



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)



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, with its businesses focusing on integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and 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 the Mainland China. Currently, the Company has its business coverage spanning across 14 provinces and municipalities in China, and in Germany.

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



中國光大綠色環保有限公司（「光大綠色環保」或「本公司」）及其附屬公司（「本集團」）為中國專業環保服務提供者，專注於生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電業務，於2017年5月8日在香港聯合交易所有限公司（「聯交所」）主板上市（股份代碼：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個省份及直轄市，並遠播德國。

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



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DIRECTORS

WANG Tianyi** (*Chairman*)
QIAN Xiaodong* (*Chief Executive Officer*)
YANG Zhiqiang* (*Vice President*)
WANG Yungang* (*Vice President*)
GUO Ying**
TANG Xianqing**
CHOW Siu Lui***
Philip TSAO***
YAN Houmin***

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

COMPANY SECRETARY

CHOW Wing Man

REGISTERED OFFICE

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

CORPORATE HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of China Limited, Shenzhen Branch
Bank of Communications Co., Ltd. Hong Kong Branch
China Citic Bank International Limited
China Construction Bank Corporation
China Development Bank Corporation
China Everbright Bank Company Limited
China Merchants Bank (Shenzhen Branch)
Far Eastern International Bank Co., Ltd.
Hang Seng Bank (China) Limited
Industrial and Commercial Bank of China (Asia) Limited
Nanyang Commercial Bank Limited
Standard Chartered Bank (Hong Kong) Limited
Taipei Fubon Commercial Bank Co., Ltd.
The Bank of East Asia, Limited

董事

王天義** (主席)
錢曉東* (行政總裁)
楊志強* (副總裁)
王雲剛* (副總裁)
郭穎**
唐賢清**
鄒小磊***
曹為實***
嚴厚民***

* 執行董事
** 非執行董事
*** 獨立非執行董事

公司秘書

周詠雯

註冊辦事處

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

公司總部 及香港主要營業地點

香港
夏慤道16號
遠東金融中心
36樓3602室

主要往來銀行

中國農業銀行股份有限公司
中國銀行(香港)有限公司
中國銀行股份有限公司(深圳市分行)
交通銀行有限公司香港分行
中信銀行(國際)有限公司
中國建設銀行股份有限公司
國家開發銀行股份有限公司
中國光大銀行股份有限公司
招商銀行(深圳分行)
遠東國際商業銀行有限公司
恒生銀行(中國)有限公司
中國工商銀行(亞洲)有限公司
南洋商業銀行有限公司
渣打銀行(香港)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

AUDITORS

KPMG

COMPLIANCE ADVISER

Guotai Junan Capital Limited
27th Floor, Low Block
Grand Millennium Plaza
181 Queen's Road, Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR

Tricor Investor Services Limited
Level 22, 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
李偉斌律師事務所

核數師

畢馬威會計師事務所

合規顧問

國泰君安融資有限公司
香港中環
皇后大道中181號
新紀元廣場
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主要股份過戶登記處

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

股份過戶登記香港分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22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

		2018	2017	Percentage
		二零一八年	二零一七年	Change
		HK\$'000	HK\$'000	百分比
		港幣千元	港幣千元	變動
RESULTS	業績			
Revenue	收益	7,001,820	4,581,352	53%
EBITDA ⁽¹⁾	除利息、稅項、折舊及攤銷前盈利 ⁽¹⁾	2,161,227	1,517,788	42%
Profit attributable to equity shareholders of the Company	本公司權益股東應佔盈利	1,324,871	953,823	39%
Return on shareholders' equity (%)	股東資金回報(%)	14.65	14.75	-0.1 ppt
Basic earnings per share ⁽²⁾ (HK cents)	每股基本盈利 ⁽²⁾ (港仙)	64.12	51.70	24%
FINANCIAL POSITION	財務狀況			
Total assets	資產總額	18,602,802	14,431,617	29%
Total liabilities	負債總額	9,171,728	5,665,571	62%
Equity attributable to equity shareholders of the Company	本公司權益股東應佔權益	9,338,852	8,748,052	7%
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)	4.52	4.23	7%
Cash and bank balances	現金及銀行結餘	2,260,833	3,343,411	-32%
Gearing ratio ⁽³⁾ (%)	資產負債比率 ⁽³⁾ (%)	49	39	10 ppt
Current ratio (%)	流動比率(%)	155	216	-61 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\$1,324,871,000 (2017: HK\$953,823,000) and the weighted average of 2,066,078,000 (2017: 1,844,979,000) ordinary shares in issue during the year.

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

(1) EBITDA即除利息、稅項、折舊及攤銷前盈利。

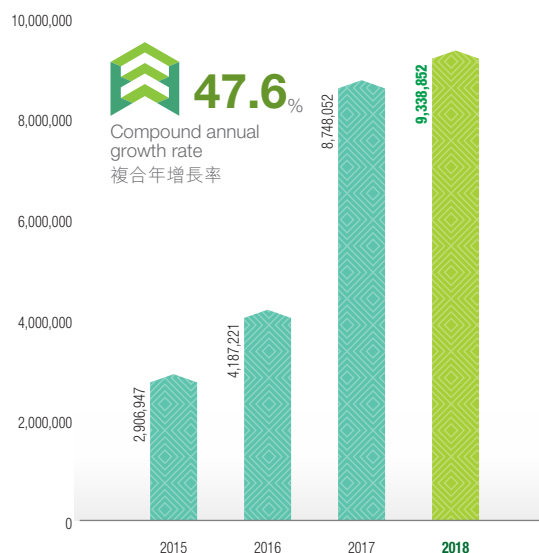
(2) 每股基本盈利乃根據本公司權益股東應佔盈利約港幣1,324,871,000元(二零一七年：港幣953,823,000元)及年內已發行普通股之加權平均股數2,066,078,000股(二零一七年：1,844,979,000股)普通股計算。

(3) 資產負債比率是按總負債除以總資產。

TOTAL ASSETS HK\$'000
資產總額 港幣千元



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



EBITDA HK\$'000
除利息、稅項、折舊及攤銷前盈利 港幣千元



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



CORPORATE MILESTONES

企業大事概要



01/2018

- Sichuan Mianzhu Integrated Biomass and Waste-to-Energy Project (Biomass) was completed and commenced operation
四川綿竹生物質及垃圾發電一體化項目(生物質)建成投運
- Jiangsu Changzhou Hazardous Waste Incineration Project was completed and commenced operation, being the first foreign joint venture hazardous waste treatment project established by the Company in joint venture with SUEZ NWS Group
公司與蘇伊士新創建集團共同出資成立的首個危廢處置外商合資項目 — 江蘇常州危廢焚燒項目建成投運



02/2018

- Jiangsu Xinyi Animal Carcass Harmless Treatment Project was completed and commenced operation
江蘇新沂病死動物無害化處置項目建成投運



03/2018

- Everbright Greentech announces its 2017 annual results, posting a 69.4% growth in profit attributable to equity shareholders
光大綠色環保公佈2017年全年業績，權益股東應佔盈利錄得69.4%增長



05/2018

- Guanyun Integrated Biomass and Waste-to-Energy Project was completed and commenced operation, being the first urban-rural integration project in Jiangsu Province; Jiangsu Lianyungang Hazardous Waste Incineration Project (Phase II) was completed and commenced operation
江蘇省首個城鄉一體化項目 — 灌雲生物質及垃圾發電一體化項目建成投運；江蘇連雲港危廢焚燒項目二期建成投運



06/2018

- Acquisition of Gansu Lintao Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) and Jiangsu Binhai Hazardous Waste Incineration Project, the former of which being the Group's first project in Gansu Province
取得甘肅臨洮生物質及垃圾發電一體化項目(垃圾發電)和江蘇濱海危廢焚燒項目，成功實現甘肅省首個項目的突破
- NDRC central budget funding in the amount of RMB37.63 million is granted
獲批國家發改委中央預算內資金人民幣3,763萬元
- Acquisition of Liaoning Linghai Biomass Electricity and Heat Cogeneration Project and Fujian Gutian Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy), marking entries into the environmental markets of Liaoning Province and Fujian Province, respectively
取得遼寧凌海生物質熱電聯供項目和福建古田生物質及垃圾發電一體化項目(垃圾發電)，挺進遼寧省及福建省環保市場
- Sichuan Mianzhu Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) was completed and commenced operation
四川綿竹生物質及垃圾發電一體化項目(垃圾發電)建成投運

07/2018

- Everbright Greentech acquires 2 environmental remediation projects to realise breakthrough in new business field
光大綠色環保取得2個環境修復項目，實現業務領域新的突破

08/2018

- Everbright Greentech announces its 2018 interim results, underpinned by a 41% growth in profit attributable to equity shareholders
光大綠色環保公佈2018年中期業績，權益股東應佔盈利錄得41%增長
- Inclusion in the Hang Seng Corporate Sustainability Benchmark Index
獲納入恒生可持續發展企業基準指數
- Anhui Yu'an Biomass Electricity and Heat Cogeneration Project was completed and commenced operation
安徽裕安生物質熱電聯供項目建成投運

11/2018

- Anhui Yeji Biomass Electricity and Heat Cogeneration Project, Huaiyuan Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) and Shandong Linshu Hazardous Waste Incineration Project (Phase I) were completed and commenced operation
安徽葉集生物質熱電聯供項目、懷遠生物質及垃圾發電一體化項目(垃圾發電)及山東臨沭危廢焚燒項目一期建成投運
- Awarded “Sustainability and Social Responsibility Reporting Awards – Special Mention – Non-Hang Seng Index Category (Medium Market Capitalisation)” in the “Best Corporate Governance Awards 2018” presented by Hong Kong Institute Of Certified Public Accountants
獲香港會計師公會評為「最佳企業管治大獎2018」之可持續發展及企業社會責任報告獎 – 評判嘉許 – 非恒指成份股(中市值)組別

12/2018

- Named “Listed Company with Best Investment Value” at the 8th China Securities Golden Bauhinia Awards
獲第八屆中國證券金紫荊獎評為最具投資價值上市公司
- Entering into share transfer agreements to acquire Jiangsu Jiayuan Environmental Technology Co., Ltd. (江蘇佳願環境科技有限公司) (90% interest) and Suntime Environmental Remediation Co., Ltd (上田環境修復股份有限公司) (88.88% interest).
簽署股權轉讓協議以收購江蘇佳願環境科技有限公司90%股權及上田環境修復股份有限公司88.88%股權



INTEGRATED 生 Biomass 物 Utilisation 質 綜合 利 利用





CHAIRMAN'S STATEMENT

主席報告



Endogenous growth
with innovative
ADVANCEMENT

創新突破
內生增長



In 2018, a series of environmental protection policies were announced successively after the 19th National Congress of the Communist Party of China ("19th CPC National Congress") and the National Conference on Ecological and Environmental Protection had been held. The environmental protection industry in China has been vigorously fostered by national policies, and environmental protection enterprises have welcomed an unprecedented period with strategic opportunities. During the year, the Ministry of Ecology and Environment has been coordinating with local governments in all regions to promote quality economic development and ecological environmental protection, full-scale battle for the protection of blue sky, clear water and clean land has been unveiled. Significant progress was made in the critical battle for the prevention and treatment of pollution. At the end of 2018, implementing guidelines of the Paris Agreement was passed at the United Nations Climate Change Conference, representing that the transformation into a green and low-carbon globe is irreversible.

二零一八年，隨著中國共產黨第十九次全國代表大會（「十九大」）及全國生態環保大會的召開，一系列環保政策相繼出台，中國生態環保產業進入了國策成就企業的時代，環保企業迎來前所未有的戰略機遇期。年內，生態環境部與各地方政府協同推動經濟高質量發展和生態環境高水平保護，藍天、碧水、淨土保衛戰全面展開，污染防治攻堅戰取得重大進展。二零一八年年底，聯合國氣候變化大會通過《巴黎協定》實施細則，全球綠色低碳轉型的大勢不可逆轉。



Benefiting from vigorous growth in ecological environmental protection in China, Everbright Greentech has amply demonstrated its strong ability in market penetration with expansion into 5 provinces during the year. Breakthrough was achieved as the environmental remediation and integrated hazardous and solid waste utilisation businesses won their first contracts. As of 31 December 2018, the Group had 96 environmental protection projects and 9 environmental remediation projects, while the volumes of power generation, heat supply and hazardous waste treatment increased significantly as compared with that in 2017. In 2018, the Group had 22 integrated biomass utilisation projects and 12 hazardous and solid waste treatment projects in operation, with an increase in on-grid power generation and steam supply by 84% and 112%, respectively, while the volume of hazardous waste treatment increased by 12%, as compared to 2017. In steady development and growth, the Group has reached the threshold of "100" in 3 aspects: the total number of projects held exceeded 100, the aggregate designed capacity of biomass power generation exceeded 1,000,000 kw, and the aggregate designed capacity of hazardous waste processing exceeding 1,000,000 tonnes. Everbright Greentech secured 24 new projects during the year, including 8 integrated biomass utilisation projects, 7 hazardous and solid waste treatment projects and 9 environmental remediation projects, as well as 2 environmental protection companies acquired by way of equity transfer. We have made additional investments amounting to approximately RMB5.13 billion, while new environmental remediation contracts acquired during the year amounted to approximately RMB187 million. During the year under review, the Group was granted special subsidies with a total amount of RMB97.01 million. Moreover, we participated in two national-level research and development programmes and received a ministry-level award for outstanding achievements.

受惠於中國生態環保業蓬勃發展，光大綠色環保在中國環保市場上充分展示了強大的市場拓展能力，本年度內完成開闢5個省份的環保市場，環境修復業務、危廢及固廢處置綜合利用業務取得零的突破。截至二零一八年十二月三十一日，本集團持有96個環保項目及9個環境修復項目；項目發電量、供熱量、危廢處置量均較往年大幅提高。於二零一八年，本集團的生物質綜合利用運營項目22個，提供上網電量及供應蒸汽量分別較二零一七年提升84%及112%；危廢及固廢處置運營項目12個，危險廢棄物處置量較二零一七年增加12%。本集團發展穩步上揚，實現了「三個一百」的目標：項目總數超過100個，總生物質發電裝機容量超過100萬千瓦，以及總危廢設計處理能力超過100萬噸。光大綠色環保全年共取得24個新項目，包括8個生物質綜合利用項目、7個危廢及固廢處置項目和9個環境修復項目，並以股權轉讓方式收購2家環保公司，新增總投資額約人民幣51.3億元，新增環境修復服務合同金額約人民幣1.87億元。於回顧年度內，本集團共獲專項補貼資金人民幣9,701萬元。此外，本集團參與兩項國家級課題研發，並獲得一項部級優秀成果獎。



Looking around the world in 2019, global uncertainties and instability will be escalating, as Everbright Greentech faces “a scene of major changes unseen in the past century”. The economic outlook of China may not be optimistic under sustained downside pressure. The Central Economic Work Conference emphasised “counter-cyclical adjustments” and “stable aggregate demand”. Meanwhile, the political drive and urgent need in global nations for responding to climate change and pursuing better environmental quality remain unchanged, while China's determination and persistence for progressing ecological civilisation construction, strengthening ecological protection as well as preventing and controlling environmental pollution stay unaltered. Everbright Greentech will act in tandem with the trends with sustained efforts to seize the rare opportunities in the environmental market, braving the wind and the billows against challenges and difficulties.

Last but not the least, I, on behalf of the Group and the board of directors of the Company, would like to express my most sincere gratitude to all shareholders, investors and cooperation partners. I would also like to express my appreciation to all members of the Board, management team and all staff members for their dedication and efforts to lead Everbright Greentech to greater success.

WANG Tianyi

Chairman

Hong Kong, 6 March 2019

邁入二零一九年，放眼世界，光大綠色環保面對「百年未有之大變局」，國際形勢不確定性、不穩定性持續上升。國內發展形勢也不容樂觀，經濟下行壓力加大。中央經濟工作會議強調要「逆週期調節」和「穩定總需求」。與此同時，世界各國應對氣候變化、追求環境質量改善的政治意願與迫切需求不變；中國堅持推進生態文明建設、加強生態環境保護、堅持污染防治的決心與恒心不變。光大綠色環保將會保持定力，順勢而為，牢牢抓住環保市場千載難逢的機會，在諸多挑戰與困難中乘風破浪，推進發展。

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

主席

王天義

香港，二零一九年三月六日





光大环保危废处置(淄博)有限公司
Everbright Environmental Protection Hazardous Waste Treatment(Zibo) Limited

HAZARDOUS AND 危 Solid Waste 固廢 Treatment 及 廢處 置



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OPERATING RESULTS

Year 2018 is the commencing year for China's full implementation of the principles of the 19th CPC National Congress and a year of exceptional significance in the development of China's ecological civilisation. The report of the 19th CPC National Congress has laid down new requirements for the protection of the ecological environment. Ecological civilisation was included in the master planning for "balanced economic, political, cultural, social and ecological progress" with green development as one of the five major tenets for national development, as ecological civilisation assumed an increasingly important role and status in the national governance regime.

At the National Conference on Ecological and Environmental Protection held in 2018, convened in the highest order ever seen for meetings of its kind, the development of ecological civilisation was characterised as a "fundamental blueprint" holding the key to the sustainable development of the Chinese race in a further emphasis on its importance. Action plans and implementation proposals such as "Opinions on Strengthening the Protection of the Ecological Environment in All Aspects and Firmly Winning the Battle of Preventing and Controlling Environmental Pollution" (《關於全面加強生態環境保護堅決打好污染防治攻堅戰的意見》) and "Three-year Action Plan for Winning the Battle of Blue Sky Protection" (《打贏藍天保衛戰三年行動計劃》) were announced successively to unveil the full-scale battle for the protection of blue sky, clear water and clean land. Significant progress was made in the critical battle for the prevention and treatment of pollution, as the environmental protection industry thrived in a larger context where opportunities as well as challenges existed.

經營業績

二零一八年是我國全面貫徹「十九大」精神的開局之年，是中國生態文明建設進程中意義非凡的一年。「十九大」報告對生態環境保護提出了新要求，把生態文明建設納入了「五位一體」總體佈局，將綠色發展作為五大發展理念之一，進一步提升了生態文明建設在國家治理體系中的地位與作用。

二零一八年，史上規格最高的全國生態環境保護大會召開，將生態文明建設的高度進一步提升為關係中華民族永續發展的「根本大計」；《關於全面加強生態環境保護堅決打好污染防治攻堅戰的意見》、《打贏藍天保衛戰三年行動計劃》等多個作戰計劃和實施方案陸續出台，藍天、碧水、淨土保衛戰全面展開，污染防治攻堅戰取得重大進展，環保行業在機遇與挑戰並存的大環境下蓬勃發展。

As a provider of specialised environmental protection services in China, the Group is principally engaged in the businesses of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power. As of 31 December 2018, the Group had 96 environmental protection projects with a total investment of approximately RMB24.468 billion (including Anqing Solid Waste Integrated Treatment Project, in which 49% interest held by the Group, with an investment amount of approximately RMB576 million); and independently undertook 9 environmental remediation projects, with a total contract amount of approximately RMB187 million.

In view of a marketplace underpinned by rapid changes and favourable government policies, the Group adopted a business philosophy of “Integrity, Efficiency, Pragmatism and Innovation” and sought prudent and determined progress in 2018, as it made steady advances in market development, project construction, operating results, technology research and development, corporate management and industry participation and reported further improvements in business scale and profitability on the back of efforts guided by technology and innovation.

In terms of market development, the Group reported strong momentum and encouraging results in business expansion. During the year under review, a record-high number of new projects were launched, as the Group secured 24 new projects and entered into 2 share transfer agreements for the acquisition of 2 environmental protection companies, involving an additional total investment of approximately RMB5.13 billion (including approximately RMB576 million in Anqing Solid Waste Integrated Treatment Project, in which the Group held 49% interest), and an additional environmental remediation contract amount of RMB187 million (acquisitions excluded). In terms of project scale, our aggregate power generation designed capacity was increased by 122MW, while our designed capacity for biomass processing was increased by approximately 600,000 tonnes per year. Our designed capacities for household waste processing and hazardous and solid waste treatment were increased by approximately 3,100 tonnes daily and 547,000 tonnes per year, respectively.

作為一家中國專業環保服務提供商，本集團主營業務包括生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電。截至二零一八年十二月三十一日，本集團已落實環保項目96個，總投資額達約人民幣244.68億元（其中，安慶固廢綜合處置項目涉及投資額約人民幣5.76億元，本集團權益佔比49%）；自主承接環境修復項目9個，涉及總合同金額約人民幣1.87億元。

在日新月異、政策向好的市場環境下，二零一八年，本集團奉行「誠信、高效、務實、創新」的經營理念，穩字當頭，銳意進取，穩步推進市場拓展、項目建設、經營業績、技術研發、企業管理和行業參與等工作，以科技和創新為引領，實現了業務規模和效益的進一步提升。

市場拓展方面，本集團業務拓展勢頭強勁，成績喜人。一方面，新拓展項目數量再創新高，本集團於回顧年度內共取得24個新項目及簽署2份股權轉讓協議以收購2家環保公司，新增項目總投資額約人民幣51.3億元（其中，安慶固廢綜合處置項目涉及投資額約人民幣5.76億元，本集團權益佔比49%），新增環境修復服務合同金額約人民幣1.87億元（不含收購項目）。項目規模方面，新增總設計發電裝機容量122兆瓦，新增生物質設計處理能力約每年60萬噸，新增生活垃圾設計處理能力約每日3,100噸，新增危廢及固廢設計處理能力約每年54.7萬噸。

The new projects included 6 integrated biomass and waste-to-energy projects, 2 biomass electricity and heat cogeneration projects, 7 hazardous and solid waste treatment projects and 9 environmental remediation projects. For acquisitions, the Group entered into 2 share transfer agreements to acquire a 90% equity interest in Jiangsu Jiayuan Environmental Technology Co., Ltd. (江蘇佳願環境科技有限公司) (“Jiangsu Jiayuan”) at a consideration of RMB180 million, increasing the Group’s annual hazardous waste treatment designed capacity by 183,000 tonnes, and an 88.88% equity interest in Suntime Environmental Remediation Co., Ltd. (上田環境修復股份有限公司) (“Suntime Environmental Remediation”) at a consideration of RMB222.2 million, further enhancing the qualification and platform of the environmental remediation sector.

Meanwhile, the Group has achieved a double breakthrough in terms of both geographic coverage and business sector. During the year under review, the Group further broadened the scope of its business by successfully tapping the environmental remediation business with a sound momentum for development. In hazardous and solid waste treatment sector, we continued to extend our business chain by making inroads into the sub-segment of integrated utilisation of hazardous and solid wastes through acquisition. In the meantime, the Group entered 5 new provincial markets for its environmental protection business, namely, Gansu Province, Zhejiang Province, Shaanxi Province, Fujian Province and Liaoning Province, expanding its presence in China to 14 provinces and municipalities in further enhancement of its position in the industry.

In January to February 2019, the Group secured Anhui Huaiyuan Hazardous Waste Landfill Project with an investment of approximately RMB174 million and an annual processing designed capacity of 40,000 tonnes for industrial solid wastes. Also, the Group secured Jiangsu Feng County Household Waste Emergency Landfill Site and Leachate Regulating Pool Construction Project with a contract value of approximately RMB30.32 million, which marks the 10th environmental remediation project that was independently undertaken by the Group.

新項目包括6個生物質及垃圾發電一體化項目、2個生物質熱電聯供項目、7個危廢及固廢處置項目和9個環境修復項目。收購方面，本集團簽署2份股權轉讓協議，以代價人民幣1.8億元收購江蘇佳願環境科技有限公司(「江蘇佳願」)90%股權，使本集團的危廢處置設計規模增加18.3萬噸／年；以及以代價人民幣2.222億元收購上田環境修復股份有限公司(「上田環境修復」)88.88%股權，進一步提升了環境修復板塊的資質能力和平台。

另一方面，本集團實現了新區域和業務新領域的雙重突破。於回顧年度內，本集團成功進入環境修復行業，且發展勢頭良好，進一步拓展了業務範圍的寬度；危廢及固廢處置業務板塊亦通過收購的方式進入了危廢及固廢綜合利用領域，不斷延伸產業鏈的長度。同時，本集團相繼挺進甘肅省、浙江省、陝西省、福建省和遼寧省5個新省份的環保市場，在中國的環保版圖拓展至14個省份及直轄市，行業地位得以進一步提升。

二零一九年一月至二月，本集團簽署安徽懷遠危廢填埋項目，涉及投資額約人民幣1.74億元，項目設計規模為每年填埋處置工業固廢40,000噸；以及江蘇豐縣生活垃圾應急填埋場及滲濾液調節池建設項目，涉及合同金額約人民幣3,032萬元，該項目亦是本集團自主承接的第十個環境修復項目。

In terms of project construction, the Group upheld the principle of “Excellence in Quality, Standard, Technology and Efficiency” in its engineering operations in steady advancement of its project construction. Record-high numbers were reported during the year under review with 23 projects starting construction and 14 projects being completed and commencing operation. As of 31 December 2018, the Group had 24 projects under construction or implementation, which are scheduled to be completed or commence operation in 2019. In addition, the Group has substantially raised the level of refined and standardised management in respect of its construction works by further amending and improving its engineering management systems and regulations.

In connection with technology research and development, the Group successfully applied for 2 projects under the 2018 key research programme of the Ministry of Science and Technology during the year under review. They included the “Integrated demonstration of pollution control technologies and zone-based systems for synchronised solid waste treatment” undertaken by the Group as part of the “Integrated demonstration and development of technologies for zone-based synchronised solid wastes treatment in Zhangjiagang”, a key project under the category of “Solid waste recycling”, as well as the “Research and development of in-situ testing equipment for membrane interface probe of volatile organic compounds (VOCs) at polluted sites” undertaken by the Group as part of a key project titled “New technologies and equipments for in-situ sampling of soil and underground water at polluted sites” under the category of “Causes of soil pollution at sites and treatment technologies”. In addition, the Group participated into the project of “Key Technology and Application of Recycling and Controlling Pollution of Typical Hazardous Waste” led by Tongji University, and the results of the project received the Higher Education Outstanding Scientific Research Output Awards (second-class award in Scientific and Technological Progress) from the Ministry of Education in 2018.

項目建設方面，本集團堅守「高品質、高標準、高技術、高效益」的工程理念，穩步推進項目建設。於回顧年度內，新開工項目23個，完工及投運項目14個，再度創下歷史新高。截至二零一八年十二月三十一日，在建或執行中的項目共24個，預計將陸續於二零一九年完工或投運。此外，本集團進一步修訂及完善各項工程管理制度和規範，顯著提升工程建設的精細化、規範化管理水平。

技術研發方面，於回顧年度內，本集團成功申報2個國家科技部二零一八年重點研發計劃項目，分別為隸屬於「固廢資源化」重點專項的「張家港市固廢園區化協同處置技術開發與集成示範」項目，本集團承擔其課題「固廢協同處置的污染控制技術及園區化系統集成示範」，以及隸屬於「場地土壤污染成因與治理技術」重點專項的「污染場地土壤及地下水原位採樣新技術與新設備」項目，本集團承擔其課題「污染場地揮發性有機物(VOCs)膜界面探測器原位檢測設備研發」。此外，由同濟大學牽頭、本集團參與的科技成果「典型危險廢物污染控制與資源化關鍵技術及應用」獲得國家教育部二零一八年度高等學校科學研究優秀成果獎一科技進步獎二等獎。

The key research and development projects of Everbright Greentech Research Institute (光大綠色環保研究所) continued to progress in a systematic manner. Our biomass power generation projects achieved ultra-low emission (concentration level of NOx emissions below 50mg/m³) through the research, investigation and adoption of technologies such as low-nitrogen combustion, flue gas recirculation, optimisation of the denitrification technology based on selective non-catalytic reduction (SNCR) and oxidation of active molecule. Everbright Greentech Research Institute has also built the Group's first hyperactive thionyl chloride (SOCl₂) processing line of commercial scale to facilitate urgent treatment of SOCl₂. It was the first large-scale facility for the processing of hazardous wastes containing SOCl₂ in China and elsewhere, providing a solid foundation for the Group's ongoing effort to drive development through technological innovation. As of 31 December 2018, the Group held 25 patents and software copyrights.

During the year under review, the Group completed the full implementation of the environmental, safety, health and social responsibility ("ESHS") management system ("ESHS Management System") and risk management system with a higher level of specialisation. The Group has formulated and issued regulations such as the "Safety Management Manual" (《安全管理手冊》), "Safety Management Standard System" (《安全管理標準體系》) and "Implementation Rules on Production Safety Accountability" (《安全生產責任制實施細則》) to stipulate the requirements for various safety management tasks. Meanwhile, a safety management structure comprising the "Safety Committee – Safety Sub-Committee – Safety Branch Committee" was set up to enhance our safety management structure, while the assignment of dedicated safety management personnel was also strengthened, with the number of our Certified Safety Engineers increasing by more than 80% as compared to 2017. During the year under review, several of our projects were awarded the honorary titles of "Exemplary Enterprise for the Development of Safety Culture" (安全文化建設示範企業) and "Advanced Entity in Production Safety" (安全生產先進集體), indicating local government authorities' strong recognition for the Group's ESHS management standards.

光大綠色環保研究所的各項重點研發課題亦有序推進。其中，通過研究探索採用低氮燃燒、煙氣再循環、選擇性非催化還原脫硝技術(SNCR)優化、活性分子氧化等技術，生物質發電項目實現了超淨排放(NOx排放濃度低於50mg/m³)；針對危廢處置項目氯化亞砷(SOCl₂)的應急處理，光大綠色環保研究所建成了首條批量處置高活性危廢氯化亞砷的生產線，此為國內外首次規模化處理含氯化亞砷的危險廢物，為本集團繼續踐行以技術創新引領發展奠定了堅實基礎。截至二零一八年十二月三十一日，本集團持有專利及軟件著作權共計25項。

於回顧年度內，本集團全面實施專業程度更高的環境、安全、健康及社會責任(「ESHS」)管理體系(「ESHS管理體系」)以及風險管理體系。本集團制訂發佈《安全管理手冊》、《安全管理標準體系》、《安全生產責任制實施細則》等制度，明確各項安全管理工作的要求。同時，建立「安委會—分安會—支安會」安全管理架構，加強安全管理機構設置及安全管理專業人員配備，註冊安全工程師數量比二零一七年增長逾80%。於回顧年度內，多個項目獲得「安全文化建設示範企業」及「安全生產先進集體」等榮譽稱號，本集團的ESHS管理水平受到了各地政府部門的充分肯定。

In terms of risk management, the Group has established a three-tier risk management system to implement effective tier-based management. Risk awareness in all projects and departments was further enhanced, as the practice of “dual accountability for the same job position” was introduced. The risk management system guided by the principle of “joint actions by senior and subordinate levels and interconnectedness of vertical and horizontal dimensions” was further improved, while the organisational structure and management process for risk management were functioning with growing effectiveness. During the year under review, the Group conducted 3 major risk inspection exercises, following which deficiencies and omissions were identified and rectified. Our key risk management measures have been robustly enforced with notable effect.

As a result of the staff’s concerted efforts and diligence, the Group was included in the Hang Seng Corporate Sustainability Benchmark Index during the year under review, awarded “Sustainability and Social Responsibility Reporting Awards – Special Mention (Non-Hang Seng Index Category) (Medium Market Capitalisation)” in the “Best Corporate Governance Awards 2018” presented by Hong Kong Institute of Certified Public Accountants, and named “Listed Company with Best Investment Value” at the 8th China Securities Golden Bauhinia Awards, which acknowledge the outstanding performance of the Group in environmental protection, social responsibility and corporate governance.

As the convener of China Industry Development Promotion Association Biomass Energy Branch, the Group worked in tandem with the BEIPA to produce a number of reports with analysis on the current status, economics and existing issues of the biomass power generation and tariff-related policies as well as proposals for driving development of the industry during the year under review, in a bid to contribute to the ongoing positive development of the biomass industry. In the meantime, we were actively hosting domestic and international forums aimed at coordinating and driving the formulation of industry policies, promoting self-discipline and regulated development among industry players, as well as striving for the designation of the industry engaged in integrated utilisation of agricultural and forest wastes as a government-led social welfare business.

風險管理方面，本集團建立了風險管理組織體系的三道防線，實現了有效的逐級管理；進一步強化各項目、各部門的風險意識，實現「一崗雙責」；以「上下聯動、縱橫交錯」為指導原則的風險管理體系進一步完善，風險管理組織架構及管理流程逐漸成熟。於回顧年度內，本集團開展了三次風險大檢查工作，查缺補漏，重點風險管控有力，管控效果顯著。

受惠於企業上下一心、辛勤耕耘，本集團於回顧年度內獲納入恒生可持續發展企業基準指數，獲得由香港會計師公會頒發的「最佳企業管治大獎2018」之「可持續發展及企業社會責任報告獎 – 一評判嘉許(非恒指成份股(中市值)組別)」，並且獲第八屆中國證券金紫荊獎評為「最具投資價值上市公司」，反映了本集團一貫以來在環保、社會責任和公司管治方面的卓越表現。

為持續推動生物質行業的良好發展，於回顧年度內，本集團作為中國產業發展促進會生物質能產業分會的主任單位，配合撰寫多項報告，對生物質發電產業現狀、經濟性、存在問題及電價相關政策等進行分析梳理，提出了推進產業發展的相關建議；同時，積極舉辦國內及國際交流論壇，協調及推動產業政策的制定，倡導行業自律，規範行業發展，爭取農林廢棄物綜合利用產業成為政府主導下的社會公益事業。

Furthermore, to increase public understanding of the environmental protection industry, the Group was vigorously engaged in initiatives to open its environmental protection facilities to the public. 5 projects were made open in 2018 during the first phase, while 15 more projects are expected to be made open from 2019 to 2020. The initiative to open up to the public has obliged the projects to improve their environmental protection facilities, while further enhancing the Corporate's positive image.

The Group strives to build long-lasting and close relationships with our customers and suppliers. Through maintaining stable operations of projects and complying with environmental discharge standards, the Group has, over the years, assisted various local governments to improve local living environments, created job opportunities, and earned acknowledgement and approval from governmental departments of different levels by taking targeted measures in poverty alleviation and organising philanthropic events. As for suppliers, during the year under review, the Group arranged for numerous visits to our major suppliers, and paid return visits to some of our projects in light of the service conditions of major suppliers, so as to further refine the list of suppliers.

In terms of operating results, the Group reported encouraging growth in revenue and profitability for 2018. The Group's revenue from construction services reached a historical high as compared to the same periods of previous years, thanks to enhanced project management at the preparatory stage and steady progress of project construction. In connection with project operation services, revenues from the operation service segment continued to grow in line with the sustained increase in the volume of projects processed. For the year under review, the Group's revenue amounted to approximately HK\$7,001,820,000, an increase of 53% over HK\$4,581,352,000 for 2017. EBITDA amounted to approximately HK\$2,161,227,000, an increase of 42% over HK\$1,517,788,000 for 2017. Profit attributable to equity shareholders of the Company for the year was approximately HK\$1,324,871,000, 39% more than HK\$953,823,000 recorded for 2017. Basic earnings per share for 2018 amounted to HK64.12 cents, HK12.42 cents more than HK51.70 cents for 2017. The Group had ample cash flow and ready access to various financing options, reporting sound financial indicators across the board.

此外，為提升公眾對環保行業的認知，本集團積極開展環保設施公眾開放活動，二零一八年首期開放5個項目，二零一九年至二零二零年預計新增開放15個項目。公眾開放活動促進項目完善了環保硬件設施，亦進一步樹立公司良好企業形象。

本集團致力於與客戶及供應商建立長遠、密切的關係，通過維持項目穩定運營、環保達標排放等，多年來，本集團協助多地政府進一步改善當地生活環境、創造就業機會，同時通過精準扶貧、組織公益愛心活動等方式，贏得了各級政府部門肯定和認可。供應商方面，於回顧年度內，本集團組織了多次供應商考察活動，並針對主要供應商的服務情況進行項目回訪，進一步優化供應商庫。

經營業績方面，於二零一八年，本集團在收益及盈利方面均錄得可喜的增長。本集團通過強化籌建項目管理及穩步推進項目建設，建造服務收益創歷年同期新高。在運營服務方面，總處理量持續上升帶動運營服務收益持續增長。回顧年度內，本集團錄得收益約港幣7,001,820,000元，較二零一七年之港幣4,581,352,000元增加53%。除利息、稅項、折舊及攤銷前盈利約港幣2,161,227,000元，較二零一七年之港幣1,517,788,000元增加42%。年內本公司之權益股東應佔盈利約港幣1,324,871,000元，較二零一七年之港幣953,823,000元增加39%。二零一八年每股基本盈利為64.12港仙，較二零一七年之51.70港仙增加12.42港仙。本集團融資渠道暢通，資金充裕，各項財務指標健康。

BUSINESS REVIEW AND PROSPECTS

For the year under review, revenue generated from the integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power segments amounted to approximately HK\$7,001,820,000 in aggregate, comprising approximately HK\$4,127,440,000 from construction services, representing a 40% growth compared to HK\$2,952,979,000 for 2017, and approximately HK\$2,733,532,000 from operation services representing a 77% growth compared to HK\$1,548,618,000 for 2017. Analysed by the nature of revenue, construction services, operation services and finance income accounted for 59%, 39% and 2%, respectively, of our total revenue.

Major financial data of integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power projects for 2018 are set out as follows:

業務回顧及展望

回顧年度內，生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電分部的收益合計達約港幣7,001,820,000元，其中建造服務收益約港幣4,127,440,000元，較二零一七年之港幣2,952,979,000元增加40%，至於運營服務收益約為港幣2,733,532,000元，較二零一七年之港幣1,548,618,000元增加77%。各收益的比重為：建造服務佔59%，運營服務佔39%及財務收入佔2%。

二零一八年生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電項目之主要財務數據如下：

		2018 二零一八年					2017 二零一七年				
		Integrated biomass utilisation projects 生物質綜合利用項目	Hazardous and solid waste treatment projects 危廢及固廢處置項目	Environmental remediation projects 環境修復項目	Solar energy and wind power projects 光伏發電及風電項目	Total 合計	Integrated biomass utilisation projects 生物質綜合利用項目	Hazardous and solid waste treatment projects 危廢及固廢處置項目	Environmental remediation projects 環境修復項目	Solar energy and wind power projects 光伏發電及風電項目	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益										
- construction services	- 建造服務	3,763,446	363,994	-	-	4,127,440	2,892,944	60,035	-	-	2,952,979
- operation services	- 運營服務	1,967,199	409,146	117,672	239,515	2,733,532	1,030,719	308,785	-	209,114	1,548,618
- finance income	- 財務收入	131,638	9,210	-	-	140,848	70,021	9,734	-	-	79,755
		5,862,283	782,350	117,672	239,515	7,001,820	3,993,684	378,554	-	209,114	4,581,352
EBITDA	除利息、稅項、折舊及攤銷前盈利	1,631,932	370,246	24,515	225,605	2,252,298	1,143,235	241,454	(2,603)	195,827	1,577,913

Benefiting from favourable national policies, the Group received a total of approximately RMB97,005,000 in government grants and approximately RMB50,239,000 in value-added tax refunds in 2018.

受惠於國策支持，二零一八年，本集團共獲批政府各類補貼約人民幣97,005,000元及增值稅退稅約人民幣50,239,000元。

The Group 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 proposed to pay a final dividend of HK6.5 cents per share to the Shareholders (2017: HK9.0 cents).

Integrated biomass utilisation

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

While our comprehensive biomass raw material collection and conveyance system has safeguarded adequate fuel supply and the stable operation of our integrated biomass utilisation projects, we have also acquired biomass raw materials from nearby locations through regional coordination to lower our transportation costs. The combined effect of technical measures such as the optimisation of our in-furnance temperature field, anti-corrosion cladding and refined management of flue equipment has contributed to long cycles of stable operation of our biomass power generation projects in a major boost of the operational standards and economic benefits of our projects. Moreover, the Group’s urban-rural integration business model, with unique advantages, has not only contributed to project cost reduction and stronger competitiveness in the industry, but has also further facilitated the expansion of the Group’s business footprint.

