



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)

2020 ANNUAL REPORT 年報



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 (“China Everbright Group”) and the controlling shareholder, China Everbright Environment Group Limited (“CEEGL”, formerly known as China Everbright International Limited), 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」或連同其附屬公司「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。

情繫 生態環境
築夢 美麗中國

Devoted to Ecology and
Environment for a
Beautiful China



依託中國光大集團股份公司(「中國光大集團»)這一堅實後盾及控股股東中國光大環境(集團)有限公司(「光大環境」，前稱中國光大國際有限公司)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

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***
曹為賓***
嚴厚民***

* 執行董事
** 非執行董事
*** 獨立非執行董事

COMPANY SECRETARY

CHOW Wing Man

公司秘書

周詠雯

REGISTERED OFFICE

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

註冊辦事處

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

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

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

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

Ernst & Young
Registered Public Interest Entity Auditor

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
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

安永會計師事務所
註冊公眾利益實體核數師

主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	Percentage Change 百分比 變動
RESULTS				
	業績			
Revenue	收益	9,835,376	9,279,555	6%
EBITDA ⁽¹⁾	除利息、稅項、折舊 及攤銷前盈利 ⁽¹⁾	3,064,595	2,876,139	7%
Profit attributable to equity shareholders of the Company ⁽⁴⁾	本公司權益股東應佔盈利 ⁽⁴⁾	1,502,532	1,621,477	-7%
Return on shareholders' equity (%)	股東資金回報(%)	13.1	16.5	-3.4 ppt
Basic earnings per share ^{(2) (4)} (HK cents)	每股基本盈利 ^{(2) (4)} (港仙)	72.72	78.48	-7%
FINANCIAL POSITION				
	財務狀況			
Total assets	資產總額	35,264,668	26,258,315	34%
Total liabilities	負債總額	22,397,827	15,670,963	43%
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	12,524,282	10,346,219	21%
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)	6.06	5.01	21%
Cash and bank balances	現金及銀行結餘	2,727,053	2,897,486	-6%
Gearing ratio ⁽³⁾ (%)	資產負債比率 ⁽³⁾ (%)	63.51	59.7	3.81 ppt
Current ratio (%)	流動比率 (%)	156.2	148.7	7.5 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\$1,502,532,000 (2019: HK\$1,621,477,000) and the weighted average of 2,066,078,000 (2019: 2,066,078,000) ordinary shares in issue during the year.

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

(4) Due to changes in national policies during the year, which affected the future operating cash flow of integrated biomass utilisation projects and solar energy and wind power projects, the Group's concession rights (recognized as intangible assets) for individual integrated biomass utilisation projects, a one-off impairment was made, which affected the net profit for the year by HK\$163 million. Excluding the impact of the one-off impairment of the intangible assets, the company's earnings attributable to equity shareholders and basic earnings per share for the year were HK\$1,665,074,000 and HK80.59 cents, respectively, both increased by approximately 3% compared with 2019.

(1) EBITDA即本年度除利息、稅項、折舊及攤銷前盈利。

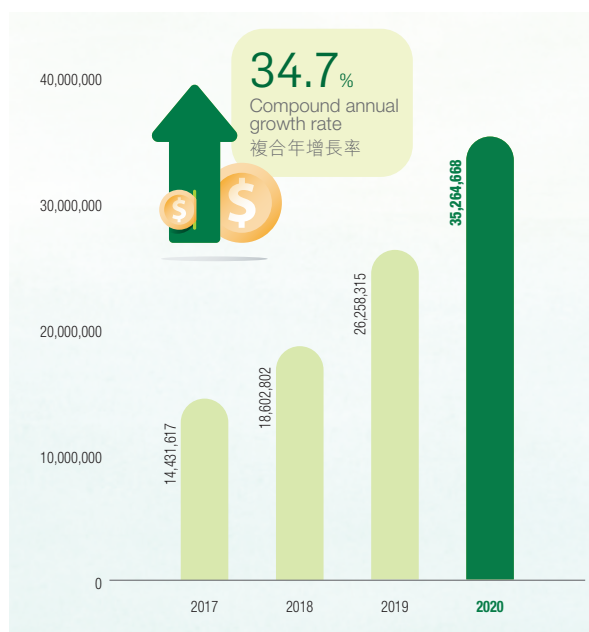
(2) 每股基本盈利乃根據本公司權益股東應佔盈利約港幣1,502,532,000元(二零一九年:港幣1,621,477,000元)及年內已發行普通股之加權平均股數2,066,078,000股(二零一九年:2,066,078,000股)普通股計算。

(3) 資產負債比率是按負債總額除以資產總額計算。

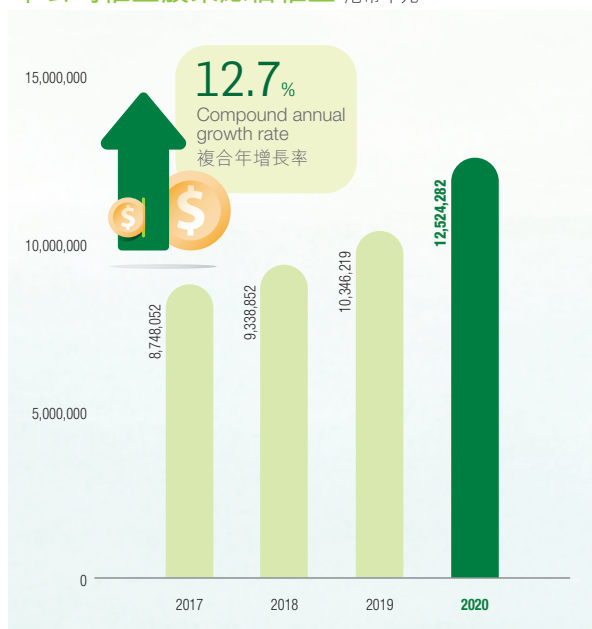
(4) 因年內國家政策變更,影響生物質綜合利用項目及光伏發電及風電項目的未來經營現金流,因此,針對個別生物質綜合利用項目的特許經營權(已確認為無形資產),本集團於本年度作出了一次性減值,影響本年淨利潤港幣1.63億元。若撇除該一次性無形資產減值影響,本公司本年度權益股東應佔盈利及每股基本盈利則分別為港幣1,665,074,000元及港仙80.59,較二零一九年均增加約3%。



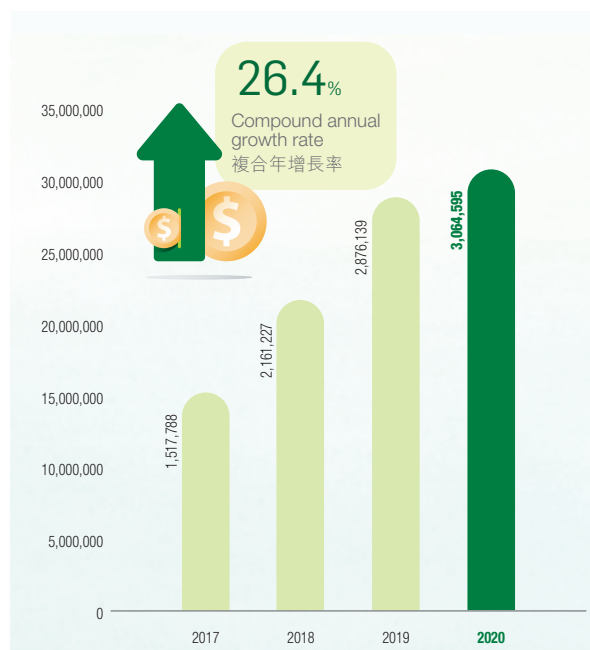
TOTAL ASSETS HK\$'000
資產總額 港幣千元



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





CORPORATE MILESTONES 企業大事概要

01/2020

- Xiayi Integrated Biomass and Waste-to-energy Project (waste-to-energy) in Henan Province was completed and commenced operation

02/2020

- Signed a project for the remediation of contaminated sites for Tianma Group in Changzhou, Jiangsu Province and its neighbouring areas
- Everbright Greentech announced its 2019 annual results, posting a 22% growth in profit attributable to equity shareholders

03/2020

- Signed for the Xiao County General Industrial Solid Waste Treatment and Electricity and Heat Cogeneration Project in Anhui Province and the Jinzhong Integrated Hazardous Waste Treatment Project in Shanxi Province
- Received the Hong Kong Council of Social Service – “Caring Company” 2019/20 logo

04/2020

- Zhongjiang Biomass Electricity and Heat Cogeneration Project in Sichuan Province was completed and commenced operation
- Secured the Hazardous Waste Integrated Treatment Project in Tianning District, Changzhou, Jiangsu Province

05/2020

- Zhongxiang Integrated Biomass and Waste-to-energy Project (biomass power generation) in Hubei Province was completed and commenced operation

06/2020

- Commenced construction of Huangshi Solid Waste Integrated Treatment Project, Everbright Greentech's first Integrated Solid Waste Treatment Project in Hubei Province
- Successful registration and issuance of the RMB1 billion first-tranche medium-term notes
- Garnered the 2019/2020 ESG Award of Yazhou Zhoukan

07/2020

- Lintao Integrated Biomass and Waste-to-energy Project (waste-to-energy) in Gansu Province received a RMB23.90 million special grant from the 2020 central government budget for investment in the development of ecological civilisation

01/2020

- 河南省夏邑生物質及垃圾發電一體化項目（垃圾發電）建成投運

02/2020

- 簽署江蘇省常州天馬集團及周邊污染場地修復項目
- 光大綠色環保公佈二零一九年全年業績，權益股東應佔盈利錄得22%增長

03/2020

- 簽署安徽省蕭縣一般工業固廢處置及熱電聯產項目和山西省晉中危廢綜合處置項目
- 榮獲香港社會服務聯會頒發2019/20年度「商界展關懷」標誌

04/2020

- 四川省中江生物質熱電聯供項目建成投運
- 取得江蘇省常州天寧區危廢綜合處置項目

05/2020

- 湖北省鐘祥生物質及垃圾發電一體化項目（生物質發電）建成投運

06/2020

- 光大綠色環保於湖北省投資的首個固廢綜合處置項目 — 黃石固廢綜合處置項目開工建設
- 成功註冊並發行金額為人民幣10億元的第一期中期票據
- 榮獲《亞洲週刊》2019/2020 ESG大獎

07/2020

- 甘肅省臨洮生物質及垃圾發電一體化項目（垃圾發電）喜獲2020年中央預算內投資生態文明建設專項資金人民幣2,390萬元



08/2020

- Signed for Lianshui General Industrial Solid Waste Electricity and Heat Cogeneration Project in Jiangsu Province
- Everbright Greentech announced its 2020 interim results, reporting growth in profit attributable to equity shareholders despite unfavourable factors
- Everbright Greentech was selected as a constituent stock of Hang Seng Corporate Sustainability Benchmark Index for three consecutive years

09/2020

- Yeji Biomass Electricity and Heat Cogeneration Project (Phase II) in Anhui Province and Linshu Hazardous Waste Landfill Project (Phase I) in Shandong Province were completed and commenced operation
- Signed up for the Good Employer Charter 2020 and received the Family-friendly Good Employer logo launched by the Hong Kong Labour Department
- Signed for the Huangshi Integrated End-of-life Tyre Recycling Project in Hubei Province in a breakthrough in new business frontiers

10/2020

- Zhecheng Integrated Biomass and Waste-to-energy Project in Henan Province and Xiao County Integrated Biomass and Waste-to-energy Project (waste-to-energy phase II) in Anhui Province were completed and commenced operation
- Received the “EcoChallenger” certificate and logo in the “BOCHK Corporate Environmental Leadership Awards 2019” jointly organised by the Federation of Hong Kong Industries and Bank of China (Hong Kong)
- Received the “Outstanding Greater Bay Area Enterprises – Social Sustainability Award (Industry, Innovation and Infrastructure)” and “Outstanding Greater Bay Area Enterprises – Green Sustainability Award (Climate Initiative)” awards in the “Greater Bay Area Enterprises Sustainability Awards 2020” organised by Metro Finance

12/2020

- Binhai Hazardous Waste Incineration Project and Xinyi Hazardous Waste Landfill Project (Phase II) in Jiangsu Province were completed and commenced operation
- Received the “Best ESG Report – Small-cap Grand Award” and “Best GRI Report – Commendation” in the “Hong Kong ESG Reporting Awards 2020” organised by HERA

08/2020

- 簽署江蘇省漣水一般工業固廢熱電聯供項目
- 光大綠色環保公佈二零二零年中期業績，在多重不利因素的影響下權益股東應佔盈利仍錄得增長
- 光大綠色環保連續三年獲納入恒生可持續發展企業基準指數成份股

09/2020

- 安徽省葉集生物質熱電聯供項目二期及山東省臨沭危廢填埋項目一期建成投運
- 成為由香港勞工處推出的《好僱主約章2020》簽署機構，並榮獲「『友』『家』好僱主」標誌
- 簽署湖北省黃石廢舊輪胎綜合利用項目，實現新業務領域的突破

10/2020

- 河南省柘城生物質及垃圾發電一體化項目及安徽省蕭縣生物質及垃圾發電一體化項目（垃圾發電二期）建成投運
- 獲香港工業總會及中國銀行（香港）聯合主辦之「中銀香港企業環保領先大獎2019」的「環保優秀企業」證書及標誌
- 榮膺由新城財經台主辦的「灣區企業可持續發展大獎2020」奪得「傑出灣區企業 – 社會可持續發展大獎（產業、創新和基礎設施）」及「傑出灣區企業 – 綠色可持續發展大獎（氣候行動）」

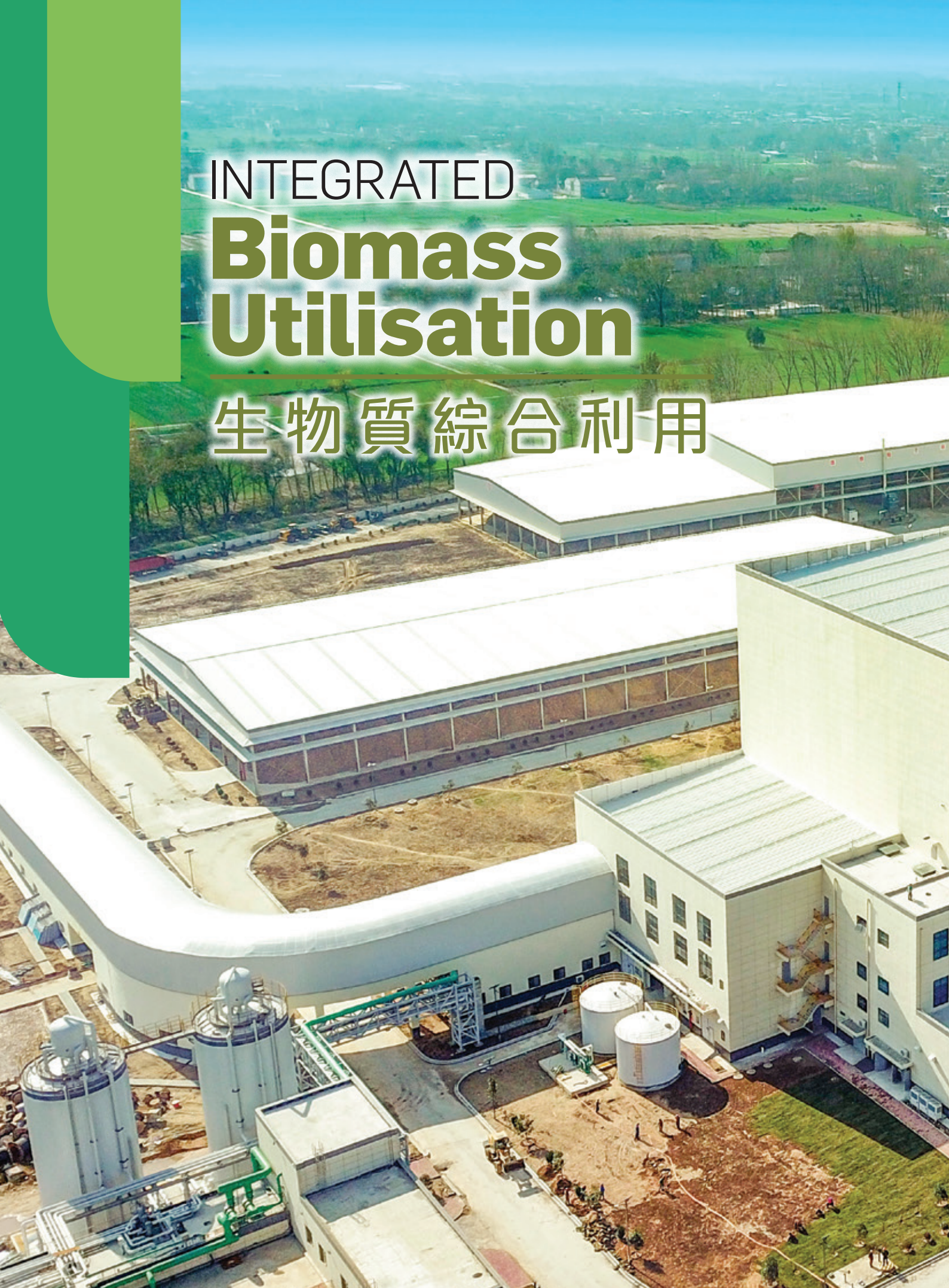
12/2020

- 江蘇省濱海危廢焚燒項目及新沂危廢填埋項目二期建成投運
- 榮獲由HERA主辦「香港環境、社會及管治報告大獎2020」中的「最佳ESG報告獎（小市值） – 大獎」及「最佳GRI報告獎 – 嘉許獎」

INTEGRATED

Biomass Utilisation

生物質綜合利用





CHAIRMAN'S STATEMENT
主席報告

PROGRESS IN STABILITY

Explored new directions for market expansion

穩中求進

探索市場拓展新方向

At the 75th United Nations General Assembly held in 2020, China pledged to “peak carbon dioxide emissions before 2030 and achieve carbon neutrality before 2060”; in the “14th Five-Year Plan” and the Long-Range Objectives through the Year 2035 low-carbon green development and the improvement of environmental quality were further emphasised. Economic recovery guided by eco-friendly and low-carbon initiatives has become the consensus of the international community. The blueprint of the “14th Five-Year Plan” promises new opportunities for the industry. To seize such new opportunities, the Group will operate in accordance with the general working requirements to “persist in stable progress, focus on management enhancement, emphasise innovation and reform, assist economic circulation and achieve qualitative development”. With a view to achieving our primary aim of delivering value with the aid of scientific and innovative reforms, we will advance our strategic transformation with steadfast confidence to capitalise on new development trends, persist in new development ideas and explore new development directions.

二零二零年，中國在第七十五屆聯合國大會上承諾『力爭二零三零年前二氧化碳排放達到峰值，努力爭取二零六零年前實現碳中和』；『十四五』規劃和二零三五年遠景目標進一步強調綠色低碳發展，促進環境品質改善。綠色低碳引領經濟復甦已經成為國際共識；『十四五』規劃藍圖蘊含新的行業商機。面對新機遇，本集團將按照『堅持穩中求進，聚焦管理提升，突出創改驅動，助力經濟循環，實現高質量發展』的工作總要求，以價值創造為核心，以科創改革為抓手，堅定信心推進戰略轉型，把握新的發展形勢、貫徹新的發展理念、開拓新的發展方向。

Chairman 主席

WANG Tianyi
王天義



Dear Shareholders,

In 2020, China was destined for remarkable achievements that would be remembered in history.

The COVID-19 pandemic swept across the globe, while international developments remained complicated. Under the severe pressure brought about by internal as well as external factors, China effectively controlled the spread and resurgence of the pandemic and secured rapid economic recovery ahead of others, as it became the only major economy in the world to register positive economic growth. China also won the critical battle in defined poverty alleviation to conclude the “13th Five-Year Plan” on a high note.

In 2020, we witnessed China’s unwavering resolve for ecological development and undiminished effort in environmental development.

To address the “overhauling changes not seen in a hundred years”, the nation was driving transformation towards qualitative economic development on all fronts, as it stepped up with the incubation of new business formats, new models and new technologies in the environmental industry, while steadily advancing significant strategies such as ecological protection in the Yangtze River Economic Belt and Yellow River basin. On the back of its solid business foundation, extensive experience in operations and highly efficient management measures, Everbright Greentech addressed various challenges in a calm and poised manner and achieved stable development with steady progress in its operations.

尊敬的各位股東：

二零二零年，中國註定不凡，永載史冊。新冠肺炎疫情席捲全球，國際局勢錯綜複雜。在內外交加的嚴峻壓力之下，中國有效控制疫情擴散和反彈，率先實現經濟快速復蘇，成為全球唯一實現經濟正增長的主要經濟體。中國成功打贏了精準脫貧攻堅戰，實現了「十三五」規劃圓滿收官。

二零二零年，中國生態建設決心不變，環保發展力度不減。面對「百年未有之大變局」，國家全面推動經濟向高品質發展轉型，加快培育環保行業新業態、新模式和新技術，穩步推進長江經濟帶、黃河流域生態保護等重大戰略。光大綠色環保憑藉堅實的業務基礎、豐富的運營經驗以及高效的管理措施，從容應對各類挑戰，各項工作有序推進，實現穩健發展。



In 2020, Everbright Greentech was charged with critical duties while it completed internal reforms to prepare for new developments. As an enterprise involved in medical waste disposal services, the Group provided active assistance to local governments in the urgent disposal of medical wastes, used face masks and sensitive wastes at designated hospitals and quarantine locations under COVID-19 during the year and was highly commended for its effort. During the year, Everbright Greentech also sought to identify opportunities in the midst of change, while adopting a range of measures to stabilise its businesses and procure development. For the year under review, the Group's reported a 6% growth in revenue and 7% growth in EBITDA, year-on-year. Excluding the effect of a one-off impairment in intangible assets, profit attributable to equity owners registered an approximately 3% growth as compared to the previous year.

We have sought steady progress and explored new directions for market expansion in a judicious manner. In 2020, Everbright Greentech adopted an innovative approach to expansion and sought to identify opportunities around the market on a highly selective basis. As a result, we successfully expanded into the end-of-life tyres ("ELT") disposal business. During the year, the Group secured 17 new projects and entered into 4 supplemental agreements involving total investments of approximately RMB2.56 billion and environmental remediation project contracts with a total amount of approximately RMB289 million, in further consolidation of the Group's advantageous position in traditional business segments such as integrated biomass utilisation, hazardous and solid waste treatment, and environmental remediation.

We have assumed responsibilities, delivered value and created a famous brand name in the environmental sector. In 2020, with a strong emphasis on environmental, social and governance matters, Everbright Greentech was committed to the creation of a sustainable and lasting company for investors and the thriving development of its green businesses. The Group was selected as a constituent stock of the Hang Seng Corporate Sustainability Benchmark Index for the third consecutive year, while it also received for the first time the Hong Kong Council of Social Service – "Caring Company" 2019/20 logo. The Group's research on the "Development and Application of Safe, Clean and Efficient Incineration Technology for General Combustible Industrial Solid Waste" was included in the list of "key program for International Science and Technology Cooperation Projects" maintained by the Ministry of Science and Technology of the PRC.

二零二零年，光大綠色環保勇挑重擔，固本革新譜寫新篇。這一年，面對新冠肺炎疫情衝擊，本集團作為涉足醫療廢棄物處理的企業，積極協助各地政府應急處置各類醫廢垃圾、廢棄口罩和定點醫院、隔離點敏感垃圾，獲得各界高度讚譽。這一年，光大綠色環保變中求機，多措並舉，穩業務、謀發展。於回顧年度內，本集團錄得收益同比增加6%；除利息、稅項、折舊及攤銷前盈利同比增加7%；撇除一次性無形資產減值影響，權益股東應佔盈利同比增加約3%。

我們審時度勢，穩中求進，探索市場拓展新方向。二零二零年，光大綠色環保創新市場拓展思路，放眼市場，優中選優，成功拓展廢舊輪胎（「廢舊輪胎」）處置業務。年內，本集團共取得17個新項目並簽署4份補充協議，涉及總投資約人民幣25.6億元、環境修復項目總合同金額約人民幣2.89億元，進一步鞏固本集團於生物質綜合利用、危廢及固廢處置、環境修復等傳統業務領域的優勢地位。

我們承擔責任，創造價值，打造綠色環保名牌。二零二零年，光大綠色環保高度重視環境、社會及管治，致力為廣大投資者打造一家可持續發展的百年老店，推動綠色事業長足發展。本集團連續三年獲納為恒生可持續發展企業基準指數成份股；首次榮獲香港社會服務聯會頒發2019/20年度「商界展關懷」標誌；本集團的「一般可燃工業固廢安全清潔高效焚燒技術開發及應用」課題成功獲得國家科技部「國際合作重大專項」立項。



For every solid step it has taken along the way, Everbright Greentech has benefited from the strong support and favor of various parties in the community. On behalf of the Group and the board of directors (the “Directors”) of the Company (the “Board”), I would like to express sincere gratitude to all the shareholders of the Company, investors and business partners. Sincere appreciation is also due to the Directors, the management team and other staff members.

Riding the wind to set sail to vast oceans. In 2021, the opening year for the nation’s “14th Five-Year Plan”, Everbright Greentech will operate in close tandem with national development strategies and demands of the market and the customers. With intensive implementation of the “4-3-3” strategic planning of China Everbright Group and the “3-5-8-7” development strategy of CEEGL, we will drive the transformation and upgrade of our existing biomass and hazardous and solid waste treatment business, as well as more in-depth and extensive development of prospective businesses such as environmental remediation. The Group will seize opportunities for development arising from the prospect of “carbon peaking and carbon neutrality”, leveraging the trend to link up the three major sectors of “environment, resources and energy” and exploring new directions to accelerate its transformation into a technology-oriented and versatile business-ecology platform, in order to forge Everbright Greentech’s unique advantages and market position for more Everbright contributions to the development of a beautiful China!

WANG Tianyi

Chairman

Hong Kong, 4 March 2021

光大綠色環保踏實走出的每一步，離不開社會各界的大力支持與厚愛，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、合作夥伴致以誠摯謝意，並向各位董事、管理層以及員工表示由衷感謝。

千川江海闊，風好正揚帆。二零二一年是國家「十四五」規劃的開局之年，光大綠色環保將緊跟國家發展戰略，與市場、客戶需求接軌，深入貫徹落實中國光大集團「四三三」戰略部署以及光大環境「三五八七」發展戰略，推動現有生物質和危固廢業務轉型升級，環境修復等前景業務縱深發展。本集團將抓住「碳達峰、碳中和」帶來的發展機遇，借力打通「環境、資源、能源」三大領域，探索新方向，加速向科技、敏捷、生態平台型企業轉型，形成光大綠色環保獨特優勢和市場地位，為建設美麗中國貢獻更多的光大力量！

王天義

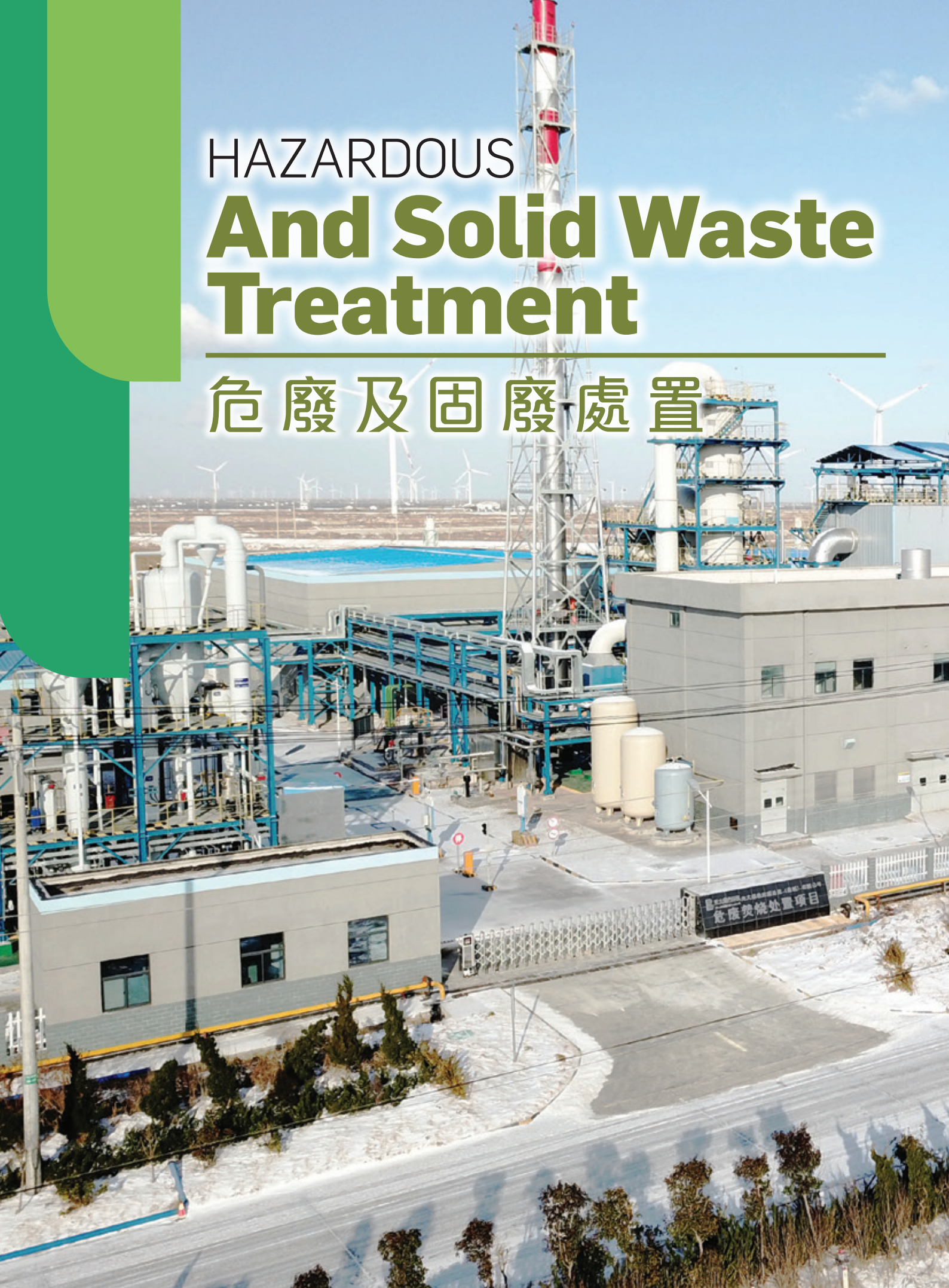
董事會主席

香港，二零二一年三月四日

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

In 2020, international trade conflicts escalated, while the profound changes occurring in the global economic landscape took on a faster pace under the impact of the pandemic caused by the novel coronavirus (“COVID-19”). Amidst enormous changes in the global landscape and a public health crisis not seen since a century ago, the Chinese government adopted effective measures to address the situation and ensured positive developments under stable and normalised epidemic prevention measures. Social life and production operations gradually returned to normal and sound recovery trends were reported in investment, consumption and export, making China the only major economy in the world achieving positive economic growth.

During the past year, the Chinese government maintained its strategic focus on the development of ecological civilisation, while driving the accomplishment of staged goals for the critical battle against pollution. Meanwhile, in connection with anti-epidemic initiatives, we expedited our effort to amend the shortfalls of our hazardous waste collection and treatment facilities. During the year under review, policies and regulations such as the “Guiding Opinions on Establishing a Modern System of Environmental Treatment” and a new revised version of the “Law on the Prevention and Control of Environmental Pollution by Solid Waste” were announced and implemented, while the plan for protecting the ecological environment of the Yangtze River Economic Belt was also progressing in an orderly manner, as environmental inspection by China’s central authorities continued to roll out. With the launch and implementation of such policy planning and action plans, the environmental industry embraced a positive development trend as it continued to improve in terms of regulation and professional quality.

As a provider of specialised environmental protection services in China, the Group achieved steady development in various businesses in 2020 despite the impacts of multiple unfavourable factors, such as the COVID-19 epidemic, rainstorms and floods, among others, as it rolled out comprehensive business development with the aim of “creating value and enhancing reform” in ongoing firm adherence to the corporate mission of being “Devoted to Ecology and Environment for a Beautiful China” and the corporate vision of endeavouring to “Create Better Investment Value and Undertake More Social Responsibility”.

經營業績

二零二零年，國際貿易衝突加劇，新型冠狀病毒（「2019冠狀病毒」）引發的肺炎疫情加速全球經濟形勢發生深刻變化。面對百年未有之大變局和百年未有的公共衛生事件衝擊，中國政府採取了行之有效的應對措施，使常態化疫情防控形勢趨穩向好，社會生產逐步回歸正軌，投資、消費、出口均呈現出良好的復甦態勢，中國成為全球唯一實現經濟正增長的主要經濟體。

過去一年，中國政府保持生態文明建設的戰略定力，推動污染防治攻堅戰完成階段性目標，同時從抗擊疫情的行動中，加快補齊廢收集處理設施短板。於回顧年度內，《關於構建現代環境治理體系的指導意見》及新版《固體廢物污染環境防治法》等政策法規相繼頒布實施，長江經濟帶生態環境保護規劃次第推進，中央環保督察工作持續開展。隨著這些政策規劃及行動方案的推出和落實，環保行業亦不斷提升規範程度和專業質素，發展勢頭良好。

作為一家中國專業環保服務提供者，二零二零年，本集團繼續秉承「情繫生態環境，築夢美麗中國」的企業願景，堅持「創造更好投資價值，承擔更多社會責任」的企業追求，圍繞「價值創造、改革提升」全面佈局，在2019冠狀病毒疫情、暴雨洪澇災害等多重不利因素影響下實現各項業務穩健發展。



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 2020, the Group had 119 environmental protection projects with a total investment of approximately RMB31.468 billion; and had undertaken 36 environmental remediation projects with a total contract amount of approximately RMB1.014 billion.

In terms of market development, the Group has been actively seeking premium projects with greater returns and stronger cashflow generating ability with an innovative mindset. First, we achieved breakthrough in terms of new business sectors by successfully tapping the ELT disposal business in a further enrichment of the Company's business portfolio; second, we continued to explore the market for treatment of general industrial solid waste and signed for two general industrial solid waste treatment projects in Xiao County and Lianshui County, respectively, in an ongoing effort to increase our industry influence in this sector; third, we continued to develop the environmental remediation market and drive business mix optimisation, as we reported record-high numbers and amounts of environmental remediation contracts signed.

During the year under review, the Group secured 17 new projects and entered into 4 supplemental agreements involving additional total investments of approximately RMB2.56 billion and environmental remediation project contracts with a total amount of approximately RMB289 million. Such new projects included 2 integrated biomass utilisation projects, 6 hazardous and solid waste treatment projects and 9 environmental remediation projects. In terms of project scale, our designed capacities for household waste and food waste processing, steam supplied and hazardous and solid waste treatment were increased by approximately 386,900 tonnes, 820,000 tonnes and 612,500 tonnes per year, respectively.

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。截至二零二零年十二月三十一日，本集團已落實環保項目119個，總投資額達約人民幣314.68億元，累計承接環境修復項目36個，涉及總合同金額約人民幣10.14億元。

市場拓展方面，本集團創新市場拓展思路，積極尋求回報更優、創現能力更強的優質項目。一是實現了新業務領域的突破，成功拓展廢舊輪胎處置業務，進一步豐富了本公司的業務類型；二是繼續開拓一般工業固廢市場，簽約蕭縣、漣水縣兩個一般工業固廢處置項目，不斷提升該業務的行業影響力；三是持續開發環境修復市場，推動業務結構優化，已簽署的環境修復合同數量和金額均創下歷史新高。

於回顧年度內，本集團共取得17個新項目及簽署4份補充協議，涉及新增總投資額約人民幣25.60億元及環境修復項目合同總金額約人民幣2.89億元。新項目包括2個生物質綜合利用項目、6個危廢及固廢處置項目和9個環境修復項目。項目規模方面，新增生活垃圾及餐廚垃圾設計處理能力約每年38.69萬噸，新增設計蒸汽供應能力約每年82萬噸，新增危廢及固廢設計處理能力約每年61.25萬噸。



During the year under review, EB Urban and Rural Renewable Energy (Nanjing) Limited (“EB Energy Nanjing”), an indirect wholly-owned subsidiary of the Company, Nanjing Liuhe Environment Company Limited (“Liuhe Environment”) and Nanjing Liuhe Jasmine Green Energy Company Limited (the “Project Company”) entered into a share capital increase agreement in respect of the Nanjing Liuhe Waste-to-Energy Project, pursuant to which a capital contribution of RMB70,560,000 was made for a 44.1% equity interest in the Project Company. The Project Company had a total amount of committed investment of RMB792 million and a household waste processing designed capacity of 1,000 tonnes per day. In November 2020, the Company had completed the capital contribution and the Project Company was held as to 44.1% by EB Energy Nanjing and 55.9% by Liuhe Environment.

In terms of project construction, the Group continued to ensure steady progress in the construction work of its projects in adherence to the principle of “Brand Building through Excellence in Quality”. During the year under review, 28 new projects started implementation or construction, while 20 projects were completed construction or commenced operation. As at 31 December 2020, the Group had 34 projects under construction or implementation, including 6 integrated biomass utilisation projects, 15 hazardous and solid waste treatment projects and 13 environmental remediation projects. With a strong emphasis on construction safety, construction quality and work scheduling for projects under construction, the Group has enhanced safety management at project sites through ongoing optimisation of its construction management system and framework.

In connection with technology research and development, the Group sought to drive quality and efficiency enhancement for its projects through technological innovation, while providing support to the technical viability of new business types. During the year under review, the Group’s effort was focused on the incineration of hazardous waste with high sulphuric and halogenic contents, treatment and disposal of general industrial solid waste, physicochemical treatment of hazardous waste, ultra-low emission of biomass and waste-to-energy projects, oil sludge treatment, ELT recycling, disposal and recycling of industrial waste salt, among others.

於回顧年度內，本公司的間接全資附屬公司光大城鄉生物能源(南京)有限公司(「光大能源(南京)」)、南京六合環境有限公司(「六合環境」)與南京六合茉莉綠色能源有限公司(「項目公司」)簽訂南京六合垃圾焚燒發電項目增資擴股協議，據此出資人民幣70,560,000元持有項目公司44.1%權益。該項目公司的投資承擔總額為人民幣7.92億元，設計日處理生活垃圾1,000噸。於二零二零年十一月，本公司已完成出資，項目公司分別由光大能源(南京)持有44.1%權益及六合環境持有55.9%權益。

工程建設方面，本集團秉持「建精品、創品牌」的施工理念，旗下項目工程建設均順利推進。於回顧年度內，新執行或在建項目28個，完工及建成投運項目20個。於二零二零年十二月三十一日，本集團在建或執行中的項目共34個，包括6個生物質綜合利用項目、15個危廢及固廢處置項目及13個環境修復項目。本集團高度重視在建項目施工安全、建造品質和建設進度，通過不斷優化工程管理制度架構，提高施工現場管理水準。

技術研發方面，本集團通過技術創新推動旗下項目提質增效，同時為新業務類型的技術可行性提供支撐。於回顧年度內，本集團圍繞高硫高鹵素危廢焚燒、一般工業固廢處置、危廢物化處理、生物質及生活垃圾發電項目超低排放、油泥處置、廢舊輪胎資源化利用、工業廢鹽處置及資源化利用等方面開展工作。



During the year under review, the Group's research on the "Development and Application of Safe, Clean and Efficient Incineration Technology for General Combustible Industrial Solid Waste" was included in the list of "Key Program for International Science and Technology Cooperation Projects" maintained by the Ministry of Science and Technology of the PRC; development of the process design package for the incineration of hazardous waste with high sulphuric and halogenic contents was completed and the package was applied in the operation of our projects; research on the implementation scheme for ultra-low emission of biomass and waste-to-energy projects came into shape; technical deliberation for the recycling of ELT was completed. As of 31 December 2020, the Group held 149 authorised patents, including 21 invention patents and 128 utility model patents, and 5 software copyrights.

During the year under review, the Group further enhanced end-to-end operational management through its environmental, safety, health and social responsibility ("ESHS") system, as it continued to introduce improvements to its hierarchical risk management mechanism and hazard inspection mechanism in an ongoing effort to enhance health and safety levels at work sites and their surrounding environments. In persistent adherence to the production principle of "prevention-based production safety", the Group drafted plans for safe technology measures and anti-accident measures and launched comprehensive risk identification and control activities to ensure the prevention of all kinds of accidents. To address issues commonly found among high-risk groups and operational management procedures, the Group scheduled multiple rounds special inspection on high-risk operations and organised issue-specific training sessions and emergency drills to enhance the staff responsiveness to contingency situations and their ability to deal with emergencies. During the year under review, the Group formulated and published 9 environmental management standards for the enhancement of environmental management after reviewing its operating procedures for operational management in accordance with the requirements of regulations and relevant standards. Moreover, to further standardise the organisational structure for ESHS management, the Group has established a management team with 142 dedicated staff to bolster its strengths in safety, environmental, health and social responsibility management.

於回顧年度內，本集團「一般可燃工業固廢安全清潔高效焚燒技術開發及應用」課題成功獲得國家科技部「國際合作重大專項」立項；高硫高鹵素危廢焚燒工藝包完成開發並應用於旗下項目運營；生物質及垃圾焚燒發電項目超低排放實施方案研究成型；廢舊輪胎資源化利用完成技術論證。截至二零二零年十二月三十一日，本集團共持有授權專利149項，包括發明專利21項和實用新型專利128項，以及軟件著作權5項。

於回顧年度內，本集團通過環境、安全、健康及社會責任（「ESHS」）制度進一步強化全過程運營管理，不斷健全風險分級管控機制和隱患排查機制，持續提升工作場所及周邊環境的健康和安全等級。本集團堅持「安全生產、預防為主」的生產方針，編寫安全技術措施和反事故措施計劃，全面開展風險識別與控制活動，嚴防各類事故發生；針對高風險人群和作業管理過程中普遍存在的問題，本集團開展了多輪高風險作業專項檢查，並組織針對性的培訓和應急演練，提升員工面對突發狀況的回應速度和應急處置能力。於回顧年度內，本集團根據法規和相關標準要求，檢視運營管理相關操作流程，編製及發佈了9項環境管理標準，提升環境管理水平。此外，為進一步規範ESHS管理組織架構，本集團組建包含142名專職人員的管理團隊，充實安全、環境、健康及社會責任管理力量。



In terms of risk management, the Group has continued to make improvements to its risk management system and align its risk management objectives with its strategic business objectives in a dynamic way. During the year under review, the Group conducted the risk assessment for 2020 and specific control measures were implemented in response to significant risks to ensure effective management and control of material risks.

To counter risks in connection with epidemic, the Group formulated and published the “Special Environmental Report on Risks associated with the Sudden Epidemic Outbreak” to provide a timely reminder of and set out the key measures against risks relating to disrupted operation and delayed construction. Complementing the extensive practical experience of various departments and their flexible responses, operations of the Group remained stable amid the epidemic outbreak. During the year under review, the Group achieved notable results in risk management by drawing on the prospective and precautionary natures of risk management.

The Group responded with calm and poise to the epidemic during 2020 and adopted sound and scientific counter-epidemic measures, such that business operations and production were swiftly resumed. During the year under review, the Group’s integrated biomass utilisation business brought into play the extensive geographical distribution of its projects, as it resorted to complementary supplies of fuel resources among different regions to ensure normal supply of fuel and consumables, while effectively lowering procurement costs by promoting the “premium quality and premium price” purchase model. Our hazardous and solid waste treatment business established regional business coordination centres and perfected its “Big Customer” regime to generate regional synergy and expand the outreach of its market for hazardous waste treatment in full utilisation of the potential local resources at its disposal. Our investment development department maintained good communication with the government and partners through a variety of channels, such as telephone and video-conferencing, and drove market expansion in an orderly manner with the use of copywriting. Our construction works management department controlled construction costs at an optimal level by urging the suppliers to deploy more workers, reasonably extending construction work hours, conducting stringent examination of drawings, optimising designs and exercising control over work visas. For details of our management of risks associated with epidemic prevention and control, please refer to the paragraph on the risk associated with epidemic prevention and control under the section headed “PRINCIPAL RISKS AND UNCERTAINTIES” in this chapter on page 50.

風險管理方面，本集團進一步完善風險管理制度、完善風險管理流程，實現風險管理目標與公司戰略目標的有機統一。於回顧年度內，本集團開展了二零二零年風險評估工作，圍繞重大風險落實具體管控措施，確保重大風險管控有力。

針對疫情風險，本集團編製並發佈《突發疫情風險專項報告》，及時提示和重點防範與疫情有關經營受礙及建設推遲等風險事項，配合各部門豐富的實戰經驗及靈活應變，致使在疫情下，本集團的整體經營情況仍穩健。於回顧年度內，本集團切實發揮風險管理的前瞻性和預警作用，風險管控效果顯著。

二零二零年，面對疫情，本集團沉著應對，採取科學合理的抗疫舉措，加速復工復產。於回顧年度內，本集團生物質綜合利用業務發揮項目佈局優勢，利用區域燃料資源的耦合互補，確保燃料和耗材正常供應，並通過推廣「優質優價」採購模式，有效降低採購成本；危廢及固廢處置業務成立區域業務調度中心，完善「大客戶」體系，形成區域協同效應，不斷擴大危廢市場輻射面，充分調動當地資源潛能；投資發展部通過電話、視頻等多種方式，保持與政府及合作方的良好溝通，以文案形式有序推進市場拓展工作；工程管理部通過敦促供應商增加施工人員、合理地延長施工時間、嚴格審圖、優化設計、控制工程簽證等舉措，把造價成本維持到理想狀態。有關疫情防控風險管理工作請參閱本章內第50頁「主要風險及不確定性」中疫情防控風險一段。



During the year under review, the Group garnered a number of awards on the back of its outstanding performance in sustainable development, corporate governance and social responsibility, winning approval and commendation among the general public. During the year under review, the Group was selected as a constituent stock of the Hang Seng Corporate Sustainability Benchmark Index for three consecutive years, while receiving the “BOCHK Corporate Environmental Leadership Awards 2019 – EcoChallenger” certificate from the Federation of Hong Kong Industries and Bank of China (Hong Kong); the “Outstanding Greater Bay Area Enterprises – Social Sustainability Award (Industry, Innovation and Infrastructure)” and “Outstanding Greater Bay Area Enterprises – Green Sustainability Award (Climate Initiative)” awards in the “Greater Bay Area Enterprises Sustainability Awards 2020” organised by Metro Finance; the 2019/2020 ESG Award of Yazhou Zhoukan and the Hong Kong Council of Social Service – “Caring Company” 2019/20 logo for the first time.

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 and submitted the “Critical Report on the Impact of COVID-19 on the Biomass Energy Sector” to the National Development and Reform Commission (“NDRC”) and other competent national authorities during the year under review to promptly reflect how the industry had been affected by the epidemic and propose responsive measures. To improve the current conditions of the industry, we have also participated in the drafting of the “Report on the Development of China’s Biomass Power Generation Industry in 2020” to provide an in-depth analysis of the opportunities and challenges for the biomass power generation industry. To provide guidance for the sustainable development of the industry, we have actively participated in the discussion of NDRC’s opinion the development in the industries of waste-to-energy power generation and power generation using agricultural and forestry residues and provided information on the current status of the biomass power generation industry to foster a positive ambience in the industry.

