

CHINA EVERBRIGHT INTERNATIONAL LIMITED  
中國光大國際有限公司

(stock code: 257) (股份編號: 257)



2005  
ANNUAL REPORT 年報

## Corporate Profile

China Everbright International Limited (“the Company”, and together with its subsidiaries “the Group”) is a fast growing business conglomerate focusing on environmental protection, infrastructure and property investment in the PRC. Its major infrastructure investment projects include Shenzhen Mawan Power Company Limited and Fuzhou Qingzhou Bridge, while property investment projects include Far East Finance Centre and Lippo Centre in Hong Kong and Zhongshan Garden in Shenzhen etc. In recent years, the Group actively explores the environmental protection business, where it has made significant progress in both waste-to-energy incineration as well as urban sewage treatment in various locations, including Suzhou, Qingdao, Yixing and Zibo etc. With its management vision, expertise and flexibility, as well as the strong parental support from China Everbright Holdings Company Limited, the Group is fully prepared to further expand its foothold in the environmental protection sector on nationwide basis, with the aim of becoming the leading player in the environmental protection and infrastructure businesses in the PRC.

## 企業簡介

中國光大國際有限公司（「本公司」，連同其附屬公司合稱「本集團」）為一家發展迅速的中國綠色環保、基建及物業投資綜合企業。旗下主要基建項目包括深圳媽灣電力有限公司及福州青洲大橋；而物業項目則包括香港的遠東金融中心、力寶中心及深圳的中山花園等。近年，本集團積極拓展環保領域，並在垃圾焚燒發電以及污水處理項目方面取得了長足進展，業務地點包括蘇州、青島、宜興及淄博等。在洞悉市場、經驗豐富以及靈活務實的管理層帶領下，憑藉母公司中國光大集團有限公司的全力支持，本集團將蓄勢待發，進一步在環保領域作全國性拓展，致力成為國內環保及基建業務的翹楚。

## Contents 目錄



Corporate Information 公司資料	2	Report of the Auditors 核數師報告	85
Financial Highlights 財務概況	4	Consolidated Income Statement 綜合損益表	87
Corporate Milestones 企業大事紀要	6	Consolidated Balance Sheet 綜合資產負債表	88
Chairman's Statement 主席報告	10	Balance Sheet 資產負債表	90
Chief Executive Officer's Report 行政總裁報告	14	Consolidated Statement of Changes in Equity 綜合權益變動表	92
Project Highlights 項目摘要	40	Consolidated Cash Flow Statement 綜合現金流量表	94
Directors and Senior Management 董事及高層管理人員	47	Notes to the Financial Statements 財務報表附註	96
Corporate Governance Report 企業管治報告書	52	Five Year Summary 五年業績概要	213
Report of the Directors 董事會報告	66	Major Properties held by the Group 本集團所持有之主要物業	215

## Corporate Information 公司資料

### Directors

#### *Executive Directors*

WANG Mingquan (*Chairman*)  
ZANG Qiutao (*Vice-chairman*)  
LI Xueming (*Vice-chairman*)  
CHEN Xiaoping (*Chief Executive Officer*)  
FAN Yan Hok, Philip (*General Manager*)  
HUANG Chaohua (*Deputy General Manager*)  
WONG Kam Chung, Raymond (*Chief Financial Officer*)  
CHEN Shuang  
ZHANG Weiyun

#### *Independent Non-executive Directors*

Sir David AKERS-JONES  
LI Kwok Sing, Aubrey  
MAR Selwyn

### Qualified Accountant

WONG Kam Chung, Raymond

### Company Secretary

POON Yuen Ling

### Registered office

Room 2703, 27th Floor  
Far East Finance Centre  
16 Harcourt Road, Hong Kong

### 董事

#### *執行董事*

王明權 (主席)  
臧秋濤 (副主席)  
李學明 (副主席)  
陳小平 (行政總裁)  
范仁鶴 (總經理)  
黃朝華 (副總經理)  
黃錦聰 (財務總監)  
陳爽  
張衛云

#### *獨立非執行董事*

鍾逸傑爵士  
李國星  
馬紹援

### 合資格會計師

黃錦聰

### 公司秘書

潘婉玲

### 註冊辦事處

香港夏慤道十六號  
遠東金融中心  
二十七樓二七零三室

## Corporate Information 公司資料

### Principal bankers

CITIC Ka Wah Bank, Limited  
Fubon Bank (Hong Kong) Limited  
The Bank of East Asia, Limited  
China Everbright Bank Co., Limited  
China Minsheng Banking Corp., Ltd.  
CITIC Industrial Bank  
Industrial and Commercial Bank of China

### Solicitors

Woo, Kwan, Lee & Lo  
Grandall Legal Group (Beijing)

### Auditors

KPMG

### Registrars

Tengis Limited  
26/F, Tesbury Centre, 28 Queen's Road East  
Wanchai, Hong Kong

### Website

[www.ebchinaintl.com](http://www.ebchinaintl.com)

### Stock Code

257

### 主要往來銀行

中信嘉華銀行有限公司  
富邦銀行(香港)有限公司  
東亞銀行有限公司  
中國光大銀行股份有限公司  
中國民生銀行股份有限公司  
中信實業銀行  
中國工商銀行

### 律師

胡關李羅律師行  
國浩律師集團(北京)事務所

### 核數師

畢馬威會計師事務所

### 股份過戶登記處

登捷時有限公司  
香港灣仔皇后大道東二十八號  
金鐘匯中心二十六樓

### 電子網址

[www.ebchinaintl.com](http://www.ebchinaintl.com)

### 股份編號

257

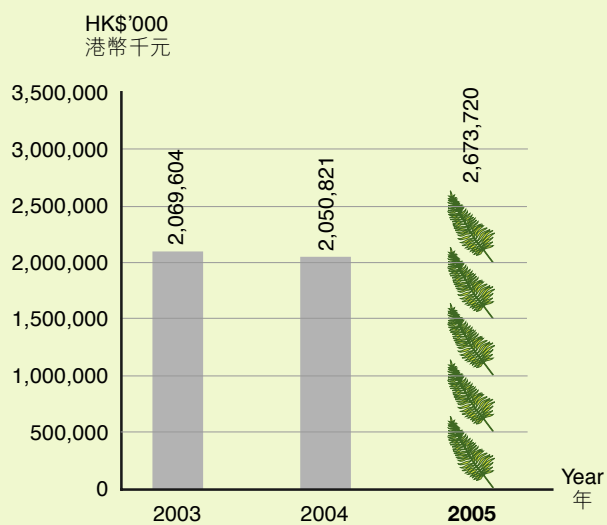


## Financial Highlights 財務概況

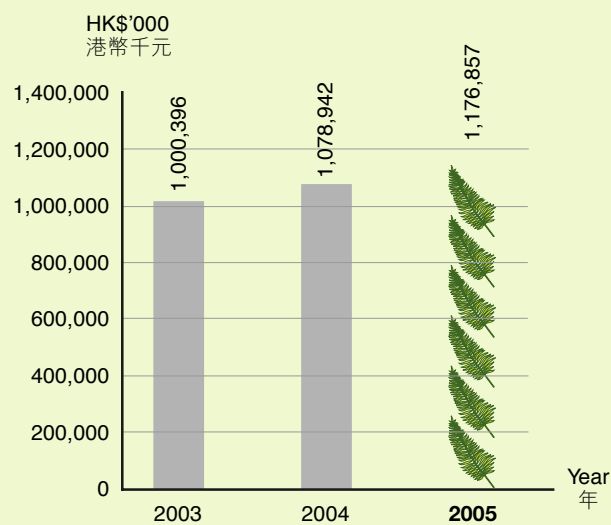
		2005 二零零五年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	Percentage Change 百分比 變動
<b>RESULTS</b>				
<b>業績</b>				
Turnover	營業額	<b>133,823</b>	65,244	105%
Earnings before interest and tax	除利息及稅項前盈利	<b>141,066</b>	113,504	24%
Profit attributable to shareholders	股東應佔盈利	<b>105,330</b>	86,776	21%
Return on shareholders' equity (%)	股東資金回報(%)	<b>9.34</b>	8.35	1%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	<b>4.13</b>	3.41	21%
<b>FINANCIAL POSITION</b>				
<b>財務狀況</b>				
Total assets	資產總額	<b>2,673,720</b>	2,050,821	30%
Total liabilities	負債總額	<b>1,404,535</b>	968,685	45%
Shareholders' equity	股東權益	<b>1,176,857</b>	1,078,942	9%
Net asset value per share (HK\$)	每股資產淨值(港幣元)	<b>0.461</b>	0.423	9%
Gearing (%)	資產負債比率(%)	<b>53</b>	47	6%
Current ratio (%)	流動比率(%)	<b>220</b>	716	-496%
Interest cover (%)	利息覆蓋比率(%)	<b>440</b>	479	-39%
<b>MARKET INFORMATION</b>				
<b>市場資料</b>				
Share price at year end (HK\$)	年終時之股價(港幣元)	<b>0.385</b>	0.500	-23%
Price earnings ratio at year end (times)	年終時之市盈率(倍)	<b>9</b>	15	-40%
Market capitalisation at year end	年終時之資本市值	<b>982,448</b>	1,274,406	-23%

## Financial Highlights 財務概況

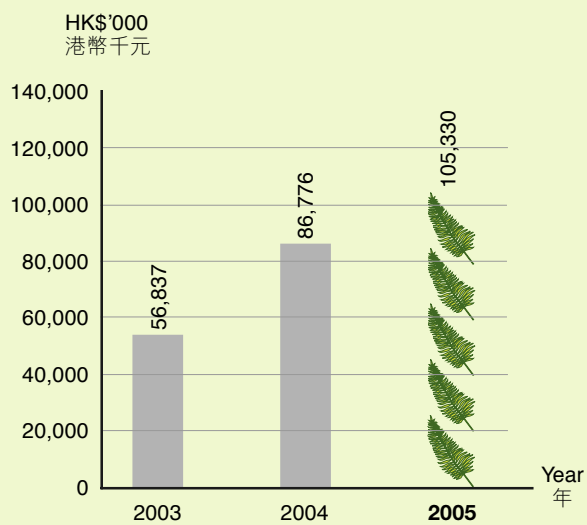
**Total assets**  
資產總額



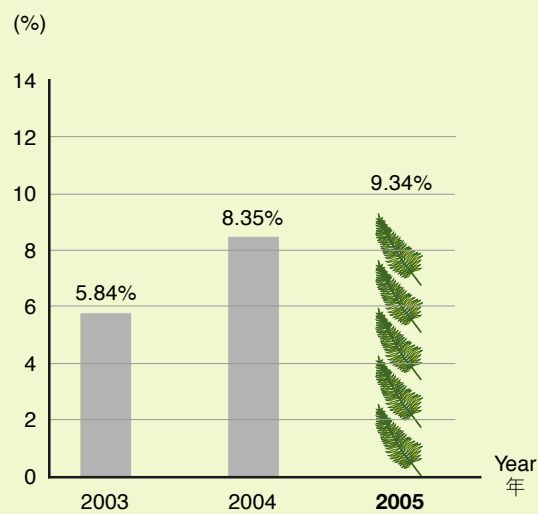
**Net assets**  
淨資產



**Profit attributable to shareholders**  
股東應佔盈利



**Return on shareholders' equity (%)**  
股東資金回報率(%)



## Corporate Milestones 企業大事紀要

### 2005

- January
- Commencement of the charging of waste water treatment service charges upon the commencement of commercial operation of Qingdao Waste Water Treatment Project
  - Formalized the management structure of the environmental protection business, duly established China Everbright Environmental Protection Holdings Limited and China Everbright Environmental Energy Limited, and China Everbright Environmental Protection Investment Limited to be renamed as China Everbright Water Investments Limited
- February
- CEH entered into a framework agreement with Shenzhen Municipal Government for long-term strategic cooperation, under which the scope of cooperation in the environmental protection field was established
- March
- Foundation work of the SuNeng Waste-to-energy Project completed. The company in charge of installation work commenced on-site works
  - Entered into a framework letter of intent in respect of methane-to-energy project with Suzhou Municipal Government
  - Entered into a framework letter of intent in respect of waste-to-energy project with Yixing Municipal Government

### 二零零五年

- 一月
- 青島污水處理項目正式開始商業運營並收取污水處理費
  - 落實環保業務管理架構調整，成立中國光大環保控股有限公司和中國光大環保能源有限公司；中國光大環保投資有限公司確定更名為中國光大水務投資有限公司
- 二月
- 光大集團與深圳市政府簽訂長期合作框架協議，落實了環保方面的合作領域
- 三月
- 蘇能垃圾焚燒發電項目土建工程基礎出零米，安裝公司進場
  - 與蘇州市政府簽署沼氣發電項目框架性合作意向書
  - 與宜興市政府簽署垃圾焚燒發電項目框架性合作意向書



## Corporate Milestones 企業大事紀要



- |       |   |    |  |
|-------|---|----|--|
|       | <ul style="list-style-type: none"><li>• Entered into the “engineering, procurement and construction contract”, the “equipment supply contract” and the “service contract” with the consortium led by Veolia, with the aim of accelerating the construction for the extension to Qingdao Maidao Waste Water Treatment Plant</li></ul>  |    | <ul style="list-style-type: none"><li>• 與以威立雅為首之聯合體分別訂立「工程·採購及建築合同」、「設備供應合同」及「服務合同」，全力推進青島污水處理項目之麥島擴建工程</li></ul>  |
| April | <ul style="list-style-type: none"><li>• Final result announcement for 2004, with profit attributable to shareholders amounted to HK\$86,776,000, representing an increase of 53% as compared to 2003</li><li>• Entered into an undertaking with the Construction Bureau of Yixing City in respect of the exclusive right to operate a waste-to-energy project in Yixing City, with a waste-to-energy plant to be constructed in Yixing City on BOT basis</li></ul>  | 四月 | <ul style="list-style-type: none"><li>• 公佈二零零四年度全年業績，錄得股東應佔盈利港幣86,776,000元，較二零零三年度增長百分之五十三</li><li>• 與宜興市建設局簽署宜興市垃圾焚燒發電項目「特許經營權承諾書」，計劃以BOT模式於宜興市建設垃圾焚燒發電廠</li></ul>                |
| May   | <ul style="list-style-type: none"><li>• Held Annual General Meeting of 2005</li></ul>   | 五月 | <ul style="list-style-type: none"><li>• 舉行二零零五年度股東週年大會</li></ul>   |
| June  | <ul style="list-style-type: none"><li>• Restructuring of the management structure of the environmental protection business completed. Everbright Environmental Protection Industry (Shenzhen) Company Limited was formally renamed as Everbright Environmental Protection Engineering (Shenzhen) Company Limited</li><li>• Entered into a framework letter of intent with Zibo Municipal Government, under which the scope of cooperation in the environmental protection field between the Group and Zibo City was established</li><li>• Installation work of the boiler for SuNeng Waste-to-energy Project commenced upon completion of defects inspection for the boiler</li></ul> | 六月 | <ul style="list-style-type: none"><li>• 完成環保業務管理架構調整，光大環保實業(深圳)有限公司正式更名為光大環保工程技術(深圳)有限公司</li><li>• 與淄博市政府簽署框架性合作意向書，落實了本集團與淄博市環保方面的合作領域</li><li>• 蘇能垃圾發電項目完成汽輪機基礎交付安裝里程碑</li></ul> |

## Corporate Milestones 企業大事紀要

- |           |  |    |   |
|-----------|--|----|---|
| July      | <ul style="list-style-type: none"> <li>Entered into a framework letter of intent in respect of the construction of Suzhou Everbright Environmental Protection Industrial Zone with the Municipal Government of Mudu Town, Wuzhong District, Suzhou, under which the scope of cooperation in respect of the Zone was established</li> </ul>   | 七月 | <ul style="list-style-type: none"> <li>與蘇州市吳中區木瀆鎮人民政府簽署建設蘇州市光大環保產業園框架性合作意向書，落實了產業園方面的合作領域</li> </ul>  |
| August    | <ul style="list-style-type: none"> <li>Entered into a framework letter of intent with Jinan Municipal Government, under which the scope of cooperation in the environmental protection field between the Group and Jinan City was established</li> </ul>   | 八月 | <ul style="list-style-type: none"> <li>與濟南市政府簽署框架性合作意向書，落實了本集團與濟南市環保方面的合作領域</li> </ul>  |
| September | <ul style="list-style-type: none"> <li>Interim result announcement for 2005, with profit attributable to shareholders amounted to HK\$62,005,000, representing an increase of 38% as compared to the same period of 2004</li> <li>Incorporation of Everbright Environmental Energy (Yixing) Limited. Construction work for Yixing waste-to-energy plant duly commenced on 28 September</li> <li>Entered into the “asset transfer agreement”, the “concession right agreement”, the “waste water treatment service agreement” and the “Zibo waste water treatment project agreement” with Zibo Municipal Government, Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company to acquire Zibo Waste Water Treatment Project on TOT basis</li> </ul> | 九月 | <ul style="list-style-type: none"> <li>公佈二零零五年度中期業績，錄得股東應佔盈利港幣62,005,000元，較二零零四年度同期數增長百分之三十八</li> <li>光大環保能源(宜興)有限公司註冊成立，宜興市垃圾焚燒發電項目於九月二十八日正式動工</li> <li>與淄博市政府、淄博市財政局及淄博環保污水有限公司就淄博市污水處理項目簽訂「資產轉讓協議」、「特許經營協議」、「污水處理服務協議」及「淄博污水處理項目協議書」，以TOT模式收購淄博污水處理項目</li> </ul> |
| October   | <ul style="list-style-type: none"> <li>Dormitory building of SuNeng Waste-to-energy Project was ready for use</li> <li>Foundation laying for the methane-to-energy project in Suzhou Everbright Environmental Protection Industrial Zone completed</li> <li>As the sole co-organizer, jointly held the “Everbright Environment Trophy: The First Environmental Arts, Photo and Calligraphy Exhibition in the PRC” at the National Museum of China with six ministries and commissions including the National Environmental Protection Agency</li> </ul>  | 十月 | <ul style="list-style-type: none"> <li>蘇能垃圾焚燒發電項目生活樓投入使用</li> <li>蘇州市光大環保產業園沼氣發電項目奠基</li> <li>與國家環保總局等國家六部委合作，獨家協辦「光大環保杯-首屆全國環保美術書法攝影展」，於中國國家博物館展出</li> </ul>   |

## Corporate Milestones 企業大事紀要

- |          |  |     |   |
|----------|--|-----|---|
| November | <ul style="list-style-type: none"><li>• As the sole co-organizer, jointly held the “Everbright Environment Soiree: Environmental Protection Stars In Concert” at Beijing Workers Coliseum with six ministries and commissions including the National Environmental Protection Agency</li></ul>   | 十一月 | <ul style="list-style-type: none"><li>• 與國家環保總局等國家六部委合作，獨家協辦「光大環保之夜-環保志願者群星演唱會」，於北京工人體育館舉行</li></ul>  |
| December | <ul style="list-style-type: none"><li>• SuNeng Waste-to-energy Project successfully “supplied electricity to the electricity transmission network of the city” upon completion of five engineering works milestones, establishing a new record for high quality engineering works</li><li>• Upon completion of the hand-over of Zibo Waste Water Treatment Project, formally took charge of the operation of the same, including the collection of waste water treatment charge and the repair/replacement works of equipment also commenced</li><li>• Foundation laying for the disposal centre for industrial solid waste in Suzhou Everbright Environmental Protection Industrial Zone completed</li><li>• Incorporation of the Beijing Representative Office of China Everbright International Limited</li></ul> | 十二月 | <ul style="list-style-type: none"><li>• 蘇能垃圾發電項目完成五個工程里程碑，成功實現「倒送電」，創造了一項新的高密度的工程建設記錄</li><li>• 完成淄博污水處理項目交接，正式接管運營收取污水處理費，並開始實施設備更新改造工程</li><li>• 蘇州市光大環保產業園工業固體廢物安全填埋項目奠基</li><li>• 香港中國光大國際有限公司北京代表處註冊成立</li></ul> |

### 2006

- |         |  |    |  |
|---------|--|----|--|
| January | <ul style="list-style-type: none"><li>• Successfully secured a waste-to-energy project in Jiangyin City, thereby further consolidating the leading position of the Group in the waste-to-energy field in Jiangsu Province</li><li>• Test running for SuNeng Waste-to-energy Project commenced</li><li>• Everbright Environmental Protection Engineering (Shenzhen) Company Limited received the licence of “Main Contractor for Municipal Public Works” and obtained three certificates, namely the ISO9001:2000 International Quality Assurance System Certificate, the ISO-14001 Environmental Management System Certificate and the OHSMS28001 Occupational Health and Safety Management System Certificate</li></ul> | 一月 | <ul style="list-style-type: none"><li>• 成功取得江陰市垃圾焚燒發電項目，進一步鞏固本集團於江蘇省垃圾焚燒發電項目的領先地位</li><li>• 蘇能垃圾發電項目進入調試階段</li><li>• 光大環保工程技術(深圳)有限公司取得市政公用工程總承包資質證書並通過質量／環境／職業健康安全管理体系 (ISO9001:2000、ISO-14001、OHSMS28001) 三項認證</li></ul> |
| March   | <ul style="list-style-type: none"><li>• Foundation laying for the Jiangyin waste-to-energy project completed</li></ul>   | 三月 | <ul style="list-style-type: none"><li>• 江陰垃圾焚燒發電項目奠基</li></ul>   |

Carry forward the spirit of  
China Everbright  
Strive to establish a renowned  
Environmental Protection brand

發揚光大精神  
爭創環保名牌



## Chairman's Statement 主席報告

The PRC economy achieved a rapid growth in 2005. Benefiting from the continuous growth in economy, the living standard of Chinese people has also been rising. The Central Government has formulated various environmental protection policies to encourage corporations to develop environmental protection business. Given the stable business environment and in the face of the said favorable opportunity, the Group, on the one hand, prudently managed and operated its infrastructure investment business and property investment business, and on the other hand, continued to create high quality environmental protection projects, so as to shift gradually from an investment management group to an investment group with more operational capabilities. The Group aims to expand its environmental protection business, making it one of its three main focuses of business development.

中國經濟於二零零五年保持高速增長，人民生活素質不斷提高。中央政府亦加大力度制定相關政策對環境保護，鼓勵企業開拓環保業務。面對上述的機遇及處身穩定的營商環境，本集團在穩步經營及管理基建及物業兩大投資業務的基礎上，不斷發展環保品牌項目，逐步從投資管理集團轉型為投資經營集團，將環保業務做强做大，成為三大業務發展支柱之一。

## Chairman's Statement 主席報告

During the year under review, the Group continued to achieve improvement in its operating results. The overall financial position of the Group was sound. Apart from registering strong cash flow, the Group also recorded an increase in return on asset. Profit attributable to equity shareholders of the Company for the year amounted to HK\$105,330,000, representing an increase of 21% over HK\$86,776,000 of the previous year. The increase was mainly attributable to the steady growth in traffic flow of Qingzhou Bridge and the increase in profits on property investments. In addition to Qingdao Waste Water Treatment Project ("Qingdao Project"), the newly acquired Zibo Waste Water Treatment Project ("Zibo Project") also started to make profit contribution to the Group in December 2005, which has further enhanced the earning base of the Group.

Given the Group's healthy financial position and as a token of gratitude to the support of the equity shareholders of the Company, the Board proposed to pay a final dividend of HK0.6 cent per share to the equity shareholders of the Company. Together with the interim dividend of HK0.6 cent per share for 2005, total dividends for the year amounted to HK1.2 cent per share (2004: HK1 cent per share).

Envisaging that there is enormous potential for the development of environmental protection business, the Group has decided to develop the same as its core business and undertaken several new projects during the year under review. In April 2005, the Group entered into an undertaking to construct a waste-to-energy plant in Yixing City of Jiangsu Province on BOT basis. In September 2005, the Group acquired two waste water treatment plants in Zibo City of Shandong Province on TOT basis. In October 2005, the foundation laying of the methane-to-energy plant ("Methane-to-energy Project") in Suzhou Everbright Environmental Protection Industrial Zone ("the Zone") completed. In December 2005, the foundation laying of the disposal centre for industrial solid waste ("Solid Waste Disposal Project") in the Zone completed. In January 2006, the Group successfully obtained the exclusive rights of operation for the waste-to-energy plant in Jiangyin City of Jiangsu Province. Through the abovementioned new investments, the Group has successfully established a strong strategic position in Jiangsu Province, while commanding a leading market position in the industry.

回顧年度內，本集團持續錄得經營業績增長，整體財務狀況健康，現金流強勁及資產收益率上升，全年股東應佔盈利港幣105,330,000元，較去年之港幣86,776,000元上升21%。股東應佔盈利錄得增長，主要由於青洲大橋車流量穩步上升及物業投資利潤增加。此外，繼青島污水處理項目（「青島項目」）後，新收購的淄博污水處理項目（「淄博項目」）亦於二零零五年十二月開始為本集團提供利潤，進一步擴闊本集團的盈利基礎。

為回饋股東的支持及經考慮本集團穩健的財務狀況，董事會建議向股東派發末期股息每股0.6港仙，連同二零零五年度中期股息每股0.6港仙，全年股息每股1.2港仙（二零零四年：每股1港仙）。

有見於環保產業擁有龐大發展潛力，本集團銳意將環保業務建設為核心業務。於回顧年度內，本集團成功推進了多個新項目。二零零五年四月簽約於江蘇省宜興市以BOT模式建設垃圾焚燒發電廠；九月，以TOT模式收購山東省淄博市兩個污水處理廠；十月，蘇州市光大環保產業園（「產業園」）沼氣發電項目（「沼氣項目」）奠基；十二月，產業園工業固體廢物安全填埋項目（「固廢項目」）奠基；二零零六年一月亦落實取得江蘇省江陰市垃圾焚燒發電廠特許經營權。通過上述新項目的投資，本集團目前已成功在江蘇省建立具策略性地域的投資，處於市場的領導地位。

## Chairman's Statement 主席報告

Leveraging on its experience and expertise, the Group commenced to construct the first comprehensive environmental protection industrial zone for all types of urban solid waste in the PRC, i.e. the Zone, during the year under review. The Zone will comprise the first wholly-owned environmental protection project to be constructed by the Group, i.e. SuNeng Waste-to-energy Project ("SuNeng Project"), the said Methane-to-energy Project and Solid Waste Disposal Project which completed the foundation laying during the year and some other projects. Among which, SuNeng Project and Methane-to-energy Project are expected to commence commercial operation in the second half of 2006, while the commercial operation of Solid Waste Disposal Project is expected to start in the beginning of 2007. The Group believes that the Zone, which is expected to become the base for environmental education and promotion in Suzhou, will be the model for the development of related projects in the future.

The development of the Group's waste water treatment business has been satisfactory. Following the commencement of commercial operation of Qingdao Project during the year and the construction for the extension to Qingdao Maidao Waste Water Treatment Plant, the Group entered into an acquisition agreement with Zibo Municipal Government in September 2005 and formally took charge of Zibo Project in December 2005. Through investing in Qingdao Project and Zibo Project, the Group successfully established a solid business base in Shandong Province. The Group is now under negotiation with Jinan Municipal Government for cooperation in environmental protection projects, which is expected to further expand the business development of the Group in the region.

憑藉以往的寶貴經驗，本集團在回顧年度內興建中國首個集中處置整個城市所有固體廢物的綜合環保產業園—「產業園」。這個項目包括本集團首個全資投資及建設的環保項目—蘇能垃圾焚燒發電項目（「蘇能項目」）、以及年內已奠基之沼氣項目及固廢項目和其他項目等等。其中蘇能項目及沼氣項目俱預計可於二零零六年下半年投入運行，至於固廢項目則計劃於二零零七年初開始運行。本集團相信此產業園區將成為蘇州市的環保宣傳教育基地，為本集團未來發展相關項目起了示範的作用。

此外，本集團的環保水務業務亦取得理想的發展。繼青島項目於年內投入營運及開始建設麥島擴建工程後，本集團於二零零五年九月與淄博市政府簽署收購協議，並於十二月正式接管淄博項目。通過投資青島項目與淄博項目，本集團已於山東省建立穩固的業務基礎。本集團目前亦正與濟南市政府商洽於環保領域的合作計劃，有關合作將可進一步拓大本集團於此區域的業務發展。

## Chairman's Statement 主席報告

In 2004, China Everbright Holdings Company Limited (“CEH”) duly positioned the environmental protection business as one of its three main focuses of business development. In compliance with the objective of building a compassionate society under the Eleventh Five-year plan implemented by the Central Government and to comply with the “Decision on the promotion of technological development and the enhancement of environmental protection” published by the State Council, the Group will, by leveraging on its strong competitiveness in the waste-to-energy, waste water treatment and other environmental-related areas and the strong support from CEH, continue to produce quality projects. While striving to develop itself as a leader in the environmental protection business and infrastructure investment in the PRC, the Group steadfastly endeavors to create an appealing communal living environment for the society.

Finally, on behalf of the Group, I would like to express my heartfelt gratitude for the unfailing support, trust and effort of all our equity shareholders, members of the Board, the management and staff members. With our persistent effort, I have full confidence that the Group will achieve steady growth in the future and provide satisfactory return for all shareholders.

**Wang Mingquan**

*Chairman*

Hong Kong, 28 March 2006

二零零四年度，中國光大集團有限公司（「光大集團」）正式確立環保業務為其三大業務發展支柱之一，為環保業務清晰定位。展望未來，配合中央政府致力建設和諧社會所下達的第十一個五年計劃，以及國務院《關於落實科學發展觀加強環境保護的決定》，本集團將利用此契機，透過在垃圾焚燒發電、污水處理及其他環保相關項目的獨特競爭優勢，加上「光大集團」強大的支持，貫徹打造精品項目，致力成為中國具領導地位的綠色環保及基建投資產業集團，為社會創造理想的生活環境服務。

最後，本人謹此向全體股東、董事會成員、管理層及所有員工致以衷心謝意，感謝他們一直以來對本集團的支持、信任及貢獻。本人深信，憑藉我們的不懈努力，本集團業務將持續穩定增長，並為股東帶來豐碩的回報。

**王明權**

*主席*

香港，二零零六年三月二十八日

## Chief Executive Officer's Report 行政總裁報告

### OPERATING RESULTS

The PRC economy continued to achieve substantial growth in 2005. The gross domestic product for 2005 increased by 9.9%. Given the increasing concern over the ecosystem issue in the PRC, coupled with the continuous efforts of the Central Government in promoting environmental protection, the environmental protection industry has been developing at a rapid pace, resulting in enormous business opportunities in the market. As such, the Group has been actively exploring the environmental protection field to broaden its

### 經營業績

二零零五年，中國經濟持續發展，全年國內生產總值較上年增長9.9%，勢頭強勁。隨著國內對生態環境問題關注程度日益增加，加上中央政府不斷推進環境保護的工作，環保產業的迅速發展，造就了龐大的商機。本集團自二零零三年開始大力發展環保業務，擴闊業務基礎，為股東爭取最佳回報。回顧年度內，本集團繼續積極審慎地開拓環保業務，並成功取得多個新環保項目，





## Chief Executive Officer's Report 行政總裁報告

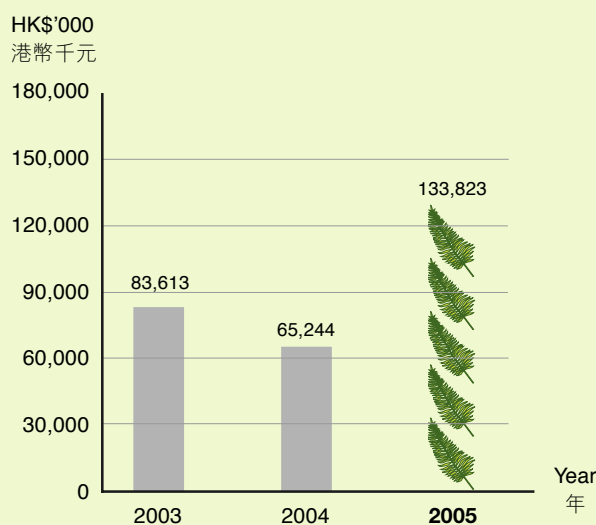
business base since 2003, so as to maximize returns to equity shareholders of the Company. During the year under review, the Group continued to prudently develop its environmental protection business and successfully secured a number of new environmental protection projects. Meanwhile, the environmental protection projects in operation have started to make profit contribution to the Group, becoming new profit drivers of the Group.

For the year ended 31 December 2005, the Group achieved satisfactory results, registering increase in turnover. The infrastructure investment business and the property investment business continued to be the Group's major profit contributors, their operating results increased as compared with the previous year. As regards the environmental protection business, it has started to make profit contribution to the Group and there is much room for its future growth. During the year under review, profit attributable to equity shareholders of the Company amounted to HK\$105,330,000 (excluding the net profit of Everbright Environmental Protection Engineering (Shenzhen) Company Limited ("Everbright Environmental Engineering") of HK\$24,206,000), representing an increase of 21% as compared with HK\$86,776,000 of the previous year, amongst which: (i) Shenzhen Mawan Power Company Limited ("Mawan Power") contributed an attributable profit of HK\$68,034,000; (ii) the traffic flow of Qingzhou Bridge

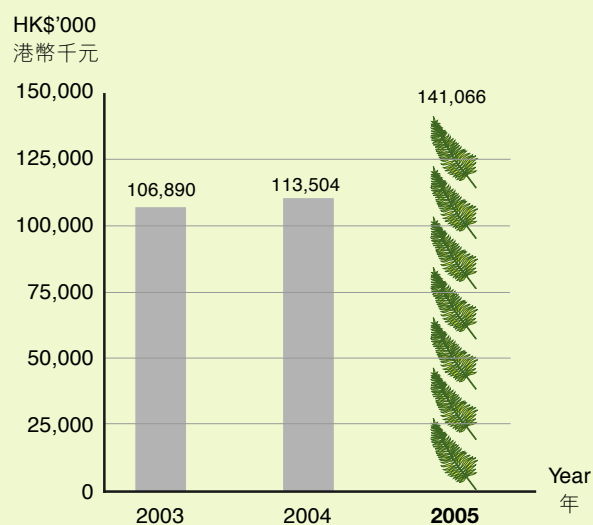
而進入經營期的環保項目亦開始為本集團貢獻盈利，形成新的利潤增長點。

截至二零零五年十二月三十一日止年度，本集團取得理想的業績，營業額錄得升幅。基建與物業投資業務繼續為本集團之主要盈利來源，整體利潤貢獻較去年上升，而環保業務亦開始為本集團貢獻盈利，未來增長潛力龐大。於回顧年度，本集團錄得股東應佔盈利港幣105,330,000元（不含光大環保工程技術（深圳）有限公司（「光大環保工程」）錄得淨利潤港幣24,206,000元），較去年之港幣86,776,000元增加21%。其中(i) 深圳媽灣電力有限公司（「媽灣電力」）貢獻應佔利潤港幣68,034,000元；(ii) 青洲大橋車流量持續增長，錄得應佔利潤港幣

**Turnover**  
營業額



**Earnings before interest and tax**  
除利息及稅項前盈利



## Chief Executive Officer's Report 行政總裁報告

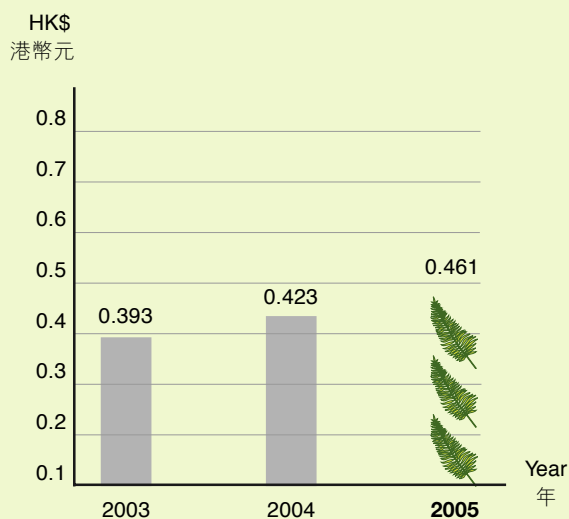
continued to grow, recording an attributable profit of HK\$27,427,000; (iii) the waste water treatment project in Qingdao ("Qingdao Project") contributed an attributable profit of HK\$12,628,000; (iv) property investments contributed a profit after taxation of HK\$11,530,000; and (v) the pick-up of property prices brought about valuation gains on investment properties of HK\$25,230,000. Basic earnings per share for the year amounted to HK4.13 cents, representing an increase of HK0.72 cent as compared with HK3.41 cents for the previous year. During the year under review, the Group's consolidated turnover amounted to HK\$133,823,000, representing an increase of 105% as compared with HK\$65,244,000 of the previous year, which is mainly attributable to the profit contribution from environmental protection projects, as well as the continual growth in the toll bridge revenue of Qingzhou Bridge.

Given the Group's healthy financial position and as a token of gratitude to the support by the equity shareholders of the Company, the Board proposed to pay a final dividend of HK0.6 cent per share to the equity shareholders of the Company. Together with the interim dividend of HK0.6 cent per share for 2005, total dividends for the year amounted to HK1.2 cent per share (2004: HK1 cent per share). Based on the share price of HK\$0.385 of the Company on 31 December 2005, the dividend yield is 3.12%.

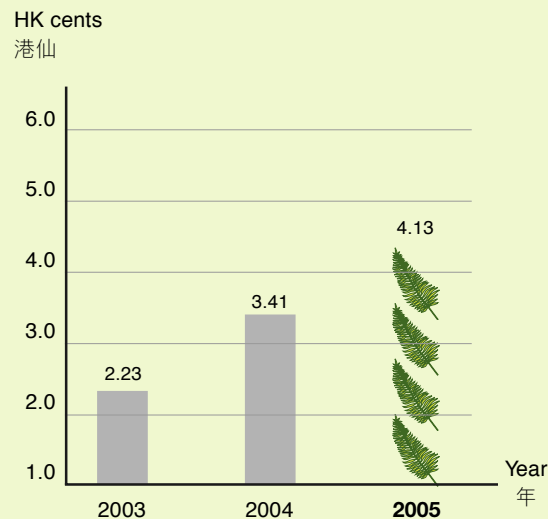
27,427,000元；(iii) 青島污水處理項目（「青島項目」）貢獻應佔利潤港幣12,628,000元；(iv) 物業投資貢獻稅後利潤港幣11,530,000元；(v) 物業價格回升錄得投資物業估值盈餘港幣25,230,000元。全年每股基本盈利4.13港仙，較去年之3.41港仙增加0.72港仙。回顧年內，本集團綜合營業額為港幣133,823,000元，較去年之港幣65,244,000元上升105%，主要由於環保項目已開始貢獻盈利，加上青洲大橋收入持續增長所致。

為回饋股東的支持及經考慮集團穩健的財務狀況，董事會建議向股東派發末期股息每股0.6港仙，連同二零零五年度中期股息每股0.6港仙，全年股息每股1.2港仙（二零零四年：每股1港仙）。按照二零零五年十二月三十一日公司股價港幣0.385元計算之股息率為3.12%。

**Net assets value per share**  
每股資產淨值



**Basic earnings per share**  
每股基本盈利



# Chief Executive Officer's Report 行政總裁報告

## INFRASTRUCTURE INVESTMENT

### Energy supply

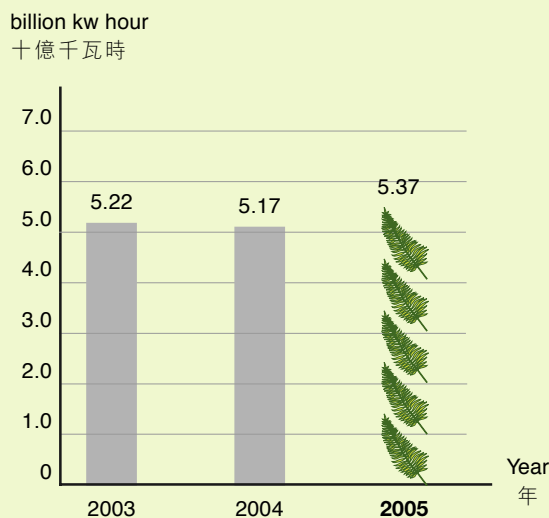
During the year under review, Mawan Power overhauled its machineries and facilities to enhance its operating efficiency. Apart from this, the maintenance period has also been shortened, which effectively extended the period for the sale of electricity. During the year ended 31 December 2005, Mawan Power generated a total of 5.37 billion kilowatt-hour of electricity, representing an increase of 4% as compared with 5.17 billion kilowatt-hour for the previous year. The ongoing surge in the prices of coal and fuel in the PRC during the year has brought pressure on the operating cost of Mawan Power. To deal with the situation, Mawan Power carried out strict cost control measures and exerted efforts to enhance production efficiency and operations management. In addition to the above-mentioned, with effect from May 2005, Mawan Power increased the up-loading electricity tariffs following the government approval of fuel-cost adjustment mechanism, which successfully relieved the adverse effect and pressure arising from the drastic surge in the prices of coal and fuel. In 2005, attributable profit after taxation from Mawan Power amounted to HK\$68,034,000. With a strong cash position and without any bank borrowings, Mawan Power maintained a very sound financial position and continued to make high dividend payout. During the year, Mawan Power paid cash dividend of HK\$99,818,000 to the Group.

## 基建投資

### 能源供應

於回顧年度，媽灣電力全面檢修機組設備以提升營運效率，並將縮短維修期限，有效增加售電期。截至二零零五年十二月三十一日止年度，媽灣電力共提供53.7億千瓦時電力，較去年之51.7億千瓦時電力上升4%。年內，國內煤炭及燃油價格繼續飆升，導致經營成本受壓。媽灣電力通過實施嚴謹的成本控制措施，同時積極提升生產效率，改善經營管理。此外，二零零五年五月開始，根據國家採取上網電價與煤油漲價因素掛鈎，媽灣電力每度上網電價調增，成功減輕煤炭燃油價格上漲所帶來的衝擊及影響。二零零五年，本集團於媽灣電力的應佔稅後盈利為港幣68,034,000元。目前媽灣電力的資金充裕，財務狀況穩健，並沒有任何銀行負債，於回顧年度持續維持高派息政策，向本集團派發現金股息約港幣99,818,000元。

**Mawan Power**  
媽灣電力  
**Volume of electricity sold**  
售電量



## Chief Executive Officer's Report 行政總裁報告

Looking ahead, as the growth momentum of the PRC economy is expected to continue, the demand for electricity is expected to be great. While making every endeavor to put operating cost under control, Mawan Power will rationalize its resources to achieve economy of scale, thereby increasing the total electricity generated to meet the huge demand in the market. It is expected that Mawan Power will continue to operate in full capacity to provide reliable, safe and efficient electricity supply, and will continue to serve as a major profit source for the Group in the future.

### Toll bridge

During the year under review, Fuzhou City experienced frightful typhoon attack for four times. Against such unfavorable background, Qingzhou Bridge, by sticking to the operation principle of safety first, continued to have a healthy operation and achieved impressive development progress. Benefited from the continual growth in the traffic flow of the "Tungshan Expressway", the traffic flow of Qingzhou Bridge continued to rise significantly. Average daily traffic flow during the year ended 31 December 2005 increased to 22,186 standard vehicles, representing an increase of 23% as compared with 17,972 standard vehicles for the previous year. Operating profit before taxation for the year under review amounted to HK\$28,880,000, representing an increase of 70% as compared with the previous year. Taking into account the deferred tax credit and the share of profit of minority shareholders, the Group's attributable profit after taxation for the year amounted to HK\$27,427,000, representing an increase of 55% as compared with HK\$17,748,000 of the previous year. It is expected that the traffic flow of Qingzhou Bridge will rise further upon the opening of the highway to Fuzhou Airport in 2006. In view of the implementation of stricter control by the PRC government to deal with overloading vehicles, coupled with the charging of toll fee according to vehicle weight and the promotion of the production of environmentally friendly and energy-saving vehicles, the Group anticipates that traffic flow will continue to grow, which will benefit the healthy development of road and bridge infrastructure in the long run. Looking forward, the Group will enhance the management of Qingzhou Bridge and will increase promotional activities for the same, with the goal of enhancing its profit contribution for the Group.