本公司繼續為本公司之股東（「股東」）創優增值，為回饋股東的支持及考慮本集團的長期可持續發展，董事會建議向股東派發末期股息每股6.5港仙（二零一七年：9.0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收運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獲取生物質原材料，降低了運輸成本。通過爐內溫度場優化、易腐蝕部位熔覆及煙道設備精細化管理等技術手段相結合，生物質發電項目實現了長週期穩定運行，極大提升項目運營水平及經濟效益。此外，本集團的城鄉一體化模式獨具優勢，既有助於降低項目運營成本、提升行業競爭力，也進一步推動本集團實現業務版圖的擴張。

As of 31 December 2018, the Group had a total of 51 integrated biomass utilisation projects, located variously in 12 provinces and municipalities in China, including mainly in Anhui Province, Jiangsu Province, Shandong Province, Hubei Province and Henan Province. During the year under review, our geographical reach was further extended to Gansu Province, Liaoning Province, Fujian Province and Shaanxi Province. Such projects commanded a total investment of approximately RMB15.424 billion and provided aggregate power generation designed capacity of 1,073MW, aggregate biomass processing designed capacity of approximately 8,699,800 tonnes per annum, and aggregate household waste processing designed capacity of approximately 9,350 tonnes per day. During the year under review, the Group had 22 integrated biomass utilisation projects in operation, generating approximately 2,557,059,000 kWh of on-grid electricity which represented an increase of 84% over 2017. Meanwhile, the Group processed approximately 3,159,990 tonnes of biomass raw materials and approximately 881,254 tonnes of household waste, representing increases of 88% and 254% over 2017, respectively. During the year under review, the Group supplied approximately 363,391 tonnes of steam, representing an increase of 112% over 2017. As of 31 December 2018, the Group had 14 integrated biomass utilisation projects under construction, with an aggregate power generation designed capacity of 354MW, an annual biomass processing designed capacity of approximately 2,800,000 tonnes and a daily household waste processing designed capacity of approximately 2,150 tonnes.

During the year under review, EBITDA of the Group's integrated biomass utilisation projects was approximately HK\$1,631,932,000, an increase of 43% over 2017. The integrated biomass utilisation projects contributed net profit of approximately HK\$1,041,932,000, an increase of 38% over 2017.

The increase in profit was mainly attributable to the steady progress of a number of projects under construction during the year under review, resulting in the increase in the revenue from construction services. In addition, the aggregate volume of on-grid electricity of projects in operation continued to rise, contributing to a significant increase in revenue from the operation services.

截至二零一八年十二月三十一日，本集團共擁有51個生物質綜合利用項目，分佈在中國境內12個省份及直轄市，主要位於安徽省、江蘇省、山東省、湖北省及河南省等地，並於回顧年度內進一步拓展至甘肅省、遼寧省、福建省及陝西省。該些項目涉及總投資額約人民幣154.24億元，總設計發電裝機容量達1,073兆瓦，生物質總設計處理能力達每年8,699,800噸，生活垃圾總設計處理能力達每日9,350噸。於回顧年度內，本集團運營中的生物質綜合利用項目共22個，提供上網電量約2,557,059,000千瓦時，較二零一七年增加84%；處理生物質原材料約3,159,990噸，較二零一七年增加88%；處理生活垃圾約881,254噸，較二零一七年增加254%；本集團於回顧年度內供應蒸汽約363,391噸，較二零一七年增加112%。截至二零一八年十二月三十一日，本集團在建生物質綜合利用項目共14個，總設計發電裝機容量354兆瓦，設計生物質處理能力約每年2,800,000噸，設計生活垃圾處理能力約每日2,150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1,631,932,000元，較二零一七年增加43%。生物質綜合利用項目貢獻淨盈利約港幣1,041,932,000元，較二零一七年增加38%。

盈利增加主要由於回顧年度內多個在建項目穩步推進，建造服務收益錄得上升，加上運營項目的總上網電量持續上升，帶動運營服務收益大幅上升。

Major operating and financial data of the integrated biomass utilisation segment in 2018 are summarised in the table below:

二零一八年生物質綜合利用分部之主要運營與財務數據摘要如下：

		2018 二零一八年	2017 二零一七年
Integrated biomass utilisation projects	生物質綜合利用項目		
On-grid electricity (MWh)	上網電量(兆瓦時)	2,557,059	1,393,204
Biomass raw materials processing volume (tonne)	生物質原材料處理量(噸)	3,159,990	1,684,691
Waste processing volume (tonne)	垃圾處理量(噸)	881,254	249,212
Volume of steam generation (tonne)	蒸汽產量(噸)	363,391	171,027
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	1,631,932	1,143,235

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 capable of 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 further diversified our business to integrated hazardous waste utilisation, giving us the ability to fully meet customers' requirements on the back of our solid technical strengths and ability to provide one-stop services.

As of 31 December 2018, the Group had a total of 36 hazardous and solid waste treatment projects, located variously in 5 provinces in China, including mainly in Jiangsu Province and Shandong Province. During the year under review, our geographic reach was further extended to Zhejiang Province. Such projects commanded a total investment of approximately RMB7.65 billion (including approximately RMB576 million in Anqing Solid Waste Integrated Treatment Project, in which the Group held 49% interest) and an aggregate annual processing designed capacity of approximately 1,181,030 tonnes. During the year under review, there were 12 hazardous and solid waste treatment projects in operation, completing safe treatment of approximately 127,052 tonnes of hazardous wastes, an increase of 12% over 2017. There were 4 hazardous and solid waste treatment projects under construction with an aggregate annual processing designed capacity of 93,000 tonnes.

危廢及固廢處置

本集團主要從事一般工業固廢、危險廢棄物、病死動物等廢棄物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。

本集團可安全處置《國家危險廢物名錄》所列46類危廢中的43類，並於回顧年度內進一步拓展至危廢綜合利用領域，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。

截至二零一八年十二月三十一日，本集團共擁有36個危廢及固廢處置項目，分佈在中國境內5個省份，主要位於江蘇省及山東省等地，並於回顧年度內進一步拓展至浙江省。該些項目涉及總投資額約人民幣76.5億元(其中，安慶固廢綜合處置項目涉及投資額約人民幣5.76億元，本集團權益佔比49%)，總設計處理能力約每年1,181,030噸。於回顧年度內，本集團運營中的危廢及固廢處置項目12個，安全處置危險廢棄物約127,052噸，較二零一七年增加12%。在建危廢及固廢處置項目4個，總設計處理能力達每年93,000噸。

During the year under review, the Group entered into a share transfer agreement to acquire a 90% equity interest in Jiangsu Jiayuan at a consideration of RMB180 million. Located in Suzhou and Wuxi area, Jiangsu Jiayuan is an environmental protection company that focuses on resource recycling. Its core business covers the treatment and reuse of industrial hazardous waste, such as copper-containing sludge and etching waste liquid that are generated from printed circuit board. Jiangsu Jiayuan has two subsidiaries, namely Jiangyin Zhongxin Resource Recycling Company Limited (江陰中鑫資源再生有限公司) (“Jiangyin Zhongxin”), a wholly-owned subsidiary, and Kunshan Zhonghuan Industrial Company Limited (昆山中環實業有限公司) (“Kunshan Zhonghuan”), in which Jiangsu Jiayuan holds a 68% equity interest. In terms of hazardous waste processing capacity, Jiangsu Jiayuan is capable of processing 65,000 tonnes of copper-containing etching waste liquid, 10,000 tonnes of tin-stripping waste liquid, 12,000 tonnes of nickel-containing etching waste liquid and 60,000 tonnes of heavy metal-containing sludge, which suspended production as it is in the process of replacing its license for operation of hazardous waste disposal. Jiangyin Zhongxin, which is currently in operation, has an annual copper-containing etching waste liquid processing capacity of 10,000 tonnes. Kunshan Zhonghuan is also in operation with processing capacity of 23,000 tonnes of copper-containing etching waste liquid and 3,000 tonnes of tin-stripping waste liquid annually.

During the year under review, the Group’s hazardous and solid waste treatment projects contributed EBITDA of approximately HK\$370,246,000, an increase of 53% over 2017. Hazardous and solid waste treatment projects contributed net profit of approximately HK\$245,373,000, an increase of 48% over 2017. The increase in profit was mainly attributable to stable business development and sustained increase in the aggregate processing capacity of projects in operation.

於回顧年度內，本集團簽署股權轉讓協議，以代價人民幣1.8億元收購江蘇佳願90%股權。江蘇佳願是一家位於蘇錫地區的資源再生利用環保企業，主營業務為印製電路板所產生的含銅蝕刻廢液、含銅污泥等工業危險廢物的處置和資源化利用；其旗下有兩家子公司，其中江陰中鑫資源再生有限公司（「江陰中鑫」）為其全資子公司，昆山中環實業有限公司（「昆山中環」）為其控股子公司，控股股權佔68%。危廢處置能力方面，江蘇佳願每年可處置含銅蝕刻廢液65,000噸、退錫廢液10,000噸、含鎳廢液12,000噸及含重金屬污泥60,000噸，目前處於暫停生產、更換危廢經營許可證階段；江陰中鑫每年可處置含銅蝕刻廢液10,000噸，昆山中環每年可處置含銅蝕刻廢液23,000噸及退錫廢液3,000噸，均正常運營。

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370,246,000元，較二零一七年增加53%。危廢及固廢處置項目貢獻淨盈利約港幣245,373,000元，較二零一七年增加48%。盈利增加主要由於業務發展穩健及運營項目的總處理量持續上升。

Major operating and financial data of the hazardous and solid waste treatment segment in 2018 are summarised in the table below:

二零一八年危廢及固廢處置分部之主要運營與財務數據摘要如下：

		2018 二零一八年	2017 二零一七年
Hazardous and solid waste treatment projects	危廢及固廢處置項目		
Hazardous and solid waste processing volume (tonne)	危廢及固廢處理量(噸)	127,052	113,031
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	370,246	241,454

Environmental Remediation

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

Since the establishment of the Environmental Remediation Management Centre in August 2017, the Group has been making vigorous efforts to develop the environmental remediation business as a key task, delivering fruitful results in the building of the environmental remediation business team, qualification enhancements and market development. The environmental remediation segment has been growing in size. With an increasing number of employees, over 85% of them hold certified qualifications, senior professional titles and advanced academic background. The high-calibre team has provided a strong assurance for the further development of our business.

In connection with qualifications, the Group continued to enhance the qualifications of Everbright Environmental Repairing (Jiangsu) Limited (光大環境修復(江蘇)有限公司) ("Environmental Remediation Co."). As of 31 December 2018, Environmental Remediation Co. was qualified as a Class III contractor for specialised environmental engineering and Class C operator of environmental pollution treatment work in Jiangsu Province. It had also obtained a safe production permit, an "AAA" corporate credit rating and an "AA" credit rating given by a credit rating agency and China Construction Bank, respectively, as well as ISO9001, OHSAS18001 and ISO14001 management system accreditations.

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。

自二零一七年八月環境修復管理中心成立以來，本集團將環境修復業務的發展作為重點工作大力推進，在環境修復業務團隊建設、資質完善及市場拓展方面均取得了豐碩成果。目前，環境修復板塊已經初具規模，員工人數不斷增加，具備註冊職業資格、高級職稱及高級學歷的人員佔比超過85%，高質素的人才隊伍為業務的進一步發展提供了強有力的保障。

資質方面，本集團不斷完善提升光大環境修復(江蘇)有限公司(「環境修復公司」)的資質能力。截至二零一八年十二月三十一日，環境修復公司已具備環保工程專業承包三級資質、江蘇省環境污染治理能力評價丙級資質，取得了安全生產許可證，獲批信用評級機構企業資信等級AAA證書及中國建設銀行AA級信用等級證書，並通過ISO9001、OHSAS18001、ISO14001管理體系認證。

During the year under review, the Group independently undertook 9 environmental remediation projects, which were located mainly in Jiangsu Province, Tianjin, Shanghai and Jiangxi Province. They included 2 completed projects, 6 projects under implementation and 1 project in preparation with a total contract amount of approximately RMB187 million.

In addition, the Group entered into a share transfer agreement to acquire an 88.88% equity interest in Suntime Environmental Remediation at a consideration of RMB222.2 million. Suntime Environmental Remediation's principal business includes technical services and design, consultation and construction in relation to environmental remediation. It is a national high-tech enterprise with the following licenses: the First-grade Professional Contracting Qualification for Environmental Protection Projects, Environmental Engineering EPO License (Class B) (for pollution remediation and prevention of water pollution), the Third-Grade General Contractor for Municipal Public Works, Jiangsu Environmental Pollution Control License (Class A) (contaminated soil, groundwater and water body remediation) and the General Contractor for Jiangsu Environmental Pollution Control License (1st Class). Suntime Environmental Remediation holds 96 national patents, 19 of which are invention patents, as well as 10 registered trademarks. Changzhou Suntime Environmental Testing and Technology Company Limited (常州上田環境檢測技術有限公司) is the inspection and testing arm of Suntime Environmental Remediation with China Metrology Accreditation which qualifies it to issue valid data and results with proof. As of 31 December 2018, the contract value of the projects under implementation of Suntime Environmental Remediation was approximately RMB432 million.

During the year under review, environmental remediation projects contributed EBITDA and net profit of approximately HK\$24,515,000 and HK\$19,867,000 respectively.

Major financial data of the environmental remediation segment for 2018 are summarised as follows:

於回顧年度內，本集團共自主承接9個環境修復項目，主要位於江蘇省、天津市、上海市和江西省，其中包括2個完工項目，6個執行中項目以及1個籌建項目，涉及總合同金額約人民幣1.87億元。

此外，本集團簽署股權轉讓協議，以代價人民幣2.222億元收購上田環境修復88.88%股權。上田環境修復專業從事環境修復的技術服務及設計、諮詢、施工等業務，為國家高新技術企業，具備環保工程專業承包一級、環境工程設計專項乙級（污染修復工程和水污染防治工程）、市政公用工程總承包三級、江蘇省環境污染治理能力評價甲級（污染水體修復、污染土壤修復）、江蘇省環境污染治理工程總承包能力評價一級等資質，持有96項國家專利（其中發明專利19項）及10項註冊商標。常州上田環境檢測技術有限公司是上田環境修復旗下一家持有中國計量認證(CMA)資質認定證書的檢驗檢測機構，可對外出具具有證明效力的數據和結果。截至二零一八年十二月三十一日，上田環境修復執行中的項目涉及合同金額約人民幣4.32億元。

於回顧年度內，環境修復項目分別貢獻除利息、稅項、折舊及攤銷前盈利及淨盈利約港幣24,515,000元及港幣19,867,000元。

二零一八年環境修復分部之主要財務數據摘要如下：

		2018 二零一八年	2017 二零一七年
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)	24,515	(2,603)

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 316,811,000 kWh of electricity, contributing EBITDA of approximately HK\$225,605,000, representing an increase of 15% over 2017. Solar energy and wind power projects contributed net profit of approximately HK\$110,047,000, representing an increase of 14% over 2017 mainly in tandem with the increase in the volume of on-grid electricity supply by the wind power projects.

Major operating and financial data of the solar energy and wind power segment in 2018 are summarised in the table below:

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316,811,000千瓦時，貢獻除利息、稅項、折舊及攤銷前盈利約港幣225,605,000元，較二零一七年增加15%。光伏發電及風電項目貢獻淨盈利約港幣110,047,000元，較二零一七年增加14%，主要由於年內風電項目增加上網電量。

二零一八年光伏發電及風電分部之主要運營與財務數據摘要如下：

		2018 二零一八年	2017 二零一七年
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)	316,811	274,299
EBITDA (HK\$'000)	除利息、稅項、折舊及攤銷前盈利(港幣千元)	225,605	195,827

The Group strives to realise sustainable development for the corporation and the community by making vigorous efforts to drive energy conservation and emission reduction, in persistent fulfilment of the mission and undertaking of being "Devoted to Ecology and Environment for a Beautiful China." During the year under review, the Group generated approximately 2,873,870,000 kWh of green electricity, which was sufficient for the annual electricity consumption of 2,394,892 households, reducing standard coal consumption by 1,149,548 tonnes and carbon dioxide (CO₂) emissions by 2,480,117 tonnes, while saving 373,603,100 trees. The Group also treated 143,676 m³ of leachate in its waste-to-energy power plants and hazardous waste landfills.

為實現企業和社會的可持續發展，本集團堅守「情繫生態環境，築夢美麗中國」的使命與擔當，積極推動節能減排。於回顧年度內，本集團共提供綠色電力約2,873,870,000千瓦時，可供2,394,892個家庭一年使用，相當於節約標煤1,149,548噸，減少二氧化碳(CO₂)排放2,480,117噸及減少森林樹木砍伐373,603,100株，以及共處理垃圾發電廠及危廢填埋場的滲濾液143,676立方米。

Business prospects

In 2019, we will be celebrating the 70th anniversary of the founding of new China. This will also be a crucial year for achieving success in the realisation of a moderately prosperous society and winning the critical battle for the prevention and treatment of pollution. With resolute determination, the PRC government will continue to thoroughly fulfill the requirements put forth at the National Conference on Ecological and Environmental Protection and seek to win the critical battle for the prevention and treatment of pollution, such that the quality of our ecological environment will be further improved. In the meantime, a new cycle of environmental inspection will be commenced in full scale, and ongoing demand for environmental treatment services is expected as the environmental protection authorities under the central government continue to roll out “repeat inspection”.

Meanwhile, as China’s environmental protection industry continues to grow with optimisation in the industry mix, enterprises in the environmental protection business are facing more stringent requirements and China’s environmental protection market is entering a stage of consolidation where companies with poor quality will be eliminated. In view of the challenges as well as opportunities in the environmental industry, the Group will continue to drive innovations in technology, business and management and persist in seeking developments in “three dimensions”: in length as we seek to extend the industry chain, in depth as we try to penetrate for more market shares, and in breadth as we look to widen our business scope, with a view to procuring sustainable development in various businesses.

To further optimise its business structure, the Group will advance its integrated biomass utilisation business in a steady pace to cement its position in the industry, edge up our effort in the development of the hazardous and solid waste treatment business to enhance its position in the industry and increase its weighting among our principal businesses, we will commence the environmental remediation business with full force. In terms of business types, the Group will drive the development of its biomass integrated utilisation business from direct combustion power generation to electricity and heat cogeneration, urban-rural integration and bio-gas. In connection with hazardous and solid waste treatment, an end-to-end change in the industry chain from the “incineration + landfill” model to the model of “integrated utilisation + physio-chemical processing + incineration + landfill” will be implemented. Our environmental remediation business will diversify into integrated environmental services, as opposed to restoring individual sites only.

業務展望

二零一九年是新中國成立七十周年，是決勝全面建成小康社會、打好污染防治攻堅戰的關鍵之年。中國政府將繼續堅定不移貫徹落實全國生態環境保護大會提出的要求，打好污染防治攻堅戰，進一步改善生態環境質量。同時，新一輪環保督察將全面啟動，中央環境保護督查「回頭看」持續推進，環保治理需求將得以持續釋放。

另一方面，隨著中國環保產業規模的擴張、產業結構的優化調整，環保企業將面臨更嚴格的要求，中國環保市場正在進入良幣驅逐劣幣的時代。面對環保行業的機遇與挑戰，本集團將持續推進技術、業務和管理的創新，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，推進各項業務的可持續發展。

為進一步優化業務結構，本集團將穩步推進生物質綜合利用業務，鞏固行業地位；加大危廢及固廢處置業務拓展力度，提升行業地位及該項業務在主營業務中的佔比，同時全力開展環境修復業務。業務類型方面，本集團將積極推進生物質綜合利用從直燃發電向熱電聯供、城鄉一體化、生物質天然氣等方向發展；推進危廢及固廢處置實現從現有「焚燒+填埋」業務向「綜合利用+物化+焚燒+填埋」的全產業鏈轉變；推進環境修復業務從單一場地修復到綜合環境服務轉變。

Looking to the future, with the solid backing of Everbright Group and strong support of CEIL, our 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 continue to persist in the rationale of being “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.

Subsequent events

The Group completed the acquisitions of Suntime Environmental Remediation and Jiangsu Jiayuan in January 2019.

FINANCIAL REVIEW

Financial position

As at 31 December 2018, the Group’s total assets amounted to approximately HK\$18,602,802,000 (31 December 2017: HK\$14,431,617,000) with net assets amounting to approximately HK\$9,431,074,000 (31 December 2017: HK\$8,766,046,000). Net asset value per share attributable to equity shareholders of the Company was HK\$4.52 per share, an increase of 7% compared to net asset per share of HK\$4.23 as at the end of 2017. As at 31 December 2018, gearing ratio (total liabilities over total assets) of the Group was 49%, an increase of 10 percentage points as compared to that 39% as at the end of 2017. Current ratio of the Group was 155%, a decrease of 61 percentage points as compared to that of 216% as at the end of 2017.

展望未來，依託光大集團這一堅實後盾及控股股東光大國際的強力支持，憑藉開發及運營多元化項目組合的豐富經驗和強大的市場拓展能力，本集團將繼續堅持「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。

業績日後事項

本集團於二零一九年一月完成上田環境修復及江蘇佳願的收購工作。

財務回顧

財務狀況

於二零一八年十二月三十一日，本集團之總資產約港幣18,602,802,000元（二零一七年十二月三十一日：港幣14,431,617,000元），淨資產則約港幣9,431,074,000元（二零一七年十二月三十一日：港幣8,766,046,000元）。而本公司權益股東應佔每股資產淨值為港幣4.52元，較二零一七年底之每股資產淨值港幣4.23元增加7%。於二零一八年十二月三十一日，本集團之資產負債比率（總負債除以總資產）為49%，較二零一七年底之39%增加10個百分點。本集團之流動比率為155%，較二零一七年底之216%減少61個百分點。

Financial resources

The Group adopts a prudent approach to cash and financial management to ensure proper risk control and lower the costs of funds. It finances its operations primarily with the proceeds from the global offering, internally generated cash flow and bank loans. As at 31 December 2018, the Group had cash and bank balances of approximately HK\$2,260,833,000, a decrease of approximately HK\$1,082,578,000 as compared to HK\$3,343,411,000 as at the end of 2017. 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 2018, the Group had outstanding borrowings of approximately HK\$6,006,559,000, an increase of approximately HK\$2,511,856,000 as compared to HK\$3,494,703,000 as at the end of 2017. The borrowings included secured interest-bearing borrowings of approximately HK\$4,026,843,000 (31 December 2017: HK\$2,759,637,000) and unsecured interest-bearing borrowings of approximately HK\$1,979,716,000 (31 December 2017: HK\$735,066,000). The borrowings of the Group were mainly denominated in Renminbi, representing approximately 83% of the total, and the remainder is denominated in Hong Kong dollars. All of the borrowings were at floating rates. As at 31 December 2018, the Group had banking facilities of approximately HK\$11,261,010,000 (31 December 2017: HK\$7,057,275,000), of which approximately HK\$5,254,451,000 (31 December 2017: HK\$3,562,572,000) was unutilised. The tenor of banking facilities ranged from 1 year to 16 years.

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

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。運營資金主要來自全球發售募集所得資金、內部現金流及銀行貸款。於二零一八年十二月三十一日，本集團持有現金及銀行結餘約港幣2,260,833,000元，較二零一七年底之港幣3,343,411,000元減少約港幣1,082,578,000元。本集團大部份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。於二零一八年十二月三十一日，本集團尚未償還貸款總額約港幣6,006,559,000元，較二零一七年底之港幣3,494,703,000元增加約港幣2,511,856,000元。貸款包括有抵押之計息借貸約港幣4,026,843,000元（二零一七年十二月三十一日：港幣2,759,637,000元）及無抵押之計息借貸約為港幣1,979,716,000元（二零一七年十二月三十一日：港幣735,066,000元）。本集團的貸款主要以人民幣為單位，佔總數約83%，其餘則為港幣。本集團的貸款均為浮動利率。於二零一八年十二月三十一日，本集團之銀行融資額度約港幣11,261,010,000元（二零一七年十二月三十一日：港幣7,057,275,000元），其中約港幣5,254,451,000元（二零一七年十二月三十一日：港幣3,562,572,000元）為尚未動用之額度，銀行融資額度為一至十六年期。

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

Foreign exchange risks

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

Pledge of assets

Certain banking facilities at the Group were secured by revenue, contract assets and receivables in connection with the Group's service concession arrangements, bank deposits, property, plant and equipment and interests in leasehold land held for own use under operating leases. As at 31 December 2018, the aggregate net book value of assets pledged amounted to approximately HK\$7,597,951,000 (31 December 2017: HK\$6,582,527,000).

Commitments

As at 31 December 2018, the Group had outstanding purchase commitments of approximately HK\$1,578,260,000 (31 December 2017: HK\$1,470,949,000) under the construction contracts and capital commitments relating to the capital injection to an associate of approximately HK\$56,216,000 (31 December 2017: Nil) and a joint venture of Nil (31 December 2017: HK\$9,500,000) and acquisition of subsidiaries of approximately HK\$406,380,000 (31 December 2017: Nil).

Contingent liabilities

As at 31 December 2018, the Group did not have any contingent liabilities (31 December 2017: Nil).

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。本集團大部份資產、貸款及主要交易以人民幣為單位，基本形成一種自然的對沖。本集團通過合理匹配各種貨幣貸款，適量控制非本位幣貸款，及採用合適的金融工具以密切管理外匯風險。

資產抵押

本集團若干銀行融資以本集團服務特許經營權安排下之若干收益、合約資產及應收款項、銀行存款、物業、廠房及設備及根據經營租賃持作自用之租賃土地權益作為抵押。於二零一八年十二月三十一日，已抵押資產之賬面淨值總額約港幣7,597,951,000元(二零一七年十二月三十一日：港幣6,582,527,000元)。

承擔

於二零一八年十二月三十一日，本集團為建造合約而訂約之未付採購承擔約港幣1,578,260,000元(二零一七年十二月三十一日：港幣1,470,949,000元)，以及擁有與注資一間聯營公司約港幣56,216,000元(二零一七年十二月三十一日：無)、注資一間合營企業零元(二零一七年十二月三十一日：港幣9,500,000元)及收購附屬公司約港幣406,380,000元(二零一七年十二月三十一日：無)相關的資本承擔。

或有負債

於二零一八年十二月三十一日，本集團並無任何或有負債(二零一七年十二月三十一日：無)。

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.

Use of proceeds

The net proceeds from the global offering on 8 May 2017 after deducting share issuance expenses and listing expenses ("Net Proceeds") was approximately HK\$3,234,510,000. As of 31 December 2018, the Company had used approximately HK\$3,104,211,000 (31 December 2017: HK\$1,013,030,000) of the Net Proceeds for the purposes as set out in the prospectus of the Company dated 21 April 2017, representing 96% of the Net Proceeds.

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。

募集所得款項使用情況

於二零一七年五月八日，全球發售募集所得款項淨額於扣除股份發行費用及上市費用後（「所得款項淨額」）約港幣3,234,510,000元。截至二零一八年十二月三十一日，本公司的所得款項淨額已按照於二零一七年四月二十一日之招股章程列示用途使用約港幣3,104,211,000元（二零一七年十二月三十一日：港幣1,013,030,000元），佔所得款項淨額的96%。

Item	項目	Movements 變動 HK\$'000 港幣千元
Net Proceeds	所得款項淨額	3,234,510
Less: Proceeds utilised	減：已使用所得款項	
Including:	其中：	
Investments in integrated biomass utilisation projects	投資於生物質綜合利用項目	(2,069,048)
Investments in hazardous and solid waste treatment projects	投資於危廢及固廢處置項目	(658,987)
Working capital and other general corporate purposes	運營資金及其他一般企業用途	(310,000)
Research and development and acquisition of advanced technologies	研究及開發及收購先進技術	(66,176)
Proceeds unused as of 31 December 2018	截至二零一八年十二月三十一日 尚未使用的募集所得款項	130,299

The remaining unused proceeds will be used for the purposes as set out in the prospectus.

剩餘未使用募集所得款項將計劃用於招股章程列示之用途。

Service concession arrangement

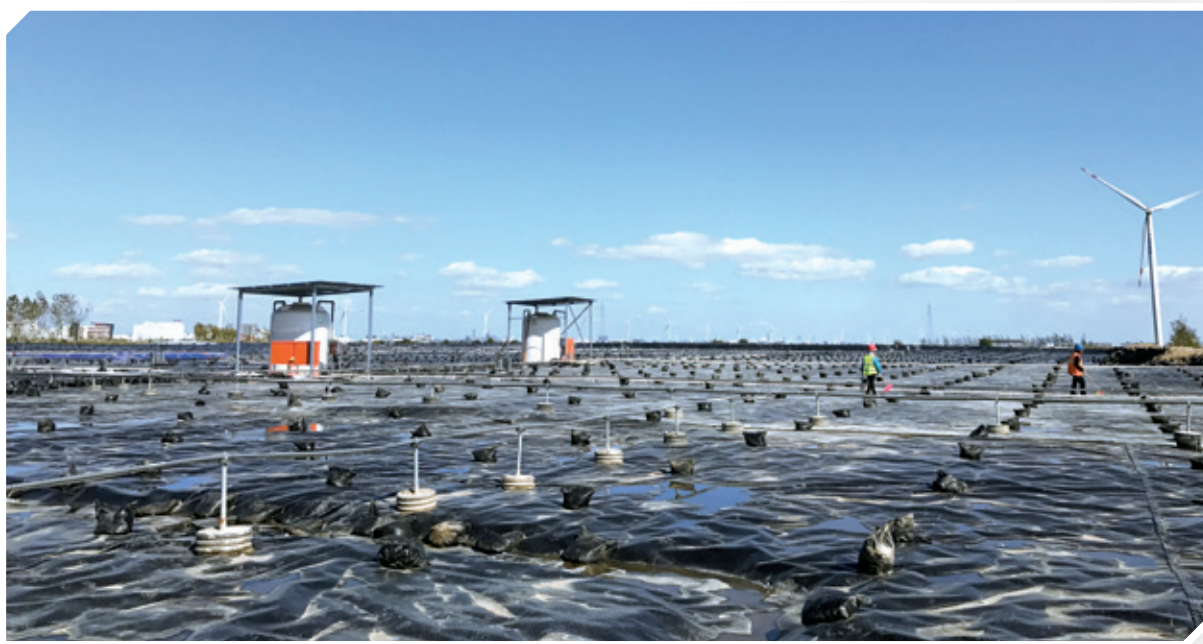
The Group entered into Build-Operate-Transfer (“BOT”) and Build-Operate-Own (“BOO”) arrangements in respect of its projects.

The Group concluded that all the BOT arrangements and certain BOO arrangements are service concession arrangements under HK(IFRIC) 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）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。



Remediation works on contaminated site in Jiangsu
江蘇污染場地修復工程

The following chart sets forth a summary of the accounting treatment for service concession arrangements and non-service concession arrangements under HKFRS:

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



As of 31 December 2018, the Group had a total of 45 projects in operation and 24 projects under construction, in which 34 integrated biomass utilisation projects and 7 hazardous and solid waste treatment projects are accounted for as service concession arrangements. Most of the integrated biomass utilisation projects and some of the hazardous and solid waste treatment projects are accounted for as service concession arrangements. The construction contracts for the biomass portion of our integrated biomass and waste-to-energy projects and some of our hazardous and solid waste treatment projects are recorded under “intangible assets,” while the construction contracts for the waste-to-energy portion of our integrated biomass and waste-to-energy projects and some of our hazardous and solid waste treatment projects are recorded under “service concession assets”.

The following table sets forth a breakdown of the construction revenue recorded under intangible assets and service concession assets for projects accounted for as service concession arrangements during the year ended 31 December 2018 and 2017.

Construction revenue recorded as additions to:

截至二零一八年十二月三十一日，本集團擁有45個投運項目及24個在建項目，其中：34個生物質綜合利用項目及7個危廢及固廢處置項目入賬列作服務特許經營權安排劃分的項目。我們的大多數生物質綜合利用項目及部份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份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份及部份危廢及固廢處置項目的建造合約於服務特許經營權資產項下列賬。

下表載列截至二零一八年十二月三十一日及二零一七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。

錄得作為增置的建造收益：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Intangible assets	無形資產	2,858,572	2,014,369
Service concession assets	服務特許經營權資產	1,268,868	938,610
Total	總計	4,127,440	2,952,979

INTERNAL MANAGEMENT

Strengthen corporate management and risk control is the cornerstone that ensures the 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 enhanced the standardised operation of its end-to-end business processes with the aim of controlling operational risks through the standardisation of processes. Improvements have also been made to the risk management regime, following initiatives to strengthen know-how training and practical drills in relation to the ESHS management system and risk management system. Professional safety training agencies were engaged to enhance risk identification, while a comprehensive risk inspection with collective involvement across different departments was organised, procuring closed-loop rectification wherever problems were identified. To complement efforts of the Internal Audit Department, “Risk management -oriented auditing” was incorporated into our audit process, whereby reviews on the operating conditions and viability of our risk management system were conducted from an audit point of view to ensure all management systems were effectively implemented with stringent execution.

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

內部管理

加強企業管理和風險控制是確保企業高效、健康和可持續發展的基礎。本集團一直奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，不斷完善管理制度，建立健全管理機制，著力塑造全員參與的企業管理文化，強化管理意識，有效提升企業管理水平。於回顧年度內，本集團進一步強化全業務流程操作標準化，以標準化流程把控企業經營風險；完善風險管理體系，加強ESHS管理體系及風險管理體系知識培訓和實操訓練；聘請外部專業安全機構強化風險識別，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。

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

HUMAN RESOURCES

The Group has always attached great importance to human resource management and mapped out the structure of its human resource requirements according to its business development trends to provide an ongoing drive force for its rapid development. During the year under review, the Group continued to actively promote and attract talents through, among others, internal training, open recruitment and on-campus recruitment. 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 and sharing of fruitful results between employees and the Company.

To enhance technical exchanges and capitalise on its technical resources, the Group made active efforts to build an internal team of lecturers during the year under review and improve their teaching through selection examination, training and education, so that they could pass on their expertise to upgrade the skills of other employees. To facilitate new employees' integration, the Company enrolled more than 300 staff members in 4 team execution training sessions organised by CEIL, on top of induction training. Elsewhere, 19 key personnel enrolled in the 8th session of the CEO Course organised by Tsinghua University for effective enhancements in management and organisational efficiency. Moreover, the Group also arranged special training in human resources during the year to increase the efficiency of human resource management. Management training sessions in internal risk control, safety and finance were also arranged to enhance the risk awareness, safety awareness and financial management standards of management personnel.

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，為本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準，傳遞專業知識，提高員工技能；為加快新員工的融入本公司氛圍，除了開展新員工入職培訓外，本公司更組織參與光大國際舉辦的4次團隊執行力拓展培訓，逾300人參訓；派遣19名骨幹人才參加第八期清華大學總裁班學習，有效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提高人力資源管理工作的效率。同時透過安排風險內控、安全及財務的管理培訓以提升管理人員的風險意識、安全意識和財務管理水準。

To further enhance its talent pool, the Group has organised, in addition to on-campus recruitment, competitive internal appointment and selection to identify talents and strengthen the selection and training of back-up personnel, such that staff with the right caliber and ambition can undertake more appropriate positions to play to their strengths and enhance efficiency. During the year, the Group formulated the “Everbright Greentech Measures for the Administration of Back-up Officers” (《光大綠色環保後備幹部管理辦法》) to further enhance the management of its talent pool for back-up officers, whereby back-up talents are trained according to the principle of “Fairness, Openness and Merit-based selection”. In addition, the “Administrative Measures for the Assessment and Appointment of Positions Requiring Specialised Expertise” (《專業技術職務評聘管理辦法》) and “Administrative Measures for Professional Qualifications and Titles for Specialised Expertise” (《職業資格和專業技術職稱管理辦法》) were formulated to facilitate development for specialised technical staff and reinforce the Company’s foundation in specialised expertise.

As at 31 December 2018, the Group had over 2,000 employees in total in Hong Kong and Mainland China. As of 31 December 2018, our total staff cost was approximately HK\$446,230,000 (As of 31 December 2017: HK\$293,376,000). 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

The Group has always held risk management in high regard. During the year under review, the Group continued to refine its internal control and risk management systems and identify and assess its critical risk exposures. Key risks associated with the development of the Group’s environmental business included changes in environmental policies, environmental and social responsibilities, safety liability, peers competition, technology and innovation, as well as legal and internal policy compliance.

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，本集團編製了《光大綠色環保後備幹部管理辦法》以進一步加強後備幹部人才庫的管理，以「公平、公開、擇優」的選擇原則，來鍛煉提升後備人才；編製《專業技術職務評聘管理辦法》及《職業資格和專業技術職稱管理辦法》，促進專業技術人員的成長，築牢本公司專業技術發展根基。

於二零一八年十二月三十一日，本集團在香港及中國內地合共僱用逾2,000名員工。截至二零一八年十二月三十一日，總員工成本約港幣446,230,000元(截至二零一七年十二月三十一日：港幣293,376,000元)。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況釐定。除酌情獎勵花紅外，本集團亦提供其他福利予員工，包括醫療保險及強積金計劃。

主要風險及不確定性

本集團一貫重視風險管理。於回顧年度內，本集團不斷完善內部控制及風險管理體系，持續識別及評估本集團所面對的重大風險。就本集團的環保業務發展，主要風險包括環保政策改變、環境與社會責任、安全責任、行業競爭、科技及創新、法律及內部政策合規等。

The risk associated with changing environmental policies refers to the failure to respond to the changes in national policies and business models in a timely and effective manner resulting in an adverse impact to the business of the Group. The Group has stayed alert on the changes in China's environmental policies and has adjusted its development path accordingly in response to such changes in a timely manner. We have also sought to understand relevant policy changes through public outlets, such as industry associations and policy promulgation training which our staff would attend. We maintain smooth communication with authorities governing national/industry standards and industry associations and take part in the formulation of relevant national policies and standards. In response to national policies such as the "Belt and Road Initiative" and "Targeted Poverty Alleviation", the Group has made reasonable planning and employed innovative business models in tandem with national strategies to seize opportunities for development and achieve stated goals in sustainable growth.

The risk of environmental and social responsibility refers mainly to the potential breach of environmental emission limits, safety incidents and adverse external conditions which have a negative impact on project construction and operation. The Group has persisted in work design optimisation, stringent quality control over project construction and efficiency upgrade for equipment and the enhancement of project management standards. We have also exercised stringent control over emission indicators to ensure the compliance with discharge standards. During the year under review, the Group continued to introduce improvements to its ESHS Management System and thoroughly implemented the "Standard Operating Procedures" ("SOP"). Contingency plans for emergencies were formulated and effective rectification was carried out in respect of issues identified. The Group continued to disclose environmental emission data of its waste-to-energy projects in a proactive move to subject itself to the general public's supervision, demonstrating its determination to fulfill its environmental and social responsibilities on all fronts.

環保政策變化風險指未能及時有效應對國家政策調整及商業模式變化而對本集團業務帶來負面影響的風險。本集團一直密切關注國家對環保政策的調整，及時順應環保政策的變化而調整本集團發展路線，依託行業協會，組織人員參加政策宣講培訓等，從公開管道了解相關政策變化。與國家／行業標準主管部門、行業協會等保持暢通的溝通管道，參與國家相關政策、標準的制訂工作。本集團回應國家「一帶一路」、「精準扶貧」等政策，順應國家戰略，合理佈局，創新商業模式，抓住發展機遇，實現可持續發展的預定目標。

環境與社會責任風險主要指環保排放超標、安全事故、不良外部環境等對項目的建設及運營帶來負面影響的風險。本集團一貫堅持優化工程設計、嚴控項目建設品質、提升設備效能，提高項目管理水平，嚴格控制排放指標，保證達標排放。於回顧年度內，本集團繼續完善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開展了全面檢查活動，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，彰顯本集團全面履行環境及社會責任的決心。

The risk of safety liability refer to 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. In persistent adherence to the principle of “Life above all else and safe development”, the Group engaged professional safety management agencies in 2018 to improve the Company’s existing safety management regime and implement safety management responsibilities. Meanwhile, a number of specialised major safety inspection were conducted throughout the system in 2018 to identify and eliminate any safety hazards, with a view to preventing the occurrence of safety liability incidents. In 2018, a safety incident occurred due to an employee’s non-compliance with safety regulations in the course of operation. In view of that, the Company carried out an inspection into potential safety hazards so as to eradicate the recurrence of similar cases. The Company also launched several sessions of safety training in relation to the entire system to educate employees in safety management and increase their awareness for safety risks such that risks would be eliminated at a premature stage and the Company’s safety management standards would be enhanced.

The risk of peers competition refers to the risk of keen competition among industry peers affecting the Group’s business development capabilities and the investment returns of its projects. The Group’s major business segments, including integrated biomass utilisation, hazardous and solid waste treatment, environmental remediation and solar energy and wind power, are subject to intense market competition. The Group seeks to develop new business opportunities by tracking national macro-economic strategies and establishing itself in advantageous sectors on the back of its inherent strengths. In 2018, the Group placed a special emphasis on the development and expansion of hazardous and solid waste treatment projects and noted the impact of new technologies and business models on the hazardous and solid waste treatment industry. Through acquisitions, we achieved rapid growth in the hazardous and solid waste treatment business, while exploring new categories in this sector to complete its strategic deployment of hazardous and solid waste treatment projects. In the environmental remediation sector, the Group also reported breakthroughs during the year to lay a solid foundation for future development. The Group is committed to quality in project construction and supreme standards in operational management, as it seeks to increase profitability by enhancing the overall quality of its projects and achieving cost reductions.

