



光大環境
EVERBRIGHT ENVIRONMENT

(Stock Code 股份代號: 257)

DECARBONISATION **BLUEPRINT**
for a **NEW GREEN CHAPTER**

擘畫 **三碳藍圖** 續寫 **綠色篇章**

Annual Report 年報

2021



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). Since shifting its business focus to the environmental sector in 2003, the Company has grown into the largest environmental 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.

As the first one-stop integrated environmental solution provider in China, Everbright Environment focuses on the areas of environment, resources, energy and climate. 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 210 locations across 25 provinces, municipalities, autonomous regions and special administrative region in China, as well as overseas markets including Germany, Poland, Vietnam and Mauritius.

Everbright Environment is a strategic partner 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 11 consecutive years, the top on the list of China’s Top 50 Environmental Enterprises for three consecutive years, and being included in the MSCI China Index for nine consecutive years. With the aspiration to “Create Better Investment Value and Undertake More Social Responsibility”, the Company has been shortlisted among the Fortune China 500 list for the first time in 2021, as well as a constituent member of Dow Jones Sustainability Indices for six years running, Hang Seng Corporate Sustainability Benchmark Index for 11 years running, FTSE4Good Index for five years running, and a member of S&P Global’s *Sustainability Yearbook* for multiple times.

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)。二零零三年轉型環境領域以來，本公司已逐步成長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、氣候領域全面佈局，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25個省(市)、自治區和特別行政區的210多個地區；海外業務已佈局德國、波蘭、越南及毛里求斯。

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「情繫生態環境，築夢美麗中國」的使命擔當，連續十一年穩居「中國固廢十大影響力企業」首位、連續三年蟬聯中國環境企業50強榜首、連續九年獲納入MSCI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，於二零二一年首次躋身《財富》中國500強榜單、連續六年獲納入道瓊斯可持續發展指數系列、連續十一年獲納入恒生可持續發展企業基準指數、連續五年獲納入富時社會責任指數、並曾多次入選標普全球《可持續發展年鑒》。

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

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Corporate Information 公司資料

DIRECTORS

Executive Directors

WANG Tianyi (Chairman of the Board)
LUAN Zusheng (Chief Executive Officer)^{Note 1}
HU Yanguo (Vice President)
QIAN Xiaodong (Vice President)
AN Xuesong (Vice President and Chief Financial Officer)^{Note 2}

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
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
Oversea-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

Notes:

1. was appointed with effect from 1 June 2021
2. was appointed with effect from 5 October 2021

董事

執行董事

王天義(董事會主席)
樂祖盛(總裁)^{附註1}
胡延國(副總裁)
錢曉東(副總裁)
安雪松(副總裁兼財務總監)^{附註2}

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
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
星展銀行有限公司
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
瑞穗銀行有限公司
南洋商業銀行有限公司
華僑銀行有限公司
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

附註：

1. 於二零二一年六月一日獲委任
2. 於二零二一年十月五日獲委任

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	Percentage Change 百分比 變動
RESULTS				
	業績			
Revenue	收益	49,895,384	42,926,426	16%
EBITDA*	除利息、稅項、折舊及攤銷前盈利*	15,027,003	12,851,501	17%
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	6,804,099	6,015,863	13%
Return on shareholders' equity (%)	股東資金回報(%)	14.05	14.78	-0.73 ppt#
Basic earnings per share (HK cents)	每股基本盈利(港仙)	110.76	97.93	13%
FINANCIAL POSITION				
	財務狀況			
Total assets	資產總額	200,235,628	158,187,110	27%
Total liabilities	負債總額	135,893,406	102,642,506	32%
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	51,777,487	45,062,057	15%
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)	8.429	7.336	15%
Gearing ratio (%) ⁺	資產負債比率(%) ⁺	68	65	3 ppt#
Current ratio (%)	流動比率(%)	124	133	-9 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。

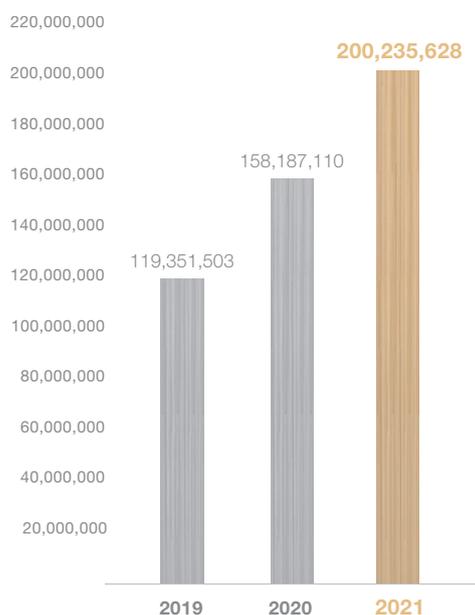
ppt – percentage point

ppt – 百分點

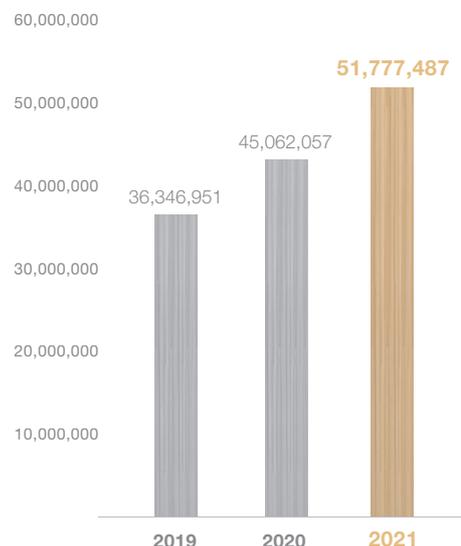
+ Gearing ratio means the ratio of total liabilities to total assets.

+ 資產負債比率指負債總額對資產總額之比率。

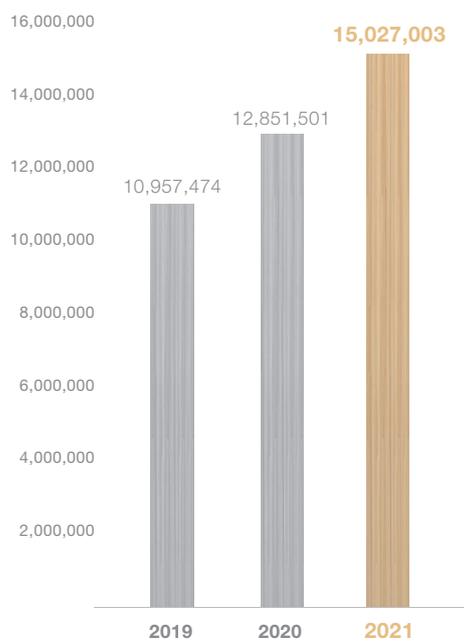
TOTAL ASSETS HK\$'000
資產總額 港幣千元



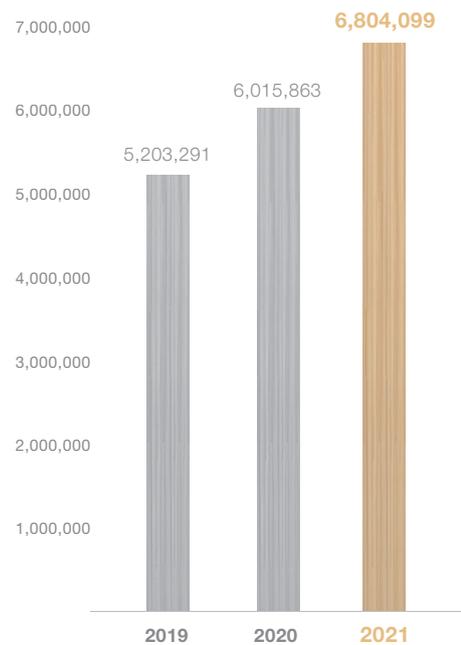
NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS HK\$'000
權益持有人應佔資產淨額 港幣千元



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 Milestone 企業大事概要

FIRST QUARTER OF 2021 二零二一年第一季度

- Launched the Group's first national key research and development project, as a leading participant, on the Development and Application of Safe, Clean and Efficient Technologies for Incineration of General Flammable Industrial Solid Waste
- Shortlisted in S&P Global's *Sustainability Yearbook 2021*, representing another international recognition for the Group's sustainability performance
- Secured Suzhou Shengze Waste Transfer Service Project, representing a crucial step forward in the business layout for the Group's "Five Points in One Line" technical process for waste sorting
- Announced 2020 annual results, with profit attributable to equity holders of the Company up by 16% as compared with 2019
- The Company's listed subsidiary China Everbright Greentech Limited acquired 60% equity stake in Kellon Green Energy Limited in the Hong Kong Special Administrative Region ("Hong Kong"), expanding the Group's business footprint to Hong Kong
- 牽頭的本集團首個國家重點研發計劃項目「一般可燃工業固廢安全清潔高效燃燒技術開發及應用」正式啟動
- 入選標普全球《2021年可持續發展年鑒》，標誌著本集團可持續發展表現再獲國際認可
- 取得江蘇蘇州盛澤垃圾轉運服務項目，圍繞本集團垃圾分類「五點一線」技術路線業務佈局邁出關鍵一步
- 公佈二零二零年全年業績，本公司權益持有人應佔盈利較二零一九年增長16%
- 本公司的上市附屬公司中國光大綠色環保有限公司收購香港特別行政區（「香港」）的佳安綠色能源有限公司60%股權，將本集團業務版圖延伸至香港

Sustainability Yearbook

Member 2021

S&P Global



SECOND QUARTER OF 2021 二零二一年第二季度

- Jiangsu Zhenjiang Sponge City Construction Public-Private-Partnership (“PPP”) Project shortlisted among Top 5 in the 2021 Building Back Better Infrastructure Award of the United Nations Economic Commission for Europe and granted an “Honorary Mention” certificate
- Convened the Company’s 2021 annual general meeting
- Multiple waste-to-energy projects of the Group included in the first batch of demonstrative green PPP projects, which was issued by the National Development and Reform Commission of the People’s Republic of China
- Announced the appointment of Mr. Luan Zusheng to replace Mr. Wang Tianyi as the Chief Executive Officer of the Company (the “CEO”). Mr. Luan Zusheng had also joined the board (the “Board”) of directors (the “Directors”) of the Company as the Executive Director; while Mr. Wang Tianyi remained as the Executive Director and Chairman of the Board of the Company
- Signed a memorandum of understanding with Asian Development Bank for strategic cooperation towards a circular economy and the reduction of marine debris, in an effort to foster ocean health in Asia
- Issued the 2021 medium-term notes (series 1) (bond connect) with a principal amount of RMB2 billion which was subscribed by the institutional investors in the national inter-bank bond market in China, with a subscription rate of 2.2 times
- 江蘇鎮江海綿城市建設政府和社會資本合作(「PPP」)項目入圍聯合國歐洲經濟委員會二零二一年「更好重建」基礎設施獎項評選五強，並獲頒「榮譽提名」證書
- 召開二零二一年本公司股東週年大會
- 本集團旗下多個垃圾發電項目入選中華人民共和國國家發展和改革委員會首批綠色PPP項目典型案例
- 宣佈委任樂祖盛先生接替王天義先生擔任本公司總裁(「總裁」)，並加入本公司董事(「董事」)會(「董事會」)擔任執行董事；王天義先生繼續擔任本公司執行董事兼董事會主席
- 與亞洲開發銀行簽訂諒解備忘錄，圍繞循環經濟和減少海洋污染物達成戰略合作關係，推動亞洲海洋健康
- 發行本金為人民幣20億元的本公司二零二一年度第一期中期票據(債券通)，並由全國銀行間債券市場內的機構投資者認購完畢，認購倍數2.2倍



THIRD QUARTER OF 2021
二零二一年第三季度

- Ranked first place in the Top 50 Environmental Enterprises in China, launched by China Environment Chamber of Commerce, for the third consecutive year
 - Shortlisted in the Fortune China 500 list for the first time, ranking the 283rd place
 - Included in the FTSE4Good Index for the fifth consecutive year
 - Entered into a collaboration agreement with Hong Kong Science and Technology Parks Corporation to launch a green technology incubation and commercialisation platform in a bid to foster the development of green technological innovation in Hong Kong
 - Included in the Hang Seng Corporate Sustainability Benchmark Index for the 11th consecutive year
 - Announced the appointment of Mr. An Xuesong as the Executive Director and Chief Financial Officer of the Company, to succeed Mr. Wong Kam Chung, Raymond, who retired from his roles at the Company
- 連續第三年榮登全國工商聯環境商會「中國環境企業50強」榜單榜首之位
 - 首次躋身《財富》中國500強，位列第283位
 - 連續第五年獲納入富時社會責任指數
 - 與香港科技园公司簽署合作協議，攜手在港打造綠色科技孵化與轉化平台，推動香港綠色科技創新發展
 - 連續第十一年獲納入恒生可持續發展企業基準指數
 - 宣佈委任安雪松先生接替榮休的黃錦聰先生擔任本公司執行董事兼財務總監



FTSE4Good

FOURTH QUARTER OF 2021 二零二一年第四季度

- The research project on “Key Technologies and Applications for Intelligent Monitoring and Optimal Operation of Municipal Waste Water Treatment Plants”, in which Everbright Water (Shenzhen) Limited, a subsidiary of the Company’s listed subsidiary China Everbright Water Limited (“Everbright Water”) participated as a key participant, received the second prize of the 2020 State Scientific and Technological Progress Award
- Included in the Dow Jones Sustainability Indices for the sixth consecutive year
- Everbright Water secured Hebei Cangzhou Huanghua Waste Water Treatment Plant PPP Project, marking an entry into the water market of Hebei Province and further improvement of the Group’s market layout in the Beijing-Tianjin-Hebei region
- Secured Shihezi Integrated Waste Treatment PPP Project in Xinjiang Uygur Autonomous Region, further improving the Group’s business layout in Northwest China
- Ranked first place in the “Top 10 Influential Solid Waste Treatment Enterprises in China”, for the 11th consecutive year
- 本公司的上市附屬公司中國光大水務有限公司(「光大水務」)旗下光大水務(深圳)有限公司作為主要完成單位之一參與的「城鎮污水處理廠智慧監控和優化運行關鍵技術及應用」項目獲二零二零年度「國家科學技術進步獎」二等獎
- 連續第六年獲納入道瓊斯可持續發展指數系列
- 光大水務取得河北滄州黃驊污水處理廠PPP項目，突破河北水務市場，進一步完善本集團於京津冀區域的市場佈局
- 取得新疆維吾爾自治區石河子綜合垃圾及廢棄物處理PPP項目，進一步完善本集團於西北市場的業務佈局
- 連續第十一年位居「中國固廢十大影響力企業」榜單榜首



Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



Chairman's Statement 主席報告



Chairman of the Board
董事會主席
Wang Tianyi
王天義

In 2021, despite the global upheaval, China continued to make remarkable achievements. The shadow cast by the COVID-19 pandemic (the “Pandemic”) continued to linger, causing further complications in the international situation and bringing unprecedented change. Under pressure from all sides, China remained the global model for economic development, as well as for the Pandemic prevention and control. The country’s economy and industry chain have become more resilient, and it has adopted steps to construct a new development paradigm and realised a moderately prosperous society in all respects, marking an impressive start for the 14th Five-Year Plan period.

In 2021, with escalating global concern for carbon reduction, China continued to demonstrate accountability. Amid changes unseen in a century, tackling climate change became a vital challenge for humanity to achieve sustainable development. China made a solemn commitment to the international community on “Peaking Carbon Dioxide Emissions” and “Achieving Carbon Neutrality” (“Dual Carbons”), making it a major initiative of China’s 14th Five-Year Plan. The country conducted comprehensive deployment, clarified responsibilities of various parties, and paid close attention to the implementation of relevant work. Within a brief period of time, the implementation of the “Dual Carbons” goals was met with favor across the country, lending significant momentum to China’s green and low-carbon development, as well as demonstrating its strong capability and sense of responsibility as a major country.

二零二一年，全球變局延續，中國續寫非凡。新型冠狀病毒引發的肺炎疫情（「新冠疫情」）陰霾縈繞不散，國際局勢更趨複雜，百年未有之變局強勢延續。中國頂住重重壓力，再度成為經濟發展和新冠疫情防控的全球模範生，經濟和產業鏈韌性進一步提升，構建新發展格局邁出新步伐，全面建成小康社會，實現了「十四五」良好開局。

二零二一年，減碳議題升溫，中國續顯擔當。於百年未有之變局中，氣候變化已成為人類實現可持續發展過程中亟待解決的挑戰。中國不僅對國際社會做出「碳達峰」、「碳中和」（「雙碳」）的莊嚴承諾，更將其作為國家「十四五」規劃的重點任務，深入部署，明確責任，緊抓落實，短時間在全國形成了落實「雙碳」目標的良好氛圍，為國家的綠色低碳發展奠定良好勢頭，彰顯了中國的大國擔當與超強行動力。

In 2021, Everbright Environment forged through headwinds with more robust development activities.

Looking back at this extraordinary year, China Everbright Environment Group Limited (“Everbright Environment” or the “Company”, together with its subsidiaries, the “Group”) maintained strategic focus, looked for tailwinds, and overcame obstacles, amongst the grim and complex operating environment. With the goal of becoming “a world-leading ecological and environmental group”, the Group continued to grow bigger, steadier, stronger, and better. As a result, it accomplished all tasks and saw improvements in core operational indicators, further solidifying its industry-leading position.

- The Group’s market size, business scale and operating efficiency continued to grow. Over the past year, the Group continued to pursue high-quality development, continuously solidified its business foundation, and optimised business expansion strategies. As a result, it broke into new markets including Xinjiang Uygur Autonomous Region, Hong Kong and Mauritius, with an aggregate investment exceeding RMB152.455 billion, total assets surpassing HK\$200.236 billion, and profit attributable to equity holders of the Company recording approximately HK\$8.866 billion. Additionally, the Group’s designed daily waste processing capacity remained top across the globe, while its waste water treatment capacity, the second major source of growth, achieved solid progress.
- The Group carried out “Carbon Emission Reduction”-linked work in a steady manner to serve the national strategies. With a focus on China’s “Dual Carbons” strategic goals, the Group advanced effort in implementing its “Three Carbons” development targets and action plan, which refers to “Becoming a Carbon-Negative Enterprise, Developing Zero-Carbon Plants, and Pursuing Low-Carbon Lifestyle”. By following such targets and action plan, the Group established a carbon emission calculation model based on the country’s conditions, established the Carbon-Neutrality Technology Research and Development Center, independently drafted the Whitepaper on Environmental Protection and Carbon Neutrality, and carried out pilot projects such as in-plant solar energy and greenhouse gas emission monitoring – putting “Carbon Emission Reduction” into practices.

二零二一年，光大環境逆勢發力，發展動能愈發強勁。回望這極不平凡的一年，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」)在嚴峻而又複雜的經營環境中，保持戰略定力，順勢而為、聚力攻堅，朝著成為「全球領先生態環境集團」的戰略目標，持續做大，做實，做強，做優，做好，圓滿完成各項任務，核心經營指標再上新台階，行業龍頭地位進一步鞏固。

- 市場版圖、業務規模、經營效益持續擴大。過去的一年，本集團堅持推動高品質發展，不斷夯實業務根基，優化市場拓展戰略，成功突破新疆維吾爾自治區、香港和毛里求斯等新市場，累計投資規模突破人民幣1,524.55億元，總資產突破港幣2,002.36億元，本公司權益持有人應佔盈利約港幣88.66億元。此外，本集團設計日處理垃圾規模穩居全球第一，污水處理第二增長極邁出堅實步伐。
- 服務國家戰略，「減碳」工作紮實推進。本集團圍繞國家「雙碳」戰略目標，深入落實「發展負碳企業，打造零碳工廠，追求低碳生活」的「三碳」發展目標和行動計劃，建立符合國情的碳排放核算模型，成立碳中和技術研發中心，獨立編製《環境保護與碳中和》白皮書，開展「廠內光伏」、溫室氣體監測等試點工作，將「減碳」工作落在實處。

Chairman's Statement 主席報告

- The Group accelerated the enhancement of its strategic transformation, as its technological innovation-driven approach took effect. With a focus on areas like solid waste treatment and environmental protection equipment manufacturing, the Group strengthened effort in tackling technological problems, applying and commercialising technological research results, in a bid to facilitate the development of other business sectors of the Group, further enhancing the role of technological innovation in driving the Group's development. As a result, the Group has gradually transformed into "A Technology-Based Enterprise" from "An Enterprise Equipped with Technologies". It was the only awardee from the environmental management sector that was shortlisted in the list of "2021 Top 100 New Technology Organisations in China".
- The Group boosted effort in diversifying its financing portfolio, which improved and optimised its financial management. In 2021, the Group issued bonds of different types with an aggregate amount exceeding RMB5 billion. This ensured abundant liquidity and kept its financial costs within a reasonable range for the year around. In the meantime, the Group explored new financing channels to further optimise its diverse financing portfolio that includes both long- and short-term financing tools.
- The Group also made noteworthy progress in brand building, further improving its brand image. As of 2021, the Group ranked at the top of the list in "China's Top 50 Environmental Enterprises" for three consecutive years, was shortlisted for the Fortune China 500 list for the first time, and ranked first place for the eleventh consecutive year in the "Top 10 Influential Solid Waste Treatment Enterprises in China". It was also included in the Dow Jones Sustainability Indices for six consecutive years and awarded the "Social Responsibility Brand of the Year" for 7 consecutive years.

Looking back at the long trek of development, since 2018, the Group achieved rapid, healthy and steady development by overcoming domestic and international challenges. Over the past 4 years, the Company saw its compound annual growth rate ("CAGR") of total assets reach 29%, CAGR of revenue record 26%, and CAGR of the profit attributable to equity holders of the Company stand at 18%. The double of its business scale and profit symbolises developing another "Everbright Environment" within this period of time. In 2021, the Company's stock price and market capitalisation grew steadily, reflecting recognition and confidence of the capital market. The hard-won achievements rely on the diligence and hard work of all staff, as well as the long-term attention, support and trust in the Group from all social circles. On behalf of the Board and the management of the Company, I would like to express my sincere gratitude to all of you!

- 科創引領賦能顯效，戰略轉型加速深化。本集團圍繞固廢處理、環保裝備製造等領域加強技術攻關與應用轉化，為各板塊業務加速賦能，強化科技創新引領作用，逐步實現由「企業科技」向「科技企業」的轉變，並作為環境治理領域唯一代表入選「2021中國新科技100強」榜單。
- 大力開展多元融資模式，財務管理效能優化提升。本集團於二零二一年累計成功發行各類債券逾人民幣50億元，保障全年資金流動性充裕、財務成本可控；同時持續探索新融資渠道，進一步優化「長短兼備」的多元化融資渠道體系。
- 品牌建設成效顯著，金色品牌更加閃亮。截至二零二一年，本集團連續三年穩居「中國環境企業50強」榜單榜首、首次躋身《財富》中國500強榜單、連續十一年榮登「中國固廢十大影響力企業」榜單榜首、連續六年獲納入道瓊斯可持續發展指數系列、連續七年榮獲「年度責任品牌獎」。

回首看，征途路漫漫。二零一八年以來，本集團經受住多重內外外部考驗，實現快速、健康、穩健的發展。過去四年間，本公司總資產年複合增長率達29%，收益年複合增長率26%，本公司權益持有人應佔盈利年複合增長率18% — 規模、效益雙翻番 — 相當於「再造」一個光大環境。二零二一年，本公司穩中向好的股價及市值表現，顯示出資本市場對我們的認可與信心。好成績來之不易，離不開全體同仁的勤奮拼搏，也得益於各界人士給予本集團的長期關注、支持和信任。在此，我僅代表董事會和管理層向各位致以衷心感謝！

Looking ahead to gather strength and stride forward, in June 2021, Mr. Luan Zusheng joined the Group as Executive Director and Chief Executive Officer of the Company, who has brought valuable resources and advantages to the Group by promoting business optimisation, as well as enhancing corporate vitality and efficiency. In October 2021, Mr. An Xuesong, Vice President of the Company, was appointed as the Executive Director and Chief Financial Officer of the Company, to succeed Mr. Wong Kam Chung, Raymond (“Mr. Wong”), who retired from his roles at the Company. On behalf of the Board, I would like to express my sincere gratitude to Mr. Wong for his dedicated, diligent and detailed working manners, and thank him for his contributions to the Group for more than 20 years. The Group is confident that the Company’s management team will make full use of their knowledge, experience and strengths to lead all staff ahead in the steady progress of the Group. Adhering to a business philosophy of sharing its development results with the shareholders of the Company (the “Shareholders”), the Board has proposed to pay a final dividend of HK15.0 cents per share to the Shareholders for the year of 2021 (2020: HK16.0 cents per share), with the total dividend for the year amounting to HK34.0 cents per share (2020: HK30.0 cents per share).

Let us persist on the long and hard road, for success and a promising future lay ahead. The Group has been committed to green business for more than a decade and this is reflected brightly in the brand. As China’s largest environmental enterprise, a world-renowned environmental group, and facing challenges from unprecedented changes in a century alongside climate change, the Group will stay firm, maintain its original aspiration, and prioritise stability. Stepping into a critical year of China’s 14th Five-Year Plan, it will closely follow the national policies and grasp opportunities for development. In a vital year of corporate transformation and development, it will be fully committed to solidifying its existing strength and seeking innovation, with a focus on its new development paradigm that includes “Four Major Areas”, namely environment, resources, energy and climate. The Group will firmly carry out strategic transformation and high-quality sustainable development, to continue value creation for the Shareholders and all stakeholders. It will strive to reach new heights on the journey to becoming a “world-leading ecological and environmental group”.

向未來，蓄力再出發。二零二一年六月，樂祖盛先生加入本集團，擔任本公司執行董事兼總裁，為本集團推進優化提升、增強企業活力與效率等方面帶來了寶貴的資源與優勢；同年十月，本公司副總裁安雪松先生接替榮休的黃錦聰先生（「黃先生」）擔任本公司執行董事兼財務總監。黃先生勤勉盡責、嚴謹細緻，我僅代表董事會衷心感謝其二十多年來為本集團做出的諸多貢獻。本集團深信，本公司管理團隊將充分運用各自的學識、經驗和優勢，帶領全體員工繼續推動本集團穩步向前。與此同時，本公司堅持與其股東（「股東」）分享發展成果的經營理念。董事會擬向股東派發二零二一年度末期股息每股15.0港仙（二零二零年：每股16.0港仙），全年股息總額為每股34.0港仙（二零二零年：每股30.0港仙）。

任重道遠、行則將至；行而不輟、未來可期。本集團堅守綠色事業十餘載，金色品牌光彩熠熠。作為中國最大環境企業、全球知名環境集團，本集團面對百年變局和氣候變化的嚴峻挑戰，將堅定信念、保持初心、穩字當頭；在國家「十四五」規劃的關鍵之年，將緊跟國策、緊抓機遇、乘勢而上；在企業轉型發展的關鍵之年，將全力以赴、守成創新，圍繞環境、資源、能源、氣候的「四位一體」發展新格局，堅定推進戰略轉型、高質量與可持續發展，繼續為股東等各持份者創造良好價值，在成長為「全球領先生態環境集團」的奮鬥征程中再攀高峰！

WANG TIANYI

王天義

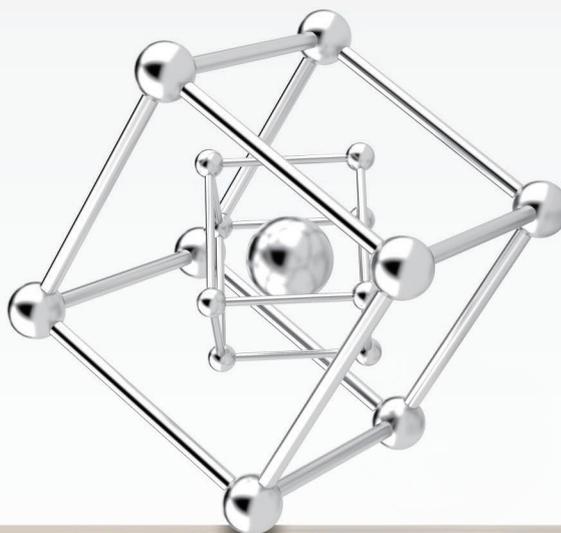
Chairman of the Board

董事會主席

Hong Kong, 15 March 2022

香港，二零二二年三月十五日

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 2021, the world was still undergoing accelerated changes unseen in a century, with continued attack brought by the COVID-19 pandemic (the “Pandemic”). China maintained its leading position in economic development as well as the Pandemic prevention and control worldwide. Moreover, the building of a moderately prosperous society in all respects across China has started the country’s 14th Five-Year Plan off on the right foot. Under the increasingly complex and severe external environment, as China’s largest environmental enterprise, 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 insists on providing quality environmental services as its top priority, cementing its original aspiration, mission and strategy, and working together with all sectors to survive this unprecedented period. During the year under review, facing new situations, challenges and opportunities, the Group closely followed the “Four Three Three”¹ strategic deployment of China Everbright Group Ltd. (“China Everbright Group”). By upholding “Value Creation” as its core, it focused on “Reducing Pollution and Carbon Emissions” and “Solidifying Existing Strength and Pursuing Innovation”. In addition to setting the “Three Carbons” development targets and action plan, the Group implemented its “Three Five Eight Seven” development strategies. By following the trends, striving despite the difficulties, and fighting against various challenges, it steadily carried out the strategic transformation, and continued to achieve growth in both scale and profit, which further built upon its overall competitiveness and solidified its industry-leading position.

二零二一年，在新型冠狀病毒引發的肺炎疫情（「新冠疫情」）的持續衝擊下，全球仍然身處百年變局加速演進的過程中。中國經濟發展和疫情防控保持全球領先地位，國家全面建成小康社會，實現了「十四五」良好開局。在更趨複雜嚴峻的外部環境下，作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，光大環境堅持以提供優質環境服務為首要任務，保持初心使命和戰略定力，與各界攜手共渡這一前所未見的特殊時期。回顧年度內，面對新形勢、新挑戰和新機遇，本集團緊跟中國光大集團股份有限公司（「中國光大集團」）的「四三三」¹戰略部署，以「價值創造」為核心，聚焦「減污降碳」與「守成創新」，確立了「三碳」發展目標和行動計劃，深入落實「三五八七」發展戰略，順勢而為、逆勢發力、攻堅克難，穩步推動戰略轉型，續寫規模效益雙增長的佳績，進一步增強綜合實力、鞏固行業領軍地位。

¹ China Everbright Group’s “Four Three Three” strategic deployment: To create “Four World-leading”, “Three Domestic First-class”, and “Three Domestically Distinctive” Everbright companies within five to ten years. Among which, the deployment aims to develop Everbright Environment into a world-leading ecological and environmental group.

¹ 中國光大集團「四三三」戰略部署：未來五至十年，打造培育出「四個全球領先」、「三個中國一流」、「三個國內特色」的優秀光大企業。其中，要將光大環境打造成為全球領先的生態環境集團。

The “Three Carbons” Development Targets

「三碳」發展目標

To become
a carbon-negative enterprise
發展負碳企業

To develop
zero-carbon plants
打造零碳工廠

To pursue
low-carbon lifestyle
追求低碳生活

The “Three Five Eight Seven” Development Strategies

「三五八七」發展戰略

Three areas 三大領域	Five capabilities 五大能力	Eight business sectors 八大業務板塊		Seven aspects as safeguards 七大保障	
Environment 環境	Market expansion 市場拓展	Environmental energy 環保能源	Eco-recycling 生態資源	Finance 財務	Human resources 人才
Resources 資源	Project construction 工程建設	Greentech 綠色環保	Greenenergy 光大照明	Bidding and procurement 招採	Efficiency 效能
Energy 能源	Project operation 項目運營	Environmental water 環保水務	Envirotech 綠色科創	Budget 預算	Corporate culture 企業文化
	Equipment manufacturing 裝備製造	Equipment manufacturing 裝備製造	Environmental planning 環境規劃	Safety and environmental management 安全與環境 （「安環」）管理	
	Technological innovation 科技創新				

Management Discussion and Analysis 管理層討論與分析

During the year under review, the Group actively followed the national strategic goals of “Peaking Carbon Emissions” and “Achieving Carbon Neutrality” (“Dual Carbons”), and focused on the “Three Carbons” development targets and action plan. It increased investment in and accelerated relevant works relating to “Carbon Emission Reduction”, such as research and studies, technology research, pilot programmes and relevant exploration, with satisfying progress. In terms of research and studies, the Group organised a number of discussion and exchange activities around the “Dual Carbons” theme, such as lectures, seminars and symposiums during the year under review, to enhance the knowledge, depth of understanding and breadth of vision in the field of “Dual Carbons”; the Group also organised the drafting of reports, action plans and *the White Paper on Environmental Protection and Carbon Neutrality*, relating to the “Dual Carbons” theme. In terms of technology research, the Group independently developed and improved its carbon emission calculation model in line with the domestic situation and its own condition, to assess the Group’s carbon emission level and develop future carbon reduction plans; additionally, the Group established the Carbon-Neutrality Technology Research and Development Center, in a bid to build an innovation platform for the “Dual Carbons” strategies; it also carried out research into core technologies relating to the “Dual Carbons” theme, such as carbon capture technology and equipment. In terms of pilot programmes and relevant practices, the Group undertook a pilot project on the on-site monitoring of greenhouse gas emission monitoring, which was initiated by the Ministry of Ecology and Environment of the People’s Republic of China (“PRC”) (“MEE”), helping to lay a solid foundation for the national carbon emission calculation for relevant industries; in addition, China Everbright Water Limited (“Everbright Water”), a listed subsidiary of the Company, launched an “in-plant solar energy” pilot programme at its waste water treatment project in Zibo, Shandong Province, and such solar energy facilities were connected to the power grid in August 2021; in the meantime, the Group’s equipment manufacturing sector built solar energy facilities on the roof of its plants, which were also connected to the power grid as early as in July 2021, laying a good foundation for future expansion of such pilot projects.

In terms of operating results, during the year under review, the Group’s traditional business sectors continued to develop and progress steadily, while the emerging business sectors gained momentum through active exploration. Operating indicators, including revenue and profit attributable to equity holders of the Company, recorded significant growth. The Group proceeded with project construction in a safe and orderly manner, continuing to drive the growth of construction service revenue. Meanwhile, operation service revenue saw a continued increase due to various measures taken to expand revenue streams, reduce expenditure and improve efficiency, in addition to the increase in the number of operating projects. With regard to finance, the Group had diverse access to financing channels, including both short- and long-term financing tools, with abundant capital and good results across all financial indicators.

回顧年度內，本集團積極圍繞國家「碳達峰」、「碳中和」(「雙碳」)戰略目標，立足「三碳」發展目標和行動計劃，加大「碳減排」相關的研究學習、技術研究、試點探索等工作的投入力度和推進速度，並且收穫良好進展。研究學習方面，本集團於回顧年度內多次圍繞「雙碳」主題舉辦大講堂、研討會、報告會等討論交流活動，加強「雙碳」領域的知識儲備、認識深度和視野寬度；組織撰寫「雙碳」主題報告、行動計劃、《環境保護與碳中和》白皮書等。技術研究方面，結合國情及自身情況，自主研發完善碳排放核算模型，用於評估自身碳排放水平並制定未來碳減排策略；成立碳中和技術研發中心，打造面向「雙碳」戰略的創新平台；圍繞碳捕集技術和裝備等「雙碳」相關領域開展技術攻關。試點實踐方面，承擔中國生態環境部(「生態環境部」)溫室氣體排放實地監測試點課題，為國家進行相關行業碳排放核算夯實基礎；本公司上市附屬公司中國光大水務有限公司(「光大水務」)於山東淄博的污水處理項目開展了「廠內光伏」試點項目，該項目已於二零二一年八月成功併網發電；本集團裝備製造板塊亦利用內部廠房屋頂搭建了光伏設施，該設施也於二零二一年七月順利併網發電，為今後進一步擴大相關試點工作奠定了良好基礎。

經營業績方面，回顧年度內，本集團傳統業務板塊持續發力、穩中有進，新興業務板塊積極探索、勢頭良好。收益及本公司權益持有人應佔盈利等經營指標錄得顯著增長；各項目工程建設進度平穩、安全合規，持續帶動本集團的建造服務收益增長；運營項目數量繼續增加，配合有關措施開源節流、降本增效，推動運營服務收益持續上升。財務方面，本集團融資渠道長短兼備、多元暢通，資金充裕，各項財務指標保持良好。

Major operating indicators in 2021 are summarised in the table below:

二零二一年主要經營業績指標摘要如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	Percentage Change 百分比 變動
Revenue	收益	49,895,384	42,926,426	16%
Earnings before interest, taxes, depreciation and amortisation ("EBITDA")	除利息、稅項、折舊及攤銷前盈利	15,027,003	12,851,501	17%
Profit attributable to equity holders of the Company	本公司權益持有人應佔盈利	6,804,099	6,015,863	13%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	110.76	97.93	13%

During the year under review, the Group recorded a total revenue of HK\$48,363,852,000 from its environmental energy, greentech and environmental water sectors, of which revenue from construction services increased by 5% from 2020 to HK\$26,839,586,000, and revenue from operation services increased by 35% from 2020 to HK\$16,604,952,000. The revenue from construction services, operation services and finance income accounts for 56%, 34% and 10% of the total, respectively.

During the year under review, with an aim to better align the capital needs for development in a timely and flexible approach, the Group paid close attention to market dynamics, continued to explore and diversify financing channels, balanced the expansion of long-term and short-term financing tools, enhanced liquidity management proficiency, optimised its financing structure, and kept financial costs within reasonable levels, in order to further improve financial security for the Group's future development. In addition, the Group actively collected accounts receivable, negotiated with banks to secure additional facility support, and obtained various domestic subsidies worth RMB677 million in total. As of 31 December 2021, the Group had cash on hand amounting to HK\$15.605 billion, with a reasonable gearing level and healthy financial position.

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48,363,852,000元，其中建造服務收益為港幣26,839,586,000元，較二零二零年增長5%；運營服務收益為港幣16,604,952,000元，較二零二零年增長35%。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56%、34%及10%。

回顧年度內，為了更加及時、靈活地配合發展的資金需求，本集團密切關注並深入研判市場動態，持續探索和推動融資渠道的多元化發展，平衡長短期融資工具的拓展，提升流動性管理水平，優化融資架構，合理管控財務成本，持續夯實本集團發展的財務保障。此外，本集團積極回收各類應收賬款，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6.77億元。於二零二一年十二月三十一日，本集團手持現金達港幣156.05億元，負債水平合理，財務狀況健康。

Management Discussion and Analysis 管理層討論與分析

The Group's major financing arrangements in 2021 are summarised in the table below:

二零二一年，本集團主要融資安排摘要如下：

Issue date 發行日期	Financing activities and uses of proceeds 融資類型及募集資金用途	Issue size (RMB) 發行規模(人民幣)
December 2021 二零二一年十二月	<p>Everbright Environmental Protection (China) Limited* (“EEP China”), the Company’s wholly-owned subsidiary, issued Series 1 Green Private Placement Asset-backed Notes (Carbon Neutrality Bond)* for the year 2021 in the national inter-bank bond market. The proceeds were used by EEP China and its subsidiaries for replenishment of working capital, repayment of debts to financial institutions and/or any other purposes in compliance with relevant national industrial policies and applicable laws and regulations.</p> <p>本公司全資附屬公司光大環保(中國)有限公司(「光大環保中國」)於全國銀行間債券市場發行二零二一年度第一期綠色定向資產支持票據(碳中和債)，募集資金用於補充光大環保中國及其附屬公司的流動資金並償還其金融機構借款及／或其他符合國家有關產業政策和適用法律法規的用途。</p>	approximately 672 million 約6.72億元
August 2021 二零二一年八月	<p>Everbright Water issued its first tranche of RMB-denominated super & short-term commercial papers in the national inter-bank bond market. The proceeds were used to replenish the working capital of Everbright Water’s subsidiaries.</p> <p>光大水務於全國銀行間債券市場發行第一期人民幣計價超短期融資券，募集資金用於補充光大水務附屬公司的營運資金。</p>	800 million 8億元
July 2021 二零二一年七月	<p>China Everbright Greentech Limited (“Everbright Greentech”), the Company’s listed subsidiary, issued the Green Medium-Term Notes (“MTN”) (Series 1) (Bond Connect/Carbon-Neutral Bond/Rural Vitalisation), China’s first green MTN relating to carbon neutrality and rural vitalisation in the national inter-bank bond market. The proceeds were used to repay project loans of relevant agricultural and forestry biomass projects of Everbright Greentech.</p> <p>本公司的上市附屬公司中國光大綠色環保有限公司(「光大綠色環保」)於全國銀行間債券市場發行第一期綠色中期票據(債券通／碳中和債／鄉村振興)，亦為中國首單碳中和及鄉村振興綠色熊貓中期票據，募集資金用於償還光大綠色環保旗下農林生物質業務的項目貸款。</p>	1 billion 10億元
June 2021 二零二一年六月	<p>The Company issued its first tranche of 2021 MTN (Bond Connect) in the national inter-bank bond market. The proceeds were used to replenish the daily working capital for the Company’s subsidiaries and repayment of bank borrowings.</p> <p>本公司於全國銀行間債券市場發行二零二一年度第一期中期票據(債券通)，募集資金用於補充本公司附屬公司日常運營資金及償還銀行貸款。</p>	2 billion 20億元

* For identification purpose only

* 僅供識別用途

Issue date 發行日期	Financing activities and uses of proceeds 融資類型及募集資金用途	Issue size (RMB) 發行規模(人民幣)
April 2021 二零二一年四月	<p>Everbright Greentech's subsidiary issued its first asset-backed notes in the national inter-bank bond market, with receivables relating to the national subsidies for renewable energy power prices as the underlying assets. The proceeds were used to replenish the general working capital of Everbright Greentech or repayment of borrowings.</p> <p>光大綠色環保的附屬公司於全國銀行間債券市場發行首單以國家可再生能源電價附加補助資金應收賬款為基礎的資產支持票據，募集資金用於補充光大綠色環保一般營運資金或償還貸款。</p>	589 million 5.89億元
January 2021 二零二一年一月	<p>Everbright Water issued its second tranche of MTN in the national inter-bank bond market. The proceeds were used to replenish the working capital of Everbright Water's subsidiaries.</p> <p>光大水務於全國銀行間債券市場發行第二期中期票據，募集資金用於補充光大水務附屬公司的營運資金。</p>	1 billion 10億元

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 proposed to pay a final dividend of HK15.0 cents per share as of 31 December 2021 to the Shareholders (2020: HK16.0 cents per share), with the total dividend for the year amounting to HK34.0 cents per share (2020: HK30.0 cents per share).

As of 31 December 2021, the Group had a business presence in more than 210 locations across 25 provinces, municipalities, autonomous regions and special administrative region in China, with overseas business markets in Germany, Poland, Vietnam and Mauritius. The Group secured a total of 528 environmental protection projects, with an aggregate investment of approximately RMB152.455 billion. It also undertook 42 environmental remediation services, 2 waste sorting services, 22 engineering, procurement and construction ("EPC") projects, 5 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 176 waste-to-energy projects under its environmental energy and greentech sectors, with an aggregate designed daily household waste processing capacity of 150,300 tonnes.

本集團致力於為本公司股東(「股東」)創造價值，共享發展成果。為回饋股東支持及保障本集團長遠發展，董事會建議就截至二零二一年十二月三十一日止年度派發末期股息每股15.0港仙予股東(二零二零年：每股16.0港仙)，全年股息每股34.0港仙(二零二零年：每股30.0港仙)。

截至二零二一年十二月三十一日，本集團業務佈局已拓展至全國25個省(市)、自治區和特別行政區，遍及210多個區縣市，海外市場涉足德國、波蘭、越南及毛里求斯，已落實投資的環保項目合共528個，總投資約人民幣1,524.55億元；另承接42個環境修復服務、2個垃圾分類服務、22個工程總包(「EPC」)項目、5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176個，設計日處理生活垃圾150,300噸。

Management Discussion and Analysis 管理層討論與分析

During the year under review, the Group made steady progress against fierce market competition. While steadily expanding its traditional businesses such as waste-to-energy and water treatment, the Group also actively made a great effort in developing synergistic businesses such as food and kitchen waste treatment, sludge treatment and disposal, as well as waste sorting and transfer, and fully promoted the expansion of emerging businesses such as resource recycling, energy-saving lighting and environmental planning and design. In doing so, the Group aims to build a business portfolio with the co-development of asset-light and asset-heavy businesses, co-development of municipal and consumer businesses, and expansion of domestic and overseas businesses. During the year under review, the Group made breakthroughs in the solid waste treatment market in the Xinjiang Uygur Autonomous Region (“Xinjiang”), the water services markets in Tianjin Municipality, Hebei Province and Mauritius, the solar energy market in the Hong Kong Special Administrative Region of the PRC (“Hong Kong”), and the waste sorting market in Changzhou City and Wujiang District of Suzhou City, Jiangsu Province, further improving the Group’s domestic and overseas market presence. In 2021, the Group signed 69 new projects (including projects secured through acquisitions) and 2 supplementary agreements on existing projects, commanding a total investment of approximately RMB13.248 billion, covering various business areas such as waste-to-energy, food and kitchen waste treatment, waste sorting, solar energy and water treatment. It also undertook 2 waste sorting services, 6 environmental remediation services, 8 EPC projects, 2 EMC projects, 1 O&M project and 1 equipment supply service, with an aggregate contract value of approximately RMB331 million.

回顧年度內，本集團在激烈的市場競爭環境中穩扎穩打、步步為營。在穩步拓展垃圾發電、水處理等傳統業務的同時，本集團積極挖潛餐廚及廚餘垃圾處理、污泥處理處置、垃圾分類及轉運等協同業務，並全力推動資源再生利用、節能照明、環境規劃設計等新興業務的持續拓展，致力於打造一個輕重並舉、政民並進、內外聯動的業務組合。回顧年度內，本集團新突破了新疆維吾爾自治區（「新疆」）固廢處理市場，天津市、河北省及毛里求斯的水務市場，中國香港特別行政區（「香港」）光伏發電市場，以及江蘇常州市、蘇州市吳江區垃圾分類市場等，進一步完善本集團境內外的市場佈局。二零二一年，本集團共簽署69個新項目（包括收購項目）以及2份現有項目的補充協議，總投資約人民幣132.48億元，涉及垃圾發電、餐廚及廚餘垃圾處理、垃圾分類、光伏發電、水處理等；承接2個垃圾分類服務、6個環境修復服務、8個EPC項目、2個EMC項目、1個委託運營項目，以及1個設備供貨服務，合同總金額約人民幣3.31億元。

The major designed treatment and supply capacities of the new projects secured in 2021 are summarised as below:

二零二一年新增項目主要設計處理及供應規模摘要如下：

Project Category 項目類別	Designed Treatment/Supply Capacity 設計處理／供應規模
Household waste 生活垃圾	13,100 tonnes/day 13,100噸／日
Food and kitchen waste 餐廚及廚餘垃圾	1,780 tonnes/day 1,780噸／日
Hazardous and solid waste 危廢及固廢	100,000 tonnes/year 100,000噸／年
Steam supply 蒸汽供應	598,800 tonnes/year 598,800噸／年
Water treatment* 水處理*	543,000 m ³ /day 543,000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、中水等水處理業務類別。

In terms of safety and environmental management, during the year under review, the Group focused on one overall target, two critical areas, four integrated aspects and six key work priorities, making every effort to provide solid safety and environmental protection to achieve high-quality transformation and development. In 2021, while continuously improving the safety and environmental protection management system, the Group organised training and examinations for safety and environmental management qualifications, which further strengthened the awareness of safety and environmental management at the sector level and across the project companies. At the same time, the focus of work was placed at a basic level, and the supervision and inspection of projects in various business sectors were strengthened. The relevant work progressed well and achieved remarkable results.

安環管理方面，回顧年度內，本集團圍繞一個目標，緊抓兩個關鍵點，做好四個結合，推進六項工作，全力為實現高質量轉型發展提供堅實的安環保障。二零二一年，在持續健全完善安環管理制度的同時，本集團組織開展了安環管理資格認證培訓及考試，進一步加強了板塊及項目公司層面的安環管理責任意識；同時工作重心下沉至基層一線，加大對各業務板塊項目的監督檢查力度，相關工作進展良好、成效顯著。

Management Discussion and Analysis 管理層討論與分析

In respect to project construction, during the year under review, the Group continued to adhere to the seven principles of “Productivity, Efficiency, Quality, Cost-Effectiveness, Legitimacy, Safety and Integrity” and strictly complied with the requirements of effective pandemic prevention and control measures in various places, and gave full play to the dynamic management of the construction progress of each project, ensuring the orderly progress of various project construction works, which continued to boost construction service revenue. In 2021, 91 projects completed construction and commenced operation, and 8 projects completed construction. Meanwhile, 51 projects commenced construction, together with 6 environmental remediation services, 1 waste sorting service, 4 EMC projects and 9 EPC projects that were completed and delivered.

In terms of operations management, during the year under review, the Group, with a focus on “Cost Reduction and Efficiency Enhancement” and “Value Creation”, continued to uphold stringent management standards. On the basis of ensuring stable operation and compliance with relevant emission standards, the Group proactively promoted digitalisation and intelligent management, as well as enhanced the platform roles of its projects, to further strengthen and refine its operations management proficiency, reduce costs and increase efficiency.

As an environmental protection enterprise and responsible corporate citizen, the Group regards efficient environmental management along with timely and accurate environmental information disclosure as necessities to fulfill its corporate obligations, as well as the basic right of the people. During the year under review, the Group continued to open projects for public visits, to improve the standardisation, normalisation and localisation of the project open-up, and to forge a closer relationship with relevant local authorities and communities, in a bid to promote the long-term development of the shared interests among government authorities, businesses and residents. During the year under review, the Group’s environmental protection projects received more than 80,000 local and foreign visitors from all social circles. As of 31 December 2021, a total of 138 projects had opened up for public visits. Under the backdrop of ongoing pandemic prevention and control, the Group’s project companies organised online and offline project open-up activities, which effectively maintained attention and interest of the communities in topics relating to ecological protection, sustainable development, and low-carbon life.

