective meetings. For all other Board and Board Committee (defined below) meetings, a reasonable notice is generally given. In general, the detailed meeting materials for each agenda (including meeting papers and explanatory or background information) are sent to the Board or the Board Committees at least three days before the meeting to ensure that the Directors or the members of the Board Committees have sufficient preparation time for the meetings. The minutes of the Board and the Board Committee meetings are recorded with sufficient details regarding the matters considered and decisions reached. Draft and final versions of the minutes are sent to all Directors or Board Committee members for comments and records within reasonable time after the meetings. The minutes of the Board and the Board Committee meetings are confirmed at the subsequent meetings. The original signed minutes are properly kept at the registered office or principal business address of the Company as required under the relevant laws, rules and regulations, and the minutes are open for inspection by the Directors and the Board Committee members, as the case may be.

董事會定期召開會議，每個季度至少召開一次（每年至少四次）。董事會也可於需要時召開臨時會議，討論可能出現的具體重大問題。在二零二一財政年度中，董事會一共召開了六次會議。關於董事會召開的定期會議，所有董事均有機會將提出商討事項列入議程。另外，正式通知和議程至少在會議前十四天發送給所有董事。關於董事會召開的其他會議和董事會委員會（定義如下）召開的會議，本公司通常會在合理期限內提前發出通知。一般而言，每一議程的詳細會議資料（包括會議文件和說明或背景資料）均會在會議召開前至少三天發送給董事會或董事會委員會，以確保各董事或董事會委員會成員有充分的時間準備會議。董事會和董事會委員會的會議紀要中記錄了關於審議事項和決策過程的足夠詳情。會議紀要的草稿與最終版本均在會議召開後的合理時間內分發給所有董事或董事會委員會成員傳閱，供其提供意見和留作記錄之用。董事會和董事會委員會在隨後召開的會議中確認該等會議紀要。經簽署後的會議紀要原件也根據相關法律、法規和規定妥善保管於本公司的註冊地址或主要營業地。會議紀要可供董事和董事會委員會成員（視情況而定）進行查閱。

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During the Board meetings, the relevant Management personnel may be invited to make presentation and answer the Directors' queries on the relevant agenda, and the Directors are free to discuss and openly challenge the views presented by the Management and other Directors. The Chairman of the Board ensures that each agenda is allocated sufficient time for discussion and each Director is given sufficient opportunity to express his/her opinions. Where necessary, the Company also engages external consultants to provide professional opinions on specific projects or corporate exercises to facilitate the Board's decision-making process. The Board's decision-making process is an objective one. The Directors are given separate and independent access to the Management to address any enquiries. When necessary, the Directors can seek independent professional advice, concerning any aspect of the Group's operations or undertakings in order to fulfill their roles and responsibilities as Directors, at the Company's expense.

The Company has subscribed appropriate and sufficient insurance coverage on Directors' liabilities in respect of legal actions taken against the Directors arising from corporate activities.

Below are (i) the number of meetings and the Directors' attendance at the meetings of the Board, the Audit Committee, the Remuneration Committee, the Nominating Committee, the Strategy Committee, and the annual general meeting of the Company (the "AGM"), held during FY2021; and (ii) the number of meetings and the Directors' attendance at the meetings of the Management Committee⁽¹⁾ held during the period from 1 January 2021 up to 11 August 2021.

在董事會召開會議時，相關管理層人員也將受邀向董事會作出陳述或回答董事會就有關議程提出的問題。董事在董事會會議上可自由發言，對管理層和其他董事的意見公開發表自己的看法。董事長確保會議的每項議程都被分配充足的討論時間，並確保每名董事均享有充分的機會表達他/她的觀點。在必要時，本公司也聘請外部顧問對特定項目或企業行動提供專業意見，以此協助董事會作出決策。董事會的決策過程是客觀的。董事們可各自獨立向管理層徵詢。在必要時，董事們可尋求關於本集團運營或業務任何方面的獨立專業意見，以使董事們履行其相關職責，尋求該專業意見的相關費用將由本公司承擔。

關於董事們因從事企業活動而可能面臨的法律行動和由此承擔的法律責任，本公司已為董事們購買足額及適當的保險。

以下是(i)二零二一財政年度董事會、審計委員會、薪酬委員會、提名委員會及戰略委員會及本公司股東週年大會（「股東週年大會」）的會議次數及董事出席情況；及(ii)於二零二一年一月一日至二零二一年八月十一日期間管理委員會⁽¹⁾的會議次數及董事出席情況。

Directors/ Board Committee members 董事 / 董事會委員會成員	Board 董事會		Audit Committee 審計委員會		Remuneration Committee 薪酬委員會		Nominating Committee 提名委員會		Strategy Committee 戰略委員會		Management Committee ⁽¹⁾ 管理委員會 ⁽¹⁾		Annual General Meeting 股東週年大會	
	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數	Held 會議次數	Attended 出席次數
Mr. Wang Tianyi ⁽²⁾ 王天義先生 ⁽²⁾	6	5 ⁽²⁾	NA	NA	2	2	2	2	1	NA	NA	NA	1	1
Mr. Hu Yanguo ⁽³⁾ 胡延國先生 ⁽³⁾	6	1 ⁽³⁾	NA	NA	NA	NA	2	NA	1	1	26	NA	1	NA
Mr. An Xuesong ⁽⁴⁾ 安雪松先生 ⁽⁴⁾	6	5 ⁽⁴⁾	NA	NA	NA	NA	NA	NA	1	NA	26	26	1	1
Mr. Tao Junjie ⁽⁵⁾ 陶俊杰先生 ⁽⁵⁾	6	1 ⁽⁵⁾	NA	NA	NA	NA	NA	NA	1	1	26	NA	1	NA
Mr. Luo Junling 羅俊嶺先生	6	6	NA	NA	NA	NA	NA	NA	1	1	26	26	1	1
Mr. Zhai Haitao 翟海濤先生	6	6	2	2	2	2	2	2	NA	NA	NA	NA	1	1
Mr. Lim Yu Neng Paul 林御能先生	6	6	2	2	2	2	2	2	NA	NA	NA	NA	1	1
Ms. Cheng Fong Yee 鄭鳳儀女士	6	6	2	2	2	2	NA	NA	NA	NA	NA	NA	1	1
Ms. Hao Gang 郝剛女士	6	6	2	2	NA	NA	NA	NA	1	1	NA	NA	1	1

N.A. – Not a Director or a member of the relevant Board Committee when the meeting(s) was/were held.

N.A. – 在會議召開時，不是董事或相關董事會委員會之成員。

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Notes:

- (1) The Management Committee has ceased to be a Board Committee with effect from 11 August 2021.
- (2) Mr. Wang Tianyi resigned as a Non-Executive Director, the Chairman of the Board, the chairman of the Strategy Committee, a member of the Remuneration Committee and a member of the Nominating Committee with effect from 5 October 2021.
- (3) Mr. Hu Yanguo was appointed as an Executive Director, the Chairman of the Board, the chairman of the Strategy Committee, the chairman of the Management Committee, and a member of the Nominating Committee with effect from 5 October 2021.
- (4) Mr. An Xuesong resigned as an Executive Director, the Chief Executive Officer (the “CEO”), the chairman of the Management Committee and a member of the Strategy Committee with effect from 5 October 2021.
- (5) Mr. Tao Junjie was appointed as an Executive Director, the CEO, the vice-chairman of the Management Committee and a member of the Strategy Committee with effect from 5 October 2021.

In lieu of physical meetings, written resolutions are also circulated for approval by members of the Board and the Board Committees. The Company’s Bye-laws (the “Bye-laws”) also provide for meetings to be held by way of telephone, electronic or other communication facilities.

Board Authority and Delegation

The Board approves a document, known as the Board Authority Matrix, with guidelines setting forth the matters reserved for the Board’s decision and clear directions to the Management on matters that must be approved by the Board. The Board Authority Matrix is reviewed by the Board at least once a year and revised accordingly when necessary. The matters reserved for the Board’s decision include but are not limited to changes in share capital, acquisitions and disposals of assets with value exceeding certain threshold, venturing into non-core business, setting up of joint venture with value or shareholding exceeding certain threshold, corporate or financial restructuring, obtaining borrowings exceeding certain threshold, appointment of key management personnel, decision on major legal actions, share issuance and dividends, financial results, annual budget and corporate strategies. The Board will provide directions to the management teams of the Group’s business divisions through presentations at Board and Board Committee meetings.

The Board sits at the top of the Company’s governance framework. To execute its responsibilities, the Board delegates specific functions to its committees (the “Board Committees”), currently comprising the Nominating Committee, the Remuneration Committee, the Audit Committee and the Strategy Committee. The Management Committee has ceased to be a Board Committee with effect from 11 August 2021. The Board Committees function within written terms of reference and operating procedures, which are reviewed on a regular basis. The terms of reference of each of the Board Committees are available on the SGXNet and the websites of the Company and Hong Kong Exchanges and Clearing Limited (“HKEX”). Each of the Board Committees reports its activities regularly to the Board. Please refer to the other sections of this Corporate Governance Report for further information on the activities of the Board Committees.

附註：

- (1) 管理委員會自二零二一年八月十一日起不再作為董事會委員會。
- (2) 王天義先生自二零二一年十月五日起辭任非執行董事、董事長、戰略委員會主席、薪酬委員會委員及提名委員會委員。
- (3) 胡延國先生自二零二一年十月五日起獲委任為執行董事、董事長、戰略委員會主席、管理委員會主席及提名委員會委員。
- (4) 安雪松先生自二零二一年十月五日起辭任執行董事、總裁（「總裁」）、管理委員會主席及戰略委員會委員。
- (5) 陶俊杰先生自二零二一年十月五日起獲委任為執行董事、總裁、管理委員會副主席及戰略委員會委員。

董事會和董事會委員會也通過向各董事或成員分發書面決議供其批准的方式取代現場召開的會議。本公司章程（「本公司章程」）也規定了會議可以電話、電子或其他通訊方式召開。

董事會權限與授權

董事會批准了一份名為董事會權限清單的文件，其中列明了留待董事會決策的事項。該文件也給予管理層一個清晰的指引，明確了管理層需要上報董事會審批的事項。董事會至少每年一次對董事會權限清單進行審閱，並在必要時對該清單作出修改。留待董事會決策的事項包括但不限於：股本變更、超過特定限額的資產收購或處置、開展非核心業務、設立價值超過特定限額或持股比例的合資企業、企業或財務重組、獲得超過特定限額的借貸、委任關鍵管理人員、對重大法律進程的決策、發行股份和派發股息、財務業績、年度預算和企業戰略等。董事會通過在其會議和董事會委員會會議上發表講話的方式指導本集團各業務部門管理團隊的工作。

董事會處於本公司企業管治框架的頂層。董事會下設委員會（「董事會委員會」）來行使董事會的具體職能，這些委員會目前包括提名委員會、薪酬委員會、審計委員會和戰略委員會。管理委員會自二零二一年八月十一日起已不再作為董事會委員會。各董事會委員會按照書面規定的職權範圍和程序運作，該等職權範圍和程序運作接受定期審閱，並可在SGXNet和本公司及香港交易及結算所有限公司（「港交所」）網站查閱。每個董事會委員會都定期向董事會匯報工作。有關董事會委員會工作的進一步詳情，請參閱本企業管治報告中的其他部分。

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企業管治報告

Directors' Orientations and Trainings

The current members of the Board are familiar with the Group's business operations and corporate governance practices. In particular, a majority of the Directors (including a majority of Independent Non-Executive Directors) have more than eight years' experience serving as an executive officer or a director of a company in the environmental protection industry. The Nominating Committee (the "NC") ensures that new Board appointees are provided with trainings and information to familiarise themselves with the Group's business, strategic goals and directions and corporate governance practices.

Upon the appointment of a new Director, the Company will provide a formal letter to the Director, setting out his/her duties and obligations. Such Directors are given appropriate briefings when they are first appointed to the Board. Appropriate orientations are conducted for all new Directors appointed to the Board to ensure that they are familiar with the Company's business, operations, governance practice and regulatory requirements. The Joint Company Secretaries or the external lawyers also provide trainings to the new Directors on his/her duties and responsibilities as a Director and the Company's ongoing obligations as a company listed on both SGX and SEHK. If the newly-appointed Director has no prior experience as a director of an SGX-listed company, he/she is also required to attend courses and training organised by institutions such as the Singapore Institute of Directors and the SGX-ST. During FY2021, as the newly-appointed Directors, Mr. Hu Yanguo and Mr. Tao Junjie have attended the trainings organised by Singapore Institute of Directors.

The Company provides ongoing education on Board procedures, corporate governance practices and industry developments to all Directors. The Company also invites external experts (such as auditors, lawyers, sustainability consultants, technical experts or other professionals) to provide regular trainings to the Directors and the Management on legal, financial, technical and business topics, depending on the Company's development needs. The Management further provides (i) monthly updates on the Group's performance, position and prospects; and (ii) regular updates on changes in the relevant laws, regulations and commercial risks, to enable the Directors to make well-informed decisions and to ensure that the Directors are competent in carrying out their respective roles and responsibilities. The Company also arranged project site visits for the Directors. At the same time, the Directors are encouraged to keep themselves abreast of the latest developments relevant to the business of the Group.

董事業務介紹與培訓

董事會的成員均了解本集團的業務運營和企業管治常規。具體而言，本公司超過半數的董事（包括超過半數的獨立非執行董事）曾在環保行業內的公司擔任執行管理人員或董事超過八年。提名委員會（「提名委員會」）確保新董事接受相關培訓和信息，使之了解本集團的業務、戰略目標和方向以及企業管治常規。

在委任新董事時，本公司會向該董事發出一份正式聘任函，其中列明他/她擔任董事所需履行的義務和職責。新任董事在首次加入董事會時將接受培訓。本公司為所有新聘任的董事都提供業務介紹，以此確保他們熟悉本公司的業務、運營、管治常規以及監管要求。聯席公司秘書或外部律師也對新任董事進行培訓，使其了解作為董事應盡的義務和職責以及本公司作為新交所和聯交所上市公司應履行的持續性義務。若新獲委任的董事沒有在新交所上市公司擔任董事的經驗，其還須參加由新加坡董事學會以及新交所等機構舉辦的課程及培訓。二零二一財政年度內，作為新獲委任的董事，胡延國先生及陶俊杰先生已經參加由新加坡董事學會舉辦的培訓。

本公司持續向全體董事提供有關董事會程序、企業管治常規和行業發展的培訓。本公司還邀請外部專家（比如審計師、律師、可持續發展顧問、技術專家或其他專業人士）對董事和管理層進行定期培訓，培訓課題涵蓋法律、財務、技術、商業等領域，具體取決於本公司的發展需求。管理層還定期提供 (i) 本集團表現、狀況及前景的每月更新資料及 (ii) 相關法律、法規及商業風險的更新，使董事們得以在充分掌握信息的基礎上作出決定，確保董事們能夠履行其各自的角色和職責。本公司也會為董事們安排項目實地考察。同時，本公司鼓勵董事們隨時跟進與本集團業務有關的最新進展。

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Below is a summary of the trainings which the Directors received during FY2021:

以下是董事們在二零二一財政年度接受的培訓總結：

Directors 董事		Types of Trainings ^{Note} 培訓種類 _{附註}
Non-Executive Director		
Mr. Wang Tianyi *	非執行董事 王天義先生 *	A,B,C
Executive Directors		
Mr. Hu Yanguo **	執行董事 胡延國先生 **	A,B,C
Mr. An Xuesong *	安雪松先生 *	A,B,C
Mr. Tao Junjie **	陶俊杰先生 **	A,B,C
Mr. Luo Junling	羅俊嶺先生	A,B,C
Independent Non-Executive Directors		
Mr. Zhai Haitao	獨立非執行董事 翟海濤先生	A,C
Mr. Lim Yu Neng Paul	林御能先生	A,C
Ms. Cheng Fong Yee	鄭鳳儀女士	A,C
Ms. Hao Gang	郝剛女士	A,C

* Mr. Wang Tianyi and Mr. An Xuesong resigned as the Directors on 5 October 2021.

** Mr. Hu Yanguo and Mr. Tao Junjie were appointed as the Directors on 5 October 2021.

* 王天義先生及安雪松先生於二零二一年十月五日辭任董事。

** 胡延國先生及陶俊杰先生於二零二一年十月五日獲委任為董事。

Note:

Types of Trainings:

A: Attending seminars/ conferences/ forums

B: Giving talks at seminars/ conferences

C: Reading newspapers, journals and updates relating to the economy, environmental protection business or directors' duties and responsibilities, etc

附註：

培訓種類：

A：參加研討會/會議/討論

B：在研討會/會議上進行演講

C：閱讀有關經濟、環保業務或董事職責等方面的報紙、期刊和最新消息

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Company Secretaries

The Joint Company Secretaries are accountable to the Board for ensuring that Board policy and procedures are followed and Board activities are efficiently and effectively conducted. They also advise the Board on governance matters and facilitate the induction and professional development of the Directors. Ms. Peng Pei and Ms. Ho Wing Tsz Wendy have been appointed as the Company's Joint Company Secretaries. Ms. Peng Pei has been the Legal Counsel and Company Secretary of the Company since 20 January 2017, and she is a full-time employee of the Company. She is mainly responsible for the legal and company secretarial matters of the Group. Although she reports to the Chairman of the Board and the CEO, all the Directors may call for her assistance and advice at any time in respect of their duties, so as to ensure effective operation of the Board and the Board Committees.

Ms. Ho Wing Tsz Wendy, an executive director of corporate services division of Tricor Services Limited, which is a global professional services provider specialising in integrated business, corporate and investor services, has been engaged by the Company as one of its Joint Company Secretaries. Her primary contact person at the Company is Ms. Peng Pei, the Legal Counsel and Joint Company Secretary of the Company. During FY2021, Ms. Ho has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the SEHK Listing Rules.

At least one of the Joint Company Secretaries attends all Board meetings and Board Committee meetings and ensures that they are conducted in accordance with the Bye-laws and the relevant rules and regulations. The appointment and removal of any Joint Company Secretary are subject to the approval of the Board. The Joint Company Secretaries, under the direction of the Chairman of the Board, ensure good information flows within the Board and the Board Committees and between the Management and the Independent Non-Executive Directors.

公司秘書

聯席公司秘書向董事會負責，確保董事會的政策和程序得到遵守以及董事會工作得以有效開展。聯席公司秘書也向董事會提供關於所有管治事項的意見，協助為董事安排任職培訓及專業發展項目培訓。彭珮女士與何詠紫女士已獲聘任為本公司的聯席公司秘書。彭珮女士自二零一七年一月二十日起便擔任本公司的法律顧問兼公司秘書，她是本公司的全職僱員。她主要負責本集團的法律和公司秘書事宜。雖然她向董事長和總裁匯報工作，但所有的董事均可在任何時候聯絡她，讓她協助董事履行職務或對此提供意見，以確保董事會和董事會委員會的有效運作。

何詠紫女士是卓佳專業商務有限公司企業服務部門的執行董事。該公司是一家全球專業服務提供商，專注於提供商業、企業和投資者綜合服務。彼獲聘請為本公司的聯席公司秘書，其在本公司的主要聯繫人為本公司法律顧問兼聯席公司秘書彭珮女士。於二零二一財政年度內，何女士已接受不少於15小時的相關專業培訓，遵守了聯交所上市規則第3.29條的規定。

至少一名聯席公司秘書出席本公司的所有董事會會議和董事會委員會會議，以確保這些會議根據本公司章程和相關法律法規的規定召開。聯席公司秘書的任免須經過董事會批准。在董事長的指導下，聯席公司秘書確保董事會、董事會委員會、管理層和獨立非執行董事之間形成良好的信息流通。

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Board Composition and Balance

The Company has a Board with a balanced composition of Executive and Independent Non-Executive Directors. The Board currently comprises seven Directors, with four Directors being Independent Non-Executive Directors. The Directors as at the date of this Annual Report are:

- (i) Mr. Hu Yanguo (Executive Director & Chairman of Board);
- (ii) Mr. Tao Junjie (Executive Director & CEO);
- (iii) Mr. Luo Junling (Executive Director & CFO);
- (iv) Mr. Zhai Haitao (Independent Non-Executive Director);
- (v) Mr. Lim Yu Neng Paul (Independent Non-Executive Director);
- (vi) Ms. Cheng Fong Yee (Independent Non-Executive Director); and
- (vii) Ms. Hao Gang (Independent Non-Executive Director).

An updated list of the Directors with their respective roles and functions is available on the SGXNet and the websites of the Company and HKEX. Independent Non-Executive Directors are identified in all corporate communications that disclose the names of Directors.

In addition, none of the members of the Board is related to one another during FY2021.

Below are the changes in the composition of the Board during FY2021:

- (1) Mr. Wang Tianyi resigned as an Non-Executive Director, the Chairman of the Board, the chairman of the Strategy Committee, a member of the Remuneration Committee and a member of the Nominating Committee with effect from 5 October 2021;
- (2) Mr. Hu Yanguo was appointed as an Executive Director, the Chairman of the Board, the chairman of the Strategy Committee, the chairman of the Management Committee, and a member of the Nominating Committee with effect from 5 October 2021;
- (3) Mr. An Xuesong resigned as an Executive Director, the CEO, the chairman of the Management Committee and a member of the Strategy Committee with effect from 5 October 2021; and
- (4) Mr. Tao Junjie was appointed as an Executive Director, the CEO, the vice-chairman of the Management Committee and a member of the Strategy Committee with effect from 5 October 2021.

董事會的組成和平衡

本公司由執行董事和獨立非執行董事均衡地組成其董事會。董事會目前由七名董事組成，其中包括四名獨立非執行董事。於本年度報告日，董事會由下列人員組成：

- (i) 胡延國先生（執行董事兼董事長）；
- (ii) 陶俊杰先生（執行董事兼總裁）；
- (iii) 羅俊嶺先生（執行董事兼首席財務官）；
- (iv) 翟海濤先生（獨立非執行董事）；
- (v) 林御能先生（獨立非執行董事）；
- (vi) 鄭鳳儀女士（獨立非執行董事）；以及
- (vii) 郝剛女士（獨立非執行董事）。

本公司之最新董事名單已載於SGXNet、本公司及港交所的網站上，其中明確了董事角色及職能。本公司在所有載有董事姓名的公司通訊中，已註明獨立非執行董事的身份。

此外，於二零二一財政年度內，董事會成員之間概無任何關聯關係。

以下是二零二一財政年度內董事會組成的變更情況：

- (1) 王天義先生自二零二一年十月五日起辭任非執行董事、董事長、戰略委員會主席、薪酬委員會委員及提名委員會委員；
- (2) 胡延國先生自二零二一年十月五日起獲委任為執行董事、董事長、戰略委員會主席、管理委員會主席及提名委員會委員；
- (3) 安雪松先生自二零二一年十月五日起辭任執行董事、總裁、管理委員會主席及戰略委員會委員；以及
- (4) 陶俊杰先生自二零二一年十月五日起獲委任為執行董事、總裁、管理委員會副主席及戰略委員會委員。

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The Board has determined that it is of an appropriate size, structure and composition to facilitate effective decision-making, and to meet the objective of having a balance of skills and experiences, taking into account the size and scope of the Company's operations.

Independence of Directors

The independence of each Director is assessed and reviewed annually by the NC based on the definition of independence as provided in the SG CG Code, SGX Listing Manual and SEHK Listing Rules. The Board and the NC consider an independent director as one who is independent in conduct, character and judgement and has no relationship with the Group, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interest of the Company and the Group.

Each Independent Non-Executive Director is required to complete a Director's Independence Checklist annually to confirm his/ her independence based on the guidelines as set out in the SGX Listing Manual and SG CG Code. The Company has also received from each of the Independent Non-Executive Directors an annual confirmation on his/her independence as required under Rule 3.13 of the SEHK Listing Rules. For FY2021, the NC has determined that all the Independent Non-Executive Directors are independent.

In particular, Mr. Zhai Haitao is also an independent non-executive director of the Company's controlling shareholder China Everbright Environment Group Limited ("**Everbright Environment**"), but he is not involved in the daily management and operation of Everbright Environment. The NC and the Board determined that Mr. Zhai Haitao is independent in conduct, character and judgment and his role as independent non-executive director of Everbright Environment will not affect his judgment as Independent Non-Executive Director of the Company.

Mr. Lim Yu Neng Paul and Ms. Cheng Fong Yee were appointed as Independent Directors of the Company in July 2007. Since then, the Company experienced changes in controlling shareholders and the management teams twice. The current controlling shareholder, Everbright Environment, only gained control of the Company in December 2014 and the current management team and executive officers joined the Company following that change. Thus, although Mr. Lim Yu Neng Paul and Ms. Cheng Fong Yee served the Board beyond nine years from the date of their appointment, both the NC and the Board held the view that they remain independent in conduct, character and judgement.

董事會認為，考慮到本公司的經營規模和範圍，目前董事會的人數、結構和構成是適當的，這有利於董事會作出有效的決策並在各領域擁有平衡兼顧的技能和經驗。

董事的獨立性

提名委員會每年根據新加坡企業管治守則、新交所上市手冊和聯交所上市規則中的定義評估和審閱各名董事的獨立性。若一名董事在其行為、品格及判斷方面具獨立性且與本集團，或與本集團的關聯企業、擁有本集團5%股份的股東或其管理人員之間的關係不會干擾到或被合理認為不會干擾到該董事為本公司和本集團的最佳利益行使獨立商業判斷，則董事會和提名委員會視該董事為獨立董事。

每名獨立非執行董事須每年填寫董事獨立調查清單，以確認其按照新交所上市手冊和新加坡企業管治守則的要求具有獨立性。根據聯交所上市規則第3.13條的規定，本公司亦已收到每名獨立非執行董事關於獨立性的年度確認函。在二零二一財政年度，提名委員會認為所有的獨立非執行董事均是獨立的。

其中，翟海濤先生也是本公司的控股股東中國光大環境（集團）有限公司（「**光大環境**」）的獨立非執行董事，但他並不參與光大環境的日常經營管理。提名委員會和董事會認為，翟海濤先生在行為、品格和判斷方面具有獨立性，他作為光大環境獨立非執行董事的角色不會影響他作為本公司獨立非執行董事的判斷。

林御能先生和鄭鳳儀女士在二零零七年七月被任命為本公司的獨立董事。自那時起，本公司經歷了兩次控股股東和管理團隊的變化。目前的控股股東光大環境在二零一四年十二月才取得本公司的控制權，目前的管理團隊和執行人員也是繼該次變更之後才加入本公司。因此，雖然林御能先生和鄭鳳儀女士在董事會的任期自委任之日起已超過九年，但提名委員會和董事會認為他們在行為、品格和判斷方面仍具有獨立性。

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In addition, Ms. Hao Gang, who was appointed in March 2018 as the Independent Director, has no relationship with the Group, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere with the exercise of her independent business judgement in the best interest of the Company and the Group. Therefore, the NC and the Board considered Ms. Hao Gang to be independent.

The Board and the NC will undertake more rigorous review annually on the independence of any Director who has served the Board beyond nine years, and in doing so, the Board will also take into account the need for progressive refreshing of the Board. In addition, when a director who has served the Board beyond nine years seeks for continued appointment as an independent director, his/her re-appointment will also be subject to more stringent Shareholders' resolutions mechanism in accordance with the requirements under the SGX Listing Manual and SEHK Listing Rules. The continued appointment of Mr. Lim Yu Neng Paul and Ms. Cheng Fong Yee (both have served the Board beyond nine years) as the Independent Directors have been approved by the Shareholders during the AGM held in FY2021 in accordance with Rule 210(5)(d)(iii) of the SGX Listing Manual.

The Board is able to exercise objective judgment on corporate affairs independently from the Management. No individual or group of individuals is allowed to dominate the Board's decision-making. Currently, a majority of the Board members are Independent Non-Executive Directors. The Board has complied with the requirements of SG CG Code that the independent directors make up a majority of the Board where the chairman of the Board is not independent. The Company has also met the requirements of Rule 3.10 of the SEHK Listing Rules relating to the appointment of at least three Independent Non-Executive Directors with at least one of them possessing appropriate professional qualifications, accounting or related financial management expertise. The NC and the Board are thus of the view that there is sufficiently strong independent element on the Board to enable independent exercise of objective judgment on corporate affairs of the Group, taking into account factors such as the number of independent directors and the size and scope of the affairs and operations of the Group.

此外，郝剛女士自二零一八年三月獲委任為獨立董事，她與本集團或本集團的關聯公司、擁有本集團5%股份的股東或其管理人員之間不存在任何關係會干擾到或被合理認為干擾到她為本公司和本集團的最佳利益而行使獨立的商業判斷。因此，提名委員會和董事會認為郝剛女士也具有獨立性。

對於在本公司任職超過九年的董事，董事會在審閱其獨立性時採用更加嚴格的標準，也會考慮到董事會逐步更新其人員組成的需求。此外，在董事會累計任職超過九年的董事當尋求續聘為獨立董事時，也將根據新交所上市手冊及聯交所上市規則的要求受限於更嚴格的股東決議機制。林御能先生和鄭鳳儀女士（其董事任期自委任之日起已超過九年）已經於二零二一財政年度召開的股東週年大會上根據新交所上市手冊第210(5)(d)(iii)條的規定就其繼續擔任本公司獨立董事的事宜獲得股東批准。

董事會對公司事務能夠行使獨立於管理層的客觀判斷。任何個人或一組人均不可支配董事會的決策。本公司目前的董事會成員中超過半數為獨立非執行董事。董事會已遵守新加坡企業管治守則的要求，即：當董事長不是獨立董事時，半數以上的董事會成員需為獨立董事。本公司亦符合聯交所上市規則第3.10條的規定，即：聘有至少三名獨立非執行董事，其中至少一名擁有適當的專業資格、會計或財務管理相關的專業知識。提名委員會及董事會因此認為，鑒於獨立董事在董事會中所佔的人數以及本集團業務經營的規模和範圍，董事會目前的組成使董事會具有足夠的獨立性，並讓董事會的成員得以對本集團事務作出獨立客觀的判斷。

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Furthermore, the Audit Committee (the “**AC**”), the Remuneration Committee (the “**RC**”) and the NC are chaired by Independent Non-Executive Directors. The AC and the RC currently comprise only Independent Non-Executive Directors and the majority of the NC members are also Independent Non-Executive Directors. The Company currently has no Lead Independent Director. Considering the Company’s current business operations and Board size of seven members with a majority being Independent Non-Executive Directors, the Company is of the view that the appointment of a Lead Independent Director for the year under review is not necessary. Nevertheless, the Board will annually examine the need for such appointment.

Independent Non-Executive Directors play an important role in the Board’s decision-making process. They constructively challenge and assist to develop proposals on strategy, review the performance of the Management in achieving targets and objectives, and monitor the reporting of performance. In particular, the Chairman of the Board ensures that each of the Independent Non-Executive Directors is given sufficient time to express his/her opinions during the Board meetings. During FY2021, the Chairman and the Independent Non-Executive Directors met at least once without the presence of the other Executive Directors and the Management.

Board Diversity

The Company recognises the importance of having a diverse Board in enhancing the Board effectiveness and corporate governance. Therefore, the Company has established the Board Diversity Policy to ensure the diversity of the Board members and balance of skills. A diverse Board will include and make good use of differences in the skills, industry knowledge and professional experience, cultural and education background and other qualities of the Directors and does not discriminate on the ground of race, age, gender or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

The NC has responsibility for identifying and nominating candidates for appointment to the Board and recommending the same to the Board for approval. It takes responsibility in assessing the appropriate mix of experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and overseeing the Board succession. The NC is also responsible for reviewing and reporting to the Board in relation to board diversity.

另外，審計委員會（「**審計委員會**」）、薪酬委員會（「**薪酬委員會**」）和提名委員會的主席均由獨立非執行董事擔任。審計委員會和薪酬委員會全部由獨立非執行董事構成，提名委員會的成員中超過半數是獨立非執行董事。本公司目前沒有聘任首席獨立董事。鑒於本公司目前的業務以及董事會七名成員中超過半數是獨立非執行董事，本公司認為在回顧年內並無必要聘任首席獨立董事。但董事會將每年審查是否需要作出該等聘任。

獨立非執行董事對於董事會的決策過程起到非常重要的作用。他們對戰略決策提出具有建設性的意見並協助擬定戰略方案，審閱管理層的表現是否達到預先設定的目標，並對其績效報告進行監督。具體而言，董事長將確保每名獨立非執行董事在每次董事會的會議中都擁有充足的時間表達其觀點。在二零二一財政年度內，董事長和獨立非執行董事在其他執行董事和管理層不在場的情況下進行了至少一次會面。

董事會多元化

本公司認可多元化的董事會對提高董事會效率和企業管治的重要性。因此，本公司制訂了董事會多元化政策，以確保董事會成員的多元化和技能的平衡性。多元化董事會應包括並充分利用董事們在技能、行業知識和專業經驗、文化和教育背景等方面的差異，不因種族、年齡、性別或宗教信仰而有所歧視。在決定董事會的最佳組成時，將考慮並盡可能地適當平衡這些差異。

提名委員會負責物色及提名董事會成員候選人，供董事會審批。提名委員會負責評估董事會所需要的經驗、專業知識、技能和多樣性，評估所需技能應在董事會所佔的比例，並監督董事會的繼任工作。提名委員會還負責審查董事會的多樣性並向董事會作出報告。

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The current Board members comprise business leaders, industry experts, professionals and academia experts, with industry, accounting, financial, business, management and academic backgrounds. With two female Directors sitting on the Board, a majority of the Directors (including a majority of Independent Non-Executive Directors) have more than eight years' experience serving as an executive officer or a director of a company in the environmental protection industry. This composition and diversity of the Board enable the Management to benefit from a diverse and objective external perspective, on issues raised before the Board. Each Director has been appointed based on the strength of his/her calibre, expertise, experience and his/her potential contribution to the Group and its businesses. Profiles of the Directors are set out in the section entitled "Board of Directors" on pages 44 to 50 of this Annual Report.

Following a review of the Board's composition, expertise and experience, the NC and the Board are satisfied that the current Board composition is sufficiently diverse in terms of the gender, skills and experience. Therefore, the Board has not set any measurable objectives. Nonetheless, the NC will review the Board Diversity Policy and set any measurable objectives (if necessary) from time to time to ensure its diversity and effectiveness.

Chairman and CEO

The Board recognises the recommendation of SG CG Code and HK CG Code that the Chairman and the CEO should be separate persons to ensure that there is an appropriate balance of power and authority within the Company.

The Chairman of the Company is Mr. Hu Yanguo and the CEO is Mr. Tao Junjie. The Chairman bears the responsibility for the effective conduct of the Board whilst the CEO bears the executive responsibility for the operations of the Group's business. The Chairman and the CEO are not related to each other.

The Chairman is responsible for exercising control over the quality and timeliness of the flow of information between the Management and the Board and ensuring compliance with the Group's guidelines on corporate governance. The Chairman ensures that Board meetings are held regularly in accordance with the agreed schedule and sets the agenda of the Board meetings.

The Chairman also builds constructive relations within the Board and between the Board and the Management, and facilitates the effective participation of Independent Non-Executive Directors by promoting a culture of openness and debate of the Board. The Chairman further ensures effective communication with the Shareholders and promotes high standards of corporate governance.

目前的董事會成員由具有行業、會計、財務、業務管理和學術背景的商界領袖、行業專家、專業人士和學術界專家組成。本公司董事會擁有兩名女性成員，且超過半數的董事（包括超過半數的獨立非執行董事）在環保行業的公司擔任執行管理人員或董事的經驗超過八年。董事會的組成結構和多元化使管理層受益，提交到董事會的議題得以從多元客觀的外部視角接受審閱。每名董事均是按照其能力、專業知識、經驗及其對本集團、本集團的業務可能作出的貢獻而獲得聘任。各董事的背景介紹見本年度報告第44頁至第50頁所載的「董事會成員」一節。

在審閱了董事會的組成、專長和經驗後，提名委員會和董事會對目前的董事會在性別、技能及經驗方面的多元化感到滿意。因此，董事會並未針對董事會多元化制定任何量化指標。然而，提名委員會將不時審視董事會多元化政策以及訂定任何量化指標（如需），以確保其多元化及有效性。

董事長和總裁

董事會認可新加坡企業管治守則和香港企業管治守則中的建議，即董事長和總裁應由不同的人員擔任，以確保本公司內部在權力和授權方面達到適當平衡。

本公司的董事長是胡延國先生，總裁是陶俊杰先生。董事長負責董事會的有效運作，總裁負責本集團業務的具體經營。董事長和總裁彼此沒有關聯關係。

董事長負責控制管理層和董事會之間信息流通的質量和及時性，確保本集團遵守了其企業管治指引。董事長確保董事會按照擬定的會議時間表定期召開會議，並確定董事會會議的議程。

董事長也負責在董事會內部及董事會與管理層之間形成建設性的關係，通過坦率的溝通和董事會討論來鼓勵獨立非執行董事有效參與。董事長還會確保本公司與股東之間進行了有效溝通，並促進高水平的企業管治。

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The duties of the CEO include taking responsibility for the Group's operation and management, implementing decisions and plans approved by the Board, making day-to-day operational and managerial decisions and coordinating overall business operations.

The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual exercising any considerable concentration of power or influence.

Nominating Committee

The NC comprises:

- (i) Mr. Zhai Haitao (NC Chairman & Independent Non-Executive Director);
- (ii) Mr. Hu Yanguo (Executive Director & Chairman of Board); and
- (iii) Mr. Lim Yu Neng Paul (Independent Non-Executive Director).

Majority of the NC, including the NC Chairman, are Independent Non-Executive Directors.

The key terms of reference of the NC are as follows:

- (1) reviewing annually the structure, size and composition (including the skills, knowledge and experience) of the Board;
- (2) establishing procedures for, reviewing, assessing and making recommendations to the Board on the review of board succession plans for Directors, in particular, the Chairman, the CEO, and the key management personnel (as defined in the SG CG Code), the process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors, the review of training and professional development programmes for the Board and the Directors, and the appointment and re-appointment of the Directors;
- (3) assessing the independence of Independent Non-Executive Directors while bearing in mind the circumstances set out in Rule 3.13 of the SEHK Listing Rules and Provision 2.1 of the SG CG Code and other salient factors;
- (4) deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments;

總裁的職責包括負責本集團的運營和管理、執行董事會的決策及計劃、作出運營管理的日常決策及協調整體業務運營。

董事會認為，本公司具有充分的保障和檢查措施，以確保董事會的決策過程是獨立的，且其決策是經過集體討論而作出的，不受任何個人的嚴重干預或影響。

提名委員會

提名委員會由下列董事組成：

- (i) 翟海濤先生（提名委員會主席、獨立非執行董事）；
- (ii) 胡延國先生（執行董事兼董事長）；和
- (iii) 林御能先生（獨立非執行董事）。

提名委員會的大多數成員（包括提名委員會主席）是獨立非執行董事。

提名委員會的主要職權範圍如下：

- (1) 每年審閱董事會的結構、人數和構成（包括技能、專業知識和經驗）；
- (2) 對董事（尤其是董事長、總裁）和關鍵管理人員（定義見新加坡企業管治守則）的繼任計劃制定審閱、評估的程序，並向董事會提出建議；對董事會、董事會委員會和董事的績效評估制定流程，審閱董事會和董事的培訓和專業發展方案，董事任命和重新聘任的事宜；
- (3) 考慮聯交所上市規則第3.13條和新加坡企業管治守則第2.1條規定所載的情況以及其他顯著因素，評估獨立非執行董事的獨立性；
- (4) 根據董事在其他上市公司董事會任職的數量和其他主要職責，決定每名董事是否能夠並已充分履行了作為本公司董事的職責；

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- (5) developing a process for evaluation of the performance of the Board as a whole, the Board Committees and the Directors and assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the chairman and each individual Director to the effectiveness of the Board; and
- (6) reviewing training and professional development programmes for the Board.

The NC has adequate resources to perform and discharge its responsibilities properly. During FY2021, the members of the NC reviewed the (i) independence status of each of the Directors (including the Independent Non-Executive Directors); (ii) performance of each individual Director, each individual Board Committee and the Board as a whole; and (iii) re-election of the retiring Directors.

Board Membership

Where a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC, in consultation with the Board, determines the selection criteria and selects candidates with the appropriate expertise and experience for the position in accordance with its nomination policy. Besides the qualification and experience of each candidate, the NC takes into consideration the candidate's ability to increase the effectiveness and the diversity of the Board and to add value to the Company's business in line with its strategic objectives. Before appointment of any new Director, the NC conducts an interview with the candidate and holds a meeting to discuss the candidacy (and the independence, where applicable) of the candidate. If appropriate, the NC makes recommendation to the Board on the proposed appointment. The Board will then review and discuss the candidacy of the candidate, and if appropriate, approve the appointment of the new Director. The Company makes immediate announcement on any new appointment of Directors in accordance with the SEHK Listing Rules and SGX Listing Manual.

In considering the re-appointment of a Director, the NC evaluates such Director's contribution and performance, such as his/her attendance at meetings of the Board or the Board Committees (where applicable), participation, candour and any special contributions. Upon the NC's recommendation, the Board will review and if appropriate, approve the nomination of a Director for re-election for the Shareholders' approval at the AGMs.

Each Independent Non-Executive Director is appointed for a term of three years until 11 April 2022, subject to renewal.

- (5) 制定評估董事會整體、各董事會委員會和董事們績效表現的程序，評估董事會和董事會委員會的有效性，評估董事長、董事會委員會主席和每名董事為董事會有效性所作出的的貢獻；和
- (6) 審閱董事會的培訓和專業發展方案。

提名委員會擁有足夠的資源使之適當地履行職責。於二零二一財政年度內，提名委員會成員已審閱(i)各董事（包括獨立非執行董事）的獨立性；(ii)各董事、各董事會委員會和董事會整體的表現；以及(iii)即將告退董事的競選連任。

董事會成員

在董事會席位出現空缺，或當引進具有某方面特長的新董事將有益於董事會時，提名委員會在與董事會協商後，根據其提名政策，制定遴選標準並挑選具有適當專業知識和經驗的候選人。除了各候選人的資質和經驗以外，提名委員會也將考慮候選人能否提高董事會的有效性和多樣性並按照本公司的戰略目標為本公司的業務創造價值。在聘請任何新董事前，提名委員會將對候選人進行面試，並且召開一次會議討論候選人的情況（包括獨立性，如適用）。如果認為候選人資歷合適，提名委員會將向董事會作出該項聘任的推薦。董事會隨後將審閱並探討候選人的資歷，在合適的情況下，董事會將批准聘任該候選人作為本公司的董事。本公司在聘請了任何新董事後都將根據聯交所上市規則和新交所上市手冊的規定立即發佈公告。

在考慮重新聘任一名董事時，提名委員會評估該名董事的貢獻和表現，比如其在董事會會議或各董事會委員會會議（如適用）的出席率、參與度、坦率程度以及任何特殊貢獻。根據提名委員會作出的推薦，董事會審閱和批准（如適當）提名該等董事在股東週年大會上重選連任。

每名獨立非執行董事的受聘期限均為三年直至二零二二年四月十一日，聘期均可延續。

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All Directors (including the Chairman of the Board and the CEO) are subject to the provisions of the Bye-laws whereby:

- (a) each Director shall retire at least once every three years and shall be eligible for re-election (Bye-law 86(1)); and
- (b) any Directors appointed by the Board shall retire at the next AGM of the Company and shall be eligible for re-election (Bye-law 85(6)).

Mr. Hu Yanguo and Mr. Tao Junjie are subject to retirement pursuant to the Bye-law 85(6) at the forthcoming AGM. Mr. Luo Junling is subject to retirement pursuant to the Bye-law 86(1) at the forthcoming AGM. Following a review of their expertise, experience, overall contribution to the Company, the Board and/or Board Committee meetings, the NC and the Board recommended them be nominated for re-election at the forthcoming AGM and accordingly, the above-named Directors will be offering themselves for re-election. The relevant information on each of the above-named Directors can be found in the section entitled "Board of Directors" on pages 44 to 50 of this Annual Report and the Circular to Shareholders dated 22 March 2022.

All Directors are required to declare their board representations. When a Director has multiple board representations, the NC will consider whether he/she is able to adequately carry out his/her duties as a Director, taking into consideration such Director's number of listed company board representations, the efforts and time required for his/her other board representations and his/her other principal commitments.

The NC has reviewed and is satisfied that all Directors, who sit on multiple boards, have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Directors of the Company, notwithstanding their multiple board appointments. The NC did not recommend setting of limit as to the number of listed board representations that every Director can hold, as the time and efforts required for each board representation may vary, depending on the type of directorship (executive or non-executive). The Board will determine the maximum number of listed company board representations which any Director may hold as and when required.

There is no Alternate Director on the Board.

所有董事（包括董事長和總裁）均須遵守本公司章程的下列規定：

- (a) 每名董事每三年應至少告退一次，可競選連任（本公司章程第86(1)條）；和
- (b) 董事會委任的任何董事應在本公司下一次股東週年大會上告退，可競選連任（本公司章程第85(6)條）。

胡延國先生及陶俊杰先生將按照本公司章程第85(6)條規定在應屆股東週年大會上告退。羅俊嶺先生將按照本公司章程第86(1)條規定在應屆股東週年大會上告退。在審閱了他們的專業知識、經驗以及對本公司、董事會和/或董事會委員會會議的整體貢獻後，提名委員會和董事會建議他們均在應屆股東週年大會上被提名連任，上述董事也將自薦連任。上述每位董事的相關信息可在本年度報告第44頁至第50頁所載的「董事會成員」一節和於二零二二年三月二十二日發出的股東通函中詳覽。

所有董事均需申報其其他公司董事會的任職情況。當董事任職多家公司的董事會，提名委員會將根據該董事在其他上市公司董事會任職的數量、所需的時間和精力以及他/她的其他主要職責來認定該董事是否能夠充分履行其作為本公司董事的職責。

經審閱，提名委員會認為，在多家公司董事會任職的董事儘管身兼多職，均能對本公司的事務貢獻足夠的時間和精力以充分履行其董事職責。由於在其他上市公司任職董事所需花費的時間和精力將根據具體董事席位的性質（執行或非執行）而有所不同，因此，提名委員會並未建議為每名董事在其他上市公司董事會任職的數量設定上限。董事會可隨時視需要規定每名董事可擔任的上市公司董事的數量上限。

董事會中沒有後補董事。

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The dates of initial appointment, last re-election/re-appointment and other listed company board representations of each of the Directors are set out below:

各現任董事的初次聘任、上一次重選/續任以及擔任其他上市公司董事職務的詳情如下：

Director 董事	Position 職務	Country of Principal Residence 主要居住國	Date of Initial Appointment 初次聘任日期	Date of last Re-election 上一次重選日期	Membership of Board Committees 董事會委員會 成員	Directorship/ Chairmanship both present and those held over the preceding three years in other listed companies 目前和前三任擔任董事/ 董事長的其他上市公司
Mr. Hu Yanguo 胡延國先生	Executive Director and Chairman 執行董事兼 董事長	China 中國	5 October 2021 二零二一年十月 五日	N.A. 不適用	SC Chairman NC Member 戰略委員會主席 提名委員會委員	Present: China Everbright Environment Group Limited (listed on SEHK); 現任： 中國光大環境（集團）有限 公司（在聯交所上市）； Over the preceding three years: None 前三年的任職：無
Mr. Tao Junjie 陶俊杰先生	Executive Director and CEO 執行董事兼 總裁	China 中國	5 October 2021 二零二一年十月 五日	N.A. 不適用	SC Member 戰略委員會委員	None 無
Mr. Luo Junling 羅俊嶺先生	Executive Director and CFO 執行董事兼 首席財務官	China 中國	10 May 2018 二零一八年五月 十日	12 Apr 2019 二零一九年四月 十二日	SC Member 戰略委員會委員	None 無
Mr. Zhai Haitao 翟海濤先生	Independent Non-Executive Director 獨立非執行董事	Hong Kong SAR, China 中國香港	14 Aug 2015 二零一五年八月 十四日	27 Apr 2021 二零二一年四月 二十七日	NC Chairman AC Member RC Member 提名委員會主席 審計委員會委員 薪酬委員會委員	Present: China Everbright Environment Group Limited (listed on SEHK) China Life Insurance Company Limited (listed on New York Stock Exchange, Shanghai Stock Exchange and SEHK) 現任： 中國光大環境（集團）有限 公司（在聯交所上市） 中國人壽保險股份有限公司 （在紐約證券交易所、上海 證券交易所和聯交所上市） Over the preceding three years: None 前三年的任職：無

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Director 董事	Position 職務	Country of Principal Residence 主要居住國	Date of Initial Appointment 初次聘任日期	Date of last Re-election 上一次重選日期	Membership of Board Committees 董事會委員會 成員	Directorship/ Chairmanship both present and those held over the preceding three years in other listed companies 目前和前三年擔任董事/ 董事長的其他上市公司
Mr. Lim Yu Neng Paul 林御能先生	Independent Non-Executive Director 獨立非執行董事	Singapore 新加坡	31 July 2007 二零零七年七月 三十一日	27 Apr 2021 二零二一年四月 二十七日	AC Chairman RC Member NC Member 審計委員會主席 薪酬委員會委員 提名委員會委員	Present: Golden Energy and Resources Limited (listed on SGX); 現任： Golden Energy and Resources Limited (在新交所上市)； Over the preceding three years: Nippecraft Limited (listed on SGX) 前三年的任職： Nippecraft Limited (在新交所上市)
Ms. Cheng Fong Yee 鄭鳳儀女士	Independent Non-Executive Director 獨立非執行董事	Singapore 新加坡	31 July 2007 二零零七年七月 三十一日	27 Apr 2021 二零二一年四月 二十七日	RC Chairman AC Member 薪酬委員會主席 審計委員會委員	None 無
Ms. Hao Gang 郝剛女士	Independent Non-Executive Director 獨立非執行董事	Hong Kong SAR, China 中國香港	16 March 2018 二零一八年三月 十六日	27 Apr 2021 二零二一年四月 二十七日	AC Member SC Member 審計委員會委員 戰略委員會委員	None 無

Notes:

AC: Audit Committee
RC: Remuneration Committee
NC: Nominating Committee
SC: Strategy Committee

附註：

審計委員會：審計委員會
薪酬委員會：薪酬委員會
提名委員會：提名委員會
戰略委員會：戰略委員會

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Board Performance

The Board and the NC have adopted a formal process for the assessment of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the chairman and each individual Director to the effectiveness of the Board.

Following the end of each financial year, each of the Directors is requested to complete a Board Evaluation Questionnaire and a Director Self-Appraisal Form. Each of the NC members is also requested to complete a Board Committee Appraisal Form. The performance criteria for the Board as a whole include, amongst others, the Company's financial performance for that financial year, an evaluation of the size and composition of the Board, the Board's access to information, accountability, Board procedures and Board performance in relation to discharging its principal responsibilities. The assessment criteria for an individual Director include, amongst others, meeting attendance, adequacy in meeting preparation, generation of constructive ideas, leadership, keeping abreast of industry developments, and contribution in specific areas. The evaluation criteria for the Board Committees include, amongst others, committee composition, the contribution in assisting the Board for better decision-making, sufficiency of expertise of Board members, Board Committee chairman's performance in discharging responsibility, quality of Board Committee's communication with the Board. To facilitate the candour in providing feedback by the Directors in the appraisal process, all completed appraisal forms are sent to the Joint Company Secretaries directly for summarisation, and then the appraisal summaries (on a no-name basis) and findings are circulated to the NC for analysis and discussion during the NC meeting. The NC will then report its findings and recommendations to the Board for discussion with a view to enhancing the effectiveness of the Board. The Board discusses and determines the areas for improvement and enhancement relating to the Board's effectiveness as well as the implementation.

Following the review, the NC assessed the Board's performance as a whole, the Board Committees' performance and the contribution by individual Directors in FY2021, and is of the view that the Board's performance as a whole, the Board Committees' performance and the contribution by individual Directors are satisfactory.

No external facilitator was used in FY2021.

董事會的表现

董事會和提名委員會採用正式的程序來評估董事會整體和各董事會委員會的有效性，以及董事長、董事會委員會主席和每名董事對董事會有效性的貢獻。

在每個財政年度結束後，每名董事都被要求填寫一份董事會評估問卷和一份董事自評表格。提名委員會的每名成員還被要求填寫一份董事會委員會評估表格。評估董事會整體表現的標準包括但不限於：本公司在該財政年度中的財務表現、董事會的人數和構成、董事會對信息的獲取、責任制、董事會程序以及董事會在履行其主要職責方面的表現等。評估每名董事個人表現的標準包括但不限於：會議出席率、對會議準備的充分性、建設性意見的提出、領導力、與行業發展與時俱進、在特定領域的貢獻。評估各董事會委員會表現的標準包括但不限於董事會委員會的組成、協助董事會作出更優決策的貢獻、董事會成員擁有專業知識的充分性、董事會委員會主席的職責履行情況、董事會委員會與董事會之間的溝通。為了促使董事們在評估過程中坦誠地提供反饋，所有評估表格在填妥後被直接交給聯席公司秘書進行匯總，隨後不記名的評估總結表和評估結論將發給提名委員會，供其在會議上進行分析和討論。提名委員會隨後將其在評估過程中的發現和推薦向董事會進行報告，以加強董事會有效性。董事會將討論和確定董事會有效性需要改進和加強的方面及其落實措施。

經過對二零二一財政年度董事會整體表現、各董事會委員會的表現和每名董事貢獻的評估，提名委員會認為董事會的整體、董事會委員會的表現和每名董事的貢獻均令人滿意。

於二零二一財政年度內沒有使用外部服務。

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(B) Remuneration Matters and Remuneration Committee

Remuneration Committee

The RC comprises:

- (i) Ms. Cheng Fong Yee (RC Chairman & Independent Non-Executive Director);
- (ii) Mr. Zhai Haitao (Independent Non-Executive Director); and
- (iii) Mr. Lim Yu Neng Paul (Independent Non-Executive Director).

The key terms of reference of the RC are as follows:

- (1) reviewing and submitting its recommendation to the Board for endorsement by the entire Board, on the policy and general framework of remuneration for the Board and key management personnel (including senior management), and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (2) reviewing and recommending to the Board for endorsement (or determining with delegated responsibility) the remuneration packages and terms of employment for each Director and the key management personnel (including but not limited to, Directors' and key management personnel's fees, salaries, allowances, bonuses and benefits-in-kind);
- (3) reviewing and approving compensation arrangement relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- (4) reviewing and recommending to the Board in consultation with the Chairman of the Board for endorsement by the entire Board, share option schemes, share award plans or any long-term incentive schemes which may be set up from time to time, in particular to review whether Directors and key management personnel should be eligible for such schemes and also evaluating the costs and benefits of such schemes and doing all acts necessary in connection therewith.

The RC has adequate resources to perform and discharge its responsibilities properly. During FY2021, the members of RC reviewed the 2020 remuneration payment and 2021 remuneration framework for the individual Directors and the key management personnel (including senior management) of the Company.

(B) 薪酬事項與薪酬委員會

薪酬委員會

薪酬委員會由下列董事組成：

- (i) 鄭鳳儀女士（薪酬委員會主席、獨立非執行董事）；
- (ii) 翟海濤先生（獨立非執行董事）；和
- (iii) 林御能先生（獨立非執行董事）。

薪酬委員會的主要職權範圍如下：

- (1) 審閱董事會和關鍵管理人員（包括高級管理層）的薪酬政策、薪酬框架，為薪酬釐定政策制定正式和透明的程序，並就前述事項向董事會作出推薦；
- (2) 審閱各董事和關鍵管理人員的薪酬配套（包括但不限於董事和關鍵管理人員的袍金、薪金、津貼、獎金和實物福利），並建議董事會予以批准（或根據董事會授權作出決定）；
- (3) 審閱和批准與因行為不當而解僱或免職董事有關的賠償安排，以確保該等安排符合合同條款並且合理適當；和
- (4) 經與董事長磋商後，審閱本公司的期權計劃、股份獎勵計劃或任何可能不時設立的長期激勵計劃（尤其是審閱董事和關鍵管理人員是否有資格參與該等計劃，並評估該等計劃的成本和益處），向董事會作出推薦，並採取任何相關必要行動。

薪酬委員會擁有足夠的資源使之適當地履行職責。於二零二一財政年度內，薪酬委員會成員已經審閱本公司每名董事及關鍵管理人員（包括高級管理層）的二零二零年度薪酬發放方案以及二零二一年度薪酬框架。

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Procedures for Developing Remuneration Policies

The RC is responsible for ensuring appropriate formality, transparency to the Shareholders and a formal and transparent procedure is in place for developing an appropriate executive remuneration policy and a competitive framework for determining the remuneration packages of Directors and key management personnel. The RC recommends for the Board's endorsement, a framework of remuneration, including but not limited to, fees, salaries, allowances, bonuses, options and benefits-in-kind for the Directors and key management personnel. No Director is involved in any decision-making relating to his/her own compensation.

The Company will also engage a third-party remuneration consultant, on a regular basis or as requested by the RC, to review and make recommendations on the remuneration framework and level for the Directors and key management personnel. The Company did not engage a third-party remuneration consultant in FY2021.

Level and Mix of Remuneration

Under the framework developed by the RC, the RC uses the following factors to determine the Directors' remuneration:

- (1) qualifications and experience of the Directors required by the Company;
- (2) for Independent Non-Executive Directors, the general level of fees earned by such Director in his/her professional capacity or billed by professionals in their industry;
- (3) time spent in preparing for meetings and actual attendance;
- (4) indirect costs and expenses incurred by the Directors;
- (5) such remuneration as may be considered fair and reasonable, having regard to the nature and size of the business of the Company;
- (6) level of remuneration which is directly linked to the extent of involvement and participation in and contribution to the business of the Company;
- (7) the level of commitment and the ability to devote sufficient time and attention to the business of the Company; and
- (8) where special circumstances justify, the payment of additional remuneration.

制定薪酬政策的程序

薪酬委員會負責向股東確保薪酬政策擁有正式性和透明性，即：本公司為董事和主要管理人員薪酬的釐定建立了正式透明的程序，並將以此為本公司的執行人員提供適當且具競爭力的薪酬配套。薪酬委員會對董事和關鍵管理人員的薪酬框架向董事會作出推薦供其確認，其中包括但不限於董事和關鍵管理人員的費用、薪金、津貼、獎金和實物福利。任何董事均未參與決定其本人的任何補償。

本公司也將定期或在薪酬委員會的要求下聘請第三方薪酬顧問，審閱董事及關鍵管理人員的薪酬框架和水平，並就此提供建議。本公司於二零二一財政年度內沒有聘請第三方薪酬顧問。

薪酬水平和薪酬組合

按照薪酬委員會制定的框架，薪酬委員會根據下列因素來決定董事的薪酬：

- (1) 本公司要求的董事資質及經驗；
- (2) 對於獨立非執行董事而言，各董事按照其專業能力可賺取的，或按照其領域的專業人士可收取的一般費用水平；
- (3) 為準備會議和實際出席會議所花費的時間；
- (4) 董事產生的間接費用和開支；
- (5) 按照本公司業務的性質和規模可視為公平合理的薪酬；
- (6) 按照對本公司業務參與和貢獻程度的不同而有不同的薪酬水平；
- (7) 對本公司業務投入足夠的時間和精力所需要花費的付出和具備的能力；和
- (8) 在特殊情況下需要支付的額外報酬。

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Annual reviews are carried out by the RC to ensure that key management personnel are appropriately rewarded, giving due regard to the financial health and business needs of the Group without being excessive and thereby maximising the Shareholders' value. The Group's remuneration framework, remuneration packages and bonus distribution plans for the Directors and key management personnel for each financial year are reviewed and discussed by the RC, which comprises three Independent Non-Executive Directors, before submitting to the Board for endorsement.

The Executive Directors have entered into service agreements with the Company. Their compensation consists of basic salary, fixed allowance and performance-linked bonus. The bonus of the Executive Directors and the key management personnel are dependent on the Group's performance and such individual's performance and contribution to the Company in that year. In particular, the Company sets up a bonus pool and an objective bonus determination mechanism for the Executive Directors and the key management personnel at the beginning of each financial year, which is reviewed and approved by the RC as delegated by the Board. To incentivise the Executive Directors and the key management personnel to successfully manage the Company, the performance-linked bonus makes up a substantial portion of their total remuneration in a financial year. The amount of the performance-linked bonus for each Executive Director and key management personnel is linked to the achievement of certain key financial indicators of the Company in that financial year and his/her annual appraisal result.

The Group's remuneration policy is to provide remuneration packages appropriate to attract, retain and motivate the Directors and the key management personnel.

The Independent Non-Executive Directors receive directors' fees according to their level of contributions and other factors such as effort and time spent for serving on the Board and the Board Committees, as well as the responsibilities and obligations of the Directors. The Company recognises the need to pay competitive fees to attract, motivate and retain the Directors without being excessive to the extent that their independence might be compromised.

Directors' fees are recommended by the Board for approval by the Shareholders at the AGMs.

薪酬委員會進行年度審閱，在保證本集團的健康財務狀況和業務需求的前提下，給予關鍵管理人員適當的回報，從而實現股東價值的最大化。本集團在每個財政年度中關於董事和關鍵管理人員的薪酬框架、薪酬配套以及獎金分配方案都提交給薪酬委員會審閱並討論。薪酬委員會目前由三名獨立非執行董事組成。該等薪酬框架、薪酬配套以及獎金分配方案隨後將提供給董事會確認。

執行董事與本公司簽訂了服務協議。他們的報酬包括基本工資、固定津貼和績效獎金。執行董事和關鍵管理人員的獎金數額取決於本集團的表現以及該人員在當年的表現和對本公司的貢獻。具體而言，在每個財政年度初，本公司為執行董事和關鍵管理人員設立一個獎金池並確定一個客觀的獎金確定機制，隨後提交給薪酬委員會由其根據董事會的授權進行審議。為了激勵執行董事和關鍵管理人員成功地管理本公司，績效獎金構成了他們全年總薪酬中的重要組成部分。執行董事和每位關鍵管理人員的績效獎金都與本公司在該財政年度中是否實現了特定關鍵財務指標掛鉤，同時還取決於該人員在當年的年度考評結果。

本集團的薪酬政策是提供適當的薪酬配套以吸引、保留和激勵董事和關鍵管理人員。

獨立非執行董事按照他們的貢獻程度和其他因素（如任職董事會和董事會委員會所投入的精力和時間以及董事的責任和義務）來領取董事袍金。本公司認可有必要支付具有競爭力的董事袍金，以吸引、激勵和留住董事，但不會支付過高的董事袍金而影響他們的獨立性。

董事袍金由董事會建議並經由股東於股東週年大會上批准。

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Disclosure on Remuneration

The Board believes that it is not in the best interest of the Company to fully disclose precise remuneration given the highly competitive industry conditions for the environmental water sectors, particularly in China. The disclosure of the Directors' and the senior management's remuneration in this report is appropriate.

A breakdown of the remuneration of the Directors and the senior management (who are not Directors) for FY2021 is set out below.

(a) The level and mix of each Director's remuneration are as follows:

Remuneration Band and Name of Director 薪酬幅度和董事姓名		Directors' Fee 董事袍金(%)	Salary 工資(%)	Bonus 獎金(%)	Benefits in kind 實物福利(%)	Total 總額(%)
SGD500,000 to below SGD750,000 500,000新加坡元至750,000新加坡元以下						
Mr. Hu Yanguo *	胡延國先生 *	-	57	31	12	100
Mr. An Xuesong **	安雪松先生 **	-	40	48	12	100
Mr. Tao Junjie *	陶俊杰先生 *	-	32	57	11	100
Mr. Luo Junling	羅俊嶺先生	-	27	61	12	100
Below SGD250,000 250,000新加坡元以下						
Mr. Wang Tianyi **	王天義先生 **	-	-	-	-	-
Mr. Zhai Haitao	翟海濤先生	87	-	-	13	100
Mr. Lim Yu Neng Paul	林御能先生	89	-	-	11	100
Ms. Cheng Fong Yee	鄭鳳儀女士	89	-	-	11	100
Ms. Hao Gang	郝剛女士	90	-	-	10	100

Notes:

- * Mr. Hu Yanguo and Mr. Tao Junjie were appointed as the Directors on 5 October 2021.
- ** Mr. Wang Tianyi and Mr. An Xuesong resigned as the Directors on 5 October 2021.