展望未來，預計國內經濟持續增長，電力需求仍然強勁，媽灣電力將繼續控制成本，整合資源增加規模效益，提升發電量，以滿足市場龐大的需求。本集團預期媽灣電力將可持續滿負荷發電，為市場提供可靠、安全及有效率的電力供應，繼續成為本集團未來主要的盈利來源。

### 收費橋樑

回顧年度內，福州市經歷了四次強颱風襲擊，青洲大橋在堅持安全運營的前提下，繼續保持穩健的經營狀況，業務發展進程理想。隨著「同三綫」的客貨運不斷增長，青洲大橋車流量亦持續顯著增加。截至二零零五年十二月三十一日止年度，青洲大橋之平均日標準車流量已增加至22,186輛，較去年之17,972輛增加23%。此業務於回顧年度內錄得除稅前經營利潤港幣28,880,000元，較去年上升70%。計及應佔遞延稅項回撥與少數股東應佔利潤的因素，本集團的應佔稅後利潤為港幣27,427,000元，較去年之港幣17,748,000元增加55%。預計二零零六年福州市機場路開通以後，青洲大橋之車流量可進一步上升。此外，隨著全國治理公路車輛「超載超限」統一行動全面展開，加上中國政府實施公路車輛「計重收費」的政策及鼓勵生產環保及馬力較小之汽車，本集團預期車流量將持續增加，刺激路橋的長遠健康發展。展望未來，本集團將繼續加強青洲大橋的管理，擴大宣傳活動，致力提升其對本集團之盈利貢獻。

# Chief Executive Officer's Report 行政總裁報告

## PROPERTY INVESTMENT

### The PRC

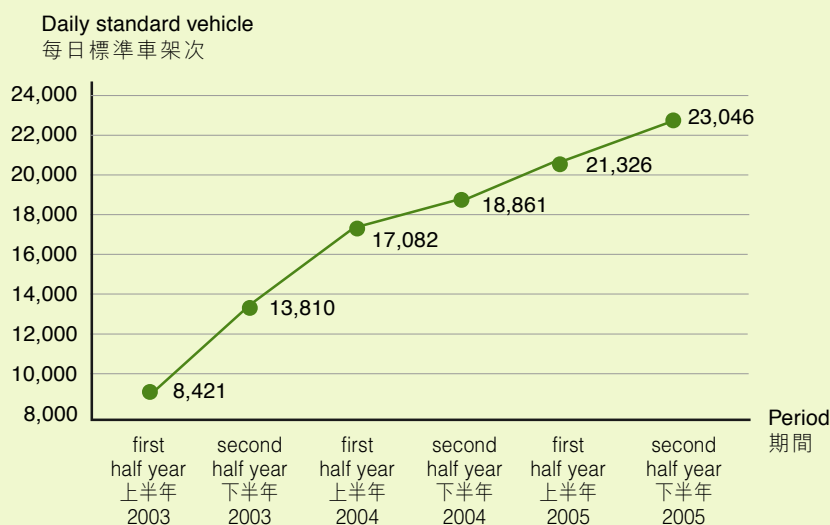
The Group holds a four-storey commercial podium in Shenzhen Zhongshan Garden ("the Property") as one of its major investment properties. The Property has been generating steady rental income and cash flow to the Group, and its major tenants include Walmart, Park'n Shop, McDonald, Agricultural Bank etc.,. During the year under review, as the Group increased the rent of certain major tenants pursuant to the lease agreements, rental income of the Property increased accordingly. The Property generated an operating profit of HK\$6,675,000 to the Group during the year. Benefiting from the increase in rental income and the appreciation of Renminbi exchange rate, the Group recorded valuation gains on investment properties of HK\$3,800,000 during the year. Besides, Shenzhen Zhongshan Property Management Limited, in which the Group holds 95% interest, recorded an attributable profit after taxation of HK\$576,000 during the year under review. And Shanghai Trade Square and International Apartments, in which the Group holds approximately 14% interest, has contributed a dividend income of HK\$1,135,000 to the Group.

## 物業投資

### 中國

本集團持有位於深圳中山花園之四層裙樓（「此物業」）作為其中一項主要投資物業，此物業一直為本集團帶來穩定的租金收入及現金流量。主要租戶包括沃爾瑪、百佳、麥當勞及中國農業銀行等。回顧年度內，本集團按照租賃合同調增了部份主要租戶的租金，增加了物業的租金收入。此物業於年內為本集團帶來港幣6,675,000元之經營盈利。鑒於租金收益以及人民幣匯率上升，本集團於年內錄得投資物業估值盈餘港幣3,800,000元。本集團持有95%權益之深圳中山物業管理有限公司於回顧年度內錄得應佔稅後盈利為港幣576,000元。至於本集團持有約14%權益之上海商貿大廈與國際公寓則為本集團提供股息收入港幣1,135,000元。

**Qingzhou Bridge**  
青洲大橋  
**Half year average traffic flow chart**  
半年平均車流量統計表



# Chief Executive Officer's Report 行政總裁報告

## Hong Kong

Stimulated by the continuing recovery of Hong Kong's economy and the development progress made by the finance, property and retail sectors in 2005, the demand for office premises increased. Due to the inadequate supply of new commercial premises, the prices for Grade A office buildings rebounded drastically during the year. Fuelled by the increase in rental and valuation, the Group recorded rental income of HK\$3,955,000 and valuation gain on investment properties of HK\$21,430,000 during the year under review. In 2005, the Group recorded a gain of HK\$916,000 on disposal of an investment property which has been held for many years.

## 香港

二零零五年，香港整體經濟持續復甦，金融、地產、零售等各行業蓬勃發展，勢頭強勁，刺激市場對寫字樓的需求增長。由於寫字樓缺乏新供應，年內甲級商廈之價格大幅反彈。因應物業租金及估值的增長，本集團於回顧年度內分別錄得租金收入港幣3,955,000元及投資物業估值盈餘港幣21,430,000元。二零零五年度，本集團出售一項已持有多年之投資物業，錄得出售利潤港幣916,000元。



Zhongshan Garden  
中山花園



Far East Finance Centre  
遠東金融中心



Lippo Centre  
力寶中心

## ENVIRONMENTAL PROTECTION BUSINESS

During the year under review, with a determination to construct high quality projects and to become an investment operation conglomerate, the Group, on the one hand, continued to closely monitor and strictly control the progress of projects, and on the other hand, restructured the management structure of its environmental protection business and enhanced the technological level of its projects, which further consolidated the foundation of its environmental protection business. In 2005, Everbright Environmental Protection Industry (Shenzhen) Company Limited, a wholly-owned subsidiary of the Company, was formally renamed as Everbright Environmental Protection Engineering (Shenzhen) Company Limited ("Everbright Environmental Engineering"). Everbright Environmental Engineering has become the

## 環保業務

回顧年度內，本集團繼續以建設精品示範項目為發展目標，一方面加強項目管理和控制，另一方面調整環保業務的架構，提升工程技術水平，致力向投資經營型發展，使業務基礎更加穩固。二零零五年，本公司之全資附屬公司光大環保實業(深圳)有限公司正式更名為光大環保工程技術(深圳)有限公司(「光大環保工程」)，正式

## Chief Executive Officer's Report 行政總裁報告

official contractor for the Group's environmental protection projects. Everbright Environmental Engineering has already established its own professional, efficient and dedicated technical management team, fully capable of handling environmental protection projects independently. During the year under review, Everbright Environmental Engineering recorded a net profit of HK\$24,206,000. Given that Everbright Environmental Engineering acted as the main contractor for the Group's projects, its project management and consultancy fee income is only an inter-company revenue. Therefore, the profit is treated as a reduction of construction costs of the projects instead of crediting to the consolidated income statement as profit. The total contract sum obtained by Everbright Environmental Engineering acting in the capacity of main contractor amounted to HK\$614,165,000.

In January 2006, Everbright Environmental Engineering received the licence of "Main Contractor for Municipal Public Works" and obtained three certificates, namely the ISO9001:2000 International Quality Management System Certificate, the ISO-14001 Environmental Management System Certificate and the OHSMS28001 Occupational Health and Safety Management System Certificate. The obtaining of the aforesaid licence and certificates demonstrates that the Group possesses the qualifications to participate in municipal public works, which can help further expand the municipal public works business of the Group.

確立其作為本集團投資環保項目的工程總包角色。光大環保工程已成功建立了專業、高效、敬業的工程技術管理團隊，完全具備獨立運作環保項目的能力。回顧年度內，光大環保工程成功錄得淨利潤港幣24,206,000元，唯目前光大環保工程僅為本集團環保項目之總承包，故有關收入只納為本集團內部收益，效益亦只體現於節省項目建設成本，而非於綜合損益表內體現為利潤。目前，光大環保工程以總承包方式獲得環保項目工程合約港幣614,165,000元。

二零零六年一月，光大環保工程正式榮獲市政公用工程施工總承包資質證書，更通過了質量、環境以及職業健康安全管理体系（ISO9001:2000、ISO-14001、OHSMS28001）三項認證，標誌著本集團取得了進軍市政公用工程施工市場的通用証，有助本集團進一步拓展市政工程建设領域。



質量管理體系認證證書  
ISO9001: 2000  
Quality Management System  
Certificate  
ISO9001: 2000



市政公用工程施工總承包之資質證書  
Main Contractor for Municipal Public  
Works Licence



環境管理體系認證證書  
ISO14001: 2004  
Environmental Management  
System Certificate  
ISO14001: 2004

## Chief Executive Officer's Report 行政總裁報告

China Everbright Environmental Energy Limited (“Everbright Environmental Energy”) and China Everbright Water Investments Limited (“Everbright Water Investments”) continued to explore new business opportunities in the environmental protection field in the PRC during the year, and successfully secured three projects in 2005, namely Suzhou Everbright Environmental Protection Industrial Zone Project (“the Zone”), Yixing Waste-to-energy Project (“Yixing Project”) and Zibo Waste Water Treatment Project (“Zibo Project”), and one project in January 2006, namely Jiangyin Waste-to-energy Project (“Jiangyin Project”). Through the above, the Group has gradually built up its reputation and business network in the industry. The Group believes that the separate establishment of Everbright Environmental Engineering, Everbright Environmental Energy and Everbright Water Investments will provide a broad and solid platform for the Group to develop its environmental protection business, while enhancing its competitiveness.

SuNeng Waste-to-energy Project (“SuNeng Project”) is the first wholly-owned environmental protection project to be constructed by the Group. To ensure the success of SuNeng Project, the Group determined to “create the project as a top quality, high standard, high effectiveness and hi-tech one based on imported equipment”. Since the commencement of construction of SuNeng Project in October 2004, the Group has been devoting every effort to take care of every detail of the Project and has provided abundant human and financial resources for the same. The construction work has been progressing satisfactorily, with its quality, operational safety and progress under control. The company's stringent management of the Project received high recognition and great praise from the supervisory authority, experts and the industry. The construction work and installation work of SuNeng Project have already been completed, and test running for the Project commenced thereafter. SuNeng Project is expected to commence operation by June 2006.

中國光大環保能源有限公司（「光大環保能源」）及中國光大水務投資有限公司（「光大水務投資」）於年內亦繼續積極開拓國內新環保項目，並成功取得蘇州市光大環保產業園項目（「產業園」）、宜興垃圾焚燒發電項目（「宜興項目」）、淄博污水處理項目（「淄博項目」）及於二零零六年一月取得江陰垃圾焚燒發電項目（「江陰項目」），本集團已逐漸在市場及同業中建立良好的聲譽與網絡。本集團相信光大環保工程、光大環保能源與光大水務投資的分立，可為本集團於環保業務方面提供一個廣闊而堅實的平臺，對擴大經營規模、提高市場競爭力具有十分重要的意義。

蘇能垃圾焚燒發電項目（「蘇能項目」）是本集團全資投資及建設的首個項目。為確保項目的成功，本集團提出了建成主要設備進口的「高質量、高技術、高標準、高效益的精品示範工程」的目標。此項目自二零零四年十月開工以來，本集團圍繞這一目標精心組織，統籌安排，嚴格考核，在人力、物力、財力上給予充份保障，整體工程進度理想。而項目的建設整體質量、安全、進度俱控制良好，項目的嚴格管理受到政府監管機構、專家及同業的高度肯定和評價。目前項目已完成了土建、安裝工程，正進入點火調試階段，預計於二零零六年六月正式交付運營。



## Chief Executive Officer's Report 行政總裁報告

Due to satisfactory progress of SuNeng Project and having won the confidence of Suzhou Municipal Government, the Group fully believes in the successful development of the Zone. In July 2005, the Group and Suzhou Municipal Government entered into a framework letter of intent in respect of the construction of the Zone, which will be the first comprehensive waste management zone for urban, industrial and household solid waste in the PRC. The parties aim at “establishing the area as a beautiful industrial zone, making it a base for

有見於蘇能項目建設進度理想，贏得了蘇州市政府的信賴，使本集團堅定了發展「產業園」的信心。二零零五年七月，本集團與蘇州市政府簽署建設產業園的合作框架意向書。「產業園」為全國第一個、示範性的集中處置城市工業、生活固體廢物的綜合環保產業園。建設目標是「建成蘇州市的環保宣傳教育基地及環境優美的工業景觀園區」。該項目包括上述提及之蘇能項目



蘇能垃圾焚燒發電廠(生活樓在建中)

*SuNeng waste-to-energy plant (Dormitory building under construction)*



蘇能垃圾焚燒發電廠(主廠房在建中)

*SuNeng waste-to-energy plant (Main plant under construction)*

environmental education and promotion in Suzhou”. The Zone will comprise a number of environmental protection projects, including the aforesaid SuNeng project, a methane-to-energy plant (“Methane-to-energy Project”), a disposal centre for industrial solid waste (“Solid Waste Disposal Project”), a sludge treatment centre and a leachate treatment plant etc. The Zone is planned comprehensively and will be implemented in phases over 3 to 5 years at an estimated total investment of HK\$1,500,000,000. The project yields great advantages, including better utilization of land, extension of industry chain and centralization of management.

外，還有沼氣發電項目(「沼氣項目」、工業固體廢物安全填埋項目(「固廢項目」、污泥處理和垃圾滲濾液處理等多個項目。整個項目將按統一規劃、分步實施的原則，以三至五年實施，預期總投資約港幣1,500,000,000元。該項目在節約土地資源、產業鏈延伸和集中管理等方面具有顯著優勢。

## Chief Executive Officer's Report 行政總裁報告

In addition to SuNeng Project, the foundation laying for Methane-to-energy Project and Solid Waste Disposal Project in the Zone also completed during the year. With a site area of 10 hectares, Methane-to-energy Project will be carried out on BOO basis at a total investment of Rmb27,940,000 and two generators with capacity of 1,250 kilowatt each are intended to be installed in the plant. The foundation laying of Methane-to-energy Project completed in October 2005 and commercial operation is expected to commence by July 2006. Regarding Solid Waste Disposal Project, it is the third project of the Zone, with a site area of 80 hectares and storage capacity 600,000 cubic metre. The storage capacity of Solid Waste Disposal Project

繼蘇能項目後，產業園之「沼氣項目」及「固廢項目」於年內相繼動工，「沼氣項目」以BOO模式實施，工程總投資額約人民幣27,940,000元，佔地10畝，採用兩台1,250千瓦德國進口發電機組。項目工程已於二零零五年十月奠基，目前預計二零零六年七月正式運行。固廢項目為產業園第三個實施的項目，項目佔地80畝，總規模600,000立方米，採取一次規劃，分期建設，首期



蘇州市光大環保產業園揭牌簽約儀式  
Signing ceremony of Suzhou Everbright  
Environmental Protection Industrial Zone

phase I will be 100,000 cubic metre. The investment cost will be approximately Rmb78,260,000. The foundation laying of Solid Waste Disposal Project completed at the end of December 2005 and commercial operation of which is expected to commence in early 2007. With the implementation of the above-mentioned three projects, our Zone began to take shape.

規模為100,000立方米，投資額約為人民幣78,260,000元。此項目於二零零五年十二月底奠基，預計可於二零零七年初投入運行。隨著三個項目的實施，標誌著本集團投資建設的產業園已初步形成。

## Chief Executive Officer's Report 行政總裁報告

In April 2005, the Group and the Construction Bureau of Yixing City entered into an undertaking in respect of the exclusive right to provide waste incineration service in Yixing City of Jiangsu Province. Pursuant to which a waste-to-energy plant will be constructed in Yixing City in 18 months on BOT basis. The total investment cost of the project will be approximately Rmb238,300,000 and the Group will have an exclusive right of operation for 25 years. The power plant will be constructed by Everbright Environmental Engineering in the capacity of main contractor pursuant to a turnkey contract. The Group aims at establishing Yixing project as a waste-to-energy pioneer project with daily handling capacity of 500 tonnes using domestically built

二零零五年四月，本集團與江蘇宜興市建設局簽訂了有關江蘇宜興市垃圾處理服務特許權承諾書，計劃以BOT模式於宜興市建設垃圾焚燒發電廠。項目總投資額約人民幣238,300,000元，建設期18個月，特許經營權25年。此項目由光大環保工程以交鑰匙方式作為項目總承包建設。本集團的目標是將宜興項目建設為一項具



蘇州市光大環保產業園沼氣發電項目奠基儀式  
Foundation laying ceremony for the methane-to-energy project in Suzhou Everbright Environmental Protection Industrial Zone



蘇州市光大環保產業園固體廢物安全填埋項目奠基儀式  
Foundation laying ceremony for disposal centre for industrial solid waste in Suzhou Everbright Environmental Protection Industrial Zone

equipment developed from imported technology, while striving to build up the brand name of "Everbright Environment" and to consolidate its leading position in the waste-to-energy field in Jiangsu Province as well as in the PRC. Both parties entered into the agreement for the project in April 2005 and a working team has been stationed in Yixing since May 2005. It took only four months for the Group to complete

「500噸」規模引進技術國產化的垃圾焚燒發電示範工程項目，進一步打造「光大環保」的品牌，以鞏固本集團於江蘇省以及全國垃圾焚燒發電項目的領先地位。該項目於二零零五年四月簽約，二零零五年五月派駐現場工作小組，僅用了四個月時間高效完成公司註冊、立項、環評等前

## Chief Executive Officer's Report 行政總裁報告

the necessary preliminary project approvals, including incorporation of company, project proposal and environmental review and the construction work duly commenced in September 2005. The Group's great efficiency in kicking off the project has set a good example in the industry and received positive feedback from local government and the industry. The development of Yixing Project has been progressing satisfactorily. The site foundation work for the boiler installation already commenced in March 2006 and commercial operation of the project is expected to commence in February 2007.

In January 2006, the Group successfully won the tender for Jiangyin Project of Jiangsu Province. With a gross handling capacity of 1,200 tonnes per day, Jiangyin Project will be constructed in two phases. The daily handling capacity of Phase I will be 800 tonnes. Jiangyin Project will be implemented on BOT basis at a total investment cost of Rmb388,740,000. The term of exclusive right of operation for such project will be 30 years. The foundation laying of the project completed in March 2006 and commercial operation is expected in March 2008.

期工作，於二零零五年九月正式動工，在業內製造了高效啟動項目的例子，在當地政府和業內引起了良好的反響。目前宜興項目進度理想，鍋爐安裝基礎工程亦於二零零六年三月開始進行，預計項目於二零零七年二月進入運行。

二零零六年一月，本集團通過投標成功取得江蘇省無錫市之江陰項目。項目總規模日處理垃圾1,200噸，分兩期建設，第一期規模為日處理800噸，此項目採用BOT模式實施，特許經營權三十年，項目總投資約人民幣388,740,000元。此項目已於二零零六年三月奠基，預計可於二零零八年三月投入運行。



宜興垃圾焚燒發電項目奠基儀式  
Foundation laying ceremony for waste-to-energy project in Yixing



江陰垃圾焚燒發電項目奠基儀式  
Foundation laying ceremony for waste-to-energy project in Jiangyin

## Chief Executive Officer's Report 行政總裁報告

Commenced commercial operation on 1 January 2005, Qingdao Project processed 54,370,000 cubic meters of waste water and contributed an attributable profit of HK\$12,628,000 to the Group during the year. Regarding the construction of the Maidao Extension Facilities, the Group entered into the engineering, procurement and construction contract, the equipment supply contract and the service contract with the consortium led by Veolia Water Systems in March 2005. The total consideration for the aforesaid amounted to approximately Rmb206,268,000. The construction of the Maidao Extension Facilities commenced in June 2005. Civil works and equipment installation of the project are expected to complete by July 2006. It is expected that its daily treatment capacity will increase from 150,000 tonnes to 220,000 tonnes upon completion of the extension facilities.

青島項目自二零零五年一月正式開始營運，於年內共處理污水54,370,000立方米，並為本集團帶來應佔利潤港幣12,628,000元。就此項目之麥島擴建設施工程，本集團已於二零零五年三月與以威立雅水務為首之聯合體分別簽署工程、採購及建築合同、設備供應合同與服務合同。該等合同之總代價約為人民幣206,268,000元。麥島擴建設施工程於二零零五年六月動工，預計可於二零零六年七月完成土建工程及設備安裝並實現通水。擴建工程完成後，此項目之污水處理規模將會由現時之日處理150,000噸增至220,000噸。



青島麥島污水處理廠(擴建工程進行中)

*Qingdao Maidao waste water treatment plant (extension construction in progress)*

## Chief Executive Officer's Report 行政總裁報告

Zibo Project is the Group's first wholly-owned waste water treatment project acquired on TOT basis. The acquisition agreement was executed on 28 September 2005. Thereafter it took only two months for the Group to complete the transfer of assets and staff and the handover of books and accounts. The Group formally took charge of the operation of the project on 1 December 2005 and the project soon became another profit generator of the Group. The refurbishment work on equipment for the Northern plant phase II and the Southern plant commenced in December 2005 and are expected to be completed by the end of April 2006. By then, the daily treatment capacity of the plant will be more than 220,000 tonnes. Pursuant to the concession right agreement entered into between the Group and the Zibo Municipal Government, the Group will operate the waste water treatment plants to provide waste water treatment service in certain specified areas in Zibo City of Shangdong Province in the coming 25 years. Additionally, the Group will be authorized to invest in, develop, operate and provide reusable water generation service, and will be responsible for the enhancement and maintenance of the facilities and equipment of the waste water treatment plant.

淄博項目是本集團第一個全資以TOT模式收購運營的污水處理項目。自二零零五年九月二十八日簽約以來，本集團僅用了兩個月時間完成資產、財務、人員交接工作。二零零五年十二月一日，此項目已正式由本集團接管開始商業運營，並成為本集團又一新的利潤增長點。此項目中的北廠二期及南郊廠設備更新工程亦已於二零零五年十二月開工，預計於二零零六年四月底完工，屆時每日污水處理量將達220,000噸以上。根據本集團與淄博市政府所簽署的特許經營協議，本集團將於未來25年負責營運污水處理廠，並為中國山東省淄博市若干指定區域提供污水處理服務。此外，本集團亦將獲授權投資、建設、運營及提供中水回用服務，並負責維修或提升污水處理廠有關之設施及設備。



與淄博市政府合作簽約儀式  
Signing ceremony of cooperation with  
Zibo Municipal Government



淄博污水處理項目資產接收儀式  
Assets handover ceremony of waste water  
treatment project in Zibo

## Chief Executive Officer's Report 行政總裁報告

The Group has been focusing on developing its environmental protection business in the Yangtze River Delta, the Pearl River Delta Regions and Bohai Bay Area. After three years of efforts, the Group has secured a number of environmental protection projects in Jiangsu Province and Shandong Province. Through the said projects, the Group successfully extended its investment coverage to, and established a strategic foothold in such regions, which created synergistic effect of project management for its projects. The Group is now under negotiations with other municipal governments over cooperation in environmental protection projects, with a view to exploring new business opportunities, and have entered into framework agreements with Shenzhen Municipal Government and Jinan Municipal Government for long-term strategic cooperation. In February 2005, CEH entered into a framework agreement with Shenzhen Municipal Government for long-term strategic cooperation, under which both parties will, base on the principles of mutual benefit and mutual cooperation, cooperate in every aspect. It is stated in the aforesaid agreement that Shenzhen Municipal Government will support CEH, by way of BOT or TOT model, to invest in or acquire the waste-to-energy projects and the urban waste water treatment projects in Shenzhen, and to develop such environmental protection businesses as reusable water generation, flue gas desulphurization and desalination. Being the environmental protection flagship of CEH, the Group is well-positioned to benefit from the future opportunities brought by the above-mentioned cooperation. In August 2005, the Group entered into a framework agreement of cooperation with Jinan Municipal Government, with a view to enhancing their investment and cooperation in such areas as urban environmental protection and municipal infrastructural development in Jinan Municipal. Regarding the proposed environmental protection projects under negotiation, the Group will strictly comply with the relevant disclosure obligations under the Listing Rules.

本集團一直以來專注於長江三角洲、珠江三角洲及環渤海灣等地發展環保業務。經過三年以來的努力，目前已於江蘇省及山東省取得多個環保項目，成功建立具策略意義的投資區域，並形成項目管理的協同效益。目前，本集團仍在與地方政府磋商環保業務的合作，進一步尋求突破，其中與深圳市政府及濟南市政府且已簽署長期戰略合作框架協定。二零零五年二月，光大集團與深圳市政府簽訂長期戰略合作框架協議，雙方將按照優勢互補、互惠互利、長期合作、共同發展的原則，建立全方位、多層次的合作。合作協議並明確深圳市政府將支持光大集團參與深圳市市屬環保企業改制，採用BOT或TOT形式投資或收購深圳市垃圾焚燒發電以及污水處理項目，以BOT或TOT方式開發中水回用、煙氣脫硫、海水淡化等環保業務。本集團作為光大集團發展環保業務之旗艦，有關合作將可進一步開拓光大環保的未來發展空間。二零零五年八月，本集團與濟南市政府簽署了合作框架協議，雙方計劃在濟南市加強城市環境保護和市政基礎設施建設等領域投資合作。就上述正在磋商可能進行的新環保項目，本集團將會於落實後嚴格遵守上市規則作出適當的披露。



光大集團與深圳市政府戰略合作簽約儀式  
*Strategic cooperation signing ceremony  
between CEH and Shenzhen Municipal Government*



與濟南市政府合作簽約儀式  
*Signing ceremony of cooperation with  
Jinan Municipal Government*

## Chief Executive Officer's Report 行政總裁報告

Given the fact that there is great demand for environmental protection services, the environmental protection business has been regarded as a sustainable business. Besides, the provision of pollution control products and environmental services will not only create tremendous economic benefits, it will also bring in greater social and environmental benefits. Given the above favorable factors, the Group will continue to build up the environmental protection business as its long-term business focus and will strive to enhance its market recognition and corporate image. And on the operating principle of “creating quality projects to build our brand”, the Group will exert efforts to further enhance the brand name of “Everbright Environment” to boost revenue growth for its environmental protection business. In 2005, the Group, as the sole supporter, jointly organized the 2005 PRC Environmental Cultural Festival under the lead of the National Environmental Protection Agency. Events of the Cultural Festival included “Everbright Environment Trophy: The First Environmental Arts, Photo and Calligraphy Exhibition in the PRC” and a soiree for award presentation – “Everbright Environment Soiree”. Held in November 2005 in Beijing, the soiree was broadcasted over a network of more than seventy television stations in the PRC. Through the event, the Group projects a favorable image of “Everbright Environment” and promotes its corporate vision, which will be advantageous to the future development of the Group's environmental protection business.

由於內在需求龐大，因此環保產業一直被視為可持續發展的業務。在提供污染控制產品和環境服務方面不僅創造了可觀的經濟效益，而且提高了社會和環境效益。因此，本集團將繼續堅持以發展環保業務為長遠目標，積極加強對外宣傳，以提升本集團的市場形象。秉承「打造項目精品，樹立項目品牌」的經營宗旨，本集團將進一步提升「光大環保」的品牌，致力推動環保業務之盈利增長。於二零零五年度，本集團成功爭取獨家協辦由國家環保總局牽頭的二零零五年中國環境文化節。文化節的內容包括「光大環保杯——首屆全國環保藝術、書法、攝影展」與「光大環保之夜」頒獎晚會。頒獎晚會已於二零零五年十一月在北京隆重舉行，全國超過70家電視台安排了聯播。此活動不但展示了「光大環保」的實業形象，更有效宣傳了企業經營理念，有利於環保業務的長遠發展。



光大環保杯—全國環保藝術、書法、攝影展  
Everbright Environment Trophy-Environmental Arts,  
Photo and Calligraphy Exhibition in the PRC



光大環保之夜—環保志願者群星演唱會  
Everbright Environment Soiree – Environmental Protection Stars  
in Concert



# Chief Executive Officer's Report 行政總裁報告

## BUSINESS OUTLOOK

The continual healthy growth of PRC economy, coupled with the faster pace of PRC's industrialization and urbanization, have led to a change in the spending pattern of the people in the PRC. At present, "shelter and transportation" rank higher on people's spending priority list. Not only will this change be a long-term trend, it will also become the driving force for future economic growth. Apart from the above, with the full support of the PRC Government to the promotion and implementation of technological development, the promotion of harmony between economic development and ecosystems, the continual improvement in the living standard of the people, and the increasing awareness of the importance of environmental protection, a positive operating environment has been created for the Group's core businesses, namely infrastructure investment, property investment and environmental protection businesses.

## 業務展望

中國經濟持續穩健增長，工業化及城市化加快發展，人民的消費模式有所轉變，逐步以住行為主，將成為市場未來增長的長期動力來源。與此同時，中國政府落實推行全面的科學發展，鼓勵達致經濟發展與環境間之協調，加上人民生活水平日益改善，環保意識不斷加強，為本集團的三大業務，包括基建、物業投資及環保業務帶來利好的營運環境。

## Chief Executive Officer's Report 行政總裁報告

Looking ahead, the Group is quite optimistic about the future development of its core businesses and has set clear targets for the same. By capitalizing on the upcoming business opportunities in the PRC, the Group will strive to further consolidate the foundation of its infrastructure investment, property investment and environmental protection businesses, with a view to creating significant and stable income sources for the Group. And given the facts that market potential of environmental protection business in the PRC is great, the development of environmental protection business in the PRC is rapid, and Beijing Olympic Games and Shanghai Expo will be held in 2008 and 2010 respectively, investment in environmental projects and the demand for advanced environmental technology are expected to increase substantially. The Group will continue to build up the brand name of "Everbright Environment" by the principles of honesty, high efficiency, pragmatism, using advanced technology, high quality and competitive pricing, with a view to fostering the continual development of the Group. Realizing the importance of management enhancement to a business during its development, the Group will strive to enhance budget management and control the project costs in 2006, thereby ensuring the long-term stable development of its business. The Group will continue to develop itself into an investment operation company with outstanding core business and high economic efficiency at an ambitious pace, so as to realize its target of becoming a leading infrastructure investment and environmental protection conglomerate.

展望未來，本集團對三項主要業務的未來發展均非常樂觀。本集團已制定清晰的業務目標及發展策略，致力鞏固基建、物業投資業務的基礎，銳意抓緊中國蓬勃的發展商機，為集團提供可觀而穩定的收入。至於環保業務方面，本集團深諳中國環保市場的潛力優厚，加上國內環保產業發展迅速，產業規劃越趨龐大。隨著二零零八年北京奧運會和二零零一年上海世博日益臨近，將大幅增加企業對環保規劃的投資和現代化環保科技的需求。本集團將秉承以誠信、高效、務實的工作作風，以領先技術、卓越質量及具競爭力之價格進一步提升「光大環保」的品牌，推動集團持續發展。本集團亦意識到在業務發展過程加強管理的重要性。為此，本集團於二零零六年將強化預算管理，控制工程造價，保證本集團業務長期穩定的可持續發展。本集團將以積極進取的步伐，致力成為一家具市場影響力、主業突出、效益良好的投資經營公司，並向成為一家具領先地位的基建投資和綠色環保產業集團的目標奮發向前。

# Chief Executive Officer's Report 行政總裁報告

## FINANCIAL RESULTS

In 2005, the Group's consolidated turnover amounted to HK\$133,823,000, representing an increase of 105% as compared with HK\$65,244,000 for the previous year. The increase is mainly attributable to the revenue contribution from Qingdao Project upon commencement of operation and the continual increase in the toll bridge revenue from Qingzhou Bridge. Profit attributable to equity shareholders of the Company for 2005 amounted to HK\$105,330,000, representing an increase of 21% as compared with HK\$86,776,000 for the previous year. During the year, basic earnings per share amounted to HK4.13 cents, representing an increase of HK0.72 cent as compared with HK3.41 cents for the previous year.

## FINANCIAL POSITION

As at 31 December 2005, the Group had total assets of HK\$2,673,720,000. Net assets attributable to equity shareholders of the Company amounted to HK\$1,176,857,000 and the net assets attributable to equity shareholders of the Company per share was HK\$0.46. As at 31 December 2005, the gearing ratio (calculated by dividing total liabilities by total assets) was 53%.

## 財務業績

於二零零五年，本集團錄得綜合營業額港幣133,823,000元，較去年之港幣65,244,000元上升105%。營業額增加，主要由於青島項目開始營運為本集團貢獻收入，加上青洲大橋車費收入持續上升。二零零五年全年之股東應佔盈利港幣105,330,000元，較去年之港幣86,776,000元上升21%。年內，每股基本盈利為4.13港仙，較去年之3.41港仙上升0.72港仙。

## 財務狀況

於二零零五年十二月三十一日，本集團之總資產約為港幣2,673,720,000元。本公司股東應佔之淨資產則為港幣1,176,857,000元，而本公司股東應佔之每股資產淨值為港幣0.46元。於二零零五年十二月三十一日，資產負債比率（以總負債除以總資產計算所得）為53%。

## Chief Executive Officer's Report 行政總裁報告

The Group generally finances its operations with internally generated cash flow and loan facilities from banks and from its ultimate holding company. As at 31 December 2005, the Group had an aggregate cash balance of approximately HK\$498,670,000, representing a decrease of HK\$86,454,000 as compared with HK\$585,124,000 as at the end of the previous year. As at 31 December 2005, the Group had outstanding borrowings of approximately HK\$1,147,871,000, representing an increase of HK\$235,377,000 as compared with HK\$912,494,000 as at the end of the previous year. The borrowings comprised secured bank loans of HK\$612,243,000 and loans from ultimate holding company of HK\$535,628,000. With respect to foreign exchange exposure, the risk is minimal as all of the Group's foreign currency assets and borrowings are denominated in Renminbi and US dollars, and the exchange rate of which are relatively stable against Hong Kong dollar. The impact of exchange rate fluctuations of these currencies is insignificant to the Group.

### PLEDGE OF ASSETS

As at 31 December 2005, the Group pledged cash and fixed assets with an aggregate net book value of approximately HK\$662,693,000 to secure general banking facilities granted to the Group. In addition, the shares of a subsidiary of the Group, the revenue of a waste water treatment plant, the Group's toll bridge revenue and the Group's revenue and franchising right of a waste-to-energy plant (which the construction has yet to be completed) have been pledged.

本集團基本以其內部現金流量及往來銀行與最終控股公司提供之貸款為其業務提供資金。於二零零五年十二月三十一日，本集團持有現金結餘總額約為港幣498,670,000元，較去年底之港幣585,124,000元減少港幣86,454,000元。於二零零五年十二月三十一日，本集團尚未償還借款總額約港幣1,147,871,000元，較去年之港幣912,494,000元增加港幣235,377,000元。借款包括有抵押銀行貸款港幣612,243,000元及最終控股公司貸款港幣535,628,000元。就外匯風險而言，由於本集團所有的外幣資產及借款均以人民幣及美元結算，兩者與港幣之兌換率相對穩定，故面對之風險較微。對本集團而言，此等貨幣之匯率波動影響相對較輕。

### 資產抵押

於二零零五年十二月三十一日，本集團將賬面淨值總額約港幣662,693,000元之現金及固定資產質押，作為本集團一般銀行融資之抵押品。此外，本集團一家附屬公司之股份、一家污水處理廠的收益、本集團收費橋樑收益，以及垃圾焚燒發電廠（建設工程仍未完成）收益及專營權亦已予以抵押。

# Chief Executive Officer's Report 行政總裁報告

## CAPITAL COMMITMENTS

As at 31 December 2005, the Group had capital commitments contracted for and authorised but not contracted for amounted to HK\$289,081,000 and HK\$19,667,000 respectively.

## CONTINGENT LIABILITIES

As at 31 December 2005, the Group had no contingent liabilities.

## INTERNAL MANAGEMENT

“People-oriented, honesty, practicality, creativity and management standardization” are the unchanged management principles of the Group. The Group upholds the management motto of acting and managing according to principles. The Group has already set up a series of measures on risk control management mechanisms. Regarding investment decision-making process, the Group, follows the principles of integrating power with responsibility and benefit, striking a balance between decision-making efficiency and risk control, to perfect the decision-making process for new investments. For environmental protection business, the Risk Management Advisory Committee and the Engineering Technical Management Committee, comprising senior consultants and key corporate management of the Group, have been duly established to evaluate the proposals from the business, legal and technical perspectives.

## 資本承擔

於二零零五年十二月三十一日，本集團已訂約及已授權但未訂約之資本承擔分別為港幣289,081,000元及港幣19,667,000元。

## 或有負債

於二零零五年十二月三十一日，本集團並沒有任何或有負債。

## 內部管理

本集團一直奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，堅持以制度管人，按制度辦事。本集團已完善了一系列風險防範管理制度。在投資決策程序上，本集團按照責權利統一、決策效率與風險防範均衡原則，完善新項目投資決策程序。環保業務方面，本集團特別設置風險管理評審委員會和工程技術管理委員會，由本集團高級顧問和專業骨幹組成，分別負責商務、法律與技術方面的評審。

## Chief Executive Officer's Report 行政總裁報告

In terms of risk control management, the Group strives to establish a solid risk control culture as well as a risk management system. The Group has formed its risk management division, which is staffed with professional personnel specializing in regular risk control and inspection. The risk management division has established a risk control and internal control system, which covers such main areas as project identification, due diligence, tendering, contracting, construction and operation. The Group principally manages its investment projects by delegating appropriate directors or senior management to participate directly in project management, so as to protect the Company's interest.

Regarding financial control, the Group maintains strict budget management and established the Budget Approval Management Committee responsible for supervising the construction budget and operating budget of projects. The Group applies different control measures on different subsidiaries based on their nature of operation. As for projects at their construction stage, budget allocations are approved and made monthly, and all major bank accounts are directly controlled by the Hong Kong headquarters. As for project companies in operation, the Group exercises two-way supervision by way of closely monitoring of bank accounts and allocation of funds according to budget. A system has been established to carry out annual internal inspection within the Group to enhance the Group's management standard. Besides, the Group strives to develop a strong team to fit the needs of its developing environmental protection business. During the year, the Group carried out several recruitment exercises to recruit staff of excellent caliber. At present, the Group has built up a team of experienced and professional staff, with outstanding professional ethics.

在風險管理機制上，本集團致力建立全員風險防範文化和風險管理體系。本集團已設立風險管理部，配備了專職人員負責日常風險審查和管理，建立起一套涵蓋項目立項、盡職調查、投標、簽約、建設和運營等主要階段的風險防範和內控制度體系。對於投資項目的管理，本集團主要通過委派合適董事或高級管理人員直接參與項目管理，以保障本公司利益。

在財務監控上，本集團堅持嚴格的預算管理，並特別成立預算審核管理委員會專職監控項目的工程和經營預算。針對不同項目公司的特點，本集團會採取相應的辦法進行控制。對籌建期項目實行預算費用逐月審核撥付制，對大額支付款項及大額存款賬戶由總部直接控制調撥。對運營期的項目公司，通過與銀行賬戶的封閉運作和總部按預算撥付的方式實行雙向監控等。本集團目前亦已形成制度每年定期進行內部審核，全面提升管理水平。此外，本集團積極培養團隊以配合轉型環保業務的需要，年內多次進行公開招聘，選賢任能，已建立了一支職業操守好、專業素質強、實踐經驗豐富的隊伍。

# Chief Executive Officer's Report 行政總裁報告

## CORPORATE GOVERNANCE

In November 2004, The Stock Exchange of Hong Kong Limited published the Code on Corporate Governance Practices ("the Code") and Rules on the Corporate Governance Report. The Code, with one exception, has become effective for accounting periods commencing on or after 1 January 2005. The exception is in respect of Code Provision C.2 (on internal controls and disclosure requirements in the Corporate Governance Report relating to listed issuers' internal controls), which will be implemented for accounting periods commencing on or after 1 July 2005. The Code sets out the principles of good corporate governance, and two levels of recommendations: (1) code provisions: listed issuers are required to comply with. Where the listed issuer deviates from the code provisions set out in the Code, the issuer must give considered reasons as required; and (2) recommended best practices: for guidance only.

The Code has been duly approved and adopted by the Board.

For the year ended 31 December 2005, the Company has met the code provisions and some of the recommended best practices as set out in the Code except that Mr. Wang Mingquan, the Chairman of the Company, was unable to attend the 2005 Annual General Meeting of the Company. However, appropriate arrangements have been made accordingly before the holding of the Annual General Meeting.

## 企業管治

香港聯合交易所有限公司於二零零四年十一月發出了一份《企業管治常規守則》(「該守則」)及《企業管治報告》。該守則於二零零五年一月一日或之後開始的會計期間生效，唯一例外是該守則的條文C.2條(有關內部監控在企業管治報告中披露上市發行人內部監控資料的規定)，則於二零零五年七月一日或之後開始的會計期間實行。該守則訂明良好企業管治的原則及兩個層次的有關建議，包括：(1)守則條文：上市發行人需要切實遵守，若有任何偏離守則條文的行為，須按規定提供經過深思熟慮的理由；及(2)建議最佳常規：只屬指引。

董事會已通過採納該守則。

截至二零零五年十二月三十一日止年度內，本公司均遵守該守則的守則條文及部份建議的最佳常規，惟本公司主席王明權先生未克出席本公司於二零零五年年度股東週年大會。但已於會前對股東週年大會做了具體的部署。

# Chief Executive Officer's Report 行政總裁報告

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the model code ("Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of the directors, all directors have complied with the required standard of dealings as set out therein during the twelve months ended 31 December 2005.

## REMUNERATION COMMITTEE

The Remuneration Committee comprises Mr. Wang Mingquan (Chairman), the Chairman of the Board, Mr. Zang Qiutao, the Vice-chairman of the Board, and three independent non-executive directors of the Company, namely Sir David Akers-Jones, Mr. Aubrey Li Kwok Sing and Mr. Selwyn Mar. Its main duties include offering advice to the Board on the matters pertaining the remuneration policy and remuneration structure of the directors and senior management of the Company. The terms of reference of the Remuneration Committee are disclosed on the website of the Company.

## AUDIT COMMITTEE

The Audit Committee, comprising all three independent non-executive directors of the Company, namely Sir David Akers-Jones (Chairman), Mr. Aubrey Li Kwok Sing and Mr. Selwyn Mar, is primarily responsible for reviewing the accounting principles and practices adopted by the Group, as well as discussing and reviewing the internal control and financial reporting matters of the Company. The terms of reference of the Audit Committee are disclosed on the website of the Company. The Audit Committee has reviewed with the management and KPMG, the Company's auditor, the accounting principles and practice adopted by the Group and discussed internal controls and financial reporting matters, including a review of the annual report for the year ended 31 December 2005.

## 董事進行證券交易之標準守則

本集團採納上市規則附錄十所載的《標準守則》（「標準守則」）作為董事進行本公司證券交易事宜的指引。經向所有董事作出特定查詢後，截至二零零五年十二月三十一日止十二個月，本公司所有董事一直遵守標準守則所載之規定。

## 薪酬委員會

薪酬委員會由董事會主席王明權先生（擔任主席）、董事會副主席臧秋濤先生及三位獨立非執行董事包括鍾逸傑爵士、李國星先生及馬紹援先生組成，其主要職責包括就本公司董事及高級管理人員的全體薪酬政策及架構向董事會提出建議等，有關薪酬委員會的職權範圍書已載列於本公司的網站內。

## 審核委員會

審核委員會由全數三位獨立非執行董事包括鍾逸傑爵士（擔任主席）、李國星先生及馬紹援先生組成，其主要職責包括審閱本集團所採納之會計原則及慣例、討論及檢討內部監控及財務申報等事宜，有關審核委員會的職權範圍書已載列於本公司的網站內。審核委員會已與管理層及本公司核數師畢馬威會計師事務所審閱本集團所採納之會計政策及慣例，並就審核內部監控及財務報告事宜（包括審閱本公司截至二零零五年十二月三十一日止年度報告）進行磋商。



# Chief Executive Officer's Report 行政總裁報告

## HUMAN RESOURCES

The Group devotes much attention to human resources management, striving to establish a high quality team to support its business development in the long run. As at 31 December 2005, the Group had a total of approximately 470 employees in Hong Kong and the PRC. During the year under review, the Group's total staff costs were HK\$30,693,000. Employees are remunerated according to their qualification, experience, job nature, performance, as well as market conditions. Apart from discretionary performance bonus, the Group also provides other benefits such as medical insurance and provident fund scheme to employees in Hong Kong. According to the share option scheme approved at the Company's extraordinary general meeting held on 26 May 2003, the board of directors of the Company was authorized to grant share options to any employees, including directors, as incentives. No option has been granted to any employee during the year under review.

By Order of the Board  
**Chen Xiaoping**  
*Chief Executive Officer*

Hong Kong, 28 March 2006

## 人力資源

本集團高度重視人力資源管理，致力建設高質素的團隊，以配合業務的長遠發展。於二零零五年十二月三十一日，本集團在香港及中國合共僱用約470名員工。於回顧年內，本集團之員工總成本為港幣30,693,000元。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況計算釐定。除了酌情花紅外，本集團亦提供其他福利予香港僱員，包括醫療保險及公積金計劃。此外，根據本集團於二零零三年五月二十六日舉行的股東特別大會上批准的認購權計劃，本公司董事會獲授權可授出購股權予任何僱員（包括董事）作為獎勵。於回顧期內，未有任何僱員獲授購股權。

承董事會命  
**陳小平**  
*行政總裁*

香港，二零零六年三月二十八日



## Project Highlights 項目摘要

### INFRASTRUCTURE INVESTMENT

#### Shenzhen Mawan Power Company Limited

The Group owns 15% interest in Shenzhen Mawan Power Company Limited (“Mawan Power”), which is principally engaged in the electricity supply to Guangdong Province, the PRC. Mawan Power owns two power plants, namely Mawan Power Plant and Yueliangwan Power Plant. With the strong facility support of a 10,000-ton oil pier and a 50,000-ton coal pier, Mawan Power has a total generation capacity of approximately 894,000 kilowatt. The two power plants together generated approximately 5.37 billion kilowatt-hour of electricity in 2005, bringing major earnings to the Group.

#### Fuzhou Qingzhou Bridge

The Group has 80% interest in Fuzhou Qingzhou Bridge (“Qingzhou Bridge”). Located in the strategic traffic intersection of the city, Qingzhou Bridge is not only the major bridge over Minjiang that connects to the “Tungshan Expressway” (a coastal expressway in eastern China that runs from Helongjiang in the north to Hainan Province in the south), but also provides a short cut for Fuzhou City to Changle International Airport. Opened to traffic on 29 December 2002, the 1,193m-long Qingzhou Bridge has been designed to carry dual six lane carriageways. With a main span of 605m, the Qingzhou Bridge is one of the longest span cable-stayed bridges in the world. Given its geographical advantages as well as the rising need for inbound traffic, the traffic flows of Qingzhou Bridge will continue to grow.

