



光大水務
Everbright Water

INTERIM
REPORT
中期報告

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)

An aerial photograph of a sailboat with white sails on a deep blue ocean, with white-capped waves in the background. The text is overlaid on the bottom right of the image.

REDUCING
Carbon Footprint
to Embark A New Chapter
減碳印 謀發展 開新局



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Corporate Information

公司資料

BOARD OF DIRECTORS

Non-Executive Director

Mr. Wang Tianyi (Chairman)

Executive Directors

Mr. An Xuesong (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. Wang Tianyi

Mr. Zhai Haitao

Mr. Lim Yu Neng Paul

NOMINATING COMMITTEE

Mr. Zhai Haitao (Chairman)

Mr. Wang Tianyi

Mr. Lim Yu Neng Paul

STRATEGY COMMITTEE

Mr. Wang Tianyi (Chairman)

Mr. An Xuesong

Mr. Luo Junling

Ms. Hao Gang

MANAGEMENT COMMITTEE

(ceased to be a Board Committee
with effect from 11 August 2021)

Mr. An Xuesong (Chairman)

Mr. Luo Junling

Mr. Wang Yuexing

Mr. Wang Guanping

Mr. Zhang Guofeng

Mr. Niu Kesheng

Mr. An Pinglin

Mr. Wu Zhiguo

董事會

非執行董事

王天義先生 (董事長)

執行董事

安雪松先生 (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)

王天義先生

翟海濤先生

林御能先生

提名委員會

翟海濤先生 (主席)

王天義先生

林御能先生

戰略委員會

王天義先生 (主席)

安雪松先生

羅俊嶺先生

郝剛女士

管理委員會

(於二零二一年八月十一日不再
作為董事會委員會)

安雪松先生 (主席)

羅俊嶺先生

王悅興先生

王冠平先生

張國鋒先生

牛克勝先生

安平林先生

吳志國先生

Corporate Information 公司資料

JOINT COMPANY SECRETARIES

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

聯席公司秘書

彭珮女士 (ACG, ACS)
何詠紫女士 (FCG, FCS(PE))

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

註冊地址

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

SHENZHEN OFFICE

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Shenzhen, People's Republic of China 518000

深圳辦公室

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郵編：518000

SINGAPORE OFFICE

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#20-02 Singapore 049910

新加坡辦公室

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郵編：049910

HONG KONG OFFICE

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16 Harcourt Road, Hong Kong

香港辦公室

香港夏慤道16號
遠東金融中心36樓3601室

BERMUDA SHARE REGISTRAR

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

百慕達股份過戶登記處

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

SINGAPORE SHARE TRANSFER AGENT

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, #32-01 Singapore Land Tower
Singapore 048623

新加坡股份轉讓代理

寶德隆企業與諮詢服務有限公司
新加坡萊佛士坊50號新置地大廈#32-01室
郵編：048623

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

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

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)

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)

Corporate Information 公司資料

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
Far Eastern International Bank
Industrial and Commercial Bank of China Limited
Mizuho Bank, Ltd.

PUBLIC RELATIONS

Citigate Dewe Rogerson

WEBSITE

www.ebwater.com

STOCK CODES

U9E.SG
1857.HK

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
遠東國際商業銀行
中國工商銀行股份有限公司
瑞穗銀行

公關顧問

哲基傑訊

電子網站

www.ebwater.com

股份代號

U9E.SG
1857.HK

Financial Highlights

財務概況

		For the six months ended 30 June 截至六月三十日止六個月		
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	Percentage change 百分比變動
RESULTS	業績			
Revenue	收入	3,112,935	2,120,086	47%
Gross Profit	毛利	1,239,551	881,648	41%
EBITDA*	除利息、稅項、折舊及攤銷前盈利*	1,059,125	813,116	30%
Profit Attributable to Equity Holders of the Company	本公司權益持有人應佔盈利	548,178	404,473	36%
Basic Earnings per Share (Hong Kong cents)	每股基本盈利 (港仙)	19.16	14.14	36%
Interim Dividend per Share (Hong Kong cents) (equivalent to Singapore cents ("Sing cents"))	每股中期股息 (港仙) (等值新加坡分 ("新分"))	5.75	3.74	54%
		1.01	0.67	51%
		30 June 2021 二零二一年六月三十日 HK\$'000 千港元	31 December 2020 二零二零年十二月三十一日 HK\$'000 千港元	Percentage change 百分比變動
FINANCIAL POSITION	財務狀況			
Total Assets	總資產	30,601,657	26,907,534	14%
Total Liabilities	總負債	18,117,835	15,501,675	17%
Equity Attributable to Equity Holders of the Company	本公司權益持有人應佔權益	11,241,366	10,534,293	7%
Net Asset Value per Share (Hong Kong dollars ("HK\$"))	每股資產淨值 (港元 ("港元"))	3.93	3.68	7%
Gearing Ratio (Total Liabilities/Total Assets)	資產負債率 (總負債/總資產)	59.2%	57.6%	1.6 ppt**

* EBITDA is the profit for the period before deduction of interest, taxation, depreciation and amortisation.

** ppt means percentage point.

* 除利息、稅項、折舊及攤銷前盈利為扣除利息、稅項、折舊及攤銷前之本期間盈利。

** ppt指百分點。

Business Review and Prospects

業務回顧與展望

OPERATING RESULTS

During the six months ended 30 June 2021 (“1HFY2021” or the “Review Period”), despite showing signs of easing, the novel coronavirus (“COVID-19”) situation, which is the key factor for the recovery in the global economy, remains fluid. Nonetheless, the People’s Republic of China (the “PRC” or “China”) has overcome the challenges presented by the ongoing COVID-19 pandemic and demonstrated its great economic resilience. As such, China has gradually returned to normal. This has clearly laid a good foundation for the country to embark on its “14th Five-Year Plan”.

China’s “14th Five-Year Plan” sets higher standards for environmental management and protection and ecological conservation. It also demonstrates the country’s commitment to promoting a comprehensive green transformation of its economic and social development. In order to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060, reduction of carbon emissions has been included in the “14th Five-Year Plan” as the major task for China’s tough battle against pollution and climate change. This shows China’s unwavering determination to strengthen ecological environment protection and to cope with climate change. Besides that, this creates a clearer and more stable policy environment, which benefits the long-term development of related industries and enterprises and gradually promotes and ultimately achieves the low-carbon green development goals.

經營業績

截至二零二一年六月三十日止六個月（「二零二一財政年度上半年」或「回顧期」），新型冠狀病毒引發的肺炎疫情（「新冠疫情」）態勢趨緩但仍不時反覆，成為影響全球經濟復甦進程的重要因素。中華人民共和國（「中國」）亦經受著新冠疫情反覆的考驗，但經濟展現出更強的韌性，逐步向常態回歸發展，為國家「十四五」規劃開局奠定良好勢頭。

國家「十四五」規劃對環境治理與保護和生態文明建設提出更高要求，致力於推動經濟社會發展全面綠色轉型。為實現二零三零年「碳达峰」、二零六零年「碳中和」目標願景，「碳減排」工作已成為「十四五」污染防治攻堅戰及應對氣候變化的重要任務。這不僅顯示出國家保護生態環境、應對氣候變化的堅定意志和決心，有助於營造更加清晰、平穩的政策環境，亦有利於相關行業和企業的長遠發展，進而助推並最終實現低碳綠色發展目標。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

Amid the complex and constantly changing international market and while operating under a stable macro environment and healthy industry development in China, China Everbright Water Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), during the Review Period, steadily and orderly carried out the relevant work relating to market expansion, project construction, operations management, safety and environmental management, and technological innovation. In addition, the Group made good progress in achieving a balance between asset-light and asset-heavy businesses, refinement of management and expansion of financing channels. With its stable operating conditions, the Group recorded a good operating result, in terms of major financial indicators such as revenue and profit, and strengthened its business strategy and competitive advantages in the field of water environment treatment.

As at 30 June 2021, the Group invested in and held 143 environmental protection projects, with a total investment of approximately RMB25.75 billion. In addition, it undertook four engineering, procurement and construction (“**EPC**”) projects, which commanded a total contract value of approximately RMB238 million, in addition to two operation and management (“**O&M**”) projects. A summary of the number of projects and water treatment/supply capacity is set out below:

經營業績 (續)

在複雜多變的國際形勢下，身處穩中向好的國內宏觀及行業環境中，中國光大水務有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）於回顧期內圍繞市場拓展、工程建設、運營管理、安全與環境（「**安環**」）管理、科技創新等方面有序開展工作，並於輕重資產協同發展、精細化管理、拓寬融資渠道等方面取得良好進展，整體經營狀況穩健，收入、盈利等主要經營指標表現良好，強化本集團於水環境綜合治理領域的業務佈局與競爭優勢。

截至二零二一年六月三十日，本集團投資並持有143個環保項目，涉及總投資約257.5億元人民幣，另承接四個工程總包（「**EPC**」）項目，涉及合同金額約2.38億元人民幣，以及兩個委託運營（「**委託運營**」）項目。項目數量及水處理/供水規模摘要如下：

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

經營業績 (續)

Project Type ⁽¹⁾ 項目類別 ⁽¹⁾		Number of Projects 項目數量 (個)	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⁾	112	5,405,000
Industrial waste water treatment projects ⁽²⁾	工業廢水處理項目 ⁽²⁾	12	176,000
Reusable water projects	中水回用項目	8	241,600
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	145	6,788,200

Notes:

- (1) EPC projects excluded
(2) O&M projects included

附註：

- (1) 不含EPC項目
(2) 包含委託運營項目

In terms of operating results, with its steady operation, the Group's revenue in 1HFY2021 amounted to HK\$3.11 billion, representing an increase of 47% from HK\$2.12 billion in the corresponding period last year. EBITDA increased by 30% from HK\$813.12 million in the corresponding period last year to HK\$1.06 billion in 1HFY2021. Profit attributable to equity holders of the Company for 1HFY2021 was HK\$548.18 million, representing an increase of 36% from HK\$404.47 million recorded in the corresponding period last year. Basic earnings per share for 1HFY2021 were HK19.16 cents, indicating an increase of HK5.02 cents or 36% from HK14.14 cents in the corresponding period last year. The Group has ready access to diverse financing channels, holds quality assets and sufficient funds with a reasonable gearing ratio, and is in a healthy financial position.

經營業績方面，二零二一財政年度上半年，本集團經營持續穩健，錄得收入31.1億港元，較去年同期之21.2億港元增長47%；除利息、稅項、折舊及攤銷前盈利10.6億港元，較去年同期之8.1312億港元增長30%；本公司權益持有人應佔盈利5.4818億港元，較去年同期之4.0447億港元增長36%；每股基本盈利19.16港仙，較去年同期之14.14港仙增加5.02港仙，增幅36%。本集團融資渠道多元暢通，資產質優，資金充裕，合理負債，財務狀況健康。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

In relation to market expansion, the Group, during the Review Period, continued solidifying the market position in regions such as the Bohai Economic Rim, the Yangtze River Economic Belt and the Guangdong-Hong Kong-Macau Greater Bay Area, striving for high-quality business development, and making breakthroughs in market expansion and business model. In early 2021, the Group purchased a 65% equity interest in Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd. (“**Tianjin Huantang**”), marking an entry into Tianjin’s water market. Moreover, the Group has actively established several working teams which specialised in different areas such as in-plant solar photovoltaic, waste water source heat pump and reusable water, to provide necessary support for its future strategic development. In 1HFY2021, the Group secured four waste water treatment projects and one reusable water project, commanding a total investment of approximately RMB1.069 billion. Such projects contribute an additional designed daily waste water treatment capacity of 225,000 m³ and an additional designed daily reusable water supply capacity of 45,000 m³. In addition, the Group undertook one EPC project, with a contract value of approximately RMB30.82 million.

經營業績 (續)

市場拓展方面，回顧期內，本集團持續深耕環渤海地區、長江經濟帶及粵港澳大灣區市場，堅持推動業務高質量發展，並於市場拓展、業務模式方面取得新突破。二零二一年初，本集團透過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，進入天津水務市場。此外，本集團積極組建多個專項研究小組，涵蓋廠內光伏、污水源熱泵、中水回用等領域，為未來戰略發展提供支撐。二零二一財政年度上半年，本集團先後取得四個污水處理項目及一個中水回用項目，涉及總投資約10.69億元人民幣，新增設計規模為日處理污水225,000立方米、日供中水45,000立方米。此外，本集團新承接一個EPC項目，涉及合同金額約3,082萬元人民幣。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

As for its safety and environmental management, the Group acknowledges that the health and safety of individuals and environment are the fundamental rights and demands of its employees and the public in local communities. Therefore, the Group strictly follows its working requirements of “zero work safety accident, zero excessive discharge of pollutants, and zero case for violation of regulations or discipline”. During the Review Period, the Group fostered the accountability of safety and environment, and enhanced the self-inspection and improvement of safety and environment work, so as to ensure safe production and compliant discharge.

In terms of project construction, the Group, during the Review Period, strictly complied with the relevant requirements arising from the new normal of the COVID-19 pandemic prevention and control measures, and carried out construction works in an orderly manner. By stringently controlling the safety and quality of project constructions, the Group had zero work safety accident and achieved all the safe production targets. In 1HFY2021, the Group had two projects that commenced construction, which have an aggregate designed daily waste water treatment capacity of 40,000 m³. A total of two projects completed construction and commenced operation, which have an aggregate designed daily waste water treatment capacity of 65,000 m³; and four projects completed construction (including an EPC project), which have an aggregate designed daily waste treatment capacity of 48,500 m³. As at 30 June 2021, the Group had nine projects in the preparatory stage, with an aggregate designed daily water treatment capacity of 322,000 m³.

經營業績 (續)

安環管理方面，本集團深知個人與環境的健康安全是員工及社區民眾的基本權利和需求。因此，本集團嚴格按照「零安全事故、零超標排放、零違法違規」的工作要求，於回顧期內推進安環責任制，強化安環工作的自查與完善，築牢安全生產與達標排放底線。

針對工程建設，於回顧期內，本集團嚴格遵守新冠疫情防控制常態化工作要求，穩妥推進各項目工程建設，嚴抓工程建設安全和品質，實現零安全事故並落實各項安全生產目標。二零二一財政年度上半年，本集團共有兩個項目新開工建設，設計規模為日處理污水40,000立方米；兩個項目建成投運，新投運設計規模為日處理污水65,000立方米；四個項目建成完工（含EPC項目），設計規模為日處理污水48,500立方米。截至二零二一年六月三十日，本集團共有九個籌建項目，設計日水處理規模322,000立方米。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

In relation to operations management, following the country's goals of "Peaking Carbon Dioxide Emissions" and "Achieving Carbon Neutrality", the Group, during the Review Period, rolled out a pilot programme at its projects to optimise waste water treatment plants' energy structure. In addition, the Group participated in the pilot programme which was launched by the Ministry of Ecology and Environment of the PRC in relation to monitoring of greenhouse gas emissions. This is expected to facilitate the Group's exploration of energy optimisation and carbon emissions reduction for waste water treatment plants. Additionally, the Group co-operated with its partners to participate in market-based electricity transactions in Jiangsu and Shandong Provinces, which has significantly reduced the electricity cost. During the Review Period, four waste water treatment plants of the Group received regulatory approval for tariff hikes ranging from 8% to 58%, and subsidies of approximately RMB31 million in total were granted to the Group.

As for technological innovation, the Group, during the Review Period, continued focusing on the improvement and implementation of the "Intelligent Water" management system, and actively fostered commercialisation of research results. In order to improve the intelligence level of its water plants, the Group has applied the operational management system to a number of projects. Furthermore, the Group has completed the installation and testing of the accurate aeration equipment, trials of the smart dosing system, and application of the smart inspection system at selected projects. All these measures have effectively reduced workload of frontline staff, daily operational risks and project costs. In 1HFY2021, the Group provided its in-house developed technological processes to its internal and external clients, which amounted to a total contract value of approximately RMB69 million. During the Review Period, the Group was granted eight patents.

