



光大綠色環保
Everbright Greentech

股份代號 Stock Code: 1257

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

ANNUAL REPORT 年報
2019



LAYING A SOLID FOUNDATION AND
KEEPING PACE WITH TIMES

牢築根基 • 與時俱進

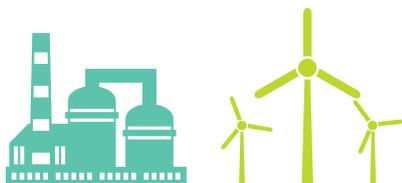
CORPORATE PROFILE 公司簡介

China Everbright Greentech Limited (“Everbright Greentech” or the “Company” or together with its subsidiaries, the “Group”) is a professional environmental protection service provider in China, with its businesses focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power, it listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 May 2017 (Stock Code: 1257). Upholding its philosophy of leading the way through business innovations, Everbright Greentech took a pioneer role to introduce integrated urban and rural waste treatment project in Mainland China. Currently, the Company has its business coverage spanning across 14 provinces and autonomous region in China, and in Germany.

With strong support from China Everbright Group Limited (“Everbright Group”) and the controlling shareholder, China Everbright International Limited (“CEIL”), and leveraging on its own extensive experience in the development and operation of diversified project portfolio as well as its unparalleled market expansion capability, the Group will continue to follow the instruction to be “Prudent, Proactive and Practical”, bearing in mind its initial commitment and mission as it strives incessantly to become a leader in China’s environmental business sector.

中國光大綠色環保有限公司(「光大綠色環保」或「本公司」)及其附屬公司(「本集團」)為中國專業環保服務提供者，專注於生物質綜合利用、危廢及固廢處置、環境修復、光伏發電及風電業務，於二零一七年五月八日在香港聯合交易所有限公司(「聯交所」)主板上市(股份代號：1257)。光大綠色環保堅持以業務創新引領發展，率先在國內推出城鄉垃圾統籌處理項目。目前，本公司業務覆蓋中國境內14個省份及自治區，並遠播德國。

依託中國光大集團股份公司(「光大集團」)這一堅實後盾及控股股東中國光大國際有限公司(「光大國際」)的強力支持，憑藉開發及運營多元化項目組合的豐富經驗和強大的市場拓展能力，本集團將繼續堅持「穩、進、實」的發展思路，不忘初心，牢記使命，為發展成為中國環保行業的翹楚不懈奮鬥。



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CORPORATE INFORMATION

公司資料

DIRECTORS

WANG Tianyi** (Chairman)
QIAN Xiaodong* (Chief Executive Officer)
YANG Zhiqiang* (Vice President)
LO Kam Fan* (Chief Financial Officer)
GUO Ying**
SONG Jian**
CHOW Siu Lui***
Philip TSAO***
YAN Houmin***

* Executive Director
** Non-executive Director
*** Independent Non-executive Director

COMPANY SECRETARY

CHOW Wing Man

REGISTERED OFFICE

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CORPORATE HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 3602, 36/F.
Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited, Shenzhen Branch
Bank of Communications Co., Ltd. Hong Kong Branch
China Construction Bank Corporation
China Development Bank Corporation
China Everbright Bank Company Limited
China Merchants Bank (Shenzhen Branch)
Hang Seng Bank (China) Limited
Industrial and Commercial Bank of China (Asia) Limited
Mizuho Bank, Ltd., Hong Kong Branch
Nanyang Commercial Bank Limited
Postal Savings Bank of China Co., Ltd.
Taipei Fubon Commercial Bank Co., Ltd.
The Bank of East Asia, Limited

董事

王天義** (主席)
錢曉東* (行政總裁)
楊志強* (副總裁)
盧錦勳* (財務總監)
郭穎**
宋儉**
鄒小磊***
曹為實***
嚴厚民***

* 執行董事
** 非執行董事
*** 獨立非執行董事

公司秘書

周詠雯

註冊辦事處

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

公司總部 及香港主要營業地點

香港
夏慤道16號
遠東金融中心
36樓3602室

主要往來銀行

中國農業銀行股份有限公司
中國銀行(香港)有限公司
中國銀行股份有限公司(深圳市分行)
交通銀行有限公司(香港分行)
中國建設銀行股份有限公司
國家開發銀行股份有限公司
中國光大銀行股份有限公司
招商銀行(深圳分行)
恒生銀行(中國)有限公司
中國工商銀行(亞洲)有限公司
瑞穗銀行有限公司(香港分行)
南洋商業銀行有限公司
中國郵政儲蓄銀行股份有限公司
台北富邦商業銀行有限公司
東亞銀行有限公司



SOLICITORS

Grandall Law Firm (Beijing)
Zhonglun W&D Law Firm (Shenzhen)
Li & Partners

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the
Financial Reporting Council Ordinance

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

WEBSITE

www.ebgreentech.com

PUBLIC RELATIONS

Citigate Dewe Rogerson

SHARE INFORMATION

Listed on the Main Board of
The Stock Exchange of Hong Kong Limited

Stock Code: 1257

律師

國浩律師(北京)事務所
北京市中倫文德(深圳)律師事務所
李偉斌律師行

核數師

畢馬威會計師事務所
於《財務匯報局條例》下的註冊
公眾利益實體核數師

主要股份過戶登記處

Estera Trust (Cayman) Limited
Clifton House
75 Fort Street
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

股份過戶登記香港分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

電子網址

www.ebgreentech.com

公關顧問

哲基傑訊

股份資料

香港聯合交易所有限公司
主板上市

股份代號：1257



FINANCIAL HIGHLIGHTS

財務摘要

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	Percentage Change 百分比 變動
RESULTS	業績			
Revenue	收益	9,279,555	7,001,820	33%
EBITDA ⁽¹⁾	除利息、稅項、折舊 及攤銷前盈利 ⁽¹⁾	2,876,139	2,161,227	33%
Profit attributable to equity shareholders of the Company	本公司權益股東應佔盈利	1,621,477	1,324,871	22%
Return on shareholders' equity (%)	股東資金回報(%)	16.5	14.7	1.8 ppt
Basic earnings per share ⁽²⁾ (HK cents)	每股基本盈利 ⁽²⁾ (港仙)	78.48	64.12	22%
FINANCIAL POSITION	財務狀況			
Total assets	資產總額	26,258,315	18,602,802	41%
Total liabilities	負債總額	15,670,963	9,171,728	71%
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	10,346,219	9,338,852	11%
Net asset value per share attributable to equity shareholders of the Company (HK\$)	本公司權益股東應佔每股 資產淨值(港幣元)	5.01	4.52	11%
Cash and bank balances	現金及銀行結餘	2,897,486	2,260,833	28%
Gearing ratio ⁽³⁾ (%)	資產負債比率 ⁽³⁾ (%)	59.7	49.3	10.4 ppt
Current ratio (%)	流動比率(%)	148.7	154.6	-5.9 ppt

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

(2) The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of approximately HK\$1,621,477,000 (2018: HK\$1,324,871,000) and the weighted average of 2,066,078,000 (2018: 2,066,078,000) ordinary shares in issue during the year.

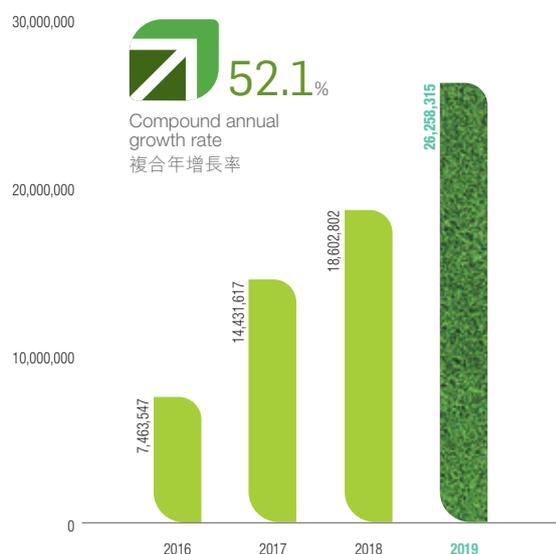
(3) Gearing ratio is calculated by total liabilities over total assets.

(1) EBITDA即本年度除利息、稅項、折舊及攤銷前盈利。

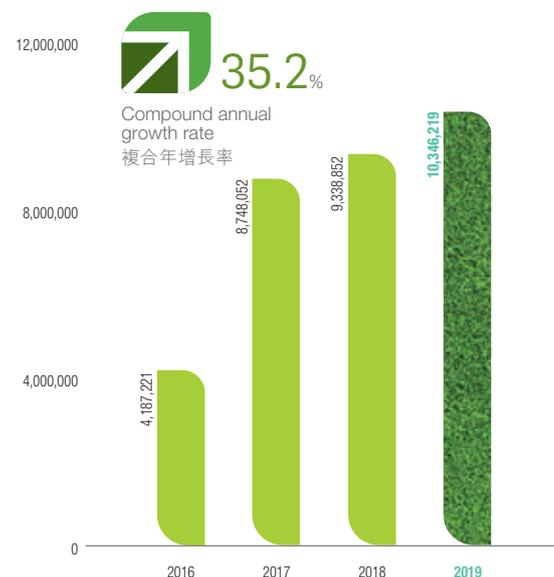
(2) 每股基本盈利乃根據本公司權益股東應佔盈利約港幣1,621,477,000元(二零一八年:港幣1,324,871,000元)及年內已發行普通股之加權平均股數2,066,078,000股(二零一八年:2,066,078,000股)普通股計算。

(3) 資產負債比率是按總負債除以總資產計算。

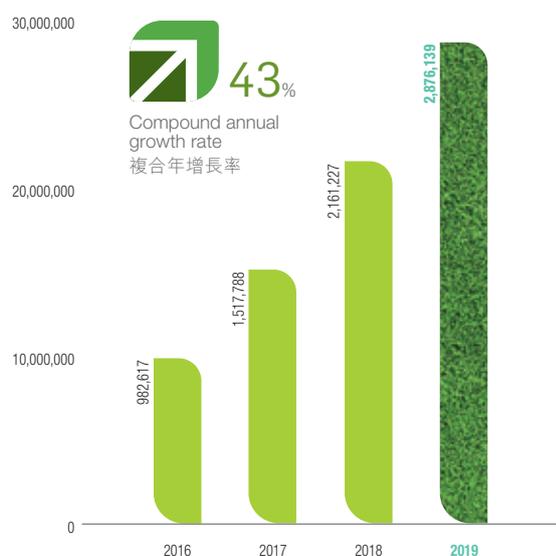
TOTAL ASSETS HK\$'000
資產總額 港幣千元



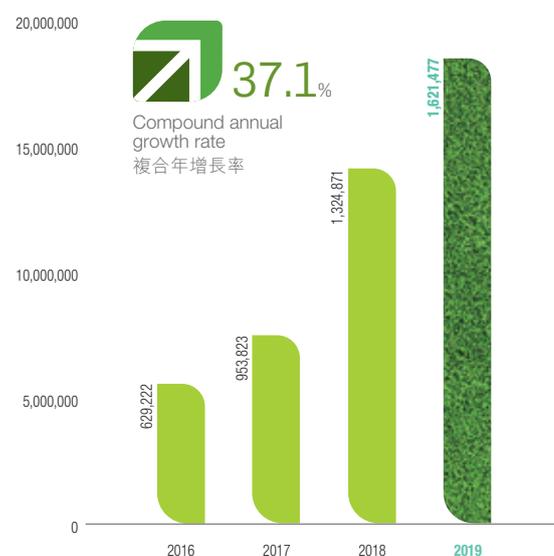
EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY HK\$'000
本公司權益股東應佔權益 港幣千元



EBITDA HK\$'000
除利息、稅項、折舊及攤銷前盈利 港幣千元

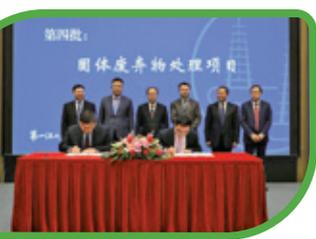


PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS HK\$'000
權益股東應佔盈利 港幣千元



CORPORATE MILESTONES

企業大事概要



01/2019

- Secured Songyang Hazardous Waste Integrated Treatment Project in Zhejiang Province and Feng County Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) in Jiangsu Province
簽署浙江省松陽危廢綜合處置項目和江蘇省豐縣生物質及垃圾發電一體化項目(垃圾發電)

02/2019

- Secured Huaiyuan Hazardous Waste Landfill Project in Anhui Province and Feng County Household Waste Emergency Landfill Site and Leachate Regulating Pool Construction Project in Jiangsu Province
簽署安徽省懷遠危廢填埋項目及江蘇省豐縣生活垃圾應急填埋場及滲濾液調節池建設項目

03/2019

- Everbright Greentech announced its 2018 annual results, posting a 38.9% growth in profit attributable to equity shareholders
光大綠色環保公佈二零一八年全年業績，權益股東應佔盈利錄得38.9%增長
- Obtained Pre-issuance Stage Certificate under the Green Finance Certification Scheme by the Hong Kong Quality Assurance Agency (HKQAA)
獲香港品質保證局頒發「綠色金融認證計劃」發行前階段之綠色金融認證

04/2019

- Secured Yeji Biomass Electricity and Heat Cogeneration Project (Phase II) in Anhui Province and Suqian General Industrial Solid Waste Electricity and Heat Cogeneration Project in Jiangsu Province, the latter of which marked our entrance into the field of general industrial solid waste treatment
簽署安徽省葉集生物質熱電聯供項目二期及江蘇省宿遷一般工業固廢熱電聯供項目，成功進入一般工業固廢處置領域
- Secured Daqing Solid Waste Integrated Treatment Project in Heilongjiang Province, Chifeng Solid Waste Landfill Project in Inner Mongolia Autonomous Region and Huangshi Solid Waste Integrated Treatment Project in Hubei Province, successfully entering the environmental protection markets of Heilongjiang Province and Inner Mongolia Autonomous Region
簽署黑龍江省大慶固廢綜合處置項目、內蒙古自治區赤峰固廢填埋項目和湖北省黃石固廢綜合處置項目，成功挺進黑龍江省和內蒙古自治區環保市場

05/2019

- Received the "BOCHK Corporate Environmental Leadership Awards 2018 (Belt and Road Environmental Leadership Recognition Award)" from the Federation of Hong Kong Industries and Bank of China (Hong Kong)
獲香港工業總會與中國銀行(香港)聯合頒發「中銀香港企業環保領先大獎2018(一帶一路環保領先嘉許獎)」
- Received the "EcoChallenger" certificate and the title of "EcoPartner", jointly awarded by the Federation of Hong Kong Industries and Bank of China (Hong Kong)
獲香港工業總會與中國銀行(香港)聯合頒發「環保優秀企業」證書及「環保傑出夥伴」稱號

06/2019

- Lianshui Electricity and Heat Cogeneration Project in Jiangsu Province, Guixi Electricity and Heat Cogeneration Project in Jiangxi Province and Zibo Hazardous Waste Incineration Project (Phase II) in Shandong Province were completed and commenced operation
江蘇省漣水熱電聯供項目、江西省貴溪熱電聯供項目及山東省濰博危廢焚燒項目二期建成投運

07/2019

- Acquired the entire equity interest in Zhangjiagang Gelin Environmental Engineering Co., Ltd. at a consideration of RMB68 million
以代價人民幣6,800萬元收購張家港格林環境工程有限公司全部股權

08/2019

- Everbright Greentech announced its 2019 interim results, underpinned by a 26% growth in profit attributable to equity shareholders
光大綠色環保公佈二零一九年中期業績，權益股東應佔盈利錄得26%增長
- Huai'an Integrated Biomass and Waste-to-Energy Project in Jiangsu Province and Guoyang Electricity and Heat Cogeneration Project in Anhui Province were completed and commenced operation
江蘇省淮安生物質及垃圾發電一體化項目及安徽省渦陽熱電聯供項目建成投運

09/2019

- Included in the Hang Seng Corporate Sustainability Benchmark Index
獲納入恒生可持續發展企業基準指數
- Secured Harbin Hazardous Waste Treatment Centre Project in Heilongjiang Province, being the Company's first project in a provincial capital city; successfully tendered for Shenzhen Bao'an Golf Course Environmental Quality Enhancement Project in Guangdong Province, being the first environmental remediation project undertaken by Everbright Greentech in Guangdong Province
簽署黑龍江省哈爾濱危廢處置中心項目，此為本公司取得的第一個省會城市項目；成功中標廣東省深圳寶安高爾夫球場地環境質量提升項目，是光大綠色環保在廣東省承接的第一個環境修復項目
- Recognized as "Honored Companies (Power Sector) in Asia" in the 2019 All-Asia Executive Team organized by *Institutional Investor*
《機構投資者》舉辦的「2019年亞洲最佳公司管理團隊」中獲評選為「亞洲受尊崇企業(能源組別)」
- Guanyun Hazardous Waste Landfill Project (Phase II) in Jiangsu Province was completed and commenced operation
江蘇省灌雲危廢填埋項目二期建成投運

10/2019

- Weihai Biomass Electricity and Heat Cogeneration Project in Shandong Province and Zhongxiang Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) in Hubei Province were completed and commenced operation
山東省威海生物質熱電聯供項目及湖北省鍾祥生物質及垃圾發電一體化項目(垃圾發電)建成投運

11/2019

- Awarded the "InnoESG Prize 2019" by SocietyNext Foundation, UNESCO Hong Kong Association Global Peace Centre, Rotarian Action Group for Peace, Wofoo Social Enterprises, etc.
由SocietyNext Foundation、香港聯合國教科文組織協會和平中心、扶輪•和平動起來、和富社會企業等機構聯合頒發「2019 InnoESG」獎項
- Sheqi Integrated Biomass and Waste-to-Energy Project in Henan Province and Shayang Integrated Biomass and Waste-to-Energy Project (Biomass) in Hubei Province were completed and commenced operation
河南省社旗生物質及垃圾發電一體化項目及湖北省沙洋生物質及垃圾發電一體化項目(生物質)建成投運

12/2019

- Secured Wenling Hazardous Waste Integrated Treatment Project in Zhejiang Province, with an investment of approximately RMB1.366 billion
簽署浙江省溫嶺危廢綜合處置項目，涉及投資約人民幣13.66億元
- Awarded "Hong Kong Outstanding Enterprises 2019" by *Economic Digest*
獲《經濟一週》評為「2019年度香港傑出企業」



二零一九年度中期業績公佈
2019 Interim Results Announcement



INTEGRATED

Biomass Utilisation

生物質綜合利用





PROGRESS IN STABILITY
opportunities amidst changes
innovation through progress

穩中求進
變中求機
進中求新



Chairman 主席

WANG Tianyi
王天義

As we celebrated the 70th anniversary of the founding of new China in 2019, our nation was determined to win the critical battle against pollution and generally build a moderately prosperous society with outstanding performance. From a macroscopic perspective, the world faced increasing volatility and instability, while at home the increasing pressure of an economic downside was being felt. Given evolving scenes of a scale unseen in the past century, Everbright Greentech stayed focused as it sought to seize firmly every opportunity in the environmental sector by capitalising on market trends, sustaining steady development amidst various challenges and difficulties.

Everbright Greentech sustained rapid growth in 2019 with a string of outstanding performances to lay a solid foundation for the next cycle of development. During the year, the Group successfully diversified into the business of general industrial solid waste electricity and heat cogeneration and established its presence in the environmental markets of Heilongjiang Province and Inner Mongolia Autonomous Region, extending the geographic coverage of our business to 14 provinces and autonomous region in China. As of 31 December 2019, the Group had 108 environmental protection projects and 27 environmental remediation projects. During 2019, the Group had 32 integrated biomass utilisation projects in operation, driving 50% and 125% growth, respectively, in the generation of on-grid electricity and steam as compared to 2018. We had 20 operating and completed hazardous and solid waste treatment projects, with a 45% increase in the volume of hazardous waste treatment as compared to 2018. Everbright Greentech secured 23 new projects and entered into 5 supplemental agreements during the year, involving additional total investments amounting to approximately RMB5.702 billion and new environmental remediation contracts amounting to approximately RMB113 million. The said new projects included 1 biomass electricity and heat cogeneration project, 15 hazardous and solid waste treatment projects and 7 environmental remediation projects. During the year under review, the Group was granted special subsidies amounting to RMB162 million.

二零一九年是新中國成立七十週年，我國堅決打好打勝污染防治攻堅戰，以優異成績決勝全面建成小康社會。從宏觀局勢來看，國際形勢的不確定性、不穩定性與日俱增，國內經濟下行壓力有增無已。面對「百年未有之大變局」，光大綠色環保一直保持定力，順勢而為，牢牢抓住環保市場每一個機會，在諸多挑戰及困難中繼續推進發展。

二零一九年，光大綠色環保保持高速增長態勢，亮點紛呈，為新一輪發展打下了堅實基礎。本年度本集團成功拓展一般工業固廢熱電聯供業務，並成功挺進黑龍江省和內蒙古自治區的環保市場，令本集團在中國的環保版圖拓展至14個省份及自治區。截至二零一九年十二月三十一日，本集團持有108個環保項目及累計承接環境修復項目27個。本集團於二零一九年生物質綜合利用運營項目32個，提供上網電量及供應蒸汽量分別較二零一八年提升50%及125%；危廢及固廢處置運營及完工項目20個，危險廢棄物處置量較二零一八年增加45%。光大綠色環保全年共取得23個新項目及簽署5份補充協議，涉及新增總投資額約人民幣57.02億元及環境修復項目合同金額約人民幣1.13億元。新項目包括1個生物質熱電聯供項目、15個危廢及固廢處置項目和7個環境修復項目。於回顧年度內，本集團共獲專項補貼資金人民幣1.62億元。



As a company that has only been listed for over two years, the Group was honoured with a number of awards in 2019, thanks to the concerted effort of its staff. These accolades included the “BOCHK Corporate Environmental Leadership Awards 2018 (Belt and Road Environmental Leadership Recognition Award)”, the title of “EcoPartner” and the certificate of “EcoChallenger” from the Federation of Hong Kong Industries and Bank of China (Hong Kong); awarded the “InnoESG Prize 2019” by SocietyNext Foundation, UNESCO Hong Kong Association Global Peace Centre, Rotarian Action Group for Peace, Wofoo Social Enterprises, etc.; recognized as “Honored Companies (Power Sector) in Asia” in the 2019 All-Asia Executive Team organized by *Institutional Investor*, a renowned international financial magazine; named “Hong Kong Outstanding Enterprises 2019” by *Economic Digest* and obtained Pre-issuance Stage Certificate under the Green Finance Certification Scheme by the Hong Kong Quality Assurance Agency (HKQAA).

Year 2020 will mark the conclusion of the nation’s “13th Five-year Plan” and the commencement of its “14th Five-year Plan”, as well as the conclusion of the general development of a moderately prosperous society. It will also be a year for the implementation and assessment of a range of environmental policies and laws, as well as a crucial year for the booming development of the environmental industry. The ecological and environmental sector will be presented with a period of opportunities unseen in the past century. To address such opportunities and challenges, Everbright Greentech will firmly implement the principles of “progress in stability, opportunities amidst changes, and innovation through progress”, seeking consistent improvements in results through firm adherence to our strategic positioning and intensified efforts in all departments, with a strong focus on the delivery of value.

作為一家上市僅兩年多的企業，本集團有賴全體員工上下一心，於二零一九年間獲得多項殊榮，包括由香港工業總會及中國銀行（香港）授予「中銀香港企業環保領先大獎2018（一帶一路環保領先嘉許獎）」、「環保傑出夥伴」稱號及「環保優秀企業」證書；由SocietyNext Foundation、香港聯合國教科文組織協會和平中心、扶輪•和平動起來、和富社會企業等機構聯合頒發「2019 InnoESG」獎項；由國際知名金融雜誌《機構投資者》評為「亞洲受尊崇企業（能源組別）」；被《經濟一週》評為「2019年度香港傑出企業」；及由香港品質保證局頒發「綠色金融認證計劃」發行前階段之「綠色金融認證」。

二零二零年是國家「十三五」到「十四五」規劃的承起年，更是全面建成小康社會的收官之年，亦是一系列環保政策法規的落實年、考核年，也是環保產業衝刺落地的關鍵一年，生態環保事業面臨著百年未有之機遇期。面對機遇與挑戰，光大綠色環保將會堅定實踐「穩中求進，變中求機，進中求新」，以價值創造為核心，堅守戰略定位，深化各項工作，繼續跑出新成績。



Finally, on behalf of the Group and the board of directors (the "Directors") of the Company (the "Board"), I would like to express my most sincere gratitude to all shareholders, investors and business partners. I would also like to express my appreciation to each Director, management team and all staff members for their dedication and efforts which have led, and will continue to lead, Everbright Greentech to greater success.

WANG Tianyi

Chairman

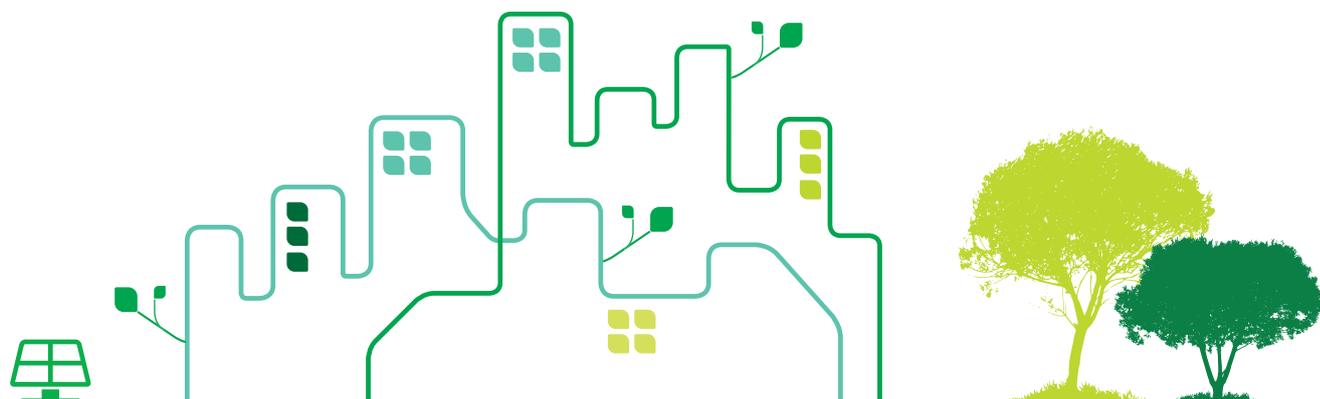
Hong Kong, 26 February 2020

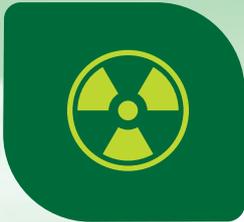
最後，本人謹代表本集團和本公司董事（「董事」）會（「董事會」）向全體股東、廣大投資者、合作夥伴致以最誠懇的感謝。感謝各位董事、管理層以及全體員工，光大綠色環保因有你們的齊心協力才能走得更遠！

王天義

主席

香港，二零二零年二月二十六日





HAZARDOUS

And Solid Waste Treatment

危廢及固廢處置



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OPERATING RESULTS

As we celebrated the 70th anniversary of the founding of new China in 2019, we also witnessed a crucial year for achieving success in the general realisation of a moderately prosperous society and winning the critical battle for the prevention and treatment of pollution. Internationally, the world faced volatility of a scale unseen in the past century, as global uncertainties and instability continued to escalate, while profound and complex changes were taking place in international relations, leading to the transition to a new phase of the external landscape in relation to China's development.

On the domestic front, the environmental industry benefited from the successive announcements over the past few years of a range of policies and regulatory measures at various levels that had given rise to a policy regime and regulatory framework focused on key environmental issues, such as the water environment, soil, solid waste and atmospheric conservation. Overcoming prominent environmental issues, improving environmental quality, driving quality economic growth, as well as attaining sustainable development remained some of the key tasks and objectives for national development. Such tasks and objectives have not only outlined a more lucid blueprint for the development of the nation's ecological civilisation, but have also called for higher business standards and more ambitious development goals on the part of the environmental sector, thereby presenting business opportunities with greater potential to environmental enterprises.

As a provider of specialised environmental protection services in China, Everbright Greentech achieved stable growth in various aspects and reported further improvements in business scale and efficiency in 2019, mindful of its initial commitment while staying current in its endeavours as it continued to uphold the corporate mission of being "Devoted to Ecology and Environment for a Beautiful China" and the vision of "delivering better investment value and undertaking further social responsibilities".

經營業績

二零一九年是新中國成立七十週年，是決勝全面建成小康社會、打好污染防治攻堅戰的關鍵之年。放眼世界，面對「百年未有之大變局」，國際形勢不確定性、不穩定性持續上升，國際關係仍在發生深刻、複雜的變化，中國發展的外部環境也正在發生階段性轉變。

縱觀國內，環保行業受惠於過去幾年各級政策和監管措施密集出台，圍繞水環境、土壤、固廢及大氣等主要環保領域的政策體系及監管格局已基本形成，攻克突出環境問題、改善環境質量、推動經濟高質量發展以及實現可持續發展，依然是國家發展的工作重點及目標。這不僅為國家生態文明建設工作勾勒出更加清晰的發展藍圖，亦為環保行業提出了更高的業務標準和發展目標，為環保企業開啟了更具潛力的發展空間。

作為一家中國專業環保服務提供者，二零一九年，光大綠色環保不忘初心，與時俱進，繼續秉承「情繫生態環境，築夢美麗中國」的企業使命，以「創造更好投資價值，承擔更多社會責任」為企業追求，穩步實現多方位增長，實現了業務規模和效益的進一步提升。

The Group is principally engaged in the businesses of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power. As of 31 December 2019, the Group had 108 environmental protection projects with a total investment of approximately RMB28.908 billion; and had undertaken 27 environmental remediation projects with a total contract amount of approximately RMB725 million.

In terms of market development, the Group achieved a double breakthrough in terms of entering new geographic regions and new business sectors during the year under review. We further broadened our business portfolio by diversifying into the business of general industrial solid waste electricity and heat cogeneration, while continuing to extend its business footprint by successfully entering the environmental protection markets of Heilongjiang Province and Inner Mongolia Autonomous Region, expanding the Group's business presence in China to 14 provinces and autonomous region. Our environmental remediation business also gained momentum following a breakthrough in the environmental remediation market of Guangdong Province, resulting in a total of 7 provinces and municipalities in which the Group has secured environmental remediation contracts.

The Group accomplished stellar results in business expansion during the year under review, as it secured 23 new projects and entered into 5 supplemental agreements involving additional total investments of approximately RMB5.702 billion and environmental remediation project contracts with a total amount of approximately RMB113 million. Such new projects included 1 biomass electricity and heat cogeneration project, 15 hazardous and solid waste treatment projects and 7 environmental remediation projects. In terms of project scale, our aggregate power generation designed capacity was increased by 7 MW, while our biomass processing designed capacity was increased by approximately 120,000 tonnes per year. Our designed capacity for steam supply and designed capacity for hazardous and solid waste treatment were increased by approximately 1,242,400 tonnes and 965,000 tonnes per year, respectively. In addition, the Group completed the acquisitions of 3 environmental companies during the year under review, including Jiangsu Jiayuan Environmental Technology Co., Ltd.* (江蘇佳願環境科技有限公司), Suntime Environmental Remediation CO., Ltd and Zhangjiagang Gelin Environmental Engineering Co., Ltd.* (張家港格林環境工程有限公司).

* For identification purpose only

本集團主營業務包括生物質綜合利用、危廢及固廢處置、環境修復、光伏發電及風電等。截至二零一九年十二月三十一日，本集團已落實環保項目108個，總投資額達約人民幣289.08億元；累計承接環境修復項目27個，涉及總合同金額約人民幣7.25億元。

市場拓展方面，本集團於回顧年度內實現新區域和業務新領域的雙重突破。一是成功拓展一般工業固廢熱電聯供業務，進一步豐富了業務類型；二是業務版圖持續擴大，成功挺進黑龍江省和內蒙古自治區的環保市場，令本集團在中國的環保版圖拓展至14個省份及自治區；三是環境修復業務持續發力，實現廣東省環境修復市場的成功突破，令本集團簽約的環境修復合同覆蓋7個省份及直轄市。

本集團業務拓展工作成績斐然，於回顧年度內，共取得23個新項目及簽署5份補充協議，涉及新增總投資額約人民幣57.02億元及環境修復項目總合同金額約人民幣1.13億元，其中新項目包括1個生物質熱電聯供項目、15個危廢及固廢處置項目和7個環境修復項目。項目規模方面，新增設計發電裝機容量7兆瓦及生物質設計處理能力約每年12萬噸，新增設計蒸汽供應能力約每年124.24萬噸，以及新增危廢及固廢設計處理能力約每年96.5萬噸。此外，本集團於回顧年度內完成收購3家環保公司，分別為江蘇佳願環境科技有限公司、上田環境修復有限公司及張家港格林環境工程有限公司。

* 僅供識別

During the year under review, the Group secured Wenling Hazardous Waste Integrated Treatment Project in Zhejiang Province with an investment of approximately RMB1.366 billion. The project will be constructed in two phases. The first phase commands an investment of approximately RMB388 million, with a designed annual hazardous waste incineration capacity and physicochemical treatment capacity of 30,000 tonnes and 10,000 tonnes, respectively. The second phase is a rigid landfill which commands an investment of approximately RMB978 million, with a designed annual hazardous waste treatment capacity of 30,000 tonnes.

In terms of project construction, the Group reported smooth progress in its project works which continued to contribute to the steady growth in revenue from its construction services. During the year under review, 20 projects started implementation or construction, while 26 projects were completed and commenced operation. As of 31 December 2019, the Group had 27 projects under construction or implementation, including 13 integrated biomass utilisation projects, 5 hazardous and solid waste treatment projects and 9 environmental remediation projects. The Group has enhanced safety management at project sites to ensure steady progress of construction works by further amending and improving its engineering management systems and regulations.

In connection with technology research and development, Everbright Greentech Research Institute commenced research primarily on general industrial solid waste treatment, physicochemical treatment of hazardous waste, industrial waste salt treatment and resources recycling. During the year under review, we commenced work in relation to the assessment of the current status of vertical curtain anti-seepage at domestic hazardous waste landfills and developed methodologies and standards for the assessment of vertical curtain anti-seepage at hazardous waste landfills in a systematic manner; moreover, we have formulated through our research options for technical routes and equipment choices compatible with the Group's general industrial solid waste treatment business, providing comprehensive technical support for the implementation and advancement of our general industrial solid waste projects. As of 31 December 2019, the Group held 105 licensed patents, including 32 invention patents and 73 utility model patents.

回顧年度內，本集團簽署浙江省溫嶺危廢綜合處置項目，涉及投資額約人民幣13.66億元。該項目計劃分兩期建設，其中，一期涉及投資額約人民幣3.88億元，設計規模為每年焚燒處置危險廢物3萬噸及物化處置危險廢物1萬噸；二期為剛性結構填埋場，涉及投資額約人民幣9.78億元，設計規模為每年處置危險廢物3萬噸。

項目建設方面，本集團旗下項目工程建設均順利推進，持續帶動建造服務收益穩步提升。於回顧年度內，新執行或開工項目20個，完工及投運項目26個。截至二零一九年十二月三十一日，在建或執行中的項目共27個，包括13個生物質綜合利用項目、5個危廢及固廢處置項目及9個環境修復項目。本集團進一步修訂及完善各項工程管理制度和規範，加強項目現場安全管理，保障工程建設穩步推進。

技術研發方面，光大綠色環保研究所主要圍繞一般工業固廢處置、危廢物化處置、工業廢鹽處置及資源化利用等方面開展研究工作。於回顧年度內，針對目前國內危廢填埋場垂直帷幕防滲評估現狀開展工作，系統性地建立了危險廢物填埋場垂直帷幕防滲評估方法及標準；此外，研究形成了適合本集團一般工業固廢處置技術路線及設備選型方案，為一般工業固廢項目的落地及推進提供全面技術支持。截至二零一九年十二月三十一日，本集團共持有授權專利105項，其中包括發明專利32項及實用新型專利73項。

During the year under review, the Group continued to deepen the implementation of its environmental, safety, health and social responsibility (“ESHS”) system, as it refined its “dual prevention mechanism” for hierarchical safety risk control and potential hazard rectification and total environmental management. It also tightened specific control over high-risk operation locations and procedures, while improving the safety conditions at project sites. To enhance the development of the safety culture on an ongoing basis, the Group organised a Safe Production Month campaign and a contest for the promotion of the ESHS culture. Sessions were held for ESHS management personnel to share their experiences, while a range of activities such as ESHS inspections, knowledge quizzes, keynote lectures and educational visits were arranged, capped by the development of a database for training materials. Meanwhile, the Group continued to advance and improve the development of the ESHS management system with the announcement of the “System of Accountability for ESHS Incidents” aiming to regulate ESHS duties and reinforce “straight-line management” accountability; two sessions of environmental management compliance examination had been organised and weaker segments with greater risks had been identified, followed by the formation of a task force that conducted research and evaluation on weaker segments with greater risks and the preparation and publication of 10 management standards, including “Standards for the Management of Public Visits (Trial)”, “Proposed General Contingency Plan for Emergencies at Hazardous Waste Incineration Projects (Template)” and “Proposed General Contingency Plan for Emergencies at Hazardous Waste Landfill Projects (Template)”.

於回顧年度內，本集團繼續深化落實環境、安全、健康及社會責任(「ESHS」)制度，完善安全風險分級管控、隱患分級治理「雙重預防機制」及全過程環境管理，並針對性地加強高風險作業場所和作業環節的管控，改善項目現場安全作業條件。為繼續加強安全文化建設，本集團開展了「安全生產月」活動及安環文化宣傳競賽，組織了安環管理人員經驗分享交流活動以及多次ESHS檢查、知識競賽、主題演講、參觀學習等活動，並建立了培訓素材庫。同時，繼續推進和完善ESHS管理制度建設，發佈了《安全環境事故責任追究制度》，嚴肅安環管理職責，壓實「直線管理」責任；組織開展了兩輪環境管理合規性審查，梳理出風險較大和薄弱環節，隨後成立專項工作組對風險較大和薄弱環節進行調研及經驗總結，並編製發佈了《公眾開放活動管理標準(試行)》、《危廢焚燒項目綜合突發環境事件應急預案(範本)》及《危廢填埋項目綜合突發環境事件應急預案(範本)》等10項管理標準。

In terms of risk management, the Group implemented effective tier-based management by making further improvements to its risk management system. Our risk management system has been further enhanced following the formulation and announcement of our “Risk Management System” during the year under review. Meanwhile, a key point audit process system and a standardised process system have been developed to effectively lower the probability of risks occurring at various points and operational levels and include risk control results in performance appraisals, so that risk awareness will be enhanced among risk management personnel at various levels. During the year under review, the Group’s key risk management measures were robustly enforced with notable effect.

In 2019, the Group played an active role in environmental protection, community contributions and corporate governance, as it continued to develop its environmental business in a robust manner and endeavoured to drive global green and sustainable development on the back of its staff’s concerted effort and proactive commitment. During the year under review, the Group received the “BOCHK Corporate Environmental Leadership Awards 2018 (Belt and Road Environmental Leadership Recognition Award)”, the title of “EcoPartner” and the certificate of “EcoChallenger” from the Federation of Hong Kong Industries and Bank of China (Hong Kong); awarded the “InnoESG Prize 2019” by SocietyNext Foundation, UNESCO Hong Kong Association Global Peace Centre, Rotarian Action Group for Peace, Wofoo Social Enterprises, etc.; recognised as “Honored Companies (Power Sector) in Asia” in the 2019 All-Asia Executive Team organised by *Institutional Investor*, a renowned international financial magazine; named “Hong Kong Outstanding Enterprises 2019” by *Economic Digest* and obtained Pre-issuance Stage Certificate under the Green Finance Certification Scheme by the Hong Kong Quality Assurance Agency (HKQAA), in a further testimony to the Group’s industry influence and business strengths. Moreover, Mr. QIAN Xiaodong, Chief Executive Officer, came second (buy-side) and third (overall) among the Best CEOs named under “Power Sector” in the “2019 All-Asia Executive Team” announced by *Institutional Investor*.

風險管理方面，本集團進一步完善風險管理體系，實現了有效的逐級管理。於回顧年度內，制定頒布了《風險管理制度》，制度體系得以進一步完善。同時，建立了關鍵節點審核流程體系及標準化流程體系，有效降低各節點及操作層面風險的發生概率，並將風險管控效果納入績效考核，以增強各級風險管理人員的風控意識。於回顧年度內，本集團重點風險管控有力，管控效果顯著。

二零一九年，本集團上下齊心、擔當有為，繼續大力發展環境保護事業，致力於推動全球綠色可持續發展，在環境保護、社會貢獻與公司治理領域產生了積極影響。於回顧年度內，本集團獲香港工業總會及中國銀行(香港)授予「中銀香港企業環保領先大獎2018(一帶一路環保領先嘉許獎)」、「環保傑出夥伴」稱號及「環保優秀企業」證書；由SocietyNext Foundation、香港聯合國教科文組織協會和平中心、扶輪•和平動起來、和富社會企業等機構聯合頒發「2019 InnoESG」獎項；國際知名金融雜誌《機構投資者》舉辦的2019年亞洲最佳公司管理團隊中獲評選為「亞洲受尊崇企業(能源組別)」；獲《經濟一週》評為「2019年度香港傑出企業」以及由香港品質保證局頒發「綠色金融認證計劃」發行前階段之「綠色金融認證」，進一步彰顯了本集團的行業影響力及經營實力。此外，在《機構投資者》雜誌公佈的「2019年度全亞洲管理團隊」(2019 All-Asia Executive Team)中，行政總裁錢曉東先生更榮獲買方和綜合評選為最佳CEO獎第二及第三名(能源組別)。

As a member of the Standing Committee of the Biomass Energy Branch of China Association for the Promotion of Industrial Development (“BEIPA”), the Group worked in tandem with BEIPA during the year under review and assisted the Ministry of Finance to conduct research on issues concerning the subsidisation of biomass power generation and policies on subsidising biomethane. The Group compiled the “Implementation Plan for the Industrialisation Development of Biomethane” and “Master Proposal for Subsidy Policies”, both of which were critical to the formulation and modification of relevant subsidy policies. To analyse the current status of the industry, the Group prepared and published the “China Biomass Power Generation Industry Ranking Report” and “Industry Report on China Household Waste-to-Energy Power Generation in Cities and Towns (2019)”. In order to cope with ultra-low emissions from biomass power generation, it submitted the “Proposal for Study on Emission Limits of Agricultural and Forestry Biomass Direct Combustion Boilers” to the Ministry of Ecology and Environment, in a persistent effort to fulfill its corporate social responsibilities and drive the healthy development of the biomass industry by addressing difficulties encountered in the development of the industry.

The Group firmly believes that effective environmental management and accurate and timely disclosure of environmental information are instrumental to the implementation of an enterprise’s responsibilities in pollution treatment. During the year under review, the Group continued to drive its initiatives relating to the opening of its environmental facilities to the public in a resolute manner, seeking to enhance the level of standardisation and normalisation of such initiatives through major efforts to facilitate announcements via environmental information networks and the opening of its environmental facilities to the public. Flue emission and sewage discharge data of all operating projects of the Group was linked with and uploaded on a real-time basis to the government’s regulatory public announcement platforms for governmental and public supervision. To propagate knowledge and ideas of environmental protection to a broader spectrum of people, the Group established a team of 144 personnel for the reception of public visitors. A total of 16 projects were officially open to the public in 2019, during which 555 sessions of public visits were organised, welcoming a total of 8,545 visitors. Surveys and polls indicated a 100% satisfaction level on the part of visitors for the Group’s “open to the public” activities.

作為中國產業發展促進會生物質能產業分會（「生物質能產業促進會」）的常務理事單位，於回顧年度內，本集團配合生物質能產業促進會、協助財政部開展生物質發電補貼問題研究及生物天然氣補貼政策研究，編製了《生物天然氣產業化發展實施方案》和《補貼政策總體方案》，對相關補貼政策的制定和調整起到了重要的推動作用；為梳理行業現狀，編寫發佈了《中國生物質發電產業排名報告》、《2019中國城鎮生活垃圾焚燒發電產業發展報告》；以及為應對生物質發電超低排放，向生態環境部遞交《農林生物質直燃鍋爐排放標準限值研究的建議》等，堅持積極履行企業社會責任，反饋生物質行業發展遇到的困難，推動行業健康發展。

本集團堅信卓有成效的環境管理和準確及時的環境信息披露是企業落實污染治理責任的重要抓手。於回顧年度內，本集團繼續堅定地推動旗下環保設施向公眾開放的相關工作，提升公眾開放工作的規範化、常態化水平，大力推進環境信息聯網公示及環保設施公眾開放。本集團旗下所有運營項目的煙氣、污水排放等數據均與政府監管公示平台聯網、實時上傳，接受政府及公眾監督。為廣泛普及環境保護知識，傳播環境保護理念，本集團專門組建了144人的公眾開放隊伍，二零一九年正式開放項目共16個，公眾開放活動累計開展555次，共接待8,545人次。經調研，來訪人員對本集團公眾開放的活動滿意度為100%。

The Group is committed to building long-lasting and close relationships with its customers and suppliers. Over the years, the Group has won the approval of governments at various levels through the stable operations and compliant discharge standards of its environmental projects, as well as assistance offered to local governments to improve the living environments of and create job opportunities for local communities. In connection with suppliers, the Group consistently adheres to the principle of fairness and impartiality in its selection of suppliers. During the year under review, the Group arranged numerous visits to our suppliers for inspection purposes, and paid return visits to projects in connection with services provided by major suppliers, as we persisted in further refining our suppliers' list through merit-based selection.

In terms of operating results, the Group reported encouraging growth in revenue and profitability for 2019. The Group's revenue from construction services reached a historical high as compared to the same periods of previous years, thanks to enhanced project management at the preparatory stage and steady progress of project construction. In connection with project operation services, revenues from the operation services segment continued to grow in line with the sustained increase in the volume of projects processed. For the year under review, the Group's revenue amounted to approximately HK\$9,279,555,000, an increase of 33% over HK\$7,001,820,000 for 2018. EBITDA amounted to approximately HK\$2,876,139,000, an increase of 33% over HK\$2,161,227,000 for 2018. Profit attributable to equity shareholders of the Company for the year was approximately HK\$1,621,477,000, 22% more than HK\$1,324,871,000 recorded for 2018. Basic earnings per share for 2019 amounted to HK78.48 cents, HK14.36 cents more than HK64.12 cents for 2018. The Group had ample cash flow and ready access to various financing options, reporting sound financial indicators across the board.

本集團致力於與客戶及供應商建立長遠、密切的關係，多年來，旗下環保項目均維持穩定運營、達標排放，協助多地政府進一步改善當地生活環境、創造就業機會，贏得了各級政府的肯定。供應商方面，本集團一貫秉承公平、公正原則遴選供應商，於回顧年度內組織多次供應商考察活動，並針對主要供應商的服務情況進行項目回訪，堅持優勝劣汰，以進一步優化供應商庫。

經營業績方面，於二零一九年，本集團在收益及盈利方面均錄得可喜的增長。本集團通過強化籌建項目管理及穩步推進項目建設，建造服務收益創歷年同期新高。在運營服務方面，總處理量持續上升帶動運營服務收益持續增長。回顧年度內，本集團錄得收益約港幣9,279,555,000元，較二零一八年之港幣7,001,820,000元增加33%。除利息、稅項、折舊及攤銷前盈利約港幣2,876,139,000元，較二零一八年之港幣2,161,227,000元增加33%。本年度本公司之權益股東應佔盈利約港幣1,621,477,000元，較二零一八年之港幣1,324,871,000元增加22%。二零一九年每股基本盈利為78.48港仙，較二零一八年之64.12港仙增加14.36港仙。本集團融資渠道暢通，資金充裕，各項財務指標健康。

BUSINESS REVIEW AND PROSPECTS

For the year under review, revenue generated from the integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power segments amounted to approximately HK\$9,279,555,000 in aggregate, comprising approximately HK\$4,919,759,000 from construction services, representing a 19% growth compared to HK\$4,127,440,000 for 2018, and approximately HK\$4,165,265,000 from operation services, representing a 52% growth compared to HK\$2,733,532,000 for 2018. Analysed by the nature of revenue, construction services, operation services and finance income accounted for 53%, 45% and 2%, respectively, of our total revenue.

Major financial data of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power projects for 2019 are set out as follows:

業務回顧及展望

回顧年度內，生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電分部的收益合計達約港幣9,279,555,000元，其中建造服務收益約港幣4,919,759,000元，較二零一八年之港幣4,127,440,000元增加19%，至於運營服務收益約為港幣4,165,265,000元，較二零一八年之港幣2,733,532,000元增加52%。各收益的比重為：建造服務佔53%，運營服務佔45%及財務收入佔2%。

二零一九年生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電項目之主要財務數據如下：

		2019 二零一九年					2018 二零一八年				
		Integrated biomass utilisation projects 生物質綜合利用項目	Hazardous and solid waste treatment projects 危廢及固廢處置項目	Environmental remediation projects 環境修復項目	Solar energy and wind power projects 光伏發電及風電項目	Total 合計	Integrated biomass utilisation projects 生物質綜合利用項目	Hazardous and solid waste treatment projects 危廢及固廢處置項目	Environmental remediation projects 環境修復項目	Solar energy and wind power projects 光伏發電及風電項目	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益										
- construction services	- 建造服務	4,050,945	868,814	-	-	4,919,759	3,763,446	363,994	-	-	4,127,440
- operation services	- 運營服務	3,032,982	640,767	287,296	204,220	4,165,265	1,967,199	409,146	117,672	239,515	2,733,532
- finance income	- 財務收入	186,389	8,142	-	-	194,531	131,638	9,210	-	-	140,848
		7,270,316	1,517,723	287,296	204,220	9,279,555	5,862,283	782,350	117,672	239,515	7,001,820
EBITDA	除利息、稅項、折舊及攤銷前盈利	2,192,943	571,824	55,454	185,683	3,005,904	1,631,932	370,246	24,515	225,605	2,252,298

Benefitting from favourable national policies, the Group received a total of approximately RMB162 million in government grants and approximately RMB56.15 million in value-added tax refunds in 2019.

The Company remains committed to enhancing value for the shareholders of the Company (the "Shareholders"). To reward Shareholders for their support while taking into account the Group's long-term sustainable development, the Board has recommended a final dividend for the year ended 31 December 2019 of HK8.0 cents (2018: HK6.5 cents) per share to the Shareholders.

受惠於國策支持，二零一九年，本集團共獲批政府各類補貼約人民幣1.62億元及增值稅退稅約人民幣5,615萬元。

本公司繼續為本公司之股東（「股東」）創優增值，為回饋股東的支持及考慮本集團的長期可持續發展，董事會建議截至二零一九年十二月三十一日止年度向股東派發末期股息每股8.0港仙（二零一八年：6.5港仙）。

Integrated biomass utilisation

The Group mainly utilises biomass raw materials to generate both electricity and heat. Biomass raw materials are categorised into yellow culms and grey culms. Yellow culms consist of agricultural residues, such as wheat straw, rice straw, corn straw, rice husks and peanut husks, etc.; while grey culms consist of forestry residues such as branches, barks and other manufacturing wood wastes, etc. In addition, the Group has developed a unique business model of urban-rural integration combining integrated biomass utilisation projects and waste-to-energy projects to provide one-stop services for integrated treatment of agricultural and forestry residues and rural household wastes in a pioneering attempt at treatment of the ecological environment in county areas.

While our comprehensive biomass raw material collection and conveyance system have safeguarded adequate fuel supply and the stable operation of our integrated biomass utilisation projects, we have also acquired biomass raw materials from nearby locations through regional coordination to lower our transportation costs. Benefitting from the combined effect of technological optimisation and detailed management, the Group's integrated biomass utilisation projects have been able to sustain long cycles of stable operation in a major boost of the operational standards and economic benefits of our projects. Moreover, the unique advantage of the Group's urban-rural integration business model has not only contributed to project cost reduction and stronger competitiveness in the industry, but has also further facilitated the expansion of the Group's business footprint.

As of 31 December 2019, the Group had a total of 48 integrated biomass utilisation projects, located variously in 10 provinces in China, including mainly in Anhui Province, Jiangsu Province, Shandong Province, Hubei Province and Henan Province. Such projects commanded a total investment of approximately RMB14.947 billion and provided an aggregate power generation designed capacity of 1,002 MW, an annual aggregate biomass processing designed capacity of 8,089,800 tonnes, and a daily aggregate household waste processing designed capacity of 8,850 tonnes.

生物質綜合利用

本集團主要利用生物質原材料發電及供熱。生物質原材料分為黃稈和灰稈，黃稈主要為農業廢棄物，如麥稈、稻稈、玉米稈、稻殼、花生殼等；灰稈主要為林業廢棄物，如樹枝、樹皮及其他生產木材廢料等。除此之外，本集團開發出獨特的城鄉一體化業務模式，將生物質綜合利用項目與垃圾焚燒發電項目融為一體建設，統籌處理農林廢棄物及農村生活垃圾，開創了縣域生態環境治理的先河。

完善的生物質原材料供應體系保障了生物質綜合利用項目燃料的充分供應及穩定運營，本集團亦通過區域統籌就近收購生物質原材料，降低了燃料運輸成本。通過技術優化與精細化管理相結合，本集團的生物質綜合利用項目實現了長週期穩定運行，極大提升了項目運營水平及經濟效益。此外，本集團的城鄉一體化模式獨具優勢，既有助於降低項目的運營成本、提升行業競爭力，也進一步推動本集團實現業務版圖的擴張。

截至二零一九年十二月三十一日，本集團共擁有48個生物質綜合利用項目，分佈在中國境內10個省份，主要位於安徽省、江蘇省、山東省、湖北省及河南省等地。該些項目涉及總投資額約人民幣149.47億元，總設計發電裝機容量達1,002兆瓦，生物質總設計處理能力達每年8,089,800噸，生活垃圾總設計處理能力達每日8,850噸。

During the year under review, the Group had 32 integrated biomass utilisation projects in operation, generating approximately 3,826,504 MWh of on-grid electricity which represented an increase of 50% over 2018. Meanwhile, the Group processed approximately 4,635,939 tonnes of biomass raw materials and approximately 1,439,893 tonnes of household waste, representing increases of 47% and 63% over 2018, respectively. During the year under review, the Group supplied approximately 818,804 tonnes of steam, representing an increase of 125% over 2018. As of 31 December 2019, the Group had 13 integrated biomass utilisation projects under construction, with an aggregate power generation designed capacity of 246 MW, an annual biomass processing designed capacity of approximately 1,870,000 tonnes, a daily household waste processing designed capacity of approximately 2,950 tonnes and an annual steam generation designed capacity of 960,000 tonnes.

During the year under review, EBITDA of the Group's integrated biomass utilisation projects was approximately HK\$2,192,943,000, an increase of 34% over 2018. The integrated biomass utilisation projects contributed net profit of approximately HK\$1,345,056,000, an increase of 29% over 2018. The increase in profit was mainly attributable to the increase in revenue from construction services thanks to the steady progress of various projects in construction coupled with the substantial increase in revenue from operation services in tandem with the continuous growth in total on-grid electricity from projects in operation, during the year under review.

Major operating and financial data of the integrated biomass utilisation segment in 2019 are summarised in the table below:

於回顧年度內，本集團運營中的生物質綜合利用項目共32個，提供上網電量約3,826,504兆瓦時，較二零一八年增加50%；處理生物質原材料約4,635,939噸，較二零一八年增加47%；處理生活垃圾約1,439,893噸，較二零一八年增加63%；本集團於回顧年度內供應蒸汽約818,804噸，較二零一八年增加125%。截至二零一九年十二月三十一日，本集團在建生物質綜合利用項目共13個，總設計發電裝機容量246兆瓦，設計生物質處理能力約每年1,870,000噸，設計生活垃圾處理能力約每日2,950噸，設計供熱能力約每年960,000噸。

於回顧年度內，本集團的生物質綜合利用項目貢獻除利息、稅項、折舊及攤銷前盈利約港幣2,192,943,000元，較二零一八年增加34%。生物質綜合利用項目貢獻淨盈利約港幣1,345,056,000元，較二零一八年增加29%。盈利增加主要由於回顧年度內多個在建項目穩步推進，建造服務收益錄得上升，加上運營項目的總上網電量持續上升，帶動運營服務收益大幅上升。

二零一九年生物質綜合利用分部之主要運營與財務數據摘要如下：

		2019 二零一九年	2018 二零一八年
Integrated biomass utilisation projects	生物質綜合利用項目		
On-grid electricity (MWh)	上網電量(兆瓦時)	3,826,504	2,557,059
Biomass raw materials processing volume (tonnes)	生物質原材料處理量(噸)	4,635,939	3,159,990
Household waste processing volume (tonnes)	生活垃圾處理量(噸)	1,439,893	881,254
Volume of steam supplied (tonnes)	蒸汽供應量(噸)	818,804	363,391
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	2,192,943	1,631,932

Hazardous and solid waste treatment

The Group is principally engaged in the safe treatment and integrated utilisation of wastes including general industrial solid wastes, hazardous wastes and infectious animal carcasses. Currently, the Group conducts the disposal by way of incineration, landfill, physicochemical treatment and integrated utilisation.

The Group is a leading industry player in the hazardous waste treatment business, with capabilities for the safe disposal of 43 out of 46 categories of hazardous wastes listed in the National Catalog of Hazardous Wastes. During the year under review, we further expanded into the business of general industrial solid waste electricity and heat cogeneration, giving us the ability to fully meet various requirements for hazardous and solid waste treatment on the back of our solid technical strengths and ability to provide one-stop services.

As of 31 December 2019, the Group had a total of 51 hazardous and solid waste treatment projects, located mainly in Jiangsu Province and Shandong Province. During the year under review, we established our presence in the environmental markets of Heilongjiang Province and Inner Mongolia Autonomous Region, expanding the geographic coverage of our business to 9 provinces and autonomous region in China. Such projects commanded a total investment of approximately RMB12.566 billion (including approximately RMB581 million in Anqing Solid Waste Integrated Treatment Project, in which the Group held 49% interest) and an aggregate annual processing designed capacity of 2,229,400 tonnes.

危廢及固廢處置

本集團主要從事一般工業固廢、危險廢物、病死動物等的安全處置和綜合利用，目前採用的處置方式包括焚燒、填埋、物化處理及綜合利用等。

本集團的危廢處置業務在行業中位於前列位置，可安全處置《國家危險廢物名錄》所列46類危廢中的43類，並於回顧年度內進一步開拓一般工業固廢熱電聯供業務，雄厚的技術實力、一站式的服務能力令本集團可全面滿足各類危廢及固廢處置需求。

截至二零一九年十二月三十一日，本集團共擁有51個危廢及固廢處置項目，主要位於江蘇省及山東省等地，並於回顧年度內進入黑龍江省和內蒙古自治區環保市場，令項目覆蓋區域擴張至中國境內9個省份及自治區。該些項目涉及總投資額約人民幣125.66億元（其中，安慶固廢綜合處置項目涉及投資額約人民幣5.81億元，本集團權益佔比49%），總設計處理能力達每年222.94萬噸。

During the year under review, the Group operated and completed 20 hazardous and solid waste treatment projects. For detoxification treatment, approximately 184,248 tonnes of hazardous and solid waste were treated in aggregate, an increase of 45% over 2018. For integrated resource utilisation, 13,654 tonnes of hazardous and solid waste were treated in aggregate and approximately 5,242 tonnes of recycled products were sold. There were 5 hazardous and solid waste treatment projects under construction with an aggregate annual processing designed capacity of 160,000 tonnes. Among the projects in operation and completed construction, Jiangsu Jiayuan Environmental Technology Co., Ltd.* (江蘇佳願環境科技有限公司), which was acquired in early 2019, is currently in suspension pending the renewal of its license for the operation of hazardous waste disposal. Lishui Industrial Solid Waste Landfill Project, completed construction during the year under review, has yet to contribute any operating revenue.

During the year under review, the Group's hazardous and solid waste treatment projects contributed EBITDA of approximately HK\$571,824,000, an increase of 54% over 2018. Hazardous and solid waste treatment projects contributed net profit of approximately HK\$362,936,000, an increase of 48% over 2018. The increase in profit was mainly attributable to stable business development and sustained increase in the aggregate processing capacity of projects in operation.