工程建設方面，回顧年度內，本集團堅持「多快好省法安廉」七字訣，嚴格配合各地新冠疫情常態化防控要求，充分發揮對各項目建設工程進度的動態管理，保障各項工程有序推進，持續帶動建造服務收益上升。二零二一年，本集團建成投運項目91個，建成完工項目8個；新開工項目51個，完工並交付的環境修復服務6個、垃圾分類服務1個、EMC項目4個以及EPC項目9個。

運營管理方面，回顧年度內，本集團堅持「降本增效」、「價值創造」原則，推動高標準的運營管理。在確保項目穩定運行、達標排放的基礎上，本集團積極推動數字化、智慧化、平台化項目建設，進一步加強運營管理的精細化水平，降本增效。

作為環保立身的企業以及有擔當的企業公民，本集團堅信，行之有效的環境管理和及時準確的環境信息披露是企業應盡之責任，亦是民眾應有之權利。回顧年度內，本集團繼續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、常態化和本地化水平，持續拉進與當地相關部門及社區民眾的距離，促進「政企民」利益共同體的長足發展。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8萬人次。截至二零二一年十二月三十一日，累計138個項目先後開展了公眾開放活動。在疫情常態化防控的背景下，本集團項目公司亦採取線上線下相結合的方式推動公眾開放活動，有效維持民眾對於生態保護、可持續發展、低碳生活等議題的關注和興趣。

During the year under review, the Group spared no effort in promoting synergy between pollution reduction and carbon reduction, continuously driving the simultaneous improvement of economic, social and environmental benefits, and integrating relevant measures and concepts into daily business operations. The Group's major environmental contribution in 2021 is summarised as below:

回顧年度內，本集團不遺餘力地推動減污降碳、協同增效，持續推動經濟、社會和環境效益的同步提升，並將相關舉措和理念融入到日常業務的經營當中。二零二一年，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	43,452,000 tonnes 43,452,000噸	Generating green electricity of 22,271,602,000 kWh. This output could support the annual electricity consumption needs of 18,559,000 households, equivalent to saving 8,909,000 tonnes of standard coal, while reducing Carbon Dioxide (CO ₂) emissions by 20,211,000 tonnes. 提供綠色電力22,271,602,000千瓦時，可供18,559,000個家庭一年使用，相當於節約標煤8,909,000噸，減少二氧化碳排放20,211,000噸。
Hazardous and solid waste processed 危廢及固廢處理量	269,000 tonnes 269,000噸	
Agricultural and forestry waste processed 農林廢棄物處理量	7,964,000 tonnes 7,964,000噸	
Waste water treated 污水處理量	1,698,710,000 m ³ 1,698,710,000立方米	Reducing Chemical Oxygen Demand ("COD") discharge of 740,000 tonnes. 減少化學需氧量(「COD」)排放740,000噸。
Waste-to-energy plants' leachate treated 垃圾發電廠滲濾液處理量	9,635,000 m ³ 9,635,000立方米	

Since the Group's first environmental protection project commenced operation in 2005, its aggregate 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：

	Aggregate Treatment Capacity 累計處理規模	Aggregate Environmental Contribution 累計環境貢獻
Household waste processed 生活垃圾處理量	168,957,000 tonnes 168,957,000噸	Generating green electricity of 80,724,029,000 kWh. This output could support the annual electricity consumption needs of 67,270,000 households, equivalent to saving 32,290,000 tonnes of standard coal, while reducing CO ₂ emissions by 78,673,000 tonnes. 提供綠色電力80,724,029,000千瓦時，可供67,270,000個家庭一年使用，相當於節約標煤32,290,000噸，減少二氧化碳排放78,673,000噸。
Hazardous and solid waste processed 危廢及固廢處理量	1,340,000 tonnes 1,340,000噸	
Agricultural and forestry waste processed 農林廢棄物處理量	26,603,000 tonnes 26,603,000噸	
Waste water treated 污水處理量	12,962,302,000 m ³ 12,962,302,000立方米	Reducing COD discharge of 4,952,000 tonnes. 減少COD排放4,952,000噸。
Waste-to-energy plants' leachate treated 垃圾發電廠滲濾液處理量	35,872,000 m ³ 35,872,000立方米	

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During the year under review, the Group continued to actively support and participate in various philanthropic activities relating to environmental protection education, energy conservation and emission reduction, ecological conservation, and community care. Among which, the Solar Dome at the Island House in Yuen Chau Tsai, Taipo, Hong Kong, commenced operation. The Solar Dome was built by the World Wide Fund Hong Kong with support from the Group through its Everbright Environment Charitable Foundation. The facility is developed to serve as a sustainability educational base for Hong Kong students and other social groups to promote their concepts and knowledge of renewable energy, sustainable development and ecological conservation. In addition, the Group signed a memorandum of understanding with the Asian Development Bank ahead of World Oceans Day in 2021 for strategic cooperation toward the circular economy and the reduction of marine debris through strengthening of the solid waste management system in Asia to foster ocean health. During the year under review, colleagues from the Group's Hong Kong office voluntarily participated in the Salvation Army Recycling Programme, donating used clothes to people in need in Hong Kong, or selling them in the Salvation Army Family Store to use proceeds to carry out community care services. Such programmes have effectively helped people in need to rebuild normal lives during the Pandemic, and at the same time practice the concept of resource conservation and recycling. At the project level, the Group's project companies across multiple locations continued to actively respond to various environmental protection themed festivals, such as "World Environment Day", "World Water Day" and "China Water Week", promoting ecological environmental protection, and sustainable development with diverse and lively activities, strengthening local communities' understanding of environmental protection and sustainable development issues, as well as solidifying the Group's connections and mutual support with local residents.

回顧年度內，本集團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，本集團透過旗下光大環境公益基金會支持世界自然基金會香港分會建造的太陽能溫室穹頂於香港大埔元州仔自然環境保護研究中心落成並投入使用；該設施已作為可持續教育基地，面向香港學生等各界群體，宣傳可再生能源、可持續發展、生態保育等理念和知識。此外，本集團於二零二一年世界海洋日前夕，與亞洲開發銀行簽署諒解備忘錄，圍繞循環經濟和減少海洋污染達成戰略合作，致力於透過加強亞洲地區固廢管理水平，減少來自陸地的海洋垃圾，推動海洋健康事業。本集團香港員工於回顧年度內自發參與了救世軍循環再用計劃，將舊衣物贈予香港有需要人士，或將其在救世軍家品店售賣並用相關收益開展社區關懷服務，在疫情特殊時期切實幫助在港有需要的人士重建正常生活，同時踐行節約資源、循環利用的理念。在項目層面，本集團項目公司繼續在各地積極響應「世界環境日」、「世界水日」、「中國水週」等各類環保主題節日，以更加多元、生動的活動形式向當地民眾宣傳生態環保、可持續發展等相關知識，強化當地社區對相關議題的了解和認同，令本集團與當地社區民眾的聯繫更加穩固。

In 2021, the Group received many honors in recognition of its effort in many aspects, including business operation, business model, sustainable development and social responsibility. The major awards and recognition are summarised as below:

二零二一年，本集團在業務經營、業務模式、可持續發展、社會責任等方面齊齊發力，滿載榮譽。主要獎項及榮譽摘要如下：

Category 類別	Award/Recognition 獎項／榮譽	Awarding Organisation(s) 頒發機構
Business performance 業務經營	First place in the “Top 50 Environmental Enterprises in China” (the third consecutive year) 「中國環境企業50強」榜單榜首(連續第三年)	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 11th consecutive year) 「中國固廢十大影響力企業」榜單榜首(連續第十一年)	E20 Environmental Platform E20環境平台
	Shortlisted in Fortune China 500 list for the first time (ranking the 283rd place) 首次入選《財富》中國500強(位列第283位)	<i>Fortune China</i> 《財富》(中文版)
	Everbright Water Shortlisted in the “Top Ten Influential Enterprises in China’s Water Industry” (the fourth consecutive year) 光大水務入選「中國水業十大影響力企業」榜單(連續第四年)	E20 Environmental Platform E20環境平台

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Category 類別	Award/Recognition 獎項／榮譽	Awarding Organisation(s) 頒發機構
Corporate management 企業管理	Wang Tianyi, Chairman of the Board, recognised as “Asia’s Best CEO” (the fourth consecutive year) 董事會主席王天義獲評「亞洲最佳CEO」(連續第四年)	“The Asian Excellence Awards” by <i>Corporate Governance Asia</i> 《亞洲企業管治》亞洲卓越獎
	Excellent ESG Enterprise of 2020-2021 2020-2021年度傑出ESG企業	“Excellent ESG Recognition Scheme” by <i>Hong Kong Economic Times</i> 《香港經濟日報》「傑出環境、社會及企業管治表現嘉許計劃」
	Everbright Greentech and Everbright Water received “A Special Mention for ESG” (Small Market Capitalisation Category) 光大綠色環保、光大水務獲頒「ESG特別提名獎」(小市值類別)	“Best Corporate Governance and ESG Awards in 2021” by Hong Kong Institute of Certified Public Accountants 香港會計師公會「2021年度最佳企業管治和ESG獎項」
	Everbright Water received “Award of Excellence in Corporate Governance” (Category for Newly-Listed Companies) and “Award of Excellence in ESG” (Category for Newly-Listed Companies) 光大水務獲得「公司管治卓越獎」(新上市公司類別)及「環境、社會及管治卓越獎」(新上市公司類別)	Hong Kong Corporate Governance and ESG Excellence Awards 2021, jointly launched by organisations including the Chamber of Hong Kong Listed Companies 香港上市公司商會等聯合舉辦的「香港公司管治與環境、社會及管治卓越獎2021」

Category 類別	Award/Recognition 獎項／榮譽	Awarding Organisation(s) 頒發機構
Business model 業務模式	Jiangsu Changzhou Waste-to-energy Project, Hainan Sanya Waste-to-energy Project and Hunan Yiyang Waste-to-energy Project shortlisted in first batch of green Public-Private-Partnership (“PPP”) project case studies 江蘇常州垃圾發電項目、海南三亞垃圾發電項目及湖南益陽垃圾發電項目入選首批綠色政府和社會資本合作(「PPP」)項目典型案例	National Development and Reform Commission of the PRC 中國國家發展和改革委員會
	Jiangsu Zhenjiang Sponge City Construction PPP Project shortlisted as top 5 in UNECE’s Building Back Better Infrastructure Award 2021 江蘇鎮江海綿城市建設PPP項目入圍聯合國歐經會2021年「更好重建」基礎設施獎項評選五強	United Nations Economic Commission for Europe (“UNECE”) 聯合國歐洲經濟委員會(「聯合國歐經會」)
Engineering and construction 工程建設	Zhejiang Quzhou Waste-to-energy Project (“Quzhou Project”) won the Luban Prize for the second batch between 2020 and 2021 in China’s construction industry 浙江衢州垃圾發電項目(「衢州項目」)獲得2020-2021年度第二批中國建設工程魯班獎	China Construction Industry Association 中國建築業協會
Technology research and development (“R&D”) 科技研發	Ranked among “2021 China Top 100 New Technology Companies” 躋身「2021中國新科技100強」	Organisations including the <i>Internet Weekly</i> of Chinese Academy of Sciences and Informatisation Research Center of Chinese Academy of Social Sciences 中國科學院《互聯網周刊》、中國社會科學院信息化研究中心等機構
	The research project on “Key Technologies and Applications for Intelligent Monitoring and Optimal Operation of Municipal Waste Water Treatment Plants”, in which Everbright Water (Shenzhen) Limited participated as a key participant, received the second prize of the 2020 State Scientific and Technological Progress Award 光大水務(深圳)有限公司作為主要完成單位之一參與的「城鎮污水處理廠智能監控和優化運行關鍵技術及應用」獲得二零二零年度「國家科學技術進步獎」二等獎	The Office of the National Science Progress Awards 國家科學技術獎勵工作辦公室

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Category 類別	Award/Recognition 獎項／榮譽	Awarding Organisation(s) 頒發機構
Sustainable development 可持續發展	Included in the <i>Sustainability Yearbook 2021</i> (the fourth time) 獲納入《2021年可持續發展年鑒》(第四次)	S&P Global 標普全球
	Included in the Dow Jones Sustainability Indices (the sixth consecutive year) 獲納入道瓊斯可持續發展指數系列(連續第六年)	Dow Jones 道瓊斯
	Included in the Hang Seng Corporate Sustainability Benchmark Index (the eleventh consecutive year) 獲納入恒生可持續發展企業基準指數(連續第十一年)	Hang Seng Indexes 恒生指數
Social responsibility 社會責任	Over 30 environmental protection projects of the Group included in the fourth batch of environmental facilities and municipal wastewater and waste treatment facilities opening up to the public in China 本集團旗下逾30個各類環保項目先後入選第四批全國環保設施和城市污水垃圾處理設施向公眾開放單位名單	MEE and the Ministry of Housing and Urban Rural Development of the PRC 中國生態環境部、住房和城鄉建設部
	Social Responsibility Brand of the Year (the seventh consecutive year) 年度責任品牌獎(連續第七年)	China Charity Festival 中國公益節
	Outstanding Enterprise in Fighting Against the Pandemic 抗疫傑出貢獻企業	China Charity Festival 中國公益節
	Best Environmental Responsibility (the third consecutive year) 最佳環境責任獎(連續第三年)	Asian Excellence Award of <i>Corporate Governance Asia</i> 《亞洲企業管治》亞洲卓越獎

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 a core business sector of the Group, the environmental energy sector keeps the largest scale and makes up the Group's biggest business portion, covering waste-to-energy, food and kitchen waste treatment, leachate treatment, fly ash treatment, methane-to-energy, sludge treatment and disposal, construction and decoration waste treatment, the development of environmental protection industrial parks, among others. During the year under review, the Group's environmental energy sector kept its leading position in the waste-to-energy industry.

As of 31 December 2021, environmental energy had invested in and held 230 projects, commanding a total investment of approximately RMB89.865 billion, and undertook 1 O&M project and 5 EPC projects, which are designed to have an annual household waste processing capacity of 50,789,750 tonnes, which is expected to generate 17,103,380,763 kWh of annual on-grid electricity; an annual food and kitchen waste processing capacity of 2,215,550 tonnes; an annual sludge treatment capacity of 394,200 tonnes; and an annual medical waste processing capacity of 12,775 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、滲濾液處理、飛灰處理、沼氣發電、污泥處理處置、建築裝潢垃圾處理、環保產業園開發等。回顧年度內，本集團環保能源板塊穩居垃圾發電行業領先地位。

截至二零二一年十二月三十一日，環保能源共落實投資項目230個，涉及總投資約人民幣898.65億元，另承接1個委託運營項目及5個EPC項目，設計規模為年處理生活垃圾50,789,750噸、年上網電量17,103,380,763千瓦時、年處理餐廚及廚餘垃圾2,215,550噸、年處理污泥394,200噸及年處理醫療廢物(「醫廢」)12,775噸。

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As of 31 December 2021, environmental energy's waste-to-energy projects are summarised as follows:

截至二零二一年十二月三十一日，環保能源垃圾發電項目情況如下：

Project Status 項目狀態	Number of Projects 項目個數(個)	Designed Processing Capacity (tonnes/annum) 設計處理規模(噸/年)
In operation* 投運*	129	41,737,750
Under construction 在建	16	7,227,000

* including an O&M project

* 含委託運營項目

In terms of market development, environmental energy faced challenges in the market, with increasingly fierce market competition in 2021. The sector focused on three major business areas and leveraged the Group's "Five Points in One Line" process model for waste sorting, which includes sorting, transferring, selecting, recycling and incinerating waste. While solidifying its leading position in the waste-to-energy industry, environmental energy deeply explored the value of the industrial chain, while extending its business value chain, in an attempt to effectively control destinations of waste at the front end and ensure efficient incineration of waste at the back end. During the year under review, environmental energy secured 23 waste-to-energy synergistic projects, covering waste sorting and transferring, food and kitchen waste treatment, sludge treatment and disposal, medical waste treatment, fly ash treatment, heat supply, among others. During the year under review, the sector secured 36 new projects (including projects secured through acquisition), with a total investment of approximately RMB7.842 billion, in addition to undertaking 1 EPC project, with a contract value of approximately RMB28 million. The newly secured projects contribute a designed daily household waste processing capacity of 11,800 tonnes and a designed daily food and kitchen waste processing capacity of 1,780 tonnes. Among these projects, the signing of Shihezi Integrated Waste Treatment PPP Project in Xinjiang marks the expansion of the Group's business into the autonomous region and enhancement of the Group's strategic position in northwest China. During the year under review, the Group purchased the remaining 51% equity interest in the project company of Zhejiang Hangzhou Fuyang Waste-to-energy Project, turning it into a wholly-owned project of the Group.

市場拓展方面，二零二一年，環保能源在市場競爭日益激烈的背景下，直面市場挑戰，聚焦「三位一體」以及本集團「分、轉、揀、用、燒」的垃圾分類「五點一線」技術路線，在鞏固垃圾發電龍頭地位的同時，積極推進垃圾發電協同業務拓展，在延伸產業鏈的過程中，深挖產業鏈價值，前端有效管控垃圾去向，後端保障高效焚燒處理垃圾。回顧年度內，環保能源累計取得垃圾發電協同類項目23個，涵蓋垃圾分類及轉運、餐廚及廚餘垃圾處理、污泥處理、醫廢處理、飛灰處理、供熱等。回顧年度內，環保能源共取得36個新項目（含收購項目），涉及總投資約人民幣78.42億元；新承接1個EPC項目，合同金額約人民幣2,800萬元；新增設計規模為日處理生活垃圾11,800噸，日處理餐廚及廚餘垃圾1,780噸。其中，新疆石河子綜合垃圾及廢棄物處理PPP項目的簽署，標誌著本集團業務版圖拓展至新疆，加強本集團在中國西北市場的戰略佈局。回顧年度內，本集團購買浙江杭州富陽垃圾發電項目公司餘下51%股權，實現了對該項目的全資控股。

In terms of project construction, during the year under review, environmental energy had 64 projects that completed construction and commenced operation. These projects are designed to have a daily household waste processing capacity of 38,400 tonnes and a daily food and kitchen waste processing capacity of 2,945 tonnes. 35 projects (including 1 EPC project) commenced construction, with a designed daily household waste processing capacity of 13,000 tonnes and a designed daily food and kitchen waste processing capacity of 2,290 tonnes. It is worth mentioning that, during the year under review, Quzhou Project received the Luban Prize, the highest recognition in China's construction industry. The project represents the Group's third environmental protection project that has received this prestigious honor, following Shandong Ji'nan Waste-to-energy Project and Zhejiang Hangzhou Waste-to-energy Project. The latest recognition fully reflects the excellence of the Group and environmental energy in terms of engineering planning, construction and management in the field of environmental protection.

In terms of operations management, all projects under environmental energy strictly followed relevant emission standards, optimised their safety and environmental management systems, conducted preliminary planning for an information-based monitoring platform, and advanced progress of a new intelligent management platform to the trial stage, in an attempt to boost management efficiency through internal optimisation. In 2021, the average electricity generated per tonne of waste incinerated at environmental energy's waste-to-energy projects reached 470 kWh, with an integrated power consumption ratio of approximately 15%.

During the year under review, environmental energy contributed an EBITDA of HK\$10,081,269,000, an increase of 26% as compared with 2020. Environmental energy contributed a net profit attributable to the Group of HK\$5,974,688,000, an increase of 19% as compared with 2020. 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64個項目建成投運，設計規模為日處理生活垃圾38,400噸，日處理餐廚及廚餘垃圾2,945噸；35個項目（含EPC項目）開工建設，設計規模為日處理生活垃圾13,000噸，日處理餐廚及廚餘垃圾2,290噸。值得一提的是，衢州項目於回顧年度內獲得國家建築行業最高獎項魯班獎，成為繼山東濟南垃圾發電項目、浙江杭州垃圾發電項目後，本集團第三個獲此權威榮譽的環保項目，充分體現了本集團及環保能源在環保領域工程規劃、建設和管理方面的卓越能力。

運營管理方面，環保能源項目嚴守相關排放標準，優化安環管理脈絡，初步規劃信息化監管平台框架，推動智慧管理平台進入測試階段，以內部優化帶動管理效能提升。二零二一年，環保能源垃圾發電項目平均每噸入爐垃圾發電量達470千瓦時，綜合廠用電率約15%。

回顧年度內，環保能源貢獻除利息、稅項、折舊及攤銷前盈利合共港幣10,081,269,000元，較二零二零年增加26%。環保能源貢獻本集團應佔淨盈利為港幣5,974,688,000元，較二零二零年增加19%。盈利增加主要受惠於回顧年度內建設項目數量上升，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 2021 are summarised in the table below:

二零二一年度，環保能源項目之主要運營數據摘要如下：

		2021 二零二一年	2020 二零二零年	Percentage Change 百分比變動
Waste processing volume (tonnes)	垃圾處理量(噸)	40,534,000	29,273,000	38%
Food and kitchen waste processing volume (tonnes)	餐廚及廚餘垃圾處理量(噸)	519,000	439,000	18%
On-grid electricity (MWh)	上網電量(兆瓦時)	13,263,566	9,380,822	41%



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 2021, 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 focuses on hazardous and solid waste treatment, integrated biomass utilisation, solar energy, wind power, environmental remediation, among others. It positions itself as a leading intelligent energy supplier dedicated to “Carbon Neutrality”, as well as a prominent industrial hazardous waste treatment investor and operator in China.

As of 31 December 2021, Everbright Greentech had invested in 137 environmental protection projects, with a total investment of approximately RMB32.891 billion. These projects are designed to have an annual biomass raw material processing capacity of 8,089,800 tonnes, an annual household waste processing capacity of 4,069,750 tonnes, and an annual hazardous and solid waste processing capacity of 2,941,900 tonnes, which are expected to generate 6,960,034,055 kWh of annual on-grid electricity and 5,118,000 tonnes of annual steam supply.

截至二零二一年十二月三十一日，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，專注於危廢及固廢處置、生物質綜合利用、光伏發電、風電、環境修復等業務領域，定位為中國領先的「碳中和」智慧能源供應商及工業危廢處置投資運營商。

截至二零二一年十二月三十一日，光大綠色環保共落實投資環保項目137個，總投資約人民幣328.91億元，設計規模為年處理生物質原材料8,089,800噸、年處理生活垃圾4,069,750噸、年處置危廢及固廢2,941,900噸、年上網電量6,960,034,055千瓦時、年供蒸汽5,118,000噸。

As of 31 December 2021, Everbright Greentech’s hazardous and solid waste treatment projects are summarised as follows:

截至二零二一年十二月三十一日，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 項目個數(個)	Designed Processing Capacity (tonnes/annum) 設計處理規模(噸/年)
In operation 投運	31	958,400
Under construction 在建	10	972,500

With respect to market development, Everbright Greentech has been exploring the development potential of its existing business areas by improving its management efficiency and technical capabilities. In the meantime, Everbright Greentech, with a focus on China's "Dual Carbons" strategic goals, proactively carried out business transformation and explored new businesses and models such as energy storage. During the year under review, Everbright Greentech acquired 60% equity stake in Kellon Green Energy Limited, achieving a breakthrough in Hong Kong's solar energy market, which marks the Group's business entry into the city. In 2021, Everbright Greentech secured 17 new projects and signed 2 supplementary agreements for existing projects, which command a total investment of approximately RMB1.201 billion. It also undertook 6 environmental remediation services, with a total contract value of approximately RMB150 million. The new projects are designed to have an annual household waste processing capacity of 474,500 tonnes, an annual steam supply capacity of 598,800 tonnes, an annual hazardous and solid waste processing capacity of 100,000 tonnes, and an installed capacity of 7.07 MW for solar energy.

In respect to project construction, during the year under review, Everbright Greentech had 16 projects that completed construction and commenced operation, in addition to 5 projects that completed construction, contributing a designed annual household waste processing capacity of 1,007,400 tonnes, and an annual hazardous and solid waste processing capacity of 753,800 tonnes. 6 environmental remediation services were completed and delivered in 2021. Separately, 11 projects commenced construction, with a designed annual hazardous and solid waste processing capacity of 852,500 tonnes. 6 environmental remediation services started respective remediation work in succession.

During the year under review, the Group's greentech sector contributed an EBITDA of HK\$2,931,990,000, a decrease of 6% as compared with 2020. Greentech contributed a net profit attributable to the Group of HK\$870,487,000, a decrease of 21% as compared with 2020. The profit decrease reflected primarily the adjustment of greentech's development strategy to accommodate changes in national policies and market developments, which resulted in the decline in revenue and profit from construction services. Profit contributions from operations were also affected by rising prices for biological raw materials and the decline in unit prices for hazardous and solid waste treatment.

市場拓展方面，光大綠色環保通過提升管理效率、技術能力等方式，深挖現有業務領域的發展潛力；同時聚焦國家「雙碳」戰略目標，積極推動業務轉型，探索儲能等新業務和新模式。回顧年度內，光大綠色環保以增資擴股形式持有佳安綠色能源有限公司60%股權，突破香港光伏發電市場，標誌著本集團業務板塊拓展至香港。二零二一年，光大綠色環保共取得17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12.01億元；承接環境修復服務6個，合同總金額約人民幣1.5億元。新增設計規模為年處理生活垃圾474,500噸、年供應蒸汽598,800噸、年處置危廢及固廢100,000噸，光伏裝機規模7.07兆瓦。

工程建設方面，回顧年度內，光大綠色環保共有16個項目建成投運，5個項目建成完工，設計規模為年處理生活垃圾1,007,400噸、年處置危廢及固廢753,800噸；6個環境修復服務於二零二一年完成修復工程並交付。此外，11個項目開工建設，設計規模為年處置危廢及固廢852,500噸；6個環境修復服務項目陸續開始提供修復工程。

回顧年度內，本集團綠色環保板塊貢獻除利息、稅項、折舊及攤銷前盈利港幣2,931,990,000元，較二零二零年減少6%。綠色環保貢獻本集團應佔淨盈利港幣870,487,000元，較二零二零年減少21%；盈利下跌主要是在國家政策和市場行情的變化下綠色環保調整發展戰略，導致建造服務收益及盈利有所減少。而運營業務亦受到生物原材料價格上漲及危固廢處理單價下降而影響運營服務利潤貢獻。

Management Discussion and Analysis 管理層討論與分析

Major operating data relating to greentech during 2021 are summarised in the table below:

二零二一年，綠色環保之主要運營數據摘要如下：

		2021 二零二一年	2020 二零二零年	Percentage Change 百分比變動
Waste processing volume (tonnes)	垃圾處理量(噸)	2,919,000	2,272,000	28%
Biomass raw material processing volume (tonnes)	生物質原材料處理量(噸)	7,964,000	6,708,000	19%
Hazardous and solid waste processing volume (tonnes)	危廢及固廢處置量(噸)	269,000	182,000	48%
Steam supply volume (tonnes)	蒸汽供應量(噸)	2,154,671	1,343,552	60%
On-grid electricity (MWh)	上網電量(兆瓦時)	6,310,119	5,623,505	12%



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 2021, the Group held 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. As a leading water environment management service provider in China, Everbright Water has developed 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 and operations management, among others.

As of 31 December 2021, Everbright Water had invested in and held 153 water projects, commanding a total investment of approximately RMB28.434 billion. It also secured 4 EPC projects and 3 O&M projects. These projects are designed to have an annual waste water treatment capacity of 2,175,619,000 m³, an annual reusable water supply capacity of 91,469,000 m³, and an annual water supply capacity of 310,250,000 m³. The waste water source heat pump projects provide heating and cooling services to an area of 295,000 m².

截至二零二一年十二月三十一日，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。作為中國一流的水環境綜合治理服務供應商，光大水務已實現原水保護、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。

截至二零二一年十二月三十一日，光大水務投資並持有153個水務項目，涉及總投資約人民幣284.34億元；另承接4個EPC項目及3個委託運營項目。設計規模為年處理污水2,175,619,000立方米、年供中水91,469,000立方米、年供水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 2021, Everbright Water's water projects are summarised as follows:

截至二零二一年十二月三十一日，光大水務各類水務項目情況如下：

Project Status 項目狀態	Number of Projects 項目個數(個)	Designed Water Treatment Capacity (m ³ /annum) 設計處理規模(立方米/年)
In operation* 投運*	131	2,082,398,000
Under construction 在建	11	335,800,000

* including O&M projects

* 含委託運營項目

In terms of market development, Everbright Water maintained an excellent momentum of expansion during the year under review: It strode into two new domestic markets, Tianjin and Hebei, and consolidated its business layout in the Beijing-Tianjin-Hebei strategic region. Everbright Water also undertook its first overseas O&M project in Mauritius, laying a good foundation for further breakthroughs in overseas markets going forward. During the year under review, Everbright Water secured 15 new projects, with a total investment of approximately RMB3.756 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 489,000 m³ and a daily reusable water supply of 54,000 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, 6 projects (including 1 EPC project) commenced construction, with a total designed daily water treatment capacity of 130,000 m³. 11 projects completed construction and commenced operation and 5 projects (including EPC projects) completed construction, with a total designed daily water treatment capacity of 321,500 m³.

市場拓展方面，光大水務於回顧年度內保持了良好的拓展勢頭：先後突破天津、河北兩個國內市場，鞏固京津冀戰略區域的業務佈局；於毛里求斯中標其首個海外委託運營項目，為未來進一步突破海外市場奠定良好基礎。回顧年度內，光大水務共取得15個新項目，涉及總投資約人民幣37.56億元，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489,000立方米、日供中水54,000立方米。

工程建設方面，光大水務各項目工程建設平穩推進。回顧年度內，6個項目(含EPC項目)開工建設，設計日水處理規模130,000立方米；11個項目建成投運、5個項目(含EPC項目)建成完工，設計日水處理規模321,500立方米。

In terms of operations management, Everbright Water actively focused on the national “Dual Carbons” strategic goals during the year under review. It took the lead in launching pilot projects to optimise the energy structure of waste water treatment plants based on its projects, participating in MEE’s pilot project on the on-site monitoring of greenhouse gas emissions, and exploring the energy structure model and carbon emission reduction plan of waste water treatment plants. In addition, Everbright Water launched its first set of solar energy facilities at its Zibo Waste Water Treatment Project in Shandong Province. The facilities were officially connected to the power grid in August 2021 and are expected to satisfy about 9% of the project area’s electricity consumption annually, providing valuable experience for the future promotion of solar energy in project areas. In 2021, a total of 9 waste water treatment plants of Everbright Water received regulatory approval for tariff hikes, ranging between 4% and 58%.

During the year under review, the Group’s environmental water sector contributed an EBITDA of HK\$2,266,890,000, a 19% increase compared with 2020. Environmental water contributed a net profit attributable to the Group of HK\$897,011,000, a 22% increase compared with 2020. The increase in profit was mainly attributable to the rise in construction activities, improvements to operations and the expansion of business, driving the increase in construction service revenue and operation service revenue.

運營管理方面，光大水務於回顧年度內積極圍繞國家「雙碳」戰略目標，率先以旗下項目為依託，開展污水處理廠能源結構優化試點工作，參加生態環境部溫室氣體排放實地監測試點，探索污水處理廠能源結構模式和碳減排方案。其中，光大水務首個廠內光伏設施落地山東淄博污水處理項目。該光伏設施已於二零二一年八月正式併網發電，預計年發電量可滿足廠區用電約9%，為未來推廣廠內光伏提供寶貴經驗。二零二一年，光大水務旗下9個污水處理廠獲批上調水價，上調幅度介乎4%至58%。

回顧年度內，本集團環保水務板塊貢獻除利息、稅項、折舊及攤銷前盈利合共港幣2,266,890,000元，較二零二零年增加19%。環保水務貢獻本集團應佔淨盈利為港幣897,011,000元，較二零二零年增加22%；盈利上升主要受惠於建造活動增加，加上經營狀況改善及業務擴張帶動建造服務收益及運營服務收益增長。

Major operating data relating to environmental water during 2021 are summarised in the table below:

二零二一年，環保水務業務之主要運營數據摘要如下：

		2021 二零二一年	2020 二零二零年	Percentage Change 百分比變動
Waste water treatment volume (’000 m ³)	污水處理量 (千立方米)	1,698,700	1,559,096	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 leverages Everbright Environmental Technical Equipment (Changzhou) Limited* as the main platform to actively establish a new development structure that combines traditional and new business. The sector has also further solidified its industry-leading position.

In terms of market expansion, during the year under review, equipment manufacturing actively explored the business fields of food and kitchen waste treatment, hazardous waste treatment, medical waste treatment and industrial waste treatment, as well as expanded into overseas markets including India, Bulgaria and Thailand. In 2021, the sector signed 26 external sales contracts and sold 44 sets of equipment to external markets, including 24 sets of grate furnaces, 12 sets of flue gas purification systems and 8 sets of leachate treatment systems. It also secured contracts relating to external sale of completed sets of equipment amounting to a total contract value of RMB926 million in 2021. In addition, equipment manufacturing set up the Everbright Electric Appliance Division and launched a series of water purifier products during the year under review. Beginning with the water purifier series, the division actively explores and deploys strategic layout of the consumer market with positive progress in the sales of such consumer products.

作為中國骨幹環保裝備研發製造商，本集團裝備製造板塊依託光大環保技術裝備(常州)有限公司為主要平台，積極構建傳統及新業務相結合的新發展格局，鞏固行業領先地位。

市場拓展方面，回顧年度內，裝備製造積極探索餐廚及廚餘垃圾、危廢、醫廢、工業垃圾處理等業務領域，並在印度、保加利亞、泰國等海外市場佈局服務業務。二零二一年，裝備製造共簽署外銷合同26份，外銷設備共計44台套，包含焚燒爐24台套、煙氣淨化系統設備12台套、滲濾液處理系統8台套。二零二一年，落實的外銷成套設備合同總金額達人民幣9.26億元。此外，裝備製造於回顧年度內成立了光大電器事業部，推出淨水器系列產品，並以此為切入點進行民品業務的積極探索和戰略佈局，相關民品業務的銷售取得了積極進展。

* For identification purpose only

* 僅供識別用途

In terms of equipment supply and services, during the year under review, equipment manufacturing commenced 53 service items, spanning 19 provinces, municipalities and autonomous regions in China. It provided 38 sets of grate furnaces to projects of the Group and external clients, which have a designed daily waste processing capacity of 19,500 tonnes. In addition, it sold 109 sets of equipment, covering grate furnace systems, flue gas purification systems and leachate treatment systems.

In terms of after-sales services, during the year under review, equipment manufacturing actively developed services that cover projects' full-life cycles. Equipment manufacturing signed 160 contracts in relation to external after-sales services, worth a total contract value of approximately RMB124 million. Throughout 2021, the sector provided 217 after-sales service projects.

During the year under review, the sector insisted on technological innovation and put emphasis on market demand and changes, and made a great effort to promote technology and product optimisation and innovative R&D, carrying out a number of technical projects and researches. The sector's self-developed water-cooled grate system for high-calorific-value industrial solid waste and the prototype of completed sets of equipment were manufactured for trial; the domestic selective catalytic reduction ("SCR") technology was optimised to ensure denitrification efficiency while meeting relevant emission standards; the distributed control system ("DCS") was adopted to realise the integration of grate furnace and gas control systems, with good operational outcome and marketing value; the membrane module of disc and tube type reverse osmosis ("DTRO") was developed and manufactured with stable application parameters, and the Company started the self-developed external tubular ultrafiltration membrane to achieve a performance level similar to products imported from the overseas while significantly reducing the procurement cost of ultrafiltration membrane. In addition, the Group's self-developed 1,000 tonnes/day grate furnace was successfully applied in the Group's Jiangsu Wujiang Waste-to-energy Project ("Wujiang Project") during the year under review.

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53個，分佈於國內19個省、直轄市及自治區。完成本集團內部項目及外部客戶爐排爐生產38台套，設計規模達日處理垃圾19,500噸。完成各類成套設備供貨109台套，涵蓋焚燒爐系統、煙氣淨化系統及滲濾液系統等。

售後服務方面，回顧年度內，裝備製造積極構建項目全生命管理週期服務，共簽署外部售後服務合同160份，合同總金額達人民幣1.24億元。二零二一年共提供售後服務項目217個。

回顧年度內，裝備製造堅持科技創新引領，注重市場需求與變化，大力推動技術、產品的優化和創新研發，開展了多項技術工程和課題研究。裝備製造自主研發的高熱值工業固廢水冷爐排系統及成套裝備首台樣機試製完成；對國產選擇性催化還原法（「SCR」）技術進行優化，可同時確保脫硝效率和達標排放；採用分佈式控制體系（「DCS」）實現爐排和煙氣控制系統一體化，運行效果良好，具有市場推廣價值；研發製造碟管式反滲透（「DTRO」）膜組件，項目應用參數穩定；開展超濾外置管式膜的自製，達到國外同類進口產品性能水平的同時，大幅降低超濾膜採購成本。此外，本集團自主研發的1,000噸／日爐排爐於回顧年度內成功應用於本集團江蘇吳江垃圾發電項目（「吳江項目」）。



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 and the strategic plan of "One Body and Two Wings", with a focus on three main business areas, namely waste sorting and zero-waste cities, environmental sanitation integration, and resource recycling. It has positioned itself as a first-class investor and operator in waste sorting and resource recycling across China.

During the year under review, eco-recycling actively followed up on business opportunities involving waste sorting, environmental sanitation integration, recycling of construction waste and resource recycling in Jiangsu, Yunan, Guangdong and other provinces. In 2021, the sector secured Shandong Ji'nan Kitchen Waste Treatment Project ("Ji'nan Kitchen Waste Project") with an investment of approximately RMB449 million. It also signed contracts for Changzhou Economic Zone Waste Sorting Pilot Service ("Changzhou Waste Sorting Service") and Region-wide waste sorting service in Suzhou Wujiang Qidu Town, Jiangsu Province, with a total contract value of approximately RMB6.7 million. During the year under review, Changzhou Waste Sorting Service commenced operation, and Ji'nan Kitchen Waste Project commenced construction. In terms of business innovation, eco-recycling rode on the "Five Points in One Line" process model for waste sorting and innovated payment mechanism during the year under review to explore and improve their capabilities to generate profit from the waste sorting business. It also actively responded to the synergistic demands of different sectors within the Group and explored research into phase change energy storage technology and the heat supply business to broaden the mindset of future business development.

本集團生態資源板塊繼續圍繞垃圾分類「五點一線」技術路線以及「一體兩翼」戰略規劃，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，定位為中國一流的垃圾分類與資源再生利用投資運營商。

回顧年度內，生態資源積極於江蘇、雲南、廣東等多個省份，密切跟蹤垃圾分類、環衛一體化、建築垃圾資源化、再生資源利用等業務機會。二零二一年，生態資源取得山東濟南廚餘垃圾處理項目（「濟南廚餘垃圾項目」），涉及投資約人民幣4.49億元；另簽署江蘇常州經開區垃圾分類試點服務（「常州垃圾分類服務」）以及蘇州吳江七都鎮全域垃圾分類服務，涉及合同總金額約人民幣670萬元。回顧年度內，常州垃圾分類服務投入運營，濟南廚餘垃圾項目開工建設。業務創新方面，生態資源於回顧年度內圍繞垃圾發電「五點一線」技術路線，創新付費機制，探索和完善的垃圾分類業務的自身造血功能；積極響應本集團各板塊協同需求，探索相變儲能技術研究與供暖業務，拓寬未來業務發展思路。

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 "Green, Healthy and Intelligent" lighting. It focuses on the R&D, manufacturing and sales of energy-saving healthy lighting products, as well as software and hardware products relating to the development of smart cities that are based on greenery's intelligent light poles. Greenery aims to provide lighting services for different scenarios and purposes, including urban streets and tourism sites, in addition to solutions for the development of smart cities. The sector targets to become a leading integrated service provider specialised in energy-saving lighting and the development of smart cities in China.

In terms of market expansion, during the year under review, greenery signed contracts, based on an EMC model, for Tianjin Jinghai Urban District Streetlight Retrofitting Project ("Tianjin Jinghai Project") and Jiangsu Nanjing Jiangbei New Material Science and Technology Park Project ("Nanjing Jiangbei Project"). In addition, greenery secured 6 EPC projects (including 1 project secured through acquisition) in Shandong, Jiangsu, Shaanxi, Zhejiang and Guangdong Provinces; the sector also obtained 1 equipment supply service in Guangdong, with a total contract value of approximately RMB115 million. Greenery also signed 74 contracts for the external direct sales of the Everbright New Sodium Lamps (the "Lamp") and LED lamps, with a contract value of approximately RMB12.69 million in total. In addition, during the year under review, greenery completed the acquisition of 70% equity interest in Jiangsu Wuxi Beijing Enterprises Smart City Technology Co., Ltd. to further enhance its capabilities and experience in intelligent control and management.

本集團光大照明板塊以「綠色、健康、智慧」為發展理念，專注於節能健康照明光源產品及基於智慧燈柱的智慧城市建設核心軟硬件產品的研發、製造和銷售，為城市道路、文旅景觀等不同場景照明以及智慧城市建設領域提供系統解決方案，致力成為國內領先的節能照明及智慧城市建設綜合服務商。

市場拓展方面，光大照明於回顧年度內以EMC模式簽署天津靜海建成區路燈節能改造項目（「天津靜海項目」）及江蘇南京江北新材料科技園項目（「南京江北項目」），於山東、江蘇、陝西、浙江、廣東落實6個EPC項目（包含1個通過收購方式取得的項目），並於廣東取得1個設備供貨服務，合同總金額約人民幣1.15億元；另簽署光大新納燈及LED燈對外直銷合同74份，涉及合同總金額約人民幣1,269萬元。此外，光大照明於回顧年度內完成江蘇省的無錫北控城市智能科技有限公司70%股權收購，進一步增強其在智能控制與管理方面的技術與經驗。

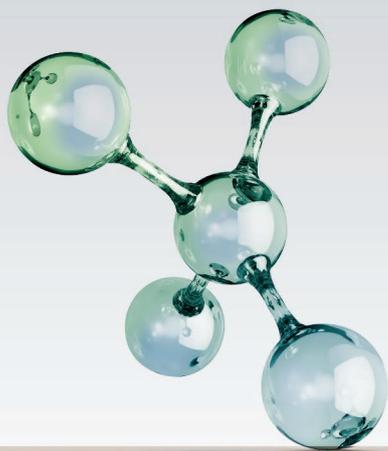
Management Discussion and Analysis 管理層討論與分析

In terms of project construction, during the year under review, greenery's Tianjin Jinghai Project, Nanjing Jiangbei Project, Shandong Ji'nan Streetlight Retrofitting EMC Project and Tengzhou Streetlight Retrofitting EMC Project completed construction. In terms of EPC projects, Shandong Ji'nan Sungeng Street Streetlight Retrofitting Project and 3 EPC projects secured by greenery during the year under review also completed construction. Additionally, Greenery Intelligent Industrial Park proceeded construction work in an orderly manner, which will serve as greenery's national R&D and production base to capitalise on its advantages in energy-saving lighting technology and product scale production.

In addition, greenery actively promoted the R&D and optimisation of its lighting products, which laid a solid foundation to improve its product portfolio and expand the business scope. The achievements included completion of the development of the Lamp products with low color temperature and full power models, which have obtained relevant verification reports from the National Quality Supervision Testing Center; and completion of the development of several study desktop lamps and craft lamps; the intelligent light poles management platform has entered the testing stage with stable performance and has the preliminary ability to provide market-oriented services; the management software platform for intelligent industrial parks is at a fledgling stage of development; sample production of the smart gateway themes, single lamp controller and prefabricated equipment compartment with independent intellectual property rights have been completed. Additionally, greenery's Shenzhen branch obtained the 3A Enterprise Credit Certification and 5A Energy Performance Contracting Certification; while the sector's Ji'nan branch obtained the qualification for Municipal Construction General Contracting Works as well as Grade III Qualification for Urban and Road Lighting Project and Nanjing branch obtained "Three-System" Certification.

工程建設方面，回顧年度內，天津靜海項目、南京江北項目、山東濟南路燈節能改造EMC項目以及滕州路燈節能改造EMC項目順利完工。EPC項目方面，山東濟南孫耿街道照明改造項目以及於回顧年度內取得的3個EPC項目先後完工交付。此外，光大照明智慧產業園的建設工作有序推進，未來將作為光大照明的全國研發生產基地，發揮節能照明技術和產品的規模生產優勢。

此外，光大照明積極推動旗下照明產品的研發與優化，為完善產品組合、拓寬業務範疇奠定良好基礎，其中包括：完成低色溫全部功率型號光大新鈉燈產品的開發，並取得國家級檢測中心報告；完成多款學習檯燈及工藝檯燈的產品開發；智慧燈柱管理平台已進入測試階段，表現平穩，初步具備面向市場提供服務的能力；智慧園區管理軟件平台亦初具雛形；具備自主知識產權的智能網關、單燈控制器及預製設備艙已完成樣品生產。此外，光大照明旗下深圳公司取得企業信用3A級認證及合同能源管理5A級認證，濟南公司取得市政工程施工總承包和城市與道路照明工程三級資質，南京公司取得「三體系」證書。



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 Group's technology R&D and innovation engine, the envirotech sector has been leveraging its "Four-in-One" technological innovation and R&D layout with platforms in Hong Kong, Shenzhen, Nanjing and Qingdao, to foster and accelerate the Group's strategic transformation, structure optimisation and new business development. The sector aims to become a global platform dedicated to green technological innovation and conversion.

In terms of R&D layout, in 2021, envirotech strived to cater to the development of traditional business, new business and the future development needs, and to promote R&D work. By responding to the needs of the Group's other business sectors to facilitate their business development, envirotech completed many technical support services for system designs, covering grate furnace, flue gas purification, leachate treatment, control systems and others. Additionally, envirotech was actively carrying out "Dual Carbons"-related theoretical and technical researches, achieving positive progress in many areas, such as optimisation of carbon calculation model(s), pilot programmes on onsite monitoring of greenhouse gas emissions. During the year under review, the Group reached a cooperation agreement with Hong Kong Science and Technology Parks Corporation to become strategic partners with each other, in an attempt to launch a green technology incubation and commercialisation platform in Hong Kong to support the development of start-ups in the industry, jointly fostering the development of green technological innovation in the city.

作為本集團科技研發創新的引擎，綠色科創板塊基於香港、深圳、南京、青島的「一院四城」研發體系，為本集團戰略轉型、結構優化、新興業務培育加速賦能，全力打造面向全球的綠色科技創新平台及技術轉化平台。

研發佈局方面，綠色科創於二零二一年重點聚焦「面向傳統業務、面向新業務、面向未來發展」三個方向推進研發工作，同時響應各業務板塊需求，完成焚燒爐、煙氣淨化、滲濾液處理、控制系統等多項系統設計的技術支持服務，助力各板塊業務發展。此外，綠色科創積極推進「雙碳」理論及技術研究，於碳核算模型優化、溫室氣體排放監測試點等多個方面取得良好進展。回顧年度內，本集團與香港科技園公司簽署合作協議，結成戰略合作夥伴，攜手在港打造綠色科技孵化與轉化平台，支持在港相關初創企業發展，推動香港綠色科技創新發展進程。

Management Discussion and Analysis 管理層討論與分析

The Group's major R&D progress and results in 2021 are summarised as follows:

二零二一年，本集團主要科技研發進展及成果如下：

Business Area 業務領域	Research Result(s)/Topic(s) 研究成果／課題
Solid waste treatment 固廢處理	<ul style="list-style-type: none">Passed the national appraisal of achievements on R&D and optimisation of technologies relating to high-capacity wet de-acidification systems for waste incineration, and overall, the technologies reached the international advanced level with some reaching the international leading levelCompleted testing on the 1,000 tonnes/day large-scale solid waste incineration technologies at Wujiang Project which has filled the gap between large-scale waste incineration and synergetic incineration at home and abroadCompleted technology development relating to the 60 tonnes/day ash plasma melting system and the detailed design and engineering conversion of the full set of plasma melting equipment大容量垃圾焚燒濕法脫酸系統研發與優化技術通過國家級成果鑒定，整體達到國際先進水平，部份達到國際領先水平研發的1,000噸／日大型固廢焚燒技術已於吳江項目完成考核試驗，填補國內外大規模垃圾焚燒和協同焚燒的技術空白全套60噸／日灰渣等離子熔融系統技術開發完成，等離子熔融全套裝備的詳細設計及工程轉化也已完成
Flue gas treatment 煙氣處理	<ul style="list-style-type: none">Completed trial runs of the optimisation of application and exploration of flue gas recirculation system at Wujiang Project煙氣再循環技術優化與探索課題在吳江項目完成調試運行
Intelligent control 智能控制	<ul style="list-style-type: none">Self-developed intelligent control research and application technologies for waste incineration, which had completed trial runs at the Group's waste-to-energy projects in Boluo County of Guangdong Province and Lantian County of Shaanxi Province, passed the national appraisal of achievements and reached the international advanced level自主研發的垃圾焚燒智能控制研究及應用技術通過國家級成果鑒定，達到國際先進水平，並在本集團位於廣東博羅和陝西藍田的垃圾發電項目完成調試運行
Biomass utilisation 生物質利用	<ul style="list-style-type: none">Completed the trial runs of activated carbon coupling technologies for biomass power generation plants, which could significantly reduce carbon emissions生物質電廠耦合製備活性炭技術完成試運行，可貢獻可觀的碳減排量

Business Area 業務領域	Research Result(s)/Topic(s) 研究成果／課題
Waste sorting 垃圾分類	<ul style="list-style-type: none"> • Everbright Intelligent Renewable Resources Recycling System (EB-iRRS) was put into commercial use and achieved satisfactory results in the trial runs at the Group's waste sorting projects in Changzhou City of Jiangsu Province and Yingtan City of Jiangxi Province • 光大智能再生資源回收系統(EB-iRRS)投入商用，於本集團位於江蘇常州和江西鷹潭的垃圾分類項目試用，運行情況良好
Smart cities 智慧城市	<ul style="list-style-type: none"> • R&D of smart city systems based on smart light poles had been carried out for the smart cities and smart gateway, with relevant R&D results tested in selected streets in Tianjin and Jiaozhou City of Shandong Province • 基於智慧燈柱的智慧城市系統研發課題已圍繞智慧城市與智能網關展開，研發成果於天津及山東膠州的試驗路段進行示範
Others 其他	<ul style="list-style-type: none"> • Carried out R&D and productisation of new air disinfection and fresh air equipment, in which the Group completed technical design of pollutant purification and first prototype unit for trial • 開展新型消毒新風設備的研發及產品化研究，已完成污染物淨化技術設計，完成第一代樣機試製

As of 31 December 2021, patents that were granted to the Group are summarised in the table below:

截至二零二一年十二月三十一日，本集團獲得授權專利情況如下：

		2021	As of 31 December 2021 (Accumulated) 截至二零二一年 十二月三十一日 (累計)
Granted patents	授權專利(項)	283	1,320
Invention patents	發明專利	24	134
Utility patents	實用型專利	161	978
Software copyright licences	軟件著作專利	81	184
Appearance patents	外觀專利	17	24
Major technical essays	重要技術論文發表(篇)	18	72

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 the Everbright Ecological and Environmental Planning and Design Institute (the "Institute") as the main platform, with a focus on the environmental protection and energy. It strives to build core technological capabilities, explore diversified business operations, enhance technical capabilities, and expand business scope and industry chain, with the aim of becoming a first-class planning and design institute in China.

During the year under review, the Institute made an active effort to meet the needs of the Group's business sectors and undertake relevant services, while continuing to strengthen its effort to explore external business opportunities and carry out business planning. It signed a number of internal and external service contracts in the field of consulting and design, EPC and other fields, with a total contract value of approximately RMB143 million.