### 基建投資

#### 深圳媽灣電力有限公司

本集團擁有深圳媽灣電力有限公司（「媽灣電力」）15%股權，其主要業務為於中國廣東省供應電力。媽灣電力共有兩家發電廠，分別是媽灣電廠及月亮灣電廠。媽灣電力之發電總裝機容量約為894,000萬千瓦，並配有10,000噸柴油碼頭及50,000噸的煤碼頭。媽灣電力於二零零五年共提供約53.7億千瓦時電力，為本集團之主要盈利來源。

#### 福州青洲大橋

本集團擁有福州青洲大橋（「青洲大橋」）80%權益。青洲大橋位於福州市的交通樞紐地位，是高速國道「同三線」（北起黑龍江省同江市，南至海南省三亞市的中國東部沿海高速大通道）跨越閩江的唯一通道。亦是福州市區通往福州長樂國際機場之最便捷通道。青洲大橋於二零零二年十二月二十九日正式通車，全長1,193米，雙向六車道行車，大橋主跨605米，是目前世界上最大跨徑之疊合樑斜拉橋樑之一。憑藉其優越之地理位置及區內不斷上升之交通需求，青洲大橋之車流量正持續增長。



媽灣電廠  
Mawan Power Plant



福州青洲大橋  
Fuzhou Qingzhou Bridge

## Project Highlights 項目摘要

### ENVIRONMENTAL PROTECTION BUSINESS

#### SuZhou SuNeng Waste-to-Energy Co. Ltd.

In 2003, the Group's joint venture with its business partner entered into a Sino-foreign cooperative joint venture agreement with a subsidiary of Suzhou Municipal Government and signed an agreement in respect of exclusive right of operation with Suzhou Municipal Government. The term for such exclusive right of operation is 25 years. The construction of the power plant is conducted on BOT basis. The total investment cost of the project is approximately Rmb500,000,000. Upon setting the Suzhou project as the key construction project, the Group acquired the remaining 50% interests owned by its partner in July 2004 and the project has been wholly-owned by the Group since then. Thereafter the Group made thoroughgoing preparation for the construction of the project, with the goal of "Constructing high quality projects and Creating outstanding works". Commenced in October 2004, the construction of the project has been progressing satisfactorily. The construction work and installation work of the project have already been completed, and test running commenced thereafter. It is expected that the commercial operation will commence by June 2006. The plant is expected to handle no less than 1,000 tonnes of waste daily and sell no less than 89,000,000 kilowatt-hour of electricity per year during the terms for exclusive right of operation. While contributing long term and stable income to the Group, the plant will also help establishing the Group's brand name in the waste-to-energy field.

### 環保業務

#### 蘇州市蘇能垃圾發電有限公司

本集團於二零零三年與合作夥伴之合營公司與蘇州市政府之下屬公司訂立中外合營協議，並與政府簽署了特許權協定。該項目特許經營期限為25年，按BOT模式建造，總投資額約人民幣5億元。二零零四年七月，本集團為重點發展該項目，收購原合作夥伴持有的50%權益，進而100%持有該項目權益。隨後本集團按照「建設一流項目、創精品示範工程」的要求，全面組織推動項目建設的各項籌備工作，並於二零零四年十月正式開工。目前工程進展順利，土建、安裝工程已完成，正處於調試階段，預計於二零零六年六月正式交付運營。預計項目於特許經營期內日處理垃圾量平均不低於1000噸，年售電量平均不低於8,900萬千瓦時，在為本集團帶來長期穩定之收益的同時樹立本集團在垃圾焚燒發電領域的品牌。



蘇能垃圾焚燒發電廠－主廠房  
SuNeng waste-to-energy plant – Main plant



蘇能垃圾焚燒發電廠－生活樓  
SuNeng waste-to-energy plant – Dormitory building

## Project Highlights 項目摘要

### Qingdao EB-VW Waste Water Treatment Co. Ltd.

In November 2003, the Group entered into an agreement in respect of a waste water treatment project (including Qingdao Haibohe Waste Water Treatment Plant and Qingdao Maidao Waste Water Treatment Plant ) with Veolia Water and Qingdao Municipal Government. The total investment cost of the project is US\$42,808,150 and the Group indirectly owns 60% interests in the project. Upon execution of the supplementary agreements dated 1 June 2004 by the Group, Veolia Water and Qingdao Municipal Drainage Company, the project duly commenced. The preparation for the establishment of the Project Company (i.e. Qingdao EB-VW Waste Water Treatment Co. Ltd.) and the Operation Company (i.e. Qingdao Veolia Water Operating Company Limited) was completed in August 2004. Upon approval by Qingdao Municipal Government, the commercial operation of the plants duly commenced on 1 January 2005. Waste water treatment service charges were charged based on the daily treatment capacity of 150,000 tonnes. In March 2005, a consortium led by Veolia Water Systems was appointed by the Project Company to be in charge of the construction for the extension to Qingdao Maidao Waste Water Treatment Plant under a turnkey contract. The extension work duly commenced in June 2005 and is expected to complete in July 2006. It is expected that its daily treatment capacity will increase from 150,000 tonnes to 220,000 tonnes upon completion of the extension facilities by July 2006.

### 青島光威污水處理有限公司

二零零三年十一月，本集團、法國威立雅水務與青島市政府達成協定，進入該污水處理項目（包括海泊河污水處理廠及麥島污水處理廠）。項目總投資額為42,808,150美元。本集團間接持有該項目60%權益。二零零四年六月一日，本集團、威立雅水務及青島市排水公司簽署補充協定，該項目全面啟動。二零零四年八月完成項目資產公司（青島光威污水處理有限公司）及運營公司（青島威立雅水務運營有限公司）的籌建工作，經青島市政府同意，該項目自二零零五年一月一日起正式開始商業運營，即按照日處理15萬噸收取污水處理費。二零零五年三月，項目資產公司正式委託以威立雅水務系統牽頭的聯合體，以交鑰匙工程方式進行麥島污水處理廠擴建工程。擴建工程於二零零五年六月開工，計劃於二零零六年七月完工，屆時每日污水處理量可由目前約15萬噸增加至22萬噸。



青島海泊河污水處理廠  
Qingdao Haibohe waste water treatment plant



青島麥島污水處理廠  
Qingdao Maidao waste water treatment plant

## Project Highlights 項目摘要

### Everbright Environmental Energy (Yixing) Limited

In April 2005, the Group entered into an undertaking in respect of exclusive right of operation with the Construction Bureau of Yixing City. Pursuant to which a waste-to-energy plant will be constructed in Yixing City. The term of such exclusive right of operation is 25 years. The power plant will be constructed on BOT basis and the total investment cost of the project is approximately Rmb238,300,000. The Group has made thoroughgoing preparation for the construction of the Yixing project, with the goal of “establishing it as a waste-to-energy pioneer project by domestic techniques developed from imported technology”. Commenced in September 2005, the construction of the Yixing project has been progressing satisfactorily and is expected to complete by February 2007. The plant is expected to handle no less than 500 tonnes of waste per day during the term for exclusive right of operation and sell no less than 44,500,000 kilowatt-hour of electricity per year.

### 光大環保能源(宜興)有限公司

本集團於二零零五年四月與江蘇省宜興市建設局簽署特許權承諾書，於宜興市建設垃圾焚燒發電廠。該項目特許經營期限為25年，按BOT模式建造，總投資額約人民幣238,300,000元。本集團按照「建成引進技術國產化的示範工程」的要求，全面組織推動項目建設的各項籌備工作，並於二零零五年九月正式開工。目前工程進展順利，預計於二零零七年二月完工。預計項目於特許經營期內日處理垃圾量平均不低於500噸，年售電量平均不低於4,450萬千瓦時。



宜興垃圾焚燒發電廠

Yixing waste-to-energy plant

## Project Highlights 項目摘要

### Everbright Water Investments (Zibo) Limited

In September 2005, the Group entered into the “Zibo waste water treatment project agreement”, the “concession right agreement”, the “asset transfer agreement” and the “waste water treatment service agreement” in respect of the Zibo waste water treatment project with Zibo Municipal Government, Zibo Finance Bureau and Zibo City Environmental Protection Bureau and Zibo City Fisheries Bureau. The term of exclusive right of operation for such project will be 25 years. The project is operated on TOT basis and the total investment cost is approximately Rmb224,055,000. The Group has made thoroughgoing preparation for the hand-over of the project, with the goal of “establishing the project company as a renowned corporation in the industry and making the same a base for environmental education on waste water treatment in Zibo”. On 1 December 2005, the Group formally took charge of the operation of Zibo project and began to collect waste water treatment charge. The repair/replacement works of equipment also started in December 2005 and is expected to complete by the end of April 2006. By then, the daily treatment capacity of the plant will be more than 220,000 tonnes.

### 光大水務(淄博)有限公司

本集團於二零零五年九月與淄博市政府、淄博市財政局及淄博市環保局和淄博市水利局就淄博市污水處理項目簽訂「淄博污水處理項目協議書」、「特許經營協定」、「資產轉讓協定」及「污水處理服務協定」。該項目特許經營期限為25年，按TOT模式運作，總投資額約人民幣224,055,000元。本集團按照「爭創行業標誌企業，建成淄博污水環保教育示範基地」的要求，全面組織推動項目交接的各項籌備工作。該項目已於二零零五年十二月一日正式接管運營，並開始收取污水處理費。有關項目更新改造工程於二零零五年十二月開工，預計於二零零六年四月底完工，屆時每日污水處理量將達22萬噸以上。



淄博污水處理廠  
Zibo waste water treatment plant

## Project Highlights 項目摘要

### Suzhou Everbright Environmental Protection Industrial Zone

In July 2005, the Group entered into a framework letter of intent in respect of the construction of Suzhou Everbright Environmental Protection Industrial Zone with the Municipal Government of Mudu Town, Wuzhong District, Suzhou City, Jiangsu Province. The Zone will be the first composite waste management zone for urban, industrial and household solid waste in the PRC. The whole project will be implemented in phases over 3 to 5 years at an estimated investment of HK\$1,500,000,000. The Zone will comprise a number of environmental protection projects, including, inter alia, a waste-to-energy plant, a methane-to-energy plant, a disposal centre for industrial solid waste, a sludge treatment centre and a leachate treatment plant etc. The Group has made thoroughgoing preparation for the construction of the Zone, with the goal of “making the area a base for environmental education and promotion in Suzhou, establishing it as a beautiful industrial zone”. Apart from Suzhou SuNeng Waste-to-energy project, the construction works for the methane-to-energy plant (“Methane-to-energy Project”) and for the disposal centre for industrial solid waste (“Solid Waste

### 蘇州市光大環保產業園項目

本集團於二零零五年七月與江蘇省蘇州市吳中區木瀆鎮人民政府簽署建設蘇州市光大環保產業園合作框架協定。該項目為全國第一個、示範性的集中處置城市工業、生活固體廢物的綜合環保產業園。整個項目將分三至五年實施，預期總投資約港幣15億元。項目包括垃圾發電、沼氣發電、工業固體廢物安全填埋項目、污泥處理和垃圾滲濾液處理等多個項目。本集團按照「建成蘇州市的環保宣傳教育基地及環境優美的工業景觀園區」的要求，全面組織推動項目建設的各項籌備工作。除蘇能垃圾焚燒發電項目外，產業園之沼氣發電項目及工業固體廢物安全填埋項目（「固廢項目」）亦已分別於二零零五年十月及十二月奠基。目前工程進展順利，沼氣項目總投資約人民幣27,940,000，預計於二零零六年六月完工，預計項目於特許經營期內年售電量平均不低於1,200萬度。固廢項目總投資約人民幣377,484,000，第一期10萬立方米，投資約人



蘇州市光大環保產業園  
Suzhou Everbright  
Environmental Protection  
Industrial Zone



沼氣發電廠  
Methane-to-energy plant



工業固體廢物安全填埋項目  
Disposal centre for industrial  
solid waste

## Project Highlights 項目摘要

Disposal Project”) in the Zone also started in October and December 2005 respectively and have been progressing satisfactorily. As for the Methane-to-energy Project, the total investment cost is approximately Rmb27,940,000 and its construction is expected to complete by June 2006. The plant is expected to sell no less than 12 million kilowatt-hour of electricity per year during the term for exclusive right of operation. Regarding the Solid Waste Disposal Project, the total investment cost is approximately Rmb377,484,000. As to phase I of the disposal centre, the storage capacity will be 100,000 cubic metre and the investment cost is approximately Rmb78,260,000. Commercial operation of which is expected to commence by the end of 2006 upon completion of construction work.

### Everbright Environmental Energy (Jiangyin) Limited

In January 2006, the Group secured a waste-to-energy project in Jiangyin City of Jiangsu Province, which is a key project in Jiangsu Province for the years 2006/2007. The term of exclusive right of operation for such project is 30 years. The construction of the plant will be conducted in two phases on BOT basis at a total investment cost of Rmb388,740,000. Its ultimate handling capacity is expected to be no less than 1,200 tonnes of waste per day. The Group has made thoroughgoing preparation for the construction of the Jiangyin project. Scheduled to be commenced in May 2006, the construction work of phase I is expected to complete by 2008. It is expected that phase I of the plant will be able to handle no less than 800 tonnes of waste per day during the term for exclusive right of operation and sell no less than 77 million kilowatt-hour of electricity per year.

人民幣78,260,000元，預計於二零零六年底完工投運。

### 光大環保能源(江陰)有限公司

本集團於二零零六年一月取得江蘇省江陰市垃圾焚燒發電項目。該項目為江蘇省二零零六年至二零零七年重點項目。該項目特許經營期限為三十年，按BOT模式建造，總投資額為人民幣388,740,000元，分兩期建設，最終規模日處理垃圾量不低於1,200噸。本集團正全面組織推動項目建設的各項籌備工作，項目第一期建設預計於二零零六年五月正式開工，二零零八年完工。預計第一期項目於特許經營期內日處理垃圾量平均不低於800噸，年售電量平均不低於7,700萬千瓦時。



江陰垃圾焚燒發電廠  
Jiangyin waste-to-energy plant



## Directors and Senior Management 董事及高層管理人員

### Directors

#### WANG MINGQUAN – CHAIRMAN

aged 59, is the Chairman of the Company. He is also the Chairman of China Everbright Group Limited, China Everbright Holdings Company Limited, and China Everbright Bank Company Limited. He is the Chairman of Everbright Securities Company Limited, Shenyin & Wanguo Securities Company Limited and China Everbright Limited. Prior to joining the China Everbright Group, Mr. Wang was the Vice-chairman and Governor of Bank of Communications in China and the Chairman of China Pacific Insurance Company Limited. He had also been appointed as the Deputy Mayor of Wuhan City. Mr. Wang holds a Master's Degree in Economics from the Zhongnan University of Finance and Economics. He is also an instructor of the Graduate Department of the People's Bank of China and a part-time Professor of Shanghai University of Finance and Economics. Mr. Wang has extensive knowledge and experience in banking, securities, insurance and business administration. He joined the Board in June 2000.

#### ZANG QIUTAO – VICE-CHAIRMAN

aged 54, is the Vice-chairman of the Company. He is also the Vice-chairman and General Manager of China Everbright Group Limited and China Everbright Holdings Company Limited. He is a director of Citicorp Everbright China Fund Limited. Mr. Zang graduated from the Graduate School of the Chinese Academy of Social Sciences. He was formerly the Division Chief of the State Economic Commission and the Deputy Division Director of the State Planning Commission. He joined the Board in September 2004.

#### LI XUEMING – VICE-CHAIRMAN

aged 58, is the Vice-chairman of the Company. He is also an Executive Director and Deputy General Manager of China Everbright Holdings Company Limited and a Non-executive Director and Deputy Chairman of Hong Kong Construction (Holdings) Limited. He joined the China Everbright Group in 1998 and was formerly the Vice-president of China Aerospace International Holdings Ltd. Mr. Li joined the Board in June, 2003.

### 董事

#### 王明權 (主席)

現年59歲，本公司主席，亦為中國光大（集團）總公司、中國光大集團有限公司及中國光大銀行股份有限公司董事長。此外，彼為光大證券有限責任公司、申銀萬國證券有限公司及中國光大控股有限公司主席。王先生加入中國光大集團前，曾任中國交通銀行副董事長兼行長及中國太平洋保險有限公司董事長。彼亦曾任武漢市副市長。王先生持有中南財經大學經濟學碩士學位。彼亦為中國人民銀行研究生部導師及上海財經大學兼職教授。王先生於銀行、證券、保險及工商管理等方面擁有非常廣泛知識及豐富經驗。彼於二零零零年六月加入董事會。

#### 臧秋濤 (副主席)

現年54歲，本公司副主席，亦為中國光大（集團）總公司及中國光大集團有限公司副董事長兼總經理。彼亦為Citicorp Everbright China Fund Limited的董事。臧先生於中國社會科學院研究生院畢業。彼曾任國家經濟委員會處長及國家計劃委員會副司長級職務。臧先生於二零零四年九月加入董事會。

#### 李學明 (副主席)

現年58歲，本公司副主席，亦為中國光大集團有限公司執行董事兼副總經理及香港建設（控股）有限公司之非執行董事兼副主席。彼於一九九八年加入光大集團，曾任航天科技國際集團有限公司副總裁。李先生於二零零三年六月加入董事會。

## Directors and Senior Management 董事及高層管理人員

### Directors (continued)

#### **CHEN XIAOPING – CHIEF EXECUTIVE OFFICER**

aged 52, is the Chief Executive Officer of the Company. He is also a director of China Everbright Holdings Company Limited, a Deputy Chairman of Construction Science and Technology Council, a Standing Director of China Business Council, a Standing Director of China International Economic Cooperation Council, a Standing Director of China Environmental Culture Promotion Association, a Director of World Eminence Chinesebusiness Association and a Financial Expert of Shenzhen Expert Working Federation. Prior to joining the Group, Mr. Chen had been a department head in the Bureau of Investigation & Supervision of The People's Bank of China, the Assistant Governor of China Everbright Bank Company Limited and the President of the Bank's Guangzhou Branch, the Executive Director and Deputy Chief Executive Officer of Hong Kong Construction (Holdings) Limited. He graduated from the Department of Finance of the Southwest University in Finance and Economics, the PRC, finished the MBA class of the Research Institute of Business Management of Sichuan University, the PRC and holds a Master's Degree with a major in Money & Banking from the Department of Finance and Trade of the China Research Institute of Social Science. He holds the title of Senior Economist and Certified Public Accountant in the PRC. He has comprehensive experience and knowledge in banking, capital market and management. Mr. Chen joined the Board in August 2001.

#### **FAN YAN HOK, PHILIP – GENERAL MANAGER**

aged 56, is the General Manager of the Company and a director of Hong Kong Construction (Holdings) Limited. Mr. Fan holds a Bachelor's Degree in Industrial Engineering, a Master's Degree in Operations Research from the Stanford University and a Master's Degree in Management Science from the Massachusetts Institute of Technology. Prior to joining the Group, Mr. Fan had been an Executive Director of CITIC Pacific Limited in charge of industrial projects in the PRC. He joined the Board in November 1997.

### 董事 (續)

#### **陳小平 (行政總裁)**

現年52歲，本公司行政總裁，亦為中國光大集團有限公司董事、建設科技理事會副理事長、中國工商理事會常務理事、中國國際經濟合作理事會常務理事、中國環境文化促進會常務理事、世界傑出華商協會理事及深圳市專家工作聯合會金融專家。陳先生加入本集團前，曾任職中國人民銀行稽核監督局處長、中國光大銀行行長助理兼廣州分行行長、香港建設(控股)有限公司執行董事及副行政總裁。彼畢業於西南財經大學金融系、四川大學管理研究所MBA研究生班及持有中國社會科學研究院財貿所貨幣銀行專業碩士學位銜，具有高級經濟師職稱和註冊會計師資格。彼於銀行、資本市場及管理方面擁有廣泛經驗及知識。陳先生於二零零一年八月加入董事會。

#### **范仁鶴 (總經理)**

現年56歲，本公司總經理及香港建設(控股)有限公司董事。范先生持有史丹福大學工程學士銜、史丹福大學統籌學碩士銜及麻省理工學院管理科學碩士銜。范先生在加入本集團前為中信泰富有限公司執行董事，主管中國工業業務。范先生於一九九七年十一月加入董事會。

## Directors and Senior Management 董事及高層管理人員

### Directors (continued)

#### **HUANG CHAOHUA – DEPUTY GENERAL MANAGER**

aged 36, is the Deputy General Manager of the Company and the General Manager of Everbright Environmental Protection Engineering (Shenzhen) Co., Ltd. He holds a Master's Degree in Laws from the School of Law, Renmin University of China. He is a qualified lawyer and legal consultant for business in the PRC. Prior to joining the Company in May 2002, he used to work for the headquarter of China Everbright Bank Company Limited and the Bureau of Justice of Beijing Municipal. Mr. Huang joined the Board in December 2002.

#### **WONG KAM CHUNG, RAYMOND – CHIEF FINANCIAL OFFICER**

aged 42, is the Chief Financial Officer of the Company. He holds a Master of Business Administration Degree, a Master of Management Degree in Information Technology Management from the Macquarie University, Australia, and a Bachelor of Arts with Honours Degree in Accountancy from the City University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants of United Kingdom and a Certified General Accountant in Canada. He has extensive experience in accounting, finance and auditing areas. Mr. Wong joined the Board in December 2002.

#### **CHEN SHUANG**

aged 38, is a director of China Everbright Holdings Company Limited. He is also the Deputy General Manager of the Legal Department of China Everbright Holdings Company Limited and China Everbright Group Limited. Mr. Chen is also an Executive Director and Deputy General Manager of China Everbright Limited. He holds a Master's Degree in Laws from the East China Politic and Law University. He is a senior economist and a qualified lawyer in the PRC. Prior to joining the China Everbright Group, Mr. Chen was the Chief of the Legal Department of Bank of Communications. He joined the Board in December 2002.

### 董事 (續)

#### **黃朝華 (副總經理)**

現年36歲，本公司副總經理及光大環保工程技術(深圳)有限公司總經理。黃先生持有中國人民大學法學院法學碩士銜，並具中華人民共和國律師資格與企業法律顧問資格。彼於二零零二年五月加入本公司，之前曾在中國光大銀行總行及北京市司法局工作。黃先生於二零零二年十二月加入董事會。

#### **黃錦聰 (財務總監)**

現年42歲，本公司財務總監，黃先生持有澳洲麥覺理大學工商管理碩士銜，管理學碩士銜(主修資訊科技管理)，以及香港城市大學會計學榮譽文學士銜，並為香港會計師公會會員、英國特許公認會計師公會資深會員及加拿大註冊會計師。彼具有豐富之會計、財務及核數經驗。黃先生於二零零二年十二月加入董事會。

#### **陳爽**

現年38歲，中國光大集團有限公司董事，亦為中國光大集團有限公司及中國光大(集團)總公司法律部副主任。陳先生亦為中國光大控股有限公司的執行董事及副總經理。彼持有華東政法學院法學碩士銜，陳先生為高級經濟師，並具中華人民共和國律師資格。陳先生在加入中國光大集團前，曾任交通銀行總行法律事務室處長。彼於二零零二年十二月加入董事會。

## Directors and Senior Management 董事及高層管理人員

### Directors (continued)

#### ZHANG WEIYUN

aged 49, is the Deputy General Manager of the Finance Management Department of China Everbright Holdings Company Limited. Ms. Zhang holds a Bachelor's Degree in Economics from the Shanxi Financial University. She joined the China Everbright Group in 1991 and was formerly the Deputy Division Chief of the Capital Division and the Division Chief of the General Affairs Division of the Finance Management Department of China Everbright Group Limited. Ms. Zhang joined the Board in December 2002.

#### THE HON SIR DAVID AKERS-JONES, GBM

##### – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 79, is the chairman and non-executive director of a number of Hong Kong companies and a member of many community organizations. He has been an Independent Non-executive Director of the Company since March 1995.

#### LI KWOK SING, AUBREY

##### – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 56, is a director of Management Capital Limited, a Hong Kong based financial advisory and direct investment firm, and has over 30 years' experience in merchant banking and commercial banking. He is also a non-executive director of ABC Communications (Holdings) Limited, The Bank of East Asia, Limited, Café de Coral Holdings Limited, CNPC (Hong Kong) Limited, Kowloon Development Company Limited, Pokfulam Development Company Limited and Value Partners China Greenchip Fund Limited, and non-executive Chairman of Atlantis Asian Recovery Fund Plc. Mr. Li has a Master of Business Administration from Columbia University and a Bachelor of Science in Civil Engineering from Brown University. He joined the Board in November 1998.

### 董事 (續)

#### 張衛云

現年49歲，中國光大集團有限公司財務管理部副總經理。張女士持有山西財經大學經濟學學士。彼於一九九一年加入中國光大集團，曾任中國光大(集團)總公司財務管理部資金處副處長及綜合處處長。張女士於二零零二年十二月加入董事會。

#### 鍾逸傑爵士GBM (獨立非執行董事)

現年79歲，為多間香港公司之主席及非執行董事，亦為本港多間社團組織之成員。彼由一九九五年三月起出任本公司之獨立非執行董事。

#### 李國星 (獨立非執行董事)

現年56歲，為偉業融資有限公司(一家從事財務顧問及直接投資以香港為基地之公司)之董事，且在投資銀行及商業銀行界具有逾三十年經驗。彼亦為佳訊(控股)有限公司、東亞銀行有限公司、大家樂集團有限公司、中國(香港)石油有限公司、九龍建業有限公司、博富臨置業有限公司及Value Partners China Greenchip Fund Limited之非執行董事，並為Atlantis Asian Recovery Fund Plc之董事會之非執行主席。李先生持有哥倫比亞大學工商管理碩士學位及布朗大學土木工程理學士學位。彼於一九九八年十一月加入董事會。

## Directors and Senior Management 董事及高層管理人員

### Directors (continued)

#### MAR SELWYN

##### – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 70, graduated from the London School of Economics, University of London. He is a fellow member of the Institute of Chartered Accountants of United Kingdom, a Fellow of the Hong Kong Institute of Certified Public Accountants (Practising). He is the managing partner of Nexia Charles Mar Fan & Co. He is an independent non-executive director and chairman of the board audit committee of Standard Bank Asia Limited. He is also an independent non-executive director and chairman of the audit committee of Onfem Holdings Limited and Man Yue International Holdings Limited. He was the President of Hong Kong Society of Accountants (now known as Hong Kong Institute of Certified Public Accountants) in 1991. He was formerly an Independent Non-Executive Director of several listed companies in Hong Kong and in the United States. Mr. Mar is an Honorary Fellow of the Lingnan University. He joined the Board in September 2004.

### Senior Management

#### POON YUEN LING

aged 38, is the Company Secretary of the Company. She is an associate member of The Hong Kong Institute of Company Secretaries and The Institute of Chartered Secretaries and Administrators. She joined the Group in April 1994, with over 10 years of experience in company secretarial and administration areas.

### 董事 (續)

#### 馬紹援 (獨立非執行董事)

現年70歲，畢業於倫敦大學倫敦經濟學院經濟系。彼為英特許公認會計師公會會計師公會資深會員及香港執業資深會計師。馬先生現為馬炎璋會計師行之最高合夥人及Standard Bank Asia Limited的非執行董事及審核委員會主席。彼亦為東方有色集團有限公司及萬裕國際集團有限公司的非執行董事及審核委員會主席。彼曾於一九九一年出任香港會計師公會會長。彼曾任多間於美國及香港上市公司之獨立非執行董事。馬先生亦為嶺南大學榮譽院士。彼於二零零四年九月加入董事會。

### 高級管理人員

#### 潘婉玲

現年38歲，為本公司之公司秘書。彼為香港公司秘書公會及英國特許秘書及行政人員公會之會員，彼於一九九四年四月加入本集團，具逾十年公司秘書及行政事務經驗。

## Corporate Governance Report 企業管治報告書

In November 2004, The Stock Exchange of Hong Kong Limited announced amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”), which included the publication of the “Code on Corporate Governance Practices” (“the Code”) and “Rules on the Corporate Governance Report” (“the Rules”) as contained in Appendix 14 and Appendix 23 to the Listing Rules respectively. The Code, with one exception, has become effective for accounting periods commencing on or after 1 January 2005. The exception is in respect of Code Provision C.2 (on internal controls and disclosure requirements in the Corporate Governance Report relating to listed issuers’ internal controls), which will be implemented for accounting periods commencing on or after 1 July 2005. The Code sets out the principles of good corporate governance, and two levels of recommendations: (1) code provisions: Listed issuers are required to comply with. Where the listed issuer deviates from the code provisions set out in the Code, the issuer must give considered reasons as required; and (2) recommended best practices: for guidance only.

The Code was duly adopted by the Board as the code on corporate governance practices of the Company.

For the year ended 31 December 2005, the Company has met the code provisions and some of the recommended best practices as set out in the Code except that Mr. Wang Mingquan, the Chairman of the Company, was unable to attend the 2005 Annual General Meeting of the Company. However, appropriate arrangements have been made accordingly before the holding of the Annual General Meeting.

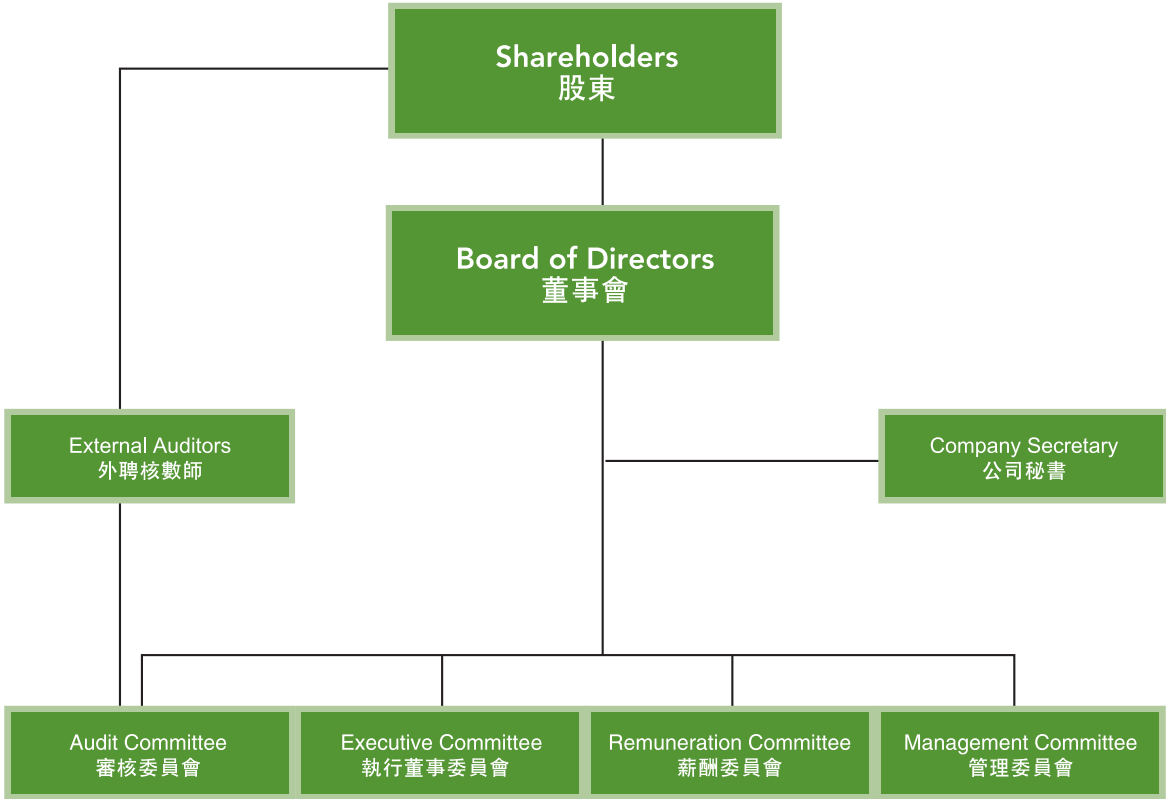
香港聯合交易所有限公司於二零零四年十一月公布修訂香港聯合交易所證券上市規則(「上市規則」),當中包括發出了一份《企業管治常規守則》(「該守則」)及《企業管治報告》,分別載於證券上市規則附錄十四及二十三內。該守則於二零零五年一月一日或之後開始的會計期間生效,唯一例外是該守則的條文C.2條(有關內部監控在企業管治報告中披露上市發行人內部監控資料的規定),則於二零零五年七月一日或之後開始的會計期間實行。該守則訂明良好企業管治的原則及兩個層次的有關建議,包括:(1)守則條文:上市發行人需要切實遵守,若有任何偏離守則條文的行為,須按規定提供經過深思熟慮的理由;及(2)建議最佳常規:只屬指引。

董事會已採納該守則作為本公司的企業管治常規守則。

截至二零零五年十二月三十一日止年度內,本公司均遵守該守則的守則條文及部份建議的最佳常規,惟本公司主席王明權先生未克出席本公司於二零零五年年度股東週年大會。但已於會前對股東週年大會做了具體的部署。

# Corporate Governance Report 企業管治報告書

ORGANIZATIONAL STRUCTURE IN RELATION TO CORPORATE GOVERNANCE 有關企業管治的組織架構



# Corporate Governance Report 企業管治報告書

## THE BOARD OF DIRECTORS

### Composition and function

The Board of Directors (“the Board”) comprises twelve Directors, of which nine are Executive Directors and the remaining three are Independent Non-executive Directors.

As at 31 December 2005, the Directors were:

#### Name of Director

#### Title

#### Executive Directors

Mr. Wang Mingquan	Chairman
Mr. Zang Qiutao	Vice-chairman
Mr. Li Xueming	Vice-chairman
Mr. Chen Xiaoping	Chief Executive Officer
Mr. Philip Fan Yan Hok	General Manager
Mr. Huang Chaohua	Deputy General Manager
Mr. Raymond Wong Kam Chung	Chief Financial Officer and Qualified Accountant
Mr. Chen Shuang	Executive Director
Ms. Zhang Weiyun	Executive Director

#### Non-executive Directors

Sir David Akers-Jones	Independent Non-executive Director
Mr. Aubrey Li Kwok Sing	Independent Non-executive Director
Mr. Selwyn Mar	Independent Non-executive Director

## 董事會

### 組成及職責

董事會由十二位董事組成，包括九位執行董事及三位獨立非執行董事組成。

於二零零五年十二月三十一日，董事會成員為：

#### 董事姓名

#### 職位

#### 執行董事

王明權先生	主席
臧秋濤先生	副主席
李學明先生	副主席
陳小平先生	行政總裁
范仁鶴先生	總經理
黃朝華先生	副總經理
黃錦聰先生	財務總監及合資格會計師
陳爽先生	執行董事
張衛云女士	執行董事

#### 非執行董事

鍾逸傑爵士	獨立非執行董事
李國星先生	獨立非執行董事
馬紹援先生	獨立非執行董事



# Corporate Governance Report 企業管治報告書

## THE BOARD OF DIRECTORS *(continued)*

### Composition and function *(continued)*

In accordance with the Articles of Association of the Company, subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three(3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

The position of the Chairman and the Chief Executive Officer are held by separate individuals, with a view to maintaining an effective segregation of duties respecting management of the Board and the day-to-day management of the Group's business.

The Board meets regularly throughout the year. Under the lead of the Chairman, the Board is responsible for approving and supervising the overall strategy and policies of the Group, approving annual budget and business plans, assessing the Group's performance and supervising the work of the management. All Directors have access to board papers and related materials, and are provided with adequate information on a timely manner. The Directors of the Company may, if necessary, seek legal or other independent professional advice at the expense of the Company.

In respect of regular board meetings or committee meetings, the agenda is sent out to the Directors at least fourteen days before the meeting and the accompanying papers are sent at least three days before the intended date of meeting for information.

## 董事會 (續)

### 組成及職責 (續)

根據本公司的公司細則，遵照上市規則不時規定之董事輪值告退方式，以及儘管委任或聘任任何董事時訂立了任何合約性或其他性質之條款，於每次股東週年大會上，三分之一在任董事（或若其數目並非三之倍數，則為最接近之數目，惟不得少於三分之一）須輪值告退，惟每位董事（包括具有指定任期者）必須至少每年退任一次。

董事會主席及行政總裁之職務由不同人士擔任，使董事會運作及集團日常業務管理得以有效區分。

董事會於年度內定期開會，在主席領導下，董事會負責批准及監察本集團的整體策略及政策、批准年度預算及業務計劃、評估集團表現，以及監督管理層的工作。全體董事均有權查閱董事會文件及有關資料，並會及時獲提供充份資料。在適當的情況下，本公司董事可向外諮詢法律或其他獨立的專業意見，有關費用由本公司支付。

定期的董事會會議或委員會會議議程會在召開會議日期前最少十四天前分發，而相關董事會或委員會會議文件會在召開會議前最少三天以書面方式分發予董事及委員會成員以供審閱。

# Corporate Governance Report 企業管治報告書

## THE BOARD OF DIRECTORS (continued)

### Composition and function (continued)

As an integral part of good corporate governance, the Board has established the following committees with specific written terms of reference which deal clearly with the committee's authority and duties:-

#### 1. EXECUTIVE COMMITTEE

The Executive Committee comprises Mr. Wang Mingquan (Chairman), the Chairman of the Board, and eight Executive Directors, namely Mr. Zang Qiutao, Mr. Li Xueming, Mr. Chen Xiaoping, Mr. Philip Fan Yan Hok, Mr. Huang Chaohua, Mr. Raymond Wong Kam Chung, Mr. Chen Shuang and Ms. Zhang Weiyun. Its main duties include performing the duties assigned by the Board as well as exercising the authority and rights authorized by the Board. The general mandate in relation to the Executive Committee in written form has been established.

#### 2. REMUNERATION COMMITTEE

The Remuneration Committee comprises Mr. Wang Mingquan (Chairman), the Chairman of the Board, Mr. Zang Qiutao, the Vice-chairman of the Board, and three independent non-executive directors of the Company, namely Sir David Akers-Jones, Mr. Aubrey Li Kwok Sing and Mr. Selwyn Mar. Its main duties include offering advice to the Board on the matters pertaining the remuneration policy and remuneration structure of the directors and senior management of the Company. The terms of reference of the Remuneration Committee are disclosed on the website of the Company.

During the year, the Remuneration Committee has reviewed the remuneration policy and structure of the Executive Directors and senior management of the Company, and offered advice on the same to the Board.

The remuneration of all the Directors and their respective interest in share options are set out in note 8 to the financial statements and under the "Share option scheme" paragraph in the report of the directors of this Annual Report.

## 董事會 (續)

### 組成及職責 (續)

為確保提供優良的企業管治，董事會成立了以下的委員會，並書面訂明各委員會之具體職權範圍，清楚說明各委員會之職權及職責：—

#### 1. 執行董事委員會

執行董事委員會由董事會主席王明權先生（擔任主席）及八位執行董事包括臧秋濤先生、李學明先生、陳小平先生、范仁鶴先生、黃朝華先生、黃錦驄先生、陳爽先生及張衛云女士組成，其主要職責為負責履行董事會指定的職能及行使其所授予的權利及權力。執行董事委員會設有其書面的一般性授權。

#### 2. 薪酬委員會

薪酬委員會由董事會主席王明權先生（擔任主席）、董事會副主席臧秋濤先生及三位獨立非執行董事包括鍾逸傑爵士、李國星先生及馬紹援先生組成，其主要職責包括就本公司董事及高級管理人員的全體薪酬政策及架構向董事會提出建議等，有關薪酬委員會的職權範圍書已載列於本公司的網站內。

於本年度內，薪酬委員會已審議了本公司執行董事及高級管理人員的薪酬政策及架構，並向董事會提出了有關建議。

各董事的薪酬及購股權權益分別刊載於本年報財務報表附註八及董事會報告「購股權計劃」一段內。

# Corporate Governance Report 企業管治報告書

## THE BOARD OF DIRECTORS (continued)

### Composition and function (continued)

#### 3. AUDIT COMMITTEE

The Audit Committee, comprising all three independent non-executive directors of the Company, namely Sir David Akers-Jones (Chairman), Mr. Aubrey Li Kwok Sing and Mr. Selwyn Mar, is primarily responsible for reviewing the accounting principles and practices adopted by the Group, as well as discussing and reviewing the internal control and financial reporting matters of the Company. The terms of reference of the Audit Committee are disclosed on the website of the Company.

The Audit Committee has reviewed with the management and KPMG, the Company's auditor, the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters, including a review of the annual report for the year ended 31 December 2005.

#### 4. MANAGEMENT COMMITTEE

The Management Committee comprises Mr. Chen Xiaoping (Chairman), the Chief Executive Officer of the Company, Mr. Philip Fan Yan Hok, the General Manager of the Company, Mr. Huang Chaohua, the Deputy General Manager of the Company and Mr. Raymond Wong Kam Chung, the Chief Financial Officer of the Company. The Management Committee is the decision-making body for day-to-day operation and its main duties include performing the duties assigned by the Board and/or the Executive Committee as well as exercising the authority and rights authorized by the same. The general mandate in relation to the Management Committee in written form has been established.

## 董事會 (續)

### 組成及職責 (續)

#### 3. 審核委員會

審核委員會由全數三位獨立非執行董事包括鍾逸傑爵士(擔任主席)、李國星先生及馬紹援先生組成,其主要職責包括審閱本集團所採納之會計原則及慣例、討論及檢討內部監控及財務申報等事宜,有關審核委員會的職權範圍書已載列於本公司的網站內。

審核委員會已與管理層及本公司核數師畢馬威會計師事務所審閱本集團所採納之會計政策及慣例,並就審核內部監控及財務報告等事宜(包括審閱本公司截至二零零五年十二月三十一日止之年度報告)進行討論。

#### 4. 管理委員會

管理委員會的成員包括行政總裁陳小平先生(擔任主席)、總經理范仁鶴先生、副總經理黃朝華先生及財務總監黃錦驄先生。管理委員會為本集團日常決策中心,其主要職責為負責履行董事會及/或執行董事委員會指定的職能及行使其所授予的權利及權力。管理委員會設有其書面的一般性授權。

# Corporate Governance Report 企業管治報告書

## NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS AND THE ATTENDANCE RATE OF DIRECTORS

## 董事會及委員會會議次數及各董事的出席次數

The following shows the number of regular board meetings and committee meetings held during the year as well as the attendance rate of each Director.

下表顯示年度內本公司所舉行的定期董事會及委員會會議次數及董事個別的出席次數。

### Attendance rate

### 出席次數

Name of Director 董事姓名		Board of Directors 董事會	Executive Committee 執行董事委員會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Management Committee 管理委員會
Mr. Wang Mingquan	王明權先生	2/4	2/3	1/2	N/A 不適用	N/A 不適用
Mr. Zang Qiutao	臧秋濤先生	4/4	3/3	2/2	N/A 不適用	N/A 不適用
Mr. Li Xueming <sup>(1)</sup>	李學明先生 <sup>(1)</sup>	3/4	3/3	0/2	N/A 不適用	N/A 不適用
Mr. Chen Xiaoping <sup>(2)</sup>	陳小平先生 <sup>(2)</sup>	4/4	3/3	0/2	N/A 不適用	13/13
Mr. Philip Fan Yan Hok	范仁鶴先生	4/4	3/3	N/A 不適用	N/A 不適用	13/13
Mr. Huang Chaohua	黃朝華先生	3/4	3/3	N/A 不適用	N/A 不適用	13/13
Mr. Raymond Wong Kam Chung	黃錦聰先生	4/4	3/3	N/A 不適用	N/A 不適用	13/13
Mr. Chen Shuang	陳爽先生	3/4	2/3	N/A 不適用	N/A 不適用	N/A 不適用
Ms. Zhang Weiyun	張衛云女士	4/4	3/3	N/A 不適用	N/A 不適用	N/A 不適用
Sir David Akers-Jones <sup>(3)</sup>	鍾逸傑爵士 <sup>(3)</sup>	2/4	N/A 不適用	1/2	3/3	N/A 不適用
Mr. Aubrey Li Kwok Sing	李國星先生	4/4	N/A 不適用	2/2	3/3	N/A 不適用
Mr. Selwyn Mar	馬紹援先生	3/4	N/A 不適用	1/2	3/3	N/A 不適用

Notes:

附註:

- (1) On 31 March 2005, Mr. Li Xueming resigned as a member of the Remuneration Committee.
- (2) On 31 March 2005, Mr. Chen Xiaoping resigned as a member of the Remuneration Committee and took up the post of Secretary for the Remuneration Committee on the same day.
- (3) On 31 March 2005, Sir David Akers-Jones was appointed as a member of the Remuneration Committee.

- (1) 於二零零五年三月三十一日李學明先生辭任為薪酬委員會成員。
- (2) 於二零零五年三月三十一日陳小平先生辭任為薪酬委員會成員，並於同日擔任薪酬委員會的秘書。
- (3) 於二零零五年三月三十一日鍾逸傑爵士擔任薪酬委員會成員。

# Corporate Governance Report 企業管治報告書

## THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the Chief Executive Officer should be separate. The Chairman's responsibility is to manage the Board and the Chief Executive Officer's responsibility is to manage the Company's business. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly established.

