



光大環境
EVERBRIGHT ENVIRONMENT

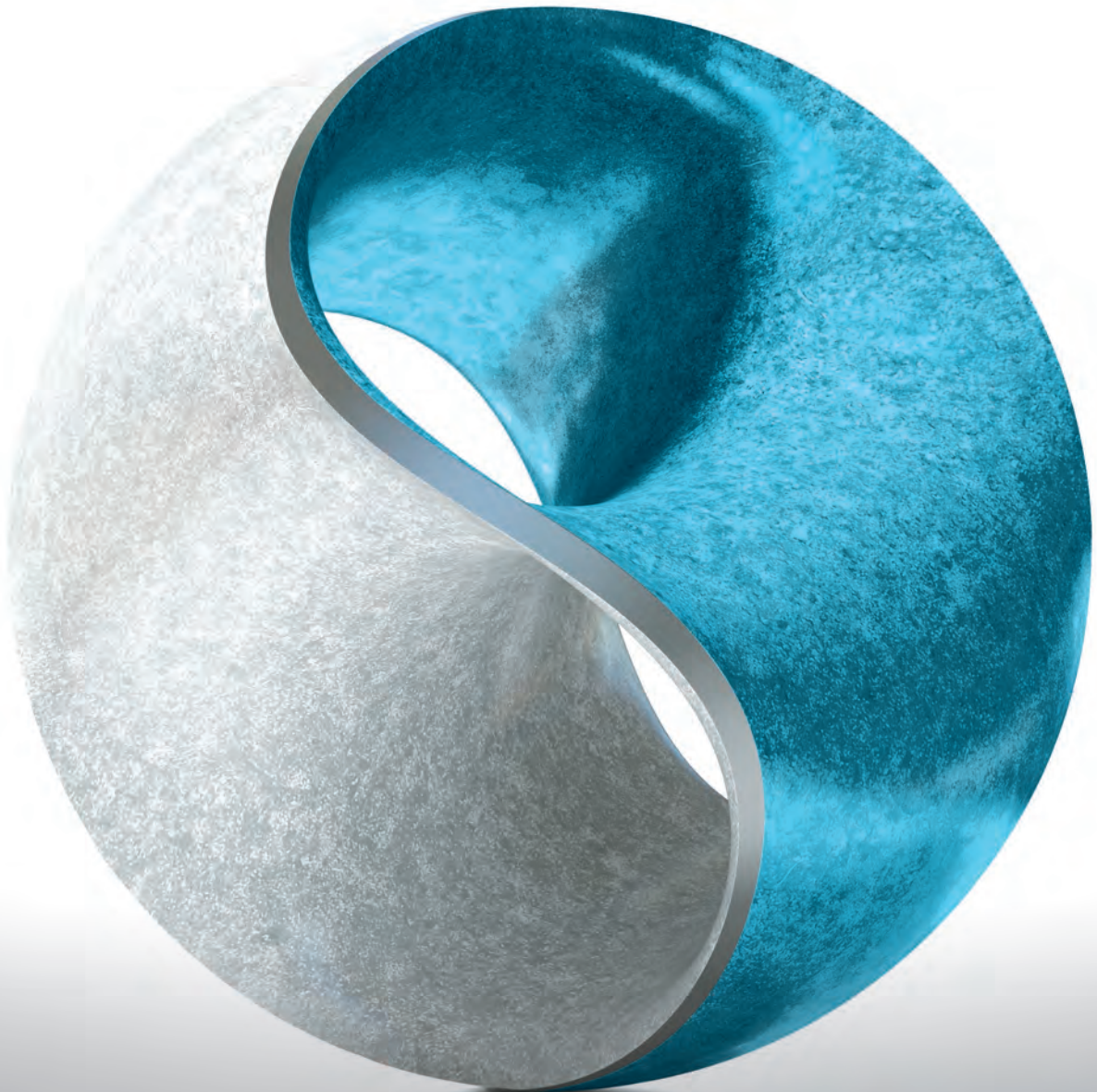
(Stock Code 股份代號: 257)

INHERIT INTEGRITY AND INNOVATION

PURSuing LONG-TERM STABILITY

守正出新 行穩致遠

Annual Report 年報 **2020**



Corporate Profile 公司簡介

China Everbright Environment Group Limited (“Everbright Environment” or the “Company”) is a backbone enterprise of China Everbright Group Ltd. Everbright Environment is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (257.HK), and has two listed subsidiaries: China Everbright Greentech Limited, which is listed on the Main Board of the Stock Exchange (1257.HK), and China Everbright Water Limited, which is listed on the Mainboard of the Singapore Exchange Securities Trading Limited and the Main Board of the Stock Exchange (U9E.SG & 1857.HK). After over a decade of development, the Company has grown into the largest environmental protection enterprise in China, a leading player in Asia’s environmental protection industry, the world’s largest waste-to-energy investor and operator, and a world-renowned environmental group.

Everbright Environment is the first one-stop integrated environmental solution provider in China, with a focus on the three areas of environment, resources and energy. Its main businesses cover waste-to-energy and integrated waste treatment, integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, water environment management, equipment manufacturing, waste sorting, environmental sanitation integration, resource recycling, development of zero-waste cities, energy-saving lighting, analysis and testing, research and development relating to green technologies, ecological and environmental planning and designing, as well as environmental protection industrial parks. The Company has a business presence in more than 200 locations across 23 provinces, municipalities and autonomous regions in China, as well as overseas markets of Germany, Poland and Vietnam.

Everbright Environment is strategic partners of the International Coalition for Green Development on the Belt and Road and the Ecological Protection and Green Development of the Yangtze River Economic Belt. The Company adheres to its corporate mission of being “Devoted to Ecology and Environment for a Beautiful China”, with recognitions of ranking the top among the “Top Ten Influential Solid Waste Treatment Enterprises in China” for ten consecutive years, the top on the list of China’s Top 50 Environmental Enterprises for two consecutive years, and being included in the MSCI China Index for eight consecutive years. With the aspiration to “Create Better Investment Value and Undertake More Social Responsibility”, the Company has been constituent members of Dow Jones Sustainability Indices for five years running, Hang Seng Corporate Sustainability Index for seven years running, and FTSE4Good Index for four years running.

中國光大環境(集團)有限公司(「光大環境」或「本公司」)為中國光大集團股份公司骨幹企業，香港聯合交易所有限公司(「聯交所」)主板上市公司(257.HK)。下轄兩家上市企業：聯交所主板上市之中國光大綠色環保有限公司(1257.HK)以及新加坡證券交易所有限公司及聯交所主板上市之中國光大水務有限公司(U9E.SG及1857.HK)。歷經十多年的發展，本公司已成為中國最大環境企業、亞洲環保領軍企業、全球最大垃圾發電投資運營商及世界知名環境集團。

作為中國首個一站式、全方位的環境綜合治理服務商，光大環境於環境、資源、能源三大領域全面佈局，主營業務包括垃圾發電及協同處理、生物質綜合利用、危廢及固廢處置、環境修復、水環境綜合治理、裝備製造、垃圾分類、環衛一體化、資源循環利用、無廢城市建設、節能照明、分析檢測、綠色技術研發、生態環境規劃設計、環保產業園等。國內業務遍及23個省(市)、自治區的200多個地區；海外業務已佈局德國、波蘭及越南市場。

作為「一帶一路」綠色發展國際聯盟和長江經濟帶生態大保護的戰略合作夥伴，光大環境秉承「情系生態環境，築夢美麗中國」的使命擔當，連續十年穩居「中國固廢十大影響力企業」首位，連續兩年蟬聯中國環境企業50強榜首，連續八年獲納入MSCI明晟中國指數。與此同時，本公司以「創造更好投資價值，承擔更多社會責任」為企業追求，連續五年獲納入道瓊斯可持續發展指數系列，連續七年獲納入恒生可持續發展企業指數，連續四年獲納入富時社會責任指數。



THE MOST **Reliable Brand** 金色品牌
in the **Green World** 綠色事業

Contents 目錄

Corporate Information	公司資料	2
Financial Highlights	財務概況	4
Corporate Milestones	企業大事概要	6
Chairman's Statement	主席報告	10
Management Discussion and Analysis	管理層討論與分析	13
Sustainability Report	可持續發展報告	61
Corporate Governance Report	企業管治報告	74
Directors and Senior Management	董事及高級管理人員	105
Report of the Directors	董事會報告	111
Independent Auditor's Report	獨立核數師報告	128
Consolidated Income Statement	綜合損益表	137
Consolidated Statement of Comprehensive Income	綜合全面損益表	138
Consolidated Statement of Financial Position	綜合財務狀況表	139
Consolidated Statement of Changes in Equity	綜合權益變動表	142
Consolidated Statement of Cash Flows	綜合現金流量表	144
Notes to Financial Statements	財務報表附註	147
Five Year Summary	五年業績概要	342
Major Properties held by the Group	本集團所持有之主要物業	344



Corporate Information 公司資料

DIRECTORS

Executive Directors

WANG Tianyi

(Chairman of the Board and Chief Executive Officer)

WONG Kam Chung, Raymond (Chief Financial Officer)

HU Yanguo (Deputy General Manager)

QIAN Xiaodong (Deputy General Manager)

Independent Non-executive Directors

FAN Yan Hok, Philip

MAR Selwyn

ZHAI Haitao

SUO Xuquan

COMPANY SECRETARY

POON Yuen Ling

REGISTERED OFFICE

Room 2703, 27th Floor

Far East Finance Centre

16 Harcourt Road, Hong Kong

PRINCIPAL BANKERS

Agricultural Bank of China Limited

Asian Development Bank

Bank of China (Hong Kong) Limited

Bank of Communications Co., Ltd.

China Construction Bank Corporation

China Development Bank Corporation

China Everbright Bank Company Limited

China Merchants Bank Co., Ltd.

CMB Wing Lung Bank Limited

China Minsheng Banking Corp., Ltd.

DBS Bank Limited

Far Eastern International Bank Co., Ltd.

Fubon Bank (Hong Kong) Limited

Hang Seng Bank Limited

Industrial and Commercial Bank of China Limited

ING Bank N.V.

International Finance Corporation

Mizuho Bank, Limited

Nanyang Commercial Bank Limited

Overseas-Chinese Banking Corporation Limited

Postal Savings Bank of China Co., Ltd.

Ping An Bank Co., Ltd.

Standard Chartered Bank (Hong Kong) Limited

Taipei Fubon Commercial Bank Co., Ltd.

The Bank of East Asia, Limited

The Hongkong and Shanghai Banking Corporation Limited

董事

執行董事

王天義

(董事會主席兼行政總裁)

黃錦聰(財務總監)

胡延國(副總經理)

錢曉東(副總經理)

獨立非執行董事

范仁鶴

馬紹援

翟海濤

索緒權

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

主要往來銀行

中國農業銀行股份有限公司

亞洲開發銀行

中國銀行(香港)有限公司

交通銀行有限公司

中國建設銀行股份有限公司

國家開發銀行股份有限公司

中國光大銀行股份有限公司

招商銀行股份有限公司

招商永隆銀行有限公司

中國民生銀行股份有限公司

星展銀行

遠東國際商業銀行有限公司

富邦銀行(香港)有限公司

恒生銀行有限公司

中國工商銀行股份有限公司

ING Bank N.V.

國際金融公司

瑞穗銀行

南洋商業銀行有限公司

華僑銀行

中國郵政儲蓄銀行股份有限公司

平安銀行股份有限公司

渣打銀行(香港)有限公司

台北富邦商業銀行股份有限公司

東亞銀行有限公司

香港上海滙豐銀行有限公司

SOLICITORS

Li & Partners
Shanghai City Development Law Firm
Zhong Lun Law Firm

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

SHARE REGISTRAR

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong

PUBLIC RELATIONS

Citigate Dewe Rogerson

WEBSITE

www.cebenvironment.com

STOCK CODE

257

律師

李偉斌律師行
上海市建緯律師事務所
中倫律師事務所

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師

股份過戶處

卓佳登捷時有限公司
香港皇后大道東一百八十三號
合和中心五十四樓

公關顧問

哲基傑訊

電子網址

www.cebenvironment.com

股份代號

257

Financial Highlights 財務概況

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	Percentage Change 百分比 變動
RESULTS	業績			
Revenue	收益	42,926,426	37,557,635	14%
EBITDA*	除利息、稅項、折舊及攤銷前盈利*	12,851,501	10,957,474	17%
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	6,015,863	5,203,291	16%
Return on shareholders' equity (%)	股東資金回報 (%)	14.78	14.81	-0.03 ppt#
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	97.93	84.70	16%
FINANCIAL POSITION	財務狀況			
Total assets	資產總額	158,187,110	119,351,503	33%
Total liabilities	負債總額	102,642,506	74,624,924	38%
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	45,062,057	36,346,951	24%
Net asset value per share attributable to equity holders of the Company (HK\$)	本公司權益持有人應佔每股資產淨值 (港元)	7.336	5.917	24%
Gearing ratio (%)	資產負債比率 (%)	65	63	2 ppt#
Current ratio (%)	流動比率 (%)	133	122	11 ppt#

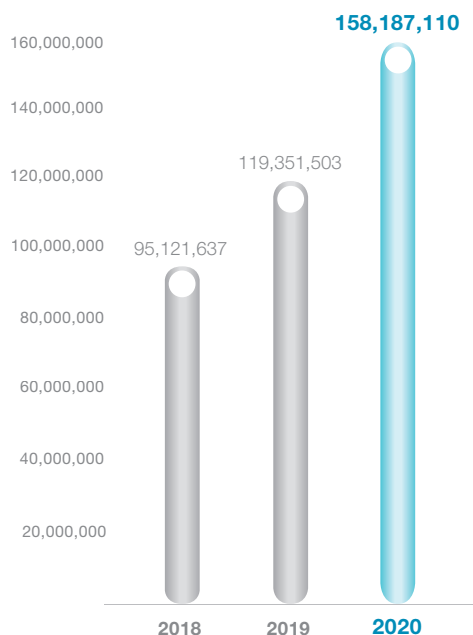
* EBITDA is the profit for the year before deduction of interest, taxation, depreciation and amortisation.

* 除利息、稅項、折舊及攤銷前盈利為扣除利息、稅項、折舊及攤銷前之本年度盈利。

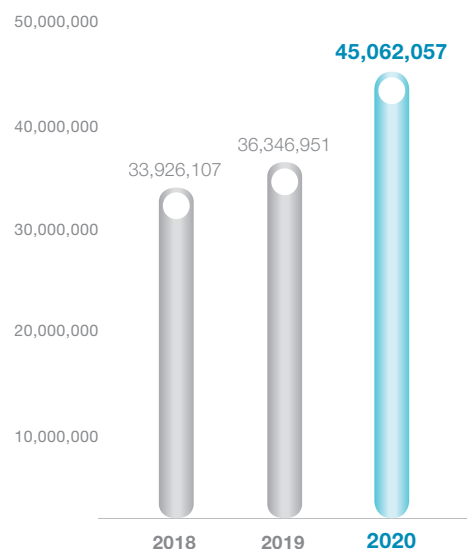
ppt – percentage point

ppt – 百分點

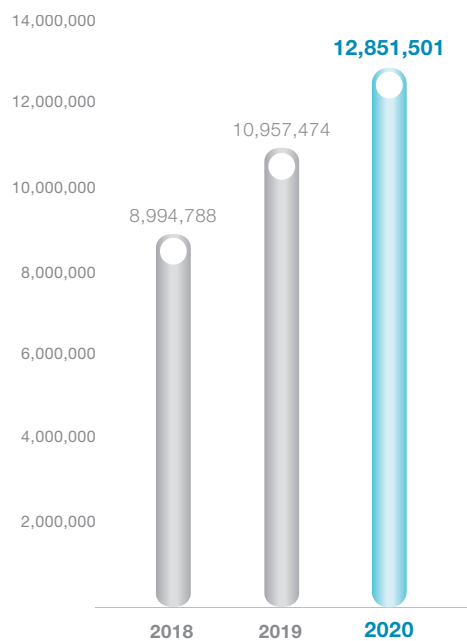
TOTAL ASSETS HK\$'000
資產總額 港幣千元



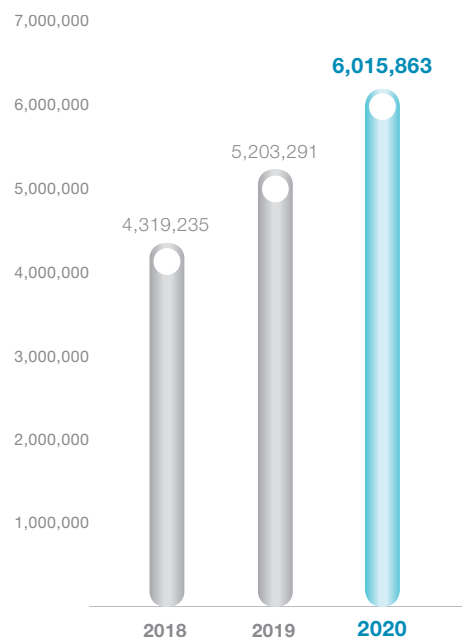
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS HK\$'000
權益持有人應佔資產淨額 港幣千元



EBITDA HK\$'000
除利息、稅項、折舊及攤銷前盈利 港幣千元



PROFIT ATTRIBUTABLE TO EQUITY HOLDERS HK\$'000
權益持有人應佔盈利 港幣千元



Corporate Milestones 企業大事概要

FIRST QUARTER OF 2020 二零二零年第一季度



- Secured 3 waste-to-energy projects in succession, with each project having a designed daily waste processing capacity exceeding 1,000 tonnes
- Everbright-Qingdao University of Technology Research Institute of Environmental Technology recognised as the Laboratory of Excellence in an international proficiency test by Environmental Resources Association
- Announced 2019 annual results, with profit attributable to equity holders of the Company up by 20% year-on-year
- Everbright Environment Charitable Foundation (formerly known as “Everbright International Environmental Protection Charitable Foundation”) supported Earth Hour Hong Kong as the lead sponsor for the seventh consecutive year
- 先後簽署三個垃圾日處理設計規模逾千噸的垃圾發電項目
- 光大青島理工環境技術研究院在環境資源協會組織的國際檢測能力驗證中獲得「卓越實驗室」稱號
- 公佈二零一九年全年業績，本公司權益持有人應佔盈利較二零一八年錄得20%增長
- 旗下光大環境公益基金(原「光大國際環保公益基金」)連續第七年首席贊助香港「地球一小時」活動

SECOND QUARTER OF 2020 二零二零年第二季度



- Participated in the Everbright Belt And Road Green Equity Investment Fund
- Convened the Company's 2020 annual general meeting
- Shortlisted in the Top 10 Firms with Highest Corporate Governance Index Scores for the first time in the Report on the Corporate Governance Scorecard 2020 issued by the Hong Kong Institute of Directors
- Jiangsu Changzhou Waste-to-energy Project ("Changzhou Project") completed its opening-up and upgrading works, becoming a "community-friendly plant" and an "urban public living room"; the project, which is fenceless, fully-opened and equipped with public amenities, is considered the first of this type in China, and serves a good reference for tackling the "Not-in-My-Backyard" effect
- Included in the FTSE4Good Index for the fourth consecutive year
- 參與光大一帶一路綠色股權投資基金
- 召開二零二零年本公司股東週年大會
- 首次躋身香港董事學會《上市公司企業管治水準報告》二零二零「十大企業管治最佳上市公司」榜單
- 江蘇常州垃圾發電項目(「常州項目」)開放提升工程完工，成為中國首個無圍牆、全開放、建有便民惠民設施的「鄰利工廠」和「城市客廳」，為各地破解「鄰避效應」提供有益借鑒
- 連續第四年獲納入富時社會責任指數

THIRD QUARTER OF 2020
二零二零年第三季度



Institutional Investor
2020 ALL-ASIA EXECUTIVE TEAM
MOST HONORED COMPANY
China Everbright Environment Group Limited

Hang Seng Corporate Sustainability Index Series Member 2020-2021

恒生可持續發展企業指數系列 2020 - 2021 成份股

- The Group's first self-developed 1,000 tonnes/day grate furnace manufactured and off the production line
- Awarded the Most Honored Company in 2020 All-Asia Executive Team by Institutional Investor for the fourth consecutive year, with Mr. Wang Tianyi, the chief executive officer of the Company ("CEO"), being awarded Asia's Best CEO for the second year running
- Included in the Hang Seng Corporate Sustainability Index for the seventh consecutive year
- Changzhou Project shortlisted in the first batch of the "Primary Contact Points of the Key Projects of Central Commission for Guiding Cultural and Ethical Progress"
- Announced the Company's name being changed from "China Everbright International Limited" to "China Everbright Environment Group Limited"
- Mr. Wang Tianyi, Executive Director and CEO, appointed as the Chairman of the board of directors of the Company (the "Board")
- 本集團首台自主研發的1,000噸/日特大型爐排裝備下線
- 連續第四年獲《機構投資者》評選為2020全亞洲最佳管理團隊「最受尊崇企業」，本公司行政總裁（「行政總裁」）王天義先生連續第二年獲評「亞洲最佳CEO」
- 連續第七年獲納入恒生可持續發展企業指數
- 旗下常州項目獲選首批「中央文明委重點工作基層聯繫點」殊榮
- 宣佈公司名稱正式由「中國光大國際有限公司」更改為「中國光大環境（集團）有限公司」
- 執行董事兼行政總裁王天義先生獲委任為本公司董事會（「董事會」）主席

FOURTH QUARTER OF 2020
二零二零年第四季度

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



- Included in the Dow Jones Sustainability Indices for the fifth consecutive year
- Mr. Wang Tianyi, the Chairman of the Board and CEO, awarded “2018-2019 Green China Person of the Year”
- Shortlisted in the “Leadership” band in the assessment system of CDP’s 2020 Climate Change Questionnaire, with the score boosted to “A-”
- Ranked the first place for the tenth consecutive year in the “Top 10 Influential Solid Waste Treatment Enterprises in China”
- 連續第五年獲納入道瓊斯可持續發展指數系列
- 董事會主席兼行政總裁王天義先生當選「2018-2019綠色中國年度人物」
- 躋身全球環境信息研究中心(CDP)《二零二零年氣候變化調查問卷》評估體系「領軍水準」級別，調升至「A-」級
- 連續第十年位居「中國固廢十大影響力企業」榜首

Chairman's Statement 主席報告



*Chairman of the Board and
Chief Executive Officer*
董事會主席兼行政總裁

Wang Tianyi
王天義

During 2020, China made its mark on history for its exceptional performance. As the rarely seen COVID-19 pandemic (the “Pandemic”) swept across the world, intertwined with “major changes unseen in a century”, severely hitting the world economy and bringing negative effects on the global sustainable development. Under severe pressure from both internal and external forces, China effectively controlled the spread and resurgence of the Pandemic. By taking the lead in achieving rapid economic recovery, China has become the only major economy in the world that has achieved positive economic growth. Moreover, the country has successfully won the battle of targeted poverty alleviation and drawn a successful conclusion to the 13th Five-Year Plan.

二零二零年，中國註定不凡，永載史冊。一場史上罕見的新型冠狀病毒引發的肺炎疫情（「新冠肺炎疫情」），交織「百年未有之大變局」，重創了世界經濟，也對全球可持續發展帶來眾多負面影響。在內外交加的嚴峻壓力之下，中國有效控制疫情擴散和反彈，率先實現經濟快速復甦，成為全球唯一實現經濟正增長的主要經濟體，並且成功打贏了精準脫貧攻堅戰，實現了「十三五」規劃圓滿收官。

During 2020, China remained committed to environmental protection and demonstrated a sense of responsibility in low carbon development. Against the backdrop of the Pandemic, China made milestone achievements in its battle against pollution, with the air quality improving significantly. The Fifth Plenary Session of the 19th Central Committee of the Communist Party of China stressed again the importance of promoting green development and harmony between mankind and nature. With the roll-out of the ecological and environmental protection program for the 14th Five-year Plan period, the green recovery and high-quality development of the Chinese economy will be in sight in the near future. The important remarks that President Xi Jinping made at the United Nations' Climate Ambition Summit, which focused on peaking carbon dioxide emissions and achieving carbon neutrality, demonstrated China's sense of responsibility as a major country when pursuing green and low carbon development.

During 2020, Everbright Environment forged ahead amid headwinds. China Everbright Environment Group Limited ("Everbright Environment" or the "Company", together with its subsidiaries, collectively the "Group") officially changed its name from China Everbright International Limited in 2020, reinforcing its business orientation and further improving its brand value. Confronted with the unexpected pandemic outbreak, Everbright Environment quickly responded with effective prevention and control measures in a scientific approach. By going to great lengths to prevent and contain the Pandemic, the Group saw its workplaces report zero-infections among over 10,000 employees, while helping protect the environmental safety and health of over 100 million residents in China and overseas. In 2020, the Group accelerated its innovation-driven transformation, optimised and expanded its business layout, further balanced its asset-light and asset-heavy businesses, and broke new grounds for technology empowerment. In addition, the Everbright Environment stepped up effort to maintain strong momentum for overall growth, with revenue and net profit continuing to increase. During 2020, the Group's consolidated revenue amounted to approximately HK\$42.926 billion and profit attributable to equity holders of the Company reached approximately HK\$6.016 billion, which further cemented its advantageous status as China's largest environmental protection enterprise and the world's largest waste-to-energy investor and operator, as well as enhanced its brand value reflected by the fact that it was named Asia's Most Honored Company for the fourth consecutive year and shortlisted in the Hong Kong Institute of Directors' Top 10 Firms with Highest Corporate Governance Index Scores for the first time. As such, on behalf of the board of directors (the "Board") and the management of the Company, I would like to extend my sincere appreciation to all my colleagues who are working hard at their jobs and people from all social circles who have shown their long-term support for and trust in the Group.

二零二零年，中國環境保護力度不減，低碳發展彰顯擔當。疫情之年，污染防治攻堅戰取得階段性重大成果，空氣品質大幅提升。中共十九屆五中全會再次強調推動綠色發展，促進人與自然和諧共生。隨著未來「十四五」生態環境保護規劃的編制出爐，實現經濟「綠色復甦」和高品質發展指日可待。習近平主席在聯合國氣候雄心峰會上圍繞碳達峰、碳中和的重要講話，彰顯著中國在人類追求綠色低碳發展中的大國擔當。

二零二零年，光大環境逆勢發力，砥礪奮進。這一年，中國光大環境(集團)有限公司(「光大環境」或「本公司」，連同其附屬公司，統稱「本集團」)由「中國光大國際有限公司」正式完成公司名稱變更，實現了產業方向再堅定，品牌價值再提升。這一年，面對突如其來的新冠肺炎疫情，光大環境人迅速部署、科學防控，全力投入疫情防控阻擊戰，不僅實現了1萬餘員工工作區「零感染」，更守護了國內外超過1億居民的環境安全與健康。這一年，本集團加快創新轉型，完善和擴大產業佈局，推動輕重資產業務平衡發展，並在科技賦能上實現新突破。這一年，光大環境持續發力，整體發展態勢穩健向好，收益和淨盈利持續增長，全年實現綜合收益約港幣429.26億元、本公司權益持有人應佔盈利約港幣60.16億元，進一步鞏固了「兩個最大」的優勢地位，進一步提升了「兩個最佳」的品牌價值—中國最大環保企業、全球最大垃圾發電投資運營商；連續四年獲評「亞洲最受尊崇企業」，首次躋身香港董事學會「十大企業管治最佳上市公司」榜單。為此，我謹代表本公司董事會(「董事會」)和管理層，為奮戰在各自崗位上的全體同仁以及對本集團給予長期支持與信任的各界人士，致以誠摯謝意！

Chairman's Statement 主席報告

The Group will move ahead with gratitude for support received over the past years. In September 2020, Mr. Cai Yunge, former Executive Director and Chairman of the Board, resigned due to change of job, saying farewell to the Group's staff who had worked hard with him for almost four years and embarking on a new journey. Mr. Cai was dedicated, diligent and responsible throughout his term of office. On behalf of the Board, I would like to express my wholehearted appreciation to him for the guidance and support he provided to the Group during his tenure. Everbright Environment's development would have not been possible without the trust and support of the shareholders of the Company (the "Shareholders"). Adhering to its business philosophy of sharing its development results with the Shareholders, as well as the goal of pursuing sustainable development, the Board has proposed to pay a final dividend of HK16.0 cents per share for the year of 2020 (2019: HK13.0 cents per share), with the total dividend for the year amounting to HK30.0 cents per share (2019: HK26.0 cents per share).

Inspired by our aspirations, we are able to achieve any goals and overcome any challenges. After the vicissitudes of the past 17 years, Everbright Environment has steadily grown into China's largest environmental protection enterprise and a world-renowned environmental group. Facing changes that are unseen in a century, as well as the complex and fluid situations at home and abroad, we firmly believe that opportunities and challenges both exist, with new opportunities being nurtured amid crisis situations and strength being gathered under pressure. During the first year of the 14th Five-year Plan period, all staff at Everbright Environment will stay confident and focused, build on past achievements and keep pace with the times, propel transformation by turning pressure into power, and bravely step outside of the comfort zone. The Group will boost its development through reforms and make its utmost effort to act as the spearhead of the "Four Three Three" strategic deployment of China Everbright Group Ltd. Guided by its "Three Five Eight Seven" strategy, the Group will continue to focus on the three major business areas of environment, resources and energy, enhance its capabilities in five perspectives, foster the vitalised growth of its eight business sectors, and reinforce safeguards in seven aspects. It will strive to achieve strategic transformation and high-quality sustainable development in a bid to move towards the goal of becoming "a world-leading ecological and environmental group". By making great effort in "Creating Better Investment Value" and spontaneously "Undertaking More Social Responsibility", the Group will fulfill its corporate mission of being "Devoted to Ecology and Environment for a Beautiful China"!

回首來時路，感恩向前行。二零二零年九月，本公司前執行董事兼董事會主席蔡允革先生因工作變動辭去職務，揮別共同奮鬥近四年的同仁，踏上新的征程。蔡先生恪盡職守、勤勉盡責，我謹代表董事會由衷感謝其在任期內給予本集團的悉心指導和傾力支持。光大環境的發展，離不開本公司股東（「股東」）的厚愛與支持。本著共享發展成果、實現可持續發展的經營理念，董事會擬向股東派發二零二零年度末期股息每股16.0港仙（二零一九年：每股13.0港仙），全年股息總額為每股30.0港仙（二零一九年：每股26.0港仙）。

志之所趨，無遠弗屆；志之所向，無堅不入。歷經十七年的櫛風沐雨，今天的光大環境，已穩步成長為中國最大環保企業、全球知名環境集團。面對百年未有之大變局，面對國內外複雜多變的局勢，我們始終堅信，機遇與挑戰並存，危機中孕育新機，壓力中集聚能力。在國家「十四五」規劃的起始之年，全體光大環境人必將堅定信心、保持定力、繼往開來，以壓力促轉型，勇敢走出舒適區；以改革助發展，全力落實中國光大集團股份有限公司（「中國光大集團」）發展戰略部署，扛好中國光大集團「四三三」發展戰略頭號工程的大旗。本集團將在「三五八七」發展戰略的統籌佈局下，繼續圍繞環境、資源、能源「三位一體」發展格局，提升五大能力，持續推動八大板塊業務競相發展，築牢七大保障，努力實現戰略轉型和高品質、可持續發展，朝著成為「全球領先生態環境集團」的目標不懈奮鬥。努力「創造更好投資價值」，自覺「承擔更多社會責任」。情系生態環境，築夢美麗中國！

WANG TIANYI

王天義

Chairman of the Board and Chief Executive Officer

董事會主席兼行政總裁

Hong Kong, 11 March 2021

香港，二零二一年三月十一日

Management Discussion and Analysis 管理層討論與分析



BUSINESS REVIEW AND PROSPECTS 業務回顧與展望

Operating Results 經營業績

Business Overview 業務概覽

In 2020, the COVID-19 pandemic (the “Pandemic”) swept the world and brought negative impacts on sustainable development worldwide. Facing the unprecedented changes and challenges in the external environment, China Everbright Environment Group Limited (the “Company” or “Everbright Environment”, together with its subsidiaries, collectively the “Group”), as China’s largest environmental protection enterprise, an industry leader in Asia and a world-renowned environmental group, adhered to the “Four Three Three” strategic deployment and the work requirements of “pursuing progress while ensuring stability, seeking opportunities through changes, and pursuing innovation in growth”, as advised by China Everbright Group Ltd. (“China Everbright Group”). With a focus on value creation, together with commitment to seeking further transformation and steady development, the Group continued to forge ahead with its corporate mission of being “Devoted to Ecology and Environment for a Beautiful China” and the corporate pursuit of “Creating Better Investment Value and Undertaking More Social Responsibility”. It faced up to challenges with courage and strong team cohesion, and therefore won the battles for the Pandemic prevention and control, business growth and enhancement of its industry position, achieving outstanding results in both business scale and operational efficiency. At the same time, the Company officially completed the change of its company name to further cement its original aspiration and mission to the ecological environment, and to enhance the brand value. By closely following the national strategies, monitoring market trends, nurturing new business areas, and carrying out the strategic transformation, the Group reaped the fruits of its effort, increased its comprehensive competitiveness, and solidified its industry-leading position.

二零二零年，新型冠狀病毒引發的肺炎疫情（「新冠肺炎疫情」）席捲全球，對全球可持續發展帶來眾多負面影響。面對外部環境前所未有的變化與挑戰，作為中國最大環保企業、亞洲環保領軍企業、世界知名環境集團，中國光大環境（集團）有限公司（「本公司」或「光大環境」，連同其附屬公司，統稱「本集團」）在中國光大集團股份公司（「中國光大集團」）「四三三」戰略部署和「穩中求進、變中求機、進中求新」的工作要求下，以「價值創造」為核心，堅持「深化改革，穩健發展」工作總基調，秉承「情系生態環境，築夢美麗中國」的企業使命和「創造更好投資價值，承擔更多社會責任」的企業追求，凝心聚力，直面挑戰，不畏艱難，成功打贏了疫情防控、業績增長和行業地位一系列保衛戰，規模效益雙創下新佳績；與此同時，本公司正式完成更名，更加堅定其聚焦生態環境領域的初心和使命，延續並提升了品牌價值。本集團緊跟國家戰略，把握市場脈搏，培育新興業務，推動戰略轉型，取得了累累碩果，進一步增強本集團綜合競爭力，夯實行業領軍地位。

Management Discussion and Analysis 管理層討論與分析

In terms of operating results, during the year under review, the Group focused on the three major areas of environment, resources and energy, implemented strategic transformation steadily, made effort in face of adversity, carefully nurtured new sources of business growth, increased its business scale progressively, and therefore achieved high-quality development. Each of the Group's business sectors continued to achieve stable progress; while revenue, profit before tax and profit attributable to equity holders of the Company also recorded steady growth. The rapid progress of construction projects continued to drive the growth of construction service revenue; while operation service revenue saw a significant increase due to measures such as expanding revenue streams, reducing expenditure and improving efficiency, in addition to the increase in the number of operating projects. In 2020, the Group had smooth and diverse access to financing channels, with abundant capital and good results across all financial indicators.

Major operating indicators in 2020 are summarised in the table below:

經營業績方面，回顧年度內，本集團圍繞環境、資源和能源三大領域，穩步實施戰略轉型，逆勢發力，精心培育新業務增長點，業務規模穩步提升，並實現高品質發展。旗下各業務板塊延續了「穩中有進」的發展態勢，收益、稅前盈利以及本公司權益持有人應佔盈利均錄得穩健增長；工程項目快速推進，持續帶動建造服務收益增長；運營項目繼續開源節流、降本提效，加上運營項目數量陸續增加，運營服務收益大幅提升。二零二零年，本集團融資渠道多元、暢通，資金充裕，各項財務指標良好。

二零二零年主要經營業績指標摘要如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	Percentage Change 百分比 變動
Revenue	收益	42,926,426	37,557,635	14%
EBITDA	除利息、稅項、折舊及 攤銷前盈利	12,851,501	10,957,474	17%
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	6,015,863	5,203,291	16%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	97.93	84.70	16%

During the year under review, the Group recorded a total revenue of HK\$41,622,047,000 from its environmental energy, greentech and environmental water sectors, of which revenue from construction services increased by 7% from 2019 to HK\$25,493,014,000 and revenue from operation services increased by 30% from 2019 to HK\$12,286,022,000. The revenue from construction services, operation services and finance income accounts for 61%, 30% and 9% of the total, respectively.

回顧年度內，本集團旗下環保能源、綠色環保、環保水務板塊的收益合共達港幣41,622,047,000元，其中建造服務收益為港幣25,493,014,000元，較二零一九年增長7%；運營服務收益為港幣12,286,022,000元，較二零一九年增長30%。各收益比重為：建造服務收益、運營服務收益及財務收入分別佔61%、30%及9%。

During the year under review, with an aim to maintain its sustainable development and meet the capital demands in support of the mid- to long-term growth, the Group actively explored and expanded its financing channels and strengthened its capital structure, in order to develop a diverse, long-term and stable capital reserve. In the meantime, the Group responded to and made adjustments for the fluctuation of the Renminbi exchange rate. During the year under review, the Company, through its wholly-owned subsidiary, entered into a limited partnership agreement with China Everbright Group and wholly-owned subsidiaries of China Everbright Limited to participate in the Everbright Belt And Road Green Equity Investment Fund (the “Fund”). With a contribution of RMB500 million to the Fund, the Group would further diversify its investing and financing channels and enrich its market expansion strategies. In addition, the Group signed a five-year HK\$2 billion green loan facility with Bank of China (Hong Kong) Limited, which is used for the Group’s environmental energy business. During the year under review, China Everbright Water Limited (“Everbright Water”), a subsidiary of the Company, issued asset-backed securities to qualified investors in mainland China (the “Mainland”) with an issue size of RMB300 million, followed by the issuance of its first tranche of medium-term notes (“MTN”) to institutional investors in the national inter-bank bond market in the Mainland with an issue size of RMB1 billion. The proceeds from the issuances were used to replenish the working capital of Everbright Water and its subsidiaries. China Everbright Greentech Limited (“Everbright Greentech”), a subsidiary of the Company, also issued its first tranche of MTN in the national inter-bank bond market in the Mainland with an issue size of RMB1 billion. The proceeds from the issuance were used for the replenishment of the working capital of Everbright Greentech and its loan repayments. During the year under review, the Group actively collected accounts receivable, negotiated with banks to secure additional facility support, and obtained various subsidies worth RMB647 million in total. As of 31 December 2020, the Group had cash on hand amounting to HK\$11.706 billion, with a reasonable gearing level and healthy financial position.

The Group remains dedicated to creating value for and sharing development returns with the shareholders of the Company (the “Shareholders”). To reward the Shareholders for their support and taking into account the Group’s long-term development, the board (the “Board”) of directors (the “Director(s)”) of the Company has proposed to pay a final dividend of HK16.0 cents per share as of 31 December 2020 to the Shareholders (2019: HK13.0 cents per share). The total dividends for the year are to be HK30.0 cents per share (2019: HK26.0 cents per share).

為保障企業自身的可持續發展及解決中長期發展的資金需求，本集團於回顧年度內積極探索和拓寬融資渠道，增強資金實力，持續打造多元化、長期和穩定的資金後盾，並針對人民幣匯率波動積極作好應對調節。回顧年度內，本公司透過旗下全資附屬公司與中國光大集團及中國光大控股有限公司全資附屬公司訂立有限合夥合同，參與光大一帶一路綠色股權投資基金，擬出資人民幣5億元認繳該基金，進一步提升本集團投融資多元化水平，豐富展業手段；本集團亦與中國銀行(香港)有限公司簽署了港幣20億元五年期綠色貸款，用於本集團環保能源相關業務。回顧年度內，本公司之附屬公司中國光大水務有限公司(「光大水務」)向中國境內合資格投資者發行人民幣3億元的資產支持證券，並稍後於中國境內向全國銀行間債券市場機構投資者發行本金為人民幣10億元的首批中期票據，募得資金已用於補充光大水務及其附屬公司的營運資金。本公司之附屬公司中國光大綠色環保有限公司(「光大綠色環保」)亦於全國銀行間債券市場發行本金為人民幣10億元的首批中期票據，募得資金已用於光大綠色環保的營運資金及償還貸款。此外，本集團於回顧年度內積極回收各類應收賬款及與銀行磋商獲得新貸款額度，並獲得國家各類資金補助達人民幣6.47億元。於二零二零年十二月三十一日，本集團手持現金達港幣117.06億元，負債水平合理，財務狀況健康。

本集團始終致力為本公司股東(「股東」)創優增值，共享發展成果。為回饋股東支持及保障本集團長足發展，本公司董事(「董事」)會(「董事會」)建議就截至二零二零年十二月三十一日止年度派發末期股息每股16.0港仙予股東(二零一九年：每股13.0港仙)，全年股息每股30.0港仙(二零一九年：每股26.0港仙)。

Management Discussion and Analysis 管理層討論與分析

As of 31 December 2020, the Group had a business presence in over 200 locations across 23 provinces, municipalities and autonomous regions in China, with overseas business markets in Germany, Poland and Vietnam. The Group secured a total of 458 environmental protection projects, with an aggregated investment of approximately RMB140.386 billion; it also undertook 36 environmental remediation services, 14 engineering procurement and construction (“EPC”) projects, 4 energy management contract (“EMC”) projects and 4 operation and management (“O&M”) projects. As the world’s largest waste-to-energy investor and operator, the Group had a total of 161 waste-to-energy projects under its environmental energy and greentech sectors, with an aggregated designed daily household waste processing capacity of 139,200 tonnes.

During the year under review, in response to the fierce market competition, the Group focused on the quality development of its waste-to-energy business and others. In the meantime, it proactively expanded its presence in new business areas such as waste sorting, resource recycling and energy-saving lighting. In 2020, the Group secured 56 new projects and signed 2 supplementary agreements for the existing projects, commanding a total investment of approximately RMB16.500 billion. It also signed 4 equity acquisition agreements for the existing project companies, at a total consideration of approximately RMB64 million. In addition, it undertook 9 environmental remediation services, 2 supplementary agreements for the existing environmental remediation services, 3 EPC projects, 2 EMC projects and 1 O&M project, with an aggregate contract value of approximately RMB610 million. During the year under review, the Group managed to foray into new geographical markets like the Xiongan New Area, Zhangjiakou, Ji’an, Jinzhong, Zhangjiatie, Xiangtan and Xinyang, which further bolstered the development of its traditional businesses, such as waste-to-energy, hazardous and solid waste treatment and waste water treatment, while achieving solid progress in the development of the new businesses.

截至二零二零年十二月三十一日，本集團業務佈局已拓展至全國23個省(市)、自治區，遍及200多個區縣市，海外市場涉足德國、波蘭及越南，已落實環保項目合共458個，涉及總投資約人民幣1,403.86億元；另承接36個環境修復服務、14個工程總包(「EPC」)項目、4個合同能源管理(「EMC」)項目以及4個委託運營項目。本集團作為全球最大的垃圾發電投資運營商，旗下環保能源板塊及綠色環保板塊合共落實垃圾發電項目161個，設計日處理生活垃圾139,200噸。

回顧年度內，本集團直面激烈的市場競爭，專注於推動垃圾發電等業務的高質量發展，同時積極佈局垃圾分類、資源再生利用、節能照明等新興業務。二零二零年，共取得56個新項目並簽署2份現有項目的補充協議，涉及總投資約人民幣165.00億元；簽署4份現有項目公司股權收購協議，總代價約人民幣0.64億元；另承接9個環境修復服務、2份現有環境修復服務的補充協議、3個EPC項目、2個EMC項目及1個委託運營項目，涉及合同金額約人民幣6.10億元。本集團於回顧年度內業務足跡延伸至雄安新區、張家口、吉安、晉中、張家界、湘潭、信陽等新地域市場，進一步鞏固垃圾發電、危廢及固廢處置、污水處理等傳統領域，並實質性推進新興業務發展。

The designed treatment and supply capacities of the new projects secured in 2020 are summarised as below:

二零二零年新增設計處理及供應規模如下：

Project Category 項目類別	Designed Treatment/Supply Capacity 設計處理／供應規模
Household waste 生活垃圾	16,000 tonnes/day 16,000噸／日
Food and kitchen waste 餐廚及廚餘垃圾	1,920 tonnes/day 1,920噸／日
Hazardous and solid waste 危廢及固廢	612,500 tonnes/year 612,500噸／年
Steam supply 蒸汽供應	1,340,000 tonnes/year 1,340,000噸／年
Water treatment* 水處理*	320,000 m ³ /day 320,000立方米／日

* including various types of water business, such as water supply, waste water treatment and reusable water

* 包含供水、污水處理、中水回用等水務業務類別

During the year under review, facing the Pandemic, the Group actively followed relevant requirements of government authorities at all levels, took a positive attitude and made the best effort to deploy relevant work. By ensuring the health and safety of its staff in the first place, the Group carried out the Pandemic control for its construction sites and resumption of construction work in an orderly manner. In the meantime, the Group adhered to the seven principles of “productivity, efficiency, quality, cost-effectiveness, legitimacy, safety and integrity”, enhanced dynamic management of all construction work, and therefore carried out construction work with high quality, which brought an increase in construction service revenue. In 2020, 43 projects completed construction and commenced operation; 80 projects commenced construction; and 5 environmental remediation services, 2 EPC projects and 1 EMC project were completed and delivered.

回顧年度內，面對新冠肺炎疫情，本集團主動配合各級各地政府要求，積極應對、全力部署，在保障員工健康安全的前提下，有序推進各項目建設工地的疫情防控及復工復產，同時堅持「多快好省法安廉」七字訣，強化工程進度動態管理，高質量推進項目工程建設，持續帶動建造服務收益提升。二零二零年，本集團建成投運項目43個；新開工項目80個；完工並交付的環境修復服務5個、EPC項目2個及EMC項目1個。

Management Discussion and Analysis 管理層討論與分析

In terms of operations management, during the year under review, the Group upheld the highest standards to manage its operating projects. By improving relevant rules and regulations, holding relevant activities like training and contests, and developing a digital management platform, the Group strived to ensure safety and environmental management proficiency, operating costs of projects under proper control, and the projects' operating efficiency continuously on the rise. In order to cope with the difficult situations brought by the Pandemic in 2020, the Group took quick actions, and adopted scientific prevention and control measures, resulting in zero infection cases in the workplace. The Group's staff performed their duties with firm dedication to ensure full-speed operations of more than 200 environmental protection projects in operation, which are located in over 100 cities across China. These projects safeguarded the environmental safety and public health of the local communities, by treating household waste and waste water, as well as enhancing the treatment and disposal of medical waste. Many environmental protection projects of the Group volunteered to facilitate the local authorities and institutions to conduct safe treatment of medical waste, waste water, as well as waste from hospitals and quarantine areas.

As an environmental protection enterprise, the Group firmly believes that efficient environmental management and timely disclosure of environmental information are the incentives for businesses to fulfill their responsibilities of pollution control, and also represent the basic rights of the public in pursuing a high-quality living environment. During the year under review, the Group continuously and firmly promoted the opening up of its environmental protection facilities, boosting its effort to improve the standards of the opening up work in a routine manner. In July 2020, the Group's Jiangsu Changzhou Waste-to-energy Project ("Changzhou Project") completed its opening-up and upgrading work, making it China's first fenceless community-friendly plant and an "urban public living room", which is equipped with public amenities and complies with the ultra-low emission standards. The project was shortlisted in the first batch of the "Primary Contact Points of the Key Projects of the Central Commission for Guiding Cultural and Ethical Progress", and is the only one from China's ecological environment system to be included among the 15 shortlisted primary contact points. It demonstrates once again the Group's leading role in setting industry benchmarks in terms of opening up work and social responsibility. This has further boosted the Group's confidence in its effort to pursue shared interests among the government authorities, enterprises and residents. During the year under review, the Group's environment protection projects received more than 110,000 local and foreign visitors from all social circles.

運營管理方面，本集團於回顧年度內堅持以最高標準管理旗下運營項目，通過完善相關規章制度，舉辦專題培訓、競賽等活動，建設信息化管理平台等措施，緊抓安全及環境管理，確保項目運營成本控制良好、運營效率持續提升。針對二零二零年新冠肺炎疫情的嚴峻形勢，本集團迅速行動、科學防控，員工堅守崗位，實現工作廠區零感染，確保國內100多個城市的200多個運營環保項目全速運轉，保障生活垃圾、污水處理，強化醫療廢棄物處置，守護當地社區的環境安全和民眾健康；本集團旗下多個環保項目亦主動請纓，全力協助各地相關部門和機構進行醫療廢物、廢水、醫院及隔離區垃圾的安全處置工作。

作為環保立身的企業，本集團堅信，高效的環境管理和及時的環境信息披露既是企業落實污染治理責任的驅動力，亦符合民眾追求優質人居環境的基本權利。回顧年度內，本集團繼續堅定地推動旗下環保設施向公眾開放，提升公眾開放工作的規範化、常態化水平。二零二零年七月，本集團旗下江蘇常州垃圾發電項目（「常州項目」）打開廠界，成為國內首座無圍牆、全開放、超低排放、建有便民惠民設施的「鄰里型」垃圾發電廠和「城市客廳」。該項目於回顧年度內入選首批「中央文明委重點工作項目基層聯繫點」，是首批入選的15個聯繫點中唯一來自生態環境系統的單位，標誌著本集團在公眾開放、社會責任方面再次高位引領行業發展，更加堅定了打造「政企民」利益共同體的信心。回顧年度內，本集團旗下環保項目接待國內外各界人士參觀考察超過11萬人次。

The Group upholds the philosophy of protecting the environment with social responsibility, proactively promoting energy conservation, as well as reduction of emissions, pollution and carbon footprint, to foster the concurrent improvement of social, economic and environmental efficiencies. During the year under review, the Group's major environmental contribution is summarised as below:

本集團堅守環境保護與社會責任理念，積極推動節能減排，減污降碳，實現社會、經濟和環境效益的同步提升。回顧年度內，本集團主要環境貢獻摘要如下：

	Treatment Capacity 處理規模	Environmental Contribution 環境貢獻
Household waste processed 生活垃圾處理量	31,545,000 tonnes 31,545,000噸	Generating green electricity of 17,078,231,000 kWh. This output could support the annual electricity consumption needs of 14,232,000 households, equivalent to saving 6,831,000 tonnes of standard coal, while reducing carbon dioxide (CO ₂) emissions by 14,235,000 tonnes. 提供綠色電力17,078,231,000千瓦時，可供14,232,000個家庭一年使用，相當於節約標煤6,831,000噸，減少二氧化碳排放14,235,000噸。
Hazardous and solid waste processed 危廢及固廢處理量	182,000 tonnes 182,000噸	
Agricultural and forestry waste processed 農林廢棄物處理量	6,708,000 tonnes 6,708,000噸	
Waste water treated 污水處理量	1,559,096,000 m ³ 1,559,096,000立方米	Reducing Chemical Oxygen Demand ("COD") discharge of 579,000 tonnes. 減少化學需氧量(「COD」)排放579,000噸。
Waste-to-energy plants' leachate treated 垃圾發電廠滲濾液處理量	7,094,000 m ³ 7,094,000立方米	

Since the Group's first environmental protection project commenced operation in 2005, its aggregated major environmental contribution is summarised as below:

自二零零五年本集團首個環保項目投運以來，本集團累計的主要環境貢獻摘要如下：

	Aggregated Treatment Capacity 累計處理規模	Aggregated Environmental Contribution 累計環境貢獻
Household waste processed 生活垃圾處理量	125,505,000 tonnes 125,505,000噸	Generating green electricity of 58,452,427,000 kWh. This output could support the annual electricity consumption needs of 48,711,000 households, equivalent to saving 23,381,000 tonnes of standard coal, while reducing carbon dioxide (CO ₂) emissions by 58,462,000 tonnes. 提供綠色電力58,452,427,000千瓦時，可供48,711,000個家庭一年使用，相當於節約標煤23,381,000噸，減少二氧化碳排放58,462,000噸。
Hazardous and solid waste processed 危廢及固廢處理量	1,071,000 tonnes 1,071,000噸	
Agricultural and forestry waste processed 農林廢棄物處理量	18,639,000 tonnes 18,639,000噸	
Waste water treated 污水處理量	11,263,592,000 m ³ 11,263,592,000立方米	Reducing COD discharge of 4,212,000 tonnes. 減少COD排放4,212,000噸。
Waste-to-energy plants' leachate treated 垃圾發電廠滲濾液處理量	26,237,000 m ³ 26,237,000立方米	

Management Discussion and Analysis 管理層討論與分析

During the year under review, Everbright Environment Charitable Foundation (formerly known as “Everbright International Environmental Charitable Foundation”) continued to fully support and participate in various philanthropic activities in environmental education, energy conservation and emission reduction, ecological conservation, and community care. Among which, the foundation supported the Earth Hour campaign in Hong Kong hosted by the World Wide Fund (WWF) Hong Kong, as the lead sponsor for the seventh consecutive year. At the project company level, the Group’s employees continued to voluntarily organise various activities relating to environmental protection promotion, charity and public welfare. Due to the Pandemic impact, certain opening up activities were postponed or cancelled, but the Group made flexible arrangements with innovative incentives, such as shifting the offline opening up activities into online events. This helped to effectively eliminate the impact of the Pandemic, and enabled the Group to continue to promote its ecological and environmental protection philosophies to the public, further enhancing the ties and mutual support between the projects and the local communities. Despite the severe Pandemic, people showed love and care for each other. The Group actively donated money and relief supplies, through relevant domestic authorities and institutions, which fully supported the local effort to combat the Pandemic. Meanwhile, the Group also proactively supported “anti-pandemic” work overseas where its businesses are located. For example, it donated pandemic prevention goods to multiple places in Poland through its subsidiary in Poland, NOVAGO Sp. z o.o., which was praised by the government authorities, institutions, the public and mainstream media in Poland.

回顧年度內，光大環境公益基金會(原「光大國際環保公益基金會」)繼續積極支持並參與各類環保教育、節能減排、生態保育、社區關懷等方面的慈善公益活動，其中包括連續第七年成為世界自然基金會香港分會舉辦的「地球一小時」活動的首席贊助商。項目公司層面，本集團各地項目員工繼續自發組織各類環保宣傳、慈善公益活動。由於受到新冠肺炎疫情影响，雖然實體公眾開放活動放緩或暫停舉辦，但本集團靈活調整，積極創新，將「線下」公眾開放活動轉至「線上」，有效消除疫情影响，持續向公眾宣傳生態環保理念，進一步加強與當地社區居民的聯繫和相互支持。疫症無情，人間有愛。本集團在新冠肺炎疫情期間，積極透過國內各地相關部門和機構捐款捐物，為各地抗擊疫情提供有力支持；本集團還積極支持海外項目所在地的抗疫工作，例如透過旗下位於波蘭的附屬公司NOVAGO Sp. z o.o.向波蘭多地捐贈防疫物資，得到當地政府、民眾和媒體的讚譽。

In 2020, the Group received numerous honors in recognition of its effort in different aspects including corporate governance, sustainability and technology research and development (“R&D”). The major awards and honors are summarised as below:

二零二零年，本集團在企業管治、可持續發展、技術研發等方面齊齊發力，滿載榮譽。主要獎項及榮譽摘要如下：

Recognition Category 榮譽類別	Award/Certificate 獎項／認證名稱	Issuance Organisation 頒發機構
Business Performance 經營業績	The Most Honored Company in the All-Asia Executive Team ranking (the fourth consecutive year) 全亞洲最佳管理團隊「最受尊崇企業」(連續第四年)	<i>Institutional Investor</i> 《機構投資者》
	First place in the 2020 Top 50 Environmental Protection Enterprises in China (the second consecutive year) [2020中國環境企業50強榜單]榜首(連續第二年)	China Environment Chamber of Commerce 全國工商聯環境商會
	First place in the Top 10 Influential Solid Waste Treatment Enterprises in China (the tenth consecutive year) [中國固廢十大影響力企業]榜首(連續第十年)	2020 Annual Solid Waste Enterprises Ranking 2020年度固廢企業評選

Recognition Category 榮譽類別	Award/Certificate 獎項／認證名稱	Issuance Organisation 頒發機構
Management & Governance 管理管治	Mr. Wang Tianyi, Chairman of the Board and Chief Executive Officer (“CEO”) of the Company, named the 2018-2019 Green China Person of the Year 董事會主席兼行政總裁王天義先生獲評「2018-2019綠色中國年度人物」	Six Chinese government authorities, including the Environmental Protection and Resources Conservation Committee of the National People Congress 全國人大環境與資源保護委員會等六部門
	Mr. Wang Tianyi awarded the Asia’s Best CEO (the second consecutive year) 王天義先生獲評「亞洲最佳CEO」(連續第二年)	<i>Institutional Investor</i> 《機構投資者》
	Mr. Wang Tianyi awarded the Asia’s Best CEO (the third consecutive year) 王天義先生獲評「亞洲最佳CEO」(連續第三年)	<i>Corporate Governance Asia</i> 《亞洲企業管治》
	Shortlisted in the Top 10 Firms with Highest Corporate Governance Index Scores 十大企業管治最佳上市公司	The Hong Kong Institute of Directors 香港董事學會
Sustainable Development 可持續發展	A constituent of the Dow Jones Sustainability Indices (the fifth consecutive year) 道瓊斯可持續發展指數系列成份股(連續第五年)	Dow Jones and RobecoSAM 道瓊斯及RobecoSAM
	A constituent of the Hang Seng Corporate Sustainability Index (also included in Hang Seng (Mainland and Hong Kong) Corporate Sustainability Index) (the seventh consecutive year) 恒生可持續發展企業指數成份股(自動納入恒生內地及香港可持續發展企業指數)(連續第七年)	Hang Seng Indexes Company Limited 恒生指數有限公司
	A constituent of the Hang Seng Corporate Sustainability Benchmark Index (the tenth consecutive year) 恒生可持續發展企業基準指數成份股(連續第十年)	Hang Seng Indexes Company Limited 恒生指數有限公司
	A constituent of the CITI Green Chain Index (the third consecutive year) 綠色供應鏈CITI指數成份股(連續第三年)	Institute of Public and Environmental Affairs 公眾環境研究中心

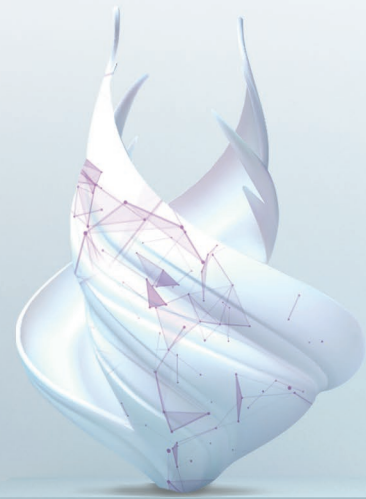
Management Discussion and Analysis 管理層討論與分析

Recognition Category 榮譽類別	Award/Certificate 獎項／認證名稱	Issuance Organisation 頒發機構
Technology R&D 技術研發	Everbright-Qingdao University of Technology Research Institute of Environmental Technology recognised as the “Laboratory of Excellence” for its excellent water dioxin testing capability in the international proficiency testing 光大青島理工環境技術研究院憑藉出色的水樣二噁英檢測技術能力在國際檢測能力驗證中獲得「卓越實驗室」榮譽認證	Environmental Resources Association 環境資源協會組織
	The technologies and application in relation to the efficient incineration of large household waste and control of sensitive secondary pollutants awarded the first prize of the Tianjin Technology Invention Award 「大型生活垃圾高效焚燒與敏感性二次污染物控制技術與應用」獲得天津市技術發明一等獎	Tianjin Municipal People's Government 天津市人民政府
	The technologies and application in relation to ecological recycling of urban reusable water awarded the first prize of the China Construction Science and Technology Award 「城鎮再生水生態紐聯循環利用技術與應用」獲得華夏建設科學技術一等獎	China Construction Science and Technology Award Committee 華夏建設科學技術獎勵委員會
Social Responsibility 社會責任	A constituent of the FTSE4Good Index (the fourth consecutive year) 富時社會責任指數成份股(連續第四年)	FTSE Russell 富時羅素
	Outstanding Enterprise Award in Response to Climate Change 應對氣候變化企業優秀獎	CDP 全球環境信息研究中心(CDP)
	Best Environmental Responsibility 最佳環境責任	Corporate Governance Asia 《亞洲企業管治》
	Recognition logo of Caring Company (the fifth consecutive year) 「商界展關懷」認證標識(連續第五年)	The Hong Kong Council of Social Service 香港社會服務聯會
	InnoESG Prize 2020	UNESCO HK Association Glocal Peace Centre and other institutes 香港聯合國教科文組織協會 和平中心等機構
Social Responsibility Brand of the Year (the sixth consecutive year) 年度責任品牌獎(連續第六年)	China Charity Festival 中國公益節	

ENVIRONMENTAL ENERGY 環保能源

Growing from **Biggest** to **Best**

從 **最大** 走向 **最優**



I. ENVIRONMENTAL ENERGY 一、環保能源

As the Group's core business sector with the largest scale and highest business proportion, the environmental energy sector covers waste-to-energy, food and kitchen waste treatment, sludge treatment and disposal, leachate treatment, fly ash treatment, methane-to-energy, construction and decoration waste treatment, development of environmental protection industrial parks, etc.

As of 31 December 2020, environmental energy had invested in 193 projects with a total investment of approximately RMB83.126 billion, and undertook 2 O&M projects. These projects are designed to have an annual household waste processing capacity of approximately 47,215,750 tonnes, which is expected to generate an annual on-grid electricity of approximately 15,767,363,800 kWh, an annual food and kitchen waste processing capacity of approximately 1,543,950 tonnes, and an annual sludge treatment capacity of approximately 248,200 tonnes.

作為本集團旗下規模最大、業務佔比最高的核心業務板塊，環保能源板塊業務包括垃圾發電、餐廚及廚餘垃圾處理、污泥處理處置、滲濾液處理、飛灰處理、沼氣發電、建築裝潢垃圾處理、環保產業園開發等。

截至二零二零年十二月三十一日，環保能源共落實投資項目193個，涉及總投資約人民幣831.26億元，並承接2個委託運營項目，設計規模為年處理生活垃圾約47,215,750噸、年上網電量約15,767,363,800千瓦時、年處理餐廚及廚餘垃圾約1,543,950噸及年處理污泥約248,200噸。

Management Discussion and Analysis 管理層討論與分析

As of 31 December 2020, environmental energy's waste-to-energy projects are summarised as follows:

截至二零二零年十二月三十一日，環保能源垃圾發電項目情況如下：

Project Status 項目狀態	Number of Projects 項目數量(個)	Designed Processing Capacity (tonnes/year) 設計處理規模(噸/年)
In operation* 投運*	87	27,721,750
Under construction 在建	43	16,498,000

* including O&M projects

* 含委託運營項目

In terms of market development, in 2020, environmental energy fully adjusted its market development strategies in response to changes in industry policies and trends. It adhered to the principle of “Three Priorities and One Clarification” and prioritised quality rather than speed in terms of the waste-to-energy business development. By promoting the synergistic business development relating to the waste-to-energy business, environmental energy leveraged on the Group’s “Five Points in One Line” process model for waste sorting, which includes sorting, transferring, selecting, recycling and incinerating of waste, to access the upstream business of the waste-to-energy industry, and took over several waste sorting projects from the Group’s eco-recycling sector. During the year under review, environmental energy secured 38 new projects, involving a total investment of approximately RMB12.447 billion. The newly secured projects cover waste-to-energy, food and kitchen waste treatment, sludge treatment and disposal, waste sorting, and construction and decoration waste treatment, contributing a designed daily household waste processing capacity of 15,000 tonnes and a designed daily food and kitchen waste processing capacity of 1,860 tonnes. Among the newly secured projects, the securing of Thua Thien Hue Waste-to-energy Project and Da Nang Waste-to-energy Project in Vietnam marks the significant increase of the Group’s market share in the Vietnamese waste-to-energy market.

市場拓展方面，二零二零年，環保能源針對行業政策和格局變化，全面調整市場拓展策略，堅持「三個優先一個明確」原則，全面推動垃圾發電業務由高速增長轉向高質量增長，推進垃圾發電橫向協同業務擴展，並圍繞本集團「分、轉、揀、用、燒」的垃圾分類「五點一線」技術路線打通垃圾發電產業鏈上游環節，接收本集團生態資源板塊多個垃圾分類項目。回顧年度內，環保能源共取得38個新項目，涉及總投資約人民幣124.47億元，當中包括垃圾發電、餐廚及廚餘垃圾處理、污泥處理處置、垃圾分類、建築裝潢垃圾處理等領域；新增設計規模為日處理生活垃圾15,000噸，日處理餐廚及廚餘垃圾1,860噸。其中，越南順化垃圾發電項目和峴港垃圾發電項目的取得，標誌著本集團於越南的垃圾發電市場佔有率得到顯著提升。

In terms of project construction, during the year under review, environmental energy had 20 projects that completed construction and commenced operation, with a designed daily household waste processing capacity of 10,500 tonnes and a designed daily food waste processing capacity of 190 tonnes; 47 projects commenced construction, with a designed daily household waste processing capacity of 29,050 tonnes and a designed daily food and kitchen waste processing capacity of 1,055 tonnes.

In relation to operations management, all projects under environmental energy strictly followed relevant emission standards, prioritised and optimised the safety and environmental management system, implemented a regular project inspection mechanism, promoted the development of a digitalised platform, and refined its management through internal reforms. In 2020, the average electricity generated per tonne of waste incinerated of environmental energy's waste-to-energy projects exceeded 460 kWh, with an integrated power consumption ratio of approximately 15%.

During the year under review, the Group's environmental energy sector contributed an EBITDA of HK\$7,999,370,000, an increase of 20% as compared with 2019. Environmental energy contributed a net profit attributable to the Group of HK\$4,838,411,000, an increase of 17% as compared with 2019. The increase in profit was mainly attributable to the growth in the number of construction projects, and the continuing increase in the aggregate processing capacity of the operating projects, driving an increase in construction service revenue and operation service revenue.

工程建設方面，回顧年度內，環保能源共有20個項目建成投運，設計規模為日處理生活垃圾10,500噸，日處理餐廚垃圾190噸；47個項目開工建設，設計規模為日處理生活垃圾29,050噸，日處理餐廚及廚餘垃圾1,055噸。

運營管理方面，環保能源項目嚴守相關排放標準，梳理優化安全與環境（「安環」）管理脈絡，推行項目常態化巡視機制，推動數字化平台建設，以內生改革推動精細化管理。二零二零年，環保能源垃圾發電項目平均每噸入爐垃圾發電量達460千瓦時以上，綜合廠用電率約15%。

回顧年度內，本集團環保能源貢獻除利息、稅項、折舊及攤銷前盈利合共港幣7,999,370,000元，較二零一九年增加20%。環保能源貢獻本集團應佔淨盈利為港幣4,838,411,000元，較二零一九年增加17%。盈利增加主要得益於回顧年度建設項目數量上升，加上運營項目總處理規模持續增加，帶動建造服務收益及運營服務收益增長。

Major operating data relating to environmental energy during 2020 are summarised in the table below:

二零二零年度環保能源之主要運營資料摘要如下：

		2020 二零二零年	2019 二零一九年	Percentage Change 百分比變動
Waste processing volume (tonnes)	垃圾處理量(噸)	29,273,000	21,515,000	36%
Food waste, sludge and other waste processing volume (tonnes)	餐廚垃圾、污泥及其他垃圾處理量(噸)	1,795,000	1,232,000	46%
On-grid electricity (MWh)	上網電量(兆瓦時)	9,380,822	6,617,870	42%



GREENTECH 綠色環保

Seeking **Diversification**
with a **Green Focus**

聚 焦 綠 色 多 元 發 展

II. GREENTECH 二、綠色環保

As of 31 December 2020, the Group held a 69.7% stake in Everbright Greentech, which is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Everbright Greentech’s main businesses cover integrated biomass utilisation, hazardous and solid waste treatment, and environmental remediation, etc.

As of 31 December 2020, Everbright Greentech had invested in 120 projects with a total investment of approximately RMB31.690 billion. These projects are designed to have an annual biomass raw material processing capacity of approximately 8,089,800 tonnes, an annual household waste processing capacity of approximately 3,595,250 tonnes, and an annual hazardous and solid waste processing capacity of approximately 2,841,900 tonnes, which are expected to generate an annual on-grid electricity of approximately 6,774,374,700 kWh and an annual steam supply of approximately 4,519,000 tonnes.

截至二零二零年十二月三十一日，本集團持有光大綠色環保69.7%的權益。光大綠色環保為香港聯合交易所有限公司（「聯交所」）主板上市公司，主營業務包括生物質綜合利用、危廢及固廢處置、環境修復等。

截至二零二零年十二月三十一日，光大綠色環保共落實投資環保項目120個，總投資約人民幣316.90億元，設計規模為年處理生物質原材料約8,089,800噸，年處理生活垃圾約3,595,250噸，年處置危廢及固廢約2,841,900噸，年上網電量約6,774,374,700千瓦時，年供蒸汽約4,519,000噸。

As of 31 December 2020, Everbright Greentech’s hazardous and solid waste treatment projects are summarised as follows:

截至二零二零年十二月三十一日，光大綠色環保危廢及固廢處置項目情況如下：

Project Status 項目狀態	Number of Projects 項目數量(個)	Designed Processing Capacity (tonnes/year) 設計處理規模(噸/年)
In operation 投運	23	468,600
Under construction 在建	15	873,800

With respect to market development, in 2020, Everbright Greentech actively screened high-quality projects and vigorously developed the heat supply business, with an emphasis on the development of integrated hazardous waste utilisation business and making progress on this track. During the year under review, Everbright Greentech secured 8 new projects and signed 2 supplementary agreements for the existing projects, commanding a total investment of approximately RMB2.560 billion. It also undertook 9 environmental remediation services and signed 2 supplementary agreements for the existing services, with a total contract value of approximately RMB289 million. These new projects are designed to have an annual household waste processing capacity of approximately 365,000 tonnes, an annual hazardous and solid waste processing capacity of approximately 612,500 tonnes, and an annual steam supply capacity of approximately 1,340,000 tonnes.

In respect to project construction, during the year under review, Everbright Greentech had 15 projects that completed construction and commenced operation, contributing a designed annual biomass raw material processing capacity of approximately 1,870,000 tonnes, a designed annual household waste processing capacity of approximately 930,750 tonnes, a designed annual hazardous and solid waste processing capacity of approximately 65,000 tonnes, and a designed annual steam supply capacity of approximately 960,000 tonnes. 5 environmental remediation services were completed and delivered in 2020. In addition, 18 projects commenced construction, with a designed annual household waste processing capacity of approximately 839,500 tonnes and a designed annual hazardous and solid waste processing capacity of approximately 778,800 tonnes. 9 environmental remediation services started respective remediation work.

During the year under review, the Group's greentech sector contributed an EBITDA of HK\$3,113,428,000, an increase of 8% as compared with 2019. Greentech contributed a net profit attributable to the Group of HK\$1,102,598,000, a decrease of 4% as compared with 2019. The profit change was mainly due to an impairment loss of HK\$163 million (net of tax) on intangible assets made on the concession rights for certain integrated biomass utilisation projects.

市場拓展方面，二零二零年，光大綠色環保積極甄選優質項目，大力發展供熱業務，側重危廢綜合利用業務，並取得良好進展。回顧年度內，光大綠色環保共取得8個新項目並簽署2份現有項目的補充協議，涉及總投資約人民幣25.60億元；承接9個環境修復服務並簽署2份現有環境修復服務的補充協議，涉及合同總額約人民幣2.89億元。新增設計規模為年處理生活垃圾約365,000噸、年處置危廢及固廢約612,500噸、年供蒸汽約1,340,000噸。

工程建設方面，回顧年度內，光大綠色環保共有15個項目建成投運，設計規模為年處理生物質原材料1,870,000噸、年處理生活垃圾約930,750噸、年處置危廢及固廢約65,000噸、年供蒸汽約960,000噸；5個環境修復服務於二零二零年完成修復工程並交付。此外，18個項目開工建設，設計規模為年處理生活垃圾約839,500噸、年處置危廢及固廢約778,800噸；9個環境修復服務陸續開始進行修復工程。

回顧年度內，本集團綠色環保貢獻除利息、稅項、折舊及攤銷前盈利港幣3,113,428,000元，較二零一九年上升8%。綠色環保貢獻本集團應佔淨盈利港幣1,102,598,000元，較二零一九年下跌4%；盈利變動主要為個別生物質綜合利用項目的特許經營權作出無形資產減值港幣1.63億元(已扣除稅項)。

Management Discussion and Analysis 管理層討論與分析

Major operating data relating to greentech during 2020 are summarised in the table below:

二零二零年綠色環保之主要運營資料摘要如下：

		2020 二零二零年	2019 二零一九年	Percentage Change 百分比變動
Waste processing volume (tonnes)	垃圾處理量(噸)	2,272,000	1,440,000	58%
Biomass raw material processing volume (tonnes)	生物質原材料處理量(噸)	6,708,000	4,636,000	45%
Hazardous and solid waste processing volume (tonnes)	危廢及固廢處置量(噸)	182,000	198,000	(8%)
On-grid electricity (MWh)	上網電量(兆瓦時)	5,623,505	4,095,179	37%



ENVIRONMENTAL WATER 環保水務

Exploring **Full-chain Business**
and Striving for **Innovation**

全產業鏈發展 全創新過程

III. ENVIRONMENTAL WATER 三、環保水務

As of 31 December 2020, the Group had a 72.87% stake in Everbright Water, which is listed on the Mainboard of the Singapore Exchange Securities Trading Limited and the Main Board of the Stock Exchange. Everbright Water has developed a fully-fledged business coverage, which includes raw water protection, water supply, municipal waste water treatment, industrial waste water treatment, reusable water, river-basin ecological restoration, and sludge treatment and disposal. It has also formed a full industry chain in the water business, including project investment, planning and design, technology R&D, engineering and construction, operations management, among others.

As of 31 December 2020, Everbright Water had invested in and held 138 water projects, commanding a total investment of approximately RMB24.678 billion. It also secured 3 EPC projects and 2 O&M projects. These projects are designed to have an annual waste water treatment capacity of approximately 1,997,134,000 m³, an annual reusable water supply capacity of approximately 71,759,000 m³, and an annual water supply capacity of approximately 310,250,000 m³. The waste water source heat pump projects provide heating and cooling services to an area of 295,000 m².

截至二零二零年十二月三十一日，本集團持有光大水務72.87%的權益。光大水務為新加坡證券交易所有限公司及聯交所的主板上市公司，目前已實現原水保護、供水、市政污水處理、工業廢水處理、中水回用、流域治理、污泥處理處置等全業務覆蓋，精專於項目投資、規劃設計、科技研發、工程建設、運營管理等業務領域。

截至二零二零年十二月三十一日，光大水務投資並持有138個水務項目，涉及總投資約人民幣246.78億元；承接3個EPC項目及2個委託運營項目。設計規模為年處理污水約1,997,134,000立方米、年供中水約71,759,000立方米、年供水約310,250,000立方米；污水源熱泵項目可為295,000平方米面積提供供熱及製冷服務。

Management Discussion and Analysis 管理層討論與分析

As of 31 December 2020, Everbright Water's water projects are summarised as follows:

截至二零二零年十二月三十一日，光大水務各類水處理項目情況如下：

Project Status 項目狀態	Number of Projects 項目數量(個)	Designed Treatment Capacity (m ³ /year) 設計處理規模(立方米/年)
In operation* 投運*	112	1,869,603,000
Under construction 在建	18	393,835,000

* including O&M projects

* 含委託運營項目

In terms of market development, during the year under review, Everbright Water secured 9 new projects with a total investment of approximately RMB1.192 billion, and also undertook 1 O&M project and 1 EPC project. The new projects are designed to have a daily waste water treatment capacity of 290,000 m³ and a daily reusable water supply of 30,000 m³.

In terms of project construction, Everbright Water continued to carry out its project construction work in an orderly manner. During the year under review, 15 projects (inclusive of 1 EPC project) commenced construction, with a designed daily water treatment capacity of 1,023,000 m³. 8 projects completed construction and commenced operation, with a designed daily water treatment capacity of 270,000 m³.

In terms of operations management, during the year under review, Everbright Water continued to promote the implementation of its "Intelligent Water" management system. It issued the China Everbright Water Limited Intelligent Water Whitepaper to analyse and discuss the application scenarios, technical options and implementation methods relating to intelligent water in the future. In 2020, a total of 3 waste water treatment plants of Everbright Water received regulatory approval for tariff hikes, ranging from 9% to 26%.

市場拓展方面，回顧年度內，光大水務共取得9個新項目，涉及總投資約人民幣11.92億元；承接1個委託運營項目及1個EPC項目。新增設計規模為日處理污水290,000立方米、日供中水30,000立方米。

工程建設方面，光大水務繼續有序推進各項目工程建設。回顧年度內，15個項目(含1個EPC項目)開工建設，設計日水處理規模1,023,000立方米；8個項目建成投運，設計日水處理規模270,000立方米。

運營管理方面，回顧年度內，光大水務深入推進「智慧水務」管理平台的應用，並發佈《中國光大水務有限公司智慧水務白皮書》探討未來「智慧水務」的應用場景、技術選擇、實施方法等。二零二零年，3個污水處理廠獲批上調水價，上調幅度介乎9%至26%。

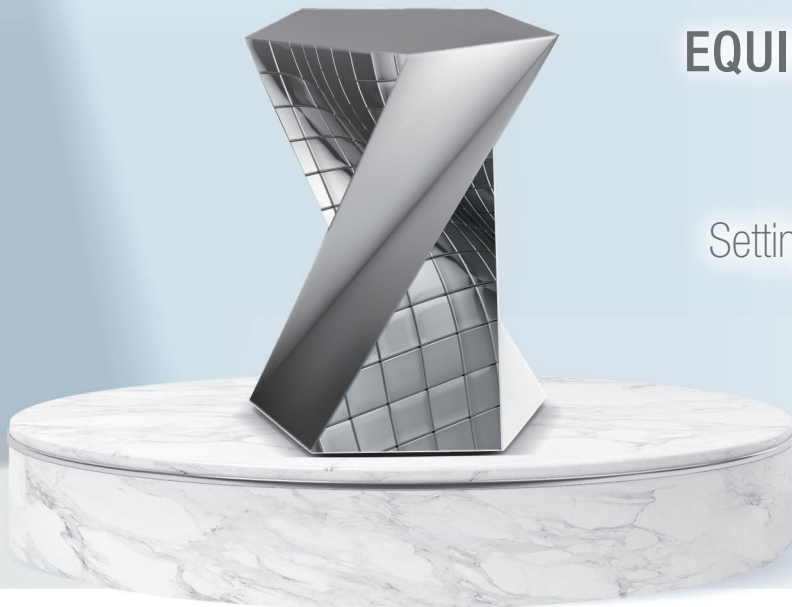
During the year under review, the Group's environmental water sector contributed an EBITDA of HK\$1,908,304,000, a 16% increase compared with 2019. Environmental water contributed a net profit attributable to the Group of HK\$736,035,000, a 19% increase compared with 2019. The increase in profit was mainly due to the improvement of operation and the expansion of operational business, which drove the increase in gross margin.

回顧年度內，本集團環保水務貢獻除利息、稅項、折舊及攤銷前盈利合共港幣1,908,304,000元，較二零一九年增加16%。環保水務貢獻本集團應佔淨盈利為港幣736,035,000元，較二零一九年增加19%；盈利上升主要為受惠於經營狀況改善及運營業務擴充，帶動毛利增加。

Major operating data relating to environmental water during 2020 are summarised in the table below:

二零二零年環保水務之主要運營資料摘要如下：

		2020 二零二零年	2019 二零一九年	Percentage Change 百分比變動
Waste water treatment volume ('000 m ³)	污水處理量(千立方米)	1,559,096	1,433,805	9%



EQUIPMENT MANUFACTURING 裝備製造

Setting **World-class Quality** with
Everbright Inspiration

國際水準 光大智造

IV. EQUIPMENT MANUFACTURING 四、裝備製造

As China's backbone environmental protection equipment R&D and manufacturing provider, the Group's equipment manufacturing sector rode on the philosophy of "accelerating marketisation and satisfying market demands" during the year under review. It focused on promoting its brand image, strengthening its full-process service system that covers R&D, manufacturing and maintenance, and improving its sustainability.

In terms of market expansion, during the year under review, equipment manufacturing signed 24 external sales contracts; and sold 49 sets of equipment to the external markets, including 27 sets of grate furnaces, 16 sets of flue gas purification systems and 6 sets of leachate treatment systems. In 2020, it secured a set of contracts relating to external equipment sales and EPC contracts, worth a total contract value of approximately RMB935 million. In addition, equipment manufacturing steadily explored business transformation, including water purification and other consumer business opportunities.

In terms of equipment supply and services, during the year under review, equipment manufacturing commenced 59 service items, spanning across 19 provinces and municipalities in China. It provided 97 sets of grate furnaces to projects of the Group and external customers, which have a designed daily waste processing capacity of 50,880 tonnes. In addition, it sold 224 sets of equipment, covering grate furnaces, gas purification systems and leachate treatment systems.

作為中國骨幹環保裝備研發製造商，本集團裝備製造板塊於回顧年度內圍繞「加快市場化轉型，貼近市場需求」，推動品牌建設，做強從研發、製造到維護的全流程服務體系，提升可持續發展水平。

市場拓展方面，回顧年度內，裝備製造共簽署外銷合同24份；外銷設備共計49台套，包括焚燒爐27台套、煙氣淨化系統設備16台套、滲濾液處理系統6台套。二零二零年，落實的外銷成套設備及EPC合同總額達人民幣9.35億元。此外，裝備製造穩步探索業務轉型發展，探索淨水器等民用品業務的市場機會。

項目供貨及服務方面，回顧年度內，裝備製造啟動項目供貨服務59個，分佈於國內19個省(市)、自治區。完成本集團內部項目及外部客戶爐排爐生產97台套，設計規模達日處理垃圾50,880噸。此外，完成各類成套設備供貨224台套，涵蓋焚燒爐系統、煙氣淨化系統、滲濾液系統等。

In terms of after-sales service, during the year under review, equipment manufacturing signed 171 contracts in relation to external after-sales services, worth a total contract value of approximately RMB108 million. Throughout 2020, equipment manufacturing provided 159 after-sales service projects, including 75 internal ones and 84 external ones.

During the year under review, the Group's self-developed 1,000 tonnes/day grate furnace completed assembly and got off the production line, showcasing the Group's further advancement on its grate furnace series. This also shows that the Group's self-developed grate furnace with large processing capacity has reached new highs in terms of R&D, design and manufacturing. Moreover, equipment manufacturing completed the research, development and testing of the highly efficient air pre-heater system, as well as testing of the pre-heater system through direct combustion of methane and atomising disk with new materials. In addition, the set of plasma melting technologies for industrial purposes was assessed by the Chinese Society for Environmental Sciences as having reached the world-leading level.

During the year under review, phase III of the Group's equipment manufacturing centre in Changzhou City commenced operation, effectively expanding the Group's equipment manufacturing capacity and serving as a resilient infrastructure safeguard for the rapid development of the Group's equipment manufacturing services.

售後服務方面，回顧年度內，裝備製造共簽署外銷售後服務合同171份，合同金額達人民幣1.08億元。全年共提供售後服務項目159個，其中內部項目75個，外部項目84個。

回顧年度內，本集團自主研發的1,000噸／日爐排總裝下線，標誌著本集團焚燒爐排產品系列進一步完善，顯示出本集團自主研發的大容量焚燒爐排在研發、設計製造等方面再上新高度。此外，裝備製造完成高效空氣預熱器系統的研發和試製、沼氣直燃空預器系統及新材料霧化盤的試製；等離子熔融處理成套裝備的工業化應用亦經中國環境科學學會鑒定達國際領先水平。

回顧年度內，本集團常州裝備公司三期擴建項目投入運營，進一步擴充本集團裝備製造產能，為裝備製造服務下一輪快速發展提供有力的基礎設施保障。

ECO-RECYCLING 生態資源

Riding New Wave of Waste Sorting and Recycling

垃圾分類新時尚 再生利用新商機

V. ECO-RECYCLING 五、生態資源

The Group's eco-recycling sector rides on the “Five Points in One Line” process model for waste sorting, focusing on three main business areas, namely waste sorting and zero-waste cities, environmental sanitation integration, and resource recycling. It has positioned itself as a leading investor and operator in waste sorting and resource recycling across China.

In terms of strategic layout, during the year under review, based on its three major business focuses, eco-recycling improved the intelligence level of the waste sorting system and optimised the waste sorting categories at the front-end; integrated the waste collection, transferring and transporting processes at the middle-end, in order to connect waste sorting business at the front-end with the waste incineration and resource recycling at the back-end; developed resource recycling centers at the back-end, and put into practice the philosophy of “Sorting for Utilisation and Utilising after Sorting”, with the aim to improve the proficiencies of resource recycling and integrated utilisation, as well as the profitability of waste sorting business.

During the year under review, eco-recycling proactively responded to the Group's adjustments to its strategic planning. It handed over several waste sorting projects, for which it had won the bids, to the Group's environmental energy sector. In the meantime, it leveraged on the Group's “Five Points in One Line” process model, to explore synergistic opportunities with other business sectors of the Group. In addition, eco-recycling was active in market expansion, with focuses on the three major business areas, and had reached the intention of cooperation with some cities and regions. In 2020, eco-recycling won the bid for a kitchen waste treatment project in Ji'nan City of Shandong Province.

本集團生態資源板塊圍繞垃圾分類「五點一線」技術路線，聚焦垃圾分類及無廢城市、環衛一體化、再生資源回收三大主營業務，定位成為中國一流的垃圾分類與資源再生利用投資運營商。

戰略佈局方面，回顧年度內，生態資源在確立三大主營業務方向基礎上，於前端提升生活垃圾分類系統智能化程度，優化垃圾分類種類；中端融合環衛收轉運，打通前端垃圾分類到末端垃圾焚燒和資源回收的產業鏈；後端建設資源回收利用中心，踐行「為用而分，分而必用」理念，提高資源回收和綜合利用水平與垃圾分類利用盈利能力。

回顧年度內，生態資源積極配合本集團戰略規劃調整，將旗下已中標的數個垃圾分類項目移交至環保能源板塊跟進，同時積極圍繞「五點一線」技術路線，與本集團旗下相關業務板塊進行業務聯動。此外，生態資源積極圍繞三大主營業務拓展市場機會，並與部分城市和地區達成初步合作意向。二零二零年，生態資源於山東濟南中標廚餘垃圾處理項目。

GREENERGY 光大照明

Everbright's **New Sodium Lamp** **Lighting the Way Home**

光大 **新納燈** 暖亮回家的路

VI. GREENERGY 六、光大照明

The Group's greenery sector adheres to the development philosophy of "Healthy, Energy-saving and Intelligent Lighting", leverages on its core product Everbright New Sodium Lamp (the "Lamp"), and focuses on building a full industry chain that includes the R&D and manufacturing of energy-saving street lamps, urban outdoor lighting projects and other types of energy-saving lighting products. Greenergy provides integrated lighting solutions to users based on three major business models, namely EMC, EPC and direct sales.

In terms of market expansion, during the year under review, greenery won the bids, based on an EMC model, for Shandong Tengzhou Urban District Streetlight Retrofitting Project ("Tengzhou EMC Project") and Tianjin Jinghai District Streetlight Retrofitting Project. The two projects are expected to retrofit approximately 15,900 streetlights in total. Greenergy also undertook Ji'nan Jiyang Sungeng Streetlight Retrofitting Project based on an EPC model, with a contract value of approximately RMB1.50 million. It also signed 85 contracts for the internal and external direct sales of the Lamps, with a contract value of approximately RMB8.89 million in total. During the year under review, greenery established the Greenergy Intelligent Industrial Park ("Greenergy Industrial Park") in Ji'nan City, Shandong Province, which will be responsible for manufacturing the Lamps and other products, with the aim to become a national technological innovation base.