本集團環境規劃板塊以光大生態環境設計研究院(「環境設計院」)為主要平台，圍繞環保和能源兩個主要領域，積極打造核心技術能力，探索多元化經營，強化技術能力深度，拓展業務寬度，延伸產業鏈長度，定位一流國家級規劃設計院。

回顧年度內，環境設計院積極配合本集團各板塊需求並承接相關服務，同時持續加強外部市場的探索和部署力度，先後簽署多個內外部服務合同，涉及諮詢設計、EPC等領域，合同總金額約人民幣1.43億元。

During the year under review, the Institute actively focused on China's "Dual Carbons" strategic goals and was equipped with technical consulting capabilities on "carbon emission report verification" and "planning for low-carbon, zero-waste and circular economy industrial parks" at an early stage through training, studies and case practice. Meanwhile, the Institute pushed ahead with the planning and construction of a solution that can simplify waste-to-energy projects and help such projects better meet the challenges of narrowed development opportunities in the industry by optimising space, saving land use and reducing investment costs.

In terms of obtaining qualifications, during the year under review, the Institute obtained the Grade I Qualification for Professional Contracting of Environmental Protection Engineering Work, Grade A Qualification for Environmental Engineering Work for Solid Waste, and Grade B Qualification for Architecture Construction, progressing smoothly towards the goal of becoming a Grade A design institute. As of now, the Institute has obtained a set of important qualifications relating to design and consulting, ecological construction, as well as environmental engineering in the fields of electricity, municipalities and the environment.

環境設計院於回顧年度內積極圍繞國家「雙碳」戰略目標，通過培訓學習、案例實踐等方式，初步建立起行業「碳核査」、「低碳、無廢、循環經濟產業園規劃」等技術諮詢能力。另外，環境設計院推動策劃垃圾發電項目簡化方案，通過優化空間、節約佔地、降低投資成本，助力此類項目更好應對行業發展空間收窄的挑戰。

資質建設方面，環境設計院於回顧年度內先後取得環保工程專業承包一級資質、環境工程固廢甲級資質、建築乙級設計資質等，穩步朝著甲級設計院行列前進。截至目前，環境設計院已圍繞電力、市政、環境等領域，取得了設計諮詢、生態建設、環境工程等重要資質。

Management Discussion and Analysis 管理層討論與分析

Events After the Reporting Period 報告期間後事項

- (i) On 18 February 2022, the Company announced that the application had been made to the National Association of Financial Market Institutional Investors (“NAFMII”) for the perpetual medium-term notes to be traded in the national inter-bank bond market. The registered issue size of the perpetual medium-term notes shall not exceed RMB6 billion, subject to the amount accepted for registration by the NAFMII. The base term of the perpetual medium-term notes shall not exceed five years (inclusive).
- (ii) On 12 January 2022, Everbright Water completed the issuance of the second tranche of RMB-denominated Super & Short-term Commercial Papers to the institutional investors in the national inter-bank bond market, with a principal amount of RMB1 billion, an interest rate of 2.50% per annum and a maturity period of 150 days. The proceeds from the issuance arrangement were used to replenish working capital of Everbright Water’s subsidiaries.
- (iii) On 25 February 2022, Everbright Water announced the result of the resale exercise in respect of the third tranche of RMB-denominated corporate bonds with an aggregate principal amount of RMB700 million (“Third Tranche Corporate Bonds”). Everbright Water had (i) repurchased Third Tranche Corporate Bonds with an aggregate value of RMB251 million (“Repurchased Third Tranche Corporate Bonds”); and (ii) resold the Repurchased Third Tranche Corporate Bonds with an aggregate value of RMB251 million. Accordingly, there were no unsold Repurchased Third Tranche Corporate Bonds which required to be cancelled.
- (iv) On 11 March 2022, Everbright Greentech announced that the application had been made to the NAFMII for the perpetual medium-term notes to be traded in the national inter-bank bond market. The registered issue size of the perpetual medium-term notes shall not exceed RMB4 billion, subject to the amount accepted for registration by the NAFMII. The base term of the perpetual medium-term notes shall not exceed three years (inclusive).
- (i) 於二零二二年二月十八日，本公司已向中國銀行間市場交易商協會（「銀行間交易商協會」）申請永續中期票據於全國銀行間債券市場買賣。永續中期票據的註冊發行規模將不超過人民幣60億元，以銀行間交易商協會接受的註冊額度為準。永續中期票據的基礎期限不超過五年（含五年）。
- (ii) 於二零二二年一月十二日，光大水務於中國內地向全國銀行間債券市場機構投資者完成發行第二期人民幣計價超短期融資券，發行規模為人民幣10億元，發行年利率2.50%，期限為150天，募得資金已用於補充光大水務附屬公司的營運資金。
- (iii) 於二零二二年二月二十五日，光大水務宣佈以人民幣計價的累計本金為人民幣7億元的第三期公司債券（「第三期公司債券」）之轉售結果。光大水務已經(i)完成回售金額為人民幣2.51億元的第三期公司債券（「已回售第三期公司債券」）；及(ii)完成轉售金額為人民幣2.51億元的已回售第三期公司債券。就此，無任何未轉售及需註銷的已回售第三期公司債券。
- (iv) 於二零二二年三月十一日，光大綠色環保已向銀行間交易商協會申請永續中期票據於全國銀行間債券市場買賣。永續中期票據的註冊發行規模將不超過人民幣40億元，以銀行間交易商協會接受的註冊額度為準。永續中期票據的基礎期限不超過三年（含三年）。

Business Prospects 業務展望

Going into 2022, the world is still shadowed by the Pandemic with economic recovery momentum continuing to slow down, resulting in a more complex and critical market environment. Despite global volatility, China has been able to cope with all kinds of changes, risks and challenges in the past, forging ahead with confidence and tackling difficult situations. In addition to its accumulated understanding of various routine development tasks, China has been able to consolidate development resilience, carry out deep reform and high-quality development, accelerate the formation of a new development paradigm, and therefore maintain positive long-term prospects.

Regarding the environment, the frequent occurrence of extreme weather events and the continuing outbreak of the Pandemic since 2021 have forced all countries to face the challenge of climate change and sustainability-linked issues, leading to a global focus on “Carbon Emission Reduction”. The “Dual Carbons” have become a key phrase for China’s pursuit of sustainable development. Several important policies related to the “Dual Carbons” theme have been introduced, establishing a clear national direction and accelerating green and low-carbon development in China. The Central Economic Working Conference at the end of 2021 also pointed out that achieving the “Dual Carbons” goals is an inherent requirement for promoting high-quality development. Multiple measures are necessary to achieve such goals. While putting forward “carbon emission reduction” as a key strategic direction, the country has continued to enhance the importance and policy oversight of “pollution reduction” and has intensively introduced various policies to steadily promote the construction of “zero-waste cities”, fight the critical battle for the prevention and control of pollution, continuously strengthen pollution control in accordance with the law, and introduce reform to the environmental information disclosure system in accordance with the law. By promoting synergy and efficiency, China aims to continue the improvement of the quality of the country’s ecology and environment, as well as the green transformation of the country’s economic and social development, by leveraging methods to reduce carbon emissions and pollution. This is expected to bring strong impetus to relevant industries and unleash more market space.

邁入二零二二年，全球依然被新冠疫情陰霾縈繞，經濟復甦動能持續放緩，形勢愈發複雜嚴峻。儘管國際風雲變幻莫測，中國在過往應對各類變化、風險和挑戰的實踐中，堅定信心，迎難而上，積累了對各項發展工作的規律性認識，強化了發展韌性，推進深層次改革和高質量發展，加快構建新發展格局，長期向好的基本面不會改變。

聚焦環境層面，二零二一年以來，極端氣候頻發與新冠疫情反覆，迫使各國各界直面氣候變化挑戰和可持續發展議題，將「碳減排」置於國際聚光燈下。「雙碳」迅速成為中國實現永續發展的關鍵詞。「雙碳」主題相關的多項重磅政策出台，帶動國家明確方向並加快綠色低碳發展進程。二零二一年底的中央經濟工作會議亦指出，實現「雙碳」是推動高質量發展的內在要求，要堅持多措並舉，最終達成目標。在提出將「降碳」作為重點戰略方向的同時，國家對「減污」的重視程度和政策力度持續加強，密集推出的政策涵蓋穩步推進「無廢城市」建設、打好污染防治攻堅戰、持續強化依法治污、改革環境信息依法披露制度等。政策的雙軌推進反映出國家正以「降碳」和「減污」為抓手，推動協同增效，促進生態環境質量的持續改善和經濟社會發展的綠色轉型。這預計將給相關行業帶來強勁的發展推動力，促進市場空間進一步釋放。

Management Discussion and Analysis 管理層討論與分析

After going through a rather difficult period, we are entering another year of challenges and opportunities. As a leading ecological and environmental group, a supporter and participant of the “Dual Carbons” strategies, the Group will adhere to the general principle of “Prioritising Stability” and the principles of “Making Progress in Stability, Pursuing Excellence in Progress, and Seeking Innovation in Excellence”; stick to 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”; and further enrich and improve its new development paradigm with a focus on “Four Major Areas”, namely “environment, resources, energy and climate”, based on its existing focus on the areas of “environment, resources and energy”, following its “Three Carbons” development targets and action plan. The Group will seize opportunities arising from relevant policies and focus on the “Dual Carbons” goals, to comprehensively carry out planning and measures relating to “Reduction of Pollution and Carbon Emissions” and “Pursuit of Synergy and Efficiency”. Despite pressure from transformation, it will balance its business portfolio by continuing to enhance the development of its asset-light and asset-heavy businesses, develop the domestic and overseas businesses, solidify its traditional and advantageous businesses, and explore new businesses as new sources of growth. With an emphasis on “Innovation-Driven Development”, the Group will closely monitor the country’s major demands, consider market demand as guidance and value creation as the principle, give full play to its advantages, optimise relevant mechanisms, enhance its various platforms, and accelerate its progress of green and low-carbon technology R&D and application, in an attempt to solidify its industry-leading position. Additionally, the Group will continue to strengthen its financial and capital management capabilities, and further diversify its financing channels, to provide stronger financial security for its development. Last but not least, the Group will seek value that is created by management proficiency, by continuing to refine, standardise and informatise its management model, in a bid to boost the operating quality and efficiency.

The Group believes that under the strategic guidance and support of China Everbright Group and the Board, for the critical year of transformation and development Everbright Environment will be able to grasp opportunities brought by the “Dual Carbons” strategies, address challenging issues with concerted effort, consolidate its existing strength, and seek innovation to steadily pursue a high-quality development path that prioritises ecology and emphasise green and low-carbon themes, taking great strides towards its goal of becoming a world-leading ecological and environmental management group. By working hard and keeping moving forward, the Group will view things from a higher and a broader perspective and become stronger in order to better facilitate the national strategies!

沐甚雨，櫛疾風。步入機遇與挑戰並存的又一年，作為生態環境領域的領軍者、「雙碳」戰略的支持者與參與者，本集團將以「穩字當先」的工作總基調，堅持「穩中求進、進中求優、優中求新」的原則，秉承「情繫生態環境、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；圍繞「三碳」發展目標和行動計劃，在現有的「環境、資源、能源」三大領域基礎上，進一步豐富和完善「環境、資源、能源、氣候」的「四位一體」發展新格局。本集團將緊抓政策機遇，聚焦「雙碳」目標，全面推動和落實「減污降碳」、「協同增效」相關部署舉措；直面轉型壓力，繼續加強業務發展的「輕重並舉」、「內外兼顧」，鞏固傳統優勢業務，探索新業務增長點，平衡各板塊發展；堅持「創新引領發展」，緊貼國家重大需求，以市場需求為導向、以價值創造為衡量，發揮所長、優化機制、強化平台，加快推進綠色低碳技術研發與應用，鞏固行業領軍地位；持續強化財務和資本管理水平，提升融資渠道的多元化水平，為企業發展提供更堅實的財務保障；強調「管理創造價值」，持續推動管理模式的「精細化」、「規範化」和「信息化」，助力企業經營的提質增效。

在中國光大集團和董事會的戰略指引和全力支持下，本集團有信心在轉型發展的關鍵之年，緊抓「雙碳」機遇，合力攻堅，守成創新，堅定不移地走好生態優先、綠色低碳的高質量發展道路，朝著成為「全球領先生態環境集團」的目標，奮力拼搏、持續前進，以更高站位、更廣格局、更強實力服務好國家戰略！

FINANCIAL REVIEW 財務回顧

Financial Results 財務業績

In 2021, the Group's consolidated revenue amounted to HK\$49,895,384,000, an increase of 16% over HK\$42,926,426,000 in 2020. The increase in revenue was mainly attributable to the smooth progress of construction work, driving continued growth of the construction service revenue, and the growth in operation service revenue as a result of continuous increase of operating capacity during the year. Consolidated gross profit was HK\$16,463,382,000, an increase of 17% over HK\$14,103,833,000 in 2020. The Group's consolidated gross margin was maintained at approximately 33%, similar to that of 2020. The EBITDA amounted to HK\$15,027,003,000, an increase of 17% over HK\$12,851,501,000 in 2020. Profit attributable to equity holders of the Company for 2021 was HK\$6,804,099,000, 13% more than HK\$6,015,863,000 as compared with 2020. Basic earnings per share for 2021 were HK110.76 cents, HK12.83 cents more than the amount of HK97.93 cents in 2020.

二零二一年，本集團錄得綜合收益為港幣49,895,384,000元，較二零二零年的港幣42,926,426,000元增加16%。收益增加，主要由於年內工程建設工作進展順利，帶動建造服務收益持續增長，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16,463,382,000元，較二零二零年的港幣14,103,833,000元增加17%；綜合毛利率與二零二零年相若，維持約33%。除利息、稅項、折舊及攤銷前盈利為港幣15,027,003,000元，較二零二零年之港幣12,851,501,000元增加17%。二零二一年本公司權益持有人應佔盈利為港幣6,804,099,000元，較二零二零年之港幣6,015,863,000元增加13%。二零二一年度每股基本盈利為110.76港仙，較二零二零年之97.93港仙增加12.83港仙。

Financial Position 財務狀況

As of 31 December 2021, the Group's total assets approximately amounted to HK\$200,235,628,000 with net assets amounting to HK\$64,342,222,000. Net asset value per share attributable to equity holders of the Company was HK\$8.429 per share, representing an increase of 15% as compared to HK\$7.336 per share as at the end of 2020. As of 31 December 2021, the gearing ratio (total liabilities over total assets) of the Group was 68%, an increase of 3 percentage points as compared with that of 65% as at the end of 2020.

於二零二一年十二月三十一日，本集團之總資產約為港幣200,235,628,000元。淨資產為港幣64,342,222,000元。本公司權益持有人應佔每股資產淨值為港幣8.429元，較二零二零年年底之本公司權益持有人應佔每股資產淨值港幣7.336元增加15%。於二零二一年十二月三十一日，本集團之資產負債比率(以總負債除以總資產計算所得)為68%，較二零二零年年底之65%上升3個百分點。

Management Discussion and Analysis 管理層討論與分析

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 2021, the Group had cash and bank balances of HK\$15,604,986,000, representing an increase of HK\$3,898,938,000 as compared to HK\$11,706,048,000 at the end of 2020. 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。於二零二一年十二月三十一日，本集團持有現金及銀行結餘港幣15,604,986,000元，較二零二零年年底之港幣11,706,048,000元增加港幣3,898,938,000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 2021, the Group had outstanding borrowings of HK\$99,125,664,000, representing an increase of HK\$24,146,754,000 as compared to HK\$74,978,910,000 at the end of 2020. The borrowings included secured interest-bearing borrowings of HK\$47,916,199,000 and unsecured interest-bearing borrowings of HK\$51,209,465,000. The borrowings are mainly denominated in Renminbi, representing approximately 67% 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 2021, the Group had banking facilities of HK\$124,709,269,000, of which HK\$38,726,623,000 have not been utilised. The banking facilities are of 1 to 19 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。於二零二一年十二月三十一日，本集團尚未償還貸款總額為港幣99,125,664,000元，較二零二零年年底之港幣74,978,910,000元增加港幣24,146,754,000元。貸款包括有抵押之計息借貸港幣47,916,199,000元及無抵押之計息借貸港幣51,209,465,000元。本集團的貸款主要以人民幣為單位，佔總數約67%，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。於二零二一年十二月三十一日，本集團之銀行融資額度為港幣124,709,269,000元，其中港幣38,726,623,000元為尚未動用之額度，銀行融資為1至19年期。

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 China) 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 2021, the aggregate net book value of assets and equity interests in subsidiaries pledged amounted to approximately HK\$110,660,679,000.

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。於二零二一年十二月三十一日，已抵押資產及附屬公司股權之賬面淨值總額約為港幣110,660,679,000元。

Commitments 承擔

As of 31 December 2021, the Group had purchase commitments of HK\$4,735,386,000 outstanding in connection with the construction contracts.

於二零二一年十二月三十一日，本集團為建造合約而訂約之採購承擔為港幣4,735,386,000元。

Contingent Liabilities 或有負債

As of 31 December 2021, the Company granted financial guarantees to its subsidiaries. The Board does not consider it probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company as of 31 December 2021 for the provision of the guarantees was HK\$1,358,104,000.

於二零二一年十二月三十一日，本公司曾為幾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。於二零二一年十二月三十一日，本公司在上述財務擔保下之最高負債之餘額為港幣1,358,104,000元。

Management Discussion and Analysis 管理層討論與分析

INTERNAL MANAGEMENT 內部管理

The Group adheres to the management principle of “People-oriented, Pragmatism, Creativity and Systematic Management”, and has built a comprehensive management structure. The Group’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 prepared the Annual Risk Management Instructions according to the progress of the implementation of risk management system in an effort to enhance the normalisation level of risk management.

本集團一直奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，並建立完善的管理架構。本集團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，編製《年度風險管理工作指導意見》，提升風險管理常態化水平。

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。

During the year under review, the Group continued to adopt the prevention measures of the Pandemic and encouraged employees to be vaccinated as early as possible. Annual physical examinations and eye examinations have been arranged to protect the health and safety of employees. To cope with the development requirement of the Group, the Group successively held safety and environmental management training, “Dual Carbons” seminars, the cybersecurity training, tendering management training, construction cost training, corporate culture training, anti-corruption training, etc. through online and offline blended training mode. The management and employees were well equipped with relevant knowledge and skills with a view to address new opportunities and challenges.

The Group makes full use of the advantages of diversified business and rapid development to provide employees with a broad development platform. In addition to cross-sector and cross-regional job rotation, the Group has enriched the backup management talent pool and international talent pool to prepare for the sustainable and steady development of the Group.

As at 31 December 2021, the Group had approximately 11,330 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，本集團繼續堅持各項新冠病毒防疫措施，鼓勵員工儘早接種疫苗，安排年度體檢及眼睛檢查，保障員工健康與安全。為配合本集團發展需要，本集團結合線上與線下的培訓模式，先後舉辦了安環管理培訓、「雙碳」研討會、信息網路安全培訓、採購專題培訓、工程造價培訓、企業文化培訓、廉政講座等，讓管理層及員工持續學習，迎接新的機遇與挑戰。

本集團充分利用業務多元及快速發展的優勢，為員工提供寬闊發展平台，除了跨板塊、跨區域輪崗交流外，本集團充實後備管理人才庫及國際人才庫，為本集團可持續穩健發展作好準備。

於二零二一年十二月三十一日，本集團合共僱用約11,330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

The Group continued to promote work in relation to its risk management. The principal risks faced by the Group during the year were adequately identified and assessed according to the requirements of the *Risk Management System of China Everbright Environment Group Limited* and the *Risk Management Operation Manual of China Everbright Environment Group Limited*. In 2021, the principal risks of the Group included policy changing risk, environmental compliance and safety management risk, accounts receivable risk, construction project management risk, staff assignment risk, market competition and new business investment risk as well as procurement compliance risk. The Company has formulated and implemented targeted control measures based on the respective performance of each of the principal risks to ensure that the overall risk of the Company is under control.

本集團持續推進風險管理相關工作，基於《中國光大環境(集團)有限公司風險管理制度》和《中國光大環境(集團)有限公司風險管理操作手冊》要求，對本集團面臨的年度主要風險充分地識別和評估。本集團二零二一年度主要風險分別是政策改變風險、環境合規與安全管理風險、應收賬款風險、工程管理風險、人員配置風險、市場競爭與新業務投資風險、採購合規風險。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，確保本公司整體風險可控。

Management Discussion and Analysis 管理層討論與分析

Risk 風險名稱	1. Policy changing risk 1. 政策改變風險
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>In 2021, policies related to national subsidy have been promulgated successively, which further clarified the principles of “determining expenses based on revenue, ensuring no new debts from new projects, clarifying responsibilities of the central and local governments and adopting competitive bidding for grid connection”. Such changes in policies have brought about some uncertainties to the achievement of strategic goals and financial performance of the Company. Meanwhile, the PRC government announced the “Dual Carbons” strategic goal. Any failure to make corresponding adjustments to strategies will hinder the Company’s stable development. In order to closely follow China’s 14th Five-Year Plan and the “Dual Carbons” strategy goal, the Group has formulated development strategy and action plan based on its own characteristics and positioning. In particular, the coordinated management of project admission has been strengthened by adhering to the principle of “Three Priorities and One Clarification”, and the replicable and extendable “Five Points in One Line” business model has been formed with the reinforcement of strong synergy among waste incineration projects and other processing capabilities such as waste sorting and the treatment of food waste, kitchen waste, industrial waste and municipal sludge. Apart from strengthening the planning for market-oriented industries such as soil remediation and waste tyre processing, the Group also maintained good communication with the relevant authorities, actively analysed their policies and offered its feedbacks and recommendations. In addition, in order to encourage the government to improve the charging system for waste disposal, the Group advocated the concept of “Polluter Pays”, which has gradually facilitated the formation of a market-oriented operation model for power generation through waste incineration. The Group also endeavored to advance 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 so as to enhance the residual heat utilisation efficiency of the plant as a whole.</p> <p>二零二一年國家補助(「國補」)相關政策陸續出台，對「以收定支、新增不新欠、央地分擔、競價上網」進一步明確，政策變動對本公司戰略目標以及財務績效造成一定的不確定性。同時國家出台「雙碳」戰略目標，如果本公司戰略未進行對應調整，將影響長期穩定的發展。本集團緊密圍繞國家「十四五」規劃和「雙碳」戰略目標，制定符合自身特點和定位的發展戰略和行動計劃；加強項目准入統籌管理，堅持「三個優先、一個明確」的原則；提升垃圾焚燒項目與垃圾分類、餐廚、廚餘、工業垃圾、市政污泥的高度協同處理能力，形成可複製、可推廣的「五點一線」商業模式；加大對土壤修復、廢舊輪胎處理等市場化行業的佈局；與相關機構保持溝通，積極解讀政策，反饋建議；推廣「誰產廢，誰付費」理念，促進政府完善垃圾處理收費制度，逐步推動形成垃圾焚燒發電市場化運營模式；推動科技創新，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。</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

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>The New Production Safety Law, implemented in 2021, has imposed more specific requirements on corporate safety management, while the PRC's mandatory regulation on pollutant emission was increasingly stringent. With the increasing projects commencing operation of the Group, the basis numbers and difficulties involved with management kept on rising, posing high pressure on environmental compliance and safety management.</p> <p>二零二一年新安全生產法的實施，對企業安全管理提出更為具體的要求，同時國家對於污染物排加強監管日趨嚴格。隨著本集團投運項目的持續增加，管理基數和管理難度不斷加大，環境合規與安全管理的壓力處於高位。</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, which developed a closed-loop management by clarifying management objectives, standardising process management and carrying out post-evaluation. The Group also formulated <i>Guidelines on Developing a Dual Prevention Mechanism of Hierarchical Risk Management and Control and Identification and Management of Hidden Hazards</i> to standardise and strengthen hidden hazards identification and management in relation to safety and environment risk on a continuous basis. Meanwhile, the Group has adopted a registration management mechanism for safety and environmental management personnel with 1,051 personnel registered as of the end of the year. The Group has conducted safety training and assessment for safety and environmental management personnel of each business sector and key officers-in-charge of the project companies, ensuring that such safety and environmental management personnel are licensed for employment. Capitalizing on the information sharing platform, environmental monitoring platform and others, the Group has achieved a full coverage of environmental information monitoring of operating projects, at the same time improving the accuracy and effectiveness of data continuously 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 were focused for 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，明確管理目標，規範過程控制，建立事後考核，形成閉環管理。制定《關於構建風險分級管控和隱患排查治理雙重預防工作機制的指引》，持續規範和強化安環風險隱患排查治理工作。採取安環管理人員備案管理機制，截至年結日，已備案安環管理人員1,051人，對各業務板塊安環條線管理人員和項目公司主要負責人進行安全培訓和考核，實現安環管理持證上崗；通過信息共享平台、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。</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	3. Accounts receivable risk 3. 應收賬款風險
Description 描述	<p>Due to the policy change in relation to the cancellation of national subsidies, the macroeconomics and regular pandemic prevention, the ability of governments at all levels to pay has been impaired, increasing the likelihood of deferring settlement of national subsidies, waste and waste water treatment fees, as well as the possibility of increase in overdue accounts receivable, which in turn affected the liquidity of the Company, thus increasing the financing pressure and cost of funds of the Company.</p> <p>受國補退坡政策變動以及宏觀經濟以及防疫常態化的影響，各級政府財政支付能力下降，延遲支付國補、垃圾和污水處理費的可能性以及逾期應收賬款增加的可能性增大，進而影響本公司流動性、導致本公司融資壓力和資金成本增加。</p>
Mitigation measure 緩解措施	<p>The Group continued to standardise the day-to-day management of accounts receivable through regular preparation of the <i>Data Collection Form for Non-Performing Assets</i>. In addition, the Group strictly implemented the <i>Management Method on Accounts Receivable</i> to expedite capital turnover, prevent operation risk and strengthen the responsibility of accounts receivable management. The Group closely monitored the recoverability of accounts receivable, and conducted analysis on the changes in account balance and ageing profile on a regular basis to promote the effective operation of recovery mechanism. In addition, having put greater efforts in collection of accounts receivable, the Group adopted the measure of collecting accounts receivable by designated officers in a designated exchange group. The Group has formulated the <i>Liquidity Risk Management Measures (Trial)</i> to achieve precise forecast of capital requirements, improve capital use efficiency and avert liquidity risk. Besides, the Group has consolidated the available capital reserve of the Company by way of, including, issuance of medium-term notes and negotiation with banks for credit facilities. The Group has commenced projections on cash flow in full operation cycle, conducted regular analyses and reports on cash flow and communicate with banks in a timely manner to take measures for funding. The Group has also expanded diverse financing channels, continuously promoted various financing means such as asset-backed notes and asset-backed securities to accelerate cash recovery.</p> <p>本集團不斷規範應收賬款的日常管理，定期編製《不良資產數據收集表》，嚴格執行《應收賬款管理辦法》，加快資金周轉，防範經營風險，強化應收賬款管理責任。密切監控應收賬款回收情況，定期對餘額變動和賬齡分佈分析，推進回收機制的有效運行，加大應收賬款的催收力度，對應收賬款實行專人督辦專群交流的方式；制定《流動性風險管理辦法(試行)》，以實現準確預測資金需求，提高資金使用效率，規避流動性風險。通過包括發行中期票據、洽談總對總授信額度等方式，充實本公司可動用的資金儲備；開展全運營周期現金流量測算工作，定期對現金流進行分析彙報，及時與銀行溝通交流，採取措施籌措資金；拓展多元化融資渠道，持續推廣資產支持票據、資產支持證券等多種融資模式，加速現金回籠。</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	Upward trend 處於上升狀態

Risk 風險名稱	4. Construction project management risk 4. 工程管理風險
Description 描述	<p>In 2021, the number of each of the categories of construction projects of the Group increased, resulting in great challenges of project construction in terms of safety management. Moreover, pursuant to the latest relevant policies on national subsidies, early grid connection for power generation is crucial for the application of national subsidies of new projects, which imposes higher demands on the progress management of projects and construction in compliance with laws and regulations.</p> <p>本集團二零二一年各類建設項目數量較多，工程建設安全管理面臨較大挑戰，且根據最新的國補相關政策，儘早併網發電對新增項目申報國補至關重要，對於工程進度管理和合法合規開工提出較高要求。</p>
Mitigation measure 緩解措施	<p>The Group has comprehensively advanced the implementation of project information management system. 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 timely carried out on-site due diligence and organised special meetings to analyse the difficulties and causes of such issues and adopted targeted measures. 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 the <i>Construction Budget Management Measures</i> 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.</p> <p>本集團全面推進工程管理信息系統，並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；通過持續全面跟踪各項目進度情況，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，及時組織現場調研、專題會議，研究問題困難原因，並採取針對性措施。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《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，並啓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。</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

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Risk 風險名稱	5. Staff assignment risk 5. 人員配置風險
Description 描述	<p>Shortage of staff, inadequate key personnel or failure to recruit enough managerial staff and technical staff may give rise to the possibility that the talent reserve might not be able to satisfy the needs of project development at project company level, hence negatively affecting the stability of operation.</p> <p>因人員儲備不足或者重要崗位人員編製不足，或者未能招聘足夠的管理人員、技術人員，在項目公司層面可能存在人才儲備無法滿足項目發展需求的可能，對運營穩定性帶來負面影響。</p>
Mitigation measure 緩解措施	<p>The Group is committed to nurturing an outstanding corporate culture. The Group has developed a vast platform of development with multiple development pathway of “Management, skills and functions” for its employees, offering them more development opportunities and boosting their sense of achievement on a continuous basis. 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 of projects 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 of the Company. Based on the interim and annual appraisals, the Group would be able to build up and enrich its reserve talent pool biannually. 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.</p> <p>本集團打造優秀企業文化，為員工打造更廣闊的發展平台、提供更多的發展機會，打通管理、技術、職能序列多條通道，不斷增強員工的獲得感。加大人才培訓力度，全方位提升項目總經理、工程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。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)系統及郵箱帳號等信息，在部分業務板塊與有保密義務的員工簽訂保密協議。</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	6. Market competition and new business investment risk 6. 市場競爭與新業務投資風險
Description 描述	<p>The substantial influx of competitors into the environmental industry has intensified competition in the industry. Meanwhile, there is a risk that the Group might not be able to effectively leverage its economies of scale and operating advantages over the course of expansion in the consumer goods market.</p> <p>大量競爭對手進入環保產業，加劇行業競爭；同時在拓展民品市場過程中，存在無法有效發揮現有規模優勢和運營優勢的風險。</p>
Mitigation measure 緩解措施	<p>While steadily pushing forward the “Five Points in One Line” process model according to the change of policies and market conditions, the Group actively enriched its business scope and optimised its business layout. Meanwhile, the Group established two business sectors, namely eco-recycling and greenenergy, based on business requirements and market changes, to facilitate effective allocation of funding, resources and personnel. The organisational structure for market expansion (i.e. “headquarters for project organisation and coordination + business sector for project development on its own”) has also been formed. The Company also strived to reinforce its business development momentum by means of joint business development 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，穩步推進「五點一線」模式，主動增加產業縱深，優化產業佈局，同時根據業務要求和市場變化，成立生態資源、光大照明兩個業務板塊，對資金、資源、人員進行有效調配；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，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，隨時瞭解行業動態，瞭解行業政策，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	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	7. Procurement compliance risk 7. 採購合規風險
Description 描述	<p>Given the large procurement scale of the Group, there is a possibility that systems might not be strictly implemented, process design might be defective, and that issues of fraud and corruption such as collusive bidding and bid rigging may arise, hence affecting the overall compliance level of the Group's procurement.</p> <p>本集團採購規模較大，存在制度執行不嚴格、流程設計存在缺陷的可能性，可能出現串標、圍標等弄虛作假、徇私舞弊等問題，影響本公司採購整體的合規水平。</p>
Mitigation measure 緩解措施	<p>The Group continuously improved the development of its tendering and procurement system by establishing Guangcai Tendering (Shenzhen) Co., Ltd.* (光採招標(深圳)有限公司) to optimize the tendering and procurement governance system. 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 1,000 functions in total have been developed and improved in the platform, 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 the year, there were 115 external experts and approximately 15,600 qualified suppliers in the database. In addition, the Company made full use of technical means to identify bid rigging and collusive bidding.</p> <p>本集團不斷完善招標採購制度建設，成立光採招標(深圳)有限公司，優化招採治理機制。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，累計完成1,000多項的功能開發與優化，並順利獲得中國網絡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，截至年結日，外部專家115名、入庫合格供應商約15,600家。同時充分利用技術手段，甄別圍標、串標行為。</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

* For identification purpose only

* 僅供識別用途

THE IMPACT OF THE PANDEMIC 新冠疫情影響

The Group actively responded to the Pandemic and established respective “Leading Group for Prevention and Control of the Pandemic and Safe Production” in the Company, business sectors, and project companies, forming a three-level management system for pandemic prevention and control. The Office of the Leading Group for Prevention and Control of the pandemic paid close attention to the development of the Pandemic nationwide with the normalization of measures to adapt to and cope with the Pandemic and the formulation of plans thereof as the main focus of its daily operation. It strictly implemented the principal responsibility, properly carried out its production and secured reserves for pandemic prevention supplies. Proactive efforts have been made to guide and organise vaccination for the staff, thereby reinforcing a safety shield to facilitate effective prevention and control of the Pandemic. Meanwhile, leveraging its professional advantages in medical waste treatment, the Group assisted various local governments by providing professional treatment for a massive amount of medical waste in quarantine areas, pandemic-related medical waste in nucleic acid testing sites and waste generated by COVID-19 patients.

本集團積極應對新冠疫情，本公司、業務板塊、項目公司層面分別成立了疫情防控與安全生產領導小組，形成了三級管理的疫情防控體系。疫情防控工作領導小組辦公室密切關注各地疫情變化，將常態化配合應對疫情與制定預案作為日常重點工作，壓緊壓實主體責任，做好生產及防疫物資的儲備，積極引導、組織員工接種疫苗，築牢安全屏障，有效做好疫情防控。同時，本集團發揮醫廢處理方面的專業優勢，幫助地方政府專業化處置大量的隔離點醫廢、核酸檢測點涉疫醫廢及新冠肺炎病人產生的垃圾。

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, the Shareholders, governments, employees, local communities, suppliers and non-governmental organisations, through various communication channels.

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。

Management Discussion and Analysis 管理層討論與分析

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.

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 the breach of these regulations and environmental protection standards were recorded in 2021.

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。

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。本集團於二零二一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 HK15.0 cents per share (2020: HK16.0 cents per share) for the year ended 31 December 2021, payable to the Shareholders whose names appear on the register of members of the Company (the “Register of Members”) on Friday, 27 May 2022. 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 Wednesday, 18 May 2022 (the “2022 AGM”), the final dividend will be paid to the Shareholders on or around Friday, 17 June 2022.

Due to the ongoing Pandemic, the Company may need to postpone the convening of the 2022 AGM in accordance with the relevant government legislation and guidelines. Further announcements and notices will be made by the Company as and when necessary.

董事會建議派發截至二零二一年十二月三十一日止年度之末期股息每股15.0港仙(二零二零年：每股16.0港仙)，給予於二零二二年五月二十七日(星期五)名列在本公司股東名冊(「股東名冊」)之股東。待股東即將於二零二二年五月十八日(星期三)舉行之本公司應屆股東週年大會(「二零二二年股東週年大會」)上批准派付末期股息，末期股息將於二零二二年六月十七日(星期五)或前後派發予股東。

由於新冠疫情持續，本公司可能需要按照政府相關法例及指引延遲召開二零二二年股東週年大會。本公司將按需要適時刊發進一步公告及通知。

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 2022 AGM and entitlement to the final dividend, the Register of Members will be closed in accordance with the following timetable:

為確定股東出席二零二二年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 2022 AGM:
確定股東出席二零二二年股東週年大會並於會上投票的資格：
- (a) Latest time to lodge transfer documents for registration 4:30 p.m. on Thursday, 12 May 2022
遞交股份過戶文件以辦理登記手續的最後時限 二零二二年五月十二日(星期四)
下午四時三十分
- (b) Closure of Register of Members Friday, 13 May 2022 to
暫停辦理股東登記手續 Wednesday, 18 May 2022
二零二二年五月十三日(星期五)至
二零二二年五月十八日(星期三)
(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 4:30 p.m. on Tuesday, 24 May 2022
遞交股份過戶文件以辦理登記手續的最後時限 二零二二年五月二十四日(星期二)
下午四時三十分
- (b) Closure of Register of Members Wednesday, 25 May 2022 to
暫停辦理股東登記手續 Friday, 27 May 2022
二零二二年五月二十五日(星期三)至
二零二二年五月二十七日(星期五)
(both dates inclusive 包括首尾兩天)
- (c) Record date Friday, 27 May 2022
記錄日期 二零二二年五月二十七日(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 2022 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二零二二年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。

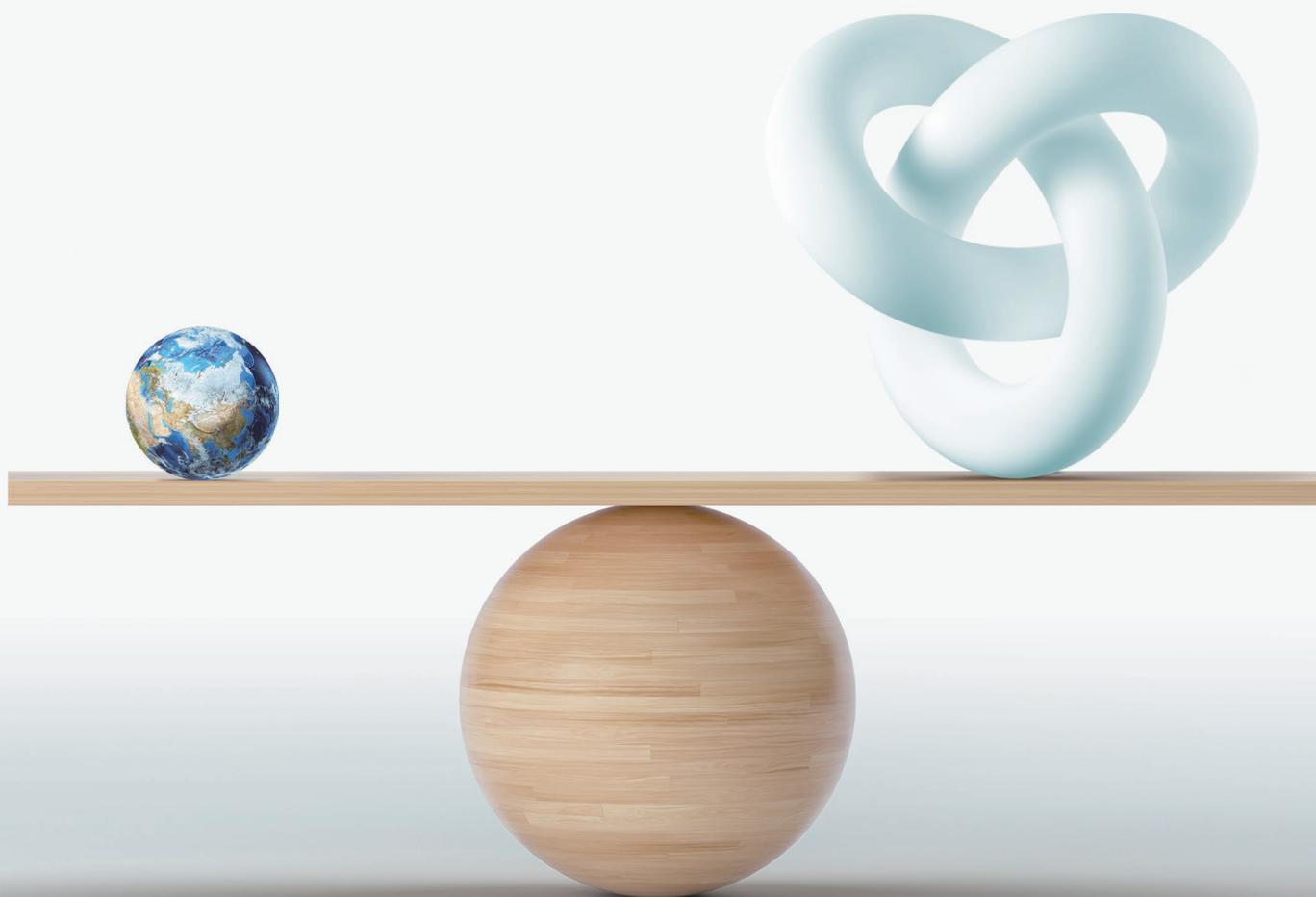
Sustainability Report

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 the sustainability report 2021 (“2021 Sustainability Report”) of China Everbright Environment Group Limited (the “Company”, or “Everbright Environment”, together with its subsidiaries, collectively, the “Group”) and the report 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《二零二一年可持續發展報告》的摘要，該報告乃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)及香港交易及結算所有限公司網站(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。

Sustainability Report 可持續發展報告

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. A Safety and Environment Management Committee of Everbright Environment led by the Chairman of the Board of the Company 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 and senior management of the Company 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。本集團設有由本公司董事會主席牽頭的光大環境安全與環境管理委員會，為本集團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其《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。

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 assists in constructing 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 2021, the Group processed approximately 43,452,000 tonnes of household waste, 7,964,000 tonnes of agricultural and forestry waste, and 269,000 tonnes of hazardous and solid waste. Our projects supplied approximately a total of 22,271,602,000 kWh of on-grid green electricity in 2021, and offset approximately 20,211,000 tonnes of carbon dioxide equivalent emissions. In addition, the Group treated approximately 1,698,710,000 m³ of waste water and about 9,635,000 m³ of leachate, reducing chemical oxygen demand (COD) discharge by approximately 740,000 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。

二零二一年內，本集團處理了約43,452,000噸生活垃圾、7,964,000噸農林廢棄物及269,000噸危廢及固廢。本集團的項目於二零二一年內合共提供綠色上網電量約22,271,602,000千瓦時，並抵銷約20,211,000噸二氧化碳當量排放。另外，本集團處理約1,698,710,000立方米污水及約9,635,000立方米滲濾液，合共減少了約740,000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 2021, Everbright-Qingdao University of Technology Research Institute of Environmental Technology, a subsidiary of the Company, continued to expand its internal and external testing works. Over 500 samples (including flue gas and fly ash samples) were tested and reported for internal projects throughout the year. In addition, the Group was awarded the 2021 dioxin sampling project by the Qingdao Municipal Bureau of Ecology and Environment, testing of dioxin was completed across 19 companies. It also undertook dioxin testing for a research topic from Southern University of Science and Technology and completed the testing and data processing of 65 samples. In the meanwhile, the Group completed the research work on fast screening of dioxin, resulting in achieving a 60% reduction in testing time and 32% reduction in testing cost for a single sample, which would enhance the Group's testing capability and confidence in business expansion.

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。於二零二一年，本公司旗下光大青島理工環境技術研究院拓展內外檢測工作，全年為內部項目共檢測超過500個樣本(包含煙氣和飛灰樣本等)並出具報告。此外，獲得青島市生態環境局二零二一年二噁英檢測項目，完成19家企業二噁英檢測工作及報告出具，並承接了南方科技大學科研課題的二噁英檢測，完成65個樣本的檢測及資料處理。同時，完成二噁英快篩課題研究工作，實現單樣本檢測時間節省60%，檢測成本降低32%的目標，有助提升本集團檢測能力及市場的信心。

ENVIRONMENTAL RESPONSIBILITY (continued) 環境責任(續)

Emission Management (continued) 排放管理(續)

We strive to ensure that people from all social circles can conveniently access our projects' environmental information at all times and places. Since August 2015, the Group has maintained the initiative in timely disclosing emissions data and environmental management information of projects. Since January 2017, the Group has 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.

In accordance with the environmental management requirements of the Ministry of Ecology and Environment of the People's Republic of China ("MEE"), since 2 January 2020, the daily average values of the 5 indicators of flue gas and furnace temperature data from the operating of waste-to-energy projects have been connected to the automatic monitoring data information disclosure platform of the MEE: <https://ljgk.envsc.cn/index.html>.

CDP, a global environmental research centre that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests, has released 2021 company scores in environmental aspect and the Group received a B rating for climate change. The Group is also in line with the country's developmental plan in achieving carbon neutrality before 2060, and signed in support of "Task Force on Climate-Related Financial Disclosures" (TCFD) in November 2020, so that its framework and suggestions will be put into practice when identifying the Group's current and future climate-related risks and opportunities.

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。二零一五年八月起，本集團主動、適時披露項目的排放數據和環境管理信息。二零一七年一月起，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。

本集團按照國家生態環境部環境管理要求，自二零二零年一月二日起，所有運營垃圾發電項目煙氣五項指標日均值和爐膛溫度數據已連接國家生態環境部自動監測信息公開平台：<https://ljgk.envsc.cn/index.html>。

CDP，一家致力於推動企業和政府減少溫室氣體排放，保護水和森林資源之全球環境信息研究中心，發佈了二零二一年公司環境方面的評級，本集團的氣候變化評級獲得B評級。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「氣候相關財務披露工作小組」和納入其框架及建議於識別本集團現在和未來面對的氣候相關風險及機遇。

Sustainability Report 可持續發展報告

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 green 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 waste-to-energy projects can be recycled for on-site industrial use.

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. In 2021, the Group continued to promote the construction of “zero-waste cities”. On the basis of the existing waste-to-energy business, the Group actively promoted the “five points in one line” strategy focusing on business areas such as waste sorting, environmental protection and sanitation integration, construction waste resource recovery and construction of recycling sorting centres. Currently, 8 waste sorting projects are in operation, serving about 95,000 households. We aim to develop a “waste separation ecosphere” business model through “waste sorting, renewable resources, low-carbon living, big data, finance and smart community”. At the same time, the Group has developed a multitude of technologies such as the Everbright Intelligent Recycling System (EB-iRRS), intelligent recyclable waste sorting technology and general industrial solid waste sorting technology to support the development of “zero-waste cities” through technological innovation.

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作原料以製磚，以支持綠化建設；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，以達致垃圾發電項目的滲濾液均可於園內循環利用。

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、末端無害化處置等的光大環境「無廢城市」建設獨有模式。於二零二一年，本集團繼續推進「無廢城市」建設，在現有垃圾發電業務基礎上，積極推動垃圾分類、環衛一體化、建築垃圾資源化、再生資源分揀中心建設等「五點一線」業務領域；目前運營垃圾分類項目8個，服務約9.5萬戶，通過「垃圾分類、再生資源、低碳生活、大數據、金融、智慧社區」打造「垃圾分類生態圈」的商業模式。同時，本集團研發光大智慧再生資源回收系統（EB-iRRS）、可回收垃圾智慧分揀技術、一般工業固廢分揀技術等，以科技創新支撐「無廢城市」的發展。

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.

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.

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。

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 has incorporated employee training as a management norm where training profiles are established to help employees reach their full potential. The Group has continued to centrally arrange trainings that are tailored to our business development needs. Various training programmes were also held to enhance the professional and general competence of both management and staff through continuous education. During 2021, a number of trainings were successively held, including safety and environmental management trainings, "Dual Carbons" seminars, cybersecurity trainings, procurement trainings, construction cost trainings, corporate culture trainings, anti-corruption trainings, etc. The management and employees were well equipped with the latest knowledge and skills with a view to address new opportunities and challenges.

為促進本集團與員工相互成長並共享成果，本集團繼續把員工培訓納入常態管理，建立培訓檔案，支持員工發展潛能。本集團繼續針對業務發展需要，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。於二零二一年，先後舉辦了安全與環境管理培訓、「碳達峰、碳中和」研討會、信息網路安全培訓、採購專題培訓、工程造價培訓、企業文化培訓、廉政講座等，讓管理層及員工持續學習，迎接新的機遇與挑戰。

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 dual prevention system of hierarchical control of safety risks and troubleshooting of hidden dangers, comprehensively identifies and troubleshooting all project safety risks and hidden dangers, adopts scientific methods for evaluation and grading, establishes an information management system for safety risks and accident hidden dangers, and takes engineering, technology, management and other measures. 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 2021, daily checks on safety, environmental and occupational health were continuously conducted as part of safety risk assessments, so as to ensure both projects under construction 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. Meanwhile, the Group regularly discloses environmental information such as pollutant discharge and waste management of project companies in each business sector in accordance with the laws, and proactively accepts the supervision from the society and the public.

本集團全面實施安全風險分級管控與隱患排查治理雙重預防體系，全面辨識和排查所有項目安全風險和隱患，採用科學方法進行評估與分級，建立安全風險與事故隱患信息管理系統，採取工程、技術、管理等措施有效管控風險和治理隱患，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。

於二零二一年，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。同時，本集團定期依法公開各業務板塊項目公司的污染物排放、廢棄物管理等環境信息，主動接受社會及公眾監督。

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 and Natural Disaster 抗疫抗災前線

Despite the Pandemic's continued impacts on the world in 2021, Everbright Environment fully utilised its competitive edge in the industry to maintain normal operations in all project companies, so as to treat household and medical waste while protecting the public's health and safety. In July 2021, Pandemic cases occurred at Nanjing Lukou Airport, four employees from the Lianyungang project company arrived in Nanjing to voluntarily support the transportation and transshipment of medical waste. At the same time, the Nanjing waste-to-energy project company, in accordance with the national and local government's pandemic prevention and control requirements, had safely treated the waste generated from the medium and high-risk isolation areas and hence provided significant support to fight back against the Pandemic.

In response to the Henan flood disaster that occurred in July 2021, the Group not only donated to the disaster relief cause but also coordinated local project company staff to conduct flood control work, and has successfully maintained normal operations of public services such local household waste and waste water treatment services, etc.