The responsibilities of the Chairman include the ones set out in the Code as well as the following:

- (a) providing leadership for and overseeing the functioning of the Board;
- (b) formulating overall strategies and policies of the Company;
- (c) ensuring that all Directors of the Board are properly briefed on issues arising at Board meetings and giving each Director an opportunity to express his/her view at board meetings;
- (d) ensuring that Directors receive adequate information, which must be complete and reliable, in a timely manner;
- (e) ensuring that the Board works effectively and discharges its responsibilities;
- (f) ensuring that all key and appropriate issues are discussed by the Board in a timely manner;
- (g) drawing up and approving the agenda for each board meeting taking into account, where appropriate, any matters proposed by the other directors for inclusion in the agenda;
- (h) taking responsibility for ensuring that good corporate governance practices and procedures are established;
- (i) encouraging all Directors to make a full and active contribution to the Board's affairs and take the lead to ensure that the Board acts in the best interests of the Company;

## 主席及行政總裁之職責分工

主席與行政總裁的職位應有區分。主席管理董事會的責任與行政總裁管理本公司業務的責任應有清晰的區別。

主席的職責包括載列於守則的職責及下列職責：

- (a) 領導董事會及監察董事會功能；
- (b) 制定本公司整體策略及政策；
- (c) 確保董事會上所有董事均適當知悉當前的事項及給每名董事在董事會上表達其意見的機會；
- (d) 確保董事會及時收到充分的資訊，而有關資訊亦必須完備可靠；
- (e) 確保董事會有效地運作，且履行應有責任；
- (f) 確保及時就所有重要的適當事項進行討論；
- (g) 釐定並批准每次董事會會議的議程，在適當情況下，這過程中應計及其他董事提議加入議程的任何事項；
- (h) 有責任確保本公司制定良好的企業管治常規及程序；
- (i) 鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；

## Corporate Governance Report 企業管治報告書

### THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER *(continued)*

(j) ensuring that appropriate steps are taken to provide effective communication with shareholders and that views of shareholders are communicated to the board as a whole; and

(k) facilitating the effective contribution of Directors and ensuring constructive relations between Executive Directors and Non-executive Directors.

The responsibilities of the Chief Executive Officer are as follows:

(a) Taking responsibility for the Group's operation and management;

(b) Implementing decisions and plans approved by the Board;

(c) Making day-to-day operational and managerial decision; and

(d) Coordinating overall business operations.

### 主席及行政總裁之職責分工 (續)

(j) 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會；及

(k) 促進董事對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

行政總裁的職責包括載列於下列：

(a) 負責本集團的經營和管理；

(b) 執行董事會的決議及計劃；

(c) 作出經營管理的日常決策；及

(d) 協調整體業務營運。

# Corporate Governance Report 企業管治報告書

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules, the Board is of the view that all Independent Non-executive Directors are independent and the Company has received an annual confirmation of independence from each of the Independent Non-executive Directors of the Company pursuant to the Listing Rules.

All three Independent Non-executive Directors are appointed for a term of two years until 31 December 2006, and are subject to retirement and re-election in accordance with the Company's Articles of Association.

## NOMINATION OF DIRECTOR

In accordance with the Articles of Association of the Company, the Directors will have the power from time to time and at any time to appoint any person as a Director to fill a casual vacancy in the Board, or as an addition to the existing Board. For nomination, consideration will be made to the qualifications of the nominee. The Company has not established a nomination committee. During the year, there was no change to the members of the Board.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the model code ("Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions.

Having made specific enquiry of the directors, all directors have complied with the required standard of dealings as set out therein during the year ended 31 December 2005.

## SHAREHOLDERS' RIGHTS

It is the Company's responsibility to ensure shareholder's interest. To do so, the Company maintains on-going dialogue with shareholders to communicate with them and encourage their participation through annual general meetings or other general meetings.

## 獨立非執行董事

根據上市規則第3.13條所載之獨立性指引，董事認為全體獨立非執行董事均為獨立人仕，而每名獨立非執行董事已根據上市規則的規定向本公司提供有關其獨立性的年度確認書。

三位獨立非執行董事的委任年期為兩年，直至二零零六年十二月三十一日止，並須遵行本公司細則有關退任及膺選連任之規定。

## 董事提名

根據本公司的組織章程細則，董事會有權不時或於任何時間委任任何人選為董事，以填補臨時空缺或新增董事會成員，提名須考慮該被提名人之資格。本公司並無成立提名委員會，於本年度內，董事會成員並無任何變更。

## 董事進行證券交易

本集團採納上市規則附錄十所載的《標準守則》（「標準守則」）作為董事進行本公司證券交易事宜的指引。

經向所有董事作出特定查詢後，截至二零零五年十二月三十一日止年度，本公司所有董事一直遵守標準守則的規定。

## 股東的權利

本公司有責任確保股東的權益。本公司就此透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵彼等參與股東大會。

# Corporate Governance Report 企業管治報告書

## SHAREHOLDERS' RIGHTS (continued)

Registered shareholders are notified by post for the shareholders' meetings. The notice of meeting contains the agenda, the proposed resolutions and a postal voting form.

All registered shareholders are entitled to attend the annual and extraordinary general meetings, provided that their shares have been recorded in the Register of Shareholders.

Shareholders who are unable to attend a general meeting may complete and return to the Company's Share Registrar the proxy form enclosed with the notice of meeting to give proxy to their representatives, another shareholder or chairman of the meetings.

Procedure for voting by poll has been included in circular of the Company accompanying notice convening general meeting of the Company and has been read out by the chairman at the general meeting of the Company.

## EXTERNAL AUDITORS

It is the auditors' responsibility to form an independent opinion, based on their audit, on the Company's financial statements and to report their opinion solely to the Company, as a body, in accordance with section 141 of the Companies Ordinance, and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the report of the auditors.

Apart from the provision of annual audit services, KPMG, the Group's external auditors, also carried out interim review of the Group's results and provided other financial services in compliance with the requirements under the Listing Rules and the Occupational Retirement Scheme Ordinance.

## 股東的權利 (續)

登記股東以郵遞方式收取股東大會通告。大會通告載有議程、提呈的決議案及郵遞投票表格。

任何登記股東有權出席股東週年大會及股東特別大會，惟彼等的股份必須登記於股東名冊內。

未能出席股東大會的股東可填妥隨附於大會通告的代表委任表格並交回本公司股份過戶處，以委任彼等之代表、另一名股東或大會主席擔任彼等的代表。

有關投票表決之程序載於本公司之通函（隨附本公司股東大會召開通告），並由大會主席於本公司股東大會上朗讀。

## 外聘核數師

核數師之責任是根據彼等審核工作的結果，對財務報表作出獨立意見，並按照公司條例第141條的規定，只向本公司作為一個整體作出報告。除此之外，該報告不可用作其他用途。核數師概不就核數師報告的內容，對任何其他人仕負責或承擔責任。

本集團的外聘核數師為畢馬威會計師事務所，除每年提供審核服務外，亦審閱本集團的中期業績及就本集團進行按照上市條例及職業（退休）計劃條例需要作出披露的交易提供其他財務服務。



# Corporate Governance Report 企業管治報告書

## EXTERNAL AUDITORS (continued)

For the year ended 31 December 2005, KPMG, the external auditors received the following remuneration from the Group in connection with the provision of audit and non-audit services to the Group:—

Annual audit services	年度審核服務	1,385
Interim review services	審閱中期業績服務	320
Other services	其他服務	5
		<hr/>
		1,710

## INTERNAL CONTROL

The Board has full responsibility for the Group's internal control system, which includes the establishment of a defined management structure with specified limits of authority. The system is designed to help the achievement of business objectives of the Group, safeguard assets against unauthorized use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication and ensure compliance with relevant legislation and regulation. The internal control system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The key procedures that the Board established to provide effective internal controls are as follows:

### — organizational structure

An appropriate organizational structure is in place with defined operating policies and procedures as well as responsibility and lines of authority.

## 外聘核數師 (續)

截至二零零五年十二月三十一日止年度內，外聘核數師畢馬威會計師事務所就提供審核及非審核服務予本集團而收取下列酬金：—

**2005**  
**二零零五年**  
HK\$'000  
千港元

## 內部監控

董事會全權負責本集團的內部監控系統，包括制訂管理架構及相關的權限以協助本集團達致業務目標、保管資產以防未經授權使用或出售、確保存有正確會計記錄以提供可靠的財務資料供內部使用或對外發放，並確保遵守有關法例與規則。上述監控系統可合理（但並非絕對）保證不會出現重大失實陳述或損失。

為提供有效的內部監控，董事會目前確立了下列主要程序：

### — 組織架構

本集團已制訂合適的組織架構，清楚訂明相關的營運政策及程序、職責及權限。

# Corporate Governance Report 企業管治報告書

## INTERNAL CONTROL (continued)

### – Authority and Control

The Executive Directors and senior management are delegated with respective levels of authorities to carry out the corporate strategies and policies and the related matters formulated by the Board.

### – Budgetary Control and Financial Reporting

The Group implements budget management, and financial budget is executed upon approval by the Board. Relevant procedures have been established to assess, review and approve major capital and recurrent expenditures, and regular review and comparison between operating results and the budget are made.

The Group has established appropriate internal control procedures to ensure the keeping of accurate and complete accounting and management records on a timely basis. Examination and review are carried out regularly to ensure that the financial statements are properly prepared in conformity with the generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

### – Internal Auditing

The Group has regularly conducted internal audit to review whether the internal control procedures are implemented appropriately.

Having conducted a review of the effectiveness of the Group's internal control system (including financial, operational and compliance controls and risk management functions), the Board was of the opinion that the existing internal control system was effective.

## 內部監控 (續)

### – 權限及監控

執行董事及高級管理人員獲授相關權限執行董事會制訂的企業策略、政策及有關事務。

### – 預算控制及財務報告機制

本集團實行預算管理，財務預算由董事會批核後執行。本集團已訂立相關程序以評估、檢討及批核主要的資本性及經常性支出，並定期檢討與比較經營結果與預算。

本集團已建立適當的內部監控程序，確保全面、正確及準時記錄會計及管理資料，並定期進行檢討及審查，確保財務報表的編製符合一般認可的會計準則、集團會計政策，以及適用的法律及法規。

### – 內部審核

本集團定期進行內部審核檢討內部監控程序是否如實執行。

經檢討本集團內部監控系統(包括財務監控、運作監控、合規監控及風險管理功能)的效率，董事會認為目前之內部監控系統有效。

# Corporate Governance Report 企業管治報告書

## DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

The Directors confirm that they are responsible for the preparation of the Group's financial statements.

The Finance Department of the Company is taken charge by the Qualified Accountant. With the assistance of the Finance Department, the Directors ensure that the Group's financial statements have been properly prepared in accordance with relevant regulations and applicable accounting principles.

A statement by KPMG, the auditors of the Company, about their reporting responsibilities on the financial statements of the Group is included in the Report of the Auditors on page 85.

## INVESTOR RELATIONSHIP AND COMMUNICATION

The Company recognizes the importance of good communications with shareholders and the investment community. Briefings and meetings with institutional investors and analysts are conducted regularly to provide them with up-to-date and comprehensive information about the Group's development. Annual and interim reports offer comprehensive operational and financial performance information to shareholders and the annual general meeting of the Company provides a forum for shareholders to exchange views directly with the Board, which together help enhance and facilitate communication with shareholders. The Company also maintained a website (<http://www.ebchinaintl.com>) which enables shareholders, investors and the general public to have access to the information of the Company on a timely basis.

## AMENDMENTS TO ARTICLES OF ASSOCIATION

To align with the amendments to the Listing Rules, the Articles of Association of the Company were amended accordingly and approved by shareholders at the 2005 Annual General Meeting held on 18 May 2005. The relevant amendments to the Articles of Association can be found in the circular to shareholders dated 25 April 2005.

## 董事就財務報表所承擔的責任

董事確認須就編製本集團財務報表承擔有關責任。

本公司由合資格會計師負責管理財務部，在財務部的協助下，董事確保本集團財務報表的編製符合有關法規及適用之會計準則。

本公司核數師畢馬威會計師事務所就本集團財務報表所作之申報責任聲明列載於第八十五頁之核數師報告內。

## 與投資者的關係及溝通

本公司明白與股東及投資者保持良好溝通的重要性，本公司會不時與機構投資者及分析員舉行簡報會及會議，為彼等提供有關本集團發展的最新詳情。為了促進及加強本公司及股東之間的關係，年報及中期報告為股東提供經營及財務業績的詳盡資料，而本公司的股東週年大會則為股東提供與董事會直接交換意見的機會。此外，本公司之網站 <http://www.ebchinaintl.com> 為本公司與其股東、投資者及公眾人士提供通訊渠道，而本集團之最新重要資料亦可於網站內獲取。

## 修訂組織章程細則

為符合上市規則的修訂，本公司的組織章程細則已經修訂，並於二零零五年五月十八日舉行的二零零五年股東週年大會上獲股東溝通。組織章程細則的相關修訂條文載於日期為二零零五年四月二十五日的致股東通函內。

# Report of the Directors

## 董事會報告

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2005.

### PRINCIPAL PLACE OF BUSINESS

China Everbright International Limited ("the Company") is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 2703, 27th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in note 17 on the financial statements.

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries ("the Group") during the financial year are set out in note 13 on the financial statements.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2005, the five largest customers in aggregate and the largest customer of the Group accounted for approximately 50% and 39% respectively of the Group's turnover. For the year ended 31 December 2005, the Group only had one major supplier, which provided services for the operation of waste-water treatment plants.

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

董事會欣然提呈截至二零零五年十二月三十一日止年度之年度報告及經審核財務報表。

### 主要營業地點

中國光大國際有限公司（「本公司」）為一家於香港註冊成立，並以香港為本籍之公司。本公司之註冊辦事處及主要營業地點位於香港夏慤道十六號遠東金融中心二十七樓二七零三室。

### 主要業務

本公司之主要業務為投資控股。各附屬公司之主要業務及其他詳情載於財務報表附註十七。

本公司及其附屬公司（「本集團」）於本財政年度內之主要業務及按地域劃分之分析載於財務報表附註十三。

### 主要客戶及供應商

截至二零零五年十二月三十一日止年度，本集團五大客戶合計及最大客戶分別佔本集團之營業額約50%及39%。截至二零零五年十二月三十一日止年度，本集團只有一名主要供應商，其為污水處理廠之運作提供服務。

於年內任何時間，概無任何董事、彼等之聯繫人士或任何本公司股東（據董事所知擁有本公司股本5%以上）擁有上述主要客戶及供應商任何權益。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

In June 2004, Qingdao EB-VW Waste Water Treatment Co., Ltd. (“Qingdao EB-VW”, a subsidiary of the Company) entered into an operation and maintenance agreement with Qingdao Veolia Water Operating Company Limited (“Qingdao Veolia”, an associate of the Group). Pursuant to the agreement, Qingdao EB-VW will subcontract to Qingdao Veolia the provision of the operation and maintenance services in respect of the waste-water treatment plants (“the Plants”) in Qingdao, the People’s Republic of China (“PRC”). During the year ended 31 December 2005, service fee for the operation and maintenance of the Plants paid to Qingdao Veolia amounted to HK\$18,800,000 (2004: Nil).

In June 2004, Qingdao EB-VW entered into a waste-water treatment agreement with Qingdao Municipal Drainage Company (“Qingdao Drainage”, a minority shareholder of Qingdao EB-VW). Pursuant to the agreement, Qingdao EB-VW will provide waste-water treatment services and other related services to Qingdao Drainage on an exclusive basis. During the year ended 31 December 2005, waste-water treatment revenue received from Qingdao Drainage amounted to HK\$52,423,000 (2004: Nil).

The independent non-executive directors of the Company have reviewed these connected transactions and confirmed that such transactions were:

- entered into in the ordinary and usual course of business of the Group;
- conducted either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from independent third parties; and
- in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### 持續關連交易

於二零零四年六月，青島光威污水處理有限公司（「青島光威」，本公司之附屬公司）與青島威立雅水務運營有限公司（「青島威立雅」，本集團之聯營公司），訂立營運及維修保養合同。據此，青島光威將把中華人民共和國（「中國」）青島市污水處理廠（「污水處理廠」）之營運及維修保養服務外判予青島威立雅。截至二零零五年十二月三十一日止年度，就營運及維修保養污水處理廠而已支付予青島威立雅之服務費為港幣18,800,000元（二零零四年：無）。

於二零零四年六月，青島光威與青島市排水公司（「青島排水」，青島光威之少數股東）訂立污水處理協議。據此，青島光威將獨家向青島排水提供污水處理服務及其他相關服務。截至二零零五年十二月三十一日止年度，從青島排水收取所得之污水處理收入為港幣52,423,000元（二零零四年：無）。

本公司之獨立非執行董事已審閱上述關連交易，並確認有關交易為：

- 於本集團日常及一般業務過程中訂立；
- 按一般商業條款進行或（倘並無足夠可供比較者以鑑定有關交易是否按一般商業條款進行），則按不遜於給予獨立第三者或獨立第三者提供之條款訂立；及
- 根據監管持續關連交易之有關協議訂立，而交易條款屬公平合理，且符合本公司各股東之整體利益。

### CONNECTED TRANSACTIONS

On 3 March 2005, Qingdao EB-VW entered into the following contracts with the subsidiaries of Veolia Water Systems S.A. (“Veolia Subsidiaries”, which are subsidiaries of a minority shareholder of a non-wholly owned subsidiary of the Group):

- (i) The engineering, procurement and construction contract, pursuant to which, the Veolia Subsidiaries and an independent third party will design and construct the extension facilities of a waste-water treatment plant in Qingdao, the PRC (“the Extension Facilities”).
- (ii) The equipment supply contract, pursuant to which, a Veolia Subsidiary will supply foreign equipment to be used in the construction of the Extension Facilities.
- (iii) The service contract, pursuant to which, a Veolia Subsidiary will provide offshore basic design, offshore project management, other technical services, process guarantee, patent and proprietary provision to be used in the construction of the Extension Facilities.

The transactions constituted connected transactions as defined by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”) and were announced by way of a press announcement by the Company on 9 March 2005. Details of the transactions have been included in the circular to shareholders dated 31 March 2005.

### 關連交易

於二零零五年三月三日，青島光威與Veolia Water Systems S.A.之附屬公司（「Veolia附屬公司」，本集團旗下非全資附屬公司之少數股東之附屬公司）訂立了下列合同：

- (i) 工程、採購及建築合同。據此，Veolia附屬公司及一名獨立第三者將設計及建造中國青島市污水處理廠擴建設施（「擴建設施」）。
- (ii) 設備供應合同。據此，一家Veolia附屬公司將供應建造擴建設施所需之外國設備。
- (iii) 服務合同。據此，一家Veolia附屬公司將就建造擴建設施提供境外基本設計、境外項目管理、其他技術服務、工序保證，以及提供所需專利權及所有權。

上述交易構成關連交易（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））及本公司已於二零零五年三月九日透過報章公告予以公佈。有關交易之詳情載於二零零五年三月三十一日致予股東之通函內。

# Report of the Directors

## 董事會報告

### DISCLOSEABLE TRANSACTION

On 26 September 2005, China Everbright Water Investments Limited (“CE Water Investments”, a subsidiary of the Company) entered into an asset transfer agreement with Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company (“Zibo Environmental”), pursuant to which, Zibo Finance Bureau and Zibo Environmental agreed to sell and CE Water Investments, on behalf of its subsidiary, agreed to acquire waste-water treatment plants at a total consideration of RMB224,055,000 (equivalent to HK\$214,891,000). The transaction constituted a discloseable transaction as defined by the Listing Rules and was announced by way of a press announcement by the Company on 27 September 2005. Details of the transaction have been included in the circular to shareholders dated 18 October 2005.

### FINANCIAL STATEMENTS

The profit of the Group for the year ended 31 December 2005 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 87 to 212.

### TRANSFER TO RESERVES

Profits attributable to shareholders, before dividends, of HK\$120,844,000 (2004: HK\$86,218,000) have been transferred to reserves. Other movements in reserves are set out in note 29 to the financial statements.

An interim dividend of HK0.6 cent per share (2004: HK0.4 cent per share) was paid on 31 October 2005. The directors now recommend the payment of a final dividend of HK0.6 cent per share (2004: HK0.6 cent per share) in respect of the year ended 31 December 2005.

### FIXED ASSETS

Details of the movements in fixed assets during the year are set out in note 14 to the financial statements.

### 須予披露交易

於二零零五年九月二十六日，中國光大水務投資有限公司（「光大水務投資」，本公司之附屬公司）與淄博市財政局及淄博市環保污水處理公司（「淄博環保」）訂立資產轉讓協議。據此，淄博市財政局及淄博環保同意出售，而光大水務投資（代表其附屬公司）同意收購污水處理廠，總代價為人民幣224,055,000元（相等於港幣214,891,000元）。上述交易構成須予披露交易（定義見上市規則）及本公司已於二零零五年九月二十七日透過報章公告予以公佈。有關交易之詳情載於二零零五年十月十八日致予股東之通函內。

### 財務報表

本集團截至二零零五年十二月三十一日止年度之盈利，以及本公司與本集團於該日之財政狀況載於第八十七頁至二百一十二頁之財務報表內。

### 轉撥至儲備

股東應佔盈利（未派付股息前）港幣120,844,000元（二零零四年：港幣86,218,000元）已轉撥至儲備。儲備之其他變動詳情載於財務報表附註二十九。

本公司已於二零零五年十月三十一日派付中期股息每股0.6港仙（二零零四年：每股0.4港仙）。董事現建議派付截至二零零五年十二月三十一日止年度末期股息每股0.6港仙（二零零四年：每股0.6港仙）。

### 固定資產

於本年度內固定資產之變動詳情載於財務報表附註十四。

# Report of the Directors

## 董事會報告

### SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 29(c) to the financial statements. Shares were issued during the year on exercise of share options.

There were no purchases, sales or redemptions of the Company's listed securities by the Company or any of its subsidiaries during the year.

### DIRECTORS

The directors during the financial year were:

#### Executive directors

Wang Mingquan, *Chairman*  
Zang Qiutao, *Vice-chairman*  
Li Xueming, *Vice-chairman*  
Chen Xiaoping, *Chief Executive Officer*  
Fan Yan Hok, Philip, *General Manager*  
Huang Chaohua, *Deputy General Manager*  
Wong Kam Chung, Raymond, *Chief Financial Officer*  
Chen Shuang  
Zhang Weiyun

#### Independent non-executive directors

Sir David Akers-Jones  
Li Kwok Sing, Aubrey  
Mar Selwyn

In accordance with articles 73, 77, 78 and 79 of the Company's Articles of Association, Mr Li Xueming, Mr Huang Chaohua, Mr Wong Kam Chung, Raymond and Mr Chen Shuang retire from the board at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The independent non-executive directors are appointed for a term until 31 December 2006 and subject to retirement in accordance with the Company's Articles of Association as indicated above.

### 股本

本公司於本年度內股本之變動詳情載於財務報表附註二十九(c)。於本年度內，本公司因購股權獲行使而發行股份。

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司上市證券。

### 董事

於本財政年度內之董事如下：

#### 執行董事

王明權 (主席)  
臧秋濤 (副主席)  
李學明 (副主席)  
陳小平 (行政總裁)  
范仁鶴 (總經理)  
黃朝華 (副總經理)  
黃錦聰 (財務總監)  
陳爽  
張衛云

#### 獨立非執行董事

鍾逸傑爵士  
李國星  
馬紹援

依據本公司之公司章程細則第七十三、七十七、七十八及七十九條規定，李學明先生、黃朝華先生、黃錦聰先生及陳爽先生須於即將舉行之股東週年大會上依章告退，而彼等已表示願意膺選連任。

獨立非執行董事之任期直至二零零六年十二月三十一日及須如上文所述根據本公司之公司章程細則告退。



# Report of the Directors

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS

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

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

The directors and chief executive of the Company who held office at 31 December 2005 had the following interests in the shares, underlying shares and debentures of the Company, its holding companies, subsidiaries and other associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) at that date as recorded in the register of directors' and chief executives' interests and short positions required to be kept under section 352 of the SFO are as follows:

#### (i) Long position in underlying shares of equity derivatives of the Company

Name of director 董事姓名	Nature of interest 權益性質	Number of equity derivatives held (share options) 持有股本衍生工具數目 (購股權)		Number of underlying shares (ordinary shares) 相關股份數目 (普通股)		Percentage 百分比
Wang Mingquan	王明權	Personal 個人	25,400,000	25,400,000	1.00%	
Li Xueming	李學明	Personal 個人	18,000,000	18,000,000	0.71%	
Chen Xiaoping	陳小平	Personal 個人	18,000,000	18,000,000	0.71%	
Fan Yan Hok, Philip	范仁鶴	Personal 個人	10,000,000	10,000,000	0.39%	
Huang Chaohua	黃朝華	Personal 個人	9,000,000	9,000,000	0.35%	
Wong Kam Chung, Raymond	黃錦驄	Personal 個人	9,000,000	9,000,000	0.35%	
Chen Shuang	陳爽	Personal 個人	4,000,000	4,000,000	0.16%	
Zhang Weiyun	張衛云	Personal 個人	4,000,000	4,000,000	0.16%	
Sir David Akers-Jones	鍾逸傑爵士	Personal 個人	1,000,000	1,000,000	0.04%	
Li Kwok Sing, Aubrey	李國星	Personal 個人	1,000,000	1,000,000	0.04%	

### 董事之服務合約

本公司或其任何附屬公司並無與在即將舉行之股東週年大會上提名連任之董事訂立不可於一年內免付賠償(一般法定賠償除外)予以終止之未屆滿服務合約。

### 董事及主要行政人員持有之股份、相關股份及債券權益及淡倉

按本公司根據證券及期貨條例第352條規定須予存置之董事及主要行政人員權益及淡倉登記冊所載記錄顯示，於二零零五年十二月三十一日在任之本公司董事及主要行政人員於該日在本公司、其控股公司、附屬公司及其他聯繫公司(定義見證券及期貨條例)之股份、相關股份及債券中所擁有之權益及淡倉如下:

#### (i) 於本公司相關股份股本衍生工具之好倉

# Report of the Directors

## 董事會報告

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

### 董事及主要行政人員持有之股份、相關股份及債券權益及淡倉(續)

#### (ii) Long position in underlying shares of equity derivatives of China Everbright Limited ("CEL"), an associated corporation of the Company

#### (ii) 於本公司之聯繫公司中國光大控股有限公司(「光大控股」)相關股份股本衍生工具之好倉

Name of director 董事姓名	Nature of interest 權益性質	Number of equity derivatives held (share options) 持有股本 衍生工具數目 (購股權)	Number of underlying shares (ordinary shares) 相關股份數目 (普通股)	Percentage 百分比
Wang Mingquan	王明權 Personal 個人	4,920,000	4,920,000	0.31%
Chen Shuang	陳爽 Personal 個人	2,030,000	2,030,000	0.13%

All the above underlying shares of equity derivatives (being unlisted and physically settled) were beneficially owned by the directors concerned. The percentage shown was calculated based on the respective number of issued shares of the Company and CEL as at 31 December 2005.

上述相關股份股本衍生工具(非上市及實物結算)均由有關董事實益持有。上表所顯示之百分比以本公司及光大控股於二零零五年十二月三十一日各自已發行股份數目計算。

Further details relating to the options granted to the directors and chief executive of the Company are set out in the section "Share option scheme" below.

有關本公司向董事及主要行政人員授出購股權的進一步詳情載於下文「購股權計劃」一節。

Apart from the foregoing, none of the directors and chief executive of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, any of its holding companies, subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

除上文所述者外，按本公司根據證券及期貨條例第352條規定須予存置之登記冊所載記錄顯示，本公司各董事及主要行政人員或彼等之任何配偶或十八歲以下之子女概無在本公司、其任何控股公司、附屬公司或其他聯繫公司之股份、相關股份或債券中擁有權益或淡倉或根據上市公司董事進行證券交易之標準守則須知會本公司之權益或淡倉。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME

The Company has a share option scheme which was adopted on 26 May 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. The purpose of the scheme is to provide an opportunity for employees of the Group to acquire an equity participation in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. The share option scheme shall be valid and effective for a period of ten years ending on 25 May 2013, after which no further options will be granted.

The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable six months (or a later date as determined by the directors of the Company) after the date on which the options are granted for a period up to ten years or 25 May 2013, whichever is earlier.

The total number of securities available for issue under the share option scheme as at 31 December 2005 was 254,831,170 shares (including options for 105,400,000 shares that have been granted but not yet lapsed or exercised) which represented approximately 10% of the issued share capital of the Company at 31 December 2005. In respect of the maximum entitlement of each participant under the share option scheme, the number of securities issued and to be issued upon exercise of the options granted to each participant in any 12-month period is limited to 1% of the Company's ordinary shares in issue.

Offer of an option shall be deemed to have been accepted when the letter comprising acceptance of the option duly signed by the grantee together with a remittance of HK\$1 is received within 28 days from the date of offer. The share option scheme will expire on 25 May 2013.

### 購股權計劃

本公司設有一個購股權計劃，其於二零零三年五月二十六日採納。據此，本公司董事獲授權可酌情邀請本集團僱員（包括本集團任何成員公司之董事）接納可認購本公司股份之購股權。計劃旨在提供機會予本集團僱員，讓彼等參資本公司，以及鼓勵彼等為了本公司及各股東之整體利益，努力工作，提升本公司及其股份之價值。購股權計劃之有效期為期十年，直至二零一三年五月二十五日為止，此後將不可再行授出任何購股權。

購股權之行使價為股份面值、股份於授出日期在香港聯合交易所有限公司（「聯交所」）之收市價及股份在緊接授出日期前五個營業日在聯交所之平均收市價三者中之較高者。購股權之行使期自授出後六個月（或本公司董事決定之較後日期）起計最多達十年或至二零一三年五月二十五日止（以較早者為準）。

於二零零五年十二月三十一日，在購股權計劃下可予發行之證券數目總數為254,831,170股（包括已授出惟尚未失效或行使涉及105,400,000股股份之購股權），佔本公司於二零零五年十二月三十一日之已發行股本約10%。就購股權計劃下每名參與者可獲授權益上限而言，每名參與者在任何12個月期間內獲授之購股權予以行使時所獲發行及可獲發行之股份總數，不得超過本公司已發行普通股1%。

在本公司於要約日期起計28日內接獲經由承授人正式簽署有關接納購股權之函件及港幣1元代價後，購股權要約即被視為已獲接納。購股權計劃將於二零一三年五月二十五日屆滿。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

As at 31 December 2005, the directors and employees of the Company had the following interests in options to subscribe for shares of the Company (market value per share at 31 December 2005 was HK\$0.385) granted at nominal consideration under the share option scheme of the Company. The options are unlisted. Each option gives the holder the right to subscribe for one ordinary share of HK\$0.1 of the Company.

### 購股權計劃(續)

於二零零五年十二月三十一日，本公司董事及僱員在可認購本公司股份之購股權中擁有下列權益(於二零零五年十二月三十一日之每股市價為港幣0.385元)。有關購股權乃根據本公司購股權計劃按象徵式代價授出。有關購股權並無上市。每股購股權賦予持有人認購一股本公司每股面值港幣0.1元之普通股之權利。

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市價*	Market value per share on exercise of options* 購股權 行使時之 每股市價*
<b>Directors</b>									
<b>董事</b>									
Wang Mingquan	王明權	12,700,000	-	12,700,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		12,700,000	-	12,700,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

### 購股權計劃 (續)

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市價*	Market value per share on exercise of options* 購股權 行使時之 每股市價*
Li Xueming	李學明	9,000,000	-	9,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		9,000,000	-	9,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
Chen Xiaoping	陳小平	9,000,000	-	9,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		9,000,000	-	9,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

### 購股權計劃 (續)

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市值*	Market value per share on exercise of options* 購股權 行使時之 每股市值*
Fan Yan Hok, Philip	范仁鶴	5,000,000	-	5,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		5,000,000	-	5,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
Huang Chaohua	黃朝華	4,500,000	-	4,500,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		4,500,000	-	4,500,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

### 購股權計劃 (續)

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市價*	Market value per share on exercise of options* 購股權 行使時之 每股市價*
Wong Kam Chung, Raymond	黃錦驃	4,500,000	-	4,500,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		4,500,000	-	4,500,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
Chen Shuang	陳爽	2,000,000	-	2,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		2,000,000	-	2,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

### 購股權計劃 (續)

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市價*	Market value per share on exercise of options* 購股權 行使時之 每股市價*
Zhang Weiyun	張衛云	2,000,000	-	2,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		2,000,000	-	2,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
Sir David Akers-Jones	鍾逸傑爵士	500,000	-	500,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		500,000	-	500,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-



# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

### 購股權計劃 (續)

		No. of options outstanding at the beginning of the year 年初 尚未行使之 購股權數目	No. of shares acquired on exercise of options during the year 年內行使 購股權購入 之股份數目	No. of options outstanding at the year end 年終 尚未行使之 購股權數目	Date granted 授出日期	Period during which options are exercisable 購股權 之行使期	Exercise price per share 每股行使價	Market value per share at date of grant of options* 於購股權 授出日期之 每股市價*	Market value per share on exercise of options* 購股權 行使時之 每股市價*
Li Kwok Sing, Aubrey	李國星	500,000	-	500,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
		500,000	-	500,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	-
Employees	僱員	4,500,000	(1,500,000)	3,000,000	29 September 2003 二零零三年 九月二十九日	29 March 2004 to 25 May 2013 二零零四年 三月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	HK\$0.45 港幣0.45元
		4,500,000	(1,500,000)	3,000,000	29 September 2003 二零零三年 九月二十九日	29 September 2004 to 25 May 2013 二零零四年 九月二十九日至 二零一三年 五月二十五日	HK\$0.296 港幣0.296元	HK\$0.296 港幣0.296元	HK\$0.45 港幣0.45元

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME (continued)

The options granted to the directors are registered under the names of the directors who are also the beneficial owners. The closing price of the Company's ordinary shares immediately before the date of grant of options was HK\$0.29.

\* being the weighted average closing price of the Company's ordinary shares immediately before the dates on which the options were granted or exercised, as applicable.

During the year, no option was granted, lapsed or cancelled under the share option scheme.

### SHARE OPTION SCHEME OF CEL

As at 31 December 2005, two directors of the Company had the following interests in options to subscribe for shares of CEL, which was granted under the share option scheme of CEL.

	No. of options outstanding at the beginning of the year	No. of options granted during the year	No. of options lapsed during the year	No. of options outstanding at the year end	Date granted 授出日期	Period during which options exercisable 購股權之行使期	Exercise price per share 每股行使價
	年初尚未行使 之購股權數目	年內授出之 購股權數目	年內失效之 購股權數目	年終尚未行使 之購股權數目			
Wang Mingquan 王明權	6,000,000	-	(6,000,000)	-	26 June 2002 二零零二年 六月二十六日	27 June 2003 to 26 December 2005 二零零三年六月二十七日至 二零零五年十二月二十六日	HK\$4.36 港幣4.36元
	3,000,000	-	-	3,000,000	7 July 2003 二零零三年 七月七日	8 July 2004 to 7 January 2007 二零零四年七月八日至 二零零七年一月七日	HK\$2.375 港幣2.375元
	-	1,920,000	-	1,920,000	3 May 2005 二零零五年 五月三日	4 May 2006 to 3 May 2010 二零零六年五月四日至 二零一零年五月三日	HK\$2.85 港幣2.85元

### 購股權計劃 (續)

授予董事之購股權乃以董事之姓名登記，而彼等亦為實益擁有人。本公司普通股在緊接購股權授出日期前之收市價為港幣0.29元。

\* 即本公司普通股在緊接購股權授出或行使（視何者適用）日期前之加權平均收市價。

於本年度內，在購股權計劃項下，並無任何購股權獲授出、告失效或被註銷。

### 光大控股之購股權計劃

於二零零五年十二月三十一日，本公司兩名董事擁有下列根據光大控股購股權計劃授出可認購光大控股股份之購股權權益。

# Report of the Directors

## 董事會報告

### SHARE OPTION SCHEME OF CEL (continued)

No. of options outstanding at the beginning of the year 年初尚未行使 之購股權數目	No. of options granted during the year 年內授出之 購股權數目	No. of options lapsed during the year 年內失效之 購股權數目	No. of options outstanding at the year end 年終尚未行使 之購股權數目
---	--	---	--

Chen Shuang	陳爽	750,000	-
		-	1,280,000

Apart from the foregoing, at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors or chief executive of the Company 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 SHARES AND UNDERLYING SHARES

The Company has been notified of the following interests in the Company's issued shares at 31 December 2005 amounting to 5% or more of the ordinary shares in issue:

		Long position in ordinary shares held 所持 普通股數目	Percentage of total issued shares 佔全部已發行 股份百分比
China Everbright Holdings Company Limited ("CEH") (Note)	中國光大集團有限公司 (「光大集團」)(附註)	1,758,595,910	approximately 69% 約69%

### 光大控股之購股權計劃 (續)

Date granted 授出日期	Period during which options exercisable 購股權之行使期	Exercise price per share 每股行使價
----------------------	--	---

3 September 2004 二零零四年 九月三日	4 September 2005 to 3 March 2008 二零零五年九月四日至 二零零八年三月三日	HK\$3.225 港幣3.225元
3 May 2005 二零零五年 五月三日	4 May 2006 to 3 May 2010 二零零六年五月四日至 二零一零年五月三日	HK\$2.85 港幣2.85元

除上文所述者外，在本年度內任何時間，本公司、任何其控股公司、附屬公司或同系附屬公司並無參與任何安排，致使本公司之董事或主要行政人員可藉購買本公司或任何其他法人團體之股份或債券而取得利益。

### 主要股東及其他人仕在股份及相關股份中擁有之權益及淡倉

本公司獲悉於二零零五年十二月三十一日擁有本公司已發行股份之權益達已發行普通股5%或以上之股東如下：

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Note: Out of the 1,758,595,910 shares, 1,758,215,910 shares are held by Guildford Limited ("Guildford"). Guildford is owned as to 55% by Datten Investments Limited ("Datten") and the remaining 45% by CEH. Datten is wholly-owned by CEH. The remaining 380,000 shares are held by Everbright Investment & Management Limited ("EIM"), a wholly-owned subsidiary of CEH. Accordingly, CEH is deemed to be interested in the 1,758,215,910 shares held by Guildford and the 380,000 shares held by EIM.

Apart from the foregoing, no other interests required to be recorded in the register kept under section 336 of the SFO have been notified to the Company.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

### DIRECTORS' INTEREST IN CONTRACTS

No contract of significance to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

### BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Company and the Group as at 31 December 2005 are set out in notes 23 and 26(a) to the financial statements.

### 主要股東及其他人仕在股份及相關股份中擁有之權益及淡倉 (續)

附註：在1,758,595,910股股份中，其中1,758,215,910股乃由Guildford Limited（「Guildford」）持有。Guildford乃由Datten Investments Limited（「Datten」）擁有55%股權，其餘45%則由光大集團持有。Datten為光大集團之全資附屬公司。其餘380,000股則由光大集團之全資附屬公司光大投資管理有限公司（「光大投資管理」）持有。故此，光大集團被視為擁有Guildford所持有之1,758,215,910股股份及光大投資管理所持有之380,000股股份。

除上文所述者外，本公司並無獲悉有其他必須記錄於依照證券及期貨條例第336條存置之登記冊內之權益。

### 足夠的公眾持股量

根據本公司公開取得之資料，以及就本公司董事所知，於本年報刊發日期，本公司維持上市規則所規定之公眾持股量。

### 董事於合約之權益

於年結日或本年度內任何時間，本公司、其任何控股公司、附屬公司或同系附屬公司概無訂立任何本公司董事擁有重大利益之重要合約。

### 銀行貸款及其他借貸

本公司及本集團於二零零五年十二月三十一日之銀行貸款及其他借貸詳情載於財務報表附註二十三及二十六(a)。

# Report of the Directors

## 董事會報告

### FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 213 and 214 of the annual report.

### PROPERTIES

Particulars of the major properties of the Group are shown on pages 215 and 216 of the annual report.

### RETIREMENT SCHEMES

The Company provides retirement benefits to all local eligible employees under an approved defined contribution provident fund (“the ORSO Scheme”). The ORSO Scheme is administered by trustees, the majority of which are independent, with its assets held separately from those of the Company. The ORSO Scheme is funded by contributions from employees and employers at 5% each based on the monthly salaries of employees. Forfeited contribution may be used to reduce the existing level of contribution by the Company.

As from 1 December 2000, the Group also operates a Mandatory Provident Fund Scheme (“the MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the ORSO Scheme. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$20,000.

The employees of the subsidiaries in the People’s Republic of China are members of the retirement schemes operated by the local authorities. The subsidiaries are required to contribute a certain percentage of their payroll to these schemes to fund the benefits. The only obligation of the Group with respect to these schemes is the required contributions under the schemes.

### 五年業績概要

本集團過去五個財政年度之業績及資產與負債概要載於年報第二百一十三頁及第二百一十四頁。

### 物業

本集團之主要物業詳情載於年報第二百五頁及第二百一十六頁。

### 退休計劃

本公司已為所有本地合資格僱員設定認可定額供款公積金（「職業退休計劃條例計劃」）。職業退休計劃條例計劃由信託人（大部份為獨立信託人）管理，其資產與本公司之資產分開持有。僱員及僱主均須就職業退休計劃條例計劃供款，分別為僱員月薪的5%。沒收供款可用作抵銷本公司現需承擔之供款。

自二零零零年十二月一日起，本集團亦根據香港強制性公積金計劃條例為受香港僱傭條例管轄且原先未包括在職業退休計劃條例計劃內之僱員提供強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及僱員各自須向計劃供款，供款額為僱員有關收入之5%，有關收入每月之上限為港幣20,000元。

中華人民共和國附屬公司之僱員均參與當地政府管理之退休計劃。該等附屬公司須按員工薪金之若干百分比向上述計劃作出供款。就此等計劃而言，本集團之唯一責任為根據此等計劃作出所需供款。

# Report of the Directors

## 董事會報告

### RETIREMENT SCHEMES *(continued)*

The Group's total contributions to these schemes charged to income statement during the year ended 31 December 2005 amounted to HK\$1,146,000.

### CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independent pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

### AUDITORS

KPMG retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

**Wang Mingquan**

*Chairman*

Hong Kong, 28 March 2006

### 退休計劃 (續)

本集團於截至二零零五年十二月三十一日止年度內向此等計劃所作之總供款額為港幣1,146,000元，並已入賬損益表內。

### 獨立性確認書

本公司已接獲各獨立非執行董事根據上市規則第3.13條就彼等之獨立性而發出之確認書。本公司認為全體獨立非執行董事均屬獨立。

### 核數師

畢馬威會計師事務所任滿告退並願意膺選連任。本公司將於即將舉行之股東週年大會上提呈續聘畢馬威會計師事務所為本公司核數師之決議案。

承董事會命

**王明權**

*主席*

香港，二零零六年三月二十八日

# Report of the Auditors

## 核數師報告

### AUDITORS' REPORT TO THE SHAREHOLDERS OF CHINA EVERBRIGHT INTERNATIONAL LIMITED

*(Incorporated in Hong Kong with limited liability)*

We have audited the financial statements on pages 87 to 212 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Hong Kong Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### 致中國光大國際有限公司各股東 核數師報告書

*(於香港註冊成立的有限公司)*

本核數師(以下簡稱「我們」)已審核刊於第八十七頁至第二百一十二頁按照香港公認會計原則編製的財務報表。

### 董事及核數師的責任

香港《公司條例》規定董事須編製真實和公允的財務報表。在編製這些財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理的判斷和估計，並說明任何重大背離適用會計準則的原因。

我們的責任是根據我們審核工作的結果，對這些財務報表提出獨立意見，並按照香港《公司條例》第141條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

# Report of the Auditors

## 核數師報告

### BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2005 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

### KPMG

*Certified Public Accountants*

Hong Kong, 28 March 2006

### 意見的基礎

我們是按照香港會計師公會頒佈的《核數準則》進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製財務報表時所作的主要估計和判斷、所釐定的會計政策是否適合 貴公司及 貴集團的具體情況，以及有否貫徹運用並足夠披露這些會計政策。

我們在策劃和進行審核工作時，是以取得一切我們認為必須的資料及解釋為目標，使我們能獲得充份的憑證，就財務報表是否存在重大的錯誤陳述，作合理的確定。在提出意見時，我們亦已衡量財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

### 意見

我們認為，上述的財務報表均真實和公允地反映 貴公司及 貴集團於二零零五年十二月三十一日的財政狀況和 貴集團截至該日止年度的盈利及現金流量，並已按照香港《公司條例》適當地編製。

### 畢馬威會計師事務所

*執業會計師*

香港，二零零六年三月二十八日



# Consolidated Income Statement

## 綜合損益表

For the year ended 31 December 2005 (Expressed in Hong Kong dollars)  
截至二零零五年十二月三十一日止年度 (以港幣計算)

			2005 二零零五年	2004 二零零四年 (restated) (重報)
		Note 附註	\$'000 千元	\$'000 千元
<b>Turnover</b>	<b>營業額</b>	3 & 13	<b>133,823</b>	65,244
Direct costs and operating expenses	直接成本及經營費用		<b>(43,161)</b>	(14,755)
			<b>90,662</b>	50,489
Other revenue	其他收入	4	<b>12,413</b>	4,603
Administrative expenses	行政費用		<b>(55,284)</b>	(35,463)
Other operating expenses	其他經營費用		-	(6,097)
Valuation gains on investment properties	投資物業估值盈餘	14	<b>25,230</b>	14,790
<b>Profit from operations</b>	<b>經營盈利</b>		<b>73,021</b>	28,322
Finance costs	財務費用	5(a)	<b>(32,090)</b>	(27,614)
			<b>40,931</b>	708
<b>Share of results of associates</b>	<b>所佔聯營公司業績</b>	6		
Share of profits	所佔盈利		<b>68,045</b>	80,888
Share of valuation gains on investment properties	所佔投資物業估值盈餘		-	4,294
<b>Profit before taxation</b>	<b>除稅前盈利</b>	5	<b>108,976</b>	85,890
Income tax	所得稅	7(a)	<b>11,868</b>	328
<b>Profit for the year</b>	<b>本年度盈利</b>		<b>120,844</b>	86,218
<b>Attributable to:</b>	<b>應佔部份:</b>			
Equity shareholders of the Company	本公司股東	10 & 29	<b>105,330</b>	86,776
Minority interests	少數股東權益	29	<b>15,514</b>	(558)
<b>Profit for the year</b>	<b>本年度盈利</b>	29	<b>120,844</b>	86,218
<b>Dividends payable to equity shareholders of the Company attributable to the year:</b>	<b>應派付予本公司股東之本年度股息:</b>			
Interim dividend declared during the year	年內已宣派中期股息	11	<b>15,311</b>	10,193
Final dividend proposed after the balance sheet date	結算日後建議分派末期股息		<b>15,311</b>	15,293
			<b>30,622</b>	25,486
<b>Earnings per share</b>	<b>每股盈利</b>	12		
Basic	基本		<b>4.13 cents</b> 仙	3.41 cents仙
Diluted	攤薄		<b>4.07 cents</b> 仙	3.35 cents仙

The notes on pages 96 to 212 form part of these financial statements.  
載於第九十六頁至第二百一十二頁之附註為此等財務報表之一部份。

# Consolidated Balance Sheet

## 綜合資產負債表

At 31 December 2005 (Expressed in Hong Kong dollars)  
於二零零五年十二月三十一日 (以港幣計算)

			2005 二零零五年	2004 二零零四年 (restated) (重報)
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元
<b>Non-current assets</b>				
Fixed assets	14(a)			
– Investment properties			262,194	230,054
– Other property, plant and equipment			1,163,052	658,338
– Interest in leasehold land held for own use under operating leases			76,045	–
			<b>1,501,291</b>	888,392
Intangible assets	15		34,433	–
Goodwill	16		48,236	45,453
Interest in associates	18		413,304	435,479
Other financial assets	19		51,931	46,462
Deferred tax assets	27(b)		16,832	–
			<b>2,066,027</b>	1,415,786
<b>Current assets</b>				
Debtors, other receivables, deposits and prepayments	20	109,023		49,911
Pledged bank deposits	21	89,197		6,912
Deposits with bank		907		5,854
Cash and cash equivalents	22	408,566		572,358
			<b>607,693</b>	635,035
<b>Current liabilities</b>				
Secured bank loans	23	40,227		62,450
Amounts due to minority shareholders	24	575		7,962
Creditors, other payables and accrued expenses	25	233,219		18,123
Current taxation	27(a)	2,138		98
			<b>276,159</b>	88,633
<b>Net current assets</b>			<b>331,534</b>	546,402
<b>Total assets less current liabilities carried forward</b>			<b>2,397,561</b>	1,962,188

# Consolidated Balance Sheet

## 綜合資產負債表

At 31 December 2005 (Expressed in Hong Kong dollars)  
於二零零五年十二月三十一日 (以港幣計算)

			2005	2004
			二零零五年	二零零四年 (restated) (重報)
		Note	\$'000	\$'000
		附註	千元	千元
<b>Total assets less current liabilities brought forward</b>	<b>總資產減流動負債承前</b>		<b>2,397,561</b>	1,962,188
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Secured bank loans	有抵押銀行貸款	23	572,016	304,838
Loans from ultimate holding company	最終控股公司貸款	26(a)	535,628	545,206
Amount due to ultimate holding company	應付最終控股公司款項	26(b)	-	9,186
Deferred tax liabilities	遞延稅項負債	27(b)	20,732	20,822
			<u>1,128,376</u>	880,052
<b>NET ASSETS</b>	<b>資產淨額</b>		<u>1,269,185</u>	<u>1,082,136</u>
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>	29(a)		
Share capital	股本		255,181	254,881
Reserves	儲備		921,676	824,061
<b>Total equity attributable to equity shareholders of the Company</b>	<b>本公司股東應佔權益總額</b>		<b>1,176,857</b>	1,078,942
<b>Minority interests</b>	<b>少數股東權益</b>		<b>92,328</b>	3,194
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<u>1,269,185</u>	<u>1,082,136</u>

Approved and authorised for issue by the board of directors on 28 March 2006  
董事會於二零零六年三月二十八日核准及許可發行。

Chen Xiaoping  
陳小平  
Director  
董事

Philip Fan Yan Hok  
范仁鶴  
Director  
董事

The notes on pages 96 to 212 form part of these financial statements.  
載於第九十六頁至第二百一十二頁之附註為此等財務報表之一部份。

# Balance Sheet

## 資產負債表

At 31 December 2005 (Expressed in Hong Kong dollars)  
於二零零五年十二月三十一日 (以港幣計算)

			2005 二零零五年	2004 二零零四年
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元
<b>Non-current assets</b>				
Property, plant and equipment	物業、廠房及設備	14(b)	1,314	897
Interest in subsidiaries	附屬公司權益	17	978,225	713,526
Interest in associates	聯營公司權益	18	205,199	205,199
Other financial assets	其他財務資產	19	13,649	13,649
			<u>1,198,387</u>	<u>933,271</u>
<b>Current assets</b>				
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		8,853	22,279
Cash and cash equivalents	現金及現金等價物	22	228,407	444,003
			<u>237,260</u>	<u>466,282</u>
<b>Current liabilities</b>				
Secured bank loans	有抵押銀行貸款	23	31,429	62,429
Other payables and accrued expenses	其他應付款項及應計費用		22,187	6,943
			<u>53,616</u>	<u>69,372</u>
<b>Net current assets</b>			<u>183,644</u>	<u>396,910</u>
<b>Total assets less current liabilities</b>				
			<u>1,382,031</u>	<u>1,330,181</u>
<b>Non-current liabilities</b>				
Secured bank loans	有抵押銀行貸款	23	30,536	36,964
Loans from ultimate holding company	最終控股公司貸款	26(a)	440,480	451,705
Amount due to ultimate holding company	應付最終控股公司款項	26(b)	-	8,559
			<u>471,016</u>	<u>497,228</u>
<b>NET ASSETS</b>			<u>911,015</u>	<u>832,953</u>

# Balance Sheet

## 資產負債表

At 31 December 2005 (Expressed in Hong Kong dollars)  
於二零零五年十二月三十一日 (以港幣計算)

			2005 二零零五年	2004 二零零四年
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>	29(b)		
Share capital	股本		<b>255,181</b>	254,881
Reserves	儲備		<b>655,834</b>	578,072
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>911,015</b>	832,953

Approved and authorised for issue by the board of directors on 28 March 2006

董事會於二零零六年三月二十八日核准及許可發行。

Chen Xiaoping  
陳小平  
Director  
董事

Philip Fan Yan Hok  
范仁鶴  
Director  
董事

The notes on pages 96 to 212 form part of these financial statements.  
載於第九十六頁至第二百一十二頁之附註為此等財務報表之一部份。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2005 (Expressed in Hong Kong dollars)  
截至二零零五年十二月三十一日止年度 (以港幣計算)

			2005 二零零五年	2004 二零零四年 (restated) (重報)
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元
<b>Total equity at 1 January:</b>	於一月一日之權益總額:			
Attributable to equity shareholders of the Company (as previously reported at 31 December)	本公司股東應佔部份 (如前於十二月三十一日呈報)	29	1,078,942	1,000,396
Minority interests (as previously presented separately in the income statement)	少數股東權益 (如前於損益表分開呈報)	29	3,194	-
		29	1,082,136	1,000,396
Opening balance adjustments arising from changes in accounting policies	會計政策變動所引致之期初結餘調整	29	(2,662)	-
At 1 January, after opening balance adjustments	於一月一日·作出期初結餘調整後	29	1,079,474	1,000,396
<b>Net income recognised directly in equity:</b>	直接於權益確認之收入淨額:			
Share of capital reserve of associate	所佔聯營公司資本儲備	29	-	905
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	29	9,598	802
Exchange differences on translation of financial statements of subsidiaries and associates	換算附屬公司及聯營公司財務報表產生之匯兌差額	29	8,868	1,471
Changes in fair value of available-for-sale securities	待售證券公允值之變動	29	8,811	-
Net income for the year recognised directly in equity	直接於權益確認之本年度收入淨額		27,277	3,178
<b>Net profit for the year:</b>	本年度淨盈利:			
Attributable to equity shareholders of the Company (as previously reported)	本公司股東應佔部份 (如前呈報)			86,776
Minority interests (as previously presented separately in the income statement)	少數股東權益 (如前在損益表中分開呈報)			(558)
Net profit for the year	本年度淨盈利	29	120,844	86,218
Capital reserve realised on liquidation of subsidiary	附屬公司清盤而變現之資本儲備	29	-	(555)
Exchange reserve realised on disposal of subsidiary and associate	出售附屬公司及聯營公司而變現之匯兌儲備	29	-	(808)
<b>Total recognised income and expense for the year</b>	本年度已確認收入及開支總額		148,121	88,033

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2005 (Expressed in Hong Kong dollars)  
截至二零零五年十二月三十一日止年度 (以港幣計算)

		2005 二零零五年		2004 二零零四年 (restated) (重報)	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Note 附註					
Attributable to:	應佔部份:				
- equity shareholders of the Company	- 本公司股東	130,293		88,591	
- minority interests	- 少數股東權益	17,828		(558)	
		<u>148,121</u>		<u>88,033</u>	
Dividends declared:	宣派股息:				
- by Company to equity shareholders	- 本公司支付予股東	(30,604)		(10,193)	
- by non-wholly owned subsidiary to minority shareholder	- 非全資附屬公司 支付予少數股東	(575)		(566)	
			<u>(31,179)</u>	<u>(10,759)</u>	
<b>Movements in equity arising from capital transactions with equity shareholders of the Company:</b>	<b>與本公司股東進行資本交易而產生之權益變動:</b>				
Shares issued under share option scheme	根據購股權計劃 發行股份	29	888		148
<b>Movements in equity arising from transactions between non-wholly owned subsidiaries and their minority shareholders:</b>	<b>非全資附屬公司與其少數股東進行交易而產生之權益變動:</b>				
Acquisition of non-wholly owned subsidiary	收購非全資附屬公司	29	-	38	
Capital contributions received by non-wholly owned subsidiaries from minority shareholders	非全資附屬公司 收取少數股東出資	29	71,881	4,280	
			<u>71,881</u>	<u>4,318</u>	
<b>Total equity at 31 December</b>	<b>於十二月三十一日之 權益總額</b>		<u>1,269,185</u>	<u>1,082,136</u>	

The notes on pages 96 to 212 form part of these financial statements.  
載於第九十六頁至第二百一十二頁之附註為此等財務報表之一部份。

# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 December 2005 (Expressed in Hong Kong dollars)  
截至二零零五年十二月三十一日止年度 (以港幣計算)

	Note 附註	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<b>Operating activities</b>	<b>經營活動</b>		
Profit before taxation	除稅前盈利	<b>108,976</b>	85,890
Adjustments for:	經調整:		
- Valuation gains on investment properties	- 投資物業估值盈餘	<b>(25,230)</b>	(14,790)
- Depreciation	- 折舊	<b>22,293</b>	15,168
- Amortisation of land lease premium	- 土地租賃費用攤銷	<b>283</b>	-
- Amortisation of intangible assets	- 無形資產攤銷	<b>115</b>	-
- Amortisation of positive goodwill	- 正商譽攤銷	<b>-</b>	1,881
- Finance costs	- 財務費用	<b>32,090</b>	27,614
- Interest income	- 利息收入	<b>(9,072)</b>	(1,148)
- Share of profits of associates	- 所佔聯營公司盈利	<b>(68,045)</b>	(80,888)
- Share of valuation gains on investment properties of associates	- 所佔聯營公司投資物業估值盈餘	<b>-</b>	(4,294)
- Gain on liquidation of subsidiary	- 附屬公司清盤所得收益	<b>-</b>	(555)
- Net gain on sale of fixed assets	- 出售固定資產收益淨額	<b>(587)</b>	(37)
- Foreign exchange loss/(gain)	- 匯兌虧損/(收益)	<b>2,304</b>	(2,127)
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前之經營盈利</b>	<b>63,127</b>	26,714
Increase in amounts due from associates	應收聯營公司款項增加	<b>-</b>	(8,442)
Decrease/(increase) in debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項減少/(增加)	<b>10,011</b>	(32,802)
(Decrease)/increase in amounts due to minority shareholders	應付少數股東款項(減少)/增加	<b>(7,962)</b>	627
Increase/(decrease) in creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用增加/(減少)	<b>34,235</b>	(50,711)
Decrease in amount due to ultimate holding company	應付最終控股公司款項減少	<b>-</b>	(55)
<b>Cash generated from/(used in) operations</b>	<b>經營產生/(動用)之現金</b>	<b>99,411</b>	(64,669)
Interest paid	已付利息	<b>(50,853)</b>	(56,208)
Interest received	已收利息	<b>9,072</b>	1,148
People's Republic of China ("PRC") income tax paid	已付中華人民共和國(「中國」)所得稅	<b>(2,610)</b>	(1,117)
<b>Net cash generated from/(used in) operating activities</b>	<b>經營活動產生/(動用)之現金淨額</b>	<b>55,020</b>	(120,846)



# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 December 2005 (Expressed in Hong Kong dollars)  
截至二零零五年十二月三十一日止年度 (以港幣計算)

	Note	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<b>Investing activities</b>			
Payment for the purchase of fixed assets		(370,449)	(6,189)
Proceeds from sale of fixed assets		2,845	98
(Increase)/decrease in pledged bank deposits		(82,285)	864
Decrease/(increase) in deposits with bank		4,947	(4,956)
Payment for purchase of associates		–	(575)
Payment for purchase of business, net of cash acquired	31	(99,883)	–
Payment for purchase of subsidiaries, net of cash acquired		–	(12,025)
Proceeds from sale of associates		–	489,229
Dividend received from associate		99,818	98,798
<b>Net cash (used in)/generated from investing activities</b>		<b>(445,007)</b>	<b>565,244</b>
<b>Financing activities</b>			
Proceeds from new bank loans		328,971	161,713
Repayment of bank loans		(88,735)	(159,719)
Proceeds from new loans from ultimate holding company		–	9,425
Repayment of loans from ultimate holding company		(9,425)	(42,364)
Capital contributions received by non-wholly owned subsidiaries from minority shareholders		24,277	4,280
Proceeds from shares issued under share option scheme		888	148
Dividend paid to equity shareholders of the Company		(30,604)	(10,193)
<b>Net cash generated from/(used in) financing activities</b>		<b>225,372</b>	<b>(36,710)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(164,615)</b>	<b>407,688</b>
<b>Cash and cash equivalents at 1 January</b>		<b>572,358</b>	<b>164,115</b>
<b>Effect of foreign exchange rates changes</b>		<b>823</b>	<b>555</b>
<b>Cash and cash equivalents at 31 December</b>	22	<b>408,566</b>	<b>572,358</b>

The notes on pages 96 to 212 form part of these financial statements.  
載於第九十六頁至第二百一十二頁之附註為此等財務報表之一部份。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs for the current and prior accounting periods reflected in these financial statements is provided in note 2.

#### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2005 comprise the Company and its subsidiaries and the Group’s interest in associates.

### 一. 主要會計政策

#### (a) 遵守聲明

此等財務報表是按照香港會計師公司頒佈之所有適用香港財務報告準則（「香港財務報告準則」），該統稱包括所有適用的單獨的香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港公認會計原則及香港《公司條例》之規定而編製。此外，此等財務報表亦已遵照香港聯合交易所有限公司證券上市規則中適用的披露規定。本集團所採用之主要會計政策撮要載列如下。

香港會計師公會頒佈了多項新訂及經修訂之香港財務報告準則。有關準則自二零零五年一月一日或以後開始之會計期間生效或可供提前採用。於本會計期間及過往會計期間，由於初次運用該等新訂及經修訂之香港財務報告準則而導致會計政策變動之資料反映在財務報表附註二內。

#### (b) 財務報表編製基準

截至二零零五年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司及本集團於聯營公司之權益。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (b) Basis of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment property (see note 1(g)); and
- financial instruments classified as available-for-sale securities (see note 1(f)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 一. 主要會計政策 (續)

#### (b) 財務報表編製基準 (續)

編製財務報表所採用之計算基準為歷史成本法，惟下列資產及負債均以公允值列賬（詳見下文會計政策所闡釋）除外：

- 投資物業（見附註一(g)）；及
- 分類為待售證券之金融工具（見附註一(f)）。

編製此等符合香港財務報告準則之財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用及所申報之資產及負債、收入及開支等數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，所得結果構成管理層就目前未能從其他來源而得出的資產及負債之賬面值所作出估計之基準。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之變動如僅影響當期，則有關會計估計變動將於當期確認。如該項會計估計變動影響當期及以後期間，則有關會計估計變動將於當期及以後期間確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital or controls more than half of the voting power or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

### 一. 主要會計政策 (續)

#### (c) 附屬公司

根據香港《公司條例》，附屬公司為本集團直接或間接持有其一半以上已發行股本或控制其一半以上投票權或控制其董事會組合之公司。倘本公司有權直接或間接支配附屬公司之財務及營運政策，並藉此從其業務中獲取利益，則有關附屬公司將被視為受本公司控制。

於受控制附屬公司之投資會自控制開始日期起合併入綜合財務報表內，直至控制結束日期為止。

集團內公司間之結餘及交易和因此而產生之任何未變現盈利於編製綜合財務報表時悉數抵銷。倘並無出現耗損跡象，集團內公司間之交易所產生之未變現虧損則按照未變現收益之相同方式抵銷。

於結算日之少數股東權益，指並非由本公司直接或間接透過附屬公司擁有之股權所佔附屬公司之部份資產淨值；會在綜合資產負債表及權益變動表之權益項目中，與本公司股東之應佔權益分開呈報。而少數股東所佔集團業績之權益則會在綜合損益表中列作為本公司少數股東與本公司股東之間分配之本年度盈利或虧損總額。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) Subsidiaries (continued)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 1(k)), unless the investment is classified as held for sale.

#### (d) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on goodwill relating to the investments in associates recognised for the year (see note 1(e) and (k)).

### 一. 主要會計政策 (續)

#### (c) 附屬公司 (續)

倘少數股東應佔之虧損超過其應佔附屬公司股權之權益，超額部份及任何其他少數股東應佔虧損便會沖減本集團所佔權益；惟如少數股東有具約束力之義務及有能力作出額外投資彌補虧損則除外。附屬公司之所有其後盈利均會分配予本集團，直至收回以往由本集團承擔之少數股東應佔虧損為止。

本公司之資產負債表內，於附屬公司之投資按成本值減去任何耗損虧損（見附註一(k)）列賬，但如有關投資已被列作待售投資則除外。

#### (d) 聯營公司

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力的公司，包括參與財務及經營政策之決定，但並不控制或共同控制其管理層之公司。

於聯營公司之投資根據權益法記入綜合財務報表內，首先按成本值入賬，其後按本集團所佔聯營公司資產淨值於收購後之變動作出調整，但如有關投資已被列作待售投資則除外。綜合損益表包括本集團所佔聯營公司於該年度之收購後及除稅後業績，包括於年內確認有關於聯營公司之投資之任何商譽耗損虧損（見附註一(e)及(k)）。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Associates (continued)

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal and constructive obligations or made payments on behalf of the associate. For this purpose, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In the Company's balance sheet, its investments in associates are stated at cost less impairment losses (see note 1(k)), unless it is classified as held for sale.

#### (e) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment of associates over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and is tested annually for impairment (see note 1(k)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

### 一. 主要會計政策 (續)

#### (d) 聯營公司 (續)

如本集團分攤之虧損超過其於聯營公司之權益，則本集團之權益將會減至零；除本集團需對該聯營公司承擔法定及推定責任或代表該聯營公司作出付款外，毋須確認其他虧損。就此而言，本集團於聯營公司之權益為根據權益會計法所得之投資賬面值，連同實際構成集團於聯營公司之投資淨額之任何長期權益。

本集團及其聯營公司間之交易所導致之未變現盈虧均在本集團之聯營公司權益中沖銷，惟倘未變現耗損是由已轉讓資產的減值產生，則須立刻在損益表中確認。

本公司之資產負債表內，於聯營公司之投資需按成本值減去耗損虧損（見附註一(k)）列賬，但如有關投資已被列作待售投資則除外。

#### (e) 商譽

商譽即商業合併或投資聯營公司之成本超過本集團應佔被收購者之可辨別資產、負債及或有負債之公允之數。

商譽按成本值減累計耗損虧損列賬。商譽被分配為現金生產單位，並須每年作耗損測試（見附註一(k)）。就聯營公司而言，商譽之賬面值會包括於聯營公司權益之賬面值內。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (e) Goodwill (continued)

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in profit or loss.

On disposal of a cash generating unit or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

#### (f) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries and associates, are as follows:

Investments in securities held for trading are classified as current assets and are initially stated at fair value. At each balance sheet date the fair value is remeasured, with any resulted gain or loss being recognised in profit or loss.

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note 1(k)).

Other investments in securities are classified as available-for-sale securities and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except for impairment losses (see note 1(k)). When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

### 一. 主要會計政策 (續)

#### (e) 商譽 (續)

在商業合併或投資聯營公司時，若本集團應佔被收購者之可辨別資產、負債及或有負債之公允淨值高於成本值，超出之金額即時在損益表確認。

於年內出售單一現金生產單位或聯營公司時，其應佔已收購商譽金額會於計算出售交易之盈虧時計入其中。

#### (f) 其他股本證券投資

本集團及本公司之股本證券投資 (除附屬公司及聯營公司投資外) 準則如下：

持作貿易用途之證券投資被歸類為流動資產，初步按公允值列賬。於各個結算日，會重新計算公允值，所得之盈虧於損益表中確認。

倘股本證券投資於活躍市場並無市場報價及其公允值無法準確計量，則該等投資在資產負債表中以成本值減耗損虧損確認入賬 (見附註一(k))。

其他證券投資被歸類為待售證券，初步按公允值加交易成本確認入賬。於各個結算日，會重新計算公允值，所得之盈虧會直接於權益中確認，惟耗損虧損除外 (見附註一(k))。當終止確認此等投資時，先前直接於權益中確認之累計收益或虧損會於損益表中確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Other investments in equity securities (continued)

Investments are recognised/derecognised on the date the Group and/or the Company commits to purchase/sell the investments.

#### (g) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 1(j)) to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 1(s)(iii).

#### (h) Other property, plant and equipment

Other property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note 1(k)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 1(u)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

### 一. 主要會計政策 (續)

#### (f) 其他股本證券投資 (續)

投資於本集團及/或本公司承諾買入/賣出當日確認/終止確認。

#### (g) 投資物業

投資物業是根據租賃權益擁有或持有用作賺取租金收益及/或資本增值之土地及/或樓宇(見附註一(j))。

投資物業於資產負債表中按公允值列賬。公允值變動所產生或投資物業退廢或出售所產生之任何盈虧於損益表中確認。投資物業之租金收入按附註一(s)(iii)所載者入賬。

#### (h) 其他物業、廠房及設備

其他物業、廠房及設備於資產負債表內按成本值減累計折舊及耗損虧損入賬(見附註一(k))。

自建物業、廠房及設備成本包括物料成本、直接勞工成本、初步估計(倘有關)之拆卸及搬遷項目以及恢復項目所在地原貌之成本及適當比例之生產經常費用及借貸成本(附註一(u))。

退廢或出售物業、廠房及設備所產生之盈虧以出售所得淨額與資產之賬面值之間的差額釐定，並於退廢或出售當日在損益表中確認。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Other property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, over their estimated useful lives as follows:

- toll bridge is depreciated on an units-of-usage basis which is based on the actual traffic volume for a particular period over the projected total traffic volume throughout the periods for which the Group is granted the right to operate the bridge. The projected total traffic volume is based on independent professional traffic studies. It is a Group policy to compare the yearly actual traffic volume with the projected traffic volume. Appropriate adjustments will be made should actual volume be materially different from that projected;
- buildings situated on leasehold land are depreciated on a straight-line basis over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion;

### 一. 主要會計政策 (續)

#### (h) 其他物業、廠房及設備 (續)

物業、廠房及設備項目乃按其估計可使用年期減彼等之估計剩餘價值(如有)以撇銷其成本值計算折舊如下:

- 收費橋樑之折舊乃按照交通流量法計提。其按有關期間之實際交通流量佔本集團獲授該橋樑經營權期間之預計交通總流量之比例計提。預計交通總流量乃根據獨立專業交通流量研究計算所得。本集團會將每年的實際交通流量與預計交通總流量作比較。倘若實際交通總流量與預計出現重大差異，則將會作出適當調整；
- 位於租賃土地之上的樓宇乃按其餘下之租賃年期及估計可使用年期(即完成日期起計五十年之內)(以較短者為準)以直線法折舊；

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Other property, plant and equipment (continued)

- other fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Toll bridge ancillary facilities	5 to 10 years
Waste-water treatment infrastructure	20 years
Machinery and equipment	5 to 15 years
Leasehold improvements	10 years or over the remaining term of the lease, if shorter
Furniture and fixtures	5 to 10 years
Motor vehicles, electronic equipment and other fixed assets	3 to 12 years

No depreciation is provided in respect of construction in progress.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

#### (i) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated in the balance sheet at cost less accumulated amortisation and impairment losses (see note 1(k)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

### 一. 主要會計政策 (續)

#### (h) 其他物業、廠房及設備 (續)

- 其他固定資產乃按下列之估計可使用年期以直線法折舊：

收費橋樑附屬設施	五至十年
污水處理基礎建設	二十年
機器及設備	五至十五年
租賃物業裝修	十年或剩餘之租賃年期，以較短者為準
傢俬及裝置	五至十年
汽車、電子設備及其他固定資產	三至十二年

在建工程並不計提折舊。

當一項物業、廠房及設備之各部份有不同的可使用年期，此項目各部份之成本將按合理基礎分配，而每部份將作個別折舊。資產之可使用年期及其剩餘價值（如適合）於每年進行檢討。

#### (i) 無形資產 (商譽除外)

本集團收購所得之無形資產於資產負債表中按成本值減累計攤銷及耗損虧損列賬（見附註一(k)）。有關內部產生之商譽及品牌之開支於產生期間支銷。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) Intangible assets (other than goodwill) (continued)

Amortisation of waste-water treatment concession right is charged to profit or loss on a straight-line basis over its estimated useful life of 25 years. Both the period and method of amortisation are reviewed annually.

#### (j) Leased assets

##### (i) Classification of assets leased to the Group

Assets that are held by Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exception:

Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

### 一. 主要會計政策 (續)

#### (i) 無形資產 (商譽除外) (續)

污水處理特許經營權之攤銷按直線法於估計可使用年期二十五年內計入損益表。攤銷期及方法均會每年檢討。

#### (j) 租賃資產

##### (i) 租賃予本集團之資產之分類

本集團根據租賃持有之資產，而其中絕大部份擁有權之風險及利益均轉移至本集團之租賃，歸分類為融資租賃。不會轉移絕大部份擁有權之風險及利益予本集團之租賃，惟下述者除外：

根據經營租賃持作自用之土地，其公允值不能夠與訂立租賃時已建於其上之建築物之公允值分開計量，當作融資租賃入賬，但如有關建築物亦是根據經營租賃確實持有則除外。就此而言，訂立租賃時指本集團首次訂立租賃時，或自前度承租人接收時或有關建築物興建日（如為較遲之時間）。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (j) Leased assets (continued)

##### (ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Company or Group will obtain ownership of the asset, the life of the asset, as set out in note 1(h). Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(k). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

### 一. 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (ii) 根據融資租賃購入之資產

如屬本集團以融資租賃獲得資產使用權之情況，則將相當於租賃資產公允值或最低租賃付款額之現值（如為較低者）列作固定資產，而相應負債（已扣除財務費用）則列為融資租賃承擔。折舊是在相關的租賃期或資產之可使用年期（如本公司或本集團很可能取得資產之所有權）內計提，沖銷其成本；有關的可使用年期載列於附註一(h)。耗損虧損按照附註一(k)所述之會計政策入賬。租賃付款內含的財務費用方租賃期內計入損益表內，使每個會計期間之財務費用與負債餘額之比率大致相同。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (j) Leased assets (continued)

##### (iii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property.

### 一. 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (iii) 經營租賃支出

如屬本集團透過經營租賃使用資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額方式計入損益表中；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。經營租賃協議所涉及之獎勵措施均會在損益表中確認為租賃淨付款總額之組成部份。

根據經營租賃持有之土地之收購成本乃於租約期內以直線法攤銷，惟如該物業分類為投資物業則除外。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets

##### (i) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exist, any impairment loss is determined and recognised as follows:

- For current receivables that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for current receivables are reversed if in a subsequent period the amount of the impairment loss decreases.

### 一. 主要會計政策 (續)

#### (k) 資產耗損

##### (i) 股本證券投資及其他應收款項之耗損

按成本值或攤銷成本列賬或已被歸類為待售證券之股本證券投資及其他流動與非流動應收款項會於各個結算日進行檢討，以判斷有否存在客觀耗損證據。如存在任何上述證據，則會釐定及確認耗損虧損如下：

- 就按成本值列賬之流動應收款項而言，耗損虧損按財務資產之賬面值與按類似財務資產之現行市場回報率貼現（如貼現影響重大）估計之未來現金流量之差額計算。倘於其後期間耗損虧損之金額減少，則流動應收款項之耗損虧損可予撥回。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (i) Impairment of investments in equity securities and other receivables (continued)

- For financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets).

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (i) 股本證券投資及其他應收款項之耗損 (續)

- 就按攤銷成本列賬之財務資產而言，耗損虧損按資產之賬面值與按財務資產最初之實際利率（即此等資產最初確認時計算所得之實際利率）估計之未來現金流量現值之差額計算。

倘於其後期間耗損虧損金額有所減少，並可客觀地與確認耗損虧損後發生之事件有關連，有關耗損虧損會撥回損益表。惟所撥回之耗損虧損以假設沒有在往年確認耗損虧損而釐定之資產賬面值為限。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (i) Impairment of investments in equity securities and other receivables (continued)

- For available-for-sale securities, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised directly in equity.

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (i) 股本證券投資及其他應收款項之耗損 (續)

- 就待售證券而言，早前直接於權益內確認之任何累計虧損須從權益內轉回，並在損益表內確認。在損益表內確認之累計虧損為收購成本（已扣除任何本金還款及攤銷）與現行公允值兩者之差額，減去早前已在損益表內就該資產確認之任何耗損虧損。

已於損益表確認之待售股本證券之耗損虧損並不能轉回損益表。其後該資產公允值之任何增加須直接在權益內確認。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- intangible assets;
- investments in subsidiaries and associates (except for those classified as being held for sale); and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (ii) 其他資產之耗損

本集團會於每個結算日審閱內部及外界所得資料，以確定下列資產是否出現耗損或先前已確認之耗損虧損不再存在或已經減少(商譽除外)：

- 物業、廠房及設備(按重估數額列值之物業除外)；
- 無形資產；
- 於附屬公司及聯營公司之投資(被分類為待售者除外)；及
- 商譽。

倘出現任何該等跡象，則就資產之可收回數額進行估計。此外，就商譽而言，其可收回數額會每年估計(不論有否出現耗損跡象)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (ii) Impairment of other assets (continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (ii) 其他資產之耗損 (續)

– 計算可收回數額

資產之可收回數額乃指出售價格淨額與使用價值兩者中之較高者。評估使用價值時，估計日後現金流量乃根據除稅前貼現率貼現至現值，而該貼現率須反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流量，可收回數額則指可獨立產生現金流量之最小資產組別（即現金生產單位）之可收回數額。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (ii) Impairment of other assets (continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (ii) 其他資產之耗損 (續)

– 確認減值虧損

倘資產或其所屬之現金生產單位之賬面值超過其可收回數額，則於損益表確認耗損虧損。就現金生產單位確認之耗損虧損首先分配作為減少分配至現金生產單位（或單位類別）之任何商譽之賬面值，繼而按比例基準作為減少單位（或單位類別）之其他資產之賬面值，惟資產之賬面值將不會減少至低於其個別公允價值減出售成本或使用價值（如能計算）。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (k) Impairment of assets (continued)

##### (ii) Impairment of other assets (continued)

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

#### (l) Debtors, other receivables, deposits and prepayments

Debtors, other receivables, deposits and prepayments are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 1(k)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (see note 1(k)).

### 一. 主要會計政策 (續)

#### (k) 資產耗損 (續)

##### (ii) 其他資產之耗損 (續)

- 耗損虧損撥回

就商譽以外的資產而言，倘用作釐定可收回數額之估計出現有利變動，則須撥回耗損虧損。商譽之耗損虧損不會撥回。

耗損虧損撥回只限於該資產並未計算過往年度所確認之耗損虧損時之賬面值。耗損虧損撥回計入在撥回的年度之損益表內。

#### (l) 應收賬款、其他應收款項、按金及預付款項

應收賬款、其他應收款項、按金及預付款項初步按公允值確認，其後則按攤銷成本減呆壞賬耗損虧損列賬（見附註一(k)）。惟如有關應收款項為給予關聯人仕之免息貸款，而有關貸款並無固定還款期或貼現影響甚微者，有關應收款項按成本值減呆壞賬耗損虧損列賬（見附註一(k)）。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings using the effective interest method.

#### (n) Creditors, other payables and accrued expenses

Creditors, other payables and accrued expenses are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

### 一. 主要會計政策 (續)

#### (m) 計息借款

計息借款初步按公允值減應佔交易成本確認。在初步確認後，計息借款按攤銷成本列賬，而成本與贖回價值之任何差額於借貸期內使用實際利率法在損益表中確認。

#### (n) 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用初步按公允值確認，其後按攤銷成本列賬，但如貼現影響甚微則除外，在此情況下，則按成本值列賬。

#### (o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他財務機構之活期存款及可隨時兌換為已知金額現金之短期及高流通性投資，其價值變動風險並不重大，並在購入起計三個月內到期。在編製綜合現金流量表時，現金及現金等價物也包括須按要求償還及構成本集團現金管理中一部份的銀行透支。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (p) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

### 一. 主要會計政策 (續)

#### (p) 僱員福利

(i) *短期僱員福利及定額供款計劃供款*

薪金、年度花紅、年度有薪假期、定額供款計劃供款及非金錢福利之成本於本集團僱員提供服務之年度提取。倘因付款遞延而造成重大分別，有關數額則按其現值列賬。

(ii) *以股份償付*

僱員獲授購股權之公允值會確認為員工成本，而在權益內之資本儲備則作相應之增加。公允值乃採用二項式點陣模式，並經考慮授出購股權之條款及條件，計算。當僱員須符合生效條件才可無條件享有該等購股權，預計購股權之公允值總額在生效期內經考慮購股權生效的或然率後攤分入賬。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (p) Employee benefits (continued)

##### (ii) Share-based payments (continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

#### (q) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

### 一. 主要會計政策 (續)

#### (p) 僱員福利 (續)

##### (ii) 以股份償付 (續)

於生效期內，估計可生效之購股權數目會作出檢討。除非原來的員工支出符合資產確認之要求，否則任何已在往年確認之累計公允值之調整須在檢討年內之損益表中計入／回撥，並在資本儲備作相應調整。在生效日期，除非因未能符合生效條件引致權利喪失純粹與本公司股份之市價有關，否則確認為支出之金額按生效購股權之實際數目作調整（並在資本儲備作相應調整）。權益金額在資本儲備中確認，直至購股權獲行使（轉撥至股份溢價賬），或購股權屆滿（直接轉入保留盈利）為止。

#### (q) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均在損益表內確認，惟如某部份之本期稅項及遞延稅項資產及負債之變動與直接於股東權益中確認之項目有關，則該部份須於股東權益中確認。

本期稅項是按本年度應課稅收入，以於結算日採用或主要採用之稅率計算之預期應繳稅項，及任何有關以往年度應繳稅項之調整。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Income tax (continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

### 一. 主要會計政策 (續)

#### (q) 所得稅 (續)

遞延稅項資產及負債分別由資產及負債按財務報表之賬面值及課稅值兩者之可予扣減及應課稅之暫時性差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時性差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異回撥之部份，而此等應課稅暫時性差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時性差異預期回撥之同一期間內回撥或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內回撥。在評定目前之應課稅暫時性差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時採用上述相同之標準，即該等暫時性差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內回撥方計算在內。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

### 一. 主要會計政策 (續)

#### (q) 所得稅 (續)

該等確認遞延稅項資產及負債之有限例外情況：包括不可在稅務方面獲得扣減之商譽所引致之暫時性差異、首次確認但並不影響會計盈利及應課稅盈利之資產或負債（惟其不可為企業合併之部份）、以及有關於附屬公司投資所引致之未來回撥之差異；或如為可予扣減差異，則只限於可能在未來回撥之差異。

應確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以結算日採用或主要採用之稅率計算。遞延稅項資產及負債均無作貼現計算。

本集團會在每個結算日評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，賬面金額則予以調低。如日後可能取得足夠之應課稅盈利時，已扣減金額則予以撥回。

分派股息所產生之額外所得稅在支付有關股息之責任確認時予以確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

### 一. 主要會計政策 (續)

#### (q) 所得稅 (續)

本期稅項及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。若本公司或本集團在法律上擁有抵銷即期稅項資產及本期稅項負債之行使權利及符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本公司或本集團計劃以淨額清償，或計劃同時變現資產和清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Income tax (continued)

- the same taxable entity; or
- different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

#### (r) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

### 一. 主要會計政策 (續)

#### (q) 所得稅 (續)

- 同一應課稅單位；或
- 或如為不同之應課稅單位，預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產及計劃以淨額基準清償本期稅項資產及本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

#### (r) 撥備及或有負債

當本集團或本公司因過往事件而須負上法律或推定之責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，則始為未能確定何時發生或其款額之負債作出撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之現值作出撥備。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (r) Provisions and contingent liabilities (continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### (s) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

##### (i) Toll bridge revenue

Toll bridge revenue, net of business tax, is recognised on usage of the bridge.

##### (ii) Waste-water treatment revenue

Waste-water treatment revenue is recognised when the waste-water treatment process has been completed.

### 一. 主要會計政策 (續)

#### (r) 撥備及或有負債 (續)

倘不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露為或有負債，除非出現經濟效益流出的可能性極微。可能出現的責任（僅於一項或多項未來事件發生或不發生的情況下確定）亦披露為或有負債，除非出現經濟利益流出的可能性極微。

#### (s) 收入確認

當經濟效益會預期流入本集團，並且收入及成本（如適用）能可靠計算之情況下，以下各項收入方會於損益表中確認：

##### (i) 收費橋樑收益

收費橋樑收益（經扣除營業稅）按使用路橋基準確認。

##### (ii) 污水處理收入

污水處理收入於污水處理程序完成後確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (s) Revenue recognition (continued)

##### (iii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

##### (iv) Property management fee and environmental protection project management and consultancy fee income

Property management fee and environmental protection project management and consultancy fee income are recognised when the related services are rendered.

##### (v) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

### 一. 主要會計政策 (續)

#### (s) 收入確認 (續)

##### (iii) 經營租賃產生之租金收入

根據經營租賃應收之租金收入於租賃年期所涵蓋之會計期間內分期等額在損益表中確認，除非有另一基準更能代表使用租賃資產所產生之利益之模式。已授出之租賃獎勵於損益表中確認為將予收取之總租賃款項淨額的一部份。

##### (iv) 物業管理費及環保項目管理與顧問費收入

物業管理費及環保項目管理與顧問費收入於提供相關服務時確認。

##### (v) 股息

非上市投資之股息收入為當股東確立收取該款項之權利後確認。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (s) Revenue recognition (continued)

##### (vi) Interest income

Interest income is recognised as it accrues using the effective interest method.

#### (t) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

### 一. 主要會計政策 (續)

#### (s) 收入確認 (續)

##### (vi) 利息收入

利息收入是按實際利率法以應計基準確認。

#### (t) 外幣換算

於本年度內外幣交易按交易當日之匯率換算。以外幣計算之貨幣資產及負債均按結算日之市場匯率換算。外匯換算而產生之匯兌盈虧撥入損益表內處理。

外匯非貨幣性資產及負債乃按交易日之匯率列為歷史成本折算。以公允值列賬之外匯非貨幣資產及負債乃以釐定公允值日期之匯率兌換。

外國業務之業績乃按交易日期之概約匯率換算為港幣；資產負債表項目，包括因合併二零零五年一月一日或之後購入之外國業務之賬目所產生之商譽，則按結算日之匯率換算為港幣。匯兌差額直接於權益分開確認。因合併二零零五年一月一日之前購入之外國業務之賬目所產生之商譽則按收購外國業務當日之適用匯率兌換。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (u) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

#### (v) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

### 一. 主要會計政策 (續)

#### (u) 借貸成本

借貸成本乃於產生之期間列入損益表，除非該等借貸成本乃與購入、建造或生產需經一段長時期準備方可作預期運用或出售之資產直接有關則予以資本化。

借貸成本乃於資產之開支產生、借貸成本產生及有關籌備資產作其擬定用途或出售所需之活動進行時即資本化作為合格資產之部份成本。當所有有關籌備合格資產作其擬定用途或出售所需之活動大致上中斷或完成時，即暫時中止或停止資本化借貸成本。

#### (v) 關聯人仕

就此等財務報表而言，凡本集團可直接或間接控制，或於作出財務及經營決策時對其行使重大影響力，或相反而言，或本集團與其均受他人共同控制或影響之人仕，均被視為本集團之關聯人仕。關聯人仕可以是個人（即主要管理人員、重大股權股東及／或其親近家庭成員）或其他實體，包括受本集團關聯人仕重大影響之實體，而該關聯人仕屬個人，以及提供福利予本集團僱員之離職後福利計劃或某些與本集團關聯之實體。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (w) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include trade receivables and property, plant and equipment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

### 一. 主要會計政策 (續)

#### (w) 分部報告

「分部」是指集團內可劃分的單位，這些單位或負責提供產品或服務（業務分部），或在特定之經濟環境（地區分部）提供產品或服務，而個別分部所承受之風險及所得之回報與其他分部不同。

根據本集團之內部財務報告方式，本集團之財務報表已選定業務分部資料為主要呈報形式，而地區分部資料則為次要呈報形式。

分部收入、開支、業績、資產及負債包括直接歸屬於該分部之項目，以及該等可按合理基準分配至該部之項目。例如：分部資產可能包括應收賬款及物業、廠房及設備。分部收入、開支、資產及負債於綜合賬項過程中對銷集團內公司間之結餘及集團內公司間之交易前釐定，惟集團內公司間結餘及交易源自集團同一業務分部內企業者則除外。集團內公司間之交易訂價按提供予其他外界人仕之類似條款釐定。

分部之資本支出是收購預期使用超過一段期間的分部資產（包括有形及無形）而於收購期內產生之總成本。

未分配項目主要包括財務及企業資產、計息貸款、借貸、稅項結餘、企業及財務開支。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new and revised HKFRSs that are effective for accounting periods beginning on or after 1 January 2005.

The accounting policies of the Group and/or Company after the adoption of these new and revised HKFRSs have been summarised in note 1. The following sets out information on the significant changes in accounting policies for the current and prior accounting periods reflected in these financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 38).

#### (a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets)

In prior periods:

- positive or negative goodwill which arose prior to 1 January 2001 was taken directly to reserves at the time it arose, and was not recognised in the income statement until disposal or impairment of the acquired business;
- positive goodwill which arose on or after 1 January 2001 was amortised on a straight line basis over its useful life and was subject to impairment testing when there were indications of impairment; and

### 二. 會計政策之變動

香港會計師公會頒佈了多項新訂及經修訂之《香港財務報告準則》，有關準則自二零零五年一月一日或以後開始之會計期間生效。

本集團及／或本公司於採納有關新訂及經修訂香港財務報告準則後之會計政策概要載於附註一。與本會計期間及過往會計期間有關，並已在財務報表中反映之會計政策主要變動詳情如下。

本集團並無應用任何於本會計期間尚未生效之新準則或詮釋（見附註三十八）。

#### (a) 正商譽及負商譽之攤銷（《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」）

在過往期間：

- 就二零零一年一月一日之前產生之正商譽或負商譽而言，其於產生時直接計入儲備內，並於所收購之業務被出售或出現耗損後方在損益表中確認；
- 就二零零一年一月一日或之後產生之正商譽而言，其按直線法於可使用年期內攤銷，並於出現耗損跡象時作出耗損測試；及

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets) (continued)

- negative goodwill which arose on or after 1 January 2001 was amortised over the weighted average useful life of the depreciable/amortisable non-monetary assets acquired, except to the extent it related to identified expected future losses as at the date of acquisition. In such cases it was recognised in the income statement as those expected losses were incurred.

With effect from 1 January 2005, in order to comply with HKFRS 3 and HKAS 36, the Group has changed its accounting policies relating to goodwill. Under the new policy, the Group no longer amortises positive goodwill but tests it at least annually for impairment. Also with effect from 1 January 2005 and in accordance with HKFRS 3, if the fair value of the net assets acquired in a business combination exceeds the consideration paid (i.e. an amount arises which would have been known as negative goodwill under the previous accounting policy), the excess is recognised immediately in profit or loss as it arises. Further details of these new policies are set out in note 1(e).