Major operating and financial data of the hazardous and solid waste treatment segment in 2019 are summarised in the table below:

於回顧年度內，本集團運營及完工的危廢及固廢處置項目20個，無害化處置方面，共處置危廢及固廢約184,248噸，較二零一八年增加45%；資源綜合利用方面，共處置危廢及固廢13,654噸，並銷售資源化利用產品約5,242噸。在建危廢及固廢處置項目5個，總設計危廢處理能力達每年160,000噸。運營及完工項目中，二零一九年初完成收購的江蘇佳願環境科技有限公司目前處於暫停生產、更換危廢經營許可證階段，而麗水工業固廢填埋項目於回顧年度內建成完工，尚未開始貢獻運營收益。

於回顧年度內，本集團的危廢及固廢處置項目貢獻除利息、稅項、折舊及攤銷前盈利約港幣571,824,000元，較二零一八年增加54%。危廢及固廢處置項目貢獻淨盈利約港幣362,936,000元，較二零一八年增加48%。盈利增加主要由於運營項目業務發展穩健及運營項目的總處理量持續上升。

二零一九年危廢及固廢處置分部之主要運營與財務數據摘要如下：

		2019 二零一九年	2018 二零一八年
Hazardous and solid waste treatment projects	危廢及固廢處置項目		
Hazardous and solid waste processing volume (tonnes)	危廢及固廢處理量(噸)		
— Detoxification treatment	— 無害化處置	184,248	127,052
— Integrated resource utilisation	— 資源綜合利用	13,654	—
Sales volume of recycled products (tonnes)	資源化利用產品銷售量(噸)	5,242	—
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	571,824	370,246

* For identification purpose only

* 僅供識別

Environmental remediation

The Group's environmental remediation businesses cover mainly the restoration of industrial contaminated sites, restoration of contaminated farmland, restoration of mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river/lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services and anti-seepage at landfill sites.

In connection with qualifications, as of 31 December 2019, the Group held the following accreditations: First-grade Professional Contracting Qualification for Environmental Protection Projects, the Environmental Engineering EPO License (Class B) (for pollution remediation and prevention of water pollution), the Third-Grade General Contractor for Municipal Public Works, the Environmental Pollution Control License (Class A) (contaminated water body and soil remediation) in Jiangsu Province and the Environmental Pollution Control License (First Class) in Jiangsu Province. It had also obtained an "AAA" corporate credit rating and an "AA" credit rating awarded by a credit rating agency and China Construction Bank, respectively, as well as ISO9001, OHSAS18001 and ISO14001 management system accreditations. Also, the Group holds the China Metrology Accreditation (CMA) which qualifies it to issue valid data and results with proof.

In addition, the Group's competitiveness and brand influence in the environmental remediation sector has been further enhanced following the national accreditation of Everbright Environmental Remediation (Jiangsu) Limited, a subsidiary of the Group, as a national hi-tech enterprise and approval for its assumption of the status of post-doctoral base for innovative ventures in Nanjing, as well as the successful passing of Suntime Environmental Remediation CO., Ltd. of an annual assessment as a Jiangsu provincial engineering and technology research centre during the year under review.

As of 31 December 2019, the Group had 9 environmental remediation projects under implementation, located mainly in Jiangsu Province, Zhejiang Province and Jiangxi Province, with a total contract amount of approximately RMB334 million. There were 3 projects in the preparatory stage with a total contract amount of approximately RMB112 million.

環境修復

本集團的環境修復業務主要涵蓋工業污染場地修復、污染農田修復、礦山及填埋場生態修復、工業廢氣治理、油泥綜合治理、河湖底泥及工業污泥治理、濕地公園建設和運營、環保管家服務及填埋場防滲工程等。

資質方面，截至二零一九年十二月三十一日，本集團已具備環保工程專業承包一級、環境工程設計專項乙級（污染修復工程和水污染防治工程）、市政公用工程總承包三級、江蘇省環境污染治理能力評價甲級（污染水體修復和污染土壤修復）、江蘇省環境污染治理工程總承包能力評價一級等資質，獲批信用評級機構企業資信等級AAA證書及中國建設銀行AA級信用等級證書，並通過ISO9001、OHSAS18001及ISO14001管理體系認證。本集團亦持有中國計量認證(CMA)資質認定證書，可對外出具具有證明效力的檢驗檢測數據和結果。

此外，於回顧年度內，本集團旗下光大環境修復（江蘇）有限公司通過國家高新技術企業認定並獲批成為南京市博士後創新實踐基地，以及上田環境修復有限公司順利通過江蘇省省級工程技術研究中心年度評審，進一步提升了本集團在環境修復領域的市場競爭力和品牌影響力。

截至二零一九年十二月三十一日，本集團執行中的環境修復項目共9個，分別位於江蘇省、浙江省和江西省，涉及總合同金額約人民幣3.34億元；另有3個項目處於籌建階段，涉及總合同金額約人民幣1.12億元。

For the year under review, the Group's environmental remediation projects contributed EBITDA of approximately HK\$55,454,000, an increase of 126% over 2018. The environmental remediation projects contributed net profit of approximately HK\$30,683,000, an increase of 54% over 2018. The increase in profit was mainly attributable to the completion and implementation of 21 environmental remediation projects by the Group during the year under review, which was 13 more than those completed and implemented during 2018.

於回顧年度內，本集團的環境修復項目貢獻除利息、稅項、折舊及攤銷前盈利約港幣55,454,000元，較二零一八年增加126%。環境修復項目貢獻淨盈利約港幣30,683,000元，較二零一八年增加54%。盈利增加主要由於回顧年度內本集團完工及執行中的環境修復項目共21個，較二零一八年增加13個。

Major financial data of the environmental remediation segment for 2019 are summarised as follows:

二零一九年環境修復分部之主要財務數據摘要如下：

		2019 二零一九年	2018 二零一八年
Environmental remediation projects	環境修復項目		
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利 (港幣千元)	55,454	24,515

Solar energy and wind power

The Group has 7 solar energy projects and 2 wind power projects in operation located variously in Jiangsu Province, Anhui Province, Shanxi Province and Germany respectively, involving a total investment of approximately RMB1.395 billion and providing an aggregate power generation designed capacity of 125.9 MW. The Group is responsible for building, managing and operating these projects and selling electricity generated by such projects to local power grid companies.

光伏發電及風電

本集團共有7個運營的光伏發電項目以及2個運營的風電項目，分別分佈於江蘇省、安徽省、山西省及德國，涉及總投資額約人民幣13.95億元，總設計發電裝機容量為125.9兆瓦。本集團負責建造、管理及運營該些項目，並將電力售予地方電網公司。

During the year under review, the Group's solar energy and wind power projects sold approximately 268,675 MWh of electricity, representing a decrease of 15% compared to 2018. EBITDA contribution decreased by 18%, as compared to 2018, to approximately HK\$185,683,000. Solar energy and wind power projects contributed net profit of approximately HK\$83,398,000, representing a decrease of 24% as compared to 2018. The decrease was attributable mainly to the weaker wind resources for wind power projects during the year.

於回顧年度內，本集團的光伏發電及風電項目已售電力共約268,675兆瓦時，較二零一八年減少15%，貢獻除利息、稅項、折舊及攤銷前盈利約港幣185,683,000元，較二零一八年減少18%。光伏發電及風電項目貢獻淨盈利約港幣83,398,000元，較二零一八年減少24%，主要由於年內風電項目的風資源較弱。

Major operating and financial data of the solar energy and wind power segment in 2019 are summarised in the table below:

二零一九年光伏發電及風電分部之主要運營與財務數據摘要如下：

		2019 二零一九年	2018 二零一八年
Solar energy and wind power projects	光伏發電及風電項目		
On-grid electricity (MWh)	上網電量(兆瓦時)	268,675	316,811
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	185,683	225,605

The Group strives to realise sustainable development for the corporation and the community by making vigorous efforts to drive energy conservation and emission reduction, in persistent fulfilment of the mission and undertaking of being “Devoted to Ecology and Environment for a Beautiful China”. During the year under review, the Group generated approximately 4,095,179 MWh of green electricity, which was sufficient for the annual electricity consumption of 3,412,649 households, reducing standard coal consumption by 1,638,072 tonnes and carbon dioxide (CO₂) emissions by 3,383,615 tonnes, while saving 532,373,293 trees. The Group also treated 301,095.5 m³ of leachate in its waste-to-energy power plants and hazardous waste landfills eliminating aggregate chemical oxygen demand (COD) by 9,728.4 tonnes.

Business prospects

“I see everywhere opportunities waiting to be transformed into grandeur and majesty; as innovation never ceases by nature’s design or men’s intelligence.” Year 2020 will mark the conclusion of the general development of a moderately prosperous society, while it will also be a crucial year for the Group as it aspires to accomplish more ambitious goals at the point of convergence for two Five-year Plan periods.

為實現企業和社會的可持續發展，本集團堅守「情繫生態環境，築夢美麗中國」的使命與擔當，積極推動節能減排。於回顧年度內，本集團共提供綠色電力約4,095,179兆瓦時，可供3,412,649個家庭一年使用，相當於節約標煤1,638,072噸，減少二氧化碳(CO₂)排放3,383,615噸及減少森林樹木砍伐532,373,293株，以及共處理垃圾發電廠及危廢填埋場的滲濾液301,095.5立方米，共去除化學需氧量(COD) 9,728.4噸。

業務展望

「滿眼生機轉化鈞，天工人巧日爭新」。二零二零年是全面建成小康社會的收官之年，也是本集團站在兩個「五年規劃」的交匯點上，向更高的目標衝刺的關鍵之年。

The political drive and pressing need for addressing climate change and seeking improvements in environmental quality among global nations will remain unchanged, while China's determination and persistence for advancing the development of ecological civilisation, strengthening ecological protection as well as preventing and controlling environmental pollution will stay unaltered, for the time being and in the foreseeable future. While this will doubtlessly present a golden opportunity for the development of the environmental industry, enterprises will be subject to greater challenges and pressure given an evolving external business environment where changes occur in an ever faster pace, greater depth and broader scope, the instability and uncertainty of the environment for development will become more evident. The Group will address such changes in a proactive manner and seek progress on the back of stability. By focusing on the essentials, overcoming hurdles, eliminating blind spots and nurturing new growth niches, we will cement the foundation for sustainable quality development and drive a new cycle of growth.

The Group will continue to focus on the creation of value and enhancement of investor return, while persisting in efforts in the "three dimensions": extending the length of the industry chain, penetrating the depth for more market shares and broadening the scope of our business. To further optimise its business mix, the Group will drive the expansion of its hazardous and solid waste treatment business with greater efforts by continuing to enhance its position in the industry and increasing the percentage share of such business in its principal businesses, while developing the environmental remediation business with full force. The Group will actively advance the transformation of its businesses, including a general transition of its integrated biomass utilisation business to electricity and heat cogeneration and high value-added businesses; the transition of the hazardous and solid waste treatment business from a standalone model to an integrated model and base model; and make more intensive efforts in business expansion for the environmental remediation business underpinned by exploring new business models compatible with the Group's development. In the meantime, the Group will step up with its search for projects that are compatible with national industrial policies, technically mature, commercially viable and risk-proof, in a bid to achieve business transformation and upgrade with asset-light operations accounting for an increasing share by extending and broadening the industry chain covered by its businesses.

當前及今後一個時期，世界各國應對氣候變化、追求環境品質改善的政治意願與迫切需求不變，中國堅持推進生態文明建設、加強生態環境保護、堅持污染防治的決心與恒心不變，這無疑是環保行業的發展良機。但隨著外部環境變化越來越快、越來越深、越來越廣，發展環境的不穩定性、不確定性日益凸顯，企業經營面臨的挑戰和壓力也逐漸增大。本集團將積極應變、穩中求進，抓住重點、突破難點、消除盲點並培育新的增長點，築牢可持續高質量發展的基礎，推進本集團的新一輪發展。

本集團將持續聚焦「價值創造」，提升投資回報，同時堅持「三度並舉」，即延長產業鏈的長度，挖掘市場佔領的深度以及拓展業務範圍的寬度。為進一步優化業務結構，本集團將加大危廢及固廢處置業務拓展力度，繼續提升行業地位及該項業務在主營業務中的佔比，並全力開展環境修復業務。本集團將積極推進業務轉型，生物質綜合利用業務要全面實現向熱電聯供和高附加值業務的轉型；危廢及固廢處置業務應推動實現由單一模式向綜合模式和基地模式的轉型；環境修復業務將加大業務拓展力度，探討適合本集團發展的新業務模式。同時，本集團將加快尋求符合國家產業政策、技術成熟、商業模式可行及經營風險可控的項目，延長和拓寬產業鏈，實現業務的轉型升級，並逐步提升輕資產業務的比重。

With persistent, technology-guided efforts, the Group will continue to enhance its research on frontier technologies and development of applied technologies by further increasing its investment in scientific research and strengthening its research team. We will seek in-depth applications of our integrated biomass utilisation and hazardous and solid waste treatment technologies, while expediting the development of technologies relating to new businesses, such as the disposal of waste old tyres, oil sludge treatment, integrated utilisation of organic solvents and bulk general solid waste treatment, such that the Group would be technologically prepared for tapping new environmental sectors and a new cycle of development guided by technology and innovation would be ushered in for the greater benefit of national development strategies.

Looking to the future, with the solid backing of Everbright Group and strong support of CEIL, the Company's controlling shareholder, and on the back of its extensive experience in the development and operation of diversified project portfolios and strong ability in market development, the Group will work in close tandem with national policies and market trends with a firm strategic focus, as it continues to uphold the corporate vision of "delivering better investment value and undertaking further social responsibilities" and strive incessantly to become a leader in China's environmental business sector.

本集團將堅持以科技為引領，進一步加大科研投入，充實科研人才隊伍，加強前沿技術研究和實用技術開發，深耕現有生物質綜合利用和危廢及固廢處置技術，同時抓緊開發廢舊輪胎處置、油泥處置、有機溶劑綜合利用及大宗一般固廢處置等新業務相關技術，為本集團進軍環保新領域提前做好技術儲備，以科技和創新引領新一輪發展，更好地為國家發展戰略服務。

展望未來，依託光大集團這一堅實後盾及本公司控股股東光大國際的強力支持，憑藉開發及運營多元化項目組合的豐富經驗和強大的市場拓展能力，本集團將緊跟國家政策、把握市場動向，保持戰略定力，繼續秉承「創造更好投資價值，承擔更多社會責任」的企業追求，為發展成為中國環保行業的翹楚不懈奮鬥。

The pneumonia epidemic caused by the novel coronavirus has been spreading in China before the Spring Festival in 2020. Confronted with the severity of the epidemic, the Group is determined to comply with national decisions and plans on winning the battle against the epidemic and implement on all fronts the working plans of Everbright Group for epidemic prevention. Undertaking responsibilities with all members of staff mobilised for relevant actions, we have adopted preventive and control measures in a scientific approach and executed policies with precision as we stand at the forefront of the battle against the epidemic. Taking into account the challenge for epidemic prevention presented by the Group's geographically dispersed business presence and staff deployment, the Group has also swiftly set up a three-tier epidemic prevention regime comprising the head office, the business management centres and the project companies, with specific duties, tasks and guidelines for epidemic prevention allocated to each level to ensure that there would be no blind spots in epidemic prevention. At the project level, staff of the Group's project companies have showed utmost commitment during the epidemic prevention period, making meticulous planning and performing their duties with firm dedication to ensure the stable and full-speed operation of the projects with compliant emissions. They have provided detoxification treatment of household waste and medical waste for local communities to eliminate the possibility of any secondary transmission of viruses through waste and garbage. The protection afforded to the residential communities through their reliable and efficient environmental services has won strong recognition from the local governments, public and media. As of the date of this report, most of our projects have resumed normal operations, except for certain projects with operations temporarily suspended as required by local government authorities. The impact of the epidemic of novel coronavirus on the operation status of the Group has been controllable as a result of the adoption of the plans mentioned above, and whether the Group will be further impacted is subject to the evolution of the epidemic in China.

二零二零年春節前，新型冠狀病毒引發的肺炎疫情在國內蔓延。面對疫情的嚴峻形勢，本集團堅定貫徹落實國家堅決打贏疫情防控阻擊戰的決策部署，全面落實光大集團防疫工作部署，全員行動，勇擔責任，科學防控，精準施策，走在戰「疫」最前線。考慮到本集團業務分佈廣、人員分散對防疫工作帶來挑戰，本集團還迅速建立起總部、業務管理中心、項目公司三級防疫體系，發佈各級防疫職責、任務和工作指引，明確責任，確保防疫工作無死角。在項目層面，本集團旗下各項目員工在防疫期間展現出至高的擔當精神，嚴密部署，堅守崗位，確保項目穩定運營、全速運轉、達標排放，為當地提供生活垃圾、醫療廢物等無害化處理，確保阻斷病毒通過廢棄物媒介二次傳播，通過可靠、高效的環境服務守護人居環境，得到當地政府、民眾和媒體的高度認可。截至本報告日期，除部分項目因應當地政府要求暫未復工，大部分項目已回復正常運作，本集團亦已採取上述部署，令新型冠狀病毒肺炎疫情對本集團經營狀況的影響可控，其對本集團的進一步影響將主要取決於中國疫情的發展態勢。

The “Opinions on Facilitating the Sound Development of Power Generation Through Non-water Renewable Energy” (Cai Jian [2020] No. 4)* (《關於促進非水可再生能源發電健康發展的若干意見》) (財建[2020]4號) and “Measures for the Administration of Additional Subsidies for Renewable Energy Electricity Prices” (Cai Jian [2020] No. 5)* (《可再生能源電價附加補助資金管理辦法》) (財建[2020]5號) were jointly announced by the Ministry of Finance, National Development and Reform Commission and National Energy Administration on 20 January 2020. On 12 March 2020, the Ministry of Finance issued the “Notice on Relevant Review Work on the Projects List of Renewable Energy Power Generation Subsidies” (Caibanjian [2020] No. 6)* (《關於開展可再生能源發電補貼項目清單審核有關工作的通知》) (財辦建[2020]6號) (the “Notice No. 6”). The promulgation of the documents show that the government is doing its best to solve the problem of arrears in subsidies for renewable energy power generation, which is beneficial to improving the Group’s cash flow. Based on the Group’s understanding on the Notice No. 6 and preliminary estimation, the Group has 12 projects that may meet the application requirements of the subsidy list. As of 31 December 2019, the involved national subsidies receivable were approximately RMB1.8 billion. Moving forward, the Group will closely follow up and implement the first batch project inventory declaration and national subsidies related work, and prepare for the declaration of the next batch of list projects in advance. At the same time, the Group will continuously optimize its business structure, actively promote business upgrade and transformation, and comprehensively propel the development of integrated biomass utilisation to high value-added services, to give back to the Shareholders and investors by achieving even more outstanding results.

Subsequent events

In January 2020, the Group won the bid for Wujiang Household Waste Landfill Outsourcing Service Project in Jiangsu Province with a contract amount of approximately RMB37.69 million. The project primarily provides household waste landfill operation and management services to Wujiang District in Suzhou for a term of three years.

二零二零年一月二十日，中國財政部、國家發展和改革委員會和國家能源局聯合發佈了《關於促進非水可再生能源發電健康發展的若干意見》(財建[2020]4號)以及《可再生能源電價附加補助資金管理辦法》(財建[2020]5號)。二零二零年三月十二日，中國財政部發佈了《關於開展可再生能源發電補貼項目清單審核有關工作的通知》(財辦建[2020]6號)(「6號通知」)。系列文件的頒布，表明國家正盡力解決可再生能源發電補貼資金拖欠問題，有利於本集團現金流改善。根據本集團對《6號通知》的理解及初步統計，本集團可能符合首批補貼清單申報條件的項目達12個，截至二零一九年十二月三十一日，涉及應收國家補貼資金約人民幣18億元。下一步，本集團將密切跟進和落實首批清單項目申報和國家補貼資金發放工作，提前做好下一批次清單項目申報準備工作，同時繼續優化業務結構，積極推進業務升級轉型，全面推動生物質綜合利用業務向高附加值利用業務發展，以更加優異的成績回饋廣大股東及投資者。

業績日後事項

二零二零年一月，本集團中標江蘇省吳江生活垃圾衛生填埋場外包服務項目，涉及合同金額約人民幣3,769萬元。該項目主要向蘇州市吳江區提供生活垃圾填埋場運營管理服務，服務期限為三年。

* For identification purpose only

* 僅供識別

FINANCIAL REVIEW

Financial position

As at 31 December 2019, the Group's total assets amounted to approximately HK\$26,258,315,000 (31 December 2018: HK\$18,602,802,000) with net assets amounting to approximately HK\$10,587,352,000 (31 December 2018: HK\$9,431,074,000). Net asset value per share attributable to equity shareholders of the Company was HK\$5.01, an increase of 11% compared to net asset value per share of HK\$4.52 as at the end of 2018. As at 31 December 2019, gearing ratio (total liabilities over total assets) of the Group was 59.7%, an increase of 10.4 percentage points as compared to that 49.3% as at the end of 2018. Current ratio of the Group was 148.7%, a decrease of 5.9 percentage points as compared to that of 154.6% as at the end of 2018.

Financial resources

The Group adopts a prudent approach to cash and financial management to ensure proper risk control and lower the costs of funds. It finances its operations primarily with internally generated cash flow and bank loans. As at 31 December 2019, the Group had cash and bank balances of approximately HK\$2,897,486,000, an increase of approximately HK\$636,653,000 as compared to HK\$2,260,833,000 as at the end of 2018. Most of the Group's cash and bank balances were denominated in Hong Kong dollars and Renminbi.

財務回顧

財務狀況

於二零一九年十二月三十一日，本集團之總資產約港幣26,258,315,000元（二零一八年十二月三十一日：港幣18,602,802,000元），淨資產則約港幣10,587,352,000元（二零一八年十二月三十一日：港幣9,431,074,000元）。而本公司權益股東應佔每股資產淨值為港幣5.01元，較二零一八年底之每股資產淨值港幣4.52元增加11%。於二零一九年十二月三十一日，本集團之資產負債比率（總負債除以總資產）為59.7%，較二零一八年底之49.3%增加10.4個百分點。本集團之流動比率為148.7%，較二零一八年底之154.6%減少5.9個百分點。

財務資源

本集團對現金及財務管理採取審慎的原則，確保妥善管理風險及降低資金成本。運營資金主要來自內部產生現金流及銀行貸款。於二零一九年十二月三十一日，本集團持有現金及銀行結餘約港幣2,897,486,000元，較二零一八年底之港幣2,260,833,000元增加約港幣636,653,000元。本集團大部分現金及銀行結餘均為港幣及人民幣。

Indebtedness

The Group endeavours to develop a diverse range of financing options and increasing banking facilities to reserve funds for the development of its environmental protection business. As at 31 December 2019, the Group had outstanding borrowings of approximately HK\$11,094,776,000, an increase of approximately HK\$5,088,217,000 as compared to HK\$6,006,559,000 as at the end of 2018. The borrowings included secured interest-bearing borrowings of approximately HK\$6,472,644,000 (31 December 2018: HK\$4,026,843,000) and unsecured interest-bearing borrowings of approximately HK\$4,622,132,000 (31 December 2018: HK\$1,979,716,000). The borrowings of the Group were mainly denominated in Renminbi, representing approximately 71% of the total, and the remainder is denominated in Hong Kong dollars. All of the borrowings were at floating rates. As at 31 December 2019, the Group had banking facilities of approximately HK\$17,423,770,000 (31 December 2018: HK\$11,261,010,000), of which approximately HK\$6,328,994,000 (31 December 2018: HK\$5,254,451,000) was unutilised. The tenor of banking facilities ranged from 1 year to 16 years.

In June 2018, the Company entered into a comprehensive strategic cooperation agreement with Bank of China Limited, Shenzhen Branch ("BOC") to deepen the two parties' strategic cooperation in energy conservation and environmental protection. Pursuant to the agreement, BOC will provide RMB4 billion funding to the Group in the coming 3 years, which will offer strong financial backup for its development. The RMB4 billion funding is subject to definitive agreements to be entered into by the Group and BOC.

負債狀況

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。於二零一九年十二月三十一日，本集團尚未償還貸款總額約港幣11,094,776,000元，較二零一八年底之港幣6,006,559,000元增加約港幣5,088,217,000元。貸款包括有抵押之計息借貸約港幣6,472,644,000元（二零一八年十二月三十一日：港幣4,026,843,000元）及無抵押之計息借貸約港幣4,622,132,000元（二零一八年十二月三十一日：港幣1,979,716,000元）。本集團的貸款主要以人民幣為單位，佔總數約71%，其餘則為港幣。所有貸款均為浮動利率。於二零一九年十二月三十一日，本集團之銀行融資額度約港幣17,423,770,000元（二零一八年十二月三十一日：港幣11,261,010,000元），其中約港幣6,328,994,000元（二零一八年十二月三十一日：港幣5,254,451,000元）為尚未動用之額度，銀行融資額度為一至十六年期。

本公司於二零一八年六月與中國銀行股份有限公司深圳市分行（「中國銀行」）簽訂了全面戰略合作協議，深化雙方在節能環保領域的戰略性合作。根據協議，中國銀行將在未來3年內，給予本集團人民幣40億元的資金支持，為我們的發展提供了強而有力的資金保障。本集團須與中國銀行訂立具體協議後方可獲得人民幣40億元的資金支持。

The Company entered into a strategic cooperation agreement with Postal Savings Bank of China Co., Ltd., Shenzhen Branch (“PSBC Shenzhen Branch”) in July 2019, paving the way for cooperation in the fields of ecology and environmental protection between the two parties. Pursuant to the strategic cooperation agreement, PSBC Shenzhen Branch will provide financial cooperation of RMB5 billion in aggregate to the Group in the coming 3 years. By extending its full support to the investment in construction and working capital requirements of the Group’s environmental protection projects, it will offer comprehensive, quality, efficient, preferential and personalised financial services to the Group. The Company will take this strategic cooperation as an opportunity to deepen the cooperation of both parties and establish a long-term, stable and mutually beneficial cooperative relationship with PSBC Shenzhen Branch.

Foreign exchange risks

The Company’s financial statements are denominated in Hong Kong dollars, which is also the functional currency of the Company. The Group’s investments made outside Hong Kong (including Mainland China) may incur foreign exchange risks. The Group’s operations are predominantly based in Mainland China, which makes up over 95% of its total investments and revenue. Most of the Group’s assets, borrowings and major transactions are denominated in Renminbi, basically forming a natural hedging effect. The Group closely manages its foreign exchange risk through an optimal allocation of borrowings in different currencies, controlling borrowings in non-base currencies at a moderate level, and the adoption of appropriate financial instruments.

Pledge of assets

Certain banking facilities at the Group were secured by revenue, contract assets and receivables in connection with the Group’s service concession arrangements, bank deposits, property, plant and equipment and interests in leasehold land held for own use of the Group. As at 31 December 2019, the aggregate net book value of assets pledged amounted to approximately HK\$14,193,658,000 (31 December 2018: HK\$7,597,951,000).

本公司於二零一九年七月與中國郵政儲蓄銀行股份有限公司深圳市分行（「中國郵政儲蓄銀行深圳分行」）簽署戰略合作協議，打開了雙方在生態環保領域合作的新局面。根據戰略合作協議，於未來3年內，中國郵政儲蓄銀行深圳分行將向本集團提供總額為人民幣50億元的金融合作，全力支持本集團旗下環保項目的投資建設及日常資金需求，為本集團提供全方位的優質、高效、優惠及個性化的金融服務。本公司將以本次戰略合作為契機，繼續深化落實雙方合作，與中國郵政儲蓄銀行深圳分行攜手建立長期穩定、互利共贏的良好合作關係。

外匯風險

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95%以上。本集團大部分資產、貸款及主要交易以人民幣為單位，基本形成一種自然的對沖。本集團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。

資產抵押

本集團若干銀行融資以本集團服務特許經營權安排下之若干收益、合約資產及應收款項、銀行存款、物業、廠房及設備及本集團持作自用之租賃土地權益作為抵押。於二零一九年十二月三十一日，已抵押資產之賬面淨值總額約港幣14,193,658,000元（二零一八年十二月三十一日：港幣7,597,951,000元）。

Commitments

As at 31 December 2019, the Group had outstanding purchase commitments of approximately HK\$1,934,256,000 (31 December 2018: HK\$1,578,260,000) under the construction contracts and capital commitments relating to the capital injection to an associate of approximately HK\$33,148,000 (31 December 2018: HK\$56,216,000).

Contingent liabilities

As at 31 December 2019, the Group did not have any contingent liabilities (31 December 2018: Nil).

Tax relief and exemption

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's shares.

Service concession arrangements

The Group entered into Build-Operate-Transfer ("BOT") and Build-Operate-Own ("BOO") arrangements in respect of its projects.

The Group concluded that all the BOT arrangements and certain BOO arrangements are service concession arrangements under Hong Kong (International Financial Reporting Interpretations Committee) ("HK(IFRIC)") Interpretation 12, 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 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 substantial useful life.

承擔

於二零一九年十二月三十一日，本集團擁有為建造合約而訂約之未付採購承擔約港幣1,934,256,000元(二零一八年十二月三十一日：港幣1,578,260,000元)，以及與注資一間聯營公司相關的資本承擔約港幣33,148,000元(二零一八年十二月三十一日：港幣56,216,000元)。

或有負債

於二零一九年十二月三十一日，本集團並無任何或有負債(二零一八年十二月三十一日：無)。

稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司股份而享有稅務寬減及豁免。本公司概不知悉有任何因股東持有本公司股份而享有稅務寬減及豁免。

服務特許經營權安排

本集團就其項目訂立建造 — 運營 — 轉移(「BOT」)及建造 — 運營 — 擁有(「BOO」)安排。

本集團認為所有BOT安排及若干BOO安排均屬香港(國際財務報告詮釋委員會)(「香港(國際財務報告詮釋委員會)」)詮釋第12號下的服務特許經營權安排，因為當地政府控制並監管有關服務，而本集團必須按預定服務費提供基礎建設。就BOT安排而言，在特許經營權協議到期後，有關基礎設施將無償轉歸當地政府所有。就BOO安排而言，在服務特許經營權安排下所使用之基礎設施於其整個或大致上整個可使用年期使用。

The following chart sets forth a summary of the accounting treatment for service concession arrangements and non-service concession arrangements under Hong Kong Financial Reporting Standards (“HKFRSs”):

下表載列根據香港財務報告準則（「香港財務報告準則」）對服務特許經營權安排及非服務特許經營權安排進行會計處理之概要：



As of 31 December 2019, the Group had a total of 45 projects in operation and 24 projects under construction, in which 34 integrated biomass utilisation projects and 7 hazardous and solid waste treatment projects are accounted for as service concession arrangements. Most of the integrated biomass utilisation projects and some of the hazardous and solid waste treatment projects are accounted for as service concession arrangements. The construction contracts for the biomass portion of our integrated biomass and waste-to-energy projects and some of our hazardous and solid waste treatment projects are recorded under “intangible assets,” while the construction contracts for the waste-to-energy portion of our integrated biomass and waste-to-energy projects and some of our hazardous and solid waste treatment projects are recorded under “service concession assets”.

The following table sets forth a breakdown of the construction revenue recorded under intangible assets and service concession assets for projects accounted for as service concession arrangements during the years ended 31 December 2019 and 31 December 2018.

Construction revenue recorded as additions to:

截至二零一九年十二月三十一日，本集團擁有45個營運項目及24個在建項目，其中：34個生物質綜合利用項目及7個危廢及固廢處置項目入賬列作服務特許經營權安排劃分的項目。我們的大多數生物質綜合利用項目及部分危廢及固廢處置項目入賬列作服務特許經營權安排。生物質及垃圾發電一體化項目生物質部分及若干危廢及固廢處置項目的建造合約於「無形資產」列賬，而生物質及垃圾發電一體化項目垃圾發電部分及部分危廢及固廢處置項目的建造合約於服務特許經營權資產項下列賬。

下表載列截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，入賬列作服務特許經營權安排的項目的無形資產及服務特許經營權資產項下列得的建造收益的明細。

錄得作為增置的建造收益：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Intangible assets	無形資產	3,661,081	2,858,572
Service concession assets	服務特許經營權資產	1,258,678	1,268,868
Total	總計	4,919,759	4,127,440

INTERNAL MANAGEMENT

Strengthening corporate management and risk control is the cornerstone that ensures efficient, healthy and sustainable development of an enterprise. The Group has always upheld a “People-oriented, Pragmatic, Creative and Systematic” management philosophy, as it continues to develop and improve its management system and mechanism with a special emphasis on fostering a corporate management culture that encourages participation by all employees, so as to enhance management awareness and effectively raise its management standards. During the year under review, the Group further refined the organisational structure by establishing a technology management department to reinforce guidance and underpinning functions of technology on operation, such that higher investment value is created. Informatisation in operation management was vigorously promoted. The use of information technology extended the boundaries of management, so that operation management became more standardised, sophisticated and systematic. The Group enhanced the standardised operation of its end-to-end business processes with the aim of controlling operational risks through the standardisation of processes. Improvements have also been made to the risk management regime, following initiatives to strengthen know-how training and practical drills in relation to the ESHS management system and risk management system. A comprehensive risk inspection with collective involvement across different departments was organised, procuring closed-loop rectification wherever problems were identified. To complement efforts of the Internal Audit Department, “Risk management-oriented auditing” was incorporated into our audit process, whereby reviews on the operating conditions and viability of our risk management system were conducted from an audit point of view to ensure all management systems were effectively implemented with stringent execution.

內部管理

加強企業管理和風險控制是確保企業高效、健康和可持續發展的基礎。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，不斷完善管理制度，建立健全管理機制，著力塑造全員參與的企業管理文化，強化管理意識，有效提升企業管理水平。於回顧年度內，本集團進一步健全組織架構，增設技術管理部，強化技術對業務的引領和支撐作用，助力企業創造更好的投資價值；大力推進運營管理信息化建設，利用信息化技術拓展管理邊界，提升運營管理標準化、精細化、系統化水平；強化全業務流程操作標準化，以標準化流程把控企業經營風險；完善風險管理體系，加強ESHS管理體系及風險管理體系知識培訓和实操訓練；開展多部門共同參與的全面風險大檢查，督促問題項目進行整改閉環；配合內部審計部將「風控導向審計」植入審計工作，從審計角度檢視風險管理系統的運作情況及可行性，確保各項管理制度有效落地並嚴格執行。

During the year under review, the Company held the management committee meeting on a monthly basis to conduct reviews on project investment, preparation, construction and operation. It plays the roles of the Investment Project Risk Review Committee and the Engineering Technology Committee to review the investment and construction of projects according to stringent standards. Moreover, the Company has always been highly concerned with legal compliance of project construction. We have rigorously implemented requirements for work progress to ensure that the commencement and construction of all projects are compliant with relevant laws and regulations. The Company has consistently adhered to the operating principle of “Pursuing Excellence and Close to Zero Discharge”. We put a strong emphasis on production safety and emission compliance and management for projects in operation, and we have been increasing our efforts in these areas. Competitions in terms of four indicators, namely, “Expenditure Reduction, Efficiency Enhancement, Energy Saving and Cost Control” were organized, on the basis that no significant safety or environmental incidents will occur. Moreover, a “Five Minors Innovative Award” was introduced to encourage staff creativity and facilitate quality development through innovation.

HUMAN RESOURCES

With a special emphasis on human resource management, the Group develops the structure of its human resource requirements according to its business development trends to provide an ongoing drive force for its rapid development. During the year under review, the Group continued to actively promote and attract talents through internal training, open recruitment and on-campus recruitment, among others. We seek to improve staff quality through different approaches, such as collective external training, internal associations, technical exchange sessions and personal learning programmes. The Group has also provided different types of trainings designed to explore the potentials of employees, with a view to achieving co-development with employees and sharing with them the rewards of its business achievements.

於回顧年度內，本公司每月均召開管理委員會會議，審議項目投資、籌建、在建及運營的情況，發揮投資項目風險評審委員會和工程技術委員會的作用，以嚴格的標準審議項目投資和建造方案。此外，一直以來本公司重點推進項目合法合規開工並嚴格落實工程進度要求，確保各項目合法合規開工建設。本公司一貫堅守「精益求精、追求完美、近零排放、追求卓越」的經營原則，高度重視並加強對運營項目的安全生產和達標排放管理，在確保無重大安全和重大環境事故前提下，全面開展「比節支節流，比開源增效，比能耗下降，比成本降低」的四比活動；設置「五小創新獎」，鼓勵全體員工的創新精神，以創新推動本公司高水準發展。

人力資源

本集團一直特別重視人力資源管理工作，根據公司業務發展趨勢合理規劃人力資源需求結構，為公司的高速發展提供持續動力。於回顧年度內不斷通過自主培養、社會招聘、校園招聘等方式積極提拔及引進人才，採用集中外訓、內部組織、技術交流、個人學習等方式不斷提升員工質素。本集團亦提供不同類型的培訓以不斷挖掘員工的潛力，著眼於員工與公司共同成長、共享成果。

To enhance technical exchanges and capitalise on its technical resources, the Group made active efforts to build an internal team of lecturers during the year under review and improve their teaching standards through selection examination, training and education, so that they could pass on their expertise to upgrade the skills of other employees. To facilitate new employees' integration, the Company provided training on corporate institutions for all new employees through the "Green System Propagation and Training" courses under the first semester of the "Yuxiu Programme" training programme of CEIL Ecological Institute, on top of induction training. To enhance the development of management succession, 19 outstanding employees were selected to undertake the Ninth CEIL-Tsinghua Senior Management Research Study Programme, which they duly completed. Meanwhile, management efficiency and organisational effectiveness has been significantly enhanced following specialised training sessions organised for general managers, chief commanders and back-up officers. In addition, the Group also arranged specialised training in human resources during the year to generally improve the professional qualities and theoretical knowledge in human resource management on the part of its human resources staff. To strengthen risk management and facilitate consensus for risk-related tasks, training in risk management and internal control was arranged for the management personnel of the functional departments at the headquarters and the management of the project companies. The risk awareness, management standards and risk control capabilities of the management personnel have been effectively enhanced as a result.

於回顧年度內，本集團為加強技術交流、充分利用技術資源，積極建設內部講師隊伍，通過選拔考試、培訓教育等方式，持續提升內部講師的授課水平，傳遞專業知識，提高員工技能；為幫助新員工快速融入公司氛圍，除了開展新員工入職培訓外，本公司更組織參與光大國際生態環境學院『毓秀計劃』第一期培訓班，通過「綠色環保制度宣貫培訓」系列課程，對全體新入職員工開展公司制度方面的培訓；為加強管理人員梯隊建設，派遣19名優秀人才參加並完成了第九期光大國際－清華大學高管研修班學習，同時組織總經理、總指揮及後備幹部專項集中培訓，極大提高管理效率及組織效能。除此之外，本集團於年內也安排了人力資源專項培訓以全面提升人力資源專員的職業素養及人力資源管理理論水平。為加強風險管理工作，促進對風險工作的共識，安排了風險管理與內部監控培訓予總部職能部門管理人員及項目公司管理層，有效提升管理人員的風險意識管理水平及風險防控能力。

To further enhance its talent pool, the Group has organised, in addition to on-campus recruitment, competitive internal appointment and selection to identify talents and strengthen the selection and training of back-up personnel, such that staff with the right caliber and ambition can undertake more appropriate positions to play to their strengths and enhance efficiency. During the year, a range of new or revised environmental regulations and standards, including the “Administrative Regulations Governing the Appointment of Management Personnel” (《管理人員選拔任用規定》), “Administrative Measures for the Assessment and Appointment of Positions Requiring Specialised Expertise” (《專業技術職務評聘管理辦法》), “Administrative Measures for the Assessment and Appointment of Professional Positions for Functional Management” (《職能管理專業職務評聘管理辦法》) and “Measures for the Management, Appraisal and Reward relating to Market Development” (《市場拓展管理及考核獎勵辦法》), among others, were announced and implemented. The implementation of such regulations, measures and standards has had a positive effect on safeguarding the Company’s routine management procedures, regulating its management processes and enhancing its operating standards.

As at 31 December 2019, the Group had over 3,000 employees in total in Hong Kong and Mainland China. As of 31 December 2019, our total staff cost was approximately HK\$590,478,000 (31 December 2018: HK\$446,230,000). Employees are remunerated according to their qualifications, experiences, job nature and performance, with reference to market conditions. Apart from the discretionary performance bonus, the Group also provides other benefits such as medical insurance and mandatory provident fund.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management has always represented an important task for the Group. During the year, the Group continued to improve its internal control and risk management systems, in an ongoing effort to identify and assess significant risks faced by the Group. Key risks associated with the development of the Group’s environmental business included changes in environmental policies, environmental compliance, construction work management, staff turnover, trade receivables, market competition, taxation and the supply of raw materials, among others.

為進一步做好人才儲備，本集團除了通過校園招聘來發掘新力軍外，更通過競聘及選拔活動來內部挖潛，加強後備人才的選拔及培養，讓有能力、有理想的員工擔任更適當的崗位以發揮所長，提高效率。年內發佈了一系列綠色環保制度、標準的制定、修訂、頒布及實施，包括《管理人員選拔任用規定》、《專業技術職務評聘管理辦法》、《職能管理專業職務評聘管理辦法》、《市場拓展管理及考核獎勵辦法》等制度。上述制度、辦法及標準的實施對維護公司的正常管理秩序、規範管理流程、提升操作標準起到了有益的作用。

於二零一九年十二月三十一日，本集團在香港及中國內地合共僱用逾3,000名員工。截至二零一九年十二月三十一日，總員工成本約港幣590,478,000元(二零一八年十二月三十一日：港幣446,230,000元)。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況釐定。除酌情獎勵花紅外，本集團亦提供其他福利予員工，包括醫療保險及強積金計劃。

主要風險及不確定性

本集團一貫重視風險管理。本年度內，本集團不斷完善內部控制及風險管理體系，持續識別及評估集團所面對的重大風險。就本集團的環保業務發展，主要風險包括環境政策變動風險、環境合規風險、工程管理風險、員工離職風險、應收賬款風險、市場競爭風險、稅務風險以及原材料供應風險等。

The risk associated with changing environmental policies refers to the failure to respond to changes in national policies and business models in a timely and effective manner resulting in an adverse impact to the business of the Group. The Group has stayed alert on the changes in China's environmental policies and has adjusted its development path in a timely manner in tandem with such changes. In connection with our existing biomass integrated utilisation projects, we have been making vigorous efforts to broaden our business model with enhanced heat supply operations, in a bid to make up for the reduction in national subsidy by charging fees at market-based rates. We have been actively engaged in the development of solid waste treatment projects by increasing the number of projects commanding faster cash flow return to alleviate the risk of not being able to receive national subsidy in a timely manner. Meanwhile, we have also been engaged in vigorous development of new projects in areas such as soil remediation and waste metal fluid recycling among others, to fuel the Company's future development. We have also sought to understand relevant policy changes through public outlets, such as industry associations and policy promulgation training attended by our staff. We maintain smooth communication with the authorities governing national/industry standards and industry associations and take part in the formulation of relevant national policies and standards. In response to national policies such as the "Belt and Road Initiative" and "Targeted Poverty Alleviation", the Group has made reasonable planning and employed innovative business models in tandem with national strategies to seize opportunities for development and achieve stated goals in sustainable growth.

環保政策變化風險指未能及時有效應對國家政策調整及商業模式變化而對本集團業務帶來負面影響的風險。本集團一直密切關注國家對環保政策的調整，及時順應環保政策的變化而調整集團發展路線，針對現有生物質、一體化項目積極拓寬商業模式，增加供熱內容，爭取通過市場化收費的方式來彌補國家補貼的減少。積極開拓固體廢棄物處置項目，通過增加現金流回收較為快速項目的數量來規避國家補貼不能及時發放的風險。同時積極拓展如土壤修復、金屬廢液回收等新項目，為本公司發展提供後勁。依託行業協會，組織人員參加政策宣講培訓等，從公開管道瞭解相關政策變化。與國家／行業標準主管部門、行業協會等保持暢通的溝通管道，參與國家相關政策、標準的制定工作。本集團回應國家「一帶一路」、「精準扶貧」等政策，順應國家戰略，合理佈局，創新商業模式，抓住發展機遇，實現可持續發展的預定目標。

The risk associated with environmental compliance refers primarily to the risk of the potential breach of environmental emission limits, safety incidents and adverse external conditions resulting in a negative impact on project construction and operation. The Group has persisted in work design optimisation, stringent quality control over project construction and efficiency upgrade for equipment in a bid to enhance project management standards. We have also exercised stringent control over emission indicators to ensure the compliance with emission standards. The assurance of compliance with laws and regulations in the course of project operation represents a key task in our annual work plan, which is facilitated through real-time monitoring of operating data via the operating data management system. During the period under review, the Group conducted environmental inspection on a regular basis (monthly and quarterly) and from time to time. Hazards identified through inspection were rectified on a closed-loop basis in a timely manner and modifications were made to flawed processes. Environmental management training for the Company's staff was enhanced as part of the effort to reduce the possibility of any environmental incidents occurring. Meanwhile, an environmental pollution liability insurance was purchased to facilitate the transfer of risks as necessary. The Group has continued to disclose the environmental emission data of its waste-to-energy projects in a proactive move to subject itself to the supervision of the general public, highlighting its determination to fulfill its environmental and social responsibilities on all fronts.

環境合規風險主要指環保排放超標、安全事故、不良外部環境等對項目的建設及運營帶來負面影響的風險。本集團一貫堅持優化工程設計、嚴控項目建設品質、提升設備效能，提高項目管理水準，嚴格控制排放指標，保證達標排放。將確保項目運營過程合法合規，作為年度重點工作內容，通過運行數據管理系統實現對運營資料的即時監控。於回顧期內，本集團定期（每月、每季度）和不定期進行環境檢查，對檢查所發現的隱患及時閉環，並對有問題的流程進行修訂。對本公司員工加強環境管理培訓，降低環境事故發生的可能性。同時購買環境污染責任險，進行必要的風險轉移。本集團繼續堅持垃圾發電項目的環保排放資料公開，主動接受社會及公眾的監督，彰顯本集團全面履行環境及社會責任的決心。

The risk associated with construction work management refers to the risk of non-fulfilled formalities for construction work, deficiencies in construction work designs, construction work budget overruns, delay in progress and substandard quality due to inadequacies in construction work management regimes, imperfections in work management regulations and ineffective implementation of construction work management measures, among others, resulting in a negative impact on the Company. The Group seeks to control its construction work management risk by persisting in the lawful commencement of work after the completion of all required formalities, introducing improvements to design and planning, resolute adherence to approved budgets and price quotations, and stringent control over risks associated with the safety, quality and progress of construction work. Feasibility studies have been enhanced in depth and quality in respect of each project, while the furnishing of data information between equipment manufacturers and design institutes has also been expedited. In conducting a project, thorough understanding of investments made in similar projects is sought in our due diligence process at the preliminary stage; thorough consideration is given to the feasibility and economics of the technical processes at the stage of feasibility study; and construction work is carried out in strict accordance with the design scheme at the construction. Schedules of progress are stringently stipulated in construction work contracts with specific penalty provisions. Control measures and assessments are implemented at each milestone during the course of construction. Relevant safety management regulations have been formulated and revised from time to time; the percentage share of construction safety funds is agreed upon at the time of the tender; contractors are required to take out relevant accident insurance, property insurance and employer's liability insurance to partially transfer the risk. Safety inspections are held both on a regular basis and randomly, as safety management is independently appraised in assessments conducted at various milestones and upon completion. Hazards identified through inspection are rectified on a closed-loop basis in a timely manner and modifications are made to flawed processes. Random inspections are conducted on all materials procured by contractors, while construction contracts provide for penalties in the event of substandard quality. We ensure the proper conduct of all construction work processes, especially the inspection and delivery of concealed construction work; orders for rectification shall be made in respect of any deliberate attempt to hold back construction work of substandard quality from inspection.

工程管理風險指工程管理體系不健全、工程管理制度不完善、工程管理措施不到位等原因導致的施工手續不齊全、工程設計缺陷、工程預算超支、進度遲延、質量不合格從而給本公司帶來負面影響的風險。本集團從堅持手續齊全合法開工、優化設計與規劃、堅決執行預算與造價、嚴控工程安全、質量、進度風險等方面管控工程管理風險，每個項目均提高可研深度，提高可研的品質。加快各設備廠家和設計院之間的相互提資速度。在項目前期，盡調階段充分瞭解同類型項目的投資情況；在可研階段，充分考慮到工藝的可行及經濟性；在建設階段，嚴格按照設計方案進行建設。在工程建設合同中嚴格明確進度要求，並提出針對性的罰則。在施工過程中落實每個進度節點的管控，做好每個節點考核。制定並修訂相關安全管理制度；在招標時約定安全文明施工資金比例；要求承包商購買相應的意外保險、財產保險和僱主責任保險等轉移部分風險。定期和不定期進行安全檢查、在里程碑節點及完工考核中專項考核安全管理。對檢查所發現的隱患及時閉環，並對有問題的流程進行修訂。對承包商所採買的所有材料進行抽檢，並在合同中約定若不合格所需進行的罰則。做好各項工程、特別是隱蔽工程的驗收；對於施工品質不合格故意隱瞞不報驗收的，一律責令其重新改正。

The risk of staff turnover refers to the risk of loss of key personnel owing to the failure to formulate or effectively implement any key personnel retention or reappointment plans and the resignation of key personnel without suitable replacements in the short term or effective transition of duties resulting in a negative impact on relevant tasks or overall operations. The Group has been making constant improvements to its overall human resources management standard, making stronger efforts in the preservation and management of staff relations to enhance staff unity and solidarity. Active efforts are being made to investigate the reasons for staff resignation and improve relevant management processes, with a view to making anticipatory preparations that would alleviate the adverse impact of staff turnover on the Company's production and operation.

The risk of trade receivables refers to the risk of incurring bad debt losses that would affect the Company's profit and solvency owing to the failure to collect trade receivables in a timely manner. The Group has formulated trade receivables call plans, under which the customer service department would enhance calls on trade receivables through various means, such as telephone calls, facsimile or personal visits. Meanwhile, a flexible credit policy catering to different customers and subject to instant adjustment has been adopted. In addition, the possibility of incurring trade receivables is reduced through proportional adjustments to various types of businesses, the development of new businesses and the adoption of reasonable business models.

The risk of market competition refers to the risk of intensive industry competition affecting the Group's business expansion capability and return for project investment. To assure the investment return rate of a project, the Group would take into full consideration of the local government's financial strength and the boundary conditions for the project before committing any investment. Project development is pursued on the back of the effective integration of various businesses within the Group to leverage fully the Company's strengths. The Group persists in the delivery of quality project construction and high-standard operational management to enhance overall project quality. Such quality projects serves as effective marketing promotion that strengthens our competitiveness.

員工離職風險指由於未能制定或者有效執行的關鍵崗位員工留任與續任計劃，導致關鍵崗位員工流失。關鍵崗位員工離職，但短期內沒有合適的替代者，或者工作交接不到位，導致相關工作或者整體運行受到負面影響的風險。本集團不斷提升公司整體人力資源管理水準，加強員工關係的維護和管理，增進員工的凝聚力和向心力。對員工離職積極瞭解原因，完善相關的管理流程，提前做好準備，降低員工離職對本公司生產經營的不利影響。

應收賬款風險由於應收賬款不能及時收回，導致壞賬損失出現，影響本公司利潤及支付能力的風險。本集團制定了應收賬款催繳計劃，客服部門採取電話、傳真、上門等多種催繳方式加大了催收力度。同時，根據不同的客戶採取靈活的信用政策，並且即時調整。同時，通過業務類型的比例調整、拓展新業務及採用合理的商業模式降低應收賬款發生的可能。

市場競爭風險指在業內對手的激烈競爭下，影響本集團的業務拓展能力及項目投資回報的風險。本集團投資前充分考慮地方政府的財政實力及項目邊界條件，保證項目的投資回報率。本集團內部形成有效的整合，充分利用公司優勢進行項目拓展。本集團堅持一貫的優質項目建設、高水準運營管理，提高項目整體品質，以優質項目起到宣傳作用，提升市場競爭能力。

The risk associated with taxation refers to the risk of ineligibility for the favourable tax treatment of instant value-added tax (“VAT”) refund owing to non-fulfillment of requirements in biomass fuel mix, resulting in a negative impact on the Company. The Company put emphasis on adjusting the biomass fuel mix. For companies with forestry residues accounting for close to 80%, efforts were made to continue optimising the fuel mix with a view to attaining the 80% threshold; companies with forestry residues accounting for significantly less than 80% were treated with the assumption they would no longer be entitled to the favourable tax treatment to ensure compliance with the regulations.

The risk associated with the supply of raw materials refers to the risk of rising costs and the inability to secure effective supply of raw materials owing to the failure to anticipate or effectively respond to hikes in raw material prices or failure to exercise effective management of suppliers. The Group has formulated and revised from time to time relevant supplier management regulations and conducts evaluation of its suppliers on a regular basis to ensure the quality of products and services provided by suppliers. Relevant inspections are conducted on a regular basis and from time to time to ensure that suppliers are in compliance with laws and regulations when they provide the relevant services. Issues identified through inspections are resolved in a timely manner. Where necessary, we would probe into the supply operations of suppliers to help them resolve in a timely manner any issues identified.

ENVIRONMENTAL AND SOCIAL MANAGEMENT

The Group has continued to make improvements to its ESHS management system, driving ongoing upgrades in the external as well as internal management of environment, safety, occupational health and social responsibility and improving systematic and standardised management throughout the Group to maximise control over relevant risks and minimise management deficiencies.

稅務風險指因生物質料結構未能達到要求無法享受增值稅即徵即退的稅收優惠從而對本公司產生負面影響的風險。本公司重視生物質燃料結構調整，對於農林剩物佔比較接近80%的公司，持續優化燃料結構，爭取達到80%；對於佔比遠低於80%的公司，按照不再享受此項稅收優惠進行處理，以保證合規。

原料供應風險指未能預判或有效應對原材料價格上漲或未能對供應商進行有效管理而導致的成本增加、原材料無法獲得有效供應等的風險。本集團制定並修訂相關供應商管理制度，定期進行供應商評價，確保供應商提供產品和服務的品質。定期和不定期進行供應商相關檢查，確保供應商在提供相關服務的時候合法合規。對檢查所發現的問題及時解決，必要時深入供應商的供應環節，幫助供應商及時解決所出現的問題。

環境和社會管理

本集團持續改進ESHS管理體系，推動環境、安全、職業健康和社會責任等內外部管理的不斷提升，優化全集團的系統化、標準化管理，最大限度管控相關風險，消除管理缺陷。

In 2019, the Group further enhanced its ESHS systems and regimes with the formulation and publication of the “System of Accountability for ESHS Incidents” and 19 standards of environmental management. Safety control of high-risk operation areas, such as biomass storage yard and temporary hazardous waste storage warehouses have been strengthened with emphasis. The management of safety hazards has been enhanced with the inspection and assessment of environmental compliance on a quarterly basis and prior to major festive days and commencement of project operation to achieve hierarchical safety risk control and potential hazard rectification. A task force has been formed to work on weaker segments in environmental management. Development of environmental information system has been completed and real-time monitoring and assessment of pollutant discharge have been strengthened. We have subjected ourselves to public supervision by expanding the scope of opening of our environmental facilities.

The performance of the operations and environmental services of the Group’s projects are gauged in strict adherence to relevant standards and requirements of their respective environmental impact assessment reports, taking into account expectations of the neighboring communities. Key regulations and standards applicable to the Group’s business include the “Environmental Protection Law of the People’s Republic of China”, the “Production Safety Law of the People’s Republic of China”, the “Labor Law of the People’s Republic of China”, the Standard for Pollution Control on Municipal Solid Waste Incineration (GB18485-2014), Directive 2010/75/EU and its relevant Annexes/Amendments (for waste-to-energy projects of urban-rural integration projects), the Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011) (for biomass power generation projects), the Standard for Pollution Control on the Security Landfill Site for Hazardous Waste (GB18598-2001), the Standard for Pollution Control on the Security Landfill Site for Hazardous Waste (GB18598-2019) and the Pollution Control Standard for Hazardous Wastes Incineration (GB18484-2001), among others. No breach of the said laws and regulations and environmental standards resulting in significant loss for and impact to the Group was recorded in 2019.

於二零一九年，本集團進一步完善了ESHS制度體系，制定發佈《安全環境事故責任追究制度》及19項環境管理標準；重點加強高風險作業環節的安全管控，如生物質料場、危廢暫存庫等作業部位，制定事故防範措施；加強安環隱患管理，開展季度、重大節日前、項目投運前的檢查及環境合規性審查，對風險進行分級管控，隱患分級治理；成立了專項工作組負責解決環境管理薄弱環節。開發完成環境信息系統，強化污染物排放的實時監管和考核；積極擴大環保設施公眾開放範圍，接受公眾監督。

本集團項目的運營和環境服務的表現嚴格參照相關標準及環境影響評價報告的要求，並將週邊社區的期望納入考慮。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)和歐盟指引2010/75/EU及其相關附表／修訂(適用於城鄉一體化項目中垃圾發電項目)，火電廠大氣污染物排放標準(GB13223-2011)適用於生物質發電項目)，危險廢物填埋污染控制標準(GB18598-2001)、危險廢物填埋污染控制標準(GB18598-2019)以及危險廢物焚燒污染控制標準(GB18484-2001)等。本集團於二零一九年沒有因違反以上法律法規及環保標準而導致重大損失和影響的記錄。

HIGHLIGHTS OF OUR ENVIRONMENTAL AND SOCIAL MANAGEMENT FOR THE YEAR

Through high standards and compliance with stringent requirements of its operations and construction projects, our projects have gained various accolades:

- Hanshan Biomass Direct Combustion Project, Chuzhou Biomass Direct Combustion Project, Dingyuan Biomass Direct Combustion Project, Xiao County Integrated Project and Huaiyuan Integrated Project obtained the honorary title of “Water Saving Enterprise of Anhui Province”;
 - Guixi Biomass Direct Combustion Project was named “Exemplary Enterprise for Safety Culture Development of Jiangxi Province 2018”;
 - Dangshan Integrated (Waste-to-Energy) Project and Xiao County Integrated (Waste-to-Energy) Project were graded “AA” in detoxification of incineration plant for household waste by Anhui Province;
 - Xiao County Integrated Project was awarded “Exemplary Enterprise for Occupational Health Management of Xiao County 2018”;
 - Sheqi Integrated Project obtained the honorary title of “Exemplary Enterprise for Green Development” from Nanyang City Ecological Civilization Research and Promotion Association;
 - Rugao Biomass Direct Combustion Project obtained the honorary titles of “Advanced Unit for Production Safety 2018” of Nantong City and “Advanced Entity for Production Safety 2018” of Rugao City; and
 - Yancheng Hazardous Waste Landfill Project obtained the honorary title of “Advanced Enterprise for Ecological Efforts 2018” of Yancheng City Waterfront Chemical Industrial Park.
- 本公司在本年度環境和社會管理上的亮點
- 通過高標準、嚴要求的運營、建設水平，本公司的項目獲得多項榮譽：
- 含山生物質直燃發電、滁州生物質直燃發電、定遠生物質直燃發電、蕭縣一體化和懷遠一體化項目獲得「安徽省節水型企業」榮譽稱號；
 - 貴溪生物質直燃發電項目獲得「二零一八年度江西省安全文化建設示範企業」；
 - 碭山一體化(垃圾發電)、蕭縣一體化(垃圾發電)被安徽省評為生活垃圾焚燒廠無害化AA級；
 - 蕭縣一體化項目獲得「二零一八年度蕭縣職業衛生管理示範企業獎」；
 - 社旗一體化項目獲得南陽市生態文明促進會頒發的「綠色發展示範企業」榮譽稱號；
 - 如皋生物質直燃發電項目獲得二零一八年度南通市「安全生產先進單位」和如皋市「安全生產先進集體」榮譽稱號；及
 - 鹽城危廢填埋項目獲得二零一八年度鹽城市濱海化工園區「生態環境工作先進企業」榮譽稱號。

ENVIRONMENTAL

Remediation

環境修復





SUMMARY OF SUSTAINABILITY

可持續發展摘要

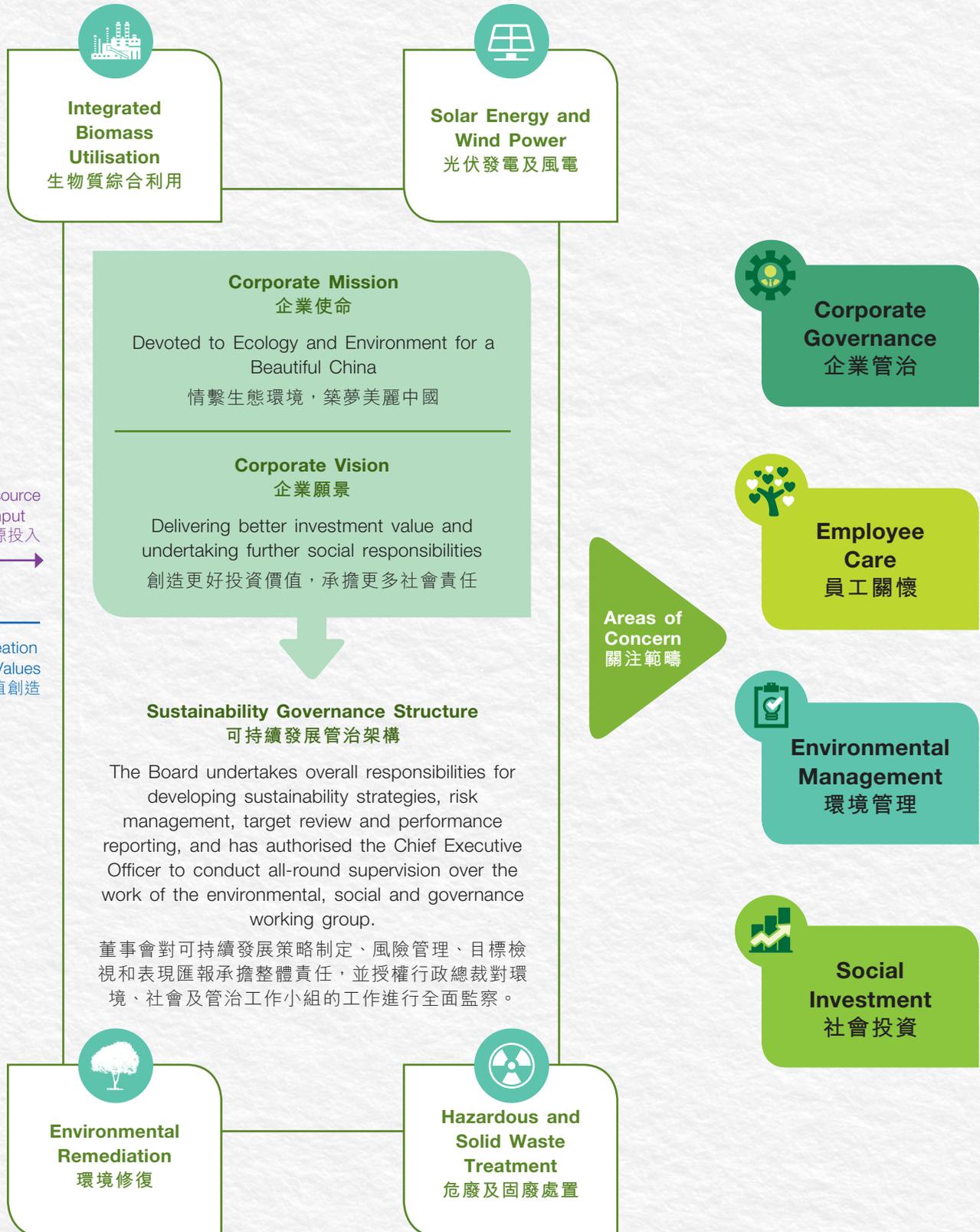
SYNERGETIC PROMOTION OF SUSTAINABLE DEVELOPMENT

Sustainable development is rooted in the day-to-day business of Everbright Greentech. The Group actively explores and formulates business strategies that integrate our production and operation with social demands, with a view to delivering values to stakeholders and constructing an ideal living environment. Facing worldwide pollution, poverty, climate change and many other severe challenges in recent years, the Group shoulders the responsibility of providing innovative technology solutions to the ever-growing environmental and social issues, so as to facilitate the attainment of sustainable development goals set out by the United Nations.