本集團光大照明板塊以「健康照明、節能照明、智慧照明」為發展理念，以光大新鈉燈為核心產品，專注節能路燈、城市亮化工程、節能照明產品研發及製造等全產業鏈佈局，通過EMC、EPC及產品直銷三種主要業務模式，為使用者提供照明整體解決方案。

市場拓展方面，回顧年度內，光大照明以EMC模式中標山東省滕州市主城區路燈節能改造項目（「滕州EMC項目」）及天津市靜海區路燈節能照明改造項目，將對合共約1.59萬盞路燈進行節能改造；以EPC模式簽署濟南市濟陽區孫耿街道照明升級改造項目，合同金額約人民幣150萬元；另簽署內外部新鈉燈直銷合約共計85份，涉及總金額約人民幣889萬元。此外，光大照明於回顧年度內在山東濟南設立光大照明智業園（「光大照明產業園」）項目，生產光大新鈉燈及其他系列產品，打造全國重要的科技產業創新基地。

Management Discussion and Analysis 管理層討論與分析

In terms of project construction, greenergy's Shandong Rizhao Streetlight Retrofitting EMC Project completed construction during the year under review; Shandong Ji'nan Streetlight Retrofitting EMC Project, Tengzhou EMC Project and Greenergy Industrial Park commenced construction in succession with steady progress.

During the year under review, greenergy aimed to enhance its competitiveness in the industry. It actively applied and obtained multiple technology certificates, qualifications and patents, including China Quality Certificate by China Quality Certification Centre (CQC), China Energy Saving Certificate, Accreditation of Energy-saving Technology Achievement in Hunan Province, Grade 1 Qualification of Urban and Streetlight Construction, in addition to the inclusion of the Jiangsu Province Energy-saving Product Promotion Catalog and the National Industrial Energy-saving Technology and Equipment Recommendation Catalog.

工程建設方面，回顧年度內，光大照明山東日照路燈節能改造EMC項目順利完工；山東濟南路燈節能改造EMC項目、滕州EMC項目及光大照明產業園項目先後開工，工程建設正有序推進。

回顧年度內，光大照明以提升行業競爭力為目標，積極申報並取得多項技術認證、資質和專利，包括中國質量認證中心(CQC)中國質量認證、中國節能產品認證、湖南省節能技術成果認定、城市及道路照明施工一級資質等，另入選江蘇省節能產品推廣目錄和國家工業節能技術裝備推薦目錄。



ENVIROTECH 綠色科創

Pursuing Development Driven by
Technology and **Innovation**

科技引領 創新發展

VII. ENVIROTECH 七、綠色科創

Being the technology R&D innovation engine of the Group, the envirotech sector substantially established the “Four-in-One” technological innovation and R&D layout with platforms in Hong Kong, Shenzhen, Nanjing and Qingdao cities, in order to build a global platform dedicated to green technological innovation and technology conversion, and to better promote the Group’s strategic plan of pursuing development that is driven by technology and innovation.

作為本集團科技研發創新的引擎，綠色科創板塊於回顧年度內實質性完成於香港、深圳、南京、青島的「一院四城」研發體系佈局，全力打造面向全球的綠色技術創新平台及技術轉化平台，更好推動本集團「科技創新引領發展」的戰略構想。

The Group’s major R&D progress and results in 2020 are summarised as follows:

二零二零年，本集團主要科技研發進展及成果亮點如下：

Business Area 業務領域	Research Results/Topics 研究成果／課題
Solid Waste Treatment 固廢處置	<ul style="list-style-type: none"> Completed R&D, system development and equipment design relating to the 60 tonnes/day ash plasma melting furnace Applied optimised anti-coking design for small-scale waste incinerators at the Group’s Shandong Ju County Waste-to-energy Project, with good operational outcome Completed coupled preparation of active carbon at biomass plants, with relevant demonstration project entering trial run upon completion of construction 完成60噸／日灰渣等離子熔融爐的研發與設計、全套系統的工藝開發與裝備設計 小型垃圾焚燒爐防結焦優化設計已在本集團山東莒縣垃圾發電項目完成改造施工，運行效果良好 完成生物質電廠耦合製備活性碳研究，示範項目施工進入調試階段

Management Discussion and Analysis 管理層討論與分析

Business Area 業務領域	Research Results/Topics 研究成果／課題
Flue Gas Treatment 煙氣處理	<ul style="list-style-type: none"> Completed R&D and optimisation of a large-capacity waste incineration wet deacidification system, which has been in stable operation at Changzhou Project Completed R&D of the high-temperature metal pre-cleaner technology for waste incineration, first of this type at home and abroad 完成大容量垃圾焚燒濕法脫酸系統研發與優化，已於常州項目穩定運行 完成國內乃至國際首套垃圾焚燒金屬高溫預除塵器技術的研發
Water Treatment 水處理	<ul style="list-style-type: none"> Conducted research of direct contact evaporation technology relating to leachate concentrate, which has been commissioned in the Group's Jiangxi Ji'an Waste-to-energy Project 滲濾液濃縮液直接接觸式蒸發技術研究已在本集團江西吉安垃圾發電項目進行調試及試運行
Intelligent Control 智能控制	<ul style="list-style-type: none"> Applied the intelligent technologies that could start or stop relevant equipment with one single click at the Group's Jiangsu Jiangyin Waste-to-energy Project Phase III, enhancing the automatic operation efficiency and reliability of the relevant system Applied intelligent automatic combustion control (ACC) system with independent intellectual property rights at the Group's waste-to-energy projects in Boluo County of Guangdong Province and Lantian County of Shaanxi Province Completed development of software and hardware in relation to intelligent waste sorting equipment, including waste sorting learning machine system, waste sorting bin system, big data platform and others Completed development of the Group's first-generation self-developed smart light pole products and the supporting system 「一鍵啟停」智慧化技術改造於本集團江蘇江陰垃圾發電項目三期一次成功，提升系統自動化運行水平及可靠性 自主知識產權的智能燃燒控制系統(ACC)在本集團廣東博羅及陝西藍田垃圾發電項目運行情況良好 完成智能垃圾分類設備軟硬件開發，包括垃圾分類學習機成套系統、垃圾分類箱成套系統、大數據平台等 完成本集團首代自主智慧燈桿產品及配套系統的開發

As of 31 December 2020, patents that were granted to the Group are summarised in the table below:

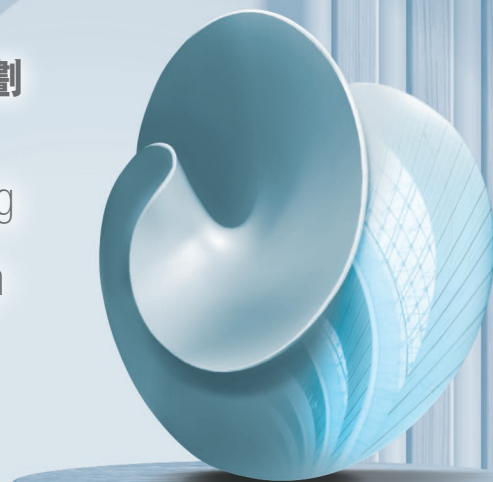
截至二零二零年十二月三十一日，本集團獲得授權專利情況如下：

		2020	As of 31 December 2020 (Accumulated) 截至二零二零年 十二月三十一日 (累計)
		二零二零年	
Granted patents	授權專利	235	1,008
Invention patents	發明專利	11	116
Utility patents	實用型專利	208	796
Software copyright licenses	軟件著作專利	15	91
Appearance patents	外觀專利	1	5
Major scientific essays	重要技術論文	17	N/A 不適用

ENVIRONMENTAL PLANNING 環境規劃

Adopting a Novel Approach to Planning
and Enhancing Efficiency through Design

規劃出**新奇** 設計出**效益**



VIII. ENVIRONMENTAL PLANNING 八、環境規劃

The Group's environmental planning sector leverages on Everbright Ecological and Environmental Planning and Design Institute ("Environmental Planning and Design Institute") as the main platform, with a focus on the fields of environmental protection and energy. It strives to build core technological capabilities, expand the business scope and achieve technological strength, to become a first-class planning and design institute in China.

During the year under review, Environmental Planning and Design Institute accomplished design works of the Group's Jiangsu Wujiang Waste-to-energy Project, involving the 1,000 tonnes/day waste incineration treatment line, and integrated treatment of industrial waste, household waste and sludge. So far, it has developed the design capacity of a full range of waste incineration treatment lines, with capacity ranging from 300 tonnes/day to 1,000 tonnes/day; it partnered with the Group's environmental energy sector to develop economic models relating to food and kitchen waste treatment projects and heat supply projects, which facilitated the Group to win bids for multiple food and kitchen waste treatment projects. During the year under review, the institute also expanded its design and consulting services to the fields of food and kitchen waste treatment, waste landfill, sludge treatment and disposal, integrated slag utilisation, and medical waste treatment, strongly supporting the development of the Group's other business sectors. The design and consulting services contributed a total contract value of approximately RMB118 million. During the year under review, the construction work of the 2 EPC projects of the Environmental Planning and Design Institute progressed smoothly. Among these, Jiangsu Gaoyou EPC project had passed its trial run.

本集團環境規劃板塊依託光大生態環境設計研究院(「環境設計院」)為主要平台，以環保和能源領域業務為主要發展方向，深度打造核心技術能力，拓展業務寬度，攻堅技術深度，定位一流國家級規劃設計院。

回顧年度內，環境設計院完成本集團江蘇吳江垃圾發電廠擴建項目的相關設計工作，涵蓋1,000噸／日垃圾焚燒處理線，工業垃圾、生活垃圾及污泥的協同處置等，標誌著環境設計院已具備300噸／日至1,000噸／日全系列垃圾焚燒處理線設計能力；協同本集團環保能源板塊推進餐廚及廚餘垃圾處理、供熱供暖項目經濟模型的開發，成功助力本集團中標多個餐廚及廚餘垃圾處理項目。回顧年度內，設計諮詢業務進一步拓展至餐廚及廚餘垃圾處理、垃圾填埋場、污泥處理處置、爐渣綜合利用、醫廢處理等領域，為本集團其他業務板塊的發展提供有力支持，設計諮詢業務相關的合同總額約人民幣1.18億元。環境設計院旗下的2個EPC項目於回顧年度內有序推進相關的工程設計等工作；其中，江蘇高郵EPC項目已通過試運行。

Management Discussion and Analysis 管理層討論與分析

Environmental Planning and Design Institute possesses a set of design and consultancy qualifications in areas such as electric power, municipal administration and environment, as well as the national qualification for pressure pipeline design. During the year under review, Environmental Planning and Design Institute obtained Credit Grade A Qualification (directions of ecological construction and environmental engineering) and Grade B Design Qualification of environmental projects (water pollution prevention), as well as steadily prepared for applications of design qualifications in areas such as environmental sanitation project and environmental solid waste treatment.

環境設計院擁有電力、市政、環境等領域的設計諮詢資質以及國家級壓力管道設計資質。回顧年度內，環境設計院取得資信甲級資質(生態建設及環境工程方向)以及環境工程(水污染防治專項)乙級設計資質，同時有序推進環境衛生工程、環境固廢處置等設計資質的申報工作。

Events After the Reporting Period 報告期間後之事項

On 15 January 2021, Everbright Water announced its completion of the issuance of the second tranche of MTN to institutional investors in the national inter-bank bond market in the Mainland, with a principal amount of RMB1 billion, a maturity period of 3 years and an interest rate of 3.75% per annum. The proceeds from such issuance will be used to replenish working capital of Everbright Water's subsidiaries.

On 28 January 2021, Everbright Greentech received the notice of registration acceptance issued by the National Association of Financial Market Institutional Investors in respect of the application for the proposed issue of asset-backed notes (the "ABN") with the maximum registered principal amount of RMB2 billion to institutional investors in the national inter-bank bond market in the Mainland. The registered principal amount shall be valid for 2 years from the date of the notice of registration acceptance, being 27 January 2021. The ABN shall be traded in the national inter-bank bond market. As at the date of this report, Everbright Greentech had not issued any ABN.

於二零二一年一月十五日，光大水務宣佈已完成於中國境內向全國銀行間債券市場機構投資者發行本金額為人民幣10億元的第二批中期票據，期限為3年，年息率為3.75%。該次發行所得的募集資金將用於補充光大水務附屬公司的營運資金。

光大綠色環保於二零二一年一月二十八日收到由中國銀行間市場交易商協會就申請於中國境內向全國銀行間債券市場機構投資者建議發行註冊本金金額上限為人民幣20億元資產支持票據(「資產支持票據」)而發出的接受註冊通知書，而此註冊本金金額將於接受註冊通知書日期(即二零二一年一月二十七日)起有效，為期2年。有關資產支持票據將於全國銀行間債券市場流通。於本報告日期，光大綠色環保尚未發行任何資產支持票據。

Business Prospects 業務展望

Over time, China has fully leveraged its institutional advantages and science-based control measures to effectively control the Pandemic and rapidly reinvigorate its economy amid the regular pandemic prevention and control. The country is expected to maintain strong momentum in 2021. Following the success of its targeted poverty alleviation effort in 2020, China has speeded up breaking new ground for high-quality growth on the back of the accomplishment of the 13th Five-Year Plan and the full development of the 14th Five-Year Plan. As a result, China will soon embark on a new journey of building a modern socialist country in all respects.

Winter will eventually pass, and spring is sure to come. After the vicissitudes of the previous year, we have deeply appreciated the significance of building a community of common purpose for mankind more than ever before. This is especially true for ecological and environmental protection, as the green recovery has become a global consensus. Having set out specific guidelines and overall requirements for ecological and environmental protection in its 14th Five-Year Plan and the Long-Range Objective Through the Year 2035, China prioritised works relating to peaking carbon dioxide emissions and achieving carbon neutrality for 2021, for the first time, at the country's Central Economic Working Conference at the end of 2020. The country is also proceeding with the development of a plan on the ecological and environmental protection for the 14th Five-Year Plan period in an orderly manner. The plan, which will uphold President Xi Jinping's thoughts on ecological civilisation and the spirit of the Second, Third, Fourth and Fifth Plenary Sessions of the 19th Central Committee of the Communist Party of China, will align with the goal of building a Beautiful China by 2035. By taking into practice the country's new development philosophy based on a new development stage, the plan will open up new horizons and promote high-quality development, in order to propel the sophisticated protection and effective management of the ecosystem and environment. The 14th Five-Year Plan period is considered crucial for China's economy and society to transform from green recovery to green prosperity. Meanwhile, the goal of pursuing high-quality green development will provide a strong thrust for the ecological and environmental protection industry, offering additional room for the industry to grow and underline its value.

歲序更替，華章日新。在新冠肺炎疫情防控常態化趨勢下，中國已充分利用其制度優勢和科學防控手段，有效控制疫情，實現經濟快速復甦，並有望在二零二一年保持良好勢頭。二零二零年，中國打贏了精準脫貧攻堅戰，隨著國家「十三五」規劃圓滿收官以及「十四五」規劃全面擘畫，中國的新發展格局正加快構建，高質量發展正深入實施，全面建設社會主義現代化國家新征程即將開啟。

沒有哪個冬天不會過去，沒有哪個春天不會到來。經歷了過去一年的風霜雨雪，我們比任何時候都更加深切地體會到人類命運共同體的重要意義，對於生態環境保護領域更是如此，綠色復甦也已成爲全球共識。國家「十四五」規劃和二零三五年遠景目標建議均對生態環境保護提出了明確的指導方針和總體要求。二零二零年底的中央經濟工作會議首次將「做好碳達峰、碳中和工作」作爲二零二一年的年度重點任務。「十四五」生態環境保護規劃的編制也正有序推進，將深入貫徹習近平生態文明思想及十九屆二中、三中、四中、五中全會精神，對標二零三五年美麗中國基本建成的目標，立足新發展階段、貫徹新發展理念、構建新發展格局，推動高質量發展，推進生態環境高水平保護和實現生態環境高效能治理。「十四五」將成爲中國經濟社會從綠色復甦走向綠色繁榮的關鍵時期，綠色高品質發展目標將爲生態環境保護行業帶來強勁推動力，進一步打開發展空間，突顯行業價值。

Management Discussion and Analysis 管理層討論與分析

Facing regular pandemic prevention and control, the Group will keep a close eye on the development of the Pandemic, and pay attention to both pandemic control and business operation. It will strictly implement pandemic control measures at all levels, to make sure the safety and health of its employees and the smooth operation of its projects, to provide high-quality, uninterrupted environmental services to the local communities and residents. In the meantime, the Group will continue to fulfill the responsibility as a corporate citizen, and strive to facilitate the local pandemic prevention and control practices through its business platforms and project companies, working hand in hand with all social circles to dispel the gloom of the Pandemic.

Looking back at the uphill journey over the past 17 years, thanks to the long-term care and support from all social circles, and backed by the hard work, the Group has made a great effort to grow into China's largest environmental protection enterprise and the world's largest waste-to-energy investor and operator, accomplishing the "Two Largest". It was recognised by *Institutional Investor*, an internationally renowned finance magazine, as The Most Honored Company for the fourth consecutive year, as well as shortlisted in the Hong Kong Institute of Directors' Top 10 Firms with Highest Corporate Governance Index Scores for the first time, achieving the "Two Bests". During the year under review, the Group officially changed its name to "Everbright Environment", further cementing its aspiration and mission to concentrate on the ecological and environmental area. Guided by the new name, the Group will continue to follow its aspiration and mission, improve its business planning by focusing on the three areas of environment, resources and energy, reinforce five major capabilities of market expansion, project construction, project operation, equipment manufacturing and technological innovation, in order to strengthen its eight business sectors. It will also firmly safeguard finance, bidding and procurement, budget, safety and environmental management, human resources, efficiency, and corporate culture, comprehensively implementing its "Three Five Eight Seven" development strategy. In response to the requirements of relevant national policies and the country's call for environmental protection, the Group will take on the mission of being "Devoted to Ecology and Environment for a Beautiful China", as a state-owned enterprise and a leading environmental protection enterprise in China; make contributions to the stability and prosperity of Hong Kong, as a Hong Kong-listed company; and contribute its wisdom for the green development in the global and regional areas, such as the Green "Belt and Road" and the Yangtze River Economic Belt, as the strategic partners of the International Coalition for Green Development on the Belt and Road and the Ecological Protection and Green Development of the Yangtze River Economic Belt.

面對新冠肺炎疫情防控常態化，本集團將繼續密切關注相關形勢變化，堅持疫情防控與企業經營兩手抓；嚴格落實各級疫情防控措施，確保員工的健康安全以及旗下項目的穩定運行，為項目服務的社區民眾提供優質、不間斷的環境服務。同時，本集團還將盡己所能，透過旗下各業務平台、項目公司，積極配合與支持各地防疫工作，持續發揚企業公民的責任擔當，與各界攜手同心，走出疫情陰霾。

回望十七年的櫛風沐雨，本集團在各界的長期關心支持下，艱苦努力、奮力拼搏，成長為中國最大環保企業、全球最大垃圾發電投資運營商—做到「兩個最大」，於二零二零年連續第四年獲國際權威財經媒體《機構投資者》評選為「亞洲最受尊崇企業」，首度躋身香港董事學會「香港十大企業管治最佳上市公司」—成就「兩個最佳」。隨著本集團於回顧年度內正式更名為「光大環境」，進一步堅定了聚焦生態環境領域的初心和使命。本集團將以「新名字」牢記初心和使命，繼續圍繞「環境、資源、能源」三大領域優化業務佈局，鞏固「市場拓展、工程建設、項目運營、裝備製造、科技創新」五大發展能力，做優做強八大業務板塊，並通過「財務、招採、預算、安環、人才、效能、文化」七大方面提供堅實保障，深入推進和落實「三五八七」發展戰略。圍繞國家相關政策的要求和號召，本集團將作為國有企業和中國環保領軍企業，擔負起「情繫生態環境、築夢美麗中國」的使命擔當；作為香港上市企業，對香港的穩定繁榮發展做出積極貢獻；作為「一帶一路」綠色發展國際聯盟、長江經濟帶生態大保護戰略等組織和倡議的戰略合作夥伴，為綠色「一帶一路」、長江經濟帶等國際性、區域性的綠色發展貢獻智慧。

Visions for the Group's Eight Business Sectors
本集團八大業務板塊發展願景

<p>Environmental Energy 環保能源</p>	<p>Greentech 綠色環保</p>	<p>Environmental Water 環保水務</p>	<p>Equipment Manufacturing 裝備製造</p>
<p>To become the world's largest, technologically-advanced and high-efficiency waste-to-energy investor and operator 成為世界規模最大、技術領先、效能一流的垃圾發電投資運營商</p>	<p>To become China's leading investor and operator dedicated to green and low carbon businesses 成為中國領軍的綠色低碳業務投資運營商</p>	<p>To become China's first-class full-chain water treatment investor and operator 成為中國一流的全產業鏈水處理投資運營商</p>	<p>To become Asia's largest environmental protection equipment manufacturer and industrial service provider 成為亞洲最大的環保裝備製造及產業服務商</p>
<p>Eco-recycling 生態資源</p>	<p>Greenergy 光大照明</p>	<p>Envirotech 綠色科創</p>	<p>Environmental Planning 環境規劃</p>
<p>To become China's top investor and operator specialised in full-process waste sorting and resource recycling, with the "Five Points in One Line" business model 成為中國一流的「五點一線」全流程垃圾分類及資源再生利用投資運營商</p>	<p>To become China's leading provider dedicated to integrated energy-saving lighting solutions 成為中國一流的節能照明整體解決方案供應商</p>	<p>To become a world-class center dedicated to green technological innovation and commercialisation of research results 成為世界級的綠色技術創新及成果轉化中心</p>	<p>To become China's top planning and design institute 成為中國一流的國家級規劃設計院</p>

Management Discussion and Analysis 管理層討論與分析

The year 2021 represents a crucial year for the Group to move towards the goal of becoming a world-leading ecological and environmental group. Far is the journey towards the goal, and only through perseverance could one reach the destination. As such, the Group will closely follow the country's relevant policies and guidance, further implement China Everbright Group's "Four Three Three" strategic deployment and the general requirements, which requires to pursue progress while ensuring stability, improve management proficiency, emphasise innovation and transformation as engines, facilitate economic circulation, and pursue high-quality development. With a focus on value creation, the Group will further promote its "Three Five Eight Seven" development strategy, and accelerate the strategic transformation and high-quality development, in a bid to "Create Better Investment Value" and spontaneously "Undertake More Social Responsibility". It will also bravely step outside of its comfort zone and forge ahead more aggressively through innovation, while playing its dual role as being a state-owned and a foreign company at the same time to expand footprints in both domestic and international markets. Moreover, it will strike a balance between asset-light and asset-heavy models when making investments, as well as develop municipal facilities and consumer products. Last but not least, the Group will appropriately handle the relationship between collective and individual interest and capitalise on growth opportunities arising from the 14th Five-Year Plan to enter into a new development stage and scale new heights!

二零二一年是本集團邁向全球領先生態環境集團目標的關鍵之年。征途漫漫，唯有奮鬥。本集團將緊跟國家相關政策部署和精神指引，深入貫徹中國光大集團「四三三」戰略部署和「堅持穩中求進，聚焦管理提升，突出創改驅動，助力經濟循環，實現高質量發展」的工作總要求，堅持以「價值創造」為核心，深化落實「三五八七」發展戰略，加快推動戰略轉型與高質量發展，努力「創造更好投資價值」，自覺「承擔更多社會責任」，勇敢走出舒適區，以更加進取的精神狀態和創新能力砥礪前行，融合好國企外企雙重身份，拓展好國內國外兩大市場，平衡好輕重資產兩類投資，打造好「政品」「民品」兩類產品，處理好「大我」「無我」兩「我」關係，緊抓國家「十四五」期間的發展機遇，邁入新征程，再上新台階！

FINANCIAL REVIEW 財務回顧

Financial Results 財務業績

In 2020, the Group's consolidated revenue amounted to HK\$42,926,426,000, an increase of 14% over HK\$37,557,635,000 in 2019. The increase in revenue was mainly attributable to the construction of a record-high number of projects bringing a higher construction service revenue, and a rise in operation service revenue as a result of continuous increment of operating capacity during the year. Consolidated gross profit was HK\$14,103,833,000, an increase of 23% over HK\$11,457,901,000 in 2019. The Group's consolidated gross margin increased by 2 percentage points to 33% as compared with 2019. The EBITDA amounted to HK\$12,851,501,000, an increase of 17% over HK\$10,957,474,000 in 2019. Profit attributable to equity holders of the Company for 2020 was HK\$6,015,863,000, 16% more than HK\$5,203,291,000 as compared with 2019. Basic earnings per share for 2020 were HK97.93 cents, HK13.23 cents more than the amount of HK84.70 cents in 2019.

二零二零年，本集團錄得綜合收益為港幣42,926,426,000元，較二零一九年的港幣37,557,635,000元增加14%。收益增加，主要由於年內工程建設項目數量創新高增加建造服務收益，加上運營項目處理量持續上升帶動運營服務收益增加。綜合毛利為港幣14,103,833,000元，較二零一九年的港幣11,457,901,000元增加23%；綜合毛利率較二零一九年增加2個百分點至33%。除利息、稅項、折舊及攤銷前盈利為港幣12,851,501,000元，較二零一九年之港幣10,957,474,000元增加17%。二零二零年本公司權益持有人應佔盈利為港幣6,015,863,000元，較二零一九年之港幣5,203,291,000元增加16%。二零二零年度每股基本盈利為97.93港仙，較二零一九年之84.70港仙增加13.23港仙。

Financial Position 財務狀況

As of 31 December 2020, the Group's total assets approximately amounted to HK\$158,187,110,000 with net assets amounting to HK\$55,544,604,000. Net asset value per share attributable to equity holders of the Company was HK\$7.336 per share, representing an increase of 24% as compared to HK\$5.917 per share as at the end of 2019. As of 31 December 2020, the gearing ratio (total liabilities over total assets) of the Group was 65%, an increase of 2 percentage points as compared with that of 63% as at the end of 2019.

於二零二零年十二月三十一日，本集團之總資產約為港幣158,187,110,000元。淨資產為港幣55,544,604,000元。本公司權益持有人應佔每股資產淨值為港幣7.336元，較二零一九年年底之每股資產淨值港幣5.917元增加24%。於二零二零年十二月三十一日，本集團之資產負債比率（以總負債除以總資產計算所得）為65%，較二零一九年年底之63%上升2個百分點。

Financial Resources 財務資源

The Group adopts a prudent approach on cash and financial management to ensure proper risk control and low cost of funds. It finances its operations primarily with internally generated cash flow and loan facilities from banks. As of 31 December 2020, the Group had cash and bank balances of HK\$11,706,048,000, representing a decrease of HK\$596,940,000 as compared to HK\$12,302,988,000 at the end of 2019. Most of the Group's cash and bank balance, representing approximately 99%, was denominated in Hong Kong dollars and Renminbi.

本集團對現金及財務管理採取審慎的原則，妥善管理風險及降低資金成本。運營資金基本來自內部現金流及往來銀行提供之貸款。於二零二零年十二月三十一日，本集團持有現金及銀行結餘港幣11,706,048,000元，較二零一九年年底之港幣12,302,988,000元減少港幣596,940,000元。本集團大部份現金及銀行結餘均為港幣及人民幣，佔約99%。

Borrowings 負債狀況

The Group is dedicated to enhancing the ways of financing and improving banking facilities to reserve funding to support the development of the environmental protection business. As of 31 December 2020, the Group had outstanding borrowings of HK\$74,978,910,000, representing an increase of HK\$21,799,037,000 as compared to HK\$53,179,873,000 at the end of 2019. The borrowings included secured interest-bearing borrowings of HK\$34,410,104,000 and unsecured interest-bearing borrowings of HK\$40,568,806,000. The borrowings are mainly denominated in Renminbi, representing approximately 61% of the total, and the remainder is denominated in Hong Kong dollars, US dollars and Polish zloty. Most of the borrowings are at floating rates. As of 31 December 2020, the Group had banking facilities of HK\$107,783,416,000, of which HK\$40,523,067,000 have not been utilised. The banking facilities are of 1 to 20 years terms.

本集團致力擴闊不同的融資途徑及提升銀行貸款額度，儲備資金配合環保業務的發展。於二零二零年十二月三十一日，本集團尚未償還貸款總額為港幣74,978,910,000元，較二零一九年年底之港幣53,179,873,000元增加港幣21,799,037,000元。貸款包括有抵押之計息借貸港幣34,410,104,000元及無抵押之計息借貸港幣40,568,806,000元。本集團的貸款主要以人民幣為單位，佔總數約61%，其餘則包括港幣、美元和波蘭茲羅提。本集團的大部份貸款均為浮動利率。於二零二零年十二月三十一日，本集團之銀行融資額度為港幣107,783,416,000元，其中港幣40,523,067,000元為尚未動用之額度，銀行融資為1至20年期。

Management Discussion and Analysis 管理層討論與分析

Foreign Exchange Risks 外匯風險

The Company's financial statements are denominated in Hong Kong dollars, which is the functional currency of the Company. The Group's investments made outside Hong Kong (including the Mainland) may incur foreign exchange risks. The Group's operations are predominantly based in China, representing over 99% of its total investments and revenue. The Group's assets, borrowings and major transactions are mainly denominated in Renminbi, and as such, it forms a natural hedging effect. With this in mind, the Group also pursues an optimal allocation of borrowings in different currencies while setting appropriate levels of borrowing in non-base currencies, and adoption of proper financial instruments to closely manage foreign exchange risk.

本公司之列賬及功能貨幣均為港幣。本集團投資於香港以外地區(包括中國內地)存在外匯風險。一直以來，中國為本集團之主要業務所在地，佔總投資及收益超過99%以上。本集團資產、貸款及主要交易大部份以人民幣為單位，基本形成一種自然的對沖。通過合理匹配各種貨幣貸款，適量控制非本位幣貸款，及採用合適的金融工具以密切管理外匯風險。

Pledge of Assets 資產抵押

Certain banking facilities, lease liabilities and asset-backed securities of the Group were secured by revenue and receivables in connection with the Group's service concession arrangements, bank deposits, mortgages over property, plants and equipment, right-of-use assets and the equity interests of certain subsidiaries of the Company. As of 31 December 2020, the aggregate net book value of assets and equity interests in subsidiaries pledged amounted to approximately HK\$76,803,665,000.

本集團若干銀行融資、租賃負債及資產支持證券以本集團服務特許經營權安排下之若干收益及應收款項、銀行存款、物業、廠房及設備、使用權資產及本公司若干附屬公司的股權作為抵押。於二零二零年十二月三十一日，已抵押資產及附屬公司股權之賬面淨值總額約為港幣76,803,665,000元。

Commitments 承擔

As of 31 December 2020, the Group had purchase commitments of HK\$12,035,924,000 outstanding in connection with the construction contracts.

於二零二零年十二月三十一日，本集團為建造合約而訂約之採購承擔為港幣12,035,924,000元。

Contingent Liabilities 或有負債

As of 31 December 2020, the Company granted financial guarantees to a subsidiary. The Board does not consider it probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company as of 31 December 2020 for the provision of the guarantees was HK\$19,402,000.

於二零二零年十二月三十一日，本公司曾為一家附屬公司作出財務擔保。董事會認為，有關擔保持有人不大可能根據上述擔保向本公司作出申索。於二零二零年十二月三十一日，本公司在上述財務擔保下之最高負債之餘額為港幣19,402,000元。

INTERNAL MANAGEMENT 內部管理

The Group adheres to the principle of “People-oriented, Pragmatism, Creativity and Systematic Management”, and has built a comprehensive management structure. The Company’s management holds Management Decision Committee meeting on a monthly basis to review current operations and management. The responsibilities of each functional department and business sector of the Company are clear with various comprehensive management systems. Internal control procedures are sound and have been implemented effectively. The Company’s Internal Audit Department performs its internal monitoring functions to ensure that each functional department and business sector will strictly comply with the relevant internal control requirements.

The Group is committed to building a comprehensive risk management culture. It implements the risk management model of “Integration of Policy, Procedure and System with Risk-oriented” to comprehensively strengthen its risk control. During the year under review, the Group amended the Risk Management Practice Handbook and the Annual Risk Management Instructions according to the progress of the implementation of risk management system. The Group’s electronic transaction platform for tendering and procurement received “Triple Stars” certification, the highest level, issued by the China Cybersecurity Review Technology and Certification Center, and realised real-time connection with the China Tendering and Bidding Public Services Platform. During the outbreak of the Pandemic, the Group was the first company to launch “contact-free tendering and evaluation” in the national environmental protection industry, bringing new prospects for the electronic tendering and procurement of Everbright Environment with increased transparency of its procurement process as well as enhanced ability to avoid and eliminate procurement compliance risk.

本集團一直奉行「以人為本、求真務實、開拓創新、規範管理」的理念，並建立完善的管理架構。本公司管理層按月召開管理決策委員會會議，對當期運營和管理情況進行審議。本公司職能部門及各業務板塊職責清晰明確，各項管理制度完善，內部控制流程健全且得到有效執行，其中內部審計部發揮內部監督職能，確保各職能部門、各業務板塊嚴格執行相關內部控制要求。

本集團致力建立健全的風險管理文化，推行「以風險為導向、以制度為基礎、以流程為紐帶、以系統為抓手」的風險管理模式，全面強化控制風險。於回顧年度內，本集團根據風險管理體系的推進情況，對風險管理手冊、年度風險管理工作指導意見進行修訂。招標採購電子交易平台獲得中國網路安全審查技術與認證中心頒發的國家最高級別的「三星」認證證書，與中國招標投標公共服務平台即時對接，在新冠肺炎疫情期間開創全國環保行業「招標評標不見面」的先河，開啟了光大環境電子招標採購的新歷程，提高了採購環節的透明度，同時也提升了規避和化解採購合規風險的能力。

HUMAN RESOURCES 人力資源

Human Resources are the key strategy of corporate development which require appropriate personnel to execute this core strategy. The Group highly values its human resources management and puts great emphasis on staff training. It believes that realising the full potential of its employees is crucial to its long-term growth. The Group continues to improve its human resources through internal training as well as local, overseas, and on-campus recruitment.

企業發展關鍵是人才，實施人才戰略核心是人。本集團高度重視人力資源管理，一向注重員工培訓，深信發揮每個僱員的潛力對本集團業務長遠發展有舉足輕重的影響。本集團繼續通過自身培養、社會招聘、海外招聘、校園招聘等方式不斷加強人才隊伍建設。

Management Discussion and Analysis 管理層討論與分析

During the year under review, to adopt the prevention measures of the Pandemic, the Group has executed shift working roster and work at home arrangements. Besides, to cope with the need of its business development, the Group has arranged for appropriate trainings centrally with a combination of physical and online trainings. Training programmes included the information security awareness, the cybersecurity management training for information technology colleagues, the remote video conference training in relation to use and operation of e-tendering system platform, the analysis on procurement price and cost management. All these can enhance management's and staff's professional and general competence through continuous education. Employees of the Group are all along provided with a platform for personal development. During the year under review, the Group conducted mid-level management personal exchanges between different districts to provide opportunities for them to fully understand the different business environments. Besides, the Group conducted internal selection and recruitment for vacancies in headquarters. Employees with ambition and confidence are encouraged to apply for internal transfer so that they can unleash their full potential in their favorite job positions. In order to ensure the effectiveness of prevention of Pandemic, enhance the standard of business ethics and the efficiency of human resources management, the Group issued a series of management measures for human resources, which included "Management Measures for Pandemic Prevention and Control and Case Reporting", "Management Measures for Pandemic Prevention and Control and Resumption of Normal Operations", "Notice of Requirements on the Safety and Environmental Management Professional Registration and Strengthen of Safety Training", "20 Guidelines for Anti-Corruption" and the "Key Points of Anti-Corruption Work for the year 2020".

As at 31 December 2020, the Group had approximately 12,700 employees. Details of the total employee benefit expense for the year under review are set out in notes 8 and 9 to the financial statements. Employees within the Group are remunerated according to their qualifications, experience, job nature, performance and with reference to market conditions. Apart from a discretionary performance bonus, the Group also provides other benefits such as medical insurance and a mandatory provident fund scheme to employees in Hong Kong.

回顧年度內，本集團在執行充足預防新冠肺炎疫情措施前提下，合理安排員工輪崗上班及在家辦公，亦針對本集團業務發展需要，統一安排並結合線上與線下的培訓，先後舉辦了信息安全意識培訓、信息管理專員網絡安全管理培訓、招標採購電子交易平台使用與操作遠程視頻培訓、採購價格分析與成本控制的培訓等，讓管理層及員工持續進修，提升專業和綜合能力。本集團繼續為員工提供個人發展的平台。回顧年度內，本集團安排了中層管理人員跨區域交流，以便更深入了解各地區不同的經營環境，亦安排了總部崗位進行內部選聘，鼓勵有理想、有自信的員工申請內部調職，讓員工在喜歡的崗位有更好的發揮。本集團先後頒發了《做好新型冠狀病毒肺炎疫情防控工作及個案申報》、《做好疫情防控有序復工》、《安環管理人員備案通報和加強業務學習的通知》、《廉政建設二十條規定》和《二零二零年廉政建設工作要點》等一系列人力資源管理辦法，以做好新冠肺炎疫情防控工作，提升廉政建設及人力資源管理效率。

於二零二零年十二月三十一日，本集團合共僱用約12,700名員工。回顧年度內僱員福利開支的詳情載於財務報表附註8及9。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。除了獎勵花紅外，本集團亦提供其他福利予香港僱員，包括醫療保險及強積金計劃。

PRINCIPAL RISKS AND UNCERTAINTIES 主要風險及不確定性

During the year under review, the Group continued to promote work in relation to its risk management system. The principal risks faced by the Group during the year were adequately identified and assessed according to the requirements of the Risk Management System and the Risk Management Operation Manual. In 2020, the principal risks of the Group included policy changing risk, environmental compliance and safety management risk, construction project management risk, accounts receivable risk, procurement compliance risk, staff assignment risk, investment and market competitive risk and not-in-my-backyard risk. The Company has formulated and implemented targeted control measures based on the respective performance of each of the principal risks to ensure the overall risk of the Group is under control.

本集團於回顧年度內持續推進風險管理體系相關工作，基於《風險管理制度》和《風險管理操作手冊》要求，對本集團面臨的年度主要風險充分地識別和評估。本集團二零二零年度主要風險分別是政策變動風險、環境合規與安全管理風險、工程管理風險、應收賬款風險、採購合規風險、人員配置風險、投資與市場競爭風險以及鄰避效應風險。本公司根據各主要風險具體表現，制定並開展了有針對性的管控措施，確保本集團整體風險可控。

Risk 風險名稱	1. Policy changing risk 1. 政策變動風險
Description 描述	Failure to take effective action to deal with the new policies may incur losses to the business of the Group as a consequence. 未能採取有效措施以應對新政策或可能導致本集團業務蒙受損失。
Mitigation measure 緩解措施	<p>Policies such as the “Administrative Measures for Subsidy Funds for Tariff Premium of Renewable Energy”, “Opinions on Facilitating the Sound Development of Power Generation Through Non-water Renewable Energy”, “Notice on Issuing the Implementation Plan for Improving the Construction and Operation of Biomass Power Generation Projects” and “Supplementary Notice on Issues Related to the Opinions on Facilitating the Sound Development of Power Generation Through Non-water Renewable Energy” have been promulgated successively, which provide detailed requirements regarding the standards for distribution of national subsidies. In light of the policy requirements, the Group issued the “25 Measures to Address the Cancellation of National Subsidies”, involving 8 aspects: organisational safeguards, key tasks, development strategy, market expansion, project planning, project construction, project operation, contract amendment and price adjustment, and implemented various measures simultaneously with an aim to minimise the loss incurred by the Company due to the cancellation of national subsidies. The Group also coordinated the management over investment quotas and project admission, and strategically suspended the expansion of biomass power generation business. Priorities have been given to the formation of a dense layout and reinforcement of strong synergy among waste-to-energy projects and treatment of food waste, kitchen waste, industrial waste and municipal sludge. Meanwhile, the Company has strengthened the planning for market-oriented industries such as soil remediation and waste tyre processing in order to reduce its dependence on the relevant policies. It also proactively embraced technological innovation by vigorously promoting the use of high-parameter generating units as well as technologies such as intermediate reheating and reuse of residual heat to enhance the residual heat utilisation efficiency of the plant as a whole, thereby compensating the effect of the policy adjustments. Subject to the fulfillment of financial indicator requirements and compliance with safety and quality control measures, the Company strived to be included in the total subsidy for the year by accelerating the construction of the waste-to-energy projects which did not commence operation.</p> <p>《可再生能源電價附加資金管理辦法》、《關於促進非水可再生能源發電健康發展的若干意見》、《關於印發「完善生物質發電項目建設運行的實施方案」的通知》和《關於「關於促進非水可再生能源發電健康發展的若干意見」有關事項的補充通知》陸續發佈，對國補發放標準進行了細緻規定。本集團結合政策要求，出台了《應對「國補退坡」二十五條》，涉及組織保障、重點工作、發展戰略、市場拓展、項目規劃、項目建設、項目運營以及合同修訂及調價八個方面，多措並舉，儘量減少國補退坡給本公司帶來的損失；對投資限額、項目準入統籌管理，戰略性地暫停新增生物質發電業務，優先形成緊湊佈局，提升垃圾發電項目與餐廚、廚餘、工業垃圾、市政污泥高度協同處理能力。同時本公司加大對土壤修復、廢舊輪胎處理等市場化行業的佈局，降低對政策的依賴程度；積極科技創新，大力推廣應用高參數機組、中間再加熱及餘熱再利用技術，提高全廠餘熱利用效率，彌補政策調整影響；在滿足財務指標要求、安全與品質管制的前提下，加快未投產垃圾發電項目的建設進度，爭取儘早納入年度補貼總額範圍。</p>
Effectiveness of control measures 管控措施有效性	Partially effective 部分有效
Change in Risk Level 風險等級變化趨勢	←→ Remained unchanged 保持不變

Management Discussion and Analysis 管理層討論與分析

Risk 風險名稱	2. Environmental compliance and safety management risk 2. 環境合規與安全管理風險
Description 描述	<p>With more projects commencing operation, there is an increasing possibility of excessive emission of pollutants and inadequate safety management due to the failure to adequately identify environmental and safety management loopholes, sudden change in the external environment and human errors, resulting in the reporting of violation or penalties imposed by the regulatory authorities.</p> <p>隨著投運項目增多，存在未能充分識別環境與安全管理漏洞、外部環境突發變化、人為失誤等原因造成污染物排放超標、安全管理不到位等情況的可能性在增加，導致監管機構的通報或處罰。</p>
Mitigation measure 緩解措施	<p>The Group has developed a safety and environmental management system that has integrated four levels, namely the headquarters, business sectors, regional centres and subordinate projects, formulated and issued the “Three-Year Action Plan for Special Rectifications of Safety and Environmental Production of Everbright Environment” and optimised a set of rules and regulations, such as the “Notice on Establishing and Perfecting the Safety and Environmental Management Organisation”, developed a closed-loop management for continuous improvement of both safety and environmental management by clarifying management objectives, standardizing process management and carrying out post-evaluation. Meanwhile, the Group has carried out registration management for safety and environmental management personnel with 818 personnel registered as of the end of 2020. In order to enhance the expertise of relevant personnel, the Group has prepared the “Learning Materials of Safety and Environment Regulations with Cases relating to Typical Incidents in the Industry” and organised the “First Safety and Environment Knowledge Contest” in Nanjing. Capitalizing on the information sharing platform and environmental monitoring platform, the Group has achieved a full coverage of environmental information monitoring of operating projects, at the same time continuously improving the accuracy and effectiveness of data uploading so as to take risk precautionary and prevention measures in advance. The Group has further strengthened the grading assessment management on operating projects by dividing into four grades, i.e. A+, A, B and C. Projects classified as Grade C with a high risk level under the dynamic assessment are required to mitigate risks in a timely manner under supervision.</p> <p>本集團建立了總部、業務板塊、區域中心、轄屬項目「四位一體」的安環管理體系，制定下發了《光大環境安環生產專項整治三年行動計劃》，充實完善了《關於建立健全安環管理機構的通知》等一系列規章制度，明確管理目標，規範過程管理，建立事後考核，形成安環管理持續改善的閉環管理；採取安環管理人員備案管理，截至二零二零年底已備案安環管理人員818人，組織編製了《安環法規和行業典型事件案例學習材料》，以提升相關人員的專業知識，並於南京舉辦了第一屆安環知識競賽活動；通過信息共用平台、環保監控平台等，將運營項目環境信息監控全覆蓋，同時不斷提升數據上傳的準確度和有效性，實現風險提前預警和防範；繼續深化開展運營項目的A+/A/B/C等級評定管理，通過動態評定，重點對風險級別高的C類項目進行督導，及時消除風險。</p>
Effectiveness of control measures 管控措施有效性	Partially effective 部分有效
Change in Risk Level 風險等級變化趨勢	←→ Remained unchanged 保持不變

Risk 風險名稱	3. Construction project management risk 3. 工程管理風險
Description 描述	The Group may expose to management deficiencies regarding construction safety, quality, progress and budget due to the insufficient labour force or tight construction schedule, etc. at the peak of construction. 本集團處於工程建設高峰期，由於人員配置不足或者工期緊張等原因，在工程安全、質量、進度、預算等方面可能存在管理缺陷。
Mitigation measure 緩解措施	The Group has advanced the comprehensive implementation of project information system with the functional modules such as safety and environmental management, quality control, progress management, budget management and document management fully operated. Leveraging on its extensive experience in project construction, the Group has formulated standardised construction schedule based on different types of business and project scales and recorded the completion of milestones and the progress of obtaining relevant licenses and permits on a real-time basis through the continuous and comprehensive tracking of each project's progress. Regarding the delayed projects, the Group promptly carried out on-site due diligence and organised special meetings to analyse the difficulties and causes of such issues and adopted targeted measures, such as making supply arrangement, interviewing suppliers and deploying personnel, etc. In addition, the Group has conducted special inspection and random inspection in respect of safety, environment and quality of the construction, which fully covered various aspects, such as inspection of important working procedures, safety and technical disclosures, review of construction plans and supplier inspection, etc. The Group has formulated and issued the "Construction Budget Management Measures" and relevant standards, which laid out overall requirements for the cost control mechanism over the whole process from investment projections to design, tender, construction and settlement, and launched the construction budget management information system in order to enhance the level of standardisation and formalisation of its construction budgets. 本集團全面推進工程執行信息系統，安環管理、質量管理、進度管理、概預算管理、文檔管理等功能模塊全面上線運行；根據大量項目的建設經驗，對於不同業務類別、項目規模等制定標準化工期，通過持續全面跟蹤各項目進度情況，實時統計里程碑節點完成情況、報批報建手續辦理進度，針對進度滯後項目，立即組織現場調研、專題會議，研究問題困難原因，採取針對性措施，如組織供貨、約談供應商、調配人員等；開展工程項目的安全、環境、質量專項檢查和隨機檢查，實現對重點部位工序檢查、安全技術交底、施工方案審查、供應商考察等領域的全覆蓋；制定下發《工程建設預算管理辦法》及相關工作規範，對投資測算、設計、招標、施工、結算等全過程的成本管控機制提出總體要求，並啟動工程預算管理信息系統，提升工程預算標準化、規範化水平。
Effectiveness of control measures 管控措施有效性	Effective 有效
Change in Risk Level 風險等級變化趨勢	↓ Downward trend 處於下降趨勢

Management Discussion and Analysis 管理層討論與分析

Risk 風險名稱	4. Accounts receivable risk 4. 應收賬款風險
Description 描述	<p>If the government's or client's ability to settle service charge is impaired due to financial difficulties, or if the waste processing fee of waste-to-energy projects or the on-grid power tariffs of biomass power generation projects remained outstanding and cannot obtain national subsidy and provincial subsidy temporarily after its commencement of commercial operation due to failure to register into the subsidy catalogue, the balance of accounts receivable and the amount overdue will increase.</p> <p>由於政府或者客戶財務緊張造成服務支付能力下降，或者新投運的垃圾發電和生物質發電項目的垃圾處理費、上網電費等尚未收回且未能納入補助目錄造成短期內無法及時獲取國補和省補等原因，將導致應收賬款餘額和逾期金額增加。</p>
Mitigation measure 緩解措施	<p>The Group has strictly followed the "Management Method on Accounts Receivable" and analysed the overall status of accounts receivable on a regular basis. Based on the analysis, the Group set targeted receivable recovery objectives and formulated recovery plans to ensure the reasonableness of credit terms and the effective operation of recovery mechanism. It reviewed the recoverability of accounts receivable and effectively implemented the collection of accounts receivable. Besides, the Group analysed and reported the recoverability of accounts receivable on a regular basis, including ageing management and analysis management, and carried out quarterly client account reconciliation and accounts receivable verification. The Group continuously enhanced credit investigation of commercial clients and gradually established its management model for commercial clients. Under such model, commercial clients have been pre-screened and their accounts have been closely monitored and followed by designated officers. In addition, credit policies and debt collection strategies have been applied flexibly according to clients' individual circumstances and real-time adjustments have been made so as to minimise the possibility of bad debt.</p> <p>本集團嚴格執行《應收賬款管理辦法》，對應收賬款總體情況進行定期分析，據此制定有針對性的回收目標和計劃，確保賬期的合理和回收機制的有效運行，並對應收賬款回收情況進行考核，有效落實應收賬款清理工作；對應收賬款回收情況進行定期分析報告，包括賬齡管理、分析管理，並按季度與客戶開展對賬工作，對應收賬款進行核查；對於商業客戶，不斷完善客戶信用調查，逐步形成對商業客戶進行事前甄別、事中監督、事後專人跟蹤的管理模式，並根據不同的客戶可以採取靈活的信用政策和催收策略，實時調整減少壞賬發生概率。</p>
Effectiveness of control measures 管控措施有效性	Partially effective 部分有效
Change in Risk Level 風險等級變化趨勢	←→ Remained unchanged 保持不變

Risk 風險名稱	5. Procurement compliance risk 5. 採購合規風險
Description 描述	<p>Failure to conduct procurement tender in accordance with the relevant laws, regulations or rules or failure to strictly implement the supplier/contractor admittance and evaluation mechanism could lead to non-compliant operation or the purchase of inferior but high-priced materials.</p> <p>因未按照法律法規或者規章制度規定進行招標採購，或未能嚴格執行供應商／承包商準入評估機制，導致出現違規操作或者採購物資質次價高的情況。</p>
Mitigation measure 緩解措施	<p>The Group continuously improved the development of its tendering and procurement system by formulating and issuing policies such as the “Procurement Management System”, the “Management Measures for Procurement made by Tender”, “Management Measures for Procurement not made by Tender”, “Supplier Management Measures”, “Appraisal Expert Database Management Measures”, “Online Shops Management Measures”, “Accountability Management Measures on Non-compliant Procurement” and “Management Measures on Remote Evaluation”. It has also formulated operations manuals such as the “Working Guidelines for Handling Bid-Rigging and Collusive Bidding” and “Working Guidelines on Evaluation Office Management” based on actual needs. The Company further improved and upgraded its electronic transaction platform for tendering and procurement. Based on the needs of the procurement business in aspects such as compliance management, prevention and control of bid rigging and collusive bidding, enhancement of efficiency, process optimisation, early warning of risks and sharing of information, over 700 functions in total have been developed and improved in the platform during the year, which enabled it to successfully receive the “Triple Stars” certification, the highest level issued by the China Cybersecurity Review Technology and Certification Center. Meanwhile, consistent efforts have been made to improve supplier management. As of the end of 2020, there were approximately 12,000 qualified suppliers in the database. The Company made full use of tools such as “feature codes inspection” and “TianYanCha.com” on its platform for tendering and procurement to identify bid rigging and collusive bidding.</p> <p>本集團不斷完善招標採購制度建設，制定下發了《採購管理制度》、《招標採購管理辦法》、《非招標採購管理辦法》、《供應商管理辦法》、《評審專家庫管理辦法》、《網上商城管理辦法》、《採購違規問責管理辦法》、《遠端異地評標管理辦法》，並針對實際需求編製了《圍標串標工作指引》、《評標室管理工作指引》等操作手冊；本公司招標採購電子交易平台持續優化提升，根據合規管理、圍標串標防控、效率提升、流程優化、風險預警、信息共享等方面的採購業務需求，年內累計完成700多項的功能開發與優化，並順利獲得中國網路安全審查技術與認證中心頒發的國家最高級別的「三星」認證證書；不斷完善供應商管理，截至二零二零年底入庫合格供應商約12,000家，同時充分利用招採平台「特徵碼檢查」、「天眼查」等工具，甄別圍標、串標行為。</p>
Effectiveness of control measures 管控措施有效性	Effective 有效
Change in Risk Level 風險等級變化趨勢	↓ Downward trend 處於下降趨勢

Management Discussion and Analysis 管理層討論與分析

Risk 風險名稱	6. Staff assignment risk 6. 人員配置風險
Description 描述	Shortage of staff, inadequate key personnel or failure to recruit enough managerial staff, technical staff (particularly leading technical talents) and experienced staff could affect the realisation of strategic and operating goals of the Company. 因現有人員儲備不足或者重要崗位人員編制不足，或者未能招聘足夠的管理人員、技術人員(特別是技術領軍人員的引入)和具備經驗的員工，將影響本公司戰略和經營目標的實現。
Mitigation measure 緩解措施	The Group has stepped up its efforts in providing professional training in order to enhance the comprehensive quality and professional skills of its general managers, supervisors and backup management personnel in all aspects. It carried out work in relation to assessment and recruitment of professional and technical staff as well as strengthened the cultivation of reserve talents. Based on the interim and annual appraisals, the Group would be able to build up and enrich its reserve talent pool biannually. In 2020, the Company organised training programmes with more than 160,000 attendees, covering topics such as trainings for management, safety management, market development, budget management, intellectual property rights, procurement procedures, financial analysis and risk prevention, new employee training and human resources training. The Company has also expanded its recruitment channels and further improved its staff assignment through on-campus recruitment, promotion on websites, referral by internal staff as well as open internal selection. After the leave of an employee, the Group, upon communication with the information management department, immediately closes the relevant employee's office automation (OA) system account and email account. For certain business sectors, those officers who have confidentiality obligations with the Group are required to enter into confidentiality agreements. 本集團加大專業培訓力度，全方位提升總經理、總指揮及其後備人員的綜合素質和專業技能。開展專業技術職務評聘工作，加強本公司後備人才梯隊建設，根據半年、年度考核情況，每半年對後備人才庫進行充實和完善。二零二零年本公司先後組織開展管理人員培訓、安全管理、市場拓展、預算管理、知識產權、採購流程、財務分析與風險防範、新員工培訓、人力資源培訓等，參訓人次超過160,000；擴大招聘渠道，通過校園招聘、網站宣傳，內部人士推薦、公開內部選拔等方式加大人員配置力度；在員工離職後及時與信息管理部溝通刪除辦公室自動化(OA)系統及郵箱賬號等信息，在部分業務板塊與有保密義務的員工簽訂保密協議。
Effectiveness of control measures 管控措施有效性	Partially effective 部分有效
Change in Risk Level 風險等級變化趨勢	←→ Remained unchanged 保持不變

Risk 風險名稱	7. Investment and market competitive risk 7. 投資與市場競爭風險
Description 描述	<p>The substantial influx of competitors into the environmental industry not only intensified competition in the industry, but also led to rapid change of business model. Failure to effectively analyse or predict market trends and industry development or failure to effectively consolidate existing resources based on the Group's advantages and characteristics could lead to unsatisfactory investment return or low competitiveness.</p> <p>目前大量競爭對手進入環保產業，加劇行業競爭、商業模式快速更迭。因未能有效分析、預估市場趨勢和行業發展情況，或未能就自身優勢特點對現有資源進行有效整合，導致投資收益不理想或者競爭優勢不明顯。</p>
Mitigation measure 緩解措施	<p>While consolidating and expanding the business areas where it already has a competitive edge according to the change of policies and market conditions, in 2020, the Group continued to improve its commercial model and achieved breakthroughs in fields such as environmental sanitation integration, integrated resource utilisation, energy-saving lighting and soil remediation, in a bid to enrich its business scope and optimise its business layout. Leveraging on its advantages in science and technology, the Group pushed forward the construction of intelligent power stations and development of informatisation management to enhance the level of intelligence, informatisation and digitisation of its plants. Meanwhile, the organisational structure for market expansion (i.e. "headquarters for project organisation and coordination + business sector for project development on its own") has been formed. The Company also strived to reinforce its business development momentum by means of joint business development via mutual cooperation and coordination among business sectors. In addition, the Group strengthened the management of investment projects in advance and in process, through which it has enhanced the quality and efficiency of project review. Comprising full-time and part-time committee members, the Company's Project Advisory Committee will carry out evaluation on investment projects on a regular basis, making every effort to safeguard the interest of the Company. Benchmarking will be conducted on a regular basis. The Company will study the industry development trends and industry policies from time to time, and will conduct research on new sectors, new technologies and new status of competition.</p> <p>本集團根據政策變化和市場情況，進一步鞏固和擴大原有優勢業務的同時，二零二零年在環衛一體化、資源綜合利用、節能照明、土壤修復等領域不斷完善商業模式並取得突破，增加產業縱深，優化產業佈局；發揮科技優勢，推進智慧電廠、信息化管理等方面的建設，提高工廠智能化、信息化、數據化水平；形成「總部協調統籌+業務板塊獨立拓展項目」的市場拓展組織架構，通過各業務板塊協同聯動、相互協作，共同拓展業務，提高本公司業務拓展勢能；強化對投資項目的事前事中管控，提高項目評審質量和效率，本公司項目評審委員會採用專職委員和兼職委員的方式，定期對投資項目進行評審，全力維護本公司利益；定期開展同業對標工作，隨時了解行業動態，了解行業政策，並對新領域、新技術、新的競爭態勢進行研究。</p>
Effectiveness of control measures 管控措施有效性	Effective 有效
Change in Risk Level 風險等級變化趨勢	↓ Downward trend 處於下降趨勢

Management Discussion and Analysis 管理層討論與分析

Risk 風險名稱	8. Not-in-my-backyard risk 8. 鄰避效應風險
Description 描述	<p>Poor environmental performance of peers and business partners, and the public's misunderstanding of the environmental industry might adversely affect the business development of the Company. With the development of new media, negative public sentiment and public objection might be exaggerated by certain environmental groups' negative publicity and misleading information, which would negatively affect the reputation of the Company and the stability of its operation.</p> <p>其他同業企業和合作單位在環境方面的不良表現以及公眾對環保行業的誤解，會對本公司在業務開展方面帶來不利影響，同時隨著新媒體的發展以及部分環保組織的負面宣傳和誤導，公眾負面情緒和抵制行為會被放大，對本公司聲譽、運營穩定性帶來負面影響。</p>
Mitigation measure 緩解措施	<p>The Group continued to enhance its operating quality. The Group opened up more environmental protection facilities for public visits and proactively invited public supervision, which is the first enterprise in the industry to carry out such an opening-up initiative to engage the public with its environmental projects under the name of the "whole company". Both Jinan Environmental Water project and Hangzhou Waste-to-energy project have been enlisted on the seventh batch of science hub of the Ministry of Ecology and Environment of the People's Republic of China (the "PRC"), while Changzhou Waste-to-energy project was recommended by the Ministry of Ecology and Environment of the PRC as the primary contact point of the Central Commission for Guiding Cultural and Ethical Progress. In 2020, 102 facilities have been opened up, receiving more than 7,000 batches (exceeding 110,000 visitors) of public visitors during the year of 2020. To realise the online-offline synergy of the opening-up of facilities, the Group formulated and issued the "Notice Regarding the Commencement of Online "Cloud Opening" Activity of Environmental Protection Facilities", building up a model of "cloud opening" for environmental protection facilities with full use of various new media platforms such as VR panoramic experience platform and online showroom. By maintaining good communication with local government and the surrounding community, the Group can promptly understand the general trend of affairs in the area. Meanwhile, through strengthening the management of external contractors for transportation and disposal of household waste, sludge and slag, the Group strives to minimise the negative effects resulted from such contractors' improper acts on the residents in the surrounding areas.</p> <p>本集團不斷提高運營品質，加強環保設施向公眾開放力度，在行業內率先以「企業整體」的名義向社會公眾開放本公司旗下環保項目，主動接受公眾監督。濟南環保水務項目、杭州環保能源項目分別被授予第七批國家生態環境部科普基地，常州環保能源項目被國家生態環境部推薦為中央文明委基層聯繫點。二零二零年已開放項目102個，二零二零年全年累計接待社會公眾逾7,000批次超過110,000人；實現線上線下的聯動開放工作，制定下發《關於開展環保設施線上「雲開放」活動的通知》，充分運用虛擬實境(VR)全景體驗平台、網路展廳等各類新媒體平台，打造環保設施「雲開放」模式；保持與項目所在地政府和周邊社區溝通對話，實時了解周邊動態，強化垃圾清運、污泥運輸、爐渣處置等外協單位的管理，降低外協單位的不當行為對周邊居民的負面影響。</p>
Effectiveness of control measures 管控措施有效性	Effective 有效
Change in Risk Level 風險等級變化趨勢	↓ Downward trend 處於下降趨勢

THE IMPACT OF THE PANDEMIC 關於新冠肺炎疫情影響

During the early stage, the Group's project construction and operation have been inevitably affected by the Pandemic outbreak. Upstream and downstream enterprises have suspended operation and production. Project companies encountered shortage of materials due to interruption of raw material transportation. Waste production was less than normal and project companies faced insufficiency of processing capacity. Meanwhile, higher emission standards and the stringent infection prevention and control measures exerted greater pressure on the Group. Routine work was affected by the Pandemic restrictions while the construction of new projects was delayed. Given the Pandemic prevention and control requirements across provinces, market expansion, tendering and procurement and business negotiation were interrupted. As longer processing time was required for the application for commencement of new construction projects, coupled with the addition of new requirements, project construction fell behind schedule. In view of the abovementioned, the Group established "Joint Prevention and Control of the Pandemic and Stabilisation of Production Coordinating Group" in its headquarters, business sectors, and project companies, forming a three-level management system for Pandemic prevention and control. In addition to the implementation of pandemic prevention and control system for project construction, the Group issued guidelines on resumption of work and formulated emergency plans. Through strengthening communication and coordination with the government, the Group helped suppliers to get permits to resume work. The Group coordinated the sharing of green material supply information among regions and has made application for entry permit to ensure smooth transportation. Besides, it actively reviewed construction drawings, as well as improving construction designs. In addition to strengthening communication and coordination with construction companies, it managed the risk over contract in a timely manner.

With the Pandemic gradually under control in the second half of 2020, the Group continued to adopt the pandemic prevention measures and at the same time put great effort to accelerate the implementation of different business targets and hence the annual overall performance still maintained substantial growth.

新冠肺炎疫情發生初期，本集團在項目運營和建設兩個方面均不可避免地受到影響。一方面，上下游單位停工停產，原料運輸受阻，項目物資缺乏，垃圾產量較常態有所下降，運營項目產能不足，同時達標排放、嚴格防疫雙壓顯著提升。另一方面，常規工作開展受限，新建項目開工滯後。受限於各地防疫要求，市場拓展、招標採購、公務洽談等常規工作推進受阻；新建項目開工申請手續延長、條件增多，導致項目建設進度滯後。對此，本集團在公司總部、業務板塊、項目公司層面分別成立了疫情聯防聯控與穩定生產協調小組，形成了三級管理的新冠肺炎疫情防控體系，並出台了工程建設疫情防控制度及復工指引及應急預案；加強政府溝通與協調，協助供應商取得復工許可，統籌區域間環保物資供貨信息共享，落實通行證辦理，確保運輸通暢；積極做好圖審、設計優化等工作，加強施工單位溝通協調，及時做好相關合同風險管理。

隨著二零二零年下半年新冠肺炎疫情逐漸受控，本集團在做好各項防疫措施的前提下，全力加快推進各項經營目標任務，全年整體表現仍能保持明顯增長。

Management Discussion and Analysis 管理層討論與分析

ENVIRONMENTAL AND SOCIAL MANAGEMENT 環境與社會管理

The Group pays close attention to the operational impacts brought to the environment and society. The Environmental and Social Management System (“ESMS”) has been established in accordance with the Safeguard Policy Statement of Asian Development Bank and other best practices worldwide. The ESMS covers the entire cycle of projects from early-stage planning and design till the final-stage operation and management, with specific requirements in relation to environmental and social impact screening and categorisation, resettlement, indigenous people, environmental impact assessment, information disclosure, consultation and participation, gender equality, grievance redress mechanism, due diligence and review, and monitoring and reporting in place. The system ensures the Group’s operational activities comply with the environmental and social safeguard principles and requirements internationally. Meanwhile, the Group is also committed to maintaining a close relationship with its key stakeholders, including investors, Shareholders, governments, employees, local communities, suppliers and non-governmental organisations, through various communication channels.

The Group has fully implemented the Environmental, Safety, Health and Social Responsibility (“ESHS”) Management System since 2016, with an aim to further integrate the system requirements into operational practices. The system comprises management standards to provide procedural guidelines on the identification of significant environmental, safety, health and social issues, auditing, incident investigation and reporting, work injury treatment and contractor ESHS management. Implementation of the system has not only promoted sustainable development within the Group, but also extended its safety culture and relevant policies to the supply chain.

本集團高度重視自身運營所帶來的環境與社會影響，並已根據亞洲開發銀行的《保障政策聲明》及國際認可的常規編寫了一套環境與社會管理制度（「ESMS」）。ESMS涵蓋由前期項目規劃到最終項目運營的項目全週期管理，詳細要求涉及環境和社會影響篩選和分類、搬遷安置、原住民、環境影響評價、信息披露、協商和參與、性別平等、申訴機制、盡職調查和審查，及監測和報告等範疇，以確保本集團的經營活動能滿足國際上對環境及社會保障原則和要求。此外，本集團亦積極通過各種溝通途徑，與各主要持份者，包括投資者、股東、政府、員工、當地社區、供應商、及非政府組織等保持緊密關係。

本集團已於二零一六年起全面實施環境、安全、健康及社會責任（「ESHS」）管理體系，以進一步加強體制要求和運營實踐的有效結合。該體系包括重要環境、安全、健康及社會議題的識別、審核、事故調查及匯報、工傷處理及承包商 ESHS 管理方面等指導程序的管理標準，不僅促進本集團內部的可持續發展，更將安全文化和相關政策延伸到供應鏈中。

The operating and environmental performance of the Group's projects strictly adheres to the applicable environmental protection standards and requirements. The key regulations and standards which are applicable to the Group's business include the Environmental Protection Law of the PRC, Production Safety Law of the PRC, Labour Law of the PRC, the Standard for Pollution Control on Municipal Solid Waste Incineration (GB18485-2014) and the Industrial Emissions Directive (2010/75/EU) and its relevant annexes and amendments (for environmental energy projects), the Emission Standard for Air Pollutants of Thermal Power Plants (GB13223-2011) (for biomass power generation projects under greentech sector), and the Discharge Standard for Pollutants of Municipal Wastewater Treatment Plants (GB18918-2002) (for environmental water projects), etc. No significant loss or impact to the Group caused by breach of these regulations and environmental protection standards were recorded in 2020.

本集團項目的運營均嚴格遵照相關的環保標準及要求。適用於本集團項目的主要法規和標準包括：《中華人民共和國環境保護法》、《中華人民共和國安全生產法》、《中華人民共和國勞動法》、《生活垃圾焚燒污染控制標準》(GB18485-2014)和《工業排放指令》(2010/75/EU)及其相關附表／修訂中的相關排放限值(適用於環保能源項目)，《火電廠大氣污染物排放標準》(GB13223-2011)(適用於綠色環保板塊的生物質發電項目)，以及《城鎮污水處理廠污染物排放標準》(GB18918-2002)(適用於環保水務項目)等。本集團於二零二零年沒有因違反這些法律法規及環保標準而導致重大損失和影響的記錄。

FINAL DIVIDEND 末期股息

The Board has proposed to pay a final dividend of HK16.0 cents per share (2019: HK13.0 cents per share) for the year ended 31 December 2020, payable to the Shareholders whose names appear on the register of members of the Company (the "Register of Members") on Friday, 28 May 2021. Subject to approval by the Shareholders of the payment of final dividend at the forthcoming annual general meeting of the Company to be held on Tuesday, 18 May 2021 (the "AGM"), the final dividend will be paid to the Shareholders on or around Friday, 18 June 2021.

董事會建議派發截至二零二零年十二月三十一日止年度之末期股息每股16.0港仙(二零一九年：每股13.0港仙)，給予於二零二一年五月二十八日(星期五)名列在本公司股東名冊(「股東名冊」)之股東。待股東即將於二零二一年五月十八日(星期二)舉行之本公司應屆股東週年大會(「股東週年大會」)上批准派付末期股息，末期股息將於二零二一年六月十八日(星期五)或左右派發予股東。

Management Discussion and Analysis 管理層討論與分析

CLOSURE OF REGISTER OF MEMBERS 暫停辦理股份過戶登記手續

For the purpose of determining the Shareholders' eligibility to attend and vote at the AGM and entitlement to the final dividend, the Register of Members will be closed in accordance with the following timetable:

為確定股東出席股東週年大會並於會上投票及收取末期股息的資格，本公司將根據以下時間表暫停辦理股份過戶登記手續：

(i) For determining the Shareholders' eligibility to attend and vote at the AGM:

確定股東出席股東週年大會並於會上投票的資格：

(a) Latest time to lodge transfer documents for registration
遞交股份過戶文件以辦理登記手續的最後時限

4:30 pm on Wednesday, 12 May 2021
二零二一年五月十二日(星期三)
下午四時三十分

(b) Closure of Register of Members
暫停辦理股東登記手續

Thursday, 13 May 2021 to
Tuesday, 18 May 2021
二零二一年五月十三日(星期四)至
二零二一年五月十八日(星期二)
(both dates inclusive 包括首尾兩天)

(ii) For determining entitlement to the final dividend:

確定收取末期股息的權利：

(a) Latest time to lodge transfer documents for registration
遞交股份過戶文件以辦理登記手續的最後時限

4:30 pm on Tuesday, 25 May 2021
二零二一年五月二十五日(星期二)
下午四時三十分

(b) Closure of Register of Members
暫停辦理股東登記手續

Wednesday, 26 May 2021 to
Friday, 28 May 2021
二零二一年五月二十六日(星期三)至
二零二一年五月二十八日(星期五)
(both dates inclusive 包括首尾兩天)

(c) Record date
記錄日期

Friday, 28 May 2021
二零二一年五月二十八日(星期五)

During the above closure periods, no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, and to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than the relevant latest time set out above.

於上述暫停辦理期間將不會進行股份過戶登記手續。為確保符合資格出席股東週年大會並於會上投票並享有上述建議之末期股息，所有過戶表格連同有關股票必須於上述的有關最後時限前送交本公司之股份登記及過戶處卓佳登捷時有限公司，地址為香港皇后大道東一百八十三號合和中心五十四樓。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

買賣或贖回本公司之上市證券

During the year under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

於回顧年度內，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

Sustainability Report

可持續發展報告

LOVE THE EARTH,
LOVE THE PLANET

We live in

讓我們 **關愛地球**

關愛 人類賴以生存的 **家園**



Sustainability Report 可持續發展報告

This is an abstract of our Sustainability Report 2020. The sustainability Report 2020 of China Everbright Environment Group Limited (the “Company”, or “Everbright Environment”, together with its subsidiaries, collectively, the “Group”) is prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Comprehensive option, as well as the Environmental, Social and Governance Reporting Guide published by The Stock Exchange of Hong Kong Limited. Furthermore, the Group’s environmental and social management strategies echo with the Sustainable Development Goals (“SDGs”) of the United Nations, reflecting our commitment to tackling global challenges and creating a sustainable future.

The full report, in both Chinese and English versions, is available for download from the websites of the Company (www.cebenvironment.com/en/csr/susreport.php) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) within three months after the publication of our annual report.

此章節為我們《二零二零年可持續發展報告》的摘要。中國光大環境(集團)有限公司(「本公司」或「光大環境」，連同其附屬公司，統稱「本集團」)的《二零二零年可持續發展報告》依循全球報告倡議組織(「GRI」)準則：全面選項及香港聯合交易所有限公司發佈的《環境、社會及管治報告指引》編寫。此外，本集團的環境及社會管理與聯合國可持續發展目標互相呼應，反映我們應對全球挑戰和締造可持續發展未來的決心。

完整版報告(備有中英文版本)可於我們刊發年報後的三個月內透過本公司網站(www.cebenvironment.com/tc/csr/susreport.php)及香港交易及結算有限公司網站(www.hkexnews.hk)下載。

SUSTAINABLE OPERATIONS MANAGEMENT 可持續的運營管理

The Group undertakes environmental and social responsibilities, and strives to reduce the impacts exerted on the environment and natural resources from the Group’s operation. An Environmental and Social Management System (“ESMS”) has been established in accordance with the Safeguard Policy Statement of Asian Development Bank (“ADB”) and other best practices worldwide. The ESMS covers the entire cycle of projects from early-stage planning and design till the final-stage operation and management, with specific requirements in place in relation to environmental and social impact screening and categorisation, resettlement, indigenous people, environmental impact assessment, information disclosure, consultation and participation, gender equality, grievance redress mechanism, due diligence and review, and monitoring and reporting. In addition, the Group’s Environmental Policy and operations manual provide clear guidelines on air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste, as well as the use of energy, water and other raw materials related to our operations, with the aim to strengthen and standardise the Group’s environmental and social governance.

本集團積極承擔環境與社會責任，致力減輕本集團的運營對環境及天然資源所造成的影響，並已根據亞洲開發銀行(「亞發行」)的《保障政策聲明》及國際認同的常規編寫了一套環境與社會管理制度(「ESMS」)。ESMS涵蓋由前期項目規劃到最終項目運營的項目全週期管理，包括涉及環境和社會影響篩選和分類、搬遷安置、原住民、環境影響評價、信息披露、協商和參與、性別平等、申訴機制、盡職調查和審查，及監測和報告等範疇的要求。此外，本集團的《環境政策》和運營守則，對運營中所涉及的廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生及處置方法，以及能源、水資源、其他原材料使用等方面提供了明確指引，加強並規範化本集團的環境與社會管治。

SUSTAINABLE OPERATIONS MANAGEMENT (*continued*) 可持續的運營管理(續)

To enhance the effectiveness of the regulatory system in operational practices, we have implemented our comprehensive Environmental, Safety, Health and Social Responsibility (“ESHS”) Management System (the “ESHS Management System”) since 2016. The system comprises management standards to provide procedural guidelines on the identification of significant environmental, safety, health and social issues, auditing, incident investigation and reporting, work injury treatment and contractor ESHS management. Implementation of the system has not only promoted sustainable development within the Group, but has also extended its safety culture and relevant policies to the supply chain. An ESHS Management Committee led by the Chief Executive Officer of the Company under Everbright Environment’s Risk Management Committee was established by the Group, which provides support to the Group’s sustainable development work, and ensures that the Group makes appropriate decisions and deployments regarding sustainable development.

Besides controlling internal risks, the Group requires our suppliers to uphold the principles of fairness and equality, and to comply with our ESHS Management System. The Group’s Supplier Management Measures, Supplier Code of Conduct, Contractor ESHS Management Standards, Tender Management Measures, Management Measures for Appraisal Expert Database of Project Construction Procurement, etc., have guided our business partners to improve their sustainability performance. The Group also encourages our suppliers to treat their sub-suppliers with the same standards so as to enhance the sustainability performance of the overall supply chain.

The Group requires all employees to strictly abide by our Staff Handbook and Code of Conduct, uphold the management principles of integrity and pragmatism, and to adhere to the ethical conduct, ensuring the Group is operating ethically in our businesses.

The board of directors of the Company and senior management review the sustainability strategy on a regular basis, and revise the strategy when appropriate.

我們已於二零一六年起全面實施環境、安全、健康及社會責任(「ESHS」)管理體系(「ESHS管理體系」)，以進一步完善監管體制在運營中的有效實踐。該體系包括重要環境、安全、健康及社會議題的識別、審核、事故調查及匯報、工傷處理及承包商ESHS管理方面等指導程序的管理標準，不僅促進本集團內部的可持續發展，更將安全文化和相關政策延伸到供應鏈中。本集團於風險管理委員會下亦設有由本公司行政總裁牽頭的光大環境ESHS管理委員會，為企業的可持續發展工作提供支持，並確保本集團在可持續發展方面均作出適當的決策和部署。

除了內部風險防控，本集團要求供應商秉持公正持平的原則，遵守其ESHS管理體系。本集團的《供應商管理辦法》、《供應商行為準則》、《承包商ESHS管理標準》、《招標管理辦法》及《工程建設採購評審專家庫管理辦法》等進一步引領了業務夥伴提升其可持續發展表現。本集團更鼓勵我們的供應商以相同的標準對待他們的從屬供應商，以提升整體供應鏈的可持續表現。

本集團要求所有員工嚴格遵守該《員工手冊》和《行為守則》，並在業務運作中秉承誠信與務實的管理方針，堅守道德操守，以確保本集團的經營符合相關之商業道德。

本公司董事會和高級管理人員定期檢視其可持續發展政策，並會適時作出修訂。

Sustainability Report 可持續發展報告

ENVIRONMENTAL RESPONSIBILITY 環境責任

Priority SDGs:

優先的可持續發展目標：



As China's largest environmental protection enterprise and a leading company in the environmental protection industry in Asia, Everbright Environment strives to implement various measures for reducing the impacts of its operations on the environment and natural resources. Our environmental energy sector reduces the adverse per capita environmental impacts and preserves precious urban land resources through green incineration of urban municipal household waste. Our greentech sector converts agricultural and forestry waste and other biomass raw materials into electricity and heat energy, hence avoiding open burning of agricultural and forestry straws, so as to reduce air pollution in the rural region. These two businesses also make positive contributions to the country's green electricity consumption by increasing the proportion of the use of renewable energy in the energy mix. Meanwhile, our environmental water sector strictly complies with national standards on managing household and industrial waste water, produces high quality industrial reusable water, assists in improving the water quality and sanitation problem. Moreover, our equipment manufacturing sector focuses on the provision of full-process servicing system covering research and development ("R&D"), manufacturing and maintenance. Eco-recycling sector contributes to waste sorting and resource recycling, and construct zero-waste cities. Greenergy sector takes part in R&D and manufacturing of energy-saving streetlights, which contributes to energy conservation and provides urban outdoor lighting projects. Envirotech sector promotes strategic planning of pursuing development that is driven by technological innovation, as well as to ensure the commercialisation of the technology R&D results. Last but not least, our environmental planning sector strives to build a national planning and design institute in China.

During 2020, the Group processed approximately 31,545,000 tonnes of household waste, 6,708,000 tonnes of agricultural and forestry waste, and 182,000 tonnes of hazardous and solid waste. Our projects supplied approximately a total of 17,078,231,000 kWh of on-grid green electricity in 2020, and offset approximately 14,235,000 tonnes of carbon dioxide equivalent emissions. In addition, the Group treated approximately 1,559,096,000 m³ of waste water and about 7,094,000 m³ of leachate, reducing chemical oxygen demand (COD) discharge by approximately 579,000 tonnes in total.

作為中國最具規模環保企業及亞洲環保領軍企業，光大環境致力採取各項措施減低其運營對環境及天然資源造成的影響。我們的環保能源板塊透過綠色焚燒城市生活垃圾，減少人均環境影響及保存珍貴的城市土地資源；綠色環保板塊則利用農林廢棄物及其他生物質原材料轉化成電力和熱能，避免農林秸稈的露天焚燒，從而減低農村地區的空气污染。這兩項業務還通過增加可再生能源的使用比重，為國家的綠色用電作出積極貢獻。與此同時，環保水務板塊嚴格按照國家標準有效處理生活及工業污水，生產高質量的工業用回用水，協助改善水質和衛生問題。另外，裝備製造板塊專注提供從研發、製造到維護的全流程服務；生態資源板塊致力從事垃圾分類及資源回收利用，協助建造無廢城市；光大照明板塊透過研發和製造節能路燈，致力作出節能貢獻，建造城市亮化工程；綠色科創板塊推動科技創新引領發展的戰略構想，保障科技研發的實效產出；而環境規劃板塊則致力打造國家級規劃設計院。

二零二零年內，本集團處理了約31,545,000噸生活垃圾、6,708,000噸農林廢棄物及182,000噸危廢及固廢。本集團的項目於二零二零年內共提供綠色上網電量約17,078,231,000千瓦時，並抵銷約14,235,000噸二氧化碳當量排放。另外，本集團處理約1,559,096,000立方米污水及約7,094,000立方米滲濾液，合共減少了約579,000噸化學需氧量(COD)排放。

ENVIRONMENTAL RESPONSIBILITY (continued) 環境責任(續)

Emission Management 排放管理

As an advanced waste-to-energy operator in China, we bear the responsibility of resisting against air pollution and climate issues. For emissions control, we strictly control stack emissions such as particulate matter (PM), sulphur dioxide (SO₂) and nitrogen oxides (NO_x) in all combustion operations, by implementing stringent operational procedures with frequent inspection and extensive supervision. The Group also pays attention to the effective control of fugitive air emissions at our projects to prevent air pollution. The design and operation of our waste-to-energy projects are in full compliance with the “Standard for Pollution Control on the Municipal Solid Waste Incineration” (GB18485-2014), while the daily average value of online continuously monitored parameters stays well below the respective emission limits as stipulated under the “EU Industrial Emissions Directive” (2010/75/EU) and its relevant Annexes/Amendments. Our biomass combustion operations meet the “Emission Standard of Air Pollutants for Thermal Power Plants” (GB13223-2011).

In addition, other air pollutants such as dioxins and heavy metals are tested by Everbright Environment with frequencies far beyond national requirements. For example, the testing of dioxins in every waste-to-energy project has reached at least four times a year, which is higher than the national requirements of once per year. Dioxins concentrations of all samples were lower than the emissions limits of the “Standard for Pollution Control on the Municipal Solid Waste Incineration” (GB18485-2014). During 2020, Everbright-Qingdao University of Technology Research Institute of Environmental Technology (“Qingdao Institute”), a subsidiary of the Company, was recognised as a Laboratory of Excellence by Environmental Resources Association (“ERA”) in an international proficiency test, for its excellent water dioxin testing capability. Qingdao Institute currently has high testing capabilities in various fields such as air, flue gas, solid waste, soil and sediment, and water samples, assisting Everbright Environment to monitor our emissions and continuously improve its management system.

We strive to ensure that people from all social circles can conveniently access our projects’ environmental information at all times and places. During 2020, the Group maintained the initiative in timely disclosing emissions data and environmental management information of projects, and updated the average emissions data of all our operating waste-to-energy projects on an hourly basis through the website of Everbright Environment, which sets an example within the industry.

作為國內先進的垃圾發電運營商，我們肩負着對抗空氣污染和氣候問題的責任。在排放控制方面，我們透過嚴謹的操作程序、高頻率的檢查和嚴密的監督，嚴格控制所有在燃燒過程中排放的顆粒物(PM)、二氧化硫(SO₂)及氮氧化物(NO_x)等大氣排放物。本集團亦特別注重控制項目的無組織排放，避免造成空氣污染。我們的垃圾發電項目的設計及運營完全符合《生活垃圾焚燒污染控制標準》(GB18485-2014)，煙氣在線監測指標日均值更全面優於歐盟《工業排放指令》(2010/75/EU)及其相關附表／修訂中的相關排放限值。生物質燃燒的運營則達《火電廠大氣污染物排放標準》(GB13223-2011)。

此外，光大環境對煙氣二噁英和重金屬等污染物均以高於國家的要求作更頻密的檢測，當中每個垃圾發電項目的煙氣二噁英的測頻率更達每年至少四次，遠高於國家每年一次的檢測要求，所有檢測樣本濃度均低於《生活垃圾焚燒污染控制標準》(GB18485-2014)中所列的限值。於二零二零年，本公司旗下光大青島理工環境技術研究院(「青島研究院」)憑藉出色的水樣二噁英檢測技術能力，在環境資源協會組織的國際檢測能力驗證中獲得「卓越實驗室」榮譽認證。青島研究院目前已具備環境空氣和廢氣、固體廢物、土壤和沉積物及水樣等多個領域的檢測能力，有助光大環境監察自身排放，持續完善管理體系。

我們致力確保所有人都能隨時隨地掌握我們項目的環境信息。於二零二零年，本集團繼續主動、適時披露項目的排放數據和環境管理信息、於光大環境網站每小時更新所有運營垃圾發電項目的煙氣在線監測均值，在業內發揮示範作用。

ENVIRONMENTAL RESPONSIBILITY (continued) 環境責任(續)

Emission Management (continued) 排放管理(續)

During 2020, it was the first time ever that Everbright Environment was awarded an honour in climate change area. In July 2020, CDP released the CDP China Report in Beijing, which commended exemplary Chinese enterprises that disclosed environmental information in 2019. Everbright Environment was awarded the “Outstanding Enterprise Award in Response to Climate Change”. Everbright Environment ranked top five among nearly 1,100 Chinese enterprises that replied to CDP’s environmental information disclosure questionnaire. Moreover, the Group’s score improved from previous year’s B to A- in the recent 2020 Climate Change Questionnaire, and the Group was shortlisted in the “Leadership” band in the assessment system as well. The Group is also in line with the country’s developmental plan in achieving carbon neutrality before 2060, and signed in support of TCFD in November 2020, so that its framework and suggestions will be put into practice when analysing the Group’s current and future climate-related risks and opportunities.

於二零二零年，光大環境首次獲得應對氣候變化領域的殊榮。二零二零七月，全球環境信息研究中心(「CDP」)在北京發佈了「CDP中國二零一九年度報告」，對中國二零一九年度環境信息披露示範企業進行表彰，光大環境榮獲「應對氣候變化企業優秀獎」。在回覆CDP環境信息披露問卷的近1,100家中國企業中，光大環境評價等級位列中國企業前五名。此外，本集團於CDP近日開展的《二零二零年氣候變化調查問卷》中，評級由去年的「B」提升至「A-」，躋身該評估體系「領軍水平」最優級別。本集團亦與國家計劃於二零六零年前實現碳中和的目標一致，並於二零二零年十一月簽署支持TCFD和納入其框架及建議於分析本集團現在和未來面對的氣候相關風險及機遇。

Waste Management 廢棄物管理

As the largest environmental protection enterprise in China, we have prioritised cherishing resources and reducing wastage as one of the major tasks within our daily operations. The Group strives to implement a green life-cycle management of all waste, and through a comprehensive recycling programme, we aim to reduce the release of waste into air, water and soil. The bottom ash generated by our waste-to-energy projects can be used as raw materials for making bricks, which supports sustainable constructions, while furnace ash produced from biomass combustion can be used to produce fertilisers, and the sludge from the municipal waste water treatment process can also be used to produce compost after treatment, thus supporting green landscaping. Furthermore, we also collect and treat the waste water discharged from our plant operations so that the leachate from environmental energy projects can be recycled for on-site industrial use.