於回顧年度內，本集團憑藉在可持續發展、企業管治及社會責任等多個方面的出色表現，囊括多個獎項，獲得社會各界的一致認可與讚譽。於回顧年度內，本集團連續三年獲納入恒生可持續發展企業基準指數成份股，獲得由香港工業總會及中國銀行(香港)頒發「中銀香港企業環保領先大獎2019 – 環保優秀企業」證書；榮膺由新城財經台主辦的「灣區企業可持續發展大獎2020」奪得「傑出灣區企業 – 社會可持續發展大獎(產業、創新和基礎設施)」及「傑出灣區企業 – 綠色可持續發展大獎(氣候行動)」；榮獲《亞洲週刊》2019/2020 ESG大獎及首次榮獲香港社會服務聯會頒發2019/20年度「商界展關懷」標誌。

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」)的主任單位，於回顧年度內，本集團配合生物質能產業促進會，向中國國家發展和改革委員會(「國家發展改革委」)等主管部門遞交《關於新冠肺炎疫情對生物質能行業影響的緊急報告》，第一時間反映疫情對行業的影響並提出應對措施；為梳理行業現狀，參與編寫《2020年中國生物質發電產業發展報告》，深入解析生物質發電行業的機遇與挑戰；為引導行業可持續發展，積極參與國家發展改革委對垃圾焚燒發電和農林廢棄物發電行業發展意見的討論，積極反饋生物質發電產業發展現狀，營造良好的行業氛圍。



The Group firmly believes that the disclosure of environmental information in a highly transparent manner and the opening of environmental facilities to the public as a normalised practice are essential to the sustainable development of an ecological and environmental enterprise. Flue gas emission and sewage discharge data of all of the Company's projects in operation, among others, were synchronised and instantly uploaded to government-regulated public announcement platforms, while the environmental impact assessment reports and environmental surveillance data of projects are also disclosed to the public via various media for governmental and public supervision.

During the year under review, the Group continued to fulfill the responsibility of opening its environmental facilities to the public with more intensive actions, as it explored an online approach based mainly on live webcast to enhance the influence, in terms of both magnitude and scope, of the opening of its environmental facilities to the public. As of 31 December 2020, a total of 26 projects were officially open to the public and 240 offline open-to-the-public activities had been held, receiving a total of 2,676 visitors. In addition, 9 online open-to-the-public sessions were organised and attracted over 700,000 views.

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 conducted an annual evaluation on the products or services provided by all existing suppliers, and achieved a dynamic update of the supplier list through the hierarchical management.

本集團堅信，高度透明的環境資訊披露和環保設施常態化地向公眾開放是驅動生態環保企業可持續發展的必要條件。本公司旗下所有運營項目的煙氣、污水排放等資料均與政府監管平台聯網實時上傳，亦通過各種媒體途徑對項目環境影響評價報告、環境監測資料等進行公示，接受政府及公眾監督。

於回顧年度內，本集團繼續深化落實環保設施向公眾開放責任，探索以網絡直播為主要媒介的線上開放活動，擴大環保設施向公眾開放的影響力和影響範圍。截至二零二零年十二月三十一日，正式開放項目共26個，累計開展線下公眾開放活動240次，共接待2,676人次，開展線上開放活動9次，吸引超過700,000次瀏覽。

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，於回顧年度內對所有在庫供應商提供的產品或服務進行了年度評價，通過對供應商的分級管理，實現供應商庫動態更新。



In terms of operating results, the Group reported growth in revenue for 2020. The Group continued to enhance project management at the preparatory stage and drive steady progress of project construction. In connection with operation services, revenues from the operation service segment continued to grow in line with ongoing increase in the volumes of on-grid electricity through integrated biomass utilisation, household waste processed and steam supplied. For the year under review, the Group's revenue amounted to approximately HK\$9,835,376,000, increasing by 6% compared with HK\$9,279,555,000 for 2019. EBITDA increased by 7% to approximately HK\$3,064,595,000 compared to HK\$2,876,139,000 for 2019. Although the profit attributable to equity shareholders of the Company for the year was approximately HK\$1,502,532,000, 7% less than HK\$1,621,477,000 recorded for 2019 and basic earnings per share for 2020 was HK72.72 cents, HK5.76 cents less than HK78.48 cents for 2019, the Group was backed by ready access to various financing options and ample cash flow and reported sound financial indicators across the board.

The decrease in the company's earnings attributable to equity shareholders and basic earnings per share for the year were mainly due to the supplementary circular on issues related to the "Opinions on promoting the healthy development of non-hydro renewable power generation" (Caijian [2020] No. 426) (《關於促進非水可再生能源發電健康發展的若干意見》有關事項的補充通知) (the "Supplementary Circular") issued during the year, certain integrated biomass utilisation projects and solar energy and wind power projects will not be entitled to the renewable energy tariff subsidy when the operation period exceeds prescribed lifetime operation hours. The Group's future operating cashflow was affected. In light of the above, management performed impairment assessment on the intangible assets, property, plant and equipment and right-of-use assets within the scope of the Supplementary Circular and therefore, a one-off impairment loss of HK\$216,723,000 on intangible assets was made on the Group's concession rights (recognized as intangible assets) for certain integrated biomass utilisation projects. This decreased the net profit for the year by HK\$162,542,000 after netting off with the related tax impact of HK\$54,181,000. Excluding the impact of the one-off impairment of the intangible assets, the company's earnings attributable to equity shareholders and basic earnings per share for the year were HK\$1,665,074,000 and HK80.59 cents, respectively, an increase of approximately 3% compared with 2019.

經營業績方面，於二零二零年，本集團收益錄得增長。本集團持續強化籌建項目管理及穩步推進項目建設；運營服務方面，生物質綜合利用上網電量、生活垃圾處理量及蒸汽供應量持續上升，帶動運營服務收益持續增長。於回顧年度內，本集團錄得收益約港幣9,835,376,000元，較二零一九年之港幣9,279,555,000元增加6%。除利息、稅項、折舊及攤銷前盈利約港幣3,064,595,000元，較二零一九年之港幣2,876,139,000元增加7%。儘管本年度本公司權益股東應佔盈利約港幣1,502,532,000元，較二零一九年之港幣1,621,477,000元減少7%。二零二零年，每股基本盈利為72.72港仙，較二零一九年之78.48港仙減少5.76港仙，本集團融資渠道仍然暢通，資金充裕，各項財務指標健康。

本年度權益股東應佔盈利及每股基本盈利減少主要因為按照年內國家發佈的《〈關於促進非水可再生能源發電健康發展的若干意見〉有關事項的補充通知》(財建[2020]426號)(「《補充通知》」)，個別生物質綜合利用項目和光伏發電及風電項目於營運期間超過指定全期營運時數後，不再享有可再生能源電價補貼，本集團未來經營現金流受到影響。因此，管理層對《補充通知》範圍內的無形資產、物業廠房設備及使用權資產，進行減值評估，針對個別生物質綜合利用項目的特許經營權(作為無形資產列示)，作出一次性無形資產減值港幣216,723,000元，與相關稅務影響港幣54,181,000元對銷後，使本年淨利潤減少港幣162,542,000元。若撇除該一次性無形資產減值影響，本公司本年度權益股東應佔盈利及每股基本盈利則分別為港幣1,665,074,000元及80.59港仙，較二零一九年均增加約3%。



BUSINESS REVIEW AND PROSPECTS

Business Review

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\$9,835,376,000 in aggregate, comprising approximately HK\$4,462,629,000 from construction services, representing a 9% decline compared to HK\$4,919,759,000 for 2019, and approximately HK\$5,098,641,000 from operation services, representing a 22% growth compared to HK\$4,165,265,000 for 2019. Analysed by the nature of revenue, construction services, operation services and finance income accounted for 45%, 52% and 3%, respectively, of the total revenue.

Major financial data of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power projects for 2020 are set out as follows:

業務回顧及展望

業務回顧

於回顧年度內，生物質綜合利用、危廢及固廢處置、環境修復和光伏發電及風電分部的收益合計達約港幣9,835,376,000元，其中建造服務收益約港幣4,462,629,000元，較二零一九年之港幣4,919,759,000元減少9%，至於運營服務收益約為港幣5,098,641,000元，較二零一九年之港幣4,165,265,000元增加22%。按收益性質分析，建造服務、運營服務及財務收入分別佔總收益45%、52%及3%。

二零二零年生物質綜合利用、危廢及固廢處置、環境修復和光伏發電及風電項目之主要財務數據如下：

		2020 二零二零年					2019 二零一九年				
		Integrated biomass utilisation projects	Hazardous and solid waste treatment projects	Environmental remediation projects	Solar energy and wind power projects	Total	Integrated biomass utilisation projects	Hazardous and solid waste treatment projects	Environmental remediation projects	Solar energy and wind power projects	Total
		生物質綜合利用項目	危廢及固廢處置項目	環境修復項目	光伏發電及風電項目	合計	生物質綜合利用項目	危廢及固廢處置項目	環境修復項目	光伏發電及風電項目	合計
		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	收益										
- construction services	- 建造服務	3,869,337	593,292	-	-	4,462,629	4,050,945	868,814	-	-	4,919,759
- operation services	- 運營服務	4,182,317	557,647	167,656	191,021	5,098,641	3,032,982	640,767	287,296	204,220	4,165,265
- finance income	- 財務收入	266,740	7,366	-	-	274,106	186,389	8,142	-	-	194,531
		8,318,394	1,158,305	167,656	191,021	9,835,376	7,270,316	1,517,723	287,296	204,220	9,279,555
EBITDA	除利息、稅項、折舊及攤銷前盈利	2,557,204	419,733	39,223	181,365	3,197,525	2,192,943	571,824	55,454	185,683	3,005,904

Benefitting from favourable national policies, the Group received a total of approximately RMB137 million in government grants and approximately RMB78.26 million in value-added tax refunds in 2020.

受惠於國策支持，二零二零年，本集團共獲批政府各類補貼約人民幣1.37億元及增值稅退稅約人民幣7,826萬元。



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 the payment of a final dividend for the year ended 31 December 2020 of HK7.0 cents (2019: HK8.0 cents) per share to the Shareholders.

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 mainly of agricultural residues, such as wheat straw, rice straw, corn straw, rice husks, 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 the construction of integrated biomass utilisation projects and waste-to-energy projects 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.

The comprehensive biomass raw material supply regime has safeguarded sufficient fuel supply for and the stable operation of integrated biomass utilisation projects, while the Group has also curbed fuel costs by acquiring biomass raw materials in nearby regions through regional coordination initiatives. Through the combination of technological optimisation and delicacy management, the Group’s integrated biomass utilisation projects have achieved stable operations for long cycles, resulting in a major boost to the operating standards and economic benefits of the projects. Moreover, the unique advantages afforded by the Group’s urban-rural integration business model has contributed to significant reductions in the operating costs of projects and enhanced our competitiveness as a result.

本集團繼續為本公司股東（「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，董事會建議截至二零二零年十二月三十一日止年度向股東派發末期股息每股7.0港仙（二零一九年：8.0港仙）。

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，控制燃料成本。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，可以顯著降低項目的運營成本，提升行業競爭力。



As of 31 December 2020, the Group had a total of 50 integrated biomass utilisation projects, located variously in 10 provinces in China, including mainly Anhui Province, Jiangsu Province, Shandong Province, Hubei Province and Henan Province, etc. Such projects commanded a total investment of approximately RMB15.971 billion and provided an aggregate power generation designed capacity of 1,027 MW, an aggregate annual biomass processing designed capacity of approximately 8,089,800 tonnes, and a daily aggregate household waste processing designed capacity of approximately 9,910 tonnes.

During the year under review, the Group operated and completed 44 integrated biomass utilisation projects, generating approximately 5,365,724 MWh of on-grid electricity which represented an increase of 40% over 2019. Meanwhile, the Group processed approximately 6,707,958 tonnes of biomass raw materials and approximately 2,271,844 tonnes of household waste, representing increases of 45% and 58% over 2019, respectively. During the year under review, the Group supplied approximately 1,343,552 tonnes of steam, representing an increase of 64% over 2019. As of 31 December 2020, the Group had 6 integrated biomass utilisation projects under construction, with an aggregate power generation designed capacity of 59.5MW, a daily household waste processing designed capacity of approximately 2,760 tonnes.

During the year under review, the Group's integrated biomass utilisation projects contributed EBITDA of approximately HK\$2,557,204,000, an increase of 17% over 2019. The integrated biomass utilisation projects contributed net profit of approximately HK\$1,478,719,000, an increase of 10% over 2019. The increase in profit was mainly attributable to the substantial increase in revenue from operation services in tandem with the continuous growth in total on-grid electricity from projects in operation, volume of household waste processed and steam supplied during the year under review.

截至二零二零年十二月三十一日，本集團共擁有50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159.71億元，總設計發電裝機容量達1,027兆瓦，生物質總設計處理能力達每年約8,089,800噸，生活垃圾總設計處理能力達每日約9,910噸。

於回顧年度內，本集團運營及完工的生物質綜合利用項目共44個，提供上網電量約5,365,724兆瓦時，較二零一九年增加40%；處理生物質原材料約6,707,958噸及生活垃圾約2,271,844噸，分別較二零一九年增加45%及58%；於回顧年度內，本集團蒸汽供應量約1,343,552噸，較二零一九年增加64%。截至二零二零年十二月三十一日，本集團在建生物質綜合利用項目共6個，總設計發電裝機容量59.5兆瓦，設計生活垃圾處理能力約每日2,760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2,557,204,000元，較二零一九年增加17%。生物質綜合利用項目貢獻淨盈利約港幣1,478,719,000元，較二零一九年增加10%。盈利增加主要由於回顧年度內運營項目的總上網電量、生活垃圾處理量及蒸汽供應量持續上升，帶動運營服務收益大幅上升。



Major operating and financial data of the integrated biomass utilisation segment in 2020 are summarised in the table below:

二零二零年生物質綜合利用分部之主要運營與財務數據摘要如下：

		2020 二零二零年	2019 二零一九年
Integrated biomass utilisation projects	生物質綜合利用項目		
On-grid electricity (MWh)	上網電量(兆瓦時)	5,365,724	3,826,504
Biomass raw materials processing volume (tonnes)	生物質原材料處理量(噸)	6,707,958	4,635,939
Household waste processing volume (tonnes)	生活垃圾處理量(噸)	2,271,844	1,439,893
Volume of steam supplied (tonnes)	蒸汽供應量(噸)	1,343,552	818,804
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	2,557,204	2,192,943

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 safely disposing of 43 out of 46 categories of hazardous wastes listed in the National Catalog of Hazardous Wastes. During the year under review, we continued to explore the potential of the general industrial solid waste electricity and heat cogeneration business. The Group is well-positioned to fully meet various requirements of customers on the back of its solid technical strengths and ability to provide one-stop services.

As of 31 December 2020, the Group had a total of 60 hazardous and solid waste treatment projects, located variously in 10 provinces and autonomous region in China, including mainly Jiangsu Province, Shandong Province, Anhui Province, Hubei Province and Zhejiang Province, etc. Such projects commanded a total investment of approximately RMB14.102 billion and an aggregate annual processing designed capacity of approximately 2,841,900 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處於行業領先地位，可安全處置《國家危險廢物名錄》所列46類危廢中的43類，並於回顧年度內繼續挖掘一般工業固廢熱電聯供業務發展潛力。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客戶需求。

截至二零二零年十二月三十一日，本集團共擁有60個危廢及固廢處置項目，分佈在中國境內10個省份及自治區，主要位於江蘇省、山東省、安徽省、湖北省、浙江省等地。該些項目涉及總投資額約人民幣141.02億元，總設計處理能力達約每年2,841,900噸。



During the year under review, the Group operated and completed 23 hazardous and solid waste treatment projects. For detoxification treatment, approximately 166,825 tonnes of hazardous and solid waste were treated in total, a 9% decrease compared to 2019. For integrated resource utilisation, 15,276 tonnes of hazardous and solid waste were treated, increasing by 12% compared to 2019, and approximately 5,768 tonnes of recycled products were sold, a 10% increase compared to 2019. There were 15 hazardous and solid waste treatment projects under construction with an aggregate annual processing designed capacity of approximately 873,800 tonnes.

During the year under review, the Group's hazardous and solid waste treatment projects contributed EBITDA of approximately HK\$419,733,000, a decline of 27% over 2019. Hazardous and solid waste treatment projects contributed net profit of approximately HK\$203,180,000, a decrease of 44% over 2019. The decrease in profit was mainly attributable to the decrease in revenue from operation services as the processing volume had been affected by the epidemic.

Major operating and financial data of the hazardous and solid waste treatment segment in 2020 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23個，無害化處置方面，共處置危廢及固廢約166,825噸，較二零一九年減少9%；資源綜合利用方面，共處置危廢及固廢15,276噸，較二零一九年增加12%，並銷售資源化利用產品約5,768噸，較二零一九年增加10%。在建危廢及固廢處置項目15個，總設計危廢處理能力達約每年873,800噸。

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419,733,000元，較二零一九年減少27%。危廢及固廢處置項目貢獻淨盈利約港幣203,180,000元，較二零一九年減少44%。盈利減少主要由於處理量受疫情影響，因而導致運營服務收益相對減少。

二零二零年危廢及固廢處置分部之主要運營與財務數據摘要如下：

		2020 二零二零年	2019 二零一九年
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	166,825	184,248
— Integrated resource utilisation	— 資源綜合利用	15,276	13,654
Sales volume of recycled products (tonnes)	資源化利用產品銷售量(噸)	5,768	5,242
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	419,733	571,824



Environmental remediation

The Group's environmental remediation business covers mainly the restoration of industrial contaminated sites, restoration of contaminated farmland, restoration of ecology for mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river and 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 2020, the Group held the following accreditations: First-grade Professional Contracting Qualification for Environmental Protection Projects, Second-Grade General Contractor for Municipal Public Works, Third-Grade General Contractor for Construction Works, Environmental Engineering EPO License (Class B) (for pollution remediation and prevention of water pollution), Environmental Pollution Control License (Class A) (remediation of contaminated sites) in Jiangsu Province, Environmental Pollution Control License (Class B) (contaminated water body remediation) in Jiangsu Province, Environmental Pollution Control License (First Class) (remediation of contaminated sites) in Jiangsu Province and Environmental Pollution Control License (Second Class) (contaminated water remediation) in Jiangsu Province. It had also obtained an "AAA" corporate credit rating given by a credit rating agency, as well as ISO9001, OHSAS18001 and ISO14001 management system accreditations. In addition, the Group holds the China National Accreditation Services for Conformity Assessment (CNAS) certificate which qualifies it to issue test data and results to third parties as valid proof for certification purposes.

As of 31 December 2020, the Group had 13 environmental remediation projects under implementation, the majority of which were located variously in Jiangsu Province, Jiangxi Province and Guangdong Province, with a total contract amount of approximately RMB583 million. There were also 3 projects in the preparatory stage, with a total contract amount of approximately RMB117 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，截至二零二零年十二月三十一日，本集團已具備環保工程專業承包一級、市政公用工程總承包二級、建築工程施工總承包三級、環境工程設計專項乙級（污染修復工程和水污染防治工程專業）、江蘇省環境污染治理能力評價甲級（污染場地修復）、江蘇省環境污染治理能力評價乙級（污染水體修復）、江蘇省環境污染治理工程總承包能力評價一級（污染場地修復）、江蘇省環境污染治理工程總承包能力評價二級（污染水體修復）等資質，獲批信用評級機構企業資信等級AAA證書並通過ISO9001、OHSAS18001及ISO14001管理體系認證。本集團亦持有中國合格評定國家認可委員會(CNAS)資質認定證書，可對外出具具有證明效力的檢驗檢測資料和結果。

截至二零二零年十二月三十一日，本集團執行中的環境修復項目共13個，分別主要位於江蘇省、江西省和廣東省，涉及總合同金額約人民幣5.83億元；另有3個項目處於籌建階段，涉及總合同金額約人民幣1.17億元。



For the year under review, the Group's environmental remediation projects contributed EBITDA of approximately HK\$39,223,000, a decrease of 29% over 2019. The environmental remediation projects contributed net profit of approximately HK\$15,317,000, a decrease of 50% over 2019. The decrease in profit was mainly attributable to the impact of the epidemic on construction work progress and reduction in government tenders.

Major financial data of the environmental remediation segment for 2020 are summarised as follows:

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39,223,000元，較二零一九年減少29%。環境修復項目貢獻淨盈利約港幣15,317,000元，較二零一九年減少50%。盈利減少主要由於回顧年度內工程進度受疫情影響及政府減少招標活動。

二零二零年環境修復分部之主要財務數據摘要如下：

		2020 二零二零年	2019 二零一九年
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)	39,223	55,454

Solar energy and wind power

The Group has 7 solar energy projects and 2 wind power projects in operation located 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 125.9MW. The Group is responsible for building, managing and operating these projects and selling electricity generated by such projects to local power grid companies.

During the year under review, the Group's solar energy and wind power projects sold approximately 257,781 MWh of electricity, representing a decrease of 4% compared to 2019. EBITDA contribution decreased by 2%, as compared to 2019, to approximately HK\$181,365,000. Solar energy and wind power projects contributed net profit of approximately HK\$78,415,000, representing a decrease of 6% as compared to 2019. It was mainly attributable to the decrease in on-grid power volume following the suspension of wind power operation in Shanxi Province owing to the epidemic.

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。

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257,781兆瓦時，較二零一九年減少4%，貢獻除利息、稅項、折舊及攤銷前盈利約港幣181,365,000元，較二零一九年減少2%。光伏發電及風電項目貢獻淨盈利約港幣78,415,000元，較二零一九年減少6%，主要由於受疫情影響，山西省棄風限電，導致上網電量減少。



Major operating and financial data of the solar energy and wind power segment in 2020 are summarised in the table below:

二零二零年光伏發電及風電分部之主要運營與財務數據摘要如下：

		2020 二零二零年	2019 二零一九年
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)	257,781	268,675
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	181,365	185,683

The Group has been consistently committed to a dual emphasis on both social benefits and economic benefits in its vigorous efforts to promote energy conservation and emission reduction. During the year under review, the Group generated approximately 5,623,505 MWh of green electricity, which was sufficient for the annual electricity consumption of 4,686,259 households, reducing standard coal consumption by 2,249,402 tonnes and carbon dioxide (CO₂) emissions by 4,478,665 tonnes, while saving 731,055,625 trees. The Group also processed 501,782.6 m³ of leachate in its waste-to-energy power plants and hazardous waste landfills eliminating aggregate chemical oxygen demand (COD) by 15,599.8 tonnes.

本集團始終致力於社會與經濟效益雙重並舉，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5,623,505兆瓦時，可供4,686,259個家庭一年使用，相當於節約標煤2,249,402噸，減少二氧化碳(CO₂)排放4,478,665噸及減少森林樹木砍伐731,055,625株，以及共處理垃圾發電廠及危廢填埋場的滲濾液501,782.6立方米，共去除化學需氧量15,599.8噸。

Business Prospects

In the wake of the 18th National Congress of the Communist Party of China, the development of ecological civilisation has been afforded a strategic priority like never before, and the building of a beautiful China has become a consensus for all throughout the nation. The unexpected outbreak of the epidemic has warranted new requirements for the nation's development of ecological civilisation, while the complicated and severe external environment has caused an impact on the traditional patterns of economic development. Given the significance of the development the ecological and environmental business to protecting public health and safety and realising sustainable development of mankind, ecological and environmental governance could have enormous effect on directing the adjustment of the economic structure, transforming the pattern of economic development and enhancing qualitative economic growth. Going forward, the environmental sector is bound to embrace new historic opportunities for development.

業務展望

十八大以來，生態文明建設被提到前所未有的戰略高度，建設美麗中國成為舉國上下的一致共識。突發的疫情對國家生態文明建設提出了新的要求，複雜嚴峻的外部環境衝擊傳統經濟發展方式。鑑於生態環保事業的發展對於維護公共衛生安全、實現人類可持續發展具有重要意義，生態環境治理在引領經濟結構調整、轉變經濟發展方式、助推經濟高品質發展方向上能發揮巨大作用，展望未來，環保產業必將迎來新的歷史發展機遇。



Year 2020 is the concluding year of China for the general development of a moderately prosperous society and the “13th Five-Year Plan”, as well as the year of planning and formulation for the “14th Five-Year Plan”. At the 75th United Nations General Assembly held during the year, President Xi Jinping made a solemn pledge to the world that China’s carbon emission will peak by 2030 and carbon neutrality will be achieved by 2060. According to the “Proposals for the Formulation of the “14th Five-Year Plan” and Long-term Goals 2035 for National Economic and Social Development” adopted at the 5th plenary session of the 19th Central Committee of the Communist Party of China, the task of low-carbon green development, improving environmental quality and facilitating eco-friendly transformation of important industries and sectors was further emphasised. In the foreseeable years to come, the perfection of the carbon emission trading regime, the ongoing battle against pollution with synergies in pollution and carbon reduction has become the latest critical point for the environmental industry in its service to the national cause and people’s livelihood.

The fast-changing scenes in domestic as well as international developments in 2020 posed not a few risks and had a profound impact on the industrial structure of China. All in all, it has expedited the process of consolidation in the environmental sector for more in-depth development, where strong players were driving out the weak. Against a backdrop where both opportunities and challenges abound, we continued to persist in development in “three dimensions”: extending the length of the industry chain, penetrating the depth for more market shares and broadening the scope of our business. Based on a profound commitment to “delivering value to customers”, we constantly enhanced our ability to provide service and create value through a market-oriented and technology-driven approach.

二零二零年是中國全面建成小康社會和「十三五」規劃的收官之年，是「十四五」規劃謀篇佈局之年。年內習近平主席在第七十五屆聯合國大會上向全世界莊嚴承諾中國二零三零年實現「碳达峰」和二零六零年實現「碳中和」的目標。十九屆五中全會通過《關於制定國民經濟和社會發展第十四個五年規劃和二零三五年遠景目標的建議》，進一步強調綠色低碳發展，促進環境品質改善，推進重點行業和重要領域綠色化改造的任務。今後一個時期，完善碳排放交易體系，繼續打好污染防治攻堅戰，實現減污與降碳的協同效應，成為環保產業服務國計民生的最新切入點。

二零二零年，國際國內形勢瞬息萬變，險象環生，深入影響中國產業結構，令環保行業加速向良幣驅逐劣幣的縱深方向發展。在機遇與挑戰並存的背景下，本集團繼續堅持「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。深化「為客戶創造價值」的理念，以市場為導向，以科技為驅動，不斷提升公司服務能力和價值創造水準。



The Group will continue to operate in close adherence to national strategies and seize opportunities for development presented by “peak carbon dioxide emission” and “carbon neutrality”, with a view to transition towards qualitative growth. To consolidate its existing business strengths, the Group will drive quality and efficiency enhancement for its existing projects, while seeking further optimisation of its business mix in an active move to advance business transformation. Our integrated biomass utilisation business will negotiate a general transition to electricity and heat cogeneration and high value-added businesses. The hazardous and solid waste treatment business will develop new operations such as general industrial solid waste treatment and ELT recycling in a transition to the provision of industrial environmental services. We will enhance development of the environmental remediation business and step up with business deployment in areas such as landfill remediation, mine remediation and agricultural field remediation. To seize opportunities in the new development ahead of our competition, the Group will expedite research in new business models and a business positioning pivoting on three areas: energy, resources and environment, investigating new approaches and transform the enterprise into a technology-oriented and versatile business ecology platform. The Group will persist in leading the way through business innovations and driving sustainable development of various businesses through technological innovation and innovations in business model, in a full effort to foster core corporate competitiveness.

Moving forward, with the solid backing of China Everbright Group and strong support of CEEGL, 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 endeavouring to “Create Better Investment Value and Undertake More Social Responsibility” and strive incessantly to become a leader in China’s environmental business sector.

本集團將繼續緊扣國家戰略，抓住「碳达峰」、「碳中和」發展機遇，實現向高質量發展轉型。為了鞏固現有業務的優勢地位，本集團將推動存量項目提質增效，進一步優化業務結構，積極推進現有業務轉型。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拓展一般工業固廢，廢舊輪胎處理等新興業務，實現向工業環保服務商轉型；加大環境修復業務的發展力度，加快在填埋場修復、礦山修復、農田修復等領域的業務佈局。為了搶佔新一輪發展先機，本集團將加快研究新型業務模式，圍繞能源、資源、環境三位一體的業務定位，探索新方向，實現向科技型、敏捷性、生態平台型企業轉型。本集團堅持創新引領發展，以技術創新和商業模式創新推進各項業務可持續發展，全力打造公司核心競爭力。

展望未來，依託中國光大集團這一堅實後盾及本公司控股股東光大環境的強力支援，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」的企業願景，為發展成為中國環保行業的翹楚不懈奮鬥。



Subsequent events

On 28 January 2021, the Company received the notice of registration acceptance issued by the National Association of Financial Market Institutional Investors (the “NAFMII”) in respect of the Company’s application for the proposed issue of asset-backed notes (the “ABN”) with the maximum registered principal amount of RMB2 billion in the national inter-bank bond market in the People’s Republic of China (the “PRC”). The registered principal amount shall be valid for two years from the date of the notice of registration acceptance, being 27 January 2021. The targeted subscribers for the ABN shall be institutional investors in the national inter-bank bond market in the PRC. The ABN shall be traded in the inter-bank bond market.

As at the date of this annual report, the Company has not issued any ABN. The Company will make further disclosure on the progress of the possible ABN issue as and when appropriate.

FINANCIAL REVIEW

Financial position

As at 31 December 2020, the Group’s total assets amounted to approximately HK\$35,264,668,000 (31 December 2019: HK\$26,258,315,000) with net assets amounting to approximately HK\$12,866,841,000 (31 December 2019: HK\$10,587,352,000). Net asset value per share attributable to equity shareholders of the Company was HK\$6.06 per share, an increase of 21% as compared to HK\$5.01 per share as at the end of 2019. As at 31 December 2020, the gearing ratio (total liabilities over total assets) of the Group was 63.5%, an increase of 3.8 percentage points as compared to that of 59.7% as at the end of 2019. The current ratio of the Group was 156.2%, an increase of 7.5 percentage points as compared to that of 148.7% as at the end of 2019.

業績日後事項

本公司於二零二一年一月二十八日收到由中國銀行間市場交易商協會（「交易商協會」）就本公司申請於中華人民共和國（「中國」）全國銀行間債券市場建議發行註冊本金金額上限為人民幣20億元資產支持票據（「資產支持票據」）而發出的接受註冊通知書，而此註冊本金金額將於接受註冊通知書日期（即二零二一年一月二十七日）起有效，為期兩年。資產支持票據發行對象為全國銀行間債券市場內的機構投資者。有關資產支持票據將於全國銀行間債券市場流通。

於本年報日期，本公司尚未發行任何資產支持票據。本公司將適時就潛在資產支持票據發行的進度再作出披露。

財務回顧

財務狀況

於二零二零年十二月三十一日，本集團之總資產約為港幣35,264,668,000元（二零一九年十二月三十一日：港幣26,258,315,000元），淨資產則約港幣12,866,841,000元（二零一九年十二月三十一日：港幣10,587,352,000元）。而本公司權益股東應佔每股資產淨值為港幣6.06元，較二零一九年年底之每股港幣5.01元增加21%。於二零二零年十二月三十一日，本集團之資產負債比率（總負債除以總資產）為63.5%，較二零一九年年底之59.7%增加3.8個百分點。本集團之流動比率為156.2%，較二零一九年年底之148.7%增加7.5個百分點。



Financial resources

The Group adopts a prudent approach on 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, proceeds from the issue of medium-term notes and bank loans. As at 31 December 2020, the Group had cash and bank balances of approximately HK\$2,727,053,000, a decrease of HK\$170,433,000 as compared to HK\$2,897,486,000 at the end of 2019. Most of the Group's cash and bank balances were denominated in Hong Kong dollars and Renminbi.

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 2020, the Group had outstanding borrowings including 2020 First Tranche Medium-term Notes (as defined below) of approximately HK\$16,933,373,000, an increase of approximately HK\$5,378,362,000 as compared to HK\$11,555,011,000 as at the end of 2019. The borrowings included secured interest-bearing borrowings of approximately HK\$8,566,054,000 (31 December 2019: HK\$6,472,644,000) and unsecured interest-bearing borrowings of approximately HK\$8,367,319,000 (31 December 2019: HK\$5,082,367,000). The borrowings of the Group were denominated in Renminbi and Hong Kong dollars, representing 73% and 27% of the total respectively. The majority of the Group's borrowings were subject to floating rates. As at 31 December 2020, the Group had banking facilities of approximately HK\$22,038,898,000 (31 December 2019: HK\$17,423,770,000), of which approximately HK\$7,591,705,000 (31 December 2019: HK\$6,328,994,000) 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 would 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.

財務資源

本集團對現金及財務管理採取審慎的原則，妥善管理風險及降低資金成本。運營資金主要來自內部現金流、發行中期票據所得資金及銀行提供之貸款。於二零二零年十二月三十一日，本集團持有現金及銀行結餘約港幣2,727,053,000元，較二零一九年年底之港幣2,897,486,000元減少約港幣170,433,000元。本集團大部分現金及銀行結餘均為港幣及人民幣。

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。於二零二零年十二月三十一日，本集團尚未償還貸款總額（包括二零二零年度第一期中期票據（定義見下文））約港幣16,933,373,000元，較二零一九年年底之港幣11,555,011,000元增加約港幣5,378,362,000元。貸款包括有抵押之計息借貸約港幣8,566,054,000元（二零一九年十二月三十一日：港幣6,472,644,000元）及無抵押之計息借貸約港幣8,367,319,000元（二零一九年十二月三十一日：港幣5,082,367,000元）。本集團的貸款以人民幣及港幣為單位，分別佔總數73%及27%。本集團的大部分貸款均為浮動利率。於二零二零年十二月三十一日，本集團之銀行融資額度約港幣22,038,898,000元（二零一九年十二月三十一日：港幣17,423,770,000元），其中約港幣7,591,705,000元（二零一九年十二月三十一日：港幣6,328,994,000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，中國銀行將在未來三年內，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 cooperation agreement, PSBC Shenzhen Branch would offer financial cooperation with an aggregate amount of RMB5 billion 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 tailored financial services to the Group. The Company will take the opportunity presented by this strategic cooperation to deepen the cooperation between both parties continuously, establish a long-term, stable and mutually beneficial cooperative relationship with PSBC Shenzhen Branch.

On 20 May 2020, the Company received the notice of registration acceptance issued by the NAFMII in respect of the Company’s application for the proposed issue of medium-term notes in an aggregate principal amount of not more than RMB3.5 billion in the national inter-bank bond market of the PRC, which registered principal amount shall be valid for 2 years from the date of the notice of registration acceptance, being 19 May 2020. The targeted subscribers for the medium-term notes shall be institutional investors in the national inter-bank bond market. The medium-term notes shall be traded in the national inter-bank bond market.

During the year, the Company completed the issuance of 2020 first tranche medium-term notes (the “2020 First Tranche Medium-term Notes”) on 12 June 2020. The 2020 First Tranche Medium-term Notes was issued for an amount of RMB1 billion with a maturity period of 3+2 years at a coupon rate of 3.68% per annum for the first 3 years. The Company shall be entitled to adjust the coupon rate of the 2020 First Tranche Medium-term Notes on the third anniversary of the issuance date. The adjusted coupon rate shall remain unchanged for the last 2 years. The proceeds from issuance of the 2020 First Tranche Medium-term Notes will be used as general working capital and for loan repayment. As at 31 December 2020, the Company’s outstanding medium-term notes had an unissued registered principal amount of RMB2.5 billion.

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，於未來三年內，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携手建立長期穩定、互利共贏的良好合作關係。

本公司於二零二零年五月二十日收到由交易商協會就本公司申請於中國全國銀行間債券市場建議發行本金總額不超過人民幣35億元中期票據而發出的接受註冊通知書，而此註冊本金金額將於接受註冊通知書日期（即二零二零年五月十九日）起有效，為期兩年。中期票據發行對象為全國銀行間債券市場內的機構投資者。有關中期票據將於全國銀行間債券市場流通。

年內，本公司於二零二零年六月十二日完成本公司二零二零年度第一期中期票據（「二零二零年度第一期中期票據」）的發行。二零二零年度第一期中期票據發行金額為人民幣10億元；期限為三年加兩年；票面利率於首三年為每年3.68%。本公司有權於發行日期後三週年調整二零二零年度第一期中期票據的票面利率。經調整之票面利率於最後兩年須維持不變。發行二零二零年度第一期中期票據所得款項將用於一般營運資金及償還貸款。於二零二零年十二月三十一日，本公司餘下中期票據未發行之註冊本金金額為人民幣25億元。



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 have been predominantly based in Mainland China, which makes up over 95% of its total investments and revenue. The majority of the Group's assets, borrowings and major transactions are denominated in Renminbi, forming basically a natural hedging effect. The Group closely manages its foreign exchange risk through the optimal allocation of borrowings in different currencies, moderate control of borrowings in non-base currencies, and adoption of appropriate financial instruments.

Pledge of assets

Certain banking facilities of the Group were secured by certain revenue rights, contract assets and receivables in connection with the Group's service concession arrangements, bank deposits, mortgages on property, plant and equipment and right-of-use assets of the Group. As at 31 December 2020, the aggregate net book value of assets pledged amounted to approximately HK\$19,019,934,000 (31 December 2019: HK\$14,193,658,000).

Commitments

As at 31 December 2020, the Group had purchase commitments of approximately HK\$1,104,064,000 (31 December 2019: HK\$1,934,256,000) under the construction contracts and capital commitments relating to capital injection in an associate and a joint venture of approximately HK\$35,405,000 (31 December 2019: HK\$33,148,000) and HK\$3,575,000 (31 December 2019: Nil) respectively.

Contingent liabilities

As at 31 December 2020, the Group did not have any contingent liabilities (31 December 2019: 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.

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權、合約資產及應收款項、銀行存款、物業、廠房及設備之按揭及使用權資產作為抵押。於二零二零年十二月三十一日，已抵押資產之賬面淨值總額約港幣19,019,934,000元（二零一九年十二月三十一日：港幣14,193,658,000元）。

承擔

於二零二零年十二月三十一日，本集團為建造合約而訂約之採購承擔約港幣1,104,064,000元（二零一九年十二月三十一日：港幣1,934,256,000元），以及與注資一家聯營公司及一家合營企業相關的資本承擔分別約港幣35,405,000元（二零一九年十二月三十一日：港幣33,148,000元）及港幣3,575,000元（二零一九年十二月三十一日：無）。

或有負債

於二零二零年十二月三十一日，本集團並無任何或有負債（二零一九年十二月三十一日：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。



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.

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：

CRITERIA 標準	SERVICE CONCESSION ARRANGEMENT 服務特許經營權安排		
		Construction phase 建設階段	Operation phase 運營階段
<p>Projects with guaranteed revenue stream 有保證收益流的項目</p> <p>Projects fulfilling all of (1), (2) and (3) 滿足第(1)、(2)及(3)項標準的項目</p>	Statement of profit or loss 損益表	<ul style="list-style-type: none"> construction revenue recognised 已確認建造收益 construction costs charged 已扣除建造成本 finance income recognised 已確認財務收入 	<ul style="list-style-type: none"> operation revenue (service fee received/receivables less partial settlement of the service concession assets recognised during the construction phase) recognised 已確認經營收益(於建設階段已收/應收服務費用減服務特許經營權資產部分還款) finance income recognised 已確認財務收入
	Statement of financial position 財務狀況表	<ul style="list-style-type: none"> the consideration receivable for the construction service is recognised as service concession assets, which is an interest bearing contract asset 就建造服務的應收代價確認為計息合約資產的服務特許經營權資產 finance income receivable is classified as service concession assets 應收財務收入分類為服務特許經營權資產 	<ul style="list-style-type: none"> service concession assets will be settled by allocation of service fees received during the operation phase 服務特許經營權資產將由運營階段收取的服務費用償付
	Cash flow 現金流量	<ul style="list-style-type: none"> payment for construction costs is classified under operating activities 建造成本支付款項分類至經營活動項下 no cash flow effect for construction revenue and finance income 對建造收益及財務收入並無現金流量影響 	<ul style="list-style-type: none"> service fee received is classified under operating activities 已收服務費用分類至經營活動項下
<p>Projects with non-guaranteed revenue stream 無保證收益流的項目</p>	Statement of profit or loss 損益表	<ul style="list-style-type: none"> construction revenue recognised 已確認建造收益 construction costs charged 已扣除建造成本 	<ul style="list-style-type: none"> operation revenue (service fee received/receivable) recognised 已確認經營收益(已收/應收服務費用) amortisation charge of intangible assets 無形資產攤銷費用
	Statement of financial position 財務狀況表	<ul style="list-style-type: none"> the consideration receivable for the construction service is recognised as intangible assets 就建造服務的應收代價確認為無形資產 	<ul style="list-style-type: none"> intangible assets are amortised on a straight-line basis over the estimated useful life 無形資產以預計使用年限按直線基準攤銷
	Cash flow 現金流量	<ul style="list-style-type: none"> payment for construction costs is classified under investing activities 建造成本支付款項分類至投資活動項下 no cash flow effect for construction revenue 對建造收益並無現金流量影響 	<ul style="list-style-type: none"> service fee received is classified under operating activities 已收服務費用分類至經營活動項下
<p>Other projects 其他項目</p> <p>(3) The infrastructure is constructed or acquired from a third party for the purpose of the service concession arrangement. 該基建由出於服務特許經營權安排的目的建設或自第三方收購；或基建為我們項目的委託人的已有基建，而我們出於服務特許經營權安排的目的獲權利使用</p>	Statement of profit or loss 損益表	<ul style="list-style-type: none"> nil 無 	<ul style="list-style-type: none"> operation revenue (service fee received/receivable) recognised 已確認經營收益(已收/應收服務費用) depreciation charge of property, plant and equipment 物業、廠房及設備折舊費用
	Statement of financial position 財務狀況表	<ul style="list-style-type: none"> construction costs are capitalised as construction in progress and classified under property, plant and equipment 建造成本資本化為在建工程並分類至物業、廠房及設備項下 	<ul style="list-style-type: none"> upon completion of the construction, construction in progress is reclassified to the relevant categories under property, plant and equipment 建設完成後，在建設施重新分類至物業、廠房及設備的相關類別下 cost of the infrastructure is depreciated on a straight-line basis over the estimated useful life 基建成本以預計使用年限按直線基準減值
	Cash flow 現金流量	<ul style="list-style-type: none"> payment for construction costs is classified under investing activities 建造成本支付款項分類至投資活動項下 	<ul style="list-style-type: none"> service fee received is classified under operating activities 已收服務費用分類至經營活動項下



As of 31 December 2020, the Group had a total of 76 projects in operation and 21 projects under construction, in which 48 integrated biomass utilisation projects and 12 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 2020 and 31 December 2019.

截至二零二零年十二月三十一日，本集團擁有76個運營項目及21個在建項目，其中：48個生物質綜合利用項目及12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。

下表載列截至二零二零年十二月三十一日及二零一九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錄得的建造收益的明細。



Construction revenue recorded as additions to:

錄得作為增置的建造收益：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Intangible assets	無形資產	2,304,535	3,661,081
Service concession assets	服務特許經營權資產	2,158,094	1,258,678
Total	總計	4,462,629	4,919,759

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 brought its strength in management into play by instituting a “weekly meeting” mechanism to track and guide frontline work in epidemic prevention and production resumption in a timely manner while ensuring the protection of staff health and operational stability, against the backdrop of the COVID-19 epidemic, adjustments to the national grant policy and increasing austerity in the industry. We continued to drive the transformation and upgrade of the enterprise by focusing on future development, strengthening strategic guidance and emphasising reform and innovation.

內部管理

加強企業管理是確保企業高效、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，著力營造全員參與的管理文化，強化管理意識，有效提升企業管理水平。

於回顧年度內，在2019冠狀病毒疫情、國補政策調整，行業生態趨於嚴峻的背景下，本集團進一步發揮管理所長，設立「週工作會議」機制，及時跟進、指導一線防疫和復工復產工作，確保員工健康和運營穩定；著眼未來發展，強化戰略引領，突出改革創新，推進企業轉型升級。



The Group is committed to the introduction of industry-leading technologies to empower the investment, construction and operation sectors, in an ongoing effort to enhance the enterprise's ability to produce benefit and efficiency. Informatisation in operation management is vigorously promoted, extending the boundaries of management and enhancing the standardisation, sophistication and systematisation of operational management. Cost management awareness has been enhanced and a long-term mechanism has been established to facilitate end-to-end cost control over new projects, conversion projects and expansion projects in fulfilment of the objective of cost reduction and efficiency enhancement. Improvements have also been made to the risk management regime, underpinned by 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 has been organised to procure closed-loop rectification of problems identified. To complement efforts of the Internal Audit Department, "Risk management-oriented auditing" has been incorporated into our audit process, whereby reviews on the operating conditions and viability of our risk management system from an audit point of view has been conducted to ensure effective implementation and stringent execution of all management systems.

The Company has always been highly concerned with legal compliance of project construction and has rigorously implemented requirements for work progress to ensure that the commencement and construction of all projects are compliant with relevant laws and regulations. In consistent adherence to the operating principle of "Pursuing Excellence and Close to Zero Discharge", the Company has enhanced management over projects in operation in terms of production safety and emission compliance. Competitions in terms of four indicators, namely, "Expenditure Reduction, Efficiency Enhancement, Energy Saving and Cost Control", have been organised subject to assurance that no significant safety or environmental incidents would occur. Moreover, a "Five Minors Innovative Award" has been introduced to encourage staff creativity and facilitate the Company's high-quality development through innovation.

本集團致力於引進行業先進技術，赋能投資、建設、運營領域，不斷提升企業創效能力；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；強化成本管理觀念，建立長效機制，對新建、改擴建項目實施全過程成本管控，實現「降本增效」目的；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實操訓練；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。

本集團一貫重視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；堅守「精益求精、追求完美，近零排放、追求卓越」的經營原則，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。



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. The Investment Project Risk Review Committee and the Engineering Technology Committee played their part effectively to review the investment and construction of projects according to stringent standards. In the meantime, members of the management committee deliberated on corporate development strategies and important tasks of the enterprise in a collective effort to drive the stable development of the Group.

HUMAN RESOURCES

With a special emphasis on human resource management, the Group makes reasonable plans to structure its human resource requirements according to the Company's 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.

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 ensure continuous improvements in their teaching standards through selection examination, training and education, so that they could pass on their expertise to upgrade the skills of other employees. In addition to induction training for new employees to facilitate swift integration, special centralised training sessions for general managers, chief commanders and back-up officers were also organised, contributing to significant enhancement in management efficiency and organisational effectiveness. Apart from the above, 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；同時，管委會成員集思廣益，群策群力地研究企業發展戰略，商討企業重要工作，推動集團穩健發展。

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。

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，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 of fresh graduates, competitive internal appointment and selection to 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, we launched an international recruitment campaign to promote the training and selection of international talents and the development of a pool of core overseas professional, with a view to fostering a culture of diversity and inclusivity. To better support the Company's development strategy, regulate its human resources management and enhance guidance and inspection over human resources management at the business management centres and project companies, the Company has started human resources management inspection visits. Issues identified in the inspection visits have been reported to the management in a timely manner to facilitate the implementation of corrective measures.

During the year, the Group announced a range of new and revised environmental regulations and standards, including the "Investment Project Management Measures" (《投資項目管理辦法》), "China Everbright Greentech Limited Administrative Measures for Market Development (2020)" (《中國光大綠色環保有限公司市場拓展管理辦法(2020)》), "China Everbright Greentech Limited Guide for Project Development Reward 2020-2021" (《中國光大綠色環保有限公司2020-2021年項目拓展獎勵指引》), "Administrative Measures for the Appointment of Directors and Supervisors at Everbright Greentech Investment Enterprises" (《光大綠色環保投資企業委派董事、監事管理辦法》), "Everbright Greentech Management (Shenzhen) Company Limited Administrative Regulations for Remuneration and Benefits (Revised)" (《光大綠色環保管理(深圳)有限公司薪酬福利管理制度(修訂)》), among others, have been 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.