薪酬的披露

董事會相信，鑒於環保水務行業，尤其是在中國的環保水務行業的激烈競爭情況，充分披露具體的薪酬不符合本公司的最大利益。本報告中的董事和高級管理層薪酬信息的披露較為恰當。

董事和非董事之高級管理層於二零二一財政年度內的薪酬明細表如下。

(a) 每名董事的薪酬水平和組合如下：

附註：

- * 胡延國先生及陶俊杰先生於二零二一年十月五日獲委任為董事。
- ** 王天義先生及安雪松先生於二零二一年十月五日辭任董事。

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(b) The level and mix of each senior management's (who is not a Director) remuneration in bands are as follows:

(b) 各非董事之高級管理層的薪酬水平和組合如下：

Remuneration Band and Name of Senior Management 薪酬幅度和高級管理層姓名		Salary 工資(%)	Bonus 獎金(%)	Benefits in kind 實物福利(%)	Total 總額(%)
Below SGD500,000 500,000新加坡元以下					
Mr. Wang Yuexing	王悅興先生	34	54	12	100
Mr. Wang Guanping	王冠平先生	35	50	15	100
Mr. Zhang Guofeng	張國鋒先生	34	50	16	100
Mr. Niu Kesheng	牛克勝先生	34	43	23	100
Mr. Wu Zhiguo	吳志國先生	33	53	14	100
Mr. An Pinglin	安平林先生	37	42	21	100
Ms. Peng Pei	彭珮女士	45	51	4	100

The aggregate amount of the total remuneration paid to the key management personnel (including but not limited to the senior management listed above) is HK\$16,442,000 during FY2021.

二零二一財政年度支付給關鍵管理人員（包括但不限於上述高級管理層）的薪酬總額為16,442,000港元。

There are no employees of the Group who are immediate family members of a Director or the CEO and whose remuneration exceeds SGD50,000 during FY2021.

在二零二一財政年度內，不存在董事或總裁直系親屬擔任本集團員工並領取超過50,000新加坡元薪酬的情形。

The Company does not have any employee share scheme.

本公司並沒有任何員工期權計劃。

(C) ACCOUNTABILITY, AUDIT AND AUDIT COMMITTEE

(C) 責任制、審計和審計委員會

Risk Management and Internal Controls

風險管理和內部控制

The Group's internal controls and management systems are designed to provide reasonable, but not absolute assurance to the integrity and reliability of the financial information and to safeguard and maintain the accountability of the assets. While no cost-effective internal control system can provide absolute assurance against loss or misstatement, the AC, with the participation of the Board, has reviewed the adequacy and effectiveness of the Group's internal controls and risk management systems to ensure that they are designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably managed, proper accounting records are maintained and the integrity of financial information used for business and publication is preserved. The AC reviews the risk management and internal control systems at least once a year.

本集團的內部控制和管理體系旨在對財務信息的完整及可靠性提供合理但並非絕對的保證，並保障和維護資產的責任制。儘管任何一個具有成本效益的內控體系都無法絕對保證不出現虧損或錯誤陳述，但審計委員會在董事會的參與下審閱了本集團內部控制和體系的充分性和有效性，確保它們在保障資產、控制運營、適度管理商業風險、適當進行會計記錄、保持業務用途的財務信息和予以發佈的財務信息的準確完整等方面都提供了合理的保證。審計委員會每年不少於一次對風險管理和內部控制體系進行審閱。

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The internal auditors conduct annual review of the adequacy and effectiveness of the Group's key internal controls including management of financial, operational, compliance, information technology and sustainability risks. The external auditors during the conduct of their normal audit procedures may also report on matters relating to internal control. Any material non-compliance and recommendation for improvements are reported to the AC. The AC also reviews and continues to monitor the effectiveness of the actions taken by the Management on the recommendations made by the internal and external auditors in this respect. Based on the work performed by the internal and external auditors, the AC reviews the findings from the internal and external auditors on the Group's internal controls and the Management's responses to the auditors' recommendations for improvement to the Group's internal controls and discussions with the auditors and Management. The Company may, from time to time, appoint external advisers to facilitate the Company to assess and identify the key risks and the related key controls established by the Company.

In addition, the Company has implemented two major management systems to address risks in different aspects of the Company, namely the Risk Management System and the Environmental, Safety, Health and Social Responsibility ("ESHS") Management System ("ESHS Management System"). The Risk Management System provides the procedures for risk identification and assessment, risk register compilation, risk tactics development, risk event management, risk event reporting, and the review and audit of such system. The Company updates its risk register on a quarterly basis. Any material findings on the risk management will be escalated to the AC and the Board. The ESHS Management System provides a series of standard operating procedures to address the environmental, safety, health and social responsibility risks.

The Board has received assurance from the CEO and the CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and regarding the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls).

The risk management is under the purview of the AC, and no other dedicated committee at the Board level is set up. Nonetheless, a Risk Assessment Committee is set up by the Company to assist the Management Committee in making decisions on new investment projects. In relation to the investment project which is subject to the Board's approval, the Risk Assessment Committee's findings and recommendations will also be submitted to the Board for consideration. More details about the Risk Assessment Committee are set out in this Corporate Governance Report under sub-section "Internal Management".

內部審計師對本集團的關鍵內部控制（包括財務、運營、合規、信息技術和持續性風險管理）的充分性和有效性進行年度審閱。外部審計師在正常審計工作中也可以對與內部控制相關的事項作出報告。重大的不合規事項和改進建議都會向審計委員會報告。審計委員會也審閱和繼續監督管理層針對內部和外部審計師所提出的建議所採取的行動。基於內部和外部審計師的工作，審計委員會審查內部和外部審計師對本集團內部控制的審計結果、管理層對審計師提出改進本集團內部控制之建議的回應、以及審計師和管理層進行的討論。本公司不時會聘任外部顧問協助本公司評估和識別關鍵風險和相關關鍵控制措施。

另外，本公司實施了兩大管理體系來應對本公司在不同領域所面臨的風險，即風險管理體系和環境、安全、健康及社會責任（「ESHS」）管理體系（「ESHS管理體系」）。風險管理體系提供了一系列程序進行風險識別和評估、整理風險事件登記簿、制定風險策略、管理風險事件、報告風險事件、審查和審計風險管理體系等。本公司每季度更新一次風險事件登記簿。關於風險管理的重大發現將上報給審計委員會和董事會。ESHS管理體系提供了一系列標準化流程來應對環境、安全、健康和社會責任風險。

董事會已獲得總裁和首席財務官的保證，即本公司的財務記錄得到了妥善保管、財務報表真實公允地反映了本公司的經營和財務狀況，以及本公司的風險管理和內部控制系統（包括財務、運營、合規和信息技術控制）充分有效。

風險管理屬於審計委員會的職權範圍，本公司並沒有為此另行在董事會層面設立其他專門委員會。然而，本公司設立了風險評審委員會來協助管理委員會作出關於新投資項目的決策。對於需要董事會批准的新投資項目，風險評審委員會的結論和推薦會被提交給董事會參考。關於風險評審委員會的更多詳情請見本企業管治報告中「內部管理」一節。

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The Company's Legal and Risk Management Department is responsible for summarising the risk management results of each department and regional management centre and assessing the potential material risks faced by the Group according to the risk management programme of the Group, formulating and implementing the risk management plans for the next year. The Legal and Risk Management Department is also responsible for maintaining and updating the Company's register of risks. Ms. Peng Pei, the Legal Counsel and Joint Company Secretary, currently heads the Legal and Risk Management Department of the Company.

The Board, with the concurrence of the AC, is satisfied with the adequacy and effectiveness of the Group's risk management and internal control systems in addressing financial, operational, compliance and information technology controls and sustainability risks as at 31 December 2021.

Financial Reporting

The Directors acknowledge the preparation of the Group's financial statements. The Finance Management Department of the Company is supervised by the CFO. With the assistance of the Finance Management Department, the Directors ensure that the Group's financial statements have been properly prepared in accordance with relevant regulations and applicable accounting principles. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

A statement by Ernst & Young LLP, the external auditor of the Company, about its reporting responsibilities on the financial statements of the Group is included in the "Independent Auditor's Report" on pages 136 to 144 of this Annual Report.

Audit Committee

The AC comprises:

- (i) Mr. Lim Yu Neng Paul (AC Chairman & Independent Non-Executive Director);
- (ii) Mr. Zhai Haitao (Independent Non-Executive Director);
- (iii) Ms. Cheng Fong Yee (Independent Non-Executive Director); and
- (iv) Ms. Hao Gang (Independent Non-Executive Director).

The Board considers Mr. Lim Yu Neng Paul, who is a Chartered Financial Analyst and has extensive and practical financial management knowledge and experience, well qualified to chair the AC.

本公司的法律及風險管理部負責總結各部門和區域管理中心的風險管理結果，按照本集團的風險管理計劃評估本集團面臨的潛在重大風險，制定和實施下一年的風險管理計劃。法律及風險管理部同時也負責維持和更新本公司的風險事件登記簿。本公司的法律顧問兼聯席公司秘書彭珮女士，目前主管本公司的法律及風險管理部。

董事會和審計委員會對本集團於二零二一年十二月三十一日在財務、運營、合規及信息技術控制措施和應對可持續性風險方面的風險管理和內部控制體系的充分性和有效性表示滿意。

財務報告

董事們認可本集團所編制的財務報表。本公司的財務管理部由首席財務官負責監管。在財務管理部的協助下，董事們確保本集團的財務報表已根據相關法規和適用的會計原則被妥善編制。董事們並不知悉任何事件或情形中存在重大不確定性而可能對本公司的持續經營能力造成重要影響。

本公司外部審計師Ernst & Young LLP關於其對本集團財務報表的報告職責的聲明，已載於本年度報告第136頁至第144頁中的「獨立審計師報告」中。

審計委員會

審計委員會由下列董事組成：

- (i) 林御能先生（審計委員會主席、獨立非執行董事）；
- (ii) 翟海濤先生（獨立非執行董事）；
- (iii) 鄭鳳儀女士（獨立非執行董事）；和
- (iv) 郝剛女士（獨立非執行董事）。

林御能先生（特許金融分析師）具有豐富實用的財務管理知識和經驗，董事會認為他完全有資格擔任審計委員會主席。

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Majority of the AC members have accounting or finance background. The members of the AC, collectively, have recent and relevant accounting or related financial management expertise or experience to discharge the AC's responsibilities.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of the Management and full discretion to invite any Director or any key executive to attend its meetings. The AC has adequate resources, including access to external auditors, to enable it to discharge its responsibilities properly.

The AC met twice in FY2021 and the relevant Directors and Management were invited to attend the meetings.

The AC is guided by the terms of reference which stipulate its principal functions.

The functions of the AC include:

- (1) reviewing the significant financial reporting issues and judgements and monitoring the integrity of the financial statements of the Group and annual reports and accounts, half-year reports and, if prepared for publication, quarterly reports, and any announcements relating to the Company's financial performance;
- (2) reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the Group's internal controls, comprising financial, operational, compliance and information technology controls and risk management systems (such review can be carried out internally or with the assistance of any competent third parties), which shall cover the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function;
- (3) reviewing and monitoring the adequacy and effectiveness, scope and results of the Group's internal audit function;
- (4) reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;

審計委員會的大多數成員均擁有會計或金融背景。審計委員會成員總體上具有履行審計委員會職責所需的會計或相關財務管理方面的新近知識或經驗。

審計委員會中沒有任何成員是本公司現有審計師事務所或審計公司後述的前任合夥人或董事：(a) 自終止擔任審計事務所合夥人或者審計公司董事之日起兩年內；及在任何情況下，(b) 只要他們在該審計師事務所或審計公司中擁有任何財務利益。

審計委員會具有明確的授權來調查其職權範圍內的任何事項，能全面接觸管理層並得到管理層的配合，可自行決定邀請任何董事或關鍵管理人員出席其會議。審計委員會擁有足夠的資源（包括聘請外部審計師）使之適當地履行職責。

審計委員會在二零二一財政年度內召開了兩次會議，相關董事和管理層應邀出席了會議。

審計委員會按其職權範圍履行職責。

審計委員會的職能包括：

- (1) 審閱重大的財務報告問題和結論，監察本集團財務報表、年度報告及賬目、半年度報告、季度報告（如擬發佈）以及任何與本公司財務表現有關的任何公告的完整性；
- (2) 每年至少一次審閱並向董事會報告本集團在財務、運營、合規和信息技術控制和風險管理系統的充分性和有效性（此等審閱可以由本公司內部開展或者在有能力的第三方協助下進行），內容應包括本集團會計和財務報告職能的資源、員工資格和經驗、培訓方案和預算的充足性；
- (3) 審閱和監察本集團內部審計職能的充分性和有效性，及其範圍和結果；
- (4) 審閱外部審計的範圍和結果，以及外部審計師的獨立性和客觀性；

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| <p>(5) making recommendations to the Board on the proposals to the Shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors, and any questions of its resignation or dismissal;</p> | <p>(5) 關於外部審計師的聘任、續聘、罷免事宜，向董事會推薦提交給股東大會審議的議案，並批准外部審計師的服務酬勞、服務條款以及關於外部審計師辭任或解聘的任何事宜；</p> |
| <p>(6) reviewing any interested person transactions as defined in the SGX Listing Manual and connected transactions as defined in the SEHK Listing Rules, and to review the procedures;</p> | <p>(6) 審閱新交所上市手冊所定義的關聯人士交易和聯交所上市規則所定義的關連交易，並審閱訂立該等交易的程序；</p> |
| <p>(7) reviewing potential conflicts of interest, if any, including reviewing and considering transactions in which there may be potential conflicts of interests between the major shareholder, controlling shareholder (as defined in the SEHK Listing Rules), interested/ connected persons (as defined in the SEHK Listing Rules) and recommending whether those who are in a position of conflict should abstain from participating in any discussions or deliberations of the Board or voting on resolutions of the Board in relation to such transactions as well as ensuring that proper measures to mitigate such conflicts of interest have been put in place;</p> | <p>(7) 審閱潛在的利益衝突（如有），包括審閱和考慮本集團和主要股東、控股股東（根據聯交所上市規則的定義）、關連人士（根據聯交所上市規則的定義）之間的潛在利益衝突，並就擁有衝突利益的人士是否應該在董事會會議上放棄參與該等交易的討論、商議或投票作出推薦，以確保本集團設有適當的措施來減少此類利益衝突；</p> |
| <p>(8) reviewing the rectification measures and internal control measures relating to regulatory issues involving the Group's licences, permits or certificates etc;</p> | <p>(8) 審閱與本集團的許可、資質或證照相關監管問題的整改措施和內部控制措施；</p> |
| <p>(9) reviewing the investments in customers, suppliers and competitors made by the Directors, controlling shareholders and their respective associates who are involved in management of the Group or have shareholding interests in similar or related business of the Group and making assessments on whether there are any potential conflicts of interests and ensuring that proper measures to mitigate such conflicts of interests have been put in place;</p> | <p>(9) 對於參與本集團管理或在本集團類似或相關業務中持有股權的董事、控股股東及其各自的關聯人士而言，審閱其在本集團的客戶、供應商和競爭對手中的投資，評估其是否存在潛在利益衝突，以便確保本集團設有適當的措施來減少此類利益衝突；</p> |
| <p>(10) reviewing the statements to be included in the annual reports concerning the adequacy and efficiency of internal controls, including financial, operational, compliance and information technology controls, and risk management systems;</p> | <p>(10) 審閱需要包含在年度報告中的有關內部控制（包括財務、運營、合規、信息技術控制以及風險管理系統）的充分性和有效性的聲明；</p> |
| <p>(11) monitoring the implementation of outstanding internal control recommendations and/or observations highlighted by the external auditors in the course of their audit of the statutory financial statements;</p> | <p>(11) 關於外部審計師在對法定財務報表的審計過程中所提出的尚未落實的內部控制建議和/或發現，監察該等建議或發現的落實或糾正情況；</p> |

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| <p>(12) establishing a whistle-blowing policy and system for employees and those who deal with the Company (eg. customers and suppliers) to raise concerns, in confidence, with the AC about possible improprieties in any matter related to the Company, and reviewing whistle-blowing investigations within the Company and ensuring appropriate follow-up action, if required;</p> <p>(13) reviewing and overseeing the implementation of the measures in respect of the legal representatives of the subsidiaries incorporated in the People's Republic of China (the "PRC");</p> <p>(14) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC and matters in the HK CG Code; and</p> <p>(15) generally undertaking such other functions and duties as may be required by statutes or the SGX Listing Manual, SG CG Code, SEHK Listing Rules or HK CG Code, and by such amendments made thereto from time to time.</p> | <p>(12) 為員工和與本公司打交道的其他人員（如客戶和供應商）建立舉報政策和制度，以便他們能向審計委員會秘密地表示其對本公司相關不當事宜的任何顧慮，審查本公司內部進行的舉報調查，並確保在必要時採取了適當的後續行動；</p> <p>(13) 審閱和監督與於中華人民共和國（「中國」）成立的各附屬公司法定代表人相關措施的落實；</p> <p>(14) 實施董事會所要求的其他審閱、事項和香港企業管治守則中所要求的其他事項，並向董事會報告審計委員會對此類事項的審查結果；和</p> <p>(15) 依照法律、新交所上市手冊、聯交所上市規則、香港企業管治守則或新加坡企業管治守則（以及前述法律法規不時修訂的版本）的要求，履行其他職能和職責。</p> |
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During FY2021, the members of the AC reviewed (a) the audited consolidated financial results of the Group for the financial year ended 31 December 2020 ("FY2020"); (b) the unaudited consolidated financial results of the Group for the six months ended 30 June 2021; and (c) the internal auditor's report and the external auditor's report.

The AC meets regularly with the Management and the external auditors to review auditing and risk management matters and discuss accounting implication of any major transactions including significant financial reporting issues. It also reviews the internal audit functions to ensure the adequacy and that an effective system of control is maintained in the Group.

On a regular basis, the AC also reviews the interested person transactions (as defined in the SGX Listing Manual), connected transactions and continuing connected transactions (as defined in the SEHK Listing Rules) and the financial results announcements before their submission to the Board for approval.

The AC is well informed by the Management and the external auditors of change to accounting standards, the SGX Listing Manual, the SEHK Listing Rules and other regulations which could have an impact on the Group's business and financial statements.

The AC met with the internal auditors and external auditors separately twice in FY2021 without the presence of the Management to review any matter that might be raised.

於二零二一財政年度內，審計委員會成員已審閱 (a) 本集團截至二零二零年十二月三十一日止的財政年度（「二零二零財政年度」）的經審計綜合財務業績；(b) 本集團截至二零二一年六月三十日止六個月的未經審計綜合財務業績；及(c)內部審計師報告及外部審計師報告。

審計委員會定期會見管理層和外部審計師，審閱審計和風險管理的事項，討論任何重大交易（包括重大財務報告事項）的會計影響。它還審閱內部審計職能，確保本集團保持充分有效的控制機制。

審計委員會也定期在呈報董事會審批以前先行審閱關聯人士交易（如新交所上市手冊所定義）、關連交易以及持續關連交易（如聯交所上市規則所定義）和財務業績公告。

管理層和外部審計師向審計委員會及時通報可能會對本集團的業務和財務報表產生影響的會計準則、新交所上市手冊、聯交所上市規則和其他規則的變更。

審計委員會在二零二一財政年度內與內部和外部審計師進行了兩次單獨會面（在管理層並未出席的情況下），審閱可能會提出的事宜。

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The AC and the external auditors have discussed the significant issues in financial reporting throughout FY2021 at the AC meetings. As set out in the “Independent Auditor’s Report” on pages 136 to 144 of this Annual Report, the following significant issues were discussed with the Management and the external auditors and were reviewed by the AC:

審計委員會及外部審計師已於審計委員會會議上就二零二一財政年度財務報告的重大事項進行了討論。誠如本年度報告第136頁至第144頁之「獨立審計師報告」所載，以下重大事項已經由審計委員會與管理層及外部審計師進行了討論，並已經過審計委員會覆核：

Significant issues 重大事項	How the issue was addressed by the AC 審計委員會在有關事項上的解決方法
Service concession arrangements and revenue recognition 服務特許權安排及收入確認	<p>The key area reviewed by the AC on revenue recognition was the service concession arrangements of water environment management projects under IFRIC 12. The AC received confirmation from the Management that consistent accounting policy was applied throughout the year for recognising revenue under IFRIC 12. The AC assessed the competency, capability and objectivity of the Group’s independent financial model consultant. The AC also considered the approach, methodology and key assumptions applied to the financial model for the determination of the fair value of construction services. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used.</p> <p>審計委員會根據國際財務報告詮釋委員會詮釋第12號就收入確認復核的主要範圍為水環境治理項目的服務特許經營權安排。審計委員會已獲得管理層確認，本年度收入的確認乃根據國際財務報告詮釋委員會詮釋第12號的規定，並與過往保持一致的會計政策。審計委員會也評估了本集團獨立財務模型顧問的資格、能力及客觀性。審計委員會還考慮了確定建造服務的公允價值所採用的方式、方法及主要假設。審計委員會對所採用方法之合適程度及所做出主要假設之合理程度表示滿意。</p>

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Significant issues 重大事項	How the issue was addressed by the AC 審計委員會在有關事項上的解決方法
Recoverability of trade receivables 應收賬款的可收回性	<p>The AC and the Board receive regular updates from the Management on the ageing analysis of trade receivables, the progress of trade receivables collection and repayment schedule discussions with customers in the year. The AC is satisfied with the attention and effort taken by the Management on the receivables collection. Besides taking into account the opinion and findings from the Management and the external auditors, the AC also considered and reviewed the methodology used in the estimation of expected credit loss (“ECL”) allowance of trade receivables and the appropriateness, completeness and reasonableness of the factors used in the estimation based on their knowledge of the business of the Group, the industry, the current and future economic environment, and the lingering impact and potential fundamental changes on them brought by the novel coronavirus (“COVID-19”) pandemic.</p> <p>審計委員會及董事會定期收到管理層有關本集團應收賬款的賬齡、回款及就還款與客戶進行協商的進展情況匯報。審計委員會對管理層就應收款項回收工作的關注程度及所付出的努力表示滿意。除考慮了管理層及外部審計師的意見及發現外，審計委員會也根據其對本集團及行業業務的了解、目前及未來經濟環境的判斷以及因新型冠狀病毒引發的疫情（「新冠疫情」）對上述考慮帶來的持續影響及潛在的根本性改變，對應收賬款預期信貸虧損（「預期信貸虧損」）撥備計提方法及計提所考慮的因素的適用性、全面性及合理性進行了評估。</p> <p>The AC is satisfied that ECL allowance of trade receivables as at 31 December 2021 was adequate.</p> <p>審計委員會對於二零二一年十二月三十一日計提應收賬款預期信貸虧損撥備的足夠程度表示滿意。</p>

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Significant issues 重大事項	How the issue was addressed by the AC 審計委員會在有關事項上的解決方法
<p>Impairment assessment of goodwill 商譽減值測試</p>	<p>The AC considered the approach and methodology applied by the Management on both the assessment for impairment indicators and the impairment assessment of goodwill. In addition to considering opinion and findings from the Management and the external auditors, the AC also reviewed the approach used in the valuation and the reasonableness of key assumptions used in the cash flows forecast, including future revenue growth rate, operating margin, terminal growth rate and discount rate based on their knowledge of the business of the Group and the industry, and the lingering impact and potential fundamental changes on them brought by the COVID-19 pandemic.</p> <p>審計委員會考慮了管理層在評估減值跡象和商譽減值測試中應用的方式和方法。除考慮了管理層和外部審計師的意見和發現外，審計委員會還根據其對本集團及本行業業務的了解以及因新冠疫情對其帶來的持續影響及潛在的根本性改變對評估使用的方法和現金流量預測中使用的主要假設（包括未來收入增長率、運營利潤率、長期增長率及折現率）的合理性進行審閱。</p> <p>The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used.</p> <p>審計委員會對所採用方法之合適程度及所做出主要假設之合理程度表示滿意。</p>

Following the review and discussions, the AC recommended to the Board to approve the full-year financial statements for FY2021.

經審閱及討論後，審計委員會建議董事會批准二零二一財政年度的全年財務報表。

External Auditors

The AC has reviewed the non-audit services provided to the Group by the external auditor, Ernst & Young LLP during FY2021, and is of the opinion that the provision of such services does not affect the independence and objectivity of the external auditor. The AC is pleased to recommend its re-appointment to the Board for the Shareholders' approval at the forthcoming AGM. Accordingly, the Company has complied with Rule 13.88 of the SEHK Listing Rules.

外部審計師

審計委員會審閱了外部審計師Ernst & Young LLP在二零二一財政年度內向本集團提供了非審計服務，並認為提供這些服務並不影響外部審計師的獨立性和客觀性。審計委員會因此向董事會推薦外部審計師的續聘，並會在應屆股東週年大會上待獲得股東的批准。因此，本公司已遵守聯交所上市規則第13.88條。

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The aggregate amount of fees paid or payable to the external auditor and its affiliates for FY2021 in respect of the audit and non-audit services is as follows:

在二零二一財政年度已付或應付給外部審計師及其聯屬機構的審計服務費用和非審計服務費用的總額如下：

		FY2021 二零二一年 財政年度 HK\$'000 千港元	FY2020 二零二零年 財政年度 HK\$'000 千港元
Type of services	服務類別		
Audit services	審計服務	3,380	3,000
Non-audit services*	非審計服務*	1,620	2,663
		5,000	5,663

* Non-audit services include tax advisory and other related services.

* 非審計服務包括稅務諮詢及其他相關服務。

Further details on fees paid or payable to the external auditor and its affiliates are included in note 8 to the financial statements.

關於支付或應付給外部審計師及其聯屬機構的費用的更多詳情載於財務報表附註8。

The AC is satisfied that the Company has complied with Rules 712, 715 and 716 of the SGX Listing Manual in relation to the appointment of its external auditor for FY2021 and in making the above-mentioned appointment recommendation.

審計委員會確認，本公司在二零二一財政年度中及作出上述聘任推薦時遵守了新交所上市手冊第712條、第715條和716條有關聘任外部審計師的規定。

Whistle-Blowing Policy

舉報政策

The Company has put in place a whistle-blowing policy which sets out the procedures for a whistle-blower to make a report to the Company on misconduct or wrongdoing relating to the Company, its officers and employees, including any concern or complaint regarding financial reporting and questionable accounting practices; criminal offences, unlawful and/or unethical acts, fraud, corruption, bribery and blackmail; failure to comply with legal or regulatory obligations and concealment of any of the abovementioned issues.

本公司制定了舉報政策，其中載明了舉報人針對本公司、其董事和員工的錯誤或不當行為進行舉報的程序，包括其所關注的問題或有關財務報告和可疑會計行為、刑事犯罪、非法和/或不道德行為、欺詐、貪污、賄賂和勒索或未能遵守法定義務以及針對前述問題的掩蓋行為。

An e-mail address and a special telephone number are set up to allow whistle-blowers to contact the AC Chairman directly. Whistle-blowers are also able to contact the CEO directly through the CEO e-mail address which is provided on the Company's website. The identify of the whistle-blower and all the concerns or irregularities raised will be treated with confidence and every effort will be made to ensure that confidentiality is maintained throughout the process.

本公司設立了接收舉報的電子郵箱和專線電話，舉報人可以直接聯繫審計委員會主席。舉報人也能通過總裁的電子郵箱（已在本公司網站上公佈）直接聯繫他。舉報人的身份及其所提出的所有關注事項或違規行為都將被視為是保密信息，本公司將盡一切努力確保整個舉報過程也是保密的。

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The Company has designated its Internal Audit Department to investigate whistle-blowing reports made in good faith. The Audit Committee, which is responsible for oversight and monitoring of the whistle-blowing policy and mechanism, will make decisions on further actions (if needed) based on the investigation made by the Internal Audit Department.

The Company is also committed to ensure protection of the whistle-blower against detrimental or unfair treatment.

Internal Audit

The Company has an Internal Audit Department (“IA”) to strengthen the internal audit function and promote sound risk management, including financial, operational, compliance, information technology controls, sustainability and good corporate governance. The AC approves the recruitment, removal and evaluation of the internal auditors.

The IA reports primarily to the AC and has full access to the documents, records, properties and personnel of the Company and of the Group, and has appropriate standing within the Company. The IA reports to the AC at least twice in a year regarding the progress and major findings of the internal audit process. The AC reviews at least annually the adequacy and effectiveness of the internal audit function of the Company and ensures that the Company’s internal audit team is formed by the sufficient number of personnel with relevant qualifications and experience.

The IA comprises employees whose roles and responsibilities are dedicated to carrying out the internal audit function for the Company. In FY2021, the IA was headed by Mr. Li Ke, who has nine years of working experience in internal audit. He was supported by a team of five employees, all of whom have finance, internal audit or project operation experience. None of the personnel of the IA had any relationship or conflict of interest that could impair their objectivity and independence in conducting their internal audit function. The AC is of the view that the Company’s internal audit function is independent, effective and adequately resourced.

The Board recognises that it is responsible for maintaining a system of internal control to safeguard the Shareholders’ investments and the Group’s businesses and assets, while the Management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner.

本公司指定其內審部負責調查一切收到的善意舉報。審計委員會負責監督和管理舉報政策和舉報機制，其將根據內審部進行的調查結果做出進一步行動（如需）的決策。

本公司亦致力於確保舉報人不受到傷害或不公平對待。

內部審計師

本公司設有內審部（「內審部」），以加強內部審計職能，提高健全的風險管理（包括財務、運營、合規、信息技術控制、可持續性和良好的企業管治）。審計委員會批准內部審計師的徵聘、撤職和考評。

內審部主要向審計委員會報告工作，可全面接觸到本公司和本集團的所有文件、記錄、物業和人員並在本公司內部有適當的地位。內審部至少每年兩次向審計委員會匯報內部審計進展以及在內部審計過程中發現的問題。審計委員會至少每年一次審查本公司的內部審計職能的充分性和有效性，也將確保本公司的內部審計團隊由充足數量的人員組成，並且該等人員均具有相關資質和經驗。

內審部專門負責執行本公司內部審計職能。於二零二一財政年度，內審部的負責人為李珂先生，其擁有九年內部審計從業經驗，並獲得由五名員工組成的團隊給予的支持。該五名員工均擁有財務、內部審計或項目運營管理經驗。內審部並無任何人員存在任何關係或利益衝突而損害其等執行內部審計職能的客觀性和獨立性。審計委員會認為本公司的內部審計職能獨立、有效且資源充足。

董事會負責維護內部控制機制，以保障股東的投資和本集團的業務和資產；管理層負責及時地並以適當的方式建立和實施內部控制程序。

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IA's main scope of work covers the review and evaluation of processes and areas of concerns identified. IA assists the Management in enhancing existing risk management initiatives and carrying out regular independent monitoring of key controls and procedures. The findings and recommendations in relation to the adequacy and effectiveness of internal controls and process improvements will be presented to the AC and the Management.

Material non-compliance and internal control weaknesses noted during reviews are reported together with recommended corrective actions to the AC on a regular basis. In particular, the Company had certain outstanding licenses and/or permits in relation to its business and operations as at November 2014 ("Licenses and/or Permits") as disclosed in the Company's circular dated 12 November 2014. Most of such Licenses and/or Permits had been obtained in the financial years ended 31 December 2015, 2016 and 2017, as disclosed in the relevant annual reports. During FY2021, the IA continuously followed up on the status of such Licenses and/or Permits and noted that the Company obtained the following additional Licenses and/or Permits:

內審部的主要工作範圍包括審查和評估所關注事項的程序和範圍。內審部協助管理層改善現有的風險管理措施，對關鍵控制和程序進行定期獨立監測。有關內部控制和程序改善是否充分有效的調查結果和建議將提交給審計委員會和管理層。

內審部定期向審計委員會匯報在審閱過程中發現的重大不合規和內部控制的薄弱環節，以及提供糾正措施的建議。本公司曾在二零一四年十一月十二日的股東通函中披露了本公司於二零一四年十一月尚有某些與其業務相關的許可證和/或批准（「許可證和/或批准」）未能取得。本公司已於截至二零一五年、二零一六年、二零一七年十二月三十一日止的財政年度中取得了大多數該等許可證和/或批准，並於相關年度報告中披露了該等進展。在二零二一財政年度內，內審部持續跟進了有關狀態，並注意到本公司已額外取得了以下的許可證和/或批准：

Project Company (Plant/Project) 項目公司（工廠/項目）	Licenses and/or Permits obtained 取得的許可證和/或批准
Everbright Water (Yangzhou) Limited (formerly known as Yangzhou HanKore Water Development Co., Ltd.) 光大水務（揚州）有限公司（原揚州漢科水處理發展有限公司）	Land Use Right Certificate and Environmental Completion Acceptance 土地使用權證、環保竣工驗收

The results of the internal audit findings are also shared with the external auditor to assist it in its audit planning and also for it to perform further checks on the weak areas identified.

內部審計結果也通知了外部審計師，以此協助其制定審計計劃並進一步檢查所發現的薄弱環節。

(D) INTERNAL MANAGEMENT

Management Functions

As mentioned above, the Board approves a document, known as the Board Authority Matrix, with guidelines setting forth the matters reserved for the Board's decision and clear directions to the Management on matters that must be approved by the Board. The matters delegated by the Board to the Management are generally considered and decided by the Management Committee of the Company (the "MC").

(D) 內部管理

管理層的職能

如上文所述，董事會已批准一份名為「董事會權限清單」的文件，其中列明須保留給董事會決策事項的指引，也為管理層明確了哪些事項必須獲董事會批准。董事會授權於管理層決策的事項一般由本公司的管理委員會（「管理委員會」）進行考慮和決策。

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The MC comprises:

- (i) Mr. Hu Yanguo (MC Chairman, Executive Director & Chairman of the Board);
- (ii) Mr. Tao Junjie (MC Vice-Chairman, Executive Director & CEO);
- (iii) Mr. Luo Junling (Executive Director & CFO);
- (iv) Mr. Wang Yuexing (Vice President);
- (v) Mr. Wang Guanping (Vice President);
- (vi) Mr. Zhang Guofeng (Vice President);
- (vii) Mr. Niu Kesheng (CEO Assistant);
- (viii) Mr. An Pinglin (Technical Director); and
- (ix) Mr. Wu Zhiguo (CEO Assistant).

The MC is responsible for the management of daily business operations, formulating and implementing annual work tasks and medium-term development plans for the Group. The MC is the decision-making authority for the day-to-day administration, operations, management and personnel matters.

The MC holds meetings on a regular and ad hoc basis. It holds meetings at least once a month and has a weekly communication mechanism. The MC reviews and discusses, the Group's investment proposals on new projects, appointment and removal of key executives at headquarters departments, regional management centres and project companies, performance appraisals, status of financial budget execution and the major works done and progress of the headquarters departments and regional management centres, etc.

To assist the MC in decision-making process, the Company also established a Risk Assessment Committee ("RAC") and an Engineering and Technology Committee ("ETC") to assess the risks and make recommendations in undertaking new investment projects and construction works. Any new investment project, before submitted to the MC for consideration, will be reviewed by the RAC and the ETC respectively. The MC will then take into account the findings and recommendations made by the RAC and the ETC. In relation to investment project with investment amount exceeding certain threshold, Board's approval will be sought before the definitive agreement is executed.

In relation to each meeting held by the MC, minutes duly signed by its chairman will be retained by the Company as records.

The MC has ceased to be a Board Committee with effect from 11 August 2021. Please refer to the Company's announcement entitled "Management Committee Ceasing to be a Board Committee" dated 11 August 2021 for further details.

管理委員會由以下人員組成：

- (i) 胡延國先生（管理委員會主席、執行董事兼董事長）；
- (ii) 陶俊杰先生（管理委員會副主席、執行董事兼總裁）；
- (iii) 羅俊嶺先生（執行董事兼首席財務官）；
- (iv) 王悅興先生（副總裁）；
- (v) 王冠平先生（副總裁）；
- (vi) 張國鋒先生（副總裁）；
- (vii) 牛克勝先生（總裁助理）；
- (viii) 安平林先生（技術總監）；和
- (ix) 吳志國先生（總裁助理）。

管理委員會負責日常業務運營管理，制定並實施本集團年度工作目標及中期發展規劃等，是本集團日常業務活動的決策機構，集體決策日常行政、運營、管理及人事等重大事項。

管理委員會定期和不定期召開會議。其至少每月一次召開會議，同時也建立了每週的定期溝通機制。管理委員會審閱並討論本集團對新項目的投資方案、對總部的部門及區域管理中心和項目公司的關鍵管理人員的聘任和解聘、績效考核、財務預算的執行情況以及總部部門和區域管理中心的重大工作及進展。

為了協助管理委員會進行決策，本公司還設立了風險評審委員會（「風險評審委員會」）和工程技術委員會（「工程技術委員會」）來評估實施新投資或建造工程的風險並作出相關推薦。所有的新投資項目在上報管理委員會決策前，需分別經過風險評審委員會和工程技術委員會的審閱。管理委員會在參考風險評審委員會和工程技術委員會的推薦後再作出決策。關於超過特定投資額度的投資項目，在董事會審議批准以後方能簽署協議。

關於管理委員會召開的每次會議，均由其主席在會議紀要上簽署後由本公司保管並留作記錄。

管理委員會自二零二一年八月十一日起不再作為董事會委員會。進一步詳情請參閱本公司日期為二零二一年八月十一日的「管理委員會不再作為董事會委員會」公告。

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(E) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

The Company treats all Shareholders fairly and equitably, and recognises, protects and facilitates the exercise of the Shareholders' rights. Shareholders are informed of changes in the Company's business that are likely to affect their assessment of the Company's performance, position and prospects.

The Management supports the SG CG Code's principle to encourage shareholder participation. Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay informed of the Company's strategy and goals. The Shareholders are informed of general meetings through notices contained in annual reports or circulars sent to all Shareholders. In FY2021, the notice of AGM was despatched to the Shareholders, published in the Business Times as well as uploaded onto the SGXNet and the websites of HKEX and the Company. The Company also uploaded the Management's presentation slides to be used at the AGM in advance and the minutes of the AGM. The Board welcomes questions from Shareholders who have an opportunity to raise issues either informally or formally before or at the general meetings. To facilitate the Shareholders' communication with the Directors and the Management, a question and answer session is held at all the general meetings before voting is carried out.

Resolutions at general meetings are on each substantially separate issue. All the resolutions at the general meetings are single item resolutions.

The Company encourages all the Directors to attend its general meetings to address Shareholders' questions relating to the Company's development and the work of the Board Committees. For the AGM held in FY2021, all the seven Directors (including Mr. Wang Tianyi as the Chairman of the Board, Mr. An Xuesong and Mr. Luo Junjie as the two Executive Directors and the chairmen of all the Board Committees at the time when the AGM was held) attended such meeting. In view of the COVID-19 situation, all the Shareholders were allowed to participate the AGM held in FY2021 via electronic means, i.e. live audio-visual webcast or live audio-only webcast or live audio-only stream, submission of questions in advance of the AGM, submission of questions during the AGM via an online chat box, addressing of substantial and relevant questions at the AGM and voting by appointing the chairman of the AGM as proxy at the AGM and/or voting electronically during the AGM, pursuant to the *COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variables Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020*.

(E) 股東權利及與股東的互動

股東權利與股東大會的召開

本公司公平、公正地對待全體股東，承認、保護和促進股東行使權利。對於可能影響股東對本公司業績、狀況和前景所作評估的業務發展，本公司也向股東作出及時披露。

管理層支持新加坡企業管治守則中關於鼓勵股東參與的原則。本公司鼓勵股東出席股東大會，以確保高水平的問責制並使其及時了解本公司的戰略和目標。股東大會的通知以年度報告和股東通函的形式發放給股東。在二零二一財政年度，股東週年大會的通知已寄發給股東，並刊登在商業時報、SGXNet、港交所及本公司網站上。本公司亦會提前將用於股東週年大會的管理層介紹資料及股東週年大會後準備的會議紀要上載至該等網站。股東有機會在股東大會召開前或會議中以正式或非正式方式提出問題，董事會歡迎股東提問。為了促進股東與董事會及管理層之間的溝通，本公司在其所有股東大會的投票環節前均設有問答環節。

股東大會上的決議都是針對各項單獨議題的決議。股東大會上的所有決議均為單項決議。

本公司鼓勵全體董事參加股東大會，討論與本公司發展和董事會委員會工作有關的問題。二零二一財政年度舉行的股東週年大會上，全部七位董事（包括股東週年大會舉辦當時的董事長王天義先生、兩位執行董事安雪松先生、羅俊嶺先生和所有董事會委員會的主席）均有出席。鑑於新冠疫情，根據《COVID-19（臨時措施）（公司、可變資本公司、商業信託、單位信託和債券持有人會議的替代安排）2020年法令》，所有股東可通過電子方式（即實時視聽網絡直播或實時音頻網絡直播或實時音頻直播）參加二零二一財政年度舉行的股東週年大會，在會議召開前遞交問題，於會議期間通過在聊天窗口遞交問題，於會議期間解答重大和相關問題，並委任股東週年大會主席為受委代表以代其投票及/或於會議期間以電子方式投票。

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The Company's external auditor and the Legal Counsel and Joint Company Secretary are also invited to attend the general meetings and are available to assist the Directors in addressing any relevant queries by the Shareholders relating to the conduct of the audit and the preparation and content of the auditors' report.

The Company conducts poll voting for all resolutions to be passed in its general meetings. The rules, including voting procedures, will be explained by the scrutineers in the general meetings. If any Shareholder is unable to attend general meetings, Bye-laws allow each Shareholder to appoint up to two proxies to attend and vote at all general meetings on his/her behalf. Meeting minutes are prepared for all the general meetings (including the details of the question and answer sessions therein) and are uploaded on the Company's website and properly maintained as the Company's records.

Procedures for Shareholders to Convene a Special General Meeting and to Put Forward Proposals

The following procedures for the Shareholders to convene a special general meeting are prepared in accordance with Bye-law 57 of the Bye-laws.

- (1) One or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the Joint Company Secretaries, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition.
- (2) The requisition must state the objects of the meeting, and must be signed by the Shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those Shareholders.
- (3) The requisition shall be made in writing to the Board or the Joint Company Secretaries.
- (4) The special general meeting shall be held within two months after the deposit of the requisition.
- (5) If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionists, themselves may do so in accordance with the provisions of Section 74(3) of the *Companies Act 1981 of Bermuda* (the "**Bermuda Companies Act**").

本公司的外部審計師、法律顧問兼聯席公司秘書也應邀參加股東大會，並協助董事回答股東提出的有關審計的開展、審計報告的編制及其內容等方面的詢問。

本公司在其股東大會上均以投票表決方式表決通過所有決議。監票人將在股東大會上解釋表決的機制（包括投票程序）。若任何股東不能出席股東大會，則本公司章程允許每名股東委派最多兩名代理人代其出席所有的股東大會並表決。所有的股東大會均形成書面紀要（其中載有問答環節的詳情），並上載至本公司網站且作為本公司記錄妥善保管。

股東召開特別股東大會和提呈建議的程序

股東可依據以下程序召開特別股東大會，該等程序係依據本公司章程第57條規定所釐定。

- (1) 於提出請求之日持有不少於本公司已繳足股本（該等股本需在股東大會上擁有表決權）十分之一的一名或多名股東，有權以書面方式向董事會或聯席公司秘書提出請求由董事會召集特別股東大會以審議該等股東請求審議的任何事項。
- (2) 會議召開請求中須列明會議目的，並且須由相關股東簽署，該請求可由若干載有類似格式的文件組成且每一份文件由一名或多名該等股東簽署。
- (3) 會議召開請求須以書面方式提呈給董事會或聯席公司秘書。
- (4) 特別股東大會須在提出請求後的兩個月內召開。
- (5) 如果董事會在會議請求提出之日的21天內未能跟進召開該股東大會，則提出請求的股東可根據百慕達一九八一年《公司法》（「百慕達公司法」）第74(3)條的規定自行召開特別股東大會。

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The written requisition to convene a special general meeting shall be submitted to the Board or the Joint Company Secretaries at 9 Battery Road, MYP Centre, #20-02, Singapore 049910 or Room 3601, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Dividend Policy

The Group has adopted a policy on payment of dividend (the “**Dividend Policy**”) since 2019 in compliance with the HK CG Code and SG CG Code, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company.

The Company will declare and/or recommend the payment of dividends to the Shareholders after the Board considering the factors, such as: the funding needs to the operation and business development of the Company from time to time; the market situation from time to time; the solvency requirements of the Bermuda Companies Act; cash flow and financial condition of the Company; the requirements of the Bye-laws and the relevant laws, rules and regulations applicable to the Company; and so on. When assessing the Company’s performance for each financial year or interim financial period, the Board shall seek to maintain a steady dividend depending on the capital expenditure and cash flow for each financial year or interim financial period, while smoothing the effect of any variation in the cash flow that may be due to one-off gains or losses in the same period. The Board shall have the full discretion on whether to pay a dividend, subject to the Shareholders’ approval, if applicable.

The Board shall review the Dividend Policy on a regular basis.

In accordance with the Dividend Policy, the Company declared and paid an interim one-tier tax-exempt dividend of 5.75 Hong Kong cents (equivalent to 1.01 Singapore cents (“**Sing cents**”)) per ordinary share for the six months ended 30 June 2021. In addition, the Board recommended a final one-tier tax exempt dividend of 6.83 Hong Kong cents (equivalent to 1.19 Sing cents) per ordinary share for FY2021, which will be subject to the Shareholders’ approval at the forthcoming AGM.

召開特別股東大會的書面請求須提呈給董事會或聯席公司秘書，地址為新加坡百德裏路9號MYP中心#20-02室（郵編：049910）或香港夏慤道16號遠東金融中心36樓3601室。

股息政策

本集團自二零一九年已根據香港企業管治守則和新加坡企業管治守則制定股息支付政策（「**股息政策**」），並制定了適當程序來宣佈和推薦本公司的股息派發。

本公司將在董事會考慮各方因素後宣佈和/或推薦向股東派發股息，考慮因素包括：本公司經營和業務發展的不時資金需求；市場情況的不時變化；不時的市場情況；百慕達公司法中對於償債能力的要求；本公司現金流及財務情況；本公司章程及有關適用於本公司的法律和規章要求等。當評估本公司在每個財政年度或中期財政期間的業績表現時，董事會應當根據每個財政年度或中期財政期間的資本開支和現金流情況盡力維持穩定的股息，同時消除可能在同期出現一次性收益或虧損而對現金流造成波動的影響。董事會可全權決定是否支付股息，但須經股東批准（如適用）。

董事會定期審閱股息政策。

根據股息政策，本公司已就截至二零二一年六月三十日止的六個月期間宣佈並派發了一級稅項豁免的中期股息，每股普通股5.75港仙（等值1.01新加坡分（「**新分**」））。另外，董事會也推薦就二零二一財政年度派發一級稅項豁免的末期股息，每股普通股6.83港仙（等值1.19新分），惟須待股東於應屆股東週年大會上批准。

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Engagement with Shareholders

The Company recognises the importance of good communications with its Shareholders and the investment community and also recognises the value of providing current and relevant information to the Shareholders and the investors. The Company has established a Shareholders Communication Policy which is available on the SGXNet and the websites of HKEX and the Company.

To facilitate the Shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis on the SGXNet and the websites of HKEX and the Company, especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, so as to enable the Shareholders to make informed decisions in respect of their investment in the Company. To ensure a timely and equal disclosure to all its Shareholders, the Company also uploads all its press releases, presentation slides to be used at analyst briefings and other disclosure documents which includes material information on the SGXNet and the websites of HKEX and the Company.

In line with continuous disclosure obligations of the Company, and pursuant to the SGX Listing Manual, SEHK Listing Rules and the Bermuda Companies Act, the Board ensures that the Shareholders are fully informed of all major developments that impact the Group on a timely and equally basis.

Information is disseminated to the Shareholders on a timely basis through:

- (i) SGXNet announcements;
- (ii) HKEX announcements;
- (iii) press releases;
- (iv) results briefings and analyst briefing presentations;
- (v) annual reports;
- (vi) interim reports; and
- (vii) the Company's website at www.ebwater.com, at which the Shareholders can access information on the Group.

The Company does not practise selective disclosure of material information. All the material information is available on the SGXNet and the websites of HKEX and the Company.

The Management acknowledges that effective communication with investors is of paramount importance to the Group. In order to reinforce mutual understanding between the Shareholders and the Company, the Company established and maintained a number of ways to strengthen its communication with investors.

與股東的互動

本公司認可與股東和投資界保持良好溝通的重要性，並認可向股東和投資者提供當前相關信息的價值。本公司已制定了股東溝通政策，可在SGXNet、港交所及本公司網站上查閱。

為了便於股東行使所有權，本公司確保所有的重要信息（尤其是對本公司股價有重大影響的業務發展和業績信息）均全面、準確、及時地披露在SGXNet、港交所和本公司的網站上，使股東可在充分掌握信息的基礎上作出投資本公司的相關決定。為了確保本公司向所有股東作出及時和平等的披露，本公司也將新聞稿、分析師簡介會資料和其他包含了重要信息的披露文件上載至SGXNet、港交所和本公司的網站。

為履行本公司的持續披露義務並符合新交所上市手冊、聯交所上市規則和百慕達公司法的規定，董事會確保股東及時平等地充分獲知對本集團有影響的所有重要情況。

信息通過以下方式向股東進行及時發佈：

- (i) 發佈在SGXNet的公告；
- (ii) 發佈在港交所網站的公告；
- (iii) 新聞稿；
- (iv) 業績簡報和分析師簡介資料；
- (v) 年度報告；
- (vi) 中期報告；和
- (vii) 股東可訪問本公司網站獲取本集團的信息，網址為www.ebwater.com。

本公司未採取選擇性的信息披露政策。所有信息均刊登在SGXNet、港交所和本公司的網站上。

管理層認可，與投資者的有效溝通對本集團至關重要。為加強股東與本公司之間的相互理解，本公司建立並保持了多種溝通方式以加強與其投資者的溝通。

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Measures that the Company has taken are as follows:

- (a) organising analyst briefings to explain its latest published financial information as well as to provide its business update when necessary;
- (b) attending meetings or telephone conferences requested by investors, Shareholders or analysts on an ongoing basis throughout the year to assist them in understanding the latest updates relating to the Company;
- (c) organising road shows for the investors or potential investors. This may be done solely by Company or coordinated with investment banks;
- (d) organising site visits by investors or potential investors to the Group's projects; and
- (e) ensuring important information of the Group will be announced in a timely manner without delay.

The Shareholders may at any time send their enquiries and concerns to the Board in writing through the investor relations department via ir@ebwater.com.

(F) STRATEGY DEVELOPMENT AND SUSTAINABILITY

Strategy Committee

The Strategy Committee (the "SC") comprises:

- (i) Mr. Hu Yanguo (SC Chairman, Executive Director & Chairman of Board);
- (ii) Mr. Tao Junjie (Executive Director & CEO);
- (iii) Mr. Luo Junling (Executive Director & CFO); and
- (iv) Ms. Hao Gang (Independent Non-Executive Director).

The SC is primarily responsible for assisting the Board in providing strategic direction to the Company and overseeing the strategic planning of the Company and the implementation of such strategies; reviewing the medium-term and long-term strategic objectives proposed by the Management and overseeing the Management's performance in relation to such strategies; considering sustainability issues in formulating strategies and overseeing the monitoring and management of the environmental, social and governance factors that are material to the business of the Company.

本公司採取的措施如下：

- (a) 舉辦分析師簡介會，解釋最新公佈的財務資料，並適時提供最新的業務資料；
- (b) 應投資者、股東或分析師的要求，全年經常性地參加現場會議或電話會議，幫助他們了解本公司的最新動態；
- (c) 為投資者或潛在投資者舉辦路演。路演由本公司自己舉辦或與投資銀行合辦；
- (d) 組織投資者或潛在投資者到本集團的項目現場參觀；和
- (e) 確保本集團沒有延遲地及時公佈重要信息。

投資者也可發送電郵至 ir@ebwater.com 通過投資者關係部隨時向董事會以書面形式提出查詢及表達意見。

(F) 戰略發展與可持續發展

戰略委員會

戰略委員會（「戰略委員會」）由以下人員組成：

- (i) 胡延國先生（戰略委員會主席，執行董事兼董事長）；
- (ii) 陶俊杰先生（執行董事兼總裁）；
- (iii) 羅俊嶺先生（執行董事兼首席財務官）；和
- (iv) 郝剛女士（獨立非執行董事）。

戰略委員會的成立旨在協助董事會制訂本公司的戰略發展方向，監督本公司的戰略發展規劃和落實；審閱管理層提議的中期和長期戰略目標，監督管理層與該戰略相關的表現；在制定戰略時考慮可持續發展議題，監督對本公司業務有重大影響的環境、社會和管治因素的實行和管理。

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The SC was established in May 2018, with the main objective to assist the Board in oversight responsibilities relating to the planning and implementation of the Company's development strategies. It currently comprises Executive, and Independent Non-Executive Directors. The SC will hold meetings as and when necessary. During its meetings, the SC may invite the key management personnel to join and discuss on the Company's strategies and development directions. The SC will then report its recommendations on the Company's development strategies to the Board for discussion and approval.

Engagement with Stakeholders

Stakeholder engagement is an indispensable part of the Group's sustainable development strategy. The Board adopts an inclusive approach by considering and balancing the needs and interests of materials stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served. The Group maintained constant interaction and close communication with stakeholders through various communication channels, to gain insights into how its business affects different stakeholders. Through collecting valuable suggestions and expectations from the stakeholders in relation to the Group's sustainable development, the Group pinpoints areas for improvement on business policies and project operations, and identifies issues that have significant impacts on its sustainable development, hence allowing the Group to formulate long-term development strategies.

Further information on engagement with stakeholders is set out in section "Sustainability Report" on pages 55 to 68 of this Annual Report.

(G) DEALINGS IN SECURITIES

The Company has adopted an internal code (the "Internal Code") governing dealings in securities by Directors, officers and relevant employees of the Group who are likely to be in possession of unpublished price sensitive information of the Group. Following its listing on the SEHK, the Company has updated the Internal Code to be in line with the requirements of the SEHK Listing Rules and HK CG Code on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the SEHK Listing Rules, in addition to the requirements of the SGX Listing Manual and SG CG Code. This revised Internal Code has been disseminated to all the Directors, officers and relevant employees of the Group.

戰略委員會成立於二零一八年五月，主要旨在協助董事會履行其制訂和實施本公司發展戰略相關的職責，目前由執行董事和獨立非執行董事構成。戰略委員會按需召開會議，並可邀請關鍵管理人員一同參與討論本公司的戰略及發展方向。戰略委員會隨後將其關於本公司發展戰略的建議向董事會進行報告，供董事會討論和批准。

與持份者的互動

持份者參與是本集團可持續發展戰略中不可或缺的一環。作為其整體責任的一部分，董事會考慮並平衡重要持份者的需求及利益，以此確保本公司利益的最大化。本集團通過各類溝通渠道，與持份者進行持續互動並保持緊密溝通，以深入了解本集團業務對不同持份者的影響。透過收集他們對本集團可持續發展的寶貴意見和期望，本集團得以了解在商業政策和項目運營上需要改進的地方，並識別對本集團可持續發展有重大影響的事項，從而制定長期的發展戰略。

與持份者互動的進一步詳情載於本年度報告第55頁至第68頁的「可持續發展報告」中。

(G) 證券交易

本公司已採納內部行為守則（「內部行為守則」），對可能擁有本集團的未公開股價敏感數據的本集團董事、職員及有關僱員買賣證券進行規管。於聯交所上市後，本公司已更新內部行為守則以符合聯交所上市規則的規定及香港企業管治守則內有關聯交所上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），也同時符合新交所上市手冊及新加坡企業管治守則的規定。該經修訂的內部行為守則已經派發予本集團全部董事、職員及有關僱員。

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The Directors, officers and relevant employees of the Group have been informed not to deal in the Company's securities at all times whilst in possession of unpublished price-sensitive information and during the periods commencing:

- (a) 30 days immediately preceding the publication date of the announcement of the Company's interim results (and quarterly results, if any) or, if shorter, the period from the end of the relevant half-year (and the relevant quarter, if applicable) up to the publication date of the results; and
- (b) 60 days immediately preceding the publication date of the announcement of the Company's full-year results or, if shorter, end of financial year and up to the publication date of the results.

The Directors, officers and relevant employees of the Group are also expected to observe relevant insider trading laws at all times, even when dealing in securities within permitted trading period or while they are in possession of unpublished price-sensitive information of the Company and they are not to deal in the Company's securities on short-term considerations.

Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard as set out in the Model Code and the Internal Code throughout FY2021.

(H) INSIDE INFORMATION POLICY AND PROCEDURES

The Company has formulated inside information policy and procedures for the handling and dissemination of inside information. The insider information policy provides the guidelines to the Directors, officers and relevant employees (likely possessing the unpublished inside information) of the Group to ensure that the inside information of the Group is to be disseminated to the public in equal and timely manner in accordance with the applicable laws and regulations. The procedures include, among others, regularly remind the Directors, officers and relevant employees of the Group about the compliance with the securities dealing restrictions as set out in the Model Code and the Internal Code and the notification of the relevant blackout periods applicable to the publication of the interim and full-year results of the Company respectively.

All Directors and those employees who could have access to, and monitor, the information of the Group are responsible for making appropriate precautions to prevent abuse or misuse of such information. The employees of the Group are prohibited from using inside information for their own benefit.

本集團董事、職員及有關僱員已獲告知於擁有未公開股價敏感數據及於下列時間起期間內任何時候不得買賣本公司證券：

- (a) 緊接公佈本公司中期業績（及季度業績，如有）當日前30天或相關半年（及相關季度，如適用）期末直至公佈業績日期為止的期間（以較短者為準）；及
- (b) 緊接公佈本公司全年業績當日前60天或財政年度末直至公佈業績當日的期間（以較短者為準）。

本集團董事、職員及有關僱員亦須隨時遵守內幕交易相關法律，即使於允許交易期間買賣證券或管有尚未刊發之本公司價格敏感數據時，其亦於短期內不得買賣本公司證券。

經向全體董事作出具體查詢，所有董事均確認在二零二一財政年度內一直遵守標準守則及內部行為守則所載的規定。

(H) 內幕消息政策及程序

本公司已就內幕消息的處理及發放採納內幕消息政策及程序。內幕消息政策為本集團董事、職員及有關僱員（有可能持有尚未發佈內幕消息）提供指引，確保本集團的內幕消息以平等及適時的方式向公眾發放。程序包括（其中）定期提醒本集團董事、職員及有關僱員遵守標準守則及內部行為守則所載的證券買賣限制，以及通知分別適用於公佈本公司中期及全年業績的相關禁售期。

董事及可接觸及監控本集團資料之僱員均有責任作出適當預防措施以防止濫用或不當使用該等資料。本集團僱員嚴禁利用內幕消息謀取私利。

Corporate Governance Report

企業管治報告

(I) MATERIAL CONTRACTS

Saved as disclosed in this Annual Report, there are no material contracts of the Group involving the interests of any Director (including the CEO) or controlling shareholder subsisting at the end of FY2021, or entered into since the end of the previous financial year.

(J) CONSTITUTIONAL DOCUMENTS

The Company has adopted a set of new bye-laws with effect from 8 May 2019 pursuant to the special resolution passed at the special general meeting of the Company held on 16 November 2018. During the year under review, there was no change in the Bye-laws. An up-to-date version of the Bye-laws is also available on the SGXNet and the websites of HKEX and the Company.

(I) 重大合同

除於本年度報告披露外，在二零二一財政年度中，本集團並未存續涉及任何董事（含總裁）或控股股東權益的重大合同；自上個財政年度末以來本集團也未簽署任何依然存續的涉及董事或控股股東權益的重大合同。

(J) 章程文件

根據二零一八年十一月十六日召開的特別股東大會上通過的特別決議，本公司採納了一套新的章程，自二零一九年五月八日生效。於回顧年度內，本公司章程並無變動。SGXNet、港交所和本公司網站上均有最新版本的本公司章程。

Directors' Statement

董事會聲明

The board (the “**Board**”) of directors (the “**Directors**”) of China Everbright Water Limited (“**Everbright Water**” or the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to submit this Annual Report to the shareholders of the Company (the “**Shareholders**”) together with the audited financial statements for the financial year ended 31 December 2021 (“**FY2021**” or the “**year under review**”).

In the opinion of the Directors:

- (a) the financial statements are drawn up so as to present fairly, in all material respects, the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with International Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Principal Activities

The principal activity of the Company is investment holding. The principal activities and other particulars of the Company's principal subsidiaries are set out in note 1 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year under review.

Business Review

A fair review of the business of the Group during the year under review, particulars of important events affecting the Group that have occurred since the end of FY2021 (if any), an analysis of the Group's performance using financial key performance indicators and a discussion on the Group's future business development are provided in the “Chairman's Statement” and the “Chief Executive Officer's Report” on pages 4 to 34 of this Annual Report. Description of the principal risks and uncertainties faced by the Group is set out in the section headed “Principal Risks and Uncertainties” in the “Chief Executive Officer's Report” on pages 22 to 28 of this Annual Report. A discussion on the Group's environmental policies, relationship with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group is provided in the section headed “Environmental and Social Management” in the “Chief Executive Officer's Report” on pages 28 to 30 of this Annual Report.

中國光大水務有限公司（「**光大水務**」或「**本公司**」，連同其附屬公司統稱「**本集團**」）董事（「**董事**」）會（「**董事會**」）欣然向本公司股東（「**股東**」）提呈本年度報告以及截至二零二一年十二月三十一日止的財政年度（「**二零二一財政年度**」或「**回顧年度**」）之經審計財務報表。

董事會認為：

- (a) 提呈之財務報表已根據國際財務報告準則於所有重大方面公允反映本集團及本公司於二零二一年十二月三十一日之財務狀況，以及本集團截至該日止年度之財務表現、權益變動及現金流量；及
- (b) 於本聲明簽署之日，有合理理由相信本公司有能力於債務到期時進行償還。

主要業務

本公司之主要業務為投資控股。各主要附屬公司之主要業務及其他詳情載於財務報表附註1。本集團主要業務之性質於回顧年度內並無重大變動。

業務回顧

本集團業務之年度回顧，二零二一財政年度末以來發生並對本集團構成影響之重要事件（如有）詳情，利用財務關鍵表現指標對本集團年內表現作出之分析以及有關本集團未來業務發展之討論載於本年度報告第4頁至第34頁之「董事長致辭」及「總裁報告」。本集團所面對之主要風險及不確定性之描述載於本年度報告第22頁至第28頁「總裁報告」之「主要風險及不確定性」一節。有關本集團環境政策、與主要持份者之關係以及對本集團有重大影響之相關法律及法規遵守情況之討論載於本年度報告第28頁至第30頁「總裁報告」之「環境與社會管理」一節。

Directors' Statement

董事會聲明

Major Customers and Suppliers

The information in respect of the major customers and suppliers of the Group respectively during FY2021 is as follows:

		Percentage of the Group's total 佔本集團下列總額之百分比	
		Revenue 收入	Purchases 採購額
The largest customer	最大客戶	12%	
Five largest customers in aggregate	五大客戶合計	45%	
The largest supplier	最大供應商		6%
Five largest suppliers in aggregate	五大供應商合計		21%

None of the Directors, their associates and the Shareholders (which, to the knowledge of the Directors, each own more than 5% of the number of issued shares of the Company) had any interest in the Group's five largest customers and suppliers.

Results

The financial results of the Group for FY2021 and the Company's financial position at the end of FY2021 are set out in the financial statements on pages 145 to 306 of this Annual Report.

Interim Dividend

An interim dividend of 5.75 Hong Kong cents ("HK cents") (equivalent to 1.01 Singapore cents ("Sing cents")) per ordinary share was paid to the Shareholders on 10 September 2021 (for the financial year ended 31 December 2020 ("FY2020"): HK3.74 cents (equivalent to 0.67 Sing cent) per ordinary share).

Final Dividend

The Board recommended a final dividend of HK6.83 cents (equivalent to 1.19 Sing cents) per ordinary share for FY2021 (FY2020: HK6.07 cents (equivalent to 1.04 Sing cents) per ordinary share), subject to the Shareholders' approval at the forthcoming annual general meeting of the Company (the "AGM").

主要客戶及供應商

本集團於二零二一財政年度內之主要客戶及供應商資料如下：

各董事或彼等之任何聯繫人士或任何股東（據董事所盡悉擁有本公司已發行股份5%以上）概無擁有本集團五大客戶及供應商任何實益權益。

業績

本集團二零二一財政年度之財務業績，以及本公司於二零二一財政年度末之財務狀況載於本年度報告第145頁至第306頁之財務報表內。

中期股息

本公司已於二零二一年九月十日向股東派發中期股息每股普通股5.75港仙（等值1.01新加坡分（「新分」））（截至二零二零年十二月三十一日止的財政年度（「二零二零財政年度」）：每股普通股3.74港仙（等值0.67新分））。

末期股息

董事會建議就二零二一財政年度派發末期股息每股普通股6.83港仙（等值1.19新分）（二零二零財政年度：每股普通股6.07港仙（等值1.04新分）），待股東於本公司應屆股東週年大會（「股東週年大會」）上批准。

Directors' Statement

董事會聲明

Share Capital

There were no movements in the share capital of the Company during the year under review. Details of the share capital of the Company are set out in note 30 to the financial statements.