作為中國最大環保企業，惜物減廢是我們日常運作的重要一環。本集團致力落實對所有廢物全生命週期的綠色管理，並透過全面的回收計劃，減少它們排入空氣、水和土壤。我們的垃圾發電項目產生的爐渣可用於製磚，以支持綠色建設；生物質燃燒產生的爐灰則可用於製作肥料，而生活污水處理過程中產生的污泥在經處理後亦可用以製作堆肥，從而支持園景綠化。另外，我們亦會收集廠內運營過程中排放的污水，並加以處理，以達致環保能源項目的滲濾液均可於園內循環利用。

ENVIRONMENTAL RESPONSIBILITY (continued) 環境責任(續)

Waste Management (continued) 廢棄物管理(續)

The phased-in roll-out of the “zero-waste cities” development pilot programme, the transformation and upgrade of the green economy in the Guangdong-Hong Kong-Macau Greater Bay Area and the further implementation of the ecological and environmental protection plan for the Yangtze River Economic Belt have created new opportunities for the industry. At the same time, Everbright Environment has established a systematic development model with the development of “zero-waste cities” as its core mission and is proactively exploring a unique model relating to the development of “zero-waste cities” that covers waste sorting, reduction of waste at source, recycling, harmless treatment at the back end, among others. During 2020, equipment manufacturing sector and eco-recycling sector jointly participated in the national meeting on “zero-waste cities” that was streamed live and the Special Environmental Equipment Industry Exhibition held at the Shaoxing Olympic Sports Center in Zhejiang province. This exhibition was a key event that promoted “zero-waste cities”, with the theme of “Green Equipment, Smart Future”. There were six exhibition halls such as the Solid Waste Treatment Equipment Hall and the Ecological Restoration Hall, attracting more than 100 environmental companies from 14 provinces nationwide to participate. During the exhibition, Everbright Environment’s technological quality, economies of scale and social benefits were highly appreciated. Looking ahead, Everbright Environment will continue to promote the effective integration of economic and social developments with environmental protection, helping to construct “zero-waste cities” nationwide.

國內的「無廢城市」建設試點逐步開展、粵港澳大灣區綠色經濟轉型升級、長江經濟帶生態環境保護規劃進一步落實，為行業帶來新的發展機遇。與此同時，光大環境目前已形成以「無廢城市」建設為核心的系統性發展格局，積極探索涵蓋垃圾分類、源頭減量、資源回用、末端無害化處置的光大環境「無廢城市」建設獨有模式。於二零二零年，裝備製造板塊與生態資源板塊攜手亮相於浙江省紹興市奧體中心舉行的「無廢城市」全國現場會及特色環保裝備產業博覽會。該次展會是全國「無廢城市」建設推介會的重要活動，以「綠色裝備、智領未來」為主題，設置了固廢處理裝備館、生態修復館等6個展館，共吸引了全國14個省市的100餘家環保企業參展。是次展會中，光大環境技術的品質、規模效益與社會效益受到高度評價。展望未來，光大環境將繼續推動經濟和社會發展與環境保護的有效結合，助力全國「無廢城市」建設。

TALENT DEVELOPMENT 人才發展

Priority SDGs:

優先的可持續發展目標：



Talent acquisition is the foundation of the enterprise. The Group highly values its human resources management, we put great emphasis on staff training and continuously refine our human resources strategy to attract and retain the best talents. We provide an employment platform that promotes fair and open opportunities for all, to ensure employees are not discriminated against in any way at work due to gender, age, ethnicity, nationality, marital status, religion, etc.

人才乃企業之本，本集團高度重視人力資源管理，注重員工培訓並持續改善人力資源策略，以吸引和保留最優秀的人才。我們為所有人提供公平公開的就業平台，確保員工在工作中不會因性別、年齡、種族、國籍、婚姻狀況、宗教等因素而受到任何形式的歧視。

Sustainability Report 可持續發展報告

TALENT DEVELOPMENT (continued) 人才發展(續)

All permanent employees of the Group enjoy a variety of welfare packages and safeguards, such as life insurance, medical insurance, disability and critical illness coverage, maternity or paternity leave, etc., while discretionary bonuses are distributed to reward employees with outstanding performance. In addition, we offer free medical and occupational disease prevention check-ups for employees annually to ensure their physical and mental well-being. We also organise regular leisure activities such as eco-tours and sports activities, with an aim to foster employee relationships and enable them to achieve work-life balance.

本集團的所有正式員工均可享有人壽保險、醫療保險、傷殘及疾病保障、產假／侍產假等福利及保障，我們亦會派發酌情花紅，獎勵表現優異的員工。另外，為確保員工的身心健康，我們每年均為員工提供免費的身體檢查及職業病防範檢查服務，並定期舉辦生態旅遊與體育競技等休閒活動，以促進員工關係並使他們在生活與工作上取得平衡。

Training and Development 培訓及發展

With an aim to grow together with the Group's employees and share the fruits of success, the Group incorporates employee training as a norm in management where training profiles are established to help employees reach their full potential. In 2019, the Group established the Ecological Environment Institute to arrange centralised training tailored to business development needs of the Group. Training programmes were also held to enhance management's and staff's professional and general competence through continuous education. On top of that, our project companies conduct relevant trainings to meet their specific business needs on a regular basis, empowering our employees to utilise their talents and providing the enterprise with a team of excellent professionals.

During 2020, in response to the COVID-19 pandemic (the "Pandemic"), training of the Group has been adjusted to live and video training programmes. Training courses in relation to staff's awareness of information security, budget management standard, the use of electronic transaction platform for tendering and procurement, purchase price analysis and cost control have been held to enhance management's and staff's general competence. With the use of technology, a number of the Group's project companies provided employees with online training courses during the Pandemic, including courses related to public communication officers. To ensure the effectiveness of our trainings, online assessment was also arranged. In addition, under the premise of the alleviated situation of the Pandemic and the safeguard of our employee safety, part of our project companies conducted on-site training programmes as usual, such as "Organic Project Training Week", so as to strengthen the learning awareness of our staff.

為促進本集團與員工相互成長並共享成果，本集團把員工培訓納入常態管理，建立培訓檔案，務求裝備員工成才。本集團於二零一九年設立了生態環境學院，針對本集團業務發展需要，統一安排合適培訓，亦先後舉辦了各類培訓班，讓管理層及員工持續進修，提升專業和綜合能力。除此以外，各項目公司亦會按照自身需要定期為員工提供合適培訓，讓員工發揮所長、為企業提供優秀的專業人才隊伍。

於二零二零年，本集團針對新型冠狀病毒引發的肺炎疫情(「新冠肺炎疫情」)而調整了培訓安排，改為現場及視頻培訓，先後舉辦了員工資訊安全意識、預算管理工作規範、招標採購電子交易平台使用、採購價格分析與成本控制等培訓，進一步提升管理層及員工綜合能力。本集團多間項目公司在新冠肺炎疫情下善用科技，為員工提供全系統通訊員等線上培訓，並且設置線上考核，確保培訓效果。亦有部分項目公司在新冠肺炎疫情好轉、保障員工安全的前提下繼續舉行如「有機項目培訓週」等線下培訓，加強員工的學習意識。

TALENT DEVELOPMENT (*continued*) 人才發展(續)

Health and Safety 健康與安全

To ensure a safe working environment and protect employees from occupational injuries while maintaining public safety, the Group fully implements the ESHS Management System to establish standardised operating procedures and on-site checklists for each project. Meanwhile, all of the project companies under our business sectors have dedicated emergency plans in response to potential risks of different scopes and management processes of plants, with an aim to ensure safety management of project companies and their neighbouring communities.

During 2020, daily checks on safety, environmental and occupational health were continuously conducted as safety risk assessments, so as to ensure all constructing and operating projects comply with all safety policies. We also organised the annual “Safety Production Month” to provide impetus for employees to gain more safety knowledge and skills through proactive and special activities including safety publicities, various trainings, seminars and skills competitions, in order to enable effective prevention of safety accidents. The Group also holds regular emergency drills and practices to raise employees’ competency in crisis response.

本集團全面實施ESHS管理體系，為所有項目建立了標準操作流程和現場工作檢查表，以確保工作環境的安全、保障僱員免受職業性傷害，並同時維護公眾安全。同時，各業務板塊的項目公司均設有專門的應急預案，對應廠區不同範圍和管理流程的潛在風險，為項目公司和鄰近社區的安全管理把關。

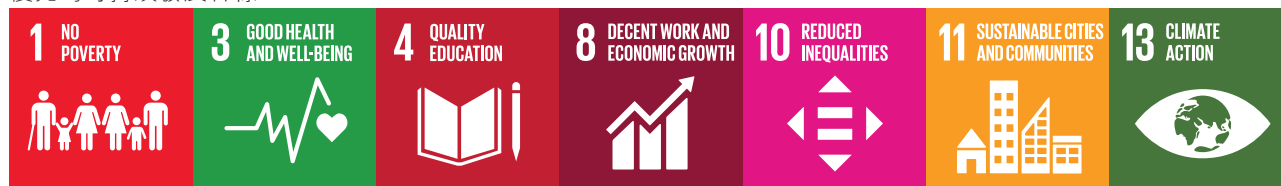
於二零二零年，本集團持續開展安全、環境與職業健康日常檢查工作，確保各在建及運營項目嚴格執行各項安全制度。我們亦繼續舉辦一年一度的「安全生產月」，積極透過安全宣傳、各類培訓、研討會、技能比武等特色活動，推動員工積極投入增進安全知識及技能，為有效防止安全事故提供了有力保障。本集團亦會定期舉辦應急演習和演練，務求提高員工應對危機時的處理技巧。

Sustainability Report 可持續發展報告

COMMUNITY ENGAGEMENT 社區參與

Priority SDGs:

優先的可持續發展目標：



Not only does the Group contribute to the community through direct economic contribution, but we also commit to maintaining a close relationship with the community through environmental protection education, community integration, poverty alleviation, climate actions, etc. We adhere to the fundamental operating philosophies of protecting the environment and take social responsibility in a proactive manner.

本集團不僅以直接經濟貢獻的方式回饋社會，還致力通過環保教育、社區共融、扶貧濟困、氣候行動等方面與社區維持緊密的關係。我們切實履行保護環境的基本運營理念，主動承擔社會責任。

Battling against the Pandemic 抗疫前線

Despite the global outbreak of the Pandemic in 2020, Everbright Environment fully utilised its competitive edge in the industry to allow all project companies maintaining normal operations, so as to treat municipal and medical waste while protecting the public's health and safety. Meanwhile, we fulfilled our social responsibilities and raised resources through different channels. We proactively engaged in monetary and in-kind donations to local health and anti-pandemic department, charity foundations, hospitals and public health organisations, providing strong assistance to fight back against the Pandemic.

Being a world-renowned environmental company, Everbright Environment not only achieved outstanding performance in controlling the Pandemic in China, but also participated in anti-coronavirus activities abroad where our projects are located. The Group is committed to battling against the Pandemic hand in hand with the local people to overcome such a difficult time. Through NOVAGO Sp. z o.o., a subsidiary of Everbright Environment in Poland, nine batches of Pandemic prevention supplies were sent to Poland, including masks, forehead thermometers and protective gear sets, giving support to the local Pandemic control in April 2020.

儘管新冠肺炎疫情於二零二零年衝擊全球各國，光大環境仍充分發揮自身行業優勢，各項目公司在新冠肺炎疫情爆發期間堅持正常運作，處理生活、醫療垃圾，保障公共衛生安全。同時，我們積極履行社會責任，多方籌措資源，向有關地區衛生防疫部門、慈善基金會、醫院、環衛機構等單位積極捐款捐物，為抗擊新冠肺炎疫情提供有力援助。

光大環境作為全球知名環保企業，在做好國內新冠肺炎疫情防控工作的同時，積極投身海外項目所在地抗疫工作，與當地民眾守望相助，共克時艱。二零二零年四月，光大環境通過位於波蘭的附屬公司，NOVAGO Sp. z o.o.向波蘭共寄送了9批次包括防護口罩、額溫槍、防護服等緊缺防疫物資，為當地新冠肺炎疫情防控提供必要保障。

COMMUNITY ENGAGEMENT (continued) 社區參與(續)

Quality Education 優質教育

Quality education is the foundation for sustainable development. Everbright Environment Charitable Foundation Company Limited was established in 2013 in Hong Kong, which is responsible for managing the “Everbright Environment Charitable Foundation” and coordinating all the Group’s charitable activities, with a key focus of providing quality education to young people. The foundation has supported the operation of the “Everbright Environment True Love School” in Dangshan, which has provided educational opportunities for accumulatively 5,760 students in rural areas. During the year, our 17th batch of volunteer teachers provided teaching support at the school to underprivileged children to give them access to better opportunities.

Everbright Environment continuously utilises its project facilities in different locations as environmental education bases and science education experiential learning centres, which aims to promote sustainable development and green lifestyle to youngsters and the general public. During the year, despite the outbreak of the Pandemic, the Group has persistently facilitated public visits to our environmental protection facilities under all of the Group’s business sectors. Multiple project companies of the Group have carried out project opening-up activities through virtual platforms to break the barriers of limitation brought by the Pandemic. These virtual activities aim at advocating environmental protection and sustainable development concepts to the public. During 2020, the Group’s environmental protection projects played an important role in promoting environmental education, environmental science popularisation, circular economy and industrial tourism, with 7,079 batches of visitors from China and overseas visiting the projects.

優質的教育是創建可持續發展的堅實基礎。光大環境公益基金會有限公司於二零一三年在香港成立，專責管理「光大環境公益基金」及協調本集團所有的慈善公益活動，其中一項重點工作之一正是為青少年提供優質的教育。由基金捐助、位於碭山的「光大環境愛心學校」，累計已為5,760名偏遠地區的學生提供教育機會。於本年度，我們的第十七批由熱心員工組成的義務教師赴學校提供教學支援，為有需要的兒童提供更好的機會。

光大環境持續利用項目公司於各地的設施作為環保教育基地和科普教育體驗中心，增進年輕人和普羅大眾對可持續發展和綠色生活方式的認識。於本年度，儘管新冠肺炎疫情肆虐，本集團仍然堅定地推動旗下各業務板塊環保設施向公眾開放的相關工作。本集團多個項目公司皆透過「線上」平台開展公眾開放活動，打破新冠肺炎疫情限制，向公眾推廣及宣傳環境保護、可持續發展等議題。於二零二零年，本集團旗下環保項目積極承擔環境教育、環境科普、循環經濟及工業旅遊基地的重要角色，共接待國內外各界人士參觀考察達7,079批次。

Community Integration 社區共融

To guarantee the Group’s projects in compliance with the international safeguarding principles and requirements in the environmental and social aspects, the Group follows ADB’s requirements by including social concerns into the beginning phase of the project life cycle. This ensures that the Group will properly manage any resettlement associated with its projects in compliance with related laws, with all affected citizens receiving fair and adequate compensation and rehabilitation.

為確保本集團的項目能滿足國際上對環境及社會的保障原則和要求，本集團遵循亞發行的相關要求，將社會關注點納入項目生命週期的初始階段，從而確保與項目開發相關的拆遷安置工作按照適用法律進行妥善管理，所有受影響人士將得到公平、充分的補償和修復安排。

COMMUNITY ENGAGEMENT (continued) 社區參與(續)

Community Integration (Continued) 社區共融(續)

The Group's integrated biomass utilisation projects are aligned with the central government's goal in achieving green development in rural areas. The introduction of advanced waste processing facilities into rural villages has effectively prevented waste disposal and reduced pollution, laying the foundation for sustainable development in the Chinese villages. In addition, apart from the Group's Hangzhou Waste-to-energy Project, Changzhou Waste-to-energy Project has opened its factory borders and again successfully tackled the Not-In-My-Backyard ("NIMBY") obstacles in China. Currently, the project is fenceless and equipped with appropriate social facilities, becomes an "urban public living room" open to the public, which not only provides a leisure space for local people but also sets an example for the development of waste-to-energy industry nationwide and provides a good reference for tackling the NIMBY effect.

本集團的生物質綜合利用項目呼應中央政府推進鄉村綠色發展的方向，將先進的垃圾處理設施引入農村，預防廢物棄置並減少其相關污染問題，為中國農村的可持續發展奠定了基礎。除此以外，本集團的常州垃圾發電項目在本年度正式開放廠界，成為繼我們的杭州垃圾發電項目後又一成功破解「鄰避效應」的典型案列。現在，該項目沒有圍牆並建有合適的社區設施，成為向市民開放的「城市客廳」，不僅為當地居民提供休閒之所，更為國內垃圾發電行業的發展和化解「鄰避效應」提供有益借鑒。

Poverty Alleviation 扶貧濟困

Through the integrated biomass utilisation project, the Group has successfully established and improved the fuel collection and storage system, which the strategy of "increasing income for farmers, facilitating corporate development and gaining mutual benefit for multiple parties" was formulated, improving the rural economy directly and indirectly and reducing the population in poverty. In 2020, our integrated biomass utilisation projects directly and/or indirectly created over 41,000 jobs and increased farmers' income approximately by RMB1.48 billion, benefiting over 5.24 million of farmers. Moreover, the Group's Xinhua Waste-to-energy Project ("Xinhua Project"), completed approximately RMB289 million of investment during 2020. The project is one of the Group's key projects in alleviating poverty, and it is also a featured project of Everbright Environment to relieve poverty by supporting local industries. Apart from constructing local necessary infrastructures and implementing eco-restrooms retrofitting project, the project has also collaborated with underprivileged residents and poverty alleviation enterprises for developing a supply chain network on supplying fruits, vegetables, and daily necessities, hence boosting the dynamism and efficiency of the local economy in the impoverished areas. The construction of the Xinhua Project facilitates local economic developments, assists local residents to escape from poverty through the provision of job opportunities, as well as improves environmental condition, safeguards environmental health and safety. It also facilitates the alleviation of poverty through a targeted approach and the battle against pollution.

本集團通過生物質綜合利用項目燃料收儲體系的建立和完善，打造「農民增收、企業發展、多方共贏」的戰略，直接和間接帶動農村經濟，幫助人口脫貧。二零二零年，我們的生物質綜合利用項目直接及／或間接提供工作崗位逾41,000個，帶動農民增收約人民幣14.8億元，受惠逾524萬名農民。此外，本集團的新化垃圾發電項目（「新化項目」）於二零二零年完成投資約人民幣2.89億元。該項目是本集團重點部署支持的脫貧攻堅項目，也是光大環境實施產業扶貧的特色優勢項目。除了建設當地基礎設施、實施了生態廁所改建工程，此項目更與貧困戶和扶貧企業建立果蔬供貨、日用品供貨聯繫，全力拉動貧困地區的經濟活力和經濟效能。新化項目的建設，不但有助於促進地方經濟發展，幫助當地居民脫貧就業，且有利於改善環境建設，保障環境健康安全，對精準脫貧、污染防治起雙重促進作用。

COMMUNITY ENGAGEMENT (CONTINUED) 社區參與(續)

Poverty Alleviation (Continued) 扶貧濟困(續)

On the other hand, the Group continuously encourages and develops effective partnerships with the public and civil society to tackle local problems. Together with the Suzhou Environmental and Municipal Administration Bureau and Suzhou Charity Federation, our project company in Suzhou co-founded the “Everbright Environmental Protection Charitable Foundation”, which aims at assisting sanitation workers and their families who are in need, and launching the promotion activities of caring for the workers. During 2020, the foundation was awarded the 4th Suzhou Charity Award “The Most Influential Charity Project” that recognised our support to the Suzhou sanitation workers and their families. As of the end of 2020, the foundation has supported over 1,778 beneficiaries, which a total of RMB8.5 million of consolation money and financial aid have been distributed.

與此同時，本集團透過不斷鼓勵和發展有效的公共和公民社會合作，解決當地問題。我們的蘇州項目公司與蘇州市市容市政管理局及蘇州市慈善總會共同發起成立「光大環保愛心基金」，用於慰問和救助貧困環衛工人及其家庭和開展關愛環衛工人的公益宣傳活動。於二零二零年，該基金榮獲第四屆蘇州慈善獎「最具影響力慈善項目」，肯定了我們對蘇州環衛工人及其家庭的支持。截至二零二零年底，該基金已累計產生1,778名受益者，共計已發放超過人民幣850萬元慰問金及救助金。

Climate Action 氣候行動

Everbright Environment will continue to focus on the areas of environment, energy, and resources, safeguard people’s living and ecological environment, and work together with the community at large in better responding to climate change. As the lead sponsor for the seventh consecutive year, Everbright Environment Charitable Foundation has been fully supporting the “Earth Hour” event to arouse the public’s attention towards climate change, an event hosted by the World Wide Fund for Nature (WWF) Hong Kong. The theme for 2020 was “Our Planet, Our Business”, which advocated corporate leaders and the public making decisions based on sustainable development and zero carbon footprint concepts in order to create an ecological future for mankind. During 2020, the Group’s project companies organised plenty of environmental events to raise the public awareness of environmental protection, such as participating in volunteer activities to disseminate knowledge on science popularisation, and supporting a series of environmental protection events, including the “World Water Day” and “June Fifth” World Environmental Day.

光大環境繼續深耕環境、能源和資源領域，保障各地人居與生態環境，與各界攜手更好地應對氣候變化。為喚起大眾對氣候變化的關注，光大環境公益基金會連續第七年作為首席贊助機構，全力支持由世界自然基金會(WWF)香港分會主辦的「地球一小時」活動。二零二零年活動以「企業有備，地球無患」為主題，促請企業領袖及大眾做出改變，基於可持續發展及零碳生活的理念做出決策，為人類造就生態未來。於二零二零年，本集團的項目公司亦組織了多項環保活動，如參與環保志願者活動以宣傳科普知識，響應「世界水日」及「六·五」世界環境日等環保節日，推動社會大眾的環保意識。

Corporate Governance Report

企業管治報告

Strive to maintain

A HIGH STANDARD
OF CORPORATE GOVERNANCE

致力維持 **高 水 平 企 業 管 治**



Corporate Governance Report 企業管治報告

CORPORATE GOVERNANCE 企業管治

China Everbright Environment Group Limited (the “Company”, together with its subsidiaries, collectively the “Group”) strives to maintain a high standard of corporate governance as it believes good corporate governance practices are increasingly important for maintaining and promoting the confidence of shareholders of the Company (the “Shareholders”). They are crucial for the development of the Group’s business and protection of the Shareholders’ interests. The Group upholds the management principle of “People-oriented, Pragmatism, Creativity and Systematic Management”, and through a set of rules and regulations, has continuously strengthened internal control and risk management systems. Furthermore, by full and timely public disclosure of information, the Group has maintained transparency and accountability, which also enhances its corporate values.

The Corporate Governance Code and Corporate Governance Report (the “CG Code”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) have been duly adopted by the board (the “Board”) of directors (the “Director(s)”) of the Company as the code on corporate governance practices of the Company.

The Company complied with all Code Provisions as set out in the CG Code throughout the year ended 31 December 2020 with the exception of Code Provision A.2.1 due to the overlapping roles of Chairman of the Board and Chief Executive Officer (the “CEO”) of the Company performed by Mr. Wang Tianyi since 25 September 2020. The Board believes that the balance of power and authority for the present arrangement will not be impaired and this arrangement will enable the Company to make and implement decisions promptly and efficiently. The Board shall nevertheless review this arrangement from time to time.

The Company will continue to commit itself to enhancing its corporate governance appropriate to the conduct and growth of its business, and from time to time, to reviewing its corporate governance practices to ensure the compliance with the CG Code and align with the latest developments.

中國光大環境(集團)有限公司(「本公司」，連同其附屬公司，統稱「本集團」)致力維持高水準企業管治，相信良好企業管治對維持和提升本公司股東(「股東」)的信心日益重要，並以此為發展本集團業務及保障股東利益之關鍵。本集團奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，並透過一系列的規章制度不斷強化內部監控和風險管理系統。此外，本集團全面及時地公開披露資料，維持透明度及問責性，以提升公司價值。

本公司董事(「董事」)會(「董事會」)已採納《香港聯合交易所有限公司證券上市規則》(「《上市規則》」)附錄十四所載的《企業管治守則及企業管治報告》(「《企業管治守則》」)作為本公司的企業管治常規守則。

於截至二零二零年十二月三十一日止年度期間，本公司一直遵守《企業管治守則》所載所有守則條文，惟守則條文第A.2.1條除外，原因是王天義先生自二零二零年九月二十五日起同時擔任本公司之董事會主席兼行政總裁(「行政總裁」)。董事會相信，現時的安排不會損害職能及權力兩者的平衡，並認為此安排能使本公司及時且有效地作出及落實決定。惟董事會會不時檢討此安排。

本公司將不斷提升其企業管治以配合其業務運作及增長，且不時審閱及評估其企業管治常規，確保遵守《企業管治守則》及切合最新發展形勢。

Corporate Governance Report 企業管治報告

THE BOARD OF DIRECTORS 董事會

Composition and function 組成及職責

The Board currently comprises 4 executive Directors and 4 independent non-executive Directors (the “INED(s)”).

董事會現由四名執行董事及四名獨立非執行董事組成。

The Directors during the financial year and up to the date of the report are set out on page 117 of the annual report and are set out as follows:

於本財政年度內及截至本報告之日的董事已載列於年報內第117頁，並載列如下：

Name of Directors	Title	董事姓名	職位
<i>Executive Directors</i>		<i>執行董事</i>	
Mr. Cai Yunge ^{Note 1}	Chairman of the Board	蔡允革先生 ^{附註1}	董事會主席
Mr. Wang Tianyi ^{Note 2}	Chairman of the Board and CEO	王天義先生 ^{附註2}	董事會主席兼行政總裁
Mr. Wong Kam Chung, Raymond	Chief Financial Officer	黃錦聰先生	財務總監
Mr. Hu Yanguo	Deputy General Manager	胡延國先生	副總經理
Mr. Qian Xiaodong	Deputy General Manager	錢曉東先生	副總經理
<i>Independent Non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Fan Yan Hok, Philip		范仁鶴先生	
Mr. Mar Selwyn		馬紹援先生	
Mr. Zhai Haitao		翟海濤先生	
Mr. Suo Xuquan		索緒權先生	

Notes 附註：

1. Mr. Cai Yunge resigned as the executive Director and the Chairman of the Board with effect from 25 September 2020.
蔡允革先生由二零二零年九月二十五日起辭任執行董事及董事會主席。
2. Mr. Wang Tianyi was appointed as the Chairman of the Board with effect from 25 September 2020.
王天義先生由二零二零年九月二十五日起獲委任為董事會主席。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

The Directors have given sufficient time and attention to the Group's affairs. The Directors have disclosed to the Company annually the number and the nature of offices held in public companies or organisations and other significant commitments. The Board believes that the balance between executive Directors and INEDs is reasonable and adequate to provide sufficient balances that protect the interests of the Shareholders and the Group.

Despite the fact that some of the Directors hold multiple board seats, after taking into account the attendance rate of the Directors in all Board and Board committee meetings and the general meetings of the Company, and the advice and views given by the Directors in the Board and Board committee meetings as well as the time that the Directors spent on perusing monthly management updates of the Company and the information in relation to other performance of the Company, the Board believes that those Directors devoted sufficient time and effort to perform their duties.

The number of INEDs represents not less than one-third of the Board as required under the Listing Rules, one of whom possesses appropriate professional qualifications or accounting or related financial management expertise. INEDs provide the Group with diversified experience and professionalism. Their advice and views as well as participation in the Board and Board committee meetings bring independent views, advice and judgements on issues relating to the strategy and development, business operation and performance, risk control, conflict of interests, etc., to ensure the Shareholders' interests are taken into consideration.

In accordance with the Company's articles of association (the "Articles of Association"), 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 of the Company (the "AGM") one third of the Directors for the time being (or, if their number is not a multiple of 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 at least once every 3 years.

董事均有足夠時間及精力處理本集團的事務。董事每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔的職務。董事會認為執行董事及獨立非執行董事組合之比例合理及適當，並充分發揮制衡作用，以保障股東及本集團之利益。

儘管部分董事出任多個董事會職位，觀乎他們於本公司舉行之所有董事會及董事會委員會會議以及股東大會的出席率，以及各董事參與董事會及董事會委員會會議提出的建議及意見、研讀本公司每月管理層更新資料，以及有關本公司其他表現的資料，董事會認為該等董事已付出足夠時間及精力履行其職責。

獨立非執行董事人數已按《上市規則》的規定佔董事會不少於三分之一，其中一名具備適當的專業資格或會計或相關財務管理專業知識。獨立非執行董事為本集團帶來多元化的經驗及專業知識。他們提出的提議及意見，以及透過彼等參與董事會及董事會委員會會議，為本集團的策略及發展、業務運營及表現、風險監控及利益衝突等事宜上，提供獨立意見、提議及判斷，以確保股東之權益均獲得考慮。

根據本公司《章程細則》(「《章程細則》」)，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，於本公司每次股東週年大會(「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，惟每名董事(包括具有指定任期者)必須至少每三年退任一次。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

Although the positions of the Chairman of the Board and the CEO are currently held by the same individual, Mr. Wang Tianyi, the respective responsibilities are set out clearly in writing. The Board believes that the balance of power and authority for the present arrangement will not be impaired and this arrangement will enable the Company to make and implement decisions promptly and efficiently. The Board shall nevertheless review this arrangement from time to time.

The Board meets regularly throughout the year. Under the leadership of the Chairman of the Board, the Board is responsible for approving and supervising the overall strategies and policies of the Group, approving the 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 in a timely manner. The Directors may, if necessary, seek legal or other independent professional advice at the expense of the Company.

In respect of the regular meetings of the Board/Board committees, formal notices and agenda were sent to all Directors/respective Board committee members at least 14 days before the respective meetings. Non-regular/ad-hoc meetings may also be taken place as and when necessary of reasonable notice. In general, meeting papers were dispatched to all Directors/respective Board committee members for review at least 3 days before the meeting. Agenda had been prepared after consultation with the Directors/respective Board committee members and the management.

Where any Director has a potential conflict of interest in a matter being discussed in the Board meetings, he will abstain from voting on the matter. INEDs with no conflict of interest will deal with such matters.

In addition to Board meetings, the Chairman of the Board meets with INEDs at least once a year without the presence of other Directors. The INEDs are free to provide their independent opinions to the Board.

儘管董事會主席及行政總裁的職務現時均由同一人士王天義先生出任，惟兩者各自的職責已清楚界定並以書面列載。董事會相信，現時的安排不會損害職能及權力兩者的平衡，並認為此安排能使本公司及時且有效地作出及落實決定。惟董事會會不時檢討此安排。

董事會於年度內定期開會。在董事會主席領導下，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、評估本集團表現，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，並會及時獲提供充分資料。在適當的情況下，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。

就定期的董事會／董事會委員會會議，在相關會議召開前至少十四天向全體董事／相關董事會委員會成員發出正式通知及會議議程。非定期／臨時的會議則會在給予合理通知後召開。會議文件一般會在會議舉行前至少三天發送予全體董事／相關董事會委員會成員以供審閱。每次會議議程內容均經諮詢董事／相關董事會委員會成員及管理層意見。

倘董事在董事會會議上討論的事宜有潛在利益衝突，該董事必須放棄表決。概無潛在利益衝突之獨立非執行董事，將處理該等事宜。

除董事會會議外，董事會主席與獨立非執行董事在其他董事避席下每年至少會面一次。獨立非執行董事可自由地向董事會提供獨立意見。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

Minutes of the Board/Board committees are recorded in sufficient details which include matters discussed and considered together with the decisions reached, and any concerns raised or dissenting views expressed by the Board members/respective Board committee members. Original signed minutes, upon reviewed by all Directors/respective Board committee members, are properly kept by the Company Secretary/duly appointed secretaries of the respective Board committees and such minutes are open for inspection by all Directors/respective Board committee members.

All the Directors are entitled to seek independent professional advice regarding their duties at the Company's expenses. The Board can also seek advice and services from the Company Secretary.

The Company has arranged a Directors' and Officers' Liability Insurance Policy, and the insurance coverage and the sum insured under the policy are reviewed annually.

As an integral part of good corporate governance, the Board has established the following 5 Board committees with specific written terms of reference which deal clearly with their respective authority and duties:

董事會／董事會委員會會議紀錄對於會議上所討論、考慮事項及達致的決定均作足夠詳細的記錄，其中包括董事會／相關董事會委員會成員提出的任何疑慮或表達的反對意見。已簽署的會議紀錄正本經所有董事／相關董事會委員會成員審閱後由公司秘書／經正式委任的相關董事會委員會秘書備存，而該等會議紀錄可供全體董事／相關董事會委員會成員查閱。

所有董事均有權就其職責問題尋求獨立專業意見，有關費用由本公司支付。董事會亦可向公司秘書尋求意見及服務。

本公司已為董事及高級人員安排責任保險，並每年均會對該保險的保障範圍及投保金額進行檢討。

作為良好的企業管治，董事會成立了以下的五個董事會委員會，並書面訂明各董事會委員會之具體職權範圍，清楚說明其各自之職權及職責：

1. Audit Committee 審核委員會

The Audit Committee, currently comprising 3 INEDs, namely Mr. Mar Selwyn (Chairman), Mr. Fan Yan Hok, Philip and Mr. Zhai Haitao, is primarily responsible for reviewing the Group's financial reporting process, risk management and internal control systems, internal and external audit and such other financial and accounting matters of the Group, etc. Under its terms of reference, the Audit Committee is required to oversee the relationship between the Company and Ernst & Young ("EY"), the external auditor of the Company. The terms of reference of the Audit Committee are available on the websites of the Company and Hong Kong Exchanges and Clearing Limited ("HKEx").

審核委員會現時由三名獨立非執行董事，包括馬紹援先生(擔任主席)、范仁鶴先生及翟海濤先生組成，其主要職責包括審閱本集團財務匯報程序、風險管理及內部監控系統、對內和外部審計及本集團任何其他財務和會計事宜等。根據審核委員會之職權範圍，審核委員會須監察本公司與外聘核數師安永會計師事務所(「安永」)的關係。有關審核委員會的職權範圍已於本公司及香港交易及結算所有限公司(「港交所」)網站公開。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

1. Audit Committee (continued) 審核委員會(續)

During 2020 and 2021 (up to the date of this report), the Audit Committee reviewed with the management and EY, including but not limited to the accounting principles and practices adopted by the Group, significant audit matters such as significant accounting estimates and judgemental areas, and discussed the Group's risk management and internal control systems and financial reporting matters, etc., including review of the annual results for the years ended 31 December 2019 and 2020, the interim results for the six months ended 30 June 2020 and reports from Internal Audit Department and Risk Management Department of the Company. The Audit Committee held a private meeting with EY without the presence of any executive Directors during the year under review.

於二零二零年及二零二一年內(截至本報告日期)，審核委員會已與管理層及安永審閱包括(但不限於)本集團所採納之會計原則及常規、重要審計事項如重要的會計估計及判斷領域，並討論本集團的風險管理和內部監控系統以及財務報告等事宜(包括審閱本公司截至二零一九年及二零二零年十二月三十一日止年度業績、截至二零二零年六月三十日止六個月之中期業績及本公司內部審計部及風險管理部發出的報告)。審核委員會與安永在沒有任何執行董事出席的情況下於回顧年度內私下舉行了一次會議。

2. Risk Management Committee 風險管理委員會

The Risk Management Committee currently comprises Mr. Fan Yan Hok, Philip (Chairman), an INED, Mr. Mar Selwyn, an INED, Mr. Suo Xuquan, an INED, Mr. Wong Kam Chung, Raymond, the executive Director and the Chief Financial Officer, Mr. Hu Yanguo, the executive Director and the Deputy General Manager, and Ms. Guo Ying, the General Manager of Internal Audit Department and Risk Management Department of the Company. Its main duties are to provide oversight of the Company's risk management programs, and to review the effectiveness of the management's processes for identifying, assessing, mitigating and monitoring enterprise-wide risks. The terms of reference of the Risk Management Committee have been established in writing.

During 2020 and 2021 (up to the date of this report), the Group carried out risk assessment and analysis to identify the annual changes in risks and the internal control assessment to ensure the effectiveness of the internal control management. The Risk Management Committee reviewed the 2020 and 2021 risk appetite of the Group, analysis of the effectiveness of major risk management and control measures in 2019 and 2020, and the annual risk assessment results of 2020 and 2021.

風險管理委員會現時由獨立非執行董事范仁鶴先生(擔任主席)、獨立非執行董事馬紹援先生、獨立非執行董事索緒權先生、執行董事兼財務總監黃錦聰先生、執行董事兼副總經理胡延國先生及本公司內部審計部及風險管理部總經理郭穎女士組成，其主要職責為監管本公司的風險管理程序和負責審核管理層就企業全面風險識別、評估、緩解、監控程序的有效性。風險管理委員會設有書面的職權範圍。

於二零二零年及二零二一年內(截至本報告日期)，本集團進行了風險評估與分析工作，以明確年度風險變化情況；開展內部監控評估工作，以確保內部監控管理的有效性。風險管理委員會審議本集團之二零二零年及二零二一年風險偏好、二零一九年及二零二零年主要風險管控措施效果分析和二零二零年及二零二一年風險評估結果。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

3. Nomination Committee 提名委員會

The Nomination Committee currently comprises Mr. Wang Tianyi (Chairman), the executive Director, the Chairman of the Board and the CEO, and all the 4 INEDs, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn, Mr. Zhai Haitao and Mr. Suo Xuquan. Its primary responsibilities include but not limited to reviewing annually the structure, size and composition (including the skills, knowledge and experience) of the Board, reviewing and reporting the Board diversity to the Board, assessing the independence of the INEDs, making recommendations to the Board, by taking into account the Board Diversity Policy and the Nomination Policy (please refer to the sections headed “Board Diversity Policy” and “Nomination Policy” in this report for more details), on appointment or re-appointment or re-designation of Directors and assessing the qualifications and competencies of the candidates, so as to ensure that all nominations are fair and transparent. The terms of reference of the Nomination Committee are available on the websites of the Company and HKEx.

During 2020 and 2021 (up to the date of this report), the Nomination Committee reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board, and assessed the independence of the INEDs. The committee also reviewed the changes of the Chairman of the Board and the composition of the Board committees, and discussed and made recommendations to the Board on the re-election of the retiring Directors at the 2020 and 2021 AGMs respectively, etc.

提名委員會現時由執行董事、董事會主席兼行政總裁王天義先生(擔任主席)，以及全數四名獨立非執行董事范仁鶴先生、馬紹援先生、翟海濤先生及索緒權先生組成。其主要職責包括(但不限於)每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，檢視及向董事會報告董事會成員的多元化事宜，評核獨立非執行董事的獨立性，以及根據《董事會成員多元化政策》及《提名政策》(有關詳情載於本報告「《董事會成員多元化政策》」及「《提名政策》」之章節內)就董事的委任或重新委任或調任向董事會提出建議，評估候選人的資格及能力，以確保所有提名均屬公正和具透明度。有關提名委員會的職權範圍已於本公司及港交所網站公開。

於二零二零年及二零二一年內(截至本報告日期)，提名委員會檢討了董事會的架構、人數及組成(包括技能、知識及經驗方面)，評核獨立非執行董事的獨立性。委員會亦審議董事會主席及董事會委員會組成之變更，以及討論和向董事會建議分別於二零二零年及二零二一年股東週年大會上退任董事之重選等事宜。

4. Remuneration Committee 薪酬委員會

The Remuneration Committee currently comprises Mr. Zhai Haitao (Chairman), an INED, Mr. Wang Tianyi, the executive Director, the Chairman of the Board and the CEO, and 3 other INEDs, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn and Mr. Suo Xuquan. The terms of reference of the Remuneration Committee, which are available on the websites of the Company and HKEx, set out the duties of the Remuneration Committee, including but not limited to determining, with delegated responsibilities by the Board, the remuneration packages of the individual executive Directors and senior management.

薪酬委員會現時由獨立非執行董事翟海濤先生(擔任主席)、執行董事、董事會主席兼行政總裁王天義先生以及另外三名獨立非執行董事范仁鶴先生、馬紹援先生及索緒權先生組成。有關薪酬委員會的職權範圍已於本公司及港交所網站公開，該職權範圍載列薪酬委員會的職責包括(但不限於)在獲董事會轉授責任下釐定個別執行董事及高級管理人員的薪酬待遇。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Composition and function (continued) 組成及職責(續)

4. Remuneration Committee (continued) 薪酬委員會(續)

During 2020 and 2021 (up to the date of this report), the Remuneration Committee enforced the policy for the remuneration of the executive Directors, assessed performance of the executive Directors, and reviewed the 2020 and 2021 bonus proposal, 2019 and 2020 bonus payment and the remuneration package of the individual executive Directors and the senior management of the Company.

The remuneration of all the Directors is set out in note 9 to the financial statements.

於二零二零年及二零二一年內(截至本報告日期)，薪酬委員會落實執行董事的薪酬政策、評估執行董事的表現及審議本公司個別執行董事及高級管理人員的二零二零年及二零二一年度花紅計提方案以及二零一九年及二零二零年度花紅發放方案及薪酬待遇。

各董事的薪酬刊載於財務報表附註9內。

5. Disclosure Committee 披露委員會

The Disclosure Committee currently comprises 4 executive Directors, namely, Mr. Wang Tianyi (Chairman), the Chairman of the Board and the CEO, Mr. Wong Kam Chung, Raymond, the Chief Financial Officer, Mr. Hu Yanguo, the Deputy General Manager and Mr. Qian Xiaodong, the Deputy General Manager as well as Mr. An Xuesong, the Deputy General Manager and Ms. Poon Yuen Ling, the Company Secretary. The Board has delegated the day-to-day execution of its continuous disclosure obligations to the Disclosure Committee to ensure the compliance of the Company with its disclosure obligations. The terms of reference of the Disclosure Committee have been established in writing.

披露委員會現時由四名執行董事包括董事會主席兼行政總裁王天義先生(擔任主席)、財務總監黃錦聰先生、副總經理胡延國先生和副總經理錢曉東先生，以及副總經理安雪松先生與公司秘書潘婉玲女士組成。董事會已授權披露委員會負責持續披露責任的日常執行工作以確保本公司遵守披露責任。披露委員會設有書面的職權範圍。

Other than the 5 Board committees above, the Management Decision Committee, being chaired by the CEO, is responsible for handling day-to-day business activities and making collective decisions on major matters relating to the Group's daily business operations, management and personnel matters, etc. The Management Decision Committee also takes charge of reviewing the investment projects of the Group, after recommended by the Project Advisory Committee, pursuant to the power delegated by the Board. For project risk management and project technological risk management, the Group has set up the Project Advisory Committee to monitor and assess risks regularly, boost related management standards and evaluate investment projects as well as assess the technologies used in different investment projects. For project financial control, the Group insists on stringent budget management, and has set up the Budget Management Centre that focuses on monitoring construction budgets. In addition, the Group has also set up Internal Audit Department and Risk Management Department to perform internal audits, and risk management and control functions respectively to bolster the Group's management standards.

除了上述五個董事會委員會外，由行政總裁擔任主席的管理決策委員會負責處理日常業務活動，以及對於日常業務運營、管理及人事等重大事項進行集體決定。根據董事會給予的授權，管理決策委員會亦負責審查本集團的投資項目(在獲取項目評審委員會之建議後)。在項目風險管理及項目技術風險管理機制上，本集團設立項目評審委員會負責定期進行風險監督及評估，以提升相關的管理水平及審核投資項目，同時亦會負責在投資項目的技術方面作出評審。在項目財務監控上，本集團堅持嚴格的項目預算管理，並特別成立預算管理中心專職監控項目的工程預算。此外，本集團亦設立內部審計部及風險管理部分別進行內部審核及風險管控以提升管理水平。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Role of the Board 董事會的角色

The Board directs and approves the overall strategies of the Group. It is the decision-making body of the Company except for matters requiring the Shareholders' approval in accordance with the Articles of Association, the Listing Rules and other applicable laws and regulations.

The Board has delegated day-to-day business of the Group to the management. As mentioned above, all committees established under the Board have their specific terms of reference in writing, clearly explaining their roles and the authorities delegated to them.

董事會制定及批准本集團的整體政策。除根據《章程細則》、《上市規則》及其他適用法例及法規須獲股東批准的事宜外，董事會為本公司的決策機關。

董事會授權管理層管理本集團的日常業務。如上所述，董事會下設的委員會有其特定的書面職權範圍，明確解釋它們的角色及董事會轉授予的權力。

Corporate governance functions 企業管治職責

The Board is responsible for performing the corporate governance duties as set out below:

1. to develop and review the Company's policies and practices on corporate governance and make recommendations;
2. to review and monitor the training and continuous professional development of Directors and senior management;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
5. to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Board performed the above duties during the year under review.

董事會負責履行下述企業管治的職責：

1. 制定及檢討本公司的企業管治政策及常規，並提出建議；
2. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
5. 檢討本公司遵守《企業管治守則》的情況及在《企業管治報告》內的披露。

於回顧年度內，董事會已履行上述職責。

THE BOARD OF DIRECTORS (*continued*) 董事會(續)

Nomination Policy 《提名政策》

The Board adopted a policy on the nomination of Directors (the “Nomination Policy”), which sets out the criteria and procedures when identifying suitably qualified candidates to be appointed, re-appointed or re-designated as Directors.

董事會採納有關董事提名的政策(「《提名政策》」)，其列載了委任、重新委任及調任合資格候選人為董事時應考慮的標準及程序。

Nomination Criteria 提名標準

The following factors would be considered by the Nomination Committee in assessing the proposed candidates:

- (a) accomplishment and professional experience that, in the opinion of the Nomination Committee, could benefit the development of the Company;
- (b) commitment in respect of available time to the Board. In this regard, the number and nature of offices held by the candidate in public companies or organisations, and other executive appointments or significant commitments will be considered;
- (c) diversity in all its aspects, including but not limited to gender, ethnicity, skills, knowledge, experience, age (18 years or above), cultural and educational background;
- (d) potential/actual conflict of interests that may arise if the candidate is selected;
- (e) independence of the candidate (where applicable); and
- (f) in the case of a proposed re-appointment of an INED, the number of years the individual has already served.

These factors are not meant to be exhaustive and decisive. The Nomination Committee has the discretion to consider other factors as it considers appropriate and helpful to achieve the objective of the Nomination Policy.

提名委員會在評估擬候選人時將考慮以下因素：

- (a) 提名委員會認為有助於本公司發展的成就及專業經驗；
- (b) 對董事會投入時間的承諾。在這方面，會考慮候選人在公眾公司或機構所擔任的職務數量及性質，以及其他具有行政管理性質的委任或重要承諾；
- (c) 就各方面而言的多元化，包括但不限於性別、民族、技能、知識、經驗、年齡(18歲或以上)、文化及教育背景；
- (d) 如果候選人被委任，可能產生的潛在或實際的利益衝突；
- (e) 候選人的獨立性(如適用)；及
- (f) 就重新委任獨立非執行董事的情況，候選人已經在任的服務年期。

上述因素並不旨在涵蓋所有因素，也不具決定性作用。提名委員會有權考慮其他任何適合及有助實現《提名政策》目的之因素。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Nomination Policy (continued) 《提名政策》(續)

Nomination Procedure 提名程序

Subject to the provisions in the Articles of Association, the following procedures for nomination should be adopted:

- (a) the Nomination Committee identifies or selects candidates pursuant to the nomination criteria set out under section of Nomination Criteria;
- (b) the Nomination Committee may use any process it deems necessary and appropriate to evaluate the candidates, including personal interview, background checks, presentations or written submission by the candidates or third-party references;
- (c) the Nomination Committee makes recommendation to the Board and provides all the information required by applicable Listing Rules including its assessment results based on the nomination criteria set out under section of Nomination Criteria;
- (d) the Board shall have the final decision on the appointment based on the recommendation by the Nomination Committee;
- (e) all appointment of Directors should be confirmed by letter of appointments setting out the key terms and conditions of the appointments of relevant Directors, which should be approved by the Nomination Committee; and
- (f) where Shareholders are required to vote on appointment or re-appointment or re-designation of a Director, the circular accompanying the notice of relevant general meeting should contain all the information of the candidates required by Listing Rules (including Appendix 14).

The Shareholders may also propose a person for election as a Director, details and procedures of which are set out in the Procedures for Shareholders to Propose a Person for Election as a Director of the Company, which are available on the website of the Company.

受限於《章程細則》的規定，提名程序如下：

- (a) 提名委員會根據「提名標準」項下的提名標準識別或甄選候選人；
- (b) 提名委員會可選用其認為任何必要和適當的程序評估候選人，包括面談、背景調查、演講或由候選人遞交的書面意見或第三方的推薦意見；
- (c) 提名委員會向董事會作出推薦並且提供所有適用的《上市規則》要求的資料，以及其根據「提名標準」項下的提名標準作出評估結果；
- (d) 董事會對基於提名委員會推薦作出的委任有最終決定權；
- (e) 所有對董事的委任應通過委任函確認，委任函應列載相關委任的關鍵條款及條件，並且需得到提名委員會的批准；及
- (f) 如股東需要對委任或重新委任或調任進行投票時，連隨召開相關股東大會通知的通函應包含所有《上市規則》(包括附錄十四)要求的資料。

股東亦可推薦董事候選人，有關詳情及程序列載於本公司的《股東提名候選董事的程序》(已於本公司網站公開)。

THE BOARD OF DIRECTORS *(continued)* 董事會(續)

Board Diversity Policy 《董事會成員多元化政策》

The Company has formulated the Board Diversity Policy aiming at setting out the approach on diversity of the Board.

The Board recognises the importance of having a diverse Board in enhancing the Board's effectiveness and corporate governance. A diverse Board includes and makes good use of differences in the skills, industry knowledge and experience, education, background and other qualities of the Directors and does not discriminate on the ground of race, age, gender, culture or religious belief. These differences are taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

The Nomination Committee has responsibility for identifying and nominating candidates for approval by the Board. It takes responsibility in assessing the appropriate mix of gender, age (18 years or above), culture, experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and overseeing the Board succession.

The Nomination Committee is also responsible for reviewing and reporting to the Board in relation to Board diversity.

Board appointments will be based on merits of the candidates and other objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates to join the Board will be, in part, dependent on the pool of candidates with the necessary knowledge, experience, skills, educational background and other qualities. The final decision will be based on the chosen candidate's merits and contributions that he/she will bring to the Board.

The Board considers that the Board diversity is a vital asset to the Company.

At present, the Nomination Committee has not set any measurable objectives to implement the Board Diversity Policy. However, the Nomination Committee will consider and review the Board Diversity Policy, and set any measurable objectives from time to time.

本公司訂立《董事會成員多元化政策》，目的是為董事會成員的多元化訂立方向。

董事會明白一個多元化的董事會對於提高董事會效率及企業管治的重要性。多元化的董事會包括善用董事的不同技能、行業知識和經驗、教育、背景和其他素質，而不會產生基於種族、年齡、性別、文化或宗教的歧視。在決定最佳董事會組合時會考慮該等因素，並盡可能取得適當的平衡。

提名委員會負責物色及提名董事候選人予董事會批准；負責評估董事會所需的適當組合和董事候選人的性別、年齡(18歲或以上)、文化、經驗、專業知識和技能及董事會所需的多元化因素；以及監督董事會的繼任。

提名委員會亦負責檢視及向董事會報告有關董事會成員的多元化事宜。

董事的任命將根據候選人的優點及其他客觀標準作出，充分考慮該等因素對於董事會成員多元化的好處。

甄選候選人加入董事會時，會按照候選人有否具備所需的知識、經驗、技能、教育背景及其他素質來考慮。最終的決定將會取決於候選人的優點和其將會為董事會作出的貢獻。

董事會認為董事會成員的多元化，對於本公司是一項重要的資產。

目前，提名委員會尚未就實踐《董事會成員多元化政策》而訂定任何可量化的目標。然而，提名委員會將會不時考慮及檢討《董事會成員多元化政策》以及訂定任何可計量目標。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Dividend Policy 《股息政策》

The Company adheres to the principle of sharing the fruit of its success with the Shareholders and considers stable and sustainable returns to the Shareholders to be its goal. The Company has adopted a Dividend Policy, which is only a guideline on the distribution of dividends to the Shareholders.

The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders. The distribution of dividends to the Shareholders can be by way of cash or scrip or partly by cash or scrip or some other ways as determined by the Board from time to time. Any payment of the dividend by the Company is also subject to any restrictions under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”), the Articles of Association and the Shareholders.

The Board takes into account the following factors when considering the declaration and payment of dividends, inter alia:

- (1) the funding needs to the operation and business development of the Company from time to time;
- (2) the market situation from time to time;
- (3) the solvency requirements of the Companies Ordinance;
- (4) cash flow and financial condition of the Company;
- (5) the requirements of the Articles of Association and the relevant laws, rules and regulations applicable to the Company;
- (6) any banking or other funding covenants by which the Company is bound from time to time; and
- (7) any other factors that the Board deems relevant.

本公司遵循把成果與股東分享的原則並以穩定及持續性地向股東派息作為其目標。本公司已採納《股息政策》，僅作為分配股息予股東的指引。

支付任何股息的建議視乎董事會的絕對酌情權而定，任何末期股息之宣派須待股東批准後方可作實。向股東分配的股息可採取現金或以股代息方式，或部份以現金或以股代息方式，或由董事會不時決定的其他方式。本公司支付任何股息亦須受香港法例第六百二十二章《公司條例》(「《公司條例》」)、《章程細則》及股東所規限。

董事會在考慮宣派及派付股息時，會考慮以下因素(其中包括)：

- (1) 本公司不時對運營和業務發展的資金需求；
- (2) 不時的市場情況；
- (3) 《公司條例》的償付能力要求；
- (4) 本公司現金流及財務狀況；
- (5) 《章程細則》及有關適用於本公司的法律、法規和規章要求；
- (6) 本公司不時就任何銀行或其他融資制約條款的限制；及
- (7) 任何其他董事會認為相關的因素。

Corporate Governance Report 企業管治報告

THE BOARD OF DIRECTORS (continued) 董事會(續)

Dividend Policy (continued) 《股息政策》(續)

When assessing the Company's performance for each financial year or interim financial period, the Board shall seek to maintain a steady dividend policy depending on the capital expenditure and cash flow for each financial year or interim financial period, while smoothing the effect of any variation in the cash flow that may be due to one-off gains or losses in the same period.

The Dividend Policy will be reviewed from time to time, which should not form a commitment on distribution of dividends to the Shareholders and there is no assurance that dividends will be paid in any particular amount for any given period.

在評估本公司每個財政年度或中期財政期間之業績表現時，董事會在維持一個穩定股息政策的同時，會視乎每個財政年度或中期財政期間的資本性開支與現金流的情況來確定派息比率(扣除可能在同期出現一次性的收益或損失而影響現金流的因素)。

《股息政策》將不時被檢討，不應成為分配股息予股東的承諾，且並不保證在任何期限內將分發任何金額的股息。

Training for Directors 董事培訓

Each newly appointed Director receives an induction training package covering the statutory and regulatory obligation of a director of a listed company. The Company continuously updates Directors with the latest developments and amendments to the Listing Rules and other applicable regulatory requirements, and provides trainings and relevant reading materials to develop and refresh the Directors' knowledge and skills.

During the year under review, the Company provided Directors with monthly updates on the performance, position and prospects of the Company. The Company also provided Directors with monthly analysis report on the Company's stock price performance, monthly journal of the Company and biannually shareholder analysis report of the Company.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills as Directors. The Company has prepared a training record in order to assist the Directors in recording the training that they have undertaken.

During the year under review, the Company organised a training for Directors on the PRC individual income tax considerations for cross-border employment arrangements and the potential tax planning arrangement for headquarter intercompany services. Individual Director also attended seminars and/or conferences or forums relevant to his profession and duties as Directors.

每名新委任的董事均獲得就任培訓，內容包括上市公司董事在法規及監管規定上之責任的資料。本公司持續向董事提供有關《上市規則》和其他適用監管規定之最新發展概況，並提供培訓與相關讀物以發展及更新董事的知識和技能。

於回顧年度內，本公司向董事提供有關本公司表現、狀況及前景的每月更新資料。本公司亦向董事每月提供有關本公司股價表現的分析報告、本公司月刊，以及本公司半年度股東分析報告。

本公司鼓勵董事參加持續專業發展，以發展並更新董事的知識和技能。本公司已備有培訓記錄，協助董事記錄所接受的培訓。

於回顧年度內，本公司為董事舉辦了一個有關中港兩地僱傭安排的中國個人所得稅考慮及影響，以及集團總部與集團內關聯公司的服務安排及稅務籌劃之培訓。個別董事還參加了有關其專業和董事職務的座談會及／或會議或論壇。

THE BOARD OF DIRECTORS (continued) 董事會(續)

Training for Directors (continued) 董事培訓(續)

Below is a summary of the trainings the Directors received during the year under review:

於回顧年度內，董事所接受的培訓概要如下：

Name of Directors	董事姓名	Types of Training 培訓類型
<i>Executive Directors</i> 執行董事		
Mr. Wang Tianyi	王天義先生	A,B,C
Mr. Wong Kam Chung, Raymond	黃錦聰先生	A,B,C
Mr. Hu Yanguo	胡延國先生	A,B,C
Mr. Qian Xiaodong	錢曉東先生	A,B,C
<i>Former Executive Director</i> 前執行董事		
Mr. Cai Yunge	蔡允革先生	A,C
<i>Independent Non-executive Directors</i> 獨立非執行董事		
Mr. Fan Yan Hok, Philip	范仁鶴先生	A,C
Mr. Mar Selwyn	馬紹援先生	A,C
Mr. Zhai Haitao	翟海濤先生	A,C
Mr. Suo Xuquan	索緒權先生	A,C

Notes 附註：

A: attending seminars/conferences/forums
出席座談會／會議／論壇

B: giving talks at seminars/conferences
於座談會／會議上演講

C: reading newspapers, journals and updates relating to the economy, environmental protection business or directors' duties and responsibilities, etc.
閱讀有關經濟、環保業務或董事職責等之報章、刊物及更新資料

Remuneration of Directors and Senior Management 董事及高級管理人員薪酬

The remuneration of the members of the senior management by band for the year ended 31 December 2020 is set out below:

截至二零二零年十二月三十一日止年度高級管理人員之薪酬組別如下：

Remuneration bands (HK\$)	Number of persons 人數	薪酬組別(港幣元)
\$2,000,001 to \$3,000,000	3	2,000,001元至3,000,000元
\$3,000,001 to \$4,000,000	1	3,000,001元至4,000,000元

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 9 and 10 to the financial statements, respectively.

根據《上市規則》附錄十六須就董事薪酬以及五名最高薪酬僱員披露之進一步詳情，分別載於財務報表附註9及10。

Corporate Governance Report 企業管治報告

NUMBER OF BOARD MEETINGS AND BOARD COMMITTEE MEETINGS AND ATTENDANCE RATE OF DIRECTORS 董事會及董事會委員會會議次數及各董事的出席次數

The following table shows the number of Board meetings and Board committee meetings held during the year under review as well as the attendance rate of the Directors:

下表顯示回顧年度內本公司所舉行的董事會及董事會委員會會議次數以及董事的出席次數：

Name of Directors 董事姓名	Number of meetings attended/held 出席/舉行的會議次數					
	Board 董事會	Audit Committee 審核委員會	Risk Management Committee 風險管理委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Disclosure Committee 披露委員會
<i>Executive Directors</i> 執行董事						
Mr. Wang Tianyi ^{Note 1} 王天義先生 ^{附註1}	7/7	N/A 不適用	N/A 不適用	2/2	N/A 不適用	NIL 無
Mr. Wong Kam Chung, Raymond 黃錦聰先生	7/7	N/A 不適用	2/2	N/A 不適用	N/A 不適用	NIL 無
Mr. Hu Yanguo 胡延國先生	7/7	N/A 不適用	2/2	N/A 不適用	N/A 不適用	NIL 無
Mr. Qian Xiaodong 錢曉東先生	7/7	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	NIL 無
<i>Former Executive Director</i> 前執行董事						
Mr. Cai Yunge ^{Note 2} 蔡允革先生 ^{附註2}	4/6	N/A 不適用	N/A 不適用	1/2	1/2	N/A 不適用
<i>Independent Non-executive Directors</i> 獨立非執行董事						
Mr. Fan Yan Hok, Philip 范仁鶴先生	7/7	3/3	2/2	2/2	2/2	N/A 不適用
Mr. Mar Selwyn 馬紹援先生	7/7	3/3	2/2	2/2	2/2	N/A 不適用
Mr. Zhai Haitao 翟海濤先生	7/7	3/3	N/A 不適用	2/2	2/2	N/A 不適用
Mr. Suo Xuquan 索緒權先生	7/7	N/A 不適用	2/2	2/2	2/2	N/A 不適用
Total number of meetings 會議總數	7	3	2	2	2	NIL 無

Notes 附註：

- Mr. Wang Tianyi was appointed as the Chairman of the Board, the chairman of the Nomination Committee and the member of the Remuneration Committee with effect from 25 September 2020.
王天義先生由二零二零年九月二十五日起獲委任為董事會主席、提名委員會主席及薪酬委員會成員。
- Mr. Cai Yunge resigned as the executive Director and the Chairman of the Board, the chairman of the Nomination Committee and the member of the Remuneration Committee with effect from 25 September 2020.
蔡允革先生由二零二零年九月二十五日起辭任執行董事及董事會主席、提名委員會主席及薪酬委員會成員。

THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER 董事會主席及行政總裁之職責分工

Although the positions of the Chairman of the Board and the CEO are currently held by the same individual, Mr. Wang Tianyi, the respective responsibilities are clearly set out in writing. The Chairman of the Board's responsibility is to manage the Board and the CEO's responsibility is to manage the Company's business.

The main duties of the Chairman of the Board include providing leadership for and overseeing the functioning of the Board; formulating overall strategies and policies of the Company; ensuring that all the Directors are properly briefed on issues arising at Board meetings and giving each Director an opportunity to express his view at Board meetings; ensuring that the Directors receive adequate information, which must be complete and reliable, in a timely manner; ensuring that the Board works effectively and discharges its responsibilities; ensuring that all key and appropriate issues are discussed by the Board in a timely manner; 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; taking responsibility for ensuring that good corporate governance practices and procedures are established; encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interests of the Company; ensuring that appropriate steps are taken to provide effective communication with the Shareholders and that views of the Shareholders are communicated to the Board as a whole; and facilitating the effective contribution of the Directors and ensuring constructive relations between executive Directors and INEDs.

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

儘管董事會主席及行政總裁的職務現時均由同一人士王天義先生出任，惟兩者各自的職責已清楚界定並以書面列載。董事會主席管理董事會的職責，而行政總裁管理本公司業務的職責。

董事會主席的主要職責包括領導董事會及監察董事會功能；制定本公司整體策略及政策；確保董事會會議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會議上表達其意見的機會；確保董事及時收到充分的資訊，而有關資訊亦必須完備及可靠；確保董事會有效地運作，且履行應有責任；確保董事會及時就所有重要的適當事項進行討論；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；有責任確保本公司制定良好的企業管治常規及程序；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；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；及促進董事對董事會作出有效貢獻，並確保執行董事與獨立非執行董事之間維持建設性的關係。

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

Corporate Governance Report 企業管治報告

INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

The current 4 INEDs hold office for a term until 31 December 2021. They are subject to retirement by rotation and re-election in accordance with the Articles of Association.

In accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules, the Board is of the view that all INEDs are independent (notwithstanding that for (i) Mr. Fan Yan Hok, Philip under Rule 3.13(7) of the Listing Rules, he had been a non-executive Director prior to his re-designation as an INED; (ii) Mr. Mar Selwyn was appointed and has served as an INED for more than 9 years since September 2004; and (iii) Mr. Zhai Haitao was appointed and has served as an INED for more than 9 years since January 2011) and the Company has received an annual written confirmation of independence from each of the INEDs pursuant to the requirements in the Listing Rules.

Moreover, the Directors are of the opinion that Mr. Fan, Mr. Mar and Mr. Zhai remain independent as the INEDs, notwithstanding their re-designation of Board position or length of tenure. They have not engaged in any executive management of the Group. Throughout their positions of the INEDs, they have participated in the meetings of the Board and Board committees to give objective views and impartial advice as well as exercise independent judgement. The Board believes that the extensive knowledge and experience of Mr. Fan, Mr. Mar and Mr. Zhai to the Group's business and their external experience continue to be of significant benefit to the Group, and that they maintain an independent view of the Company's affairs.

INEDs are identified as such in all corporate communications containing names of the Directors. An updated list of the Directors identifying the INEDs and the roles and functions of the Directors is maintained on the websites of the Company and HKEx.

現時四名獨立非執行董事的任期直至二零二一年十二月三十一日止。彼等須遵行《章程細則》有關輪值退任及膺選連任之規定。

根據《上市規則》第3.13條所載之獨立性指引，董事會認為全體獨立非執行董事均為獨立人士（儘管(i)根據《上市規則》第3.13(7)條，范仁鶴先生在被調任為獨立非執行董事前為非執行董事；(ii)馬紹援先生自二零零四年九月起獲委任為獨立非執行董事，任職超過九年；及(iii)翟海濤先生自二零一一年一月起獲委任為獨立非執行董事，任職超過九年），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書面確認。

另外，董事會認為范先生、馬先生及翟先生作為獨立非執行董事仍然保持獨立，並無證據顯示其董事會職位的調任或其任期對其獨立性有任何影響。彼等並無從事本集團之任何執行管理事務，於擔任獨立非執行董事期間，彼等曾參與董事會會議及不同董事會委員會的會議，均給予客觀的意見及中肯的建議，並作出獨立判斷。董事會相信范先生、馬先生及翟先生對本集團業務的豐富知識和經驗以及在本集團以外的經驗，將繼續為本集團帶來莫大裨益，並相信他們會對本公司事務保持獨立意見。

本公司在所有載有董事姓名的公司通訊中，已說明獨立非執行董事身份。本公司之最新董事名單已載於本公司及港交所的網站內，註明獨立非執行董事身份及列明董事角色及職能。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

董事進行證券交易之標準守則

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct for Directors’ transactions in securities of the Company. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set out in the Model Code during the year ended 31 December 2020.

The Company also adopted the Model Code for the securities transactions by relevant employees of the Company, including certain employees of the Company and certain employees of its subsidiaries.

The Group has formulated the Inside Information Reporting Policy, which provides to the Directors and the employees the inside information reporting guidelines, to enhance the inside information management of the Group.

本集團採納《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》(「《標準守則》」)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，所有董事均確認其於截至二零二零年十二月三十一日止年度內一直遵守《標準守則》所載的規定。

就本公司有關僱員(包括本公司若干僱員及其附屬公司之若干僱員)進行的證券交易，本公司也採納了《標準守則》。

本集團已制定《內幕消息報告政策》，為董事及僱員提供匯報內幕消息的指引，加強本集團內部信息管理。

COMPANY SECRETARY 公司秘書

The Company Secretary is accountable to the Board for ensuring that Board policies and procedures are followed and Board activities are efficiently and effectively conducted. The Company Secretary is a full-time employee of the Company. Although the Company Secretary reports to the Chairman of the Board and the CEO, all the Directors may call upon the Company Secretary for assistance and advice at any time in respect to their duties and other governance matters, so as to ensure effective operation of the Board and the committees thereunder. The Company Secretary advises the Board on governance matters and facilitates the induction and professional development of Directors. For the year under review, the Company Secretary confirmed that she had taken no less than 15 hours of relevant professional training.

公司秘書向董事會負責，以確保遵守董事會政策和程序，以及董事會事務有效率及有效地進行。公司秘書為本公司全職僱員，雖然公司秘書向董事會主席及行政總裁匯報，但全體董事均可隨時要求公司秘書提供有關董事責任及其他管治事宜的意見及協助，確保董事會及其轄下委員會可有效運作。公司秘書負責就管治事宜向董事會提供建議，並負責董事的就任須知及專業發展。於回顧年度，公司秘書確認其已接受不少於十五小時的相關專業培訓。

CONSTITUTIONAL DOCUMENTS 憲章文件

During the year under review, there was no change in the Articles of Association.

於回顧年度內，《章程細則》並無變動。

Corporate Governance Report 企業管治報告

EXTERNAL AUDITOR 外聘核數師

It is the auditor's responsibility to form an independent opinion, based on its audit, on the Company's financial statements and to report their opinions solely to the Shareholders, as a body, in accordance with section 405 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 independent auditor's report.

The external auditor of the Company for the year under review was EY. Apart from the provision of annual audit services, EY also carried out interim review of the Group's results and provided (i) assurance services in connection with the requirements under the Occupational Retirement Schemes Ordinance; (ii) tax advisory services; and (iii) assurance services and agreed-upon procedures in connection with the corporate financing exercises of the Group.

For the year ended 31 December 2020, the total fees paid/payable in respect of audit and non-audit services provided by EY to the Group is set out below:

核數師之職責是根據彼等審核工作的結果，對本公司財務報表作出獨立意見，並按照《公司條例》第405條的規定，僅向股東作出報告。除此之外，該報告不可用作其他用途，核數師概不就獨立核數師報告的內容，對任何其他人士負責或承擔責任。

於回顧年度內，本公司之外聘核數師為安永。除每年提供審核服務外，安永亦審閱本集團的中期業績，及(i)就本集團按照《職業退休計劃條例》的規定而提供核證服務；(ii)提供稅務諮詢服務；及(iii)就本集團之公司融資活動而提供之核證服務及商定的程序。

截至二零二零年十二月三十一日止年度內，安永向本集團提供審核及非審核服務已付／應付費用總額如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Type of services	服務類別		
Audit services	審核服務	11,611	8,170
Non-audit services*	非審核服務*	5,506	2,252
		17,117	10,422

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

* 非審核服務包括稅務諮詢及其他相關服務。

RISK MANAGEMENT AND INTERNAL CONTROLS 風險管理及內部監控

The Board has full responsibility for the Group's risk management and internal control systems, which include the establishment of a defined management structure with specified limits of authority. The systems are designed to help the Group achieve business objectives, safeguard assets against unauthorised 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 legislations and regulations. The risk management and internal control systems are designed to manage rather than eliminate the risks of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has conducted a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2020. This review covered all material controls, including financial, operational and compliance controls and risk management functions, and also considered the adequacy of resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions, and their training programmes and budget. The Board considered that the risk management and internal control systems were effective. The Risk Management Department reports to the Company's Risk Management Committee on the control of major risks and internal control implementation. Any internal control weaknesses of the Group detected by the Internal Audit Department is reported to the Audit Committee members and the management of the Company. Accordingly, the management takes remedial actions and the Internal Audit Department subsequently follows up and reviews whether the remedial actions in place are adequate.

To provide effective internal controls, the Board has established the following key procedures:

董事會全權負責本集團的風險管理及內部控制系統，包括制訂管理架構及相關的權限。該等系統旨在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、確保存有正確會計紀錄以提供可靠的財務數據供內部使用或對外發放，並確保遵守有關法例與規則。風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只可合理(但並非絕對)保證不會出現重大失實陳述或損失。

董事會已對本集團截至二零二零年十二月三十一日止年度的風險管理及內部監控系統的有效性進行檢討。該等檢討包括所有重要的監控，特別是財務監控、運營監控、合規監控及風險管理功能，並考慮本公司在會計、內部審計及財務匯報職能方面是否有足夠的資源、員工資歷及經驗，以及是否有充足的員工培訓課程及有關預算。董事會認為風險管理及內部監控系統屬有效。風險管理部就主要風險的控制情況和內部監控的執行情況向本公司的風險管理委員會匯報。倘若發現任何本集團內部監控的弱點，內部審計部會向本公司的審核委員會成員及管理層匯報。據此，管理層會採取相應的糾正措施及由內部審計部對是否實行足夠的有關糾正措施進行隨後跟進及審核工作。

為提供有效的內部監控，董事會確立了下列主要程序：

– Organisational Structure 組織架構

An appropriate organisational structure of the Group is in place with defined operating policies and procedures as well as responsibility and reporting lines.

本集團已設有合適的組織架構，清楚訂明相關的運營政策及程序、職責及匯報渠道。

– Authority and Control 權限及監控

The executive Directors and senior management are delegated with respective levels of authorities to carry out the corporate strategies, policies and the related matters formulated by the Board, and also perform execution based on related internal control requirements of the existing policies and procedures.

執行董事及高級管理人員獲授予相關權限以執行董事會制訂的企業策略、政策及有關事務，並根據現有制度與流程中有關內部監控的要求行事。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued) 風險管理及內部監控(續)

– Budgetary Control and Financial Reporting 預算控制及財務報告機制

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 complete and accurate accounting and management records are kept 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.

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，並定期檢討與比較運營結果與預算。

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數據。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、本集團會計政策，以及適用的法律及法規。

– Internal Auditing 內部審計

The Group has its Internal Audit Department, which has regularly conducted internal audits to review whether the risk management and internal control procedures are being implemented appropriately.

本集團設有內部審計部，並定期進行內部審計以檢討風險管理及內部監控程序是否如實執行。

The Group has established an internal whistleblowing policy and system for employees of the Company to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters.

In order to achieve effective step-by-step management, the Group has set up 3 lines of defence system in risk management and internal control as follows:

本集團制定了內部舉報政策及系統，僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。

本集團建立了以下的風險管理和內部監控的三道防線組織體系，實現有效的逐級管理：

First line of defence 第一道防線

The first line of defence includes business sectors, regional centers and project companies. They are responsible for continuous identification, assessment, monitoring and report of risks in operating process and implementation of specific process for risk management and internal control systems.

第一道防線包括各業務板塊、區域中心和項目公司，負責對運營過程中的風險持續識別、評估、監控及匯報，實施風險管理及內部監控系統的具體流程。

Second line of defence 第二道防線

The second line of defence includes functional departments of the headquarters, functional departments in all sectors and Risk Management Department. They are responsible for the regular review of overall risk level and effectiveness of control measures in major risks.

第二道防線包括總部職能部門、各板塊職能部門和風險管理部，負責定期評估整體的風險等級、審閱主要風險管控措施的有效性。

Third line of defence 第三道防線

The third line of defence is Internal Audit Department of the Company, which is responsible for the regular review on the follow-up actions taken in enhancing risk management and internal control systems.

第三道防線為本公司內部審計部，負責定期審核風險管理和內部監控系統改進的落實情況。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued) 風險管理及內部監控(續)

Adherence to the principle of “Up-and-Down Coordination and Cross-segmental Cooperation”, the Group has strengthened its risk management through promotion of risk management system and establishment of the risk management working network. The Risk Management Committee under the Board takes accountability on risk management, and reviews the corporate risk management and internal controls at least twice a year.

During 2020 and 2021 (up to the date of this report), the Risk Management Committee reviewed the 2020 and 2021 risk appetite of the Group, analysis of the effectiveness of major risk management and control measures in 2019 and 2020, and the annual risk assessment results of 2020 and 2021.

In 2020, the Group issued annual risk management instructions in accordance with the Risk Management Systems, Risk Management Operation Manual and Everbright Environment Internal Control Management Manual, detailed the workflow and specific implementation requirements of risk management and internal control, enhanced the supervision and inspection mechanism of risk management and internal control. The Company enhanced the list of risk factors and evaluation criteria of risk effect degree, and continuously maintained the risk event database within the year. According to the changes of external environment and actual operation, the Company used unified evaluation scope, evaluation criteria, evaluation process and tools, carried out risk evaluation work of the year, determined major risk of the year and established effective control measures, continuously analysed the effectiveness of control methods and followed up specific control effect. During the year, the Company conducted internal control evaluation from company level, business level and information system level etc. to improve the effectiveness of internal control. The Company has continued to carry out special inspection work on risks to improve normalisation of risk management.

本集團以「上下聯動、縱橫交錯」為指導原則全面推進風險管理體系，建立風險管理工作網絡，提升風險管理水準。董事會轄下風險管理委員會對風險管理工作負責，每年不少於兩次對企業風險管理和內部監控情況進行檢討。

於二零二零年及二零二一年內(截至本報告日期)，風險管理委員會審議本集團之二零二零年及二零二一年風險偏好、二零一九年及二零二零年主要風險管控措施效果分析和二零二零年及二零二一年風險評估結果。

二零二零年，本集團根據《風險管理制度》、《風險管理操作手冊》及《光大環境內控管理手冊》的要求，下發年度風險管理工作指導意見，細化了風險管理與內部控制的工作流程和具體執行要求，健全了風險管理與內部控制監督檢查機制。本公司於年內完善了風險要素清單和風險影響程度評估標準，並持續維護風險事件資料庫。根據外部環境變化和實際運營狀況，本公司採用統一的評估範圍、評估標準、評估流程和評估工具，開展年度風險評估工作，確定了年度主要風險並對主要風險制定了有效的管控措施，持續分析管控措施的有效性和跟進具體的管控效果。本公司於年內從公司層面、業務層面、信息系統層面等開展內部監控評估工作，提升內部監控的有效性。本公司於年內持續開展風險專項檢查工作，提升風險管理工作的常態化。

RISK MANAGEMENT AND INTERNAL CONTROLS (continued) 風險管理及內部監控(續)

The Company paid high attention to risk awareness and improvement of risk management ability, carried out different forms of risk management trainings, enhanced on-site risk inspection and special inspection, improved standardisation of risk management within the year.

With respect to procedures and internal controls for the handling and dissemination of inside information, the Group has established a Disclosure Committee and the Board has delegated the day-to-day execution of its continuous disclosure obligations to the Disclosure Committee. Moreover, the Group has formulated the Inside Information Reporting Policy to ensure that potential inside information can be promptly identified, assessed and escalated, if necessary, for the attention of the Disclosure Committee and/or the Board to decide about the need for disclosure.

本公司高度重視風險意識和風險管理能力的提升，年內開展多種形式的風險管理培訓，強化風險現場核查和專項檢查工作，提升風險管理的標準化水平。

有關處理及發佈內幕消息的程序和內部監控，本集團設有披露委員會，由董事會授權負責持續披露責任的日常執行工作。此外，本集團制定了《內幕消息報告政策》以確保潛在的內幕消息及時得以識別、評估及在必要時反映至披露委員會及／或董事會，以便決定是否需要作出披露。

CODE OF CONDUCT 《操守準則》

The Group places utmost importance on employees' ethical, personal and professional standards. Every employee is required to undertake to adhere to the Code of Conduct of the Group, and is expected to achieve the highest standards set out in the Code of Conduct including avoidance of conflict of interests, discrimination or harassment and bribery and corruption, etc. Employees are required to report any non-compliance with the Code of Conduct to the management.

本集團極為重視僱員的道德、個人及專業操守準則。每名僱員均須承諾遵守本集團之《操守準則》，本集團期望所有僱員均達到《操守準則》所訂的最高準則，包括避免利益衝突、歧視或騷擾、以及賄賂及貪污等。僱員須向管理層報告任何違反《操守準則》的情況。

INTERNAL AND EXTERNAL WHISTLEBLOWING AND INVESTIGATION POLICIES

內部及外部舉報及調查辦法

To enhance the transparency, integrity and accountability of the Group and to retain a consistently high standard of corporate governance, the Company has put in place Internal Whistleblowing and Investigation Policy and External Whistleblowing and Investigation Policy (the “Policies”). The Policies apply to the employees/related persons (including but not limited to investors, lenders, suppliers, customers, services providers and government, etc.) of the Group (excluding China Everbright Water Limited, China Everbright Greentech Limited and their respective subsidiaries). The Policies are designed to provide the employees/related persons with confidential whistleblowing channels to report the actual or suspected illegal activities and misconducts in corporate financial reporting, internal control or other areas in which the Company’s attention should be drawn and investigation should be initiated. The valid whistleblowing method is posted on the Company’s website.

為提高本集團運作的透明度、廉潔度、問責性及致力保持一貫高度的企業管治標準，本公司設有《內部舉報及調查辦法》和《外部舉報及調查辦法》(「該等辦法」)。該等辦法適用於本集團(不包括中國光大水務有限公司、中國光大綠色環保有限公司及其等的附屬公司)的僱員／往來人士(包括但不限於投資者、貸款人、供應商、客戶、服務商及政府等)。該等辦法旨在為僱員／往來人士在保密的情況下就公司財務匯報、內部監控或其他方面可能或已發生的不正當或不合法行為提供舉報渠道，引起本公司關注及調查。有效之舉報方法已載列於本公司網站。

DIRECTORS’ RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

董事就財務報表所承擔的責任

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

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

A statement by EY, the external auditor of the Company, about its reporting responsibilities on the financial statements of the Group is included in the Independent Auditor’s Report on pages 128 to 136.

董事確認須就編製本集團財務報表承擔有關責任。

本公司的財務管理部由財務總監負責管理。在財務管理部的協助下，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。

本公司外聘核數師安永就本集團財務報表所作之申報責任聲明列載於第128頁至第136頁之獨立核數師報告內。

Corporate Governance Report 企業管治報告

SHAREHOLDERS' RIGHTS 股東的權利

The Company recognises the importance of maintaining effective communication with the Shareholders and the investors and also recognises the value of providing current and relevant information to the Shareholders and the investors. The Board has established a Shareholders' communication policy setting out the principles of the Company in relation to the Shareholders' communication, with the objective of ensuring the Shareholders and investors are provided with ready, equal and timely access to current and relevant information about the Group.

The Company maintains on-going dialogue with the Shareholders through AGMs or other general meetings of the Company and encourages their participation in such meetings.

Notices of general meetings which contain agenda, proposed resolutions and voting form, are sent to the registered Shareholders by post.

All registered Shareholders are entitled to attend AGMs and extraordinary general meetings of the Company (the "EGM(s)"), provided that their shares have been recorded in the register of members of the Company.

Annual and interim reports offer comprehensive operational and financial performance information to the Shareholders, and the AGM provides a forum for the Shareholders to exchange views directly with members of the Board, which together help enhance and facilitate communication with the Shareholders. Shareholders who are unable to attend a general meeting may complete and return the proxy form enclosed with notice of meeting to the Company's Share Registrar, in order to give proxy to their representatives, another Shareholder or chairman of the meeting.

本公司明白與股東及投資者保持良好溝通的重要性，也認識到向股東及投資者提供當前及相關資訊的價值。董事會制定了股東通訊政策，列出本公司有關股東通訊之原則，旨在確保股東及投資者，能取得現成、相同及適時的本集團最新相關資料。

本公司就此透過股東週年大會或其他本公司之股東大會與股東一直保持溝通並鼓勵彼等參與該等會議。

股東大會通告(載有議程、提呈的決議案及投票表格)，以郵遞方式發送予登記股東。

任何登記股東均有權出席本公司之股東週年大會及股東特別大會(「股東特別大會」)，惟彼等的股份必須已登記於本公司之股東名冊內。

年度及中期報告為股東提供運營及財務業績表現的詳盡資料，股東週年大會為股東提供與董事會成員直接交換意見的機會，這有助於加強和促進與股東的溝通。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，以委任彼等之代表或另一名股東或大會主席為彼等的代表。

CONVENING OF EXTRAORDINARY GENERAL MEETING ON REQUISITION BY SHAREHOLDERS 應股東要求召開股東特別大會

Pursuant to section 566 of the Companies Ordinance, the members of the Company representing at least 5% of the total voting rights of all the members having a right to vote at general meetings may request the Directors to call a general meeting. The request must state the general nature of business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request may consist of several documents in like form and may be sent to the Company in hard copy form or in electronic form and must be authenticated by the person(s) making it.

If the Directors do not proceed duly within 21 days from the date of the deposit of the request to convene a general meeting for a day not more than 28 days after the date on which the notice convening a general meeting is given, the members who requested the meeting or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, provided that the general meeting so convened shall not be held after the expiration of 3 months from such date.

The general meeting convened by such members shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

根據《公司條例》第566條，擁有股東大會上投票資格的全體股東總投票權佔最少5%之本公司股東，可要求董事召開股東大會。有關要求書必須列明將於會上處理的事項的一般性質，及可包括將於會上適當動議並擬於會上動議的決議案內容。有關要求書可包含多份格式相近的文件，並可透過複印本形式或電子形式向本公司提出，惟必須經由提出要求的人士認證。

倘董事在該要求書交付日期起計二十一天內，未有在召開股東大會通知書發出日期後二十八天內安排召開一次股東大會，則該等要求召開股東大會的股東，或佔全體該等股東的總投票權過半數的股東，可自行召開股東大會，但如此召開的股東大會不得在上述請求日期起計三個月屆滿後舉行。

由有關股東召開的股東大會，須盡可能以接近董事召開股東大會的方式召開。

PUTTING FORWARD PROPOSAL AT ANNUAL GENERAL MEETING 於股東週年大會上提出議案

Pursuant to section 615 of the Companies Ordinance, the members of the Company may request the Company to give, to members of the Company entitled to receive notice of the AGM, notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request may be sent to the Company in hard copy form or in electronic form and must identify the resolution of which notice is to be given, be authenticated by the person or persons making it and be received by the Company not later than 6 weeks before the AGM to which the requests relate; or if later, the time at which notice is given of that meeting.

The Company will give notice of a resolution if it has received the requests from (a) members representing at least 2.5% of the total voting rights of all the members of the Company who have a relevant right to vote on the resolution to which the requests relate; or (b) at least 50 members who have a relevant right to vote on the resolution to which the requests relate.

根據《公司條例》第615條，本公司股東可要求本公司向有權收取股東週年大會通告的股東發出決議案通告，而有關決議案將於股東週年大會上適當動議或擬於會上動議。有關要求書可透過複印本形式或電子形式送交本公司，並須說明將予發出通告所述決議案，且必須經由提出要求的人士認證，以及本公司必須不遲於有關股東週年大會舉行日期前六個星期或(如較後)發出股東週年大會通告的時間接獲有關要求書。

本公司將於接獲下列人士發出的要求書後，發出決議案通告：(a)擁有就有關決議案投票的本公司全體股東總投票權的至少2.5%之股東；或(b)至少50名擁有就有關決議案投票權的股東。

PROPOSING A PERSON FOR ELECTION AS A DIRECTOR

提名個別人士候選董事的程序

As regards the procedures for Shareholders to propose a person for election as a Director, please refer to the procedures made available under the Corporate Governance section of the Company's website at www.cebenvironment.com.

有關股東提名候選董事的程序，請參閱本公司網站www.cebenvironment.com內企業管治部份的程序。

2020 ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING

二零二零年股東週年大會及股東特別大會

At the 2020 AGM, a separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of each retiring Director. All resolutions were duly passed by the Shareholders by way of poll at the meeting. Certain Directors and members of Board committees attended the meeting to answer questions of the Shareholders. The Company announced the results of the poll in the manner prescribed under the Listing Rules.

On 14 August 2020, an EGM was held to consider and pass a special resolution to approve the change in the English name of the Company from “China Everbright International Limited” to “China Everbright Environment Group Limited” and the Chinese name of the Company from “中國光大國際有限公司” to “中國光大環境(集團)有限公司”, details of which were set out in a circular to the Shareholders dated 20 July 2020. The special resolution was duly passed by the Shareholders by way of poll at the meeting. The Company announced the results of the poll in the manner as prescribed under the Listing Rules.