### 二. 會計政策之變動 (續)

#### (a) 正商譽及負商譽之攤銷 (《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」) (續)

- 就二零零一年一月一日或之後產生之負商譽而言，其按所收購應計折舊／攤銷之非貨幣資產之加權平均可使用年期攤銷；惟如負商譽關乎在收購日已確定之預計未來虧損，便會按預計虧損在損益表中確認。

由二零零五年一月一日起，為了符合《香港財務報告準則》第3號及《香港會計準則》第36號之規定，本集團變更了有關商譽之會計政策。根據新政策，本集團不再攤銷正商譽，惟正商譽須最少每年評估耗損。此外，由二零零五年一月一日起及按照《香港財務報告準則》第3號，如在業務合併中購入之資產淨額之公允值超過所付代價（即按照過往會計政策稱為負商譽者），超出之金額於產生時即時在損益表中確認。此等新政策之進一步資料載於附註一(e)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (a) Amortisation of positive and negative goodwill (HKFRS 3, Business combinations and HKAS 36, Impairment of assets) (continued)

The new policy in respect of the amortisation of positive goodwill has been applied prospectively in accordance with the transitional arrangements under HKFRS 3. As a result, comparative amounts have not been restated, the cumulative amount of amortisation as at 1 January 2005 has been offset against the cost of the goodwill and no amortisation charge for goodwill has been recognised in the income statement for the year ended 31 December 2005. This has increased the Group's profit after taxation for the year ended 31 December 2005 by \$2,442,000.

Also in accordance with the transitional arrangements under HKFRS 3, goodwill which had previously been taken directly to reserves (i.e. goodwill which arose before 1 January 2001) will not be recognised in profit or loss on disposal or impairment of the acquired business, or under any other circumstances.

According to HKFRS 3, the amount which would have been known as negative goodwill under the previous accounting policy is recognised immediately in the income statement as it arises. The carrying amount of negative goodwill existing at 1 January 2005 shall be derecognised, with a corresponding adjustment to the opening balance of retained profits. These have decreased the Group's profit after taxation for the year ended 31 December 2005 by \$50,000 and net assets of the Group at 31 December 2005 have increased by \$630,000.

### 二. 會計政策之變動 (續)

#### (a) 正商譽及負商譽之攤銷(《香港財務報告準則》第3號「業務合併」及《香港會計準則》第36號「資產耗損」)(續)

有關攤銷正商譽之新會計政策已按照《香港財務報告準則》第3號之過渡條文應用於往後的期間。因此，比較數字並無重報；截至二零零五年一月一日之累計商譽攤銷金額已與成本沖銷；並無在截至二零零五年十二月三十一日止年度之損益表中確認商譽攤銷支出。此變動導致本集團截至二零零五年十二月三十一日止年度之除稅後盈利增加2,442,000元。

此外，根據《香港財務報告準則》第3號之過渡條文，當所收購業務被出售或出現耗損時，或在任何其他情況下，過往直接計入儲備之商譽(即於二零零一年一月一日之前產生之商譽)也不會在損益表中確認。

根據《香港財務報告準則》第3號，在過往會計政策下稱為「負商譽」之金額於產生時即時在損益表中確認。於二零零五年一月一日已存在之負商譽賬面值須予以沖銷，而期初保留盈利餘額作出相應調整。此變動導致本集團截至二零零五年十二月三十一日止年度之除稅後盈利減少50,000元及本集團於二零零五年十二月三十一日之資產淨值增加630,000元。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (b) Financial instruments (HKAS 32, Financial instruments: Disclosure and presentation and HKAS 39, Financial instruments: Recognition and measurement)

With effect from 1 January 2005, in order to comply with HKAS 32 and HKAS 39, the Group has changed its accounting policies relating to financial instruments to those as set out in notes 1(f), (k) to (n).

In prior years, equity investments held on a continuing basis for an identifiable long-term purpose were classified as investment securities and stated at cost less provision. Other investments in securities (including those held for trading and for non-trading purposes) were stated at fair value with changes in fair value recognised in profit or loss.

With effect from 1 January 2005, and in accordance with HKAS 39, all investments, with the exception of securities held for trading purposes, dated debt securities being held to maturity and certain unquoted equity investments, are classified as available-for-sale securities and carried at fair value. Changes in the fair value of available-for-sale securities are recognised in equity, unless there is objective evidence that an individual investment has been impaired. Further details of the new policies are set out in note 1(f).

### 二. 會計政策之變動 (續)

#### (b) 金融工具(《香港會計準則》第32號「金融工具：披露及呈報」及《香港會計準則》第39號「金融工具：確認及計量」)

由二零零五年一月一日起，為了符合香港會計準則第32號及香港會計準則第39號之規定，本集團將其有關金融工具之會計政策變為附註一(f)、(k)至(n)所載者。

於過往年度，持續持有作既定長期用途之股本投資列作投資證券，並按成本值減撥備列賬。其他證券投資(包括持作貿易用途及非貿易用途者)乃按公允值列賬，而公允值變動需於損益表內確認。

由二零零五年一月一日起，並根據《香港會計準則》第39號，所有投資(持作貿易用途之證券、持至到期日之定期債務證券及若干非上市股本投資除外)歸類為待售證券，並按公允值列賬。待售證券公允值之變動於權益中確認，但如有客觀證據證明個別投資項目出現耗損則除外。此等新政策之進一步資料載於附註一(f)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (b) Financial instruments (HKAS 32, Financial instruments: Disclosure and presentation and HKAS 39, Financial instruments: Recognition and measurement) (continued)

The changes in accounting policies were adopted by way of an opening balance adjustment to retained earnings as at 1 January 2005 and net assets of the Group have decreased by \$3,342,000. Comparative amounts have not been restated as this is prohibited by the transitional arrangements in HKAS 39.

As a result of these new policies, there is no material impact on the Group's profit before taxation for the year ended 31 December 2005 and net income recognised directly in equity for the year ended 31 December 2005 has increased by \$8,811,000.

#### (c) Employee share option scheme (HKFRS 2, Share-based payment)

In prior years, no amounts were recognised when employees (which term includes directors) were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price receivable.

With effect from 1 January 2005, in order to comply with HKFRS 2, the Group has adopted a new policy for employee share options. Under the new policy, the Group recognises the fair value of such share options as an expense with a corresponding increase recognised in a capital reserve within equity.

### 二. 會計政策之變動 (續)

#### (b) 金融工具 (《香港會計準則》第32號「金融工具：披露及呈報」及《香港會計準則》第39號「金融工具：確認及計量」) (續)

上述會計政策變動是於二零零五年一月一日之期初保留盈利結餘作出調整，導致本集團之資產淨額減少3,342,000元。比較數字並無重報，原因為《香港會計準則》第39號之過渡條文禁止作出此舉。

採納此等新政策，並無對本集團截至二零零五年十二月三十一日止年度之除稅前盈利構成任何重大影響，而截至二零零五年十二月三十一日止年度直接於權益中確認之收入淨額則增加8,811,000元。

#### (c) 僱員購股權計劃 (《香港財務報告準則》第2號「以股份償付」)

於過往年度，於僱員 (包括董事) 獲授可認購本公司股份之購股權時，並無確認任何金額。如僱員選擇行使購股權，僅以購股權之應收行使價計入股本 (面值) 及股份溢價。

根據《香港財務報告準則》第2號之規定，由二零零五年一月一日起，本集團採納了有關僱員購股權之新政策。根據新政策，本集團把有關購股權之公允值確認為開支，而權益中的資本儲備亦會相應增加。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (c) Employee share option scheme (HKFRS 2, Share-based payment) (continued)

The Group has taken advantage of the transitional provisions set out in HKFRS 2 under which the new recognition and measurement policies have not been applied to the following grants of options:

- (a) all options granted to employees on or before 7 November 2002; and
- (b) all options granted to employees after 7 November 2002 but which had vested before 1 January 2005.

As the Group's options were granted to employees after 7 November 2002 but which had vested before 1 January 2005, the adoption of HKFRS 2 has no impact on the Group's net assets and results for the current and prior years.

Details of the employee share option scheme are set out in report of the directors and note 28.

### 二. 會計政策之變動 (續)

#### (c) 僱員購股權計劃 (《香港財務報告準則》第2號「以股份償付」) (續)

本集團採納了《香港財務報告準則》第2號所載之過渡條文。據此，下述授出之購股權並無按照新政策來確認及計算：

- (a) 於二零零二年十一月七日或之前授予僱員之所有購股權；及
- (b) 於二零零二年十一月七日之後授予僱員惟於二零零五年一月一日之前生效之所有購股權。

由於本集團之購股權均於二零零二年十一月七日之後授予僱員並於二零零五年一月一日之前生效，故採納《香港財務報告準則》第2號並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

僱員購股權計劃之詳情載於董事會報告及附註二十八。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (d) Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)

Changes in accounting policies relating to investment properties are as follows:

(i) *Timing of recognition of movements in fair value in the income statement*

In prior years movements in the fair value of the Group's investment property were recognised directly in the investment property revaluation reserve except when, on a portfolio basis, the reserve was insufficient to cover a deficit on the portfolio, or when a deficit previously recognised in the income statement had reversed, or when an individual investment property was disposed of. In these limited circumstances movements in the fair value were recognised in the income statement.

Upon adoption of HKAS 40 as from 1 January 2005, the Group has adopted a new policy for investment property. Under this new policy, all changes in the fair value of investment property are recognised directly in the profit or loss in accordance with the fair value model in HKAS 40. Further details of the new policy for investment property are set out in note 1(g).

### 二. 會計政策之變動 (續)

#### (d) 投資物業 (《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」)

有關投資物業之會計政策變動如下：

(i) 於損益表確認公允價值變動之時間

於過往年度，本集團投資物業之公允價值變動直接於投資物業重估儲備中確認，惟按個別投資組合而言，儲備不足以抵銷該組合之虧損，或先前已於損益表中確認之虧損予已回撥，或個別投資物業已出售，此等公允價值之變動則在損益表內確認。

於二零零五年一月一日採納《香港會計準則》第40號後，本集團採納了有關投資物業之新政策。根據新政策，投資物業公允價值之所有變動均按《香港會計準則》第40號之公允價值模式，直接於損益表中確認。此投資物業新政策之進一步資料載於附註一(g)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (d) Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)

(continued)

##### (i) Timing of recognition of movements in fair value in the income statement (continued)

As the Group had no investment property revaluation reserve and deficits were recognised in the income statement previously, the adoption of this new policy has no impact on the Group's net assets and results for the current and prior years.

##### (ii) Measurement of deferred tax on movements in fair value

In prior years the Group was required to apply the tax rate that would be applicable to the sale of investment property to determine whether any amounts of deferred tax should be recognised on the revaluation of investment property. Consequently, deferred tax was only provided to the extent that tax allowances already given would be clawed back if the property were disposed of at its carrying value, as there would be no additional tax payable on disposal.

### 二. 會計政策之變動 (續)

#### (d) 投資物業 (《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」) (續)

##### (i) 於損益表確認公允值變動之時間 (續)

由於本集團並無投資物業重估儲備，而過往虧損均於損益表中確認，故採納此項新會計政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

##### (ii) 計算公允值變動所產生之遞延稅項

於過往年度，本集團須按適用於出售投資物業之稅率釐定於重估投資物業時須確認之遞延稅項。因此，如有關物業乃以賬面值出售，則遞延稅項之撥備僅限於已給予稅務減免之回補，因該出售事項並無額外應付之稅項。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

(d) **Investment property (HKAS 40, Investment property and HK(SIC) Interpretation 21, Income taxes – Recovery of revalued non-depreciable assets)**  
(continued)

(ii) *Measurement of deferred tax on movements in fair value (continued)*

As from 1 January 2005, in accordance with HK(SIC) Interpretation 21, the Group recognises deferred tax on movements in the value of an investment property using tax rates that are applicable to the property's use, if the Group has no intention to sell it and the property would have been depreciable had the Group not adopted the fair value model. Further details of the policy for deferred tax are set out in note 1(q). The adoption of this new accounting policy has no impact on the Group's net assets and results for the current and prior years.

### 二. 會計政策之變動 (續)

(d) 投資物業(《香港會計準則》第40號「投資物業」及《香港會計準則》詮釋第21號「所得稅－收回重估不作折舊資產」)(續)

(ii) 計算公允值變動所產生之遞延稅項(續)

由二零零五年一月一日起，按照《香港會計準則》詮釋第21號，如本集團並無計劃出售投資物業，及假設本集團並無採用公允值模式入賬以致該等物業需要折舊，本集團須採用適用於該物業用途之稅率以確認該等投資物業在價值變動時所產生之遞延稅項。此遞延稅項新政策之進一步資料載於附註一(q)。採納此項新會計政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (e) Leasehold land and buildings (HKAS 17, Leases)

In prior years, leasehold land and buildings held for own use were stated at cost less accumulated depreciation and accumulated impairment losses.

With effect from 1 January 2005, in order to comply with HKAS 17, the Group has adopted a new policy for leasehold land and buildings held for own use. Under the new policy, the leasehold interest in the land held for own use is accounted for as being held under an operating lease where the fair value of the interest in any buildings situated on the leasehold land could be measured separately from the fair value of the leasehold interest in the land at the time the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later. In case the two elements cannot be allocated reliably, the entire lease is classified as a finance lease and carried at cost less accumulated depreciation and impairment losses. Further details of the new policy are set out in notes 1(h) and (j). The adoption of this new policy has no impact on the Group's net assets and results for the current and prior years.

### 二. 會計政策之變動 (續)

#### (e) 租賃土地及樓宇 (《香港會計準則》第17號「租賃」)

在過往年度，自用租賃土地及樓宇乃以成本值減累計折舊及累計耗損虧損入賬。

自二零零五年一月一日起，為符合《香港會計準則》第17號之規定，本集團採納了有關自用租賃土地及樓宇之新政策。根據新政策，如果位於租賃土地之上任何建築物權益之公允值能夠與本集團首次訂立租賃時或自前度承租人接收時或有關建築物興建日（如為較遲之時間）之土地租賃權益公允值分開確定，則自用土地之租賃權益會列作經營租賃入賬。如未能可靠地分配上述兩者，則整個租賃會列作融資租賃處理，並按成本值減累計折舊及耗損虧損入賬。此新政策之進一步資料載於附註一(h)及(j)。採納此項新政策並無對本集團本年度及過往年度之資產淨值及業績構成任何影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (f) Retranslation of goodwill on consolidation of a foreign operation (HKAS 21, The effects of changes in foreign exchange rates)

In prior years, goodwill arising on the acquisition of a foreign operation was translated at the exchange rates ruling at the transaction dates.

With effect from 1 January 2005, in order to comply with HKAS 21, the Group has changed its accounting policy relating to retranslation of goodwill. Under the new policy, any goodwill arising on the acquisition of a foreign operation is treated as an asset of the foreign operation and is retranslated at exchange rates ruling at the balance sheet date, together with the retranslation of the net assets of the foreign operation. Further details of the new policy are set out in note 1(t).

In accordance with the transitional provisions in HKAS 21, this new policy has not been adopted retrospectively and is only applied to acquisitions occurring on or after 1 January 2005. The adoption of this new policy to acquisitions occurring on or after 1 January 2005 has no material impact on the Group's net assets for the current year.

### 二. 會計政策之變動 (續)

#### (f) 在綜合海外業務賬目時重新換算商譽(《香港會計準則》第21號「外幣匯率變動之影響」)

於過往年度，收購海外業務所產生之商譽按交易日之適用匯率換算。

自二零零五年一月一日起，為了符合《香港會計準則》第21號之規定，本集團變更了有關換算商譽之會計政策。根據新政策，收購海外業務所產生之任何商譽會當作海外業務之資產處理，連同重新換算海外業務之資產淨值，以結算日之匯率重新換算。此新政策之進一步資料載於附註一(t)。

根據《香港會計準則》第21號之過渡條文，此項新政策不會追溯應用，以及其僅適用於二零零五年一月一日或之後進行之收購事項。就二零零五年一月一日或之後進行之收購事項採納是項新政策，並無對本集團本年度之資產淨值構成任何重大影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (g) Changes in presentation (HKAS 1, Presentation of financial statements)

##### (i) Presentation of shares of associate's taxation (HKAS 1, Presentation of financial statements)

In prior years, the Group's share of taxation of associates accounted for using the equity method was included as part of the Group's income tax in the consolidated income statement. With effect from 1 January 2005, in accordance with the implementation guidance in HKAS 1, the Group has changed the presentation and includes the share of taxation of associates accounted for using the equity method in the respective shares of profit or loss reported in the consolidated income statement before arriving at the Group's profit or loss before tax. These changes in presentation have been applied retrospectively with comparatives restated accordingly.

### 二. 會計政策之變動 (續)

#### (g) 呈報方式之變動 (《香港會計準則》第1號「財務報表之呈報」)

##### (i) 所佔聯營公司稅項之呈報方式 (《香港會計準則》第1號「財務報表之呈報」)

於過往年度，本集團按權益會計法計算之所佔聯營公司稅項，計入本集團綜合損益表所得稅項下。自二零零五年一月一日起，按照《香港會計準則》第1號執行指引規定，本集團變更了按權益會計法計算之所佔聯營公司稅項之呈報方式，將其所佔之稅項計入本集團綜合損益表的所佔聯營公司盈利或虧損之內，以此計算本集團之除稅前盈利或虧損。此等呈報方式之變動已追溯應用，而比較數字亦已相應重報。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (g) Changes in presentation (HKAS 1, Presentation of financial statements) (continued)

- (ii) *Minority interests (HKAS 1, Presentation of financial statements and HKAS 27, Consolidated and separate financial statements)*

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interests in the results of the Group for the year were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders (the equity shareholders of the Company).

With effect from 1 January 2005, in order to comply with HKAS 1 and HKAS 27, the Group has changed its accounting policy relating to presentation of minority interests. Under the new policy, minority interests are presented as part of equity, separately from interests attributable to the equity shareholders of the Company. Further details of the new policy are set out in note 1(c). These changes in presentation have been applied retrospectively with comparatives restated accordingly.

### 二. 會計政策之變動 (續)

#### (g) 呈報方式之變動 (《香港會計準則》第1號「財務報表之呈報」) (續)

- (ii) 少數股東權益 (《香港會計準則》第1號「財務報表之呈報」及《香港會計準則》第27號「綜合及獨立財務報表」)

在過往年度，於結算日之少數股東權益乃於綜合資產負債表內與負債分開呈報，並列作資產淨額之扣減。少數股東所佔集團年內業績亦會在損益表內分開呈報，並列作計算股東（本公司股東）應佔盈利前作出之扣減。

根據《香港會計準則》第1號及《香港會計準則》第27號之規定，由二零零五年一月一日起，本集團變更了有關少數股東權益呈報方式之會計政策。根據新政策，少數股東權益會列作權益之一部份，與本公司股東之應佔權益分開呈報。此新政策之進一步資料載於附註一(c)。此等呈報方式之變動已追溯應用，而比較數字亦已相應重報。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 2. CHANGES IN ACCOUNTING POLICIES (continued)

#### (h) Definition of related parties (HKAS 24, Related party disclosures)

As a result of the adoption of HKAS 24, Related party disclosures, the definition of related parties as disclosed in note 1(v) has been expanded to clarify that related parties include entities that are under the significant influence of a related party that is an individual (i.e. key management personnel, significant shareholders and/or their close family members) and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group. The clarification of the definition of related parties has not resulted in any material changes to the previously reported disclosures of related party transactions nor has it had any material effect on the disclosures made in the current period, as compared to those that would have been reported had Statement of Standard Accounting Practice 20, Related party disclosures, still been in effect.

### 二. 會計政策之變動 (續)

#### (h) 關聯人仕之定義 (《香港會計準則》第24號「關聯人仕披露」)

由於採納《香港會計準則》第24號「關聯人仕披露」，記載關聯人仕之定義(見附註一(v))已經擴大及澄清關聯人仕包括可受個人(即主要管理人員、重大股權股東及／或其親近家庭成員)重大影響之實體及提供福利予本集團僱員之離職後福利計劃或某些與本集團關聯之實體。假設《會計實務準則》第20號「關聯人仕披露」仍然生效，兩者比較，此項有關關聯人仕定義上之澄清並無導致過往期間已披露之關聯人仕交易須作出任何重大修訂，亦無對本期間已披露之關聯人仕交易資料構成任何重大影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 3. TURNOVER

The principal activities of the Group are toll bridge operation, environmental protection investment and operation (waste-water treatment plants and waste-to-energy power plants), property investments and management, environmental protection project management and consultancy and investment holding.

Turnover represents the toll bridge revenue, waste-water treatment revenue, property rental income, property management fee income and environmental protection project management and consultancy fee income. The amount of each significant category of revenue recognised in turnover during the year is as follows:

### 三. 營業額

本集團之主要業務為收費橋樑營運、環保投資及營運（污水處理廠及垃圾焚燒發電廠）、物業投資及管理、環保項目管理及顧問及投資控股。

營業額包括收費橋樑收益、污水處理收益、物業租金收入、物業管理費收入及環保項目管理及顧問費用收入。年內已在營業額中確認的各項主要收入類別的數額如下：

		2005	2004
		二零零五年	二零零四年
		\$'000	\$'000
		千元	千元
Toll bridge revenue	收費橋樑收益	59,824	47,103
Waste-water treatment revenue	污水處理收益	56,340	-
Property rental income	物業租金收入	14,245	12,819
Property management fee income	物業管理費收入	3,414	2,721
Environmental protection project management and consultancy fee income	環保項目管理及顧問費用收入	-	2,601
		<b>133,823</b>	<b>65,244</b>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外, 所有金額以港幣計算)

### 4. OTHER REVENUE

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Interest income	利息收入	9,072	1,148
Dividend income from unlisted securities	非上市證券之股息收入	1,135	266
Gain on disposal of associates	出售聯營公司之收益	-	660
Gain on liquidation of subsidiary	附屬公司清盤所得收益	-	555
Others	其他	2,206	1,974
		<b>12,413</b>	<b>4,603</b>

### 四. 其他收入

### 5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(a) Finance costs:	(a) 財務費用:		
Interest on bank advances wholly repayable within five years	須於五年內全數償還之銀行貸款之利息	986	2,088
Interest on other bank advances	其他銀行貸款之利息	23,540	14,814
Interest on loans from ultimate holding company	最終控股公司貸款之利息	17,141	10,712
		<b>41,667</b>	<b>27,614</b>
Less: borrowing costs capitalised into construction in progress *	減: 已於在建工程資本化之借貸成本*	<b>(9,577)</b>	-
		<b>32,090</b>	<b>27,614</b>

除稅前盈利已扣除/(計入):

\* The borrowing costs have been capitalised at a rate of 6.1% – 6.4% per annum (2004: Nil).

\* 借貸成本按6.1%–6.4%之年率資本化(二零零四年:無)。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 5. PROFIT BEFORE TAXATION (continued)

Profit before taxation is arrived at after charging/(crediting):  
(continued)

### 五. 除稅前盈利(續)

除稅前盈利已扣除/(計入):(續)

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(b) Staff costs:		
Contributions to defined contribution plans	1,146	525
Salaries, wages and other benefits	29,547	17,375
	<b>30,693</b>	17,900
Less: staff costs capitalised into construction in progress	(10,314)	—
	<b>20,379</b>	17,900
(c) Other items:		
Amortisation of land lease premium	283	—
Amortisation (other than of land lease premium)		
– positive goodwill	—	1,881
– negative goodwill included in share of profits of associates	—	(674)
– other intangible assets	115	—
Depreciation		
– assets held for use under operating leases	1,018	1,018
– other assets	21,275	14,150
Net foreign exchange (gain)/loss	(1,151)	3,556
Auditors' remuneration		
– audit services	1,825	1,480
– other services	5	1,086
Loss on disposal of associate	—	660
Net gain on sale of fixed assets	(587)	(37)
Operating lease charges: minimum lease payments		
– hire of waste-water treatment facilities	959	—
– hire of premises	649	370
Rentals receivable from investment properties less direct outgoings of \$1,149,000 (2004: \$1,391,000)	(13,096)	(11,428)

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 6. SHARE OF RESULTS OF ASSOCIATES

### 六. 所佔聯營公司業績

		2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元
Share of profits of associates before taxation	所佔聯營公司除稅前盈利	<b>78,738</b>	99,049
Share of associates' taxation	所佔聯營公司稅項	<b>(10,693)</b>	(18,835)
		<b>68,045</b>	80,214
Amortisation of negative goodwill	負商譽攤銷	-	674
		<b>68,045</b>	80,888
Share of valuation gains on investment properties	所佔投資物業估值盈餘	-	4,294
		<b>68,045</b>	85,182

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

#### (a) Income tax in the consolidated income statement represents:

#### Current tax – PRC income tax 本期稅項－中國所得稅

Provision for the year 本年度撥備  
Over-provision in respect of prior years 過往年度撥備過剩

**Deferred tax 遞延稅項**  
Origination and reversal of temporary differences 暫時差異的產生和轉回

No provision for Hong Kong Profits Tax has been made in the financial statements as the Group sustained a loss for Hong Kong Profits Tax purposes during the year. Taxation for the PRC operations is charged at the appropriate current rates of taxation ruling in the PRC. During the year, certain PRC subsidiaries are subject to tax at 50% of the standard tax rates or fully exempt from income tax under the relevant tax rules and regulations.

### 七. 綜合損益表之所得稅

#### (a) 綜合損益表所示的所得稅為：

	2005 二零零五年	2004 二零零四年 (restated) (重報)
	\$'000 千元	\$'000 千元
	<b>4,748</b>	1,211
	<b>(50)</b>	(3,208)
	<b>4,698</b>	(1,997)
	<b>(16,566)</b>	1,669
	<b>(11,868)</b>	(328)

由於本年度內本集團蒙受稅項虧損，故此本集團並無在財務報表就香港利得稅作出撥備。中國業務之稅項按中國現行的適用稅率計算。年內，根據有關稅務法律及法規，若干中國附屬公司按標準稅率50%繳納稅項或獲全數豁免繳納所得稅。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 7. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(continued)

#### (b) Reconciliation between tax credit and accounting profit at applicable tax rates:

		2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元
Profit before tax	除稅前盈利	<b>108,976</b>	85,890
Notional tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	按照在相關管轄區域之適用所得稅稅率就除稅前盈利計算之名義稅項	<b>20,028</b>	19,365
Tax effect of non-deductible expenses	不可扣減支出之稅項影響	<b>4,002</b>	3,192
Tax effect of non-taxable income	非課稅收入之稅項影響	<b>(14,881)</b>	(23,102)
Tax effect of profits entitled to tax exemption in the PRC	可享有中國稅項豁免優惠之盈利之稅項影響	<b>(6,874)</b>	(3,661)
Tax effect of prior year's temporary differences recognised this year	本年度確認之以往年度暫時差異之稅項影響	<b>(7,396)</b>	-
Tax effect of utilisation of unused tax losses not recognised in prior years	動用過往年度未使用而且未確認之可抵扣虧損之稅項影響	<b>(6,715)</b>	(733)
Tax effect of unused tax losses not recognised	未使用而且未確認之可抵扣虧損之稅項影響	<b>18</b>	7,819
Over-provision in prior years	以往年度撥備過剩	<b>(50)</b>	(3,208)
Actual tax credit	實際稅項開支	<b>(11,868)</b>	(328)

### 七. 綜合損益表之所得稅 (續)

#### (b) 按適用稅率計算之稅項撥回與會計盈利之對賬:

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 8. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

### 八. 董事酬金

根據香港《公司條例》第一百六十一條列報之董事酬金如下：

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	2005 Total 二零零五年 總額
	Directors' fees 董事袍金	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Executive directors</b>	<b>執行董事</b>				
Wang Mingquan	王明權	—	25	—	25
Zang Qiutao	臧秋濤	—	1,694	500	2,194
Li Xueming	李學明	—	1,694	500	2,194
Chen Xiaoping	陳小平	—	1,944	1,200	3,144
Fan Yan Hok, Philip	范仁鶴	—	1,605	420	2,125
Huang Chaohua	黃朝華	—	1,136	700	1,836
Wong Kam Chung, Raymond	黃錦聰	—	1,026	180	1,265
Chen Shuang	陳爽	—	25	—	25
Zhang Weiyun	張衛云	—	878	—	878
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Sir David Akers-Jones	鍾逸傑爵士	110	25	—	135
Li Kwok Sing, Aubrey	李國星	100	25	—	125
Mar Selwyn	馬紹援	100	25	—	125
		<b>310</b>	<b>10,102</b>	<b>3,500</b>	<b>14,071</b>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 8. DIRECTORS' REMUNERATION (continued)

### 八. 董事酬金 (續)

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	2004 Total 二零零四年 總額
	Directors' fees 董事袍金	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Executive directors</b>	<b>執行董事</b>				
Wang Mingquan	王明權	—	—	—	—
Zang Qiutao	臧秋濤	—	1,284	—	1,284
Li Xueming	李學明	—	770	—	770
Chen Xiaoping	陳小平	—	1,562	800	2,362
Fan Yan Hok, Philip	范仁鶴	—	1,300	400	1,785
Huang Chaohua	黃朝華	—	715	400	1,115
Wong Kam Chung, Raymond	黃錦驄	—	780	400	1,239
Chen Shuang	陳爽	—	328	—	328
Zhang Weiyun	張衛云	—	853	—	853
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Sir David Akers-Jones	鍾逸傑爵士	85	—	—	85
Li Kwok Sing, Aubrey	李國星	80	—	—	80
Mar Selwyn	馬紹援	23	—	—	23
Lee Ka Sze, Carmelo	李嘉士	60	—	—	60
		248	7,592	2,000	144
					9,984

As at 31 December 2005, the directors held share options under the Company's share option scheme. The details of the share options are disclosed under the paragraph "Share option scheme" in the report of the directors and note 28.

於二零零五年十二月三十一日，董事根據本公司購股權計劃持有購股權。有關購股權詳情載於董事會報告「購股權計劃」一段及附註二十八。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, all are directors whose emoluments are disclosed in note 8.

### 10. PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a profit of \$107,778,000 (2004: \$152,687,000) which has been dealt with in the financial statements of the Company.

### 11. DIVIDENDS

#### (a) Dividends payable to equity shareholders of the Company attributable to the year

Interim dividend declared and paid of 0.6 cent per ordinary share (2004: 0.4 cent per ordinary share)	已宣派及支付中期股息每股普通股0.6港仙(二零零四年: 每股普通股0.4港仙)	15,311	10,193
Final dividend proposed after the balance sheet date of 0.6 cent per ordinary share (2004: 0.6 cent per ordinary share)	於結算日後建議分派末期股息每股普通股0.6港仙(二零零四年: 每股普通股0.6港仙)	15,311	15,293
		<b>30,622</b>	<b>25,486</b>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

### 九. 最高薪酬個人仕

五名最高薪酬個人仕均為董事，有關的酬金詳情載於附註八。

### 十. 本公司股東應佔盈利

本公司股東應佔綜合盈利包括盈利107,778,000元(二零零四年: 152,687,000元)已列入本公司之財務報表內。

### 十一. 股息

#### (a) 應派付予本公司股東之本年度股息

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
15,311	10,193
15,311	15,293
<b>30,622</b>	<b>25,486</b>

於結算日後建議分派的末期股息尚未在結算日確認為負債。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 11. DIVIDENDS (continued)

#### (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

Final dividend in respect of the previous financial year, approved and paid during the year, of 0.6 cent per ordinary share (2004: Nil)

屬於上一個財政年度，並於年內批准並支付之末期股息每股普通股0.6港仙（二零零四年：無）

2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元

**15,293**

—

### 12. EARNINGS PER SHARE

#### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$105,330,000 (2004: \$86,776,000) and the weighted average number of 2,550,669,234 ordinary shares (2004: 2,548,418,257 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

Issued ordinary shares at 1 January  
Effect of share options exercised  
(note 29(c)(ii))

於一月一日已發行普通股  
已行使購股權之影響  
(附註二十九(c)(ii))

Weighted average number of ordinary shares at 31 December

於十二月三十一日之  
普通股加權平均數

2005	2004
二零零五年	二零零四年
'000	'000
千股	千股

**2,548,812**

2,548,312

**1,857**

106

**2,550,669**

2,548,418

### 十一. 股息 (續)

#### (b) 屬於上一個財政年度，並於年內批准並支付予本公司股東之應付股息

### 十二. 每股盈利

#### (a) 每股基本盈利

每股基本盈利乃按照本公司普通股股東應佔盈利105,330,000元（二零零四年：86,776,000元）及年內已發行普通股的加權平均數2,550,669,234股普通股（二零零四年：2,548,418,257股普通股）計算。其計算方式如下：

普通股加權平均數



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 12. EARNINGS PER SHARE (continued)

#### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of \$105,330,000 (2004: \$86,776,000) and the weighted average number of ordinary shares of 2,588,143,435 shares (2004: 2,587,073,527 shares), calculated as follows:

Weighted average number of ordinary shares (diluted)

Weighted average number of ordinary shares at 31 December  
Effect of deemed issue of shares under the Company's share option scheme for nil consideration (note 28)

Weighted average number of ordinary shares (diluted) at 31 December

於十二月三十一日之普通股加權平均數  
根據本公司購股權計劃被視為無償發行股份之影響  
(附註二十八)

於十二月三十一日之普通股加權平均數(攤薄)

### 十二. 每股盈利(續)

#### (b) 每股攤薄盈利

每股攤薄盈利乃按本公司普通股股東應佔盈利105,330,000元(二零零四年:86,776,000元)及普通股加權平均數2,588,143,435股(二零零四年:2,587,073,527股)計算。其計算方式如下:

普通股加權平均數(攤薄)

	2005 二零零五年 '000 千股	2004 二零零四年 '000 千股
	<b>2,550,669</b>	2,548,418
	<b>37,474</b>	38,656
	<b>2,588,143</b>	2,587,074

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 13. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group in making operating and financial decisions.

#### Business segments

The Group comprises the following main business segments:

Infrastructure investment and operation	The operation of a toll bridge to generate toll fee revenue and investment in associates, which engage in power industry, to generate dividend income.
Property investment and management	The leasing and management of office premises and shopping arcades to generate rental and management fee income and to gain from the appreciation in the properties' values in the long term.
Environmental protection investment and operation	The operation of waste-water treatment plants to generate waste-water treatment revenue and construction of waste-to-energy power plants.
Environmental protection project management and consultancy	The provision of management and consultancy services to environmental protection projects to generate management and consultancy fee income.

### 十三. 分部報告

分部資料是按本集團之業務和地區分部作出呈述。由於業務分部資料對本集團之營運及財務決策意義較大，故已選為報告分部信息的主要形式。

#### 業務分部

本集團之主要業務分部如下：

基建投資及營運	營運收費橋樑以賺取收益及投資於從事電力行業的聯營公司以賺取股息收入。
物業投資及管理	租賃及管理辦公室單位及商場以賺取租金及管理費收入，以及從物業價值之長遠升值中賺取收益。
環保投資及營運	經營污水處理廠以賺取污水處理收益及建造垃圾焚燒發電廠。
環保項目管理及顧問	提供環保項目管理及顧問服務，以賺取管理及顧問費用收入。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 13. SEGMENT REPORTING (continued)

### 十三. 分部報告 (續)

#### Business segments (continued)

#### 業務分部 (續)

		Infrastructure investment and operation 基建投資及營運		Property investment and management 物業投資及管理		Environmental protection investment and operation 環保投資及營運		Environmental protection project management and consultancy 環保項目管理及顧問		Inter-segment elimination 分部間抵銷		Consolidated 綜合	
		2005 二零零五年	2004 二零零四年 (restated) (重報)	2005 二零零五年	2004 二零零四年 (restated) (重報)	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年 (restated) (重報)
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue from external customers	來自外界客戶收入	59,824	47,103	17,659	15,540	56,340	-	-	2,601	-	-	133,823	65,244
Inter-segment revenue	分部間收入	-	-	-	-	-	-	37,110	15,437	(37,110)	(15,437)	-	-
Other revenue from external customers	來自外界客戶其他收入	131	1,671	952	25	236	-	590	221	-	-	1,909	1,917
Unallocated other revenue	未分配其他收入	-	-	-	-	-	-	-	-	-	-	10,504	2,686
<b>Total</b>	<b>合計</b>	<b>59,955</b>	<b>48,774</b>	<b>18,611</b>	<b>15,565</b>	<b>56,576</b>	<b>-</b>	<b>37,700</b>	<b>18,259</b>	<b>(37,110)</b>	<b>(15,437)</b>	<b>146,236</b>	<b>69,847</b>
Segment results	分部業績	41,310	28,387	37,181	24,318	13,876	(3,947)	25,979	14,427	(30,479)	(15,437)	87,867	47,748
Unallocated operating income and expenses	未分配經營收入及費用	-	-	-	-	-	-	-	-	-	-	(14,846)	(19,426)
Profit from operations	經營盈利	-	-	-	-	-	-	-	-	-	-	73,021	28,322
Finance costs	財務費用	-	-	-	-	-	-	-	-	-	-	(32,090)	(27,614)
Share of profits of associates	所佔聯營公司盈利	68,034	72,633	-	7,593	11	662	-	-	-	-	68,045	80,888
Share of valuation gains on investment properties of associates	所佔聯營公司投資物業估值盈餘	-	-	-	4,294	-	-	-	-	-	-	-	4,294
Income tax	所得稅	-	-	-	-	-	-	-	-	-	-	11,868	328
<b>Profit after taxation</b>	<b>除稅後盈利</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120,844</b>	<b>86,218</b>
Depreciation and amortisation for the year	本年度折舊及攤銷	14,175	13,283	2,210	2,330	4,819	561	1,155	509	-	-	-	-
Valuation gains on investment properties	投資物業估值盈餘	-	-	25,230	14,790	-	-	-	-	-	-	-	-

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 13. SEGMENT REPORTING (continued)

### 十三. 分部報告 (續)

#### Business segments (continued)

#### 業務分部 (續)

		Infrastructure investment and operation		Property investment and management		Environmental protection investment and operation		Environmental protection project management and consultancy		Inter-segment elimination		Consolidated	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Segment assets	分部資產	640,275	646,726	346,791	319,106	924,435	143,486	52,996	47,097	-	-	1,964,497	1,156,415
Interest in associates	聯營公司投資	412,702	434,904	-	-	602	575	-	-	-	-	413,304	435,479
Unallocated assets	未分配資產											295,919	458,927
Total assets	資產總值											2,673,720	2,050,821
Segment liabilities	分部負債	2,158	2,537	6,589	6,762	209,935	8,141	4,649	1,242	-	-	223,331	18,682
Unallocated liabilities	未分配負債											1,181,204	950,003
Total liabilities	負債總值											1,404,535	968,685
Capital expenditure incurred during the year	本年度內產生的資本開支	33	385	7	82	620,745	4,564	15,242	1,119				

#### Geographical segments

The Group's business participates in two principal economic environments. Hong Kong and other parts of the PRC are the major markets for the Group's business.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

#### 地區分部

本集團之業務現處於兩個主要營商環境。香港及中國其他地區為本集團業務之主要市場。

在呈述地區分部信息時，分部收入是以客戶的所在地為計算基準。分部資產及資本開支則以資產的所在地為計算基準。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 13. SEGMENT REPORTING (continued)

#### Geographical segments (continued)

Revenue from external customers:  
  
Hong Kong  
Other parts of the PRC

Segment assets:

Hong Kong  
Other parts of the PRC

Hong Kong  
Other parts of the PRC

Capital expenditure incurred during the year:

Hong Kong  
Other parts of the PRC

### 十三. 分部報告 (續)

#### 業務分部 (續)

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
-------------------------------	-------------------------------

來自外界客戶收入：

香港	3,955	3,312
中國其他地區	129,868	61,932

	<b>133,823</b>	<b>65,244</b>
--	----------------	---------------

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
-------------------------------	-------------------------------

分部資產：

香港	467,094	654,920
中國其他地區	2,206,626	1,395,901

	<b>2,673,720</b>	<b>2,050,821</b>
--	------------------	------------------

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
-------------------------------	-------------------------------

本年度內產生的資本開支：

香港	767	39
中國其他地區	636,025	6,150

	<b>636,792</b>	<b>6,189</b>
--	----------------	--------------

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS

#### (a) The Group

### 十四. 固定資產

#### (a) 本集團

	Toll bridge 收費橋樑	Toll bridge 收費橋樑	Toll bridge 收費橋樑	Waste- water treatment 污水處理 基礎建設	Land and buildings 土地及樓宇	Machinery and equipment 機器及設備	Leasehold improve- ments, furniture and fixtures 租賃物業 裝修、傢俬 及裝置	Motor vehicles, electronic equipment and other fixed assets 汽車、 電子設備 及其他 固定資產	Construction in progress 在建工程	Sub-total 小計	Investment properties 投資物業	Interest in leasehold land held for own use under operating leases 根據經營租賃 持有自用之 租賃土地權益	Total fixed assets 總額
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Cost or valuation:</b>	<b>成本值或估值:</b>												
At 1 January 2005	於二零零五年一月一日												
Exchange adjustments	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	-	958,787
Additions	10,062	352	-	135	23	11	67	-	10,650	-	-	-	10,650
- through acquisition	-	-	50,232	11,527	35,162	-	3,073	-	99,994	-	-	66,076	166,070
- others	-	-	15,256	12,358	37,550	1,489	3,718	355,551	425,922	-	-	10,252	436,174
Transfer	-	-	-	(6,910)	-	-	-	-	(6,910)	6,910	-	-	-
Disposals	-	-	-	(1,850)	(675)	(182)	(236)	-	(2,943)	-	-	-	(2,943)
Fair value adjustment	-	-	-	-	-	-	-	-	-	25,230	-	-	25,230
At 31 December 2005	於二零零五年十二月三十一日												
	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	262,194	76,328	1,593,968	
<b>Representing:</b>	<b>代表:</b>												
Cost	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	-	76,328	1,331,774	
Valuation - 2005	-	-	-	-	-	-	-	-	-	262,194	-	262,194	
	581,367	20,361	65,488	139,420	74,814	4,441	10,795	358,760	1,255,446	262,194	76,328	1,593,968	
<b>Accumulated depreciation and amortisation:</b>	<b>累計折舊及攤銷:</b>												
At 1 January 2005	於二零零五年一月一日												
Exchange adjustments	14,004	5,784	-	45,477	1,702	1,720	1,708	-	70,395	-	-	-	70,395
Charge for the year	246	101	-	9	7	1	27	-	391	-	-	391	
Written back on disposals	10,839	3,229	917	2,962	3,308	278	760	-	22,293	-	283	22,576	
	-	-	-	(10)	(344)	(117)	(214)	-	(685)	-	-	(685)	
At 31 December 2005	於二零零五年十二月三十一日												
	25,089	9,114	917	48,438	4,673	1,882	2,281	-	92,394	-	283	92,677	
<b>Net book value:</b>	<b>賬面淨值:</b>												
At 31 December 2005	於二零零五年十二月三十一日												
	556,278	11,247	64,571	90,982	70,141	2,559	8,514	358,760	1,163,052	262,194	76,045	1,501,291	

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS (continued)

#### (a) The Group (continued)

	Toll bridge	Toll bridge ancillary facilities	Waste-water treatment infrastructure	Land and buildings	Machinery and equipment	Leasehold improvements, furniture and fixtures	Motor vehicles, electronic equipment and other fixed assets	Construction in progress	Sub-total	Investment properties	Interest in leasehold land held for own use under operating leases	Total fixed assets	
	收費橋樑	附屬設施	污水處理基礎建設	土地及樓宇	機器及設備	租賃物業裝修、傢俬及裝置	汽車、電子設備及其他固定資產	在建工程	小計	投資物業	根據經營租賃持作自用之租賃土地權益	固定資產總額	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	
<b>Cost or valuation:</b>	<b>成本值或估值:</b>												
At 1 January 2004	於二零零四年一月一日	568,275	19,996	-	120,996	1,823	2,811	2,184	-	716,085	217,264	-	933,349
Exchange adjustments	匯兌調整	3,030	13	-	38	2	2	10	-	3,035	-	-	3,035
Additions	增置												
- through acquisition of subsidiary	- 透過收購附屬公司	-	-	-	1,126	179	-	584	-	1,889	-	-	1,889
- others	- 其他	-	-	-	-	778	310	1,892	3,209	6,189	-	-	6,189
Transfer	轉撥	-	-	-	2,000	-	-	-	-	2,000	(2,000)	-	-
Disposals	出售	-	-	-	-	(28)	-	(497)	-	(525)	-	-	(525)
Fair value adjustment	公允值調整	-	-	-	-	-	-	-	-	-	14,790	-	14,790
At 31 December 2004	於二零零四年十二月三十一日	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	958,787
<b>Representing:</b>	<b>代表:</b>												
Cost	成本值	571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	-	-	728,733
Valuation - 2004	估值 - 二零零四年	-	-	-	-	-	-	-	-	-	230,054	-	230,054
		571,305	20,009	-	124,160	2,754	3,123	4,173	3,209	728,733	230,054	-	958,787
<b>Accumulated depreciation and amortisation:</b>	<b>累計折舊及攤銷:</b>												
At 1 January 2004	於二零零四年一月一日	5,350	2,588	-	42,814	1,437	1,427	1,612	-	55,228	-	-	55,228
Exchange adjustments	匯兌調整	10	32	-	1	1	-	8	-	52	-	-	52
Through acquisition of subsidiary	透過收購附屬公司	-	-	-	106	68	-	237	-	411	-	-	411
Charge for the year	本年度折舊	8,644	3,164	-	2,556	213	293	298	-	15,168	-	-	15,168
Written back on disposals	出售時撥回	-	-	-	-	(17)	-	(447)	-	(464)	-	-	(464)
At 31 December 2004	於二零零四年十二月三十一日	14,004	5,784	-	45,477	1,702	1,720	1,708	-	70,395	-	-	70,395
<b>Net book value:</b>	<b>賬面淨值:</b>												
At 31 December 2004	於二零零四年十二月三十一日	557,301	14,225	-	78,683	1,052	1,403	2,465	3,209	658,338	230,054	-	888,392

### 十四. 固定資產 (續)

#### (a) 本集團 (續)

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS (continued)

### 十四. 固定資產 (續)

#### (b) The Company

#### (b) 本公司

		Machinery and equipment	Leasehold improvements	Furniture and fixtures	Motor vehicles	Total fixed assets
		機器及 設備	租賃物業 裝修	傢俬及 裝置	汽車	固定資產 總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>Cost:</b>	<b>成本值:</b>					
At 1 January 2005	於二零零五年 一月一日	1,434	1,861	244	250	3,789
Additions	增置	81	-	-	684	765
Disposals	出售	(314)	-	(12)	-	(326)
		<u>1,201</u>	<u>1,861</u>	<u>232</u>	<u>934</u>	<u>4,228</u>
At 31 December 2005	於二零零五年 十二月三十一日	1,201	1,861	232	934	4,228
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>					
At 1 January 2005	於二零零五年 一月一日	1,270	1,242	192	188	2,892
Charge for the year	本年度折舊	68	186	15	62	331
Written back on disposals	出售時撥回	(298)	-	(11)	-	(309)
		<u>1,040</u>	<u>1,428</u>	<u>196</u>	<u>250</u>	<u>2,914</u>
At 31 December 2005	於二零零五年 十二月三十一日	1,040	1,428	196	250	2,914
<b>Net book value:</b>	<b>賬面淨值:</b>					
At 31 December 2005	於二零零五年 十二月三十一日	161	433	36	684	1,314



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS (continued)

### 十四. 固定資產 (續)

#### (b) The Company (continued)

#### (b) 本公司 (續)

		Machinery and equipment 機器及 設備 \$'000 千元	Leasehold improvements 租賃物業 裝修 \$'000 千元	Furniture and fixtures 傢俬及 裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total fixed assets 固定資產 總額 \$'000 千元
<b>Cost:</b>	<b>成本值:</b>					
At 1 January 2004	於二零零四年 一月一日	1,491	1,861	244	599	4,195
Additions	增置	39	-	-	-	39
Disposals	出售	(96)	-	-	(349)	(445)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	於二零零四年 十二月三十一日	1,434	1,861	244	250	3,789
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>					
At 1 January 2004	於二零零四年 一月一日	1,230	1,056	177	198	2,661
Charge for the year	本年度折舊	78	186	15	77	356
Written back on disposals	出售時撥回	(38)	-	-	(87)	(125)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	於二零零四年 十二月三十一日	1,270	1,242	192	188	2,892
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value:</b>	<b>賬面淨值:</b>					
At 31 December 2004	於二零零四年 十二月三十一日	164	619	52	62	897
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(c) Investment properties of the Group were revalued as at 31 December 2005 on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The valuations were carried out by an independent firm of surveyors, RHL Appraisal Ltd., who have among their staff Association of Hong Kong Institute of Surveyors with recent experience in the location and category of property being revalued.