安全責任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。本集團始終堅持「生命至上、安全發展的原則」，在二零一八年度聘請了專業安全管理機構幫助本公司完善現有的安全管理體系，落實安全管理責任。同時，在二零一八年度在全系統內進行了多次安全專項大檢查，查找並消除安全隱患，避免安全責任事故的發生。本公司於二零一八年內發生了一次因一位員工未按規章操作的安全事故。鑒此，本公司進行安全隱患排查，盡力杜絕同類情況再出現。本公司亦多次開展全系統的安全培訓工作，讓員工學習安全管理知識、提高安全風險意識、防微杜漸，提升安全管理水準。

行業競爭風險指在業內對手的激烈競爭下，影響本集團的業務拓展能力及項目投資回報的風險。本集團主營業務包括生物質綜合利用、危廢及固廢處置、環境修復及光伏發電及風電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，跟進國家宏觀戰略、立足優勢產業、開發新的發展契機。二零一八年度，本集團特別重視危廢及固廢處置項目的開發與拓展，關注新技術、新的商業模式對於危廢處置行業的影響。通過收購方式，實現危廢及固廢處置業務的快速發展，同時也開拓了新種類危廢及固廢處置業務，實現危廢及固廢處置項目的戰略佈局。在環境修復領域，本集團在本年度也實現了突破，並為今後一段時間的發展奠定了堅實基礎。本集團堅持一貫的優質項目建設、高水準運營管理，提高項目整體品質並節約成本，從而提升盈利水準。

The risk associated with technology and innovation refers mainly to the failure to effectively develop or introduce new technologies required by business development affecting the Group's profitability. During the year, the Group stepped up with investigation into new segments of the environmental protection business, such as soil remediation, air remediation and the treatment of new hazardous waste types, and eyed opportunities in the international market on the back of its domestic presence in line with the "Belt and Road Initiative". The Group also attaches great importance to the recruitment of talents with specialised expertise and the introduction of deliverables from the research and development of advanced technologies in other countries, with a special emphasis on the improvement and application of technologies. Internally developed as well as imported technologies have been successfully applied in projects, resulting in increasing technological advances in project operation. The research programme designated for the year was also focused on practical aspects that were issue-specific and conducive to better efficiency, such as sustained stable operation, safety benchmarks and efficiency enhancement. Such initiatives underlined how technological innovation effectively supported the Company's operations.

Operations in compliance with laws and regulations represent a minimum standard for the Company. The Company implements a two-pronged control over legal risks with our internal legal staff working closely with our retained external legal advisor. In 2018, 3 major risk inspection exercises were organised to conduct key inspections on legal compliance of the Company's operations. Deficiencies and omissions were identified and rectified to ensure compliance with laws and regulations by all project companies. As a Hong Kong-listed enterprise, the Company has complied with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") in its day-to-day operations with improving management standards.

科技與創新風險主要指未能有效研發、引進新技術以滿足業務發展需要，而影響本集團盈利能力的風險。本集團於本年度內加強對環保領域新業務，如土壤修復、大氣修復、新型危險廢棄物處理等方面的探索，結合「一帶一路」發展政策，立足國內，放眼國際。本集團重視引進專業技術人才及國外先進技術研發成果，強調技術的改進與實際應用，自行研發和引進的國外技術及成果，已逐步成功應用在項目上，不斷提高項目運營的科技含量。本年度制定的研發課題計劃，也充分圍繞在長期穩定運行、安全達標、提升效率等有針對性及提升效益的務實領域，實現了科技創新對本公司運營的有效支持。

合法合規經營是本公司的底線。本公司由內部法律專業人員與外部常年法律顧問互相配合，實現雙重法律風險控制。本公司在二零一八年度開展了3次風險大檢查工作，對合法合規運營進行了重點檢查，查缺補漏，實現全部項目公司的合法合規運營。作為香港上市企業，本公司在日常經營中，始終遵守聯交所證券上市規則（「上市規則」），提升管理水準。

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 gradually realising systematic and standardised management throughout the Group to maximise control over relevant risks and minimise management deficiencies.

In 2018, the Group continued to enhance its ESHS systems and regimes with the publication of amended versions of the “Safety Management Manual” (《安全管理手冊》), “Safety Management Standard Regime” (《安全管理標準體系》), “Implementation Rules on Production Safety Accountability for Typical Positions at Project Companies” (《項目公司典型崗位安全生產責任制實施細則》) and “Standards for the Installation of Safety Facilities” (《安全設施配置標準》). Our organisational regime has also been optimised through the establishment of a safety management structure comprising the “Safety Committee – Safety Sub-Committee – Safety Branch Committee” to facilitate the effective implementation of safety management responsibilities at all levels. The ESHS assessment standards have been revised to emphasise target-specific nature of safety management tasks. The management of safety hazards has been enhanced with the launch of major ESHS inspections for projects on a quarterly basis and prior to major festive days and timely closed-loop rectifications to remove any hazards identified. Various types of process technologies, such as oxidation of active molecule, low-nitrogen combustion, flue gas recirculation, SNCR optimisation and submerged combustion, have been employed to ensure compliance of our projects with more stringent standards for flue emission and waste water discharge. Environmental supervision over third-party manufacturers has been enhanced, while improvements have been made to our environmental information system by connecting with the national automatic monitoring and basic database system for major pollution sources to exercise effective regulation over pollutant discharge at various projects. We have subjected ourselves to public supervision by gradually opening our environmental facilities for various business segments.

The ESHS management system (functional modules) have been swiftly established, comprising features such as targeted inspection of safety hazards, safety management records, safety training and education with assessment tests, processes and methods for safety contingency plans, e-operation permissions and others. The flue emission data system has been completed and connected to the Guofa platform for flue data on a weekly basis, while supervision over various projects has been generally enhanced with timely reporting of irregularities to competent environmental authorities.

環境和社會管理

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

於二零一八年，本集團繼續健全ESHS制度體系，修訂發佈《安全管理手冊》、《安全管理標準體系》、《項目公司典型崗位安全生產責任制實施細則》、《安全設施配置標準》等；優化組織體系，建立「安委會 – 分安會 – 支安會」安全管理架構，促進各級安全管理責任有效落實；修訂ESHS評價標準，強化安全管理工作的目標導向；加強安全隱患管理，開展季度、重大節日前、項目ESHS大檢查活動，對隱患及時整改閉環；通過採用活性分子氧化、低氮燃燒、煙氣再循環、SNCR優化、浸沒式燃燒等工藝技術以確保項目煙氣和污水排放等滿足更加嚴格的排放要求；增強協力廠商環境監測，完善環境資訊系統，對接國家重點污染源自動監控與基礎資料庫系統，有效監管各項目污染物排放情況；多種業務類型的環保設施逐步對外開放，接受公眾監督。

快速建設ESHS管理系統(功能模塊)，包括安全隱患排查、安全管理台賬、安全培訓教育與考試、安全應急預案流程與方法、電子化作業許可等。完成煙氣排放資訊系統建設，並每週對接國發平台煙氣資料，加強對各項目的監管，對異常情況及時向環保主管部門備案。

The performance of the operations and environmental services of the Group's projects are gauged in strict adherence to relevant standards and requirements of their respective environmental impact assessment reports, taking into account expectations of the neighboring communities. Key regulations and standards applicable to the Group's business include the "Environmental Protection Law of the People's Republic of China", the "Production Safety Law of the People's Republic of China", the "Labor Law of the People's Republic of China", the Standard for Pollution Control on Municipal Solid Waste Incineration (GB18485-2014), Directive 2010/75/EU and its relevant Annexes/Amendments (for waste-to-energy projects of urban-rural integration projects), the Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011) (for biomass power generation projects), the Standard for Pollution Control on the Security Landfill Site for Hazardous Waste (GB18598-2001) 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 2018.

HIGHLIGHTS OF OUR ENVIRONMENTAL AND SOCIAL MANAGEMENT FOR THE YEAR

The Group has been awarded the following accolades in recognition of the high standards and compliance with stringent requirements of its operations and construction projects:

- Dangshan Integrated Biomass and Waste-to-Energy Project was named "Exemplary Enterprise for Safety Culture Development of Anhui Province 2017" and "Advanced Enterprise for Production Safety of Dangshan County 2017";
- Hanshan Biomass Direct Combustion Project was named "Exemplary Enterprise for Safety Culture Development of Anhui Province 2017";
- Rugao Biomass Direct Combustion Project was named "Advanced Entity for Production Safety of Rugao City 2017";
- Guanyun Integrated Biomass and Waste-to-Energy Project was named "Advanced Enterprise for Production Safety of Guanyun County 2017" and "Exemplary Enterprise for Occupational Health Management of Lianyungang 2017";

本集團項目的運營和環境服務的表現嚴格參照相關標準及環境影響評價報告的要求，並將週邊社區的期望納入考慮。適用於本集團項目的主要法規和標準包括：《中華人民共和國環境保護法》、《中華人民共和國安全生產法》、《中華人民共和國勞動法》；生活垃圾焚燒污染控制標準(GB18485-2014)和歐盟指引2010/75/EU及其相關附表／修訂(適用於城鄉一體化項目中垃圾發電項目)，火電廠大氣污染物排放標準(GB13223-2011)(適用於生物質發電項目)，危險廢物填埋污染控制標準(GB18598-2001)以及危險廢物焚燒污染控制標準(GB18484-2001)等。本集團於二零一八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。

本公司在本年度環境和社會管理上的亮點

本集團通過高標準、嚴要求的運營、建設水準，獲得以下榮譽：

- 碭山生物質及垃圾發電一體化項目獲得二零一七年度安徽省安全文化建設示範企業、碭山縣安全生產先進企業；
- 含山生物質直燃發電項目獲得二零一七年度安徽省安全文化建設示範企業；
- 如皋生物質直燃發電項目獲得二零一七年度如皋市安全生產先進集體；
- 灌雲生物質及垃圾發電一體化項目獲得二零一七年度灌雲縣安全生產先進企業、連雲港市職業衛生管理示範企業；

- Suqian Biomass Heat Supply Project was named “Exemplary Enterprise for Production Safety Management of Sucheng District 2017” and “Green Enterprise with Environmental Credit Assessment of Suqian City 2017”;
 - Guanyun Hazardous Waste Landfill Project was named “Exemplary Enterprise for Occupational Health Management of Lianyungang 2017”; and
 - Guixi Biomass Electricity and Heat Cogeneration Project was named an Exemplary Site for Standardisation of Production Safety in Construction Work of Yingtan City 2018”.
- 宿遷生物質供熱項目獲得二零一七年度宿城區安全生產管理工作示範企業、宿遷市環保信用評價綠色企業；
 - 灌雲危廢填埋項目獲得二零一七年度連雲港市職業衛生管理示範企業；及
 - 貴溪生物質熱電聯供項目獲得二零一八年度鷹潭市建築安全生產標準化示範工地。

Public disclosure of environmental information and facilities

All of the Group’s projects in operation have completed comparisons in online monitoring systems for flue and waste water discharge, etc, and have linked up with the government’s regulatory/public announcement platforms to facilitate uploading of real-time discharge data for governmental and public supervision. The Group has also developed an environmental information system with real-time connection with the national automatic monitoring and basic database system for major pollution sources (the Guofa platform) to exercise regulation over supervision over pollutant discharge by project companies, whether or not they are connected to the Guofa platform. As required by the government, the Group has also published environmental monitoring data, inspection/testing data for occupational health factors and other information via various media to facilitate public supervision.

The Group has been vigorously engaged in initiatives to open its environmental facilities to the public. 5 projects were made open this year during the first phase, followed by 15 more projects in 2019 and 2020. The initiative to open up to the public has effectively secured the public the right to knowledge, the right of participation and the right of supervision, while further boosting the Corporate’s positive image.

環境資訊及設施公眾開放

本集團旗下所有運營項目，均在要求時間內完成煙氣、污水排放等線上監測系統的比對工作，並與政府監管／公示平台聯網，即時上傳排放數據，接受政府及公眾監督。本集團亦建成環境資訊系統，並實時對接國家重點污染源自動監控與基礎數據庫系統（國發平台），對納入或未納入國發平台的項目公司排放情況進行監管。本集團亦根據政府要求，通過各種媒體手段對項目環境影響評價報告、環境監測數據、職業健康因素檢測資料等進行公示，接受公眾監督。

本集團積極開展環保設施公眾開放活動，今年首期開放5個項目，二零一九年至二零二零年計劃陸續開放15個項目。透過公眾開放，更有效的保障群眾環境知情權，參與權和監督權，進一步樹立本公司良好企業形象。

ENVIRONMENTAL 環 Remediation 境修復





SUSTAINABILITY REPORT

可持續發展報告

This is an abstract of our Sustainability Report 2018. Everbright Greentech's Sustainability Report 2018 was prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Comprehensive option, its Electric Utilities Sector Disclosures document, as well as the Environmental, Social and Governance Reporting Guide published by the Stock Exchange. The Sustainable Development Goals ("SDGs") of the United Nations were fully integrated into the Company's environmental and social management strategies to reflect our commitment to tackling the world's most pressing issues.

The full report, in both Chinese and English versions, is available for download via the websites of Everbright Greentech (www.ebgreentech.com) and the Stock Exchange (www.hkex.com.hk) within three months after the publish of our annual report.

ENVIRONMENT

Our business model stresses on environmental friendliness, delivering cleaner energy, better environment, health and well-being to our stakeholders. Our biomass projects convert biomass raw materials such as agricultural and forestry residues into electricity and heat, which avoids open burning of such materials and helps alleviate the serious air pollution and smog problem in China. We have also developed a unique business model combining biomass utilisation and waste-to-energy operations, providing a one-stop holistic solution for integrated treatment of agricultural and forestry residues and household wastes, thus reducing the adverse per capita environmental impact in the rural areas. Together with our solar energy and wind power projects, the green energy generated by Everbright Greentech provides electricity support to various regions, and increases the share of renewable energy in the regional energy mix, demonstrating Everbright Greentech's dedication to the green energy era in China.

During the reporting period, our power generation projects supplied approximately 2,873,870,000 kWh of on-grid green electricity, which can meet the annual electricity consumption of 2,394,892 households, and reduced standard coal consumption by 1,149,548 tonnes. In addition to the substantial increase in electricity supply of about 72.35% compared with 2017, approximately

此章節為我們二零一八年可持續發展報告的摘要。光大綠色環保的二零一八年可持續發展報告是依循全球報告倡議組織("GRI")準則：全面選項、其《電力行業披露》文件及聯交所發佈的《環境、社會及管治報告指引》編寫。此外，本公司將聯合國可持續發展目標全面融入其環境及社會管理策略，以展示我們對應付全球迫切議題的決心。

完整版報告(備有中英文版本)可於我們刊發年報後的三個月內透過光大綠色環保網站(www.ebgreentech.com)及聯交所網站(www.hkex.com.hk)下載。

環境

我們以環保為本的業務模式為各持份者提供更清潔的能源及更佳的环境、健康和福祉。我們的生物質項目將農林廢棄物等生物質原材料轉換為電力和熱能，避免各地露天焚燒該等原材料，從而改善中國日益嚴重的空氣污染及霧霾問題。除此之外，我們更開發出獨特的一體化業務模式，將生物質利用與垃圾發電運營融為一體建設，統籌處理農林廢棄物及農村生活垃圾，從而減少農村地區的人均環境影響。連同我們的光伏發電和風電項目，光大綠色環保產生的綠色能源為眾多地區提供電力支援，增加了可再生能源在區域能源總量的比重，在中國綠色能源時代展現了光大綠色環保的貢獻。

回顧期內，我們的發電項目提供了綠色上網電力約2,873,870,000千瓦時，能滿足相等於2,394,892戶家庭一年所需的用電量及節約標準煤約1,149,548噸。除供電量較二零一七年大幅上



2,480,116.54 tonnes of carbon dioxide (CO₂) equivalent emissions were avoided, equivalent to approximately 373,603,100 trees saved.

We accord top priority to environmental performance of our projects, and effectively minimise public health hazard through clean production. Hence, we strictly control stack emissions such as particulate matter, sulphur dioxide (SO₂) and nitrogen oxides (NO_x) in all combustion operations. We have further implemented stringent operational procedures with frequent inspection and extensive supervision, aiming at effectively controlling fugitive emissions of our projects. All of our biomass combustion operations meet the Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011), and our waste-to-energy operations fully comply with the Standard for Pollution Control on the Municipal Solid Waste Incineration (GB18485-2014) as well as the relevant standards promulgated under the European Union Industrial Emissions Directive (2010/75/EU) ("Euro 2010").

We have been adopting calculation methodologies of Clean Development Mechanism ("CDM") under the United Nations Framework Convention on Climate Change to estimate the greenhouse gas ("GHG") emissions of our operating projects as it is standardised, accurate, and internationally recognised. During the reporting period, we extended the use of the CDM methodologies to calculate the carbon dioxide (CO₂) equivalent emissions offset by our operations for the first time. The revised calculation protocol takes into account the GHG emissions of the baseline scenario as if our integrated biomass utilisation projects do not exist, including the fugitive methane emissions released from the decomposition of waste at landfill sites and the use of electricity generated from non-renewable sources. This methodology accurately reflects our contributions to GHG offsetting in a scientific manner.

During the reporting period, the low-nitrogen combustion and flue gas recirculation technologies developed by Everbright Greentech Research Institute were fully applied in our integrated biomass utilisation projects. The emissions concentrations of nitrogen oxides (NO_x) and sulphur dioxide (SO₂) of the biomass power generation projects were both reduced to below 100mg/m³, in line with our emissions targets. We will continuously enhance scientific research and strive to lead the development of the green technology sector in China at large.

升約72.35%外，更於回顧期內合共避免了二氧化碳(CO₂)當量排放約2,480,116.54萬噸，相等於保存樹木約373,603,100株。

我們高度重視項目的環保表現，通過清潔生產有效減低公眾的健康風險。故此我們嚴格控制所有焚燒運營的顆粒物、二氧化硫(SO₂)及氮氧化物(NO_x)等煙氣排放。我們更採納了嚴謹的操作程序、高頻率的檢查及嚴格的監督，旨在有效地控制項目的無組織氣體排放。我們所有生物質燃燒的運營均達《火電廠大氣污染物排放標準》(GB13223-2011)；而垃圾發電的運營則完全符合《生活垃圾焚燒污染控制標準》(GB18485-2014)和歐盟《工業排放指令》(2010/75/EU)（「歐盟2010」）中的相關排放標準。

我們一直使用《聯合國氣候變化框架公約》中的清潔發展機制（「CDM」）的溫室氣體排放計算方法來估算運營項目的溫室氣體（「溫室氣體」）排放量，因為該方法較標準化、準確及受國際認可。於報告期內，我們首次延伸使用CDM方法來估算我們的運營所抵消的二氧化碳(CO₂)當量排放。該計算準則考慮了在沒有生物質綜合利用項目的基線情況下的溫室氣體排放，包括垃圾在填埋場分解所釋放的無組織甲烷排放以及非再生電力的使用。此方法更具科學性並可更準確地反映了我們在溫室氣體抵消方面的貢獻。

回顧期內，由光大綠色環保研究所研發的低氮燃燒和煙氣再循環技術於生物質綜合利用項目中全面推廣應用，生物質發電項目排放的氮氧化物(NO_x)和二氧化硫(SO₂)濃度均低於100mg/m³，使我們的煙氣排放目標得以實現。我們將持續提升科研水準，致力引領中國綠色科技產業的技術升級。

On the other hand, our hazardous waste treatment projects process over 90% of hazardous waste types listed in the National Catalogue of Hazardous Wastes by ways of incineration, landfill, physico-chemical processing and integrated utilisation, ensuring that hazardous chemicals are properly detoxified before disposal. During the reporting period, we safely handled approximately 127,052 tonnes of hazardous waste.

PEOPLE

Priority SDGs:



Facing the rapidly growing environmental protection service industry, we are driven to innovate. One of the key ways to achieve this is to attract the brightest talents to enhance our competitiveness. Hence, we adopt a “People-Oriented” development strategy and further refine our human resources management system to provide attractive remuneration and benefits, high-quality trainings, as well as equal and safe working environment to all employees.

Welfare and Safeguards

We provide comprehensive welfare packages to our full-time employees, including insurance, medical care, and disability and invalidity coverage. The Company has established human resources policies and procedures to ensure that our employees are not subject to any forms of discrimination in the working environment due to gender, age, race, nationality, marital status, religion, etc., and strives to provide employees with a diversified and harmonious working environment.

Also, most of our projects are equipped with various recreational facilities such as gymnasiums, libraries, basketball and badminton courts, so that our employees can establish a healthy lifestyle and achieve work-life balance. We also actively communicate with employees through company intranet, questionnaires, annual appraisals and departmental meetings, in which employees could express their opinions on the Company’s operations and policies.

Training and Development

We offer comprehensive training programmes which cover topics such as business development, integrated engineering, industry development, safe production, and other key areas related to our

另一方面，我們的危廢處置項目通過焚燒、填埋、物化處理及綜合利用等方式安全處置《國家危險廢物目錄》中百分之九十以上的危廢種類，以確保危險化學物在棄置前適當進行無害化工序。回顧期內，我們安全處理了約127,052噸危險廢棄物。

員工

優先的可持續發展目標：

面對高速發展的環保服務行業，我們有必要保持創新，其中一個重要渠道是吸引精英人才以提升我們的競爭力。為此，我們貫徹「以人為本」的發展策略，進一步改善人力資源管理系統，為所有員工提供極具吸引的薪酬福利、高質素的培訓及平等和安全的工作環境。

福利及保障

我們為全職員工提供全面的福利待遇及保障計劃，例如保險、醫療保健、殘疾和疾病保障。本公司設有人力資源政策及程序，確保員工在工作環境不會因性別、年齡、種族、國籍、婚姻狀況、宗教等影響受到任何形式的歧視，並致力為員工提供多元及和諧的工作環境。

此外，我們大部份的項目都設有各種娛樂及休閒設施，如健身室、圖書館、籃球場和羽毛球場等供員工享用，從而幫助他們建立健康的生活方式，以平衡工作及生活。我們亦通過公司內聯網、問卷調查、年度評估以及部門會議積極與員工進行溝通，聆聽他們對公司運營和政策上的意見。

培訓及發展

我們向員工提供全面的培訓計劃，培訓主題涵蓋業務發展、綜合工程、行業趨勢、安全生產以及其他與公司業務息息相關的領域。此外，我們還

business. Also, we regularly organise competitions, seminars, and exchange programmes for the employees to broaden their horizon. During the reporting period, the average training hours per employee was 104.38, which is 19.37% higher than that in 2017.

In order to facilitate technology sharing and fully utilise our resources, we are also actively building up a team of internal lecturers through selection examination, training and education, so as to keep improving our employees' technical and teaching skills.

Health and Safety

We have established an ESHS Management System, a set of standardised management procedures, to oversee health and safety risks with clear guidance. We also regularly organise health and safety trainings and knowledge competitions, ensuring that our employees are well aware of safety at work. With our relentless efforts, the injury rate of the Company's employees was kept at 0.20 in 2018, which is 10% lower than that in 2017.*

During the reporting period, specialised staff were enlisted to draft the System of Safety Management Standards, in which 34 standards were released. Multiple special ESHS inspections headed by external as well as internal experts were also held. A "Safety Production Month" campaign featuring a variety of activities was also organised, aiming to identify and remove safety hazards in a timely manner, while enhancing staff awareness of workplace safety.

*Injury rate (IR) = (Total number of work-related injuries/total working hours) x 200,000; figures are rounded to two decimal places

COMMUNITY

Priority SDGs:



Dedicated to developing a close, long-term relationship with the local communities, the Company integrates the promotion the social and economic inclusion of all into our planning and operations. We actively promote poverty alleviation works in various places, and foster the sustainable development of the

定期為員工組織比賽、研討會和交流計劃以開擴他們的視野。回顧期內，公司每位員工的平均培訓時數為104.38小時，與二零一七年相比上升了19.37%。

為加強技術交流及充分利用資源，我們通過選拔考試、培訓教育等方式積極建設內部講師隊伍，持續提升員工的技術和教授水平。

健康與安全

我們已構建了ESHS管理體系，以標準化的管理程序為健康與安全方面的風險提供清晰指導。我們還定期組織健康與安全培訓和知識競賽，確保員工充分了解安全工作的重要性。在我們的不懈努力下，二零一八年，本公司員工的工傷率為0.20，與二零一七年相比下降了10%。*

回顧期內，本公司更組織專業人員編製《安全管理標準體系》，共發佈了34項標準制度，並通過邀請內外部專家開展多次ESHS專項檢查、組織開展形式多樣的「安全生產月」活動來適時發現和消除安全隱患、同時提高員工的工作場所安全意識。

*工傷率(IR)=(工傷個案總計/工作總小時數)x 200,000；數字調整至最接近的小數點後兩位表示

社區

優先的可持續發展目標：

致力於與社區建立長遠、密切的關係，本公司以推動社會和經濟共融為己任，積極於各地推廣扶貧工作，亦透過環保教育及義務服務推動社區的

community through environmental education and voluntary works. Our work substantially helped the integrated development of the communities to become a society that is inclusive, resource efficient, and climate and hazard resilient.

Promoting Targeted Poverty Alleviation

Through our biomass business, we have built a targeted poverty alleviation industry chain which brings decent work and economic growth to China's rural dwellers, developed a "Government-Led, Industry-Operated, and Market-Steered" poverty alleviation mechanism. The government arranges underprivileged households to collect and sell biomass materials to our operating projects, providing extra income to the needed while helping to address the local waste treatment problem. The collaboration model breaks new ground to create an environmental, social and economic win-win-win situation. In 2018, our integrated biomass utilisation projects directly and/or indirectly created over 20,000 jobs, and increased farmers' income by RMB1.1 billion, benefiting over 3.4 million farmers.

In addition, we have set up EB Greentech (Huaiyuan) Cleaning Service Limited in Huaiyuan, and engaged over a hundred of cleaners from underprivileged households. This action not only promoted the rural environmental protection in Huaiyuan County, but also brought in income and improved the living conditions of local residents. Also, the Suqian Hazardous Waste Landfill Project company signs the Household Waste Removal Agreement with the local village committee every year, outsourcing the cleaning and greening works within the plant area to local villagers to provide them with extra income.

As a socially conscious enterprise, we aim to build resilience of the underprivileged and those who faced hardships, so as to reduce their vulnerability to health- and climate-related extreme events. During the reporting period, our Binhai Hazardous Solid Waste Landfill Project company participated in the "Tackling Poverty Alleviation and Developing Portfolio for Childhood Illness Assistance" charitable event, purchasing critical illness and accident disability insurance for a hundred of underprivileged

可持續發展。我們的工作大大推進了社區的綜合發展，使其邁向成為一個更包容、更能有效善用資源、更能抗禦氣候變化和自然災害的社區。

助力精準扶貧

通過我們的生物質業務，我們打造了一個精準的扶貧產業鏈，為中國的農村人口提供更體面的工作和經濟發展機會，建立了「政府主導、企業運作、市場運行」的幫扶工作機制。政府透過此模式組織貧困戶收集生物質原料出售予我們的運營項目，為他們提供額外收入的同時有助處理當地的廢物處置問題，開創出環境、社會和經濟效益三豐收的新格局。二零一八年，我們的生物質綜合利用項目直接及／或間接提供工作崗位逾20,000個，帶動農民增收約人民幣11億元，令逾340萬名農民受益。

另外，我們在懷遠設立了光大綠色環保(懷遠)清潔服務有限公司，於當地招聘了過百名貧困戶作保潔員。此舉不僅有促進懷遠縣的農村環境保潔工作，更為當地居民帶來經濟收入，改善生活條件。宿遷危廢填埋項目公司更每年與當地村委會簽訂《生活垃圾清運協議》，將廠區的生活垃圾清理及綠化植被種植工作外包給當地村民，以增加他們的收入。

作為一間關懷社會的企業，我們旨在增強貧困和弱勢群體的韌性，以減低健康和氣候相關的極端事件對他們的影響。回顧期內，濱海危廢填埋項目公司參與了「脫貧攻堅建檔立卡戶少兒病殘救助」愛心捐贈項目，為100名縣內0-16周歲未脫貧的兒童購買危疾和意外傷殘保險。懷遠生物質及

children within 0–16 years old. At the beginning of the year, our Huaiyuan Integrated Biomass and Waste-to-Energy Project also sent relief supplies such as rice and oil to 34 underprivileged households in Wonan Village who were affected by snowstorm, sending warmth to the elderly and injured people amid heavy snow.

Achieving “Village-Enterprise Zero Distance”

The Company adopts a responsible, inclusive, participatory, and representative decision-making approach when our projects might potentially affect local villagers, and implements short- and long-term measures to resolve conflicts between the enterprise and villagers. These measures include standardised operation, detailed management, compliant emissions, public visits, etc. In particular, we invite the public to visit our facilities in collaboration with local officials through multiple channels including social media platforms and local government’s websites, so as to ensure the public’s environmental right on access to information, right on participation, and right on supervision. These measures effectively enabled us achieve “Village-Enterprise Zero Distance”, allowing villagers to fully comprehend our operations.

We also leverage our resources to provide the public with education opportunities for sustainable development and green lifestyles, as well as to promote green tourism in local communities. Our Binhai Hazardous Solid Waste Landfill Project has become the base for science education, environmental education and industrial tourism. In 2018, our projects received over 8,000 local and overseas visitors through visits, study tours and exchange tours.

Promoting Public Health through Cooperation with Local Governments

The Company consistently encourages and promotes effective public and civil society partnerships to improve the community’s health and environment. During the reporting period, our Zibo Integrated Hazardous Waste Treatment Project company cooperated with the Qingdao Food and Drug Administration and destroyed about 50 tonnes of expired drugs in our hazardous waste incineration facilities. Apart from providing technical assistance, this activity has demonstrated our strong emphasis on public and community education. We are committed to working with the government in tackling the handling of expired drugs, reducing their safety hazards to the environment and public health, and facilitating the safe use of medicine.

垃圾發電一體化項目於年初為渦南村34戶貧困村民送去了米、油等慰問物資，以慰雪中受災的村民，使老弱病殘者在大雪中不失人間溫暖。

實現「村企零距離」

應對項目對當地村民的潛在影響，本公司秉持負責、共融、協作和具代表性的決策模式，採取各項短、長期措施消除企業與村民之間矛盾。這些措施包括規範經營、精細管理、達標排放及公眾參觀等。我們更與當地政府合作，通過社交平台、地方政府網站等多元渠道邀請公眾來訪，切實保障公眾的環境知情權、參與權、監督權。這些措施有效讓我們實現「村企零距離」，讓村民全面地掌握我們的運營情況。

我們亦運用資源為大眾提供可持續發展和綠色生活的教育機會，以及推動當地的綠色旅遊發展。濱海危廢填埋項目便是一個集科普教育、環境教育及工業旅遊為一身的基地。我們的項目於二零一八年通過參觀、考察和交流團，接待了超過8,000名本地和海外訪客。

與地方政府合作促進公眾健康

本公司不斷鼓勵和發展有效的公共和公民社會合作，全面促進社區的環境及健康。回顧期內，淄博危廢焚燒項目公司配合青島市食品藥品監督管理局等相關單位，將約50噸的過期藥品於我們的危廢焚燒設施進行集中銷毀。除了提供處理的技術支援外，此舉同時顯示我們對公共及社區教育的高度重視。我們致力與政府一同解決處置過期藥品的問題，減少其對環境、公眾健康等帶來的安全隱患，促進民眾用藥安全。



SOLAR
光 Energy &
伏 WIND
發 及
電 power
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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 the 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 strive to inculcate the risk management and sustainable development concept into the Company's operation and business for cultivating the strong backup to the breakthrough development of the Company's business.

The Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules has been adopted by the Board as the guidelines of corporate governance practices of the Company. The Company has fully complied with the code provisions set out in the CG Code during the year of 2018.

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

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

遵守企業管治守則

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

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

董事會已採納上市規則附錄十四所載的《企業管治守則》(「企業管治守則」)，作為本公司的企業管治常規指引。於二零一八年度，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：

- 制訂並審議本公司關於企業管治之政策及慣例
- 制訂並執行本公司內幕消息政策
- 審議並監察董事及高級管理人員之培訓及持續專業發展
- 審議並監察本公司內部及外部舉報政策
- 制訂並實施本公司的風險管理政策
- 制訂並實施董事會多元化政策及提名政策
- 審議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 of the Company regarding any non-compliance with the Model Code and all directors of the Company confirmed that they have complied with the provisions of the Model Code for the year ended 31 December 2018.

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 of the Company 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 2018, 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 before the beginning of black out period.

THE BOARD OF DIRECTORS

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

遵守標準守則

本集團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。經向本公司全體董事就任何不遵守標準守則之情況作出特定查詢後，本公司全體董事確認，他們於截至二零一八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，制訂書面指引。董事會亦已正式採納內幕消息政策，其中包括對本公司董事及相關僱員之指引，以確保根據適用法律及規例，公平及適時地向公眾發佈本公司之內幕消息。

於二零一八年，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，已於禁售期開始前，讓相關僱員傳閱內幕交易政策連同證券及期貨事務監察委員會就內幕交易採取的執法行動。

董事會

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

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

As at 31 December 2018, the Board consists of nine 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. WANG Yungang (*Executive Director and Vice President*)

Ms. GUO Ying (*Non-Executive Director*)

Mr. TANG Xianqing (*Non-Executive Director*)

Mr. CHOW Siu Lui (*Independent Non-Executive Director*)

Mr. Philip TSAO (*Independent Non-Executive Director*)

Prof. YAN Houmin (*Independent Non-Executive Director*)

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

Mr. QIAN Xiaodong, Mr. YANG Zhiqiang and Mr. WANG Yungang, the executive directors of the Company, 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 (b) of the Articles of Association.

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed three 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.

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

於二零一八年十二月三十一日，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)

王雲剛先生(執行董事兼副總裁)

郭穎女士(非執行董事)

唐賢清先生(非執行董事)

鄒小磊先生(獨立非執行董事)

曹為實先生(獨立非執行董事)

嚴厚民教授(獨立非執行董事)

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

本公司執行董事錢曉東先生、楊志強先生及王雲剛先生，須按照章程細則第108(a)及(b)條之規定，於下一屆本公司股東週年大會上重選連任並輪席退任。

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。

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 90 to 93 of this 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 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.

各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報告第90至93頁。

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

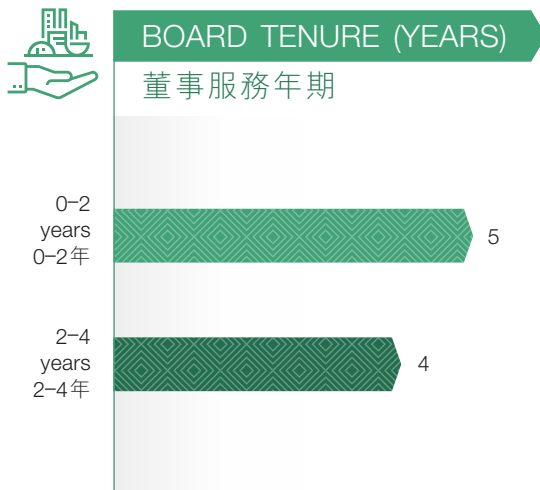
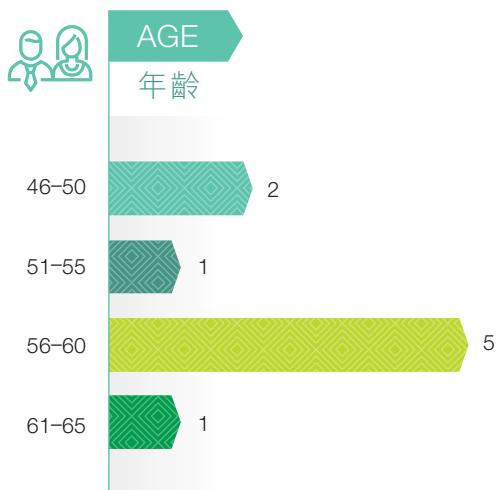
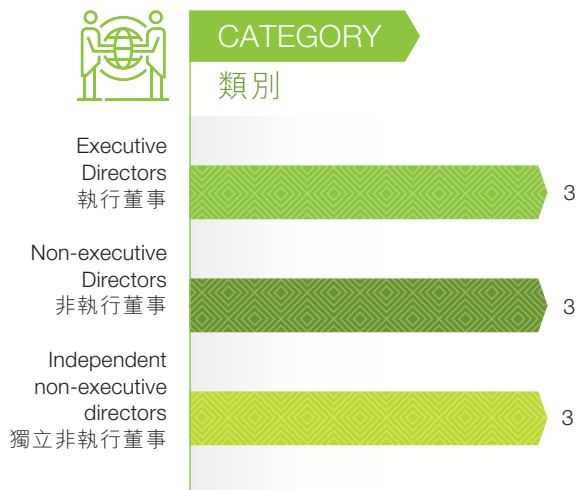
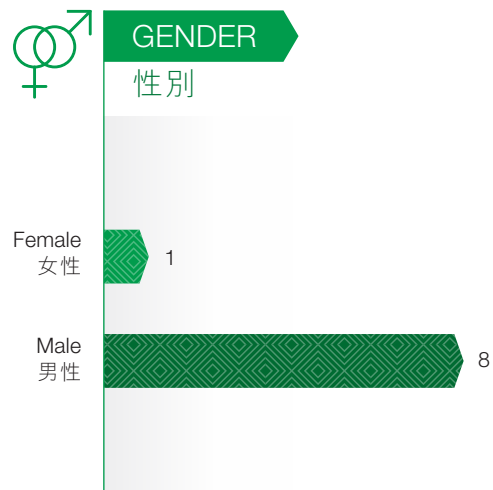
本公司已投購合適並充足的保險，保障董事因企業活動而遭提出法律行動的責任。董事可就執行職務與職責尋求獨立專業建議，費用由本公司承擔。

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

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，我們委任了一位女董事。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。

As at 31 December 2018, the diversity of the Board is as below: 於二零一八年十二月三十一日，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 2018:

董事來自不同背景，各具所長，深諳金融、法律及商業各領域之專業知識。包括獨立非執行董事在內之全體董事，已為本集團事務付出充分時間與努力。獨立非執行董事已依據他們不同之專業知識與經驗，向董事會提供專業建議。為求在瞬息萬變的環境中取得成功，體現本公司年度主題「牢築根基•與時俱進」，提名委員會識別了董事會應該具備的技能經驗，作為可計量的指標，並於二零一八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	WANG Yungang 王雲剛	GUO Ying 郭穎	TANG Xianqing 唐賢清	CHOW Siu Lui 鄧小磊	Philip TSAO 曹為賓	YAN Houmin 嚴厚民	
Leadership skill and experience 領導才能與經驗	Outstanding leadership qualities and the ability to identify and develop the talents of other employees. Hands-on understanding of organisation, projects, strategies and risk management, as well as know-how in driving reform and growth. 具有非凡的領導素質，以及能識別和發展其他員工的才能。對組織、項目、戰略和風險管理有實際理解，並知道如何推動改革和增長。	✓	✓								
Marketing-related technology experience 營銷相關科技經驗	The success of the Company as a provider of environmental services that prides itself on innovation is dependent on the development of and investment in new technologies to facilitate innovation. 作為一家奉行創新的環境服務提供商，本公司的成功取決於開發和投資新技術以達至創新。				✓						
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. 鑒於本公司會參考財務目標來衡量其運營和戰略績效，理解財務和財務匯報流程是非常重要的，並且，準確的財務報告對於本公司的成功至關重要。						✓	✓	✓		
Industry experience 行業經驗	Leadership in the environmental industry. 在環保行業擁有領導地位。	✓	✓	✓	✓						

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

BOARD MEETINGS

During the year of 2018, the Board held 4 meetings. In addition to Board meetings, the Chairman held 1 meeting with independent non-executive directors annually without the presence of executive directors. Up to the date of this report, the Board has considered, approved, reviewed and/or formulated the matters summarized below, including but not limited to:

- Financial results of the Company;
- Reports and recommendations from the board committees;
- Announcements/reports for publication, including release of interim and annual report and sustainability report;
- Dividend policy and declaration of interim and final dividends;
- Nomination policy;
- The effectiveness of the Group's internal control and risk management systems for the year of 2018;
- Issuance of domestic corporate bonds;
- The adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- Any possible improprieties raised out through the whistleblowing policy; and
- Training and continuous professional development of directors and senior management.