於二零二零年股東週年大會，會議主席就每項獨立的事項個別提呈獨立決議案，其中包括重選各退任董事。所有決議案獲股東於該會議上以投票表決方式通過。部份董事及董事會委員會的成員出席會議並回答股東的提問。本公司根據《上市規則》規定的方式公佈投票表決結果。

於二零二零年八月十四日，本公司舉行股東特別大會，藉以考慮及通過一項有關本公司之英文名稱由「China Everbright International Limited」更改為「China Everbright Environment Group Limited」，以及中文名稱由「中國光大國際有限公司」更改為「中國光大環境(集團)有限公司」的特別決議案，有關詳情載列於二零二零年七月二十日本公司發予股東的通函內。該特別決議案獲股東以投票表決方式通過。本公司根據《上市規則》規定的方式公佈投票表決結果。

2020 ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETING
(continued)
二零二零年股東週年大會及股東特別大會(續)

The attendance records of the Directors at the 2020 AGM and the EGM are set out below:

董事出席二零二零年股東週年大會及股東特別大會之紀錄如下：

Name of Directors 董事姓名	Number of general meetings attended/held 出席／舉行的大會次數	
	2020 AGM 二零二零年股東週年大會	EGM 股東特別大會
<i>Executive Directors</i> 執行董事		
Mr. Wang Tianyi 王天義先生	1/1	1/1
Mr. Wong Kam Chung, Raymond 黃錦聰先生	1/1	1/1
Mr. Hu Yanguo 胡延國先生	1/1	1/1
Mr. Qian Xiaodong 錢曉東先生	1/1	1/1
<i>Former Executive Director</i> 前執行董事		
Mr. Cai Yunge 蔡允革先生	1/1	1/1
<i>Independent Non-executive Directors</i> 獨立非執行董事		
Mr. Fan Yan Hok, Philip 范仁鶴先生	1/1	1/1
Mr. Mar Selwyn 馬紹援先生	1/1	1/1
Mr. Zhai Haitao 翟海濤先生	1/1	1/1
Mr. Suo Xuquan 索緒權先生	1/1	1/1

INVESTOR RELATIONS AND COMMUNICATIONS 與投資者的關係及溝通

The Company recognises the importance of efficient and effective communication with the investor community. Briefings and meetings with institutional investors and analysts through various communication channels, including teleconference, video conference, video web-casting, etc. are conducted regularly to provide them with up-to-date and comprehensive information about the Group's development. Besides, the Company facilitates the initiation and coverage of the Company published by research analysts of well-received investment banks which are instrumental in providing investors with independent and professional evaluations of the Company. Moreover, the Group participates in different international forums and overseas non-deal roadshows to elaborate on the Group's business development plans to global investors. Furthermore, the Company arranges site visits for investors and media to its key projects in the PRC. Last but not least, the Company has established a function dedicated to investor relations and engaged an external public relations company to take care of investor relations matters. The Company also maintains a website (www.cebenvironment.com) which renders Shareholders, investors and the general public direct access to the information of the Group on a timely basis.

In order to enable the Shareholders to exercise their rights in an informed manner, and to allow them to engage actively with the Company, a Shareholders Communication Policy of the Company has been established. Shareholders may at any time send their enquiries and concerns to the Company via the Company's website at www.cebenvironment.com. Shareholders may also make enquiries with the Board at the general meetings of the Company.

本公司非常重視與投資者的高效及有效的溝通。本公司會不時透過不同通訊渠道與機構投資者及分析員舉行簡報會及會議包括電話會議、視頻會議及線上視頻直播等，為彼等提供有關本集團發展的最新全面詳情。此外，本公司協助知名投資銀行的研究分析師為本公司撰寫分析報告，此舉有利於提供投資者有關本公司的獨立及專業評估。此外，本集團出席不同的國際論壇和海外的非交易路演，向全球投資者闡述本集團的業務發展計劃。另外，本公司更透過實地考察，為投資者和媒體展示其位於中國的若干重點項目。本公司已設有專責投資者關係的職能，並聘請外部公關公司負責投資者關係的事宜。本公司之網站(www.cebenvironment.com)為股東、投資者及公眾人士適時提供本公司資訊。

為了讓股東在知情的情況下行使其股東的權利，並讓他們積極參與本公司溝通，本公司訂立了股東通訊政策。股東可在任何時間通過本公司網站www.cebenvironment.com向本公司發送他們的查詢和其所關心的問題。股東亦可在本公司的股東大會上向董事會提出查詢。

Directors and Senior Management 董事及高級管理人員

WANG TIANYI – EXECUTIVE DIRECTOR, CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER

aged 58, is the Executive Director, the Chairman of the Board and the Chief Executive Officer of the Company. He is also the Chairman of each of the Nomination Committee and Disclosure Committee and the Member of the Remuneration Committee of the Board, and a director of several subsidiaries of the Group. Mr. Wang is the non-executive director and the chairman of China Everbright Water Limited (the Company's subsidiary and the shares of which are listed on the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited (the "Stock Exchange")). He is also the non-executive director and the chairman of the board of directors of China Everbright Greentech Limited (the Company's subsidiary and the shares of which are listed on the Stock Exchange). Prior to joining the Group, he was the Dean of Shandong Academy of Sciences. He was formerly the Deputy Mayor of Jinan City of Shandong Province. He had been the Vice President, and the Dean and Professor of the School of Economics and Management of Yantai University of Shandong Province.

He is currently a part-time professor of Tsinghua University and a Co-Director of the Center for PPP of Tsinghua University. He is also a member of the China Council for International Cooperation on Environment and Development, a member of International Coalition for Green Development on the Belt and Road Advisory Board, a vice chairman of China Ecological Civilization Research and Promotion Association, a vice chairman of All-China Environment Federation, a vice chairman of Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology, a member of the UNECE PPP Business Advisory Board, and a member of China Business Research Centre Advisory Council of the National University of Singapore. He holds a doctorate degree in economics, a master's degree in management and a bachelor's degree in electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States. Mr. Wang joined the Board in February 2010, and was re-designated as the Executive Director and the Chief Executive Officer of the Company in January 2018 and was appointed as the Chairman of the Board of the Company in September 2020.

王天義(執行董事、董事會主席兼行政總裁)

現年58歲，為本公司執行董事、董事會主席兼行政總裁。彼亦為董事會轄下提名委員會及披露委員會主席及薪酬委員會成員，以及本集團若干附屬公司的董事。王先生為中國光大水務有限公司(本公司之附屬公司，其股份於新加坡證券交易所有限公司及香港聯合交易所有限公司(「聯交所」)上市)的非執行董事兼董事長。彼亦為中國光大綠色環保有限公司(本公司之附屬公司，其股份於聯交所上市)的非執行董事兼董事會主席。在加入本集團前，彼為山東省科學院院長。彼亦曾任山東省濟南市副市長，並曾任山東省煙台大學副校長、經管學院院長及教授。

現擔任清華大學兼職教授和清華大學PPP研究中心的共同主任，中國環境與發展國際合作委員會委員，「一帶一路」綠色發展國際聯盟諮詢委員會委員，中國生態文明研究與促進會副會長，中華環保聯合會副會長，中國科協生態環境產學聯合體副主席，聯合國歐洲經濟委員會PPP專家委員會委員，以及新加坡國立大學中國商務研究中心諮詢委員會委員。彼持有清華大學經濟學博士、管理學碩士及電子學學士銜。彼亦曾在美國哈佛大學和加州大學學習深造。王先生於二零一零年二月加入董事會，並於二零一八年一月調任為本公司執行董事兼行政總裁及二零二零年九月獲委任為本公司董事會主席。

Directors and Senior Management 董事及高級管理人員

WONG KAM CHUNG, RAYMOND – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER

aged 57, is the Executive Director and the Chief Financial Officer of the Company. He is also the Member of each of the Risk Management Committee and the Disclosure Committee of the Board, and a director of several subsidiaries of the Group. Mr. Wong holds a Master of Business Administration Degree, a Master of Management Degree in Information Technology Management from 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 member of the Chartered Professional Accountants of Canada. He has extensive experience in accounting, finance and auditing areas. Mr. Wong joined the Board in December 2002.

黃錦聰(執行董事兼財務總監)

現年57歲，為本公司執行董事兼財務總監。彼亦為董事會轄下風險管理委員會及披露委員會之各自成員，以及本集團若干附屬公司的董事。黃先生持有澳洲麥克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特許專業會計師協會會員。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。

HU YANGUO – EXECUTIVE DIRECTOR AND DEPUTY GENERAL MANAGER

aged 54, is the Executive Director and the Deputy General Manager of the Company, and the general manager of Everbright Environmental Protection (China) Limited* (a wholly-owned subsidiary of the Company). He is also the Member of each of the Risk Management Committee and the Disclosure Committee of the Board, and a director of several subsidiaries of the Group. Mr. Hu was formerly the non-executive director of China Everbright Greentech Limited (the Company's subsidiary and the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")). Prior to joining the Group, Mr. Hu was the person-in-charge of the accounting department of the Guangzhou branch of China Everbright Bank Company Limited (the shares of which are listed on the Stock Exchange and Shanghai Stock Exchange). Mr. Hu obtained a bachelor's degree in mathematics and a master's degree in forestry economy and management from Northeast Forestry University in the People's Republic of China (the "PRC"). He is a certified public accountant in the PRC. Mr. Hu joined the Board in January 2018.

胡延國(執行董事兼副總經理)

現年54歲，為本公司執行董事兼副總經理及光大環保(中國)有限公司(本公司之全資附屬公司)的總經理。彼亦為董事會轄下風險管理委員會及披露委員會之各自成員，以及本集團若干附屬公司的董事。胡先生曾任中國光大綠色環保有限公司(本公司之附屬公司，其股份於香港聯合交易所有限公司(「聯交所」)上市)的非執行董事。胡先生在加入本集團前，曾任職中國光大銀行股份有限公司(其股份於聯交所及上海證券交易所上市)廣州分行會計部負責人。胡先生持有中華人民共和國(「中國」)東北林業大學數學學士學位及林業經濟管理碩士學位。彼為中國註冊會計師。胡先生於二零一八年一月加入董事會。

* For identification purpose only

* 僅供識別用途

QIAN XIAODONG – EXECUTIVE DIRECTOR AND DEPUTY GENERAL MANAGER

aged 48, is the Executive Director and the Deputy General Manager of the Company. He is also the Member of the Disclosure Committee of the Board and a director of several subsidiaries of the Group. Moreover, Mr. Qian is an executive director and the chief executive officer of China Everbright Greentech Limited (the Company's subsidiary and the shares of which are listed on The Stock Exchange of Hong Kong Limited). He had been the General Manager of the investment development department of the Company and the General Manager of Everbright Environmental Protection Venture Capital (Shenzhen) Ltd, a wholly-owned subsidiary of the Company. He obtained a bachelor's degree in thermal engineering from Dalian University of Technology in the People's Republic of China (the "PRC") and a master's degree in environment engineering from the Southeast University in the PRC. Mr. Qian joined the Board in January 2018.

錢曉東(執行董事兼副總經理)

現年48歲，為本公司執行董事兼副總經理。彼亦為董事會轄下披露委員會成員及本集團若干附屬公司的董事。此外，錢先生為中國光大綠色環保有限公司(本公司之附屬公司，其股份於香港聯合交易所有限公司上市)的執行董事兼行政總裁。彼曾擔任本公司投資發展部總經理及本公司全資附屬公司光大環保創業投資(深圳)有限公司總經理。彼持有中華人民共和國(「中國」)大連理工大學熱能工程學士學位及中國東南大學環境工程碩士學位。錢先生於二零一八年一月加入董事會。

FAN YAN HOK, PHILIP – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 71, is the Independent Non-executive Director of the Company, the Chairman of the Risk Management Committee of the Board, and the Member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Board. Mr. Fan is an independent non-executive director of the following Hong Kong listed public companies, namely Hysan Development Company Limited, First Pacific Company Limited, China Aircraft Leasing Group Holdings Limited and PFC Device Inc. Mr. Fan was formerly an independent director of Goodman Group, an Australian listed company and a member of the Asian Advisory Committee of AustralianSuper, a pension fund established in Australia until November 2017 and February 2017 respectively. Mr. Fan holds a Bachelor's Degree in Industrial Engineering, a Master's Degree in Operations Research from Stanford University and a Master's Degree in Management Science from Massachusetts Institute of Technology. Before joining the Company in 1997, he was an executive director of CITIC Pacific Limited in charge of industrial projects in China. Mr. Fan joined the Board in November 1997 and was re-designated as a Non-executive Director and an Independent Non-executive Director of the Company in January 2010 and December 2012 respectively.

范仁鶴(獨立非執行董事)

現年71歲，為本公司之獨立非執行董事，董事會轄下風險管理委員會主席，以及審核委員會、薪酬委員會及提名委員會之各自成員。范先生為多家香港上市公司(即希慎興業有限公司、第一太平有限公司、中國飛機租賃集團控股有限公司及節能元件有限公司)的獨立非執行董事。范先生曾任Goodman Group(一家於澳大利亞上市的公司)的獨立董事及AustralianSuper(一家於澳大利亞成立的退休基金)的亞洲諮詢委員會成員，分別直至二零一七年十一月及二零一七年二月止。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。在一九九七年加入本公司之前，彼曾任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，並分別於二零一零年一月及二零一二年十二月調任為本公司之非執行董事及獨立非執行董事。

Directors and Senior Management 董事及高級管理人員

MAR SELWYN – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 85, is the Independent Non-executive Director of the Company, the Chairman of the Audit Committee of the Board, and the Member of each of the Remuneration Committee, the Nomination Committee and the Risk Management Committee of the Board. Mr. Mar graduated from the London School of Economics, University of London. He is a fellow member of the Institute of Chartered Accountants of United Kingdom and the Hong Kong Institute of Certified Public Accountants. Mr. Mar is a director of Nexia Charles Mar Fan Limited. He is also an independent non-executive director and chairman of the audit committee of Minmetals Land Limited, Man Yue Technology Holdings Limited and PanAsialum Holdings Company Limited. He was also the President of Hong Kong Society of Accountants (now known as Hong Kong Institute of Certified Public Accountants) in 1991. Mr. Mar is an Honorary Fellow of the Lingnan University. He joined the Board in September 2004.

馬紹援(獨立非執行董事)

現年85歲，為本公司之獨立非執行董事，董事會轄下審核委員會主席，以及薪酬委員會、提名委員會及風險管理委員會之各自成員。馬先生畢業於倫敦大學倫敦經濟學院經濟系。彼為英國特許公認會計師公會及香港會計師公會資深會員。馬先生現為馬炎璋會計師行有限公司的董事。彼亦為五礦建設有限公司、萬裕科技集團有限公司及榮陽實業集團有限公司的獨立非執行董事及審核委員會主席。彼亦曾於一九九一年出任香港會計師公會會長。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。

ZHAI HAITAO – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 52, is the Independent Non-executive Director of the Company, the Chairman of the Remuneration Committee of the Board, and the Member of each of the Audit Committee and the Nomination Committee of the Board. He is also an independent non-executive director of China Everbright Water Limited (the Company's subsidiary and the shares of which are listed on the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited). Mr. Zhai is the President and Partner of Primavera Capital Group. He is a director and the chairman of the audit committee of the board of China Asset Management Co., Ltd. He was formerly Managing Director of Goldman Sachs (Asia) LLC and Chief Representative of Goldman Sachs Beijing Office. Prior to joining Goldman Sachs, Mr. Zhai worked at the International Department of the People's Bank of China in Beijing, and was Deputy Representative of the People's Bank of China Representative Office for the Americas based in New York. He holds a Master's Degree in International Relations from Columbia University, a Master of Business Administration Degree from New York University and a Bachelor of Arts Degree in Economics from Peking University. He has extensive experience and knowledge in banking, capital market and management. Mr. Zhai joined the Board in January 2011.

翟海濤(獨立非執行董事)

現年52歲，為本公司之獨立非執行董事，董事會轄下薪酬委員會主席，以及審核委員會及提名委員會之各自成員。彼亦為中國光大水務有限公司(本公司之附屬公司，其股份於新加坡證券交易所有限公司及香港聯合交易所有限公司上市)的獨立非執行董事。翟先生為春華資本集團的總裁兼合夥人，以及華夏基金管理有限公司的董事，及其董事會審計委員會主席。彼曾任職高盛(亞洲)有限責任公司董事總經理及高盛集團北京代表處首席代表。在任職高盛之前，翟先生曾任職中國人民銀行總行國際司，並曾擔任中國人民銀行駐美洲代表處(紐約)副代表。彼持有哥倫比亞大學國際關係碩士、紐約大學工商管理碩士，以及北京大學經濟學學士。彼於銀行、資本市場及企業管理方面擁有豐富的經驗及知識。翟先生於二零一一年一月加入董事會。

SUO XUQUAN – INDEPENDENT NON-EXECUTIVE DIRECTOR

aged 63, is the Independent Non-executive Director of the Company, and the Member of each of the Remuneration Committee, the Nomination Committee and the Risk Management Committee of the Board. Mr. Suo is an independent director of CITIC Bank International (China) Limited, Bank of Zhangjiakou Co., Ltd.* (張家口銀行股份有限公司) and Northking Information Technology Co., Ltd.* (京北方信息技術股份有限公司) (the shares of which are listed on Shenzhen Stock Exchange). Mr. Suo is a part-time professor of Business School of China University of Political Science and Law. Mr. Suo was an independent director of China Satellite Communications Co., Ltd.* (中國衛通集團股份有限公司) (the shares of which are listed on Shanghai Stock Exchange). He was the general manager of Credit Extension Approval Department of Head Office of Industrial and Commercial Bank of China Limited (“ICBC”, the shares of which are listed on The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange) prior to his retirement from the ICBC group after 33 years of services. He also worked in the Shaanxi Branch of the People’s Bank of China before joining the ICBC Group. Mr. Suo graduated from on-job postgraduate class of Economics and Management in the Correspondence College of Central Party School of the Communist Party of China, and he is a senior economist and expert entitled to special allowance of the State Council. Mr. Suo has over 37 years of relevant banking experience and has extensive experience in bank credit management and bank credit risk management. He has expertise in business operation and financial analysis. Mr. Suo joined the Board in August 2018.

索緒權(獨立非執行董事)

現年63歲，為本公司之獨立非執行董事，以及董事會轄下薪酬委員會、提名委員會及風險管理委員會之各自成員。索先生為中信銀行國際(中國)有限公司、張家口銀行股份有限公司及京北方信息技術股份有限公司(其股份於深圳證券交易所上市)之獨立董事。索先生於中國政法大學商學院受聘為兼職教授。索先生曾任中國衛通集團股份有限公司(其股份於上海證券交易所上市)之獨立董事。彼從服務滿三十三年之中國工商銀行集團退休前，曾任中國工商銀行有限公司(「中國工商銀行」，其股份於香港聯合交易所有限公司及上海證券交易所上市)總行授信審批部總經理。彼於加入中國工商銀行集團之前亦曾於中國人民銀行陝西省分行任職。索先生於中共中央黨校函授學院經濟管理專業在職研究生班畢業，為高級經濟師及享有中國國務院政府特殊津貼專家。索先生擁有逾三十七年銀行相關經驗，於銀行信貸管理及銀行信用風險管理方面經驗豐富，具備工商企業經營及財務分析專長。索先生於二零一八年八月加入董事會。

* For identification purpose only

* 僅供識別用途

AN XUESONG – DEPUTY GENERAL MANAGER

aged 50, is the Deputy General Manager of the Company. Mr. An is also the executive director and chief executive officer of China Everbright Water Limited (the Company’s subsidiary and the shares of which are listed on the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Mr. An has comprehensive experience in mergers and acquisitions, project investment and management, financial management and risk management. Prior to joining the Group, Mr. An worked at the Municipal General Office of Jingzhou, Hubei Province, China Everbright Bank Company Limited (the shares of which are listed on the Stock Exchange and Shanghai Stock Exchange) and Guangdong Technology Venture Capital Group Ltd. Mr. An holds a Master of Business Administration Degree from Jinan University. He is a Certified Public Accountant in the People’s Republic of China and a Certified International Internal Auditor. Mr. An joined the Group in May 2002.

安雪松(副總經理)

現年50歲，本公司副總經理。安先生亦為中國光大水務有限公司(本公司之附屬公司，其股份於新加坡證券交易所有限公司及香港聯合交易所有限公司(「聯交所」)上市)的執行董事兼總裁。安先生在兼併收購、項目投資與管理、財務管理和風險管理方面具有豐富的經驗。在加入本集團以前，安先生曾在湖北省荊州市委辦公室、中國光大銀行股份有限公司(其股份於聯交所及上海證券交易所上市)、廣東省粵科風險投資集團任職。安先生持有暨南大學工商管理碩士銜。彼亦為中國註冊會計師及國際註冊內部審計師。安先生於二零零二年五月加入本集團。

Directors and Senior Management 董事及高級管理人員

LI CHUNJU – DEPUTY GENERAL MANAGER

aged 54, is the Deputy General Manager of the Company. She is also the general manager of the Group's Shenzhen Managerial Centre. Prior to her positions with the Group, Ms. Li was the general manager of several departments, including the human resources, legal and compliance, retail business and electronic banking departments, in the Shenzhen Branch of China Everbright Bank Company Limited (the shares of which are listed on The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange) as well as the vice president of Everbright Xinglong Trust Co., Ltd. Ms. Li graduated from Shanxi Educational College. She has extensive experience in finance. Ms. Li joined the Group in November 2018.

李春菊(副總經理)

現年54歲，本公司副總經理。彼亦兼任本集團深圳管理中心總經理。李女士在加入本集團前，曾任職中國光大銀行股份有限公司(其股份於香港聯合交易所有限公司及上海證券交易所上市)深圳分行人力資源部、法律合規部、零售業務部及電子銀行部總經理，以及光大興隴信託有限責任公司副總裁。李女士畢業於山西省衛電高師專科大專。彼具有豐富的金融工作經驗，李女士於二零一八年十一月加入本集團。

YANG SHIQIAO – DEPUTY GENERAL MANAGER

aged 52, is the Deputy General Manager of the Company. Mr. Yang is also the chairman of Everbright Environmental Technical Equipment (Changzhou) Limited* (the Company's wholly-owned subsidiary), the general manager of Everbright Ecological Resources (Shenzhen) Limited* (the Company's wholly-owned subsidiary) as well as a director of certain subsidiaries of the Group. Previously, Mr. Yang was appointed as the chief executive officer of Everbright Envirotech (China) Limited*, the deputy general manager of Everbright Environmental Protection (China) Limited* ("Everbright Environmental Protection"), the Special Assistant to Chief Executive Officer of the Company, and the general manager of the Department of Project Management and Environment Management under Everbright Environmental Protection. Mr. Yang holds a Master's degree in Environmental Science and Engineering from Tsinghua University. He is a Senior Engineer with extensive experience in operational management, project management and corporate management. Mr. Yang joined the Group in October 2004.

楊仕橋(副總經理)

現年52歲，本公司副總經理。楊先生亦為光大環保技術裝備(常州)有限公司(本公司全資附屬公司)的董事長、光大生態資源(深圳)有限公司(本公司全資附屬公司)總經理，以及本集團若干附屬公司的董事。楊先生曾任光大環境科技(中國)有限公司總裁、光大環保(中國)有限公司(「光大環保」)副總經理、本公司行政總裁特別助理、光大環保項目管理及環境管理部總經理。楊先生持有清華大學環境科學與工程碩士銜。彼亦為高級工程師，具有豐富運營管理、項目管理及企業管理經驗，楊先生於二零零四年十月加入本集團。

* For identification purpose only

* 僅供識別用途

POON YUEN LING – COMPANY SECRETARY

aged 53, is the Company Secretary of the Company. She is a fellow member of The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). She joined the Group in April 1994, with over 25 years of experience in company secretarial affairs.

潘婉玲(公司秘書)

現年53歲，本公司之公司秘書。彼為香港特許秘書公會及特許公司治理公會(原稱為特許秘書及行政人員公會)之資深會員。彼於一九九四年四月加入本集團，具逾二十五年公司秘書事務經驗。

Report of the Directors 董事會報告

The directors (the “Director(s)”) of China Everbright Environment Group Limited (the “Company”) are pleased to present this Annual Report together with the audited financial statements for the year ended 31 December 2020.

PRINCIPAL PLACE OF BUSINESS

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 principal subsidiaries are set out in note 51 to 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 4 to the financial statements.

BUSINESS REVIEW

A fair review of the business of the Group during the year and a discussion on the Group’s future business development are provided in the Chairman’s Statement and Management Discussion and Analysis on pages 10 to 60 of this Annual Report. In particular, description of principal risks and uncertainties faced by the Group can be found in the section headed “Principal Risks and Uncertainties” in the Management Discussion and Analysis on pages 48 to 56. An analysis of the Group’s performance during the year using key performance indicators by each business sector can be found on pages 23 to 40 of the Management Discussion and Analysis. In addition, discussions on the Group’s environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are provided in the section headed “Environmental and Social Management” in the Management Discussion and Analysis on pages 58 and 59.

中國光大環境(集團)有限公司(「本公司」)董事(「董事」)欣然提呈截至二零二零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

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二零三零三室。

主要業務

本公司之主要業務為投資控股。各主要附屬公司之主要業務及其他詳情載於財務報表附註51。

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運營地域劃分之分析載於財務報表附註4。

業務回顧

本集團業務之年度回顧及有關本集團未來業務發展之討論載於本年報第10頁至第60頁之主席報告及管理層討論與分析。特別是，本集團所面對之主要風險及不確定性之描述載於第48頁至第56頁之管理層討論與分析「主要風險及不確定性」一節。本集團使用主要表現指標按各業務板塊劃分之年度表現分析載於第23頁至第40頁之管理層討論與分析。此外，有關本集團環境政策、與主要持份者之關係，以及對本集團有重大影響之相關法律及法規之遵守情況之討論載於第58頁及第59頁之管理層討論與分析「環境與社會管理」一節。

Report of the Directors 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

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

主要客戶及供應商

本集團於本財政年度之主要客戶及供應商資料如下：

Percentage of
the Group's total
佔本集團下列總額之百分比

Revenue 收益	Purchases 採購額
---------------	------------------

The largest customer	最大客戶	6%	
Five largest customers in aggregate	五大客戶合計	18%	
The largest supplier	最大供應商		8%
Five largest suppliers in aggregate	五大供應商合計		14%

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

各董事或彼等之任何聯繫人士或任何本公司股東（「股東」）（據董事所深知擁有本公司已發行股份數目5%以上）概無擁有本集團五大客戶及供應商任何實益權益。

MATERIAL RELATED PARTY TRANSACTIONS

Material related party transactions entered into by the Group during the year are set out in note 45 to the financial statements. In relation to those related party transactions that also constituted connected transactions or continuing connected transactions of the Group as defined in the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company has complied with the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules during the year.

重大關聯方交易

本集團於年內訂立之重大關聯方交易載於財務報表附註45。就同時構成本集團關連交易或持續關連交易（定義見《香港聯合交易所有限公司（「聯交所」）證券上市規則》「《上市規則》」）之關聯方交易而言，本公司於年內已根據《上市規則》第十四A章遵行相關披露規定。

CONNECTED TRANSACTIONS

During the year, the Group had the following transactions which constituted a connected transaction and continuing connected transactions of the Company, details of which are disclosed in compliance with the requirements of Chapter 14A of the Listing Rules.

關連交易

年內，本集團有下列交易構成本公司關連交易及持續關連交易，有關交易之詳情已遵從《上市規則》第十四A章之規定作出披露。

CONNECTED TRANSACTIONS (continued)

Connected transaction

Entering into limited partnership agreement in respect of formation of fund

On 21 April 2020, Everbright Environmental Protection (China) Limited* (“Everbright Environmental Protection”) (a wholly-owned subsidiary of the Company), China Everbright Group Ltd. (“China Everbright Group”) (the controlling shareholder of the Company), CEL Venture Capital (Shenzhen) Limited* (the “CEL Limited Partner”) (a wholly-owned subsidiary of China Everbright Limited (“CEL”), a connected person of the Company) and Everbright Green Belt And Road Investment Management Co., Ltd.* (the “General Partner”) (a connected person of the Company) entered into a limited partnership agreement in relation to Everbright Belt And Road Green Equity Investment Fund, L.P.* (the “Fund”) with a target size of RMB5 billion. Pursuant to the limited partnership agreement, each of Everbright Environmental Protection, China Everbright Group and the CEL Limited Partner, all being limited partners to the Fund, agreed to contribute RMB500 million to the Fund, and the General Partner, being a general partner to the Fund, agreed to contribute RMB15,160,000 to the Fund. The General Partner and the manager of the Fund are both wholly-owned subsidiaries of CEL, which is principally engaged in the provision of financial services and persistently pursues the cross-border macro asset management strategy, with specific focuses on fund management and investment business with over 20 years proven track record and is listed on the Stock Exchange. As at 31 December 2020, the total assets under management of CEL was approximately HK\$182.8 billion, with 78 funds under management. As at 31 December 2020, no investment was materialized under the Fund. Further details of the transactions are included in the Company’s announcement dated 21 April 2020.

Continuing connected transactions

Deposit and loan services

On 6 December 2019, the Company entered into the deposit services master agreement (the “Deposit Services Master Agreement”) and the loan services master agreement (the “Loan Services Master Agreement”) with China Everbright Group, pursuant to which China Everbright Group will, through its associate, China Everbright Bank Company Limited (“CE Bank”), provide deposit, loan and related services to the Group.

* For identification purpose only

關連交易(續)

關連交易

訂立有關成立基金之有限合夥合同

於二零二零年四月二十一日，本公司全資附屬公司光大環保(中國)有限公司(「光大環保」)、本公司控股股東中國光大集團股份有限公司(「中國光大集團」)、本公司關連人士中國光大控股有限公司(「光大控股」)的全資附屬公司光大控股創業投資(深圳)有限公司(「光控有限合夥人」)與本公司關連人士光大綠色絲路投資管理有限公司(「普通合夥人」)就目標規模為人民幣50億元的光大一帶一路綠色股權投資基金合夥企業(有限合夥)(「基金」)訂立有限合夥合同。根據有限合夥合同，光大環保、中國光大集團及光控有限合夥人，均為基金有限合夥人，各自同意對基金出資人民幣5億元，以及普通合夥人，作為基金普通合夥人，同意出資人民幣15,160,000元。普通合夥人和基金經理均為光大控股的全資附屬公司。光大控股主要從事提供金融服務，並秉持跨境大資產管理戰略，專注發展基金管理及投資業務，已有二十多年的成功經驗並在聯交所上市。截至二零二零年十二月三十一日，光大控股的總資產約為港幣1,828億元，管理78個基金。截至二零二零年十二月三十一日，該基金項下尚未實現任何投資。有關交易之進一步詳情載於本公司日期為二零二零年四月二十一日之公告。

持續關連交易

存款及貸款服務

於二零一九年十二月六日，本公司與中國光大集團訂立了《存款服務總協議》(「《存款服務總協議》」)及《貸款服務總協議》(「《貸款服務總協議》」)，據此，中國光大集團同意透過其聯營公司中國光大銀行股份有限公司(「光大銀行」)向本集團提供存款、貸款及相關服務。

* 僅供識別用途

CONNECTED TRANSACTIONS (continued)

Continuing connected transactions (continued)

Deposit and loan services (continued)

- (a) The Deposit Services Master Agreement shall be on a non-exclusive basis and the Company is at liberty to obtain deposit services from other third parties. Pursuant to the Deposit Services Master Agreement, China Everbright Group shall procure CE Bank to provide to the Group deposit services (including current and fixed term deposit) in accordance with rules and regulations prescribed by the People's Bank of China (the "PBOC") and/or other relevant rules and regulations within or outside the People's Republic of China (the "PRC"). The deposit services to be provided by China Everbright Group shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

During the year ended 31 December 2020, the maximum daily closing balance of the Group's deposits (including interests accrued thereon) placed in CE Bank amounted to HK\$1,606,977,000. This amount was below the annual cap of HK\$1,800,000,000 for the year ended 31 December 2020 which was stated in the announcement of the Company dated 6 December 2019.

- (b) The Loan Services Master Agreement shall be on a non-exclusive basis and the Company is at liberty to obtain loan services from other third parties. Pursuant to the Loan Services Master Agreement, China Everbright Group shall procure CE Bank to provide loans (including revolving credit facility and fixed term loan) to the Group in accordance with rules and regulations prescribed by the PBOC and/or other relevant rules and regulations within or outside the PRC. The loans services to be provided by China Everbright Group shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

During the year ended 31 December 2020, the maximum daily closing balance of the Group's loans (excluding loans which do not require security over the assets of the Group) provided by CE Bank amounted to HK\$589,820,000. This amount was below the annual cap of HK\$1,800,000,000 for the year ended 31 December 2020 which was stated in the announcement of the Company dated 6 December 2019.

關連交易(續)

持續關連交易(續)

存款及貸款服務(續)

- (a) 《存款服務總協議》乃按非獨家基準訂立，本公司可自由從其他第三方獲得存款服務。根據《存款服務總協議》，中國光大集團將促使光大銀行根據中國人民銀行（「中國人民銀行」）訂定之規則及規例及／或中華人民共和國（「中國」）境內或境外其他相關規則及規例，向本集團提供存款服務（包括活期及定期存款）。中國光大集團將提供之存款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於截至二零二零年十二月三十一日止年度，本集團存放於光大銀行之最高每日存款結餘（包括其應計利息）為港幣1,606,977,000元。此金額低於截至二零二零年十二月三十一日止年度之年度限額港幣1,800,000,000元，即本公司日期為二零一九年十二月六日之公告所載年度限額。

- (b) 《貸款服務總協議》乃按非獨家基準訂立，本公司可自由從其他第三方獲得貸款服務。根據《貸款服務總協議》，中國光大集團將促使光大銀行根據中國人民銀行訂定之規則及規例及／或中國境內或境外其他相關規則及規例，向本集團提供貸款（包括循環信貸融資及定期貸款）。中國光大集團將提供之貸款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於截至二零二零年十二月三十一日止年度，光大銀行提供予本集團之貸款（不包括毋須本集團資產作抵押之貸款）之最高每日結餘為港幣589,820,000元。此金額低於截至二零二零年十二月三十一日止年度之年度限額港幣1,800,000,000元，即本公司日期為二零一九年十二月六日之公告所載年度限額。

CONNECTED TRANSACTIONS (continued)

Continuing connected transactions (continued)

Deposit and loan services (continued)

The annual caps in respect of the Deposit Services Master Agreement and the Loan Services Master Agreement have taken into account and included the respective annual caps applicable to the subsidiaries of the Company which are also listed on the Stock Exchange, including China Everbright Greentech Limited (“CEGL”) and China Everbright Water Limited (“CEWL”).

On 15 April 2019, CEWL entered into the deposit services framework agreement and the loan services framework agreement with China Everbright Group, pursuant to which China Everbright Group will procure CE Bank to provide deposit, loan and related services to CEWL. Details are set out in the Company’s announcement dated 15 April 2019.

On 6 December 2019, CEGL entered into a separate deposit services master agreement and a separate loan services master agreement with China Everbright Group, pursuant to which China Everbright Group will procure CE Bank to provide deposit, loan and related services to CEGL. Details are set out in CEGL’s announcement dated 6 December 2019.

Save for the information disclosed above, during the year, the Company did not enter into any other transactions which constituted connected transactions or continuing connected transactions that were subject to reporting requirements under Chapter 14A of the Listing Rules.

The independent non-executive Directors (the “INED(s)”) have reviewed the above continuing connected transactions and confirmed that such transactions were:

- entered into in the ordinary and usual course of business of the Group;
- conducted either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from independent third parties; and

關連交易(續)

持續關連交易(續)

存款及貸款服務(續)

有關《存款服務總協議》及《貸款服務總協議》的年度上限已考慮並且包括了適用於本公司在聯交所上市的附屬公司(包括中國光大綠色環保有限公司(「光大綠色環保」)及中國光大水務有限公司(「光大水務」))各自的年度上限在內。

於二零一九年四月十五日，光大水務與中國光大集團訂立了《存款服務框架協議》及《貸款服務框架協議》，據此，中國光大集團將促使光大銀行向光大水務提供存款、貸款及相關服務。有關詳情載於本公司日期為二零一九年四月十五日之公告。

於二零一九年十二月六日，光大綠色環保與中國光大集團訂立了一份獨立的《存款服務總協議》及一份獨立的《貸款服務總協議》，據此，中國光大集團將促使光大銀行向光大綠色環保提供存款、貸款及相關服務。有關詳情載於光大綠色環保日期為二零一九年十二月六日之公告。

除上文所披露的資料外，於本年度內，本公司並無訂立任何其他構成關連交易或持續關連交易而須根據《上市規則》第十四A章規定申報的交易。

獨立非執行董事已審閱上述持續關連交易，並確認有關交易為：

- 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，則按不遜於本集團給予獨立第三方或獨立第三方提供予本集團之條款訂立；及

CONNECTED TRANSACTIONS (continued)

Continuing connected transactions (continued)

- in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Ernst & Young, the Company's auditor, was engaged to report to the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young has issued its unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

RESULTS

The results of the Group for the year ended 31 December 2020 and the Group's financial position as at that date are set out in the financial statements on pages 137 to 341.

FINAL DIVIDEND

An interim dividend of HK14.0 cents per share (2019: HK13.0 cents per share) was paid on 5 October 2020. The board of Directors (the "Board") has recommended the payment of a final dividend of HK16.0 cents per share (2019: HK13.0 cents per share) in respect of the year ended 31 December 2020.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the aggregate amount of reserves available for distribution to equity holders of the Company, as calculated under the provisions of sections 291, 297 and 299 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), was HK\$2,458,341,000 (2019: HK\$4,652,050,000). After the reporting period, the Directors proposed a final dividend of HK16.0 cents per share (2019: HK13.0 cents per share), amounting to HK\$982,876,000 (2019: HK\$798,587,000).

關連交易(續)

持續關連交易(續)

- 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，且符合股東之整體利益。

本公司核數師安永會計師事務所已獲委聘就本集團之持續關連交易作出匯報，有關匯報乃根據香港會計師公會發出之《香港核證委聘準則》第3000號(經修訂)「審核或審閱過往財務資料以外之核證委聘」，並經參考《實務說明》第740號「關於《上市規則》所述持續關連交易的核數師函件」進行。安永會計師事務所已根據《上市規則》第14A.56條之規定，就本集團於上文所披露之持續關連交易發出無保留意見函件，當中載列其發現及結論。本公司已向聯交所提供核數師函件副本。

業績

本集團截至二零二零年十二月三十一日止年度之業績，以及本集團於該日之財務狀況載於第137頁至第341頁之財務報表內。

末期股息

本公司已於二零二零年十月五日派發中期股息每股14.0港仙(二零一九年：每股13.0港仙)。董事會(「董事會」)建議派發截至二零二零年十二月三十一日止年度末期股息每股16.0港仙(二零一九年：每股13.0港仙)。

可供分派儲備

於二零二零年十二月三十一日，根據香港法例第六百二十二章《公司條例》第291、297及299條之條文計算可供分派予本公司權益持有人之儲備總額為港幣2,458,341,000元(二零一九年：港幣4,652,050,000元)。於報告期間後，董事建議派發末期股息每股16.0港仙(二零一九年：每股13.0港仙)，合共港幣982,876,000元(二零一九年：港幣798,587,000元)。

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$14,184,000 (2019: HK\$10,772,000).

SHARE CAPITAL

There were no movements in the share capital of the Company during the year. Details of the share capital of the Company are set out in note 34 to the financial statements.

DIRECTORS

The Directors during the year and up to the date of this Annual Report were:

Executive Directors

Cai Yunge (*Chairman of the Board*)

(Resigned on 25 September 2020)

Wang Tianyi (*Chairman of the Board and Chief Executive Officer*)

(Appointed as Chairman of the Board on 25 September 2020)

Wong Kam Chung, Raymond (*Chief Financial Officer*)

Hu Yanguo (*Deputy General Manager*)

Qian Xiaodong (*Deputy General Manager*)

Independent Non-executive Directors

Fan Yan Hok, Philip

Mar Selwyn

Zhai Haitao

Suo Xuquan

In accordance with articles 77, 78 and 79 of the Company's articles of association (the "Articles of Association"), Mr. Hu Yanguo, Mr. Qian Xiaodong and Mr. Zhai Haitao will retire from office by rotation at the forthcoming annual general meeting of the Company (the "AGM") and, being eligible, offer themselves for re-election.

The INEDs are appointed for a specific term, subject to re-election. The current 4 INEDs hold office for a term until 31 December 2021. They are all subject to retirement by rotation in accordance with the Articles of Association as indicated above.

慈善捐款

本集團於本年度內共捐款港幣14,184,000元(二零一九年：港幣10,772,000元)作慈善用途。

股本

本年度內本公司之股本並無任何變動。本公司之股本詳情載於財務報表附註34。

董事

於年內及截至本年報日期，本公司的董事如下：

執行董事

蔡允革(*董事會主席*)

(於二零二零年九月二十五日辭任)

王天義(*董事會主席兼行政總裁*)

(於二零二零年九月二十五日獲委任為董事會主席)

黃錦聰(*財務總監*)

胡延國(*副總經理*)

錢曉東(*副總經理*)

獨立非執行董事

范仁鶴

馬紹援

翟海濤

索緒權

依據本公司之《章程細則》(「《章程細則》」)第77、78及79條規定，胡延國先生、錢曉東先生及翟海濤先生須於即將舉行之本公司股東週年大會(「股東週年大會」)上依章輪值告退，而彼等符合資格，並已表示願意膺選連任。

獨立非執行董事獲委任指定年期，並須符合重選之規定。四名現任獨立非執行董事之任期直至二零二一年十二月三十一日止。彼等須如上文所述根據《章程細則》輪值告退。

Report of the Directors 董事會報告

DIRECTORS OF SUBSIDIARIES

To the best knowledge of the Board and based on the information available, other than certain Directors and senior management named in the section headed “Directors and Senior Management” as set out on pages 105 to 110 of this Annual Report, the persons who have served on the boards of the subsidiaries of the Company either during the year ended 31 December 2020 or up to the date of this Annual Report included Ms. Alicja Szymanowska, Mr. An Pinglin, Mr. Bi Xuejun, Mr. Cai Shuguang, Ms. Cao Chunyan, Ms. Cao Jixiang, Mr. Cao Zhi, Mr. Cao Zhichang, Mr. Ceng Xiaotian, Mr. Chang Deyang, Mr. Chang Hua, Mr. Chen Hengbao, Mr. Chen Meiyuan, Mr. Chen Qing, Mr. Chen Weiling, Ms. Chen Yunxin, Mr. Chen Zhengda, Mr. Chen Zhong, Ms. Cheng Fong Yee, Mr. Chow Siu Lui, Ms. Cui Zhimei, Mr. Dai Weike, Mr. Dai Xin, Mr. Dan Donghua, Ms. Ding Hong, Mr. Ding Zhenzhong, Mr. Dou Zhimin, Mr. Du Derong, Mr. Du Jiahong, Mr. Du Linhai, Mr. Fan Enzhuo, Mr. Fan Ruolian, Mr. Feng Jiayou, Mr. Feng Yanming, Mr. Gao Jianxin, Mr. Gao Jining, Mr. Gao Li, Mr. Gu Yan, Mr. Gu Zhengyi, Mr. Guan Chenggang, Mr. Guo Heng, Mr. Guo Yang, Ms. Guo Ying, Ms. Halina Zimon-Porożyńska, Mr. Han Fangxing, Ms. Hao Gang, Mr. He Jian, Mr. He Jingwen, Mr. He Peng, Mr. He Weiguang, Mr. He Yinghan, Mr. Hong Guangfu, Mr. Hou Yaofeng, Mr. Hu Dengke, Mr. Hu Yanwei, Mr. Hua Bo, Mr. Hua Feng, Mr. Huang Kenneth Gang, Mr. Huang Mingsheng, Mr. Huang Weihua, Mr. Huang Wenzhong, Ms. Huang Yiyi, Mr. Jacek Fertikowski, Ms. Jadwiga Skórcz, Mr. Ji Bin, Ms. Ji Wei, Mr. Jiang Jian, Mr. Jiang Jianqing, Mr. Jiang Jun, Mr. Jiang Xinran, Mr. Jiao Hai, Mr. Jin Zhuping, Mr. Jing Yongde, Mr. Ke Weibing, Mr. Li Bin, Mr. Li Genfeng, Ms. Li Hui, Mr. Li Jia, Mr. Li Jianghua, Mr. Li Jiaping, Mr. Li Jingwen, Mr. Li Songbo, Mr. Li Xin, Ms. Li Yingzi, Mr. Li Yulin, Mr. Liang Haidong, Mr. Liao Guoyong, Mr. Lim Yu Neng, Paul, Mr. Liu Bin, Mr. Liu Chao, Mr. Liu Dapeng, Mr. Liu Gang, Mr. Liu Guangwei, Mr. Liu Jianjun, Mr. Liu Jinbiao, Mr. Liu Junliang, Mr. Liu Longshun, Mr. Liu Pinhua, Ms. Liu Qiuling, Mr. Liu Yongdai, Mr. Lo Kam Fan, Ms. Lo Kong, Grace, Mr. Lu Da, Mr. Lu Kee Hong, Mr. Lu Qilin, Mr. Lu Sheng, Mr. Lu Wei, Mr. Lu Yifeng, Mr. Luo Guopeng, Mr. Luo Junling, Mr. Luo Yanggang, Mr. Lv Fansheng, Mr. Lv Jian, Mr. Ma Yi, Mr. Ma Zujun, Mr. Maciej Dalka, Mr. Marek Drzewiecki, Mr. Mariusz Walter, Ms. Monika Saracyn, Mr. Niu Kesheng, Mr. Niu Yadong, Mr. Nong Jiwei, Mr. Pan Liangcong, Mr. Pan Yongjin, Mr. Peng Lei, Mr. Peng Yong, Mr. Philip Tsao, Mr.

附屬公司之董事

就董事會所深知，以及根據取得之資料，除了名列本年報第105頁至第110頁所載「董事及高級管理人員」一節之若干董事及高級管理人員外，於截至二零二零年十二月三十一日止年度或直至本年報日期，本公司附屬公司董事會之在任董事包括Alicja Szymanowska女士、安平林先生、畢學軍先生、蔡曙光先生、曹春豔女士、曹際香女士、曹智先生、曹志昌先生、曾曉天先生、常德陽先生、常華先生、陳恒寶先生、陳美園先生、陳清先生、陳偉凌先生、陳雲欣女士、陳正達先生、陳忠先生、鄭鳳儀女士、鄧小磊先生、崔志梅女士、戴維克先生、戴新先生、單冬華先生、丁虹女士、丁振中先生、都志民先生、杜德榮先生、杜加宏先生、杜林海先生、范恩卓先生、范若聯先生、馮加友先生、馮彥明先生、高建新先生、郜濟寧先生、高立先生、谷岩先生、顧正義先生、管成剛先生、郭恒先生、郭陽先生、郭穎女士、Halina Zimon-Porożyńska女士、韓方興先生、郝剛女士、賀健先生、何景文先生、何鵬先生、何偉光先生、何映含先生、洪光甫先生、侯耀峰先生、胡登科先生、胡彥偉先生、華波先生、華鋒先生、黃剛先生、黃明生先生、黃偉華先生、黃文中先生、黃奕奕女士、Jacek Fertikowski先生、Jadwiga Skórcz女士、季彬先生、季妮女士、姜健先生、蔣建清先生、江俊先生、蔣欣然先生、焦海先生、金朱平先生、靖永德先生、柯衛兵先生、李彬先生、李根鋒先生、李慧女士、李佳先生、李江華先生、李佳平先生、李京聞先生、李嵩博先生、李鑫先生、李英姿女士、李玉林先生、梁海東先生、廖國勇先生、林御能先生、劉斌先生、劉超先生、劉大鵬先生、劉剛先生、劉光偉先生、劉建軍先生、劉金標先生、柳俊良先生、劉龍順先生、劉品華先生、劉秋玲女士、劉永代先生、盧錦勳先生、盧剛女士、陸達先生、呂奇峰先生、陸其林先生、陸聖先生、呂璋先生、陸逸峰先生、羅國鵬先生、羅俊嶺先生、羅養剛先生、呂繁生先生、呂建先生、馬一先生、馬祖軍先生、Maciej Dalka先生、Marek Drzewiecki先生、Mariusz Walter先生、Monika Saracyn女士、牛克勝先生、牛亞東先生、農基偉先生、潘良聰先生、潘永進先生、彭磊先生、彭勇先生、曹為實先生、Piotr Jeromi先生、戚萍女士、齊添先生、錢穎女士、

DIRECTORS OF SUBSIDIARIES (continued)

Piotr Jeromi, Ms. Qi Ping, Mr. Qi Tian, Ms. Qian Ying, Mr. Qiao Haifei, Mr. Qin Binghan, Mr. Qin Haijin, Mr. Qin Jun, Mr. Qin Zhijian, Mr. Qiu Bo, Ms. Qu Di, Mr. Qu Hegang, Mr. Qu Lei, Mr. Qu Xiaoping, Mr. Reinhold Brenner, Ms. Ren Yanshuang, Mr. Shao Qichao, Mr. Shao Ren, Mr. Shao Shilei, Mr. Shen Liqing, Mr. Shen Yong, Mr. Shen Yuxin, Mr. Sheng He, Mr. Shi Huanming, Mr. Song Jian, Mr. Song Xu, Mr. Song Zhenzhong, Ms. Su Meixia, Mr. Su Xiaojiang, Mr. Su Zanpeng, Mr. Sun Baolin, Mr. Sun Guoping, Mr. Sun Kai, Mr. Sun Linbo, Mr. Sun Xianlian, Mr. Sun Zuoxin, Ms. Tan Ning, Mr. Tan Qiang, Mr. Tang Xia, Mr. Tang Zhangxing, Mr. Tang Zhixiang, Mr. Tao Junjie, Mr. Tao Minqiang, Mr. Tu Xinwen, Mr. Wang Anyue, Mr. Wang Dianer, Mr. Wang Feng, Mr. Wang Guanping, Mr. Wang Haitao, Mr. Wang Haiyun, Mr. Wang Ke, Mr. Wang Lizhong, Mr. Wang Qiang, Mr. Wang Rong, Mr. Wang Rongtao, Mr. Wang Senlin, Mr. Wang Shaojie, Mr. Wang Sibir, Mr. Wang Wei, Mr. Wang Xiuwei, Mr. Wang Xueyan, Mr. Wang Yali, Ms. Wang Yaixin, Mr. Wang Yong, Mr. Wang Yuexing, Mr. Wang Yungang, Mr. Wang Yuyang, Mr. Wang Zhen, Mr. Wang Zhenyu, Mr. Wee Choo Peng, Mr. Wei Dong, Mr. Wei Xuejun, Mr. Wu Daoping, Mr. Wu Deshui, Mr. Wu Di, Mr. Wu Jian, Mr. Wu Jin, Mr. Wu Kai, Mr. Wu Shaobiao, Mr. Wu Yongxin, Mr. Wu Zhiguo, Mr. Xiao Xuyang, Mr. Xie Wei, Mr. Xiong Hui, Mr. Xiong Jianping, Mr. Xiu Zhiguang, Ms. Xu Hongna, Mr. Xu Liqun, Ms. Xu Nailong, Mr. Xu Peng, Mr. Xu Zhenghong, Prof. Yan Houmin, Mr. Yan Shun, Mr. Yan Tingxue, Mr. Yang Jizhen, Mr. Yang Liang, Mr. Yang Lin, Mr. Yang Ming, Mr. Yang Xinting, Mr. Yang Yang, Mr. Yang Zhiqiang, Mr. Yang Zijiang, Mr. Yao Fenggen, Mr. Yao Junping, Ms. Yao Linxiao, Mr. Ye Aidong, Mr. Yin Manhua, Mr. Yin Yong, Mr. You Guoyun, Mr. Yu Yang, Mr. Yu Yiping, Mr. Yu Yuehui, Mr. Yuan Quan, Mr. Zang Hailong, Mr. Zbigniew Pawel Patka, Mr. Zhai Haitao, Mr. Zhang Chen, Mr. Zhang Guangjun, Mr. Zhang Guofeng, Mr. Zhang Haitao, Mr. Zhang Hongbo, Mr. Zhang Jian, Mr. Zhang Jianping, Mr. Zhang Shijun, Mr. Zhang Xiaoquan, Mr. Zhang Ximing, Mr. Zhang Xing, Mr. Zhang Ya, Mr. Zhang Yankai, Mr. Zhang Yajie, Mr. Zhang Yuelin, Mr. Zhang Zhangjian, Mr. Zhang Zhengxiang, Mr. Zhang Zhiwen, Mr. Zhao Bin, Ms. Zhao Lichun, Mr. Zhao Peiya, Mr. Zhao Qing, Mr. Zhao Renjie, Ms. Zhao Ying, Mr. Zhao Zhijun, Mr. Zheng Wensheng, Mr. Zhong Lap Bun, Mr. Zhou Bo, Mr. Zhou Houfeng, Mr. Zhou Jun, Mr. Zhou Wending, Mr. Zhou Yichun, Mr. Zhu Fugang and Mr. Zhu Yugang.

附屬公司之董事(續)

喬海飛先生、秦炳漢先生、秦海金先生、秦峻先生、秦志堅先生、邱波先生、曲娣女士、渠和岡先生、曲磊先生、曲曉平先生、Reinhold Brenner先生、任豔雙女士、邵啟超先生、邵韜先生、邵士雷先生、沈利清先生、沈永先生、沈育新先生、盛赫先生、史煥明先生、宋儉先生、宋旭先生、宋振忠先生、蘇美霞女士、蘇小江先生、蘇贊澎先生、孫寶林先生、孫國平先生、孫凱先生、孫林波先生、孫先棟先生、孫祚新先生、譚寧女士、談強先生、唐俠先生、湯長興先生、湯志祥先生、陶俊杰先生、陶敏強先生、涂新文先生、王安岳先生、王殿二先生、王鋒先生、王冠平先生、王海濤先生、王海雲先生、王克先生、王立中先生、王強先生、王嶸先生、王榮濤先生、王森林先生、王少杰先生、汪思斌先生、王偉先生、王秀偉先生、王雪炎先生、王亞樸先生、王耀昕女士、王勇先生、王悅興先生、王雲剛先生、王宇陽先生、王貞先生、王振宇先生、黃子平先生、魏東先生、魏學軍先生、吳道平先生、吳德水先生、吳迪先生、吳堅先生、吳晉先生、吳凱先生、吳少麟先生、吳永新先生、吳志國先生、肖旭陽先生、謝偉先生、熊輝先生、熊建平先生、修志光先生、許紅娜女士、許立群先生、徐乃玲女士、徐鵬先生、許正宏先生、嚴厚民教授、閔順先生、顏廷學先生、楊繼臻先生、楊亮先生、楊林先生、楊明先生、楊新亭先生、楊楊先生、楊志強先生、楊子江先生、姚鳳根先生、姚均平先生、姚林曉女士、葉愛東先生、殷滿華先生、殷勇先生、游國耘先生、余洋先生、余一平先生、喻躍輝先生、袁泉先生、臧海龍先生、Zbigniew Pawel Patka先生、翟海濤先生、張晨先生、張廣軍先生、張國鋒先生、張海濤先生、張洪波先生、張健先生、張建平先生、張士俊先生、張曉全先生、張習明先生、張興先生、張亞先生、張言凱先生、張雅傑先生、張岳林先生、張章建先生、張正祥先生、張志雯先生、趙彬先生、趙立春女士、趙培亞先生、趙慶先生、趙仁傑先生、趙穎女士、趙志軍先生、鄭文勝先生、張立濱先生、周波先生、周厚峰先生、周俊先生、周文定先生、周宜春先生、朱福剛先生及諸宇剛先生。

Report of the Directors 董事會報告

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors since the date of the Company's 2020 interim report are as follows:

Mr. Wang Tianyi, an executive Director and the Chief Executive Officer, was appointed as the Chairman of the Board with effect from 25 September 2020.

Mr. Suo Xuquan, an INED, resigned as an independent director of China Satellite Communications Co., Ltd.* (中國衛通集團股份有限公司) (the shares of which are listed on Shanghai Stock Exchange) and was appointed as an independent director of Northking Information Technology Co., Ltd.* (京北方信息技術股份有限公司) (the shares of which are listed on Shenzhen Stock Exchange) with effect from 27 August 2020 and 16 November 2020 respectively.

* For identification purpose only

DIRECTORS' SERVICE CONTRACTS

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

MANAGEMENT CONTRACTS

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

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

As at 31 December 2020, the interests and short positions of the Directors and the Company's chief executives and their respective associates in shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") were as follows:

董事資料變動

根據《上市規則》第13.51B(1)條，自本公司二零二零年中期報告日期起，董事資料變動如下：

執行董事兼行政總裁王天義先生自二零二零年九月二十五日起獲委任為董事會主席。

獨立非執行董事索緒權先生分別自二零二零年八月二十七日及二零二零年十一月十六日起辭任中國衛通集團股份有限公司(其股份於上海證券交易所上市)之獨立董事和獲委任為京北方信息技術股份有限公司(其股份於深圳證券交易所上市)之獨立董事。

* 僅供識別用途

董事之服務合約

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

管理合約

年內，本公司並無就全盤業務或其中任何重大部份簽訂或存有管理及行政合約。

董事及最高行政人員在股份、相關股份及債券中擁有之權益及淡倉

於二零二零年十二月三十一日，董事及本公司之最高行政人員及彼等之各自聯繫人士於本公司及／或其任何相聯法團(定義見《證券及期貨條例》(「《證券條例》」)第XV部)之股份、相關股份及債券中擁有記載於本公司按《證券條例》第352條規定須備存之登記冊內的權益或淡倉，或根據《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》(「《標準守則》」)須知會本公司及聯交所的權益或淡倉如下：

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

董事及最高行政人員在股份、相關股份及債券中擁有之權益及淡倉(續)

Long position in shares of the Company

於本公司股份之好倉

Name of Director 董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares held (ordinary shares) 持有之股份數目 (普通股)	Approximate percentage of total issued shares (note) 約佔已發行股份總數百分比(附註)
Wong Kam Chung, Raymond 黃錦聰	Beneficial Owner 實益擁有人	Personal 個人	2,740,740	0.04%
Hu Yanguo 胡延國	Beneficial Owner 實益擁有人	Personal 個人	240,000	Below 0.01% 低於0.01%
Fan Yan Hok, Philip 范仁鶴	Beneficial Owner 實益擁有人	Personal 個人	11,154,810	0.18%

Note: Based on 6,142,975,292 shares of the Company in issue as at 31 December 2020.

附註：根據於二零二零年十二月三十一日的本公司已發行股份6,142,975,292股計算。

Long position in shares of C EGL, a listed subsidiary of the Company

於本公司之上市附屬公司光大綠色環保股份之好倉

Name of Director 董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares held (ordinary shares) 持有之股份數目 (普通股)	Approximate percentage of total issued shares (note) 約佔已發行股份總數百分比(附註)
Wong Kam Chung, Raymond 黃錦聰	Beneficial Owner 實益擁有人	Personal 個人	67,549	Below 0.01% 低於0.01%
Hu Yanguo 胡延國	Beneficial Owner 實益擁有人	Personal 個人	287,000	0.01%
Qian Xiaodong 錢曉東	Beneficial Owner 實益擁有人	Personal 個人	242,000	0.01%
Fan Yan Hok, Philip 范仁鶴	Beneficial Owner 實益擁有人	Personal 個人	100,494	Below 0.01% 低於0.01%

Note: Based on 2,066,078,000 shares of C EGL in issue as at 31 December 2020.

附註：根據於二零二零年十二月三十一日的光大綠色環保已發行股份2,066,078,000股計算。

Report of the Directors 董事會報告

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

Save as disclosed above, as at 31 December 2020, none of the Directors and chief executives of the Company and their respective associates had interests or short positions in shares, underlying shares or debentures of the Company, or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, holding companies or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

So far as is known to the Directors, as at 31 December 2020, the following persons (other than any Directors or chief executives of the Company) were substantial Shareholders and had interests or short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

董事及最高行政人員在股份、相關股份及債券中擁有之權益及淡倉(續)

除上文所述者外，於二零二零年十二月三十一日，董事及本公司最高行政人員及彼等各自之聯繫人士概無在本公司或其任何相聯法團（定義見《證券條例》第XV部）之股份、相關股份或債券中擁有須根據《證券條例》第352條規定須備存之登記冊內之權益或淡倉，或根據《標準守則》須知會本公司及聯交所之權益或淡倉。

董事認購股份或債券之權利

年內，本公司、其任何附屬公司、控股公司或同系附屬公司並無參與任何安排，致使董事可藉購買本公司或任何其他法人團體股份或債券而取得利益。

主要股東及其他人士於股份及相關股份的權益及淡倉

據董事所知，於二零二零年十二月三十一日，下列人士（任何董事或本公司最高行政人員除外）為主要股東，並於本公司的股份或相關股份中擁有根據《證券條例》第336條須備存之登記冊內或已知會本公司或聯交所的權益或淡倉如下：

Name of company 公司名稱	Capacity 身份	Nature of interest 權益性質	Number of long position shares/ underlying long position shares (ordinary shares) 好倉股份/ 相關好倉股份數目 (普通股)	Approximate percentage of total issued shares (note 1) 約佔已發行股份總數百分比(附註1)
Central Huijin Investment Ltd. ("Huijin") (note 2) 中央匯金投資有限責任公司(「匯金」)(附註2)	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,642,112,137	43.01%
China Everbright Group (note 3) 中國光大集團(附註3)	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	2,642,112,137	43.01%

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

Notes:

- (1) Based on 6,142,975,292 shares of the Company in issue as at 31 December 2020.
- (2) Huijin is indirectly wholly owned by the State Council of the PRC and holds 63.16% equity interests of China Everbright Group. It is deemed to be interested in the 2,642,112,137 shares indirectly held by China Everbright Group.
- (3) China Everbright Group holds 100% of the issued shares of China Everbright Holdings Company Limited ("CE Hong Kong"). CE Hong Kong holds (i) 100% of the issued shares of Datten Investments Limited which in turn holds 55% of the issued shares of Guildford Limited ("Guildford"); (ii) 100% of the issued shares of Everbright Investment & Management Limited ("EIM"); and (iii) 45% of the issued shares of Guildford, respectively. Out of the 2,642,112,137 shares, 2,430,442,287 shares are held by Guildford. The remaining 211,669,850 shares are held by EIM. Accordingly, China Everbright Group is deemed to be interested in 2,430,442,287 shares held by Guildford and 211,669,850 shares held by EIM.

Save as disclosed above, as at 31 December 2020, the Company had not been notified of any other persons (other than the Directors or chief executives of the Company or substantial Shareholders) who had interests or short positions in shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTIONS SCHEME

The Group has no share option scheme during the year.

SUFFICIENCY OF PUBLIC FLOAT

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

PERMITTED INDEMNITY

The Articles of Association provides that every Director shall be indemnified out of the funds of the Company against all liabilities incurred by him in relation to the Company in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted. In addition, liability insurance for the Directors and senior management of the Company is maintained by the Company with appropriate coverage for certain legal actions against the Directors and senior management.

主要股東及其他人士於股份及相關股份的權益及淡倉(續)

附註：

- (1) 根據於二零二零年十二月三十一日的本公司已發行股份6,142,975,292股計算。
- (2) 匯金由中國國務院間接全資擁有，並持有中國光大集團63.16%股權。其被視為於中國光大集團間接持有之2,642,112,137股股份中擁有權益。
- (3) 中國光大集團持有中國光大集團有限公司(「光大香港」)100%已發行股份。光大香港分別持有(i) Datten Investments Limited(「Datten」)100%已發行股份，而Datten則持有Guildford Limited(「Guildford」)55%已發行股份；(ii)光大投資管理有限公司(「光大投資管理」)100%已發行股份；及(iii) Guildford 45%已發行股份。在2,642,112,137股股份中，其中2,430,442,287股股份由Guildford持有；其餘211,669,850股股份則由光大投資管理持有。故此，中國光大集團被視為在Guildford所持有之2,430,442,287股股份及光大投資管理所持有之211,669,850股股份中擁有權益。

除上文所述者外，於二零二零年十二月三十一日，本公司並無接獲任何人士(任何董事或本公司最高行政人員或主要股東除外)訂明的通知，表示於本公司的股份及相關股份中擁有根據《證券條例》第336條須置存之登記冊內的權益或淡倉。

購股權計劃

本集團於年內並無購股權計劃。

足夠的公眾持股量

根據本公司所得之公開資料，以及就董事所知，於本年報日期，本公司維持《上市規則》所規定之公眾持股量。

准許的彌償

《章程細則》規定，本公司須以本公司之資金，就董事因有關本公司之民事或刑事法律程序中進行辯護並獲判勝訴或無罪所招致之法律責任作出彌償。此外，本公司已為董事及本公司之高級管理人員購買責任保險，為若干針對董事及本公司之高級管理人員而作出之法律訴訟提供合適之保額。

Report of the Directors 董事會報告

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the year and subsisted at the end of the year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance to which the Company, or its holding company or any of its subsidiaries was a party, and in which a Director or any entity connected with a Director had a material interest, subsisted at the end of the year or at any time during the year.

INTERESTS IN COMPETING BUSINESS

As at the date of this Annual Report, as far as the Directors are aware of, none of the Directors or their respective associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at 31 December 2020 are set out in note 29 to the financial statements.

USE OF PROCEEDS FROM THE COMPANY'S RIGHTS ISSUE

In September 2018, the Company completed the issue of rights shares to the qualifying Shareholders on the basis of 10 rights shares for every 27 existing shares held on the record date (the "Rights Issue") at the subscription price of HK\$6.00 per rights share, and raised gross proceeds of approximately HK\$9,962 million and actual net proceeds of approximately HK\$9,924 million (the "Net Proceeds") from the Rights Issue.

As disclosed in the prospectus of the Rights Issue dated 30 August 2018, by 2020, China's waste-to-energy market is expected to enjoy relatively large potential for development. Since the completion of the Rights Issue in September 2018, the Company has recorded remarkable achievements in market expansion by securing a number of new waste-to-energy projects, so as to further strengthen the Group's core business and maintain its leading foothold in the market.

The Board considers that reallocation of more funding to the waste-to-energy projects through deploying of proceeds originally intended for other environmental protection business will enhance the financial flexibility and capacity of the Group to further develop the waste-to-energy business, which is fair and reasonable and in the interests of the Company and the Shareholders as a whole. On 10 December 2019, the Board resolved to reallocate the Net Proceeds, details of which are set out in the announcement of the Company dated 10 December 2019 (the "Change in Use of Proceeds Announcement").

股票掛鈎協議

年內並無訂立於年結日仍然有效之任何股票掛鈎協議。

董事於交易、安排或合約之權益

本公司或其控股公司或其任何附屬公司概無訂立於年結日或本年度內任何時間仍然有效，且董事或與董事有關連之任何實體於當中擁有重大利益之重要交易、安排或合約。

於競爭性業務之權益

於本年報日期，就董事所知，各董事或彼等各自之聯繫人士概無於與本集團業務構成競爭或可能構成競爭（不論直接或間接）之業務中擁有任何權益，亦無與本集團有任何其他利益衝突。

銀行貸款及其他借貸

本集團於二零二零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29。

本公司供股所得款項用途

於二零一八年九月，本公司完成按認購價每股供股股份港幣6.00元按於記錄日期每持有27股現有股份獲配發10股供股股份之基準向合資格股東發行供股股份（「供股」）。本公司已自供股籌集所得款項總額約港幣99.62億元及實際所得款項淨額約港幣99.24億元（「所得款項淨額」）。

誠如在日期為二零一八年八月三十日之供股章程所披露，到二零二零年，中國垃圾發電市場仍有較大發展空間。供股於二零一八年九月完成以來，本公司在市場拓展方面成績驕人，新取得多個垃圾發電項目，藉此進一步加強本集團核心業務和保持市場龍頭地位。

董事會認為，透過利用原擬用作其他環保業務之所得款項重新分配更多資金至垃圾發電項目，將提升本集團之財務靈活性及實力以進一步發展垃圾發電項目，屬公平合理並符合本公司及股東之整體利益。於二零一九年十二月十日，董事會已議決重新分配所得款項淨額之用途，詳情載於本公司日期為二零一九年十二月十日之公告（「更改所得款項用途公告」）。

USE OF PROCEEDS FROM THE COMPANY'S RIGHTS ISSUE (continued)

As at 31 December 2020, the Net Proceeds had been fully utilised, details of which are listed below:

本公司供股所得款項用途(續)

於二零二零年十二月三十一日，所得款項淨額已全數動用，具體用途載列如下：

Net Proceeds (Appr.) raised and originally intended use	Amended use of the Net Proceeds (Appr.) as disclosed in the Change in Use of Proceeds Announcement	Full use of the Net Proceeds (Appr.) up to 31 December 2020
籌集所得款項淨額(約數)以及先前之擬定用途	在《更改所得款項用途公告》所披露之有關所得款項淨額(約數)之經修訂用途	截至二零二零年十二月三十一日已全數動用所得款項淨額(約數)
1. HK\$5,947,000,000 (representing about 60% of the Net Proceeds) for implementation of existing and future waste-to-energy projects and other environmental protection projects 港幣5,947,000,000元(佔所得款項淨額約60%)用作落實現有及日後的垃圾發電項目及其他環保項目	HK\$7,962,000,000 (representing about 80% of the Net Proceeds) for implementation of existing and future waste-to-energy projects and other environmental protection projects 港幣7,962,000,000元(佔所得款項淨額約80%)用作落實現有及日後的垃圾發電項目及其他環保項目	HK\$7,962,000,000 was used for waste-to-energy projects 港幣7,962,000,000元已用於垃圾發電項目
2. HK\$2,478,000,000 (representing about 25% of the Net Proceeds) for pursuing other environmental protection businesses including but not limited to technological R&D, equipment manufacturing, waste sorting and management, and atmospheric monitoring and testing services 港幣2,478,000,000元(佔所得款項淨額約25%)用作發展其他環保業務，包括但不限於技術研發、裝備製造、垃圾分類與管理以及大氣治理與檢測服務	HK\$463,000,000 (representing about 5% of the Net Proceeds) for pursuing other environmental protection businesses including but not limited to technological R&D, equipment manufacturing, waste sorting and management, and atmospheric monitoring and testing services 港幣463,000,000元(佔所得款項淨額約5%)用作發展其他環保業務，包括但不限於技術研發、裝備製造、垃圾分類與管理以及大氣治理與檢測服務	HK\$432,832,000 was used in the development of technological R&D, equipment manufacturing, waste sorting and management, and atmospheric monitoring and testing services 港幣432,832,000元已用於發展技術研發、裝備製造、垃圾分類與管理以及大氣治理與檢測服務 HK\$30,168,000 was used in the development of food waste treatment projects 港幣30,168,000元已用於發展餐廚垃圾處理項目
3. HK\$1,499,123,000 (representing about 15% of the Net Proceeds) for general working capital of the Group (approximately HK\$499,000,000) and repayment of bank loans (approximately HK\$1,000,000,000) 港幣1,499,123,000元(佔所得款項淨額約15%)用作本集團之一般營運資金(約港幣499,000,000元)及償還銀行貸款(約港幣1,000,000,000元)	HK\$1,499,123,000 (representing about 15% of the Net Proceeds) has been fully utilised for general working capital of the Group and repayment of bank loans and therefore remains unchanged 港幣1,499,123,000元(佔所得款項淨額約15%)已悉數用作本集團之一般營運資金及用以償還銀行貸款，故維持不變	HK\$1,499,123,000 was used for repayment of bank loans 港幣1,499,123,000元已用於償還銀行貸款

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 342 and 343 of this Annual Report.

PROPERTIES

Particulars of the major properties of the Group are shown on page 344 of this Annual Report.

RETIREMENT SCHEMES

The Company provides retirement benefits to all local eligible employees in Hong Kong 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 employer 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 Group’s MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 10% and 5% of the employees’ relevant income, respectively. Employees can choose to contribute with a cap of monthly relevant income of HK\$30,000.

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

The Group’s total contributions to these schemes charged to the consolidated income statement during the year ended 31 December 2020 amounted to HK\$235,185,000.

五年業績概要

本集團過去五個財政年度之業績以及資產及負債概要載於本年報第342頁及第343頁。

物業

本集團之主要物業詳情載於本年報第344頁。

退休計劃

本公司已為所有香港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%。沒收之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。根據本集團的強積金計劃，僱主及僱員各自須向計劃供款，供款額分別為僱員有關入息之10%及5%，僱員供款可選擇以有關入息每月港幣30,000元為上限。

本公司中國附屬公司之僱員均參與當地政府管理之退休計劃。該等附屬公司須按員工薪金之若干百分比向上述計劃作出供款，為有關福利提供資金。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。

本集團於截至二零零零年十二月三十一日止年度向此等計劃所作並已入賬綜合損益表內之總供款額為港幣235,185,000元。

CONFIRMATION OF INDEPENDENCE

In accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules, the Board is of the view that all INEDs are independent and satisfy the requirements under Rule 3.13 (notwithstanding that for Mr. Fan Yan Hok, Philip under Rule 3.13(7) of the Listing Rules, he had been a non-executive Director prior to his re-designation as an INED) and the Company has received an annual written confirmation of independence from each of the INED pursuant to the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events of the Group after the reporting period are set out in note 49 to the financial statements.

AUDITOR

Ernst & Young will retire and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Ernst & Young as the auditor of the Company is to be proposed at the forthcoming AGM.

BY ORDER OF THE BOARD

Wang Tianyi

Chairman of the Board and Chief Executive Officer

Hong Kong, 11 March 2021

獨立性確認書

根據《上市規則》第3.13條所載之獨立性指引，董事會認為全體獨立非執行董事均為獨立人士，並符合第3.13條之要求（儘管根據《上市規則》第3.13(7)條，范仁鶴先生在被調任為獨立非執行董事前為非執行董事），而每名獨立非執行董事已根據《上市規則》之規定向本公司提供有關其獨立性的年度書面確認。

報告期間後之事項

報告期間後發生之重大事項詳情載於財務報表附註49。

核數師

安永會計師事務所將任滿退任，且符合資格並願意膺選連任。本公司將於應屆股東週年大會上提呈續聘安永會計師事務所出任本公司核數師之決議案。

承董事會命

王天義

董事會主席兼行政總裁

香港，二零二一年三月十一日

Independent Auditor's Report

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHINA EVERBRIGHT ENVIRONMENT GROUP LIMITED

(formerly known as "China Everbright International Limited")
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Everbright Environment Group Limited (formerly known as "China Everbright International Limited") (the "Company") and its subsidiaries (the "Group") set out on pages 137 to 341, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

致中國光大環境(集團)有限公司 (前稱「中國光大國際有限公司」)各股東 獨立核數師報告

(於香港註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第137頁至第341頁中國光大環境(集團)有限公司(前稱「中國光大國際有限公司」)(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零二零年十二月三十一日的綜合財務狀況表及截至該日止年度的綜合損益表、綜合全面損益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實和公允地反映 貴集團於二零二零年十二月三十一日的綜合財務狀況和 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥善編製。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表須承擔的責任」一節中闡述。按照香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已按照守則履行其他道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時處理，且我們不對該等事項提供單獨的意見。下文載有我們的審計如何處理以下各項事項的資料。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

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

關鍵審計事項(續)

我們已履行本報告「核數師就審計綜合財務報表須承擔的責任」一節中所闡述的責任，包括有關該等事項的責任。因此，我們的審計包括執行為應對綜合財務報表重大錯報風險的評估而設的程序。審計程序(包括處理以下事項的程序)的結果，為我們就隨附的綜合財務報表的審計意見提供基礎。

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Service concession arrangements</i> 服務特許經營權安排</p> <p>The Group has entered into Build-Operate-Transfer (“BOT”), Transfer-Operate-Transfer (“TOT”) and Build-Operate-Own (“BOO”) arrangements with local governments in Mainland China in respect of its environmental energy projects, greentech projects and environmental water projects. The assessment on whether the BOT, TOT and BOO arrangements fall within the scope of HK(IFRIC) Interpretation 12 <i>Service Concession Arrangements</i> requires significant management judgement. Management’s assessment included whether the grantors control or regulate what services the Group must provide with the infrastructures, to whom it must provide them, and at what price; and whether the grantors control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructures at the end of the term of the arrangements.</p> <p>貴集團就旗下環保能源項目、綠色環保項目及環保水務項目與中國大陸當地政府訂立建造－運營－轉移(「BOT」)、轉移－運營－轉移(「TOT」)及建造－運營－擁有(「BOO」)安排。在評估BOT、TOT及BOO安排是否屬於《香港(國際財務報告詮釋委員會)詮釋》第12號「服務特許經營權安排」範圍內時，管理層需要作出重大判斷。管理層的評估包括授權人可否控制或監管 貴集團利用基礎設施所須提供的服務、服務的提供對象及收取的價格；以及授權人在有關安排的有效期結束時，能否通過所有權、實益享有權或其他方式，控制基礎設施的任何重大剩餘權益。</p> <p>The details of the Group’s service concession arrangements are disclosed in notes 3 and 51 to the financial statements. 貴集團的服務特許經營權安排詳情於財務報表附註3及附註51披露。</p>	<p>We evaluated the management’s assessment of the BOT, TOT and BOO arrangements of the Group by reviewing and understanding the terms of the respective agreements. In particular, we evaluated the management’s assessment as to whether the grantors control or regulate what services the Group must provide with the infrastructures, to whom it must provide them, and at what price. In addition, we evaluated the management’s assessment as to whether the grantors control any significant residual interest in the infrastructures at the end of the term of the arrangements, including whether the infrastructures for the service concession arrangements will be used for their entire or substantially entire useful lives.</p> <p>我們已透過審視及了解 貴集團BOT、TOT及BOO安排的相關協議條款，評價管理層對有關安排所作的評估。特別是，我們已評價管理層就授權人可否控制或監管 貴集團利用基礎設施所須提供的服務、服務的提供對象及收取的價格等方面所作的評估。此外，我們亦已評價管理層就授權人在有關安排的有效期結束時能否控制基礎設施的任何重大剩餘權益所作的評估(包括服務特許經營權安排所涉及的基礎設施是否將於其整個或大致上整個可使用年期使用)。</p>

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Revenue and profit recognition for construction services</i> 建造服務的收益及盈利確認</p> <p>Revenue arising from construction services is measured based on the Group's estimation of the fair value of construction services and the progress of construction work completed during the year. Significant judgement is required to determine the fair value of construction services which involves estimation of the total construction costs and the margin of each project. The Group engaged independent professional valuers to assist in the estimation of the fair value of construction services. The progress of construction work completion is estimated based on the survey of work performed by independent surveyors with relevant qualifications and industry experience. Judgement is required in estimating the progress of construction work completed.</p> <p>建造服務所產生的收益乃按 貴集團之估計建造服務公允值及年內建造工程完成進度計量。在釐定建造服務公允值時，需要作出重大判斷，當中涉及估計各個項目之建造總成本及利潤率。 貴集團已委聘獨立專業估值師協助估計建造服務之公允值。建造工程完成進度乃按具有相關資歷及行業經驗之獨立測量師對已進行工程之查勘估算。在估計建造工程完成進度時，需要作出判斷。</p> <p>The details of the Group's revenue from construction services in relation to its environmental energy projects, greentech projects and environmental water projects are disclosed in notes 2.4, 3 and 5 to the financial statements. 貴集團來自環保能源項目、綠色環保項目及環保水務項目相關建造服務的收益詳情於財務報表附註2.4、附註3及附註5披露。</p>	<p>We evaluated the management's measurement of the revenue from construction services by assessing the valuation methodology and the key assumptions, such as margins, with the assistance of our valuation specialists who have made reference to the observable market data and comparable companies in the industry.</p> <p>我們已評價管理層對建造服務收益之計量，方法為在我們的估值專家之協助下，經參考可觀察市場數據及業內可供比較之公司後，評估估值方法及主要假設(例如：利潤率)。</p> <p>We also evaluated the management's assessment of the completion progress of construction services by discussing the status of significant projects under construction with the management, including finance and technical staff of the Group, as well as examining independent surveyors' reports. We tested the underlying data adopted by independent surveyors, which included checking to suppliers' agreements and invoices for construction costs of respective construction work performed. We also understood and reviewed the management's process of estimating the total budget cost and costs to completion of incomplete construction contracts.</p> <p>我們亦曾與管理層(包括 貴集團的財務及技術人員)討論重大建設中項目的情況，以及審視獨立測量師報告，藉以評價管理層就建造服務完成進度所作的評估。此外，我們已測試獨立測量師所採納的有關數據，包括就已進行的建造工程的建造成本核對供應商協議及發票。另外，我們亦已了解並審視管理層估計未完成建造合約的總預算成本及完工成本的程序。</p>

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p data-bbox="199 577 609 642"><i>Impairment assessment of debtors</i> 應收賬款的耗損評估</p> <p data-bbox="199 664 900 1073">Debtors of the Group amounted to HK\$6,192,604,000, after an impairment provision of HK\$274,248,000, as at 31 December 2020. The management performed an impairment assessment of debtors by applying the simplified approach to provide for expected credit losses (“ECLs”), taking into account the debtors’ financial position, historical settlement records, past experience and other factors. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, which involved significant management’s judgement and estimation uncertainty.</p> <p data-bbox="199 1080 900 1353">於二零二零年十二月三十一日，貴集團的應收賬款為港幣6,192,604,000元(已扣除耗損撥備港幣274,248,000元)。管理層已就應收賬款作出耗損評估，有關評估應用簡化處理方法來提撥預期信貸虧損，並經計及債務人之財政狀況、過往償還記錄、過往經驗及其他因素。貴集團已基於其過往信貸虧損經驗制定撥備矩陣，並因應與債務人及經濟環境相關並具有前瞻性之特定因素作出調整，而此涉及重大管理層判斷及估算不確定性。</p> <p data-bbox="199 1392 900 1457">The details of the Group’s debtors are included in notes 3 and 25 to the financial statements.</p> <p data-bbox="199 1463 820 1496">貴集團應收賬款的詳情載於財務報表附註3及附註25。</p>	<p data-bbox="922 664 1471 1004">We evaluated the management’s impairment assessment of debtors by understanding and reviewing the management’s provision matrix, testing the debtors’ ageing analysis, discussing with the management about the status of significant overdue individual debtors’ balances, and reviewing the historical settlement pattern of individual debtors. We also reperformed the management’s calculation of ECLs for debtors.</p> <p data-bbox="922 1011 1471 1246">我們已透過了解及審視管理層之撥備矩陣、測試應收賬款的賬齡分析，與管理層討論個別嚴重逾期的應收賬款結餘的情況，以及審視個別債務人的過往償還模式，評價管理層所作的應收賬款耗損評估。此外，就管理層計算應收賬款預期信貸虧損之方法而言，我們亦已再次進行有關計算。</p>

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment assessment of goodwill</i> 商譽的耗損評估</p> <p>The Group is required to test goodwill acquired in business combinations for impairment annually. The goodwill of the Group amounted to HK\$2,016,817,000 as at 31 December 2020 and was allocated to the relevant individual cash-generating units ("CGUs") or business segments. The management's impairment assessment of goodwill involved the estimation of the recoverable amounts of the CGUs or business segments to which the goodwill was allocated. The recoverable amount of the Group's goodwill as at 31 December 2020 is determined using a value in use calculation. Significant management estimates were used to determine the key assumptions, such as future revenue growth rate, operating margin, terminal growth rate and discount rate, that are affected by expected future market or economic conditions. The assessment process also involved management appropriately identifying the CGUs.</p> <p>貴集團須每年就業務合併所得的商譽進行耗損測試。於二零二零年十二月三十一日，貴集團的商譽為港幣2,016,817,000元，其已獲分配至有關的獨立現金生產單位（「現金生產單位」）或業務分部。管理層進行的商譽耗損評估涉及對獲分配商譽的現金生產單位或業務分部的可收回金額作出估計。貴集團的商譽於二零二零年十二月三十一日的可收回金額乃採用使用價值計算法來釐定，管理層須使用重大估計來釐定各項主要假設，例如未來收益增長率、經營利潤率、長期增長率及貼現率，而彼等會受預期未來市場或經濟情況影響。此外，管理層在評估過程中亦須洽當地識別現金生產單位。</p> <p>The details of the Group's goodwill are included in notes 3 and 17 to the financial statements. 貴集團的商譽詳情載於財務報表附註3及附註17。</p>	<p>Our procedures to evaluate the management's impairment assessment of goodwill included: 我們為了評價管理層的商譽耗損評估而進行的程序包括：</p> <ul style="list-style-type: none"> - Assessing management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's business; 根據貴集團的會計政策及我們對貴集團業務的了解，評估管理層對現金生產單位的識別； - Assessing the value in use calculation methodologies adopted by management; and 評估管理層所採用的使用價值計算法；及 - Assessing the key assumptions, including future revenue growth rate, operating margin, terminal growth rate and discount rate, based on our knowledge of the Group's business and the industry. We also involved our valuation specialists to assist in the assessment of the above key assumptions, which included reference to the observable market data and comparable companies in the industry. 根據我們對貴集團業務及有關行業的認識，評估各項主要假設（包括未來收益增長率、經營利潤率、長期增長率及貼現率）。此外，我們亦安排我們的估值專家協助評估上述主要假設，包括參考可觀察市場數據及業內可供比較的公司。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報所載的其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載綜合財務報表及我們就此發出的核數師報告以外的資料。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不會就其發表任何形式的鑒證結論。

就審計綜合財務報表而言，我們的責任是閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況有重大不符，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告有關事實。就此而言，我們無需報告任何事項。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的規定，編製真實和公允的綜合財務報表，及落實其認為編製綜合財務報表所必要的內部監控，以確保綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基準，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 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.

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

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

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

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照香港《公司條例》第405條的規定，僅向全體股東報告。除此以外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果按合理預期錯誤陳述個別或匯總起來可能會影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦會：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團的內部監控的有效性發表意見。
- 評價董事所採用的會計政策的合適性及作出會計估計及相關披露資料的合理性。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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

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

核數師就審計綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基準的恰當性作出結論，並根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者關注綜合財務報表中的相關披露資料，假若有關披露資料不足，則我們須出具非無保留意見的核數師報告。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否公允反映交易及事項。
- 就貴集團實體或業務活動的財務資料獲得充分、適當的審計憑證，以對綜合財務報表發表意見。我們須負責指導、監督和執行集團審計。我們對審計意見承擔全部責任。

我們與審核委員會溝通計劃審計範圍、時間安排、重大審計發現等事項，包括我們於審計期間識別出內部監控的任何重大缺陷。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lai Wan Fung, Jacky.