經營業績 (續)

針對運營管理，本集團於回顧期內積極圍繞「碳达峰」、「碳中和」目標願景，率先以旗下項目為依託，開展污水處理廠能源結構優化試點工作，參加國家生態環境部溫室氣體排放監測試點，探索污水處理廠能源結構模式和碳減排方案。此外，本集團於江蘇省、山東省透過合作方式參與電力市場化交易，顯著節約電力成本。回顧期內，本集團旗下共有四個污水處理廠獲批上調水價，幅度介乎8%至58%；獲得各類資金補貼合共約3,100萬元人民幣。

技術創新方面，本集團持續深耕和推廣「智慧水務」管理平台，並於回顧期內大力推進研究成果轉化。針對水廠的智慧化提升，本集團已於數個項目推廣運營管理系統，並於個別項目完成精確曝氣設備的安裝與調試、智能加藥控制系統的調試、智能巡檢系統的應用等。相關措施有效減輕了項目一線工作人員的工作負荷，並降低了項目的日常運營風險和成本。二零二一財政年度上半年，本集團向內部及外部客戶提供多個自主創新技術工藝包，涉及合同總金額約6,900萬元人民幣。回顧期內，本集團獲得新授權專利八項。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

In relation to the capital market, the Group, during the Review Period, continued closely aligning with its pace of business development and carried out appropriate financing activities in a timely manner. At the beginning of 2021, the Company issued the second tranche of medium term notes (“**MTNs**”) with a principal amount of RMB1 billion, a maturity term of three years and an interest rate of 3.75%. The proceeds from the MTNs issuance were used to replenish the working capital of the Company’s subsidiaries. In addition, the Company received a notice of registration acceptance from the regulatory authorities in March 2021 to issue RMB-denominated Super & Short-term Commercial Papers (“**SCPs**”), with a registered principal amount of RMB2.5 billion, to investors in the national inter-bank bond market in mainland China. The Company completed the issuance of first tranche of SCPs in early August 2021, and further details are provided on page 21 of this Interim Report. While exploring new types of financing channels, the Group continued reviewing its loan structure and financing costs on a regular basis, and made appropriate adjustments where necessary, ensuring a healthy and sustainable development of its business in the future.

經營業績 (續)

資本市場方面，本集團於回顧期內繼續緊密配合業務發展節奏，適時開展合適的融資工作。二零二一年初，本公司成功發行本金為10億元人民幣的第二期中期票據（「**中期票據**」），期限為三年，發行利率為3.75%；此次中期票據發行募集的資金已用於補充本公司附屬公司的營運資金。此外，本公司已於二零二一年三月獲得監管機構的接受註冊通知書，可向全國銀行間債券市場投資者發行人民幣計價的超短期融資券（「**超短期融資券**」），其註冊本金為25億元人民幣。本公司於二零二一年八月初完成發行首期超短期融資券，詳情請見本中期報告第21頁。在持續探索新類型融資渠道的同時，本集團定期檢討其貸款結構和融資成本，並適時做出優化調整，保障未來業務的健康長足發展。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

As a leading service provider in the area of water environment management in China, the Group closely monitors the domestic and international industry trends and actively participates in industry forums. During the Review Period, the Group's Jiangsu Zhenjiang Sponge City Construction Public-Private Partnership (“PPP”) Project (“**Zhenjiang Sponge City Project**”) was presented at the United Nations Economic Commission for Europe's (“**UNECE**”) Fifth International PPP Forum and was recognised as one of the best People-first PPP projects. During the forum, the Group shared its achievements in controlling urban waterlogging and its experience in integrating the PPP and the sponge city construction models.

In terms of social responsibility, the Group proactively and regularly undertakes its responsibilities and commitments as a responsible corporate citizen, by leveraging on its projects and businesses. While ensuring its compliance with the relevant requirements arising from the new normal of COVID-19 pandemic prevention and control measures, the Group, during the Review Period, held various online and offline charitable environmental protection activities in conjunction with several environmental protection-themed days, such as “World Water Day”, “Earth Day” and “World Environment Day”. These activities have enhanced local communities' awareness of environmental protection concepts and knowledge and fostered the ties between the Group's projects and local communities. During the Review Period, the Group continued opening up its operating projects for public visits and received nearly 200 groups of more than 5,000 visitors from all walks of life.

經營業績 (續)

作為中國前端的水環境綜合治理服務供應商，本集團持續關注國內外行業動態，積極參與行業交流。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（「**鎮江海綿城市項目**」）作為最佳「以人為本」PPP項目之一，於回顧期內在聯合國歐洲經濟委員會（「**聯合國歐經會**」）第五屆國際PPP論壇上進行案例展示，分享其在治理城市內澇方面的成果以及將PPP模式與海綿城市建設模式相結合的經驗。

社會責任方面，本集團以旗下項目及業務為依託，日常積極履行企業公民的責任與擔當。在積極配合疫情防控常態化工作要求的前提下，本集團於回顧期內先後圍繞「世界水日」、「世界地球日」、「世界環境日」等環保主題節日，開展了線上線下相結合的主題環保公益活動，向當地社區傳遞環保理念和知識，強化各地項目與當地社區的聯繫。回顧期內，本集團旗下運營項目累計接待社會各界來訪人士近200批次，逾5,000人次。

Business Review and Prospects 業務回顧與展望

OPERATING RESULTS (continued)

In recognition of its solid and stable business performance and outstanding social responsibility, the Group was awarded multiple prestigious domestic and international awards during the Review Period. It was shortlisted as one of the “Top Ten Influential Enterprises in China’s Water Industry” for the fourth consecutive year; its Zhenjiang Sponge City Project was shortlisted as the top five for UNECE’s “Building Back Better” Infrastructure Award and awarded an “Honorary Mention” by UNECE. Several projects were selected to be included in the fourth batch of National Environmental Protection Facilities and Urban Waste Water and Waste Treatment Facilities Opened to the Public.

The Company is committed to creating value for and sharing fruitful operating results with the shareholders of the Company (the “**Shareholders**”). The board of directors (the “**Directors**”) of the Company (the “**Board**”) declared an interim dividend of HK5.75 cents (equivalent to 1.01 Sing cents) per ordinary share for 1HFY2021 (for the six months ended 30 June 2020 (“**1HFY2020**”): HK3.74 cents (equivalent to 0.67 Sing cent) per ordinary share).

BUSINESS PROSPECTS

Marching into the second half of 2021, it is expected that the global market will take further time and effort before fully recovering from the negative impact of COVID-19 pandemic. Despite the varying paces of recovery in different economies and markets, it is increasingly certain that the global market began to bounce back from the crisis. China’s economy and market are expected to grow steadily with a good momentum and pursuit of high-quality development, as required by the “14th Five-Year Plan”. Meanwhile, “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” have undeniably become important aspects in China’s transition to high-quality development.

經營業績 (續)

得益於穩健的業務表現、出色的社會責任擔當，本集團於回顧期內先後摘得多項境內外權威殊榮：連續第四年入選「中國水業十大影響力企業」榜單；鎮江海綿城市項目在聯合國歐經會「更好重建」基礎設施獎項評選中躋身五強，同時獲聯合國歐經會授予榮譽提名獎；旗下多個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名單。

本公司致力於為其股東（「**股東**」）創優增值，與股東分享經營成果。本公司董事（「**董事**」）會（「**董事會**」）宣派二零二一財政年度上半年之中期股息每股普通股5.75港仙（等值1.01新分）（截至二零二零年六月三十日止六個月（「**二零二零財政年度上半年**」）：每股普通股3.74港仙（等值0.67新分））。

行業展望

步入二零二一財政年度下半年，全球經濟擺脫新冠疫情負面影響仍需時日和努力，各經濟體和市場的復甦節奏分化，但整體復甦趨勢日漸明朗。中國經濟和市場料將保持結構性樂觀和平穩發展勢頭，並按照「十四五」規劃綱要要求，推動高質量發展；其中，「**碳达峰**」、「**碳中和**」已成為國家高質量發展進程中的重要組成。

Business Review and Prospects 業務回顧與展望

BUSINESS PROSPECTS (continued)

The topic of “carbon reduction” is the headline from all around the world – the decision of the United States to rejoin the Paris Agreement and China’s pledge of “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” have both reflected the determination of governments across the world to tackle climate change. As such, new development opportunities are expected to arise for the relevant industries and enterprises. In China’s water environment management industry, the rolling-out of various national policies and requirements such as the “Guideline on Promoting Wastewater Resource Recovery” and the “Urban Wastewater Treatment and Recycling Program for the 14th Five-Year Plan” demonstrates the government’s firm determination in tackling pollution with consistently high standards. This will further unleash the development potential of the industry while maintaining strict industrial requirements.

Given that the world is actively addressing climate change and China is accelerating the development of ecological conservation, the Group will uphold a sustainability mindset with high-quality development, while continually focusing on the water environment management industry and identifying excellent business opportunities. Meanwhile, the Group will strive to improve its intelligence and digitalisation level, ensure project construction quality, enhance project operations management, and continuously drive its technological innovation. By integrating the industrial and financial strengths for development and adjusting to the new normal arising from the COVID-19 pandemic prevention and control measures, the Group aims to drive its business development to a new level and forge ahead towards the goal of evolving into a top developer and service provider dedicated to urban water environment systems.

行業展望 (續)

「減碳」、「降碳」已是匯聚全球目光的熱點。不論是美國重返《巴黎協定》或是中國的「碳达峰」、「碳中和」承諾，都顯示出全球各國政府應對氣候變化的堅定態度，有望給相關行業和企業帶來新的發展機遇。聚焦中國水環境治理行業，《關於推進污水資源化利用的指導意見》、《「十四五」城鎮污水處理及資源化利用發展規劃》等政策基調和要求顯示出國家治污決心不移、標準不減，料將繼續推動行業釋放發展空間，同時維持嚴格的行業規範要求。

在全球積極應對氣候變化和國家加快生態文明建設的大趨勢下，本集團將秉承高質量、可持續的發展思路，繼續深耕水環境綜合治理領域，著眼優質業務機會，提升智慧和數字化水平，保障工程建設質量，強化項目運營管理，持續技術創新攻關，推進產融結合發展，保障疫情防控常態化工作，推動業務發展再上新台階，向成長為一流「城市水環境系統開發服務商」的目標奮楫前行。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL RESULTS

In 1HFY2021, the revenue of the Group increased by 47% to HK\$3,112.94 million compared with the revenue of HK\$2,120.09 million in 1HFY2020, among which the construction service revenue increased to HK\$1,318.82 million (1HFY2020: HK\$817.76 million), the operation income increased to HK\$1,150.70 million (1HFY2020: HK\$808.17 million) and the finance income increased to HK\$544.64 million (1HFY2020: HK\$456.97 million). Gross profit of the Group increased from HK\$881.65 million in 1HFY2020 to HK\$1,239.55 million in 1HFY2021, representing an increase of 41%. The profit of the Group increased from HK\$426.56 million in 1HFY2020 to HK\$577.13 million in 1HFY2021, representing a rise of 35%. The profit attributable to equity holders of the Company in 1HFY2021 amounted to HK\$548.18 million, indicating an increase of 36% from 1HFY2020.

FINANCIAL POSITION

As at 30 June 2021, the Group's total assets amounted to approximately HK\$30.60 billion with net assets amounting to HK\$12.48 billion. Net asset value per share attributable to equity holders of the Company was HK\$3.93 per share, representing an increase of 7% as compared to HK\$3.68 per share as at the end of 2020. As at 30 June 2021, the gearing ratio (total liabilities over total assets) of the Group was 59.2%, which increased by 1.6 ppt from 57.6% at the end of 2020.

財務業績

於二零二一財政年度上半年，本集團的收入由二零二零財政年度上半年的21.2009億港元增加47%至31.1294億港元，其中建造服務收入增加至13.1882億港元（二零二零財政年度上半年：8.1776億港元），運營收入增加至11.5070億港元（二零二零財政年度上半年：8.0817億港元），財務收入增加至5.4464億港元（二零二零財政年度上半年：4.5697億港元）。本集團的毛利由二零二零財政年度上半年的8.8165億港元增加41%至二零二一財政年度上半年的12.3955億港元。本集團的盈利由二零二零財政年度上半年的4.2656億港元增加35%至二零二一財政年度上半年的5.7713億港元。本公司權益持有人於二零二一財政年度上半年應佔盈利為5.4818億港元，較二零二零財政年度上半年增加36%。

財務狀況

於二零二一年六月三十日，本集團的總資產約為306.0億港元，淨資產為124.8億港元。本公司權益持有人應佔每股資產淨值為每股3.93港元，較二零二零年底每股3.68港元增加7%。於二零二一年六月三十日，本集團的資產負債比率（以總負債除以總資產計算所得）為59.2%，較二零二零年底的57.6%增加1.6個百分點。

Management Discussion and Analysis 管理層討論與分析

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 the issuance of corporate bonds, asset-backed securities (“ABS”) and MTNs. As at 30 June 2021, the Group had cash and bank balances of approximately HK\$2.07 billion, representing an increase of HK\$346.25 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%, were denominated in HK\$ and Renminbi (“RMB”).

BORROWINGS OF THE GROUP

Amounts payable within one year or less, or on demand

At 30 June 2021 於二零二一年六月三十日		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
(Unaudited) (未經審計)	(Unaudited) (未經審計)	(Audited) (經審計)	(Audited) (經審計)
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
272,649	2,953,945	217,228	2,029,445

Amounts payable after one year

At 30 June 2021 於二零二一年六月三十日		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
(Unaudited) (未經審計)	(Unaudited) (未經審計)	(Audited) (經審計)	(Audited) (經審計)
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
1,690,055	8,318,586	1,658,100	7,173,360

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」）及中期票據籌集的資金補充。於二零二一年六月三十日，本集團持有現金及銀行結餘約20.7億港元，較二零二零年年底之17.2億港元增加3.4625億港元。本集團大部份現金及銀行結餘均為港元及人民幣（「人民幣」），約佔比99%。

本集團的借貸

一年或以內應付或按要求應付款項

一年後應付款項

Management Discussion and Analysis 管理層討論與分析

BORROWINGS OF THE GROUP (continued)

The Group is dedicated to improving financing methods and increasing banking facility limit to reserve funding for developing its water environment management business. As at 30 June 2021, the Group had outstanding borrowings of HK\$13.24 billion, representing an increase of HK\$2.16 billion as compared to HK\$11.08 billion as at the end of 2020. The borrowings included secured interest-bearing borrowings of HK\$1.96 billion and unsecured interest-bearing borrowings of HK\$11.27 billion. The borrowings are mainly denominated in RMB, representing approximately 68% 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 30 June 2021, the Group had bank facilities of HK\$14.01 billion, of which HK\$6.12 billion had not been utilised. The bank loan facilities are of 1 to 17 years terms.

During 1HFY2021, while paying vigilant attention to and monitoring interest rate risks continuously and cautiously, the Group did not adopt any interest rate hedging policy.

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, 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 1HFY2021, the Group was affected by 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.

本集團的借貸（續）

本集團致力完善融資方式及提升銀行貸款額度，儲備資金以發展其水環境治理業務。於二零二一年六月三十日，本集團尚未償還借貸為132.4億港元，較二零二零年年底的110.8億港元增加21.6億港元。借貸包括有抵押之計息借貸19.6億港元及無抵押之計息借貸112.7億港元。本集團的借貸主要以人民幣為單位，佔總額約68%，其餘則以港元、美元（「美元」）及歐元（「歐元」）為單位。本集團的大部份借貸均按浮動利率計息。於二零二一年六月三十日，本集團之銀行融資額度為140.1億港元，其中61.2億港元為尚未動用之額度。銀行貸款融資為一至十七年期。

於二零二一財政年度上半年內，本集團持續並謹慎地關注和監控利率風險，同時未採取任何利率對沖政策。

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、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上半年內，本集團受匯率變動影響且並無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。

Management Discussion and Analysis 管理層討論與分析

PLEDGE OF ASSETS

Certain bank loan facilities of the Group as at 30 June 2021 were secured by certain revenue, contract assets, receivables and intangible assets in connection with the Group's service concession arrangements and the equity interests of certain subsidiaries of the Company. As at 30 June 2021, the aggregate net book value of assets and equity interests in subsidiaries pledged amounted to HK\$6.17 billion.

COMMITMENTS

As at 30 June 2021, the Group had outstanding purchase commitments of HK\$2.30 billion in connection with the construction contracts and an outstanding capital commitment of HK\$25.31 million in connection with an unlisted equity investment.

The Group intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance the above commitments.

CONTINGENT LIABILITIES

As at 30 June 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 30 June 2021 for the provision of the guarantees was HK\$965.26 million. Nonetheless, the Group did not recognise any contingent liabilities at the consolidated level as at 30 June 2021.