Debentures Issued

As announced by the Company on 15 January 2021, the Company had completed the issuance of second tranche of RMB-denominated medium term notes (the **"Second Tranche MTNs"**) to the institutional investors in the inter-bank bond market of mainland China (the **"Institutional Investors"**) with a principal amount of RMB1,000,000,000. The Second Tranche MTNs were fully subscribed for by the Institutional Investors, with a maturity period of 3 years and an interest rate of 3.75% per annum. The proceeds from issuance of the Second Tranche MTNs were used for replenishment of working capital for the subsidiaries of the Company. Details of the Second Tranche MTNs are set out in the Company's announcements dated 11 January 2021 and 15 January 2021.

As announced by the Company on 10 August 2021, the Company had completed the issuance of the first tranche of RMB-denominated Super & Short-term Commercial Papers (the **"First Tranche SCPs"**) to the Institutional Investors with a principal amount of RMB800,000,000. The First Tranche SCPs were fully subscribed for by the Institutional Investors, with a maturity period of 120 days and an interest rate of 2.40% per annum. The proceeds from issuance of the First Tranche SCPs were used for replenishment of working capital for the subsidiaries of the Company. Details of the First Tranche SCPs are set out in the Company's announcements dated 6 August 2021 and 10 August 2021.

In relation to the second tranche of RMB-denominated corporate bonds with an aggregate principal amount of RMB800,000,000 (the **"Second Tranche Corporate Bonds"**) which comprises Type 1 Second Tranche Corporate Bonds with an aggregate principal amount of RMB400,000,000 (**"Type 1 Bonds"**) and Type 2 Second Tranche Corporate Bonds with an aggregate principal amount of RMB400,000,000 (**"Type 2 Bonds"**) issued by the Company on 16 August 2018, the Company had, during the FY2021:

- (i) repurchased Type 1 Bonds with an aggregate value of RMB79,100,000 (**"Repurchased Type 1 Bonds"**) and resold Repurchased Type 1 Bonds with an aggregate value of RMB70,000,000. The remaining unsold Repurchased Type 1 Bonds with an aggregate value of RMB9,100,000 were cancelled by the Company; and

股本

回顧年度內本公司之股本並無任何變動。本公司之股本詳情載於財務報表附註30。

已發行的債權證

於二零二一年一月十五日，本公司宣佈其已完成向中國內地銀行間債券市場機構投資者（「**機構投資者**」）發行以人民幣計值的第二期中期票據（「**第二期中期票據**」），發行本金為1,000,000,000元人民幣。第二期中期票據由機構投資者全部認購完畢，期限為三年，發行年利率為3.75%。發行第二期中期票據所募集的資金已用於補充本公司附屬公司的營運資金。有關第二期中期票據的詳情載於本公司日期為二零二一年一月十一日及二零二一年一月十五日之公告。

於二零二一年八月十日，本公司宣佈其已完成向機構投資者發行以人民幣計值的第一期超短期融資券（「**第一期超短期融資券**」），發行本金為800,000,000元人民幣。第一期超短期融資券由機構投資者全部認購完畢，期限為120日，發行年利率為2.40%。發行第一期超短期融資券所募集的資金已用於補充本公司附屬公司的營運資金。有關第一期超短期融資券的詳情載於本公司日期為二零二一年八月六日及二零二一年八月十日之公告。

有關本公司於二零一八年八月十六日發行的累計本金為800,000,000元人民幣的以人民幣計值之第二期公司債券（「**第二期公司債券**」），包括本金總額為400,000,000元人民幣的第二期公司債券之品種一（「**品種一債券**」）及本金總額為400,000,000元人民幣的第二期公司債券之品種二（「**品種二債券**」），本公司於二零二一財政年度內：

- (i) 已回售品種一債券的總價值為79,100,000元人民幣（「**經回售之品種一債券**」）及已轉售經回售之品種一債券的總價值為70,000,000元人民幣。本公司已註銷剩餘總價值為9,100,000元人民幣之未轉售的經回售之品種一債券；及

Directors' Statement

董事會聲明

Debentures Issued (cont'd)

- (ii) repurchased Type 2 Bonds with an aggregate value of RMB183,050,000 (“**Repurchased Type 2 Bonds**”) and resold Repurchased Type 2 Bonds with an aggregate value of RMB180,000,000. The remaining unsold Repurchased Type 2 Bonds with an aggregate value of 3,050,000 were cancelled by the Company.

Details and results of the sell back option and resale exercise in respect of the Second Tranche Corporate Bonds are set out in the Company's announcements dated 14 July 2021, 12 August 2021 and 14 September 2021.

Details of the debentures issued during FY2021 are also set out in note 28 to the financial statements.

Save as disclosed above, the Company did not issue any other debentures during FY2021.

Distributable Reserves

As at 31 December 2021, the Company's reserves available for distribution amounted to approximately HK\$8,104,897,000 (31 December 2020: HK\$7,823,775,000).

Charitable Donations

Charitable donations made by the Group during FY2021 amounted to HK\$12,000 (FY2020: HK\$2,192,000).

Directors

The Directors during FY2021 and up to the date of this Annual Report are:

Non-Executive Director

Wang Tianyi (*Chairman*)
(Resigned on 5 October 2021) (Note 1)

Executive Directors

Hu Yanguo (*Chairman*)
(Appointed on 5 October 2021)
An Xuesong (*Chief Executive Officer*)
(Resigned on 5 October 2021) (Note 2)
Tao Junjie (*Chief Executive Officer*)
(Appointed on 5 October 2021)
Luo Junling (*Chief Financial Officer*)

已發行的債權證 (續)

- (ii) 已回售品種二債券的總價值為183,050,000元人民幣(「經回售之品種二債券」)及已轉售經回售之品種二債券的總價值為180,000,000元人民幣。本公司已註銷剩餘總價值為3,050,000元人民幣之未轉售的經回售之品種二債券。

有關實施第二期公司債券回售及轉售結果的詳情載於本公司日期為二零二一年七月十四日、二零二一年八月十二日及二零二一年九月十四日之公告。

於二零二一財政年度發行的債權證之詳情亦載於財務報表附註28。

除上文所披露者外，本公司於二零二一財政年度內並未發行任何債權證。

可供分派儲備

於二零二一年十二月三十一日，本公司可供分派儲備金額約8,104,897,000港元(二零二零年十二月三十一日：7,823,775,000港元)。

慈善捐款

本集團於二零二一財政年度內共捐款12,000港元(二零二零財政年度：2,192,000港元)作慈善用途。

董事

於二零二一財政年度內及截至本年度報告日期之董事如下：

非執行董事

王天義 (*董事長*)
(於二零二一年十月五日辭任) (附註1)

執行董事

胡延國 (*董事長*)
(於二零二一年十月五日獲委任)
安雪松 (*總裁*)
(於二零二一年十月五日辭任) (附註2)
陶俊杰 (*總裁*)
(於二零二一年十月五日獲委任)
羅俊嶺 (*首席財務官*)

Directors' Statement

董事會聲明

Directors (cont'd)

Independent Non-Executive Directors

Zhai Haitao
Lim Yu Neng Paul
Cheng Fong Yee
Hao Gang

Notes:

1. Mr. Wang Tianyi resigned as a Non-Executive Director and the Chairman of the Board of the Company on 5 October 2021 in order to focus on his responsibilities as the chairman of the board of directors of China Everbright Environment Group Limited ("Everbright Environment"), the indirect controlling shareholder of the Company.
2. Mr. An Xuesong resigned as an Executive Director and the Chief Executive Officer of the Company on 5 October 2021 due to change in work arrangements.

The biographical details of the Directors and the senior management of the Company are set out on pages 44 to 53 of this Annual Report.

In accordance with Bye-law 85(6) of the bye-laws of the Company (the "Bye-laws"), Mr. Hu Yanguo and Mr. Tao Junjie will hold office until the forthcoming AGM and, being eligible, offer themselves for re-election.

In accordance with Bye-law 86(1) of the Bye-laws, Mr. Luo Junling will retire from the Board at the forthcoming AGM and, being eligible, offer himself for re-election.

The Independent Non-Executive Directors are appointed for a specific term, subject to re-election. The current four Independent Non-Executive Directors hold office for a term until 11 April 2022, subject to renewal. They are all subject to retirement by rotation in accordance with the Bye-laws as indicated above.

Changes in Information of Directors

Pursuant to Rule 13.51B(1) of the Rules (the "SEHK Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "SEHK"), the change in information of the Directors since the Company's last published 2021 Interim Report is as follows:

Mr. Zhai Haitao (Independent Non-Executive Director) was elected to be an independent non-executive director of China Life Insurance Company Limited (the shares of which are listed on the New York Stock Exchange, the SEHK and the Shanghai Stock Exchange) on 30 June 2021; his qualification as the independent non-executive director was approved by the China Banking and Insurance Regulatory Commission and his term of office commenced on 14 October 2021.

董事 (續)

獨立非執行董事

翟海濤
林御能
鄭鳳儀
郝剛

附註：

1. 為專注於履行作為本公司的間接控股股東中國光大環境(集團)有限公司(「光大環境」)董事會主席的職責，王天義先生自二零二一年十月五日起辭任本公司非執行董事兼董事長。
2. 由於工作調動原故，安雪松先生自二零二一年十月五日起辭任本公司執行董事兼總裁。

董事及本公司高級管理層之履歷詳情列載於本年度報告第44頁至第53頁。

依據本公司章程(「本公司章程」)第85(6)條規定，胡延國先生及陶俊杰先生將任職至應屆股東週年大會，而彼等符合資格，並已表示願意膺選連任。

依據本公司章程第86(1)條規定，羅俊嶺先生須於應屆股東週年大會上告退，而彼符合資格，並已表示願意膺選連任。

獨立非執行董事獲委任指定年期，並須符合重選之規定。本公司四名現任獨立非執行董事之任期直至二零二二年四月十一日止，可繼續受聘。彼等須如上文所述根據本公司章程輪值告退。

董事資料變動

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「聯交所上市規則」)第13.51B(1)條，自本公司上一次刊發二零二一年中期報告以來，董事資料變動如下：

翟海濤先生(獨立非執行董事)於二零二一年六月三十日被選為中國人壽保險股份有限公司(其股份於紐約證券交易所、聯交所及上海證券交易所上市)之獨立非執行董事；其獨立非執行董事的任職資格已獲中國銀行保險監督管理委員會核准，並於二零二一年十月十四日起任職生效。

Directors' Statement

董事會聲明

Changes in Information of Directors (cont'd)

Mr. Lim Yu Neng Paul (Independent Non-Executive Director) ceased to be an independent director of Nippecraft Limited (the shares of which are listed on Singapore Exchange Securities Trading Limited ("SGX")) with effect from 31 August 2021. He was appointed as a director of SBI Sygnum Azimut – Digital Asset Opportunity Fund VCC (a variable capital company incorporated in Singapore) with effect from 28 January 2022.

Ms. Cheng Fong Yee (Independent Non-Executive Director) ceased to be an executive director (principal representative) of the Cambodia Branch of AsiaOne Insurance Agency Pte. Ltd.

Ms. Hao Gang was appointed as the Associate Dean (Graduate Programmes and Executive Education) of the College of Business and the Director of EMBA (Chinese) programme, City University of Hong Kong.

Save as disclosed above, the Company is not aware of other information which is required to be disclosed under Rule 13.51B(1) of the SEHK Listing Rules.

Directors' Service Contracts

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year under review.

董事資料變動 (續)

林御能先生 (獨立非執行董事) 自二零二一年八月三十一日起不再擔任 Nippecraft Limited (其股份於新加坡證券交易所有限公司 (「新交所」) 上市) 的獨立董事。彼自二零二二年一月二十八日起獲委任為 SBI Sygnum Azimut – Digital Asset Opportunity Fund VCC (一家在新加坡註冊成立的可變資本公司) 的董事。

鄭鳳儀女士 (獨立非執行董事) 不再擔任 AsiaOne Insurance Agency Pte. Ltd. 柬埔寨區執行董事 (主要代表)。

郝剛女士獲委任為香港城市大學商學院副院長 (研究生課程及高管培訓) 及香港城市大學 EMBA (中文) 項目主任。

除上文所披露者外, 本公司並不知悉須根據聯交所上市規則第 13.51B(1) 條予以披露之其他資料。

董事之服務合約

在應屆股東週年大會上獲提名連任之董事概無訂立本公司或其任何附屬公司不可於一年內免付賠償 (一般法定賠償除外) 予以終止之未屆滿服務合約。

管理合約

回顧年度內, 本公司並無就全盤業務或其中任何重要部分簽訂或存續管理及行政合約。

Directors' Statement

董事會聲明

Directors' Interests

Under Singapore Law

According to the Company's register of Directors' shareholdings, none of the Directors holding office at the end of FY2021 had any interest in the shares or debentures of the Company or its related corporations, except as follows:

董事權益

根據新加坡法律

根據本公司董事股權登記冊所載，於二零二一財政年度末，概無任職董事於本公司或其關聯公司之股份或債權證中擁有任何權益，惟以下者除外：

Name of Director and Corporation in which interests are held 持有權益之董事姓名及公司名稱	Holdings registered in the name of Director 以董事名義登記之股權		Holdings in which Director is deemed to have an interest 董事被視為擁有權益之股權	
	As at 1/1/2021 於二零二一年一月一日	As at 31/12/2021 於二零二一年十二月三十一日	As at 1/1/2021 於二零二一年一月一日	As at 31/12/2021 於二零二一年十二月三十一日
The Company 本公司				
Ordinary shares 普通股				
Lim Yu Neng Paul 林御能	-	-	1,608,909	1,608,909
Cheng Fong Yee 鄭鳳儀	622,266	622,266	-	-
	As at 5/10/2021 (Note (2)) 於二零二一年十月五日 (附註(2))	As at 31/12/2021 於二零二一年十二月三十一日	As at 5/10/2021 (Note (2)) 於二零二一年十月五日 (附註(2))	As at 31/12/2021 於二零二一年十二月三十一日
China Everbright Greentech Limited (Note (1)) 中國光大綠色環保有限公司 (附註(1))				
Ordinary shares 普通股				
Hu Yanguo (Note (2)) 胡延國 (附註(2))	287,000	287,000	-	-

Notes:

- (1) China Everbright Greentech Limited ("**Everbright Greentech**") is a subsidiary of Everbright Environment, the controlling Shareholder of the Company.
- (2) Mr. Hu Yanguo was appointed as a Director on 5 October 2021.

附註：

- (1) 中國光大綠色環保有限公司（「**光大綠色環保**」）為本公司控股股東光大環境之附屬公司。
- (2) 胡延國先生自二零二一年十月五日起獲委任為董事。

Directors' Statement

董事會聲明

Directors' Interests (cont'd)

Except as disclosed in this statement, none of the Directors who held office at the end of FY2021 had interests in share options, warrants or debentures of the Company or of related corporations, either at the beginning or at the end of FY2021.

There was no change in any of the above-mentioned interests in the Company and its related corporation between the end of FY2021 and 21 January 2022.

Under Hong Kong Law

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2021, the interests and short positions of the Directors and the chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the *Securities and Futures Ordinance* (Cap 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the *Model Code for Securities Transactions by Directors of Listed Issuers* (the "Model Code") as set out in Appendix 10 to the SEHK Listing Rules were as follows:

(i) Long position in shares of the Company

Name of Director 董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares (ordinary shares) 股份數目 (普通股)	Approximate percentage of total issued shares (Note) 約佔已發行股份總數百分比 (附註)
Lim Yu Neng Paul 林御能	Custodian (other than an exempt custodian interest) 保管人 (獲豁免保管人權益除外)	Personal 個人	1,608,909	0.06%
Cheng Fong Yee 鄭鳳儀	Beneficial owner 實益擁有人	Personal 個人	622,266	0.02%

Note: Based on 2,860,876,723 issued ordinary shares of the Company as at 31 December 2021.

董事權益 (續)

除本聲明另行披露外，於二零二一財政年度期初或期末，在二零二一財政年度期末任職的董事概無於本公司或關聯公司之期權、認股權證或債權證中擁有權益。

於二零二一財政年度末至二零二二年一月二十一日止期間，上述於本公司及其關聯公司之權益概無任何變動。

根據香港法律

董事及最高行政人員持有之股份、相關股份及債權證之權益及淡倉

於二零二一年十二月三十一日，董事及本公司之最高行政人員及彼等之各自聯繫人士於本公司及/或其任何有聯繫法團（定義見（香港法例第五百七十一章）《證券及期貨條例》（「《證券條例》」）第 XV 部）之股份、相關股份及債權證中擁有記載於本公司按《證券條例》第352條規定須備存之登記冊內的權益或淡倉，或根據聯交所上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》（「《標準守則》」），須知會本公司及聯交所的權益或淡倉如下：

(i) 於本公司股份之好倉

附註：根據於二零二一年十二月三十一日本公司已發行2,860,876,723股普通股計算。

Directors' Statement

董事會聲明

Directors' Interests (cont'd)

- (ii) Long position in shares of Everbright Greentech, a listed associated corporation of the Company

Name of Director 董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares (ordinary shares) 股份數目 (普通股)	Approximate percentage of total issued shares (Note) 約佔已發行股份總數百分比 (附註)
Hu Yanguo 胡延國	Beneficial owner 實益擁有人	Personal 個人	287,000	0.01%

Note: Based on 2,066,078,000 issued ordinary shares of Everbright Greentech as at 31 December 2021.

附註：根據於二零二一年十二月三十一日光大綠色環保已發行2,066,078,000股普通股計算。

Save as disclosed above, as at 31 December 2021, none of the Directors and chief executive of the Company and their respective associates had interests or short positions in the shares, underlying shares or debentures of the Company, or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and the SEHK pursuant to the Model Code.

除上文所述者外，於二零二一年十二月三十一日，本公司各董事及最高行政人員及彼等各自之聯繫人士概無在本公司或其任何有聯繫法團（定義見《證券條例》第XV部）之股份、相關股份或債權證中擁有須根據《證券條例》第352條規定備存之登記冊內之權益或淡倉，或根據《標準守則》須知會本公司及聯交所之權益或淡倉。

Directors' Rights to Acquire Shares or Debentures

At no time during the year under review was the Company or any of its subsidiaries, holding companies or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事認購股份或債權證之權利

回顧年度內，本公司、其任何附屬公司、控股公司或同系附屬公司並無參與任何安排，致使董事可藉購買本公司或任何其他法人團體股份或債權證而取得利益。

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company

So far as is known to the Directors, as at 31 December 2021, the following persons (other than any Directors or chief executive of the Company) were Substantial Shareholders (as defined in the SEHK Listing Rules) and had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company or the SEHK:

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

據董事所知，於二零二一年十二月三十一日，下列人士（任何本公司董事或最高行政人員除外）為主要股東（定義見聯交所上市規則），並於本公司的股份及相關股份中擁有根據《證券條例》第336條須備存之登記冊內或已知會本公司或聯交所的權益或淡倉如下：

Directors' Statement

董事會聲明

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company (cont'd)

主要股東及其他人士於本公司股份及相關股份的權益及淡倉（續）

Long position of Substantial Shareholders in shares of the Company

主要股東於本公司股份之好倉

Name of Substantial Shareholder 主要股東姓名	Capacity 身份	Nature of interest 權益性質	Number of shares (ordinary shares) 股份數目（普通股）	Approximate percentage of total issued shares (Note (1)) 約佔已發行股份總數百分比（附註(1)）
Central Huijin Investment Ltd. ("Huijin") (Note (2)) 中央匯金投資有限責任公司 （「匯金」）（附註(2)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
China Everbright Group Ltd. ("China Everbright Group") (Note (3)) 中國光大集團股份公司 （「中國光大集團」） （附註(3)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
China Everbright Holdings Company Limited ("CE Hong Kong") (Note (4)) 中國光大集團有限公司 （「光大香港」）（附註(4)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
Datten Investments Limited ("Datten") (Note (5)) （附註(5)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
Guildford Limited ("Guildford") (Note (6)) （附註(6)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
Everbright Environment (Note (7)) 光大環境（附註(7)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
China Everbright Environmental Protection Holdings Limited ("CEEPHL") (Note (8)) 中國光大環保控股有限公司 （「光大環保」）（附註(8)）	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,084,724,572	72.87%
China Everbright Water Holdings Limited ("CEWHL") 中國光大水務控股有限公司 （「光大水務控股」）	Beneficial owner 實益擁有人	Corporate interest 公司權益	2,084,724,572	72.87%

Directors' Statement

董事會聲明

Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares of the Company (cont'd)

Long position of Substantial Shareholders in shares of the Company (cont'd)

Notes:

- (1) Based on 2,860,876,723 issued ordinary shares of the Company as at 31 December 2021.
- (2) Huijin is indirectly wholly owned by the State Council of the PRC and holds 63.16% equity interest in China Everbright Group. It is deemed to be interested in the 2,084,724,572 shares indirectly held by China Everbright Group.
- (3) China Everbright Group holds 100% equity interest in CE Hong Kong. It is deemed to be interested in the 2,084,724,572 shares indirectly held by CE Hong Kong.
- (4) CE Hong Kong holds 100% equity interest in Datten. It is deemed to be interested in the 2,084,724,572 shares indirectly held by Datten.
- (5) Datten holds 55% equity interest in Guildford. It is deemed to be interested in the 2,084,724,572 shares indirectly held by Guildford.
- (6) Guildford holds 39.57% equity interest in Everbright Environment. It is deemed to be interested in the 2,084,724,572 shares indirectly held by Everbright Environment.
- (7) Everbright Environment holds 100% equity interest in CEEPHL. It is deemed to be interested in the 2,084,724,572 shares indirectly held by CEEPHL.
- (8) CEEPHL holds 100% equity interest in CEWHL. It is deemed to be interested in the 2,084,724,572 shares held by CEWHL.

Save as disclosed above, as at 31 December 2021, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company or Substantial Shareholders) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Directors' Interests in Transactions, Arrangements or Contracts

No transactions, arrangements or contracts of significance to which the Company, or its holding company or any of its subsidiaries was a party, and in which a Director or any entity connected with a Director had a material interest, subsisted at the end of FY2021 or at any time during FY2021.

主要股東及其他人士於本公司股份及相關股份的權益及淡倉 (續)

主要股東於本公司股份之好倉 (續)

附註：

- (1) 根據於二零二一年十二月三十一日本公司已發行股份2,860,876,723股普通股計算。
- (2) 匯金由中國國務院間接全資擁有，並持有中國光大集團之63.16%股權。其被視為於中國光大集團所間接持有之2,084,724,572股股份中擁有權益。
- (3) 中國光大集團持有光大香港之100%股權。其被視為於光大香港所間接持有之2,084,724,572股股份中擁有權益。
- (4) 光大香港持有Datten之100%股權。其被視為於Datten所間接持有之2,084,724,572股股份中擁有權益。
- (5) Datten持有Guildford之55%股權。其被視為於Guildford所間接持有之2,084,724,572股股份中擁有權益。
- (6) Guildford持有光大環境之39.57%股權。其被視為於光大環境所間接持有之2,084,724,572股股份中擁有權益。
- (7) 光大環境持有光大環保之100%股權。其被視為於光大環保所間接持有之2,084,724,572股股份中擁有權益。
- (8) 光大環保持有光大水務控股之100%股權。其被視為於光大水務控股所持有之2,084,724,572股股份中擁有權益。

除上文所述者外，於二零二一年十二月三十一日，本公司並無接獲任何人士（任何本公司董事或最高行政人員或主要股東除外）的通知，表示於本公司的股份及相關股份中擁有根據《證券條例》第336條須置存之登記冊內的權益或淡倉。

董事於交易、安排或合約之權益

本公司或其控股公司或其任何附屬公司概無訂立於二零二一財政年度末或二零二一財政年度內任何時間仍然有效，且董事或與董事有關連之任何實體於當中擁有重大利益之重要交易、安排或合約。

Directors' Statement

董事會聲明

No Competition between Everbright Environment and the Company

In connection with the separate listing of the Company on the SEHK, the Company implemented some corporate governance measures to confirm that the directors of both Everbright Environment and the Company will be able to function and operate independently and effectively in the best interest of the respective companies. Details relating to the non-existence of competition between Everbright Environment and the Company are set out in the section headed "Relationship with Controlling Shareholder" of the listing document issued by the Company dated 24 April 2019 (the "HK Listing Document").

Directors' Interests in a Competing Business

During the year under review and up to the date of this Annual Report, Mr. Hu Yanguo and Mr. Zhai Haitao are also the directors of Everbright Environment. Everbright Environment is a listed intermediate holding company of the Company and is engaged in environmental protection business. Everbright Environment may be in competition with the Group. However, as stated in the section "No Competition between Everbright Environment and the Company" above, the Company implemented some corporate governance measures to ensure the independence between Everbright Environment and the Company. Up to the date of this Annual Report, there is no change in the details previously disclosed in the HK Listing Document.

Save as disclosed above, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

Equity-linked Agreements

No equity-linked agreements were entered into during FY2021 and subsisted at the end of FY2021.

Warrants

As at the end of FY2021, there were no warrants issued by the Company to take up any unissued shares of the Company.

Share Options

The Company has no share option scheme during FY2021.

光大環境與本公司不存在競爭

關於本公司於聯交所獨立上市，本公司已實施多項企業管治措施，確保光大環境及本公司之董事均能獨立有效地以符合各自公司之最佳利益之方式履行職能及運作。有關光大環境與本公司不存在競爭之詳情已列載於本公司所刊發日期為二零一九年四月二十四日之上市文件（「香港上市文件」）內「與控股股東的關係」一節。

董事於競爭業務之權益

於回顧年度內及直至本年度報告日期，胡延國先生及翟海濤先生兼任光大環境董事。光大環境為本公司之上市中間控股公司，其主要從事環保業務。光大環境或與本集團存有競爭，然而，如上文「光大環境與本公司不存在競爭」一節所述，本公司已實施多項企業管治措施，確保光大環境與本公司之間的獨立性。直至本年度報告日期，香港上市文件披露內容並無變動。

除上文披露者外，概無董事被視為在與本集團業務直接或間接構成或可能構成競爭的業務中擁有權益。

股票掛鈎協議

二零二一財政年度內並無訂立於該財政年度末仍然有效之任何股票掛鈎協議。

認股權證

於二零二一財政年度末，本公司並未發行任何可承購本公司之未發行股份的認股權證。

期權

本集團於二零二一財政年度內並無期權計劃。

Directors' Statement

董事會聲明

Pre-emptive Rights

Bye-law 12(1) of the Bye-laws provides that (subject to any direction to the contrary that may be given by the Company in general meetings) any issue of shares for cash to existing Shareholders holding shares of any class shall be offered to such Shareholders in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Bye-law 12(2) with such adaptations as are necessary shall apply. Bye-law 12(2) of the Bye-laws provides, *inter alia*, that except permitted by the listing manual of SGX (the “**SGX Listing Manual**”) or the SEHK Listing Rules or any direction given by the Company in general meetings, all new shares shall before issue be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. Save for the foregoing, there is no provision for pre-emptive rights under the laws of the Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

Purchase, Redemption or Sale of Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities during FY2021.

Tax Relief and Exemption

The Directors are not aware of any tax relief or exemption available to the Shareholders by reason of their holding of the Company's securities.

Material Related Party Transactions

Material related party transactions entered into by the Group during the year under review are set out in note 37 to the financial statements. In relation to those related party transactions that also constituted connected transactions or continuing connected transactions of the Group as defined in the SEHK Listing Rules, the Company has complied with the relevant disclosure requirements in accordance with Chapter 14A of the SEHK Listing Rules during the year under review.

優先購買權

本公司章程第12(1)條規定，（視乎本公司在股東大會上作出的任何相反決定）向持有任何類別股份的股東以現金為代價發行股份時，向該等股東提呈發行的比例須盡量接近彼等當時持有的該等類別股份數目，並須遵照已作出必要調整的本公司章程第12(2)條第二句條款。本公司章程第12(2)條的規定包括：除新交所的上市手冊（「**新交所上市手冊**」）或聯交所上市規則或本公司在股東大會上作出的任何指示所獲准，所有新股須於發行前向於要約日期有權收到本公司股東大會通知的該等人士提呈，並於情況許可下，按彼等所持有現有股份數目的比例進行。除以上所述者外，百慕達法律並無載列優先購買權條文，規定本公司須按比例向現有股東提呈發售新股份。

購買、贖回或出售上市證券

本公司或其任何附屬公司概無於二零二一財政年度購買、出售或贖回任何其上市證券。

稅務減免

董事並不知悉股東因持有本公司證券而可享有任何稅務減免。

重大關聯方交易

本集團於回顧年度內訂立之重大關聯方交易載於財務報表附註37。就同時構成本集團關連交易或持續關連交易（定義見聯交所上市規則）之關聯方交易而言，本公司於回顧年度內已根據聯交所上市規則第十四A章遵行相關披露規定。

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions

During FY2021, the Company and the Group had the following connected transactions and/or continuing connected transactions, details of which are disclosed in compliance with the requirements of Chapter 14A of the SEHK Listing Rules.

Underwriting and advisory services

On 15 April 2019, the Company entered into the underwriting and advisory services framework agreement (the “**2019 Underwriting and Advisory Services Framework Agreement**”) with China Everbright Group, a controlling shareholder of Everbright Environment, for a fixed term not exceeding three years from the date of the agreement to 31 December 2021.

Pursuant to the 2019 Underwriting and Advisory Services Framework Agreement, China Everbright Group shall procure CEB International Investment Corporation Limited (“**CEB International**”) and/or China Everbright Securities International Limited (“**EBSI**”) and/or their respective affiliates to provide the underwriting and advisory services to the Group based on normal commercial terms and after arm's length negotiations between the Group and CEB International and/or EBSI and/or their respective affiliates. The underwriting and advisory services to be provided by CEB International and/or EBSI and/or their respective affiliates shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

On 22 December 2021, the Company renewed the 2019 Underwriting and Advisory Services Framework Agreement and entered into the new underwriting and advisory services framework agreement with China Everbright Group, pursuant to which China Everbright Group shall procure EBSI, CEB International and/or Everbright Securities Company Limited (“**EB Securities**”) to provide the underwriting and advisory services to the Group in accordance with the terms thereof for a term of one year commencing from 1 January 2022. Details are set out in the Company's announcement dated 22 December 2021.

During FY2021, the Group had no transaction with CEB International and/or EBSI and/or their respective affiliates with respect to the receipt of underwriting and advisory services.

關連交易及/或持續關連交易

二零二一財政年度內，本公司及本集團有下列關連交易及/或持續關連交易，有關交易之詳情已遵從聯交所上市規則第十四A章之規定作出披露。

承銷及諮詢服務

於二零一九年四月十五日，本公司與光大環境之控股股東中國光大集團訂立承銷及諮詢服務框架協議（「**二零一九年承銷及諮詢服務框架協議**」），固定期限自協議日期起至二零二一年十二月三十一日止不超過三年。

根據二零一九年承銷及諮詢服務框架協議，中國光大集團將根據一般商業條款並經光銀國際投資有限公司（「**光銀國際**」）及/或中國光大證券國際有限公司（「**光證國際**」）及/或彼等各自的聯屬機構與本集團公平磋商後促使光銀國際及/或光證國際及/或彼等各自的聯屬機構向本集團提供承銷及諮詢服務。有關條款將不遜於本集團自獨立第三方獲得之條款。

於二零二一年十二月二十二日，本公司與中國光大集團重續二零一九年承銷及諮詢服務框架協議及訂立新的承銷及諮詢服務框架協議，據此，中國光大集團將促使光證國際、光銀國際及/或光大證券股份有限公司（「**光大證券**」）按其條款自二零二二年一月一日起向本集團提供為期一年的承銷及諮詢服務。詳情載於本公司日期為二零二一年十二月二十二日的公告。

於二零二一財政年度內，本集團與光銀國際及/或光證國際及/或彼等各自的聯屬機構概無有關接受承銷及諮詢服務的交易。

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions (cont'd)

Lease of the premises

On 15 April 2019, the Company entered into the property lease framework agreement (the “**2019 Property Lease Framework Agreement**”) with Everbright Environment, a controlling shareholder of the Company, for a fixed term not exceeding three years from the date of the agreement to 31 December 2021.

Pursuant to the 2019 Property Lease Framework Agreement, Everbright Environment shall procure its subsidiaries and/or its affiliates to enter into tenancy agreements with the Group in respect of the leasing of office premises, meeting rooms and guest rooms based on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

On 22 December 2021, the Company renewed the 2019 Property Lease Framework Agreement and entered into the new property lease framework agreement with Everbright Environment, pursuant to which Everbright Environment shall procure its subsidiaries to lease office premises, meeting rooms and guest rooms to the Group in accordance with the terms thereof for a term of one year commencing from 1 January 2022. Details are set out in the Company's announcement dated 22 December 2021.

During FY2021, the aggregate rental paid or payable to Everbright Environment and its subsidiaries amounted to HK\$7,392,000. The said amount was below the annual cap of HK\$7,690,050 for FY2021 as stated in the HK Listing Document.

Deposit services

On 15 April 2019, the Company entered into the deposit services framework agreement (the “**2019 Deposit Services Framework Agreement**”) with China Everbright Group, a controlling shareholder of Everbright Environment, for a fixed term not exceeding three years from the date of the agreement to 31 December 2021.

Pursuant to the 2019 Deposit Services Framework Agreement, China Everbright Group shall procure China Everbright Bank Company Limited (“**CE Bank**”) to provide the deposit services (including current and fixed term deposit) to the Group in accordance with rules and regulations prescribed by the People's Bank of China (“**PBOC**”) and/or other relevant rules and regulations within or outside the People's Republic of China (the “**PRC**”). The deposit services to be provided by CE Bank shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

關連交易及/或持續關連交易 (續)

租賃物業

於二零一九年四月十五日，本公司與本公司控股股東光大環境訂立物業租賃框架協議（「**二零一九年物業租賃框架協議**」），固定年期自協議日期起計至二零二一年十二月三十一日止不超過三年。

根據二零一九年物業租賃框架協議，光大環境將根據一般商業條款並且不遜於本集團自獨立第三方獲得之條款促使其附屬公司及/或聯營機構與本集團就租賃辦公室物業、會議室及會客室訂立單獨的租賃協議。

於二零二一年十二月二十二日，本公司與光大環境重續二零一九年物業租賃框架協議及訂立新的物業租賃框架協議，據此，光大環境將促使其附屬公司按其條款自二零二二年一月一日起向本集團租賃為期一年的辦公室物業、會議室及會客室。詳情載於本公司日期為二零二一年十二月二十二日的公告。

於二零二一財政年度內，根據以上協議已付或應付光大環境及其附屬公司之租金合共7,392,000港元。此金額低於香港上市文件所述的二零二一財政年度之年度限額7,690,050港元。

存款服務

於二零一九年四月十五日，本公司與光大環境之控股股東中國光大集團訂立存款服務框架協議（「**二零一九存款服務框架協議**」），固定期限自協議日期起至二零二一年十二月三十一日止不超過三年。

根據二零一九年存款服務框架協議，中國光大集團將促使中國光大銀行股份有限公司（「**中國光大銀行**」）根據中國人民銀行（「**中國人民銀行**」）訂定之規則及規例及/或中華人民共和國（「**中國**」）境內或境外其他相關規則及規例，向本集團提供存款服務（包括活期及定期存款）。中國光大銀行將提供之存款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions (cont'd)

On 22 December 2021, the Company renewed the 2019 Deposit Services Framework Agreement and entered into the new deposit services framework agreement with China Everbright Group, pursuant to which China Everbright Group shall procure CE Bank to provide deposit services to the Group in accordance with the terms thereof for a term of one year commencing from 1 January 2022. Details are set out in the Company's announcement dated 22 December 2021.

During FY2021, the maximum daily closing balance of the Group's deposits (including interests accrued thereon) placed in CE Bank amounted to approximately HK\$215,017,000. This amount was below the maximum daily closing balance of HK\$300,000,000 for FY2021 as stated in the HK Listing Document.

Sludge treatment and hazardous waste treatment services

On 15 April 2019, the Company entered into the sludge treatment and hazardous waste treatment services framework agreement (the "**2019 Sludge Treatment and Hazardous Waste Treatment Services Framework Agreement**") with Everbright Environment, a controlling shareholder of the Company, for a fixed term not exceeding three years from the date of the agreement to 31 December 2021.

Under the 2019 Sludge Treatment and Hazardous Waste Treatment Services Framework Agreement, Everbright Environment shall procure its subsidiaries to provide sludge treatment and hazardous waste treatment services to the Group based on normal commercial terms, and after arm's length negotiations between the relevant subsidiary of Everbright Environment and the Group.

On 22 December 2021, the Company renewed the 2019 Sludge Treatment and Hazardous Waste Treatment Services Framework Agreement and entered into the new sludge treatment and hazardous waste treatment services framework agreement with Everbright Environment, pursuant to which Everbright Environment shall procure its subsidiaries to provide sludge treatment and hazardous waste treatment services to the Group in accordance with the terms thereof for a term of one year commencing from 1 January 2022. Details are set out in the Company's announcement dated 22 December 2021.

關連交易及/或持續關連交易（續）

於二零二一年十二月二十二日，本公司與中國光大集團重續二零一九年存款服務框架協議及訂立新的存款服務框架協議，據此，中國光大集團將促使中國光大銀行按其條款自二零二二年一月一日起向本集團提供為期一年的存款服務。詳情載於本公司日期為二零二一年十二月二十二日的公告。

於二零二一財政年度內，本集團存放於中國光大銀行之最高每日存款結餘（包括其應計利息）約為215,017,000港元。此金額低於香港上市文件所述的二零二一財政年度之最高每日收市存款結餘300,000,000港元。

污泥處理及危險廢物處理服務

於二零一九年四月十五日，本公司與本公司之控股股東光大環境訂立污泥處理及危險廢物處理服務框架協議（「**二零一九年污泥處理及危險廢物處理服務框架協議**」），固定期限自該協議日期起至二零二一年十二月三十一日止不超過三年。

根據二零一九年污泥處理及危險廢物處理服務框架協議，光大環境將根據一般商業條款並經光大環境相關附屬公司與本集團公平磋商後促使其附屬公司向本集團提供污泥處理及危險廢物處理服務。

於二零二一年十二月二十二日，本公司與光大環境重續二零一九年污泥處理及危險廢物處理服務框架協議及訂立新的污泥處理及危險廢物處理服務框架協議，據此，光大環境將促使其附屬公司按其條款自二零二二年一月一日起向本集團提供為期一年的污泥處理及危險廢物處理服務。詳情載於本公司日期為二零二一年十二月二十二日的公告。

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions (cont'd)

During FY2021, the Group had no transactions with Everbright Environment and/or its subsidiaries with respect to the receipt of sludge treatment and hazardous waste treatment services.

Loan services

On 15 April 2019, the Company entered into the loan services framework agreement (the “**2019 Loan Services Framework Agreement**”) with China Everbright Group, a controlling shareholder of Everbright Environment, for a fixed term not exceeding three years from the date of the agreement to 31 December 2021.

Under the 2019 Loan Services Framework Agreement, China Everbright Group shall procure CE Bank to provide loans (including revolving credit facilities and fixed term loans) within or outside the PRC in accordance with the rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC. The loan services to be provided by CE Bank shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

On 22 December 2021, the Company renewed the 2019 Loan Services Framework Agreement and entered into the new loan services framework agreement with China Everbright Group, pursuant to which China Everbright Group shall procure CE Bank to provide loans (including revolving credit facilities and fixed term loans) in accordance with the terms thereof for a term of one year commencing from 1 January 2022. Details are set out in the Company's announcement dated 22 December 2021.

During FY2021, the Group had no transactions with China Everbright Group and/or CE Bank with respect to the receipt of loan services.

Employee healthcare protection services

On 22 December 2021, Everbright Water (Shenzhen) Limited (“**Everbright Water Shenzhen**”), a wholly-owned subsidiary of the Company, entered into the employee healthcare protection services agreement (the “**Employee Healthcare Protection Services Agreement**”) with Sun Life Everbright Life Insurance Co., Ltd. (“**Sun Life Everbright**”), an associate of China Everbright Group, for the years 2021 and 2022.

關連交易及/或持續關連交易 (續)

於二零二一財政年度內，本集團與光大環境及/或其附屬公司概無有關接受污泥處理及危險廢物處理服務的交易。

貸款服務

於二零一九年四月十五日，本公司與光大環境之控股股東中國光大集團訂立貸款服務框架協議（「**二零一九年貸款服務框架協議**」），固定期限自該協議日期起至二零二一年十二月三十一日止不超過三年。

根據二零一九年貸款服務框架協議，中國光大集團將促使中國光大銀行根據中國人民銀行訂定之規則及規例及/或中國境內或境外其他相關規則及規例，向本集團提供貸款服務（包括循環信貸融資及定期貸款）。中國光大銀行將提供之貸款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於二零二一年十二月二十二日，本公司與中國光大集團重續二零一九年貸款服務框架協議及訂立新的貸款服務框架協議，據此，中國光大集團將促使中國光大銀行按其條款自二零二二年一月一日起向本集團提供為期一年的貸款服務（包括循環信貸融資及定期貸款）。詳情載於本公司日期為二零二一年十二月二十二日的公告。

於二零二一財政年度內，本集團與中國光大集團及/或中國光大銀行概無有關接受貸款服務的交易。

僱員健康保障服務

於二零二一年十二月二十二日，本公司之全資附屬公司光大水務（深圳）有限公司（「**光大水務深圳**」）與中國光大集團之聯繫人光大永明人壽保險有限公司（「**光大永明**」）訂立二零二一年度和二零二二年度僱員健康保障服務協議（「**僱員健康保障服務協議**」）。

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions (cont'd)

Employee healthcare protection services (cont'd)

Under the Employee Healthcare Protection Services, Sun Life Everbright shall provide employee healthcare protection services for the years 2021 and 2022 to Everbright Water Shenzhen, which shall include (1) management and operation of the Healthcare Protection Entrusted Management Scheme (“**EHP Scheme**”) established by Everbright Water Shenzhen for the employees (and their respective family members) designated by Everbright Water Shenzhen (the “**Designated Employees**”); and (2) provision of insurance services and products for the Long-term Supplemental Medical Insurance Protection Scheme (“**EMI Scheme**”) established by Everbright Water Shenzhen for the Designated Employees. Details are set out in the Company's announcement dated 22 December 2021.

During FY2021, the aggregate fees paid or payable to Sun Life Everbright amounted to HK\$17,648,000. Such fees include (i) the principal deposited or to be deposited under the EHP Scheme and the relevant management fee; (ii) the insurance fees under the EMI Scheme; and (iii) the recurring one-year medical insurance fee under the Employee Healthcare Protection Services Agreement. The said amount was below the annual cap of HK\$19,200,000 for FY2021 as stated in the Company's announcement dated 22 December 2021.

Save for the information disclosed above, during FY2021, the Group did not enter into any other transactions which constituted connected transactions or continuing connected transactions that were subject to reporting requirements under Chapter 14A of the SEHK Listing Rules.

Confirmation of Independent Non-Executive Directors

The Independent Non-Executive Directors have reviewed the above continuing connected transactions and confirmed that such transactions were:

- entered into in the ordinary and usual course of business of the Group;
- conducted either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from independent third parties; and

關連交易及/或持續關連交易（續）

僱員健康保障服務（續）

根據僱員健康保障服務協議，光大永明向光大水務深圳提供二零二一年度和二零二二年度的僱員健康保障服務，當中包括(1)管理及運營由光大水務深圳為其指定僱員（及彼等各自的親屬）（「指定僱員」）所設立的健康保障委託管理計劃（「EHP計劃」）；及(2)就光大水務深圳為指定僱員設立的長期補充醫療保險保障計劃（「EMI計劃」）提供保險服務及產品。詳情載於本公司日期為二零二一年十二月二十二日的公告。

於二零二一財政年度內，已付或應付光大永明之費用總額合共17,648,000港元。該等費用包括僱員健康保障服務協議項下(i)EHP計劃項下已存入或可存入的本金及相關管理費；(ii)EMI計劃項下的保險費用；及(iii)慣常發生的一年期醫療保險費用。此金額低於本公司日期為二零二一年十二月二十二日的公告所述的二零二一財政年度之年度限額19,200,000港元。

除上文所披露者外，於二零二一財政年度內，本集團並無訂立任何其他構成關連交易或持續關連交易而須根據聯交所上市規則第十四A章規定申報的交易。

獨立非執行董事之確認

獨立非執行董事已審閱上述持續關連交易，並確認有關交易：

- 於本集團日常及一般業務過程中訂立；
- 按一般商業條款進行或倘並無足夠可供比較者以鑑定有關交易是否按一般商業條款進行，則按不遜於本集團給予獨立第三方或獨立第三方提供予本集團之條款訂立；及

Directors' Statement

董事會聲明

Connected Transactions and/or Continuing Connected Transactions (cont'd)

Confirmation of Independent Non-Executive Directors (cont'd)

- in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Report of the Auditor

Ernst & Young LLP, the Company's auditor, was engaged to report on the Group's continuing connected transactions in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young LLP has issued its unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the SEHK Listing Rules, and confirmed that nothing has come to their attention in relation to the above continuing connected transactions with regard to the matters set out in Rule 14A.56 of the SEHK Listing Rules. A copy of the auditor's letter has been provided by the Company to the SEHK.

Interested Person Transactions Mandate and Aggregate Value of Such Transactions

The Group obtained a general mandate (the "IPT Mandate") from the Shareholders for interested person transactions (the "IPTs") during its AGM held on 10 June 2020 pursuant to Rule 920 of the SGX Listing Manual. The IPT Mandate was renewed during the Company's AGM held on 27 April 2021. The aggregate value of the IPTs in excess of SGD100,000 during FY2021 are set out as follows:

關連交易及/或持續關連交易 (續)

獨立非執行董事之確認 (續)

- 根據持續關連交易之有關協議訂立，而交易條款屬公平合理，且符合股東之整體利益。

審計師之匯報

本公司審計師Ernst & Young LLP已獲委聘就本集團之持續關連交易作出匯報，有關匯報乃根據國際會計師公會發出之《香港核證委聘準則》第3000號（經修訂）「審核或審閱過往財務資料以外之核證委聘」，並經參考《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」進行。Ernst & Young LLP已根據聯交所上市規則第14A.56條之規定，就本集團於上文所披露之持續關連交易發出無保留意見函件，當中載列其發現及結論，且彼等已確認並無發現有關上述持續關連交易根據聯交所上市規則第14A.56條須注意的事項。本公司已向聯交所提供審計師函件副本。

關聯人士交易授權及該等交易的總價值

根據新交所上市手冊第920條規定，於二零二零年六月十日舉行的本公司股東週年大會，本集團自股東獲得有關關聯人士交易（「關聯人士交易」）的一般性授權（「關聯人士交易授權」）。關聯人士交易授權於二零二一年四月二十七日舉行的股東週年大會獲得續期。於二零二一財政年度內，超過100,000新加坡元的關聯人士交易的總價值載列如下：

Directors' Statement

董事會聲明

Interested Person Transactions Mandate and Aggregate Value of Such Transactions (cont'd) 關聯人士交易授權及該等交易的總價值 (續)

Name of interested person 關聯人士名稱	Nature of relationship 關係的性質	Aggregate value of all IPTs during FY2021 (excluding transactions less than SGD100,000 and transactions conducted under the IPT Mandate) 二零二一財政年度內所有關聯人士交易的總價值 (金額少於100,000新加坡元及根據關聯人士交易授權所進行的交易除外)	Aggregate value of all IPTs conducted under the IPT Mandate during FY2021 (excluding transactions less than SGD100,000) 二零二一財政年度內根據關聯人士交易授權所進行的所有關聯人士交易的總價值 (金額少於100,000新加坡元的交易除外)
Everbright Environment 光大環境	Controlling shareholder 控股股東	Nil 無	HK\$7,392,000 (equivalent to SGD1,277,000) 7,392,000港元 (等值1,277,000新加坡元)
Sun Life Everbright 光大永明	Associate of the controlling shareholder 控股股東的聯繫人	Nil 無	HK\$20,343,000 (equivalent to SGD3,515,000) 20,343,000港元 (等值3,515,000新加坡元)

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this Annual Report, the Company has maintained the prescribed public float under Rule 8.08 of the SEHK Listing Rules and Rule 723 of the SGX Listing Manual. For more details, please refer to the section entitled "Statistics of Shareholdings" set out on pages 324 to 329 of this Annual Report.

Permitted Indemnity Provisions

Pursuant to the Bye-laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group as at 31 December 2021 are set out in notes 27 to 28 to the financial statements.

足夠的公眾持股量

根據本公司取得之公開資料，以及就董事所知，於本年度報告日期，本公司已維持聯交所上市規則第8.08條以及新交所上市手冊第723條所規定之公眾持股量。更多詳情，請參閱本年度報告第324頁至第329頁所載的「股權統計資料」一節。

獲准許彌償條款

根據本公司章程規定，每名董事均有權以本公司資產彌償所有因彼執行職務或進行與此有關之其他事宜所蒙受或產生之所有虧損或負債。本公司已就本集團之董事及高級職員投購合適之董事及高級職員責任保險。

銀行貸款及其他借貸

本集團於二零二一年十二月三十一日之銀行貸款及其他借貸詳情載於財務報表附註27及28。

Directors' Statement

董事會聲明

Five Year Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 307 to 308 this Annual Report.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the year under review are set out in note 14 to the financial statements.

Retirement Schemes

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the *Hong Kong Mandatory Provident Fund Schemes Ordinance* for employees employed under the jurisdiction of the *Hong Kong Employment Ordinance*. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the Group's MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, respectively.

The employees of the subsidiaries of the Company in the PRC are members of the retirement schemes operated by the local authorities. The subsidiaries are required to contribute a certain percentage of their payroll to these schemes to fund the benefits.

The Group also makes contributions to the Central Provident Fund in Singapore. Pursuant to the *Central Provident Fund Act* (Chapter 36 of Singapore), both the employer and its employees are required to make regular contributions at certain rate based on the employees' income.

The Group's total contributions to these schemes charged to the consolidated statement of profit or loss during FY2021 amounted to approximately HK\$124,512,000 (FY2020: HK\$55,229,000).

Confirmation of Independence

In accordance with the independence guidelines set out in Rule 3.13 of the SEHK Listing Rules, the Board is of the view that all Independent Non-Executive Directors are independent and satisfy the requirements under Rule 3.13 and the Company has received an annual confirmation of independence from each of the Independent Non-Executive Directors pursuant to the SEHK Listing Rules.

五年業績概要

本集團過去五個財政年度之業績及資產與負債概要載於本年度報告第307頁至第308頁。

物業、廠房及設備

本集團之物業、廠房及設備於回顧年內之變動詳情載於財務報表附註14。

退休計劃

本集團根據《香港強制性公積金計劃條例》為受《香港僱傭條例》管轄之僱員提供強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立信託人管理之定額供款退休計劃。根據本集團的強積金計劃，僱主及僱員各自須向計劃供款，供款額分別為僱員有關收入之5%。

本公司中國附屬公司之僱員均參與當地政府管理之退休計劃。該等附屬公司須按員工薪金之若干百分比向上述計劃作出供款，為有關福利提供資金。

本集團亦向新加坡中央公積金計劃作出供款。根據新加坡法律第36章《中央公積金法》規定，僱主和僱員須按僱員收入的特定比例作出定期供款。

本集團於二零二一年財政年度向此等計劃所作並已入賬綜合損益表內之總供款額約為124,512,000港元（二零二零財政年度：55,229,000港元）。

獨立性確認書

根據聯交所上市規則第3.13條所載之獨立性指引，董事會認為全體獨立非執行董事均為獨立人士，並符合第3.13條之要求，而每名獨立非執行董事已根據聯交所上市規則之規定向本公司提供有關其獨立性的年度確認書。

Directors' Statement

董事會聲明

Audit Committee

The members of the audit committee of the Company (the “**Audit Committee**”) at the date of this statement are as follows:

Lim Yu Neng Paul (Chairman)
Zhai Haitao (Member)
Cheng Fong Yee (Member)
Hao Gang (Member)

All members of the Audit Committee are Independent and Non-Executive Directors. The Audit Committee carried out its functions as required by the SGX Listing Manual, the Code of Corporate Governance 2018 (the “**SG CG Code**”) and the SEHK Listing Rules and the Corporate Governance Code (the “**HK CG Code**”) as set out in Appendix 14 to the SEHK Listing Rules.

Based on the internal control established and maintained by the Group, the work performed by the internal and external auditors (to the extent as required by them to form an opinion on the financial statements), and the reviews conducted by the management of the Company (the “**Management**”), the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls addressing financial, operational and compliance risks were adequate as at the date of this statement.

The Audit Committee has held two meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following, *inter alia*:

- assistance provided by the Company's officers to the internal and external auditors;
- half yearly and annual financial statements of the Group prior to their submission to the Directors for adoption; and
- interested person transactions (as defined in the SGX Listing Manual), connected transactions and continuing connected transactions (as defined in SEHK Listing Rules).

The Audit Committee has full access to the Management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

審計委員會

於本聲明簽署之日，本公司審計委員會（「**審計委員會**」）之成員如下：

林御能（主席）
翟海濤（委員）
鄭鳳儀（委員）
郝剛（委員）

審計委員會全體成員均為獨立及非執行董事。審計委員會已履行新交所上市手冊、二零一八年企業管治守則（「**新加坡企業管治守則**」）、聯交所上市規則及聯交所上市規則附錄十四所載企業管治守則（「**香港企業管治守則**」）所規定之職能。

根據本集團所設立及維護之內部控制、內部及外部審計師執行之工作（在其對財務報表發表意見所要求的範圍內），及本公司管理層（「**管理層**」）進行之審閱，董事會（與審計委員會意見一致）認為，本集團於本聲明簽署之日已就應對財務、運營及合規風險設立足夠之內部控制。

自上一份董事會聲明簽署日以來，審計委員會已召開兩次會議。就履行其職能而言，審計委員會與本公司之外部及內部審計師會面，以討論其工作範圍、審查結果及對本公司內部會計控制系統進行評估。

審計委員會亦已審閱（不限於）以下各項：

- 本公司職員向內部及外部審計師提供之協助；
- 提呈本公司董事採納前，審閱本集團半年度及年度財務報表；及
- 關聯人士交易（定義見新交所上市手冊）、關連交易和持續關連交易（定義見聯交所上市規則）。

審計委員會可以全面接觸管理層，並獲得履行職能所需的資源。審計委員會有權酌情邀請任何董事及管理人員出席其會議。審計委員會亦就聘任外部審計師作出推薦，並審閱審計及非審計服務費用之水平。

Directors' Statement

董事會聲明

Audit Committee (cont'd)

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board that the auditor, Ernst & Young LLP, be nominated for re-appointment as auditor of the Company at the forthcoming AGM of the Company.

After reviewing the risk management and internal control systems of the Group, the Board and the Audit Committee are satisfied with the adequacy and effectiveness of such systems for FY2021.

Further details of the Risk Management and Internal Controls, Audit Committee, Internal Audit are set out in the Corporate Governance Report on pages 92 to 103 of this Annual Report.

Events after the Reporting Period

Details of the significant events of the Group after the reporting period are set out in note 41 to the financial statements.

Auditor

Ernst & Young LLP will retire and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Ernst & Young LLP as the auditor of the Company is to be proposed at the forthcoming AGM.

There has been no change in auditor of the Company in any of the preceding three years.

On behalf of the Board of Directors,

Hu Yanguo
Executive Director and Chairman

Tao Junjie
Executive Director and Chief Executive Officer

28 February 2022

審計委員會（續）

審計委員會對外部審計師的獨立性和客觀性感到滿意，審計委員會已向董事會推薦提名 Ernst & Young LLP 在本公司的應屆股東週年大會上被續聘為本公司的審計師。

在審閱了本集團的風險管理和內部控制體系後，董事會和審計委員會對該等體系在二零二一財政年度的充分性和有效性表示滿意。

關於風險管理和內部控制、審計委員會及內部審計師的更多詳情載於本年度報告第92頁至第103頁之企業管治報告。

報告期間後事項

報告期間後發生之重大事項載於財務報表附註41。

審計師

Ernst & Young LLP 將任滿退任，且符合資格並願意膺選連任。本公司將於應屆股東週年大會上提呈續聘 Ernst & Young LLP 出任本公司審計師之決議案。

本公司審計師於過去三年概無任何變動。

代表董事會

胡延國
執行董事兼董事長

陶俊杰
執行董事兼總裁

二零二二年二月二十八日

Independent Auditor's Report

獨立審計師報告

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

To the Members of China Everbright Water Limited
致中國光大水務有限公司股東

Report on the audit of the financial statements

Opinion

We have audited the financial statements of China Everbright Water Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, the consolidated statement of changes in equity of the Group, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with International Financial Reporting Standards (IFRSs) so as to present fairly, in all material respects of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“**ACRA Code**”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立審計師報告

意見

我們已審計中國光大水務有限公司（「**貴公司**」）及其附屬公司（統稱「**貴集團**」）的財務報表，該財務報表包括於二零二一年十二月三十一日貴集團的綜合財務狀況表及貴公司的財務狀況表與截至該日止年度貴集團的綜合權益變動表，綜合全面收益表和綜合現金流量表，以及財務報表附註，包括主要會計政策概要。

我們認為，該等貴集團之綜合財務報表及貴公司之財務狀況表在所有重大方面按照國際財務報告準則的規定編制，公允反映了於二零二一年十二月三十一日貴集團的綜合財務狀況及貴公司的財務狀況與截至該日止年度貴集團的綜合財務表現、綜合權益變動及綜合現金流量。

意見的基礎

我們已根據國際審計準則的規定執行了審計工作。審計報告的「*審計師對財務報表審計的責任*」部分進一步闡述了我們在該等準則下的責任。根據新加坡會計與企業管理局頒佈的《會計師及會計師事務所職業道德守則》（「**守則**」），連同我們審計新加坡財務報表相關之道德要求，我們獨立於貴集團，並履行了職業道德方面的其他責任。我們相信，我們獲取的審計證據是充分、適當的，為發表審計意見提供了基礎。

Independent Auditor's Report

獨立審計師報告

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

To the Members of China Everbright Water Limited
致中國光大水務有限公司股東

Key audit matters

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

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the audit of the 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 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 financial statements.

The key audit matter

關鍵審計事項

IFRIC 12 – Service Concession Arrangements (“IFRIC 12”) and Revenue Recognition 國際財務報告財務詮釋委員會詮釋第12號 - 服務特許權安排及收入確認

The Group enters into service concession arrangements with municipals 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 IFRIC 12. As the related amounts are material and the application of IFRIC 12 requires significant management judgement, we identified this as a key audit matter.

貴集團與地方政府部門就污水處理廠的建造及/或運營訂立服務特許權安排。貴集團對在國際財務報告詮釋委員會詮釋第12號範圍內的服務特許經營安排中的建造服務對價確認為合約資產及/或無形資產。由於與國際財務報告詮釋委員會詮釋第12號有關的金額重大且需要管理層作出重大判斷，我們將該事項認定為關鍵審計事項。

關鍵審計事項

關鍵審計事項是我們根據專業判斷，認為對我們審計本期綜合財務報表最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時的處理，且我們不對該等事項提供單獨的意見。

我們已經履行了本報告「審計師對財務報表審計的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，我們的審計工作包括執行為應對評估的財務報表重大錯報風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為財務報表整體發表審計意見提供了基礎。

How the matter was addressed in our audit

我們的審計如何處理該事項

We assessed the appropriateness of the Group's revenue recognition policies, evaluated the Group's process in assessing the applicability of IFRIC 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 IFRIC 12.

我們評估貴集團的收入確認政策的適當性，評估貴集團判斷國際財務報告詮釋委員會詮釋第12號適用性的程序，並覆核相關協議，以評估該等協議是否被恰當地認定為屬於國際財務報告詮釋委員會詮釋第12號範圍內的服務特許權安排。

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.

我們考慮了獨立第三方評估顧問及監理公司的勝任性，能力和客觀性。此外，我們還覆核了在建項目的完工進度報告，以及隨時間確認收入的合理性。

Independent Auditor's Report

獨立審計師報告

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

To the Members of China Everbright Water Limited
致中國光大水務有限公司股東

Key audit matters (cont'd)

關鍵審計事項 (續)

The key audit matter (cont'd)

關鍵審計事項 (續)

IFRIC 12 – Service Concession Arrangements (“IFRIC 12”) and Revenue Recognition (cont'd)

國際財務報告財務詮釋委員會詮釋第12號 - 服務特許權安排及收入確認 (續)

The Group applies IFRIC 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 2.4, 3 and 5 to the financial statements.

貴集團採用國際財務報告詮釋委員會詮釋第12號確認與服務特許權安排有關的收入，包括建造服務收入、運營收入和財務收入。收入的披露列示在財務報表附註2.4，附註3和附註5。

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 modeling 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.

建造收入的計量乃根據貴集團估計的建造服務的公允價值及年內工程完工百分比計算。確定建造服務的公允價值時需要管理層作出重大判斷，包括評估每項合同的建造總成本和利潤。貴集團聘任獨立財務模型顧問協助估計建造服務的公允價值。工程完工百分比需依據具有相關資質和行業經驗的第三方監理公司的進度報告來評估，該評估也涉及到管理層判斷。

How the matter was addressed in our audit (cont'd)

我們的審計如何處理該事項 (續)

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 identify any inappropriate estimates.

我們覆核了管理層對合約資產和無形資產的攤餘成本計算、合約資產與無形資產的對價分配以及相關的收入確認；測試管理層作出的重要估計，包括將管理層使用的折現率與市場利率進行比較，確認管理層估計是否恰當合理。

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.

我們聘任了安永內部專家對估值方法的恰當性以及估值時使用假設（如使用的利潤率和評估建造服務公允價值時選取的業內可比公司）的合理性進行覆核。

We also considered the adequacy of the disclosures related to service concession arrangements in the financial statements.

我們評估了貴集團在財務報表中與服務特許權安排相關披露的適當性和充分性。

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To the Members of China Everbright Water Limited
致中國光大水務有限公司股東

Key audit matters (cont'd)

關鍵審計事項 (續)

The key audit matter (cont'd)

關鍵審計事項 (續)

How the matter was addressed in our audit (cont'd)

我們的審計如何處理該事項 (續)

Recoverability of trade receivables

應收賬款可收回性

As at 31 December 2021, the Group had trade receivables amounting to HK\$2,296,652,000, net of expected credit losses ("ECL") allowance of HK\$252,045,000. 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 taking into consideration impact arising from the COVID-19 pandemic.

於二零二一年十二月三十一日，貴集團應收賬款餘額為2,296,652,000港元，已扣除預期信貸虧損（「預期信貸虧損」）撥備252,045,000港元。貴集團根據針對債務人的預期信貸損失評估來計算預期信貸虧損。貴集團已建立基於貴集團的過往信貸虧損記錄的撥備矩陣，可基於債務人特有的及整體經濟環境（包括新型冠狀病毒疫情的影響）的前瞻性因素而予以調整。

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 2.4, 3 and 23 to the financial statements.

應收賬款減值損失根據對回收性的評估、應收賬款賬齡分析以及前瞻性因素的預期分析作出估計。在評估應收賬款的最終可收回金額時，包括評估目前債務人的可信賴程度以及每個債務人的以往回收歷史，需要大量的判斷，因此我們將該事項認定為關鍵審計事項。應收賬款的披露列示在財務報表附註2.4，附註3及附註23。

We obtained an understanding of management's processes relating to the monitoring of trade receivables. 我們了解了管理層監控應收賬款的相關流程。

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 including the potential impact of the COVID-19 pandemic. 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.

評估預期信貸虧損是否充分，我們覆核了應收賬款的賬齡，以識別潛在的回收性問題；我們覆核了管理層用以計算逾期率的數據，並評估管理層建立前瞻性因素（包括新型冠狀病毒潛在影響）調整時所用的假設的合理性。另外，我們還與管理層就單獨的重大逾期的應收賬款餘額及管理層對該債務人的特殊情況和風險的考慮進行討論。我們還覆核了賬款回收的歷史，並評估了管理層用於確定預期信貸虧損撥備的假設。我們還要求應收賬款詢證函的直接回函，並檢查了期後回款的情況。

We further considered the adequacy of the Group's disclosures regarding the estimation uncertainty involved in determining the ECL allowance.

我們進一步評估了貴集團就預期信貸虧損撥備所作出的估計不確定性因素的披露是否充分。

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Key audit matters (cont'd)

The key audit matter (cont'd)

關鍵審計事項 (續)

Impairment assessment of goodwill

商譽減值測試

IAS 36 *Impairment of Assets* 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 given the changes in the market and economic conditions brought on by the COVID-19 pandemic. Accordingly, we identified this as a key audit matter.