Ernst & Young

Certified Public Accountants
22/F CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

11 March 2021

核數師就審計綜合財務報表須承擔的責任(續)

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有合理地被認為會影響我們獨立性的關係及其他事項，以及(倘適用)為消除威脅而採取的行動或應用的防範措施。

就與審核委員會溝通的事項而言，我們釐定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們於核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期於我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人為賴耘峯。

安永會計師事務所

執業會計師
香港
中環
添美道1號
中信大廈22樓

二零二一年三月十一日

Consolidated Income Statement

綜合損益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
REVENUE	收益	5	42,926,426	37,557,635
Direct costs and operating expenses	直接成本及經營費用		(28,822,593)	(26,099,734)
Gross profit	毛利		14,103,833	11,457,901
Other revenue	其他收益	6	717,493	765,649
Other income and gains/(losses), net	其他收入及收益/ (虧損)淨額	6	(621,614)	(30,211)
Administrative expenses	行政費用		(2,753,121)	(2,366,354)
PROFIT FROM OPERATING ACTIVITIES	經營活動所得盈利		11,446,591	9,826,985
Finance costs	財務費用	7	(2,279,149)	(1,830,798)
Share of profits of joint ventures	所佔合營企業盈利		207,929	248,126
Share of profits of associates	所佔聯營公司盈利		11,353	19,382
PROFIT BEFORE TAX	除稅前盈利	8	9,386,724	8,263,695
Income tax	所得稅	11	(2,159,764)	(1,895,533)
PROFIT FOR THE YEAR	本年度盈利		7,226,960	6,368,162
ATTRIBUTABLE TO:	應佔部份：			
Equity holders of the Company	本公司權益持有人		6,015,863	5,203,291
Non-controlling interests	非控股權益		1,211,097	1,164,871
			7,226,960	6,368,162
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人 應佔每股盈利	13		
– Basic and diluted	– 基本及攤薄		HK97.93 cents 港仙	HK84.70 cents 港仙

Consolidated Statement of Comprehensive Income

綜合全面損益表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
PROFIT FOR THE YEAR	本年度盈利	7,226,960	6,368,162
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於其後期間可能重新分類至損益表之其他全面收入／(虧損)：		
Exchange differences:	匯兌差額：		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	5,085,088	(1,558,647)
Reclassification adjustments for foreign operations disposed of during the year	年內就已出售海外業務作出的重新分類調整	12,063	-
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	於其後期間可能重新分類至損益表之其他全面收入／(虧損)淨額	5,097,151	(1,558,647)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	於其後期間不會重新分類至損益表之其他全面虧損：		
Other financial assets measured at fair value through other comprehensive income:	按公允值計入其他全面收入計量之其他財務資產：		
Changes in fair value	公允值變動	(11,356)	(388)
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	於其後期間不會重新分類至損益表之其他全面虧損淨額	(11,356)	(388)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	本年度其他全面收入／(虧損)(已扣除稅項)	5,085,795	(1,559,035)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收入總額	12,312,755	4,809,127
ATTRIBUTABLE TO:	應佔部份：		
Equity holders of the Company	本公司權益持有人	10,257,466	3,926,079
Non-controlling interests	非控股權益	2,055,289	883,048
		12,312,755	4,809,127

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2020 二零二零年十二月三十一日

		Notes	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		附註		
NON-CURRENT ASSETS	非流動資產			
Investment properties	投資物業	14	176,860	159,393
Property, plant and equipment	物業、廠房及設備	15	6,114,910	4,637,701
Right-of-use assets	使用權資產	16(a)	822,265	597,673
			7,114,035	5,394,767
Goodwill	商譽	17	2,016,817	1,908,783
Intangible assets	無形資產	18	24,926,597	18,401,533
Interests in joint ventures	合營企業權益	19	1,011,847	1,163,597
Interests in associates	聯營公司權益	20	495,616	381,220
Contract assets	合約資產	23	79,619,686	58,900,254
Finance lease receivables	融資租賃應收款項	24	16,100	15,390
Other financial assets	其他財務資產	21	716,807	510,110
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項	25	3,587,975	2,300,788
Deferred tax assets	遞延稅項資產	33	246,945	165,319
Total non-current assets	非流動資產總額		119,752,425	89,141,761
CURRENT ASSETS	流動資產			
Inventories	存貨	22	1,059,140	823,528
Contract assets	合約資產	23	12,467,366	8,804,372
Finance lease receivables	融資租賃應收款項	24	337	622
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項	25	13,201,126	8,278,232
Tax recoverable	可收回稅項		668	–
Pledged bank deposits	已抵押銀行存款	26	837,770	537,989
Deposits with banks with maturity period over three months	存款期超過三個月之 銀行存款	26	7,585	22,180
Cash and cash equivalents	現金及現金等價物	27	10,860,693	11,742,819
Total current assets	流動資產總額		38,434,685	30,209,742

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2020 二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
CURRENT LIABILITIES	流動負債			
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	28	18,193,656	14,011,899
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		2,989,868	2,674,780
– Unsecured	– 無抵押		7,509,306	7,793,220
			10,499,174	10,468,000
Tax payable	應付稅項		212,959	191,628
Total current liabilities	流動負債總額		28,905,789	24,671,527
NET CURRENT ASSETS	流動資產淨額		9,528,896	5,538,215
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		129,281,321	94,679,976
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	28	917,536	703,702
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		31,420,236	18,410,530
– Unsecured	– 無抵押		33,059,500	24,301,343
			64,479,736	42,711,873
Deferred tax liabilities	遞延稅項負債	33	8,339,445	6,537,822
Total non-current liabilities	非流動負債總額		73,736,717	49,953,397
NET ASSETS	資產淨額		55,544,604	44,726,579

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2020 二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	34	17,329,537	17,329,537
Reserves	儲備	35	27,732,520	19,017,414
			45,062,057	36,346,951
Non-controlling interests	非控股權益		10,482,547	8,379,628
TOTAL EQUITY	權益總額		55,544,604	44,726,579

Wang Tianyi

王天義
Director
董事

Wong Kam Chung, Raymond

黃錦聰
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔	
		Share capital	Goodwill arising on consolidation
		股本	綜合賬項產生之商譽
		HK\$'000	HK\$'000
		港幣千元	港幣千元
	Notes附註		
At 1 January 2019	於二零一九年一月一日	17,329,537	(986)
Profit for the year	本年度盈利	-	-
Other comprehensive loss for the year:	本年度其他全面虧損：		
Changes in fair value of other financial assets measured at fair value through other comprehensive income, net of tax	按公允值計入其他全面收入計量之其他財務資產之公允值變動(已扣除稅項)	-	-
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	-	-
Dividend approved in respect of the previous year	已批准上年度之股息	12	-
Dilution of non-controlling interests in a subsidiary	附屬公司非控股權益攤薄	51(a)	-
Acquisition of subsidiaries	收購附屬公司	37	-
Deemed disposal of partial interests in a subsidiary without losing control upon shares issued by a subsidiary to non-controlling interests	附屬公司發行股份予非控股權益後被視作出售附屬公司部份權益(並無失去控制權)	39	-
Transfer to reserve fund	轉撥至儲備金	-	-
Capital contributions received by non wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額	-	-
Acquisition of non-controlling interests in a subsidiary	收購附屬公司非控股權益	40	-
Dividend declared to non-controlling shareholders of subsidiaries	已向附屬公司非控股股東宣派之股息	-	-
Interim 2019 dividend	二零一九年中期股息	12	-
At 31 December 2019	於二零一九年十二月三十一日	17,329,537	(986)*
At 1 January 2020	於二零二零年一月一日	17,329,537	(986)
Profit for the year	本年度盈利	-	-
Other comprehensive income/(loss) for the year:	本年度其他全面收入/(虧損)：		
Changes in fair value of other financial assets measured at fair value through other comprehensive income, net of tax	按公允值計入其他全面收入計量之其他財務資產之公允值變動(已扣除稅項)	-	-
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-
Reclassification adjustments for foreign operations disposed of during the year	年內就已出售海外業務作出的重新分類調整	-	-
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	-	-
Dividend approved in respect of the previous year	已批准上年度之股息	12	-
Transfer to reserve fund	轉撥至儲備金	-	-
Capital contributions received by non wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額	-	-
Acquisition of non-controlling interests in subsidiaries	收購附屬公司非控股權益	40	-
Disposals of a subsidiary and joint ventures	出售附屬公司及合營企業	19, 38	-
Dividend declared to non-controlling shareholders of subsidiaries	已向附屬公司非控股股東宣派之股息	-	-
Interim 2020 dividend	二零二零年中期股息	12	-
At 31 December 2020	於二零二零年十二月三十一日	17,329,537	(986)*

* These reserve accounts comprise the consolidated reserves of HK\$27,732,520,000 (2019: HK\$19,017,414,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表所示綜合儲備港幣 27,732,520,000 元(二零一九年：港幣 19,017,414,000 元)。

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

Attributable to equity holders of the Company 本公司權益持有人應佔									
Property revaluation reserve	Exchange reserve	Other financial assets measured at fair value through other comprehensive income reserve	Other reserves	Reserve fund	Retained profits	Total	Non-controlling interests	Total equity	
物業重估儲備 HK\$'000 港幣千元	匯兌儲備 HK\$'000 港幣千元	按公允值計入其他全面收入計量之 其他財務資產儲備 HK\$'000 港幣千元	其他儲備 HK\$'000 港幣千元	儲備金 HK\$'000 港幣千元	保留盈利 HK\$'000 港幣千元	總額 HK\$'000 港幣千元	非控股權益 HK\$'000 港幣千元	權益總額 HK\$'000 港幣千元	
90,512	(1,856,212)	(706)	3,126,834	1,258,608	13,978,520	33,926,107	6,769,232	40,695,339	
-	-	-	-	-	5,203,291	5,203,291	1,164,871	6,368,162	
-	-	(388)	-	-	-	(388)	-	(388)	
-	(1,276,824)	-	-	-	-	(1,276,824)	(281,823)	(1,558,647)	
-	(1,276,824)	(388)	-	-	5,203,291	3,926,079	883,048	4,809,127	
-	-	-	-	-	(737,157)	(737,157)	-	(737,157)	
-	-	-	33,954	-	-	33,954	(63,262)	(29,308)	
-	-	-	-	-	-	-	58,223	58,223	
-	-	-	5,170	-	-	5,170	294,057	299,227	
-	-	-	-	410,118	(410,118)	-	-	-	
-	-	-	-	-	-	-	625,324	625,324	
-	-	-	(8,615)	-	-	(8,615)	(23,887)	(32,502)	
-	-	-	-	-	-	-	(163,107)	(163,107)	
-	-	-	-	-	(798,587)	(798,587)	-	(798,587)	
90,512*	(3,133,036)*	(1,094)*	3,157,343*	1,668,726*	17,235,949*	36,346,951	8,379,628	44,726,579	
90,512	(3,133,036)	(1,094)	3,157,343	1,668,726	17,235,949	36,346,951	8,379,628	44,726,579	
-	-	-	-	-	6,015,863	6,015,863	1,211,097	7,226,960	
-	-	(11,356)	-	-	-	(11,356)	-	(11,356)	
-	4,240,896	-	-	-	-	4,240,896	844,192	5,085,088	
-	12,063	-	-	-	-	12,063	-	12,063	
-	4,252,959	(11,356)	-	-	6,015,863	10,257,466	2,055,289	12,312,755	
-	-	-	-	-	(798,587)	(798,587)	-	(798,587)	
-	-	-	-	556,161	(556,161)	-	-	-	
-	-	-	-	-	-	-	461,372	461,372	
-	(22,129)	-	138,373	-	-	116,244	(187,058)	(70,814)	
-	-	-	-	(978)	978	-	-	-	
-	-	-	-	-	-	-	(226,684)	(226,684)	
-	-	-	-	-	(860,017)	(860,017)	-	(860,017)	
90,512*	1,097,794*	(12,450)*	3,295,716*	2,223,909*	21,038,025*	45,062,057	10,482,547	55,544,604	

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前盈利	9,386,724	8,263,695
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	384,899	311,865
Depreciation of right-of-use assets	使用權資產折舊	60,137	46,334
Amortisation of intangible assets	無形資產攤銷	740,592	504,782
Finance costs	財務費用	2,279,149	1,830,798
Dividend income	股息收入	(7,966)	(323)
Interest income	利息收入	(97,061)	(176,147)
Share of profits of joint ventures	所佔合營企業盈利	(207,929)	(248,126)
Share of profits of associates	所佔聯營公司盈利	(11,353)	(19,382)
Fair value losses/(gains), net:	公允值虧損/(收益)淨額：		
Other financial assets – unlisted equity investment	其他財務資產 – 非上市股本投資	(883)	(4,496)
Other financial assets – unlisted investments	其他財務資產 – 非上市投資	48,629	(23,512)
Contingent consideration receivable	應收或然代價	7,814	646
Impairment of debtors, net	應收賬款耗損淨額	120,876	52,414
Impairment of other receivables	其他應收款項耗損	3,342	–
Impairment of contract assets	合約資產耗損	66,867	–
Impairment of intangible assets	無形資產耗損	216,723	–
Loss on disposal and write-off of property, plant and equipment, net	出售及撇銷物業、廠房及設備之虧損淨額	28	2,334
Loss on disposal of a subsidiary	出售附屬公司之虧損	14,117	–
Loss on disposal of joint ventures	出售合營企業之虧損	144,087	–
Effect of foreign exchange rates changes, net	匯率變動之影響淨額	1,220,953	(334,589)
		14,369,745	10,206,293
Increase in inventories	存貨增加	(179,602)	(167,192)
Increase in contract assets	合約資產增加	(20,222,236)	(17,346,558)
Increase in debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項增加	(4,671,992)	(3,441,303)
Increase in creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用增加	3,385,735	3,658,325
Cash used in operations	經營所動用之現金	(7,318,350)	(7,090,435)
Interest received	已收利息	97,061	176,147
People's Republic of China ("PRC") and overseas income taxes paid	已付中華人民共和國(「中國」)及海外所得稅	(964,678)	(573,016)
Net cash flows used in operating activities	經營活動所動用之現金流量淨額	(8,185,967)	(7,487,304)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動所得現金流量				
ACTIVITIES				
Dividend received	已收股息		7,966	323
Purchase of items of property, plant and equipment	購買物業、廠房及設備	41(a)	(1,486,804)	(629,968)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項		6,768	4,638
Principal portion of lease payments	租賃款項之本金部份		(231,360)	(160,771)
Additions of intangible assets	增置無形資產		(5,634,799)	(6,015,944)
Acquisition of subsidiaries	收購附屬公司	37	(83,132)	(402,127)
Capital contributions to joint ventures	注資合營企業		(361,378)	(261,512)
Capital contributions to associates	注資聯營公司		(83,578)	(31,184)
Disposal of a subsidiary	出售附屬公司	38	64,966	-
Proceeds from disposal of joint ventures, net of related expenses paid	出售合營企業所得款項(已扣除已付相關開支)	19	709,839	-
Increase in an amount due from an associate	應收聯營公司款項增加		(733)	(4,646)
Increase in non-current portion of prepayments	預付款項非即期部份增加		(933,741)	(197,657)
Repayment from finance lease receivables	融資租賃應收款項還款		665	587
Purchase of other financial assets	購買其他財務資產		(236,900)	(457,446)
Decrease in deposits with banks with maturity period over three months	存款期超過三個月之銀行存款減少		16,105	2,636,060
Net cash flows used in investing activities	投資活動所動用之現金流量淨額		(8,246,116)	(5,519,647)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Proceeds from issue of corporate bond, asset-backed securities (“ABS”) and medium-term notes (“MTN”), net of related expenses paid	發行公司債券、資產支持證券(「資產支持證券」)及中期票據(「中期票據」)所得款項(已扣除已付相關開支)	30, 31, 32 2,531,608	804,235
Repayment of corporate bond and ABS	償還公司債券及資產支持證券	(378,889)	–
New bank and other loans	新增銀行及其他貸款	33,275,767	22,767,809
Repayment of bank and other loans	償還銀行及其他貸款	(16,376,833)	(8,676,495)
Capital contributions received by non wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額	456,313	924,551
Acquisition of non-controlling interests	收購非控股權益	40, 51(a) (70,814)	(61,810)
Increase/(decrease) in amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項增加/ (減少)	(16,865)	17,513
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/ (增加)	(263,155)	550,979
Interest paid	已付利息	41(a) (2,246,018)	(1,799,798)
Interest portion of lease payments	租賃款項之利息部份	(4,264)	(5,165)
Principal portion of lease payments	租賃款項之本金部份	(55,296)	(44,275)
Dividend paid to equity holders of the Company	已付本公司權益持有人之股息	(1,658,604)	(1,535,744)
Dividend paid to non-controlling shareholders of subsidiaries	已付附屬公司非控股股東之股息	41(a) (226,684)	(169,062)
Net cash flows from financing activities	融資活動所得現金流量淨額	14,966,266	12,772,738
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(1,465,817)	(234,213)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	11,742,819	12,136,379
Effect of foreign exchange rates changes, net	匯率變動之影響淨額	583,691	(159,347)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物	27 10,860,693	11,742,819

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

1 CORPORATE AND GROUP INFORMATION

China Everbright Environment Group Limited (formerly known as “China Everbright International Limited”) (the “Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Room 2703, 27th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are construction, environmental energy project operation (waste-to-energy plants, food waste treatment projects, sludge treatment and disposal projects, leachate treatment projects, methane-to-energy plants, fecal treatment project, fly ash landfill project, medical waste treatment project and solid waste treatment project), greentech project operation (integrated biomass utilisation projects, hazardous and solid waste treatment projects, solar energy projects and wind power projects, and provision of environmental remediation services), environmental water project operation (waste water treatment plants, water supply, reusable water treatment plants, sludge harmless treatment, sponge city construction, river-basin ecological restoration, waste water source heat pump projects, leachate treatment, research and development of water environment technologies and engineering projects), conduct of environmental protection technology research and development, provision of environmental-related technological services, design of environmental protection projects, provision of environmental protection project equipment construction and installation services and sales of related equipment, provision of waste sorting, renewable resources utilisation, sanitation operation services, sales of energy-saving street lamps, energy management contract projects, and investment holding.

The immediate holding company of the Company is Guildford Limited, a limited liability company incorporated in the British Virgin Islands. In the opinion of the directors, the ultimate holding entity of the Company is China Investment Corporation, an entity established in the PRC.

1 公司及集團資料

中國光大環境(集團)有限公司(前稱「中國光大國際有限公司」)(「本公司」)為一家於香港註冊成立之有限公司。本公司之註冊辦事處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。

年內，本公司及其附屬公司(統稱「本集團」)之主要業務為建造、環保能源項目運營(垃圾發電廠、餐廚垃圾處理項目、污泥處理處置項目、滲濾液處理項目、沼氣發電廠、糞便處理項目、飛灰填埋場項目、醫療廢物處理項目及固廢處理項目)、綠色環保項目運營(生物質綜合利用項目、危廢及固廢處置項目、光伏發電項目及風電項目，以及提供環境修復服務)、環保水務項目運營(污水處理廠、供水、中水回用處理廠、污泥無害化處理、海綿城市建設、流域治理、污水源熱泵項目、滲濾液處理以及環保水務技術研發及工程建設項目)、進行環保技術研發、提供環保相關技術服務、設計環保項目、提供環保項目裝備建造及安裝服務及銷售相關裝備、提供垃圾分類、再生資源綜合利用、環衛作業服務、銷售節能路燈、合同能源管理項目以及投資控股。

本公司之直接控股公司為 Guildford Limited，其為於英屬維爾京群島註冊成立之有限責任公司。董事認為，本公司之最終控股實體為中國投資有限責任公司，其為於中國成立之實體。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, equity investments designated at fair value through other comprehensive income, financial assets at fair value through profit or loss and contingent consideration receivable which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

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

2.1 編製基準

此等財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、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而編製。此等財務報表已根據歷史成本慣例編製，惟投資物業、指定按公允值計入其他全面收入之股本投資、按公允值計入損益之財務資產及應收或然代價除外，彼等乃按公允值計量。此等財務報表乃以港幣呈列，除另有指明外，所有價值均調整至最接近的千元數。

綜合基準

綜合財務報表包括本集團截至二零二零年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團對被投資公司之業務之浮動回報承擔風險或享有權利以及能透過運用其對被投資公司的控制權(即本集團當時獲賦予可主導被投資公司相關活動之現有權利)影響該等回報時，即屬取得控制權。

倘本公司於被投資公司直接或間接擁有之投票權或類似權利未能佔大多數，則本集團於評估其是否擁有支配被投資公司之權力時，會考慮一切相關事實及情況，包括：

- (a) 與被投資公司其他投票權持有人訂立之合約安排；
- (b) 其他合約安排所產生之權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司之財務報表按本公司相同之報告期間使用一致之會計政策編製。附屬公司之業績自本集團取得控制權當日起綜合入賬，並一直綜合入賬，直至有關控制權終止之日為止。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

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

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

2.1 編製基準(續)

綜合基準(續)

損益及其他全面收入之各組成部份歸屬於本集團母公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘亦然。所有集團內公司間之資產與負債、權益、收入、支出以及與本集團成員公司之間的交易有關的現金流量均於綜合賬目時悉數抵銷。

倘事實及情況顯示上述三項控制權因素其中一項或多項有變，屆時本集團便會重新評估其是否仍然控制被投資公司。附屬公司擁有權權益之變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去一家附屬公司之控制權，便會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)於權益內記錄之累計匯兌差額；及確認(i)已收代價之公允值；(ii)任何仍然保留之投資之公允值；及(iii)損益表所列任何因此產生之盈餘或虧絀。本集團所佔原先於其他全面收入確認之部份會按假若本集團直接出售相關資產或負債而須依據之同一基準重新分類至損益表或保留盈利(視何者適用)。

2.2 會計政策之變動及披露

本集團已於本年度之財務報表首次採納二零一八年財務報告概念框架及下列經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	「[業務]之定義」
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	「利率基準改革」
香港會計準則第1號及香港會計準則第8號之修訂	「[重大]之定義」

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and the impact of the *Conceptual Framework for Financial Reporting 2018* and the revised HKFRSs are described below:

- (a) *Conceptual Framework for Financial Reporting 2018* (the “Conceptual Framework”) sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.
- (b) Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2 會計政策之變動及披露(續)

二零一八年財務報告概念框架及經修訂香港財務報告準則的性質及影響描述如下：

- (a) 二零一八年財務報告概念框架(「概念框架」)載列有關財務報告及準則制定的整套概念，並為財務報表編製者提供指引以制定一致的會計政策及協助各方理解及詮釋該等準則。概念框架包括計量及報告財務表現的新章節、終止確認資產及負債的新指引以及資產及負債的最新定義及確認標準。該框架亦就管理、審慎及計量不確定性於財務報告中的角色作出澄清。概念框架並非準則，且當中包含的任何概念皆不能取代任何準則中的概念或要求。概念框架並無對本集團之財務狀況及表現造成任何重大影響。
- (b) 香港財務報告準則第3號之修訂澄清及提供有關業務之定義之進一步指引。有關修訂作出澄清，就被視為業務之一組具整合性的活動及資產而言，其必須最低限度包括投入及重大程序等要素，兩者能共同大力促成創造產出。即使不包含創造產出所需之所有投入及程序，業務仍可存在。有關修訂免除了對市場參與者是否有能力收購有關業務並繼續製造產出作出的評估。取而代之，焦點集中於收購所得之投入及收購所得之重大程序是否能共同大力促成創造產出。有關修訂亦把產出之定義收窄至集中於提供予客戶之貨品或服務、投資收入或來自日常活動之其他收入。此外，有關修訂亦就評估收購所得之程序是否屬重大提供指引，並引入非強制性公允值集中測試，允許以簡化方式評估收購所得之一組活動及資產是否不屬業務。本集團已就於二零二零年一月一日或之後進行的交易或其他事項提前應用該等修訂。有關修訂並無對本集團之財務狀況及表現造成任何影響。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (c) Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate (“RFR”). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.
- (d) Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策之變動及披露(續)

- (c) 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂處理影響以其他無風險利率(「無風險利率」)取代現有利率基準前期間財務報告之問題。該等修訂給予暫時寬免，從而可在引入其他無風險利率前的不明朗階段延續對沖會計。此外，該等修訂要求公司就彼等直接受有關不明朗因素影響的對沖關係向投資者提供額外資料。由於本集團不涉及任何利率對沖關係，該等修訂對本集團之財務狀況及表現概無造成任何影響。
- (d) 香港會計準則第1號及香港會計準則第8號之修訂為「重大」一詞提供了新定義。有關新定義列明，倘重大資料遭遺漏、錯誤陳述或模糊不清，則按合理預期將可能會影響一般用途財務報表主要用家根據有關財務報表所作之決定。有關修訂澄清，重大與否將取決於資料之性質或重要性或兩者皆有。有關修訂並無對本集團之財務狀況及表現構成任何重大影響。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i> ³
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁵
Amendment to HKFRS 16	<i>Covid-19-Related Rent Concessions</i> ¹
HKFRS 17	<i>Insurance Contracts</i> ⁴
Amendments to HKFRS 17	<i>Insurance Contracts</i> ^{4, 7}
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> ^{4, 6}
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i> ³
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i> ³
<i>Annual Improvements to HKFRSs 2018-2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ³

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於此等財務報表應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	「引用概念框架」 ³
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂	「利率基準改革 – 第2階段」 ²
香港財務報告準則第10號及香港會計準則第28號之修訂 (二零一一年)	「投資者與其聯營公司或合營企業之間的資產出售或注資」 ⁵
香港財務報告準則第16號之修訂	「COVID-19相關租金減免」 ¹
香港財務報告準則第17號	「保險合同」 ⁴
香港財務報告準則第17號之修訂	「保險合同」 ^{4, 7}
香港會計準則第1號之修訂	「將負債分類為流動或非流動」 ^{4, 6}
香港會計準則第16號之修訂	「物業、廠房及設備：擬定使用前之所得款項」 ³
香港會計準則第37號之修訂	「虧損性合約 – 履行合約的成本」 ³
香港財務報告準則二零一八年至二零二零年之年度改進	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號相應闡釋範例及香港會計準則第41號之修訂 ³

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

- 1 Effective for annual periods beginning on or after 1 June 2020
- 2 Effective for annual periods beginning on or after 1 January 2021
- 3 Effective for annual periods beginning on or after 1 January 2022
- 4 Effective for annual periods beginning on or after 1 January 2023
- 5 No mandatory effective date yet determined but available for adoption
- 6 As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
- 7 As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

- 1 於二零二零年六月一日或之後開始之年度期間生效
- 2 於二零二一年一月一日或之後開始之年度期間生效
- 3 於二零二二年一月一日或之後開始之年度期間生效
- 4 於二零二三年一月一日或之後開始之年度期間生效
- 5 尚未確定強制生效日期，惟已可供採納
- 6 由於對香港會計準則第1號作出修訂，香港詮釋第5號財務報表之呈列－借款人對包含按要求償還條款之定期貸款之分類於二零二零年十月作出修訂，以使相應措辭保持一致，但結論不變
- 7 由於香港財務報告準則第17號的修訂本於二零二零年十月頒佈，香港財務報告準則第4號獲修訂以擴大暫時豁免，允許承保人於二零二三年一月一日之前開始之年度期間應用香港會計準則第39號而非香港財務報告準則第9號

預期將適用於本集團之香港財務報告準則之進一步資料闡述如下。

香港財務報告準則第3號的修訂本擬以於二零一八年六月頒佈的財務報告概念框架的提述取代先前編製及呈列財務報表的框架的提述，而其規定並無重大變動。該修訂本亦在香港財務報告準則第3號要求實體參考概念框架以釐定資產或負債的組成部分的確認原則當中加入了一個例外情況。該例外情況指明，就在香港會計準則第37號或香港(國際財務報告詮釋委員會)－詮釋第21號範圍內的負債及或有負債而言，倘該等負債為分開產生而非於業務合併中承擔，則應用香港財務報告準則第3號的實體應分別參考香港會計準則第37號或香港(國際財務報告詮釋委員會)－詮釋第21號而非概念框架。此外，有關修訂本澄清或有資產並不符合於收購日期確認的條件。本集團預期自二零二二年一月一日起前瞻性地採納該等修訂。由於修訂本將前瞻性地適用於收購日期為首次應用日期或之後的業務合併，因此本集團在過渡日期將不受該等修訂影響。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information.

The Group had certain interest-bearing bank borrowings denominated in Hong Kong dollars and foreign currencies based on the Hong Kong Interbank Offered Rate and the London Interbank Offered Rate ("LIBOR") as at 31 December 2020. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings when the "economically equivalent" criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂處理並未在先前之修訂中，當其他無風險利率取代現有之利率基準時將影響財務報告之問題。第二階段修訂提供可行權宜處理方法，在釐定財務資產及負債的合約現金流量的基準變動作會計處理時，倘該變動乃因利率基準改革直接導致之後果，而釐定合約現金流量之新基準在經濟果效上與緊接變動前採用之以往基準相當，則讓實際利率能在毋須調整賬面值之情況下更新。此外，修訂允許利率基準改革在不中斷對沖關係之情況下就對沖指定及對沖文件作出所需之變動。在過渡期內任何可能產生之收益或虧損將透過香港財務報告準則第9號之一般規定處理，以計量及確認對沖無效。有關修訂亦在無風險利率被指定為風險成份時，向需要符合獨立可辨別規定之實體提供暫時性豁免規定。豁免規定容許實體在對沖指定後可假設其已符合獨立可辨別規定，前提是實體須合理地預期無風險利率之風險成份於未來24個月內成為獨立可辨別。再者，修訂規定實體須披露額外資料，以使財務報表之使用者明白利率基準改革對實體之金融工具及風險管理策略之影響。有關修訂於二零二一年一月一日或之後開始之年度期間生效並獲追溯應用，但實體毋須重報比較資料。

於二零二零年十二月三十一日，本集團根據香港銀行同業拆息及倫敦銀行同業拆息（「LIBOR」）持有若干以港幣及外幣計值之計息銀行借貸。倘該等借貸之利率於未來期間由無風險利率所取代，在符合「經濟果效相當」原則並預期概無因應用就該等變動所作之修訂而產生的重大修改收益或虧損後，本集團將在該等借貸修改後採用此可行權宜處理方法。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively.

Amendments to HKAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂，處理香港財務報告準則第10號及香港會計準則第28號(二零一一年)兩者在投資者與其聯營公司或合營企業之間進行資產出售或注資之規定中的一個不一致情況。有關修訂規定，當投資者與其聯營公司或合營企業之間的資產出售或注資構成一項業務時，即須確認全數收益或虧損。倘交易涉及並不構成一項業務的資產，由該交易產生之收益或虧損須於該投資者之損益賬內確認，惟僅以不相關投資者於該聯營公司或合營企業之權益為限。有關修訂將按未來適用基準應用。香港會計師公會已於二零一六年一月移除香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂的原先強制生效日期，而新的強制生效日期將於對聯營公司及合營企業的會計處理完成更廣泛的檢討後釐定。然而，該等修訂現時已可供採納。

香港財務報告準則第16號之修訂為承租人提供一個可行權宜處理方法，讓承租人可選擇不就因新冠肺炎疫情而直接導致之租金寬減應用租賃修改會計方法。該可行權宜處理方法僅適用於因疫情而直接導致之租金寬減，且僅當(i)租賃付款變動導致租賃代價有所修訂，而經修訂之代價大致相等於或低於緊接變動前之租賃代價；(ii)租賃付款之任何減幅僅影響原到期日為二零二一年六月三十日或之前之付款；及(iii)租賃之其他條款及條件並無實質變動。該修訂於二零二零年六月一日或之後開始之年度期間生效並獲追溯應用，且允許提早應用。

香港會計準則第1號之修訂釐清有關將負債分類為流動或非流動之規定。有關修訂明確指出倘實體延後償付某項負債之權利須待實體符合特定條件後方可行使，實體有權於報告期末延後償付該負債，惟祇要實體於該日期符合該等條件。負債之分類並不受實體將行使其權利延後償付負債之可能性所影響。有關修訂亦釐清被視為償付負債的情況。有關修訂於二零二三年一月一日或之後開始之年度期間生效，並獲追溯應用及允許提早應用。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted.

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第16號之修訂禁止實體自某一個物業、廠房及設備項目之成本中扣除於將該資產達到能夠按照管理層擬定之方式開展經營所必要的位置及條件期間生產之物品之任何銷售所得款項。取而代之，實體於損益表確認出售任何有關項目之所得款項及該等項目之成本。有關修訂於二零二二年一月一日或之後開始之年度期間生效，並僅獲追溯應用至可於財務報表所呈列實體首次應用有關修訂之最早期間期初或之後可用的物業、廠房及設備的項目，且允許提早應用。

香港會計準則第37號之修訂釐清就根據香港會計準則第37號評估合約是否屬虧損性而言，履行合約之成本包括與合約直接相關之成本。與合約直接相關之成本包括履行該合約之增量成本(例如直接勞動力及材料)及與履行該合約直接相關之其他成本分配(例如分配於履行合約時所用物業、廠房及設備項目之折舊開支以及合約管理及監督成本)。一般及行政費用並非直接與合約相關且不會計入成本，除非該等費用根據合約乃明確規定須由對手方所承擔。有關修訂於二零二二年一月一日或之後開始之年度期間生效，並應用於實體首次應用有關修訂之年度報告期初時尚未履行其所有責任之合約，且允許提早應用。首次應用修訂之任何累計影響須在並無重報比較資料之情況下於首次應用日期時確認為期初權益調整。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

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

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

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

2.3 已頒佈但尚未生效之香港財務報告準則(續)

二零一八年至二零二零年周期香港財務報告準則之年度改進載列香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之闡釋範例及香港會計準則第41號之修訂。預期將適用於本集團之有關修訂之詳情如下：

- 香港財務報告準則第9號**金融工具**：釐清實體在評估某項新增或已修改財務負債之條款是否與原財務負債之條款為絕大部份不同時涉及之費用。該等費用僅包括該等於借款人及貸款人之間已支付或收取之費用(包括借款人及貸款人代表對方所支付或收取之費用)。實體於首次應用有關修訂之年度報告期初或之後對已修改或交換財務負債應用該項修訂。有關修訂於二零二二年一月一日或之後開始之年度期間生效，且允許提早應用。
- 香港財務報告準則第16號**租賃**：刪去於香港財務報告準則第16號隨附之闡釋範例13內出租人支付有關租賃物業裝修款項之闡釋。此舉避免了在應用香港財務報告準則第16號時所出現有關處理租賃優惠之潛在混淆。

本集團正在評估首次應用該等新訂及經修訂香港財務報告準則之影響，惟於現階段未能指出有關新訂及經修訂香港財務報告準則會否對本集團之經營業績及財務狀況構成任何重大影響。

2.4 主要會計政策概要

於聯營公司及合營企業之投資

聯營公司為本集團長期擁有其股本投票權一般不少於20%權益且有權對其行使重大影響力之實體。重大影響力指有權參與決定被投資公司之財務及營運政策，惟並非控制或共同控制該等政策。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

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

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

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

2.4 主要會計政策概要(續)

於聯營公司及合營企業之投資(續)

合營企業為一項共同安排，據此，對共同安排擁有共同控制權之訂約方均有權享有合營企業的資產淨值。共同控制是指按照合約協定對某項安排共享控制權，其僅在相關活動決策必須獲共享控制權的人士一致同意方始存在。

本集團於聯營公司及合營企業之投資乃按權益會計法，以本集團應佔資產淨值減去任何耗損虧損，於綜合財務狀況表列賬。

本集團應佔聯營公司及合營企業之收購後業績及其他全面收入分別計入綜合損益表及綜合全面損益表。此外，倘出現直接於聯營公司或合營企業之權益確認之變動，則本集團會於綜合權益變動表確認其應佔之任何變動（倘適用）。本集團與其聯營公司或合營企業之間之交易所產生之未實現收益及虧損將以本集團於聯營公司或合營企業之投資為限對銷，但如未實現虧損為所轉讓資產耗損之憑證則除外。收購聯營公司或合營企業所產生之商譽計作本集團於聯營公司或合營企業之投資之一部份。

倘於聯營公司之投資成為於合營企業之投資（反之亦然），則保留權益不會重新計量，而是有關投資將繼續使用權益會計法入賬。在所有其他情況下，在失去聯營公司之重大影響力或失去合營企業之共同控制權時，本集團會按公允值計量並確認任何保留投資。於失去重大影響力或失去共同控制權時聯營公司或合營企業之賬面值與保留投資及出售所得款項之公允值間之差額於損益表確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill

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

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

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

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

2.4 主要會計政策概要(續)

業務合併及商譽

業務合併採用收購法入賬。所轉讓代價按收購日期之公允值計量，而公允值乃本集團所轉讓資產之收購日期公允值、本集團對被收購公司前擁有人所承擔之負債及本集團為換取被收購公司控制權所發行之股權之總和。就每項業務合併而言，本集團會選擇按公允值或按其於被收購公司可辨別資產淨值之應佔比例，計量於被收購公司之非控股權益，非控股權益屬現時擁有人權益，並賦予其持有人權利可於清盤時按比例分佔資產淨值。非控股權益之所有其他部份按公允值計量。收購交易之相關成本於產生時支銷。

當收購所得之一組活動及資產中，包括能共同大力促成創造產出之投入及實質流程時，本集團釐定此為已收購一項業務論。

當本集團收購業務時，其會根據合約條款、經濟情況及於收購日期之相關情況評估收購所得之財務資產及所承擔之財務負債，以便作出適當分類及指定。此包括區分被收購公司主合約之嵌入式衍生工具。

倘業務合併乃分階段完成，則原先持有之股權會按收購日期之公允值重新計量，所產生之收益或虧損於損益表確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

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

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

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

2.4 主要會計政策概要(續)

業務合併及商譽(續)

收購方將轉讓之任何或然代價按收購日期之公允值確認。獲分類為資產或負債之或然代價乃按公允值計量，而公允值變動則於損益表確認。分類為權益之或然代價並不會重新計量，而後結算會於權益中入賬。

商譽初步按成本值計量，即所轉讓代價、就非控股權益確認之金額及本集團原先持有被收購公司之股權之任何公允值之總和超出收購所得可辨別資產淨值及所承擔負債之數值。倘該代價與其他項目之總和低於收購所得資產淨值之公允值，則經重新評估後之差額於損益表確認為議價購入收益。

於初步確認後，商譽按成本值減去任何累計耗損虧損計量。商譽會每年測試耗損或於發生事件或情況有變顯示賬面值可能耗損時將更頻密地測試耗損。本集團於十二月三十一日進行其年度商譽耗損測試。為進行耗損測試，於業務合併中收購所得之商譽自收購日期起分配至本集團預期可受惠於合併協同效益之各個現金生產單位或現金生產單位組別，而不論本集團其他資產或負債是否撥入該等單位或單位組別。

耗損乃藉評估與商譽有關之現金生產單位(現金生產單位組別)之可收回金額而釐定。倘現金生產單位(現金生產單位組別)之可收回金額少於賬面值，便會確認耗損虧損。就商譽確認之耗損虧損不會於其後期間撥回。

倘商譽獲分配至現金生產單位(或現金生產單位組別)及該單位之部份業務獲出售，則於釐定該出售事項之收益或虧損時，與該已出售業務相關之商譽會計入該業務之賬面值。在此情況下出售之商譽根據所出售業務之相關價值及所保留現金生產單位部份計量。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

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

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

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

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

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

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

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

2.4 主要會計政策概要(續)

公允值計量

本集團於各報告期末按公允值計量其投資物業、若干股本投資及財富管理產品，以及應收或然代價。公允值為市場參與者於計量日期在有序交易中出售資產所收取之價格或轉讓負債所支付之價格。公允值乃根據出售資產或轉讓負債之交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行之假設而計量。主要及最具優勢市場須為本集團可進入之市場。資產或負債之公允值乃按市場參與者於資產或負債定價時所使用之假設計量，並假設市場參與者會以符合最佳經濟利益之方式行事。

非財務資產之公允值計量會計及市場參與者能否自最佳最有效使用該資產而賺取經濟利益，或能否將該資產出售予將最佳最有效使用該資產之其他市場參與者而賺取經濟利益。

本集團會使用適用於不同情況且具備充分數據以供計量公允值之估值方法，並儘量使用相關可觀察輸入數據及儘量減少使用不可觀察輸入數據。

已於財務報表中計量或披露公允值之所有資產及負債乃按對公允值計量整體而言屬重大之最低層輸入數據根據以下公允值等級分類：

第一級 – 基於相同資產或負債於活躍市場之報價(未經調整)

第二級 – 基於對公允值計量而言屬重大之可觀察(直接或間接)最低層輸入數據之估值方法

第三級 – 基於對公允值計量而言屬重大之不可觀察最低層輸入數據之估值方法

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

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

Impairment of non-financial assets

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

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

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

2.4 主要會計政策概要(續)

公允值計量(續)

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(按對公允值計量整體而言屬重大之最低層輸入數據)確定不同等級之間是否出現轉移。

非財務資產之耗損

倘出現耗損跡象或須就資產進行年度耗損測試(存貨、合約資產、遞延稅項資產、財務資產及投資物業除外)，便會估計資產之可收回金額。資產之可收回金額為資產或現金生產單位之使用價值或其公允值減去銷售成本(以較高者為準)，並就每項資產釐定，除非有關資產並不能產生明顯獨立於其他資產或資產組別之現金流入，在此情況下則就資產所屬現金生產單位釐定可收回金額。

耗損虧損僅在資產賬面值超出其可收回金額之情況下予以確認。在評估使用價值時，估計日後現金流量乃使用能反映市場當前所評估之貨幣時間價值及資產之特定風險之除稅前貼現率貼現至現值。耗損虧損於其產生期間自損益表中與該耗損資產功能相符之開支類別中扣除。

於各報告期末，將評估是否有跡象顯示先前已確認之耗損虧損可能不再存在或已減少。倘出現有關跡象，便會估計可收回金額。先前就商譽以外資產確認之耗損虧損僅會在用以釐定該資產可收回金額之估計出現變動時撥回，而有關金額將不會高於倘過往年度並無就資產確認耗損虧損而應釐定之賬面值(扣除任何折舊/攤銷)。耗損虧損之撥回金額於其產生期間計入損益表。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

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

or

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

2.4 主要會計政策概要(續)

關聯方

在下列情況下，某一方將被視為與本集團有關聯：

- (a) 如上述一方為一名人士(或有關人士之直系親屬)，而有關人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理人員其中一名成員；

或

- (b) 如上述一方為一個實體，且下列任何情況適用：
 - (i) 有關實體與本集團屬同一集團之成員；
 - (ii) 其中一個實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 有關實體及本集團均為同一第三方之合營企業；
 - (iv) 其中一個實體為第三方實體之合營企業，而另一實體則為該第三方實體之聯營公司；
 - (v) 有關實體為離職後福利計劃，而該計劃之受益人為本集團或與本集團有關之實體之僱員；
 - (vi) 有關實體由(a)項所辨識人士控制或共同控制；
 - (vii) 於(a)(i)項所辨識人士對有關實體有重大影響力或屬有關實體(或有關實體之母公司)主要管理人員其中一名成員；及
 - (viii) 有關實體或其所屬集團之任何成員公司向本集團或向本集團之母公司提供主要管理人員服務。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

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

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

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

Freehold land	Not depreciated
Buildings	Over the shorter of the lease terms and 2% to 5%
Leasehold improvements	Over the shorter of the lease terms and 10%
Plant and machinery	4% to 20%
Furniture and fixtures	10% to 20%
Motor vehicles, electronic equipment and others	8 $\frac{1}{3}$ % to 33 $\frac{1}{3}$ %

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

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊

物業、廠房及設備(在建工程除外)按成本值減去累計折舊及任何耗損虧損列賬。物業、廠房及設備項目之成本包括其購買價及任何使資產達至營運狀況及地點作擬定用途之直接應佔成本。

物業、廠房及設備項目投入運作後所產生之支出(例如：維修保養)，一般於其產生期間在損益表扣除。倘符合確認條件，則重大檢查支出會於資產賬面值中資本化作為置換。倘須定期置換物業、廠房及設備之重大部份，則本集團會將該等部份確認為有特定可使用年期之個別資產，並相應作出折舊。

折舊以直線基準按估計可使用年期將物業、廠房及設備各個項目之成本撇銷至其餘值計算。就此使用之主要年率如下：

永久業權土地	不予折舊
樓宇	租賃年期或2%至5%，以較短者為準
租賃物業裝修	租賃年期或10%，以較短者為準
廠房及機器	4%至20%
傢俬及裝置	10%至20%
汽車、電子設備及其他	8 $\frac{1}{3}$ %至33 $\frac{1}{3}$ %

倘物業、廠房及設備項目各部份具有不同之可使用年期，則該項目之成本將合理分配至各部份，而各部份將個別折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度年結日審閱，並作出調整(倘適用)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

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

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

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

2.4 主要會計政策概要(續)

物業、廠房及設備以及折舊(續)

物業、廠房及設備項目(包括初步確認之任何重大部份)於出售時或預期日後使用或出售該項目不會產生經濟利益時終止確認。於資產終止確認之年度在損益表就出售或廢棄資產而確認之任何收益或虧損為有關資產出售所得款項淨額與賬面值間之差額。

在建工程按成本值減去任何耗損虧損列賬，且不予折舊。成本包括直接建造成本及於施工期間內相關借入資金之資本化借貸成本。在建工程在竣工及可投入使用時重新分類至物業、廠房及設備之合適類別。

投資物業

投資物業乃指持作賺取租金收入及／或資本升值，而非為生產或供應貨物或服務的用途；或為行政目的；或為於日常業務過程中出售而持有的土地及樓宇中的權益(包括持作使用權資產並符合投資物業定義之租賃物業)。該等物業初步按成本值計量，當中包括交易成本。於初步確認後，投資物業按能反映報告期末市場情況的公允值列賬。

投資物業公允值變動而產生之收益或虧損於產生年度計入損益表。

投資物業報廢或出售而產生之任何收益或虧損於報廢或出售年度在損益表確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill)

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

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

Environmental energy project operating rights	7 to 30 years
Greentech project operating rights	20 to 50 years
Environmental water project operating rights	20 to 32 years
Patents, trademarks and licences	6 to 20 years
Computer software	5 years
Backlog contracts	2 to 30 years
Technology	8 to 10 years
Customer relations	5 to 7 years
Trade contracts	4 years

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

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4 主要會計政策概要(續)

無形資產(商譽除外)

個別收購所得之無形資產於初步確認時按成本值計量。於業務合併收購所得之無形資產之成本指收購當日之公允值。無形資產之可使用年期可評定為有限期或無限期。具有有限可使用年期之無形資產其後於可使用經濟年期攤銷，並於無形資產可能出現耗損跡象時評估耗損。具有有限可使用年期之無形資產之攤銷期及攤銷方法至少須於各個財政年度年結日進行審閱。

下列無形資產自其可供使用日期起攤銷，而其估計可使用年期如下：

環保能源項目運營權	七至三十年
綠色環保項目運營權	二十至五十年
環保水務項目運營權	二十至三十二年
專利、商標及牌照	六至二十年
電腦軟件	五年
未完成合約	二至三十年
技術	八至十年
客戶關係	五至七年
貿易合同	四年

無形資產於出售時或當預期日後使用或出售不會產生經濟利益時終止確認。於無形資產終止確認年度在損益表就出售或報廢無形資產而確認之任何收益或虧損為有關無形資產之出售所得款項淨額與賬面值之差額。

租賃

本集團會於合約開始時評估該合約是否屬租賃或包含租賃。倘合約透過轉易已識別資產在一段時間內的用途控制權來換取代價，該合約即屬租賃或包含租賃。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At inception or on reassessment of a contract that contains a lease component and non-lease component(s), the Group adopts the practical expedient not to separate non-lease component(s) and to account for the lease component and the associated non-lease component(s) (e.g., property management services for leases of properties) as a single lease component.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	10 to 50 years
Buildings	1.3 to 30 years
Plant and machinery	1.3 to 5 years
Motor vehicles, electronic equipment and others	1.1 to 6 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人

本集團對所有租賃採用單一確認及計量法，惟短期租賃及低價值資產租賃除外。本集團會確認作出租賃付款之租賃負債及使用權資產(即使用相關資產之權利)。

在包含租賃部份及非租賃部份之合約開始時或重新評估時，本集團應用可行權宜處理方法，不予分開非租賃部份，並把租賃部份及相關非租賃部份(例如：物業租賃之物業管理服務)作為一個單一租賃部份入賬處理。

(a) 使用權資產

使用權資產乃於租賃開始日期(即相關資產可供使用日期)確認。使用權資產按成本減去任何累計折舊及任何耗損虧損計量，並就租賃負債之任何重新計量作出調整。使用權資產之成本包括已確認租賃負債金額、初步已產生直接成本，以及於開始日期或之前已作出之租賃付款減去任何已收取之租賃獎勵。使用權資產按直線法於租期或有關資產之估計可使用年期(以較短者為準)計算折舊，詳情如下：

租賃土地	10至50年
樓宇	1.3至30年
廠房及機器	1.3至5年
汽車、電子設備及其他	1.1至6年

如租賃資產擁有權會於租期結束時轉歸本集團，又或成本反映行使購買選擇權，便會使用有關資產之估計可使用年期計算折舊。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(a) Right-of-use assets (continued)

When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "Investment properties".

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing borrowings.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(a) 使用權資產(續)

如使用權資產符合投資物業之定義，其將計入投資物業。根據本集團有關「投資物業」之政策，相關使用權資產初步按成本值計量，其後則按公允值計量。

(b) 租賃負債

本集團於租賃開始日期按租期內須作出之租賃付款現值確認租賃負債。租賃付款包括定額付款(包括實質定額款項)減去任何應收租賃獎勵、取決於指數或利率之可變租賃付款以及預期根據剩餘價值擔保須予支付之金額。租賃付款亦包括合理確定本集團將予行使之購買選擇權之行使價及有關終止租賃之罰款(如租期反映本集團行使終止租賃選擇權)。並不取決於指數或利率之可變租賃付款在觸發付款之事件或情況發生之期間確認為開支。

在計算租賃款項之現值時，由於租賃內含利率不易釐定，故此本集團使用租賃開始日期之遞增借貸利率計算。於租賃開始日期後，租賃負債金額之增加反映利息之增長，其減少則關乎已作出之租賃付款。此外，倘出現修改、租期變動、租賃款項變動(例如指數或利率變動導致未來租賃款項變動)、或購買相關資產之選擇權之評估有變，便會重新計量租賃負債之賬面值。

本集團之租賃負債計入計息借貸。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in other revenue in the income statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases. At the commencement date, the cost of the leased asset is capitalised at the present value of the lease payments and related payments (including the initial direct costs), and presented as a receivable at an amount equal to the net investment in the lease. The finance income on the net investment in the lease is recognised in the income statement so as to provide a constant periodic rate of return over the lease terms.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團對短期租賃(即自租賃開始日期起計租期為十二個月或以下,並且不包含購買選擇權的租賃)應用短期租賃確認豁免。其亦對低價值資產租賃應用確認豁免。

短期租賃及低價值資產租賃之租賃款項按直線法於租期內確認為開支。

本集團作為出租人

如本集團為出租人,便會在租賃開始時(或在租賃修訂時)把各項租賃分類為經營租賃或融資租賃。

凡本集團轉讓資產擁有權附帶之絕大部份風險及回報之租賃,均分類為經營租賃。倘合約包含租賃及非租賃部份,本集團會根據相對獨立的售價基準將合約代價分配予各部份。租金收入按直線法於租期內入賬,並由於屬經營性質,故於損益表中計入其他收益處理。於磋商及安排經營租賃過程中所產生之初步直接成本會加至租賃資產之賬面值,並按租金收入之同一基準在租期內確認。或然租金於賺取有關租金之期間確認為其他收益。

凡轉讓相關資產擁有權附帶之絕大部份風險及回報予承租人之租賃,均入賬為融資租賃。於開始日期,租賃資產之成本按租賃款項及相關付款(包括初步直接成本)之現值撥充資本,並列作應收款項,金額相等於租賃中的投資淨額。有關租賃中的投資淨額之財務收入於損益表內確認,以致於租期內定期按固定比率提供回報。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of debtors that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Debtors that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

2.4 主要會計政策概要(續)

投資及其他財務資產

初步確認及計量

財務資產於初步確認時分類，其後按攤銷成本、按公允值計入其他全面收入及按公允值計入損益計量。

財務資產於初步確認時之分類取決於有關財務資產之合約現金流量特徵及本集團管理有關財務資產之業務模式。除了並無重大融資成份之應收賬款或本集團已對其應用可行權宜處理方法不會就重大融資成份之影響作出調整之應收賬款外，本集團初步按公允值，加上(如為並非按公允值計入損益之財務資產)交易成本計量財務資產。並無重大融資成份之應收賬款或本集團已對其應用可行權宜處理方法之應收賬款會按照下文「收益確認」所載政策根據香港財務報告準則第15號釐定之交易價格計量。

就按攤銷成本或按公允值計入其他全面收入分類及計量之財務資產而言，其產生之現金流量必需為純粹就未償還本金而支付之本金及利息。如財務資產所產生之現金流量並非純粹就未償還本金而支付之本金及利息，則按公允值計入損益分類及計量，而不論其業務模式。

本集團管理財務資產之業務模式指其管理旗下財務資產以產生現金流量之方法。業務模式決定現金流量是否來自收取合約現金流量、出售財務資產或同時來自兩者。按攤銷成本分類及計量之財務資產乃於特定業務模式內持有之財務資產，而持有有關財務資產之目的為收取合約現金流量。而按公允值計入其他全面收入分類及計量之財務資產則於旨在收取合約現金流量及出售之業務模式內持有。並非於上述業務模式內持有之財務資產則按公允值計入損益分類及計量。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

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

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the income statement. Dividends are recognised as other income in the income statement when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 主要會計政策概要(續)

投資及其他財務資產(續)

初步確認及計量(續)

所有一般買賣之財務資產於交易日確認，即本集團承諾購買或出售該資產之日。一般買賣指須按照市場一般設立之規定或慣例在一定期間內交付資產之財務資產買賣。

其後計量

財務資產之其後計量取決於其分類，現載列如下：

按攤銷成本計算之財務資產(債務工具)

按攤銷成本計算之財務資產其後按實際利息法計量，並須計提耗損。當終止確認或修訂有關資產或有關資產出現耗損時，便會在損益表確認盈虧。

指定按公允值計入其他全面收入之財務資產(股本投資)

於初步確認時，本集團可以不可撤回地選擇，把其股本投資分類為指定按公允值計入其他全面收入之股本投資，如有關股本投資符合香港會計準則第32號「金融工具：呈報」下有關權益之定義，且並非持作買賣用途。分類乃按每個工具逐一釐定。

此等財務資產之盈虧不會結轉至損益表。股息將於確立支付權後，以及與股息相關之經濟利益將流入本集團，且能可靠地計量股息金額時，在損益表中確認為其他收入，惟如本集團獲得有關所得款項利益作為財務資產之部份收回成本則除外。在此情況下，有關收益會入賬其他全面收入。指定按公允值計入其他全面收入之股本投資毋須進行耗損評估。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the income statement when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

2.4 主要會計政策概要(續)

投資及其他財務資產(續)

其後計量(續)

按公允值計入損益之財務資產

按公允值計入損益之財務資產於財務狀況表中按公允值列賬，而公允值變動淨額則於損益表中確認。

此類別包括本集團並無不可撤回地選擇將之分類為按公允值計入其他全面收入之衍生工具及股本投資。分類為按公允值計入損益之財務資產之股本投資之股息亦將於確立股息支付權後，以及與股息相關之經濟利益將流入本集團，且能可靠地計量股息金額時，在損益表中確認為其他收入。

當嵌入混合合約(包括財務負債及非金融主體合約)之衍生工具具備與主體合約不緊密相關之經濟特徵及風險；具備與嵌入式衍生工具相同條款之單獨工具符合衍生工具之定義；且混合合約並非按公允值計入損益計量，則有關衍生工具與主體合約分開並作為單獨衍生工具列賬。嵌入式衍生工具按公允值計量，而公允值變動於損益表確認。僅會在合約條款出現變動，大幅改變其他情況下所須現金流量時；或當按公允值計入損益之財務資產獲重新分類時，方會進行重新評估。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

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

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

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

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

2.4 主要會計政策概要(續)

終止確認財務資產

財務資產(或(倘適用)一項財務資產之一部份或一組類似財務資產之一部份)主要在下列情況下終止確認(即從本集團之綜合財務狀況表剔除):

- 自資產收取現金流量之權利已屆滿; 或
- 本集團已轉讓自資產收取現金流量之權利, 或承擔根據「轉手」安排在無重大延誤之情況下向第三方全數支付所收取現金流量之責任; 且(a)本集團已轉讓資產之絕大部份風險及回報; 或(b)本集團既無轉讓亦無保留資產之絕大部份風險及回報, 惟已轉讓資產之控制權。

倘本集團已轉讓其可自資產收取現金流量之權利或已訂立轉手安排, 便會評估是否保留資產擁有權之風險及回報及其程度。倘既無轉讓亦無保留資產之絕大部份風險及回報, 亦無轉讓資產之控制權, 則本集團按其持續參與之程度繼續確認已轉讓資產。於該情況下, 本集團亦確認相關負債。已轉讓資產及相關負債乃按能反映本集團所保留權利及責任之基準計量。

以擔保方式繼續參與已轉讓資產之參與程度, 按該資產之原賬面值或本集團可能被要求償還之代價之最高金額(以較低者為準)計量。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

財務資產之耗損

本集團就所有並非按公允值計入損益持有之債務工具確認預期信貸虧損撥備。預期信貸虧損乃基於根據合約應付之合約現金流量與本集團預期可收取之所有現金流量之間的差額，按原實際利率近似值貼現計算。預期現金流量將包括來自銷售所持有抵押品或其他信用增級之現金流量，此乃合約條款不可或缺之部份。

一般處理方法

預期信貸虧損於兩個階段進行確認。對於自初步確認後並無大幅上升之信貸風險，將會就可能於未來12個月內(12個月預期信貸虧損)出現之違約事件所帶來之信貸虧損計提預期信貸虧損撥備。對於自初步確認後出現大幅上升之信貸風險，須就有關風險剩餘年期之預期信貸虧損計提虧損撥備，而不論違約事件於何時發生(全期預期信貸虧損)。

於各個報告日期，本集團會評估自首次確認以來金融工具之信貸風險有否大幅上升。在作出有關評估時，本集團會將有關金融工具於報告日期發生違約事件之風險，與有關金融工具於初步確認日期發生違約事件之風險作比較，並會考慮毋須付出不必要的成本或努力即可獲得之合理且有依據之資料(包括過往資料及具有前瞻性的資料)。

本集團認為，財務資產合約還款逾期90日，即屬發生違約事件。然而，在若干情況下，如內部或外部資料顯示，本集團不可能悉數收取尚欠合約金額(在不計及其所持有之任何信用增級前)，屆時本集團亦可能認為發生財務資產違約事件。在並無合理期望能收回合約現金流量時，便會撇銷財務資產。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

Financial assets at amortised cost, contract assets that contain a significant financing component and lease receivables are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for debtors and contract assets that do not contain a significant financing component which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For debtors and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

財務資產之耗損(續)

一般處理方法(續)

根據一般處理方法，按攤銷成本計算之財務資產、具有重大融資成份之合約資產以及租賃應收款項須計提耗損，並會分類至以下所述階段，以計量預期信貸虧損，惟應收賬款及並無重大融資成份之合約資產除外，彼等應用簡化處理方法(詳見下文)。

第一階段 – 自初步確認後信貸風險並無大幅上升及虧損撥備按相當於12個月預期信貸虧損金額計量之金融工具

第二階段 – 自初步確認後信貸風險出現大幅上升惟不屬出現信貸耗損之財務資產及虧損撥備按相當於全期信貸虧損金額計量之金融工具

第三階段 – 於報告日期已出現信貸耗損(並非購入或源生的信貸耗損)及虧損撥備按相當於全期信貸虧損金額計量之財務資產

簡化處理方法

就應收賬款及並無重大融資成份之合約資產或就本集團已對其應用可行權宜處理方法不會就重大融資成份之影響作出調整之應收賬款及合約資產而言，本集團會應用簡化處理方法來計算預期信貸虧損。根據簡化處理方法，本集團不會追蹤信貸風險變動，惟會於各個報告日期根據全期預期信貸虧損確認虧損撥備。本集團已基於其過往信貸虧損經驗制定撥備矩陣，並因應與債務人及經濟環境相關並具有前瞻性之特定因素作出調整。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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

The Group's financial liabilities include creditors, other payables and accrued expenses, and interest-bearing borrowings.

Subsequent measurement

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

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

2.4 主要會計政策概要(續)

財務負債

初步確認及計量

財務負債於初步確認時分類為按公允值計入損益之財務負債、貸款及借貸或應付款項(視何者適用)。

所有財務負債均於初步確認時按公允值確認，並(就貸款及借貸以及應付款項而言)經扣除直接應佔交易成本。

本集團之財務負債包括應付賬款、其他應付款項及應計費用以及計息借貸。

其後計量

財務負債其後之計量取決於其分類，現載列如下：

按攤銷成本計量之財務負債(貸款及借貸)

於初步確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，但如貼現之影響並不重大則除外，在此情況下，則按成本值列賬。盈虧於負債終止確認時及於按實際利率法攤銷之過程中在損益表確認。

計算攤銷成本時會計及收購所產生之任何折讓或溢價，亦計及作為實際利率一部份之費用或成本。實際利率攤銷計入損益表之財務費用中。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Subsequent measurement (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in “Impairment of financial assets”; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments

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

2.4 主要會計政策概要(續)

財務負債(續)

其後計量(續)

財務擔保合約

本集團發出之財務擔保合約為要求作出付款以償付持有人因特定債務人未能根據債務工具條款償還到期款項而招致之損失之合約。財務擔保合約初步按其公允值確認為負債，並就發出擔保直接應佔之交易成本作出調整。於初步確認後，本集團按以下兩項之較高者計量財務擔保合約：(i)按照「財務資產之耗損」所載政策釐定之預期信貸虧損撥備；及(ii)初步確認金額減去(倘適用)已確認累計收益金額。

終止確認財務負債

財務負債於負債項下之責任獲解除或取消或屆滿時終止確認。

如一項現有財務負債以來自同一貸款人而條款絕大部份不同之另一項財務負債取代，或現有負債之條款獲大幅修改，則有關轉換或修改事宜會被當作終止確認原有負債及確認新負債處理，而兩者賬面值間之差額在損益表確認。

抵銷金融工具

倘現時可強制執行法定權利抵銷已確認金額及有意向以淨額結算，或同時變現資產及清償負債，財務資產與財務負債便可互相抵銷，並在財務狀況表呈報淨額。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the income statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- When the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

2.4 主要會計政策概要(續)

衍生金融工具

初步確認及其後計量

衍生金融工具初步於衍生工具合約訂立日期按公允值確認，其後按公允值重新計量。當衍生工具之公允值為正數時，便會入賬為資產；當衍生工具之公允值為負數時，便會入賬為負債。

衍生工具公允值變動所產生之任何收益或虧損，會直接計入損益表，惟現金流量對沖之有效部份除外，有關部份於其他全面收入確認，之後會於被對沖項目影響損益時重新分類至損益表。

即期與非即期分類

並非指定作為有效對沖工具之衍生工具會基於事實及情況(即相關合約現金流量)之評估分類為即期或非即期衍生工具，或分開為即期或非即期部份。

- 當本集團預期於報告期末之後超過12個月期間持有衍生工具作經濟上對沖(及並無應用對沖會計法)，則有關衍生工具會分類為非即期衍生工具(或分開為即期及非即期部份)，與相關項目分類一致。
- 與主合約並無密切關連之內含衍生工具，與主合約之現金流量分類一致。
- 被指定及屬於有效對沖工具之衍生工具，與有關被對沖項目之分類一致。只有在可作出可靠分配之情況下，衍生工具方可分開為即期及非即期部份。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories, mainly comprise construction materials, biomass fuel, spare parts and consumables used in the repairs and maintenance of the environmental energy projects, greentech projects and environmental water projects, and are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

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

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

2.4 主要會計政策概要(續)

存貨

存貨主要包括建築物料、生物燃料、用於維修及保養環保能源項目、綠色環保項目及環保水務項目之零件及消耗品，其按成本值或可變現淨值(以較低者為準)列賬。成本值按加權平均基準計算。可變現淨值按估計售價減去於完成及出售前將產生之任何估計成本計算。在耗用存貨後，有關存貨之賬面值會於損益表中確認為開支。

現金及現金等價物

現金及現金等價物包括手頭現金及活期存款，以及可在無重大價值轉變風險之前提下換算為已知現金數額並於短期(一般在購入後三個月)內到期之短期高流動性投資，當中減去須按要求償還並構成本集團現金管理重要部份之銀行透支。

撥備

倘因過去事件導致目前存在(法律或推斷)責任，且日後很可能須流出資源以償付責任，便會確認撥備，惟必須可對責任涉及之金額作出可靠估計。

倘貼現影響重大，確認為撥備之金額為預期日後償付責任所須開支於報告期末之現值。隨著時間流逝產生之經貼現現值增加數額於損益表入賬。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

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

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

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

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

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

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。於損益表以外部份確認之項目之相關所得稅，會於損益表以外部份確認，即於其他全面收入確認或直接於權益確認。

即期稅項資產及負債乃根據於報告期末已頒佈或實際頒佈之稅率(及稅法)，考慮到本集團業務所在國家當前之詮釋及慣例，以預期可自稅務機關收回或向稅務機關支付之金額計量。

遞延稅項乃使用負債法，就於報告期末資產及負債之稅基與其作財務申報用途之賬面值間所有暫時差異作出撥備。

所有應課稅暫時差異均會確認遞延稅項負債，惟以下情況除外：

- 當遞延稅項負債因初步確認商譽或非業務合併交易之資產或負債而產生，且在進行交易時對會計盈利或應課稅損益均無影響；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之應課稅暫時差異而言，當暫時差異之撥回時間可予控制，且暫時差異於可見將來不可能撥回。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

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

2.4 主要會計政策概要(續)

所得稅(續)

所有可扣減暫時差異以及結轉未動用稅項抵免及任何未動用稅項虧損，均會確認遞延稅項資產。倘將來很可能取得應課稅盈利而令可扣減暫時差異，及結轉未動用稅項抵免以及未動用稅項虧損得以運用，便會確認遞延稅項資產，惟於以下情況除外：

- 倘遞延稅項資產與因初步確認一項並非業務合併之交易資產或負債而產生之可扣減暫時差異有關，而在進行交易時遞延稅項資產對會計盈利或應課稅損益均無影響；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之可扣減暫時差額而言，遞延稅項資產僅會於暫時差異可能於可見將來撥回及很可能取得應課稅盈利而令暫時差額得以運用時確認。

遞延稅項資產之賬面值會於各報告期末覆核，並將予扣減，直至不再可能有足夠應課稅盈利可供抵銷全部或部分遞延稅項資產為止。未確認遞延稅項資產會於各報告期末重新評估，並於可能有足夠應課稅盈利可供抵銷全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債根據於報告期末前已頒佈或實際頒佈之稅率(及稅法)，按預期於變現資產或清償負債期間應用之稅率計量。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

Government grants

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

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

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產及遞延稅項負債可予抵銷，如果(並僅如果)本集團在法律上擁有抵銷本期稅項資產及本期稅項負債之行使權利，且遞延稅項資產及遞延稅項負債與同一稅務當局向同一應課稅單位或不同之應課稅單位(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負債及資產，或同時變現資產及清償負債)徵收之所得稅有關。

政府補助金

如能合理保證將可收取政府補助金，且所有附帶條件將得以遵行，便會按公允值確認政府補助金。如補助金與開支項目有關，便會有系統地在擬補償之成本之支銷期間確認為收入。

如補助金與資產有關，屆時公允值便會計入遞延收入賬，並於有關資產之預計可使用年期分期每年等額撥回損益表，或自資產之賬面值扣除，並以已扣減折舊費用方式撥回損益表。

收益確認

客戶合約收益

客戶合約收益於貨物或服務之控制權轉移予客戶時，按能反映本集團就有關貨物或服務而預期有權換取所得之代價金額予以確認。

當合約代價包含可變金額時，便會估計本集團轉讓貨物或服務予客戶而預期有權換取所得之代價金額。可變代價於合約開始時予以估計，並會受到限制，直至可變代價之相關不確定性其後得以解決，已確認累計收益金額不大可能出現大幅收益撥回情況為止。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

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

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

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

2.4 主要會計政策概要(續)

收益確認(續)

客戶合約收益(續)

倘合約具有融資成份，其為客戶提供超過一年有關轉讓貨物或服務予客戶之重大融資利益，則收益於合約開始時按應收金額之現值計量，並使用本集團與客戶間之獨立融資交易中反映之貼現率貼現。倘合約具有為本集團提供超過一年之重大融資利益之融資成份，則在合約下確認之收益包括根據實際利率法合約負債附有之利息支出。就客戶付款至轉讓所承諾貨物或服務之期間為一年或以下之合約而言，由於使用香港財務報告準則第15號之可行權宜處理方法，交易價格不會就重大融資成份之影響作出調整。

倘符合以下其中一項條件，本集團會於履行履約責任後隨時間轉移確認收益：

- 客戶同時取得及消耗本集團履行履約責任時所提供之利益。
- 本集團之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產。
- 本集團之履約行為並未創造一項可被本集團用於替代用途之資產，且本集團具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

倘不符合所有上述條件，本集團將於履約責任獲履行之時點確認收益。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

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

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

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

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

(a) Construction service revenue

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

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

2.4 主要會計政策概要(續)

收益確認(續)

客戶合約收益(續)

如資產控制權在一段時間內轉移，本集團會於整個合約期間內經參考圓滿完成履約責任之進度確認收益。否則，收益於客戶獲得資產控制權之時間點確認。

圓滿完成履約責任之進度乃根據本集團為完成履約責任而產生的支出或投入而計量，並經參考測量師就已進行之工程所作之評估以及截至報告期末已產生之成本佔各合約之估計總成本之百分比。

倘本集團在服務特許經營權安排下提供超過一項服務，則交易價格將會參考彼等各自的獨立銷售價後分配至各項履約責任。倘獨立銷售價不能直接觀察所得，便會根據預期成本加利潤率或經調整市場評估法(取決於是否可得到可觀察資料)進行估計。

在釐定交易價格時，如融資成份重大，本集團將會根據融資成份來調整承諾代價。

(a) 建造服務收益

就建造服務而言，本集團之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產或在建工程，因此本集團履行履約責任後隨時間轉移確認收益，有關收益確認乃經參考特定交易之完成階段(根據測量師就已進行之工程評估而評定)，以及截至報告期末已產生之成本佔各合約之估計總成本之百分比作出。

根據服務特許經營權協議提供建造服務所得收益經參考於協議日期提供類似建造服務適用之現行市場毛利率，按成本加成法估計。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(b) Operation revenue

The Group recognised revenue from environmental energy project, greentech project and environmental water project operation services, conduct of environmental protection technological research and development services, provision of environmental-related technological services, design of environmental protection projects services, and provision of waste sorting, renewable resources utilization, sanitation operation services, when the related services are rendered.

(c) Equipment construction and installation service revenue

Revenue from the provision of equipment construction and installation services is recognised over time, by reference to the progress towards complete satisfaction of the performance obligation.

The progress towards complete satisfaction of the performance obligation in respect of equipment construction and installation services is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract, because the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

(d) Sales of products

Revenue from the sales of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the customer obtains the physical possession or the legal title of the completed products and the Group has present right to payment and the collection of the consideration is probable.

2.4 主要會計政策概要(續)

收益確認(續)

客戶合約收益(續)

(b) 運營收益

就環保能源項目、綠色環保項目及環保水務項目運營服務、進行環保技術研發服務、提供環保相關技術服務、設計環保項目服務，以及提供垃圾分類、再生資源利用、環衛作業服務而言，本集團於提供相關服務時確認有關收益。

(c) 裝備建造及安裝服務收益

提供裝備建造及安裝服務之收益會經參考圓滿完成履約責任之進度於一段時間內確認。

就裝備建造及安裝服務而言，圓滿完成履約責任之進度乃根據本集團為完成履約責任而產生的支出或投入而計量，並經參考截至報告期末已產生之合約成本佔各合約之估計總成本之百分比，因為本集團之履約行為並未創造一項可被本集團用於替代用途之資產，且本集團具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

(d) 銷售產品

銷售產品收益於資產控制權轉移至客戶時確認，一般於客戶取得已製成產品之實物擁有權或法定擁有權，且本集團獲得現時收款權並很可能收取代價時確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from other sources and other income

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

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

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

Employee benefits

Retirement schemes

The Company provides retirement benefits to all local eligible employees in Hong Kong 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. Contributions are made based on a percentage of the employees' basic salaries. Forfeited contributions may be used to reduce the existing level of contributions by the Company.

2.4 主要會計政策概要(續)

收益確認(續)

來自其他來源之收益及其他收入

租金收入根據有關租賃年期按時間比例確認。並不取決於指數或利率之可變租賃款項在產生之會計期間確認為收入。

財務及利息收入乃按應計基準採用實際利率法透過應用有關利率(即於金融工具預計年期或(倘適用)較短期間內將估計未來現金收入準確貼現至財務資產賬面淨值之利率)計算確認。

股息於確立股東收款權後，以及與股息相關之經濟利益將流入本集團，且能可靠地計量股息金額時予以確認。

合約資產

合約資產為就轉移貨物及服務予客戶而換取所得之收取代價權利。倘本集團在客戶支付代價前或在款項到期前透過轉移貨物或服務予客戶履行合約，則就附帶條件之已賺取代價確認合約資產。合約資產須進行耗損評估，有關詳情載於財務資產耗損會計政策中。

僱員福利

退休計劃

本公司已為所有香港本地合資格僱員提供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。供款按僱員基本薪金某百分比計算作出。沒收之供款可用作抵銷本公司現需承擔之供款。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement schemes (continued)

As from 1 December 2000, the Group also operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the 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. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

2.4 主要會計政策概要(續)

僱員福利(續)

退休計劃(續)

自二零二零年十二月一日起，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定額供款強制性公積金退休福利計劃(「強積金計劃」)。按照強積金計劃之規則，供款按僱員基本薪金某一百分比計算作出，並於有關供款須予支付時在損益表支銷。強積金計劃之資產獨立於本集團之資產，在獨立管理之基金持有。本集團向強積金計劃所作之僱主供款，一經支付即全數歸屬於僱員，惟本集團之僱主自願性供款除外，按照強積金計劃之規則，倘僱員在有關供款全數歸屬於僱員前離職，有關供款將退還予本集團。

本集團於中國大陸經營之附屬公司之僱員須參加由當地市政府運作的中央退休金計劃。該等附屬公司須按其薪金成本之若干百分比向中央退休金計劃供款。有關供款於根據中央退休金計劃之規則須予支付時在損益表支銷。

終止僱用福利

終止僱用福利於本集團不能取消提供該等福利時及本集團確認涉及支付終止僱用福利的重組成本當日(以較早者為準)確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

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

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the income statement.

2.4 主要會計政策概要(續)

借貸成本

收購、建造或生產合資格資產(即必需花上一段長時間方能作其擬定用途或出售之資產)之直接應佔借貸成本均撥充資本,作為此等資產成本之一部份。於此等資產大致上可作其擬定用途或出售時,即停止將該等借貸成本撥充資本。指定用途借貸在用作合資格資產之開支前作為短暫投資所賺取投資收入,從已撥充資本之借貸成本中扣除。所有其他借貸成本於產生期間列作開支。借貸成本包括利息及實體於借入資金時產生之其他成本。

股息

末期股息於股東在股東大會上作出批准後確認為負債。擬派末期股息於財務報表附註中披露。

由於本公司章程細則授予董事宣派中期股息之權利,故中期股息可同步建議派發及宣派。因此,中期股息將於建議派發及宣派時即時確認為負債。

外幣

此等財務報表以港幣呈列,港幣為本公司之功能貨幣。本集團各實體自行決定其功能貨幣,而載入各實體財務報表內之項目則以該功能貨幣計量。本集團實體已入賬之外幣交易初步按交易日期之適用匯率入賬。以外幣計值之貨幣資產及負債按報告期末適用之功能貨幣匯率換算。因結算或換算貨幣項目而產生之差額均於損益表確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

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

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year.

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

2.4 主要會計政策概要(續)

外幣(續)

因結算或換算貨幣項目而產生的差額於損益表確認，惟指定作為對沖本集團的海外業務投資淨額一部份的貨幣項目除外。有關項目於其他全面收入確認，直至投資淨額已出售為止。屆時累計金額會重新分類至損益表。該等貨幣項目之匯兌差額應佔的稅項支出及抵免亦計入其他全面收入。

按歷史成本計量之外幣非貨幣項目採用首次交易日期之處理方式匯率換算。按公允值計量之外幣非貨幣項目則採用計量公允值日期之匯率換算。因換算按公允值計量之非貨幣項目而產生的收益及虧損之處理方式與該項目公允值變動所產生之收益或虧損之處理方式一致(即公允值收益或虧損於其他全面收入或損益表確認的項目的匯兌差額亦分別於其他全面收入或損益表確認)。

就終止確認預收代價之相關非貨幣資產或非貨幣負債而言，在釐定初步確認相關資產、開支或收入所使用之匯率時，初始交易日期指本集團初步確認預收代價所產生之非貨幣資產或非貨幣負債之日期。倘存在多筆預付款或預收款，本集團將釐定每筆預付代價付款或收款的交易日期。

若干海外附屬公司、合營企業及聯營公司之功能貨幣為港幣以外之貨幣。於報告期末，該等實體之資產及負債按報告期末之適用匯率換算為港幣，而其損益表則按年內加權平均匯率換算為港幣。

就此產生之匯兌差額於其他全面收入確認，並於匯兌儲備累計。在出售海外業務時，與該特定海外業務有關之其他全面收入部份於損益表確認。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

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

Service concession arrangements

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

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

2.4 主要會計政策概要(續)

外幣(續)

因收購海外業務而產生之任何商譽及收購所得資產與負債之賬面值之公允值調整會被當作海外業務的資產及負債處理，並根據期末匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期適用之匯率換算為港幣。海外附屬公司於整個年度內不斷出現之現金流量按年內加權平均匯率換算為港幣。

3 重大會計判斷及估計

在編製本集團財務報表時，管理層須作出判斷、估計及假設，而有關判斷、估計及假設會影響所呈報收益、開支、資產與負債金額以及其隨附披露及或然負債披露。此等假設及估計之不明朗因素可能會導致在未來需要對受影響資產或負債之賬面值作出重大調整。

判斷

管理層在應用本集團會計政策時，除了作出涉及估計之判斷外，亦曾作出下列對財務報表已確認金額構成最重大影響之判斷：

服務特許經營權安排

本集團就其環保能源項目、綠色環保項目及環保水務項目，訂立建造一運營一轉移(「BOT」)、建造一運營一擁有(「BOO」)及轉移一運營一轉移(「TOT」)安排。

本集團確定所有BOT及TOT安排及若干BOO安排均屬《香港(國際財務報告詮釋委員會)詮釋》第12號「服務特許經營權安排」下之服務特許經營權安排，因為當地政府控制並監管本集團利用基礎設施按預定服務費所須提供之服務。就BOT及TOT安排而言，在特許經營權協議到期後，有關基礎設施須無償轉歸當地政府所有。就BOO安排而言，有關服務特許經營權安排所涉及之基礎設施於其整個或大致上整個可使用年期使用。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all the fair value of the commercial property, that it retains substantially all the significant risks and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

Estimation uncertainty

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

Construction contracts

As explained in the accounting policies set out in note 2.4 to the financial statements for “Revenue recognition” and “Contract assets”, revenue and profit recognition on an incompleting project is dependent on estimating the final outcome of the construction contract, as well as the work done to date. Based on the Group’s recent experience and the nature of the construction activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached, the “Service concession assets” as disclosed in note 23 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of revenue or costs may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

3 重大會計判斷及估計(續)

判斷(續)

物業租賃分類—本集團作為出租人

本集團已就其投資物業組合訂立商用物業租賃。根據對有關安排之條款及條件作出之評估(如租期並不構成商用物業之經濟壽命之主要部份及最低租賃款項現值不等於商用物業之絕大部份公允值)，本集團確定其保留上述出租物業所有權附帶之絕大部份風險及回報，並將有關合約入賬為經營租賃。

估計之不確定性

下文闡述有關未來之主要假設，以及於報告期末導致估計出現不確定性之其他主要緣由，其具有可能導致須對下一個財政年度之資產及負債賬面值作出重大調整之重大風險。

建造合約

誠如財務報表附註2.4下有關「收益確認」及「合約資產」之會計政策所闡釋，未完成項目之收益及盈利確認取決於對建造合約最終成果之估計及迄今已完成之工程。根據本集團之近期經驗及本集團所承辦建造活動之性質，本集團會於其認為工程進度已達致一定水平，足以可靠估計完工成本及收益時進行估計。因此，在達至有關階段前，附註23所披露之「服務特許經營權資產」不會包括本集團就迄今已完成工程而最終可能變現之盈利。此外，於報告期末收益或成本之實際結果可能會高於或低於估計之數，亦因而會由於對迄今已入賬之金額作出調整而影響在未來年度確認之收益及盈利。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment losses for debtors

The Group uses a provision matrix to calculate ECLs for debtors. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's debtors is disclosed in note 25 to the financial statements.

The carrying amount of debtors at 31 December 2020 was HK\$6,192,604,000 (2019: HK\$3,566,305,000).

Impairment losses for goodwill

As explained in the accounting policy set out in note 2.4 to the financial statements for "Business combinations and goodwill", goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit from the synergies of the combination for the purpose of impairment assessment, which requires significant judgement. The Group determined that the group of cash-generating units to which goodwill was allocated reflected the lowest level at which goodwill was monitored for internal reporting and was not larger than an operating segment in accordance with HKAS 36 *Impairment of Assets*.

3 重大會計判斷及估計(續)

估計之不確定性(續)

應收賬款之耗損虧損

本集團使用撥備矩陣計算應收賬款之預期信貸虧損。撥備矩陣最初基於本集團之過往觀察所得違約率。本集團會調整矩陣，根據具有前瞻性之資料調整過往信貸虧損經驗。於各個報告日期，本集團會更新過往觀察所得違約率，並會分析具有前瞻性之估計數字之變動。

對過往觀察所得違約率、經濟狀況預測及預期信貸虧損之相關性之評估屬重大估算。預期信貸虧損金額受經濟情況及經濟狀況預測之變動影響。本集團過往信貸虧損經驗及經濟狀況預測亦可能無法反映客戶日後之實際違約率。本集團應收賬款之預期信貸虧損資料於財務報表附註25披露。

於二零二零年十二月三十一日，應收賬款賬面值為港幣6,192,604,000元(二零一九年：港幣3,566,305,000元)。

商譽之耗損虧損

誠如財務報表附註2.4下有關「業務合併及商譽」之會計政策所闡釋，商譽會被分配至預期可受惠於合併協同效益之一個現金生產單位或一個現金生產單位組別，以便進行耗損評估，而此需要作出重大判斷。根據《香港會計準則》第36號「資產耗損」，本集團確定獲分配商譽之現金生產單位組別為本集團就內部申報目的而監察商譽之最低層次，且監察層面不會大於一個經營分部。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment losses for goodwill (continued)

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2020 was HK\$2,016,817,000 (2019: HK\$1,908,783,000). Further details are given in note 17 to the financial statements.

Other impairment losses

If circumstances indicate that the carrying values of investments in associates and joint ventures, property, plant and equipment, right-of-use assets, intangible assets and other non-financial assets may not be recoverable, these assets may be considered impaired, and an impairment loss may be recognised in accordance with HKAS 36 *Impairment of Assets*. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and the value in use. It is difficult to estimate precisely fair values because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and amount of operating costs.

3 重大會計判斷及估計(續)

估計之不確定性(續)

商譽之耗損虧損(續)

本集團最少每年一次釐定商譽有否出現耗損，而此涉及估計獲分配商譽之現金生產單位之使用價值。在估計使用價值時，本集團須估計來自現金生產單位之預期未來現金流量，並須選擇合適的貼現率，以便計算有關現金流量之現值。於二零二零年十二月三十一日，商譽之賬面值為港幣2,016,817,000元(二零一九年：港幣1,908,783,000元)。進一步詳情載於財務報表附註17。

其他耗損虧損

當情況顯示於聯營公司及合營企業之投資、物業、廠房及設備、使用權資產、無形資產及其他非財務資產等項目之賬面值可能無法收回時，該等資產可被視為已耗損，並可按照《香港會計準則》第36號「資產耗損」之規定確認耗損虧損。本集團會定期檢討該等資產之賬面值，以評估可收回金額是否已降至低於賬面值。當有事件發生或情況轉變顯示該等資產之已記賬賬面值可能無法收回時，便會對該等資產進行耗損測試。當出現上述跌幅時，賬面值會減至可收回金額。可收回金額為公允值減去出售成本或使用價值(以較高者為準)。由於未能隨時取得本集團資產之市場報價，因此難以準確估計公允值。於釐定使用價值時，資產產生之預期現金流量會貼現至其現值，而此需要就收益及營運成本金額作出重大判斷。本集團會利用所有現有所得資料來釐定可收回金額之合理概約金額，包括根據收益及營運成本金額之合理有力假設與預測所作出之估計。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of fair value of investment properties

As described in note 14 to the financial statements, the Group's investment properties were revalued at the end of the reporting period based on the appraised market value provided by independent firms of surveyors. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each reporting period. The carrying amount of investment properties at 31 December 2020 was HK\$176,860,000 (2019: HK\$159,393,000). Further details are given in note 14 to the financial statements.

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised for temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management reassesses these estimates at the end of each reporting period. Additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered. The carrying value of deferred tax assets at 31 December 2020 was HK\$246,945,000 (2019: HK\$165,319,000). Further details are included in note 33 to the financial statements.

3 重大會計判斷及估計(續)

估計之不確定性(續)

估計投資物業之公允值

誠如財務報表附註14所述，本集團之投資物業已於報告期末根據獨立測量師行提供之經評定市場價值進行重新估值。有關估值乃基於若干假設進行，故受限於不明朗因素以及或會與實際結果有重大差異。在作出估計時，本集團會考慮在活躍市場同類物業之當前價格資料，並會使用主要基於各個報告期末之現行市況作出之假設。於二零二零年十二月三十一日，投資物業之賬面值為港幣176,860,000元(二零一九年：港幣159,393,000元)。進一步詳情載於財務報表附註14。

所得稅

釐訂所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會審慎評估交易之相關稅務影響，從而計提稅項撥備。本集團會定期重新考慮有關交易之稅項處理方法，並會將稅務規例之所有變動列為考慮因素。本集團會就暫時可扣減差異確認遞延稅項資產。由於上述遞延稅項資產僅限於將來很可能取得應課稅盈利而令未使用稅項抵免得以運用之情況下予以確認，故管理層須作出判斷，評估產生未來應課稅盈利之可能性。管理層會於各個報告期末重新評估上述估計。倘未來應課稅盈利有可能令遞延稅項資產得以收回，便會確認額外的遞延稅項資產。於二零二零年十二月三十一日，遞延稅項資產之賬面值為港幣246,945,000元(二零一九年：港幣165,319,000元)。進一步詳情載於財務報表附註33。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION

The Group manages its business by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented four reportable segments.

- Environmental energy project construction and operation: this segment engages in the construction and operation of waste-to-energy plants, food waste treatment projects, sludge treatment and disposal projects, leachate treatment projects, methane-to-energy plants, fecal treatment project, fly ash landfill project, medical waste treatment project and solid waste treatment project, to generate revenue from construction services, revenue from operation services as well as finance income.
- Greentech project construction and operation: this segment engages in the construction and operation of integrated biomass utilisation projects, hazardous and solid waste treatment projects, solar energy projects and wind power projects, and provision of environmental remediation services, to generate revenue from construction services, revenue from operation services as well as finance income.
- Environmental water project construction and operation: this segment engages in the construction, upgrade and operation of waste water treatment plants, water supply, reusable water treatment plants, sludge harmless treatment, sponge city construction, river-basin ecological restoration, waste water source heat pump projects, leachate treatment, research and development of water environment technologies and engineering projects, to generate revenue from construction services, revenue from operation services as well as finance income.
- Others: this segment engages in the conduct of environmental protection technology research and development, provision of environmental-related technological services, design of environmental protection projects, provision of environmental protection project equipment construction and installation services and sales of related equipment, provision of waste sorting, renewable resources utilisation, sanitation operation services, sales of energy-saving street lamps, and energy management contract projects from which it generates revenue.