資產抵押

於二零二一年六月三十日，本集團若干銀行貸款融資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及本公司若干附屬公司之股權作為抵押。於二零二一年六月三十日，已抵押資產及附屬公司股權之賬面淨值總額為61.7億港元。

承擔

於二零二一年六月三十日，本集團為建造合約而訂約之採購承擔為23.0億港元，及為一項非上市股權投資而訂約之資本承擔為2,531萬港元。

本集團計劃使用內部資源、外部貸款或同時使用內部資源及外部貸款，為上述的承擔提供資金。

或有負債

於二零二一年六月三十日，本公司曾為兩間附屬公司提供財務擔保。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。於二零二一年六月三十日，本公司在上述擔保下之最高負債之撥備為9.6526億港元。儘管如此，本集團截至二零二一年六月三十日在合併層面未確認任何或有負債。

Management Discussion and Analysis 管理層討論與分析

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 1 March 2021, the Company has, through its wholly-owned subsidiary, Beijing Everbright Water Investment Management Co., Ltd. (“**BEWIM**”), 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 approximately RMB666.34 million (the “**Purchase Consideration**”) and was determined through a competitive online bidding process. In submitting the final bidding price, BEWIM took into account, among others, (i) the appraised value of 100% of the equity interest in Tianjin Huantang as at 30 June 2020 using market-based approach, which was determined to be RMB912.53 million; (ii) the prospects of the projects of Tianjin Huantang; and (iii) the historical financial performance of Tianjin Huantang. The Purchase Consideration has been paid in full in cash and funded entirely through internal resources.

Please refer to the Company’s announcements dated 22 January 2021 and 2 March 2021 for further details on the Acquisition.

Save as disclosed above, there were no other material acquisitions or disposals of subsidiaries, associates or joint ventures during 1HFY2021.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investment, whose value accounted for 5 per cent. or more of the Group’s total assets, during the Review Period.

有關附屬公司、聯營公司及合營企業的重大收購及出售

於二零二一年三月一日，本公司透過其全資附屬公司北京光大水務投資管理有限公司（「**北京水投**」）向獨立第三方天津濱海環保產業發展有限公司完成購買天津環塘之65%股權（「**收購事項**」）。

收購事項的購買代價約為666,340,000元人民幣（「**購買代價**」），乃經過網絡競價方式釐定。北京水投在提交最終競標價格時參考了（其中包括）以下各項：（i）天津環塘100%股權於二零二零年六月三十日採用市場法之估值為912,530,000元人民幣；（ii）天津環塘項目之前景；及（iii）天津環塘的歷史財務表現。購買代價乃以現金方式全數以內部資源撥付。

有關收購事項的進一步詳情，請參閱本公司日期為二零二一年一月二十二日及二零二一年三月二日之公告。

除上文所披露者外，於二零二一財政年度上半年內，並無任何附屬公司、聯營公司及合營企業的重大收購及出售。

重大投資

本集團於回顧期內無持有任何佔本集團資產總值5%或以上的重大投資。

Management Discussion and Analysis 管理層討論與分析

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 1HFY2021.

EVENTS AFTER THE REPORTING PERIOD

The Company had, on 20 July 2021, released an announcement on the adjustment of interest rate in respect of 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 (the “**Type 1 Bonds**”) and Type 2 Second Tranche Corporate Bonds with an aggregate principal amount of RMB400,000,000 (the “**Type 2 Bonds**”). The Company had adjusted the interest rate in respect of (i) the Type 1 Bonds from 4.60 per cent. per annum to 3.20 per cent. per annum for the period from 16 August 2021 to 15 August 2023 (both dates inclusive) (the “**Remaining Term**”) and (ii) the Type 2 Bonds from 4.58 per cent. per annum to 3.20 per cent. per annum for the Remaining Term.

As announced by the Company on 10 August 2021, the Company completed the issuance of first tranche of SCPs in mainland China with a principal amount of RMB800,000,000, an interest rate of 2.40% and a maturity period of 120 days. The proceeds from the first tranche of the SCPs issuance will be used to replenish working capital of the Company’s subsidiaries. The Company, as the issuer of the first tranche of the SCPs, had been given a credit rating of “AAA” by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd. China Bohai Bank Co., Ltd. acted as the lead underwriter and bookrunner of the first tranche of the SCPs issuance, and Bank of Ningbo Co., Ltd. acted as the joint lead underwriter.

重大投資或購入資本資產之未來計劃

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上半年內概無任何其他重大投資或購入資本資產的未來計劃。

報告期後事項

本公司於二零二一年七月二十日發佈公告，內容關於調整以人民幣計價的本金累計為八億元人民幣的第二期公司債券（「**第二期公司債券**」）之票面利率。第二期公司債券包含本金為四億元人民幣的第二期公司債券品種一（「**品種一債券**」）及本金為四億元人民幣的第二期公司債券品種二（「**品種二債券**」）。本公司已將（i）品種一債券於二零二一年八月十六日至二零二三年八月十五日期間（包括首尾兩日）（「**剩餘期間**」）的票面利率從4.60%調整至3.20%；及（ii）品種二債券於剩餘期間的票面利率從4.58%調整至3.20%。

本公司於二零二一年八月十日公佈其於中國內地完成發行首期超短期融資券，其本金為八億元人民幣，發行利率為2.40%及期限為120天。此次首期超短期融資券發行募集的資金將用於補充本公司附屬公司的營運資金。經上海新世紀資信評估投資服務有限公司評定，本公司作為首期超短期融資券發行人獲授予「AAA」級信用評級。渤海銀行股份有限公司擔任此次首期超短期融資券發行的主承銷商及簿記管理人，寧波銀行股份有限公司擔任聯席主承銷商。

Management Discussion and Analysis 管理層討論與分析

INTERESTED PERSON TRANSACTIONS
MANDATE AND AGGREGATE VALUE OF SUCH
TRANSACTIONS

The Company obtained a general mandate (the “**IPT Mandate**”) from the Shareholders for interested person transactions (the “**IPTs**”) in its annual general meeting held on 10 June 2020 pursuant to Rule 920 of the listing manual (the “**SGX Listing Manual**”) of Singapore Exchange Securities Trading Limited (“**SGX**”). The IPT Mandate was renewed in the Company’s annual general meeting held on 27 April 2021. The aggregate value of the IPTs in excess of SGD100,000 during 1HFY2021 is set out as follows:

關聯人士交易授權及該等交易的
總價值

根據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」）第920條規定，本公司於二零二零年六月十日舉行的股東週年大會獲股東批准有關關聯人士交易（「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上半年內，超過100,000新加坡元的關聯人士交易的總價值載列如下：

Name of interested person 關聯人士名稱	Nature of relationship 關係的性質	Aggregate value of all IPTs during 1HFY2021 (excluding transactions less than SGD100,000 and transactions conducted under the IPT Mandate) 二零二一財政年度上半年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 1HFY2021 (excluding transactions less than SGD100,000) 二零二一財政年度上半年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）
China Everbright Environment Group Limited (formerly known as China Everbright International Limited) 中國光大環境（集團）有限公司（原中國光大國際有限公司）	Controlling shareholder 控股股東	Nil 無	HK\$3,716,000 (equivalent to SGD638,000) 3,716,000港元（等值638,000新加坡元）
Sun Life Everbright Life Insurance Co., Ltd. 光大永明人壽保險有限公司	Associate of the controlling shareholder 控股股東的聯繫人	Nil 無	HK\$1,428,000 (equivalent to SGD245,000) 1,428,000港元（等值245,000新加坡元）

Management Discussion and Analysis 管理層討論與分析

INTERNAL MANAGEMENT

Corporate management and risk control are of paramount importance in ensuring efficient, healthy and sustainable corporate development. The Company has established a sound management structure. During the Review Period, there were five committees under the Board (the “**Board Committees**”), comprising the Audit Committee, the Remuneration Committee, the Nominating Committee, the Strategy Committee and the Management Committee. As the decision-making body for the Company’s daily management, the Management Committee holds meetings at least once a month to deliberate the matters regarding the Group’s business and management, ensuring sustainable development of the Company. 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 the Group’s projects by regions and create good 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 of the Group 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.

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。本公司建立了完善的管理架構。在回顧期內，董事會下設了五個委員會（「**董事會委員會**」），包括審計委員會、薪酬委員會、提名委員會、戰略委員會及管理委員會。作為本公司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，對當期運營和管理情況進行審議，確保本公司可持續發展。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，本公司還設立了四大區域管理中心，對本集團旗下項目按區域進行管理，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，並在本集團各級全面實施環境、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。

Management Discussion and Analysis 管理層討論與分析

INTERNAL MANAGEMENT (continued)

During the Review Period, the Group has continuously enhanced and improved the implementation of its corporate governance practices, and integrated compliance management into its business activities and processes. In addition, the Group has established an investigation mechanism, management of family conflict, anti-corruption mechanism and accountability system. Moreover, the Group has clearly stated the relevant rules in the “Sunshine Declaration” entered into with suppliers, so as to enable the suppliers to report misconduct of staff through the channels provided in the agreement. This helps the Group supervise the integrity of staff.

HUMAN RESOURCE MANAGEMENT

The Group highly values its employees, and adheres to the “People-Oriented” philosophy and competency-based recruitment approach. The Group evaluates its employees based on their integrity, knowledge, ability and performance, establishing an open, competitive and merit-based recruitment mechanism. During the Review Period, the Group has established a mechanism to evaluate its management team based on their proficiency and competency in order to effectively identify outstanding high-potential talents; continuously summarised its human resources management experience, optimised human resource management systems, established human resource management information systems, and improved the professional capabilities of its management team, assuring the sustainable development of the Company.

The Company cares for its employees, and puts their personal safety as its top priority at all times. Amid the global pandemic, the Company has quickly deployed pandemic prevention and protective measures, actively allocated various resources, and provided employees with sufficient pandemic prevention and protective supplies and health screenings, to ensure the safety and health of its employees.

內部管理 (續)

於回顧期內，本集團持續推進企業治理建設和優化，將合規管理落實到業務活動及流程中。本集團也建立了調查機制、親屬回避、反腐機制與問責制度，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，以協助本集團對員工的誠信廉潔進行監查。

人力資源

本集團將員工視為企業寶貴的資源，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。於回顧期內，建立以專業能力及素養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。

本集團關愛員工，在任何情況下，始終將員工的人身安全放在第一位。全球疫情肆虐，本集團快速部署防控保護措施，積極調配各項資源，為員工提供充足的疫情防控和保護物資及做好健康檢測，保障員工的安全與健康。

Management Discussion and Analysis 管理層討論與分析

HUMAN RESOURCE MANAGEMENT (continued)

As at 30 June 2021, the Group had 2,311 employees. Employees within the Group 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 pension funds as required by the laws and regulations in the relevant jurisdictions. Details of salaries and other benefits of the employees are set out in note 7 to the financial statement. Moreover, the Group strives to provide equal opportunities to all employees in all respects, and enhance their knowledge, skills and work ethics by providing continuing professional development to the employees.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Audit Committee reviewed (i) the Group's unaudited financial statements for 1HFY2021; and (ii) the Company's interim report for 1HFY2021, including the accounting principles and practices adopted by the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

During the Review Period, the Group continued with the implementation of the risk management system, the identification and assessment of risks, 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 Review Period. The principal risks are 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.

人力資源 (續)

於二零二一年六月三十日，本集團合共僱用2,311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，包括當地法律法規所要求的退休金計劃等。關於僱員薪酬及其他福利的詳情載於財務報表附註7。此外，本集團致力在各方面向所有僱員提供平等機會，為僱員提供持續培訓，以不斷提升僱員之知識、技能及敬業精神。

審計委員會及財務資料之審閱

審計委員會已審閱 (i) 本集團二零二一財政年度上半年之未經審計財務報表；及 (ii) 本公司二零二一財政年度上半年之中期報告，包括本公司採納的會計原則及慣例。

主要風險及不確定性

回顧期內，本集團持續推進風險管理體系建設、風險識別與評估、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，已對回顧期內面臨的主要風險進行匯總、分析，主要風險分別是政策變動風險、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、科技與創新風險及合法合規風險。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The water market in mainland China has become increasingly mature. A surge of investment and constructions in waste water treatment and water environment projects was seen in the past, with an influx of more state-owned capital and investment into the water market in China. As a result, during the Review Period, the industry environment and market landscape of domestic water market in China have changed to a certain extent. With the intense competition in securing new water projects, seeking differentiated products and services and discovering new business growth points have become the focus of major water enterprises. Therefore, the new business investment and market competition risks faced by the Group are on an upward trend. As the internal controls which were implemented during the Review Period and the past years are effective 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 Review Period.

主要風險及不確定性 (續)

隨著中國國內水務市場日趨成熟、過去大量污水處理和水環境項目投資建設、中國更多國有資本進入水務市場並持續增加投資，回顧期內，中國國內水務市場的行業環境與市場競爭格局發生了一定程度的變化。新水務項目的拓展面臨更加激烈的競爭，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；參考回顧期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，本集團對回顧期內其他主要風險的風險等級維持不變。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued) 主要風險及不確定性 (續)

Number 序號	Name of risk 風險名稱	Effectiveness of the control measures 管控措施是否有效	Change 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.

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。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

During the Review Period, the Group has effectively controlled and managed the risks faced.

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 and other relevant businesses in the PRC. As the PRC government aims to peak carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060, “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” have become the new development opportunities for the environmental industry of China. During the Review Period, the Group actively responded to the PRC government’s national policies of “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” by setting up relevant research teams to study topics such as energy saving, emission reduction and low carbon development, while closely monitoring the impacts that the relevant policies might have on the existing regulations and standards of the environmental water industry. The existing control measures are effective as a whole. However, the risk level remains unchanged.

主要風險及不確定性 (續)

回顧期內，本集團對面臨的風險進行有效管控。

1. 政策變動風險

本集團面對中國污水處理、流域生態修復、海綿城市建設、中水回用、供水及污水源熱泵等業務領域相關的法規及政策變動風險。隨著中國政府提出要實現中國二零三零年前碳達峰、二零六零年前碳中和的目標，「碳達峰」、「碳中和」成為中國環保行業新的發展機遇。回顧期內，本集團積極響應中國政府「碳達峰」、「碳中和」的政策號召，已成立相關研究團隊，就節能減排、低碳發展等有關課題進行研究，並密切關注相關政策後續可能對環保水務行業現有規定、標準的影響。目前管控措施整體有效，本項風險等級維持不變。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

2. New Business Investment and Market Competition Risks

Massive capital and numerous competitors are entering the environmental water industry. As such, the Group is facing an increasingly fierce market competition, which might affect its business expansion and return on project investment. Although the new water projects are facing competitive tendering process, the Group has remained active in making tender proposals, striving for a breakthrough in market expansion. During the Review Period, the Group strengthened its efforts in research and expansion on new businesses and actively explored development opportunities, such as suitable merger and acquisition opportunities, suitable 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 new policies of “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality”.

3. Environmental Compliance and Safe Production Management Risks

During the Review Period, the Group was able to control the environmental compliance and safe production management risks, and no major risk incident took place. However, with the increasing number of construction and operation projects of the Group and the tightening of regulations on environmental compliance and safe production of the PRC government, the Group was exposed to increasingly stringent pressure in environmental compliance and safe production management. If it occurs any incident (such as excessive discharge of pollutants or unsatisfactory safety management) caused by external environment or any individual, the Group might be subject to legal 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 had a large number of construction and operation projects.

主要風險及不確定性 (續)

2. 新業務投資與市場競爭風險

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，本集團面臨日趨激烈的市場競爭，可能影響本集團的業務拓展及項目投資回報。對於新的水務項目，雖然投標競爭情況激烈，本集團仍積極應對，做好投標方案，力爭市場拓展有所突破。回顧期內，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、合適的海外環保水務項目、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「碳达峰」、「碳中和」的新政策導向，本項風險等級提高。

3. 環境合規與安全生產管理風險

回顧期內，本集團環境合規和安全生產管理風險可控，未發生重大風險事件。但隨著本集團建設、投運項目的日漸增多，中國對環境合規和安全生產的外部監管日漸趨嚴，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。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

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 its customers. 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 where the environmental water projects are located. During the Review Period, the Group was 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 collection of accounts receivable. The existing control measures are effective as a whole. However, the risk level remains unchanged due to the uncontrollability of the external factors.

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 timeline, 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 continuous operation of projects and compliance with effluent discharge standards. The Group has closely monitored the engineering management, and no major risk incident took place during the Review Period. The existing control measures are effective as a whole. However, the risk level remains unchanged due to the large amount of business and construction workers and staff involved.