儘管新冠肺炎疫情於二零二一年繼續衝擊全球各國，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。二零二一年七月南京祿口機場發生新冠肺炎疫情，連雲港危廢項目四名員工抵達南京，參加醫療廢物運輸和轉運的義務支援工作。同時，南京能源項目公司按照國家、地方政府疫情防控要求，安全處理中高風險隔離區垃圾，為抗擊新冠肺炎疫情提供有力援助。

二零二一年七月河南水災，本集團除了捐款救災外，本集團駐豫項目人員積極組織防汛工作，保障了當地生活垃圾處理、污水處理等城市公共服務功能正常運作。

Sustainability Report 可持續發展報告

COMMUNITY ENGAGEMENT (continued) 社區參與(續)

Quality Education 優質教育

Quality education is the foundation for sustainable development. Everbright Environment has supported the operation of the “Everbright Environment True Love School” in Dangshan, which has provided educational opportunities for accumulatively 7,060 students in rural areas. During the year, our 18th and 19th batch of teacher volunteers 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 2021, the Group's environmental protection projects played an important role in promoting environmental education, environmental science popularisation, circular economy and industrial tourism, with 5,400 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。光大環境捐助位於礪山的「光大環境愛心學校」，累計已為7,060名偏遠地區的學生提供教育機會。於本年度，我們的第十八批及第十九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。於二零二一年，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5,400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 2021, our integrated biomass utilisation projects directly and/or indirectly created over 51,502 jobs and increased farmers' income approximately by RMB2.476 billion, benefiting over 5.72 million of farmers. Moreover, the Group's Xinhua Waste-to-energy Project ("Xinhua 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 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。二零二一年，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51,502個，帶動農民增收約人民幣24.76億元，受惠逾572萬名農民。此外，本集團的新化垃圾發電項目（「新化項目」）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。

Sustainability Report 可持續發展報告

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 relevant awareness-raising activities. As of the end of 2021, the foundation has accumulatively supported over 2,001 beneficiaries, which a total of RMB9.6 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。截至二零二一年底，該基金已累計產生2,001名受益者，共計已發放超過人民幣960萬元慰問金及救助金。

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. During the year under review, the Solar Dome at the Island House in Yuen Chau Tsai, Taipo, Hong Kong, commenced operation. The Solar Dome was built by the World Wide Fund Hong Kong with support from the Group through its Everbright Environment Charitable Foundation. The facility was developed to serve as a sustainability education base for Hong Kong students and other social groups to advocate concepts and knowledge of renewable energy, sustainable development and ecological conservation. The Group’s staff in Hong Kong voluntarily participated in the Salvation Army Recycling Programme, in which used clothes were donated to people in need in Hong Kong, or sold in the Salvation Army Family Store where the proceeds would be used to fund community care services. Such programmes have effectively helped people in need to rebuild and return to normal, and at the same time practice the concept of recycling. In addition, the Group signed a memorandum of understanding with the Asian Development Bank ahead of the World Oceans Day in 2021, for a strategic cooperation toward the circular economy and the reduction of marine debris through strengthening of the solid waste management system in Asia to foster ocean health. During 2021, 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。回顧年度內，本集團透過旗下光大環境公益基金會支持世界自然基金會香港分會建造的太陽能溫室穹頂於香港大埔元州仔自然環境保護研究中心落成並投入使用；該設施已作為可持續教育基地，面向香港學生等各界群體，宣傳可再生能源、可持續發展、生態保育等理念和知識。本集團香港員工於回顧年度內自發參與了救世軍循環再用計劃，將舊衣物贈予香港有需要人士，或將其於救世軍家品店售賣並用相關收益開展社區關懷服務，在疫情特殊時期切實幫助在港受困人士重建正常生活，踐行節約資源、循環利用的理念。此外，本集團於二零二一年世界海洋日前夕，與亞洲開發銀行簽署諒解備忘錄，圍繞循環經濟和減少海洋污染達成戰略合作，透過加強亞洲地區固廢管理水平，減少來自陸地的海洋垃圾，推動海洋健康事業。二零二一年活動以「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。於二零二一年，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

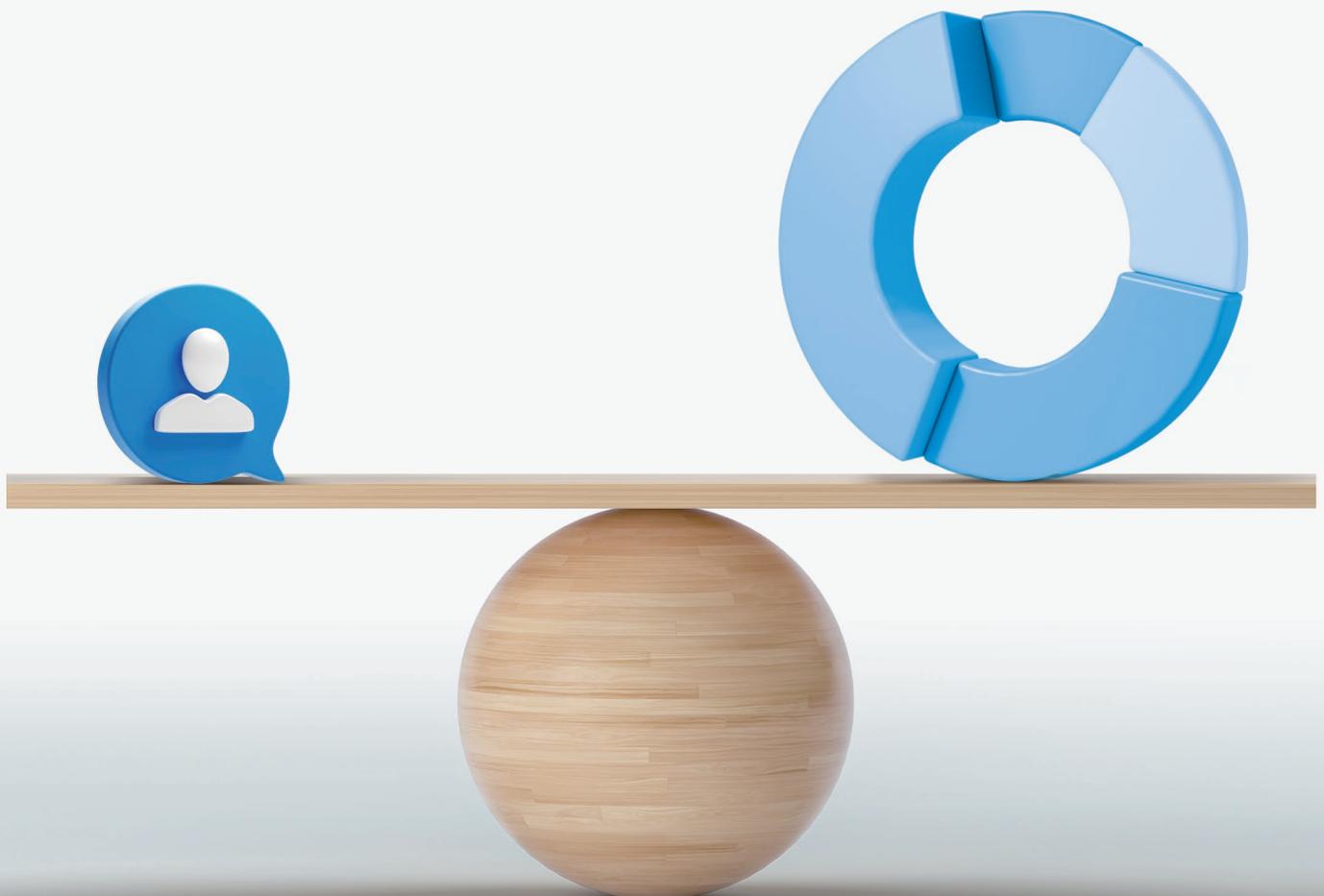
企業管治報告

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”) upholds the management principle of “People-oriented, Pragmatism, Creativity and Systematic Management”. The board of directors (the “Directors”) of the Company (the “Board”) firmly believes that high-quality, comprehensive and high-level corporate governance is the cornerstone of the Group, which can create long-term value for the Group and is vital to the sustainable development of the Group. It can also safeguard the interests of shareholders (the “Shareholders”) and other stakeholders of the Company, including but not limited to customers, suppliers, employees and the general public. The Board and management strive to maintain high-level corporate governance standards, and continue to strengthen corporate governance, internal control and risk management systems through a series of rules, regulations and policies, and actively improve transparency and accountability. The Company strictly complies with the laws and regulations of the places where it operates, and complies with the applicable guidelines and rules issued by the regulatory authorities. The Board will continue to monitor and review the Company’s corporate governance practices to further enhance corporate governance.

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 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 2021 with the exception of Code Provision A.2.1 due to the roles of the Chairman of the Board and the Chief Executive Officer of the Company (the “CEO”) performed concurrently by Mr. Wang Tianyi (“Mr. Wang”) during the period from 25 September 2020 to 31 May 2021. The Board believed that the balance of power and authority for the then arrangement was not impaired and the then arrangement enabled the Company to make and implement decisions promptly and efficiently. With effect from 1 June 2021, Mr. Luan Zusheng was appointed as the CEO in place of Mr. Wang (“Change of CEO”), and Mr. Wang remains as the Chairman of the Board. Thereafter, Mr. Wang no longer performed the roles of the Chairman of the Board and the CEO concurrently. This arrangement brought the Company back to conformity with the Code Provision A.2.1 of the CG Code. Please refer to the Company’s announcement published on 27 May 2021 for more information on the Change of CEO.

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 same comply 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」)奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念。本公司董事(「董事」)會(「董事會」)深信優質、全面及高水平企業管治是本集團的基石, 能為本集團締造長遠價值, 對本集團之可持續發展至關重要, 亦能維護本公司股東(「股東」)及其他持份者, 包括但不限於客戶、供應商、僱員及一般公眾的利益。董事會及管理層竭力維持高水平的企業管治標準, 並持續透過一系列的規章制度持續強化企業管治、內部監控和風險管理系統, 積極提高透明度和問責性。本公司嚴格遵守營運地的管治法律及規例, 及遵守監管機構發佈的適用指引及規則。董事會將會持續監察及檢討本公司之企業管治常規, 進一步提升企業管治。

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。

於截至二零二一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(「王先生」)自二零二零年九月二十五日起至二零二一年五月三十一日期間同時擔任董事會主席兼本公司之總裁(「總裁」)。董事會相信當時的安排不會損害職能及權力兩者的平衡, 並認為當時的安排能使本公司及時且有效率地作出及落實決定。自二零二一年六月一日起, 樂祖盛先生獲委任接替王先生擔任總裁(「總裁變更」), 而王先生繼續擔任董事會主席。此後, 王先生不再同時兼任董事會主席及總裁兩個職務, 此安排使本公司重新符合《企業管治守則》守則條文第A.2.1條的規定。有關總裁變更的詳情, 請參閱本公司於二零二一年五月二十七日刊發的公告。

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。

THE BOARD OF DIRECTORS 董事會

Composition and function 組成及職責

The Board currently comprises 5 Executive Directors and 4 Independent Non-executive Directors (the “INEDs”).

The Directors during the financial year and up to the date of this annual report are set out on page 132 of the annual report and are set out as follows:

董事會現由五名執行董事及四名獨立非執行董事組成。

於本財政年度內及截至本年度報告之日的董事已載列於年報內第132頁，並載列如下：

Name of Directors	Title ^{Note 5}	董事姓名	職位 ^{附註5}
<i>Executive Directors</i>		<i>執行董事</i>	
Mr. Wang Tianyi ^{Note 1}	Chairman of the Board	王天義先生 ^{附註1}	董事會主席
Mr. Luan Zusheng ^{Note 2}	CEO	樂祖盛先生 ^{附註2}	總裁
Mr. Hu Yanguo	Vice President	胡延國先生	副總裁
Mr. Qian Xiaodong	Vice President	錢曉東先生	副總裁
Mr. An Xuesong ^{Note 3}	Vice President and Chief Financial Officer (the “CFO”)	安雪松先生 ^{附註3}	副總裁兼財務總監
<i>Former Executive Director</i>		<i>前執行董事</i>	
Mr. Wong Kam Chung, Raymond ^{Note 4}	Vice President and CFO	黃錦聰先生 ^{附註4}	副總裁兼財務總監
<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	

Corporate Governance Report 企業管治報告

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

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

Notes 附註：

1. Mr. Wang Tianyi resigned from the position of the CEO and remains as an Executive Director and the Chairman of the Board with effect from 1 June 2021;
王天義先生辭任總裁，但繼續擔任執行董事兼董事會主席，自二零二一年六月一日起生效；
2. Mr. Luan Zusheng was appointed as an Executive Director and the CEO, with effect from 1 June 2021;
樂祖盛先生獲委任為執行董事兼總裁，自二零二一年六月一日起生效；
3. Mr. An Xuesong, a Vice President of the Company, was appointed as an Executive Director and the CFO with effect from 5 October 2021;
本公司副總裁安雪松先生獲委任為執行董事兼財務總監，自二零二一年十月五日起生效；
4. Mr. Wong Kam Chung, Raymond resigned as an Executive Director, a Vice President and the CFO with effect from 5 October 2021; and
黃錦聰先生辭任執行董事、副總裁兼財務總監，自二零二一年十月五日起生效；及
5. The English title of the Company's "Chief Executive Officer" remains unchanged. The title of the Company's "Deputy General Manager" was changed to "Vice President". The change of titles did not affect the substantive responsibilities.
本公司「行政總裁」中文職稱已變更為「總裁」(英文職稱沒有變更)；「副總經理」職稱已變更為「副總裁」。職稱之變更並沒有影響實質職權。

There is no relationship (including financial, business, family or other material/relevant relationship) between Board members and in particular, between the Chairman of the Board and the CEO.

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.

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 and they have confirmed to the Company that they have given sufficient time and effort to the Group's affairs.

董事會成員(特別是董事會主席與總裁之間)沒有存有任何關係，包括財務、業務、家屬或其他重大／相關的關係。

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。

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，及已向本公司確認彼能付出足夠時間及精力處理本集團之事務。

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

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

Despite the fact that some of the Directors hold several board seats and other significant commitments, after taking into account that the Directors (i) had high attendance rate in all Board and Board committee meetings and actively gave constructive suggestions and advice at those meetings; (ii) had high attendance rate in general meeting of the Company and actively responded to Shareholders' questions and communicated with the Shareholders; (iii) asked questions and made suggestions by email and telephone when the Board and Board committees approved the resolutions in writing; and (iv) pursued monthly management updates of the Company and the information in relation to other performance of the Company, the Board believes that 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 of the Group, business operation and performance, risk control, internal controls and 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 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.

儘管部分董事出任數個董事會職位及其他重大承擔的職務，觀乎董事們(i)於本公司舉行之所有董事會及董事會委員會會議均有高出席率，並在該等會議上積極提出具建設性之建議及意見；(ii)於本公司舉行之股東大會有高出席率，積極回應股東提問及與股東溝通；(iii)在董事會及董事會委員會以書面方式通過議案時，董事們會以電郵及電話等方式提問及作出建議；及(iv)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。據此，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、內部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退任方式，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)須輪值退任，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。

Corporate Governance Report 企業管治報告

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

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

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 of the Company (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 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, agenda and 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 before approved by the Chairman of the Board/the chairman of the respective Board committees.

Where any Director has a material 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 should be present at the Board meetings and take the lead where potential conflicts of interest arise.

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

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，以及監督本公司管理層(「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。非定期／臨時的會議則會在給予合理通知後召開。會議議程及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已諮詢董事／相關董事會委員會成員及管理層意見後由董事會主席／相關董事會委員會主席審批。

倘董事在董事會會議上討論的事宜有重大利益衝突，該董事須放棄表決該議案。沒有利益衝突之獨立非執行董事應該出席有關的董事會會議，並在出現潛在利益衝突時發揮牽頭引導作用。

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 all Directors/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 liability insurance for the Directors and senior management of the Company, 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 authorities and duties:

董事會／董事會委員會會議記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，其中包括所有董事／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。已簽署的會議記錄正本經所有董事／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，而該等會議記錄可供全體董事／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的專業意見，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管理人員安排責任保險，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 of the Company (the "Audit Committee") currently comprises 3 INEDs, namely Mr. Mar Selwyn (chairman), Mr. Fan Yan Hok, Philip and Mr. Zhai Haitao. Its primary responsibilities include but not limited to review 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, and to oversee the relationship between the Company and Ernst & Young ("EY"), the external auditor of the Company, etc. The terms of reference of the Audit Committee have been established in writing and are available on the websites of the Company and Hong Kong Exchanges and Clearing Limited ("HKEx").

本公司審核委員會(「審核委員會」)現時由三名獨立非執行董事，包括馬紹援先生(主席)、范仁鶴先生及翟海濤先生組成。其主要職責包括(但不限於)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、及監察本公司與外聘核數師安永會計師事務所(「安永」)的關係等。審核委員會設有書面的職權範圍並已於本公司及香港交易及結算所有限公司(「港交所」)網站公佈。

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 2021 and 2022 (up to the date of this annual 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 reviewed the Group's risk management and internal control systems, the effectiveness of the Company's internal audit function and financial reporting matters, etc., including review of the annual results for the years ended 31 December 2020 and 2021, the interim results for the six months ended 30 June 2021 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 and the Management during the year under review.

於二零二一年及二零二二年內(截至本年度報告日期)，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，並審閱本集團的風險管理和內部監控系統、本公司內部審核功能的有效性，以及財務報告等事宜(包括審閱本公司截至二零二零年及二零二一年十二月三十一日止年度業績、截至二零二一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及管理層出席的情況下於回顧年度內舉行了一次會議。

2. Risk Management Committee 風險管理委員會

The Risk Management Committee of the Company (the "Risk Management Committee") currently comprises 3 INEDs, namely Mr. Fan Yan Hok, Philip (chairman), Mr. Mar Selwyn, Mr. Suo Xuquan, Mr. Luan Zusheng, the Executive Director and the CEO, Mr. An Xuesong, the Executive Director, the Vice President and the CFO, and Ms. Guo Ying, the General Manager of Internal Audit Department and Risk Management Department of the Company. Its primary responsibilities include but not limited 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 had been established in writing.

During 2021 and 2022 (up to the date of this annual 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 risk management work summary in 2020 and 2021 and work plan for 2021 and 2022, the risk appetite in 2021, the effectiveness analysis of main risk control measures in 2020 and 2021 and risk assessments in 2021 and 2022, and the information security risk supervision and rating description, the major works of risk management in the first half of 2021 and work plan for the second half of 2021, the recheck of major risks in 2021, and the implementation of risk appetite in 2021.

本公司風險管理委員會(「風險管理委員會」)現時由三名獨立非執行董事范仁鶴先生(主席)、馬紹援先生、索緒權先生，執行董事兼總裁樂祖盛先生、執行董事、副總裁兼財務總監安雪松先生，以及本公司內部審計部及風險管理部總經理郭穎女士組成。其主要職責包括(但不限於)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。

於二零二一年及二零二二年內(截至本年度報告日期)，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了本集團二零二零年及二零二一年風險管理工作總結及二零二一年及二零二二年工作計劃、二零二一年風險偏好、二零二零年及二零二一年主要風險管控措施效果分析及二零二一年及二零二二年風險評估，及信息安全風險監督評級說明、二零二一年上半年風險管理主要工作情況及二零二一年下半年工作計劃、及二零二一年主要風險重檢，以及執行二零二一年風險偏好。

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 of the Company (the “Nomination Committee”) currently comprises Mr. Wang Tianyi, the Executive Director and the Chairman of the Board (chairman), 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 review annually the structure, size and composition (including the skills, knowledge and experience) of the Board, to review and report the Board diversity to the Board, to assess the independence of the INEDs, to make recommendations to the Board, by taking into account the *Board Diversity Policy* and the *Nomination Policy* on appointment or re-appointment or re-designation of Directors and to make recommendations to the Board on the appointment or re-appointment of the senior management, and to assess 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 have been established in writing and are available on the websites of the Company and HKEx.

During 2021 and 2022 (up to the date of this annual report), the Nomination Committee reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board, assessed the independence of the INEDs, reviewed the appointments of the members of the Board and the Board committees, reviewed the appointment of the senior management, discussed the re-appointment of the INEDs, discussed the re-election of the retiring Directors at the 2021 annual general meeting, and discussed the re-election of the retiring Directors and the election of a new Director at the 2022 annual general meeting, etc, and made recommendations to the Board on the above matters.

本公司提名委員會(「提名委員會」)現時由執行董事兼董事會主席王天義先生(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;根據《董事會多元化政策》及《提名政策》就董事的委任或重新委任或調任向董事會提出建議;向董事會提交聘用或重聘高級管理人員的建議;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。提名委員會設有書面的職權範圍並已於本公司及港交所網站公佈。

於二零二一年及二零二二年內(截至本年度報告日期),提名委員會已檢討董事會的架構、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;審議董事會及董事會委員會成員、以及高級管理人員之委任;討論續聘獨立非執行董事;討論於二零二一年股東週年大會上重選退任董事;以及討論於二零二二年股東週年大會上重選退任董事及選舉新董事等事宜,並就上述事宜向董事會作出建議。

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

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

4. Remuneration Committee 薪酬委員會

The Remuneration Committee of the Company (the “Remuneration Committee”) currently comprises Mr. Zhai Haitao, the INED (chairman), Mr. Wang Tianyi, the Executive Director and the Chairman of the Board, and 3 other INEDs, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn and Mr. Suo Xuquan. Its primary responsibilities include but not limited to determine, with delegated responsibilities by the Board, the remuneration packages of the individual Executive Directors and senior management of the Company. The terms of reference of the Remuneration Committee have been established in writing and are available on the websites of the Company and HKEx.

During 2021 and 2022 (up to the date of this annual report), the Remuneration Committee enforced the policy for the remuneration of the Executive Directors, assessed performance of the Executive Directors, reviewed the 2021 bonus proposal, 2020 and 2021 bonus payment and the remuneration package of the individual Executive Directors and the senior management of the Company, and discussed the remuneration package of INEDs, etc.

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

本公司薪酬委員會(「薪酬委員會」)現時由獨立非執行董事翟海濤先生(主席)、執行董事兼董事會主席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。其主要職責包括(但不限於)在獲董事會轉授責任下釐定個別執行董事及本公司高級管理人員的薪酬待遇。薪酬委員會設有書面的職權範圍並已於本公司及港交所網站公佈。

於二零二一年及二零二二年內(截至本年度報告日期)，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個別執行董事及本公司高級管理人員的二零二一年度花紅計提方案，二零二零年及二零二一年度花紅發放方案及薪酬待遇，以及討論獨立非執行董事之薪酬待遇等事宜。

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 of the Company (the “Disclosure Committee”) currently comprises Mr. Luan Zusheng, the Executive Director and the CEO (chairman), Mr. Hu Yanguo, the Executive Director and the Vice President, and Mr. Qian Xiaodong, the Executive Director and the Vice President, and Mr. An Xuesong, the Executive Director, the Vice President and the CFO, as well as 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 had been established in writing.

本公司披露委員會(「披露委員會」)現時由執行董事兼總裁樂祖盛先生(主席)、執行董事兼副總裁胡延國先生、執行董事兼副總裁錢曉東先生、以及執行董事、副總裁兼財務總監安雪松先生，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。

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

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

Other than the 5 Board committees above, the Company has established the Management Decision Committee which is responsible for the day-to-day administration, operation and management of the business and affairs of the Group. Its primary responsibilities include but not limited to review the Group's major decisions, major personnel appointment and removal, major project arrangements, as well as the arrangements of large capital amount, and to review and formulate the Group's development strategies and goals, long term business development plans, directions, policies and guidelines, etc. The Management Decision Committee also takes charge of reviewing the investment projects of the Group, after being recommended by the Project Advisory Committee. 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 a 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，本公司設有管理決策委員會負責本集團所有業務及事務的日常行政、營運及管理工 作。其主要職責包括(但不限於)審議本集團之重大決策事項、重大人事任免、重大項目安排以及大額資金操作等工 作；及審議及制定本集團的發展戰略、發展目標、長遠業務發展規劃、方針、政策及指引等。管理決策委員會亦負責 審議本集團的投資項目(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，同時亦會負責在不同投資項 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計及風險管控以提升本集團管理水平。

Corporate Governance Report 企業管治報告

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

Responsibilities of the Board and Management 董事會與管理層的職責

There is a clear division of responsibilities between the Board and the Management.

The Board is responsible for directing and approving 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 is also responsible for, including but not limited to, reviewing the Group's performance against targets and objectives, in particular its performances on finance and business; leading and supervising the Management to act in the interest of the Shareholders; taking responsibility on performing the corporate governance duties; overseeing matters in relation to the Group's investment, risk management, internal control, corporate governance and corporate social responsibility, and supervising the Management to implement such policies. Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee and Disclosure Committee established under the Board have their specific terms of reference in writing, clearly explaining their roles and the authorities delegated to them by the Board.

The Board has delegated day-to-day administration, operation and management of the business and affairs of the Group to the Management. The Management is also responsible for, including but not limited to, within the scope of authorisation as given by the Board, reviewing projects, mergers and acquisitions or assets restructuring in all business sectors of the Group; reviewing and formulating the Group's development strategies and goals, long-term business development plans, directions, policies and guidelines; and reviewing the important matters, business situations and latest progress of each business sector of the Group in accordance with the policies and procedures as adopted by the Group from time to time etc.

The Company has formulated the terms of reference of the Board of Directors, the terms of reference of the Management Decision Committee and the authorisation summary, which specify the authority and responsibility of the Board and the Management and the authorisation given by the Board to the Management. The Board regularly reviews those terms of references, and will update and amend the terms of reference in a timely manner when appropriate.

董事會與管理層之間具有明確分工。

董事會負責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。董事會亦負責，包括但不限於按目標及目的檢討本集團的表現，尤其是在財務及業務方面的表現；領導及監督管理層以符合股東利益的方式行事；負責履行企業管治的職責；監察本集團的投資、風險管理、內部監控、企業管治及企業社會責任的所有事宜，並監察管理層執行有關政策等。董事會下設的審核委員會、風險管理委員會、提名委員會、薪酬委員會及披露委員會，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。

董事會授權管理層負責本集團所有業務及事務的日常行政、營運及管理的工作。管理層亦負責，包括但不限於，在董事會設定的權限範圍內，審議本集團的各業務領域的項目、收併購或資產重組業務等；審議及制定本集團的發展戰略、發展目標、長遠業務發展規劃、方針、政策及指引；及根據本集團不時採納之政策及程序，審議本集團各業務板塊的重大事項、業務情況和最新進展等。

本公司訂立了《董事會的職權範圍》、《管理決策委員會職權範圍》及《授權綱要》，明確了在董事會、管理層的職權及責任，及董事會對管理層的授權事項。董事會亦定期對這些職權範圍進行檢討，並根據具體情況作出及時更新及修改。

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

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;
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；
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。

Nomination Policy 《提名政策》

The Board adopted *Nomination Policy* related to the nomination of Directors, 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《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。

Corporate Governance Report 企業管治報告

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

Corporate governance functions (continued) 企業管治職責(續)

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

Nomination Criteria 提名標準

The following factors would be considered by the Nomination Committee in assessing the candidates (the "Nomination Criteria"):

- (a) accomplishment and professional experience that, in the opinion of the Nomination Committee, the candidate 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*.

提名委員會在評估候選人時將考慮以下因素(「提名標準」)：

- (a) 提名委員會認為候選人擁有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)
Corporate governance functions (continued) 企業管治職責(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;
- (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;
- (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 the appointment letters 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, the *Procedures for Shareholders to Propose a Person for Election as a Director of the Company* are available under the "Corporate Governance" section of the Company's website at www.cebenvironment.com.

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，包括其根據提名標準作出的評估結果；
- (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) 如股東需要對董事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)要求的候選人資料。

股東亦可推薦董事候選人，《股東提名候選董事的程序》已載於本公司網站www.cebenvironment.com「企業管治」部份內。

Corporate Governance Report 企業管治報告

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

Corporate governance functions (continued) 企業管治職責(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 recommending 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 plan.

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.

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、文化或宗教信仰的歧視。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推薦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 and 董事會所需的多元化因素；以及監督董事會的繼任計劃。

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。

THE BOARD OF DIRECTORS (continued) 董事會(續)
Corporate governance functions (continued) 企業管治職責(續)
Board Diversity Policy (continued) 《董事會成員多元化政策》(續)

The Nomination Committee and the Board will set and disclose numerical targets and timelines for achieving gender diversity at Board level.

The Nomination Committee and the Board will take opportunity to increase the proportion of female members on the Board over time when selecting and making recommendation on suitable candidates as Directors. The Board would ensure that appropriate balance of gender diversity on the Board is achieved with reference to stakeholders' expectation and international and local recommended best practices. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different backgrounds, and reflecting the Group's strategy.

With a view to further improve the diversity of Board members, the Company will propose the appointment of a female Director for the Shareholders' approval at the forthcoming annual general meeting of the Company to be held on Wednesday, 18 May 2022 (the "2022 AGM"). It is believed that the appointment of the female Director will bring the gender, age, culture, experience, professional knowledge and skills of the Board members more in line with the *Board Diversity Policy* and will better meet the expectations of the Shareholders, stakeholders and investors.

提名委員會及董事會將訂立及披露目標數字及時間表，以在董事會層面達到性別多元化。

提名委員會及董事會日後在甄選及推薦合適的董事候選人時，將會藉機逐步提高董事會女性成員的比例，董事會將因應持份者的期望及參考國際及本地的建議最佳常規以確保董事會男女成員組合取得適當平衡性別。董事會亦力求有適當比例的董事具備本集團核心市場的直接經驗、不同背景、並反映本集團的策略。

為進一步提升董事會成員多元化，本公司將提呈股東於二零二二年五月十八日(星期三)舉行之本公司應屆股東週年大會(「二零二二年股東週年大會」)批准委任一位女性董事，相信委任該名女性董事有助使董事會成員的性別、年齡、文化、經驗、專業知識及技能更符合《董事會成員多元化政策》，亦更能符合股東、持份者、投資者的期望。

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 dividends to the Shareholders to be its goal. The Company has adopted the *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.

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。

Corporate Governance Report 企業管治報告

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

Corporate governance functions (continued) 企業管治職責(續)

Dividend Policy (continued) 《股息政策》(續)

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.

When assessing the Company's performance for each financial year or interim financial period, the Board shall seek to maintain a steady dividend payment, and determine the dividend payout ratio after taking into account 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.

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。

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回報的同時，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。

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

Training for Directors 董事培訓

Each newly appointed Director receives an induction training 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, quarterly regulatory updates and biannual shareholder analysis report.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills as Directors in order to ensure that their contribution to the Board remains informed and relevant. 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 trainings for the Directors on (i) Base Erosion and Profit Shifting, BEPS 2.0 Highlights and the implications to corporates; (ii) the induction training for each newly appointed Director; and (iii) Snapshot of Anti-Corruption Laws in Hong Kong, and issued written training materials from time to time to develop and refresh their knowledge and skills of the Directors. Some Directors also attended seminars/conferences/forums/trainings relevant to their 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。本公司亦向董事提供有關本公司股價表現的每月分析報告、月刊、季度監管更新、以及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，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。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有關(i)稅基侵蝕與利潤移轉(Base Erosion and Profit Shifting, BEPS)2.0簡介及其對企業的影響；(ii)每名新委任董事的就任培訓；及(iii)香港反貪法例概覽之培訓，及持續發出書面培訓以發展並更新董事的知識和技能，個別董事還參加了有關其專業和董事職務的座談會／會議／論壇／培訓。

Corporate Governance Report 企業管治報告

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 ^{Note 4} 培訓類型 ^{附註4}
Executive Directors 執行董事		
Mr. Wang Tianyi	王天義先生	A,B,C
Mr. Luan Zusheng ^{Note 1}	樂祖盛先生 ^{附註1}	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
Mr. An Xuesong ^{Note 2}	安雪松先生 ^{附註2}	A,B,C
Former Executive Director 前執行董事		
Mr. Wong Kam Chung, Raymond ^{Note 3}	黃錦聰先生 ^{附註3}	A,B,C
Independent Non-executive Directors 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：

- Mr. Luan Zusheng was appointed as an Executive Director, with effect from 1 June 2021;
樂祖盛先生獲委任為執行董事，自二零二一年六月一日起生效；
- Mr. An Xuesong was appointed as an Executive Director, with effect from 5 October 2021;
安雪松先生獲委任為執行董事，自二零二一年十月五日起生效；
- Mr. Wong Kam Chung, Raymond resigned as an Executive Director, with effect from 5 October 2021; and
黃錦聰先生辭任執行董事，自二零二一年十月五日起生效；及
- A: attending seminars/conferences/forums/trainings
參加座談會／會議／論壇／培訓

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

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

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 2021 is set out below:

截至二零二一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 band (HK\$)	薪酬組別(港幣元)	Number of persons 人數
\$3,000,001 to \$4,000,000	3,000,001元至4,000,000元	3

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。

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	Board 董事會	Number of meetings attended/held ^{Note 6} 出席/舉行的會議次數 ^{附註6}			
		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
<i>Executive Directors</i> 執行董事					
Mr. Wang Tianyi ^{Note 1} 王天義先生 ^{附註1}	6/6	N/A 不適用	N/A 不適用	3/3	4/4
Mr. Luan Zusheng ^{Note 2} 樂祖盛先生 ^{附註2}	2/2	N/A 不適用	1/1	N/A 不適用	N/A 不適用
Mr. Hu Yanguo ^{Note 3} 胡延國先生 ^{附註3}	5/6	N/A 不適用	2/2	N/A 不適用	N/A 不適用
Mr. Qian Xiaodong 錢曉東先生	5/6	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. An Xuesong ^{Note 4} 安雪松先生 ^{附註4}	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

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

Name of Directors 董事姓名	Number of meetings attended/held ^{Note 6} 出席/舉行的會議次數 ^{附註6}				
	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
<i>Former Executive Director</i> 前執行董事					
Mr. Wong Kam Chung, Raymond ^{Note 5} 黃錦聰先生 ^{附註5}	5/5	N/A 不適用	2/2	N/A 不適用	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	6/6	3/3	2/2	3/3	4/4
Mr. Mar Selwyn 馬紹援先生	6/6	3/3	2/2	3/3	4/4
Mr. Zhai Haitao 翟海濤先生	6/6	3/3	N/A 不適用	3/3	4/4
Mr. Suo Xuquan 索緒權先生	6/6	N/A 不適用	2/2	3/3	4/4
Total number of meetings 會議總數	6	3	2	3	4

Notes 附註：

- Mr. Wang Tianyi resigned as the chairman of the Disclosure Committee with effect from 1 June 2021;
王天義先生辭任披露委員會主席，自二零二一年六月一日起生效；
- Mr. Luan Zusheng was appointed as an Executive Director, the chairman of the Disclosure Committee and a member of the Risk Management Committee with effect from 1 June 2021;
樂祖盛先生獲委任為執行董事、披露委員會主席，以及風險管理委員會成員，自二零二一年六月一日起生效；
- Mr. Hu Yanguo resigned as a member of the Risk Management Committee with effect from 5 October 2021;
胡延國先生辭任風險管理委員會之成員，自二零二一年十月五日起生效；
- Mr. An Xuesong was appointed as an Executive Director and a member of Risk Management Committee with effect from 5 October 2021;
安雪松先生獲委任為執行董事，以及風險管理委員會成員，自二零二一年十月五日起生效；
- Mr. Wong Kam Chung, Raymond resigned as an Executive Director and a member of each of the Risk Management Committee and the Disclosure Committee with effect from 5 October 2021;
黃錦聰先生辭任執行董事，以及風險管理委員會及披露委員會之各自成員，自二零二一年十月五日起生效；
- Some Directors attended the aforesaid meetings by electronic means such as telephone or video-conferencing; and
部份董事透過電話或視像會議等電子途徑參與上述會議；及
- In 2021, no Disclosure Committee meeting was held.
於二零二一年，沒有召開任何披露委員會會議。

THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN OF THE BOARD AND THE CEO 董事會主席及總裁之職責分工

The roles of the Chairman of the Board and the CEO should be separate and should not be performed by the same individual. Generally, the Chairman of the Board is responsible for the management of the Board and the CEO is responsible for the day-to-day management of the Company's business. The division of responsibilities between the Chairman of the Board and the CEO has been clearly established.

The main duties of the Chairman of the Board include providing leadership for and overseeing the functioning of the Board; 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 accurate, clear, 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; encouraging Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that Board decisions fairly reflect Board consensus; 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; promoting a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive Directors and INEDs.

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

董事會主席與總裁的角色應有區分，並不應由一人同時兼任。一般而言，董事會主席負責管理董事會，總裁則負責管理本公司的日常業務。董事會主席與總裁之間職責的分工已清楚界定並以書面列載。

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；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，而有關資訊亦必須準確清晰及完備可靠；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当事項進行討論；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；鼓勵持不同意見的董事均表達出本身關注的事宜、給予這些事宜充足時間討論，以及確保董事會的決定能公正反映董事會的共識。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至整個董事會；及提倡公開、積極討論的文化，促進董事（特別是非執行董事）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。

總裁的職責包括負責本集團的運營和管理；執行及落實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。

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INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

After the signing of the renewal of the appointment letters, Mr. Fan Yan Hok, Philip, Mr. Zhai Haitao and Mr. Suo Xuquan, the INEDs, hold office for a term from 1 January 2022 to the conclusion of the 2024 annual general meeting. They are subject to retirement by rotation and re-election in accordance with the Articles of Association. After the signing of the renewal of the appointment letter, Mr. Mar Selwyn, an INED, holds office from 1 January 2022. He is subject to retirement by rotation in accordance with the Articles of Association. Since Mr. Mar Selwyn would like to devote more time to his other personal engagements, he will not offer himself for re-election and accordingly, he will cease to act as an INED upon the conclusion of the 2022 AGM. With a view to fill a casual vacancy occasioned by the retirement of Mr. Mar Selwyn, the Board will propose to elect a new INED at the 2022 AGM for the Shareholders' approval.

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 and has served as an INED for more than 9 years since December 2012; (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 Yan Hok, Philip, Mr. Mar Selwyn and Mr. Zhai Haitao remain independent as the INEDs, and there is no evidence of their independence being affected by Mr. Fan Yan Hok, Philip's re-designation of Board position or their over 9 years 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 Yan Hok, Philip, Mr. Mar Selwyn and Mr. Zhai Haitao 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. The latest list of the Directors identifying the INEDs and the roles and functions of the Directors is available on the websites of the Company and HKEx.

在續簽委任函後，獨立非執行董事范仁鶴先生、翟海濤先生及索緒權先生的任期自二零二二年一月一日起至二零二四年股東週年大會結束時止。彼等須遵行《章程細則》有關輪值退任及膺選連任之規定。在續簽委任函后，獨立非執行董事馬紹援先生的任期自二零二二年一月一日起，彼將根據《章程細則》輪席退任，由於馬紹援先生希望投入更多時間處理其他個人事務，馬紹援先生將不再膺選連任，並將於二零二二年股東週年大會結束後退任獨立非執行董事職務。為了填補因馬紹援先生退任而產生之臨時空缺，董事將會提呈股東於二零二二年股東週年大會批准選舉新獨立非執行董事。

根據《上市規則》第3.13條所載之獨立性指引，董事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，范仁鶴先生自二零一二年十二月起被調任為獨立非執行董事前為非執行董事及任職獨立非執行董事超過九年；(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，董事會認為范仁鶴先生、馬紹援先生及翟海濤先生作為獨立非執行董事仍然保持獨立，並無證據顯示范仁鶴先生之董事會職位的調任或彼等超過九年之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。董事會相信范仁鶴先生、馬紹援先生及翟海濤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 throughout their tenure during the year ended 31 December 2021.

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

The Group has formulated the *Inside Information Reporting Policy*, which provides the Directors and the employees with 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二零二一年十二月三十一日止年度任期內一直遵守《標準守則》所載的規定。

就本公司有關僱員(包括本公司及其附屬公司之有關僱員)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，加強本集團內幕信息管理。

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。

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EXTERNAL AUDITOR 外聘核數師

The Directors acknowledged their responsibility for preparing the Company's financial statements.

It is the auditor's responsibility to form an independent opinion, based on its audit, on the Company's financial statements and to report its opinions solely to the Shareholders, as a body, in accordance with section 405 of the *Companies Ordinance*, and for no other purpose. The auditor does not assume responsibility towards or accepts 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; (iii) assurance services and agreed-upon procedures in connection with the corporate financing exercises of the Group; and (iv) advisory services in connection with implementation of financial reporting system of the Group.

For the year ended 31 December 2021, the total fees paid/payable in respect of audit and non-audit services provided by EY to the Group are set out below:

董事承認其有編製財務報表的責任。

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；(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；及(iv)就推進本集團之財務報告系統而提供諮詢服務。

截至二零二一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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Type of services	服務類別		
Audit services	審核服務	13,155	11,611
Non-audit services*	非審核服務*	4,124	5,506
		17,279	17,117

* 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 2021. This review covered all material controls, including financial, operational and compliance controls, and internal audit function, and also considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting functions, and their training programmes and budget. The Board considered that the risk management and internal control systems were effective and adequate. The Risk Management Department reports to the Risk Management Committee on the control of principal risks and internal control implementation. Any internal control weaknesses of the Group detected by the Internal Audit Department is reported to the Audit Committee and the Management. 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監控系統，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、確保存有正確會計記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二零二一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，以及內部審核功能，並考慮本公司在會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及足夠。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，內部審計部會向審核委員會及管理層匯報。據此，管理層會採取相應的糾正措施及由內部審計部隨後跟進及審核有關糾正措施是否足夠。

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。

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

– Authority and Controls 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。

– Budgetary Control and Financial Reporting 預算控制及財務匯報

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 controls or other matters.

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。

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

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

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 principal 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, which is responsible for the regular review on the follow-up actions taken in enhancing risk management and internal control systems.

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.

The Risk Management Department is responsible for the implementation of the risk management system and the evaluation of internal controls, and the evaluation of the effectiveness of the risk management and internal control systems through on-site risk research, collection of risk information and other measures.

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。

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，提升風險管理水平。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。

風險管理部負責風險管理體系落實和內部監控評估工作，通過現場風險調研、風險信息收集等方式，評估風險管理和內部監控系統的有效性。

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

Third Line of Defence (continued) 第三道防線(續)

In 2021, the Group issued *Everbright Environment 2021 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 controls, enhanced the supervision and inspection mechanism of risk management and internal controls. 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 principal risks 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 controls. The Company has continued to carry out special inspection work on risks to improve normalisation of risk management and internal controls.

The Company paid high attention to risk awareness and improvement of risk management ability, carried out different forms of risk management related 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 the Disclosure Committee. 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.

二零二一年，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《光大環境二零二一年風險管理工作指導意見》，細化了風險管理與內部監控的工作流程和具體執行要求，健全了風險管理與內部監控監督檢查機制。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，提升風險管理和內部監控管理工作的常態化。

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相關培訓，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 Greentech Limited, China Everbright Water 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 controls or other areas in which the Company's attention should be drawn and investigation should be initiated. The Policies are available under the "Corporate Governance" section of the Company's website at www.cebenvironment.com.

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（不包括中國光大綠色環保有限公司、中國光大水務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。該等辦法已載於本公司網站www.cebenvironment.com「企業管治」部份內。

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. 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 142 to 150.

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

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern as referred to in Code Provision C.1.3 of the CG Code.

董事確認須就編製本集團財務報表承擔有關責任。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142頁至第150頁之獨立核數師報告內。

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。

董事概不知悉任何按《企業管治守則》守則條文第C.1.3條所指可能會嚴重影響本公司持續經營能力的重大不明朗事件或情況。

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 the *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 annual general meetings 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 annual general meetings and extraordinary general meetings of the Company, 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 annual general meeting 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最新相關資訊的價值。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訊。

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，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 annual general meeting, 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 annual general meeting 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。

Corporate Governance Report 企業管治報告

PROPOSING A PERSON FOR ELECTION AS A DIRECTOR 提名個別人士候選董事的程序

The procedures for Shareholders to propose a person for election as a Director are available under the “Corporate Governance” section of the Company’s website at www.cebenvironment.com.

股東提名候選董事的程序已載於本公司網站www.cebenvironment.com「企業管治」部份內。

2021 ANNUAL GENERAL MEETING 二零二一年股東週年大會

At the 2021 annual general meeting (“2021 AGM”) of the Company, a separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including to receive and consider the audited consolidated financial statements and the report of the Directors and independent auditor’s report for the year ended 31 December 2020; to declare a final dividend for the year ended 31 December 2020; to re-elect each retiring Director; to re-appoint the auditor of the Company and to authorise the Board to fix its remuneration; to grant a general mandate to the Directors to issue new shares not exceeding 20% of the total number of issued shares; to grant a general mandate to the Directors to buy back shares not exceeding 10% of the total number of issued shares; and to extend the general mandate granted to the Directors to issue new shares. All resolutions were duly passed by the Shareholders by way of poll at the meeting. All Directors and members of Board committees at that time attended the meeting in person or by electronic means such as telephonic or video-conferencing to answer questions of the Shareholders. The Company announced the results of the poll in the manner prescribed under the Listing Rules.

於本公司二零二一年股東週年大會（「二零二一年股東週年大會」），會議主席就每項獨立的事項個別提呈獨立決議案，包括省覽及考慮截至二零二零年十二月三十一日止年度經審核的綜合財務報表與董事會報告及獨立核數師報告、宣派截至二零二零年十二月三十一日止年度末期股息、重選各退任董事、續聘核數師並授權董事會釐定其酬金、授予董事發行不超過已發行股份總數20%新股份之一般授權、授予董事回購不超過已發行股份總數10%股份之一般授權及擴大授予董事發行新股份之一般授權。所有決議案獲股東於該會議上以投票表決方式通過。所有時任董事及董事會委員會的成員（親身出席或透過電話或視像會議等電子途徑）均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。

2021 ANNUAL GENERAL MEETING (continued) 二零二一年股東週年大會(續)

The attendance records of the Directors at the 2021 AGM are set out below:

董事出席二零二一年股東週年大會之記錄如下：

Name of Directors 董事姓名	2021 AGM 二零二一年股東週年大會
<i>Executive Directors</i> 執行董事	
Mr. Wang Tianyi 王天義先生	1
Mr. Luan Zusheng ^{Note 1} 樂祖盛先生 ^{附註1}	N/A 不適用
Mr. Hu Yanguo 胡延國先生	1
Mr. Qian Xiaodong 錢曉東先生	1
Mr. An Xuesong ^{Note 2} 安雪松先生 ^{附註2}	N/A 不適用
<i>Former Executive Director</i> 前執行董事	
Mr. Wong Kam Chung, Raymond 黃錦聰先生	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
Mr. Mar Selwyn 馬紹援先生	1
Mr. Zhai Haitao 翟海濤先生	1
Mr. Suo Xuquan 索緒權先生	1

Notes 附註：

1. Mr. Luan Zusheng was appointed as an Executive Director and the CEO, with effect from 1 June 2021.
樂祖盛先生獲委任為執行董事兼總裁，自二零二一年六月一日起生效。
2. Mr. An Xuesong, a Vice President of the Company, was appointed as an Executive Director and the CFO, with effect from 5 October 2021.
本公司副總裁安雪松先生獲委任為執行董事兼財務總監，自二零二一年十月五日起生效。

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, the *Shareholders Communication Policy* of the Company has been established. Shareholders may at any time send their enquiries and concerns to the Company through the "Investor Relations" section of 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「投資者關係」部份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

Mr. WANG TIANYI

EXECUTIVE DIRECTOR AND CHAIRMAN OF THE BOARD

Aged 59, is the Executive Director and the Chairman of the Board of the Company. He was the Chief Executive Officer of the Company. He is also the Chairman of the Nomination 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 the board of directors 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")). He was the non-executive director and the chairman of the board of directors 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). 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 Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology, and a member of the UNECE PPP Business Advisory Board. 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. Mr. Wang was no longer the Chief Executive Officer of the Company with effect from June 2021 and remains as the Executive Director and the Chairman of the Board.

王天義先生

執行董事兼董事會主席

現年59歲，為本公司執行董事兼董事會主席。彼曾任本公司總裁。彼現亦為董事會轄下提名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會主席。彼曾任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聯交所上市)的非執行董事兼董事長。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。

彼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，中國科協生態環境產學聯合體副主席，以及聯合國歐洲經濟委員會PPP專家委員會委員。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於二零二零年九月獲委任為本公司董事會主席。王先生自二零二一年六月起不再擔任本公司總裁，但繼續擔任執行董事兼董事會主席。

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

Mr. LUAN ZUSHENG

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

Aged 56, is the Executive Director and the Chief Executive Officer 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 the Risk Management Committee and the Chairman of the Disclosure Committee of the Board, and a director of several subsidiaries of the Group. Mr. Luan is currently the director of each of Sun Life Everbright Life Insurance Co., Ltd. and Everbright Financial Holding Asset Management Co., Ltd. He holds a master's degree in accounting from the Department of Accounting of Nankai University and a doctorate degree in political economics from the Department of Economics of Nankai University. Mr. Luan is also a certified intermediate accountant in the People's Republic of China. Prior to joining the Group, Mr. Luan was the director of the office and the officer for deepening reform of the leading group office for the comprehensive deepening reform, and the secretary general of the office of China Everbright Group Ltd., the controlling shareholder of the Company, the president of Shijiazhuang and Wuxi Branches, the vice president and risk director of Shenzhen Branch, the assistant to the president and risk director of Fuzhou Branch, of China Everbright Bank Company Limited ("Everbright Bank", the shares of which are listed on The Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange), the general manager of small and medium enterprises business department and the general manager of the microfinance business department of Everbright Bank. Mr. Luan joined the Board in June 2021.

樂祖盛先生

執行董事兼總裁

現年56歲，為本公司執行董事兼總裁及光大環保(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成員及披露委員會主席，以及本集團若干附屬公司的董事。樂先生現任光大永明人壽保險有限公司、光大金控資產管理有限公司董事職務。彼持有南開大學會計學系會計學專業碩士學位及南開大學經濟學系政治經濟學博士學位，亦為中華人民共和國註冊中級審計師。樂先生在加入本集團前，曾任本公司控股股東中國光大集團股份公司全面深化改革領導小組辦公室主任、深改專員兼辦公廳主任、中國光大銀行股份有限公司(「光大銀行」，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)石家莊及無錫分行行長、深圳分行副行長及風險總監、福州分行行長助理及風險總監、光大銀行中小企業業務部總經理及小微金融業務部總經理等職務。樂先生於二零二一年六月加入董事會。

* For identification purpose only

* 僅供識別用途

Mr. HU YANGUO

EXECUTIVE DIRECTOR AND VICE PRESIDENT

Aged 55, is the Executive Director and the Vice President of the Company. He is also the Member of the Disclosure Committee of the Board, and a director of several subsidiaries of the Group. Mr. Hu is the executive director and the chairman of the board of directors 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. 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). 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.

胡延國先生

執行董事兼副總裁

現年55歲，為本公司執行董事兼副總裁。彼亦為董事會轄下披露委員會之成員，以及本集團若干附屬公司的董事。胡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)的執行董事兼董事長。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。

Mr. QIAN XIAODONG

EXECUTIVE DIRECTOR AND VICE PRESIDENT

Aged 49, is the Executive Director and the Vice President 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. 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.

錢曉東先生

執行董事兼副總裁

現年49歲，為本公司執行董事兼副總裁。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。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。

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

Mr. AN XUESONG

EXECUTIVE DIRECTOR, VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Aged 51, is the Executive Director, the Vice President 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. An has comprehensive experience in mergers and acquisitions, project investment and management, financial management and risk management. He 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 was 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")). 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 joined the Board in October 2021.

安雪松先生

執行董事、副總裁兼財務總監

現年51歲，為本公司執行董事、副總裁兼財務總監。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。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。彼持有暨南大學工商管理碩士學位，亦為中華人民共和國註冊會計師及國際註冊內部審計師。安先生曾任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。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。安先生於二零二一年十月加入董事會。

Mr. FAN YAN HOK, PHILIP

INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 72, 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 and China Aircraft Leasing Group Holdings Limited. Mr. Fan is also an external director of Sumida Corporation (the shares of which are listed on Tokyo Stock Exchange). 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. He was also formerly an independent non-executive director of PFC Device Inc. (the shares of which are listed on The Stock Exchange of Hong Kong Limited) until March 2022. 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.