國際會計準則第36號 *資產減值* 要求對商譽每年進行減值測試，若有迹象表明現金產出單元（「現金產出單元」）可能出現減值時應更頻繁地進行減值測試。該測試要求對未來市場狀況作出重大判斷，包括在服務特許期內污水處理廠所產生的未來現金流量。可收回金額的釐定需要考慮由於新型冠狀病毒疫情帶來的市場及經濟環境的變化，進而對現金產出單元的識別及估值作出判斷。因此，我們將該事項認定為關鍵審計事項。

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.

貴集團將商譽分配至現金產出單元 - 水環境綜合治理分部，進行減值測試。減值測試乃使用以折現現金流量為基礎的使用價值模型釐定。確定折現現金流量所需要的假設，如估計的關鍵財務數據，增長率和折現率等，均需要貴集團作出重大判斷。

As at 31 December 2021, the goodwill carried in the Group's financial statements amounted to HK\$1,531,576,000. Disclosures of goodwill are included in notes 2.4, 3 and 18 to the financial statements.

於二零二一年十二月三十一日，貴集團財務報表所載商譽金額為1,531,576,000港元。商譽的披露列示在財務報表附註2.4，附註3及附註18。

關鍵審計事項 (續)

How the matter was addressed in our audit (cont'd)

我們的審計如何處理該事項 (續)

We reviewed the appropriateness of the Group's determination of the CGU.

我們評估了貴集團釐定現金產出單元的適當性。

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 where relevant, using our internal valuation specialists to independently develop expectations for the discount rate, and comparing the independent expectations to those used by management.

我們評估了貴集團及市場可比公司的資本成本以評價管理層使用的折現率，並由安永內部估值專家對折現率進行獨立測試並將測試結果與管理層使用的折現率進行對比。

We reviewed the cash flow 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, and taking into account management's consideration of the potential impact that COVID-19 pandemic has on the Group's operations.

我們基於貴集團現在及過往的運營表現，覆核了所使用的預測現金流量及估值方法。我們檢查了現金流預測的重要假設，包括增長率、折現率以及長期增長率，並考慮了新型冠狀病毒疫情可能對集團運營產生的潛在影響。

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.

我們也評估了貴集團就減值測試作出的披露是否充分適當，特別是對確定商譽可收回金額影響最為重大的主要假設。

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Other information

The other information consists of the information included in the annual report, other than the financial statements and our auditor's report thereon. Management is responsible for other information.

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

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

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

其他信息

其他信息包括年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。管理層對其他信息負責。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中了解到的情況存在重大不一致或者似乎存在重大錯報。基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。在這方面，我們無任何事項需要報告。

管理層和董事對財務報表的責任

管理層負責按照國際財務報告準則的規定編制財務報表，使其真實公允反映，並設計和維護必要的內部會計控制，保障資產不會因未獲授權之使用或處置而產生損失，交易得到適當授權及記錄，以使財務報表真實公允以及保障資產安全。

在編制財務報表時，管理層負責評估貴集團的持續經營能力，披露與持續經營相關的事項（如適用），並運用持續經營假設，除非計劃進行清算、終止運營或別無其他實際的替代方案。

董事的責任包括負責監督貴集團的財務報告過程。

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Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

審計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤而導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照國際審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表所作出的經濟決策，則通常認為錯報是重大的。

在按照國際審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

- 識別和評估由於舞弊或錯誤而導致的財務報表重大錯報風險，設計及執行審計程序以應對這些風險，並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。

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Auditor's responsibilities for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management's 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the 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 controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

審計師對財務報表審計的責任 (續)

- 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對貴集團持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計准則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價財務報表的總體列報方式、結構和內容，包括披露資料，並評價財務報表是否公允反映相關交易和事項。
- 就貴集團中實體或業務活動的財務信息獲取充分、適當的審計證據，以對財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

我們與董事就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括我們在審計中識別出的值得關注的內部控制缺陷。

我們還就已遵守與獨立性相關的職業道德要求向董事提供聲明，並與董事溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施（如適用）。

從與董事溝通的事項中，我們確定哪些事項對本期財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述該等事項，除非法律法規禁止公開披露該等事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項而造成的負面後果將會超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

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Auditor's responsibilities for the audit of the financial statements (cont'd)

The engagement partner on the audit resulting in this independent auditor's report is Alvin Phua Chun Yen.

審計師對財務報表審計的責任（續）

出具本獨立審計師報告的審計項目合夥人是潘俊彥。

Ernst & Young LLP
Public Accountants and Chartered Accountants
Singapore
28 February 2022

Ernst & Young LLP
公共會計師及特許會計師
新加坡
二零二二年二月二十八日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
REVENUE	收入	5	6,912,371	5,663,292
Direct costs and operating expenses	直接成本及經營開支		(4,110,782)	(3,462,756)
Gross profit	毛利		2,801,589	2,200,536
Other income and (losses)/gains, net	其他收入及 (虧損)/收益淨額	6	(22,492)	53,068
Administrative and other operating expenses	行政及其他經營費用		(671,142)	(441,554)
Finance income	財務收入	7	21,999	15,807
Finance costs	財務費用	7	(435,302)	(348,795)
Share of profits and losses of associates	所佔聯營公司盈利及虧損		(6,758)	4,224
PROFIT BEFORE TAX	除稅前盈利	8	1,687,894	1,483,286
Income tax	所得稅	11	(404,908)	(396,922)
PROFIT FOR THE YEAR	本年度盈利		1,282,986	1,086,364
OTHER COMPREHENSIVE INCOME	其他全面收益			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	不會於其後期間重新分類至損益之其他全面收益：			
Exchange differences arising on translation of functional currency to presentation currency	換算功能貨幣至呈報貨幣產生之匯兌差額		507,007	956,424
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	除所得稅後本年度其他全面收益		507,007	956,424
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收益總額		1,789,993	2,042,788

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Comprehensive Income (Cont'd)

綜合全面收益表 (續)

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
PROFIT ATTRIBUTABLE TO:	應佔盈利部分：			
Equity holders of the Company	本公司權益持有人		1,200,329	1,024,271
Non-controlling interests	非控股權益		82,657	62,093
			1,282,986	1,086,364
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:	應佔全面收益總額部分：			
Equity holders of the Company	本公司權益持有人		1,673,707	1,927,449
Non-controlling interests	非控股權益		116,286	115,339
			1,789,993	2,042,788
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANYY	本公司權益持有人應佔每股盈利	13		
- Basic and diluted	— 基本及攤薄		HK41.96cents 41.96港仙	HK35.80cents 35.80港仙

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

		As at 31 December 於十二月三十一日		
		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,043,532	152,855
Right-of-use assets	使用權資產	16(a)	104,372	16,285
Investment properties	投資物業	15	12,468	12,082
			1,160,372	181,222
Intangible assets	無形資產	17	2,280,920	1,880,919
Goodwill	商譽	18	1,531,576	1,295,475
Interests in associates	聯營公司權益	19	231	8,143
Contract assets	合約資產	21	19,750,324	17,348,620
Other receivables	其他應收款項	23	771,809	289,902
Other financial assets	其他金融資產	24	36,122	443,198
Deferred tax assets	遞延稅項資產	29	6,127	–
Total non-current assets	非流動資產總額		25,537,481	21,447,479
CURRENT ASSETS	流動資產			
Contract assets	合約資產	21	1,990,466	1,681,187
Other financial assets	其他金融資產	24	222,880	–
Inventories	存貨	22	70,189	93,641
Trade and other receivables	應收賬款及其他應收款項	23	2,866,254	1,965,697
Cash and cash equivalents	現金及現金等價物	25	2,281,986	1,719,530
Total current assets	流動資產總額		7,431,775	5,460,055
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付賬款及其他應付款項	26	3,215,673	2,540,938
Borrowings	借貸	27	3,392,028	2,246,673
Tax payable	應付稅項		78,274	69,029
Lease liabilities	租賃負債	16(b)	5,234	8,388
Total current liabilities	流動負債總額		6,691,209	4,865,028
NET CURRENT ASSETS	流動資產淨額		740,566	595,027
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		26,278,047	22,042,506

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Financial Position (Cont'd)

綜合財務狀況表 (續)

As at 31 December 2021 於二零二一年十二月三十一日

		As at 31 December 於十二月三十一日		
		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Borrowings	借貸	27	11,049,910	8,831,460
Deferred tax liabilities	遞延稅項負債	29	2,063,737	1,801,819
Lease liabilities	租賃負債	16(b)	1,168	3,368
Total non-current liabilities	非流動負債總額		13,114,815	10,636,647
NET ASSETS	資產淨額		13,163,232	11,405,859
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	30	2,860,877	2,860,877
Reserves	儲備	31	9,009,206	7,673,416
			11,870,083	10,534,293
Non-controlling interests	非控股權益		1,293,149	871,566
TOTAL EQUITY	權益總額		13,163,232	11,405,859

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Statement of Financial Position of the Company

本公司之財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

		As at 31 December 於十二月三十一日		
		Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	–	5
Interests in subsidiaries	附屬公司權益	20	11,505,621	10,880,417
Other financial assets	其他金融資產	24	–	409,147
Total non-current assets	非流動資產總額		11,505,621	11,289,569
CURRENT ASSETS	流動資產			
Other receivables	其他應收款項	23	8,483,239	6,502,232
Other financial assets	其他金融資產	24	222,880	–
Cash and cash equivalents	現金及現金等價物	25	134,962	23,128
Total current assets	流動資產總額		8,841,081	6,525,360
CURRENT LIABILITIES	流動負債			
Other payables	其他應付款項	26	147,539	99,253
Borrowings	借貸	27	2,897,360	1,954,648
Total current liabilities	流動負債總額		3,044,899	2,053,901
NET CURRENT ASSETS	流動資產淨額		5,796,182	4,471,459
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		17,301,803	15,761,028
NON-CURRENT LIABILITIES	非流動負債			
Borrowings	借貸	27	6,047,143	5,129,809
NET ASSETS	資產淨額		11,254,660	10,631,219
EQUITY	權益			
Share capital	股本	30	2,860,877	2,860,877
Reserves	儲備	31	8,393,783	7,770,342
TOTAL EQUITY	權益總額		11,254,660	10,631,219

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

	Attributable to equity holders of the Company 本公司權益持有人應佔							Total equity 總權益 HK\$'000 千港元	
	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Foreign currency translation reserve 外幣換算儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Contributed surplus reserve 繳入盈餘儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元		Total 總額 HK\$'000 千港元
Group									
At 1 January 2021	2,860,877	1,599,765*	125,211*	524,810*	1,229,302*	8,203*	4,186,125*	10,534,293	871,566
Profit for the year	-	-	-	-	-	-	1,200,329	1,200,329	82,657
Other comprehensive income for the year:									
Foreign currency translation differences	-	-	473,378	-	-	-	-	473,378	33,629
Total comprehensive income for the year	-	-	473,378	-	-	-	1,200,329	1,673,707	116,286
2020 final dividend declared	-	-	-	-	-	-	(173,266)	(173,266)	-
2021 interim dividend declared	-	-	-	-	-	-	(164,651)	(164,651)	-
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(26,582)
Capital contribution received by a non-wholly owned subsidiary from a non-controlling shareholder	-	-	-	-	-	-	-	-	4,223
Acquisition of a subsidiary	-	-	-	-	-	-	(53,319)	-	327,656
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
At 31 December 2021	2,860,877	1,599,765*	598,589*	578,129*	1,229,302*	8,203*	4,995,218*	11,870,083	1,293,149

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Changes in Equity (Cont'd)

綜合權益變動表 (續)

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

Group	Attributable to equity holders of the Company 本公司權益持有人應佔									
	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Foreign currency translation reserve 外幣換算儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
本集團										
At 1 January 2020	2,860,877	1,599,765	(777,967)	398,409	1,229,302	(2,181)	3,501,864	8,810,069	738,683	9,548,752
Profit for the year	-	-	-	-	-	-	1,024,271	1,024,271	62,093	1,086,364
Other comprehensive income for the year:										
Foreign currency translation differences	-	-	903,178	-	-	-	-	903,178	53,246	956,424
Total comprehensive income for the year	-	-	903,178	-	-	-	1,024,271	1,927,449	115,339	2,042,788
2019 final dividend declared	-	-	-	-	-	-	(106,645)	(106,645)	-	(106,645)
2020 interim dividend declared	-	-	-	-	-	-	(106,964)	(106,964)	-	(106,964)
Acquisition of a non-controlling interest of a subsidiary	-	-	-	-	-	10,384	-	10,384	(39,374)	(28,990)
Capital contributions received by non wholly-owned subsidiaries from non-controlling shareholders	-	-	-	-	-	-	-	-	56,918	56,918
Transfer to statutory reserve	-	-	-	126,401	-	-	(126,401)	-	-	-
At 31 December 2020	2,860,877	1,599,765*	125,211*	524,810*	1,229,302*	8,203*	4,186,125*	10,534,293	871,566	11,405,859

* These reserve accounts comprise the consolidated reserves of HK\$9,009,206,000 and HK\$7,673,416,000 as at 31 December 2021 and 2020 in the consolidated statement of financial position, respectively.
該等儲備賬目包括於二零二一年及二零二零年十二月三十一日之綜合財務狀況表內綜合儲備分別為9,009,206,000港元及7,673,416,000港元。

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

	Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Profit before tax	除稅前盈利	1,687,894	1,483,286
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8 50,297	16,633
Depreciation of right-of-use assets	使用權資產折舊	8 12,616	10,129
Amortisation of intangible assets	無形資產攤銷	8 59,126	72,536
Loss on disposals of property, plant and equipment	處置物業、廠房及設備之虧損	8 7,129	406
Loss on disposal of intangible assets	處置無形資產之虧損	6 3,217	–
Loss on disposal of contract assets	處置合約資產之虧損	6 33,045	–
Finance costs	財務費用	7 435,302	348,795
Interest income	利息收入	7 (21,999)	(15,807)
Share of profits and losses of associates	所佔聯營公司盈利及虧損	6,758	(4,224)
Gain from disposal of an associate	出售一間聯營公司的收益	(2)	–
Provision for impairment of trade receivables, net	應收賬款減值撥備淨額	8 101,981	25,492
Provision for impairment of other receivables	其他應收款項減值撥備	8 16,451	3,342
Provision for impairment of contract assets	合約資產減值撥備	8 3,533	12,695
Fair value adjustment of contingent consideration receivable	或然代價應收款項之公允價值調整	6 –	7,814
Fair value changes of other financial assets, net	其他金融資產公允價值變動淨額	6 57,615	47,746
Dividend received from other financial assets	自其他金融資產收取的股息	–	(1,929)
Effect of foreign exchange rates changes, net	匯率變動的影響淨額	26,837	(25,021)
Operating cash flows before working capital changes	營運資金變動前的經營現金流量	2,479,800	1,981,893
Decrease/(increase) in inventories	存貨減少/(增加)	34,252	(50,201)
Increase in contract assets	合約資產增加	(2,324,253)	(2,327,398)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(784,941)	(635,243)
Increase/(decrease) in trade and other payables	應付賬款及其他應付款項增加/(減少)	125,605	(83,802)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Cash Flows (Cont'd)

綜合現金流量表 (續)

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

	Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash used in operations	經營活動所動用的現金	(469,537)	(1,114,751)
People's Republic of China ("PRC") income tax paid	已付中華人民共和國(「中國」)所得稅	(199,604)	(207,594)
Net cash flows used in operating activities	經營活動所動用的現金流量淨額	(669,141)	(1,322,345)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Interest received	已收利息	21,999	15,807
Acquisition of a subsidiary, net of cash acquired	收購一間附屬公司(扣除收購所得現金)	(794,616)	–
Purchases of items of property, plant and equipment	購買物業、廠房及設備	(29,744)	(18,478)
Proceeds from disposals of property, plant and equipment	處置物業、廠房及設備所得款項	709	14
Payment for additions of intangible assets	添置無形資產付款	(482,210)	(164,513)
Decrease/(increase) in amounts due from an associate	應收一間聯營公司款項減少/(增加)	8,201	(733)
Proceeds from disposal of an associate	出售一間聯營公司的所得款項	1,222	–
Decrease in other financial assets	其他金融資產減少	137,577	–
Dividend received from other financial assets	自其他金融資產收取的股息	–	1,929
Net cash flows used in investing activities	投資活動所動用的現金流量淨額	(1,136,862)	(165,974)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Proceeds from the issuance of asset-backed securities ("ABS"), net of related expenses paid	發行資產支持證券(「資產支持證券」)所得款項, 扣除相關已付開支	–	320,426
Proceeds from the issuance of medium-term notes ("MTN"), net of related expenses paid	發行中期票據(「中期票據」)所得款項, 扣除相關已付開支	1,199,392	1,120,135
Proceeds from the issuance of super and short-term commercial papers ("SCP"), net of related expenses paid	發行超短期融資券(「超短期融資券」)所得款項, 扣除相關已付開支	962,320	–

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Consolidated Statement of Cash Flows (Cont'd)

綜合現金流量表 (續)

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

	Notes 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
New bank loans		5,660,898	2,665,730
Repayment of corporate bonds		(14,615)	(337,290)
Repayments of ABS		(64,354)	(41,599)
Repayments of SCP		(962,320)	–
Repayments of bank loans		(3,706,012)	(2,164,948)
Interest paid		(380,488)	(334,334)
Principal elements of lease payments		(10,128)	(9,605)
Interest elements of lease payments	7	(456)	(797)
Decrease in pledged bank deposits		15,750	7,037
Acquisition of a non-controlling interest	33	–	(28,990)
Dividends paid to the shareholders of the Company (the "Shareholders")		(338,546)	(214,002)
Dividends paid to non-controlling shareholders of subsidiaries		(43,956)	–
Capital contributions from non-controlling shareholders of subsidiaries	34(a)	4,223	51,859
Net cash flows generated from financing activities		2,321,708	1,033,622
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		515,705	(454,697)
Cash and cash equivalents at the beginning of the year		1,702,855	2,052,250
Effect of exchange rate fluctuations on cash and cash equivalents, net		62,441	105,302
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		2,281,001	1,702,855
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents as stated in the consolidated statement of financial position	25	2,281,986	1,719,530
Less: Pledged bank deposits	25	(985)	(16,675)
Cash and cash equivalents as stated in the consolidated statement of cash flows		2,281,001	1,702,855

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.
後附會計政策及附註為本財務報表的組成部分。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. CORPORATE INFORMATION

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, 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.

As at the date of this report, the Company had direct and indirect interests in the following subsidiaries, the particulars of which are set out below:

1. 公司資料

本公司為於百慕大註冊成立的有限公司並於新加坡證券交易所有限公司主板和香港聯合交易所有限公司主板雙重主要上市。本公司的註冊地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda 且其主要營業地點為中國深圳市福田區深南大道 1003 號東方新天地廣場 A 座 26 層（郵編：518000）。

本公司的主要業務為投資控股。本公司之附屬公司主要從事中國境內水環境治理業務。

本公司的直接控股公司為中國光大水務控股有限公司（一間於英屬維爾京群島（「英屬維爾京群島」）註冊成立的有限公司）。董事認為，本公司的最終控股實體為中國投資有限責任公司，其為於中國境內成立之實體。

於本報告日期，本公司於以下附屬公司擁有直接及間接權益，其詳情如下：

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Anshan City Water Operating Co., Ltd. ⁽⁵⁾ 鞍山城市水務運營有限公司 ^{(附註(5))}	PRC/Mainland China 15 March 2006 中國/中國內地 2006年3月15日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Beijing Everbright Water Investment Management Co., Ltd. ("BEWIM") 北京光大水務投資管理有限公司 (「北京水投」) ⁽⁵⁾	PRC/Mainland China 26 October 2010 中國/中國內地 2010年10月26日	RMB 1,200,000,000 1,200,000,000元人民幣	-	100	Investment and investment management 投資及投資管理
Beijing Hankens Environmental Technology Co., Ltd. ⁽⁵⁾ 北京漢柯森環境科技有限公司 ⁽⁵⁾	PRC/Mainland China 27 June 2011 中國/中國內地 2011年6月27日	RMB 9,582,816 9,582,816元人民幣	-	100	Research and development ("R&D") and consultation on water treatment technology 研發及水治理技術諮詢
Bio-Treat International Limited 金迪國際有限公司	BVI 11 July 2003 英屬維京群島 2003年7月11日	US\$10,000 10,000美元	-	100	Investment holding 投資控股
China Everbright Water International Pte. Ltd. 中國光大水務國際私人有限公司	Singapore 18 July 2011 新加坡 2011年7月18日	Singapore dollars ("SGD") 5,000,000 5,000,000 新加坡元	100	-	Investment holding, technology R&D, business development and management services 投資控股, 技術研發, 業務發展及管理服務
China Everbright Water Investments Limited ("CEWIL") 中國光大水務投資有限公司 (「光大水務投資」)	BVI 25 March 2003 英屬維京群島 2003年3月25日	US\$2 2美元	100	-	Investment holding 投資控股

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

1. CORPORATE INFORMATION (cont'd)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Everbright Water Management Limited 中國光大水務管理有限公司	Hong Kong 6 January 2015 香港 2015年1月6日	HK\$100 100港元	-	100	Investment holding 投資控股
Dalian Bonded Area EW Water Co., Ltd. [^] (note (5)) 大連保稅區光水水務有限公司 [^] (附註(5))	PRC/Mainland China 25 January 2013 中國/中國內地 2013年1月25日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian EW Chunliuhe Water Co., Ltd. [^] (note (4) & note (5)) 大連光水春柳河水務有限公司 [^] (附註(4)及附註(5))	PRC/Mainland China 28 July 2006 中國/中國內地 2006年7月28日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian EW Malanhe Water Co., Ltd. [^] (note (4) & note (5)) 大連光水馬欄河水務有限公司 [^] (附註(4)及附註(5))	PRC/Mainland China 28 July 2006 中國/中國內地 2006年7月28日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian Pulandian Area EW Water Co., Ltd. [^] (note (5)) 大連市普蘭店區光水水務有限公司 [^] (附註(5))	PRC/Mainland China 22 June 2006 中國/中國內地 2006年6月22日	RMB 66,500,000 66,500,000元人民幣	-	100	Waste water treatment 污水處理
EW Water (Dalian) Co., Ltd. (formerly known as "Everbright Water (Dalian) Co., Ltd.") (note (5)) 光水水務(大連)有限公司(前稱「光大水務 (大連)有限公司」) [^] (附註(5))	PRC/Mainland China 19 December 2003 中國/中國內地 2003年12月19日	RMB 120,000,000 120,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian Lvshun City Waste Water Treatment Co., Ltd. [^] (note (5)) 大連旅順城市污水處理有限公司 [^] (附註(5))	PRC/Mainland China 17 November 2003 中國/中國內地 2003年11月17日	RMB 13,000,000 13,000,000元人民幣	-	100	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Dalian Lvshun Sanjianpu Waste Water Treatment Co., Ltd. [^] (note (5)) 大連旅順三灣堡污水處理有限公司 [^] (附註(5))	PRC/Mainland China 10 September 2009 中國/中國內地 2009年9月10日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian Siergou Water Co., Ltd. [^] (note (4) & note (5)) 大連寺兒溝水務有限公司 [^] (附註(4)及附註(5))	PRC/Mainland China 31 July 2009 中國/中國內地 2009年7月31日	RMB 30,000,000 30,000,000元人民幣	-	100	Waste water treatment 污水處理
Dandong EW Waste Water Treatment Co., Ltd. [^] (note (5)) 丹東光水污水處理有限公司 [^] (附註(5))	PRC/Mainland China 15 May 2009 中國/中國內地 2009年5月15日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
Dandong EW Water Co., Ltd. [^] (note (5)) 丹東光水務有限公司 [^] (附註(5))	PRC/Mainland China 11 August 2020 中國/中國內地 2020年8月11日	RMB 80,000,000 80,000,000元人民幣	-	100	Waste water treatment and reusable water 污水處理及中水回用
Dezhou EW Environmental Protection Limited (formerly known as "Dezhou Everbright Water Pipeline Limited") [^] (note (5)) 德州市光水環保有限公司 (前稱「德州市光大水務管網有限公司」) [^] (附註(5))	PRC/Mainland China 20 March 2018 中國/中國內地 2018年3月20日	RMB 48,000,000 48,000,000元人民幣	-	100	Construction management 工程管理
Shenyang Human EW Water Co., Ltd. [^] (note (5)) 瀋陽渾南光水水務有限公司 [^] (附註(5))	PRC/Mainland China 29 July 2010 中國/中國內地 2010年7月29日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

1. CORPORATE INFORMATION (cont'd)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tongliao City Northern Waste Water Treatment Co., Ltd. [^] (note (5)) 通遼市北部污水處理有限公司 [^] (附註(5))	PRC/Mainland China 25 December 2009 中國/中國內地 2009年12月25日	RMB 60,000,000 60,000,000元人民幣	-	100	Waste water treatment 污水處理
Dalian Zhuanghe EW Water Co., Ltd. [^] (note (5)) 大連莊河光水務有限公司 [^] (附註(5))	PRC/Mainland China 27 March 2008 中國/中國內地 2008年3月27日	RMB 10,000,000 10,000,000元人民幣	-	100	Waste water treatment 污水處理
E+B Environmental Technology (Nanjing) Co., Ltd.* 億嘉碧環保科技(南京)有限公司*	PRC/Mainland China 7 May 2019 中國/中國內地 2019年5月7日	Euro ("EUR") 13,000,000 13,000,000歐元	-	80	R&D and consulting on water environmental technologies 技術研發及水環境技術 諮詢
E+B Umwelttechnik GmbH	Germany 12 February 2018 德國 2018年2月12日	EUR 100,000 100,000歐元	-	80	R&D 技術研發
Everbright Industrial Waste Water Treatment Nanjing Limited [#] (note (5)) 光大工業廢水處理南京有限公司 [#] (附註(5))	PRC/Mainland China 2 September 2016 中國/中國內地 2016年9月2日	RMB 507,000,000 507,000,000元人民幣	-	100	Waste water treatment 污水處理
Everbright Reusable Water (Jiangyin) Limited* 光大中水利用(江陰)有限公司*	PRC/Mainland China 18 May 2011 中國/中國內地 2011年5月18日	US\$ 20,000,000 20,000,000美元	-	100	Reusable water 中水回用

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Reusable Water (Nanjing) Limited* (note (5)) 光大中水利用 (南京) 有限公司* (附註(5))	PRC/Mainland China 14 March 2016 中國/中國內地 2016年3月14日	US\$ 11,700,000 11,700,000美元	-	100	Reusable water 中水回用
Everbright Water (Tongxiang) Limited* (note (5)) 光大水務 (桐鄉) 有限公司* (附註(5))	PRC/Mainland China 31 July 2019 中國/中國內地 2019年7月31日	RMB 270,000,000 270,000,000元人民幣	-	79.9	Construction and operation of wetland ecological engineering project 濕地生態工程的建設和運營
Everbright Water (Haimen) Limited* (note (5)) 光大水務 (海門) 有限公司* (附註(5))	PRC/Mainland China 3 September 2019 中國/中國內地 2019年9月3日	RMB 70,000,000 70,000,000元人民幣	-	90	Waste water treatment and reusable water 污水處理及中水回用
Everbright Water (Huai'an) Limited* (note (5)) 光大水務 (淮安) 有限公司* (附註(5))	PRC/Mainland China 23 September 2019 中國/中國內地 2019年9月23日	US\$ 20,000,000 20,000,000美元	-	100	Waste water treatment 污水處理
Everbright River Basin Remediation (Nanjing) Limited* (note (5)) 光大河道整治 (南京) 有限公司* (附註(5))	PRC/Mainland China 9 November 2016 中國/中國內地 2016年11月9日	RMB 92,000,000 92,000,000元人民幣	100	-	River basin ecological restoration 流域治理
Everbright Sponge City Development (Zhenjiang) Limited* (note (5)) 光大海綿城市發展 (鎮江) 有限公司* (附註(5))	PRC/Mainland China 1 June 2016 中國/中國內地 2016年6月1日	RMB 462,000,000 462,000,000元人民幣	70	-	Sponge city construction, operation and R&D 海綿城市建設、運營及研發

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

1. CORPORATE INFORMATION (cont'd)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Beijing) Limited* (note (5)) 光大水務(北京)有限公司* (附註(5))	PRC/Mainland China 15 August 2006 中國/中國內地 2006年8月15日	RMB 119,310,000 119,310,000元人民幣	-	100	Waste water treatment 污水處理
Everbright Water (Binzhou) Limited* (note (5)) 光大水務(濱州)有限公司* (附註(5))	PRC/Mainland China 8 November 2007 中國/中國內地 2007年11月8日	RMB 95,061,700 95,061,700元人民幣	-	100	Waste water treatment 污水處理
Everbright Water (Boxing) Limited* (note (5)) 光大水務(博興)有限公司* (附註(5))	PRC/Mainland China 21 February 2008 中國/中國內地 2008年2月21日	HK\$ 133,884,300 133,884,300港元	-	100	Waste water treatment 污水處理
Everbright Water (Dezhou) Holdings Limited 光大水務(德州)控股有限公司	Hong Kong 8 November 2007 香港 2007年11月8日	HK\$100 100港元	-	100	Investment holding 投資控股
Everbright Water (Dezhou) Limited* (note (5)) 光大水務(德州)有限公司* (附註(5))	PRC/Mainland China 24 February 2012 中國/中國內地 2012年2月24日	US\$ 12,280,000 12,280,000美元	-	100	Waste water treatment 污水處理
Everbright Water (Jiangyin) Limited* (note (5)) 光大水務(江陰)有限公司* (附註(5))	PRC/Mainland China 26 December 2007 中國/中國內地 2007年12月26日	RMB 278,877,000 278,877,000元人民幣	-	70	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Ji'nan Licheng) Limited* (note (5)) 光大水務 (濟南歷城) 有限公司* (附註(5))	PRC/Mainland China 26 November 2008 中國/中國內地 2008年11月26日	RMB 386,848,000 386,848,000元/人民幣	-	100	Waste water treatment 污水處理
Everbright Water (Ji'nan) Holdings Limited 光大水務 (濟南) 控股有限公司	Hong Kong 11 June 2007 香港 2007年6月11日	HK\$100 100港元	-	100	Investment holding 投資控股
Everbright Water (Changzhou) Limited (formerly known as EW Environmental Protection (Changzhou) Co., Ltd.)* (note (5)) 光大水務 (常州) 有限公司 (前稱「光水環保 (常州) 有限公司」)* (附註(5))	PRC/Mainland China 22 December 2020 中國/中國內地 2020年12月22日	RMB 183,365,200 183,365,200元/人民幣	-	100	Waste water treatment and reusable water 污水處理及中水回用
EW (Zibo Zhangdian) Waste Water Treatment Co., Ltd.* (note (5)) 光水 (淄博張店) 污水處理有限公司* (附註(5))	PRC/Mainland China 22 August 2019 中國/中國內地 2019年8月22日	US\$ 4,925,000 4,925,000美元	-	100	Waste water treatment and reusable water 污水處理及中水回用
EW (Ji'nan Tangye) Water Limited# (note (5)) 光水 (濟南唐冶) 水務有限公司# (附註(5))	PRC/Mainland China 17 December 2019 中國/中國內地 2019年12月17日	RMB 104,291,600 104,291,600元/人民幣	-	99.9	Waste water treatment and reusable water 污水處理及中水回用
Everbright Water (Ji'nan) Limited* (note (5)) 光大水務 (濟南) 有限公司* (附註(5))	PRC/Mainland China 10 October 2006 中國/中國內地 2006年10月10日	US\$ 106,246,600 106,246,600美元	-	100	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Jinan Zhangqiu) Limited* (note (5)) 光大水務 (濟南章丘) 有限公司* (附註(5))	PRC/Mainland China 11 May 2020 中國/中國內地 2020年5月11日	RMB 85,200,000 85,200,000元人民幣	-	99	Waste water treatment 污水處理
Everbright Water (Juxian) Limited* (note (5)) 光大水務 (巨縣) 有限公司* (附註(5))	PRC/Mainland China 1 July 2015 中國/中國內地 2015年7月1日	RMB 58,200,000 58,200,000元人民幣	-	100	Waste water treatment 污水處理
Everbright Water (Kunshan) Limited* (note (5)) 光大水務 (崑山) 有限公司* (附註(5))	PRC/Mainland China 29 March 2004 中國/中國內地 2004年3月29日	HK\$ 100,000,000 100,000,000港元	-	100	Waste water treatment 污水處理
Everbright Water (Laiyang) Limited* 光大水務 (萊陽) 有限公司*	PRC/Mainland China 4 December 2018 中國/中國內地 2018年12月4日	RMB 169,521,765 169,521,765元人民幣	-	90	Waste water treatment 污水處理
Everbright Water (Lianyungang) Limited* (note (5)) 光大水務 (連雲港) 有限公司* (附註(5))	PRC/Mainland China 21 June 2005 中國/中國內地 2005年6月21日	HK\$ 152,898,738 152,898,738港元	-	100	Waste water treatment 污水處理
Everbright Water (Lingxian) Limited* (note (5)) 光大水務 (陵縣) 有限公司* (附註(5))	PRC/Mainland China 10 December 2009 中國/中國內地 2009年12月10日	US\$ 18,388,200 18,388,200美元	-	100	Waste water treatment 污水處理
Everbright Water (Nanjing) Limited* (note (5)) 光大水務 (南京) 有限公司* (附註(5))	PRC/Mainland China 21 March 2006 中國/中國內地 2006年3月21日	RMB 96,186,423 96,186,423元人民幣	-	100	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Nanning) Limited* ("EB Water Nanning") (note (4) & note (5)) 光大水務(南寧)有限公司* (「光大水務南寧」) (附註(4)及附註(5))	PRC/Mainland China 30 September 2017 中國/中國內地 2017年9月30日	RMB 488,690,000 488,690,000元人民幣	79.6 note (2) 79.6 附註 (2)	-	River restoration works 河流修復工程
Everbright Water (Qingdao) Holdings Limited ("EW (Qingdao) Holdings") 光大水務(青島)控股有限公司 (「光大水務(青島)控股」)	Hong Kong 15 October 2003 香港 2003年10月15日	HK\$ 10,710,680 10,710,680港元	-	100	Investment holding 投資控股
Everbright Water (Qingdao) Limited ("EB Water Qingdao")* (note (5)) 光大水務(青島)有限公司 (「光大水務青島」) * (附註(5))	PRC/Mainland China 13 August 2004 中國/中國內地 2004年8月13日	US\$ 15,257,400 15,257,400美元	-	60 Note (3) 60 附註 (3)	Waste water treatment 污水處理
Everbright Water (Shenzhen) Limited* 光大水務(深圳)有限公司*	PRC/Mainland China 16 March 2015 中國/中國內地 2015年3月16日	HK\$ 10,000,000 10,000,000港元	-	100	Investment and management of water business 水務投資及管理
Everbright Water (Suzhou) Limited* (note (5)) 光大水務(蘇州)有限公司* (附註(5))	PRC/Mainland China 3 July 2006 中國/中國內地 2006年7月3日	HK\$ 258,000,000 258,000,000港元	-	100	Waste water treatment 污水處理
Everbright Water (Wuxi) Holdings Limited 光大水務(無錫)控股有限公司	Hong Kong 3 October 2007 香港 2007年10月3日	HK\$100 100港元	-	100	Investment holding 投資控股

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Xianyang) Limited* (note (4) & note (5)) 光大水務(咸陽)有限公司*(附註(4)及附註(5))	PRC/Mainland China 19 May 2003 中國/中國內地 2003年5月19日	RMB 94,000,000 94,000,000元人民幣	-	100	Waste water treatment 污水處理
Everbright Water Operating (Xinyi) Limited* (note (5)) 光大水務運營(新沂)有限公司*(附註(5))	PRC/Mainland China 24 June 2016 中國/中國內地 2016年6月24日	US\$ 19,496,300 19,496,300美元	-	60.4	Waste water treatment and reusable water 污水處理及中水回用
Everbright Water Purification Nanjing Limited* (note (5)) 光大水質淨化南京有限公司*(附註(5))	PRC/Mainland China 23 November 2006 中國/中國內地 2006年11月23日	RMB 14,750,000 14,750,000元人民幣	-	100	Waste water treatment 污水處理
Everbright Water Suizhou Water Environment Management Limited* (note (6)) 光大水務隨州水環境治理有限公司*(附註(6))	PRC/Mainland China 8 May 2017 中國/中國內地 2017年5月8日	RMB 260,000,000 260,000,000元人民幣	78.4	-	River restoration works 河流修復工程
Everbright Water (Xinyi) Limited* 光大水務(新沂)有限公司*	PRC/Mainland China 4 March 2010 中國/中國內地 2010年3月4日	HK\$ 174,590,000 174,590,000港元	-	100	Waste water treatment 污水處理
Everbright Water (Xuzhou) Holdings Limited 光大水務(徐州)控股有限公司	Hong Kong 14 January 2010 香港 2010年1月14日	HK\$100 100港元	-	100	Investment holding 投資控股
EW Environmental Protection (Xuzhou) Co., Ltd. (formerly known as Everbright Water (Xuzhou) Limited)* 光水環保(徐州)有限公司(前稱「光大水務 (徐州)有限公司」)*	PRC/Mainland China 4 December 2018 中國/中國內地 2018年12月4日	RMB 15,438,000 15,438,000元人民幣	-	100	Leachate and waste water treatment 滲濾液及污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Yangzhou) Limited* (note (5)) 光大水務(揚州)有限公司*(附註(5))	PRC/Mainland China 14 December 2004 中國/中國內地 2004年12月14日	US\$ 16,000,000 16,000,000美元	-	100	Waste water treatment 污水處理
Everbright Water (Zhangqiu) Limited* (note (5)) 光大水務(章丘)有限公司*(附註(5))	PRC/Mainland China 4 June 2013 中國/中國內地 2013年6月4日	RMB 30,349,700 30,349,700元人民幣	-	100	Waste water treatment 污水處理
Everbright Water (Zhangqiu) Operating Limited* (note (5)) 光大水務(章丘)運營有限公司*(附註(5))	PRC/Mainland China 14 April 2016 中國/中國內地 2016年4月14日	RMB 65,507,600 65,507,600元人民幣	-	95	Waste water treatment and operation services 污水處理及運營服務
Everbright Water (Zibo Zhoucun) Water Purification Co., Ltd.* (note (5)) 光大水務(濰博周村)淨水有限公司*(附註(5))	PRC/Mainland China 5 December 2007 中國/中國內地 2007年12月5日	HK\$ 74,240,000 74,240,000港元	-	100	Waste water treatment 污水處理
Everbright Water (Zibo) Holdings Limited 光大水務(濰博)控股有限公司	Hong Kong 11 June 2007 香港 2007年6月11日	HK\$100 100港元	-	100	Investment holding 投資控股
Everbright Water (Zibo) Limited* (note (5)) 光大水務(濰博)有限公司*(附註(5))	PRC/Mainland China 15 November 2005 中國/中國內地 2005年11月15日	US\$ 85,666,900 85,666,900美元	-	100	Waste water treatment 污水處理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water Technology Development (Nanjing) Limited [^] 光大水務科技發展(南京)有限公司 [^]	PRC/Mainland China 18 April 2017 中國/中國內地 2017年4月18日	RMB 10,000,000 10,000,000元人民幣	-	100	R&D and consultation on technology 技術研發及諮詢
Everbright Water Treatment (Jiangyin) Limited* (note (5)) 光大水處理(江陰)有限公司* (附註(5))	PRC/Mainland China 5 September 2017 中國/中國內地 2017年9月5日	US\$ 100,000,000 100,000,000美元	-	100	Waste water treatment and construction and maintenance of pipeline network 污水處理及管網的建造 及維護
Jiangsu Tongyong Environment Engineering Co., Ltd. [^] 江蘇通用環境工程有限公司 [^]	PRC/Mainland China 11 June 2007 中國/中國內地 2007年6月11日	RMB 55,080,000 55,080,000元人民幣	-	100	Construction engineering 建造工程
Ji'nan Everbright Water Supply Limited* (note (5)) 濟南光大供水有限公司* (附註(5))	PRC/Mainland China 10 August 2017 中國/中國內地 2017年8月10日	RMB 250,000,000 250,000,000元人民幣	-	80	Water supply, construction and operation of water source and water supply facility 供水、水源及供水設施的 建造及運營
Ju County EW Water Limited* (note (5)) 莒縣光水水務有限公司* (附註(5))	PRC/Mainland China 12 November 2019 中國/中國內地 2019年11月12日	HK\$ 83,130,000 83,130,000港元	-	100	Waste water treatment and reusable water 污水處理及中水回用
Ju County EW Waste Water Co., Ltd. [^] (note (5)) 莒縣光水污水處理有限公司 [^] (附註(5))	PRC/Mainland China 12 June 2019 中國/中國內地 2019年6月12日	RMB 31,523,400 31,523,400元人民幣	-	100	Waste water treatment and reusable water 污水處理及中水回用

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
New Efficient Limited 新環境有限公司	BVI 22 January 2004 英屬維京群島 2004年1月22日	US\$100 100美元	-	100	Investment holding 投資控股
Ocean Force International Limited	BVI 11 July 2003 英屬維京群島 2003年7月11日	US\$1 1美元	100	-	Investment holding 投資控股
Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd. ("Tianjin Huantang"), (note 32) 天津濱海新區環塘污水處理有限公司 (「天津環塘」) ^ (附註32)	PRC/Mainland China 1 April 2010 中國/中國內地 2010年4月1日	RMB 10,000,000 10,000,000元人民幣	-	65	Waste water treatment 污水處理
Shaanxi Risheng New Energy Technology Co., Ltd. [^] 陝西日昇新能源科技有限公司 [^]	PRC/Mainland China 6 April 2021 中國/中國內地 2021年4月6日	RMB 20,000,000 20,000,000元人民幣	-	100	Solar energy 光伏發電
Ji'nan EW Environment Management Limited* 濟南光水環境治理有限公司*	PRC/Mainland China 15 September 2021 中國/中國內地 2021年9月15日	US\$ 35,000,000 35,000,000美元	-	100	Waste water treatment 污水處理
EW Environmental Protection (Huanghua) Co., Ltd. [#] (note 5) 光水環保(黃驊)有限公司 [#] (附註5)	PRC/Mainland China 18 November 2021 中國/中國內地 2021年11月18日	RMB 69,286,190 69,286,190元人民幣	-	95	Waste water treatment 污水處理
Shenzhen City EW Management Limited Liability Company [^] 深圳市光水管理有限責任公司 [^]	PRC/Mainland China 7 December 2021 中國/中國內地 2021年12月7日	RMB100 100元人民幣	-	100	Business Management 業務管理

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

1. CORPORATE INFORMATION (cont'd)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Oriental Fortune International Limited	Hong Kong 7 May 2004 香港 2004年5月7日	HK\$10,000 10,000港元	-	100	Investment holding 投資控股
Panjin City Waste Water Treatment Co., Ltd. [^] (note (5)) 盤錦城市污水處理有限公司 [^] (附註(5))	PRC/Mainland China 5 December 2003 中國/中國內地 2003年12月5日	RMB 44,000,000 44,000,000元人民幣	-	100	Waste water treatment 污水處理
Sanmenxia Everbright Water Limited [^] (note (5)) 三門峽光大水務有限公司 [^] (附註(5))	PRC/Mainland China 6 January 2011 中國/中國內地 2011年1月6日	RMB 22,000,000 22,000,000元人民幣	-	100	Waste water treatment 污水處理
Shanghai Weiyang Construction Design Co., Ltd. ("Shanghai Weiyang") [^] 上海未央建設工程設計有限公司 (「上海未央」) [^]	PRC/Mainland China 26 April 2011 中國/中國內地 2011年4月26日	RMB 1,000,000 1,000,000元人民幣	-	100	Survey, mapping, design and consultancy for municipal projects 市政府項目的勘察、 測繪、設計及諮詢
Shenyang Dadong EW Water Co., Ltd. [^] (note (5)) 瀋陽大東光水務有限公司 [^] (附註(5))	PRC/Mainland China 10 July 2020 中國/中國內地 2020年7月10日	RMB 13,000,000 13,000,000元人民幣	-	100	Waste water treatment and reusable water 污水處理及中水回用
Sky Billion Limited 天億有限公司	BVI 14 January 2004 英屬維京群島 2004年1月14日	US\$ 10,000 10,000美元	-	100	Investment holding 投資控股

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Suojian City Cheng Bei Wastewater Treatment Co., Ltd. [^] 宿遷市城北污水處理發展有限公司 [^]	PRC/Mainland China 30 May 2005 中國/中國內地 2005年5月30日	RMB 22,107,650 22,107,650元人民幣	-	100	Waste water treatment 污水處理
Suojian City Cheng Bei Water Treatment Co., Ltd. [^] 宿遷市城北水務發展有限公司 [^]	PRC/Mainland China 30 May 2005 中國/中國內地 2005年5月30日	RMB 26,403,650 26,403,650元人民幣	-	100	Waste water treatment 污水處理
Tianjin Hanquan Environment Technology Limited* 天津漢泉環保科技有限公司*	PRC/Mainland China 7 March 2013 中國/中國內地 2013年3月7日	HK\$ 2,000,000 2,000,000港元	-	100	Investment holding 投資控股
Victor Best Holdings Limited	BVI 12 June 2012 英屬維京群島 2012年6月12日	US\$50,000 50,000美元	100	-	Investment holding 投資控股
World Pioneer Investments Limited 國際先鋒有限公司	BVI 11 July 2003 英屬維京群島 2003年7月11日	US\$100 100美元	-	100	Investment holding 投資控股
Xuzhou Municipal Engineering Design Institute Co., Ltd. ("Xuzhou Engineering Design Institute") [^] 徐州市市政設計院有限公司 ("徐州設計院") [^]	PRC/Mainland China 30 December 1985 中國/中國內地 1985年12月30日	RMB 10,000,000 10,000,000元人民幣	-	100	Survey, mapping, design and consultancy for municipal projects 市政項目的勘察、測繪、 設計及諮詢

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. 公司資料 (續)

Name 名稱	Place and date of incorporation/registration and place of business 註冊成立/登記地點及日期及 營業地點	Issued ordinary share/registered share capital 已發行普通股/繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Zhuanghe City EW Waste Water Treatment Co., Ltd. [^] 莊河市光水污水處理有限公司 [^]	PRC/Mainland China 13 December 2019 中國/中國內地 2019年12月13日	RMB 42,000,000 42,000,000元人民幣	-	95	Waste water treatment 污水處理
Zibo Everbright Water Energy Development Company Limited [^] (note (4) & note (5)) 淄博光大水務能源開發有限公司 [^] (附註(4)及 附註(5))	PRC/Mainland China 8 June 2009 中國/中國內地 2009年6月8日	RMB 51,350,000 51,350,000元人民幣	-	100	Waste water source heat pump 污水源熱泵

[^] Registered under the laws of the PRC as private companies with limited liability
根據中國法律註冊為私營有限公司

* Registered under the laws of the PRC as foreign investment enterprises
根據中國法律註冊為外商投資企業

Registered under the laws of the PRC as Sino-foreign cooperative joint ventures
根據中國法律註冊為中外合資企業

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. CORPORATE INFORMATION (cont'd)

Notes:

- (1) All significant subsidiaries are audited by member firm of Ernst & Young Global in China for group consolidation purpose. For this purpose, a subsidiary or an associated company is considered significant, as defined under the Listing Manual of the Singapore Exchange Securities Trading Limited, if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits. For the avoidance of doubt, the Group did not have any associated company which was considered significant for the year ended 31 December 2021.
- (2) 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 proportions of registered capital contribution.
- (3) 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.
- (4) These subsidiaries of the Group entered into service concession arrangements with the local government authorities in the PRC (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 statements of financial position.

1. 公司資料 (續)

附註：

- (1) 所有重要附屬公司均由全球Ernst & Young中國成員所為集團合併之目的而進行審計。就此而言，誠如新加坡證券交易所有限公司上市手冊所界定，如果附屬公司或聯營公司的有形資產淨額佔本集團綜合有形資產淨額的20%或以上，或如果附屬公司或聯營公司除稅前盈利佔本集團綜合除稅前盈利的20%或以上，則該附屬公司或聯營公司則被視為重要附屬公司或重要聯營公司。為免疑義，截至二零二一年十二月三十一日止年度本集團無聯營公司被視為重要聯營公司。
- (2) 本公司承諾注入光大水務南寧79.6474%註冊資本。餘下20.3526%註冊資本由中國三間合營企業注入。除一間承諾注入0.0097%註冊資本且無權享有光大水務南寧的淨盈利的中國合營企業外，本公司及其他兩間中國合營企業基於彼等各自的註冊資本注入比例分攤光大水務南寧的淨盈利。
- (3) 本公司之全資附屬公司兼光大水務青島之外方合營夥伴—光大水務（青島）控股承諾注入光大水務青島60%註冊資本。餘下40%註冊資本由中方合營夥伴注入。光大水務（青島）控股於合營期首14年可全數享有光大水務青島之淨盈利。而由第15年合營期起，光大水務青島之淨盈利將由光大（青島）控股及中方合營夥伴按98:2之比例攤分。
- (4) 本集團該等附屬公司與中國當地政府機關（「授權人」）訂立服務特許經營安排。根據服務特許經營安排，本集團獲授權在中國建造、運營及維護污水處理相關項目，為期20至32年。本集團有責任維持及恢復污水處理相關項目的良好狀況。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。待特許經營期屆滿後，污水處理相關項目將移交當地政府機關所有。

服務特許經營安排並無續約選擇。授權人及本集團均有權於協議條款遭重大違反之情況下終止有關協議。

污水處理相關項目之運營權在財務狀況表中確認為「無形資產」。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

1. CORPORATE INFORMATION (cont'd)

Notes: (cont'd)

- (5) 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 the 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 statements of financial position.

2.1 BASIS OF PRESENTATION

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.

All intra-group transactions and balances have been eliminated on consolidation.

1. 公司資料（續）

附註：（續）

- (5) 本集團該等附屬公司與授權人訂立服務特許經營安排。根據服務特許經營安排，本集團須於中國設計、建造及/或提標、運營及維護污水處理相關項目，為期10至32年。本集團有責任維持污水處理相關項目的良好狀況。授權人擔保，就有關安排而言，本集團將可每年收取最低保證款項。待特許經營期屆滿後，污水處理相關項目及設施將移交當地政府機關所有。

服務特許經營安排並無續約選擇。授權人可行使標準權利終止協議之情況包括：本集團未能建造、提標或運營污水處理相關項目以及協議條款遭重大違反。本集團可行使標準權利終止協議之情況包括：未能從授權人取得污水處理服務費，以及協議條款遭重大違反。

因建造或提標污水處理相關項目而提供建造服務所得之相關收入在財務狀況表中確認為「合約資產」。

2.1 呈列基準

附屬公司之財務報表乃使用一致會計政策按本公司同一報告期間編制。附屬公司之業績乃自本集團取得控制權之日起予以合併，並一直納入合併範圍，直至有關控制權終止之日為止。

所有集團內的交易及結餘乃於合併入賬時抵銷。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

2.2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”), which comprise all standards and interpretations approved by the International Accounting Standards Board (the “IASB”). All IFRSs effective for the accounting period commencing from 1 January 2021, together with the relevant transitional provisions, have been consistently applied by the Group in the preparation of the financial statements throughout the financial periods.

The principal effects of adopting these revised IFRS are as follows:

- (a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 *Interest Rate Benchmark Reform – Phase 2*

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (“IBOR”) is replaced with an alternative nearly risk-free interest rate (“RFR”). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable

2.2 編製基準

財務報表乃根據國際財務報告準則（「國際財務報告準則」）（包括由國際會計準則委員會（「國際會計準則委員會」）批准的所有準則及詮釋）編制。於編制財務報表的相關期間，本集團已貫徹採用自二零二一年一月一日起之會計期間已生效的所有國際財務報告準則連同相關過渡性條文。

採納該等經修訂國際財務報告準則的主要影響如下：

- (a) 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號之修訂 *利率基準改革—第二階段*

該等修訂提供暫時寬免，以解決銀行同業拆息（「銀行同業拆息」）被接近無風險利率（「無風險利率」）取代時，對財務報告的影響。該等修訂包括以下可行權宜方法：

- 可行權宜方法要求將合同變動、或變革直接要求的現金流量變化視為浮息利率的變化，相當於市場利率的變動
- 允許因應銀行同業拆息變革的要求改動對沖指定項目及對沖文件，而不會終止對沖關係
- 當無風險利率工具被指定為風險部分的對沖時，為實體提供暫時寬免，毋須滿足單獨識別的要求

該等修訂不會對本集團的綜合財務報表產生影響。本集團有意於未來期間使用可行權宜方法（如適用）。

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財務報表附註

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2.2 BASIS OF PREPARATION (cont'd)

(b) Amendments to IFRS 16 *COVID-19-Related Rent Concessions*

On 28 May 2020, the IASB issued COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the novel coronavirus (“COVID-19”) pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in this financial statements.

Amendments to IFRS 10 and IAS 28
國際財務報告準則第10號及國際會計準則
第28號之修訂

Amendments to IFRS 4
國際財務報告準則第4號之修訂

Amendments to IAS 1 and IFRS Practice
Statement 2
國際會計準則第1號之修訂及國際財務報告
準則實務說明第2號之修訂

Amendments to IAS 8
國際會計準則第8號之修訂

Amendments to IAS 12
國際會計準則第12號之修訂

2.2 編製基準 (續)

(b) 國際財務報告準則第16號之修訂 *新型冠狀病毒相關租金優惠*

於二零二零年五月二十八日，國際會計準則理事會頒佈新型冠狀病毒相關租金優惠—國際財務報告準則第16號租賃之修訂。該等修訂減輕承租人免於因新型冠狀病毒（「新型冠狀病毒」）疫情直接導致的租金優惠採用國際財務報告準則第16號租賃變更指引。作為實際的權宜方法，承租人可選擇不評估出租人與新型冠狀病毒相關的租金優惠是否屬租賃變更。承租人選擇就與新型冠狀病毒相關的租金優惠所產生租賃付款的任何變化的會計處理方法與根據國際財務報告準則第16號就變動（倘有關變動並非租賃變更）採用的會計方法相同。

2.3 已頒佈但尚未生效的國際財務報告準則

本集團尚未於財務報表中應用以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*⁴
投資者與其聯營公司或合營企業之間之資產銷售或注資⁴

*Extension of the Temporary Exemption from Applying IFRS 9*⁴
擴大暫時豁免應用國際財務報告準則第9號⁴

*Disclosure of Accounting Policies*³
會計政策披露³

*Definition of Accounting Estimates*³
會計估計的定義³

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*³
單項交易產生的資產及負債相關遞延稅項³

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2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd) 2.3 已頒佈但尚未生效的國際財務報告準則 (續)

IFRS 17 國際財務報告準則第17號	<i>Insurance Contracts</i> ³ 保險合約 ³
Amendments to IFRS 17 國際財務報告準則第17號之修訂	<i>Insurance Contracts</i> ³ 保險合約 ³
Amendment to IFRS 17 國際財務報告準則第17號之修訂	<i>Initial Application of IFRS 17 and IFRS 9 – Comparative Information</i> ³ 首次應用國際財務報告準則第17號及國際財務報告準則第9號 – 可比較資料 ³
Amendments to IAS 1 國際會計準則第1號之修訂	<i>Classification of Liabilities as Current or Non-current</i> ³ 將負債分類為流動負債或非流動負債 ³
Amendments to IFRS 3 國際財務報告準則第3號之修訂	<i>Reference to the Conceptual Framework</i> ² 概念框架引述 ²
Amendments to IAS 16 國際會計準則第16號之修訂	<i>Property, Plant and Equipment: Proceeds before Intended Use</i> ² 物業、廚房及設備：作擬定用途前的所得款項 ²
Amendments to IAS 37 國際會計準則第37號之修訂	<i>Onerous Contracts – Costs of Fulfilling a Contract</i> ² 虧損性合約 – 履行合約的成本 ²
Various IFRS standards 多項國際財務報告準則	<i>2018-2020 Annual Improvements to IFRS standards</i> ² 二零一八年至二零二零年國際財務報告準則年度改進 ²
Amendment to IFRS 16 國際財務報告準則第16號之修訂	<i>COVID-19 Related Rent Concessions beyond 30 June 2021</i> ¹ 於二零二一年六月三十日後之新型冠狀病毒相關租金優惠 ¹

1	Effective for annual periods beginning on or after 1 April 2021.	1	於二零二一年四月一日或之後開始之年度期間生效。
2	Effective for annual periods beginning on or after 1 January 2022.	2.	於二零二二年一月一日或之後開始之年度期間生效。
3	Effective for annual periods beginning on or after 1 January 2023.	3	於二零二三年一月一日或之後開始之年度期間生效。
4	No mandatory effective date yet determined but available for adoption.	4	尚未釐定強制生效日期，但可供採用。

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財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

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).

When the Company has, directly or indirectly, 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 results of subsidiaries are included in the Company's profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Investment 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 investment in an associate is 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.

2.4 重大會計政策概要

附屬公司

附屬公司指本公司直接或間接控制的實體（包括結構性實體）。當本集團就參與投資對象業務而承擔可變回報風險或享有可變回報權利以及能透過對投資對象行使權力（即現有權利可讓本集團主導投資對象相關活動）影響該等回報時，即取得控制權。

倘本公司直接或間接擁有投資對象半數或以下的投票權或類似權利，則本集團於評估其是否可對投資對象行使權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人訂立的合同安排；
- (b) 根據其他合同安排享有的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司業績以已收及應收股息為限計入本公司損益。本公司於附屬公司的投資乃按成本扣減任何減值虧損列賬。

於聯營公司的投資

聯營公司為本集團長期持有且一般不少於20%的股權投票權，並可對其行使重大影響力。重大影響力指的是參與投資對象的財務和經營決策的權力，但不是控制或共同控制該等決策的權力。

本集團於聯營公司的投資乃按本集團根據權會計權益法核算應佔資產淨值扣減任何減值虧損於綜合財務狀況表列賬。

Notes to the Financial Statements

財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment in associates (cont'd)

The Group's share of the post-acquisition results and other comprehensive income of an associate is included in 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 associate are eliminated to the extent of the Group's investment in the associate, 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 investment in associates.

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 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.

2.4 重大會計政策概要 (續)

於聯營公司的投資 (續)

本集團應佔聯營公司的收購後業績及其他全面收益包括在綜合全面收益表。此外，歸屬於聯營公司的權益確認有變動，當適用時，則本集團會於綜合權益變動表確認其應佔任何變動。本集團與其聯營公司間交易的未變現收益及虧損抵銷以本集團於聯營公司的投資為限，但未變現虧損為證實所轉讓資產減值的則除外。收購聯營公司產生的商譽構成本集團於聯營公司投資的一部分。

倘於聯營公司的投資轉變為合資企業的投資或出現相反情況，保留權益不會重新計量。反之，該投資繼續採用權益法核算。在所有其他情況下，失去對聯營公司的重大影響力後，本集團按公允價值計量及確認任何保留投資。聯營公司失去重大影響力時的賬面價值與保留投資及出售所得款項的公允價值之間的任何差異於損益確認。

服務特許經營權安排

本集團已與授予人訂立多項服務特許經營權安排。

根據該等服務特許經營權安排：

- 授予人控制或監管本集團利用基礎設施所需提供的服務，服務提供的對象以及服務價格；及
- 授予人在安排有效期結束時，通過所有權、實益所有權或其他方式控制基礎設施的任何重大剩餘利益，或基礎設施在該等安排下為於整個可使用年限使用，或限制本集團出售或抵押基礎設施的實際權力，以及整個安排期間的基礎設施持續使用權授予授予人。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Service concession arrangements (cont'd)

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 (operating concession) 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.

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.

2.4 重大會計政策概要 (續)

服務特許經營權安排 (續)

本集團的基礎設施包括從授予人收購的租賃土地、樓宇、廠房及機器，並於本公司董事認為該等資產的重大風險及回報已轉移到授予人時終止確認。

授予人提供之代價

於本集團有無條件權利就所提供建造服務及/或本集團就管理及運營公共服務基礎設施之權利而支付及應付之代價向授予人或按其指示收取現金或其他金融資產時，金融資產（與服務特許經營權相關的金融應收款項）予以確認。倘授予人以合約方式擔保向本集團支付(a)指定或待定金額或(b)已收公共服務用戶之款項與指定或待定金額兩者間之差額（如有），而即使付款須以本集團確保基礎設施符合具體規定為條件，本集團仍擁有無條件收取現金的權利。金融資產（與服務特許經營權相關的金融應收款項）根據下文「金融資產及負債」所載之政策列賬。

無形資產（特許經營權）於本集團獲得向公共服務用戶收費之權利時確認。無形資產（特許經營權）按成本扣減累計攤銷及任何累計減值虧損列賬。攤銷於特許經營權的運營階段按直線法計算。

若本集團就建造服務分別獲得部分金融資產及無形資產作為報酬，代價各部分會分開列賬，並按代價之公允價值進行初始計量。

建造服務特許經營相關的基礎設施

有關建造服務的收入根據下文「收入確認」所載政策入賬。

運營服務

有關運營服務的收入根據下文「收入確認」所載政策入賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Fair value measurement

The Group measures its contingent consideration receivable 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

2.4 重大會計政策概要 (續)

公允價值計量

本集團於各報告期末按公允價值計量或然代價。公允價值為市場參與者在計量日期進行的有序交易中出售資產所收取或轉移負債所支付的價格。公允價值計量乃基於假設出售資產或轉移負債的交易於資產或負債的主要市場或於未有主要市場的情況下，則於資產或負債的最具優勢市場進行。主要或最具優勢市場須位於本集團能到達的地方。資產或負債的公允價值乃按假設市場參與者為資產或負債定價時會以最符合經濟利益之方式計量。

非金融資產的公允價值計量須考慮市場參與者能否最佳最有效使用該資產而賺取經濟利益，或把該資產售予其他市場參與者，其能最佳最有效地使用該資產。

本集團使用適用於不同情況且具備充分數據計量公允價值的估值方法，併盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表中計量或披露公允價值的的所有資產及負債，均根據對公允價值計量整體而言屬重大的最低級別輸入數據按下述公允價值層級分類：

第一層級 — 基於相同資產或負債於活躍市場之報價（未經調整）

第二層級 — 基於對公允價值計量而言屬重大的可觀察（直接或間接）最低級別輸入數據的估值方法

第三層級 — 基於對公允價值計量而言屬重大的不可觀察最低級別輸入數據的估值方法

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Fair value measurement (cont'd)

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

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, 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.

2.4 重大會計政策概要 (續)

公允價值計量 (續)

就經常性於財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類（基於對公允價值計量整體而言屬重大的最低等級輸入數據）確定是否發生不同層級轉移。

非金融資產減值

倘出現減值迹象，或須每年對資產（存貨、建造合約資產及金融資產除外）作減值測試時，則評估資產的可回收金額。資產的可回收金額乃資產或現金產出單元的使用價值，與其公允價值扣減出售成本二者的較高者，並就個別資產進行釐定，除非該資產並不產生很大程度上獨立於其他資產或資產組別的現金流入，在此情況下，則按資產所屬的現金產出單元釐定可回收金額。

僅當資產的賬面價值超過其可回收金額時，才會確認減值虧損。評估使用價值時，估計未來現金流量使用除稅前折現率折現至現值，且該折現率反映市場當時所評估的貨幣時間價值及該資產的特有風險。減值虧損於其產生期間自損益表中與減值資產功能一致的有關開支類別列支扣除。

於各報告期末均會評估，是否有任何迹象表明過往確認的減值虧損可能不復存在或有所減少。如有任何該等迹象，則會估計可收回金額。先前就資產（不包括商譽）確認的減值虧損，僅於用以釐定該資產可收回金額的估計有變時予以轉回，但轉回後金額不得高於假設過往年度並無就該資產確認減值虧損而應有的賬面價值（扣除任何折舊/攤銷）。減值虧損的轉回於產生期間計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Related parties

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

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

or

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (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.

2.4 重大會計政策概要 (續)

關聯方

在下列情況下，一方被認為與本集團有關聯：

- (a) 該方為某人士或其關係密切的家庭成員，且該人士
- (i) 對本集團有控制權或共同控制權；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司的關鍵管理人員；

或者

- (b) 該方為符合以下任何條件的實體：
- (i) 該實體與本集團為同一集團的成員公司；
- (ii) 一個實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合資企業；
- (iii) 該實體及本集團均為同一第三方的合資企業；
- (iv) 一個實體為第三方實體的合資企業，而另一實體為該第三方實體的聯營公司；
- (v) 該實體有以本集團或與本集團有關聯實體的僱員為受益人的離職後福利計劃；
- (vi) 該實體由(a)項界定的人士控制或共同控制；
- (vii) (a)(i)項界定的人士對該實體有重大影響，或為該實體（或該實體的母公司）的關鍵管理人員；及
- (viii) 該實體或其所屬集團之任何成員公司向本集團或本集團之母公司提供關鍵管理人員服務。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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%

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.