4 經營分部資料

本集團之業務按業務種類劃分為多個分部並加以管理。按照公司內部就資源分配及表現評估而向本集團最高管理層呈報資料之一貫方式，本集團呈報了下列四個須予報告分部。

- 環保能源項目建造及運營：此分部透過建造及運營垃圾發電廠、餐廚垃圾處理項目、污泥處理處置項目、滲濾液處理項目、沼氣發電廠、糞便處理項目、飛灰填埋場項目、醫療廢物處理項目及固廢處理項目，以賺取建造服務收益、運營服務收益及財務收入。
- 綠色環保項目建造及運營：此分部透過建造及運營生物質綜合利用項目、危廢及固廢處置項目、光伏發電項目及風力發電項目，以及提供環境修復服務，以賺取建造服務收益、運營服務收益及財務收入。
- 環保水務項目建造及運營：此分部透過建造、改造及運營污水處理廠、供水、中水回用處理廠、污泥無害化處理、海綿城市建設、流域治理、污水源熱泵項目、滲濾液處理以及環保水務技術研發及工程建設項目，以賺取建造服務收益、運營服務收益及財務收入。
- 其他：此分部透過進行環保技術研發、提供環保相關技術服務、設計環保項目、提供環保項目裝備建造及安裝服務及銷售相關裝備、提供垃圾分類、再生資源綜合利用、環衛作業服務、銷售節能路燈以及合同能源管理項目，從中賺取收益。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION (continued)

For the purpose of assessing segment performance and allocating resource between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets, goodwill, interests in associates and joint ventures, investments in other financial assets, deferred tax assets and current assets with the exception of intercompany receivables and other corporate assets. Segment liabilities include current taxation, deferred tax liabilities, creditors, other payables and accrued expenses attributable to the activities of the individual segment and borrowings managed directly by the segments, with the exception of intercompany payables and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of equipment and provision of technological services, assistance provided by one segment to another, including technical know-how, is not measured.

The measure used for reporting segment profit is "earnings before interest, taxes, depreciation and amortisation" ("EBITDA"). To arrive at EBITDA, the Group's earnings are further adjusted for items not specifically attributed to the individual segment, such as directors' and auditor's remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning EBITDA, management is provided with segment information concerning revenue (including inter-segment sales and revenue from technological services), depreciation and amortisation and additions to non-current segment assets used by the segments in their operations.

4 經營分部資料(續)

就分部表現評估及分部間之資源分配而言，本集團之最高管理層按下列基準監察各個須予報告分部之業績、資產及負債：

分部資產包括所有有形資產、無形資產、商譽、聯營公司及合營企業權益、於其他財務資產之投資、遞延稅項資產及流動資產，惟不包括集團內公司間之應收款項及其他企業資產。分部負債包括各個個別分部之業務活動所產生之本期稅項、遞延稅項負債、應付賬款、其他應付款項及應計費用及由各個分部直接管理之借貸，惟不包括集團內公司間之應付款項及其他企業負債。

收益及開支乃參考須予報告分部所賺取之收益及所產生之開支或有關分部之資產所產生之折舊或攤銷而分配至有關分部。然而，除報告分部間之裝備銷售及提供之技術服務外，某一分部向另一分部提供之協助(包括專業知識技術)並不計算在內。

用於報告分部盈利之表示方式為「除利息、稅項、折舊及攤銷前盈利」，即「EBITDA」。為了得出EBITDA，本集團之盈利將就無明確歸於任何分部之項目(例如：董事酬金及核數師酬金及其他總公司或企業行政成本)作進一步調整。

除獲提供有關EBITDA之分部資料外，管理層亦獲提供有關下列各項之分部資料：收益(包括分部間之銷售額及來自技術服務之收益)及各分部運營時所使用之非流動分部資產之折舊、攤銷及增置。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION (continued)

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2020 and 2019 is set out below.

For the year ended 31 December

4 經營分部資料(續)

(i) 分部業績、資產及負債

截至二零二零年及二零一九年十二月三十一日止年度，本集團就資源分配及分部表現評估而向本集團最高管理層提供之須予報告分部資料如下：

截至十二月三十一日止年度

	Environmental energy project construction and operation 環保能源項目建造及運營		Greentech project construction and operation 綠色環保項目建造及運營		Environmental water project construction and operation 環保水務項目建造及運營		Others 其他		Total 總額	
	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Segment revenue (Note 5):	分部收益(附註5):									
Revenue from external customers	26,127,005	21,538,204	9,831,750	9,279,308	5,663,292	5,550,773	1,304,379	1,189,350	42,926,426	37,557,635
Inter-segment revenue	-	-	3,626	247	-	-	2,420,417	2,039,324	2,424,043	2,039,571
Reportable segment revenue	26,127,005	21,538,204	9,835,376	9,279,555	5,663,292	5,550,773	3,724,796	3,228,674	45,350,469	39,597,206
Reconciliation:	對賬:									
Elimination of inter-segment revenue									(2,424,043)	(2,039,571)
Reportable segment revenue derived from the Group's external customers									42,926,426	37,557,635

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION (continued)

(i) Segment results, assets and liabilities (continued)

For the year ended 31 December

4 經營分部資料(續)

(i) 分部業績、資產及負債(續)

截至十二月三十一日止年度

		Environmental energy project construction and operation 環保能源項目 建造及運營		Greentech project construction and operation 綠色環保項目 建造及運營		Environmental water project construction and operation 環保水務項目 建造及運營		Others 其他		Total 總額	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元
Segment results:	分部業績：										
Reportable segment profit (EBITDA)	須予報告分部盈利(EBITDA)	7,999,370	6,660,887	3,113,428	2,890,813	1,908,304	1,649,369	757,953	524,410	13,779,055	11,725,479
Elimination of inter-segment profits	抵銷分部間盈利									(750,665)	(643,131)
Reportable segment profit derived from the Group's external customers	來自本集團外界客戶之須予報告分部盈利									13,028,390	11,082,348
Finance costs	財務費用									(2,279,149)	(1,830,798)
Depreciation and amortisation, including unallocated portion	折舊及攤銷 (包括未分配部份)									(1,185,628)	(862,981)
Unallocated head office and corporate income	未分配總公司及企業收入									10,247	92,408
Unallocated head office and corporate expenses	未分配總公司及企業開支									(187,136)	(217,282)
Consolidated profit before tax	綜合除稅前盈利									9,386,724	8,263,695
Other segment information:	其他分部資料：										
Depreciation and amortisation	折舊及攤銷	389,679	297,187	590,668	387,346	93,284	92,363	79,823	62,250	1,153,454	839,146
Impairment of debtors, net	應收賬款耗損淨額	93,769	41,789	-	2,000	25,492	17,314	1,615	(8,689)	120,876	52,414
Impairment of other receivables	其他應收款項耗損	-	-	-	-	3,342	-	-	-	3,342	-
Impairment of contract assets	合約資產耗損	46,648	-	7,524	-	12,695	-	-	-	66,867	-
Impairment of intangible assets	無形資產耗損	-	-	216,723	-	-	-	-	-	216,723	-
Additions to investment properties, property, plant and equipment and right-of-use assets during the year	年內增置投資物業、物業、廠房及設備以及使用權資產	225,494	207,956	1,363,375	761,064	26,851	28,523	144,349	105,444	1,760,069	1,102,987
Additions to intangible assets and non-current portion of prepayments during the year	年內增置無形資產及預付款項之非即期部份	3,282,448	2,509,033	3,261,112	3,969,527	164,513	239,455	1,393	19,273	6,709,466	6,737,288
Additions to non-current portion of contract assets during the year	年內增置合約資產之非即期部份	16,729,416	14,148,863	2,435,790	1,453,209	3,742,933	3,989,179	-	-	22,908,139	19,591,251

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION (continued)

(i) Segment results, assets and liabilities (continued)

4 經營分部資料(續)

(i) 分部業績、資產及負債(續)

		Environmental energy project construction and operation 環保能源項目 建造及運營		Greentech project construction and operation 綠色環保項目 建造及運營		Environmental water project construction and operation 環保水務項目 建造及運營		Others 其他		Total 總額	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Reportable segment assets	須予報告之分部資產	86,929,136	62,211,440	35,244,764	26,216,428	26,593,869	22,383,618	4,361,908	3,808,971	153,129,677	114,620,457
Unallocated head office and corporate assets	未分配總公司及企業資產									5,057,433	4,731,046
Consolidated total assets	綜合資產總額									158,187,110	119,351,503
Reportable segment liabilities	須予報告之分部負債	40,922,430	26,158,807	22,393,118	15,671,070	15,510,291	13,120,503	2,806,506	2,323,164	81,632,345	57,273,544
Unallocated head office and corporate liabilities	未分配總公司及企業負債									21,010,161	17,351,380
Consolidated total liabilities	綜合負債總額									102,642,506	74,624,924

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

4 OPERATING SEGMENT INFORMATION (continued)

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers, (ii) the Group's investment properties, property, plant and equipment, right-of-use assets and intangible assets and (iii) the Group's non-current portion of debtors, other receivables, deposits and prepayments and non-current portion of contract assets. The geographical location of customers is based on the location at which the services were provided. The geographical location of the assets is based on the physical location of the assets, in the case of investment properties, property, plant and equipment and right-of-use assets, and the location of the operation to which they are allocated, in the case of debtors, other receivables, deposits and prepayments, intangible assets and contract assets.

		Revenue from external customers 來自外界客戶之收益		Investment properties, property, plant and equipment, right-of-use assets and intangible assets 投資物業、物業、廠房及設備、使用權資產及無形資產		Non-current portion of debtors, other receivables, deposits and prepayments and contract assets 應收賬款、其他應收款項、按金及預付款項及合約資產之非即期部份	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Hong Kong (place of domicile)	香港 (註冊營業地點)	-	-	63,050	77,792	-	-
Other parts of the PRC	中國其他地區	42,343,709	37,094,642	31,040,957	22,742,436	83,207,336	61,196,143
Germany	德國	8,059	20,797	37,101	37,798	-	-
Poland	波蘭	513,220	383,378	633,443	654,820	325	4,899
Vietnam	越南	61,438	58,818	265,647	281,300	-	-
Singapore	新加坡	-	-	434	2,154	-	-
Total	總額	42,926,426	37,557,635	32,040,632	23,796,300	83,207,661	61,201,042

(iii) Information about a major customer

For the years ended 31 December 2020 and 2019, the revenue from the Group's largest customer amounted to less than 10% of the Group's total revenue.

4 經營分部資料(續)

(ii) 地區資料

下表載列有關(i)本集團來自外界客戶之收益，(ii)本集團之投資物業、物業、廠房及設備、使用權資產及無形資產及(iii)本集團之應收賬款、其他應收款項、按金及預付款項之非即期部份及合約資產之非即期部份之所在地區。客戶所在地區按服務提供地點劃分。資產所在地區按資產實際所在地點(以投資物業、物業、廠房及設備以及使用權資產而言)，以及涉及之業務之所在地點(以應收賬款、其他應收款項、按金及預付款項、無形資產及合約資產而言)劃分。

Investment properties, property, plant and equipment, right-of-use assets and intangible assets
投資物業、物業、廠房及設備、使用權資產及無形資產

Non-current portion of debtors, other receivables, deposits and prepayments and contract assets
應收賬款、其他應收款項、按金及預付款項及合約資產之非即期部份

(iii) 主要客戶資料

截至二零二零年及二零一九年十二月三十一日止年度，來自本集團最大客戶之收益佔本集團收益總額少於10%。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE

An analysis of revenue is as follows:

5 收益

收益分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<i>Revenue from contracts with customers</i>	客戶合約收益		
Revenue from environmental energy project construction services	環保能源項目建造服務收益	18,097,945	15,720,547
Revenue from greentech project construction services	綠色環保項目建造服務收益	4,462,629	4,919,759
Revenue from environmental water project construction services	環保水務項目建造服務收益	2,932,440	3,206,597
Revenue from environmental energy project operation services	環保能源項目運營服務收益	5,365,831	3,723,750
Revenue from greentech project operation services	綠色環保項目運營服務收益	5,095,015	4,165,018
Revenue from environmental water project operation services	環保水務項目運營服務收益	1,825,176	1,547,984
Revenue from equipment construction and installation services and sales	裝備建造及安裝服務及銷售收益	1,005,194	994,428
Others	其他	299,185	194,922
Total revenue from contracts with customers	客戶合約收益總額	39,083,415	34,473,005
Finance income from service concession arrangements	服務特許經營權安排之財務收入	3,843,011	3,084,630
Total revenue	收益總額	42,926,426	37,557,635

The aggregated revenues from environmental energy project construction and operation services, greentech project construction and operation services, environmental water project construction and operation services and finance income derived from the local government authorities in the PRC amounted to HK\$39,249,746,000 (2019: HK\$33,245,678,000) for the year ended 31 December 2020. The revenues are included in “Environmental energy project construction and operation”, “Greentech project construction and operation” and “Environmental water project construction and operation” segments as disclosed in note 4 to the financial statements.

截至二零二零年十二月三十一日止年度，來自中國當地政府機關之環保能源項目建造及運營服務收益、綠色環保項目建造及運營服務收益、環保水務項目建造及運營服務收益及財務收入總額為港幣39,249,746,000元（二零一九年：港幣33,245,678,000元）。有關收益計入「環保能源項目建造及運營」分部、「綠色環保項目建造及運營」分部及「環保水務項目建造及運營」分部（詳見財務報表附註4）。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2020

5 收益(續)

客戶合約收益

(i) 經分拆收益資料

截至二零二零年十二月三十一日止年度

Segments	分部	Environmental energy project construction and operation 環保能源項目建造及運營 HK\$'000 港幣千元	Greentech project construction and operation 綠色環保項目建造及運營 HK\$'000 港幣千元	Environmental water project construction and operation 環保水務項目建造及運營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Type of goods and services	貨物及服務類型					
Construction services	建造服務	18,097,945	4,462,629	2,932,440	-	25,493,014
Operation services	運營服務	5,365,831	5,095,015	1,825,176	-	12,286,022
Equipment construction and installation services and sales	裝備建造及安裝服務及銷售	-	-	-	1,005,194	1,005,194
Others	其他	-	-	-	299,185	299,185
Total revenue from contracts with customers	客戶合約收益總額	23,463,776	9,557,644	4,757,616	1,304,379	39,083,415
Geographical location of customers*	客戶所在地區*					
Mainland China	中國大陸	22,889,118	9,551,512	4,755,689	1,304,379	38,500,698
Germany	德國	-	6,132	1,927	-	8,059
Poland	波蘭	513,220	-	-	-	513,220
Vietnam	越南	61,438	-	-	-	61,438
Total revenue from contracts with customers	客戶合約收益總額	23,463,776	9,557,644	4,757,616	1,304,379	39,083,415

* The geographical location of customers is based on the location of which the services were provided.

* 客戶所在地區按服務提供地點劃分。

Timing of revenue recognition	收益確認時間					
Over time	於一段時間內	23,463,776	9,486,098	4,654,240	913,230	38,517,344
At a point in time	於某一時點	-	71,546	103,376	391,149	566,071
Total revenue from contracts with customers	客戶合約收益總額	23,463,776	9,557,644	4,757,616	1,304,379	39,083,415

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2019

5 收益(續)

客戶合約收益(續)

(i) 經分拆收益資料(續)

截至二零一九年十二月三十一日止年度

Segments	分部	Environmental energy project construction and operation 環保能源項目 建造及運營 HK\$'000 港幣千元	Greentech project construction and operation 綠色環保項目 建造及運營 HK\$'000 港幣千元	Environmental water project construction and operation 環保水務項目 建造及運營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Type of goods and services 貨物及服務類型						
Construction services	建造服務	15,720,547	4,919,759	3,206,597	-	23,846,903
Operation services	運營服務	3,723,750	4,165,018	1,547,984	-	9,436,752
Equipment construction and installation services and sales	裝備建造及安裝服務及銷售	-	-	-	994,428	994,428
Others	其他	-	-	-	194,922	194,922
Total revenue from contracts with customers	客戶合約收益總額	19,444,297	9,084,777	4,754,581	1,189,350	34,473,005
Geographical location of customers* 客戶所在地區*						
Mainland China	中國大陸	19,002,101	9,078,664	4,739,897	1,189,350	34,010,012
Germany	德國	-	6,113	14,684	-	20,797
Poland	波蘭	383,378	-	-	-	383,378
Vietnam	越南	58,818	-	-	-	58,818
Total revenue from contracts with customers	客戶合約收益總額	19,444,297	9,084,777	4,754,581	1,189,350	34,473,005
Timing of revenue recognition 收益確認時間						
Over time	於一段時間內	19,443,206	9,084,777	4,643,850	982,071	34,153,904
At a point in time	於某一時點	1,091	-	110,731	207,279	319,101
Total revenue from contracts with customers	客戶合約收益總額	19,444,297	9,084,777	4,754,581	1,189,350	34,473,005

* The geographical location of customers is based on the location of which the services were provided.

* 客戶所在地區按服務提供地點劃分。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the year ended 31 December 2020

5 收益(續)

客戶合約收益(續)

(i) 經分拆收益資料(續)

下文載列客戶合約收益與分部資料所披露金額之對賬：

截至二零二零年十二月三十一日止年度

Segments	分部	Environmental energy project construction and operation 環保能源項目建造及運營 HK\$'000 港幣千元	Greentech project construction and operation 綠色環保項目建造及運營 HK\$'000 港幣千元	Environmental water project construction and operation 環保水務項目建造及運營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Revenue from contracts with customers	客戶合約收益					
External customers	外界客戶	26,127,005	9,831,750	5,663,292	1,304,379	42,926,426
Inter-segment revenue	分部間收益	-	3,626	-	2,420,417	2,424,043
Finance income	財務收入	26,127,005	9,835,376	5,663,292	3,724,796	45,350,469
Inter-segment adjustments and eliminations	分部間調整及對銷	(2,663,229)	(274,106)	(905,676)	-	(3,843,011)
		-	(3,626)	-	(2,420,417)	(2,424,043)
Total revenue from contracts with customers	客戶合約收益總額	23,463,776	9,557,644	4,757,616	1,304,379	39,083,415

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2019

5 收益(續)

客戶合約收益(續)

(i) 經分拆收益資料(續)

截至二零一九年十二月三十一日止年度

Segments	分部	Environmental energy project construction and operation 環保能源項目 建造及運營 HK\$'000 港幣千元	Greentech project construction and operation 綠色環保項目 建造及運營 HK\$'000 港幣千元	Environmental water project construction and operation 環保水務項目 建造及運營 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Revenue from contracts with customers						
External customers	外界客戶	21,538,204	9,279,308	5,550,773	1,189,350	37,557,635
Inter-segment revenue	分部間收益	-	247	-	2,039,324	2,039,571
Finance income	財務收入	21,538,204	9,279,555	5,550,773	3,228,674	39,597,206
Inter-segment adjustments and eliminations	分部間調整及對銷	(2,093,907)	(194,531)	(796,192)	-	(3,084,630)
		-	(247)	-	(2,039,324)	(2,039,571)
Total revenue from contracts with customers	客戶合約收益總額	19,444,297	9,084,777	4,754,581	1,189,350	34,473,005

Included in the revenue recognised in the year ended 31 December 2020, HK\$23,602,000 (2019: HK\$62,665,000) were related to performance obligations satisfied in previous periods.

在截至二零二零年十二月三十一日止年度確認之收益中，其中港幣23,602,000元（二零一九年：港幣62,665,000元）關於過往期間已履行之履約責任。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers (continued)

(ii) Performance obligations

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Amounts expected to be recognised as revenue:	預期將會確認為收益之金額：		
Within one year	一年內	45,624,413	39,943,022
After one year	一年後	393,110,024	414,603,636
		438,734,437	454,546,658

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to construction services, operation services and other services, of which the performance obligations are to be satisfied within 50 years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

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

5 收益(續)

客戶合約收益(續)

(ii) 履約責任

於十二月三十一日已分配至餘下履約責任(未獲履行或部份未獲履行)之交易價格金額如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Amounts expected to be recognised as revenue:	預期將會確認為收益之金額：		
Within one year	一年內	45,624,413	39,943,022
After one year	一年後	393,110,024	414,603,636
		438,734,437	454,546,658

已分配至餘下履約責任並預期於一年後確認為收益之交易價格金額涉及須於五十年內履行有關建造服務、運營服務及其他服務之履約責任。已分配至餘下履約責任之所有其他交易價格金額預期將於一年內確認為收益。上文所披露之金額並不包括受限制的可變代價。

本集團應用了香港財務報告準則第15號下之可行權宜處理方法及並無包括本集團將於原先預期時限為一年或以內之合約之餘下履約責任獲完成時有權獲得之收益之資料。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

6 OTHER REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET

An analysis of other revenue, other income and gains/(losses), net is as follows:

6 其他收益、其他收入及收益／(虧損)淨額

其他收益、其他收入及收益／(虧損)淨額分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Other revenue	其他收益		
Rental income from operating leases	經營租賃租金收入	7,745	7,001
Interest income	利息收入	97,061	176,147
Dividend income	股息收入	7,966	323
Government grants*	政府補助金*	210,717	140,818
Value-added tax refund**	增值稅退稅**	255,833	311,723
Others	其他	138,171	129,637
		717,493	765,649
Other income and gains/(losses), net	其他收入及收益／(虧損)淨額		
Fair value gains/(losses), net:	公允值收益／(虧損)淨額：		
Other financial assets	其他財務資產		
– unlisted equity investment	– 非上市股本投資	883	4,496
Other financial assets	其他財務資產		
– unlisted investments	– 非上市投資	(48,629)	23,512
Contingent consideration receivable (note 25)	應收或然代價(附註25)	(7,814)	(646)
Loss on disposal and write-off of property, plant and equipment, net	出售及撇銷物業、廠房及設備之虧損淨額	(28)	(2,334)
Loss on disposal of a subsidiary (note 38)	出售附屬公司之虧損(附註38)	(14,117)	–
Loss on disposal of joint ventures (note 19)	出售合營企業之虧損(附註19)	(144,087)	–
Impairment of debtors, net (note 25)	應收賬款耗損淨額(附註25)	(120,876)	(52,414)
Impairment of other receivables (note 25)	其他應收款項耗損(附註25)	(3,342)	–
Impairment of contract assets (note 23)	合約資產耗損(附註23)	(66,867)	–
Impairment of intangible assets (note 18)	無形資產耗損(附註18)	(216,723)	–
Others	其他	(14)	(2,825)
		(621,614)	(30,211)
Total	總額	95,879	735,438

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

6 OTHER REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET (continued)

- * Government grants of HK\$210,717,000 (2019: HK\$140,818,000) were granted during the year ended 31 December 2020 to subsidise certain environmental energy projects, greentech projects and environmental water projects of the Group in the PRC and Poland. There are no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future.
- ** Value-added tax refund of HK\$255,833,000 (2019: HK\$311,723,000) was received/receivable during the year ended 31 December 2020 in relation to certain environmental energy projects, greentech projects and environmental water projects operations of the Group in the PRC. There are no unfulfilled conditions and other contingencies attached to the receipts of such tax refund. There is no assurance that the Group will continue to receive such tax refund in the future.

6 其他收益、其他收入及收益／(虧損)淨額(續)

- * 於截至二零二零年十二月三十一日止年度，本集團獲發放政府補助金港幣210,717,000元(二零一九年：港幣140,818,000元)，以補貼本集團若干中國及波蘭的環保能源項目、綠色環保項目及環保水務項目。概無有關收取該等補助金之未達成條件或其他或然事項。目前不能保證本集團於日後將可繼續獲發該等補助金。
- ** 於截至二零二零年十二月三十一日止年度，本集團在中國之若干環保能源運營項目、綠色環保運營項目及環保水務運營項目已獲發放／將獲發放增值稅退稅港幣255,833,000元(二零一九年：港幣311,723,000元)。概無有關收取該等增值稅退稅之未達成條件及其他或然事項。目前不能保證本集團於日後將可繼續獲發該等增值稅退稅。

7 FINANCE COSTS

7 財務費用

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest on bank and other loans	銀行及其他貸款之利息	2,117,260	1,706,462
Interest on corporate bond, ABS and MTN	公司債券、資產支持證券及 中期票據之利息	158,342	122,415
Interest on lease liabilities	租賃負債之利息	4,264	5,165
Others	其他	18,620	20,760
Less: Interest expenses capitalised into construction in progress*	減：於在建工程資本化之 利息支出*	(19,337)	(24,004)
		2,279,149	1,830,798

- * The borrowing costs have been capitalised at rates ranging from 3.1% to 5.0% (2019: 4.7% to 5.4%) per annum during the year ended 31 December 2020.

- * 於截至二零二零年十二月三十一日止年度，借貸成本按介乎3.1%至5.0%(二零一九年：4.7%至5.4%)之年利率進行資本化。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

8 PROFIT BEFORE TAX

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

8 除稅前盈利

本集團之除稅前盈利已扣除／(計入)：

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		Notes 附註		
Depreciation	折舊			
– property, plant and equipment	– 物業、廠房及設備	15	384,899	311,865
– right-of-use assets	– 使用權資產	16(a)	60,137	46,334
Amortisation of intangible assets	無形資產攤銷	18	740,592	504,782
Research and development costs	研究及開發成本		151,014	119,126
Lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量 之租賃款項	16(c)	38,701	39,949
Auditor's remuneration	核數師酬金			
– audit services	– 審核服務		11,611	8,170
– other services	– 其他服務		5,506	2,252
Employee benefit expense (excluding directors' remuneration (note 9)):	僱員福利開支(不包括 董事酬金(附註9)):			
Wages, salaries, allowances and benefits in kind	工資、薪金、津貼及 實物利益		2,640,528	2,170,162
Retirement scheme contributions	退休計劃供款		234,032	314,538
			2,874,560	2,484,700
Foreign exchange differences, net	匯兌淨差額		(64,073)	9,576
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	賺取租金之投資物業之 直接經營費用 (包括維修及保養)		348	348

As at 31 December 2020, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years (2019: Nil).

於二零二零年十二月三十一日，本集團並無沒收供款可用以扣減本集團在未來年度之退休計劃供款(二零一九年：無)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

9 DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

9 董事薪酬

根據香港聯合交易所有限公司證券上市規則（「上市規則」）、香港《公司條例》第383(1)(a)、(b)、(c)及(f)條及《公司(披露董事利益資料)規例》第2部披露之董事年度薪酬如下：

		Group 本集團	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Fees	袍金	1,875	1,280
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	9,558	9,628
Discretionary bonuses	酌情花紅	8,674	14,520
Retirement scheme contributions	退休計劃供款	1,153	1,367
		19,385	25,515
		21,260	26,795

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

9 DIRECTORS' REMUNERATION (continued)

9 董事薪酬(續)

		Fees 袍金 HK\$'000 港幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 港幣千元	Discretionary bonuses 酌情花紅 HK\$'000 港幣千元	Retirement scheme contributions 退休計劃 供款 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
2020	二零二零年					
Executive directors:	執行董事：					
Cai Yunge (note (a))	蔡允革(附註(a))	-	-	-	-	-
Wang Tianyi (note (b))	王天義(附註(b))	-	2,823	3,289	93	6,205
Wong Kam Chung, Raymond	黃錦聰	-	2,328	1,800	619	4,747
Hu Yanguo	胡延國	-	2,383	1,713	133	4,229
Qian Xiaodong	錢曉東	-	2,024	1,872	308	4,204
		-	9,558	8,674	1,153	19,385
Independent non-executive directors:	獨立 非執行董事：					
Fan Yan Hok, Philip	范仁鶴	470	-	-	-	470
Mar Selwyn	馬紹援	470	-	-	-	470
Zhai Haitao	翟海濤	470	-	-	-	470
Suo Xuquan	索緒權	465	-	-	-	465
		1,875	-	-	-	1,875
		1,875	9,558	8,674	1,153	21,260

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

9 DIRECTORS' REMUNERATION (continued)

9 董事薪酬(續)

		Fees 袍金 HK\$'000 港幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 港幣千元	Discretionary bonuses 酌情花紅 HK\$'000 港幣千元	Retirement scheme contributions 退休計劃 供款 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
2019	二零一九年					
Executive directors:	執行董事：					
Cai Yunge (note (a))	蔡允革(附註(a))	-	-	-	-	-
Wang Tianyi (note (b))	王天義(附註(b))	-	2,678	5,130	146	7,954
Wong Kam Chung, Raymond	黃錦聰	-	2,328	3,000	799	6,127
Hu Yanguo	胡延國	-	2,288	3,270	143	5,701
Qian Xiaodong	錢曉東	-	2,023	3,120	279	5,422
		-	9,317	14,520	1,367	25,204
Independent non-executive directors:	獨立 非執行董事：					
Fan Yan Hok, Philip	范仁鶴	320	106	-	-	426
Mar Selwyn	馬紹援	320	109	-	-	429
Zhai Haitao	翟海濤	320	96	-	-	416
Suo Xuquan	索緒權	320	-	-	-	320
		1,280	311	-	-	1,591
		1,280	9,628	14,520	1,367	26,795

Notes:

(a) Mr. Cai Yunge resigned as the executive director on 25 September 2020.

(b) Mr. Wang Tianyi is also the chief executive officer of the Company.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

Starting from 2021, the discretionary bonuses of the directors and senior management of the Company will be paid by two instalments.

附註：

(a) 蔡允革先生於二零二零年九月二十五日辭任執行董事。

(b) 王天義先生亦擔任本公司行政總裁。

年內概無訂立董事或主要行政人員放棄或同意放棄任何酬金之安排。

自二零二一年起，本公司董事及高級管理人員的酌情花紅將分兩期支付。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

10 FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2019: four directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining one (2019: one) highest paid employee who is not a director of the Company are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,856	1,846
Discretionary bonuses	酌情花紅	1,548	2,580
Retirement scheme contributions	退休計劃供款	242	281
		3,646	4,707

The number of non-director highest paid employee whose remuneration fell within the following band is as follows:

		Number of employee 僱員人數	
		2020 二零二零年	2019 二零一九年
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	1	-
HK\$4,500,001 to HK\$5,000,000	港幣4,500,001元至 港幣5,000,000元	-	1
		1	1

During the year, no emoluments were paid by the Group to the directors of the Company or any of the highest paid employees who are not a director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

10 五名最高薪酬僱員

年內五名最高薪酬僱員包括四名董事(二零一九年：四名董事)，彼等之薪酬詳情載於上文附註9。年內餘下一名(二零一九年：一名)非本公司董事之最高薪酬僱員的薪酬詳情如下：

薪酬介乎以下範圍之非董事最高薪酬僱員的人數如下：

年內，本集團並無向本公司董事或任何並非本公司董事之最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時之獎勵或離職補償。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

11 INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the year ended 31 December 2020 (2019: Nil).

Tax for the PRC operations is charged at the statutory rate of 25% of the assessable profits under tax rules and regulations in the PRC. During the year, certain PRC subsidiaries are subject to tax at 50% of the standard tax rate or fully exempted from income tax under the relevant tax rules and regulations.

11 所得稅

由於本集團於截至二零二零年十二月三十一日止年度在香港並無賺取任何應課稅盈利，故此並無作出香港利得稅撥備（二零一九年：無）。

中國業務之稅項根據中國稅務法律及法規，按應課稅盈利以法定稅率25%計算。年內，根據相關稅務法律及法規，若干中國附屬公司須按標準稅率之50%繳納所得稅或獲所得稅稅項全數豁免。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current – Elsewhere:	本期 – 其他國家：		
Charge for the year	本年度計提	939,986	686,494
Overprovision in prior years	過往年度撥備過剩	(15,490)	(42,302)
Deferred (note 33)	遞延(附註33)	1,235,268	1,251,341
Total tax expense for the year	本年度稅項開支總額	2,159,764	1,895,533

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

11 INCOME TAX (continued)

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

11 所得稅(續)

按適用於本公司及其大部份附屬公司所在國家或司法權區之法定稅率計算除稅前盈利之稅項支出與按實際稅率計算之稅項支出之對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before tax	除稅前盈利	9,386,724	8,263,695
Tax at the statutory tax rate	按法定稅率計算之稅項	2,427,911	2,120,261
Difference in tax rates enacted by local authorities	地方當局頒佈之稅率 差異	(786,405)	(551,872)
Effect of withholding tax on the distributable and distributed profits of the Group's PRC subsidiaries	預提所得稅對本集團中國 附屬公司可供分派及 已分派盈利之影響	280,569	245,222
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項 作出之調整	(15,490)	(42,302)
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司之 盈利及虧損	(54,821)	(66,877)
Income not subject to tax	毋須課稅收入	(37,514)	(80,966)
Expenses not deductible for tax	不可扣稅開支	311,950	268,472
Tax losses utilised from previous periods	動用過往期間之可抵扣 虧損	(9,429)	(10,065)
Tax losses not recognised	未確認可抵扣虧損	18,823	13,660
Others	其他	24,170	-
Tax expense at the Group's effective rate	按本集團實際稅率計算 之稅項支出	2,159,764	1,895,533

The share of tax attributable to joint ventures and associates amounting to HK\$99,357,000 (2019: HK\$98,352,000) and HK\$2,369,000 (2019: HK\$7,058,000), respectively, is included in "Share of profits of joint ventures and associates" in the consolidated income statement.

所佔合營企業及聯營公司稅項分別為港幣99,357,000元(二零一九年：港幣98,352,000元)及港幣2,369,000元(二零一九年：港幣7,058,000元)，已計入綜合損益表「所佔合營企業及聯營公司盈利」項下。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

12 DIVIDENDS

12 股息

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Dividends attributable to the year:	本年度股息：		
Interim – HK14.0 cents (2019: HK13.0 cents) per ordinary share	中期股息－每股 普通股14.0港仙 (二零一九年：13.0港仙)	860,017	798,587
Proposed final – HK16.0 cents (2019: HK13.0 cents) per ordinary share	擬派末期股息－每股 普通股16.0港仙 (二零一九年：13.0港仙)	982,876	798,587
		1,842,893	1,597,174
Final dividend in respect of the previous financial year paid during the year – HK13.0 cents (2019: HK12.0 cents) per ordinary share	年內已付上一個財政年度之 末期股息－每股 普通股13.0港仙 (二零一九年：12.0港仙)	798,587	737,157

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

本年度建議分派之末期股息須待本公司股東在應屆股東週年大會上批准後方可作實。於報告期末後建議分派之末期股息並未在報告期末確認為負債。

13 EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the year attributable to equity holders of the Company of HK\$6,015,863,000 (2019: HK\$5,203,291,000), and 6,142,975,292 (2019: 6,142,975,292) ordinary shares in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2020 and 2019.

13 本公司權益持有人應佔每股盈利

每股基本盈利金額乃按本公司權益持有人應佔本年度盈利港幣6,015,863,000元(二零一九年：港幣5,203,291,000元)以及年內已發行普通股6,142,975,292股(二零一九年：6,142,975,292股)計算。

截至二零二零年及二零一九年十二月三十一日止年度，本集團並無任何已發行具潛在攤薄影響之普通股。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

14 INVESTMENT PROPERTIES

14 投資物業

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	159,393	159,310
Additions	增置	8,287	3,211
Exchange realignment	匯兌調整	9,180	(3,128)
Carrying amount at 31 December	於十二月三十一日之賬面值	176,860	159,393

The directors of the Company have determined that the Group's investment properties were commercial investment properties based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2020 based on valuations performed by Beijing Deping Daxin Assets Appraisal Co., Ltd. and Shenzhen Zhong Heng Xin Assets Appraisal Co., Ltd, independent firms of surveyors, and the management, at HK\$176,860,000. Each year, the management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management has discussions with the surveyors on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 16 to the financial statements.

Further particulars of the Group's investment properties are included on page 344.

根據各項物業之性質、特性及風險，本公司董事確定本集團之投資物業屬商用投資物業。於二零二零年十二月三十一日，本集團投資物業進行重估，有關重估依據獨立測量師行北京德平達盛資產評估有限公司及深圳市中衡信資產評估有限公司及管理層所作之估值進行，重估價值為港幣176,860,000元。管理層於每個年度均會決定委聘那家外聘估值公司負責對本集團物業進行外部估值。甄選準則包括對市場之熟識程度、聲譽、獨立性及能否維持專業水平。管理層與測量師每年兩次為中期及年度財務申報而進行之估值之估值假設及估值結果進行討論。

投資物業根據經營租賃出租予第三方，其進一步資料概要載於財務報表附註16。

本集團投資物業之進一步詳情載於第344頁。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

14 INVESTMENT PROPERTIES (continued)

Fair value hierarchy

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

14 投資物業(續)

公允值架構級別

下表說明本集團投資物業之公允值計量架構級別：

Fair value measurement
as at 31 December 2020 using
於二零二零年十二月三十一日
使用以下各項進行公允值計量

		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Recurring fair value measurement for:	下列項目之經常性的公允值計量：				
Commercial investment properties	商用投資物業	-	-	176,860	176,860

Fair value measurement
as at 31 December 2019 using
於二零一九年十二月三十一日
使用以下各項進行公允值計量

		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Recurring fair value measurement for:	下列項目之經常性的公允值計量：				
Commercial investment properties	商用投資物業	-	-	159,393	159,393

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

14 INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2019: Nil).

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

14 投資物業(續)

公允值架構級別(續)

年內，第一級與第二級之間並無公允值計量轉移，第三級亦無任何轉入或轉出(二零一九年：無)。

分類於公允值架構級別第三級之公允值計量之對賬：

		Commercial investment properties 商用投資物業 HK\$'000 港幣千元
Carrying amount at 1 January 2019	於二零一九年一月一日之賬面值	159,310
Additions	增置	3,211
Exchange realignment	匯兌調整	(3,128)
Carrying amount at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日之賬面值	159,393
Additions	增置	8,287
Exchange realignment	匯兌調整	9,180
Carrying amount at 31 December 2020	於二零二零年十二月三十一日 之賬面值	176,860

No valuation gain or loss is recognised in the consolidated income statement for the years ended 31 December 2020 and 2019 as there has been no change in the fair value of the investment properties since previous valuations.

於截至二零二零年及二零一九年十二月三十一日止年度並無在綜合損益表確認任何估值盈虧，原因為投資物業之公允值自上一次估值以來並無變動。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

14 INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察輸入數據
Commercial investment properties 商用投資物業	Market comparison approach 市場比較法	Premium (discount) on quality of the buildings 有關樓宇質量之溢價(折讓) Adjustment on timing of comparable transactions 就可供比較交易時間作出之調整

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

14 投資物業(續)

公允價值架構級別(續)

下表概述投資物業估值所使用之估值技術及主要輸入數據：

投資物業之公允價值乃使用市場比較法釐定，其經參考可供比較物業按每平方米價格基準計算之近期售價，且已就本集團樓宇質量之特定溢價或折讓(與可供比較交易近期銷售及時間比較所得)作出調整。倘樓宇質量較佳以致溢價較高及倘可供比較交易之時間導致作出有利調整，均會導致計量所得之公允價值較高。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Land and buildings 土地及樓宇	Plant and machinery 廠房及機器	Leasehold improvements, furniture and fixtures 租賃物業 裝修、 傢俬及裝置	Motor vehicles, electronic equipment and others 汽車、 電子設備及 其他	Construction in progress 在建工程	Total 總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
31 December 2020	二零二零年 十二月三十一日						
Cost:	成本值:						
At 1 January 2020	於二零二零年一月一日	2,502,438	2,006,761	165,094	624,318	543,276	5,841,887
Additions	增置	76,057	43,240	64,677	155,504	1,166,663	1,506,141
Disposals and write-off	出售及撇銷	(83)	(2,789)	(2,728)	(20,051)	-	(25,651)
Disposal of a subsidiary (note 38)	出售附屬公司(附註38)	-	-	(222)	(271)	-	(493)
Transfers	轉撥	99,527	167,552	385	4,070	(271,534)	-
Transfer in (note 16(a))	轉入(附註16(a))	-	26,390	-	3,478	-	29,868
Exchange realignment	匯兌調整	146,748	149,590	13,982	48,246	79,986	438,552
At 31 December 2020	於二零二零年 十二月三十一日	2,824,687	2,390,744	241,188	815,294	1,518,391	7,790,304
Accumulated depreciation:	累計折舊:						
At 1 January 2020	於二零二零年一月一日	423,131	459,184	79,387	242,484	-	1,204,186
Charge for the year	本年度折舊	102,525	166,391	32,598	83,385	-	384,899
Disposals and write-off	出售及撇銷	(10)	(363)	(1,917)	(16,565)	-	(18,855)
Disposal of a subsidiary (note 38)	出售附屬公司(附註38)	-	-	(58)	(28)	-	(86)
Transfer in (note 16(a))	轉入(附註16(a))	-	11,647	-	1,084	-	12,731
Exchange realignment	匯兌調整	25,489	39,611	6,451	20,968	-	92,519
At 31 December 2020	於二零二零年 十二月三十一日	551,135	676,470	116,461	331,328	-	1,675,394
Net carrying amount:	賬面淨值:						
At 31 December 2020	於二零二零年 十二月三十一日	2,273,552	1,714,274	124,727	483,966	1,518,391	6,114,910

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

15 PROPERTY, PLANT AND EQUIPMENT (continued)

15 物業、廠房及設備(續)

		Land and buildings 土地及樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及機器 HK\$'000 港幣千元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、傢私 及裝置 HK\$'000 港幣千元	Motor vehicles, electronic equipment and others 汽車、 電子設備及 其他 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2019	二零一九年 十二月三十一日						
Cost:	成本值:						
At 1 January 2019	於二零一九年一月一日	2,321,963	1,865,939	123,843	417,909	559,114	5,288,768
Additions	增置	25,913	34,891	44,545	226,443	322,180	653,972
Acquisition of subsidiaries (note 37)	收購附屬公司 (附註37)	53,826	28,272	2,621	5,321	7,276	97,316
Disposals and write-off	出售及撇銷	(1,101)	(3,652)	(2,155)	(18,417)	-	(25,325)
Transfers	轉撥	178,739	139,519	-	4,150	(322,408)	-
Transfer in (note 16(a))	轉入(附註16(a))	-	3,951	-	5,488	-	9,439
Exchange realignment	匯兌調整	(76,902)	(62,159)	(3,760)	(16,576)	(22,886)	(182,283)
At 31 December 2019	於二零一九年 十二月三十一日	2,502,438	2,006,761	165,094	624,318	543,276	5,841,887
Accumulated depreciation:	累計折舊:						
At 1 January 2019	於二零一九年一月一日	335,429	353,316	58,043	187,790	-	934,578
Charge for the year	本年度折舊	98,680	118,009	25,098	70,078	-	311,865
Disposals and write-off	出售及撇銷	(164)	(3,793)	(2,131)	(12,265)	-	(18,353)
Transfer in (note 16(a))	轉入(附註16(a))	-	2,335	-	2,614	-	4,949
Exchange realignment	匯兌調整	(10,814)	(10,683)	(1,623)	(5,733)	-	(28,853)
At 31 December 2019	於二零一九年 十二月三十一日	423,131	459,184	79,387	242,484	-	1,204,186
Net carrying amount:	賬面淨值:						
At 31 December 2019	於二零一九年 十二月三十一日	2,079,307	1,547,577	85,707	381,834	543,276	4,637,701

At 31 December 2020, certain of the Group's items of property, plant and equipment with an aggregate carrying amount of HK\$1,135,768,000 (2019: HK\$1,382,422,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 42 to the financial statements.

於二零二零年十二月三十一日，本集團若干物業、廠房及設備項目賬面總值港幣1,135,768,000元(二零一九年：港幣1,382,422,000元)已抵押作為本集團獲授銀行融資之抵押品，進一步詳情載於財務報表附註29及附註42。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

16 LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings, plant and machinery, and motor vehicles, electronic equipment and others used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease terms of 10 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 1.3 and 30 years, plant and machinery generally have lease terms between 1.3 and 5 years, while motor vehicles, electronic equipment and others generally have lease terms between 1.1 and 6 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

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

16 租賃

本集團作為承租人

本集團具有涉及業務運作中使用的樓宇、廠房及機器，以及汽車、電子設備及其他項目等多個項目的租賃合約。本集團已作出一次性前期付款，從擁有人獲取租期為10年至50年的租賃土地，而根據該等土地租賃之條款，無需作出持續性付款。樓宇之租期一般為1.3年至30年；廠房及機器之租期一般為1.3年至5年；而汽車、電子設備及其他項目之租期則一般為1.1年至6年。基本上，本集團不得向本集團以外人士轉讓及分租有關租賃資產。

(a) 使用權資產

本集團使用權資產之賬面值及其年內變動如下：

		Prepaid land lease payments 預付土地 租賃款項 HK\$'000 港幣千元	Buildings 樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及 機器 HK\$'000 港幣千元	Motor vehicles, electronic equipment and others 汽車、電子 設備及其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	213,082	13,992	45,043	11,905	284,022
Additions	增置	160,771	82,542	20,941	6,348	270,602
Additions as a result of acquisition of subsidiaries (note 37)	因收購附屬公司而增置 (附註37)	105,785	-	-	-	105,785
Transfer out (note 15)	轉出(附註15)	-	-	(1,617)	(2,873)	(4,490)
Depreciation charge	折舊開支	(8,238)	(25,974)	(9,233)	(2,889)	(46,334)
Exchange realignment	匯兌調整	(9,941)	(527)	(1,183)	(261)	(11,912)
As at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日	461,459	70,033	53,951	12,230	597,673
Additions	增置	231,360	8,625	10,909	5,188	256,082
Transfer out (note 15)	轉出(附註15)	-	-	(14,743)	(2,394)	(17,137)
Depreciation charge	折舊開支	(12,701)	(36,084)	(7,962)	(3,390)	(60,137)
Exchange realignment	匯兌調整	43,141	934	1,317	392	45,784
As at 31 December 2020	於二零二零年十二月三十一日	723,259	43,508	43,472	12,026	822,265

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

16 LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets (continued)

At 31 December 2020, certain of the Group's right-of-use assets with an aggregate carrying amount of HK\$243,771,000 (2019: HK\$113,686,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 42 to the financial statements.

At 31 December 2020, certain of the Group's right-of-use assets with an aggregate carrying amount of HK\$49,395,000 (2019: HK\$57,683,000) were pledged to secure the Group's lease liabilities, further details of which are included in notes 29 and 42 to the financial statements.

(b) Lease liabilities

The carrying amount of the Group's lease liabilities (included under interest-bearing borrowings) and the movements during the year are as follows:

16 租賃(續)

本集團作為承租人(續)

(a) 使用權資產(續)

於二零二零年十二月三十一日，本集團若干使用權資產(賬面總值港幣243,771,000元(二零一九年：港幣113,686,000元))已抵押作為本集團獲授銀行融資之抵押品，進一步詳情載於財務報表附註29及附註42。

於二零二零年十二月三十一日，本集團賬面總值港幣49,395,000元(二零一九年：港幣57,683,000元)之若干使用權資產已抵押作為本集團租賃負債之抵押品，進一步詳情載於財務報表附註29及附註42。

(b) 租賃負債

本集團租賃負債(計入計息借貸)之賬面值及其年內變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	121,063	57,229
New leases	新訂租賃	24,722	109,831
Accretion of interest recognised during the year	年內已確認利息增加	4,264	5,165
Payments	付款	(59,560)	(49,440)
Exchange realignment	匯兌調整	1,516	(1,722)
Carrying amount at 31 December	於十二月三十一日之賬面值	92,005	121,063
Analysed into:	分析:		
Current portion	即期部份	34,245	52,195
Non-current portion	非即期部份	57,760	68,868
Carrying amount at 31 December	於十二月三十一日之賬面值	92,005	121,063

The maturity analysis of lease liabilities is disclosed in note 29 to the financial statements.

租賃負債之到期情況分析於財務報表附註29披露。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

16 LEASES (continued)

The Group as a lessee (continued)

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest on lease liabilities	租賃負債利息	4,264	5,165
Depreciation charge of right-of-use assets	使用權資產折舊開支	60,137	46,334
Expense relating to short-term leases and other leases with remaining lease terms ended on or before 31 December 2019 (included in administrative expenses)	有關短期租賃及餘下租期已於二零一九年十二月三十一日或之前結束之其他租賃之開支(計入行政費用)	38,701	39,949
Total amount recognised in profit or loss	於損益表中確認之總金額	103,102	91,448

(d) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 41(c) and 43, respectively, to the financial statements.

16 租賃(續)

本集團作為承租人(續)

(c) 於損益表中確認之租賃相關金額如下：

(d) 租賃之現金流出總額及尚未開始之租賃之相關未來現金流出分別於財務報表附註41(c)及附註43披露。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

16 LEASES (continued)

The Group as a lessor

The Group leases its investment properties (note 14) under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was HK\$7,745,000 (2019: HK\$7,001,000), details of which are included in note 6 to the financial statements.

At 31 December 2020, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within one year	一年內	7,742	7,249
After one year but within two years	一年後但兩年內	5,843	7,249
After two years but within three years	兩年後但三年內	4,038	5,471
After three years but within four years	三年後但四年內	95	3,781
After four years but within five years	四年後但五年內	79	89
After five years	五年後	-	74
		17,797	23,913

The Group leases its machinery to customer under finance lease arrangement, further details of which are included in note 24 to the financial statements.

16 租賃(續)

本集團作為出租人

本集團根據經營租賃安排出租其投資物業(附註14)，租賃條款一般規定租戶須支付保證金，並規定可定期按照當時之市場情況調整租金。年內，本集團已確認之租金收入為港幣7,745,000元(二零一九年：港幣7,001,000元)，有關詳情載於財務報表附註6。

於二零二零年十二月三十一日，根據本集團與其租戶訂立之不可解除經營租賃，本集團於未來期間的未貼現應收租賃款項如下：

本集團根據融資租賃安排出租機器予其客戶，進一步詳情載於財務報表附註24。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

17 GOODWILL

17 商譽

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost and net carrying amount at 1 January	於一月一日之成本值及賬面淨值	1,908,783	1,753,737
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	154,252
Exchange realignment	匯兌調整	108,034	794
Cost and net carrying amount at 31 December	於十二月三十一日之成本值及賬面淨值	2,016,817	1,908,783

Impairment testing of goodwill

The carrying amount of goodwill allocated to the Group's cash-generating units ("CGUs") identified according to business segment is as follows:

商譽之耗損測試

下表列示已分配至本集團按業務分部分類之現金生產單位(「現金生產單位」)之商譽之賬面值：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Environmental energy project construction and operation	環保能源項目建造及運營	779,914	748,596
Greentech project construction and operation	綠色環保項目建造及運營	157,609	149,079
Environmental water project construction and operation	環保水務項目建造及運營	1,079,294	1,011,108
		2,016,817	1,908,783

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

17 GOODWILL (continued)

Impairment testing of goodwill (continued)

Goodwill allocated to individual CGUs

The carrying amount of goodwill allocated to the individual CGUs is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Allocated to the individual CGUs in:	分配至以下分部之獨立現金生產單位：		
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	704,279	677,065
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	64,380	60,276
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	11,255	11,255
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	72,682	68,049
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	69,584	65,149
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	15,343	15,881
– “Environmental water project construction and operation” segment	– 「環保水務項目建造及運營」分部	9,538	9,538
		947,061	907,213

The goodwill of HK\$704,279,000 as at 31 December 2020 (2019: HK\$677,065,000) arose from the acquisition of the entire equity interest in Arent Capital Sp. z o.o. (the name was changed to Arent Capital Finance Sp. z o.o. with effect from 24 March 2017) and Uscudar Holdings Limited and their subsidiaries in a previous year, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquirees.

The goodwill of HK\$64,380,000 as at 31 December 2020 (2019: HK\$60,276,000) arose from the acquisition of the entire equity interest in 九江威立雅環境服務有限公司 (the name was changed to Everbright Environmental Energy (Jiujiang) Limited with effect from 18 July 2018) in a previous year, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

17 商譽(續)

商譽之耗損測試(續)

分配至獨立現金生產單位之商譽

分配至獨立現金生產單位之商譽之賬面值如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Allocated to the individual CGUs in:	分配至以下分部之獨立現金生產單位：		
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	704,279	677,065
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	64,380	60,276
– “Environmental energy project construction and operation” segment	– 「環保能源項目建造及運營」分部	11,255	11,255
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	72,682	68,049
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	69,584	65,149
– “Greentech project construction and operation” segment	– 「綠色環保項目建造及運營」分部	15,343	15,881
– “Environmental water project construction and operation” segment	– 「環保水務項目建造及運營」分部	9,538	9,538
		947,061	907,213

於二零二零年十二月三十一日之商譽港幣 704,279,000 元 (二零一九年：港幣 677,065,000 元) 來自過往年度收購 Arent Capital Sp. z o.o. (自二零一七年三月二十四日起，公司名稱變更為 Arent Capital Finance Sp. z o.o.) 及 Uscudar Holdings Limited 以及彼等之附屬公司全部股權，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

於二零二零年十二月三十一日之商譽港幣 64,380,000 元 (二零一九年：港幣 60,276,000 元) 來自過往年度收購九江威立雅環境服務有限公司 (自二零一八年七月十八日起，公司名稱變更為光大環保能源(九江)有限公司，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

17 GOODWILL (continued)

Impairment testing of goodwill (continued)

Goodwill allocated to individual CGUs (continued)

The goodwill of HK\$72,682,000 as at 31 December 2020 (2019: HK\$68,049,000) arose from the acquisition of 88.88% of the equity interest in Suntime Environmental Remediation CO., Ltd (“Suntime Environmental Remediation”) (note 37(a)) in 2019, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

The goodwill of HK\$69,584,000 as at 31 December 2020 (2019: HK\$65,149,000) arose from the acquisition of 90% of the equity interest in Jiangsu Jiayuan Environmental Technology Company Limited (“Jiangsu Jiayuan”) (the name was changed to EB Greentech Technology (Wuxi) Limited with effect from 24 March 2020) (note 37(b)) in 2019, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

The recoverable amount of the respective CGUs 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. The pre-tax discount rates of 7.9% to 12.0% (2019: 8.4% to 13.7%) have been used for the value-in-use calculations, and cash flows beyond the five-year period were extrapolated using growth rates of 2% to 3% (2019: 2% to 3%). Management determined the budgets based on service agreements governing the relevant operations. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. Based on the assessment, no impairment is considered necessary as at 31 December 2020 (2019: Nil).

17 商譽(續)

商譽之耗損測試(續)

分配至獨立現金生產單位之商譽(續)

於二零二零年十二月三十一日之商譽港幣 72,682,000 元(二零一九年：港幣 68,049,000 元)來自二零一九年度收購上田環境修復有限公司(「上田環境修復」) 88.88% 股權(附註 37(a))，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

於二零二零年十二月三十一日之商譽港幣 69,584,000 元(二零一九年：港幣 65,149,000 元)來自二零一九年度收購江蘇佳願環境科技有限公司(「江蘇佳願」)(自二零二零年三月二十四日起，公司名稱變更為光大綠色環保科技(無錫)有限公司) 90% 股權(附註 37(b))，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

有關現金生產單位之可收回金額乃根據使用價值計算法釐定，其按照管理層已核准之五年期間財務預算之現金流量預測計算。用於計算使用價值之稅前貼現率為 7.9% 至 12.0% (二零一九年：8.4% 至 13.7%)，而超過五年期間之現金流量乃以增長率 2% 至 3% (二零一九年：2% 至 3%) 推算。管理層根據監管有關業務之服務協議，釐定有關預算。所使用之貼現率為能反映有關分部特定風險之稅前貼現率。根據評估結果，於二零二零年十二月三十一日，毋需確認任何耗損(二零一九年：無)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

17 GOODWILL (continued)

Impairment testing of goodwill (continued)

Goodwill allocated to a segment

The goodwill as at 31 December 2020 also comprised HK\$38,712,000 (2019: HK\$36,244,000), HK\$264,216,000 (2019: HK\$247,375,000) and HK\$766,828,000 (2019: HK\$717,951,000), arising from the acquisition of Xuzhou Municipal Engineering Design Institute Co., Ltd. (“Xuzhou Engineering Design Institute”), Dalian Dongda Water Co., Ltd (the name was changed to Everbright Water (Dalian) Co., Ltd. with effect from 14 March 2019) and HanKore Environment Tech Group Limited, respectively, in previous years, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquirees.

For the purpose of impairment testing, such goodwill has been allocated to the “Environmental water project construction and operation” segment.

The recoverable amount of the group of CGUs within the “Environmental water project construction and operation” segment is determined based on value-in-use calculations using cash flow projections based on financial budgets covering a five-year period approved by management. The pre-tax discount rate applied to the cash flow projections was 11.2% (2019: 11.0%) and cash flows beyond the five-year period were extrapolated using a growth rate of 3% (2019: 3%). Management determined the budgets based on service agreements governing the relevant operations. Based on the assessment, no impairment is considered necessary as at 31 December 2020 (2019: Nil).

None of the goodwill acquired is expected to be deductible for tax purposes.

17 商譽(續)

商譽之耗損測試(續)

分配至分部之商譽

於二零二零年十二月三十一日之商譽亦包括來自過往年度收購徐州市市政設計院有限公司(「徐州市市政設計院」)之港幣38,712,000元(二零一九年：港幣36,244,000元)，來自收購大連東達水務有限公司(自二零一九年三月十四日起，公司名稱變更為光大水務(大連)有限公司)之港幣264,216,000元(二零一九年：港幣247,375,000元)及來自收購漢科環境科技集團有限公司之港幣766,828,000元(二零一九年：港幣717,951,000元)，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

就耗損測試而言，有關商譽已被分配至「環保水務項目建造及運營」分部。

屬於「環保水務項目建造及運營」分部之一組現金生產單位之可收回金額乃根據使用價值計算法按照管理層已核准之五年期間財務預算之現金流量預測釐定。應用於現金流量預測之稅前貼現率為11.2%(二零一九年：11.0%)，而超過五年期間之現金流量乃以增長率3%(二零一九年：3%)推算。管理層根據監管有關業務之服務協議，釐定有關預算。根據評估結果，於二零二零年十二月三十一日，毋需確認任何耗損(二零一九年：無)。

預期收購所得之商譽皆不可扣稅。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

18 INTANGIBLE ASSETS

18 無形資產

		Environmental energy project operating rights 環保能源 項目運營權 HK\$'000 港幣千元	Greentech project operating rights 綠色環保 項目運營權 HK\$'000 港幣千元	Environmental water project operating rights 環保水務 項目運營權 HK\$'000 港幣千元	Patents, trademarks and licences 專利、商標 及牌照 HK\$'000 港幣千元	Computer software 電腦軟件 HK\$'000 港幣千元	Backlog contracts 未完成合約 港幣千元	Technology 技術 HK\$'000 港幣千元	Customer relations 客戶關係 HK\$'000 港幣千元	Trade contracts 貿易合同 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2020	二零二零年 十二月三十一日										
Cost:	成本值:										
At 1 January 2020	於二零二零年一月一日	5,868,765	11,270,488	1,955,202	228,432	10,311	232,346	93,179	101,480	10,541	19,770,744
Additions	增置	3,277,519	2,304,535	162,091	14,699	13,677	-	3,204	-	-	5,775,725
Transfer in	轉入	297,722	-	-	-	-	-	-	-	-	297,722
Disposals	出售	-	-	-	-	-	(28,782)	-	-	-	(28,782)
Disposal of a subsidiary (note 38)	出售附屬公司(附註38)	(111,230)	-	-	-	-	-	-	-	-	(111,230)
Exchange realignment	匯兌調整	577,833	888,067	141,788	15,962	1,412	14,279	4,157	4,242	403	1,648,143
At 31 December 2020	於二零二零年 十二月三十一日	9,910,609	14,463,090	2,259,081	259,093	25,400	217,843	100,540	105,722	10,944	27,352,322
Accumulated amortisation and impairment:	累計攤銷及耗損:										
At 1 January 2020	於二零二零年一月一日	246,780	603,515	313,370	73,853	3,848	39,966	32,449	46,646	8,784	1,369,211
Amortisation provided during the year	年內攤銷撥備	223,008	387,735	65,627	27,869	2,286	8,284	9,514	14,549	1,720	740,592
Impairment during the year	年內耗損	-	216,723	-	-	-	-	-	-	-	216,723
Disposals	出售	-	-	-	-	-	(28,782)	-	-	-	(28,782)
Disposal of a subsidiary (note 38)	出售附屬公司(附註38)	(6,592)	-	-	-	-	-	-	-	-	(6,592)
Exchange realignment	匯兌調整	35,376	73,472	12,173	6,245	357	1,625	1,854	3,031	440	134,573
At 31 December 2020	於二零二零年 十二月三十一日	498,572	1,281,445	391,170	107,967	6,491	21,093	43,817	64,226	10,944	2,425,725
Net carrying amount:	賬面淨值:										
At 31 December 2020	於二零二零年 十二月三十一日	9,412,037	13,181,645	1,867,911	151,126	18,909	196,750	56,723	41,496	-	24,926,597

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

18 INTANGIBLE ASSETS (continued)

18 無形資產(續)

		Environmental energy project operating rights 環保能源 項目運營權 HK\$'000 港幣千元	Greentech project operating rights 綠色環保 項目運營權 HK\$'000 港幣千元	Environmental water project operating rights 環保水務 項目運營權 HK\$'000 港幣千元	Patents, trademarks and licences 專利、商標 及牌照 HK\$'000 港幣千元	Computer software 電腦軟件 HK\$'000 港幣千元	Backlog contracts 未完成合約 HK\$'000 港幣千元	Technology 技術 HK\$'000 港幣千元	Customer relations 客戶關係 HK\$'000 港幣千元	Trade contracts 貿易合同 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2019	二零一九年 十二月三十一日										
Cost:	成本值:										
At 1 January 2019	於二零一九年一月一日	3,343,197	7,878,376	1,765,534	106,300	5,469	240,843	81,130	103,556	10,747	13,535,152
Additions	增置	2,489,028	3,661,081	236,843	3,452	5,084	-	-	-	-	6,395,488
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	-	-	126,844	-	3,070	14,229	-	-	144,143
Transfer in	轉入	174,113	-	-	-	-	-	-	-	-	174,113
Exchange realignment	匯兌調整	(137,573)	(268,969)	(47,175)	(8,164)	(242)	(11,567)	(2,180)	(2,076)	(206)	(478,152)
At 31 December 2019	於二零一九年 十二月三十一日	5,868,765	11,270,488	1,955,202	228,432	10,311	232,346	93,179	101,480	10,541	19,770,744
Accumulated amortisation:	累計攤銷:										
At 1 January 2019	於二零一九年一月一日	111,948	388,176	250,538	47,444	3,638	32,558	19,553	32,075	6,271	892,201
Amortisation provided during the year	年內攤銷撥備	140,677	229,391	65,992	28,170	685	8,465	13,398	15,350	2,654	504,782
Exchange realignment	匯兌調整	(5,845)	(14,052)	(3,160)	(1,761)	(475)	(1,057)	(502)	(779)	(141)	(27,772)
At 31 December 2019	於二零一九年 十二月三十一日	246,780	603,515	313,370	73,853	3,848	39,966	32,449	46,646	8,784	1,369,211
Net carrying amount:	賬面淨值:										
At 31 December 2019	於二零一九年 十二月三十一日	5,621,985	10,666,973	1,641,832	154,579	6,463	192,380	60,730	54,834	1,757	18,401,533

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

18 INTANGIBLE ASSETS (continued)

Impairment testing of intangible assets

According to the supplementary circular on issues related to the “Opinions on promoting the healthy development of non-hydro renewable power generation” (Caijian [2020] No 426) (《關於促進非水可再生能源發電健康發展的若干意見》有關事項的補充通知) issued during the year ended 31 December 2020, the Group will not be entitled to the renewable energy tariff subsidy for certain projects either when the operation period exceeds certain years or when lifetime operation hours exceed certain hours, whichever is earlier. In light of the above, management performed impairment assessment on the assets of operating plants under each service concession agreement within the scope of the supplementary circular (i.e. individual CGUs).

Based on the result of the impairment assessment, impairment losses of certain greentech project operating rights in “Greentech project construction and operation” segment of HK\$216,723,000 (2019: Nil) has been recognised for the year ended 31 December 2020. The aggregate recoverable amounts of the relevant CGUs with impairment losses recognised amounted to HK\$2,287,963,000 as at 31 December 2020, and were determined using fair value less costs of disposal calculations based on the discounted cash flow method. The fair value measurement was categorised under Level 3 with significant unobservable inputs.

18 無形資產(續)

無形資產之耗損測試

根據於截至二零二零年十二月三十一日止年度發佈之《〈關於促進非水可再生能源發電健康發展的若干意見〉有關事項的補充通知》(財建[2020]426號)，倘運營期超過若干年或全期運營時數超過若干小時(以較早者為準)，本集團將不獲授予若干項目的再生能源電價補貼。鑒於上文所述，管理層就補充通知範圍內各服務特許經營權協議項下之運營廠房的資產(即獨立現金生產單位)進行耗損評估。

根據耗損評估結果，截至二零二零年十二月三十一日止年度，已確認若干於「綠色環保項目建造及運營」分部之綠色環保項目運營權之耗損虧損港幣216,723,000元(二零一九年：無)。於二零二零年十二月三十一日，已確認耗損虧損之相關現金生產單位之可收回金額總額為港幣2,287,963,000元，乃根據公允值減去出售成本計算，使用貼現現金流量法釐定。公允值計量分類於第三級且擁有重大不可觀察輸入數據。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

18 INTANGIBLE ASSETS (continued)

Impairment testing of intangible assets (continued)

Under the discounted cash flow method, fair value is estimated based on projection of a series of cash flows from the perspective of market participants covering projection periods of the remaining service concession periods which are stipulated in the respective service concession agreements. A market-derived discount rate is applied to the projected cash flows in order to establish the present value of the cash flows.

Key assumptions used in fair value less costs of disposal calculations of the relevant CGUs with impairment losses recognised in 2020 include revenue annual growth rate, operating costs and discount rates. Revenue is projected with a constant unit price and processing volume at growth rates of 5% to 8% per annum (till reaching optimal production effectiveness) over the projection periods. Operating expenses are expected to increase at a rate of 2.8% per annum which is the long term inflation rate. The pre-tax discount rates applied to the cash flow projections ranging from 13.5% to 17.5%.

18 無形資產(續)

無形資產之耗損測試(續)

根據貼現現金流量法，公允值乃根據一連串現金流量之預測從市場參與者的角度進行估計，當中涵蓋相關服務特許經營權協議列明之餘下服務特許經營權期間之預測期間。預測現金流量採用市場衍生之貼現率，以確立現金流量之現值。

於二零二零年確認耗損虧損之有關現金生產單位之公允值減去出售成本計算法所使用的主要假設包括收益年增長率、營運成本及貼現率。收益於預測期間以固定單位價格及處理量按年增長率5%至8%(直至達致最佳生產效率)預測。經營費用預期將按每年2.8%速率(長期通脹率)增加。應用於現金流量預測之稅前貼現率介乎13.5%至17.5%。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

18 INTANGIBLE ASSETS (continued)

Impairment testing of intangible assets (continued)

Key assumptions used are made reference to historical data of existing projects, observable market data of comparable companies and industry reports, management expectation for the market development and is consistent with their business plans. The discount rates used are the pre-tax rates that reflect the current market assessments of the time value of money and the specific risks relating to the relevant CGUs.

A significant increase (decrease) in the revenue growth rate would result in a significant increase (decrease) in the fair value of the relevant CGUs. A significant increase (decrease) in the discount rate and inflation rate in isolation would result in a significant decrease (increase) in the fair value of the relevant CGUs.

As at 31 December 2020, certain of the Group's concession rights of the environmental energy projects, greentech projects and environmental water projects (comprising operating rights, contract assets, debtors and other receivables) with an aggregate carrying amount of HK\$73,287,171,000 (2019: HK\$49,327,041,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 42 to the financial statements.

18 無形資產(續)

無形資產之耗損測試(續)

所用的主要假設乃參考現有項目之歷史數據、可供比較公司之可觀察市場數據及行業報告以及管理層對市場發展之預期而作出，並與彼等之業務計劃相符。貼現率乃使用能反映市場當前所評估之貨幣時間價值及有關相關現金生產單位之特定風險之除稅前貼現率。

收益增長率大幅增加(減少)會導致相關現金生產單位公允值大幅增加(減少)。貼現率及通脹率單獨大幅增加(減少)會導致相關現金生產單位公允值大幅減少(增加)。

於二零二零年十二月三十一日，本集團若干環保能源項目、綠色環保項目及環保水務項目之特許經營權(包括運營權、合約資產、應收賬款及其他應收款項)賬面總值港幣73,287,171,000元(二零一九年：港幣49,327,041,000元)已抵押作為本集團獲授銀行融資之抵押品，進一步詳情載於財務報表附註29及附註42。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES

19 合營企業權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	1,011,847	1,163,597

The Group's debtors due from the joint ventures are disclosed in note 25 to the financial statements.

本集團之應收合營企業賬款於財務報表附註25披露。

Particulars of the Group's material joint ventures are as follows:

本集團重大合營企業之資料如下：

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest 擁有權權益百分比		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Everbright Jiangdong Environmental Energy (Ma'anshan) Limited ("EB Energy (Ma'anshan)") ⁺ (note (a)) 光大江東環保能源(馬鞍山)有限公司(「光大能源(馬鞍山)」) (附註(a))	Paid up capital of Renminbi ("RMB") 261,320,700 繳足股本人民幣 261,320,700元	PRC/ Mainland China 中國/中國大陸	50	50	Design, construction, operation and maintenance of waste-to-energy plants and food waste treatment plant 設計、建造、運營及維護垃圾發電廠及餐廚垃圾處理廠
EBG SUEZ Environmental Services (Changzhou) Co., Limited (formerly known as "Everbright SITA Solid Waste Treatment (Changzhou) Limited") ("EBG SUEZ (Changzhou)") (note (b)) 光潔蘇伊士環境服務(常州)有限公司 (前稱「光大升達固廢處置(常州)有限公司」)(「光潔蘇伊士(常州)」) (附註(b))	Paid up capital of RMB110,000,000 繳足股本人民幣 110,000,000元	PRC/ Mainland China 中國/中國大陸	34.85	34.85	Design, construction, operation and maintenance of hazardous waste incineration project 設計、建造、運營及維護危廢焚燒項目

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued)

Particulars of the Group's material joint ventures are as follows: (continued)

19 合營企業權益(續)

本集團重大合營企業之資料如下：(續)

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest 擁有權權益百分比		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Sichuan Everbright Environmental Investment Limited ("Sichuan EB Investment") (note (c)) 四川光大節能環保投資有限公司 (「四川光大投資」)(附註(c))	Paid up capital of RMB500,000,000 繳足股本人民幣 500,000,000元	PRC/ Mainland China 中國／中國大陸	-	49	Investment in waste-to-energy plants 投資垃圾發電廠
Hangzhou Fuyang Luzhu Environmental Energy Limited ("Fuyang Luzhu") ⁺ (note (d)) 杭州富陽淶諸環境能源有限公司(「富陽淶諸」)(附註(d))	Paid up capital of RMB458,700,000 繳足股本人民幣 458,700,000元	PRC/ Mainland China 中國／中國大陸	49	49	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護環保項目
Hebei Xiong'an Everbright Ecological Park Limited ("Hebei Xiong'an") (note (e)) 河北雄安光大生態產業園有限公司 (「河北雄安」)(附註(e))	Paid up capital of RMB600,000,000 繳足股本人民幣 600,000,000元	PRC/ Mainland China 中國／中國大陸	46	N/A 不適用	Design, construction, operation and maintenance of waste-to-energy plant, food waste treatment plant, sludge treatment and disposal plant and medical waste treatment plant 設計、建造、運營及維護垃圾發電廠、餐廚垃圾處理廠、污泥處理處置廠及醫療廢物處理廠

* English translation is for identification only.

* 英文譯名僅供識別。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued)

Notes:

- (a) During the year ended 31 December 2020, the Group made capital contributions of approximately HK\$50,362,000 to EB Energy (Ma'anshan). EB Energy (Ma'anshan) was established by the Group with Ma'anshan City Development Investment Group Limited in the PRC, the other investor to this joint venture, to carry out the Group's waste-to-energy business in specific areas in Ma'anshan City.
- (b) EBG SUEZ (Changzhou) was established by the Group with SITA Asia Pacific Limited in the PRC, the other investor to this joint venture, to enhance the harmless disposal of hazardous waste of Changzhou City.
- (c) Sichuan EB Investment was established by the Group with Sichuan Energy Investment Limited in the PRC, the other investor to this joint venture, to invest in the waste-to-energy sector in Sichuan Province.

During the year, the Group disposed of its entire equity interest in Sichuan EB Investment to an independent third party for a cash consideration of RMB627,200,000 (equivalent to approximately HK\$711,245,000), and loss on disposal of joint ventures of approximately HK\$144,087,000 was resulted and recognised in the consolidated income statement during the year ended 31 December 2020.

- (d) Fuyang Luzhu was established by the Group with Zhejiang Fuchunjiang Environmental Thermoelectric Company Limited in the PRC, the other investor to this joint venture, to carry out the Group's environmental protection projects in Fuyang Luzhu City.
- (e) During the year ended 31 December 2020, the Group made capital contributions of approximately HK\$311,011,000 to Hebei Xiong'an. Hebei Xiong'an was established by the Group with China Xiong'an Ecological Construction Investment Limited and China Construction Second Engineering Bureau Limited in the PRC, the other investors to this joint venture, to carry out the Group's environmental protection projects in Xiong'an New Area.

As at 31 December 2020, except for Hebei Xiong'an, which is directly held by the Company, the above investments are held by the Company's subsidiaries.

19 合營企業權益(續)

附註：

- (a) 於截至二零二零年十二月三十一日止年度，本集團向光大能源(馬鞍山)注資約港幣50,362,000元。光大能源(馬鞍山)由本集團及馬鞍山市城投集團市政公用事業投資管理有限公司(此合營企業之另一投資者)於中國成立，以於馬鞍山市指定地區進行本集團之垃圾發電業務。
- (b) 光潔蘇伊士(常州)由本集團及升達亞洲有限公司(此合營企業之另一投資者)於中國成立，以提升常州市之無害化危廢處理工作。
- (c) 四川光大投資由本集團及四川省能源投資集團有限責任公司(此合營企業之另一投資者)於中國成立，以投資於四川省之垃圾發電業。

年內，本集團向一名獨立第三方出售其於四川光大投資之全部股權，現金代價為人民幣627,200,000元(相當於約港幣711,245,000元)，出售合營企業產生之虧損約港幣144,087,000元已於截至二零二零年十二月三十一日止年度之綜合損益表確認。

- (d) 富陽淥諸由本集團及浙江富春江環熱電股份有限公司(此合營企業之另一投資者)於中國成立，以於富陽淥諸市進行本集團之環保項目。
- (e) 於截至二零二零年十二月三十一日止年度，本集團向河北雄安注資約港幣311,011,000元。河北雄安由本集團與中國雄安集團生態建設投資有限公司及中國建築第二工程局有限公司(此合營企業之其他投資者)於中國成立，以於雄安新區進行本集團之環保項目。

於二零二零年十二月三十一日，除河北雄安由本公司直接持有外，上述投資由本公司附屬公司持有。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued)

The following table illustrates the summarised financial information in respect of the material joint ventures, Fuyang Luzhu, Hebei Xiong'an, and Sichuan EB Investment and its subsidiaries, adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements. Sichuan EB Investment and its subsidiaries were disposed of during the year ended 31 December 2020.

Fuyang Luzhu

19 合營企業權益(續)

下表載列重大合營企業富陽淶諸、河北雄安以及四川光大投資及其附屬公司之財務資料概要，其已就會計政策差異作出調整，並已與綜合財務報表所載賬面值對賬。四川光大投資及其附屬公司已於截至二零二零年十二月三十一日止年度出售。

富陽淶諸

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	27,072	5,527
Other current assets	其他流動資產	2,516	514,058
Current assets	流動資產	29,588	519,585
Non-current assets	非流動資產	1,398,684	301
Trade and other payables and provisions	貿易及其他應付款項及撥備	(143,065)	(12,041)
Other current liabilities	其他流動負債	(799)	-
Current liabilities	流動負債	(143,864)	(12,041)
Non-current financial liabilities, excluding trade and other payables and provisions	非流動財務負債(不包括貿易及其他應付款項及撥備)	(609,804)	-
Net assets attributable to the Group	本集團應佔資產淨額	674,604	507,845
Reconciliation to the Group's interest in Fuyang Luzhu:	與本集團於富陽淶諸之權益之對賬:		
Proportion of the Group's ownership	本集團之擁有權比例	49%	49%
Group's share of net assets of Fuyang Luzhu	本集團應佔富陽淶諸資產淨額	330,556	248,844
Carrying amount of the investment	有關投資之賬面值	330,556	248,844
Revenue	收益	1,260,129	-
Interest income	利息收入	546	-
Depreciation and amortisation	折舊及攤銷	(100)	-
Interest expenses	利息支出	(8,144)	-
Tax	稅項	(52,077)	-
Profit/(loss) for the year	年度盈利/(虧損)	125,467	(873)
Other comprehensive income/(loss)	其他全面收入/(虧損)	41,292	(2,044)
Total comprehensive income/(loss) for the year	年度全面收入/(虧損)總額	166,759	(2,917)

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

Hebei Xiong'an

河北雄安

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	408,185	–
Other current assets	其他流動資產	535,954	–
Current assets	流動資產	944,139	–
Non-current assets	非流動資產	378,809	–
Trade and other payables and provisions (under current liabilities)	流動負債下之貿易及 其他應付款項及撥備	(325,736)	–
Non-current financial liabilities, excluding trade and other payables and provisions	非流動財務負債(不包括 貿易及其他應付款項及 撥備)	(249,839)	–
Net assets attributable to the Group	本集團應佔資產淨額	747,373	–
Reconciliation to the Group's interest in Hebei Xiong'an:	與本集團於河北雄安之 權益之對賬：		
Proportion of the Group's ownership	本集團之擁有權比例	46%	N/A 不適用
Group's share of net assets of Hebei Xiong'an	本集團應佔河北雄安資產 淨額	343,659	–
Carrying amount of the investment	有關投資之賬面值	343,659	–
Revenue	收益	359,188	–
Interest income	利息收入	2,578	–
Depreciation and amortisation	折舊及攤銷	(23)	–
Interest expenses	利息支出	(145)	–
Tax	稅項	(14,406)	–
Profit for the year	年度盈利	34,809	–
Other comprehensive income	其他全面收入	36,166	–
Total comprehensive income for the year	年度全面收入總額	70,975	–

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

Sichuan EB Investment and its subsidiaries

四川光大投資及其附屬公司

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	-	556,814
Other current assets	其他流動資產	-	2,584,188
Current assets	流動資產	-	3,141,002
Non-current assets	非流動資產	-	3,685,516
Trade and other payables and provisions	貿易及其他應付款項及撥備	-	(3,194,433)
Other current liabilities	其他流動負債	-	(166,978)
Current liabilities	流動負債	-	(3,361,411)
Non-current financial liabilities, excluding trade and other payables and provisions	非流動財務負債(不包括貿易及其他應付款項及撥備)	-	(1,894,374)
Other non-current liabilities	其他非流動負債	-	(116,398)
Non-current liabilities	非流動負債	-	(2,010,772)
Non-controlling interests	非控股權益	-	(116,983)
Net assets attributable to the Group	本集團應佔資產淨額	-	1,337,352
Reconciliation to the Group's interest in Sichuan EB Investment and its subsidiaries:	與本集團於四川光大投資及其附屬公司之權益之對賬:		
Proportion of the Group's ownership	本集團之擁有權比例	-	49%
Group's share of net assets of Sichuan EB Investment	本集團應佔四川光大投資資產淨額	-	655,303
Carrying amount of the investment	有關投資之賬面值	-	655,303

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

		Period from 1 January 2020 to the date of the Group's disposal 於二零二零年 一月一日至 本集團 出售日止期間 HK\$'000 港幣千元	Year ended 31 December 2019 截至 二零一九年 十二月三十一日 止年度 HK\$'000 港幣千元
Revenue	收益	2,208,467	3,409,721
Interest income	利息收入	15,183	15,443
Depreciation and amortisation	折舊及攤銷	(28,505)	(28,657)
Interest expenses	利息支出	(117,760)	(99,811)
Tax	稅項	(125,524)	(195,525)
Profit for the year	年度盈利	300,659	457,002
Other comprehensive income/(loss)	其他全面收入/(虧損)	28,178	(15,597)
Total comprehensive income for the year	年度全面收入總額	328,837	441,405

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

下表載列本集團個別不屬於重大之合營企業之匯總財務資料：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of the joint ventures' profits for the year	分佔合營企業之年度盈利	4,392	26,180
Share of the joint ventures' other comprehensive income/(loss)	分佔合營企業之其他全面收入/(虧損)	29,091	(10,830)
Share of the joint ventures' total comprehensive income	分佔合營企業之全面收入總額	33,483	15,350
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營企業之投資之賬面總值	337,632	259,450

20 INTERESTS IN ASSOCIATES

20 聯營公司權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	495,616	381,220

The Group's debtors and creditors with the associates are disclosed in notes 25 and 28 to the financial statements.

本集團與聯營公司之應收賬款及應付賬款在財務報表附註25及附註28披露。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

20 INTERESTS IN ASSOCIATES (continued)

Particulars of the Group's material associates are as follows:

20 聯營公司權益(續)

本集團重大聯營公司之資料如下：

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權 權益百分比		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Nanjing Jiangnan Environmental Industrial Park Development Limited ("Nanjing Jiangnan")* (note (a)) 南京江南環保產業園發展有限公司 (「南京江南」)(附註(a))	Paid up capital of RMB380,000,000 繳足股本人民幣 380,000,000元	PRC/ Mainland China 中國/中國大陸	51	51	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護環保項目
Xiangxiang Xiandai Environmental Energy Limited ("Xiangxiang Energy")* (note (b)) 湘鄉現代環保能源有限公司 (「湘鄉能源」)(附註(b))	Paid up capital of RMB83,400,000 繳足股本人民幣 83,400,000元	PRC/ Mainland China 中國/中國大陸	20	20	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護環保項目
Anqing Jinghuan Green Environment Solid Waste Comprehensive Disposal Co. Ltd. ("Anqing Solid Waste") (note (c)) 安慶京環綠色環境固廢綜合處置有限公司(「安慶固廢」)(附註(c))	Paid up capital of RMB141,000,000 繳足股本人民幣 141,000,000元	PRC/ Mainland China 中國/中國大陸	34.15	34.15	Design, construction, operation and maintenance of hazardous and solid waste treatment project 設計、建造、運營及維護危廢及固廢處置項目
Jiangsu Daji Environmental Energy Limited ("Jiangsu Daji")* (note (d)) 江蘇大吉環境能源有限公司 (「江蘇大吉」)(附註(d))	Paid up capital of RMB221,565,400 繳足股本人民幣 221,565,400元	PRC/ Mainland China 中國/中國大陸	14.29	14.29	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護環保項目
Nanjing Liuhe Jasmine Green Energy Company Limited ("Nanjing Liuhe") (note (e)) 南京六合茉莉綠色能源有限公司 (「南京六合」)(附註(e))	Paid up capital of RMB160,000,000 繳足股本人民幣 160,000,000元	PRC/ Mainland China 中國/中國大陸	30.74	N/A 不適用	Financing, construction, operation maintenance and management in urban household waste business services and power generation transmission and supply 融資、建設、運營及維護以及管理城市生活垃圾業務服務以及發電、輸電及供電

* English translation is for identification only.

* 英文譯名僅供識別。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

20 INTERESTS IN ASSOCIATES (continued)

Notes:

- (a) Nanjing Jiangnan is established with a local government body in Nanjing City, the PRC, which enables the Group to further develop environmental protection projects in Nanjing City.

The Group has significant influence, but not control or joint control, over Nanjing Jiangnan, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Nanjing Jiangnan. Accordingly, Nanjing Jiangnan is classified as an associate of the Group.

- (b) Xiangxiang Energy is established with a local government body in Xiangxiang City, the PRC, which enables the Group to further develop environmental protection projects in Xiangxiang City.

The Group has significant influence, but not control or joint control, over Xiangxiang Energy, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Xiangxiang Energy. Accordingly, Xiangxiang Energy is classified as an associate of the Group.

- (c) Anqing Solid Waste is established by the Group with Beijing Environment Limited in the PRC to enhance harmless disposal ability of hazardous waste in Anqing City.

The Group has significant influence, but not control or joint control, over Anqing Solid Waste, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Anqing Solid Waste. Accordingly, Anqing Solid Waste is classified as an associate of the Group.

- (d) Jiangsu Daji is established by the Group with two entities established in the PRC, which enables the Group to further develop environmental protection projects in Daji City.

The Group has significant influence, but not control or joint control, over Jiangsu Daji, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Jiangsu Daji. Accordingly, Jiangsu Daji is classified as an associate of the Group.

- (e) During the year ended 31 December 2020, the Group made capital contributions of approximately HK\$83,578,000 (2019: Nil) to Nanjing Liuhe. Nanjing Liuhe is established by the Group with Nanjing Liuhe Environment Company Limited in the PRC to improve the environmental quality, enhance efficiency in the construction and operation of environmental facilities, and to effectively alleviate the investment (financing), design, construction, operation, maintenance and delivery work relating to household waste treatment in Liuhe District, Nanjing.

The Group has significant influence, but not control or joint control, over Nanjing Liuhe, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Nanjing Liuhe. Accordingly, Nanjing Liuhe is classified as an associate of the Group.

As at 31 December 2020, the above investments are held by the Company's subsidiaries.

20 聯營公司權益(續)

附註：

- (a) 南京江南由本集團與中國南京市當地政府機關共同成立，其讓本集團得以在南京市進一步發展環保項目。

根據南京江南之公司章程，本集團可重大影響（而非控制或共同控制）南京江南，包括參與決定其財務及運營政策。因此，南京江南被分類為本集團之聯營公司。

- (b) 湘鄉能源由本集團與中國湘鄉市當地政府機關共同成立，其讓本集團得以在湘鄉市進一步發展環保項目。

根據湘鄉能源之公司章程，本集團可重大影響（而非控制或共同控制）湘鄉能源，包括參與決定其財務及運營政策。因此，湘鄉能源被分類為本集團之聯營公司。

- (c) 安慶固廢由本集團與北京環境有限公司於中國共同成立，旨在提升安慶市的危廢無害處置能力。

根據安慶固廢之公司章程，本集團可重大影響（而非控制或共同控制）安慶固廢，包括參與決定其財務及運營政策。因此，安慶固廢被分類為本集團之聯營公司。

- (d) 江蘇大吉由本集團與兩家在中國成立之實體於中國共同成立，其讓本集團得以在大吉市進一步發展環保項目。

根據江蘇大吉之公司章程，本集團可重大影響（而非控制或共同控制）江蘇大吉，包括參與決定其財務及運營政策。因此，江蘇大吉被分類為本集團之聯營公司。

- (e) 於截至二零二零年十二月三十一日止年度，本集團向南京六合注資約港幣83,578,000元（二零一九年：無）。南京六合由本集團與南京六合環境有限公司於中國成立，以改善環境質量、提高環境基礎設施建設及運營效率，並有效緩解南京市六合區生活垃圾處理問題的投（融）資、設計、建設、運營、維護及移交工作。

根據南京六合之公司章程，本集團可重大影響（而非控制或共同控制）南京六合，包括參與決定其財務及運營政策。因此，南京六合被分類為本集團之聯營公司。

於二零二零年十二月三十一日，上述投資由本公司附屬公司持有。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

20 INTERESTS IN ASSOCIATES (continued)

The following table illustrates the summarised financial information in respect of the material associate, Nanjing Jiangnan, adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current assets	流動資產	6,900	47,304
Non-current assets	非流動資產	596,761	509,645
Current liabilities	流動負債	(165,529)	(139,482)
Net assets	資產淨額	438,132	417,467
Reconciliation to the Group's interest in Nanjing Jiangnan:	與本集團於南京江南之權益之對賬：		
Proportion of the Group's ownership	本集團之擁有權比例	51%	51%
Group's share of net assets of Nanjing Jiangnan	本集團應佔南京江南資產淨額	235,078	224,081
Carrying amount of the investment	有關投資之賬面值	235,078	224,081
Loss for the year	年度虧損	(7,361)	(978)
Other comprehensive income/(loss)	其他全面收入/(虧損)	28,026	(10,127)
Total comprehensive income/(loss) for the year	年度全面收入/(虧損)總額	20,665	(11,105)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of the associates' profits for the year	分佔聯營公司之年度盈利	15,107	19,881
Share of the associates' other comprehensive income/(loss)	分佔聯營公司之其他全面收入/(虧損)	4,714	(2,984)
Share of the associates' total comprehensive income	分佔聯營公司之全面收入總額	19,821	16,897
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資之賬面總值	260,538	157,139

20 聯營公司權益(續)

下表載列重大聯營公司南京江南之財務資料概要，其已就會計政策差異作出調整，並已與綜合財務報表所載賬面值對賬：

下表載列本集團個別不屬於重大之聯營公司之匯總財務資料：

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

21 OTHER FINANCIAL ASSETS

21 其他財務資產

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Equity investments designated at fair value through other comprehensive income	指定按公允值計入其他全面收入之股本投資		
	(a)		
Listed equity investments, at fair value	上市股本投資 (按公允值)		
– HKC (Holdings) Limited	– 香港建設(控股)有限公司	4,387	7,832
– China Renewable Energy Investment Limited	– 中國再生能源投資有限公司	356	336
		4,743	8,168
Unlisted equity investments, at fair value	非上市股本投資 (按公允值)		
– Kerry Shanghai (Hongkou) Limited	– 嘉里上海(虹口)有限公司	3,899	3,899
– CEL Catalyst China Israel Fund L.P.	– CEL Catalyst China Israel Fund L.P.	28,067	35,998
		31,966	39,897
		36,709	48,065
Financial assets at fair value through profit or loss	按公允值計入損益之財務資產		
	(b)		
Unlisted investments, at fair value	非上市投資(按公允值)	646,047	431,035
Unlisted equity investment, at fair value	非上市股本投資 (按公允值)	34,051	31,010
		680,098	462,045
Total	總額	716,807	510,110

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

21 OTHER FINANCIAL ASSETS (continued)

Notes:

- (a) The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year ended 31 December 2020, the Group received dividends in the amounts of HK\$350,000 (2019: HK\$307,000) and HK\$18,000 (2019: HK\$16,000) from HKC (Holdings) Limited and China Renewable Energy Investment Limited, respectively.