協同推進可持續發展

可持續發展植根於光大綠色環保的日常業務之中。本集團積極探索並建立融合生產運營與社會需求的業務策略，為持份者創造價值，築夢理想生活環境。面對近年全球污染、貧困和氣候變化等諸多嚴峻挑戰，本集團承擔為與日俱增的環境和社會問題提供創新技術解決方案的責任，進而推進聯合國可持續發展目標的達成。





CORPORATE GOVERNANCE 企業管治



INTEGRITY AND COMPLIANCE

Law-based operation and legal compliance with integrity are the foundation for sustainable development of an enterprise. The Group upholds the management principle of “People-oriented, Pragmatism, Creativity and Systematic Management”, and stresses on restriction by system to strengthen internal control, risk prevention and management. In the course of business operation, the Group strictly requires itself and its partners to comply with applicable laws and regulations and steadfastly adhere to business ethics, demonstrating its commitment to maintaining a fair and just competitive order.

誠信合規

依法治企、誠信合規是企業可持續發展的基礎。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，以制度約束為重點，強化內部監控、風險防範與管理。業務營運中，本集團嚴格要求自身和合作夥伴遵守適用法律法規，恪守商業道德，致力維護公平、公正的競爭秩序。



Highlights in 2019 二零一九年重點表現

Identified risks in relation to changes in environmental policies, supply of raw materials and staff turnover, and reviewed the effectiveness of current measures in addressing the risks.

識別環保政策變化、原料供應及員工離職等風險，並檢討現行應對措施之成效。

Developed the Supplier Code of Conduct, regulated standards of suppliers' environmental and social behaviour to foster sustainable development of supply chain.

制定《供應商行為準則》，規範供應商環境和社會行為標準，促進供應鏈可持續發展。

No non-compliance with laws and regulations associated with environment and social economy was identified.

未發現任何違反與環境和社會經濟相關法律法規的事件。



Case Study 案例分享

Risk Management Training 風險管理培訓

Every person has their own definition for risks, so a sound culture of corporate risk is the cornerstone of risk management. To ensure that parties ranging from the Board to each employee jointly develop and implement risk management procedures, the risk management department consulted all business units to inquire about their needs for training in respect of risk management.

In August 2019, the Group provided training on contract legal risks to all employees, with a view to enhancing their understanding of risk prevention. The training, hosted by general manager of the risk management department, comprised an account of constitutional documents, a summary of common risks and an explanation of precautionary measures. In addition, to further enhance leadership in risk management and internal control of Board members and senior management, the Group engaged external consultants to provide training on the responsibilities, measures and development trend of corporate risk management at the end of 2019.

各人對風險的定義不盡相同，故此一套良好的企業風險文化是風險管理的重要基礎。為確保董事會以至每位員工持續共同制定和執行風險管理程序，風險管理部向所有業務單位瞭解有關風險管理的培訓需求。

二零一九年八月，本集團為全體員工提供有關合同法律風險的培訓，以提升整體員工對風險防範的認識。培訓由風險管理部總經理主持，內容涵蓋制度文件講解、常見風險點匯總及防範措施說明等內容。此外，為進一步提高董事會成員和高級管理人員領導風險管理和內部控制工作的能力，本集團於二零一九年底邀請外部顧問就企業風險管理責任、方法及發展趨勢提供培訓。



EMPLOYEE CARE 員工關懷



PEOPLE-ORIENTED

Employees are the core factors for the Group's long-term development. By upholding a people-orientated strategy as to human capital, the Group has established a fair employment system and has devoted substantial resources for providing various training opportunities to assist employees in expanding their room for development. Meanwhile, the Group steadily drives the establishment and optimisation of the ESHS management system on both corporate and project levels, and continuously strengthens our abilities in relation to emergency response in order to offer maximum protection to our staff with a rigorous attitude.

以人為本

員工是本集團取得長遠發展的核心因素。秉持「以人為本」的人才策略，本集團建立公平的僱傭制度，並投放大量資源提供各種培訓機會，協助員工拓展發展空間。同時，本集團穩步推進從企業以至項目層面ESHS管理體系的構建和完善，並持續提升應急處理能力，以嚴謹態度為工作者作出最大保障。



Highlights in 2019 二零一九年重點表現

Reviewed and amended policies and requirements on employment, human resources management and remuneration and benefits so as to improve the employment system and further safeguard employees' rights.

檢視並修訂員工招聘、人事管理、薪酬福利等政策規定，以完善僱傭體系，進一步保障員工權益。

Stepped up training and management of its talent pool for back-up officers; number of back-up officers increased by 44.9% as compared to 2018.

加強後備幹部人才庫的培訓和管理；後備幹部較二零一八年增加44.9%

Conducted quarterly safety checks for projects and urged project companies to complete their rectification in a timely manner.

開展季度項目安全檢查，並督促項目公司及時完成整改。



Case Study 案例分享

Talent Nurturing Scheme 人才培養計劃

The administration and human resources department organised a 4-day training activity in Nanjing in November 2019. Targets of the training included a total of 53 individuals comprising back-up officers, management personnel from green technology functional department and command centre, and general managers and deputy general managers of project companies, etc.

The training featured lectures given by internal and external speakers. Internal speakers focused on deepening trainees' understanding in corporate culture and strategies of development, as well as knowledge in procurement, finance, project safety and business of environmental management. External speakers provided three courses targeting trainees with different backgrounds, including "Enhancement in Management Skills and Efficient Communication", "Financial Management for Non-financial Managers" and "Human Resources Management for Non-human Resources Managers", so as to achieve individualised training. Two workshops were also held to allow trainees to discuss in groups the practical application of the knowledge acquired and inspire fresh perspectives.

本集團行政和人力資源部於二零一九年十一月在南京策劃了為期四天的培訓活動。培訓對象包括後備幹部、綠色環保職能部門、指揮部管理人員、項目公司總經理和副總經理等，共計53人。

培訓分為內部及外部講師授課。內部講師集中加深學員對企業文化及發展策略的了解，以及對採購、財務、項目安全及環境管理業務的認識。外部講師則針對學員的不同背景提供三門課程，包括《管理技能提升及高效溝通》、《非財務經理的財務管理》以及《非人力資源經理的人力資源管理》，達到因材施教的效果。培訓亦設置兩場研討課程，供學員分組探討所學知識的實際應用，引發新觀點。



ENVIRONMENTAL MANAGEMENT 環境管理



GREEN AND INNOVATION

The natural environment is essential for humans. The Group has adopted an array of policies and procedures to properly monitor the design, construction, operation and maintenance of the project facilities, ensuring green operation of the projects. As a pioneer in the environmental protection industry, the Group knows very well the importance of science and technology application for environmental protection. The Group is committed to promoting the development of environmental protection business through investing in Everbright Greentech Research Institute and supporting technical innovation of staff with favourable policies.

綠色創新

自然環境是人類賴以生存的最重要資源。本集團已採納一系列政策和程序以妥善監管項目設施的設計、建造和運營維護，確保項目實現綠色營運。作為環保行業的先行者，本集團深知科學技術應用對環境保護的重要性。本集團通過對光大綠色環保研究所的資源投入，以及對員工技術創新的政策支持，致力推進環保產業發展。



Highlights in 2019 二零一九年重點表現

1 integrated biomass utilisation project, 15 hazardous and solid waste treatment projects and 7 environmental remediation projects were added to our project portfolio.

新增1個生物質綜合利用項目，15個危廢及固廢處理項目，以及7個環境修復項目。

Number of invention patents and utility model patents held by the Group increased to 32 and 73, respectively.

持有發明專利及實用新型專利增至32項及73項。

Internal competitions on conserving, enhancing efficiency, saving energy and controlling cost continued among projects, improving energy utilisation efficiency.

項目間繼續開展「比節支節流，比開源增效，比能耗下降，比成本降低」的內部競賽，提高能源使用效率。



Case Study 案例分享

Building a Green Village 建設綠色農村

The Group has developed a business model of urban-rural integration, which has not only provided a solution to rural waste problems, but also guaranteed the supply of green electricity in regions where operations are located.

As one of the first national commodity grain base counties and a top-100 county in grain production, Fengyang County, Anhui Province, is rich in agricultural resources. However, local residents have been beset by the ensuing agricultural and forestry residues. To counter the impacts of traditional outdoor combustion of forestry residues on air quality and residents' health, the Group constructed an integrated biomass and waste-to-energy project in Fengyang County ("Fengyang Project"). Through acquisition of straw from the entire county to generate power from waste, Fengyang Project prevents pollution caused by tradition outdoor combustion on one hand, and makes use of the ashes left by combustion on the other, serving as an excellent example of resources recycling of forestry residues. Moreover, Fengyang Project in general covers household waste from all residents in the county, which assists in the integrated treatment of rural environment.

In 2019, Fengyang Project processed 305,600 tonnes of forestry residues (including straw, nutshells, twigs, etc.) and 152,800 tonnes of household waste in total, generating 264 million kWh of green on-grid electricity, reducing standard coal consumption by 148,600 tonnes in aggregate.

本集團開發城鄉一體化業務模式，不僅為農村垃圾問題提供解決方案，也保障了營運所在地區的綠色電力供應。

作為全國首批商品糧基地縣和100個產糧大縣之一，安徽省鳳陽縣擁有豐富農業資源，然而隨之而來的農林廢棄物亦為當地居民帶來困擾。針對傳統露天焚燒農林廢棄物方式影響空氣質量和居民健康的狀況，本集團於鳳陽縣建設了生物質及垃圾發電一體化項目（「鳳陽項目」）。鳳陽項目透過全量收購全縣秸稈，轉廢為電，一方面避免傳統露天焚燒所造成的環境污染，另一方面對焚燒產生的灰渣等加以利用，形成了對農林廢棄物資源化利用的優秀示範。此外，鳳陽項目基本實現全縣居民生活垃圾全覆蓋，進一步協助農村綜合環境治理。

二零一九年，鳳陽項目共處理秸稈、果殼、樹枝等農林廢棄物30.56萬噸，以及生活垃圾15.28萬噸，提供綠色上網電力達2.64億千瓦時，累計節約標煤14.86萬噸。



SOCIAL INVESTMENT 社會投資

JOINT DEVELOPMENT

Giving back to society is a form of corporate responsibility. The Group actively participated in all kinds of public services, promoted community work with respect to education and environmental protection, while focusing on the welfare of different social groups. The operation of different projects also helped to address the trash problem for local residents and provided employment opportunities and green electricity for the area, achieving harmonious coexistence and joint development between the Group and the community.

共同發展

回饋社會是企業的應盡之責。本集團積極參與公益活動，促進教育和環境保護等方面的社區工作，關注社群福利。項目的營運亦為當地居民解決了垃圾問題，帶來工作機會和綠色電力，實現本集團與社區的和諧共處、共同發展。



Highlights in 2019 二零一九年重點表現

Integrated biomass utilisation projects directly or indirectly provided over 100,000 positions for local communities and generated revenue of approximately RMB1.564 billion for local farmers.

生物質綜合利用項目為當地社區直接或間接提供工作崗位逾10萬個，為當地農民創收約人民幣15.64億元。

16 projects under operation were open for public visits to enhance the public's environmental awareness, as well as their participation rights and supervision rights towards the projects.

16個運營項目開展公眾開放活動，提高公眾的環保意識，以及對項目的參與權和監督權。



Case Study 案例分享

Targeted Measures for Poverty Alleviation 助力精準扶貧

EB Urban and Rural Renewable Energy (Guanyun) Limited ("Guanyun Project") is located at Guanyun County, northeastern Jiangsu Province. The Group constructed biomass power plants in that area, with the aim of turning waste into valuable resources and revitalising the economy of rural areas, as well as providing employment opportunities to the people in that area. This helps alleviate the "Three Rural Issues".

In line with the national policies on targeted poverty alleviation, Guanyun Project, the County Poverty Alleviation Office and the poverty alleviation workstation of different townships identified impoverished families living around the project. The Company purchased biomass waste such as straw, old farmwork and twigs from local poor families on a regular basis according to the contracts, and the purchases were conducted with a higher price. Those impoverished families can assign an agent to sell the waste on their behalf if they cannot deliver the waste due to distance or transportation problems.

With the encouragement of such policy, income of local poor households increased, which solved the hunger problem among local people living in poverty in a stable and effective manner, contributing to building a harmonious society. In the future, the Group will continue to find ways to overcome the limitations caused by commuting distance so as to benefit more households living in poverty.

光大城鄉再生能源(灌雲)有限公司(「灌雲項目」)位於江蘇東北部灌雲縣。本集團在該地建設生物質發電廠，不但能轉廢為寶，為農村經濟注入新活力，同時為當地帶來就業機會，幫助解決「三農問題」。

為配合國家精準扶貧及政策，灌雲項目與縣扶貧辦及各鄉鎮扶貧工作站識別居住在項目周圍的貧窮戶。本公司按照合約定期向當地貧困戶收購秸稈、廢舊模板、樹枝等生物質廢物，並以較高價錢進行收購。若貧困戶因路途或交通問題無法交售，亦可以委託經紀人交售。

在此政策鼓勵下，當地的貧困戶收入得以增加，穩定有效地解決當地貧困人口的溫飽問題，促進建構和諧社會。未來本集團會繼續設法解決交通距離上的限制，讓更多貧窮戶受惠。



SOLAR Energy &

光伏發電
及風電

WIND Power



CORPORATE GOVERNANCE REPORT

企業管治報告

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group believes that maintaining sound and high standards of corporate governance is not only a key element in safeguarding the interest of the Shareholders, but also a way to enhance the corporate value and strengthen accountability and transparency of the Group.

Echoing the Company's theme of "Laying a Solid Foundation and Keeping Pace with Times", the Group has constantly reinforced its internal control, risk prevention and management, corporate governance through a set of rules and regulations. The Group strives to inculcate the risk management and sustainable development concept into the Company's operation and business for cultivating the strong backup to the breakthrough development of the Company's business.

The Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") has been adopted by the Board as the guidelines of corporate governance practices of the Company. During the year of 2019, the Company has fully complied with the code provisions set out in the CG Code save for a deviation which is explained in the below paragraph headed "Attendance of Meetings and Trainings of Directors of the Company in 2019".

Key practices adopted by the Company on corporate governance are as follows:

- Review and monitor the Company's policies and practices on corporate governance;
- Review and monitor the implementation of the Company's inside information policy;
- Review and monitor the training and continuous professional development of directors and senior management;
- Review and monitor the implementation of the Company's internal and external whistleblowing policy;
- Develop and implement the Company's risk management policy;
- Review and monitor the implementation of the board diversity policy and nomination policy; and
- Review and monitor the Company's policies and practices on compliance with legal and regulatory requirements.

遵守企業管治守則

本集團相信維持穩健及高水平企業管治，不單是保障股東權益的要素，更能提升企業價值及加強本集團的問責性及透明度。

本集團通過一系列規章制度，不斷加強內部監控、風險防控與企業管治，與本公司年度主題「牢築根基•與時俱進」相呼應。本集團致力將風險管理和可持續發展的理念，融入本公司營運與業務，為本公司業務的突破性發展，打造強大後盾。

董事會已採納聯交所證券上市規則(「上市規則」)附錄十四所載的《企業管治守則》(「企業管治守則」)，作為本公司的企業管治常規指引。於二零一九年度，除下文「二零一九年本公司董事出席會議及培訓的記錄」一段所闡釋一項守則偏離以外，本公司一直全面遵守企業管治守則所載守則條文。

本公司就企業管治所採納之主要常規如下：

- 檢閱並監察本公司關於企業管治之政策及慣例；
- 檢閱並監察本公司內幕消息政策運作；
- 檢閱並監察董事及高級管理人員之培訓及持續專業發展；
- 檢閱並監察本公司內部及外部舉報政策運作；
- 制定並實施本公司的風險管理政策；
- 檢閱並監察董事會多元化政策及提名政策運作；及
- 檢閱並監察本公司就遵守法律及監管規定之政策及慣例。

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors’ securities transactions. Specific enquiries have been made with all Directors regarding any non-compliance with the Model Code and all Directors confirmed that they have complied with the provisions of the Model Code for the year ended 31 December 2019.

Written guidelines were established for the relevant employees, including certain employees of the Company, certain directors or employees of its subsidiaries (the “Relevant Employees”), in respect of their dealing in the Company’s securities. The Board has also formally adopted the inside information policy which contains the guidelines to the Directors and the Relevant Employees to ensure that the inside information of the Company is to be disseminated to the public in an equal and timely manner in accordance with the applicable laws and regulations.

During 2019, to enhance the awareness of the specified procedures of handling inside information and the importance of compliance with the regulations of insider dealing, the inside information policy together with the enforcement actions taken by the Securities and Futures Commission relating to insider dealing were circulated to the Relevant Employees from time to time.

THE BOARD OF DIRECTORS

The Board is responsible for formulating business policies and strategies, directing and supervising management of the Group, adopting and monitoring internal business and management control, approving and monitoring annual budgets and business plans, reviewing operational and financial performance, reviewing and monitoring the Company’s systems of corporate governance, internal control and risk management. It oversees the task of making decisions in the best interest of the Company and maximising the financial performance of the Company. The Board has delegated the daily operations and the execution of Board policies and strategies by formulating and implementing of annual work plans and medium-term development plans for the Group to the management committee of the Company (“Management Committee”).

遵守標準守則

本公司已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」），作為董事進行證券交易的操守守則。經向全體董事就任何不遵守標準守則之情況作出特定查詢後，全體董事確認，他們於截至二零一九年十二月三十一日止年度一直遵守標準守則之條文。

本公司已就相關員工（包括本公司若干僱員、其附屬公司之若干董事或僱員（「相關僱員」））買賣本公司證券，制定書面指引。董事會亦已正式採納內幕消息政策，其中包括對董事及相關僱員之指引，以確保根據適用法律及規例，公平及適時地向公眾發佈本公司之內幕消息。

於二零一九年內，為提高對於處理內幕消息具體流程以及必須遵行內幕交易法規的意識，不時讓相關僱員傳閱內幕交易政策連同證券及期貨事務監察委員會就內幕交易採取的執法行動。

董事會

董事會負責制定業務政策及策略、引導及監督本集團管理層、採納及監控內部業務及管理控制、審批及監察年度預算及業務規劃、審議營運及財務表現、審議及監察本公司企業管治、內部監控及風險管理系統，同時負責本著本公司最佳利益，監督決策工作及盡可能提升本公司財務表現。董事會已委派本公司管理委員會（「管理委員會」），透過制定及執行本集團年度工作計劃及中期發展計劃，辦理日常營運及執行董事會政策及戰略。

Management Committee holds meeting every month for discussing and reviewing the investment proposal, key personnel matters and appraisals, project schedules, budget executions, etc.

As at 31 December 2019, the Board consists of 9 members, including:

Mr. WANG Tianyi (*Non-executive Director and Chairman*)
Mr. QIAN Xiaodong (*Executive Director and Chief Executive Officer*)
Mr. YANG Zhiqiang (*Executive Director and Vice President*)
Mr. LO Kam Fan (*Executive Director and Chief Financial Officer*)
Ms. GUO Ying (*Non-executive Director*)
Mr. SONG Jian (*Non-executive Director*)
Mr. CHOW Siu Lui (*Independent Non-executive Director*)
Mr. Philip TSAO (*Independent Non-executive Director*)
Prof. YAN Houmin (*Independent Non-executive Director*)

All Non-executive Directors and Independent Non-executive Directors have entered into letters of appointment with the Company for a specific term. Under the Memorandum and Articles of Association of the Company (the "Articles of Association"), the Board is empowered to appoint any person as a director to fill the casual vacancy on or as an additional director of the Board. According to the board diversity policy, the Board considers a candidate's gender, experience, skill and knowledge and competency and ability to fulfill duty of care and diligence and fiduciary duties and recommendation by the nomination committee (if any).

Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin, the Independent Non-executive Directors, are subject to re-election at the next annual general meeting of the Company and retirement by rotation in accordance with Articles 108(a) and 108(b) of the Articles of Association.

In accordance with Article 112 of the Articles of Association, Mr. LO Kam Fan and Mr. SONG Jian shall hold office only until the forthcoming annual general meeting of the Company and shall be eligible and offer themselves for re-election.

管理委員會每月舉行會議，以討論及審閱投資方案、主要人事事宜及評核、項目進度、預算執行情況等。

於二零一九年十二月三十一日，董事會由九名成員組成，包括：

王天義先生(非執行董事兼主席)
錢曉東先生(執行董事兼行政總裁)
楊志強先生(執行董事兼副總裁)
盧錦勳先生(執行董事兼財務總監)
郭穎女士(非執行董事)
宋儉先生(非執行董事)
鄒小磊先生(獨立非執行董事)
曹為實先生(獨立非執行董事)
嚴厚民教授(獨立非執行董事)

全體非執行董事及獨立非執行董事已與本公司簽訂指定任期之委任函。根據本公司之組織章程大綱及章程細則(「章程細則」)，董事會有權委任任何人士為董事，以填補臨時空缺或作為董事會的增補董事。根據董事會多元化政策，董事會根據候選人之性別、經驗、技能及知識、履行謹慎及盡職責任及受信責任的能力、以及提名委員會之建議(如有)，作出考慮。

獨立非執行董事鄒小磊先生、曹為實先生及嚴厚民教授，須按照章程細則第108(a)及108(b)條之規定輪席退任，並於下一屆本公司股東週年大會上重選連任。

依據章程細則第112條之規定，盧錦勳先生及宋儉先生之任期僅至即將舉行之本公司股東週年大會為止，而彼等符合資格，並已表示願意膺選連任。

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed 3 Independent Non-executive Directors, one of whom has appropriate professional qualifications in accounting and financial management. The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independence and considers them to be independent in accordance with the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules.

Directors have disclosed to the Company the number and nature of office held in Hong Kong and overseas listed companies and organisations, and their other significant commitments. Biographical details of the Directors are set out on pages 98 to 104 of this annual report.

The Company has maintained an updated list of its directors identifying their roles and functions on websites of the Company and the Stock Exchange. Independent Non-executive Directors are identified as such in all corporate communications that disclose the names of Directors of the Company.

The Company has subscribed appropriate and sufficient insurance coverage on Directors' liabilities in respect of legal actions taken against Directors arising out of corporate activities. The Directors may seek independent professional advice at the Company's expenses in carrying out their duties and responsibilities.

All Directors have full and timely access to all relevant information in relation to the Group's businesses and affairs as well as unrestricted access to the advice and services of the Company Secretary, who is responsible for providing Directors with board papers and related materials. The Company provides monthly updates to the Board members on the Company's performance and position to enable them to make a balanced and understandable assessments on the Company's performance, position and prospect.

遵照上市規則第3.10條，本公司已委任三名獨立非執行董事，其中一名具備會計及財務管理方面之合適專業資格。根據上市規則第3.13條所載有關獨立性評估之指引，本公司已收悉每名獨立非執行董事有關其獨立性之年度確認書並認為他們均屬獨立人士。

董事已向本公司披露，他們在香港及海外上市公司與機構所擔任的職位數目與性質，以及所承擔的其他重大職務。董事詳細履歷載於本年報第98至104頁。

本公司於本公司及聯交所網站上登載一份最新董事名單，當中註明他們之角色及職能。本公司在所有會披露董事姓名的公司通訊中，已明確說明獨立非執行董事的身份。

本公司已投購合適並充足的保險，保障董事因企業活動而遭提出法律行動的責任。董事可就執行職務與職責尋求獨立專業建議，費用由本公司承擔。

全體董事可全面並適時查閱有關本集團業務及事務之全部相關資料，並可不受限制地獲得公司秘書負責向董事提供董事會文件及相關材料，全體董事並可不受限制地向其尋求意見與服務。本公司向董事會成員提供公司表現與業務狀況每月匯報，使他們能對本公司的表現、狀況與前景，作出持平知情的評估。

BOARD DIVERSITY

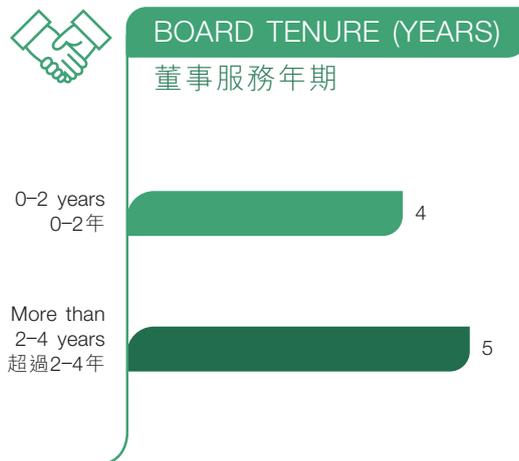
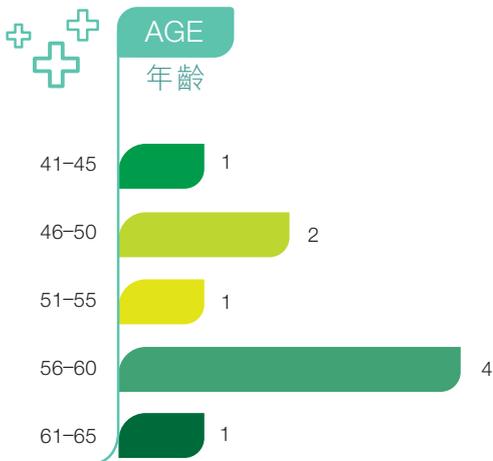
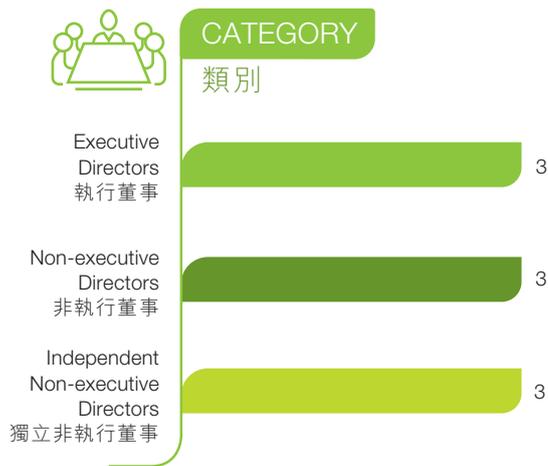
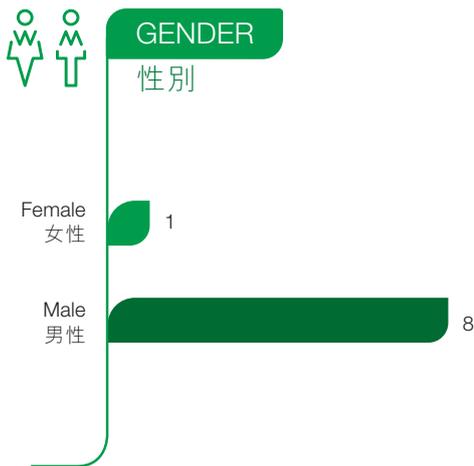
The Board believes that the ratio between Executive Directors, Non-executive Directors and Independent Non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of Shareholders and the Group. Conforming to the international trend on board diversity, a female Director was appointed. The Board also believes that the views and participations of the Independent Non-executive Directors in the Board and committee meetings provides independent judgment on the issues relating to strategy, performance, conflict of interest and management process to ensure that the interests of all Shareholders are considered and safeguarded.

As at 31 December 2019, the diversity of the Board is as below:

董事會成員的多元化

董事會相信，執行董事、非執行董事與獨立非執行董事的比例合理，足以提供充分制衡，保障股東和本集團利益。遵從董事會成員多元化的國際化趨勢，我們委任了一名女董事。董事會亦相信，獨立非執行董事參與董事會和委員會會議，提出各種意見，能夠為策略、績效、利益衝突和管理流程等方面的課題，提供獨立研判，確保全體股東利益得到考慮和保障。

於二零一九年十二月三十一日，董事會多元化分佈情況如下：



The Directors come from diverse background with varied expertise in finance, legal and business fields. All Directors, including Independent Non-executive Directors, have given sufficient time and effort to the affairs of the Group. Independent Non-executive Directors have provided professional advices to the Board with their diversified expertise and experience. To succeed in the changing environment and meet the Company's theme of "Laying a Solid Foundation and Keeping Pace with Times", nomination committee has identified skills and experiences being the measurable objectives that should be contained in the Board and the relevant assessment was conducted during 2019:

董事來自不同背景，各具所長，深諳金融、法律及商業各領域之專業知識。包括獨立非執行董事在內之全體董事，已為本集團事務付出充分時間與努力。獨立非執行董事已依據他們不同之專業知識與經驗，向董事會提供專業建議。為求在瞬息萬變的環境中取得成功，體現本公司年度主題「牢築根基•與時俱進」，提名委員會識別了董事會應該具備的技能經驗，作為可計量的指標，並於二零一九年內進行了相關評審：

Measurable objectives to the Board 董事會可計量指標	Qualities required 所具備的特質內容	Directors 董事								
		WANG Tianyi 王天義	QIAN Xiaodong 錢曉東	YANG Zhiqiang 楊志強	LO Kam Fan 盧錦勳	GUO Ying 郭穎	SONG Jian 宋儉	CHOW Siu Lui 鄧小磊	Philip TSAO 曹為賓	YAN Houmin 嚴厚民
Leadership skill and experience 領導才能與經驗	Outstanding leadership qualities and the ability to identify and develop the talents of other employees. Hands-on understanding of organisation, projects, strategies and risk management, as well as know-how in driving reform and growth. 具有非凡的領導素質，以及能識別和發展其他員工的才能。對組織、項目、戰略和風險管理有實際理解，並知道如何推動改革和增長。	✓	✓							
Financial skill and experience 財務技能與經驗	As the Company measures its operational and strategic performance by reference to financial benchmarks, it is essential to understand finance and the financial reporting process, and accurate financial reporting is of paramount importance to the Company's success. 鑑於本公司會參考財務目標來衡量其運營和戰略績效，理解財務和財務匯報流程是非常重要的，並且準確的財務報告對於本公司的成功至關重要。				✓			✓	✓	
Industry experience 行業經驗	Leadership in the environmental industry. 在環保行業擁有領導地位。	✓	✓	✓						
Marketing experience 營銷經驗	Achieving the Company's business growth through product optimisation and the development of new businesses. Paying special attention to the development of overseas markets in order to diversify future development. 通過優化產品和開發新業務來實現本公司業務的增長。為實現未來多樣化發展，特別關注海外市場的發展。		✓	✓			✓			

Measurable objectives to the Board 董事會可計量指標	Qualities required 所具備的特質內容	Directors 董事								
		WANG Tianyi 王天義	QIAN Xiaodong 錢曉東	YANG Zhiqiang 楊志強	LO Kam Fan 盧錦勳	GUO Ying 郭穎	SONG Jian 宋儉	CHOW Siu Lui 鄒小磊	Philip TSAO 曹為實	YAN Houmin 嚴厚民
Government experience 政府經驗	Experience in liaison with the government. The environmental business is subject to stringent regulation and under the direct impact of governmental behaviour and socio-economic trends. 具有與政府聯繫經驗。環保業務受到嚴格監管，並直接受到政府行為和社會經濟趨勢的影響。	✓	✓				✓			
Corporate governance experience 企業管治經驗	Supporting and providing recommendations on the system of Board and management accountability to enhance transparency, with the ultimate aim of safeguarding shareholders' interests. 支持及對董事會和管理層問責制提供建議，增加透明度，保護股東利益為最終目標。			✓			✓	✓	✓	
Knowledge on sustainability and corporate responsibility 對可持續發展與企業責任的認識	Enhancing Board supervision over sustainable development and ensuring the achievement of strategies and delivery of long-term shareholders' value under a sustainable business model. 加強董事會對可持續發展的監督，並確保在負責任的可持續業務模式中實現戰略和為股東創造長期價值。			✓			✓	✓	✓	
Risk management experience 風險管理經驗	Supervising risk exposures of the Company from the perspective of the Board. 在董事會的角度出發，監督本公司面臨的風險。			✓		✓	✓	✓	✓	
Talent management 人才管理	Conducive to the Company's effort to attract, motivate and retain valuable and talented staff. 有助於本公司吸引、激勵和留住有價值及有才能的員工。	✓								

BOARD MEETINGS

During the year of 2019, the Board held 5 meetings. In addition to Board meetings, the Chairman held 1 meeting with Independent Non-executive Directors annually without the presence of Executive Directors. Up to the date of this report, the Board has considered, approved, reviewed and/or formulated the matters summarized below, including but not limited to:

- Financial results of the Company;
- Reports and recommendations from the board committees;
- Announcements/reports for publication, including release of interim and annual report and sustainability report;
- Declaration of interim and final dividends;
- Change of Directors;
- Environmental, Social and Governance's management structure and its relevant policies;
- The effectiveness of the Group's internal control and risk management systems for the year of 2019;
- Connected transactions and continuing connected transactions;
- Investment transactions and related announcement;
- The adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- Any possible improprieties raised out through the whistleblowing policy; and
- Training and continuous professional development of directors and senior management.

The valuable recommendations contributed by each committee are highly respected by the Board and the Board takes proactive actions to put the recommendations in place.

董事會會議

於二零一九年度內，董事會舉行了五次會議。除董事會會議外，主席與獨立非執行董事每年舉行一次執行董事避席的會議。截至本報告日期為止，董事會已省覽、批准、審議及／或制定的事項，概述如下（包括但不限於）：

- 本公司財務業績；
- 董事委員會報告與建議；
- 發佈公告／報告，包括發表中期報告、年報及可持續發展報告；
- 宣派中期及末期股息；
- 董事變動；
- 環境、社會及管治管理架構及其相關政策；
- 二零一九年度本集團內部監控與風險管理系統成效；
- 關連交易及持續關連交易；
- 投資交易及相關公告；
- 資源是否充足、員工質素及經驗、培訓項目、本公司會計及財務報告職能之預算；
- 通過舉報政策發現的任何潛在違規事項；及
- 董事和高級管理人員的培訓與持續專業進修。

董事會高度重視各委員會提呈的寶貴建議，並會採取積極行動，落實有關建議。

At least 14 days' notice prior to the date of regular Board meetings is given to all Directors and an agenda together with Board papers are sent to all Directors no less than 3 days before the date of meeting. All Directors are given opportunity to include in the agenda any other matter that they would like to discuss in the meeting. With respect to the Board committee meetings, reasonable prior notice is given to all committee members. All Directors and committee members of the Board committee are urged to attend the Board meetings and Board committee meetings in person. For the Directors and committee members, who are unable to attend the meeting in person, participation through electronic means will be arranged and available.

Should a Director have a potential conflict of interest in a matter being considered in the Board meeting, he/she will be abstained from voting. Independent Non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict of interest issues.

BOARD COMMITTEES

The Board has established 3 Board committees, namely audit and risk management committee, remuneration committee and nomination committee, to oversee the particular aspect of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

AUDIT AND RISK MANAGEMENT COMMITTEE AND ACCOUNTABILITY

The audit and risk management committee, currently comprises all 3 Independent Non-executive Directors, namely Mr. CHOW Siu Lui (chairman), Mr. Philip TSAO and Prof. YAN Houmin. Details of the committee's membership and members' attendance records during 2019 are set out on page 75 of this report.

It is primarily responsible for, including but not limited to, providing an independent review of the effectiveness of the financial reporting process, risk management and internal control systems of the Group, overseeing the audit process, reviewing the completeness, accuracy, clarity and fairness of the Company's financial statements, considering the scope, approach and nature of both internal and external audits and reviewing and monitoring connected transactions and performing other duties and responsibilities as may be assigned by the Board from time to time, etc.

董事會舉行常規會議，須於會議舉行前最少十四天前，向全體董事寄發派發通告，而董事會議程連同相關文件，須在舉行會議前不少於三天，向全體董事分發。全體董事均有機會將擬於會上討論之任何其他事宜列入議程中。董事委員會舉行會議，須向全體委員會成員發出合理事先通告。全體董事及董事委員會成員均應親身出席董事會會議及董事委員會會議。無法親身出席會議之董事及委員會成員，將獲安排透過電子方式參與會議。

倘董事於將在董事會會議上考慮之事宜涉及潛在利益衝突，須放棄投票。概無利益衝突之獨立非執行董事，將出席會議以處理該等利益衝突問題。

董事委員會

董事會已建立三個董事委員會，即審核及風險管理委員會、薪酬委員會及提名委員會，以監督本公司事務之特定範圍。董事委員會配備充足資源以履行其職責。

審核及風險管理委員會以及問責性

審核及風險管理委員會現時由三名獨立非執行董事組成，即鄒小磊先生(主席)、曹為實先生及嚴厚民教授。於二零一九年內委員會成員及成員出席記錄詳情，列載於本報告第75頁。

審核及風險管理委員會之主要職責包括但不限於獨立審議本集團財務申報流程、風險管理及內部監控系統是否行之有效、監督審核流程、審視本公司財務報表是否完整、準確、清晰及公平、考慮內外部審核的範圍、方法及性質、審閱及監察關連交易，以及履行董事會可能不時指定的其他職務及職責等。

The terms of reference of the audit and risk management committee are published on the websites of both the Company and Hong Kong Exchanges and Clearing Limited (“HKEx”).

The audit and risk management committee held 3 meetings in 2019 and all minutes were kept by the Company Secretary. The audit and risk management committee has reviewed with the management and the external auditor of the Company, including but not limited to, the accounting principles and practices adopted by the Group, significant audit matters such as significant accounting estimates and judgmental areas and external auditor’s audit plan; and has reviewed and discussed the Group’s financial reporting matters, including review of the audited financial results for the year ended 31 December 2018 and the unaudited interim financial results for the six months ended 30 June 2019. In order to ensure the effectiveness of the risk management and internal control functions of the Company, the committee reviewed, discussed and monitored the works of risk management in year 2019, the risk management plan for year 2020 and the works done in 2019 according to the 3-year internal audit plan of the Company. Further, it has reviewed the compliance of continuing connected transactions, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting and financial reporting function and the engagement of external auditor of the Company. The audit and risk management committee reported that there was no material uncertainty that cast doubt on the Company’s going concern ability. The aforesaid reviews were recommended to the Board.

有關審核及風險管理委員會的職權範圍，登載於本公司及香港交易及結算所有限公司（「港交所」）的網站內。

審核及風險管理委員會於二零一九年曾舉行三次會議，全部會議記錄由公司秘書存置。審核及風險管理委員會已與管理層及本公司外聘核數師審閱，包括但不限於本集團採納之會計原則及慣例、重要會計估計與判斷範圍等重要審計事項，以及外聘核數師審核計劃，並已審閱及討論本集團之財務報告事宜，包括審閱截至二零一八年十二月三十一日止年度之經審核財務業績及截至二零一九年六月三十日止六個月之未經審核中期財務業績。為確保本公司風險管理及內部監控職能行之有效，委員會已審視、討論並監察二零一九年度之風險管理工作、二零二零年風險管理規劃、以及本公司三年內部審計規劃於二零一九年度完成的工作。此外，亦已審議持續關連交易的遵規情況、資源是否充足、員工質素及經驗、培訓項目、本公司會計及財務報告職能之預算，以及本公司委聘外聘核數師。審核及風險管理委員會報告，概無使到本公司持續經營能力成疑的重大不確定因素。上述審議結果已提請董事會考慮。

For the year ended 31 December 2019, KPMG, the external auditors, received the following remuneration from the Group in connection with the provision of audit and non-audit services to the Group:

截至二零一九年十二月三十一日止年度，外聘核數師畢馬威會計師事務所就向本集團提供審計及非審計服務，向本集團收取下列薪酬：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Annual audit services	年度審計服務	2,640	2,100
Interim review services	中期審閱服務	350	350
Other services, includes tax service, etc.	其他服務包括稅務服務等	—	400
		2,990	2,850

REMUNERATION COMMITTEE

The remuneration committee currently comprises Mr. Philip TSAO (chairman), an Independent Non-executive Director, Mr. QIAN Xiaodong, the Executive Director and Chief Executive Officer of the Company, and 2 other Independent Non-executive Directors, namely Mr. CHOW Siu Lui and Prof. YAN Houmin. Details of the committee's membership and members' attendance records during 2019 are set out on page 75 of this report.

The terms of reference of the remuneration committee, which are published on the websites of both the Company and HKEx, setting out the duties of the remuneration committee, including determining, with delegated responsibilities, the remuneration packages of the individual Executive Directors and senior management, etc.

For the year ended 31 December 2019, 2 remuneration committee meetings were held. It has reviewed the remuneration policy and remuneration packages of Executive Directors and members of senior management with reference to the goals and objectives of the Company. It also passed a written resolution approving the remuneration package of the newly appointed an Executive Director and a Non-executive Director. The aforesaid approved matters and reviews were reported and recommended to the Board.

薪酬委員會

薪酬委員會現時由獨立非執行董事曹為實先生(主席)、本公司執行董事兼行政總裁錢曉東先生、以及另外兩名獨立非執行董事鄧小磊先生及嚴厚民教授組成。於二零一九年內委員會成員及成員出席記錄詳情，列載於本報告第75頁。

薪酬委員會的職權範圍，已登載於本公司及港交所網站內，當中列載薪酬委員會的職務，包括根據獲委職責，釐定個別執行董事及高級管理人員的薪酬待遇等。

截至二零一九年十二月三十一日止年度，曾舉行兩次薪酬委員會會議，參照本公司宗旨及目標，審議薪酬政策及執行董事及高級管理層成員之薪酬待遇。薪酬委員會亦已通過一項書面決議案，批准新獲委任的一名執行董事及一名非執行董事之薪酬待遇。上述獲批事項及審議結果已報呈董事會考慮。

NOMINATION COMMITTEE

The nomination committee currently comprises Mr. WANG Tianyi (chairman), the Chairman of the Board, and all 3 Independent Non-executive Directors, namely Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin. Details of the committee's membership and members' attendance records during 2019 are set out on page 75 of this report.

Its primary responsibilities include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; considering the need for identifying suitable persons to become directors and made recommendations to the Board on the selection of individuals nominated for directorships, etc. The terms of reference of the nomination committee are published on the websites of both the Company and HKEx.

For the year ended 31 December 2019, 1 nomination committee meeting was held. Up to the date of this report, it has reviewed the structure, size and composition (including skills, knowledge and experience) of the Board and the qualification and experience of each of Directors according to the board diversity policy and the nomination policy. It has also considered the independence of each of the Independent Non-executive Director and assessed the qualification and experience of Directors to be retired and entitled to be re-elected in the forthcoming general meeting. It also passed a written resolution in relation to review and recommend the appointment of the new Executive Director and Non-executive Director. The aforesaid reviews were recommended to the Board.

The board diversity policy was adopted. Selection of candidates will be based on a range of diversity perspectives, including but not limited to, gender, age, cultural and educational background, length of service, and/or professional experience. Other than the above factors, the Company will also consider factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidate(s) will bring to the Board.

提名委員會

提名委員會現時由董事會主席王天義先生(主席)，連同全體三名獨立非執行董事鄧小磊先生、曹為實先生及嚴厚民教授組成。於二零一九年內委員會成員及成員出席記錄詳情，列載於本報告第75頁。

提名委員會的主要職責包括審議董事會架構、規模及組成(包括技能、知識及經驗)，並就任何建議變動向董事會提出建議，藉以配合本公司的企業策略；考慮物色適當人選擔任董事的需要，並就獲遴選提名擔任董事職位的人選，向董事會提出建議。提名委員會的職權範圍已登載於本公司及港交所的網站內。

截至二零一九年十二月三十一日止年度，提名委員會曾舉行一次會議。截至本報告日期，提名委員會已審議董事會的架構、規模及組成(包括技能、知識及經驗)，並按照董事會多元化政策及提名政策審視每名董事的資歷及經驗。會上亦審議每名獨立非執行董事的獨立性，並評核將退任及有權於應屆股東大會上獲重選的董事之資歷。提名委員會亦已通過有關審查及推薦委任新執行董事及非執行董事的書面決議案。上述審議結果已提請董事會考慮。

我們已經採納董事會多元化政策。董事的遴選委任，將以一系列多元化角度為基準，包括但不限於性別、年齡、文化及教育背景、服務年期及／或專業資格。除以上因素外，本公司亦不時根據本身的業務模式及特定需要，考慮各項因素。最終將依據所選定人選的優點及為董事會帶來的貢獻作出決定。

In consideration with the strategies and objectives of the Company, the nomination committee takes a prime role on board recruitment, including the appointment, re-appointment or/and re-designation of the director(s), to ensure the Board possesses a balance of skills, experience and diversity of perspectives appropriate to the requirement of the business of the Company. When considering a candidate nominated for directorship or a director's proposed re-appointment, the nomination committee will have regard to certain selection criteria, such as potential time commitment for the Board/committees responsibilities, reputation for integrity, accomplishment and experience in environmental industry, independence of the candidate and governmental or geopolitical expertise. Nomination committee will review annually the structure, size and diversity of the Board, external agencies for collecting impartial opinion in the nomination procedure may be engaged if necessary. The Board, having the ultimate responsibility for selection and appointment of Director(s), will contemplate the recommendations from the nomination committee when considering candidate(s) to be appointed or re-appointed as Director(s) of the Company.

The Company recognizes the importance of Board succession planning to ensure optimal continuity and that the Board is composed of people with proper and relevant expertise and skills to govern and strengthen the Company effectively. To empower the basis of talent pool of potential candidates, the Company develops a broader and more diverse pool of skilled and experienced employees and that, in time, their skills will prepare them for senior management and Board positions, by a series of training courses.

遵照本公司的策略與宗旨，提名委員會在聘請董事方面，包括董事委任、續任或／及重新指派等，擔當主導角色，確保董事會成員帶來切合本公司業務需求的均衡技能與經驗，以及多元化的角度。提名委員會對獲提名擔任董事的候選人或獲建議續任的董事作出考慮時，提名委員會將遵從若干遴選準則，譬如能為履行董事會／委員會職責投入的時間、誠信名譽、在環保產業的成就與經驗、候選人的獨立性、政府或地緣政治專業知識等。提名委員會將每年審議董事會架構、規模與多元性，如有需要，可委託外部機構，就提名程序提出持平意見。遴選委任董事的最終責任屬董事會所有，董事會對將獲委任或續任本公司董事的候選人作出考慮時，將審慎研究提名委員會建議。

本公司深知，務必要做好董事會接班的規劃，才能確保董事會具有理想的延續性，成員皆具備適當的相關專業知識與技能，能夠有效管治本公司，有效提升水平。本公司不斷擴大資深熟練員工儲備，鞏固準候選人儲備的基礎，相信假以時日，經過一系列培訓，他們將會具備必要技能，勝任高級管理人員及董事職務。

DIRECTORS' TIME COMMITMENT TO THE COMPANY

董事對本公司投入的時間

Attendance of Meetings and Trainings of Directors of the Company in 2019

二零一九年本公司董事出席會議及培訓的記錄

Board Committees Meetings Attendance
出席董事委員會會議

Name of Directors 董事姓名	Board Meeting ¹ 董事會會議 ¹	Audit and Risk Management Committee Meeting ¹ 審核及風險管理委員會會議 ¹	Remuneration Committee Meeting ¹ 薪酬委員會會議 ¹	Nomination Committee Meeting ¹ 提名委員會會議 ¹	Annual General Meeting Attendance ¹ 出席股東週年大會記錄 ¹
WANG Tianyi 王天義	4/5 C			1/1 C	0/1
QIAN Xiaodong 錢曉東	5/5 M		2/2 M		1/1
YANG Zhiqiang 楊志強	5/5 M				1/1
LO Kam Fan ² 盧錦勳 ²	2/2 M				N/A 不適用
WANG Yungang ³ 王雲剛 ³	3/3 M				1/1
GUO Ying 郭穎	3/5 M				0/1
SONG Jian ⁴ 宋儉 ⁴	2/2 M				N/A 不適用
TANG Xianqing ⁵ 唐賢清 ⁵	2/3 M				0/1
CHOW Siu Lui 鄒小磊	5/5 M	3/3 C	2/2 M	1/1 M	1/1
Philip TSAO 曹為賓	5/5 M	3/3 M	2/2 C	1/1 M	1/1
YAN Houmin 嚴厚民	5/5 M	3/3 M	2/2 M	1/1 M	0/1

Remarks:
Board and Board Committees Membership:
C – Chairman
M – Member

備註：
董事會及董事委員會成員：
C – 主席
M – 成員

Notes:
1. Number of meetings attended/held.
2. Appointed as Executive Director on 24 June 2019.
3. Resigned as Executive Director on 24 June 2019.
4. Appointed as Non-executive Director on 24 June 2019.
5. Resigned as Non-executive Director on 24 June 2019.

附註：
1. 出席／舉行會議次數。
2. 於二零一九年六月二十四日獲委任為執行董事。
3. 於二零一九年六月二十四日辭任執行董事。
4. 於二零一九年六月二十四日獲委任為非執行董事。
5. 於二零一九年六月二十四日辭任非執行董事。

During the meetings, Independent Non-executive Directors, based on their respective expertise and experience, actively brought out valuable opinions and queries in order to allow the Board to have comprehensive analysis on each issue.

Code Provision E.1.2 of the CG Code provides that the chairman of the board should attend the annual general meeting. Mr. WANG Tianyi, the Chairman of the Board, could not attend the annual general meeting of the Company held in 2019 due to other business engagements. However, at the meeting, Executive Directors and other Non-executive Directors were present to enable the Board to answer questions at the meeting.

Arranged by the Company Secretary, Directors joined a training with the title of "Risk Management and Internal Control" organised by The Hong Kong Institute of Directors. Other than the above, the Directors participated or spoke on seminars/talks/director training programme 2019 and directors e-trainings launched by the Stock Exchange and/or reading regulatory/legal updates and other materials pertinent to directors' duties and responsibilities. To meet the expectations and practical needs of the Directors, the Company Secretary has obtained the views of the Directors through a questionnaire and has consolidated their views, which will be progressively advanced as appropriate.

在會議上，獨立非執行董事根據各自的專業知識與經驗，積極提出寶貴意見和質詢，務求令董事會能對各個課題作出周全分析。

企業管治守則條文第E.1.2條規定董事會主席應出席股東週年大會。董事會主席王天義先生因其他業務安排而無法出席本公司於二零一九年舉行的股東週年大會。然而，執行董事及其他非執行董事均有出席該會議，故董事會能夠於該會議上回應提問。

公司秘書安排董事參加香港董事學會舉辦的「風險管理與內部監控」培訓。除上述者外，董事曾參與或主講研討會／講座／聯交所推出二零一九年董事培訓課程及董事電子培訓及／或閱讀有關董事職務及職責的監管／法律最新資料及其他材料。為滿足董事的期望及實際需要，公司秘書已通過問卷取得董事之意見及加以整合，並將逐漸推進（如適用）。

Record of training received by each existing Board Member in 2019 is summarized below:

現有董事會各成員於二零一九年接受的培訓紀錄概述如下：

Name of Directors	董事姓名	Types of Training 培訓類型
WANG Tianyi	王天義	A, B, C
QIAN Xiaodong	錢曉東	A, B, C
YANG Zhiqiang	楊志強	A, B, C
LO Kam Fan	盧錦勳	A, B, C
GUO Ying	郭穎	A, B
SONG Jian	宋儉	A, B
CHOW Siu Lui	鄒小磊	A, B, C
Philip TSAO	曹為實	A, B, C
YAN Houmin	嚴厚民	A, B, C

Remarks:

- A – Attending seminar(s)/forum(s) and/or giving talk(s) relating to the business or directors' duties.
- B – Reading materials relating to the business or directors' duties.
- C – Attending corporate event(s)/visit(s).

備註：

- A – 出席研討會／論壇及／或發表有關業務或董事職務的演講。
- B – 閱讀有關業務或董事職務的材料。
- C – 出席企業活動／視察。

Time commitments outside the formal meetings

Other than attending the Board meetings, committee meetings and annual general meeting, the Directors take an active interest in the Company's affairs and obtain a general understanding of its business. The Executive Directors visited the project companies frequently to personally monitor and scrutinize the operation and internal control.

In December 2019, 2 Independent Non-executive Directors together with Mr. YANG Zhiqiang, the Executive Director, visited Lishui Solid Waste Treatment Project and Hangzhou Environmental Energy Project. During the visits, the Independent Non-executive Directors were briefed on the management and operation of each project and met with the project general managers and non-managerial workers of the sites to understand the working environment and needs of the local staff.

Under the assessment of the nomination committee, even though some of the Directors are sitting on multiple boards or having significant commitments at works in university, they devoted sufficient time and effort to discharge their duties and responsibilities.

正規會議以外投入的時間

除出席董事會會議、委員會會議及股東週年大會外，董事亦積極關注本公司事務，通盤掌握其業務狀況。執行董事經常考察項目公司，親自對其營運與內部監控進行仔細監察。

二零一九年十二月，本公司兩名獨立非執行董事聯同執行董事楊志強先生，對麗水固廢處置項目及杭州環保能源項目進行了考察。考察期間，獨立非執行董事聽取了有關各個項目管理營運的簡報及與項目總經理和非經理級項目員工會晤，了解當地員工的工作環境與需求。

據提名委員會評核所得，儘管部分董事身兼多個董事職位，或在大學擔任要務，他們仍能投入充分的時間與精力，以履行其職責。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. WANG Tianyi is the Chairman of the Board and Mr. QIAN Xiaodong is the Chief Executive Officer of the Company. The division of responsibilities between the Chairman of the Board and the Chief Executive Officer are clearly divided to ensure a balance of power and authority and to reinforce their independence and accountability.

Mr. WANG Tianyi, being the Chairman, is responsible for providing leadership to the Board and ensuring that the Board functions effectively; that Directors receive in a timely manner adequate information which is complete and reliable and that all Directors are properly briefed on issues arising at Board meetings. The Chairman also encourages Directors to participate actively in and to make a full contribution to the Board so that the Board acts in the best interest of the Company.

Mr. QIAN Xiaodong, being the Chief Executive Officer, is responsible for the daily operations of the Company, execution of business policies, strategies, objectives and plans as formulated and adopted by the Board and leading the management of the Company.

COMPANY SECRETARY

The Company Secretary assists the Chairman of the Board in preparation of the agenda for the Board meetings and Board committee meetings and ensures that all applicable rules and regulations regarding the Board meetings are followed. She also acts as the secretary to the 3 Board committees. She prepares and keeps detailed minutes of each Board meeting and Board committee meeting. Within a reasonable time after each meeting, the draft minutes are circulated to all Directors or committee members for comments and the final and approved version of minutes are sent to all Directors or committee members for their records. Board committees, including the audit and risk management committee, nomination committee and remuneration committee, all follow the applicable principles, practices and procedures used in Board meetings. The Company Secretary is also responsible for organizing the Board training for all Directors and circulating to all directors materials relating to the Directors' jobs and duties for their review.

Ms. CHOW possesses professional qualification and extensive experience in discharging her duties as the Company Secretary of the Company and she is an employee of the Company and directly reports to the Chief Executive Officer.

主席及行政總裁

王天義先生為董事會主席，而錢曉東先生為本公司行政總裁。董事會主席與行政總裁之職責分工清晰，以確保權力及授權平衡有致，同時加強他們的獨立性及問責性。

主席王天義先生負責領導董事會，確保董事會有效運作；董事得以及時獲得完整可靠且充分的資料，且所有董事能概括了解將在董事會會議上提出的問題。主席亦鼓勵董事積極參與董事會，為其鞠躬盡瘁，務求令董事會為本公司的最佳利益行事。

行政總裁錢曉東先生負責本公司的日常營運、執行由董事會制定及採納的業務政策、策略、目標及計劃以及領導本公司管理層。

公司秘書

公司秘書協助董事會主席籌備董事會會議及董事委員會會議議程，並確保遵守所有有關董事會會議的適用規則及法規。她亦擔任三個董事委員會的秘書，就其各個董事會會議及董事委員會會議編製及保存詳細記錄。會議記錄草擬稿將於每次會議結束後的合理時間內，讓全體董事或委員會成員傳閱，以便他們提供意見，而會議記錄的最終核定版本，將寄發予所有董事或委員會成員作記錄。董事委員會，包括審核及風險管理委員會、提名委員會及薪酬委員會，均遵守董事會會議採用的適用原則、常規及程序。公司秘書亦負責為全體董事組織董事會培訓，並讓所有董事傳閱有關董事工作及職務的材料，以供審閱。

周小姐具備履行本公司公司秘書職責所需的專業資格及豐富經驗，並為本公司僱員，直接向行政總裁匯報。

As at 31 December 2019, the Company Secretary of the Company has undertaken 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules. As a key adviser on corporate governance and other regulatory compliance matters, Ms. CHOW keeps up-to-date with the regulatory and legal developments relevant to the Company that she serves and takes the initiative to start postgraduate training on enterprise risk management.

於二零一九年十二月三十一日，本公司公司秘書已遵照上市規則第3.29條，接受15小時的相關專業培訓。作為企業管治及其他監管合規事務的主要顧問，周小姐掌握與本公司相關的監管與法律事宜的最新發展，並且積極開展企業風險管理深造培訓。

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員的薪酬

The remuneration of the members of the senior management by band for the year ended 31 December 2019 is set out below:

截至二零一九年十二月三十一日止年度，高級管理人員成員的薪酬列載如下：

Remuneration bands (HK\$)	薪酬範圍 (港幣元)	Number of persons 人數
\$1,000,001 to \$1,500,000	港幣1,000,001元至港幣1,500,000元	1
\$1,500,001 to \$2,000,000	港幣1,500,001元至港幣2,000,000元	2
\$2,000,001 to \$2,500,000	港幣2,000,001元至港幣2,500,000元	2
\$2,500,001 to \$3,000,000	港幣2,500,001元至港幣3,000,000元	1

Further particulars regarding Directors' remuneration and the 5 highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 8 and 9 to the financial statements, respectively.