2.4 重大會計政策概要 (續)

物業、廠房及設備以及折舊

在建工程以外的物業、廠房及設備按成本扣除累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括購買價格及使資產達到擬定用途的運作狀態及地點而直接產生的任何成本。

物業、廠房及設備項目投入運作後產生的維修及保養等開支，通常於費用產生期間在損益中扣除。在達到確認條件的情況下，將重大檢修開支資本化，作為重置成本，記入資產賬面價值。倘物業、廠房及設備的重大部分須不時重置，本集團會將該部分作為具特定可使用年期的獨立資產予以確認，並相應計提折舊。

各物業、廠房及設備項目的折舊以直線法估計按可使用年期將其成本攤銷至剩餘價值。就此採用的主要年率如下：

樓宇	2.5%至4%
廠房及機器	2.5%至20%
租賃物業裝修、傢俬及裝置	20%至25%
汽車及辦公室設備	12.5%至25%

倘物業、廠房及設備項目的各部分有不同可使用年期，則在各部分間合理分配該項目的成本，且按各部分單獨計提折舊。剩餘價值、可使用年期及折舊方法至少於每個財政年度結束時覆核及調整（如適用）。

初始確認的物業、廠房及設備項目（包括任何重大部分）於出售或預期使用或出售不會再產生任何未來經濟利益時終止確認。有關資產出售所得款項淨額與賬面價值的差異於資產終止的年度在損益中確認相關出售或報廢盈虧。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, plant and equipment and depreciation (cont'd)

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 by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree 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.

2.4 重大會計政策概要 (續)

物業、廠房及設備以及折舊 (續)

在建工程按成本扣減任何減值虧損列賬，且不予計提折舊。成本包括建設期間建設的直接成本及相關借入資金的資本化借貸成本。在建工程於竣工且可供使用時重分類至適當物業、廠房及設備類別。

業務合併及商譽

業務合併採用收購法核算。所轉讓代價按收購日期的公允價值計量，有關公允價值為本集團所轉讓資產於收購日期的公允價值、本集團對被收購方前擁有人所承擔的負債及本集團發行以換取被收購方控制權的股權的總和。就每項業務合併，本集團會選擇以公允價值或以被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益，並賦予其持有人權利可於清盤時按比例分佔資產淨值。非控制權益的所有其他組成部分均按公允價值計量。收購相關成本於產生時列為開支。

當本集團收購業務時，須根據合同條款、收購日期的經濟狀況及相關條件，評估須承擔的金融資產及負債，以作出適當分類及確認，其中包括分離被收購方主合同中的嵌入式衍生工具。

倘業務合併分階段進行，先前持有的股權按其於收購日期的公允價值重新計量，所產生的任何收益或虧損在損益中確認。

收購方將轉讓的任何或然代價按收購日期的公允價值確認。分類為資產或負債的或然代價按公允價值計量，其公允價值變動確認為損益。分類為權益的或然代價不會重新計量，其後結算會於權益中列賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Business combinations and goodwill (cont'd)

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.

2.4 重大會計政策概要 (續)

業務合併及商譽 (續)

商譽按成本進行初始計量，即所轉讓代價、非控制權益的確認金額及本集團先前持有的被收購方任何股權的公允價值總額，與所收購可識別資產淨值及所承擔負債之間的差額。如果代價與其他項目的總額低於所收購資產淨值的公允價值，則於重新評估後的差異將於損益內確認為議價收購收益。

於初始確認後，商譽按成本扣減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面價值有可能減值時，則會更頻密地進行測試。本集團於十二月三十一日對商譽進行年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日期起，分配至預期可從合併產生的協同效應中獲益的本集團各現金產出單元（或現金產出單元組別），而無論本集團其他資產或負債是否被分配至該等單位或單位組別。

減值乃通過評估與商譽有關的現金產出單元（現金產出單元組別）的可收回金額釐定。當現金產出單元（現金產出單元組別）的可收回金額低於賬面價值時，減值虧損便予以確認。就商譽確認的減值虧損不得於隨後期間轉回。

當商譽被分配至現金產出單元（現金產出單元組別）而該單位的部分業務已出售，則在釐定出售損益時，與所出售業務相關的商譽會計入該業務的賬面價值。在該等情況下出售的商譽乃根據所出售業務的相對價值及現金產出單元的保留份額進行計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investment property

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

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
Backlog contracts	3 years
Customer relationships	5 years

2.4 重大會計政策概要 (續)

投資物業

投資物業是指持有以用於賺取租金收入及/或資本升值，而非用於生產或供應貨物或服務，或為行政目的；或為於日常業務過程中出售而持有的土地及樓宇中的權益（包括在經營租賃下持有並符合投資物業定義之物業之租賃權益）。該等物業初始按成本值計量，並包括交易成本。於初始確認後，投資物業按能反映報告期末市場情況的公允價值列賬。

投資物業公允值變動而產生之收益或虧損於產生年度計入損益表。

投資物業報廢或出售而產生之任何收益或虧損於報廢或出售年度在損益表確認。

無形資產（商譽除外）

單獨取得的無形資產於初始確認時按成本計量。通過業務合併取得的無形資產的成本為收購日的公允價值。無形資產的可使用年期分為有限期或無限期。有限期的無形資產後續按可使用經濟年期攤銷，並於有迹象顯示無形資產可能出現減值時評估減值。使用年期有限的無形資產的攤銷期及攤銷方法至少於每個財政年度末覆核一次。

以下無形資產由可供使用日起攤銷，其估計可使用年期如下：

特許經營權	20至32年
專利及商標	10至20年
計算機軟件	5年
未完成合約	3年
客戶關係	5年

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Intangible assets (other than goodwill) (cont'd)

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.

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 assets 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.

2.4 重大會計政策概要 (續)

無形資產 (商譽除外) (續)

本集團的專利及商標之可使用年期根據法定有效期及預期利益期間之間的較短者為準釐定。

本集團的客戶關係之可使用年期經參考過往客戶流失率根據預期利益期間釐定。

無形資產於出售時或預期不能再通過使用或出售取得未來經濟利益時終止確認。無形資產出售所得款項淨額與其賬面價值兩者間的差異，於無形資產終止的年度在損益中確認相關出售或報廢盈虧。

研發開支

所有研究開支於發生時計入損益。

開發新水環境技術產生的開支僅於本集團能證明在技術上可形成無形資產供使用或出售、有意完成及有能力使用或出售該資產，該資產將產生未來經濟利益，具有完成項目所需的資源且能夠可靠地計量開發期間的支出時，方可資本化並以遞延方式入賬。未能符合該等標準的水環境技術開發開支概於產生時列作開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases

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

Group as a lessee

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

(i) Right-of-use assets

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

Land and buildings	2 to 40 years
Equipment and others	2 to 3 years

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要 (續)

租賃

本集團，在合約開始時評估合約是否是/或包含租賃。倘合約通過轉讓在一段時間內控制已識別資產使用的權利以換取對價，該合約即為租賃或包含租賃。

集團作為承租人

本集團對所有租賃採用單一確認和計量方法，短期租賃和低價值資產租賃除外。本集團確認支付租賃款項的租賃負債和代表標的資產使用權的使用權資產。

(i) 使用權資產

本集團在租賃虧損開始日（即標的資產可供使用之日）確認使用權資產。使用權資產按成本扣減累計折舊和減值後的金額計量，並根據租賃負債的重新計量進行調整。使用權資產的成本包括確認的租賃負債金額、產生的初始直接成本、在開始日期或之前支付的租賃款扣減收到的任何租賃激勵。使用權資產在租賃期和資產預計使用壽命較短的期間內按直線法計提折舊，具體如下：

樓宇	2至40年
設備及其他	2至3年

經營租賃項下預付土地租賃款項初始按成本值列賬，後續按租賃年期以直線法計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

Group as a lessee (cont'd)

(ii) Lease liabilities

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

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

2.4 重大會計政策概要 (續)

租賃 (續)

集團作為承租人 (續)

(ii) 租賃負債

在租賃開始日，本集團以租賃期內支付的租賃付款現值計量租賃負債。租賃付款包括固定付款（包括實質上的固定付款）扣減任何應收租賃獎勵、取決於指數或利率的可變租賃付款以及預計在剩餘價值擔保下支付的金額。租賃付款還包括合理確定由本集團行使的購買期權的行權價格和終止租賃的罰款（如果租賃期限反映了本集團行使終止期權的情況）。不依賴指數或利率的可變租賃付款在觸發付款的事件或條件發生的期間確認為費用（除非它們是為生產存貨而發生）。

在計算租賃款項的現值時，由於租賃內含利率不易釐定，故此本集團使用租賃開始日期之增量借貸利率計算。於租賃開始日期後，租賃負債金額之增加反映利息之增長，其減少則關乎已作出之租賃付款。此外，如果發生修改、租賃期限的變更、租賃付款的變更（例如，由於用於確定此類租賃付款的指數或利率的變更而導致的未來付款的變更）或購買標的資產的選擇權的評估變更，則重新計量租賃負債的賬面價值。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

Group as a lessee (cont'd)

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

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.4 重大會計政策概要 (續)

租賃 (續)

集團作為承租人 (續)

- (iii) 短期租賃和低價值資產租賃本集團將短期租賃確認豁免適用於其機械及設備的短期租賃（即租賃期自生效日期起12個月或更短，且不包含購買選擇權的租賃）。它還將低價值資產確認豁免租賃適用於被視為低價值的辦公室設備租賃。短期租賃及低價值資產租賃之租賃款項按直線法於租期內確認為開支。

集團作為出租人

本集團實質上沒有轉移資產所有權附帶的所有風險和報酬的租賃被歸類為經營租賃。產生的租金收入在租賃期內按直線法核算，並因其經營性質計入損益表的收入。在談判和安排經營租賃時產生的初始直接費用，計入租賃資產的賬面價值，並在租賃期內按與租金收入相同的基礎確認。或有租金在其賺取期間確認為收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade 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.

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.

2.4 重大會計政策概要 (續)

金融工具

金融工具是指產生一個實體的金融資產和另一個實體的金融負債或權益工具的任何合同。

(i) 金融資產

初始確認和計量

金融資產在初始確認時分類，後續按攤餘成本、公允價值計入其他綜合收益及公允價值計入損益計量。

金融資產在初始確認時的分類取決於金融資產的合同現金流特徵和集團管理這些資產的業務模式。除不包含重大融資組成部分或本集團已採用可行權宜處理方法的應收款項外，本集團以公允價值初始計量金融資產，如果金融資產的公允價值不計入損益，則加上交易成本計量。不包含重大融資成分或本集團已採用實際權宜之計的應收款項按交易價格計量。

就按攤餘成本或按公允價值計入其他綜合收益分類計量之金融資產而言，其產生之現金流量必需純粹就未償還本金而支付之本金及利息。

本集團管理金融資產的業務模式是指本集團如何管理其金融資產以產生現金流。商業模式決定了現金流是來自於合同現金流的收取，還是來自於金融資產的出售，或者兩者兼而有之。

金融資產的購買或出售於交易日確認，即本集團承諾購買或出售該資產的日期，並要求資產的交付需要在市場上的法規或慣例規定的時間範圍內（常規交易）。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

(i) Financial assets (cont'd)

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 the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, 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 fair value through profit or loss, 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 fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

2.4 重大會計政策概要 (續)

金融工具 (續)

(i) 金融資產 (續)

後續計量

金融資產的後續計量取決於其分類，如下所示：

按攤餘成本計算的金融資產 (債務工具)

本集團在滿足下列兩個條件時，按攤餘成本計量金融資產：

- 金融資產是在商業模式下持有的，目的是持有金融資產以收取合同現金流。
- 金融資產的合同條款在指定日期產生的現金流僅為未償本金和利息的支付。

以攤餘成本計量的金融資產，採用實際利率法進行後續計量，並須計提減值。當資產終止確認、修訂或減值時，於損益表中確認損益。

以公允價值計量且其變動計入損益的金融資產

以公允價值計量且其變動計入損益的金融資產，包括交易性金融資產、初始確認時指定為以公允價值計量且其變動計入損益的金融資產，或者強制要求以公允價值計量的金融資產。金融資產在近期內以出售或回購為目的而取得的，歸類為交易性金融資產。衍生工具，包括分離的嵌入衍生工具，也被歸類為交易性金融資產，除非它們被指定為有效的對沖工具。無論業務模式如何，現金流不完全是本金和利息支付的金融資產均按公允價值通過損益進行分類和計量。儘管有上述按攤餘成本分類的債務工具的標準，但如果這樣做可以消除或顯著減少會計不匹配，債務工具可以在初始確認時以公允價值計量且其變動計入當期損益。

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

(i) Financial assets (cont'd)

Subsequent measurement (cont'd)

Financial assets at fair value through profit or loss (cont'd)

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 the statement of 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 fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the income statement. 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 fair value through profit or loss category.

2.4 重大會計政策概要 (續)

金融工具 (續)

(i) 金融資產 (續)

後續計量 (續)

以公允價值計量且其變動計入損益的金融資產 (續)

該類別包括本集團沒有不可撤銷地選擇通過其他綜合收益按公允價值分類的權益投資。股權投資的股息在確認支付權後在損益表中確認為其他收益。

嵌入混合合約的衍生工具（包括財務負債或非金融主體合約），如果其經濟特徵和風險與主體合約不緊密相關，則作為單獨的衍生工具入賬；與嵌入衍生工具條款相同的單獨工具將符合衍生工具的定義；混合合約並非以不以公允價值計量且其變動計入損益。嵌入衍生工具按公允價值計量，公允價值變動在損益表中確認。只有當合約條款發生變化，顯著改變其他情況下所須現金流量時，或當按公允價值計算且其變動計入損益之金融資產重新分類時，才進行重新評估。

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

(i) Financial assets (cont'd)

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.

2.4 重大會計政策概要 (續)

金融工具 (續)

(i) 金融資產 (續)

終止確認

金融資產 (或金融資產的一部分或一組類似金融資產的一部分, 如適用) 主要在下述情況下終止確認 (即從集團的合併財務狀況表中刪除) :

- 從資產中收取現金流的權利已到期; 或
- 本集團已將其從資產中獲得現金流的權利轉讓給第三方, 或已根據「轉手」安排承擔了向第三方全額且沒有重大延誤的支付收到的現金流的義務, 且 (a) 本集團已在實質上將資產的所有風險和報酬轉讓, 或者 (b) 本集團既沒有轉移也沒有實質上保留資產的全部風險和報酬, 而是轉移了對資產的控制。

當本集團已轉讓其從資產中獲得現金流的權利或已訂立轉手安排時, 本集團將評估其是否以及在多大程度上保留了所有權的風險和回報。當本集團既沒有實質上轉移也沒有保留資產的全部風險和報酬, 也沒有轉移對資產的控制時, 本集團在繼續涉入的範圍內繼續確認所轉移的資產。在這種情況下, 本集團也確認相關負債。轉讓資產和相關負債的計量基礎應反映本集團保留的權利和義務。

以擔保形式對轉讓資產繼續涉入的, 按資產的原始賬面價值與本集團可能需要償還的對價的最高金額兩者中較低者計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments (cont'd)

(ii) Financial liabilities

Initial recognition and measurement

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

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

The Group's financial liabilities include creditors, other payables and accrued expenses, and interest-bearing borrowings.

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 the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the 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.

2.4 重大會計政策概要 (續)

金融工具 (續)

(ii) 金融負債

初始確認和計量

金融負債在初始確認時分類為以公允價值計量且其變動計入損益的金融負債、貸款和借貸或應付款項 (視情況而定)。

所有金融負債初始按公允價值確認，如為貸款、借貸和應付款項，扣除直接可歸屬的交易成本後確認。

本集團的金融負債包括債權人、其他應付款和應計費用以及計息借貸。

後續計量

初始確認後，計息貸款和借貸後續採用實際利率法按攤餘成本計量，除非折現的影響無關緊要，在此情況下，則按成本列示。當負債終止確認以及通過實際利率攤銷過程時，損益在損益表中確認。攤餘成本是通過考慮收購的任何折扣或溢價以及作為實際利率組成部分的費用或成本來計算的。實際利率攤銷計入損益中的財務成本。

終止確認

金融負債於負債的責任已解除或撤銷或屆滿時終止確認。當現有金融負債為同一出借人以大不相同的條款的一項負債取代，或現有負債的條款經大幅修改時，有關替代或修改視為終止確認原有負債及確認新負債，兩者賬面價值的差異計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVTPL 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 expected credit losses. 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 expected credit losses: 12-month ECLs are the portion of lifetime ECLs that result from default events that are possible within 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 payments 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.

2.4 重大會計政策概要（續）

金融資產減值

國際財務報告準則第9號要求本集團就並非持作按公允價值計量且其變動計入損益的所有貸款及其他債務金融資產的預期信貸虧損計提撥備。

預期信貸虧損撥備乃基於根據合同到期的合同現金流量與本集團預期收取的所有現金流量之間的差額。該差額後續按與資產原有實際利率相近的數值折現。

對於合約資產及應收賬款，本集團已採用該準則的簡化方法及根據可使用期內預期信貸虧損計算預期信貸虧損。本集團已建立基於本集團的過往信貸虧損記錄的撥備矩陣，可就債務人及經濟環境特有的前瞻性因素而予以調整。

其他應收賬款根據12個月之預期信貸虧損作出減值評估：12個月之預期信貸虧損是指因報告日後12個月內（或倘該資產預計使用年期少於12個月，則以較短期間為準）可能發生之違約事件而導致部分可使用期內預期信貸虧損。然而，如信貸風險自產生以來大幅增加，則將根據可使用期內預期信貸虧損作出撥備。

本集團將合同付款逾期90日的金融資產視作違約。然而，於若干情況下，當內部或外部信息表明本集團不可能全數收回未償還合同金額時，本集團亦可能認為金融資產違約。

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財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

2.4 重大會計政策概要 (續)

金融工具的抵銷

倘現時存在可執行合法權利抵銷已確認金額，且有意以淨額結算，或同時變現資產及清償負債，則金融資產與金融負債抵銷後，以淨額於財務狀況表呈報。

存貨

存貨（主要包括修理及維護污水處理廠所用的原材料及消耗品）按成本與可變現淨值之較低者列賬。成本為採用先進先出法釐定。可變現淨值根據預計售價扣減完成及出售將產生之任何預計成本計算。消耗存貨時，該等存貨的賬面價值於損益中確認為開支。

現金及現金等價物

現金及現金等價物包括現金結餘、短期存款及金融機構中公允價值變動風險不大且自購買日期起三個月或以內到期的短期結餘，而該等現金及現金等價物被本集團用於管理其短期承擔。

就綜合現金流量表而言，不包括受限制的銀行結餘，但須按要償還且組成本集團現金管理必不可少一部分的銀行透支則計入現金及現金等價物。

撥備

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

倘折現影響重大，則確認撥備的金額為預期履行責任所需未來開支於報告期末的現值。折現現值隨時間而增加的金額計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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 and an associate, 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.

2.4 重大會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。與於損益外確認的項目有關的所得稅於損益外確認，即於其他全面收益或直接於權益中確認。

即期稅項資產及負債按預期可自稅務機關收回或向其支付的金額計算，基於報告期末已頒佈或已實際頒佈的稅率（及稅法），並已考慮本集團經營所在國家的現行詮釋及慣例。

遞延稅項採用負債法計量，以於報告期末的資產及負債的計稅基礎與其作為財務報告用途的賬面價值之間的所有暫時性差異確認金額。

除下列情況外，對所有應課稅暫時性差異確認遞延稅項負債：

- 遞延稅項負債源於初始確認的商譽或並非業務合併的交易中的資產或負債，且該項交易進行時並不影響會計利潤及應課稅損益；
- 與附屬公司及聯營公司的投資有關的應課稅暫時性差異而言，當該暫時性差異的轉回時間可予控制時，且該暫時性差額於可見未來很可能不會轉回。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income tax (cont'd)

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 and an associate, 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.

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.

2.4 重大會計政策概要 (續)

所得稅 (續)

所有可扣減暫時性差異、結轉未動用稅項抵免及未動用稅項虧損均予以確認遞延稅項資產。在很可能有應課稅利潤可用作抵銷可扣減暫時性差異、結轉未動用稅項抵免及未動用稅項虧損能被利用的情況下，方予以確認遞延稅項資產，但下列情況除外：

- 有關可抵扣暫時性差異的遞延稅項資產源於初始確認並非業務合併交易中的資產或負債，且該項交易進行時並不影響會計利潤及應課稅損益；及
- 與附屬公司及聯營公司的投資有關的可抵扣暫時差異，只有當暫時性差額很可能於可預見未來轉回及有應課稅利潤可用作抵銷該暫時性差異的情況下，方予以確認遞延稅項資產。

遞延稅項資產的賬面價值於各報告期末審核，並減至不可能再有足夠應課稅利潤以利用全部或部分遞延稅項資產的水平。未確認的遞延稅項資產將於各報告期末重新評估，並於很可能將有足夠的應課稅利潤以致可收回全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債為按預期資產變現或負債清償期間所適用的稅率（以截至報告期末已頒佈或已實質頒佈的稅率（及稅法）為基準）計算。

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財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income tax (cont'd)

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

2.4 重大會計政策概要 (續)

所得稅 (續)

當且僅當本集團擁有法定行使權可將即期稅項資產與即期稅項負債相互抵銷，且遞延稅項資產與遞延稅項負債與由同一稅務機關對同一應課稅實體或不同的應課稅實體所征收的所得稅有關，而該等實體有意在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準清償即期稅項負債及資產，或同時變現該等資產及清償該等負債時，遞延稅項資產可與遞延稅項負債相互抵銷。

政府補助

政府補助於可合理保證實體將會收到補助及將遵守相關附帶條件時按公允價值確認。倘補助與開支項目有關，則會有系統地在擬補貼的成本開支期間確認為收入。

當政府補助與某個資產項目相關聯時，公允價值先計入遞延收入，並根據相關資產之預期可使用年期以年限平均法計入損益，或者從資產的賬面價值中減去並通過減少折舊費用的方式計入損益。

收入確認

客戶合同收入

收入按與客戶於合同中約定的代價計量，並不包括第三方代收的金額款項。本集團於其向客戶轉讓產品或服務的控制權時確認收入。

倘符合以下其中一項條件，本集團會於履行履約責任後並隨時間推移確認收入：

- (a) 客戶同時取得及利用本集團履約時所提供之利益

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue recognition (cont'd)

Revenue from contracts with customers (cont'd)

- (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.

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.

2.4 重大會計政策概要 (續)

收入確認 (續)

客戶合同收入 (續)

- (b) 本集團之履約創建或改良一項於資產被創建或改良時客戶控制之資產
- (c) 本集團之履約並無創建一項可被本集團用於替代用途之資產，且本集團對迄今已完成之履約付款具有可執行權利

倘不符合所有上述條件，本集團於履約責任獲履行時點確認收入。

倘資產的控制權在一段時間內轉移，本集團按在合同期間已完成履約責任的進度確認收入。否則，收入於客戶獲得資產控制權的某一時點確認。

完成履約責任的進度根據本集團為完成履約責任而作出的努力或投入計量，並參考測量師就已進行之工作量所作之評估以及截至報告期末已產生的成本佔合同之估計總成本額之百分比。

當本集團在服務特許經營安排中提供不止一項服務時，則有關交易價格將根據各自的獨立售價分配至各履約責任。倘獨立售價不可直接觀察，則基於預期成本加利潤率或經調整市場評估法（視乎可觀察數據是否可得）進行估計。

在確定合同交易價格時，若融資成份重大，本集團將根據融資成份的影響調整承諾代價。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue recognition (cont'd)

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.

2.4 重大會計政策概要 (續)

收入確認 (續)

建造服務收入

就建造服務而言，本集團之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產或在建工程，因此本集團履行履約責任後隨時間推移確認建造服務收入並參考測量師就已進行之工作量之評估及截至報告期末已產生的成本佔合同之估計總成本之百分比。

來源於服務特許經營權安排的建造服務收入經參考於協議日期提供類似建造服務適用之現行市場毛利率後以成本加成法進行估計。

運營收入

於提供相關服務時，本集團確認來自水環境項目運營服務的收入，而中水回用供應服務的收入為於某個時點確認，即本集團已向客戶交付水；客戶已接收水；本集團有現時權利可支付及收取代價時，予以確認。服務特許經營權安排其他運營收入均於提供服務的期間及客戶同時收到且消耗利益時確認。

財務及利息收入

財務及利息收入乃按應計基準採用實際利率法透過應用有關利率（即於金融工具預計年期或（倘適用）較短期間內將估計未來現金收入準確貼現至財務資產賬面淨值之利率）計算確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

Other employee benefits - pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance and are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

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

2.4 重大會計政策概要 (續)

合約資產及合約負債

當與客戶訂立合同後，本集團有權收取來自客戶支付的代價，並承擔將貨物或服務轉移至客戶的履約責任。該等權利及履約責任共同產生淨資產或淨負債，並視乎剩餘權利與履約責任之間的關係而定。倘合同計量的剩餘收款權超過剩餘履約責任，則該合同為一項資產，並確認為合約資產。反之，倘剩餘履約責任超過剩餘收款權，則該合同為一項負債，並確認為合約負債。

倘本集團預計為獲得客戶合同而產生的增量成本可收回，則將其確認為合約資產。

其他僱員福利—退休金計劃

根據《強制性公積金計劃條例》，本集團為在香港僱傭條例管轄之司法區域受僱並符合資格參與的僱員設立定額供款強制性公積金退休福利計劃（「**強積金計劃**」）。供款額根據有關僱員的基本薪金按一定比例計算，根據強積金計劃的規則在供款應予支付時，將有關費用計入損益。強積金計劃的資產與本集團的資產分開，並由獨立管理基金持有。根據強積金計劃的規定，除了本集團僱主自願性供款部分外，本集團僱主向強積金計劃的供款於供款時全部歸屬於僱員，倘僱員於有權獲得全數僱主自願性供款前離職，則本集團可收回該供款的未歸屬僱員部分。

本集團在中國內地經營的附屬公司的僱員須參與由地方政府管理的中央退休金計劃。該等附屬公司須就中央退休金計劃作出供款，金額為其工資成本的一定百分比。根據中央退休金計劃的規定，供款於應付時確認為損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

The functional currency of the Company is RMB. This financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's presentation currency. The Company has used Hong Kong dollars as its presentation currency to be consistent with that of China Everbright Water Holdings Limited, the immediate holding company of the Company. 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.

2.4 重大會計政策概要 (續)

借貸成本

因收購、建造或生產合格資產（即需要大量時間方可達到擬定用途或出售的資產）而直接應計的借貸成本，一律資本化作為該等資產的部分成本。當資產大致可供擬定用途或出售，則有關借貸成本停止資本化。特定借貸於用作合資格資產支出前的臨時投資所賺取的投資收入於已資本化的借貸成本中扣減。所有其他借貸成本於發生期間費用化。借貸成本包括實體就借入資金產生的利息及其他成本。

股息

末期股息在股東大會上獲股東批准時確認為負債。擬派末期股息於財務報表附註披露。

中期股息建議及宣派同步進行，此乃由於本公司組織章程大綱及細則授權董事宣派中期股息。因此，中期股息於其建議及宣派時實時確認為負債。

外幣

本公司的功能貨幣為人民幣。財務報表以港元（本公司之呈列貨幣）呈列。本公司已採用與本公司直接控股公司中國光大水務控股有限公司所用一致之港元作為其呈列貨幣。本集團旗下各實體自行確定功能貨幣，且各實體財務報表中的項目均使用該功能貨幣計量。本集團實體已入賬之外幣交易初始按交易日期通行的相關功能貨幣匯率列賬。以外幣計值的貨幣資產與負債按於報告期末按通用的功能貨幣匯率重新換算。結算或換算貨幣項目產生之差異於損益內確認。

Notes to the Financial Statements

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign currencies (cont'd)

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.

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 and an associate are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange 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.

2.4 重大會計政策概要 (續)

外幣 (續)

因結算或換算貨幣項目產生的差異於損益確認，惟指定作為對衝本集團海外業務投資淨額一部分的貨幣項目則除外。該等貨幣項目於其他全面收益中確認，直至該淨投資已出售，此時累計金額應重新分類至損益。該等貨幣項目匯兌差額應佔的稅項支出及抵免亦計入其他全面收益。

按歷史成本列賬、以外幣計量的非貨幣項目，採用初始交易日期的匯率換算。按公允價值列賬、以外幣計量的非貨幣項目，採用計量公允價值日期的匯率換算。換算按公允價值計量的非貨幣項目產生的收益或虧損按與確認項目公允價值變動的收益或虧損一致的方式處理（即公允價值收益或虧損於其他全面收益內確認或損益內確認的項目，其換算差額亦分別於其他全面收益內確認或損益內確認）。

本公司、若干境外附屬公司及聯營公司的功能貨幣為港元以外的貨幣。於報告日期末，該等實體的資產與負債按報告期末的匯率換算為港元，其全面收益表則按年內的加權平均匯率換算為港元。

由此產生的匯兌差額於其他全面收益內確認，在匯兌儲備中累計。出售海外業務時，與該項特定海外業務有關的其他全面收益的部分應轉入損益。

收購海外業務產生的任何商譽及對收購產生的資產及負債賬面金額作出的任何公允價值調整作為海外業務的資產及負債處理，並按收市匯率換算。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign currencies (cont'd)

For the purpose of the consolidated statement of cash flows, the cash flows of the Company, certain overseas subsidiaries and an associate are translated into Hong Kong dollars 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 Hong Kong dollars at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the 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-Own-Operate (“**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 IFRIC 12 *Service Concession Arrangements*, 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.

2.4 重大會計政策概要 (續)

外幣 (續)

就綜合現金流量表而言，本公司、若干境外附屬公司及聯營公司的現金流量按現金流量日期的匯率換算為港元。若該等實體於年內經常產生的現金流量則按該年度的加權平均匯率換算為港元。

3. 重大會計判斷及估計

編制財務報表時，管理層須作出判斷、估計及假設，而有關判斷、估計及假設會影響所呈報收入、開支、資產及負債金額以及其隨附披露及或然負債披露。有關該等假設及估計的不確定因素可能會導致須在未來需要對受影響的資產或負債的賬面價值作出重大調整。

判斷

在應用本集團的會計政策的過程中，管理層除作出涉及估計的判斷外，亦作出下列對財務報表已確認金額構成重大影響的判斷：

服務特許經營安排

本集團就其水環境項目訂立建設—運營—移交（「**BOT**」）、轉讓—運營—移交（「**TOT**」）及建設—擁有一運營（「**BOO**」）安排。

本集團已確定所有BOT及TOT安排以及若干BOO安排均屬國際財務報告詮釋委員會第12號 *服務特許經營安排*，乃由於當地政府機關控制並監管本集團利用基礎設施按預定服務費所須提供之服務。就BOT及TOT安排而言，在特許經營協議到期後，有關基礎設施須無償移交當地政府機關所有。就BOO安排而言，有關服務特許經營安排所涉及之基礎設施於其整個或大致上整個可使用年內使用。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

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 IFRIC 12 Service Concession Arrangements

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 17 and 21, respectively.

3. 重大會計判斷及估計（續）

估計不確定因素

涉及未来的主要假设，以及於報告期末導致估計出現不確定因素的其他主要緣由（該等因素有可能導致對下個財政年度的資產及負債賬面值作出重大調整的重大風險）於下文載述。

國際財務報告詮釋委員會第12號服務特許經營安排項下的合約資產及/或無形資產

本集團根據服務特許經營安排將以建造服務換取的已收或應收代價確認為合約資產及/或無形資產。然而，倘本集團已就建造服務獲付款部分以合約資產及部分以無形資產支付，則需將已收或應收代價的各部分分別入賬。各部分的已收或應收代價按公允價值進行初始確認。

合約資產部分和無形資產部分的服務特許權安排對價的分攤，需要本集團對若干因素作出估計，特別包括建造服務的公允價值、有關污水處理廠於其服務特許經營期內的預期未來污水處理量、未來有擔保收款及無擔保收款，並需選擇適當折現率以計算該等現金流量的現值。該等估計（包括合約資產及無形資產部分的收入確認）由本集團管理層按彼等之經驗以及對現有及未來市場狀況的評估而釐定。無形資產（「**特許經營權**」）及合約資產分別披露於附註17及21。

Notes to the Financial Statements

財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

Estimation uncertainty (cont'd)

Impairment of non-financial assets other than interests in subsidiaries and 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 14 and 17.

Impairment of financial assets at amortised cost

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 are disclosed in notes 21, 23, and 25.

Impairment of interests in subsidiaries

The Company assesses at each reporting date whether there is any objective evidence that the interests in subsidiaries are impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the industry performance, technology changes, operational and financing cash flows. Management will also consider the financial condition and business prospects of the interest.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on the forecasted performance of the subsidiary. The carrying amounts of the Company's interests in subsidiaries at the reporting date are disclosed in note 20.

3. 重大會計判斷及估計 (續)

估計不確定因素 (續)

非金融資產 (除附屬公司權益及商譽外) 減值

於各報告日期，本集團評估所有非金融資產是否有任何減值迹象。當有迹象表明未必能收回賬面金額時，非金融資產會進行減值測試。

估計使用價值要求本集團對來自現金產生單位之預期未來現金流量作出估計，亦要求選擇合適折現率計算該等現金流量之現值。物業、廠房及設備以及無形資產 (除商譽外) 之賬面價值披露於附註14及17。

按攤餘成本計量的金融資產減值

本集團合約資產，以及應收賬款及其他應收款項的減值虧損基於對合約資產，以及應收賬款及其他應收款項的可收回性及賬齡分析進行評估，同時鑒於管理層之判斷。在評估該等應收賬款的最終收回情況時需作出大量判斷，包括各債務人目前的信譽及過往付款記錄。倘本集團債務人的財務狀況轉差而削弱彼等之付款能力時，則需要作出額外撥備。

本集團按攤餘成本計量的金融資產的賬面價值披露於附註21、23及25。

附屬公司權益減值

本公司於各報告日期評估是否存在任何客觀證據顯示附屬公司權益出現減值。為釐定是否存在減值的客觀證據，本公司考慮行業表現、技術變化、經營及財務現金流量等因素。管理層亦將考慮該等權益的財務狀況及業務前景。

倘有客觀證據顯示出現減值，附屬公司未來現金流量的金額及時間乃根據其預測表現估計。於報告日期，本公司的附屬公司權益的賬面價值披露於附註20。

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財務報表附註

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

Estimation uncertainty (cont'd)

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 2.4 for "Business combinations and goodwill", goodwill is allocated to a cash-generating unit or to 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 IAS 36 Impairment of Assets.

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 18.

3. 重大會計判斷及估計（續）

估計不確定因素（續）

建造工程的收入確認

本集團參考於報告日期已完成履約責任的進度後，隨時間確認收入。該進度的確認基於本集團的投入而完成履約責任的程度，同時參考工作量的測量評估，以及截至報告期末每項履約責任中已發生成本佔預計合同總成本比重。在估計已完成履約責任進度的工作變量時，須作出重大假設。隨著合同的進行，本集團會審閱並修訂每份建造合同的估計。

商譽的減值虧損

如附註2.4載列的「業務合併及商譽」的會計政策所述，商譽被分配至預期可受惠於合併協同效應之現金產出單元或現金產出單元組別以進行減值評估，而此需要作出重大判斷。根據國際會計準則第36號資產減值，本集團釐定獲分配商譽之現金產出單元組別為本集團就內部報告目的而監察商譽的最低層次，且該組別不會大於一個經營分部。

本集團至少每年釐定一次商譽是否出現減值，這需要對獲分配商譽之現金產出單元的使用價值進行估計。在估計使用價值時，本集團需估計來自現金產出單元的預計未來現金流量，並需選擇合適的折現率，以便計算有關現金流量的現值。於報告日，商譽的賬面值於附註18披露。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

Estimation uncertainty (cont'd)

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 ("the Management") and the Board 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 2021 and 2020, 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, R&D of water environment technologies and engineering construction.

3. 重大會計判斷及估計（續）

估計不確定因素（續）

所得稅

釐定所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會審慎評估交易之相關稅務影響，從而計提稅項撥備。本集團會定期重新考慮有關交易之稅項處理方法，並會將稅務規例之所有變動列為考慮因素。倘最終稅項結果與初始確認的金額不同，則有關差額會影響做出有關決定之期間的所得稅、其他稅項以及遞延稅項撥備。

4. 經營分部資料

經營分部乃按本集團組成部分的內部報告識別，其由本公司管理層（「管理層」）及董事會定期審閱，以分配資源及評估其表現。

分部業績、資產及負債包括直接歸屬某一分部，以及可按合理的基準分配的項目的數額。未被分配的項目主要包括企業資產及支出、帶息借貸及有關支出和收入及遞延稅項。本集團經營單一業務分部，其為經營水環境治理業務。概無合併經營分部以組成下列經營報告分部。

業務分部

截至二零二一年及二零二零年十二月三十一日止年度內，本集團只有一個經營分部，即水環境治理業務，詳情如下：

- 水環境治理－從事市政污水處理、工業廢水處理、供水、中水回用、污泥處理處置、海綿城市建設、流域治理、污水源熱泵、滲濾液處理以及水環境技術研究與開發及工程建設。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

4. OPERATING SEGMENT INFORMATION (cont'd)

Geographical information

(a) Revenue from external customers

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Mainland China	中國內地	6,907,083	5,661,365
Germany	德國	5,288	1,927
		6,912,371	5,663,292

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

(b) Non-current assets

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Mainland China	中國內地	25,497,214	20,997,841
Hong Kong	香港	1,646	5,647
Singapore	新加坡	2,237	434
Germany	德國	262	359
		25,501,359	21,004,281

The non-current assets information of continuing operations above is based on the locations of the assets and excludes other financial assets.

4. 經營分部資料 (續)

地域資料

(a) 來自外界客戶之收入

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Mainland China	中國內地	6,907,083	5,661,365
Germany	德國	5,288	1,927
		6,912,371	5,663,292

上述持續經營的收入信息乃基於服務提供地點劃分。

(b) 非流動資產

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Mainland China	中國內地	25,497,214	20,997,841
Hong Kong	香港	1,646	5,647
Singapore	新加坡	2,237	434
Germany	德國	262	359
		25,501,359	21,004,281

上述持續經營的非流動資產資料乃基於資產所在地點劃分（不包括其他金融資產）。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

4. OPERATING SEGMENT INFORMATION (cont'd)

Major customers

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Customer 1**	客戶一**	811,907	588,419
Customer 2**	客戶二**	709,115	1,136,798
Customer 3**	客戶三**	N/A*	727,410

* 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.

4. 經營分部資料 (續)

主要客戶

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Customer 1**	客戶一**	811,907	588,419
Customer 2**	客戶二**	709,115	1,136,798
Customer 3**	客戶三**	N/A*	727,410

* 由於該客戶收入單計未佔本集團收入的10%或以上，故並未披露該客戶有關收入。

** 客戶為當地政府機關。

5. REVENUE

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Construction service revenue from service concession arrangements	服務特許經營權安排的建造服務收入	3,098,448	2,794,395
Finance income from service concession arrangements	服務特許經營權安排的財務收入	1,068,040	905,676
Operation income from service concession arrangements	服務特許經營權安排的運營收入	2,522,688	1,825,176
Construction contract revenue and technical service income	建造合約收入及技術服務收入	223,195	138,045
		6,912,371	5,663,292
Timing of revenue recognition	收入確認時間		
At a point in time	於某一時間點	127,607	103,376
Over time	於一段時間內	5,716,724	4,654,240
		5,844,331	4,757,616
Finance income from service concession arrangements	服務特許經營權安排的財務收入	1,068,040	905,676
		6,912,371	5,663,292

5. 收入

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

5. REVENUE (cont'd)

The aggregated amount of construction service revenue, finance income and operation income derived from the local government authorities in the PRC amounted to HK\$6,608,774,000 and HK\$5,459,209,000 for the years ended 31 December 2021 and 2020, respectively. Details of concentrations of credit risk arising from these customers are set out in note 40.

Included in the revenue recognised in each of the years ended 31 December 2021 and 2020, HK\$8,205,000 and HK\$23,602,000, respectively, were 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:

5. 收入 (續)

截至二零二一年及二零二零年十二月三十一日止年度內，來自中國當地政府機關之建造服務收入、財務收入及運營收入總額分別為6,608,774,000港元及5,459,209,000港元。由這些客戶所引起的信貸風險集中詳見附註40。

截至二零二一年及二零二零年十二月三十一日止年度，於過往期間達成的履約責任確認的收入金額分別為8,205,000港元及23,602,000港元。

於十二月三十一日，已分配至餘下履約責任（未履行或部分未履行）的交易金額如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unsatisfied performance obligations related to service concession arrangements:	與服務特許經營安排相關的未完成履約責任：		
Expected to be recognised within one year	預期將於一年內確認	6,030,603	7,190,232
Expected to be recognised after one year	預期將於一年後確認	104,599,383	48,983,828
Total transaction price allocated to the unsatisfied performance obligations	分配至未完成履約責任的交易總金額	110,629,986	56,174,060

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

6. OTHER INCOME AND (LOSSES)/GAINS, NET

6. 其他收入及（虧損）/收益淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Government grants*	政府補助金*	50,011	44,947
Value-added tax ("VAT") refunds**	增值稅（「增值稅」）退稅**	9,324	44,762
Fair value gain/(loss), net:	公允價值收益/（虧損）淨額：		
Contingent consideration receivable	或然代價應收款項	–	(7,814)
Other financial assets – unlisted investments	其他金融資產 – 非上市投資	(58,583)	(48,629)
Other financial assets – unlisted equity investment	其他金融資產 – 非上市股權投資	968	883
Dividend received from other financial assets	自其他金融資產收取的股息	–	1,929
Gain from disposal of an associate	處置一間聯營公司的收益	2	–
Loss on disposal of intangible assets	處置無形資產之虧損	(3,217)	–
Loss on disposal of contract assets	處置合約資產之虧損	(33,045)	–
Sundry income	雜項收入	12,048	16,990
		(22,492)	53,068

* Government grants of HK\$50,011,000 and HK\$44,947,000 were granted during the years ended 31 December 2021 and 2020, respectively, to subsidise certain waste water treatment plants of the Group in the PRC. The receipts 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 of HK\$9,324,000 and HK\$44,762,000 were received/receivable during the years ended 31 December 2021 and 2020, respectively, in relation to the Group's certain environmental water projects in operation in the PRC. The receipts 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.

* 截至二零二一年及二零二零年十二月三十一日止年度內，本集團分別獲得50,011,000港元及44,947,000港元的政府補助金以補貼本集團於中國的若干污水處理廠。收取有關補助金不受任何尚未達成之條件或任何其他或然事項影響。概無保證本集團將於日後繼續收取有關補助金。

** 截至二零二一年及二零二零年十二月三十一日止年度內，本集團於中國運營的若干水環境項目的已收/應收增值稅退稅分別為9,324,000港元及44,762,000港元。收取有關退稅不受任何尚未達成之條件或任何其他或然事項影響。概無保證本集團將於日後繼續收取有關退稅。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

7. NET FINANCE COSTS

7. 財務費用淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
<u>Finance income</u>	<u>財務收入</u>		
Interest income on:	利息收入：		
Bank deposits	銀行存款	21,289	15,141
Amounts due from an associate	應收一家聯營公司款項	710	666
		21,999	15,807
<u>Finance costs</u>	<u>財務費用</u>		
Interest expense on:	利息開支：		
Bank and other loans	銀行及其他借貸	(226,603)	(212,682)
Corporate bonds, ABS, MTN and SCP	公司債券、資產支持證券、 中期票據及超短期融資券	(208,243)	(135,316)
Lease liabilities	租賃負債	(456)	(797)
		(435,302)	(348,795)
Net finance costs	財務費用淨額	(413,303)	(332,988)

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

8. PROFIT BEFORE TAX

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

8. 除稅前盈利

本集團之除稅前盈利已扣除/ (計入) :

	Notes 附註	Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Depreciation*	折舊*		
- property, plant and equipment	- 物業、廠房及設備	14	50,297
- right-of-use assets	- 使用權資產	16(a)	12,616
Amortisation	攤銷		
- intangible assets*	- 無形資產*	17	59,126
Loss on disposals of property, plant and equipment	處置物業、廠房及設備之虧損		7,129
Loss on disposal of intangible assets	處置無形資產之虧損	6	3,217
Loss on disposal of contract assets	處置合約資產之虧損	6	33,045
Cost of construction services from service concession arrangements**	來自服務特許經營權安排之建造服務成本**		2,331,530
R&D costs	研究及開發成本		50,097
Rental expenses from short-term leases	短期租賃之租金支出		2,835
Provision for impairment of trade receivables, net	應收賬款減值撥備淨額	23	101,981
Provision for impairment of other receivables	其他應收款項減值撥備	23	16,451
Provision for impairment of contract assets	合約資產減值撥備	21	3,533
Foreign exchange differences, net	匯兌差額淨額		3,691
Employee benefit expense (including directors' remuneration (note 9))*:	僱員福利開支 (包括董事酬金(附註9)) * :		
Wages, salaries, allowances and benefits in kind	工資、薪金、津貼及實物利益		394,917
Retirement scheme contributions	退休計劃供款		124,512
			519,429
Fees paid to auditor of the Company:	支付予本公司審計師的費用:		
Audit fees	審計費用		720
Non-audit fees	非審計費		-
- Others	- 其他		270
Fees paid to affiliates of auditor of the Company:	支付予本公司審計師聯屬機構的費用:		
Audit fees	審計費用		2,660
Non-audit fees	非審計費		-
- Others	- 其他		1,620

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

8. PROFIT BEFORE TAX (cont'd)

* Amortisation of intangible assets, depreciation and employee benefit expense in total of HK\$309,036,000 and HK\$232,419,000 for the years ended 31 December 2021 and 2020, respectively, 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 the end of each financial year, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years.

9. DIRECTORS' REMUNERATION

The remuneration of the Company's directors is set out below:

8. 除稅前盈利（續）

* 截至二零二一年及二零二零年十二月三十一日止年度內，無形資產攤銷、折舊及僱員福利開支總額分別為309,036,000港元及232,419,000港元，已被計入綜合全面收益表內的「直接成本及經營開支」。

** 被計入綜合全面收益表的「直接成本及經營開支」。

於每一財政年度末，本集團並無被沒收供款用以減少其未來年度的退休計劃供款。

9. 董事酬金

本公司董事酬金載列如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Fees	袍金	1,968	1,913
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,995	3,115
Discretionary bonuses	酌情花紅	4,853	3,726
Retirement scheme contributions	退休計劃供款	603	427
		9,451	7,268
		11,419	9,181

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

9. DIRECTORS' REMUNERATION (cont'd)

9. 董事酬金 (續)

		Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
	Fees 袍金	薪金、津貼及 實物利益	酌情花紅	退休計劃供款	總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Year ended 31 December 2021					
Non-executive director:					
Wang Tianyi					
Executive directors:					
Hu Yanguo*					
An Xuesong*					
Tao Junjie					
Luo Junling					
Independent non-executive directors:					
Zhai Haitao					
Lim Yu Neng Paul					
Cheng Fong Yee					
Hao Gang					

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

9. DIRECTORS' REMUNERATION (cont'd)

9. 董事酬金 (續)

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Retirement scheme contributions 退休計劃供款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度				
Non-executive director: Wang Tianyi	非執行董事： 王天義先生	-	-	-	-
Executive directors:	執行董事：				
An Xuesong*	安雪松先生*	-	1,876	1,548	242
Luo Junling	羅俊嶺先生	-	1,071	2,178	185
		-	2,947	3,726	427
Independent non-executive directors:	獨立非執行董事：				
Zhai Haitao	翟海濤先生	450	45	-	-
Lim Yu Neng Paul	林御能先生	563	45	-	-
Cheng Fong Yee	鄭鳳儀女士	450	39	-	-
Hao Gang	郝剛女士	450	39	-	-
		1,913	168	-	-
		1,913	3,115	3,726	427
					9,181

* Mr. Hu Yanguo was appointed on 5 October 2021. Starting from 2021, his discretionary bonuses have been paid in installments.

* 胡延國先生自二零二一年十月五日起獲委任。自二零二一年起，他的酌情花紅將已分期支付。

Mr. An Xuesong was also the chief executive officer of the Company and resigned on 5 October 2021. Starting from 2021, his discretionary bonuses have been paid in installments.

安雪松先生亦是本公司的總裁及於二零二一年十月五日辭任。自二零二一年起，他的酌情花紅已分期支付。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the financial year.

本財政年度並無董事或最高行政人員放棄或同意放棄任何薪酬的安排。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2021 and 2020 included two directors, whose respective remuneration is included in note 9 above. Details of the remuneration for the years ended 31 December 2021 and 2020 of the remaining three highest paid employees who are neither directors nor chief executives of the Company are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物利益
Discretionary bonuses	酌情花紅
Retirement scheme contributions	退休計劃供款

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

Nil to HK\$1,000,000	0至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元

10. 五名最高薪酬僱員

截至二零二一年及二零二零年十二月三十一日止年度內，五名最高薪酬僱員包括兩名董事，其各自酬金計入上文附註9。截至十二月三十一日止的二零二一年度及二零二零年度餘下三名既非本公司董事亦非最高行政人員之最高薪酬僱員的薪酬詳情如下：

Year ended 31 December 截至十二月三十一日止年度

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
3,188	2,910
3,928	3,603
494	389
7,610	6,902

薪酬在以下範圍內的非董事及非最高行政人員的最高薪酬僱員人數如下：

Number of employees 僱員人數

Year ended 31 December 截至十二月三十一日止年度

2021 二零二一年	2020 二零二零年
–	–
–	–
–	–
3	3
3	3

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

10. FIVE HIGHEST PAID EMPLOYEES (cont'd)

During the financial year, no emoluments were paid by the Group to the directors of the Company or any of the highest paid employees who are not directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

11. 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 years ended 31 December 2021 and 2020.

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 years ended 31 December 2021 and 2020, 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 years ended 31 December 2021 and 2020, 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.

10. 五名最高薪酬僱員（續）

於本財政年度，本集團並無向本公司董事或本公司任何最高薪酬非董事僱員支付任何酬金，作為加入或於加入本集團之時的獎勵或離職賠償。

11 所得稅

由於本集團於截至二零二一年及二零二零年十二月三十一日止年度內，在新加坡或香港並無賺取任何應課稅盈利，故此並無作出新加坡或香港利得稅撥備。

根據中國稅務法律及法規，中國業務之稅項按應課稅盈利以法定稅率25%計算。截至二零二一年及二零二零年十二月三十一日止年度內，根據相關中國稅務法律及法規，本集團若干中國附屬公司享有15%的優惠稅率。截至二零二一年及二零二零年十二月三十一日止年度內，根據有關稅務法律及法規，本集團若干中國附屬公司須按前述法定稅率之半數繳納稅項或獲所得稅稅項全數豁免。

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current - PRC:	即期－中國：		
Charge for the year	本年度計提	220,030	205,721
(Overprovision)/underprovision in prior years	過往年度（撥備過剩）/ 撥備不足	(16,766)	1,568
Deferred (note 29)	遞延（附註29）	201,644	189,633
Total tax expense for the year	本年度稅項開支總額	404,908	396,922

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

11. INCOME TAX (cont'd)

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 rates is as follows:

11 所得稅（續）

按適用於本公司及其大部分附屬公司所在國家之法定稅率計算除稅前盈利之稅項支出與按實際稅率計算之稅項支出之對賬如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit before tax	除稅前盈利	1,687,894	1,483,286
Tax calculated at tax rate of 25% (FY2020: 25%)	按25%的稅率計算之 稅項（二零二零年：25%）	421,974	370,822
Tax concession	稅項優惠	(215,059)	(163,485)
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項作 出之調整	(16,766)	1,568
Profits and losses attributable to associates	聯營公司應佔盈利	1,689	(1,056)
Income not subject to tax	無須課稅收入	(9,591)	(15,844)
Expenses not deductible for tax	不可扣稅開支	128,743	141,945
Tax losses not recognised	未確認稅項虧損	11,188	18,823
Tax losses utilised from previous periods	動用過往期間之稅項虧損	(6,436)	(9,429)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	本集團中國附屬公司可 供分派盈利之預扣稅 之影響	89,166	53,578
Tax expense at the Group's effective rate	按本集團實際稅率計算 之稅項支出	404,908	396,922

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

12. DIVIDENDS

12. 股息

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Dividends for the financial year: Interim – HK\$0.0575 (equivalent to SGD0.0101) and HK\$0.0374 (equivalent to SGD0.0067) per ordinary share	本財政年度股息： 中期—每股普通股0.0575港元（等值0.0101新加坡元）和0.0374港元（等值0.0067新加坡元）	164,651	106,964
Proposed final – HK\$0.0683 (equivalent to SGD0.0119) and HK\$0.0607 (equivalent to SGD0.0104) per ordinary share	擬派末期—每股普通股0.0683港元（等值0.0119新加坡元）和0.0607港元（等值0.0104新加坡元）	195,448	173,266
		360,099	280,230
Final dividend for the previous financial year which was paid during the financial year – HK\$0.0607 (equivalent to SGD0.0104) and HK\$0.0374 (equivalent to SGD0.0067) per ordinary share	本財政年度已付的上一個財政年度末期股息—每股普通股0.0607港元（等值0.0104新加坡元）和每股普通股0.0374港元（等值0.0067新加坡元）	173,266	106,645

The proposed final dividend for the year ended 31 December 2021 is subject to the approval of the Shareholders 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.

二零二一財政年度內建議分派之末期股息須待本公司股東於應屆股東週年大會上批准後方可作實。於報告期末後建議分派之末期股息並未在報告期末確認為負債。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

13. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the Group's profit for the year attributable to equity holders of the Company divided by the weighted average number of ordinary shares of the Company in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year.

13. 每股盈利

每股基本盈利乃按本公司權益持有人應佔本集團於本年度盈利除以本公司年內已發行普通股加權平均數計算。

年內，本集團並無任何已發行具潛在攤薄影響之普通股。

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	本年度本公司權益持有人應佔盈利	1,200,329	1,024,271
		'000 千股	'000 千股
Weighted average number of ordinary shares in issue during the year	本年度內已發行普通股加權平均數	2,860,877	2,860,877
		HK cents 港仙	HK cents 港仙
Basic and diluted earnings per share	每股基本及攤薄盈利	41.96	35.80

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

Group

本集團

		Buildings 樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、傢俬及 裝置 HK\$'000 千港元	Motor vehicles and office equipment 汽車及辦 公室設備 HK\$'000 千港元	Construction in progress 在建項目 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 December 2021	二零二一年十二月三十一日						
Cost:	成本：						
At 1 January 2021	於二零二一年一月一日	110,600	55,236	13,106	93,074	–	272,016
Additions	增置	–	11,037	3,281	11,174	4,252	29,744
Acquisition of a subsidiary	收購一間附屬公司	594,801	294,925	–	420	8,455	898,601
Disposals	處置	–	(1,261)	(253)	(10,234)	–	(11,748)
Exchange realignment	匯兌調整	14,357	7,201	393	2,756	220	24,927
At 31 December 2021	於二零二一年十二月三十一日	719,758	367,138	16,527	97,190	12,927	1,213,540
Accumulated depreciation:	累計折舊：						
At 1 January 2021	於二零二一年一月一日	38,143	20,494	9,428	51,096	–	119,161
Charge for the year	本年度折舊	19,227	19,568	1,462	10,040	–	50,297
Disposals	處置	–	(1)	(229)	(3,680)	–	(3,910)
Exchange realignment	匯兌調整	1,504	970	249	1,737	–	4,460
At 31 December 2021	於二零二一年十二月三十一日	58,874	41,031	10,910	59,193	–	170,008
Net carrying amount:	賬面淨值：						
At 31 December 2021	於二零二一年十二月三十一日	660,884	326,107	5,617	37,997	12,927	1,043,532

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

14. 物業、廠房及設備（續）

Group (cont'd)

本集團（續）

		Buildings 樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、傢俬及 裝置 HK\$'000 千港元	Motor vehicles and office equipment 汽車及辦 公室設備 HK\$'000 千港元	Construction in progress 在建項目 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 December 2020	二零二零年十二月三十一日						
Cost:	成本：						
At 1 January 2020	於二零二零年一月一日	103,553	49,544	12,066	80,719	–	245,882
Additions	增置	–	2,206	679	15,593	–	18,478
Disposals	處置	–	(5)	(321)	(9,060)	–	(9,386)
Exchange realignment	匯兌調整	7,047	3,491	682	5,822	–	17,042
At 31 December 2020	於二零二零年十二月三十一日	110,600	55,236	13,106	93,074	–	272,016
Accumulated depreciation:	累計折舊：						
At 1 January 2020	於二零二零年一月一日	31,220	17,055	8,035	47,828	–	104,138
Charge for the year	本年度折舊	4,600	2,164	1,253	8,616	–	16,633
Disposals	處置	–	(2)	(305)	(8,660)	–	(8,967)
Exchange realignment	匯兌調整	2,323	1,277	445	3,312	–	7,357
At 31 December 2020	於二零二零年十二月三十一日	38,143	20,494	9,428	51,096	–	119,161
Net carrying amount:	賬面淨值：						
At 31 December 2020	於二零二零年十二月三十一日	72,457	34,742	3,678	41,978	–	152,855

The property ownership certificates of certain buildings of the Group in the PRC (the “**Buildings**”) with aggregate net carrying amounts of HK\$19,536,000 and HK\$20,296,000 as at 31 December 2021 and 2020, respectively, 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.

中國相關機關並未發出本集團於中國若干樓宇（「樓宇」）的房產證，該等物業於二零二一年及二零二零年十二月三十一日賬面淨值分別為19,536,000港元及20,296,000港元。本公司董事認為，根據與中國當地政府機關訂立的相關協議及本公司中國法律顧問中倫律師事務所的意見，本集團具有合法權利佔用及使用該等樓宇。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company

14. 物業、廠房及設備（續）

本公司

		Office equipment 辦公設備	
		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cost:	成本：		
At the beginning of the year	年初	41	38
Exchange realignment	匯兌調整	1	3
At the end of the year	年末	42	41
Accumulated depreciation:	累計折舊：		
At the beginning of the year	年初	36	27
Charge for the year	本年度折舊	5	7
Exchange realignment	匯兌調整	1	2
At the end of the year	年末	42	36
Net carrying amount:	賬面淨值：		
At the end of the year	年末	-	5
At the beginning of the year	年初	5	11

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

15. INVESTMENT PROPERTIES

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Carrying amount at the beginning of the year	年初賬面值	12,082	3,138
Additions	增置	-	8,287
Exchange realignment	匯兌調整	386	657
Carrying amount at the end of the year	年末賬面值	12,468	12,082

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 2021 and 2020 by management based on the expected future cash flows.

The investment properties are leased or will be leased to third parties under operating leases, further summary details of which are included in note 16.

15. 投資物業

本集團

根據各項物業之性質、特性及風險，本公司董事確定本集團之投資物業屬商用投資物業。

管理層已於二零二一年及二零二零年十二月三十一日根據預期未來現金流量對本集團的投資物業進行重估。

投資物業以經營租賃方式出租予第三方，其進一步資料概要載於財務報表附註16。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

15. INVESTMENT PROPERTIES (cont'd)

Group (cont'd)

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

As at 31 December 2021

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 於活躍市場的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Recurring fair value measurement for:	下列項目之經常性的公允價值計量：				
Commercial investment properties	商用投資物業	-	-	12,468	12,468

As at 31 December 2020

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 於活躍市場的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Recurring fair value measurement for:	下列項目之經常性的公允價值計量：				
Commercial investment property	商用投資物業	-	-	12,082	12,082

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.

15. 投資物業 (續)

本集團 (續)

下表說明了本集團投資物業的公允價值計量層級：

於二零二一年十二月三十一日

於二零二零年十二月三十一日

年內，第一級與第二級公允價值計量並無任何轉移，第三級亦無任何轉入或轉出。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

15. INVESTMENT PROPERTIES (cont'd)

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:

As at 31 December 2021

15. 投資物業（續）

下表概述投資物業估值所使用之估值技術及主要輸入數據及其定量敏感性分析：

於二零二一年十二月三十一日

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 公允價值對輸入數據的敏感性
Commercial investment property 商用投資物業	Discounted cash flow method 現金流折現方法	Estimated rental value 預計租金水平	RMB196 per square meter annually 每年每平方米196元人民幣	5% increase (decrease) in estimated rental value would result in increase (decrease) in fair value by HK\$76,000 預計租金水平增加（減少）5%會導致公允價值增加（減少）76,000港元
		Rent growth 租金增長率	5%	1% increase (decrease) in rent growth would result in increase in fair value by HK\$141,000 or decrease in fair value by HK\$127,000 租金增長率增加（減少）1%會導致公允價值增加141,000港元或公允價值減少127,000港元
		Discount rate 折現率	3%	1% increase (decrease) in discount rate would result in decrease in fair value by HK\$260,000 or increase in fair value by HK\$311,000 折現率增加（減少）1%會導致公允價值減少260,000港元或公允價值增加311,000港元
Commercial investment property 商用投資物業	Market comparison approach 市場比較法	Estimated sales price 預計售價	RMB4,984 per square meter 每平方米4,984元人民幣	5% increase (decrease) in estimated sales price would result in increase (decrease) in fair value by HK\$450,000 預計售價增加（減少）5%會導致公允價值增加（減少）450,000港元

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

15. INVESTMENT PROPERTIES (cont'd)

As at 31 December 2020

15. 投資物業 (續)

於二零二零年十二月三十一日

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 公允價值對輸入數據的敏感性
Commercial investment property 商用投資物業	Discounted cash flow method 現金流折現方法	Estimated rental value 預計租金水平	RMB208 per square meter annually 每年每平方米208元人民幣	5% increase (decrease) in estimated rental value would result in increase (decrease) in fair value by HK\$105,000 預計租金水平增加(減少)5%會導致公允價值增加(減少)105,000港元
		Rent growth 租金增長率	5%	1% increase (decrease) in rent growth would result in increase in fair value by HK\$215,000 or decrease in fair value by HK\$191,000 租金增長率增加(減少)1%會導致公允價值增加215,000港元或公允價值減少191,000港元
		Discount rate 折現率	3%	1% increase (decrease) in discount rate would result in decrease in fair value by HK\$333,000 or increase in fair value by HK\$402,000 折現率增加(減少)1%會導致公允價值減少333,000港元或公允價值增加402,000港元
Commercial investment property 商用投資物業	Market comparison approach 市場比較法	Estimated sales price 預計售價	RMB5,228 per square meter 每平方米5,228元人民幣	5% increase (decrease) in estimated sales price would result in increase (decrease) in fair value by HK\$437,000 預計售價增加(減少)5%會導致公允價值增加(減少)437,000港元

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.

在現金流量折現方法下，公允價值為根據資產壽命期內所有權的權利和義務（包括退出價值或最終價值）的假設來估算的。這種方法涉及在財產權益上的一系列現金流量的預測。根據市場得出的折現率適用於預計的現金流量，以便確定與資產有關的收入流的現值。退出收益率通常是單獨確定的，與折現率不同。

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

15. INVESTMENT PROPERTIES (cont'd)

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.