主要風險及不確定性 (續)

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。回顧期內，受新冠疫情的衝擊，中國地方經濟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。

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，回顧期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，本項風險等級保持不變。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

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. Along with the Group's business development and the increasingly competitive conditions in the environmental water industry, the Group needs to bring in suitable management and technical talents as appropriate. During the Review Period, 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. The existing control measures are effective as a whole, and during the Review Period, the team was stable and all relevant works were carried out in an orderly manner. However, the risk level remains unchanged.

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 financing 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 financing cost, the Group, during the Review Period, continued monitoring the changes in 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. However, the risk level remains unchanged.

主要風險及不確定性 (續)

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本集團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。回顧期內，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，同時已加大外部招聘力度。目前管控措施整體有效，回顧期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. 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。回顧期內，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。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

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 Review Period, the Group continuously optimised the tender and procurement systems and procedures, and adopted various measures to reduce procurement costs and ensure procurement quality. In addition, it has strengthened budget management, strictly controlled project investment and operation costs, and conducted regular evaluations. The existing control measures are effective as a whole. However, the risk level remains unchanged.

9. Technology and Innovation Risks

During the Review Period, the environmental water industry has become fiercely competitive and the PRC government has set its targets on "Peaking Carbon Dioxide Emissions" and "Achieving Carbon Neutrality". This has clearly accelerated the Group's urgency in bringing technology innovation to drive business development. The Group, during the Review Period, continuously strengthened its efforts and allocated resources in research and development ("R&D") of relevant technologies, proactively brought in specialised technology team 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 achieve the expectation.

主要風險及不確定性 (續)

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。回顧期內，本集團持續完善招標採購制度與流程，採取各項措施降低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，中國政府於回顧期內明確了「碳达峰」、「碳中和」相關目標，本集團對於科技創新以帶動業務發展的需求也日益迫切。回顧期內，本集團持續投入精力與資源對業務技術進行研究與開發（「研發」），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、科研成果可能不達預期，本項風險等級保持不變。

Management Discussion and Analysis 管理層討論與分析

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

10. Compliance Risk

The Group has established a relatively comprehensive compliance procedure, including the provision of safeguards through internal legal personnel and external legal experts, to ensure relevant matters are effectively reviewed and handled. During the Review Period, the Group strictly complied with the requirements of the relevant PRC laws and regulations, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “SEHK”) (the “SEHK Listing Rules”), the SGX Listing Manual and relevant industry specifications, and achieved a good compliance record. The existing control measures are effective as a whole. However, in view of the Group’s wide business coverage and diversified financing channels, the risk level remains unchanged.

ENVIRONMENTAL AND SOCIAL MANAGEMENT

By continuously promoting and optimising its water environment management business, the Group has actively implemented the concept of water environment management and firmly adhered to the practice of sustainable development. 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 regularly submitting 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 OHSAS 18001/ISO 45001 Occupational Health and Safety Management System. In addition, the Group will investigate and evaluate the project’s environmental and social risks prior to investment so as to effectively control environmental and social risks, and ensure that all necessary permits and administrative permissions are duly obtained before commencing construction.

主要風險及不確定性 (續)

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合法保障，確保相關事項均能得到有效的審核與處理。回顧期內，本集團一直嚴格遵守中國有關法律法規、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」）、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，但考慮到本集團業務分佈廣泛和現有融資安排多元，本項風險等級保持不變。

環境與社會管理

本集團透過不斷推廣及優化其水環境治理業務，積極落實水環境治理概念，並堅定秉承可持續發展的實踐。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，並自二零一六年起定期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OHSAS 18001/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開展環境及社會風險調查與評估，有效控制環境及社會風險；並確保建設項目於施工前獲得所需的批覆、行政許可等手續。

Management Discussion and Analysis 管理層討論與分析

ENVIRONMENTAL AND SOCIAL MANAGEMENT
(continued)

The Group strictly complies with 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 the *Environmental Protection Law of the PRC*, the *Water Pollution Prevention and Control Law of the PRC*, *Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste*, *Law of the PRC on Environmental Impact Assessment*, the *Work Safety Law of the PRC*, the *Labour Law of the PRC*, the *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 strives to continually improve the water environmental conditions of the places at which the Group's projects are located, with the majority of its projects complying with or better than Grade 1A standard of the *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant* (GB18918-2002). The projects greatly minimise the environmental damage caused by sewage water discharge after the treatment and protect the health and well-being of the public. No breach of these laws and regulations which resulted in any significant loss or impact to the Group was recorded in 1HFY2021.

In order to create long-term value for stakeholders and build a sustainable future, the Group implements the comprehensive ESHS Management System and Risk Management System, and makes timely and comprehensive information disclosure. In 1HFY2021, the Group continued implementing the ESHS Management System in every unit at all levels, which covers all of its employees and on-site third party contractors and subcontractors. This is to standardise the internal management and risk control in all different processes, 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.

環境與社會管理 (續)

本集團嚴格遵守環境保護、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，大部分項目的出水水質執行或優於《城鎮污水處理廠污染物排放標準》(GB18918-2002)的一級A標準，大幅度降低經處理後的尾水排放造成的環境影響，保障公眾的健康和福祉。於二零二一財政年度上半年，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。

為替持份者創造長遠價值及建立可持續的未來，本集團採納全面的ESHS管理體系和風險管理體系以及進行適時全面的信息披露。於二零二一財政年度上半年，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及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。該體系亦同時保障將項目對當地環境、安全、健康和社會方面的影響降至最低。

Management Discussion and Analysis 管理層討論與分析

ENVIRONMENTAL AND SOCIAL MANAGEMENT (continued)

The Group strives to improve the transparency of its operation 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 waste water/ odour emissions/noise/sludge, etc. This demonstrates the Group's willingness to undertake greater social and environmental responsibilities to actively promote sustainable development.

Furthermore, in order to strengthen the public awareness of environmental protection in the water sector and the soft power of community sustainable development, the Group actively responded to the government initiatives and 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. As at 30 June 2021, a total of 31 projects of the Group had been officially opened to the public. In 1HFY2021, these projects received 4,468 visitors in 118 batches in aggregate. Due to the ongoing COVID-19 situation, the Group continues to launch various online and offline activities in collaboration with different environmental protection, technology associations and government organisations, aiming to encourage the public to treasure and conserve water and gain environmental protection knowledge. Meanwhile, many of the Group's waste water treatment plants were awarded with the honorary titles of "Ecological Environmental and Science Popularisation Base", "Science Popularisation Base", "Ecological Civilisation Education Base", "Practices Base for Ecological Civilisation Development" and "Science Popularisation Education Base" at national, provincial and municipal levels.

環境與社會管理 (續)

本集團致力提升其運作的透明度，主動將項目運營環境信息上傳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，包括環境影響評價報告、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，以展示本集團勇於承擔更多社會及環境責任，積極推動可持續發展。

此外，為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，本集團積極響應國家號召，持續面向公眾開放污水處理設施及廠區，進一步發揮本集團集參觀、實踐、培訓為一體的環保宣傳基地作用。截至二零二一年六月三十日，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上半年，這些項目共接待118批次公眾參觀，合計4,468人次。因疫情持續，本集團繼續以各類線上線下形式，聯同多個環保、科技協會及政府機構展開環保教育活動，號召廣大民眾惜水愛水及增加環保科普知識，同時有多座污水處理廠榮獲國家、省、市級「生態環境科普基地」、「環保科普基地」、「生態文明教育基地」、「生態文明教育實踐基地」和「科普教育基地」等榮譽稱號。

Disclosure of Interests 披露權益資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 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:

董事及最高行政人員持有之股份、相關股份及債券之權益及淡倉

於二零二一年六月三十日，本公司董事、最高行政人員及彼等之各自聯繫人士於本公司及/或其任何相關法團（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）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：

Long position in shares of the Company

於本公司股份之好倉

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 30 June 2021.

附註：根據於二零二一年六月三十日本公司已發行的2,860,876,723股普通股計算。

Disclosure of Interests 披露權益資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Save as disclosed above, as at 30 June 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2021 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.

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 30 June 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:

董事及最高行政人員持有之股份、相關股份及債券之權益及淡倉 (續)

除上文所述者外，於二零二一年六月三十日，本公司各董事、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相聯法團（定義見《證券條例》第XV部）之股份、相關股份或債券中擁有須根據《證券條例》第352條規定須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。

董事認購股份或債券之權利

於截至二零二一年六月三十日止六個月，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券而取得利益。

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，於二零二一年六月三十日，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：

Disclosure of Interests 披露權益資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

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 Shareholders 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%

Disclosure of Interests 披露權益資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

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 (continued)

主要股東於本公司股份之好倉 (續)

Name of substantial Shareholders 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))
China Everbright Environment Group Limited (" Everbright Environment ") (Note (7)) 中國光大環境(集團)有限公司(「 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%

Notes:

附註：

- (1) Based on 2,860,876,723 issued ordinary shares of the Company as at 30 June 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.

- (1) 根據於二零二一年六月三十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。

Disclosure of Interests 披露權益資料

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Long position of substantial Shareholders in shares of the Company (continued)

- (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 30 June 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.

SHARE OPTION SCHEME

The Company and its subsidiaries have no share option schemes.

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)

- (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，於二零二一年六月三十日，本公司並無接獲任何人士（任何董事或本公司最高行政人員或主要股東除外）訂明的通知，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。

購股權計劃

本公司及其附屬公司並無購股權計劃。

Corporate Governance

企業管治

The Company is committed to achieving high standards of corporate governance to ensure investors' confidence in the Company as a trusted business enterprise. The Board and the Company's management (the "**Management**") will continue to uphold good corporate governance practices to enhance long-term value of the Company and returns for the Shareholders and protect the Shareholders' interests.

Since the listing of the Company's ordinary shares on the Main Board of 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 SEHK Listing Rules as part of its governance framework, in addition to the principles and provisions under Singapore Code of Corporate Governance 2018 (the "**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 1HFY2021, the Company has complied with the principles and provisions of the HK CG Code and the SG CG Code.

Please refer to the "Corporate Governance Report" in the FY2020 Annual Report for more information on the Company's corporate governance practices.

BOARD COMMITTEES

The Board holds meetings on a regular basis. During 1HFY2021, the Board had five Board Committees, namely the Audit Committee, the Remuneration Committee, the Nominating Committee, the Strategy Committee and the Management Committee, the details of which are set out below.

本公司致力於實現高標準的企業管治，確保投資者對本公司是一家值得信賴的企業充滿信心。董事會和本公司管理層（「**管理層**」）將繼續維持良好的企業管治實踐，以提高本公司的長期價值和股東回報，保護股東的權益。

本公司的普通股於二零一九年五月八日起於聯交所主板上市以來，本公司已經採納了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**」）的原則和守則條文以及二零一八年新加坡企業管治守則（「**新加坡企業管治守則**」）的原則及條款，作為其管治框架的一部分。倘新加坡企業管治守則與香港企業管治守則出現任何衝突，本公司將遵守更嚴格的規定。於二零二一財政年度上半年內，本公司已遵守香港企業管治守則以及新加坡企業管治守則的原則及條文。

有關本公司的企業管治實踐，請參閱二零二零財年年度報告之企業管治報告。

董事會委員會

董事會定期召開會議。於二零二一財政年度上半年內，董事會下設五個董事會委員會，包括審計委員會、薪酬委員會、提名委員會、戰略委員會及管理委員會，其詳情載於下文。

Corporate Governance 企業管治

BOARD COMMITTEES (continued)

Audit Committee

The Audit Committee comprises four independent non-executive Directors, namely Mr. Lim Yu Neng Paul (Chairman), Mr. Zhai Haitao, Ms. Cheng Fong Yee and Ms. Hao Gang. The Audit Committee is primarily responsible for reviewing the significant financial reporting issues and judgements and monitoring the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance; reviewing and reporting to the Board the adequacy and effectiveness of the Group's internal controls and risk management systems, comprising financial, operational, compliance and information technology controls (such review can be carried out internally or by third parties); reviewing the adequacy and effectiveness of the Group's internal audit function; reviewing the scope and results of the internal audit; reviewing the independence and objectivity of the external auditor and the effectiveness of the audit process; and making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor. The terms of reference of the Audit Committee are available on the SGXNet (www.sgx.com) and websites of the Company (www.ebwater.com) and Hong Kong Exchanges and Clearing Limited ("HKEx") (www.hkexnews.hk).

During 1HFY2021, the Audit Committee reviewed the audited consolidated financial results of the Group for the financial year ended 31 December 2020, the internal auditors report and the external auditors report. In addition, the unaudited interim results of the Group for 1HFY2021 have also been reviewed by the Audit Committee.

董事會委員會 (續)

審計委員會

審計委員會由四名獨立非執行董事組成，包括林御能先生（主席）、翟海濤先生、鄭鳳儀女士和郝剛女士。審計委員會的主要職責包括審核重大財務申報事宜及判斷，並監督本集團的財務報表以及與本集團財務業績有關的任何公告的完整性；審閱並向董事會報告本集團在財務、經營、合規和信息技術控制等方面的內部控制和風險管理體系的充分性和有效性（該等審閱可內部進行或借助有關第三方的協助）；審閱本集團內部審計職能的充足性及有效性；審閱內部審計的範圍和結果；審閱外部審計師的獨立性和客觀性及審計程序的成效；以及就外部審計師的委任、重新委任和罷免向董事會提出建議，以及批准外部審計師的酬金及委聘。有關審計委員會的職權範圍已於SGXNet (www.sgx.com)、本公司 (www.ebwater.com) 和香港交易及結算所有限公司（「**港交所**」）(www.hkexnews.hk) 網站披露。

於二零二一財政年度上半年內，審計委員會已經審閱本集團截至二零二零年十二月三十一日止財政年度的經審計綜合財務業績、內部審計師報告及外部審計師報告。此外，本集團二零二一財政年度上半年之未經審計中期財務業績亦已由審計委員會審閱。

Corporate Governance 企業管治

BOARD COMMITTEES (continued) Remuneration Committee

The Remuneration Committee comprises three independent non-executive Directors, namely Ms. Cheng Fong Yee (Chairman), Mr. Zhai Haitao, Mr. Lim Yu Neng Paul, and a non-executive Director and Chairman of the Board, namely Mr. Wang Tianyi. The Remuneration Committee is primarily responsible for implementing a formal, transparent and objective procedure for fixing the remuneration packages of individual Directors and Key Management Personnel (as defined in SG CG Code) (including senior management), and to ensure that the level and structure of their remuneration are aligned with the long-term interest and risk policies of the Group and should be appropriate to attract, retain and motivate (1) the Directors to provide good stewardship of the Group; and (2) Key Management Personnel (including senior management) to successfully manage the Group. The terms of reference of the Remuneration Committee are available on the SGXNet and websites of the Company and HKEx.

During 1HFY2021, the Remuneration Committee reviewed the 2020 remuneration payment and the 2021 remuneration framework for the Directors and the Key Management Personnel (including senior management) of the Company.

董事會委員會 (續) 薪酬委員會

薪酬委員會由三名獨立非執行董事，包括鄭鳳儀女士（主席）、翟海濤先生和林御能先生，以及非執行董事兼董事長王天義先生組成。薪酬委員會的主要職責包括透過正式、公開及客觀的程序，釐定每名董事和（如新加坡企業管治守則中定義的）主要管理人員（包括高級管理人員）的薪酬待遇，以及確保薪酬水平與本集團的長期利益和風險政策一致，並能夠恰當地吸引、挽留及激勵：（一）董事為本集團提供優質管理；及（二）主要管理人員（包括高級管理人員）成功管理本集團。有關薪酬委員會的職權範圍已於SGXNet、本公司及港交所網站披露。

於二零二一財政年度上半年內，薪酬委員會已經審閱本公司董事及主要管理人員（包括高級管理人員）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方案。

Corporate Governance 企業管治

BOARD COMMITTEES (continued)

Nominating Committee

The Nominating Committee comprises two independent non-executive Directors, namely Mr. Zhai Haitao (Chairman) and Mr. Lim Yu Neng Paul, and a non-executive Director and Chairman of the Board, namely Mr. Wang Tianyi. The Nominating Committee is primarily responsible for implementing a formal and transparent procedure for appointment and re-appointment of Board members, evaluating performance of Board members and Board Committee members and assessing the overall performance of the Board and the Board Committees. The terms of reference of the Nominating Committee are available on the SGXNet and websites of the Company and HKEx.