根據上市規則附錄十六須予披露的董事及5名最高薪僱員薪酬其他詳情，分別載於財務報表附註8及9。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

董事就財務報表須承擔之責任

The Directors acknowledge their responsibility for preparation of the financial statements for the financial year ended 31 December 2019 which give a true and fair view of the state of affairs of the Company and of the Group at that date and of the Group's results and cash flows for the year then ended and are properly prepared on the going concern basis in accordance with the applicable statutory requirements and accounting standards.

董事了解，他們須就編製截至二零一九年十二月三十一日止財政年度的財務報表承擔責任，該等財務報表須真實公平地反映本公司及本集團於該日期的事務狀況，以及本集團截至該日止年度的業績及現金流量，並根據適用法定要求及會計準則，按持續經營基準妥為編製。

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" contained in this annual report.

本公司外聘核數師發出的財務報表申報責任聲明，刊載於本年報「獨立核數師報告」。

DIVIDEND POLICY

Adhered to the principle of sharing the fruit of our success with our shareholders, the Board has adopted a dividend policy. Subject to certain factors, including but not limited to, general business conditions and strategies of the Company and the Company's financial results and capital requirements, the dividend payout ratio is approximately 20%.

股息政策

秉持與股東分享成果的原則，董事會已採納股息政策。受限於若干因素，包括但不限於本公司整體業務狀況及策略以及本公司財務業績和資本要求，派息率約為20%。

RISK MANAGEMENT AND INTERNAL CONTROL

The Group always places high emphasis on risk management and internal control and strictly complies with the relevant risk management and internal control requirements as set out in the Listing Rules. The main features of risk management measures adopted by the Group are as follows:

風險管理及內部監控

本集團一貫重視風險管理與內部監控，嚴格遵守上市守則中風險管理與內部監控的相關要求，下文概述本集團風險管理方法的主要特徵：

A. Risk Management Structure

(i) Organisation system

The risk management organisation system of the Group is based on the following "Three Lines of Defense" model:

A. 風險管理架構

(i) 組織體系

本集團的風險管理組織體系由下文所示「三道防線」模式所指引：



Board

The Board shall be responsible for the evaluation and determination of the nature and level of risk it is willing to undertake in order to achieve the strategic targets of the Group. It shall also ensure the establishment and maintenance of proper and effective risk management and internal control systems by the Group.

Audit and Risk Management Committee

The audit and risk management committee shall assume the role of supervising the overall risk management structure of the Group and provide advice to the Board on any risk-related matter of the Group.

First Line of Defense

In respect of the first line of defense, each of the business center, the project companies, command authority and project departments of the Group, being the officers for risk management, shall ensure effective implementation of risk control measures based on the risk management system and requirements of the Company, supervise any risk which involve in every business operations and collect details of, and report any risk-related incident.

Second Line of Defense

The department of risk management, being the second line of defense, shall, based on the Board's appetite, identify and assess relevant risks and conduct necessary monitoring in this regard, execute appropriate supervision to ensure effective and efficient control of all activities of all departments internally or between different departments, as well as evaluate and provide regular report to the audit and risk management committee. Each functional departments at headquarters jointly deal with the risk-related incidents reported from the first line of defense and the comments from the audit and risk management committee with the risk management department.

董事會

董事會有責任評估及釐定其為達致本集團的策略業務目標而願意承擔風險的性質及程度，並確保本集團建立及維持適當及有效的風險管理及內部監控系統。

審核及風險管理委員會

審核及風險管理委員會負責監督本集團之整體風險管理架構，並就本集團之風險相關事宜向董事會提供意見。

第一道防線

於第一道防線，本集團的各業務中心、項目公司、指揮部及項目部，作為風險管理責任人負責按照本公司風險管理相關制度及要求保證風險管控措施有效執行、監察與每項業務營運相關的風險並對發生的風險事件進行收集並及時上報。

第二道防線

風險管理部（作為第二道防線）根據董事會偏好負責識別、評估相關風險及進行必要的監控活動、執行適當監督以確保有效及高效監控各部門內部及不同部門之間的活動，以及評估並向審核及風險管理委員會提呈定期報告。總部各職能部門與風險管理部共同處理第一道防線上報的風險事件及審核及風險管理委員會的意見。

Third Line of Defense

For the third line of defense, the department of internal audit shall carry out internal audit on a yearly basis and ensure the effectiveness of the first and the second lines of defense. The department of internal audit shall provide to the audit and risk management committee and the Board an independent assurance as to the sufficiency and effectiveness of the internal control of the Group.

(II) Systems and regimes

The Company's systems and regimes comprise various systems, including the risk management system, finance system, human resources system and safe production system, among others. Our comprehensive systems and regimes assure that there is a solid basis for our risk management.

(III) The key-point audit process regime

The business department is responsible for the initial control of business risks and other risks; the management centre and functional departments at the head office are responsible for risk controls relating to legal, financial and compliance matters; the management is responsible for overall risk control, while officers-in-charge are responsible for key-point auditing to achieve multi-tiered risk control.

第三道防線

在第三道防線，內部審計部每年進行內部審核工作，並確保第一及第二道防線均有效。內部審計部就本集團內部監控的充足性及有效性向審核及風險管理委員會及董事會提供獨立保證。

(II) 制度體系

本公司各項制度形成制度體系，包括風險管理制度、財務制度、人力資源制度、安全生產制度等，完善的制度體系，保障風險管理有據可依。

(III) 關鍵節點審核流程體系

業務部門負責業務風險及其他風險的初步控制；管理中心及總部職能部門負責法律、財務、合規等風險的控制；管理層負責全面風險控制，各關鍵節點由責任人負責審核，實現風險層層把控。

(IV) The SOP regime

Standardised operations are accomplished through the “Standard Operation Procedure” (“SOP”). SOP refers to the benchmark documents setting out correct instructions on standard operations provided by instructors to operators. The formulation of SOP serves to provide reminders and instructions to staff holding positions relating to relevant issues and dedicated ESHS staff, affording maximum control and reducing the ESHS impact of such issues, such that ESHS control at the overall corporate level is attained. The SOP not only specifies dangers, risks and hazards that might be encountered by such job positions and the preventive measures that should be taken, but also the supervisory role and functions of dedicated ESHS staff. A comprehensive SOP ensures comprehensive knowledge of ESHS risks on the part of relevant staff during the course of operation, forming the basis on which operators conduct ESHS risk control as well as the cornerstone and basis for our corporate ESHS management.

(V) The accountability regime

The accountability regime specifies the risk management responsibilities of various control points and delegates management authority according to such management responsibilities. A reasonable accountability regime specifies the risk management responsibilities of various positions, while reasonable delegation assures the effective performance of management responsibilities.

(VI) The performance appraisal regime

Risk control outcomes are incorporated into our performance appraisal. For example, the “System of Accountability for ESHS Incidents” stipulates that staff responsible for environmental safety incidents shall be given negative ratings in their performance appraisals; on the other hand, staff who have identified material safety hazards in a timely manner, avoided the occurrence of incidents by adopting effective measures or made outstanding contributions to rescue efforts during emergencies shall be commended.

(IV) 標準化操作流程體系

通過「標準作業指導書」(Standard Operation Procedure, 「SOP」)實現標準化操作。SOP，是作業指導者對作業者進行標準作業的正確指導的基準文件。SOP的制定可以給議題相關的崗位工作人員及安環專工提供提示和指導，最大程度的控制並減少該議題產生的ESHS影響，從而達到企業整體層面對ESHS工作的管控。SOP不僅明確了在該崗位上工作可能遇到的危害、風險和隱患，應當採取哪些防範措施等，也明確了安環專工的監督工作和職能。完善的SOP確保相關崗位上的工作人員對於作業過程中的ESHS風險有全面的認識，是作業人員進行ESHS風險控制的依據，也是企業ESHS管理的基礎和依據。

(V) 責權體系

明確了各控制節點的風險管理責任並根據管理責任賦予其相應管理權限。合理責權體系明確了各崗位的風險管理責任，合理賦權也保證了管理責任能夠有效落實。

(VI) 績效考核體系

將風險管控效果納入績效考核。如《安全環境事故責任追究制度》中規定了對於安全環境事故的相關負責人給予績效考核負評價；對於及時發現重大安全隱患，採取有效措施避免事故或在事故應急救援過程中作出突出貢獻的，予以嘉獎。

B. Risk assessment process

The Board has formulated with due care a risk management system policy and risk tolerance levels through the audit and risk management committee, while the management identifies and classifies major risks according to their sources, causes and potential impact and consequences, and ranks such risks according to their probability of occurrence and impact. The Company conducts risk identification each year through methods such as survey questionnaires, interviews, specialist consultation, policy analyses, seeking to define our risk appetite in 7 dimensions, including strategy, finance, investment, operations, work construction, legal compliance and staff management. Risks identified have been categorised into policy changes, environmental compliance, work management, staff management, trade receivables, market competition, taxation and raw material supply. The ranking shall be based on the level of remaining risk. The level of remaining risk refers to the score value of the existing risk after taking into account all monitoring measures currently in force. The assessment of risk analysis results aims at determining whether the risks identified are within our default risk appetite and risk tolerance level. Based on such risk assessment, the risks could be transferred, eliminated or effectively controlled through risk mitigation measures formulated.

B. 風險評估流程

本公司董事會透過審核及風險管理委員會慎重地制定了風險管理系統政策及風險承受能力，管理層以導致風險的源頭、形成風險的動因、潛在影響和後果等就主要風險進行識別，並根據風險發生的可能性、影響後果進行排序。本公司每年通過採用問卷調查、訪談、專家諮詢、政策分析等方法進行風險識別，從戰略、財務、投資、運營、工程建設、法律合規和人才管理七個維度定義風險偏好。已被識別的風險分類為政策變動、環境合規、工程管理、員工管理、應收賬款、市場競爭、稅務風險、原材料供應等。風險等級以其剩餘風險水準為基準。剩餘風險水準指計及所有現有監控措施後所存在風險的分值。風險分析結果的評估旨在釐定所識別的風險是否處於預定的風險偏好及承受水準之內。基於風險評估，風險得以透過擬定的風險緩解措施轉移、消除或有效控制。

Summary table for principal risks

主要風險概要列表

<p>Principal risks 主要風險</p> <p>Description 內容</p> <p>Potential impact 潛在影響</p> <p>Key mitigations 主要舒緩措施</p> <p>Change in principal risks in 2019 (Higher/unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)</p>	<p>Risk relating to policy change 政策變化風險</p> <p>The risk of failure to respond to changes in national policies and business models in a timely and effective manner resulting in an adverse impact to the business of the Group. 指未能及時有效應對國家政策調整及商業模式變化而對本集團業務帶來負面影響的風險。</p> <p>Compliance, operations and finance might be affected. Extent of the impact: might result in higher operating costs, increased pressure for emissions, or failure to receive new energy grants in a timely manner resulting in escalated pressure on operations. 對合規、運營、財務方面存在影響：可能導致運營成本上升，排放壓力增加，或未能及時取得新能源補貼，運營壓力加大。</p> <p>1. Vigorous efforts to diversify business models for existing biomass integrated projects for the avoidance of sole power generation models and increase of heat supply, striving to make up for the reduction in national subsidy through market-oriented means. 2. Development of standalone incineration or power generation projects was scaled down and active efforts were made to explore solid waste treatment projects, so as to mitigate the risk of inability to receive government grants in a timely manner by increasing the number of market-based projects commanding stronger cash flows. 3. Vigorous development of new projects such as soil remediation and waste metal fluid recycling to fuel the Company's ongoing growth. 4. Smooth communication with the authorities governing national/industry standards and industry associations and participation in the formulation of relevant national policies and standards. 1. 針對現有生物質、一體化項目積極拓寬商業模式，避免單純發電，增加供熱內容，爭取通過市場化的方式來彌補國家補貼的減少。2. 減少單獨焚燒發電項目拓展，積極開拓固體廢棄物處置項目，通過增加市場化、現金流較為充分項目的數量來規避國家補貼不能及時發放的風險。3. 積極拓展如土壤修復及金屬廢液回收等新項目，為本公司發展提供後勁。4. 與國家/行業標準主管部門、行業協會等保持暢通的溝通渠道，參與國家相關政策、標準的制定工作。</p> <p>Lower 下降</p>
<p>Principal risks 主要風險</p> <p>Description 內容</p> <p>Potential impact 潛在影響</p> <p>Key mitigations 主要舒緩措施</p> <p>Change in principal risks in 2019 (Higher/unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)</p>	<p>Risk relating to environmental compliance 環境合規風險</p> <p>The risk of the potential breach of environmental emission limits, safety incidents and adverse external conditions resulting in a negative impact on project construction and operation. 指環保持放超標、安全事故、不良外部環境等對項目的建設及運營帶來負面影響的風險。</p> <p>In the worst-case scenario, excessive emissions or non-compliant operations might result in administrative penalties, tax refunds being affected or forced suspension of operations, thus undermining the Company's reputation. 超標排放或違規操作的最嚴重影響可能會受到行政處罰，影響退稅或被迫關停，影響本公司聲譽。</p> <p>1. Assurance of compliance with laws and regulations in the course of project operation was made a key task in our annual work plan and random inspections on legal compliance were conducted. 2. The operating data management system was adopted to enable real-time monitoring on operating data. 3. The accountability system was streamlined and implemented for incorporation into performance appraisal. 4. Regular (monthly/quarterly) and random environmental inspections were conducted. Hazards identified through inspection were rectified on a closed-loop basis in a timely manner and modifications were made to flawed processes. 5. Environmental management training was enhanced to reduce the possibility of environmental incidents occurring. 6. Environmental pollution liability insurance policies were taken out to cover projects with greater environmental risks, such as hazardous waste projects, in order to transfer risks as necessary. 1. 確保項目運營過程合法合規，作為年度重點工作內容，隨時檢查合法合規情況。2. 採用運營數據管理系統，實現對運營數據的實時監控。3. 開展責任制梳理和落實工作，納入考核。4. 定期(每月、每季度)和不定期進行環境檢查，對檢查所發現的隱患及時閉環，並對有問題的流程進行修訂。5. 加強環境管理培訓，降低環境事故發生的可能性。6. 針對危廢等環境風險較大的項目，購買環境污染責任險，進行必要的風險轉移。</p> <p>Lower 下降</p>

<p>Principal risks 主要風險</p>	<p>Risk relating to work management 工程管理風險</p>
<p>Description 內容</p>	<p>The risk of non-fulfilled formalities for construction work, deficiencies in construction work designs, construction work budget overruns, delay in progress and substandard quality due to inadequacies in construction work management regimes, imperfections in work management regulations and ineffective implementation of construction work management measures. 指工程管理體系不健全、工程管理制度不完善、工程管理措施不到位等原因導致的施工手續不齊全、工程設計缺陷、工程預算超支、進度遲延、質量不合格的風險。</p>
<p>Potential impact 潛在影響</p>	<p>Finance, operations, reputation, compliance, safety, environment 財務、運營、聲譽、合規、安全、環境</p>
<p>Key mitigations 主要舒緩措施</p>	<p>1. Appraisal on work commencement procedures was conducted as a key task and work commencement required approvals from departments at various levels to ensure completion of all procedures before commencement. 2. The depth of feasibility study was enhanced, as tenders for feasibility study and design for projects were conducted simultaneously where possible. The quality of feasibility study was improved. Information supply between equipment manufacturers and design institutes was expedited, while the order for information supply among various equipment was internally clarified to facilitate the streamlining and implementation of the accountability system for incorporation in the appraisal. 3. In conducting a project, thorough understanding of investments made in similar projects is sought in our due diligence process at the preliminary stage; thorough consideration is given to the feasibility and economics of the technical processes at the stage of feasibility study; and construction work is carried out in strict accordance with the design scheme at the construction. Equipment tenders commenced only after the completion of preliminary procedures. Work progress requirements were strictly specified with specific penalty terms in the tenders for civil engineering and design contractors. Control measures and assessments are implemented at each milestone during the course of construction. 4. Relevant safety management systems were formulated and amended; the proportion of safe construction funds was agreed at the award of supplier tenders; relevant accident insurance, property insurance and employer responsibility insurance policies were taken out to partially avert the risk. Safety inspections are held both on a regular basis and randomly, as safety management is independently appraised in assessments conducted at various milestones and upon completion. Hazards identified through inspection are rectified on a closed-loop basis in a timely manner and modifications are made to flawed processes. 5. All materials purchased by the construction parties were randomly inspected by staff at the command post, while penalty provisions against sub-standard deliveries were agreed with suppliers and set out in contracts. All works were carried out properly, especially the inspection and delivery of concealed construction work; orders for rectification shall be made in respect of any deliberate attempt to hold back construction work of substandard quality from inspection. 1.辦理開工手續作為重點工作進行考核，工程開工需經各級部門審批，確保手續齊備後開工。2.提高可研深度，有條件的項目可研和設計單位一起招標。提高可研的質量。加快各設備廠家和設計院之間的相互提資速度，內部理清各設備間的提資順序開展責任制梳理和落實工作，納入考核。3.在項目前期，盡調階段充分了解同類型項目的投資情況，在可研階段，充分考慮到工藝的可行及經濟性，在建設階段，嚴格按照設計方案進行建設。落實完前期手續後，再進行設備招標工作。在土建及安裝單位招標過程中，嚴格明確進度要求，並提出針對性的罰則。在施工過程中落實每個進度節點的管控，做好每個節點考核。4.制定並修訂相關安全管理制度；在供應商招標時約定安全文明施工資金比例；購買相應的意外險、財產險和僱主責任險等轉移部分風險。定期和不定期進行安全檢查，在里程碑節點及完工考核中專項考核安全管理。對檢查所發現的隱患及時閉環，並對有問題的流程進行修訂。5.由指揮部人員對施工單位所採買的所有材料進行抽檢，並在合同中和供應商約定若不合格所需進行的罰則。做好各項工程、特別是隱蔽工程的驗收；對於施工質量不合格故意隱瞞不報驗收的，一律責令其重新改正。</p>
<p>Change in principal risks in 2019 (Higher/unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)</p>	<p>Lower 下降</p>

Principal risks 主要風險	Risk relating to staff turnover 員工離職風險
Description 內容	The risk of loss of key personnel owing to the failure to formulate or effectively implement any key personnel retention or reappointment plans and the resignation of key personnel without suitable replacements in the short term or effective transition of duties, affecting relevant tasks or overall operations; failure to identify the precise reasons for staff departure resulting in probable negative impact on the remaining employees (sense of corporate identity and unity, etc.) 指由於未能制定或者有效執行的關鍵崗位員工留任與續任計劃，導致關鍵崗位員工流失。關鍵崗位員工離職，但短期內沒有合適的替代者，或者工作交接不到位，導致相關工作或者整體運行受到影響。對員工離職原因調查不清楚，可能對在職員工產生負面影響（企業認同感、凝聚力等）。
Potential impact 潛在影響	Various aspects such as business development, finance and operations 業務發展、財務、運營等方面
Key mitigations 主要舒緩措施	The overall human resource management of the Company has been enhanced with stronger efforts in the preservation and management of staff relations to enhance staff unity and solidarity. Active efforts are being made to investigate the reasons for staff resignation and improve relevant management processes, with a view to making anticipatory preparations to reduce the impact of staff resignation on the Company's production and operations. 提升本公司整體人力資源管理水準，加強員工關係的維護和管理，增進員工的凝聚力和向心力。對員工離職積極瞭解原因，完善相關的管理流程，提前做好準備，減少離職對本公司生產經營的影響。
Change in principal risks in 2019 (Higher/ unchanged/lower) 主要風險在二零一九年間的變化（上升／持平／下降）	Lower 下降

Principal risks 主要風險	Risk relating to trade receivables 應收賬款風險
Description 內容	The risk of incurring bad debt losses that would affect the Company's profit and solvency owing to the failure to collect trade receivables in a timely manner. 由於應收賬款不能及時收回，導致壞賬損失出現，影響本公司利潤及支付能力的風險。
Potential impact 潛在影響	Finance 財務
Key mitigations 主要舒緩措施	1. Formulated trade receivables call plans, under which the customer service department would enhance calls on trade receivables through various means, such as telephone calls, facsimile or personal visits. Meanwhile, a flexible credit policy catering to different customers and subject to instant adjustment has been adopted. 2. Efforts were made to lower the possibility of incurring trade receivables through proportional adjustments to various types of businesses, the development of new businesses and the adoption of reasonable business models. 1. 制定了應收賬款催繳計劃，客服部門採取電話、傳真、上門等多種催繳方式加大了催收力度。同時，根據不同的客戶採取靈活的信用政策，並且實時調整。2. 通過業務類型的比例調整、拓展新業務及採用合理的商業模式降低應收賬款發生的可能。
Change in principal risks in 2019 (Higher/ unchanged/lower) 主要風險在二零一九年間的變化（上升／持平／下降）	Lower 下降

Principal risks 主要風險	Risk relating to market competition 市場競爭風險
Description 內容	The risk of intensive industry competition affecting the Group's business expansion capability and return for project investment. 指在業內對手的激烈競爭下，影響本集團的業務拓展能力及項目投資回報的風險。
Potential impact 潛在影響	Business development and finance 業務發展及財務
Key mitigations 主要舒緩措施	1. Prior to making any investments, full consideration was given to the financial strengths of local governments and project boundary conditions to ensure sound investment return rates for projects. 2. Project development is pursued on the back of the effective integration of various businesses within the Company to leverage fully the Company's strengths. 1.投資前充分考慮地方政府的財政實力及項目邊界條件，保證項目的投資回報率。2.本公司內部形成有效的整合，充分利用本公司優勢進行項目拓展。
Change in principal risks in 2019 (Higher/ unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)	Lower 下降

Principal risks 主要風險	Risk relating to taxation 稅務風險
Description 內容	The risk of ineligibility for the favourable tax treatment of instant VAT refund owing to non-fulfillment of requirements in biomass fuel mix, resulting in a negative impact on the Company. 指因生物質燃料結構未能達到要求無法享受增值稅即徵即退的稅收優惠從而對公司產生負面影響的風險。
Potential impact 潛在影響	Finance, operations, reputation, compliance, etc. 財務、運營、聲譽、合規等
Key mitigations 主要舒緩措施	For companies with forestry residues accounting for close to 80%, efforts were made to continue optimising the fuel mix with a view to attaining the 80% threshold; companies with forestry residues accounting for significantly less than 80% were treated with the assumption they would no longer be entitled to the favourable tax treatment. 對於農林剩餘物佔比較接近80%的公司，持續優化燃料結構，爭取達到80%；對於佔比遠低於80%的公司，按照不再享受此項稅收優惠進行處理。
Change in principal risks in 2019 (Higher/ unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)	Lower (based on judgement on current conditions as no initial risk value was set at the start of the year) 下降(由於年初並未確定初始風險值，所以這個下降是根據情況判斷的)

<p>Principal risks 主要風險</p>	<p>Risk relating to the supply of raw materials 原材料供應風險</p>
<p>Description 內容</p>	<p>The risk of rising costs and inability to secure effective supply of raw materials as a result of failure to anticipate or effectively address prices hikes for raw materials or exercise effective management over suppliers. 指未能預判或有效應對原材料價格上漲或未能對供應商進行有效管理而導致的成本增加、原材料無法獲得有效供應等的風險。</p>
<p>Potential impact 潛在影響</p>	<p>Finance and operations 財務及運營</p>
<p>Key mitigations 主要舒緩措施</p>	<p>1. Relevant supplier management systems were formulated and revised and evaluation on suppliers were conducted on a regular basis to ensure the quality of the products and services provided by suppliers. 2. Relevant inspections are conducted on a regular basis and from time to time to ensure that suppliers are in compliance with laws and regulations when they provide the relevant services. 3. Issues identified through inspections are resolved in a timely manner. Where necessary, we would probe into the supply operations of suppliers to help them resolve in a timely manner any issues identified. 1. 制定並修訂相關供應商管理制度，定期進行供應商評價，確保供應商提供產品和服務的質量。2. 定期和不定期進行供應商相關檢查，確保供應商在提供相關服務的時候合法合規。3. 對檢查所發現的問題及時解決，必要時深入供應商的供應環節，幫助供應商及時解決所出現的問題。</p>
<p>Change in principal risks in 2019 (Higher/unchanged/lower) 主要風險在二零一九年間的變化(上升/持平/下降)</p>	<p>Lower 下降</p>

C. Risk Control and Report

A report, which contains the implementation of risk control measures and the results of risk management, as well as details of the risk-related incidents, shall be submitted to the risk management department by each risk bearing unit on a quarterly basis. Based on the contents reported by various project companies and functional departments, the risk management department will prepare “Risk and Internal Control Report” and submit the same to the management of the Company, who will understand the status of risk management and optimise the relevant measures. The audit and risk management committee provides assistance to the Board for maintaining and monitoring the effectiveness of the risk management and internal control systems of Everbright Greentech. The department of risk management and department of internal audit will semiannually provide conclusive report to the audit and risk management committee in respect of the risk management and internal control aspects of the Company, and receive the risk management and internal control plan for the next year. In addition, the Board reviews principal risks taken by Everbright Greentech annually. The department of risk management submits a quarterly report on risk management and internal control to the audit and risk management committee.

The Board and the audit and risk management committee have conducted reviews on the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting, internal audit and financial reporting functions, and they considered all of the above were adequate.

C. 風險監控及報告

各風險責任單位每季度向風險管理部提交報告，彙報風險管控措施實施情況及風險管控效果情況。同時在報告中收集風險事件。風險管理部根據各項目公司及職能部門彙報內容，編製《風險及內控管理報告》並呈報本公司管理層，本公司管理層根據報告適時瞭解風險管控情況並完善風險管控措施。審核及風險管理委員會協助董事會維持及監察光大綠色環保的風險管理及內部監控系統的成效，風險管理部與內部審計部每半年就本公司風險管理與內部監控情況向審核及風險管理委員會進行總結彙報，並接納下一年度的風險管理及內部監控計劃。董事會亦每年檢討光大綠色環保主要風險。風險管理部向審核及風險管理委員會每季度呈報《風險及內控管理報告》。

董事會及審核及風險管理委員會均對本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算進行檢討，並認為足夠。

D. Internal Audit

Everbright Greentech has established the department of internal audit which shall directly report to the audit and risk management committee. Undertaking a key role to provide assurance to the Board of proper maintenance and operation of the internal control system by the management, the department of internal audit prepares internal audit report to the audit and risk management committee and the Board for the review of the sufficiency and effectiveness of the internal audit functionalities. The audit shall be in collaboration with member(s) of the finance department, member(s) of risk management department, member(s) of internal audit department and safety specialist(s) to ensure full coverage of the audit. Any matter proposed in the internal audit report shall be dealt with by the management. The audit and risk management committee and the Board are satisfied with the sufficiency of the risk management and internal control systems of the Group.

E. Risks Management Culture

Sound communication and ongoing education are among some of the effective means adopted by the Group to cope with material risk and internal control issues existing. Members of the audit and risk management committee actively furnish specific opinions to the management in relation to the development, operations and culture building of the Company's risk management system, while the management carried out the tasks of implementing the risk management system and promoting the risk management culture with pragmatic efforts to strengthen the risk management awareness of frontline staff.

D. 內部審計

光大綠色環保設有內部審計部，直接向審核及風險管理委員會彙報。內部審計部向董事會保證管理層維持及營運良好之內部監控系統方面擔任重要角色。內部審計部向審核及風險管理委員會及董事會發出內部審計報告，以審閱內部審計職能之充足性及有效性。當進行審計工作時，會有財務部人員、風險管理部人員、內部審計部人員及安全專員，以確保審計工作能全面涵蓋。內部審計報告提出之事項將由管理層盡快處理，審核及風險管理委員會及董事會信納本集團有充足之風險管理及內部監控系統。

E. 風險管理文化

良好的溝通及持續的教育是本集團處理當前的重大風險及內部監控問題的有力手段。審核及風險管理委員各成員積極地對本公司的風險管理系統建設、運作及文化建立向管理層提供了不少具體意見，管理層務實執行推動風險管理系統運作及宣揚風險管理文化的工作，鞏固前線工作人員的風險管理意識。

During the year, Everbright Greentech organised 2 training sessions on risk management and internal audit hosted by the general manager of the department of risk management and externally engaged experts, respectively, who briefed the project general managers, directors of construction work and newly employed staff on how to foster awareness for the risk management accountability regime as well as overall risk awareness, while also investigating issues identified in the current stage of the Company's internal audit and related proposals. Through this training session, front-desk personnel gained a clear understanding of issues faced by other projects. While reflecting on the problems of their own projects, they also developed a sense of solidarity by sharing experiences with the staff of other projects. When issues similar to those discussed during training were identified in business operations, the officers-in-charge of some project company officers would contact and discuss with the department of internal audit in a proactive manner to reduce preventable risks. Our staff are involved in the co-management of risks as working partners of the Company.

Safe operation is of particular importance to the environmental industry. During the year, the Group carried out comprehensive safety inspections and investigations of risk hazards on a quarterly basis and demanded timely rectification, while conducting specific risk mediation and safety education from time to time. Besides internal investigation, the Group also perfected the Company's production safety system and clarified the relevant regime, procedures and working manual. During the year, the Company also organised multiple safety management training sessions hosted by external experts and experienced internal safety management personnel, who provided in-depth explanations and analyses on the significance of safety management, focus of management and specific measures. The Company has set up an environmental, safety, health and social management system to exercise systematic control over risks relating to its operations. For details, please refer to the section headed "ENVIRONMENTAL AND SOCIAL MANAGEMENT" in the Management Discussion and Analysis on pages 49 to 51 of this annual report.

光大綠色環保在年內舉辦了兩次風險管理及內部審計培訓，由風險管理部及外聘專家主講，分別向各項目總經理及工程指揮負責人、新入職員工等就如何樹立風險管理責任體系意識、全局意識及公司現階段內部審計發現的問題及建議展開了闡述與探討。通過培訓，使前線人員清楚瞭解其他項目的問題，反思自身項目的同時，亦透過各方交流，令前線員工產生共鳴；及當在業務上發現有類似培訓提及過的問題，部分項目公司負責人員會主動先與內部審計部聯繫及討論，減低一些可預先避免的風險。員工是公司的夥伴，共同管理風險。

安全運營在環保行業尤其重要，年內，本集團每季度進行全範圍的安全檢查，排查風險隱患，並限期整改，期間亦不定期開展專項風險治理、安全教育等各項工作。除內部檢查外，本集團亦對公司生產安全體系進行了完善，梳理了相關制度、流程及工作手冊。本年度，本公司亦多次舉辦了安全管理培訓，由外部專家與內部有經驗安全管理人員進行講解，對安全管理的重要性、管控重點及具體措施等進行深刻的講解與分析。本公司設有環境、安全、健康及社會管理體系有系統地管控運營上的相關風險，詳情列載於本年報第49至51頁的管理層討論及分析內「環境和社會管理」一節。

The Group, in the form of SOP, established and promoted a system of standardised operation procedures to ensure working staff serving relevant roles are fully aware of the environmental, health and safety risks associated with the operation process, which is the basis for the control of environmental, health and safety risks. Experienced staff can avoid or effectively reduce risks by simply operating in accordance with the standardised procedures in day-to-day work, which is beneficial to the individual staff members and the Company's operational risk control.

F. External Audit

External auditor carries out an assessment of the financial reporting, relevant risk management procedures and the control of the Company, and reports the issues of risks and control identified in the process of the audit to the audit and risk management committee.

G. Annual Confirmation

The risk management and internal control systems of the Group are designed to provide reasonable but not absolute assurance against material misstatement or loss, as well as to manage rather than eliminate the risk of failure to achieve business objectives. The systems take up an important role in risk management when progressing towards business objectives. Through the audit and risk management committee, the Board has reviewed the risk management and internal control systems of the Group for the year ended 31 December 2019, and considered that the systems were effective and sufficient. The management has provided confirmation as to the effectiveness of the systems for the year ended 31 December 2019 to the audit and risk management committee and the Board.

本集團通過建立並推廣標準化操作流程體系，以SOP的形式，確保相關崗位上的工作人員對於作業過程中的環境、健康、安全風險有全面的認識，是作業人員進行環境、健康、安全風險控制的依據。有經驗的員工在日常工作中只要按照標準化流程進行操作，即可避免或有效降低風險的方式，對於員工個人及本公司運營風險控制都起到了良好的作用。

F. 外部審計

外聘核數師對本公司的財務報告及相關風險管理程序及其監控情況進行評估，並就審核過程中發現的風險及監控事宜與審核及風險管理委員會彙報。

G. 年度確認

本集團風險管理及內部監控系統旨在合理地（而非絕對地）保證無重大失實陳述或損失，同時管理（但並非完全消除）無法實現業務目標的風險。其對達致業務目標至為重要的風險管理擔任重要角色。董事會透過審核及風險管理委員會，已對截至二零一九年十二月三十一日止年度本集團風險管理及內部監控系統進行審閱，並認為其於本年度內屬有效及充分。管理層已就該等系統於截至二零一九年十二月三十一日止年度的有效性向審核及風險管理委員會及董事會提供確認。

INTERNAL AND EXTERNAL WHISTLEBLOWING POLICY

In order to enhance transparency, integrity and accountability of the Group and to retain a consistently high standard of corporate governance, the Company has adopted an internal and external whistleblowing policy. This policy applies to the employees/the related persons (including but not limited to investors, lenders, suppliers, customers, services providers and government, etc.) of the Group. It is designed to provide the employees/the related persons with confidential whistleblowing channels to report to the Group the actual or suspected illegal activities and misconducts in corporate financial reporting, internal control or other areas in which the Company's attention should be drawn and investigation should be initiated. A well-defined whistleblowing mechanism has been put in place for our employees and the related persons. Reporting channel has adopted either by post addressed to the Company's principal place of business in Hong Kong ("Principal Office"), which is presently situated at Room 3602, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong or 27/F., Building A, Oriental Xintiandi Plaza, No.1003 Shennan Avenue, Futian District, Shenzhen 518000, China or by email (email address: report@ebgreentech.com), details of the procedure is posted on the Company's website at <https://www.ebgreentech.com/en/about/ewp.php>. During the year under review, there were 2 cases reported through the whistleblowing channels and the reported cases were investigated and founded to be immaterial and therefore did not require further action.

內部及外部舉報政策

為提升本集團的透明度、誠信及問責性，以及致力保持一貫高度的企業管治標準，本公司已採納內部及外部舉報政策。該政策適用於本集團的僱員／相關人士，包括但不限於投資者、貸款人、供應商、客戶、服務供應商及政府等，旨在向僱員／相關人士提供保密的舉報渠道，以向本集團呈報於本公司財務匯報、內部監控或本公司須注意並展開調查的其他方面的實際或疑似非法活動及不當行為。我們為僱員及相關人士設立明確的舉報機制。採納的舉報渠道包括致函本公司的香港主要營業地點，現時位於香港夏慤道16號遠東金融中心36樓3602室（「總辦事處」）或中國深圳市福田區深南大道1003號東方新天地廣場A座27樓（郵編：518000）或電郵（電郵地址：report@ebgreentech.com），有關程序詳情載於本公司網站<https://www.ebgreentech.com/tc/about/ewp.php>。於回顧年度內，通過舉報渠道收到兩宗個案報告，接報的個案經調查後發現並不重要，故此無需採取進一步行動。

SHAREHOLDER RELATIONS

The Company understands the importance of maintaining effective mutual communication with its Shareholders and values every opportunity to communicate with them. The Company has adopted a policy of disclosing clear and relevant information to Shareholders through various channels in a timely manner. Annual and interim reports are printed and sent to all Shareholders. The Company has also complied with the Listing Rules by posting announcements, notices, annual report, interim report, sustainability report and shareholders' circular(s) on the websites of both the Company and HKEx for the designated period. Apart from these documents, press releases are posted on the Company's website to enhance its transparency. Being constantly updated in a timely manner, the website also contains a wide range of additional information on the Company's business activities. The corporate communications can be accessed by clicking "Investor Relations" section on the home page of the Company's website.

In addition to publication of information, the annual general meeting and regular project site visits arranged by the Company provide a forum for communication between investors, Shareholders and Directors. The annual general meeting and site visit proceedings have been well prepared to ensure that the Company will follow corporate governance practices and Shareholders' rights are preserved.

The annual general meeting of the Company was held on 21 May 2019, the Chief Executive Officer chaired the annual general meeting and the chairman (or their delegates) of each Board committee attended the meeting in person to ensure Shareholders' views are communicated to the Board. Auditor of the Company was available to answer any queries that Shareholders may raise.

股東關係

本公司了解與其股東維持有效相互溝通至關重要，亦重視每次與股東溝通的機會。本公司已採納有關政策，得以透過各種渠道，適時向股東披露清晰的相關資料。本公司已刊印並向全體股東寄發年度報告及中期報告。本公司亦已遵照上市規則，於指定期限內在本公司及港交所網站刊登公告、通告、年度報告、中期報告、可持續發展報告及股東通函。除此等文件外，本公司亦會在網站發佈新聞稿，以提升其透明度。本公司不斷及時更新網站，當中亦載有本公司業務的其他詳盡資料。公司通訊可在本公司網站主頁「投資者關係」一欄查閱。

除公佈資料外，本公司所舉辦的股東週年大會及定期項目實地考察，亦為投資者、股東及董事提供交流的平台。本公司已妥善籌備股東週年大會及實地考察過程，以確保本公司遵守企業管治常規及保障股東權利。

本公司股東週年大會於二零一九年五月二十一日舉行，行政總裁主持股東週年大會，各董事委員會的主席(或其代表)亦親自出席會議，確保股東意見傳達至董事會。本公司核數師在場回應股東提出的任何查詢。

Procedures for shareholders to convene an Extraordinary General Meeting (“EGM”)

Pursuant to Article 64 of the Articles of Association, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (“EGM Requisitionists”) shall at all times have the right, by written requisition sent to the Board or the Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The EGM Requisitionists can deposit the written request at the Principal Office, which is presently situated at Room 3602, 36/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong. The EGM Requisitionists must state in their request(s) the objects of the EGM, and such request must be signed by all the EGM Requisitionists, any may consist of several documents in like form, each signed by one or more of the EGM Requisitionists.

The share registrar will verify the EGM Requisitionists’ particulars in the EGM Requisitionists’ request. Promptly after confirmation from the share registrar that the EGM Requisitionists’ request is in order, the Company Secretary will arrange the Board to convene an EGM by serving sufficient notice to all the registered shareholders in accordance with all the relevant statutory and regulatory requirements. On the contrary, if the EGM Requisitionists’ request is verified not in order, the EGM Requisitionists will be advised of this outcome and accordingly, an EGM will not be convened as requested.

If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the EGM Requisitionists’ himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the EGM Requisitionists by reason of the Board’s failure to duly convene an EGM shall be reimbursed to the EGM Requisitionists by the Company.

股東召開股東特別大會（「股東特別大會」）之程序

根據章程細則第64條，任何於交付呈請當日持有不少於本公司附有於本公司股東大會投票權的已繳足股本十分之一的一名或以上股東（「股東特別大會呈請人」），應有權隨時以書面方式向本公司董事會或公司秘書提交呈請，要求董事會召開股東特別大會，以處理該呈請指明的任何事項；而該大會須於該呈請交付後兩(2)個月內舉行。

股東特別大會呈請人可向本公司的總辦事處，現時位於香港夏慤道16號遠東金融中心36樓3602室遞交書面請求。股東特別大會呈請人須於請求中列明舉行股東特別大會的目的，而有關請求須由所有股東特別大會呈請人簽署，並包含若干相同格式之文件，各自須經一名或以上股東特別大會呈請人簽署。

股份過戶登記處將核實股東特別大會呈請人提交之呈請所列之股東特別大會呈請人資料。經股份過戶登記處確認股東特別大會呈請人之請求符合程序後，公司秘書將安排董事會召開股東特別大會，並根據所有相關法定及監管要求，向所有已登記股東發出足夠時間之通知。反之，倘股東特別大會呈請人的請求獲核實為不符合程序，則股東特別大會呈請人將獲告知此結果，股東特別大會也不會應要求召開。

倘若於交付呈請二十一(21)日內未能籌備召開該大會，（該等）股東特別大會呈請人可自行以相同方式召開股東特別大會，而股東特別大會呈請人因董事會未能正式召開股東特別大會而產生之所有合理開支，均由本公司向股東特別大會呈請人償付。

Procedures for putting forward proposals at general meeting

There are no provisions allowing shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law. However, shareholders are requested to follow Article 64 of the Articles of Association for including a resolution at an EGM. The requirements and procedures are set out above. Pursuant to Article 113 of the Articles of Association, no person other than a director retiring at a meeting, shall, unless recommended by the directors for election, be eligible for election as a director at any general meeting unless a notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notices(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting. The written notice must state that person's biographical details as required by Rule 13.51(2) of the Listing Rules. The procedures for Shareholders to propose a person for election as director is posted on the Company's website.

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the investor relations which contact details are as follows:

Investor Relations
China Everbright Greentech Limited
Room 3602, 36/F., Far East Finance Centre
16 Harcourt Road, Hong Kong
Fax: (852) 2433 6546
Email: ir@ebgreentech.com

SIGNIFICANT CHANGES IN THE COMPANY'S CONSTITUTIONAL DOCUMENTS

During the year under review, there is no change in the constitutional documents of the Company.

於股東大會上提呈建議之程序

根據《開曼群島公司法》，並無條文准許股東於股東大會上提呈新決議案。然而，倘股東擬於股東特別大會上提呈決議案，則須遵守章程細則第64條。有關要求及程序已載於上文。根據章程細則第113條，除非獲董事推薦參選，或由正式合資格出席大會並可於會上投票之股東（並非擬參選者）簽署通知，表明建議提名該人士參選之意向，且獲提名人士簽署該通知表明願意參選，否則，除會上退任董事外，概無任何人士合資格於任何股東大會上參選董事。上述通知須呈交總辦事處或過戶登記處，通知期至少為七(7)日，倘該等通知於寄發有關推選董事之股東大會通告後呈交，則呈交該等通知之期限為寄發有關推選董事之股東大會通告翌日起計，至不遲於該股東大會舉行日期前七(7)日。根據上市規則第13.51(2)條，上述書面通知必須列明該人士之履歷詳情。有關本公司股東提名人選參選董事之程序已於本公司網站刊載。

股東向董事會查詢之程序

股東可隨時向董事會以書面形式經由投資者關係提出查詢及表達意見，聯絡詳情如下：

投資者關係
中國光大綠色環保有限公司
香港夏慤道16號
遠東金融中心36樓3602室
傳真：(852) 2433 6546
電郵：ir@ebgreentech.com

本公司章程文件之重大變動

於回顧年度內，本公司章程文件並無變動。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員

Mr. WANG Tianyi

aged 57, is a Non-executive Director and the Chairman of the Board and the Nomination Committee of the Company. Mr. WANG currently serves as a director of certain subsidiaries of the Group. He is currently a part-time professor of Tsinghua University and a Co-Director of the Center for PPP of Tsinghua University. He is also a member of the China Council for International Cooperation on Environment and Development, a member of International Coalition for Green Development on the Belt and Road Advisory Board, a vice chairman of China Ecological Civilization Research and Promotion Association, a vice chairman of All-China Environment Federation, a vice chairman of Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology, a member of the UNECE PPP Business Advisory Board and a member of China Business Research Centre Advisory Council of National University of Singapore. He holds a Doctorate degree in Economics, a Master's degree in Management and a Bachelor's degree in Electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States. Mr. WANG is the executive director and chief executive officer and also the chairman of disclosure committee and a member of nomination committee of China Everbright International Limited ("CEIL", (stock code: 0257.HK) a listed intermediate holding company of the Company). He is also a non-executive director and chairman of the board and also a member of remuneration and nomination committees of China Everbright Water Limited, CEIL's subsidiary listed in Singapore and Hong Kong, stock codes: U9E.SG and 1857.HK. Prior to joining the Company, 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, the Dean and Professor of the School of Economics and Management of Yantai University of Shandong Province. Mr. WANG joined the Board in January 2018.

王天義先生

現年57歲，本公司非執行董事兼董事會及提名委員會主席。王先生目前擔任本集團若干附屬公司之董事。彼為現任清華大學兼職教授和清華大學PPP研究中心的共同主任，中國環境與發展國際合作委員會委員，「一帶一路」綠色發展國際聯盟諮詢委員會委員，中國生態文明研究與促進會副會長，中華環保聯合會副會長，中國科協生態環境產學聯合體副主席，聯合國歐洲經濟委員會PPP專家委員會委員以及新加坡國立大學中國商務研究中心諮詢委員會委員。彼持有清華大學經濟學博士、管理學碩士及電子學學士銜。彼亦曾在美國哈佛大學和加州大學學習深造。王先生現為中國光大國際有限公司（「光大國際」，股票代號：0257.HK），本公司之上市中介控股公司）執行董事兼行政總裁以及披露委員會主席及提名委員會之成員。彼亦為中國光大水務有限公司（光大國際於新加坡及香港上市的附屬公司，股票代號：U9E.SG及1857.HK）的非執行董事兼董事長，亦為薪酬委員會及提名委員會之成員。在加入本公司前，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。王先生於二零一八年一月加入董事會。

Mr. QIAN Xiaodong

aged 47, is an Executive Director, the Chief Executive Officer and a member of Remuneration Committee of the Company. Mr. QIAN currently serves as a director of numerous subsidiaries of the Group. Prior to his position in the Company, Mr. QIAN served as the general manager of the investment development department of CEIL and the general manager of Everbright Environmental Protection Venture Capital (Shenzhen) Ltd, a wholly-owned subsidiary of CEIL. He is also the executive director and deputy general manager and the member of the disclosure committee of CEIL. Mr. QIAN 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. He has comprehensive experience in market development of environmental protection industry, national environmental policies and industrial trend in the PRC. As at the date of this report, he beneficially owns 182,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Chapter 571 of the laws of Hong Kong. Mr. QIAN joined the Board in October 2015.

Mr. YANG Zhiqiang

aged 59, is an Executive Director and the Vice President. Mr. YANG currently serves as a director of numerous subsidiaries and 1 associated company of the Group. With effect from 3 January 2019, he was appointed as a non-executive director of Weigang Environmental Technology Holding Group Limited (stock code: 1845.HK). Mr. YANG was appointed as a non-executive director of China Everbright Water Limited (a subsidiary of CEIL listed in Singapore and Hong Kong, stock codes: U9E.SG and 1857.HK) from 12 December 2014 to 23 February 2017. He served as the chief legal officer in China Everbright International Limited. Mr. YANG obtained a Bachelor's degree from the Medical Science Department of Beijing Medical University (北京醫科大學) in the PRC and a Postgraduate Diploma in Law from The College of Law of England and Wales. He has the qualification of an attending doctor and is a qualified lawyer in the PRC. Mr. YANG joined the Board in October 2015.

錢曉東先生

現年47歲，執行董事兼行政總裁，並為本公司薪酬委員會之成員。錢先生目前擔任本集團多家附屬公司之董事。錢先生在本公司任職前，曾擔任光大國際的投資發展部總經理及光大國際的全資附屬公司光大環保創業投資(深圳)有限公司的總經理。彼亦為光大國際執行董事兼副總經理及披露委員會之成員。錢先生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。彼於中國環保市場、政策及行業趨勢方面擁有豐富經驗。於本報告日期，就香港法例第571章《證券及期貨條例》(「證券及期貨條例」)第XV部涵義而言，彼實益擁有本公司182,000股股份。錢先生於二零一五年十月加入董事會。

楊志強先生

現年59歲，執行董事兼副總裁。楊先生現時為本集團多家附屬公司及一家聯營公司之董事。自二零一九年一月三日起，彼為維港環保科技控股集團有限公司(股票代號：1845.HK)非執行董事。彼亦於二零一四年十二月十二日起任中國光大水務有限公司(光大國際於新加坡及香港上市的附屬公司，股票代號：U9E.SG及1857.HK)的非執行董事及於二零一七年二月二十三日辭任。他曾擔任中國光大國際有限公司的法務總監。楊先生持有中國北京醫科大學醫學學士學位和英格蘭及威爾士法學院的法律文憑，並具有主治醫師及中國律師資格。楊先生於二零一五年十月加入董事會。

Mr. LO Kam Fan

aged 45, is the Chief Financial Officer and Executive Director. Mr. LO also serves as a director of numerous subsidiaries and 1 joint venture company of the Group. Prior to joining the Group, Mr. LO held senior positions at a number of listed companies on The Stock Exchange of Hong Kong Limited, including financial controller of Shenzhen International Holdings Limited (stock code: 0152.HK), financial controller and company secretary of Eco-Tek Holdings Limited (stock code: 8169.HK), chief financial officer and company secretary, respectively, of Wai Chun Bio-Technology Limited (formerly known as Wai Chun Mining Industry Group Company Limited) (stock code: 0660.HK), Wai Chun Group Holdings Limited (stock code: 1013.HK) and Sinopharm Tech Holdings Limited (formerly known as China Vanguard You Champion Holdings Limited and China Vanguard Group Ltd.) (stock code: 8156.HK). Mr. LO obtained an honour diploma in Accounting from Hong Kong Shue Yan University and a Master's degree in Finance from Curtin University of Technology Australia. Mr. LO is a fellow member of the Hong Kong Institute of Certified Public Accountants and an associate of the Association of International Accountants. He beneficially owns 150,000 shares of the Company together with his spouse and he is deemed to be interested in 50,000 shares of the Company through his spouse; and also beneficially owns 281 shares of CEIL together with his spouse and he is deemed to be interested in 5,760 shares of CEIL through his spouse within the meaning of the SFO. Mr. LO joined the Company in November 2015 and joined the Board in June 2019.

Ms. GUO Ying

aged 51, is a Non-executive Director. Ms. GUO holds a Bachelor's degree in Accounting from Beijing Technology and Business University. She holds titles of senior accountant and senior auditor in the PRC. She is the general manager of internal auditor department and risk management department of CEIL. Ms. GUO joined the Board in January 2018.

盧錦勳先生

現年45歲，財務總監及執行董事。盧先生亦擔任本集團多家附屬公司及一家合資企業之董事。在加入本公司前，彼曾於多家於香港聯合交易所有限公司上市公司擔任要職，包括深圳國際控股有限公司(股票代號：0152.HK)的財務總監、Eco-Tek Holdings Limited環康集團有限公司*(股票代號：8169.HK)的財務總監及公司秘書、瑋俊生物科技有限公司(前稱：Wai Chun Mining Industry Group Company Limited偉俊礦業集團有限公司)*(股票代號：0660.HK)、Wai Chun Group Holdings Limited偉俊集團控股有限公司*(股票代號：1013.HK)以及國藥科技股份有限公司(前稱：眾彩羽翔股份有限公司及眾彩科技股份有限公司)(股票代號：8156.HK)的首席財務官及公司秘書。盧先生持有香港樹仁大學會計學榮譽文憑及澳洲 Curtin University of Technology Australia財務碩士學位，彼為香港會計師公會資深會員及英國國際會計師公會會員。就《證券及期貨條例》涵義而言，彼與其配偶共同實益擁有本公司150,000股股份之權益及彼透過其配偶被視作擁有50,000股股份之權益；及彼與其配偶共同實益擁有光大國際281股股份之權益及彼透過其配偶被視作擁有光大國際5,760股股份之權益。盧先生於二零一五年十一月加入本公司，並於二零一九年六月加入董事會。

郭穎女士

現年51歲，非執行董事。郭女士持有北京工商大學會計學專業，本科學歷，持有國內高級會計師及高級審計師職銜。彼現職光大國際內部審計部及風險管理部總經理。郭女士於二零一八年一月加入董事會。

* For identification purpose only

* 僅供識別

Mr. SONG Jian

aged 50, is a Non-executive Director. Mr. SONG holds a Bachelor's degree in Economics from Renmin University of China. He joined CEIL in 2007 and currently takes a position of a general manager of strategic development department. He is also a director of Everbright Jinglang Greenery and Lighting (Shenzhen) Limited, a non-wholly owned subsidiary of CEIL. Prior to joining CEIL, Mr. SONG had worked in China Light Industry International Engineering Co., Ltd. Mr. SONG is deemed to be interested in 3,000 shares of the Company through his spouse, and he is also deemed to be interested in 7,851 shares of CEIL through his spouse within the meaning of the SFO. Mr. SONG joined the Board in June 2019.

Mr. CHOW Siu Lui

aged 59, is an Independent Non-executive Director, the chairman of Audit and Risk Management Committee and a member of Nomination and Remuneration Committees of the Company. Mr. CHOW is currently a partner of VMS Investment Group (HK) Ltd., an independent non-executive director of Fullshare Holdings Limited (stock code: 0607.HK), Genertec Universal Medical Group Company Limited (formerly known as Universal Medical Financial & Technical Advisory Services Company Limited) (stock code: 2666.HK), Shanghai Dazhong Public Utilities (Group) Co., Ltd* (上海大眾公用事業(集團)股份有限公司) (stock code: 1635.HK), Futong Technology Development Holdings Limited (stock code: 0465.HK) and China Tobacco International (HK) Company Limited (stock code: 6055.HK), and a non-executive director of Renrui Human Resources Technology Holdings Limited (stock code: 6919.HK), the shares of all of the above companies are listed on the Stock Exchange. He is also an independent non-executive director of Global Cord Blood Corporation (listed on the New York Stock Exchange, Symbol: CO). He was an independent non-executive director of NWS Holdings Limited (stock code: 0659.HK) and Shi Shi Services Limited (formerly known as Heng Sheng Holdings Limited) (stock code: 8181.HK) and Sinco Pharmaceuticals Holdings Limited (stock code: 6833.HK), the shares of all of the above companies are listed on the Stock Exchange. He was a partner in KPMG and chairman of the Mainland Development Strategies Advisory Panel of the Hong Kong Institute of Certified Public Accountants ("HKICPA") and a member of its Registration and Practice Committee of the HKICPA. Mr. CHOW was also the chairman of the audit committee and a council member of the Hong Kong Institute of Chartered Secretaries. Mr. CHOW obtained the Professional Diploma in Accountancy from the Hong Kong Polytechnic University. He is qualified as a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. CHOW joined the Board in May 2017.

* For identification purpose only

宋儉先生

現年50歲，非執行董事。宋先生持有中國人民大學經濟學學士學位。彼於二零零七年加入光大國際，現職光大國際戰略發展部總經理。彼亦為光大晶朗節能照明(深圳)有限公司(其為光大國際的非全資附屬公司)的董事。加入光大國際前，宋先生曾於中國中輕國際工程有限公司工作。就《證券及期貨條例》涵義而言，宋先生透過其配偶被視作擁有本公司3,000股股份之權益；及彼透過其配偶被視作擁有光大國際7,851股股份之權益。宋先生於二零一九年六月加入董事會。

鄒小磊先生

現年59歲，獨立非執行董事、本公司審核及風險管理委員會主席及提名委員會及薪酬委員會之成員。鄒先生現時為鼎佩投資集團(香港)有限公司的合夥人。彼同時為豐盛控股有限公司(股票代號：0607.HK)、通用環球醫療集團有限公司(前稱環球醫療金融與技術諮詢服務有限公司)(股票代號：2666.HK)、上海大眾公用事業(集團)股份有限公司(股票代號：1635.HK)、富通科技發展控股有限公司(股票代號：0465.HK)及中煙國際(香港)有限公司(股票代號：6055.HK)的獨立非執行董事，以及人瑞人才科技控股有限公司(股票代號：6919.HK)的非執行董事，上述公司之證券均於聯交所上市。彼亦為國際濟帶血庫企業集團(於紐約聯交所上市的公司，(代號：CO)的獨立非執行董事。鄒先生曾為NWS Holdings Limited新創建集團有限公司*(股票代號：0659.HK)、時時服務有限公司(前稱恒生控股有限公司)(股票代號：8181.HK)及興科蓉醫藥控股有限公司(股票代號：6833.HK)的獨立非執行董事，上述公司之股份均於聯交所上市。彼亦曾是畢馬威會計師事務所合夥人，以及香港會計師公會(「香港會計師公會」)內地發展策略諮詢委員會主席及香港會計師公會註冊及執業委員會會員。鄒先生亦曾為香港特許秘書公會審核委員會主席及理事會成員。鄒先生持有香港理工大學會計學專業文憑，以及香港會計師公會和英國特許公認會計師公會的資深會員。鄒先生於二零一七年五月加入董事會。

* 僅供識別

Mr. Philip TSAO

aged 59, is an Independent Non-executive Director, the chairman of the Remuneration Committee and a member of Nomination and Audit and Risk Management Committees of the Company. Mr. TSAO is currently the founder and chief executive officer of CHANCES Advisory Group and a non-executive director of Bank SinoPac and SinoPac Securities (Asia) Limited (both as a subsidiary of SinoPac Financial Holdings Company Limited, a company listed on Taiwan stock exchange with stock code: 2890.TT) with effect from 1 May 2018 and 1 July 2018 respectively. He served as a consultant at Barclays Capital Asia Limited. Prior to his current role, Mr. TSAO was a managing director of Barclays Capital Asia Limited, an executive director of Goldman Sachs (Asia) L.L.C., a managing director of UBS, the president of China Development Industrial Bank (中華開發工業銀行) (“CDIB”), an executive vice president of China Development Financial Holding Corporation (中華開發金融控股公司) (“CDFHC”, a company listed on the Taiwan Stock Exchange with stock code: 2883.TT), a director of CDFHC and CDIB (a subsidiary of CDFHC), and a managing director of Morgan Stanley Asia. Mr. TSAO received a Bachelor’s degree in Power Mechanical Engineering from National Tsing Hua University in Taiwan, and a Master of Business Administration degree from National Taiwan University in Taiwan. Mr. TSAO is a Chartered Financial Analyst. Mr. TSAO joined the Board in May 2017.

Prof. YAN Houmin

aged 65, is an Independent Non-executive Director, a member of Nomination, Remuneration and Audit and Risk Management Committees of the Company. Prof. YAN currently serves as the chair professor of management sciences and the Dean of College of Business at the City University of Hong Kong. Previously, Prof. YAN served as a tenured associate professor at the School of Management, University of Texas at Dallas. He was also the Director of Executive M.Sc. Programme in Logistics and Supply Chain Management at the Chinese University of Hong Kong, an alternate director and research advisor for the Hong Kong Research and Development Center for Logistics and Supply Chain Management Enabling Technologies and an Executive Director for Centre of Supply Chain Management and Logistics Optimization at the Li & Fung Institute of Supply Chain Management, the Chinese University of Hong Kong. Prof. YAN received his Bachelor’s degree and Master’s degree in Electrical Engineering from the Department of Automation in Tsinghua University in the PRC and his Doctor of Philosophy degree from the University of Toronto in Canada. Prof. YAN joined the Board in May 2017.

曹為實先生

現年59歲，獨立非執行董事、本公司薪酬委員會主席、提名委員會及審核及風險管理委員會之成員。曹先生現時為CHANCES Advisory Group之創辦人兼行政總裁及分別自二零一八年五月一日及二零一八年七月一日起為永豐銀行及永豐金證券(亞洲)有限公司(均為永豐金融控股股份有限公司(「永豐金控」)之附屬公司，永豐金控為一家於台灣證券交易所上市之公司其股票代號：2890.TT))之非執行董事，彼曾為巴克萊亞洲有限公司的顧問。此前，曹先生曾為巴克萊亞洲有限公司董事總經理、高盛(亞洲)有限公司執行董事、瑞士銀行董事總經理、中華開發工業銀行(「開發工銀」)行長、中華開發金融控股公司(「中華開發金控」，一家於台灣證券交易所上市的公司，股份代號：2883.TT)的執行副總裁、中華開發金控及開發工銀(中華開發金控之附屬公司)的董事以及摩根士丹利亞洲有限公司的董事總經理。曹先生持有台灣國立清華大學動力機械工程學系學士學位及台灣國立台灣大學工商管理學系碩士學位，具有特許金融分析師資格。曹先生於二零一七年五月加入董事會。

嚴厚民教授

現年65歲，獨立非執行董事、本公司提名委員會、薪酬委員會及審核及風險管理委員會之成員。嚴教授現為香港城市大學管理科學講座教授及商學院院長。此前，彼曾在達拉斯德州大學管理學院擔任副教授(Tenured Associate Professor at the School of Management of the University of Texas at Dallas)，具有終身教席。彼亦曾擔任香港中文大學高級管理人員物流和供應鏈管理碩士課程主任、香港物流及供應鏈管理應用技術研發中心副主任及科學和技術顧問，以及香港中文大學利豐供應鏈及物流研究所供應鏈及物流管理中心執行主任。嚴教授持有中國清華大學自動化系電子學學士學位、電子學碩士學位及加拿大多倫多大學(University of Toronto)哲學博士學位。嚴教授於二零一七年五月加入董事會。

Mr. WANG Dianer

Mr. WANG is the Vice President of the Company. Mr. WANG joined Everbright Group since November 2006. At present, he serves as a director of EB Urban and Rural Renewable Energy (Nanjing) Limited and the general manager of Everbright Environmental Remediation (Jiangsu) Limited. Mr. WANG has previously served as the deputy general manager of Everbright Environmental Energy (Yixing) Limited, the deputy supervisor of Jinan WTE Project, the general manager of EB Alternative Energy (Dangshan) Limited, the project leader of the construction of Dangshan project, the general manager of Everbright Environmental Energy (Zhenjiang) Limited and the general manager of EB Photovoltaic Energy (Zhenjiang) Limited and EB Photovoltaic Energy (Huaining) Limited. Mr. WANG completed the legal studies program at Anhui University in the PRC and the Power Plant and Electricity System program at Shanghai University of Electric Power in the PRC. Mr. WANG joined the Group in January 2016.