16. LEASES

The Group as a lessee

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

15. 投資物業（續）

現金流量的期限和現金流入及流出的具體時點是由諸如租金審查、租約續期和相關的重新出租、重新開發或翻新等事件決定的。適用的期限是由市場行為驅動的，而市場行為是這類房產的一個特徵。周期性的現金流量估計等於收入總額減去空缺、不可收回的費用、收款損失、租賃獎勵、維修費用、代理和佣金費用以及其他經營和管理費用。然後，對一系列周期性的淨經營收入以及預測期結束時預計的終值進行折現。

根據市場比較法，投資物業的公允價值乃參考可比物業按每平方米價格計算的最近售價釐定，並再按集團的建築物的質量與最近銷售及交易時間的可比交易得出的溢價或折扣再作調整。較高質量建築物所得的溢價及可比交易時機間以得出的有利調整將導致更高公允價值。

16. 租賃

本集團作為承租人

本集團在經營過程中使用了各類與土地、樓宇、設備及其他項目的租賃合約。本集團已作出一次性前期付款，以向所有者收購租期為五十年的租賃土地，而根據該等土地租賃之條款，無需作出持續性付款。土地、設備及其他項目的租賃期限一般為二年至三年。一般情況下，本集團禁止向本集團以外人士轉讓及分租有關租賃資產。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

16. LEASES (cont'd)

The Group as a lessee (cont'd)

(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 預付土地 租賃款項 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Equipment and others 設備及其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1 January 2020	於二零二零年一月一日	4,910	20,487	212	25,609
Additions	增置	–	9	77	86
Depreciation charge	折舊支出	(339)	(9,547)	(243)	(10,129)
Exchange realignment	匯兌調整	316	397	6	719
At 31 December 2020 and 1 January 2021	於二零二零年十二月 三十一日及二零二一 年一月一日	4,887	11,346	52	16,285
Additions	增置	–	4,640	–	4,640
Addition from acquisition of a subsidiary	因收購一間附屬公司 而增加	94,143	–	–	94,143
Disposals	處置	–	(4,134)	–	(4,134)
Depreciation charge	折舊支出	(2,688)	(9,876)	(52)	(12,616)
Write-back on disposals	處置的轉回	–	4,134	–	4,134
Exchange realignment	匯兌調整	1,799	121	–	1,920
At 31 December 2021	於二零二一年十二月 三十一日	98,141	6,231	–	104,372

16. 租賃 (續)

本集團作為承租人 (續)

(a) 使用權資產

本集團使用權資產的賬面價值及本年度的變動情況如下：

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

16. LEASES (cont'd)

The Group as a lessee (cont'd)

(b) Lease liabilities

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

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日賬面值	11,756	20,913
New leases	新訂租賃	4,640	86
Accretion of interest recognised during the year	年內確認的利息增加	456	797
Payments	付款	(10,584)	(10,402)
Exchange realignment	匯兌調整	134	362
Carrying amount at 31 December	於十二月三十一日賬面值	6,402	11,756

The current portion and non-current portion of the carrying amount of the Group's lease liabilities are as follows:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current portion	即期部分	5,234	8,388
Non-current portion	非即期部分	1,168	3,368
Total carrying amount at 31 December	於十二月三十一日賬面總值	6,402	11,756

16. 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

本集團租賃負債的賬面價值及本年度的變動情況如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日賬面值	11,756	20,913
New leases	新訂租賃	4,640	86
Accretion of interest recognised during the year	年內確認的利息增加	456	797
Payments	付款	(10,584)	(10,402)
Exchange realignment	匯兌調整	134	362
Carrying amount at 31 December	於十二月三十一日賬面值	6,402	11,756

本集團租賃負債賬面價值的即期部分及非即期部分如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current portion	即期部分	5,234	8,388
Non-current portion	非即期部分	1,168	3,368
Total carrying amount at 31 December	於十二月三十一日賬面總值	6,402	11,756

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

16. LEASES (cont'd)

The Group as a lessee (cont'd)

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

Interest expense on lease liabilities (note 7)	租賃負債的利息費用 (附註7)
Depreciation charge of right-of-use assets	使用權資產折舊支出
Expense relating to short-term leases (included in "Administrative and other operating expenses")	短期租賃的開支 (計入「管理及其他經營費用」)
Total amount recognised in profit or loss	於損益中確認的總金額

- (d) The total cash outflow for leases is disclosed in note 34(c).

16. 租賃 (續)

本集團作為承租人 (續)

- (c) 於損益表中確認之租賃相關金額如下：

Year ended 31 December 截至十二月三十一日止年度	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
456	797
12,616	10,129
2,835	3,593
15,907	14,519

- (d) 與租賃相關的現金流出披露於附註34(c)。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

16. LEASES (cont'd)

The Group as a lessor

The Group leases one of its investment properties (note 15), consisting of one commercial investment property in 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\$168,000 (FY2020: HK\$41,000).

The undiscounted lease payments receivables by the Group in future periods under non-cancellable operating lease with its tenant are as follows:

16. 租賃（續）

本集團作為出租人

本集團根據經營租賃安排租賃其投資物業（附註15），該物業由中國境內的一處商業物業組成，其商舖已根據經營租賃安排從二零一九年十一月一日起租出六年。租約的條款一般要求承租人支付保證金，並根據當時的市場情況定期調整租金。本集團本年度確認的租金收入為168,000港元（二零二零年：41,000港元）。

本集團與承租人訂立的不可撤銷經營租賃協議項下，未來期間未折現的應收租賃款項如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within 1 year	1年以內	555	95
After 1 year but within 5 years	1至5年	734	363
		1,289	458

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

17. INTANGIBLE ASSETS

17. 無形資產

Group

本集團

		Concession rights 特許經營權 HK\$'000	Patents and trademarks 專利及商標 HK\$'000	Computer software 計算機軟件 HK\$'000	Customer relationships 客戶關係 HK\$'000	Total 總額 HK\$'000
31 December 2021	二零二一年十二月三十一日					
Cost:	成本：					
At 1 January 2021	於二零二一年一月一日	2,259,081	25,795	10,235	13,191	2,308,302
Acquisition of a subsidiary	收購一間附屬公司	–	–	28	–	28
Additions	增置	481,666	–	544	–	482,210
Disposal	處置	(123,604)	–	–	–	(123,604)
Write-off	撤銷	–	–	(1,570)	–	(1,570)
Exchange realignment	匯兌調整	77,867	823	311	421	79,422
At 31 December 2021	於二零二一年十二月三十一日	2,695,010	26,618	9,548	13,612	2,744,788
Accumulated amortisation:	累計攤銷：					
At 1 January 2021	於二零二一年一月一日	391,170	25,795	3,990	6,428	427,383
Amortisation provided during the year	年內攤銷撥備	54,678	–	1,596	2,852	59,126
Disposal	處置	(37,026)	–	–	–	(37,026)
Write-off	撤銷	–	–	(1,570)	–	(1,570)
Exchange realignment	匯兌調整	14,755	823	128	249	15,955
At 31 December 2021	於二零二一年十二月三十一日	423,577	26,618	4,144	9,529	463,868
Net carrying amount:	賬面淨值：					
At 31 December 2021	於二零二一年十二月三十一日	2,271,433	–	5,404	4,083	2,280,920

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

17. INTANGIBLE ASSETS (cont'd)

17. 無形資產 (續)

Group (cont'd)

本集團 (續)

		Concession rights 特許經營權 HK\$'000 千港元	Patents and trademarks 專利及商標 HK\$'000 千港元	Computer software 計算機軟件 HK\$'000 千港元	Backlog contracts 未完成合約 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 December 2020	二零二零年 十二月三十一日						
Cost:	成本：						
At 1 January 2020	於二零二零年 一月一日	1,955,202	24,151	7,194	28,390	12,350	2,027,287
Additions	增置	162,091	-	2,422	-	-	164,513
Write-off	撤銷	-	-	-	(28,782)	-	(28,782)
Exchange realignment	匯兌調整	141,788	1,644	619	392	841	145,284
At 31 December 2020	於二零二零年 十二月三十一日	2,259,081	25,795	10,235	-	13,191	2,308,302
Accumulated amortisation:	累計攤銷：						
At 1 January 2020	於二零二零年 一月一日	313,370	20,394	2,991	28,390	3,705	368,850
Amortisation provided during the year	年內攤銷撥備	65,627	4,067	755	-	2,087	72,536
Write-off	撤銷	-	-	-	(28,782)	-	(28,782)
Exchange realignment	匯兌調整	12,173	1,334	244	392	636	14,779
At 31 December 2020	於二零二零年 十二月三十一日	391,170	25,795	3,990	-	6,428	427,383
Net carrying amount:	賬面淨值：						
At 31 December 2020	於二零二零年 十二月三十一日	1,867,911	-	6,245	-	6,763	1,880,919

As At 31 December 2021 and 2020, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with aggregate carrying amounts of HK\$5,786,528,000 and HK\$3,627,759,000, respectively, were pledged to secure banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 27, 28 and 35.

Included in "Concession rights" of the Group as at 31 December 2021 and 2020 are contract assets of HK\$1,317,479,000 and HK\$802,437,000, respectively, arising from performance under construction contracts in connection with service concession arrangements.

於二零二一年及二零二零年十二月三十一日，本集團若干水環境項目之特許經營權（包括無形資產中的特許經營權、合約資產及應收賬款）的賬面總額分別為5,786,528,000港元及3,627,759,000港元已抵押作為本集團獲授銀行融資及發行資產支持證券之抵押品，進一步詳情載於附註27、28及35。

於二零二一年及二零二零年十二月三十一日，計入本集團的「特許經營權」的合約資產分別為1,317,479,000港元及802,437,000港元，乃產生自與服務特許經營安排有關的建造合約的履約。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

17. INTANGIBLE ASSETS (cont'd)

Group (cont'd)

Impairment testing of concession rights not yet available for use

As at 31 December 2021 and 2020, certain projects had not commenced operations and the carrying amounts of the concession rights not yet available for use of these projects were approximately HK\$1,317,479,000 and HK\$802,437,000, respectively. The recoverable amount of each of these concession rights was determined based on value-in-use calculations using cash flow projections based on a financial budget covering a five-year period approved by the management. Management determined the budgets based on the service concession arrangements governing the relevant operations. The pre-tax discount rates applied to the cash flow projections were 10.1% for 2021 and 10.2% for 2020, and cash flows beyond the five-year period were extrapolated using a growth rate of 3% (31 December 2020: 3%). The discount rates used are pre-tax and reflect specific risks relating to the relevant operations. No impairment is considered necessary as at 31 December 2021 and 2020.

The sensitivity analysis below has been determined based on the exposure to the pre-tax discount rate and five-year period growth rate, representing the key inputs to the determination of the recoverable amount.

The headroom of the concession rights not yet available for use is shown as below:

17. 無形資產 (續)

本集團 (續)

尚不可用的特許經營權的減值測試

於二零二一年及二零二零年十二月三十一日，若干項目並未開始營運及尚未可供該等項目使用的特許經營權的賬面價值分別為約1,317,479,000港元及802,437,000港元。各項特許經營權可收回金額乃根據管理層批准的五年期財務預算的現金流量預測釐定其使用價值。管理層根據規管相關營運的服務特許經營安排釐定預算。適用於現金流量預測的稅前折現率於二零二一年為10.1%及二零二零年為10.2%，以及超過五年期的現金流量乃採用增長率3%（二零二零年十二月三十一日：3%）予以推測。所用折現率為稅前折現率，並反映與相關營運有關之特定風險。於二零二一年及二零二零年十二月三十一日，並無必要作出減值。

以下敏感性分析乃根據稅前折現率及五年期增長率釐定，為釐定可收回金額時應用的主要輸入數據。

尚不可用的特許經營權的超出部分列示如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年	2020 二零二零年
		HK\$'000 千港元	HK\$'000 千港元
Headroom	超出部分	39,000	35,000

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

17. INTANGIBLE ASSETS (cont'd)

Group (cont'd)

Impairment testing of concession rights not yet available for use (cont'd)

Had the estimated key assumptions been changed as below, the headroom would be increased/(decreased) by:

Pre-tax discount rate decreased by 0.2%	稅前折現率降低0.2%	
Pre-tax discount rate increased by 0.2%	稅前折現率提高0.2%	
Five-year period growth rate increased by 1%	五年期增長率提高1%	
Five-year period growth rate decreased by 1%	五年期增長率降低1%	

A respective increase in the discount rate from the original rate of 10.1% and 10.2% by 0.3% and 0.3% to 10.4% and 10.5%, respectively, as at 31 December 2021 and 2020, would remove the remaining headroom.

17. 無形資產 (續)

本集團 (續)

尚不可用的特許經營權的減值測試 (續)

倘估計主要假設變動如下，超出部分則增加/（減少）：

As at 31 December 於十二月三十一日		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		31,000	26,000
		(30,000)	(25,000)
		66,000	4,000
		(50,000)	(4,000)

倘於二零二一年及二零二零年十二月三十一日折現率分別從原折現率10.1%及10.2%各自提高0.3%及0.3%至10.4%及10.5%，則可消除剩餘超出部分。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

18. GOODWILL

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cost and net carrying amount at the beginning of the year	年初成本及賬面淨值	1,295,475	1,213,509
Acquisition in the year	本年收購	191,633	-
Exchange realignment	匯兌調整	44,468	81,966
Cost and net carrying amount at the end of the year	年末成本及賬面淨值	1,531,576	1,295,475

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 as at 31 December 2021 and 2020.

The recoverable amount of the group of cash-generating units within the water environment management segment as at 31 December 2021 and 2020 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% (31 December 2020: 3% to 10%) approved by management. The pre-tax discount rates applied to the cash flow projections were 11.1% for 2021 and 11.2% for 2020, and cash flows beyond the five-year period were extrapolated using a growth rate of 3% (31 December 2020: 3%). 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 2021 and 2020.

18. 商譽

本集團

收購產生的商譽主要歸因於被收購方與收購方的業務合併產生的預期協同效應。收購所得商譽皆不可扣稅。

商譽之減值測試

就減值測試而言，於二零二一年及二零二零年十二月三十一日，商譽已被分配至水環境治理分部。

於二零二一年及二零二零年十二月三十一日，水環境治理分部內現金產出單元根據使用價值以基於管理層批准的3%至10%（二零二零年十二月三十一日：3%至10%）增長率計算的五年期財務預算之現金流量預測釐定其可收回金額。適用於現金流量預測的稅前折現率於二零二一年為11.1%及二零二零年為11.2%，以及超過五年期的現金流量乃採用增長率3%（二零二零年十二月三十一日：3%）予以推測。管理層根據規管相關營運的服務特許經營安排釐定預算。根據評估，於二零二一年及二零二零年十二月三十一日，並無必要計提減值撥備。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

18. GOODWILL (cont'd)

Group (cont'd)

Impairment testing of goodwill (cont'd)

The sensitivity analysis below has been determined based on the exposure to the pre-tax discount rate and five-year period growth rate, representing the key inputs to the determination of the recoverable amount.

The headroom of the group of cash-generating units within the water environment management segment is shown as below:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Headroom	超出部分	4,442,000	3,102,000

Had the estimated key assumptions been changed as below, the headroom would be increased/(decreased) by:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Pre-tax discount rate increased by 0.2%	稅前折現率提高0.2%	(650,000)	(555,000)
Pre-tax discount rate decreased by 0.2%	稅前折現率降低0.2%	675,000	577,000
Five-year period growth rate increased by 1%	五年期增長率提高1%	1,783,000	1,341,000
Five-year period growth rate decreased by 1%	五年期增長率降低1%	(1,741,000)	(1,310,000)

18. 商譽 (續)

本集團 (續)

商譽之減值測試 (續)

以下敏感性分析乃根據確定可收回金額的主要輸入數據：稅前折現率及五年期增長率釐定。

本集團水環境治理分部內現金產出單元的超出部分列示如下：

倘估計主要假設變動如下，超出部分則增加/（減少）：

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

18. GOODWILL (cont'd)

Group (cont'd)

Impairment testing of goodwill (cont'd)

A respective increase in the discount rate from the original rate of 11.1% and 11.2% by 1.6% and 1.3% to 12.7% and 12.5%, respectively; or a decrease in the five-year period growth rate by 39% and 36% of the original five-year period growth rate respectively, as at 31 December 2021 and 2020, would remove the remaining headroom.

19. INTERESTS IN ASSOCIATES

Group

Share of net assets

所佔資產淨值

Particulars of the Group's associates during the financial year are as follows:

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權 權益百分比	Principal activities 主營業務
Qingdao Haibohe Water Operating Limited ("Qingdao Haibohe") 青島海泊河水務運營有 限公司 ("青島海泊河")	Paid up capital of US\$350,845 實繳資本 350,845美元	PRC/ Mainland China 中國/中國內地	49	Waste water treatment 污水處理
Hebei Xiong'an Huashen Water Engineering Technology Limited ("Hebei Xiong'an") (note (a)) 河北雄安華深水務工程技術 有限公司 ("河北雄安") (附註 (a))	Paid up capital of RMB5,000,000 實繳資本 5,000,000元人民幣	PRC/ Mainland China 中國/中國內地	20	R&D and consultation on water treatment 水處理的研發 及諮詢

18. 商譽 (續)

本集團 (續)

商譽之減值測試 (續)

倘於二零二一年及二零二零年十二月三十一日，折現率分別從原折現率11.1%及11.2%各自提高1.6%及1.3%至12.7%及12.5%；或五年期增長率分別較原五年期增長率降低39%及36%，則可消除剩餘超出部分。

19. 聯營公司權益

本集團

As at 31 December

於十二月三十一日

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
231	8,143

本集團聯營公司於財務報表期間之詳情如下：

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

19. INTERESTS IN ASSOCIATES (cont'd)

Group (cont'd)

Note:

- (a) In the financial year ended 31 December 2018, the Group made a capital contribution of RMB1,000,000 (equivalent to HK\$1,168,000) to Hebei Xiong'an. Hebei Xiong'an was established with three other entities established in the PRC, in Xiong'an City, the PRC, which enables the Group to further develop R&D and construction services in Xiong'an City.

The Group had significant influence, but not control or joint control, over Hebei Xiong'an, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Hebei Xiong'an. Accordingly, Hebei Xiong'an was classified as an associate of the Group.

The Group had completed the disposal of equity interest in Hebei Xiong'an on 10 December 2021, and Hebei Xiong'an was no longer an associate of the Group.

As at 31 December 2021 and 2020, the above investments were held by the Company's subsidiaries.

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

19. 聯營公司權益（續）

本集團（續）

附註：

- (a) 於二零一八年十二月三十一日為止的以前年度，本集團向河北雄安注資1,000,000元人民幣（等值1,168,000港元）。河北雄安由本集團及在中國雄安的另外三間實體共同設立，便於本集團能在雄安市進一步發展研發及建設服務。

根據河北雄安之公司章程細則，本集團對河北雄安有重大影響（而非控制權或共同控制權），包括參與決定其財務及運營政策。因此，河北雄安被分類為本集團之聯營公司。

於二零二一年十二月十日，本集團完成了對河北雄安中股權的處置，河北雄安不再是本集團的聯營公司。

於二零二一年及二零二零年十二月三十一日，上述投資由本公司附屬公司持有。

下表載列了本集團個別不屬於重大聯營公司之匯總財務資料：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Share of the associates' profit and loss for the year	本年度聯營公司所佔盈利或虧損	(6,758)	4,224
Share of the associates' total comprehensive income	本年度聯營公司應佔綜合收益總額	(6,692)	4,555
Aggregate carrying amount of the Group's investments in the associates	本集團對聯營公司投資的賬面總值	231	8,143

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

20. INTERESTS IN SUBSIDIARIES

Company

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	12,767,172	12,263,369
Amounts due from subsidiaries	應收附屬公司款項	3,358,153	3,093,886
		16,125,325	15,357,255
Impairment	減值	(4,619,704)	(4,476,838)
		11,505,621	10,880,417

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. The balances are considered by the directors as quasi-equity investments in these subsidiaries.

Management performs impairment testing on the Company's interests in subsidiaries based on the assessment of the subsidiaries' historical and current performance and probability of future cash flows. The recoverable amount of each of the subsidiaries was determined based on value-in-use calculations using cash flow projections based on a financial budget covering a five-year period approved by the management.

Movements in the provision for impairment are as follows:

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the year	年初	4,476,838	4,191,484
Exchange realignment	匯兌調整	142,866	285,354
At the end of the year	年末	4,619,704	4,476,838

Particulars of the subsidiaries are disclosed in note 1.

20. 附屬公司權益

本公司

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	12,767,172	12,263,369
Amounts due from subsidiaries	應收附屬公司款項	3,358,153	3,093,886
		16,125,325	15,357,255
Impairment	減值	(4,619,704)	(4,476,838)
		11,505,621	10,880,417

應收附屬公司款項為無抵押、免息及並無固定還款期。該等結餘被董事視為於該等附屬公司的准股權投資。

管理層通過評估附屬公司的歷史和現在業績以及未來可能的現金流量，對附屬公司的權益進行減值測試。每個附屬公司的可收回金額乃根據管理層批准的五年期財務預算的現金流量預測釐定其使用價值。

減值撥備變動如下：

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the year	年初	4,476,838	4,191,484
Exchange realignment	匯兌調整	142,866	285,354
At the end of the year	年末	4,619,704	4,476,838

該等附屬公司的詳情披露於財務報表附註1。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

21. CONTRACT ASSETS

Group

		As at 31 December 於十二月三十一日		As at 1 January 於一月一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Notes 附註			
Non-current	非即期				
Service concession assets	服務特許經營資產	(a)	19,766,155	17,360,815	14,144,440
Less: Impairment	減：減值	(c)	(15,831)	(12,195)	–
			19,750,324	17,348,620	14,144,440
Current	即期				
Service concession assets	服務特許經營資產	(a)	1,949,143	1,679,084	1,360,370
Less: Impairment	減：減值	(c)	(1,561)	(1,179)	–
			1,947,582	1,677,905	1,360,370
Other contract assets	其他合約資產	(b)	42,884	3,282	28,835
			1,990,466	1,681,187	1,389,205
Total	總額		21,740,790	19,029,807	15,533,645

Notes:

- (a) Included in “Contract assets” as at 31 December 2021 and 2020 are amounts of HK\$534,155,000 and HK\$549,290,000, respectively, which are due from a non-controlling shareholder of a non wholly-owned subsidiary, and amounts of HK\$822,617,000 and HK\$789,747,000, respectively, which are due from a related company of a non wholly-owned subsidiary.

Contract assets as at 31 December 2021 and 2020 totalling HK\$21,715,298,000 and HK\$19,039,899,000, respectively, bear interest at rates ranging from 4.90% to 7.83% and 4.90% to 7.83%, respectively, per annum. As at 31 December 2021 and 2020, HK\$11,218,763,000 and HK\$8,677,273,000, respectively, 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 23).

21. 合約資產

本集團

		As at 31 December 於十二月三十一日		As at 1 January 於一月一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Notes 附註			
Non-current	非即期				
Service concession assets	服務特許經營資產	(a)	19,766,155	17,360,815	14,144,440
Less: Impairment	減：減值	(c)	(15,831)	(12,195)	–
			19,750,324	17,348,620	14,144,440
Current	即期				
Service concession assets	服務特許經營資產	(a)	1,949,143	1,679,084	1,360,370
Less: Impairment	減：減值	(c)	(1,561)	(1,179)	–
			1,947,582	1,677,905	1,360,370
Other contract assets	其他合約資產	(b)	42,884	3,282	28,835
			1,990,466	1,681,187	1,389,205
Total	總額		21,740,790	19,029,807	15,533,645

附註：

- (a) 於二零二一年及二零二零年十二月三十一日，計入「合約資產」包括應收一間非全資附屬公司的一名非控股股東款項分別為534,155,000港元及549,290,000港元，以及應收一間非全資附屬公司的一間關聯公司款項分別為822,617,000港元及789,747,000港元。

於二零二一年及二零二零年十二月三十一日，合約資產分別合共21,715,298,000港元及19,039,899,000港元，為分別按年利率介乎4.90%至7.83%及4.90%至7.83%計息。於二零二一年及二零二零年十二月三十一日，與開始運營的服務特許經營權安排有關的款項分別11,218,763,000港元及8,677,273,000港元。服務特許經營權安排的尚未到期付款金額，將以服務特許經營權安排運營期間所產生的收入償付。已開票金額將轉撥至應收賬款（附註23）。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

21. CONTRACT ASSETS (cont'd)

Group (cont'd)

(b) The balance as at 31 December 2021 and 2020 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 2021, HK\$17,392,000 (31 December 2020: HK\$13,374,000) 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 23.

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

At the beginning of the year	年初
Impairment losses recognised (note 8)	已確認的減值虧損 (附註8)
Exchange realignment	匯兌調整
At the end of the year	年末

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 2021, the probability of default applied ranging from 0.05% to 0.16% (31 December 2020: 0.06% to 0.08%) and the loss given default was estimated ranging from 57.65% to 64.87% (31 December 2020: 62.47% to 64.87%).

21. 合約資產 (續)

本集團 (續)

(b) 於二零二一年及二零二零年十二月三十一日的結餘包括因履行建造管理服務合約而產生的合約資產。該等合約包含於達致里程碑時須於服務期內分期付款的付款時間表。

(c) 減值撥備

於二零二一年十二月三十一日，17,392,000港元（二零二零年十二月三十一日：13,374,000港元）確認為合約資產的預期信貸虧損撥備。本集團與客戶的交易條款及信貸政策在財務報表附註23中披露。

合約資產的減值撥備之變動如下：

As at 31 December 於十二月三十一日	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
13,374	-
3,533	12,695
485	679
17,392	13,374

本集團於各個報告日期使用違約概率法進行減值分析，以計量預期信貸虧損。違約概率乃基於已公佈信貸評級之可供比較實體進行估計。有關計算反映概率加權結果、貨幣時間價值及於報告日期可得之有關過往事件及當前情況之合理且有依據之資料以及前瞻性信貸風險資料。於二零二一年十二月三十一日，所應用之違約概率介乎0.05%至0.16%（二零二零年十二月三十一日：0.06%至0.08%）。而違約損失率估計介乎57.65%至64.87%（二零二零年十二月三十一日：62.47%至64.87%）。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

21. CONTRACT ASSETS (cont'd)

Group (cont'd)

(c) Impairment assessment (cont'd)

As at 31 December 2021 and 2020, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with aggregate carrying amounts of HK\$5,786,528,000 and HK\$3,627,759,000, respectively, were pledged to the banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 27, 28 and 35.

22. INVENTORIES

Group

Raw materials and consumables	原材料及耗材
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The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

Cost of inventories consumed	已耗存貨的賬面價值
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21. 合約資產 (續)

本集團 (續)

(c) 減值撥備 (續)

於二零二一年及二零二零年十二月三十一日，本集團若干水環境項目的特許經營權（包括無形資產中的特許經營權、合約資產及應收賬款）的賬面價值分別為5,786,528,000港元及3,627,759,000港元已抵押作為本集團獲授銀行融資及發行資產支持證券之抵押品，進一步詳情載於附註27, 28及附註35。

22. 存貨

本集團

As at 31 December 於十二月三十一日

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
70,189	93,641

已於損益表確認為開支的存貨金額分析如下：

Year ended 31 December 截至十二月三十一日止年度

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
946,643	831,595

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current	非即期		
Other receivables	其他應收款項	333,489	4,578
Less: Impairment	減：減值	(6,967)	–
		326,522	4,578
VAT receivables	應收增值稅	417,859	285,324
Prepayments	預付款項	27,428	–
		445,287	285,324
		771,809	289,902
Current	即期		
Trade receivables	應收賬款	2,548,697	1,365,321
Less: Impairment	減：減值	(252,045)	(97,246)
		2,296,652	1,268,075
Other receivables and sundry deposits	其他應收款項及雜項按金	103,817	355,727
Less: Impairment	減：減值	(13,383)	(3,521)
		90,434	352,206
VAT receivables	應收增值稅	192,277	141,426
Amounts due from an associate	應收一間聯營公司款項	9,843	17,614
Prepayments	預付款項	277,048	186,376
		569,602	697,622
		2,866,254	1,965,697
Total	總額	3,638,063	2,255,599

The amounts due from an associate are unsecured, repayable on demand and interest-bearing at a rate of 4.75% (31 December 2020: 4.75%) per annum.

23. 應收賬款及其他應收款項

本集團

應收聯營公司款項為無抵押，須按要求償還及按年利率4.75%（二零二零年十二月三十一日：4.75%）計息。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES (cont'd)

Company

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Amounts due from subsidiaries	應收附屬公司款項	8,483,239	6,502,232

The amounts due from subsidiaries of the Company as at 31 December 2021 and 2020 are unsecured, interest-free and repayable on demand.

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

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the year	年初	97,246	65,902
Impairment losses recognised (note 8)	已確認的減值損失 (附註8)	149,289	25,492
Impairment loss reversed (note 8)	已轉回減值損失 (附註8)	(47,308)	-
Reversal of previous write-off of impairment loss	轉回過往已核銷減值損失	47,308	-
Exchange realignment	匯兌調整	5,510	5,852
At the end of the year	年末	252,045	97,246

23. 應收賬款及其他應收款項 (續)

本公司

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Amounts due from subsidiaries	應收附屬公司款項	8,483,239	6,502,232

本公司於二零二一年及二零二零年十二月三十一日的應收附屬公司款項為無抵押、免息及須按要求償還。

應收賬款預期信貸虧損撥備之變動如下：

本集團

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES (cont'd)

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

Group

At the beginning of the year	年初
Impairment losses recognised (note 8)	已確認的減值損失 (附註8)
Exchange realignment	匯兌調整
At the end of the year	年末

The ageing analysis of trade receivables, based on the date of invoice (or date of revenue recognition, if earlier) and net of provision, as at the end of the reporting period is as follows:

Group

Within 1 month	不多於一個月
More than 1 month but within 2 months	超過一個月但不多於兩個月
More than 2 months but within 4 months	超過兩個月但不多於四個月
More than 4 months but within 7 months	超過四個月但不多於七個月
More than 7 months but within 13 months	超過七個月但不多於十三個月
More than 13 months	超過十三個月

23. 應收賬款及其他應收款項 (續)

其他應收款項預期信貸虧損撥備之變動如下：

本集團

As at 31 December 於十二月三十一日		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the year	年初	3,521	-
Impairment losses recognised (note 8)	已確認的減值損失 (附註8)	16,451	3,342
Exchange realignment	匯兌調整	378	179
At the end of the year	年末	20,350	3,521

於報告期末，根據發票日期（或收入確認日期，以較早者為準）及扣除撥備後之應收賬款賬齡分析如下：

本集團

As at 31 December 於十二月三十一日		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within 1 month	不多於一個月	553,679	448,151
More than 1 month but within 2 months	超過一個月但不多於兩個月	276,958	125,719
More than 2 months but within 4 months	超過兩個月但不多於四個月	235,831	165,675
More than 4 months but within 7 months	超過四個月但不多於七個月	435,829	106,074
More than 7 months but within 13 months	超過七個月但不多於十三個月	498,179	164,376
More than 13 months	超過十三個月	296,176	258,080
		2,296,652	1,268,075

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES (cont'd)

Group (cont'd)

Trade receivables mainly represent revenue from the provision of operation services and the billed amounts of the contract assets. There was no recent history of default in respect of the Group's trade receivables. Since most of the debtors are local government authorities in the PRC and based on past experience, management, based on IAS 39's incurred loss approach, believes that no impairment allowance was necessary as at 31 December 2021 and 2020 in respect of the past due balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

From 1 January 2018, the Group has applied the simplified approach for providing impairment for ECLs prescribed by IFRS 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 as of 31 December 2021 and 2020 was determined as follows:

Group

		Current 即期	Past due within 1 year 逾期一年內	Past due more than 1 year but within 2 years 逾期超過一年 但於兩年內	Past due over 2 years 逾期兩年 以上	Total 總額
31 December 2021:	二零二一年十二月三十一日					
Expected loss rate	預計虧損率	2.6%	4.6%	14.9%	61.2%	9.9%
Gross carrying amount (HK\$'000)	賬面總值 (千港元)	800,331	1,173,035	379,138	196,193	2,548,697
Impairment (HK\$'000)	減值 (千港元)	21,120	54,386	56,496 [^]	120,043 [*]	252,045
31 December 2020:	二零二零年十二月三十一日					
Expected loss rate	預計虧損率	1.2%	3.7%	17.6%	40.3%	7.1%
Gross carrying amount (HK\$'000)	賬面總值 (千港元)	555,451	581,236	102,629	126,005	1,365,321
Impairment (HK\$'000)	減值 (千港元)	6,740	21,740	18,032 [^]	50,734 [*]	97,246

23. 應收賬款及其他應收款項 (續)

本集團 (續)

應收賬款主要指提供運營服務產生的收入及合約資產的開票金額。本集團應收賬款並無近期違約記錄。由於大多數債務人為中國當地政府機關且根據過往經驗，管理層基於國際會計準則第39號產生虧損法認為，由於信貸質量並無重大變動且結餘仍被認為可悉數收回，故毋須於二零二一年及二零二零年十二月三十一日就已逾期結餘作出減值撥備。本集團並不持有該等結餘的任何抵押品。

自二零一八年一月一日起，本集團已應用簡化方法對國際財務報告準則第9號規定的預期信貸虧損作出撥備，其准許對所有應收賬款採用整個存續期的預期虧損撥備。為計算預期信貸虧損，根據共同信貸風險特徵及逾期天數將應收賬款分類。下文預期信貸虧損亦納入前瞻性信息。於二零二一年及二零二零年十二月三十一日的減值釐定如下：

本集團

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES (cont'd)

Group (cont'd)

^ The impairment included an amount of HK\$14,257,000 (31 December 2020: HK\$6,978,000) 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\$ 114,275,000 (31 December 2020: HK\$39,383,000) 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.

Trade receivables are due within 30 to 90 days from the date of billing.

Included in "Trade and other receivables" of the Group as at 31 December 2021 and 2020 were trade receivables of HK\$2,296,652,000 and HK\$1,268,075,000, respectively, of which (a) HK\$11,657,000 and HK\$25,068,000, respectively, were due from a non-controlling shareholder of a non wholly-owned subsidiary, (b) HK\$14,211,000 and HK\$13,596,000, respectively, were due from a related company of a non wholly-owned subsidiary, and (c) nil and HK\$61,525,000, respectively, were due from a fellow subsidiary.

Included in "Other receivables" as at 31 December 2021 were government compensation receivables of HK\$308,020,000 (31 December 2020: nil) 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\$6,967,000 (31 December 2020: nil) was provided as at 31 December 2021. The amount will be settled before 31 December 2024.

Included in "Other receivables and sundry deposits" of the Group as at 31 December 2021 and 2020 were government compensation receivables of HK\$19,381,000 and HK\$17,238,000, arising from compensation of sludge disposal cost as stipulated in the concession service agreement of Everbright Water (Beijing) Limited.

23. 應收賬款及其他應收款項 (續)

本集團 (續)

^ 包括就特定應收賬款作出的減值金額14,257,000港元(二零二零年十二月三十一日:6,978,000港元),由於有迹象顯示本集團不可能悉數收回未償還合同金額,故有關特定應收賬款被視為違約。

* 包括就特定應收賬款作出的減值金額114,275,000港元(二零二零年十二月三十一日:39,383,000港元),由於有迹象顯示本集團不可能悉數收回未償還合同金額,故有關特定應收賬款被視為違約。

應收賬款於開票日期後30至90日到期。

於二零二一年及二零二零年十二月三十一日,計入本集團「應收賬款及其他應收款項」包括應收賬款分別2,296,652,000港元及1,268,075,000港元,其中(a)應收一間非全資附屬公司的一名非控股股東款項分別為11,657,000港元及25,068,000港元,(b)應收一間非全資附屬公司的一間關聯公司款項分別為14,211,000港元及13,596,000港元,及(c)應收一間同系附屬公司款項分別為零港元及61,525,000港元。

於二零二一年及二零二零年十二月三十一日,本集團的「其他應收款項及雜項按金」包括308,020,000港元的政府補償應收款項(二零二零年十二月三十一日:零),該款項因光大水務(淄博)有限公司搬遷及擴建污水處理廠而處置與服務特許經營權安排相關的無形資產及合約資產而產生。截至二零二一年十二月三十一日,已計提6,967,000港元(二零二零年十二月三十一日:零)減值撥備。該款項將於二零二四年十二月三十一日前結清。

於二零二一年及二零二零年十二月三十一日,本集團的「其他應收款項及雜項按金」包括光大水務(北京)有限公司服務特許經營權協議約定的政府應付污泥處置費分別為19,381,000港元及17,238,000港元。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

23. TRADE AND OTHER RECEIVABLES (cont'd)

Included in "Other receivables and sundry deposits" of the Group as at 31 December 2021 and 2020 were consideration receivables of HK\$8,095,000 and HK\$11,043,000, 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\$2,382,000 was provided as at 31 December 2021 (31 December 2020: HK\$3,521,000). The ageing of which is as follows:

Group

Current	即期
Past due:	已逾期
- over 2 years	- 超過兩年
Amounts past due	逾期金額

As at 31 December 2021 and 2020, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, contract assets and trade receivables) with aggregate carrying amounts of HK\$5,786,528,000 and HK\$3,627,759,000, respectively, were pledged to secure the banking facilities granted to the Group and the issuance of ABS, further details of which are included in notes 27, 28 and 35.

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

23. 應收賬款及其他應收款項 (續)

於二零二一年及二零二零年十二月三十一日，本集團的「其他應收款項及雜項按金」包括數年前處置宿遷市城北水務發展有限公司及宿遷市城北污水處理發展有限公司所持服務特許經營權代價，分別為8,095,000港元及11,043,000港元。於二零二一年十二月三十一日計提減值撥備2,382,000港元（二零二零年十二月三十一日：3,521,000港元）。其賬齡分析載列如下：

本集團

As at 31 December	
於十二月三十一日	
2021	2020
二零二一年	二零二零年
HK\$'000	HK\$'000
千港元	千港元
7,297	10,270
798	773
798	773
8,095	11,043

於二零二一年及二零二零年十二月三十一日，本集團若干水環境項目之特許經營權（包括無形資產中的特許經營權、合約資產及應收賬款）的賬面總值分別5,786,528,000港元及3,627,759,000港元已抵押作為本集團獲授銀行融資及發行資產支持證券之抵押品，進一步詳情載於附註27、28及35。

上述結餘之所有即期部分預期可於一年內收回或確認為開支。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

24. OTHER FINANCIAL ASSETS

Group

		Notes 附註	As at 31 December 於十二月三十一日	
			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current	非即期			
Unlisted investments, at fair value	以公允價值計量的非上市投資		-	409,147
Unlisted equity investment, at fair value	以公允價值計量的非上市股權投資		36,122	34,051
			36,122	443,198
Current	即期			
Unlisted investments, at fair value	以公允價值計量的非上市投資	(i)	222,880	-
Total	總額		259,002	443,198

Company

		Notes 附註	As at 31 December 於十二月三十一日	
			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted investments, at fair value	以公允價值計量的非上市投資	(i)	222,880	409,147

As at 31 December 2021 and 2020, the above unlisted investments were wealth management products issued by financial institutions in Hong Kong and the above unlisted equity investment represents the 6% interest in Yancheng CCCC Shanghai Dredging Water Environment Investment Co., Ltd. They were mandatorily classified as financial assets at fair value through profit or loss ("FVTPL") as their contractual cash flows are not solely payments of principal and interest.

Note:

- (i) The wealth management products are available for redemption at the option of the Group after the expiry of the applicable lock-up period.

24. 其他金融資產

本集團

		Notes 附註	As at 31 December 於十二月三十一日	
			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current	非即期			
Unlisted investments, at fair value	以公允價值計量的非上市投資		-	409,147
Unlisted equity investment, at fair value	以公允價值計量的非上市股權投資		36,122	34,051
			36,122	443,198
Current	即期			
Unlisted investments, at fair value	以公允價值計量的非上市投資	(i)	222,880	-
Total	總額		259,002	443,198

本公司

		Notes 附註	As at 31 December 於十二月三十一日	
			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted investments, at fair value	以公允價值計量的非上市投資	(i)	222,880	409,147

於二零二一年及二零二零年十二月三十一日，上述非上市投資為香港金融機構發行的理財產品，上述非上市股權投資為鹽城中交上航水環境投資有限公司的6%股權。該等投資被強制分類為按公允價值計入損益（「按公允價值計入損益」）的金融資產，此乃由於其合約現金流量並非純粹為償付本金及利息。

附註：

- (i) 該等理財產品可以根據本集團的選擇在適用鎖定期屆滿後進行贖回。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

25. CASH AND CASH EQUIVALENTS

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash on hand and bank balances	庫存現金及銀行結餘	2,281,001	1,702,855
Pledged bank deposits	已抵押銀行存款	985	16,675
		2,281,986	1,719,530

Company

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	134,962	23,128

As at 31 December 2021 and 2020, the pledged bank deposits 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 service concession agreements.

Included in "Cash and cash equivalents" of the Group as at 31 December 2021 and 2020 are deposits of HK\$199,771,000 and HK\$253,470,000, respectively, placed with a related party bank, which is a fellow subsidiary of the Company.

As at 31 December 2021 and 2020, the cash and cash equivalents of the Group denominated in RMB amounted to HK\$2,248,575,000 and HK\$1,675,469,000, respectively. 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.

25. 現金及現金等價物

本集團

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash on hand and bank balances	庫存現金及銀行結餘	2,281,001	1,702,855
Pledged bank deposits	已抵押銀行存款	985	16,675
		2,281,986	1,719,530

本公司

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	134,962	23,128

於二零二一年及二零二零年十二月三十一日，已抵押銀行存款抵押予銀行，就本集團於若干服務特許經營協議項下的特定履約責任而由銀行向授權人發出擔保。

於二零二一年及二零二零年十二月三十一日，本集團「現金及現金等價物」包括存放於本公司關聯方銀行（其為本公司同系附屬公司）之存款，分別為199,771,000港元及253,470,000港元。

於二零二一年及二零二零年十二月三十一日，本集團以人民幣計值的現金及現金等價物分別為2,248,575,000港元及1,675,469,000港元。人民幣不能自由兌換成其他貨幣，然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

25. CASH AND CASH EQUIVALENTS (cont'd)

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 2021 and 2020, cash at banks of the Group and the Company 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.

26. TRADE AND OTHER PAYABLES

Group

Trade payables	應付賬款
Dividend payable to a non-controlling shareholder of a non wholly-owned subsidiary	應付一間非全資附屬公司之一名非控股股東之股息
Interest payable	應付利息
Payable for acquisition	應付收購款項
Tax payables	應付稅項
Other creditors and accrued expenses	其他應付賬款及應計費用
Total	總額

Company

Amounts due to subsidiaries	應付附屬公司款項
Interest payable	應付利息
Other creditors and accrued expenses	其他應付賬款及應計費用
Total	總額

25. 現金及現金等價物 (續)

銀行存款按浮動息率計息，而浮動息率乃根據每日銀行存款息率釐定。銀行結餘乃存放於信譽良好且近期並無違約紀錄之銀行。

於二零二一年及二零二零年十二月三十一日，本集團及本公司的現金及現金等價物被視為低信貸風險，因此，本集團已根據十二個月的預期虧損法評估現金及現金等價物的預期信貸虧損為不重大。

26. 應付賬款及其他應付款項

本集團

As at 31 December 於十二月三十一日	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
2,307,616	1,796,446
–	17,025
125,637	85,745
10,023	9,713
30,977	23,103
741,420	608,906
3,215,673	2,540,938

本公司

As at 31 December 於十二月三十一日	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
14,221	2,695
126,051	85,699
7,267	10,859
147,539	99,253

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

26. TRADE AND OTHER PAYABLES (cont'd)

Included in "Trade and other payables" are trade payables with the following ageing analysis based on the date of invoice as at the end of the reporting period:

Group

Within 6 months	不多於六個月
Over 6 months	超過六個月

Trade payables totalling HK\$1,742,243,000 and HK\$1,085,901,000 as at 31 December 2021 and 2020, respectively 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 2021 and 2020 were trade payables of HK\$80,889,000 and HK\$1,355,000, respectively, 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 shareholder to its major customers.

Included in "Trade payables" of the Group as at 31 December 2021 and 2020 were trade payables of HK\$12,970,000 and HK\$6,962,000, respectively, 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 2021 and 2020 was a guarantee deposit of HK\$14,102,000 and HK\$14,148,000, respectively, from a former director of a subsidiary.

26. 應付賬款及其他應付款項 (續)

計入「應付賬款及其他應付款項」包括應付賬款，按照發票日期計算，其於報告期末之賬齡分析如下：

本集團

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within 6 months	不多於六個月	1,451,077	1,289,456
Over 6 months	超過六個月	856,539	506,990
		2,307,616	1,796,446

於二零二一年及二零二零年十二月三十一日，本集團建設—運營—移交、建設—擁有一運營及轉讓—運營—移交安排下之建造工程應付款項分別合共1,742,243,000港元及1,085,901,000港元。建造工程應付款項屬未到期款項。

於二零二一年及二零二零年十二月三十一日，計入本集團的「應付賬款」包括應付非全資附屬公司的非控股股東的賬款分別為80,889,000港元及1,355,000港元，相關款項為無抵押、免息及須按與該非控股股東授予其主要客戶信貸期相若的信貸期償還。

於二零二一年及二零二零年十二月三十一日，計入本集團「應付賬款」包括應付一間聯營公司之款項分別為12,970,000港元及6,962,000港元，相關款項為無抵押、免息及須按該聯營公司授予其主要客戶信貸期相若的信貸期償還。

於二零二一年及二零二零年十二月三十一日，計入本集團「其他應付款項及應計費用」包括一間附屬公司的一名前任董事之擔保按金分別為14,102,000港元及14,148,000港元。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

26. TRADE AND OTHER PAYABLES (cont'd)

Included in "Other creditors and accrued expenses" of the Group as at 31 December 2021 were other payables of HK\$228,468,000 (31 December 2020: nil), due to a non-controlling shareholder of a non wholly-owned subsidiary, which are unsecured, interest-bearing at the rates announced by the PBOC and repayable on demand.

Included in "Other creditors and accrued expenses" of the Group as at 31 December 2021 were other payables of HK\$20,508,000 (31 December 2020: nil) due to an associate, which are payment of performance appraisal awards and VAT tax refunds on behalf of local government.

27. BORROWINGS

Group

		As at 31 December 2021 於二零二一年十二月三十一日		As at 31 December 2020 於二零二零年十二月三十一日	
		Maturity 到期日	HK\$'000 千港元	Maturity 到期日	HK\$'000 千港元
Non-current	非即期				
Bank loans – secured	銀行貸款 – 有抵押	2023-2039	1,952,995	2022-2039	1,427,715
Bank loans – unsecured	銀行貸款 – 無抵押	2023-2037	5,522,513	2022-2037	4,334,917
Bonds payable – secured (note 28)	應付債券 – 有抵押 (附註28)	2023	168,679	2022-2023	230,385
Bonds payable – unsecured (note 28)	應付債券 – 無抵押 (附註28)	2023-2024	3,405,723	2022-2023	2,838,443
			11,049,910		8,831,460
Current	即期				
Bank loans – secured	銀行貸款 – 有抵押	2022	316,454	2021	153,857
Bank loans – unsecured	銀行貸款 – 無抵押	2022	1,299,777	2021	1,087,316
Bonds payable – secured (note 28)	應付債券 – 有抵押 (附註28)	2022	69,060	2021	63,371
Bonds payable – unsecured (note 28)	應付債券 – 無抵押 (附註28)	2022	1,706,737	2021	942,129
			3,392,028		2,246,673
			14,441,938		11,078,133

26. 應付賬款及其他應付款項 (續)

於二零二一年十二月三十一日，計入本集團「其他應付款項及應計費用」包括應付一間非全資附屬公司的一名非控股股東之其他應付款項228,468,000港元（二零二零年十二月三十一日：無），相關款項為無抵押、按中國人民銀行公佈的利率計息及須按的要求償還。

於二零二一年十二月三十一日，計入本集團「其他應付款項及應計費用」包括應付一間聯營公司的其他應付款項20,508,000港元（二零二零年十二月三十一日：無），其為代表地方政府應付的績效考核獎勵及增值稅退稅。

27. 借貸

本集團

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

27. BORROWINGS (cont'd)

27. 借貸 (續)

Company

本公司

		As at 31 December 2021 於二零二一年十二月三十一日		As at 31 December 2020 於二零二零年十二月三十一日	
		Maturity 到期日	HK\$'000 千港元	Maturity 到期日	HK\$'000 千港元
Non-current	非即期				
Bank loans – secured	銀行貸款 – 有抵押	2025	410,804	2025	528,576
Bank loans – unsecured	銀行貸款 – 無抵押	2023-2024	2,230,616	2022-2024	1,762,790
Bonds payable – unsecured (note 28)	應付債券 – 無抵押 (附註28)	2023-2024	3,405,723	2022-2023	2,838,443
			6,047,143		5,129,809
Current	即期				
Bank loans – secured	銀行貸款 – 有抵押	2022	120,854	2021	120,154
Bank loans – unsecured	銀行貸款 – 無抵押	2022	1,069,769	2021	892,365
Bonds payable – unsecured (note 28)	應付債券 – 無抵押 (附註28)	2022	1,706,737	2021	942,129
			2,897,360		1,954,648
			8,944,503		7,084,457

Group

本集團

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Analysed into:	分析：		
Bank loans repayable:	須於下列期間償還之銀行貸款：		
Within one year or on demand	一年內或按要求	1,616,231	1,241,173
In the second year	第二年	1,958,007	1,081,372
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	3,214,798	2,865,366
Beyond five years	五年後	2,302,703	1,815,894
		9,091,739	7,003,805
Bonds payable repayable:	須於下列期間償還之應付債券：		
Within one year or on demand	一年內或按要求	1,775,797	1,005,500
In the second year	第二年	2,352,103	1,724,645
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	1,222,299	1,344,183
		5,350,199	4,074,328
Total	總額	14,441,938	11,078,133

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

27. BORROWINGS (cont'd)

27. 借貸 (續)

Company

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		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Analysed into:	分析：		
Bank loans repayable:	須於下列期間償還之銀行貸款：		
Within one year or on demand	一年內或按要求	1,190,623	1,012,519
In the second year	第二年	1,092,348	846,795
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	1,549,072	1,444,571
		3,832,043	3,303,885
Bonds payable repayable:	須於下列期間償還之應付債券：		
Within one year or on demand	一年內或按要求	1,706,737	942,129
In the second year	第二年	2,183,424	1,657,721
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	1,222,299	1,180,722
		5,112,460	3,780,572
Total	總額	8,944,503	7,084,457

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. Such banking facilities, amounting to HK\$4,308,051,000 and HK\$3,193,828,000 as at 31 December 2021 and 2020, respectively, were utilised to the extent of HK\$2,269,449,000 and HK\$1,581,572,000 respectively.

The unsecured banking facilities, amounting to HK\$11,047,629,000 and HK\$9,572,153,000 as at 31 December 2021 and 2020, respectively, were utilised to the extent of HK\$6,822,290,000 and HK\$5,422,233,000, respectively. Among the unsecured banking facilities of the Group, HK\$996,964,000 and HK\$995,384,000 are guaranteed by the Company as at 31 December 2021 and 2020, respectively, and were utilised to the extent of HK\$696,964,000 and HK\$695,384,000 as at 31 December 2021 and 2020, respectively.

本集團若干銀行貸款融資是以本集團服務特許經營安排之相關收入、合約資產、應收款項及無形資產以及本公司若干附屬公司之股權作抵押。於二零二一年及二零二零年十二月三十一日，該等銀行貸款融資分別為4,308,051,000港元及3,193,828,000港元，分別已動用2,269,449,000港元及1,581,572,000港元。

於二零二一年及二零二零年十二月三十一日，無抵押銀行貸款融資分別為11,047,629,000港元及9,572,153,000港元，分別已動用6,822,290,000港元及5,422,233,000港元。在本集團無抵押銀行融資中，於二零二一年及二零二零年十二月三十一日分別有996,964,000港元及995,384,000港元由本公司擔保，於二零二一年及二零二零年十二月三十一日，分別已動用696,964,000港元及695,384,000港元。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

27. BORROWINGS (cont'd)

Banking facilities of HK\$8,368,757,000 and HK\$7,948,884,000 as at 31 December 2021 and 2020, respectively, 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 2021 and 2020, such facilities were utilised to the extent of HK\$6,285,589,000 and HK\$5,227,683,000, respectively. 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 40.

Bank loans of HK\$9,091,739,000 and HK\$7,003,805,000 as at 31 December 2021 and 2020, respectively, bear interest at variable rates ranging from 1.29% to 4.90% and 1.21% to 4.66% per annum, and bonds payable of HK\$5,350,199,000 and HK\$4,074,328,000 as at 31 December 2021 and 2020, respectively, bears interest at fixed rates ranging from 3.20% to 3.89% per annum and 2.98% to 4.60% per annum.

The Group's bank loans of HK\$1,108,516,000 and HK\$1,221,637,000 as at 31 December 2021 and 2020, respectively, are denominated in US\$, HK\$4,562,732,000 and HK\$3,004,537,000 as at 31 December 2021 and 2020, respectively, are denominated in RMB, HK\$21,133,000 and HK\$28,096,000 as at 31 December 2021 and 2020, respectively, are denominated in EUR, HK\$3,399,358,000 and HK\$2,749,535,000 as at 31 December 2021 and 2020, respectively, are denominated in HK\$.

27. 借貸 (續)

於二零二一年及二零二零年十二月三十一日，銀行貸款融資分別有8,368,757,000港元及7,948,884,000港元須符合與本集團若干財務比率有關的契諾。倘本集團違反契諾，所提取的融資須應要求償還。於二零二一年及二零二零年十二月三十一日，有關融資分別已動用6,285,589,000港元及5,227,683,000港元。本集團會定期監察該等契諾的遵行情況。若干銀行貸款融資亦限制本公司若干附屬公司不得在未獲銀行事前書面批准下向股東宣派或支付股息，或要求本集團通過指定的財務機構處理污水處理運營費。本集團管理流動性風險的進一步詳情載於附註40。

於二零二一年及二零二零年十二月三十一日，銀行貸款分別有9,091,739,000港元及7,003,805,000港元按浮動年利率1.29%至4.90%及1.21%至4.66%計息，及於二零二一年及二零二零年十二月三十一日，應付債券分別有5,350,199,000港元及4,074,328,000港元，按固定年利率介乎3.20%至3.89%計息及2.98%至4.60%計息。

本集團於二零二一年十二月三十一日之銀行貸款1,108,516,000港元及於二零二零年十二月三十一日之銀行貸款1,221,637,000港元以美元計值；於二零二一年及二零二零年十二月三十一日，分別有4,562,732,000港元及3,004,537,000港元以人民幣計值；及於二零二一年及二零二零年十二月三十一日，分別有21,133,000港元及28,096,000港元以歐元計值；及於二零二一年及二零二零年十二月三十一日，分別有3,399,358,000港元及2,749,535,000港元以港元計值。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE

Group

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current	非即期		
Asset-backed securities - secured	資產支持證券 — 有抵押	168,679	230,385
Corporate bonds - unsecured	公司債券 — 無抵押	965,958	1,657,720
Medium term notes - unsecured	中期票據 — 無抵押	2,439,765	1,180,723
		3,574,402	3,068,828
Current	即期		
Asset-backed securities - secured	資產支持證券 — 有抵押	69,060	63,371
Corporate bonds - unsecured	公司債券 — 無抵押	1,706,737	942,129
		1,775,797	1,005,500
Total	總額	5,350,199	4,074,328

Company

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current	非即期		
Corporate bonds - unsecured	公司債券 — 無抵押	965,958	1,657,720
Medium term notes - unsecured	中期票據 — 無抵押	2,439,765	1,180,723
		3,405,723	2,838,443
Current	即期		
Corporate bonds - unsecured	公司債券 — 無抵押	1,706,737	942,129
		1,706,737	942,129
Total	總額	5,112,460	3,780,572

28. 應付債券

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE (cont'd)

On 15 January 2021, the Company issued the second tranche of RMB-denominated MTN of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 3.75% per annum, and a maturity period of 3 years from the issuance date. The interest shall be paid annually from 16 January 2021 and up to the maturity date. On 10 August 2021, the Company issued the first tranche of RMB-denominated SCP of RMB800 million, with an interest rate at 2.40% per annum and redemption date of 8 December 2021. The interest shall be paid on the redemption date together with the principal. The Company has repaid the principal and interest of the first tranche of RMB-denominated SCP on 8 December 2021.

On 4 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 MTN, with a registered principal 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 3 years from the issuance date. The interest shall be paid annually from 5 August 2020 and up to the redemption date.

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 has 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.

28. 應付債券（續）

於二零二一年一月十五日，本公司發行以人民幣計值的第二期中期票據，金額為10億元人民幣（扣除相關開支3,000,000元人民幣前），年利率為3.75%及期限由發行日期起計為期三年。利息須由二零二一年一月十六日起至到期日止每年支付。於二零二一年八月十日，本公司發行第一期以人民幣計價的超短期融資券，金額為8億元人民幣，年利率為2.40%及兌付日期為二零二一年十二月八日。利息須在兌付日期前連同本金一併支付。本公司已於二零二一年十二月八日償還以人民幣計值的第一期超短期融資券的本金及利息。

於二零二零年四月四日，本公司獲得中華人民共和國銀行間市場交易商協會就中期票據發出的接受註冊通知書，註冊金額為30億元人民幣，有效期為自發出通知書起計兩年。於二零二零年八月四日，本公司發行第一期以人民幣計值的中期票據，金額為10億元人民幣（扣除相關開支3,704,000元人民幣前），年利率為3.60%及期限由發行日期起計為期3年。利息須由二零二零年八月五日起至兌付日期止每年支付。

本公司於二零一九年十一月二十八日就光大水務（深圳）有限公司（「深圳水務」），本公司之全資附屬公司）根據資產支持證券計劃（「該計劃」）可能發行資產支持證券予中國合資格投資者向上海證券交易所（「上交所」）提交申請。於二零二零年三月二十六日，上交所發出無異議函（「無異議函」）確認其對可能發行資產支持證券並無異議。根據無異議函，資產支持證券的發行規模不得多於3億元人民幣及資產支持證券須於自無異議函日期起計12個月內完成發行。

於二零二零年六月十七日，成功發行總額3億元人民幣的資產支持證券，其中2.85億元人民幣優先級資產支持證券由中國合資格投資者認購及1,500萬元人民幣次級資產支持證券則由深圳水務認購。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE (cont'd)

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 favor 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**”).

The principal and interest of the preference ABS are repayable pursuant to the repayment schedule of the Scheme, with an interest rate ranging from between 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.

28. 應付債券（續）

該等證券之原始權益人為深圳水務。資產支持證券的相關資產為三個位於遼寧省的項目公司就四個污水處理項目所享有自二零二零年三月一日起為期五年的特定期間內的污水處理收費收益權。相關項目公司針對部分相關資產向該計劃提供了質押擔保。

優先級資產支持證券根據有關優先級資產支持證券的到期日分為五個類別，包括：

- (a) 優先級資產支持證券01，為50,000,000元人民幣（「**優先級資產支持證券1**」）；
- (b) 優先級資產支持證券02，為54,500,000元人民幣（「**優先級資產支持證券2**」）；
- (c) 優先級資產支持證券03，為57,000,000元人民幣（「**優先級資產支持證券3**」）；
- (d) 優先級資產支持證券04，為60,500,000元人民幣（「**優先級資產支持證券4**」）；及
- (e) 優先級資產支持證券05，為63,000,000元人民幣（「**優先級資產支持證券5**」）。

優先級資產支持證券之本金及利息須根據計劃之還款時間表償還，按介乎3.38%至3.99%之固定年利率計息。本公司可以選擇於二零二三年三月二十六日（「**第12個還款日**」）之前調整優先級資產支持證券4及優先級資產支持證券5的利率，利率調整為增加或減少不超過200個基點（1基點等於0.01%）。優先級資產支持證券4及優先級資產支持證券5持有人擁有一項期權，可按名義價格將票據售回深圳水務。該項期權之行使期為自第12個還款日前的第26日起至第12個還款日前的第17日止。

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE (cont'd)

In 2021, the Company repaid the principal of RMB13,000,000 (FY2020: RMB37,000,000) of the Preference ABS 1 and RMB40,500,000 (FY2020: nil) of the Preference ABS 2 according to the principal repayment schedule.

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 24 July 2017 (the “**First Issue Date**”), the Company issued the first tranche of the Corporate Bond with principal amount of RMB1 billion, before related expenses of RMB5,964,000, with a maturity period of five years from the First Issue Date. The first tranche of the Corporate Bond bears interest at a rate of 4.55% per annum and the interest will be repayable by the Company annually from the First Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the First Issue Date, the Company is entitled to adjust the interest rate of the first 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 First Issue Date. The bondholders have an option to sell back the first 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 first tranche of the Corporate Bond.

On 24 June 2020, the Company had announced the adjustment of the interest rate in respect of the First Tranche of the Corporate Bond from 4.55% per annum to 3.28% per annum for the period from 24 July 2020 to 23 July 2022. The Company had repurchased the First Tranche of the Corporate Bond totaling RMB650,000,000, of which RMB350,000,000 had been resold and the remaining RMB300,000,000 had been cancelled.

28. 應付債券（續）

二零二一年，本公司根據計劃之還款時間表償還了優先級資產支持證券1的本金13,000,000元人民幣（二零二零年：37,000,000元人民幣）和優先級資產支持證券2的本金40,500,000元人民幣（二零二零年：無）。

於二零一七年七月二十一日，本公司就向中國合格投資者發行以人民幣計值本金總額不超過25億元人民幣計價的公司債券（「**公司債券**」）與相關金融機構訂立承銷協議。

於二零一七年七月二十四日（「**首次發行日期**」），本公司發行第一期本金金額為10億元人民幣（扣除相關開支5,964,000元人民幣前）的公司債券，期限由首次發行日期起計為期五年。第一批公司債券按年利率4.55%計息及本公司將於首次發行日期起至到期日止每年支付利息。根據公司債券之條款，自首次發行日期起計三年後，本公司有權調整第一批公司債券於到期日前餘下兩年之年利率。本公司將於首次發行日期後，支付第三年的利息前20個工作日公佈年利率調整詳情（如有）。債券持有人擁有一項期權，可按名義價格將第一期公司債券售回予本公司。該項期權的行使期為緊隨本公司發出有關調整第一期公司債券息率之公佈後的五個工作日。

於二零二零年六月二十四日，本公司已公佈有關第一期公司債券的票面利率調整，於二零二零年七月二十四日至二零二二年七月二十三日止期間將票面利率由4.55%下調至3.28%。本公司已購回第一批公司債券合共650,000,000元人民幣，其中350,000,000元人民幣已被轉售，而其餘300,000,000元人民幣已被註銷。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE (cont'd)

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.

On 19 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. On 19 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 was resold and the remaining RMB9,100,000 was cancelled on 12 August 2021. The Company had repurchased the second type of second tranche of the Corporate Bond totaling RMB183,050,000, of which RMB180,000,000 was resold and the remaining RMB3,050,000 had been cancelled on 12 August 2021.

28. 應付債券（續）

於二零一八年八月十六日（「**第二次發行日期**」），本公司發行第二期本金金額為8億元人民幣（扣除相關開支4,171,000元人民幣前）的公司債券，期限由第二次發行日期起計為期五年。第二期公司債券包括兩品種之債券：(i)本金金額4億元人民幣按票面利率4.60%計息的債券，(ii)本金金額4億元人民幣按票面利率4.58%計息的債券。本公司將於第二次發行日期起至到期日止每年支付利息。根據公司債券之條款，自第二次發行日期起計三年後，本公司有權調整第二期公司債券於到期日前餘下兩年之票面利率。本公司將於第二次發行日期後，支付第三年的票面利率前20個工作日公佈年利率調整詳情（如有）。債券持有人擁有一項期權，可按名義價格將第二期公司債券回售予本公司。該項期權的行使期為緊隨本公司發出有關調整第二期公司債券票面利率之公佈後的五個工作日。

於二零二一年七月十九日，本公司宣佈將第二期公司債券的品種一在二零二一年八月十六日至二零二三年八月十五日止期間的票面利率從4.60%調整為3.20%。於二零二一年七月十九日，本公司宣佈將第二期公司債券的品種二在二零二一年八月十六日至二零二三年八月十五日止期間的票面利率從4.58%調整為3.20%。

本公司回售了第二期公司債券的品種一合共79,100,000元人民幣，其中70,000,000元人民幣為轉售，剩餘9,100,000元人民幣於二零二一年八月十二日註銷。本公司已回購了第二期公司債券的品種二合共183,050,000元人民幣，其中180,000,000元人民幣為轉售，剩餘3,050,000元人民幣已於二零二一年八月十二日註銷。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

28. BONDS PAYABLE (cont'd)

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.

29. DEFERRED TAX

Group

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

Deferred tax assets

At 1 January 2021	於二零二一年一月一日
Deferred tax from acquisition of a subsidiary (note 32)	收購附屬公司產生的遞延稅項資產 (附註32)
Deferred tax charged to profit or loss	扣除損益的遞延稅項
Exchange realignment	匯兌調整
At 31 December 2021	於二零二一年十二月三十一日

28. 應付債券 (續)

於二零一九年一月二十一日 (「第三次發行日期」)，本公司發行第三期本金金額為7億元人民幣 (扣除相關開支3,632,000元人民幣前) 的公司債券，期限由第三次發行日期起計為期五年。第三期公司債券按年利率3.89%計息及本公司將於首次發行日期起至到期日止每年支付利息。根據公司債券之條款，自第三次發行日期起計三年後，本公司有權調整第三期公司債券於到期日前餘下兩年之票面利率。本公司將於第三次發行日期後，支付第三年的利息前20個工作日公佈票面利率調整詳情 (如有)。債券持有人擁有一項期權，可按名義價格將第三期公司債券售回予本公司。該項期權的行使期為緊隨本公司發出有關調整第三期公司債券票面利率之公佈後的五個工作日。

29. 遞延稅項

本集團

遞延稅項資產及負債於財政年度內之變動如下：

遞延稅項資產

Fair value adjustments arising from acquisition of a subsidiary
收購附屬公司所產生公允價值調整

HK\$'000 千港元
–
8,122
(2,107)
112
6,127

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

29. DEFERRED TAX (cont'd)

Deferred tax liabilities

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司所產生之公允價值調整	Temporary differences on assets recognised under IFRIC 12 根據國際財務報告詮釋委員會第12號確認之資產之暫時性差異	Undistributed profits of subsidiaries 附屬公司未分配盈利	Others 其他	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	175,541	1,094,246	239,362	(12,893)	1,496,256
Deferred tax charged/ (credited) to profit or loss	扣除/ (計入) 損益的遞延稅項	(11,624)	135,189	53,578	12,490	189,633
Exchange realignment	匯兌調整	13,897	82,495	19,164	374	115,930
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	177,814	1,311,930	312,104	(29)	1,801,819
Deferred tax charged/ (credited) to profit or loss	扣除/ (計入) 損益的遞延稅項	(8,951)	119,322	89,166	-	199,537
Exchange realignment	匯兌調整	7,055	43,929	11,398	(1)	62,381
At 31 December 2021	於二零二一年十二月三十一日	175,918	1,475,181	412,668	(30)	2,063,737

29. 遞延稅項 (續)

遞延稅項負債

The Group has estimated tax losses arising in Mainland China of approximately HK\$107,188,000 and HK\$82,705,000 as at 31 December 2021 and 2020, respectively, 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.