During 1HFY2021, the Nominating Committee reviewed (i) the continued independence of independent non-executive Directors; (ii) performance of each individual Director, Board Committee and the Board as a whole; and (iii) re-election of the retiring Directors at the 2021 annual general meeting of the Company.

Strategy Committee

The Strategy Committee comprises a non-executive Director and Chairman of the Board, namely Mr. Wang Tianyi (Chairman), two executive Directors, namely Mr. An Xuesong and Mr. Luo Junling, and an independent non-executive Director, namely Ms. Hao Gang. The Strategy Committee is primarily responsible for assisting the Board in providing strategic direction to the Group; overseeing the strategic planning of the Group and 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 Group. The terms of reference of the Strategy Committee are available on the SGXNet and websites of the Company and HKEx.

董事會委員會 (續)

提名委員會

提名委員會由兩名獨立非執行董事，包括翟海濤先生（主席）和林御能先生，以及非執行董事兼董事長王天義先生組成。提名委員會的主要職責包括履行正式及透明的程序委任董事會成員、評估各董事會成員和董事會委員會成員的表現及評估董事會和董事會委員會的綜合表現。有關提名委員會的職權範圍已於SGXNet、本公司及港交所網站披露。

於二零二一財政年度上半年內，提名委員會已經審閱 (i) 獨立非執行董事的持續獨立性；(ii) 各董事、董事會委員會和董事會整體的表現；以及 (iii) 於本公司二零二一年股東週年大會上退任董事之重選事宜。

戰略委員會

戰略委員會由非執行董事兼董事長王天義先生（主席），兩名執行董事安雪松先生和羅俊嶺先生，以及獨立非執行董事郝剛女士組成。戰略委員會的主要職責包括協助董事會向本集團提供戰略方向，監督本集團的戰略計劃和執行情況；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；考慮執行策略的可持續發展問題，監督對本集團業務而言屬重大的環境、社會和管治因素的監察和管理。有關戰略委員會的職權範圍已於SGXNet、本公司及港交所網站披露。

Corporate Governance 企業管治

BOARD COMMITTEES (continued)

Management Committee

The Management Committee comprises two executive Directors, namely Mr. An Xuesong (Chairman) and Mr. Luo Junling, and six Key Management Personnel. The Management Committee is primarily responsible for the management of daily business operations, formulating and implementing annual work tasks and medium-term development plans for the Group. The Management Committee is the decision-making authority for the day-to-day administration, operations, management and personnel matters of the Group. The terms of reference of the Management Committee are available on the SGXNet and websites of the Company and HKEx.

The Management Committee 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.

DEALINGS IN THE SECURITIES

The Company has adopted an internal code (the "**Internal Code**") governing dealings in securities by Directors, officers and relevant employees of the Company and its subsidiaries who are likely to be in possession of unpublished price sensitive information of the Company and its subsidiaries. Following its listing on the Main Board of 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 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.

董事會委員會 (續)

管理委員會

管理委員會由兩名執行董事安雪松先生（主席）和羅俊嶺先生，以及六名主要管理人員組成。管理委員會主要負責日常業務運營管理職務，制定並實施本集團年度工作目標及中期發展規劃等，為本集團日常業務活動的決策機構，對於日常行政、經營、管理、人事等重大事項進行集體決策。有關管理委員會的職權範圍已於SGXNet、本公司及港交所網站披露。

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。

證券買賣

本公司已採納內部行為守則（「**內部行為守則**」），對可能擁有本公司及其附屬公司的未公開股價敏感數據的董事、職員及有關僱員買賣證券進行規管。於聯交所主板上市後，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的《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。

Corporate Governance 企業管治

DEALINGS IN THE SECURITIES (continued)

Directors, officers and relevant employees 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 1HFY2021.

證券買賣 (續)

董事、管理人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（和季度業績，如有）當日前30天或相關半年（和相關季度，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。

經向全體董事作出明確查詢，所有董事均確認於二零二一財政年度上半年期間一直遵守標準守則及內部行為守則所載的規定。

Other Information

其他資料

CHANGES IN DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE SEHK LISTING RULES

Pursuant to Rule 13.51B(1) of the SEHK Listing Rules, the changes in information of the Directors since the Company's last published FY2020 Annual Report are set out below:

Mr. Wang Tianyi, a non-executive Director and Chairman of Board of the Company, resigned from the position of the chief executive officer of Everbright Environment with effect from 1 June 2021.

Mr. Lim Yu Neng Paul, an independent non-executive Director of the Company, was appointed as a director of SBI NTU RVC Digital Innovation Fund VCC with effect from 4 May 2021.

Mr. Zhai Haitao, an independent non-executive Director of the Company, resigned as a director of China Asset Management Co., Ltd. with effect from 21 July 2021. He has also been elected to be an independent director of China Life Insurance Company Limited, a company listed on the New York Stock Exchange (stock code: LFC), the SEHK (stock code: 2628) and the Shanghai Stock Exchange (stock code: 601628); however, his qualification as the independent director is subject to the approval of the China Banking and Insurance Regulatory Commission.

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.

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK5.75 cents (equivalent to 1.01 Sing cents) (1HFY2020: HK3.74 cents (equivalent to 0.67 Sing cent)) per ordinary share for 1HFY2021 (“**1HFY2021 Interim Dividend**”).

The 1HFY2021 Interim Dividend will be paid on or around 10 September 2021 (Friday).

根據聯交所上市規則第13.51B(1)條之董事資料變更

根據聯交所上市規則第13.51B(1)條，自本公司上一次刊發二零二零財年年度報告以來董事資料變動如下：

本公司非執行董事兼董事長王天義先生辭任光大環境之總裁職務，自二零二一年六月一日起生效。

本公司獨立非執行董事林御能先生獲委任為SBI NTU RVC Digital Innovation Fund VCC之董事，自二零二一年五月四日起生效。

本公司獨立非執行董事翟海濤先生辭任華夏基金管理有限公司之董事，自二零二一年七月二十一日生效。彼亦被選為中國人壽保險股份有限公司之獨立董事，該公司在紐約證券交易所（股份代號：LFC）、聯交所（股份代號：2628）及上海證券交易所（股份代號：601628）上市；惟其獨立董事任職資格尚待中國銀行保險監督管理委員會核准。

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。

中期股息

董事會宣佈派發二零二一財政年度上半年中期股息（「二零二一財政年度上半年中期股息」）每股普通股5.75港仙（等值1.01新分）（二零二零財政年度上半年：每股3.74港仙（等值0.67新分））。

二零二一財政年度上半年中期股息將於二零二一年九月十日（星期五）或前後派付。

Other Information 其他資料

BOOKS CLOSURE DATE(S)

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 26 August 2021 (Thursday), being the Singapore Books Closure Date for the purpose of determining the entitlement of the Singapore Shareholders to the 1HFY2021 Interim Dividend.

Duly completed registrable transfers of shares received by the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5:00 p.m. (Singapore time) on 26 August 2021 (Thursday) will be registered before entitlements to the 1HFY2021 Interim 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 26 August 2021 (Thursday) will rank for the 1HFY2021 Interim Dividend.

For Hong Kong Shareholders

The Hong Kong branch register of members of the Company will be closed from 27 August 2021 (Friday) to 30 August 2021 (Monday), both dates inclusive, and 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 26 August 2021 (Thursday) will be entitled to the 1HFY2021 Interim Dividend.

過戶登記截止日

對於新加坡股東

本公司將於二零二一年八月二十六日（星期四）（即新加坡過戶登記截止日）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上半年中期股息的資格。

本公司的新加坡股份轉讓代理寶德隆企業與諮詢服務有限公司（地址為新加坡萊佛士坊50號新置地大廈#32-01室，郵編048623）於二零二一年八月二十六日（星期四）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上半年中期股息的資格。於二零二一年八月二十六日（星期四）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存有股份的股東將獲派二零二一財政年度上半年中期股息。

對於香港股東

本公司將於二零二一年八月二十七日（星期五）至二零二一年八月三十日（星期一）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。於二零二一年八月二十六日（星期四）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上半年中期股息。

Other Information 其他資料

BOOKS CLOSURE DATE(S) *(continued)*

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 26 August 2021 (Thursday), will be registered before entitlements to the 1HFY2021 Interim Dividend are determined.

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 six months ended 30 June 2021.

By Order of the Board
China Everbright Water Limited
An Xuesong
Executive Director and Chief Executive Officer

11 August 2021

過戶登記截止日 (續)

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）於二零二一年八月二十六日（星期四）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上半年中期股息的資格。

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六月三十日止六個月期間購買、出售或贖回任何其上市證券。

承董事會命
中國光大水務有限公司
安雪松
執行董事兼總裁

二零二一年八月十一日

Interim Financial Report

中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2021

簡明綜合全面收益表

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元	
	Notes 附註			
Revenue	收入	4	3,112,935	2,120,086
Direct costs and operating expenses	直接成本及經營開支		(1,873,384)	(1,238,438)
Gross profit	毛利		1,239,551	881,648
Other income and gains, net	其他收入及收益淨額	5	144	39,399
Administrative and other operating expenses	行政及其他經營費用		(249,746)	(164,247)
Finance income	財務收入	6	10,911	5,321
Finance costs	財務費用	6	(212,533)	(179,410)
Share of profits and losses of associates	所佔聯營公司盈利及虧損		(5,009)	2,007
Profit before tax	除稅前盈利	7	783,318	584,718
Income tax	所得稅	8	(206,184)	(158,156)
Profit for the period	本期間盈利		577,134	426,562

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (continued)

For the six months ended 30 June 2021

簡明綜合全面收益表 (續)

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
		Notes 附註	
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	355,026	(169,627)
Other comprehensive income for the period, net of income tax	除所得稅後本期間其他全面收益	355,026	(169,627)
Total comprehensive income for the period	本期間全面收益總額	932,160	256,935
Profit attributable to:	應佔盈利部分：		
Equity holders of the Company	本公司權益持有人	548,178	404,473
Non-controlling interests	非控股權益	28,956	22,089
		577,134	426,562

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (continued)

For the six months ended 30 June 2021

簡明綜合全面收益表 (續)

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
		Notes 附註	
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	880,339	243,697
Non-controlling interests	非控股權益	51,821	13,238
		932,160	256,935
Earnings per share attributable to equity holders of the Company	本公司權益持有人應佔每股盈利		
- Basic and diluted	— 基本及攤薄	HK19.16 cents 19.16 港仙	HK14.14 cents 14.14 港仙
		10	

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION

As at 30 June 2021

簡明綜合財務狀況表

於二零二一年六月三十日

		Notes 附註	At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		1,044,469	152,855
Right-of-use assets	使用權資產		110,083	16,285
Investment properties	投資物業		12,364	12,082
			1,166,916	181,222
Intangible assets	無形資產		2,026,636	1,880,919
Goodwill	商譽		1,518,875	1,295,475
Interests in associates	聯營公司權益		3,216	8,143
Trade and other receivables	應收賬款及其他應收款項	12	413,317	289,902
Contract assets	合約資產	11	18,621,004	17,348,620
Other financial assets	其他金融資產	13	216,597	443,198
Deferred tax assets	遞延稅項資產		7,349	-
Total non-current assets	非流動資產總額		23,973,910	21,447,479
Current assets	流動資產			
Inventories	存貨		65,004	93,641
Trade and other receivables	應收賬款及其他應收款項	12	2,371,859	1,965,697
Contract assets	合約資產	11	1,905,270	1,681,187
Other financial assets	其他金融資產	13	219,839	-
Cash and cash equivalents	現金及現金等價物	14	2,065,775	1,719,530
Total current assets	流動資產總額		6,627,747	5,460,055

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (continued)

As at 30 June 2021

簡明綜合財務狀況表 (續)

於二零二一年六月三十日

		Notes 附註	At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	15	2,866,738	2,540,938
Borrowings	借貸		3,226,594	2,246,673
Tax payable	應付稅項		54,332	69,029
Lease liabilities	租賃負債		9,251	8,388
Total current liabilities	流動負債總額		6,156,915	4,865,028
Net current assets	流動資產淨額		470,832	595,027
Total assets less current liabilities	總資產減流動負債		24,444,742	22,042,506
Non-current liabilities	非流動負債			
Borrowings	借貸		10,008,641	8,831,460
Deferred tax liabilities	遞延稅項負債		1,949,994	1,801,819
Lease liabilities	租賃負債		2,285	3,368
Total non-current liabilities	非流動負債總額		11,960,920	10,636,647
Net assets	資產淨額		12,483,822	11,405,859

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (continued)

As at 30 June 2021

簡明綜合財務狀況表 (續)

於二零二一年六月三十日

			At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	16	2,860,877	2,860,877
Reserves	儲備		8,380,489	7,673,416
			11,241,366	10,534,293
Non-controlling interests	非控股權益		1,242,456	871,566
Total equity	權益總額		12,483,822	11,405,859

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY

For the six months ended 30 June 2021

簡明綜合權益變動表

截至二零二一年六月三十日止六個月

Group	集團	Share capital	Share premium	Foreign currency translation reserve
		股本	股份溢價	外幣換算儲備
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2021	二零二一年			
At 1 January 2021 (audited)	於二零二一年一月一日 (經審計)	2,860,877	1,599,765	125,211
Profit for the period	本期間盈利	-	-	-
Foreign currency translation differences	外幣換算差額	-	-	332,161
Total comprehensive income for the period	本期間全面收益總額	-	-	332,161
2020 final dividend declared	已宣派二零二零年末期股息	-	-	-
Acquisition of a subsidiary	收購一間附屬公司	-	-	-
Dividend declared to a non-controlling shareholder of a subsidiary	向一間附屬公司一名非控股股東宣派股息	-	-	-
At 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審計)	2,860,877	1,599,765	457,372

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

Attribute to equity holders of the Company
本公司權益持有人應佔

Statutory reserve 法定儲備	Contributed surplus reserve 繳入盈餘儲備	Other reserves 其他儲備	Retained earnings 保留盈利	Total 總計	Non- controlling interests 非控股權益	Total equity 總權益
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	HK\$'000 千港元	HK\$'000 千港元
524,810	1,229,302	8,203	4,186,125	10,534,293	871,566	11,405,859
-	-	-	548,178	548,178	28,956	577,134
-	-	-	-	332,161	22,865	355,026
-	-	-	548,178	880,339	51,821	932,160
-	-	-	(173,266)	(173,266)	-	(173,266)
-	-	-	-	-	327,656	327,656
-	-	-	-	-	(8,587)	(8,587)
524,810	1,229,302	8,203	4,561,037	11,241,366	1,242,456	12,483,822

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY (continued)

For the six months ended 30 June 2021

簡明綜合權益變動表 (續)

截至二零二一年六月三十日止六個月

Group	集團	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
2020	二零二零年			
At 1 January 2020 (audited)	於二零二零年一月一日 (經審計)	2,860,877	1,599,765	(777,967)
Profit for the period	本期間盈利	-	-	-
Foreign currency translation differences	外幣換算差額	-	-	(160,776)
Total comprehensive income for the period	本期間全面收益總額	-	-	(160,776)
2019 final dividend declared	已宣派二零一九年末期股息	-	-	-
Capital contributions from non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	-	-	-
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審計)	2,860,877	1,599,765	(938,743)

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

Attribute to equity holders of the Company

本公司權益持有人應佔

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 總計 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
398,409	1,229,302	(2,181)	3,501,864	8,810,069	738,683	9,548,752
-	-	-	404,473	404,473	22,089	426,562
-	-	-	-	(160,776)	(8,851)	(169,627)
-	-	-	404,473	243,697	13,238	256,935
-	-	-	(106,645)	(106,645)	-	(106,645)
-	-	-	-	-	17,062	17,062
398,409	1,229,302	(2,181)	3,799,692	8,947,121	768,983	9,716,104