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

董事會會議

二零一八年度內，董事會舉行了四次會議。除董事會會議外，主席與獨立非執行董事舉行了一次執行董事避席的會議。截至本報告日期為止，董事會已省覽、批准、審議及／或制訂的事項，概述如下(包括但不限於)：

- 本公司財務業績；
- 董事委員會報告與建議；
- 發佈公告／報告，包括發表中期報告、年報及可持續發展報告；
- 股息政策和宣派中期及末期股息；
- 提名政策；
- 二零一八年度本集團內部監控與風險管理系統成效；
- 發行境內公司債券；
- 資源是否充足、員工質素及經驗、培訓項目、本公司會計及財務報告職能之預算；
- 通過舉報政策發現的任何潛在違規事項；及
- 董事和高級管理層的培訓與持續專業進修。

董事會高度重視各委員會提呈的寶貴建議，並會採取積極行動，落實有關建議。

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

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

BOARD COMMITTEES

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

AUDIT AND RISK MANAGEMENT COMMITTEE AND ACCOUNTABILITY

The audit and risk management committee, currently comprises all 3 independent non-executive directors, namely Mr. CHOW Siu Lui (chairman), Mr. Philip TSAO and Prof. YAN Houmin. Details of the committee's membership and members' attendance records during 2018 are set out on page 71 of this Annual Report.

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

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

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

董事委員會

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

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。二零一八年度委員會成員詳情及成員出席會議記錄，列載於本年報第71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 the Stock Exchange and the Company.

The audit and risk management committee held 3 meetings in 2018 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 2017 and the unaudited interim financial results for the six months ended 30 June 2018. 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 2018, the risk management plan for year 2019 and the work done in 2018 according to the 3-year internal audit plan of the Company. Further, it has reviewed the compliance of continuing connected transaction, the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function and the engagement of external auditor of the Company. The audit and risk management committee reported that there was no material uncertainty that cast doubt on the Company's going concern ability. The aforesaid reviews were recommended to the Board.

有關審核及風險管理委員會的職權範圍，列載於聯交所及本公司的網站內。

審核及風險管理委員會於二零一八年曾舉行三次會議，全部會議記錄由公司秘書存置。審核及風險管理委員會已與管理層及本公司外聘核數師審閱，包括但不限於本集團採納之會計原則及慣例、重要會計估計與判斷範圍等重要審計事項，以及外聘核數師審核計劃，並已審閱及討論本集團之財務報告事宜，包括審閱截至二零一七年十二月三十一日止年度之經審核財務業績及截至二零一八年六月三十日止六個月之未經審核中期財務業績。為確保本公司風險管理及內部監控職能行之有效，委員會已審視、討論並監察二零一八年度之風險管理工作、二零一九年風險管理規劃、以及本公司三年內部審計規劃於二零一八年度完成的工作。此外，亦已審議持續關連交易的遵規情況、資源是否充足、員工質素及經驗、培訓項目、本公司會計及財務報告職能之預算，以及本公司委聘外聘核數師。審核及風險管理委員會報告，概無使到本公司持續經營能力成疑的重大不確定因素。上述審議結果已提請董事會考慮。

For the year ended 31 December 2018, KPMG, the external auditors, received the following remuneration from the Group in connection with the provision of audit and non-audit services to the Group:

截至二零一八年十二月三十一日止年度，外聘核數師畢馬威會計師事務所就向本集團提供審計及非審計服務，向本集團收取下列酬金：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Annual audit services	年度審計服務	2,100	1,700
Audit services for global offering	關於全球發售之審計服務	—	780
Interim review services	中期審閱服務	350	350
Other services, includes tax service, etc	其他服務包括稅務服務等	400	200
		2,850	3,030

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 2018 are set out on page 71 of this Annual Report.

The terms of reference of the remuneration committee, which are published on the websites of the Stock Exchange and the Company, setting out the duties of the Remuneration Committee, including determining, with delegated responsibilities, the remuneration packages of the individual executive Directors and senior management, etc.

For the year ended 31 December 2018, 2 remuneration committee meetings were held. It has reviewed the proposal on meeting allowances for the Board and each of the Board committees and reviewed the remuneration policy and remuneration packages of executive directors and members of senior management with reference to the goals and objectives of the Company. The aforesaid approved matters and reviews were reported and recommended to the Board.

薪酬委員會

薪酬委員會現時由獨立非執行董事曹為實先生（主席）、本公司執行董事兼行政總裁錢曉東先生、以及另外兩名獨立非執行董事鄒小磊先生及嚴厚民教授組成。二零一八年內委員會成員之詳情及成員出席記錄列載於本年報第71頁。

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

截至二零一八年十二月三十一日止年度，曾舉行兩次薪酬委員會會議，會上已審視就董事會及各董事委員會會議津貼提出的建議，並參照本公司宗旨及目標，審議薪酬政策及執行董事及高級管理層成員之薪酬待遇。上述獲批事項及審議結果已報呈董事會考慮。

NOMINATION COMMITTEE

The nomination committee currently comprises Mr. WANG Tianyi (chairman), the Chairman of the Board, and all 3 independent non-executive directors, namely Mr. CHOW Siu Lui, Mr. Philip TSAO and Prof. YAN Houmin. Details of the committee's membership and members' attendance records during 2018 are set out on page 71 of this Annual 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 the Stock Exchange and the Company.

For the year ended 31 December 2018, 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 reviewed the nomination policy of the Company. 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, 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 candidates will bring to the Board.

提名委員會

提名委員會現時由董事會主席王天義先生(主席)，連同全體三名獨立非執行董事鄧小磊先生、曹為實先生及嚴厚民教授組成。於二零一八年內委員會成員及成員出席記錄詳情載於本年報第71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聯交所及本公司的網站內。

截至二零一八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。提名委員會已審議本公司的提名政策。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。上述審議結果已提請董事會考慮。

我們已經採納董事會多元化政策。董事的遴選委任，將以一系列多元化角度為基準，包括但不限於性別、年齡、文化及教育背景、服務年期或專業資格。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, 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 having 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 annually review 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，勝任高級管理層及董事職務。

DIRECTORS' TIME COMMITMENT TO THE COMPANY

董事對本公司投入的時間

Attendance of Meetings and Trainings of Directors of the Company in 2018

二零一八年本公司董事出席會議及培訓的記錄

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

Name of Directors 董事姓名	Board Meetings Attendance ¹ 董事會會議出席記錄 ¹	Audit and Risk Management Committee Meeting ¹ 審核及風險管理委員會會議 ¹	Remuneration Committee Meeting ¹ 薪酬委員會會議 ¹	Nomination Committee Meeting ¹ 提名委員會會議 ¹	Annual General Meeting Attendance ¹ 股東週年大會出席記錄 ¹
WANG Tianyi 王天義	4/4 C			1/1 C	✓
QIAN Xiaodong 錢曉東	4/4 M		2/2 M		✓
YANG Zhiqiang 楊志強	4/4 M				✓
WANG Yungang 王雲剛	3/4 M				✓
GUO Ying 郭穎	4/4 M				✓
TANG Xianqing 唐賢清	3/4 M				
CHOW Siu Lui 鄒小磊	4/4 M	3/3 C	2/2 M	1/1 M	✓
Philip TSAO 曹為賓	4/4 M	3/3 M	2/2 C	1/1 M	✓
YAN Houmin 嚴厚民	2/4 M	3/3 M	1/2 M	1/1 M	

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

備註：
董事會及董事委員會成員：
C – 主席
M – 成員

Note:
1. Meetings attended/ Number of meeting held

附註：
1. 出席會議/舉行會議次數

Arranged by the Company Secretary, directors joined an integrity training under the “Corporate Governance: Compliance and Beyond Ethics Promotion Programme for Listed Companies” conducted by Independent Commission Against Corruption. Other than the above, the directors participated or spoke on seminars/talks/director training programme 2018 and directors e-trainings launched by the Stock Exchange and/or reading regulatory/legal updates and other materials pertinent to directors’ duties and responsibilities.

公司秘書安排董事參加廉政公署主辦的「企業管治：符規以外 – 上市公司商業道德推廣計劃」誠信培訓。除上述者外，董事曾參與或主講研討會/講座/聯交所推出二零一八年董事培訓課程及董事電子培訓及/或閱讀有關董事職務及職責的監管/法律最新資料及其他材料。

During the meetings, independent non-executive directors, based on their respective expertise and experience, actively brought out valuable opinions and queries in order to let the Board has comprehensive analysis on each issue.

Time commitments outside the formal meetings

Other than attending the Board meetings, committee meetings and annual general meeting, the directors take an active interest in the Company's affairs and obtain a general understanding of its business. The executive directors visited the project companies frequently to personally monitor and scrutinize the operation and internal control. A study week was held in July 2018 for providing full and concrete trainings to the senior and middle managements of which Prof. Yan Houmin, the independent non-executive director of the Company be one of the lecturers to teach the subject of enterprise risk management.

In November 2018, all the independent non-executive directors together with Mr. YANG Zhiqiang, the executive director of the Company visited Fengyang Integrated Biomass and Waste-to-Energy Project and Changzhou Hazardous Waste Incineration Project. During the visits, independent non-executive directors were briefed on the management and operation of each project. They met with the project general managers and non-managerial workers of the sites and understand the working environment and needs of the local staffs. Independent non-executive directors have expressed their views to the Chief Executive Officer afterward.



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

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

正規會議以外投入的時間

除出席董事會會議、委員會會議及股東週年大會外，董事亦積極關注本公司事務，通盤掌握其業務狀況。執行董事經常考察項目公司，親自對其營運與內部監控進行仔細監察。二零一八年七月舉行學習週，為中高級管理層提供全面實務培訓，並由本公司獨立非執行董事嚴厚民教授擔任講員之一，講授企業風險管理課題。



二零一八年十一月，本公司全體獨立非執行董事聯同執行董事楊志強先生，對鳳陽生物質及垃圾發電一體化項目和常州危廢焚燒項目進行了考察。考察期間，獨立非執行董事聽取了有關各個項目管理營運的簡報。獨立非執行董事亦與項目總經理和非經理級項目員工會晤，了解當地員工的工作環境與需求。其後，獨立非執行董事向行政總裁表達了他們的意見。

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

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. WANG Tianyi is the Chairman of the Board and Mr. QIAN Xiaodong is the Chief Executive Officer of the Company. The divisions 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 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 Company.

COMPANY SECRETARY

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

主席及行政總裁

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

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

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

公司秘書

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

Ms. CHOW has 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 report to Chief Executive Officer.

As at 31 December 2018, the Company Secretary of the Company has undertaken 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules. As a key adviser on corporate governance and other regulatory compliance matters, Ms. Chow keeps up-to-date with the regulatory and legal developments relevant to the Company that she serves and takes the initiative to start the postgraduate training on enterprise risk management.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration of the members of the senior management by band for the year ended 31 December 2018 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	3
\$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	1

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

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparation of the financial statements for the financial year ended 31 December 2018 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.

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

於二零一八年十二月三十一日，本公司公司秘書已遵照上市規則第3.29條，接受15小時的相關專業培訓。作為企業管治及其他監管合規事務的主要顧問，周小姐掌握與本公司相關的監管與法律事宜的最新發展，並且積極開展企業風險管理深造培訓。

董事及高級管理層的薪酬

截至二零一八年十二月三十一日止年度，高級管理層成員的薪酬列載如下：

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

董事就財務報表須承擔之責任

董事了解，他們須就編製截至二零一八年十二月三十一日止財政年度的財務報表承擔責任，該等財務報表須真實公平地反映，本公司及本集團於該日期的事務狀況，以及本集團截至該日止年度的業績及現金流量，並根據適用法定要求及會計準則，按持續經營基準妥為編製。

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the “Independent Auditor’s Report” contained in this Annual Report.

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

DIVIDEND POLICY

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

股息政策

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

RISK MANAGEMENT AND INTERNAL CONTROL

The Group always places high emphasis on risk management and internal control. The main features of risk management measures adopted by the Group are as follows:

風險管理及內部監控

本集團一貫重視風險管理與內部監控，下文概述本集團風險管理方法的主要特徵：

A. Risk Management Structure

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

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：



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 system by the Group.

Audit and Risk Management Committee

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

The 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 the overall business operation and collect details of, and report any risk-related incident.

The Second Line of Defense

The department of risk management, being the second line of defense, shall, based on the Board's appetite, identify and assess relevant risks and conduct necessary monitoring in this regard, execute appropriate supervision to ensure effective 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.

The 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.

董事會

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

審核及風險管理委員會

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

第一道防線

於第一道防線，本集團的各業務中心、項目公司、指揮部及項目部，作為風險管理責任人負責按照本公司風險管理相關制度及要求保證風險管控措施有效執行、監察與整體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，內部審核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。內部審核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。

B. Risk Management Process

The Board cautiously prepares the risk management system policy and risk tolerance through the audit and risk management committee, and the management identifies and classifies the major risks in accordance with source of risks, its sphere of influence, events involved and its potential influence. The risks will be ranked by the Group in accordance with its influence and the possibility of occurrence, while the rankings shall be based on the level of remaining risk. The level of remaining risk is the score value of the existing risk after taking into account all the current monitoring measures. Assessment on the risk analysis result aims at determining whether the risk identified is within the defaulted risk appetite and risk tolerance level, and accordingly, the risk could be transferred, eliminated or effectively controlled through contemplated risk mitigation measures.

二、風險管理流程

本公司董事會透過審核及風險管理委員會慎重地制訂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、涉及事件及其潛在影響等就主要風險進行識別及排序。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 of Principal Risks

主要風險概要列表

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Safety liability risks	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.	Reputation, compliance and finance.	1. Engagement of professional safety management agencies to build a safety management regime. 2. Multiple sessions of safety training have been conducted. 3. Multiple rounds of safety inspection have been conducted.	Decreased
安全責任風險	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發生安全責任事故的風險。	聲譽、合規、財務。	1、聘請專業安全管理機構搭建安全管理體系。2、多次開展安全知識培訓。3、多次開展安全檢查。	下降

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Changing environmental policies	The risk of failure to respond to the changes in national policies and business models in a timely and effective manner resulting in adverse impact on the business of the Group.	Impact in terms of compliance, operations and finance. Extent of impact: might result in increasing operating costs, increasing pressure in discharge, or increasing pressure in operations as a result of failure to obtain new energy allowance in a timely manner.	1. Staying alert on new laws and regulations, policies and standards and formulating relevant regulations and standards in accordance with requirements in a timely manner. 2. Maintaining smooth communication with authorities governing national/industry standards and industry associations, taking part in the formulation of relevant national policies and standards.	Stable
環保政策變化	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。	合規、運營及財務方面存在影響。影響程度：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。	1、關注新的法規、政策、標準等，及時按照要求開展制定相應制度、標準。2、與國家/行業標準主管部門、行業協會等保持暢通的溝通渠道，參與國家相關政策、標準的制訂工作。	持平
Legal compliance	The risk of failure to run our operations in compliance with laws and regulations resulting in adverse impact on the business of the Group.	Compliance, operations, finance and integrity.	1. Legal training. 2. Two-pronged control over legal risks involving internal legal staff and external legal advisor. 3. Internal supervision and inspection.	Decreased
合法合規	未能按照法律法規的要求開展經營而對本集團業務帶來負面影響的風險。	合規、運營、財務及廉潔。	1、法律培訓。2、內部法務人員與外部律師顧問雙重監控法律風險。3、內部監督與檢查。	下降

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Environmental and social responsibility	The risk of potential breach of environmental emission limits, safety incidents and adverse external conditions having a negative impact on project construction and operations.	The worst-case scenario for the impact of emission in excess of standards or non-compliant operations could involve administrative penalties, impact on tax refunds or forced suspension, which would affect the Company's reputation.	1. Ensuring legal compliance of work construction and project operations, carrying out checks on legal compliance from time to time as a key annual task. 2. Enhancing ESHS management by improving our ESHS organisational structure to strengthen organizational protection. 3. Amending ESHS-related regulations to accommodate present control requirements. 4. Preparing for clarification and implementation of the accountability system this year to include semi-annual and annual ESHS appraisal. 5. Enhancing safety training and promotion to reduce the probability of environmental incidents occurring. 6. Enhancing property insurance management to conduct necessary risk transfer in relation to major risks involved in projects under construction and in operation.	Stable
環境與社會責任	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。	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。	1、確保工程建設及項目運營過程合法合規，作為年度重點工作內容，隨時檢查合法合規情況。2、加強ESHS管理，調整完善ESHS組織架構，加強組織保障。3、修訂ESHS相關制度，適應目前管控需要。4、準備今年開展責任制梳理和落實工作，納入半年和年度ESHS考核。5、加大安全培訓與宣傳，降低環境事故發生的可能性。6、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。	持平

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Peers competition	The risk of keen competition among industry peers affecting the Group's business development capabilities and the investment returns of its projects.	Business development and finance.	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 publications for the learning of relevant departments and to provide reference for management decisions.	Decreased
同業競爭	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。	業務發展及財務。	1、行業內企業的交流管控措施：加強與行業內競爭對手及和做夥伴間的友好交流，實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訊息報告表；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、本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、文件、專題刊等形式，供相關部門學習及為管理層決策提供參考。	下降

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Technology and innovation	The risk of failure to effectively develop or introduce new technologies required by business development affecting the Group's profitability.	Business development, operations and finance.	Emphasis on the improvement and application of technologies. Successful application of internally developed as well as imported technologies increasing technological advances in project operation. Designation of research programmes focused on practical aspects that were issue-specific and conducive to better efficiency, such as sustained stable operation, safety benchmarks and efficiency enhancement.	Decreased
科技與創新	指未能有效研發、引進新技術以滿足業務發展需要，而影響本集團盈利能力的風險。	業務發展、運營及財務。	強調技術的改進與實際應用，自行研發和引進的國外技術及成果，已逐步成功應用在項目上，不斷提高項目運營的科技含量。制定的研發課題計劃，也充分圍繞在長期穩定運行、安全達標、提升效率等有針對性及提升效益的務實領域。	下降
Receivables	Failure to collect receivables in a timely manner resulting in bad debt losses which would affect the Company's profit and solvency.	Delay in customer payments resulting in the increase in the project companies' receivables (excluding national power tariff subsidies).	Customer service departments enhancing calls on receivables according to receivable call plans formulated, whereby calls are made through telephone calls, facsimile transmissions or personal visits, while a flexible credit policy varying from customer to customer is adopted under which instant adjustments can be made. In connection with receivables relating to national subsidies, the project companies are currently pending entry into the list.	Stable
應收賬款	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。	客戶出現支付延期情況，導致項目公司應收賬款增加。(不包括國家電價補貼)。	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，實時調整。針對國補的應收賬款，目前項目公司等進入名錄。	持平

Principal risks	Description	Potential impact	Key mitigations	Major change in risk profile (Increased/stable/decreased)
主要風險	內容	潛在影響	主要舒緩措施	主要風險變化 (上升/持平/下降)
Staff management	Ineffective human resource regime of the Company or adverse implementation of relevant regulations resulting in a negative impact on the Company.	Business development, finance and operations.	Conduct of human resource review and related research on a regular basis to keep informed about staff movement; formulating, implementing and maintaining relevant regulations for staff administration. Enhancing and maintaining staff relations and improving staff quality through training; enhancing corporate culture and strengthening team unity.	Decreased
員工管理	指由於本公司人力資源體系不健全或者相關規定執行不利而對本公司產生的負面影響。	業務發展、財務、及運營。	定期進行人才盤點及相關調研工作，掌握人員的動態動向；制訂、實施並維護相關員工管理制度。通過培訓、提升維護員工關係、提高員工素質；加強企業文化建設，增強團隊凝聚力。	下降

C. Risk Control and Report

A report, which contains the implementation of risk control measures and the results of risk management, as well as details of the risk-related incidents, shall be submitted to the risk management department by each risk bearing unit on a quarterly basis. Based on which, the risk management department will prepare "Risk and Internal Control Report" and submit the same to the management of the Company, who will understand the status of risk management and optimise the relevant measures. The audit and risk management committee provides assistance to the Board for maintaining and monitoring the effectiveness of the risk management and internal control system of Everbright Greentech. The department of risk management and department of internal audit will semiannually provide conclusive report to the audit and risk management committee in respect of the risk management and internal control aspects, and receive the risk management and internal control plan for the next year. In addition, the Board reviews principal risks taken by Everbright Greentech. Since the fourth quarter of 2018, the department of risk management of the Company submits a quarterly report on risk management and internal control to the audit and risk management committee.

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。風險管理部據此編製《風險及內控管理報告》並呈報本公司管理層，本公司管理層根據報告適時瞭解風險管控情況並完善風險管控措施。審核及風險管理委員會協助董事會維持及監察光大綠色環保的風險管理及內部監控系統的成效，風險管理部與內部審計部每半年就本公司風險管理與內部監控情況向審核及風險管理委員會進行總結彙報，並接納下一年度的風險管理及內部監控計劃。董事會亦每年檢討光大綠色環保主要風險。本公司在二零一八年第四季度起，風險管理部向審核及風險管理委員會每季度呈報《風險及內控管理報告》。

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 issuer's accounting, internal audit and financial reporting functions, and they considered all of the above were adequate.

D. Internal Audit

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

E. Risks Management Culture

Sound communication and ongoing education are among some of the effective means adopted by the Group to cope with material risk and internal control issues existing. Members of the audit and risk management committee actively furnish specific opinions to the management in relation to the development and operation of the Company's risk management system and the building of a risk management culture, 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.

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

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。當進行審計工作時，會有財務部人員、風險管理部人員、內部審計部人員及安全專員，以確保審計工作能全面涵蓋。內部審計報告提出之事項將由管理層盡快處理，審核及風險管理委員會及董事會信納本集團有充足之風險管理及內部監控系統。

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、運作及風險管理文化建立向管理層提供了不少具體意見，管理層務實執行推動風險管理系統運作及宣揚風險管理文化的工作，鞏固前線工作人員的風險管理意識。

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

To foster stronger corporate risk management awareness among the Company's management, Prof. YAN Houmin, independent non-executive director of the Company and Dean of the College of Business of the City University of Hong Kong came to the Company in person to give lectures to the Company's management, officers-in-charge of the functional departments, project general managers and directors of construction work on concepts in corporate risk management, with a special emphasis on the importance of risk prevention in corporate business management.

A safe workplace is of particular importance to the environmental industry. Apart from the organisation of several internal safety risk overhauls, the Group also engaged third-party professional agencies to conduct three safety risk overhauls during the year. The agencies carried out site inspections at the project companies in the capacity of independent advisors and furnished risk inspection reports to the management. Our executive director conducted interviews with the third-party professional agencies in person and worked actively in support of the third-party professional agencies' efforts to build a safety management regime for the Group. Everbright Greentech also organised safety management training

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

為培養本公司管理人員有更好的企業風險管理意識，本公司獨立非執行董事及香港城市大學商學院院長嚴厚民教授親自到本公司，向本公司管理層、職能部門負責人、各項目總經理及工程指揮負責人就企業風險管理概念授課，強調了風險防範在企業經營管理中的重要性。

安全的工作環境在環保行業尤其重要，年間，除了本集團內部舉行多次的安全風險大檢查，本集團聘請第三方專業機構，進行3次安全風險大檢查，以獨立顧問形式到項目公司現場查察，出具風險檢查報告予管理層，並由執行董事親自與第三方專業機構面談，主動地配合第三方專業機構為本集團建立安全管理體系。光大綠色環保舉辦了安全管理培訓，由內外部專家主講，針對當前環境大形勢進行深刻的解讀與分析。同時，運營及環境管理部及合作單位相關負責人分別針對環境管理重點及工作流

hosted by external as well as internal experts, who provided profound interpretations and analyses regarding the current macro-landscape. Meanwhile, the department of operations and environmental management and relevant officers-in-charge of our collaborating units provided, respectively, detailed clarifications and explanations on the key aspects and work processes of environmental management, outcomes and analyses of the “safety overhauls”, as well as methods and documentations of insurance claims to the project general managers and directors of construction work. 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 pages 45 to 47 of this annual report.

The environmental industry is inherently subject to an array of SOP. Experienced staff would prefer viable and effective methods to yet more restrictive policies and rules when they address difficulties and risks in day-to-day work.

F. External Audit

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

G. Annual Confirmation

The risk management and internal control system of the Group is 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 system takes 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 of the Group for the year ended 31 December 2018, and considered that the risk management and internal control systems were effective and sufficient.

程、「安全大檢查」的結果及分析、保險理賠方法及材料向各項目總經理及工程指揮負責人等進行了詳細的梳理和闡述。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45至47頁的管理層討論及分析內「環境和社會管理」一節。

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，已對截至二零一八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。

The management has provided confirmation as to the effectiveness of the system for the year ended 31 December 2018 to the audit and risk management committee and the Board.

INTERNAL AND EXTERNAL WHISTLEBLOWING POLICY

In order to enhance the transparency, integrity and accountability of the Group and to retain a consistently high standard of corporate governance, the Company has adopted the internal and external whistleblowing policy. This policy applies to the employees/the related persons (including but not limited to investors, lenders, suppliers, customers, services providers and government etc.) of the Group. It is designed to provide the employees/the related persons with the confidential whistleblowing channels to report to the Group the actual or suspected illegal activities and misconducts in corporate financial reporting, internal control or other areas in which the Company's attention should be drawn and investigation should be initiated. The valid whistleblowing method is posted in the Company's website. During the year under review, there is no case reported through the whistleblowing channels.

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 the Stock Exchange and the Company (<http://www.ebgreentech.com/en/global/home.php>) 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.

管理層已就該等系統於截至二零一八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。

內部及外部舉報政策

為提升本集團的透明度、誠信及問責性，以及致力保持一貫高度的企業管治標準，本公司已採納內部及外部舉報政策。該政策適用於本集團的僱員／相關人士，包括但不限於投資者、貸款人、供應商、客戶、服務供應商及政府等，旨在向僱員／相關人士提供保密的舉報渠道，以向本集團呈報於本公司財務匯報、內部監控或本公司須注意並展開調查的其他方面的實際或疑似非法活動及不當行為。有效之舉報方法已列示於本公司網站。於回顧年度內，沒有通過舉報渠道收到任何個案報告。

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，於指定期限內在聯交所網站及本公司網站 (<http://www.ebgreentech.com/tc/global/home.php>) 刊登公告、通告、年度報告、中期報告、可持續發展報告及股東通函。除此等文件外，本公司亦會在網站發佈新聞稿，以提升其透明度。本公司不斷及時更新網站，當中亦載有本公司業務的其他詳盡資料。公司通訊可在本公司網站主頁「投資者關係」一欄查閱。

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

The first annual general meeting of the Company was held on 15 May 2018, the chairman of the Board personally chaired the annual general meeting and the chairman of each Board committee attended the meeting in person to ensure shareholders' views are communicated to the Board. Auditor of the Company was available to answer any queries that shareholders may raise.

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

本公司首屆股東週年大會於二零一八年五月十五日舉行，董事會主席親自主持股東週年大會，各董事委員會的主席亦親自出席會議，確保股東意見傳達至董事會。本公司核數師在場回應股東提出的任何查詢。



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

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

股東召開股東特別大會（「股東特別大會」）之程序

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

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

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

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

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

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

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

倘若於交付呈請二十一(21)日內未能籌備召開該大會，股東特別大會呈請人(該等)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。

於股東大會上提呈建議之程序

根據開曼群島公司法，並無條文准許股東於股東大會上提呈新決議案。然而，倘股東擬於股東特別大會上提呈決議案，則須遵守章程細則第64條。有關要求及程序已載於上文。根據章程細則第113條，除非獲董事推薦參選，或由正式合資格出席大會並可於會上投票之股東（並非擬參選者）簽署通知，表明建議提名該人士參選之意向，且獲提名人士簽署該通知表明願意參選，否則，除會上退任董事外，概無任何人士合資格於任何股東大會上參選董事。上述通知須呈交總辦事處或過戶登記處，通知期至少為七(7)日，倘該等通

his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notices(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting. The written notice must state that person's biographical details as required by Rule 13.51(2) of the Listing Rules. The procedures for shareholders of the Company 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 department which contact details are as follows:

Investor Relations Department
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.

知於寄發有關推選董事之股東大會通告後呈交，則呈交該等通知之期限為寄發有關推選董事之股東大會通告翌日起計，至不遲於該股東大會舉行日期前七(7)日。根據上市規則第13.51(2)條，上述書面通知必須列明該人士之履歷詳情。有關本公司股東提名人選參選董事之程序已於本公司網站刊載。

股東向董事會查詢之程序

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

投資者關係部
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 56, is a Non-Executive Director and the Chairman of the Board and the Nomination Committee of the Company. Mr. WANG currently serves as a director of certain subsidiaries of the Group. He is currently a part-time professor of Tsinghua University and a Co-Director of the Center for PPP of Tsinghua University. He is also a member of the UNECE PPP Business Advisory Board, a member of the China Council for International Cooperation on Environment and Development, a vice chairman of Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology and a member of China Business Research Centre Advisory Council of National University of Singapore. He holds a Doctorate degree in Economics, a Master's degree in Management and a Bachelor's degree in Electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States. Mr. WANG is the Executive Director and Chief Executive Officer and member of nomination committee of CEIL. He is also a non-executive director and chairman of the Board of China Everbright Water Limited, the CEIL's subsidiary listed in Singapore, stock code: U9E.SG. 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.

Mr. QIAN Xiaodong

aged 46, is an Executive Director, the Chief Executive Officer and a member of Remuneration Committee of the Company. Mr. QIAN currently serves as a director of numerous subsidiaries of the Group. Prior to his position in the Company, Mr. QIAN served as the general manager of the investment development department of CEIL and the general manager of Everbright Environmental Protection Venture Capital (Shenzhen) Ltd, a wholly-owned subsidiary of CEIL. He is also the Executive Director and Deputy General Manager and the member of the disclosure committee of CEIL. Mr. QIAN obtained a bachelor's degree in thermal engineering from Dalian University of Technology in the PRC and a master's degree in environment engineering from the Southeast University in the PRC. He has comprehensive experience and knowledge in market development of environmental protection industry, national environmental policies and industrial trend. As at the date of this annual report, he beneficially owns 182,000 shares within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), Chapter 571 of the laws of Hong Kong. Mr. QIAN joined the Board in October 2015.

王天義先生

現年56歲，本公司非執行董事兼董事會及提名委員會主席。王先生目前擔任本集團若干附屬公司之董事。彼為現任清華大學兼職教授和清華大學PPP研究中心的共同主任，聯合國歐洲經濟委員會PPP專家委員會委員，中國環境與發展國際合作委員會委員，中國科協生態環境產學聯合體副主席，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。王先生現為光大國際執行董事兼行政總裁及提名委員會成員。彼亦為中國光大水務有限公司(光大國際於新加坡上市的附屬公司，股票代號：U9E.SG)的非執行董事兼董事長。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。

錢曉東先生

現年46歲，本公司執行董事兼行政總裁，並為薪酬委員會之成員。錢先生目前擔任本集團多間附屬公司之董事。錢先生在本公司任職前，曾擔任光大國際的投資發展部總經理及光大國際的全資附屬公司光大環保創業投資(深圳)有限公司的總經理。彼亦為光大國際執行董事兼副總經理及披露委員會成員。錢先生持有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。於本年報日期，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182,000股股份。錢先生於二零一五年十月加入董事會。

Mr. YANG Zhiqiang

aged 58, is an Executive Director and the Vice President of the Company. Mr. YANG currently serves as a director of numerous subsidiaries and 1 associate company of the Group. With effect from 3 January 2019, he was appointed as a non-executive director of Weigang Environmental Technology Holding Group Limited (1845.HK). Mr. YANG was appointed as a non-executive director of China Everbright Water Limited (a subsidiary of CEIL listed in Singapore, stock code: U9E. SG) from 12 December 2014 to 23 February 2017. He served as the chief legal officer in CEIL. Mr. YANG obtained a bachelor's degree from the Medical Science Department of Beijing Medical University (中國北京醫科大學) 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.

Mr. WANG Yungang

aged 56, is an Executive Director and the Vice President of the Company. Mr. WANG currently serves as a director of certain subsidiaries and 1 joint venture of the Group. He was served as the deputy chief engineer and deputy general manager in Everbright Environmental Protection Engineering (Shenzhen) Company Limited (光大環保工程技術(深圳)有限公司) and the general manager of the engineering management center of Everbright Environmental Protection (China) Company Limited (光大環保(中國)有限公司). Prior to joining CEIL, Mr. WANG had held various managerial positions in Harbin Electric International Company Limited. Mr. WANG obtained a bachelor's degree in electrical engineering from Northeast Dianli College (東北電力學院) in the PRC and a certificate of completion of a management science and engineering program from Harbin Institute of Technology (哈爾濱工業大學) in the PRC. Mr. WANG is a qualified senior engineer in the PRC. He joined the Board in April 2016.

Ms. GUO Ying

aged 50, is a Non-Executive Director of the Company, she holds a bachelor degree of accounting in Beijing Technology and Business University. She holds titles of senior accountant and senior auditor in PRC. She is the general manager of internal auditor department and risk management department of CEIL. She joined the Board in January 2018.

楊志強先生

現年58歲，本公司執行董事兼副總裁。楊先生現時為本集團多間附屬公司及1間聯營公司之董事。自二零一九年一月三日起，彼為維港環保科技控股集團有限公司(1845.HK)非執行董事。彼亦於二零一四年十二月十二日起任中國光大水務有限公司(光大國際於新加坡上市的附屬公司，股票代號：U9E.SG)的非執行董事及於二零一七年二月二十三日辭任。彼曾擔任光大國際法務總監。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。

王雲剛先生

現年56歲，本公司執行董事兼副總裁。王先生現時為本集團若干附屬公司及1間合資企業之董事。彼曾分別擔任光大環保工程技術(深圳)有限公司副總工程師及副總經理，和光大環保(中國)有限公司工程管理中心總經理。在加入光大國際之前，王先生曾在哈爾濱電氣國際工程有限公司擔任不同管理層職位。王先生持有中國東北電力學院的電力工程學士學位及中國哈爾濱工業大學的管理科學與工程結業證書，並具有中國高級工程師職稱。王先生於二零一六年四月加入董事會。

郭穎女士

現年50歲，本公司非執行董事。郭女士持有北京工商大學會計學專業，本科學歷，持有國內高級會計師及高級審計師職銜。彼現職光大國際內部審計部及風險管理部總經理。郭女士於二零一八年一月加入董事會。

Mr. TANG Xianqing

aged 54, is a Non-Executive Director of the Company. Mr. TANG currently serves as the chief investment officer of CEIL and a part-time lecturer of the master in finance program of the School of Economics and Management in South China Normal University (華南師範大學) in the PRC. Prior to joining the CEIL Group, Mr. TANG had been served as deputy governor of the Guangzhou branch of China Everbright Bank Company Limited (6818.HK). Also, he had served as the governor of the Guangzhou branch of Guangdong Huaxing Bank (廣東華興銀行) from 2013 to 2014 and the governor assistant at Guangdong Huaxing Bank from 2013 to 2016. Mr. TANG obtained his master's degree in World Economics from Sichuan University (四川大學) (formerly known as Sichuan Union University (四川聯合大學)) in the PRC, and has been awarded the qualification as Economist specialising in finance by Office of the Leading Group for Professional Title Reforms in Guangzhou (廣州市職稱改革領導小組辦公室). Mr. TANG joined the Board in April 2016.

Mr. CHOW Siu Lui

aged 58, Mr. CHOW is an Independent Non-executive Director, the Chairman of Audit and Risk Management Committee and a member of Nomination and Remuneration Committees of the Company. Mr. CHOW is currently a partner of VMS Investment Group (HK) Ltd., an independent non-executive director of Fullshare Holdings Limited (607.HK), Genertec Universal Medical Group Company Limited (Formerly known as Universal Medical Financial & Technical Advisory Services Company Limited) (2666.HK), Shanghai Dazhong Public Utilities (Group) Co., Ltd (1635.HK) and Futong Technology Development Holdings Limited (465.HK). He was an independent non-executive director of NWS Holdings Limited (659.HK) and Shi Shi Services Limited (Formerly known as Heng Sheng Holdings Limited) (8181.HK) and Sinco Pharmaceuticals Holdings Limited (6833.HK). 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 Hong Kong Society of Accountants (now renamed as the Hong Kong Institute of Certified Public Accountants) and the Association of Chartered Certified Accountants. Mr. CHOW joined the Board in May 2017.

唐賢清先生

現年54歲，本公司非執行董事。唐先生現時擔任光大國際的投資總監及於中國華南師範大學經濟與管理學院任兼職金融學碩士研究生導師。在加入光大國際集團之前，彼曾擔任中國光大銀行股份有限公司 (6818.HK)廣州分行副行長。唐先生亦曾於二零一三年至二零一四年擔任廣東華興銀行廣州分行行長，並於二零一三年至二零一六年擔任廣東華興銀行行長助理。彼持有中國四川大學(前稱四川聯合大學)世界經濟學碩士學位，並曾獲廣州市職稱改革領導小組辦公室授予金融專業經濟師資格。唐先生於二零一六年四月加入董事會。

鄒小磊先生

現年58歲，本公司獨立非執行董事、審核及風險管理委員會主席及提名委員會及薪酬委員會之成員。鄒先生現時為鼎佩投資集團(香港)有限公司的合夥人。彼同時為豐盛控股有限公司(607.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)(2666.HK)、上海大眾公用事業(集團)股份有限公司(1635.HK)及富通科技發展控股有限公司(465.HK)的獨立非執行董事。鄒先生曾為新創建集團有限公司(659.HK)、時時服務有限公司(前稱恒生控股有限公司)(8181.HK)及興科蓉醫藥控股有限公司(6833.HK)的獨立非執行董事，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。

Mr. Philip TSAO

aged 58, Mr. TSAO is an Independent Non-Executive Director, the Chairman of the Remuneration Committee and a member of Nomination and Audit and Risk Management Committees of the Company. Mr. TSAO is currently the founder and chief executive officer of CHANCES Advisory Group and a non-executive director of Bank SinoPac and SinoPac Securities (Asia) Limited (both as a subsidiary of SinoPac Financial Holdings Company Limited, a company listed on Taiwan stock exchange with stock code: 2890.TT) with effect from 1 May 2018 and 1 July 2018 respectively. He served as a consultant at Barclays Capital Asia Limited. Prior to his current role, Mr. TSAO was a managing director of Barclays Capital Asia Limited, an executive director of Goldman Sachs (Asia) L.L.C., a managing director of UBS, the president of China Development Industrial Bank (中華開發工業銀行) (“CDIB”), an executive vice president of China Development Financial Holding Corporation (中華開發金融控股公司) (“CDFHC”, a company listed on Taiwan Stock Exchange with stock code: 2883.TT), a director of CDFHC and CDIB (a subsidiary of CDFHC), and a managing director of Morgan Stanley Asia. Mr. TSAO received a bachelor’s degree in power mechanical engineering from National Tsing Hua University in Taiwan, and a Master of Business Administration degree from National Taiwan University in Taiwan. Mr. TSAO is a Chartered Financial Analyst. Mr. TSAO joined the Board in May 2017.

Prof. YAN Houmin

aged 64, is an Independent Non-Executive Director and a member of Nomination, Remuneration and Audit and Risk Management Committees of the Company. Prof. YAN currently serves as the chair professor of management sciences and the Dean of College of Business at the City University of Hong Kong. Previously, Prof. YAN served as a tenured associate professor at the School of Management, University of Texas at Dallas. He was also the Director of Executive M.Sc. Programme in Logistics and Supply Chain Management at the Chinese University of Hong Kong, an alternate director and research advisor for the Hong Kong Research and Development Center for Logistics and Supply Chain Management Enabling Technologies and an Executive Director for Centre of Supply Chain Management and Logistics Optimization at the Li & Fung Institute of Supply Chain Management, the Chinese University of Hong Kong. Prof. YAN received his bachelor’s degree and master’s degree in electrical engineering from the Department of Automation in Tsinghua University in the PRC and his doctor of philosophy degree from the University of Toronto in Canada. Prof. YAN joined the Board in May 2017.

曹為實先生

現年58歲，本公司獨立非執行董事、薪酬委員會主席、提名委員會及審核及風險管理委員會之成員。曹先生現時為CHANCES Advisory Group之創辦人兼行政總裁及分別自二零一八年五月一日及二零一八年七月一日起為永豐銀行及永豐金證券(亞洲)有限公司(均為永豐金融控股股份有限公司(「永豐金控」)之附屬公司，永豐金控為一家於台灣證券交易所上市之公司其股票代號：2890.TT)之非執行董事，彼曾為巴克萊亞洲有限公司的顧問。此前，曹先生曾為巴克萊亞洲有限公司董事總經理、高盛(亞洲)有限公司執行董事、瑞士銀行董事總經理、中華開發工業銀行(「開發工銀」)行長、中華開發金融控股公司(「中華開發金控」，一間於台灣證券交易所上市的公司，股份代號：2883.TT)的執行副總裁、中華開發金控及開發工銀(中華開發金控之附屬公司)的董事以及摩根士丹利亞洲有限公司的董事總經理。曹先生持有台灣國立清華大學動力機械工程學系學士學位及台灣國立台灣大學工商管理學系碩士學位，具有特許金融分析師資格。曹先生於二零一七年五月加入董事會。

嚴厚民教授

現年64歲，本公司獨立非執行董事及提名委員會、薪酬委員會及審核及風險管理委員會之成員。嚴教授現為香港城市大學管理科學講座教授及商學院院長。此前，彼曾在達拉斯德州大學管理學院擔任副教授(Tenured Associate Professor at the School of Management of the University of Texas at Dallas)，具有終身教席。彼亦曾擔任香港中文大學高級管理人員物流和供應鏈管理碩士課程主任、香港物流及供應鏈管理應用技術研發中心副主任及科學和技術顧問，以及香港中文大學利豐供應鏈及物流研究所供應鏈及物流管理中心執行主任。嚴教授持有中國清華大學自動化系電子學學士學位、電子學碩士學位及加拿大多倫多大學(University of Toronto)哲學博士學位。嚴教授於二零一七年五月加入董事會。

Mr. ZHANG Hanwei

Mr. ZHANG is the Chief Technology Officer of the Company. Prior to joining the Group, he served as R&D Director of Covanta Energy Inc., with nearly twenty years' experience in the research and development of relevant technologies. Mr. ZHANG is concurrently serving as the chief technology officer of CEIL and Secretary-General of the Waste-to-Energy Research and Technology Council-Asia. Mr. ZHANG graduated from Columbia University of the United States with a Doctoral Degree in Environmental Engineering. Mr. ZHANG joined the Group in October 2016.