Mr. ZHANG Jianping

Mr. ZHANG is the Chief Investment Officer and the general manager of its Solid Waste Management Centre of the Company. Mr. ZHANG currently serves as a director of various subsidiaries, 1 joint venture and 1 associated company of the Company. Before joining the Group, he was the deputy director of Suzhou Environmental Sanitation Administration Agency. Mr. ZHANG has served as the vice chairman of Everbright Environmental Energy (Suzhou) Limited, the standing representative of the Nanjing Representative Office of CEIL, the general manager of Everbright Environmental Energy (Nanjing) Limited, the general manager of Everbright Environmental Energy (Suzhou) Limited, and the general manager of Everbright Environmental Protection (Suzhou) Solid Waste Treatment Company Limited. Mr. ZHANG graduated from Nanjing Engineering Institute (currently known as Southeast University), majoring in Environmental Engineering, Mr. ZHANG joined the Group in April 2016.

王殿二先生

王先生為本公司副總裁。王先生自二零零六年十一月起加入光大集團，現時為光大城鄉生物能源(南京)有限公司的董事及光大環境修復(江蘇)有限公司擔任總經理職務。彼曾擔任光大環保能源(宜興)有限公司副總經理、濟南垃圾發電項目的副主管、光大新能源(碭山)的總經理、碭山項目的施工負責人、光大環保能源(鎮江)有限公司的總經理，光大光伏能源(鎮江)有限公司以及光大光伏能源(懷寧)有限公司的總經理等職務。王先生畢業於中國安徽大學法律研究課程及中國上海電力學院發電廠及電力系統課程。王先生於二零一六年一月加入本集團。

張建平先生

張先生為本公司投資總監兼固廢管理中心總經理。張先生目前為本公司多家附屬公司、一家合資企業及一家聯營公司之董事。於加入本集團前，彼曾擔任蘇州市環境衛生管理處副處長。張先生先後擔任光大環保能源(蘇州)有限公司副董事長、光大國際南京代表處常駐代表、光大環保能源(南京)有限公司總經理、光大環保能源(蘇州)有限公司總經理、光大環保(蘇州)固廢處置有限公司總經理。張先生畢業於南京工學院(現東南大學)，主修環境工程專業。張先生於二零一六年四月加入本集團。

Mr. SUN Xiandong

Mr. SUN is the Chief Operating Officer of the Company. He graduated from China University of Mining and Technology, majoring in Thermal Energy and Power Engineering, and completed a CEO management training programme from Tsinghua University. Mr. SUN has been engaged in power-related construction and power plant operation and administration for 37 years. Since joining Everbright Group in November 2006, he has been repeatedly named 「Outstanding Manager in CEIL」. He has served as deputy general manager of Everbright Environmental Energy (Suzhou) Limited, general director at the project command centre of Everbright Alternative Energy (Dangshan) Company Limited, deputy general manager of Everbright Environmental Energy (Pizhou) Ltd., general manager of Everbright Greentech Environmental Protection (Northern Anhui) Administrative Center (光大綠色環保皖北管理中心) and Everbright Greentech Environmental Protection (Anhui) Administrative Center (光大綠色環保安徽管理中心). Meanwhile, he concurrently served as general manager of various subsidiaries, namely Everbright Biomass Energy (Lingbi) Limited of EB Urban and Rural Renewable Energy (Xiao County) Limited and EB Urban and Rural Renewable Energy (Fengyang) Company Limited. He currently serves as director of a number of subsidiaries of the Company and general manager of Everbright Greentech Environmental Protection Clean Energy Administrative Centre (光大綠色環保清潔能源管理中心), Everbright Alternative Energy (Dangshan) Company Limited and Everbright Environmental Energy (Dangshan) Limited. Mr. SUN joined the Group in January 2016.

Mr. ZHU Fugang

Mr. ZHU is the Vice President of the Company. Prior to joining the Group, he served as president of eco-recycling sector in CEIL, vice president of Everbright Environmental Protection (China) Company Limited and Everbright Envirotech (China) Limited, general manager of Everbright Environmental Energy (Nanjing) Limited, and general manager of Everbright Environmental Testing (Nanjing) Company Limited. Mr. ZHU holds a Master's degree in Business Administration from Southeast University and is also a senior engineer. Mr. ZHU joined the Group in September 2019.

Ms. CHOW Wing Man

Ms. CHOW is the Company Secretary of the Company. She is a fellow of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. She has over 15 years of experience in the fields of company secretarial and compliance. Ms. CHOW holds a Bachelor's degree in Laws from the University of London and a Master's degree in Finance (Corporate Finance) from the Hong Kong Polytechnic University. Ms. CHOW joined the Group in July 2017.

孫先棟先生

孫先生為本公司運營總監。彼於中國礦業大學熱能動力專業畢業，清華大學CEO管理培訓班結業。孫先生從事電力相關建設、電廠運營管理37年。自二零零六年十一月入職光大集團起，彼多次獲評為「光大國際優秀管理者」；歷任光大環保能源(蘇州)公司副總經理、光大新能源(碭山)工程指揮部總指揮、光大環保能源(邳州)有限公司副總經理、光大綠色環保皖北管理中心總經理及光大綠色環保安徽管理中心總經理等職務。期間曾兼任多家附屬公司總經理，包括光大生物能源(靈璧)有限公司、光大城鄉再生能源(蕭縣)有限公司、光大城鄉再生能源(鳳陽)有限公司。彼目前為本公司多家附屬公司之董事及現任光大綠色環保清潔能源管理中心、光大新能源(碭山)有限公司及光大環保能源(碭山)有限公司總經理。孫先生於二零一六年一月加入本集團。

朱福剛先生

朱先生為本公司副總裁。於加入本集團前，彼曾先後擔任光大國際生態資源板塊總裁、光大環保(中國)有限公司副總裁、光大環境科技(中國)有限公司副總裁、光大環保能源(南京)有限公司總經理，光大環境檢測(南京)有限公司總經理。朱先生持有東南大學工商管理碩士學位，同時持高級工程師資格。朱先生於二零一九年九月加入本集團。

周詠雯小姐

周小姐為本公司之公司秘書。彼為香港特許秘書公會及英國特許秘書及行政人員公會之資深會員。彼於公司秘書及合規行業擁有超過十五年經驗。周小姐獲得倫敦大學法學學士學位及香港理工大學金融學碩士學位(企業金融)。周小姐於二零一七年七月加入本集團。

REPORT OF THE DIRECTORS

董事會報告

The directors of the Company (the “Directors”) are pleased to present their report and the audited financial statements for the year ended 31 December 2019 which are to be presented at the annual general meeting of the Company (the “AGM”) to be held at Salon III & IV, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 19 May 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 13 to the financial statements. There were no significant changes in the nature of the Group’s principal activities during the year.

Business review of the Group during the year, particulars of important events affecting the Group that have occurred since the end of the year ended 31 December 2019 (if any), an analysis of the Group’s performance using financial key performance indicators and a discussion on the Group’s future business development are provided from pages 16 to 44 of this annual report. Description of the principal risks and uncertainties that the Group may be facing are set out on pages 44 to 49 of this annual report. Also, the financial risk management of the Group can be found in note 25 to the financial statements. A discussion on the Group’s environmental policies and performance can be found from pages 49 to 59 of this annual report.

The Group believes that stakeholders provide valuable insights to its business development, which support the Group in developing sustainable and long-term strategies. Therefore, the Group invites stakeholders to join stakeholder engagement exercises on a regular basis, throughout the whole project life cycle from the planning stage to the operation stage, to express their views on issues that are relevant to the Group’s operational and environmental performance. The Group actively pursues effective engagement and on-going dialogue with its stakeholders through processes that are collaborative, transparent and responsive. Key stakeholders of the Group include investors, shareholders, employees, governments, local communities, business partners, suppliers, media and investment analysts, etc. Summary of sustainability are set out from pages 54 to 59 of this annual report.

The aforesaid discussions form part of this “Report of the Directors”.

本公司董事(「董事」)欣然提呈彼等之報告連同截至二零一九年十二月三十一日止年度之經審核財務報表。該報告及財務報表將於二零二零年五月十九日(星期二)假座於香港灣仔港灣道一號香港君悅酒店閣樓君悅廳III及IV舉行的本公司股東週年大會(「股東週年大會」)上呈報。

主要業務及業務回顧

本公司之主要業務為投資控股，主要附屬公司之主要業務詳情列載於財務報表附註13。本集團主要業務之性質於年內並無重大變動。

本集團年內之業務回顧、有關截至二零一九年十二月三十一日止年度結算日以來發生並對本集團構成影響之重要事件(如有)詳情、利用財務關鍵表現指標對本集團表現作出之分析以及關於本集團未來業務發展之討論，列載於本年報第16頁至44頁。本集團可能面對之主要風險及不明朗因素之描述列載於本年報第44頁至49頁。另外，關於本集團之財務風險管理，詳見財務報表附註25。本集團環境政策及表現之討論列載於本年報第49頁至59頁。

本集團相信持份者的聲音能為本集團的業務發展帶來真知灼見，有助我們制定持續和長期的發展策略。因此，本集團在項目的整個週期，從初始的規劃階段及至運營階段都會定期邀請持份者參與持份者溝通活動，讓其發表對我們運營和環保表現相關的意見。本集團積極通過具協作性、透明度和反應熱烈的渠道以達至有效的持份者參與和持續溝通。本集團的主要持份者包括投資者、股東、僱員、政府、當地社區、商業夥伴、供應商、媒體及投資分析員等。可持續發展摘要載於本年報第54至59頁。

上述討論構成「董事會報告」其中一部分。

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW (Continued)

As the PRC environmental protection service provider and investment company listed on the Main Board of the Stock Exchange, the Group shall comply with the relevant rules and regulations of both of the PRC and Hong Kong. For maintaining the development of environmental business and investment business in mainland China, the Group shall comply with national policies set out by the PRC Government as mentioned in the “ENVIRONMENTAL AND SOCIAL MANAGEMENT” section stated in pages 49 to 51 of this report.

On the corporate level, the Group complies with the requirements under the Companies Ordinance in the Cayman Islands, Hong Kong and PRC, the Listing Rules and the SFO for, among other things, the disclosure of information and corporate governance, and the Group has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

For the discussion on the Company’s commitment to high standards of corporate governance and the Board’s responsibility for compliance with statutory obligations, please refer to the Corporate Governance Report set out on pages 62 to 97 of this annual report.

主要業務及業務回顧(續)

作為中國環保服務提供者及於聯交所主板上市之投資公司，本集團須遵守中國及香港之相關規則及規例。為維持於中國內地環保業務及投資業務之發展，本集團須遵守於本報告第49至51頁「環境和社會管理」部分所載由中國政府頒布之國家政策。

於企業層面方面，本集團遵守開曼群島、香港及中國公司條例、上市規則及證券及期貨條例項下之規定，當中牽涉資料披露及企業管治，本集團亦已採納上市規則附錄十所載之標準守則。

有關本公司堅持實行高水平企業管治及董事會遵守法定責任的職責之討論，請參閱載於本年報第62至97頁的企業管治報告。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income on pages 134 and 135 of this annual report respectively.

The Board has proposed the payment of a final dividend of HK8.0 cents (2018: HK6.5 cents) per ordinary share for the year ended 31 December 2019 payable on or around Friday, 12 June 2020 to the Shareholders whose names are on the register of members of the Company on Thursday, 28 May 2020. Together with the interim dividend of HK8.0 cents (2018: HK6.0 cents) per ordinary share paid in October 2019, the total distribution of dividend by the Company for the year of 2019 will be HK16.0 cents (2018: HK12.5 cents) per ordinary share. The dividend payout ratio in 2019 is 20.4%.

SUMMARY OF FINANCIAL INFORMATION

A financial summary of the Group for the last 5 financial years is set out on pages 271 and 272. This summary does not form part of the audited financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 24 to the financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company's reserves available for distribution amounted to approximately HK\$4,112,107,000. Details of distributable reserve of the Company are set out in note 24 to the financial statements.

CHARITABLE DONATIONS

The charitable donations made by the Group during the year amounted to approximately HK\$1,013,000.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2019 are set out in note 20 to the financial statements.

業績及股息

本集團截至二零一九年十二月三十一日止年度之業績分別列載於本年報第134頁及135頁之綜合損益表及綜合損益及其他全面收益表內。

董事會建議就截至二零一九年十二月三十一日止年度派發末期股息每股普通股8.0港仙(二零一八年: 6.5港仙), 股息將於二零二零年六月十二日(星期五)或前後向於二零二零年五月二十八日(星期四)名列在本公司股東名冊之股東派付。連同於二零一九年十月已派付的中期股息每股普通股8.0港仙(二零一八年: 6.0港仙), 本公司二零一九年派付的每股普通股股息總額將為16.0港仙(二零一八年: 12.5港仙)。二零一九年度股息支付比率為20.4%。

財務資料概要

本集團過去5個財政年度的財務概要列載於第271及272頁。該概要並不構成經審核財務報表一部分。

儲備

有關本公司及本集團年內儲備變動詳情分別列載於財務報表附註24以及綜合權益變動表。

可供分派儲備

於二零一九年十二月三十一日, 本公司可供分派儲備為數約港幣4,112,107,000元。本公司之可供分派儲備之詳情載於財務報表附註24。

慈善捐款

本集團年內作出為數約港幣1,013,000元之慈善捐款。

銀行貸款及其他借款

於二零一九年十二月三十一日, 本集團之銀行貸款及其他借款詳情刊載於財務報表附註20內。

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the major customers and suppliers of the Group respectively during this 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之資料如下：

		Percentage of the Group's total 佔本集團下列總額之百分比	
		Turnover 營業額	Purchases 採購額
The largest customer	最大客戶	20%	
Five largest customers in aggregate	五大客戶合計	41%	
The largest supplier	最大供應商		3%
Five largest suppliers in aggregate	五大供應商合計		11%

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

各董事或彼等之任何緊密聯繫人或任何股東（據董事所盡悉持有本公司股本超過5%）並無於本集團五大客戶及供應商中擁有任何實益權益。

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 24 to the financial statements.

股本

有關本集團年內股本變動的詳情列載於財務報表附註24。

DEBENTURES

The Group has not issued any debentures during the year.

債券

本集團年內並無發行任何債券。

EQUITY-LINKED AGREEMENTS

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

股票掛鈎協議

本公司於年內並無訂立於年末仍然有效之股票掛鈎協議。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

優先購買權

章程細則或開曼群島法例並無載列優先購買權條文，規定本公司須按比例向現有股東提呈發售新股份。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

購買、贖回或出售本公司上市證券

於年內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

DIRECTORS

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

WANG Tianyi** (*Chairman*)
QIAN Xiaodong* (*Chief Executive Officer*)
YANG Zhiqiang* (*Vice President*)
LO Kam Fan* (*Chief Financial Officer*)
(appointed on 24 June 2019)
WANG Yungang* (*Vice President*)
(resigned on 24 June 2019)
GUO Ying**
SONG Jian** (appointed on 24 June 2019)
TANG Xianqing** (resigned on 24 June 2019)
CHOW Siu Lui***
Philip TSAO***
YAN Houmin***

* Executive Director
** Non-executive Director
*** Independent Non-executive Director

In accordance with Article 112 of the Articles of Association, Mr. LO Kam Fan and Mr. SONG Jian shall hold office only until the forthcoming AGM and shall be eligible and offer themselves for re-election.

In accordance with Articles 108(a) and 108(b) of the Articles of Association, Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin will retire from office as Independent Non-executive Directors by rotation and being eligible, offer themselves for re-election at the forthcoming AGM.

The Company has received annual confirmations of independence from Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin, and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS

Biographical details of the Directors and the senior management of the Group are set out on pages 98 to 104 of this annual report.

董事

年內及截至本報告日期之董事為：

王天義** (*主席*)
錢曉東* (*行政總裁*)
楊志強* (*副總裁*)
盧錦勳* (*財務總監*)
(於二零一九年六月二十四日獲委任)
王雲剛* (*副總裁*)
(於二零一九年六月二十四日辭任)
郭穎**
宋儉** (於二零一九年六月二十四日獲委任)
唐賢清** (於二零一九年六月二十四日辭任)
鄒小磊***
曹為實***
嚴厚民***

* 執行董事
** 非執行董事
*** 獨立非執行董事

依據章程細則第112條之規定，盧錦勳先生及宋儉先生之任期僅至即將舉行之股東週年大會為止，而彼等符合資格，並已表示願意膺選連任。

根據章程細則第108(a)及108(b)條之規定，鄒小磊先生、曹為實先生及嚴厚民教授將於即將舉行之股東週年大會上輪席退任獨立非執行董事，且符合資格並願意膺選連任。

本公司已獲得鄒小磊先生、曹為實先生及嚴厚民教授之年度獨立身份確認書，於本報告日期仍視彼等為獨立人士。

董事及高級管理人員之履歷詳情

董事及本集團高級管理人員之履歷詳情列載於本年報第98頁至第104頁。

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

Pursuant to Rule 13.51(B) of the Listing Rules, changes in information of Directors during the year are set out below:

- Mr. WANG Tianyi was appointed as a vice chairman of China Ecological Civilization Research and Promotion Association, a member of International Coalition for Green Development on the Belt and Road Advisory Board and a vice chairman of All-China Environment Federation on 1 January 2019, 25 April 2019 and 1 November 2019, respectively.
- Mr. CHOW Siu Lui was appointed as an independent non-executive director of China Tobacco International (HK) Company Limited (a company listed on the Stock Exchange on 12 June 2019), an independent non-executive director of Global Cord Blood Corporation (a company listed on The New York Stock Exchange on 11 November 2019) and a non-executive director of Renrui Human Resources Technology Holdings Limited (a company listed on the Stock Exchange on 13 December 2019), respectively.
- Mr. WANG Yungang and Mr. TANG Xianqing resigned as an Executive Director and a Non-executive Director with effect from 24 June 2019 respectively.
- Mr. LO Kam Fan and Mr. SONG Jian were appointed as an Executive Director and a Non-executive Director with effect from 24 June 2019 respectively.
- Mr. SONG Jian was appointed as a director of Everbright Jinglang Greenergy and Lighting (Shenzhen) Limited (a non-wholly owned subsidiary of CEIL) on 29 August 2019.

根據上市規則第13.51(B)條之董事資料變更

根據上市規則第13.51(B)條，董事資料於年內之變動載列如下：

- 王天義先生分別於二零一九年一月一日、二零一九年四月二十五日及二零一九年十一月一日獲委任為中國生態文明研究與促進會副會長、「一帶一路」綠色發展國際聯盟諮詢委員會委員及中華環保聯合會副會長。
- 鄒小磊先生獲委任分別為中煙國際(香港)有限公司之獨立非執行董事(一間自二零一九年六月十二日於聯交所上市之公司)、國際濟帶血庫企業集團(一間自二零一九年十一月十一日於紐約證券交易所上市之公司)的獨立非執行董事及人瑞人才科技控股有限公司(一間自二零一九年十二月十三日於聯交所上市之公司)的非執行董事。
- 自二零一九年六月二十四日起，王雲剛先生及唐賢清先生分別辭任執行董事及非執行董事。
- 自二零一九年六月二十四日起，盧錦勳先生及宋儉先生分別獲委任為執行董事及非執行董事。
- 宋儉先生於二零一九年八月二十九日獲委任為光大晶朗節能照明(深圳)有限公司(為光大國際的非全資附屬公司)的董事。

DIRECTORS' SERVICE CONTRACTS

The term of service as a Director is subject to re-election at the next annual general meeting of the Company and retirement by rotation in accordance with the provisions of the Articles of Association.

Each of the Non-executive Director and Independent Non-executive Director has entered into a letter of appointment with the Company for a term of two years and/or around two years.

Apart from the foregoing, no director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed under the sections "Connected Transaction", "Continuing Connected Transactions" below and Material Related Party Transactions as set out in note 28 to the financial statements, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or any entities connected with the Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

NO COMPETITION BETWEEN CEIL AND THE COMPANY

In connection with the spin-off of the Group from CEIL, the Company implements some corporate governance measures to confirm that the directors of both of CEIL and the Company will be able to function and operate independently and effectively in the best interest of the respective companies. Details of the no competition between CEIL and the Company are set out in the section headed "Relationship with our Controlling Shareholders" of the listing document issued by the Company dated 21 April 2017 ("Listing Document").

董事之服務合約

董事之服務任期須按照章程細則條文規定在本公司下屆股東週年大會重選連任及輪席告退。

非執行董事及獨立非執行董事各自已與本公司訂立委任函，為期兩年及／或大約兩年。

除上文所述者，擬於應屆股東週年大會上接受重選之董事並無與本公司訂有本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

董事於交易、安排或合約之權益

除下文「關連交易」、「持續關連交易」部分及財務報表附註28列載的與關聯人士之重大交易所披露者外，於年末或本年度任何時間內，本公司或其任何附屬公司概無訂立任何董事或與董事有關連之實體於當中擁有直接或間接重大權益之重大交易、安排或合約。

光大國際與本公司不存在競爭

關於自光大國際分拆出本集團，本公司實施多項企業管治措施，確保光大國際及本公司之董事均能獨立有效地以符合各自公司之最佳利益之方式履行職能及運作。有關光大國際與本公司不存在競爭之詳情已列載於本公司所刊發日期為二零一七年四月二十一日之上市文件(「上市文件」)內「與控股股東的關係」一節。

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, Mr. WANG Tianyi and Mr. QIAN Xiaodong are also the executive directors of CEIL. CEIL is a listed intermediate holding company of the Company and is engaged in renewable energy business. CEIL may be in competition with the Group. However, as stated in the section "No competition between CEIL and the Company" above, the Board is independent of the board of CEIL and none of the above Directors can control the Board of the Company, the Group is therefore capable of carrying on its businesses independently of, and at arm's length from the businesses of these entities. Furthermore, the Company implements some corporate governance measures to ensure the independence between CEIL and the Company. Up to the date of this annual report, there is no change in the details previously disclosed in the Listing Document.

Save as disclosed above, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

DIRECTORS' REMUNERATION

The Directors' emoluments are subject to the recommendations of the remuneration committee. The emoluments are determined with reference to directors' duties, responsibilities and performances and the results of the Group. No Director is involved in deciding his own remuneration.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES AND UNDERLYING SHARES AND DEBENTURES

The Directors and the Company's chief executive who held office at 31 December 2019 and their respective close associates had the following interests in the shares, underlying shares and debentures of the Company, its holding company, subsidiaries and other associated corporations (within the meaning of Part XV of the SFO) at that date as recorded in the register of directors' and chief executive's interests and short positions required to be kept under Section 352 of the SFO or as otherwise notified to the Company and Stock Exchange pursuant to the Model Code were as follows:

董事於競爭業務之權益

於年內及直至本報告日期，王天義先生及錢曉東先生兼任光大國際之執行董事。光大國際為本公司上市中介控股公司，其主要從事再生能源業務。光大國際或與本集團存有競爭，然而，如上文「光大國際與本公司不存在競爭」一節所述，董事會獨立於光大國際董事會，而上述董事不能控制本公司董事會，因此本集團有能力獨立於該等實體之業務，並按公平基準經營其業務。此外，本公司實施多項企業管治措施，確保光大國際與本公司間之獨立性。直至本年報日期，早前於上市文件披露內容並無變動。

除上文披露者外，概無董事被視為在與本集團業務直接或間接構成或可能構成競爭的業務中擁有權益(定義見上市規則)。

董事薪酬

董事酬金視乎薪酬委員會之推薦建議而定。薪酬委員會參考董事之職務、職責及表現以及本集團之業績釐定酬金。概無董事可參與釐訂彼之薪酬。

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉

按本公司根據證券及期貨條例第352條規定須予存置之董事及主要行政人員權益及淡倉登記冊所載記錄顯示，於二零一九年十二月三十一日在任之董事及本公司之主要行政人員及彼等各自之緊密聯繫人於該日在本公司、其控股公司、附屬公司及其他聯繫公司(定義見證券及期貨條例第XV部)之股份、相關股份及債券中所擁有之權益或根據標準守則須知會本公司及聯交所之權益及淡倉載列如下：

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES AND UNDERLYING SHARES AND DEBENTURES
(Continued)

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉(續)

Long position in shares of the Company

於本公司股份之好倉

Name of Director	董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares held (shares) 所持股份數目 (股)	Approximate percentage of total issued shares (note (iii)) 佔已發行股份總數之概約百分比 (附註(iii))
QIAN Xiaodong	錢曉東	Beneficial owner 實益擁有人	Personal 個人	182,000	0.0088%
LO Kam Fan	盧錦勳	Interests held jointly with another person/Interest of spouse 與另一人共同持有之權益/配偶之權益	Family interest (note (i)) 家族權益(附註(i))	200,000	0.0096%
SONG Jian	宋儉	Interest of spouse 配偶之權益	Family interest (note (ii)) 家族權益(附註(ii))	3,000	0.0001%

Notes:

- (i) Mr. LO beneficially owns 150,000 shares of the Company together with his spouse and is deemed to be interested in 50,000 shares of the Company through his spouse.
- (ii) All those shares were beneficially owned by Mr. SONG's spouse.
- (iii) As at 31 December 2019, the number of shares of the Company in issue was 2,066,078,000 shares.

附註:

- (i) 盧先生與其配偶共同實益擁有本公司150,000股股份及透過其配偶被視作擁有本公司50,000股股份之權益。
- (ii) 所有該等股份由宋先生之配偶實益擁有。
- (iii) 於二零一九年十二月三十一日，本公司已發行股份數目為2,066,078,000股。

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES AND UNDERLYING SHARES AND DEBENTURES
(Continued)

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉(續)

Long position in shares of CEIL, a listed intermediate holding company of the Company

於本公司上市中介控股公司光大國際股份之好倉

Name of Director	董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares held (shares) 所持股份數目 (股)	Approximate percentage of total issued shares (note (vi)) 佔已發行股份總數之概約百分比 (附註(vi))
LO Kam Fan	盧錦勳	Interests held jointly with another person/Interest of spouse 與另一人共同持有之權益/配偶之權益	Family interest (note (iv)) 家族權益(附註(iv))	6,041	0.0001%
SONG Jian	宋儉	Interest of spouse 配偶之權益	Family interest (note (v)) 家族權益(附註(v))	7,851	0.0001%

Notes:

- (iv) Mr. LO beneficially owns 281 shares of CEIL together with his spouse and is deemed to be interested in 5,760 shares of CEIL through his spouse.
- (v) All those shares were beneficially owned by Mr. SONG's spouse.
- (vi) As at 31 December 2019, the number of shares of CEIL in issue was 6,142,975,292 shares.

附註：

- (iv) 盧先生與其配偶共同實益擁有光大國際281股股份及透過其配偶被視作擁有光大國際5,760股股份之權益。
- (v) 所有該等股份由宋先生之配偶實益擁有。
- (vi) 於二零一九年十二月三十一日，光大國際已發行股份數目為6,142,975,292股。

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES AND UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, as at 31 December 2019, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2019, the following persons (other than a Director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company and the Stock Exchange:

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉(續)

除上文所披露者外，於二零一九年十二月三十一日，本公司董事及主要行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之任何股份、相關股份或債券的權益或淡倉。

董事認購股份或債券之權利

於年內任何時間，本公司、其任何附屬公司、控股公司或同系附屬公司概無參與任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲利。

根據證券及期貨條例須予披露之股東權益

於二零一九年十二月三十一日，下列人士(不包括董事或本公司主要行政人員)於本公司之股份及相關股份中持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司及聯交所之權益或淡倉載列如下：

INTERESTS OF SHAREHOLDERS DISCLOSEABLE
UNDER THE SFO (Continued)

根據證券及期貨條例須予披露之股東
權益(續)

Long position in shares of the Company (Continued)

本公司股份之好倉(續)

Name of substantial shareholder	主要股東名稱	Capacity 身份	Nature of interest 權益性質	Long position in ordinary shares held and approximate percentage of total issued shares (note (5)) 所持普通股之好倉及佔已發行股份總數之概約百分比(附註(5))
China Everbright Green Holdings Limited ("CE Green Holdings") (note (1))	中國光大綠色控股有限公司 (「光大綠色控股」)(附註(1))	Beneficial owner 實益擁有人	—	1,440,000,000 69.70%
CEIL (note (1))	光大國際(附註(1))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,440,000,000 69.70%
China Everbright Holdings Company Limited ("CE Hong Kong") (note (2))	中國光大集團有限公司 (「光大香港」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 70.81%
Datten Investments Limited ("Datten") (note (2))	Datten Investments Limited (「Datten」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,461,706,369 70.75%
Guildford Limited ("Guildford") (note (2))	Guildford Limited (「Guildford」) (附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,461,706,369 70.75%
China Everbright Group Ltd. ("China Everbright Group") (note (2))	中國光大集團股份公司 (「中國光大集團」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 70.81%
Central Huijin Investment Ltd. ("Huijin")	中央匯金投資有限責任公司 (「匯金」)	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 (note (3)) (附註(3)) 70.81%
				100,550,000 (note (4)) (附註(4)) 4.87%

INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO (Continued)

Long position in shares of the Company (Continued)

Notes:

- (1) CE Green Holdings is a wholly-owned subsidiary of CEIL, which is in turn controlled 42.01% by CE Hong Kong, through its direct and indirect wholly-owned subsidiaries. Accordingly, CEIL and CE Hong Kong are deemed to be interested in the 1,440,000,000 shares held by CE Green Holdings.
- (2) China Everbright Group holds 100% of the issued shares of CE Hong Kong. CE Hong Kong holds (1) 100% of the issued shares of Datten which in turn holds 55% of the issued shares of Guildford; (2) 100% of the issued shares of Everbright Investment & Management Limited ("EIM"); and (3) 45% of the issued shares of Guildford, respectively. Out of the 1,462,912,986 shares, 1,440,000,000 shares are held by CE Green Holdings and 21,706,369 shares are held by Guildford. The remaining 1,206,617 shares are held by EIM. Accordingly, China Everbright Group and CE Hong Kong are deemed to be interested in those shares held by CE Green Holdings, Guildford and EIM respectively.
- (3) Huijin is indirectly wholly-owned by the State Council of the People's Republic of China and holds 55.67% equity interests of China Everbright Group. It is deemed to be interested in the 1,462,912,986 shares indirectly held by China Everbright Group.
- (4) Huijin is also deemed to be interested in 100,550,000 shares held by its associated companies and a non-wholly owned subsidiary.
- (5) As at 31 December 2019, the number of shares of the Company in issue was 2,066,078,000 shares.

Apart from the foregoing, the Company had not been notified of any other interests by prescribed notices which were required to be recorded in the register kept under section 336 of the SFO.

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.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

根據證券及期貨條例須予披露之股東權益(續)

本公司股份之好倉(續)

附註：

- (1) 光大綠色控股為光大國際的全資附屬公司，而光大國際由光大香港透過其直接及間接全資附屬公司控制了42.01%。因此，光大國際及光大香港被視為於光大綠色控股持有的1,440,000,000股股份中擁有權益。
- (2) 中國光大集團持有光大香港100%已發行股份。光大香港分別持有(1) Datten 100%已發行股份，而Datten則持有Guildford 55%已發行股份；(2) 光大投資管理有限公司(「光大投資管理」)100%已發行股份；及(3) Guildford 45%已發行股份。在1,462,912,986股股份中，有1,440,000,000股股份由光大綠色控股持有及21,706,369股股份由Guildford持有；其餘1,206,617股股份則由光大投資管理持有。故此，中國光大集團及光大香港均被視為在光大綠色控股、Guildford及光大投資管理分別所持有之股份中擁有權益。
- (3) 匯金由中華人民共和國國務院間接全資擁有，並持有中國光大集團55.67%股權。其被視為於中國光大集團所間接持有之1,462,912,986股股份中擁有權益。
- (4) 匯金亦被視為透過其聯繫公司及非全資附屬公司持有100,550,000股股份中擁有權益。
- (5) 於二零一九年十二月三十一日，本公司已發行股份數目為2,066,078,000股。

除上述者外，本公司並無接獲訂明的通知，表示有任何其他權益已記錄於依照證券及期貨條例第336條須存置之登記冊內。

管理合約

於年內，概無訂立或於年內仍存在任何有關本公司全部或任何重大部分業務之管理及行政的合約。

獲准許彌償條款

根據章程細則規定，每名董事均有權以本公司資產彌償所有因彼執行職務或進行與此有關之其他事宜所蒙受或產生之所有虧損或負債。本公司已就本集團之董事及高級職員投購合適之董事及高級職員責任保險。

MATERIAL RELATED PARTY TRANSACTIONS

Material related party transactions entered into by the Group during the year are set out in note 28 to the financial statements include transactions that constituted continuing connected transactions of the Group as defined in the Listing Rules, the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules during the year.

CONNECTED TRANSACTION

Lease of the premise

On 18 May 2019, China Everbright Greentech Management Limited, an indirect wholly-owned subsidiary of the Company, entered into a new agreement with China Everbright Environmental Group Limited, a direct wholly-owned subsidiary of CEIL, in relation to subletting certain 36th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for a term of 3 years commencing from 18 May 2019 to 17 May 2022 (both days inclusive) at a monthly rent of HK\$349,920 (exclusive of rates, management fee, water, electricity, gas and other utility charges payable to independent third parties not connected with the Company in respect of the use of the premises during the lease term).

Following the adoption of Hong Kong Financial Reporting Standard 16 *Leases* issued by the Hong Kong Institute of Certified Public Accountants with effect from 1 January 2019, the Company recognised this transaction as an asset representing its right to use the leased asset, regarded as an acquisition of asset under the definition of transaction set out in Rule 14.04(1)(a) of the Listing Rules. As the transaction is less than 0.1% under all the applicable percentage ratio calculations in accordance with Chapter 14A of the Listing Rules, this transaction will be exempt from disclosure requirements.

重大關聯人士交易

本集團於年內進行的重大關聯人士交易載於財務報表附註28，當中包括構成本集團持續關連交易（定義見上市規則）的交易，本公司於年內已遵守上市規則第14A章項下的披露規定。

關連交易

租賃物業

於二零一九年五月十八日，本公司間接全資附屬公司中國光大綠色環保管理有限公司與光大國際之直接全資附屬公司中國光大環境集團有限公司訂立新協議，以分租香港夏慤道16號遠東金融中心36樓部分，租期自二零一九年五月十八日起至二零二二年五月十七日止（包括首尾兩日），為期三年，月租港幣349,920元（不包括差餉、管理費、水費、電費、煤氣費以及其他於租期內使用上述物業而應向與本公司概無關連的獨立第三方支付的公用支出）。

採納香港會計師公會所頒布，並由二零一九年一月一日起生效的香港財務報告準則第16號租賃後，本公司確認此交易為一項代表其使用租賃資產權利的資產，按上市規則第14.04(1)(a)條所載的交易定義被視為收購資產。由於根據上市規則第14A章，交易所有適用百分比率的計算均低於0.1%，故該交易獲豁免遵守披露規定。

CONTINUING CONNECTED TRANSACTIONS

Deposit and loan services

On 17 March 2017, the Company entered into the Deposit Services Framework Agreement and the Loan Services Framework Agreement (collectively, the “Services Framework Agreements”) with China Everbright Group. Pursuant to the Services Framework Agreements, China Everbright Group will, through its associate, China Everbright Bank Company Limited (“CE Bank”), provide deposit, loan and related services to the Group.

- (a) Pursuant to the Deposit Services Framework Agreement, China Everbright Group shall procure CE Bank to provide deposit services to the Group (including current and fixed term deposit) in accordance with rules and regulations prescribed by the People’s Bank of China (“PBOC”) and/or other relevant rules and regulations within or outside the PRC. The deposit services to be provided by CE Bank shall be on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.

During the year ended 31 December 2019, the maximum daily closing balance of the Group’s deposits (including interests accrued thereon) placed in CE Bank amounted to approximately HK\$436,987,000. This amount was below the annual cap of HK\$500,000,000 for the year ended 31 December 2019 which was proposed in the prospectus published on 21 April 2017.

持續關連交易

存款及貸款服務

於二零一七年三月十七日，本公司與中國光大集團訂立存款服務框架協議及貸款服務框架協議（統稱「服務框架協議」）。根據服務框架協議，中國光大集團將透過其聯繫人中國光大銀行股份有限公司（「光大銀行」）向本集團提供存款、貸款及相關服務。

- (a) 根據存款服務框架協議，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）。光大銀行將提供之存款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於截至二零一九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）為約港幣436,987,000元。此金額低於截至二零一九年十二月三十一日止年度之年度限額港幣500,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

CONTINUING CONNECTED TRANSACTIONS (Continued)

Deposit and loan services (Continued)

- (b) The Loan Services Framework 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 Framework Agreement, China Everbright Group shall procure CE Bank to provide loans to the Group (including revolving credit facility and fixed term loan) 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 CE Bank 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 2019, 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 approximately HK\$269,744,000. This amount was below the annual cap of HK\$500,000,000 for the year ended 31 December 2019 which was proposed in the prospectus published on 21 April 2017.

The Services Framework Agreements expired on 31 December 2019 and a new deposit services master agreement and a new loan services master agreement (collectively, the "New Services Master Agreements") were entered into between the Company and China Everbright Group on 6 December 2019. Pursuant to the New Services Master Agreements, China Everbright Group will, through its associate, CE Bank, provide deposit and loan services to the Group for a term of 3 years from 1 January 2020 to 31 December 2022. The annual cap in respect of the maximum daily closing balance of the Group's deposits (including interest accrued thereon) placed in CE Bank and 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 is HK\$400,000,000 for each of the three years ending 31 December 2020, 2021 and 2022. Details of the above were set out in the Company's announcement dated 6 December 2019.

持續關連交易(續)

存款及貸款服務(續)

- (b) 貸款服務框架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。根據貸款服務框架協議，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)。光大銀行將提供之貸款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於截至二零一九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)之最高每日結餘為約港幣269,744,000元。此金額低於截至二零一九年十二月三十一日止年度之年度限額港幣500,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

服務框架協議已於二零一九年十二月三十一日到期，而本公司與中國光大集團於已二零一九年十二月六日訂立新存款服務總協議及新貸款服務總協議(統稱「新服務總協議」)。根據新服務總協議，中國光大集團將透過其聯繫人光大銀行向本集團提供存款及貸款服務，自二零二零年一月一日起至二零二二年十二月三十一日止，為期三年。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，有關本集團存放於光大銀行之最高每日收市存款結餘(包括其應計利息)及光大銀行提供的本集團最高每日收市貸款結餘(不包括毋須以本集團資產作抵押的貸款)之每年的年度上限為港幣400,000,000元。上文所述有關詳情載於本公司日期為二零一九年十二月六日的公告。

CONTINUING CONNECTED TRANSACTIONS (Continued)

Lease of the premises

On 18 May 2016, China Everbright Greentech Management Limited, an indirect wholly-owned subsidiary of the Company, entered into an agreement (the “Sub-Tenancy Agreement”) with China Everbright Environmental Group Limited, a direct wholly-owned subsidiary of CEIL, in relation to subletting certain 36th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong with a total gross floor area of approximately 300.9 sq.m. for a term of 3 years commencing from 18 May 2016 to 17 May 2019 (both days inclusive) at a monthly rent of HK\$307,800 (exclusive of rates, management fee, water, electricity, gas and other utility charges payable to independent third parties not connected with the Company in respect of the use of the premises during the lease term).

On 1 January 2017, Everbright Greentech Management (Shenzhen) Company Limited (“Everbright Greentech Management (Shenzhen)”), an indirect wholly-owned subsidiary of the Company, entered into an agreement (the “PRC Tenancy Agreement”) with Everbright Environmental Protection (China) Company Limited, a wholly-owned subsidiary of CEIL, in relation to the leasing office premises with a total gross floor area of approximately 540.1 sq.m. for a term of 3 years commencing from 1 January 2017 to 31 December 2019 (both days inclusive) at a monthly rent of RMB124,624.22 (exclusive of management fee, water, electricity and other utility charges payable to independent third parties not connected with the Company in respect of the use of the premises during the lease term).

During the year ended 31 December 2019, the aggregated rent paid or payable to China Everbright Environmental Group Limited and Everbright Environmental Protection (China) Company Limited under the Sub-Tenancy Agreement and the PRC Tenancy Agreement of a total amounted to approximately HK\$3,092,000. The amount did not exceed the annual cap of HK\$3,199,691 for the year ended 31 December 2019 which was proposed in the prospectus published on 21 April 2017.

持續關連交易(續)

租賃物業

於二零一六年五月十八日，本公司間接全資附屬公司中國光大綠色環保管理有限公司與光大國際之直接全資附屬公司中國光大環境集團有限公司訂立協議（「分租協議」），以分租香港夏慤道16號遠東金融中心36樓部分，總建築面積約300.9平方米，租期自二零一六年五月十八日起至二零一九年五月十七日止（包括首尾兩日），為期三年，月租港幣307,800元（不包括差餉、管理費、水費、電費、煤氣費以及其他於租期內使用上述物業而應向與本公司概無關連的獨立第三方支付之公用支出）。

於二零一七年一月一日，本公司間接全資附屬公司光大綠色環保管理（深圳）有限公司（「光大綠色環保管理（深圳）」）與光大國際全資附屬公司光大環保（中國）有限公司訂立協議（「中國租賃協議」），以租賃總建築面積約540.1平方米之辦公室物業，租期自二零一七年一月一日起至二零一九年十二月三十一日止（包括首尾兩日），為期三年，月租人民幣124,624.22元（不包括管理費、水費、電費及其他於租期內使用上述物業而應向與本公司概無關連的獨立第三方支付之公用支出）。

於截至二零一九年十二月三十一日止年度，根據分租協議及中國租賃協議已付或應付中國光大環境集團有限公司及光大環保（中國）有限公司之租金合共約為港幣3,092,000元。有關金額並無超出截至二零一九年十二月三十一日止年度之年度限額港幣3,199,691元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

CONTINUING CONNECTED TRANSACTIONS (Continued)

Purchases of equipment

On 30 December 2016, Everbright Greentech Management (Shenzhen) entered into a framework agreement (“Equipment Purchase Framework Agreement”) with Everbright Environmental Protection Technology Equipment (Changzhou) Company Limited (“EB Environmental Changzhou”), an indirect wholly-owned subsidiary of CEIL, in respect of the purchase of the equipment and related services from EB Environmental Changzhou.

During the year ended 31 December 2019, the amounts payable to EB Environmental Changzhou under the Equipment Purchase Framework Agreement amounted to approximately RMB29,700,000. The amount did not exceed the annual cap of RMB100,000,000 for the year ended 31 December 2019 which was proposed in the prospectus published on 21 April 2017.

The Equipment Purchase Framework Agreement expired on 31 December 2019 and a new equipment purchase master agreement was entered into between Everbright Greentech Management (Shenzhen) and EB Environmental Changzhou on 6 December 2019 in respect of the purchase of the equipment and related services from EB Environmental Changzhou for a term of 3 years from 1 January 2020 to 31 December 2022. The annual cap in respect of the aggregate purchases by the Group under the new equipment purchase master agreement is RMB124,000,000 for each of the 3 years ending 31 December 2020, 2021 and 2022. Details of the above were set out in the Company’s announcement dated 6 December 2019.

Provision of design services

On 30 December 2016, Everbright Greentech Management (Shenzhen) entered into a framework agreement (“Project Design Services Framework Agreement”) with Jiangsu Design and Research Institute of Energy Conservation Engineering (“Jiangsu Design & Research Institute”), an indirect wholly-owned subsidiary of CEIL, in respect of the purchase of project design services from Jiangsu Design & Research Institute.

持續關連交易(續)

購買設備

於二零一六年十二月三十日，光大綠色環保管理(深圳)與光大國際間接全資附屬公司光大環保技術裝備(常州)有限公司(「光大環保常州」)就自光大環保常州購買設備及相關服務訂立框架協議(「設備購買框架協議」)。

於截至二零一九年十二月三十一日止年度，根據設備購買框架協議應付光大環保常州之金額約為人民幣29,700,000元。有關金額並無超出截至二零一九年十二月三十一日止年度之年度限額人民幣100,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

設備購買框架協議已於二零一九年十二月三十一日到期，而光大綠色環保管理(深圳)與光大環保常州已於二零一九年十二月六日就向光大環保常州購買設備及相關服務訂立新設備採購總協議，自二零二零年一月一日起至二零二二年十二月三十一日止，為期三年。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，有關本集團根據新設備採購總協議作出的購買總額每年的年度上限為人民幣124,000,000元。上文所述有關詳情載於本公司日期為二零一九年十二月六日的公告。

提供設計服務

於二零一六年十二月三十日，光大綠色環保管理(深圳)與光大國際間接全資附屬公司江蘇省節能工程設計研究院有限公司(「江蘇設計研究院」)就自江蘇設計研究院購買項目設計服務訂立框架協議(「項目設計服務框架協議」)。

CONTINUING CONNECTED TRANSACTIONS (Continued)

Provision of design services (Continued)

During the year ended 31 December 2019, the amounts payable to Jiangsu Design & Research Institute under the Project Design Services Framework Agreement amounted to approximately RMB736,000. The amount did not exceed the annual cap of RMB30,000,000 for the year ended 31 December 2019 which was proposed in the prospectus published on 21 April 2017.

Purchases of steam

On 6 December 2019, Everbright Biomass Energy (Suqian) Limited, an indirect wholly-owned subsidiary of the Company, entered into a steam purchase master agreement with EB Environmental Energy (Suqian) Company Limited (“EB Environmental Energy Suqian”), an indirect wholly-owned subsidiary of CEIL, in respect of the purchase of steam from EB Environmental Energy Suqian. The annual cap in respect of the aggregate purchases of steam under the steam purchase master agreement is RMB60,000,000 for each of the 3 years ending 31 December 2020, 2021 and 2022. Details of the above were set out in the Company’s announcement dated 6 December 2019.

The Independent Non-executive Directors have reviewed these continuing connected transactions in respect of deposit and loan services, lease of the premises, purchase of equipment and provision of design services (collectively, the “2019 Continuing Connected Transactions”) and confirmed that 2019 Continuing Connected 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 Shareholders as a whole.

持續關連交易(續)

提供設計服務(續)

於截至二零一九年十二月三十一日止年度，根據項目設計服務框架協議應付江蘇設計研究院之金額約為人民幣736,000元。有關金額並無超出截至二零一九年十二月三十一日止年度之年度限額人民幣30,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

購買蒸汽

於二零一九年十二月六日，本公司間接全資附屬公司光大生物能源(宿遷)有限公司與光大國際的間接全資附屬公司光大環保能源(宿遷)有限公司(「光大環保能源宿遷」)就向光大環保能源宿遷購買蒸汽訂立蒸汽採購總協議。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，有關本集團根據蒸汽採購總協議作出的購買總額每年的年度上限為人民幣60,000,000元。上文所述有關詳情載於本公司日期為二零一九年十二月六日的公告。

獨立非執行董事已審閱有關存款及貨款服務、租賃物業、購買設備及提供設計服務之持續關連交易(統稱「二零一九年持續關連交易」)，並確認二零一九年持續關連交易乃：

- 於本集團一般及日常業務過程中訂立；
- 按一般商業條款進行，倘無足夠可資比較交易判斷其是否按一般商業條款進行，則按就本集團而言不遜於向或獲獨立第三方提供之條款；及
- 根據規管該等交易之相關協議訂立，其條款屬公平合理且符合股東之整體利益。

CONTINUING CONNECTED TRANSACTIONS (Continued)

KPMG, the Company's auditor, was engaged to report on the Group's 2019 Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. KPMG has issued an unqualified letter containing the findings and conclusions in respect of the 2019 Continuing Connected Transactions disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The Directors confirm that the Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of the 2019 Continuing Connected Transactions.

Save as disclosed above, the Group did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules during the year.

RETIREMENT SCHEME

The Company 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.

The employees of the subsidiaries 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 statement of profit or loss during the year ended 31 December 2019 amounted to HK\$56,875,000.

持續關連交易(續)

本公司核數師畢馬威會計師事務所已獲委聘根據香港會計師公會頒佈之香港核證委聘準則第3000號「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「香港上市規則規定關於持續關連交易之核數師函件」，就本集團之二零一九年持續關連交易作出匯報。畢馬威會計師事務所已根據上市規則第14A.56條，就本集團於上文所披露之二零一九年持續關連交易發出無保留意見函件，當中載列其發現及結論。本公司已向聯交所提供核數師函件副本。

董事確認本公司已就其二零一九年持續關連交易遵守上市規則第14A章之規定。

除上文披露者外，於本年度內，本集團並無任何關連交易須根據上市規則第14A章之規定作出申報。

退休計劃

本公司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%。

中國附屬公司之僱員均參與當地政府運作之退休計劃。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。本集團於截至二零一九年十二月三十一日止年度向此等計劃所作之總供款額為港幣56,875,000元，並已計入綜合損益表內。

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, the Board confirms that the Company has maintained a sufficient public float as required by the Listing Rules during the year under review.

AUDITOR

The consolidated financial statements of the Group have been audited by KPMG, who will retire and will not offer themselves for re-appointment at the forthcoming AGM.

The Board, with the recommendation from the audit and risk management committee, has resolved to propose the appointment of Ernst & Young as the new independent auditor of the Company following the retirement of KPMG, subject to the approval of the Shareholders at the AGM, with effect from the date of the AGM to hold the office as auditor until the conclusion of the next annual general meeting of the Company.

By order of the Board

China Everbright Greentech Limited

WANG Tianyi

Chairman

Hong Kong, 26 February 2020

企業管治

本公司採納的主要企業管治常規載於企業管治報告。

足夠的公眾持股量

基於本公司取得之公開資料，以及就董事所知，董事會確認，於回顧年度內，本公司一直維持上市規則所規定之足夠公眾持股量。

核數師

本集團之綜合財務報表經畢馬威會計師事務所審核。畢馬威會計師事務所將任滿告退，並將不會於應屆股東週年大會上尋求續聘。

經審核及風險管理委員會推薦，董事會議決建議在畢馬威會計師事務所退任後，委任安永會計師事務所為本公司新任獨立核數師，惟須獲股東於股東週年大會上批准作實。核數師任期由股東週年大會當日起生效，直至本公司下一屆股東週年大會結束後屆滿。

承董事會命

中國光大綠色環保有限公司

王天義

主席

香港，二零二零年二月二十六日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHINA EVERBRIGHT GREENTECH LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Everbright Greentech Limited ("the Company") and its subsidiaries ("the Group") set out on pages 134 to 270 which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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 2019 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 ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of 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") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致中國光大綠色環保有限公司各股東獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

我們已審核中國光大綠色環保有限公司(「貴公司」)及其附屬公司(「貴集團」)載於第134至270頁之綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合損益及其他全面收益表、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」)頒布的香港財務報告準則(「香港財務報告準則」)真實及公平地反映貴集團於二零一九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」之披露規定妥為編製。

意見的基礎

我們按照香港會計師公會頒布之「香港審計準則」(「香港審計準則」)執行了審核工作。我們於該等準則項下之責任於本報告「核數師就審核綜合財務報表須承擔之責任」一節中詳述。根據香港會計師公會頒布之「專業會計師道德守則」(「守則」)及開曼群島與我們審核綜合財務報表有關之任何職業道德要求，我們獨立於貴集團，並已根據該等要求及守則履行其他專業道德責任。我們相信，我們所獲得之審核憑證能充足及適當地為我們之意見提供基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

關鍵審核事項

關鍵審核事項乃根據我們的專業判斷認為於本期綜合財務報表之審核中為最重要之事項。這些事項乃於我們對綜合財務報表整體進行審核並形成意見的背景下進行處理的，我們不對這些事項提供單獨的意見。

Recognition of construction revenue from service concession arrangements

來自服務特許經營權安排之建造收益確認

Refer to accounting policy note 1(u) and note 3 to the consolidated financial statements
參閱會計政策之附註1(u)及綜合財務報表附註3

The key audit matter

關鍵審核事項

The Group has entered into service concession arrangements with local governments in Mainland China to build and operate environmental protection projects, which include integrated biomass utilisation and hazardous waste treatment facilities. 貴集團已與中國內地當地政府訂立服務特許經營權安排，以建造及運營環保項目（包括生物質綜合利用及危廢處置設備）。

Accounting for revenue from long-term service concession arrangements under the prevailing accounting standards requires revenue to be recognised during the construction phase of a project, during service delivery and as a capital return on the asset.

根據現行會計準則就來自長期服務特許經營權安排之收益列賬，需要於項目施工階段及提供服務期間作為資產的資本回報確認收益。

The amount of construction revenue recognised is dependent on the Group's estimate of the fair value of construction services and the percentage of construction work completed during the year for each project.

已確認之建造收益金額乃取決於 貴集團對建造服務公允值的估計及各項目於年內完成施工之百分比而定。

How the matter was addressed in our audit

該事項在審核中是如何處理的

Our audit procedures to assess the recognition of construction revenue from service concession arrangements included the following: 我們對確認來自服務特許經營權安排之建造收益進行評估的審核程序包括以下各項：

- evaluating the Group's processes for applying the requirements of the prevailing accounting standards and inspecting contracts for projects which commenced construction in the current year to assess whether these fell within the scope of service concession arrangements under the prevailing accounting standards;
- 評價 貴集團應用現行會計準則要求的程序，並查核於本年度開始施工的項目所簽訂的合約，以評估有關情況是否介乎現行會計準則項下關於服務特許經營權安排的規定範圍內；
- understanding and assessing the design, implementation and operating effectiveness of the Group's key internal controls in place to assess the determination of the percentage of completion of construction contracts;
- 瞭解與評估 貴集團現行主要內部控制的設計、執行以及運作的有效性，以評價建造合約完工百分比的釐定方式；

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

The key audit matter 關鍵審核事項	How the matter was addressed in our audit 該事項在審核中是如何處理的
<p>Significant management judgement is required in determining the fair value of construction services which involves making estimates of the total construction costs and the gross profit margin for each project. The Group engaged an independent valuer to assist in the estimation of the fair value of construction services.</p> <p>於釐定建造服務公允值時，管理層須作出重大判斷，包括估計總建造成本及各項目之毛利率。貴集團委聘獨立評估師協助估計建造服務之公允值。</p> <p>The percentage of construction work completed during the year for each project is estimated based on surveys performed by independent surveyors with relevant qualifications and industry experience. Judgement is also required in estimating the percentage of construction work completed.</p> <p>年內各項目建造工程的完工百分比乃根據擁有相關資歷及行業經驗的獨立測量師所作之測量作出估計。估計建造工程完工百分比亦需要作出判斷。</p> <p>We identified the recognition of construction revenue from service concession arrangements as a key audit matter because of the significant judgement required to be exercised in estimating the total construction costs, gross profit margins and the percentage of construction work completed for each project which could be subject to management bias.</p> <p>我們視來自服務特許經營權安排之建造收益的確認為關鍵審核事項，乃由於估計各項目總建造成本、毛利率及建造工程完工百分比均須作出重大判斷，可能受管理層意見偏頗之影響。</p>	<ul style="list-style-type: none">• discussing with the independent valuer engaged by management the methodologies adopted in the assessment of the fair value of construction services and assessing the independence, experience, competence and credentials of the independent valuer;• 與管理層委聘的獨立評估師進行討論，以瞭解其在評估建造服務的公允值時採用的估值方法，同時評價獨立評估師的獨立性、經驗、勝任能力和資歷；• inspecting the valuation reports prepared by the independent valuer of the fair value of the construction services and, with the assistance of our internal valuation specialists, evaluating the valuation methodologies applied with reference to industry standards and practices and the assumptions adopted in the valuations by benchmarking the assumptions adopted with those of comparable companies with similar projects;• 查核獨立評估師對建造服務公允值編製的評估報告，並在我們的內部估值專家協助下，以承辦類似項目的可資比較公司所採用之假設作為基準，參考行業準則及慣例以及估值中所用假設，以評價估值方法；

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

<p>The key audit matter 關鍵審核事項</p>	<p>How the matter was addressed in our audit 該事項在審核中是如何處理的</p>
	<ul style="list-style-type: none"> • comparing the total budgeted construction costs adopted in the valuations with the costs of projects with similar capacities completed in prior years, taking into account the historical accuracy of such estimates, and assessing whether there was an indication of management bias in the preparation of total budgeted construction costs; • 將估值中所採用之建造成本總預算與往年已完工的類似規模項目成本比較，並考慮該等估計過往的準確性，同時評估於編製建造成本總預算時有否存在管理層意見偏頗之情況； • calculating, on a sample basis, the construction revenue for projects based on the percentage of completion with reference to progress reports certified by independent surveyors and the fair value of the construction services based on the valuation reports and comparing our calculations with the revenue recorded by the Group during the year for the selected projects; and • 參考獨立測量師認證之進度報告及根據估值報告作出之建造服務公允值，按照完工百分比以抽樣方式計算項目之建造收益，並將我們的計算結果與貴集團特定項目於年內錄得的收益作比較；及 • considering the disclosures in the consolidated financial statements in relation to service concessions arrangements with reference to the requirements of the prevailing accounting standards. • 參照現行會計準則的規定，考慮於綜合財務報表內就服務特許經營權安排作出的披露。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all 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 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 disclosure requirements of 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

綜合財務報表以外的資料及當中的核數師報告

董事須對其他資料負責。其他資料包括刊載於年報內的資料，但不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式之保證結論。

關於我們對綜合財務報表的審核，我們的責任是閱讀其他資料，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核過程中所知悉的情況存在重大抵觸或者似乎存在重大錯誤陳述。

基於我們已執行之工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒布的「香港財務報告準則」及香港「公司條例」的披露規定編製真實而公平之綜合財務報表，並負責其認為為使綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制。

在編製綜合財務報表時，董事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之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核及風險管理委員會協助董事履行職責，監督貴集團之財務申報流程。

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. This report is made solely to you, as a body, 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.

核數師就審核綜合財務報表須承擔之責任

我們的目標為對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我們意見在內的核數師報告。本報告僅向閣下（作為整體）作出，除此之外別無其他用途。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」進行之審核總能發現存在某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期該等陳述單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出之經濟決定，則有關的錯誤陳述可被視作重大。

在根據「香港審計準則」進行審核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和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之風險，設計及執行審核程序以處理這些風險，以及獲取充足和適當的審核憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述之風險高於未能發現因錯誤而導致的重大錯誤陳述之風險。
- 了解與審核相關之內部控制，以設計適當之審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的合適性及所作出會計估計及相關披露的合理性。

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 and Risk Management 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.

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

核數師就審核綜合財務報表須承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘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注意綜合財務報表中之相關披露。假若有關的披露不足，則我們應當修改我們的意見。我們的結論乃基於核數師報告日期止所取得之審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表之整體列報方式、結構及內容，包括披露，以及綜合財務報表是否公平地反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當之審核憑證，以便對綜合財務報表發表意見。我們負責 貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

我們與審核及風險管理委員會就(其中包括)審核的計劃範圍、時間安排及重大審核發現(包括我們於審核中識別出內部監控的任何重大缺陷)進行溝通。

我們亦向審核及風險管理委員會提交聲明，表明我們已符合有關獨立性之相關道德要求，並與彼等溝通有可能合理地被認為影響我們獨立性的所有關係及其他事項，以及相關防範措施(如適用)。

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

From the matters communicated with the Audit and Risk Management 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 Yuen Man Ching, Derek.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

26 February 2020

核數師就審核綜合財務報表須承擔之 責任(續)

從與審核及風險管理委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表之審核最為重要，從而構成關鍵審核事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中通報某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中通報該事項。

出具本獨立核數師報告的審核項目合夥人為袁文正先生。

畢馬威會計師事務所

執業會計師

香港中環
遮打道10號
太子大廈8樓

二零二零年二月二十六日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益	3	9,279,555	7,001,820
Direct costs and operating expenses	直接成本及經營費用		(6,478,539)	(4,932,366)
Gross profit	毛利		2,801,016	2,069,454
Other revenue	其他收益	4	166,449	158,664
Other loss	其他虧損	5	(849)	(601)
Administrative expenses	行政費用		(490,148)	(356,556)
Profit from operations	經營盈利		2,476,468	1,870,961
Finance costs	財務費用	6(a)	(376,891)	(202,384)
Share of profit/(loss) of a joint venture	所佔一家合營企業 盈利/(虧損)		9,890	(158)
Profit before taxation	除稅前盈利	6	2,109,467	1,668,419
Income tax	所得稅	7(a)	(462,362)	(337,068)
Profit for the year	本年度盈利		1,647,105	1,331,351
Attributable to:	應佔部分：			
Equity shareholders of the Company	本公司權益股東		1,621,477	1,324,871
Non-controlling interests	非控股權益		25,628	6,480
Profit for the year	本年度盈利		1,647,105	1,331,351
Earnings per share	每股盈利	10		
Basic and diluted (HK cents)	基本及攤薄(港仙)		78.48	64.12

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

The notes on pages 144 to 270 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to profit for the year are set out in note 24(b).