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CASH FLOWS

For the six months ended 30 June 2021

簡明綜合現金流量表

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計)	2020 二零二零年 (Unaudited) (未經審計)
		HK\$'000 千港元	HK\$'000 千港元
	Notes 附註		
Cash flows from operating activities	經營活動現金流量		
Profit before tax	除稅前盈利	783,318	584,718
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	21,602	8,035
Depreciation of right-of-use assets	使用權資產折舊	6,080	5,026
Amortisation of intangible assets	無形資產攤銷	35,592	35,927
Loss on disposals of property, plant and equipment	處置物業、廠房及設備虧損	5,673	35
Finance costs	財務費用	212,533	179,410
Interest income	利息收入	(10,911)	(5,321)
Share of profits and losses of associates	所佔聯營公司盈利及虧損	5,009	(2,007)
Provision for impairment of trade receivables, net	應收賬款減值撥備淨額	21,808	8,959
Provision for impairment of other receivables	其他應收款項減值撥備	5,459	3,435
Provision for impairment of contract assets	合約資產減值撥備	2,275	-
Fair value adjustment of contingent consideration receivable	或然代價應收款項之公允價值調整	-	7,692
Fair value changes of other financial assets, net	其他金融資產公允價值變動淨額	16,888	(6,689)
Dividend received from other financial assets	自其他金融資產收取的股息	-	(1,899)
Effect of foreign exchange rates changes, net	匯率變動的影響淨額	1,156	(861)
Operating cash flows before working capital changes	營運資金變動前的經營現金流量	1,106,482	816,460

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CASH FLOWS (continued)

For the six months ended 30 June 2021

簡明綜合現金流量表 (續)

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
	Notes 附註		
Changes in working capital:	營運資金變動：		
Decrease/(increase) in inventories	存貨減少 / (增加)	39,341	(22,287)
Increase in contract assets	合約資產增加	(1,042,905)	(702,283)
Increase in trade and other receivables	應收賬款及其他應收款項增加	(124,540)	(324,586)
Decrease in trade and other payables	應付賬款及其他應付款項減少	(242,825)	(402,738)
Cash used in operations	經營活動所動用的現金	(264,447)	(635,434)
People's Republic of China ("PRC") income tax paid	已付中華人民共和國 (「中國」) 所得稅	(120,991)	(96,501)
Net cash flows used in operating activities	經營活動所動用的現金流量淨額	(385,438)	(731,935)
Cash flows from investing activities	投資活動現金流量		
Interest received	已收利息	10,911	5,321
Purchase of property, plant and equipment	購買物業、廠房及設備	(8,514)	(3,426)
Proceeds from disposals of property, plant and equipment	處置物業、廠房及設備所得款項	3	12
Payment for additions of intangible assets	添置無形資產付款	(138,102)	(74,270)
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)	-
Increase in amounts due from an associate	應收一間聯營公司款項增加	(374)	(372)
Dividend received from other financial assets	自其他金融資產收取的股息	-	1,899
Net cash flows used in investing activities	投資活動所動用的現金流量淨額	(930,692)	(70,836)

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CASH FLOWS (continued)

For the six months ended 30 June 2021

簡明綜合現金流量表 (續)

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計)	2020 二零二零年 (Unaudited) (未經審計)
		HK\$'000 千港元	HK\$'000 千港元
	Notes 附註		
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	-	315,438
Proceeds from the issuance of medium term notes ("MTNs"), 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	1,194,306	-
New bank loans	新增銀行貸款	3,136,087	1,516,963
Repayment of bank loans	償還銀行貸款	(2,334,004)	(961,291)
Repayments of ABS	償還資產支持證券	(31,143)	-
Interest paid	已付利息	(144,090)	(150,819)
Principal elements of lease payments	租賃付款的本金部分	(5,021)	(4,699)
Interest elements of lease payments	租賃付款的利息部分	(299)	(449)
Decrease in pledged bank deposits	已抵押銀行存款減少	10,115	9,499
Dividend paid to shareholders of the Company	已付本公司股東股息	(173,631)	(107,038)
Dividend paid to a non-controlling shareholder of a subsidiary	已付一名附屬公司非控股股東股息	(17,216)	-
Capital contributions from non-controlling shareholders of subsidiaries	附屬公司的非控股股東注資	-	17,062
Increase in amounts due to fellow subsidiaries	應付同系附屬公司款項增加	407	-
Net cash flows generated from financing activities	融資活動所產生的現金流量淨額	1,635,511	634,666

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Interim Financial Report 中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF
CASH FLOWS (continued)

For the six months ended 30 June 2021

簡明綜合現金流量表 (續)

截至二零二一年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
	Notes 附註		
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物 增加 / (減少) 淨額	319,381	(168,105)
Cash and cash equivalents at beginning of the period	期初之現金及 現金等價物	1,702,855	2,052,250
Effect of exchange rate fluctuations on cash and cash equivalents, net	現金及現金等價物的匯率波動 影響淨額	41,716	(30,342)
Cash and cash equivalents at end of the period	期末之現金及現金等價物	2,063,952	1,853,803
Analysis of the balances of cash and cash equivalents	現金及現金等價物 結餘分析		
Cash and cash equivalents as stated in the consolidated statement of financial position	呈列於綜合財務狀況表之 現金及現金等價物	2,065,775	1,866,674
Less: pledged bank deposits	減：已抵押銀行存款	(1,823)	(12,871)
Cash and cash equivalents as stated in the consolidated statement of cash flows	呈列於綜合現金流量表之 現金及現金等價物	2,063,952	1,853,803

The accompanying accounting policies and explanatory notes form an integral part of the financial information.

後附會計政策及附註為本財務資料的組成部分。

Notes to Condensed Consolidated Financial Information

簡明綜合財務報表附註

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 (“**SGX**”) and The Stock Exchange of Hong Kong Limited (the “**SEHK**”). 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.

During the six months ended 30 June 2021, 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 of the Company (the “**Directors**”), the ultimate holding entity of the Company is China Investment Corporation, an entity established in the PRC.

2.1. BASIS OF PRESENTATION

The financial information of the subsidiaries is 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

本公司為於百慕達註冊成立的有限公司並於新加坡證券交易所有限公司（「**新交所**」）以及香港聯合交易所有限公司（「**聯交所**」）主板雙重上市。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）。

截至二零二一年六月三十日止六個月，本公司的主要業務為投資控股。本公司的附屬公司主要涉及中國水環境治理業務。

本公司的中間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，其為於中國成立之實體。

2.1. 呈列基準

附屬公司之財務資料乃使用一致會計政策按本公司同一報告期編製。附屬公司之業績乃自本集團取得控制權之日起予以合併，並繼續納入合併範圍，直至不再被控制為止。

所有集團內公司間之交易及結餘已於合併時抵銷。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

2.2. BASIS OF PREPARATION

The unaudited interim financial information for the six months ended 30 June 2021 have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”), the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the SEHK (the “SEHK Listing Rules”) and Rule 705 of the Listing Manual (the “SGX Listing Manual”) of SGX.

The accounting policies and basis of preparation adopted in the preparation of the unaudited interim financial information are consistent with those adopted in the annual financial statements for the year ended 31 December 2020 except for the changes in accounting policies made thereafter in adopting the new and revised International Financial Reporting Standards (“IFRSs”) issued by the IASB, which became effective for the first time for the current period’s financial information, as further detailed in note 2.3 below. The unaudited interim financial information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information herein contains condensed consolidated financial statements and selected explanatory notes. The notes include explanations of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2020 annual financial statements. The condensed consolidated interim financial information and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with IFRSs.

2.2. 編製基準

截至二零二一年六月三十日止六個月之未經審計中期財務資料乃根據國際會計準則理事會（「國際會計準則理事會」）頒佈之《國際會計準則》（「國際會計準則」）第34號「中期財務報告」之規定、《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」）附錄十六及《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」）第705條規定的適用披露規定編製而成。

編製未經審計中期財務資料時所採納之會計政策及編製基準，與截至二零二零年十二月三十一日止年度之年度財務報表所採納者貫徹一致，惟因採納國際會計準則理事會所頒佈並於本期間財務資料首度生效之新訂及經修訂《國際財務報告準則》（「國際財務報告準則」）而導致於其後作出之會計政策變動除外（進一步詳情載於附註2.3）。未經審計中期財務資料乃以港元（「港元」）呈列，除另有指明外，所有價值均調整至最接近的千元數。

本報告所載的財務資料包括簡明綜合財務報表及解釋附註摘要。該等附註包括對理解本集團自刊發二零二零年年度財務報表以來之財務狀況變動及表現有重大影響之事件及交易之說明。簡明綜合中期財務資料及其附註並不包括根據國際財務報告準則編製的整套財務報表所需的所有資料。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

2.2. BASIS OF PREPARATION (continued)

The financial information relating to the year ended 31 December 2020 that is included in this unaudited interim financial information as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements.

2.3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The adoption of new standards does not have a significant impact on the interim condensed consolidated financial information of the Group. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2021 but do not have a significant impact on the interim condensed consolidated financial information of the Group.

2.4. 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 information.

2.2. 編製基準 (續)

本未經審計中期財務資料所載有關截至二零二零年十二月三十一日止年度以供比較之財務資料並不構成本公司於該年度之法定年度綜合財務報表，惟有關財務資料均取自該等財務報表。

2.3. 本集團採納之新訂準則、詮釋及修訂

除採納於二零二一年一月一日生效之新準則外，採納編製未經審計中期簡明綜合財務資料之會計政策與本集團編製截至二零二零年十二月三十一日止年度之年度綜合財務報表的一致。採納新準則並未對本集團的中期簡明綜合財務資料造成重大影響。本集團並未提早採納任何其他已頒佈但未生效的準則、詮釋或修訂。

若干其他修訂及詮釋於二零二一年首次應用，對本集團的中期簡明綜合財務資料並未造成重大影響。

2.4. 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。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

2.4. ISSUED BUT NOT YET EFFECTIVE
INTERNATIONAL FINANCIAL REPORTING
STANDARDS (continued)

2.4. 已頒佈但尚未生效的國際財
務報告準則（續）

Amendments to IFRS 16 國際財務報告準則第 16 號之修訂	COVID-19-related Rent Concessions beyond 30 June 2021 ¹ 於二零二一年六月三十日後新型冠狀病毒相關租金優惠 ¹
Amendments to IFRS 3 國際財務報告準則第 3 號之修訂	Reference to the Conceptual Framework ² 概念框架引述 ²
Amendments to IAS 16 國際會計準則第 16 號之修訂	Property, Plant and Equipment: Proceeds before intended use ² 物業、廠房及設備：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	Onerous Contracts – Cost of Fulfilling a Contract ² 虧損性合約－履行合約的成本 ²
Amendments to IFRSs 國際財務報告準則之修訂	Annual Improvements 2018-2020 Cycle ² 二零一八年至二零二零年的年度改進 ²
Amendments to IAS 1 國際會計準則第 1 號之修訂	Classification of Liabilities as Current or Non-current ² 將負債分類為流動負債或非流動負債 ²
IFRS 17 國際財務報告準則第 17 號	Insurance Contracts ³ 保險合約 ³
Amendments to IFRS 17 國際財務報告準則第 17 號之修訂	Insurance Contracts ³ 保險合約 ³
Amendments to IAS 1 and IFRS Practice Statement 2 國際會計準則第 1 號及國際財務 報告準則實務說明第 2 號之修訂	Disclosure of Accounting Policies ³ 會計政策披露 ³
Amendments to IAS 8 國際會計準則第 8 號之修訂	Definition of Accounting Estimates ³ 會計估計的定義 ³
Amendments to IAS 12 國際會計準則第 12 號之修訂	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
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	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出資 ⁴

- 1 Effective for annual periods beginning on or after 1 April 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for annual periods beginning on or after 1 January 2023
- 4 No mandatory effective date yet determined but available for adoption

- 1 於二零二一年四月一日或之後開始的年度期間生效
- 2 於二零二二年一月一日或之後開始的年度期間生效
- 3 於二零二三年一月一日或之後開始的年度期間生效
- 4 尚未釐定強制生效日期，惟可供採納

Notes to condensed consolidated financial information 簡明綜合財務報表附註

3. 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 of the Directors (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 six months ended 30 June 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, research and development of water environment technologies and engineering construction.

3. 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（「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、計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類，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六月三十日止六個月內，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 condensed consolidated financial information 簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION (continued)

Geographical information

(a) Revenue from external customers

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Mainland China	中國內地	3,095,876	2,118,215
Germany	德國	17,059	1,871
		3,112,935	2,120,086

The revenue information of continuing operations above is based on the location at which the services were provided.

上述持續經營的收入信息乃基於服務提供地點劃分。

(b) Non-current assets

(b) 非流動資產

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Mainland China	中國內地	23,750,221	20,997,841
Hong Kong	香港	3,641	5,647
Singapore	新加坡	3,133	434
Germany	德國	318	359
		23,757,313	21,004,281

Notes to condensed consolidated financial information 簡明綜合財務報表附註

3. OPERATING SEGMENT INFORMATION
(continued)**Geographical information** (continued)

(b) Non-current assets (continued)

The non-current assets information of continuing operations above is based on the locations of the assets (excluding other financial assets).

Major customers

3. 經營分部資料 (續)

地域資料 (續)

(b) 非流動資產 (續)

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)。

主要客戶**Six months ended 30 June**

截至六月三十日止六個月

		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Customer 1*	客戶一*	567,031	258,078
Customer 2*	客戶二*	333,739	584,144

* The customers are local government authorities.

* 客戶為當地政府機關。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

4. REVENUE

4. 收入

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) 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	1,318,822	817,759
Finance income from service concession arrangements	服務特許經營權安排的財務收入	544,642	456,971
Operation income from service concession arrangements	服務特許經營權安排的運營收入	1,150,697	808,167
Construction contract revenue and technical service income	建造合約收入及技術服務收入	98,774	37,189
		3,112,935	2,120,086
Timing of revenue recognition:	收入確認時間：		
At a point in time	於某一時間點	72,397	40,497
Over time	於一段時間內	2,495,896	1,622,618
		2,568,293	1,663,115
Finance income from service concession arrangements	服務特許經營權安排的財務收入	544,642	456,971
		3,112,935	2,120,086

The aggregated amount of construction services revenue, finance income and operation income derived from the local government authorities in the PRC amounted to HK\$2,975,093,000 and HK\$2,051,962,000 for the six months ended 30 June 2021 and 2020, respectively.

截至二零二一年及二零二零年六月三十日止六個月，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 2,975,093,000 港元及 2,051,962,000 港元。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

5. OTHER INCOME AND GAINS, NET

5. 其他收入及收益淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Government grants*	政府補助金*	8,378	6,415
Value-added tax ("VAT") refunds**	增值稅(「增值稅」)退稅**	3,309	27,892
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	-	(7,692)
Other financial assets – unlisted investments	其他金融資產 – 非上市投資	(17,363)	6,260
Other financial assets – unlisted equity investment	其他金融資產 – 非上市股權投資	475	429
Dividend received from other financial assets	自其他金融資產收取的股息	-	1,899
Sundry income	雜項收入	5,345	4,196
		144	39,399

* Government grants of HK\$8,378,000 and HK\$6,415,000 were granted during the six months ended 30 June 2021 and 2020, respectively, to subsidise certain waste water treatment plants of the Group in the PRC. The receipt of such grants is not subject to any unfulfilled conditions or any other contingencies. There is no assurance that the Group will continue to receive such grants in the future.

** VAT refunds of HK\$3,309,000 and HK\$27,892,000 were received/receivable during the six months ended 30 June 2021 and 2020, respectively, in relation to certain of the Group's environmental water projects in operations in the PRC. The receipt of such tax refunds is not subject to any unfulfilled conditions or any other contingencies. There is no assurance that the Group will continue to receive such tax refunds in the future.

* 截至二零二一年及二零二零年六月三十日止六個月內，本集團分別獲發 8,378,000 港元及 6,415,000 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。收取該等補助不受任何尚未達成之條件或任何其他事項所限。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六月三十日止六個月內，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 3,309,000 港元及 27,892,000 港元。收取有關退稅不受任何尚未達成之條件或任何其他事項所限。概無保證本集團將於日後繼續收取有關退稅。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

6. NET FINANCE COSTS

6. 財務費用淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) 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	10,560	4,995
Amounts due from an associate	應收一間聯營公司款項	351	326
		10,911	5,321
<u>Finance costs</u>	<u>財務費用</u>		
Interest expense on:	利息開支：		
Bank loans	銀行貸款	(112,062)	(118,557)
Corporate bonds, ABS and MTNs	公司債券，資產支持證券及中期票據	(100,172)	(60,404)
Lease liabilities	租賃負債	(299)	(449)
		(212,533)	(179,410)
Net finance costs	財務費用淨額	(201,622)	(174,089)

Notes to condensed consolidated financial information 簡明綜合財務報表附註

7. PROFIT BEFORE TAX

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

7. 除稅前盈利

本集團之除稅前盈利已扣除 / (計入) :

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Depreciation*	折舊*		
- property, plant and equipment	- 物業、廠房及設備	21,602	8,035
- right-of-use assets	- 使用權資產	6,080	5,026
Amortisation	攤銷		
- intangible assets*	- 無形資產*	35,592	35,927
Loss on disposals of property, plant and equipment	處置物業、廠房及設備之虧損	5,673	35
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**	1,019,075	643,647
Research and development costs	研究及發展成本	19,888	15,178
Rental expense from short-term leases	短期租賃之租金開支	954	1,570
Provision for impairment of trade receivables, net	應收賬款減值撥備淨額	21,808	8,959
Provision for impairment of other receivables	其他應收款項減值撥備	5,459	3,435
Provision for impairment of contract assets	合約資產減值撥備	2,275	-
Foreign exchange differences, net	匯兌差額淨額	(2,196)	(2,165)

Notes to condensed consolidated financial information 簡明綜合財務報表附註

7. PROFIT BEFORE TAX (continued)

7. 除稅前盈利 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Employee benefit expense (including directors' remuneration)*	僱員福利開支 (包括董事酬金) *		
Wages and salaries, allowances and benefits in kind	工資、薪金、津貼及實物福利	156,203	91,122
Retirement scheme contributions	退休計劃供款	38,698	27,806
		194,901	118,928

* Amortisation of intangible assets, depreciation and employee benefit expense in total of HK\$143,077,000 and HK\$109,060,000 for the six months ended 30 June 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.