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。年內更開展國際化人才選拔的工作，推動國際化人才培養選拔及海外核心專業人才儲備建設，打造多元共融文化。而為更好支撐本公司發展戰略，規範人力資源管理工作，加強對業務管理中心及各項目公司人力資源管理的指導檢查，本公司開展了人力資源管理巡查工作，把在巡查中發現的問題及時反饋給管理層，以落實整改措施。

年內，本集團發佈了一系列綠色環保制度和標準的制定、修訂、頒布及實施，包括《投資項目管理辦法》、《中國光大綠色環保有限公司市場拓展管理辦法(2020)》、《中國光大綠色環保有限公司2020-2021年項目拓展獎勵指引》、《光大綠色環保投資企業委派董事、監事管理辦法》、《光大綠色環保管理(深圳)有限公司薪酬福利管理制度(修訂)》等制度。上述制度、辦法及標準的實施對維護本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。



As at 31 December 2020, the Group had over 2,800 employees in total in Hong Kong and Mainland China. Total staff cost for the year ended 31 December 2020 was HK\$638,850,000 (31 December 2019: HK\$590,478,000). 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

During the year under review, the Group placed a stronger emphasis on the effectiveness of risk control on the back of an improved internal control and risk management system. Feasible and effective risk mitigation measures were implemented by improving the internal environment, enhancing dissemination of information and conducting specific inspections, among others, to address material risks which had been identified and evaluated. Key risks associated with the development of the Group's environmental business included policy changes, trade receivables, environmental compliance and safety management, investment and business development, construction work budget and cost management, as well as recruitment and staff allocation. In addition to the above-mentioned material risks, prevention and control of the epidemic represented one of the Company's key risk control tasks for the year.

The risk of policy changes refers to 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. The Group has been closely monitoring adjustments to national environmental policies and has made timely adjustments to its development approach in tandem with changes in environmental policies. In the meantime, we have furnished advice and suggestions to relevant policy-making authorities through industry associations and expert teams, in a bid to ensure that the actual conditions and needs of the industry would be taken into consideration by the government in its policy formulation. The Group has conducted analysis on national industrial development strategies based on the contents of important meetings on environmental protection recently convened by the government and made pre-emptive moves in project deployment to explore new business frontiers. We intend to seize development opportunities by employing innovative business models, in order to accomplish the stated objective of sustainable development.

於二零二零年十二月三十一日，本集團在香港及中國內地合共僱用逾2,800名員工。截至二零二零年十二月三十一日止年度之總員工成本為港幣638,850,000元(二零一九年十二月三十一日：港幣590,478,000元)。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況計算釐定。除酌情獎勵花紅外，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

於回顧年度內，本集團在已經較為完善的內部控制及風險管理體系的基礎上，更為強調風險管控的有效性，針對已經識別及評估的重大風險，通過改善內部環境、強化資訊傳遞、專項檢查等方式，落實已經制定並可行有效的風險緩解措施。就本集團的環保業務發展，主要風險包括政策變動、應收賬款、環境合規與安全管理、投資與業務開發、工程預算與造價管理、招聘與人員配置等。除上述的重大風險，疫情防控是本公司本年度重點風控工作之一。

政策變動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本集團發展路線，同時通過行業協會、專家團隊等向相關政策制定部門諫言獻策，力求國家在制定政策時會考慮到行業的真實情況及需求。本集團根據國家近期召開的重要環保會議的內容，分析國家產業發展戰略，針對國家對於環保行業的宏觀調控及具體政策，提早進行項目佈局，拓展新型業務領域。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 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 places a strong emphasis on trade receivable management and 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. For projects that have been included in the catalogue, active efforts have been made to ensure timely disbursement of grants; for projects eligible for inclusion, efforts have been made to expedite the application process such that they will be included as soon as practicable. 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 Company has formulated cash management plans to ensure sound financial conditions.

應收賬款風險指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。本集團重視應收賬款管理，根據制定的應收賬款催繳計劃，客服部門加大應收賬款催收，對於逾期的應收賬款，採取電話催繳、傳真催繳、上門催繳等多種形式，根據不同的客戶可以採取靈活的信用政策，即時調整。針對已進入名錄的項目，積極推進補貼及時下發；針對符合條件的項目，積極推進申請程式，盡快納入名錄。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。本公司已制定現金管理方案，確保財務狀況健康。



The risk associated with environmental compliance and safety management can be distinguished into the risk associated with environmental compliance and the risk associated with safety management. The risk associated with environmental compliance refers to the risk of environmental emission limits, safety incidents and adverse external conditions resulting in an adverse impact on project construction and operation. The risk of safety management refers to the risk of safety liability incidents occurring as a result of deficiencies in the safety management regime, imperfections in the safety management system and ineffective implementation of safety management measures. 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. During the year under review, the Group conducted itself in strict accordance with the ESHS management regime with the consistent implementation of “Standard Operating Procedure” (“SOP”) and formulation of contingency plans for accidents. Inspections on actual implementation were also conducted and effective rectifications were made in respect of any issues identified. The Group 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. The Group has upheld the principle of “safety comes first in development” and continued to improve, as well as resolutely and consistently implement, its safety management regime, and to fulfill its responsibility in safety management. Safety inspections within the system are conducted monthly and quarterly to identify and eliminate safety hazards and avoid safety liability incidents. The Group has also conducted numerous sessions of safety training for the learning of safety management knowledge and enhancement of safety risk awareness, with a view to curbing any potential risks at source and improving its safety management standards.

環境合規與安全管理風險可分解為環境合規風險與安全管理風險。環境合規風險指環保排放超標、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。安全管理風險指安全管理體系不健全、安全管理制度不完善、安全管理措施不到位等原因導致的發生安全責任事故的風險。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。於回顧年度內，本集團堅持ESHS管理體系，貫徹執行「標準作業程式」(「SOP」)、制定了事故應急預案並對具體執行情況進行檢查，針對發現的問題實現了有效的整改。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。本集團始終堅持「生命至上、安全發展的原則」，持續完善並堅決貫徹執行安全管理體系，落實安全管理責任。每個月、每季度均在系統內進行安全檢查，查找並消除安全隱患，避免安全責任事故的發生。本集團亦多次開展安全培訓工作，學習安全管理知識、提高安全風險意識、防微杜漸，提升安全管理水準。



The risk associated with investment and business development refers to the risk of intense competition in the industry affecting the Group's business development and the investment return of its projects. The principal operations of the Group, comprising integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation, solar energy and wind power, are all subject to intense market competition. The Group has fully utilised its inherent strengths to exercise risk control through information sharing with fellow enterprises in the industry, market analysis and internal communication within the Company. By enhancing friendly information sharing with competitors and partners in the industry, we have obtained first-hand knowledge of the actions and development strategies of our competitors. Internal information packs are prepared on a regular basis, such as the monthly report on market development information and the annual industry analysis report and national market investment guide. Relevant competition strategies are formulated on a regular basis according to market trends. Meetings of the leaders of project companies are held regularly to facilitate information-sharing and put together different ideas. Reference materials in the forms of abstracts, documents and special-topic publications are provided to relevant departments for studying and to the management as reference for decision-making.

投資與業務開發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、光伏發電及風電等均處於較為激烈的市場競爭狀態。本集團充分利用自身優勢，通過行業內企業的交流、市場分析及公司內部交流等幾方面進行風險管控。通過加強與行業內競爭對手及夥伴間的友好交流，即時掌握對手動態及發展戰略。每月定期完成市場拓展資訊報告表；每年完成行業分析報告、全國市場投資指引等內部資料。定時根據市場趨勢，制定相應的競爭策略。定期組織各項目公司領導進行交流分享和思路整合，並以紀要、檔、專題刊等形式，供相關部門學習及為管理層決策提供參考。



The risk associated with construction work budget and cost management refers to the risk of incurring investment loss as a result of inadequate assessment of essential factors such as technical requirements, design scheme, work schedule requirements, project work quality and fundamental conditions for construction, or inaccurate calculation of work volume, during the stage of construction work budget. For example, the absence of effective measures or management systems for the timely deliberation and examination of technical (such as design sophistication and design defects) or financial aspects of design changes may result in excessive actual costs of project work. During the year, the Group enhanced the feasibility studies in depth and quality to bring them closer to the design tasks and increase the accuracy of budget estimates. The furnishing of information between the equipment manufacturers and the 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. Thorough understanding of investments made in similar projects was sought in our due diligence process at the preliminary stage; thorough consideration was given to the feasibility and economics of the technical processes at the stage of feasibility study; and construction work was carried out in strict accordance with the design scheme at the construction stage. 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 were implemented at each milestone during the course of construction. Optimised designs were sought to maximise reduction in construction work cost. The suppliers' list was expanded and communication with suppliers (construction work contractors in particular) was enhanced to lower project work cost.

工程預算與造價管理風險指在工程預算階段，未能對技術要求、設計方案、工期要求、工程品質、建設基礎條件等要素進行充分評估，或者對工程量計算不準確，造成投資失控的情況。如未採取有效措施或者建立管理制度，對設計變更及時進行技術（如設計深度、設計缺陷等）、財務方面的論證和審核，導致實際工程造價過高。本集團在本年度提高可行性研究報告深度及品質，使其與設計工作緊密結合，提升預算的準確性。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。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。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。通過優化設計，儘量降低工程造價。拓展供應商範圍，加強與供應商（特別是施工單位）的溝通，降低工程造價。



The risk associated with recruitment and staff allocation

refers to the insufficiency of existing staff backup capacity or establishment for important functions and positions, or inability to recruit sufficient management, technical personnel (especially the recruitment of technology team leaders) and experienced staff affecting the fulfilment of the Company's strategic and operating goals. The Group is committed to improving its overall human resources management standard with greater efforts to maintain and manage 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. More duty-specific training sessions have been provided to enhance staff performance at job positions.

The Company's operations were generally affected by the epidemic during the year, and dealing with ***the risk associated with the prevention and control of the epidemic*** represented a key task of the Company for the year. In connection with epidemic prevention and control, the Company has set up a dedicated steering group to carry out epidemic prevention and control tasks on all fronts. With a strong emphasis on the procurement of anti-epidemic suppliers and adoption of anti-epidemic measures, the Company has ensured the sufficiency of supplies and effective implementation of measures. We have achieved the target of zero infection in our plants, such that there have been no instances of the Company's normal operation being affected by staff infection. As part of the measures to prevent and control the epidemic, restrictions were imposed regarding the mobility of people and production operations. We have effectively addressed the impact of such restrictions on the Company's investment development, project work construction and production operations by actively resorting to online office operations, while closely liaising with government departments at various levels to ensure that suppliers could resume production with smooth road access for the transportation of goods and project construction workers could return to their work sites as soon as practicable. In the meantime, the management centres and departments under the Group have been engaged in a collaborative effort in information-sharing and centralised procurement and allocation of raw materials and eco-friendly consumables required for production operations, with a view to enhancing operating efficiency and ensuring reasonable utilisation of supplies. We have essentially ensured the stable operation of our projects without any safety incidents or environmental incidents of non-compliant emissions.

招聘與人員配置風險指現有人員儲備不足或者重要職能崗位人員編製不足，或者未能招聘足夠的管理人員、技術人員（特別是技術領軍人才的引入）和具備經驗的員工，影響本公司戰略和運營目標的達成。本集團致力於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，減少離職對本公司生產經營的影響。增加有針對性的培訓，提高崗位任職水準。

本年度發生的疫情對本公司各方面均造成了一定影響，應對**疫情防控風險**是本年度本公司的重要工作。在疫情防控方面，本公司成立了專門的疫情防控領導小組，全面開展疫情防控工作。本公司重視防疫物資的採購及防疫措施의落實，保證物資充足、措施到位。實現了廠內無人感染的目標，未因人員感染影響本公司正常運營。就疫情防控要求的人員流動限制、生產運營限制所帶來的對本公司投資發展、工程建設、生產運營的影響也進行了有效應對，在積極開展線上辦公的同時，也積極與各級政府部門溝通，儘快保證供應商恢復生產及物資運輸道路暢通，促進工程建設人員儘快返崗工作。同時，本集團各管理中心及部門群策群力，建立資訊共用、集中採購、調配各類生產所需原材料及環保耗材，提高運營效率，合理使用各類物資，基本保證了各項目的穩定運營，未發生安全及不達標排放環保事件。



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, regulated, standardised and delicacy management throughout the Group to maximise control over relevant risks and eliminate management deficiencies.

In 2020, the Group focused on enhancing management over operators of relevant parties and high-risk operations and launched joint inspections on specific areas. The development and utilisation of biomass fuel was enhanced, while strict regulation and examination of flue emission was implemented. In connection with epidemic prevention and control, the Group undertook social responsibility in a proactive manner as it assisted local governments in the disposal of contaminated medical wastes and made monetary donations as well as donations of anti-epidemic supplies, earning commendations and honours from the government in recognition of its contributions. In connection with environmental management, we compiled an environmental compliance checklist covering 110 items in 16 areas, as well as 9 managements standards relating to ashes, rainwater and storage yards. We continued to subject ourselves to public supervisions by actively opening our environmental facilities at various projects to the public via online means.

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 the expectations of the neighboring communities. Major laws, regulations and standards applicable to the Group's projects 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, the Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011), the Standard for Pollution Control on Landfill Sites 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 2020.

環境和社會管理

本集團不斷改進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、規範化、標準化和精細化管理，最大限度管控相關風險，消除管理缺陷。

二零二零年度，本集團重點加強對相關方作業人員和高風險作業的管控，開展聯合專項檢查；加大生物質燃料開發使用力度；嚴格煙氣排放監管及考核；疫情防控方面，本集團主動擔當，積極承擔社會責任，協助地方政府處理涉疫醫療廢棄物及捐款、捐獻防疫物資，獲得政府嘉許和榮譽；環境管理方面，編製16大項110小項的環境合規性檢查清單及飛灰、雨水、料場環境等9項管理標準；各項目積極開展環保設施線上公眾開放活動，接受公眾監督。

本集團項目運營和環境服務的表現嚴格按照相關標準及環境影響評價報告的要求，並將周邊社區期望納入考慮。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、火電廠大氣污染物排放標準(GB13223-2011)、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。本集團於二零二零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。



光大绿色环保
Everbright Greentech

情系生态环境 筑梦美丽中国

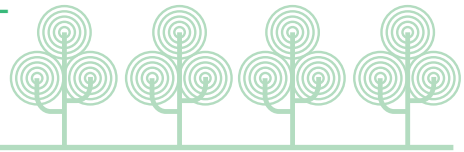
ENVIRONMENTAL **Remediation**

環境修復





SUMMARY OF THE SUSTAINABILITY REPORT 可持續發展報告摘要



CORPORATE MISSION 企業使命

DEVOTED TO ECOLOGY AND
ENVIRONMENT FOR
A BEAUTIFUL CHINA

情繫生態環境，
築夢美麗中國



Enterprise sustainability performance has been increasingly emphasised by different stakeholders, including regulators and investors and the Group has already integrated the philosophy of sustainable development into its daily operations. Through the actions such as the establishment of sustainability governance structure, identification of sustainability trends, formulation of sustainability strategies and communication with stakeholders during the year, the Group had further clarified its future sustainability direction, and strived to promote the attainment of sustainable development goals set out by the United Nations.

企業可持續發展表現已日益受到包括監管機構及投資者在內的不同持份者的重視，而本集團已將可持續發展的理念融入企業日常營運之中，於本年度已通過構建可持續發展管治架構、識別可持續發展趨勢、建立可持續發展戰略及進行持份者溝通等行動，進一步明確本集團未來的可持續發展方向，並努力推動聯合國可持續發展目標的實現。

CORPORATE VISION 企業願景

DELIVERING BETTER INVESTMENT
VALUE AND UNDERTAKING
FURTHER SOCIAL RESPONSIBILITY

創造更好投資價值，
承擔更多社會責任

Significant Progress 1 重要進展一：

Sustainability Governance Structure 可持續發展管治架構

At the board meeting held on 11 August 2020, it was resolved to establish a Sustainability Committee, which was authorized by the Board and chaired by the Chief Executive Officer, with various sustainability working groups thereunder, including the operation management working group, the employment and community investment working group and the compliance and risk working group. The Sustainability Committee was established to oversee the management and effectiveness of the Group on sustainability issues, and to ensure the smooth implementation of relevant policies and initiatives in different scopes and business units within the Group.

本集團已於二零二零年八月十一日的董事會會議中通過成立可持續發展委員會的決議，由董事會授權成立可持續發展委員會，並由行政總裁擔任委員會主席，下設不同可持續發展工作小組，包括運營管理工作小組、僱傭及社區投資工作小組及合規與風險工作小組。可持續發展委員會的建立，旨在監督本集團在可持續發展事宜上的管理工作和成效，確保相關政策及措施得以於本集團不同範疇和業務單位順利開展。



Significant Progress 2 重要進展二： Sustainability Trends 可持續發展趨勢

With the gradual incorporation of sustainability into national development strategies and the increasingly stringent requirements from different regulators and investors for enterprise sustainability disclosure, the ability of an enterprise to understand the impact of sustainability trends on its daily operations and management will be critical to the long-term success of its businesses. During the year, the Group had commissioned sustainability consultants to identify seven sustainability trends according to the uniqueness of the industry, and analyzed the disclosure practices of our peers to understand how the industry perceives them as risks or opportunities. The seven sustainability trends are as follows:

隨著國家逐步將可持續發展納入國家發展策略之中，以及不同監管機構和投資者對企業可持續發展的披露要求愈加嚴格，企業能否瞭解可持續發展趨勢對其日常營運及經營管理的影響，將會是業務長遠成功的關鍵。本集團已於年內委託可持續發展顧問根據行業特性，選定了七項可持續發展趨勢，並分析了同業的披露情況，以瞭解業界如何視之為風險或機遇。七項可持續發展趨勢如下：





Significant Progress 3 重要進展三： Sustainability Strategies 可持續發展策略

To achieve the blueprint for sustainable development, the United Nations formulated 17 sustainable development goals in 2015, covering economic development, social inclusion and environmental protection, and were unanimously endorsed by all member states to help the world in achieving sustainable development by 2030. China, as the world's largest developing country, has already integrated the sustainable development agenda with its medium-and long-term planning in the "13th Five-Year Plan", and is committed to achieving the Sustainable Development Goals by 2030. Against this backdrop, establishing sustainability strategies based on industry sustainability trends and other sustainability indicators has become an important step for enterprises to address the future challenges and opportunities in sustainability.

During the year, the Group commissioned sustainability consultants to analyze the sustainability issues relevant to the Group, including corporate governance, environment, employee relationship, operational management and community involvement, which are taken as potential strategic pillars for the Group's sustainability strategies.

為實現可持續發展的藍圖，聯合國於二零一五年制定了17項可持續發展目標，涉及經濟發展、社會共融以及環境保護範疇，並獲得所有成員國的一致通過，以助全球於二零三零年實現可持續發展。而中國作為世界上最大的發展中國家，已於「十三五」規劃綱要中，將可持續發展議程與國家中長期規劃進行了有機結合，致力推進二零三零年可持續發展目標的實現。在此背景下，基於行業可持續發展趨勢以及其他可持續發展指標，建立可持續發展策略已成為企業應對未來可持續發展挑戰與機遇的重要步驟之一。

年內，本集團委託可持續發展顧問通過分析與本集團相關的可持續發展議題，包括企業管治、環境、員工關係、營運管理以及社區參與等幾個方面，並以此作為本集團制定可持續發展策略的潛在策略支柱。

In addition to the 3 significant progresses above, the Group has also identified 4 scopes of concern according to its operations and communications with stakeholders during the year, namely:

除上述三項重要進展外，本集團亦已根據本年度運營情況以及持份者溝通情況，選定了四項關注範疇，分別為：





Epidemic Prevention and Control Conditions and Response Policies 疫情防控狀況和應對方針

Scope 1
範疇一

The outbreak of the COVID-19 in early 2020 had exerted significant impact on the safety of all human beings as well as global economic development. Owing to the needs of epidemic prevention and control, enterprise production and operation activities were restricted, and had a certain impact on enterprise operation in the short term. In order to protect employee safety and respond to the government's call, since the outbreak of the epidemic, the Group immediately issued a notice requiring all project companies to formulate emergency plans and epidemic prevention and control measures against the COVID-19 according to the headquarters' requirements and their own circumstances, and to update such project companies timely on epidemic prevention. Currently, China has entered the stage of normalized epidemic prevention, and the Group will also fully cooperate with national policies to devote self-contribution to protect employee safety as well as economic recovery.

二零二零年初爆發的新冠肺炎疫情，對全人類的安全及全球經濟發展產生了巨大影響。由於疫情防控需要，企業生產經營活動受限，短期內對企業營運造成一定影響。為保障員工安全及響應政府號召，本集團自疫情爆發起，立刻下發通知要求各項目公司按總部規定及自身情況制定新冠肺炎疫情應急方案及防疫措施，並為項目公司同事提供及時的防疫資訊。現時，中國已進入常態化防疫階段，本集團亦將全力配合國家政策，為保障員工安全以及經濟復蘇做出自身貢獻。

Highlights for the Year 本年度重點表現



- Submitted the "Critical Report on the Impact of COVID-19 on the Biomass Energy Sector" to the NDRC and other competent national authorities to reflect how the entire environmental industry had been affected by COVID-19.
 - Prepared the Special Report on Risks associated with the Epidemic Outbreak (《突發疫情風險專項報告》) to report the possible impacts of the COVID-19 on the Group and the measures taken, including engineering construction, cost management, investment development and financial budget.
 - Established an epidemic response working group with the Chief Executive Officer as the group leader.
 - Spent a total of RMB3,640,000 on epidemic prevention products.
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- 向國家發展改革委等主管部門遞交《關於新冠肺炎疫情對生物質能行業影響的緊急報告》，以反映新冠疫情對整個環保行業的影響。
 - 編製《突發疫情風險專項報告》，彙報新冠疫情對本集團可能造成的影響及應對措施，包含工程建設、成本管理、投資發展及財務預算等方面。
 - 成立由行政總裁擔任組長的疫情應對工作領導小組。
 - 共花費人民幣3,640,000元購買防疫用品。



To protect the safety of our employees, the Group's headquarters in Shenzhen integrated the central government's policy and deployment, local government's "Notice on Resumption of Business Operations and Production" and the respective working arrangements of CEEGL, and requires all employees to work on a flexible schedule in early 2020 when the epidemic situation was severe, while ensuring that the overall proportion of staff on duty in each department would not be less than 30%. Staff working from home would work online. In addition, a rotating shift system was adopted in Shenzhen headquarters, requiring employees to work at staggered hours and shifts. All on-duty employees are required to cooperate with the administration and human resources department to have their body temperature measured daily and recorded properly. If abnormal body temperature is found, it will be reported immediately.

In addition to the flexible working system, to meet the requirements of epidemic prevention and control, only breakfast is served in the Shenzhen headquarters canteen during the epidemic period, and all employees are prohibited from dining in the canteen to prevent group gathering. After meals are taken, dedicated staff will put kitchen wastes in a special area to maintain sanitary conditions of the entire office.

The various operation departments of the Group will also strengthen their management efforts on COVID-19 through formulating special COVID-19 contingency plans, setting up COVID-19 task force as well as organizing training on COVID-19 prevention and other measures. For example, Everbright Environmental (Suzhou) Solid Waste Treatment Limited immediately set up an epidemic prevention and control group and formulated contingency plans in the early stage of COVID-19 outbreaks. It took charge of the co-ordination of epidemic prevention and control engagement of various departments, such as epidemic prevention and control publicities, environmental disinfection and provisions preparation. In addition, the company improved staff's awareness of epidemic prevention issues through various training courses. All trainings were conducted by videos recording for the purpose of avoiding people from gathering together.

為保障員工安全，本集團深圳總部結合中央決策部署、地方政府《復工復產告知書》以及光大環境的相關工作安排，於二零二零年初疫情嚴峻時，在保證部門整體上崗人員比例不低於30%的情況下，要求全體員工採取彈性工作制。居家工作員工會採取線上辦公的方式。另外，深圳總部採取輪班制，要求員工實行錯時、錯峰上班。所有到崗員工均須配合行政和人力部門要求，每日測量體溫，並做好登記工作。若發現體溫異常則立即進行上報。

除採取彈性工作制外，為滿足疫情防控要求，疫情期間深圳總部飯堂僅提供早餐，且禁止所有員工於飯堂內就餐，防止群體聚集。用餐結束後，由專人將餐廚垃圾放置於專門區域，以維護整個辦公場所的衛生狀況。

本集團旗下各營運點亦會通過不同方式加強新冠肺炎的管理工作，如建立新冠疫情專項應急預案、成立新冠疫情專責小組以及組織新冠疫情防護培訓等。以光大環保(蘇州)固廢處置有限公司為例，在新冠疫情爆發之初，該公司立即成立疫情防控小組並制定應急預案，負責統籌各部門開展疫情防控工作，如疫情防控宣傳、環境消毒以及物資準備等。除此之外，該公司亦通過不同培訓科目提高了員工的防疫意識。為減少人群聚集，所有培訓均以視頻錄播的形式進行。



Process of Business Transformation

業務轉型進程

Scope 2
範疇二

The Group will actively facilitate business transformation to further increase its competitive advantage, enhance social value and create more diversified areas of contribution to sustainability. Since 2019, the Group has developed its hazardous and solid waste treatment business to include general industrial solid waste, production of recycled materials and metal-contained hazardous waste recycling in a transition to the provision of industrial environmental services, so as to further propel sustainable development.

本集團將積極推動業務轉型，以進一步增加競爭優勢，提升社會價值，創造更為多元化的可持續發展貢獻領域。二零一九年開始，本集團已將危廢及固廢處置業務拓展至一般工業固廢、再生材料生產及金屬危廢資源化等業務，努力實現向工業環保服務商的轉型，進一步推動可持續發展的建設。

Highlights for the Year 本年度重點表現



- **General industrial solid waste:** By investing about RMB1.5 billion, we have constructed 3 general industrial solid waste treatment projects, with an average daily treatment of 1,800 tonnes of general solid waste. These projects can provide 280 million kWh of green electricity annually, and supply about 1 million tonnes of steam in the vicinity areas of the project sites.
- **Recycled materials (carbon black):** Recycled carbon black is produced after treating ELT with pyrolysis technology. For 1 tonne of tires, we can recover 12% of high-quality steel, 12% of combustible gas, 40% of petroleum and 36% of carbon black; 4 tonnes of carbon dioxide emissions can be reduced in processing 1 tonne of tires.
- **Metal-contained hazardous waste recycling:** Hazardous waste is melted at high temperature to achieve non-hazardous disposal, and in addition, pyrometallurgical technology is used to extract nickel, copper and other high-value metals from hazardous waste and sell them externally.

- **一般工業固廢：**投資約人民幣15億元，建設了三項一般工業固廢處理項目，日均處理一般固廢達到1,800噸，每年可提供綠色電力2.8億千瓦時，為項目所在地周邊地區供應蒸汽約100萬噸。
- **再生材料(炭黑)：**採用熱解技術處理廢舊輪胎後生產再生炭黑。一噸輪胎可回收12%的優質鋼、12%的可燃氣、40%的石油及36%的炭黑；每處理一噸輪胎可減少4噸二氧化碳的排放。
- **含金屬危廢資源化：**危廢經高溫熔融後實現無害化處置，另外會採用法冶煉技術於危廢中提取鎳、銅等高價值金屬對外銷售。



At present, most of the ELT in China failed to be recycled effectively due to the relative low utilisation technology standard of ELT, which has become one of the important factors of environmental pollution. Therefore, adopting advanced technology to conduct large-scale construction of ELT processing plant that meets the environmental protection standards has become one of important measures to effectively solving the problem of ELT pollution. Leveraging its own experience in environmental protection industry, the Group has commenced the construction of ELT processing project. We believe that developing various projects will effectively solve the treatment of ELT, produce several products such as bio-oil and pyrolysis carbon black for reuse by different enterprises and thus demonstrating significant environmental benefits.

The General Solid Waste and Electricity and Heat Cogeneration Project in Xiao County, Anhui Province is located in the Xiao County Economic Development Zone and occupies an area of about 80 mu. The project has adopted the 1×480t/d medium temperature secondary high-pressure water-cooled grate boiler as the main equipment for general industrial solid waste incineration, and constructed 2×100t/h steam pumping and condensing turbines, 1×7.5MW back-pressure steam turbine generator unit and 1×20 MW steam pumping and condensing turbine generator unit. The flue gas generated from such project meets the requirements of the Standard for Pollution Control on Household Waste Incineration (GB18485-2014) of the PRC and the 2000/76/EC of the European Union, and the steam generated can also provide heat for enterprises in the zone. The total treatment scale of general solid waste can reach 800 tonnes per day.

目前我國廢舊輪胎利用技術水平較低，大部分廢舊輪胎沒有得到有效利用，已成為環境污染的重要組成因素之一，因此，採用先進技術並規模化的建設環保達標的廢舊輪胎處理工廠已成為有效解決廢舊輪胎污染問題的重要手段之一。本集團已根據自身於環保行業的經驗，啟動廢舊輪胎處理項目的建設工作。本集團相信，不同項目的開展將有效解決廢舊輪胎處置問題，並產出熱解油和熱解炭黑等產品供不同企業再利用，具有顯著的環保效益。

安徽省蕭縣一般固廢熱電聯產項目位於蕭縣經濟開發區內，項目佔地面積約80畝。該項目已採用1×480t/d中溫次高壓水冷機械爐排鍋爐作為一般工業固廢焚燒的主要設備，並建設2×100t/h抽汽凝汽式汽輪機、1×7.5MW背壓式汽輪發電機組及1×20MW抽汽凝汽式汽輪機組。該項目產生的煙氣符合國家《生活垃圾焚燒污染控制標準》(GB18485-2014)和歐盟2000/76/EC的要求，同時產生的蒸汽亦可為園區企業供熱。一般固廢總處理規模達到每日800噸。



Technology Research and Development Results

技術研發成果

Scope 3
範疇三

The Group has always attached importance to the research and development of new technologies, with the hope of enhancing the environmental performance of its projects through technological innovation. As a leading enterprise in the environmental protection industry, the Group has formulated a series of policies to encourage the research and development of new technologies, and Everbright Greentech Research Institute to take charge of technological research and management.

本集團一直重視對於新技術的研發，希望以技術創新提升旗下項目的環保表現。作為環保行業的領先企業，本集團已通過制定一系列政策鼓勵新技術研發並由光大綠色環保研究所負責科技研發及管理工作。

Highlights for the Year 本年度重點表現



- Invested approximately RMB20,205,990 in the research and development of environmental technologies.
 - Successfully developed the technology package for the incineration of hazardous waste with high sulphuric and halogenic contents and the package was applied to Lianyungang Hazardous Waste Incineration Phase III, Wenling Hazardous Waste Incineration and Haimen Hazardous Waste Incineration projects.
 - Obtained 19 authorised patents, including 1 invention patent. Also published 3 dissertations.
 - Jointly co-operated with Southeast University and ANDRITZ AG and other organisations and have successfully applied for a national key research and development program project of the Ministry of Science and Technology, which is the key part of international cooperation in science and technology innovation among governments.
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- 投資約人民幣20,205,990元用於環保技術研發。
 - 成功開發高硫高鹵素危廢焚燒工藝包，並應用於連雲港危廢焚燒三期、溫嶺危廢焚燒以及海門危廢焚燒等項目。
 - 獲得專利授權19項，其中一項為發明專利。同時對外發佈三篇論文。
 - 與東南大學、安德里茨公司等單位合作，成功申報科技部國家重點研發計劃項目，該項目為政府間國際科技創新合作的重點內容。



Case Study
案例分享

In view of the current trend of increasing sulphur and chlorine content in the raw materials of hazardous waste incineration projects, the relevant departments of the Group have optimized raw materials configuration, feeding, refractory materials, residual heat boiler and wet de-acidification processes of hazardous waste incineration, and has formed an incineration system suitable for high sulphur and high halogen hazardous waste. At the same time, the design of theoretical calculation, public auxiliary systems and automatic control systems were improved around the main process system, and the equipment layout was optimized.

Currently, there is a problem of excess capacity of general hazardous waste incineration. Therefore, the technology for the incineration of hazardous waste with high sulphuric and halogenic contents will be increasingly used in new hazardous waste incineration projects in future, so as to solve the existing problem of current hazardous waste incineration projects unable to dispose of hazardous wastes with high sulphuric and halogenic contents, and provide differentiated competitiveness and bring new development opportunities for the Group's hazardous waste treatment business.

Looking forward into the future, by focusing on the Group's needs in business development and transformation and upgrading and on the basis of deepening the development of the existing business sectors, Everbright Greentech Research Institute will further invest more resources in the new business sectors, such as new metal smelting technology, new solid waste recycling technology, new technologies for pollution detection and treatment and new environmentally-friendly materials, for the purpose of providing technical assistance for the Group's transformation and upgrading of the environmental protection sector.

針對目前危廢焚燒項目原料中硫、氯含量越來越高的趨勢，本集團相關部門對危廢焚燒的原料配置、上料、耐火材料、餘熱鍋爐及濕法脫酸等工序進行了針對性的優化，形成了適合高硫高鹵素危廢的焚燒系統。同時，圍繞主工藝系統完善了理論計算、公輔系統以及自動化控制系統的設計，優化了設備布局。

目前存在普通危廢焚燒產能過剩問題，因此未來新建危廢焚燒項目將更多的使用高硫高鹵素危廢焚燒工藝，以解決目前危廢焚燒項目不能處置高硫高鹵素危廢的問題，為本集團危廢處理提供差異化競爭力並帶來新的發展機遇。

展望未來，光大綠色環保研究所將圍繞本集團業務發展及轉型升級需要，在深化現有業務領域的基礎上，進一步在新業務上投入更多精力，如金屬冶煉新技術、固廢資源化新技術、污染檢測及治理新技術以及環保新材料等範疇，以從技術層面為本集團環保轉型升級提供助力。





Guidelines for Climate Change Management

氣候變化管理方針

Scope 4
範疇四

The issue of climate change has always been the focus of the Group and is also one of the sustainability trends identified by the Group. As a leading enterprise in the environmental protection industry, the Group will also undertake its self-responsibility during the process of achieving carbon neutrality in China by 2060, and strive to reduce the impact on climate through various measures to reduce carbon emissions from corporate operations.

氣候變化議題一直以來均受到本集團的重視，亦是本集團識別到的可持續發展趨勢之一。同時作為環保行業的領先企業，本集團在實現我國2060年碳中和的進程中亦會肩負起自身責任，通過不同措施減少企業營運產生的碳排放，致力降低對氣候的影響。

Highlights for the Year 本年度重點表現



- Climate change has already been included in the Group's risk inventory, and is updated regularly.
- The Group has initiated research on latest technologies to improve energy efficiency and energy conservation.
- 已將氣候變化納入本集團風險清單之中，並定期進行更新。
- 本集團已開展提升能源使用效率及節省能源的最新技術研究工作。

Led by the technology management department, professors from domestic universities were invited to investigate and study the quality and efficiency improvement of the Group's 6 clean energy projects. The investigation and research summarized the common problems for biomass power generation projects and household waste incineration projects, and made recommendations on boosting revenue and energy conservation and consumption reduction to name a few. To promote the implementation of various recommendations from experts, the Group has set up a dedicated working group on quality and efficiency improvement of clean energy projects to coordinate the implementation of different measures.

由技術管理部牽頭，邀請國內高校教授對本集團6個清潔能源項目進行提質增效的調研工作。此次調研工作針對生物質發電項目及生活垃圾焚燒項目存在的普遍性問題進行了總結，並提出了增加收益及節能降耗等方面的建議。為推動各項專家建議的具體落實，本集團已專門成立清潔能源項目提質增效工作組，協調不同措施的執行。

Case Study
案例分享



SOLAR Energy & **Wind** Power

光伏發電及風電





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 corporate governance, 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 2020, the Company has fully complied with the code provisions set out in the CG Code.

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 whistleblowing policy;
- Review and monitor 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，與本公司主題「牢築根基•與時俱進」相呼應。本集團致力將企業管治、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。於二零二零年度，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；
- 檢閱並監察本公司舉報管理制度運作；
- 檢閱並監察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 2020.

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 2020, 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. An overview of inside information and insider dealing and its applications relating to mainland Chinese employees was circulated to the senior and middle management in mainland China.

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, environmental, social and 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，彼等於截至二零二零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。

於二零二零年內，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。已向中國內地中高級管理層傳遞內幕消息及內幕交易及其與中國內地僱員有關的應用情況概覽。

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、檢閱並監察本公司企業管治、環境、社會及管治、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 2020, 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 term of service as a Director is subject to retirement by rotation and re-election. 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 and nomination 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. WANG Tianyi, Mr. YANG Zhiqiang and Ms. GUO Ying, 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 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. The nomination committee has reviewed and concluded that there is no business or other relationships with the Group or management that are likely to affect, or could affect their independence.

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。

於二零二零年十二月三十一日，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」），董事之服務任期須按輪值退任及重選。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及提名政策，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。

王天義先生、楊志強先生及郭穎女士，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。

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。提名委員會已檢閱並認為，他們並無業務或與本集團或管理層的其他關係可能會影響或似乎會影響其獨立性。



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 104 to 109 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.

Board Evaluation

The Board recognizes that a formal, objective and open assessment on a continuous basis can enhance the effectiveness of governance structure of Everbright Greentech. Through the annual board evaluation exercise, each director can share his/her opinions and concerns to the Company. The company secretary acts as a bridge between the Board and the management of the Company, delivers the Board's opinions and concerns to the management, which in turn will take appropriate actions to do evaluations and will report the same to the Board. Directors also show to the Company their preferences on training topics for improving the Board's performance.

The findings from 2020 Board evaluation were presented to and discussed by the Board in February 2021.

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104至109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彙報，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。

董事會評估

董事會認同，持續正式、客觀及公開評估可提升光大綠色環保的管治架構的效率。透過每年董事會評估活動，各董事可分享其對本公司的意見及關切。公司秘書作為本公司董事會與管理層的橋樑，向管理層提交董事會的意見及關切，管理層因此將採取適當行動作出評估並將向董事會彙報。董事亦向公司展示其對培訓主題的偏好，以提升董事會的表現。

二零二零年董事會評估結果已於二零二一年二月提呈予董事會並供其討論。



BOARD DIVERSITY

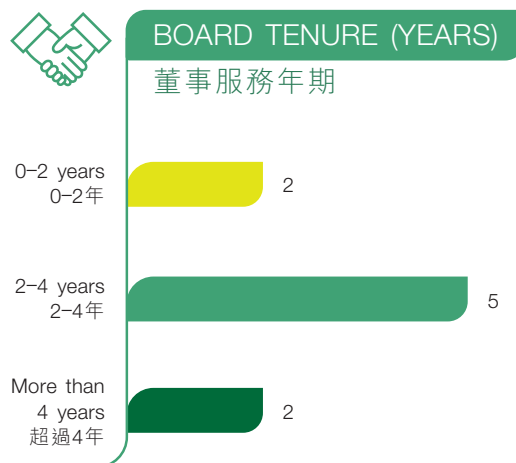
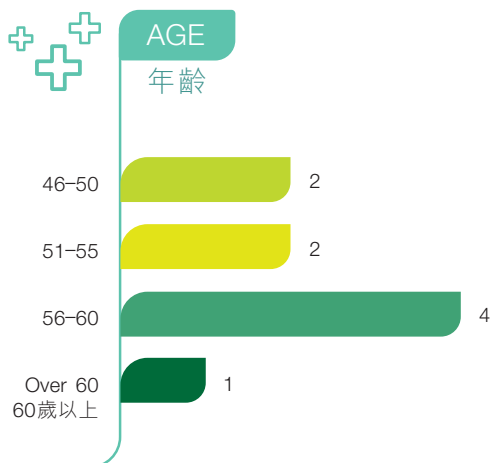
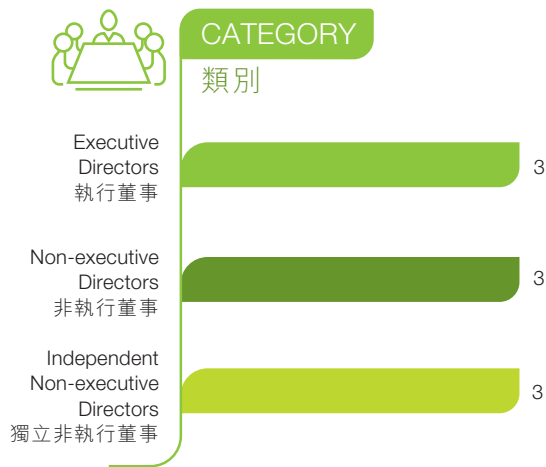
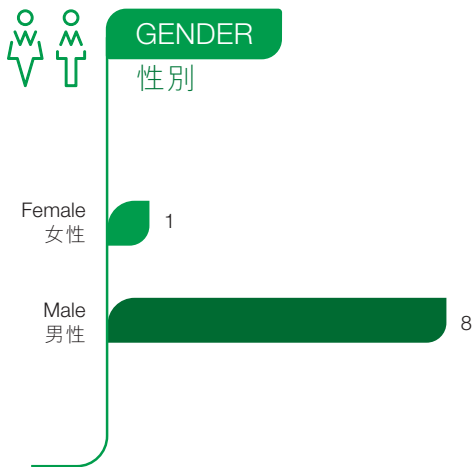
The Board believes that the ratio between Executive Directors, Non-executive Directors and Independent Non-executive Directors is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of Shareholders and the Group. Conforming to the international trend on board 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 2020, 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。

於二零二零年十二月三十一日，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 2020:

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，並於二零二零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 曹為實	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，理解財務和財務彙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 鄧小磊	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 to ensure the continuous supply of talents during the implementation of the Company's strategy. 有助於本公司吸引、激勵和留住有價值及有才能的員工，以確保於實施本公司策略的過程中持續提供人才。	✓								



BOARD MEETINGS

During the year of 2020, 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 and Non-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 auditors;
- Set up sustainability committee and its terms of reference;
- The effectiveness of the Group's internal control and risk management systems for the year of 2020;
- Change of authorized representative of the Company under the Hong Kong Companies Ordinance;
- Voluntary announcements regarding government new subsidy policy and precautionary measures for the 2020 annual general meeting of the Company;
- Continuing connected transactions relating to trademark license agreement and loan arrangement from China Everbright Group;
- Change of principal share registrar and transfer office in the Cayman Islands of the Company;
- Issuance of 2020 first tranche medium-term notes;
- Possible issuance of the asset-backed notes initiated by a wholly-owned subsidiary of the Company;
- 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；
- 核數師變動；
- 成立可持續發展委員會及制定其職權範圍；
- 二零二零年度本集團內部監控與風險管理系統成效；
- 香港《公司條例》項下本公司授權代表變動；
- 有關政府新補貼政策及本公司二零二零年股東週年大會預防措施的自願公告；
- 與來自中國光大集團的商標許可協議及貸款安排相關的持續關連交易；
- 更改本公司之開曼群島主要股份過戶登記處；
- 發行二零二零年度第一期中期票據；
- 本公司全資附屬公司發起潛在發行資產支持票據；

董事會會議

於二零二零年度內，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及非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）：



- 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.
- 投資交易及相關公告；
 - 資源是否充足、員工質素及經驗、培訓項目及本公司會計及財務報告職能之預算；
 - 通過舉報管理制度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發展。

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.

董事會舉行常規會議，須於會議舉行前最少十四天前，向全體董事寄發通告，而董事會會議議程連同相關文件，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。

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.

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。

When approving a connected transaction, apart from the fairness of the agreement terms, the Independent Non-executive Directors also consider the commercial rationale and the benefits brought by the proposed transaction to the business of the Group.

獨立非執行董事於審議關連交易時，除協議條款之公平性外，亦考慮建議交易的商業合理性可為本集團業務帶來之裨益。



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.

The Board acknowledges that it should take leadership for and accountability in promoting a culture from the top-down to ensure ESG considerations are part of the business decision-making process. During the year, a sustainability governance structure has been established by the Board. A general description of the structure is set out in the section headed "Time commitments outside the formal meetings" in the "Corporate Governance Report" on pages 82 to 83 of this annual report. Details of the same will be stated in the 2020 sustainability report of the Company.

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 2020 are set out on page 80 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。

董事會認同，其應在由上至下的文化推廣中發揮領導作用及承擔責任，以確保ESG考量因素成為商業決策過程的一部分。年內，董事會已建立可持續發展管治架構。架構概述載於本年報第82頁至第83頁「企業管治報告」內「正規會議以外投入的時間」一節。有關詳情將於本公司二零二零年可持續發展報告中提述。

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。於二零二零年內委員會成員及成員出席記錄詳情，列載於本報告第80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 4 meetings in 2020 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 2019 and the unaudited interim financial results for the six months ended 30 June 2020. 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 2020, the risk management plan for year 2021 and the works done in 2020 according to the 3-year internal audit plan of the Company. Further, it has reviewed the compliance of continuing connected transactions, the proposed of change of auditors, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting and financial reporting function, the investigation results of the whistleblowing cases reported through the whistleblowing channels 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二零二零年曾舉行四次會議，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，包括審閱截至二零一九年十二月三十一日止年度之經審核財務業績及截至二零二零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、討論並監察二零二零年度之風險管理工作、二零二一年風險管理規劃、以及本公司三年內部審計規劃於二零二零年度完成的工作。此外，亦已審議持續關連交易的遵規情況、建議更換核數師、資源是否充足、員工質素及經驗、培訓項目及本公司會計及財務報告職能之預算，透過舉報渠道之舉報個案之調查結果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。上述審議結果已提呈董事會考慮。



For the year ended 31 December 2020, Ernst & Young, the external auditor, received the following remuneration from the Group in connection with the provision of audit and non-audit services to the Group:

截至二零二零年十二月三十一日止年度，外聘核數師安永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：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Annual audit services	年度審計服務	2,350	2,640
Interim review services	中期審閱服務	300	350
Other services, includes tax service, etc.	其他服務包括稅務服務等	729	—
		3,379	2,990

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 2020 are set out on page 80 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. Human resource is a valuable asset to the Company. A reasonable and comprehensive remuneration package is one of the measures in attracting, retaining and motivating experienced people of high calibre. The Company takes into consideration a number of factors in determining remuneration package of all level of staffs of the Company, including but not limited to their job duties and responsibilities, performances, updated salary index launched by independent human resource agency and the financial and operational performances of the Company.

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鄒小磊先生及嚴厚民教授組成。於二零二零年內委員會成員及成員出席記錄詳情，列載於本報告第80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。人力資源為本公司的寶貴資產。合理及全面的薪酬待遇為吸引、挽留及激勵經驗豐富的高素質人才之措施之一。本公司於釐定本公司各級員工的薪酬待遇時計及多種因素，包括但不限於其工作職責、表現、獨立人力資源機構發佈的最新薪酬指數以及本公司的財務及營運表現。



For the year ended 31 December 2020, 1 remuneration committee meeting was held. It has reviewed and approved the remuneration policy and remuneration packages of Executive Directors and members of senior management with reference to the goals and objectives of the Company. The aforesaid approved matters and reviews were reported and recommended to the Board.

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 2020 are set out on page 80 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 2020, 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. 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, skills 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.