范仁鶴先生

獨立非執行董事

現年72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、第一太平有限公司及中國飛機租賃集團控股有限公司)的獨立非執行董事。范先生亦為勝美達株式會社(其股份於東京證券交易所上市)的外部董事。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。范先生亦曾擔任節能元件有限公司(其股份於香港聯合交易所有限公司上市)的獨立非執行董事，直至二零二二年三月止。范先生持有史丹福大學工程學士學位、史丹福大學統籌學碩士學位及麻省理工學院管理科學碩士學位。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。

Mr. MAR SELWYN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 86, 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 was a director of Nexia Charles Mar Fan Limited, and is now a consultant. He is also an independent non-executive director and chairman of the audit committee of Minmetals Land Limited and Man Yue Technology Holdings Limited, and a senior adviser to the board of directors of PanAsialum Holdings Company Limited (“PanAsialum”) (all of the aforesaid companies are listed on The Stock Exchange of Hong Kong Limited). He was an independent non-executive director and the chairman of the audit committee of PanAsialum. 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.

馬紹援先生

獨立非執行董事

現年86歲，馬先生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。馬先生曾擔任馬炎璋會計師行有限公司的董事，現擔任顧問。彼亦為五礦建設有限公司及萬裕科技集團有限公司的獨立非執行董事及審核委員會主席，以及榮陽實業集團有限公司（「榮陽實業」）董事會之高級顧問（上述所有公司均為於香港聯合交易所有限公司上市的公司）。馬先生曾擔任榮陽實業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。

Mr. ZHAI HAITAO

INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 53, 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 (the “Stock Exchange”)) and an independent non-executive director of China Life Insurance Company Limited (the shares of which are listed on New York Stock Exchange, the Stock Exchange and Shanghai Stock Exchange). Mr. Zhai is the President and Partner of Primavera Capital Group. He was formerly a 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.

翟海濤先生

獨立非執行董事

現年53歲，翟先生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（「聯交所」）上市）的獨立非執行董事以及中國人壽保險股份有限公司（其股份於紐約證券交易所、聯交所及上海證券交易所上市）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。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。

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

Mr. SUO XUQUAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 64, 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), 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) and Picc Asset Management Company Limited* (中國人保資產管理有限公司). 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.

索緒權先生

獨立非執行董事

現年64歲，索先生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、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)及中國人保資產管理有限公司之獨立董事。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*

Ms. LI CHUNJU
VICE PRESIDENT

aged 55, is the Vice President of the Company. Ms. Li is also the chairman of Everbright Greenergy and Lighting (Shenzhen) Limited* (the Company's subsidiary). 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.

李春菊女士
副總裁

現年55歲，為本公司副總裁。李女士亦為光大節能照明(深圳)有限公司(本公司附屬公司)的董事長。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。

- * *For identification purpose only*
- * 僅供識別用途

Mr. YANG SHIQIAO
VICE PRESIDENT

aged 53, is the Vice President of the Company. Mr. Yang is also the chairman and chief executive officer of Everbright Environmental Technical Equipment (Changzhou) 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* and Everbright Ecological Resources (Shenzhen) 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.

楊仕橋先生
副總裁

現年53歲，為本公司副總裁。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)的董事長及總裁，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)有限公司及光大生態資源(深圳)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，以及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

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

Ms. POON YUEN LING *COMPANY SECRETARY*

aged 54, is the Company Secretary of the Company. She is a fellow member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered of 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.

潘婉玲女士 公司秘書

現年54歲，為本公司之公司秘書。彼為香港公司治理公會（前稱為香港特許秘書公會）及特許公司治理公會（前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25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 2021.

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 65 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 55 to 62. An analysis of the Group’s performance during the year using key performance indicators by each business sector can be found on pages 29 to 47 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 63 and 64.

中國光大環境(集團)有限公司(「本公司」)董事(「董事」)欣然提呈截至二零二一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65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55頁至第62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29頁至第47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63頁及第64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	20%	—
The largest supplier	最大供應商	—	6%
Five largest suppliers in aggregate	五大供應商合計	—	12%

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 44 to the financial statements. Only those material related party transactions that set out in note 44 to the financial statements also constituted continuing connected transactions under Chapter 14A of 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, and the details of which have been disclosed in the below section “Continuing Connected Transactions”. Other related party transactions do not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

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44。僅於財務報表附註44所披露的重大關聯方交易同時構成《香港聯合交易所有限公司（「聯交所」）證券上市規則》（《上市規則》）第十四A章的持續關連交易，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，並已載列於下文「持續關連交易」部份中。其他關聯方交易並不構成《上市規則》第十四A章的關連交易或持續關連交易。

CONNECTED TRANSACTIONS

During the year, the Group had the following transactions which constituted 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)

Continuing Connected Transactions

1. *Employee healthcare protection services agreement (the “Employee Healthcare Protection Services Agreement”) entered into between Everbright Environmental Protection (China) Limited* (“EEP China”, a wholly-owned subsidiary of the Company), and Sun Life Everbright Life Insurance Co., Ltd. (“Sun Life Everbright”)*

On 22 December 2021, EEP China and Sun Life Everbright entered into the Employee Healthcare Protection Services Agreement, pursuant to the which, Sun Life Everbright will provide employee healthcare protection services for the years of 2021 and 2022 to EEP China, which shall include (1) management and operation of the Healthcare Protection Entrusted Management Scheme (健康保障委託管理計劃) (the “EHP Scheme”) established by EEP China for the employees (and their respective family members) designated by EEP China (the “Designated Employees”); and (2) provision of insurance services and products for the Long-term Supplemental Medical Insurance Protection Scheme (長期補充醫療保險保障計劃) established by EEP China for the Designated Employees (the “EMI Scheme”). The Directors have determined the annual caps for the Employee Healthcare Protection Services Agreement with reference to a number of factors, including (i) the recurring one-year medical insurance fee paid by EEP China; (ii) the current number and the expected increase of Designated Employees; and (iii) various insurance products and services to be provided by Sun Life Everbright and their respective coverage. Details are set out in the Company’s announcement dated 22 December 2021.

China Everbright Group Ltd. (“China Everbright Group”), through its wholly-owned subsidiary, holds approximately 43.01% equity interests in the Company and is a controlling shareholder of the Company. Meanwhile, China Everbright Group holds 50% equity interests in Sun Life Everbright. Therefore, Sun Life Everbright is an associate of China Everbright Group, and is a connected person of the Company under Chapter 14A of the Listing Rules.

* For identification purpose only

* 僅供識別用途

關連交易(續)

持續關連交易

- 一、本公司之全資附屬公司光大環保(中國)有限公司(「光大環保中國」)與光大永明人壽保險有限公司(「光大永明」)訂立之《僱員健康保障服務協議》(「《僱員健康保障服務協議》」)

於二零二一年十二月二十二日，光大環保中國與光大永明訂立《僱員健康保障服務協議》，據此，光大永明將向光大環保中國提供二零二一年度和二零二二年度的僱員健康保障服務，當中包括(1)管理及運營由光大環保中國為其指定僱員及彼等各自的親屬(「指定僱員」)設立的健康保障委託管理計劃(「EHP計劃」)；及(2)為由光大環保中國為指定僱員設立的長期補充醫療保險保障計劃(「EMI計劃」)提供保險服務及產品。董事經參考多項因素而釐定《僱員健康保障服務協議》之年度限額，包括(i)光大環保中國慣常支付的一年期醫療保險費用；(ii)指定僱員現時的數目及預期增幅；及(iii)光大永明擬提供的多項保險產品及服務以及其各自的涵蓋範圍。有關詳情載於本公司日期為二零二一年十二月二十二日之公告。

中國光大集團股份公司(「中國光大集團」)通過其全資附屬公司持有本公司約43.01%股權並且為本公司的控股股東。同時，中國光大集團持有光大永明50%股權。根據《上市規則》第14A章，光大永明為中國光大集團之聯繫人，亦為本公司之關連人士。

CONNECTED TRANSACTIONS (continued)

Continuing Connected Transactions (continued)

1. Employee Healthcare Protection Services Agreement entered into between EEP China, a wholly-owned subsidiary of the Company, and Sun Life Everbright (continued)

During the year ended 31 December 2021, the transaction amount of the continuing connected transactions contemplated by the Group and Sun Life Everbright (which shall include (i) the principal deposited under the EHP Scheme and the relevant management fee; (ii) the insurance fees under the EMI Scheme; and (iii) the recurring one-year medical insurance fee) was RMB82,901,000 (equivalent to HK\$99,722,000). This amount was below the annual cap of RMB95,000,000 (equivalent to HK\$114,000,000) for the year ended 31 December 2021 which was stated in the announcement of the Company dated 22 December 2021.

The annual caps in respect of the Employee Healthcare Protection Services Agreement have taken into account and included the respective annual caps applicable to China Everbright Greentech Limited (“Everbright Greentech”, a subsidiary of the Company listed on the Stock Exchange) and China Everbright Water Limited (“Everbright Water”, a subsidiary of the Company listed on the Stock Exchange and Singapore Exchange Securities Trading Limited).

On 22 December 2021, an indirect wholly-owned subsidiary of Everbright Greentech and Sun Life Everbright entered into the employee healthcare protection services agreement, pursuant to which, Sun Life Everbright will provide employee healthcare protection services for the years of 2021 and 2022. Details are set out in Everbright Greentech’s announcement dated 22 December 2021.

On 22 December 2021, an indirect wholly-owned subsidiary of Everbright Water and Sun Life Everbright entered into the employee healthcare protection services agreement, pursuant to which, Sun Life Everbright will provide employee healthcare protection services for the years of 2021 and 2022. Details are set out in Everbright Water’s announcement dated 22 December 2021.

關連交易(續)

持續關連交易(續)

一、本公司之全資附屬公司光大環保中國與光大永明訂立之《僱員健康保障服務協議》(續)

於截至二零二一年十二月三十一日止年度，本集團與光大永明進行持續關連交易的金額(當中包括(i)EHP計劃項下存入的本金及相關管理費；(ii)EMI計劃項下的保費；及(iii)慣常支付的一年期醫療保險費用)為人民幣82,901,000元(相當於港幣99,722,000元)。此金額低於截至二零二一年十二月三十一日止年度之年度限額人民幣95,000,000元(相當於港幣114,000,000元)，即本公司日期為二零二一年十二月二十二日之公告所載之年度限額。

有關《僱員健康保障服務協議》的年度限額已考慮並且包括適用於本公司在聯交所上市的附屬公司中國光大綠色環保有限公司(「光大綠色環保」)，以及在聯交所及新加坡證券交易所有限公司上市的附屬公司中國光大水務有限公司(「光大水務」)各自的年度限額。

於二零二一年十二月二十二日，光大綠色環保之間接全資附屬公司與光大永明訂立僱員健康保障服務協議，據此，光大永明將提供二零二一年度和二零二二年度的僱員健康保障服務。有關詳情載於光大綠色環保日期為二零二一年十二月二十二日之公告。

於二零二一年十二月二十二日，光大水務之間接全資附屬公司與光大永明訂立僱員健康保障服務協議。據此，光大永明將提供二零二一年度和二零二二年度的僱員健康保障服務。有關詳情載於光大水務日期為二零二一年十二月二十二日之公告。

CONNECTED TRANSACTIONS (continued)

Continuing Connected Transactions (continued)

2. The deposit services master agreement (the “Deposit Services Master Agreement”) and the loan services master agreement (the “Loan Services Master Agreement”) entered into between the Company and China Everbright Group

On 6 December 2019, the Company entered into the Deposit Services Master Agreement and 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 the three years ended 31 December 2020, 2021 and 2022.

- (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 2021, the maximum daily closing balance of the Group’s deposits (including interests accrued thereon) placed in CE Bank amounted to HK\$1,613,689,000. This amount was below the annual cap of HK\$1,800,000,000 for the year ended 31 December 2021 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)

二、本公司與中國光大集團訂立之《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》」)

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》及《貸款服務總協議》，據此，中國光大集團同意透過其聯繫人中國光大銀行股份有限公司(「光大銀行」)於截至二零二零年、二零二一年及二零二二年十二月三十一日止三個年度向本集團提供存款、貸款及相關服務。

- (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。

於截至二零二一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1,613,689,000元。此金額低於截至二零二一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)

2. The Deposit Services Master Agreement and the Loan Services Master Agreement entered into between the Company and China Everbright Group (continued)

- (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 2021, 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\$545,350,000. This amount was below the annual cap of HK\$1,800,000,000 for the year ended 31 December 2021 which was stated in the announcement of the Company dated 6 December 2019.

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 Everbright Greentech and Everbright Water.

關連交易(續)

持續關連交易(續)

二、本公司與中國光大集團訂立之《存款服務總協議》及《貸款服務總協議》(續)

- (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。

於截至二零二一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545,350,000元。此金額低於截至二零二一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。

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光大綠色環保及光大水務各自的年度上限在內。

CONNECTED TRANSACTIONS (continued)

Continuing Connected Transactions (continued)

2. The Deposit Services Master Agreement and the Loan Services Master Agreement entered into between the Company and China Everbright Group (continued)

On 15 April 2019, Everbright Water 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 Everbright Water for the three years ended 31 December 2019, 2020 and 2021. Details are set out in the Company's announcement dated 15 April 2019. On 22 December 2021, Everbright Water 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 Everbright Water for the year ending 31 December 2022. Details are set out in Everbright Water's announcement dated 22 December 2021.

On 6 December 2019, Everbright Greentech entered into the deposit services master agreement and the 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 Everbright Greentech for the three years ended 31 December 2020, 2021 and 2022. Details are set out in Everbright Greentech'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.

關連交易(續)

持續關連交易(續)

二、本公司與中國光大集團訂立之《存款服務總協議》及《貸款服務總協議》(續)

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於截至二零一九年、二零二零年及二零二一年十二月三十一日止三個年度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。於二零二一年十二月二十二日，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於截至二零二二年十二月三十一日止年度向光大水務提供存款、貸款及相關服務。有關詳情載於光大水務日期為二零二一年十二月二十二日之公告。

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存款服務總協議及貸款服務總協議，據此，中國光大集團將促使光大銀行於截至二零二零年、二零二一年及二零二二年十二月三十一日止三個年度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。

CONNECTED TRANSACTIONS (continued)

Continuing Connected Transactions (continued)

Confirmation of Independent Non-Executive Directors

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

Report of the Auditor

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 (Revised)* “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 unmodified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed above to the Board in accordance with Rule 14A.56 of the Listing Rules and confirming that nothing has come to its attention that causes it to believe that the disclosed continuing connected transactions: (i) have not been approved by the Board; (ii) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and (iii) have exceeded the annual caps as set by the Company. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

關連交易(續)

持續關連交易(續)

獨立非執行董事之確認

獨立非執行董事已審閱上述持續關連交易，並確認有關交易為：

- 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
- 根據監管持續關連交易之有關協議訂立，而交易條款屬公平合理，且符合本公司及其股東之整體利益。

審計師之匯報

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(經修訂)「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，就上文所披露之持續關連交易向董事會發出無保留意見函件，當中載列其發現及結論並確認沒有任何事宜導致其相信該等持續關連交易：(i)未得董事會批准；(ii)在所有重大方面均沒有根據相關交易協議進行；及(iii)已超逾本公司所設定的年度上限。本公司已向聯交所提供核數師函件副本。

RESULTS

The results of the Group for the year ended 31 December 2021 and the Group's financial position as at that date are set out in the financial statements on pages 151 to 353.

FINAL DIVIDEND

An interim dividend of HK19.0 cents per share (2020: HK14.0 cents per share) was paid on 4 October 2021. The board of Directors (the "Board") has recommended the payment of a final dividend of HK15.0 cents per share (2020: HK16.0 cents per share) for the year ended 31 December 2021.

DISTRIBUTABLE RESERVES

As at 31 December 2021, 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\$6,124,314,000 (2020: HK\$2,458,341,000). After the reporting period, the Directors proposed a final dividend of HK15.0 cents per share (2020: HK16.0 cents per share), amounting to HK\$921,446,000 (2020: HK\$982,876,000).

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$9,734,000 (2020: HK\$14,184,000).

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.

DEBENTURES ISSUED

On 11 June 2021, the Company has completed the issuance of the 2021 Medium-term Notes (series 1) (Bond Connect) in the National Inter-bank Bond Market of the PRC. The aggregate issuance amount was RMB2 billion with an interest rate of 3.60% per annum. The Company has received a consideration of RMB2 billion and the proceeds were used for replenishment of daily working capital for the subsidiaries of the Company and repayment of bank borrowings.

Details are set out in the Company's announcements dated 16 March 2021, 27 April 2021 and 16 June 2021.

業績

本集團截至二零二一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151頁至第353頁之財務報表內。

末期股息

本公司已於二零二一年十月四日派發中期股息每股19.0港仙(二零二零年：每股14.0港仙)。董事會(「董事會」)建議派發截至二零二一年十二月三十一日止年度末期股息每股15.0港仙(二零二零年：每股16.0港仙)。

可供分派儲備

於二零二一年十二月三十一日，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6,124,314,000元(二零二零年：港幣2,458,341,000元)。於報告期間後，董事建議派發末期股息每股15.0港仙(二零二零年：每股16.0港仙)，合共港幣921,446,000元(二零二零年：港幣982,876,000元)。

慈善捐款

本集團於本年度內共捐款港幣9,734,000元(二零二零年：港幣14,184,000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。

已發行的債權證

於二零二一年六月十一日在中國全國銀行間債券市場完成發行二零二一年度第一期中期票據(債券通)。發行本金額為人民幣20億元，年利率為3.60%。本公司收到的代價為人民幣20億元，募集資金已用於補充本公司附屬公司日常運營資金及償還銀行貸款。

有關詳情載於本公司日期為二零二一年三月十六日、二零二一年四月二十七日、二零二一年六月十六日之公告。

Report of the Directors 董事會報告

DIRECTORS

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

Executive Directors:

Wang Tianyi (*Chairman of the Board*)

Luan Zusheng (*Chief Executive Officer*)

(Appointed on 1 June 2021)

Hu Yanguo (*Vice President*)

Qian Xiaodong (*Vice President*)

An Xuesong (*Vice President and Chief Financial Officer*)

(Appointed on 5 October 2021)

Wong Kam Chung, Raymond

(*Vice President and Chief Financial Officer*)

(Resigned on 5 October 2021)

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. Wang Tianyi, Mr. Luan Zusheng, Mr. An Xuesong and Mr. Suo Xuquan will retire from office by rotation at the forthcoming annual general meeting of the Company (the "2022 AGM") and, being eligible, offer themselves for re-election.

Mr. Mar Selwyn will retire from office by rotation and not offer himself for re-election at the 2022 AGM as he would like to devote more time to his other personal engagements. Accordingly, he will cease to act as an INED and all Board committees' chairman/members upon the conclusion of the 2022 AGM.

The INEDs are appointed for a specific term, subject to re-election. The current INEDs (except Mr. Mar Selwyn) hold office for a term from 1 January 2022 until the conclusion of the annual general meeting of the Company to be held in 2024. They are all subject to retirement by rotation in accordance with the Articles of Association as indicated above.

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

王天義 (*董事會主席*)

樂祖盛 (*總裁*)

(於二零二一年六月一日獲委任)

胡延國 (*副總裁*)

錢曉東 (*副總裁*)

安雪松 (*副總裁兼財務總監*)

(於二零二一年十月五日獲委任)

黃錦聰

(*副總裁兼財務總監*)

(於二零二一年十月五日辭任)

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，王天義先生、樂祖盛先生、安雪松先生及索緒權先生須於即將舉行之本公司股東週年大會(「二零二二年股東週年大會」)上依章輪值退任，而彼等符合資格，並已表示願意膺選連任。

由於馬紹援先生希望投入更多時間於其他個人事務，彼將於二零二二年股東週年大會上輪值退任並不會膺選連任，因此於二零二二年股東週年大會結束後不再擔任獨立非執行董事及所有董事會委員會之主席或成員的職務。

獨立非執行董事獲委任指定年期，並可重新選舉。現任獨立非執行董事(除了馬紹援先生)之任期由二零二二年一月一日起直至將於二零二四年舉行之本公司股東週年大會結束時為止。彼等須如上文所述根據《章程細則》輪值退任。

DIRECTORS (continued)

As recommended by the Nomination Committee, the Board has proposed to appoint Ms. Li Shuk Yin, Edwina (“Ms. Li”) as an INED and will propose a relevant resolution to the Shareholders for approval at the 2022 AGM. Upon approval of the Shareholders at the 2022 AGM, Ms. Li will be appointed as the INED and will hold office for a term from the conclusion of 2022 AGM until the conclusion of the annual general meeting of the Company to be held in 2024.

Further details are set out in the Company’s announcement dated 15 March 2022.

A list of names of all the directors of the Company’s subsidiaries during the year and up to the date of this Report are available on the website of the Company www.cebenvironment.com under the “Directors & Senior Management” section.

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 2021 interim report are as follows:

Mr. Wang Tianyi, an Executive Director and the Chairman of the Board of the Company, resigned as the non-executive director, the chairman of the board of directors, the chairman of the strategy committee, a member of the remuneration committee and a member of the nominating committee of Everbright Water, with effect from 5 October 2021;

Mr. Wong Kam Chung, Raymond resigned as an Executive Director, a Vice President and the Chief Financial Officer, a member of each of the Risk Management Committee and the Disclosure Committee and an Alternate Authorised Representative of the Company with effect from 5 October 2021;

Mr. An Xuesong, a Vice President of the Company, was appointed as an Executive Director and the Chief Financial Officer, a member of the Risk Management Committee and an Alternate Authorised Representative of the Company with effect from 5 October 2021. With effect from the same date, he resigned as an executive director, the chief executive officer, a member of the strategy committee and an authorised representative of Everbright Water;

董事(續)

根據提名委員會的建議，董事會建議委任李淑賢女士(「李女士」)為獨立非執行董事，並將提呈相關議案予股東於二零二二年股東週年大會上批准。如獲股東於二零二二年股東週年大會上批准，李女士將獲委任為獨立非執行董事，其任期將於二零二二年股東週年大會結束時起直至將於二零二四年舉行之本公司股東週年大會結束時為止。

進一步詳情載於本公司日期為二零二二年三月十五日之公告。

於年內及截至本報告日期止，出任本公司附屬公司董事會的名單可於本公司網站 www.cebenvironment.com「董事及高級管理人員」一節瀏覽。

董事資料變動

根據《上市規則》第13.51B(1)條，自本公司二零二一年中期報告日期起，董事資料變動如下：

本公司執行董事兼董事會主席王天義先生辭任光大水務非執行董事、董事長、戰略委員會主席、薪酬委員會委員及提名委員會委員，自二零二一年十月五日起生效；

黃錦聰先生辭任本公司執行董事、副總裁兼財務總監、風險管理委員會及披露委員會之各自成員，以及替任授權代表，自二零二一年十月五日起生效；

本公司副總裁安雪松先生獲委任為本公司執行董事兼財務總監、風險管理委員會成員，以及替任授權代表，自二零二一年十月五日起生效。彼亦於同日辭任光大水務執行董事、總裁、戰略委員會委員及授權代表；

Report of the Directors 董事會報告

CHANGES IN INFORMATION OF DIRECTORS (continued)

Mr. Hu Yanguo, an Executive Director and the Vice President of the Company, resigned as a member of the Risk Management Committee of the Company with effect from 5 October 2021. With effect from the same date, he was appointed as an executive director, the chairman of the board of directors, the chairman of the strategy committee, a member of the nominating committee and an authorised representative of Everbright Water;

Mr. Zhai Haitao, an INED of the Company, was appointed as an independent non-executive director of China Life Insurance Company Limited (a company listed on the Stock Exchange, New York Stock Exchange and Shanghai Stock Exchange), with effect from 14 October 2021;

Mr. Luan Zusheng, an Executive Director and the Chief Executive Officer of the Company, was appointed as the director and the general manager of EEP China (a wholly-owned subsidiary of the Company) in replacement of Mr. Hu Yanguo, an Executive Director and the Vice President of the Company, with effect from 1 December 2021;

Mr. Suo Xuquan, an INED of the Company, was appointed as an independent director of Picc Asset Management Company Limited* (中國人保資產管理有限公司) with effect from 24 February 2022; and

Mr. Fan Yan Hok, Philip, an INED of the Company, ceased to be an independent non-executive director of PFC Device Inc. (the shares of which are listed on the Stock Exchange) with effect from 24 March 2022. With effect from 25 March 2022, he was appointed as an external director of Sumida Corporation (the shares of which are listed on Tokyo Stock Exchange).

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the 2022 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.

* For identification purpose only

董事資料變動(續)

本公司執行董事兼副總裁胡延國先生辭任本公司風險管理委員會之成員，自二零二一年十月五日起生效。彼於同日獲委任為光大水務執行董事、董事長、戰略委員會主席、提名委員會委員及授權代表；

本公司獨立非執行董事翟海濤先生獲委任中國人壽保險股份有限公司(一家於聯交所、紐約證券交易所及上海證券交易所上市的公司)的獨立非執行董事，自二零二一年十月十四日起生效；

本公司執行董事兼總裁樂祖盛先生獲委任為本公司之全資附屬公司光大環保中國的董事及總經理以替代本公司執行董事兼副總裁胡延國先生，自二零二一年十二月一日起生效；

本公司獨立非執行董事索緒權先生獲委任為中國人保資產管理有限公司之獨立董事，自二零二二年二月二十四日起生效；及

本公司獨立非執行董事范仁鶴先生自二零二二年三月二十四日起不再擔任節能元件有限公司(其股份於聯交所上市)的獨立非執行董事。彼自二零二二年三月二十五日起獲委任為勝美達株式會社(其股份於東京證券交易所上市)的外部董事。

董事之服務合約

在二零二二年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。

* 僅供識別用途

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

As at 31 December 2021, the interests and short positions of the Directors and the 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:

Long position in shares of the Company

Name of Director 董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares 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)
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 2021.

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

於二零二一年十二月三十一日，董事及本公司之最高行政人員及彼等之各自聯繫人士於本公司及／或其任何相聯法團（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：

於本公司股份之好倉

附註：根據於二零二一年十二月三十一日的本公司已發行股份6,142,975,292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)

Long position in shares of Everbright Greentech, a listed subsidiary of the Company

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)

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)
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 Everbright Greentech in issue as at 31 December 2021.

附註：根據於二零二一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。

Save as disclosed above, as at 31 December 2021, 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.

除上文所述者外，於二零二一年十二月三十一日，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。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

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

As at 31 December 2021, 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:

董事認購股份或債券之權利

於回顧年內，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

於二零二一年十二月三十一日，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 2021.
- (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 ("Datten") 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 2021, 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 latest practicable date before the publication of this Annual Report, the Company has maintained the prescribed public float under the Listing Rules.

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) 根據於二零二一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，於二零二一年十二月三十一日，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)發出的通知，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，於本年報刊發前的最後實際可行日期，本公司維持《上市規則》所規定之公眾持股量。

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.

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

On 22 December 2021, EEP China, a wholly-owned subsidiary of the Company, and Sun Life Everbright entered into the Employee Healthcare Protection Services Agreement. Mr. Luan Zusheng, an Executive Director and the Chief Executive Officer, had abstained from voting to approve the relevant resolutions in respect of the Employee Healthcare Protection Services Agreement entered into between EEP China and Sun Life Everbright and the annual caps in the Board meeting due to the fact that he is a director of Sun Life Everbright. Details are set out in the Company's announcement dated 22 December 2021.

Save as disclosed above, 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.

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。

股票掛鈎協議

年內，並無訂立任何股票掛鈎協議，亦無任何股票掛鈎協議於年結日仍然存在。

董事於交易、安排或合約之權益

二零二一年十二月二十二日，本公司之全資附屬公司光大環保中國與光大永明訂立《僱員健康保障服務協議》。執行董事兼總裁樂祖盛先生已於董事會會議上放棄投票批准有關光大環保中國與光大永明訂立《僱員健康保障服務協議》以及年度上限之決議案，原因是彼為光大永明的董事。有關詳情載於本公司日期為二零二一年十二月二十二日之公告。

除上述披露外，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。

Report of the Directors 董事會報告

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at 31 December 2021 are set out in note 29 to the financial statements.

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

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

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 354 and 355 of this Annual Report.

PROPERTIES

Particulars of the major properties of the Group are shown on page 356 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 (i.e. the contribution handled by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) 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.

銀行貸款及其他借貸

本集團於二零二一年十二月三十一日之銀行貸款及其他借貸詳情載於財務報表附註29。

買賣或贖回本公司之上市證券

年內，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。

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354及第355頁。

物業

本集團之主要物業詳情載於本年報第356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(即僱員在有關供款歸其所有前退出該計劃，由僱主代僱員處理的供款)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。

RETIREMENT SCHEMES (continued)

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 2021 amounted to HK\$431,530,000.

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 reappointment. A resolution for the re-appointment of Ernst & Young as the auditor of the Company is to be proposed at the 2022 AGM. The Company has not changed its auditor in any of the preceding three years.

BY ORDER OF THE BOARD

Wang Tianyi

Chairman of the Board

Hong Kong, 15 March 2022

退休計劃(續)

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。

本集團於截至二零二一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431,530,000元。

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。本公司將於二零二二年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。在過去三年內任何一年，本公司沒有更換核數師。

承董事會命

王天義

董事會主席

香港，二零二二年三月十五日

Independent Auditor's Report

獨立核數師報告

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

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Everbright Environment Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 151 to 353, which comprise the consolidated statement of financial position as at 31 December 2021, 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 2021, 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151頁至第353頁中國光大環境(集團)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二零二一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 貴集團於二零二一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>

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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
<i>Revenue and profit recognition for construction services</i> 建造服務的收益及盈利確認	
<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>

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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="199 577 608 642"><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\$13,110,600,000, after an impairment provision of HK\$661,888,000, as at 31 December 2021. 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">於二零二一年十二月三十一日，貴集團的應收賬款為港幣13,110,600,000元(已扣除耗損撥備港幣661,888,000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 791 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 1215">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>

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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\$2,353,687,000 as at 31 December 2021 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 2021 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。於二零二一年十二月三十一日，貴集團的商譽為港幣2,353,687,000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。貴集團的商譽於二零二一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
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

15 March 2022

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
鰂魚涌
英皇道979號
太古坊一座27樓

二零二二年三月十五日

Consolidated Income Statement

綜合損益表

Year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
REVENUE	收益	5	49,895,384	42,926,426
Direct costs and operating expenses	直接成本及經營費用		(33,432,002)	(28,822,593)
Gross profit	毛利		16,463,382	14,103,833
Other revenue	其他收益	6	917,338	717,493
Other income and gains/(losses), net	其他收入及收益／(虧損) 淨額	6	(623,055)	(621,614)
Administrative expenses	行政費用		(3,530,840)	(2,753,121)
PROFIT FROM OPERATING ACTIVITIES	經營活動所得盈利		13,226,825	11,446,591
Finance costs	財務費用	7	(3,079,448)	(2,279,149)
Share of profits of joint ventures	所佔合營企業盈利		81,837	207,929
Share of profits of associates	所佔聯營公司盈利		91,377	11,353
PROFIT BEFORE TAX	除稅前盈利	8	10,320,591	9,386,724
Income tax	所得稅	11	(2,200,248)	(2,159,764)
PROFIT FOR THE YEAR	本年度盈利		8,120,343	7,226,960
ATTRIBUTABLE TO:	應佔部份：			
Equity holders of the Company	本公司權益持有人		6,804,099	6,015,863
Non-controlling interests	非控股權益		1,316,244	1,211,097
			8,120,343	7,226,960
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		HK110.76 cents 港仙	HK97.93 cents 港仙

Consolidated Statement of Comprehensive Income

綜合全面損益表

Year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
PROFIT FOR THE YEAR	本年度盈利	8,120,343	7,226,960
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	2,637,744	5,085,088
Reclassification adjustments for foreign operations disposed of/deemed disposed of during the year	年內就已出售／被視作出售海外業務作出的重新分類調整	(25,328)	12,063
Debt instrument at fair value through other comprehensive income:	按公允值計入其他全面收入之債項工具：		
Changes in fair value	公允值變動	(131,727)	-
Net other comprehensive income 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淨額	2,480,689	5,097,151
Other comprehensive income/(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收入／(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	5,151	(11,356)
Net other comprehensive income/(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收入／(虧損)淨額	5,151	(11,356)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	本年度其他全面收入(已扣除稅項)	2,485,840	5,085,795
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收入總額	10,606,183	12,312,755
ATTRIBUTABLE TO:	應佔部份：		
Equity holders of the Company	本公司權益持有人	8,865,879	10,257,466
Non-controlling interests	非控股權益	1,740,304	2,055,289
		10,606,183	12,312,755

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2021 二零二一年十二月三十一日

		Notes	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
		附註		
NON-CURRENT ASSETS	非流動資產			
Investment properties	投資物業	14	181,512	176,860
Property, plant and equipment	物業、廠房及設備	15	8,921,701	6,114,910
Right-of-use assets	使用權資產	16(a)	1,009,094	822,265
			10,112,307	7,114,035
Goodwill	商譽	17	2,353,687	2,016,817
Intangible assets	無形資產	18	30,474,870	24,926,597
Interests in joint ventures	合營企業權益	19	811,375	1,011,847
Interests in associates	聯營公司權益	20	606,970	495,616
Contract assets	合約資產	23	101,971,151	79,619,686
Finance lease receivables	融資租賃應收款項	24	15,464	16,100
Other financial assets	其他財務資產	21	142,748	716,807
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	25	4,076,627	3,587,975
Deferred tax assets	遞延稅項資產	33	440,770	246,945
Total non-current assets	非流動資產總額		151,005,969	119,752,425
CURRENT ASSETS	流動資產			
Inventories	存貨	22	1,258,539	1,059,140
Contract assets	合約資產	23	11,907,704	12,467,366
Finance lease receivables	融資租賃應收款項	24	771	337
Other financial assets	其他財務資產	21	222,880	–
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	25	20,138,476	13,201,126
Tax recoverable	可收回稅項		96,303	668
Pledged bank deposits	已抵押銀行存款	26	553,704	837,770
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	26	4,339	7,585
Cash and cash equivalents	現金及現金等價物	27	15,046,943	10,860,693
Total current assets	流動資產總額		49,229,659	38,434,685

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2021 二零二一年十二月三十一日

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	25,636,846	18,193,656
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		3,410,134	2,989,868
– Unsecured	– 無抵押		10,530,590	7,509,306
			13,940,724	10,499,174
Tax payable	應付稅項		190,832	212,959
Total current liabilities	流動負債總額		39,768,402	28,905,789
NET CURRENT ASSETS	流動資產淨額		9,461,257	9,528,896
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		160,467,226	129,281,321
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	28	839,348	917,536
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		44,506,065	31,420,236
– Unsecured	– 無抵押		40,678,875	33,059,500
			85,184,940	64,479,736
Deferred tax liabilities	遞延稅項負債	33	10,100,716	8,339,445
Total non-current liabilities	非流動負債總額		96,125,004	73,736,717
NET ASSETS	資產淨額		64,342,222	55,544,604

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2021 二零二一年十二月三十一日

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	34,447,950	27,732,520
			51,777,487	45,062,057
Non-controlling interests	非控股權益		12,564,735	10,482,547
TOTAL EQUITY	權益總額		64,342,222	55,544,604

Wang Tianyi
王天義
Director
董事

An Xuesong
安雪松
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2021 截至二零二一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	
	Notes 附註	Share capital 股本 HK\$'000 港幣千元	Goodwill arising on consolidation 綜合賬項產生 之商譽 HK\$'000 港幣千元
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	已批准去年度之股息	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	39	-
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)
At 1 January 2021	於二零二一年一月一日	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)	-	-
Changes in fair value of debt instrument at fair value through other comprehensive income, net of tax	按公允值計入其他全面收入之債項工具之公允值變動(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 deemed disposed of during the year	年內就被視作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	已批准去年度之股息	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 subsidiaries	收購附屬公司	37	-
Acquisition of non-controlling interests in subsidiaries	收購附屬公司非控股權益	39	-
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 2021 dividend	二零二一年中期股息	12	-
At 31 December 2021	於二零二一年十二月三十一日	17,329,537	(986)*

* These reserve accounts comprise the consolidated reserves of HK\$34,447,950,000 (2020: HK\$27,732,520,000) 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34,447,950,000元(二零二零年:港幣27,732,520,000元)。

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 December 2021 截至二零二一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 and debt instrument measured at fair value through other comprehensive income reserve 按公允值計入其他全面收入計量之其他財務資產及債項工具儲備	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	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	(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
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
-	-	-	-	-	6,804,099	6,804,099	1,316,244	8,120,343
-	-	5,151	-	-	-	5,151	-	5,151
-	-	(91,814)	-	-	-	(91,814)	(39,913)	(131,727)
-	2,173,771	-	-	-	-	2,173,771	463,973	2,637,744
-	(25,328)	-	-	-	-	(25,328)	-	(25,328)
-	2,148,443	(86,663)	-	-	6,804,099	8,865,879	1,740,304	10,606,183
-	-	-	-	-	(982,876)	(982,876)	-	(982,876)
-	-	-	-	637,341	(637,341)	-	-	-
-	-	-	-	-	-	-	267,196	267,196
-	-	-	-	-	-	-	406,844	406,844
-	181	-	(589)	-	-	(408)	(2,113)	(2,521)
-	-	-	-	-	-	-	(330,043)	(330,043)
-	-	-	-	-	(1,167,165)	(1,167,165)	-	(1,167,165)
90,512*	3,246,418*	(99,113)*	3,295,127*	2,861,250*	25,054,742*	51,777,487	12,564,735	64,342,222

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	10,320,591	9,386,724
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8 507,247	384,899
Depreciation of right-of-use assets	使用權資產折舊	8 70,103	60,137
Amortisation of intangible assets	無形資產攤銷	8 1,049,614	740,592
Finance costs	財務費用	7 3,079,448	2,279,149
Dividend income	股息收入	6 (165)	(7,966)
Interest income	利息收入	6 (128,853)	(97,061)
Share of profits of joint ventures	所佔合營企業盈利	(81,837)	(207,929)
Share of profits of associates	所佔聯營公司盈利	(91,377)	(11,353)
Fair value losses/(gains), net:	公允價值虧損/(收益)淨額：		
Other financial assets – unlisted equity investment	其他財務資產 – 非上市股本投資	6 (968)	(883)
Other financial assets – unlisted investments	其他財務資產 – 非上市投資	6 58,583	48,629
Contingent consideration receivable	應收或然代價	6 -	7,814
Impairment of debtors, net	應收賬款耗損淨額	6 373,870	120,876
Impairment of other receivables	其他應收款項耗損	6 16,451	3,342
Impairment of contract assets, net	合約資產耗損淨額	6 135,133	66,867
Impairment of intangible assets	無形資產耗損	6 -	216,723
Loss on disposal of contract assets	出售合約資產之虧損	6 33,045	-
Loss on disposal of intangible assets	出售無形資產之虧損	6 3,217	-
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	6 4,320	28
Loss on disposal of a subsidiary	出售附屬公司之虧損	6 -	14,117
Loss on disposal/deemed disposal of joint ventures	出售/被視作出售合營企業之虧損	6 47,366	144,087
Gain from disposal of an associate	出售聯營公司之收益	6 (2)	-
Effect of foreign exchange rates changes, net	匯率變動之影響淨額	(108,577)	1,220,953
		15,287,209	14,369,745
Increase in inventories	存貨增加	(155,520)	(179,602)
Increase in contract assets	合約資產增加	(16,198,782)	(20,222,236)
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	(5,769,855)	(4,671,992)
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	6,236,173	3,385,735
Cash used in operations	經營所動用之現金	(600,775)	(7,318,350)
Interest received	已收利息	128,853	97,061
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	(1,090,721)	(964,678)
Net cash flows used in operating activities	經營活動所動用之現金流量淨額	(1,562,643)	(8,185,967)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量			
Dividend received	已收股息		165	7,966
Purchase of items of property, plant and equipment	購買物業、廠房及設備		(2,148,755)	(1,486,804)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項		27,511	6,768
Principal portion of lease payments	租賃款項之本金部份		(62,210)	(231,360)
Additions of intangible assets	增置無形資產		(6,439,608)	(5,634,799)
Acquisition of subsidiaries	收購附屬公司	37	(1,855,996)	(83,132)
Capital contributions to joint ventures	注資合營企業		(73,404)	(361,378)
Capital contributions to associates	注資聯營公司		-	(83,578)
Disposal of a subsidiary	出售附屬公司	38	-	64,966
Proceeds from disposal of right-of-use assets	出售使用權資產之所得款項		15,474	-
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
Proceeds from disposal of an associate	出售聯營公司之所得款項		1,222	-
Decrease/(increase) in amounts due from an associate	應收聯營公司款項減少/(增加)		8,201	(733)
Increase in non-current portion of prepayments	預付款項非即期部份增加		(211,461)	(933,741)
Repayment from finance lease receivables	融資租賃應收款項還款		727	665
Purchase of other financial assets	購買其他財務資產		(74,660)	(236,900)
Proceeds from disposal and redemption of other financial assets	出售及贖回其他財務資產所得款項		147,471	-
Decrease in other financial assets	其他財務資產減少		236,900	-
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		3,488	16,105
Net cash flows used in investing activities	投資活動所動用之現金流量淨額		(10,424,935)	(8,246,116)

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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 asset-backed securities ("ABS"), medium-term notes ("MTN"), and super and short-term commercial papers ("SCP"), net of related expenses paid	發行資產支持證券(「資產支持證券」)、中期票據(「中期票據」)及超短期融資券(「超短期融資券」)所得款項(已扣除已付相關開支)	30, 31, 32, 40(b)	5,787,413	2,531,608
Repayment of corporate bond, ABS and SCP	償還公司債券、資產支持證券及超短期融資券		(1,041,289)	(378,889)
New bank and other loans	新增銀行及其他貸款		33,536,609	33,275,767
Repayment of bank and other loans	償還銀行及其他貸款		(17,409,971)	(16,376,833)
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		267,196	456,313
Acquisition of non-controlling interests	收購非控股權益	39	(2,521)	(70,814)
Decrease in amounts due to non-controlling shareholders of subsidiaries	應付附屬公司非控股股東款項減少		-	(16,865)
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/(增加)		310,801	(263,155)
Interest paid	已付利息	40(a)	(3,039,268)	(2,246,018)
Interest portion of lease payments	租賃款項之利息部份		(4,154)	(4,264)
Principal portion of lease payments	租賃款項之本金部份		(53,981)	(55,296)
Dividend paid to equity holders of the Company	已付本公司權益持有人之股息		(2,150,041)	(1,658,604)
Dividend paid to non-controlling shareholders of subsidiaries	已付附屬公司非控股股東之股息		(347,417)	(226,684)
Net cash flows from financing activities	融資活動所得現金流量淨額		15,853,377	14,966,266
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額		3,865,799	(1,465,817)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		10,860,693	11,742,819
Effect of foreign exchange rates changes, net	匯率變動之影響淨額		320,451	583,691
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物	27	15,046,943	10,860,693

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

1 CORPORATE AND GROUP INFORMATION

China Everbright Environment Group 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 and kitchen 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 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(「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二二零三室。

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、餐廚及廚餘垃圾處理項目、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 2021 二零二一年十二月三十一日

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, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss 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 2021. 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、按公允值計入其他全面收入之財務資產及按公允值計入損益之財務資產除外，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二零二一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 2021 二零二一年十二月三十一日

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 following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9, Interest Rate Benchmark
HKAS 39, HKFRS 7, Reform – Phase 2
HKFRS 4 and HKFRS 16

Amendment to HKFRS 16 Covid-19-Related Rent
Concessions

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下列經修訂香港財務報告準則。

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
香港財務報告準則第16號之修訂

利率基準改革—
第二階段

COVID-19相關
租金減免

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and the impact of the revised HKFRSs are described below:

- (a) 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 risk-free rate (“RFR”). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities 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.

2.2 會計政策之變動及披露(續)

經修訂香港財務報告準則的性質及影響描述如下：

- (a) 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（「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。有關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財務資產及負債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，以使財務報表之用家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。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(a) (continued)

The Group had certain interest-bearing bank borrowings denominated in Hong Kong dollars based on the Hong Kong Interbank Offered Rate (“HIBOR”) and United States dollars based on the London Interbank Offered Rate (“LIBOR”) as at 31 December 2021. The Group expects that HIBOR will continue to exist and the interest rate benchmark reform has not had an impact on the Group’s HIBOR-based borrowings. For the LIBOR-based borrowings, since the interest rates of these instruments were not replaced by RFRs during the year, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply the above-mentioned practical expedient upon the modification of these instruments provided that the “economically equivalent” criterion is met.

- (b) 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 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)

(a) (續)

於二零二一年十二月三十一日，本集團根據香港銀行同業拆息（「HIBOR」）以港幣計值及根據倫敦銀行同業拆息（「LIBOR」）以美元計值之若干計息銀行借貸。本集團預期HIBOR將會繼續存在，而利率基準改革並無對本集團根據HIBOR持有的借貸造成影響。就以LIBOR持有的借貸而言，由於該等工具之利率於年內並無由無風險利率所取代，故此有關修訂並無對本集團之財務狀況及表現造成任何影響。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」原則的前提下，本集團將在該等工具修改後採用上述可行權宜處理方法。

- (b) 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以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。該修訂並無對本集團之財務狀況及表現造成任何重大影響。

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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> 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> ⁴
Amendment to HKFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i> ¹
HKFRS 17	<i>Insurance Contracts</i> ³
Amendments to HKFRS 17	<i>Insurance Contracts</i> ^{3, 6}
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> ^{3, 5}
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i> ³
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i> ³
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i> ³
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i> ²
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i> ²
<i>Annual Improvements to HKFRSs 2018-2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ²

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」 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」 ⁴
香港財務報告準則第16號之修訂	「二零二一年六月三十日後之COVID-19相關租金減免」 ¹
香港財務報告準則第17號	「保險合同」 ³
香港財務報告準則第17號之修訂	「保險合同」 ^{3, 6}
香港會計準則第1號之修訂	「將負債分類為流動或非流動」 ^{3, 5}
香港會計準則第1號及香港財務報告準則實務說明第2號之修訂	「會計政策的披露」 ³
香港會計準則第8號之修訂	「會計估計的定義」 ³
香港會計準則第12號之修訂	「與單一交易產生之資產及負債有關之遞延稅項」 ³
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」 ²
香港會計準則第37號之修訂	「虧損性合約－履行合約的成本」 ²
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 ²

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

- 1 Effective for annual periods beginning on or after 1 April 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for annual periods beginning on or after 1 January 2023
- 4 No mandatory effective date yet determined but available for adoption
- 5 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
- 6 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* (the “Conceptual Framework”) 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 於二零二一年四月一日或之後開始之年度期間生效
- 2 於二零二二年一月一日或之後開始之年度期間生效
- 3 於二零二三年一月一日或之後開始之年度期間生效
- 4 尚未確定強制生效日期，惟已可供採納
- 5 由於對香港會計準則第1號作出修訂，香港詮釋第5號財務報表之呈列一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
- 6 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(「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。

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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 resulting from a downstream transaction 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 issued in April 2021 extends the availability of the 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 by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. 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，即須確認全數由下游交易產生之收益或虧損。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。

於二零二一年四月頒佈之香港財務報告準則第16號之修訂將提供予承租人的可行權宜處理方法的適用時間延長12個月，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。因此，可行權宜處理方法應用至租賃付款之任何減幅僅影響原到期日為二零二二年六月三十日或之前之租金寬減，前提是符合應用該可行權宜處理方法的其他條件。有關修訂於二零二一年四月一日或之後開始之年度期間追溯生效，任何初步應用有關修訂的累計影響確認為對當前會計期間開始時保留盈利期初結餘之調整，且允許提早應用。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current* 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.

Amendments to HKAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to HKAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to HKFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

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1號之修訂「將負債分類為流動或非流動」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。

香港會計準則第1號之修訂「會計政策的披露」要求企業披露重要會計政策資料，而非重大會計政策。倘會計政策資料與實體財務報表所載其他資料一併考慮時，可合理預期影響一般用途財務報表的主要使用者基於該等財務報表作出的決定，則該等資料屬重大。香港財務報告準則實務說明第2號為如何就會計政策的披露應用重大性概念提供非強制性指引。香港會計準則第1號之修訂於二零二三年一月一日或之後開始之年度期間生效，且允許提早應用。由於香港財務報告準則實務說明第2號之修訂提供之指引並非強制性，故該等修訂毋須生效日期。本集團正在評估有關修訂對本集團會計政策披露之影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted.

Amendments to HKAS 12 narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset and a deferred tax liability for temporary differences arising from these transactions. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and shall be applied to transactions related to leases and decommissioning obligations at the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to the opening balance of retained profits or other component of equity as appropriate at that date. In addition, the amendments shall be applied prospectively to transactions other than leases and decommissioning obligations. Earlier application is permitted.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第8號之修訂釐清會計估計變動與會計政策變動之間的分別。會計估計被界定為財務報表內存在計量不明朗因素之貨幣金額。有關修訂亦釐清實體如何使用計量技術及輸入數據得出會計估計。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，並應用至該期間開始時或之後發生的會計政策變動及會計估計變動，且允許提早應用。

香港會計準則第12號之修訂縮小首次確認例外情況的範圍，使其不再適用於產生相同的應課稅及可扣減暫時差額的交易，例如租賃及退役責任。因此，實體須就該等交易產生的暫時差額確認遞延稅項資產及遞延稅項負債。有關修訂於二零二三年一月一日或之後開始之年度報告期間生效，並將應用至所呈列之最早可比較期間開始時與租賃及退役責任有關之交易，任何累計影響確認為對該日保留盈利或權益的其他組成部分(如適用)期初結餘之調整。此外，有關修訂將提前應用至租賃及退役責任以外之交易，且允許提早應用。

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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之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、廠房及設備之項目，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。

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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。

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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。

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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。

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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，而其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。

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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 certain debt instrument 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，以及若干債項工具。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

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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. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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。在對現金生產單位進行減值測試時，倘能建立合理一致的分配基準，企業資產(例如總部樓宇)賬面值的一部分獲分配至獨立現金生產單位，否則會分配至最小的現金生產單位組別。

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。

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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。

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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:

永久業權土地樓宇	不予折舊 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)。

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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 sale proceeds and the carrying amount of the relevant asset.

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

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。

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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。

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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	2 to 30 years
Plant and machinery	1.3 to 17 years
Motor vehicles, electronic equipment and others	1.5 to 17 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	2至30年
廠房及機器	1.3至17年
汽車、電子設備及其他	1.5至17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。

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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。

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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。

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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。

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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 (debt investments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statements and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the income statement.

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(債務投資)

就按公允值計入其他全面收入之債務投資而言，利息收入、外匯重估及減值虧損或撥回於損益表中確認，並以與按攤銷成本計量之財務資產相同的方式計算。其餘公允值變動於其他全面收入中確認。終止確認後，於其他全面收入確認之累計公允值變動結轉至損益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

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.

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.

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)

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。

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。

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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 (continued)

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.

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.

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(續)

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。

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。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

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.

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.