Mr. LO Kam Fan

Mr. LO is the Chief Financial Officer of the Company. Mr. LO also serves as a director of numerous subsidiaries and 1 joint venture company of the Group. Prior to joining the Group, Mr. LO held senior positions at a number of listed companies on Hong Kong Stock Exchange, including financial controller of Shenzhen International Holdings Limited (0152.HK), financial controller and company secretary of Eco-Tek Holdings Limited (8169.HK), chief financial officer and company secretary, respectively, of Wai Chun Mining Industry Group Company Limited (0660.HK) and Wai Chun Group Holdings Limited (1013.HK) and China Vanguard You Champion Holdings Limited (formerly known as China Vanguard Group Ltd.) (8156.HK).

Mr. LO obtained an honours diploma in Accounting from Hong Kong Shue Yan University and a master's degree in Finance from Curtin University of Technology Australia. Mr. LO is a Fellow member of the Hong Kong Institute of Certified Public Accountants and an associate of the Association of International Accountants. Mr. LO joined the Group in November 2015.

張漢威先生

張先生為本公司技術總監。於加入本集團前，他曾擔任卡萬塔能源公司研發總監，於相關技術研發擁有近20年經驗。張先生同時擔任光大國際技術總監及亞太固廢能源化利用協會秘書長。張先生畢業於美國哥倫比亞大學，獲得環境工程學博士。張先生於二零一六年十月加入本集團。

盧錦勳先生

盧先生為本公司財務總監。盧先生亦擔任本集團多間附屬公司及1間合資企業之董事。在加入本集團前，他曾於多間香港聯交所上市公司擔任要職，包括深圳國際控股有限公司 (0152.HK)的財務總監、環康集團有限公司 (8169.HK)的財務總監及公司秘書，亦分別為偉俊礦業集團有限公司 (0660.HK)、偉俊集團控股有限公司 (1013.HK)以及眾彩羽翔股份有限公司(前稱：眾彩科技股份有限公司)(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Curtin University of Technology Australia財務碩士學位，為香港會計師公會資深會員及英國國際會計師公會會員。盧先生於二零一五年十一月加入本集團。

Mr. WANG Dianer

Mr. WANG is the Vice President of the Company. Mr. WANG joined Everbright Group since November 2006. At present, he serves as a director of EB Urban and Rural Renewable Energy (Nanjing) Limited and the general manager of Everbright Environmental Repairing (Jiangsu) Limited. Mr. WANG has previously served as the deputy general manager of Everbright Environmental Energy (Yixing) Limited, the deputy supervisor of Jinan WTE Project, the general manager of EB Alternative Energy (Dangshan) Limited, the project leader of the construction of Dangshan project, the general manager of Everbright Environmental Energy (Zhenjiang) Limited and the general manager of EB Photovoltaic Energy (Zhenjiang) Limited and EB Photovoltaic Energy (Huaining) Limited.

Mr. WANG completed the legal studies program of Anhui University in the PRC and the power plant and electricity system program of Shanghai University of Electric Power in the PRC. Mr. WANG joined the Group in January 2016.

Mr. ZHANG Jianping

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

王殿二先生

王先生為本公司副總裁。王先生自二零零六年十一月起加入光大集團，現時為光大城鄉生物能源(南京)有限公司的董事及光大環境修復(江蘇)有限公司擔任總經理職務。彼曾擔任光大環保能源(宜興)有限公司副總經理、濟南垃圾發電項目的副主管、光大新能源(碭山)的總經理、碭山項目的施工負責人、光大環保能源(鎮江)有限公司的總經理，光大光伏能源(鎮江)有限公司以及光大光伏能源(懷寧)有限公司的總經理等職務。

王先生畢業於中國安徽大學法律研究課程及中國上海電力學院發電廠及電力系統課程。王先生於二零一六年一月加入本集團。

張建平先生

張先生為本公司投資總監兼固廢管理中心總經理。張先生目前為本公司多間附屬公司、1間合資企業及1間聯營公司之董事。於加入本集團前，彼曾擔任蘇州市環境衛生管理處副處長。張先生先後擔任光大環保能源(蘇州)有限公司副董事長、光大國際南京代表處常駐代表、光大環保能源(南京)有限公司總經理、光大環保能源(蘇州)有限公司總經理、光大環保(蘇州)固廢處置有限公司總經理。張先生畢業於南京工學院(現東南大學)，主修環境工程專業。張先生於二零一六年四月加入本集團。

Mr. SUN Xiandong

Mr. SUN is the Chief Operating Officer of the Company. He graduated from China University of Mining and Technology, major 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 35 years. Since joining Everbright Group in November 2006, he has been repeatedly named "Outstanding Manager in CEIL". He has served as deputy general manager of Everbright Environmental Energy (Suzhou) Limited, general director at the project command centre of Everbright Alternative Energy (Dangshan) Company Limited, deputy general manager of Everbright Environmental Energy (Pizhou) Ltd., general manager of Everbright Greentech Environmental Protection (Northern Anhui) Administrative Center (光大綠色環保皖北管理中心) and Everbright Greentech Environmental Protection (Anhui) Administrative Center (光大綠色環保安徽管理中心). Meanwhile, he concurrently served as general manager in various subsidiaries, namely Everbright Biomass Energy (Lingbi), general manager of EB Urban and Rural Renewable Energy (Xiao County) Limited and general manager of EB Urban and Rural Renewable Energy (Fengyang) Company Limited. He is currently serves as director at a number of subsidiaries of the Company and general manager of Everbright Greentech Environmental Protection Clean Energy Administrative Centre (光大綠色環保清潔能源管理中心), Everbright Alternative Energy (Dangshan) Company Limited and Everbright Environmental Energy (DangShan) Limited. Mr. SUN joined the Group in January 2016.

Ms. CHOW Wing Man

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

孫先棟先生

孫先生為本公司運營總監。彼於中國礦業大學熱能動力專業畢業，清華大學CEO管理培訓班結業。孫先生從事電力相關建設、電廠運營管理35年。自二零零六年十一月入職光大集團起，彼多次獲評為「光大國際優秀管理者」；歷任光大環保能源(蘇州)公司副總經理、光大新能源(碭山)工程指揮部總指揮、光大環保能源(邳州)有限公司副總經理、光大綠色環保皖北管理中心總經理及光大綠色環保安徽管理中心總經理等職務。期間曾兼任多間附屬公司總經理，包括光大生物能源(靈璧)有限公司、光大城鄉再生能源(蕭縣)有限公司、光大城鄉再生能源(鳳陽)有限公司。彼目前為本公司多間附屬公司之董事及現任光大綠色環保清潔能源管理中心、光大新能源(碭山)有限公司及光大環保能源(碭山)有限公司總經理。孫先生於二零一六年一月加入本集團。

周詠雯小姐

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

REPORT OF THE DIRECTORS

董事會報告

The directors are pleased to present their report and the audited financial statements for the year ended 31 December 2018 which are to be presented at the annual general meeting to be held at Salon I & II, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Tuesday, 21 May 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

Business review of the Group during the year, particulars of important events affecting the Group that have occurred since the end of the year ended 31 December 2018 (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 41 of this annual report. Description of the possible risks and uncertainties that the Group may be facing are set out on pages 41 to 44. Also, the financial risk management of the Group can be found in note 24 to the financial statements. A discussion on the Group's environmental policies and performance can be found from pages 45 to 55.

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

The aforesaid discussions form part of this "Report of the Directors".

董事欣然提呈彼等之報告連同截至二零一八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二零一九年五月二十一日(星期二)假座於香港灣仔港灣道一號香港君悅酒店閣樓君悅廳I及II舉行的股東週年大會上呈列。

主要業務及業務回顧

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

本集團年內之業務回顧，有關截至二零一八年十二月三十一日止年度結算日以來發生並對本集團構成影響之重要事件(如有)詳情、利用財務關鍵表現指標對本集團年內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41頁。本集團可能面對之風險及不明朗因素之描述列載於第41頁至44頁。另外，關於本集團之金融風險管理，詳見財務報表附註24。本集團環境政策及表現之討論列載於第45頁至55頁。

本集團相信持份者的聲音能為本公司的業務發展帶來真知灼見，有助我們制定持續和長期的發展策略。因此，本集團在項目的整個週期，從初始的規劃階段及至運營階段都會定期邀請持份者參與持份者溝通活動，讓其發表對我們運營和環保表現的意見。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。

上述討論構成「董事會報告」其中一部份。

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW (Continued)

As a PRC environmental protection services provider and investment company listed in the Main Board of the Stock Exchange, the Group shall comply with the relevant rules and regulations of both of the PRC and Hong Kong. For maintaining the development of environmental business and investment business in mainland China, the Group shall comply with national policies set out by the PRC Government as mentioned in the "Environmental and Social Management" section stated in pages 45 to 47 of this report.

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

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income on pages 120 to 121 of this Annual Report respectively.

The Board of the Company has proposed the payment of a final dividend of HK6.5 cents (2017: HK9.0 cents) per ordinary share for the year ended 31 December 2018 payable on or around Friday, 14 June 2019 to Shareholders whose names are on the register of members of the Company on Tuesday, 28 May 2019. Together with the interim dividend of HK6.0 cents (2017: Nil) per ordinary share in June 2018, the total distribution of dividend by the Company for the year of 2018 will be HK12.5 cents per ordinary share (2017: HK9.0 cents). The dividend payout ratio in 2018 is 19.5%.

SUMMARY FINANCIAL INFORMATION

A financial summary of the Group for the last 4 financial years is set out on pages 247 to 248. This summary does not form part of the audited financial statements.

主要業務及業務回顧(續)

作為中國環保服務供應商及於聯交所主板上市之投資公司，本集團須遵守中國及香港之相關規則及規例，為維持於中國內地環保業務及投資業務之發展，本集團須遵守於本報告第45至47頁「環境和社會管理」部份所載由中國政府頒佈之國家政策。

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項下之規定、上市規則及證券及期貨條例，當中牽涉資料披露及企業管治，本集團亦已採納標準守則。

業績及股息分派

本集團截至二零一八年十二月三十一日止年度之業績分別列載於本年報第120頁至第121頁之綜合損益表及綜合損益及其他全面收益表內。

本公司董事會建議就截至二零一八年十二月三十一日止年度派發末期股息每股普通股6.5港仙(二零一七年：9.0港仙)，股息將於二零一九年六月十四日(星期五)左右向於二零一九年五月二十八日(星期二)名列本公司股東名冊之股東派付。連同二零一八年六月的中期股息每股普通股6.0港仙(二零一七年：無)，本公司二零一八年派付的每股普通股股息總額將為12.5港仙(二零一七年：9.0港仙)。二零一八年度派息率為19.5%。

財務資料概要

本集團過去4個財政年度的財務概要列載於第247至248頁。該概要並不構成經審核財務報表一部份。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 23 to the financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company's reserves available for distribution amounted to approximately HK\$4,503,246,000. Details of distributable reserve of the Company are set out in note 23 to the financial statements.

CHARITABLE DONATIONS

The charitable donations made by the Group during the year amounted to approximately HK\$1,435,000.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2018 are set out in note 20 to the financial statements.

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:

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23以及綜合權益變動表。

可供分派儲備

於二零一八年十二月三十一日，本公司可供分派儲備為數約港幣4,503,246,000元。本公司之可供分派儲備之詳情載於財務報表附註23。

慈善捐款

本集團年內作出為數約港幣1,435,000元之慈善捐款。

銀行貸款及其他借款

於二零一八年十二月三十一日，本集團之銀行貸款及其他借款詳情刊載於財務報表附註20內。

主要客戶及供應商

本集團於本財政年度之主要客戶及供應商之資料如下：

		Percentage of the Group's total 佔本集團下列總額之百分比	
		Turnover 營業額	Purchases 採購額
The largest customer	最大客戶	22%	
Five largest customers in aggregate	五大客戶合計	47%	
The largest supplier	最大供應商		6%
Five largest suppliers in aggregate	五大供應商合計		18%

None of the directors of the Company or any of their 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.

本公司各董事或彼等之任何聯繫人士或任何股東（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 23 to the financial statements.

DEBENTURES

The Group has not issued any debentures during the year.

EQUITY-LINKED AGREEMENTS

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's 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.

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

WANG Tianyi** (*Chairman*)
QIAN Xiaodong* (*Chief Executive Officer*)
YANG Zhiqiang* (*Vice President*)
WANG Yungang* (*Vice President*)
GUO Ying**
TANG Xianqing**
CHOW Siu Lui***
Philip TSAO***
YAN Houmin***

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

股本

有關本集團年內股本變動的詳情列載於財務報表附註23。

債券

本集團年內並無發行任何債券。

股票掛鈎協議

本公司於年內並無訂立於年末仍然有效之股票掛鈎協議。

優先購買權

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

購買、贖回或出售本公司上市證券

於年內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

董事

本公司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*)
王雲剛* (*副總裁*)
郭穎**
唐賢清**
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

DIRECTORS (Continued)

In accordance with Articles 108(a) and 108(b) of the Articles of Association, Messrs. QIAN Xiaodong, YANG Zhiqiang and WANG Yungang will retire from office as executive directors of the Company by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

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 of the Company and the senior management of the Group are set out on pages 90 to 96 of this Annual Report.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51(B) of the Listing Rules, there are changes in the information required to be disclosed pursuant to paragraph (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules subsequent to the date of the 2018 interim report of the Company. The changes of information on directors are as follows:

- (1) Mr. WANG Tianyi was appointed as a vice chairman of Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology with effect from 26 September 2018.
- (2) Mr. CHOW Siu Lui resigned as an independent non-executive director of Sinco Pharmaceuticals Holdings Limited (6833.HK) on 8 November 2018.
- (3) Mr. YANG Zhiqiang was appointed as a non-executive director of Weigang Environmental Technology Holding Group Limited (1845.HK) with effect from 3 January 2019.

DIRECTORS' SERVICE CONTRACTS

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

董事(續)

根據章程細則第108(a)及108(b)條之規定，錢曉東先生、楊志強先生及王雲剛先生將於即將舉行的股東週年大會上輪席退任本公司執行董事，且符合資格並願意膺選連任。

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

董事及高級管理層之履歷詳情

本公司董事及本集團高級管理層之履歷詳情列載於本年報第90頁至第96頁。

董事資料變動

根據上市規則第13.51(B)條，本公司二零一八年中報日期後之資料出現須根據上市規則第13.51(2)條(a)至(e)及(g)段予以披露之變動。董事資料變動如下：

- (1) 王天義先生自二零一八年九月二十六日起獲委任為中國科協生態環境產學聯合體副主席。
- (2) 鄒小磊先生於二零一九年十一月八日辭任興科蓉醫藥控股有限公司(6833.HK)之獨立非執行董事。
- (3) 楊志強先生自二零一九年一月三日起獲委任為維港環保科技控股集團有限公司(1845.HK)之非執行董事。

董事之服務合約

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

DIRECTORS' SERVICE CONTRACTS (Continued)

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 annual general meeting 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, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company or any entities connected with the director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

NO COMPETITION BETWEEN CEIL AND THE COMPANY

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

董事之服務合約(續)

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／或大約二年。

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

董事於交易、安排或合約之權益

除下文「持續關連交易」一節披露者外，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本公司董事或與董事有關連之實體於當中擁有直接或間接重大權益之重大交易、安排或合約。

光大國際與本公司不存在競爭

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

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, Mr. WANG Tianyi and Mr. QIAN Xiaodong are also the executive directors of CEIL. CEIL is a listed intermediate holding company of the Company and is engaged in renewable energy business. CEIL may be in competition with the Group. However, as stated in the section "No competition between CEIL and the Company" above, the Company implements some corporate governance measures to ensure the independence between CEIL and the Company. Up to the date of this annual report, there is no change in the details previously disclosed in the Listing document.

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

DIRECTORS' REMUNERATION

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

董事於競爭業務之權益

於年內及直至本報告日期，王天義先生及錢曉東先生兼任光大國際之執行董事。光大國際為本公司上市中介控股公司，其主要從事再生能源業務。光大國際或與本集團存有競爭，然而，如上文「光大國際與本公司不存在競爭」一節所述，本公司實施多項企業管治措施，確保光大國際與本公司間之獨立性。直至本年度報告日期，早前於上市文件披露內容並無變動。

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

董事酬金

董事薪酬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薪酬。概無董事可參與釐訂彼之薪酬。

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

The Company's directors (the "Directors") and chief executive who held office at 31 December 2018 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 Securities and Futures Ordinance) 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 for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Long position in shares of the Company

Name of director	董事姓名	Capacity 身份	Nature of interest 權益性質	Number of shares held (ordinary shares) 所持股份數目 (普通股)	Approximate Percentage of total issued shares (Note) 佔已發行 股份總數之 概約百分比 (附註)
Qian Xiaodong	錢曉東	Beneficial owner 實益擁有人	Personal 個人	182,000	0.0088%

Note: As at 31 December 2018, the number of shares in issue was 2,066,078,000 shares.

Save as disclosed above, as at 31 December 2018, 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.

董事及主要行政人員持有之股份、相關股份及債券權益及淡倉

按本公司根據證券及期貨條例第352條規定須予存置之董事及主要行政人員權益及淡倉登記冊所載記錄顯示，於二零一八年十二月三十一日在任之本公司董事（「董事」）及主要行政人員於該日在本公司、其控股公司、附屬公司及其他聯繫公司（定義見證券及期貨條例第XV部）之股份、相關股份及債券中所擁有之權益或上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）須知會本公司及聯交所之權益及淡倉載列如下：

於本公司股份之好倉

附註：於二零一八年十二月三十一日，已發行股份數目為2,066,078,000股。

除上文所披露者外，於二零一八年十二月三十一日，本公司董事及主要行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團（按證券及期貨條例第XV部所界定者）之任何股份，相關股份或債券的權益或淡倉。

董事認購股份或債券之權利

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

INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2018, 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:

Long position in shares of the Company

根據證券及期貨條例須予披露之股東權益

於二零一八年十二月三十一日，下列人士（不包括本公司董事或主要行政人員）於本公司之股份及相關股份中持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司及聯交所之權益或淡倉載列如下：

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%
China Everbright International Limited ("CEIL") (note (1))	中國光大國際有限公司 (「光大國際」)(附註(1))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,440,000,000 69.70%
China Everbright Holdings Company Limited ("CE Hong Kong") (note (2))	中國光大集團有限公司 (「光大香港」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 70.81%
Datten Investments Limited ("Datten") (note (2))	Datten Investments Limited (「Datten」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,461,706,369 70.75%
Guildford Limited ("Guildford") (note (2))	Guildford Limited (「Guildford」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,461,706,369 70.75%
China Everbright Group Ltd. ("China Everbright Group") (note (2))	中國光大集團股份公司 (「中國光大集團」)(附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 70.81%
Central Huijin Investment Ltd. ("Huijin")	中央匯金投資有限責任公司 (「匯金」)	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,462,912,986 (note (3)) (附註(3)) 70.81%
				100,550,000 (note (4)) (附註(4)) 4.87%

INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO (Continued)

Notes:

- (1) CE Green Holdings is a wholly-owned subsidiary of CEIL, which is in turn controlled 41.95% by CE Hong Kong, through its direct and indirect wholly-owned subsidiaries. Accordingly, CEIL and CE Hong Kong are deemed to be interested in the 1,440,000,000 ordinary 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 ordinary shares, 1,440,000,000 ordinary shares are held by CE Green Holdings and 21,706,369 ordinary shares are held by Guildford. The remaining 1,206,617 ordinary shares are held by EIM. Accordingly, China Everbright Group and CE Hong Kong are deemed to be interested in those ordinary shares held by CE Green Holdings, Guildford and EIM respectively.
- (3) Huijin is indirectly wholly-owned by the State Council of the People's Republic of China and holds 55.67% equity interests of China Everbright Group. It is deemed to be interested in the 1,462,912,986 ordinary shares that China Everbright Group is deemed to be interested in.
- (4) Huijin is also deemed to be interested in 100,550,000 ordinary shares held by its associated companies and a non wholly-owned subsidiary.
- (5) As at 31 December 2018, the number of ordinary shares in issue was 2,066,078,000 shares.

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

MANAGEMENT CONTRACTS

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

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's 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)

附註：

- (1) 光大綠色控股為光大國際的全資附屬公司，而光大國際由光大香港透過其直接及間接全資附屬公司控制41.95%股權。因此，光大國際及光大香港被視為於光大綠色控股持有的1,440,000,000股普通股中擁有權益。
- (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股普通股中，有1,440,000,000股普通股由光大綠色控股持有及21,706,369股普通股由Guildford持有；其餘1,206,617股普通股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普通股中擁有權益。
- (3) 匯金由中華人民共和國國務院間接全資擁有並持有中國光大集團55.67%股權。其被視為於中國光大集團被視為擁有權益的1,462,912,986股普通股中擁有權益。
- (4) 匯金亦被視為於其聯繫公司及非全資附屬公司持有的100,550,000股普通股中擁有權益。
- (5) 於二零一八年十二月三十一日，已發行普通股份數目為2,066,078,000股。

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

管理合約

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

獲准許彌償條款

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

CONTINUING CONNECTED TRANSACTIONS

Deposit and loan services

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

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

During the year ended 31 December 2018, the maximum daily closing balance of the Group’s deposits (including interests accrued thereon) placed in CE Bank amounted to approximately HK\$496,624,000. This amount was below the annual cap of HK\$500,000,000 for the year ended 31 December 2018 which was proposed in the prospectus published on 21 April 2017.

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

持續關連交易

存款及貸款服務

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

- (a) 根據存款服務框架協議，中國光大集團將促使光大銀行根據中國人民銀行（「中國人民銀行」）訂定之規則及規例及／或中華人民共和國（「中國」）境內或境外其他相關規則及規例，向本集團提供存款服務（包括活期及定期存款）。中國光大集團將提供之存款服務乃按一般商業條款提供，有關條款不遜於本集團自獨立第三方獲得之條款。

於截至二零一八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496,624,000元。此金額低於截至二零一八年十二月三十一日止年度之年度限額港幣500,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

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

CONTINUING CONNECTED TRANSACTIONS (Continued)

Deposit and loan services (Continued)

During the year ended 31 December 2018, 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\$287,500,000. This amount was below the annual cap of HK\$500,000,000 for the year ended 31 December 2018 which was proposed in the prospectus published on 21 April 2017.

Lease of the premises

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

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

持續關連交易(續)

存款及貸款服務(續)

於截至二零一八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287,500,000元。此金額低於截至二零一八年十二月三十一日止年度之年度限額港幣500,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

租賃物業

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

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

CONTINUING CONNECTED TRANSACTIONS (Continued)

Lease of the premises (Continued)

During the year ended 31 December 2018, the aggregated rent paid or payable to China Everbright Environmental Group Limited and Everbright Environmental Protection (China) Company Limited under the tenancy agreements amounted to HK\$4,995,000. The amount did not exceed the annual cap of HK\$5,174,741 for the year ended 31 December 2018 which was proposed in the prospectus published on 21 April 2017.

Purchases of equipment

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

During the year ended 31 December 2018, the amounts payable to EB Environmental Changzhou under the Equipment Purchase Framework Agreement amounted to RMB26,989,000. The amount did not exceed the annual cap of RMB90,000,000 for the year ended 31 December 2018 which was proposed in the prospectus published on 21 April 2017.

Provision of design services

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

During the year ended 31 December 2018, the amounts payable to Jiangsu Design & Research Institute under the Project Design Services Framework Agreement amounted to RMB3,522,000. The amount did not exceed the annual cap of RMB30,000,000 for the year ended 31 December 2018 which was proposed in the prospectus published on 21 April 2017.

持續關連交易(續)

租賃物業(續)

於截至二零一八年十二月三十一日止年度，根據租賃協議已付或應付中國光大環境集團有限公司及光大環保(中國)有限公司之租金合共為港幣4,995,000元。有關金額並無超出截至二零一八年十二月三十一日止年度之年度限額港幣5,174,741元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

購買設備

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

於截至二零一八年十二月三十一日止年度，根據設備購買框架協議應付光大環保常州之金額為人民幣26,989,000元。有關金額並無超出截至二零一八年十二月三十一日止年度之年度限額人民幣90,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

設計服務條款

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

於截至二零一八年十二月三十一日止年度，根據項目設計服務框架協議應付江蘇設計研究院之金額為人民幣3,522,000元。有關金額並無超出截至二零一八年十二月三十一日止年度之年度限額人民幣30,000,000元，即於二零一七年四月二十一日登載之招股章程的建議年度限額。

CONTINUING CONNECTED TRANSACTIONS (Continued)

Provision of design services (Continued)

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

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

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

The Directors confirm that the Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of all of its continuing connected transactions.

持續關連交易(續)

設計服務條款(續)

本公司之獨立非執行董事已審閱該等關連交易，並確認該等交易乃：

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

本公司核數師畢馬威會計師事務所已獲委聘根據香港會計師公會頒佈之香港核證委聘準則第3000號「審核或審閱過往財務資料以外之核證委聘」，並經參考實務說明第740號「香港上市規則規定關於持續關連交易之核數師函件」，就本集團之持續關連交易作出匯報。畢馬威會計師事務所已根據上市規則第14A.56條，就本集團於上文所披露之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。本公司已向香港聯合交易所有限公司提供核數師函件副本。

董事確認本公司已就其所有持續關連交易遵守上市規則第14A章之規定。

RETIREMENT SCHEME

The Company operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the ORSO Scheme. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the Group's MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 10% and 5% of the employees' relevant income, respectively.

The employees of the subsidiaries in the PRC are members of the retirement schemes operated by the local authorities. The subsidiaries are required to contribute a certain percentage of their payroll to these schemes to fund the benefits. The only obligation of the Group with respect to these schemes is the required contributions under the schemes. The Group's total contributions to these schemes charged to the consolidated statement of profit or loss during the year ended 31 December 2018 amounted to HK\$43,071,000.

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.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

China Everbright Greentech Limited
WANG Tianyi

Chairman

Hong Kong, 6 March 2019

退休計劃

本公司根據香港強制性公積金計劃條例為受香港僱傭條例管轄且原先未包括在職業退休計劃條例計劃內之僱員提供強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立信託人管理之定額供款退休計劃。根據本集團的強積金計劃，僱主及僱員各自須向計劃供款，供款額分別為僱員有關入息之10%及5%。

中國附屬公司之僱員均參與當地政府運作之退休計劃。該等附屬公司須按員工薪金之若干百分比向上述計劃作出供款，為有關福利提供資金。就此等計劃而言，本集團之唯一責任為根據此等計劃作出所需供款。本集團於截至二零一八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43,071,000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屆滿退任並合資格再獲續聘。本公司將於應屆股東週年大會上提呈決議案，以續聘畢馬威會計師事務所為本公司核數師。

承董事會命

中國光大綠色環保有限公司
王天義

主席

香港，二零一九年三月六日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Everbright Greentech Limited (“the Company”) and its subsidiaries (“the Group”) set out on pages 120 to 246 which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致中國光大綠色環保有限公司各股東獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

我們已審核中國光大綠色環保有限公司(「貴公司」)及其附屬公司(「貴集團」)載於第120至246頁之綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實及公平地反映貴集團於二零一八年十二月三十一日的綜合財務狀況和貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港「公司條例」之披露規定妥為編製。

意見的基礎

我們按照香港會計師公會頒佈之「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佈之「專業會計師道德守則」(「守則」)及開曼群島與我們審核綜合財務報表有關之任何職業道德要求，我們獨立於貴集團，並已根據該等要求及守則履行其他專業道德責任。我們相信，我們所獲得之審核憑證能充足及適當地為我們之意見提供基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審核事項

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

Recognition of construction revenue from service concession arrangements

來自服務特許經營權安排之建造收益確認

Refer to accounting policy note 1(t) and note 3 to the consolidated financial statements

參閱會計政策之附註1(t)及綜合財務報表附註3

The key audit matter

關鍵審核事項

The Group has entered into service concession arrangements with local governments in Mainland China to build and operate environmental protection projects, which include integrated biomass utilisation and hazardous and solid waste treatment facilities.

貴集團已與中國內地當地政府訂立服務特許經營權安排，以建造及運營環保項目（包括生物質綜合利用及危廢及固廢處置設備）。

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

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

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

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

How the matter was addressed in our audit

該事項在審核中是如何處理的

Our audit procedures to assess the recognition of construction revenue from service concession arrangements included the following:

我們對確認來自服務特許經營權安排之建造收益進行評估的審核程序包括以下各項：

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

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

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

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

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

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

綜合財務報表以外的資料及當中的核數師報告

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

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

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

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

董事就綜合財務報表須承擔之責任

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

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核及風險管理委員會協助董事履行職責，監督貴集團之財務申報流程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審核綜合財務報表須承擔之責任

我們的目標為對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並發出包括我們意見在內的核數師報告。本報告僅向閣下(作為整體)作出，除此之外別無其他用途。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照「香港審計準則」進行之審核總能發現存在某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期該等陳述單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出之經濟決定，則有關的錯誤陳述可被視作重大。

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

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

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

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

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

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

核數師就審核綜合財務報表須承擔之責任(續)

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Yuen Man Ching.

KPMG

Certified Public Accountants

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

6 March 2019

核數師就審核綜合財務報表須承擔之 責任(續)

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

出具本獨立核數師報告的審核項目合夥人為袁文正先生。

畢馬威會計師事務所

執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一九年三月六日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年	2017 二零一七年
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益	3	7,001,820	4,581,352
Direct costs and operating expenses	直接成本及經營費用		(4,932,366)	(3,146,324)
Gross profit	毛利		2,069,454	1,435,028
Other revenue	其他收益	4	158,664	118,376
Other loss	其他虧損	5	(601)	(2,437)
Administrative expenses	行政費用		(356,556)	(236,923)
Profit from operations	經營盈利		1,870,961	1,314,044
Finance costs	財務費用	6(a)	(202,384)	(125,565)
Share of loss of a joint venture	所佔一家合營企業虧損		(158)	(891)
Profit before taxation	除稅前盈利	6	1,668,419	1,187,588
Income tax	所得稅	7	(337,068)	(230,289)
Profit for the year	本年度盈利		1,331,351	957,299
Attributable to:	應佔部份：			
Equity shareholders of the Company	本公司權益股東		1,324,871	953,823
Non-controlling interests	非控股權益		6,480	3,476
Profit for the year	本年度盈利		1,331,351	957,299
Earnings per share	每股盈利	10		
Basic and diluted (HK cents)	基本及攤薄(港仙)		64.12	51.70

The notes on pages 130 to 246 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to profit for the year are set out in note 23(b).

第130至246頁之附註構成本財務報表之一部份。本年度盈利應付本公司權益股東之股息詳情載於附註23(b)。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit for the year	本年度盈利	1,331,351	957,299
Other comprehensive income for the year:	本年度其他全面收入：		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
— Exchange differences on translation of financial statements of entities outside Hong Kong, net of nil tax	— 換算香港境外實體財務報表產生之匯兌差額，扣除零稅項		
— subsidiaries	— 附屬公司	(423,077)	318,158
— an associate	— 一家聯營公司	(138)	—
— a joint venture	— 一家合營企業	(2,906)	—
		(426,121)	318,158
Total comprehensive income for the year	本年度全面收入總額	905,230	1,275,457
Attributable to:	應佔部份：		
Equity shareholders of the Company	本公司權益股東	900,712	1,270,824
Non-controlling interests	非控股權益	4,518	4,633
Total comprehensive income for the year	本年度全面收入總額	905,230	1,275,457

The notes on pages 130 to 246 form part of these financial statements.

第130至246頁之附註構成本財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年 (restated) (經重列)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	2,334,791	2,144,206
Interests in leasehold land held for own use under operating leases	根據經營租賃持作自用 之租賃土地權益	11	167,263	138,442
			2,502,054	2,282,648
Intangible assets	無形資產	12	7,486,422	5,131,608
Interest in an associate	一家聯營公司權益	14	56,216	—
Interest in a joint venture	一家合營企業權益	15	57,446	51,841
Other receivables, deposits and prepayments	其他應收款項、按金及 預付款項	16	425,957	370,729
Contract assets	合約資產	17	2,852,061	1,766,507
Deferred tax assets	遞延稅項資產	22(b)	34,797	34,942
			13,414,953	9,638,275
Current assets	流動資產			
Inventories	存貨	18	124,656	110,899
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收 款項、按金及預付 款項	16	1,239,535	518,034
Contract assets	合約資產	17	1,562,091	820,979
Tax recoverable	可收回稅項	22(a)	734	19
Pledged bank deposits	已抵押銀行存款		198,968	203,007
Deposits with banks	銀行存款		17,039	736,229
Cash and cash equivalents	現金及現金等價物	19	2,044,826	2,404,175
			5,187,849	4,793,342

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年 (restated) (經重列)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Current liabilities	流動負債			
Bank loans	銀行貸款	20		
— Secured	— 有抵押		626,389	314,903
— Unsecured	— 無抵押		288,986	226,368
			915,375	541,271
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	21	2,416,520	1,665,570
Current taxation	本期稅項	22(a)	23,622	9,885
			3,355,517	2,216,726
Net current assets	流動資產淨額		1,832,332	2,576,616
Total assets less current liabilities	總資產減流動負債		15,247,285	12,214,891
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	20		
— Secured	— 有抵押		3,400,454	2,444,734
— Unsecured	— 無抵押		1,690,730	508,698
			5,091,184	2,953,432
Other payables	其他應付款項	21	67,004	56,899
Deferred tax liabilities	遞延稅項負債	22(b)	658,023	438,514
			5,816,211	3,448,845
Net assets	資產淨額		9,431,074	8,766,046

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年 (restated) (經重列)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Capital and reserves	股本及儲備	23		
Share capital	股本		1,608,029	1,608,029
Other reserves	其他儲備		7,730,823	7,140,023
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額		9,338,852	8,748,052
Non-controlling interests	非控股權益		92,222	17,994
Total equity	權益總額		9,431,074	8,766,046

Approved and authorised for issue by the board of directors on 6 March 2019 於二零一九年三月六日經董事會批准及授權刊發

Qian Xiaodong

錢曉東

Director

董事

Yang Zhiqiang

楊志強

Director

董事

The notes on pages 130 to 246 form part of these financial statements. 第130至246頁之附註構成本財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔					Non-controlling interests		Total equity
		Share capital	Share premium	Exchange reserve	Reserve fund	Retained profits	Total	非控股權益	權益總額
		股本	股份溢價	匯兌儲備	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
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
Balance at 1 January 2017	於二零一七年一月一日之結餘	3	3,241,465	(331,782)	84,457	1,193,078	4,187,221	13,361	4,200,582
Changes in equity for 2017:	二零一七年之權益變動:								
Profit for the year	年內盈利	—	—	—	—	953,823	953,823	3,476	957,299
Other comprehensive income	其他全面收入	—	—	317,001	—	—	317,001	1,157	318,158
Total comprehensive income	全面收入總額	—	—	317,001	—	953,823	1,270,824	4,633	1,275,457
Capitalisation issue	資本化發行	23(c)(iii)	1,120,749	(1,120,749)	—	—	—	—	—
Shares issue under initial public offering ("IPO"), net of share issuance expenses	根據首次公開發售 (「首次公開發售」) 發行股份，扣除 股份發行開支	23(c)(iv)	487,277	2,802,730	—	—	3,290,007	—	3,290,007
Transfer to reserve fund	轉撥至儲備金	—	—	—	34,701	(34,701)	—	—	—
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	1,608,029	4,923,446	(14,781)	119,158	2,112,200	8,748,052	17,994	8,766,046

Consolidated statement of changes in equity
綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司權益股東應佔					Non-controlling interests 非控股權益			
		Share capital 股本	Share premium 股份溢價	Exchange reserve 匯兌儲備	Reserve fund 儲備金	Retained profits 保留盈利	Total 總額	Non-controlling interests 非控股權益	Total equity 權益總額	
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Balance at 1 January 2018	於二零一八年一月一日之結餘		1,608,029	4,923,446	(14,781)	119,158	2,112,200	8,748,052	17,994	8,766,046
Changes in equity for 2018:	二零一八年之權益變動:									
Profit for the year	年內盈利		—	—	—	—	1,324,871	1,324,871	6,480	1,331,351
Other comprehensive income	其他全面收入		—	—	(424,159)	—	—	(424,159)	(1,962)	(426,121)
Total comprehensive income	全面收入總額		—	—	(424,159)	—	1,324,871	900,712	4,518	905,230
Capital contributions received by non-wholly owned subsidiaries from non-controlling interests	非全資附屬公司從非控股權益收取所得之出資額		—	—	—	—	—	—	69,710	69,710
2017 final dividend paid	派付2017年度末期股息	23(b)(ii)	—	(185,947)	—	—	—	(185,947)	—	(185,947)
2018 interim dividend paid	派付2018年度中期股息	23(b)(i)	—	(123,965)	—	—	—	(123,965)	—	(123,965)
Transfer to reserve fund	轉撥至儲備金		—	—	—	53,433	(53,433)	—	—	—
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘		1,608,029	4,613,534	(438,940)	172,591	3,383,638	9,338,852	92,222	9,431,074

The notes on pages 130 to 246 form part of these financial statements. 第130至246頁之附註構成本財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年	2017 二零一七年 (restated) (經重列)
	Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Operating activities	經營活動			
Profit before taxation	除稅前盈利		1,668,419	1,187,588
Adjustments for:	經調整：			
Depreciation	折舊	6(c)	117,483	94,605
Amortisation of intangible assets	無形資產攤銷	6(c)	168,664	106,274
Amortisation of interests in leasehold land held for own use under operating leases	根據經營租賃持作自用之租賃土地權益攤銷	6(c)	4,277	3,756
Finance costs	財務費用	6(a)	202,384	125,565
Interest income	利息收入	4	(25,910)	(25,881)
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之淨虧損	5	601	2,437
Share of loss of a joint venture	所佔一家合營企業虧損		158	891
Effect of foreign exchange rates changes	外匯匯率變動之影響		(27,519)	40,834
Changes in working capital:	運營資金變動：			
Increase in inventories	存貨增加		(18,576)	(61,867)
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		(759,186)	(320,068)
Increase in contract assets	合約資產增加		(1,993,379)	(1,498,269)
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		472,248	282,154
Cash used in operations	經營活動所動用之現金		(190,336)	(61,981)
Interest received	已收利息		25,910	25,881
People's Republic of China ("PRC") income tax paid	已付中華人民共和國(「中國」)所得稅		(76,450)	(43,884)
Net cash used in operating activities	經營活動所動用之現金淨額		(240,876)	(79,984)

		2018 二零一八年	2017 二零一七年 (restated) (經重列)
		HK\$'000 港幣千元	HK\$'000 港幣千元
		Note 附註	
Investing activities	投資活動		
Payment for purchases of property, plant and equipment and interests in leasehold land held for own use under operating leases	購買物業、廠房及設備以及根據經營租賃持作自用之租賃土地權益之付款	(447,582)	(440,826)
Payment for additions of intangible assets	增置無形資產之付款	(2,492,736)	(1,664,994)
Payment for capital contribution to an associate	注資一家聯營公司之付款	(56,354)	—
Payment for capital contribution to a joint venture	注資一家合營企業之付款	(8,669)	(19,733)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	705	—
Increase in non-current portion of prepayments	非即期部份預付款項增加	(52,210)	(23,661)
Decrease/(increase) in deposits with banks	銀行存款減少/(增加)	687,199	(718,094)
Net cash used in investing activities	投資活動所動用之現金淨額	(2,369,647)	(2,867,308)
Financing activities	融資活動		
Proceeds from new bank loans	新增銀行貸款所得款項	3,243,972	1,936,178
Repayment of bank loans	償還銀行貸款	(506,052)	(570,260)
Increase in pledged bank deposits	已抵押銀行存款增加	(4,782)	(108,508)
(Increase)/decrease in amounts due from fellow subsidiaries	應收同系附屬公司款項(增加)/減少	(3,952)	900
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	69,710	—
Proceeds from issuance of shares under IPO	根據首次公開發售發行股份所得款項	—	3,380,821
Payment for listing expenses	上市開支之付款	—	(78,341)
Dividends paid to equity shareholders of the Company	已付予本公司權益股東之股息	(309,912)	—
Interest paid	已付利息	(213,091)	(131,547)
Net cash generated from financing activities	融資活動所產生之現金淨額	2,275,893	4,429,243

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年	2017 二零一七年 (restated) (經重列)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額		(334,630)	1,481,951
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物		2,404,175	886,210
Effect of foreign exchange rates changes	外匯匯率變動之影響		(24,719)	36,014
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等價物	19(a)	2,044,826	2,404,175

The notes on pages 130 to 246 form part of these financial statements. 第130至246頁之附註構成本財務報表之一部份。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2018 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate and a joint venture. All values in the financial statements are rounded to nearest thousand, unless otherwise indicated.