During the year ended 31 December 2020, the gross loss in respect of the Group's equity investments designated at fair value through other comprehensive income recognised in other comprehensive income amounted to HK\$11,356,000 (2019: HK\$388,000).

- (b) The above unlisted investments at 31 December 2020 were wealth management products issued by financial institutions in Hong Kong and fund investments. The above unlisted equity investment represents the 6% equity interest in Yancheng CCCC Shanghai Dredging Water Environment Investment Co., Ltd. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

21 其他財務資產(續)

附註:

- (a) 上述股本投資已不可撤回地指定為按公允值計入其他全面收入，原因為本集團認為有關投資屬策略性性質。

於截至二零二零年十二月三十一日止年度，本集團分別從香港建設(控股)有限公司及中國再生能源投資有限公司收取股息港幣350,000元(二零一九年：港幣307,000元)及港幣18,000元(二零一九年：港幣16,000元)。

於截至二零二零年十二月三十一日止年度，就指定按公允值計入其他全面收入之股本投資而言，本集團在其他全面收入確認之虧損總額為港幣11,356,000元(二零一九年：港幣388,000元)。

- (b) 於二零二零年十二月三十一日，上述非上市投資為香港金融機構發行之財富管理產品及基金投資。上述非上市股本投資為鹽城中交上航水環境投資有限公司的6%股權。由於其合約現金流量並非純粹為本金及利息付款，故此其被強制分類為按公允值計入損益之財務資產。

22 INVENTORIES

22 存貨

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	482,019	384,573
Spare parts	零部件	559,737	438,955
Finished goods	製成品	17,384	-
		1,059,140	823,528

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

已於損益表確認入賬為開支之存貨金額分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount of inventories consumed	已耗用存貨之賬面值	6,674,777	4,472,162

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

23 CONTRACT ASSETS

23 合約資產

		Notes 附註	31 December 2020 二零二零年 十二月三十一日 HK\$'000 港幣千元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元	1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元
Non-current	非即期				
Service concession assets	服務特許經營權資產	(a)	79,680,846	58,900,254	43,540,152
Less: Impairment	減：耗損		(61,160)	-	-
			79,619,686	58,900,254	43,540,152
Current	即期				
Service concession assets	服務特許經營權資產	(a)	6,969,899	4,567,265	5,112,965
Unbilled renewable energy tariff subsidy	未發單再生能源電價補貼	(b)	4,815,183	3,646,473	1,835,849
Other contract assets	其他合約資產	(c)	691,569	590,634	588,140
Less: Impairment	減：耗損		(9,285)	-	-
			12,467,366	8,804,372	7,536,954
Total	總額		92,087,052	67,704,626	51,077,106
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in "Intangible assets" (note 18)	履行服務特許經營權安排相關建造合約而產生並計入「無形資產」之合約資產(附註18)		4,906,015	4,060,698	4,151,924

Notes:

- (a) Included in "Service concession assets" are amounts of HK\$549,290,000 (2019: HK\$542,172,000) and HK\$789,747,000 (2019: HK\$730,733,000) which are related to the construction services under BOT, BOO and TOT arrangements rendered by the Group to a non-controlling shareholder of a non wholly-owned subsidiary and a related company, respectively.

"Service concession assets" arose from the Group's revenue from construction under BOT, BOO and TOT arrangements and bear interest at rates ranging from 4.90% to 7.83% (2019: 4.90% to 7.83%) per annum. Among the total of HK\$86,650,745,000 (2019: HK\$63,467,519,000), HK\$63,744,486,000 (2019: HK\$41,971,452,000) relates to BOT, BOO and TOT arrangements with operations commenced.

附註：

- (a) 在「服務特許經營權資產」中，包括港幣549,290,000元(二零一九年：港幣542,172,000元)及港幣789,747,000元(二零一九年：港幣730,733,000元)，分別關乎本集團根據BOT、BOO及TOT安排為非全資附屬公司之非控股股東及關聯公司提供之建造服務。

「服務特許經營權資產」乃於本集團的BOT、BOO及TOT安排下之建造服務收益所產生，其按年息率4.90%至7.83%(二零一九年：4.90%至7.83%)計算利息。在總額港幣86,650,745,000元(二零一九年：港幣63,467,519,000元)中，其中港幣63,744,486,000元(二零一九年：港幣41,971,452,000元)關乎已投入運營之BOT、BOO及TOT安排。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

23 CONTRACT ASSETS (continued)

Notes: (continued)

(a) (continued)

Pursuant to the BOT, BOO and TOT arrangements, the Group receives no payment from the grantors during the construction period and receives service fees when relevant services are rendered during the operating periods. The service concession assets are not yet due for payment and will be settled by service fees to be received during the operating periods of the service concession arrangements. Amounts billed will be transferred to debtors (note 25).

All of the current portion of service concession assets are expected to be recovered within one year.

- (b) The balance represented government on-grid tariff subsidy for certain projects which will be billed and settled upon the successful completion of government administrative procedures pursuant to notices jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration.
- (c) The balance as at 31 December 2020 comprised contract assets of HK\$312,203,000 (2019: HK\$217,435,000) arising from performance under environmental remediation service contracts, HK\$237,126,000 (2019: HK\$270,317,000) arising from performance under construction management service contracts, and HK\$142,240,000 (2019: HK\$102,882,000) arising from performance under operation service contracts.

Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

23 合約資產(續)

附註：(續)

(a) (續)

根據有關BOT、BOO及TOT安排，本集團於建造期內不會從授權人收到任何款項，而是於運營期內提供有關服務時收到服務費。服務特許經營權資產尚未到期支付，並將以服務特許經營權安排之運營期服務費支付。已發單金額將轉撥至應收賬款(附註25)。

服務特許經營權資產之所有即期部份預期可於一年內收回。

- (b) 有關結餘為若干項目之政府上網電價補貼，其將於根據國家財政部、國家發展和改革委員會及國家能源局聯合發佈之通知，成功完成政府行政程序後發單及收回。
- (c) 於二零二零年十二月三十一日之結餘包括履行環境修復服務合約所產生之合約資產港幣312,203,000元(二零一九年：港幣217,435,000元)、履行建造工程管理服務合約所產生之合約資產港幣237,126,000元(二零一九年：港幣270,317,000元)及履行運營服務合約所產生之合約資產港幣142,240,000元(二零一九年：港幣102,882,000元)。

有關合約載有付款時間表，其規定於服務期內當達致指定工程進度時，便須支付進度付款。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

23 CONTRACT ASSETS (continued)

The increase in contract assets as at 31 December 2020 was the result of the ongoing provision of construction services under service concession arrangements during the year. During the year ended 31 December 2020, HK\$66,867,000 (2019: Nil) was recognised as an allowance for expected credit losses on contract assets.

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	-	-
Impairment losses (note 6)	耗損虧損(附註6)	66,867	-
Exchange realignment	匯兌調整	3,578	-
At end of year	年終	70,445	-

An impairment analysis is performed at each reporting date using the probability of default method to measure expected credit losses. The probabilities of default rates are estimated based on comparable entities with published credit information. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information. As at 31 December 2020, the probability of default applied ranging from 0.06% to 0.08% and the loss given default was estimated to be ranging from 62.47% to 64.87%. The loss allowance was assessed to be minimal as at 31 December 2019 in respect of the contract assets.

23 合約資產(續)

於二零二零年十二月三十一日，合約資產增加乃由於年內持續提供服務特許經營權安排下的建造服務所致。於截至二零二零年十二月三十一日止年度，港幣66,867,000元(二零一九年：無)已確認為合約資產的預期信貸虧損撥備。

合約資產耗損虧損撥備之變動如下：

本集團於各個報告日期使用違約概率法進行耗損分析，以計量預期信貸虧損。違約概率乃基於已公佈信貸資料之可供比較實體進行估計。有關計算反映概率加權結果、金錢時間價值及於報告日期可得之有關過往事件及當前情況之合理且有依據之資料以及前瞻性信貸風險資料。於二零二零年十二月三十一日，所應用之違約概率介乎0.06%至0.08%。而違約損失率估計介乎62.47%至64.87%。於二零一九年十二月三十一日，有關合約資產之虧損撥備被評定為輕微。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

23 CONTRACT ASSETS (continued)

As at 31 December 2020, certain of the Group's concession rights of the environmental energy projects, greentech projects and environmental water projects (comprising operating rights, contract assets, debtors and other receivables) with an aggregate carrying amount of HK\$73,287,171,000 (2019: HK\$49,327,041,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 42 to the financial statements.

24 FINANCE LEASE RECEIVABLES

The Group leases machinery to its customer. This lease was classified as a finance lease prior to HKFRS 16 becoming effective on 1 January 2019, and had a remaining lease term of 15 years. The customer shall purchase or has an option to purchase the leased machinery at the end of the lease term of the finance lease.

23 合約資產(續)

於二零二零年十二月三十一日，本集團若干環保能源項目、綠色環保項目及環保水務項目之特許經營權(包括運營權、合約資產、應收賬款及其他應收款項)賬面總值港幣73,287,171,000元(二零一九年：港幣49,327,041,000元)已抵押作為本集團獲授銀行融資之抵押品，進一步詳情載於財務報表附註29及附註42。

24 融資租賃應收款項

本集團出租機器予其客戶。在香港財務報告準則第16號於二零一九年一月一日生效前，有關租賃被分類為融資租賃，餘下租期為15年。於融資租賃租期完結時，有關客戶須購買或有權選擇購買有關租賃機器。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Finance lease receivables, non-current portion	融資租賃應收款項 (非即期部份)	16,100	15,390
Finance lease receivables, current portion	融資租賃應收款項 (即期部份)	337	622
		16,437	16,012

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

24 FINANCE LEASE RECEIVABLES (continued)

At 31 December 2020, the undiscounted lease payments to be received in future periods under finance lease and their present values were as follows:

24 融資租賃應收款項(續)

於二零二零年十二月三十一日，在融資租賃項下於未來期間將予收取之未貼現租賃款項及其現值如下：

		Undiscounted lease payments receivable 未貼現應收租賃款項		Present value of lease payments receivable 應收租賃款項之現值	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Amounts receivable:	應收款項：				
Within one year	一年內	1,671	1,564	337	622
After one year but within two years	一年後但兩年內	1,671	1,564	747	660
After two years but within three years	兩年後但三年內	1,671	1,564	792	700
After three years but within four years	三年後但四年內	1,671	1,564	840	742
After four years but within five years	四年後但五年內	1,671	1,565	891	786
After five years	五年後	16,706	17,207	12,830	12,502
Undiscounted lease payments receivable	未貼現應收租賃款項	25,061	25,028	16,437	16,012
Unearned finance income	未實現財務收入	(8,624)	(9,016)		
Total net finance lease receivables	融資租賃應收款項總淨額	16,437	16,012		
Portion classified as current assets	分類為流動資產之部份	(337)	(622)		
Non-current portion	非即期部份	16,100	15,390		

No contingent income was recognised during the year ended 31 December 2020 (2019: Nil).

於截至二零二零年十二月三十一日止年度，並無確認任何或然收入(二零一九年：無)。

Finance lease receivables that were neither past due nor impaired relate to customer for whom there was no recent history of default.

既無逾期亦無耗損之融資租賃應收款項與近期並無拖欠還款紀錄之客戶有關。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS 25 應收賬款、其他應收款項、按金及預付款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current	非即期		
Debtors	應收賬款	-	4,714
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	3,587,975	2,296,074
		3,587,975	2,300,788
Current	即期		
Debtors	應收賬款	6,466,852	3,699,034
Less: Impairment	減：耗損	(274,248)	(137,443)
		6,192,604	3,561,591
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	7,012,043	4,708,933
Less: Impairment – other receivables	減：耗損 – 其他應收款項	(3,521)	-
		7,008,522	4,708,933
		13,201,126	8,270,524
Contingent consideration receivable	應收或然代價	-	7,708
		13,201,126	8,278,232
Total	總額	16,789,101	10,579,020

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The movements in the loss allowance for impairment of debtors are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	137,443	87,980
Impairment losses, net (note 6)	耗損淨虧損(附註6)	120,876	52,414
Exchange realignment	匯兌調整	15,929	(2,951)
At end of year	年終	274,248	137,443

Included in "Debtors, other receivables, deposits and prepayments" are debtors, that were not individually nor collectively considered to be impaired, with the following ageing analysis as at the end of the reporting period:

25 應收賬款、其他應收款項、按金及預付款項(續)

應收賬款耗損虧損撥備之變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	137,443	87,980
Impairment losses, net (note 6)	耗損淨虧損(附註6)	120,876	52,414
Exchange realignment	匯兌調整	15,929	(2,951)
At end of year	年終	274,248	137,443

「應收賬款、其他應收款項、按金及預付款項」中包括並未被視為個別或共同出現耗損之應收賬款，其於報告期末之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current	即期	4,520,595	2,609,767
Within 1 month past due	逾期不多於一個月	332,404	335,705
More than 1 month but within 3 months past due	逾期超過一個月但不多於三個月	309,733	112,650
More than 3 months but within 6 months past due	逾期超過三個月但不多於六個月	309,700	171,397
More than 6 months but within 12 months past due	逾期超過六個月但不多於十二個月	437,638	108,774
More than 12 months past due	逾期超過十二個月	282,534	228,012
Amounts past due	逾期金額	1,672,009	956,538
		6,192,604	3,566,305

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The ageing analysis of debtors, based on the date of invoice (or date of revenue recognition, if earlier) and net of loss allowance, as at the end of the reporting period is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 1 month	不多於一個月	3,020,631	1,791,988
More than 1 month but within 2 months	超過一個月但不多於兩個月	502,200	371,069
More than 2 months but within 4 months	超過兩個月但不多於四個月	522,961	443,686
More than 4 months but within 7 months	超過四個月但不多於七個月	441,831	305,638
More than 7 months but within 13 months	超過七個月但不多於十三個月	672,977	233,098
More than 13 months	超過十三個月	1,032,004	420,826
		6,192,604	3,566,305

Included in “Debtors, other receivables, deposits and prepayments” are bills receivable of HK\$50,861,000 (2019: HK\$40,551,000). Debtors are due within 30 to 90 days from the date of billing. Further details on the Group’s credit policy are set out in note 48 to the financial statements.

Included in “Debtors, other receivables, deposits and prepayments” of the Group are debtors of HK\$6,192,604,000 (2019: HK\$3,566,305,000), of which HK\$16,940,000 (2019: HK\$151,337,000), HK\$33,895,000 (2019: HK\$83,698,000), HK\$25,068,000 (2019: HK\$70,615,000) and HK\$13,596,000 (2019: HK\$11,072,000) are due from the Group’s joint ventures, associates, a non-controlling shareholder of a non wholly-owned subsidiary and a related company of a non wholly-owned subsidiary, respectively. Debtors mainly represent revenue from the provision of operation services for environmental energy projects, greentech projects, environmental water projects and the provision of environmental protection project equipment construction and installation services and sales of related equipment and the billed amounts of the service concession assets.

25 應收賬款、其他應收款項、按金及預付款項(續)

按照發票日期(或收益確認日期,以較早者為準)計算,應收賬款(已扣除虧損撥備)於報告期末之賬齡分析如下:

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 1 month	3,020,631	1,791,988
More than 1 month but within 2 months	502,200	371,069
More than 2 months but within 4 months	522,961	443,686
More than 4 months but within 7 months	441,831	305,638
More than 7 months but within 13 months	672,977	233,098
More than 13 months	1,032,004	420,826
	6,192,604	3,566,305

「應收賬款、其他應收款項、按金及預付款項」中包括應收票據港幣50,861,000元(二零一九年:港幣40,551,000元)。應收賬款由發單日期起計三十至九十日內到期。本集團信貸政策之進一步資料載於財務報表附註48。

本集團之「應收賬款、其他應收款項、按金及預付款項」中,包括應收賬款港幣6,192,604,000元(二零一九年:港幣3,566,305,000元),其中港幣16,940,000元(二零一九年:港幣151,337,000元)為應收本集團的合營企業款項、港幣33,895,000元(二零一九年:港幣83,698,000元)為應收本集團的聯營公司款項、港幣25,068,000元(二零一九年:港幣70,615,000元)為應收本集團的非全資附屬公司之非控股股東款項及港幣13,596,000元(二零一九年:港幣11,072,000元)為應收本集團的非全資附屬公司之關聯公司款項。應收賬款主要來自提供環保能源項目、綠色環保項目、環保水務項目之運營服務以及提供環保項目裝備建造及安裝服務及銷售相關裝備所得收益,以及服務特許經營權資產之已發單款項。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Debtors are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Set out below is the information about the credit risk exposure on the Group's debtors using a provision matrix:

As at 31 December 2020

		Current	Past due within 1 year	Past due more than 1 year but within 2 years	Past due over 2 years	Total
		即期	逾期不多於一年	逾期超過一年但不少於兩年	逾期超過兩年	總額
Expected credit loss rate	預期信貸虧損率	0.9%	3.0%	7.6%	83.5%	4.2%
Gross carrying amount (HK\$'000)	賬面總值(港幣千元)	4,560,472	1,431,757	269,015	205,608	6,466,852
Impairment (HK\$'000)	耗損(港幣千元)	39,877	42,282	20,502	171,587	274,248

25 應收賬款、其他應收款項、按金及預付款項(續)

本集團於各個報告日期使用撥備矩陣進行耗損分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分類組別之逾期日釐定。有關計算反映或然率加權結果、金錢時間價值及於報告日期可得之有關過往事件、當前情況及未來經濟情況預測之合理且有依據之資料。應收賬款將以無實際可能收回者為限予以撇銷(部份或全數)。此情況通常指本集團確定債務人並無資產或收入來源足以產生充足的現金流量償還應予撇銷之金額。

下文載列使用撥備矩陣計算所得有關本集團應收賬款信貸風險之資料：

於二零二零年十二月三十一日

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

As at 31 December 2019

			Past due within 1 year	Past due more than 1 year but within 2 years 逾期 超過一年 但不多 於兩年	Past due over 2 years 逾期 超過兩年	Total
		Current 即期				Total 總額
Expected credit loss rate	預期信貸虧損率	1.4%	1.1%	18.7%	54.9%	3.7%
Gross carrying amount (HK\$'000)	賬面總值(港幣千元)	2,646,973	736,420	230,499	89,856	3,703,748
Impairment (HK\$'000)	耗損(港幣千元)	37,206	7,894	42,997	49,346	137,443

Included in “Debtors, other receivables, deposits and prepayments” at 31 December 2020 are advances made to local government authorities in relation to service concession arrangements amounting to HK\$46,155,000 (2019: HK\$51,752,000) which are unsecured, interest-bearing at rates ranging from the rates announced by the People’s Bank of China to 110% of the rates announced by the People’s Bank of China, and will be settled by instalments from 2021 to 2026.

Included in “Debtors, other receivables, deposits and prepayments” under non-current assets at 31 December 2020 is other receivable of HK\$25,021,000 (2019: HK\$22,180,000) due from the Group’s non-controlling shareholder of a non wholly-owned subsidiary, which is secured, interest-bearing at 110% of the rates announced by the People’s Bank of China and repayable by December 2022.

Included in “Debtors, other receivables, deposits and prepayments” under current assets at 31 December 2020 are advances of HK\$17,614,000 (2019: HK\$15,768,000) to the Group’s associate for daily operation, which are unsecured and interest-bearing at a rate of 4.75% per annum.

25 應收賬款、其他應收款項、按金及預付款項(續)

於二零一九年十二月三十一日

在二零二零年十二月三十一日之「應收賬款、其他應收款項、按金及預付款項」中，包括向當地政府機關作出有關服務特許經營權安排之墊款港幣46,155,000元(二零一九年：港幣51,752,000元)，其為無抵押、按中國人民銀行公佈之息率至中國人民銀行公佈之息率的110%計息，並須於二零二一年至二零二六年分期償還。

在二零二零年十二月三十一日非流動資產下之「應收賬款、其他應收款項、按金及預付款項」中，包括應收本集團非全資附屬公司之非控股股東之其他應收款項港幣25,021,000元(二零一九年：港幣22,180,000元)，其為有抵押、按中國人民銀行公佈之息率的110%計息，並須於二零二二年十二月前償還。

在二零二零年十二月三十一日流動資產下之「應收賬款、其他應收款項、按金及預付款項」中，包括提供予本集團聯營公司作日常運營用途之墊款港幣17,614,000元(二零一九年：港幣15,768,000元)，其為無抵押並按年息率4.75%計息。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

Included in “Debtors, other receivables, deposits and prepayments” under current assets at 31 December 2020 are loans to the Group’s joint ventures of HK\$17,768,000 (2019: Nil), which are unsecured, interest-bearing at rates ranging from 4.35% per annum to 125% of the rates announced by the People’s Bank of China and repayable in 2021, and advance and other receivables to the Group’s joint ventures of HK\$194,995,000 (2019: Nil), which are unsecured, interest-free and repayable within one year.

Included in “Debtors, other receivables, deposits and prepayments” at 31 December 2019 was contingent consideration receivable of HK\$7,708,000 in relation to the acquisition of Xuzhou Engineering Design Institute during the year ended 31 December 2018. The contingent consideration receivable constitutes a derivative within the scope of HKFRS 9, and is recognised at its fair value as asset on initial recognition and is subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

25 應收賬款、其他應收款項、按金及預付款項(續)

在二零二零年十二月三十一日流動資產下之「應收賬款、其他應收款項、按金及預付款項」中，包括提供予本集團合營企業之貸款港幣17,768,000元(二零一九年：無)，其為無抵押、按介乎年息率4.35%至中國人民銀行公佈之息率的125%計息，並須於二零二一年償還，及提供予本集團合營企業之墊款及其他應收款項港幣194,995,000元(二零一九年：無)，其為無抵押、免息，並須於一年內償還。

在二零一九年十二月三十一日之「應收賬款、其他應收款項、按金及預付款項」中，包括於截至二零一八年十二月三十一日止年度收購徐州市市政設計院之應收或然代價港幣7,708,000元。應收或然代價構成香港財務報告準則第9號範圍內之衍生工具，並於初步確認時按公允值確認為資產及其後按公允值重新計量，而公允值變動則於損益表中確認。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contingent consideration receivable	應收或然代價		
At beginning of year	年初	7,708	8,541
Fair value adjustment recognised in profit or loss (note 6)	於損益表確認之公允值調整(附註6)	(7,814)	(646)
Exchange realignment	匯兌調整	106	(187)
At end of year	年終	-	7,708

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The movements in the loss allowance for impairment of other receivables are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	-	-
Impairment losses (note 6)	耗損虧損(附註6)	3,342	-
Exchange realignment	匯兌調整	179	-
At end of year	年終	3,521	-

Except for the aforementioned impaired other receivables, the remaining financial assets included in other receivables, deposits and prepayments relate to receivables for which there was no recent history of default and past due amounts, and the loss allowance was assessed to be minimal as at 31 December 2020 and 31 December 2019.

As at 31 December 2020, certain of the Group's concession rights of the environmental energy projects, greentech projects and environmental water projects (comprising operating rights, contract assets, debtors and other receivables) with an aggregate carrying amount of HK\$73,287,171,000 (2019: HK\$49,327,041,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 42 to the financial statements.

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

25 應收賬款、其他應收款項、按金及預付款項(續)

其他應收款項耗損虧損撥備之變動如下：

除了上述已耗損之其他應收款項外，計入其他應收款項、按金及預付款項之餘下財務資產與近期並無拖欠及逾期款項記錄的應收款項有關，而虧損撥備於二零二零年十二月三十一日及二零一九年十二月三十一日被評定為輕微。

於二零二零年十二月三十一日，本集團若干環保能源項目、綠色環保項目及環保水務項目之特許經營權(包括運營權、合約資產、應收賬款及其他應收款項)賬面總值港幣73,287,171,000元(二零一九年：港幣49,327,041,000元)已抵押作為本集團獲授銀行融資之抵押品，進一步詳情載於財務報表附註29及附註42。

上述結餘之所有即期部份預期可於一年內收回或確認為開支。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

26 PLEDGED BANK DEPOSITS AND DEPOSITS WITH BANKS WITH MATURITY PERIOD OVER THREE MONTHS

26 已抵押銀行存款及存款期超過三個月之銀行存款

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Pledged bank deposits	已抵押銀行存款	(a)	837,770	537,989
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	(b)	7,585	22,180
			845,355	560,169

Notes:

- (a) As at 31 December 2020, bank deposits are pledged to secure certain bank loans of the Group (note 29) and are pledged to banks for the issuance of guarantees by the banks to the grantors in respect of the specific performance of the duties by the Group under certain service concession agreements.
- (b) Deposits with banks with maturity period over three months are not included in cash and cash equivalents.

Pledged bank deposits and deposits with banks earn interest at the respective time deposit rates, and are deposited with creditworthy banks with no recent history of default.

附註：

- (a) 於二零二零年十二月三十一日，銀行存款已抵押作為本集團若干銀行貸款(附註29)之抵押品，以及由於若干銀行就本集團在若干服務特許經營權協議下之特定履約責任而向授權人發出擔保，故已抵押予有關銀行。
- (b) 現金及現金等價物並無計入存款期超過三個月之銀行存款。

已抵押銀行存款及銀行存款按相關定期存款息率賺取利息，並存放於信譽良好且近期並無違約紀錄之銀行。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

27 CASH AND CASH EQUIVALENTS

27 現金及現金等價物

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deposits with banks with maturity period less than three months	存款期少於三個月之 銀行存款	1,056,783	925,172
Cash at banks and in hand	銀行結餘及現金	9,803,910	10,817,647
		10,860,693	11,742,819

Included in “Cash and cash equivalents” at 31 December 2020 are deposits of HK\$1,606,977,000 (2019: HK\$1,822,478,000) placed with a related party bank.

於二零二零年十二月三十一日之「現金及現金等價物」包括存放於關聯方銀行之存款港幣1,606,977,000元(二零一九年：港幣1,822,478,000元)。

Included in “Cash and cash equivalents” at the end of the reporting period are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

於報告期末之「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計值：

		2020 二零二零年 US\$'000 千美元	2019 二零一九年 US\$'000 千美元
United States dollar	美元	6,679	15,742

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to HK\$10,041,651,000 (2019: HK\$8,573,687,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於報告期末，本集團以人民幣計值之現金及現金等價物為港幣10,041,651,000元(二零一九年：港幣8,573,687,000元)。人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

銀行結餘按浮動息率賺取利息，而浮動息率乃根據銀行存款每日息率釐定。視乎本集團之即時現金需求而定，短期定期存款之存款期介乎一日至三個月不等，並按相關短期定期存款息率賺取利息。銀行結餘及定期存款乃存放於信譽良好且近期並無違約紀錄之銀行。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

28 應付賬款、其他應付款項及應計費用

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Creditors	應付賬款	13,935,970	11,147,856
Other payables, accrued expenses and deferred income – government grants	其他應付款項、應計費用及遞延收入—政府補助金	5,175,222	3,567,745
		19,111,192	14,715,601
Less: Non-current portion	減：非即期部份		
– other payables, accrued expenses and deferred income – government grants	– 其他應付款項、應計費用及遞延收入—政府補助金	(917,536)	(703,702)
Current portion	即期部份	18,193,656	14,011,899

Included in “Creditors, other payables and accrued expenses” are creditors with the following ageing analysis based on the date of invoice as at the end of the reporting period:

「應付賬款、其他應付款項及應計費用」中包括應付賬款。按照發票日期計算，其於報告期末之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 6 months	不多於六個月	11,978,444	9,608,132
Over 6 months	超過六個月	1,957,526	1,539,724
		13,935,970	11,147,856

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES (continued)

Creditors totalling HK\$9,481,997,000 (2019: HK\$8,059,785,000) represent construction payables for the Group's BOT, BOO and TOT arrangements. The construction payables are not yet due for payment.

Included in "Creditors, other payables and accrued expenses" are bills payables of HK\$228,028,000 (2019: HK\$150,459,000). Included in "Creditors, other payables and accrued expenses" are creditors of HK\$6,962,000 (2019: HK\$8,361,000) and HK\$1,355,000 (2019: HK\$2,218,000) due to the Group's associate and a non-controlling shareholder of a non wholly-owned subsidiary, respectively, which are unsecured, interest-free and repayable on credit terms similar to those offered by the associate or the non-controlling shareholder to its major customers.

Included in "Other payables, accrued expenses and deferred income – government grants" at 31 December 2020 are other payables of HK\$21,241,000 (2019: HK\$3,005,000) and HK\$17,025,000 (2019: HK\$20,931,000) due to the Group's associate and a non-controlling shareholder of a non wholly-owned subsidiary, respectively, which are unsecured, interest-free and repayable on demand. Included in "Other payables, accrued expenses and deferred income – government grants" at 31 December 2020 are other payables of HK\$1,273,000 (2019: HK\$16,635,000) due to non-controlling shareholders of non wholly-owned subsidiaries, which are unsecured, interest-free (2019: interest-bearing at the rates announced by the People's Bank of China) and repayable within one year.

28 應付賬款、其他應付款項及應計費用 (續)

合共港幣9,481,997,000元(二零一九年：港幣8,059,785,000元)之應付賬款為在本集團BOT、BOO及TOT安排下之建造工程應付款項。建造工程應付款項屬未到期支付。

「應付賬款、其他應付款項及應計費用」中包括應付票據港幣228,028,000元(二零一九年：港幣150,459,000元)。「應付賬款、其他應付款項及應計費用」中包括應付本集團聯營公司及非全資附屬公司之非控股股東之應付賬款分別港幣6,962,000元(二零一九年：港幣8,361,000元)及港幣1,355,000元(二零一九年：港幣2,218,000元)，該等款項均為無抵押、免息及須按聯營公司或非控股股東給予其主要客戶之類似信貸條款予以償還。

在二零二零年十二月三十一日之「其他應付款項、應計費用及遞延收入－政府補助金」中，分別包括應付本集團聯營公司之其他應付款項港幣21,241,000元(二零一九年：3,005,000元)及應付非全資附屬公司之非控股股東之其他應付款項港幣17,025,000元(二零一九年：港幣20,931,000元)，皆為無抵押、免息及須按要求償還。在二零二零年十二月三十一日之「其他應付款項、應計費用及遞延收入－政府補助金」中，包括應付非全資附屬公司之非控股股東之其他應付款項港幣1,273,000元(二零一九年：港幣16,635,000元)，其為無抵押、免息(二零一九年：按中國人民銀行公佈之息率計息)及須於一年內償還。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

29 INTEREST-BEARING BORROWINGS

29 計息借貸

		2020 二零二零年		2019 二零一九年	
		Maturity 到期日	HK\$'000 港幣千元	Maturity 到期日	HK\$'000 港幣千元
Current	即期				
Lease liabilities (note 16(b))	租賃負債(附註16(b))	2021 二零二一年	34,245	2020 二零二零年	52,195
Bank loans – secured	銀行貸款—有抵押	2021 or on demand 二零二一年 或按要求	2,913,684	2020 or on demand 二零二零年或 按要求	2,658,081
Bank loans – unsecured	銀行貸款—無抵押	2021 or on demand 二零二一年 或按要求	6,545,745	2020 or on demand 二零二零年或 按要求	6,652,116
Corporate bond – unsecured (note 30)	公司債券—無抵押 (附註30)	2021 二零二一年	942,129	2020 二零二零年	1,105,608
ABS – secured (note 31)	資產支持證券—有抵押 (附註31)	2021 二零二一年	63,371		–
			10,499,174		10,468,000
Non-current	非即期				
Lease liabilities (note 16(b))	租賃負債(附註16(b))	2022 – 2049 二零二二年至 二零四九年	57,760	2021 – 2049 二零二一年至 二零四九年	68,868
Bank loans – secured	銀行貸款—有抵押	2022 – 2040 二零二二年至 二零四零年	31,162,721	2021 – 2037 二零二一年至 二零三七年	18,386,355
Bank and other loans – unsecured	銀行及其他貸款— 無抵押	2022 – 2038 二零二二年至 二零三八年	29,007,196	2021 – 2038 二零二一年至 二零三八年	22,599,730
Corporate bond – unsecured (note 30)	公司債券—無抵押 (附註30)	2022 – 2024 二零二二年至 二零二四年	1,657,720	2021 – 2024 二零二一年至 二零二四年	1,656,920
ABS – secured (note 31)	資產支持證券—有抵押 (附註31)	2022 – 2025 二零二二年至 二零二五年	230,385		–
MTN – unsecured (note 32)	中期票據—無抵押 (附註32)	2023 – 2025 二零二三年至 二零二五年	2,363,954		–
			64,479,736		42,711,873
			74,978,910		53,179,873

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

29 INTEREST-BEARING BORROWINGS (continued)

29 計息借貸(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Analysed into:	分析：		
Bank loans repayable:	須於下列期間償還之 銀行貸款：		
Within one year or on demand	一年內或按要求	9,459,429	9,310,197
In the second year	第二年	9,345,924	7,413,057
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	35,965,851	21,757,078
Beyond five years	五年後	12,489,142	10,706,950
		67,260,346	49,187,282
Other loans repayable:	須於下列期間償還之 其他貸款：		
In the second year	第二年	2,369,000	-
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	-	1,109,000
		2,369,000	1,109,000
Lease liabilities repayable:	須於下列期間償還之 租賃負債：		
Within one year	一年內	34,245	52,195
In the second year	第二年	23,306	30,497
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	25,942	30,053
Beyond five years	五年後	8,512	8,318
		92,005	121,063
Corporate bond, ABS and MTN repayable (note):	須於下列期間償還之 公司債券、資產支持證券 及中期票據(附註)：		
Within one year or on demand	一年內或按要求	1,005,500	1,105,608
In the second year	第二年	1,724,645	883,842
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	2,527,414	773,078
		5,257,559	2,762,528
		74,978,910	53,179,873

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

29 INTEREST-BEARING BORROWINGS (continued)

Note: For the purpose of the above analysis, the corporate bond, ABS and MTN payable in the aggregate amount of HK\$4,076,836,000 (2019: HK\$2,762,528,000) as at 31 December 2020 containing an option to sell back the corporate bond, ABS or MTN to the Group which is exercisable after three years from the issuance date (notes 30, 31 and 32) is analysed as to HK\$1,005,500,000 repayable within the first year, HK\$1,724,645,000 repayable within the second year, and HK\$1,346,691,000 repayable within the third to fifth years, inclusive as at 31 December 2020 (2019: HK\$1,105,608,000 repayable within the first year, HK\$883,842,000 repayable within the second year and HK\$773,078,000 repayable within the third to fifth years, inclusive).

The corporate bond, ABS and MTN payable at 31 December 2020 will be due for repayment on the respective maturity dates (notes 30, 31 and 32) unless being sold back to the Group prior to the maturity date pursuant to the terms of the corporate bond, ABS and MTN. Based on the maturity terms of the corporate bond (note 30), ABS (note 31) and MTN (note 32), the amounts repayable in respect of the corporate bond, ABS and MTN payable are: HK\$63,371,000 repayable within the first year, HK\$897,216,000 repayable within the second year and HK\$3,116,249,000 repayable within the third to fifth years, inclusive as at 31 December 2020 (2019: HK\$2,762,528,000 repayable within the third to fifth years, inclusive).

As at 31 December 2020, certain banking facilities of the Group are secured by certain revenue and receivables in connection with the Group's service concession arrangements, bank deposits, mortgages over property, plant and equipment and right-of-use assets and shares of certain subsidiaries of the Group. Such banking facilities, amounting to HK\$55,054,118,000 (2019: HK\$35,781,210,000), were utilised to the extent of HK\$34,076,405,000 (2019: HK\$21,044,436,000) at 31 December 2020. Among the secured banking facilities, HK\$290,000,000 (2019: HK\$290,000,000) are guaranteed by the Company and nil were utilised at 31 December 2020 (2019: Nil).

29 計息借貸(續)

附註：就上述分析而言，於二零二零年十二月三十一日總金額為港幣4,076,836,000元(二零一九年：港幣2,762,528,000元)之應付公司債券、資產支持證券及中期票據載有一項有關售回公司債券、資產支持證券或中期票據予本集團之期權，有關期權自發行日期起計三年後可予行使(附註30、31及32)。於二零二零年十二月三十一日，有關債券之分析如下：港幣1,005,500,000元須於第一年償還、港幣1,724,645,000元須於第二年償還及港幣1,346,691,000元須於第三至第五年(包括首尾兩年)償還(二零一九年：港幣1,105,608,000元須於第一年償還、港幣883,842,000元須於第二年償還及港幣773,078,000元須於第三至第五年(包括首尾兩年)償還)。

於二零二零年十二月三十一日之應付公司債券、資產支持證券及中期票據將於各自之到期日到期償還(附註30、31及32)，但如已於到期日前根據公司債券、資產支持證券及中期票據之條款售回本集團則除外。根據公司債券(附註30)、資產支持證券(附註31)及中期票據(附註32)之到期條款，應付公司債券、資產支持證券及中期票據之償還金額如下：於二零二零年十二月三十一日，港幣63,371,000元須於第一年償還、港幣897,216,000元須於第二年償還及港幣3,116,249,000元須於第三至第五年(包括首尾兩年)償還(二零一九年：港幣2,762,528,000元須於第三至第五年(包括首尾兩年)償還)。

於二零二零年十二月三十一日，本集團若干銀行融資以本集團服務特許經營權安排下之若干收益及應收款項、銀行存款、物業、廠房及設備及使用權資產之按揭，以及本集團旗下若干附屬公司之股份作抵押。於二零二零年十二月三十一日，上述銀行融資之金額為港幣55,054,118,000元(二零一九年：港幣35,781,210,000元)，已動用港幣34,076,405,000元(二零一九年：港幣21,044,436,000元)。上述有抵押銀行融資其中港幣290,000,000元(二零一九年：港幣290,000,000元)由本公司作擔保，於二零二零年十二月三十一日並無動用有關款項(二零一九年：無)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

29 INTEREST-BEARING BORROWINGS (continued)

As at 31 December 2020, the unsecured banking facilities and other loans, amounting to HK\$55,098,298,000 (2019: HK\$42,356,572,000), were utilised to the extent of HK\$35,552,941,000 (2019: HK\$29,251,846,000). Among the unsecured banking facilities of the Group, HK\$74,487,000 (2019: HK\$377,443,000) are guaranteed by the Company and were utilised to the extent of HK\$19,402,000 (2019: HK\$357,443,000) at 31 December 2020.

As at 31 December 2020, banking facilities of HK\$68,375,661,000 (2019: HK\$41,006,150,000) are subject to the fulfilment of covenants relating to certain of the Group's financial ratios. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. At 31 December 2020, such facilities were utilised to the extent of HK\$47,879,003,000 (2019: HK\$29,211,288,000). The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 48 to the financial statements.

As at 31 December 2020, the lease liabilities of HK\$39,943,000 (2019: HK\$40,874,000) were secured by the underlying right-of-use assets (note 16), and ABS of HK\$293,756,000 (2019: Nil) were secured by the rights, of three project companies in Liaoning Province in relation to four waste water treatment projects, to receive waste water treatment fees during a specific period of five years starting from 1 March 2020.

As at 31 December 2020, the Group's bank loans of HK\$1,746,238,000 (2019: HK\$106,446,000) bear interest at fixed rates ranging from 1.99% to 4.35% (2019: 3.00% to 4.35%) per annum, bank and other loans of HK\$67,883,108,000 (2019: HK\$50,189,836,000) bear interest at variable rates ranging from 1.05% to 5.39% (2019: 1.30% to 5.39%) per annum, lease liabilities of HK\$92,005,000 (2019: HK\$121,063,000) bear interest at rates ranging from 0.72% to 7.50% (2019: 0.72% to 7.50%) per annum, corporate bond payable of HK\$2,599,849,000 (2019: HK\$2,762,528,000) bears interest at fixed rates ranging from 3.28% to 4.60% (2019: 3.89% to 4.60%) per annum, MTN of HK\$2,363,954,000 (2019: Nil) bear interest at fixed rates ranging from 3.60% to 3.68% per annum, and ABS of HK\$293,756,000 (2019: Nil) bear interest at fixed rates ranging from 2.98% to 3.99% per annum.

29 計息借貸(續)

於二零二零年十二月三十一日，無抵押銀行融資及其他貸款之金額為港幣55,098,298,000元(二零一九年：港幣42,356,572,000元)，已動用港幣35,552,941,000元(二零一九年：港幣29,251,846,000元)。上述本集團無抵押銀行融資中港幣74,487,000元(二零一九年：港幣377,443,000元)由本公司作擔保，於二零二零年十二月三十一日，已動用港幣19,402,000元(二零一九年：港幣357,443,000元)。

於二零二零年十二月三十一日，銀行融資港幣68,375,661,000元(二零一九年：港幣41,006,150,000元)須符合有關本集團若干財務比率之契諾。倘本集團違反有關契諾，則已提取之融資須應要求償還。於二零二零年十二月三十一日，有關融資已動用港幣47,879,003,000元(二零一九年：港幣29,211,288,000元)。本集團會定期監察有關契諾之遵行情況。有關本集團管理流動資金風險之進一步資料載於財務報表附註48。

於二零二零年十二月三十一日，租賃負債港幣39,943,000元(二零一九年：港幣40,874,000元)以相關使用權資產作抵押(附註16)，而資產支持證券港幣293,756,000元(二零一九年：無)則以三家位於遼寧省的項目公司就四個污水處理項目所享有自二零二零年三月一日起為期五年於特定期間內的污水處理費收益權作抵押。

於二零二零年十二月三十一日，本集團之銀行貸款港幣1,746,238,000元(二零一九年：港幣106,446,000元)按介乎1.99%至4.35%(二零一九年：3.00%至4.35%)之固定年息率計息，銀行及其他貸款港幣67,883,108,000元(二零一九年：港幣50,189,836,000元)按介乎1.05%至5.39%(二零一九年：1.30%至5.39%)之浮動年息率計息，租賃負債港幣92,005,000元(二零一九年：港幣121,063,000元)按介乎0.72%至7.50%(二零一九年：0.72%至7.50%)之年息率計息，應付公司債券港幣2,599,849,000元(二零一九年：港幣2,762,528,000元)按介乎3.28%至4.60%(二零一九年：3.89%至4.60%)之固定年息率計息，中期票據港幣2,363,954,000元(二零一九年：無)按介乎3.60%至3.68%之固定年息率計息，以及資產支持證券港幣293,756,000元(二零一九年：無)按介乎2.98%至3.99%之固定年息率計息。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

29 INTEREST-BEARING BORROWINGS (continued)

As at 31 December 2020, the Group's bank and other loans of HK\$1,284,167,000 (2019: HK\$2,406,636,000) are denominated in United States dollars, HK\$40,077,308,000 (2019: HK\$26,056,634,000) are denominated in RMB, HK\$14,193,000 (2019: HK\$386,040,000) are denominated in Polish zloty, HK\$346,516,000 (2019: HK\$9,130,000) are denominated in Euro, and HK\$27,907,162,000 (2019: HK\$21,437,842,000) are denominated in Hong Kong dollars.

Included in "Interest-bearing borrowings" at 31 December 2020 are bank loans of HK\$632,707,000 (2019: HK\$578,855,000) from a related party bank.

Included in loans from a related party bank are:

- (i) bank loans in aggregate of HK\$537,947,000 (2019: HK\$578,855,000) which are secured, interest-bearing at rates ranging from loan prime rate announced by the People's Bank of China ("Loan Prime Rate") minus 0.097% to the rates announced by the People's Bank of China (2019: rates ranging from 90% of the rates announced by the People's Bank of China to the rates announced by the People's Bank of China), and will be settled by instalments until 2023 to 2030 (2019: until 2023 to 2030); and
- (ii) bank loan of HK\$94,760,000 (2019: Nil) which is unsecured, interest-bearing at a rate of 105% of the rates announced by the People's Bank of China, and will be settled by 2021.

Included in "Interest-bearing borrowings" at 31 December 2020 are other loans of HK\$2,369,000,000 (2019: HK\$1,109,000,000) from an intermediate holding company of the Company, which are unsecured, interest-bearing at rates ranging from Loan Prime Rate minus 0.45% to 85% of the rates announced by the People's Bank of China, and repayable in 2022.

29 計息借貸(續)

於二零二零年十二月三十一日，本集團之銀行及其他貸款港幣1,284,167,000元(二零一九年：港幣2,406,636,000元)以美元計值，港幣40,077,308,000元(二零一九年：港幣26,056,634,000元)以人民幣計值，港幣14,193,000元(二零一九年：港幣386,040,000元)以波蘭茲羅提計值，港幣346,516,000元(二零一九年：港幣9,130,000元)以歐羅計值及港幣27,907,162,000元(二零一九年：港幣21,437,842,000元)以港幣計值。

於二零二零年十二月三十一日之「計息借貸」包括關聯方銀行提供之銀行貸款港幣632,707,000元(二零一九年：港幣578,855,000元)。

關聯方銀行提供之貸款包括：

- (i) 銀行貸款總額港幣537,947,000元(二零一九年：港幣578,855,000元)為有抵押、按介乎中國人民銀行公佈之貸款基礎利率(「貸款基礎利率」)減0.097%至中國人民銀行公佈之息率計息(二零一九年：介乎中國人民銀行公佈之息率90%至中國人民銀行公佈之息率)，並將於二零二三年至二零三零年前(二零一九年：二零二三年至二零三零年前)分期償還；及
- (ii) 銀行貸款港幣94,760,000元(二零一九年：無)為無抵押，按中國人民銀行公佈之息率105%計息，並將於二零二一年償還。

於二零二零年十二月三十一日之「計息借貸」包括本公司中間控股公司提供之其他貸款港幣2,369,000,000元(二零一九年：港幣1,109,000,000元)，其為無抵押、按介乎貸款基礎利率減0.45%至中國人民銀行公佈之息率85%計息，並須於二零二二年償還。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

30 CORPORATE BOND

30 公司債券

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current	即期		
Corporate bond	公司債券		
– unsecured	– 無抵押	942,129	1,105,608
Non-current	非即期		
Corporate bond	公司債券		
– unsecured	– 無抵押	1,657,720	1,656,920
		2,599,849	2,762,528

On 21 July 2017, China Everbright Water Limited (“CEWL”), a 72.87% (2019: 72.87%) owned subsidiary of the Company, entered into an underwriting agreement with the relevant financial institution in relation to the issue of RMB-denominated corporate bonds with an aggregate principal amount of not exceeding RMB2.5 billion (the “Corporate Bond”) to the qualified investors in the PRC.

On 24 July 2017 (the “First Issue Date”), CEWL issued the first tranche of the Corporate Bond with principal amount of RMB1 billion, before related expenses of RMB5,964,000, with a maturity period of five years from the First Issue Date. The first tranche of the Corporate Bond bears interest at a rate of 4.55% per annum and the interest will be repayable by CEWL annually from the First Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the First Issue Date, CEWL is entitled to adjust the interest rate of the first tranche of the Corporate Bond for the remaining two years before the maturity date. CEWL will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the First Issue Date. The bondholders have an option to sell back the first tranche of the Corporate Bond to CEWL at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of CEWL’s announcement related to the adjustment in interest rate of the first tranche of the Corporate Bond.

On 24 June 2020, CEWL had announced the adjustment of the interest rate in respect of the first tranche of the Corporate Bond from 4.55% per annum to 3.28% per annum for the period from 24 July 2020 to 23 July 2022. CEWL had repurchased the first tranche of the Corporate Bond totaling RMB650,000,000, of which RMB350,000,000 had been resold and the remaining RMB300,000,000 had been cancelled during the year ended 31 December 2020.

於二零一七年七月二十一日，中國光大水務有限公司（「光大水務」，本公司擁有72.87%（二零一九年：72.87%）權益之附屬公司）與有關金融機構訂立承銷協議，內容有關光大水務發行本金總額不超過人民幣25億元的人民幣公司債券（「公司債券」）予中國合資格投資者。

於二零一七年七月二十四日（「首個發行日期」），光大水務發行第一批公司債券，本金額為人民幣10億元（扣除相關開支人民幣5,964,000元前），期限由首個發行日期起計為期五年。第一批公司債券按年息率4.55%計息及光大水務將由首個發行日期起至到期日止每年支付利息。根據公司債券之條款，自首個發行日期起計三年後，光大水務有權於到期日前調整第一批公司債券於餘下兩年之息率。光大水務將於首個發行日期後，支付第三年利息前20個工作日公佈息率調整詳情（如有）。債券持有人擁有一項期權，可按名義價格將第一批公司債券售回光大水務。是項期權之行使期為緊隨光大水務發出有關調整第一批公司債券息率之公佈後五個工作日。

於二零二零年六月二十四日，光大水務已公佈有關第一批公司債券的息率調整，於二零二零年七月二十四日至二零二二年七月二十三日止期間將年息率由4.55%下調至3.28%。於截至二零二零年十二月三十一日止年度，光大水務已購回第一批公司債券合共人民幣650,000,000元，其中人民幣350,000,000元已被轉售，而其餘人民幣300,000,000元已被註銷。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

30 CORPORATE BOND (continued)

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

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

30 公司債券(續)

於二零一八年八月十六日(「第二個發行日期」)，光大水務發行第二批公司債券，本金額為人民幣8億元(扣除相關開支人民幣4,171,000元前)，期限由第二個發行日期起計為期五年。第二批公司債券包括兩類債券：(i)本金額為人民幣4億元之債券，其按年息率4.60%計息；及(ii)本金額為人民幣4億元之債券，其按年息率4.58%計息。光大水務將由第二個發行日期起至到期日止每年支付利息。根據公司債券之條款，自第二個發行日期起計三年後，光大水務有權於到期日前調整第二批公司債券於餘下兩年之息率。光大水務將於第二個發行日期後，支付第三年利息前20個工作日公佈息率調整詳情(如有)。債券持有人擁有一項期權，可按名義價格將第二批公司債券售回光大水務。是項期權之行使期為緊隨光大水務發出有關調整第二批公司債券息率之公佈後五個工作日。

於二零一九年一月二十一日(「第三個發行日期」)，光大水務發行第三批公司債券，本金額為人民幣7億元(扣除相關開支人民幣3,632,000元前)，期限由第三個發行日期起計為期五年。第三批公司債券按年息率3.89%計息。光大水務將由第三個發行日期起至到期日止每年支付利息。根據公司債券之條款，自第三個發行日期起計三年後，光大水務有權於到期日前調整第三批公司債券於餘下兩年之息率。光大水務將於第三個發行日期後，支付第三年利息前20個工作日公佈息率調整詳情(如有)。債券持有人擁有一項期權，可按名義價格將第三批公司債券售回光大水務。是項期權之行使期為緊隨光大水務發出有關調整第三批公司債券息率之公佈後五個工作日。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

31 ASSET-BACKED SECURITIES

31 資產支持證券

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current	即期		
ABS – secured	資產支持證券－有抵押	63,371	–
Non-current	非即期		
ABS – secured	資產支持證券－有抵押	230,385	–
		293,756	–

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

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

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

光大水務於二零一九年十一月二十八日就光大水務(深圳)有限公司(「深圳水務」, 光大水務之全資附屬公司)根據資產支持證券計劃(「該計劃」)可能發行資產支持證券予中國合資格投資者向上海證券交易所(「上交所」)提交申請。於二零二零年三月二十六日, 上交所發出無異議函(「無異議函」)確認其對可能發行資產支持證券並無異議。根據無異議函, 資產支持證券的發行規模不得多於人民幣3億元及資產支持證券須於自無異議函日期起計12個月內完成發行。

於二零二零年六月十七日, 資產支持證券獲成功發行, 總額為人民幣3億元, 其中中國合資格投資者認購優先級資產支持證券人民幣2.85億元, 而深圳水務認購次級資產支持證券人民幣1,500萬元。

該等證券之原始權益人為深圳水務。資產支持證券的相關資產為三家位於遼寧省的項目公司就四個污水處理項目所享有自二零二零年三月一日起為期五年於特定期間內的污水處理費收益權。相關項目公司針對部分相關資產向該計劃提供了質押擔保。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

31 ASSET-BACKED SECURITIES (continued)

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

- (a) Preference ABS 01 of RMB50,000,000 (“Preference ABS 1”) with the maturity date of 26 March 2021;
- (b) Preference ABS 02 of RMB54,500,000 (“Preference ABS 2”) with the maturity date of 26 March 2022;
- (c) Preference ABS 03 of RMB57,000,000 (“Preference ABS 3”) with the maturity date of 26 March 2023;
- (d) Preference ABS 04 of RMB60,500,000 (“Preference ABS 4”) with the maturity date of 26 March 2024; and
- (e) Preference ABS 05 of RMB63,000,000 (“Preference ABS 5”) with the maturity date of 26 March 2025.

The principal and interest of the preference ABS are repayable pursuant to the repayment schedule of the Scheme, with fixed interest rates ranging from 2.98% to 3.99% per annum. CEWL has the option to adjust the interest rate of Preference ABS 4 and Preference ABS 5 before 26 March 2021 (“The 12th Repayment Date”), to increase or decrease interest rate of no more than 200 base points (1 base point equals to 0.01%). The holders of Preference ABS 4 and Preference ABS 5 have an option to sell back the notes to the original beneficiary at the nominal price, and the exercise period of this option is from the 26th day before The 12th Repayment Date to the 17th day before The 12th Repayment Date.

31 資產支持證券(續)

優先級資產支持證券根據有關優先級資產支持證券的到期日分為五個類別，包括：

- (a) 優先級資產支持證券01，為人民幣50,000,000元（「優先級資產支持證券1」），到期日為二零二一年三月二十六日；
- (b) 優先級資產支持證券02，為人民幣54,500,000元（「優先級資產支持證券2」），到期日為二零二二年三月二十六日；
- (c) 優先級資產支持證券03，為人民幣57,000,000元（「優先級資產支持證券3」），到期日為二零二三年三月二十六日；
- (d) 優先級資產支持證券04，為人民幣60,500,000元（「優先級資產支持證券4」），到期日為二零二四年三月二十六日；及
- (e) 優先級資產支持證券05，為人民幣63,000,000元（「優先級資產支持證券5」），到期日為二零二五年三月二十六日。

優先級資產支持證券之本金及利息須根據該計劃之還款時間表償還，按介乎2.98%至3.99%之固定年息率計息。光大水務擁有一項期權，可於二零二一年三月二十六日（「第12個還款日」）前調整優先級資產支持證券4及優先級資產支持證券5之利率，從而增加或減低不多於200個基點之利率（1個基點相等於0.01%）。優先級資產支持證券4及優先級資產支持證券5持有人擁有一項期權，可按名義價格將票據售回原始權益人。是項期權之行使期為自第12個還款日前的第26日起至第12個還款日前的第17日止。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

32 MEDIUM TERM NOTES

32 中期票據

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current	非即期			
Water MTN – unsecured	水務中期票據—無抵押	(a)	1,180,723	—
Greentech MTN – unsecured	綠色環保中期票據—無抵押	(b)	1,183,231	—
			2,363,954	—

Notes:

- (a) On 4 April 2020, CEWL obtained the notice of registration acceptance from the National Association of Financial Market Institutional Investors (the “Notice”) concerning the medium term notes (the “Water MTN”), with registered amount of RMB3 billion, effective for two years after the Notice was issued.

On 4 August 2020 (the “Water MTN Issue Date”), CEWL issued the first tranche of the Water MTN of RMB1 billion, before related expenses of RMB3,704,000, with an interest rate at 3.60% per annum, and a maturity period of three years from the Water MTN Issue Date. The interest shall be paid annually from 5 August 2020 and up to the maturity date.

Subsequent to the end of the reporting period, on 15 January 2021, CEWL announced its completion of the issuance of the second tranche of the Water MTN to institutional investors in the national inter-bank bond market in the PRC, with a principal amount of RMB1 billion, a maturity period of three years and an interest rate of 3.75% per annum, as further detailed in note 49 to the financial statements.

附註：

- (a) 於二零二零年四月四日，光大水務取得中國銀行間市場交易商協會就中期票據（「水務中期票據」）而發出的接受註冊通知書（「通知書」），註冊金額為人民幣30億元，有效期為自發出通知書後兩年。

於二零二零年八月四日（「水務中期票據發行日期」），光大水務發行第一批水務中期票據，金額為人民幣10億元（扣除相關開支人民幣3,704,000元前），年息率為3.60%及期限由水務中期票據發行日期起計為期三年。利息須由二零二零年八月五日起至到期日止每年支付。

於報告期末後，於二零二一年一月十五日，光大水務宣佈其完成向中國全國銀行間債券市場機構投資者發行第二批水務中期票據，本金金額為人民幣10億元，期限為三年，年息率為3.75%，進一步詳情載於財務報表附註49。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

32 MEDIUM TERM NOTES (continued)

Notes: (continued)

- (b) On 1 April 2020, China Everbright Greentech Limited (“CEGL”), a 69.70% (2019: 69.70%) owned subsidiary of the Company, entered into an underwriting agreement with the relevant financial institutions in relation to the proposed issue of RMB-denominated medium term notes with an aggregate principal amount of not exceeding RMB3.5 billion (the “Greentech MTN”) to the qualified investors in the PRC.

On 12 June 2020 (the “Greentech MTN Issue Date”), CEGL issued the first tranche of the Greentech MTN with a principal amount of RMB1 billion, before related expenses of RMB1,330,000, with a maturity period of five years from the Greentech MTN Issue Date. The first tranche of the Greentech MTN bears interest at a rate of 3.68% per annum and the interest will be repayable by CEGL annually from the Greentech MTN Issue Date and up to the maturity date. According to the terms of the Greentech MTN, CEGL is entitled to adjust the interest rate of the Greentech MTN after three years from the Greentech MTN Issue Date for the remaining two years before the maturity date. CEGL will announce the adjustment of interest rate, if any, 10 working days prior to the payment of the interest for the third year after the Greentech MTN Issue Date. The bondholders have an option to sell back the Greentech MTN to CEGL at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of CEGL’s announcement related to the adjustment in interest rate of the Greentech MTN.

32 中期票據(續)

附註：(續)

- (b) 於二零二零年四月一日，中國光大綠色環保有限公司(「光大綠色環保」，本公司擁有69.70%(二零一九年：69.70%)權益之附屬公司)與有關金融機構訂立承銷協議，內容有關建議發行本金總額不超過人民幣35億元的人民幣中期票據(「綠色環保中期票據」)予中國合資格投資者。

於二零二零年六月十二日(「綠色環保中期票據發行日期」)，光大綠色環保發行第一批綠色環保中期票據，本金金額為人民幣10億元(扣除相關開支人民幣1,330,000元前)，期限由綠色環保中期票據發行日期起計為期五年。第一批綠色環保中期票據按年息率3.68%計息及光大綠色環保將由綠色環保中期票據發行日期起至到期日止每年支付利息。根據綠色環保中期票據之條款，自綠色環保中期票據發行日期起計三年後，光大綠色環保有權於到期日前調整綠色環保中期票據於餘下兩年之息率。光大綠色環保將於綠色環保中期票據發行日期後，支付第三年利息前10個工作日公佈息率調整詳情(如有)。債券持有人擁有一項期權，可按名義價格將綠色環保中期票據售回光大綠色環保。是項期權之行使期為緊隨光大綠色環保發出有關調整綠色環保中期票據息率之公佈後五個工作日。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

33 DEFERRED TAX

The movements in deferred tax assets/(liabilities) during the year are as follows:

33 遞延稅項

遞延稅項資產／(負債)於年內之變動如下：

		Temporary differences on assets recognised under HK(IFRIC)-Int 12 根據《香港(國際財務報告詮釋委員會)－詮釋》第12號 確認之資產之暫時差異 HK\$'000 港幣千元	Revaluation of properties 物業重估 HK\$'000 港幣千元	Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司所產生之 公允值調整 HK\$'000 港幣千元	Undistributed profits of subsidiaries 附屬公司未分派盈利 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	(4,043,737)	(18,154)	(270,589)	(898,585)	22,530	(5,208,535)
Deferred tax credited/(charged) to the consolidated income statement during the year (note 11)	年內在綜合損益表計入／(扣除)之遞延稅項(附註11)	(1,073,945)	-	24,115	(232,826)	31,315	(1,251,341)
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	-	(66,530)	-	10,584	(55,946)
Exchange realignment	匯兌調整	87,538	311	9,961	48,027	(2,518)	143,319
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	(5,030,144)	(17,843)	(303,043)	(1,083,384)	61,911	(6,372,503)
Deferred tax credited/(charged) to the consolidated income statement during the year (note 11)	年內在綜合損益表計入／(扣除)之遞延稅項(附註11)	(1,131,785)	-	24,215	(170,971)	43,273	(1,235,268)
Disposal of a subsidiary (note 38)	出售附屬公司(附註38)	7,378	-	-	-	-	7,378
Exchange realignment	匯兌調整	(399,641)	(1,845)	(17,254)	(84,421)	11,054	(492,107)
At 31 December 2020	於二零二零年十二月三十一日	(6,554,192)	(19,688)	(296,082)	(1,338,776)	116,238	(8,092,500)

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

33 DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	246,945	165,319
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(8,339,445)	(6,537,822)
		(8,092,500)	(6,372,503)

The Group has estimated tax losses arising in Hong Kong of approximately HK\$207,735,000 (2019: approximately HK\$207,735,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has estimated tax losses arising in Mainland China of approximately HK\$82,705,000 (2019: approximately HK\$99,977,000) that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in certain subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

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

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

33 遞延稅項(續)

為了呈報目的，若干遞延稅項資產及負債已於綜合財務狀況表中抵銷。下表為就財務申報目的而對本集團遞延稅項結餘作出之分析：

本集團於香港產生之估計稅項虧損約港幣207,735,000元(二零一九年：約港幣207,735,000元)，可無限年期用作抵銷產生虧損之公司日後應課稅盈利。此外，本集團於中國大陸產生估計稅項虧損約港幣82,705,000元(二零一九年：約港幣99,977,000元)，有關虧損可用作抵銷產生虧損之公司日後應課稅盈利，其應用限期將於一至五年內屆滿。概無就該等虧損確認遞延稅項資產，原因為有關虧損來自已出現虧損一段時間之若干附屬公司，且本集團認為於日後不大可能會產生應課稅盈利而令有關稅項虧損得以運用。

根據中國企業所得稅法，於中國大陸成立之外資企業向外國投資者宣派股息時，需按10%之稅率徵收預扣稅。該規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後產生之盈利。倘若中國大陸與有關外國投資者所屬司法權區訂有相關稅務協議，則可應用較低之預扣稅率。本集團之適用稅率為5%或10%。因此，本集團須就中國大陸成立之附屬公司自二零零八年一月一日起產生之盈利所分派之股息繳納預扣稅。

本公司向其股東派發股息並不附帶任何所得稅後果。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

34 SHARE CAPITAL

34 股本

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Issued and fully paid:	已發行及悉數繳足：		
6,142,975,292 (2019: 6,142,975,292)	6,142,975,292股		
ordinary shares	(二零一九年： 6,142,975,292股)普通股	17,329,537	17,329,537

35 RESERVES

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

(i) Goodwill arising on consolidation

The goodwill arising on consolidation has been set up and dealt with in accordance with the transitional arrangements under HKFRS 3 (August 2004), 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.

(ii) Property revaluation reserve

Certain properties previously occupied by the Group as owner-occupied properties were transferred to investment properties in prior years and a revaluation surplus was credited to property revaluation reserve to account for the difference between the carrying amounts and the fair values of the properties at the date of change in use, determined using market comparison approach by independent firms of surveyors.

The property revaluation reserve of the Group is not distributable as at 31 December 2020 and 2019.

(iii) 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 2.4 to the financial statements.

35 儲備

本集團於本年度及過往年度之儲備金額及其變動詳情於財務報表中之綜合權益變動表呈列。

(i) 綜合賬項產生之商譽

本公司已根據香港財務報告準則第3號(二零零四年八月)之過渡條文設立及處理綜合賬項所產生之商譽。據此，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)亦不會在損益表中確認。

(ii) 物業重估儲備

若干原先由本集團佔用之物業(自用物業)於過往年度轉撥至投資物業，並已於物業重估儲備計入重估盈餘，以入賬有關物業於用途變更日期之賬面值與公允值之間的差額，其由獨立測量師行按市場比較法釐定。

於二零二零年及二零一九年十二月三十一日，本集團之物業重估儲備並不可供分派。

(iii) 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。本公司會根據財務報表附註2.4所載會計政策處理儲備。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

35 RESERVES (continued)

(iv) Other financial assets measured at fair value through other comprehensive income reserve

The other financial assets measured at fair value through other comprehensive income reserve comprise the cumulative net change in the fair value of other financial assets measured at fair value through other comprehensive income held at the end of the reporting period and are dealt with in accordance with the accounting policy set out in note 2.4 to the financial statements.

(v) Other reserves

Other reserves comprise (i) the difference between the consideration paid/received for the acquisition/dilution of non-controlling interests and the carrying amount of non-controlling interests at the transaction date, less the foreign exchange movements on translation of those subsidiaries attributable to the non-controlling interests; and (ii) the difference between the fair value of the Group's equity interest in subsidiaries transferred to the acquiree for the acquisition of subsidiaries and the net asset value attributable to the non-controlling interests in respect of the subsidiaries transferred to the acquiree at the transaction date.

(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 (the "PRC RULE"), in the preparation of its accounting records and financial statements. The subsidiaries in the PRC are required to appropriate 10% of the profit arrived at in accordance with the PRC RULE for each year to the statutory reserve. The profit arrived at must be used initially to set off against any accumulated losses. The appropriations to the statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to equity owners. 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.

35 儲備(續)

(iv) 按公允值計入其他全面收入計量之其他財務資產儲備

按公允值計入其他全面收入計量之其他財務資產儲備包括於報告期末持有之按公允值計入其他全面收入計量之其他財務資產公允值之累計變動淨額及其根據財務報表附註2.4所載會計政策處理。

(v) 其他儲備

其他儲備包括(i)收購／攤薄非控股權益之已付／已收代價與非控股權益於交易日期之賬面值間之差額減非控股權益應佔換算該等附屬公司而產生之匯兌變動；及(ii)本集團在已轉讓予被收購公司之附屬公司(因收購附屬公司而轉讓者)中之股權之公允值與非控股權益應佔已轉讓予被收購公司之附屬公司於交易日期之資產淨值間之差額。

(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(全外資企業)依據適用於全外資企業之中國會計原則及有關財務法規(「中國規則」)，編製會計記錄及財務報表。位於中國之附屬公司須每年將按照中國規則計算所得之盈利其中10%劃撥至法定儲備。所得盈利必須首先用以抵銷任何累計虧損。只有在劃撥盈利(已抵銷任何累計虧損後)至法定儲備後方可向股權擁有人分派股息。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 Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

36 PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

36 附帶重大非控股權益之非全資附屬公司

本集團附帶重大非控股權益之附屬公司之詳情載列如下：

		2020 二零二零年	2019 二零一九年
Percentage of equity interest held by non-controlling interests:	非控股權益持有之股權百分比：		
CEWL	光大水務	27.1%	27.1%
CEGL	光大綠色環保	30.3%	30.3%
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit for the year allocated to non-controlling interests:	分配予非控股權益之年度盈利：		
CEWL	光大水務	277,884	221,305
CEGL	光大綠色環保	455,267	491,308
Dividends paid to non-controlling interests:	已付非控股權益之股息：		
CEWL	光大水務	57,672	29,308
CEGL	光大綠色環保	100,173	90,781
Accumulated balances of non-controlling interests at the reporting date:	於報告日期非控股權益之累計結餘：		
CEWL	光大水務	2,562,305	2,113,518
CEGL	光大綠色環保	3,794,857	3,134,904

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

36 PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

36 附帶重大非控股權益之非全資附屬公司(續)

下表列示上述附屬公司之財務資料概要。所披露之金額為集團內公司間互相對銷前之金額：

2020	二零二零年	CEWL 光大水務 HK\$'000 港幣千元	CEGL 光大綠色環保 HK\$'000 港幣千元
Revenue	收益	5,663,292	9,835,376
Total expenses	開支總額	(4,650,027)	(8,574,458)
Profit for the year	年度盈利	1,086,364	1,513,308
Total comprehensive income for the year	年度全面收入總額	2,042,788	2,540,370
Current assets	流動資產	5,460,055	9,897,485
Non-current assets	非流動資產	20,368,185	25,367,183
Current liabilities	流動負債	(4,865,028)	(6,335,537)
Non-current liabilities	非流動負債	(10,636,647)	(16,062,290)
Non-controlling interests	非控股權益	(871,566)	(342,559)
Net cash flows used in operating activities	經營活動所動用現金流量淨額	(1,322,345)	(887,848)
Net cash flows used in investing activities	投資活動所動用現金流量淨額	(165,974)	(3,263,245)
Net cash flows from financing activities	融資活動所得現金流量淨額	1,033,622	3,807,198
Effect of foreign exchange rate changes, net	匯率變動影響淨額	105,302	164,411
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(349,395)	(179,484)

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

36 PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

36 附帶重大非控股權益之非全資附屬公司(續)

2019	二零一九年	CEWL 光大水務 HK\$'000 港幣千元	CEGL 光大綠色環保 HK\$'000 港幣千元
Revenue	收益	5,550,773	9,279,555
Total expenses	開支總額	(4,800,471)	(7,808,789)
Profit for the year	年度盈利	884,729	1,647,105
Total comprehensive income for the year	年度全面收入總額	593,982	1,336,685
Current assets	流動資產	4,916,629	7,547,858
Non-current assets	非流動資產	16,755,294	18,710,457
Current liabilities	流動負債	(4,557,504)	(5,076,536)
Non-current liabilities	非流動負債	(8,576,775)	(10,594,427)
Non-controlling interests	非控股權益	(738,683)	(241,133)
Net cash flows used in operating activities	經營活動所動用現金流量淨額	(1,058,122)	(137,720)
Net cash flows used in investing activities	投資活動所動用現金流量淨額	(134,018)	(4,279,300)
Net cash flows from financing activities	融資活動所得現金流量淨額	1,563,192	5,098,387
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(25,673)	(40,734)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	345,379	640,633

37 ACQUISITION OF SUBSIDIARIES

Business combinations

(a) Acquisition of Suntime Environmental Remediation

On 12 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 88.88% of the equity interest in Suntime Environmental Remediation, which is principally engaged in the environmental remediation business in the PRC, at a consideration of RMB222,200,000 (equivalent to approximately HK\$257,197,000). The acquisition was completed on 21 January 2019 and Suntime Environmental Remediation has become a subsidiary of the Group.

The Group has elected to measure the non-controlling interests in Suntime Environmental Remediation at the non-controlling interests' proportionate share of Suntime Environmental Remediation's identifiable net assets.

37 收購附屬公司

業務合併

(a) 收購上田環境修復

於二零一八年十二月十二日，本集團與若干獨立第三方訂立股份轉讓協議，收購上田環境修復（其主要在中國從事環境修復業務）88.88%股權，代價為人民幣222,200,000元（相當於約港幣257,197,000元）。有關收購交易已於二零一九年一月二十一日完成及上田環境修復已成為本集團之附屬公司。

本集團已選擇按非控股權益應佔上田環境修復可辨別資產淨額之比例，計量於上田環境修復之非控股權益。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(a) Acquisition of Suntime Environmental Remediation (continued)

The fair values of the identifiable assets and liabilities of Suntime Environmental Remediation as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(a) 收購上田環境修復(續)

於收購日期，上田環境修復之可辨別資產及負債之公允值如下：

		Notes 附註	2019 Fair value recognised on acquisition 二零一九年 收購時確認之 公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	15	16,666
Right-of-use assets	使用權資產	16	4,931
Intangible assets	無形資產	18	104,362
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項		40,920
Contract assets	合約資產		82,996
Deferred tax assets	遞延稅項資產	33	342
Inventories	存貨		63
Cash and cash equivalents	現金及現金等價物		47,113
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用		(58,076)
Tax payable	應付稅項		(2,713)
Deferred tax liabilities	遞延稅項負債	33	(27,140)
Non-controlling interests	非控股權益		(23,292)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		186,172
Goodwill on acquisition	收購所產生之商譽	17	71,025
			257,197
Total consideration	總代價		257,197

The cash considerations for the acquisition of HK\$50,479,000 and HK\$182,826,000 were paid by the Group in 2018 and 2019, respectively, and the remaining consideration of HK\$23,892,000 was recorded in "Creditors, other payables and accrued expenses" in the consolidated statement of financial position as at 31 December 2019. Partial cash consideration of HK\$6,364,000 was paid by the Group in 2020, and the remaining consideration of HK\$17,528,000 was recorded in "Creditors, other payables and accrued expense" in the consolidated statement of financial position as at 31 December 2020.

本集團已分別於二零一八年及二零一九年支付收購交易現金代價港幣50,479,000元及港幣182,826,000元，而餘下代價港幣23,892,000元已於二零一九年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。本集團已於二零二零年支付部分現金代價港幣6,364,000元，而餘下代價港幣17,528,000元已於二零二零年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(a) Acquisition of Suntime Environmental Remediation (continued)

The fair values of the debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$40,920,000. The gross contractual amounts of debtors, other receivables, deposits and prepayments were HK\$40,920,000, none of which is expected to be uncollectible.

The Group incurred transaction costs of HK\$84,000 for this transaction. These transaction costs were expensed and included in "Administrative expenses" in the consolidated income statement for the year ended 31 December 2019.

An analysis of the cash flows in respect of the acquisition of Suntime Environmental Remediation is as follows:

37 收購附屬公司(續)

業務合併(續)

(a) 收購上田環境修復(續)

於收購日期，應收賬款、其他應收款項、按金及預付款項之公允值為港幣40,920,000元。應收賬款、其他應收款項、按金及預付款項之總合約金額為港幣40,920,000元，預期皆可收回。

本集團就是項交易產生之交易成本為港幣84,000元。有關交易成本已於截至二零一九年十二月三十一日止年度之綜合損益表支銷，並計入「行政費用」。

有關收購上田環境修復之現金流量分析如下：

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	(182,826)
Cash and cash equivalents acquired	收購所得現金及現金等價物	47,113
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(135,713)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(84)
		(135,797)

Since the acquisition, Suntime Environmental Remediation contributed HK\$205,775,000 to the Group's revenue and a profit of HK\$26,878,000 to the consolidated profit for the year ended 31 December 2019.

自收購以來，上田環境修復於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣205,775,000元，並為綜合盈利帶來盈利港幣26,878,000元。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(a) Acquisition of Suntime Environmental Remediation (continued)

Had the transaction taken place on 1 January 2019, the consolidated revenue and profit of the Group for the year ended 31 December 2019 would have been HK\$37,579,638,000 and HK\$6,370,936,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

(b) Acquisition of Jiangsu Jiayuan

On 20 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 90% of the equity interest in Jiangsu Jiayuan, which is principally engaged in the integrated recycling and harmless disposal of hazardous waste business in the PRC, at a consideration of RMB180,000,000 (equivalent to approximately HK\$206,120,000). The acquisition was completed on 25 January 2019 and Jiangsu Jiayuan has become a subsidiary of the Group.

The Group has elected to measure the non-controlling interests in Jiangsu Jiayuan at the non-controlling interests' proportionate share of Jiangsu Jiayuan's identifiable net assets.

37 收購附屬公司(續)

業務合併(續)

(a) 收購上田環境修復(續)

倘有關交易於二零一九年一月一日進行，本集團截至二零一九年十二月三十一日止年度之綜合收益及盈利將分別為港幣37,579,638,000元及港幣6,370,936,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

(b) 收購江蘇佳願

於二零一八年十二月二十日，本集團與若干獨立第三方訂立股份轉讓協議，收購江蘇佳願(其主要在中國從事綜合回收及無害化危廢處理業務)90%股權，代價為人民幣180,000,000元(相當於約港幣206,120,000元)。有關收購交易已於二零一九年一月二十五日完成及江蘇佳願已成為本集團之附屬公司。

本集團已選擇按非控股權益應佔江蘇佳願可辨別資產淨額之比例，計量於江蘇佳願之非控股權益。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(b) Acquisition of Jiangsu Jiayuan (continued)

The fair values of the identifiable assets and liabilities of Jiangsu Jiayuan as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(b) 收購江蘇佳願(續)

於收購日期，江蘇佳願之可辨別資產及負債之公允值如下：

		Notes 附註	2019 Fair value recognised on acquisition 二零一九年 收購時確認之 公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	15	61,888
Right-of-use assets	使用權資產	16	28,090
Intangible assets	無形資產	18	34,512
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項		15,447
Deferred tax assets	遞延稅項資產	33	8,712
Inventories	存貨		12,574
Cash and cash equivalents	現金及現金等價物		27,655
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用		(3,027)
Tax payable	應付稅項		(593)
Deferred tax liabilities	遞延稅項負債	33	(14,353)
Non-controlling interests	非控股權益		(32,055)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		138,850
Goodwill on acquisition	收購所產生之商譽	17	67,270
			206,120
Total consideration	總代價		206,120

The cash consideration for the acquisition of HK\$144,284,000 was paid by the Group in 2019, and the remaining consideration of HK\$61,836,000 was recorded in "Creditors, other payables and accrued expenses" in the consolidated statement of financial position as at 31 December 2020 and 2019.

本集團已於二零一九年支付收購交易現金代價港幣144,284,000元，而餘下代價港幣61,836,000元已於二零二零年及二零一九年十二月三十一日之綜合財務狀況表入賬於「應付賬款、其他應付款項及應計費用」下。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(b) Acquisition of Jiangsu Jiayuan (continued)

The fair values of the debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$15,447,000. The gross contractual amounts of debtors, other receivables, deposits and prepayments were HK\$15,447,000, none of which is expected to be uncollectible.

The Group incurred transaction costs of HK\$60,000 for this transaction. These transaction costs were expensed and included in "Administrative expenses" in the consolidated income statement for the year ended 31 December 2019.

An analysis of the cash flows in respect of the acquisition of Jiangsu Jiayuan is as follows:

37 收購附屬公司(續)

業務合併(續)

(b) 收購江蘇佳願(續)

於收購日期，應收賬款、其他應收款項、按金及預付款項之公允值為港幣15,447,000元。應收賬款、其他應收款項、按金及預付款項之總合約金額為港幣15,447,000元，預期皆可收回。

本集團就是項交易產生之交易成本為港幣60,000元。有關交易成本已於截至二零一九年十二月三十一日止年度之綜合損益表支銷，並計入「行政費用」。

有關收購江蘇佳願之現金流量分析如下：

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	(144,284)
Cash and cash equivalents acquired	收購所得現金及現金等價物	27,655
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(116,629)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(60)
		(116,689)

Since the acquisition, Jiangsu Jiayuan contributed HK\$63,505,000 to the Group's revenue and a loss of HK\$5,775,000 to the consolidated profit for the year ended 31 December 2019.

Had the transaction taken place on 1 January 2019, the consolidated revenue and profit of the Group for the year ended 31 December 2019 would have been HK\$37,560,993,000 and HK\$6,367,087,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

自收購以來，江蘇佳願於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣63,505,000元，並為綜合盈利帶來虧損港幣5,775,000元。

倘有關交易於二零一九年一月一日進行，本集團截至二零一九年十二月三十一日止年度之綜合收益及盈利將分別為港幣37,560,993,000元及港幣6,367,087,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(c) Acquisition of Zhangjiagang Gelin Environmental Engineering Company Limited ("Zhangjiagang Gelin")

On 29 July 2019, the Group entered into a share transfer agreement with certain independent third parties to acquire 100% of the equity interest in Zhangjiagang Gelin, which is principally engaged in sewage water treatment business in the PRC, at a consideration of RMB68,000,000 (equivalent to approximately HK\$75,772,000). The acquisition was completed on 4 September 2019 and Zhangjiagang Gelin has become a subsidiary of the Group.

The fair values of the identifiable assets and liabilities of Zhangjiagang Gelin as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(c) 收購張家港格林環境工程有限公司 (「張家港格林」)

於二零一九年七月二十九日，本集團與若干獨立第三方訂立股份轉讓協議，收購張家港格林（其主要在中國從事污水處理業務）100% 股權，代價為人民幣 68,000,000 元（相當於約港幣 75,772,000 元）。有關收購交易已於二零一九年九月四日完成及張家港格林已成為本集團之附屬公司。

於收購日期，張家港格林之可辨別資產及負債之公允值如下：

		Notes 附註	2019 Fair value recognised on acquisition 二零一九年 收購時確認 之公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	15	10,890
Right-of-use assets	使用權資產	16	72,764
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項		2
Deferred tax assets	遞延稅項資產	33	293
Cash and cash equivalents	現金及現金等價物		47
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用		(5,996)
Deferred tax liabilities	遞延稅項負債	33	(18,185)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		59,815
Goodwill on acquisition	收購所產生之商譽	17	15,957
			75,772
Total consideration	總代價		75,772

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(c) Acquisition of Zhangjiagang Gelin Environmental Engineering Company Limited ("Zhangjiagang Gelin") (continued)

The consideration of HK\$75,772,000 was recorded in "Creditors, other payables and accrued expenses" in the consolidated statement of financial position as at 31 December 2019. Partial cash consideration of HK\$36,689,000 was paid by the Group in 2020, and the remaining consideration of HK\$39,083,000 was recorded in "Creditors, other payables and accrued expense" in the consolidated statement of financial position as at 31 December 2020.

The Group incurred transaction costs of HK\$86,000 for this transaction. These transaction costs were expensed and included in "Administrative expenses" in the consolidated income statement for the year ended 31 December 2019.

An analysis of the cash flows in respect of the acquisition of Zhangjiagang Gelin is as follows:

37 收購附屬公司(續)

業務合併(續)

(c) 收購張家港格林環境工程有限公司 (「張家港格林」)(續)

代價港幣75,772,000元已於二零一九年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。本集團已於二零二零年支付部分現金代價港幣36,689,000元，而餘下代價港幣39,083,000元已於二零二零年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。

本集團就是項交易產生之交易成本為港幣86,000元。有關交易成本已於截至二零一九年十二月三十一日止年度之綜合損益表支銷，並計入「行政費用」。

有關收購張家港格林之現金流量分析如下：

		2019 二零一九年 HK\$'000 港幣千元
Cash and cash equivalents acquired	收購所得現金及現金等價物	47
Net inflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流入淨額	47
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(86)
		(39)

Since the acquisition, Zhangjiagang Gelin contributed HK\$253,000 to the Group's revenue and a loss of HK\$1,383,000 to the consolidated profit for the year ended 31 December 2019.

Had the transaction taken place on 1 January 2019, the consolidated revenue and profit of the Group for the year ended 31 December 2019 would have been HK\$37,559,044,000 and HK\$6,365,824,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

自收購以來，張家港格林於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣253,000元，並為綜合盈利帶來虧損港幣1,383,000元。

倘有關交易於二零一九年一月一日進行，本集團截至二零一九年十二月三十一日止年度之綜合收益及盈利將分別為港幣37,559,044,000元及港幣6,365,824,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(d) Acquisition of Yulin Chuanneng Huashi Renewable Energy Limited (“Yulin Chuanneng”)

On 9 May 2019, the Group entered into an equity transfer agreement with an independent entity which was established in the PRC, pursuant to which the Group agreed to acquire the entire equity interest in Yulin Chuanneng at a consideration of RMB135,000,000 (equivalent to approximately HK\$153,414,000) in cash (the “Yulin Acquisition”). Yulin Chuanneng is engaged in the construction and operation of waste-to-energy plant in Yulin. The Yulin Acquisition was completed in June 2019.

The fair values of the identifiable assets and liabilities of Yulin Chuanneng as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(d) 收購玉林川能華西環保發電有限公司 (「玉林川能」)

於二零一九年五月九日，本集團與一家於中國成立之獨立實體訂立股權轉讓協議。據此，本集團同意收購玉林川能全部股權，現金代價為人民幣135,000,000元（相當於約港幣153,414,000元）（「玉林收購事項」）。玉林川能在玉林從事建造及運營垃圾發電廠。玉林收購事項已於二零一九年六月完成。

於收購日期，玉林川能之可辨別資產及負債之公允值如下：

		Notes 附註	2019 Fair value recognised on acquisition 二零一九年 收購時確認 之公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	15	352
Contract assets	合約資產		581,670
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項		57,578
Cash and cash equivalents	現金及現金等價物		3,527
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用		(79,837)
Interest-bearing borrowings	計息借貸		(403,024)
Deferred tax liabilities	遞延稅項負債	33	(6,852)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		153,414
Total consideration	總代價		153,414

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(d) Acquisition of Yulin Chuanneng Huashi Renewable Energy Limited (“Yulin Chuanneng”) (continued)

The cash consideration of HK\$96,626,000 was paid by the Group in 2019, and the remaining consideration of HK\$56,788,000 was recorded in “Creditors, other payables and accrued expenses” in the consolidated statement of financial position as at 31 December 2019. Partial cash consideration of HK\$40,079,000 was paid by the Group in 2020, and the remaining consideration of HK\$16,709,000 was recorded in “Creditors, other payables and accrued expense” in the consolidated statement of financial position as at 31 December 2020.

The fair values of the debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$57,578,000. The gross contractual amounts of debtors, other receivables, deposits and prepayments were HK\$57,578,000, none of which is expected to be uncollectible.

The Group incurred transaction costs of HK\$532,000 for this transaction. These transaction costs were expensed and included in “Administrative expenses” in the consolidated income statement for the year ended 31 December 2019.