2.4 主要會計政策概要(續)

終止確認財務資產(續)

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。

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。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

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(續)

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。

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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。

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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。

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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。

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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，或分開為即期及非即期部份。

- 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，與相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。

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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。

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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前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額作出撥備。

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。

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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異而言，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異得以運用時確認。

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份遞延稅項資產為止。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份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。

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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。

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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息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。

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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。

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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 utilisation, 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。

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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息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。

股息收入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或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

本公司已根據認可定額供款公積金為所有香港本地合資格僱員提供退休福利(「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一百分比計算作出。沒收之供款可用作抵銷本公司現需承擔之供款。

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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。

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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彼等各自之適用功能貨幣匯率入賬。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。

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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 exchange rates that approximate to those prevailing at the dates of the transactions.

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或虧損之處理方式與確認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，而其損益表則按與交易日期之適用匯率相若之匯率換算為港幣。

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。

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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—運營—轉移(「BOT」)、建造—運營—擁有(「BOO」)及轉移—運營—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。

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財務報表附註

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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。

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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 2021 was HK\$13,110,600,000 (2020: HK\$6,192,604,000).

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情況。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。

於二零二一年十二月三十一日，應收賬款賬面值為港幣13,110,600,000元(二零二零年：港幣6,192,604,000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。

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3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment losses for goodwill (continued)

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2021 was HK\$2,353,687,000 (2020: HK\$2,016,817,000). 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。於二零二一年十二月三十一日，商譽之賬面值為港幣2,353,687,000元(二零二零年：港幣2,016,817,000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。

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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 2021 was HK\$181,512,000 (2020: HK\$176,860,000). 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 in accordance with prevailing tax laws and regulations, and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax laws, regulations, relevant interpretations and practices, and other related policies. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of the business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provision in the periods in which such determination is made. The carrying amount of current tax payable at 31 December 2021 was HK\$190,832,000 (2020: HK\$212,959,000).

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 amount of deferred tax assets at 31 December 2021 was HK\$440,770,000 (2020: HK\$246,945,000). 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。於二零二一年十二月三十一日，投資物業之賬面值為港幣181,512,000元(二零二零年：港幣176,860,000元)。進一步詳情載於財務報表附註14。

所得稅

釐定所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會根據現行稅務法律及法規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，並會將稅務法律、法規、相關詮釋及慣例以及其他相關政策之所有變動列為考慮因素。於日常業務過程中有多項交易及計算未能明確釐定最終稅項。倘該等事宜之最終稅項結果與最初入賬之金額有所不同，該等差額將影響於作出有關釐定期間之所得稅及遞延稅項撥備。於二零二一年十二月三十一日，應付即期稅項之賬面值為港幣190,832,000元(二零二零年：港幣212,959,000元)。

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。於二零二一年十二月三十一日，遞延稅項資產之賬面值為港幣440,770,000元(二零二零年：港幣246,945,000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

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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 and kitchen waste treatment projects, sludge treatment and disposal projects, leachate treatment projects, methane-to-energy plants, fecal treatment projects, fly ash landfill projects, medical waste treatment projects and solid waste treatment projects, 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 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、餐廚及廚餘垃圾處理項目、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、再生資源利用、環衛作業服務、銷售節能路燈，以及能源管理合同項目，從中賺取收益。

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財務報表附註

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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" ("Adjusted EBITDA"). To arrive at Adjusted 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 segment results, 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「經調整的EBITDA」。為了得出經調整的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。

除獲提供有關分部業績之分部資料外，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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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 2021 and 2020 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

截至二零二一年及二零二零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	
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Segment revenue (Note 5):	分部收益(附註5):										
Revenue from external customers	來自外界客戶收益	33,006,343	26,127,005	8,445,138	9,831,750	6,912,371	5,663,292	1,531,532	1,304,379	49,895,384	42,926,426
Inter-segment revenue	分部間收益	-	-	1,861	3,626	-	-	2,906,252	2,420,417	2,908,113	2,424,043
Reportable segment revenue	須予報告之分部收益	33,006,343	26,127,005	8,446,999	9,835,376	6,912,371	5,663,292	4,437,784	3,724,796	52,803,497	45,350,469
Reconciliation:	對賬:										
Elimination of inter-segment revenue	抵銷分部間收益									(2,908,113)	(2,424,043)
Reportable segment revenue derived from the Group's external customers	來自本集團外界客戶之須予報告分部收益									49,895,384	42,926,426

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
		二零二一年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零二一年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零二一年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零二一年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元	二零二一年 HK\$'000 港幣千元	二零二零年 HK\$'000 港幣千元
Segment results:	分部業績:										
Reportable segment profit (Adjusted EBITDA)	須予報告分部盈利 (經調整的EBITDA)	10,081,269	7,999,370	2,931,990	3,113,428	2,266,890	1,908,304	1,275,636	757,953	16,555,785	13,779,055
Elimination of inter-segment profits	抵銷分部間盈利									(1,353,568)	(750,665)
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									15,202,217	13,028,390
Finance costs	財務費用									(3,079,448)	(2,279,149)
Depreciation and amortisation, including unallocated portion	折舊及攤銷 (包括未分配部份)									(1,626,964)	(1,185,628)
Unallocated head office and corporate income	未分配總公司及企業收入									13,127	10,247
Unallocated head office and corporate expenses	未分配總公司及企業開支									(188,341)	(187,136)
Consolidated profit before tax	綜合除稅前盈利									10,320,591	9,386,724
Other segment information:	其他分部資料:										
Depreciation and amortisation	折舊及攤銷	644,637	389,679	746,090	590,668	115,520	93,284	73,234	79,823	1,579,481	1,153,454
Impairment of debtors, net	應收賬款耗損淨額	222,449	93,769	2,134	-	149,287	25,492	-	1,615	373,870	120,876
Impairment of other receivables	其他應收款項耗損	-	-	-	-	16,451	3,342	-	-	16,451	3,342
Impairment/(write-back of impairment) of contract assets, net	合約資產耗損/(回撥)淨額	132,694	46,648	(1,094)	7,524	3,533	12,695	-	-	135,133	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	514,961	225,494	1,594,535	1,363,375	1,026,068	26,851	222,562	144,349	3,358,126	1,760,069
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	4,495,962	3,282,448	1,359,178	3,261,112	482,237	164,513	8,301	1,393	6,345,678	6,709,466
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	23,532,993	16,729,416	947,705	2,435,790	3,682,043	3,742,933	-	-	28,162,741	22,908,139

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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	
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Reportable segment assets	須予報告之分部資產	113,894,359	86,929,136	40,623,673	35,244,764	32,645,367	26,593,869	4,470,619	4,361,908	191,634,018	153,129,677
Unallocated head office and corporate assets	未分配總公司及企業資產									8,601,610	5,057,433
Consolidated total assets	綜合資產總額									200,235,628	158,187,110
Reportable segment liabilities	須予報告之分部負債	58,577,871	40,922,430	26,475,112	22,393,118	19,802,079	15,510,291	3,384,255	2,806,506	108,239,317	81,632,345
Unallocated head office and corporate liabilities	未分配總公司及企業負債									27,654,089	21,010,161
Consolidated total liabilities	綜合負債總額									135,893,406	102,642,506

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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 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 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 other receivables, deposits and prepayments and contract assets 其他應收款項、按金及預付款項及合約資產之非即期部份	
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Hong Kong (place of domicile)	香港 (註冊營業地點)	2,294	-	86,716	63,050	-	-
Other parts of the PRC	中國其他地區	49,227,707	42,343,709	39,675,658	31,040,957	106,045,421	83,207,336
Germany	德國	10,906	8,059	31,545	37,101	-	-
Poland	波蘭	589,270	513,220	536,767	633,443	878	325
Vietnam	越南	65,207	61,438	254,254	265,647	1,479	-
Singapore	新加坡	-	-	2,237	434	-	-
Total	總額	49,895,384	42,926,426	40,587,177	32,040,632	106,047,778	83,207,661

(iii) Information about a major customer

For the years ended 31 December 2021 and 2020, 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 other receivables, deposits and prepayments and contract assets
其他應收款項、按金及預付款項及合約資產之非即期部份

2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
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(iii) 主要客戶資料

截至二零二一年及二零二零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 2021 二零二一年十二月三十一日

5 REVENUE

An analysis of revenue is as follows:

5 收益

收益分析如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	21,781,326	18,097,945
Revenue from greentech project construction services	綠色環保項目建造服務收益	1,736,617	4,462,629
Revenue from environmental water project construction services	環保水務項目建造服務收益	3,321,643	2,932,440
Revenue from environmental energy project operation services	環保能源項目運營服務收益	7,733,177	5,365,831
Revenue from greentech project operation services	綠色環保項目運營服務收益	6,349,087	5,095,015
Revenue from environmental water project operation services	環保水務項目運營服務收益	2,522,688	1,825,176
Revenue from equipment construction and installation services and sales	裝備建造及安裝服務及銷售收益	1,183,673	1,005,194
Others	其他	347,859	299,185
Total revenue from contracts with customers	客戶合約收益總額	44,976,070	39,083,415
Finance income from service concession arrangements	服務特許經營權安排之財務收入	4,919,314	3,843,011
Total revenue	收益總額	49,895,384	42,926,426

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\$45,853,797,000 (2020: HK\$39,249,746,000) for the year ended 31 December 2021. 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.

截至二零二一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45,853,797,000元（二零二零年：港幣39,249,746,000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）。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 December 2021

5 收益(續)

客戶合約收益

(i) 經分拆收益資料

截至二零二一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	21,781,326	1,736,617	3,321,643	-	26,839,586
Operation services	運營服務	7,733,177	6,349,087	2,522,688	-	16,604,952
Equipment construction and installation services and sales	裝備建造及安裝服務及銷售	-	-	-	1,183,673	1,183,673
Others	其他	-	-	-	347,859	347,859
Total revenue from contracts with customers	客戶合約收益總額	29,514,503	8,085,704	5,844,331	1,531,532	44,976,070
Geographical location of customers*	客戶所在地區*					
Mainland China	中國大陸	28,860,026	8,077,792	5,839,043	1,531,532	44,308,393
Germany	德國	-	5,618	5,288	-	10,906
Poland	波蘭	589,270	-	-	-	589,270
Vietnam	越南	65,207	-	-	-	65,207
Hong Kong	香港	-	2,294	-	-	2,294
Total revenue from contracts with customers	客戶合約收益總額	29,514,503	8,085,704	5,844,331	1,531,532	44,976,070
Timing of revenue recognition	收益確認時間					
Over time	於一段時間內	29,514,503	7,965,937	5,716,724	894,412	44,091,576
At a point in time	於某一時點	-	119,767	127,607	637,120	884,494
Total revenue from contracts with customers	客戶合約收益總額	29,514,503	8,085,704	5,844,331	1,531,532	44,976,070

* 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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers

(continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2020

5 收益(續)

客戶合約收益(續)

(i) 經分拆收益資料(續)

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
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

* 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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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 2021

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：

截至二零二一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	33,006,343	8,445,138	6,912,371	1,531,532	49,895,384
Inter-segment revenue	分部間收益	-	1,861	-	2,906,252	2,908,113
Finance income	財務收入	33,006,343	8,446,999	6,912,371	4,437,784	52,803,497
Inter-segment adjustments and eliminations	分部間調整及對銷	(3,491,840)	(359,434)	(1,068,040)	-	(4,919,314)
		-	(1,861)	-	(2,906,252)	(2,908,113)
Total revenue from contracts with customers	客戶合約收益 總額	29,514,503	8,085,704	5,844,331	1,531,532	44,976,070

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

5 REVENUE (continued)

Revenue from contracts with customers

(continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 December 2020

5 收益(續)

客戶合約收益(續)

(i) 經分拆收益資料(續)

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 (2,663,229)	9,835,376 (274,106)	5,663,292 (905,676)	3,724,796 -	45,350,469 (3,843,011)
Inter-segment adjustments and eliminations	分部間調整及對銷	-	(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

Included in the revenue recognised in the year ended 31 December 2021, HK\$8,205,000 (2020: HK\$23,602,000) were related to performance obligations satisfied in previous periods.

在截至二零二一年十二月三十一日止年度確認之收益中，其中港幣8,205,000元(二零二零年：港幣23,602,000元)關於過往期間已履行之履約責任。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	34,670,030	45,624,413
After one year	一年後	464,960,288	393,110,024
		499,630,318	438,734,437

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：

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。

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31 December 2021 二零二一年十二月三十一日

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	9,054	7,745
Interest income	利息收入	128,853	97,061
Dividend income	股息收入	165	7,966
Government grants*	政府補助金*	268,013	210,717
Value-added tax refund**	增值稅退稅**	200,491	255,833
Others	其他	310,762	138,171
		917,338	717,493
Other income and gains/(losses), net	其他收入及收益／(虧損)淨額		
Fair value gains/(losses), net:	公允價值收益／(虧損)淨額：		
Other financial assets	其他財務資產		
– unlisted equity investment	– 非上市股本投資	968	883
Other financial assets	其他財務資產		
– unlisted investments	– 非上市投資	(58,583)	(48,629)
Contingent consideration receivable	應收或然代價	-	(7,814)
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	(4,320)	(28)
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/deemed disposal of joint ventures (note 19)	出售／被視作出售合營企業之虧損(附註19)	(47,366)	(144,087)
Gain from disposal of an associate	出售聯營公司之收益	2	-
Loss on disposal of contract assets	出售合約資產之虧損	(33,045)	-
Loss on disposal of intangible assets	出售無形資產之虧損	(3,217)	-
Impairment of debtors, net (note 25)	應收賬款耗損淨額(附註25)	(373,870)	(120,876)
Impairment of other receivables (note 25)	其他應收款項耗損(附註25)	(16,451)	(3,342)
Impairment of contract assets, net (note 23)	合約資產耗損淨額(附註23)	(135,133)	(66,867)
Impairment of intangible assets (note 18)	無形資產耗損(附註18)	-	(216,723)
Others	其他	47,960	(14)
		(623,055)	(621,614)
Total	總額	294,283	95,879

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

6 OTHER REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET (continued)

- * Government grants of HK\$268,013,000 (2020: HK\$210,717,000) were granted during the year ended 31 December 2021 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\$200,491,000 (2020: HK\$255,833,000) was received/receivable during the year ended 31 December 2021 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)

- * 於截至二零二一年十二月三十一日止年度，本集團獲發放政府補助金港幣268,013,000元(二零二零年：港幣210,717,000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補助金。
- ** 於截至二零二一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200,491,000元(二零二零年：港幣255,833,000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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Interest on bank and other loans	銀行及其他貸款之利息	2,646,824	2,117,260
Interest on corporate bond, ABS, MTN and SCP	公司債券、資產支持證券、中期票據及超短期融資券之利息	309,745	158,342
Interest on lease liabilities	租賃負債之利息	4,154	4,264
Asset-backed notes arrangement fees	資產支持票據安排費用	177,203	-
Others	其他	5,595	18,620
Less: Interest expenses capitalised into construction in progress*	減：於在建工程資本化之利息支出*	(64,073)	(19,337)
		3,079,448	2,279,149

* The borrowing costs have been capitalised at rates ranging from 3.9% to 4.8% (2020: 3.1% to 5.0%) per annum during the year ended 31 December 2021.

* 於截至二零二一年十二月三十一日止年度，借貸成本按介乎3.9%至4.8%(二零二零年：3.1%至5.0%)之年利率進行資本化。

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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)：

			2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
		Notes 附註		
Depreciation	折舊			
– property, plant and equipment	– 物業、廠房及設備	15	507,247	384,899
– right-of-use assets	– 使用權資產	16(a)	70,103	60,137
Amortisation of intangible assets	無形資產攤銷	18	1,049,614	740,592
Research and development costs	研究及開發成本		121,482	151,014
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)	37,438	38,701
Auditor's remuneration	核數師酬金			
– audit services	– 審核服務		13,155	11,611
– other services	– 其他服務		4,124	5,506
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		3,526,199	2,640,528
Retirement scheme contributions	退休計劃供款		429,879	234,032
			3,956,078	2,874,560
Foreign exchange differences, net	匯兌淨差額		(239)	(64,073)
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)		415	348

As at 31 December 2021, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years (2020: Nil).

於二零二一年十二月三十一日，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(二零二零年：無)。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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	
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Fees	袍金	1,875	1,875
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	13,325	9,558
Discretionary bonuses	酌情花紅	14,816	8,674
Retirement scheme contributions	退休計劃供款	1,651	1,153
Retirement benefits	退休福利	2,880	—
		32,672	19,385
		34,547	21,260

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9 DIRECTORS' REMUNERATION (continued)

9 董事薪酬(續)

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Retirement benefits	Total
		袍金	薪金、津貼及實物利益	酌情花紅	退休計劃供款	退休福利	總額
		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
2021	二零二一年						
Executive directors:	執行董事：						
Wang Tianyi (note (b))	王天義(附註(b))	-	2,858	3,593	161	-	6,612
Luan Zusheng (note (c))	樂祖盛(附註(c))	-	1,454	784	25	-	2,263
An Xuesong (note (d))	安雪松(附註(d))	-	1,866	1,840	303	-	4,009
Wong Kam Chung, Raymond (note (e))	黃錦聰(附註(e))	-	2,724	3,980	958	2,880	10,542
Hu Yanguo	胡延國	-	2,387	2,522	157	-	5,066
Qian Xiaodong	錢曉東	-	2,036	2,097	47	-	4,180
		-	13,325	14,816	1,651	2,880	32,672
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	13,325	14,816	1,651	2,880	34,547

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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 (note (e))	黃錦聰(附註(e))	-	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:

- (a) Mr. Cai Yunge resigned as an executive director on 25 September 2020.
- (b) Mr. Wang Tianyi was also the chief executive officer of the Company and resigned as the chief executive officer on 1 June 2021.
- (c) Mr. Luan Zusheng was appointed as an executive director and the chief executive officer of the Company on 1 June 2021.
- (d) Mr. An Xuesong was appointed as an executive director on 5 October 2021.
- (e) Mr. Wong Kam Chung, Raymond resigned as an executive director on 5 October 2021.

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總裁，並於二零二一年六月一日辭任總裁。
- (c) 樂祖盛先生於二零二一年六月一日獲委任為本公司執行董事及總裁。
- (d) 安雪松先生於二零二一年十月五日獲委任為執行董事。
- (e) 黃錦聰先生於二零二一年十月五日辭任執行董事。

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9 DIRECTORS' REMUNERATION (continued)

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 are paid by instalments.

10 FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five directors (2020: four directors), details of whose remuneration are set out in note 9 above. For the year ended 31 December 2020, details of the remuneration of the remaining one highest paid employee who is not a director of the Company are as follows:

9 董事薪酬(續)

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為分期發放。

10 五名最高薪酬僱員

年內五名最高薪酬僱員包括五名董事(二零二零年：四名董事)，彼等之薪酬詳情載於上文附註9。截至二零二零年十二月三十一日止年度，餘下一名非本公司董事之最高薪酬僱員的薪酬詳情如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	-	1,856
Discretionary bonuses	酌情花紅	-	1,548
Retirement scheme contributions	退休計劃供款	-	242
		-	3,646

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10 FIVE HIGHEST PAID EMPLOYEES (continued)

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	
		2021 二零二一年	2020 二零二零年
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	-	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(續)

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。

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 2021 (2020: 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

由於本集團於截至二零二一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(二零二零年：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。

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Current – Elsewhere:	本期 – 其他國家：		
Charge for the year	本年度計提	960,880	939,986
Overprovision in prior years	過往年度撥備過剩	(5,510)	(15,490)
Deferred (note 33)	遞延(附註33)	1,244,878	1,235,268
Total tax expense for the year	本年度稅項開支總額	2,200,248	2,159,764

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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 rate 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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Profit before tax	除稅前盈利	10,320,591	9,386,724
Tax at the statutory tax rate	按法定稅率計算之稅項	2,610,663	2,427,911
Difference in tax rates enacted by local authorities	地方當局頒佈之稅率差異	(1,269,459)	(786,405)
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	449,321	280,569
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項作出之調整	(5,510)	(15,490)
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司之盈利及虧損	(43,303)	(54,821)
Income not subject to tax	毋須課稅收入	(52,742)	(37,514)
Expenses not deductible for tax	不可扣稅開支	491,049	311,950
Tax losses utilised from previous periods	動用過往期間之稅項虧損	(6,436)	(9,429)
Tax losses not recognised	未確認稅項虧損	12,143	18,823
Others	其他	14,522	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	2,200,248	2,159,764

The share of tax attributable to joint ventures and associates amounting to HK\$34,774,000 (2020: HK\$99,357,000) and HK\$1,747,000 (2020: HK\$2,369,000), 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34,774,000元(二零二零年：港幣99,357,000元)及港幣1,747,000元(二零二零年：港幣2,369,000元)，已計入綜合損益表「所佔合營企業及聯營公司盈利」項下。

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12 DIVIDENDS

12 股息

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Dividends attributable to the year:	本年度股息：		
Interim – HK19.0 cents (2020: HK14.0 cents) per ordinary share	中期股息－每股普通股 19.0港仙(二零二零年： 14.0港仙)	1,167,165	860,017
Proposed final – HK15.0 cents (2020: HK16.0 cents) per ordinary share	擬派末期股息－每股普通股 15.0港仙(二零二零年： 16.0港仙)	921,446	982,876
		2,088,611	1,842,893
Final dividend in respect of the previous financial year paid during the year – HK16.0 cents (2020: HK13.0 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 16.0港仙(二零二零年： 13.0港仙)	982,876	798,587

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\$6,804,099,000 (2020: HK\$6,015,863,000), and 6,142,975,292 (2020: 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 2021 and 2020.

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6,804,099,000元(二零二零年：港幣6,015,863,000元)以及年內已發行普通股6,142,975,292股(二零二零年：6,142,975,292股)計算。

截至二零二一年及二零二零年十二月三十一日止年度，本集團並無任何已發行具潛在攤薄影響之普通股。

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14 INVESTMENT PROPERTIES

14 投資物業

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	176,860	159,393
Additions	增置	-	8,287
Exchange realignment	匯兌調整	4,652	9,180
Carrying amount at 31 December	於十二月三十一日之賬面值	181,512	176,860

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 2021 based on valuations performed by Beijing Deping Daxin Assets Appraisal Co., Ltd., Shenzhen Zhong Heng Xin Assets Appraisal Co., Ltd and Zhong Lian Assets Appraisal Co., Ltd., independent firms of surveyors, and the management, at HK\$181,512,000. 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 356.

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。於二零二一年十二月三十一日，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責任公司、深圳市中衡信資產評估有限公司及眾聯資產評估有限公司，以及管理層所作之估值進行，重估價值為港幣181,512,000元。管理層於每個年度均會決定委聘哪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356頁。

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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 2021 using 於二零二一年十二月三十一日 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	-	-	181,512	181,512

		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

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 (2020: Nil).

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(二零二零年：無)。

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14 INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

		Commercial investment properties 商用投資物業 HK\$'000 港幣千元
Carrying amount at 1 January 2020	於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 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日之賬面值	176,860
Exchange realignment	匯兌調整	4,652
Carrying amount at 31 December 2021	於二零二一年十二月三十一日之賬面值	181,512

No valuation gain or loss is recognised in the consolidated income statement for the years ended 31 December 2021 and 2020 as there has been no material change in the fair value of the investment properties since previous valuations.

Below is a summary of the valuation technique used and the key inputs to the valuation of investment properties:

14 投資物業(續)

公允值架構級別(續)

分類於公允值架構級別第三級之公允值計量之對賬：

於截至二零二一年及二零二零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重大變動。

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：

	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.

投資物業之公允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值較高。

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15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		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、 傢俬及裝置 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 2021	二零二一年 十二月三十一日						
Cost:	成本值：						
At 1 January 2021	於二零二一年一月一日	2,824,687	2,390,744	241,188	815,294	1,518,391	7,790,304
Additions	增置	262,946	455,808	153,732	305,288	1,035,054	2,212,828
Acquisition of subsidiaries (note 37)	收購附屬公司 (附註37)	594,801	306,730	-	8,475	21,532	931,538
Disposals and write-off	出售及撇銷	(2,062)	(17,429)	(7,697)	(41,284)	-	(68,472)
Transfers	轉撥	504,002	128,394	333	5,577	(638,306)	-
Transfer in (note 16(a))	轉入(附註16(a))	-	12,282	-	7,920	-	20,202
Transfer out (note 16(a))	轉出(附註16(a))	-	-	-	-	(22,203)	(22,203)
Exchange realignment	匯兌調整	64,183	79,063	20,250	18,991	62,250	244,737
At 31 December 2021	於二零二一年 十二月三十一日	4,248,557	3,355,592	407,806	1,120,261	1,976,718	11,108,934
Accumulated depreciation:	累計折舊：						
At 1 January 2021	於二零二一年一月一日	551,135	676,470	116,461	331,328	-	1,675,394
Charge for the year	本年度折舊	131,744	176,595	59,768	139,140	-	507,247
Disposals and write-off	出售及撇銷	(629)	(10,494)	(3,950)	(21,568)	-	(36,641)
Transfer in (note 16(a))	轉入(附註16(a))	-	6,294	-	3,873	-	10,167
Exchange realignment	匯兌調整	(1,550)	15,871	5,155	11,590	-	31,066
At 31 December 2021	於二零二一年 十二月三十一日	680,700	864,736	177,434	464,363	-	2,187,233
Net carrying amount:	賬面淨值：						
At 31 December 2021	於二零二一年 十二月三十一日	3,567,857	2,490,856	230,372	655,898	1,976,718	8,921,701

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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、傢俬 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 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

At 31 December 2021, certain of the Group's items of property, plant and equipment with an aggregate carrying amount of HK\$1,330,478,000 (2020: HK\$1,135,768,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 41 to the financial statements.

於二零二一年十二月三十一日，本集團若干物業、廠房及設備項目賬面總值港幣1,330,478,000元(二零二零年：港幣1,135,768,000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41。

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

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 2 and 30 years, plant and machinery generally have lease terms between 1.3 and 17 years, while motor vehicles, electronic equipment and others generally have lease terms between 1.5 and 17 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:

		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 2020	於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 and 1 January 2021	於二零二零年十二月三十一日 及二零二一年一月一日	723,259	43,508	43,472	12,026	822,265
Additions	增置	62,210	24,857	24,105	10,082	121,254
Lease modifications	租賃修改	-	19,680	-	-	19,680
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	94,143	6,176	-	-	100,319
Disposals	出售	(15,474)	-	-	-	(15,474)
Transfer in (note 15)	轉入(附註15)	22,203	-	-	-	22,203
Transfer out (note 15)	轉出(附註15)	-	-	(5,988)	(4,047)	(10,035)
Depreciation charge	折舊開支	(20,878)	(36,236)	(10,013)	(2,976)	(70,103)
Exchange realignment	匯兌調整	19,424	4,852	(4,297)	(994)	18,985
As at 31 December 2021	於二零二一年十二月三十一日	884,887	62,837	47,279	14,091	1,009,094

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2年至30年；廠房及機器之租期一般為1.3年至17年；而汽車、電子設備及其他項目之租期則一般為1.5年至17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：

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

16 LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets (continued)

At 31 December 2021, certain of the Group's right-of-use assets with an aggregate carrying amount of HK\$334,994,000 (2020: HK\$243,771,000) were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 41 to the financial statements.

At 31 December 2021, certain of the Group's right-of-use assets with an aggregate carrying amount of HK\$53,169,000 (2020: HK\$49,395,000) were pledged to secure the Group's lease liabilities, further details of which are included in notes 29 and 41 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)

於二零二一年十二月三十一日，本集團若干使用權資產(賬面總值港幣334,994,000元(二零二零年：港幣243,771,000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41。

於二零二一年十二月三十一日，本集團賬面總值港幣53,169,000元(二零二零年：港幣49,395,000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41。

(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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	92,005	121,063
New leases	新訂租賃	59,044	24,722
Lease modifications	租賃修改	19,680	-
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	7,145	-
Accretion of interest recognised during the year	年內已確認利息增加	4,154	4,264
Payments	付款	(58,135)	(59,560)
Exchange realignment	匯兌調整	(107)	1,516
Carrying amount at 31 December	於十二月三十一日之賬面值	123,786	92,005
Analysed into:	分析：		
Current portion	即期部份	36,673	34,245
Non-current portion	非即期部份	87,113	57,760
Carrying amount at 31 December	於十二月三十一日之賬面值	123,786	92,005

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 2021 二零二一年十二月三十一日

16 LEASES (continued)

The Group as a lessee (continued)

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Interest on lease liabilities	租賃負債利息	4,154	4,264
Depreciation charge of right-of-use assets	使用權資產折舊開支	70,103	60,137
Expense relating to short-term leases (included in administrative expenses)	有關短期租賃之開支 (計入行政費用)	37,438	38,701
Total amount recognised in profit or loss	於損益表中確認之總金額	111,695	103,102

(d) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 40(c) and 42, respectively, to the financial statements.

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\$9,054,000 (2020: HK\$7,745,000), details of which are included in note 6 to the financial statements.

At 31 December 2021, the undiscounted lease payments receivables by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within one year	一年內	6,486	7,742
After one year but within two years	一年後但兩年內	4,624	5,843
After two years but within three years	兩年後但三年內	98	4,038
After three years but within four years	三年後但四年內	82	95
After four years but within five years	四年後但五年內	-	79
		11,290	17,797

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)

本集團作為承租人(續)

(c) 於損益表中確認之租賃相關金額如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Interest on lease liabilities	租賃負債利息	4,154	4,264
Depreciation charge of right-of-use assets	使用權資產折舊開支	70,103	60,137
Expense relating to short-term leases (included in administrative expenses)	有關短期租賃之開支 (計入行政費用)	37,438	38,701
Total amount recognised in profit or loss	於損益表中確認之總金額	111,695	103,102

(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40(c)及附註42披露。

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9,054,000元(二零二零年：港幣7,745,000元)，有關詳情載於財務報表附註6。

於二零二一年十二月三十一日，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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within one year	一年內	6,486	7,742
After one year but within two years	一年後但兩年內	4,624	5,843
After two years but within three years	兩年後但三年內	98	4,038
After three years but within four years	三年後但四年內	82	95
After four years but within five years	四年後但五年內	-	79
		11,290	17,797

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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

17 GOODWILL

17 商譽

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	2,016,817	1,908,783
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	358,390	-
Exchange realignment	匯兌調整	(21,520)	108,034
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	2,353,687	2,016,817

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Environmental energy project construction and operation	環保能源項目建造及運營	881,615	779,914
Greentech project construction and operation	綠色環保項目建造及運營	162,638	157,609
Environmental water project construction and operation	環保水務項目建造及運營	1,308,496	1,079,294
Others	其他	938	-
		2,353,687	2,016,817

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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:

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	636,700	704,279
– “Environmental energy project construction and operation” segment	–「環保能源項目建造及運營」分部	167,226	–
– “Environmental energy project construction and operation” segment	–「環保能源項目建造及運營」分部	66,434	64,380
– “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	75,002	72,682
– “Greentech project construction and operation” segment	–「綠色環保項目建造及運營」分部	71,804	69,584
– “Greentech project construction and operation” segment	–「綠色環保項目建造及運營」分部	15,832	15,343
– “Environmental water project construction and operation” segment	–「環保水務項目建造及運營」分部	9,538	9,538
– “Others” segment	–「其他」分部	938	–
		1,054,729	947,061

The goodwill of HK\$636,700,000 as at 31 December 2021 (2020: HK\$704,279,000) 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.

於二零二一年十二月三十一日之商譽港幣636,700,000元(二零二零年：港幣704,279,000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。

The goodwill of HK\$167,226,000 as at 31 December 2021 (2020: Nil) arose from the acquisition of Wuxi Xidong Environmental Energy Company Ltd. (“Wuxi Xidong”) (note 37 (b)) in the current year, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

於二零二一年十二月三十一日之商譽港幣167,226,000元(二零二零年：無)來自本年度收購無錫錫東環保能源有限公司(「無錫錫東」)(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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

17 GOODWILL (continued)

Impairment testing of goodwill (continued)

Goodwill allocated to individual CGUs (continued)

The goodwill of HK\$66,434,000 as at 31 December 2021 (2020: HK\$64,380,000) 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.

The goodwill of HK\$75,002,000 as at 31 December 2021 (2020: HK\$72,682,000) arose from the acquisition of 88.88% of the equity interest in Suntime Environmental Remediation CO., Ltd in a previous year, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

The goodwill of HK\$71,804,000 as at 31 December 2021 (2020: HK\$69,584,000) arose from the acquisition of 90% of the equity interest in Jiangsu Jiayuan Environmental Technology Company Limited (the name was changed to EB Greentech Technology (Wuxi) Limited with effect from 24 March 2020) in a previous year, 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 five-year to nine-year period. The pre-tax discount rates of 8.7% to 10.8% (2020: 7.9% to 12.0%) have been used for the value-in-use calculations, and cash flows beyond the five-year/nine-year period were extrapolated using growth rates of 2% to 3% (2020: 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 2021 (2020: 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)

於二零二一年十二月三十一日之商譽港幣66,434,000元(二零二零年:港幣64,380,000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)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。

於二零二一年十二月三十一日之商譽港幣75,002,000元(二零二零年:港幣72,682,000元)來自過往年度收購上田環境修復有限公司88.88%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。

於二零二一年十二月三十一日之商譽港幣71,804,000元(二零二零年:港幣69,584,000元)來自過往年度收購江蘇佳願環境科技有限公司(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,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至九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8.7%至10.8%(二零二零年:7.9%至12.0%),而超過五年/九年期間之現金流量乃以增長率2%至3%(二零二零年: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,於二零二一年十二月三十一日,毋需確認任何耗損(二零二零年:無)。

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17 GOODWILL (continued)

Impairment testing of goodwill (continued)

Goodwill allocated to a segment

The goodwill as at 31 December 2021 also comprised HK\$195,064,000 (2020: Nil), HK\$39,947,000 (2020: HK\$38,712,000), HK\$272,648,000 (2020: HK\$264,216,000) and HK\$791,299,000 (2020: HK\$766,828,000), arising from the acquisition of Tianjin Binhai New Area Huantang Sewage Treatment Co., Ltd. (“Tianjin Huantang”) (note 37(a)), Xuzhou Municipal Engineering Design Institute Co., Ltd, 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 current and 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 11.1% (2020: 11.2%) and cash flows beyond the five-year period were extrapolated using a growth rate of 3% (2020: 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 2021 (2020: 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

於二零二一年十二月三十一日之商譽亦包括來自本年度及過往年度收購天津濱海新區環塘污水處理有限公司(「天津環塘」)(附註37(a))之港幣195,064,000元(二零二零年：無)，來自收購徐州市市政設計院有限公司之港幣39,947,000元(二零二零年：港幣38,712,000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272,648,000元(二零二零年：港幣264,216,000元)及來自收購漢科環境科技集團有限公司之港幣791,299,000元(二零二零年：港幣766,828,000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11.1%(二零二零年：11.2%)，而超過五年期間之現金流量乃以增長率3%(二零二零年：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，於二零二一年十二月三十一日，毋需確認任何耗損(二零二零年：無)。

預期收購所得之商譽皆不可扣稅。

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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 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 2021	二零二一年 十二月三十一日										
Cost:	成本值:										
At 1 January 2021	於二零二一年一月一日	9,910,609	14,463,090	2,259,081	259,093	25,400	217,843	100,540	105,722	10,944	27,352,322
Additions	增置	4,467,887	1,148,285	481,666	-	8,832	-	-	-	-	6,106,670
Acquisition of subsidiaries (note 37)	收購附屬公司 (附註37)	27,520	-	-	-	27	-	-	-	-	27,547
Disposals	出售	(306,640)	-	(123,604)	-	(1,570)	-	-	-	-	(431,814)
Exchange realignment	匯兌調整	380,087	479,949	77,867	6,690	791	6,953	(7,785)	(8,458)	(1,050)	935,044
At 31 December 2021	於二零二一年 十二月三十一日	14,479,463	16,091,324	2,695,010	265,783	33,480	224,796	92,755	97,264	9,894	33,989,769
Accumulated amortisation and impairment:	累計攤銷及耗損:										
At 1 January 2021	於二零二一年一月一日	498,572	1,281,445	391,170	107,967	6,491	21,093	43,817	64,226	10,944	2,425,725
Amortisation provided during the year	年內攤銷撥備	425,548	512,182	54,678	19,470	5,007	7,268	9,831	15,630	-	1,049,614
Disposals	出售	-	-	(37,026)	-	(1,570)	-	-	-	-	(38,596)
Exchange realignment	匯兌調整	20,796	51,067	14,755	2,010	136	791	(4,225)	(6,124)	(1,050)	78,156
At 31 December 2021	於二零二一年 十二月三十一日	944,916	1,844,694	423,577	129,447	10,064	29,152	49,423	73,732	9,894	3,514,899
Net carrying amount:	賬面淨值:										
At 31 December 2021	於二零二一年 十二月三十一日	13,534,547	14,246,630	2,271,433	136,336	23,416	195,644	43,332	23,532	-	30,474,870

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31 December 2021 二零二一年十二月三十一日

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 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

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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 as at 31 December 2020, impairment losses of certain greentech project operating rights in “Greentech project construction and operation” segment of HK\$216,723,000 were 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.

Under the discounted cash flow method, fair value was 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

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。

根據於二零二零年十二月三十一日進行的耗損評估結果，於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。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。

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%。

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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.

Based on the impairment assessment, no impairment is considered necessary for the net carrying amount as at 31 December 2021.

As at 31 December 2021, 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\$104,808,557,000 (2020: HK\$73,287,171,000) were pledged to secure banking facilities and other loans granted to the Group and the issuance of ABS, further details of which are included in notes 29 and 41 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)。

根據耗損評估，於二零二一年十二月三十一日，毋需就賬面淨值確認任何耗損。

於二零二一年十二月三十一日，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104,808,557,000元(二零二零年：港幣73,287,171,000元)已抵押作為本集團獲授銀行融資、其他貸款及發行資產支持證券之抵押品，進一步詳情載於財務報表附註29及附註41。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

19 INTERESTS IN JOINT VENTURES

19 合營企業權益

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	811,375	1,011,847

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
			2021 二零二一年	2020 二零二零年	
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 and kitchen waste treatment plant 設計、建造、運營及維護 垃圾發電廠及餐廚及 廚餘垃圾處理廠
EBG SUEZ Environmental Services (Changzhou) Co., Limited ("EBG SUEZ (Changzhou)") (note (b)) 光潔蘇伊士環境服務(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

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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 擁有權益百分比		Principal activities 主要業務
			2021 二零二一年	2020 二零二零年	
Everbright Environmental Energy (Hangzhou Fuyang) Limited (formerly known as "Hangzhou Fuyang Luzhu Environmental Energy Limited") ("Fuyang Luzhu")+ (note (c)) 光大環境能源(杭州富陽)有限公司(前稱「杭州富陽淶諸環境能源有限公司」)(「富陽淶諸」)+(附註(c))	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	N/A 不適用	49	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護垃圾發電廠
Hebei Xiong'an Everbright Ecological Park Limited ("Hebei Xiong'an") (note (d)) 河北雄安光大生態產業園有限公司(「河北雄安」)(附註(d))	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	46	Design, construction, operation and maintenance of waste-to-energy plant, food and kitchen 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、餐廚及廚餘垃圾處理廠、污泥處理處置廠及醫療廢物處理廠
Guanghantou EB Environmental Energy (Shaodong) Limited ("EB Energy (Shaodong)")+(note (e)) 廣環投光國環保能源(邵東)有限公司(「光大能源(邵東)」)+(附註(e))	Paid up capital of RMB130,086,000 繳足股本人民幣130,086,000元	PRC/ Mainland China 中國/中國大陸	40	40	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護垃圾發電廠

+ English translation is for identification only.

+ 英文譯名僅供識別。

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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) Fuyang Luzhu was established by the Group with Zhejiang Fuchunjiang Environmental Thermolectric Company Limited ("Zhejiang Fuchunjiang") in the PRC, the other investor to this joint venture, to carry out the Group's environmental protection projects in Fuyang Luzhu City.

During the year ended 31 December 2021, the Group acquired the remaining 51% equity interest in Fuyang Luzhu from Zhejiang Fuchunjiang for a consideration of RMB290,000,000 (equivalent to HK\$349,653,000), and loss on deemed disposal of a joint venture of approximately HK\$47,366,000 was resulted and recognised in the consolidated income statement during the year ended 31 December 2021. Further details of the acquisition are set out in note 37(c) to the financial statements.

- (d) 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.
- (e) EB Energy (Shaodong) was established in 2020 by the Group with Shaodong 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 Shaodong City. As at 31 December 2020, the Group has not made any capital contribution to EB Energy (Shaodong).

During the year ended 31 December 2021, the Group made capital contributions of approximately HK\$69,710,000 to EB Energy (Shaodong).

During the year ended 31 December 2020, the Group disposed of its entire equity interest in Sichuan Everbright Environmental Investment Limited ("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.

As at 31 December 2021, 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) 富陽淥諸由本集團及浙江富春江環保熱電股份有限公司(「浙江富春江」)(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。

於截至二零二一年十二月三十一日止年度，本集團向浙江富春江收購其於富陽淥諸餘下之51%股權，代價為人民幣290,000,000元(相當於約港幣349,653,000元)，而視作出售合營企業產生之虧損約港幣47,366,000元已於截至二零二一年十二月三十一日止年度之綜合損益表確認。該收購事項之進一步詳情載於財務報表附註37(c)。

- (d) 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。
- (e) 光大能源(邵東)由本集團與邵東市城市發展集團有限公司(此合營企業之另一投資者)於二零二零年在中國成立，以於邵東市指定地區進行本集團之垃圾發電業務。於二零二零年十二月三十一日，本集團並未向光大能源(邵東)注資。

於截至二零二一年十二月三十一日止年度，本集團向光大能源(邵東)注資約港幣69,710,000元。

於截至二零二零年十二月三十一日止年度，本集團向一名獨立第三方出售其於四川光大節能環保投資有限公司(「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。

於二零二一年十二月三十一日，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。

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19 INTERESTS IN JOINT VENTURES (continued)

The following table illustrates the summarised financial information in respect of the material joint ventures, Hebei Xiong'an, EB Energy (Ma'anshan) and its subsidiary, Fuyang Luzhu, 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. Fuyang Luzhu became the Group's wholly-owned subsidiary during the year ended 31 December 2021. Sichuan EB Investment and its subsidiaries were disposed of during the year ended 31 December 2020.

Hebei Xiong'an

19 合營企業權益(續)

下表載列重大合營企業河北雄安、光大能源(馬鞍山)及其附屬公司、富陽淶諸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。富陽淶諸於截至二零二一年十二月三十一日止年度成為本集團之全資附屬公司。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。

河北雄安

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	258,634	408,185
Other current assets	其他流動資產	611,875	535,954
Current assets	流動資產	870,509	944,139
Non-current assets	非流動資產	1,336,269	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	(251,981)	(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)	(1,089,726)	(249,839)
Net assets attributable to the Group	本集團應佔資產淨額	865,071	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%	46%
Group's share of net assets of Hebei Xiong'an	本集團應佔河北雄安資產 淨額	397,801	343,659
Carrying amount of the investment	有關投資之賬面值	397,801	343,659
Revenue	收益	932,647	359,188
Interest income	利息收入	-	2,578
Depreciation and amortisation	折舊及攤銷	(183)	(23)
Interest expenses	利息支出	(21,043)	(145)
Tax	稅項	(41,394)	(14,406)
Profit for the year	年度盈利	94,538	34,809
Other comprehensive income	其他全面收入	23,160	36,166
Total comprehensive income for the year	年度全面收入總額	117,698	70,975

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19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

EB Energy (Ma'anshan) and its subsidiary

光大能源(馬鞍山)及其附屬公司

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	115,486	87,845
Other current assets	其他流動資產	139,850	125,279
Current assets	流動資產	255,336	213,124
Non-current assets	非流動資產	1,074,140	1,010,180
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	(110,477)	(164,046)
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)	(561,182)	(473,256)
Net assets attributable to the Group	本集團應佔資產淨額	657,817	586,002
Reconciliation to the Group's interest in EB Energy (Ma'anshan) and its subsidiary:	與本集團於光大能源 (馬鞍山)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	50%	50%
Group's share of net assets of EB Energy (Ma'anshan)	本集團應佔光大能源 (馬鞍山)資產淨額	328,908	293,000
Carrying amount of the investment	有關投資之賬面值	328,908	293,000
Revenue	收益	194,530	203,780
Interest income	利息收入	1,314	1,205
Depreciation and amortisation	折舊及攤銷	(269)	(257)
Interest expenses	利息支出	(19,095)	(15,425)
Tax	稅項	(7,819)	(11,412)
Profit for the year	年度盈利	52,271	47,713
Other comprehensive income	其他全面收入	19,544	52,354
Total comprehensive income for the year	年度全面收入總額	71,815	100,067

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19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

Fuyang Luzhu (became the Group's subsidiary during the year ended 31 December 2021)

富陽淥諸(於截至二零二一年十二月三十一日止年度成為本集團之附屬公司)

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	N/A 不適用	27,072
Other current assets	其他流動資產	N/A 不適用	2,516
Current assets	流動資產	N/A 不適用	29,588
Non-current assets	非流動資產	N/A 不適用	1,398,684
Trade and other payables and provisions	貿易及其他應付款項及撥備	N/A 不適用	(143,065)
Other current liabilities	其他流動負債	N/A 不適用	(799)
Current liabilities	流動負債	N/A 不適用	(143,864)
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)	N/A 不適用	(609,804)
Net assets attributable to the Group	本集團應佔資產淨額	N/A 不適用	674,604
Reconciliation to the Group's interest in Fuyang Luzhu:	與本集團於富陽淥諸之權益之對賬:		
Proportion of the Group's ownership	本集團之擁有權比例	N/A 不適用	49%
Group's share of net assets of Fuyang Luzhu	本集團應佔富陽淥諸資產淨額	N/A 不適用	330,556
Carrying amount of the investment	有關投資之賬面值	N/A 不適用	330,556

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19 INTERESTS IN JOINT VENTURES (continued)

19 合營企業權益(續)

Fuyang Luzhu (became the Group's subsidiary during the year ended 31 December 2021) (continued)

富陽淥諸(於截至二零二一年十二月三十一日止年度成為本集團之附屬公司)(續)

		Period from 1 January 2021 to the date of the Group's deemed disposal 於二零二一年 一月一日至 本集團視作 出售日止期間 HK\$'000 港幣千元	Year ended 31 December 2020 截至 二零二零年 十二月三十一日 止年度 HK\$'000 港幣千元
Revenue	收益	593,877	1,260,129
Interest income	利息收入	130	546
Depreciation and amortisation	折舊及攤銷	(428)	(100)
Interest expenses	利息支出	(32,576)	(8,144)
Tax	稅項	(22,961)	(52,077)
Profit for the period/year	期間/年度盈利	73,532	125,467
Other comprehensive income	其他全面收入	12,442	41,292
Total comprehensive income for the period/year	期間/年度全面收入總額	85,974	166,759

Sichuan EB Investment and its subsidiaries (disposed of during the year ended 31 December 2020)

四川光大投資及其附屬公司(於截至二零二零年十二月三十一日止年度出售)

		Year ended 31 December 2021 截至 二零二一年 十二月三十一日 止年度 HK\$'000 港幣千元	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
Revenue	收益	-	2,208,467
Interest income	利息收入	-	15,183
Depreciation and amortisation	折舊及攤銷	-	(28,505)
Interest expenses	利息支出	-	(117,760)
Tax	稅項	-	(125,524)
Profit for the period	期間盈利	-	300,659
Other comprehensive income	其他全面收入	-	28,178
Total comprehensive income for the period	期間全面收入總額	-	328,837

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19 INTERESTS IN JOINT VENTURES (continued) 19 合營企業權益(續)

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Share of the joint ventures' losses for the year	分佔合營企業之年度虧損	(23,817)	(19,464)
Share of the joint ventures' other comprehensive income/(loss)	分佔合營企業之其他全面收入/(虧損)	(9,553)	2,914
Share of the joint ventures' total comprehensive loss	分佔合營企業之全面虧損總額	(33,370)	(16,550)
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	84,666	44,632

20 INTERESTS IN ASSOCIATES

20 聯營公司權益

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	606,970	495,616

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。

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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
			2021 二零二一年	2020 二零二零年	
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	30.74	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。

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財務報表附註

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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 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 2021, 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。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。

於二零二一年十二月三十一日，上述投資由本公司附屬公司持有。

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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:

Nanjing Jiangnan

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Current assets	流動資產	12,106	6,900
Non-current assets	非流動資產	644,381	596,761
Current liabilities	流動負債	(204,449)	(165,529)
Net assets	資產淨額	452,038	438,132
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	242,398	235,078
Carrying amount of the investment	有關投資之賬面值	242,398	235,078
Loss for the year	年度虧損	(75)	(7,361)
Other comprehensive income	其他全面收入	13,981	28,026
Total comprehensive income for the year	年度全面收入總額	13,906	20,665

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：

南京江南

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	91,415	15,107
Share of the associates' other comprehensive income	分佔聯營公司之其他全面收入	13,839	4,714
Share of the associates' total comprehensive income	分佔聯營公司之全面收入總額	105,254	19,821
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	364,572	260,538

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21 OTHER FINANCIAL ASSETS

21 其他財務資產

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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
– China Renewable Energy Investment Limited	– 中國再生能源投資有限公司		–	356
			–	4,743
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.		29,389	28,067
			33,288	31,966
			33,288	36,709
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)		296,218	646,047
Unlisted equity investment, at fair value	非上市股本投資 (按公允值)		36,122	34,051
			332,340	680,098
Total	總額		365,628	716,807
Less: Non-current portion	減：非即期部份		(142,748)	(716,807)
Current portion	即期部份		222,880	–

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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 2021, the Group received dividends in the amounts of HK\$155,000 (2020: HK\$350,000) and HK\$8,000 (2020: HK\$18,000) from HKC (Holdings) Limited and China Renewable Energy Investment Limited, respectively.

During the year ended 31 December 2021, the gross gain in respect of the Group's equity investments designated at fair value through other comprehensive income recognised in other comprehensive income amounted to HK\$5,151,000 (2020: gross loss of HK\$11,356,000).

- (b) The above unlisted investments at 31 December 2021 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.