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

1 重大會計政策

(a) 合規聲明

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

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

(b) 編製及呈列基準

截至二零一八年十二月三十一日止年度的綜合財務報表包括本公司及其附屬公司（統稱「本集團」）以及本集團於一家聯營公司和一家合營企業之權益。除非另行指明，財務報表的所有金額均約整至最接近的千位。

編製財務報表時所用的計量基準是歷史成本法。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

(c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- (i) HKFRS 9, *Financial instruments*
- (ii) HKFRS 15, *Revenue from contracts with customers*
- (iii) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

1 重大會計政策 (續)

(b) 編製及呈列基準 (續)

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

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

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

(c) 會計政策變動

香港會計師公會已頒佈多項於本集團當前會計期間首次生效的新訂及經修訂香港財務報告準則。當中，以下發展與本集團財務報表相關：

- (i) 香港財務報告準則第9號，*金融工具*
- (ii) 香港財務報告準則第15號，*客戶合約收益*
- (iii) 香港(國際財務報告詮釋委員會)第22號，*外幣交易及墊付代價*

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

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

(i) HKFRS 9, Financial instruments

Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the expected credit loss (“ECL”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, debtors and other receivables);
- contract assets as defined in HKFRS 15.

For further details on the Group’s accounting policy for accounting for credit losses, see notes 1(i)(i) and (ii).

1 重大會計政策(續)

(c) 會計政策變動(續)

本集團並未應用於當前會計期間尚未生效的新準則或詮釋。

(i) 香港財務報告準則第9號，金融工具

信貸虧損

香港財務報告準則第9號以預期信貸虧損(「預期信貸虧損」)模式取代香港會計準則第39號中之「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此預期信貸虧損之確認時間較根據香港會計準則第39號之「已產生虧損」會計模式確認之時間為早。

本集團將新預期信貸虧損模式應用至以下項目：

- 按攤銷成本計量的金融資產(包括現金及現金等價物、應收賬款及其他應收款項)；
- 香港財務報告準則第15號界定的合約資產。

有關本集團將信貸虧損入賬的會計政策之更多詳情，請參閱附註1(i)(i)及(ii)。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except that the information relating to comparative periods has not been restated. Any differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 is recognised in retained profits and reserves as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39.

There has been no significant impact on the Group's financial position and results of operations as a result of this change in accounting policy and accordingly, the Group's opening balances as at 1 January 2018 have not been adjusted.

(ii) HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group has elected to use the retrospective method for the adoption of HKFRS 15 and therefore, comparative information has been restated.

1 重大會計政策(續)

(c) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

過渡

因採納香港財務報告準則第9號所導致的會計政策變動已經追溯應用，惟與可比較期間相關的資料並無重列。因採納香港財務報告準則第9號而導致金融資產賬面值出現的任何差異於二零一八年一月一日的保留盈利及儲備中確認。因此，就二零一七年呈列的資料繼續根據香港會計準則第39號呈報。

本集團的財務狀況及經營業績並無因此項會計政策變動而受到重大影響，故本集團於二零一八年一月一日的年初結餘並無調整。

(ii) 香港財務報告準則第15號，客戶合約收益

香港財務報告準則第15號建立一個全面的框架，以確認與客戶訂立合約的收益及若干成本。香港財務報告準則第15號取代香港會計準則第18號收益(涵蓋銷售商品及提供服務產生之收益)及香港會計準則第11號建造合約(規定建造合約之會計處理)。

香港財務報告準則第15號亦引入額外定性及定量披露規定，旨在讓財務報表使用者了解客戶合約所產生的收益及現金流量的性質、金額、時間及不確定性。

本集團選擇就採納香港財務報告準則第15號採用追溯法，因此，比較資料已經重列。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

(ii) HKFRS 15, Revenue from contracts with customers (Continued)

Further details of the nature and effect of the changes on previous accounting policies are set out below:

(a) Timing of revenue recognition

Previously, revenue arising from construction contracts and provision of services was recognised over time.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from construction contracts and provision of services.

1 重大會計政策(續)

(c) 會計政策變動(續)

(ii) 香港財務報告準則第15號，客戶合約收益(續)

有關過往會計政策變動之性質及影響的進一步詳情載列如下：

(a) 確認收益的時間

以往因建造合約及提供服務所產生的收益隨時間確認。

根據香港財務報告準則第15號，收益於客戶獲得合約中所承諾之貨品或服務之控制權時確認。該時間可為一個時間點或一段時期。香港財務報告準則第15號確定下列三種獲承諾貨品或服務之控制權被視為隨時間轉移的情況：

- 當客戶同時取得及消耗實體履約所提供之利益時；
- 實體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(如在建工程)；
- 實體之履約行為並未創造一項可被實體用於替代用途之資產，且實體具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

採納香港財務報告準則第15號對本集團何時確認建造合約及提供服務所得收益並無重大影響。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

- (ii) HKFRS 15, Revenue from contracts with customers (Continued)

(b) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

There has been no impact on the Group as a result of this change in policy.

(c) Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 1(t)) before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第15號，客戶合約收益(續)

(b) 重大融資部份

香港財務報告準則第15號要求實體於合約包含重大融資部份時就貨幣時間價值調整交易價格，而不管收取來自客戶的付款較確認收益大幅提前或大幅遞延。

此項政策變更對本集團概無影響。

(c) 合約資產及負債的呈列

根據香港財務報告準則第15號，應收款項只在本集團有無條件權利收取代價時確認。倘本集團於無條件有權收取合約所承諾之商品及服務的代價之前確認相關收益(見附註1(t))，收取代價之權利將分類為合約資產。同樣地，倘於本集團確認相關收益前，客戶已支付代價，或客戶需按合約要求支付代價而該金額已到期，則應確認為合約負債(而非應付款項)。就與客戶間的單一合約而言，將呈列淨合約資產或淨合約負債。倘涉及多項合約，互不相關的合約資產及合約負債不會按淨值呈列。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

- (ii) *HKFRS 15, Revenue from contracts with customers (Continued)*

(c) Presentation of contract assets and liabilities (Continued)

To reflect these changes in presentation, “Gross amounts due from customers for contract work”, receivables related to service concession arrangements of the Group and unbilled receivables that were both included in “Debtors, other receivables, deposits and prepayments” are now reclassified to “Contract assets”. Accordingly, “Gross amounts due from customers for contract work” of HK\$805,504,000 and HK\$1,775,670,000 and receivables included in “Debtors, other receivables, deposits and prepayments” of HK\$218,865,000 and HK\$811,816,000 were reclassified to “Contract assets” as at 1 January and 31 December 2017 respectively. The reclassification has no effect to reported profit or loss and net assets for any period presented.

- (iii) *HK(IFRIC) 22, Foreign currency transactions and advance consideration*

This interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

1 重大會計政策(續)

(c) 會計政策變動(續)

- (ii) 香港財務報告準則第15號，客戶合約收益(續)

(c) 合約資產及負債的呈列(續)

為反映該等呈列變更，「應收客戶合約工程款項總額」、以往計入「應收賬款、其他應收款項、按金及預付款項」的與本集團服務特許經營權安排相關的應收款項及未開發票應收款項現重新分類為「合約資產」。因此，「應收客戶合約工程款項總額」港幣805,504,000元及港幣1,775,670,000元，以及計入「應收賬款、其他應收款項、按金及預付款項」的應收款項港幣218,865,000元及港幣811,816,000元分別於二零一七年一月一日及二零一七年十二月三十一日重新分類至「合約資產」。該重新分類對任何呈列期間所申報損益及資產淨額皆無影響。

- (iii) 香港(國際財務報告詮釋委員會)第22號，外幣交易及墊付代價

此詮釋就目的為釐定首次確認因實體以外幣收取或支付預付代價之交易而產生的相關資產、開支或收入(或當中部份)所用的匯率而釐定「交易日期」提供指引。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

- (iii) HK(IFRIC) 22, Foreign currency transactions and advance consideration (Continued)

The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related items, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and the operating results of the Group.

(d) Subsidiaries and non-controlling interests

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

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

1 重大會計政策 (續)

(c) 會計政策變動 (續)

- (iii) 香港(國際財務報告詮釋委員會)第22號·外幣交易及墊付代價(續)

該詮釋澄清「交易日期」為首次確認支付或收取預付代價產生的非貨幣資產或負債之日期。倘於確認有關項目前已多次支付或收取款項，每次付款或收款之交易日期須按此方式釐定。採納香港(國際財務報告詮釋委員會)第22號對本集團之財務狀況及經營業績概無重大影響。

(d) 附屬公司及非控股權益

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

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

1 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

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

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

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

(e) Associate and joint venture

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

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

1 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

當本集團喪失對一間附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益內確認。任何在喪失控制權當日仍保留該前附屬公司之權益按公允值確認，而此金額被視為於初始確認金融資產時的公允值，或(如適用)初始確認於一家聯營公司或一家合營企業的投資之成本。

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

(e) 聯營公司及合營企業

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

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associate and joint venture (Continued)

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

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

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

1 重大會計政策(續)

(e) 聯營公司及合營企業(續)

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

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

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associate and joint venture (Continued)

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

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 1(i)(iii)).

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

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

1 重大會計政策(續)

(e) 聯營公司及合營企業(續)

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

(f) 物業、廠房及設備

物業、廠房及設備按成本值減去累計折舊及耗損虧損入賬(見附註1(i)(iii))。

自建物業、廠房及設備項目之成本包括物料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌之成本(倘有關)之初步估計，以及適當比例之生產日常開支及借貸成本(見附註1(w))。

物業、廠房及設備項目退廢或出售所產生之盈虧按出售所得款項淨額與有關項目之賬面值之間的差額釐定，並於退廢或出售當日於損益表確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment (Continued)

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

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, from 20 to 50 years after the date of completion.
- Plant and machinery 5 to 25 years
- Leasehold improvements 10 years or over the remaining term of the lease, if shorter
- Furniture and fixtures 5 to 10 years
- Motor vehicles, electronic equipment and others 3 to 12 years

No depreciation is provided in respect of construction in progress.

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

1 重大會計政策(續)

(f) 物業、廠房及設備(續)

物業、廠房及設備項目乃使用直線法按其估計可使用年期減去其估計剩餘價值(如有)以撇銷其成本值計算折舊，詳情如下：

- 位於租賃土地之上的樓宇乃按未屆滿租賃年期或估計可使用年期(即完工日期起計20至50年)(以較短者為準)計算折舊。
- 廠房及機器 5至25年
- 租賃物業裝修 10年或剩餘租賃年期(以較短者為準)
- 傢俬及裝置 5至10年
- 汽車、電子設備及其他 3至12年

概無就在建工程作出折舊撥備。

當一項物業、廠房及設備項目各部份具有不同的可使用年期時，此項目之成本將按合理基礎在各部份之間分配，而每部份將作個別折舊。資產之可使用年期及其剩餘價值(如有)會每年進行檢討。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangible assets

Intangible assets represent operating rights of certain service concession arrangements. The intangible assets are stated at cost less accumulated amortisation and impairment losses (see note 1(i)(iii)).

Amortisation of intangible assets is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets are amortised from the date they are available for use and their estimated useful lives are as follows:

— Integrated biomass utilisation project operating rights	30 years
— Hazardous and solid waste treatment project operating rights	20 to 30 years

Both the period and method of amortisation are reviewed annually.

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

1 重大會計政策(續)

(g) 無形資產

無形資產指若干服務特許經營權安排的經營權。無形資產按成本值減去累計攤銷及耗損虧損列賬(見附註1(i)(iii))。

無形資產之攤銷按直線法於其估計可使用年期計入損益表。以下無形資產自其可供使用日期起攤銷及其估計可使用年期如下：

— 生物質綜合利用項目經營權	30年
— 危廢及固廢處置項目經營權	20至30年

攤銷期限及方法均會每年審閱。

(h) 租賃資產

倘本集團確定某項安排賦予有關人士權利，可透過付款或支付一系列款項而於協定期間內使用特定資產，有關安排(包括一項交易或一系列交易)即屬或包含租賃。該決定乃基於有關安排之細節評估而作出，並不論有關安排是否具備租賃之法律形式。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Leased assets (Continued)

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except that land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Operating lease charges

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

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

1 重大會計政策(續)

(h) 租賃資產(續)

(i) 本集團租用之資產之分類

就本集團根據租賃持有之資產而言，倘有關租賃將絕大部份擁有權之風險及利益轉移至本集團，則有關資產分類為根據融資租賃持有之資產。不會轉移絕大部份擁有權之風險及利益予本集團之租賃會分類為經營租賃，惟根據經營租賃持作自用之土地而言，如其公允值不能與訂立租賃時已建於其上之建築物之公允值分開計量，將當作根據融資租賃持有者入賬，惟有關建築物亦為根據經營租賃確實持有者除外。就此而言，訂立租賃之時指本集團首次訂立租賃之時，或自前度承租人接收之時。

(ii) 經營租賃支出

如屬本集團根據經營租賃使用所持資產之情況，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額方式計入損益表中，惟如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。已收取之租金優惠在損益表中確認為總租賃付款淨額的一部份。

根據經營租賃持有之土地之收購成本乃於租賃期內按直線法攤銷，惟如該物業被分類為投資物業則除外。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets

- (i) *Credit losses from financial instruments and contract assets*

(A) Policy applicable from 1 January 2018

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, debtors and other receivables); and
- contract assets as defined in HKFRS 15 (see note 1(l)).

Financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls of debtors and other receivables and contract assets are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損

- (i) *金融工具及合約資產的信貸虧損*

(A) 自二零一八年一月一日起適用的政策

本集團就以下項目確認預期信貸虧損的虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等價物、應收賬款及其他應收款項)；及
- 香港財務報告準則第15號界定的合約資產(見附註1(l))。

按公允值計量的金融資產毋須接受預期信貸虧損評估。

預期信貸虧損之計量

預期信貸虧損為按概率加權估計之信貸虧損。信貸虧損以所有預期現金差額(即本集團按合約應收現金流量與本集團預期可收取之現金流之間的差額)的現值計量。

倘貼現影響重大，則應收賬款及其他應收款項以及合約資產的預期現金差額將採用於初步確認時釐定的實際利率或其近似值貼現。

估計預期信貸虧損時所考慮的最長期間是以本集團面對信貸風險的最長合約期間為準。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

- (i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for debtors and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

- (i) 金融工具及合約資產的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

預期信貸虧損之計量(續)

於計量預期信貸虧損時，本集團會考慮在無需付出過多成本或努力下即可獲得之合理可靠資料。這包括有關過往事件、現時狀況及未來經濟條件預測的資料。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期預期信貸虧損：指預期信貸虧損模型在整個存續期內所有可能違約事件而導致的預期虧損。

應收賬款及合約資產之虧損撥備一般按等同於整個存續期預期信貸虧損的金額計量。該等金融資產的預期信貸虧損基於本集團過往信貸虧損經驗(並就債務人的具體因素作出調整)及於報告日期現有及預期一般經濟狀況的評估採用撥備總表估計。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held). The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

1 重大會計政策 (續)

(i) 信貸虧損及資產耗損 (續)

(i) 金融工具及合約資產的信貸虧損 (續)

(A) 自二零一八年一月一日起適用的政策 (續)

預期信貸虧損之計量 (續)

就所有其他金融工具而言，本集團按等於12個月預期信貸虧損確認虧損撥備，除非自初始確認後金融工具的信貸風險大幅增加，在此情況下虧損撥備按等於整個存續期預期信貸虧損金額計量。

信貸風險大幅增加

在評估金融工具的信貸風險有否自初始確認後大幅增加時，本集團將於報告日期評估的金融工具的違約風險與初始確認日評估的風險進行比較。作出重新評估時，本集團認為，當借款人不大可能在本集團無追索權(如變現抵押品(倘持有))下向本集團悉數支付其信貸責任時，即構成違約。本集團考慮合理可靠的定量及定性資料，包括歷史經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk
(Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(i) 金融工具及合約資產的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅增加(續)

尤其是，在評估自初始確認後信貸風險是否大幅增加時，將考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具的外部或內部信用評級(如可獲得)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 技術、市場、經濟或法律環境現有或預測變化為債務人履行其對本集團義務的能力造成重大不利影響。

根據金融工具的性质，信貸風險是否大幅增加的評估按個別或合併方式進行。當評估按合併方式進行時，金融工具根據分擔的信用風險特徵進行分組，如逾期狀況及信貸風險評級。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Significant increases in credit risk
(Continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(i) 金融工具及合約資產的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

信貸風險大幅增加(續)

預期信貸虧損於各報告日期進行重新計量，以反映自初始確認後金融工具信貸風險的變化。預期信貸虧損金額的任何變化於損益中確認為耗損收益或虧損。本集團確認所有金融工具的耗損收益或虧損，並透過虧損撥備賬對其賬面值進行相應調整。

利息收入計算基準

利息收入按金融資產的總賬面值計算，除非金融資產出現信貸耗損，在此情況下利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

在各個報告日，本集團評估金融資產是否出現信貸耗損。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產產生信貸耗損。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Basis of calculation of interest income
(Continued)

Evidence that a financial asset is credit impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation; or
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(i) 金融工具及合約資產的信貸虧損(續)

(A) 自二零一八年一月一日起適用的政策(續)

利息收入計算基準(續)

金融資產信貸耗損的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 債務人很有可能將告破產或進行其他財務重組；或
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響。

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部份或全部)金融資產或合約資產的總賬面金額。該情況通常出現在本集團確定債務人沒有資產或收入來源以可產生足夠的現金流量來償還應撇銷的金額。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Write-off policy (Continued)

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as FVPL (e.g. debtors and other receivables). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

1 重大會計政策 (續)

(i) 信貸虧損及資產耗損 (續)

(i) 金融工具及合約資產的信貸虧損 (續)

(A) 自二零一八年一月一日起適用的政策 (續)

撇銷政策 (續)

之前撇銷之資產隨後之收回作為耗損撥回在作出收回的期間於損益內確認。

(B) 於二零一八年一月一日前適用的政策

於二零一八年一月一日前，並非分類為按公允值計入損益的金融資產（例如應收賬款及其他應收款項）採用「已產生虧損」模式計量耗損虧損。根據「已產生虧損」，耗損虧損僅於存在客觀耗損證據時確認。客觀耗損證據包括：

- 債務人有重大財務困難；
- 違反合約，例如：欠繳或拖欠利息或本金；
- 債務人可能破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境出現重大改變並對債務人構成不利影響。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

- (i) *Credit losses from financial instruments and contract assets (Continued)*

(B) Policy applicable prior to 1 January 2018 (Continued)

If any such evidence exists, the impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

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

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

- (i) *金融工具及合約資產的信貸虧損(續)*

(B) 於二零一八年一月一日前適用的政策(續)

如存在任何上述證據，耗損虧損按資產之賬面值與按金融資產最初之實際利率(即此等資產最初確認時之實際利率)(如貼現影響重大)貼現估計之未來現金流量現值之差額計算。如此等金融資產具備類似之風險特徵(例如：類似的逾期情況及並未單獨被評估為出現耗損)，則會共同進行評估。共同進行耗損評估之金融資產會根據與彼等具有類似信貸風險特徵資產之過往虧損情況計算未來現金流量。

倘於其後期間耗損虧損金額有所減少，而客觀上與確認耗損虧損後發生之事件有關，則有關耗損虧損會撥回損益表。確認耗損虧損之撥回僅限於不會導致資產之賬面值超過其在過往年度沒有確認任何耗損虧損而應已釐定之數額。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(i) *Credit losses from financial instruments and contract assets (Continued)*

(B) Policy applicable prior to 1 January 2018 (Continued)

Impairment losses were written off against the corresponding assets directly, except for impairment losses recognised in respect of debtors included within debtors, other receivables, deposits and prepayments, whose recovery was considered doubtful but not remote. In this case, the impairment losses for doubtful debts were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against debtors directly and any amounts held in the allowance account relating to that debt were reversed. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

(ii) *Credit losses from financial guarantees issued*

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(i) 金融工具及合約資產的信貸虧損(續)

(B) 於二零一八年一月一日前適用的政策(續)

耗損虧損將從相應的資產中直接撇銷，但如包含在應收賬款、其他應收款項、按金及預付款項中，而其是否可以收回屬難以預料，而並非微乎其微之應收賬款，則就其確認之耗損虧損不會從相應的資產中直接撇銷。在此情況下，呆賬之耗損虧損以撥備賬記錄。倘本集團確認能收回應收賬款之機會屬微乎其微，則被視為不可收回之金額會直接從應收賬款中撇銷，而在撥備賬中就有關債務保留之任何金額會被撥回。倘之前計入撥備賬之款項在其後收回，則有關款項於撥備賬撥回。撥備賬之其他變動及其後收回先前直接撇銷之款項均於損益表確認。

(ii) 已發出之財務擔保信貸虧損

財務擔保乃要求簽發人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具之條款於到期時付款而蒙受之損失，而向持有人支付特定款項之合約。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued (Continued)

Financial guarantees issued are initially recognised within creditors, other payables and accrued expenses at fair value, which is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss.

Subsequent to initial recognition, the amount initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(ii) 已發出之財務擔保信貸虧損 (續)

財務擔保初始按公允值於應付賬款、其他應付款項及應計費用，其乃經參考在相若服務之公平交易所收取之費用釐定(倘可取得相關資料)，或經參考利率差價(即將貸款機構對發出擔保所收取之實際息率，與在沒有取得擔保之情況下貸款機構將可能收取之估計息率作出比較)而釐定(倘可作出有關資料之可靠估計)。倘在發出該擔保時已收取或可收取代價，該代價將根據本集團適用於該類資產之政策而予以確認。倘並無收取或不會收取有關代價，則即時於損益表內確認為開支。

於初始確認後，最初確認為遞延收入的金額按擔保年期於損益表內攤銷為已發出財務擔保之收入。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(ii) Credit losses from financial guarantees issued (Continued)

(A) Policy applicable from 1 January 2018

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher than the amount carried in creditors, other payables and accrued expenses in respect of the guarantees (i.e. the amount initially recognised, less accumulated amortisation).

To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. The same definition of default and the same assessment of significant increase in credit risk as described in note 1(i)(i) apply.

As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(ii) 已發出之財務擔保信貸虧損 (續)

(A) 自二零一八年一月一日起適用的政策

本集團監察特定債務人的違約風險，並於財務擔保的預期信貸虧損釐定為超過有關擔保在應付賬款、其他應付款項及應計費用入賬的金額(即初始確認金額減累計攤銷)的情況下確認撥備。

為釐定預期信貸虧損，本集團會考慮特定債務人自發出擔保以來的違約風險變動，並會計量12個月的預期信貸虧損，惟在特定債務人自發出擔保以來的違約風險大幅增加的情況下除外，在此情況下，則會計量整個存續期的預期信貸虧損。附註1(i)(i)所述的相同違約定義及信貸風險大幅增加的相同評估標準適用於此。

由於本集團僅須於根據獲擔保工具的條款特定債務人違約時作出付款，故預期信貸虧損乃按預期就補償持有人產生的信貸虧損而作出的付款，減本集團預期從擔保持有人(特定債務人或任何其他人士)收取的任何款項估計。有關金額其後將使用現時的無風險利率貼現，並就現金流量的特定風險作出調整。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(ii) *Credit losses from financial guarantees issued
(Continued)*

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, a provision would be recognised if and when it became probable that (i) the holder of the guarantee would call upon the Group under the guarantee and (ii) the amount of the claim on the Group was expected to exceed the amount carried in creditors, other payables and accrued expenses in respect of the guarantee.

(iii) *Impairment of other non-current assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- interests in an associate and a joint venture; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that are not yet available for use, the recoverable amount is estimated annually whether or not there is any indication of impairment.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(ii) *已發出之財務擔保信貸虧損
(續)*

(B) 於二零一八年一月一日 前適用的政策

於二零一八年一月一日前，倘及當(i)擔保持有人有可能根據擔保要求本集團還款及(ii)向本集團索償之金額預期超過有關擔保目前在應付賬款、其他應付款項及應計費用下之入賬金額撥備將予以確認。

(iii) *其他非流動資產之耗損*

本集團會於每個報告期末審閱內部及外界所得資料，以確定下列資產是否出現耗損或先前已確認之耗損虧損是否已經不再存在或已經減少：

- 物業、廠房及設備；
- 分類為根據經營租賃持有之租賃土地預付權益；
- 無形資產；
- 於一間聯營公司及一間合營企業的權益；及
- 於本公司財務狀況表中於附屬公司之投資。

倘出現任何該等跡象，便會估計資產之可收回金額。此外，就尚未可供使用之無形資產而言，其可收回金額會每年估計(不論有否出現耗損跡象)。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets (Continued)

— Calculation of recoverable amount

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

— Recognition of impairment losses

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

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(iii) 其他非流動資產之耗損(續)

— 計算可收回金額

資產之可收回金額為其公允值減去出售成本或使用價值(以較高者為準)。在評估使用價值時,估計日後現金流量乃根據除稅前貼現率貼現至現值,而該貼現率須能反映市場現行對款項的時間價值及資產獨有風險之評估。倘資產並不可在近乎獨立於其他資產之情況下產生現金流量,可收回金額則指可獨立產生現金流量之最小資產組別(即現金生產單位)之可收回金額。

— 確認耗損虧損

倘資產或其所屬之現金產生單位之賬面值超過其可收回金額,則於損益表確認耗損虧損。就現金產生單位確認之耗損虧損按比例用作減少單位(或單位組別)內資產之賬面值,惟資產之賬面值將不得減少至低於其個別公允值減去出售成本之數(如能計量)或使用價值(如能計算)之情況除外。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Credit losses and impairment of assets (Continued)

(iii) Impairment of other non-current assets (Continued)

— Reversals of impairment losses

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

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

(j) Inventories

Inventories, mainly comprise biomass fuel, spare parts and consumables used in the repairs and maintenance, are carried at cost less provision for obsolescence (if any). Cost is calculated using the weighted average cost formula. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in profit or loss.

1 重大會計政策(續)

(i) 信貸虧損及資產耗損(續)

(iii) 其他非流動資產之耗損(續)

— 撥回耗損虧損

倘用作釐定可收回金額之估計出現有利變動，則會撥回耗損虧損。

耗損虧損撥回之數以該資產在過往年度沒有確認任何耗損虧損而應已釐定之賬面值為限。耗損虧損撥回於確認有關撥回之年度計入損益表內。

(j) 存貨

存貨主要包括生物質原料、零配件、用於維修及保養的消耗品，乃按成本值減去報廢撥備(如有)列賬。成本值按加權平均成本公式計算。在耗用存貨後，有關存貨之賬面值會於損益表中確認為開支。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 1(t)(i). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are accounted for in accordance with note 1(l).

(l) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 1(t)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 1(i)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 1(m)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 1(t)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivables would also be recognised (see note 1(m)).

1 重大會計政策(續)

(k) 建造合約

建造合約指公司與客戶就建造一項資產或一組資產而明確磋商，且有關客戶能指明設計之主要結構部份之合約。合約收入之會計政策載於附註1(t)(i)。倘能夠可靠地估計建造合約之成果，則合約成本會參照報告期末之合約完成程度確認為支出。如合約總成本有可能超過合約總收入，便會即時將預期虧損確認為支出。倘不能可靠地估計建造合約之成果，則合約成本於產生期間確認為支出。

於報告期末尚在進行之建造合約根據附註1(l)入賬。

(l) 合約資產及合約負債

當本集團於根據合約所載付款條款無條件享有代價前確認收益(見附註1(t))，則確認合約資產。合約資產按附註1(i)(i)所載政策接受預期信貸虧損評估，並於獲得代價權利成為無條件時重新分類為應收款項(見附註1(m))。

當客戶於本集團確認相關收益(見附註1(t))前支付代價，則確認合約負債。倘本集團於確認相關收益前擁有收取代價的無條件權利，亦會確認合約負債。於該等情況，相關應收款項亦獲確認(見附註1(m))。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Contract assets and contract liabilities (Continued)

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 1(t)(iv)).

(m) Debtors, other receivables, deposits and prepayments

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 1(l)).

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

1 重大會計政策(續)

(l) 合約資產及合約負債(續)

就與客戶的單一合約，合約資產淨值或合約負債淨額獲呈列。至於多份合約，非相關合約的合約資產及合約負債不會按淨額基準呈列。

當合約包括重大融資組成部份，合約餘額包括根據實際利息法累計的利息(見附註1(t)(iv))。

(m) 應收賬款、其他應收款項、按金及預付款項

應收款項於本集團有無條件權利收取代價時確認。倘於到期支付代價前僅需時間推移，則收取代價的權利為無條件。倘本集團擁有收取代價的無條件權利前確認收益，則金額呈列為合約資產(見附註1(l))。

應收賬款、其他應收款項、按金及預付款項初步按公允值確認，其後則使用實際利率法按攤銷成本減去信貸虧損撥備列賬(見附註1(i)(i))，惟如有關應收款項為給予關聯人士之免息貸款，而有關貸款並無固定還款期或貼現影響甚微者則除外。在此情況下，有關應收款項按成本值減去信貸虧損撥備列賬。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method. Interest expense is recognised with the Group's accounting policy for borrowing costs (see note 1(w)).

(o) Creditors, other payables and accrued expenses

Creditors, other payables and accrued expenses are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 1(i)(ii), creditors, other payables and accrued expenses are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Cash and cash equivalents

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

1 重大會計政策(續)

(n) 計息借貸

計息借貸初步按公允值減去應佔交易成本確認。在初步確認後，計息借貸按攤銷成本列賬，而初步確認數額與贖回價值兩者之任何差額(連同任何應付利息及費用)於借貸期內按實際利率法在損益表中確認。利息開支按本集團之借貸成本會計政策確認(見附註1(w))。

(o) 應付賬款、其他應付款項及應計費用

應付賬款、其他應付款項及應計費用初步按公允值確認。除了按照附註1(i)(ii)計算之財務擔保負債外，應付賬款、其他應付款項及應計費用其後按攤銷成本列賬，惟如貼現影響甚微則除外。在此情況下，則按成本值列賬。

(p) 現金及現金等價物

現金及現金等價物包括銀行現金及手持現金、於銀行及其他財務機構之活期存款以及可隨時兌換為已知金額現金、其價值變動風險並不重大，並在購入起計三個月內到期之短期及高流通性投資。就綜合現金流量表而言，現金及現金等價物亦包括須按要求償還及構成本集團現金管理主要部份的銀行透支。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Employee benefits

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

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

(ii) *Termination benefits*

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

(r) Income tax

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

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

1 重大會計政策(續)

(q) 僱員福利

(i) *短期僱員福利及定額供款退休計劃供款*

薪金、年度花紅、年度有薪假期、定額供款退休計劃供款及非金錢福利之成本於僱員提供相關服務之年度累計。倘因遞延付款或償付而造成重大影響，則有關數額按現值列賬。

(ii) *終止福利*

終止福利於本集團不能取消提供該等福利時及本集團確認涉及支付終止福利的重組成本當日(以較早者為準)確認。

(r) 所得稅

年內所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項及遞延稅項資產及負債之變動均於損益表內確認，惟如其與於其他全面收入中或直接於權益中確認之項目有關，則有關稅項金額須分別於其他全面收入中確認或直接於權益中確認。

本期稅項是按年內應課稅收入，以報告期末採用或主要採用之稅率計算之預期應繳稅項，以及任何有關過往年度應繳稅項之調整。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Income tax (Continued)

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

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

1 重大會計政策(續)

(r) 所得稅(續)

遞延稅項資產及負債乃因作財務報告用途之資產及負債賬面值與作稅基用途之資產及負債賬面值兩者之可扣減及應課稅暫時差額所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

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

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Income tax (Continued)

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

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

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

1 重大會計政策(續)

(r) 所得稅(續)

確認遞延稅項資產及負債之有限例外情況包括首次確認但並不影響會計盈利及應課稅盈利之資產或負債(惟其不可為業務合併之部份), 以及有關於附屬公司投資所引致之暫時差異。如為應課稅差異, 只限於本集團可以控制撥回時間, 且在可預見將來不大可能撥回之暫時差異; 或如為可予扣減差異, 則只限於可能在未來撥回之差異。

已確認之遞延稅項數額是按照資產及負債賬面值之預期變現或清償方式, 以報告期末採用或主要採用之稅率計算。遞延稅項資產及負債均不作貼現計算。

本集團會在各報告期末評估遞延稅項資產之賬面值。倘不再可能取得足夠之應課稅盈利以運用有關稅務利益, 便會調低賬面金額。在日後可能取得足夠之應課稅盈利時, 則會撥回已扣減金額。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Income tax (Continued)

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

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(s) Provisions and contingent liabilities

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

1 重大會計政策(續)

(r) 所得稅(續)

本期稅項結餘及遞延稅項結餘及其變動，乃各自分開列示及不會相互抵銷。若本集團在法律上擁有抵銷本期稅項資產及本期稅項負債之行使權利，並能符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，以及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本集團計劃以淨額清償，或計劃同時變現資產及清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務局向下述者徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，則預期在未來每個週期將清償或追償重大數額之遞延稅項負債或資產及計劃變現本期稅項資產及以淨額基準清償本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

(s) 撥備及或有負債

當本集團因過往事件而須負上法律或推定責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，方始確認撥備。當數額涉及重大之時間價值時，則按預期用以履行責任之開支之現值作出撥備。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Provisions and contingent liabilities (Continued)

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

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method.

1 重大會計政策(續)

(s) 撥備及或有負債(續)

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

(t) 收益及其他收入

倘收入源於本集團於一般業務過程中所提供的服務，則本集團將有關收入分類為收益。

倘對服務的控制轉讓予客戶，則收益按本集團預期享有的承諾代價金額確認，不包括代表第三方收取的金額。收益不包括增值稅或其他銷售稅及已扣除任何買賣折扣。

倘合約載有融資部份，為客戶提供超過12個月的重大融資利益，則收益按應收款項現值計量，並使用於客戶的獨立融資交易中反映的貼現率貼現，而利息收入根據實際利息法另行累計。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Revenue and other income (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract based on the latest available information.

The stage of completion is assessed by reference to surveyors of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(ii) Revenue from service concession arrangement

Revenue relating to construction services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue from construction contracts (see note 1 (t)(i)). Operation or service revenue is recognised in the period in which services are provided by the Group. When the Group provides more than one service in a service concession arrangement the consideration received is allocated by reference to the relative fair values of the services delivered.

(iii) Revenue from operation services

Revenue from operation services are recognised when the related services are rendered.

1 重大會計政策(續)

(t) 收益及其他收入(續)

有關本集團確認收益及其他收入之政策的進一步詳情如下：

(i) 建造合約收益

倘建造合約成果能可靠估計，則合約收益及開支根據可獲得的最新資料按合約完成程度按比例於損益確認。

完成程度乃參考已進行之工程測量來評估。倘建造合約成果不能可靠估計，則僅將所產生而有可能收回之合約成本確認為合約收益。有關合約之預期虧損即時於損益確認。

(ii) 服務特許經營權安排收益

根據服務特許經營權安排提供建造服務所得相關收益按工程完成程度確認，與本集團確認建造合約收益之會計政策(見附註1(t)(i))一致。運營或服務收益於本集團提供有關服務之期間確認。如本集團在一項服務特許經營權安排下提供超過一種服務，則收取所得之代價按已提供服務之相關公允值分配。

(iii) 運營服務收益

來自運營服務的收益於提供相關服務時確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Revenue and other income (Continued)

(iv) Finance income

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

(v) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and amortised to profit or loss on a straight-line basis over the useful life of the asset.

(u) Repairs and maintenance

Expenditures on major overhaul, repairs and maintenance are charged to profit or loss as incurred.

(v) Translation of foreign currencies

These financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

1 重大會計政策(續)

(t) 收益及其他收入(續)

(iv) 財務收入

財務收入按實際利息法以應計基準確認。

(v) 政府補助金

倘可合理確定能夠收取政府補助金，且本集團能符合政府補助金所附帶之條件，則政府補助金將初步於綜合財務狀況表中確認。補償本集團所產生開支之補助金於產生開支之同一期間有系統地於損益表中確認為收入。補償本集團資產成本之補助金則初步確認為遞延收入及於資產之可使用年期按直線基準攤銷至損益。

(u) 修理及維修保養

大修、修理及維修保養之開支於產生時在損益表內扣除。

(v) 外幣換算

此等財務報表以港元呈列，即本公司之功能及列報貨幣。本集團內每間個別公司自行決定其功能貨幣而每間個別公司之財務報表內的項目是以其功能貨幣計量。年內進行之外幣交易按交易當日之匯率換算。以外幣計值之貨幣資產及負債均按報告期末之匯率換算。匯兌盈虧於損益表確認。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Translation of foreign currencies (Continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Consolidated statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(w) Borrowing costs

Borrowings costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

1 重大會計政策(續)

(v) 外幣換算(續)

以歷史成本計算之外匯非貨幣性資產及負債乃按交易日期之匯率換算。交易日期乃本集團最初確認該等非貨幣性資產及負債的日期。以公允值列賬之外匯非貨幣資產及負債乃以計量公允值日期之匯率換算。

外國業務之業績乃按交易日之概約匯率換算為港幣。綜合財務狀況表項目則按報告期末之收市匯率換算為港幣。匯兌差額在其他全面收入中確認，並單項累計呈列於權益中之匯兌儲備。

於出售外國業務時，與該外國業務有關之累計匯兌差額將於確認出售盈虧時，由權益重新分類至損益。

(w) 借貸成本

與購入、建造或生產需經一段長時期準備方可作擬定用途或出售之資產直接有關之借貸成本，會資本化作為有關資產之部份成本。其他借貸成本於產生期間列作開支處理。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Borrowing costs (Continued)

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

(x) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.

1 重大會計政策(續)

(w) 借貸成本(續)

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

(x) 關聯方

(a) 某人士或其近親家庭成員為與本集團有關聯，如該人士：

- (i) 擁有本集團之控制權或共同控制權；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司之主要管理人員。

(b) 倘符合下列任何條件，則某實體為與本集團有關聯：

- (i) 該實體及本集團為同一集團之成員公司(即各母公司、附屬公司及同系附屬公司為互相關聯)。
- (ii) 其中一個實體為另一實體之聯營公司或合營企業(或另一實體所屬集團旗下之成員公司之聯營公司或合營企業)。
- (iii) 兩個實體均為相同第三方之合營企業。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

1 重大會計政策(續)

(x) 關聯方(續)

- (b) 倘符合下列任何條件，則某實體為與本集團有關聯：(續)
- (iv) 其中一個實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 該實體為提供福利予本集團僱員或本集團關聯實體僱員之僱員離職後福利計劃。
 - (vi) 該實體受(a) 所識別之人士控制或共同控制。
 - (vii) 於(a)(i)所識別並對實體有重大影響力之人士，或是該實體(或該實體之母公司)之主要管理人員。
 - (viii) 實體、或一間集團之任何成員公司(為集團之一部份)向本集團或本集團之母公司提供主要管理人員服務。

某人士之近親家庭成員指預期可影響該人士與該實體交易之家庭成員，或受該人士與該實體交易影響之家庭成員。

(y) 分部報告

運營分部及財務報表所呈報之各分部項目金額，乃根據就分配資源予本集團各項業務及地區分部及評估其表現而定期提供予本集團最高層管理人員之財務資料而確定。

1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Segment reporting (Continued)

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

Service concession arrangements

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

The Group concluded that all the BOT arrangements and certain BOO arrangements are service concession arrangements under HK(IFRIC) 12, because the local government controls and regulates the services that the Group must provide with the infrastructure at a pre-determined service charge. In respect of BOT arrangements, upon expiry of concession right agreement, the infrastructure has to be transferred to the local government at nil consideration. Infrastructure for BOO arrangements is used in the service concession arrangements for its entire or substantial useful life.