截至二零二零年十二月三十一日止年度，薪酬委員會曾舉行一次會議，參照本公司宗旨及目標，審議並批准薪酬政策及執行董事及高級管理層成員之薪酬待遇。上述獲批事項及審議結果已報呈董事會考慮。

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鄒小磊先生、曹為實先生及嚴厚民教授組成。於二零二零年內委員會成員及成員出席記錄詳情，列載於本報告第80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。

截至二零二零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及經驗。上述審議結果已提呈董事會考慮。

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、技能及/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

Attendance of Meetings and Trainings of Directors of the Company in 2020

The attendance records of each Director at the meetings of the Board, audit and risk management committee, remuneration committee, nomination committee and annual general meeting during the year ended 31 December 2020 are set out below:

董事對本公司投入的時間

二零二零年本公司董事出席會議及培訓的記錄

下文載列各董事截至二零二零年十二月三十一日止年度於董事會、審核及風險管理委員會、薪酬委員會、提名委員會會議及股東週年大會的出席記錄：

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

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

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

Note:
* Number of meetings attended/held.

備註：
董事會及董事委員會成員：
C – 主席
M – 成員

附註：
* 出席／舉行會議次數。



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

According to the Board evaluation result in 2019, the Company Secretary arranged two Board trainings with the title of “Analysis and Categories of Securities and Futures Commission approaches to Enforcement Cases” and “Corporate Restructuring and M&A Trends under Changing Environment to Create Corporate Value and Risk Aversion” organised by The Hong Kong Institute of Directors. A brief on the latest updates on HKEx’s ESG Reporting Guide also be conducted by an outside expertise. Other than the above, the Directors participated or spoke on seminars/talks/director training programme 2020 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.

Record of training received by each existing Board member in 2020 is summarized below:

在會議上，獨立非執行董事根據各自的專業知識與經驗以及在少數股東的觀點，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及決定。

根據二零一九年董事會評估結果，公司秘書已安排由香港董事學會舉辦的「香港證券及期貨事務監察委員會徹查和執法案件的重點分析和分類」及「應環境變化，併購重組交易中如何實現公司價值最大化和其風險規避」兩次董事會培訓。有關香港聯交所環境、社會及管治報告指引的最新更新資料亦由外聘專家進行簡單介紹。除上述者外，董事曾參與或主講研討會／講座／二零二零年董事培訓課程及／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）。

現有董事會各成員於二零二零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, C
SONG Jian	宋儉	A, B, C
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

Taking an active interest in the Company's affair

Other than attending regular meetings, the directors take an active interest in the Company's affairs and obtain a general understanding of its business. Since the outbreak of the epidemic, traffic has been blocked, therefore the Executive Directors visited the project companies when the epidemic was under control, or monitored project operation and internal review through electronic communications from time to time.

To complement with the development of the laws and regulations and investors' expectations, the Company established the Sustainability Committee in the year with the Chief Executive Officer as the chairman and 3 Independent Non-executive Directors as the members of the committee. There are 3 working groups under the Sustainability Committee: operation management working group, employment and community investment working group, and compliance and risk working group. The 3 groups comprise employees from different positions, and the groups are responsible for the Company's environment and safety, social and human resources, governance and risk management issues respectively. The members of the 3 groups will report to the committee members at the Sustainability Committee meeting on the implementation of strategies and target practices in different areas. The committee members can directly learn about the latest development of the Company's operations and talent development from the reports of the groups every year. From the perspective of sustainable development, the Independent Non-executive Directors, leverage their knowledge and experience, could provide our management more pertinent and directional opinions, assisting the Company to control risks and capture opportunities.

正規會議以外投入的時間

積極參與本公司事務

除出席常規會議外，董事亦積極關注本公司事務，通盤掌握其業務狀況。自疫情爆發以來，交通往來受阻，執行董事在疫情穩定期間會到項目公司考察，或不時透過電子通訊，親自對項目營運與內部監控進行仔細監察。

配合法規的發展及投資者的期望，本公司於本年度成立了可持續發展委員會，由本公司行政總裁出任主席，三位獨立非執行董事為委員會成員。可持續發展委員會轄下設立三個工作小組：運營管理工作小組、僱傭及社區投資工作小組及合規與風險工作小組，分別負責本公司環境與安全、社會與人力資源及管治與風險管理事宜，由本公司負責不同職務的員工擔任成員。三個工作小組的成員會在可持續發展委員會會議上，就不同範疇向各委員彙報策略的履行及目標實踐等情況，而委員會成員可每年直接從各工作小組彙報中得知本公司運營及人才培育等最新發展，從可持續發展的角度，憑藉各獨立非執行董事的知識及經驗，可給予本公司管理層在另一角度得到更多中肯及有方向性的意見，協助本公司把控風險，捕捉機遇。



Through the Sustainability Committee meeting, the 3 Independent Non-executive Directors can receive the latest and up-to-date information of the Company at least once a year. The 3 Independent Non-executive Directors could learn about the work situation of project companies' employees and demands at the Sustainability Committee meeting even if there are other factors in future that would not allow them to visit the projects in person. The 3 Independent Non-executive Directors have actively participated in the establishment and implementation of the governance structure for sustainable development, thus demonstrating their concern on the Company's governance and its future development.

According to the assessment of the nomination committee, our directors are still able to devote sufficient time and energy to perform their duties, despite some of them are holding multiple directorship positions or important tasks in universities.

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.

透過可持續發展委員會會議，三位獨立非執行董事能每年至少一次接收到本公司最新最貼地的資訊，就算日後再有其他因素導致不能再親自到訪項目，了解項目公司員工的工作情況及需求，亦可在可持續發展委員會會議上了解到。三位獨立非執行董事均積極參與可持續發展管治架構的建立和執行，從而展示彼等對於本公司的管治及未來發展的關心。

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。

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。



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 and sustainability Committee. She prepares and keeps detailed minutes of each Board meeting, Board committee meeting and sustainability 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 Wing Man 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.

As at 31 December 2020, 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 Wing Man keeps up-to-date with the regulatory and legal developments relevant to the Company that she serves and takes the initiative to have trainings on risk management.

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及可持續發展委員會的秘書，就其各個董事會會議、董事委員會會議及可持續發展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。

周詠雯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，直接向行政總裁彙報。

於二零二零年十二月三十一日，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，周詠雯小姐掌握與本公司相關的監管與法律事宜的最新發展，並且積極參與風險管理培訓。



REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

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

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

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 9 and 10 to the financial statements, respectively.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the financial statements for the financial year ended 31 December 2020 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.

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.

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%.

董事及高級管理人員的薪酬

截至二零二零年十二月三十一日止年度，高級管理人員成員的薪酬範圍列載如下：

根據上市規則附錄十六須予披露的董事及5名最高薪僱員薪酬更多詳情，分別載於財務報表附註9及10。

董事就財務報表須承擔之責任

董事了解，他們須就編製截至二零二零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。

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」。

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. The main features of risk management measures adopted by the Group are as follows:

I. Risk Management Structure

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



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.

風險管理及內部監控

本集團一貫高度重視風險管理與內部監控，下文概述本集團採納的風險管理方法的主要特徵：

一、風險管治架構

本集團的風險管理框架由下文所示「三道防線」模式所指引：

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所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。



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 risk management department, 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.

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.

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。

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. Risk management 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 ranks major risks according to sources of risks, scope of influence, incidents and their potential impact. Risks that identified have been categorised into policy changes, trade receivables, environmental compliance and safety management, investment and business development, construction work budget and cost management, recruitment and staff allocation. Discussion in relation to the management policies and procedures for principal risks exposed to the Group is set out in the section headed “PRINCIPAL RISKS AND UNCERTAINTIES” in the “Management Discussion and Analysis” on pages 45 to 50 of this annual report. The Group’s risks are classified according to their impact and probability of occurrence. 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.

二、風險管理流程

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，管理層以風險來源、影響範圍、事件及其潛在影響等就主要風險進行識別及排序。已被識別的風險分類為政策變動、應收賬款、環境合規與安全管理、投資與業務開發、工程預算與造價管理、招聘與人員配置等，有關本集團面對各主要類別風險之管理政策及程序之論述，已列載於本年報第45至50頁的「管理層討論及分析」的「主要風險及不確定性」一節。本集團風險按其影響及產生的可能性劃分等級。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，風險得以透過擬訂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 2020 (Higher/ unchanged/lower) 主要風險於二零二零年間的變化(上升/持平/下降)</p>	<p>Policy changes 政策變動</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不利影響的風險。</p> <p>Compliance, operations and finance might be affected. Extent of the impact might result in higher operating costs, increase pressure for emissions, or failure to receive new energy grants in a timely manner resulting in escalated pressure on operations. 合規、運營及財務方面存在影響，如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. Paying attention to the adjustments on national environmental policies, and adjust the development path of the Group in a timely manner to adapt to the changes in environmental policies. 2. Providing advices and make suggestions to relevant policy-making departments through industry associations, expert teams and others.</p> <p>1. 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本集團發展路線。 2. 通過行業協會、專家團隊等向相關政策制定部門諫言獻策。</p> <p>Higher 上升</p>
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<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>Trade receivables 應收賬款</p> <p>Failure to collect receivables in a timely manner. 指款項不能及時收回。</p> <p>Result in bad debt losses that would affect the Company's profit and cash flow. 導致壞賬損失出現，影響本公司利潤及現金流。</p> <ol style="list-style-type: none"> 1. Following up the outstanding amounts according to the established trade receivables call plans. 2. Actively promoting the timely release of subsidies for projects that have entered the list. 3. Actively promoting the application procedures for eligible projects to include them in the list as soon as possible. 4. 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. 5. Formulating cash management plans. <p>1. 根據制定的應收賬款催繳計劃跟進欠款。 2. 針對已進入名錄的項目，積極推進補貼及時下發。 3. 針對符合條件的項目，積極推進申請程式，盡快納入名錄。 4. 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。 5. 制定現金管理方案。</p>
<p>Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險於二零二零年間的變化(上升/持平/下降)</p>	<p>Higher 上升</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>Environmental compliance 環境合規</p> <p>The risk of the potential breach of environmental emission limits, safety incidents and adverse external conditions resulting in an adverse impact on project construction and operation. 指環保排放超標、安全事故及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，影響公司聲譽。</p> <ol style="list-style-type: none"> 1. Enhancing ESHS management by improving our ESHS organisational structure to strengthen organizational protection. 2. Amending ESHS related regulations to accommodate present control requirements. 3. Developing a responsibility system and including it in the annual assessment. 4. Enhancing safety training and promotion to reduce the probability of environmental incidents occurring. 5. Enhancing property insurance management to conduct necessary risk transfer in relation to major risks involved in projects under construction and in operation. <ol style="list-style-type: none"> 1. 加強ESHS管理，調整完善ESHS組織架構，加強組織保障。 2. 修訂ESHS相關制度，適應目前管控需要。 3. 開展責任制，納入年度考核。 4. 加大安全培訓與宣傳，降低環境事故發生的可能性。 5. 加強財產保險管理，針對建設、運營的各種項目主要風險，進行必要的風險轉移。
<p>Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險 於二零二零年間的變化 (上升/持平/下降)</p>	<p>Lower 下降</p>



Principal risks 主要風險	Safety management 安全管理
Description 內容	The risk of the occurrence of incidents involving safety liability as a result of deficiencies and imperfections in the safety management regime and system and ineffective safety management measures. 指安全管理體系不健全、安全管理制度不完善、安全管理措施不到位等原因導致的發生安全責任事故的風險。
Potential impact 潛在影響	Reputation, compliance and finance 聲譽、合規及財務
Key mitigations 主要舒緩措施	<ol style="list-style-type: none">1. Strictly implementing corporate safety management regime.2. Multiple sessions of safety training have been conducted.3. Multiple rounds of safety inspection have been conducted. <ol style="list-style-type: none">1. 嚴格執行公司安全管理體系。2. 多次開展安全知識培訓。3. 多次開展安全檢查。
Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險 於二零二零年間的變化 (上升/持平/下降)	Lower 下降



<p>Principal risks 主要風險</p>	<p>Investment and business development 投資與業務開發</p>
<p>Description 內容</p>	<p>The risk of intensive industry competition affecting the Group's business development capability and investment return of its projects. 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。</p>
<p>Potential impact 潛在影響</p>	<p>Business development and finance 業務發展及財務</p>
<p>Key mitigations 主要舒緩措施</p>	<ol style="list-style-type: none"> 1. Control through exchanges with peers: enhancing friendly exchanges with industry competitors and joint venture partners to facilitate real-time understanding of peers' actions and development strategies. 2. Control through market analysis: completion of regular market development information reports on a monthly basis; completion of internal information such as industry analysis reports and national market investment guidelines on an annual basis, as well as formulation of competitive strategies according to market trends on a regular basis. 3. Control through internal exchanges: meetings among management of various project companies for the sharing and consolidation of ideas were regularly organised and contents were recorded in the form of summaries, documentations and special-topic publications for the learning of relevant departments and to provide reference for management decisions. <ol style="list-style-type: none"> 1. 行業內企業的交流管控措施：加強與行業內競爭對手及夥伴間的友好交流，即時掌握對手動態及發展戰略。 2. 市場分析管控措施：每月定期完成市場拓展資訊報告表；每年完成行業分析報告、全國市場投資指引等內部資料，並定時根據市場趨勢，制定相應的競爭策略。 3. 公司內部交流管控措施：定期組織各項目公司領導進行交流分享和思路整合，並以紀要、檔、專題刊等形式，供相關部門學習及為管理層決策提供參考。
<p>Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險於二零二零年間的變化（上升／持平／下降）</p>	<p>Higher 上升</p>



<p>Principal risks 主要風險</p>	Construction work budget and cost management 工程預算與造價管理
<p>Description 內容</p>	<p>Failure to fully evaluate the technical requirements, design proposals, project duration requirements, construction quality, basic construction conditions and other factors at project budget stage, or inaccurate calculation of work volume, resulting in loss of control over the investment.</p> <p>指在工程預算階段，未能對技術要求、設計方案、工期要求、工程品質、建設基礎條件等要素進行充分評估，或者對工程量計算不準確，造成投資失控的情況。</p>
<p>Potential impact 潛在影響</p>	Finance 財務
<p>Key mitigations 主要舒緩措施</p>	<ol style="list-style-type: none"> 1. Improving the depth and quality of the feasibility study report to make it closely integrated with the design work, and improving budget accuracy. 2. Reorganising and implementing the accountability regime and including it in the assessment. Work progress requirements were strictly specified with specific penalty terms. 3. Conducting due assessment at each stage. 4. Minimizing construction costs through optimizing the design. <ol style="list-style-type: none"> 1. 提高可行性研究報告深度及品質，使其與設計工作緊密結合，提升預算的準確性。 2. 開展責任制梳理和落實工作，納入考核。嚴格明確進度要求，並提出針對性的罰則。 3. 做好每個節點考核。 4. 通過優化設計，儘量降低工程造價。
<p>Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險 於二零二零年間的變化 (上升/持平/下降)</p>	Unchanged 持平



<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>Recruitment and staff allocation 招聘與人員配置</p> <p>Shortage of staff, inadequate key personnel or failure to recruit enough managerial staff, technical staff (particularly leading technical talents) and experienced staff could affect the realisation of strategic and operating goals of the Company. 指現有人員儲備不足或者重要職能崗位人員編製不足，或者未能招聘足夠的管理人員、技術人員（特別是技術領軍人才的引入）和具備經驗的員工，影響公司戰略和運營目標的達成。</p> <p>Various aspects such as business development, finance and operations 業務發展、財務及運營等多方面</p> <ol style="list-style-type: none"> 1. Increasing efforts in the preservation and management of staff relations to enhance staff unity and solidarity. 2. 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. 3. Increasing target-oriented training to improve employees competency. <ol style="list-style-type: none"> 1. 加強員工關係的維護和管理，增進員工的凝聚力和向心力。 2. 積極瞭解員工離職原因，完善相關的管理流程，提前做好準備，減少離職對公司生產經營的影響。 3. 增加有針對性的培訓，提高崗位任職水準。 <p>Unchanged 持平</p>
<p>Change in principal risks in 2020 (Higher/unchanged/lower) 主要風險 於二零二零年間的變化 (上升／持平／下降)</p>	



III. 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 quarterly prepare “Risk and Internal Control Report” and submit the same to the management and the audit and risk management committee of the Company. The management of the Company 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 risk management department and internal audit department 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 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 accounting, internal audit and financial reporting functions, and they considered all of the above were adequate.

IV. Internal Audit

Everbright Greentech has established the internal audit department 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 internal audit department 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. 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.

三、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，每季度編製《風險及內控管理報告》並呈報本公司管理層及審核及風險管理委員會。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。

董事會及審核及風險管理委員會均對在會計、內部審核及財務彙報職能方面的資源、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，認為足夠。

四、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。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。



Consulting by an external expertise, internal audit department launched a 3-Year internal audit programme of the Company, i.e., from 2018 to 2020 (“3-Year IA Programme”) at the end of 2017. It aimed at conducting a concrete internal audit throughout the Company after listing, in accordance with the priority of significant risks. In these years, management departments in the headquarter, projects in different stages and project companies were audited under the 3-Year IA Programme. Internal audit department reported to audit and risk management committee the progress, findings, proposed rectification actions and their results of the 3-Year IA Programme once a year. The Programme had completed as scheduled in 2020.

V. Risks Management Culture

Sound communication and ongoing education are among some of the effective means adopted by the Group to cope with existing material risk and internal control issues. 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. During the year, Everbright Greentech organised 1 training session on risk management and internal audit delivered by the risk management department and internal audit department, who briefed and discussed with the management personnel of the functional departments at the headquarters and the management of the project companies on the key points in risk management of the project companies as well as issues identified in the current stage of the Company’s internal audit and related proposals.

經諮詢外部專家後，內部審計部於二零一七年底啟動本公司三年（即二零一八年至二零二零年）內部審計計劃（「三年內部審計計劃」）。該計劃旨在按照重大風險的優先順序，於上市後對本公司進行具體內部審計。這些年間，總部的管理部門、處於不同階段的項目以及項目公司均按三年內部審計計劃進行審計。內部審計部每年一次向審核及風險管理委員會報告進度、發現、建議整改措施及其三年內部審計計劃的結果。該計劃已如期於二零二零年完成。

五、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。年內，光大綠色環保舉辦了一次風險管理及內部審計培訓，由風險管理部及內部審計部主講，分別向總部職能部門管理人員及項目公司管理層就項目公司風險管理要點及本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。



For more content of the risk of epidemic prevention and control, please refer to the paragraph on the risk associated with epidemic prevention and control under the section headed “PRINCIPAL RISKS AND UNCERTAINTIES” in the “Management Discussion and Analysis” on page 50 of this annual report. Regarding the impact of the epidemic on the Company, the risk management department, together with other functional departments of the Company, had prepared the Special Report on Epidemic Risks associated with the Epidemic Outbreak (《突發疫情風險專項報告》) to systematically summarize and report on epidemic prevention and also the relevant impact on the Company. Stringent control measures have gradually become normalized epidemic prevention measures and will continue to exist to prevent and control COVID-19. For more content of the epidemic prevention and control, please refer to the section “Scope 1: Epidemic Prevention and Control Conditions and Response Policies” in the “Summary of the Sustainability Report” on pages 57 to 58 of this annual report.

A safe working environment is particularly important in the environmental industry. During the year, the Group carried out safety management works in an orderly manner in accordance with its internal safety management system. It conducted comprehensive safety risk inspections on a quarterly basis, with irregular inspections on the implementation of various safety management systems of project companies to identify issues and make rectifications in a timely manner, so as to eliminate potential safety hazards. The Company has set up an ESHS 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 page 51 of this annual report.

應對疫情防控風險詳細內容請參閱本年報第50頁的「管理層討論及分析」內「主要風險及不確定性」中疫情防控風險一段。就疫情對本公司的影響，本公司風險管理部連同其他職能部門製作了《突發疫情風險專項報告》，對防疫情況及對本公司的影響進行了系統的總結與彙報。嚴格的管控措施已逐漸轉為常態化的防疫措施並將持續存在，以防患未然。有關疫情防控的專題內容請參閱本年報第57至58頁的「可持續發展報告摘要」內「範疇一：疫情防控狀況和應對方針」一節。

安全的工作環境在環保行業尤其重要，年內，本集團根據內部安全管理體系，有序開展安全管理工作，每季度開展安全風險大檢查，亦不定期對項目公司各項安全管理制度落實進行檢查，及時發現問題並進行整改，杜絕安全隱患。本公司設有ESHS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51頁的「管理層討論及分析」內「環境和社會管理」一節。



The environmental industry itself is already an industry with many SOP. When experienced employees face difficulties and risks in their daily works, they do not want to be restricted by more policies and codes, but a set of feasible and effective work methods.

VI. 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.

VII. 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 2020, 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 2020 to the audit and risk management committee and the Board.

環保行業本身已是一個有很多SOP的行業，有經驗的員工在日常工作中面對困難及風險時，不會想有更多的政策及守則去限制，而是一套可行及有效的工作方法。

六、外部審計

外部審計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。

七、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，已對截至二零二零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二零二零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。



WHISTLEBLOWING POLICY

In order to maintain business integrity and promote a healthy working culture, a fair and effective whistleblowing policy, complementing with a confidential handling mechanism, is adopted. The scope and purpose of whistleblowing policy is stated in the Company's website at <https://www.ebgreentech.com/en/about/ewp.php>.

Case(s) can be submitted by post, addressed to the Company's principal place of business in Hong Kong or office in Shenzhen, which is respectively 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).

A well-defined whistleblowing and reporting mechanism can increase the trustfulness of the whistleblower and the whistleblower protection is being enhanced through effective awareness-rising, communication and training. The whistleblowing reporting channel can be accessed on the Company's website, staff handbook, intranet, annual report. An induction briefing to new joiners be conducted for providing clear explanation on their right and obligations when disclosing wrongdoing.

All whistleblowing cases and the investigation results will be discussed in the audit and risk management committee and report the same to the Board on semi-annual basis. During the year, there were 3 cases reported through the whistleblowing channels. After the investigation, these cases were not involving misconduct, fraudulent activities, or malpractices in any matter related to the Group. These cases had exposed the internal management issues and job relocation disputes, the necessary measures and actions were immediately undertaken by the management.

舉報管理制度

為保持業務誠信並提倡健康的工作文化，本公司採納公平有效的舉報管理制度，並輔以保密的處理機制。本公司網站<https://www.ebgreentech.com/tc/about/ewp.php>列明舉報管理制度的範圍及目的。

個案可郵寄至本公司於香港主要營業地點或深圳辦事處，現時分別位於香港夏慤道16號遠東金融中心36樓3602室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）。

明確的舉報及報告機制可提高舉報人的信任度，並通過有效的意識提升、溝通及培訓提高舉報人的保護水平。舉報渠道可於本公司網站、員工手冊、企業內聯網、年報上獲取。本公司向新入職者進行簡介，於披露不當行為時，對彼等的權利及義務提供清晰的解釋。

所有舉報個案及調查結果將於審核及風險管理委員會進行討論，並每半年向董事會報告一次。年內，透過舉報渠道收到三宗個案。經調查，該等個案並不涉及與本集團有關的任何不當行為、欺詐活動或瀆職行為。該等個案暴露內部管理問題及工作調動糾紛，管理層已立即採取必要措施及行動。



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 provides 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 19 May 2020, the Chairman of the Board chaired the annual general meeting and the chairman of each Board committee attended the meeting 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活動的其他詳盡資料。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，股東週年大會亦為投資者、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二零二零年五月十九日舉行，董事會主席主持股東週年大會，各董事委員會的主席亦出席會議，確保股東意見傳達至董事會。本公司核數師在場回應股東可能提出的任何查詢。



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 2 months after the deposit of such requisition.

The EGM Requisitionists can deposit the written request at the Company’s principal place of business in Hong Kong, 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 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個月內舉行。

股東特別大會呈請人可向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請求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 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 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 58, is a Non-executive Director and the Chairman of the Board and the Nomination Committee. 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, the chairman of the board and chief executive officer and also the chairman of each of the nomination committee and disclosure committee and the member of the remuneration committee of CEEGL (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 the chairman of the strategy committee and a member of the nominating committee and the remuneration committee of China Everbright Water Limited ("CEWL"), CEEGL'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58歲，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。彼現擔任清華大學兼職教授和清華大學PPP研究中心的共同主任，中國環境與發展國際合作委員會委員，「一帶一路」綠色發展國際聯盟諮詢委員會委員，中國生態文明研究與促進會副會長，中華環保聯合會副會長，中國科協生態環境產學聯合體副主席，聯合國歐洲經濟委員會PPP專家委員會委員，以及新加坡國立大學中國商務研究中心諮詢委員會委員。彼持有清華大學經濟學博士、管理學碩士及電子學學士銜。彼亦曾在美國哈佛大學和加州大學學習深造。王先生現為光大環境(股票代號：0257.HK)，本公司之上市中介控股公司)執行董事、董事會主席兼行政總裁，亦為其提名委員會及披露委員會主席及薪酬委員會成員。彼亦為中國光大水務有限公司(「光大水務」，光大環境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，亦為其戰略委員會主席、提名委員會及薪酬委員會成員。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, the chairman of Sustainability Committee and a member of Remuneration Committee. Mr. QIAN currently serves as a director of numerous subsidiaries and certain joint venture companies of the Group. Prior to his position in the Company, Mr. QIAN served as the general manager of the investment development department of CEEGL and the general manager of Everbright Environmental Protection Venture Capital (Shenzhen) Ltd, a wholly-owned subsidiary of CEEGL. He is also the executive director and deputy general manager and the member of the disclosure committee of CEEGL. 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 242,000 shares of the Company within the meaning of the 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 60, is an Executive Director and the Vice President. Mr. YANG currently serves as a director of numerous subsidiaries, an associated company and certain joint venture companies 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), a company is listed on the Stock Exchange. Mr. YANG was appointed as a non-executive director of CEWL from 12 December 2014 to 23 February 2017. He served as the chief legal officer in CEEGL. 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，並為可持續發展委員會主席及薪酬委員會之成員。錢先生目前擔任本集團多家附屬公司及若干合營企業之董事。錢先生在本公司任職前，曾擔任光大環境的投資發展部總經理及光大環境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。彼亦為光大環境執行董事兼副總經理，以及披露委員會成員。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242,000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60歲，執行董事兼副總裁。楊先生現時為本集團多家附屬公司、一家聯營公司及若干合營企業之董事。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)，一家於聯交所上市公司之非執行董事。彼亦由二零一四年十二月十二日至二零一七年二月二十三日期間擔任光大水務之非執行董事。彼曾擔任光大環境的法務總監。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 46, is an Executive Director and Chief Financial Officer. Mr. LO also serves as a director of numerous subsidiaries and certain joint venture companies of the Group. Prior to joining the Company, Mr. LO held senior positions at a number of listed companies on the Stock Exchange, 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. 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 CEEGL together with his spouse and he is deemed to be interested in 5,760 shares of CEEGL 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 52, 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 PRC. She is the general manager of internal audit department and risk management department of CEEGL. Ms. GUO joined the Board in January 2018.

盧錦勳先生

現年46歲，執行董事及財務總監。盧先生亦擔任本集團多家附屬公司及若干合營企業之董事。在加入本公司前，彼曾於多家於聯交所上市公司擔任要職，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。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本公司50,000股股份之權益；及彼與其配偶共同實益擁有光大環境281股股份之權益及彼透過其配偶被視作擁有光大環境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52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。彼現職光大環境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 51, is a Non-executive Director. Mr. SONG holds a Bachelor's degree in Economics from Renmin University of China. He joined CEEGL 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 CEEGL. Prior to joining CEEGL, 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 CEEGL through his spouse within the meaning of the SFO. Mr. SONG joined the Board in June 2019.

Mr. CHOW Siu Lui

aged 60, is an Independent Non-executive Director, the chairman of Audit and Risk Management Committee and a member of Nomination, Remuneration and Sustainability Committees. 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), 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51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環境，現職光大環境戰略發展部總經理。彼亦為光大晶朗節能照明(深圳)有限公司(其為光大環境的非全資附屬公司)的董事。加入光大環境前，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環境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60歲，獨立非執行董事、審核及風險管理委員會主席及提名委員會、薪酬委員會及可持續發展委員會之成員。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 60, is an Independent Non-executive Director, the chairman of the Remuneration Committee and a member of Nomination, Audit and Risk Management and Sustainability Committees. Mr. TSAO is currently the founder and chief executive officer of CHANCES Advisory Group and a director of SinoPac Financial Holdings Company Limited (“SinoPac”, a company listed on the Taiwan Stock Exchange with stock code: 2890.TT), and a non-executive director of Bank SinoPac (a subsidiary of SinoPac) with effect from 13 May 2020 and 1 May 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), a non-executive director of SinoPac Securities (Asia) Limited (a subsidiary of SinoPac) 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.

曹為實先生

現年60歲，獨立非執行董事、薪酬委員會主席、提名委員會、審核及風險管理委員會及可持續發展委員會之成員。曹先生現時為CHANCES Advisory Group之創辦人兼行政總裁及分別自二零二零年五月十三日及二零一八年五月一日起為永豐金融控股股份有限公司(「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)之董事及永豐銀行(永豐金控之附屬公司)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，其股份代號：2883.TT)之執行副總裁、中華開發金控及開發工銀(中華開發金控之附屬公司)之董事、永豐金證券(亞洲)有限公司(永豐金控之附屬公司)之非執行董事，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。



Prof. YAN Houmin

aged 66, is an Independent Non-executive Director, a member of Nomination, Remuneration, Audit and Risk Management and Sustainability Committees. Prof. YAN is Chair Professor of Management Sciences at City University of Hong Kong ("CityU") where he directs International PPP China Center of Excellence of the United Nations Economic Commission for Europe (UNECE). Prof. YAN is also a director of Laboratory for AI-Powered Financial Technologies Limited. He was the Dean of the College of Business from January 2013 to June 2020. Prior to joining CityU, Prof. YAN was a Professor at the Chinese University of Hong Kong. He was the program director for the Executive Master for Logistics and Supply Chain Management, and he was the executive director of Center for Supply Chain and Logistics Optimization, Li & Fung Logistics and Supply Chain Institute, the Chinese University of Hong Kong. He was the associate director and science advisor for the Hong Kong Government R&D Center for Logistics and Supply Chain Management Enabling Technologies. He was also a tenured Associate Professor at the School of Management, University of Texas at Dallas. Prof. YAN's main research areas are stochastic models, simulations, and supply chain management. He has published extensively in top-tier international journals and has been awarded the Best Paper Prizes by professional societies such as the Production and Operations Management Society (POMs) in 2004 and Institute of Industrial Engineers (IIE) in 2005 and 2012. He consults a number of international and local enterprises. 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.

嚴厚民教授

現年66歲，獨立非執行董事、提名委員會、薪酬委員會、審核及風險管理委員會及可持續發展委員會之成員。嚴教授現為香港城市大學（「香港城市大學」）管理科學講座教授，亦兼任香港城市大學聯合國歐洲經濟委員會中國專家中心主任。嚴教授現亦為人工智能金融科技實驗室有限公司董事。彼曾經從二零一三年一月到二零二零年六月擔任商學院院長。在加入香港城市大學前，嚴教授曾就任香港中文大學教授多年，在香港中文大學工作期間，彼曾擔任高級管理人員－物流與供應鏈管理理學碩士課程主任，利豐供應鏈及物流研究所物流技術和供應鏈優化中心的總監。同時，彼曾長期擔任香港政府物流與供應鏈技術研發中心副總監和科學技術顧問。彼曾任教於美國德州大學達拉斯分校管理學院並具有終身教席。嚴教授的主要研究方向是供應鏈管理、風險理論、合同理論及行為模型。彼在國際頂級學術雜誌上發表了多篇論文，彼の論文曾於二零零四年、二零零五年及二零一二年先後獲得生產與運營管理協會及工業工程師協會頒發最佳論文獎。同時，彼曾為多家國際及本地大型企業的顧問。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. ZHU Fugang

Mr. ZHU is the Vice President of the Company. Mr. ZHU currently serves as general manager of a subsidiary, namely EB Greentech Technology Services (Jiangsu) Limited, and a director of an associated company of the Company. Prior to joining the Group, he served as president of eco-recycling sector in CEEGL, vice president of Everbright Environmental Protection (China) Company Limited and Everbright Envirotech (China) Limited, general manager of Everbright Environmental Energy (Changzhou) Co., Ltd, 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.

Mr. WANG Dianer

Mr. WANG is the Vice President of the Company. Mr. WANG joined China Everbright Group since November 2006. At present, he serves as a director of EB Urban and Rural Renewable Energy (Nanjing) Limited, chairman of the board of Suntime Environmental Remediation CO., Ltd, 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 Everbright Alternative Energy (Dangshan) Company Limited, the project leader of the construction of Dangshan project, the general manager of Everbright Environmental Energy (Zhenjiang) Limited and the general manager of Everbright Photovoltaic Energy (Zhenjiang) Limited and Everbright 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.

朱福剛先生

朱先生為本公司副總裁。朱先生目前為本公司一家附屬公司光大綠色環保技術服務(江蘇)有限公司之總經理及一家聯營公司之董事。於加入本集團前，他曾先後擔任光大環境生態資源板塊總裁、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(常州)有限公司總經理、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。

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中國光大集團，現時為光大城鄉生物能源(南京)有限公司的董事、上田環境修復有限公司的董事長、及光大環境修復(江蘇)有限公司擔任總經理職務。他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)有限公司的總經理、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。



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, a joint venture and an 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 CEEGL, 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 (Suzhou) Solid Waste Treatment 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.

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，他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、光大環境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 China Everbright Group in November 2006, he has been repeatedly named “Outstanding Manager in CEEGL”. 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) Limited, 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, Everbright Environmental Energy (Lingbi) Limited, EB Urban and Rural Renewable Energy (Xiao County) Limited, EB Urban and Rural Renewable Energy (Fengyang) Company Limited, Everbright Alternative Energy (Dangshan) Company Limited and Everbright Environmental Energy (Dangshan) Limited. He currently serves as director of a number of subsidiaries and a joint venture company 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), Mr. SUN joined the Group in January 2016.

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 Chartered Governance Institute. 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中國光大集團起，彼多次獲評為「光大環境優秀管理者」。彼歷任光大環保能源(蘇州)有限公司副總經理、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、光大環保能源(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、光大新能源(碭山)有限公司及光大環保能源(碭山)有限公司。彼目前為本公司多家附屬公司及一家合營企業之董事，及現任光大綠色環保清潔能源管理中心總經理。孫先生於二零一六年一月加入本集團。

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公司治理公會之資深會員。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 2020 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, Wan Chai, Hong Kong on Monday, 17 May 2021.

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 40 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 2020 (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 45 of this annual report. Description of the principal risks and uncertainties that the Group may be facing are set out on pages 45 to 50 of this annual report. Also, the financial risk management of the Group can be found in note 38 to the financial statements. A discussion on the Group’s environmental policies and performance can be found from pages 51 to 63 of this annual report.

The Group believes that stakeholders provide valuable insights to its business development, which support the Group in formulating sustainable and long-term development 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 report are set out from pages 54 to 63 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二零二零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二零二一年五月十七日（星期一）假座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40。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、有關截至二零二零年十二月三十一日止年末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45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45頁至50頁。另外，關於本集團之財務風險管理，詳見財務報表附註38。本集團環境政策及表現之討論列載於本年報第51頁至63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，有助本集團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，讓其發表對本集團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。可持續發展報告摘要載於本年報第54至63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 page 51 of this annual report.

On the corporate level, the Group complies with the requirements under the companies ordinances 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 66 to 103 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，本集團須遵守於本年報第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66至103頁的企業管治報告。



RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and the consolidated statement of comprehensive income on pages 142 and 143 of this annual report respectively.

The Board has proposed the payment of a final dividend of HK7.0 cents (2019: HK8.0 cents) per ordinary share for the year ended 31 December 2020 payable on or around Friday, 11 June 2021 to the Shareholders whose names are on the register of members of the Company on Friday, 28 May 2021. Together with the interim dividend of HK8.0 cents (2019: HK8.0 cents) per ordinary share paid in October 2020, the total distribution of dividend by the Company for the year of 2020 will be HK15.0 cents (2019: HK16.0 cents) per ordinary share. The dividend payout ratio in 2020 is 20.6%.

SUMMARY OF FINANCIAL INFORMATION

A financial summary of the Group for the last 5 financial years is set out on pages 279 and 280. 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 29 to the financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserves available for distribution amounted to approximately HK\$3,654,110,000. Details of distributable reserve of the Company are set out in note 39 to the financial statements.

CHARITABLE DONATIONS

The charitable donations made by the Group during the year amounted to approximately HK\$2,327,000.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2020 are set out in note 25 to the financial statements.

業績及股息

本集團截至二零二零年十二月三十一日止年度之業績分別列載於本年報第142頁及143頁之綜合損益表及綜合全面收益表內。

董事會建議就截至二零二零年十二月三十一日止年度派發末期股息每股普通股7.0港仙(二零一九年: 8.0港仙), 股息將於二零二一年六月十一日(星期五)或前後向於二零二一年五月二十八日(星期五)名列在本公司股東名冊之股東派付。連同於二零二零年十月已派付的中期股息每股普通股8.0港仙(二零一九年: 8.0港仙), 本公司二零二零年派付的每股普通股股息總額將為15.0港仙(二零一九年: 16.0港仙)。二零二零年度股息支付比率為20.6%。

財務資料概要

本集團過去五個財政年度的財務概要列載於第279及280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29以及綜合權益變動表。

可供分派儲備

於二零二零年十二月三十一日, 本公司可供分派儲備為數約港幣3,654,110,000元。本公司之可供分派儲備之詳情載於財務報表附註39。

慈善捐款

本集團年內作出為數約港幣2,327,000元之慈善捐款。

銀行貸款及其他借貸

於二零二零年十二月三十一日, 本集團之銀行貸款及其他借款詳情刊載於財務報表附註25。



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分別如下：

		Percentage of the Group's total 佔本集團總額之百分比	
		Turnover 營業額	Purchases 採購額
The largest customer	最大客戶	19%	
Five largest customers in aggregate	五大客戶合計	43%	
The largest supplier	最大供應商		3%
Five largest suppliers in aggregate	五大供應商合計		13%

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 28 to the financial statements.

股本

有關本公司年內股本變動的詳情列載於財務報表附註28。

DEBENTURES

Except as detailed in note 26 of the financial statements, the Group has not issued any other debenture during the year.

債券

除財務報表附註26所詳述外，本集團年內並無發行任何其他債券。

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

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.

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*)
GUO Ying**
SONG Jian**
CHOW Siu Lui***
Philip TSAO***
YAN Houmin***

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

In accordance with Articles 108(a) and 108(b) of the Articles of Association, Mr. WANG Tianyi, Mr. YANG Zhiqiang and Ms. GUO Ying will retire from office as 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 104 to 112 of this annual report.

購買、贖回或出售本公司上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

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*)
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

根據章程細則第108(a)及108(b)條之規定，王天義先生、楊志強先生及郭穎女士將於應屆股東週年大會上輪席退任董事，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104頁至第112頁。



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

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

- Mr. Philip TSAO was appointed as a director of SinoPac Financial Holdings Company Limited (a company listed on the Taiwan Stock Exchange; stock code: 2890.TT) on 13 May 2020 and resigned as a director of SinoPac Securities (Asia) Limited with effect from 20 May 2020.
- Prof. YAN Houmin ceased to be the Dean of the College of Business at CityU with effect from 1 July 2020.
- Mr. QIAN Xiaodong was appointed as the chairman of the sustainability committee and Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin were appointed as the members of the sustainability committee on 11 August 2020.
- Mr. WANG Tianyi was appointed as the chairman of the board, the chairman of the nomination committee and the member of the remuneration committee of CEEGL on 25 September 2020.
- Prof. YAN Houmin was appointed as a director of Laboratory for AI-Powered Financial Technologies Limited on 1 December 2020.
- The remuneration packages of all 3 Independent Non-executive Directors, namely Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin, have been changed as follows:
 - each of the Independent Non-executive Director is entitled to the Director's fee of HK\$330,000 per annum with effect from 1 January 2021; and
 - the meeting allowance for each committees and Board meetings has been cancelled with effect from 6 February 2021.

Save as disclosed above, there is no other information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

根據上市規則第13.51B條之董事資料變更

根據上市規則第13.51B條，董事資料於年內之變動載列如下：

- 於二零二零年五月十三日，曹為實先生獲委任為永豐金融控股股份有限公司（一間於台灣證券交易所上市的公司；股份代號：2890.TT）董事，及自二零二零年五月二十日起辭任為永豐金證券（亞洲）有限公司董事。
- 自二零二零年七月一日起，嚴厚民教授不再擔任香港城市大學商學院院長。
- 於二零二零年八月十一日，錢曉東先生獲委任為可持續發展委員會主席，以及鄒小磊先生、曹為實先生及嚴厚民教授均獲委任為可持續發展委員會成員。
- 於二零二零年九月二十五日，王天義先生獲委任為光大環境之董事會主席、提名委員會主席及薪酬委員會成員。
- 於二零二零年十二月一日，嚴厚民教授獲委任為人工智能金融科技實驗室有限公司董事。
- 全體三名獨立非執行董事（即鄒小磊先生、曹為實先生及嚴厚民教授）的薪酬待遇已更改如下：
 - 各獨立非執行董事有權享有董事袍金每年港幣330,000元，自二零二一年一月一日起生效；及
 - 各委員會及董事會會議的會議津貼已取消，自二零二一年二月六日起生效。

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條予以披露。



DIRECTORS' SERVICE CONTRACTS

The term of service as a Director is subject to retirement by rotation and re-election 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 section "Continuing Connected Transactions" below and Related Party Transactions as set out in note 35 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 CEEGL AND THE COMPANY

In connection with the spin-off of the Group from CEEGL, the Company implements some corporate governance measures to confirm that the directors of both of CEEGL 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 CEEGL 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輪席告退及重選連任。

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建議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「持續關連交易」部分及財務報表附註35列載的與關聯人士之交易所披露者外，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。

光大環境與本公司不存在競爭

關於自光大環境分拆出本集團，本公司實施多項企業管治措施，確保光大環境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。有關光大環境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 CEEGL. CEEGL is a listed intermediate holding company of the Company and is engaged in renewable energy business. CEEGL may be in competition with the Group. However, as stated in the section "No competition between CEEGL and the Company" above, the Board is independent of the board of CEEGL 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 CEEGL 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.

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環境之執行董事。光大環境為本公司上市中介控股公司，其主要從事再生能源業務。光大環境或與本集團存有競爭，然而，如上文「光大環境與本公司不存在競爭」一節所述，董事會獨立於光大環境董事會，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，確保光大環境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的內容並無變動。

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。概無董事參與釐定彼之薪酬。



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

The Directors and the Company's chief executive who held office at 31 December 2020 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:

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉

根據證券及期貨條例第352條規定須予置存之董事及主要行政人員權益及淡倉登記冊所載記錄顯示，於二零二零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、附屬公司及其他相聯法團(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以下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：

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	242,000	0.0117%
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 2020, 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) 於二零二零年十二月三十一日，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, 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 CEEGL, a listed intermediate holding company of the Company

於本公司上市中介控股公司光大環境股份之好倉

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:

附註：

- (iv) Mr. LO beneficially owns 281 shares of CEEGL together with his spouse and is deemed to be interested in 5,760 shares of CEEGL through his spouse.
- (v) All those shares were beneficially owned by Mr. SONG's spouse.
- (vi) As at 31 December 2020, the number of shares of CEEGL in issue was 6,142,975,292 shares.

- (iv) 盧先生與其配偶共同實益擁有光大環境281股股份及透過其配偶被視作擁有光大環境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) 於二零二零年十二月三十一日，光大環境已發行股份數目為6,142,975,292股。



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

Save as disclosed above, as at 31 December 2020, 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 2020, 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，於二零二零年十二月三十一日，概無本公司董事及主要行政人員擁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。

董事購買股份或債券之權利

於年內任何時間，本公司或其任何附屬公司、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

於二零二零年十二月三十一日，下列人士（除董事或本公司主要行政人員外）於本公司之股份及相關股份中擁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：



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

本公司股份之好倉

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%
CEEGL (note (1))	光大環境(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 (note (2))	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 CEEGL, which is in turn controlled 43.01% by CE Hong Kong, through its direct and indirect wholly-owned subsidiaries. Accordingly, CEEGL 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 63.16% 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 2020, the number of shares of the Company in issue was 2,066,078,000 shares.

Apart from the foregoing, as at 31 December 2020, 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環境的全資附屬公司，而光大環境由光大香港透過其直接及間接全資附屬公司控制了43.01%。因此，光大環境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63.16%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) 於二零二零年十二月三十一日，本公司已發行股份數目為2,066,078,000股。

除上述者外，於二零二零年十二月三十一日，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 35 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.

CONTINUING CONNECTED TRANSACTIONS

Deposit and loan services

On 6 December 2019, the Company entered into a new deposit services master agreement and a new loan services master agreement (collectively, the “New Services Master Agreements”) with China Everbright Group. Pursuant to the New Services Master Agreements, China Everbright Group will, through its associate, China Everbright Bank Company Limited (“CE Bank”), provide deposit and loan services to the Group for a term of 3 years from 1 January 2020 to 31 December 2022.

- (a) Pursuant to the new deposit services master 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 2020, the maximum daily closing balance of the Group’s deposits (including interests accrued thereon) placed in CE Bank amounted to approximately HK\$364,687,000. This amount did not exceed the annual cap of HK\$400,000,000 for the year ended 31 December 2020.

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35，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。

持續關連交易

存款及貸款服務

於二零一九年十二月六日，本公司與中國光大集團訂立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中國光大銀行股份有限公司（「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二零二零年十二月三十一日止，為期三年。

- (a) 根據新存款服務總協議，中國光大集團將促使光大銀行根據中國人民銀行（「中國人民銀行」）訂定之規則及規例及／或中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。

於截至二零二零年十二月三十一日止年度，本集團存放於光大銀行之最高每日存款結餘（包括其應計利息）為約港幣364,687,000元。此金額並無超出截至二零二零年十二月三十一日止年度之年度限額港幣400,000,000元。



CONTINUING CONNECTED TRANSACTIONS (Continued)

Deposit and loan services (Continued)

- (b) The new loan services master agreement shall be on a non-exclusive basis and the Company is at liberty to obtain loan services from other third parties. Pursuant to the new loan services master 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.

Since CE Bank and the Group have a long-term relationship of cooperation, CE Bank has a better understanding of the operations and development of the Group and is in a better position to serve the financial arrangements of the Group. It is also expected that it will be cost-efficient, expedient and beneficial for the Group to receive deposit and loan services from CE Bank. In addition, CE Bank is regulated by China Banking and Insurance Regulatory Commission and is subject to the rules and requirements of such regulatory authority, thus reducing risks to the Group in receiving financial services from CE Bank.

During the year ended 31 December 2020, the maximum daily closing balance of the Group's loans (excluding loans which do not require security over the assets of the Group) provided by CE Bank amounted to approximately HK\$249,078,000. This amount did not exceed the annual cap of HK\$400,000,000 for the year ended 31 December 2020.