22 INVENTORIES

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	644,414	482,019
Spare parts	零部件	600,298	559,737
Finished goods	製成品	13,827	17,384
		1,258,539	1,059,140

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Carrying amount of inventories consumed	已耗用存貨之賬面值	7,257,169	6,674,777

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。

於截至二零二一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155,000元(二零二零年：港幣350,000元)及港幣8,000元(二零二零年：港幣18,000元)。

於截至二零二一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收益總額為港幣5,151,000元(二零二零年：虧損總額港幣11,356,000元)。

- (b) 於二零二一年十二月三十一日，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 存貨

已於損益表確認入賬為開支之存貨金額分析如下：

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23 CONTRACT ASSETS

23 合約資產

			31 December 2021 二零二一年 十二月三十一日 HK\$'000 港幣千元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 港幣千元	1 January 2020 二零二零年 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)	102,050,909	79,680,846	58,900,254
Less: Impairment	減：耗損		(79,758)	(61,160)	-
			101,971,151	79,619,686	58,900,254
Current	即期				
Service concession assets	服務特許經營權資產	(a)	8,724,603	6,969,899	4,567,265
Unbilled renewable energy tariff subsidy	未發單再生能源電價補貼	(b)	2,606,313	4,815,183	3,646,473
Other contract assets	其他合約資產	(c)	707,037	691,569	590,634
Less: Impairment	減：耗損		(130,249)	(9,285)	-
			11,907,704	12,467,366	8,804,372
Total	總額		113,878,855	92,087,052	67,704,626
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)		3,762,581	4,906,015	4,060,698

Notes:

(a) Included in "Service concession assets" are amounts of HK\$534,155,000 (2020: HK\$549,290,000) and HK\$822,617,000 (2020: HK\$789,747,000) 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 4.65% to 7.83% (2020: 4.90% to 7.83%) per annum. Among the total of HK\$110,775,512,000 (2020: HK\$86,650,745,000), HK\$102,196,885,000 (2020: HK\$63,744,486,000) 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534,155,000元(二零二零年：港幣549,290,000元)及港幣822,617,000元(二零二零年：港幣789,747,000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4.65%至7.83%(二零二零年：4.90%至7.83%)計算利息。在總額港幣110,775,512,000元(二零二零年：港幣86,650,745,000元)中，其中港幣102,196,885,000元(二零二零年：港幣63,744,486,000元)關乎已投入運營之BOT、BOO及TOT安排。

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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 2021 comprised contract assets of HK\$415,871,000 (2020: HK\$312,203,000) arising from performance under environmental remediation service contracts, HK\$291,166,000 (2020: HK\$237,126,000) arising from performance under construction management service contracts, and nil (2020: HK\$142,240,000) arising from performance under operation service contracts.

Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

The increase in contract assets as at 31 December 2021 was the result of the ongoing provision of construction services under service concession arrangements during the year.

During the year ended 31 December 2021, HK\$135,133,000 (2020: HK\$66,867,000) was recognised as an allowance for expected credit losses on contract assets. The increase in the loss allowance was mainly due to the increase in the gross carrying amount of contract assets.

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) 於二零二一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415,871,000元(二零二零年：港幣312,203,000元)、履行建造工程管理服務合約所產生之合約資產港幣291,166,000元(二零二零年：港幣237,126,000元)及並無履行運營服務合約所產生之合約資產(二零二零年：港幣142,240,000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。

於二零二一年十二月三十一日，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。

於截至二零二一年十二月三十一日止年度，港幣135,133,000元(二零二零年：港幣66,867,000元)已確認為合約資產的預期信貸虧損撥備。虧損撥備增加乃主要由於合約資產的賬面總值有所增加所致。

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31 December 2021 二零二一年十二月三十一日

23 CONTRACT ASSETS (continued)

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

23 合約資產(續)

合約資產耗損虧損撥備之變動如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
At beginning of year	年初	70,445	–
Impairment losses, net (note 6)	耗損虧損淨額(附註6)	135,133	66,867
Exchange realignment	匯兌調整	4,429	3,578
At end of year	年終	210,007	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 2021, the probability of default applied ranging from 0.05% to 0.10% (2020: 0.06% to 0.08%) and the loss given default was estimated to be ranging from 60.06% to 64.87% (2020: 62.47% to 64.87%).

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。於二零二一年十二月三十一日，所應用之違約概率介乎0.05%至0.10%（二零二零年：0.06%至0.08%）。而違約損失率估計介乎60.06%至64.87%（二零二零年：62.47%至64.87%）。

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23 CONTRACT ASSETS (continued)

As at 31 December 2021, 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\$104,808,557,000 (2020: HK\$73,287,171,000) were pledged to secure banking facilities and other loans granted to the Group and the issuance of ABS, further details of which are included in notes 29 and 41 to the financial statements.

24 FINANCE LEASE RECEIVABLES

The Group leases machinery to its customer. This lease was classified as a finance lease and had a remaining lease term of 14 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)

於二零二一年十二月三十一日，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104,808,557,000元(二零二零年：港幣73,287,171,000元)已抵押作為本集團獲授銀行融資、其他貸款及發行資產支持證券之抵押品，進一步詳情載於財務報表附註29及附註41。

24 融資租賃應收款項

本集團出租機器予其客戶。有關租賃被分類為融資租賃，餘下租期為14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。

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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)	15,464	16,100
Finance lease receivables, current portion	融資租賃應收款項 (即期部份)	771	337
		16,235	16,437

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24 FINANCE LEASE RECEIVABLES (continued)

At 31 December 2021, 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)

於二零二一年十二月三十一日，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	
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Amounts receivable:	應收款項：				
Within one year	一年內	1,724	1,671	771	337
After one year but within two years	一年後但兩年內	1,724	1,671	818	747
After two years but within three years	兩年後但三年內	1,724	1,671	867	792
After three years but within four years	三年後但四年內	1,724	1,671	919	840
After four years but within five years	四年後但五年內	1,724	1,671	974	891
After five years	五年後	15,517	16,706	11,886	12,830
Undiscounted lease payments receivable	未貼現應收租賃款項	24,137	25,061	16,235	16,437
Unearned finance income	未實現財務收入	(7,902)	(8,624)		
Total net finance lease receivables	融資租賃應收款項總淨額	16,235	16,437		
Portion classified as current assets	分類為流動資產之部份	(771)	(337)		
Non-current portion	非即期部份	15,464	16,100		

No contingent income was recognised during the year ended 31 December 2021 (2020: Nil).

於截至二零二一年十二月三十一日止年度，並無確認任何或然收入(二零二零年：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記錄之客戶有關。

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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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Non-current	非即期		
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	4,083,594	3,587,975
Less: Impairment – other receivables	減：耗損 – 其他應收款項	(6,967)	–
		4,076,627	3,587,975
Current	即期		
Debtors	應收賬款	13,772,488	6,466,852
Less: Impairment	減：耗損	(661,888)	(274,248)
		13,110,600	6,192,604
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	7,041,259	7,012,043
Less: Impairment – other receivables	減：耗損 – 其他應收款項	(13,383)	(3,521)
		7,027,876	7,008,522
		20,138,476	13,201,126
Total	總額	24,215,103	16,789,101

The movements in the loss allowance for impairment of debtors are as follows:

應收賬款耗損虧損撥備之變動如下：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
At beginning of year	年初	274,248	137,443
Impairment losses, net (note 6)	耗損虧損淨額(附註6)	373,870	120,876
Exchange realignment	匯兌調整	13,770	15,929
At end of year	年終	661,888	274,248

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25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The increase in the loss allowance was due to the following significant changes in the gross carrying amount:

- (a) increase in the loss allowance of HK\$235,059,000 as a result of an increase in debtors which were past due for more than 1 year;
- (b) increase in the loss allowance of HK\$77,793,000 as a result of an increase in debtors which were past due for less than 1 year; and
- (c) increase in the loss allowance of HK\$74,788,000 as a result of an increase in debtors which were not yet past due.

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)

耗損虧損增加乃由於賬面總值出現下列重大變動所致：

- (a) 逾期超過一年之應收賬款增加導致耗損虧損增加港幣235,059,000元；
- (b) 逾期少於一年之應收賬款增加導致耗損虧損增加港幣77,793,000元；及
- (c) 尚未逾期之應收賬款增加導致耗損虧損增加港幣74,788,000元。

「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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Current	即期	5,823,916	4,520,595
Within 1 month past due	逾期不多於一個月	2,673,351	332,404
More than 1 month but within 3 months past due	逾期超過一個月但不多於三個月	842,527	309,733
More than 3 months but within 6 months past due	逾期超過三個月但不多於六個月	820,758	309,700
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	2,018,077	437,638
More than 12 months past due	逾期超過十二個月	931,971	282,534
Amounts past due	逾期金額	7,286,684	1,672,009
		13,110,600	6,192,604

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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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within 1 month	不多於一個月	3,510,032	3,020,631
More than 1 month but within 2 months	超過一個月但不多於兩個月	942,775	502,200
More than 2 months but within 4 months	超過兩個月但不多於四個月	1,367,976	522,961
More than 4 months but within 7 months	超過四個月但不多於七個月	2,579,633	441,831
More than 7 months but within 13 months	超過七個月但不多於十三個月	2,354,411	672,977
More than 13 months	超過十三個月	2,355,773	1,032,004
		13,110,600	6,192,604

Included in “Debtors, other receivables, deposits and prepayments” are debtors of HK\$3,299,533,000 (2020: Nil), which were measured at fair value through other comprehensive income as these debtors are managed within a business model with the objective of both holding to collect contractual cash flows and selling for working capital management and the contractual terms of these receivables give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Included in “Debtors, other receivables, deposits and prepayments” are bills receivable of HK\$127,034,000 (2020: HK\$50,861,000). 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.

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:

「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3,299,533,000元(二零二零年:無),有關應收賬款乃按公允值計入其他全面收入計量,原因為該等應收賬款於目標為持有以收取合約現金流量及銷售作營運資金管理之業務模式中管理,而該等應收款項之合約條款導致於特定日期產生僅為支付本金及未償還本金利息之現金流量。

「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127,034,000元(二零二零年:港幣50,861,000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。

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25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

Included in “Debtors, other receivables, deposits and prepayments” of the Group are debtors of HK\$13,110,600,000 (2020: HK\$6,192,604,000), of which HK\$9,948,000 (2020: HK\$16,940,000), HK\$17,343,000 (2020: HK\$33,895,000), HK\$11,657,000 (2020: HK\$25,068,000) and HK\$14,211,000 (2020: HK\$13,596,000) 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.

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.

25 應收賬款、其他應收款項、按金及預付款項(續)

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13,110,600,000元（二零二零年：港幣6,192,604,000元），其中港幣9,948,000元（二零二零年：港幣16,940,000元）為應收本集團的合營企業款項、港幣17,343,000元（二零二零年：港幣33,895,000元）為應收本集團的聯營公司款項、港幣11,657,000元（二零二零年：港幣25,068,000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14,211,000元（二零二零年：港幣13,596,000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。

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。

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25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

Set out below is the information about the credit risk exposure on the Group's debtors using a provision matrix:

As at 31 December 2021

		Current 即期	Past due within 1 year 逾期 不多於 一年	Past due more than 1 year but within 2 years 超過一年 但不多 於兩年	Past due over 2 years 逾期 超過兩年	Total 總額
Expected credit loss rate	預期信貸虧損率	1.9%	1.9%	10.0%	83.0%	4.8%
Gross carrying amount (HK\$'000)	賬面總值 (港幣千元)	5,938,581	6,474,788	960,197	398,922	13,772,488
Impairment (HK\$'000)	耗損(港幣千元)	114,665	120,075	96,024	331,124	661,888

25 應收賬款、其他應收款項、按金及預付款項(續)

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：

於二零二一年十二月三十一日

As at 31 December 2020

		Current 即期	Past due within 1 year 逾期 不多於 一年	Past due more than 1 year but within 2 years 超過一年 但不多 於兩年	Past due over 2 years 逾期 超過兩年	Total 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

於二零二零年十二月三十一日

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25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

Included in “Debtors, other receivables, deposits and prepayments” at 31 December 2021 is advance made to local government authority in relation to service concession arrangements amounting to HK\$25,941,000 (2020: HK\$46,155,000) which is unsecured, interest-bearing at the rates announced by the People’s Bank of China, and will be settled by instalments from 2022 to 2026.

Included in “Other receivables, deposits and prepayments” under non-current assets at 31 December 2021 is loan to the Group’s non-controlling shareholder of a non wholly-owned subsidiary of HK\$27,115,000 (2020: HK\$25,021,000), which is secured, interest-bearing at 110% of the rates announced by the People’s Bank of China and repayable by December 2023.

Included in “Debtors, other receivables, deposits and prepayments” under current assets at 31 December 2021 are advances of HK\$9,843,000 (2020: HK\$17,614,000) to the Group’s associate, which are unsecured, repayable on demand and interest-bearing at a rate of 4.75% per annum, and other receivables of HK\$1,520,000 (2020: Nil) due from the Group’s associates, which are unsecured, interest-free and repayable within one year.

Included in “Debtors, other receivables, deposits and prepayments” under current assets at 31 December 2021 are loan to the Group’s joint venture of HK\$11,612,000 (2020: HK\$17,768,000), which is unsecured, interest-bearing at 125% of the loan prime rate announced by the People’s Bank of China (“LPR”) and repayable in 2022, and other receivables and advances to the Group’s joint ventures of HK\$21,389,000 (2020: HK\$194,995,000), which are unsecured, interest-free and repayable within one year.

25 應收賬款、其他應收款項、按金及預付款項(續)

在二零二一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25,941,000元(二零二零年：港幣46,155,000元)，其為無抵押、按中國人民銀行公佈之息率計息，並須於二零二二年至二零二六年分期償還。

在二零二一年十二月三十一日非流動資產下之「其他應收款項、按金及預付款項」中，包括提供予本集團非全資附屬公司之非控股股東之貸款港幣27,115,000元(二零二零年：港幣25,021,000元)，其為有抵押、按中國人民銀行公佈之息率的110%計息，並須於二零二三年十二月前償還。

在二零二一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之墊款港幣9,843,000元(二零二零年：港幣17,614,000元)，其為無抵押、須按要求償還並按年息率4.75%計息，及應收本集團聯營公司之其他應收款項港幣1,520,000元(二零二零：無)，其為無抵押、免息，並須於一年內償還。

在二零二一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11,612,000元(二零二零年：港幣17,768,000元)，其為無抵押、按中國人民銀行公佈之貸款基礎利率(「貸款基礎利率」)125%計息，並須於二零二二年償還，及提供予本集團合營企業之其他應收款項及墊款港幣21,389,000元(二零二零年：港幣194,995,000元)，其為無抵押、免息，並須於一年內償還。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (continued)

The movements in the loss allowance for impairment of other receivables are as follows:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
At beginning of year	年初	3,521	–
Impairment losses (note 6)	耗損虧損(附註6)	16,451	3,342
Exchange realignment	匯兌調整	378	179
At end of year	年終	20,350	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 2021 and 31 December 2020.

As at 31 December 2021, 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\$104,808,557,000 (2020: HK\$73,287,171,000) were pledged to secure banking facilities and other loans granted to the Group and the issuance of ABS, further details of which are included in notes 29 and 41 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，而虧損撥備於二零二一年十二月三十一日及二零二零年十二月三十一日被評定為輕微。

於二零二一年十二月三十一日，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104,808,557,000元(二零二零年：港幣73,287,171,000元)已抵押作為本集團獲授銀行融資、其他貸款及發行資產支持證券之抵押品，進一步詳情載於財務報表附註29及附註41。

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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Pledged bank deposits	已抵押銀行存款	(a)	553,704	837,770
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	(b)	4,339	7,585
			558,043	845,355

Notes:

- (a) As at 31 December 2021, 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) 於二零二一年十二月三十一日，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記錄之銀行。

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27 CASH AND CASH EQUIVALENTS

27 現金及現金等價物

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	810,482	1,056,783
Cash at banks and in hand	銀行結餘及現金	14,236,461	9,803,910
		15,046,943	10,860,693

Included in “Cash and cash equivalents” at 31 December 2021 are deposits of HK\$1,434,697,000 (2020: HK\$1,606,977,000) placed with a related party bank.

於二零二一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1,434,697,000元(二零二零年：港幣1,606,977,000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：

		2021 二零二一年 US\$'000 千美元	2020 二零二零年 US\$'000 千美元
United States dollar	美元	22,798	6,679

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to HK\$13,746,099,000 (2020: HK\$10,041,651,000). 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13,746,099,000元(二零二零年：港幣10,041,651,000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記錄之銀行。

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財務報表附註

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28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

28 應付賬款、其他應付款項及應計費用

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Creditors	應付賬款	20,031,592	13,935,970
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	6,444,602	5,175,222
		26,476,194	19,111,192
Less: Non-current portion	減：非即期部份		
– other payables, accrued expenses and deferred income	– 其他應付款項、應計費用及遞延收入		
– government grants	– 政府補助金	(839,348)	(917,536)
Current portion	即期部份	25,636,846	18,193,656

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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within 6 months	不多於六個月	17,013,449	11,978,444
Over 6 months	超過六個月	3,018,143	1,957,526
		20,031,592	13,935,970

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財務報表附註

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28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES (continued)

Creditors totalling HK\$14,354,194,000 (2020: HK\$9,481,997,000) 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 payable of HK\$133,350,000 (2020: HK\$228,028,000). Included in "Creditors, other payables and accrued expenses" are creditors of HK\$12,970,000 (2020: HK\$6,962,000) and HK\$85,758,000 (2020: HK\$1,355,000) due to the Group's associate and non-controlling shareholders of non wholly-owned subsidiaries, respectively, which are unsecured, interest-free and repayable on credit terms similar to those offered by the associate or the non-controlling shareholders to their major customers.

Included in "Other payables, accrued expenses and deferred income – government grants" at 31 December 2021 are other payables of HK\$309,000 (2020: HK\$21,241,000) and HK\$11,438,000 (2020: HK\$17,025,000) due to the Group's associate and non-controlling shareholders of non wholly-owned subsidiaries, respectively, which are unsecured, interest-free and repayable on demand. Included in "Other payables, accrued expenses and deferred income – government grants" at 31 December 2021 is other payable of HK\$1,314,000 (2020: HK\$1,273,000) due to a non-controlling shareholder of a non wholly-owned subsidiary, which is unsecured, interest-free and repayable within one year. Included in "Other payables, accrued expenses and deferred income – government grants" at 31 December 2021 are other payables of HK\$228,468,000 (2020: Nil) due to a non-controlling shareholder of a non wholly-owned subsidiary, which are unsecured, interest-bearing at the rates announced by the People's Bank of China and repayable on demand.

28 應付賬款、其他應付款項及應計費用 (續)

合共港幣14,354,194,000元(二零二零年：港幣9,481,997,000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133,350,000元(二零二零年：港幣228,028,000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12,970,000元(二零二零年：港幣6,962,000元)及港幣85,758,000元(二零二零年：港幣1,355,000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。

在二零二一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309,000元(二零二零年：港幣21,241,000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11,438,000元(二零二零年：港幣17,025,000元)，皆為無抵押、免息及須按要求償還。在二零二一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1,314,000元(二零二零年：港幣1,273,000元)，其為無抵押、免息及須於一年內償還。在二零二一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228,468,000元(二零二零年：無)，其為無抵押、按中國人民銀行公佈之息率計息及須按要求償還。

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29 INTEREST-BEARING BORROWINGS

29 計息借貸

		2021 二零二一年		2020 二零二零年	
		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))	2022 二零二二年	36,673	2021 二零二一年	34,245
Bank and other loans – secured	銀行及其他貸款—有抵押	2022 or on demand 二零二二年或按要求	3,329,190	2021 or on demand 二零二一年或按要求	2,913,684
Bank and other loans – unsecured	銀行及其他貸款—無抵押	2022 or on demand 二零二二年或按要求	8,799,064	2021 or on demand 二零二一年或按要求	6,545,745
Corporate bond – unsecured (note 30)	公司債券—無抵押(附註30)	2022 二零二二年	1,706,737	2021 二零二一年	942,129
ABS – secured (note 31)	資產支持證券—有抵押(附註31)	2022 二零二二年	69,060	2021 二零二一年	63,371
			13,940,724		10,499,174
Non-current	非即期				
Lease liabilities (note 16(b))	租賃負債(附註16(b))	2023 – 2049 二零二三年至二零四九年	87,113	2022 – 2049 二零二年至二零四九年	57,760
Bank and other loans – secured	銀行及其他貸款—有抵押	2023 – 2040 二零二三年至二零四零年	44,303,648	2022 – 2040 二零二年至二零四零年	31,162,721
Bank and other loans – unsecured	銀行及其他貸款—無抵押	2023 – 2041 二零二三年至二零四一年	32,332,699	2022 – 2038 二零二年至二零三八年	29,007,196
Corporate bond – unsecured (note 30)	公司債券—無抵押(附註30)	2023 二零二三年	965,958	2022 二零二二年	1,657,720
ABS – secured (note 31)	資產支持證券—有抵押(附註31)	2023 二零二三年	168,679	2022 – 2023 二零二年至二零二三年	230,385
MTN – unsecured (note 32)	中期票據—無抵押(附註32)	2023 – 2024 二零二三年至二零二四年	7,326,843	2023 二零二三年	2,363,954
			85,184,940		64,479,736
			99,125,664		74,978,910

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29 INTEREST-BEARING BORROWINGS (continued)

29 計息借貸 (續)

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	9,627,253	9,459,429
In the second year	第二年	17,018,279	9,345,924
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	33,511,719	35,965,851
Beyond five years	五年後	25,825,395	12,489,142
		85,982,646	67,260,346
Other loans repayable:	須於下列期間償還之其他貸款：		
Within one year	一年內	2,501,001	-
In the second year	第二年	43,304	2,369,000
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	129,913	-
Beyond five years	五年後	107,737	-
		2,781,955	2,369,000
Lease liabilities repayable:	須於下列期間償還之租賃負債：		
Within one year	一年內	36,673	34,245
In the second year	第二年	35,120	23,306
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	33,963	25,942
Beyond five years	五年後	18,030	8,512
		123,786	92,005
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	1,775,797	1,005,500
In the second year	第二年	3,573,636	1,724,645
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年)	4,887,844	2,527,414
		10,237,277	5,257,559
		99,125,664	74,978,910

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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\$5,352,912,000 (2020: HK\$4,076,836,000) as at 31 December 2021 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\$1,775,797,000 repayable within the first year, HK\$2,356,170,000 repayable within the second year, and HK\$1,220,945,000 repayable within the third to fifth years, inclusive as at 31 December 2021 (2020: 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).

The corporate bond, ABS and MTN payable at 31 December 2021 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\$924,339,000 repayable within the first year, HK\$1,038,685,000 repayable within the second year and HK\$3,389,888,000 repayable within the third to fifth years, inclusive as at 31 December 2021 (2020: 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 2021, certain banking facilities and other loans 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 and other loans, amounting to HK\$66,430,366,000 (2020: HK\$55,054,118,000), were utilised to the extent of HK\$47,632,838,000 (2020: HK\$34,076,405,000) at 31 December 2021. Among the secured banking facilities, HK\$2,563,478,000 (2020: HK\$290,000,000) are guaranteed by the Company and were utilised to the extent of HK\$796,413,000 at 31 December 2021 (2020: Nil).

29 計息借貸(續)

附註：就上述分析而言，於二零二一年十二月三十一日總金額為港幣5,352,912,000元(二零二零年：港幣4,076,836,000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)。於二零二一年十二月三十一日，有關債券之分析如下：港幣1,775,797,000元須於第一年償還、港幣2,356,170,000元須於第二年償還及港幣1,220,945,000元須於第三至第五年(包括首尾兩年)償還(二零二零年：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)。

於二零二一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：於二零二一年十二月三十一日，港幣924,339,000元須於第一年償還、港幣1,038,685,000元須於第二年償還及港幣3,389,888,000元須於第三至第五年(包括首尾兩年)償還(二零二零年：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)。

於二零二一年十二月三十一日，本集團若干銀行融資及其他貸款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。於二零二一年十二月三十一日，上述銀行融資及其他貸款之金額為港幣66,430,366,000元(二零二零年：港幣55,054,118,000元)，已動用港幣47,632,838,000元(二零二零年：港幣34,076,405,000元)。上述有抵押銀行融資其中港幣2,563,478,000元(二零二零年：港幣290,000,000元)由本公司作擔保，於二零二一年十二月三十一日，已動用港幣796,413,000元(二零二零年：無)。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

29 INTEREST-BEARING BORROWINGS

(continued)

As at 31 December 2021, the unsecured banking facilities and other loans, amounting to HK\$61,060,858,000 (2020: HK\$55,098,298,000), were utilised to the extent of HK\$41,131,763,000 (2020: HK\$35,552,941,000). Among the unsecured banking facilities of the Group, HK\$834,997,000 (2020: HK\$74,487,000) are guaranteed by the Company and were utilised to the extent of HK\$561,691,000 (2020: HK\$19,402,000) at 31 December 2021.

As at 31 December 2021, banking facilities of HK\$61,531,222,000 (2020: HK\$68,375,661,000) 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 2021, such facilities were utilised to the extent of HK\$48,473,012,000 (2020: HK\$47,879,003,000). 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 2021, the lease liabilities of HK\$45,622,000 (2020: HK\$39,943,000) were secured by the underlying right-of-use assets (note 16), and ABS of HK\$237,739,000 (2020: HK\$293,756,000) 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 2021, the Group's bank loans of HK\$2,364,169,000 (2020: HK\$1,746,238,000) bear interest at fixed rates ranging from 1.15% to 3.00% (2020: 1.99% to 4.35%) per annum, bank and other loans of HK\$86,400,432,000 (2020: HK\$67,883,108,000) bear interest at variable rates ranging from 1.12% to 5.39% (2020: 1.05% to 5.39%) per annum, lease liabilities of HK\$123,786,000 (2020: HK\$92,005,000) bear interest at rates ranging from 1.18% to 7.33% (2020: 0.72% to 7.50%) per annum, corporate bond payable of HK\$2,672,695,000 (2020: HK\$2,599,849,000) bears interest at fixed rates ranging from 3.20% to 3.89% (2020: 3.28% to 4.60%) per annum, MTN of HK\$7,326,843,000 (2020: HK\$2,363,954,000) bear interest at fixed rates ranging from 3.50% to 3.75% (2020: 3.60% to 3.68%) per annum, and ABS of HK\$237,739,000 (2020: HK\$293,756,000) bear interest at fixed rates ranging from 3.38% to 3.99% (2020: 2.98% to 3.99%) per annum.

29 計息借貸(續)

於二零二一年十二月三十一日，無抵押銀行融資及其他貸款之金額為港幣61,060,858,000元(二零二零年：港幣55,098,298,000元)，已動用港幣41,131,763,000元(二零二零年：港幣35,552,941,000元)。上述本集團無抵押銀行融資中港幣834,997,000元(二零二零年：港幣74,487,000元)由本公司作擔保，於二零二一年十二月三十一日，已動用港幣561,691,000元(二零二零年：港幣19,402,000元)。

於二零二一年十二月三十一日，銀行融資港幣61,531,222,000元(二零二零年：港幣68,375,661,000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。於二零二一年十二月三十一日，有關融資已動用港幣48,473,012,000元(二零二零年：港幣47,879,003,000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。

於二零二一年十二月三十一日，租賃負債港幣45,622,000元(二零二零年：港幣39,943,000元)以相關使用權資產作抵押(附註16)，而資產支持證券港幣237,739,000元(二零二零年：港幣293,756,000元)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。

於二零二一年十二月三十一日，本集團之銀行貸款港幣2,364,169,000元(二零二零年：港幣1,746,238,000元)按介乎1.15%至3.00%(二零二零年：1.99%至4.35%)之固定年息率計息，銀行及其他貸款港幣86,400,432,000元(二零二零年：港幣67,883,108,000元)按介乎1.12%至5.39%(二零二零年：1.05%至5.39%)之浮動年息率計息，租賃負債港幣123,786,000元(二零二零年：港幣92,005,000元)按介乎1.18%至7.33%(二零二零年：0.72%至7.50%)之年息率計息，應付公司債券港幣2,672,695,000元(二零二零年：港幣2,599,849,000元)按介乎3.20%至3.89%(二零二零年：3.28%至4.60%)之固定年息率計息，中期票據港幣7,326,843,000元(二零二零年：港幣2,363,954,000元)按介乎3.50%至3.75%(二零二零年：3.60%至3.68%)之固定年息率計息，以及資產支持證券港幣237,739,000元(二零二零年：港幣293,756,000元)按介乎3.38%至3.99%(二零二零年：2.98%至3.99%)之固定年息率計息。

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財務報表附註

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29 INTEREST-BEARING BORROWINGS (continued)

As at 31 December 2021, the Group's bank and other loans of HK\$1,255,947,000 (2020: HK\$1,284,167,000) are denominated in United States dollars, HK\$56,075,353,000 (2020: HK\$40,077,308,000) are denominated in RMB, HK\$6,953,000 (2020: HK\$14,193,000) are denominated in Polish zloty, HK\$329,318,000 (2020: HK\$346,516,000) are denominated in Euro, and HK\$31,097,030,000 (2020: HK\$27,907,162,000) are denominated in Hong Kong dollars.

Included in "Interest-bearing borrowings" at 31 December 2021 are bank loans of HK\$740,269,000 (2020: HK\$632,707,000) from a related party bank.

Included in loans from a related party bank are:

- (i) bank loans in aggregate of HK\$240,269,000 (2020: HK\$537,947,000) which are secured, interest-bearing at rates ranging from LPR minus 0.097% to the rates announced by the People's Bank of China (2020: rates ranging from LPR minus 0.097% to the rates announced by the People's Bank of China), and will be settled by instalments until 2023 to 2030 (2020: until 2023 to 2030); and
- (ii) bank loans of HK\$500,000,000 (2020: HK\$94,760,000) which are unsecured, interest-bearing at rates ranging from 1.15% to 1.65% per annum (2020: a rate of 105% of the rates announced by the People's Bank of China), and will be settled by 2026 (2020: by 2021).

Included in "Interest-bearing borrowings" at 31 December 2021 are other loans of HK\$2,444,600,000 (2020: HK\$2,369,000,000) from an intermediate holding company of the Company, which are unsecured, interest-bearing at rates ranging from LPR 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)

於二零二一年十二月三十一日，本集團之銀行及其他貸款港幣1,255,947,000元(二零二零年：港幣1,284,167,000元)以美元計值，港幣56,075,353,000元(二零二零年：港幣40,077,308,000元)以人民幣計值，港幣6,953,000元(二零二零年：港幣14,193,000元)以波蘭茲羅提計值，港幣329,318,000元(二零二零年：港幣346,516,000元)以歐羅計值及港幣31,097,030,000元(二零二零年：港幣27,907,162,000元)以港幣計值。

於二零二一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740,269,000元(二零二零年：港幣632,707,000元)。

關聯方銀行提供之貸款包括：

- (i) 銀行貸款總額港幣240,269,000元(二零二零年：港幣537,947,000元)為有抵押、按介乎貸款基礎利率減0.097%至中國人民銀行公佈之息率計息(二零二零年：介乎貸款基礎利率減0.097%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(二零二零年：二零二三年至二零三零年前)分期償還；及
- (ii) 銀行貸款港幣500,000,000元(二零二零年：港幣94,760,000元)為無抵押，按介乎1.15%至1.65%之年息率計息(二零二零年：按中國人民銀行公佈之息率105%計息)，並將於二零二六年前償還(二零二零年：二零二一年前)。

於二零二一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2,444,600,000元(二零二零年：港幣2,369,000,000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。

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財務報表附註

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30 CORPORATE BOND

30 公司債券

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Current	即期		
Corporate bond – unsecured	公司債券—無抵押	1,706,737	942,129
Non-current	非即期		
Corporate bond – unsecured	公司債券—無抵押	965,958	1,657,720
		2,672,695	2,599,849

On 21 July 2017, China Everbright Water Limited (“CEWL”), a 72.87% (2020: 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.

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%（二零二零年：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。

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30 CORPORATE BOND (continued)

On 24 June 2020, CEWL 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 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.

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.

30 公司債券(續)

於二零二零年六月二十四日，光大水務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。

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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

30 CORPORATE BOND (continued)

On 20 July 2021, CEWL announced the adjustment of the interest rate in respect of the second tranche of the Corporate Bond from 4.60% per annum to 3.20% per annum for type (i) bonds and from 4.58% per annum to 3.20% per annum for type (ii) bonds for the period from 16 August 2021 to 15 August 2023. CEWL repurchased the second tranche of the Corporate Bond totaling RMB262,150,000, of which RMB250,000,000 had been resold and the remaining RMB12,150,000 had been cancelled during the year ended 31 December 2021.

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.

On 23 December 2021, CEWL announced the adjustment of the interest rate in respect of the third tranche of the Corporate Bond from 3.89% per annum to 3.08% per annum for the period from 21 January 2022 to 20 January 2024. Subsequent to the end of the reporting period, CEWL repurchased the third tranche of the Corporate Bond totaling RMB251,100,000, of which RMB251,100,000 had been resold in February 2022.

30 公司債券(續)

於二零二一年七月二十日，光大水務公佈有關第二批公司債券的息率調整，於二零二一年八月十六日至二零二三年八月十五日止期間將(i)類債券之年息率由4.60%下調至3.20%及(ii)類債券之年息率由4.58%下調至3.20%。於截至二零二一年十二月三十一日止年度，光大水務購回第二批公司債券合共人民幣262,150,000元，其中人民幣250,000,000元已被轉售，而其餘人民幣12,150,000元已被註銷。

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。

於二零二一年十二月二十三日，光大水務公佈有關第三批公司債券的息率調整，於二零二二年一月二十一日至二零二四年一月二十日止期間將年息率由3.89%下調至3.08%。於報告期末後，光大水務購回第三批公司債券合共人民幣251,100,000元，其中人民幣251,100,000已於二零二二年二月被轉售。

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31 December 2021 二零二一年十二月三十一日

31 ASSET-BACKED SECURITIES

31 資產支持證券

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Current ABS – secured	即期 資產支持證券—有抵押	69,060	63,371
Non-current ABS – secured	非即期 資產支持證券—有抵押	168,679	230,385
		237,739	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 ABS. Pursuant to the No-objection Letter, the issuance size of the ABS shall not be more than RMB300 million and the issuance of ABS shall be completed within 12 months from the date of the No-objection Letter.

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

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31 December 2021 二零二一年十二月三十一日

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 3.38% 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 2023 (“The 12th Repayment Date”), to increase or decrease interest rate of no more than 200 base points (1 base point equals to 0.01%). The holders of Preference ABS 4 and Preference ABS 5 have an option to sell back the notes to the original beneficiary at the nominal price, and the exercise period of this option is from the 26th day before The 12th Repayment Date to the 17th day before The 12th Repayment Date.

In 2021, CEWL repaid the principal of RMB13,000,000 (2020: RMB37,000,000) of Preference ABS 1 and RMB40,500,000 (2020: Nil) of Preference ABS 2 according to the terms of the ABS.

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3.38%至3.99%之固定年息率計息。光大水務擁有一項期權，可於二零二三年三月二十六日(「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。

於二零二一年，光大水務根據資產支持證券的條款已償還本金額人民幣13,000,000元(二零二零年：人民幣37,000,000元)的優先級資產支持證券1及優先級資產支持證券2人民幣40,500,000元(二零二零年：無)。

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32 MEDIUM TERM NOTES

32 中期票據

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Non-current	非即期			
Energy MTN – unsecured	能源中期票據—無抵押	(a)	2,444,600	—
Water MTN – unsecured	水務中期票據—無抵押	(b)	2,439,765	1,180,723
Greentech MTN – unsecured	綠色環保中期票據—無抵押	(c)	2,442,478	1,183,231
			7,326,843	2,363,954

Notes:

- (a) On 27 April 2021, the Company received the notice of registration acceptance (the “Energy Notice”) from National Association of Financial Market Institutional Investors of the People’s Republic of China (“NAFMII”) concerning the RMB-denominated medium term notes (the “Energy MTN”), with registered amount of RMB4 billion, effective for two years after the Energy Notice was issued.

On 11 June 2021 (the “Energy MTN Issue Date”), the Company issued the first tranche of the Energy MTN of RMB2 billion, before related expenses of RMB2,101,000, with an interest rate at 3.60% per annum, and a maturity period of three years from the Energy MTN Issue Date. The interest shall be paid annually from 15 June 2022 and up to the maturity date.

- (b) On 4 April 2020, CEWL received the notice of registration acceptance from NAFMII (the “Water Notice”) concerning the RMB-denominated medium term notes (the “Water MTN”), with registered amount of RMB3 billion, effective for two years after the Water Notice was issued.

On 4 August 2020 (the “Water MTN First 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 First Issue Date. The interest shall be paid annually from 5 August 2020 and up to the maturity date.

附註：

- (a) 於二零二一年四月二十七日，本公司取得中國銀行間市場交易商協會（「銀行間交易商協會」）就人民幣中期票據（「能源中期票據」）而發出的接受註冊通知書（「能源通知書」），註冊金額為人民幣40億元，有效期為自發出能源通知書後兩年。

於二零二一年六月十一日（「能源中期票據發行日期」），本公司發行第一批能源中期票據，金額為人民幣20億元（扣除相關開支人民幣2,101,000元前），年息率為3.60%及期限由能源中期票據發行日期起計為期三年。利息須由二零二二年六月十五日起至到期日止每年支付。

- (b) 於二零二零年四月四日，光大水務取得銀行間交易商協會就人民幣中期票據（「水務中期票據」）而發出的接受註冊通知書（「水務通知書」），註冊金額為人民幣30億元，有效期為自發出水務通知書後兩年。

於二零二零年八月四日（「水務中期票據首個發行日期」），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首個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。

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32 MEDIUM TERM NOTES (continued)

Notes: (continued)

(b) (continued)

On 15 January 2021 (the "Water MTN Second Issue Date"), CEWL issued the second tranche of the Water MTN of RMB1 billion, before related expenses of RMB3,000,000, with an interest rate at 3.75% per annum, and a maturity period of three years from the Water MTN Second Issue Date. The interest shall be paid annually from 15 January 2021 and up to the maturity date.

(c) On 1 April 2020, China Everbright Greentech Limited ("CEGL"), a 69.70% (2020: 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 First 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 First 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 First Issue Date and up to the maturity date.

On 27 July 2021 (the "Greentech MTN Second Issue Date"), CEGL issued the second 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 Second Issue Date. The second tranche of the Greentech MTN bears interest at a rate of 3.5% per annum and the interest will be repayable by CEGL annually from the Greentech MTN Second Issue Date and up to the maturity date.

According to the terms of the first and second tranches of the Greentech MTN, CEGL is entitled to adjust the interest rate of the Greentech MTN for the remaining two years before the maturity date after three years from the respective issue date of each tranche of the Greentech MTN. CEGL will announce the adjustment of interest rate, if any, 10 working days prior to the payment of the interest for the third year. 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) (續)

於二零二一年一月十五日(「水務中期票據第二個發行日期」)，光大水務發行第二批水務中期票據，金額為人民幣10億元(扣除相關開支人民幣3,000,000元前)，年息率為3.75%及期限由水務中期票據第二個發行日期起計為期三年。利息須由二零二一年一月十五日起至到期日止每年支付。

(c) 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%(二零二零年：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(「綠色環保中期票據第一個發行日期」)，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第一個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第一個發行日期起至到期日止每年支付利息。

於二零二一年七月二十七日(「綠色環保中期票據第二個發行日期」)，光大綠色環保發行第二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第二個發行日期起計為期五年。第二批綠色環保中期票據按年息率3.5%計息及光大綠色環保將由綠色環保中期票據第二個發行日期起至到期日止每年支付利息。

根據第一批及第二批綠色環保中期票據之條款，於各批綠色環保中期票據各自的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。光大綠色環保將於支付第三年利息前10個工作日前公佈息率調整(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。

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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 2020	於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 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	(6,554,192)	(19,688)	(296,082)	(1,338,776)	116,238	(8,092,500)
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)	(960,647)	-	21,332	(313,019)	7,456	(1,244,878)
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	(116,642)	-	97,390	(11,451)	2,092	(28,611)
Exchange realignment	匯兌調整	(126,536)	(428)	(6,530)	(150,853)	(9,610)	(293,957)
At 31 December 2021	於二零二一年十二月三十一日	(7,758,017)	(20,116)	(183,890)	(1,814,099)	116,176	(9,659,946)

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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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	440,770	246,945
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	(10,100,716)	(8,339,445)
		(9,659,946)	(8,092,500)

The Group has estimated tax losses arising in Hong Kong of approximately HK\$207,735,000 (2020: 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\$107,188,000 (2020: approximately HK\$82,705,000) 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(二零二零年：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107,188,000元(二零二零年：約港幣82,705,000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。

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34 SHARE CAPITAL

34 股本

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Issued and fully paid:	已發行及悉數繳足：		
6,142,975,292 (2020: 6,142,975,292) ordinary shares	6,142,975,292股(二零二零年： 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.

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) 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.

(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) 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.

(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價值之間的差額，其由獨立測量師行按市場比較法釐定。

The property revaluation reserve of the Group is not distributable as at 31 December 2021 and 2020.

於二零二一年及二零二零年十二月三十一日，本集團之物業重估儲備並不可供分派。

(iii) 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.

(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。

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35 RESERVES (continued)

(iv) Other financial assets and debt instrument measured at fair value through other comprehensive income reserve

The other financial assets and debt instrument measured at fair value through other comprehensive income reserve comprise the cumulative net change in the fair value of other financial assets and debt instrument 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及債項工具儲備

按公允值計入其他全面收入計量之其他財務資產及債項工具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及債項工具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。

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財務報表附註

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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：

		2021 二零二一年	2020 二零二零年
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%
		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	325,649	277,884
CEGL	光大綠色環保	336,447	455,267
Dividends paid to non-controlling interests:	已付非控股權益之股息：		
CEWL	光大水務	91,503	57,672
CEGL	光大綠色環保	87,651	100,173
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	2,862,190	2,562,305
CEGL	光大綠色環保	4,169,642	3,794,857

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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：

2021	二零二一年	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	6,912,371	8,446,999
Total expenses	開支總額	(5,651,384)	(7,724,330)
Profit for the year	年度盈利	1,282,986	1,120,031
Total comprehensive income for the year	年度全面收入總額	1,789,993	1,546,104
Current assets	流動資產	7,431,775	11,901,463
Non-current assets	非流動資產	24,228,985	28,638,118
Current liabilities	流動負債	(6,691,209)	(8,654,959)
Non-current liabilities	非流動負債	(13,114,815)	(17,739,255)
Non-controlling interests	非控股權益	(1,293,149)	(384,172)
Net cash flows from/(used in) operating activities	經營活動所得/(所動用) 現金流量淨額	(669,141)	426,693
Net cash flows used in investing activities	投資活動所動用現金流量淨額	(1,136,862)	(2,801,379)
Net cash flows from financing activities	融資活動所得現金流量淨額	2,321,708	2,273,933
Effect of foreign exchange rate changes, net	匯率變動影響淨額	62,441	78,346
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/ (減少)淨額	578,146	(22,407)

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財務報表附註

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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)

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)

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES

Business combinations

(a) Acquisition of Tianjin Huantang

On 21 January 2021, the Group entered into an equity transfer agreement and supplementary agreement with Tianjin Binhai Environmental Protection Industry Development Co., Ltd. to acquire 65% equity interest in Tianjin Huantang. Tianjin Huantang is principally engaged in municipal waste water treatment and recycling; pipeline engineering; municipal engineering; construction, management, operation, technical consultation and ancillary services of waste water treatment and reusable water facilities; research and development and operation of environmental protection technology and environmental protection products; renewable resources utilisation and operation; sludge dewatering treatment and its application. The acquisition was made as part of the Group's strategy to expand the water business of the Group. The purchase consideration for the acquisition was in the form of cash, with consideration for the acquisition amounting to RMB666,335,724 (equivalent to approximately HK\$800,136,000). The acquisition was completed on 1 March 2021.

As of 31 December 2021, the purchase price accounting for the business combination of Tianjin Huantang was completed. The table below sets forth the assets acquired and the liabilities assumed recognised at the acquisition date.

37 收購附屬公司

業務合併

(a) 收購天津環塘

於二零二一年一月二十一日，本集團與天津濱海環保產業發展有限公司訂立股權轉讓協議及補充協議，以收購天津環塘65%的股權。天津環塘主要從事城市污水處理及再生利用；管道工程；市政工程；污水處理及中水設施的建設、管理、經營、技術諮詢及配套服務；環保科技及環保產品的研發與經營；再生資源利用及經營；污泥乾化處理及其應用。該收購是本集團擴大其水務業務戰略的一部分。該收購的購買代價以現金形式支付，收購代價為人民幣666,335,724元（相當於約港幣800,136,000元）。該收購於二零二一年三月一日完成。

截至二零二一年十二月三十一日，已完成對天津環塘的業務合併採用購買價格進行的核算。下表載列於收購日期確認的已收購資產和已承擔負債。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(a) Acquisition of Tianjin Huantang (continued)

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

37 收購附屬公司(續)

業務合併(續)

(a) 收購天津環塘(續)

於收購日期二零二一年三月一日，天津環塘之可辨別資產及負債之公允值如下：

		Notes 附註	2021 Fair value recognised on acquisition 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	898,601
Right-of-use assets	使用權資產	16	94,143
Intangible assets	無形資產	18	27
Deferred tax assets	遞延稅項資產	33	8,122
Inventories	存貨		9,218
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項		379,585
Cash and cash equivalents	現金及現金等價物		5,520
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用		(455,787)
Tax payable	應付稅項		(3,270)
Non-controlling interests	非控股權益		(327,656)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		608,503
Goodwill on acquisition	收購所產生之商譽	17	191,633
			800,136
Total consideration	總代價		800,136

The fair value of the debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$379,585,000. The gross contractual amount of debtors, other receivables, deposits and prepayments was HK\$546,296,000, of which HK\$166,711,000 is expected to be uncollectible.

The non-controlling interests in Tianjin Huantang recognised at the acquisition date were measured with reference to the non-controlling interests' proportionate share of the fair value of net assets of Tianjin Huantang at that date.

應收賬款、其他應收款項、按金及預付款項於收購日期的公允值為港幣379,585,000元。應收賬款、其他應收款項、按金及預付款項的合約總額為港幣546,296,000元，其中港幣166,711,000元預計無法收回。

天津環塘於收購日期確認的非控股權益為參考該等非控股權益所佔天津環塘於該日的淨資產公允值的比例計算得出。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(a) Acquisition of Tianjin Huantang (continued)

The Group incurred transaction costs of HK\$4,453,000 for this acquisition. These transaction costs were expensed and included in “Administrative expenses” in the consolidated income statement for the year ended 31 December 2021.

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

		2021 二零二一年 HK\$'000 港幣千元
Cash consideration	現金代價	(800,136)
Cash and cash equivalents acquired	收購所得現金及現金等價物	5,520
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(794,616)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(4,453)
		(799,069)

None of the goodwill recognised is expected to be deductible for income tax purpose.

Since the acquisition, Tianjin Huantang contributed HK\$192,521,000 to the Group's revenue and incurred a loss of HK\$41,624,000 to the consolidated profit for the year ended 31 December 2021.

Had the transaction taken place on 1 January 2021, the consolidated revenue and profit of the Group for the year ended 31 December 2021 would have been HK\$49,942,942,000 and HK\$8,134,519,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

37 收購附屬公司(續)

業務合併(續)

(a) 收購天津環塘(續)

本集團就該收購產生交易成本港幣4,453,000元。該等交易成本於截至二零二一年十二月三十一日止年度的綜合損益表中支銷，並計入「行政費用」。

有關收購天津環塘之現金流量分析如下：

概無已確認之商譽預期可用作扣減所得稅。

自收購以來，天津環塘於截至二零二一年十二月三十一日止年度為本集團貢獻收益港幣192,521,000元，並為綜合盈利帶來虧損港幣41,624,000元。

倘有關交易於二零二一年一月一日進行，本集團截至二零二一年十二月三十一日止年度之綜合收益及盈利分別為港幣49,942,942,000元及港幣8,134,519,000元。在釐定此等金額時，管理層假設倘是項收購於二零二一年一月一日發生，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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(b) Acquisition of Wuxi Xidong

On 23 June 2021, the Group entered into an equity and debt transfer agreement with an independent third party established in the PRC, pursuant to which the Group agreed to acquire 80% equity interest of Wuxi Xidong and a shareholder loan payable by Wuxi Xidong amounted to RMB232,870,000 (equivalent to approximately HK\$279,653,000) for a total consideration of RMB628,950,000 (equivalent to approximately HK\$755,305,000) in cash (the "Wuxi Acquisition"). Wuxi Xidong is engaged in the operation of waste-to-energy plant in Wuxi, China. The Wuxi Acquisition was completed in July 2021.

The fair values of the identifiable assets and liabilities of Wuxi Xidong as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(b) 收購無錫錫東

於二零二一年六月二十三日，本集團與一家於中國成立之獨立第三方訂立股權及債權轉讓協議，據此，本集團同意收購無錫錫東80%股權及無錫錫東應付之股東貸款人民幣232,870,000元(相當於約港幣279,653,000元)，總現金代價為人民幣628,950,000元(相當於約港幣755,305,000元)(「無錫收購事項」)。無錫錫東於中國無錫從事運營垃圾發電廠。無錫收購事項已於二零二一年七月完成。

於收購日期，無錫錫東之可辨別資產及負債之公允值如下：

		Notes 附註	2021 Fair value recognised on acquisition 二零二一年 收購時確認之 公允值 HK\$'000 港幣千元
Intangible assets	無形資產	18	27,520
Contract assets	合約資產		1,464,442
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項		220,523
Cash and cash equivalents	現金及現金等價物		40,626
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用		(437,235)
Interest-bearing borrowings	計息借貸		(900,675)
Deferred tax liabilities	遞延稅項負債	33	(27,910)
Non-controlling interests	非控股權益		(77,458)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)		309,833
Shareholder loan acquired	已收購之股東貸款		279,653
Goodwill on acquisition	收購所產生之商譽	17	165,819
			755,305
Total consideration	總代價		755,305

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(b) Acquisition of Wuxi Xidong (continued)

The fair values of the debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$220,523,000. The gross contractual amounts of debtors, other receivables, deposits and prepayments were HK\$220,523,000, none of which is expected to be uncollectible.

The Group has elected to measure the non-controlling interests in Wuxi Xidong at the non-controlling interests' proportionate share of Wuxi Xidong's identifiable net assets.

The Group incurred transaction costs of HK\$449,000 for this transaction. These transaction costs were expensed and included in "Administrative expenses" in the consolidated income statement for the year ended 31 December 2021.

An analysis of the cash flows in respect of the Wuxi Acquisition is as follows:

37 收購附屬公司(續)

業務合併(續)

(b) 收購無錫錫東(續)

應收賬款、其他應收款項、按金及預付款項於收購日期的公允值為港幣220,523,000元。應收賬款、其他應收款項、按金及預付款項的合約總額為港幣220,523,000元，預期皆可收回。

本集團已選擇按非控股權益應佔無錫錫東可辨別資產淨額之比例，計量於無錫錫東之非控股權益。

本集團就該交易產生交易成本港幣449,000元。該等交易成本於截至二零二一年十二月三十一日止年度的綜合損益表中支銷，並計入「行政費用」。

有關無錫收購事項之現金流量分析如下：

	2021 二零二一年 HK\$'000 港幣千元
Cash consideration	(755,305)
Cash and cash equivalents acquired	40,626
Net outflow of cash and cash equivalents included in cash flows from investing activities	(714,679)
Transaction costs of the acquisition included in cash flows from operating activities	(449)
	(715,128)

Since the acquisition, Wuxi Xidong contributed HK\$76,451,000 to the Group's revenue and a profit of HK\$7,488,000 to the consolidated profit for the year ended 31 December 2021.