An analysis of the cash flows in respect of the acquisition of Yulin Chuanneng is as follows:

37 收購附屬公司(續)

業務合併(續)

(d) 收購玉林川能華西環保發電有限公司(「玉林川能」)(續)

本集團已於二零一九年支付現金代價港幣96,626,000元，而餘下代價港幣56,788,000元已於二零一九年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。本集團已於二零二零年支付部分現金代價港幣40,079,000元，而餘下代價港幣16,709,000元已於二零二零年十二月三十一日之綜合財務狀況表入賬為「應付賬款、其他應付款項及應計費用」。

於收購日期，應收賬款、其他應收款項、按金及預付款項之公允值為港幣57,578,000元。應收賬款、其他應收款項、按金及預付款項之總合約金額為港幣57,578,000元，預期皆可收回。

本集團就是項交易產生之交易成本為港幣532,000元。有關交易成本已於截至二零一九年十二月三十一日止年度之綜合損益表支銷，並計入「行政費用」。

有關收購玉林川能之現金流量分析如下：

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	(96,626)
Cash and cash equivalents acquired	收購所得現金及現金等價物	3,527
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(93,099)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(532)
		(93,631)

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(d) Acquisition of Yulin Chuanneng Huashi Renewable Energy Limited (“Yulin Chuanneng”) (continued)

Since the acquisition, Yulin Chuanneng contributed HK\$14,230,000 to the Group’s revenue and a profit of HK\$1,087,000 to the consolidated profit for the year ended 31 December 2019.

Had the transaction taken place on 1 January 2019, the consolidated revenue and profit of the Group for the year ended 31 December 2019 would have been HK\$37,557,635,000 and HK\$6,368,162,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

Net cash outflow for the acquisition of subsidiaries included in the cash flows from investing activities:

37 收購附屬公司(續)

業務合併(續)

(d) 收購玉林川能華西環保發電有限公司(「玉林川能」)(續)

自收購以來，玉林川能於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣14,230,000元，並為綜合盈利帶來盈利港幣1,087,000元。

倘有關交易於二零一九年一月一日進行，本集團截至二零一九年十二月三十一日止年度之綜合收益及盈利將分別為港幣37,557,635,000元及港幣6,368,162,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

計入投資活動所得現金流量有關收購附屬公司之現金流出淨額：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Acquisition of Suntime Environmental Remediation (note 37(a))	收購上田環境修復(附註37(a))	(6,364)	(135,713)
Acquisition of Jiangsu Jiayuan (note 37(b))	收購江蘇佳願(附註37(b))	-	(116,629)
Acquisition of Zhangjiagang Gelin (note 37(c))	收購張家港格林(附註37(c))	(36,689)	47
Acquisition of Yulin Chuanneng (note 37(d))	收購玉林川能(附註37(d))	(40,079)	(93,099)
Others*	其他*	-	(56,733)
		(83,132)	(402,127)

* Balance for the year ended 31 December 2019 represented net cash outflow for the acquisition of subsidiaries with major assets including property, plant and equipment of HK\$7,520,000, intangible assets of HK\$5,269,000 and deferred tax assets of HK\$1,237,000, and non-controlling interests of HK\$2,876,000, as at the date of acquisition.

* 截至二零一九年十二月三十一日止年度之結餘為於收購日期收購具有主要資產之附屬公司之現金流出淨額，有關主要資產包括物業、廠房及設備港幣7,520,000元、無形資產港幣5,269,000元及遞延稅項資產港幣1,237,000元，以及非控股權益港幣2,876,000元。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Subsequent to the end of the reporting period, pursuant to the announcements of CEWL on 10 January 2021, 22 January 2021 and 2 March 2021, equity transfer agreements were entered into between the Group and an independent entity which was established in the PRC on 21 January 2021, pursuant to which the Group has agreed to purchase 65% equity interest of Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd. (“Tianjin Binhai”) for a consideration of RMB666,335,724 (approximately HK\$797.2 million). The acquisition was completed on 2 March 2021. Tianjin Binhai is engaged in waste water treatment and recycling, pipeline engineering, municipal engineering, construction, management, operation, technical consultation and ancillary services of waste water treatment and reusable water facilities, research and development and operation of environmental protection technology and environmental protection products, renewable resources utilisation and operation, sludge dewatering treatment and its application. Due to the timing of the transaction, the Group is still assessing the financial impact on the Group. Accordingly, certain disclosures in relation to the business combination have not been presented.

37 收購附屬公司(續)

於報告期末後，根據光大水務於二零二一年一月十日、二零二一年一月二十二日及二零二一年三月二日的公告，於二零二一年一月二十一日，本集團與一家於中國成立之獨立實體訂立股權轉讓協議，據此，本集團同意購買天津濱海新區環塘污水處理有限公司(「天津濱海」)65%股權，代價為人民幣666,335,724元(約港幣7.972億元)。收購事項已於二零二一年三月二日完成。天津濱海從事污水處理及再生利用；管道工程；市政工程；污水處理及中水回用設施的建設、管理、經營、技術諮詢及配套服務；環保科技及環保產品的研發與經營；再生資源利用及經營；污泥乾化處理及其應用。鑒於進行該交易的時間，本集團仍在評估其對本集團的財務影響。因此，若干與該業務合併相關的披露尚未呈列。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

38 DISPOSAL OF A SUBSIDIARY

During the year ended 31 December 2020, the Group disposed of its entire interest in a subsidiary to EB Energy Ma'anshan, the Group's joint venture, for a consideration of approximately RMB65,211,000 (equivalent to approximately HK\$72,710,000).

38 出售附屬公司

於截至二零二零年十二月三十一日止年度，本集團向光大能源(馬鞍山)(本集團之合營企業)出售其於附屬公司之全部權益，代價約為人民幣65,211,000元(相當於約港幣72,710,000元)。

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元
Net assets disposed of:	已出售資產淨額：		
Property, plant and equipment	物業、廠房及設備	15	407
Intangible assets	無形資產	18	104,638
Contract assets	合約資產		84,508
Inventories	存貨		55
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項		9,846
Cash and cash equivalents	現金及現金等價物		7,744
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用		(109,614)
Deferred tax liabilities	遞延稅項負債	33	(7,378)
			90,206
Exchange fluctuation reserve	匯兌波動儲備		(3,379)
			86,827
Loss on disposal of a subsidiary	出售附屬公司之虧損		(14,117)
			72,710
Total consideration	總代價		72,710

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

38 DISPOSAL OF A SUBSIDIARY (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

		2020 二零二零年 HK\$'000 港幣千元
Cash consideration	現金代價	72,710
Cash and cash equivalents disposed of	已出售之現金及現金等價物	(7,744)
Net cash inflow in respect of the disposal of a subsidiary	有關出售附屬公司之現金流入淨額	64,966

38 出售附屬公司(續)

有關出售附屬公司之現金及現金等價物之流入淨額分析如下：

39 DEEMED DISPOSAL OF PARTIAL INTERESTS IN A SUBSIDIARY

In August 2018, CEWL applied to the Listing Committee of the Stock Exchange for a proposed separate listing of the Group's environmental water project construction and operation business (the "Separate Listing"). The Separate Listing was achieved by global offering, which included the issue of 10,398,000 shares for Hong Kong public offer and 93,572,000 shares for international offer, at an issue price of HK\$2.99 per share. The shares of CEWL have been listed on the Stock Exchange since 8 May 2019. Upon completion of the Separate Listing, the Group's equity interest in CEWL was diluted from 75.24% to 72.43% and CEWL is still classified as a subsidiary of the Company.

39 被視作出售附屬公司之部份權益

於二零一八年八月，光大水務就建議分拆本集團環保水務項目建造及運營業務獨立上市(「獨立上市」)向聯交所上市委員會提交申請。獨立上市已透過按發行價每股港幣2.99元全球發售(當中包括發行10,398,000股股份—香港公开发售及93,572,000股股份—國際發售)完成。光大水務之股份自二零一九年五月八日起在聯交所上市。在獨立上市完成後，本集團於光大水務之股權由75.24%攤薄至72.43%，而光大水務仍被歸類為本公司之附屬公司。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

40 ACQUISITION OF NON-CONTROLLING INTERESTS

In 2020, the Group entered into agreements with certain non-controlling shareholders of subsidiaries, pursuant to which these non-controlling shareholders agreed to sell and the Group agreed to purchase 34% equity interest in Everbright Luhuan Environmental Energy (Shenyang) Limited (the name was changed to Everbright Environmental Energy (Shenyang) Limited with effect from 14 October 2020), 24% equity interest in Tianjin Everbright Xingchen Environmental Energy Limited, 20% equity interest in Everbright Environmental Food Waste (Sanya) Limited and 40% equity interest in Everbright Industrial Waste Water Treatment Nanjing Limited, at an aggregate consideration of approximately RMB64,050,000 (equivalent to approximately HK\$70,814,000).

In 2019, the Group entered into agreements with the non-controlling shareholders of Suntime Environmental Remediation, pursuant to which the non-controlling shareholders agreed to sell and the Group agreed to purchase 11.12% equity interest in Suntime Environmental Remediation at a consideration of RMB27,800,000 (equivalent to approximately HK\$32,502,000).

The Group recognised a decrease in non-controlling interests and exchange reserve of HK\$187,058,000 (2019: HK\$23,887,000) and HK\$22,129,000 (2019: Nil), respectively, and an increase in other reserve of HK\$138,373,000 (2019: decrease of HK\$8,615,000).

40 收購非控股權益

於二零二零年，本集團與附屬公司若干非控股股東訂立協議，據此，該等非控股股東同意出售，而本集團同意購買光大綠環環保能源(瀋陽)有限公司34%股權(自二零二零年十月十四日起，公司名稱變更為光大環保能源(瀋陽)有限公司)、天津光大興辰環保能源有限公司24%股權、光大環保餐廚處理(三亞)有限公司20%股權及光大工業廢水處理南京有限公司40%股權，總代價約為人民幣64,050,000元(相當於約港幣70,814,000元)。

於二零一九年，本集團與上田環境修復之非控股股東訂立協議。據此，非控股股東同意出售，而本集團同意購買上田環境修復11.12%股權，代價為人民幣27,800,000元(相當於約港幣32,502,000元)。

本集團確認非控股權益及匯兌儲備分別減少港幣187,058,000元(二零一九年：港幣23,887,000元)及港幣22,129,000元(二零一九年：無)，以及其他儲備增加港幣138,373,000元(二零一九年：減少港幣8,615,000元)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

41 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 December 2020, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$24,722,000 (2019: HK\$109,831,000) and HK\$24,722,000 (2019: HK\$109,831,000), respectively, in respect of lease arrangements for buildings, plant and machinery, and motor vehicles, electronic equipment and others.
- (ii) During the year ended 31 December 2020, the interest expenses on corporate bond, ABS and MTN of HK\$95,560,000 (2019: HK\$67,505,000) are not yet settled by the Group, and recorded in “Creditors, other payables and accrued expenses” in the consolidated statement of financial position as at 31 December 2020, and has no cash flow impact to the Group.
- (iii) During the year ended 31 December 2019, the dividend declared to the non-controlling shareholders of a non wholly-owned subsidiary of HK\$23,035,000 were not yet settled by the Group, and recorded in “Creditors, other payables and accrued expenses” in the consolidated statement of financial position as at 31 December 2019, and had no cash flow impact to the Group.

41 綜合現金流量表附註

(a) 主要非現金交易

- (i) 於截至二零二零年十二月三十一日止年度，本集團具有有關樓宇、廠房及機器，以及汽車、電子設備及其他項目之租賃安排之使用權資產及租賃負債非現金增置分別港幣24,722,000元(二零一九年：港幣109,831,000元)及港幣24,722,000元(二零一九年：港幣109,831,000元)。
- (ii) 於截至二零二零年十二月三十一日止年度，本集團尚未付清公司債券、資產支持證券及中期票據之利息支出港幣95,560,000元(二零一九年：港幣67,505,000元)，有關款項已入賬二零二零年十二月三十一日之綜合財務狀況表「應付賬款、其他應付款項及應計費用」內及其對本集團之現金流量並無構成影響。
- (iii) 於截至二零一九年十二月三十一日止年度，本集團尚未付清已向非全資附屬公司之非控股股東宣派之股息港幣23,035,000元，有關款項已入賬二零一九年十二月三十一日之綜合財務狀況表「應付賬款、其他應付款項及應計費用」內及其對本集團之現金流量並無構成影響。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

41 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities

41 綜合現金流量表附註(續)

(b) 融資活動所產生之負債變動

		Corporate bond, ABS and MTN interest payables 公司債券、資產支持證券及中期票據應付利息 HK\$'000 港幣千元	Bank and other loans 銀行及其他貸款 HK\$'000 港幣千元	Lease liabilities 租賃負債 HK\$'000 港幣千元	Corporate bond, ABS and MTN 公司債券、資產支持證券及中期票據 HK\$'000 港幣千元	Amounts due to non-controlling interests 應付非控股權益款項 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	38,426	36,448,564	57,229	2,035,404	-
Changes from financing cash flows	融資現金流量變動	(93,336)	12,384,852	(49,440)	804,235	17,513
New leases	新訂租賃	-	-	109,831	-	-
Increase arising from acquisition of a subsidiary	收購附屬公司所產生之增幅	-	403,024	-	-	-
Finance costs, including capitalised interest expenses	財務費用(包括已資本化利息支出)	122,415	1,706,462	5,165	-	-
Foreign exchange movement	匯兌變動	(1,529)	(646,620)	(1,722)	(77,111)	(878)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	65,976	50,296,282	121,063	2,762,528	16,635
Changes from financing cash flows	融資現金流量變動	(128,758)	14,781,674	(59,560)	2,152,719	(16,865)
New leases	新訂租賃	-	-	24,722	-	-
Finance costs, including capitalised interest expenses	財務費用(包括已資本化利息支出)	158,342	2,117,260	4,264	-	-
Foreign exchange movement	匯兌變動	5,074	2,434,130	1,516	342,312	230
At 31 December 2020	於二零二零年十二月三十一日	100,634	69,629,346	92,005	5,257,559	-

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

41 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Total cash outflow for leases

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within operating activities	經營活動	(38,701)	(39,949)
Within investing activities	投資活動	(231,360)	(160,771)
Within financing activities	融資活動	(59,560)	(49,440)
		(329,621)	(250,160)

42 PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's banking facilities and lease liabilities are included in note 29 to the financial statements. The aggregate net book value of assets and equity interest in subsidiaries pledged amounted to HK\$76,803,665,000 (2019: HK\$52,510,366,000) as at 31 December 2020.

43 OPERATING LEASE ARRANGEMENTS

As lessee

The Group leases a number of properties and motor vehicles under operating leases, with leases negotiated for terms within one year. None of the leases includes contingent rentals.

41 綜合現金流量表附註(續)

(c) 租賃之現金流出總額

現金流量表所載租賃之現金流出總額如下：

42 資產抵押

就本集團之銀行融資及租賃負債予以抵押之本集團資產之詳情載於財務報表附註29。於二零二零年十二月三十一日，已抵押資產及附屬公司股權之賬面總淨值為港幣76,803,665,000元(二零一九年：港幣52,510,366,000元)。

43 經營租賃安排

作為承租人

本集團根據經營租賃租用多項物業及汽車，商定租期為一年之內。概無任何租賃包括或然租金。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

43 OPERATING LEASE ARRANGEMENTS (continued)

As lessee (continued)

At 31 December 2020, the Group had total future lease payments under non-cancellable lease contracts (including short-term leases, leases of low-value assets and lease contracts that have not yet commenced as at 31 December 2020) as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within one year	一年內	12,652	9,683

44 COMMITMENTS

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

- (a) Purchase commitments outstanding in connection with the Group's construction contracts were as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備	12,035,924	10,626,406

- (b) At 31 December 2020, the Group had outstanding capital commitments relating to the purchase of limited partnerships in investment funds not provided for in the financial statements of HK\$358,218,000 (2019: HK\$2,889,000).

43 經營租賃安排(續)

作為承租人(續)

於二零二零年十二月三十一日，根據不可解除的租賃合同(包括短期租賃、低價值資產租賃及於二零二零年十二月三十一日尚未開始之租賃合同)，本集團日後的租賃付款總額如下：

44 承擔

於報告期末，本集團有以下承擔：

- (a) 有關本集團建造合約之採購承擔如下：

- (b) 於二零二零年十二月三十一日，本集團具有有關購買營運投資基金的有限責任合夥公司之未履行資本承擔港幣358,218,000元(二零一九年：港幣2,889,000元)，有關承擔並未在財務報表中作出撥備。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

44 COMMITMENTS (continued)

- (c) At 31 December 2020, the Group had an outstanding capital commitment relating to the capital contribution to an unlisted equity investment not provided for in the financial statements of HK\$24,730,000 (2019: HK\$23,154,000).
- (d) At 31 December 2020, the Group had outstanding capital commitment relating to the capital contribution to associates not provided for in the financial statements of HK\$45,070,000 (2019: HK\$42,197,000).
- (e) At 31 December 2020, the Group had outstanding capital commitment relating to the capital contribution to joint ventures not provided for in the financial statements of HK\$72,058,000 (2019: Nil).

45 RELATED PARTY TRANSACTIONS

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

- (a) The Group entered into the following related party transactions with a related party bank:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest income	利息收入	13,323	20,314
Interest expense	利息支出	29,131	46,133

Details of the Group's deposits placed with a related party bank and loans from a related party bank are included in notes 26, 27 and 29 to the financial statements.

44 承擔(續)

- (c) 於二零二零年十二月三十一日，本集團具有有關向非上市股本投資注資之未履行資本承擔港幣24,730,000元(二零一九年：港幣23,154,000元)，有關承擔並未在財務報表中作出撥備。
- (d) 於二零二零年十二月三十一日，本集團具有有關向聯營公司注資之未履行資本承擔港幣45,070,000元(二零一九年：港幣42,197,000元)，有關承擔並未在財務報表中作出撥備。
- (e) 於二零二零年十二月三十一日，本集團具有有關向合營公司注資之未履行資本承擔港幣72,058,000元，有關承擔並未在財務報表中作出撥備(二零一九年：無)。

45 關聯方交易

除了此等財務報表其他部份所披露之交易及結餘外，年內本集團訂立了下列重大關聯方交易：

- (a) 本集團與一家關聯方銀行訂立了下列關聯方交易：

本集團存放於關聯方銀行之存款及關聯方銀行提供之貸款詳情載於財務報表附註26、附註27及附註29。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

45 RELATED PARTY TRANSACTIONS (continued)

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest expense	利息支出	62,179	29,499

Details of the Group's other loans from an intermediate holding company of the Group are included in note 29 to the financial statements.

本集團來自其中間控股公司之其他貸款之詳情載於財務報表附註29。

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue from environmental water project operation services	環保水務項目運營服務收益	80,282	59,960
Finance income	財務收入	17,366	18,813
Cost of construction service	建造服務成本	93,256	162,774

- (c) 本集團與其非全資附屬公司之非控股股東訂立了下列關聯方交易：

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue from environmental water project operation services	環保水務項目運營服務收益	73,181	50,256
Finance income	財務收入	50,550	48,001

- (d) 本集團與其關聯公司訂立了下列關聯方交易：

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

45 RELATED PARTY TRANSACTIONS (continued)

(e) The Group entered into the following related party transactions with joint ventures of the Group:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue from environmental energy project construction services	環保能源項目建造服務收益	420,522	417,987
Sales of machinery	銷售機器	214,307	203,500
Management service income	管理服務收入	689	4,863

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Service expenses for operation of waste water treatment plants	污水處理廠運營服務開支	42,650	42,344
Revenue from environmental energy project construction services	環保能源項目建造服務收益	15,910	16,057

(g) The Group entered into the following related party transaction with a fellow subsidiary of the Group, which also constituted connected transactions under the Listing Rules, details of which are disclosed under the paragraph headed "Connected transactions" in the Report of the Directors:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Purchase of a limited partnership in an investment fund	購買營運一項投資基金的一家有限責任合夥公司	236,900	-

As at 31 December 2020, the Group had an outstanding capital commitment relating to the abovementioned purchase of the limited partnership in an investment fund not provided for in the financial statements of HK\$355,350,000 (2019: Nil).

45 關聯方交易(續)

(e) 本集團與其合營企業訂立了下列關聯方交易：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue from environmental energy project construction services	環保能源項目建造服務收益	420,522	417,987
Sales of machinery	銷售機器	214,307	203,500
Management service income	管理服務收入	689	4,863

(f) 本集團與其聯營公司訂立了下列關聯方交易：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Service expenses for operation of waste water treatment plants	污水處理廠運營服務開支	42,650	42,344
Revenue from environmental energy project construction services	環保能源項目建造服務收益	15,910	16,057

(g) 本集團與其同系附屬公司訂立了下列關聯方交易。根據上市規則，有關交易亦構成關連交易，有關交易詳情於董事會報告「關連交易」一段中披露：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Purchase of a limited partnership in an investment fund	購買營運一項投資基金的一家有限責任合夥公司	236,900	-

於二零二零年十二月三十一日，本集團具有有關上述購買營運一個投資基金的有限責任合夥公司之未履行資本承擔港幣355,350,000元(二零一九年：無)，有關承擔並未在財務報表中作出撥備。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

45 RELATED PARTY TRANSACTIONS (continued)

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

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Rental expenses	租金費用	(i)	-	4,666
Listing related fees	上市相關費用	(ii)	-	5,640
Underwriting service fees	承銷服務費用	(iii)	1,453	3,971

Notes:

(i) The rental expenses of an office for the year ended 31 December 2019 were charged by a fellow subsidiary of the Group on mutually agreed terms at a fixed monthly amount of HK\$1,026,000 up to May 2019. In the opinion of the directors of the Company, the rental expenses were determined by reference to the prevailing market rent and the rental valuation report of the premises conducted by an independent property consulting firm engaged by the Company.

During the year ended 31 December 2019, the Group has renewed the lease contract of the aforementioned office. As at 31 December 2020, the right-of-use assets related to an office leased from a fellow subsidiary of the Group amounted to HK\$4,685,000 (2019: HK\$18,254,000) and lease liabilities of HK\$4,869,000 (2019: HK\$18,412,000) are due to a fellow subsidiary of the Group. Depreciation on right-of-use assets related to this office amounted to HK\$13,569,000 (2019: HK\$8,168,000) and interest on lease liabilities to a fellow subsidiary of the Group amounted to HK\$453,000 (2019: HK\$644,000) during the year ended 31 December 2020.

45 關聯方交易(續)

(h) 本集團與其同系附屬公司訂立了下列關聯方交易：

附註：

(i) 截至二零一九年十二月三十一日止年度之辦公室租金費用由本集團同系附屬公司按雙方協定條款計收，直至二零一九年五月之固定月租為港幣1,026,000元。本公司董事認為，租金費用乃經參考當時之市場租金及本公司委聘之獨立物業顧問公司就有關物業作出之租金估值報告而釐定。

於截至二零一九年十二月三十一日止年度，本集團重續上述辦公室之租賃合約。於二零二零年十二月三十一日，與本集團向同系附屬公司租用之辦公室有關之使用權資產為港幣4,685,000元（二零一九年：港幣18,254,000元），而租賃負債港幣4,869,000元（二零一九年：港幣18,412,000元）乃應付本集團同系附屬公司之款項。於截至二零二零年十二月三十一日止年度，此辦公室之相關使用權資產折舊為港幣13,569,000元（二零一九年：港幣8,168,000元），而應付本集團同系附屬公司之租賃負債之利息為港幣453,000元（二零一九年：港幣644,000元）。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

45 RELATED PARTY TRANSACTIONS (continued)

(h) (continued)

Notes: (continued)

- (ii) The listing related fees for the year ended 31 December 2019 were charged by fellow subsidiaries of the Group on mutually agreed terms. Further details of the underwriting agreements are disclosed in the announcement of the Company dated 29 April 2019.
- (iii) The underwriting service fees of the issue of the Greentech MTN for the year ended 31 December 2020 were calculated pursuant to the relevant underwriting agreement. Further details of the underwriting agreement are disclosed in the announcement of the Company dated 1 April 2020.

The underwriting service fees of the issue of the third tranche of the Corporate Bond for the year ended 31 December 2019 were calculated pursuant to the relevant underwriting agreement. Further details of the underwriting agreement are disclosed in the announcement of the Company dated 21 July 2017.

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

The Group operates in an economic environment predominated by enterprises directly or indirectly owned and/or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively "Other SOEs"). During the year ended 31 December 2020, the Group had transactions with the Other SOEs including, but not limited to the revenue, bank deposits and borrowings, and utilities consumptions. The directors of the Company consider that the transactions with the Other SOEs are activities in the ordinary course of the Group's business, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and the Other SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services and such pricing policies are not carried out on non-market terms and do not depend on whether or not the customers are the Other SOEs. Having due regard to the substance of the relationships, the directors of the Company are of the opinion that none of these transactions is material related party transaction that would require separate disclosure.

45 關聯方交易(續)

(h) (續)

附註：(續)

- (ii) 截至二零一九年十二月三十一日止年度之上市相關費用由本集團同系附屬公司按雙方協定條款計收。承銷協議之進一步詳情於本公司日期為二零一九年四月二十九日之公告中披露。
- (iii) 於截至二零二零年十二月三十一日止年度發行綠色環保中期票據之承銷服務費乃根據相關承銷協議計算。承銷協議之其他詳情於本公司日期為二零二零年四月一日之公告中披露。

於截至二零一九年十二月三十一日止年度發行第三批公司債券之承銷服務費乃根據相關承銷協議計算。承銷協議之其他詳情於本公司日期為二零一七年七月二十一日之公告中披露。

- (i) 與中國大陸其他國有企業之交易：

本集團運營所在經濟環境由中國政府通過眾多機關、附屬機構或其他組織所直接或間接擁有及／或控制之企業(統稱「其他國有企業」)佔主導地位。於截至二零二零年十二月三十一日止年度，本集團曾與其他國有企業進行之交易包括(但不限於)收益、銀行存款及借貸，以及公共設施消費。本公司董事認為，該等與其他國有企業之交易均屬本集團於日常業務過程中進行之業務，而本集團之交易並無因本集團及其他國有企業均由中國政府最終控制或擁有而受到重大或過度影響。本集團亦已制定產品及服務定價政策，而有關定價政策並非按非市場條款制訂，亦不取決於客戶是否其他國有企業。經妥為考慮上述關係之本質後，本公司董事認為該等交易並非須作獨立披露之重大關聯方交易。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

45 RELATED PARTY TRANSACTIONS (continued)

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	28,782	38,778
Retirement scheme contributions	退休計劃供款	2,005	2,053
		30,787	40,831

45 關聯方交易(續)

- (j) 本集團已支付予主要管理人員之報酬如下：

46 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged bank deposits, deposits with banks with maturity period over three months, creditors, current portion of debtors, other receivables, deposits and prepayments, finance lease receivables, other payables and accrued expenses, and interest-bearing borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

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

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

46 金融工具之公允值及公允值架構級別

管理層評定現金及現金等價物、已抵押銀行存款、存款期超過三個月之銀行存款、應付賬款以及應收賬款、其他應收款項、按金及預付款項、融資租賃應收款項、其他應付款項及應計費用及計息借貸之即期部份之公允值與其賬面值相若，主要由於該等工具於短期內到期。

本集團之財務管理部門專責釐定金融工具公允值計量之政策及程序。於各個報告日期，財務管理部門會分析金融工具之價值變動，並釐定估值所應用之主要輸入數據。估值由財務總監審閱及審批。審核委員會每年兩次討論估值程序及結果，以便作出中期及年度財務報告。

財務資產及負債之公允值以該工具於自願交易方(而非強迫或清盤出售)當前交易下之可交易金額入賬。下列方法及假設乃用於估計公允值：

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

46 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the non-current portion of debtors, other receivables, deposits and prepayments, finance lease receivables, other payables, and interest-bearing borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings as at 31 December 2020 was assessed to be insignificant.

The equity investment designated at fair value through other comprehensive income in Level 2 represents an investment in a property investment company, with its investment properties (being significant part of the total assets) stated at fair value. The fair value of such investment is determined based on net asset value of the investee which approximates to the fair value.

The fair value of the equity investment designated at fair value through other comprehensive income in Level 3 is estimated with reference to the expected future cash flows of the investment.

The fair values of the financial assets at fair value through profit or loss in Level 2 are based on net asset value of the investees which approximate to the fair value.

The fair value of the financial assets at fair value through profit or loss in Level 3 is based on the expected future cash flows of the investment.

The fair value of contingent consideration receivable as at 31 December 2019 was based on the valuation by the management using a discounted cash flow method with scenario simulation.

46 金融工具之公允值及公允值架構級別 (續)

應收賬款、其他應收款項、按金及預付款項、融資租賃應收款項、其他應付款項以及計息借貸之非即期部份之公允值乃按具有類似條款、信貸風險及剩餘年期之工具之現行適用利率，貼現預期未來現金流量之方式計算。於二零二零年十二月三十一日，就計息借貸而言，本集團本身之不履約風險被評定為甚微。

屬於第二級並指定按公允值計入其他全面收入之股本投資指於一家物業投資公司之投資，該公司之投資物業(佔其總資產重大部份)按公允值列賬。有關投資之公允值根據被投資公司之資產淨值釐定，有關資產淨值與公允值相若。

屬於第三級並指定按公允值計入其他全面收入之股本投資之公允值乃經參考有關投資之預期未來現金流量而估計。

屬於第二級並按公允值計入損益之財務資產之公允值乃根據被投資公司之資產淨值釐定，有關資產淨值與公允值相若。

屬於第三級並按公允值計入損益之財務資產之公允值乃根據有關投資之預期未來現金流量釐定。

於二零一九年十二月三十一日，應收或然代價之公允值乃根據管理層使用貼現現金流量法及情景模擬估計而釐定。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

46 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

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

Assets measured at fair value:

As at 31 December 2020

46 金融工具之公允值及公允值架構級別 (續)

公允值架構級別

下表列出本集團金融工具之公允值計量層級：

按公允值計量之資產：

於二零二零年十二月三十一日

		Fair value measurement using 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Equity investments designated at fair value through other comprehensive income	指定按公允值計入 其他全面收入之 股本投資				
- Listed	- 上市	4,743	-	-	4,743
- Unlisted	- 非上市	-	3,899	28,067	31,966
		4,743	3,899	28,067	36,709
Financial assets at fair value through profit or loss	按公允值計入 損益之財務資產	-	646,047	34,051	680,098
		4,743	649,946	62,118	716,807

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

46 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2019

46 金融工具之公允值及公允值架構級別 (續)

公允值架構級別 (續)

按公允值計量之資產：(續)

於二零一九年十二月三十一日

		Fair value measurement using 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Equity investments designated at fair value through other comprehensive income	指定按公允值計入 其他全面收入之 股本投資				
- Listed	- 上市	8,168	-	-	8,168
- Unlisted	- 非上市	-	3,899	35,998	39,897
		8,168	3,899	35,998	48,065
Financial assets at fair value through profit or loss	按公允值計入 損益之財務資產	-	431,035	31,010	462,045
Contingent consideration receivable	應收或然代價	-	-	7,708	7,708
		8,168	434,934	74,716	517,818

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

46 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

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

46 金融工具之公允值及公允值架構級別 (續)

公允值架構級別 (續)

按公允值計量之資產：(續)

第三級公允值計量於年內之變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Equity investments designated at fair value through other comprehensive income:	指定按公允值計入其他全面收入之股本投資：		
At 1 January	於一月一日	35,998	30,115
Purchases	購買	-	5,883
Fair value loss	公允值虧損	(7,931)	-
At 31 December	於十二月三十一日	28,067	35,998
Financial assets at fair value through profit or loss:	按公允值計入損益之財務資產：		
At 1 January	於一月一日	31,010	-
Purchases	購買	-	27,146
Fair value gain	公允值收益	883	4,496
Exchange realignment	匯兌調整	2,158	(632)
At 31 December	於十二月三十一日	34,051	31,010
Contingent consideration receivable:	應收或然代價：		
At 1 January	於一月一日	7,708	8,541
Fair value adjustment	公允值調整	(7,814)	(646)
Exchange realignment	匯兌調整	106	(187)
At 31 December	於十二月三十一日	-	7,708

The Group did not have any financial liabilities measured at fair value as at 31 December 2020 and 2019.

During the year ended 31 December 2020, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2019: Nil).

於二零二零年及二零一九年十二月三十一日，本集團並無任何按公允值計量之財務負債。

於截至二零二零年十二月三十一日止年度，就財務資產及財務負債而言，第一級和第二級公允值計量之間並無任何轉移，第三級亦無任何轉入或轉出(二零一九年：無)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

47 FINANCIAL INSTRUMENTS BY CATEGORY

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

2020

Financial assets	財務資產	Financial assets at fair value through profit or loss – as such upon initial recognition	按公允價值計入損益之財務資產 – 初步確認時指定為此分類	Financial assets at fair value through profit or loss – mandatorily designated as such upon initial recognition	按公允價值計入損益之財務資產 – 強制指定為此分類	Equity investments designated at fair value through other comprehensive income	指定按公允價值計入其他全面收入之股本投資	Total	總額
		Financial assets at amortised cost	按攤銷成本計算之財務資產	Financial assets at amortised cost	按攤銷成本計算之財務資產			HK\$'000	港幣千元
Finance lease receivables	融資租賃應收款項	16,437	-	-	-	-	-	16,437	16,437
Other financial assets	其他財務資產	-	34,051	646,047	36,709	-	-	716,807	716,807
Financial assets included in debtors, other receivables, deposits and prepayments	計入應收賬款、其他應收款項、按金及預付款項之財務資產	7,898,623	-	-	-	-	-	7,898,623	7,898,623
Pledged bank deposits	已抵押銀行存款	837,770	-	-	-	-	-	837,770	837,770
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	7,585	-	-	-	-	-	7,585	7,585
Cash and cash equivalents	現金及現金等價物	10,860,693	-	-	-	-	-	10,860,693	10,860,693
		19,621,108	34,051	646,047	36,709	-	-	20,337,915	20,337,915

Financial liabilities	財務負債	Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	Interest-bearing borrowings	計息借貸	Financial liabilities at amortised cost	按攤銷成本計算之財務負債	Total	總額
								HK\$'000	港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	18,020,728						18,020,728	18,020,728
Interest-bearing borrowings	計息借貸	74,978,910						74,978,910	74,978,910
								92,999,638	92,999,638

47 按類別劃分之金融工具

於報告期末，各類別金融工具之賬面值如下：

二零二零年

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

47 FINANCIAL INSTRUMENTS BY CATEGORY (continued)

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

2019

47 按類別劃分之金融工具(續)

於報告期末，各類別金融工具之賬面值如下：(續)

二零一九年

Financial assets	財務資產	Financial assets at fair value through profit or loss – designated as such upon initial recognition	Financial assets at fair value through profit or loss – mandatorily designated as such	Equity investments designated at fair value through other comprehensive income	Total
		按攤銷成本計算之財務資產	按公允值計入損益之財務資產 – 初步確認時指定為此分類	按公允值計入損益之財務資產 – 強制指定為此分類	
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Finance lease receivables	融資租賃應收款項	16,012	-	-	16,012
Other financial assets	其他財務資產	-	31,010	431,035	510,110
Financial assets included in debtors, other receivables, deposits and prepayments	計入應收賬款、其他應收款項、按金及預付款項之財務資產	4,390,127	-	7,708	4,397,835
Pledged bank deposits	已抵押銀行存款	537,989	-	-	537,989
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	22,180	-	-	22,180
Cash and cash equivalents	現金及現金等價物	11,742,819	-	-	11,742,819
		16,709,127	31,010	438,743	17,226,945
Financial liabilities	財務負債			Financial liabilities at amortised cost	
				按攤銷成本計算之財務負債	
				HK\$'000	
				港幣千元	
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債				13,706,914
Interest-bearing borrowings	計息借貸				53,179,873
					66,886,787

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing borrowings, cash and short term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as debtors, other receivables, deposits, finance lease receivables, and creditors, other payables and accrued expenses, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, bank deposits, bank and other loans, lease liabilities, corporate bond, ABS and MTN. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

48 財務風險管理目標及政策

本集團之主要金融工具包括計息借貸、現金及短期存款。此等金融工具之主要目的在於為本集團之業務運作提供資金。本集團還有其他財務資產及負債，包括應收賬款、其他應收款項、按金、融資租賃應收款項以及應付賬款、其他應付款項及應計費用，乃直接自其業務產生。

本集團金融工具產生之主要風險包括利率風險、外幣風險、信貸風險、流動資金風險及股本價格風險。董事會檢討及協定管理各項有關風險之政策，有關政策概述於下文。本集團有關衍生工具之會計政策載於財務報表附註2.4。

利率風險

本集團之利率風險主要源自本集團之現金及現金等價物、銀行存款、銀行及其他貸款、租賃負債、公司債券、資產支持證券以及中期票據。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允值利率風險。本集團並無利用金融衍生工具來對沖利率風險。本集團之利率概況由管理層監察，詳載於下文(i)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

(i) Interest rate profile

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

48 財務風險管理目標及政策(續)

利率風險(續)

(i) 利率概況

下表載列本集團於報告期末之借貸淨額(即計息財務負債減去銀行存款、現金及現金等價物以及其他計息財務資產)之利率概況。

		2020 二零二零年		2019 二零一九年	
		Effective interest rate 實際利率 %	HK\$'000 港幣千元	Effective interest rate 實際利率 %	HK\$'000 港幣千元
Net fixed rate borrowings/ deposits:					
	定息借貸/(存款) 淨額:				
Bank loans, lease liabilities, corporate bond, ABS and MTN	銀行貸款、租賃負債、公司債券、資產支持證券及中期票據	0.72 – 7.50	7,095,802	0.72 – 7.50	2,990,037
Less: Pledged bank deposits	減: 已抵押銀行存款	-	-	1.50 – 2.10	(92,223)
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	1.35 – 1.50	(7,585)	1.55	(22,180)
Cash and cash equivalents	現金及現金等價物	0.30 – 4.75	(1,056,783)	1.10 – 3.20	(925,172)
Amount due from an associate	應收聯營公司款項	4.75	(17,614)	4.75	(8,181)
Amounts due from joint ventures	應收合營企業款項	4.35	(11,845)	-	-
			6,001,975		1,942,281
Net variable rate borrowings/(deposits):					
	浮息借貸/(存款) 淨額:				
Bank and other loans	銀行及其他貸款	1.05 – 5.39	67,883,108	1.30 – 5.39	50,189,836
Amount due to non-controlling interests	應付非控股權益之款項	-	-	4.35	16,635
Less: Other receivables, deposits and prepayments	減: 其他應收款項、按金及預付款項	4.75 – 5.39	(46,155)	4.75 – 5.39	(51,752)
Pledged bank deposits	已抵押銀行存款	0.01 – 4.41	(837,770)	0.01 – 2.10	(445,766)
Cash and cash equivalents	現金及現金等價物	0.01 – 2.20	(9,803,910)	0.01 – 2.10	(10,817,647)
Amount due from non-controlling interests	應收非控股權益之款項	5.23	(25,021)	5.23	(22,180)
Amounts due from joint ventures	應收合營企業款項	4.81	(5,923)	-	-
			57,164,329		38,869,126
Total net borrowings	總借貸淨額		63,166,304		40,811,407

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2020, it is estimated that a general increase/decrease of one percent in interest rates, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$631,663,000 (2019: HK\$408,114,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before tax is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis was performed on the same basis for 2019.

Foreign currency risk

(i) Exposure to currency risk

The Group is exposed to currency risk primarily from bank loans, cash and cash equivalents, other financial assets, receivables and payables that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Hong Kong dollars, RMB, United States dollars, Singapore dollars and Euro.

48 財務風險管理目標及政策(續)

利率風險(續)

(ii) 敏感度分析

於二零二零年十二月三十一日，據本集團估計，如利率整體上調／下調1個百分點，而所有其他不定因素維持不變，本集團之除稅前盈利將會減少／增加約港幣631,663,000元(二零一九年：港幣408,114,000元)。

上述敏感度分析指出本集團之除稅前盈利可能產生之即時變動。敏感度分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公允值利率風險之金融工具。對於由本集團於報告期末所持有之浮動利率非衍生工具所產生之現金流利率風險，其對本集團除稅前盈利之影響是基於利率變動而產生之利息支出或收入作估計。有關分析按二零一九年之分析之相同基準進行。

外幣風險

(i) 須承受之貨幣風險

本集團之貨幣風險主要來自以外幣(即相關業務之功能貨幣以外之貨幣)計值之銀行貸款、現金及現金等價物、其他財務資產、應收款項及應付款項。涉及貨幣風險之貨幣主要為港幣、人民幣、美元、新加坡元及歐羅。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(i) Exposure to currency risk (continued)

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

48 財務風險管理目標及政策(續)

外幣風險(續)

(i) 須承受之貨幣風險(續)

下表詳列本集團於報告期末需承受由已確認資產或負債(以相關實體之功能貨幣以外之貨幣計值)所產生之貨幣風險。為方便呈報，貨幣風險之金額乃按報告期間結算日之即期匯率兌換為港幣列示。海外業務之財務報表換算為集團呈報貨幣時產生之差異，不會計入貨幣風險。

Exposure to foreign currencies
(expressed in Hong Kong dollars)

As at 31 December 2020

須承受之外幣風險

(以港幣計算)

於二零二零年十二月三十一日

		Hong Kong dollars 港幣 HK\$'000 港幣千元	RMB 人民幣 HK\$'000 港幣千元	United States dollars 美元 HK\$'000 港幣千元	Singapore dollars 新加坡元 HK\$'000 港幣千元	Euro 歐羅 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	13,845	1,047,565	51,734	2,921	621
Other financial assets	其他財務資產	-	-	437,214	-	-
Bank loans	銀行貸款	(2,054,151)	(1,184,500)	(1,282,664)	-	(346,516)
Amounts due from/(to) group companies (net)	應收/(應付)集團公司款項(淨額)	2,189,776	1,523,088	(858,703)	20,002	569,552
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(2,536)	(97,330)	(15,137)	(1,368)	(5)
		146,934	1,288,823	(1,667,556)	21,555	223,652

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(i) Exposure to currency risk (continued)

		Exposure to foreign currencies (expressed in Hong Kong dollars) As at 31 December 2019 須承受之外幣風險 (以港幣計算) 於二零一九年十二月三十一日				
		Hong Kong		United	Singapore	Euro
		dollars	RMB	dollars	dollars	
		港幣	人民幣	美元	新加坡元	歐羅
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cash and cash equivalents	現金及現金等價物	284,787	55,799	123,429	1,230	754
Other financial assets	其他財務資產	-	-	467,033	-	-
Bank loans	銀行貸款	(2,016,007)	(88,720)	(774,555)	-	(9,132)
Amounts due from/(to) group companies (net)	應收/(應付)集團公司款項(淨額)	1,404,751	370,819	(867,325)	19,864	174,077
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(6,520)	(66,027)	(17,710)	(1,062)	-
		(332,989)	271,871	(1,069,128)	20,032	165,699

(ii) Sensitivity analysis

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

48 財務風險管理目標及政策(續)

外幣風險(續)

(i) 須承受之貨幣風險(續)

		Exposure to foreign currencies (expressed in Hong Kong dollars) As at 31 December 2019 須承受之外幣風險 (以港幣計算) 於二零一九年十二月三十一日				
		Hong Kong		United	Singapore	Euro
		dollars	RMB	dollars	dollars	
		港幣	人民幣	美元	新加坡元	歐羅
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cash and cash equivalents	現金及現金等價物	284,787	55,799	123,429	1,230	754
Other financial assets	其他財務資產	-	-	467,033	-	-
Bank loans	銀行貸款	(2,016,007)	(88,720)	(774,555)	-	(9,132)
Amounts due from/(to) group companies (net)	應收/(應付)集團公司款項(淨額)	1,404,751	370,819	(867,325)	19,864	174,077
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(6,520)	(66,027)	(17,710)	(1,062)	-
		(332,989)	271,871	(1,069,128)	20,032	165,699

(ii) 敏感度分析

下表顯示假設於報告期末對本集團有重大影響之匯率於當日出現變動，而所有其他風險不定因素維持不變，屆時本集團之除稅前盈利可能產生之即時變動。就此而言，本集團假設美元兌其他貨幣之幣值變動將不會對港幣與美元之間的聯繫匯率構成重大影響。除了並非以港幣作為功能貨幣之附屬公司外，就以美元計值之資產及負債而言，由於港幣與美元掛鈎，故此匯率波動之影響甚微。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(ii) Sensitivity analysis (continued)

48 財務風險管理目標及政策(續)

外幣風險(續)

(ii) 敏感度分析(續)

As at 31 December
於十二月三十一日

		2020 二零二零年		2019 二零一九年	
		Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Increase/ (decrease) in profit before tax 除稅前 盈利增加/ (減少) HK\$'000 港幣千元	Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Increase/ (decrease) in profit before tax 除稅前 盈利增加/ (減少) HK\$'000 港幣千元
Hong Kong dollars	港幣	10 (10)	14,693 (14,693)	10 (10)	(33,299) 33,299
RMB	人民幣	10 (10)	128,882 (128,882)	10 (10)	27,187 (27,187)
United States dollars	美元	10 (10)	(38,642) 38,642	10 (10)	5,808 (5,808)
Singapore dollars	新加坡元	10 (10)	2,156 (2,156)	10 (10)	2,003 (2,003)
Euro	歐羅	10 (10)	22,365 (22,365)	10 (10)	16,570 (16,570)

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

上表呈列之分析結果總結了本集團各個別公司以相關功能貨幣計量之除稅前盈利之即時影響，有關影響以報告期末之匯率折算為港幣呈報。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

(ii) Sensitivity analysis (continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis was performed on the same basis for 2019.

Credit risk

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

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

At the end of the reporting period, debtors, other receivables, deposits and prepayments and contract assets of the Group amounted to HK\$16,789,101,000 (2019: HK\$10,579,020,000) and HK\$92,087,052,000 (2019: HK\$67,704,626,000), respectively, of which HK\$2,193,306,000 (2019: HK\$1,283,938,000) and HK\$11,805,493,000 (2019: HK\$8,385,605,000) were due from the largest customer and the five largest customers in aggregate of the Group, respectively. Since the parties to BOT, BOO and TOT arrangements are local government authorities in the PRC, the Group considers the credit risk is low. The Group does not hold any collateral over these balances.

48 財務風險管理目標及政策(續)

外幣風險(續)

(ii) 敏感度分析(續)

敏感度分析乃假設匯率變動已用於重新計量本集團所持有令本集團於報告期末蒙受外幣風險之金融工具，包括集團內公司間以貸款人或借款人之功能貨幣以外之貨幣計值之應付款項及應收款項。海外業務之財務報表換算為集團呈報貨幣時產生之差異，不會計入貨幣風險。有關分析按二零一九年之分析之相同基準進行。

信貸風險

管理層設定了信貸政策，並持續監察本集團所面對之信貸風險。債項通常由發單日期起計三十至九十日內到期。

本集團之應收賬款指來自環保能源項目、綠色環保項目及環保水務項目之運營服務收益之應收款項，有關款項按月收取。此外，本集團亦有涉及BOT、BOO及TOT安排之合約資產及其他應收款項。

於報告期末，本集團之「應收賬款、其他應收款項、按金及預付款項」及「合約資產」分別為港幣16,789,101,000元(二零一九年：港幣10,579,020,000元)及港幣92,087,052,000元(二零一九年：港幣67,704,626,000元)，其中港幣2,193,306,000元(二零一九年：港幣1,283,938,000元)及港幣11,805,493,000元(二零一九年：港幣8,385,605,000元)分別為本集團最大客戶欠款及五大客戶合計欠款。由於BOT、BOO及TOT安排下之訂約方均為中國當地政府機關，故本集團認為信貸風險屬低。本集團並無就該等結餘持有任何抵押品。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

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

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

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

To manage credit risk arising from debtors and contract assets, the credit quality of the debtors is assessed, taking into account their financial position, historical settlement records, past experience and other factors. The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of lifetime expected loss provision for all debtors and contract assets that do not contain a significant financing component. The ECLs also incorporated forward looking information.

48 財務風險管理目標及政策(續)

信貸風險(續)

就釐定信貸風險之大幅增加及計算耗損而言，管理層基於共同信貸風險特徵(例如：工具類型及信貸風險評級)分類金融工具。綜合財務狀況表中各項財務資產之賬面值為本集團財務資產相關信貸風險之最高值。

當發生一項或多項對財務資產估計未來現金流量有不利影響之事件時，財務資產便會出現信貸耗損。財務資產信貸耗損之證據包括下列事件之可觀察數據：

- 債務人出現重大財政困難；
- 違反合約，例如：拖欠或逾期事件；
- 債務人有可能破產或進行其他財務重組。

為了管理應收賬款及合約資產所產生之信貸風險，本集團會評估債務人之信貸質素，會考慮其財政狀況、過往償付記錄、過往經驗及其他因素。本集團應用香港財務報告準則第9號所訂明之簡化處理方法來提撥預期信貸虧損，其允許就所有應收賬款及並無重大融資成份之合約資產使用全期預期信貸虧損撥備。預期信貸虧損亦納入具有前瞻性之資料。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

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

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

Management also makes periodic collective assessments for other receivables as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience and other factors. The Group classified other receivables and contract assets that contain a significant financing component in Stage 1 and continuously monitored their credit risk. Management believes that there is no material credit risk inherent in the Group's outstanding balance of other receivables and contract assets that contain a significant financing component as at 31 December 2020 and 2019.

All pledged bank deposits, deposits with banks with maturity period over three months and cash and cash equivalents were deposited with creditworthy financial institutions without significant credit risk.

The Group does not provide any guarantees which would expose the Group or the Company to credit risk. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from "Contract assets" as well as "Debtors, other receivables, deposits and prepayments" are set out in notes 23 and 25 to the financial statements, respectively.

48 財務風險管理目標及政策(續)

信貸風險(續)

本集團已制定政策，透過考慮金融工具剩餘年期內發生違約風險之變化，評估自初步確認以來金融工具之信貸風險是否顯著增加。本集團將其他應收款項及具有重大融資成份之合約資產分類為下述第一階段、第二階段及第三階段：

- 第一階段 當首次確認其他應收款項及具有重大融資成份之合約資產時，本集團根據12個月預期信貸虧損確認撥備。
- 第二階段 當其他應收款項及具有重大融資成份之合約資產顯示其信貸風險自開始以來大幅增加時，本集團會記錄全期預期信貸虧損撥備。
- 第三階段 其他應收款項及具有重大融資成份之合約資產被視為出現信貸虧損。本集團會記錄全期預期信貸虧損撥備。

管理層亦根據歷史償付記錄、過往經驗及其他因素，定期就其他應收款項作出共同評估，並對其他應收款項之可收回性作出個別評估。本集團把其他應收款項及具有重大融資成份之合約資產歸類第一階段，並持續監察其信貸風險。管理層認為，於二零二零年及二零一九年十二月三十一日，本集團尚未收回之其他應收款項結餘及具有重大融資成份之合約資產並無固有的重大信貸風險。

所有已抵押銀行存款、存款期超過三個月之銀行存款以及現金及現金等價物皆存放於信譽良好之財務機構，且並無重大信貸風險。

本集團並無提供任何會令本集團或本公司承受信貸風險之擔保。本集團「合約資產」及「應收賬款、其他應收款項、按金及預付款項」所涉信貸風險之進一步數據披露，分別載於財務報表附註23及附註25。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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 when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

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

48 財務風險管理目標及政策(續)

流動資金風險

本集團旗下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，惟如借貸超出預定授權金額，則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流動資金所需及監察其對借貸契諾之遵行情況，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，以應付短期及長期流動資金需求。

下表列示本集團於報告期末之非衍生工具財務負債之剩餘合約期限情況，並以訂約未貼現現金流量(包括按合約利率或(如屬浮息)根據報告期末通行之利率計算之利息)及本集團須償還有關款項之最早日期為基準而列出。

		2020 二零二零年					
		Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years	
Carrying amount	訂約未貼現賬面值	現金流量總額	一年內或按要求	一年後但兩年內	兩年後但五年內	五年後	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	18,020,728	18,020,728	17,566,948	386,456	24,414	42,910
Interest-bearing borrowings (excluding lease liabilities)*	計息借貸 (不包括租賃負債)*	74,886,905	86,471,807	13,274,806	15,945,527	40,046,365	17,205,109
Lease liabilities	租賃負債	92,005	101,570	37,839	25,754	27,629	10,348
		92,999,638	104,594,105	30,879,593	16,357,737	40,098,408	17,258,367

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

48 財務風險管理目標及政策(續)

流動資金風險(續)

		2019 二零一九年					
		Total contractual undiscounted	Carrying amount	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years
		cash flow		on demand	2 years	5 years	5 years
		訂約未貼現		一年內或	一年後	兩年後	五年後
		現金流量總額		按要求	但兩年內	但五年內	五年後
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	13,706,914	13,706,914	13,344,164	311,441	20,442	30,867
Interest-bearing borrowings (excluding lease liabilities)*	計息借貸 (不包括租賃負債)*	53,058,810	61,903,362	12,630,877	10,107,030	27,066,091	12,099,364
Lease liabilities	租賃負債	121,063	132,750	56,914	33,353	32,680	9,803
		66,886,787	75,743,026	26,031,955	10,451,824	27,119,213	12,140,034

* Included in interest-bearing borrowings is the corporate bond, ABS and MTN payable with a carrying amount of HK\$4,076,836,000 (2019: HK\$2,762,528,000) containing an option to sell back the corporate bond, ABS or MTN to the Group and therefore, for the purpose of the above maturity profile, the total contractual discounted cash flow amount of HK\$4,329,751,000 (2019: HK\$2,923,069,000) related to the corporate bond, ABS and MTN is presented as: HK\$1,149,043,000 classified as repayable "within 1 year or on demand", HK\$1,789,506,000 classified as repayable "more than 1 year but within 2 years" and HK\$1,391,202,000 classified as repayable "more than 2 years but within 5 years" as at 31 December 2020 (2019: HK\$1,205,413,000 classified as repayable "within 1 year or on demand", HK\$941,356,000 classified as repayable "more than 1 year but within 2 years" and HK\$776,300,000 classified as repayable "more than 2 years but within 5 years").

The corporate bond, ABS and MTN will be due for repayment on the respective maturity dates unless being sold back to the Group prior to the maturity date pursuant to the terms of the corporate bond (note 30), ABS (note 31) and MTN (note 32). In accordance with the terms of the corporate bond, ABS and MTN, the maturity terms as at 31 December 2020 are HK\$219,556,000 in 2021, HK\$1,036,313,000 in 2022 and HK\$3,318,813,000 in 2023 to 2025 (2019: HK\$121,297,000 in 2020, HK\$120,883,000 in 2021 and HK\$2,922,655,000 in 2022 to 2024).

* 計息借貸包括賬面值為港幣4,076,836,000元(二零一九年:港幣2,762,528,000元)之應付公司債券、資產支持證券及中期票據,其載有一項有關售回公司債券、資產支持證券或中期票據予本集團之期權。因此,就上述到期概況而言,於二零二零年十二月三十一日,公司債券、資產支持證券及中期票據之合約貼現現金流量總額港幣4,329,751,000元(二零一九年:港幣2,923,069,000元)呈列如下:港幣1,149,043,000元分類為「一年內或按要求」償還、港幣1,789,506,000元分類為「一年後但兩年內」償還及港幣1,391,202,000元分類為「兩年後但五年內」償還(二零一九年:港幣1,205,413,000元分類為「一年內或按要求」償還、港幣941,356,000元分類為「一年後但兩年內」償還及港幣776,300,000元分類為「兩年後但五年內」償還)。

公司債券、資產支持證券及中期票據將於各自之到期日期償還,但如已於到期日前根據公司債券(附註30)、資產支持證券(附註31)及中期票據(附註32)之條款售回本集團則除外。根據公司債券、資產支持證券及中期票據之條款,於二零二零年十二月三十一日,還款條款如下:於二零二一年到期償還港幣219,556,000元、於二零二二年到期償還港幣1,036,313,000元及於二零二三年至二零二五年到期償還港幣3,318,813,000元(二零一九年:於二零二零年到期償還港幣121,297,000元、於二零二一年到期償還港幣120,883,000元及於二零二二年至二零二四年到期償還港幣2,922,655,000元)。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as equity investments designated at fair value through other comprehensive income and financial assets at fair value through profit or loss (note 21). The Group's listed investments are listed on the Stock Exchange. The Group's unquoted investments are held for long term strategic purposes. The management monitors regularly the performance of the investments against expectation, together with an assessment of their relevance to the Group's long term strategic plans.

At 31 December 2020, it is estimated that an increase/decrease of 10% (2019: 10%) in that relevant stock market index (for listed investments) or the price/earning ratios of comparable listed companies (for unquoted investments) as applicable, with all other variables held constant, would have increased/decreased the Group's other components of consolidated equity as follows:

		2020 Effect of other components of equity 二零二零年 權益之其他部份之影響 HK\$'000 港幣千元		2019 Effect of other components of equity 二零一九年 權益之其他部份之影響 HK\$'000 港幣千元	
Change in the relevant equity price risk variable:	相關股本價格風險 不定因素之變化:				
Increase	上升	10%	3,671	10%	4,807
Decrease	下跌	10%	(3,671)	10%	(4,807)

The sensitivity analysis indicates the instantaneous change in the Group's other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, that none of the Group's equity investments would be considered impaired as a result of the decrease in the relevant stock market index or other relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2019.

48 財務風險管理目標及政策(續)

股本價格風險

本集團承受股本投資(被歸類為指定按公允價值計入其他全面收入之股本投資及按公允價值計入損益之財務資產(附註21))之股本價格變動風險。本集團之上市投資均在聯交所上市。本集團之非上市投資均為長期策略目的而持有。管理層定期監察各項投資之實際與預期表現，並評估有關投資是否配合本集團之長期策略規劃。

於二零二零年十二月三十一日，據本集團估計，如有關股市指數(適用於上市投資)或可供比較上市公司之市盈率(適用於非上市投資)(視何者適用)上調/下調10%(二零一九年：10%)，而所有其他不定因素維持不變，本集團之綜合權益之其他部份將會增加/減少如下：

上述敏感度分析指出本集團之綜合權益之其他部份可能產生之即時變動。敏感度分析假設股市指數或其他相關風險不定因素之變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨股本價格風險之金融工具。此外，亦假設本集團股本投資之公允價值會根據與相關股市指數或相關風險不定因素之間存在的歷史相關性而產生變動，本集團之股本投資不會因為相關股市指數或其他相關風險不定因素下跌而被視為已出現耗損，以及所有其他不定因素維持不變。有關分析按二零一九年之分析之相同基準進行。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The Group's primary objectives when managing capital are to maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Group reviews the capital structure on a regular basis and considers the cost of capital and the associated risks. Based on recommendations of the board of directors, the Group will balance its overall capital structure through adjusting the amount of dividends paid to shareholders, new shares issues or new debt financing. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure that there was adequate working capital to service its debt obligation. The Group's gearing ratio, being the Group's total liabilities over its total assets, as at 31 December 2020 was 65% (2019: 63%).

Except for the banking facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in note 29 to the financial statements, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

48 財務風險管理目標及政策(續)

資本管理

本集團管理資本之主要目的是要維持優越的信貸評級及穩健的資本比率，以支持業務運作，並為股東帶來最大利益。

本集團在管理資本架構的同時，亦會因應經濟狀況之變動對資本架構作出調整。本集團會定期檢討資本架構，並加以考慮資本成本及相關風險。根據董事會之建議，本集團會透過調節支付予股東之股息數目、發行新股份或籌集新的債務融資，致力平衡整體資本架構。於截至二零二零年及二零一九年十二月三十一日止年度內，管理資本之目標、政策或程序維持不變。

本集團透過參照負債情況來監察資本情況。本集團之策略，是保持權益與負債的適當平衡，確保有足夠營運資金償付債務。於二零二零年十二月三十一日，本集團之資產負債比率(即本集團之總負債除以總資產所得之數)為65%(二零一九年：63%)。

除了財務報表附註29所披露之銀行融資須符合有關本集團若干財務比率之契諾外，本公司及其任何附屬公司均無受外界施加之資本規定所限制。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

49 EVENTS AFTER THE REPORTING PERIOD

- (a) On 15 January 2021, CEWL announced its completion of the issuance of the second tranche of Water MTN to institutional investors in the national inter-bank bond market in the Mainland, with a principal amount of RMB1 billion, a maturity period of three years and an interest rate of 3.75% per annum.
- (b) On 28 January 2021, CEGE received the notice of registration acceptance issued by the National Association of Financial Market Institutional Investors in respect of the application for the proposed issue of asset-backed notes (the "ABN") with the maximum registered principal amount of RMB2 billion to institutional investors in the national inter-bank bond market in the Mainland. The registered principal amount shall be valid for two years from the date of the notice of registration acceptance, being 27 January 2021. The ABN shall be traded in the national inter-bank bond market. As at the date of approval of these financial statements, CEGE had not issued any ABN.

49 報告期間後之事項

- (a) 於二零二一年一月十五日，光大水務宣佈已完成於中國境內向全國銀行間債券市場機構投資者發行本金額為人民幣10億元的第二批水務中期票據，期限為三年，年息率為3.75%。
- (b) 光大綠色環保於二零二一年一月二十八日收到由中國銀行間市場交易商協會就申請於中國境內向全國銀行間債券市場機構投資者建議發行註冊本金金額上限為人民幣20億元資產支持票據（「資產支持票據」）而發出的接受註冊通知書，而此註冊本金金額將於接受註冊通知書日期（即二零二一年一月二十七日）起有效，為期兩年。有關資產支持票據將於全國銀行間債券市場流通。於此等財務報表批准日，光大綠色環保尚未發行任何資產支持票據。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

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

50 本公司之財務狀況表

以下為於報告期末本公司財務狀況表之資料：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	3,069	2,943
Interests in subsidiaries	附屬公司權益	35,536,155	32,662,653
Interest in a joint venture	一間合營企業權益	311,011	-
Other financial assets	其他財務資產	3,899	3,899
Total non-current assets	非流動資產總額	35,854,134	32,669,495
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	3,047,633	4,344,597
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	13,387	19,813
Cash and cash equivalents	現金及現金等價物	1,024,427	1,867,930
Total current assets	流動資產總額	4,085,447	6,232,340
CURRENT LIABILITIES	流動負債		
Other payables and accrued expenses	其他應付款項及應計費用	43,197	47,988
Interest-bearing borrowings	計息借貸		
– Secured	– 有抵押	325,000	455,000
– Unsecured	– 無抵押	3,125,040	4,452,341
		3,450,040	4,907,341
Total current liabilities	流動負債總額	3,493,237	4,955,329
NET CURRENT ASSETS	流動資產淨額	592,210	1,277,011
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	36,446,344	33,946,506

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

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

50 本公司之財務狀況表(續)

以下為於報告期末本公司財務狀況表之資料：(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
NON-CURRENT LIABILITIES			
Interest-bearing borrowings	非流動負債 計息借貸		
– Secured	– 有抵押	908,560	435,000
– Unsecured	– 無抵押	15,478,478	11,437,211
		16,387,038	11,872,211
Due to subsidiaries	應付附屬公司款項	271,428	92,708
Total non-current liabilities	非流動負債總額	16,658,466	11,964,919
NET ASSETS	資產淨額	19,787,878	21,981,587
EQUITY	權益		
Share capital	股本	17,329,537	17,329,537
Reserves	儲備	2,458,341	4,652,050
TOTAL EQUITY	權益總額	19,787,878	21,981,587

Wang Tianyi
王天義
Director
董事

Wong Kam Chung, Raymond
黃錦聰
Director
董事

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

50 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

		Special reserve	Retained profits	Total
		特別儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At 1 January 2019	於二零一九年一月一日	-	2,360,580	2,360,580
Total comprehensive income for the year	年度全面收入總額	-	3,827,214	3,827,214
Final 2018 dividend declared	已宣派二零一八年末期股息	-	(737,157)	(737,157)
Interim 2019 dividend	二零一九年中期股息	-	(798,587)	(798,587)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	-	4,652,050	4,652,050
Total comprehensive loss for the year	年度全面虧損總額	-	(535,105)	(535,105)
Final 2019 dividend declared	已宣派二零一九年末期股息	-	(798,587)	(798,587)
Interim 2020 dividend	二零二零年中期股息	-	(860,017)	(860,017)
At 31 December 2020	於二零二零年十二月三十一日	-	2,458,341	2,458,341

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 HK\$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 the 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.

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港幣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 Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (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 the share premium account on the terms set out below:

(1) 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 the 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 statement of financial position of the management accounts of the Company for the nine months ended 30 September 2003; or
- 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

(2) 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 Hong Kong Companies Ordinance or any statutory modification or re-enactment thereof.

50 本公司之財務狀況表(續)

附註：(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：

(1) 倘於本公司削減股份溢價賬生效當日(「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債權證明，且此等債務或申索之受益人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管理賬目中之財務狀況表所示累計虧損之任何撥備所產生之金額；或
- 本公司從一家公司收取所得作為盈利分派之金額，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

(2) 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，根據香港公司條例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。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (continued)

Provided always that:

- (1) the Special Reserve may be applied for the same purposes as a share premium account may lawfully be applied;
- (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 HK\$1,762,999,500 (the "Limit");
- (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 assets or property, plant and equipment of the Company by the amount of the provision made in relation to such subsidiary, associated company or financial assets or property, plant and equipment 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
- (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.

50 本公司之財務狀況表(續)

附註：(續)

惟：

- (1) 特別儲備可用作適用於股份溢價賬之合法用途；
- (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。本公司可自由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港幣1,762,999,500元(「有關限額」)；
- (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資產或物業、廠房及設備時，於二零零三年九月三十日就有關附屬公司、聯營公司或財務資產或物業、廠房及設備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
- (6) 倘根據上文第(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，本公司可自由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。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

The Special Reserve of HK\$112,016,000 credited in 2004 was reduced to nil during the year ended 31 December 2006 due to an increase in the share premium account of the Company which resulted from an issue of shares in 2006.

After the Effective Date, shares were issued during the prior years through the placing and exercise of share options. Pursuant to the proviso (4) above, the Limit was reduced by the amount of any increase in the paid-up share capital or share premium account of the Company which results from an issue of shares for cash or other considerations. At 31 December 2020, the Limit was reduced to nil and no further amount will be credited to the Special Reserve.

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
CEGL 光大綠色環保	Cayman Islands 開曼群島	US\$206,607,800 206,607,800美元	-	69.70%	Investment holding 投資控股
CEWL (note (a)) 光大水務(附註(a))	Bermuda 百慕達	HK\$2,860,876,723 港幣2,860,876,723元	-	72.87%	Investment holding 投資控股
EB Greentech Biomass Energy (Suzhou) Limited* (note (b)) 光大綠色環保生物能源(蘇州) 有限公司*(附註(b))	PRC/ Mainland China 中國/中國大陸	RMB101,300,000 人民幣101,300,000元	-	69.70%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質 熱電聯供項目
EB Greentech Renewable Energy (Yiyuan) Limited* (note (b)) 光大綠色環保再生能源(沂源) 有限公司*(附註(b))	PRC/ Mainland China 中國/中國大陸	RMB185,520,000 人民幣185,520,000元	-	66.22%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電一體化項目

50 本公司之財務狀況表(續)

於截至二零零六年十二月三十一日止年度，於二零零四年入賬之特別儲備港幣112,016,000元減至零，原因為本公司於二零零六年發行股份以致股份溢價賬增加所致。

在生效日期後，於過往年度，本公司因配售事項及購股權獲行使而發行股份。根據上文第(4)條，因發行股份換取現金或其他代價而引致本公司之繳足股本或股份溢價賬增加之數已用作減少有關限額。於二零二零年十二月三十一日，有關限額已減至零，以及再無任何金額記入特別儲備。

51 主要附屬公司資料

本公司主要附屬公司詳情如下：

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited* (note (c)) 光大綠色環保城鄉再生能源(豐縣) 有限公司*(附註(c))	PRC/ Mainland China 中國/中國大陸	RMB182,310,000 人民幣182,310,000元	-	69.70%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電一體化項目
EB Urban and Rural Renewable Energy (Xiao County) Limited** (notes (b) and (c)) 光大城鄉再生能源(蕭縣) 有限公司*(附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB275,350,000 人民幣275,350,000元	-	69.70%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電一體化項目
EB Urban and Rural Renewable Energy (Zhecheng) Limited* (notes (b) and (c)) 光大城鄉再生能源(柘城) 有限公司*(附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB154,665,000 人民幣154,665,000元	-	69.70%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電一體化項目
Everbright Biomass Cogeneration (Liu'an) Company Limited** (note (b)) 光大生物熱電(六安)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB179,360,000 人民幣179,360,000元	-	69.70%	Design, construction and operation of electricity and heat cogeneration project 設計、建造及運營熱電聯供項目
Everbright Biomass Energy (Huaiyuan) Limited* (note (c)) 光大生物能源(懷遠)有限公司* (附註(c))	PRC/ Mainland China 中國/中國大陸	HK\$273,149,000 港幣273,149,000元	-	69.70%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電一體化項目

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Ecological Environmental Design Institute Limited ^a 光大生態環境設計研究院 有限公司 ^a	PRC/ Mainland China 中國/中國大陸	RMB2,000,000 人民幣2,000,000元	-	100%	Provision of technological research and development 提供技術研發
Everbright Ecological Environment Service (Yuxi) Limited (formerly known as "Zhonghe Ecological Environment Services (Yuxi) Limited") [#] 光大生態環境服務(玉溪)有限公司 (前稱「中荷生態環境服務(玉溪) 有限公司」) [#]	PRC/ Mainland China 中國/中國大陸	RMB45,000,000 人民幣45,000,000元	80%	-	Provision of waste sorting and environmental sanitation operation services 提供垃圾分類及環衛作業服務
Everbright Environmental Energy (Danzhou) Limited ^a (note (c)) 光大環保能源(儋州)有限公司 ^a (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB207,190,000 人民幣207,190,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Hangzhou) Limited [#] (note (c)) 光大環保能源(杭州)有限公司 [#] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB600,000,000 人民幣600,000,000元	-	70%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Jiangyin) Limited* (note (c)) 光大環保能源(江陰)有限公司* (附註(c))	PRC/ Mainland China 中國/中國大陸	US\$58,970,000 58,970,000美元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Jiujiang) Limited [^] (note (c)) 光大環保能源(九江)有限公司 [^] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB392,820,000 人民幣392,820,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Lantian) Limited ^{**} (note (c)) 光大環保能源(藍田)有限公司 ^{**} (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB403,975,200 人民幣403,975,200元	-	90%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Liaoyang) Limited ^{**} (note (c)) 光大環保能源(遼陽)有限公司 [*] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB219,500,000 人民幣219,500,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Nanjing) Limited [*] (notes (b) and (c)) 光大環保能源(南京)有限公司 [*] (附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB680,000,000 人民幣680,000,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Ninghai) Limited ^{**} (note (c)) 光大環保能源(寧海)有限公司 [*] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB245,666,700 人民幣245,666,700元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant and food waste treatment plant 設計、建造、運營及維護 垃圾發電廠及餐廚垃圾處理廠
Everbright Environmental Energy (Ningyuan) Limited ^{^*} (note (c)) 光大環保能源(寧遠)有限公司 [^] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB149,153,100 人民幣149,153,100元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Sanya) Limited* (notes (b) and (c)) 光大環保能源(三亞)有限公司* (附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	HK\$473,300,000 港幣473,300,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Shenyang) Limited (formerly known as "Everbright Luhuan Environmental Energy (Shenyang) Limited")* (note (c)) 光大環保能源(瀋陽)有限公司 (前稱「光大綠環環保能源(瀋陽)有限公司」)*(附註(c))	PRC/ Mainland China 中國/中國大陸	RMB515,900,000 人民幣515,900,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Suzhou) Limited ("EB Energy (Suzhou)")* (note (c)) 光大環保能源(蘇州)有限公司 (「光大能源(蘇州)」)*(附註(c))	PRC/ Mainland China 中國/中國大陸	RMB1,433,063,100 人民幣1,433,063,100元	-	note (d) 附註(d)	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Tianjin) Limited** (notes (b) and (c)) 光大環保能源(天津)有限公司* (附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB704,268,080 人民幣704,268,080元	90%	-	Design, construction, operation and maintenance of waste-to-energy plant, food waste treatment plant and fecal treatment plant 設計、建造、運營及維護 垃圾發電廠、餐廚垃圾處理廠及糞便處理廠
Everbright Environmental Energy (Weifang) Limited** (note (c)) 光大環保能源(濰坊)有限公司* (附註(c))	PRC/ Mainland China 中國/中國大陸	US\$54,317,400 54,317,400美元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Yixing) Limited* (note (b)) 光大環保能源(宜興)有限公司*(附註(b))	PRC/ Mainland China 中國/中國大陸	US\$51,600,000 51,600,000美元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護垃圾發電廠
Everbright Environmental Energy (Yiyang) Limited ⁺ (notes (b) and (c)) 光大環保能源(益陽)有限公司 ⁺ (附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB270,553,000 人民幣270,553,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants, sludge treatment and disposal plant and medical waste treatment plant 設計、建造、運營及維護垃圾發電廠、污泥處理處置廠和醫療廢物處理廠
Everbright Environmental Protection (China) Limited ⁺ (note (b)) 光大環保(中國)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB2,108,642,080 人民幣2,108,642,080元	100%	-	Provision of construction management and leachate treatment services and investment holding 提供工程管理及滲濾液處理服務及投資控股
Everbright Environmental Solid Waste Treatment (Xinyi) Limited* (note (b)) 光大環保固廢處置(新沂)有限公司*(附註(b))	PRC/ Mainland China 中國/中國大陸	HK\$144,490,000 港幣144,490,000元	-	69.70%	Design, construction, operation and maintenance of hazardous waste incineration project 設計、建造、運營及維護危廢焚燒項目
Everbright Environmental Technical Equipment (Changzhou) Limited ⁺ 光大環保技術裝備(常州)有限公司*	PRC/ Mainland China 中國/中國大陸	RMB197,000,000 人民幣197,000,000元	-	100%	Construction of environmental protection equipment 製造環保裝備

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Envirotech (China) Limited* 光大環境科技(中國)有限公司*	PRC/ Mainland China 中國/中國大陸	US\$37,701,000 37,701,000美元	-	100%	Provision of research and development and investment holding 提供研究、開發以及投資控股
Everbright Greenergy and Lighting (Shenzhen) Limited (formerly known as "Everbright Brilliant Greenergy and Lighting (Shenzhen) Limited")** 光大節能照明(深圳)有限公司(前稱「光大晶朗節能照明(深圳)有限公司」)#	PRC/ Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	-	60%	Provision of research and development and sales of energy-saving street lamps 提供研究、開發及銷售節能路燈
Everbright Sponge City Development (Zhenjiang) Limited** (note (c)) 光大海綿城市發展(鎮江)有限公司*(附註(c))	PRC/ Mainland China 中國/中國大陸	RMB462,000,000 人民幣462,000,000元	-	51.01%	Construction, operation and research and development of sponge city 建造、運營及研究及開發海綿城市
Everbright Water (Beijing) Limited** (note (c)) 光大水務(北京)有限公司*(附註(c))	PRC/ Mainland China 中國/中國大陸	RMB119,310,000 人民幣119,310,000元	-	72.87%	Design, construction, operation and maintenance of waste-water treatment plants 設計、建造、運營及維護污水處理廠
Everbright Water (Ji'nan) Limited** (note (c)) 光大水務(濟南)有限公司*(附註(c))	PRC/ Mainland China 中國/中國大陸	US\$106,246,600 106,246,600美元	-	72.87%	Design, construction, operation and maintenance of waste-water treatment plants 設計、建造、運營及維護污水處理廠

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Suzhou) Limited [#] (note (c)) 光大水務(蘇州)有限公司 [#] (附註(c))	PRC/ Mainland China 中國/中國大陸	HK\$258,000,000 港幣258,000,000元	-	72.87%	Design, construction, operation and maintenance of waste-water treatment plants 設計、建造、運營及維護 污水處理廠
Everbright Water (Tongxiang) Limited [#] (note (c)) 光大水務(桐鄉)有限公司 [#] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB270,000,000 人民幣270,000,000元	-	58.22%	Construction and operation of wetland ecological engineering project 濕地生態工程建營及運營
Everbright Water (Zibo) Limited [#] (note (c)) 光大水務(濰博)有限公司 [#] (附註(c))	PRC/ Mainland China 中國/中國大陸	US\$85,666,900 85,666,900美元	-	72.87%	Design, construction, operation and maintenance of waste-water treatment plants and reusable water treatment plants 設計、建造、運營及維護污水處理廠及中水回用處理廠
NOVAGO Sp. z o.o.	Poland 波蘭	Polish zloty 4,336,000 波蘭茲羅提4,336,000	-	97.12%	Collection and treatment of municipal wastes by way of mechanical and biological technology 收集及透過生物機械處理方式 處理城鎮垃圾
Tianjin Everbright Xingchen Environmental Energy Limited [#] (notes (b) and (c)) 天津光大興辰環保能源有限公司 [#] (附註(b)及附註(c))	PRC/ Mainland China 中國/中國大陸	RMB530,562,000 人民幣530,562,000元	90%	-	Design, construction, operation and maintenance of waste-to-energy plants and food waste treatment plant 設計、建造、運營及維護 垃圾發電廠及餐廚垃圾處理廠

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Suzhou Wujiang Everbright Environmental Energy Limited* (note (c)) 蘇州吳江光大環保能源有限公司* (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB542,425,500 人民幣542,425,500元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠
Xuzhou Engineering Design Institute ^{^+} 徐州市市政設計院 [^]	PRC/ Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	-	72.87%	Survey, mapping, design and consultancy for municipal projects 市政項目的勘察、測繪、設計及 諮詢
EB GZEPI Environmental Energy (Zhaoqing) Limited ^{^+} (note (c)) 光大廣環投環保能源(肇慶) 有限公司 [^] (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB292,000,000 人民幣292,000,000元	-	60%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠

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

* 根據中國法律註冊為外商投資企業。

Registered under the laws of the PRC as sino-foreign co-operation joint ventures.

根據中國法律註冊為中外合作合營企業。

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

[^] 根據中國法律註冊為私營有限公司。

+ English translation is for identification only.

+ 英文譯名僅供識別。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes:

- (a) During the year ended 31 December 2019, upon completion of the Separate Listing, the Group's equity interest in CEWL changed to 72.43%.

Subsequent to the completion of the Separate Listing, CEWL allotted and issued 80,844,537 new ordinary shares to its ordinary shareholders who had elected to participate in the scrip dividend scheme of CEWL during the year ended 31 December 2019. After the aforementioned transactions, the Group's equity interest in CEWL changed to 72.87% as at 31 December 2019 and 31 December 2020.

- (b) These subsidiaries of the Group entered into service concession arrangements with the local government authorities in the PRC (the "Grantors"). Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain environmental energy projects, greentech projects and environmental water projects in the PRC for a period of 7 to 30 years. The service fees are based on the extent of services rendered and are subject to the approvals from the relevant local government authorities. During the operating period, the Group will be responsible for maintaining the environmental energy projects, greentech projects and environmental water projects in good condition.

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

Operating rights of the environmental energy projects, greentech projects and environmental water projects are recognised as intangible assets.

- (c) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group has to design, construct and/or upgrade, operate and maintain environmental energy projects, greentech projects and environmental water projects in the PRC for a period of 20 to 41 years. The Group has the obligation to maintain the environmental energy projects, greentech projects and environmental water projects in good condition. The Grantors guarantee that the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the environmental energy projects, greentech projects and environmental water projects will be transferred to the local government authorities.

51 主要附屬公司資料(續)

附註：

- (a) 於截至二零一九年十二月三十一日止年度，在完成獨立上市後，本集團在光大水務之股權變為72.43%。

在完成獨立上市後，截至二零一九年十二月三十一日止年度，光大水務配發及發行80,844,537股新普通股予選擇參與光大水務以股代息計劃之普通股股東。在進行上述交易後，於二零一九年十二月三十一日及二零二零年十二月三十一日，本集團在光大水務之股權變為72.87%。

- (b) 本集團該等附屬公司與中國當地政府機關(「授權人」)訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權在中國建造、運營及維護環保能源項目、綠色環保項目及環保水務項目，為期七至三十年。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。於運營期內，本集團有責任維持環保能源項目、綠色環保項目及環保水務項目的良好狀況。

服務特許經營權安排並無續約選擇。授權人及本集團均有權於協議條款遭重大違反之情況下終止有關協議。

環保能源項目、綠色環保項目及環保水務項目之運營權確認為無形資產。

- (c) 本集團該等附屬公司與授權人訂立服務特許經營權安排。根據服務特許經營權安排，本集團須於中國設計、建造及／或改造、運營及維護環保能源項目、綠色環保項目及環保水務項目，為期二十至四十一年。本集團有責任維持環保能源項目、綠色環保項目及環保水務項目的良好狀況。授權人擔保，就有關安排而言，本集團將可每年收取最低保證款項。待特許經營期屆滿後，環保能源項目、綠色環保項目及環保水務項目將轉歸當地政府機關所有。

Notes to Financial Statements

財務報表附註

31 December 2020 二零二零年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

(c) (continued)

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

Revenue relates to the construction services provided in constructing or upgrading the environmental energy projects, greentech projects and environmental water projects is recognised as service concession assets under “Contract assets” in the financial statements.

(d) Everbright Environmental Energy (Suzhou) Holdings Limited, a wholly-owned subsidiary of the Company and the foreign joint venture partner of EB Energy (Suzhou), is committed to contribute the full amount of EB Energy (Suzhou)’s registered capital. Net profit, after payment of an agreed sum of RMB880,000 annually to the PRC joint venture partner of EB Energy (Suzhou), is fully attributable to Everbright Environmental Energy (Suzhou) Holdings Limited.

52 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 11 March 2021.

51 主要附屬公司資料(續)

附註：(續)

(c) (續)

服務特許經營權安排並無續約選擇。授權人可行使標準權利終止協議之情況包括：本集團未能建造、改造或運營環保能源項目、綠色環保項目及環保水務項目以及協議條款遭重大違反。本集團可行使標準權利終止協議之情況包括：未能從授權人取得廢物處理服務費，以及協議條款遭重大違反。

因建造環保能源項目、綠色環保項目及環保水務項目而提供建造或改造服務所得之相關收益在財務報表中確認為「合約資產」下之服務特許經營權資產。

(d) 本公司之全資附屬公司兼光大能源(蘇州)之外方合營夥伴－光大環保能源(蘇州)控股有限公司承諾注入光大能源(蘇州)全數註冊資本。光大能源(蘇州)之淨盈利(在每年支付協定款項人民幣880,000元予光大能源(蘇州)中方合營夥伴後)將全歸光大環保能源(蘇州)控股有限公司所有。

52 批准財務報表

董事會於二零二一年三月十一日批准並授權刊發財務報表。

Five Year Summary

五年業績概要

		At 31 December 於十二月三十一日				
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元 (Restated) (重報)
Assets and liabilities	資產及負債					
Investment properties, property, plant and equipment, right-of-use assets and prepaid land lease payments	投資物業、物業、廠房及設備、使用權資產、以及預付土地租賃款項	7,114,035	5,394,767	4,782,492	4,361,053	3,338,648
Goodwill	商譽	2,016,817	1,908,783	1,753,737	1,747,451	1,563,390
Intangible assets	無形資產	24,926,597	18,401,533	12,642,951	8,592,924	5,686,374
Interests in joint ventures	合營企業權益	1,011,847	1,163,597	679,246	543,638	345,353
Interests in associates	聯營公司權益	495,616	381,220	334,679	248,002	228,047
Contract assets	合約資產	79,619,686	58,900,254	43,540,152	36,780,980	25,469,526
Finance lease receivables	融資租賃應收款項	16,100	15,390	16,435	17,817	17,273
Other financial assets	其他財務資產	716,807	510,110	42,570	38,567	33,332
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	3,587,975	2,300,788	1,572,127	1,078,062	488,863
Deferred tax assets	遞延稅項資產	246,945	165,319	92,875	77,250	53,732
Net current assets	流動資產淨額	9,528,896	5,538,215	14,429,986	5,604,228	2,993,400
		129,281,321	94,679,976	79,887,250	59,089,972	40,217,938
Non-current liabilities	非流動負債	(73,736,717)	(49,953,397)	(39,191,911)	(30,446,434)	(20,372,730)
NET ASSETS	資產淨額	55,544,604	44,726,579	40,695,339	28,643,538	19,845,208
Share capital	股本	17,329,537	17,329,537	17,329,537	7,405,414	7,405,414
Reserves	儲備	27,732,520	19,017,414	16,596,570	15,148,865	9,983,888
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額	45,062,057	36,346,951	33,926,107	22,554,279	17,389,302
Non-controlling interests	非控股權益	10,482,547	8,379,628	6,769,232	6,089,259	2,455,906
TOTAL EQUITY	權益總額	55,544,604	44,726,579	40,695,339	28,643,538	19,845,208

Five Year Summary

五年業績概要

For the year ended 31 December
截至十二月三十一日止年度

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元
Results	業績					
Revenue	收益	42,926,426	37,557,635	27,227,998	20,043,116	13,971,204
Profit from operating activities	經營活動所得盈利	11,446,591	9,826,985	8,212,919	6,306,219	4,675,413
Finance costs	財務費用	(2,279,149)	(1,830,798)	(1,376,010)	(938,280)	(639,584)
Shares of profits and losses of joint ventures	所佔合營企業盈利及虧損	207,929	248,126	157,774	61,632	63,373
Shares of profits and losses of associates	所佔聯營公司盈利及虧損	11,353	19,382	3,759	(1,372)	(479)
Profit before tax	除稅前盈利	9,386,724	8,263,695	6,998,442	5,428,199	4,098,723
Income tax	所得稅	(2,159,764)	(1,895,533)	(1,728,667)	(1,376,352)	(1,062,150)
Profit for the year	本年度盈利	7,226,960	6,368,162	5,269,775	4,051,847	3,036,573
Attributable to:	應佔部份：					
Equity holders of the Company	本公司權益持有人	6,015,863	5,203,291	4,319,235	3,509,990	2,784,863
Non-controlling interests	非控股權益	1,211,097	1,164,871	950,540	541,857	251,710
Profit for the year	本年度盈利	7,226,960	6,368,162	5,269,775	4,051,847	3,036,573
Basic earnings per share	每股基本盈利	HK97.93 cents港仙	HK84.70 cents港仙	HK85.77 cents港仙	HK76.20 cents港仙	HK62.12 cents港仙

Major Properties held by the Group

本集團所持有之主要物業

	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.	Units 2703 and 2704, 27th Floor Far East Finance Centre 16 Harcourt Road, Hong Kong 香港夏慤道16號 遠東金融中心27樓2703及2704室	Commercial 商業	Medium 中期	100%
2.	25th Floor to 28th Floor Block A, Oriental Xintiandi Plaza No. 1003 Shennan Avenue Futian District, Shenzhen Guangdong Province, the PRC 中國廣東省深圳市福田區 深南大道1003號 東方新天地廣場A座25樓至28樓	Commercial 商業	Medium 中期	100%
3.	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 11樓3及4室	Residential 住宅	Medium 中期	100%
4.	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88號 中心商務大廈1301至1309室	Commercial 商業	Medium 中期	100%
5.	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24樓	Commercial 商業	Medium 中期	100%
6.	Block J07, Zhongguancun Science Park No. 156 Wenquan Town Haidian District Beijing, the PRC 中國北京海淀區 溫泉鎮156號 中關村環保科技園J07號	Commercial 商業	Medium 中期	100%
7.	Block B3, Jiulonghu International Headquarters Park No. 19 Suyuan Avenue Jiangning District, Nanjing, the PRC 中國南京市江寧區 蘇源大道19號 九龍湖國際企業總部園B3幢	Commercial 商業	Medium 中期	100%



CHINA EVERBRIGHT ENVIRONMENT GROUP LIMITED
中國光大環境（集團）有限公司

www.cebenvironment.com