1 重大會計政策(續)

(y) 分部報告(續)

就財務報告而言，個別重要運營分部不會綜合呈報，惟如有關分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用之方式及監管環境性質方面類似則除外。倘獨立而言並非屬重要之運營分部共同擁有上述大部份特徵，則可綜合呈報。

2 會計判斷及估算

(a) 於應用本集團會計政策時所作之重要會計判斷

管理層在應用本集團會計政策時，曾作出下列會計判斷：

服務特許經營權安排

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

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

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty

Note 24 contains information about the assumptions and their risk factors relating to valuation of financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Construction contracts

As explained in policy notes 1(k) and 1(t)(i), revenue and profit recognition on an incompleting project is dependent on estimating the final outcome of the construction contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached, the "Service concession assets" as disclosed in note 17 will not include profit which the Group may eventually realise from the work to date. In addition, actual outcomes in terms of revenue or costs may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

(ii) Credit losses from receivables

The Group estimates credit losses based on the ageing of the receivables, customer credit-worthiness, and historical write-off experience. If the financial conditions of customers were to deteriorate, actual write-offs would be higher than estimated.

2 會計判斷及估算(續)

(b) 估算不確定性之緣由

附註24載有與金融工具估值有關之假設及風險因素資料。估算不確定性之其他主要緣由如下：

(i) 建造合約

誠如會計政策附註1(k)及1(t)(i)所述，未完成項目之收益及盈利確認取決於對建造合約最終成果之估計及迄今已完成之工程。根據本集團之近期經驗及本集團所承辦建造活動之性質，本集團會於工程進度足以可靠估計其完工成本及收入之時，對工程進度進行估計。因此，在達至有關階段前，於附註17內披露之「服務特許經營權資產」不會包括本集團就迄今已完成工程而最終可能變現之盈利。此外，收益或成本之實際結果可能會高於或低於報告期末之估計，亦因而會由於對迄今已入賬之金額作出調整而影響在未來年度確認之收益及盈利。

(ii) 應收款項信貸虧損

本集團會根據應收款項之賬齡、客戶之信用及過往撇賬經驗估算信貸虧損。倘客戶之財務狀況變壞，實際撇賬金額會較估計者為高。

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iii) Impairment losses of non-current assets

If circumstances indicate that the carrying values of property, plant and equipment, interests in leasehold land held for own use under operating leases, intangible assets and interests in the associate and joint venture may not be recoverable, these assets may be considered impaired, and an impairment loss may be recognised in accordance with HKAS 36, *Impairment of assets*. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and the value in use. It is difficult to estimate precisely fair values because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and amount of operating costs.

2 會計判斷及估算(續)

(b) 估算不確定性之緣由(續)

(iii) 非流動資產耗損虧損

當情況顯示物業、廠房及設備、於根據經營租賃持作自用之租賃土地的權益、無形資產及於聯營公司及合資企業的權益之賬面值可能無法收回時，該等資產或會被視為已耗損，以及或可按照《香港會計準則》第36號*資產耗損*之規定確認耗損虧損。本集團會定期審閱該等資產之賬面值，以評估可收回金額是否已降至低於賬面值。當有事件或變動顯示該等資產之記錄賬面值可能無法收回時，便會對該等資產進行耗損測試。當出現上述耗損時，賬面值會減至可收回金額。可收回金額為公允值減去出售成本或使用價值(以較高者為準)。由於並未取得本集團資產的市場報價，因此難於準確估計公允值。於釐定使用價值時，資產產生之預期現金流量會貼現至其現值，而此需要就收益及運營成本金額作出重大判斷。在釐定可收回金額之合理概約金額時，本集團會利用所有現有資料，包括根據收益及運營成本金額之合理有力假設與預測所作出之估計。

2 ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iv) Income taxes

Determining income tax provisions involves judgment on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognised for temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgment is required to assess the probability of future taxable profits. Management reassess these estimates at the end of each reporting period. Additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are construction, integrated biomass utilisation project operation (biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects, waste-to-energy projects and integrated biomass and waste-to-energy projects), hazardous and solid waste treatment project operation (hazardous waste landfill projects and hazardous waste incineration projects), environmental remediation project operation and solar energy and wind power project operation (solar energy projects and wind power projects).

2 會計判斷及估算(續)

(b) 估算不確定性之緣由(續)

(iv) 所得稅

釐訂所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會審慎評估交易之相關稅務規定，從而計提稅項撥備。本集團會定期重新考慮有關交易之稅項處理方法，並會將稅務規例之所有變動列為考慮因素。遞延稅項資產乃就暫時可扣減差額予以確認。由於可予確認之遞延稅項資產僅限於將來很可能取得應課稅盈利而令未使用稅項抵免得以運用之部份，故管理層須作出判斷，以評估產生未來應課稅盈利之可能性。管理層會於各報告期末重新評估上述估計，而倘未來應課稅盈利將有可能讓遞延稅項資產得以收回，則會確認額外的遞延稅項資產。

3 收益及分部報告

(a) 收益

本集團的主要活動為建造、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(危廢填埋項目及危廢焚燒項目)、環境修復項目運營及光伏發電及風電項目運營(光伏發電項目及風電項目)。

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue

Revenue represents the revenue from construction services, revenue from integrated biomass utilisation project, hazardous and solid waste treatment project, environmental remediation project and solar energy and wind power project operation services and finance income.

Disaggregation of revenue from contracts with customers by major product or service lines is as follows:

3 收益及分部報告(續)

(a) 收益(續)

(i) 收益劃分

收益指建造服務收益、生物質綜合利用項目、危廢及固廢處置項目、環境修復項目和光伏發電及風電項目運營服務收益及財務收入。

按主要產品或服務線劃分的客戶合約收益如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Revenue from contracts with customers within the scope by HKFRS 15	香港財務報告準則第15號範圍內的客戶合約收益		
Disaggregated by service lines	按服務線劃分		
— Revenue from integrated biomass utilisation project construction services	— 生物質綜合利用項目建造服務收益	3,763,446	2,892,944
— 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	363,994	60,035
— Revenue from integrated biomass utilisation project operation services	— 生物質綜合利用項目運營服務收益	1,967,199	1,030,719
— 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	409,146	308,785
— Revenue from environmental remediation project operation services	— 環境修復項目運營服務收益	117,672	—
— Revenue from solar energy and wind power project operation services	— 光伏發電及風電項目運營服務收益	239,515	209,114
— Finance income	— 財務收入	140,848	79,755
		7,001,820	4,581,352

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue (Continued)

For the year ended 31 December 2018, the Group has transactions with one (2017: four) local government authority in the PRC which individually exceeded 10% of the Group's revenue. The aggregated revenues from the PRC local government authority during the year ended 31 December 2018 amounted to HK\$1,510,529,000 (2017: HK\$2,506,499,000).

The aggregated revenues from construction services, revenues from operation services and finance income derived from local government authorities in the PRC amounted to HK\$6,492,439,000 for year ended 31 December 2018 (2017: HK\$4,192,958,000). The revenues arose from all the four business segments as set out in note 3(b). Details of concentrations of credit risk arising from these customers are set out in note 24(a).

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2018, the aggregated amounts of transaction price allocated to the remaining performance obligations under the Group's existing contracts are as follows:

		HK\$'000 港幣千元
Expected to be recognised within one year	預計一年內確認入賬	9,090,012
Expected to be recognised after one year	預計一年後確認入賬	183,467,323
		192,557,335

3 收益及分部報告(續)

(a) 收益(續)

(i) 收益劃分(續)

截至二零一八年十二月三十一日止年度，本集團與一個(二零一七年：四個)中國當地政府機關進行交易，有關交易單獨佔本集團收益10%以上。截至二零一八年十二月三十一日止年度，來自該中國當地政府機關的收益總額為港幣1,510,529,000元(二零一七年：港幣2,506,499,000元)。

截至二零一八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6,492,439,000元(二零一七年：港幣4,192,958,000元)。來自該等四個業務分部的收益載於附註3(b)。該等客戶產生的信貸風險集中詳情載於附註24(a)。

(ii) 因報告日期生效的客戶合約產生預計日後將確認入賬的收益

於二零一八年十二月三十一日，分配至本集團現有合約項下剩餘履約責任的交易價格總額如下：

3 REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date (Continued)

The amounts represent revenue expected to be recognised in the future from the construction services and operation services in connection with the Group's environmental protection projects. The Group will recognise the expected revenue in future based on the percentage of completion of the construction, in the case of construction service revenue, and when the services are rendered, in case of operation service revenue.

The remaining performance obligations expected to be recognised in more than one year relate to construction services and operation services that are to be satisfied within 50 years. All the other remaining performance obligations are expected to be recognised within one year. The amounts disclosed above do not include variable consideration which is constrained.

The Group has applied the following practical expedients in:

- paragraph 121 of HKFRS 15 such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the environmental protection service contracts that had an original expected duration of one year or less; and
- paragraph C5(d) of HKFRS 15 such that no comparative information is disclosed for the transaction price allocated to the remaining performance obligations.

3 收益及分部報告(續)

(a) 收益(續)

- (ii) 因報告日期生效的客戶合約產生預計日後將確認入賬的收益(續)

金額代表因有關本集團環境保護項目的建造服務及運營服務而預計日後將確認的收益。本集團將按照建造完工百分比(如屬建造服務收益)或於提供服務時(如屬運營服務收益)確認預計日後的收益。

預期於一年以後確認的剩餘履約責任與將於五十年內償付的建造服務及運營服務相關。其他所有剩餘履約責任預期於一年內確認。上文所披露的金額並不包括受限制的可變代價。

本集團已應用以下各段所載的可行權宜之計：

- 香港財務報告準則第15號第121段，上述資料並不包括有關本集團因履行原預計期限為一年或以下的環境保護服務合約項下剩餘的履約責任而將有權獲得的收益之資料；及
- 香港財務報告準則第15號第C5(d)段，不就分配至剩餘履約責任的交易價披露比較資料。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

The Group manages its business by segments, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

Integrated biomass utilisation project construction and operation: this segment engages in the construction and operation of biomass direct combustion power generation projects, biomass heat supply 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.

Hazardous and solid waste treatment project construction and operation: this segment engages in the construction and operation of hazardous waste landfill projects and hazardous waste incineration projects to generate revenue from construction services, revenue from operation services as well as finance income.

Environmental remediation project operation: this segment engages in the operation of environmental remediation projects covering restoration of industrial contaminated sites, contaminated farmland, mines and landfills, treatment of industrial gas emission, integrated treatment of oil sludge, treatment of river/lake sediments and industrial sludge, construction and operation of wetland parks, environmental stewardship services and anti-seepage at landfill sites to generate revenue from operation services.

3 收益及分部報告(續)

(b) 分部報告

本集團按分部(按業務範圍劃分)管理業務。按照內部就資源分配及表現評估向本集團最高管理層呈報資料之一貫方式,本集團呈報了下列四個須予報告之分部。本集團並無合併任何運營分部,以組成下列須予報告之分部。

生物質綜合利用項目建造及運營:該分部從事建造及運營生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目、垃圾發電項目及生物質及垃圾發電一體化項目,以產生建造服務收益、運營服務收益及財務收入。

危廢及固廢處置項目建造及運營:該分部從事建造及運營危廢填埋項目及危廢焚燒項目,以產生建造服務收益、運營服務收益及財務收入。

環境修復項目運營:該分部從事環境修復項目運營,包括工業污染場地修復、污染農田修復、礦山及填埋場生態修復、工業廢氣治理、油泥綜合治理、河湖底泥及工業污泥治理、濕地公園建設和運營、環保管家服務及填埋場防滲工程,以產生運營服務收益。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Solar energy and wind power project operation: this segment engages in the operation of solar energy projects and wind power projects to generate revenue from operation services.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets, interests in an associate and a joint venture, deferred tax assets and current assets with the exception of intercompany receivables and other corporate assets. Segment liabilities include current taxation, deferred tax liabilities, creditors, other payables and accrued expenses attributable to the activities of the individual segments and borrowings managed directly by the segments, with the exception of intercompany payables and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

3 收益及分部報告 (續)

(b) 分部報告 (續)

光伏發電及風電項目運營：該分部從事運營光伏發電項目及風電項目，以產生運營服務收益。

(i) 分部業績、資產及負債

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

分部資產包括所有有形資產、無形資產、一家聯營公司及一家合營企業權益、遞延稅項資產及流動資產，惟不包括公司間應收款項及其他企業資產。分部負債包括各個個別分部之業務應佔之本期稅項、遞延稅項負債、應付賬款、其他應付款項及應計費用及由各個分部直接管理之借貸，惟不包括公司間應付款項及其他企業負債。

收益及開支乃參考須予報告分部所賺取之收益及所產生之開支或有關分部應佔之資產所產生之折舊或攤銷而分配至有關分部。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

The measure used for reporting segment profit is “EBITDA” i.e. “earnings before interest, taxes, depreciation and amortisation”. To arrive at EBITDA, the Group’s earnings are further adjusted for items not specifically attributed to individual segments, such as directors’ and auditors’ remuneration and other head office or corporate administration costs.

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

3 收益及分部報告 (續)

(b) 分部報告 (續)

(i) 分部業績、資產及負債 (續)

用於報告分部盈利之表示方式為「EBITDA」，即「除利息、稅項、折舊及攤銷前盈利」。為了得出EBITDA，本集團之盈利已就無明確歸於個別分部之項目（例如：董事酬金、核數師酬金及其他總公司或企業行政成本）作進一步調整。

除獲提供有關EBITDA之分部資料外，管理層亦獲提供有關收益、各分部直接管理之借貸利息開支及各分部運營時所使用非流動分部資產之折舊、攤銷及增置之分部資料。

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

Revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2018 and 2017 is set out below.

3 收益及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

截至二零一八年及二零一七年十二月三十一日止年度，本集團就資源分配及分部表現評估而向本集團最高管理層提供之按收益確認時機劃分的客戶合約收益以及須予報告分部資料如下：

		Integrated biomass utilisation project construction and operation		Hazardous and solid waste treatment project construction and operation		Environmental remediation project operation		Solar energy and wind power project operation		Total	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from external customers and reportable segment revenue recognised over time	時間段內確認的來自外界客戶的收益及須予報告之分部收益	5,862,283	3,993,684	782,350	378,554	117,672	—	239,515	209,114	7,001,820	4,581,352
Reportable segment profit (EBITDA)	須予報告之分部盈利(EBITDA)	1,631,932	1,143,235	370,246	241,454	24,515	(2,603)	225,605	195,827	2,252,298	1,577,913
Interest income from bank deposits	銀行存款利息收入	3,254	2,768	1,918	1,646	50	10	478	744	5,700	5,168
Finance costs	財務費用	150,172	78,395	21,188	17,510	—	—	24,965	25,061	196,325	120,966
Depreciation and amortisation	折舊及攤銷	176,298	99,495	42,856	36,730	62	2	69,622	67,193	288,838	203,420
Additions to property, plant and equipment, interests in leasehold land held for own use under operating leases, intangible assets and non-current portion of prepayments	增置物業、廠房及設備、根據經營租賃持作自用之租賃土地權益、無形資產及預付款項之非即期部份	2,549,360	2,403,929	794,912	274,676	51,419	87	3,707	6,161	3,399,398	2,684,853
Additions to non-current portion of contract assets	增置合約資產之非即期部份	1,400,506	1,007,980	9,210	10,413	—	—	—	—	1,409,716	1,018,393
Reportable segment assets	須予報告之分部資產	13,615,644	9,214,577	2,629,636	1,587,539	233,334	4,936	1,417,251	1,588,125	17,895,865	12,395,177
Reportable segment liabilities	須予報告之分部負債	6,514,660	4,258,620	859,052	585,768	106,240	498	535,853	623,569	8,015,805	5,468,455

3 REVENUE AND SEGMENT REPORTING
(Continued)

(b) Segment reporting (Continued)

(ii) Reconciliation of reportable segment revenue,
profit, assets and liabilities

3 收益及分部報告(續)

(b) 分部報告(續)

(ii) 須予報告分部收益、盈利、資
產及負債之對賬

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Revenue	收益		
Reportable segment revenue and consolidated revenue	須予報告分部之收益及綜合收益	7,001,820	4,581,352
Profit	盈利		
Reportable segment profit (EBITDA) derived from the Group's external customers	來自本集團外界客戶之須予報告分部之盈利(EBITDA)	2,252,298	1,577,913
Depreciation and amortisation	折舊及攤銷	(290,424)	(204,635)
Finance costs	財務費用	(202,384)	(125,565)
Unallocated head office and corporate income	未分配總公司及企業收入	25,678	21,603
Unallocated head office and corporate expenses	未分配總公司及企業開支	(116,749)	(81,728)
Consolidated profit before taxation	綜合除稅前盈利	1,668,419	1,187,588
Assets	資產		
Reportable segment assets	須予報告分部之資產	17,895,865	12,395,177
Unallocated head office and corporate assets	未分配總公司及企業資產	706,937	2,036,440
Consolidated total assets	綜合資產總額	18,602,802	14,431,617
Liabilities	負債		
Reportable segment liabilities	須予報告分部之負債	8,015,805	5,468,455
Unallocated head office and corporate liabilities	未分配總公司及企業負債	1,155,923	197,116
Consolidated total liabilities	綜合負債總額	9,171,728	5,665,571

3 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(iii) Geographic information

The following table sets out information about the geographical location of (a) the Group's revenue from external customers, (b) the Group's property, plant and equipment, interests in leasehold land held for own use under operating leases and intangible assets and (c) the Group's non-current portion of other receivables, deposits and prepayments and non-current portion of contract assets. The geographical location of customers is based on the location at which the services were provided. The geographical location of the assets is based on the physical location of the asset, in the case of property, plant and equipment and interests in leasehold land held for own use under operating leases, and the location of the operation to which they are allocated, in the case of other receivables, deposits and prepayments, intangible assets and contract assets.

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料

下表載列有關(a)本集團來自外界客戶之收益；(b)本集團之物業、廠房及設備、根據經營租賃持作自用的租賃土地權益及無形資產；及(c)本集團之其他應收款項、按金及預付款項之非即期部份以及合約資產之非即期部份之所在地區的資料。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、廠房及設備以及根據經營租賃持作自用的租賃土地權益而言)，以及涉及之業務之所在地點(就其他應收款項、按金及預付款項、無形資產及合約資產而言)劃分。

3 REVENUE AND SEGMENT REPORTING
(Continued)

(b) Segment reporting (Continued)

(iii) Geographic information (Continued)

3 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料(續)

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Revenue from external customers	來自外界客戶的收益		
PRC	中國	6,994,319	4,575,159
Germany	德國	7,501	6,193
		7,001,820	4,581,352
Property, plant and equipment, interests in leasehold land held for own use under operating leases and intangible assets	物業、廠房及設備、根據經營租賃持作自用的租賃土地權益以及無形資產		
PRC (excluding Hong Kong)	中國(不包括香港)	9,945,161	7,365,258
Hong Kong	香港	1,840	2,256
Germany	德國	41,475	46,742
		9,988,476	7,414,256
Non-current portion of other receivables, deposits and prepayments and contract assets	其他應收款項、按金及預付款項及合約資產之非即期部份		
PRC	中國	3,278,018	2,137,236

4 OTHER REVENUE

4 其他收益

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest income	利息收入	25,910	25,881
Government grants*	政府補助金*	63,266	29,734
Value-added tax refunds**	增值稅退稅**	59,609	56,795
Others	其他	9,879	5,966
		158,664	118,376

* Government grants of HK\$58,584,000 were granted during the year ended 31 December 2018 (2017: HK\$27,875,000) to subsidise certain integrated biomass utilisation and hazardous and solid waste treatment projects of the Group in the PRC. There were no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future. The remaining amounts represent amortisation of deferred income as set out in note 21.

** The Group was entitled PRC value-added tax refunds of HK\$59,609,000 during the year ended 31 December 2018 (2017: HK\$56,795,000). There were no unfulfilled conditions and other contingencies attached to the receipts of such tax refunds. There is no assurance that the Group will continue to receive such tax refunds in the future.

* 截至二零一八年十二月三十一日止年度，本集團獲發政府補助金港幣58,584,000元（二零一七年：港幣27,875,000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。目前不能保證本集團日後將可繼續獲得該等補助金。餘下金額指附註21所載的遞延收入攤銷。

** 截至二零一八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59,609,000元（二零一七年：港幣56,795,000元）。收取該等增值稅退稅概無未達成條件及其他或然事項。目前不能保證本集團日後將可繼續獲得該增值稅退稅。

5 OTHER LOSS

5 其他虧損

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之淨虧損	601	2,437

6 PROFIT BEFORE TAXATION

6 除稅前盈利

Profit before taxation is arrived at after charging/(crediting):

除稅前盈利已扣除/(計入)：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
(a) Finance costs	(a) 財務費用		
Interest on bank loans	銀行貸款之利息	213,091	131,547
Less: interest expenses capitalised into construction in progress*	減：資本化撥入在建工程的利息開支*	(10,707)	(5,982)
		202,384	125,565
<p>* The borrowing costs have been capitalised at a rate of 4.66% to 5.15% (2017: 4.41% to 4.90%) per annum during the year ended 31 December 2018. * 借貸成本於截至二零一八年十二月三十一日止年度按4.66%至5.15%(二零一七年：4.41%至4.90%)的年利率資本化。</p>			
(b) Staff costs	(b) 員工成本		
Contributions to defined contribution retirement plan	定額供款退休計劃供款	43,071	26,793
Salaries, wages and other benefits	薪金、工資及其他福利	403,159	266,583
		446,230	293,376
(c) Other items	(c) 其他項目		
Amortisation	攤銷		
— interests in leasehold land held for own use under operating leases	— 根據經營租賃持作自用之租賃土地權益	4,277	3,756
— intangible assets	— 無形資產	168,664	106,274
Depreciation	折舊	117,483	94,605
Credit loss on debtors (note 24(a))	應收賬款信貸虧損(附註24(a))	1,939	—
Net foreign exchange loss/(gain)	匯兌虧損/(收益)淨額	1,453	(13,156)
Auditors' remuneration	核數師酬金		
— audit services	— 核數服務	2,850	2,830
— other services	— 其他服務	—	200
Operating lease charges:	經營租賃費用：		
— minimum lease payments	— 最低租賃費用		
— hire of premises	— 物業租賃	9,520	7,939
Listing expenses	上市開支	—	15,252

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statement of profit or loss represents:

7 綜合損益表之所得稅

(a) 綜合損益表所示之稅項指：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Current tax – Hong Kong Profits Tax	本期稅項 – 香港利得稅		
Provision for the year	本年度撥備	—	—
Current tax – PRC Income Tax	本期稅項 – 中國所得稅		
Provision for the year	本年度撥備	91,503	53,530
Over-provision in respect of prior years	過往年度超額撥備	(2,031)	(3,742)
Deferred tax	遞延稅項	89,472	49,788
Origination and reversal of temporary differences	暫時差額之產生及轉回	247,596	180,501
		337,068	230,289

No provision for Hong Kong Profits Tax has been made in the financial statements for the years ended 31 December 2018 and 2017 as the Group's operations in Hong Kong did not earn any income subject to Hong Kong Profits Tax.

Taxation for the PRC operations is charged at the statutory rate of 25% of the assessable profits under taxation ruling in the PRC. During the year, certain PRC subsidiaries are subject to tax concessions under the relevant tax rules and regulations.

由於本集團之香港業務並無賺取任何須繳納香港利得稅的收入，故此本集團並無於截至二零一八年及二零一七年十二月三十一日止年度之財務報表內就香港利得稅計提撥備。

中國業務之稅項按應課稅盈利以中國現行法定稅率25%計算。年內，根據有關稅務法例及法規，若干中國附屬公司享有稅項優惠。

7 INCOME TAX IN THE CONSOLIDATED
STATEMENT OF PROFIT OR LOSS
(Continued)

7 綜合損益表之所得稅(續)

(b) Reconciliation between tax expense and
accounting profit at applicable tax rates:(b) 按適用稅率計算之稅項支出與會
計盈利之對賬：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Profit before taxation	除稅前盈利	1,668,419	1,187,588
Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	按照相關稅務司法權區 之適用所得稅稅率就 除稅前盈利計算之 名義稅項	418,110	298,380
Tax effect of non-deductible expenses	不可扣減支出之稅項 影響	19,943	11,405
Tax effect of non-taxable income	非課稅收入之稅項影響	(7,015)	(10,530)
Tax effect of profits entitled to tax concession in the PRC	可享有中國稅項優惠之 盈利之稅項影響	(105,400)	(74,377)
Tax effect of withholding tax on undistributed profits of PRC subsidiaries	中國附屬公司未分派 盈利之預扣稅之稅項 影響	13,461	9,153
Over-provision in respect of prior years	過往年度超額撥備	(2,031)	(3,742)
Actual tax expense	實際稅項支出	337,068	230,289

8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事酬金

根據上市規則、香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

		Directors' fees	Salaries, allowances and benefits in kind 薪金、津貼及實物利益	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	2018 Total 二零一八年總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Executive directors	執行董事					
Qian Xiaodong	錢曉東	—	2,048	2,640	345	5,033
Yang Zhiqiang	楊志強	—	1,464	1,400	413	3,277
Wang Yungang	王雲剛	—	1,099	1,542	196	2,837
Non-executive directors	非執行董事					
Wang Tianyi (note (i))	王天義(附註(i))	—	10	—	—	10
Tang Xianqing	唐賢清	—	5	—	—	5
Guo Ying (note (i))	郭穎(附註(i))	—	10	—	—	10
Independent non-executive directors (note (iii))	獨立非執行董事(附註(iii))					
Chow Siu Lui	鄧小磊	240	50	—	—	290
Philip Tsao	曹為實	240	50	—	—	290
Yan Houmin	嚴厚民	240	35	—	—	275
		720	4,771	5,582	954	12,027

8 DIRECTORS' EMOLUMENTS (Continued)

8 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2017 Total
		董事袍金	薪金、津貼及實物利益	酌情花紅	退休計劃供款	二零一七年總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive directors	執行董事					
Qian Xiaodong	錢曉東	—	2,061	2,200	41	4,302
Yang Zhiqiang	楊志強	—	1,329	1,250	308	2,887
Wang Yungang	王雲剛	—	1,137	1,382	38	2,557
Non-executive directors	非執行董事					
Chen Xiaoping (note (ii))	陳小平(附註(ii))	—	10	—	—	10
Hu Yanguo (note (ii))	胡延國(附註(ii))	—	15	—	—	15
Tang Xianqing	唐賢清	—	20	—	—	20
Independent non-executive directors (note (iii))	獨立非執行董事(附註(iii))					
Chow Siu Lui	鄒小磊	155	50	—	—	205
Philip Tsao	曹為賓	155	50	—	—	205
Yan Houmin	嚴厚民	155	50	—	—	205
		465	4,722	4,832	387	10,406

Notes:

- (i) Mr. Wang Tianyi and Ms. Guo Ying were appointed as non-executive directors on 1 January 2018.
- (ii) Mr. Chen Xiaoping and Mr. Hu Yanguo resigned as non-executive directors with effect from 1 January 2018.
- (iii) The independent non-executive directors were appointed on 8 May 2017.

附註：

- (i) 王天義先生及郭穎女士於二零一八年一月一日獲委任為非執行董事。
- (ii) 陳小平先生及胡延國先生自二零一八年一月一日起辭任非執行董事。
- (iii) 獨立非執行董事於二零一七年五月八日獲委任。

There was no amount (2017: Nil) paid or payable by the Group to the directors or any of the five highest paid individuals as set out in note 9 below as an inducement to join or upon joining the Group or as compensation for loss of office. And, there was no arrangement under which a director has waived or agreed to waive any remuneration during the years ended 31 December 2018 and 2017.

截至二零一八年及二零一七年十二月三十一日止年度，本集團概無(二零一七年：無)向董事或下文附註9所載任何五名最高薪酬人士支付或應付任何款項，作為促使彼等加盟本集團或於彼等加盟時的獎勵，或作為其失去職位的離職補償，亦無訂立任何董事須於年內放棄或同意放棄任何薪酬的安排。

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2017: three) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the other two (2017: two) individuals are as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	2,243	2,204
Discretionary bonuses	酌情花紅	3,130	2,482
Retirement scheme contributions	退休計劃供款	608	319
		5,981	5,005

The emoluments of the two (2017: two) individuals with the highest emoluments are within the following band:

		2018 二零一八年 Number of individual 人數	2017 二零一七年 Number of individual 人數
HK\$2,000,001 – HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	—	1
HK\$2,500,001 – HK\$3,000,000	港幣2,500,001元至 港幣3,000,000元	1	1
HK\$3,000,001 – HK\$3,500,000	港幣3,000,001元至 港幣3,500,000元	1	—

9 最高薪酬個別人士

五名最高薪酬個別人士當中，三名(二零一七年：三名)為董事，彼等薪酬於附註8披露，其他兩名(二零一七年：兩名)個別人士的薪酬總額如下：

有關兩名(二零一七年：兩名)最高薪酬之個別人士之薪酬屬以下範圍：

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$1,324,871,000 (2017: HK\$953,823,000) and the weighted average of 2,066,078,000 (2017: 1,844,979,000) ordinary shares in issue during the year. The weighted average number of ordinary shares in issue during the year ended 31 December 2017 is calculated based on the assumption that 1,440,000,000 shares were in issue at the beginning of the year, taking into consideration the effect of share split and the capitalisation issue.

Weighted average number of ordinary shares

		2018 二零一八年 '000 shares 千股	2017 二零一七年 '000 shares 千股
Issued ordinary shares at 1 January	於一月一日已發行 普通股	2,066,078	—*
Share split and capitalisation issue	股份拆細及資本化發行	—	1,440,000
Effect of shares issued under IPO	根據首次公開發售發行 股份之影響	—	404,979
Weighted average number of ordinary shares at 31 December	於十二月三十一日普通 股之加權平均股數	2,066,078	1,844,979

* Represents less than 1,000 shares

(b) Diluted earnings per share

Diluted earnings per share for the years ended 31 December 2018 and 2017 were the same as the basic earnings per share as there were no potentially dilutive ordinary shares in existence during both years.

10 每股盈利

(a) 每股基本盈利

每股基本盈利乃按本公司權益股東應佔盈利港幣1,324,871,000元(二零一七年：港幣953,823,000元)及年內已發行普通股之加權平均股數2,066,078,000股(二零一七年：1,844,979,000股)計算。於截至二零一七年十二月三十一日止年度已發行普通股之加權平均股數乃基於假設年初已發行股份1,440,000,000股計算，並已考慮股份拆細及資本化發行之影響。

普通股之加權平均股數

(b) 每股攤薄盈利

截至二零一八年及二零一七年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同，乃由於兩個年度內均並不存在具潛在攤薄之普通股。

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES

11 物業、廠房及設備以及根據經營租賃持作自用之租賃土地權益

		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	Sub-total	Interests in leasehold land held for own use under operating leases 根據經營租賃持作自用之租賃土地權益	Total
		樓宇	廠房及機器			在建工程	小計	土地權益	總額
		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
Cost:	成本：								
At 1 January 2017	於二零一七年一月一日	417,309	1,351,771	12,983	54,161	72,929	1,909,153	126,691	2,035,844
Exchange adjustments	匯兌調整	27,925	91,135	1,139	4,145	7,836	132,180	10,295	142,475
Additions	增置	—	8,130	5,405	26,525	430,865	470,925	11,774	482,699
Disposals	出售	(2,694)	(1,408)	(46)	(888)	—	(5,036)	—	(5,036)
Adjustments	調整	(33,355)	(25,660)	—	—	—	(59,015)	—	(59,015)
Transferred from construction in progress	轉撥自在建工程	125,707	182,169	—	—	(307,876)	—	—	—
At 31 December 2017	於二零一七年十二月三十一日	534,892	1,606,137	19,481	83,943	203,754	2,448,207	148,760	2,596,967
At 1 January 2018	於二零一八年一月一日	534,892	1,606,137	19,481	83,943	203,754	2,448,207	148,760	2,596,967
Exchange adjustments	匯兌調整	(27,002)	(73,842)	(1,184)	(4,270)	(19,392)	(125,690)	(8,352)	(134,042)
Additions	增置	3,907	2,670	10,245	29,583	368,959	415,364	40,649	456,013
Disposals	出售	—	(365)	(221)	(4,220)	—	(4,806)	—	(4,806)
Transferred from construction in progress	轉撥自在建工程	81,404	78,089	—	—	(159,493)	—	—	—
At 31 December 2018	於二零一八年十二月三十一日	593,201	1,612,689	28,321	105,036	393,828	2,733,075	181,057	2,914,132

11 PROPERTY, PLANT AND EQUIPMENT AND INTERESTS IN LEASEHOLD LAND HELD FOR OWN USE UNDER OPERATING LEASES
(Continued)11 物業、廠房及設備以及根據經營租賃持作自用之租賃土地權益
(續)

		Buildings 樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及機器 HK\$'000 港幣千元	Leasehold improvements, furniture and fixtures 租賃物業、裝修、傢私及裝置 HK\$'000 港幣千元	Motor vehicles, electronic equipment and others 汽車、電子設備及其他 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Interests in leasehold land held for own use under operating leases 根據經營租賃持作自用之租賃土地權益 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Accumulated depreciation and amortisation:	累計折舊及攤銷：								
At 1 January 2017	於二零一七年一月一日	24,634	150,005	3,480	17,176	—	195,295	6,007	201,302
Exchange adjustments	匯兌調整	2,004	12,631	284	1,781	—	16,700	555	17,255
Charge for the year	本年度支出	15,465	65,384	2,045	11,711	—	94,605	3,756	98,361
Disposals	出售	(1,171)	(802)	(46)	(580)	—	(2,599)	—	(2,599)
At 31 December 2017	於二零一七年十二月三十一日	40,932	227,218	5,763	30,088	—	304,001	10,318	314,319
At 1 January 2018	於二零一八年一月一日	40,932	227,218	5,763	30,088	—	304,001	10,318	314,319
Exchange adjustments	匯兌調整	(2,667)	(14,085)	(533)	(2,415)	—	(19,700)	(801)	(20,501)
Charge for the year	本年度支出	13,719	82,984	4,318	16,462	—	117,483	4,277	121,760
Disposals	出售	—	(143)	(41)	(3,316)	—	(3,500)	—	(3,500)
At 31 December 2018	於二零一八年十二月三十一日	51,984	295,974	9,507	40,819	—	398,284	13,794	412,078
Net book value:	賬面淨值：								
At 31 December 2017	於二零一七年十二月三十一日	493,960	1,378,919	13,718	53,855	203,754	2,144,206	138,442	2,282,648
At 31 December 2018	於二零一八年十二月三十一日	541,217	1,316,715	18,814	64,217	393,828	2,334,791	167,263	2,502,054

The analysis of net book value of properties is as follows:

物業賬面淨值分析如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
<i>In the PRC</i>	於中國		
Medium-term leases	中期租賃	708,480	632,402
Representing:	代表：		
Buildings	樓宇	541,217	493,960
Interests in leasehold land held for own use under operating leases	根據經營租賃持作自用之租賃土地權益	167,263	138,442
		708,480	632,402

12 INTANGIBLE ASSETS

12 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	Total 總計 HK\$'000 港幣千元
Cost:	成本：			
At 1 January 2017	於二零一七年 一月一日	2,595,587	503,519	3,099,106
Exchange adjustments	匯兌調整	225,086	33,720	258,806
Additions	增置	1,955,013	59,356	2,014,369
At 31 December 2017	於二零一七年 十二月三十一日	4,775,686	596,595	5,372,281
Accumulated amortisation:	累計攤銷：			
At 1 January 2017	於二零一七年 一月一日	118,044	5,248	123,292
Exchange adjustments	匯兌調整	10,007	1,100	11,107
Charge for the year	本年度支出	81,549	24,725	106,274
At 31 December 2017	於二零一七年 十二月三十一日	209,600	31,073	240,673
Net book value:	賬面淨值：			
At 31 December 2017	於二零一七年 十二月三十一日	4,566,086	565,522	5,131,608

12 INTANGIBLE ASSETS (Continued)

12 無形資產(續)

		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	Total 總計 HK\$'000 港幣千元
Cost:	成本：			
At 1 January 2018	於二零一八年 一月一日	4,775,686	596,595	5,372,281
Exchange adjustments	匯兌調整	(311,298)	(41,447)	(352,745)
Additions	增置	2,494,578	363,994	2,858,572
At 31 December 2018	於二零一八年 十二月三十一日	6,958,966	919,142	7,878,108
Accumulated amortisation:	累計攤銷：			
At 1 January 2018	於二零一八年 一月一日	209,600	31,073	240,673
Exchange adjustments	匯兌調整	(15,215)	(2,436)	(17,651)
Charge for the year	本年度支出	143,192	25,472	168,664
At 31 December 2018	於二零一八年 十二月三十一日	337,577	54,109	391,686
Net book value:	賬面淨值：			
At 31 December 2018	於二零一八年 十二月三十一日	6,621,389	865,033	7,486,422

The amortisation of the intangible assets is included in “Direct costs and operating expenses” in the consolidated statement of profit or loss.

無形資產攤銷已包含於綜合損益表「直接成本及經營費用」內。

12 INTANGIBLE ASSETS (Continued)

As at 31 December 2018, there were certain projects that had not commenced operation, the amount of the project operating rights of these projects was HK\$2,237,255,000 (2017: HK\$1,724,200,000). The recoverable amount of each of these operating rights was determined based on the present value of the future cash flows expected to be derived from the projects. The cash flow projections are based on the most recent respective financial budgets approved by the senior management covering a budget period of five years. The financial budgets are prepared based on the service agreements governing the relevant projects together with assumptions such as utilisation rates and gross profit margins that represent the senior management's best estimate of the set of economic conditions that will exist over the period. The cash inflows of the operating rights are mainly due from local government authorities in the PRC with no history of default, and accordingly management considers the credit risk of such projects to be insignificant. The assumptions used are supported by historical data of existing projects with similar production capacity, technologies, customers' payment history and type of biomass materials processed or hazardous wastes treated. Cash flows beyond the budget period are extrapolated using an estimated inflation rate of 2% which does not exceed the average long-term growth rates for the industry in which the projects operate. Discount rates of 13.4% to 14.4% (2017: 13.4% to 14.4%) have been adopted for the calculations of the recoverable amounts as at 31 December 2018. The discount rates used are the pre-tax rates that reflect the current market assessments of the time value of money and the specific risks relating to the relevant operating rights. Based on management's assessment, no loss allowance is considered necessary as at 31 December 2018 (2017: Nil).