(c) 本集團之投資物業已於二零零五年十二月三十一日根據計入有逆轉可能的淨租金收入而計算之公開市值進行重估。重估由獨立測量師行永利行評值顧問有限公司進行，其中員工為香港測量師學會會員，彼等對重估物業所在地和類別有近期估值經驗。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS (continued)

### 十四. 固定資產 (續)

(d) The analysis of net book value of properties is as follows:

(d) 物業賬面淨值之分析如下：

		The Group 本集團	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
In the PRC	中國		
Hong Kong:	香港：		
– medium-term leases	– 中期租賃	65,932	–
– long leases	– 長期租賃	106,200	154,583
Other parts of the PRC:	中國其他地區：		
– medium-term leases	– 中期租賃	255,739	152,764
– long leases	– 長期租賃	1,350	1,390
		<b>429,221</b>	<b>308,737</b>
Representing:	代表：		
Land and buildings	土地及樓宇	90,982	78,683
Investment properties	投資物業	262,194	230,054
		<b>353,176</b>	<b>308,737</b>
Interest in leasehold land held for own use under operating leases	根據經營租賃持作自用之租賃土地權益	76,045	–
		<b>429,221</b>	<b>308,737</b>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 14. FIXED ASSETS (continued)

#### (e) Fixed assets leased out under operating leases

The Group leases out properties under operating leases. The leases typically run for an initial period of one to ten years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

All properties held under operating leases that would otherwise meet the definition of investment property are disclosed as investment property.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

### 十四. 固定資產 (續)

#### (e) 根據經營租賃租出之固定資產

本集團根據經營租賃出租物業。上述租賃之年期基本上初步為期一至十年，並可選擇續約，屆時所有條款將會重新商訂。上述租賃均不包括或有租金。

所有根據經營租賃持有並能符合投資物業定義之物業均披露為投資物業。

本集團根據不可解除的經營租賃在日後應收的最低付款額總數如下：

The Group	
本集團	
2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元
6,309	8,127
1,276	1,133
130	219
<b>7,715</b>	<b>9,479</b>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 15. INTANGIBLE ASSETS

### 十五. 無形資產

		The Group 本集團
		Waste-water treatment concession right 污水處理 特許經營權
		\$'000 千元
<b>Cost:</b>	<b>成本值:</b>	
At 1 January 2005	於二零零五年一月一日	—
Addition through acquisition of business	透過收購業務增置	34,548
		<hr/>
At 31 December 2005	於二零零五年十二月三十一日	34,548
		<hr/>
<b>Accumulated amortisation:</b>	<b>累計攤銷:</b>	
At 1 January 2005	於二零零五年一月一日	—
Charge for the year	本年度攤銷	115
		<hr/>
At 31 December 2005	於二零零五年十二月三十一日	115
		<hr/>
<b>Net book value:</b>	<b>賬面淨值:</b>	
At 31 December 2005	於二零零五年十二月三十一日	34,433
		<hr/>

The amortisation charge for the year is included in “direct costs and operating expenses” in the consolidated income statement.

本年度攤銷計入綜合損益表「直接成本及經營費用」內。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 16. GOODWILL

### 十六. 商譽

		The Group 本集團		
		Positive goodwill 正商譽 \$'000 千元	Negative goodwill 負商譽 \$'000 千元	Total 總額 \$'000 千元
<b>Cost:</b>	<b>成本值:</b>			
At 1 January 2005	於二零零五年一月一日	48,855	(718)	48,137
Opening balance adjustment to eliminate accumulated amortisation	期初結餘調整以抵銷累計攤銷	(2,722)	-	(2,722)
Opening balance adjustment to derecognise to retained profits	期初結餘調整以沖銷至保留盈利	-	718	718
Addition through acquisition of business	透過收購業務增置	2,103	-	2,103
		<u>48,236</u>	<u>-</u>	<u>48,236</u>
At 31 December 2005	於二零零五年十二月三十一日	48,236	-	48,236
<b>Accumulated amortisation:</b>	<b>累計攤銷:</b>			
At 1 January 2005	於二零零五年一月一日	2,722	(38)	2,684
Eliminated against cost at 1 January 2005	於二零零五年一月一日於成本沖銷	(2,722)	-	(2,722)
Opening balance adjustment to derecognise to retained profits	期初結餘調整以沖銷至保留盈利	-	38	38
		<u>-</u>	<u>38</u>	<u>38</u>
At 31 December 2005	於二零零五年十二月三十一日	<u>-</u>	<u>-</u>	<u>-</u>
<b>Carrying amount:</b>	<b>賬面值:</b>			
At 31 December 2005	於二零零五年十二月三十一日	<u>48,236</u>	<u>-</u>	<u>48,236</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 16. GOODWILL (continued)

### 十六. 商譽 (續)

		The Group 本集團		
		Positive goodwill	Negative goodwill	Total
		正商譽	負商譽	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
<b>Cost:</b>	<b>成本值:</b>			
At 1 January 2004	於二零零四年一月一日	27,518	-	27,518
Additions through acquisition of subsidiaries	透過收購附屬公司增置	21,337	(718)	20,619
At 31 December 2004	於二零零四年十二月三十一日	48,855	(718)	48,137
<b>Accumulated amortisation:</b>	<b>累計攤銷:</b>			
At 1 January 2004	於二零零四年一月一日	803	-	803
Charge for the year	本年度攤銷	1,919	(38)	1,881
At 31 December 2004	於二零零四年十二月三十一日	2,722	(38)	2,684
<b>Carrying amount:</b>	<b>賬面值:</b>			
At 31 December 2004	於二零零四年十二月三十一日	46,133	(680)	45,453

In 2004, positive goodwill not already recognised directly in reserves was amortised on a straight-line basis over 20 years. The amortisation of positive goodwill for the year ended 31 December 2004 was included in "other operating expenses" in the consolidated income statement.

於二零零四年，並未於儲備直接確認之正商譽按直線法分二十年攤銷。截至二零零四年十二月三十一日止年度之正商譽攤銷已計入綜合損益表「其他經營費用」內。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 16. GOODWILL (continued)

As explained further in note 2(a), with effect from 1 January 2005 the Group no longer amortises goodwill. In accordance with the transitional provisions set out in HKFRS 3, the accumulated amortisation of goodwill as at 1 January 2005 has been eliminated against the cost of goodwill as at that date. The negative goodwill has been derecognised at 1 January 2005 with a corresponding adjustment to the opening balance of retained profits.

#### Impairment tests for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to business segment as follows:

Infrastructure investment and operation (Toll bridge)	基建投資及營運 (收費橋樑)
Environmental protection investment and operation (Waste-water treatment plants and waste-to-energy power plant)	環保投資及營運 (污水處理廠及 垃圾焚燒發電廠)

The recoverable amount of the respective CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five year period. Discount rates of 10% – 12% have been used for the value-in-use calculations. Management determined the budgets based on independent professional traffic studies and/or service agreements governing the relevant operations. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

### 十六. 商譽(續)

誠如附註二(a)進一步闡釋，自二零零五年一月一日起，本集團不再攤銷商譽。根據《香港財務報告準則》第3號所載過渡條文，截至二零零五年一月一日之累計商譽攤銷金額已與該日之商譽成本沖銷。負商譽已於二零零五年一月一日沖銷，而期初保留盈利則作出相應調整。

#### 包含商譽之現金生產單位之耗損測試

本集團按業務分部分配商譽予可辨別之現金生產單位如下：

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
25,340	25,340
<b>22,896</b>	20,793
<b>48,236</b>	46,133

現金生產單位之可收回數額根據使用價值計算。計算方法按照管理層已核准之五年財務預算之現金流量估計。用於計算使用價值之貼現率為10%至12%。管理層根據獨立專業交通流量研究及／或監管有關業務之服務協議，釐定有關預算。所使用之貼現率為除稅前貼現率，能反映有關分部之特定風險。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 17. INTEREST IN SUBSIDIARIES

### 十七. 附屬公司權益

		<b>The Company</b>	
		本公司	
		<b>2005</b>	2004
		二零零五年	二零零四年
		<b>\$'000</b>	\$'000
		千元	千元
Unlisted shares/capital contributions, at cost	非上市股份／出資額，按成本值	<b>388,642</b>	407,842
Amounts due from subsidiaries	應收附屬公司款項	<b>2,126,938</b>	1,840,866
		<b>2,515,580</b>	2,248,708
Less: impairment losses	減：耗損虧損	<b>(1,480,947)</b>	(1,484,684)
		<b>1,034,633</b>	764,024
Amounts due to subsidiaries	應付附屬公司款項	<b>(56,408)</b>	(50,498)
		<b>978,225</b>	713,526

Amounts due from/(to) subsidiaries are unsecured, interest free and not expected to be recovered within one year.

應收／(應付)附屬公司款項為無抵押、免息及預期不會於一年內償還。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 17. INTEREST IN SUBSIDIARIES (continued)

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

### 十七. 附屬公司權益 (續)

以下僅列出對本集團業績、資產或負債構成主要影響之附屬公司資料。除另有註明外，所持股份均為普通股。

Name of company 公司名稱	Place of establishment/ incorporation and operation 成立/註冊成立 及經營地點	Particulars of issued and paid up capital 已發行及 繳足股本資料	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之 實際權益	held by the Company 由本公司 持有	held by a subsidiary 由附屬公司 持有	
Everbright Water (Zibo) Limited* ("EB Water (Zibo)") (note (a)) 光大水務(淄博)有限公司* (「光大水務(淄博)」) (附註(a))	PRC 中國	RMB96,816,370 人民幣 96,816,370元	100%	-	100%	Operation and maintenance of waste-water treatment plants 營運及維修保養 污水處理廠
Fuzhou Guang Min Road and Bridge Construction & Development Company Limited ("FZGM")* 福州光閩路橋建設 開發有限公司 (「光閩路橋」)#	PRC 中國	RMB224,730,000 人民幣 224,730,000元	Note (b) 附註(b)	-	Note (b) 附註(b)	Development, construction, operation and maintenance of a toll bridge 開發、建造、 營運及維修保養 收費橋樑
On Land Limited 再倫有限公司	Hong Kong 香港	2 shares of \$1 each 2股每股面值 1元股份	100%	-	100%	Property investment 物業投資
Qingdao EB-VW Waste Water Treatment Co., Ltd. ("Qingdao EB-VW")* 青島光威污水處理 有限公司 (「青島光威」)#	PRC 中國	RMB126,331,107 人民幣 126,331,107元	Note (c) 附註(c)	-	Note (c) 附註(c)	Construction, operation and maintenance of waste-water treatment plants 建造、營運及維修 保養污水處理廠
Sino Villa Holdings Limited	British Virgin Islands ("BVI")/PRC 英屬處女群島/ 中國	1 share of US\$1 1股每股面值 1美元股份	100%	100%	-	Property investment 物業投資
Suzhou SuNeng Waste-to-Energy Co. Ltd. ("Suzhou Suneng")* 蘇州市蘇能垃圾發電 有限公司 (「蘇州蘇能」)#	PRC 中國	RMB141,943,349 人民幣 141,943,349元	Note (d) 附註(d)	-	Note (d) 附註(d)	Design, construction, operation and management of waste-to-energy power plant 設計、建造、營運及 管理垃圾焚燒發電廠

\* Registered under the laws of the PRC as foreign investment enterprise.

# Registered under the laws of the PRC as sino-foreign co-operative joint venture.

\* 根據中國法律註冊為外商投資企業。

# 根據中國法律註冊為中外合作合營企業。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 17. INTEREST IN SUBSIDIARIES (continued)

Notes:

- (a) On 1 December 2005, EB Water (Zibo) acquired the waste-water treatment business together with the corresponding assets and liabilities from Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company ("the Transferors") at a consideration of RMB224,055,000 (equivalent to approximately HK\$214,891,000). In addition, pursuant to a concession right agreement, EB Water (Zibo) was granted the exclusive right to operate the waste-water treatment plants to provide waste water treatment service in certain specified areas in Zibo city, the PRC for a period of 25 years commencing from December 2005. Upon expiry of the concession period, EB Water (Zibo) will cease to have any rights and obligations under the concession right agreement and the assets acquired as referred to above will be transferred back to the Transferors.

The waste-water treatment plants are expected to have aggregate daily capacity of 220,000 tonnes. The waste-water treatment revenue charged by EB Water (Zibo) is governed by the relevant waste water treatment service agreement. During the concession period, EB Water (Zibo) has the obligation to promptly repair or upgrade the waste-water treatment facilities and equipment.

- (b) Greenway Venture Limited ("Greenway"), an 80% owned subsidiary of the Company and the foreign joint venture partner of FZGM, is committed to contribute the full amount of FZGM's registered capital. Net profit (after payment of an agreed sum ranging from RMB600,000 to RMB2,500,000 annually to the PRC joint venture partner of FZGM) of FZGM should first be applied for the repayment of capital and advances made by Greenway. After the capital and advances made by Greenway have been fully repaid, the net profit of FZGM (after payment of an agreed sum to the PRC joint venture partner mentioned above) is to be shared by Greenway and the PRC joint venture partner on a 90:10 basis.

Pursuant to the joint venture agreement of FZGM, FZGM was granted a right to construct, operate and maintain a toll bridge in Fuzhou city, the PRC. After the completion of the toll bridge construction, FZGM has an operating period of the toll bridge for a period of 30 years commencing from January 2003. Upon expiry of the operating period, FZGM will transfer all the fixed assets and the operating right to the PRC joint venture partner. The toll fee is based on the type of vehicles and it is subject to the approval from the relevant local government authorities. During the operating period, FZGM has the obligation to maintain the toll bridge in good condition.

### 十七. 附屬公司權益 (續)

附註:

- (a) 於二零零五年十二月一日，光大水務(淄博)向淄博市財政局及淄博市環保污水處理公司(「轉讓人」)收購污水處理業務連同相關資產及負債，代價為人民幣224,055,000元(相等於約港幣214,891,000元)。此外，根據特許經營協議，光大水務(淄博)獲獨家授權營運污水處理廠，為中國淄博市若干指定區域提供污水處理服務，由二零零五年十二月起計為期25年。待特許經營協議屆滿後，根據特許經營協議，光大水務(淄博)將不再具有任何權利及責任，而上文所述之收購資產須轉回予轉讓人。

預期污水處理廠之每日總處理量為220,000噸。光大水務(淄博)所收取之污水處理費須受有關污水處理協議所管限。於特許經營期內，光大水務(淄博)有責任及時維修或提升污水處理設施及設備。

- (b) 本公司擁有80%權益之附屬公司兼光閩路橋之外方合營夥伴Greenway Venture Limited(「Greenway」)承諾注入光閩路橋全數註冊資本。光閩路橋之淨盈利(在每年支付介乎人民幣600,000元至人民幣2,500,000元之協定款項予中方合營夥伴後)將首先用以償還Greenway已支付之資本及墊款。在全數償還Greenway已支付之資本及墊款後，光閩路橋之淨盈利(在如上文所述般支付協定款項予中方合營夥伴後)將由Greenway及中方合營夥伴按90:10之比例攤分。

根據光閩路橋之合營協議，光閩路橋獲授權在中國福州市建造、營運及維修保養一條收費路橋。在收費路橋建造完成後，光閩路橋擁有收費路橋之經營權30年，由二零零三年一月起計。待經營權屆滿後，光閩路橋將把所有固定資產及經營權轉歸中方合營夥伴所有。收費路橋之收費按車輛之類別而定，並須待有關當地政府機關批准後方可作實。於營運期內，光閩路橋有責任維持收費路橋在良好狀況。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 17. INTEREST IN SUBSIDIARIES (continued)

Notes: (continued)

- (c) EB-VW HK Holding Company Limited ("EB-VW"), an 60% owned subsidiary of the Company and the foreign joint venture partner of Qingdao EB-VW, is committed to contribute 60% of Qingdao EB-VW's registered capital. The remaining 40% registered capital is contributed by the PRC joint venture partner, by way of transferring waste-water treatment plants to Qingdao EB-VW. EB-VW is fully entitled to the net profit of Qingdao EB-VW for the first 14 years of the joint venture period. From the 15th year of the joint venture period onwards, the net profit of Qingdao EB-VW is to be shared by EB-VW and the PRC joint venture partner on a 98:2 basis.

Pursuant to a waste-water treatment agreement, Qingdao EB-VW will provide the PRC joint venture partner with design, construction, maintenance and operation services for waste-water treatment facilities and the provision of waste-water treatment services in Qingdao, the PRC for a period of 25 years commencing from January 2005. Furthermore, Qingdao EB-VW is obliged to construct extension of the existing facilities.

Upon expiry of joint venture agreement, the fixed assets of Qingdao EB-VW will be transferred to the PRC joint venture partner. The waste-water treatment plants are expected to have aggregate daily capacity of 220,000 cubic metre. The waste-water treatment revenue charged by Qingdao EB-VW is governed by the relevant waste water treatment agreement. During the joint venture period, Qingdao EB-VW has the obligation to maintain the waste-water treatment facilities in good condition.

- (d) Everbright Environmental Energy (Suzhou) Investment Limited ("EB Energy (Suzhou)", formerly known as Starland Resources Limited), a wholly-owned subsidiary of the Company and the foreign joint venture partner of Suzhou Suneng, is committed to contribute the full amount of Suzhou Suneng's registered capital. Net profit of Suzhou Suneng, after payment of an agreed sum of RMB880,000 annually to the PRC joint venture partner, is fully attributable to EB Energy (Suzhou).

Pursuant to a concession right agreement, Suzhou Suneng will design, construct, operate and manage a waste-to-energy power plant to provide waste treatment service in Suzhou city, the PRC for a period of 25 years. Upon expiry of the concession period, the waste-to-energy power plant and related facilities will be transferred to the PRC joint venture partner. The waste-to-energy power plant is expected to have a daily capacity of 1,000 tonnes. The waste treatment service fee charged by Suzhou Suneng is governed by the relevant concession right agreement. During the concession period, Suzhou Suneng has the obligation to maintain the waste-to-energy power plant in good condition.

### 十七. 附屬公司權益 (續)

註: (續)

- (c) 本公司擁有60%權益之附屬公司兼青島光威外方合營夥計光大威立雅水務香港控股有限公司(「光大威立雅」)承諾注入青島光威60%註冊資本，餘下40%將由中方合營夥伴透過轉讓污水處理廠予青島光威之方式出資。光大威立雅於合營期首十四年可全數享有青島光威之淨盈利。而由第十五年合營期起，青島光威之淨盈利將由光大威立雅及中方合營夥計按98:2之比例攤分。

根據污水處理協議，青島光威將為中方合營夥伴提供污水處理設施之設計、建造、維修保養及營運服務，並為中國青島市提供污水處理服務，由二零零五年一月起計，為期二十五年。此外，青島光威須負責建造現有污水處理廠之擴建設施。

待合營協議屆滿後，青島光威之固定資產將轉歸中方合營夥伴所有。預期污水處理廠之每日總處理量為220,000立方米。青島光威所收取之污水處理費須受有關污水處理協議所管限。於合營期內，青島光威有責任維持污水處理設施在良好狀況。

- (d) 本公司之全資附屬公司兼蘇州蘇能外方合營夥伴光大環保能源(蘇州)投資有限公司(「光大能源(蘇州)」，前稱「星域資源有限公司」)承諾注入蘇州蘇能全數註冊資本。蘇州蘇能之淨盈利(在每年支付人民幣880,000元之協定款項予中方合營夥伴後)將全歸光大能源(蘇州)所有。

根據特許經營協議，蘇州蘇能將設計、建造、營運及管理一家垃圾焚燒發電廠，為中國蘇州市提供垃圾處理服務為期25年。待特許經營協議屆滿後，垃圾焚燒發電廠及相關設施將轉歸中方合營夥伴所有。預期垃圾焚燒發電廠每日之處理量為1,000噸。蘇州蘇能所收取之垃圾處理費須受有關特許經營協議所管限。於特許經營期內，蘇州蘇能有責任維持垃圾焚燒發電廠在良好狀況。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 18. INTEREST IN ASSOCIATES

### 十八. 聯營公司權益

		The Group		The Company	
		本集團	本公司	本公司	本公司
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Unlisted shares, at cost	非上市股份·按成本值	–	–	205,199	205,199
Share of net assets	所佔資產淨額	413,304	435,479	–	–
		<b>413,304</b>	<b>435,479</b>	<b>205,199</b>	<b>205,199</b>

The following list contains only the particulars of associates, all of which are unlisted corporate entities, which principally affected the results or assets of the Group.

以下僅列出對本集團業績或資產構成主要影響之聯營公司(均為非上市企業實體)資料。

Name of company	Form of business structure	Place of Incorporation/ establishment and operation	Proportion of ownership interest			Principal activity
			Group's effective interest	held by the Company	held by subsidiaries	
公司名稱	業務架構性質	註冊成立/成立及經營地點	本集團之實際權益	由本公司持有	由附屬公司持有	主要業務
Newton Industrial Limited ("Newton") (note) (附註)	Incorporated 註冊成立	BVI/PRC 英屬處女群島/中國	44.12%	44.12%	–	Investment holding 投資控股
Qingdao Veolia Water Operating Company Limited 青島威立雅水務運營有限公司	Established 成立	PRC 中國	21%	–	21%	Operation of waste-water treatment plants 營運污水處理廠

Note: Newton holds a 34% equity interest in Shenzhen Mawan Power Company Limited, a sino-foreign joint venture established in the PRC which currently operates two power plants in Shenzhen, the PRC.

附註: Newton持有深圳媽灣電力有限公司(一家於中國成立之中外合營企業)34%股本權益。該公司現時在中國深圳經營兩家發電廠。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 18. INTEREST IN ASSOCIATES (continued)

Additional combined financial information in respect of the Group's associates is given as follows:

### 十八. 聯營公司權益 (續)

有關本集團聯營公司之額外合併財務資料如下：

		2005 二零零五年 \$'000 千元	2004 二零零四年 (restated) (重報) \$'000 千元
(i) Operating results	(i) 經營業績		
Turnover	營業額	18,800	70,571
Depreciation	折舊	-	13
Profit before taxation	除稅前盈利	154,255	219,306
Profit after taxation	除稅後盈利	<u>154,255</u>	<u>194,975</u>
Group's share of profits after taxation for the year attributable to associates	本集團所佔聯營公司之本年度除稅後盈利	68,045	80,214
Group's share of valuation gains on investment properties attributable to associates	本集團所佔聯營公司投資物業估值盈餘	<u>-</u>	<u>4,294</u>
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(ii) Balance sheet	(ii) 資產負債表		
Non-current assets	非流動資產	935,314	985,860
Current assets	流動資產	4,671	2,354
Current liabilities	流動負債	<u>(2,045)</u>	<u>(60)</u>
Net assets	資產淨額	<u>937,940</u>	<u>988,154</u>
Group's share of net assets attributable to associates	本集團所佔聯營公司之資產淨額	<u>413,304</u>	<u>435,479</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 19. OTHER FINANCIAL ASSETS

### 十九. 其他財務資產

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Available-for-sale equity securities:	待售股本證券：				
– Listed in Hong Kong	– 香港上市	<b>38,282</b>	32,813	–	–
– Unlisted outside Hong Kong	– 香港以外地區 非上市	<b>13,649</b>	13,649	<b>13,649</b>	13,649
		<b>51,931</b>	46,462	<b>13,649</b>	13,649
Market value of listed securities	上市證券之市值	<b>38,282</b>	29,471	–	–

### 20. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

### 二十. 應收賬款、其他應收款項、按金及預付款項

Included in trade, other receivables, deposits and prepayments of the Group are trade debtors of \$14,343,000 (2004: \$4,571,000), of which \$4,595,000 (2004: Nil) is due from a minority shareholder. The trade debtors are current and not yet due for payment and represent toll bridge revenue and wastewater treatment revenue which are settled on a monthly basis.

本集團之應收賬款、其他應收款項、按金及預付款項中包括應收貿易賬款14,343,000元(二零零四年: 4,571,000元)，其中4,595,000元(二零零四年: 無)為應收少數股東款項。該筆應收貿易賬款屬即期及未到期還款，其為收費橋樑收益及污水處理收益，有關款項按月支付。

The Group's credit policy is set out in note 30(a).

本集團之信貸政策載於附註三十(a)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 21. PLEDGED BANK DEPOSITS

The amounts are pledged to secure certain bank loans of the Group.

### 22. CASH AND CASH EQUIVALENTS

### 二十一. 已抵押銀行存款

該等款項已作抵押，作為本集團若干銀行貸款之抵押品。

### 二十二. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Deposits with bank	銀行存款	215,946	458,905	198,203	439,819
Cash at bank and in hand	銀行結餘及現金	192,620	113,453	30,204	4,184
		<b>408,566</b>	<b>572,358</b>	<b>228,407</b>	<b>444,003</b>

Included in cash and cash equivalents in the balance sheet date are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

結算日之現金及現金等價物包括下列款項，其以相關實體之功能貨幣以外之貨幣為單位：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
United States Dollars	美元	USD10,809 10,809美元	USD8 8美元	USD21 21美元	USD8 8美元

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 23. SECURED BANK LOANS

At 31 December 2005, the secured bank loans were repayable as follows:

		The Group		The Company	
		本集團		本公司	
		2005	2004	2005	2004
		二零零五年	二零零四年	二零零五年	二零零四年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Within 1 year or on demand	一年內或按要求	<b>40,227</b>	62,450	<b>31,429</b>	62,429
After 1 year but within 2 years	一年後但兩年內	<b>55,607</b>	8,218	<b>6,429</b>	6,429
After 2 years but within 5 years	兩年後但五年內	<b>218,764</b>	62,479	<b>19,286</b>	19,286
After 5 years	五年後	<b>297,645</b>	234,141	<b>4,821</b>	11,249
		<b>572,016</b>	304,838	<b>30,536</b>	36,964
		<b>612,243</b>	367,288	<b>61,965</b>	99,393

At 31 December 2005, the banking facilities of the Group are secured by revenue from the operations of toll bridge, waste-water treatment plants and waste-to-energy power plant, bank deposits, mortgages on fixed assets and shares of a subsidiary of the Company. Such banking facilities, amounting to \$975,180,000 (2004: \$534,432,000), were utilised to the extent of \$612,243,000 (2004: \$367,288,000) at 31 December 2005.

於二零零五年十二月三十一日，有抵押銀行貸款之還款期如下：

於二零零五年十二月三十一日，本集團之銀行融資以經營收費橋樑之收入、污水處理廠及垃圾焚燒發電廠收入、銀行存款、固定資產按揭及本集團附屬公司股份作抵押。於二零零五年十二月三十一日，上述975,180,000元（二零零四年：534,432,000元）之銀行融資已動用612,243,000元（二零零四年：367,288,000元）。

### 24. AMOUNTS DUE TO MINORITY SHAREHOLDERS

The amounts are unsecured, interest free and repayable within one year.

### 二十四. 應付少數股東款項

有關款項為無抵押、免息及須於一年內償還。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 25. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

Included in creditors, other payables and accrued expenses of the Group is an amount of \$1,393,000 (2004: Nil) which is payable to an associate. The balance is due within one month and represents service fee for operation of waste-water treatment plants.

Apart from the above, there are other payables to related companies and a minority shareholder of \$32,012,000 (2004: Nil) and \$18,756,000 (2004: Nil) respectively as at 31 December 2005. The amounts are unsecured, interest free and expected to be settled within one year.

### 26. LOANS FROM AND AMOUNT DUE TO ULTIMATE HOLDING COMPANY

#### (a) Loans from ultimate holding company

##### *The Group*

At 31 December 2005, the loans are unsecured, interest bearing at 4.9% to 5% (2004: 1.8% to 5%) per annum and not expected to be settled within one year, except for a loan of \$95,148,000 (2004: \$93,501,000) which is interest free. The interest rates are generally based on Hong Kong Interbank Offering Rate or London Interbank Offering Rate plus 0.8% to 1.1% (2004: plus 1.1% to 1.3%).

### 二十五. 應付賬款、其他應付款項及應計費用

本集團之應付賬款、其他應付款項及應計費用中包括一筆應付予一家聯營公司之款項1,393,000元(二零零四年:無)。該結餘於一個月內到期，其為經營污水處理廠之服務費。

除上文所述者外，於二零零五年十二月三十一日，本公司還有應付予關聯公司及一名少數股東之其他應付款項，金額分別為32,012,000元(二零零四年:無)及18,756,000元(二零零四年:無)。該等款項為無抵押、免息，並預期須於一年內支付。

### 二十六. 最終控股公司貸款及應付最終控股公司款項

#### (a) 最終控股公司貸款

##### *本集團*

於二零零五年十二月三十一日，除了一項金額為95,148,000元(二零零四年:93,501,000元)之貸款為免息外，此等貸款為無抵押、按年利率4.9%至5%(二零零四年:1.8%至5%)計息及預期不會於一年內償還。利息一般按香港銀行同業拆息或倫敦銀行同業拆息加0.8%至1.1%(二零零四年:加1.1%至1.3%)計算。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 26. LOANS FROM AND AMOUNT DUE TO ULTIMATE HOLDING COMPANY (continued)

#### (a) Loans from ultimate holding company (continued)

##### The Company

At 31 December 2005, the loans are unsecured, interest bearing at 4.9% to 5% (2004: 1.8% to 5%) per annum and not expected to be settled within one year. The interest rates are generally based on Hong Kong Interbank Offering Rate or London Interbank Offering Rate plus 0.8% to 1.1% (2004: plus 1.1% to 1.3%).

Included in loans from ultimate holding company are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
United States dollars	美元	<b>USD43,886</b> <b>43,886美元</b>	USD43,886 43,886 美元	<b>USD43,886</b> <b>43,886美元</b>	USD43,886 43,886 美元

#### (b) Amount due to ultimate holding company

At 31 December 2004, the amount due to ultimate holding company was unsecured and interest free. It was repaid during 2005.

#### (c) Continuous financial support

The ultimate holding company has given an undertaking to provide the Company with adequate financial support.

### 二十六. 最終控股公司貸款及應付最終控股公司款項 (續)

#### (a) 最終控股公司貸款 (續)

##### 本公司

於二零零五年十二月三十一日，此等貸款為無抵押，按年利率4.9%至5%（二零零四年：1.8%至5%）計息及預期不會於一年內償還。利息一般按香港銀行同業拆息或倫敦銀行同業拆息加0.8%至1.1%（二零零四年：加1.1%至1.3%）計算。

最終控股公司貸款包括下列款項，其以相關實體之功能貨幣以外之貨幣為單位：

#### (b) 應付最終控股公司款項

於二零零四年十二月三十一日，應付最終控股公司款項為無抵押及免息，其已於二零零五年內償還。

#### (c) 持續財務支援

最終控股公司已承諾給予本公司足夠的財務支援。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 27. INCOME TAX IN THE BALANCE SHEET

(a) Current taxation in the balance sheet represents:

Provision for PRC income tax for the year	本年度中國所得稅撥備
Provisional tax paid	已付預繳所得稅

### 二十七. 資產負債表之所得稅

(a) 資產負債表所示本期稅項為：

The Group	
本集團	
2005	2004
二零零五年	二零零四年
\$'000	\$'000
千元	千元
4,748	1,211
(2,610)	(1,113)
<b>2,138</b>	<b>98</b>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 27. INCOME TAX IN THE BALANCE SHEET (continued)

#### (b) Deferred tax assets and liabilities recognised:

The Group

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

### 二十七. 資產負債表之所得稅 (續)

#### (b) 已確認遞延稅項資產及負債

本集團

已於綜合資產負債表確認之遞延稅項(資產)/負債部份及本年度變動如下:

		<b>Depreciation allowances in excess of related depreciation</b>	<b>Revaluation of properties</b>	<b>Total</b>
		超出有關折舊之折舊免稅額	物業重估	總額
		\$'000	\$'000	\$'000
		千元	千元	千元
Deferred tax arising from:	遞延稅項來自:			
At 1 January 2004	於二零零四年一月一日	206	18,947	19,153
Charged to profit or loss	在損益表中扣除	1,078	591	1,669
At 31 December 2004	於二零零四年十二月三十一日	<u>1,284</u>	<u>19,538</u>	<u>20,822</u>
At 1 January 2005	於二零零五年一月一日	1,284	19,538	20,822
Addition through acquisition of business	透過收購業務增置	(356)	-	(356)
(Credited)/charged to profit or loss	在損益表中(計入)/扣除	<u>(17,760)</u>	<u>1,194</u>	<u>(16,566)</u>
At 31 December 2005	於二零零五年十二月三十一日	<u>(16,832)</u>	<u>20,732</u>	<u>3,900</u>

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 27. INCOME TAX IN THE BALANCE SHEET (continued)

#### (b) Deferred tax assets and liabilities recognised: (continued)

Net deferred tax assets recognised on the consolidated balance sheet 於綜合資產負債表確認之遞延稅項資產淨額

Net deferred tax liabilities recognised on the consolidated balance sheet 於綜合資產負債表確認之遞延稅項負債淨額

#### (c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 1(q), the Group has not recognised deferred tax assets of \$26,033,000 (2004: \$32,730,000) in respect of cumulative tax losses as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

### 二十七. 資產負債表之所得稅 (續)

#### (b) 已確認遞延稅項資產及負債 (續)

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(16,832)	-
<u>20,732</u>	<u>20,822</u>
<u><b>3,900</b></u>	<u>20,822</u>

#### (c) 未確認遞延稅項資產

根據附註一(q)所載之會計政策，本集團並無確認就累計可抵扣虧損的遞延稅項資產26,033,000元(二零零四年: 32,730,000元)，原因為在有關稅務司法權區及實體不大可能取得應課稅盈利而令該項資產得以運用。根據現行稅務條例，上述可抵扣虧損不設應用限期。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 28. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 26 May 2003 whereby the directors of the Company are authorised, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options at nominal consideration to subscribe for shares of the Company. The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on The Stock Exchange of Hong Kong Limited ("the Stock Exchange") on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant. The options are exercisable six months (or a later date as determined by the directors of the Company) after the date on which the options are granted for a period up to ten years or 25 May 2013, whichever is earlier. Each option gives the holder the right to subscribe for one ordinary share in the Company.

- (a) The terms and conditions of the grants that existed during the year are as follows, whereby all options are settled by physical delivery of shares:

	Number of instruments 文據數目	Vesting conditions 生效條件	Contractual life of options 購股權之 合約年期
Options granted to directors: 授予董事之購股權			
– on 29 September 2003 – 二零零三年九月二十九日	49,700,000	Six months from the date of grant 由授出日期起計六個月	9.2 years 9.2年
– on 29 September 2003 – 二零零三年九月二十九日	49,700,000	One year from the date of grant 由授出日期起計一年	8.7 years 8.7年
Options granted to employees: 授予僱員之購股權			
– on 29 September 2003 – 二零零三年九月二十九日	4,500,000	Six months from the date of grant 由授出日期起計六個月	9.2 years 9.2年
– on 29 September 2003 – 二零零三年九月二十九日	4,500,000	One year from the date of grant 由授出日期起計一年	8.7 years 8.7年
Total share options 購股權總數	108,400,000		

### 二十八. 以股份支付之股本交易

本公司設有一個購股權計劃，其於二零零三年五月二十六日採納。據此，本公司董事獲授權可酌情邀請本集團僱員（包括本集團任何成員公司之董事）接納可按象徵式代價認購本公司股份之購股權。購股權行使價為股份面值、股份於授出日期在香港聯合交易所有限公司（「聯交所」）之收市價或股份緊接授出日期前五個營業日在聯交所之平均收市價（以較高者為準）。購股權自授出日期後六個月（或本公司董事決定之較後日期）起生效及其行使期自屆時起計最多達十年或至二零一三年五月二十五日止（以較早者為準）。每股購股權賦予其持有人認購一股本公司普通股之權利。

- (a) 下文載列年內尚未行使之購股權之授出條款及條件，據此，所有購股權以股份實物交收方式結算交收：

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 28. EQUITY SETTLED SHARE-BASED TRANSACTIONS

(continued)

(b) The number and weighted average exercise prices of share options are as follows:

### 二十八. 以股份支付之股本交易 (續)

(b) 購股權之數目及加權平均行使價如下:

		2005 二零零五年		2004 二零零四年	
		Weighted average exercise price 加權平均 行使價	Number of options 購股權數目	Weighted average exercise price 加權平均 行使價	Number of options 購股權數目
Outstanding at the beginning of the period	期初尚未行使	\$0.296	108,400,000	\$0.296	109,400,000
Exercised during the period	期內已行使	\$0.296	(3,000,000)	\$0.296	(500,000)
Lapsed during the period	期內失效	\$0.296	—	\$0.296	(500,000)
Outstanding at the end of the period	期終尚未行使	\$0.296	<u>105,400,000</u>	\$0.296	<u>108,400,000</u>
Exercisable at the end of the period	期終可予行使	\$0.296	<u>105,400,000</u>	\$0.296	<u>108,400,000</u>

The weighted average share price at the date of exercise for shares options exercised during the year was \$0.45 (2004: not applicable). The options outstanding at 31 December 2005 had an exercise price of \$0.296 (2004: \$0.296) and a weighted average remaining contractual life of 7.4 years (2004: 8.4 years).

年內已行使購股權於行使日期之加權平均股價為0.45元(二零零四年:不適用)。於二零零五年十二月三十一日尚未行使之購股權之行使價為0.296元(二零零四年:0.296元)·而加權平均餘下合約年期則為7.4年(二零零四年:8.4年)。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES

### 二十九. 股本及儲備

#### (a) The Group

#### (a) 本集團

Attributable to equity shareholders of the Company  
本公司股東應佔

		Share capital	Share premium	Special reserve	Reserve/ (goodwill) arising on consolidation 綜合賬項	Exchange reserve 匯兌儲備	Capital redemption reserve 資本 贖回儲備	Revaluation reserve of land and buildings 土地及 樓宇之 重估儲備	Fair value reserve 公允價值儲備	Reserve fund 儲備金	(Accumulated losses)/ retained profits (累計虧損)/ 保留盈利	Total	Minority interests 少數股東權益	Total equity 權益總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
At 1 January 2004	於二零零四年一月一日	254,831	2,817,279	-	58,177	212	70	243	-	(2,130,416)	1,000,396	-	1,000,396	
Shares issued under share option scheme	根據購股權計劃發行 股份	50	98	-	-	-	-	-	-	-	148	-	148	
Reduction of share premium	削減股份溢價賬	-	(2,372,173)	-	-	-	-	-	-	2,372,173	-	-	-	
Share of capital reserve of associate	所佔聯營公司資本儲備	-	-	-	905	-	-	-	-	-	905	-	905	
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	-	-	-	-	802	-	-	-	-	802	-	802	
Exchange differences on translation of financial statements of subsidiaries and associates	換算附屬公司及 聯營公司財務報表 產生之匯兌差額	-	-	-	-	1,471	-	-	-	-	1,471	-	1,471	
Capital reserve realised on liquidation of subsidiary	附屬公司清盤而變現 之資本儲備	-	-	-	(555)	-	-	-	-	-	(555)	-	(555)	
Exchange reserves realised on disposal of associate	出售聯營公司而變現 之匯兌儲備	-	-	-	-	(808)	-	-	-	-	(808)	-	(808)	
Profit for the year	本年度盈利	-	-	-	-	-	-	-	-	86,776	86,776	(558)	86,218	
Acquisition of non-wholly owned subsidiary	收購非全資附屬公司	-	-	-	-	-	-	-	-	-	-	38	38	
Capital contribution received by non-wholly owned subsidiary from minority shareholder	非全資附屬公司收取 少數股東之注資	-	-	-	-	-	-	-	-	-	-	4,280	4,280	
Dividend paid to minority shareholder	已付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	(566)	(566)	
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	-	-	-	-	(10,193)	(10,193)	-	(10,193)	
Transfer to special reserve	轉撥至特別儲備	-	-	112,016	-	-	-	-	-	(112,016)	-	-	-	
At 31 December 2004	於二零零四年 十二月三十一日	254,881	445,204	112,016	58,527	1,677	70	243	-	206,324	1,078,942	3,194	1,082,136	



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

### 二十九. 股本及儲備 (續)

#### (a) The Group (continued)

#### (a) 本集團 (續)

		Attributable to equity shareholders of the Company 本公司股東應佔												
		Share capital 股本	Share premium 股份溢價	Special reserve 特別儲備	Reserve/(goodwill) arising on consolidation 綜合賬項產生之儲備/商譽	Exchange reserve 匯兌儲備	Capital redemption reserve 資本贖回儲備	Revaluation reserve of land and buildings 土地及樓宇之重估儲備	Fair value reserve 公允價值儲備	Reserve fund 儲備金	Retained profits 保留盈利	Total 總額	Minority interests 少數股東權益	Total equity 權益總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 1 January 2005	於二零零五年一月一日	254,881	445,204	112,016	58,527	1,677	70	243	-	-	206,324	1,078,942	3,194	1,082,136
Opening balance adjustments in respect of:	下列各項之期初結餘調整:													
- negative goodwill (note 2(a))	- 負商譽 (附註二(a))	-	-	-	(71,141)	-	-	-	-	-	71,821	680	-	680
- financial instruments (note 2(b))	- 金融工具 (附註二(b))	-	-	-	-	-	-	-	-	-	(3,342)	(3,342)	-	(3,342)
At 1 January 2005, after opening balance adjustments	於二零零五年一月一日，經作出期初結餘調整後	254,881	445,204	112,016	(12,614)	1,677	70	243	-	-	274,803	1,076,280	3,194	1,079,474
Dividend approved in respect of the previous year (note 11)	去年度已批准股息 (附註十一)	-	-	-	-	-	-	-	-	-	(15,293)	(15,293)	-	(15,293)
Shares issued under share option scheme (note 29(c)(ii))	根據購股權計劃發行股份 (附註二十九(c)(ii))	300	588	-	-	-	-	-	-	-	-	888	-	888
Share of exchange reserves of associates	所佔聯營公司匯兌儲備	-	-	-	-	9,598	-	-	-	-	-	9,598	-	9,598
Exchange differences on translation of financial statements of subsidiaries and associates	換算附屬公司及聯營公司財務報表產生之匯兌差額	-	-	-	-	8,868	-	-	-	-	-	8,868	-	8,868
Revaluation reserve realised on disposal of land and buildings	出售土地及樓宇時變現之重估儲備	-	-	-	-	-	-	(243)	-	-	243	-	-	-
Changes in fair value of available-for-sale securities	待售證券之公允價值變動	-	-	-	-	-	-	-	8,811	-	-	8,811	-	8,811
Profit for the year	本年度盈利	-	-	-	-	-	-	-	-	-	105,330	105,330	15,514	120,844
Transfer to reserve fund	轉撥至儲備金	-	-	-	-	-	-	-	-	3,740	(3,740)	-	-	-
Share of reserve by minority interests	少數股東權益應佔儲備	-	-	-	-	(2,314)	-	-	-	-	-	(2,314)	2,314	-
Capital contributions received by non-wholly owned subsidiaries from minority shareholders	非全資附屬公司收取少數股東之注資	-	-	-	-	-	-	-	-	-	-	-	71,881	71,881
Dividend paid to minority shareholder	已付予少數股東之股息	-	-	-	-	-	-	-	-	-	-	-	(575)	(575)
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	-	-	-	-	-	(15,311)	(15,311)	-	(15,311)
Transfer from special reserve (note 29(d)(iii))	轉撥自特別儲備 (附註二十九(d)(iii))	-	-	(686)	-	-	-	-	-	-	686	-	-	-
At 31 December 2005	於二零零五年十二月三十一日	255,181	445,792	111,330	(12,614)	17,829	70	-	8,811	3,740	346,718	1,176,857	92,328	1,269,185

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

### 二十九. 股本及儲備 (續)

#### (b) The Company

#### (b) 本公司

		Share capital 股本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Special reserve 特別儲備 \$'000 千元	Capital redemption reserve 資本 贖回儲備 \$'000 千元	(Accumulated loss)/ retained profit (累計虧損)/ 保留盈利 \$'000 千元	Total 總額 \$'000 千元
At 1 January 2004	於二零零四年一月一日	254,831	2,817,279	-	70	(2,381,869)	690,311
Reduction of share premium	削減股份溢價	-	(2,372,173)	-	-	2,372,173	-
Shares issued under share option scheme	根據購股權計劃 發行股份	50	98	-	-	-	148
Profit for the year	本年度盈利	-	-	-	-	152,687	152,687
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	(10,193)	(10,193)
Transfer to special reserve	轉撥至特別儲備	-	-	112,016	-	(112,016)	-
At 31 December 2004	於二零零四年 十二月三十一日	254,881	445,204	112,016	70	20,782	832,953

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

### 二十九. 股本及儲備 (續)

#### (b) The Company (continued)

#### (b) 本公司 (續)

		Share capital	Share premium	Special reserve	Capital redemption reserve	Retained profit	Total
		股本	股份溢價	特別儲備	資本 贖回儲備	保留盈利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
At 1 January 2005	於二零零五年一月一日	254,881	445,204	112,016	70	20,782	832,953
Dividend approved in respect of the previous year (note 11)	去年度已批准股息 (附註十一)	-	-	-	-	(15,293)	(15,293)
Shares issued under share option scheme	根據購股權計劃 發行股份	300	588	-	-	-	888
Profit for the year	本年度盈利	-	-	-	-	107,778	107,778
Dividend declared in respect of the current year (note 11)	本年度已宣派股息 (附註十一)	-	-	-	-	(15,311)	(15,311)
Transfer from special reserve (note 29(d)(ii))	轉撥自特別儲備 (附註二十九(d)(ii))	-	-	(686)	-	686	-
At 31 December 2005	於二零零五年 十二月三十一日	255,181	445,792	111,330	70	98,642	911,015

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

### 二十九. 股本及儲備 (續)

#### (c) Share capital

#### (c) 股本

##### (i) Authorised and issued share capital

##### (i) 法定及已發行股本

		2005 二零零五年		2004 二零零四年	
		No. of shares 股數 '000 千股	\$'000 千元	No. of shares 股數 '000 千股	\$'000 千元
<b>Authorised:</b>	<b>法定:</b>				
Ordinary shares of \$0.10 each	每股面值0.10元 之普通股	<b>5,000,000</b>	<b>500,000</b>	5,000,000	500,000
<b>Ordinary shares, issued and fully paid:</b>	<b>普通股， 已發行及 悉數繳足:</b>				
At 1 January	於一月一日	<b>2,548,812</b>	<b>254,881</b>	2,548,312	254,831
Shares issued under share option scheme	根據購股權計劃 發行之股份	<b>3,000</b>	<b>300</b>	500	50
At 31 December	於十二月三十一日	<b>2,551,812</b>	<b>255,181</b>	2,548,812	254,881

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，並於本公司大會上可就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (c) Share capital (continued)

##### (ii) Shares issued under share option scheme

On 20 May 2005, options were exercised to subscribe for 3,000,000 ordinary shares in the Company at a consideration of \$888,000 of which \$300,000 was credited to share capital and the balance of \$588,000 was credited to the share premium account.