於二零二一年及二零二零年十二月三十一日，本集團於中國內地產生之估計稅務虧損分別約107,188,000港元及82,705,000港元，有關虧損可用作抵消產生虧損之公司日後應課稅盈利，其應用限期將於一至五年內屆滿。由於有關虧損來自已出現虧損一段時間之若干附屬公司，且本集團認為應課稅盈利將不可能抵銷該等可動用的稅務虧損，故概無就中國內地產生之該等稅務虧損確認遞延稅項資產。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

29. DEFERRED TAX (cont'd)

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.

30. SHARE CAPITAL

Group and Company

29. 遞延稅項 (續)

根據中國企業所得稅法，於中國內地成立的外商投資企業向海外投資者宣派的股息須繳納10%預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國內地與海外投資者所屬司法權區訂有相關稅務協議，則可採用較低預扣稅率。本集團的適用稅率為5%或10%。因此，本集團須就於中國內地成立的附屬公司分派自二零零八年一月一日起產生之盈利所分派之股息承擔預扣所得稅。

本公司向其股東派發股息並不附帶任何所得稅後果。

30. 股本

本集團及本公司

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Authorised:	法定：		
10,000,000,000 ordinary shares of par value of HK\$1.00 each	10,000,000,000股每股面值1.00港元普通股	10,000,000	10,000,000
Issued and fully paid:	已發行及悉數繳足：		
2,860,876,723 ordinary shares of par value of HK\$1.00 each	2,860,876,723 股每股面值1.00港元的普通股	2,860,877	2,860,877

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

30. SHARE CAPITAL (cont'd)

A summary of movements in share capital is as follows:

Group and Company

	Number of shares in issue 已發行股份數目 '000 千股	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Total 總額 HK\$'000 千港元
--	--	--	--	--------------------------------

At 1 January 2020,
1 January 2021 and
31 December 2021

於二零二零年一月一日，
二零二一年一月一日及
二零二一年十二月
三十一日

2,860,877 2,860,877 1,599,765 4,460,642

30. 股本（續）

股本變動摘要如下：

本集團及本公司

31. RESERVES

	Notes 附註	Group 本集團		Company 本公司	
		As at 31 December 於十二月三十一日		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Share premium	股份溢價	1,599,765	1,599,765	389,715	389,715
Foreign currency translation reserve	外幣換算儲備 (i)	598,589	125,211	(165,782)	(508,101)
Statutory reserve	法定儲備 (ii)	578,129	524,810	–	–
Contributed surplus reserve	繳入盈餘儲備 (iii)	1,229,302	1,229,302	7,639,082	7,639,082
Other reserves	其他儲備 (iv)	8,203	8,203	64,953	64,953
Retained earnings	保留盈利	4,995,218	4,186,125	465,815	184,693
		9,009,206	7,673,416	8,393,783	7,770,342

31. 儲蓄

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

31. RESERVES (cont'd)

Notes:

(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.

31. 儲蓄 (續)

附註：

(i) 外幣換算儲備

外幣換算儲備指換算功能貨幣與本集團列報貨幣不同的本公司及其海外業務之財務報表所產生的匯兌差額。

(ii) 法定儲備

根據適用於中國附屬公司的《中華人民共和國公司法》，附屬公司須對法定儲備作出撥備。根據規定，至少10%的法定除稅後盈利須分配至法定儲備，直至累計儲備總額達至附屬公司註冊資本的50%為止。待相關中國機關審批後，法定儲備可用於抵銷任何累計虧損或增加附屬公司的註冊資本。法定儲備不得用於向中國附屬公司之股東派付股息。

(iii) 繳入盈餘儲備

繳入盈餘儲備為彌補累計虧損後的股份溢價。根據二零一五年十二月十五日日本公司舉行的特別股東大會所通過的特別決議案，本公司股份溢價的全部金額減至零並轉撥至繳入盈餘儲備。

(iv) 其他儲備

其他儲備包括資本儲備及其他儲備。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

32. BUSINESS COMBINATION

On 21 January 2021, one of the wholly-owned subsidiaries of the Company, BEWIM signed an equity transfer agreement, the supplementary agreement to the equity transfer agreement and the cooperation agreement with Tianjin Binhai Environmental Protection Asset Development Co., Ltd. to acquire 65% interest in Tianjin Huantang. Tianjin Huantang is principally engaged in waste water treatment and recycling; pipeline engineering; municipal engineering; construction, management, operation, technical consultation and ancillary services of waste water treatment and reusable water facilities; research and development and operation of environmental protection technology and environmental protection products; renewable resources utilization and operation; sludge dewatering treatment and its application. The acquisition was made as part of the Group's strategy to expand the water business of the Group. The purchase consideration for the acquisition was in the form of cash, with consideration for the acquisition amounting to RMB666,336,000 (equivalent to HK\$800,136,000). The acquisition was completed on 1 March 2021.

As of 31 December 2021, the purchase price accounting for the business combination of Tianjin Huantang was completed. The table below sets forth the fair values of assets acquired and the liabilities assumed recognised at the acquisition date.

32. 業務合併

於二零二一年一月二十一日，本公司全資附屬公司之北京水投與天津濱海環保產業發展有限公司簽署了產權交易合同、產權交易合同補充協議及合作協議，收購天津環塘65%的股權。天津環塘主要從事污水處理及再生利用；管道工程；市政工程；污水及中水設施的建設、管理、經營、技術諮詢及配套服務；環保科技及環保產品的研發與經營，再生資源利用及經營；污泥乾化處理及其應用。此次收購是本集團擴大水務業務戰略的一部分。此次收購的購買代價以現金形式支付，購買代價為666,336,000元人民幣（等值800,136,000港元）。本次收購於二零二一年三月一日完成。

截至二零二一年十二月三十一日，天津環塘業務合併的收購價格核算已完成。下表中列出在收購日已確認的可識別資產及負債之公允價值。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

32. BUSINESS COMBINATION (cont'd)

32. 業務合併 (續)

		Fair value recognised on acquisition 收購日確認之 公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	898,601
Intangible assets	無形資產	28
Right-of-use assets	使用權資產	94,143
Trade and other receivables	應收賬款及其他應收款項	379,585
Cash and cash equivalents	現金及現金等價物	5,520
Inventories	存貨	9,217
Deferred tax assets	遞延稅項資產	8,122
Current liabilities	流動負債	(459,057)
Total identifiable net assets at fair value	按公允價值列賬的可辨別 資產淨值總額	936,159
Non-controlling interests	非控股權益	(327,656)
		608,503
Goodwill on acquisition	收購所產生之商譽	191,633
Satisfied by cash	現金方式結算	800,136

The fair value of the trade and other receivables as at the date of acquisition amounted to HK\$379,585,000. The gross contractual amount of trade and other receivables was HK\$546,296,000, of which HK\$166,711,000 is expected to be uncollectible.

The non-controlling interests in Tianjin Huantang recognised at the acquisition date was measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of Tianjin Huantang at that date.

The Group incurred transaction costs of HK\$4,453,000 for this acquisition. These transaction costs were expensed and included in "Administrative and other operating expenses" in the consolidated statement of comprehensive income for the year ended 31 December 2021.

於收購日，應收賬款及其他應收款項之公允價值為379,585,000港元。應收賬款及其他應收款項的總額為546,296,000港元，其中166,711,000港元預期無法收回。

天津環塘的非控股權益按照該非控股權益於收購日所佔天津環塘資產淨值之公允價值的比例來計量確認。

本集團就該項交易產生之交易成本為4,453,000港元。有關交易成本已於截至二零二一年十二月三十一日止期間的綜合全面收益表支銷，並計入「行政及其他經營費用」。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

32. BUSINESS COMBINATION (cont'd)

An analysis of the cash flows in respect of the acquisition of Tianjin Huantang is as follows:

		Year ended 31 December 2021 截至十二月 三十一日止年度 HK\$'000 千港元
Cash consideration	現金代價	(800,136)
Cash and cash equivalents acquired	收購現金及現金等價物	5,520
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動現金流量之現金及現金等價物流出淨額	(794,616)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(4,453)
		(799,069)

32. 業務合併 (續)

有關收購天津環塘之現金流量分析如下:

Reconciliation of the carrying amount of the Group's goodwill at the beginning and end of the reporting period is presented below:

本集團的商譽賬面價值在報告期期初和期末的變動如下:

		HK\$'000 千港元
Gross carrying amount	賬面價值	
At 1 January 2021	於二零二一年一月一日	1,295,475
Acquisition of a subsidiary	收購子公司	191,633
Exchange realignment	匯兌調整	44,468
At 31 December 2021	於二零二一年十二月三十一日	1,531,576
Net book value	賬面淨值	
At 1 January 2021	於二零二一年一月一日	1,295,475
At 31 December 2021	於二零二一年十二月三十一日	1,531,576

The goodwill arising from the acquisition of Tianjin Huantang is attributable to the future growth and profitability in relation to the water business. None of the goodwill recognised is expected to be deductible for income tax purpose.

收購天津環塘所產生的商譽可歸因於水務業務未來的增長和盈利能力。所有確認的商譽均未扣除所得稅。

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

32. BUSINESS COMBINATION (cont'd)

Since the acquisition, Tianjin Huantang contributed HK\$192,521,000 to the Group's revenue and a loss of HK\$41,624,000 to the consolidated profit for the ten months ended 31 December 2021.

Had the acquisition taken place on 1 January 2021, the consolidated revenue and profit for the twelve months ended 31 December 2021 of the Group would have been HK\$6,959,929,000 and HK\$1,297,162,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

33. ACQUISITION OF A NON-CONTROLLING INTEREST

On 25 August 2020, the Company has, through its wholly-owned subsidiary, Everbright Water (Nanjing) Limited, increased its shareholding in Everbright Industrial Waste Water Treatment Nanjing Limited (“**Nanjing IWWT**”) from 60% to 100% by acquiring the remaining 40% (the “**Target Equity**”) from an independent third party, Nanjing Zhuohong Environmental Protection Technology Co., Ltd., with whom it had jointly incorporated Nanjing IWWT (the “**Acquisition**”). The purchase consideration for the Acquisition was RMB26,000,000 (equivalent to approximately HK\$28,990,000).

The Company recognised a decrease in non-controlling interests and an increase in other reserve of HK\$39,374,000 and HK\$10,384,000, respectively.

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the years ended 31 December 2021 and 2020, the interest expenses on corporate bonds and MTN of HK\$118,188,000 and HK\$76,418,000, respectively, were not yet settled by the Group, and recorded in “Trade and other payables” in the consolidated statements of financial position as at 31 December 2021 and 2020, and have no cash flow impact to the Group.

32. 業務合併（續）

自收購起，截至二零二一年十二月三十一日十個月期間，天津環塘向本集團貢獻收入192,521,000港元，而為綜合盈利帶來虧損41,624,000港元。

倘若收購於二零二一年一月一日進行，本集團截至二零二一年十二月三十一日止十二個月的綜合收入及盈利將分別為6,959,929,000港元及1,297,162,000港元。在釐定該等金額時，管理層假設倘該項收購於二零二一年一月一日發生，該項收購所得資產及負債於收購日期所產生之公允價值調整仍然相同。

33. 收購一項非控股權益

二零二零年八月二十五日，本公司通過其全資附屬公司光大水務（南京）有限公司自一家獨立第三方公司，南京卓泓環保科技有限公司，收購光大工業廢水處理南京有限公司（「**南京工業廢水**」）剩餘的40%股權（「**收購**」），將其在南京工業廢水中的股權從60%增加至100%。收購的代價為26,000,000元人民幣（等值約28,990,000港元）。

本集團確認非控股權益減少39,374,000港元及其他儲備增加10,384,000港元。

34. 綜合現金流量表附註

(a) 重大非現金交易

- (i) 截至二零二一年及二零二零年十二月三十一日止的年度內，本集團尚未結清公司債券和中期票據的利息費用分別為118,188,000港元和76,418,000港元，並記錄在二零二一年及二零二零年十二月三十一日的綜合財務狀況表的「應付賬款及其他應付款項」，對本集團並無現金流量影響。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

(a) Major non-cash transactions (cont'd)

- (ii) During the year ended 31 December 2020, the non-controlling shareholder of a non-wholly-owned subsidiary made capital contribution of HK\$5,059,000 to the non-wholly-owned subsidiary by using dividends declared in 2019, and have no cash flow impact to the Group.

(b) Changes in liabilities arising from financing activities

34. 綜合現金流量表附註 (續)

(a) 重大非現金交易 (續)

- (ii) 截至二零二零年十二月三十一日止年度，一間非全資附屬公司的一名非控股股東通過使用下述於二零一九年宣派的股息向該非全資附屬公司注資5,059,000港元，對本集團並無現金流量影響。

(b) 融資活動所產生的負債變動

		Bank loans 銀行貸款 HK\$'000 千港元	Bonds payable 應付債券 HK\$'000 千港元	Interest payable 應付利息 HK\$'000 千港元	Dividend payable to non-controlling shareholders of non wholly-owned subsidiaries 應付非全資附屬公司非控股股東股息 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	6,317,168	2,762,528	84,858	20,931
Changes from financing cash flows	融資現金流量產生的變動	500,782	1,061,672	(334,334)	-
Finance costs	財務費用	-	-	348,795	-
Capital contribution by a non-controlling shareholder of a subsidiary by using dividends declared in 2019	一間附屬公司的一名非控股股東通過使用於二零一九年宣派的股息作為註資款	-	-	-	(5,059)
Foreign exchange movement	匯兌變動	185,855	250,128	(13,574)	1,153
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	7,003,805	4,074,328	85,745	17,025
Changes from financing cash flows	融資現金流量產生的變動	1,954,886	1,120,423	(380,488)	(43,956)
Finance costs	財務費用	-	-	435,302	-
Dividends declared to non-controlling shareholders of subsidiaries	向一間附屬公司的一名非控股股東宣派的股息	-	-	-	26,582
Foreign exchange movement	匯兌變動	133,048	155,448	(14,922)	349
At 31 December 2021	於二零二一年十二月三十一日	9,091,739	5,350,199	125,637	-

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

(c) Total cash outflow for leases

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

Within operating activities	在經營活動中
Within financing activities	在融資活動中

34. 綜合現金流量表附註 (續)

(c) 租賃現金流出總額

綜合現金流量表所載租賃現金流出之總額如下：

Year ended 31 December
截至十二月三十一日止年度

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
2,835	3,593
10,584	10,402

35. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's ABS and banking facilities are included in notes 27 and 28. The aggregate net book values of assets and equity interests in subsidiaries pledged amounted to HK\$8,509,838,000 and HK\$4,677,087,000 as at 31 December 2021 and 2020, respectively.

35. 資產抵押

就本集團資產支持證券及銀行貸款融資而已予抵押之本集團資產之詳情載於附註27及28。於二零二一年及二零二零年十二月三十一日，已抵押資產及附屬公司股權之總賬面淨值分別為8,509,838,000港元及4,677,087,000港元。

36. COMMITMENTS

(a) The Group had the following commitments as at the reporting date:

Purchase commitments outstanding in connection with the Group's construction contracts were as follows:	有關本集團建造合約的採購承擔如下：
Contracted, but not provided for:	已訂約但未撥備

36. 承擔

(a) 本集團於各財務報表期末的承擔如下：

As at 31 December
於十二月三十一日

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
1,698,521	2,943,346

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

36. COMMITMENTS (cont'd)

- (b) As at 31 December 2021, the Group had an outstanding capital commitment of HK\$25,519,000 (31 December 2020: HK\$24,730,000) relating to the capital contribution to an unlisted equity investment.

37. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in this financial statements, the Group entered into the following material related party transactions during the year. Unless stated otherwise, the following related party transactions did not constitute connected transactions or continuing connected transactions:

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

Revenue from project operation service	項目運營服務收入
Finance income	財務收入
Cost of construction service	建造服務成本

Included in revenue from project operation service for the year ended 31 December 2021 was revenue from operation service amounting to HK\$9,979,000, which constituted a continuing connected transaction (“**CCT**”) but was fully exempt from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Rule 14A.76(1) of the SEHK Listing Rules (“**Fully Exempt CCT**”). Included in revenue from project operation service for the year ended 31 December 2020 was revenue from operation service amounting to HK\$8,745,000, which constituted a Fully Exempt CCT.

36. 承擔 (續)

- (b) 於二零二一年十二月三十一日，本集團一項非上市股權投資注資之資本承擔25,519,000港元（二零二零年十二月三十一日：24,730,000港元）。

37. 關聯方交易

除本財務報表其他部分所披露之交易及結餘外，於年內，本集團發生了下列重大關聯方交易。除非另有說明，下列關聯方交易不構成關連交易或持續關連交易：

- (a) 本集團與本集團非全資附屬公司的非控股股東訂立下列關聯方交易：

Year ended 31 December 截至十二月三十一日止年度

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
96,523	80,282
17,123	17,366
70,711	93,256

截至二零二一年十二月三十一日止年度，金額為9,979,000港元的運營服務收入計入項目運營服務收入，有關服務構成持續關連交易（「**持續關連交易**」），惟全面獲豁免遵守聯交所上市規則第14A.76(1)條的申報、年度審核、公告及獨立股東批准規定（「**全面獲豁免持續關連交易**」）。截至二零二零年十二月三十一日止年度，金額為8,745,000港元的運營服務收入計入項目運營服務收入，有關服務構成全面獲豁免持續關連交易。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

37. RELATED PARTY TRANSACTIONS (cont'd)

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

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue from project operation service	項目運營服務收入	107,417	73,181
Finance income	財務收入	53,366	50,550

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

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Service expenses for operation of waste water treatment plants	污水處理廠的運營服務開支	59,640	42,650

- (d) The Group entered into the following related party transactions with fellow subsidiaries of the Group, which also constituted connected transactions or continuing connected transactions under the Listing Rules, details of which are disclosed under the section entitled "Connected Transactions and/or Continuing Connected Transactions" in the Directors' Statement:

		Year ended 31 December 截至十二月三十一日止年度		
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	Notes 附註
Rental expenses	租金開支	18	13	(i)
Insurance expenses	保險費用	2,695	1,659	(ii)
Healthcare protection services expenses	健康保障費用	17,648	—	(iii)

37. 關聯方交易（續）

- (b) 本集團與本集團的一間關聯公司發生下列關聯方交易：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue from project operation service	項目運營服務收入	107,417	73,181
Finance income	財務收入	53,366	50,550

- (c) 本集團與本集團一間聯營公司發生下列關聯方交易：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Service expenses for operation of waste water treatment plants	污水處理廠的運營服務開支	59,640	42,650

- (d) 本集團與本集團同系附屬公司發生下列關聯方交易，亦構成上市規則下的關連交易或持續關連交易，其詳情載於董事會聲明內「關連交易及/或持續關連交易」一段：

		Year ended 31 December 截至十二月三十一日止年度		
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	Notes 附註
Rental expenses	租金開支	18	13	(i)
Insurance expenses	保險費用	2,695	1,659	(ii)
Healthcare protection services expenses	健康保障費用	17,648	—	(iii)

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

37. RELATED PARTY TRANSACTIONS (cont'd)

(d) (cont'd)

Notes:

- (i) The rental expenses were charged by fellow subsidiaries and an intermediate holding company of the Group on mutually agreed terms. With respect to the rental expenses for the year ended 31 December 2021, this constituted a CCT which was exempt from independent shareholders' approval requirement pursuant to Rule 14A.105 of the SEHK Listing Rules. Further details regarding the relevant framework agreement are provided in the section entitled "Connected Transactions and/or Continuing Connected Transactions" of the Directors' Statement, as included in this Annual Report.

With respect to the rental expenses for the year ended 31 December 2020, this constituted a CCT which was exempt from independent shareholders' approval requirement pursuant to Rule 14A.105 of the SEHK Listing Rules. Further details regarding the relevant framework agreement are provided in the section entitled "Connected Transactions and/or Continuing Connected Transactions" of the Directors' Statement, as included in this Annual Report.

- (ii) The insurance expenses were charged by a fellow subsidiary of the Group on mutually agreed terms. This constituted a Fully Exempt CCT.
- (iii) The healthcare protection services expenses was charged by a fellow subsidiary of the Group on mutually agreed terms. This constituted a CCT which was exempt from independent shareholders' approval requirement pursuant to Rule 14A.76(2) of the SEHK Listing Rules.

37. 關聯方交易（續）

(d) （續）

附註：

- (i) 租金開支由本集團附屬公司及中間控股公司按雙方協議的條款收取。就截至二零二一年十二月三十一日止年度的租金開支而言，根據聯交所上市規則第14A.105條，此項開支構成持續關連交易，獲豁免遵守獨立股東批准規定。有關相關框架協議的進一步詳情載於董事會聲明中「關連交易及/或持續關連交易」章節。

就截至二零二零年十二月三十一日止年度的租金開支而言，根據聯交所上市規則第14A.105條，此項費用構成持續關連交易，獲豁免遵守獨立股東批准規定。有關相關框架協議的進一步詳情載於董事會聲明中「關連交易及/或持續關連交易」章節。

- (ii) 向本集團同系附屬公司支付的保險費用乃按雙方協議的條款收取。此項開支構成全面獲豁免持續關連交易。
- (iii) 向本集團同系附屬公司支付的健康保障服務費用乃按雙方協議的條款收取。這構成了豁免的有條件現金轉移支付。根據聯交所上市規則第14A.76(2)條，此項費用構成持續關連交易，獲豁免遵守獨立股東批准規定。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

37. RELATED PARTY TRANSACTIONS (cont'd)

- (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 financial year, 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 are of the opinion that none of these transactions is a material related party transaction that would require separate disclosure.

- (f) The Group paid compensation of directors and key management personnel as follows:

37. 關聯方交易（續）

- (e) 與中國內地其他國有企業的交易：

本集團運營所在經濟環境由中國政府通過眾多機關、附屬機構或其他組織所直接或間接擁有及/或控制之企業（統稱「其他國有企業」）佔主導地位。於本財政年度內，本集團曾與其他國有企業進行之交易包括（但不限於）收入、銀行存款及貸款，以及公共設施消費。本公司董事認為，該等與其他國有企業之交易均屬本集團於日常業務過程中進行之業務，而本集團之交易並無因本集團及其他國有企業均由中國政府最終控制或擁有而受到重大或過度影響。本集團亦已制定產品及服務定價政策，而有關定價政策並非按非市場條款制訂，亦不取決於客戶是否為其他國有企業。經妥為考慮上述關係之本質後，本公司董事認為該等交易並非須作獨立披露之重大關聯方交易。

- (f) 本集團已支付予董事及關鍵管理人員之報酬如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Salaries, bonuses and related benefit	薪金、花紅及相關福利	23,924	21,824
Directors' fees	董事袍金	1,968	1,913
Retirement scheme contributions	退休計劃供款	1,969	1,375
		27,861	25,112
Comprising amounts paid/ payable to:	包括已付/應付下列各方 金額：		
Directors of the Company	本公司董事	11,419	9,181
Other key management personnel	其他關鍵管理人員	16,442	15,931
		27,861	25,112

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

37. RELATED PARTY TRANSACTIONS (cont'd)

- (g) The Group has rental contracts with three fellow subsidiaries of the Group. At the reporting date, the Group had total lease liabilities with fellow subsidiaries under non-cancellable leases falling due as follows:

Lease liabilities – current	租賃負債 – 即期
Lease liabilities – non-current	租賃負債 – 非即期

Under such rental contracts, the minimum lease payment during the period was HK\$7,374,000 (FY2020: HK\$7,154,000), which constituted a CCT that was exempt from independent shareholders' approval requirement pursuant to Rule 14A.105 of the SEHK Listing Rules. Further details regarding the relevant framework agreement are provided in the section entitled "Connected Transactions and/or Continuing Connected Transactions" of the Directors' Statement, as included in this Annual Report. As at 31 December 2021, the Group's right-of-use assets relating to such rental contracts amounted to HK\$3,153,000 (31 December 2020: HK\$8,875,000).

37. 關聯方交易（續）

- (g) 本集團與三間同系附屬公司訂立不可解除經營租賃合約。於報告日，本集團與同系附屬公司之租金承擔到期支付情況如下：

As at 31 December 於十二月三十一日	
2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
2,792	6,664
377	2,411
3,169	9,075

根據該等租賃合約，年度最低租賃付款額為7,374,000港元（二零二零財政年度：7,154,000港元），根據聯交所上市規則第14A.105條，此項付款構成持續關連交易，獲豁免遵守獨立股東批准規定。有關相關框架協議的進一步詳情載於董事會聲明中「關連交易及/或持續關連交易」章節。於二零二零年十二月三十一日，本集團與該等租賃合約有關的使用權資產金額為3,153,000港元（二零二零年十二月三十一日：8,875,000港元）。

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38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, current portion of trade receivables and other receivables, trade payables and other payables, 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 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 the end of each of the financial year was assessed to be insignificant.

38. 金融工具的公允價值及公允價值層級

管理層評定現金及現金等價物、應收賬款及其他應收款項及應付賬款及其他應付款項的即期部分及借貸之公允價值與其賬面價值相若，主要由於該等工具於短期內到期。

本集團之財務管理部門專責釐定金融工具公允價值計量之政策及程序。於各個報告日期，財務管理部門會分析金融工具之價值變動，並釐定估值所應用之主要輸入數據。估值由首席財務官審閱及審批。審計委員會每年兩次討論估值程序及結果，以便作出中期及年度財務報告。

金融資產及負債之公允價值以該工具於自願交易方（而非強迫或清盤出售）當前交易下之可交易金額入賬。下列方法及假設乃用於估計公允價值：

其他應收款項及借貸的非即期部分之公允價值乃按具有類似條款、信貸風險及剩餘年期之工具之現行適用利率，折現預期未來現金流量之方式計算。於財務報表期末，就借貸而言，本集團本身之不履約風險被評定為甚微。

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38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

The fair values of unlisted investments at FVTPL as at 31 December 2021 and 2020 are based on net asset value of the investees which approximate the fair value.

The fair value of unlisted equity investment at FVTPL 31 December 2021 and 2020 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 2021 and 2020:

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 公允價值對輸入數據的敏感性
Unlisted equity investment at FVTPL 以公允價值計入損益的非上市股權投資	Discounted cash flow method 折現現金流模式	Discount rate 折現率	2021: 2.80% 二零二一年： 2.80%	2021: 1% increase (decrease) in discount rate would result in decrease in fair value by HK\$112,000 or increase in fair value by HK\$113,000 二零二一年：折現率上升（下降）1%將導致公允價值減少112,000港元或增加113,000港元
Unlisted equity investment at FVTPL 以公允價值計入損益的非上市股權投資	Discounted cash flow method 折現現金流模式	Discount rate 折現率	2020: 2.80% 二零二零年： 2.80%	2020: 1% increase (decrease) in discount rate would result in decrease in fair value by HK\$433,000 or increase in fair value by HK\$442,000 二零二零年：折現率上升（下降）1%將導致公允價值減少433,000港元或增加442,000港元

38. 金融工具的公允價值及公允價值層級 (續)

於二零二一年及二零二零年十二月三十一日，以公允價值計入損益之非上市投資之公允價值乃根據被投資公司的資產淨值釐定，有關資產淨值與公允價值相若。

於二零二一年及二零二零年十二月三十一日，以公允價值計入損益之非上市股權投資之公允價值乃根據投資的預期未來現金流量釐定。

下表概述於二零二一年及二零二零年十二月三十一日金融工具估值之重大不可觀察輸入數據及其定量敏感性分析：

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38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy

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

Assets measured at fair value:

Group

As at 31 December 2021

38. 金融工具的公允價值及公允價值層級 (續)

公允價值層級

下表列示本集團金融工具的公允價值計量層級：

按公允價值計量的資產：

本集團

於二零二一年十二月三十一日

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 於活躍市場的 報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入 數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸 入數據 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unlisted investments at FVTPL	以公允價值計入損益的非上市投資	-	222,880	-	222,880
Unlisted equity investment at FVTPL	以公允價值計入損益的非上市股權投資	-	-	36,122	36,122
		-	222,880	36,122	259,002

As at 31 December 2020

於二零二零年十二月三十一日

		Fair value measurement using 公允價值計量採用以下基準			
		Quoted prices in active markets (Level 1) 於活躍市場的 報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入 數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸 入數據 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Unlisted investments at FVTPL	以公允價值計入損益的非上市投資	-	409,147	-	409,147
Unlisted equity investment at FVTPL	以公允價值計入損益的非上市股權投資	-	-	34,051	34,051
		-	409,147	34,051	443,198

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財務報表附註

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38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Company

38. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

本公司

		As at 31 December 2021 於二零二一年十二月三十一日		As at 31 December 2020 於二零二零年十二月三十一日	
		Fair value measurement using 公允價值計量採用以下基準			
		Significant observable inputs (Level 2) 重大可觀察輸入 數據 (第二級)	Total 總額	Significant observable inputs (Level 2) 重大可觀察輸入 數據 (第二級)	Total 總額
Unlisted investments at FVTPL:	以公允價值計入損益 的非上市投資	222,880	222,880	409,147	409,147

Group and Company

The movements in fair value measurements within Level 2 during the year are as follows:

本集團和本公司

第二級公允價值計量於期間內之變動如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted equity investment at FVTPL:	以公允價值計入損益的非上市 股權投資		
At 1 January	於一月一日	409,147	431,035
Fair value loss (note 6)	公允價值變動虧損 (附註6)	(58,583)	(48,629)
Exchange realignment	匯兌調整	9,893	26,741
Redemption	贖回	(137,577)	-
At 31 December	於十二月三十一日	222,880	409,147

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For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

Fair value hierarchy (cont'd)

Group

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

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Unlisted equity investment at FVTPL:	以公允價值計入損益的非上市股權投資		
At 1 January	於一月一日	34,051	31,010
Fair value gain (note 6)	公允價值變動收益 (附註6)	968	883
Exchange realignment	匯兌調整	1,103	2,158
At 31 December	於十二月三十一日	36,122	34,051

The Group and Company did not have any financial liabilities measured at fair value as at 31 December 2021 and 2020.

During the years ended 31 December 2021 and 2020, 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.

38. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

本集團

第三級公允價值計量於期間內之變動如下：

本集團於二零二一年及二零二零年十二月三十一日並無任何按公允價值計量的金融負債。

截至二零二一年及二零二零年十二月三十一日止年度內，第一級和第二級公允價值計量之間並無任何轉移。對於金融資產及金融負債，第三級亦無任何轉入或轉出。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

39. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

Group		As at 31 December 2021 於二零二一年十二月三十一日		
		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 按公允價值計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
	本集團			
Financial assets included in trade and other receivables	計入應收賬款及其他應收款項之金融資產	2,723,451	–	2,723,451
Other financial assets	其他金融資產	–	259,002	259,002
Cash and cash equivalents	現金及現金等價物	2,281,986	–	2,281,986
		5,005,437	259,002	5,264,439

Group		As at 31 December 2020 於二零二零年十二月三十一日		
		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 按公允價值計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
	本集團			
Financial assets included in trade and other receivables	計入應收賬款及其他應收款項之金融資產	1,642,473	–	1,642,473
Other financial assets	其他金融資產	–	443,198	443,198
Cash and cash equivalents	現金及現金等價物	1,719,530	–	1,719,530
		3,362,003	443,198	3,805,201

39. 按類別劃分的金融工具

於各財政年度末，各類別金融工具的賬面價值如下：

金融資產

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39. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

Financial liabilities - financial liabilities at amortised cost

Group	本集團	As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial liabilities included in trade and other payables	計入應付賬款及其他應付款項之金融負債	3,019,103	2,314,050
Borrowings	借貸	14,441,938	11,078,133
		17,461,041	13,392,183

Financial assets

金融資產

Company	本公司	As at 31 December 2021 於二零二一年十二月三十一日		
		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 按公允價值計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Financial assets included in other receivables	計入其他應收款項之金融資產	8,483,239	-	8,483,239
Other financial assets	其他金融資產	-	222,880	222,880
Cash and cash equivalents	現金及現金等價物	134,962	-	134,962
		8,618,201	222,880	8,841,081

39. 按類別劃分的金融工具 (續)

金融負債 — 按攤餘成本計量的金融負債

Group	本集團	As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial liabilities included in trade and other payables	計入應付賬款及其他應付款項之金融負債	3,019,103	2,314,050
Borrowings	借貸	14,441,938	11,078,133
		17,461,041	13,392,183

金融資產

Company	本公司	As at 31 December 2021 於二零二一年十二月三十一日		
		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 按公允價值計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Financial assets included in other receivables	計入其他應收款項之金融資產	8,483,239	-	8,483,239
Other financial assets	其他金融資產	-	222,880	222,880
Cash and cash equivalents	現金及現金等價物	134,962	-	134,962
		8,618,201	222,880	8,841,081

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39. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

Financial assets (cont'd)

		As at 31 December 2020 於二零二零年十二月三十一日		
Company	本公司	Financial assets at amortised cost	Financial assets at FVTPL	Total 總額
		按攤銷成本計量的金融資產	按公允價值計入損益的金融資產	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets included in other receivables	計入其他應收款項之金融資產	6,502,231	–	6,502,231
Other financial assets	其他金融資產	–	409,147	409,147
Cash and cash equivalents	現金及現金等價物	23,128	–	23,128
		6,525,359	409,147	6,934,506

39. 按類別劃分的金融工具 (續)

金融資產 (續)

Financial liabilities – financial liabilities at amortised cost

金融負債 — 按攤餘成本計量的金融負債

		As at 31 December 於十二月三十一日	
Company	本公司	2021	2020
		二零二一年	二零二零年
		HK\$'000 千港元	HK\$'000 千港元
Financial liabilities included in trade and other payables	計入應付賬款及其他應付款項之金融負債	147,539	99,253
Borrowings	借貸	8,944,503	7,084,457
		9,092,042	7,183,710

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. 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, contract assets 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 2.4.

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.

40. 財務風險管理目標及政策

本集團之主要金融工具包括借貸及現金。此等金融工具之主要目的在於為本集團之業務運營提供資金。本集團還有其他金融資產及負債，包括應收賬款及其他應收款項、合約資產及應付賬款及其他應付款項，乃直接源自其業務產生。

本集團金融工具產生之主要風險包括利率風險、外幣風險、信貸風險及流動性風險。董事會覆核及確認管理各項有關風險之政策，有關政策概述於下文。本集團有關衍生工具之會計政策載於附註2.4。

利率風險

本集團之利率風險主要來自本集團之現金及現金等價物、借貸及集團公司間結餘。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允價值利率風險。本集團並無利用金融衍生工具來對沖利率風險。本集團之利率概況由管理層監察，詳載於下文(i)。

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk (cont'd)

(i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less bank deposits and cash and cash equivalents) at the end of each of the financial year.

40. 財務風險管理目標及政策（續）

利率風險（續）

(i) 利率概況

下表載列本集團於各財政年度末之借貸淨額（即計息金融負債減銀行存款及現金及現金等價物）之利率概況。

		As at 31 December 2021 於二零二一年十二月三十一日		As at 31 December 2020 於二零二零年十二月三十一日	
		Effective interest rate 實際利率	HK\$'000 千港元	Effective interest rate 實際利率	HK\$'000 千港元
		%		%	
Net fixed rate borrowings/(deposits):	定息借貸/（存款）淨額：				
Borrowings	借貸	3.28 - 4.60	5,350,199	2.98 - 4.60	4,074,328
Less: Amount due from an associate	減：應收一間聯營公司款項	4.75	(9,843)	4.75	(17,614)
			<u>5,340,356</u>		<u>4,056,714</u>
Net variable rate borrowings/(deposits):	浮息借貸/（存款）淨額：				
Borrowings	借貸	1.29-4.90	9,091,739	1.21-4.66	7,003,805
Less: Cash and cash equivalents	減：現金及現金等價物	0.01-2.03	(2,281,986)	0.01-2.03	(1,719,530)
			<u>6,809,753</u>		<u>5,284,275</u>
Total net borrowings	總借貸淨額		<u>12,150,109</u>		<u>9,340,989</u>

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Interest rate risk (cont'd)

(ii) Sensitivity analysis

It is estimated that a general increase/decrease of 1% in interest rates at 31 December 2021 and 2020, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$109,905,000 and HK\$93,410,000 for the year ended 31 December 2021 and 2020, respectively.

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 throughout the financial year.

40. 財務風險管理目標及政策（續）

利率風險（續）

(ii) 敏感性分析

於二零二一年及二零二零年十二月三十一日，在所有其他變量維持不變的情況下，利率總體上升/下降1%，估計將導致本集團截至二零二一年及二零二零年十二月三十一日止年度的除稅前盈利分別減少/增加約109,905,000港元及93,410,000港元。

上述敏感性分析指出本集團的除稅前盈利可能產生的實時變動。敏感性分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公允價值利率風險的金融工具。對於由本集團於報告期末所持有的浮動利率非衍生工具所產生的現金流量利率風險，其對本集團的除稅前盈利的影響是基於利率變動而產生的按年計算之利息支出或收入作估計。有關分析在財務報表年度以相同基準進行。

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk

(i) Exposure to currency risk

The Group is exposed to currency risk primarily from borrowings, cash and cash equivalents, fixed deposits with maturity period over three months, 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 in the financial statements of foreign operations into the Group's presentation currency are excluded.

40. 財務風險管理目標及政策（續）

外幣風險

(i) 需承受之貨幣風險

本集團因以外幣（即相關業務之功能貨幣以外之貨幣）計值之借貸、現金及現金等價物、到期日為三個月以上的定期存款、應收款項及應付款項而面臨貨幣風險。引起風險的貨幣主要為港元、人民幣、美元、新加坡元及歐元。

下表詳列本集團於報告期末由已確認資產或負債（以相關實體之功能貨幣以外之貨幣計值）所產生之貨幣風險。為方便呈報，貨幣風險之金額乃按報告期間結算日之即期匯率兌換為港元列示。換算海外業務財務報表至本集團呈列貨幣時產生之差異，不會計入貨幣風險。

Exposure to foreign currencies (expressed in HK\$) 需承受之外幣風險 (以港元列示)

As at 31 December 2021
於二零二一年十二月三十一日

	RMB 人民幣	SGD 新加坡元	HK\$ 港元	US\$ 美元	EUR 歐元
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cash and cash equivalents	9,545	5,131	11,233	121,810	-
Borrowings	-	-	(2,702,395)	(1,108,516)	(21,133)
Amounts due from/(to) group companies, net	(12,834)	(54)	2,842,691	-	25,496
Trade and other payables	(5,895)	(3,648)	(5,611)	(6,762)	(4)
	(9,184)	1,429	145,918	(993,468)	4,359

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd) 40. 財務風險管理目標及政策 (續)

Foreign currency risk (cont'd)

(i) Exposure to currency risk (cont'd)

外幣風險 (續)

(i) 需承受之貨幣風險 (續)

Exposure to foreign currencies
(expressed in HK\$)
需承受之外幣風險
(以港元列示)

		As at 31 December 2020 於二零二零年十二月三十一日				
		RMB 人民幣 HK\$'000 千港元	SGD 新加坡元 HK\$'000 千港元	HK\$ 港元 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	2,880	2,919	12,285	9,436	-
Borrowings	借貸	-	-	(2,054,151)	(1,221,637)	(28,096)
Amounts due from/(to) group companies, net	應收/(付)集團公司款項，淨額	393,633	20,002	2,189,945	(860,685)	400
Trade and other payables	應付賬款及其他應付款項	(5,489)	(1,368)	(2,536)	(15,137)	(5)
		391,024	21,553	145,543	(2,088,023)	(27,701)

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財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk (cont'd)

(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\$.

40. 財務風險管理目標及政策（續）

外幣風險（續）

(ii) 敏感性分析

下表載列假設於各報告期末本集團面對重大外幣風險的匯率於當日出現變動，而所有其他可變風險因素保持不變，本集團的除稅前盈利將會受到的實時影響。就此而言，假設港元兌美元的掛鈎匯率不會因美元兌其他貨幣之幣值變動而受到重大影響。除了並非以港元作為功能貨幣之附屬公司外，就以美元計值之資產及負債而言，由於港元與美元掛鈎，故此匯率波動對其影響並不重大。

		As at 31 December 2021 於二零二一年十二月三十一日		As at 31 December 2020 於二零二零年十二月三十一日	
		Increase/ (decrease) in foreign exchange rate 匯率上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前盈利 上升/(下降)	Increase/ (decrease) in foreign exchange rate 匯率上升/ (下降)	Increase/ (decrease) in profit before tax 除稅前盈利 上升/(下降)
		%	HK\$'000 千港元	%	HK\$'000 千港元
RMB	人民幣	10	(918)	10	39,102
RMB	人民幣	(10)	918	(10)	(39,102)
SGD	新加坡元	10	143	10	2,155
SGD	新加坡元	(10)	(143)	(10)	(2,155)
HK\$	港元	10	14,592	10	14,554
HK\$	港元	(10)	(14,592)	(10)	(14,554)
US\$	美元	10	44,388	10	(55,527)
US\$	美元	(10)	(44,388)	(10)	55,527
EUR	歐元	10	436	10	(2,770)
EUR	歐元	(10)	(436)	(10)	2,770

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財務報表附註

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk (cont'd)

(ii) Sensitivity analysis (cont'd)

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 Hong Kong dollars 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 throughout the financial year.

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 Build-Transfer ("BT"), BOT, TOT and certain BOO arrangements.

40. 財務風險管理目標及政策 (續)

外幣風險 (續)

(ii) 敏感性分析 (續)

上表呈列的分析結果總結了本集團實體按各自的功能貨幣計量的除稅前盈利的實時影響，有關影響按報告期末的適用匯總折算為港元呈報。

敏感性分析假設外匯匯率的變動已用於重新計量各報告期末本集團所持有及使本集團需承受外幣風險的金融工具，包括以借款人或貸款人的功能貨幣以外的貨幣計值的集團內公司之間應付款項及應收款項。該分析撇除將海外業務的財務報表換算為本集團呈列貨幣所產生的差額。該分析於整個會計年度按同一基準執行。

信貸風險

管理層設定既定的信貸政策，並持續監察集團所面對之信貸風險。債項通常由開票日期起計30日至90日內到期。

本集團之應收賬款指來自水環境項目之運營服務收入之應收賬款，有關款項按月收取。此外，本集團亦有涉及建設—移交（「BT」）、BOT、TOT及若干BOO安排之與服務特許經營權相關的合約資產。

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財務報表附註

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Credit risk (cont'd)

At 31 December 2021 and 2020, "Trade and other receivables" and "Contract assets" amounted to HK\$25,378,853,000 and HK\$21,285,406,000, respectively, of which HK\$4,629,965,000 and HK\$3,022,564,000 were due from the largest customer and HK\$8,843,599,000 and HK\$4,849,227,000 were due from the five largest customers in aggregate of the Group, respectively. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statements of financial position. Since the parties to BT, BOT, TOT and BOO arrangements are local government authorities in the PRC, the Group considers the credit risk is low as at 31 December 2021 and 2020. The Group does not hold any collateral over these balances.

From 1 January 2018, upon the adoption of IFRS 9, 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 as at 31 December 2021 and 2020.

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.

40. 財務風險管理目標及政策（續）

信貸風險（續）

於二零二一年及二零二零年十二月三十一日，「應收賬款及其他應收款項」及「合約資產」分別為25,378,853,000港元及21,285,406,000港元，其中應收最大客戶款項分別為4,629,965,000港元及3,022,564,000港元，及應收本集團前五大客戶款項總額分別為8,843,599,000港元及4,849,227,000港元。信貸風險的最大金額為綜合財務狀況表中各項金融資產的賬面價值。由於BT、BOT、TOT及BOO安排的交易對方為中國地方政府機關，本集團認為於二零二一年及二零二零年十二月三十一日的信貸風險屬低。本集團並無持有該等結餘的任何抵押品。

自二零一八年一月一日起，於採納國際財務報告準則第9號後，就釐定信貸風險之大幅增加及計算減值而言，管理層基於共同信貸風險特徵（例如：工具類型及信貸風險評級）分類金融工具。綜合財務狀況表中各項金融資產的賬面價值為本集團於二零二一年及二零二零年十二月三十一日就其金融資產承受信貸風險的最高值。

當發生對金融資產估計未來現金流量產生不利影響的一個或多個事件時，金融資產發生信貸減值。金融資產信貸減值的證據包括以下可觀察數據：

- 債務人出現嚴重財務困難；
- 違反合同，如拖欠或逾期事件；
- 債務人很有可能將破產或進行其他財務重組。

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財務報表附註

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Credit risk (cont'd)

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 IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The ECLs also incorporated forward looking information.

The Group has established a policy to perform an assessment as at 31 December 2021, 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 2021 and 2020.

As at 31 December 2021, all cash and cash equivalents were deposited with creditworthy financial institutions without significant credit risk.

40. 財務風險管理目標及政策（續）

信貸風險（續）

為管理應收賬款及合約資產產生的信貸風險，須考慮債務人的財務狀況、過往結算記錄、過往經驗及其他因素。本集團應用國際財務報告準則第9號所訂明的簡化方法就預期信貸虧損作出撥備，國際財務報告準則第9號允許對所有應收賬款採用整個存續期的預期虧損撥備。預期信貸虧損亦包含前瞻性信息。

於二零二一年十二月三十一日，本集團已制定一項政策，考慮金融工具餘下周期的信貸風險的變動以評估金融工具的信貸風險相較於初次確認後是否已大幅增加。本集團將其他應收款項分為如下所述的第一階段、第二階段及第三階段：

- | | |
|------|---|
| 第一階段 | 當首次確認其他應收款項時，本集團根據12個月的預期信貸虧損確認撥備。 |
| 第二階段 | 當其他應收款項自產生以來顯示信貸風險大幅上升，本集團確認生命周期的預期信貸虧損的撥備。 |
| 第三階段 | 其他應收款項被視為信貸減值。本集團確認生命周期的預期信貸虧損的撥備。 |

管理層基於過往結算記錄、過往經驗及其他因素對其他應收款項是否可收回定期作出整體評估及個別評估。本集團於第一階段將其他應收款項進行分類並持續監察信貸風險。於二零二一年及二零二零年十二月三十一日，管理層相信本集團未償還的其他應收款項結餘並無重大內在的信貸風險。

於二零二一年十二月三十一日，所有現金及現金等價物存放於無重大信貸風險且信譽良好的金融機構。

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Credit risk (cont'd)

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 21 and 23, 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.

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.

40. 財務風險管理目標及政策（續）

信貸風險（續）

本集團並未提供將令本集團面臨信貸風險的任何擔保。有關本集團因「合約資產」及「應收賬款及其他應收款項」而面臨的信貸風險的進一步定量披露分別載於附註21及附註23。

流動性風險

本集團內的獨立運營實體須自行負責現金管理工作，包括現金盈餘的短期投資及籌措貸款以應對預期現金需求。本集團的政策是定期監察流動性需求及監察對貸款契諾的遵行情況，確保集團維持充裕的現金儲備及從主要金融機構取得足夠的承諾信貸融資，以應對短期及長期流動性需求。

下表載列本集團於報告期末的非衍生工具金融負債的剩餘合約期限情況，乃基於合約未折現現金流量（包括按合約利率或（如屬浮息）根據報告期末通行的利率計算的利息）及本集團須償還有關款項的最早日期而列出：

As at 31 December 2021
於二零二一年十二月三十一日

	Carrying amount 賬面價值 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未折現現金流量總額 HK\$'000 千港元	Within 1 year or on demand 一年內或按 要求 HK\$'000 千港元	More than 1 year but within 2 years 一年以上但於兩年內 HK\$'000 千港元	More than 2 years but within 5 years 兩年以上但於五年內 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元
Financial liabilities included in trade and other payables						
計入應付賬款及其他應付款項的金融負債	3,019,103	3,019,103	3,019,103	-	-	-
Lease liabilities	6,402	6,790	5,383	874	72	461
租賃負債						
Borrowings	14,441,938	16,075,274	3,774,419	4,715,394	4,882,834	2,702,627
借貸						
	17,467,443	19,101,167	6,798,905	4,716,268	4,882,906	2,703,088

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40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

Included in borrowings are Corporate Bond and ABS with a carrying amount of HK\$2,672,695,000 and HK\$237,739,000, respectively, containing options to sell back to the Group. For the purpose of the above maturity profile, the total contractual undiscounted cash flow amount of HK\$2,737,331,000 related to the Corporate Bond is presented as: HK\$1,756,275,000 is classified as repayable “within 1 year or on demand”, HK\$981,056,000 classified as repayable “more than 1 year but within 2 years”. The total contractual undiscounted cash flow amount of HK\$246,086,000 related to the asset-backed securities is presented as: HK\$76,409,000 is classified as repayable “within 1 year or on demand”, HK\$169,677,000 classified as repayable “more than 1 year but within 2 years”.

The Corporate Bond will 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 the Corporate Bond. In accordance with the terms of the Corporate Bond, the maturity terms as at 31 December 2021 are HK\$934,131,000 in 2022, HK\$1,014,522,000 in 2023 and HK\$855,610,000 in 2024 to 2026.

The ABS will 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 the ABS. In accordance with the terms of the ABS, the maturity terms as at 31 December 2021 are HK\$76,409,000 in 2022, HK\$77,563,000 in 2023 and HK\$98,249,000 in 2023 to 2025.

40. 財務風險管理目標及政策（續）

流動性風險（續）

借貸包括賬面價值分別為2,672,695,000港元和237,739,000港元的公司債券及資產支持證券，其中包含將債券回售予本集團的期權。就上述到期情況而言，有關公司債券的合約未折現現金流量總額2,737,331,000港元按以下方式呈列：1,756,275,000港元被分類為「一年內或應要求」償還、981,056,000港元被分類為「一年以上但於兩年內」償還。有關資產支持證券的合約未折現現金流量總額246,086,000港元按以下方式呈列：76,409,000港元被分類為「一年內或應要求」償還和169,677,000港元被分類為「一年以上但於兩年內」償還。

公司債券將於相關到期日償還，惟根據公司債券之條款於到期前售回予本公司的情况除外。根據公司債券之條款，於二零二一年十二月三十一日，還款條件如下：於二零二二年到期償還934,131,000港元、於二零二三年到期償還1,014,522,000港元及於二零二四年至二零二六年到期償還855,610,000港元。

資產支持證券將於相關到期日償還，惟根據資產支持證券之條款於到期前售回予本公司的情况除外。根據資產支持證券之條款，於二零二一年十二月三十一日還款條件如下：於二零二二年到期償還76,409,000港元、於二零二三年到期償還77,563,000港元及於二零二三年至二零二五年到期償還98,249,000港元。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

40. 財務風險管理目標及政策 (續)

流動性風險 (續)

		As at 31 December 2020 於二零二零年十二月三十一日					
		Total contractual undiscounted cash flow 合約未折現現金流量總額	Within 1 year or on demand 一年內或按 要求	More than 1 year but within 2 years 一年以上但於兩年內	More than 2 years but within 5 years 兩年以上但於五年內	More than 5 years 五年以上	
		Carrying amount 賬面價值	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities included in trade and other payables	計入應付賬款及其他應付款項的金融負債	2,314,050	2,314,050	2,314,050	-	-	-
Lease liabilities	租賃負債	11,756	12,397	8,757	3,123	46	471
Borrowings	借貸	11,078,133	12,322,948	2,584,139	3,050,538	4,539,397	2,148,874
		13,403,939	14,649,395	4,906,946	3,053,661	4,539,443	2,149,345

Included in borrowings are Corporate Bond and ABS with a carrying amount of HK\$2,599,849,000 and HK\$293,756,000, respectively, containing options to sell back to the Group. For the purpose of the above maturity profile, the total contractual undiscounted cash flow amount of HK\$2,704,648,000 related to the Corporate Bond is presented as: HK\$1,032,713,000 is classified as repayable "within 1 year or on demand", HK\$1,671,935,000 classified as repayable "more than 1 year but within 2 years". The total contractual undiscounted cash flow amount of HK\$311,243,000 related to the ABS is presented as: HK\$72,787,000 is classified as repayable "within 1 year or on demand", HK\$74,028,000 classified as repayable "more than 1 year but within 2 years" and HK\$164,428,000 classified as "more than 2 years but within 5 years".

The Corporate Bond will 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 the Corporate Bond. In accordance with the terms of the Corporate Bond, the maturity terms as at 31 December 2020 are HK\$103,226,000 in 2021, HK\$918,742,000 in 2022 and HK\$1,834,593,000 in 2023 to 2025.

借貸包括賬面價值分別為2,599,849,000港元和293,756,000港元的公司債券及資產支持證券，其中包含將債券回售予本集團的期權。就上述到期情況而言，有關公司債券的合約未折現現金流量總額2,704,648,000港元按以下方式呈列：1,032,713,000港元被分類為「一年內或應要求」償還、1,671,935,000港元被分類為「一年以上但於兩年內」償還。有關資產支持證券的合約未折現現金流總額311,243,000港元按以下方式呈列：72,787,000港元被分類為「一年內或應要求」償還，74,028,000港元被分類為「一年以上但於兩年內」償還和164,428,000港元被分類為「兩年以於但五年內」償還。

公司債券將於相關到期日償還，惟根據公司債券之條款於到期前售回予本公司的情况除外。根據公司債券之條款，於二零二零年十二月三十一日，還款條款如下：於二零二一年到期償還103,226,000港元，於二零二二年到期償還918,742,000港元及於二零二三年至二零二五年到期償還1,834,593,000港元。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

The ABS will 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 the ABS. In accordance with the terms of the ABS, the maturity terms as at 31 December 2020 are HK\$72,787,000 in 2021, HK\$74,028,000 in 2022 and HK\$170,360,000 in 2023 to 2025.

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 was no change in capital management policies during the reporting period.

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 tax payables and deferred tax liabilities) less cash and cash equivalents. Total equity comprises share capital, reserves and non-controlling interests.

40. 財務風險管理目標及政策（續）

流動性風險（續）

資產支持證券將於相關到期日償還，惟根據資產支持證券之條款於到期前售回予本公司的情况除外。根據資產支持證券之條款，於二零二零年十二月三十一日還款條件如下：於二零二一年到期償還72,787,000港元、於二零二二年到期償還74,028,000港元及於二零二三年至二零二五年到期償還170,360,000港元。

資本管理

本集團在管理資本時的主要目標為保障本集團繼續持續經營及維持最佳資本結構的能力，以提升股東價值最大化。

為保持或達致最佳資本結構，本集團會調整股息派付金額、發行新股份或獲得新的借貸。本集團之策略為在充足資本狀況所提供之優勢及靈活性與杠杆較大而可能獲得較高股本回報率兩者之間維持審慎平衡。於財務報表期間，資本管理政策並無變動。

管理層根據債務淨額對權益比率持續監控資本情況。債務淨額對權益比率按債務淨額除以權益總額計算。債務淨額按負債總額（如本集團綜合財務狀況表所示，不包括應付稅項及遞延稅項負債）減現金及現金等價物計算。權益總額包括股本、儲備及非控股權益。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Capital management (cont'd)

		As at 31 December 於十二月三十一日	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade and other payables	應付賬款及其他應付款項	3,215,673	2,540,938
Borrowings	借貸	14,441,938	11,078,133
Less: Cash and cash equivalents	減：現金及現金等價物	(2,281,986)	(1,719,530)
Net debt	債務淨額	15,375,625	11,899,541
Total equity	權益總額	13,163,232	11,405,859
Net debt against equity ratio	債務淨額對權益比率	117%	104%

Except for the banking facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in note 27, the Group does not subject to externally imposed capital requirements.

除財務報表附註27所披露之銀行融資須符合有關本集團若干財務比率之契諾外，本集團均無受外界施加之資本規定所限制。

41. SUBSEQUENT EVENTS

On 3 January 2022, the Company announced that it had entered into a concession agreement to secure Ji'nan International Centre for Medical Sciences Waste Water Treatment Project Phase 1 ("Ji'nan Medical Centre Project") based on a Build-Operate-Transfer model with an investment amount of approximately RMB319,519,000. Ji'nan Medical Centre Project has a designed daily municipal waste water treatment capacity of 50,000 m³ and a concession period of 30 years.

On 13 January 2022, the Company announced its completion of the issuance of second tranche of RMB-denominated SCP in mainland China with a principal amount of RMB1,000,000,000, an interest rate of 2.50% per annum and a maturity period of 150 days. The proceeds from the second tranche of the SCP issuance will be used to replenish working capital of the Company's subsidiaries.

41. 期後事項

二零二二年一月三日，本公司宣佈其已簽署特許經營協議，以建造一運營一移交模式取得濟南國際醫學科學中心污水處理項目一期（「濟南醫學中心項目」），涉及投資約319,519,000元人民幣。濟南醫學中心項目的設計日處理生活污水規模為50,000立方米及特許經營期為30年。

二零二二年一月十三日，本公司宣佈其於中國內地完成發行第二期人民幣計價的超短期融資券，其本金為1,000,000,000元人民幣，發行年利率為2.50%及期限為150天。此次第二期超短期融資券發行募集的資金已用於補充本公司附屬公司的營運資金。

Notes to the Financial Statements

財務報表附註

For the financial year ended 31 December 2021 截至二零二一年十二月三十一日止的財政年度

41. SUBSEQUENT EVENTS (cont'd)

On 25 February 2022, the Company announced the result of the resale exercise in respect of the third tranche RMB-denominated corporate bonds with an aggregate principal amount of RMB700,000,000 (“**Third Tranche Corporate Bonds**”). The Company had (i) repurchased Third Tranche Corporate Bonds with an aggregate value of RMB251,100,000 (“**Repurchased Third Tranche Corporate Bonds**”); and (ii) resold Repurchased Third Tranche Corporate Bonds with an aggregate value of RMB251,100,000. Accordingly, there were no unsold Repurchased Third Tranche Corporate Bonds which required to be cancelled.

42. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 28 February 2022.