持續關連交易(續)

存款及貸款服務(續)

- (b) 新貸款服務總協議乃按非獨家基準訂立，本公司可自由從其他第三方獲得貸款服務。根據新貸款服務總協議，中國光大集團將促使光大銀行根據中國人民銀行訂定之規則及規例及／或中國境內或境外其他相關規則及規例，向本集團提供貸款（包括循環信貸融資及定期貸款）。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。

由於光大銀行及本集團已建立長期合作關係，光大銀行對本集團的運營及發展有更透徹的瞭解，更能配合本集團的財務安排，且預期本集團自光大銀行取得存款及貸款服務，乃具成本效益、方便且有利。此外，光大銀行受中國銀行保險監督管理委員會規管，須遵守此監管機構的規則及規定，因而減低本集團自光大銀行取得金融服務的風險。

於截至二零二零年十二月三十一日止年度，光大銀行提供予本集團之貸款（不包括毋須本集團資產作抵押之貸款）之最高每日結餘為約港幣249,078,000元。此金額並無超出截至二零二零年十二月三十一日止年度之年度限額港幣400,000,000元。



CONTINUING CONNECTED TRANSACTIONS (Continued)

Purchases of equipment

On 6 December 2019, Everbright Greentech Management (Shenzhen) Company Limited*, an indirect wholly-owned subsidiary of the Company, entered into a new equipment purchase master agreement with Everbright Environmental Technology Equipment (Changzhou) Company Limited* ("EB Environmental Changzhou"), an indirect wholly-owned subsidiary of CEEGL, 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 new equipment purchase master agreement enables the Group to procure the equipment and related services from EB Environmental Changzhou which has been a technologically competent and reliable supplier of the Company.

During the year ended 31 December 2020, the amounts payable to EB Environmental Changzhou under the new equipment purchase master agreement amounted to approximately RMB82,606,000. The amount did not exceed the annual cap of RMB124,000,000 for the year ended 31 December 2020.

持續關連交易(續)

購買設備

於二零一九年十二月六日，本公司間接全資附屬公司光大綠色環保管理(深圳)有限公司與光大環境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」)就向光大環保常州購買裝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。

新設備採購總協議使本集團能夠向光大環保常州(其一直為本公司技術先進及可靠的供應商)取得裝備及相關服務。

於截至二零二零年十二月三十一日止年度，根據新設備採購總協議應付光大環保常州之金額約為人民幣82,606,000元。有關金額並無超出截至二零二零年十二月三十一日止年度之年度限額人民幣124,000,000元。

* For identification purpose only

* 僅供識別



CONTINUING CONNECTED TRANSACTIONS (Continued)

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 CEEGL, in respect of the purchase of steam from EB Environmental Energy Suqian for a term of 3 years from 1 January 2020 to 31 December 2022.

Everbright Biomass Energy (Suqian) Limited is a supplier of steam in Suqian, Jiangsu, the PRC. Everbright Biomass Energy (Suqian) Limited entered into the steam purchase master agreement with EB Environmental Energy Suqian in order to ensure that in the event of excess demand, Everbright Biomass Energy (Suqian) Limited can operate without interruption and maintain supply of steam to its customers.

During the year ended 31 December 2020, the amounts payable to EB Environmental Energy Suqian under the steam purchase master agreement amounted to approximately RMB19,563,000. The amount did not exceed the annual cap of RMB60,000,000 for the year ended 31 December 2020.

China Everbright Group is a controlling shareholder of CEEGL, the controlling shareholder of the Company. Therefore, each of China Everbright Group and its associates, including CE Bank, and CEEGL and its associates is a connected person of the Company under Chapter 14A of the Listing Rules. In particular, EB Environmental Changzhou and EB Environmental Energy Suqian are indirect wholly-owned subsidiaries of CEEGL. Therefore, each of EB Environmental Changzhou and EB Environmental Energy Suqian is also a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under each of the New Services Master Agreements, the new equipment purchase master agreement and the steam purchase master agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

* For identification purpose only

持續關連交易(續)

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)有限公司與光大環境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，自二零二零年一月一日起至二零二零年十二月三十一日止，為期三年。

光大生物能源(宿遷)有限公司為中國江蘇省宿遷市的蒸汽供應商。光大生物能源(宿遷)有限公司與光大環保能源宿遷訂立蒸汽採購總協議，以確保光大生物能源(宿遷)有限公司的運營在出現額外需求時不會中斷，並能維持向客戶供應蒸汽。

於截至二零二零年十二月三十一日止年度，根據蒸汽採購總協議應付光大環保能源宿遷之金額約為人民幣19,563,000元。有關金額並無超出截至二零二零年十二月三十一日止年度之年度限額人民幣60,000,000元。

中國光大集團為本公司控股股東光大環境之控股股東。因此，根據上市規則第14A章，中國光大集團及其聯繫人(包括光大銀行)，以及光大環境及其聯繫人各自為本公司之關連人士。具體而言，光大環保常州及光大環保能源宿遷為光大環境之間接全資附屬公司。因此，根據上市規則第14A章，光大環保常州及光大環保能源宿遷亦各自為本公司之關連人士。故此，根據上市規則第14A章，新服務總協議、新設備採購總協議及蒸汽採購總協議各自項下擬進行之交易構成本公司之持續關連交易。

* 僅供識別



CONTINUING CONNECTED TRANSACTIONS (Continued)

Details of the New Services Master Agreements, the new equipment purchase master agreement and the steam purchase master agreement 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, purchase of equipment and purchase of steam (collectively, the "2020 Continuing Connected Transactions") and confirmed that 2020 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)

新服務總協議、新設備採購總協議及蒸汽採購總協議的詳情載於本公司日期為二零一九年十二月六日之公告內。

獨立非執行董事已審閱有關存款及貸款服務、購買設備及購買蒸汽之持續關連交易(統稱「二零二零年持續關連交易」)，並確認二零二零年持續關連交易乃：

- 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或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)

Ernst & Young, the Company's auditor, was engaged to report on the Group's 2020 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. Ernst & Young has issued an unqualified letter containing the findings and conclusions in respect of the 2020 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 2020 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.

持續關連交易(續)

本公司核數師安永會計師事務所已獲委聘根據香港會計師公會頒布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」，就本集團之二零二零年持續關連交易作出彙報。安永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二零二零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二零二零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，僱主及其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%。



RETIREMENT SCHEME (Continued)

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 2020 amounted to HK\$31,218,000.

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

KPMG retired as the auditor of the Company upon the expiration of its term of office with effect from the conclusion of the annual general meeting of the Company held on 19 May 2020.

Ernst & Young was appointed as the auditor of the Company following the retirement of KPMG. The consolidated financial statements of the Group have been audited by Ernst & Young, who will retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

By order of the Board

China Everbright Greentech Limited
WANG Tianyi

Chairman

Hong Kong, 4 March 2021

退休計劃(續)

中國附屬公司之僱員均為當地政府運作之退休計劃成員。該等附屬公司須按員工薪金之若干百分比向此等計劃作出供款，為有關福利提供資金。就此等計劃而言，本集團之唯一責任為根據此等計劃作出所需供款。本集團於截至二零二零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31,218,000元，並已計入綜合損益表內。

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

畢馬威會計師事務所於其任期屆滿後退任本公司核數師，自本公司於二零二零年五月十九日舉行之股東週年大會結束起生效。

於畢馬威會計師事務所退任後，安永會計師事務所已獲委任為本公司核數師。本集團的綜合財務報表已獲安永會計師事務所審核，安永會計師事務所將於本公司應屆股東週年大會上退任，並符合資格且願意續聘。

承董事會命

中國光大綠色環保有限公司
王天義

主席

香港，二零二一年三月四日



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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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 142 to 278 which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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142至278頁之綜合財務報表，此綜合財務報表包括於二零二零年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合全面收益表、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二零二零年十二月三十一日的綜合財務狀況和貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港「公司條例」的披露規定妥為編製。



BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

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

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」)，我們獨立於貴集團，並已根據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。

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最為重要之事項。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來進行處理的，我們不對這些事項提供單獨的意見。下文載有我們的審核如何處理以下各項事項的資料。

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



KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們於審核中如何處理有關關鍵審核事項</p>
<p><i>Recognition of construction revenue from service concession arrangements</i> 來自服務特許經營權安排之建造收益確認</p>	
<p>During the year ended 31 December 2020, the Group has recognised revenue arising from construction services under the terms of service concession agreements of approximately HK\$4,463 million, which is measured based on the Group's estimation of the fair value of construction services and the progress of construction work completed during the year for each project.</p> <p>截至二零二零年十二月三十一日止年度，貴集團已根據服務特許經營權協議的條款確認建造服務產生收益約港幣44.63億元，此乃根據貴集團對各項目年內的建造服務公允值及已完成建築工程進度的估計而計量。</p> <p>Significant judgement and estimation are required to determine (i) the fair value of construction services which involves estimation of the total construction costs and the gross profit margin of each project and (ii) the completion status of construction work for the year.</p> <p>釐定(i)涉及估計各項目總建造成本及毛利率的建造服務公允值及(ii)年內建造工程完成狀況均需作出重大判斷及估計。</p> <p>The Group engaged an independent valuer and independent surveyors to assess the fair value of construction services and the progress of construction work up to the year-end date, respectively.</p> <p>貴集團委聘一名獨立估值師及獨立測量師分別評估截至年結日止的建造服務的公允值及建造工程的進度。</p> <p>Relevant disclosures are included in notes 3 and 5 to the financial statements.</p> <p>相關披露載於財務報表附註3及5。</p>	<p>Our audit procedures, included, among others, 我們的審核程序包括(其中包括)，</p> <p>(i) evaluating the objectivity, competence and independence of the independent valuer and surveyors; (i) 評估獨立估值師及測量師的客觀性、勝任能力及獨立性；</p> <p>(ii) involving our internal valuation specialists to assess the bases and key assumptions used in the valuation of construction services with reference to observable market data and comparable companies; (ii) 涉及我們的內部估值專家參考可觀察的市場數據及可資比較公司評估建築服務估值中使用的基準及關鍵假設；</p> <p>(iii) checking the underlying data used in the construction progress reports to construction agreements and invoices; and (iii) 檢查建造進度報告中所用相關數據與建造協議及發票；及</p> <p>(iv) understanding management process in estimating budgeted costs and cost to completion for incomplete projects. (iv) 了解估計預算成本及未完工項目的完工成本的管理流程。</p>

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們於審核中如何處理有關關鍵審核事項</p>
<p><i>Impairment of intangible assets, property, plant and equipment and right-of-use assets</i> 無形資產、物業、廠房及設備及使用權資產耗損</p>	
<p>As at 31 December 2020, the carrying amounts of intangible assets (“IA”), property, plant and equipment (“PPE”) and right-of-use assets (“ROU”) amounted to approximately HK\$13,311 million, HK\$3,848 million and HK\$649 million, respectively. 於二零二零年十二月三十一日，無形資產（「無形資產」）、物業、廠房及設備（「物業、廠房及設備」）及使用權資產（「使用權資產」）的賬面值分別約為港幣133.11億元、港幣38.48億元及港幣6.49億元。</p> <p>Management performs impairment assessment on IA, PPE and ROU when an indication of impairment exists. Impairment losses on intangible assets of approximately HK\$217 million has been recognised for the year ended 31 December 2020 to reduce the carrying amounts of certain IA to their recoverable amounts which is the higher of the fair value less cost of disposal (“FVLCD”) and value in use (“VIU”). 當存在耗損跡象時，管理層會對無形資產、物業、廠房及設備及使用權資產進行耗損評估。截至二零二零年十二月三十一日止年度已確認無形資產耗損虧損約港幣2.17億元，以將若干無形資產的賬面值減至其可收回金額，其為公允價值減出售成本（「公允價值減出售成本」）及使用價值（「使用價值」）中的較高者。</p> <p>Management determined the recoverable amounts of the relevant cash generating units (“CGUs”) as at 31 December 2020 to which these assets were allocated based on FVLCD. Significant judgements and estimations are involved in the assessments of the recoverable amount of the relevant CGUs including assumptions on revenue growth rates, operating costs and discount rates. 管理層根據公允價值減出售成本釐定該等資產所分配至相關現金產生單位（「現金產生單位」）於二零二零年十二月三十一日的可收回金額。相關現金產生單位可收回金額的評估涉及重大判斷及估計，包括有關收益增長率、營運成本及貼現率的假設。</p> <p>Relevant disclosures are included in notes 3 and 17 to the financial statements. 相關披露載於財務報表附註3及17。</p>	<p>Our audit procedures included, amongst others, 我們的審核程序包括（其中包括），</p> <ul style="list-style-type: none"> (i) understanding and evaluating the Group’s procedures in identification of impairment indicators and determination of the relevant CGUs; (i) 了解及評估 貴集團識別耗損跡象及釐定相關現金產生單位的程序； (ii) assessing impairment losses is made with reference to the recoverable amounts of the relevant CGUs being determined based on the higher of FVLCD and VIU; (ii) 參考相關現金產生單位（即根據公允價值減出售成本及使用價值的較高者釐定）的可收回金額評估耗損虧損； (iii) evaluating key assumptions and parameters used in assessing FVLCD with reference to historical data and market information; (iii) 參考歷史數據及市場資料評估於評估公允價值減出售成本中使用的關鍵假設及參數； (iv) involving our internal valuation specialists to evaluate valuation methodologies and discount rates used by benchmarking to comparable companies and normal market practice; and (iv) 涉及我們的內部估值專家評估基準化測試可資比較公司與正常市場慣例所使用的估值方法及貼現率；及 (v) performing sensitivity analyses on key inputs used. (v) 對使用的關鍵輸入數據進行敏感度分析。



KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

<p>Key audit matter 關鍵審核事項</p>	<p>How our audit addressed the key audit matter 我們於審核中如何處理有關關鍵審核事項</p>
<p><i>Provision for expected credit losses on contract assets and debtors</i> 合約資產及應收賬款的預期信貸虧損的撥備</p> <p>As at 31 December 2020, the carrying amounts of contract assets and debtors amounted to approximately HK\$10,256 million and HK\$2,291 million, respectively, net of provision of expected credit losses (“ECLs”) of approximately HK\$12 million. 於二零二零年十二月三十一日，合約資產及應收賬款的賬面值分別約為港幣102.56億元及港幣22.91億元，扣除預期信貸虧損（「預期信貸虧損」）撥備約港幣1,200萬元。</p> <p>Management performed impairment assessment of debtors and contract assets without significant financing component under the simplified approach whereas contract assets with significant financing component under the general approach. 管理層根據簡化處理方法對無重大融資成分的應收賬款及合約資產進行耗損評估，而根據一般處理方法對具有重大融資成分的合約資產進行耗損評估。</p> <p>Significant management judgements and estimations are involved in the assessment of ECLs after considering historical settlement pattern, ageing profiles, credit rating of debtors, and forecast economic conditions. Management has engaged an independent valuer to assist in the calculation of ECLs. 於考慮過往結算模式、賬齡情況、債務人的信用評級及預測經濟狀況後，預期信貸虧損評估需重大管理層判斷及估計。管理層已委聘一名獨立估值師協助計算預期信貸虧損。</p> <p>Relevant disclosures are included in notes 3, 21 and 22 to the financial statements. 相關披露載於財務報表附註3、21及22。</p>	<p>Our audit procedures included, amongst others, 我們的審核程序包括(其中包括)，</p> <ul style="list-style-type: none"> (i) obtaining an understanding of management’s basis in determining ECL; (i) 了解管理層釐定預期信貸虧損的基準； (ii) evaluating management’s basis of estimation of loss rates by checking ageing profiles and historical settlement patterns on sample basis; (ii) 透過抽樣檢查賬齡情況及過往結算模式，評估管理層的虧損率估計的基準； (iii) assessing the competence, objectivity and independence of the external valuer; and (iii) 評估外部估值師的勝任能力、客觀性及獨立性；及 (iv) involving our internal valuation specialists to assist us to evaluate the methodology of ECL calculation and the key parameters used with reference to external available data sources. (iv) 涉及我們的內部估值專家協助我們評估預期信貸虧損計算的方法以及參考外部可用數據來源使用的關鍵參數。



OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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 of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

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

年報所載的其他資料

貴公司董事須對其他資料負責。其他資料包括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

貴公司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，貴公司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，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核及風險管理委員會協助貴公司董事履行職責，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. Our 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.

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。我們的報告僅向閣下（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。



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

- 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.
 - 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.
- 核數師就審核綜合財務報表須承擔之責任(續)
- 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。
 - 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。



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

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit 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 Fok Lai Ching.

核數師就審核綜合財務報表須承擔之 責任(續)

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,以及為消除威脅而採取的行動或所採用的防範措施(如適用)。

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霍麗貞。

Ernst & Young
Certified Public Accountants
Hong Kong
4 March 2021

安永會計師事務所
執業會計師
香港
二零二一年三月四日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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

		Notes	2020	2019
		附註	二零二零年 HK\$'000 港幣千元	二零一九年 HK\$'000 港幣千元
REVENUE	收益	5	9,835,376	9,279,555
Direct costs and operating expenses	直接成本及經營費用		(6,823,836)	(6,478,539)
Gross profit	毛利		3,011,540	2,801,016
Other revenue	其他收益	6	252,390	166,449
Other losses	其他虧損	6	(7,155)	(2,849)
Impairment losses of intangible assets	無形資產耗損虧損	17	(216,723)	—
Administrative expenses	行政費用		(550,837)	(488,148)
Finance costs	財務費用	7	(543,564)	(376,891)
Share of profits/(losses) of joint ventures	所佔合營企業盈利/ (虧損)		(19,464)	9,890
PROFIT BEFORE TAX	除稅前盈利	8	1,926,187	2,109,467
Income tax	所得稅	11	(412,879)	(462,362)
PROFIT FOR THE YEAR	本年度盈利		1,513,308	1,647,105
ATTRIBUTABLE TO:	應佔部分：			
Equity shareholders of the Company	本公司權益股東		1,502,532	1,621,477
Non-controlling interests	非控股權益		10,776	25,628
			1,513,308	1,647,105
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY	本公司權益股東應佔每股盈利	13		
Basic and diluted (HK cents)	基本及攤薄(港仙)		72.72	78.48



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
PROFIT FOR THE YEAR	本年度盈利	1,513,308	1,647,105
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入/(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於其後期間可能重新分類至損益之其他全面收入/(虧損):		
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	1,018,210	(307,063)
— Associates	— 聯營公司	5,216	(2,062)
— Joint ventures	— 合營企業	3,636	(1,295)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	本年度其他全面收入/(虧損)，扣除稅項	1,027,062	(310,420)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收入總額	2,540,370	1,336,685
ATTRIBUTABLE TO:	應佔部分:		
Equity shareholders of the Company	本公司權益股東	2,508,635	1,315,563
Non-controlling interests	非控股權益	31,735	21,122
		2,540,370	1,336,685



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		Notes 附註		
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	物業、廠房及設備	14	3,848,120	2,630,584
Right-of-use assets	使用權資產	15(a)	648,609	416,646
Goodwill	商譽	16	157,609	149,079
Intangible assets	無形資產	17	13,311,103	10,781,335
Interests in joint ventures	合營企業權益	18	44,632	61,177
Interests in associates	聯營公司權益	19	165,415	76,621
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	22	816,945	602,982
Contract assets	合約資產	21	6,310,283	3,962,637
Deferred tax assets	遞延稅項資產	27	64,467	29,396
Total non-current assets			25,367,183	18,710,457
CURRENT ASSETS				
流動資產				
Inventories	存貨	20	218,493	228,391
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	22	3,001,399	1,379,846
Contract assets	合約資產	21	3,945,493	3,041,149
Tax recoverable	可收回稅項		5,047	986
Pledged bank deposits	已抵押銀行存款	23	219,415	189,847
Deposits with banks	銀行存款	23	1,663	22,180
Cash and cash equivalents	現金及現金等價物	23	2,505,975	2,685,459
Total current assets			9,897,485	7,547,858
CURRENT LIABILITIES				
流動負債				
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	24	3,970,968	2,989,157
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	2,314,706	2,038,974
Lease liabilities	租賃負債	15(b)	2,333	4,634
Tax payables	應付稅項		47,530	43,771
Total current liabilities			6,335,537	5,076,536



CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

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At 31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		Notes 附註		
NET CURRENT ASSETS	流動資產淨額		3,561,948	2,471,322
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		28,929,131	21,181,779
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	24	150,568	113,245
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	14,618,667	9,516,037
Lease liabilities	租賃負債	15(b)	6,503	8,381
Deferred tax liabilities	遞延稅項負債	27	1,286,552	956,764
Total non-current liabilities	非流動負債總額		16,062,290	10,594,427
NET ASSETS	資產淨額		12,866,841	10,587,352
EQUITY	權益			
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益			
Share capital	股本	28	1,608,029	1,608,029
Reserves	儲備	29	10,916,253	8,738,190
			12,524,282	10,346,219
Non-controlling interests	非控股權益		342,559	241,133
TOTAL EQUITY	權益總額		12,866,841	10,587,352

Qian Xiaodong
錢曉東
Director
董事

Lo Kam Fan
盧錦勳
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity shareholders of the Company 本公司權益股東應佔								
		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		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
At 1 January 2020	於二零二零年一月一日	1,608,029	4,313,953	(744,854)	(8,615)	265,882	4,911,824	10,346,219	241,133	10,587,352
Profit for the year	本年度盈利	—	—	—	—	—	1,502,532	1,502,532	10,776	1,513,308
Other comprehensive income for the year:	本年度其他全面收入：									
Exchange differences on translation of financial statements of entities outside Hong Kong, nil of tax	換算香港境外實體財務報表產生之匯兌差額，零稅項									
— Subsidiaries	— 附屬公司	—	—	997,251	—	—	—	997,251	20,959	1,018,210
— Associates	— 聯營公司	—	—	5,216	—	—	—	5,216	—	5,216
— Joint ventures	— 合營企業	—	—	3,636	—	—	—	3,636	—	3,636
Total comprehensive income for the year	本年度全面收入總額	—	—	1,006,103	—	—	1,502,532	2,508,635	31,735	2,540,370
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	—	—	—	—	—	—	—	78,366	78,366
2019 final dividend	二零一九年度末期股息	12	(165,286)	—	—	—	—	(165,286)	—	(165,286)
2020 interim dividend	二零二零年度中期股息	12	(165,286)	—	—	—	—	(165,286)	—	(165,286)
Dividend paid to non-controlling interests of non-wholly owned subsidiaries	已向非全資附屬公司非控股權益派付之股息	—	—	—	—	—	—	—	(8,675)	(8,675)
Transfer to reserve fund	轉撥至儲備金	—	—	—	—	89,719	(89,719)	—	—	—
At 31 December 2020	於二零二零年十二月三十一日	1,608,029	3,983,381*	261,249*	(8,615)*	355,601*	6,324,637*	12,524,282	342,559	12,866,841

* These reserve accounts comprise the consolidated reserves of HK\$10,916,253,000 as at 31 December 2020 (2019: HK\$8,738,190,000) in the consolidated statement of financial position.

* 該等儲備賬包括於二零二零年十二月三十一日之綜合財務狀況表之綜合儲備港幣10,916,253,000元(二零一九年：港幣8,738,190,000元)。



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

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

		Attributable to equity shareholders of the Company 本公司權益股東應佔							Non-controlling	
		Share capital	Share premium	Exchange reserve	Other reserve	Reserve fund	Retained profits	Total	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
Notes		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
At 1 January 2019	於二零一九年一月一日	1,608,029	4,613,534	(438,940)	—	172,591	3,383,638	9,338,852	92,222	9,431,074
Profit for the year	本年度盈利	—	—	—	—	—	1,621,477	1,621,477	25,628	1,647,105
Other comprehensive loss for the year:	本年度其他全面虧損：									
Exchange differences on translation of financial statements of entities outside Hong Kong, nil of tax	換算香港境外實體財務報表產生之匯兌差額，零稅項									
— Subsidiaries	— 附屬公司	—	—	(302,557)	—	—	—	(302,557)	(4,506)	(307,063)
— Associates	— 聯營公司	—	—	(2,062)	—	—	—	(2,062)	—	(2,062)
— Joint ventures	— 合營企業	—	—	(1,295)	—	—	—	(1,295)	—	(1,295)
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	—	—	(305,914)	—	—	1,621,477	1,315,563	21,122	1,336,685
Acquisition of subsidiaries	收購附屬公司	30	—	—	—	—	—	—	55,347	55,347
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 non-controlling interests	收購非控股權益	31	—	—	(8,615)	—	—	(8,615)	(23,887)	(32,502)
2018 final dividend	二零一八年度末期股息	—	(134,295)	—	—	—	—	(134,295)	—	(134,295)
2019 interim dividend	二零一九年度中期股息	12	(165,286)	—	—	—	—	(165,286)	—	(165,286)
Transfer to reserve fund	轉撥至儲備金	—	—	—	—	93,291	(93,291)	—	—	—
At 31 December 2019	於二零一九年十二月三十一日	1,608,029	4,313,953*	(744,854)*	(8,615)*	265,882*	4,911,824*	10,346,219	241,133	10,587,352



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	Notes 附註			
CASH FLOWS FROM OPERATING ACTIVITIES		經營活動所得現金流量		
Profit before tax		除稅前盈利	1,926,187	2,109,467
Adjustments for:		經調整：		
Depreciation of property, plant and equipment		物業、廠房及設備折舊	8 172,296	134,183
Depreciation of right-of-use assets	8	使用權資產折舊	16,625	10,489
Amortisation of intangible assets	8	無形資產攤銷	405,923	245,109
Impairment losses of intangible assets	8	無形資產耗損虧損	216,723	—
Impairment losses of contract assets	8	合約資產耗損虧損	7,524	—
Impairment losses of debtors	8	應收賬款耗損虧損	15	2,000
Finance costs	7	財務費用	543,564	376,891
Interest income	6	利息收入	(17,451)	(16,145)
(Gain)/loss on disposal of property, plant and equipment		出售物業、廠房及設備之(收益)/虧損	6 (384)	849
Share of losses/(profits) of joint ventures		所佔合營企業虧損/(盈利)	19,464	(9,890)
Effect of foreign exchange rates changes, net		外匯匯率變動之影響淨額	(15,257)	6,486
			3,275,229	2,859,439
Decrease/(increase) in inventories		存貨減少/(增加)	24,153	(94,050)
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	(1,838,073)	(571,420)
Increase in contract assets		合約資產增加	(2,327,664)	(2,703,573)
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	154,866	525,177
Cash (used in)/generated from operations		經營活動(所用)/所產生之現金	(711,489)	15,573
Interest received		已收利息	17,451	16,145
People's Republic of China ("PRC") income tax paid		已付中華人民共和國(「中國」)所得稅	(193,810)	(169,438)
Net cash flows used in operating activities		經營活動所用之現金流量淨額	(887,848)	(137,720)



CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

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

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(760,468)	(561,452)
Principal portion of lease payments/ prepayment of land leases	租賃付款之本金部分/ 土地租賃預付款項	(210,007)	(146,848)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及 設備項目所得款項	1,128	986
Additions to intangible assets	增置無形資產	(2,188,170)	(3,291,679)
Capital contribution to an associate	注資一家聯營公司	(83,578)	(22,467)
Capital contribution to a joint venture	注資一家合營企業	(5)	—
Acquisition of subsidiaries	收購附屬公司	—	(252,295)
Payment for acquisition of subsidiaries acquired in prior years	過往年度已收購附屬 公司之付款	(43,053)	—
Decrease/(increase) in deposits with banks	銀行存款減少/(增加)	20,908	(5,545)
Net cash flows used in investing activities	投資活動所用之 現金流量淨額	(3,263,245)	(4,279,300)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
New bank loans	新增銀行貸款	6,669,951	6,308,574
Proceeds from issue of 2020 First Tranche Medium-term Notes, net of related expenses paid	發行二零二零年度 第一期中期票據所得 款項(已扣除已付 相關開支)	1,091,047	—
Repayment of bank loans	償還銀行貸款	(3,930,248)	(1,035,921)
(Increase)/decrease in pledged bank deposits	已抵押銀行存款 (增加)/減少	(15,797)	4,409
Acquisition of non-controlling interests	收購非控股權益	—	(32,502)
Decrease/(increase) in amounts due from fellow subsidiaries	應收同系附屬公司款項 減少/(增加)	39,855	(25,878)
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	78,366	96,329
(Decrease)/increase in amounts due to non- controlling interests	應付非控股權益款項 (減少)/增加	(16,865)	17,513
Increase in an amount due to an intermediate holding company	應付一間中間控股公司 款項增加	787,010	469,120
Increase in amounts due from joint ventures	應收合營企業款項增加	(15,298)	—
Dividends paid to equity shareholders of the Company	已向本公司權益股東派 付之股息	(330,572)	(299,581)



CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

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

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		Notes 附註		
Dividends paid to non-controlling interests of non-wholly owned subsidiaries	已付非全資附屬公司非控股權益股息		(8,675)	—
Principal portion of lease payments	租賃付款之本金部分		(4,642)	(2,781)
Interest portion of lease payments	租賃付款之利息部分		(466)	(605)
Interest paid	已付利息		(536,468)	(400,290)
Net cash flows generated from financing activities	融資活動所產生之現金流量淨額		3,807,198	5,098,387
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額		(343,895)	681,367
Cash and cash equivalents at beginning of year	年初之現金及現金等價物		2,685,459	2,044,826
Effect of foreign exchange rates changes, net	外匯匯率變動之影響淨額		164,411	(40,734)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末之現金及現金等價物	23	2,505,975	2,685,459
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	23	2,207,060	1,884,647
Non-pledged bank deposits with original maturity of less than three months when acquired	於取得時原到期日少於三個月之無抵押銀行存款		298,915	800,812
Cash and cash equivalents as stated in the statement of cash flows	現金流量表所示之現金及現金等價物		2,505,975	2,685,459



NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1. CORPORATE AND GROUP INFORMATION

China Everbright Greentech Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as 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, general industrial solid waste electricity and heat cogeneration 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).

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

2.1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司及集團資料

中國光大綠色環保有限公司(「本公司」)為一家於開曼群島註冊成立之有限公司。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

年內，本公司及其附屬公司(統稱「本集團」)之主要業務為建造、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、一般工業固廢熱電聯供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)。

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

2.1. 編製基準

此等財務報表乃按照香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例的披露規定而編製。此等財務報表已根據歷史成本慣例的披露規定編製。此等財務報表乃以港幣呈列，除另有指明外，所有價值均調整至最接近的千位數。



2.1. BASIS OF PREPARATION (Continued)

Basis of consolidation

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

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

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

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.1. 編製基準(續)

綜合基準

綜合財務報表包括本集團截至二零二零年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團對被投資公司之業務之浮動回報承擔風險或享有權利以及能透過運用其對被投資公司的控制權(即本集團當時獲賦予可主導被投資公司相關活動之現有權利)影響該等回報時,即屬取得控制權。

倘本公司於被投資公司直接或間接擁有之投票權或類似權利未能佔大多數,則本集團於評估其是否擁有支配被投資公司之權力時,會考慮一切相關事實及情況,包括:

- (a) 與被投資公司其他投票權持有人訂立之合約安排;
- (b) 其他合約安排所產生之權利;及
- (c) 本集團之投票權及潛在投票權。

附屬公司之財務報表按本公司相同之報告期間使用一致之會計政策編製。附屬公司之業績自本集團取得控制權當日起綜合入賬,並一直綜合入賬,直至有關控制權終止之日為止。

損益及其他全面收入之各組成部分歸屬於本集團母公司擁有人及非控股權益,即使此舉會導致非控股權益出現虧絀結餘亦然。所有集團內公司間之資產與負債、權益、收入、支出以及與本集團成員公司之間的交易有關的現金流量均於綜合賬目時悉數抵銷。



2.1. BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, and HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendments to HKFRS 16	<i>COVID-19 — Related Rent Concessions</i> (early adopted)
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

The Group has assessed that the adoption of the *Conceptual Framework for Financial Reporting 2018* and the above revised standards has had no significant financial effect on these financial statements.

2.1. 編製基準(續)

綜合基準(續)

倘事實及情況顯示上述三項控制權因素其中一項或多項有變，屆時本集團便會重新評估其是否仍然控制被投資公司。附屬公司擁有權益之變動(並無失去控制權)於入賬時列作權益交易。

倘本集團失去一家附屬公司之控制權，便會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)於權益內記錄之累計匯兌差額；及確認(i)已收代價之公允值；(ii)任何仍然保留之投資之公允值；及(iii)損益表所列任何因此產生之盈餘或虧絀。本集團所佔原先於其他全面收入確認之部分會按假若本集團直接出售相關資產或負債而須依據之同一基準重新分類至損益表或保留盈利(視何者適用)。

2.2. 會計政策及披露事項變動

本集團已於本年度之財務報表首次採納二零一八年財務報告概念框架及下列經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	業務之定義
香港財務報告準則第9號，及香港會計準則第39號以及香港財務報告準則第7號之修訂	利率基準改革
香港財務報告準則第16號之修訂	與COVID-19有關之租金優惠(提早採納)
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義

本集團已評估採納二零一八年財務報告概念框架及上述經修訂準則對此等財務報表並無任何重大財務影響。



2.3. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i> ²
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform – Phase 2</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 17	<i>Insurance Contracts</i> ³
Amendments to HKFRS 17	<i>Insurance Contracts</i> ^{3, 6}
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> ^{3, 5}
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i> ²
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i> ²
<i>Annual Improvements to HKFRSs 2018–2020</i>	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16 and HKAS 41 ²

2.3. 已頒布但尚未生效之香港財務報告準則

本集團並未於此等財務報表應用下列已頒布但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	<i>概念框架之提述</i> ²
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂	<i>利率基準改革 – 第二階段</i> ¹
香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂	<i>投資者與其聯營公司或合營企業之間的資產出售或注資</i> ⁴
香港財務報告準則第17號	<i>保險合約</i> ³
香港財務報告準則第17號之修訂	<i>保險合約</i> ^{3, 6}
香港會計準則第1號之修訂	<i>負債分類為流動或非流動</i> ^{3, 5}
香港會計準則第16號之修訂	<i>物業、廠房及設備：作擬定用途前之所得款項</i> ²
香港會計準則第37號之修訂	<i>有償合約 – 履行合約之成本</i> ²
二零一八年至二零二零年香港財務報告準則之年度改進	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之示例及香港會計準則第41號之修訂 ²



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

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² Effective for annual periods beginning on or after 1 January 2022
- ³ Effective for annual periods beginning on or after 1 January 2023
- ⁴ No mandatory effective date yet determined but available for adoption
- ⁵ As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
- ⁶ As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application, but is not yet in a position to state whether these new and revised HKFRSs would have any significant impact on its financial performance and financial position.

2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

2.3. 已頒布但尚未生效之香港財務報告準則(續)

- ¹ 於二零二一年一月一日或之後開始之年度期間生效
- ² 於二零二二年一月一日或之後開始之年度期間生效
- ³ 於二零二三年一月一日或之後開始之年度期間生效
- ⁴ 尚未確定強制生效日期，惟已可供採納
- ⁵ 由於香港會計準則第1號之修訂，香港詮釋第5號[呈列財務報表 – 借款人對包含按要求償還條款之有期貨款之分類]於二零二零年十月修訂，以使相應的措詞保持一致，但結論不變
- ⁶ 由於二零二零年十月頒布之香港財務報告準則第17號之修訂，香港財務報告準則第4號作出修訂，以擴大臨時豁免範圍，允許保險公司於二零二三年一月一日之前開始之年度期間採用香港會計準則第39號而非香港財務報告準則第9號

本集團正在評估首次應用該等新訂及經修訂香港財務報告準則之影響，但尚未可聲明該等新訂及經修訂香港財務報告準則是否會對其財務表現及財務狀況造成任何重大影響。

2.4. 重大會計政策概要

於聯營公司及合營企業之投資

聯營公司為本集團於其中擁有長期權益(一般不少於20%股本投票權)，並可藉此對其行使重大影響力之實體。重大影響力為參與被投資公司財務及經營政策決定之權力，惟並非控制或共同控制該等政策。

合營企業為一項合營安排，對安排擁有共同控制權之訂約方據此對合營企業之淨資產擁有權利。共同控制指按照合約協定對一項安排所共有之控制權，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意之決定時存在。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and the consolidated statement of comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4. 重大會計政策概要(續)

於聯營公司及合營企業之投資(續)

本集團於聯營公司及合營企業之投資乃按權益會計法，以本集團應佔淨資產減任何耗損虧損於綜合財務狀況表內列賬。

本集團應佔聯營公司及合營企業收購後業績及其他全面收入分別計入綜合損益表及綜合全面收益表。此外，倘直接確認於聯營公司或合營企業的權益發生變化，本集團將於綜合權益變動表(如適用)確認變化的相應份額。本集團與其聯營公司或合營企業之間交易所產生的未變現損益按本集團於聯營公司或合營企業的投資對銷，惟如未變現虧損可證明已轉讓資產出現耗損則除外。收購聯營公司或合營企業所產生之商譽計入本集團於聯營公司或合營企業之投資的一部分。

倘於聯營公司之投資成為於合營企業之投資(反之亦然)，保留權益不獲重新計量。取而代之，投資繼續以權益法入賬。於所有其他情況下，於失去對聯營公司之重大影響力或對合營企業之共同控制權時，本集團會按公允值計量並確認任何保留投資。於失去重大影響力或共同控制權時，聯營公司或合營企業之賬面值與保留投資公允值及出售所得款項之任何差額於損益中確認。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4. 重大會計政策概要(續)

業務合併及商譽

業務合併採用收購法入賬。所轉讓之代價乃按收購日期之公允值計量，而公允值乃指本集團轉讓之資產、本集團向被收購方之前度擁有人承擔之負債及本集團發行以換取被收購方控制權之股本權益於收購日期的公允值的總和。就各業務合併而言，本集團選擇按公允值或所佔被收購方可辨別資產淨值的權益比例計量於被收購方屬現時所有權權益，並賦予持有人權利可於清盤時按比例分佔淨資產的非控股權益。非控股權益的其他所有成分均按公允值計量。所產生的收購相關成本計入費用。

倘活動及資產收購集合包括合共對創造產出的能力作出重大貢獻的投入及實質性過程，本集團釐定其已收購一項業務。

當本集團收購一項業務時，會根據合約條款、收購日期的經濟環境及相關條件，評估將承擔的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方訂立的主合約的嵌入式衍生工具進行分離。

倘若業務合併分階段完成，則本集團以往持有之股權按收購日期之公允值重新計算，並將因此而產生之收益或虧損計入損益。

任何將由收購方轉讓之或然代價按公允值於收購日期確認。或然代價(分類為資產或負債)按公允值計量，而公允值變動於損益確認。分類作權益之或然代價不會重新計量，其後結算乃於權益入賬。

2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4. 重大會計政策概要(續)

業務合併及商譽(續)

商譽初步按成本計量，即所轉讓總代價、非控股權益確認的金額及本集團過往持有被收購方股權之公允值的總額，超出所收購可辨別資產淨值及所承擔負債之差額。如總代價與其他項目的總和低於所收購資產淨值之公允值，於重新評估後的差額將於損益中確認為議價購買之收益。

於初始確認後，商譽按成本減任何累計耗損虧損列賬。商譽會每年進行耗損測試或於發生事件或情況變動顯示賬面值可能耗損時會更頻密地進行耗損測試。本集團於十二月三十一日進行商譽之年度耗損測試。於進行耗損測試時，業務合併中收購之商譽由收購日期起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，而不論本集團有否其他資產或負債已分配至該等單位或單位組別。

耗損乃透過評估商譽有關之現金產生單位(一組現金產生單位)之可收回金額釐定。倘現金產生單位(一組現金產生單位)之可收回金額低於賬面值，則確認耗損虧損。就商譽確認之耗損虧損不會於其後期間撥回。

倘商譽被分配至現金產生單位(或一組現金產生單位)，而該單位部分業務被出售，則於釐定出售損益時，所出售業務之相關商譽將計入業務之賬面值。在此情況下，出售之商譽根據所出售業務之相關價值及所保留現金產生單位部分計量。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4. 重大會計政策概要(續)

公允值計量

公允值為市場參與者間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付之價格。公允值根據出售資產或轉讓負債的交易於該資產或負債的主要市場，或在無主要市場的情況下，則於對該資產或負債最有利的市場進行之假設計量。本集團必須可於該主要市場或最有利市場進行交易。資產或負債的公允值乃採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

非金融資產的公允值計量會計及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

本集團採用在各情況下適當的估值技術，而其有足夠數據以計量公允值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

2.4. 重大會計政策概要(續)

公允值計量(續)

所有於財務報表中計量或披露公允值的資產及負債，乃按對整體公允值計量而言屬重大的最低層級輸入數據根據下述的公允值層級分類：

- 第一級 — 基於相同資產或負債於活躍市場之報價(未經調整)
- 第二級 — 基於估值技術，其所使用之對公允值計量而言屬重大之最低層級輸入數據乃為直接或間接觀察所得
- 第三級 — 基於估值技術，其所使用之對公允值計量而言屬重大之最低層級輸入數據乃不可觀察

就於財務報表內按經常性基準確認的資產及負債而言，本集團於各報告期末按對整體公允值計量而言屬重大的最低級別輸入值重新評估分類，以釐定各公允值等級之間是否出現轉撥。

非金融資產耗損

除存貨、合約資產、遞延稅項資產及金融資產外，倘資產出現任何耗損跡象或須進行每年測試耗損，將估計資產之可收回金額。資產之可收回金額乃按資產或現金產生單位之使用價值或公允值減出售成本兩者中之較高者計算，而個別資產須分開計算，惟倘資產並不產生明顯獨立於其他資產或資產組別之現金流入，則就資產所屬現金產生單位計算可收回金額。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets (Continued)

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

2.4. 重大會計政策概要(續)

非金融資產耗損(續)

僅在資產賬面值超出其可收回金額之情況下，方會確認耗損虧損。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。耗損虧損於其產生期間自損益表中扣除，並計入與耗損資產之功能一致之有關費用類別內。

於各報告期末，將評估有否跡象顯示早前確認之耗損虧損可能不再存在或已減少。倘出現有關跡象，則估計可收回金額。早前就商譽以外資產確認之耗損虧損，僅在用以釐定該資產可收回金額之估計金額出現變動時方會撥回，然而，有關金額不得高於倘於過往年度並無就資產確認耗損虧損而應釐定之賬面值(扣除任何折舊／攤銷)。撥回有關耗損虧損於產生期間計入損益表。

關聯人士

下列人士被視為與本集團有關聯：

- (a) 倘屬以下人士，則該人士或其近親家庭成員與本集團有關連：
 - (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成員；

或



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4. 重大會計政策概要(續)

關聯人士(續)

- (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；
 - (ii) 其中一個實體為另一實體(或其他實體的母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 該實體及本集團均為相同第三方之合營企業；
 - (iv) 其中一個實體為第三方實體之合營企業，而另一實體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；及
 - (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。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated 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

2.4. 重大會計政策概要(續)

物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本減累計折舊及任何耗損虧損入賬。物業、廠房及設備項目之成本包括其購買價及任何使其達至營運狀況及地點作擬定用途之直接應佔成本。

物業、廠房及設備項目投入運作後所產生之支出(例如：維修保養)，一般於其產生期間在損益表中扣除。倘符合確認條件，則重大檢查支出會於資產賬面值中資本化作為置換。倘須定期置換物業、廠房及設備之重大部分，則本集團會將該等部分確認為有特定可使用年期之個別資產，並相應作出折舊。

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



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

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

2.4. 重大會計政策概要(續)

物業、廠房及設備以及折舊(續)

倘物業、廠房及設備項目各部分具有不同之可使用年期，則該項目之成本將合理分配至各部分，而各部分將個別折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度年結日審閱，並作出調整(倘適用)。

物業、廠房及設備項目(包括初始確認之任何重大部分)於出售時或預期待日後使用或出售該項目不會產生經濟利益時終止確認。於資產終止確認之年度在損益表就出售或廢棄資產而確認之任何收益或虧損為有關資產出售所得款項淨額與賬面值間之差額。

在建工程按成本值減去任何耗損虧損列賬，且不予折舊。成本包括直接建造成本及於施工期間內相關借入資金之資本化借貸成本。在建工程在竣工及可投入使用時重新分類至物業、廠房及設備之合適類別。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

The following intangible assets are amortised from the date they are available for use and their estimated useful lives are as follows:

Integrated biomass utilisation project operating rights	30 to 50 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

2.4. 重大會計政策概要(續)

無形資產(商譽除外)

個別收購所得之無形資產於初始確認時按成本值計量。於業務合併收購所得之無形資產之成本指收購當日之公允值。無形資產之可使用年期可評定為有限期或無限期。具有有限可使用年期之無形資產其後於可使用經濟年期攤銷，並於無形資產可能出現耗損跡象時評估耗損。具有有限可使用年期之無形資產之攤銷期及攤銷方法至少須於各個財政年度年結日進行審閱。

下列無形資產自其可供使用日期起攤銷，而其估計可使用年期如下：

生物質綜合利用項目經營權	30至50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
未完成合約	2年



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill) (Continued)

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the intangible asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant intangible asset.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At inception or on reassessment of a contract that contains a lease component and non-lease component(s), the Group adopts the practical expedient not to separate non-lease component(s) and to account for the lease component and the associated non-lease component(s) (e.g., property management services for leases of properties) as a single lease component.