##### (iii) Terms of unexpired and unexercised share options at balance sheet date

Exercise period 行使期		Exercise price 行使價	2005 二零零五年 Number 數目	2004 二零零四年 Number 數目
29 March 2004 to 25 May 2013	二零零四年三月二十九日 至二零一三年 五月二十五日	\$0.296	52,700,000	54,200,000
29 September 2004 to 25 May 2013	二零零四年九月二十九日 至二零一三年 五月二十五日	\$0.296	52,700,000	54,200,000
			<u>105,400,000</u>	<u>108,400,000</u>

Each option entitles the holder to subscribe for one ordinary share in the Company. Further details of these options are set out in note 28 to the financial statements.

### 二十九. 股本及儲備 (續)

#### (c) 股本 (續)

##### (ii) 根據購股權計劃發行股份

於二零零五年五月二十日，購股權持有人行使購股權，認購3,000,000股本公司普通股，代價為888,000元。其中300,000元已記入股本，餘下588,000元則記入股份溢價賬。

##### (iii) 於結算日尚未到期及尚未行使之購股權之條款

每股購股權賦予其持有人可認購一股本公司普通股之權利。有關購股權之進一步資料載於財務報表附註二十八。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves

(i) *Share premium and capital redemption reserve*

The application of the share premium account and the capital redemption reserve is governed by Sections 48B and 49H respectively of the Hong Kong Companies Ordinance.

(ii) *Special reserve*

On 5 January 2004, the Company announced its intention to put forward a proposal for the reduction of the Company's share premium account by the sum of \$2,372,172,824 (i.e. accumulated losses of the Company as at 30 September 2003) and the application of the same amount of credit arising from such reduction towards the elimination of the accumulated losses of the Company. The reduction of share premium account, approved by the shareholders at the extraordinary general meeting held on 2 February 2004, was confirmed by an order made by the High Court of Hong Kong ("the Court") on 2 March 2004 and became effective upon registration of the said order by the Registrar of Companies in Hong Kong on the same date.

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的

(i) *股份溢價及資本贖回儲備*

股份溢價賬及資本贖回儲備之用途分別受香港《公司條例》第四十八B條及第四十九H條規管。

(ii) *特別儲備*

於二零零四年一月五日，本公司公佈其擬提呈建議，削減本公司股份溢價賬2,372,172,824元（即本公司截至二零零三年九月三十日之累計虧損），並將削減股份溢價賬所產生之同一數額進賬金額用於抵銷本公司之累計虧損。削減股份溢價賬事項已於二零零四年二月二日舉行之股東特別大會上獲股東批准，並於二零零四年三月二日獲香港高等法院（「法院」）作出頒令予以確認及於本公司在同日向香港公司註冊處登記上述頒令後生效。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

To safeguard the interests of the Company's creditors, the Company undertakes to the Court to create a special reserve upon the reduction of share premium account on the terms set out below:

(i) that for so long as there shall remain outstanding any debt of or claim against the Company which, if the date on which the reduction of the share premium account of the Company ("the Effective Date") were the commencement of the winding-up of the Company, would be admissible to proof in such winding-up and the person entitled to the benefit thereof shall not have consented to the said reduction of share premium account or agreed otherwise, the Company shall credit to a special reserve in the books of the Company ("the Special Reserve"):

- any amount arising by reason of a release of any provision taken into account in establishing the accumulated losses of the Company shown in the balance sheet of the management accounts of the Company for the nine months ended 30 September 2003; or

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

為了保障本公司債權人之權益，本公司向法院作出承諾，於削減股份溢價賬時設立一個特別儲備，條款如下：

(i) 倘於本公司削減股份溢價賬生效之日（「生效日期」）（若該日為本公司清盤開始日）公司仍有任何未清償債務或未了結申索，而此等債務或申索為本公司清盤事宜之可接納證據，且擁有權益之人仕不批准或不同意上述削減股份溢價賬事項，則本公司須把下述各項記入本公司賬目之特別儲備（「特別儲備」）下：

- 因撥回已計入本公司截至二零零三年九月三十日止九個月之管理賬目中之資產負債表內所示累計虧損之任何撥備所產生之金額；或

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

##### (i) (continued)

- any amount received by the Company as profit by way of distribution from a corporation which was a subsidiary or an associated company of the Company at the Effective Date (a “subsidiary” or an “associated company” respectively) which is made by such subsidiary or associated company out of profits available for distribution prior to the Effective Date or any dividend paid to the Company in respect of any liquidation of a subsidiary or an associated company commencing prior to the Effective Date; and

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

##### (i) (續)

- 本公司從一家公司收取所得作為分派盈利之金額，有關公司於生效日期為本公司附屬公司或聯營公司（分別簡稱為「附屬公司」或「聯營公司」），而上述金額乃由有關附屬公司或聯營公司利用生效日期前可供分派之盈利支付，或本公司就生效日期前已開始清盤行動之附屬公司或聯營公司收取所得之股息；及



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

(ii) the Special Reserve:

- shall not be treated as realised profits of the Company; and
- shall, for so long as the Company shall remain a limited company, be treated as an undistributable reserve of the Company for the purposes of the Companies Ordinance (Chapter 32 of the Laws of the Hong Kong Special Administrative Region of the People's Republic of China) or any statutory modification or re-enactment thereof.

Provided always that:

- (1) the Special Reserve may be applied for the same purposes as a share premium account may lawfully be applied;

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

(ii) 特別儲備:

- 不得被視為本公司之已變現盈利; 及
- 只要本公司仍為有限公司，根據公司條例(中華人民共和國香港特別行政區法例第32章)或法例規定就其所作之任何修改或修訂，其應被視為本公司之不可分派儲備。

惟:

- (1) 特別儲備可用作適用於股份溢價賬之合法用途;

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

(2) the amount standing to the credit of the Special Reserve may be reduced by an amount equal to any increase, after the Effective Date, in the share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves, and the Company shall be at liberty to transfer the amount so reduced to the general reserves of the Company and the same shall become available for distribution;

(3) the amount credited to the Special Reserve in accordance with the foregoing provisions of this undertaking shall not at any time exceed \$1,762,999,500 ("the Limit");

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

(2) 特別儲備進賬金額可被削減，數額為在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司股份溢價賬增加之數。本公司可轉撥就此減少之數至本公司之一般儲備，而有關金額可供分派之用；

(3) 根據本承諾之上述規定記入特別儲備之金額在任何時間均不得超過1,762,999,500元（「有關限額」）；

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

(4) the Limit may be reduced by the amount of any increase, after the Effective Date, in the paid-up share capital or share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves;

(5) the Limit may be reduced upon the liquidation, disposal or other realisation, after the Effective Date, of a subsidiary, an associated company or any of the financial or fixed assets of the Company by the amount of the provision made in relation to such subsidiary, associated company or financial or fixed assets as at 30 September 2003 less such amount (if any) as credited to the Special Reserve as a result of such liquidation, disposal or realisation; and

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

(4) 在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司之繳足股本或股份溢價賬增加之數可用作減少有關限額；

(5) 於生效日期後，在清盤、出售或以其他方式變現附屬公司、聯營公司或本公司任何財務或固定資產時，於二零零三年九月三十日就有關附屬公司、聯營公司或財務或固定資產所提撥之準備金額減上述清盤、出售或變現事項所產生之特別儲備進賬金額（如有）之數，可用作減少有關限額；及

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Special reserve (continued)

(6) in the event that the amount standing to the credit of the Special Reserve at any time exceeds the Limit after any reduction of the Limit pursuant to provisos (4) and/or (5) above, the Company shall be at liberty to transfer the amount of any such excess to the general reserves of the Company and the same shall become available for distribution.

During the year, an amount of \$686,000 was transferred from the Special Reserve in accordance with the undertaking.

##### (iii) Reserve/(goodwill) arising on consolidation

The reserve/(goodwill) arising on consolidation has been set up and dealt with in accordance with the accounting policy set out in note 2(a).

##### (iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 1(t).

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (ii) 特別儲備 (續)

(6) 倘於根據上文第(4)及/或(5)條削減有關限額後特別儲備之進賬金額超過有關限額，本公司可轉撥超出之數至本公司之一般儲備，而有關金額可供分派之用。

年內，已根據上述承諾從特別儲備轉撥686,000元。

##### (iii) 綜合賬項所產生之儲備/(商譽)

已根據附註二(a)所載會計政策設立及處理綜合賬項所產生之儲備/(商譽)。

##### (iv) 匯兌儲備

匯兌儲備包括換算外國業務之財務報表所產生之所有匯兌差額。本公司根據附註一(t)所載會計政策處理儲備。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves (continued)

##### (v) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies in notes 1(f) and (k).

##### (vi) Reserve fund

Statutory reserve – wholly foreign-owned enterprises

Subsidiaries of the Group in the PRC, which are wholly foreign-owned enterprises, follow the accounting principles and relevant financial regulations of the PRC applicable to wholly foreign-owned enterprises (“PRC GAAP – WFOE”), in the preparation of its accounting records and financial statements. Pursuant to the accounting regulations for business enterprises (企業會計制度[財會(2000)25號]), the subsidiaries are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP – WFOE for each year to a statutory reserve. The profit arrived at must be used initially to set off against any accumulated losses. The appropriations to statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to shareholders. The appropriation is required until the statutory reserve reaches 50% of the registered capital. This statutory reserve is not distributable in the form of cash dividends, but may be used to set off losses or be converted into paid-in capital.

### 二十九. 股本及儲備 (續)

#### (d) 儲備性質及目的 (續)

##### (v) 公允價值儲備

公允價值儲備包括於結算日持有之待售證券公允價值之累計變動淨額及其根據附註一(f)及(k)所載會計政策處理。

##### (vi) 儲備金

法定儲備—全外資企業

本集團位於中國之附屬公司均為全外資企業。彼等依據適用於全外資企業之中國會計原則及有關財務法規(「中國公認會計原則—全外資企業」)，編製會計記錄及財務報表。根據企業會計制度〔財會(2000)25號〕，附屬公司須將按照中國公認會計原則—全外資企業計算所得之盈利其中10%劃撥至法定儲備。盈利必須先用以抵銷任何累計虧損。此外，只有在劃撥盈利(已扣除任何累計虧損後)至法定儲備後方可向股東分派股息。附屬公司須一直劃撥盈利至法定儲備，直至法定儲備達至註冊資本50%為止。此法定儲備不會以現金股息形式分派，惟可用於抵銷虧損或轉換為繳足股本。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 29. CAPITAL AND RESERVES (continued)

#### (e) Distributability of reserves

At 31 December 2005, the aggregate amount of reserves available for distribution to equity shareholders of the Company was \$98,642,000 (2004: \$20,782,000). After the balance sheet date the directors proposed a final dividend of 0.6 cent per ordinary share (2004: 0.6 cent per share), amounting to \$15,311,000 (2004: \$15,293,000). This dividend has not been recognised as a liability at the balance sheet date.

### 30. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

#### (a) Credit risk

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

Debtors of the Group represent receivables in respect of toll bridge revenue and waste-water treatment revenue which are settled on a monthly basis.

At the balance sheet date, the Group's trade debtors of \$14,343,000 were due from three customers including the largest customer of the Group. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The Group does not provide any guarantees which would expose the Group to credit risk.

### 二十九. 股本及儲備 (續)

#### (e) 儲備分派情況

於二零零五年十二月三十一日，可供分派予本公司股東之儲備總額為98,642,000元（二零零四年：20,782,000元）。於結算日後，董事建議派發末期股息每股普通股0.6仙（二零零四年：每股0.6仙），合共15,311,000元（二零零四年：15,293,000元）。於結算日，是項股息並無確認為負債。

### 三十. 金融工具

本集團在日常業務過程中承受著多種的風險，包括信貸風險、流動資金風險及貨幣風險。本集團透過下述財務管理政策及常規管理上述風險：

#### (a) 信貸風險

管理層設定了既定的信貸政策，並持續監察集團所面對之信貸風險。債項通常由發單日期起計30日內到期。

本集團之應收賬款指有關收費橋樑收入及污水處理收入之應收款項，有關款項按月收取。

於結算日，本集團之應收賬款14,343,000元源自三名客戶（包括本集團最大客戶）。信貸風險之最高值已於資產負債表中按各財務資產之賬面值呈列。本集團並無提供會導致本集團承受信貸風險之擔保。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 30. FINANCIAL INSTRUMENTS (continued)

#### (b) Liquidity risk

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

#### (c) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to the Group's cash and cash equivalents, bank deposits, bank loans and loans from ultimate holding company. The Group does not use financial derivatives to hedge against the interest rate risk.

### 三十. 金融工具 (續)

#### (b) 流動資金風險

本集團旗下之獨立營運實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求，惟須獲母公司董事會之批准方可作實。本集團之政策是定期監察即期及預期流動資金所需，確保集團維持充裕的現金儲備及從主要財務機構取得足夠的承諾信貸融資，以應付其短期及長期流動資金需求。

#### (c) 利率風險

本集團面對之利率波動風險，其主要關乎集團之現金及現金等價物、銀行存款、銀行貸款及最終控股公司貸款。本集團並無利用金融衍生工具來對沖利率風險。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 30. FINANCIAL INSTRUMENTS (continued)

#### (c) Interest rate risk (continued)

##### Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they reprice or the maturity dates, if earlier.

##### The Group

	Effective interest rate 實際利率 %	2005 二零零五年					Effective interest rate 實際利率 %	2004 二零零四年						
		Total	One year or less	1-2 years	2-5 years	More than 5 years		Total	One year or less	1-2 years	2-5 years	More than 5 years		
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	
<b>Repricing dates for assets/(liabilities) which reprice before maturity</b>														
Repricing dates for assets/(liabilities) which reprice before maturity	於到期日前重訂息率之資產/(負債)之重訂息率日期													
Pledged bank deposits	已抵押銀行存款	0.7%-1.9%	89,197	89,197	-	-	-	1.8%-2.3%	6,912	6,912	-	-	-	-
Cash and cash equivalents	現金及現金等價物	0.3%-1.4%	192,620	192,620	-	-	-	0.1%-0.7%	113,453	113,453	-	-	-	-
Secured bank loans	有抵押銀行貸款	5.4%	(36,965)	(6,429)	(6,429)	(19,286)	(4,821)	1.1%-1.5%	(49,393)	(12,429)	(6,429)	(19,286)	(11,249)	
			<u>244,852</u>	<u>275,388</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(4,821)</u>		<u>70,972</u>	<u>107,936</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(11,249)</u>	
<b>Maturity dates for assets/(liabilities) which do not reprice before maturity</b>														
Maturity dates for assets/(liabilities) which do not reprice before maturity	並無於到期日前重訂息率之資產/(負債)之到期日													
Deposits with bank	銀行存款	2.1%	907	907	-	-	-	1.6%-2.1%	5,854	5,854	-	-	-	-
Cash and cash equivalents	現金及現金等價物	1.6%	215,946	215,946	-	-	-	0.2%-2.4%	458,905	458,905	-	-	-	-
Secured bank loans	有抵押銀行貸款	4.1%-6.4%	(575,278)	(33,798)	(49,178)	(199,478)	(292,824)	1.5%-5.2%	(317,895)	(50,021)	(1,789)	(43,193)	(222,892)	
Loans from ultimate holding company	最終控股公司貸款	4.9%-5%	(440,480)	-	(440,480)	-	-	1.8%-5.1%	(451,705)	-	(451,705)	-	-	
			<u>(798,905)</u>	<u>183,055</u>	<u>(489,658)</u>	<u>(199,478)</u>	<u>(292,824)</u>		<u>(304,841)</u>	<u>414,738</u>	<u>(453,494)</u>	<u>(43,193)</u>	<u>(222,892)</u>	

### 三十. 金融工具 (續)

#### (c) 利率風險 (續)

##### 實際利率及重訂息率

就賺取收入財務資產及計息財務負債而言，下表載列彼等於結算日之實際利率及彼等重訂息率之期間或到期日（如為較早者）。

##### 本集團



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 30. FINANCIAL INSTRUMENTS (continued)

#### (c) Interest rate risk (continued)

##### The Company

	Effective interest rate 實際利率 %	2005 二零零五年					Effective interest rate 實際利率 %	2004 二零零四年				
		Total 總額 \$'000 千元	One year or less \$'000 千元	1-2 years 一至二年 \$'000 千元	2-5 years 二至五年 \$'000 千元	More than 5 years 五年以上 \$'000 千元		Total 總額 \$'000 千元	One year or less \$'000 千元	1-2 years 一至二年 \$'000 千元	2-5 years 二至五年 \$'000 千元	More than 5 years 五年以上 \$'000 千元
<b>Repricing dates for assets/(liabilities) which reprice before maturity</b>												
Cash and cash equivalents	0.3%	30,204	30,204	-	-	-	0.1%-0.2%	4,184	4,184	-	-	-
Secured bank loans	5.4%	(36,965)	(6,429)	(6,429)	(19,286)	(4,821)	1.1%-1.5%	(49,393)	(12,429)	(6,429)	(19,286)	(11,249)
		<u>(6,761)</u>	<u>23,775</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(4,821)</u>		<u>(45,209)</u>	<u>(8,245)</u>	<u>(6,429)</u>	<u>(19,286)</u>	<u>(11,249)</u>
<b>Maturity dates for assets/(liabilities) which do not reprice before maturity</b>												
Cash and cash equivalents	1.6%	198,203	198,203	-	-	-	0.2%-2.4%	439,819	439,819	-	-	-
Secured bank loans	4.1%	(25,000)	(25,000)	-	-	-	1.5%	(50,000)	(50,000)	-	-	-
Loans from ultimate holding company	4.9%-5%	(440,480)	-	(440,480)	-	-	1.8%-5.1%	(451,705)	-	(451,705)	-	-
		<u>(267,277)</u>	<u>173,203</u>	<u>(440,480)</u>	<u>-</u>	<u>-</u>		<u>(61,886)</u>	<u>389,819</u>	<u>(451,705)</u>	<u>-</u>	<u>-</u>

### 三十. 金融工具 (續)

#### (c) 利率風險 (續)

##### 本公司

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 30. FINANCIAL INSTRUMENTS (continued)

#### (d) Foreign currency risk

Presently, there is no hedging policy with respect to the foreign exchange exposure. The Group's transactional currencies are Chinese Renminbi and Hong Kong dollars as substantially all the turnover are within Hong Kong and other parts in the PRC. With the natural hedging of the revenue and costs being denominated in Chinese Renminbi and Hong Kong dollars, the Group's transactional foreign exchange exposure was insignificant.

With respect to borrowings denominated in United States dollars (USD), the impact of foreign exchange rate fluctuations is insignificant as the HKD is pegged to USD.

#### (e) Sensitivity analysis

In managing interest rate risk, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on consolidated earnings.

At 31 December 2005, it is estimated that a general increase of one percentage point in interest rates would increase the Group's profit before tax by approximately \$2,449,000 (2004: \$710,000) so far as the effect on interest-bearing financial instruments is concerned.

### 三十. 金融工具 (續)

#### (d) 外匯風險

目前，本集團並無有關外匯風險之對沖政策。本集團之交易貨幣為人民幣及港幣，原因為基本上所有營業額均來自香港及中國其他地方。鑑於收入及成本以人民幣及港幣結算，兩者產生自然對沖作用，故本集團在交易上所承受之外匯風險甚微。

就以美元為單位之貸款而言，由於港幣與美元掛鈎，故外匯波動影響甚微。

#### (e) 敏感度分析

透過管理利率風險，本集團旨在減輕短期利率波動對本集團盈利之影響。然而，長期而言，利率之長期變動會對綜合盈利構成影響。

於二零零五年十二月三十一日，就計息金融工具之影響而言，據本集團估計，利息整體上升一個百分點將會使本集團之除稅前盈利增加約2,449,000元（二零零四年：710,000元）。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 30. FINANCIAL INSTRUMENTS (continued)

#### (f) Fair values

The fair values of cash and cash equivalents, bank deposits, debtors, other receivables, deposits and prepayments and creditors, other payables and accrued expenses are not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments. The carrying amounts of bank loans and loans from ultimate holding company approximate their fair values.

As set out in note 17, the Company had amounts due from/to subsidiaries. It is not practical to estimate the fair values of the amounts due to the related party nature of these instruments.

#### (g) Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of the following financial instruments.

##### (i) Securities

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.

##### (ii) Interest-bearing loans and borrowings

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

### 三十. 金融工具 (續)

#### (f) 公允值

現金及現金等價物、銀行存款、應收賬款、其他應收款項、按金及預付款項，以及應付賬款、其他應付款項及應計費用等項目之公允值與彼等之賬面值並無重大差異，原因為此等金融工具均屬即時或於短期內到期。銀行貸款及最終控股公司貸款之公允值與彼等之賬面值相若。

誠如附註十七所載，本公司具有應收／應付附屬公司款項。由於彼等屬關聯人仕性質，故不宜估計有關款項之公允值。

#### (g) 公允值估計

下文概述在估計下列金融工具公允值時使用之主要方法及假設。

##### (i) 證券

公允值乃按結算日之市場報價計算，而並無扣除任何交易成本。

##### (ii) 計息貸款及借款

公允值按未來現金流量之現值，以類似金融工具可得之現有市場利率貼現估計計算。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 31. ACQUISITION OF BUSINESS

On 1 December 2005, the Group acquired the waste-water treatment business together with the corresponding assets and liabilities (“the Acquired Business”) from Zibo Finance Bureau and Zibo Environmental Waste Water Treatment Company at a consideration of RMB224,055,000 (equivalent to approximately HK\$214,891,000). For the one month ended 31 December 2005, the Acquired Business contributed net profit of \$268,000 to the consolidated net profit for the year. It is impracticable to disclose the impact on the Group’s revenue and net profit had the acquisition occurred on 1 January 2005 since the Acquired Business was previously held by the local government authorities in the PRC and no waste-water treatment revenue was charged for the waste-water treated.

The acquisition had the following effect on the Group’s assets and liabilities.

### 三十一. 收購業務

於二零零五年十二月一日，本集團向淄博市財政局及淄博市環保污水處理公司收購污水處理業務，連同相關資產及負債（「收購業務」），代價為人民幣224,055,000元（相等於約港幣214,891,000元）。於截至二零零五年十二月三十一日止一個月，收購業務為本年度之綜合淨盈利貢獻淨盈利268,000元。按收購事項於二零零五年一月一日已發生之假設披露其對本集團收入及淨盈利之影響並不切實際，原因為收購業務原先由中國當地政府持有，且並無就已處理之污水收取污水處理費。

收購事項對本集團之資產及負債構成下列影響。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 31. ACQUISITION OF BUSINESS (continued)

### 三十一. 收購業務 (續)

The Acquired Business's net assets at the acquisition date:

收購業務於收購日之資產淨額：

		Carrying amounts	Fair value adjustments	Recognised values
		賬面值	公允值調整	已確認價值
		\$'000	\$'000	\$'000
		千元	千元	千元
Property, plant and equipment	物業、廠房及設備	103,179	(3,185)	99,994
Interest in leasehold land held for own use under operating lease	根據經營租賃持作 自用之租賃土地 權益	97,361	(31,285)	66,076
Intangible assets	無形資產	–	34,548	34,548
Deferred tax assets	遞延稅項資產	–	356	356
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收 款項、按金及預付款項	15,124	–	15,124
Cash and cash equivalents	現金及現金等價物	281	–	281
Accrued expenses	應計費用	–	(3,591)	(3,591)
		<u>215,945</u>	<u>(3,157)</u>	<u>212,788</u>
Net identifiable assets and liabilities	可辨別資產及負債 淨額			212,788
Goodwill arising on acquisition (note 16)	收購產生之商譽 (附註十六)			<u>2,103</u>
Consideration, satisfied in cash	代價，以現金支付			214,891
Balance payment shown as other payable in the consolidated balance sheet	在綜合資產負債表 列作「其他應付款項」 之餘額付款			(114,727)
Cash acquired	收購所得現金			<u>(281)</u>
Net cash outflow	現金流出淨額			<u>99,883</u>

Goodwill has arisen on acquisition of the Acquired Business because of assembled workforce that did not meet the criteria for recognition as an intangible asset at the date of acquisition.

在收購收購業務時產生商譽，原因為於收購日期「人力資源」未能符合確認為無形資產之準則。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 32. MATERIAL RELATED PARTY TRANSACTIONS

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

- (a) The Group entered into the following related party transactions with its ultimate holding company, China Everbright Holdings Company Limited (“CEH”):

– Interest expense	– 利息支出
– Rental income for provision of office premises	– 提供辦公室單位之租金收入

- (b) The Group entered into the following related party transaction with an associate:

Service expense for operation of waste-water treatment plant (note 32(g))	有關營運污水處理廠之服務開支 (附註三十二(g))
---	---------------------------

### 三十二. 與關聯人仕之重大交易

除此等財務報表其他部份所披露之交易及結餘外，本集團曾與關聯人仕進行下列重大交易：

- (a) 本集團與其最終控股公司中國光大集團有限公司（「光大集團」）有以下之關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
17,141	10,712
<b>999</b>	<b>730</b>

- (b) 本集團曾與一家聯營公司訂立下列關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
18,800	–

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

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

Waste-water treatment revenue (note 32(g))	污水處理收入 (附註三十二(g))
Technical service expense	技術服務費
Operating lease charge in respect of waste-water treatment facilities	有關污水處理設施之 經營租賃支出

- (d) The Group entered into the following related party transactions with subsidiaries of a minority shareholder of a non-wholly owned subsidiary of the Group:

- Fee paid/payable for work performed in connection with the construction of waste-water treatment plant pursuant to an engineering, procurement and construction contract and a service contract	- 就根據工程、採購及建築合同以及服務合同建造污水處理廠所進行之工程而已付／應付之費用
- Purchase of equipment	- 購買設備

### 三十二. 與關聯人仕之重大交易 (續)

- (c) 本集團曾與其非全資附屬公司之少數股東訂立下列關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
52,423	-
2,211	-
<b>959</b>	<b>-</b>

- (d) 本集團曾與其非全資附屬公司之少數股東之附屬公司訂立下列關聯人仕交易：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
51,446	-
3,114	-

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

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

Salaries and other short-term employee benefits	薪金及其他短期 僱員權利
Retirement scheme contributions	退休計劃供款

Total remuneration is included in “staff costs” (see note 5(b)).

### 三十二. 與關聯人仕之重大交易 (續)

- (e) 本集團已支付予主要管理人員之個人報酬如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
16,883	11,207
319	234
<b>17,202</b>	<b>11,441</b>

酬金總額計入「員工成本」內(見附註五(b))。



# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 32. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(f) Included in the balance sheets are the following balances with related parties:

	The Group 本集團		The Company 本公司	
	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amount due from minority shareholder (included in debtors, other receivables, deposits and prepayments)	4,595	-	-	-
Deposits placed with related party bank (included in cash and cash equivalents)	27,394	49,003	(23,737)	288
Loans from ultimate holding company	(535,628)	(545,206)	(440,480)	(451,705)
Amount due to ultimate holding company	-	(9,186)	-	(8,559)
Amounts due to minority shareholders	(575)	(7,962)	-	-
Amount due to minority shareholder (included in creditors, other payables and accrued expenses)	(18,756)	-	-	-
Amount due to associate (included in creditors, other payables and accrued charges)	(1,393)	-	-	-
Amounts due to related companies (included in creditors, other payables and accrued expenses)	(32,012)	-	-	-

(g) During the year ended 31 December 2005, the Group entered into certain continuing connected transactions. The Company's independent non-executive directors have reviewed these transactions. Details of which are disclosed under the paragraph "Continuing connected transactions" in the report of the directors.

### 三十二. 與關聯人仕之重大交易 (續)

(f) 包括在資產負債賬內有下列與關聯人仕之結餘：

	The Group 本集團		The Company 本公司	
	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
應收少數股東款項 (包括在應收賬款、 其他應收款項、 按金及預付款項內)	4,595	-	-	-
存放於關聯人仕銀行 之存款(包括在現金 及現金等價物內)	27,394	49,003	(23,737)	288
最終控股公司貸款	(535,628)	(545,206)	(440,480)	(451,705)
應付最終控股公司 款項	-	(9,186)	-	(8,559)
應付少數股東款項	(575)	(7,962)	-	-
應付少數股東款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(18,756)	-	-	-
應付聯營公司款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(1,393)	-	-	-
應付關聯公司款項 (包括在應付賬款、 其他應付款項及 應計費用內)	(32,012)	-	-	-

(g) 截至二零零五年十二月三十一日止年度，本集團訂立了若干持續關連交易。本公司之獨立非執行董事已審閱有關交易。有關交易詳情在董事會報告中「持續關連交易」段落下披露。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 33. COMMITMENTS

### 三十三. 承擔

- (a) Capital commitments outstanding at 31 December 2005 not provided for in the financial statements were as follows:

- (a) 於二零零五年十二月三十一日，並無在財務報表中撥備之資本承擔如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Contracted for	已訂約	289,081	235,630	27,564	58,480
Authorised but not contracted for	已授權但未訂約	19,667	—	—	—
		<b>308,748</b>	235,630	<b>27,564</b>	58,480

- (b) At 31 December 2005, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

- (b) 於二零零五年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額總數如下：

		The Group 本集團	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Within 1 year	一年內	1,341	287
After 1 year but within 5 years	一年後但五年內	3,836	165
After 5 years	五年後	13,427	—
		<b>18,604</b>	452

The Group leases waste-water treatment facilities from a minority shareholder under an operating lease. The lease runs for twenty years, with an option to renew the lease for a further five years. The Group also leases a number of properties under operating leases. The leases typically run for an initial period of one to two years. None of the leases includes contingent rentals.

本集團根據經營租賃向一名少數股東租賃污水處理設施。有關租賃為期二十年，並可選擇續租五年。此外，本集團根據經營租賃租賃多項物業。有關租賃一般初步為期一至兩年，且並不包括或有租金。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 34. CONTINGENT LIABILITIES

At 31 December 2004, there were contingent liabilities in respect of guarantees given to banks by the Company for end user financing guarantees and undertakings executed by a disposed associate to banks amounting to \$745,000. Such contingent liabilities were released as at 31 December 2005.

### 35. PLEDGE OF ASSETS

Details of assets pledged are set out in note 23. The aggregate net book value of assets pledged amounted to approximately \$662,693,000 as at 31 December 2005 (2004: \$300,607,000).

### 36. COMPARATIVE FIGURES

Certain comparative figures have been reclassified as a result of the changes in accounting policies. Further details are disclosed in note 2.

### 37. PARENT AND ULTIMATE HOLDING COMPANY

At 31 December 2005, the directors consider the parent and ultimate controlling party of the Group to be Guildford Limited and China Everbright Holdings Company Limited, which are incorporated in BVI and Hong Kong respectively. Neither of them produces financial statements available for public use.

### 三十四. 或有負債

於二零零四年十二月三十一日，本公司因一家已出售聯營公司向銀行簽立最終用戶融資擔保與保證書而向有關銀行提供擔保所承擔之或有負債為745,000元。於二零零五年十二月三十一日，此項或有負債經已解除。

### 三十五. 資產抵押

已抵押資產詳情載於附註二十三。於二零零五年十二月三十一日，已抵押資產之賬面淨值總額約為662,693,000元（二零零四年：300,607,000元）。

### 三十六. 比較數字

若干比較數字已因應會計政策變動而重新分類。進一步詳情載於附註二。

### 三十七. 母公司及最終控股公司

於二零零五年十二月三十一日，董事認為本集團之母公司及最終控股公司分別為Guildford Limited及中國光大集團有限公司，彼等分別於英屬處女群島及香港註冊成立。彼等均無編製財務報表以供公眾人士取用。

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the accounting period ending 31 December 2005 and which have not been adopted in these financial statements:

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響

於此等財務報表刊發日期，香港會計師公會已公佈以下修訂、新準則及詮釋。該等修訂、準則及詮釋於截至二零零五年十二月三十一日之會計期間尚未生效，此等財務報表亦無採用該等修訂、準則及詮釋。

**Effective for  
accounting periods  
beginning on or after**  
自以下日期或之後  
開始之會計期間生效

HKFRS 6 香港財務報告準則第6號	Exploration for and evaluation of mineral resources 礦產資源估值之勘探	1 January 2006 二零零六年一月一日
HK(IFRIC) 4 香港財務報告準則詮釋第4號	Determining whether an arrangement contains a lease 釐定一項安排是否包含租賃	1 January 2006 二零零六年一月一日
HK(IFRIC) 5 香港財務報告準則詮釋第5號	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds 於解除運作、修復及環保修復基金產生之權益	1 January 2006 二零零六年一月一日
HK(IFRIC) 6 香港財務報告準則詮釋第6號	Liabilities arising from participating in a specific market – Waste electrical and electronic equipment 參與特定市場－電力及電子設備廢料所產生之責任	1 December 2005 二零零五年十二月一日

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，所有金額以港幣計算)

### 38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (continued)

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響 (續)

		<b>Effective for accounting periods beginning on or after 自以下日期或之後 開始之會計期間生效</b>
Amendments to HKAS 19 香港會計準則第19號之修訂	Employee benefits – Actuarial Gains and Losses, Group Plans and Disclosures 僱員福利－精算盈虧、集團計劃及披露	1 January 2006 二零零六年一月一日
Amendments to HKAS 39 香港會計準則第39號之修訂	Financial instruments: 金融工具： <i>Recognition and measurement:</i> 確認及計量：	
	– Cash flow hedge accounting of forecast intragroup transactions 預計集團內部交易之現金流量 對沖會計法	1 January 2006 二零零六年一月一日
	– The fair value option 公平定值方案	1 January 2006 二零零六年一月一日
	– Financial guarantee contracts 財務擔保	1 January 2006
合約	二零零六年一月一日	
Amendments, as a consequence of the Hong Kong Companies (Amendment) Ordinance 2005, to:	二零零五年香港公司 (修訂) 條例之 修訂項目：	
– HKAS 1 香港會計準則第1號	Presentation of financial statements 財務報表之呈報	1 January 2006 二零零六年一月一日
– HKAS 27 香港會計準則第27號	Consolidated and separate financial statements 綜合及獨立財務報表	1 January 2006 二零零六年一月一日
– HKFRS 3 香港財務報告準則第3號	Business combinations 業務合併	1 January 2006 二零零六年一月一日

# Notes to the Financial Statements

## 財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，所有金額以港幣計算)

### 38. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2005 (continued)

三十八. 已公佈但於截至二零零五年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響 (續)

		<b>Effective for accounting periods beginning on or after 自以下日期或之後 開始之會計期間生效</b>
HKFRS 7 香港財務報告準則第7號	Financial instruments: disclosures 金融工具：披露	1 January 2007 二零零七年一月一日
Amendments to HKAS 1 香港會計準則第1號之修訂	Presentation of financial statements: capital disclosures 財務報告之呈報：資本披露	1 January 2007 二零零七年一月一日

In addition, the Hong Kong Companies (Amendment) Ordinance 2005 came into effect on 1 December 2005 and would be first applicable to the Group's financial statements for the period beginning 1 January 2006.

此外，《二零零五年香港公司（修訂）條例》已於二零零五年十二月一日生效，本集團將於二零零六年一月一日起計算之財務報表內率先採納此項條例。

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application but is not yet in a position to state whether these amendments, new standards and interpretations would have a significant impact on its results of operations and financial position.

本集團正評估該等修訂、新準則及新詮釋在首個應用期產生之影響，惟目前未能確定該等修訂、新準則及新詮釋會否對其經營業績及財政狀況構成重大影響。

# Five Year Summary

## 五年業績概要

(Expressed in Hong Kong dollars)  
(以港幣計算)

		At 31 December 於十二月三十一日				
		2005	2004	2003	2002	2001
		二零零五年	二零零四年	二零零三年	二零零二年	二零零一年
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Fixed assets	固定資產	1,501,291	888,392	878,121	562,084	583,752
Intangible assets	無形資產	34,433	-	-	-	-
Goodwill	商譽	48,236	45,453	26,715	-	-
Interest in associates	聯營公司權益	413,304	435,479	928,408	904,934	852,241
Interest in jointly controlled entity	合營公司權益	-	-	-	523,585	524,602
Other financial assets	其他財務資產	51,931	46,462	46,462	81,300	92,702
Deferred tax assets	遞延稅項資產	16,832	-	-	-	-
Net current assets/(liabilities)	流動資產/(負債)淨值	331,534	546,402	33,080	(248,177)	(297,117)
		2,397,561	1,962,188	1,912,786	1,823,726	1,756,180
Non-current liabilities	非流動負債	(1,128,376)	(880,052)	(912,390)	(870,736)	(802,741)
NET ASSETS	淨資產	1,269,185	1,082,136	1,000,396	952,990	953,439
Share capital	股本	255,181	254,881	254,831	254,831	254,831
Reserves	儲備	921,676	824,061	745,565	691,270	691,715
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益總額	1,176,857	1,078,942	1,000,396	946,101	946,546
Minority interests	少數股東權益	92,328	3,194	-	6,889	6,893
TOTAL EQUITY	權益總額	1,269,185	1,082,136	1,000,396	952,990	953,439

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for early adoption for accounting periods beginning on or after 1 January 2005. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs is provided in note 2 to the financial statements. Figures for 2004 and 2005 have been adjusted for these new and revised policies in accordance with the transitional provisions and as disclosed in note 2. Earlier years have only been restated to the extent that the new accounting policies are adopted retrospectively as disclosed in note 2.

香港會計師公會頒佈了多項新訂及經修訂之香港財務報告準則。有關準則自二零零五年一月一日或以後開始之會計期間生效或可供提前採用。由於初次運用該等新訂及經修訂之香港財務報告準則而導致會計政策變動之資料載於財務報表附註二。二零零四年及二零零五年之數字已按照過渡條文之規定，因應該等新訂及經修訂政策作出調整，並已在附註二披露。就較早年度之數字而言，只有涉及須追溯採用之會計政策（見附註二）之數字方會予以重報。

# Five Year Summary

## 五年業績概要

Expressed in Hong Kong dollars  
(以港幣計算)

For the year ended 31 December

截至十二月三十一日止年度

		2005	2004	2003	2002	2001
		二零零五年	二零零四年	二零零三年	二零零二年	二零零一年
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>Results</b>	<b>業績</b>					
Turnover	營業額	<b>133,823</b>	65,244	83,613	261,049	296,358
Profit/(loss) from operations	經營盈利/(虧損)	<b>73,021</b>	28,322	(41,237)	(25,420)	(55,325)
Finance costs	財務費用	<b>(32,090)</b>	(27,614)	(31,374)	(64,612)	(91,514)
Share of profits less losses of associates	所佔聯營公司盈利減虧損	<b>68,045</b>	85,182	83,233	90,826	(40,466)
Gain on disposal of associate	出售聯營公司收益	-	-	-	-	123,028
Write back of interest in associate	聯營公司權益撥回	-	-	-	-	36,927
Share of profit of jointly controlled entity	所佔合營公司盈利	-	-	31,982	2,132	11,276
Gain on sale of discontinued operation	出售終止經營業務收益	-	-	19,576	-	-
Profit/(loss) before taxation	除稅前盈利/(虧損)	<b>108,976</b>	85,890	62,180	2,926	(16,074)
Taxation	稅項	<b>11,868</b>	328	(4,512)	(974)	6,085
Profit/(loss) for the year	本年度盈利/(虧損)	<b>120,844</b>	86,218	57,668	1,952	(9,989)
Attributable to:	應佔部份:					
Equity shareholders of the Company	本公司股東	<b>105,330</b>	86,776	56,837	1,009	(6,111)
Minority interests	少數股東權益	<b>15,514</b>	(558)	831	943	(3,878)
Profit/(loss) for the year	本年度盈利/(虧損)	<b>120,844</b>	86,218	57,668	1,952	(9,989)
Basic earnings/(loss) per share	每股基本盈利/(虧損)	<b>4.13 cents</b> 仙	3.41 cents 仙	2.23 cents 仙	0.04 cent 仙	(0.24) cent 仙



## Major Properties held by the Group 本集團所持有之主要物業

As at 31 December 2005  
於二零零五年十二月三十一日

	Location 地點	Existing use 現時用途	Term of lease 租賃年期	Percentage of interest 所佔權益百分比
1.	8th Floor Tower I Lippo Centre 89 Queensway Hong Kong 香港 金鐘道八十九號 力寶中心 一座八樓	Commercial 商業	Long 長期性	100%
2.	Units 2703 and 2704, 27th Floor Far East Finance Centre 16 Harcourt Road Hong Kong 香港夏慤道十六號 遠東金融中心 二十七樓二七零三及二七零四室	Commercial 商業	Medium 中期性	100%
3.	Flat A on 22nd Floor Good View Court 21 Robinson Road Mid-Levels Hong Kong 香港半山區 羅便臣道二十一號 好景閣二十二樓A座	Residential 住宅	Long 長期性	100%
4.	Units 3 and 4, 11th Floor Qingsong South Lane Dalian Development Zone the PRC 中國大連開發區青松南里 十一樓三及四單元	Residential 住宅	Medium 中期性	100%

## Major Properties held by the Group

### 本集團所持有之主要物業

As at 31 December 2005

於二零零五年十二月三十一日

	Location 地點	Existing use 現時用途	Term of lease 租賃年期	Percentage of interest 所佔權益百分比
5.	Shop Units at Sections 1 & 3 of Lower Ground Floor and on Levels 1 & 2, Office Units on Level 3 of the commercial podium, Zhongshan Garden Shenzhen Guangdong Province, the PRC 中國廣東省 深圳市中山花園 商業裙樓地下第一層 第一部份及第三部份商舖 第一層及第二層商舖 第三層辦公室	Commercial 商業	Medium 中期性	100%
6.	Room 1301-1309 Central Business Building No. 88 Fuhua Road One Futian District Shenzhen, Guangdong Province the PRC 中國廣東省深圳市福田區 福華一路八十八號中心商務大廈 一三零一至一三零九室	Commercial 商業	Medium 中期性	100%
7.	24th Floor Tower of Education, Science & Technology Building Zhuzilin, Futian District Shenzhen, Guangdong Province the PRC 中國廣東省深圳市 福田區竹子林 教育科技大廈二十四層	Commercial 商業	Medium 中期性	100%