第144至270頁之附註構成本財務報表之一部分。本年度盈利應付本公司權益股東之股息詳情載於附註24(b)。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Profit for the year	本年度盈利	1,647,105	1,331,351
Other comprehensive income for the year:	本年度其他全面收入：		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
— Exchange differences on translation of financial statements of entities outside Hong Kong, net of nil tax	— 換算香港境外實體財務報表產生之匯兌差額，扣除零稅項		
— Subsidiaries	— 附屬公司	(307,063)	(423,077)
— An associate	— 一家聯營公司	(2,062)	(138)
— A joint venture	— 一家合營企業	(1,295)	(2,906)
		(310,420)	(426,121)
Total comprehensive income for the year	本年度全面收入總額	1,336,685	905,230
Attributable to:	應佔部分：		
Equity shareholders of the Company	本公司權益股東	1,315,563	900,712
Non-controlling interests	非控股權益	21,122	4,518
Total comprehensive income for the year	本年度全面收入總額	1,336,685	905,230

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

The notes on pages 144 to 270 form part of these financial statements.

第144至270頁之附註構成本財務報表之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	2,643,243	2,334,791
Interests in leasehold land held for own use	持作自用之租賃 土地權益	11	403,987	167,263
			3,047,230	2,502,054
Goodwill	商譽	12	149,079	—
Intangible assets	無形資產	12	10,781,335	7,486,422
Interest in an associate	一家聯營公司權益	14	76,621	56,216
Interest in a joint venture	一家合營企業權益	15	61,177	57,446
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	16	602,982	425,957
Contract assets	合約資產	17	3,962,637	2,852,061
Deferred tax assets	遞延稅項資產	22(b)	29,396	34,797
			18,710,457	13,414,953
Current assets	流動資產			
Inventories	存貨	18	228,391	124,656
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	16	1,379,846	1,239,535
Contract assets	合約資產	17	3,041,149	1,562,091
Tax recoverable	可收回稅項	22(a)	986	734
Pledged bank deposits	已抵押銀行存款		189,847	198,968
Deposits with banks	銀行存款		22,180	17,039
Cash and cash equivalents	現金及現金等價物	19	2,685,459	2,044,826
			7,547,858	5,187,849

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Current liabilities	流動負債			
Bank loans	銀行貸款	20		
— Secured	— 有抵押		920,529	626,389
— Unsecured	— 無抵押		1,101,810	288,986
			2,022,339	915,375
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	21	3,005,792	2,416,520
Lease liabilities	租賃負債	23	4,634	—
Current taxation	本期稅項	22(a)	43,771	23,622
			5,076,536	3,355,517
Net current assets	流動資產淨額		2,471,322	1,832,332
Total assets less current liabilities	總資產減流動負債		21,181,779	15,247,285
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	20		
— Secured	— 有抵押		5,552,115	3,400,454
— Unsecured	— 無抵押		3,520,322	1,690,730
			9,072,437	5,091,184
Other payables	其他應付款項	21	556,845	67,004
Lease liabilities	租賃負債	23	8,381	—
Deferred tax liabilities	遞延稅項負債	22(b)	956,764	658,023
			10,594,427	5,816,211
Net assets	資產淨額		10,587,352	9,431,074

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Capital and reserves	股本及儲備	24		
Share capital	股本		1,608,029	1,608,029
Other reserves	其他儲備		8,738,190	7,730,823
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		10,346,219	9,338,852
Non-controlling interests	非控股權益		241,133	92,222
Total equity	權益總額		10,587,352	9,431,074

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

Approved and authorised for issue by the board of directors on 26 February 2020

於二零二零年二月二十六日經董事會批准及授權刊發

QIAN Xiaodong

錢曉東

Director

董事

YANG Zhiqiang

楊志強

Director

董事

The notes on pages 144 to 270 form part of these financial statements.

第144至270頁之附註構成本財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔					Non-controlling interests			
		Share capital 股本	Share premium 股份溢價	Exchange reserve 匯兌儲備	Reserve fund 儲備金	Retained profits (Note) (附註)	Total 總額	Non-controlling interests 非控股權益	Total equity 權益總額	
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Balance at 1 January 2018	於二零一八年一月一日之結餘		1,608,029	4,923,446	(14,781)	119,158	2,112,200	8,748,052	17,994	8,766,046
Changes in equity for 2018:	二零一八年之權益變動：									
Profit for the year	本年度盈利		—	—	—	1,324,871	1,324,871	6,480	1,331,351	
Other comprehensive income	其他全面收入		—	—	(424,159)	—	(424,159)	(1,962)	(426,121)	
Total comprehensive income	全面收入總額		—	—	(424,159)	1,324,871	900,712	4,518	905,230	
Capital contributions received by non-wholly owned subsidiaries from non-controlling interests	非全資附屬公司從非控股權益收取所得之出資額	27	—	—	—	—	—	69,710	69,710	
2017 final dividend paid	派付二零一七年度末期股息	24(b)(ii)	—	(185,947)	—	—	(185,947)	—	(185,947)	
2018 interim dividend paid	派付二零一八年度中期股息	24(b)(i)	—	(123,965)	—	—	(123,965)	—	(123,965)	
Transfer to reserve fund	轉撥至儲備金		—	—	53,433	(53,433)	—	—	—	
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘		1,608,029	4,613,534	(438,940)	172,591	3,383,638	9,338,852	92,222	9,431,074

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Exchange reserve	Other reserve	Reserve fund	Retained profits	Total	Non-controlling interests	Total equity	
		股本	股份溢價	匯兌儲備	其他儲備	儲備金	保留盈利	總額	非控股權益	權益總額	
		(Note)									
		(附註)									
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Balance at 1 January 2019	於二零一九年一月一日之結餘	1,608,029	4,613,534	(438,940)	—	172,591	3,383,638	9,338,852	92,222	9,431,074	
Changes in equity for 2019:	二零一九年之權益變動:										
Profit for the year	本年度盈利	—	—	—	—	—	1,621,477	1,621,477	25,628	1,647,105	
Other comprehensive income	其他全面收入	—	—	(305,914)	—	—	—	(305,914)	(4,506)	(310,420)	
Total comprehensive income	全面收入總額	—	—	(305,914)	—	—	1,621,477	1,315,563	21,122	1,336,685	
Capital contributions received by non-wholly owned subsidiaries from non-controlling interests	非全資附屬公司從非控股權益收取所得之出資額	—	—	—	—	—	—	—	96,329	96,329	
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	—	—	—	55,347	55,347	
Acquisition of non-controlling interests	收購非控股權益	27	—	—	(8,615)	—	—	(8,615)	(23,887)	(32,502)	
2018 final dividend paid	派付二零一八年度末期股息	24(b)(ii)	(134,295)	—	—	—	—	(134,295)	—	(134,295)	
2019 interim dividend paid	派付二零一九年度中期股息	24(b)(ii)	(165,286)	—	—	—	—	(165,286)	—	(165,286)	
Transfer to reserve fund	轉撥至儲備金	—	—	—	—	93,291	(93,291)	—	—	—	
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	1,608,029	4,313,953	(744,854)	(8,615)	265,882	4,911,824	10,346,219	241,133	10,587,352	

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

The notes on pages 144 to 270 form part of these financial statements.

第144至270頁之附註構成本財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Operating activities	經營活動			
Profit before taxation	除稅前盈利		2,109,467	1,668,419
Adjustments for:	經調整：			
Depreciation	折舊	6(c)	144,672	117,483
Amortisation of intangible assets	無形資產攤銷	6(c)	245,109	168,664
Amortisation of interests in leasehold land held for own use	持作自用之租賃土地權益攤銷	6(c)	—	4,277
Finance costs	財務費用	6(a)	376,891	202,384
Interest income	利息收入	4	(16,145)	(25,910)
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之淨虧損	5	849	601
Share of (profit)/loss of a joint venture	所佔一家合營企業(盈利)/虧損		(9,890)	158
Effect of foreign exchange rates changes	外匯匯率變動之影響		8,486	(27,519)
Changes in working capital:	運營資金變動：			
Increase in inventories	存貨增加		(94,050)	(18,576)
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		(571,420)	(759,186)
Increase in contract assets	合約資產增加		(2,703,573)	(1,993,379)
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		525,177	472,248
Cash generated from/(used in) operations	經營活動所產生/ (動用)之現金		15,573	(190,336)
Interest received	已收利息		16,145	25,910
People's Republic of China ("PRC") income tax paid	已付中華人民共和國(「中國」)所得稅		(169,438)	(76,450)
Net cash used in operating activities	經營活動所動用之現金淨額		(137,720)	(240,876)

CONSOLIDATED CASH FLOW STATEMENT
綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Note 附註	
Investing activities	投資活動		
Payment for purchase of property, plant and equipment and interests in leasehold land held for own use	購買物業、廠房及設備以及持作自用之租賃土地權益之付款	(708,300)	(447,582)
Payment for additions of intangible assets	增置無形資產之付款	(3,291,679)	(2,492,736)
Payment for capital contribution to an associate	注資一家聯營公司之付款	(22,467)	(56,354)
Payment for capital contribution to a joint venture	注資一家合營企業之付款	—	(8,669)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	986	705
Increase in non-current portion of prepayments	非即期部分預付款項增加	—	(52,210)
Acquisition of subsidiaries, net of cash acquired	收購附屬公司，扣除所收購現金	(252,295)	—
(Increase)/decrease in deposits with banks	銀行存款(增加)/減少	(5,545)	687,199
Net cash used in investing activities	投資活動所動用之現金淨額	(4,279,300)	(2,369,647)
Financing activities	融資活動		
Proceeds from new bank loans	新增銀行貸款所得款項	6,308,574	3,243,972
Repayment of bank loans	償還銀行貸款	(1,035,921)	(506,052)
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/(增加)	4,409	(4,782)
Acquisition of non-controlling interests	收購非控股權益	(32,502)	—
Increase in amounts due from fellow subsidiaries	應收同系附屬公司款項增加	(25,878)	(3,952)
Capital contributions received by non-wholly owned subsidiaries from non-controlling interests	非全資附屬公司從非控股權益收取所得之出資額	96,329	69,710
Increase in amount due to non-controlling interests	應付非控股權益款項增加	17,513	—
Increase in amount due to intermediate holding company	應付中間控股公司款項增加	469,120	—
Dividends paid to equity shareholders of the Company	已付予本公司權益股東之股息	(299,581)	(309,912)
Capital element of lease rentals paid	已付租賃租金之資本部分	(2,781)	—
Interest element of lease rentals paid	已付租賃租金之利息部分	(605)	—
Other interest paid	已付其他利息	(400,290)	(213,091)
Net cash generated from financing activities	融資活動所產生之現金淨額	5,098,387	2,275,893

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物 增加/(減少)淨額		681,367	(334,630)
Cash and cash equivalents at 1 January	於一月一日之現金及 現金等價物		2,044,826	2,404,175
Effect of foreign exchange rates changes	外匯匯率變動之影響		(40,734)	(24,719)
Cash and cash equivalents at 31 December	於十二月三十一日之 現金及現金等價物	19	2,685,459	2,044,826

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated. See note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

The notes on pages 144 to 270 form part of these financial statements.

第144至270頁之附註構成本財務報表之一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2019 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate and a joint venture. All values in the financial statements are rounded to nearest thousand, unless otherwise indicated.

The measurement basis used in the preparation of the financial statements is the historical cost basis.

1 重大會計政策

(a) 合規聲明

本財務報表乃根據香港會計師公會（「香港會計師公會」）所頒布之所有適用香港財務報告準則（「香港財務報告準則」）（包括所有個別適用之香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例之披露規定編製。本財務報表同時符合適用的香港聯合交易所有限公司證券上市規則（「上市規則」）的披露規定。本集團所採納之重大會計政策於下文披露。

香港會計師公會已頒布若干新訂及經修訂香港財務報告準則，該等準則在本集團當前的會計期間首次生效或可供提早採用。附註1(c)載列因初次應用與本集團有關之新訂與經修訂準則而產生於本財務報表內反映當前及過往會計期間之會計政策變動資料。

(b) 財務報表之編製基準

截至二零一九年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司（統稱「本集團」）以及本集團於一家聯營公司及一家合營企業之權益。除非另行指明，財務報表的所有金額均約整至最接近的千位。

編製財務報表時所用的計量基準是歷史成本法。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 2.

1 重大會計政策 (續)

(b) 財務報表之編製基準 (續)

按照香港財務報告準則，編製財務報表要求管理層作出判斷、估計及假設，該等判斷、估計及假設會影響政策應用以及所呈報之資產、負債、收入及開支金額。此等估計及相關假設乃基於過往經驗及在有關情況下相信為合理之各項其他因素，而所得結果乃用作判斷顯然無法透過其他來源獲得有關資產與負債賬面值之依據。實際結果或有別於此等估計。

此等估計及相關假設會持續檢討。倘會計估計之修訂僅對修訂估計之期間產生影響，則有關修訂只會在該期間內確認；倘會計估計之修訂對現時及未來期間均產生影響，則會在作出該修訂期間及未來期間內確認。

管理層採用香港財務報告準則時所作對財務報表有重大影響的判斷，以及估計不確定因素的主要來源於附註2討論。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies

The HKICPA has issued a new HKFRS, HKFRS 16, *Leases*, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, *Leases*, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 16, Leases

HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) Interpretation 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low-value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

1 重大會計政策(續)

(c) 會計政策變動

香港會計師公會已頒布於本集團當前會計期間首次生效的一項新訂香港財務報告準則，即香港財務報告準則第16號「租賃」，以及多項香港財務報告準則的修訂本。

除香港財務報告準則第16號「租賃」外，概無任何發展情況對本集團如何編製或呈列本期間或過往期間的業績及財務狀況造成重大影響。本集團並無應用於本會計期間尚未生效的任何新訂準則或詮釋。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號「釐定安排是否包括租賃」、香港準則詮釋委員會詮釋第15號「經營租賃 – 優惠」及香港準則詮釋委員會詮釋第27號「評估涉及租賃法律形式之交易之內容」。其就承租人引入單一會計模式，規定承租人就所有租賃確認使用權資產及租賃負債，惟租賃期為12個月或以下的租賃(「短期租賃」)及低價值資產租賃除外。出租人的會計處理規定則大致保留香港會計準則第17號的規定。

香港財務報告準則第16號亦引入額外定性及定量披露規定，旨在令財務報表使用者得以評估租賃對實體財務狀況、財務業績及現金流量的影響。

本集團於二零一九年一月一日起首次應用香港財務報告準則第16號。本集團已選用經修訂追溯法，並因此已確認首次應用的累計影響作為對二零一九年一月一日權益年初結餘的調整。比較資料未被重列且繼續根據香港會計準則第17號呈報。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

a. New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

1 重大會計政策 (續)

(c) 會計政策變動 (續)

香港財務報告準則第16號「租賃」 (續)

有關過往會計政策變動之性質及影響以及所採用的過渡性選擇之進一步詳情載列如下：

a. 租賃之新定義

租賃定義之變動主要涉及控制權之概念。香港財務報告準則第16號根據客戶是否於一段時間內控制使用已識別資產而定義租賃，可透過確定使用量釐定。在客戶既有權指示使用已識別資產，亦有權從該用途獲得幾乎所有經濟利益的情況下，則控制權已轉移。

本集團僅將香港財務報告準則第16號的租賃新定義應用於二零一九年一月一日或之後訂立或變更之合約。本集團已就於二零一九年一月一日前訂立的合約使用過渡可行權宜方法豁免先前就現有安排屬於租賃或包含租賃所作之評估。因此，先前根據香港會計準則第17號評估為租賃之合約根據香港財務報告準則第16號繼續作為租賃入賬，而先前評估為非租賃服務安排之合約繼續入賬為待執行合約。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to property, plant and equipment as disclosed in note 29(b). For an explanation of how the Group applies lessee accounting, see note 1(i)(i).

At the date of transition to HKFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 4.2%.

1 重大會計政策(續)

(c) 會計政策變動(續)

香港財務報告準則第16號「租賃」
(續)

b. 承租人會計處理及過渡性影響

香港財務報告準則第16號取消承租人先前須按香港會計準則第17號將租賃分類為經營租賃或融資租賃之規定。相反，本集團作為承租人時須將所有租賃資本化，包括先前根據香港會計準則第17號分類為經營租賃的租賃，惟短期租賃及低價值資產租賃除外。就本集團而言，如附註29(b)所披露，該等新資本化租賃主要與物業、廠房及設備有關。有關本集團如何應用承租人會計處理的闡述，請見附註1(i)(i)。

於過渡至香港財務報告準則第16號當日(即二零一九年一月一日)，本集團釐定餘下租賃期，並按剩餘租賃付款的現值計量先前分類為經營租賃之租賃的租賃負債，並使用於二零一九年一月一日的相關增量借款利率貼現。用以釐定剩餘租賃付款現值的增量借款利率加權平均數為4.2%。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact (Continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019; and
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

1 重大會計政策 (續)

(c) 會計政策變動 (續)

香港財務報告準則第16號「租賃」
(續)

b. 承租人會計處理及過渡性影響 (續)

為方便過渡至香港財務報告準則第16號，本集團於首次應用香港財務報告準則第16號當日應用以下確認豁免及可行權宜方法：

- (i) 本集團選擇不將香港財務報告準則第16號有關確認租賃負債及使用權資產的規定應用於餘下租賃期自首次應用香港財務報告準則第16號日期起計12個月內屆滿的租賃，即其租賃年期於二零一九年十二月三十一日或之前屆滿；及
- (ii) 於計量首次應用香港財務報告準則第16號日期的租賃負債時，本集團就具有合理類似特徵之租賃組合應用單一貼現率（例如在類似經濟環境下就類似分類的相關資產具有類似餘下租賃期的租賃）。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact (Continued)

The following table reconciles the operating lease commitments as disclosed in note 29(b) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

		HK\$'000 港幣千元
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日 之經營租賃承擔	17,206
Less: commitments relating to leases exempt from capitalisation:	減：有關獲豁免資本化租賃 之承擔：	
— short-term leases and other leases with remaining lease term ending on or before 31 December 2019	— 短期租賃及餘下租賃期於 二零一九年十二月 三十一日或之前結束的 其他租賃	(5,076)
— leases of low-value assets	— 低價值資產租賃	(1,012)
		11,118
Less: total future interest expenses	減：未來利息支出合計	(3,148)
Total lease liabilities recognised at 1 January 2019	於二零一九年一月一日已確認的 租賃負債合計	7,970

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities at 31 December 2018.

於二零一八年十二月三十一日，先前分類為經營租賃的租賃之相關使用權資產已按等同於餘下租賃負債已確認的金額確認。

1 重大會計政策(續)

(c) 會計政策變動(續)

香港財務報告準則第16號「租賃」
(續)

b. 承租人會計處理及過渡性影響 (續)

下表載列如附註29(b)所披露的於二零一八年十二月三十一日的經營租賃承擔與於二零一九年一月一日確認的租賃負債之年初結餘對賬：

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact (Continued)

The Group presents right-of-use assets in “Property, plant and equipment” (except for leasehold land included in “Interests in leasehold land held for own use” as mentioned below) and presents lease liabilities separately in the statement of financial position. So far as the impact of the adoption of HKFRS 16 on interests in leasehold land held for own use previously classified as under operating leases is concerned, the Group is not required to make any adjustments at the date of initial application of HKFRS 16, other than changing the caption for the balance. These amounts are included within “Interests in leasehold land held for own use”.

There is no impact on the opening balance of the Group’s equity as at 1 January 2019 on the initial application of HKFRS 16.

c. Impact on the financial result, segment results and cash flows of the Group

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This results in a positive impact on the reported profit from operations in the Group’s consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

1 重大會計政策(續)

(c) 會計政策變動(續)

香港財務報告準則第16號「租賃」
(續)

b. 承租人會計處理及過渡性影響 (續)

本集團於「物業、廠房及設備」呈列使用權資產(惟下述租賃土地計入「持作自用之租賃土地權益」除外)，以及於財務狀況表內單獨呈列租賃負債。就採納香港財務報告準則第16號對先前分類為經營租賃的持作自用之租賃土地權益的影響而言，除更改結餘項目名稱外，本集團毋需於首次應用香港財務報告準則第16號當日作出任何調整。該等金額計入「持作自用之租賃土地權益」內。

首次應用香港財務報告準則第16號對本集團於二零一九年一月一日的權益年初結餘並無任何影響。

c. 對本集團財務業績、分部業績及現金流量之影響

於二零一九年一月一日首次確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債未償還餘額中產生之利息開支，以及使用權資產之折舊，以取代過往於租期內以直線法確認根據經營租賃產生的租賃開支之政策。與倘於本年度應用香港會計準則第17號所得業績相比，此舉對本集團綜合損益表中錄得的經營盈利產生正面影響。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

HKFRS 16, Leases (Continued)

c. Impact on the financial result, segment results and cash flows of the Group (Continued)

In the consolidated cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see note 19(b)). These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

1 重大會計政策(續)

(c) 會計政策變動(續)

香港財務報告準則第16號「租賃」
(續)

c. 對本集團財務業績、分部業績及現金流量之影響(續)

於綜合現金流量表中，本集團作為承租人須將資本化租賃項下所支付的租金分為本金部分及利息部分(見附註19(b))。該等部分乃分類為融資現金流出，類似於先前根據香港會計準則第17號分類為融資租賃的租賃之處理方式，而非如同香港會計準則第17號項下經營租賃的情況分類為經營現金流出。

(d) 附屬公司及非控股權益

附屬公司乃本集團控制的實體。當本集團對來自某一實體業務之浮動回報具有承擔或享有權利，以及能運用權力影響該等回報金額時，本集團即具有該實體之控制權。在評估本集團是否擁有權力時，只會考慮實質權利(由本集團及其他人士持有)。

於附屬公司的投資綜合計入綜合財務報表，由控制開始之日起直至控制終止之日止。集團內公司間的結餘、交易及現金流與集團內公司間的交易所產生之任何未變現盈利，會於編製綜合財務報表時全面撤銷。集團內公司間的交易所產生之任何未變現虧損亦會如未變現收益般撤銷，惟倘無耗損證據則例外。

非控股權益是指並非由本公司直接或間接於附屬公司應佔的權益，及本集團並未與該等權益的持有人達成任何額外條款，從而令本集團在總體上對該等權益產生合約性責任，使其符合金融負債的定義。就各項業務合併而言，本集團可選擇以公允值或非控股權益按比例所分佔的附屬公司可辨別資產淨值計量任何非控股權益。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 1(o) or (p) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(j)(iii)), unless the investment is classified as held for sale.

1 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

非控股權益在綜合財務狀況表是包括在權益內但與本公司權益股東應佔的權益分開列示。本集團業績內的非控股權益作為本年度盈利或虧損總額及全面收益總額在非控股權益與本公司權益股東之間的分配，於綜合損益表及綜合損益及其他全面收益表內列示。來自非控股權益持有人的貸款及對該等持有人的其他合約義務，根據附註1(o)或(p)及取決於該等負債性質於綜合財務狀況表列作金融負債。

本集團於附屬公司之權益變動若無導致失去控制權，會按股權交易入賬，即調整綜合股本權益內之控制及非控制權益金額以反映相關權益之變動，但不確認損益。

當本集團喪失對一家附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益內確認。任何在喪失控制權當日仍保留該前附屬公司之權益按公允值確認，而此金額被視為於初始確認金融資產時的公允值，或(如適用)初始確認於一家聯營公司或一家合營企業的投資之成本。

於本公司之財務狀況表，於附屬公司的投資乃按成本減去耗損虧損列賬(見附註1(j)(iii))，除非該投資被分類為持作出售。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associates and joint ventures

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

A joint venture is an arrangement whereby the Group and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 1(j)(iii)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investee's other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

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

1 重大會計政策(續)

(e) 聯營公司及合營企業

聯營公司指本集團對其管理(包括參與其財務及經營政策決策)具有重大影響力,但並無控制權或共同控制權的實體。

合營企業為一項安排,據此本集團及其他訂約方同意分享該安排之控制權,及對該安排之淨資產享有權利。

於聯營公司或合營企業之投資根據權益法入賬綜合財務報表內,惟有關投資分類為持作出售投資除外。根據權益法,有關投資首先按成本值入賬,並就本集團所佔投資對象可辨別資產淨值於收購日期之公允值超過投資成本之數(如有)作出調整。有關投資其後按本集團所佔投資對象資產淨值於收購後之變動及任何有關投資的耗損虧損作出調整(見附註1(j)(iii))。於收購日期超過成本值之數、本集團所佔投資對象於本年度之收購後稅後業績及任何耗損虧損將於綜合損益表確認,而本集團所佔投資對象之收購後稅後其他全面收入則於綜合損益及其他全面收益表確認。

當本集團分攤之虧損超過其於聯營公司或合營企業之權益時,則本集團之權益將會減至零,並毋須確認其他虧損,惟本集團需對投資對象承擔法定或推定責任或代表投資對象付款除外。就此而言,本集團之權益為根據權益法所得之投資賬面值,連同實際構成本集團於聯營公司或合營企業之投資淨額之任何長期權益。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associates and joint ventures (Continued)

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

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

(f) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash-generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 1(j)(iii)).

1 重大會計政策(續)

(e) 聯營公司及合營企業(續)

本集團與其聯營公司及合營企業之間的交易所產生之未變現盈虧均在本集團之投資對象權益中沖銷，惟有證據顯示未變現虧損由已轉讓資產之耗損產生除外。在此情況下，其隨即在損益中確認。

當本集團對聯營公司不再具有重大影響力或對合營企業不再具有共同控制權時，將會當作出售該投資對象之全部權益入賬，而所得盈虧將於損益中確認入賬。於失去重大影響力或共同控制權當日在該前投資對象仍保留之任何權益將按公允值確認入賬，而該金額將被視為初始確認金融資產時之公允值。

(f) 商譽

商譽指以下兩者之差額

- (i) 所轉讓代價之公允值、於被收購方的任何非控股權益金額及本集團過往於被收購方所持有股權之公允值的總額；減
- (ii) 被收購方可辨別資產及負債於收購日期計量之公允淨值。

當(ii)高於(i)時，則其差額即時於損益中確認為議價購買之收益。

商譽按成本減累計耗損虧損列賬。業務合併產生的商譽會分配至預期可透過合併的協同效益獲利的各現金產生單位或一組現金產生單位，並且每年接受耗損測試(見附註1(j)(iii))。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Goodwill (Continued)

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

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(j)(iii)).

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

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

1 重大會計政策(續)

(f) 商譽(續)

於年內出售的現金產生單位的任何應佔購入商譽均包括在出售項目的損益內。

(g) 物業、廠房及設備

物業、廠房及設備按成本值減去累計折舊及耗損虧損入賬(見附註1(j)(iii))。

自建物業、廠房及設備項目之成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌之成本(倘有關)之初步估計,以及適當比例之生產日常開支及借貸成本(見附註1(x))。

物業、廠房及設備項目退廢或出售所產生之盈虧按出售所得款項淨額與有關項目之賬面值之間的差額釐定,並於退廢或出售當日於損益表確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Property, plant and equipment (Continued)

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

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, from 20 to 50 years after the date of completion.
- Plant and machinery 5 to 25 years
- Leasehold improvements 10 years or over the remaining term of the lease, if shorter
- Other properties leased for own use carried at cost 3 to 22 years
- Furniture and fixtures 5 to 10 years
- Motor vehicles, electronic equipment and others 3 to 12 years

No depreciation is provided in respect of construction in progress.

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

1 重大會計政策(續)

(g) 物業、廠房及設備(續)

物業、廠房及設備項目乃使用直線法按其估計可使用年期減去其估計剩餘價值(如有)以撇銷其成本值計算折舊，詳情如下：

- 位於租賃土地之上的樓宇乃按未屆滿租賃年期或估計可使用年期(即完工日期起計20至50年)(以較短者為準)計算折舊。
- 廠房及機器 5至25年
- 租賃物業裝修 10年或剩餘租賃年期(以較短者為準)
- 其他按成本計量之自用租賃物業 3至22年
- 傢俬及裝置 5至10年
- 汽車、電子設備及其他 3至12年

概無就在建工程作出折舊撥備。

當一項物業、廠房及設備項目各部分具有不同的可使用年期時，此項目之成本將按合理基礎在各部分之間分配，而每部分將作個別折舊。資產之可使用年期及其剩餘價值(如有)會每年進行檢討。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Intangible assets (other than goodwill)

The intangible assets are stated at cost less accumulated amortisation and impairment losses (see note 1(j)(iii)).

Amortisation of intangible assets is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets are amortised from the date they are available for use and their estimated useful lives are as follows:

— Integrated biomass utilisation project operating rights	30 years
— Hazardous and solid waste treatment project operating rights	20 to 30 years
— Licences	6 to 10 years
— Technologies	8 years
— Backlog contracts	2 years

Both the period and method of amortisation are reviewed annually.

1 重大會計政策(續)

(h) 無形資產(商譽除外)

無形資產按成本值減去累計攤銷及耗損虧損列賬(見附註1(j)(iii))。

無形資產之攤銷按直線法於其估計可使用年期計入損益表。以下無形資產自其可供使用日期起攤銷及其估計可使用年期如下：

— 生物質綜合利用項目經營權	30年
— 危廢及固廢處置項目經營權	20至30年
— 牌照	6至10年
— 技術	8年
— 未完成合同	2年

攤銷期限及方法均會每年審閱。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Leased assets

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

(A) Policy applicable from 1 January 2019

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

1 重大會計政策(續)

(i) 租賃資產

於合約成立時，本集團會評估合約是否為租賃或包含租賃。倘合約賦予在一段時間內控制已辨別資產使用的權利以換取代價，則合約為租賃或包含租賃。如果客戶有權主導可辨別資產的使用及從該使用中獲取幾乎所有的經濟收益，則控制權是已讓渡。

(i) 作為承租人

(A) 自二零一九年一月一日適用的政策

於租賃開始日期，本集團確認的使用權資產及租賃負債(租賃期為12個月或更短的短期租賃以及低價值資產租賃除外)。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。而與該等不作資本化租賃相關的租賃付款於租賃期內按系統基準確認為開支。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Leased assets (Continued)

(i) As a lessee (Continued)

(A) Policy applicable from 1 January 2019 (Continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 1(g) and 1(j)(iii)).

1 重大會計政策(續)

(i) 租賃資產(續)

(i) 作為承租人(續)

(A) 自二零一九年一月一日適用的政策(續)

當將租賃資本化時，租賃負債按租賃期內應付租賃付款的現值初始確認，並使用租賃所隱含之利率或（倘該利率不可直接釐定）使用相關之遞增借款利率貼現。於初始確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。不取決於某一指數或比率之可變租賃付款並未包括於租賃負債之計量，因此於其產生之會計期間於損益中支銷。

於租賃資本化時確認之使用權資產初始時按成本計量，包括租賃負債之初始值加上於開始日期或之前支付之任何租賃付款，以及所產生之任何初始直接成本。在適用情況下，使用權資產之成本亦包括拆除及移除相關資產或還原相關資產或該資產所在場所而產生之估計成本，該成本須貼現至其現值並扣除任何收取之租賃優惠。使用權資產隨後按成本減去累計折舊及耗損虧損列賬（見附註1(g)及1(j)(iii)）。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Leased assets (Continued)

(i) As a lessee (Continued)

(A) Policy applicable from 1 January 2019 (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in "property, plant and equipment" and "interests in leasehold land held for own use" and presents lease liabilities separately in the statement of financial position.

1 重大會計政策(續)

(i) 租賃資產(續)

(i) 作為承租人(續)

(A) 自二零一九年一月一日 適用的政策(續)

當未來租賃付款因某一指數或比率變動而變更，或當本集團根據殘值擔保估計預期應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產之賬面值將作相應調整，或倘使用權資產之賬面值已減至零，則於損益內列賬。

本集團在「物業、廠房及設備」及「持作自用之租賃土地權益」內呈列使用權資產，並於財務狀況表中單獨呈列租賃負債。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Leased assets (Continued)

(i) As a lessee (Continued)

(B) Policy applicable prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

1 重大會計政策(續)

(i) 租賃資產(續)

(i) 作為承租人(續)

(B) 於二零一九年一月一日前適用的政策

於比較期間，倘租賃所有權的絕大部分風險及回報轉移至本集團，則本集團(作為承租人)將租賃分類為融資租賃，而所有權絕大部分風險及回報不會轉移至本集團的租賃則歸類為經營租賃。

倘本集團取得根據經營租賃持有之資產的使用權，則租賃付款於租期所涵蓋之會計期間等額分期自損益扣除，惟有其他基準更能代表租賃資產所產生利益之模式則除外。所收到的租賃優惠於損益確認為租賃淨付款總額的一部分。或然租金乃於產生的會計期間內自損益扣除。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 1(m)).

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls of trade and other receivables and contract assets are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損

(i) 金融工具及合約資產的信貸虧損

本集團就以下項目確認預期信貸虧損(「預期信貸虧損」)的虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等價物、貿易及其他應收款項)；及
- 香港財務報告準則第15號界定的合約資產(見附註1(m))。

按公允值計量的金融資產毋須接受預期信貸虧損評估。

預期信貸虧損之計量

預期信貸虧損為按概率加權估計之信貸虧損。信貸虧損以所有預期現金差額(即本集團按合約應收現金流量與本集團預期可收取之現金流之間的差額)的現值計量。

倘貼現影響重大，則貿易及其他應收款項以及合約資產的預期現金差額將採用於初步確認時釐定的實際利率或其近似值貼現。

估計預期信貸虧損時所考慮的最長期間是以本集團面對信貸風險的最長合約期間為準。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments and contract assets (Continued)*

Measurement of ECLs (Continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

- (i) *金融工具及合約資產的信貸虧損(續)*

預期信貸虧損之計量(續)

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本或努力下即可獲得之合理可靠資料。這包括有關過往事件、現時狀況及未來經濟條件預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期預期信貸虧損：指預期信貸虧損模型在整個存續期內所有可能違約事件而導致的預期虧損。

應收賬款及合約資產之虧損撥備一般按等同於整個存續期預期信貸虧損的金額計量。該等金融資產的預期信貸虧損基於本集團過往信貸虧損經驗(並就債務人的具體因素作出調整)及於報告日期現有及預期一般經濟狀況的評估採用撥備總表估計。

1 SIGNIFICANT ACCOUNTING POLICIES
(Continued)

(j) Credit losses and impairment of assets
(Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this assessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held). The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

- (i) 金融工具及合約資產的信貸虧損(續)

預期信貸虧損之計量(續)

就所有其他金融工具而言，本集團按等於12個月預期信貸虧損確認虧損撥備，除非自初始確認後金融工具的信貸風險大幅增加，在此情況下虧損撥備按等於整個存續期預期信貸虧損金額計量。

信貸風險大幅增加

在評估金融工具的信貸風險有否自初始確認後大幅增加時，本集團將於報告日期評估的金融工具的違約風險與初始確認日評估的風險進行比較。進行評估時，本集團考慮因借款人不大可能向本集團悉數支付其信貸責任而本集團無法採取行動(如變現抵押品(如持有))作出追索所發生的違約事件。本集團考慮合理可靠的定量及定性資料，包括歷史經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments and contract assets (Continued)*

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

- (i) *金融工具及合約資產的信貸虧損(續)*

信貸風險大幅增加(續)

尤其是，在評估自初始確認後信貸風險是否大幅增加時，將考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具的外部或內部信用評級(如可獲得)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 技術、市場、經濟或法律環境現有或預測變化為債務人履行其對本集團義務的能力造成重大不利影響。

根據金融工具的性质，信貸風險是否大幅增加的評估按個別或合併方式進行。當評估按合併方式進行時，金融工具根據分擔的信用風險特徵進行分組，如逾期狀況及信貸風險評級。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments and contract assets (Continued)*

Significant increases in credit risk (Continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

- (i) 金融工具及合約資產的信貸虧損(續)

信貸風險大幅增加(續)

預期信貸虧損於各報告日期進行重新計量，以反映自初始確認後金融工具信貸風險的變化。預期信貸虧損金額的任何變化於損益中確認為耗損收益或虧損。本集團確認所有金融工具的耗損收益或虧損，並透過虧損撥備賬對其賬面值進行相應調整。

利息收入計算基準

利息收入按金融資產的總賬面值計算，除非金融資產出現信貸耗損，在此情況下利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

在各個報告日，本集團評估金融資產是否出現信貸耗損。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產產生信貸耗損。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments and contract assets (Continued)*

Basis of calculation of interest income (Continued)

Evidence that a financial asset is credit impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation; or
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Write-off policy

The gross carrying amount of a financial asset or contract asset is 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.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

- (i) *金融工具及合約資產的信貸虧損(續)*

利息收入計算基準(續)

金融資產信貸耗損的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；或
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響。

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產或合約資產的總賬面金額。該情況通常出現在本集團確定債務人沒有資產或收入來源以可產生足夠的現金流量來償還應撇銷的金額。

之前撇銷之資產隨後之收回作為耗損撥回在作出收回的期間於損益內確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the “holder”) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees issued are initially recognised within creditors, other payables and accrued expenses at fair value, which is determined by reference to fees charged in an arm’s length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group’s policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

(ii) 已發出之財務擔保信貸虧損

財務擔保乃要求簽發人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

財務擔保初始按公允值於應付賬款、其他應付款項及應計費用確認，其乃經參考在相若服務之公平交易所收取之費用釐定(倘可取得相關資料)，或經參考利率差價(即將貸款機構對發出擔保所收取之實際息率，與在沒有取得擔保之情況下貸款機構將可能收取之估計息率作出比較)而釐定(倘可作出有關資料之可靠估計)。倘在發出該擔保時已收取或可收取代價，該代價將根據本集團適用於該類資產之政策而予以確認。倘並無收取或不會收取有關代價，則即時於損益表內確認為開支。

於初始確認後，最初確認為遞延收入的金額按擔保年期於損益表內攤銷為已發出財務擔保之收入。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued (Continued)

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher than the amount carried in creditors, other payables and accrued expenses in respect of the guarantees (i.e. the amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 1(j)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

(ii) 已發出之財務擔保信貸虧損 (續)

本集團監察特定債務人的違約風險，並於財務擔保的預期信貸虧損釐定為超過有關擔保在應付賬款、其他應付款項及應計費用入賬的金額(即初始確認金額減累計攤銷)的情況下確認撥備。

為釐定預期信貸虧損，本集團會考慮特定債務人自發出擔保以來的違約風險變動，並會計量12個月的預期信貸虧損，惟在特定債務人自發出擔保以來的違約風險大幅增加的情況下除外，在此情況下，則會計量整個存續期的預期信貸虧損。附註1(j)(i)所述的相同違約定義及信貸風險大幅增加的相同評估標準適用於此。

由於本集團僅須於根據獲擔保工具的條款特定債務人違約時作出付款，故預期信貸虧損乃按預期就補償持有人產生的信貸虧損而作出的付款，減本集團預期從擔保持有人(特定債務人或任何其他人士)收取的任何款項估計。有關金額其後將使用現時的無風險利率貼現，並就現金流量的特定風險作出調整。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- pre-paid interests in leasehold land;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill and intangible assets that are not yet available for use, the recoverable amount is estimated annually whether or not there is any indication of impairment.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

(iii) 其他非流動資產之耗損

本集團會於每個報告期末審閱內部及外界所得資料，以確定下列資產是否出現耗損或先前已確認之耗損虧損是否已經不再存在或已經減少的跡象：

- 物業、廠房及設備(包括使用權資產)；
- 租賃土地預付權益；
- 無形資產；
- 商譽；及
- 於本公司財務狀況表中於附屬公司之投資。

倘出現任何該等跡象，便會估計資產之可收回金額。此外，就商譽及尚未可供使用之無形資產而言，其可收回金額會每年估計(不論有否出現耗損跡象)。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets (Continued)

— Calculation of recoverable amount

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

— Recognition of impairment losses

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

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

(iii) 其他非流動資產之耗損(續)

— 計算可收回金額

資產之可收回金額為其公允價值減去出售成本或使用價值(以較高者為準)。在評估使用價值時,估計日後現金流量乃根據除稅前貼現率貼現至現值,而該貼現率須能反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流入,可收回金額則指可獨立產生現金流量之最小資產組別(即現金生產單位)之可收回金額。

— 確認耗損虧損

倘資產或其所屬之現金產生單位之賬面值超過其可收回金額,則於損益表確認耗損虧損。就現金產生單位確認之耗損虧損首先按比例用作減少現金產生單位(或現金產生單位組別)內商譽之賬面值,然後再按比例用作減少單位(或單位組別)內其他資產之賬面值,惟資產之賬面值將不得減少至低於其個別公允價值減去出售成本之數(如能計量)或使用價值(如能計算)之情況除外。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets (Continued)

— Reversals of impairment losses

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

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

(k) Inventories

Inventories, mainly comprise biomass fuel, spare parts and consumables used in the repairs and maintenance, are carried at cost less provision for obsolescence (if any). Cost is calculated using the weighted average cost formula. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in profit or loss.

1 重大會計政策(續)

(j) 信貸虧損及資產耗損(續)

(iii) 其他非流動資產之耗損(續)

— 撥回耗損虧損

就商譽以外的資產而言，倘用作釐定可收回金額之估計出現有利變動，則會撥回耗損虧損。商譽的耗損虧損不予撥回。

耗損虧損撥回之數以該資產在過往年度沒有確認任何耗損虧損而應已釐定之賬面值為限。耗損虧損撥回於確認有關撥回之年度計入損益表內。

(k) 存貨

存貨主要包括生物質原料、零配件、用於維修及保養的消耗品，乃按成本值減去報廢撥備(如有)列賬。成本值按加權平均成本公式計算。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。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 1(u)(i). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are accounted for in accordance with note 1(m).

(m) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(u)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 1(j)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(n)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(u)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 1(n)).

1 重大會計政策(續)

(l) 建造合約

建造合約指公司與客戶就建造一項資產或一組資產而明確磋商，且有關客戶能指明設計之主要結構部分之合約。合約收入之會計政策載於附註1(u)(i)。倘能夠可靠地估計建造合約之成果，則合約成本會參照報告期末之合約完成程度確認為支出。如合約總成本有可能超過合約總收入，便會即時將預期虧損確認為支出。倘不能可靠地估計建造合約之成果，則合約成本於產生期間確認為支出。

於報告期末尚在進行中之建造合約根據附註1(m)入賬。

(m) 合約資產及合約負債

當本集團於根據合約所載付款條款無條件享有代價前確認收益(見附註1(u))，則確認合約資產。合約資產按附註1(j)(i)所載政策接受預期信貸虧損評估，並於獲得代價權利成為無條件時重新分類為應收款項(見附註1(n))。

當客戶於本集團確認相關收益(見附註1(u))前支付代價，則確認合約負債。倘本集團於確認相關收益前擁有收取代價的無條件權利，亦會確認合約負債。於該等情況，相關應收款項亦獲確認(見附註1(n))。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Contract assets and contract liabilities (Continued)

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 1(u)(iv)).

(n) Debtors, other receivables, deposits and prepayments

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(m)).

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

1 重大會計政策(續)

(m) 合約資產及合約負債(續)

就與客戶的單一合約，合約資產淨值或合約負債淨額獲呈列。至於多份合約，非相關合約的合約資產及合約負債不會按淨額基準呈列。

當合約包括重大融資組成部分，合約餘額包括根據實際利息法累計的利息(見附註1(u)(iv))。

(n) 應收賬款、其他應收款項、按金及預付款項

應收款項於本集團有無條件權利收取代價時確認。倘於到期支付代價前僅需時間推移，則收取代價的權利為無條件。倘本集團於擁有收取代價的無條件權利前確認收益，則金額呈列為合約資產(見附註1(m))。

應收賬款、其他應收款項、按金及預付款項初步按公允值確認，其後則使用實際利率法按攤銷成本減去信貸虧損撥備列賬(見附註1(j)(i))，惟如有關應收款項為給予關聯人士之免息貸款，而有關貸款並無固定還款期或貼現影響甚微者則除外。在此情況下，有關應收款項按成本值減去信貸虧損撥備列賬。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method. Interest expense is recognised with the Group's accounting policy for borrowing costs (see note 1(x)).

(p) Creditors, other payables and accrued expenses

Creditors, other payables and accrued expenses are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 1(j)(ii), creditors, other payables and accrued expenses are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(q) Cash and cash equivalents

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

1 重大會計政策(續)

(o) 計息借貸

計息借貸初步按公允值減去應佔交易成本確認。在初步確認後，計息借貸按攤銷成本列賬，而初步確認數額與贖回價值兩者之任何差額(連同任何應付利息及費用)於借貸期內按實際利率法在損益表中確認。利息開支按本集團之借貸成本會計政策確認(見附註1(x))。

(p) 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用初步按公允值確認。除了按照附註1(j)(ii)計算之財務擔保負債外，應付賬款、其他應付款項及應計費用其後按攤銷成本列賬，惟如貼現影響甚微則除外。在此情況下，則按成本值列賬。

(q) 現金及現金等價物

現金及現金等價物包括銀行現金及手持現金、於銀行及其他財務機構之活期存款以及可隨時兌換為已知金額現金、其價值變動風險並不重大，並在購入起計三個月內到期之短期及高流通性投資。就綜合現金流量表而言，現金及現金等價物亦包括須按要求償還及構成本集團現金管理主要部分的銀行透支。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits

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

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

(ii) *Termination benefits*

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(s) Income tax

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

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

1 重大會計政策(續)

(r) 僱員福利

(i) *短期僱員福利及定額供款退休計劃供款*

薪金、年度花紅、年度有薪假期、定額供款退休計劃供款及非金錢福利之成本於僱員提供相關服務之年度累計。倘因遞延付款或償付而造成重大影響，則有關數額按現值列賬。

(ii) *終止福利*

終止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福利的重組成本當日(以較早者為準)確認。

(s) 所得稅

年內所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均於損益表內確認，惟如其與於其他全面收入中或直接於權益中確認之項目有關，則有關稅項金額須分別於其他全面收入中確認或直接於權益中確認。

本期稅項是按年內應課稅收入，以報告期末採用或主要採用之稅率計算之預期應繳稅項，以及任何有關過往年度應繳稅項之調整。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

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

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

1 重大會計政策(續)

(s) 所得稅(續)

遞延稅項資產及負債乃因作財務報告用途之資產及負債賬面值與作稅基用途之資產及負債賬面值兩者之可扣減及應課稅暫時差額所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

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

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

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

1 重大會計政策(續)

(s) 所得稅(續)

確認遞延稅項資產及負債之有限例外情況包括不可扣稅的商譽、首次確認但並不影響會計盈利及應課稅盈利之資產或負債(惟其不可為業務合併之部分)，以及有關於附屬公司投資所引致之暫時差異。如為應課稅差異，只限於本集團可以控制撥回時間，且在可預見將來不大可能撥回之暫時差異；或如為可予扣減差異，則只限於可能在未來撥回之差異。

已確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式，以報告期末採用或主要採用之稅率計算。遞延稅項資產及負債均不作貼現計算。

本集團會在各報告期末評估遞延稅項資產之賬面值。倘不再可能取得足夠之應課稅盈利以運用有關稅務利益，便會調低賬面金額。在日後可能取得足夠之應課稅盈利時，則會撥回已扣減金額。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

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

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(t) Provisions and contingent liabilities

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

1 重大會計政策(續)

(s) 所得稅(續)

本期稅項結餘及遞延稅項結餘及其變動，乃各自分開列示及不會相互抵銷。若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，並能符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，以及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本集團計劃以淨額清償，或計劃同時變現資產及清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務局向下述者徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，則預期在未來每個週期將清償或追償重大數額之遞延稅項負債或資產及計劃變現本期稅項資產及以淨額基準清償本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

(t) 撥備及或有負債

當本集團因過往事件而須負上法律或推定責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，方始確認撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之現值作出撥備。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Provisions and contingent liabilities (Continued)

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

(u) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, 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 with the customer, and interest income is accrued separately under the effective interest method.

1 重大會計政策(續)

(t) 撥備及或有負債(續)

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

(u) 收益及其他收入

倘收入源於本集團於一般業務過程中所提供的服務，則本集團將有關收入分類為收益。

倘對服務的控制轉讓予客戶，則收益按本集團預期享有的承諾代價金額確認，不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅及已扣除任何買賣折扣。

倘合約載有融資部分，為客戶提供超過12個月的重大融資利益，則收益按應收款項現值計量，並使用於客戶的獨立融資交易中反映的貼現率貼現，而利息收入根據實際利息法另行累計。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract based on the latest available information.

The stage of completion is assessed by reference to surveyors of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(ii) Revenue from service concession arrangement

Revenue relating to construction services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue from construction contracts (see note 1(u)(i)). Operation or service revenue is recognised in the period in which services are provided by the Group. When the Group provides more than one service in a service concession arrangement the consideration received is allocated by reference to the relative fair values of the services delivered.

(iii) Revenue from operation services

Revenue from operation services are recognised when the related services are rendered.

1 重大會計政策(續)

(u) 收益及其他收入(續)

有關本集團確認收益及其他收入之政策的進一步詳情如下：

(i) 建造合約收益

倘建造合約成果能可靠估計，則合約收益及開支根據可獲得的最新資料按合約完成程度按比例於損益確認。

完成程度乃參考已進行之工程測量來評估。倘建造合約成果不能可靠估計，則僅將所產生而有可能收回之合約成本確認為合約收益。有關合約之預期虧損即時於損益確認。

(ii) 服務特許經營權安排收益

根據服務特許經營權安排提供建造服務所得相關收益按工程完成程度確認，與本集團確認建造合約收益之會計政策(見附註1(u)(i))一致。運營或服務收益於本集團提供有關服務之期間確認。如本集團在一項服務特許經營權安排下提供超過一種服務，則收取所得之代價按已提供服務之相關公允值分配。

(iii) 運營服務收益

來自運營服務的收益於提供相關服務時確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(iv) Finance income

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

(v) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and amortised to profit or loss on a straight-line basis over the useful life of the asset.

(v) Repairs and maintenance

Expenditures on major overhaul, repairs and maintenance are charged to profit or loss as incurred.

(w) Translation of foreign currencies

These financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation 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 during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

1 重大會計政策(續)

(u) 收益及其他收入(續)

(iv) 財務收入

財務收入按實際利息法以應計基準確認。

(v) 政府補助金

倘可合理確定能夠收取政府補助金，且本集團能符合政府補助金所附帶之條件，則政府補助金將初步於綜合財務狀況表中確認。補償本集團所產生開支之補助金於產生開支之同一期間有系統地於損益表中確認為收入。補償本集團資產成本之補助金則初步確認為遞延收入及於資產之可使用年期按直線基準攤銷至損益。

(v) 修理及維修保養

大修、修理及維修保養之開支於產生時在損益表內扣除。

(w) 外幣換算

此等財務報表以港元呈列，即本公司之功能及列報貨幣。本集團內每間個別公司自行決定其功能貨幣而每間個別公司之財務報表內的項目是以其功能貨幣計量。年內進行之外幣交易按交易當日之匯率換算。以外幣計值之貨幣資產及負債均按報告期末之匯率換算。匯兌盈虧於損益表確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Translation of foreign currencies (Continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Consolidated statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(x) Borrowing costs

Borrowings costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

1 重大會計政策(續)

(w) 外幣換算(續)

以歷史成本計算之外匯非貨幣性資產及負債乃按交易日期之匯率換算。交易日期乃本集團最初確認該等非貨幣性資產及負債的日期。以公允值列賬之外匯非貨幣資產及負債乃以計量公允值日期之匯率換算。

外國業務之業績乃按交易日之概約匯率換算為港幣。綜合財務狀況表項目則按報告期末之收市匯率換算為港幣。匯兌差額在其他全面收入中確認，並單項累計呈列於權益中之匯兌儲備。

於出售外國業務時，與該外國業務有關之累計匯兌差額將於確認出售盈虧時，由權益重新分類至損益。

(x) 借貸成本

與購入、建造或生產需經一段長時期準備方可作擬定用途或出售之資產直接有關之借貸成本，會資本化作為有關資產之部分成本。其他借貸成本於產生期間列作開支處理。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Borrowing costs (Continued)

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

(y) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if 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 the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.

1 重大會計政策(續)

(x) 借貸成本(續)

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

(y) 關聯方

- (a) 某人士或其近親家庭成員為與本集團有關聯，如該人士：
- (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 倘符合下列任何條件，則某實體為與本集團有關聯：
- (i) 該實體及本集團為同一集團之成員公司(即各母公司、附屬公司及同系附屬公司為互相關聯)。
 - (ii) 其中一個實體為另一實體之聯營公司或合營企業(或另一實體所屬集團旗下之成員公司之聯營公司或合營企業)。
 - (iii) 兩個實體均為相同第三方之合營企業。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (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).
 - (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 Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

1 重大會計政策(續)

(y) 關聯方(續)

- (b) 倘符合下列任何條件，則某實體為與本集團有關聯：(續)
- (iv) 其中一個實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 該實體為提供福利予本集團僱員或本集團關聯實體僱員之僱員離職後福利計劃。
 - (vi) 該實體受(a)所識別之人士控制或共同控制。
 - (vii) 於(a)(i)所識別並對實體有重大影響力之人士，或是該實體(或該實體之母公司)之主要管理人員。
 - (viii) 實體、或一家集團之任何成員公司(為集團之一部分)向本集團或本集團之母公司提供主要管理人員服務。

某人士之近親家庭成員指預期可影響該人士與該實體交易之家庭成員，或受該人士與該實體交易影響之家庭成員。

(z) 分部報告

運營分部及財務報表所呈報之各分部項目金額，乃根據就分配資源予本集團各項業務及地區分部及評估其表現而定期提供予本集團最高層管理人員之財務資料而確定。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Segment reporting (Continued)

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

Service concession arrangements

The Group entered into Build-Operate-Transfer ("BOT") and Build-Operate-Own ("BOO") arrangements in respect of its projects.

The Group concluded that all the BOT arrangements and certain BOO arrangements are service concession arrangements under HK(IFRIC) Interpretation 12, 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 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 substantial useful life.

1 重大會計政策(續)

(z) 分部報告(續)

就財務報告而言，個別重要運營分部不會綜合呈報，惟如有關分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用之方式及監管環境性質方面類似則除外。倘獨立而言並非屬重要之運營分部共同擁有上述大部分特徵，則可綜合呈報。

2 會計判斷及估算

(a) 於應用本集團會計政策時所作之重要會計判斷

管理層在應用本集團會計政策時，曾作出下列會計判斷：

服務特許經營權安排

本集團就其項目訂立建造 — 運營 — 轉移(「BOT」)及建造 — 運營 — 擁有(「BOO」)安排。

本集團認為所有BOT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號下的服務特許經營權安排，因為當地政府控制並監管有關服務，而本集團必須按預定服務費提供基礎建設。就BOT安排而言，在特許經營權協議到期後，有關基礎設施將無償轉歸當地政府所有。就BOO安排而言，在服務特許經營權安排下所使用之基礎設施於其整個或大致上整個可使用年期使用。

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty

Note 25 contains information about the assumptions and their risk factors relating to valuation of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Construction contracts

As explained in policy notes 1(l) and 1(u)(i), 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 17 will not include profit which the Group may eventually realise from the work 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.

(ii) Credit losses from receivables

The Group estimates credit losses based on the ageing of the receivables, customer credit-worthiness, and historical observed default rates. If the financial conditions of customers were to deteriorate, actual write-offs would be higher than estimated.

2 會計判斷及估算(續)

(b) 估算不確定性之緣由

附註25載有與金融工具估值有關之假設及風險因素資料。估算不確定性之其他主要緣由如下：

(i) 建造合約

誠如會計政策附註1(l)及1(u)(i)所述，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，本集團會於工程進度足以可靠估計其完工成本及收入之時，對工程進度進行估計。因此，在達至有關階段前，於附註17內披露之「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，收益或成本之實際結果可能會高於或低於報告期末之估計，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。

(ii) 應收款項信貸虧損

本集團會根據應收款項之賬齡、客戶之信用及過往觀察所得違約率經驗估算信貸虧損。倘客戶之財務狀況變壞，實際撇賬金額會較估計者為高。

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iii) Impairment losses of non-current assets

If circumstances indicate that the carrying values of property, plant and equipment, interests in leasehold land held for own use, intangible assets, goodwill and interests in the associate and joint venture 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. 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 judgment 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.

2 會計判斷及估算(續)

(b) 估算不確定性之緣由(續)

(iii) 非流動資產耗損虧損

當情況顯示物業、廠房及設備、於持作自用之租賃土地的權益、無形資產、商譽及於聯營公司及合資企業的權益之賬面值可能無法收回時，該等資產或會被視為已耗損，以及或可按照《香港會計準則》第36號*資產耗損*之規定確認耗損虧損。本集團會定期審閱該等資產之賬面值，以評估可收回金額是否已降至低於賬面值。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)。由於並未取得本集團資產的市場報價，因此難於準確估計公允值。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，而此需要就收益及運營成本金額作出重大判斷。在釐定可收回金額之合理概約金額時，本集團會利用所有現有所得資料，包括根據收益及運營成本金額之合理有力假設與預測所作出之估計。

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iv) Income taxes

Determining income tax provisions involves judgment on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. 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 judgment is required to assess the probability of future taxable profits. Management reassess 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 asset to be recovered.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are construction, integrated biomass utilisation project operation (biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects, waste-to-energy projects and integrated biomass and waste-to-energy projects), hazardous and solid waste treatment project operation (hazardous waste landfill projects, hazardous waste incineration projects and physicochemical and resources recycling projects), environmental remediation project operation and solar energy and wind power project operation (solar energy projects and wind power projects).

2 會計判斷及估算(續)

(b) 估算不確定性之緣由(續)

(iv) 所得稅

釐訂所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會審慎評估交易之相關稅務規定，從而計提稅項撥備。本集團會定期重新考慮有關交易之稅項處理方法，並會將稅務規例之所有變動列為考慮因素。遞延稅項資產乃就暫時可扣減差額予以確認。由於可予確認之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部分，故管理層須作出判斷，以評估產生未來應課稅盈利之可能性。管理層會於各報告期末重新評估上述估計，而倘未來應課稅盈利將有可能讓遞延稅項資產得以收回，則會確認額外的遞延稅項資產。

3 收益及分部報告

(a) 收益

本集團的主要業務為建造、生物質綜合利用項目運營(生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目、垃圾發電項目以及生物質及垃圾發電一體化項目)、危廢及固廢處置項目運營(危廢填埋項目、危廢焚燒項目和物化及資源化利用項目)、環境修復項目運營及光伏發電及風電項目運營(光伏發電項目及風電項目)。

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue

Revenue represents the revenue from construction services, revenue from integrated biomass utilisation project, hazardous and solid waste treatment project, environmental remediation project and solar energy and wind power project operation services and finance income.

Disaggregation of revenue from contracts with customers by service lines is as follows:

3 收益及分部報告(續)

(a) 收益(續)

(i) 收益劃分

收益指建造服務收益、生物質綜合利用項目、危廢及固廢處置項目、環境修復項目和光伏發電及風電項目運營服務收益及財務收入。

按服務線劃分的客戶合約收益如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Revenue from contracts with customers within the scope by HKFRS 15	香港財務報告準則第15號範圍內的客戶合約收益		
Disaggregation by service lines	按服務線劃分		
— Revenue from integrated biomass utilisation project construction services	— 生物質綜合利用項目建造服務收益	4,050,945	3,763,446
— Revenue from hazardous and solid waste treatment project construction services	— 危廢及固廢處置項目建造服務收益	868,814	363,994
— Revenue from integrated biomass utilisation project operation services	— 生物質綜合利用項目運營服務收益	3,032,982	1,967,199
— Revenue from hazardous and solid waste treatment project operation services	— 危廢及固廢處置項目運營服務收益	640,767	409,146
— Revenue from environmental remediation project operation services	— 環境修復項目運營服務收益	287,296	117,672
— Revenue from solar energy and wind power project operation services	— 光伏發電及風電項目運營服務收益	204,220	239,515
— Finance income	— 財務收入	194,531	140,848
		9,279,555	7,001,820

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

For the year ended 31 December 2019, the Group has transactions with one (2018: one) local government authority in the PRC which individually exceeded 10% of the Group's revenue. The aggregated revenues from this PRC local government authorities during the year ended 31 December 2019 amounted to HK\$1,870,814,000 (2018: HK\$1,510,529,000).