2.4. 重大會計政策概要(續)

無形資產(商譽除外)(續)

無形資產於出售時或當預期日後使用或出售不會產生經濟利益時終止確認。於無形資產終止確認年度在損益表就出售或報廢無形資產而確認之任何收益或虧損為有關無形資產之出售所得款項淨額與賬面值之差額。

租賃

本集團會於合約開始時評估該合約是否屬租賃或包含租賃。倘合約透過轉易已識別資產在一段時間內的用途控制權來換取代價，該合約即屬租賃或包含租賃。

本集團作為承租人

本集團對所有租賃採用單一確認及計量法，惟短期租賃及低價值資產租賃除外。本集團會確認作出租賃付款之租賃負債及使用權資產(即使用相關資產之權利)。

在包含租賃部分及非租賃部分之合約開始時或重新評估時，本集團應用可行權宜處理方法，不予分開非租賃部分，並把租賃部分及相關非租賃部分(例如：物業租賃之物業管理服務)作為一個單一租賃部分入賬處理。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	10 to 50 years
Buildings	20 to 30 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4. 重大會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產乃於租賃開始日期(即相關資產可供使用日期)確認。使用權資產按成本減去任何累計折舊及任何耗損虧損計量，並就租賃負債之任何重新計量作出調整。使用權資產之成本包括已確認租賃負債金額、初步已產生直接成本，以及於開始日期或之前已作出之租賃付款減去任何已收取之租賃獎勵。倘適用，使用權資產的成本亦包括拆除相關資產或復原相關資產或其所在的場地的成本估計。使用權資產按直線法於租期或有關資產之估計可使用年期(以較短者為準)計算折舊，詳情如下：

租賃土地	10至50年
樓宇	20至30年

如租賃資產擁有權會於租期結束時轉歸本集團，又或成本反映行使購買選擇權，便會使用有關資產之估計可使用年期計算折舊。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

2.4. 重大會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 租賃負債

本集團於租賃開始日期按租期內須作出之租賃付款現值確認租賃負債。租賃付款包括定額付款(包括實質定額款項)減去任何應收租賃獎勵、取決於指數或利率之可變租賃付款以及預期根據剩餘價值擔保須予支付之金額。租賃付款亦包括合理確定本集團將予行使之購買選擇權之行使價及有關終止租賃之罰款(如租期反映本集團行使終止租賃選擇權)。並不取決於指數或利率之可變租賃付款在觸發付款之事件或情況發生之期間確認為開支。

在計算租賃款項之現值時，由於租賃內含利率不易釐定，故此本集團使用租賃開始日期之遞增借貸利率計算。於租賃開始日期後，租賃負債金額之增加反映利息之增長，其減少則關乎已作出之租賃付款。此外，倘出現修改、租期變動、租賃款項變動(指數或利率變動導致未來租賃款項變動)、或購買相關資產之選擇權之評估有變，便會重新計量租賃負債之賬面值。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of debtors that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Debtors that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

2.4. 重大會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團對機器及設備短期租賃(即自租賃開始日期起計租期為十二個月或以下,並且不包含購買選擇權的租賃)應用短期租賃確認豁免。其亦將低價值資產租賃確認豁免應用於被視為低價值的辦公設備及便攜式電腦租賃。

短期租賃及低價值資產租賃之租賃款項按直線法於租期內確認為開支。

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分類,其後按攤銷成本計量。

金融資產於初始確認時之分類取決於有關金融資產之合約現金流量特徵及本集團管理有關金融資產之業務模式。除了並無重大融資成份之應收賬款或本集團已對其應用可行權宜處理方法不會就重大融資成份之影響作出調整之應收賬款外,本集團初步按公允值,加上(如為並非按公允值計入損益之金融資產)交易成本計量金融資產。並無重大融資成份之應收賬款或本集團已對其應用可行權宜處理方法之應收賬款會按照下文「收益確認」所載政策根據香港財務報告準則第15號釐定之交易價格計量。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2.4. 重大會計政策概要(續)

投資及其他金融資產(續)

初始確認及計量(續)

就按攤銷成本或按公允值計入其他全面收入分類及計量之金融資產而言，其產生之現金流量必需為純粹就未償還本金而支付之本金及利息(「SPPI」)。如金融資產所產生之現金流量並非純粹就未償還本金而支付之本金及利息，則按公允值計入損益分類及計量，而不論其業務模式。

本集團管理金融資產之業務模式指其管理旗下金融資產以產生現金流量之方法。業務模式決定現金流量是否來自收取合約現金流量、出售金融資產或同時來自兩者。按攤銷成本分類及計量之金融資產乃於特定業務模式內持有之金融資產，而持有有關金融資產之目的為收取合約現金流量。而按公允值計入其他全面收入分類及計量之金融資產則於旨在收取合約現金流量及出售之業務模式內持有。並非於上述業務模式內持有之金融資產按公允值計入損益分類及計量。

所有一般買賣之金融資產於交易日確認，即本集團承諾購買或出售該資產之日。一般買賣指須按照市場一般設立之規定或慣例在一定期間內交付資產之金融資產買賣。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4. 重大會計政策概要(續)

投資及其他金融資產(續)

其後計量

金融資產之其後計量取決於其分類，現載列如下：

按攤銷成本計算之金融資產(債務工具)

按攤銷成本計算之金融資產其後按實際利息法計量，並須計提耗損。當終止確認或修訂有關資產或有關資產出現耗損時，便會在損益表確認盈虧。

終止確認金融資產

金融資產(或(倘適用)一項金融資產之一部分或一組類似金融資產之一部分)主要在下列情況下終止確認(即從本集團之綜合財務狀況表剔除)：

- 自資產收取現金流量之權利已屆滿；或
- 本集團已轉讓自資產收取現金流量之權利，或承擔根據「轉手」安排在無重大延誤之情況下向第三方全數支付所收取現金流量之責任；且(a)本集團已轉讓資產之絕大部分風險及回報；或(b)本集團既無轉讓亦無保留資產之絕大部分風險及回報，惟已轉讓資產之控制權。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2.4. 重大會計政策概要(續)

終止確認金融資產(續)

倘本集團已轉讓其可自資產收取現金流量之權利或已訂立轉手安排，便會評估是否保留資產擁有權之風險及回報及其程度。倘既無轉讓亦無保留資產之絕大部分風險及回報，亦無轉讓資產之控制權，則本集團按其持續參與之程度繼續確認已轉讓資產。於該情況下，本集團亦確認相關負債。已轉讓資產及相關負債乃按能反映本集團所保留權利及責任之基準計量。

以擔保方式繼續參與已轉讓資產之參與程度，按該資產之原賬面值或本集團可能被要求償還之代價之最高金額(以較低者為準)計量。

金融資產之耗損

本集團就所有並非按公允值計入損益持有之債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約應付之合約現金流量與本集團預期可收取之所有現金流量之間的差額，按原實際利率近似值貼現計算。預期現金流量將包括來自銷售所持有抵押品或其他信用增級之現金流量，此乃合約條款不可或缺之部分。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

In certain cases, the Group may consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4. 重大會計政策概要(續)

金融資產之耗損(續)

一般處理方法

預期信貸虧損於兩個階段進行確認。對於自初始確認後並無大幅上升之信貸風險，將會就可能於未來十二個月內(十二個月預期信貸虧損)出現之違約事件所帶來之信貸虧損計提預期信貸虧損撥備。對於自初始確認後出現大幅上升之信貸風險，須就有關風險剩餘年期之預期信貸虧損計提虧損撥備，而不論違約事件於何時發生(全期預期信貸虧損)。

於各個報告日期，本集團會評估自首次確認以來金融工具之信貸風險有否大幅上升。在作出有關評估時，本集團會將有關金融工具於報告日期發生違約事件之風險，與有關金融工具於初始確認日期發生違約事件之風險作比較，並會考慮毋須付出不必要的成本或努力即可獲得之合理且有依據之資料(包括過往資料及具有前瞻性的資料)。

在若干情況下，如內部或外部資料顯示，本集團不可能悉數收取尚欠合約金額(在不計及其所持有之任何信用增級前)，屆時本集團可能認為發生金融資產違約事件。在並無合理期望能回收合約現金流量時，便會撇銷金融資產。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 days past due from the end of the credit term. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Contract assets that contain a significant financing component and financial assets other than debtors are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for contract assets that do not contain a significant financing component and debtors which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2.4. 重大會計政策概要(續)

金融資產之耗損(續)

一般處理方法(續)

倘合約付款自信貸期結束起已逾期超過九十天，則本集團認為金融資產屬違約。然而，在若干情況下，倘內部或外部資料顯示在計及本集團持有的任何信貸強化措施前，本集團不大可能悉數收到未償還合約金額，則本集團亦可認為金融資產屬違約。金融資產在沒有合理預期收回合約現金流量時予以撇銷。

包含重大融資組成部分及應收賬款以外金融資產的合約資產於一般方法下產生耗損，且在以下預期信貸虧損計量階段進行分類，惟不包含重大融資組成部分的合約資產及採用下文所述簡化法的應收賬款除外。

- 第一階段 — 自初始確認後信貸風險並無大幅上升及虧損撥備按相當於十二個月預期信貸虧損金額計量之金融工具
- 第二階段 — 自初始確認後信貸風險出現大幅上升惟不屬出現信貸耗損之金融資產及虧損撥備按相當於整個存續期預期信貸虧損金額計量之金融工具
- 第三階段 — 於報告日期已出現信貸耗損(並非購入或源生的信貸耗損)及虧損撥備按相當於整個存續期預期信貸虧損金額計量之金融資產



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For debtors and contract assets that do not contain a significant financing component when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include creditors, other payables and accrued expenses, lease liabilities, amounts due to fellow subsidiaries and a non-controlling interest, and interest-bearing bank and other borrowings.

2.4. 重大會計政策概要(續)

金融資產之耗損(續)

簡化處理方法

就並無重大融資成份之應收賬款及合約資產就本集團已對其應用可行權宜處理方法不會就重大融資成份之影響作出調整之應收賬款及合約資產而言，本集團會應用簡化處理方法來計算預期信貸虧損。根據簡化處理方法，本集團不會追蹤信貸風險變動，惟會於各個報告日期根據全期預期信貸虧損確認虧損撥備。本集團已基於其過往信貸虧損經驗制定撥備矩陣，並因應與債務人及經濟環境相關並具有前瞻性之特定因素作出調整。

金融負債

初始確認及計量

金融負債於初始確認時分類為按公允值計入損益之金融負債、貸款及借貸、應付款項或於一項實際對沖被指定為對沖工具的衍生工具(如適用)。

所有金融負債均於初始確認時按公允值確認，並(就貸款及借貸以及應付款項而言)經扣除直接應佔交易成本。

本集團的金融負債包括應收賬款、其他應付款項及應計費用、租賃負債、應付同系附屬公司款項及非控股權益款項以及計息銀行及其他借貸。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial liabilities *(Continued)*

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

2.4. 重大會計政策概要(續)

金融負債(續)

其後計量

金融負債其後之計量取決於其分類，現載列如下：

按攤銷成本計量之金融負債(貸款及借貸)

於初始確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，但如貼現之影響並不重大則除外，在此情況下，則按成本值列賬。盈虧於負債終止確認時及於按實際利率法攤銷之過程中在損益表確認。

計算攤銷成本時會計及收購所產生之任何折讓或溢價，亦計及作為實際利率一部分之費用或成本。實際利率攤銷計入損益表之財務費用中。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories, mainly comprise biomass fuel, spare parts and consumables used in the repairs and maintenance and are stated at cost less provision for obsolete. Cost is determined on the weighted average basis. When inventories are consumed, the carrying amount of these inventories is recognised as an expense in the statement of profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4. 重大會計政策概要(續)

終止確認金融負債

金融負債於負債項下之責任獲解除或取消或屆滿時終止確認。

如一項現有金融負債以來自同一貸款人而條款絕大部分不同之另一項金融負債取代，或現有負債之條款獲大幅修改，則有關轉換或修改事宜會被當作終止確認原有負債及確認新負債處理，而兩者賬面值間之差額在損益表確認。

抵銷金融工具

倘現時可強制執行法定權利抵銷已確認金額及有意向以淨額結算，或同時變現資產及清償負債，金融資產與金融負債便可互相抵銷，並在財務狀況表呈報淨額。

存貨

存貨主要包括生物燃料、用於維修及保養之零件及消耗品及按成本減去滯銷存貨撥備列賬。成本值按加權平均基準計算。當存貨耗用時，該等存貨的賬面值於損益表內確認為開支。

現金及現金等價物

現金及現金等價物包括手頭現金及活期存款，以及可在無重大價值轉變風險之前提下換算為已知現金數額並於短期（一般在購入後三個月）內到期之短期高流動性投資，當中減去須按要償還並構成本集團現金管理重要部分之銀行透支。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4. 重大會計政策概要(續)

撥備

倘因過去事件導致目前存在(法律或推斷)責任，且日後很可能須流出資源以償付責任，便會確認撥備，惟必須可對責任涉及之金額作出可靠估計。

倘貼現影響重大，確認為撥備之金額為預期日後償付責任所須開支於報告期末之現值。隨著時間流逝產生之經貼現現值增加數額於損益表計入財務費用。

所得稅

所得稅包括即期及遞延稅項。於損益表以外部分確認之項目之相關所得稅，會於損益表以外部分確認，即於其他全面收入確認或直接於權益確認。

即期稅項資產及負債乃根據於報告期末已頒布或實際頒布之稅率(及稅法)，考慮到本集團業務所在國家當前之詮釋及慣例，以預期可自稅務機關收回或向稅務機關支付之金額計量。

遞延稅項乃使用負債法，就於報告期末資產及負債之稅基與其作財務申報用途之賬面值間所有暫時差額作出撥備。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4. 重大會計政策概要(續)

所得稅(續)

所有應課稅暫時差異均會確認遞延稅項負債，惟以下情況除外：

- 當遞延稅項負債因初始確認商譽或非業務合併交易之資產或負債而產生，且在進行交易時對會計盈利或應課稅損益均無影響；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之應課稅暫時差異而言，當暫時差異之撥回時間可予控制，且暫時差異於可見將來不可能撥回。

所有可扣減暫時差異以及結轉未動用稅項抵免及任何未動用稅項虧損，均會確認遞延稅項資產。倘將來很可能取得應課稅盈利而令可扣減暫時差異、結轉未動用稅項抵免及未動用稅項虧損得以運用，便會確認遞延稅項資產，惟於以下情況除外：

- 倘遞延稅項資產與因初始確認一項並非業務合併之交易資產或負債而產生之可扣減暫時差異有關，而在進行交易時遞延稅項資產對會計盈利或應課稅損益均無影響；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之可扣減暫時差異而言，遞延稅項資產僅會於暫時差異可能於可見將來撥回及很可能取得應課稅盈利而令暫時差異得以運用時確認。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

2.4. 重大會計政策概要(續)

所得稅(續)

遞延稅項資產之賬面值會於各報告期末覆核，並將予扣減，直至不再可能有足夠應課稅盈利可供抵銷全部或部分遞延稅項資產為止。未確認遞延稅項資產會於各報告期末重新評估，並於可能有足夠應課稅盈利可供抵銷全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債根據於報告期末前已頒布或實際頒布之稅率(及稅法)，按預期於變現資產或清償負債期間應用之稅率計量。

遞延稅項資產及遞延稅項負債可予抵銷，如果(並僅如果)本集團在法律上擁有抵銷本期稅項資產及本期稅項負債之行使權利，且遞延稅項資產及遞延稅項負債與同一稅務當局向同一應課稅單位或不同之應課稅單位(預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產，及計劃以淨額基準清償本期稅項負債及資產，或同時變現資產及清償負債)徵收之所得稅有關。

政府補助金

如能合理保證將可收取政府補助金，且所有附帶條件將得以遵行，便會按公允值確認政府補助金。如補助金與開支項目有關，便會有系統地在擬補償之成本之支銷期間確認為收入。

倘補助金涉及一項資產，其公允值將計入遞延收益賬目，並於相關資產的預計可使用年期內每年等額轉撥至損益表或自資產賬面值扣除，並按削減折舊開支方式轉撥至損益表。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2.4. 重大會計政策概要(續)

收益確認

客戶合約收益

客戶合約收益於貨物或服務之控制權轉移予客戶時，按能反映本集團就有關貨物或服務而預期有權換取所得之代價金額予以確認。

當合約代價包含可變金額時，便會估計本集團轉讓貨物或服務予客戶而預期有權換取所得之代價金額。可變代價於合約開始時予以估計，並會受到限制，直至可變代價之相關不確定性其後得以解決，已確認累計收益金額不大可能出現大幅收益撥回情況為止。

倘合約具有融資成份，其為客戶提供超過一年有關轉讓貨物或服務予客戶之重大融資利益，則收益於合約開始時按應收金額之現值計量，並使用本集團與客戶間之獨立融資交易中反映之貼現率貼現。倘合約具有為本集團提供超過一年之重大融資利益之融資成份，則在合約下確認之收益包括根據實際利率法合約負債附有之利息開支。就客戶付款至轉讓所承諾貨物或服務之期間為一年或以下之合約而言，由於使用香港財務報告準則第15號之可行權宜處理方法，交易價格不會就重大融資成份之影響作出調整。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

The Group satisfied a performance obligation and recognises revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- the Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.

If none of the above conditions are met, the Group recognises revenue at the point in time when the performance obligation is satisfied.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at the point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

2.4. 重大會計政策概要(續)

收益確認(續)

客戶合約收益(續)

倘符合以下其中一項條件，本集團會於履行履約責任後隨時間轉移確認收益：

- 客戶同時取得及消耗本集團履行履約責任時所提供之利益。
- 本集團之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產。
- 本集團之履約行為並未創造一項可被本集團用於替代用途之資產，且本集團具有就迄今為止已完成之履約部分獲得客戶付款之可執行權利。

倘不符合所有上述條件，本集團將於履約責任獲履行之時點確認收益。

如資產控制權在一段時間內轉移，本集團會於整個合約期間內經參考圓滿完成履約責任之進度確認收益。否則，收益於客戶獲得資產控制權之時點確認。

圓滿完成履約責任之進度乃根據本集團為完成履約責任而產生的支出或投入而計量，並經參考測量師就已進行之工程所作之評估以及截至報告期末已產生之成本佔各合約之估計總成本之百分比。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the Group provides more than one service in a service concession arrangement, the transaction price will be allocated to each performance obligation by reference to their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

(a) Construction service revenue

The Group's performance in respect of construction services creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue over time, by reference to completion of the specific transaction assessed on the basis of the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Revenue from construction services under a service concession agreement is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.

2.4. 重大會計政策概要(續)

收益確認(續)

客戶合約收益(續)

倘本集團在服務特許經營權安排下提供超過一項服務，則交易價格將會參考彼等各自的獨立銷售價後分配至各項履約責任。倘獨立銷售價不能直接觀察所得，便會根據預期成本加利潤率或經調整市場評估法(取決於是否可得到可觀察資料)進行估計。

在釐定交易價格時，如融資成份重大，本集團將會根據融資成份來調整承諾代價。

(a) 建造服務收益

就建造服務而言，本集團之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產或在建工程，因此本集團履行履約責任後隨時間轉移確認收益，有關收益確認乃經參考特定交易之完成階段(根據測量師就已進行之工程評估而評定)，以及截至報告期末已產生之成本佔各合約之估計總成本之百分比作出。

根據服務特許經營權協議提供建造服務所得收益經參考於協議日期提供類似建造服務適用之現行市場毛利率，按成本加成法估計。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

(b) Operation revenue

The Group recognised revenue from integrated biomass utilisation project operation services, hazardous and solid waste treatment operation services, environmental remediation project operation services and solar energy and wind power project operation services when the related services are rendered.

Revenue from other sources and other income

Finance and interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4. 重大會計政策概要(續)

收益確認(續)

客戶合約收益(續)

(b) 運營收益

就生物質綜合利用項目運營服務、危廢及固廢處置運營服務、環境修復項目運營服務及光伏發電及風電項目運營服務而言，本集團於提供相關服務時確認有關收益。

來自其他來源之收益及其他收入

財務及利息收入乃按應計基準採用實際利率法透過應用有關利率(即於金融工具預計年期或(倘適用)較短期間內將估計未來現金收入準確貼現至金融資產賬面淨值之利率)計算確認。

合約資產

合約資產為就轉移貨物及服務予客戶而換取所得之收取代價權利。倘本集團在客戶支付代價前或在款項到期前透過轉移貨物或服務予客戶履行合約，則就附帶條件之已賺取代價確認合約資產。合約資產須進行耗損評估，有關詳情載於金融資產耗損會計政策中。

合約負債

合約負債於客戶於本集團將相關貨物或服務轉讓前收取付款或付款到期時(以較早者為準)確認。合約負債於本集團履行合約(即將相關貨物或服務的控制權轉讓至客戶)時確認為收益。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Retirement schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

2.4. 重大會計政策概要(續)

僱員福利

退休計劃

本集團根據強制性公積金計劃條例為其所有僱員提供定額供款強制性公積金退休福利計劃(「強積金計劃」)。按照強積金計劃之規則，供款按僱員基本薪金某一百分比計算作出，並於有關供款須予支付時在損益表支銷。強積金計劃之資產獨立於本集團之資產，在獨立管理之基金持有。本集團向強積金計劃所作之僱主供款，一經支付即全數歸屬於僱員，惟本集團之僱主自願性供款除外，按照強積金計劃之規則，倘僱員在有關供款全數歸屬於僱員前離職，有關供款將退還予本集團。

本集團於中國大陸經營之附屬公司之僱員須參加由當地市政府運作的中央退休金計劃。該等附屬公司須按其薪金成本之若干百分比向中央退休金計劃供款。有關供款於根據中央退休金計劃之規則須予支付時在損益表支銷。

離職福利

離職福利於本集團不能再取消提供該等福利時及本集團確認涉及支付離職福利的重組成本時(以較早者為準)確認。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4. 重大會計政策概要(續)

借貸成本

收購、建造或生產合資格資產(即必需花上一段長時間方能作其擬定用途或出售之資產)之直接應佔借貸成本均撥充資本,作為此等資產成本之一部分。於此等資產大致上可作其擬定用途或出售時,即停止將該等借貸成本撥充資本。指定用途借貸在用作合資格資產之開支前作為短暫投資所賺取投資收入,從已撥充資本之借貸成本中扣除。所有其他借貸成本於產生期間列作開支。借貸成本包括利息及實體於借入資金時產生之其他成本。

股息

末期股息於股東在股東大會上作出批准後確認為負債。擬派末期股息於財務報表附註中披露。

由於本公司組織章程大綱及公司細則授予董事宣派中期股息之權利,故中期股息可同步建議派發及宣派。因此,中期股息將於建議派發及宣派時即時確認為負債。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to the statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4. 重大會計政策概要(續)

外幣

此等財務報表以港幣呈列，港幣為本公司之功能貨幣。本集團各實體自行決定其功能貨幣，而載入各實體財務報表內之項目則以該功能貨幣計量。本集團實體已入賬之外幣交易初步按交易日期之適用匯率入賬。以外幣計值之貨幣資產及負債按報告期末適用之功能貨幣匯率換算。因結算或換算貨幣項目而產生之差額均於損益表確認。

因結算或換算貨幣項目而產生的差額於損益表確認，惟指定作為對沖本集團的海外業務投資淨額一部分的貨幣項目除外。有關項目於其他全面收入確認，直至投資淨額已出售為止，屆時累計金額會重新分類至損益表。該等貨幣項目之匯兌差額應佔的稅項支出及抵免亦計入其他全面收入。

按歷史成本計量之外幣非貨幣項目採用首次交易日期之處理方式匯率換算。按公允值計量之外幣非貨幣項目則採用計量公允值日期之匯率換算。因換算按公允值計量之非貨幣項目而產生的收益及虧損之處理方式與該項目公允值變動所產生之收益或虧損之處理方式一致(即公允值收益或虧損於其他全面收入或損益表確認的項目的匯兌差額亦分別於其他全面收入或損益表確認)。



2.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4. 重大會計政策概要(續)

外幣(續)

就終止確認預收代價之相關非貨幣資產或非貨幣負債而言，在釐定初始確認相關資產、開支或收入所使用之匯率時，初始交易日期指本集團初始確認預收代價所產生之非貨幣資產或非貨幣負債之日期。倘存在多筆預付款或預收款，本集團將釐定每筆預付代價付款或收款的交易日期。

若干海外附屬公司、合營企業及聯營公司之功能貨幣為港幣以外之貨幣。於報告期末，該等實體之資產及負債按報告期末之適用匯率換算為港幣，而其損益表則按年內加權平均匯率換算為港幣。

就此產生之匯兌差額於其他全面收入確認，並於匯兌波動儲備累計。在出售海外業務時，與該特定海外業務有關之其他全面收入部分於損益表確認。

因收購海外業務而產生之任何商譽及收購所得資產與負債之賬面值之公允值調整會被當作海外業務的資產及負債處理，並根據期末匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期適用之匯率換算為港幣。海外附屬公司於整個年度內不斷出現之現金流量按年內加權平均匯率換算為港幣。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Service concession arrangements

The Group entered into BOT and 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.

3. 重大會計判斷及估計

在編製本集團財務報表時，管理層須作出判斷、估計及假設，而有關判斷、估計及假設會影響所呈報收益、開支、資產與負債金額以及其隨附披露及或然負債披露。此等假設及估計之不明朗因素可能會導致在未來需要對受影響資產或負債之賬面值作出重大調整。

判斷

管理層在應用本集團會計政策時，除了作出涉及估計之判斷外，亦曾作出下列對財務報表已確認金額構成最重大影響之判斷：

服務特許經營權安排

本集團就其項目訂立BOT及BOO安排。

本集團確定所有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號項下之服務特許經營權安排，因為當地政府控制並監管本集團利用基礎設施按預定服務費所須提供之服務。就BOT安排而言，在特許經營權協議到期後，有關基礎設施須無償轉歸當地政府所有。就BOO安排而言，有關服務特許經營權安排所涉及之基礎設施於其整個或大致可使用年期使用。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *(Continued)*

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Construction contracts

As explained in the accounting policies set out in note 2.4 to the financial statements for “Revenue recognition” and “Contract assets”, revenue and profit recognition on an incomplete 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 21 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of revenue or costs may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

Construction revenue arising from construction services is recognised based on the estimation of the fair value of construction services and the proportion of construction work completed to date for each project. The fair value of construction services is determined on a cost plus mark up basis with reference to a prevailing market rate of gross margin applicable to similar construction services rendered.

3. 重大會計判斷及估計 (續)

估計之不確定性

下文闡述有關未來之主要假設，以及於報告期末導致估計出現不確定性之其他主要緣由，其具有可能導致須對下一個財政年度之資產及負債賬面值作出重大調整之重大風險。

建造合約

誠如財務報表附註2.4下有關「收益確認」及「合約資產」之會計政策所闡釋，未完成項目之收益及盈利確認取決於對建造合約最終成果之估計及迄今已完成之工程。根據本集團之近期經驗及本集團所承辦建造活動之性質，本集團會於其認為工程進度已達致一定水平，足以可靠估計完工成本及收益時進行估計。因此，在達至有關階段前，附註21所披露之「服務特許經營權資產」不會包括本集團就迄今已完成工程而最終可能變現之盈利。此外，於報告期末收益或成本之實際結果可能會高於或低於估計之數，亦因而會由於對迄今已入賬之金額作出調整而影響在未來年度確認之收益及盈利。

建造服務產生之建造收入乃根據建造服務之公允值及各項目迄今完成之建造工程比例估計確認。建造服務之公允值根據成本加成基準，參考適用所提供類似建造服務的現行市場毛利率釐定。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Provision for ECLs for debtors and contract assets

The Group uses a provision matrix to calculate ECLs for debtors and contract assets. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical settlement pattern, credit loss experience, published credit ratings with forward-looking information. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience, published credit ratings and forecast of economic conditions may also not be representative of a customer's actual default in the future.

The carrying amounts of debtors and contract assets at 31 December 2020 was HK\$2,290,652,000 (2019: HK\$711,104,000) and HK\$10,255,776,000 (2019: HK\$7,003,786,000), respectively. The information about the ECLs on the Group's debtors and contract assets is disclosed in notes 21, 22 and 38 to the financial statements.

3. 重大會計判斷及估計(續)

估計之不確定性(續)

應收賬款及合約資產的預期信貸虧損撥備

本集團使用撥備矩陣計算應收賬款及合約資產的預期信貸虧損。撥備矩陣最初基於本集團的歷史觀察違約率。本集團將通過調整矩陣以調整歷史結算模式、信貸損失經驗、已發佈信貸評級與前瞻性資料。於各報告日，歷史觀察到的違約率都會被更新，並分析未來其可能發生的變化。

對歷史觀察到的違約率、預測經濟狀況及預期信貸虧損之間的相關性的評估乃重大估計。預期信貸虧損風險的金額對環境變化及預測的經濟狀況較敏感。本集團的歷史信貸損失經驗、已發佈信貸評級及對經濟狀況的預測也可能無法代表未來客戶的實際違約。

應收賬款及合約資產於二零二零年十二月三十一日的賬面值分別為港幣2,290,652,000元(二零一九年:港幣711,104,000元)及港幣10,255,776,000元(二零一九年:港幣7,003,786,000元)。有關本集團應收賬款及合約資產的預期信貸虧損資料披露於財務報表附註21、22及38。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment losses of goodwill

As explained in the accounting policy set out in note 2.4 to the financial statements for “Business combinations and goodwill”, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit from the synergies of the combination for the purpose of impairment assessment, which requires significant judgement. The Group determined that the group of cash-generating units to which goodwill was allocated reflected the lowest level at which goodwill was monitored for internal reporting and was not larger than an operating segment in accordance with HKAS 36 *Impairment of Assets*.

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2020 was HK\$157,609,000 (2019: HK\$149,079,000). Further details are given in note 16 to the financial statements.

3. 重大會計判斷及估計(續)

估計之不確定性(續)

商譽之耗損虧損

誠如財務報表附註2.4下有關「業務合併及商譽」之會計政策所闡釋，商譽會被分配至預期可受惠於合併協同效益之一個現金生產單位或一個現金生產單位組別，以便進行耗損評估，而此需要作出重大判斷。根據香港會計準則第36號「資產耗損」，本集團確定獲分配商譽之現金生產單位組別為本集團就內部申報目的而監察商譽之最低層次，且監察層面不會大於一個經營分部。

本集團最少每年一次釐定商譽有否出現耗損，而此涉及估計獲分配商譽之現金生產單位之使用價值。在估計使用價值時，本集團須估計來自現金生產單位之預期未來現金流量，並須選擇合適的貼現率，以便計算有關現金流量之現值。於二零二零年十二月三十一日，商譽之賬面值為港幣157,609,000元(二零一九年：港幣149,079,000元)。進一步詳情載於財務報表附註16。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets and intangible assets have not yet available for use are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. Determining whether such assets are impaired requires an estimation of the recoverable amount of each CGU to which the assets have been allocated, which is the higher of its fair value less costs of disposal and its value in use.

The calculations of the fair value less costs of disposal or value in use involves significant estimations about future business performance with key assumptions including forecasted revenue growth rate and discount rates used. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue growth rates, operating costs and discount rates. Further details are set out in note 17 to the financial statements.

3. 重大會計判斷及估計(續)

估計之不確定性(續)

非金融資產耗損(除商譽外)

本集團於各報告期末會評估所有非金融資產(包括使用權資產)是否存在任何耗損跡象。尚不可用無限年期的有形資產及無形資產每年進行耗損測試，並於存在該跡象的其他時間進行耗損測試。當發生事件或情況變化表明非金融資產錄得的賬面值可能無法收回時，則對其進行耗損測試。釐定有關資產是否耗損需要估計已分配至各現金產生單位的資產的可收回金額，即其公允值減出售成本與其使用價值中的較高者。

公允值減出售成本或使用價值的計算乃涉及有關未來業務表現，包括所用預測收益增長率及貼現率等主要假設在內的重大估計。本集團以所有現有資料釐定可收回金額之合理概約金額，包括根據收益增長率、營運成本及貼現率金額之合理及支持性假設及預測作出的估計。進一步詳情載於財務報表附註17。



3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provision are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised for temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management reassesses these estimates at the end of each reporting period. Additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered. The carrying value of deferred tax assets at 31 December 2020 was HK\$64,467,000 (2019: HK\$29,396,000). Further details are included in note 27 to the financial statements.

3. 重大會計判斷及估計(續)

估計之不確定性(續)

所得稅

釐定所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會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。於二零二零年十二月三十一日遞延稅項資產的賬面值為港幣64,467,000元(二零一九年：港幣29,396,000元)。更多詳情載於財務報表附註27。



4. OPERATING SEGMENT INFORMATION

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.

- (i) 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 project, 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.
- (ii) 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, general industrial solid waste electricity and heat cogeneration projects and physicochemical and resources recycling projects to generate revenue from construction services, revenue from operation services as well as finance income.
- (iii) 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.
- (iv) 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.

4. 運營分部資料

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。

- (i) 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。
- (ii) 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、一般工業固廢熱電聯供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。
- (iii) 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。
- (iv) 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。



4. OPERATING SEGMENT INFORMATION (Continued)

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 associates and joint ventures, deferred tax assets and current assets with the exception of intercompany receivables and other corporate assets. Segment liabilities include tax payables, deferred tax liabilities, creditors, other payables and accrued expenses attributable to the activities of the individual segments and interest-bearing bank and other 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 "earnings before interest, taxes, depreciation and amortisation" ("EBITDA"). To arrive at EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' remuneration and other head office or corporate administration costs.

In addition to segment information concerning EBITDA, management is provided with segment information concerning revenue, interest expense from borrowings managed directly by the segments, depreciation and amortisation and additions to non-current segment assets used by the segments in their operations.

4. 運營分部資料(續)

就分部表現評估及分部間之資源分配而言，本集團之最高級管理層按下列基準監察各個須予報告分部應佔之業績、資產及負債：

分部資產包括所有有形資產、無形資產、商譽、聯營公司及合營企業權益、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應付稅項、遞延稅項負債、應付賬款、其他應付款項及應計費用及由各個分部直接管理之計息銀行及其他借貸，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「除利息、稅項、折舊及攤銷前盈利」(「EBITDA」)。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：董事酬金及其他總公司或企業行政成本)作進一步調整。

除有關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。



4. OPERATING SEGMENT INFORMATION
(Continued)

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below:

For the year ended 31 December

4. 運營分部資料(續)

(i) 分部業績、資產及負債

本集團就本年度資源分配及分部表現評估而向本集團最高管理層提供之須予報告分部資料載列如下：

截至十二月三十一日止年度

		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	
		生物質綜合利用項目建造及運營		危廢及固廢處置項目建造及運營		環境修復項目運營		光伏發電及風電項目運營		總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		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
Segment revenue (note 5):	分部收益(附註5):										
Revenue from external customers and reportable segment revenue	來自外界客戶的收益及須予報告之分部收益	8,318,394	7,270,316	1,158,305	1,517,723	167,656	287,296	191,021	204,220	9,835,376	9,279,555
Segment results:	分部業績:										
Reportable segment profit (EBITDA)	須予報告之分部盈利(EBITDA)	2,557,204	2,192,943	419,733	571,824	39,223	55,454	181,365	185,683	3,197,525	3,005,904
Finance costs	財務費用									(543,564)	(376,891)
Depreciation and amortisation, including unallocated portion	折舊及攤銷(包括未分配部分)									(594,844)	(389,781)
Unallocated head office and corporate income	未分配總公司及企業收入									10,910	13,522
Unallocated head office and corporate expenses	未分配總公司及企業開支									(143,840)	(143,287)
Consolidated profit before tax	綜合除稅前盈利									1,926,187	2,109,467



4. OPERATING SEGMENT INFORMATION
(Continued)

(i) Segment results, assets and liabilities
(Continued)

For the year ended 31 December

4. 運營分部資料(續)

(i) 分部業績、資產及負債(續)

截至十二月三十一日止年度

		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	
		生物質綜合利用項目建造及運營		危險及固廢處置項目建造及運營		環境修復項目運營		光伏發電及風電項目運營		總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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
Other segment information:	其他分部資料:										
Finance costs	財務費用	336,161	247,809	38,950	22,958	8,065	7,759	19,537	22,084	402,713	300,610
Unallocated finance costs	未分配財務費用									140,851	76,281
Depreciation and amortisation	折舊及攤銷	369,157	240,940	139,606	64,772	13,989	13,165	65,699	66,557	588,451	385,434
Unallocated depreciation and amortisation	未分配折舊及攤銷									6,393	4,347
Impairment losses of intangible assets	無形資產耗損虧損	216,723	—	—	—	—	—	—	—	216,723	—
Impairment losses of debtors and contract assets	應收賬款及合約資產耗損虧損	7,430	119	109	868	—	1,013	—	—	7,539	2,000
Share of (profits)/losses of joint ventures	所佔合營企業(盈利)/虧損	—	—	19,464	(9,890)	—	—	—	—	19,464	(9,890)
Additions to property, plant and equipment, right-of-use assets, intangible assets, goodwill and non-current portion of prepayments	增置物業、廠房及設備、使用權資產、無形資產、商譽及預付款項之非即期部分	2,356,349	3,039,039	2,245,611	1,648,153	7,607	197,095	5,404	911	4,614,971	4,885,198
Additions to non-current portion of contract assets	增置合約資產之非即期部分	2,428,423	1,445,068	7,367	8,142	—	—	—	—	2,435,790	1,453,210

		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	
		生物質綜合利用項目建造及運營		危險及固廢處置項目建造及運營		環境修復項目運營		光伏發電及風電項目運營		總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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
Reportable segment assets	須予報告之分部資產	25,658,491	18,899,891	6,707,061	4,247,704	660,590	503,712	1,312,799	1,302,854	34,338,941	24,954,161
Unallocated head office and corporate assets	未分配總公司及企業資產									925,727	1,304,154
Consolidated total assets	綜合資產總額									35,264,668	26,258,315
Reportable segment liabilities	須予報告之分部負債	11,105,026	9,430,879	2,942,256	1,382,686	487,772	337,821	456,999	477,163	14,992,053	11,628,549
Unallocated head office and corporate liabilities	未分配總公司及企業負債									7,405,774	4,042,414
Consolidated total liabilities	綜合負債總額									22,397,827	15,670,963



4. OPERATING SEGMENT INFORMATION (Continued)

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers, (ii) the Group's property, plant and equipment, right-of-use assets and intangible assets and (iii) the Group's non-current portion of other receivables, deposits and prepayments and non-current portion of contract assets. The geographical location of customers is based on the location at which the services were provided. The geographical location of the assets is based on the physical location of the asset in the case of property, plant and equipment and right-of-use assets, whereas the location of the operation to which they are allocated in the case of other receivables, deposits and prepayments, intangible assets and contract assets.

4. 運營分部資料(續)

(ii) 地區資料

下表載列有關(i)本集團來自外界客戶之收益；(ii)本集團之物業、廠房及設備、使用權資產及無形資產；及(iii)本集團之其他應收款項、按金及預付款項之非即期部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、廠房及設備以及使用權資產而言)，而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。

		Revenue from external customers		Property, plant and equipment, right-of-use assets and intangible assets		Non-current portion of other receivables, deposits and prepayments and contract assets	
		來自外界客戶之收益		物業、廠房及設備、使用權資產及無形資產		其他應收款項、按金及預付款項及合約資產之非即期部分	
		2020	2019	2020	2019	2020	2019
		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
PRC	中國	9,829,244	9,273,442	17,769,340	13,784,710	7,131,903	4,565,619
Hong Kong	香港	—	—	1,750	6,245	—	—
Germany	德國	6,132	6,113	36,742	37,610	—	—
Total	總計	9,835,376	9,279,555	17,807,832	13,828,565	7,131,903	4,565,619

(iii) Information about a major customer

For the year ended 31 December 2020, the Group has transactions with one (2019: one) local government authority in the PRC from which the revenue individually exceeded 10% of the Group's total revenue. The aggregate revenue from this customer during the year ended 31 December 2020 amounted to HK\$1,847,626,000 (2019: HK\$1,870,814,000).

(iii) 主要客戶資料

截至二零二零年十二月三十一日止年度，本集團與中國一個當地政府機關(二零一九年：一個)進行交易，有關交易單獨佔本集團為收益10%以上。截至二零二零年十二月三十一日止年度，來自該客戶的收益總額為港幣1,847,626,000元(二零一九年：港幣1,870,814,000元)。



5. REVENUE

An analysis of revenue is as follows:

5. 收益

收益分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue from integrated biomass utilisation project construction services	生物質綜合利用項目建造服務收益	3,869,337	4,050,945
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	593,292	868,814
Revenue from integrated biomass utilisation project operation services	生物質綜合利用項目運營服務收益	4,182,317	3,032,982
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	557,647	640,767
Revenue from environmental remediation project operation services	環境修復項目運營服務收益	167,656	287,296
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	191,021	204,220
Revenue from contracts with customers	客戶合約收益	9,561,270	9,085,024
Finance income from service concession arrangements	服務特許經營權安排之財務收入	274,106	194,531
Total revenue	收益總額	9,835,376	9,279,555

The aggregated revenue from construction services, revenue from operation services and finance income derived from the local government authorities in the PRC amounted to HK\$8,659,260,000 (2019: HK\$8,269,856,000) for the year ended 31 December 2020. The revenues are included in four segments as disclosed in note 4 to the financial statements.

截至二零二零年十二月三十一日止年度，來自中國當地政府機關的建造服務收益、運營服務收益及財務收入總額為港幣8,659,260,000元（二零一九年：港幣8,269,856,000元）。如財務報表附註4所披露，該等收益計入四個分部。



5. REVENUE (Continued)

Revenue from contracts with customers

(a) Disaggregated revenue information

5. 收益(續)

客戶合約收益

(a) 經分拆收益資料

		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	
		生物質綜合利用項目		危險及固廢處置項目		環境修復項目運營		光伏發電及風電項目運營		總計	
		建造及運營		建造及運營		環境修復項目運營		風電項目運營		總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		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
(i) Types of goods and services	(i) 貨物及服務類型										
Construction services	建造服務	3,869,337	4,050,945	593,292	868,814	—	—	—	—	4,462,629	4,919,759
Operation services	運營服務	4,182,317	3,032,982	557,647	640,767	167,656	287,296	191,021	204,220	5,098,641	4,165,265
Total revenue from contracts with customers	客戶合約收益總額	8,051,654	7,083,927	1,150,939	1,509,581	167,656	287,296	191,021	204,220	9,561,270	9,085,024
(ii) Geographical markets*	(ii) 地區市場*										
PRC	中國	8,051,654	7,083,927	1,150,939	1,509,581	167,656	287,296	184,889	198,107	9,555,138	9,078,911
Germany	德國	—	—	—	—	—	—	6,132	6,113	6,132	6,113
Total revenue from contracts with customers	客戶合約收益總額	8,051,654	7,083,927	1,150,939	1,509,581	167,656	287,296	191,021	204,220	9,561,270	9,085,024

* The geographical location of customers is based on the location at which the services were provided.

* 客戶所在地區按服務提供地點劃分。

Timing of revenue recognition

收益確認時間

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Services transferred over time	隨時間轉移之服務	9,489,724	9,021,799
Goods transferred at a point in time	於某一時點轉移之貨物	71,546	63,225
		9,561,270	9,085,024

5. REVENUE (Continued)

Revenue from contracts with customers (Continued)

(b) Performance obligations

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Expected to be recognised within one year	預期將於一年內確認	9,784,220	10,655,156
Expected to be recognised after one year	預期將於一年後確認	196,749,121	221,141,703
		206,533,341	231,796,859

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to construction services and operation services in connection with the Group's environmental protection projects, of which the performance obligations are to be satisfied within 50 years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

The Group has applied the practical expedient under HKFRS 15 and does not include information about revenue that the Group will be entitled to when it satisfied the remaining performance obligations for contracts with an original expected duration of one year or less.

5. 收益(續)

客戶合約收益(續)

(b) 履約責任

於十二月三十一日已分配至餘下履約責任(未獲履行或部分未獲履行)之交易價格金額如下:

已分配至餘下履約責任並預期於一年後確認為收益之交易價格金額涉及本集團環保項目的須於五十年內履行建造服務及運營服務之履約責任。已分配至餘下履約責任之所有其他交易價格金額預期將於一年內確認為收益。上文所披露之金額並不包括受限制的可變代價。

本集團應用了香港財務報告準則第15號下之可行權宜處理方法及並無包括本集團將於原先預期期限為一年或以內之合約之餘下履約責任獲完成時有權獲得之收益之資料。

6. OTHER REVENUE AND OTHER LOSSES

An analysis of other revenue and other losses is as follows:

6. 其他收益及其他虧損

其他收益及其他虧損之分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Other revenue	其他收益		
Interest income	利息收入	17,451	16,145
Government grants*	政府補助金*	124,721	70,805
Value-added tax refunds**	增值稅退稅**	87,989	63,709
Others	其他	22,229	15,790
		252,390	166,449

* Government grants of HK\$120,764,000 (2019: HK\$67,648,000) were granted during the year ended 31 December 2020 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. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the consolidated statement of financial position.

* 截至二零二零年十二月三十一日止年度，本集團獲發政府補助金港幣120,764,000元（二零一九年：港幣67,648,000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。就尚未承擔相關開支之已收政府補助金於綜合財務狀況表計入遞延收入。

** The Group was entitled to PRC value-added tax refunds of HK\$87,989,000 (2019: HK\$63,709,000) during the year ended 31 December 2020. 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.

** 截至二零二零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87,989,000元（二零一九年：港幣63,709,000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。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Other losses	其他虧損		
Net (gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之淨(收益)/虧損	(384)	849
Impairment losses of debtors and contract assets	應收賬款及合約資產耗損虧損	7,539	2,000
		7,155	2,849



7. FINANCE COSTS

An analysis of finance costs is as follows:

7. 財務費用

財務費用分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest on bank and other borrowings	銀行及其他借貸之利息	539,409	400,290
Interest on medium-term notes	中期票據之利息	23,026	—
Interest on lease liabilities	租賃負債之利息	466	605
Finance costs incurred	產生之財務費用	562,901	400,895
Less: interest capitalised*	減：資本化之利息*	(19,337)	(24,004)
		543,564	376,891

* The borrowing costs have been capitalised at a rate ranging from 3.05% to 4.95% (2019: 4.66% to 5.39%) per annum during the year ended 31 December 2020.

* 截至二零二零年十二月三十一日止年度，借貸成本乃按介乎3.05%至4.95%（二零一九年：4.66%至5.39%）的年利率予以資本化。



8. PROFIT BEFORE TAX

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

8. 除稅前盈利

本集團除稅前盈利已扣除／(計入)：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost of inventories consumed	已耗用存貨之成本	2,190,698	1,558,524
Depreciation of property, plant and equipment*	物業、廠房及設備折舊*	172,296	134,183
Depreciation of right-of-use assets	使用權資產折舊	16,625	10,489
Amortisation of intangible assets**	無形資產攤銷**	405,923	245,109
Lease payments not included in the measurement of lease liabilities	未計入租賃負債計量之租賃付款	11,791	8,248
Auditor's remuneration	核數師薪酬		
— audit services	— 審核服務	2,650	2,990
— other services	— 其他服務	729	—
		3,379	2,990
Employee benefit expense (excluding directors' remuneration (note 9))#	僱員福利開支(不包括董事酬金(附註9))#		
Wages and salaries	工資及薪金	607,632	533,603
Pension scheme contributions	退休保障計劃供款	31,218	56,875
		638,850	590,478
Impairment losses of debtors	應收賬款耗損虧損	15	2,000
Impairment losses of intangible assets	無形資產耗損虧損	216,723	—
Impairment losses of contract assets	合約資產耗損虧損	7,524	—
Foreign exchange differences, net	匯兌淨差額	(244)	(907)

* The depreciation of property, plant and equipment of HK\$139,906,000 (2019: HK\$107,800,000) was included in "Direct cost and operating expense" on the face of the consolidated statement of profit or loss.

* 物業、廠房及設備折舊港幣139,906,000元(二零一九年：港幣107,800,000元)計入綜合損益表「直接成本及經營費用」內。

** The amortisation of intangible assets of HK\$386,507,000 (2019: HK\$230,105,000) was included in "Direct cost and operating expense" on the face of the consolidated statement of profit or loss.

** 無形資產攤銷港幣386,507,000元(二零一九年：港幣230,105,000元)計入綜合損益表「直接成本及經營費用」內。

As at 31 December 2020, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2019: Nil).

於二零二零年十二月三十一日，本集團並無沒收供款可用以扣減本集團在未來年度之退休保障計劃供款(二零一九年：無)。



9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

9. 董事及主要行政人員酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露之年內董事及主要行政人員酬金如下：

		Group 本集團	
		2020 二零二零年	2019 二零一九年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Fees	袍金	720	720
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及 實物利益	5,116	5,536
Discretionary bonuses	酌情花紅	5,122	6,370
Pension scheme contributions	退休保障計劃供款	1,232	1,059
		11,470	12,965
		12,190	13,685



9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION (Continued)

2020

9. 董事及主要行政人員酬金(續)

二零二零年

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Pension scheme contributions	Total
		袍金	薪金、津貼及實物利益	酌情花紅	退休計劃供款	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	—	2,024	1,872	308	4,204
Yang Zhiqiang	楊志強	—	1,456	1,650	466	3,572
Lo Kam Fan (note (i))	盧錦勳(附註(i))	—	1,456	1,600	458	3,514
		—	4,936	5,122	1,232	11,290
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))	—	—	—	—	—
		—	—	—	—	—
Independent non-executive directors	獨立非執行董事					
Chow Siu Lui	鄧小磊	240	60	—	—	300
Philip Tsao	曹為實	240	60	—	—	300
Yan Houmin	嚴厚民	240	60	—	—	300
		720	180	—	—	900
		720	5,116	5,122	1,232	12,190



9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION (Continued)

2019

9. 董事及主要行政人員酬金(續)

二零一九年

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物利益	酌情花紅	退休計劃 供款	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 (iii))	王雲剛(附註(iii))	—	438	—	206	644
		—	5,371	6,370	1,059	12,800
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	165	—	—	885
		720	5,536	6,370	1,059	13,685



9. DIRECTORS' AND CHIEF EXECUTIVES' REMUNERATION (Continued)

Notes:

- (i) Mr. LO Kam Fan was appointed as an executive director on 24 June 2019.
- (ii) Mr. WANG Yungang resigned as an executive director with effect from 24 June 2019.
- (iii) Mr. SONG Jian was appointed as a non-executive director on 24 June 2019.
- (iv) Mr. TANG Xianqing resigned as a non-executive director with effect from 24 June 2019.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

Starting from 2021, the discretionary bonuses of the Chief Executive Officer of the Company will be paid by two instalments.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three directors (2019: three directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining two (2019: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

9. 董事及主要行政人員酬金(續)

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。

本公司並無訂立任何董事或主要行政人員須於年內放棄或同意放棄任何薪酬的安排。

自二零二一年起，本公司行政總裁的酌情花紅將分兩期發放。

10. 五名最高薪酬僱員

年內五名最高薪酬僱員包括三名董事(二零一九年：三名董事)，彼等之薪酬詳情載於上文附註9。年內餘下兩名(二零一九年：兩名)並非本公司董事或主要行政人員之最高薪酬僱員的薪酬詳情如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	2,128	1,602
Discretionary bonuses	酌情花紅	2,830	3,347
Pension scheme contributions	退休保障計劃供款	455	362
		5,413	5,311



10. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of the highest paid non-director and non-chief executive employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	0	1
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元至 港幣3,000,000元	2	1

During the year, no emoluments were paid by the Group to the directors of the Company or any of the highest paid employees who are not a director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

11. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the year ended 31 December 2020 (2019: Nil).