Had the transaction taken place on 1 January 2021, the consolidated revenue and profit of the Group for the year ended 31 December 2021 would have been HK\$50,084,001,000 and HK\$8,129,444,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

自收購以來，無錫錫東於截至二零二一年十二月三十一日止年度為本集團貢獻收益港幣76,451,000元，並為綜合盈利帶來盈利港幣7,488,000元。

倘有關交易於二零二一年一月一日進行，本集團截至二零二一年十二月三十一日止年度之綜合收益及盈利分別為港幣50,084,001,000元及港幣8,129,444,000元。在釐定此等金額時，管理層假設倘是項收購於二零二一年一月一日發生，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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(c) Acquisition of Fuyang Luzhu

On 28 July 2021, the Group entered into an equity transfer agreement with Zhejiang Fuchunjiang, an independent third party established in the PRC, pursuant to which the Group agreed to acquire 51% equity interest of Fuyang Luzhu for a consideration of RMB290,000,000 (equivalent to approximately HK\$349,653,000) in cash (the "Luzhu Acquisition"). Fuyang Luzhu, which was the Group's joint venture as at 31 December 2020, is engaged in the design, construction, operation and maintenance of environmental protection projects in Fuyang Luzhu City, China. The Luzhu Acquisition was completed in October 2021.

The fair values of the identifiable assets and liabilities of Fuyang Luzhu as at the date of acquisition were as follows:

37 收購附屬公司(續)

業務合併(續)

(c) 收購富陽淥諸

於二零二一年七月二十八日，本集團與浙江富春江(一名於中國成立之獨立第三方)訂立股權轉讓協議。據此，本集團同意收購富陽淥諸51%股權，現金代價為人民幣290,000,000元(相當於約港幣349,653,000元)(「淥諸收購事項」)。於二零二一年十二月三十一日，富陽淥諸為本集團之合營企業，在中國富陽淥諸市從事設計、建造、運營及維護環保項目。淥諸收購事項已於二零二一年十月完成。

於收購日期，富陽淥諸之可辨別資產及負債之公允值如下：

	Notes 附註	2021 Fair value recognised on acquisition 二零二一年 收購時確認 之公允值 HK\$'000 港幣千元
Contract assets	合約資產	1,575,421
Inventories	存貨	862
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項	218,599
Cash and cash equivalents	現金及現金等價物	8,452
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用	(115,772)
Interest-bearing borrowings	計息借貸	(1,029,097)
Deferred tax liabilities	遞延稅項負債	(8,823)
	33	
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)	649,642
Less: the Group's 49% equity interest in Fuyang Luzhu as at the date of acquisition (recorded under interests in joint ventures)	減：於收購日期本集團於 富陽淥諸之49%股權 (列入合營企業權益項下)	(299,989)
	19	
		349,653
Total consideration	總代價	349,653

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37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(c) Acquisition of Fuyang Luzhu (continued)

The fair values of debtors, other receivables, deposits and prepayments as at the date of acquisition amounted to HK\$218,599,000. The gross contractual amounts of debtors, other receivables, deposits and prepayments were HK\$218,599,000, none of which is expected to be uncollectible.

The Group incurred transaction costs of HK\$284,000 for this transaction. These transaction costs were expensed and included in “Administrative expenses” in the consolidated income statement for the year ended 31 December 2021.

An analysis of the cash flows in respect of the Luzhu Acquisition is as follows:

37 收購附屬公司(續)

業務合併(續)

(c) 收購富陽淥諸(續)

應收賬款、其他應收款項、按金及預付款項於收購日期的公允值為港幣218,599,000元。應收賬款、其他應收款項、按金及預付款項的合約總額為港幣218,599,000元，預期皆可收回。

本集團就該交易產生交易成本港幣284,000元。該等交易成本於截至二零二一年十二月三十一日止年度的綜合損益表中支銷，並計入「行政費用」。

有關淥諸收購事項之現金流量分析如下：

		2021 二零二一年 HK\$'000 港幣千元
Cash consideration	現金代價	(349,653)
Cash and cash equivalents acquired	收購所得現金及現金等價物	8,452
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	(341,201)
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	(284)
		(341,485)

Since the acquisition, Fuyang Luzhu contributed HK\$42,667,000 to the Group's revenue and a profit of HK\$35,555,000 to the consolidated profit for the year ended 31 December 2021.

自收購以來，富陽淥諸於截至二零二一年十二月三十一日止年度為本集團貢獻收益港幣42,667,000元，並為綜合盈利帶來盈利港幣35,555,000元。

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31 December 2021 二零二一年十二月三十一日

37 ACQUISITION OF SUBSIDIARIES (continued)

Business combinations (continued)

(c) Acquisition of Fuyang Luzhu (continued)

Had the transaction taken place on 1 January 2021, the consolidated revenue and profit of the Group for the year ended 31 December 2021 would have been HK\$50,489,261,000 and HK\$8,157,845,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

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)

(c) 收購富陽淶諾(續)

倘有關交易於二零二一年一月一日進行，本集團截至二零二一年十二月三十一日止年度之綜合收益及盈利分別為港幣50,489,261,000元及港幣8,157,845,000元。在釐定此等金額時，管理層假設倘是項收購於二零二一年一月一日發生，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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Acquisition of Tianjin Huantang (note 37(a))	收購天津環塘(附註37(a))	(794,616)	-
Acquisition of Wuxi Xidong (note 37(b))	收購無錫錫東(附註37(b))	(714,679)	-
Acquisition of Fuyang Luzhu (note 37(c))	收購富陽淶諾(附註37(c))	(341,201)	-
Others*	其他*	(5,500)	(83,132)
		(1,855,996)	(83,132)

* Balance for the year ended 31 December 2021 represented net cash outflow for the acquisition of subsidiaries with major assets and liabilities including property, plant and equipment of HK\$32,937,000, right-of-use assets of HK\$6,176,000, interest-bearing borrowings of HK\$7,145,000, and non-controlling interests of HK\$1,730,000, as at the date of acquisition. Goodwill of HK\$938,000 was arose from the acquisition of these subsidiaries.

* 截至二零二一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及負債之附屬公司之現金流出淨額，有關主要資產及負債包括物業、廠房及設備港幣32,937,000元、使用權資產港幣6,176,000元及計息借貸港幣7,145,000元，以及非控股權益港幣1,730,000元。商譽港幣938,000元來自收購該等附屬公司。

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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

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

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：

		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

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31 December 2021 二零二一年十二月三十一日

39 ACQUISITION OF NON-CONTROLLING INTERESTS

In 2021, the Group entered into an agreement with the non-controlling shareholder of Shandong Everbright Intelligence Ecological Technology Limited, pursuant to which the non-controlling shareholder agreed to sell and the Group agreed to purchase 10% equity interest in Shandong Everbright Intelligence Ecological Technology Limited at a consideration of RMB2,110,000 (equivalent to approximately HK\$2,521,000).

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).

The Group recognised a decrease in non-controlling interests and other reserve of HK\$2,113,000 (2020: HK\$187,058,000) and HK\$589,000 (2020: increase of HK\$138,373,000), respectively, and an increase in exchange reserve of HK\$181,000 (2020: decrease of HK\$22,129,000).

39 收購非控股權益

於二零二一年，本集團與山東光大智慧生態科技有限公司之非控股股東訂立協議，據此，非控股股東同意出售，而本集團同意購買山東光大智慧生態科技有限公司10%股權，代價為人民幣2,110,000元（相當於約港幣2,521,000元）。

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）。

本集團確認非控股權益及其他儲備分別減少港幣2,113,000元（二零二零年：港幣187,058,000元）及港幣589,000元（二零二零年：增加港幣138,373,000元），以及匯兌儲備增加港幣181,000元（二零二零年：減少港幣22,129,000元）。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

40 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 December 2021, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$59,044,000 (2020: HK\$24,722,000) and HK\$59,044,000 (2020: HK\$24,722,000), 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 2021, the interest expenses on corporate bond, ABS and MTN of HK\$198,303,000 (2020: HK\$95,560,000) 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 2021, and has no cash flow impact to the Group.
- (iii) During the year ended 31 December 2021, the proceeds or compensation in aggregate of approximately HK\$390,001,000 (2020: Nil) for the disposals of the Group’s intangible assets are not yet received by the Group, and recorded in “Debtors, other receivables, deposits and prepayments” in the consolidated statement of financial position as at 31 December 2021, and has no cash flow impact to the Group.

40 綜合現金流量表附註

(a) 主要非現金交易

- (i) 於截至二零二一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59,044,000元（二零二零年：港幣24,722,000元）及港幣59,044,000元（二零二零年：港幣24,722,000元）。
- (ii) 於截至二零二一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198,303,000元（二零二零年：港幣95,560,000元），有關款項已入賬二零二一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) 於截至二零二一年十二月三十一日止年度，本集團尚未收取出售本集團無形資產之所得款項或補償合約港幣390,001,000元（二零二零年：無），有關款項已入賬二零二一年十二月三十一日之綜合財務狀況表「應收賬款、其他應收款項、按金及預付款項」內及其對本集團之現金流量並無構成影響。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

40 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued) (b) Changes in liabilities arising from financing activities

40 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, MTN and SCP interest payables 公司債券、資產支持證券、中期票據及超短期融資券應付利息 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, MTN and SCP 公司債券、資產支持證券、中期票據及超短期融資券 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 2020	於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 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	100,634	69,629,346	92,005	5,257,559	-
Changes from financing cash flows	融資現金流量變動	(214,168)[#]	13,479,814	(58,135)	4,746,124[#]	-
New leases	新訂租賃	-	-	59,044	-	-
Lease modifications	租賃修訂	-	-	19,680	-	-
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	1,929,772	7,145	-	-
Finance costs, including capitalised interest expenses	財務費用(包括已資本化利息支出)	309,745	2,646,824	4,154	-	-
Foreign exchange movement	匯兌變動	4,522	1,078,845	(107)	233,594	-
At 31 December 2021	於二零二一年十二月三十一日	200,733	88,764,601	123,786	10,237,277	-

On 12 March 2021, CEWL received the notice of registration acceptance from NAFMII concerning the RMB-denominated SCP (the "SCP Notice"), with registered amount of RMB2.5 billion, effective for two years from the SCP Notice was issued.

On 9 August 2021, CEWL issued the first tranche of the SCP of RMB800 million, before related expenses of RMB653,000, with an interest rate at 2.4% per annum, and a maturity period of 120 days from the issue date, i.e. 8 December 2021. CEWL repaid all of the outstanding principal amount and accrued interest of the first tranche of the SCP on 8 December 2021.

於二零二一年三月十二日，光大水務取得銀行間交易商協會就人民幣超短期融資券而發出的接受註冊通知書(「超短期融資券通知書」)，註冊金額為人民幣25億元，有效期為自發出超短期融資券通知書後兩年。

於二零二一年八月九日，光大水務發行第一批超短期融資券，金額為人民幣8億元(扣除相關開支人民幣653,000元前)，年息率為2.4%及期限由發行日期(即二零二一年十二月八日)起計為期120日。光大水務已於二零二一年十二月八日償還所有未償還本金額及第一批超短期融資券之應計利息。

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40 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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within operating activities	經營活動	(37,438)	(38,701)
Within investing activities	投資活動	(62,210)	(231,360)
Within financing activities	融資活動	(58,135)	(59,560)
		(157,783)	(329,621)

41 PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's banking facilities, other loans, ABS 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\$110,660,679,000 (2020: HK\$76,803,665,000) as at 31 December 2021.

42 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.

At 31 December 2021, 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 2021) as follows:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Within one year	一年內	14,503	12,652

40 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：

41 資產抵押

就本集團之銀行融資、其他貸款、資產支持證券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。於二零二一年十二月三十一日，已抵押資產及附屬公司股權之賬面總淨值為港幣110,660,679,000元(二零二零年：港幣76,803,665,000元)。

42 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。

於二零二一年十二月三十一日，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二零二一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：

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43 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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備	4,735,386	12,035,924

- (b) At 31 December 2021, 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\$540,697,000 (2020: HK\$358,218,000).
- (c) At 31 December 2021, 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\$25,519,000 (2020: HK\$24,730,000).
- (d) At 31 December 2021, the Group had outstanding capital commitment relating to the capital contribution to associates not provided for in the financial statements of HK\$46,509,000 (2020: HK\$45,070,000).
- (e) At 31 December 2021, the Group had no outstanding capital commitment relating to the capital contribution to joint ventures not provided for in the financial statements (2020: HK\$72,058,000).

43 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) 於二零二一年十二月三十一日，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540,697,000元（二零二零年：港幣358,218,000元），有關承擔並未在財務報表中作出撥備。
- (c) 於二零二一年十二月三十一日，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25,519,000元（二零二零年：港幣24,730,000元），有關承擔並未在財務報表中作出撥備。
- (d) 於二零二一年十二月三十一日，本集團具有有關向聯營公司注資之未履行資本承擔港幣46,509,000元（二零二零年：港幣45,070,000元），有關承擔並未在財務報表中作出撥備。
- (e) 於二零二一年十二月三十一日，本集團並無有關向合營公司注資且並未在財務報表中作出撥備之資本承擔（二零二零年：港幣72,058,000元）。

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財務報表附註

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44 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:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Interest income	利息收入	18,005	13,323
Interest expense	利息支出	27,851	29,131

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.

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Interest expense		90,742	62,179

Details of the Group's other loans from an intermediate holding company of the Group are included in note 29 to the financial statements.

44 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。

- (b) 本集團與其中間控股公司訂立了下列關聯方交易：

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。

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財務報表附註

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44 RELATED PARTY TRANSACTIONS

(continued)

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	96,523	80,282
Finance income	財務收入	17,123	17,366
Cost of construction service	建造服務成本	70,711	93,256

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	107,417	73,181
Finance income	財務收入	53,366	50,550

(e) The Group entered into the following related party transactions with joint ventures of the Group:

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	249,043	420,522
Sales of machinery	銷售機器	148,066	214,307
Management service income	管理服務收入	738	689

44 關聯方交易(續)

(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) 本集團與其關聯公司訂立了下列關聯方交易：

(e) 本集團與其合營企業訂立了下列關聯方交易：

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財務報表附註

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44 RELATED PARTY TRANSACTIONS (continued)

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

	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	59,640	42,650
Revenue from environmental energy project construction services 環保能源項目建造服務收益	-	15,910

(g) The Group entered into the following related party transaction with a fellow subsidiary of the Group:

	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	73,338	236,900

As at 31 December 2021, 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\$537,812,000 (2020: HK\$355,350,000).

於二零二一年十二月三十一日，本集團具有有關上述購買營運一項投資基金的有限責任合夥公司之未履行資本承擔港幣537,812,000元（二零二零年：港幣355,350,000元），有關承擔並未在財務報表中作出撥備。

44 關聯方交易(續)

(f) 本集團與其聯營公司訂立了下列關聯方交易：

(g) 本集團與其同系附屬公司訂立了下列關聯方交易：

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44 RELATED PARTY TRANSACTIONS (continued)

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

		Notes 附註	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Underwriting service fees	承銷服務費用	(i)	9,227	1,453
Insurance expenses	保險開支	(ii)	99,722	19,548

Notes:

(i) The underwriting service fees of the issue of asset-backed notes backed by the receivables of related renewable energy tariff subsidy from environmental energy and greentech businesses for the year ended 31 December 2021 were calculated pursuant to the relevant underwriting agreements. Further details of the underwriting agreements are disclosed in announcement of the Company dated 28 December 2021 and the announcements of CEGL dated 21 April 2021 and 19 October 2021 respectively.

The underwriting service fees of the issue of the Energy MTN and Greentech MTN for the years ended 31 December 2021 and 2020 were calculated pursuant to the relevant underwriting agreements. Further details of the underwriting agreements are disclosed in the announcement of the Company dated 11 June 2021 and the announcements of CEGL dated 29 July 2021 and 1 April 2020 respectively.

(ii) The insurance expenses were charged by a fellow subsidiary of the Group based on the relevant medical insurance schemes clauses.

The transactions also constituted continuing connected transactions under the Listing Rules, details of which are disclosed under the paragraph headed "Connected transactions" in the Report of the Directors.

44 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) 截至二零二一年十二月三十一日止年度，發行資產支持票據（以來自環保能源及綠色環保業務所得的相關再生能源電價補貼之應收款項作支持）之承銷服務費用乃根據相關承銷協議計算。承銷協議之進一步詳情分別於本公司日期為二零二一年十二月二十八日及光大綠色環保日期為二零二一年四月二十一日及二零二一年十月十九日之公告中披露。

截至二零二一年及二零二零年十二月三十一日止年度，發行環保能源中期票據及綠色環保中期票據之承銷服務費用乃根據相關承銷協議計算。承銷協議之進一步詳情分別於本公司日期為二零二一年六月十一日及光大綠色環保日期為二零二一年七月二十九日及二零二零年四月一日之公告中披露。

(ii) 保險開支由本集團一間同系附屬公司按相關醫療保險計劃條款收取。

根據上市規則，有關交易亦構成持續關連交易，詳情於董事會報告「關連交易」一段內披露。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

44 RELATED PARTY TRANSACTIONS

(continued)

(h) (continued)

During the year ended 31 December 2021, the Group's office was leased from a fellow subsidiary of the Group. As at 31 December 2021, the right-of-use assets related to the office leased from the fellow subsidiary of the Group amounted to HK\$4,908,000 (2020: HK\$4,685,000) and lease liabilities of HK\$4,634,000 (2020: HK\$4,869,000) are due to the fellow subsidiary of the Group. Depreciation on right-of-use assets related to this office amounted to HK\$13,109,000 (2020: HK\$13,569,000) and interest on lease liabilities to the fellow subsidiary of the Group amounted to HK\$428,000 (2020: HK\$453,000) during the year ended 31 December 2021.

(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 2021, 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.

44 關聯方交易(續)

(h) (續)

截至二零二一年十二月三十一日止年度，本集團辦公室乃向本集團同系附屬公司租用。於二零二一年十二月三十一日，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4,908,000元(二零二零年：港幣4,685,000元)，而租賃負債港幣4,634,000元(二零二零年：港幣4,869,000元)乃應付本集團同系附屬公司之款項。截至二零二一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13,109,000元(二零二零年：港幣13,569,000元)，而應付本集團同系附屬公司之租賃負債之利息為港幣428,000元(二零二零年：港幣453,000元)。

(i) 與中國大陸其他國有實體之交易：

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。截至二零二一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事實上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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

44 RELATED PARTY TRANSACTIONS

(continued)

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

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	38,163	28,782
Retirement scheme contributions	退休計劃供款	2,851	2,005
Retirement benefits	退休福利	2,880	-
		43,894	30,787

44 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：

45 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, debtors, current portion of 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.

45 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、應收賬款、以及其他應收款項、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。審核委員會每年討論估值過程及結果兩次，以便作出中期及年度財務報告。

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財務報表附註

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45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

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

The fair values of the non-current portion of other receivables, deposits and prepayments, finance lease receivables, other payables and accrued expenses, 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 2021 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 value of the debt instrument at fair value through other comprehensive income in Level 2 as at 31 December 2021 is estimated with reference to the expected future cash flows of the debt instrument.

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.

45 金融工具之公允值及公允值架構級別 (續)

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：

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。於二零二一年十二月三十一日，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(佔其總資產之重大部份)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。

於二零二一年十二月三十一日，屬於第二級並按公允值計入其他全面收入之債項工具之公允值乃經參考債項工具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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

45 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 2021

45 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：

於二零二一年十二月三十一日

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 – Unlisted	指定按公允值計入其他全面收入之股本投資 – 非上市	-	3,899	29,389	33,288
Financial assets at fair value through other comprehensive income, which are included in debtors	按公允值計入其他全面收入之財務資產(計入應收賬款)	-	3,299,533	-	3,299,533
Financial assets at fair value through profit or loss	按公允值計入損益之財務資產	-	296,218	36,122	332,340
		-	3,599,650	65,511	3,665,161

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45 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2020

45 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 2021 二零二一年十二月三十一日

45 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:

45 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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 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	28,067	35,998
Purchases	購買	1,322	-
Fair value loss	公允值虧損	-	(7,931)
At 31 December	於十二月三十一日	29,389	28,067
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	34,051	31,010
Fair value gain	公允值收益	968	883
Exchange realignment	匯兌調整	1,103	2,158
At 31 December	於十二月三十一日	36,122	34,051
Contingent consideration receivable:	應收或然代價：		
At 1 January	於一月一日	-	7,708
Fair value adjustment	公允值調整	-	(7,814)
Exchange realignment	匯兌調整	-	106
At 31 December	於十二月三十一日	-	-

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

於二零二一年及二零二零年十二月三十一日，本集團並無任何按公允值計量之財務負債。

During the year ended 31 December 2021, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2020: Nil).

於截至二零二一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(二零二零年：無)。

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財務報表附註

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46 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:

2021

Financial assets	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	Financial assets at fair value through profit or loss – as such upon initial recognition 按公允值計入損益之財務資產 — 初步確認時指定為此分類 HK\$'000 港幣千元	Financial assets at fair value through profit or loss – mandatorily designated as such 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	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 HK\$'000 港幣千元	Debt instrument at fair value through other comprehensive income 按公允值計入其他全面收入之債項工具 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Finance lease receivables	融資租賃應收款項	16,235	-	-	-	-	16,235
Other financial assets	其他財務資產	-	36,122	296,218	33,288	-	365,628
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	9,201,071	-	-	-	3,299,533	12,500,604
Pledged bank deposits	已抵押銀行存款	553,704	-	-	-	-	553,704
Deposits with banks with maturity period over three months	存款期超過三個月之銀行存款	4,339	-	-	-	-	4,339
Cash and cash equivalents	現金及現金等價物	15,046,943	-	-	-	-	15,046,943
		24,822,292	36,122	296,218	33,288	3,299,533	28,487,453

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	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	25,060,006	25,060,006
Interest-bearing borrowings	計息借貸	99,125,664	99,125,664
			124,185,670

46 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：

二零二一年

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47 TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are derecognised in their entirety

During the year ended 31 December 2021, the Group entered into agreements with certain financial institutions whereby the Group sold out certain debtors of renewable energy tariff subsidies (the “Derecognised Debtors”) to a trust company, which in turn issued asset-backed notes in the NAFMII. The asset-backed notes were backed by the receivables of related renewable energy tariff subsidy.

During the year ended 31 December 2021, the Group transferred an aggregate carrying amount of RMB1,453,753,548 (equivalent to approximately HK\$1,757,939,000) of debtors of renewable energy tariff subsidies to the trust company and received proceeds of approximately HK\$1,580,736,000, net of related arrangement fees of HK\$177,203,000. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards relating to the Derecognised Debtors, and the Group’s exposure to the variability in the amounts of the Derecognised Debtors was not significant after the transactions. Accordingly, the full carrying amount of the Derecognised Debtors has been derecognised. The Group has provided liquidity support to the asset-backed notes. The maximum exposure to loss from the Group’s continuing involvement in the Derecognised Debtors is equal to their carrying amounts. In the opinion of the directors of the Company, the fair value of the Group’s continuing involvement in the Derecognised Debtors is not significant.

During the year ended 31 December 2021, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Debtors. No gains or losses were recognised from the continuing involvement, both during the year or cumulatively. Further details of the issuance of asset-backed notes are disclosed in the announcement of the Company dated 28 December 2021 and the announcements of CEGF dated 21 April 2021 and 19 October 2021.

47 轉讓財務資產

全數終止確認之已轉讓財務資產

截至二零二一年十二月三十一日止年度，本集團與若干金融機構訂立協議，其中本集團向一家信託公司出售若干再生能源電價補貼應收賬款（「已終止確認應收賬款」），而該信託公司則於銀行間交易商協會發行資產支持票據。資產支持票據以相關再生能源電價補貼之應收款項作支持。

截至二零二一年十二月三十一日止年度，本集團向該信託公司轉讓賬面總值人民幣1,453,753,548元（相當於約港幣1,757,939,000元）之再生能源電價補貼應收賬款，並收取所得款項約港幣1,580,736,000元（已扣除相關安排費用港幣177,203,000元）。本公司董事認為，本集團已轉讓有關已終止確認應收賬款的絕大部分風險及回報，故本集團於交易後面臨已終止確認應收賬款金額之可變性風險並不重大。因此，已終止確認應收賬款之賬面值已全數被終止確認。本集團已向資產支持票據提供流動性支持。本集團持續參與已終止確認應收賬款之最高虧損風險相等於其賬面值。本公司董事認為，本集團持續參與已終止確認應收賬款之公允值並不重大。

截至二零二一年十二月三十一日止年度，本集團於轉讓已終止確認應收賬款日期並未確認任何收益或虧損。概無於年內或累計確認來自持續參與之收益或虧損。發行資產支持票據之進一步詳情於本公司日期為二零二一年十二月二十八日之公告及光大綠色環保日期為二零二一年四月二十一日及二零二一年十月十九日之公告內披露。

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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)。

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財務報表附註

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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。

		2021 二零二一年		2020 二零二零年	
		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	1.15 – 7.33	12,725,232	0.72 – 7.50	7,095,802
Less: Deposits with banks with maturity period over three months	減: 存款期超過三個月之銀行存款	3.20 – 3.70	(4,339)	1.35 – 1.50	(7,585)
Cash and cash equivalents	現金及現金等價物	0.30 – 3.70	(810,482)	0.30 – 4.75	(1,056,783)
Amounts due from an associate	應收聯營公司款項	4.75	(9,843)	4.75	(17,614)
Amounts due from joint ventures	應收合營企業款項	-	-	4.35	(11,845)
		11,900,568		6,001,975	
Net variable rate borrowings/(deposits):		浮息借貸/(存款)淨額:			
Bank and other loans	銀行及其他貸款	1.12 – 5.39	86,400,432	1.05 – 5.39	67,883,108
Amount due to non-controlling interests	應付非控股權益之款項	4.35	228,468	-	-
Less: Other receivables, deposits and prepayments	減: 其他應收款項、按金及預付款項	4.75	(25,941)	4.75 – 5.39	(46,155)
Pledged bank deposits	已抵押銀行存款	0.01 – 4.41	(553,704)	0.01 – 4.41	(837,770)
Cash and cash equivalents	現金及現金等價物	0.01 – 2.20	(14,236,461)	0.01 – 2.20	(9,803,910)
Amount due from non-controlling interests	應收非控股權益之款項	5.23	(27,115)	5.23	(25,021)
Amounts due from joint ventures	應收合營企業款項	4.75	(11,612)	4.81	(5,923)
		71,774,067		57,164,329	
Total net borrowings	總借貸淨額		83,674,635		63,166,304

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48 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2021, 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\$836,746,000 (2020: HK\$631,663,000).

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 2020.

Foreign currency risk

(i) Exposure to currency risk

The Group is exposed to currency risk primarily from interest-bearing borrowings, 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

於二零二一年十二月三十一日，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836,746,000元(二零二零年：港幣631,663,000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。有關分析按二零二零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)計值之計息借貸、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。

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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本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 2021

須承受之外幣風險

(以港幣計算)

於二零二一年十二月三十一日

		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	21,277	667,127	305,090	5,133	2,099
Other financial assets	其他財務資產	-	-	252,269	-	-
Interest-bearing borrowings	計息借貸	(2,702,395)	(4,889,200)	(1,255,947)	-	(21,133)
Amounts due from/(to) group companies (net)	應收/(應付)集團公司款項(淨額)	2,842,523	4,431,834	221,210	(54)	198,903
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(5,611)	(126,505)	(6,762)	(3,648)	(4)
		155,794	83,256	(484,140)	1,431	179,865

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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 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		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	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

(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 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		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	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

(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。

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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

		2021 二零二一年		2020 二零二零年	
		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)	15,579 (15,579)	10 (10)	14,693 (14,693)
RMB	人民幣	10 (10)	8,326 (8,326)	10 (10)	128,882 (128,882)
United States dollars	美元	10 (10)	81,121 (81,121)	10 (10)	(38,642) 38,642
Singapore dollars	新加坡元	10 (10)	143 (143)	10 (10)	2,156 (2,156)
Euro	歐羅	10 (10)	17,987 (17,987)	10 (10)	22,365 (22,365)

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。

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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 2020.

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\$24,215,103,000 (2020: HK\$16,789,101,000) and HK\$113,878,855,000 (2020: HK\$92,087,052,000), respectively, of which HK\$3,152,017,000 (2020: HK\$2,193,306,000) and HK\$9,051,789,000 (2020: HK\$11,805,493,000) 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。有關分析按二零二零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24,215,103,000元（二零二零年：港幣16,789,101,000元）及港幣113,878,855,000元（二零二零年：港幣92,087,052,000元），其中港幣3,152,017,000元（二零二零年：港幣2,193,306,000元）及港幣9,051,789,000元（二零二零年：港幣11,805,493,000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。

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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。

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財務報表附註

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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-month 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 2021 and 2020.

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，於二零二一年及二零二零年十二月三十一日，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。

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財務報表附註

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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。

		2021 二零二一年					
		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	賬面值	訂約未貼現現金流量總額	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	港幣千元	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	
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	25,060,006	25,060,006	24,701,857	244,549	57,279	56,321
Interest-bearing borrowings (excluding lease liabilities)*	計息借貸(不包括租賃負債)*	99,001,878	112,234,010	17,043,693	21,967,762	45,632,182	27,590,373
Lease liabilities	租賃負債	123,786	135,227	42,528	32,511	38,386	21,802
		124,185,670	137,429,243	41,788,078	22,244,822	45,727,847	27,668,496

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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)

		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	計入應付賬款、其他應付款項及應計費用之財務負債	訂約未貼現現金流量總額	一年內或按要 求	一年後 但兩年內	兩年後 但五年內	五年後	
賬面值		現金流量總額	按要 求	但兩年內	但五年內	五年後	
HK\$'000	港幣千元	HK\$'000	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

* Included in interest-bearing borrowings is the corporate bond, ABS and MTN payable with a carrying amount of HK\$5,352,912,000 (2020: HK\$4,076,836,000) 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\$5,596,567,000 (2020: HK\$4,329,751,000) related to the corporate bond, ABS and MTN is presented as: HK\$1,920,445,000 classified as repayable "within 1 year or on demand", HK\$2,433,787,000 classified as repayable "more than 1 year but within 2 years" and HK\$1,242,335,000 classified as repayable "more than 2 years but within 5 years" as at 31 December 2021 (2020: 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").

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, ABS and MTN. In accordance with the terms of the corporate bond (note 30), ABS (note 31) and MTN (note 32), the maturity terms as at 31 December 2021 are HK\$1,098,300,000 in 2022, HK\$1,179,846,000 in 2023 and HK\$3,567,009,000 in 2024 to 2026 (2020: HK\$219,556,000 in 2021, HK\$1,036,313,000 in 2022 and HK\$3,318,813,000 in 2023 to 2025).

* 計息借貸包括賬面值為港幣5,352,912,000元(二零二零年:港幣4,076,836,000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,於二零二一年十二月三十一日,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5,596,567,000元(二零二零年:港幣4,329,751,000元)呈列如下:港幣1,920,445,000元分類為「一年內或按要
求」償還、港幣2,433,787,000元分類為「一年後但兩年內」償還及港幣1,242,335,000元分類為「兩年後但五年內」償還(二零二零年: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)。

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,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)之條款,於二零二一年十二月三十一日,還款條款如下:於二零二二年到期償還港幣1,098,300,000元、於二零二三年到期償還港幣1,179,846,000元及於二零二四年至二零二六年到期償還港幣3,567,009,000元(二零二零年: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)。

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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 2021, it is estimated that an increase/decrease of 10% (2020: 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:

		2021 Effect of other components of equity 二零二一年 權益之其他部份之影響 HK\$'000 港幣千元		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	
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%	3,329	10%	3,671
Decrease	下跌	10%	(3,329)	10%	(3,671)

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 2020.

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值計入其他全面收入之股本投資及按公允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。

於二零二一年十二月三十一日，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%(二零二零年：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。有關分析按二零二零年之分析之相同基準進行。

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

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 2021 and 2020.

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 2021 was 68% (2020: 65%).

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。於截至二零二一年及二零二零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。於二零二一年十二月三十一日，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68%(二零二零年：65%)。

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。

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財務報表附註

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49 EVENTS AFTER THE REPORTING PERIOD

- (a) On 13 January 2022, CEWL announced its completion of the issuance of the second tranche of the SCP to institutional investors in the national inter-bank bond market in the Mainland, with a principal amount of RMB1 billion, a maturity period of 150 days and an interest rate of 2.5% per annum.
- (b) On 18 February 2022, the Company announced the application has been made to the NAFMII for the perpetual medium term notes (the “Perpetual MTN”) to be traded in the national inter-bank bond market. The registered issue size of the Perpetual MTN of the Company shall not exceed RMB6 billion (equivalent to approximately HK\$7.32 billion), subject to the amount accepted for registration by the NAFMII. The base term of the Perpetual MTN of the Company shall not exceed five years (inclusive). As at the date of approval of these financial statements, the Company has not issued any Perpetual MTN.
- (c) On 11 March 2022, CEGE announced that the application had been made to the NAFMII for the Perpetual MTN to be traded in the national inter-bank bond market. The registered issue size of the Perpetual MTN of CEGE shall not exceed RMB4 billion (equivalent to approximately HK\$4.92 billion), subject to the amount accepted for registration by the NAFMII. The base term of the Perpetual MTN of CEGE shall not exceed three years (inclusive). As at the date of approval of these financial statements, CEGE has not issued any Perpetual MTN.

49 報告期間後之事項

- (a) 於二零二二年一月十三日，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10億元的第二批超短期融資券，期限為150日，年息率為2.5%。
- (b) 於二零二二年二月十八日，本公司宣佈已向銀行間交易商協會申請永續中期票據（「永續中期票據」）於全國銀行間債券市場買賣。本公司的永續中期票據的註冊發行規模將不超過人民幣60億元（相當於約港幣73.2億元），以銀行間交易商協會接受的註冊額度為準。本公司的永續中期票據的基礎期限不超過五年（含五年）。在此等財務報表批准日，本公司尚未發行任何永續中期票據。
- (c) 於二零二二年三月十一日，光大綠色環保宣佈已向銀行間交易商協會申請永續中期票據於全國銀行間債券市場買賣。光大綠色環保的永續中期票據的註冊發行規模將不超過人民幣40億元（相當於約港幣49.2億元），以銀行間交易商協會接受的註冊額度為準。光大綠色環保的永續中期票據的基礎期限不超過三年（含三年）。在此等財務報表批准日，光大綠色環保尚未發行任何永續中期票據。

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財務報表附註

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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：

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
NON-CURRENT ASSETS			
Property, plant and equipment	非流動資產 物業、廠房及設備	8,657	3,069
Interests in subsidiaries	附屬公司權益	43,056,260	35,536,155
Interest in a joint venture	一間合營企業權益	311,011	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	43,379,827	35,854,134
CURRENT ASSETS			
Due from subsidiaries	流動資產 應收附屬公司款項	4,310,236	3,047,633
Other receivables, deposits and prepayments	其他應收款項、 按金及預付款項	13,155	13,387
Cash and cash equivalents	現金及現金等價物	1,334,264	1,024,427
Total current assets	流動資產總額	5,657,655	4,085,447
CURRENT LIABILITIES			
Other payables and accrued expenses	流動負債 其他應付款項及應計費用	87,405	43,197
Interest-bearing borrowings	計息借貸		
– Secured	– 有抵押	109,280	325,000
– Unsecured	– 無抵押	2,562,503	3,125,040
		2,671,783	3,450,040
Total current liabilities	流動負債總額	2,759,188	3,493,237
NET CURRENT ASSETS	流動資產淨額	2,898,467	592,210
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	46,278,294	36,446,344

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

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)

		2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing borrowings	計息借貸		
– Secured	– 有抵押	1,577,800	908,560
– Unsecured	– 無抵押	21,164,799	15,478,478
		22,742,599	16,387,038
Due to subsidiaries	應付附屬公司款項	81,844	271,428
Total non-current liabilities	非流動負債總額	22,824,443	16,658,466
NET ASSETS	資產淨額	23,453,851	19,787,878
EQUITY	權益		
Share capital	股本	17,329,537	17,329,537
Reserves	儲備	6,124,314	2,458,341
TOTAL EQUITY	權益總額	23,453,851	19,787,878

Wang Tianyi
王天義
Director
董事

An Xuesong
安雪松
Director
董事

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

50 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		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 2020	於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 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	-	2,458,341	2,458,341
Total comprehensive income for the year	年度全面收入總額	-	5,816,014	5,816,014
Final 2020 dividend declared	已宣派二零二零年末期股息	-	(982,876)	(982,876)
Interim 2021 dividend	二零二一年中期股息	-	(1,167,165)	(1,167,165)
At 31 December 2021	於二零二一年十二月三十一日	-	6,124,314	6,124,314

50 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

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。

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財務報表附註

31 December 2021 二零二一年十二月三十一日

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。

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31 December 2021 二零二一年十二月三十一日

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。

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財務報表附註

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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 2021, 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 光大水務	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 Cogeneration (Suqian) Limited* (note (a)) 光大綠色環保熱電(宿遷) 有限公司*(附註(a))	PRC/ Mainland China 中國/中國大陸	RMB100,000,000 人民幣100,000,000元	-	69.70%	Design, construction, operation and maintenance of industrial solid waste treatment and electricity and heat co- generation project 設計、建造、運營及維護工業固廢 處置及熱電聯供項目
EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited* (note (b)) 光大綠色環保城鄉再生能源(豐縣) 有限公司*(附註(b))	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

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。於二零二一年十二月三十一日，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：

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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 Urban and Rural Renewable Energy (Fengyang) Limited** (notes (a) and (b)) 光大城鄉再生能源(鳳陽)有限公司*(附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB183,340,000 人民幣183,340,000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 (Nanjing) Limited** 光大城鄉生物能源(南京)有限公司*	PRC/ Mainland China 中國/中國大陸	RMB97,560,000 人民幣97,560,000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 (a) and (b)) 光大城鄉再生能源(蕭縣)有限公司*(附註(a)及(b))	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
Fuyang Luzhu** (note (b)) 富陽淶渚*(附註(b))	PRC/ Mainland China 中國/中國大陸	RMB458,700,000 人民幣458,700,000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 Biomass Energy (Huaiyuan) Limited* (note (b)) 光大生物能源(懷遠)有限公司*(附註(b))	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
Everbright Chengjie Environmental Energy (Zhangjiakou) Limited** (note (b)) 光大城潔環保能源(張家口)有限公司*(附註(b))	PRC/ Mainland China 中國/中國大陸	RMB312,647,735 人民幣312,647,735元	50%	-	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護垃圾發電廠

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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 Resources (Shenzhen) Ltd.** 光大生態資源(深圳)有限公司*	PRC/ Mainland China 中國/中國大陸	RMB110,000,000 人民幣110,000,000元	-	100%	Provision of waste sorting services 提供垃圾分類服務
Everbright Environmental Energy (Boluo) Limited* (notes (a) and (b)) 光大環保能源(博羅)有限公司* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB454,534,500 人民幣454,534,500元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants and food and kitchen waste treatment plant 設計、建造、運營及維護垃圾發電廠及餐廚及廚餘垃圾處理廠
Everbright Environmental Energy (Danzhou) Limited** (note (b)) 光大環保能源(儋州)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB233,100,000 人民幣233,100,000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 (b)) 光大環保能源(杭州)有限公司* (附註(b))	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 (b)) 光大環保能源(江陰)有限公司* (附註(b))	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
Everbright Environmental Energy (Jiujiang) Limited* (note (b)) 光大環保能源(九江)有限公司* (附註(b))	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 (b)) 光大環保能源(藍田)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	US\$63,470,000 63,470,000美元	-	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

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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 (Leshan) Limited** (note (b)) 光大環保能源(樂山)有限公司# (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB500,006,000 人民幣500,006,000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 (b)) 光大環保能源(遼陽)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB270,584,000 人民幣270,584,000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 (a) and (b)) 光大環保能源(南京)有限公司* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB697,595,300 人民幣697,595,300元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants and food and kitchen waste treatment plant 設計、建造、運營及維護垃圾發電廠及餐廚及廚餘垃圾處理廠
Everbright Environmental Energy (Nanyang) Limited** (note (a)) 光大環保能源(南陽)有限公司# (附註(a))	PRC/ Mainland China 中國/中國大陸	RMB289,928,100 人民幣289,928,100元	-	65%	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 (Quzhou) Limited** (note (b)) 光大環保能源(衢州)有限公司^ (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB295,000,000 人民幣295,000,000元	-	70%	Design, construction, operation and maintenance of waste-to-energy plant and food and kitchen waste treatment plant 設計、建造、運營及維護垃圾發電廠及餐廚及廚餘垃圾處理廠
Everbright Environmental Energy (Sanya) Limited* (notes (a) and (b)) 光大環保能源(三亞)有限公司* (附註(a)及(b))	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 and medical waste treatment plant 設計、建造、運營及維護垃圾發電廠及醫療廢物處理廠
Everbright Environmental Energy (Shenyang) Limited** (note (b)) 光大環保能源(瀋陽)有限公司# (附註(b))	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

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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 (Suzhou) Limited ("EB Energy (Suzhou)")* (note (b)) 光大環保能源(蘇州)有限公司 (「光大環保能源(蘇州)」)* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB1,461,373,300 人民幣1,461,373,300元	-	note (c) 附註(c)	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 (a) and (b)) 光大環保能源(天津)有限公司* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB724,346,460 人民幣724,346,460元	90%	-	Design, construction, operation and maintenance of waste-to-energy plant, food and kitchen waste treatment plant and fecal treatment plant 設計、建造、運營及維護垃圾發電廠、餐廚及廚餘垃圾處理廠及糞便處理廠
Everbright Environmental Energy (Weifang) Limited** (note (b)) 光大環保能源(濰坊)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	US\$59,470,000 59,470,000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 (Yixing) Limited** (note (a)) 光大環保能源(宜興)有限公司* (附註(a))	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 Protection (China) Limited** (note (a)) 光大環保(中國)有限公司* (附註(a))	PRC/ Mainland China 中國/中國大陸	RMB3,069,369,280 人民幣3,069,369,280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 Protection (Suqian) Solid Waste Treatment Limited* (note (b)) 光大環保(宿遷)固廢處置有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	HK\$152,934,000 港幣152,934,000元	-	69.70%	Design, construction, operation and maintenance of industrial solid waste treatment and electricity and heat co-generation project 設計、建造、運營及維護工業固廢處置及熱電聯供項目

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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 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%	Provision of manufacturing services of environmental protection equipment 提供環保裝備製造服務
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 Solid Waste Landfill (Xinyi) Holdings Limited* (note (a)) 光大綠色環保固體廢物填埋(新沂) 有限公司*(附註(a))	PRC/ Mainland China 中國/中國大陸	RMB93,670,000 人民幣93,670,000元	-	69.70%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋 項目
Everbright Sponge City Development (Zhenjiang) Limited# (note (b)) 光大海綿城市發展(鎮江)有限公司# (附註(b))	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 Tianyi Environmental Energy (Xiang'tan) Limited** (note (b)) 光大天易環保能源(湘潭)有限公司# (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB220,444,700 人民幣220,444,700元	-	70%	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 (Ji'nan Licheng) Limited* (note (b)) 光大水務(濟南曆城)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB386,848,000 人民幣386,848,000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 (b)) 光大水務(濟南)有限公司* (附註(b))	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

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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 (Jiangyin) Limited* (note (b)) 光大水務(江陰)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB278,877,000 人民幣278,877,000元	-	51.01%	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 (Nanning) Limited ("EB Water Nanning")* (notes (a) and (b)) 光大水務(南寧)有限公司(「光大水務南寧」)* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB488,690,000 人民幣488,690,000元	-	58.04% note (d) 附註(d)	Construction and operation of river restoration works 建造及運營河流修復工程
Everbright Water (Suzhou) Limited* (note (b)) 光大水務(蘇州)有限公司* (附註(b))	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 (b)) 光大水務(桐鄉)有限公司* (附註(b))	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 建設及運營濕地生態工程項目
Everbright Water (Zibo) Limited* (note (b)) 光大水務(濰博)有限公司* (附註(b))	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 設計、建造、運營及維護污水處理廠
Guangguo Environmental Energy (Wuxi) Limited* (note (b)) 光國環保能源(無錫)有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB514,768,300 人民幣514,768,300元	100%	-	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
Laoling Everbright Environmental Energy Limited** (notes (a) and (b)) 樂陵光大環保能源有限公司* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB228,829,900 人民幣228,829,900元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant and landfill 設計、建造、運營及維護垃圾發電廠及填埋場

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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	
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
Suzhou Wujiang Everbright Environmental Energy Limited* (note (b)) 蘇州吳江光大環保能源有限公司* (附註(b))	PRC/ Mainland China 中國/中國大陸	RMB782,625,500 人民幣782,625,500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
Tianjin Everbright Xingchen Environmental Energy Limited** (notes (a) and (b)) 天津光大興辰環保能源有限公司# (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB598,550,000 人民幣598,550,000元	90%	-	Design, construction, operation and maintenance of waste- to-energy plant and food and kitchen waste treatment plant 設計、建造、運營及維護垃圾發電廠 及餐廚及廚餘垃圾處理廠
Yucheng Everbright Environmental Energy Limited** (notes (a) and (b)) 禹城光大環保能源有限公司* (附註(a)及(b))	PRC/ Mainland China 中國/中國大陸	RMB148,001,700 人民幣148,001,700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 Guanghantou Environmental Energy (Zhaoqing) Limited** (note (b)) 光大廣環投環保能源(肇慶) 有限公司^ (附註(b))	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 and food and kitchen waste treatment plant 設計、建造、運營及維護垃圾發電廠 及餐廚及廚餘垃圾處理廠

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財務報表附註

31 December 2021 二零二一年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

- * Registered under the laws of the PRC as foreign investment enterprises.
- # Registered under the laws of the PRC as sino-foreign co-operation joint ventures.
- ^ Registered under the laws of the PRC as private companies with limited liability.
- + English translation is for identification only.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

Notes:

- (a) 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.

51 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

- * 根據中國法律註冊為外商投資企業。
- # 根據中國法律註冊為中外合作合營企業。
- ^ 根據中國法律註冊為私營有限公司。
- + 英文譯名僅供識別。

本公司董事認為，上表呈列之本公司附屬公司對本年度業績造成主要影響或組成本集團淨資產之重大部分。本公司董事認為，列出其他附屬公司之詳情會導致篇幅過於冗長。

附註：

- (a) 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。

Notes to Financial Statements

財務報表附註

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51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

- (b) 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.

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.

- (c) 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.

51 主要附屬公司資料(續)

附註：(續)

- (b) 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。

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。

- (c) 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。

Notes to Financial Statements

財務報表附註

31 December 2021 二零二一年十二月三十一日

51 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

(d) CEWL is committed to contributing 79.6474% of EB Water Nanning's registered capital. The remaining 20.3526% registered capital is contributed by three PRC joint venture partners. Except for one of the PRC joint venture partners, who is committed to contributing 0.0097% of registered capital and shall not be entitled to the net profit of EB Water Nanning, CEWL and other two PRC joint venture partners share the net profit of EB Water Nanning on the basis of their respective proportions of registered capital contribution.

52 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 15 March 2022.

51 主要附屬公司資料(續)

附註：(續)

(d) 光大水務承諾為光大水務南寧之79.6474%註冊資本注資。其餘20.3526%之註冊資本由三家中方合營夥伴注資。除其中一家中方合營夥伴承諾為0.0097%之註冊資本注資惟無權分佔光大水務南寧之淨盈利外，光大水務及另外兩家中方合營夥伴根據各自為註冊資本出資之比例分佔光大水務南寧之淨盈利。

52 批准財務報表

董事會於二零二二年三月十五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

		2021 二零二一年 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	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)
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	10,112,307	7,114,035	5,394,767	4,782,492	4,361,053
Goodwill	商譽	2,353,687	2,016,817	1,908,783	1,753,737	1,747,451
Intangible assets	無形資產	30,474,870	24,926,597	18,401,533	12,642,951	8,592,924
Interests in joint ventures	合營企業權益	811,375	1,011,847	1,163,597	679,246	543,638
Interests in associates	聯營公司權益	606,970	495,616	381,220	334,679	248,002
Contract assets	合約資產	101,971,151	79,619,686	58,900,254	43,540,152	36,780,980
Finance lease receivables	融資租賃應收款項	15,464	16,100	15,390	16,435	17,817
Other financial assets	其他財務資產	142,748	716,807	510,110	42,570	38,567
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	4,076,627	3,587,975	2,300,788	1,572,127	1,078,062
Deferred tax assets	遞延稅項資產	440,770	246,945	165,319	92,875	77,250
Net current assets	流動資產淨額	9,461,257	9,528,896	5,538,215	14,429,986	5,604,228
		160,467,226	129,281,321	94,679,976	79,887,250	59,089,972
Non-current liabilities	非流動負債	(96,125,004)	(73,736,717)	(49,953,397)	(39,191,911)	(30,446,434)
NET ASSETS	資產淨額	64,342,222	55,544,604	44,726,579	40,695,339	28,643,538
Share capital	股本	17,329,537	17,329,537	17,329,537	17,329,537	7,405,414
Reserves	儲備	34,447,950	27,732,520	19,017,414	16,596,570	15,148,865
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額	51,777,487	45,062,057	36,346,951	33,926,107	22,554,279
Non-controlling interests	非控股權益	12,564,735	10,482,547	8,379,628	6,769,232	6,089,259
TOTAL EQUITY	權益總額	64,342,222	55,544,604	44,726,579	40,695,339	28,643,538

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

		2021 二零二一年 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	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)
Results	業績					
Revenue	收益	49,895,384	42,926,426	37,557,635	27,227,998	20,043,116
Profit from operating activities	經營活動所得盈利	13,226,825	11,446,591	9,826,985	8,212,919	6,306,219
Finance costs	財務費用	(3,079,448)	(2,279,149)	(1,830,798)	(1,376,010)	(938,280)
Shares of profits and losses of joint ventures	所佔合營企業盈利及虧損	81,837	207,929	248,126	157,774	61,632
Shares of profits and losses of associates	所佔聯營公司盈利及虧損	91,377	11,353	19,382	3,759	(1,372)
Profit before tax	除稅前盈利	10,320,591	9,386,724	8,263,695	6,998,442	5,428,199
Income tax	所得稅	(2,200,248)	(2,159,764)	(1,895,533)	(1,728,667)	(1,376,352)
Profit for the year	本年度盈利	8,120,343	7,226,960	6,368,162	5,269,775	4,051,847
Attributable to:	應佔部份：					
Equity holders of the Company	本公司權益持有人	6,804,099	6,015,863	5,203,291	4,319,235	3,509,990
Non-controlling interests	非控股權益	1,316,244	1,211,097	1,164,871	950,540	541,857
Profit for the year	本年度盈利	8,120,343	7,226,960	6,368,162	5,269,775	4,051,847
Basic earnings per share	每股基本盈利	HK110.76 cents港仙	HK97.93 cents港仙	HK84.70 cents港仙	HK85.77 cents港仙	HK76.20 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

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