* 截至二零二一年及二零二零年六月三十日止六個月內，無形資產攤銷、折舊及僱員福利開支總額分別為143,077,000港元及109,060,000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」。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

8. INCOME TAX

No provision for Singapore and Hong Kong income tax was made as the Group did not earn any income subject to Singapore and Hong Kong income tax during the six months ended 30 June 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 six months ended 30 June 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 six months ended 30 June 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.

8. 所得稅

由於本集團於截至二零二一年及二零二零年六月三十日止六個月內，在新加坡及香港並無賺取任何應課稅盈利，故此並無作出新加坡及香港利得稅撥備。

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六月三十日止六個月內，根據相關稅務法律及法規，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六月三十日止六個月內，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。

Six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Current – PRC:	即期－中國：		
Charge for the period	本期間計提	96,501	83,114
Under provision in prior years	過往年度撥備不足	5,106	414
Deferred	遞延	104,577	74,628
Total tax expense for the period	本期間稅項開支總額	206,184	158,156

Notes to condensed consolidated financial information 簡明綜合財務報表附註

8. INCOME TAX (continued)

The share of tax attributable to associates amounting to HK\$558,000 and HK\$300,000 for the six months ended 30 June 2021 and 2020 respectively, is included in "Share of profits and losses of associates" in the condensed consolidated statement of comprehensive income.

8. 所得稅 (續)

截至二零二一年及二零二零年六月三十日止六個月內，所佔聯營公司稅項分別為 558,000 港元及 300,000 港元，已計入簡明綜合全面收益表的「所佔聯營公司盈利及虧損」。

9. DIVIDENDS

9. 股息

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Dividends attributable to the period:	本期間股息：		
Interim – HK\$0.0575 (equivalent to SGD0.0101) and HK\$0.0374 (equivalent to SGD0.0067), respectively, per ordinary share	中期 — 分別為每股普通股 0.0575 港元 (等值 0.0101 新加坡元) 及 0.0374 港元 (等值 0.0067 新加坡元)	164,453	106,964
Dividends paid during the period:	本期間已付股息：		
Final in respect of the previous financial year – HK\$0.0607 (equivalent to SGD0.0104) and HK\$0.0374 (equivalent to SGD0.0067), respectively, per ordinary share	上一個財政年度末期股息 — 分別為每股普通股 0.0607 港元 (等值 0.0104 新加坡元) 及 0.0374 港元 (等值 0.0067 新加坡元)	173,266	106,645

Notes to condensed consolidated financial information 簡明綜合財務報表附註

10. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the Group's profit for the period attributable to equity holders of the Company divided by the weighted average number of ordinary shares of the Company in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the period.

10. 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期間盈利除以本公司期內已發行普通股加權平均數計算。

期內，本集團並無任何已發行具潛在攤薄影響之普通股。

Six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Profit for the period attributable to equity holders of the Company	本期間本公司權益持有人應佔盈利	548,178	404,473
		'000 千股	'000 千股
Weighted average number of ordinary shares in issue during the period	本期間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	19.16	14.14

Notes to condensed consolidated financial information 簡明綜合財務報表附註

11. CONTRACT ASSETS

11. 合約資產

			At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
			(Unaudited) (未經審計)	(Audited) (經審計)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current	非即期			
Service concession assets	服務特許經營權資產	(a)	18,635,518	17,360,815
Less: Impairment	減：減值	(c)	(14,514)	(12,195)
			18,621,004	17,348,620
Current	即期			
Service concession assets	服務特許經營權資產	(a)	1,892,735	1,679,084
Less: Impairment	減：減值	(c)	(1,474)	(1,179)
			1,891,261	1,677,905
Other contract assets	其他合約資產	(b)	14,009	3,282
			1,905,270	1,681,187
Total	總計		20,526,274	19,029,807

Notes to condensed consolidated financial information 簡明綜合財務報表附註

11. CONTRACT ASSETS (continued)

- (a) Included in "Contract assets" as at 30 June 2021 and 31 December 2020 are amounts of HK\$545,894,000 and HK\$549,290,000, respectively, which are due from a non-controlling shareholder of a non wholly-owned subsidiary, and amounts of HK\$796,359,000 and HK\$789,747,000, respectively, which are due from a related company of a non wholly-owned subsidiary.

Contract assets as at 30 June 2021 and 31 December 2020 totalling HK\$20,528,253,000 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 30 June 2021 and 31 December 2020, HK\$11,331,282,000 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 12).

- (b) The balance as at 30 June 2021 and 31 December 2020 comprised contract assets arising from performance under construction management service contract. Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

11. 合約資產 (續)

- (a) 於二零二一年六月三十日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一名非控股股東款項分別為 545,894,000 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 796,359,000 港元及 789,747,000 港元。

於二零二一年六月三十日及二零二零年十二月三十一日，合約資產分別合共 20,528,253,000 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。於二零二一年六月三十日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安排有關的款項分別為 11,331,282,000 港元及 8,677,273,000 港元。服務特許經營安排的尚未到期付款金額，將以服務特許經營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 12）。

- (b) 於二零二一年六月三十日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。該等合約包含於服務期內達致里程碑時分期付款的付款時間表。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

11. CONTRACT ASSETS (continued)

(c) Impairment assessment

As at 30 June 2021, HK\$15,988,000 (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 12 to the financial statements.

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

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
At the beginning of the period/year	於期 / 年初	13,374	–
Impairment losses recognised	已確認的減值虧損	2,275	12,695
Exchange realignment	匯兌調整	339	679
At the end of the period/year	於期 / 年末	15,988	13,374

As at 30 June 2021 and 31 December 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\$5,087,857,000 and HK\$3,627,759,000, respectively, were pledged to secure banking facilities granted to the Group and the issuance of the ABS.

11. 合約資產 (續)

(c) 減值撥備

於二零二一年六月三十日，15,988,000 港元確認為合約資產的預期信貸虧損撥備（二零二零年十二月三十一日：13,374,000 港元）。本集團與客戶的交易條款及信貸政策在財務報表附註 12 中披露。

合約資產的減值撥備之變動如下：

於二零二一年六月三十日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 5,087,857,000 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。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

12. TRADE AND OTHER RECEIVABLES

12. 應收賬款及其他應收款項

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Non-current			
	非即期		
VAT receivables	應收增值稅	357,945	285,324
Other receivables	其他應收款項	28,172	4,578
Prepayments	預付款項	27,200	-
		413,317	289,902
Current			
	即期		
Trade receivables	應收賬款	1,993,170	1,365,321
Less: Impairment	減：減值	(126,211)	(97,246)
		1,866,959	1,268,075
Other receivables and sundry deposits	其他應收款項及 雜項按金	131,589	355,727
Less: Impairment	減：減值	(9,128)	(3,521)
		122,461	352,206
VAT receivables	應收增值稅	175,118	141,426
Amounts due from an associate	應收一間聯營公司款項	18,403	17,614
Prepayments	預付款項	188,918	186,376
		2,371,859	1,965,697
Total	總計	2,785,176	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.

應收一間聯營公司款項為無抵押、須按要求償還及按年利率4.75%計息（二零二零年十二月三十一日：4.75%）。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

12. TRADE AND OTHER RECEIVABLES (continued)

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

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
At the beginning of the period/year	於期 / 年初	97,246	65,902
Impairment losses recognised	已確認的減值虧損	21,808	25,492
Exchange realignment	匯兌調整	7,157	5,852
At the end of the period/year	於期 / 年末	126,211	97,246

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

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
At the beginning of the period/year	於期 / 年初	3,521	-
Impairment losses recognised	已確認的減值虧損	5,459	3,342
Exchange realignment	匯兌調整	148	179
At the end of the period/year	於期 / 年末	9,128	3,521

12. 應收賬款及其他應收款項
(續)

應收賬款預期信貸虧損撥備之變動如下：

其他應收款項預期信貸虧損撥備之變動如下：

Notes to condensed consolidated financial information 簡明綜合財務報表附註

12. TRADE AND OTHER RECEIVABLES (continued)

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:

12. 應收賬款及其他應收款項
(續)

於報告期末，根據發票日期（或確認收入日期，以較早者為準）及扣除撥備後之應收賬款賬齡分析如下：

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Within 1 month	不多於一個月	449,274	448,151
More than 1 month but within 2 months	超過一個月但不多於兩個月	292,872	125,719
More than 2 months but within 4 months	超過兩個月但不多於四個月	286,454	165,675
More than 4 months but within 7 months	超過四個月但不多於七個月	227,350	106,074
More than 7 months but within 13 months	超過七個月但不多於十三個月	316,527	164,376
More than 13 months	超過十三個月	294,482	258,080
		1,866,959	1,268,075

Trade receivables are due within 30 to 90 days from the date of billing.

應收賬款於開票日期後 30 至 90 日到期。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

12. TRADE AND OTHER RECEIVABLES (continued)

Included in “Trade and other receivables” of the Group as at 30 June 2021 and 31 December 2020 were trade receivables of HK\$1,866,959,000 and HK\$1,268,075,000, respectively, of which (a) HK\$13,856,000 and HK\$25,068,000, respectively, were due from a non-controlling shareholder of a non wholly-owned subsidiary, (b) HK\$10,423,000 and HK\$13,596,000, respectively, were due from a related company of a non wholly-owned subsidiary, and (c) HK\$50,983,000 and HK\$61,525,000, respectively, were due from a fellow subsidiary.

Included in “Other receivables and sundry deposits” of the Group as at 30 June 2021 and 31 December 2020 were consideration receivables of HK\$9,118,000 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\$2,903,000 were provided as at 30 June 2021 (31 December 2020: HK\$3,521,000).

Included in “Other receivables and sundry deposits” of the Group as at 30 June 2021 and 31 December 2020 were Government compensation receivables of HK\$22,581,000 and HK\$17,238,000, arising from compensation of sludge disposal cost as stipulated in the concession service agreement of Everbright Water (Beijing) Limited, for which impairment of HK\$6,225,000 were provided as at 30 June 2021 (31 December 2020: Nil).

12. 應收賬款及其他應收款項
(續)

於二零二一年六月三十日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」包括應收賬款分別為1,866,959,000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13,856,000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10,423,000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50,983,000港元及61,525,000港元。

於二零二一年六月三十日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9,118,000港元及11,043,000港元。於二零二一年六月三十日計提減值撥備2,903,000港元(二零二零年十二月三十一日：3,521,000港元)。

於二零二一年六月三十日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22,581,000港元及17,238,000港元，於二零二一年六月三十日計提減值撥備6,225,000港元(二零二零年十二月三十一日：無)。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

13. OTHER FINANCIAL ASSETS

13. 其他金融資產

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
		Notes 附註	
Non-current	非即期		
Unlisted investments, at fair value	以公允價值計量的非上市投資	181,272	409,147
Unlisted equity investment, at fair value	以公允價值計量的非上市股權投資	35,325	34,051
		216,597	443,198
Current	即期		
Unlisted investments, at fair value	以公允價值計量的非上市投資	219,839	-
Total	總計	436,436	443,198

As at 30 June 2021 and 31 December 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% equity 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.

Notes:

- (i) The wealth management products can be redeemed at the option of the Group in accordance with their terms after the expiry of the applicable lock-up period.

於二零二一年六月三十日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相關鎖定期屆滿後根據其條款贖回。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

14. CASH AND CASH EQUIVALENTS

14. 現金及現金等價物

		At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
		(Unaudited) (未經審計)	(Audited) (經審計)
		HK\$'000 千港元	HK\$'000 千港元
Cash on hand and bank balances	手持現金及銀行結餘	2,063,952	1,702,855
Pledged bank deposits	已抵押銀行存款	1,823	16,675
		2,065,775	1,719,530

Included in “Cash and cash equivalents” of the Group as at 31 June 2021 and 31 December 2020 are deposits of HK\$91,508,000 and HK\$253,470,000, respectively, placed with a related party bank, which is a fellow subsidiary of the Company.

於二零二一年六月三十日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 91,508,000 港元及 253,470,000 港元。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

15. TRADE AND OTHER PAYABLES

15. 應付賬款及其他應付款項

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Trade payables	應付賬款	1,972,935	1,796,446
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	8,689	17,025
Amounts due to a fellow subsidiary	應付一間同系附屬公司款項	340	-
Interest payable	應付利息	149,154	85,745
Payable for acquisition	應付收購款項	9,939	9,713
Tax payables	應付稅項	14,428	23,103
Other creditors and accrued expenses	其他應付賬款及應計費用	711,253	608,906
		2,866,738	2,540,938

Notes to condensed consolidated financial information 簡明綜合財務報表附註

15. TRADE AND OTHER PAYABLES (continued)

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:

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Within 6 months	不多於六個月	1,190,840	1,289,456
Over 6 months	超過六個月	782,095	506,990
		1,972,935	1,796,446

Trade payables totalling HK\$1,344,298,000 and HK\$1,085,901,000 as at 30 June 2021 and 31 December 2020, respectively represent construction payables for the Group’s build-operate-transfer, build-own-operate, and transfer-operate-transfer arrangements. The construction payables are not yet due for payment.

Included in “Trade payables” of the Group as at 30 June 2021 and 31 December 2020 were trade payables of HK\$7,769,000 and HK\$1,355,000, respectively, due to a non-controlling shareholder of a non wholly-owned subsidiary, which are unsecured, interest-free and repayable on credit terms similar to those offered by the non-controlling shareholder to its major customers.

15. 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：

於二零二一年六月三十日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 1,344,298,000 港元及 1,085,901,000 港元。建造工程應付款項屬未到期款項。

於二零二一年六月三十日及二零二零年十二月三十一日，計入本集團的「應付賬款」包括應付一間非全資附屬公司的一名非控股股東的應付款項分別為 7,769,000 港元及 1,355,000 港元，相關款項為無抵押、免息及須按與非控股股東授予其主要客戶信貸期相若的信貸期償還。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

15. TRADE AND OTHER PAYABLES (continued)

Included in “Trade payables” of the Group as at 30 June 2021 and 31 December 2020 were trade payables of HK\$16,102,000 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 30 June 2021 and 31 December 2020 was a guarantee deposit of HK\$14,115,000 and HK\$14,148,000, respectively, from a former director of a subsidiary.

Included in “Other creditors and accrued expenses” of the Group as at 30 June 2021 were other payables of HK\$222,032,000 (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 People’s Bank of China and repayable within one year.