Tax for the PRC operations is charged at the statutory rate of 25% of the assessable profits under tax rules and regulations in the PRC. During the year, certain PRC subsidiaries are subject to tax concessions under the relevant tax rules and regulations.

10. 五名最高薪酬僱員(續)

薪酬介乎以下範圍之非董事及非主要行政人員最高薪酬僱員的人數如下：

年內，本集團並無向本公司董事或任何並非本公司董事之最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時之獎勵或離職補償。

11. 所得稅

由於本集團於截至二零二零年十二月三十一日止年度在香港並無賺取任何應課稅盈利，故此並無作出香港利得稅撥備(二零一九年：無)。

中國業務之稅項根據中國稅務法律及法規，按應課稅盈利以法定稅率25%計算。年內，根據相關稅務法律及法規，若干中國附屬公司享有稅項優惠。



11. INCOME TAX (Continued)

11. 所得稅(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current tax — Elsewhere	本期稅項 — 其他地方		
Charge for the year	本年度開支	197,705	192,493
Overprovision in prior years	過往年度超額撥備	(6,946)	(5,923)
Deferred tax (note 27)	遞延稅項(附註27)	222,120	275,792
Total tax expenses for the year	本年度稅項開支總額	412,879	462,362

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries or jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

按適用於本公司及其大部分附屬公司所在國家或司法權區之法定稅率計算除稅前盈利之稅項支出與按實際稅率計算之稅項支出之對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before tax	除稅前盈利	1,926,187	2,109,467
Tax at the statutory tax rate	按法定稅率計算之稅項	499,398	535,298
Difference in tax rates enacted by local authorities	地方當局頒布之稅率差異	(97,345)	(108,670)
Effect of withholding tax on the distributable and distributed profits of the Group's PRC subsidiaries	預提所得稅對本集團中國附屬公司可供分派及已分派盈利之影響	(6,801)	21,115
Overprovision in respect of prior years	過往年度超額撥備	(6,946)	(5,923)
Income not subject to tax	毋須課稅收入	(7,348)	(6,370)
Expenses not deductible for tax	不可扣稅開支	31,921	26,912
Tax expense at the Group's effective rate	按本集團實際稅率計算之稅項支出	412,879	462,362



12. DIVIDENDS

12. 股息

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Dividends attributable to the year:	本年度股息：		
Interim — HK8.0 cents (2019: HK8.0 cents) per ordinary share	中期 — 每股普通股8.0港仙 (二零一九年：8.0港仙)	165,286	165,286
Final — HK7.0 cents (2019: HK8.0 cents) per ordinary share	末期 — 每股普通股7.0港仙 (二零一九年：8.0港仙)	144,625	165,286
		309,911	330,572

The final dividend for the year is proposed after the end of the reporting period and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

本年度之末期股息擬於報告期末後分派及須待本公司股東在應屆股東週年大會上批准後方可作實。

13. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to equity shareholders of the Company of HK\$1,502,532,000 (2019: HK\$1,621,477,000), and the weighted average number of ordinary shares of 2,066,078,000 (2019: 2,066,078,000) in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2020 and 2019 in the calculation of diluted earnings per share as there were no potential dilutive ordinary shares during the years ended 31 December 2020 and 2019.

13. 本公司權益股東應佔每股盈利

每股基本盈利金額乃按本公司權益股東應佔本年度盈利港幣1,502,532,000元(二零一九年：港幣1,621,477,000元)以及年內已發行普通股加權平均數2,066,078,000股(二零一九年：2,066,078,000股)計算。

於計算每股攤薄盈利時，並無對所呈列截至二零二零年及二零一九年十二月三十一日止年度之每股基本盈利金額作出調整，乃由於截至二零二零年及二零一九年十二月三十一日止年度並無具潛在攤薄影響之普通股。

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements, furniture and fixtures	Motor vehicles, electronic equipment and others	Construction in progress	Total
		樓宇	廠房及機器	租賃物業裝修、傢私及裝置	汽車、電子設備及其他	在建工程	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost:	成本：						
At 1 January 2020	於二零二零年一月一日	680,349	1,725,374	43,594	214,931	483,336	3,147,584
Additions	增置	39,358	7,379	23,188	25,255	1,058,188	1,153,368
Disposals and write-off	出售及撇銷	—	—	(715)	(212)	—	(927)
Transfers	轉撥	75,820	160,259	—	—	(236,079)	—
Exchange realignment	匯兌調整	55,262	131,721	4,660	16,873	73,133	281,649
At 31 December 2020	於二零二零年十二月三十一日	850,789	2,024,733	70,727	256,847	1,378,578	4,581,674
Accumulated depreciation:	累計折舊：						
At 1 January 2020	於二零二零年一月一日	67,304	368,782	14,788	66,126	—	517,000
Charge for the year	本年度支出	24,152	110,046	11,591	26,507	—	172,296
Disposals and write-off	出售及撇銷	—	—	(122)	(61)	—	(183)
Exchange realignment	匯兌調整	5,874	31,232	1,729	5,606	—	44,441
At 31 December 2020	於二零二零年十二月三十一日	97,330	510,060	27,986	98,178	—	733,554
Net carrying amount:	賬面淨值：						
At 31 December 2020	於二零二零年十二月三十一日	753,459	1,514,673	42,741	158,669	1,378,578	3,848,120



14. PROPERTY, PLANT AND EQUIPMENT
(Continued)

14. 物業、廠房及設備(續)

		Buildings	Plant and machinery	Leasehold improvements, furniture and fixtures 租賃物業裝修、傢私及裝置	Motor vehicles, electronic equipment and others 汽車、電子設備及其他	Construction in progress	Total
		樓宇 HK\$'000 港幣千元	廠房及機器 HK\$'000 港幣千元	港幣千元	港幣千元	在建工程 HK\$'000 港幣千元	總額 HK\$'000 港幣千元
Cost:	成本：						
At 1 January 2019	於二零一九年一月一日	593,201	1,612,689	28,321	105,036	393,828	2,733,075
Additions	增置	1,458	17,437	15,110	113,312	271,670	418,987
Acquisition of subsidiaries (note 30)	收購附屬公司(附註30)	53,827	28,272	2,489	2,018	2,838	89,444
Disposals and write-off	出售及撇銷	(274)	(2,611)	(1,271)	(1,317)	—	(5,473)
Transfers	轉撥	52,617	120,090	—	—	(172,707)	—
Exchange realignment	匯兌調整	(20,480)	(50,503)	(1,055)	(4,118)	(12,293)	(88,449)
At 31 December 2019	於二零一九年十二月三十一日	680,349	1,725,374	43,594	214,931	483,336	3,147,584
Accumulated depreciation:	累計折舊：						
At 1 January 2019	於二零一九年一月一日	51,984	295,974	9,507	40,819	—	398,284
Charge for the year	本年度支出	17,086	83,687	6,837	26,573	—	134,183
Disposals and write-off	出售及撇銷	(150)	(1,902)	(1,260)	(326)	—	(3,638)
Exchange realignment	匯兌調整	(1,616)	(8,977)	(296)	(940)	—	(11,829)
At 31 December 2019	於二零一九年十二月三十一日	67,304	368,782	14,788	66,126	—	517,000
Net carrying amount:	賬面淨值：						
At 31 December 2019	於二零一九年十二月三十一日	613,045	1,356,592	28,806	148,805	483,336	2,630,584



15. LEASES

The Group as a lessee

The Group has lease contracts for various items of buildings used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease terms of 10 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of buildings generally have lease terms between 20 and 30 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

15. 租賃

本集團作為承租人

本集團具有涉及業務運作中使用的樓宇項目等多個項目的租賃合約。本集團已作出一次性前期付款，從擁有人獲取租期為十年至五十年的租賃土地，而根據該等土地租賃之條款，無需作出持續性付款。樓宇租賃租期一般為二十年至三十年。基本上，本集團不得向本集團以外人士轉讓及分租有關租賃資產。

(a) 使用權資產

本集團使用權資產之賬面值及其年內變動如下：

		Buildings	Prepaid land lease payments	Total
		樓宇	預付土地 租賃款項	總額
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
As at 1 January 2019	於二零一九年 一月一日	7,970	167,263	175,233
Additions	增置	8,003	146,848	154,851
Additions as a result of acquisition of subsidiaries (note 30)	因收購附屬公司而 增置(附註30)	—	105,785	105,785
Depreciation provided during the year	年內已計提折舊	(3,141)	(7,348)	(10,489)
Exchange realignment	匯兌調整	(173)	(8,561)	(8,734)
As at 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日 及二零二零年 一月一日	12,659	403,987	416,646
Additions	增置	—	210,007	210,007
Depreciation provided during the year	年內已計提折舊	(4,874)	(11,751)	(16,625)
Exchange realignment	匯兌調整	446	38,135	38,581
As at 31 December 2020	於二零二零年 十二月三十一日	8,231	640,378	648,609



15. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	13,015	7,970
New leases	新訂租賃	—	8,003
Accretion of interest recognised during the year	年內已確認利息增加	466	605
Payments	付款	(5,108)	(3,386)
Exchange realignment	匯兌調整	463	(177)
Carrying amount as at 31 December	於十二月三十一日之賬面值	8,836	13,015
Analysed into:	分析：		
Current portion	即期部分	2,333	4,634
Non-current portion	非即期部分	6,503	8,381

The maturity analysis of lease liabilities is disclosed in note 38 to the financial statements.

15. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

租賃負債之賬面值及其年內變動如下：

租賃負債之到期情況分析於財務報表附註38披露。



15. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities (Continued)

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

15. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債(續)

於損益表中確認之租賃相關金額如下：

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on lease liabilities	租賃負債之利息	466	605
Depreciation charge of right-of-use assets	使用權資產折舊費	16,625	10,489
Expense relating to short-term leases not included in the measurement of lease liabilities	有關短期租賃的開支未計入租賃負債計量	11,791	8,248
Total amount recognised in profit or loss	於損益表中確認之總金額	28,882	19,342

The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 32(c) and 38 to the financial statements.

租賃之現金流出總額及尚未開始之租賃之相關未來現金流出分別於財務報表附註32(c)及38披露。



16. GOODWILL

16. 商譽

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At 1 January	於一月一日	149,079	—
Acquisition of subsidiaries (note 30)	收購附屬公司(附註30)	—	154,252
Exchange realignment	匯兌調整	8,530	(5,173)
Cost and net carrying amount at 31 December		157,609	149,079

Impairment testing of goodwill

The carrying amounts of goodwill acquired through business combinations have been allocated to the relevant cash-generating units (“CGUs”) of the individual companies for impairment testing, which are summarised as follows:

商譽之耗損測試

下表列示個別公司為進行耗損測試透過業務合併所收購已分配至相關現金生產單位(「現金生產單位」)之商譽之賬面值，其概述如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Environmental remediation segment: Suntime Environmental Remediation CO., Ltd	環境修復分部： 上田環境修復有限公司	72,682	68,049
EB Greentech Technology (Wuxi) Limited (formerly known as: Jiangsu Jiayuan Environmental Technology Company Limited)*	光大綠色環保科技(無錫)有限公司(前稱 江蘇佳願環境科技 有限公司)	69,584	65,148
Hazardous and solid waste treatment segment: Zhangjiagang Gelin Environmental Engineering Company Limited*	危廢及固廢處置分部： 張家港格林環境工程 有限公司	15,343	15,882
		157,609	149,079

The goodwill of HK\$72,682,000 as at 31 December 2020 and 2019 arose from the acquisition of 88.88% of the equity interest in Suntime Environmental Remediation CO., Ltd (“Suntime Environmental”) (note 30(a)) in 2019, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

於二零二零年及二零一九年十二月三十一日之商譽港幣72,682,000元來自二零一九年收購上田環境修復有限公司(「上田環境」)88.88%股權(附註30(a))，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

* For identification only

* 僅供識別



16. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

The goodwill of HK\$69,584,000 as at 31 December 2020 and 2019 arose from the acquisition of 90% of the equity interest in EB Greentech Technology (Wuxi) Limited (“Wuxi Technology”) (note 30(b)) in 2019, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

The goodwill of HK\$15,343,000 as at 31 December 2020 and 2019 arose from the acquisition of 100% of the equity interest in Zhangjiagang Gelin Environmental Engineering Company Limited (“Zhangjiagang Gelin”) (note 30(c)) in 2019, and is attributable mainly to the expected synergies from combining the operations of the Group and the acquiree.

The recoverable amounts of the respective CGUs are 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 ranging from 11.6% to 12.0% (2019: 10.1% to 13.7%) 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% (2019: 2% to 3%). Management determined the budgets based on service agreements governing the relevant operations. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Based on management’s assessment, no impairment is considered necessary at 31 December 2020 (2019: Nil).

16. 商譽(續)

商譽之耗損測試(續)

於二零二零年及二零一九年十二月三十一日之商譽港幣69,584,000元來自二零一九年收購光大綠色環保科技(無錫)有限公司(「無錫科技」)(附註30(b))90%股權，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

於二零二零年及二零一九年十二月三十一日之商譽港幣15,343,000元來自二零一九年收購張家港格林環境工程有限公司(「張家港格林」)(附註30(c))100%股權，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

有關現金生產單位之可收回金額乃根據使用價值計算法釐定。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介乎11.6%至12.0%(二零一九年：10.1%至13.7%)，而超過五年期間之現金流量乃以增長率2%至3%(二零一九年：2%至3%)推算。管理層根據監管有關業務之服務協議，釐定有關預算。所使用之貼現率為能反映有關分部特定風險之除稅前貼現率。

根據管理層評估，於二零二零年十二月三十一日，毋需作出任何耗損(二零一九年：無)。



17. INTANGIBLE ASSETS

17. 無形資產

		Integrated biomass utilisation project operating rights 生物質綜合利用項目運營權 HK\$'000 港幣千元	Hazardous and solid waste treatment project operating rights 危廢及固廢處置項目運營權 HK\$'000 港幣千元	Licences 牌照 HK\$'000 港幣千元	Technologies 技術 HK\$'000 港幣千元	Backlog contracts 未完成合同 HK\$'000 港幣千元	Computer software 電腦軟件 HK\$'000 港幣千元	Total intangible assets 無形資產總值 HK\$'000 港幣千元
31 December 2020	二零二零年十二月三十一日							
Cost:	成本:							
At 1 January 2020	於二零二零年一月一日	9,523,715	1,746,511	116,838	13,633	2,941	—	11,403,638
Additions	增置	1,711,243	593,292	13,306	—	—	11,255	2,329,096
Exchange realignment	匯兌調整	737,077	151,564	8,666	928	202	603	899,040
At 31 December 2020	於二零二零年十二月三十一日	11,972,035	2,491,367	138,810	14,561	3,143	11,858	14,631,774
Accumulated amortisation and impairment:	累計攤銷及耗損:							
At 1 January 2020	於二零二零年一月一日	524,699	82,242	12,187	1,704	1,471	—	622,303
Charge for the year	本年度支出	317,008	70,727	13,683	1,728	1,491	1,286	405,923
Impairment	耗損	216,723	—	—	—	—	—	216,723
Exchange realignment	匯兌調整	64,323	9,386	1,562	208	181	62	75,722
At 31 December 2020	於二零二零年十二月三十一日	1,122,753	162,355	27,432	3,640	3,143	1,348	1,320,671
Net carrying amount:	賬面淨值:							
At 31 December 2020	於二零二零年十二月三十一日	10,849,282	2,329,012	111,378	10,921	—	10,510	13,311,103
31 December 2019	二零一九年十二月三十一日							
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
Additions	增置	2,792,267	868,814	—	—	—	—	3,661,081
Acquisition of subsidiaries (note 30)	收購附屬公司(附註30)	—	—	121,575	14,229	3,070	—	138,874
Exchange realignment	匯兌調整	(227,518)	(41,445)	(4,737)	(596)	(129)	—	(274,425)
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
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
Charge for the year	本年度支出	199,294	30,097	12,469	1,744	1,505	—	245,109
Exchange realignment	匯兌調整	(12,172)	(1,964)	(282)	(40)	(34)	—	(14,492)
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
Net carrying amount:	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



17. INTANGIBLE ASSETS (Continued)

Notes:

- (a) According to the supplementary circular on issues related to the “Opinions on promoting the healthy development of non-hydro renewable power generation” (Caijian [2020] No 426) (關於促進非水可再生能源發電健康發展的若干意見)有關事項的補充通知) issued during the year ended 31 December 2020, the Group will not be entitled to the renewable energy tariff subsidy for certain projects either when the operation period exceeds certain years or when lifetime operation hours exceed certain hours, whichever is earlier. In light of the above, management performed impairment assessment on the assets within the scope of the supplementary circular.

These assets have been allocated to individual cash generating units (“CGUs”) in the integrated biomass utilisation, and solar energy and wind power segments. The operating plants under each service concession agreement is identified as a CGU. The recoverable amounts of each CGU to which these assets allocated were determined based on fair value less cost of disposal (“FVLCD”) calculations using the discounted cash flow method.

Based on the FVLCD calculations, impairment losses of certain intangible assets in the integrated biomass utilisation segment of HK\$216,723,000 has been recognised for the year ended 31 December 2020. No impairment loss on right-of-use assets and property, plant and equipment was made for the year ended 31 December 2020. The aggregate recoverable amounts of the relevant CGUs with impairment loss recognised amounted to HK\$2,287,963,000. The fair value measurement was categorised under Level 3 with significant unobservable inputs.

Under the discounted cash flow method, fair value is estimated based on projection of a series of cash flows from the perspective of market participants covering projection periods of the remaining service concession periods which are stipulated in the respective service concession agreements. A market-derived discount rate is applied to the projected cash flows in order to establish the present value of the cash flows.

Key assumptions used in FVLCD calculations of the relevant CGUs with impairment losses recognised in 2020 include revenue annual growth rate, operating costs and discount rates. Revenue is projected with a constant unit price and processing volume at growth rates of 5% to 8% per annum (till reaching optimal production effectiveness) over the projection periods. Operating expenses are expected to increase at a rate of 2.8% per annum which is the long term inflation rate. The pre-tax discount rates applied to the cash flow projections range from 13.5% to 17.5%.

17. 無形資產(續)

附註：

- (a) 根據截至二零二零年十二月三十一日止年度內發佈的關於促進非水可再生能源發電健康發展的若干意見》有關事項的補充通知(財建[2020]426號)，本集團於營運期間超過若干年度或全期營運時數超過若干小時後(以較早者為準)，不再享有若干項目的可再生能源電價補貼。有鑑於上述者，管理層對《補充通知》範圍內的資產進行耗損評估。

該等資產已分配至生物質綜合利用、光伏發電及風電分部內的個別現金產生單位(「現金產生單位」)。各服務特許經營權協議項下運營的工廠均被識別為現金產生單位。該等資產已分配至的各現金產生單位的可收回金額乃根據公允值減出售成本(「公允值減出售成本」)計算，使用貼現現金流量法釐定。

根據公允值減出售成本計算，生物質綜合利用分部若干無形資產耗損虧損港幣216,723,000元已於截至二零二零年十二月三十一日止年度內確認。於截至二零二零年十二月三十一日止年度內，並無就使用權資產及物業、廠房及設備作出耗損虧損撥備。已確認減值虧損的相關現金產生單位的可收回總金額港幣2,287,963,000元。公允值計量分類為第三級，有重大不可觀察輸入數據。

根據貼現現金流量法，公允值根據一系列現金流量的預測從市場參與者的角度估計，涵蓋各服務特許經營權協議規定的剩餘服務特許經營權期限的預測期間。採用市場衍生的貼現率預測現金流量，以確立現金流量現值。

二零二零年已確認耗損虧損的相關現金產生單位的公允值減出售成本計算所用的主要假設包括年度收益增長率、營運成本及貼現率。預測期間收益按固定單價及處理量以每年5%至8%的增長率增長(直至達到最佳效能)預測。營運費用預期將按長期通脹率每年2.8%增長。應用於現金流量預測的稅前貼現率範圍介乎13.5%至17.5%。



17. INTANGIBLE ASSETS (Continued)

Notes: (Continued)

(a) (Continued)

Key assumptions used are made with reference to historical data of existing projects, observable market data of comparable companies and industry reports, management expectation for the market development and is consistent with their business plans. The discount rates used are the pre-tax rates that reflect the current market assessments of the time value of money and the specific risks relating to the relevant CGUs.

A significant increase (decrease) in the revenue growth rate in isolation would result in a significant increase (decrease) in the fair value of the relevant CGUs. A significant increase (decrease) in the discount rate and inflation rate in isolation would result in a significant decrease (increase) in the fair value of the relevant CGUs.

(b) As at 31 December 2020, there were certain projects that had not commenced operation, the amount of the project operating rights of these projects was HK\$1,763,796,000 (2019: HK\$2,156,941,000). The cash inflows of the operating rights as at 31 December 2020 and 2019 are mainly due from local government authorities in the PRC with no history of default, and accordingly management considers the credit risk of such projects to be insignificant.

18. INTERESTS IN JOINT VENTURES

17. 無形資產(續)

附註：(續)

(a) (續)

所使用的主要假設乃參考現有項目的歷史數據、可資比較公司的可觀察市場數據及行業報告，管理層對市場發展的預期作出，並與其業務計劃一致。所使用的貼現率為反映當前對貨幣時間價值的市場評估以及與相關現金產生單位有關的特定風險的稅前利率。

收益增長率大幅單項增加(減少)將導致相關現金產生單位的公允值大幅增加(減少)。貼現率及通貨膨脹率大幅單項增加(減少)將導致相關現金產生單位的公允值大幅減少(增加)。

(b) 於二零二零年十二月三十一日，若干項目尚未開始營運，該等項目的項目經營權為港幣1,763,796,000元(二零一九年：港幣2,156,941,000元)。於二零二零年及二零一九年十二月三十一日經營權的現金流入主要為中國當地政府機關所應付，並無違約紀錄，故此管理層認為該等項目的信貸風險並不重大。

18. 合營企業權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	44,632	61,177



18. INTERESTS IN JOINT VENTURES (Continued)

18. 合營企業權益(續)

Particulars of the Group's joint ventures are as follows:

本集團合營企業之詳情如下：

Name of joint ventures 合營企業名稱	Place of incorporation and business 註冊成立及營業地點	Particulars of paid-up capital 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 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	
EBG SUEZ Environmental Services (Changzhou) Co., Limited ("EBG SUEZ (Changzhou)") (formerly known as: Everbright SITA Solid Waste Treatment (Changzhou) Limited ("SITA (Changzhou)"))	PRC	RMB110,000,000	50%	—	50%	Design, construction, operation and maintenance of hazardous waste incineration project
光潔蘇伊士環境服務(常州)有限公司(「光潔蘇伊士(常州)」)(前稱：光大升達固廢處置(常州)有限公司(「升達(常州)」))	中國	人民幣110,000,000元	50%	—	50%	設計、建造、運營及維護危廢焚燒項目
EBG K. Wah Solid Waste Treatment Holdings Limited ("EBGKW")	Hong Kong	HK\$10,000	51%	—	51%	Investment holding
光嘉固廢處置控股有限公司(「光嘉固廢」)	香港	港幣10,000元	51%	—	51%	投資控股

All the joint ventures are unlisted corporate entities whose quoted market prices are not available.

所有合營企業均為非上市法人實體，並無市場報價。

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

下表闡述並非屬個別重大的本集團合營企業的總體財務資料：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of profits/(losses) of joint ventures	所佔合營企業盈利／(虧損)	(19,464)	9,890
Share of total comprehensive income/(loss) of joint ventures	所佔合營企業全面收入／(虧損)總額	(15,828)	8,595
Aggregate carrying amount of the Group's interests in joint ventures	本集團於合營企業之權益總賬面值	44,632	61,177



19. INTERESTS IN ASSOCIATES

19. 聯營公司權益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	165,415	76,621

Particulars of the associates are as follows:

聯營公司之詳情如下：

Name of associates 聯營公司名稱	Place of incorporation and business 註冊成立及業務地點	Particulars of paid-up capital 已繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 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")	PRC	RMB141,000,000	49%	—	49%	Design, construction, operation and maintenance of hazardous and solid waste treatment project (note i)
安慶京環綠色環境固廢綜合處置有限公司 (「安慶固廢」)	中國	人民幣141,000,000元	49%	—	49%	設計、建造、運營及維護危廢及固廢處置項目 (附註i)
Nanjing Liuhe Jasmine Green Energy Company Limited* ("Nanjing Liuhe")	PRC	RMB160,000,000	44.1%	—	44.1%	Financing, construction, operation maintenance and management in urban household waste business services and power generation transmission and supply (note ii)
南京六合茉莉綠色能源有限公司 (「南京六合」)	中國	人民幣160,000,000元	44.1%	—	44.1%	城市生活垃圾經營服務及發電、輸電及供電業務的融資、建設、運營、維護和管理 (附註ii)

* For identification only

* 僅供識別

Notes:

附註：

- (i) The Group made capital contributions of approximately HK\$22,467,000 to Anqing Solid Waste during the year ended 31 December 2019. As at 31 December 2020, capital contribution of HK\$81,837,000 (2019: HK\$76,621,000) was made to the associate. 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.

- (i) 於截至二零一九年十二月三十一日止年度，本集團向安慶固廢注資約港幣22,467,000元。於二零二零年十二月三十一日，已向該聯營公司注資港幣81,837,000元(二零一九年：港幣76,621,000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。



19. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(i) (Continued)

Anqing Solid Waste was established by the Group with Beijing Environment Limited in the PRC, the other investor to this associate, to enhance the harmless disposal ability of hazardous waste of Anqing City.

Anqing Solid Waste is an unlisted corporate entity whose quoted market price is not available.

(ii) The Group made capital contributions of approximately HK\$83,578,000 (2019: Nil) to Nanjing Liuhe during the year ended 31 December 2020. The Group has significant influence over Nanjing Liuhe's management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Nanjing Liuhe. Accordingly, Nanjing Liuhe is classified as an associate of the Group.

Nanjing Liuhe was established by the Group with Nanjing Liuhe Environment Company Limited* in the PRC, the other investor to this associate, to improve the environmental quality, enhance efficiency in the construction and operation of environmental facilities, and to effectively alleviate the investment (financing), design, construction, operation, maintenance and delivery work relating to household waste treatment in Liuhe District, Nanjing.

Nanjing Liuhe is an unlisted corporate entity whose quoted market price is not available.

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Share of total comprehensive income/(loss) of associates	所佔聯營公司全面收入／(虧損)總額	5,216	(2,062)
Aggregate carrying amount of the Group's interests in associates	本集團於聯營公司之權益總賬面值	165,415	76,621

* For identification only

* 僅供識別

19. 聯營公司權益(續)

附註：(續)

(i) (續)

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。

安慶固廢為非上市法人實體，並無市場報價。

(ii) 於截至二零二零年十二月三十一日止年度，本集團向南京六合注資約港幣83,578,000元(二零一九年：無)。根據南京六合之組織章程細則，本集團對南京六合的管理(包括參與財務及營運政策的決策)具重大影響力。因此，南京六合被分類為本集團聯營公司。

本集團與南京六合環境有限公司(此聯營公司之另一投資者)於中國成立南京六合，以改善環境質量，提高環境基礎設施建設、運營效率，有效緩解南京市六合區生活垃圾處理問題的投(融)資、設計、建設、運營、維護和移交工作。

南京六合為非上市法人實體，並無市場報價。

下表闡述並非屬個別重大的本集團聯營公司的總體財務資料：



20. INVENTORIES

20. 存貨

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	214,749	219,835
Finished goods	製成品	3,744	8,556
		218,493	228,391

21. CONTRACT ASSETS

21. 合約資產

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Service concession assets	服務特許經營權資產	(a)	6,789,387	4,225,112
Unbilled renewable energy tariff subsidy	未開發票可再生能源電 價補貼	(b)	3,162,113	2,561,239
Environmental remediation contract assets	環境修復合約資產	(c)	312,203	217,435
			10,263,703	7,003,786
Impairment	耗損		(7,927)	—
			10,255,776	7,003,786
Less: Non-current portion — Service concession assets	減：非即期部分 — 服務特許經營權 資產		(6,310,283)	(3,962,637)
Current portion	即期部分		3,945,493	3,041,149
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in “Intangible assets” (note 17)	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， 其計入「無形資產」 (附註17)		1,763,796	2,156,941



21. CONTRACT ASSETS (Continued)

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

		2020 二零二零年 HK\$'000 港幣千元
At beginning of year	年初	—
Impairment losses, net (note 8)	耗損虧損淨額(附註8)	7,524
Exchange realignment	匯兌調整	403
At end of year	年末	7,927

Notes:

- (a) Service concession assets arose from the Group's revenue from construction services under certain BOT and BOO arrangements and bear interest at rates ranging from 4.90% to 6.60% (2019: 4.90% to 6.60%) per annum as at 31 December 2020.

As at 31 December 2020, HK\$4,623,440,000 (2019: HK\$3,400,221,000) relates to certain BOT and BOO arrangements with operations commenced.

Pursuant to the BOT and BOO arrangements, the Group receives no payment from the local governments in Mainland China (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 disclosed in note 40 to the financial statements.

All of the current portion of service concession assets is expected to be recovered within one year.

合約資產耗損虧損撥備的變動情況如下：

		2020 二零二零年 HK\$'000 港幣千元
At beginning of year	年初	—
Impairment losses, net (note 8)	耗損虧損淨額(附註8)	7,524
Exchange realignment	匯兌調整	403
At end of year	年末	7,927

附註：

- (a) 服務特許經營權資產產生自本集團根據若干BOT及BOO安排產生的建造服務收益，於二零二零年十二月三十一日按介乎4.90%至6.60%的年利率計息(二零一九年：4.90%至6.60%)。

於二零二零年十二月三十一日，與已開展運營的若干BOT及BOO安排有關之款項為港幣4,623,440,000元(二零一九年：港幣3,400,221,000元)。

根據BOT及BOO安排，本集團於建造期內不會自中國大陸當地政府(「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。服務特許經營權安排詳情於財務報表附註40披露。

服務特許經營權資產之所有即期部分預計於一年內收回。



21. CONTRACT ASSETS (Continued)

Notes: (Continued)

- (b) 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 "Notice on Relevant Review Work on the Project 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) issued by the Ministry of Finance of the People's Republic of China.
- (c) 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.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are reference to the credit ratings assigned on the respective province where the counterparties belong to and the forward-looking factors to reflect the effect of the external economic environment. The provision rates of contract assets are based on geographical regions of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

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

21. 合約資產(續)

附註：(續)

- (b) 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。待根據中華人民共和國財政部發佈的《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)完成政府行政手續後，該款項將會開出發票及收回。
- (c) 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。

耗損分析於各報告日期使用撥備矩陣計量預期信貸虧損。合約資產的預期信貸虧損計量的撥備率乃參考交易對手所屬省份的信用評級以及反映外部經濟環境影響的前瞻性因素釐定。合約資產的撥備率根據多個具類似虧損模式的客戶分部的地理位置計算。該計算反映概率加權結果、金錢之時間價值以及於過去事件、當前狀況及對未來經濟狀況的預測之於報告日期可獲得的合理及支持性資料。

下文以撥備矩陣載列有關本集團合約資產之信貸風險之資料：

		2020 二零二零年
Expected credit loss rate	預期信貸虧損比率	0.08%
Gross carrying amount (HK\$'000)	總賬面值(港幣千元)	10,263,703
Expected credit losses (HK\$'000)	預期信貸虧損(港幣千元)	7,927



21. CONTRACT ASSETS (Continued)

The increase in the loss allowance was due to the increase in the gross carrying amount of service concession assets upon completion of new projects during the year ended 31 December 2020. The Group's credit policy with contract assets is disclosed in notes 2.4 and 38 to the financial statements.

As at 1 January 2019, the balances of contract assets amounted to HK\$4,414,152,000. The increase in contract assets in 2020 and 2019 was the result of increase in the ongoing service concession arrangements in the initial construction stage and more unbilled amount at the end of the year.

21. 合約資產(續)

截至二零二零年十二月三十一日止年度，虧損撥備增加乃由於服務特許經營權資產的賬面總值於新項目完工後增加。本集團有關合約資產的信貸政策於財務報表附註2.4及38披露。

於二零一九年一月一日，合約資產結餘港幣4,414,152,000元。二零二零年及二零一九年合約資產增加乃初始建造階段進行中的服務特許經營權安排增加及年末更多未開發票金額的結果。

22. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

22. 應收賬款、其他應收款項、按金及預付款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Debtors	應收賬款	2,294,824	714,916
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1,485,286	1,219,028
Amounts due from fellow subsidiaries	應收同系附屬公司款項	1,268	30,516
Loan to a non-controlling interest	非控股權益貸款	25,021	22,180
Amounts due from joint ventures	應收合營企業款項	16,117	—
		3,822,516	1,986,640
Impairment	耗損	(4,172)	(3,812)
		3,818,344	1,982,828
Less: Non-current portion	減：非即期部分		
— Other receivables, deposits and prepayments	— 其他應收款項、按金及預付款項	(791,924)	(580,802)
— Loan to a non-controlling interest	— 非控股權益貸款	(25,021)	(22,180)
		(816,945)	(602,982)
Current portion	即期部分	3,001,399	1,379,846



22. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	3,812	1,939
Impairment losses, net (note 8)	耗損虧損淨額(附註8)	15	2,000
Exchange realignment	匯兌調整	345	(127)
At end of year	年末	4,172	3,812

An ageing analysis of the debtors, based on the date of invoice (or date of revenue recognition, if earlier) and net of loss allowance as at the end of the reporting period is as follows:

22. 應收賬款、其他應收款項、按金及預付款項(續)

應收賬款耗損虧損撥備之變動如下：

按發票日期(或收益確認日期(以較早者為準))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：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 1 month	不多於一個月	1,703,520	269,187
More than 1 month but within 2 months	超過一個月但 不多於兩個月	75,253	112,467
More than 2 months but within 4 months	超過兩個月但 不多於四個月	83,109	87,208
More than 4 months but within 7 months	超過四個月但 不多於七個月	98,907	86,545
More than 7 months but within 13 months	超過七個月但 不多於十三個月	177,487	77,489
More than 13 months	超過十三個月	152,376	78,208
		2,290,652	711,104



22. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Debtors are mainly due immediately to within 90 days from the date of billing. Further details on the Groups credit policy and concentrations of credit risk arising from customers are set out in note 2.4 and 38.

The amounts due from fellow subsidiaries are unsecured, interest-free and the prepayments are expected to be recognised as expenses within one year.

Included in the amounts due from joint ventures is a loan to a joint venture of RMB5,000,000 (equivalent to HK\$5,923,000), which is unsecured, interest-bearing at 125% of Loan Prime Rate (“LPR”) in the PRC and recoverable in 2021. The remaining balance is unsecured, interest-free and recoverable within one year.

The loan to a non-controlling interest is secured by its equity interest in a non-wholly owned subsidiary, interest bearing at 110% of the rates announced by the People’s Bank of China and recoverable by December 2022.

All of the current portion of the above balances were expected to be recovered or recognised as expenses within one year.

An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Debtors are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

22. 應收賬款、其他應收款項、按金及預付款項(續)

應收賬款主要由發票日期起計九十日內到期。有關本集團信貸政策及客戶產生的信貸風險集中的進一步詳情載於附註2.4及38。

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。

向一家合營企業提供的貸款人民幣5,000,000元(相等於港幣5,923,000元)計入應收合營企業款項。該筆貸款無抵押，按中國貸款市場報價利率(「LPR」)125%計息且可於二零二一年收回。餘額為無抵押、免息及須於一年內收回。

向非控股權益貸款由一間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。

上述結餘的所有即期部分預期將於一年內收回或確認為開支。

本集團於各個報告日期使用違約概率法進行耗損分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分類組別之逾期日釐定。有關計算反映或然率加權結果、金錢時間價值及於報告日期可得之有關過往事件、當前情況及未來經濟情況預測之合理且有依據之資料。應收賬款將以無實際可能收回者為限予以撇銷(部分或全數)。此情況通常指本集團確定債務人並無資產或收入來源足以產生充足的現金流量償還應予撇銷之金額。

22. DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

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

As at 31 December 2020

		Current 即期	Past due 逾期		Total 總額
			Within 1 year 一年內	Over 1 year 一年以上	
Expected credit loss rate	預期信貸虧損比率	0.15%	0.15%	0.91%	
Gross carrying amount (HK\$'000)	總賬面值(港幣千元)	1,828,121	358,686	108,017	2,294,824
Expected credit losses (HK\$'000)	預期信貸虧損(港幣千元)	2,667	523	982	4,172

As at 31 December 2019

		Current 即期	Past due 逾期		Total 總額
			Within 1 year 一年內	Over 1 year 一年以上	
Expected credit loss rate	預期信貸虧損比率	0.22%	0.24%	3.77%	
Gross carrying amount (HK\$'000)	總賬面值(港幣千元)	388,156	265,038	61,722	714,916
Expected credit losses (HK\$'000)	預期信貸虧損(港幣千元)	856	628	2,328	3,812

22. 應收賬款、其他應收款項、按金及預付款項(續)

下文以撥備矩陣載列有關本集團應收賬款之信貸風險之資料：

於二零二零年十二月三十一日

於二零一九年十二月三十一日



23. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

23. 現金及現金等價物及已抵押存款

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		Notes 附註		
Cash and bank balances	現金及銀行結餘		2,207,060	1,884,647
Time deposits and pledged bank deposits	定期及已抵押銀行存款		519,993	1,012,839
			2,727,053	2,897,486
Less: Pledged bank deposits	減：已抵押銀行存款	(a)	(219,415)	(189,847)
Time deposits with maturity period over three months	存款期超過三個月之定期存款	(b)	(1,663)	(22,180)
Cash and cash equivalents	現金及現金等價物	(c)	2,505,975	2,685,459

Notes:

附註：

- (a) Pledged bank deposits are mainly pledged to secure certain bank loans of the Group (note 25) and are pledged to banks for the issuance of guarantees by the banks to the Grantors in respect of the specific performance of the duties by the Group under certain service concession agreements.
- (b) Deposits with banks with maturity period over three months are not included in cash and cash equivalents.
- (c) Included in "Cash and cash equivalents" are deposits of HK\$309,853,000 (31 December 2019: HK\$403,569,000) placed with a bank, which is a fellow subsidiary of the Group, as at 31 December 2020.

- (a) 已抵押銀行存款主要已抵押作為本集團若干銀行貸款(附註25)之抵押品，以及由於若干銀行就本集團在若干服務特許經營權協議下之特定履約責任而向授權人發出擔保，故已抵押予有關銀行。
- (b) 現金及現金等價物並無計入存款期超過三個月之銀行存款。
- (c) 「現金及現金等價物」包括於二零二零年十二月三十一日存放於一間銀行(為本集團一間同系附屬公司)之存款港幣309,853,000元(二零一九年十二月三十一日：港幣403,569,000元)。



23. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS *(Continued)*

Pledged bank deposits and deposits with banks earn interest at the respective time deposit rates and are deposited with creditworthy banks with no recent history of default.

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi (“RMB”) amounted to HK\$2,123,903,000 (2019: HK\$1,959,409,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances and times deposits are deposited with creditworthy banks with no recent history of default.

23. 現金及現金等價物及已抵押存款 (續)

已抵押銀行存款及銀行存款按相關定期存款息率賺取利息，並存放於信譽良好且近期並無違約紀錄之銀行。

於報告期末，本集團以人民幣（「人民幣」）計值之現金及銀行結餘為港幣2,123,903,000元（二零一九年：港幣1,959,409,000元）。人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

銀行結餘按浮動息率賺取利息，而浮動息率乃根據銀行存款每日息率釐定。視乎本集團之即時現金需求而定，短期定期存款之存款期介乎一日至三個月不等，並按相關短期定期存款息率賺取利息。銀行結餘及定期存款乃存放於信譽良好且近期並無違約紀錄之銀行。



24. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

24. 應付賬款、其他應付款項及應計費用

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Creditors	應付賬款		
— third parties	— 第三方	2,619,974	2,126,266
— fellow subsidiaries	— 同系附屬公司	23,254	12,005
Other payables and accrued expenses	其他應付款項及 應計費用	1,347,102	824,844
Amounts due to fellow subsidiaries	應付同系附屬公司款項	892	618
Amount due to a non-controlling interest	應付非控股權益款項	1,273	—
Deferred income — government grants	遞延收入 — 政府補助金	129,041	138,669
		4,121,536	3,102,402
Less: Non-current portion	減：非即期部分		
— Deferred income — government grants	— 遞延收入 — 政府補助金	(71,559)	(54,318)
— Other payables and accrued expenses	— 其他應付款項 及應計費用	(79,009)	(58,927)
		(150,568)	(113,245)
Current portion	即期部分	3,970,968	2,989,157



24. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES (Continued)

Included in “Creditors, other payables and accrued expenses” are creditors with the following ageing analysis based on the date of invoice as at the end of the reporting period:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 6 months	六個月內	2,396,749	1,913,174
More than 6 months	六個月以上	246,479	225,097
		2,643,228	2,138,271

Creditors totalling HK\$1,951,163,000 (2019: HK\$1,594,892,000) as at 31 December 2020 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 fellow subsidiaries are unsecured, interest-free and repayable on demand.

The amount due to a non-controlling interest is unsecured, interest-free and repayable within one year.

24. 應付賬款、其他應付款項及應計費用(續)

「應付賬款、其他應付款項及應計費用」包括應付賬款，其按發票日期計算於報告期末之賬齡分析如下：

於二零二零年十二月三十一日，應付賬款合共港幣1,951,163,000元(二零一九年：港幣1,594,892,000元)為本集團BOT及若干BOO安排的應付建造款項。

應付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、免息及須按要求償還。

應付非控股權益款項為無抵押、免息及須於一年內償還。



24. CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES (Continued)

Deferred income represents government grants received to subsidise the construction of property, plant and equipment of the Group during the year ended 31 December 2020, of which an amount of HK\$3,957,000 (2019: HK\$3,157,000) was credited to the consolidated statement of profit or loss. There were no unfulfilled conditions and other contingencies attached to the receipts of those grants.

24. 應付賬款、其他應付款項及應計費用(續)

遞延收入指本集團於截至二零二零年十二月三十一日止年度內從政府獲得之補助金，為補助本集團興建物業、廠房及設備，其中為數港幣3,957,000元已計入綜合損益表(二零一九年：港幣3,157,000元)。收取該等補助金並無附帶未實現條件或其他或然事項。

25. INTEREST-BEARING BANK AND OTHER BORROWINGS

25. 計息銀行及其他借貸

		31 December 2020 二零二零年十二月三十一日		31 December 2019 二零一九年十二月三十一日	
		Maturity 到期	HK\$'000 港幣千元	Maturity 到期	HK\$'000 港幣千元
Current	即期				
Bank loans – secured	銀行貸款 – 有抵押	2021 or on demand 二零二一年或按要求	871,866	2020 or on demand 二零二零年或按要求	920,529
Bank loans – unsecured	銀行貸款 – 無抵押	2021 or on demand 二零二一年或按要求	1,442,840	2020 or on demand 二零二零年或按要求	1,101,810
Loan from a non-controlling interest – unsecured	非控股權益貸款 – 無抵押		–	2020 二零二零年	16,635
			2,314,706		2,038,974
Non-current	非即期				
Bank loans – secured	銀行貸款 – 有抵押	2022-2032 二零二二年至二零三二年	7,694,188	2021-2032 二零二一年至二零三二年	5,552,115
Bank loans – unsecured	銀行貸款 – 無抵押	2022-2027 二零二二年至二零二七年	4,438,298	2021-2027 二零二一年至二零二七年	3,520,322
Loans from an intermediate holding company – unsecured	一間中間控股公司貸款 – 無抵押	2022 二零二二年	1,302,950	2022 二零二二年	443,600
Medium-term notes – unsecured (note 26)	中期票據 – 無抵押(附註26)	2023 二零二三年	1,183,231		–
			14,618,667		9,516,037
			16,933,373		11,555,011

25. INTEREST-BEARING BANK AND OTHER
BORROWINGS (Continued)

25. 計息銀行及其他借貸(續)

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Analysed into:	分析：		
Bank and other loans repayable:	須於下列期間償還之 銀行及其他貸款：		
Within one year or on demand	一年內或按要求	2,314,706	2,038,974
In the second year	第二年	3,176,575	1,243,437
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	6,719,612	5,501,097
Beyond five years	五年後	3,539,249	2,771,503
		15,750,142	11,555,011
Medium-term notes repayable:	須於下列期間償還之 中期票據：		
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	1,183,231	—

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 right-of-use assets of the Group. Such banking facilities amounting to HK\$12,357,266,000 (2019: HK\$9,877,121,000) as at 31 December 2020 were utilised to the extent of HK\$8,566,054,000 (2019: HK\$6,472,644,000).

The unsecured banking facilities of HK\$9,681,631,000 (2019: HK\$7,546,649,000) as at 31 December 2020 were utilised to the extent of HK\$5,881,138,000 (2019: HK\$4,622,132,000).

本集團若干銀行融資以有關本集團服務特許經營權安排之若干收益、合約資產及應收款項、本集團之物業、廠房及設備及使用權資產作抵押。於二零二零年十二月三十一日，上述銀行融資金額為港幣12,357,266,000元(二零一九年：港幣9,877,121,000元)，其中已動用港幣8,566,054,000元(二零一九年：港幣6,472,644,000元)。

於二零二零年十二月三十一日，無抵押銀行融資金額為港幣9,681,631,000元(二零一九年：港幣7,546,649,000元)，其中已動用港幣5,881,138,000元(二零一九年：港幣4,622,132,000元)。



25. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

All of the non-current bank loans are carried at amortised cost. None of the non-current bank loans is expected to be settled within one year.

The loans from an intermediate holding company as at 31 December 2020 included:

- (i) a shareholder's loan of a principal amount of RMB400,000,000 (equivalent to HK\$473,800,000) (2019: HK\$443,600,000), which is unsecured, interest-bearing at 85% of the rates announced by the People's Bank of China (2019: interest-bearing from 85% of the rates announced by the People's Bank of China) and repayable in 2022; and
- (ii) a shareholder's loan of a principal amount of RMB700,000,000 (equivalent to HK\$829,150,000) (2019: Nil), which is unsecured, interest-bearing at LPR in the PRC minus 0.45% and repayable in 2022.

Included in "bank and other borrowings" as at 31 December 2019 was a loan from a non-controlling interest of HK\$16,635,000, which was unsecured, interest-bearing at the rates announced by the People's Bank of China and repayable within one year.