The aggregated revenue from construction services, revenue from operation services and finance income derived from local government authorities in the PRC amounted to HK\$8,269,856,000 for year ended 31 December 2019 (2018: HK\$6,492,439,000). The revenue arose from all the four business segments is set out in note 3(b). Details of concentrations of credit risk arising from these customers are set out in note 25(a).

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The aggregated amounts of transaction price allocated to the remaining performance obligations under the Group's existing contracts at the end of the reporting period are as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Expected to be recognised within one year	預計一年內確認入賬	10,655,156	9,090,012
Expected to be recognised after one year	預計一年後確認入賬	221,141,703	183,467,323
		231,796,859	192,557,335

3 收益及分部報告(續)

(a) 收益(續)

(i) 收益劃分(續)

截至二零一九年十二月三十一日止年度，本集團與一個(二零一八年：一個)中國當地政府機關進行交易，有關交易單獨佔本集團收益10%以上。截至二零一九年十二月三十一日止年度，來自該中國當地政府機關的收益總額為港幣1,870,814,000元(二零一八年：港幣1,510,529,000元)。

截至二零一九年十二月三十一日止年度，來自中國當地政府機關的建造服務收益、運營服務收益及財務收入總額為港幣8,269,856,000元(二零一八年：港幣6,492,439,000元)。來自該等四個業務分部的收益載於附註3(b)。該等客戶產生的信貸風險集中詳情載於附註25(a)。

(ii) 於報告日期生效的客戶合約產生預計日後將確認入賬的收益

於報告期末，分配至本集團現有合約項下剩餘履約責任的交易價格總額如下：

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

- (ii) *Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date (Continued)*

The amounts represent revenue expected to be recognised in the future from the construction services and operation services in connection with the Group's environmental protection projects. The Group will recognise the expected revenue in future based on the percentage of completion of the construction, in the case of construction service revenue, and when the services are rendered, in case of operation service revenue.

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the environmental protection service contracts that had an original expected duration of one year or less.

3 收益及分部報告(續)

(a) 收益(續)

- (ii) *於報告日期生效的客戶合約產生預計日後將確認入賬的收益(續)*

金額代表有關本集團環境保護項目的建造服務及運營服務預計日後將確認的收益。本集團將按照建造完工百分比(如屬建造服務收益)或於提供服務時(如屬運營服務收益)確認預計日後的收益。

本集團已應用香港財務報告準則第15號第121段所載的可行權宜之計，上述資料並不包括有關本集團因履行原預計期限為一年或以下的環境保護服務合約項下剩餘的履約責任而將有權獲得的收益之資料。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

The Group manages its business by segments, 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 the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

Integrated biomass utilisation project construction and operation: this segment engages in the construction and operation of biomass direct combustion power generation projects, biomass heat supply projects, biomass electricity and heat cogeneration projects, waste-to-energy projects and integrated biomass and waste-to-energy projects to generate revenue from construction services, revenue from operation services as well as finance income.

Hazardous and solid waste treatment project construction and operation: this segment engages in the construction and operation of hazardous waste landfill projects, hazardous waste incineration projects and physicochemical and resources recycling projects to generate revenue from construction services, revenue from operation services as well as finance income.

Environmental remediation project operation: this segment engages in the operation of environmental remediation projects covering restoration of industrial contaminated sites, contaminated farmland, mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river/lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services and anti-seepage at landfill sites to generate revenue from operation services.

3 收益及分部報告(續)

(b) 分部報告

本集團按分部(按業務範圍劃分)管理業務。按照內部就資源分配及表現評估向本集團最高管理層呈報資料之一貫方式,本集團呈報了下列四個須予報告之分部。本集團並無合併任何運營分部,以組成下列須予報告之分部。

生物質綜合利用項目建造及運營:該分部從事建造及運營生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目、垃圾發電項目及生物質及垃圾發電一體化項目,以產生建造服務收益、運營服務收益及財務收入。

危廢及固廢處置項目建造及運營:該分部從事建造及運營危廢填埋項目、危廢焚燒項目及物化及資源化利用項目,以產生建造服務收益、運營服務收益及財務收入。

環境修復項目運營:該分部從事環境修復項目運營,包括工業污染場地修復、污染農田修復、礦山及填埋場生態修復、工業廢氣治理、油泥綜合治理、河湖底泥及工業污泥治理、濕地公園建設和運營、環保管家服務及填埋場防滲工程,以產生運營服務收益。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Solar energy and wind power project operation: this segment engages in the operation of solar energy projects and wind power projects to generate revenue from operation services.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most 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 an associate and a joint venture, 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, lease liabilities, other payables and accrued expenses attributable to the activities of the individual segments 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.

The measure used for reporting segment profit is "EBITDA" i.e. "earnings before interest, taxes, depreciation and amortisation". To arrive at EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs.

3 收益及分部報告(續)

(b) 分部報告(續)

光伏發電及風電項目運營：該分部從事運營光伏發電項目及風電項目，以產生運營服務收益。

(i) 分部業績、資產及負債

就分部表現評估及分部間之資源分配而言，本集團之最高級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、一家聯營公司及一家合營企業權益、遞延稅項資產及流動資產，惟不包括公司間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應佔之本期稅項、遞延稅項負債、應付賬款、租賃負債、其他應付款項及應計費用及由各個分部直接管理之借貸，惟不包括公司間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應佔之資產所產生之折舊或攤銷而分配至有關分部。

用於報告分部盈利之表示方式為「EBITDA」，即「除利息、稅項、折舊及攤銷前盈利」。為了得出EBITDA，本集團之盈利已就無明確歸於個別分部之項目（例如：董事酬金、核數師酬金及其他總公司或企業行政成本）作進一步調整。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

In addition to receiving segment information concerning EBITDA, management is provided with segment information concerning revenue, interest expenses from borrowings managed directly by the segments, depreciation and amortisation and additions to non-current segment assets used by the segments in their operations.

Revenue from contracts with customers by timing of revenue recognition, as well as 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 2019 and 2018 is set out below.

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

除獲提供有關EBITDA之分部資料外，管理層亦獲提供有關收益、各分部直接管理之借貸利息開支及各分部運營時所使用非流動分部資產之折舊、攤銷及增置之分部資料。

截至二零一九年及二零一八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按收益確認時機劃分的客戶合約收益以及須予報告分部資料如下：

		Integrated biomass utilisation project construction and operation		Hazardous and solid waste treatment project construction and operation		Environmental remediation project operation		Solar energy and wind power project operation		Total	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)	(Note)
		(附註)	(附註)	(附註)	(附註)	(附註)	(附註)	(附註)	(附註)	(附註)	(附註)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from external customers and reportable segment revenue recognised over time	時間段內確認的來自外界客戶的收益及須予報告之分部收益	7,270,316	5,862,283	1,517,723	782,350	287,296	117,672	204,220	239,515	9,279,555	7,001,820
Reportable segment profit (EBITDA)	須予報告之分部盈利(EBITDA)	2,192,943	1,631,932	571,824	370,246	55,454	24,515	185,683	225,605	3,005,904	2,252,298
Interest income from bank deposits	銀行存款利息收入	4,535	3,254	2,068	1,918	403	50	322	478	7,328	5,700
Finance costs	財務費用	247,809	150,172	22,958	21,188	7,759	—	22,084	24,965	300,610	196,325
Depreciation and amortisation	折舊及攤銷	240,940	176,298	64,772	42,856	13,165	62	66,557	69,622	385,434	288,838
Additions to property, plant and equipment, interests in leasehold land held for own use, intangible assets, goodwill and non-current portion of prepayments	增置物業、廠房及設備、持作自用之租賃土地權益、無形資產、商譽及預付款項之非即期部分	3,039,039	2,549,360	1,648,153	794,912	197,095	51,419	911	3,707	4,885,198	3,399,398
Additions to non-current portion of contract assets	增置合約資產之非即期部分	1,445,068	1,400,506	8,142	9,210	—	—	—	—	1,453,210	1,409,716
Reportable segment assets	須予報告之分部資產	18,899,891	13,615,644	4,247,704	2,629,636	503,712	233,334	1,302,854	1,417,251	24,954,161	17,895,865
Reportable segment liabilities	須予報告之分部負債	9,430,879	6,514,660	1,382,686	859,052	337,821	106,240	477,163	535,853	11,628,549	8,015,805

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

3 REVENUE AND SEGMENT REPORTING
(Continued)

3 收益及分部報告(續)

(b) Segment reporting (Continued)

(ii) Reconciliation of reportable segment revenue, profit, assets and liabilities

(b) 分部報告(續)

(ii) 須予報告分部收益、盈利、資產及負債之對賬

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		\$'000 港幣千元	\$'000 港幣千元
Revenue	收益		
Reportable segment revenue and consolidated revenue	須予報告分部之收益及綜合收益	9,279,555	7,001,820
Profit	盈利		
Reportable segment profit (EBITDA) derived from the Group's external customers	來自本集團外界客戶之須予報告分部之盈利(EBITDA)	3,005,904	2,252,298
Depreciation and amortisation	折舊及攤銷	(389,781)	(290,424)
Finance costs	財務費用	(376,891)	(202,384)
Unallocated head office and corporate income	未分配總公司及企業收入	13,522	25,678
Unallocated head office and corporate expenses	未分配總公司及企業開支	(143,287)	(116,749)
Consolidated profit before taxation	綜合除稅前盈利	2,109,467	1,668,419
Assets	資產		
Reportable segment assets	須予報告分部之資產	24,954,161	17,895,865
Unallocated head office and corporate assets	未分配總公司及企業資產	1,304,154	706,937
Consolidated total assets	綜合資產總額	26,258,315	18,602,802
Liabilities	負債		
Reportable segment liabilities	須予報告分部之負債	11,628,549	8,015,805
Unallocated head office and corporate liabilities	未分配總公司及企業負債	4,042,414	1,155,923
Consolidated total liabilities	綜合負債總額	15,670,963	9,171,728

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(iii) Geographic information

The following table sets out information about the geographical location of (a) the Group's revenue from external customers; (b) the Group's property, plant and equipment, interests in leasehold land held for own use and intangible assets; and (c) 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 asset, in the case of property, plant and equipment and interests in leasehold land held for own use, 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.

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料

下表載列有關(a)本集團來自外界客戶之收益；(b)本集團之物業、廠房及設備、持作自用的租賃土地權益及無形資產；及(c)本集團之其他應收款項、按金及預付款項之非即期部分以及合約資產之非即期部分之所在地區的資料。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(就物業、廠房及設備以及持作自用的租賃土地權益而言)，以及涉及之業務之所在地點(就其他應收款項、按金及預付款項、無形資產及合約資產而言)劃分。

3 REVENUE AND SEGMENT REPORTING
(Continued)

(b) Segment reporting (Continued)

(iii) Geographic information (Continued)

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料(續)

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue from external customers	來自外界客戶的收益		
PRC	中國	9,273,442	6,994,319
Germany	德國	6,113	7,501
		9,279,555	7,001,820
Property, plant and equipment, interests in leasehold land held for own use and intangible assets	物業、廠房及設備、持作自用的租賃土地權益以及無形資產		
PRC (excluding Hong Kong)	中國(不包括香港)	13,784,710	9,945,161
Hong Kong	香港	6,245	1,840
Germany	德國	37,610	41,475
		13,828,565	9,988,476
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分		
PRC	中國	4,565,619	3,278,018

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

4 OTHER REVENUE

4 其他收益

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest income	利息收入	16,145	25,910
Government grants*	政府補助金*	70,805	63,266
Value-added tax refunds**	增值稅退稅**	63,709	59,609
Others	其他	15,790	9,879
		166,449	158,664

* Government grants of HK\$67,648,000 (2018: HK\$58,584,000) were granted during the year ended 31 December 2019 to subsidise certain integrated biomass utilisation and hazardous and solid waste treatment projects of the Group in the PRC. There were 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. The remaining amounts represent amortisation of deferred income as set out in note 21.

* 截至二零一九年十二月三十一日止年度，本集團獲發政府補助金港幣67,648,000元（二零一八年：港幣58,584,000元），以資助本集團於中國的若干生物質綜合利用及危廢及固廢處置項目。收取該等補助金概無未達成條件及其他或然事項。概不保證本集團日後將可繼續獲得該等補助金。餘下金額指附註21所載的遞延收入攤銷。

** The Group was entitled PRC value-added tax refunds of HK\$63,709,000 (2018: HK\$59,609,000) during the year ended 31 December 2019. There were no unfulfilled conditions and other contingencies attached to the receipts of such tax refunds. There is no assurance that the Group will continue to receive such tax refunds in the future.

** 截至二零一九年十二月三十一日止年度，本集團有權獲得中國增值稅退稅港幣63,709,000元（二零一八年：港幣59,609,000元）。收取該等退稅概無未達成條件及其他或然事項。概不保證本集團日後將可繼續獲得該等退稅。

5 OTHER LOSS

5 其他虧損

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之淨虧損	849	601

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

6 除稅前盈利

除稅前盈利已扣除／(計入)：

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
(a) Finance costs	(a) 財務費用		
Interest on bank loans	銀行貸款之利息	388,735	213,091
Interest on amount due to an intermediate holding company	應付一家中間控股公司款項之利息	11,555	—
Interest on lease liabilities	租賃負債之利息	605	—
		400,895	213,091
Less: interest expenses capitalised into construction in progress*	減：於在建工程資本化之利息開支*	(24,004)	(10,707)
		376,891	202,384

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See note 1(c).

* The borrowing costs have been capitalised at a rate of 4.66% to 5.39% (2018: 4.66% to 5.15%) per annum during the year ended 31 December 2019.

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。見附註1(c)。

* 於截至二零一九年十二月三十一日止年度，借貸成本乃按4.66%至5.39%（二零一八年：4.66%至5.15%）的年利率資本化。

6 PROFIT BEFORE TAXATION (Continued)

6 除稅前盈利(續)

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
(b) Staff costs	(b) 員工成本		
Contributions to defined contribution retirement plan	定額供款退休計劃供款	56,875	43,071
Salaries, wages and other benefits	薪金、工資及其他福利	533,603	403,159
		590,478	446,230
(c) Other items	(c) 其他項目		
Amortisation	攤銷		
— interests in leasehold land held for own use	— 持作自用之租賃土地權益	—	4,277
— intangible assets	— 無形資產	245,109	168,664
Depreciation	折舊		
— owned property, plant and equipment*	— 自有物業、廠房及設備*	134,183	117,483
— right-of-use assets*	— 使用權資產*	10,489	—
Credit loss on debtors	應收賬款信貸虧損	2,000	1,939
Net foreign exchange (gain)/loss	匯兌(收益)/虧損淨額	(907)	1,453
Auditors' remuneration	核數師酬金		
— audit services	— 核數服務	2,990	2,850
Total minimum lease payments for leases previously classified as operating leases under HKAS 17*	以往根據香港會計準則第17號分類為經營租賃的租賃之最低租賃付款總額*	—	9,520
Expense relating to short-term leases and other leases with remaining lease term ended on or before 31 December 2019 not included in the measurement of lease liabilities	有關短期租賃或剩餘租期於二零一九年十二月三十一日或之前完結而未計入租賃負債計量的其他租賃的開支	8,248	—

* The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 1(c).

* 本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的年初結餘，以確認過往根據香港會計準則第17號分類為經營租賃的租賃相關的使用權資產。於二零一九年一月一日首次確認使用權資產後，本集團作為承租人須確認使用權資產折舊，以取代過往於租期內以直線法確認根據經營租賃產生的租賃開支之政策。根據此方法，比較資料並無重列。見附註1(c)。

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

7 綜合損益表之所得稅

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表所示之稅項指：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Current tax — Hong Kong Profits Tax	本期稅項 — 香港利得稅		
Provision for the year	本年度撥備	—	—
Current tax — PRC Income Tax	本期稅項 — 中國所得稅		
Provision for the year	本年度撥備	192,493	91,503
Over-provision in respect of prior years	過往年度超額撥備	(5,923)	(2,031)
Deferred tax	遞延稅項	186,570	89,472
Origination and reversal of temporary differences	暫時差額之產生及轉回	275,792	247,596
		462,362	337,068

No provision for Hong Kong Profits Tax has been made in the financial statements for the years ended 31 December 2019 and 2018 as the Group's operations in Hong Kong did not earn any income subject to Hong Kong Profits Tax.

Taxation for the PRC operations is charged at the statutory rate of 25% of the assessable profits under taxation ruling in the PRC. During the year, certain PRC subsidiaries are subject to tax concessions under the relevant tax rules and regulations.

由於本集團之香港業務於截至二零一九年及二零一八年十二月三十一日止年度並無賺取任何應課香港利得稅之收入，故此本集團並無於財務報表內就香港利得稅計提撥備。

中國業務之稅項按應課稅盈利以中國現行法定稅率25%計算。年內，根據有關稅務法例及法規，若干中國附屬公司享有稅項優惠。

7 INCOME TAX IN THE CONSOLIDATED
STATEMENT OF PROFIT OR LOSS
(Continued)

(b) Reconciliation between tax expense and
accounting profit at applicable tax rates:

7 綜合損益表之所得稅(續)

(b) 按適用稅率計算之稅項支出與會計盈利之對賬：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Profit before taxation	除稅前盈利	2,109,467	1,668,419
Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	按照相關稅務司法權區 之適用所得稅稅率就 除稅前盈利計算之 名義稅項	535,298	418,110
Tax effect of non-deductible expenses	不可扣減支出之稅項 影響	26,912	19,943
Tax effect of non-taxable income	非課稅收入之稅項影響	(6,370)	(7,015)
Tax effect of profits entitled to tax concession in the PRC	可享有中國稅項優惠之 盈利之稅項影響	(108,670)	(105,400)
Tax effect of withholding tax on undistributed profits of PRC subsidiaries	中國附屬公司未分派 盈利之預扣稅之稅項 影響	21,115	13,461
Over-provision in respect of prior years	過往年度超額撥備	(5,923)	(2,031)
Actual tax expense	實際稅項支出	462,362	337,068

8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事酬金

根據上市規則、香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2019 Total
		董事袍金	薪金、津貼及實物利益	酌情花紅	退休計劃供款	二零一九年總計
		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
Executive directors	執行董事					
QIAN Xiaodong	錢曉東	—	2,023	3,120	279	5,422
YANG Zhiqiang	楊志強	—	1,460	1,650	289	3,399
LO Kam Fan (note (i))	盧錦勳(附註(i))	—	1,450	1,600	285	3,335
WANG Yungang (note (ii))	王雲剛(附註(ii))	—	438	—	206	644
Non-executive directors	非執行董事					
WANG Tianyi	王天義	—	—	—	—	—
GUO Ying	郭穎	—	—	—	—	—
SONG Jian (note (iii))	宋儉(附註(iii))	—	—	—	—	—
TANG Xianqing (note (iv))	唐賢清(附註(iv))	—	—	—	—	—
Independent non-executive directors	獨立非執行董事					
CHOW Siu Lui	鄧小磊	240	55	—	—	295
Philip TSAO	曹為賓	240	55	—	—	295
YAN Houmin	嚴厚民	240	55	—	—	295
		720	5,536	6,370	1,059	13,685

8 DIRECTORS' EMOLUMENTS (Continued)

8 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2018 Total
		薪金、津貼及董事袍金	實物利益	酌情花紅	退休計劃供款	二零一八年總計
		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
Executive directors	執行董事					
QIAN Xiaodong	錢曉東	—	2,048	2,640	345	5,033
YANG Zhiqiang	楊志強	—	1,464	1,400	413	3,277
WANG Yungang	王雲剛	—	1,099	1,542	196	2,837
Non-executive directors	非執行董事					
WANG Tianyi	王天義	—	10	—	—	10
TANG Xianqing	唐賢清	—	5	—	—	5
GUO Ying	郭穎	—	10	—	—	10
Independent non-executive directors	獨立非執行董事					
CHOW Siu Lui	鄒小磊	240	50	—	—	290
Philip TSAO	曹為賓	240	50	—	—	290
YAN Houmin	嚴厚民	240	35	—	—	275
		720	4,771	5,582	954	12,027

Notes:

- (i) Mr. LO Kam Fan was appointed as Executive Director on 24 June 2019.
- (ii) Mr. WANG Yungang resigned as Executive Director with effect from 24 June 2019.
- (iii) Mr. SONG Jian was appointed as Non-executive Director on 24 June 2019.
- (iv) Mr. TANG Xianqing resigned as Non-executive Director with effect from 24 June 2019.

附註：

- (i) 盧錦勳先生於二零一九年六月二十四日獲委任為執行董事。
- (ii) 王雲剛先生自二零一九年六月二十四日起辭任執行董事。
- (iii) 宋儉先生於二零一九年六月二十四日獲委任為非執行董事。
- (iv) 唐賢清先生自二零一九年六月二十四日起辭任非執行董事。

8 DIRECTORS' EMOLUMENTS (Continued)

There was no amount (2018: Nil) paid or payable by the Group to the directors or any of the five highest paid individuals as set out in note 9 below as an inducement to join or upon joining the Group or as compensation for loss of office. And, there was no arrangement under which a director has waived or agreed to waive any remuneration during the years ended 31 December 2019 and 2018.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2018: three) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the other two (2018: two) individuals are as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	1,602	2,243
Discretionary bonuses	酌情花紅	3,347	3,130
Retirement scheme contributions	退休計劃供款	362	608
		5,311	5,981

The emoluments of the two (2018: two) individuals with the highest emoluments are within the following band:

		2019 二零一九年 Number of individual 人數	2018 二零一八年 Number of individual 人數
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	1	—
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元至 港幣3,000,000元	1	1
HK\$3,000,001 – HK\$3,500,000	港幣3,000,001元至 港幣3,500,000元	—	1

8 董事酬金(續)

截至二零一九年及二零一八年十二月三十一日止年度，本集團概無(二零一八年：無)向董事或下文附註9所載任何五名最高薪酬人士支付或應付任何款項，作為促使彼等加盟本集團或於彼等加盟時的獎勵，或作為其失去職位的離職補償，亦無訂立任何董事須於年內放棄或同意放棄任何薪酬的安排。

9 最高薪酬個別人士

五名最高薪酬個別人士當中，三名(二零一八年：三名)為董事，彼等薪酬於附註8披露，其他兩名(二零一八年：兩名)個別人士的薪酬總額如下：

有關兩名(二零一八年：兩名)最高薪酬之個別人士之薪酬屬以下範圍：

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$1,621,477,000 (2018: HK\$1,324,871,000) and the weighted average of 2,066,078,000 (2018: 2,066,078,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

Diluted earnings per share for the years ended 31 December 2019 and 2018 were the same as the basic earnings per share as there were no potentially dilutive ordinary shares in existence during both years.

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE

10 每股盈利

(a) 每股基本盈利

每股基本盈利乃按本公司權益股東應佔盈利港幣1,621,477,000元(二零一八年：港幣1,324,871,000元)及年內已發行普通股之加權平均股數2,066,078,000股(二零一八年：2,066,078,000股)計算。

(b) 每股攤薄盈利

截至二零一九年及二零一八年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同，乃由於兩個年度內均並不存在具潛在攤薄之普通股。

11 物業、廠房及設備以及持作自用之租賃土地權益

		Buildings	Plant and machinery	Other properties leased for own use carried at cost	Leasehold improvements, furniture and fixtures	Motor vehicles, electronic equipment and others	Construction in progress	Sub-total	Interests in leasehold land held for own use	Total
		樓宇	廠房及機器	其他按成本計量之自用租賃物業	裝修、傢俬及裝置	汽車、電子設備及其他	在建工程	小計	持作自用之租賃土地權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost:	成本：									
At 1 January 2018	於二零一八年一月一日	534,892	1,606,137	—	19,481	83,943	203,754	2,448,207	148,760	2,596,967
Exchange adjustments	匯兌調整	(27,002)	(73,842)	—	(1,184)	(4,270)	(19,392)	(125,690)	(8,352)	(134,042)
Additions	增置	3,907	2,670	—	10,245	29,583	368,959	415,364	40,649	456,013
Disposals	出售	—	(365)	—	(221)	(4,220)	—	(4,806)	—	(4,806)
Transferred from construction in progress	轉撥自在建工程	81,404	78,089	—	—	—	(159,493)	—	—	—
At 31 December 2018	於二零一八年十二月三十一日	593,201	1,612,689	—	28,321	105,036	393,828	2,733,075	181,057	2,914,132
Impact on initial application of HKFRS 16 (Note)	首次應用香港財務報告準則第16號之影響(附註)	—	—	7,970	—	—	—	7,970	—	7,970
At 1 January 2019	於二零一九年一月一日	593,201	1,612,689	7,970	28,321	105,036	393,828	2,741,045	181,057	2,922,102
Exchange adjustments	匯兌調整	(20,480)	(50,503)	(189)	(1,055)	(4,118)	(12,293)	(88,638)	(9,053)	(97,691)
Additions	增置	1,458	17,437	8,003	15,110	113,312	271,670	426,990	146,848	573,838
Acquisition of subsidiaries (note 26)	收購附屬公司(附註26)	53,827	28,272	—	2,489	2,018	2,838	89,444	105,785	195,229
Disposals	出售	(274)	(2,611)	—	(1,271)	(1,317)	—	(5,473)	—	(5,473)
Transferred from construction in progress	轉撥自在建工程	52,617	120,090	—	—	—	(172,707)	—	—	—
At 31 December 2019	於二零一九年十二月三十一日	680,349	1,725,374	15,784	43,594	214,931	483,336	3,163,368	424,637	3,588,005

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE (Continued)

11 物業、廠房及設備以及持作自用之租賃土地權益(續)

		Buildings	Plant and machinery	Other properties leased for own use carried at cost	Leasehold improvements, furniture and fixtures	Motor vehicles, electronic equipment and others	Construction in progress	Sub-total	Interests in leasehold land held for own use	Total
		樓宇	廠房及機器	其他按成本計量之自用租賃物業	租賃物業裝修、傢俬及裝置	汽車、電子設備及其他	在建工程	小計	持作自用之租賃土地權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Accumulated depreciation and amortisation:	累計折舊及攤銷：									
At 1 January 2018	於二零一八年一月一日	40,932	227,218	—	5,763	30,088	—	304,001	10,318	314,319
Exchange adjustments	匯兌調整	(2,667)	(14,085)	—	(533)	(2,415)	—	(19,700)	(801)	(20,501)
Charge for the year	本年度支出	13,719	82,984	—	4,318	16,462	—	117,483	4,277	121,760
Disposals	出售	—	(143)	—	(41)	(3,316)	—	(3,500)	—	(3,500)
At 31 December 2018	於二零一八年十二月三十一日	51,984	295,974	—	9,507	40,819	—	398,284	13,794	412,078
At 1 January 2019	於二零一九年一月一日	51,984	295,974	—	9,507	40,819	—	398,284	13,794	412,078
Exchange adjustments	匯兌調整	(1,616)	(8,977)	(16)	(296)	(940)	—	(11,845)	(492)	(12,337)
Charge for the year	本年度支出	17,086	83,687	3,141	6,837	26,573	—	137,324	7,348	144,672
Disposals	出售	(150)	(1,902)	—	(1,260)	(326)	—	(3,638)	—	(3,638)
At 31 December 2019	於二零一九年十二月三十一日	67,304	368,782	3,125	14,788	66,126	—	520,125	20,650	540,775
Net book value:	賬面淨值：									
At 31 December 2018	於二零一八年十二月三十一日	541,217	1,316,715	—	18,814	64,217	393,828	2,334,791	167,263	2,502,054
At 31 December 2019	於二零一九年十二月三十一日	613,045	1,356,592	12,659	28,806	148,805	483,336	2,643,243	403,987	3,047,230

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的年初結餘，以確認過往根據香港會計準則第17號分類為經營租賃的租賃相關的使用權資產。見附註1(c)。

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE (Continued)

The analysis of net book value of properties is as follows:

11 物業、廠房及設備以及持作自用之租賃土地權益(續)

物業賬面淨值分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<i>In the PRC</i>	於中國		
Medium-term leases	中期租賃	1,017,032	708,480
Representing:	代表：		
Buildings	樓宇	613,045	541,217
Interests in leasehold land held for own use	持作自用之租賃土地權益	403,987	167,263
		1,017,032	708,480

Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

使用權資產

按相關資產分類的使用權資產的賬面淨值分析如下：

		31 December 2019 二零一九年 十二月 三十一日 Note 附註	1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元
Ownership interests in leasehold land held for own use, carried at cost in the PRC, with remaining lease term between 10 and 50 years	於中國持作自用的租賃土地擁有權權益，按成本列賬，剩餘租期為十至五十年之間	(i) 403,987	167,263
Other properties leased for own use, carried at depreciated cost	其他作自用的租賃物業，按折舊成本列賬	(ii) 12,659	7,970
		416,646	175,233

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE (Continued)

Right-of-use assets (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

11 物業、廠房及設備以及持作自用之租賃土地權益(續)

使用權資產(續)

於損益確認的租賃相關開支項目的分析如下：

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產分類的使用權資產折舊費：		
Interests in leasehold land held for own use	持作自用之租賃土地權益	7,348	4,277
Other properties leased for own use	其他作自用的租賃物業	3,141	—
		10,489	4,277
Interest on lease liabilities (note 6(a))	租賃負債之利息(附註6(a))	605	—
Expense relating to short-term leases and other leases with remaining lease term ended on or before 31 December 2019 not included in the measurement of lease liabilities	有關短期租賃及剩餘租期於二零一九年十二月三十一日或之前完結而未計入租賃負債計量的其他租賃的開支	8,248	—
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	以往根據香港會計準則第17號分類為經營租賃的租賃之最低租賃付款總額	—	9,520

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的年初結餘，以確認過往根據香港會計準則第17號分類為經營租賃的租賃相關的使用權資產。見附註1(c)。

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE (Continued)

Right-of-use assets (Continued)

During the year ended 31 December 2019, additions to right-of-use assets amounted to HK\$8,003,000, which related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases, the maturity analysis of lease liabilities and the future cash outflows are set out in notes 19(b), 23 and 25(b), respectively.

(i) Ownership interests in leasehold land held for own use

The Group holds several lands for its environmental protection business, where its project facilities are primarily located. The Group is the registered owner of these lands. Lump sum payments were made upfront to acquire these land interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land leases.

(ii) Other properties leased for own use

The Group has obtained the right to use other properties as its office premises through tenancy agreements. The leases typically run for an initial period of 2 years.

The leases usually do not include an option to renew the lease for an additional period after the end of the contract term.

11 物業、廠房及設備以及持作自用之租賃土地權益(續)

使用權資產(續)

截至二零一九年十二月三十一日止年度，使用權資產增置港幣8,003,000元，與根據新租賃協議應付的資本化租賃付款相關。

租賃的總現金流出、租賃負債的到期分析及未來現金流出的詳情分別載於附註19(b)、23及25(b)。

(i) 持作自用的租賃土地擁有權權益

本集團為其環保業務持有若干土地，乃項目設施主要所在地。本集團為有關土地的註冊擁有人。向前任註冊擁有人收購該等土地權益前已作出一次性付款，且根據土地租賃條款並無正在進行的付款。

(ii) 其他自用的租賃物業

本集團已通過租約取得使用其他物業作為辦公室地點的權利。有關租賃的租期一般初步為2年。

租賃通常不包括於合約期結束後額外續租的權利。

12 INTANGIBLE ASSETS AND GOODWILL

12 無形資產及商譽

		Integrated biomass utilisation project operating rights 生物質綜合利用項目運營權	Hazardous and solid waste treatment project operating rights 危廢及固廢處置項目運營權	Total intangible assets 無形資產總值
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost:	成本：			
At 1 January 2018	於二零一八年一月一日	4,775,686	596,595	5,372,281
Exchange adjustments	匯兌調整	(311,298)	(41,447)	(352,745)
Additions	增置	2,494,578	363,994	2,858,572
At 31 December 2018	於二零一八年十二月三十一日	6,958,966	919,142	7,878,108
Accumulated amortisation:	累計攤銷：			
At 1 January 2018	於二零一八年一月一日	209,600	31,073	240,673
Exchange adjustments	匯兌調整	(15,215)	(2,436)	(17,651)
Charge for the year	本年度攤銷	143,192	25,472	168,664
At 31 December 2018	於二零一八年十二月三十一日	337,577	54,109	391,686
Net book value:	賬面淨值：			
At 31 December 2018	於二零一八年十二月三十一日	6,621,389	865,033	7,486,422

12 INTANGIBLE ASSETS AND GOODWILL
(Continued)

12 無形資產及商譽(續)

		Integrated biomass utilisation project operating rights 生物質綜合利用項目 運營權	Hazardous and solid waste treatment project operating rights 危險及固廢處置項目運營權	Licences 牌照	Technology 技術	Backlog contracts 未完成合同	Total intangible assets 無形資產總值	Goodwill 商譽	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost:	成本:								
At 1 January 2019	於二零一九年一月一日	6,958,966	919,142	—	—	—	7,878,108	—	7,878,108
Exchange adjustments	匯兌調整	(227,518)	(41,445)	(4,737)	(596)	(129)	(274,425)	(5,173)	(279,598)
Additions	增置	2,792,267	868,814	—	—	—	3,661,081	—	3,661,081
Acquisition of subsidiaries (note 26)	收購附屬公司 (附註26)	—	—	121,575	14,229	3,070	138,874	154,252	293,126
At 31 December 2019	於二零一九年十二月三十一日	9,523,715	1,746,511	116,838	13,633	2,941	11,403,638	149,079	11,552,717
Accumulated amortisation:	累計攤銷:								
At 1 January 2019	於二零一九年一月一日	337,577	54,109	—	—	—	391,686	—	391,686
Exchange adjustments	匯兌調整	(12,172)	(1,964)	(282)	(40)	(34)	(14,492)	—	(14,492)
Charge for the year	本年度攤銷	199,294	30,097	12,469	1,744	1,505	245,109	—	245,109
At 31 December 2019	於二零一九年十二月三十一日	524,699	82,242	12,187	1,704	1,471	622,303	—	622,303
Net book value:	賬面淨值:								
At 31 December 2019	於二零一九年十二月三十一日	8,999,016	1,664,269	104,651	11,929	1,470	10,781,335	149,079	10,930,414

The amortisation of the intangible assets is included in “Direct costs and operating expenses” and “Administrative expenses” in the consolidated statement of profit or loss.

無形資產攤銷已包含於綜合損益表「直接成本及經營費用」及「行政費用」內。

12 INTANGIBLE ASSETS AND GOODWILL (Continued)

(a) Intangible assets

As at 31 December 2019, there were certain projects that had not commenced operation, the amount of the project operating rights of these projects was HK\$2,156,941,000 (2018: HK\$2,237,255,000). The recoverable amount of each of these operating rights was determined based on value-in-use calculations, i.e. the present value of the future cash flows expected to be derived from the projects. The cash flow projections are based on the most recent respective financial budgets approved by the senior management covering a budget period of five years. The financial budgets are prepared based on the service agreements governing the relevant projects together with assumptions such as utilisation rates and gross profit margins that represent the senior management's best estimate of the set of economic conditions that will exist over the period. The cash inflows of the operating rights are mainly due from local government authorities in the PRC with no history of default, and accordingly the management considers the credit risk of such projects to be insignificant. The assumptions used are supported by historical data of existing projects with similar production capacity, technologies and type of biomass materials processed or hazardous wastes treated. Cash flows beyond the budget period are extrapolated using an estimated inflation rate of 2% which does not exceed the average long-term growth rates for the industry in which the projects operate. Discount rates of 13.1% to 14.5% (2018: 13.4% to 14.4%) have been adopted for the value-in-use calculations as at 31 December 2019. 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 operating rights. Based on management's assessment, no loss allowance is considered necessary as at 31 December 2019 (2018: Nil).

12 無形資產及商譽(續)

(a) 無形資產

於二零一九年十二月三十一日，若干項目尚未開始運營，該等項目的項目經營權涉及金額為港幣2,156,941,000元(二零一八年：港幣2,237,255,000元)。每項該等經營權的可收回金額按使用價值計算(即預計從該等項目獲得未來現金流量之現值)釐定。現金流量預測以高級管理層批准的涵蓋五年預算期的最近期財務預算為基礎。財務預算按規管有關項目的服務協議編製，其中計入多項假設，如高級管理層對某段期間的經濟狀況作最佳估算所代表的使用率及毛利率。運營權現金流入主要為中國當地政府機關所應付，並無違約紀錄，故管理層認為有關項目的信貸風險並不重大。所用之假設以現有產能、技術及加工生物質材料類別或所處理的危廢類別相若的項目之歷史數據類別作支持。預算期以外的現金流量以估計通脹率2%推算，2%並無超出該等項目所處行業的平均長線增長率。計算截至二零一九年十二月三十一日的使用價值時已採納貼現率13.1%至14.5%(二零一八年：13.4%至14.4%)。所用的貼現率為除稅前貼現率，反映市場現行對款項的時間價值及相關經營權獨有風險之評估。於二零一九年十二月三十一日，根據管理層的評估，認為無需作虧損撥備(二零一八年：無)。

12 INTANGIBLE ASSETS AND GOODWILL (Continued)

(b) Goodwill

Impairment test for cash-generating units containing goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Suntime Environmental Remediation CO., Ltd	上田環境修復有限公司	68,049	—
Jiangsu Jiayuan Environmental Technology Company Limited*	江蘇佳願環境科技有限公司	65,148	—
Zhangjiagang Gelin Environmental Engineering Co., Ltd.*	張家港格林環境工程有限公司	15,882	—
		149,079	—

The recoverable amount of the respective CGUs is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. The pre-tax discount rates of 10.1% to 13.7% (2018: Nil) have been used for the value-in-use calculations, and cash flows beyond the five-year period were extrapolated using a growth rate of 2% to 3% (2018: Nil). 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 management's assessment, no impairment is considered necessary at 31 December 2019.

None of the goodwill acquired is expected to be deductible for tax purposes.

12 無形資產及商譽(續)

(b) 商譽

包含商譽之現金生產單位耗損測試

下表列示已分配至本集團之現金生產單位(「現金生產單位」)之商譽：

有關現金生產單位之可收回金額乃根據使用價值計算。計算方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估計。用於計算使用價值之稅前貼現率為10.1%至13.7%(二零一八年：無)，而超過五年期間之現金流量乃以增長率2%至3%(二零一八年：無)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除稅前貼現率。根據管理層評估，於二零一九年十二月三十一日，毋需確認任何耗損。

收購所得之商譽預期皆不可扣稅。

* For identification only

* 僅供識別

13 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

13 附屬公司投資

下表僅載列主要影響本集團業績、資產或負債的附屬公司詳情。除非另有所指外，所持股份類別為普通股。

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
EB Greentech Biomass Energy (Guoyang) Limited* (note (b)) 光大綠色環保生物能源(渦陽)有限公司*(附註(b))	PRC 中國	RMB101,700,000 人民幣101,700,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
EB Greentech Solid Waste Treatment (Zhangjiagang) Limited* (note (c)) 光大綠色環保固廢處置(張家港)有限公司*(附註(c))	PRC 中國	RMB202,690,000 人民幣202,690,000元	—	80%	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
EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited* (notes (a) and (b)) 光大綠色環保城鄉再生能源(豐縣)有限公司*(附註(a)及(b))	PRC 中國	RMB182,310,000 人民幣182,310,000元	—	100%	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 (Fengyang) Company 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 中國	RMB183,340,000 人民幣183,340,000元	—	100%	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 (Guanyun) Company Limited** (notes (a) and (b)) 光大城鄉再生能源(灌雲)有限公司*(附註(a)及(b))	PRC 中國	RMB199,120,000 人民幣199,120,000元	—	100%	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 (Huai'an) Limited* (notes (a) and (b)) 光大城鄉再生能源(淮安)有限公司*(附註(a)及(b))	PRC 中國	RMB233,000,000 人民幣233,000,000元	—	100%	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 (Mianzhu) Limited** (notes (a) and (b)) 光大城鄉再生能源(綿竹)有限公司*(附註(a)及(b))	PRC 中國	RMB178,670,000 人民幣178,670,000元	—	100%	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 中國	RMB230,260,000 人民幣230,260,000元	—	100%	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

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立 地點及業務	Particulars of issued and paid up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
EB Urban and Rural Renewable Energy (Zhongjiang) Limited* (note (b)) 光大城鄉再生能源(中江)有限公司*(附註(b))	PRC 中國	RMB128,333,000 人民幣128,333,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
EB Urban and Rural Renewable Energy (Zhongxiang) Limited* (notes (a) and (b)) 光大城鄉再生能源(鐘祥)有限公司*(附註(a)及(b))	PRC 中國	RMB159,750,000 人民幣159,750,000元	—	100%	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 Alternative Energy (Dangshan) Company Limited** (note (b)) 光大新能源(礪山)有限公司*(附註(b))	PRC 中國	HK\$125,800,000 港幣125,800,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Cogeneration (Luan) Company Limited** (note (b)) 光大生物熱電(六安)有限公司*(附註(b))	PRC 中國	RMB179,360,000 人民幣179,360,000元	—	100%	Design, construction, operation electricity and heat cogeneration project 設計、建造及運營熱電聯供項目
Everbright Biomass Energy (Chuzhou) Company Limited** (note (b)) 光大生物能源(潯州)有限公司*(附註(b))	PRC 中國	RMB106,670,000 人民幣106,670,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Dingyuan) Limited** (note (b)) 光大生物能源(定遠)有限公司*(附註(b))	PRC 中國	HK\$131,660,000 港幣131,660,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Guixi) Limited* (note (b)) 光大生物能源(貴溪)有限公司*(附註(b))	PRC 中國	RMB128,087,000 人民幣128,087,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Hanshan) Limited* (note (b)) 光大生物能源(含山)有限公司*(附註(b))	PRC 中國	HK\$127,000,000 港幣127,000,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Huaiyuan) Limited* (note a) 光大生物能源(懷遠)有限公司*(附註(a))	PRC 中國	HK\$220,630,000 港幣220,630,000元	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質及垃圾發電一體化項目
Everbright Biomass Energy (Lianshui) Limited* (note (b)) 光大生物能源(澮水)有限公司*(附註(b))	PRC 中國	RMB141,540,000 人民幣141,540,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立 地點及業務	Particulars of issued and paid up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Everbright Biomass Energy (Lingbi) Limited* (note (b)) 光大生物能源(靈璧)有限公司*(附註(b))	PRC 中國	RMB106,667,000 人民幣106,667,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Liu'an) Company Limited** (note (b)) 光大生物能源(六安)有限公司*(附註(b))	PRC 中國	RMB113,570,000 人民幣113,570,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Rugao) Company Limited** 光大生物能源(如皋)有限公司*	PRC 中國	RMB142,667,000 人民幣142,667,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Shayang) Limited* (note (b)) 光大生物能源(沙洋)有限公司*(附註(b))	PRC 中國	RMB127,337,000 人民幣127,337,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Weihai) Limited* (note (b)) 光大生物能源(威海)有限公司*(附註(b))	PRC 中國	RMB127,337,000 人民幣127,337,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Environmental (Suzhou) Solid Waste Treatment Limited* (note (d)) 光大環保(蘇州)固廢處置有限公司*(附註(d))	PRC 中國	USD4,865,000 4,865,000美元	—	100%	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 Environmental Protection (Lianyungang) Solid Waste Treatment Company Limited** (note (c)) 光大環保(連雲港)固廢處置有限公司*(附註(c))	PRC 中國	HK\$128,640,000 港幣128,640,000元	—	100%	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 Environmental Protection (Suqian) Solid Waste Treatment Limited* (note (d)) 光大環保(宿遷)固廢處置有限公司*(附註(d))	PRC 中國	HK\$98,260,000 港幣98,260,000元	—	100%	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 Environmental Protection (Yancheng) Solid Waste Treatment Company Limited** (note (c)) 光大環保(鹽城)固廢處置有限公司*(附註(c))	PRC 中國	USD25,000,000 25,000,000美元	—	90%	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 Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited** 光大環保危廢處置(濰博)有限公司*	PRC 中國	RMB135,983,000 人民幣135,983,000元	—	100%	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

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Solid Waste Treatment (Xinyi) Limited* (note (c)) 光大環保固廢處置(新沂)有限公司*(附註(c))	PRC 中國	HK\$115,359,000 港幣115,359,000元	—	100%	Design, construction, operation and maintenance of hazardous waste incineration project 設計、建造、運營及維護危廢焚燒項目
Everbright Solid Waste Landfill (Xinyi) Holdings Limited* (note (c)) 光大綠色環保固體廢物填埋(新沂)有限公司*(附註(c))	PRC 中國	RMB71,460,000 人民幣71,460,000元	—	100%	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 Urban and Rural Renewable Energy (sheqi) Limited* (notes (a) and (b)) 光大城鄉再生能源(社旗)有限公司*(附註(a)及(b))	PRC 中國	RMB193,440,000 人民幣193,440,000元	—	100%	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 Urban and Rural Renewable Energy (Xiayi) Limited* (notes (a) and (b)) 光大城鄉再生能源(夏邑)有限公司*(附註(a)及(b))	PRC 中國	RMB186,670,000 人民幣186,670,000元	—	100%	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 Urban and Rural Renewable Energy (zhecheng) Limited* (notes (a) and (b)) 光大城鄉再生能源(柘城)有限公司*(附註(a)及(b))	PRC 中國	RMB132,600,000 人民幣132,600,000元	—	100%	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 Wind Power (Ningwu) Company Limited** 光大風電(寧武)有限公司*	PRC 中國	RMB258,360,000 人民幣258,360,000元	—	100%	Design, construction, operation and maintenance of wind power project 設計、建造、運營及維護風電項目
Everbright Solarpark Schönewalde Ltd. & Co. KG	Germany 德國	€1,000 1,000歐元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目
Suntime Environmental Remediation CO., Ltd 上田環境修復有限公司	PRC 中國	RMB55,000,000 人民幣55,000,000元	—	100%	Operation of environmental remediation project 運營環境修復項目

- * Registered under the laws of the PRC as foreign investment enterprise
Registered under the laws of the PRC as sino-foreign co-operation joint ventures
^ For identification purpose only

- * 根據中國法律登記為外資企業。
根據中國法律登記為中外合資企業。
^ 僅供識別

13 INVESTMENTS IN SUBSIDIARIES (Continued)

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 waste-to-energy projects and integrated biomass and waste-to-energy projects in the PRC for a period not less than 30 years. The grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. During the operating period, the Group will be responsible to maintain the waste-to-energy projects and integrated biomass and waste-to-energy projects in good condition.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing the waste-to-energy projects and integrated biomass and waste-to-energy projects is recognised as “Service concession assets”, which are included in “Contract assets” in the consolidated statement of financial position.

- (b) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects in the PRC for a period not less than 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 to maintain the biomass direct combustion power generation projects, biomass heat supply projects, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects in good condition.

The service concession arrangements do not contain renewal options. Both the grantor 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 biomass direct combustion power generation projects, biomass heat supply projects, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects are recognised as “Intangible assets” in the consolidated statement of financial position.

13 附屬公司投資(續)

附註：

- (a) 本集團該等附屬公司與中國當地政府機關(「授予人」)訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護垃圾發電項目及生物質及垃圾發電一體化項目，為期不少於30年。授予人保證，本集團將每年可就有關安排收取最低付款。於運營期內，本集團負責維持垃圾發電項目及生物質及垃圾發電一體化項目處於良好狀況。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

與建設垃圾發電項目及生物質及垃圾發電一體化項目提供的建造服務有關的收益確認為「服務特許經營權資產」，其在綜合財務狀況表中計入「合約資產」。

- (b) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目，為期不少於30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，本集團負責維持生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目處於良好狀況。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目之運營權在綜合財務狀況表中確認為「無形資產」。

13 INVESTMENTS IN SUBSIDIARIES (Continued)

Notes: (Continued)

- (c) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain hazardous waste landfill projects and hazardous waste incineration projects in the PRC for a period of 20 to 30 years. The Group has the obligation to maintain the hazardous waste landfill projects and hazardous waste incineration projects in good condition. The service fees are based on the extent of services rendered and are subject to the approvals from the relevant local government authorities. Upon expiry of the concession periods, the hazardous waste landfill projects and hazardous waste incineration projects and related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the grantor 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 hazardous waste landfill projects and hazardous waste incineration projects are recognised as “Intangible assets” in the consolidated statement of financial position.

- (d) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain hazardous waste landfill projects in the PRC for a period of 25 to 30 years. The Group has the obligation to maintain the hazardous waste landfill projects in good condition. The grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the hazardous waste landfill projects and related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing the hazardous waste landfill projects is recognised as “Service concession assets”, which are included in “Contract assets” in the consolidated statement of financial position.

13 附屬公司投資(續)

附註：(續)

- (c) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護危廢填埋項目及危廢焚燒項目，為期20至30年。本集團有責任維持危廢填埋項目及危廢焚燒項目處於良好狀況。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。待特許經營期屆滿後，危廢填埋項目及危廢焚燒項目及相關設施將撥歸當地政府機關所有。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

危廢填埋項目及危廢焚燒項目之運營權在綜合財務狀況表中確認為「無形資產」。

- (d) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護危廢填埋項目，為期25至30年。本集團有責任維持危廢填埋項目處於良好狀況。授予人保證，本集團將每年可就有關安排收取最低付款。待特許經營期屆滿後，危廢填埋項目及相關設施將撥歸當地政府機關所有。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

與建造危廢填埋項目提供的建造服務有關的收益確認為「服務特許經營權資產」，其在綜合財務狀況表中計入「合約資產」。

14 INTEREST IN AN ASSOCIATE

14 一家聯營公司權益

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	76,621	56,216

Details of the Group's interest in the associate, which is accounted for using the equity method in the consolidated financial statements are as follows:

本集團之聯營公司權益(在綜合財務報表使用權益法入賬)詳情如下:

Name of associate 聯營公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Anqing Jinghuan Green Environment Solid Waste Comprehensive Disposal Co. Ltd. ("Anqing Solid Waste") 安慶京環綠色環境固廢綜合處置有限公司(「安慶固廢」)	PRC 中國	RMB141,000,000 人民幣 141,000,000元	49%	—	49%	Design, construction, operation and maintenance of hazardous and solid waste treatment project (note) 設計、建造、運營及維護危廢及固廢處置項目(附註)

Note: The Group made capital contributions of approximately HK\$22,467,000 and HK\$56,354,000 to Anqing Solid Waste during the years ended 31 December 2019 and 2018 respectively. The Group has significant influence over Anqing Solid Waste's management, 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.

附註：於截至二零一九年及二零一八年十二月三十一日止年度，本集團分別向安慶固廢注資約港幣22,467,000元及港幣56,354,000元。根據安慶固廢之組織章程細則，本集團對安慶固廢的管理(包括參與財務及營運政策的決策)具重大影響力。因此，安慶固廢被分類為本集團聯營公司。

Anqing Solid Waste was established by the Group with Beijing Environment Limited in the PRC, the other investor to this associate, to enhance harmless disposal ability of hazardous waste of Anqing City.

本集團與北京環境有限公司(此聯營公司之另一投資者)於中國成立安慶固廢，以加強安慶市的危險廢物無害處置能力。

Anqing Solid Waste, the only associate in which the Group participates, is an unlisted corporate entity whose quoted market price is not available.

安慶固廢乃本集團唯一參與的聯營公司，其為非上市法人實體，並無市場報價。

15 INTEREST IN A JOINT VENTURE

15 一家合營企業權益

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	61,177	57,446

Details of the Group's interest in the joint venture, which is accounted for using the equity method in the consolidated financial statements, are as follows:

本集團之合營企業權益(在綜合財務報表使用權益法入賬)詳情如下:

Name of joint venture 合營企業名稱	Place of Establishment and operation 註冊成立 地點及業務	Particulars of issued and paid up capital 已發行及 繳足資本詳情	Group's effective interest 本集團之 實際權益	Proportion of ownership interest 擁有權權益比例		Principal activity 主要業務
				Held by the Company 由本公司 持有	Held by a subsidiary 由附屬 公司持有	
Everbright SITA Solid Waste Treatment (Changzhou) Limited ("SITA (Changzhou)") 光大升達固廢處置(常州)有限公司 (「升達(常州)」)	PRC 中國	RMB110,000,000 人民幣110,000,000元	50%	—	50%	Design, construction, operation and maintenance of hazardous waste incineration project (note) 設計、建造、運營及維護危廢焚燒項目 (附註)

Note: The Group has joint control over SITA (Changzhou)'s management, including participation in the financial and operating policy decisions, pursuant to the articles of association of SITA (Changzhou). Accordingly, SITA (Changzhou) is classified as a joint venture of the Group.

附註: 根據升達(常州)之組織章程細則, 本集團可共同控制升達(常州)之管理層, 包括參與決定其財務及運營政策。因此, 升達(常州)被分類為本集團之合營企業。

SITA (Changzhou) was established by the Group with SITA Asia Pacific Limited in the PRC, the other investor to this joint venture, to enhance harmless disposal ability of hazardous waste of Changzhou City.

本集團與升達亞洲有限公司(此合營企業之另一投資者)於中國成立升達(常州), 以加強常州市的危險廢物無害處置能力。

SITA (Changzhou), the only joint venture in which the Group participates, is an unlisted corporate entity whose quoted market price is not available.

升達(常州)乃本集團唯一參與的合營企業, 其為非上市法人實體, 並無市場報價。

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS 16 應收賬款、其他應收款項、按金及預付款項

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Debtors	應收賬款	711,104	369,417
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1,219,028	1,291,325
Amounts due from fellow subsidiaries	應收同系附屬公司款項	30,516	4,750
Amount due from non-controlling interests	應收非控股權益款項	22,180	—
		1,982,828	1,665,492
Less: Non-current portion			
— Other receivables, deposits and prepayments	— 其他應收款項、按金及預付款項	(580,802)	(425,957)
— Amount due from non-controlling interests	— 應收非控股權益款項	(22,180)	—
		(602,982)	(425,957)
Current portion	即期部分	1,379,846	1,239,535

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Included in “Debtors, other receivables, deposits and prepayments” are debtors (net of loss allowance) with the following ageing analysis as of the end of the reporting period:

16 應收賬款、其他應收款項、按金及預付款項(續)

「應收賬款、其他應收款項、按金及預付款項」中包括應收賬款(扣除虧損撥備)，其於報告期末之賬齡分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Current	即期	387,300	205,409
Within 1 month past due	逾期不多於一個月	115,398	117,451
More than 1 month but within 3 months past due	逾期超過一個月但不多於三個月	16,919	10,666
More than 3 months but within 6 months past due	逾期超過三個月但不多於六個月	61,423	17,816
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	70,669	8,464
More than 12 months past due	逾期超過十二個月	59,395	9,611
Amounts past due	逾期金額	323,804	164,008
		711,104	369,417

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The ageing analysis of debtors based on the date of invoice and net of loss allowance as of the end of the reporting period is as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within 1 month	不多於一個月	269,187	173,350
More than 1 month but within 2 months	超過一個月但不多於兩個月	112,467	20,940
More than 2 months but within 4 months	超過兩個月但不多於四個月	87,208	131,584
More than 4 months but within 7 months	超過四個月但不多於七個月	86,545	18,770
More than 7 months but within 13 months	超過七個月但不多於十三個月	77,489	12,354
More than 13 months	超過十三個月	78,208	12,419
		711,104	369,417

Debtors are mainly due immediately to within 90 days from the date of billing. Further details on the Group's credit policy are set out in note 25(a).

The amounts due from fellow subsidiaries are unsecured, interest-free and the prepayment is expected to be recognised as expense within one year.

The amount due from non-controlling interests is secured by its equity interest in a non-wholly owned subsidiary, interest bearing at 110% of rates announced by the People's Bank of China and recoverable by December 2022.

16 應收賬款、其他應收款項、按金及預付款項(續)

按發單日期計算並扣除虧損撥備，應收賬款於報告期末之賬齡分析如下：

應收賬款主要由發票日期起計九十日內到期。有關本集團的信貸政策之進一步詳情載於附註25(a)。

應收同系附屬公司款項為無抵押、免息及該項預付款預計一年內確認為開支。

應收非控股權益款項由一家非全資附屬公司之股權作抵押、按中國人民銀行所公佈利率的110%計息及可於二零二二年十二月前收回。

17 CONTRACT ASSETS

17 合約資產

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Non-current	非流動		
Service concession assets (note 17(a))	服務特許經營權資產 (附註17(a))	3,962,637	2,852,061
Current	流動		
Service concession assets (note 17(a))	服務特許經營權資產 (附註17(a))	262,475	204,598
Unbilled renewable energy tariff subsidy (note 17(b))	未開發票可再生能源電價 補貼(附註17(b))	2,561,239	1,290,468
Environmental remediation contract assets (note 17(c))	環境修復合約資產 (附註17(c))	217,435	67,025
		3,041,149	1,562,091
		7,003,786	4,414,152
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in “Intangible assets” (note 12)	履行與服務特許經營權安排 相關的建造合約產生的合 約資產，而計入「無形 資產」(附註12)	2,156,941	2,237,255

17 CONTRACT ASSETS (Continued)

(a) Service concession assets

Service concession assets arose from the Group's revenue from construction services under certain BOT and BOO arrangements as disclosed in notes 13(a) and (d) and bear interest at rates ranging from 4.90% to 6.60% (2018: 4.90% to 6.60%) per annum as at 31 December 2019.

As at 31 December 2019, HK\$3,400,221,000 (2018: HK\$2,213,959,000) relates to certain BOT and BOO arrangements with operations commenced.

Pursuant to the BOT and BOO arrangements, the Group receives no payment from the grantors during the construction period and instead receives service fees for the Group's operation services when relevant services are rendered during the operating periods.

The service concession assets are not yet due for payment and will be settled by the service fees to be received during the operating periods of the arrangements. Details of the service concession arrangements are discussed in note 13.

All of the current position of service concession assets are expected to be recovered within one year.

17 合約資產(續)

(a) 服務特許經營權資產

服務特許經營權資產產生自本集團根據若干BOT及BOO安排(如附註13(a)及(d)所披露)產生的建造服務收益,於二零一九年十二月三十一日按介乎4.90%至6.60%的年利率計息(二零一八年:4.90%至6.60%)。

於二零一九年十二月三十一日,與已開展運營的若干BOT及BOO安排有關之款項為港幣3,400,221,000元(二零一八年:港幣2,213,959,000元)。

根據BOT及BOO安排,本集團於建造期內不會自委託人收取款項,而是於運營期內提供相關服務時,就本集團的運營服務收取服務費。

服務特許經營權資產尚未到期支付,並將透過該等安排的運營期內收取的服務費償付。有關服務特許經營權安排的詳情載於附註13。

服務特許經營權資產之所有即期部分預計於一年內收回。

17 CONTRACT ASSETS (Continued)

(b) Unbilled renewable energy tariff subsidy

The balance represents government on-grid tariff subsidy receivables for certain integrated biomass utilisation projects which newly commenced operations and arose from the Group's revenue from operations. The amounts will be billed and settled upon the completion of government administrative procedures pursuant to CaiJian [2012] No.102 Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration.