41. 期後事項（續）

二零二二年二月二十五日，本公司宣佈以人民幣計價的累計本金為700,000,000元人民幣的第三期公司債券（「**第三期公司債券**」）之轉售結果。本公司已經(i)完成回售金額為251,100,000元人民幣的第三期公司債券（「**已回售第三期公司債券**」）；及(ii)完成轉售金額為251,100,000元人民幣的已回售第三期公司債券。就此，無任何未轉售及需註銷的已回售第三期公司債券。

42. 財務報表之批准

本截至二零二一年十二月三十一日止的財務報表經本公司董事會於二零二二年二月二十八日舉行的董事會上批准。

Five Year Summary

五年業績概要

		As at 31 December 於十二月三十一日				
		2021 二零二一年	2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets and liabilities	資產及負債					
Property, plant and equipment, right-of-use assets and investment properties	物業、廠房及設備、使用權資產及投資物業	1,160,372	181,222	170,491	150,151	152,038
Intangible assets	無形資產	2,280,920	1,880,919	1,658,437	1,536,169	1,489,718
Goodwill	商譽	1,531,576	1,295,475	1,213,509	1,242,713	1,259,922
Interests in associates	聯營公司權益	231	8,143	3,588	3,011	1,445
Contract assets	合約資產	19,750,324	17,348,620	14,144,440	11,727,822	10,313,724
Trade and other receivables	應收賬款和其他應收款項	771,809	289,902	113,892	159,259	10,515
Deferred tax assets	遞延稅項資產	6,127	–	–	–	–
Other financial assets	其他金融資產	36,122	443,198	462,045	–	–
Net current assets	流動資產淨額	740,566	595,027	359,125	664,686	1,313,319
Total assets less current liabilities	總資產減流動負債	26,278,047	22,042,506	18,125,527	15,483,811	14,540,681
Non-current liabilities	非流動負債	(13,114,815)	(10,636,647)	(8,576,775)	(6,820,114)	(5,998,876)
NET ASSETS	資產淨額	13,163,232	11,405,859	9,548,752	8,663,697	8,541,805
Share capital	股本	2,860,877	2,860,877	2,860,877	2,676,062	2,625,642
Reserves	儲備	9,009,206	7,673,416	5,949,192	5,307,128	5,231,541
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	11,870,083	10,534,293	8,810,069	7,983,190	7,857,183
Non-controlling interests	非控股權益	1,293,149	871,566	738,683	680,507	684,622
TOTAL EQUITY	權益總額	13,163,232	11,405,859	9,548,752	8,663,697	8,541,805

Five Year Summary

五年業績概要

		Year ended 31 December 截至十二月三十一日止年度				
		2021 二零二一年	2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Results	業績					
Revenue	收入	6,912,371	5,663,292	5,550,773	4,768,318	3,591,633
Profit from operating activities	經營活動盈利	2,129,954	1,827,857	1,549,752	1,342,715	1,085,838
Finance costs	財務費用	(435,302)	(348,795)	(355,287)	(291,398)	(241,391)
Share of profits and loss of associates	應佔聯營公司盈利及虧損	(6,758)	4,224	614	422	158
Profit before tax	除稅前盈利	1,687,894	1,483,286	1,195,079	1,051,739	844,605
Income tax	所得稅	(404,908)	(396,922)	(310,350)	(314,984)	(263,812)
Profit for the year	本年度盈利	1,282,986	1,086,364	884,729	736,755	580,793
Attributable to:	應佔部分：					
Equity holders of the Company	本公司權益持有人	1,200,329	1,024,271	833,483	676,459	513,356
Non-controlling interests	非控股權益	82,657	62,093	51,246	60,296	67,437
Profit for the year	本年度盈利	1,282,986	1,086,364	884,729	736,755	580,793
Basic earnings per share (Hong Kong cents)	每股基本盈利 (港仙)	41.96	35.80	30.07	25.58	19.61

Project Overview

項目概覽

Raw Water Protection Project / 原水保護項目

Project under Construction / 在建項目

Project 項目	Water Supply Capacity (m ³ /day) 供水規模 (立方米/日)
1 Tongxiang West Area Drinking Water Sources Protection PPP Project 桐鄉西部飲用水源保護建設工程PPP項目	600,000

Water Supply Projects / 供水項目

Projects in Operation / 投運項目

Project 項目	Water Supply Capacity (m ³ /day) 供水規模 (立方米/日)
1 Zhangqiu Yellow River Water Transfer and Water Resource Replenishment Project 章丘引黃調水補源項目	100,000
2 Zhangqiu Chengdong Industrial Water Supply Project 章丘區城東工業園供水項目	50,000

Project in Preparatory Stage / 籌建項目

Project 項目	Water Supply Capacity (m ³ /day) 供水規模 (立方米/日)
1 Zhangqiu Baiyun Water Plant Water Supply Project Phase I 章丘白雲水廠一期工程項目	100,000

Project Overview

項目概覽

Municipal Waste Water Treatment Projects / 市政污水處理項目

Projects in Operation / 投運項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1 Qingdao Waste Water Treatment Project (Maidao Plant) 青島污水處理項目 (麥島廠)	140,000
2 Qingdao Waste Water Treatment Project (Haibohe Plant) 青島污水處理項目 (海泊河廠)	80,000
3 Qingdao Waste Water Treatment Project (Maidao Plant) Upgrading 青島污水處理項目 (麥島廠) 提標改造	N/A 不適用
4 Zibo Waste Water Treatment Project (Southern & Northern Plants) 淄博污水處理項目 (南郊廠及北廠)	250,000
5 Zibo Waste Water Treatment Project (Upgrading) 淄博污水處理項目 (升級改造項目)	N/A 不適用
6 Zibo Waste Water Treatment Project (Northern Plant) Relocation and Expansion Project 淄博污水處理項目 (北廠) 遷建及擴建項目	50,000
7 Zibo Waste Water Treatment Project (Southern Plant) Upgrading 淄博污水處理項目 (南郊廠) 提標改造項目	N/A 不適用
8 Ji'nan Waste Water Treatment Project (Plant 1 & 2) 濟南污水處理項目 (一廠及二廠)	420,000
9 Ji'nan Waste Water Treatment Project (Plant 1 & 2 Expansion and Upgrading) 濟南污水處理項目 (一廠及二廠擴建升級項目)	80,000
10 Ji'nan Waste Water Treatment Project (Plant 1) Expansion 濟南污水處理項目 (一廠) 擴建	50,000
11 Ji'nan Waste Water Treatment Project (Plant 1) Phase IV Expansion 濟南污水處理項目 (一廠) 四期擴建	100,000
12 Ji'nan Waste Water Treatment Project (Plant 2) Phase III Expansion 濟南污水處理項目 (二廠) 三期擴建	100,000
13 Zibo High-tech Zone Waste Water Treatment Project 淄博韓廟高新區污水處理項目	100,000
14 Zibo High-tech Zone Waste Water Treatment Project Upgrading 淄博韓廟高新區污水處理項目提標改造	N/A 不適用
15 Jiangyin Waste Water Treatment Project 江陰污水處理項目	190,000

Project Overview

項目概覽

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
16 Jiangyin Waste Water Treatment Project (Upgrading) 江陰污水處理項目 (升級改造)	N/A 不適用
17 Jiangyin Waste Water Treatment (Binjiang Plant and Chengxi Plant) Upgrading Project 江陰污水處理 (濱江廠及澄西廠) 提標改造項目	N/A 不適用
18 Zibo Zhoucun Waste Water Treatment Project Phase I 淄博周村污水處理項目一期	40,000
19 Zibo Zhoucun Waste Water Treatment Project Phase I Upgrading 淄博周村污水處理項目一期提標改造	N/A 不適用
20 Zibo Northern Waste Water Treatment Plant Expansion Project 淄博北郊污水處理廠擴建項目	20,000
21 Binzhou Boxing Waste Water Treatment Project (Phase I) 濱州博興污水處理項目 (一期)	30,000
22 Binzhou Boxing Waste Water Treatment Project (Upgrading and Phase II Upgrading & Expansion) 濱州博興污水處理項目 (升級改造及二期升級、擴建項目)	30,000
23 Binzhou Boxing Waste Water Treatment Project (Upgrading & Expansion) 濱州博興污水處理項目 (升級改造及擴建項目)	20,000
24 Ji'nan Licheng Waste Water Treatment Project (Plant 3) Phase I 濟南歷城污水處理項目 (三廠) 一期	100,000
25 Ji'nan Licheng Waste Water Treatment Project (Plant 3) Phase II 濟南歷城污水處理項目 (三廠) 二期	100,000
26 Ji'nan Xike Waste Water Treatment Project (Plant 4) 濟南西客污水處理項目 (四廠)	30,000
27 Ji'nan Xike Waste Water Treatment Project (Plant 4) Phase II 濟南西客污水處理項目 (四廠) 二期	70,000
28 Dezhou Lingcheng Waste Water Treatment Project (Plant 1) 德州陵城區污水處理項目 (一廠)	30,000
29 Dezhou Lingcheng Waste Water Treatment Project (Plant 1) Upgrading 德州陵城區污水處理項目 (一廠) 提標改造	N/A 不適用
30 Dezhou Lingcheng Waste Water Treatment Project (Plant 2) 德州陵城區污水處理項目 (二廠)	30,000
31 Dezhou Lingcheng Waste Water Treatment Project (Plant 2) Upgrading 德州陵城區污水處理項目 (二廠) 提標改造	N/A 不適用

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Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
32 Dezhou Lingcheng Waste Water Treatment Project (Plant 2) Expansion 德州陵城區污水處理項目 (二廠) 擴建	30,000
33 Dezhou Nanyunhe Waste Water Treatment Project Phase I 德州南運河污水處理項目一期	75,000
34 Dezhou Nanyunhe Waste Water Treatment Project Phase II 德州南運河污水處理項目二期	75,000
35 Zhangqiu Waste Water Treatment Project (Plant 3) 章丘污水處理項目 (第三廠)	30,000
36 Zhangqiu Waste Water Treatment Project (Plant 1) 章丘污水處理廠項目 (第一廠)	50,000
37 Zhangqiu Waste Water Treatment Project (Plant 2) 章丘污水處理廠項目 (第二廠)	40,000
38 Zhangqiu Waste Water Treatment (Plant 4) PPP Project 章丘第四水質淨化廠PPP項目	50,000
39 Binzhou Development Zone Waste Water Treatment Project Phase I 濱州開發區污水處理項目一期	40,000
40 Binzhou Development Zone Waste Water Treatment Project Phase I Upgrading 濱州開發區污水處理項目一期提標改造	N/A 不適用
41 Binzhou Development Zone Waste Water Treatment Project Phase II 濱州開發區污水處理項目二期	20,000
42 Binzhou Development Zone Waste Water Treatment Project Phase II Expansion 濱州開發區污水處理項目二期擴建	40,000
43 Kunshan Development Zone Waste Water Treatment Project Phase I 昆山開發區污水處理項目一期	25,000
44 Kunshan Development Zone Waste Water Treatment Project Phase II 昆山開發區污水處理項目二期	25,000
45 Lianyungang Dapu Waste Water Treatment Project 連雲港大浦污水處理項目	100,000
46 Lianyungang Xugou Waste Water Treatment Project Phase I 連雲港墟溝污水處理項目一期	40,000
47 Nanjing Pukou Waste Water Treatment Project Phase I 南京浦口區珠江污水處理項目一期	40,000

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Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
48 Nanjing Pukou Waste Water Treatment Project Phase II and Upgrading 南京浦口污水處理項目二期及整體提標	40,000
49 Nanjing Liuhe Waste Water Treatment Project Phase I 南京六合污水處理項目一期	20,000
50 Nanjing Liuhe Waste Water Treatment Project Phase II and Upgrading 南京六合污水處理項目一期二階段及提標	20,000
51 Suzhou Wuzhong Chengnan Waste Water Treatment Project Phase I Stage I 蘇州吳中城南污水處理項目一期一步	75,000
52 Suzhou Wuzhong Chengnan Waste Water Treatment Project Phase I Stage II and Upgrading 蘇州吳中城南污水處理項目一期二步及提標改造	75,000
53 Yangzhou Jiangdu Development Zone Waste Water Treatment Project Phase I 揚州江都開發區污水處理項目一期	12,500
54 Yangzhou Jiangdu Development Zone Waste Water Treatment Project Phase II and Upgrading 揚州江都開發區污水處理項目二期及提標	12,500
55 Sanmenxia Waste Water Treatment Project Phase I 三門峽污水處理項目一期	30,000
56 Sanmenxia Waste Water Treatment Project Phase I Upgrading 三門峽污水處理項目一期提標改造	N/A 不適用
57 Daxing Tiantanghe Waste Water Treatment Project Phase I 大興區天堂河污水處理項目一期	40,000
58 Daxing Tiantanghe Waste Water Treatment Project Phase II and Upgrading 大興區天堂河污水處理項目二期及提標改造	40,000
59 Xianyang Waste Water Treatment Project Phase I 咸陽東郊污水處理項目一期	100,000
60 Xianyang Waste Water Treatment Project Phase I Upgrading 咸陽東郊污水處理項目一期提標改造	N/A 不適用
61 Xianyang Waste Water Treatment Project Phase II 咸陽東郊污水處理項目二期	100,000
62 Dalian Quanshui Waste Water Treatment Project 大連市泉水污水處理項目	35,000

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Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
63 Dalian Malanhe Waste Water Treatment Project Phase II 大連市馬欄河污水處理項目二期	80,000
64 Dalian Chunliuhe Waste Water Treatment Project Phase II 大連市春柳河污水處理項目二期	120,000
65 Dalian Siergou Waste Water Treatment Project 大連寺兒溝污水處理項目	100,000
66 Lvshun Bailanzi Waste Water Treatment Project Phase I 旅順柏嵐子污水處理項目一期	30,000
67 Lvshun Bailanzi Waste Water Treatment Project Phase II 旅順柏嵐子污水處理項目二期	N/A 不適用
68 Lvshun Sanjianpu Waste Water Treatment Project 旅順三澗堡污水處理項目	10,000
69 Pulandian Waste Water Treatment Project Phase I 普蘭店市污水處理項目一期	20,000
70 Zhuanghe Waste Water Treatment Project Phase I 莊河市污水處理項目一期	30,000
71 Panjin 1st Waste Water Treatment Project 盤錦市第一污水處理項目	100,000
72 Panjin 1st Waste Water Treatment Project Upgrading 盤錦市第一污水處理項目提標改造	N/A 不適用
73 Anshan West 2nd Waste Water Treatment Project 鞍山市西部第二污水處理項目	100,000
74 Shenyang Hunnan New District Waste Water Treatment Project 瀋陽渾南新區污水處理項目	40,000
75 Dandong Waste Water Treatment Project 丹東市污水處理項目	100,000
76 Inner Mongolia Tongliao Development Zone Waste Water Treatment Project 內蒙古通遼開發區污水處理項目	50,000
77 Inner Mongolia Tongliao Development Zone Waste Water Treatment Project Upgrading 內蒙古通遼開發區污水處理項目提標改造	N/A 不適用
78 Pulandian Waste Water Treatment Project Phase I Expansion 普蘭店市污水處理項目一期續建	20,000
79 Pulandian Waste Water Treatment Project Phase II 普蘭店污水處理項目二期	30,000

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Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
80 Pulandian Waste Water Treatment Plant Phase I and Reusable Water Plant Integration Project 普蘭店污水處理廠一期及中水廠一體化項目	40,000
81 Dalian Liangjiadian Waste Water Treatment Project Phase I 大連亮甲店污水處理項目一期	20,000
82 Dalian Quanshui Waste Water Treatment Project Upgrading 大連泉水污水處理項目提標改造	N/A 不適用
83 Dalian Chunliuhe Waste Water Treatment Project Phase II Upgrading 大連春柳河污水處理項目二期提標改造	N/A 不適用
84 Lvshun Bailanzi Waste Water Treatment Project Upgrading 旅順柏嵐子污水處理項目提標改造	N/A 不適用
85 Zhuanghe Waste Water Treatment Project Phase II 莊河市污水處理項目二期	50,000
86 Xinyi City Waste Water Treatment Project 新沂城市污水處理項目	70,000
87 Xinyi City Waste Water Treatment Project Upgrading 新沂城市污水處理項目提標改造	N/A 不適用
88 Xinyi City Waste Water Treatment Project Phase III 新沂城市污水處理項目三期	30,000
89 Ju County Shudong Waste Water Treatment Project 莒縣洙東污水處理項目	20,000
90 Jiangyin Chengxi Waste Water Treatment Project Phase III 江陰澄西污水處理項目三期	30,000
91 Jiangyin Chengxi Phase III Pipeline Network Pump Station 江陰澄西三期配套管網泵站	N/A 不適用
92 Ji'nan Huashan Waste Water Treatment Project 濟南華山水質淨化項目	30,000
93 Dezhou Lingcheng Waste Water Pipeline Network PPP Project 德州陵城區污水管網PPP項目	N/A 不適用
94 Dezhou Lingcheng Waste Water Pipeline Network PPP Project Expansion 德州陵城區污水管網PPP項目續建	N/A 不適用
95 Laiyang Waste Water Treatment Sub-Project 萊陽污水處理子項目	15,000
96 Ji'nan East Station Area Underground Waste Water Treatment Project 濟南東站片區地下污水處理項目	100,000

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Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
97 Huaiyin Eastern City Waste Water Treatment Project Phase I 淮陰東城污水處理項目一期	50,000
98 Ji'nan Tangye New Area Waste Water Treatment PPP Project Phase I 濟南唐冶新區污水處理PPP項目一期	25,000
99 Ju County Urban Waste Water Treatment Project 莒縣城市污水處理項目	80,000
100 Changzhou Zhenglu Waste Water Treatment Project Phase II 常州鄭陸污水處理項目二期	20,000
101 Beitang Waste Water Treatment Project Phase I and Upgrading 北塘污水處理項目一期及提標改造工程	150,000
102 Gangdong Waste Water Treatment Project Phase I and Upgrading 港東污水處理項目一期及提標改造工程	25,000
103 Huanghua Tengzhuangzi Waste Water Treatment Project 黃驊滕莊子污水處理項目	20,000
104 Huanghua Town Waste Water Treatment Project 黃驊鎮污水處理項目	10,000
105 Huanghua Urban Area Waste Water Treatment Project 黃驊城區污水處理項目	10,000

Projects under Operation and Management / 委託運營項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1 Zhenjiang Zhengrunzhou Waste Water Treatment Plant Operation and Management Project 鎮江征潤州污水處理廠委託運營項目	125,000
2 Shenyang Dadong Zhuertun Waste Water Treatment Plant Operation and Management Project 瀋陽大東區朱爾屯污水處理廠委託運營項目	5,000
3 Mauritius St. Martin Waste Water Treatment Plant Operation and Management Project 毛里求斯聖馬丁污水處理廠委託運營項目	69,000

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Projects under Construction / 在建項目

	Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1	Lianyungang Xugou Waste Water Treatment Project Phase II 連雲港墟溝污水處理項目二期	40,000
2	Suzhou Wuzhong Chengnan Waste Water Treatment Plant Effluent Upgrading Project 蘇州吳中城南污水處理廠尾水提標改造項目	N/A 不適用
3	Xianyang Waste Water Treatment Plant Upgrading and Advanced Sludge Dewatering Project 咸陽東郊污水處理廠提標改造及污泥深度脫水項目	N/A 不適用
4	Dandong Waste Water Treatment Project Phase II (Stage 1) 丹東市污水處理項目二期 (一階段)	100,000
5	Jiangyin Waste Water Treatment Project (Binjiang Plant 2) and Ancillary Pipeline Project 江陰污水處理項目 (濱江二廠) 及配套管網項目	40,000
6	Jiangyin Lingang Economic Development Zone Xili Center Waste Water Treatment and Ancillary Pipeline Network and Pumping Station Project 江陰臨港經濟開發區西利中心污水處理廠及配套管網泵站項目	50,000
7	Huaiyin Eastern City Waste Water Treatment Project Phase II 淮陰東城污水處理項目二期	50,000
*	Gangdong Waste Water Treatment Project Phase II 港東污水處理項目二期	N/A 不適用

* As the second phase of Gangdong Waste Water Treatment Project, the municipal waste water treatment project listed above is not regarded as an independent project.

* 以上標記的市政污水處理項目港東污水處理項目的第二期，不計為獨立項目。

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Projects in Preparatory Stage / 籌建項目

	Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1	Qingdao Maidaow Waste Water Treatment Plant Expansion and Upgrading Project 青島麥島污水處理廠品質提升工程項目	80,000
2	Zibo Zhoucun Waste Water Treatment Plant Upgrading Project 淄博周村污水處理廠提標改造項目	N/A 不適用
3	Binzhou Boxing Waste Water Treatment Project Upgrading 濱州博興污水處理項目提標改造	N/A 不適用
4	Deodorisation work of Binzhou Development Zone Waste Water Treatment Project 濱州開發區污水處理項目除臭工程	N/A 不適用
5	Yancheng No.3 Flood Control Area Water Environment Treatment PPP Project 鹽城市區第三防洪區水環境綜合治理PPP項目	50,000
6	Ji'nan International Centre for Medical Sciences Waste Water Treatment Project Phase I 濟南國際醫學科學中心污水處理項目一期	50,000
*	Ji'nan Tangye New Area Waste Water Treatment PPP Project phase II 濟南唐冶新區污水處理PPP項目二期	20,000

* As the second phase of Ji'nan Tangye New Area Waste Water Treatment PPP Project, the municipal waste water treatment project listed above is not regarded as an independent project.

* 以上標記的市政污水處理項目為濟南唐冶新區污水處理PPP項目的第二期，不計為獨立項目。

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Industrial Waste Water Treatment Projects / 工業廢水處理項目

Projects in Operation / 投運項目

	Project 項目	Waste Water Treatment Capacity (m ³ /day) 廢水處理規模 (立方米/日)
1	Xinyi Economic Development Zone Waste Water Treatment Project Phase I 新沂經濟開發區廢水處理項目一期	10,000
2	Xinyi Economic Development Zone Waste Water Treatment Project Phase II 新沂經濟開發區廢水處理項目二期	10,000
3	Nanjing Pukou Industrial Waste Water Treatment Project Phase I 南京浦口工業廢水處理項目一期	10,000
4	Ju County Chengbei Waste Water Treatment Project 莒縣城北污水處理項目	40,000
5	Ju County Chengbei Waste Water Treatment Project Upgrading 莒縣城北污水處理項目提標改造	N/A 不適用
6	Ju County Chengbei Waste Water Treatment Plant Expansion Project Phase I 莒縣城北污水處理廠擴建項目一期	20,000
7	Suizhou Xihe Town Waste Water Treatment Plant and Ancillary Pipeline Network Project 隨州浙河鎮污水處理廠及配套管網項目	10,000
8	Yangzhou Jiangdu Development Zone Industrial Waste Water Centralised Pre-treatment and Ancillary Pipeline Network Project 揚州江都開發區工業廢水集中預處理及配套管網項目	6,000
9	Zhangdian East Chemical Industry Park Industrial Waste Water Treatment Project Phase I 張店東部化工區工業廢水處理項目一期	5,000
10	Shenyang Dadong Zhuertun Waste Water Treatment Plant Retrofitting and Expansion Project 瀋陽大東區朱爾屯污水處理廠改擴建項目	5,000

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Projects Completed Construction / 建成完工項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 廢水處理規模 (立方米/日)
1 Haimen Waste Water Treatment Project and Upgrading 海門污水處理項目及提標改造	10,000

Projects in Preparatory Stage / 籌建項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 廢水處理規模 (立方米/日)
1 Nanjing Pukou Industrial Waste Water Treatment Project Phase I (Stage 2) 南京浦口工業廢水處理項目一期 (二階段)	20,000
2 Nanjing Pukou Industrial Waste Water Treatment Project Phase II 南京浦口工業廢水處理項目二期	50,000
3 Changzhou Zhenglu Industrial Waste Water Treatment Project Phase I 常州鄭陸工業廢水處理項目一期	5,000

Leachate Treatment Project / 滲濾液處理項目

Project in Operation / 投運項目

Project 項目	Leachate Treatment Capacity (m ³ /day) 滲濾液處理規模 (立方米/日)
1 Xuzhou Yanqun Household Waste Landfill Leachate Treatment Project 徐州雁群生活垃圾填埋場滲濾液處理項目	600

Project Overview

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Reusable Water Projects / 中水回用項目

Projects in Operation / 投運項目

	Project 項目	Reusable Water Supply Capacity (m ³ /day) 中水供應規模 (立方米/日)
1	Ji'nan Licheng Reusable Water Project 濟南歷城中水項目	42,000
2	Jiangyin Reusable Water Project 江陰中水項目	10,000
3	Jiangyin Chengxi Waste Water Treatment Plant Reusable Water Project 江陰澄西污水處理廠中水回用項目	33,000
4	Zibo Reusable Water Project 淄博中水回用項目	9,600
5	Nanjing Pukou Reusable Water Project Phase I 南京浦口中水項目一期	20,000
6	Nanjing Pukou Waste Water Treatment and Reusable Water Plant Project Phase II 南京浦口污水處理廠中水廠項目二期	40,000
7	Beitang Reusable Water Project 北塘再生水項目	45,000

Project Completed Construction / 建成完工項目

	Project 項目	Reusable Water Supply Capacity (m ³ /day) 中水供應規模 (立方米/日)
*	Zhangqiu Waste Water Treatment (Plant 4) PPP Project – Reusable Water Project 章丘第四水質淨化廠PPP項目-中水回用項目	30,000

* As a supplementary facility to Zhangqiu Waste Water Treatment (Plant 4) PPP Project, the reusable water project listed above is not regarded as an independent project.

* 以上標記的中水回用項目為章丘第四水質淨化廠PPP項目的配套項目設施，不計為獨立項目。

Project Overview

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Project in Preparatory Stage / 籌建項目

Project 項目	Reusable Water Supply Capacity (m ³ /day) 中水供應規模 (立方米/日)
1 Nanjing Pukou Industrial Waste Water Treatment Project Phase II - Reusable Water Project 南京浦口工業廢水處理項目二期-中水回用項目	12,000
* Nanjing Pukou Industrial Waste Water Treatment Project Phase I (Stage 2) - Reusable Water Project 南京浦口工業廢水處理項目一期 (二階段) -中水回用項目	9,000

* As a supplementary facility to Nanjing Pukou Industrial Waste Water Treatment Project Phase I (Stage 2), the reusable water project listed above is not regarded as an independent project.

* 以上標記的中水回用項目為南京浦口工業廢水處理項目一期 (二階段) 的配套項目設施，不計為獨立項目。

River-basin Ecological Restoration Projects / 流域治理項目

Projects in Operation / 投運項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1 Nanjing Municipal Water PPP Project 南京涉水市政工程PPP項目	N/A 不適用

Projects under Construction / 在建項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1 Zhenjiang Sponge City Construction PPP Project 鎮江海綿城市建設PPP項目	75,000
2 Nanning Shuitang River Integrated Restoration PPP Project 南寧水塘江綜合整治工程PPP項目	40,000
3 Laiyang Water Environment Management Sub-Project 萊陽水環境治理子項目	N/A 不適用

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Projects in Preparatory Stage / 籌建項目

Project 項目	Waste Water Treatment Capacity (m ³ /day) 污水處理規模 (立方米/日)
1 Suizhou Fuhe Riverbanks Landscaping Project 隨州府河兩岸景觀綠化項目	N/A 不適用
2 Suizhou Piaoshui Park Phase I Construction Project 隨州漂水公園一期工程項目	N/A 不適用

Waste Water Source Heat Pump Projects / 污水源熱泵項目

Projects in Operation / 投運項目

Project 項目	Service area (m ²) 服務範圍 (平方米)
1 Zibo Waste Water Source Heat Pump Project Phase I 淄博污水源熱泵項目一期	125,000
2 Zibo Ceramic Technology Development Park Heat Pump Project 淄博陶瓷園熱泵項目	170,000

Sludge Treatment and Treatment Projects / 污泥處理處置項目

Projects in Operation / 投運項目

Project 項目	Sludge Treatment Capacity (tonnes/day) 污泥處理規模 (噸/日)
* Zibo Sludge Treatment and Disposal Project 淄博污泥處理處置項目	530
* Ji'nan Sludge Treatment Project 濟南污泥減量化項目	430
* Ji'nan Licheng Sludge Treatment Project 濟南歷城污泥減量化項目	200
* Jiangyin Sludge Treatment and Disposal Project 江陰污泥處理處置項目	340
* Pulandian Sludge Treatment and Disposal Project Phase I 普蘭店污泥處理處置項目一期	50

* As supplementary facilities to respective waste water treatment projects, the above-listed sludge treatment and disposal projects are not regarded as independent projects.

* 污泥處理處置項目作為對應污水處理項目的配套項目設施，不計為獨立項目。

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

Authorised share capital 法定股本	:	HK\$10,000,000,000 10,000,000,000港元
Issued and fully paid-up capital 已發行並已全額繳足的股本	:	HK\$2,860,876,723 2,860,876,723港元
Class of shares 股票種類	:	Ordinary shares of HK\$1.00 each 普通股，每股票面價值1.00港元
Number of shares 股份數量	:	2,860,876,723
Voting rights 投票權	:	One vote per ordinary share 每股一權

DISTRIBUTION OF SHAREHOLDINGS

股權分佈

SIZE OF SHAREHOLDINGS 股權規模	NO. OF SHAREHOLDERS 股東數量	% 百分比	NO. OF SHARES 股份數量	% 百分比
1 ~ 99	513	9.22	14,497	0.00
100 ~ 1,000	1,142	20.52	559,594	0.02
1,001 ~ 10,000	2,061	37.03	9,686,179	0.34
10,001 ~ 1,000,000	1,812	32.55	122,574,542	4.28
1,000,001 AND ABOVE 1,000,001或以上	38	0.68	2,728,041,911	95.36
TOTAL 總計	5,566	100.00	2,860,876,723	100.00

As at 4 March 2022, no shares issued in the share capital of the Company (the “Shares”) were held as treasury shares or by any of the Company’s subsidiary.

於二零二二年三月四日，在本公司股本中發行的股份（「本公司股份」）未被作為庫存股持有，也未被本公司的任何附屬公司所持有。

Based on the information available to the Company, approximately 27.05% of the equity securities of the Company are held in the hands of the public. This is in compliance with Rule 8.08 of the SEHK Listing Rules and Rule 723 of the SGX Listing Manual, which require at least 25% and 10% respectively of a listed issuer’s equity securities to be held by the public.

基於本公司所獲得的信息，本公司約27.05%的股份由公眾持有。該比例符合聯交所上市規則第8.08條和新交所上市手冊第723條的要求，該等規則分別要求公眾至少須持有上市公司權益性證券的25%和10%以上。

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

TWENTY LARGEST SHAREHOLDERS

前二十大股東

	NAME 名稱	NO. OF SHARES 持股數量	% 百分比
1.	CHINA EVERBRIGHT WATER HOLDINGS LIMITED 中國光大水務控股有限公司	2,084,724,572	72.87
2.	HKSCC NOMINEES LIMITED	349,121,568	12.20
3.	MAYBANK SECURITIES PTE. LTD.	56,776,131	1.98
4.	CITIBANK NOMINEES SINGAPORE PTE LTD	50,709,329	1.77
5.	RAFFLES NOMINEES (PTE.) LIMITED	43,569,149	1.52
6.	DBS NOMINEES (PRIVATE) LIMITED	41,423,575	1.45
7.	HSBC (SINGAPORE) NOMINEES PTE LTD	15,910,105	0.56
8.	PHILLIP SECURITIES PTE LTD	10,699,797	0.37
9.	OCBC SECURITIES PRIVATE LIMITED	9,365,552	0.33
10.	DBSN SERVICES PTE. LTD.	6,633,901	0.23
11.	HENG SIEW ENG	6,505,000	0.23
12.	ASDEW ACQUISITIONS PTE LTD	4,369,453	0.15
13.	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,152,229	0.11
14.	PANG LIM	3,082,400	0.11
15.	KUEK SIAW KIA @ QUEK SHIEW POH	3,035,988	0.11
16.	CHIEW CARLTON	2,832,667	0.10
17.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	2,516,197	0.09
18.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,425,932	0.08
19.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,232,527	0.08
20.	WOON TAI MENG	2,201,984	0.08
	TOTAL 總計	2,701,288,056	94.42

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

SUBSTANTIAL SHAREHOLDERS

主要股東

NAME OF SUBSTANTIAL SHAREHOLDER 主要股東名稱	DIRECT INTEREST 直接權益		DEEMED INTEREST 間接權益	
	NO. OF SHARES HELD 持股數量	% 百分比	NO. OF SHARES HELD 持股數量	% 百分比
China Everbright Water Holdings Limited 中國光大水務控股有限公司	2,084,724,572	72.87	-	-
China Everbright Environmental Protection Holdings Limited ⁽¹⁾ 中國光大環保控股有限公司	-	-	2,084,724,572	72.87
China Everbright Environment Group Limited ⁽²⁾ 中國光大環境（集團）有限公司	-	-	2,084,724,572	72.87
Guildford Limited ⁽³⁾	-	-	2,084,724,572	72.87
Datten Investments Limited ⁽⁴⁾	-	-	2,084,724,572	72.87
China Everbright Holdings Company Limited ⁽⁵⁾ 中國光大集團有限公司	-	-	2,084,724,572	72.87
China Everbright Group Ltd. ⁽⁶⁾ 中國光大集團股份公司	-	-	2,084,724,572	72.87
Central Huijin Investment Ltd. ⁽⁷⁾ 中央匯金投資有限責任公司	-	-	2,084,724,572	72.87

Notes:

附註：

- (1) China Everbright Environmental Protection Holdings Limited, which is the holding company of China Everbright Water Holdings Limited, is deemed to have an interest in the Shares held by China Everbright Water Holdings Limited.
中國光大環保控股有限公司為中國光大水務控股有限公司之控股公司，並對中國光大水務控股有限公司持有的本公司股份享有間接權益。
- (2) China Everbright Environment Group Limited ("Everbright Environment") is the holding company of China Everbright Environmental Protection Holdings Limited and is deemed to have an interest in the Shares in which China Everbright Environmental Protection Holdings Limited has an interest.
中國光大環境（集團）有限公司（「光大環境」）為中國光大環保控股有限公司之控股公司，並對中國光大環保控股有限公司持有的本公司股份享有間接權益。
- (3) Guildford Limited holds more than 20 per cent. but not more than 50 per cent. of the total issued shares in Everbright Environment and is deemed to have an interest in the Shares in which Everbright Environment has an interest.
Guildford Limited 持有光大環境總股份數的 20% 以上（但不超過 50%），並對光大環境持有的本公司股份享有間接權益。
- (4) Datten Investments Limited is the holding company of Guildford Limited and is deemed to have an interest in the Shares in which Guildford Limited has an interest.
Datten Investments Limited 為 Guildford Limited 之控股公司，並對 Guildford Limited 持有的本公司股份享有間接權益。
- (5) China Everbright Holdings Company Limited is the holding company of Datten Investments Limited and is deemed to have an interest in the Shares in which Datten Investments Limited has an interest.
中國光大集團有限公司為 Datten Investments Limited 之控股公司，並對 Datten Investments Limited 持有的本公司股份享有間接權益。
- (6) China Everbright Group Ltd. ("China Everbright Group") is the holding company of China Everbright Holdings Company Limited and is deemed to have an interest in the Shares in which China Everbright Holdings Company Limited has an interest.
中國光大集團股份公司（「中國光大集團」）為中國光大集團有限公司之控股公司，並對中國光大集團有限公司持有的本公司股份享有間接權益。
- (7) Central Huijin Investment Ltd. holds 63.16 per cent. of the shares in China Everbright Group and is deemed to have an interest in the Shares in which China Everbright Group has an interest.
中央匯金投資有限責任公司持有中國光大集團總股份數的 63.16%，並對中國光大集團持有的本公司股份享有間接權益。

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

(i) Relationship between the Company and each of China Investment Corporation and Central Huijin Investment Ltd.

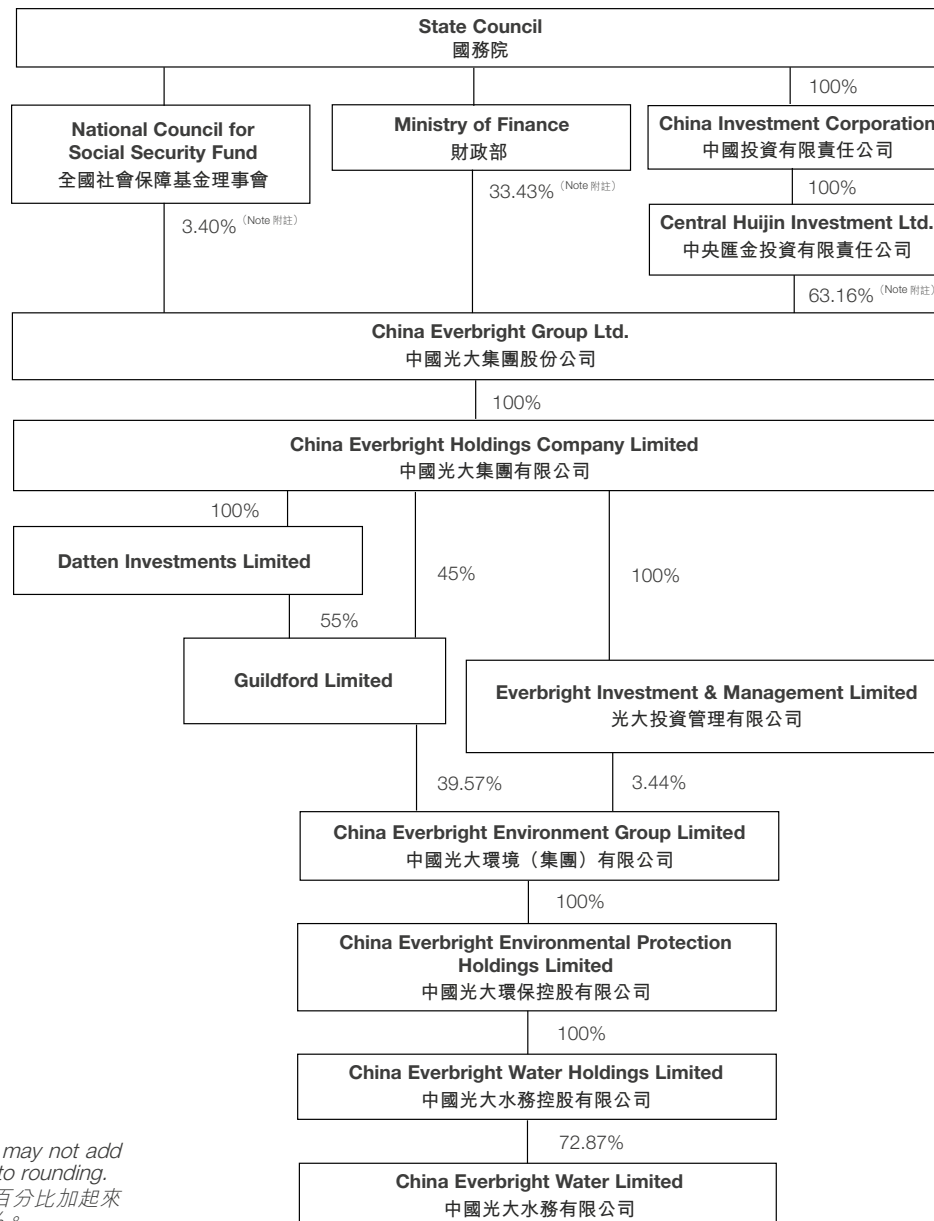
Each of China Investment Corporation and Central Huijin Investment Ltd., which is ultimately owned by the State Council of the People's Republic of China (the "State Council"), is deemed to have a controlling interest (via Everbright Environment) in the issued share capital of the Company.

Based on the information furnished to the Company, below is the shareholding structure of the Company:

(i) 本公司與中國投資有限責任公司和中央匯金投資有限責任公司的關係

中國投資有限責任公司和中央匯金投資有限責任公司均最終由中華人民共和國國務院（「國務院」）持有，中國投資有限責任公司和中央匯金投資有限責任公司通過光大環境對本公司的已發行股本享有間接控股權益。

基於提供給本公司的信息，下表反映了本公司的股權結構：



Note:
附註：

The percentages may not add up to 100% due to rounding.
由於捨入關係，百分比加起來可能不等於 100%。

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

Central Huijin Investment Ltd. (“Huijin”)

Huijin, established in December 2003, is a state-owned investment company incorporated in accordance with the *Company Law of the PRC*, with a mandate to exercise the rights and the obligations as an investor in major state-owned financial enterprises, on behalf of the PRC. Huijin, in accordance with authorisation by the State Council makes equity investments in major state-owned financial enterprises, and shall, to the extent of its capital contribution, exercise the rights and perform the obligations as an investor on behalf of the PRC in accordance with applicable laws, to achieve the goal of preserving and enhancing the value of state-owned financial assets.

China Investment Corporation (“CIC”)

CIC was founded in September 2007 as a wholly state-owned company incorporated in accordance with the *Company Law of the PRC*. CIC was established as a vehicle to diversify China's foreign exchange holdings and seek maximum returns for its shareholder within acceptable risk tolerance. Huijin is a wholly-owned subsidiary of CIC. However, Huijin's principal shareholder rights are exercised by the State Council. Strict operational firewalls exist among CIC's overseas business and the domestic business run by Huijin.

Extract of the articles of association of Huijin and CIC

The articles of association of each of Huijin and CIC provide that each of Huijin and CIC “shall not interfere in the day-to-day business operations of the state-owned major financial enterprises it controls”. The articles of association of CIC further provide that “as a matter of principle, [CIC] shall not actively seek investment in domestic non-financial enterprises, except for purchasing overseas listed stocks, passive shareholdings and other circumstances as approved by the relevant governmental authorities”.

Board of Directors of Everbright Environment and the Company

In addition, neither CIC nor Huijin has any nominees sitting on the board of directors of Everbright Environment. Similarly, neither CIC nor Huijin has any nominees sitting on the board of directors of the Company.

中央匯金投資有限責任公司（「匯金」）

匯金於二零零三年十二月成立，是依據《中華人民共和國公司法》由國家出資設立的國有獨資公司。根據國務院授權，對國有重點金融企業進行股權投資，以出資額為限代表國家依法對國有重點金融企業行使出資人權利和履行出資人義務，實現國有金融資產保值增值。

中國投資有限責任公司（「中投」）

中投成立於二零零七年九月，是依照《中華人民共和國公司法》設立的國有獨資公司，組建宗旨是實現國家外匯資金多元化投資，在可接受風險範圍內實現股東權益最大化。匯金是中投的全資附屬公司。匯金的重要股東職責由國務院行使。中投的境外業務與匯金開展的境內業務之間實行嚴格的「防火牆」措施。

匯金和中投的公司章程條款摘錄

匯金和中投的公司章程均規定匯金和中投「不得干預其控股的國有重點金融企業的日常經營活動」。中投的章程進一步規定「【中投】原則上不主動參股境內非金融企業，但購買境外上市股票、被動持股或經國家有關部門批准的除外」。

光大環境及本公司的董事會

此外，中投和匯金均未提名董事參與光大環境的董事會。同樣，中投和匯金均未提名董事參與本公司的董事會。

Statistics of Shareholdings

股權統計資料

As at 4 March 2022 於二零二二年三月四日

(ii) Not regarded as “controlling shareholders”

On the basis that each of Huijin and CIC does not in fact exercise control over the Company, the SGX has confirmed that each of Huijin and CIC will not be regarded as “controlling shareholders” of the Company for the purposes of the SGX Listing Manual.

Accordingly, each of the State Council, Huijin and CIC and their respective associates (other than China Everbright Group and its associates) will not be regarded as “interested persons” of the Company and consequently, will not be subject to the rules and requirements under Chapter 9 of the SGX Listing Manual governing interested person transactions. For the avoidance of doubt, China Everbright Group is regarded as a “controlling shareholder” of the Company for the purposes of the SGX Listing Manual and accordingly, China Everbright Group and its associates are subject to the rules and requirements under Chapter 9 of the SGX Listing Manual governing interested person transactions.

(ii) 匯金和中投不屬於「控股股東」

匯金和中投事實上未對本公司實施控制，因此新交所已依據新交所上市手冊確認，匯金和中投不屬於本公司的「控股股東」。

因此，國務院、匯金和中投及其各自的關聯方（不包括中國光大集團及其關聯方）均不屬於本公司的「關聯人士」，因此均不受新交所上市手冊第九章關於關聯人士交易規範和要求的規制。為免疑義，就新交所上市手冊而言，中國光大集團將被視為本公司的「控股股東」，因此，中國光大集團及其關聯方均將受新交所上市手冊第九章關於關聯人士交易規範和要求的規制。

Notice of Annual General Meeting

股東週年大會通知

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of China Everbright Water Limited (the “**Company**”) will be convened and held at 37 Jalan Pemimpin #08-18 Mapex Singapore 577177 on Tuesday, 26 April 2022 at 9:30 a.m. (Singapore time), in compliance with Bermuda law, to transact the businesses below. However, due to the current COVID-19 situation in Singapore, the Annual General Meeting will be convened, and will be held, via electronic means in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, and accordingly, the shareholders of the Company (the “**Shareholders**”) will NOT be able to attend the Annual General Meeting in person, and can only participate in the Annual General Meeting via electronic means.

茲通知，中國光大水務有限公司（「**本公司**」）股東週年大會將於二零二二年四月二十六日（星期二）上午九時三十分（新加坡時間）根據百慕達法律在37 Jalan Pemimpin #08-18 Mapex Singapore（郵編：577177）召開並舉行，以處理以下事項。然而，由於新加坡現時的COVID-19狀況，股東週年大會將根據《COVID-19（臨時措施）（公司、可變資本公司、商業信託、單位信託和債券持有人會議的替代安排）2020年法令》通過電子方式召開，本公司股東（「**股東**」）將無法親身出席股東週年大會，且僅能通過電子方式參加股東週年大會。

AS ORDINARY BUSINESS

1. To receive and consider the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2021 and the Auditors’ Report thereon.
(Resolution 1)

2. To declare and pay a final one-tier tax exempt dividend of 6.83 Hong Kong cents (equivalent to 1.19 Singapore cents) per ordinary share for the financial year ended 31 December 2021 as recommended by the board (the “**Board**”) of directors (the “**Directors**”) of the Company.
(Resolution 2)

3. To approve the payment of Directors’ fees of S\$340,000 for the financial year ended 31 December 2021. (2020: S\$340,000)
(Resolution 3)

4. To re-elect the following Directors retiring pursuant to Bye-law 85(6) or Bye-law 86(1) (as the case may be) of the Company’s Bye-laws (the “**Bye-laws**”), and who, being eligible, will offer themselves for re-election as the Directors:

(a) Mr. Hu Yanguo; **(Resolution 4a)**
(See Explanatory Note i)

(b) Mr. Tao Junjie; and **(Resolution 4b)**
(See Explanatory Note ii)

(c) Mr. Luo Junling. **(Resolution 4c)**
(See Explanatory Note iii)

普通事項

1. 審覽及考慮董事會聲明以及截至二零二一年十二月三十一日止財政年度的經審計的本公司財務報表及其審計師報告。
(第1項決議)

2. 根據本公司董事（「**董事**」）會（「**董事會**」）建議，宣佈派發截至二零二一年十二月三十一日止財政年度的每股普通股6.83港仙（等值1.19新加坡分）的一級稅項豁免末期股息。
(第2項決議)

3. 批准支付截至二零二一年十二月三十一日止財政年度的董事袍金340,000新加坡元整。（二零二零年：340,000新加坡元整）
(第3項決議)

4. 重選根據本公司章程（「**本公司章程**」）第85(6)條或第86(1)條（視情況而定）規定即將退任的以下董事，彼等均符合資格，接受重選為本公司董事並將競選連任：

(a) 胡延國先生； **(第4a項決議)**
(見附註說明i)

(b) 陶俊杰先生；及 **(第4b項決議)**
(見附註說明ii)

(c) 羅俊嶺先生。 **(第4c項決議)**
(見附註說明iii)

Notice of Annual General Meeting

股東週年大會通知

5. To re-appoint Ernst & Young LLP as Auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

(Resolution 5)

5. 續聘Ernst & Young LLP 為本公司審計師，任期直至下屆股東週年大會結束為止，並授權董事會釐定其薪酬。

(第5項決議)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

6. Authority to allot and issue shares
- (a) That, pursuant to the Bye-laws, the Listing Manual (the “**SGX-ST Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX**” or “**SGX-ST**”) and the Rules (the “**SEHK Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**SEHK**”), approval be and is hereby given to the Board at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
- (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of right, bonus or otherwise;
- (ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares; and/or
- (iii) issue additional instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and
- (b) (notwithstanding THAT the authority conferred by the Shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Board while the authority was in force, provided always, that subject to any applicable regulations as may be prescribed by SGX-ST and the SEHK,

特別事項

考慮及酌情通過以下普通決議案（無論有否修訂）：

6. 分配和發行股份之權利
- (a) 根據本公司章程、新加坡證券交易所有限公司（「新交所」）上市手冊（「新交所上市手冊」）及香港聯合交易所有限公司（「聯交所」）證券上市規則（「聯交所上市規則」），授權董事會全權酌情認為適當的條規及目的，向彼等全權酌情認為合適的人士：
- (i) 通過供股、紅利或以其他方式分配及發行本公司股份（「本公司股份」）；
- (ii) 作出或授予可能或將須發行本公司股份的要約、協議或期權，或其他可轉讓的認購或購買本公司股份的權利（統稱「文據」），包括但不限於創設並發行權證、債券或其他可轉換成本公司股份的文據；及/或
- (iii) 關於供股、紅利或資本化發行，因調整之前發行的文據數目而發行額外的文據；和
- (b) （儘管股東授權可能已不再有效）於該授權生效時，根據董事會所作出或授予的任何文據發行本公司股份。須符合新交所及聯交所可能規定的任何適用規例：

Notice of Annual General Meeting

股東週年大會通知

- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to existing Shareholders does not exceed twenty per cent. (20%) of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued Shares shall be the Company's total number of issued Shares excluding treasury shares at the time this resolution is passed, after adjusting for:
- a) new Shares arising from the conversion or exercise of any convertible securities, or
- b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual and Chapter 13 of the SEHK Listing Rules; and
- c) any subsequent bonus issue, consolidation or subdivision of Shares, and
- (ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the SGX-ST Listing Manual as amended from time to time (unless such compliance has been waived by SGX-ST), the SEHK Listing Rules as amended from time to time (unless such compliance has been waived by the SEHK) and the Bye-laws; and
- (i) 根據本決議將予發行的本公司股份總數（包括因根據本決議所作出或授予的文據將予發行的本公司股份）不超過已發行本公司股份總數（不包括本公司庫存股）的百分之五十（50%），其中非按比例向現有股東發行的本公司股份總數（包括根據本決議所作出或授予的文據將予發行的本公司股份）不超過已發行本公司股份總數（不包括本公司庫存股）的百分之二十（20%），且就本決議而言，已發行本公司股份應為通過本決議案時、經以下各項調整後的已發行本公司股份總數計算（不包括本公司庫存股）：
- a) 轉換或行使任何可轉換證券產生的新本公司股份，或
- b) 行使遵照新交所上市手冊第8章第VIII部分及聯交所上市規則第13章授予的期權或歸屬於本決議通過時尚未行權或存續的股份獎勵產生的新本公司股份；及
- c) 任何其後的紅利發行、本公司股份合併或分拆，和
- (ii) 行使本決議案所授予之權力時，本公司須遵守經不時修訂之新交所上市手冊之條文（除非已獲新交所豁免遵守）及經不時修訂之聯交所上市規則（除非已獲聯交所豁免遵守）及本公司章程；及

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- (iii) such authority shall, unless revoked or varied by the Company at a General Meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 6)

(See Explanatory Note iv)

7. Authority to allot and issue Shares under the China Everbright Water Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”)

That authority be and is hereby given to the Board to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme.

(Resolution 7)

(See Explanatory Note v)

8. Renewal of the share buy-back mandate

That:

- (a) the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) market purchase(s) on the SGX-ST and/or the SEHK; and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST and/or the SEHK, as the case may be) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall, as required under the SGX-ST Listing Manual, satisfy all the conditions prescribed by Section 76C of the Companies Act 1967 of Singapore (the “**Singapore Companies Act**”),

- (iii) 除非本公司在股東大會上撤銷或修訂，否則授予的授權將持續有效，直至今屆股東週年大會結束時或法律規定本公司須舉行下屆股東週年大會當日（以較早者為準）為止。

(第6項決議)

(見附註說明iv)

7. 在中國光大水務有限公司以股代息計劃（「**以股代息計劃**」）項下分配和發行本公司股份的權力

授權董事會不時地分配和發行根據以股代息計劃可能需要分配和發行的相應數量的本公司股份。

(第7項決議)

(見附註說明v)

8. 更新股份回購授權

即：

- (a) 授權董事會行使本公司通過下列方式、以董事會不時決定的不超過最高限價（定義見下文）的價格購買或以其它方式收購總額不超過最高限額（定義見下文）的已發行本公司股份的全部權力：
- (i) 在新交所和/或聯交所市場上購買；和/或
- (ii) 按照董事會認為適當而可能決定或制定的任何平等購買計劃進行場外購股（如果購買不是在新交所和/或聯交所市場上實施，視情況而定），該等計劃應如新交所上市手冊所要求、滿足新加坡法律一九六七年公司法（「《**新加坡公司法**》」）第76C條規定的所有條件，

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

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

- (i) the date on which the next Annual General Meeting of the Company is held;
- (ii) the date on which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;

(c) in this Resolution:

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

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from the Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

需遵守屆時可能適用的百慕達一九八一年《公司法》（修訂版）、新交所上市手冊之規則、聯交所上市規則、香港《公司股份回購守則》及香港《公司收購及合併守則》（「**股份回購授權**」）；

(b) 除非本公司在股東大會上更改或撤銷，否則董事可根據股份回購授權授予董事的權力由本決議案獲通過當日（包括該日）起至下列日期（以較早者為準）隨時及不時進行：

- (i) 本公司下屆股東週年大會舉行之日；
- (ii) 法律規定的最晚舉行本公司下屆股東週年大會之日；和
- (iii) 根據股份回購授權購買和收購的本公司股份達到所授權的上限之日；

(c) 在本決議案中：

「**平均收市價**」是指在本公司進行市場購買之日前，或視情況而定，根據市場外購買作出要約之日前，本公司股份在新交所或聯交所（視情況而定）交易的近五(5)個交易日（「**交易日**」）的平均收市價，且該等平均收市價視為已經根據新交所上市規則和在相關五(5)個交易日期間內以及購買之日發生的公司行動進行了調整；

「**作出要約之日**」是指本公司作出要約向股東購買或收購本公司股份之日，該等要約中需說明每股購買價格（不應超過最高限價）以及實施市場外購買的平等購買計劃的相關條款；

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

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

- (i) in the case of a market purchase of a Share, five per cent. (5%) above the Average Closing Price; and
 - (ii) in the case of an off-market purchase of a Share, five per cent. (5%) above the Average Closing Price; and
- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Buy-back Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Buy-back Mandate.

(Resolution 8)

(See Explanatory Note vi)

9. Renewal of the interested person transaction mandate

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the SGX-ST Listing Manual (“**Chapter 9**”), for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9), or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in Appendix 1 to the Company’s Circular to Shareholders dated 22 March 2022 (the “**Circular**”) with any party who is of the class of interested persons described in Appendix 1 to the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the “**IPT Mandate**”);

「**最高限額**」是指代表了通過本決議之日已發行本公司股份總數的百分之十（10%）的本公司股份數量（不含任何庫存股以及在《新加坡公司法》第21（4）條、21（4B）條、21（6A）條和21（6C）條描述的情況下，所有由本公司的附屬公司持有的本公司股份）；和

關於購買或收購本公司股份的「**最高限價**」，是指每股購買價格（不含經紀人佣金、手續費、適用的商品和服務稅以及其他相關費用），該價格不得超出：

- (i) 在市場上購買本公司股份的情況下，平均收市價的百分之五（5%）；和
- (ii) 在市場外購買本公司股份的情況下，平均收市價的百分之五（5%）；以及

- (d) 授權董事會完成和作出所有其認為必要、合適或有效或有利於本公司的使本決議和股份回購授權生效的行為（包括但不限於簽署可能需要的關於本決議和股份回購授權的全部協議和文件）。

(第8項決議)

(見附註說明vi)

9. 續期關聯人士交易的授權

即：

- (a) 為新交所上市手冊第九章（「**第9章**」）之目的，授權本公司及其附屬公司和聯營公司（當它們是第9章所定義的風險實體時），或其中任何一方，與本公司日期為二零二二年三月二十二日的股東通函（「**股東通函**」）的附錄1中所載明的任何一類關聯人士進行股東通函的附錄1中所載明的任何一類關聯人士交易，前提是該等交易是按照正常商業條款進行並已通過相關審閱程序（「**關聯人士交易授權**」）；

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- (b) the renewal of the IPT Mandate above shall unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the IPT Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the IPT Mandate.

(Resolution 9)

(See Explanatory Note vii)

10. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Peng Pei

Legal Counsel and Joint Company Secretary

Singapore and Hong Kong, 22 March 2022

Notes:

- The Annual General Meeting is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
- Arrangements relating to attendance at the Annual General Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast, live audio-only webcast or live audio-only stream), submission of questions to the Chairman of the Annual General Meeting in advance of the Annual General Meeting, submission of questions during the Annual General Meeting via an online chat box, addressing of substantial and relevant questions at the Annual General Meeting and voting by appointing the Chairman of the Annual General Meeting as proxy at the Annual General Meeting and/or voting electronically during the Annual General Meeting, are set out in the accompanying Circular.

- (b) 除非被本公司在股東大會上撤回或更改，該等授權持續有效直至下屆股東週年大會結束為止；及
- (c) 授權董事會完成和作出所有其認為必要、合適或有效或有利於本公司的使本決議和關聯人士交易授權生效的行為（包括但不限於簽署可能需要的關於本決議和關聯人士交易授權的全部協議和文件）。

(第9項決議)

(見附註說明vii)

10. 處理任何其他可在股東週年大會妥善處理的普通事項。

承董事會命令

彭珮

法律顧問兼聯席公司秘書

新加坡和香港，二零二二年三月二十二日

附註：

- 股東週年大會現根據《COVID-19（臨時措施）（公司、可變資本公司、商業信託、單位信託和債券持有人會議的替代安排）2020年法令》予以召開，將以電子方式舉行。
- 關於透過電子方式出席股東週年大會（包括可透過實時視聽網絡直播、實時音頻網絡直播或實時音頻直播以電子方式參與會議的安排）、於股東週年大會舉行前向股東週年大會主席遞交問題、於股東週年大會期間透過在線聊天窗口遞交問題、於股東週年大會上答覆實質性及相關問題及透過委任股東週年大會主席為受委代表於股東週年大會上進行投票及/或於股東週年大會期間以電子方式進行投票的安排，均載於隨附的股東通函。

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3. Due to the current COVID-19 situation in Singapore, the Annual General Meeting will be convened, and will be held, via electronic means, and accordingly, Shareholders will NOT be able to attend the Annual General Meeting in person, and can only participate in the Annual General Meeting via electronic means. A Shareholder (whether individual or corporate) must either appoint the Chairman of the Annual General Meeting as his/her/its proxy or (in the case of a Depositor (as defined in section 81SF of the Securities and Futures Act 2001 of Singapore)) nominate the appointment of the Chairman of the Annual General Meeting as the proxy of The Central Depository (Pte) Limited ("CDP") to attend, speak and vote on his/her/its behalf at the Annual General Meeting or pre-register as a Shareholder if such Shareholder or Depositor wishes to exercise his/her/its voting rights at the Annual General Meeting, whether as CDP's proxy or on his/her/its own via electronic means.

Where a Shareholder (whether individual or corporate) appoints the Chairman of the Annual General Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of each of the resolutions set out in the proxy form, failing which the Chairman of the Annual General Meeting may vote or abstain from voting at his/her/their discretion.

Completion and return of an instrument appointing the Chairman of the Annual General Meeting as proxy will not prevent a Shareholder from attending and voting via electronic means at the Annual General Meeting if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the Shareholder via electronic means, the relevant instrument submitted by the Shareholder shall be deemed to be revoked.

4. The instrument appointing the Chairman of the Annual General Meeting as proxy must be signed by the appointer, or his/her attorney duly authorised in writing, or if in the case of a corporation, must be either executed under its common seal or under the hand of an officer or attorney so authorised on that corporation's behalf.
5. The Chairman of the Annual General Meeting, as proxy, need not be a Shareholder of the Company.
6. For Singapore Shareholders, the depositor proxy form appointing the Chairman of the Annual General Meeting as proxy of CDP, duly completed, must be submitted by the Depositor in the following manner:
- (i) if submitted by post, by depositing the duly completed depositor proxy form at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (ii) if submitted electronically, by scanning and submitting the duly completed depositor proxy form via email to the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at CEWLAGM2022@boardroomlimited.com,

in either case, at least 72 hours before the time for holding the Annual General Meeting.

3. 由於新加坡現時的COVID-19狀況，股東週年大會將通過電子方式召開，因此股東將無法親身出席股東週年大會，且僅能通過電子方式參加股東週年大會。股東（無論為個人或公司）須委託股東週年大會主席為其受委代表或（存託人（定義見新加坡法律二零零一年《證券及期貨法》第81SF條））提名委任股東週年大會主席為中央託收私人有限公司（「CDP」）的受委代表以代表其出席股東週年大會、於會上發言及投票，或倘有關股東或存託人有意（無論作為CDP的受委代表或透過電子方式自行）於股東週年大會上行使其投票權，則須預先登記為股東。

倘股東（無論個人或公司）委任股東週年大會主席為其受委代表，其須就代表委任表格內所載各項決議案進行投票或放棄投票作出具體指示，否則股東週年大會主席可自行酌情投票或放棄投票。

填妥及交回委任股東週年大會主席為受委代表的指示後，股東隨後仍可依願通過電子方式出席股東週年大會並投票，惟倘股東通過電子方式出席，則股東所提交的相關指示將被視作已撤回論。

4. 委任股東週年大會主席為受委代表的文書須由委託人或經其書面妥為授權之受權人簽署，或如委託人為公司，則須加蓋公司公章或由獲授權代表公司之高級人員或受權人親筆簽署。
5. 股東週年大會主席（作為受委代表）毋須為本公司股東。
6. 就新加坡股東而言，委任股東週年大會主席為CDP的受委代表的存託人代表委任表格（已填妥），存託人無論以下列何種方式遞交：
- (i) 倘以郵遞方式遞交，則將填妥的存託人代表委任表格遞交至本公司新加坡股份轉讓代理的辦事處寶德隆企業與諮詢服務有限公司（地址為新加坡港灣道1號吉寶灣大廈#14-07室，郵編：098632）；或
 - (ii) 倘以電子方式遞交，則掃描填妥的存託人代表委任表格並透過電子郵件遞交至本公司新加坡股份轉讓代理寶德隆企業與諮詢服務有限公司（郵箱地址為 CEWLAGM2022@boardroomlimited.com），

在各情況下，均須於舉行股東週年大會的時間前至少72小時遞交。

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For Hong Kong Shareholders, the instrument appointing the Chairman of the Annual General Meeting as proxy must be submitted in the following manner:

- (i) if submitted by post, by depositing the duly completed proxy form with the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong; or
- (ii) if submitted electronically, by scanning and submitting the duly completed proxy form via email to the Company's Hong Kong Share Registrar and Transfer Office, Boardroom Share Registrars (HK) Limited, at srinfo.hk@boardroomlimited.com,

in either case, at least 72 hours before the time for holding the Annual General Meeting.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for the Shareholders to submit completed proxy forms by post, the Shareholders are strongly encouraged to scan and submit the completed proxy forms electronically via email.

7. The Annual Report for the financial year ended 31 December 2021 (the "2021 Annual Report") and the Circular may be accessed at the Company's website at (www.ebwater.com) as follows:

- (i) for the 2021 Annual Report, by going to "Investor Relations" and clicking on the hyperlink "Annual & Interim Reports"; and
- (ii) for the Circular, by going to "Investor Relations" and clicking on the hyperlink "Announcements & Circulars – SGX" or "Announcements & Circulars – HKEX".

Copies of the 2021 Annual Report and the Circular may also be accessed on the SGXNet (www.sgx.com) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

Explanatory Notes:

- (i) Detailed information relating to Mr. Hu Yanguo is set out on page 44 of the 2021 Annual Report and in the section entitled "Biographical Details of Directors" and Appendix 2 of the Circular.
- (ii) Detailed information relating to Mr. Tao Junjie is set out on page 45 of the 2021 Annual Report and in the section entitled "Biographical Details of Directors" and Appendix 2 of the Circular.
- (iii) Detailed information relating to Mr. Luo Junling is set out on page 46 of the 2021 Annual Report and in the section entitled "Biographical Details of Directors" and Appendix 2 of the Circular.

就香港股東而言，委任股東週年大會主席為受委代表的指示無論以下列何種方式遞交：

- (i) 倘以郵遞方式遞交，則將填妥的代表委任表格遞交至本公司香港股份過戶登記處寶德隆證券登記有限公司（地址為香港北角電氣道148號21樓2103B室）；或
- (ii) 倘以電子方式遞交，則掃描填妥的代表委任表格透過電子郵件遞交至本公司香港股份過戶登記處寶德隆證券登記有限公司（郵箱地址為 srinfo.hk@boardroomlimited.com）。

在各情況下，均須於舉行股東週年大會的時間前至少72小時遞交。

鑒於COVID-19當前的形勢及相關社交距離措施使股東難以透過郵遞方式遞交填妥的代表委任表格，強烈鼓勵股東掃描填妥的代表委任表格並透過電子郵件遞交。

7. 截至二零二一年十二月三十一日止財政年度的年度報告（「二零二一年度報告」）及股東通函可於本公司網站（www.ebwater.com）查閱，如下：

- (i) 就二零二一年度報告而言，前往「投資者關係」並點擊超連結「年報及中期報告」；及
- (ii) 就股東通函而言，前往「投資者關係」並點擊超連結「公告和通函—新加坡交易所」或「公告和通函—香港交易所」。

二零二一年度報告及股東通函之副本亦可在SGXNet（www.sgx.com）及香港交易及結算所有限公司網站（www.hkexnews.hk）查閱。

附註說明：

- (i) 關於胡延國先生的詳細信息載於二零二一年度報告中第44頁、股東通函「董事履歷詳情」一節和附錄2。
- (ii) 關於陶俊杰先生的詳細信息載於二零二一年度報告中第45頁、股東通函「董事履歷詳情」一節和附錄2。
- (iii) 關於羅俊嶺先生的詳細信息載於二零二一年度報告中第46頁、股東通函「董事履歷詳情」一節和附錄2。

Notice of Annual General Meeting

股東週年大會通知

- (iv) The Ordinary Resolution 6 proposed in item 6 is to authorise the Directors, subject to the applicable regulations as may be prescribed by the SGX-ST and the SEHK, from the date of the above Meeting until the next Annual General Meeting to allot and issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 per cent. (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the total number of Shares and convertible securities issued other than on a pro-rata basis to existing Shareholders shall not exceed 20 per cent. (20%) of the total number of issued Shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the next Annual General Meeting of the Company.
- (v) Pursuant to the Special General Meeting of the Company held on 28 October 2005, the Shareholders approved the passing of the ordinary resolution relating to the Scrip Dividend Scheme. In the circular dated 11 October 2005, the Scrip Dividend Scheme provides the Shareholders with the option to elect to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. The Ordinary Resolution 7 proposed in item 7, if passed, will empower the Directors to allot and issue Shares in the Company pursuant to the terms and conditions of the Scrip Dividend Scheme.
- (vi) The Company intends to use internal sources of funds, external borrowings or a combination of internal resources and external borrowings, to finance the purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, inter alia, the manner in which the purchase or acquisition is funded, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10 per cent. (10%) of its issued Shares as at 10 March 2022, at a purchase price equivalent to the Maximum Price per Share, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021 and certain assumptions, are set out in the section entitled "Financial Effects" of the Circular.
- (vii) The Ordinary Resolution 9 proposed in item 9 is to approve the renewal of the IPT Mandate to enable the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9 of the SGX-ST Listing Manual), or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Circular. Please refer to the Circular for more details.
- (iv) 第六條中所提議的第6項普通決議是為授權董事會在符合新交所和聯交所可能規定的任何規例之前提下根據其認為對本公司有利之目的，自上述會議日期開始至下個股東週年大會為止分配及發行本公司股份和可轉換證券，發行總數不超過已發行本公司股份總數（不含本公司庫存股）的百分之五十（50%），其中非按比例向現有股東發行的總數不超過該決議通過時已發行本公司股份總數（不含本公司庫存股）的百分之二十（20%）。該項授權除非在股東大會上被撤銷或更改，將於本公司下個股東週年大會時期滿終止。
- (v) 根據二零零五年十月二十八日舉行的本公司特別股東大會，股東批准通過了關於以股代息計劃的普通決議。在二零零五年十月十一日的股東通函中，以股代息計劃為股東提供選擇以收取本公司股份的方式代以收取其根據持有本公司股份可獲分配的股息現金。第七條中所提議的第7項普通決議如果獲通過，將授權本公司董事會根據以股代息計劃的條款和條件分配和發行本公司股份。
- (vi) 本公司打算使用內部資金來源、外部借款或二者兼而有之的方式作為購買或收購本公司股份的資金。本公司購買或收購本公司股份所需要的資金數額以及對本公司財務狀況的影響在本通知之日尚不能確定，因為該等數額和影響尤其取決於（但不限於）購買或收購資金來源取得方式、購買或收購的本公司股份總數以及在相關時間支付的對價。僅為說明之目的，股東通函中「財務影響」一節段列示了，假設以等同於每股最高限價的購買價格購買或收購本公司於二零二二年三月十日已發行本公司股份的百分之十（10%），基於本公司及其附屬公司於截至二零二一年十二月三十一日止財政年度的已審計財務報表和特定假設，該等購買或收購對本公司的財務影響。
- (vii) 第九條中所提議的第9項普通決議是為批准關聯人士交易授權，使得本公司及其附屬公司和聯營公司（當它們是新交所上市手冊第9章所定義的風險實體時）或其中任何一方，如股東通函中所載，與特定的關聯人士進行特定的關聯人士交易。更多詳情請參見股東通函。

Personal data privacy:

By submitting a proxy form appointing the Chairman of the Annual General Meeting as a proxy to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Annual General Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

個人資料隱私權：

通過提交代表委任表格委託股東週年大會主席為其受委代表出席股東週年大會和/或其任何續會並發言和投票，本公司股東同意讓本公司（或其代理人）收集、使用及披露股東的個人資料，以讓本公司（或其受委代表）能夠就因股東週年大會（包括其任何續會）而委託股東週年大會主席為其受委代表進行處理和管理，並準備和整理出席名單、會議記錄和其他有關股東週年大會（包括其任何續會）的文件，以及讓本公司（或其受委代表）能夠遵循適用法律、上市規則、規定和/或指導原則。

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中國光大水務有限公司

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