25. 計息銀行及其他借貸(續)

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。

於二零二零年十二月三十一日，一間中間控股公司貸款包括：

- (i) 本金額人民幣400,000,000元(相等於港幣473,800,000元)(二零一九年：港幣443,600,000元)的股東貸款，該筆貸款為無抵押，按中國人民銀行公佈的利率85%計息(二零一九年：中國人民銀行公佈的利率85%計息)，且須於二零二二年償還；及
- (ii) 本金額人民幣700,000,000元(相等於港幣829,150,000元)(二零一九年：無)的股東貸款，該筆貸款為無抵押，按中國LPR減0.45%計息，且須於二零二二年償還。

非控股權益貸款港幣16,635,000元計入於二零一九年十二月三十一日的「銀行及其他借貸」，該筆貸款為無抵押，按中國人民銀行公佈的利率計息，且須於一年內償還。



25. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

At 31 December 2020, bank loans of HK\$242,942,000 (2019: HK\$244,449,000) are due to a bank, which is a fellow subsidiary of the Group which are secured, interest-bearing at rates ranging from 90% to 100% (2019: ranging from 90% to 100%) of the rates announced by the People's Bank of China and will be settled by instalment until 2028.

26. MEDIUM-TERM NOTES

On 1 April 2020, the Company entered into an underwriting agreement with the relevant financial institutions in relation to the proposed issue of RMB-denominated medium-term notes with an aggregate principal amount of not exceeding RMB3.5 billion (equivalent to approximately HK\$3.8 billion) (the "Medium-term Notes") to the qualified investors in the PRC.

25. 計息銀行及其他借貸(續)

於二零二零年十二月三十一日，應付予一間銀行(為本集團的一間同系附屬公司)之銀行貸款港幣242,942,000元(二零一九年：港幣244,449,000元)為有抵押、按介乎中國人民銀行公佈息率之90%至100%(二零一九年：介乎90%至100%)計息，並須於二零二八年前分期償還。

26. 中期票據

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current	非即期		
Medium-term notes – unsecured	中期票據 – 無抵押	1,183,231	—

於二零二零年四月一日，本公司與有關金融機構就擬向中國合資格投資者發行本金總額不超過人民幣35億元(約相等於港幣38億元)且以人民幣計值的中期票據(「中期票據」)訂立包銷協議。

26. MEDIUM-TERM NOTES (Continued)

On 12 June 2020 (the "Issue Date"), the Group issued the first tranche of the Medium-term Notes with a principal amount of RMB1,000,000,000 (equivalent to HK\$1,184,500,000), before related expenses of RMB1,330,000, with a maturity period of five years from the Issue Date. The first tranche of the Medium-term Notes bears interest at a rate of 3.68% per annum and the interest will be repayable by the Group annually from the Issue Date and up to the maturity date. According to the terms of the Medium-term Notes, the Group is entitled to adjust the interest rate of the Medium-term Notes after three years from the Issue Date for the remaining 2 years before the maturity date. The Group will announce the adjustment of interest rate, if any, ten working days prior to the payment of interest for the third year. The bondholders have an option to sell the Medium-term Notes back to the Group at a nominal price and the exercisable period of this option is within five working days after the issuance of the Group's announcement related to the adjustment of interest rate.

27. DEFERRED TAX

The movements in deferred tax (assets)/liabilities and assets during the year are as follows:

26. 中期票據(續)

於二零二零年六月十二日(「發行日期」)，本集團發行第一期中期票據，本金額為人民幣1,000,000,000元(相等於港幣1,184,500,000元)(扣除相關費用人民幣1,330,000元前)，期限為自發行日期起計五年。第一期中期票據的年利率為3.68%，利息且將由本集團自發行日期至到期日每年予以償還。根據中期票據的條款，本集團有權於發行日期起計滿三年後，調整於到期日前餘下兩年中期票據的利率。本集團將於第三年利息付款前十個工作天公佈調整利率(如有)。債券持有人可選擇以名義價格將中期票據回售予本集團且有關選擇可行使期為本集團有關調整利率的公告刊發後五個工作天內。

27. 遞延稅項

遞延稅項(資產)/負債及資產於年內之變動如下：

		Temporary differences on assets recognised under HK(IFRIC) Interpretation 12 根據《香港(國際財務報告詮釋委員會)一詮釋》第12號 確認之資產之暫時差異 HK\$'000 港幣千元	Temporary differences arising from impairment of intangible assets 無形資產 耗損產生之暫時差異 HK\$'000 港幣千元	Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生之 公允值調整 HK\$'000 港幣千元	Undistributed profits of subsidiaries 附屬公司 未分派盈利 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2019	於二零一九年 一月一日	593,643	—	—	35,910	(6,327)	623,226
Charged/(credited) to profit or loss	在損益扣除/(計入)	262,998	—	(4,304)	21,115	(4,017)	275,792
Acquisition of subsidiaries (note 30)	收購附屬公司 (附註30)	—	—	59,678	—	(9,347)	50,331
Exchange realignment	匯兌調整	(19,602)	—	(1,579)	(1,331)	531	(21,981)
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日 及二零二零年 一月一日	837,039	—	53,795	55,694	(19,160)	927,368
Charged/(credited) to profit or loss	在損益扣除/(計入)	286,713	(54,181)	(4,902)	(6,801)	1,291	222,120
Exchange realignment	匯兌調整	69,906	(2,901)	3,400	3,427	(1,235)	72,597
At 31 December 2020	於二零二零年 十二月三十一日	1,193,658	(57,082)	52,293	52,320	(19,104)	1,222,085

27. DEFERRED TAX (Continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
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	64,467	29,396
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	(1,286,552)	(956,764)
		(1,222,085)	(927,368)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2020, the aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised was approximately HK\$282,724,000 (2019: HK\$208,519,000). In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

27. 遞延稅項(續)

為了呈報目的，若干遞延稅項資產及負債已於財務狀況表中抵銷。下表為就財務申報目的而對本集團遞延稅項結餘作出之分析：

根據中國企業所得稅法，於中國大陸成立之外資企業向外國投資者宣派股息時，需按10%之稅率徵收預扣稅。該規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後產生之盈利。倘若中國大陸與有關外國投資者所屬司法權區訂有相關稅務協議，則可應用較低之預扣稅率。本集團之適用稅率為5%。因此，本集團須就中國大陸成立之附屬公司自二零零八年一月一日起產生之盈利所分派之股息繳納預扣稅。

於二零二零年十二月三十一日，與投資於中國大陸附屬公司相關的尚未確認遞延稅項負債的暫時性差異總額約為港幣282,724,000元(二零一九年：港幣208,519,000元)。董事認為，於可見將來，該等附屬公司不大可能分派該等利潤。

本公司向其股東派發股息並不附帶任何所得稅後果。



28. SHARE CAPITAL

28. 股本

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Authorised: 5,000,000,000 (2019: 5,000,000,000) ordinary shares of US\$0.10 each	已獲授： 5,000,000,000股 (二零一九年： 5,000,000,000股) 每股面值0.10美元 之普通股	3,891,500	3,891,500
Issued and fully paid: 2,066,078,000 (2019: 2,066,078,000) ordinary shares	已發行及悉數繳足： 2,066,078,000股 (二零一九年： 2,066,078,000股) 普通股	1,608,029	1,608,029

29. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 146 to 147 of the financial statements.

(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.

29. 儲備

本集團於本年度及過往年度之儲備金額及其變動詳情於財務報表中第146至147頁之綜合權益變動表呈列。

(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。



29. RESERVES (Continued)

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of entities outside Hong Kong.

(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.

29. 儲備(續)

(ii) 匯兌儲備

匯兌儲備包括換算香港境外實體之財務報表所產生之所有外匯匯兌差額。

(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。



30. BUSINESS COMBINATIONS

(a) Acquisition of Suntime Environmental

On 12 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 88.88% of the equity interests in Suntime Environmental, 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 has become a subsidiary of the Company.

Since the acquisition, Suntime Environmental 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 ended 31 December 2019 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.

30. 業務合併

(a) 收購上田環境

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，而上田環境已成為本公司的附屬公司。

自收購以來，上田環境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。

倘有關收購於二零一九年一月一日進行，於截至二零一九年十二月三十一日止年度，本集團之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。



30. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of Suntime Environmental
(Continued)

The fair values of the identifiable assets and liabilities of Suntime Environmental as at the date of acquisition were as follows:

30. 業務合併(續)

(a) 收購上田環境(續)

於收購日期，上田環境之可辨別資產及負債之公允值如下：

		2019 二零一九年 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
Right-of-use assets	使用權資產	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)
Tax payables	應繳稅項	(2,713)
Deferred tax liabilities	遞延稅項負債	(27,140)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)	209,464
Non-controlling interests	非控股權益	(23,292)
		186,172
Goodwill on acquisition	收購所產生之商譽	71,025
Total consideration	代價總值	257,197

30. BUSINESS COMBINATIONS (Continued)

(a) Acquisition of Suntime Environmental (Continued)

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Suntime Environmental into the Group's existing businesses.

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	257,197
Cash and cash equivalents acquired	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 之應付代價	(23,892)
		135,713

(b) Acquisition of Wuxi Technology

On 20 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 90% of the equity interests in Wuxi Technology, 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 Wuxi Technology has become a subsidiary of the Company.

Since the acquisition, Wuxi Technology contributed HK\$63,505,000 to the Group's revenue and a loss of HK\$5,775,000 to the consolidated profit for the year ended 31 December 2019.

Had the acquisition taken place on 1 January 2019, the consolidated revenue and profit for the year ended 31 December 2019 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.

30. 業務合併(續)

(a) 收購上田環境(續)

商譽主要源自預期上田環境與本集團現有業務融合後所獲得之協同效應。

有關收購附屬公司之現金流量分析如下：

(b) 收購無錫科技

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）收購無錫科技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，而無錫科技已成為本公司的附屬公司。

自收購以來，無錫科技於截至二零一九年十二月三十一日止年度為本集團貢獻收益港幣63,505,000元，並為綜合盈利帶來虧損港幣5,775,000元。

倘有關收購於二零一九年一月一日進行，於截至二零一九年十二月三十一日止年度，本集團之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。



30. BUSINESS COMBINATIONS (Continued)

(b) Acquisition of Wuxi Technology (Continued)

The fair values of the identifiable assets and liabilities of Wuxi Technology as at the date of acquisition were as follows:

30. 業務合併(續)

(b) 收購無錫科技(續)

於收購日期，無錫科技之可辨別資產及負債之公允值如下：

		2019 二零一九年 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
Right-of-use assets	使用權資產	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)
Tax payables	應繳稅項	(593)
Deferred tax liabilities	遞延稅項負債	(14,353)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)	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 on acquisition	收購所產生之商譽	67,270
Total consideration	代價總值	206,120

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Wuxi Technology into the Group's existing businesses.

商譽主要源自預期無錫科技與本集團現有業務融合後所獲得之協同效應。



30. BUSINESS COMBINATIONS (Continued)

(b) Acquisition of Wuxi Technology (Continued)

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	206,120
Cash and cash equivalents acquired	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 之應付代價	(61,836)
		116,629

(c) Acquisition of Zhangjiagang Gelin

On 29 July 2019, the Group entered into a share transfer agreement with certain independent third parties to acquire 100% of the equity interests in Zhangjiagang Gelin, which is principally engaged in the 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.

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.

30. 業務合併(續)

(b) 收購無錫科技(續)

有關收購附屬公司之現金流量分析如下：

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	206,120
Cash and cash equivalents acquired	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 之應付代價	(61,836)
		116,629

(c) 收購張家港格林

於二零一九年七月二十九日，本集團與若干獨立第三方訂立股權轉讓協議，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。

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。



30. BUSINESS COMBINATIONS (Continued)

(c) Acquisition of Zhangjiagang Gelin (Continued)

Had the acquisition taken place on 1 January 2019, the consolidated revenue and loss for the year ended 31 December 2019 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 fair values of the identifiable assets and liabilities of Zhangjiagang Gelin as at the date of acquisition were as follows:

30. 業務合併(續)

(c) 收購張家港格林(續)

倘有關收購於二零一九年一月一日進行，於截至二零一九年十二月三十一日止年度，本集團之綜合收益及虧損將分別為港幣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。

於收購日期，張家港格林之可辨別資產及負債之公允值如下：

		2019 二零一九年 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	10,890
Right-of-use assets	使用權資產	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)
Total identifiable net assets at fair value	可辨別資產總淨值(按公允值)	59,815
Goodwill on acquisition	收購所產生之商譽	15,957
Total consideration	代價總值	75,772



30. BUSINESS COMBINATIONS (Continued)

(c) Acquisition of Zhangjiagang Gelin (Continued)

Goodwill is mainly attributable to the synergies expected to be achieved from integrating Zhangjiagang Gelin into the Group's existing businesses.

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration	現金代價	75,772
Cash and cash equivalents acquired	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 之應付代價	(75,772)
		47

31. ACQUISITION OF NON-CONTROLLING INTERESTS

In 2019, the Group entered into agreements with the non-controlling shareholders of Suntime Environmental, pursuant to which the non-controlling shareholders agreed to sell and the Group agreed to purchase an 11.12% equity interest in Suntime Environmental 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.

30. 業務合併(續)

(c) 收購張家港格林(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。

有關收購附屬公司之現金流量分析如下：

31. 收購非控股權益

於二零一九年，本集團與上田環境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。



32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the year ended 31 December 2019, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$8,003,000 and HK\$8,003,000, respectively, in respect of lease arrangements for buildings.
- (ii) During the year ended 31 December 2020, interest expenses on Medium-term Notes of HK\$23,026,000 (2019: Nil) are not yet settled by the Group, and recorded in "Creditors, other payables and accrued expenses" in the consolidated statement of financial position as at 31 December 2020.

32. 綜合現金流量表附註

(a) 主要非現金交易

- (i) 於截至二零一九年十二月三十一日止年度，本集團具有有關樓宇項目之租賃安排之使用權資產及租賃負債非現金增置分別為港幣8,003,000元及港幣8,003,000元。
- (ii) 於截至二零二零年十二月三十一日止年度，本集團尚未付清中期票據利息開支港幣23,026,000元(二零一九年：無)，有關款項已入賬二零二零年十二月三十一日之綜合財務狀況表「應付賬款、其他應付款項及應計費用」內。



32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued) 32. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities:

(b) 融資活動產生的負債之變動：

		Bank loans	Other loans	Medium-term Notes	Medium-term Notes interest payables	Lease liabilities	Total
		銀行貸款	其他貸款	中期票據	應付中期票據利息	租賃負債	總計
		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
At 1 January 2019	於二零一九年一月一日	6,006,559	—	—	—	7,970	6,014,529
Changes from financing cash flows	融資現金流量變動	4,883,918	475,078	—	—	(3,386)	5,355,610
Finance costs, including capitalised interest expenses	財務費用(包括已資本化利息開支)	388,735	11,555	—	—	605	400,895
New leases	新訂租賃	—	—	—	—	8,003	8,003
Exchange realignment	匯兌調整	(184,436)	(26,398)	—	—	(177)	(211,011)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	11,094,776	460,235	—	—	13,015	11,568,026
Changes from financing cash flows	融資現金流量變動	2,235,649	742,090	1,091,047	—	(5,108)	4,063,678
Finance costs, including capitalised interest expenses	財務費用(包括已資本化利息開支)	509,981	29,428	—	23,026	466	562,901
Exchange realignment	匯兌調整	606,786	71,197	92,184	1,190	463	771,820
As at 31 December 2020	於二零二零年十二月三十一日	14,447,192	1,302,950	1,183,231	24,216	8,836	16,966,425



32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣元	港幣千元
With operating activities	經營活動	11,791	8,248
With investing activities	投資活動	210,007	146,848
With financing activities	融資活動	5,108	3,386

33. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's banking facilities are included in note 25 to the financial statements. The aggregate net book value of assets pledged amounted to HK\$19,019,934,000 (2019: HK\$14,193,658,000) as at 31 December 2020.

34. COMMITMENTS

- (a) At 31 December 2020, the Group had outstanding purchase commitments in connection with the Group's construction contracts not provided for in the financial statements of HK\$1,104,064,000 (2019: HK\$1,934,256,000).
- (b) At 31 December 2020, the Group had an outstanding capital commitment relating to the capital contribution to an associate not provided for in the financial statements of HK\$35,405,000 (2019: HK\$33,148,000).
- (c) At 31 December 2020, the Group had an outstanding capital commitment relating to the capital contribution to a joint venture not provided for in the financial statements of HK\$ 3,575,000 (2019: Nil).

32. 綜合現金流量表附註(續)

(c) 租賃之現金流出總額

現金流量表所載租賃之現金流出總額如下：

33. 資產抵押

就本集團銀行融資而已予抵押之本集團資產之詳情載於財務報表附註25。於二零二零年十二月三十一日，已抵押資產之賬面總淨值為港幣19,019,934,000元(二零一九年：港幣14,193,658,000元)。

34. 承擔

- (a) 於二零二零年十二月三十一日，本集團並未在財務報表就有關本集團建造合約之未履行採購承擔港幣1,104,064,000元作撥備(二零一九年：港幣1,934,256,000元)。
- (b) 於二零二零年十二月三十一日，本集團並未在財務報表就有關向一家聯營公司注資之資本承擔港幣35,405,000元作撥備(二零一九年：港幣33,148,000元)。
- (c) 於二零二零年十二月三十一日，本集團並未在財務報表就有關向一家合營企業注資之資本承擔港幣3,575,000元作撥備(二零一九年：無)。



35. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

(a) Transactions with fellow subsidiaries

35. 關聯人士之交易

除財務報表其他部分披露之交易及結餘外，本集團訂立以下重大關聯人士交易：

(a) 與同系附屬公司之交易

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Acquisition of right-of-use assets	收購使用權資產		—	8,003
Rental expenses	租金開支		2,322	3,871
Hazardous and solid waste processing income	危廢及固廢處置收入		3,626	247
Interest on lease liabilities	租賃負債利息		129	237
Underwriting fee	包銷費用		1,453	—
Interest income**	利息收入**	(i)	3,577	2,075
Interest expenses**	利息支出**	(ii)	11,737	12,328
Purchase of machineries**	機器採購**	(iii)	92,874	33,700
Design fees**	設計費用**	(iv)	—	835
Purchase of steam**	蒸汽採購**	(v)	22,163	4,721

Notes:

- (i) Interest income was derived from deposit services provided by China Everbright Bank Company Limited ("CE Bank"). The deposit services to be provided by CE Bank shall be based on normal commercial terms and no less favourable than the terms available to the Group from independent third parties.
- (ii) Interest expenses was incurred on a loan from CE Bank. The loan 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.
- (iii) Purchase of machineries from a fellow subsidiary, Everbright Environmental Technology Equipment (Changzhou) Company Limited*, was charged in accordance with the terms of the agreement entered into between the Group and the fellow subsidiary.

* For identification purpose only

附註：

- (i) 利息收入源自中國光大銀行股份有限公司(「光大銀行」)提供之存款服務。光大銀行提供之存款服務應按一般商業條款提供，且有關條款不遜於本集團自獨立第三方獲得之條款。
- (ii) 應付光大銀行貸款之利息支出。光大銀行將予提供之貸款服務應按一般商業條款提供，且有關條款不遜於本集團自獨立第三方獲得之條款。
- (iii) 向同系附屬公司光大環保技術裝備(常州)有限公司的機器採購款項乃根據本集團與同系附屬公司訂立的協議條款收取。

* 僅供識別



35. RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with fellow subsidiaries (Continued)

Notes: (Continued)

- (iv) Design fees were charged in accordance with the terms of the agreement entered into between the Group and a fellow subsidiary.
- (v) Purchase of steam from a fellow subsidiary, EB Environmental Energy (Suqian) Company Limited*, was charged in accordance with the terms of the agreement entered into between the Group and the fellow subsidiary.

** These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Transactions with an intermediate holding company

The Group incurred interest expenses of HK\$29,428,000 (2019: HK\$11,555,000) on an amount due to an intermediate holding company which is interest-bearing at 85% of the rates announced by the People's Bank of China (2019: interest bearing at 85% of rates announced by the People's Bank of China) and LPR in the PRC minus 0.45% during the year ended 31 December 2020.

(c) Transactions with a joint venture

The Group received management service income of HK\$689,000 (2019: HK\$4,863,000) from a joint venture and interest income derived from loan to a joint venture of HK\$112,000 (2019: Nil) during the year ended 31 December 2020.

* For identification purpose only

35. 關聯人士之交易 (續)

(a) 與同系附屬公司之交易 (續)

附註：(續)

- (iv) 設計費用乃根據本集團與一間同系附屬公司訂立的協議條款收取。
- (v) 向同系附屬公司光大環保能源(宿遷)有限公司採購蒸汽的款項乃根據本集團與同系附屬公司訂立的協議條款收取。

** 該等關聯人士交易亦構成上市規則第14A章所界定之持續關連交易。

(b) 與一間中間控股公司之交易

本集團於截至二零二零年十二月三十一日止年度就應付一間中間控股公司款項產生利息支出港幣29,428,000元(二零一九年：港幣11,555,000元)，其按中國人民銀行公佈的利率85%(二零一九年：按中國人民銀行公佈的利率85%計息)及按中國LPR減0.45%計息。

(c) 與一家合營企業之交易

本集團於截至二零二零年十二月三十一日止年度自一家合營企業收取管理服務收入港幣689,000元(二零一九年：港幣4,863,000元)及來自向一家合營企業貸款之利息收入港幣112,000元(二零一九年：無)。

* 僅供識別



35. RELATED PARTY TRANSACTIONS (Continued) 35. 關聯人士之交易(續)

(d) The Group paid key management personnel compensation as follows:

(d) 本集團已支付之主要管理層人員酬金如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	66,094	84,996
Retirement scheme contributions	退休計劃供款	5,661	6,449
		71,755	91,445

Total remuneration is included in "Employee benefit expense" (see note 8).

薪酬總額計入「僱員福利開支」(見附註8)。

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

36. 按類別劃分之金融工具

於報告期末，各類別金融工具之賬面值如下：

Financial assets

金融資產

		Financial assets at amortised cost 按攤銷成本計算之金融資產	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Debtors	應收賬款	2,290,652	711,104
Financial assets included in other receivables, deposits and prepayments	計入其他應收款項、按金及預付款項之金融資產	230,900	52,696
Pledged bank deposits	已抵押銀行存款	219,415	189,847
Deposits with banks	銀行存款	1,663	22,180
Cash and cash equivalents	現金及現金等價物	2,505,975	2,685,459
		5,248,605	3,661,286



36. FINANCIAL INSTRUMENTS BY CATEGORY
(Continued)

Financial liabilities

36. 按類別劃分之金融工具(續)

金融負債

		Financial liabilities at amortised cost	
		按攤銷成本計算之金融負債	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應 付款項及應計費用之 金融負債	3,910,879	2,773,891
Lease liabilities	租賃負債	8,836	13,015
Interest-bearing bank and other borrowings	計息銀行及其他借貸	16,933,373	11,555,011
		20,853,088	14,341,917

37. FAIR VALUE OF FINANCIAL INSTRUMENTS

All financial assets of the Group as at 31 December 2020 and 2019 are financial assets at amortised cost. All financial liabilities of the Group as at 31 December 2020 and 2019 are financial liabilities at amortised cost.

Management has assessed that the fair values of cash and cash equivalents, pledged bank deposits, deposits with banks, current portion of debtors, other receivables, deposits and prepayments, creditors, other payables and accrued expenses, lease liabilities and interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the immediate or the short term maturities of these instruments.

37. 金融工具之公允值

於二零二零年及二零一九年十二月三十一日，本集團所有金融資產為按攤銷成本列賬之金融資產。於二零二零年及二零一九年十二月三十一日，本集團所有金融負債為按攤銷成本列賬之金融負債。

管理層已評估現金及現金等價物、已抵押銀行存款、銀行存款、應收賬款即期部分、其他應收款項、按金及預付款項、應付賬款、其他應付款項及應計費用、租賃負債及計息銀行及其他借貸之公允值與其賬面值相若，主要由於該等工具即時到期或於短期內到期。



37. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The Group's finance management department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance management department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit and risk management committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of other receivables, deposits and prepayments, other payables, lease liabilities and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings as at 31 December 2020 and 2019 was assessed to be insignificant. The carrying amounts of these balances approximate to their fair values.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing borrowings, cash and short-term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as debtors, other receivables, deposits, and creditors, other payables and accrued expenses, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

37. 金融工具之公允值(續)

本集團的財務管理部門負責釐定金融工具公允值計量的政策及程序。於各報告日期，財務管理部門分析金融工具的價值變動及釐定估值所應用的主要輸入數據。有關估值由財務總監審閱及批准。審核及風險管理委員會每年兩次討論估值程序及結果，以便作出中期及年度財務報告。

金融資產及負債的公允值以該工具於自願交易方(強迫或清盤出售除外)當前交易下之可交易金額入賬。以下方法及假設用於估計公允值：

其他應收款項、按金及預付款項之非即期部分、其他應付款項、租賃負債及計息銀行及其他借貸的公允值使用現時可用於具有類似條款、信貸風險及剩餘到期日的工具的利率貼現預期未來現金流量計算。於二零二零年及二零一九年十二月三十一日，本集團自身計息借貸的違約風險評估為輕微。該等結餘之賬面值與其公允值相若。

38. 財務風險管理目標及政策

本集團之主要金融工具包括計息借貸、現金及短期存款。此等金融工具之主要目的在於為本集團之業務運作提供資金。本集團還有其他金融資產及負債，包括應收賬款、其他應收款項、按金以及應付賬款、其他應付款項及應計費用，乃直接自其業務產生。

本集團金融工具產生之主要風險包括利率風險、外幣風險、信貸風險及流動資金風險。董事會檢討及協定管理各項有關風險之政策，及有關政策概述於下文。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, deposits with banks, bank and other borrowings and Medium-term notes. 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 deposits with banks and cash and cash equivalents) at the end of the reporting period.

38. 財務風險管理目標及政策 (續)

利率風險

本集團面對之利率風險主要來自本集團之現金及現金等價物、銀行存款、銀行及其他借貸及中期票據。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允值利率風險。本集團並無利用金融衍生工具來對沖利率風險。本集團之利率概況由管理層監察，詳情載於下文 (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。

		2020 二零二零年		2019 二零一九年	
		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
Net fixed rate borrowings/ (deposits):	定息借貸/(存款)淨額:				
Medium-term notes	中期票據	3.68%	1,183,231	—	—
Lease liabilities (note 15(b))	租賃負債(附註15(b))	3.50%-4.90%	8,836	3.50%-4.90%	13,015
Less: Deposits with banks	減: 銀行存款	1.35%	(1,663)	1.55%	(22,180)
Cash and cash equivalents	現金及現金等價物	0.3%-1.65%	(298,915)	1.10%-2.10%	(800,812)
			891,489		(809,977)
Net variable rate borrowings/ (deposits):	浮息借貸/(存款)淨額:				
Bank loans	銀行貸款	1.05%-5.39%	14,447,192	3.43%-5.39%	11,094,776
Loan from a non-controlling interest	非控股權益貸款	—	—	4.35%	16,635
Loans from an intermediate holding company	一間中間控股公司貸款	3.4%-4.04%	1,302,950	4.04%	443,600
Less: Cash and cash equivalents	減: 現金及現金等價物	0.05%-2.2%	(2,207,060)	0.01%-1.27%	(1,884,647)
Pledged bank deposits	已抵押銀行存款	0.3%-2.75%	(219,415)	0.01%-2.75%	(189,847)
Loan to a non-controlling interest	非控股權益貸款	5.23%	(25,021)	5.23%	(22,180)
			13,298,646		9,458,337
Total net borrowings	總借貸淨額		14,190,135		8,648,360



38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 December 2020, it is estimated that a general increase/decrease of one percent in interest rates, with all other variables held constant, would decrease/increase the Group's profit before taxation by approximately HK\$132,986,000 (2019: HK\$94,583,000).

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 2019.

38. 財務風險管理目標及政策 (續)

利率風險 (續)

(ii) 敏感度分析

於二零二零年十二月三十一日，據本集團估計，倘利率整體上升／下降一個百分點，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132,986,000元（二零一九年：港幣94,583,000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影響作估計。有關分析於二零一九年按相同基準進行。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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.

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 date. Differences resulting from the translation of the consolidated financial statements of foreign operations into the Group's presentation currency are excluded.

		2020 二零二零年			2019 二零一九年		
		United States			United States		
		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	67,868	2,082	222	1,636	1,061	317
Amounts due from/to fellow subsidiaries (net)	應收/應付同系附屬公司款項淨額	1,152,392	—	69,979	90,129	—	60,936
Other receivables	其他應收款項	1,071	—	—	—	—	—
Bank loans	銀行貸款	(1,184,500)	—	—	(88,720)	—	—
Other payables	其他應付款項	(91,841)	—	—	(61,874)	—	—
		(55,010)	2,082	70,201	(58,829)	1,061	61,253

38. 財務風險管理目標及政策 (續)

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幣、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。

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。就呈列目的而言，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。



38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk (Continued)

(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.

38. 財務風險管理目標及政策 (續)

外幣風險 (續)

(ii) 敏感度分析

下表載列假設於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，而所有其他變動保持不變，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。

		2020 二零二零年		2019 二零一九年	
		Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/(下降)	Effect on profit before tax 對除稅前 盈利的影響 HK\$'000 港幣千元	Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/(下降)	Effect on profit before tax 對除稅前 盈利的影響 HK\$'000 港幣千元
Renminbi	人民幣	10% (10%)	(5,501) 5,501	10% (10%)	(5,883) 5,883
United States dollars	美元	10% (10%)	208 (208)	10% (10%)	106 (106)
Euros	歐元	10% (10%)	7,020 (7,020)	10% (10%)	6,125 (6,125)

Results of the analysis 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.

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。



38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk (Continued)

(ii) Sensitivity analysis (Continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to 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 2019.

Credit risk

The Group assesses the credit quality of the customers and other counterparties, 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.

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.

38. 財務風險管理目標及政策 (續)

外幣風險 (續)

(ii) 敏感度分析 (續)

敏感度分析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。該分析按二零一九年同一基準執行。

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質素。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。

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。



38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

As at 31 December 2020

38. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險及年末分階段分類

下表根據本集團的信貸政策，列示信貸品質及最高信貸風險，除無須過大成本或努力便可獲得其他資料外，下表主要以逾期資料及於十二月三十一日之年末分階段分類為基礎。

呈列金額為金融資產及金融擔保合約信貸風險的總賬面值。

於二零二零年十二月三十一日

		12-month ECLs	Lifetime ECLs				Total
		12個月預期信貸虧損	整個存續期的預期信貸虧損				
		Stage 1	Stage 2	Stage 3	Simplified approach	Total	
		第一階段	第二階段	第三階段	簡化法	合計	
		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	
Cash and cash equivalents	現金及現金等價物	2,505,975	—	—	—	2,505,975	
Pledged bank deposits	已抵押銀行存款	219,415	—	—	—	219,415	
Deposits with banks	銀行存款	1,663	—	—	—	1,663	
Debtors*	應收賬款*	—	—	—	2,294,824	2,294,824	
Financial assets included in other receivables, deposits and prepayments	計入其他應收款項、按金及預付款項的金融資產	230,900	—	—	—	230,900	
Amounts due from fellow subsidiaries	應收同系附屬公司款項	1,268	—	—	—	1,268	
Amounts due from joint ventures	應收合營企業款項	16,117	—	—	—	16,117	
Loan to a non-controlling interest	非控股權益貸款	25,021	—	—	—	25,021	
Contract assets	合約資產						
— with significant financing component	— 具有重大融資組成部分	6,789,387	—	—	—	6,789,387	
— without significant financing component*	— 不具有重大融資組成部分*	—	—	—	3,474,316	3,474,316	
		9,789,746	—	—	5,769,140	15,558,886	

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2019

38. 財務風險管理目標及政策(續)

信貸風險(續)

最高風險及年末分階段分類(續)

於二零一九年十二月三十一日

		12-month	Lifetime ECLs			Total
		ECLs	ECLs			
		12個月預期 信貸虧損	整個存續期的預期信貸虧損			
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡化法	合計
		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
Cash and cash equivalents	現金及現金等價物	2,685,459	—	—	—	2,685,459
Pledged bank deposits	已抵押銀行存款	189,847	—	—	—	189,847
Deposits with banks	銀行存款	22,180	—	—	—	22,180
Debtors*	應收賬款*	—	—	—	714,916	714,916
Financial assets included in other receivables, deposits and prepayments	計入其他應收款項、按金及預付款項的金融資產	52,696	—	—	—	52,696
Amounts due from fellow subsidiaries	應收同系附屬公司款項	30,516	—	—	—	30,516
Loan to a non-controlling interest	非控股權益貸款	22,180	—	—	—	22,180
Contract assets	合約資產					
— with significant financing component	— 具有重大融資組成部分	4,225,112	—	—	—	4,225,112
— without significant financing component*	— 不具有重大融資組成部分*	—	—	—	2,778,674	2,778,674
		7,227,990	—	—	3,493,590	10,721,580

* For contract assets without a significant financing component and debtors to which the Group applies the simplified approach for impairment, information is disclosed in notes 2.4, 21 and 22 to the financial statements.

* 就本集團採用簡化法計算耗損的不具有重大融資組成部分的合約資產及應收賬款而言，相關資料披露於財務報表附註2.4、21及22。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

Further quantitative data in respect of the Group's exposure to credit risk arising from and contract assets and debtors are disclosed in note 21 and 22 to the financial statements, respectively.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by counterparty and by geographical region. At 31 December 2020, "Debtors, other receivables, deposits and prepayments" and "Contract assets" of the Group amounted to HK\$14,074,120,000 (2019: HK\$8,986,614,000), of which HK\$2,974,904,000 (2019: HK\$2,009,277,000) was due from the largest customer and HK\$3,983,158,000 (2019: HK\$3,533,713,000) 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.

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.

38. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險及年末分階段分類 (續)

有關本集團合約資產及應收賬款所產生的信貸風險敞口的進一步定量分別於財務報表附註21及22披露。

由於本集團僅與認可及信譽卓著之第三方進行買賣，故並未要求提供抵押品。集中信貸風險按交易對手及地區進行管理。於二零二零年十二月三十一日，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14,074,120,000元（二零一九年：港幣8,986,614,000元），其中港幣2,974,904,000元（二零一九年：港幣2,009,277,000元）為應收本集團最大客戶款項及港幣3,983,158,000元（二零一九年：港幣3,533,713,000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。

流動資金風險

本集團旗下獨立營運實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求。本集團之政策是定期監察流動資金需求及監察其對借貸契諾之合規情況，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。

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

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.

38. 財務風險管理目標及政策(續)

流動資金風險(續)

下表列示本集團於報告期末之非衍生工具金融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)根據於報告期末之利率計算之利息付款)及本集團須償還有關款項之最早日期為基準而列出。

		31 December 2020 二零二零年十二月三十一日					
		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
Interest-bearing bank and other borrowings (note 25)	計息銀行及其他借貸(附註25)	16,933,373	19,272,172	2,911,736	3,683,025	8,796,278	3,881,133
Creditors, other payables and accrued expenses*	應付賬款、其他應付款項及應計費用*	3,992,495	4,000,750	3,925,288	8,138	24,414	42,910
Lease liabilities (note 15(b))	租賃負債(附註15(b))	8,836	11,409	2,688	958	2,130	5,633
		20,934,704	23,284,331	6,839,712	3,692,121	8,822,822	3,929,676

		31 December 2019 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
Interest-bearing bank and other borrowings (note 25)	計息銀行及其他借貸(附註25)	11,555,011	13,430,173	2,936,650	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*	2,963,733	3,016,728	2,487,458	25,529	472,874	30,867
Lease liabilities (note 15(b))	租賃負債(附註15(b))	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

* The balances excluded deferred income — government grants.

* 結餘不包括遞延收入 — 政府補助金。



38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management

The Group's primary objectives for 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 share 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 2020 was 63.5% (2019: 59.7%).

38. 財務風險管理目標及政策 (續)

資本管理

本集團管理資本之主要目的是要維持優越的信貸評級及穩健的資本比率，以支持業務運作，並為股東帶來最大價值。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，本集團會透過調整派付予股東之股息數目、發行新股份或籌集新的債務融資，致力平衡整體資本架構。

本集團透過參照負債情況來監察資本情況。本集團之策略，是保持權益與負債的適當平衡，確保有足夠營運資金償付債務。於二零二零年十二月三十一日，本集團之資產負債比率（即本集團之總負債除以總資產所得之數）為63.5%（二零一九年：59.7%）。



39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 39. 本公司之財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

以下為於報告期末本公司財務狀況表之資料：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	附屬公司投資	2,336,994	2,336,994
Amounts due from subsidiaries	應收附屬公司款項	8,027,863	5,881,301
Property, plant and equipment	物業、廠房及設備	358	677
		10,365,215	8,218,972
Current assets	流動資產		
Other receivables and prepayments	其他應收款項及 預付款項	264	2,396
Amounts due from joint ventures	應收合營企業款項	5	—
Cash and cash equivalents	現金及現金等價物	648,783	870,988
		649,052	873,384
Current liabilities	流動負債		
Bank loans — unsecured	銀行貸款 — 無抵押	991,116	520,494
Other payables	其他應付款項	46,970	23,770
Tax payables	應付稅項	3,659	—
		1,041,745	544,264
Net current (liabilities)/assets	流動(負債)/資產淨額	(392,693)	329,120
Total assets less current liabilities	總資產減流動負債	9,972,522	8,548,092
Non-current liabilities	非流動負債		
Bank loans — unsecured	銀行貸款 — 無抵押	3,527,152	2,827,956
Medium-term notes	中期票據	1,183,231	—
		4,710,383	2,827,956
Net assets	資產淨額	5,262,139	5,720,136



39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued) 39. 本公司之財務狀況表(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Capital and reserves	股本及儲備		
Share capital	股本	1,608,029	1,608,029
Reserves (note)	儲備(附註)	3,654,110	4,112,107
Total equity	權益總額	5,262,139	5,720,136

QIAN Xiaodong
錢曉東
Director
董事

LO Kam Fan
盧錦勳
Director
董事

Note:

附註：

A summary of the Company's reserves is as follows:

本公司之儲備概要如下：

		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 總額 HK\$'000 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	(110,288)	6,111,275
Changes in equity for 2019: Loss and total comprehensive loss for the year	二零一九年之權益變動： 年度虧損及全面虧損總額	—	—	(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 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日之 結餘	1,608,029	4,313,953	(201,846)	5,720,136
Changes in equity for 2020: Loss and total comprehensive loss for the year	二零二零年之權益變動： 年度虧損及全面虧損總額	—	—	(127,425)	(127,425)
2019 final dividend paid	派付二零一九年度末期股息	—	(165,286)	—	(165,286)
2020 interim dividend paid	派付二零二零年度中期股息	—	(165,286)	—	(165,286)
		1,608,029	3,983,381	(329,271)	5,262,139



40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries are as follows:

40. 主要附屬公司詳情

本公司主要附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation and business 註冊成立及業務地點	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 activities 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	RMB108,020,000 人民幣108,020,000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 Biomass Energy (Suzhou) Limited* (note (b)) 光大綠色環保生物能源(宿州)有限公司* (附註(b))	PRC 中國	RMB101,300,000 人民幣101,300,000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	RMB256,940,000 人民幣256,940,000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 Renewable Energy (Yiyuan) Limited* (note (b)) 光大綠色環保再生能源(沂源)有限公司* (附註(b))	PRC 中國	RMB185,520,000 人民幣185,520,000元	—	95%	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 Greentech Urban and Rural Renewable Energy (Dali) Limited* (note (a)) 光大綠色環保城鄉再生能源(大荔)有限公司* (附註(a))	PRC 中國	RMB95,384,000 人民幣95,384,000元	—	100%	Design, construction, operation and maintenance of waste-to-energy project 設計、建造、運營及維護垃圾發電項目
EB Greentech Urban and Rural Renewable Energy (Fengxian) Limited* (note (a)) 光大綠色環保城鄉再生能源(豐縣)有限公司* (附註(a))	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 Greentech Urban and Rural Renewable Energy (Gutian) Limited* (note (a)) 光大綠色環保城鄉再生能源(古田)有限公司* (附註(a))	PRC 中國	RMB80,250,000 人民幣80,250,000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(濰雲)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



40. PARTICULARS OF PRINCIPAL SUBSIDIARIES 40. 主要附屬公司詳情(續)
(Continued)

Name of company 公司名稱	Place of incorporation and business 註冊成立及業務地點	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 activities 主要業務
			Direct 直接	Indirect 間接	
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	RMB275,350,000 人民幣275,350,000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 (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	RMB154,665,000 人民幣154,665,000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 (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 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 (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 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 and 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(滁州)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	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



40. PARTICULARS OF PRINCIPAL SUBSIDIARIES 40. 主要附屬公司詳情(續)
(Continued)

Name of company 公司名稱	Place of incorporation and business 註冊成立 及業務地點	Particulars of issued and paid-up capital 已發行及繳足 股本詳情	Percentage of equity attributable to the Company		Principal activities
			Direct 直接	Indirect 間接	
Everbright Biomass Energy (Guixi) Limited* (note (b))	PRC	RMB128,087,000	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project
光大生物能源(貴溪)有限公司*(附註(b))	中國	人民幣128,087,000元			設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Huaiyuan) Limited* (note (a))	PRC	HK\$273,149,000	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project
光大生物能源(懷遠)有限公司*(附註(a))	中國	港幣273,149,000元			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 (Lingbi) Limited* (note (b))	PRC	RMB106,667,000	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project
光大生物能源(靈璧)有限公司*(附註(b))	中國	人民幣106,667,000元			設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Luan) Company Limited** (note (b))	PRC	RMB113,570,000	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project
光大生物能源(六安)有限公司*(附註(b))	中國	人民幣113,570,000元			設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Rugao) Company Limited**	PRC	RMB142,667,000	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project
光大生物能源(如皋)有限公司*	中國	人民幣142,667,000元			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))	PRC	RMB127,337,000	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project
光大生物能源(沙洋)有限公司*(附註(b))	中國	人民幣127,337,000元			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))	PRC	RMB127,337,000	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project
光大生物能源(威海)有限公司*(附註(b))	中國	人民幣127,337,000元			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))	PRC	USD4,865,000	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project
光大環保(蘇州)固廢處置有限公司*(附註(d))	中國	4,865,000美元			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))	PRC	HK\$128,640,000	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project
光大環保(連雲港)固廢處置有限公司*(附註(c))	中國	港幣128,640,000元			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))	PRC	HK\$152,934,000	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project
光大環保(宿遷)固廢處置有限公司*(附註(d))	中國	港幣152,934,000元			設計、建造、運營及維護危廢填埋項目



40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued) 40. 主要附屬公司詳情(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立及業務地點	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Percentage of equity attributable to the Company		Principal activities 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\$144,490,000 港幣144,490,000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 Greentech Energy (Shayang) Limited* (note (a)) 光大綠色環保能源(沙洋)有限公司*(附註(a))	PRC 中國	RMB79,567,000 人民幣79,567,000元	—	100%	Design, construction, operation and maintenance of waste-to-energy project 設計、建造、運營及維護垃圾發電項目
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	RMB93,670,000 人民幣93,670,000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	RMB208,780,000 人民幣208,780,000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 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 德國	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 enterprises * 根據中國法律註冊為外資企業
- & Registered under the laws of the PRC as private companies with limited liability & 根據中國法律註冊為私營有限公司
- # Registered under the laws of the PRC as Sino-foreign co-operation joint ventures # 根據中國法律註冊為中外合資企業
- ^ For identification only ^ 僅供識別



40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Notes:

- (a) 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 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 for maintaining 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 Grantors 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 for maintaining 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 Grantors and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the 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.

40. 主要附屬公司詳情(續)

附註：

- (a) 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，為期不少於三十年。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，本集團將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包含續新選擇權。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，為期不少於三十年。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。於運營期內，本集團將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包含續新選擇權。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」。



40. PARTICULARS OF PRINCIPAL 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 Grantors and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the 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 Grantors 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.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

40. 主要附屬公司詳情(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，為期二十至三十年。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包含續新選擇權。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，為期二十五至三十年。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包含續新選擇權。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」。

董事認為，上表所列的本公司附屬公司乃主要影響年度業績或構成本集團資產淨值的重大部分的附屬公司。董事認為提供其他附屬公司的詳情會導致篇幅過於冗長。



41. COMPARATIVE AMOUNTS

Certain comparative amounts in the audited financial statements have been reclassified to conform with the current year's presentation. In the opinion of the directors of the Company, this presentation would better reflect the financial performance and position of the Group.

42. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 4 March 2021.

41. 比較數字

經審核財務報表內若干比較數字已獲重新分類，以符合本年度的呈列方式。本公司董事認為，此呈列方式更好地反映本集團的財務表現及狀況。

42. 批准財務報表

董事會已於二零二一年三月四日批准並授權刊發財務報表。



FINANCIAL SUMMARY

財務概要

		As at 31 December 於十二月三十一日				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		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
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	3,848,120	2,630,584	2,502,054	2,282,648	1,834,542
Right-of-use assets	使用權資產	648,609	416,646	—	—	—
Goodwill	商譽	157,609	149,079	—	—	—
Intangible assets	無形資產	13,311,103	10,781,335	7,486,422	5,131,608	2,975,814
Interest in associates	聯營公司權益	165,415	76,621	56,216	—	—
Interest in joint ventures	合營企業權益	44,632	61,177	57,446	51,841	33,651
Contract assets	合約資產	6,310,283	3,962,637	2,852,061	1,766,507	824,581
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	816,945	602,982	425,957	370,729	189,269
Deferred tax assets	遞延稅項資產	64,467	29,396	34,797	34,942	21,127
Net current assets	流動資產淨額	3,561,948	2,471,322	1,832,332	2,576,616	289,783
Non-current liabilities	非流動負債	16,062,290	10,594,427	5,816,211	3,448,845	1,968,185
Net assets	資產淨額	12,866,841	10,587,352	9,431,074	8,766,046	4,200,582
Share capital	股本	1,608,029	1,608,029	1,608,029	1,608,029	3
Reserves	儲備	10,916,253	8,738,190	7,730,823	7,140,023	4,187,218
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	12,524,282	10,346,219	9,338,852	8,748,052	4,187,221
Non-controlling interests	非控股權益	342,559	241,133	92,222	17,994	13,361
Total equity	權益總額	12,866,841	10,587,352	9,431,074	8,766,046	4,200,582



		For the year ended 31 December 截至十二月三十一日止年度				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		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
Results	業績					
Revenue	收益	9,835,376	9,279,555	7,001,820	4,581,352	3,000,131
Profit from operations	經營盈利	2,489,215	2,476,468	1,870,961	1,314,044	851,977
Finance costs	財務費用	(543,564)	(376,891)	(202,384)	(125,565)	(67,715)
Share of profit/(loss) of joint ventures	所佔合營企業 盈利/(虧損)	(19,464)	9,890	(158)	(891)	(867)
Profit before taxation	除稅前盈利	1,926,187	2,109,467	1,668,419	1,187,588	783,395
Income tax	所得稅	(412,879)	(462,362)	(337,068)	(230,289)	(153,873)
Profit for the year	年內盈利	1,513,308	1,647,105	1,331,351	957,299	629,522
Attributable to: Equity shareholders of the Company	應佔部分： 本公司權益股東	1,502,532	1,621,477	1,324,871	953,823	629,222
Non-controlling interests	非控股權益	10,776	25,628	6,480	3,476	300
Profit for the year	年內盈利	1,513,308	1,647,105	1,331,351	957,299	629,522
Basic and diluted earnings per share (HK cents)	每股基本及攤薄盈利 (港仙)	72.72	78.48	64.12	51.70	43.70



中國光大綠色環保有限公司
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