(c) Environmental remediation contract assets

The balance arose from performance under environmental remediation contracts. Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

18 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	219,835	124,656
Finished goods	製成品	8,556	—
		228,391	124,656

17 合約資產(續)

(b) 未開發票可再生能源電價補貼

結餘為若干新投入運營的生物質綜合利用項目之應收政府上網電價補貼，產生自本集團經營收益。待根據財政部、國家發展和改革委員會及國家能源局共同發佈的關於印發《可再生能源電價附加補助資金管理暫行辦法》的通知(財建[2012]102號)完成政府行政手續後，該款項將會開出發票及收回。

(c) 環境修復合約資產

結餘因履行環境修復合約而產生。該等合約包括規定於服務期內達到若干里程碑時即須分期付款的付款計劃。

18 存貨

(a) 綜合財務狀況表所示存貨包括：

18 INVENTORIES (Continued)

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

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Carrying amount of inventories consumed	已耗用存貨之賬面值	1,558,524	1,112,863

18 存貨(續)

(b) 已確認為開支並計入損益表之存貨金額分析如下：

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Deposits with banks	銀行存款	800,812	409,875
Cash at bank and in hand	銀行結餘及現金	1,884,647	1,634,951
		2,685,459	2,044,826

19 現金及現金等價物及其他現金流資料

(a) 現金及現金等價物包括：

Included in "Cash and cash equivalents" are the following deposits placed with a related party bank:

「現金及現金等價物」包括下列存放於關聯方銀行之存款：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Deposits with a related party bank	存放於關聯方銀行之存款	403,569	81,635
Interest income from a related party bank	關聯方銀行之利息收入	2,075	5,416

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(b) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

		Bank loans 銀行貸款		Lease liabilities 租賃負債		Amount due to non-controlling interests 應付非控股權益款項		Amount due to intermediate holding company 應付中間控股公司款項		Total 總計	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 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	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 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	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 31 December 2018/2017	於二零一八年/ 二零一七年 十二月三十一日	6,006,559	3,494,703	-	-	-	-	-	-	6,006,559	3,494,703
Impact on initial application of HKFRS 16 (Note)	首次應用香港財務報告準則第16號的影響(附註)	-	-	7,970	-	-	-	-	-	7,970	-
At 1 January 2019/2018	於二零一九年/ 二零一八年 一月一日	6,006,559	3,494,703	7,970	-	-	-	-	-	6,014,529	3,494,703
Changes from financing cash flows:	融資現金流量帶來的變動:										
Proceeds from new bank loans	新增銀行貸款所得款項	6,308,574	3,243,972	-	-	-	-	-	-	6,308,574	3,243,972
Increase in amount due to non-controlling interests	應付非控股權益款項增加	-	-	-	-	17,513	-	-	-	17,513	-
Increase in amount due to intermediate holding company	應付中間控股公司款項增加	-	-	-	-	-	-	469,120	-	469,120	-
Repayment of bank loans	償還銀行貸款	(1,035,921)	(506,052)	-	-	-	-	-	-	(1,035,921)	(506,052)
Interest paid	已付利息	(388,735)	(213,091)	-	-	-	-	(11,555)	-	(400,290)	(213,091)
Capital element of lease rentals paid	已付租金之資本部分	-	-	(2,781)	-	-	-	-	-	(2,781)	-
Interest element of lease rentals paid	已付租金之利息部分	-	-	(605)	-	-	-	-	-	(605)	-
Total changes from financing cash flows	融資現金流量變動總額	4,883,918	2,524,829	(3,386)	-	17,513	-	457,565	-	5,355,610	2,524,829
Exchange adjustments	匯兌調整	(184,436)	(226,064)	(177)	-	(878)	-	(25,520)	-	(211,011)	(226,064)
Other changes:	其他變動:										
Interest expenses (note 6(a))	利息開支(附註6(a))	364,731	202,384	605	-	-	-	11,555	-	376,891	202,384
Capitalised borrowing costs (note 6(a))	已資本化之借貸成本(附註6(a))	24,004	10,707	-	-	-	-	-	-	24,004	10,707
Increase in lease liabilities from entering into new leases during the year	本年度訂立新租賃產生的租賃負債增加	-	-	8,003	-	-	-	-	-	8,003	-
Total other changes	其他變動總額	388,735	213,091	8,608	-	-	-	11,555	-	408,898	213,091
At 31 December	於十二月三十一日	11,094,776	6,006,559	13,015	-	16,635	-	443,600	-	11,568,026	6,006,559

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. See notes 1(c).

19 現金及現金等價物及其他現金流資料(續)

(b) 融資活動產生的負債之對賬:

下表載列本集團自融資活動所產生的負債變動詳情，當中包括現金及非現金變動。融資活動所產生的負債為其現金流或未來現金流將於本集團的綜合現金流量表內分類為融資活動所產生現金流的負債。

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的年初結餘，以確認過往根據香港會計準則第17號分類為經營租賃的租賃相關租賃負債。見附註1(c)。

20 BANKS LOANS

20 銀行貸款

(a) The bank loans were repayable as follows:

(a) 銀行貸款須按下列年期償還：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within 1 year or on demand	一年內或按要求償還	2,022,339	915,375
After 1 year but within 2 years	一年後但兩年內	1,243,437	465,358
After 2 years but within 5 years	兩年後但五年內	5,057,497	2,817,373
After 5 years	五年後	2,771,503	1,808,453
		9,072,437	5,091,184
		11,094,776	6,006,559

(b) The bank loans were secured as follows:

(b) 銀行貸款抵押情況如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Bank loans	銀行貸款		
— Secured	— 有抵押	6,472,644	4,026,843
— Unsecured	— 無抵押	4,622,132	1,979,716
		11,094,776	6,006,559

Certain banking facilities of the Group are secured by certain revenue, contract assets and receivables in connection with the Group's service concession arrangements, property, plant and equipment and interests in leasehold land held for own use of the Group. Such banking facilities, amounting to HK\$9,877,121,000 (2018: HK\$6,658,282,000) as at 31 December 2019 were utilised to the extent of HK\$6,472,644,000 (2018: HK\$4,026,843,000).

本集團若干銀行融資以本集團服務特許安排下的若干收益、合約資產及應收款項、物業、廠房及設備、本集團持作自用的租賃土地權益作抵押。於二零一九年十二月三十一日，此等銀行融資為港幣 9,877,121,000 元（二零一八年：港幣 6,658,282,000 元），其中已動用港幣 6,472,644,000 元（二零一八年：港幣 4,026,843,000 元）。

20 BANKS LOANS (Continued)

(b) The bank loans were secured as follows: (Continued)

The unsecured banking facilities of HK\$7,546,649,000 (2018: HK\$4,602,728,000) as at 31 December 2019 were utilised to the extent of HK\$4,622,132,000 (2018: HK\$1,979,716,000).

All of the non-current bank loans are carried at amortised costs. None of the non-current bank loans is expected to be settled within one year.

Banking facilities of HK\$10,667,447,000 as at 31 December 2019 (2018: HK\$6,101,334,000) are subject to the fulfillment 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. As at 31 December 2019, such facilities were utilised to the extent of HK\$7,249,140,000 (2018: HK\$2,970,420,000). The Group regularly monitors its compliance with these covenants. As at 31 December 2019, none of the covenants relating to drawn down facilities had been breached (2018: Nil). Further details of the Group's management of liquidity risk are set out in note 25(b).

At 31 December 2019, bank loans of HK\$244,449,000 (2018: HK\$261,257,000) are due to a related party bank which are secured, interest-bearing at rates ranging from 90% to 100% (2018: ranging from 90% to 100%) of rates announced by the People's Bank of China and will be settled by instalment until 2028.

20 銀行貸款(續)

(b) 銀行貸款抵押情況如下：(續)

於二零一九年十二月三十一日，無抵押銀行融資為港幣7,546,649,000元(二零一八年：港幣4,602,728,000元)，其中已動用港幣4,622,132,000元(二零一八年：港幣1,979,716,000元)。

所有非即期銀行貸款按攤銷成本列賬。概無非即期銀行貸款預期於一年內結付。

於二零一九年十二月三十一日，銀行融資港幣10,667,447,000元(二零一八年：港幣6,101,334,000元)須符合若干有關本集團財務比率之契諾。倘若本集團違反契諾，已提取之融資將須按要求償還。於二零一九年十二月三十一日，已動用融資額為港幣7,249,140,000元(二零一八年：港幣2,970,420,000元)。本集團定期監察該等契諾有否被遵守。於二零一九年十二月三十一日，本集團並無違反任何有關提取融資之契諾(二零一八年：無)。本集團管理流動性風險之詳細資料載列於附註25(b)。

於二零一九年十二月三十一日，應付予一家關聯方銀行之貸款港幣244,449,000元(二零一八年：港幣261,257,000元)為有抵押、按中國人民銀行公佈息率之90%至100%(二零一八年：90%至100%)計息，並須於二零二八年前分期償還。

21 CREDITORS, PAYABLES AND ACCRUED EXPENSES

21 應付賬款、應付款項及應計費用

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Creditors	應付賬款		
— third parties	— 第三方	2,126,266	1,726,771
— fellow subsidiaries	— 同系附屬公司	12,005	11,653
		2,138,271	1,738,424
Other payables and accrued expenses	其他應付款項及應計費用	824,844	644,276
Amounts due to fellow subsidiaries	應付同系附屬公司款項	618	307
Amount due to non-controlling interests	應付非控股權益款項	16,635	—
Amount due to an intermediate holding company	應付一家中間控股公司款項	443,600	—
Deferred income — government grants	遞延收入—政府補助金	138,669	100,517
		3,562,637	2,483,524
Less: Non-current portion	減：非即期部分		
— Deferred income	— 遞延收入		
— government grants	— 政府補助金	(54,318)	(59,080)
— Amount due to an intermediate holding company	— 應付一家中間控股公司款項	(443,600)	—
— Other payables and accrued expenses	— 其他應付款項及應計費用	(58,927)	(7,924)
		(556,845)	(67,004)
Current portion	即期部分	3,005,792	2,416,520

21 CREDITORS, PAYABLES AND ACCRUED EXPENSES (Continued)

The ageing analysis of creditors based on the date of invoice as of the end of the reporting period is as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within 6 months	六個月內	1,913,174	1,627,355
More than 6 months	六個月以上	225,097	111,069
		2,138,271	1,738,424

Creditors totaling HK\$1,594,892,000 (2018: HK\$1,593,174,000) as at 31 December 2019 represent construction payables for the Group's BOT and certain BOO arrangements.

Creditors due to fellow subsidiaries are unsecured, interest-free and repayable in accordance with the contract terms.

The amounts due to fellows subsidiaries are unsecured, interest-free and repayable on demand.

The amount due to non-controlling interests is unsecured, interest bearing at rates announced by the People's Bank of China and repayable within one year.

The amount due to an intermediate holding company is unsecured, interest bearing at 85% of rates announced by the People's Bank of China and repayable in May 2022.

Deferred income represents government grants received to subsidise the construction of property, plant and equipment for the Group and is accounted for in accordance with the accounting policy set out in note 1(u)(v). HK\$3,157,000 (2018: HK\$4,682,000) was credited to the consolidated statement of profit or loss during the year ended 31 December 2019. There were no unfulfilled conditions and other contingencies attached to the receipts of those grants.

21 應付賬款、應付款項及應計費用 (續)

按發票日期計算，應付賬款於報告期末之賬齡分析如下：

於二零一九年十二月三十一日，應付賬款總額為港幣1,594,892,000元(二零一八年：港幣1,593,174,000元)，為本集團BOT及若干BOO安排的應付建造款項。

同系附屬公司的應付賬款為無抵押、免息及須按合約條款償還。

應付同系附屬公司款項為無抵押、免息及應要求償還。

應付非控股權益款項為無抵押、按中國人民銀行所公佈利率計息及須於一年內償還。

應付一家中間控股公司款項為無抵押、按中國人民銀行所公佈利率的85%計息及須於二零二二年五月償還。

遞延收入指本集團從政府獲得之補助金，為補助本集團興建物業、廠房及設備，並根據附註1(u)(v)載列之會計政策列賬。港幣3,157,000元已計入截至二零一九年十二月三十一日止年度內之綜合損益表(二零一八年：港幣4,682,000元)。收取該等補助金並無附帶未實現條件或其他或然事項。

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

22 於綜合財務狀況表的所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合財務狀況表之本期稅項指：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Provision for PRC income tax for the year	本年度中國所得稅撥備	192,493	91,503
Provisional tax paid	已付暫繳稅項	(149,708)	(68,615)
		42,785	22,888
Represented by:	代表：		
Tax recoverable	可收回稅項	(986)	(734)
Tax payable	應繳稅項	43,771	23,622
		42,785	22,888

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the years are as follows:

22 於綜合財務狀況表的所得稅(續)

(b) 已確認的遞延稅項資產及負債：

已於綜合財務狀況表確認之遞延稅項(資產)/負債部分及於年內之變動如下：

		Temporary differences recognised under HK(IFRIC) Interpretation 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	Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生之公允價值調整 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 2018	於二零一八年一月一日	386,121	—	24,067	(6,616)	403,572
Exchange adjustments	匯兌調整	(26,613)	—	(1,618)	289	(27,942)
Charged to profit or loss	從損益中扣除	234,135	—	13,461	—	247,596
At 31 December 2018	於二零一八年十二月三十一日	593,643	—	35,910	(6,327)	623,226
At 1 January 2019	於二零一九年一月一日	593,643	—	35,910	(6,327)	623,226
Exchange adjustments	匯兌調整	(19,602)	(1,579)	(1,331)	531	(21,981)
Acquisition of subsidiaries (note 26)	收購附屬公司(附註26)	—	59,678	—	(9,347)	50,331
Charged/(credited) to profit or loss	從損益中扣除/(計入)	262,998	(4,304)	21,115	(4,017)	275,792
At 31 December 2019	於二零一九年十二月三十一日	837,039	53,795	55,694	(19,160)	927,368

22 INCOME TAX IN THE CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
(Continued)

(b) Deferred tax assets and liabilities
recognised: (Continued)

22 於綜合財務狀況表的所得稅(續)

(b) 已確認的遞延稅項資產及負債：
(續)

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		港幣千元	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	(29,396)	(34,797)
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	956,764	658,023
		927,368	623,226

23 LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current reporting period and at the date of transition to HKFRS 16:

		31 December 2019 二零一九年十二月三十一日		1 January 2019 (Note) 二零一九年一月一日(附註)	
		Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃 付款總值 HK\$'000 港幣千元	Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃 付款總值 HK\$'000 港幣千元
Within 1 year	一年內	4,634	5,096	550	918
After 1 year but within 2 years	一年後但於兩年內	2,293	2,627	577	918
After 2 years but within 5 years	兩年後但於五年內	1,519	2,273	1,761	2,613
After 5 years	五年後	4,569	5,892	5,082	6,669
		8,381	10,792	7,420	10,200
		13,015	15,888	7,970	11,118
Less: total future interest expenses	減：未來利息開支總額		(2,873)		(3,148)
Present value of lease liabilities	租賃負債現值		13,015		7,970

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 1(c).

23 租賃負債

下表載列本集團租賃負債於本報告期末及過渡至香港財務報告準則第16號的日期的餘下合約到期情況：

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整二零一九年一月一日的年初結餘，以對先前根據香港會計準則第17號分類為經營租賃的租賃確認租賃負債。並無重列於二零一八年十二月三十一日的比較資料。有關過渡至香港財務報告準則第16號的影響之進一步詳情載列於附註1(c)。

24 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and end of the year are set out below:

	Note 附註	Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 January 2018	於二零一八年一月一日的結餘	1,608,029	4,923,446	(83,259)	6,448,216
Changes in equity for 2018:	二零一八年之權益變動：				
Loss and total comprehensive income for the year	虧損及年度全面收入總額	—	—	(27,029)	(27,029)
2017 final dividend paid	派付二零一七年度末期股息	—	(185,947)	—	(185,947)
2018 interim dividend paid	派付二零一八年度中期股息	—	(123,965)	—	(123,965)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	1,608,029	4,613,534	(110,288)	6,111,275
Balance at 1 January 2019	於二零一九年一月一日的結餘	1,608,029	4,613,534	(110,288)	6,111,275
Changes in equity for 2019:	二零一九年之權益變動：				
Loss and total comprehensive income for the year	虧損及年度全面收入總額	—	—	(91,558)	(91,558)
2018 final dividend paid	派付二零一八年度末期股息	—	(134,295)	—	(134,295)
2019 interim dividend paid	派付二零一九年度中期股息	—	(165,286)	—	(165,286)
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	1,608,029	4,313,953	(201,846)	5,720,136

Note: The Group, including the Company, has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated and there is no net effect on the opening balance of the Company's equity as at 1 January 2019. See notes 1(c) and 31.

24 資本、儲備及股息

(a) 權益部分之變動

本集團各部分的綜合權益於期初及期末結餘的對賬載於綜合權益變動表。本公司權益個別部分自年初至年終之變動詳情載列如下：

附註：本集團（包括本公司）已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列，對本公司權益於二零一九年一月一日的年初結餘亦無淨影響。見附註1(c)及31。

24 CAPITAL, RESERVES AND DIVIDENDS
(Continued)

24 資本、儲備及股息(續)

(b) Dividends

- (i) Dividends payable to the equity shareholders of the Company attributable to the year

(b) 股息

- (i) 應付年度本公司權益持有人股息

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Interim dividend declared and paid of HK8.0 cents (2018: HK6.0 cents) per ordinary share	已宣派及派付中期股息每股普通股8.0港仙(二零一八年: 6.0港仙)	165,286	123,965
Final dividend proposed after the end of the reporting period of HK8.0 cents (2018: HK6.5 cents) per ordinary share	報告期末後建議的末期股息每股普通股8.0港仙(二零一八年: 6.5港仙)	165,286	134,295
		330,572	258,260

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於報告期末確認為負債。

24 CAPITAL, RESERVES AND DIVIDENDS
(Continued)

(b) Dividends (Continued)

- (ii) Dividends payable to the equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

24 資本、儲備及股息(續)

(b) 股息(續)

- (ii) 年內已批准及派付之過往財政年度應付本公司權益持有人股息

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK6.5 cents (2018: HK9.0 cents) per ordinary share	年內已批准及派付過往財政年度末期股息每股普通股6.5港仙(二零一八年: 9.0港仙)	134,295	185,947

(c) Share capital

Authorised share capital

(c) 股本

法定股本

		No. of shares 股份數目 '000 千股	US\$'000 美金千元	Equivalent 等同 HK\$'000 港幣千元
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、二零一八年十二月三十一日、二零一九年一月一日及二零一九年十二月三十一日	5,000,000	500,000	3,891,500

24 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Share capital (Continued)

Issued share capital

		No. of shares 股份數目 '000 千股	Amount 金額 HK\$'000 港幣千元
At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	2,066,078	1,608,029

(d) Nature and purpose of reserves

(i) Share premium

Under the Companies Law (Revised) of the Cayman Islands, the fund in the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries, associate and joint venture with functional currency other than Hong Kong dollar. The reserve is dealt with in accordance with the accounting policy set out in note 1(w).

24 資本、儲備及股息(續)

(c) 股本(續)

已發行股本

(d) 儲備性質及目的

(i) 股份溢價

根據《開曼群島公司法》(修訂本)，本公司股份溢價賬內的資金可分派予本公司股東，惟於緊隨建議分派股息日期後，本公司將有能力在其日常業務過程中支付到期債項。

(ii) 匯兌儲備

匯兌儲備包括換算以功能貨幣而非港幣計值之附屬公司、聯營公司及合營企業之財務報表所產生之所有外匯匯兌差額。本公司會根據附註1(w)所載會計政策處理儲備。

24 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(d) Nature and purpose of reserves (Continued)

(iii) Other reserve

Other reserve comprises the difference between the consideration paid for the acquisition 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.

(iv) Reserve fund

Statutory reserve-wholly foreign-owned enterprises

Subsidiaries of the Group in the PRC, which are wholly foreign-owned-enterprises, follow the accounting principles and relevant financial regulations of the PRC applicable to wholly foreign-owned enterprises (“PRC GAAP – WFOE”), in the preparation of its accounting records and financial statements. Pursuant to the accounting regulations for business enterprises (企業會計制度財會(2000)25號), the subsidiaries are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP-WFOE for each year to a statutory reserve. The profit arrived at must be used initially to set off against any accumulated losses. The appropriations to statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to 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.

24 資本、儲備及股息(續)

(d) 儲備性質及目的(續)

(iii) 其他儲備

其他儲備包括收購非控股權益所付的代價與非控股權益於交易日期的賬面值之間的差額，減換算非控股權益應佔的該等附屬公司之外匯匯兌變動。

(iv) 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)依據適用於外商獨資企業之中國會計原則及有關財務法規(「中國公認會計原則—全外資企業」)，編製會計記錄及財務報表。根據《企業會計制度財會(2000)25號》，附屬公司須每年按照中國公認會計原則—全外資企業計算所得之盈利其中10%劃撥至法定儲備。盈利必須首先用以抵銷任何累計虧損。只有在劃撥盈利(已扣除任何累計虧損後)至法定儲備後方可向股權擁有人分派股息。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。此法定儲備不可以現金股息形式分派，惟可用於抵銷虧損或轉換為實繳股本。

24 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(e) Distributability of reserves

The aggregate amount of reserves available for distribution to equity shareholders of the Company as at 31 December 2019 amounted to HK\$4,112,107,000 (2018: HK\$4,503,246,000).

(f) 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 make 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.

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 there were 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 2019 was 59.7% (2018: 49.3%).

Except for the banking facilities which require the fulfillment of covenants relating to certain of the Group's financial ratios as disclosed in note 20 to the consolidated financial statements, the Group does not subject to externally imposed capital requirements.

24 資本、儲備及股息(續)

(e) 儲備分派情況

於二零一九年十二月三十一日，可用於向本公司權益股東分派的儲備總金額達港幣4,112,107,000元(二零一八年：港幣4,503,246,000元)。

(f) 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，以支援業務運作，並為股東創造最大價值。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金額、發行新股份或籌集新的債務融資，致力平衡整體資本架構。

本集團透過參照負債情況監察資本情況。本集團之策略，是保持權益與負債的適當平衡，確保有足夠運營資金支付債務。於二零一九年十二月三十一日，本集團之資本負債比率(即本集團之總負債除以總資產所得之數)為59.7%(二零一八年：49.3%)。

除綜合財務報表附註20所披露之銀行融資須符合有關本集團若干財務比率之契諾外，本集團均無受外界施加之資本規定所限制。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and foreign currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to cash and cash equivalents, debtors, other receivables and contract assets.

All bank deposits are placed with highly reputable and sizable banks and financial institutions without significant credit risk.

The Group assesses the credit quality of the customers and other counter parties, taking into account their background, financial position, past experience and other factors. The Group has a credit policy in place and the exposures to credit risks are monitored on an ongoing basis. Debtors are usually due immediately to within 90 days from the date of billing.

At 31 December 2019, "Debtors, other receivables, deposits and prepayments" and "Contract assets" of the Group amounted to HK\$8,986,614,000 (2018: HK\$6,079,644,000), of which HK\$2,009,277,000 (2018: HK\$945,132,000) was due from the largest customer and HK\$3,533,713,000 (2018: HK\$1,720,719,000) was due from the five largest customers in aggregate of the Group respectively. The maximum exposure to credit risk is represented by the carrying amount of each financial asset and contract asset in the consolidated statement of financial position.

25 財務風險管理及金融工具公允價值

本集團在日常業務過程中承受著信貸風險、流動資金風險、利率風險及外幣風險。

本集團所承受之上述風險詳情以及本集團用以管理上述風險之財務風險管理政策及常規載於下文。

(a) 信貸風險

信貸風險指交易對手未履行其合約責任而導致本集團產生財務損失的風險。本集團的信貸風險主要來自現金及現金等價物、應收賬款、其他應收款項及合約資產。

所有銀行存款均存放在聲譽優良的大型銀行及財務機構，並無重大信貸風險。

本集團基於客戶及其他交易對手的背景、財務狀況、過往經驗及其他因素來評估其信貸品質。本集團設有一套信貸政策，並持續監察所面臨的信貸風險。應收賬款通常由發票日期起計九十日內到期。

於二零一九年十二月三十一日，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」為港幣8,986,614,000元（二零一八年：港幣6,079,644,000元），其中港幣2,009,277,000元（二零一八年：港幣945,132,000元）為應收本集團最大客戶款項及港幣3,533,713,000元（二零一八年：港幣1,720,719,000元）為應收本集團五大客戶款項總額。最大信貸風險已於綜合財務狀況表中按各項金融資產及合約資產之賬面值呈列。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Service concession assets and most of the other receivables are mainly due from local government authorities in the PRC with no history of default, the Group considers the credit risk for service concession assets and environmental remediation contract assets to be insignificant.

The Group measures loss allowance for debtors under HKFRS 15 at an amount equal to lifetime ECLs. To measure the ECLs, debtors have been grouped based on shared credit risk characteristics including customer bases and the days past due. For debtor balances due from local government authorities in the PRC amounting to approximately HK\$630,516,000 as at 31 December 2019 (2018: HK\$338,531,000), there is no history of default and therefore, the Group considers credit risk for such balances to be insignificant.

In respect of the debtor balances due from non-government authorities arising from hazardous and solid waste treatment project operation revenue, the Group estimates the expected loss rates based on the actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the debtors. The expected loss rates were applied to balances due from non-government authorities arising from hazardous and solid waste treatment project operation revenue past due of approximately HK\$10,558,000 (2018: HK\$13,586,000) as at 31 December 2019, and loss allowance of HK\$3,812,000 (2018: HK\$1,939,000) was made.

The Group does not provide any guarantees which would expose the Group to credit risk.

25 財務風險管理及金融工具公允價值 (續)

(a) 信貸風險(續)

服務特許經營權資產及大部分其他應收款項主要為中國當地政府機關所應付，並無違約紀錄，本集團認為服務特許經營權資產及環境修復合約資產的信貸風險並不重大。

本集團根據香港財務報告準則第15號按等同於整個存續期預期信貸虧損的金額計量應收賬款虧損撥備。為計量預期信貸虧損，應收賬款按所佔信貸風險特徵(包括客戶群及逾期日數)分組。就於二零一九年十二月三十一日應收中國當地政府機關之賬款結餘約港幣630,516,000元(二零一八年：港幣338,531,000元)而言，並無違約紀錄，故此本集團認為該等結餘的信貸風險並不重大。

就危廢及固廢處置項目運營收益所產生的應收非政府機關之賬款結餘而言，本集團根據過去3年的實際虧損經驗估計預期虧損比率。該等比率已根據歷史數據收集期間的經濟狀況、當前的經濟狀況與本集團認為應收賬款預計存續期的經濟狀況三者之間的差異予以調整。於二零一九年十二月三十一日，預期虧損比率已就危廢及固廢處置項目運營收益產生的應收非政府機關之逾期結餘約港幣10,558,000元(二零一八年：港幣13,586,000元)應用，故此已作出虧損撥備港幣3,812,000元(二零一八年：港幣1,939,000元)。

本集團並無提供任何會令本集團承受信貸風險之擔保。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. 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.

		As at 31 December 2019 於二零一九年十二月三十一日					
		Carrying amount	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
		賬面值 HK\$'000 港幣千元	訂約未貼現 現金流量總額 HK\$'000 港幣千元	一年內 或按要求 HK\$'000 港幣千元	一年後 但兩年內 HK\$'000 港幣千元	兩年後 但五年內 HK\$'000 港幣千元	五年後 HK\$'000 港幣千元
Bank loans	銀行貸款	11,094,776	12,969,938	2,476,415	1,638,419	5,836,781	3,018,323
Creditors, other payables and accrued expenses*	應付賬款、其他應付款項及應計費用*	3,423,968	3,476,963	2,947,693	25,529	472,874	30,867
Lease liabilities (note)	租賃負債(附註)	13,015	15,888	5,096	2,627	2,273	5,892
		14,531,759	16,462,789	5,429,204	1,666,575	6,311,928	3,055,082

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Other lease liabilities include amounts recognised at the date of transition to HKFRS 16 in respect of leases previously classified as operating leases under HKAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated. See note 1(c).

25 財務風險管理及金融工具公允價值 (續)

(b) 流動資金風險

本集團旗下獨立運營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。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約之遵行情況，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)及本集團可能須償還有關款項之最早日期為基準而列出。

附註：本集團使用經修改追溯法首次應用香港財務報告準則第16號並調整於二零一九年一月一日的年初結餘，以確認過往根據香港會計準則第17號分類為經營租賃的租賃相關的租賃負債。其他租賃負債包括於過渡至香港財務報告準則第16號當日就過往根據香港會計準則第17號分類為經營租賃的租賃確認之金額及有關本年度訂立的新租賃之金額。根據此方法，比較資料並無重列。見附註1(c)。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS
(Continued)

(b) Liquidity risk (Continued)

25 財務風險管理及金融工具公允價值
(續)

(b) 流動資金風險(續)

		As at 31 December 2018 於二零一八年十二月三十一日					
		Carrying amount	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
		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 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Bank loans	銀行貸款	6,006,559	7,254,234	1,189,017	697,503	3,323,701	2,044,013
Creditors, other payables and accrued expenses*	應付賬款、其他應付款項及應計費用*	2,383,007	2,383,007	2,375,083	—	—	7,924
		8,389,566	9,637,241	3,564,100	697,503	3,323,701	2,051,937

* The balances excluded deferred income — government grants.

* 結餘不包括遞延收入 — 政府補助金。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, bank deposits and bank loans. 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.

(i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less bank deposits and cash and cash equivalents) at the end of the reporting period.

		2019 二零一九年		2018 二零一八年	
		Effective interest rate 實際利率	Amount 金額 HK\$'000 港幣千元	Effective interest rate 實際利率	Amount 金額 HK\$'000 港幣千元
Fixed rate deposits:	定息存款：				
Lease liabilities (note)	租賃負債(附註)	3.50% – 4.90%	13,015	—	—
Less: Deposits with banks	減：銀行存款	1.55%	(22,180)	1.55%	(17,039)
Cash and cash equivalents	現金及現金等價物	1.10% – 2.10%	(800,812)	1.10% – 3.00%	(409,875)
			(809,977)		(426,914)
Net variable rate borrowings:	浮息借貸淨額：				
Bank loans	銀行貸款	3.43% – 5.39%	11,094,776	3.41% – 5.39%	6,006,559
Amount due to non-controlling interests	應付非控股權益款項	4.35%	16,635	—	—
Amount due to an intermediate holding company	應付一家中間控股公司款項	4.04%	443,600	—	—
Less: Cash and cash equivalents	減：現金及現金等價物	0.01% – 1.27%	(1,884,647)	0.01% – 0.35%	(1,634,951)
Pledged bank deposits	已抵押銀行存款	0.01% – 2.75%	(189,847)	0.01% – 0.30%	(198,968)
Amount due from non-controlling interests	應收非控股權益款項	5.23%	(22,180)	—	—
			9,458,337		4,172,640
Total net borrowings	總借貸淨額		8,648,360		3,745,726

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 1(c).

附註：本集團已使用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的年初結餘，以對先前根據香港會計準則第17號分類為經營租賃的租賃確認租賃負債。根據此方法，比較資料並無重列。見附註1(c)。

25 財務風險管理及金融工具公允價值 (續)

(c) 利率風險

本集團面對之利率風險主要關乎本集團之現金及現金等價物、銀行存款及銀行貸款。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允價值利率風險。本集團並無利用金融衍生工具來對沖利率風險。本集團之利率概況由管理層監察，詳情載於下文(i)。

(i) 利率概況

下表載列本集團於報告期末之借貸淨額(即計息金融負債減去銀行存款以及現金及現金等價物)之利率概況。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 December 2019, 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 taxation by approximately HK\$94,583,000 (2018: HK\$41,726,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit before taxation that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure 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 taxation is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as 2018.

(d) Foreign currency risk

(i) Exposure to foreign currency risk

The Group is exposed to foreign currency risk primarily from bank loans, cash and cash equivalents, 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, Renminbi, United States dollars and Euros. The Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

25 財務風險管理及金融工具公允值 (續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零一九年十二月三十一日，據本集團估計，倘利率整體上調/下調一個百分點，而所有其他變數維持不變，本集團之除稅前盈利將會減少/增加約港幣94,583,000元(二零一八年：港幣41,726,000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已於報告期末發生，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全年利息支出或收入作估計。有關分析於二零一八年按相同基準進行。

(d) 外幣風險

(i) 須承受之外幣風險

本集團面臨的外幣風險主要源自以外幣(即與業務相關的功能貨幣以外的貨幣)計值之銀行貸款、現金及現金等價物、應收款項及應付款項。產生該風險的貨幣主要為港元、人民幣、美元及歐元。透過於必要時以現貨匯率買賣外幣以應對短期不平均情況，本集團確保面對的風險淨額維持在可接受的水平。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS
(Continued)

(d) Foreign currency risk (Continued)

(i) Exposure to foreign currency risk (Continued)

The following table details the Group's exposure at the end of the reporting period to foreign 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 consolidated financial statements of foreign operations into the Group's presentation currency are excluded.

		2019 二零一九年			2018 二零一八年		
		United States		Euros	United States		Euros
		Renminbi	dollars	Euros	Renminbi	dollars	Euros
		人民幣	美元	歐元	人民幣	美元	歐元
		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
Cash and cash equivalents	現金及現金等價物	1,636	1,061	317	1,300	30,507	7,272
Amounts due from/to group companies (net)	應收/應付集團公司款項淨額	90,129	—	60,936	101,413	—	65,290
Bank loans	銀行貸款	(88,720)	—	—	—	—	—
Other payables	其他應付款項	(61,874)	—	—	—	—	—
		(58,829)	1,061	61,253	102,713	30,507	72,562

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before taxation 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. The impact of foreign exchange rate fluctuations with respect to the assets and liabilities denominated in United States dollars is insignificant as Hong Kong dollars is pegged to the United States dollars.

25 財務風險管理及金融工具公允價值
(續)

(d) 外幣風險(續)

(i) 須承受之外幣風險(續)

下表詳列本集團於各報告期末由已確認資產或負債(以相關實體之功能貨幣以外之貨幣計值)所產生之外幣風險。為呈列目的，風險金額以港幣列示，並按報告期末的現貨匯率換算。因將外國業務的綜合財務報表換算為本集團的呈列貨幣而產生的差額不會計入外幣風險。

(ii) 敏感度分析

下表載列假設於各報告期末本集團面對重大風險的外匯匯率於當日出現變動，而所有其他變數保持不變，將會對本集團的除稅前盈利造成即時影響。就此而言，假設港幣兌美元的聯繫匯率不會因美元價值兌其他貨幣的任何變動而受到重大影響。由於港幣與美元掛鈎，與以美元計值的資產及負債有關之外匯匯率波動的影響並不重大。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Foreign currency risk (Continued)

(ii) Sensitivity analysis (Continued)

		2019 二零一九年		2018 二零一八年	
		Increase/ (decrease) in	Effect on	Increase/ (decrease) in	Effect on
		foreign	profit before	foreign	profit before
		exchange	taxation	exchange	taxation
		rates		rates	
		外匯匯率	對除稅前	外匯匯率	對除稅前
		上升/(下降)	盈利的影響	上升/(下降)	盈利的影響
			HK\$'000		HK\$'000
			港幣千元		港幣千元
Renminbi	人民幣	10%	(5,883)	10%	10,271
		(10%)	5,883	(10%)	(10,271)
United States dollars	美元	10%	106	10%	3,051
		(10%)	(106)	(10%)	(3,051)
Euros	歐元	10%	6,125	10%	7,256
		(10%)	(6,125)	(10%)	(7,256)

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 taxation measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including intercompany 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 is performed on the same basis as 2018.

25 財務風險管理及金融工具公允價值 (續)

(d) 外幣風險(續)

(ii) 敏感度分析(續)

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。

敏感度分析假設外匯匯率的變動已用於重新計量報告期末本集團所持有及使本集團承受外匯風險的該等金融工具，包括以貸款人或借款人的功能貨幣以外的貨幣計值的集團內公司間應付款項及應收款項。該分析撇除將外國業務的財務報表換算為本集團呈列貨幣所產生的差額。該分析按二零一八年同一基準執行。

25 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS
(Continued)

(e) Fair value measurement

The fair values of cash and cash equivalents, debtors, bank deposits, current portion of other receivables, deposits and prepayments, contract assets and creditors, other payables and accrued expenses are not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments. The carrying amounts of non-current portion of other receivables and contract assets and interest-bearing borrowings approximate their fair values.

The fair values of the above financial assets and liabilities are determined based on the discounted cash flow approach. The estimated cash flows are based on the management's best estimates and the discount rate is market-related rate for a similar instrument at the end of the reporting period.

25 財務風險管理及金融工具公允價值
(續)

(e) 公允價值計量

現金及現金等價物、應收賬款、銀行存款、其他應收款項、按金及預付款項、合約資產以及應付賬款之即期部分、其他應付款項及應計費用等項目之公允價值與彼等之賬面值並無重大差異，原因為此等金融工具均屬即時或於短期內到期。其他應收款項及合約資產之非即期部分及計息借款之賬面值與彼等之公允價值相若。

上述金融資產及負債之公允價值乃按現金流貼現法計算釐定。預計現金流乃按管理層之最佳估計計算，而貼現率則為於報告期末類似工具之市場相關比率。

26 BUSINESS COMBINATIONS

(a) Acquisition of Suntime Environmental Remediation CO., Ltd

On 12 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 88.88% of the equity interest in Suntime Environmental Remediation CO., Ltd (“Suntime Environmental Remediation”), which is principally engaged in the environmental remediation business in the PRC, at a consideration of RMB222,200,000 (equivalent to approximately HK\$257,197,000). The acquisition was completed on 21 January 2019 and Suntime Environmental Remediation has become a subsidiary of the Company.

Since the acquisition, Suntime Environmental Remediation contributed HK\$205,775,000 to the Group’s revenue and a profit of HK\$26,878,000 to the consolidated profit for the year ended 31 December 2019.

Had the acquisition taken place on 1 January 2019, the consolidated revenue and profit for the year of the Group would have been HK\$9,301,558,000 and HK\$1,624,251,000 respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

26 業務合併

(a) 收購上田環境修復有限公司

於二零一八年十二月十二日，本集團與若干獨立第三方訂立股權轉讓協議，以代價人民幣222,200,000元（約相等於港幣257,197,000元）收購上田環境修復有限公司（「上田環境修復」）88.88%股權，其主要在中國從事環境修復業務。收購已於二零一九年一月二十一日完成，而上田環境修復已成為本公司的附屬公司。

自收購以來，上田環境修復於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣205,775,000元，並為綜合盈利帶來盈利港幣26,878,000元。

倘有關收購交易於二零一九年一月一日進行，本集團年內綜合收益及盈利將分別為港幣9,301,558,000元及港幣1,624,251,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

26 BUSINESS COMBINATIONS (Continued)

(a) Acquisition of Suntime Environmental Remediation CO., Ltd (Continued)

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

26 業務合併(續)

(a) 收購上田環境修復有限公司(續)

收購對本集團於收購日期的資產及負債之影響如下：

		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	16,666
Interests in leasehold land held for own use	持作自用之租賃土地權益	4,931
Intangible assets	無形資產	104,362
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	40,920
Contract assets	合約資產	82,996
Deferred tax assets	遞延稅項資產	342
Inventories	存貨	63
Cash and cash equivalents	現金及現金等價物	47,113
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(58,076)
Current taxation	本期稅項	(2,713)
Deferred tax liabilities	遞延稅項負債	(27,140)
Net identifiable assets acquired	所收購可辨別資產淨額	209,464
Non-controlling interests	非控股權益	(23,292)
Net assets acquired	所收購資產淨額	186,172
Goodwill recognised	已確認商譽	71,025
Total consideration	代價總值	257,197

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Suntime Environmental Remediation into the Group's existing businesses.

商譽主要源自預期上田環境修復與本集團現有業務融合後所獲得之協同效應。

26 BUSINESS COMBINATIONS (Continued)

(a) Acquisition of Suntime Environmental Remediation CO., Ltd (Continued)

		HK\$'000 港幣千元
Analysis of the net cash outflow in respect of the acquisition for the year ended 31 December 2019	就該收購於截至二零一九年十二月三十一日止年度之現金流出淨額分析	
Total cash consideration	現金代價總值	257,197
Less: Cash and cash equivalents acquired	減：所收購現金及現金等價物	(47,113)
Payment made in 2018	於二零一八年作出之付款	(50,479)
Consideration payable at 31 December 2019	於二零一九年十二月三十一日應付代價	(23,892)
		135,713

(b) Acquisition of Jiangsu Jiayuan Environmental Technology Company Limited

On 20 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 90% of the equity interest in Jiangsu Jiayuan Environmental Technology Company Limited* (“Jiangsu Jiayuan”), which is principally engaged in the integrated recycling and harmless disposal of hazardous waste business in the PRC, at a consideration of RMB180,000,000 (equivalent to approximately HK\$206,120,000). The acquisition was completed on 25 January 2019 and Jiangsu Jiayuan has become a subsidiary of the Company.

Since the acquisition, Jiangsu Jiayuan contributed HK\$63,505,000 to the Group’s revenue and a loss of HK\$5,775,000 to the consolidated profit for the year ended 31 December 2019.

* For identification purpose only

26 業務合併(續)

(a) 收購上田環境修復有限公司(續)

(b) 收購江蘇佳願環境科技有限公司

於二零一八年十二月二十日，本集團與若干獨立第三方訂立股權轉讓協議，以代價人民幣180,000,000元(約相等於港幣206,120,000元)收購江蘇佳願環境科技有限公司(「江蘇佳願」)90%股權，其主要在中國從事綜合再生利用和無害化處置危廢業務。收購已於二零一九年一月二十五日完成，而江蘇佳願已成為本公司的附屬公司。

自收購以來，江蘇佳願於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣63,505,000元，並為綜合盈利帶來虧損港幣5,775,000元。

* 僅供識別

26 BUSINESS COMBINATIONS (Continued)

(b) Acquisition of Jiangsu Jiayuan Environmental Technology Company Limited (Continued)

Had the acquisition taken place on 1 January 2019, the consolidated revenue and profit for the year of the Group would have been HK\$9,282,913,000 and HK\$1,620,401,000 respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

26 業務合併(續)

(b) 收購江蘇佳願環境科技有限公司(續)

倘有關收購交易於二零一九年一月一日進行，本集團年內綜合收益及盈利將分別為港幣9,282,913,000元及港幣1,620,401,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

收購對本集團於收購日期的資產及負債之影響如下：

		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	61,888
Interests in leasehold land held for own use	持作自用之租賃土地權益	28,090
Intangible assets	無形資產	34,512
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	15,447
Deferred tax assets	遞延稅項資產	8,712
Inventories	存貨	12,574
Cash and cash equivalents	現金及現金等價物	27,655
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(3,027)
Current taxation	本期稅項	(593)
Deferred tax liabilities	遞延稅項負債	(14,353)
Net identifiable assets acquired	所收購可辨別資產淨額	170,905
Non-controlling interests	非控股權益	(32,055)
Net assets acquired	所收購資產淨額	138,850
Goodwill recognised	已確認商譽	67,270
Total consideration	代價總值	206,120

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Jiangsu Jiayuan into the Group's existing businesses.

商譽主要源自預期江蘇佳願與本集團現有業務融合後所獲得之協同效應。

26 BUSINESS COMBINATIONS (Continued)

(b) Acquisition of Jiangsu Jiayuan Environmental Technology Company Limited (Continued)

		HK\$'000 港幣千元
Analysis of the net cash outflow in respect of the acquisition for the year ended 31 December 2019	就該收購於截至二零一九年十二月三十一日止年度之現金流出淨額分析	
Total cash consideration	現金代價總值	206,120
Less: Cash and cash equivalents acquired	減：所收購現金及現金等價物	(27,655)
Consideration payable at 31 December 2019	於二零一九年十二月三十一日應付代價	(61,836)
		116,629

(c) Acquisition of Zhangjiagang Gelin Environmental Engineering Company Limited

On 29 July 2019, the Group entered into a share transfer agreement with certain independent third parties to acquire 100% of the equity interest in Zhangjiagang Gelin Environmental Engineering Co., Ltd* ("Zhangjiagang Gelin"), which is principally engaged in sewage water treatment business in the PRC, at a consideration of RMB68,000,000 (equivalent to approximately HK\$75,772,000). The acquisition was completed on 4 September 2019 and Zhangjiagang Gelin has become a wholly-owned subsidiary of the Company.

Since the acquisition, Zhangjiagang Gelin contributed HK\$253,000 to Group's revenue and a loss of HK\$1,383,000 to the consolidated profit for the year ended 31 December 2019.

* For identification purpose only

26 業務合併(續)

(b) 收購江蘇佳願環境科技有限公司(續)

(c) 收購張家港格林環境工程有限公司

於二零一九年七月二十九日，本集團與若干獨立第三方訂立股權轉讓協議，以代價人民幣68,000,000元(約相等於港幣75,772,000元)收購張家港格林環境工程有限公司(「張家港格林」)100%股權，其主要在中國從事污水處置業務。收購已於二零一九年九月四日完成，而張家港格林已成為本公司的全資附屬公司。

自收購以來，張家港格林於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣253,000元，並為綜合盈利帶來虧損港幣1,383,000元。

* 僅供識別

26 BUSINESS COMBINATIONS (Continued)

(c) Acquisition of Zhangjiagang Gelin Environmental Engineering Company Limited (Continued)

Had the acquisition taken place on 1 January 2019, the consolidated revenue and profit for the year of the Group would have been HK\$9,280,964,000 and HK\$1,619,140,000 respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

26 業務合併(續)

(c) 收購張家港格林環境工程有限公司(續)

倘有關收購交易於二零一九年一月一日進行，本集團年內綜合收益及盈利將分別為港幣9,280,964,000元及港幣1,619,140,000元。在釐定此等金額時，管理層假設倘是項收購交易於二零一九年一月一日發生，收購所得資產及負債於收購日期所產生之公允價值調整仍然相同。

收購對本集團於收購日期的資產及負債之影響如下：

		Fair value recognised on acquisition 收購時確認之 公允價值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	10,890
Interests in leasehold land held for own use	持作自用之租賃土地權益	72,764
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	2
Deferred tax assets	遞延稅項資產	293
Cash and cash equivalents	現金及現金等價物	47
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(5,996)
Deferred tax liabilities	遞延稅項負債	(18,185)
Net assets acquired	所收購資產淨額	59,815
Goodwill recognised	已確認商譽	15,957
Total consideration	代價總值	75,772

26 BUSINESS COMBINATIONS (Continued)

(c) Acquisition of Zhangjiagang Gelin Environmental Engineering Company Limited (Continued)

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Zhangjiagang Gelin into the Group's existing businesses.

26 業務合併(續)

(c) 收購張家港格林環境工程有限公司(續)

商譽主要源自預期張家港格林與本集團現有業務融合後所獲得之協同效應。

		HK\$'000 港幣千元
Analysis of the net cash inflow in respect of the acquisition for the year ended 31 December 2019	就該收購於截至二零一九年十二月三十一日止年度之現金流入淨額分析	
Total cash consideration	現金代價總值	75,772
Less: Cash and cash equivalents acquired	減：所收購現金及現金等價物	47
Consideration payable at 31 December 2019	於二零一九年十二月三十一日應付代價	(75,772)
		47

26 BUSINESS COMBINATIONS (Continued)

(d) Measurement of fair value

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

26 業務合併(續)

(d) 公允值計量

用於計量所收購的重大資產之公允值的估值技術列示如下：

Assets acquired 所收購資產	Valuation technique 估值技術
Property, plant and equipment 物業、廠房及設備	Market comparison technique and cost technique: The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence. 市場比較法及成本法：估值模式計及類似項目於可用時的市場報價及折舊後重置成本(倘適用)。折舊後重置成本反映就實質損耗以及功能性與經濟報廢所作的調整。
Intangible assets 無形資產	The income approach and excess cash flow method, through the use of a discounted cash flow, is that the value of an intangible asset is equal to the present value of the cash flow attributable only to that intangible asset. The excess cash flow method provides an estimate of the fair value of an intangible asset by deducting operating expenses and economic charges (contributory asset charges) from the revenue expected to be generated by the underlying asset. The projected cash flows are then discounted to their present value equivalent and summed. 收入法及超額現金流量法(藉使用折現現金流量)，乃無形資產的價值相等於僅由該項無形資產應佔的現金流量之現值。 超額現金流量法按相關資產預期產生的收益減經營費用及經濟費用(資產貢獻費)，為無形資產提供公允值估計。預計現金流量其後折現至現值並相加。

27 ACQUISITION OF NON-CONTROLLING INTERESTS

In 2019, the Group entered into agreements with the non-controlling shareholders of Suntime Environmental Remediation, pursuant to which, the non-controlling shareholders agreed to sell and the Group agreed to purchase 11.12% equity interest in Suntime Environmental Remediation at a consideration of RMB27,800,000 (equivalent to approximately HK\$32,502,000).

The Group recognised a decrease in non-controlling interests and other reserve of HK\$23,887,000 and HK\$8,615,000 respectively.

28 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

27 收購非控股權益

於二零一九年，本集團與上田環境修復的非控股股東訂立協議，據此，非控股股東同意出售，而本集團同意收購上田環境修復11.12%的股權，代價為人民幣27,800,000元（約相等於港幣32,502,000元）。

本集團分別確認非控股權益及其他儲備減少港幣23,887,000元及港幣8,615,000元。

28 與關聯人士之重大交易

除財務報表其他部分所披露之交易及結餘外，本集團與關聯人士進行下列重大交易：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
(a) Transactions with fellow subsidiaries	(a) 與同系附屬公司之交易		
Purchase of machineries and design fees	採購機器及設計費用	34,535	38,028
Interest expenses	利息開支	12,328	11,373
Acquisition of right-of-use assets (Note)	收購使用權資產(附註)	8,003	—
Steam purchase expenses	蒸汽採購費用	4,721	315
Rental expenses	租金開支	3,871	5,593
Hazardous and solid waste processing income	危廢及固廢處置收入	247	2,757
(b) Transaction with an intermediate holding company	(b) 與一家中間控股公司的交易		
Interest expenses	利息開支	11,555	—
(c) Transaction with a joint venture	(c) 與一家合營企業之交易		
Management service income	管理服務收入	4,863	1,110

Note: The Group leased a property from a fellow subsidiary. At 31 December 2019, lease liability of HK\$5,772,000 was due to a fellow subsidiary. Interest on lease liability to a fellow subsidiary amounted to HK\$237,000 during the year ended 31 December 2019.

附註：本集團向一家同系附屬公司租用一物業。於二零一九年十二月三十一日，應付一家同系附屬公司的租賃負債為港幣5,772,000元。截至二零一九年十二月三十一日止年度，應付一家同系附屬公司租賃負債的利息為港幣237,000元。

28 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Key management personnel remuneration

The Group paid key management personnel compensation, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	84,996	59,542
Retirement scheme contributions	退休計劃供款	6,449	3,689
		91,445	63,231

Total remuneration is included in "Staff costs" (see note 6(b)).

(e) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of purchase of machineries and design fees and rental expenses of HK\$3,092,000 as disclosed in note 28(a) above constitute continuing connected transactions and acquisition of right-of-use assets disclosed in note 28(a) as connected transaction as defined in Chapter 14A of the Listing Rules. The disclosures defined by Chapter 14A of the Listing Rules are provided in sections "Connected Transaction" and "Continuing Connected Transactions" of the Directors' Report.

The related party transactions in respect of purchase of steam and rental expenses (including hospitality expenses) of HK\$779,000 as disclosed in note 28(a) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. However those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1) of the Listing Rules.

28 與關聯人士之重大交易(續)

(d) 主要管理層人員酬金

本集團已支付主要管理層人員薪酬(包括支付予附註8披露的本公司董事及附註9披露的若干最高薪酬僱員之款項)如下:

薪酬總額計入「員工成本」(見附註6(b))。

(e) 與關連交易有關的上市規則的適用性

上文附註28(a)所披露有關採購機器及設計費用及港幣3,092,000元租金開支之關聯人士交易構成持續關連交易,以及附註28(a)所披露之收購使用權資產構成關連交易(定義見上市規則第14A章)。上市規則第14A章所界定的披露載於董事會報告「關連交易」及「持續關連交易」一節。

上文附註28(a)所披露有關採購蒸氣及港幣779,000元租金開支(包括管家服務開支)之關聯人士交易構成持續關連交易(定義見上市規則第14A章),惟該等交易獲豁免遵守上市規則第14A章所載的披露規定,因其低於上市規則第14A.76(1)條項下之符合最低豁免水平的交易之門檻。

29 COMMITMENTS

- (a) At 31 December 2019, the Group had outstanding purchase commitments in connection with the Group's construction contracts not provided for in the financial statements of HK\$1,934,256,000 (2018: HK\$1,578,260,000).
- (b) **At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases of the Group were payable as follows:**

29 承擔

- (a) 於二零一九年十二月三十一日，本集團並未在財務報表中撥備有關本集團建造合約之未履行採購承擔港幣1,934,256,000元(二零一八年：港幣1,578,260,000元)。
- (b) 於二零一八年十二月三十一日，本集團根據不可解除的經營租賃於日後應付的最低租賃付款總額如下：

		2018 二零一八年 HK\$'000 港幣千元
Within 1 year	一年內	5,995
After 1 year but within 5 years	一年後但五年內	4,492
After 5 years	五年後	6,719
		17,206

29 COMMITMENTS (Continued)

(b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases of the Group were payable as follows: (Continued)

The Group is the lessee in respect of a number of properties and land held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (see note 1(c)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in note 1(i), and the details regarding the Group's future lease payments are disclosed in note 23.

(c) At 31 December 2019, the Group had outstanding capital commitment relating to the capital contribution to an associate not provided for in the financial statements of HK\$33,148,000 (2018: HK\$56,216,000).

30 PLEDGE OF ASSETS

The aggregate net book value of assets pledged amounted to HK\$14,193,658,000 (2018: HK\$7,597,951,000) as at 31 December 2019 in connection with the secured bank loans as set out in note 20.

29 承擔(續)

(b) 於二零一八年十二月三十一日，本集團根據不可解除的經營租賃於日後應付的最低租賃付款總額如下：(續)

本集團為根據先前按照香港會計準則第17號分類為經營租賃的租賃持有的多項物業及土地的承租人。本集團使用經修改追溯法首次應用香港財務報告準則第16號。根據此方法，本集團調整二零一九年一月一日的年初結餘，以確認有關該等租賃的租賃負債(見附註1(c))。自二零一九年一月一日起，未來租賃付款根據附註1(i)所載政策於財務狀況表內確認為租賃負債，有關本集團未來租賃付款的詳情於附註23披露。

(c) 於二零一九年十二月三十一日，本集團並未在財務報表就有關向聯營公司注資之資本承擔港幣33,148,000元作撥備(二零一八年：港幣56,216,000元)。

30 資產抵押

於二零一九年十二月三十一日，如附註20所載，與有抵押之銀行貸款有關之已抵押資產的賬面淨值總額為港幣14,193,658,000元(二零一八年：港幣7,597,951,000元)。

31 COMPANY LEVEL STATEMENTS OF
FINANCIAL POSITION

31 公司層面財務狀況表

		Note 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資	13	2,336,994	2,336,994
Amounts due from subsidiaries	應收附屬公司款項		5,881,301	4,308,529
Property, plant and equipment	物業、廠房及設備		677	1,414
			8,218,972	6,646,937
Current assets	流動資產			
Other receivables and prepayments	其他應收款項及 預付款項		2,396	859
Cash and cash equivalents	現金及現金等價物		870,988	483,840
			873,384	484,699
Current liabilities	流動負債			
Bank loans — unsecured	銀行貸款 — 無抵押		520,494	—
Other payables	其他應付款項		23,770	25,007
			544,264	25,007
Net current assets	流動資產淨值		329,120	459,692
Total assets less current liabilities	總資產減流動負債		8,548,092	7,106,629
Non-current liabilities	非流動負債			
Bank loans — unsecured	銀行貸款 — 無抵押		2,827,956	995,354
Net assets	資產淨額		5,720,136	6,111,275
Capital and reserves	股本及儲備	24(a)		
Share capital	股本		1,608,029	1,608,029
Reserves	儲備		4,112,107	4,503,246
Total equity	權益總額		5,720,136	6,111,275

Approved and authorised for issue by the board of directors
on 26 February 2020

於二零二零年二月二十六日獲董事會批准
及授權刊發

QIAN Xiaodong

錢曉東

Director

董事

YANG Zhiqiang

楊志強

Director

董事

32 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Since early January 2020, the pneumonia epidemic caused by the novel coronavirus has been spreading in China which impacted the Group's operations. As of the report date, most of the projects have resumed normal operation, except for certain projects of the Group with operations temporarily suspended. While the circumstances of the outbreak is evolving rapidly, an estimate of its financial impact to the Group at the current stage may not be appropriate as it will be subject to the evolution of the epidemic in China.

33 COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1(c).

34 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2019, the directors consider the immediate parent and ultimate controlling party of the Group to be China Everbright Green Holdings Limited and China Investment Corporation, which are incorporated in the British Virgin Islands and the PRC respectively. The intermediate holding company, China Everbright International Limited, produces financial statements available for public use.

32 報告期後的非調整事項

自二零二零年一月起，由新型冠狀病毒引起的肺炎疫情在中國傳播，對本集團運營構成影響。於報告日期，大部分項目已恢復正常運營，惟本集團若干暫停運營的項目則除外。爆發情況正急速轉變，現階段或不適合估算對本集團的財務影響，因其受疫情在中國的演變所影響。

33 比較數據

本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。有關會計政策的變動詳情載於附註1(c)。

34 直接及最終控股人士

於二零一九年十二月三十一日，董事認為本集團之直接母公司及最終控股人士分別為中國光大綠色控股有限公司及中國投資有限責任公司，彼等分別於英屬處女群島及中國註冊成立。中介控股公司中國光大國際有限公司編製財務報表供公眾使用。

35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2019 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

35 已公佈但於截至二零一九年十二月三十一日止年度尚未生效之修訂、新準則及詮釋之可能影響

直至本財務報表刊發日期止，香港會計師公會已公佈數項修訂及一項新準則（香港財務報告準則第17號，*保險合約*）。該等修訂及新準則於截至二零一九年十二月三十一日止年度尚未生效，本財務報表亦無採納該等修訂及新準則。可能與本集團有關的發展包括下列各項。

		Effective for accounting periods beginning on or after 自以下日期或之後 開始之會計期間生效
Amendments to HKFRS 3, <i>Definition of a business</i>	香港財務報告準則第3號之修訂， 業務之定義	1 January 2020 二零二零年一月一日
Amendments to HKAS 1 and HKAS 8, <i>Definition of material</i>	香港會計準則第1號及香港會計準則第8號之修訂， <i>重大之定義</i>	1 January 2020 二零二零年一月一日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正評估該等發展於首次應用期間預期產生的影響。迄今為止，本集團認為採納有關發展不大可能對綜合財務報表產生重大影響。

FINANCIAL SUMMARY

財務概要

		At 31 December 於十二月三十一日				
		2019 二零一九年	2018 二零一八年 (Note) (附註)	2017 二零一七年	2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets and liabilities	資產及負債					
Property, plant and equipment and interests in leasehold land held for own use	物業、廠房及設備，以及持作自用之租賃土地權益	3,047,230	2,502,054	2,282,648	1,834,542	1,716,724
Goodwill	商譽	149,079	—	—	—	—
Intangible assets	無形資產	10,781,335	7,486,422	5,131,608	2,975,814	1,661,629
Interest in an associate	一家聯營公司權益	76,621	56,216	—	—	—
Interest in a joint venture	一家合營企業權益	61,177	57,446	51,841	33,651	14,361
Contract assets	合約資產	3,962,637	2,852,061	1,766,507	824,581	334,264
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	602,982	425,957	370,729	189,269	222,999
Deferred tax assets	遞延稅項資產	29,396	34,797	34,942	21,127	12,314
Net current assets	流動資產淨額	2,471,322	1,832,332	2,576,616	289,783	828,996
Non-current liabilities	非流動負債	10,594,427	5,816,211	3,448,845	1,968,185	1,870,152
Net assets	資產淨額	10,587,352	9,431,074	8,766,046	4,200,582	2,921,135
Share capital	股本	1,608,029	1,608,029	1,608,029	3	2
Other reserves	其他儲備	8,738,190	7,730,823	7,140,023	4,187,218	2,906,945
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	10,346,219	9,338,852	8,748,052	4,187,221	2,906,947
Non-controlling interests	非控股權益	241,133	92,222	17,994	13,361	14,188
Total equity	權益總額	10,587,352	9,431,074	8,766,046	4,200,582	2,921,135

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated.

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。

		At 31 December 於十二月三十一日				
		2019 二零一九年	2018 二零一八年 (Note) (附註)	2017 二零一七年	2016 二零一六年	2015 二零一五年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Results	業績					
Revenue	收益	9,279,555	7,001,820	4,581,352	3,000,131	1,203,198
Profit from operations	經營盈利	2,476,468	1,870,961	1,314,044	851,977	369,409
Finance costs	財務費用	(376,891)	(202,384)	(125,565)	(67,715)	(41,202)
Share of profit/(loss) of a joint venture	所佔一家合營企業 盈利/(虧損)	9,890	(158)	(891)	(867)	(461)
Profit before taxation	除稅前盈利	2,109,467	1,668,419	1,187,588	783,395	327,746
Income tax	所得稅	(462,362)	(337,068)	(230,289)	(153,873)	(56,302)
Profit for the year	年內盈利	1,647,105	1,331,351	957,299	629,522	271,444
Attributable to:	應佔部分：					
Equity shareholders of the Company	本公司權益股東	1,621,477	1,324,871	953,823	629,222	271,953
Non-controlling interests	非控股權益	25,628	6,480	3,476	300	(509)
Profit for the year	年內盈利	1,647,105	1,331,351	957,299	629,522	271,444
Basic and diluted earnings per share*	每股基本及攤薄盈利*					
(HK cents)	(港仙)	78.48	64.12	51.70	43.70	18.89

Note: The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative is not restated.

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料並無重列。

* The calculation of basic earnings per share for the year ended 31 December 2015 is based on the profit attributable to equity shareholders of the Company for that year and the weighted average number of 1,440,000 ordinary shares, taking into consideration the effect of share split and the capitalisation issue during the year ended 31 December 2017.

* 截至二零一五年十二月三十一日止年度之每股基本盈利乃按本公司權益股東年內應佔盈利及普通股加權平均股數1,440,000股（經計及於截至二零一七年十二月三十一日止年度內的股份拆細及資本化發行之影響）計算。



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