15. 應付賬款及其他應付款項
(續)

於二零二一年六月三十日及二零二零年十二月三十一日，計入本集團的「應付賬款」包括應付一間聯營公司之應付款項分別為 16,102,000 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。

於二零二一年六月三十日及二零二零年十二月三十一日，計入本集團的「其他應付賬款及應計費用」包括一間附屬公司的一名前任董事之擔保按金分別為 14,115,000 港元及 14,148,000 港元。

於二零二一年六月三十日，計入本集團的「其他應付賬款及應計費用」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 222,032,000 港元（二零二零年十二月三十一日：無），相關款項為無抵押、按中國人民銀行頒佈的利率計息及一年內到期償還。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

16. SHARE CAPITAL

16. 股本

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) 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 港元的普通股	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
		No. of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Issued and fully paid: At 31 December 2020 (Audited), 1 January 2021 and 30 June 2021 (Unaudited)	已發行及悉數繳足： 於二零二零年十二月三十一日 (經審計)、二零二一年 一月一日及二零二一年 六月三十日 (未經審計)	2,860,877	2,860,877

Notes to condensed consolidated financial information 簡明綜合財務報表附註

17. BUSINESS COMBINATION

On 21 January 2021, one of the wholly-owned subsidiaries of the Company, Beijing Everbright Water Investment Management Co., Ltd. (“**BEWI**”) signed an equity transfer agreement (“**the Agreement**”) and supplementary agreement with Tianjin Binhai Environmental Protection Industry Development Co., Ltd. to acquire 65% interest in Tianjin Binhai New Area Huantang Sewage Treatment Co.,Ltd. (“**Tianjin Huantang**”). Tianjin Huantang is principally engaged in municipal 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 30 June 2021, the provisional purchase price accounting for the business combination of Tianjin Huantang was performed. The table below sets forth the assets acquired and the liabilities assumed recognised at the acquisition date. The Group may adjust the fair value until the end of the measurement period if there is any additional information. The finalisation of the goodwill amount is dependent on the completion of the valuation of net assets acquired.

17. 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光大水務投資管理有限公司（「**BEWI**」）與天津濱海環保產業發展有限公司簽署了股權轉讓協議（「**本協議**」）及補充協議，收購天津濱海新區環塘污水處理有限公司（「**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為以現金形式，購買代價為666,336,000元人民幣（相當於800,136,000港元），於二零二一年三月完成支付。並於二零二一年三月一日完成本次收購。

截至二零二一年六月三十日，對天津環塘的業務合併採用暫定購買代價會計方法核算。下表列示了在收購日確認的已取得的資產和承擔的負債。本集團可在計量期結束前根據新增的信息調整公允價值。商譽的最終確認金額取決於所收購淨資產的估值完成情況。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

17. BUSINESS COMBINATION (continued)

The provisional fair values of the identifiable assets and liabilities of Tianjin Huantang as at the date of acquisition on 1 March 2021 were as follows:

17. 業務合併 (續)

於收購日二零二一年三月一日，天津環塘暫定確認的可識別資產及負債之公允價值如下：

		Fair value recognised on acquisition 收購時確認之公允價值 (Unaudited) (未經審計) HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	898,601
Intangible assets	無形資產	27
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	9,218
Deferred tax assets	遞延所得稅資產	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識別資產淨值總額	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

Notes to condensed consolidated financial information 簡明綜合財務報表附註

17. BUSINESS COMBINATION (continued)

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\$4,434,000 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 period ended 30 June 2021.

An analysis of the cash flows in respect of the acquisition of Tianjin Huantang is as follows:

17. 業務合併 (續)

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占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4,434,000港元。有關交易成本已於截至二零二一年六月三十日止期間的綜合全面收益表支銷，並計入「管理和其他經營費用」。

有關收購天津環塘之現金流量分析如下：

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元
Cash consideration	現金代價	(800,136)
Cash and cash equivalents acquired	收購所得現金及現金等價物	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	(4,434)
		(799,050)

Notes to condensed consolidated financial information 簡明綜合財務報表附註

17. BUSINESS COMBINATION (continued)

Reconciliation of the carrying amount of the Group's goodwill at the beginning and end of the reporting period is presented below:

17. 業務合併 (續)

本集團的商譽賬面價值在報告期期初和期末的變動如下：

		(Unaudited) (未經審計)
		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	收購一間附屬公司	191,633
Exchange realignment	匯兌調整	31,767
At 30 June 2021	於二零二一年六月三十日	1,518,875
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 30 June 2021	於二零二一年六月三十日	1,518,875

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。

Since the acquisition, Tianjin Huantang contributed HK\$53,640,000 to the Group's revenue and a loss of HK\$7,966,000 to the consolidated profit for the four months ended 30 June 2021.

自收購起，截至二零二一年六月三十日四個月裏，天津環塘向本集團貢獻收入 53,640,000 港元，而為綜合盈利帶來虧損 7,966,000 港元。

Had the acquisition taken place on 1 January 2021, the consolidated revenue and profit for the six months ended 30 June 2021 of the Group would have been HK\$3,160,292,000 and HK\$591,250,000, 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.

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六月三十日止六個月的綜合收入及盈利將分別為 3,160,292,000 港元及 591,250,000 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。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

18. COMMITMENTS

The Group had the following commitments as at the reporting date:

18. 承擔

本集團於各報告日期的承擔如下：

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
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	2,303,988	2,943,346

As at 30 June 2021, the Group had outstanding capital commitments relating to the capital contribution to an unlisted equity investment not provided for in the unaudited interim financial information of HK\$25,306,000 (31 December 2020: HK\$24,730,000).

於二零二一年六月三十日，本集團就一家非上市股權投資注資尚未在未經審計中期財務資料中撥備之資本承擔為25,306,000港元（二零二零年十二月三十一日：24,730,000港元）。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in this report, the Group entered into the following material related party transactions during the reporting date:

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

19. 關聯方交易

除本報告其他部分所披露之交易及結餘外，於報告期間，本集團發生了下列重大關聯方交易：

- (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：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Revenue from project operation service	項目運營服務收入	41,364	31,952
Finance income	財務收入	8,525	8,548
Cost of construction service	建造服務成本	160,182	2,195

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS (continued)

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

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Revenue from project operation service	項目運營服務收入	42,994	27,337
Finance income	財務收入	27,317	25,017

19. 關聯方交易 (續)

- (b) 本集團與本集團一間關聯公司發生下列關聯方交易：

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

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) 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	29,695	19,262

- (c) 本集團與本集團一間關聯公司發生下列關聯方交易：

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS (continued)

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

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Insurance expenses	保險費用	1,428	1,285

The insurance expenses were charged by a fellow subsidiary of the Group on mutually agreed terms.

- (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 period, 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 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

19. 關聯方交易 (續)

- (d) 本集團與本集團同系附屬公司發生下列關聯方交易：

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。

- (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。於本財政期間內，本集團曾與其他國有企業進行之交易包括（但不限於）收入、銀行存款及借貸，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

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS (continued)

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

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:

19. 關聯方交易 (續)

- (e) 與中國內地其他國有企業的交易：(續)

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：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Salaries, bonuses and related benefit	薪金、花紅及相關福利	5,192	4,763
Directors' fees	董事袍金	990	948
Retirement scheme contributions	退休計劃供款	240	1,273
		6,422	6,984

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS (continued)

- (f) The Group paid compensation of directors and key management personnel as follows:
(continued)

Comprising amounts paid/payable to:

19. 關聯方交易 (續)

- (f) 本集團已支付予董事及關鍵管理人員之報酬如下：
(續)

包括已付 / 應付下列各方金額：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 (Unaudited) (未經審計) HK\$'000 千港元	2020 二零二零年 (Unaudited) (未經審計) HK\$'000 千港元
Directors of the Company	本公司董事	2,688	2,900
Other key management personnel	其他關鍵管理人員	3,734	4,084
		6,422	6,984

Notes to condensed consolidated financial information 簡明綜合財務報表附註

19. RELATED PARTY TRANSACTIONS (continued)

- (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:

19. 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：

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Lease liabilities – current	租賃負債 – 即期	6,177	6,664
Lease liabilities – non-current	租賃負債 – 非即期	554	2,411
		6,731	9,075

Under such rental contracts, the minimum lease payment during the period was HK\$3,716,000. As at 30 June 2021, the Group's right-of-use assets relating to such rental contracts amounted to HK\$6,581,000 (31 December 2020: HK\$8,875,000).

根據該等租賃合約，期內最低租賃付款額為3,716,000港元。於二零二一年六月三十日，本集團與該等租賃合約有關的使用權資產金額為6,581,000港元（二零二零年十二月三十一日：8,875,000港元）。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, bank deposits, trade payables, current portion of trade receivables, other receivables, 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 trade receivables, 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.

20. 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、銀行存款、應付賬款、應收賬款的即期部份、其他應收款項、其他應付款項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：

應收賬款的非即期部份、其他應收款項、及借貸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。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2021 and 31 December 2020:

20. 金融工具的公允價值及公允價值層級 (續)

下表概述於二零二一年六月三十日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：

	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	2.8% (31 December 2020: 2.8%) 2.8% (二零二零年十二月三十一日 : 2.8%)	1% (31 December 2020: 1%) increase /decrease in discount rate would result in decrease in fair value by HK\$281,000 (31 December 2020: HK\$433,000) or increase in fair value by HK\$286,000 (31 December 2020: HK\$422,000) 折現率上升 / 下降 1% (二零二零年十二月三十一日 : 1%) 將導致公允價值減少 281,000 港元 (二零二零年十二月三十一日 : 433,000 港元) 或增加 286,000 港元 (二零二零年十二月三十一日 : 422,000 港元)

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Fair value hierarchy

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 interim financial information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the interim financial information 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.

20. 金融工具的公允價值及公允價值層級 (續)

公允價值層級

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，並儘量使用相關可觀察輸入數據及儘量減少使用不可觀察輸入數據。

於中期財務資料中計量或披露公允價值的所有資產及負債，均根據對公允價值計量整體而言屬重大之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。

就經常性於中期財務資料確認之資產及負債而言，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之最低等級輸入數據）確定是否發生不同層級轉移。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Fair value hierarchy (continued)

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

Assets measured at fair value:

As at 30 June 2021

20. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

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：

於二零二一年六月三十日

		Fair value measurement using 公允價值計量使用			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級)	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級)	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Unaudited) (未經審計)	(Unaudited) (未經審計)	(Unaudited) (未經審計)	(Unaudited) (未經審計)
Unlisted investments at FVTPL	以公允價值計入損益 的非上市投資	-	401,111	-	401,111
Unlisted equity investment at FVTPL	以公允價值計入損益 的非上市股權投資	-	-	35,325	35,325
		-	401,111	35,325	436,436

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2020

20. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

按公允價值計量的資產：(續)

於二零二零年十二月三十日

		Fair value measurement using 公允價值計量使用			
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級)	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級)	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級)	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	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

As at 30 June 2021, the fair value of contingent consideration is based on the valuation by the management using a discounted cash flow method with scenario simulation.

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

於二零二一年六月三十日，或然代價應收款項的公允價值是根據管理層以模擬情景採用貼現現金流量法方式而釐定。

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。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

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

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

20. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

按公允價值計量的資產：(續)

按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而估計。

第三級公允價值計量於期間內之變動如下：

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) HK\$'000 千港元
Unlisted investments at FVTPL:	以公允價值計入損益的非上市投資：		
At the beginning of the period/year	期 / 年初	409,147	431,035
Fair value loss	公允價值變動虧損	(17,363)	(48,629)
Exchange realignment	匯兌調整	9,327	26,741
At the end of the period/year	期 / 年末	401,111	409,147

Notes to condensed consolidated financial information 簡明綜合財務報表附註

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

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

20. 金融工具的公允價值及公允價值層級 (續)

公允價值層級 (續)

按公允價值計量的資產：(續)

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審計) HK\$'000 千港元	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審計) 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 the beginning of the period/year	期 / 年初	34,051	31,010
Fair value gain	公允價值變動收益	475	883
Exchange realignment	匯兌調整	799	2,158
At the end of the period/year	期 / 年末	35,325	34,051

The Group did not have any financial liabilities measured at fair value as at 30 June 2021 and 31 December 2020.

本集團於二零二一年六月三十日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。

During the six months ended 30 June 2021, 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 (year ended 31 December 2020: Nil).

截至二零二一年六月三十日止六個月，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（截至二零二零年十二月三十一日：無）。

Notes to condensed consolidated financial information 簡明綜合財務報表附註

21. SUBSEQUENT EVENTS

The Company had, on 20 July 2021, released an announcement on the adjustment of interest rate in respect of 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**”). The Company had adjusted the interest rate in respect of (i) the Type 1 Bonds from 4.60 per cent. per annum to 3.20 per cent. per annum for the period from 16 August 2021 to 15 August 2023 (both dates inclusive) (the “**Remaining Term**”) and (ii) the Type 2 Bonds from 4.58 per cent. per annum to 3.20 per cent. per annum for the Remaining Term.

As announced by the Company on 10 August 2021, the Company completed the issuance of first tranche of RMB-denominated Super & Short-term Commercial Papers (“**SCPs**”) in mainland China with a principal amount of RMB800,000,000, an interest rate of 2.40% and a maturity period of 120 days. The proceeds from the first tranche of the SCPs issuance will be used to replenish working capital of the Company’s subsidiaries. The Company, as the issuer of the first tranche of the SCPs, had been given a credit rating of “AAA” by Shanghai Brilliance Credit Rating & Investors Service Co., Ltd. China Bohai Bank Co., Ltd. acted as the lead underwriter and bookrunner of the first tranche of the SCPs issuance, and Bank of Ningbo Co., Ltd. acted as the joint lead underwriter.

22. AUTHORISATION OF THE UNAUDITED INTERIM FINANCIAL INFORMATION FOR ISSUE

The unaudited interim financial information for the six months end 30 June 2021 were approved and authorised for issue by the Board of the directors on 11 August 2021.

21. 期後事項

本公司於二零二一年七月二十日發佈公告，內容關於調整以人民幣計價的本金累計為八億元人民幣的第二期公司債券（「**第二期公司債券**」）之票面利率。第二期公司債券包含本金為四億元人民幣的第二期公司債券品種一（「**品種一債券**」）及本金為四億元人民幣的第二期公司債券品種二（「**品種二債券**」）。本公司已將 (i) 品種一債券於二零二一年八月十六日至二零二三年八月十五日期間（包括首尾兩日）（「**剩餘期間**」）的票面利率從 4.60% 調整至 3.20%；及 (ii) 品種二債券於剩餘期間的票面利率從 4.58% 調整至 3.20%。

本公司於二零二一年八月十日公佈其於中國內地完成發行首期人民幣計價的超短期融資券（「**超短期融資券**」），其本金為八億元人民幣，發行利率為 2.40% 及期限為 120 天。此次首期超短期融資券發行募集的資金將用於補充本公司附屬公司的營運資金。經上海新世紀資信評估投資服務有限公司評定，本公司作為首期超短期融資券發行人獲授予「AAA」級信用評級。渤海銀行股份有限公司擔任此次首期超短期融資券發行的主承銷商及簿記管理人，寧波銀行股份有限公司擔任聯席主承銷商。

22. 未經審計中期財務資料之批准刊發

本截至二零二一年六月三十日止六個月的未經審計中期財務資料經董事會於二零二一年八月十一日批准並授權刊發。

Report on Review of Interim Financial Information

中期財務資料審閱報告

The Board of Directors
China Everbright Water Limited

致中國光大水務有限公司董事會

Introduction

We have reviewed the interim financial information which comprises the condensed consolidated statement of financial position as at 30 June 2021 of China Everbright Water Limited and its subsidiaries, and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board (the “IASB”).

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

我們已審閱所列中期財務資料，當中包括中國光大水務有限公司及其附屬公司於二零二一年六月三十日之簡明綜合財務狀況表，以及截至該日止六個月之相關簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及主要會計政策概要及其他附註解釋。《香港聯合交易所有限公司證券上市規則》規定，就中期財務資料而編製之報告必須符合當中訂明之相關條文，以及由國際會計準則理事會（「國際會計準則理事會」）頒佈的《國際會計準則》第34號「中期財務報告」（「國際會計準則第34號」）。

貴公司董事須負責根據國際會計準則第34號編製及呈報本中期財務資料。我們的責任，是根據審閱結果，對本中期財務資料作出結論，並按照雙方所協定之委聘書條款僅向董事會報告。除此之外，本報告不可用作其他用途。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。

Report on Review of Interim Financial Information 中期財務資料審閱報告**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young LLP
*Public Accountants and
Chartered Accountants*
Singapore

11 August 2021

審閱範圍

我們已根據《國際審閱工作準則》第 2410 號「實體獨立審計師對中期財務資料的審閱」進行審閱工作。審閱中期財務資料主要包括向負責財務及會計事務之人員作出查詢，以及進行分析性及其他審閱程序。由於審閱之範圍遠較根據國際審計準則進行審計之範圍為小，所以不能保證我們會知悉所有在審計中可能發現之重大事項。因此，我們不會發表任何審計意見。

結論

根據我們的審閱結果，我們並無發現任何事項而令我們相信中期財務資料在任何重大方面未有根據國際會計準則第 34 號編製。

安永會計師事務所
*公共會計師與
特許會計師*
新加坡

二零二一年八月十一日



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

www.ebwater.com