12 無形資產(續)

於二零一八年十二月三十一日，若干項目尚未開始運營，該等項目的項目經營權涉及金額為港幣2,237,255,000元(二零一七年：港幣1,724,200,000元)。每項該等經營權的可收回金額按預計從該等項目獲得未來現金流量之現值釐定。現金流量預測以高級管理層批准的涵蓋五年預算期的最近期財務預算為基礎。財務預算按規管有關項目的服務協議編製，其中計入多項假設，如高級管理層對某段期間的經濟狀況作最佳估算所代表的使用率及毛利率。經營權之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。所用的假設以現有產能、技術、客戶付款紀錄及加工生物質材料類別或所處理的危廢相若的項目之歷史數據作支持。預算期以外的現金流量以估計通脹率2%推算，2%並無超出該等項目所處行業的平均長線增長率。計算截至二零一八年十二月三十一日的可收回金額時已採納貼現率13.4%至14.4%(二零一七年：13.4%至14.4%)。所用的貼現率為除稅前貼現率，反映市場現行對款項的時間價值及相關經營權獨有風險之評估。於二零一八年十二月三十一日，根據管理層的評估，認為無需作虧損撥備(二零一七年：無)。

13 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

13 附屬公司投資

下表僅載列主要影響本集團業績、資產或負債的附屬公司詳情。除非另有所指外，所持股份類別為普通股。

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權益比例		Principal activity 主要業務
			Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
EB Greentech Biological Technology (Xinyi) Limited* (光大綠色環保生物科技(新沂)有限公司)*	PRC 中國	RMB12,500,000 人民幣12,500,000元	—	100%	Design, construction, operation and maintenance of biotechnology project 設計、建造、運營及維護生物科技項目
EB Urban and Rural Renewable Energy (Fengyang) Company Limited** (notes (a) and (b)) (光大城鄉再生能源(鳳陽)有限公司)*(附註(a)及(b))	PRC 中國	RMB183,340,000 人民幣183,340,000元	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質及垃圾發電一體化項目
EB Urban and Rural Renewable Energy (Guanyun) Company Limited** (notes (a) and (b)) (光大城鄉再生能源(灌雲)有限公司)*(附註(a)及(b))	PRC 中國	RMB199,120,000 人民幣199,120,000元	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質及垃圾發電一體化項目
EB Urban and Rural Renewable Energy (Huai'an) Limited* (notes (a) and (b)) (光大城鄉再生能源(淮安)有限公司)*(附註(a)及(b))	PRC 中國	RMB184,000,000 人民幣184,000,000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
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	RMB171,300,000 人民幣171,300,000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	RMB190,010,000 人民幣190,010,000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	RMB121,000,000 人民幣121,000,000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 (Zhongjiang) Limited** (note (b)) (光大城鄉再生能源(中江)有限公司)*(附註(b))	PRC 中國	RMB57,000,000 人民幣57,000,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權權益比例		Principal activity 主要業務
			Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
EB Urban and Rural Renewable Energy (Zhongxiang) Limited* (notes (a) and (b)) (光大城鄉再生能源(鐘祥)有限公司)*(附註(a)及(b))	PRC 中國	RMB159,750,000 人民幣159,750,000元	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質及垃圾發電一體化項目
Everbright Alternative Energy (Dangshan) Company Limited** (note (b)) (光大新能源(礪山)有限公司)*(附註(b))	PRC 中國	HK\$125,800,000 港幣125,800,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation projects 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Cogeneration (Liu'an) Company Limited** (note (b)) (光大生物熱電(六安)有限公司)*(附註(b))	PRC 中國	RMB117,230,000 人民幣117,230,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (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 projects 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Dingyuan) Company Limited** (note (b)) (光大生物能源(定遠)有限公司)*(附註(b))	PRC 中國	HK\$131,660,000 港幣131,660,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation projects 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Guixi) Limited* (note (b)) (光大生物能源(貴溪)有限公司)*(附註(b))	PRC 中國	RMB98,667,000 人民幣98,667,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
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	RMB69,050,000 人民幣69,050,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Hanshan) Limited* (note (b)) (光大生物能源(含山)有限公司)*(附註(b))	PRC 中國	HK\$127,000,000 港幣127,000,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Huaiyuan) Limited* (note (a)) (光大生物能源(懷遠)有限公司)*(附註(a))	PRC 中國	HK\$220,630,000 港幣220,630,000元	—	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質及垃圾發電一體化項目
Everbright Biomass Energy (Lianshui) Limited* (note (b)) (光大生物能源(漣水)有限公司)*(附註(b))	PRC 中國	RMB92,000,000 人民幣92,000,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權權益比例		Principal activity 主要業務
			Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Everbright Biomass Energy (Lingbi) Limited** (note (b)) (光大生物能源(靈璧)有限公司)*(附註(b))	PRC 中國	RMB106,667,000 人民幣106,667,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Liu'an) Company Limited** (note (b)) (光大生物能源(六安)有限公司)*(附註(b))	PRC 中國	RMB113,570,000 人民幣113,570,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Rugao) Company Limited* (光大生物能源(如皋)有限公司)*	PRC 中國	RMB142,667,000 人民幣142,667,000元	—	100%	Design, construction, operation and maintenance of biomass 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 (Shayang) Limited** (note (b)) (光大生物能源(沙洋)有限公司)*(附註(b))	PRC 中國	RMB106,667,000 人民幣106,667,000元	—	100%	Design, construction, operation and maintenance of biomass direct combustion power generation project 設計、建造、運營及維護生物質直燃發電項目
Everbright Biomass Energy (Suqian) Limited* (note (b)) (光大生物能源(宿遷)有限公司)*(附註(b))	PRC 中國	RMB75,600,000 人民幣75,600,000元	—	100%	Design, construction, operation and maintenance of biomass heat supply project 設計、建造、運營及維護生物質供熱項目
Everbright Biomass Energy (Weihai) Limited** (note (b)) (光大生物能源(威海)有限公司)*(附註(b))	PRC 中國	RMB109,600,000 人民幣109,600,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Biomass Energy (Xuyi) Company Limited** (note (b)) (光大生物能源(盱眙)有限公司)*(附註(b))	PRC 中國	RMB102,283,000 人民幣102,283,000元	—	100%	Design, construction, operation and maintenance of biomass electricity and heat cogeneration project 設計、建造、運營及維護生物質熱電聯供項目
Everbright Environmental Energy (Dangshan) Limited** (note (a)) (光大環保能源(蕩山)有限公司)*(附註(a))	PRC 中國	RMB83,340,000 人民幣83,340,000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 Environmental Energy (Lingbi) Company Limited** (note (a)) (光大環保能源(靈璧)有限公司)*(附註(a))	PRC 中國	RMB83,333,000 人民幣83,333,000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 Environmental Protection Hazardous Waste Treatment (Zibo) Company Limited** (光大環保危廢處置(濰博)有限公司)*	PRC 中國	RMB111,845,000 人民幣111,845,000元	—	100%	Design, construction, operation and maintenance of hazardous waste incineration project 設計、建造、運營及維護危廢焚燒項目

13 INVESTMENTS IN SUBSIDIARIES (Continued) 13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權益比例		Principal activity 主要業務
			Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Everbright Environmental Protection (Lianyungang) Solid Waste Treatment Company Limited** (note (c)) (光大環保(連雲港)固廢處置有限公司)*(附註(c))	PRC 中國	HK\$119,190,000 港幣119,190,000元	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋項目
Everbright Environmental Protection (Lianyungang) Waste Disposal Company Limited** (光大環保(連雲港)廢棄物處理有限公司)*	PRC 中國	USD12,849,000 12,849,000美元	—	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
Lishui Everbright Environmental Solid Waste Treatment Limited*** (note (c)) (麗水光大環保固廢處置有限公司)*(附註(c))	PRC 中國	RMB21,218,000 人民幣21,218,000元	—	51%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋項目
Everbright Environmental Protection (Suqian) Solid Waste Treatment Limited* (note (d)) (光大環保(宿遷)固廢處置有限公司)*(附註(d))	PRC 中國	RMB39,151,000 港幣39,151,000元	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋項目
Everbright Environmental Protection (Yancheng) Solid Waste Treatment Company Limited** (note (c)) (光大環保(鹽城)固廢處置有限公司)*(附註(c))	PRC 中國	USD23,582,000 23,582,000美元	—	90%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋項目
Everbright Environmental 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\$83,789,000 港幣83,789,000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 Environmental (Suzhou) Solid Waste Treatment Limited* (note (d)) (光大環保(蘇州)固廢處置有限公司)*(附註(d))	PRC 中國	USD4,865,000 4,865,000美元	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危廢填埋項目
Everbright Environmental Repairing (Jiangsu) Limited* (光大環境修復(江蘇)有限公司)*	PRC 中國	RMB51,000,000 人民幣51,000,000元	—	100%	Operation of environmental remediation project 運營環境修復項目
Everbright Greentech (Huaiyuan) Cleaning Services Limited* (光大綠色環保(懷遠)清潔服務有限公司)*	PRC 中國	RMB16,350,000 人民幣16,350,000元	—	90%	Provision of waste collection service 提供垃圾收集服務
Everbright Photovoltaic Energy (Changzhou) Company Limited** (光大光伏能源(常州)有限公司)*	PRC 中國	RMB32,500,000 人民幣32,500,000元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目
Everbright Photovoltaic Energy (Huaining) Company Limited** (光大光伏能源(懷寧)有限公司)*	PRC 中國	HK\$29,000,000 港幣29,000,000元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目

13 INVESTMENTS IN SUBSIDIARIES (Continued)

13 附屬公司投資(續)

Name of company 公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 擁有權權益比例		Principal activity 主要業務
			Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Everbright Photovoltaic Energy (Suqian) Limited* (光大光伏能源(宿遷)有限公司)*	PRC 中國	RMB80,740,000 人民幣80,740,000元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目
Everbright Photovoltaic Energy (Zhenjiang) Limited* (光大光伏能源(鎮江)有限公司)*	PRC 中國	RMB122,090,000 人民幣122,090,000元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目
Everbright Solarpark Schönnewalde Ltd & Co. KG	Germany 德國	€1,000 1,000歐元	—	100%	Design, construction and operation of solar energy project 設計、建造及運營光伏發電項目
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	RMB66,460,000 人民幣66,460,000元	—	100%	Design, construction, operation and maintenance of hazardous waste landfill project 設計、建造、運營及維護危險廢物填埋項目
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

* Registered under the laws of the PRC as foreign investment enterprise

Registered under the laws of the PRC as sino-foreign co-operation joint ventures

^ For identification only

* 根據中國法律登記為外資企業。

根據中國法律登記為中外合資企業。

^ 僅供識別

13 INVESTMENTS IN SUBSIDIARIES (Continued)

Notes:

- (a) These subsidiaries of the Group entered into service concession arrangements with the local government authorities in the PRC (the “grantors”). Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain waste-to-energy projects and integrated biomass and waste-to-energy projects in the PRC for a period not less than 30 years. The grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. During the operating period, the Group will be responsible to maintain the waste-to-energy projects and integrated biomass and waste-to-energy projects in good condition.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing the waste-to-energy projects and integrated biomass and waste-to-energy projects is recognised as “Service concession assets”, which are included in “Contract assets” in the consolidated statement of financial position.

- (b) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects in the PRC for a period not less than 30 years. The service fees are based on the extent of services rendered and are subject to the approvals from the relevant local government authorities. During the operating period, the Group will be responsible to maintain the biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects in good condition.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the biomass direct combustion power generation projects, biomass heat supply project, biomass electricity and heat cogeneration projects and integrated biomass and waste-to-energy projects are recognised as “Intangible assets” in the consolidated statement of financial position.

13 附屬公司投資(續)

附註：

- (a) 本集團該等附屬公司與中國當地政府機關(「授予人」)訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護垃圾發電項目及生物質及垃圾發電一體化項目，為期不少於30年。授予人保證，本集團將每年可就有關安排收取最低付款。於運營期內，本集團負責維持垃圾發電項目及生物質及垃圾發電一體化項目處於良好狀況。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

與建設垃圾發電項目及生物質及垃圾發電一體化項目提供的建造服務有關的收益在綜合財務狀況表中確認為計入「合約資產」的「服務特許經營權資產」。

- (b) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目，為期不少於30年。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。於運營期內，本集團負責維持生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目處於良好狀況。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

生物質直燃發電項目、生物質供熱項目、生物質熱電聯供項目及生物質及垃圾發電一體化項目之運營權在綜合財務狀況表中確認為「無形資產」。

13 INVESTMENTS IN SUBSIDIARIES (Continued)

Notes: (Continued)

- (c) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain hazardous waste landfill projects and hazardous waste incineration projects in the PRC for a period of 20 to 30 years. The Group has the obligation to maintain the hazardous waste landfill projects and hazardous waste incineration projects in good condition. The service fees are based on the extent of services rendered and are subject to the approvals from the relevant local government authorities. Upon expiry of the concession periods, the hazardous waste landfill projects and hazardous waste incineration projects and related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the hazardous waste landfill projects and hazardous waste incineration projects are recognised as “Intangible assets” in the consolidated statement of financial position.

- (d) These subsidiaries of the Group entered into service concession arrangements with the grantors. Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain hazardous waste landfill projects in the PRC for a period of 25 to 30 years. The Group has the obligation to maintain the hazardous waste landfill projects in good condition. The grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the hazardous waste landfill projects and related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing the hazardous waste landfill projects is recognised as “Service concession assets”, which are included in “Contract assets” in the consolidated statement of financial position.

13 附屬公司投資(續)

附註：(續)

- (c) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護危廢填埋項目及危廢焚燒項目，為期20至30年。本集團有責任維持危廢填埋項目及危廢焚燒項目處於良好狀況。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。待特許經營期屆滿後，危廢填埋項目及危廢焚燒項目及相關設施將撥歸當地政府機關所有。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

危廢填埋項目及危廢焚燒項目之運營權在綜合財務狀況表中確認為「無形資產」。

- (d) 本集團該等附屬公司與授予人訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權於中國建造、運營及維護危廢填埋項目，為期25至30年。本集團有責任維持危廢填埋項目處於良好狀況。授予人保證，本集團將每年可就有關安排收取最低付款。待特許經營期屆滿後，危廢填埋項目及相關設施將撥歸當地政府機關所有。

服務特許經營權安排並無帶有續新選擇權。授予人及本集團均有權於協議條款遭重大違反之情況下終止協議。

與建造危廢填埋項目提供的建造服務有關的收益在綜合財務狀況表中確認為計入「合約資產」的「服務特許經營權資產」。

14 INTEREST IN AN ASSOCIATE

14 一家聯營公司權益

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	56,216	—

Details of the Group's interest in the associate, which is accounted for using the equity method in the consolidated financial statements are as follows:

本集團之聯營公司權益(在綜合財務報表使用權益法入賬)詳情如下:

Name of associate 聯營公司名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足資本詳情	Proportion of ownership interest 擁有權益比例			Principal activity 主要業務
			Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Anqing Jinghuan Green Environmental Solid Waste Comprehensive Disposal Co. Ltd. ("Anqing Solid Waste") 安慶京環綠色環境固廢綜合處置有限公司(「安慶固廢」)	PRC 中國	RMB101,000,000 人民幣 101,000,000元	49%	—	49%	Design, construction, operation and maintenance of hazardous and solid waste treatment project (note) 設計、建造、運營及維護危廢及固廢處置項目(附註)

Note: The Group made capital contributions of approximately HK\$56,354,000 to Anqing Solid Waste during the year ended 31 December 2018. The Group has significant influence over Anqing Solid Waste's management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Anqing Solid Waste. Accordingly, Anqing Solid Waste is classified as an associate of the Group.

附註：於截至二零一八年十二月三十一日止年度，本集團向安慶固廢注資約港幣56,354,000元。根據安慶固廢之組織章程細則，本集團對安慶固廢的管理(包括參與財務及營運政策的決策)具重大影響力。因此，安慶固廢被分類為本集團聯營公司。

Anqing Solid Waste was established by the Group with Beijing Environment Limited in the PRC, the other investor to this associate, to enhance harmless disposal ability of hazardous waste of Anqing City.

本集團與北京環境有限公司(此聯營公司之另一投資者)於中國成立安慶固廢，以加強安慶市的危險廢物無害處置能力。

Anqing Solid Waste, the only associate in which the Group participates, is an unlisted corporate entity whose quoted market price is not available.

安慶固廢乃本集團唯一參與的聯營公司，其並非上市法人實體，亦無市場報價。

15 INTEREST IN A JOINT VENTURE

15 一家合營企業權益

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	57,446	51,841

Details of the Group's interest in the joint venture, which is accounted for using the equity method in the consolidated financial statements, are as follows:

本集團之合營企業權益(在綜合財務報表使用權益法入賬)詳情如下:

Name of joint venture 合營企業名稱	Place of incorporation and business 註冊成立地點及業務	Particulars of issued and paid up capital 已發行及繳足資本詳情	Group's effective interest 本集團之實際權益	Proportion of ownership interest 擁有權權益比例		Principal activity 主要業務
				Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Everbright SITA Solid Waste Treatment (Changzhou) Limited ("SITA (Changzhou)") 光大升達固廢處置(常州)有限公司 (「升達(常州)」)	PRC 中國	RMB110,000,000 人民幣110,000,000元	50%	—	50%	Design, construction, operation and maintenance of hazardous waste incineration project (note) 設計、建造、運營及維護危險廢物焚燒項目 (附註)

Note: The Group made capital contributions of approximately HK\$8,669,000 and HK\$19,733,000 to SITA (Changzhou) during the years ended 31 December 2018 and 2017 respectively. The Group has joint control over SITA (Changzhou)'s management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of SITA (Changzhou). Accordingly, SITA (Changzhou) is classified as a joint venture of the Group.

附註: 本集團分別於截至二零一八年及二零一七年十二月三十一日止年度向升達(常州)注資約港幣8,669,000元及港幣19,733,000元。根據升達(常州)之組織章程細則, 本集團可共同控制升達(常州)之管理層, 包括參與決定其財務及運營政策。因此, 升達(常州)被分類為本集團之合營企業。

SITA (Changzhou) was established by the Group with SITA Asia Pacific Limited in the PRC, the other investor to this joint venture, to enhance harmless disposal ability of hazardous waste of Changzhou City.

本集團與升達亞洲有限公司(此合營企業之另一投資者)於中國成立升達(常州), 以加強常州市的危險廢物無害處置能力。

SITA (Changzhou), the only joint venture in which the Group participates, is an unlisted corporate entity whose quoted market price is not available.

升達(常州)乃本集團唯一參與的合營企業, 其並非上市法人實體, 亦無市場報價。

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS 16 應收賬款、其他應收款項、按金及預付款項

		2018 二零一八年	2017 二零一七年 (restated) (經重列)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Debtors	應收賬款	369,417	171,604
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1,291,325	716,325
Amounts due from fellow subsidiaries	應收同系附屬公司款項	4,750	834
		1,665,492	888,763
Less: Non-current portion	減：非即期部份		
— Other receivables, deposits and prepayments	— 其他應收款項、按金及預付款項	(425,957)	(370,729)
Current portion	即期部份	1,239,535	518,034

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Included in “Debtors, other receivables, deposits and prepayments” are debtors (net of loss allowance) with the following ageing analysis as at the end of the reporting period:

16 應收賬款、其他應收款項、按金及預付款項(續)

「應收賬款、其他應收款項、按金及預付款項」中包括應收賬款(扣除虧損撥備)，其於報告期末之賬齡分析如下：

		2018 二零一八年	2017 二零一七年 (restated) (經重列)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Current	即期	205,409	155,709
Within 1 month past due	逾期不多於一個月	117,451	3,875
More than 1 month but within 3 months past due	逾期超過一個月但不多於三個月	10,666	3,522
More than 3 months but within 6 months past due	逾期超過三個月但不多於六個月	17,816	6,040
More than 6 months but within 12 months past due	逾期超過六個月但不多於十二個月	8,464	66
More than 12 months past due	逾期超過十二個月	9,611	2,392
Amounts past due	逾期金額	164,008	15,895
		369,417	171,604

16 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

The ageing analysis of debtors based on the date of invoice and net of loss allowance, as at the end of the reporting period is as follows:

16 應收賬款、其他應收款項、按金及預付款項(續)

按發單日期計算並扣除虧損撥備，應收賬款於報告期末之賬齡分析如下：

		2018 二零一八年	2017 二零一七年 (restated) (經重列)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Within 1 month	不多於一個月	173,350	124,878
More than 1 month but within 2 months	超過一個月但不多於兩個月	20,940	19,022
More than 2 months but within 4 months	超過兩個月但不多於四個月	131,584	9,001
More than 4 months but within 7 months	超過四個月但不多於七個月	18,770	12,281
More than 7 months but within 13 months	超過七個月但不多於十三個月	12,354	4,016
More than 13 months	超過十三個月	12,419	2,406
		369,417	171,604

Debtors are due within 30 to 90 days from the date of billing. Further details on the Group's credit policy and credit risk arising from debtors are set out in note 24(a).

應收賬款主要由發票日期起計三十至九十日內到期。有關本集團的信貸政策及應收賬款產生的信貸風險之進一步詳情載於附註24(a)。

17 CONTRACT ASSETS

17 合約資產

		2018 二零一八年	2017 二零一七年 (restated) (經重列)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current	非流動		
Service concession assets (note 17(a))	服務特許經營權資產 (附註17(a))	2,852,061	1,766,507
Current	流動		
Service concession assets (note 17(a))	服務特許經營權資產 (附註17(a))	204,598	155,118
Unbilled renewable energy tariff subsidy (note 17(b))	未開發票可再生能源電價 補貼(附註17(b))	1,290,468	665,861
Environmental remediation contract assets (note 17(c))	環境修復合約資產 (附註17(c))	67,025	—
		1,562,091	820,979
		4,414,152	2,587,486
Contract assets arising from performance under construction contracts in connection with service concession arrangements, which are included in “Intangible assets” (note 12)	履行與服務特許經營權安排 相關的建造合約產生的合 約資產，而計入「無形 資產」(附註12)	2,237,255	1,724,200

17 CONTRACT ASSETS (Continued)

As a result of the adoption of HKFRS 15, certain comparative figures have been restated. Please refer to note 1(c)(ii).

(a) Service concession assets

Service concession assets arose from the Group's revenue from construction services under certain BOT and BOO arrangements as disclosed in notes 13(a) and (d) and bear interest at rates ranging from 4.90% to 6.60% (2017: 4.90% to 6.60%) per annum as at 31 December 2018.

As at 31 December 2018, HK\$2,213,959,000 (2017: HK\$1,660,237,000) relates to certain BOT and BOO arrangements with operations commenced.

Pursuant to the BOT and BOO arrangements, the Group receives no payment from the grantors during the construction period and instead receives service fees for the Group's operation services when relevant services are rendered during the operating periods. The service concession assets are not yet due for payment and will be settled by the service fees to be received during the operating periods of the arrangements. Details of the service concession arrangements are discussed in note 13.

All of the current position of service concession assets are expected to be recovered within one year.

(b) Unbilled renewable energy tariff subsidy

The balance represents government on-grid tariff subsidy receivables for certain integrated biomass utilisation projects which newly commenced operations and arose from the Group's revenue from operations. The amounts will be billed and settled upon the completion of government administrative procedures pursuant to CaiJian [2012] No.102 Notice on the Interim Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration.

17 合約資產(續)

因採納香港財務報告準則第15號，若干比較數字已經重列。請參閱附註1(c)(ii)。

(a) 服務特許經營權資產

服務特許經營權資產產生自本集團根據若干BOT及BOO安排(如附註13(a)及(d)所披露)產生的建造服務收益，於二零一八年十二月三十一日按介乎4.90%至6.60%的年利率計息(二零一七年：4.90%至6.60%)。

於二零一八年十二月三十一日，與已開展運營的若干BOT及BOO安排有關之款項為港幣2,213,959,000元(二零一七年：港幣1,660,237,000元)。

根據BOT及BOO安排，本集團於建造期內不會自委託人收取款項，而是於運營期內提供相關服務時，就本集團的運營服務收取服務費。服務特許經營權資產尚未到期支付，並將透過該等安排的運營期內收取的服務費償付。有關服務特許經營權安排的詳情載於附註13。

服務特許經營權資產之所有即期部份預計於一年內收回。

(b) 未開發票可再生能源電價補貼

結餘為若干新投入運營的生物質綜合利用項目之應收政府上網電價補貼，產生自本集團經營收益。待根據財政部、國家發展和改革委員會及國家能源局共同發佈的關於印發《可再生能源電價附加補助資金管理暫行辦法》的通知(財建[2012]102號)完成政府行政手續後，該款項將會開出發票及收回。

17 CONTRACT ASSETS (Continued)

(c) Environmental remediation contract assets

The balance arose from performance under environmental remediation contracts. Such contracts include payment schedules which require stage payments over the service periods once milestones are reached.

17 合約資產(續)

(c) 環境修復合約資產

結餘因履行環境修復合約而產生。該等合約包括規定於服務期內達到若干里程碑時即須付款的付款計劃。

18 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	124,656	110,899

18 存貨

(a) 綜合財務狀況表所示存貨包括：**(b) The analysis of amount of inventories recognised as an expense and included in profit or loss is as follows:**

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Carrying amount of inventories consumed	已耗用存貨之賬面值	1,112,863	604,125

(b) 已確認為開支並計入損益表之存貨金額分析如下：

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION 19 現金及現金等價物及其他現金流資料

(a) Cash and cash equivalents comprise:

(a) 現金及現金等價物包括：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Deposits with banks	銀行存款	409,875	1,181,261
Cash at bank and in hand	銀行結餘及現金	1,634,951	1,222,914
		2,044,826	2,404,175

Included in "Cash and cash equivalents" are the following deposits placed with a related party bank:

「現金及現金等價物」包括下列存放於關聯方銀行之存款：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Deposits with a related party bank	存放於關聯方銀行之存款	81,635	332,328
Interest income from a related party bank	關聯方銀行之利息收入	5,416	5,314

19 CASH AND CASH EQUIVALENTS AND OTHER
CASH FLOW INFORMATION (Continued)**(b) Reconciliation of liabilities arising from
financing activities:**

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

19 現金及現金等價物及其他現金流
資料(續)**(b) 融資活動產生的負債之對賬：**

下表載列本集團自融資活動所產生的負債變動詳情，當中包括現金及非現金變動。融資活動所產生的負債為其現金流或未來現金流將於本集團的綜合現金流量表內分類為融資活動所產生現金流的負債。

		Bank loans 銀行貸款	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1 January	於一月一日	3,494,703	1,968,327
Changes from financing cash flows:	融資現金流帶來的變動：		
Proceeds from new bank loans	新增銀行貸款所得款項	3,243,972	1,936,178
Repayment of bank loans	償還銀行貸款	(506,052)	(570,260)
Interest paid	已付利息	(213,091)	(131,547)
Total changes from financing cash flows	融資現金流帶來的變動總額	2,524,829	1,234,371
Exchange adjustments	匯兌調整	(226,064)	160,458
Other changes:	其他變動：		
Interest expenses (note 6(a))	利息開支(附註6(a))	202,384	125,565
Capitalised borrowing costs (note 6(a))	資本化借貸成本(附註6(a))	10,707	5,982
Total other changes	其他變動總額	213,091	131,547
At 31 December	於十二月三十一日	6,006,559	3,494,703

20 BANKS LOANS

20 銀行貸款

(a) The bank loans were repayable as follows:

(a) 銀行貸款須按下列年期償還：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Within 1 year or on demand	一年內或按要求償還	915,375	541,271
After 1 year but within 2 years	一年後但兩年內	465,358	337,795
After 2 years but within 5 years	兩年後但五年內	2,817,373	1,311,426
After 5 years	五年後	1,808,453	1,304,211
		5,091,184	2,953,432
		6,006,559	3,494,703

(b) The bank loans were secured as follows:

(b) 銀行貸款抵押情況如下：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Bank loans	銀行貸款		
— secured	— 有抵押	4,026,843	2,759,637
— unsecured	— 無抵押	1,979,716	735,066
		6,006,559	3,494,703

Certain banking facilities of the Group are secured by certain revenue, contract assets and receivables in connection with the Group's service concession arrangements, mortgages on property, plant and equipment and interests in leasehold land held for own use under operating leases of the Group. Such banking facilities, amounting to HK\$6,658,282,000 (2017: HK\$4,444,719,000) as at 31 December 2018 were utilised to the extent of HK\$4,026,843,000 (2017: HK\$2,759,637,000).

本集團若干銀行融資以本集團服務特許安排下的若干收益、合約資產及應收款項、物業、廠房及設備按揭、本集團根據經營租賃持作自用的租賃土地權益作擔保。於二零一八年十二月三十一日，此等銀行融資總額為港幣6,658,282,000元（二零一七年：港幣4,444,719,000元），其中已動用港幣4,026,843,000元（二零一七年：港幣2,759,637,000元）。

20 BANKS LOANS (Continued)

(b) The bank loans were secured as follows: (Continued)

The unsecured banking facilities of HK\$4,602,728,000 (2017: HK\$2,612,556,000) as at 31 December 2018 were utilised to the extent of HK\$1,979,716,000 (2017: HK\$735,066,000).

All of the non-current bank loans are carried at amortised costs. None of the non-current bank loans is expected to be settled within one year.

Banking facilities of HK\$6,101,334,000 as at 31 December 2018 (2017: HK\$3,083,713,000) are subject to the fulfillment of covenants relating to certain of the Group's financial ratios. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. As at 31 December 2018, such facilities were utilised to the extent of HK\$2,970,420,000 (2017: HK\$1,307,891,000). The Group regularly monitors its compliance with these covenants. As at 31 December 2018, none of the covenants relating to drawn down facilities had been breached (2017: Nil). Further details of the Group's management of liquidity risk are set out in note 24(b).

At 31 December 2018, bank loans of HK\$261,257,000 (2017: HK\$59,375,000) are due to a related party bank which are secured, interest-bearing at rates ranging from 90% to 100% (2017: 90%) of rates announced by the People's Bank of China and will be settled by instalment until 2028.

20 銀行貸款(續)

(b) 銀行貸款抵押情況如下：(續)

於二零一八年十二月三十一日，無抵押銀行融資總額為港幣4,602,728,000元(二零一七年：港幣2,612,556,000元)，其中已動用港幣1,979,716,000元(二零一七年：港幣735,066,000元)。

所有非即期銀行貸款按攤銷成本列賬。概無非即期銀行貸款預期於一年內結付。

於二零一八年十二月三十一日，銀行融資港幣6,101,334,000元(二零一七年：港幣3,083,713,000元)須符合若干有關本集團財務比率之契諾。倘若本集團違反契諾，已提取之融資將須按要求償還。於二零一八年十二月三十一日，已動用融資額為港幣2,970,420,000元(二零一七年：港幣1,307,891,000元)。本集團定期監察該等契諾有否被遵守。於二零一八年十二月三十一日，本集團並無違反任何有關提取融資之契諾(二零一七年：無)。本集團管理流動性風險之詳細資料載列於附註24(b)。

於二零一八年十二月三十一日，應付予一間關聯方銀行之貸款港幣261,257,000元(二零一七年：港幣59,375,000元)為有抵押、按中國人民銀行公佈息率之90%至100%(二零一七年：90%)計息，並須於二零二八年前分期償還。

21 CREDITORS, OTHER PAYABLES AND
ACCRUED EXPENSES

21 應付賬款、其他應付款項及應計
費用

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Creditors	應付賬款		
– third parties	– 第三方	1,726,771	1,104,766
– fellow subsidiaries	– 同系附屬公司	11,653	1,711
		1,738,424	1,106,477
Other payables and accrued expenses	其他應付款項及應計費用	644,276	522,854
Amounts due to fellow subsidiaries	應付同系附屬公司款項	307	–
Deferred income – government grants	遞延收入 – 政府補助金	100,517	93,138
		2,483,524	1,722,469
Less: Non-current portion	減：非即期部份		
– Deferred income – government grants	– 遞延收入 – 政府補助金	(59,080)	(56,899)
– Other payables and accrued expenses	– 其他應付款項及應計費用	(7,924)	–
		(67,004)	(56,899)
Current portion	即期部份	2,416,520	1,665,570

21 CREDITORS, PAYABLES AND ACCRUED EXPENSES (Continued)

The ageing analysis of creditors based on the date of invoice as at the end of the reporting period is as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Within 6 months	六個月內	1,627,355	1,037,721
More than 6 months	六個月以上	111,069	68,756
		1,738,424	1,106,477

Creditors totaling HK\$1,593,174,000 (2017: HK\$1,050,799,000) as at 31 December 2018 represent construction payables for the Group's BOT and certain BOO arrangements.

Creditors due to fellow subsidiaries are unsecured, interest free and repayable in accordance with the contract terms.

The amounts due to fellows subsidiaries are unsecured, interest-free and repayable on demand.

Deferred income represents government grants received to subsidise the construction of property, plant and equipment for the Group and is accounted for in accordance with the accounting policy set out in note 1(t)(v). HK\$4,682,000 (2017: HK\$1,859,000) was credited to the consolidated statement of profit or loss during the year ended 31 December 2018. There were no unfulfilled conditions and other contingencies attached to the receipts of those grants.

21 應付賬款、其他應付款項及應計費用(續)

按發票日期計算，應付賬款於報告期末之賬齡分析如下：

於二零一八年十二月三十一日，應付賬款總額為港幣1,593,174,000元(二零一七年：港幣1,050,799,000元)，為本集團BOT及若干BOO安排應付的建造款項。

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、免息及應要求償還。

遞延收入指本集團從政府獲得之補助金，為補助本集團興建物業、廠房及設備，並根據附註1(t)(v)載列之會計政策列賬。港幣4,682,000元已計入截至二零一八年十二月三十一日止年度內之綜合損益表(二零一七年：港幣1,859,000元)。該等補助金並無附帶未實現條件或其他或然事項。

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

22 於綜合財務狀況表的所得稅

(a) 綜合財務狀況表之本期稅項指：

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Provision for PRC income tax for the year	本年度中國所得稅撥備	91,503	53,530
Provisional tax paid	已付暫繳稅項	(68,615)	(43,664)
		22,888	9,866
Represented by:	代表：		
Tax recoverable	可收回稅項	(734)	(19)
Tax payable	應繳稅項	23,622	9,885
		22,888	9,866

22 INCOME TAX IN THE CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
(Continued)**(b) Deferred tax assets and liabilities
recognised:**

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the years are as follows:

22 於綜合財務狀況表的所得稅(續)

(b) 已確認的遞延稅項資產及負債：

已於綜合財務狀況表確認之遞延稅項(資產)/負債部份及於年內之變動如下：

		Temporary differences on assets recognised under HK(IFRIC) 12 根據《香港(國際財務報告詮釋委員會)詮釋》第12號確認之資產之暫時差異 HK\$'000 港幣千元	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 2017	於二零一七年一月一日	203,278	13,759	(6,221)	210,816
Exchange adjustments	匯兌調整	11,495	1,155	(395)	12,255
Charged to profit or loss	從損益中扣除	171,348	9,153	—	180,501
At 31 December 2017	於二零一七年十二月三十一日	386,121	24,067	(6,616)	403,572
At 1 January 2018	於二零一八年一月一日	386,121	24,067	(6,616)	403,572
Exchange adjustments	匯兌調整	(26,613)	(1,618)	289	(27,942)
Charged to profit or loss	從損益中扣除	234,135	13,461	—	247,596
At 31 December 2018	於二零一八年十二月三十一日	593,643	35,910	(6,327)	623,226

22 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued)

(b) Deferred tax assets and liabilities recognised: (Continued)

22 於綜合財務狀況表的所得稅(續)

(b) 已確認的遞延稅項資產及負債：
(續)

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	(34,797)	(34,942)
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	658,023	438,514
		623,226	403,572

23 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and end of the year are set out below:

			Share capital 股本 Note 附註	Share premium 股份溢價 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 January 2017	於二零一七年一月一日的結餘		3	3,241,465	(55,995)	3,185,473
Changes in equity for 2017:	二零一七年之權益變動：					
Capitalisation issue	資本化發行	23(c)(iii)	1,120,749	(1,120,749)	—	—
Shares issue under IPO, net of share issuance expenses	根據首次公開發售發行股份(扣除股份發行費用後)	23(c)(iv)	487,277	2,802,730	—	3,290,007
Loss and total comprehensive income for the year	虧損及年度全面收入總額		—	—	(27,264)	(27,264)
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘		1,608,029	4,923,446	(83,259)	6,448,216
Balance at 1 January 2018	於二零一八年一月一日的結餘		1,608,029	4,923,446	(83,259)	6,448,216
Changes in equity for 2018:	二零一八年之權益變動：					
Loss and total comprehensive income for the year	虧損及年度全面收入總額		—	—	(27,029)	(27,029)
2017 final dividend paid	派付2017年度末期股息	23(b)(ii)	—	(185,947)	—	(185,947)
2018 interim dividend paid	派付2018年度中期股息	23(b)(i)	—	(123,965)	—	(123,965)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘		1,608,029	4,613,534	(110,288)	6,111,275

23 資本、儲備及股息

(a) 權益部份之變動

本集團綜合權益各部份於期初及期末結餘的對賬載於綜合權益變動表。本公司權益個別部份自年初至年終之變動詳情載列如下：

23 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) Dividends

- (i) Dividends to the equity shareholders of the Company attributable to the year

23 資本、儲備及股息(續)

(b) 股息

- (i) 年度本公司權益持有人股息

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Interim dividend declared and paid of HK6.0 cents (2017: Nil) per ordinary share	已宣派及派付中期股息每股普通股6.0港仙(二零一七年：無)	123,965	—
Final dividend proposed after the end of the reporting period of HK6.5 cents (2017: HK9.0 cents) per ordinary share	報告期末後建議的末期股息每股普通股6.5港仙(二零一七年：9.0港仙)	134,295	185,947
		258,260	185,947

The proposed final dividend for the year ended 31 December 2018 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

截至二零一八年十二月三十一日止年度建議分派之末期股息須待本公司股東在應屆股東週年大會上批准後方可作實。於報告期末後建議分派之末期股息並未在報告期末確認為負債。

23 CAPITAL, RESERVES AND DIVIDENDS
(Continued)

(b) Dividends (Continued)

- (ii) Dividends to the equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

23 資本、儲備及股息(續)

(b) 股息(續)

- (ii) 年內已批准及派付過往財政年度本公司權益持有人股息

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK9.0 cents (2017: Nil) per ordinary share	年內已批准及派付過往財政年度末期股息每股普通股9.0港仙(二零一七年：無)	185,947	—

(c) Share capital

Authorised share capital

(c) 股本

法定股本

		No. of shares 股份數目 '000 千股	US\$'000 美金千元	Equivalent 等同 HK\$'000 港幣千元
At 1 January 2017	二零一七年一月一日	50	50	389
Share split on 10 April 2017 (note (i))	於二零一七年四月十日之股份拆細(附註(i))	450	—	—
Increase in authorised share capital (note (ii))	法定股本增加(附註(ii))	4,999,500	499,950	3,891,111
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、二零一八年一月一日及二零一八年十二月三十一日	5,000,000	500,000	3,891,500

23 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Share capital (Continued)

Issued share capital

23 資本、儲備及股息(續)

(c) 股本(續)

已發行股本

		2018 二零一八年		2017 二零一七年	
		No. of shares 股份數目	Amount 金額	No. of shares 股份數目	Amount 金額
		'000 千股	HK\$'000 港幣千元	'000 千股	HK\$'000 港幣千元
At 1 January	於一月一日	2,066,078	1,608,029	—*	3
Issuance of shares upon share split (note (i))	於股份拆細時發行 股份(附註(i))	—	—	4	—
Capitalisation issue (note (iii))	資本化發行 (附註(iii))	—	—	1,439,996	1,120,749
Shares issue under IPO (note (iv))	根據首次公開發售 發行股份 (附註(iv))	—	—	626,078	487,277
At 31 December	於十二月三十一日	2,066,078	1,608,029	2,066,078	1,608,029

* Represents less than 1,000 shares

* 代表少於1,000股

Notes:

附註:

- (i) On 10 April 2017, the board of directors of the Company approved a share split of the Company's share capital at a ratio of 1 to 10. As a result, the authorised share capital after the share split remained at US\$50,000 but was divided into 500,000 ordinary shares at a par value of US\$0.1 each. The issued share capital remained at US\$400 (equivalent to approximately HK\$3,000), divided into 4,000 ordinary shares of US\$0.1 each.
- (ii) On 10 April 2017, the authorised share capital was increased to 5,000,000,000 ordinary shares with a par value of US\$0.1 each.
- (iii) Pursuant to a written resolution of the sole shareholder of the Company passed on 10 April 2017, conditional upon the share premium account of the Company being credited as a result of the issuance of new shares pursuant to the IPO, the directors of the Company authorised to capitalise an amount of US\$143,999,600 (equivalent to approximately HK\$1,120,749,000) standing to the credit of the share premium by applying such sum in paying up in full at par of 1,439,996,000 ordinary shares of US\$0.1 each. Accordingly, 1,439,996,000 ordinary shares with par value of US\$0.1 each were issued and US\$143,999,600 (equivalent to HK\$1,120,749,000) were credited to share capital.

- (i) 於二零一七年四月十日，本公司董事會批准本公司股本按1比10之比例進行股份拆細。據此，股份拆細後之法定股本維持為美金50,000元，惟分為500,000股每股面值美金0.1元之普通股。已發行股本維持為美金400元(相當於約港幣3,000元)，分為4,000股每股面值美金0.1元之普通股。
- (ii) 於二零一七年四月十日，法定股本增至5,000,000,000股每股面值美金0.1元之普通股。
- (iii) 根據本公司唯一股東於二零一七年四月十日通過的書面決議案，待本公司股份溢價賬因根據首次公開發售發行新股份而錄得進賬後，本公司董事獲授權將已計入本公司股份溢價賬之美金143,999,600元(相當於約港幣1,120,749,000元)撥充資本，將有關款項用作繳足每股面值美金0.1元之1,439,996,000股普通股。因此，已發行每股面值美金0.1元之1,439,996,000股普通股，並於股本記賬美金143,999,600元(相當於港幣1,120,749,000元)。

23 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Share capital (Continued)

Issued share capital (Continued)

Notes: (Continued)

- (iv) On 8 May 2017, the Company completed its IPO by issuing 560,000,000 new ordinary shares with par value of US\$0.1 each at a price of HK\$5.4 per share. Since then, the Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited.

On 26 May 2017, the Company issued additional 66,078,000 new ordinary shares with par value of US\$0.1 each at a price of HK\$5.4 per share pursuant to the partial exercise of the over-allotment option of the IPO.

The total gross proceeds from the IPO amounted to approximately HK\$3,380,821,000, among which HK\$487,277,000 was credited to share capital and HK\$2,893,544,000 was credited to share premium, net of share issuance expenses of HK\$90,814,000.

(d) Nature and purpose of reserves

(i) Share premium

Under the Companies Law (Revised) of the Cayman Islands, the fund in the share premium account of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries with functional currency other than Hong Kong dollar. The reserve is dealt with in accordance with the accounting policy set out in note 1(v).

23 資本、儲備及股息(續)

(c) 股本(續)

已發行股本(續)

附註：(續)

- (iv) 於二零一七年五月八日，本公司以每股股份港幣5.4元之價格發行每股面值美金0.1元之560,000,000股新普通股完成其首次公開發售。自此，本公司之股份於香港聯合交易所有限公司主板上市。

於二零一七年五月二十六日，本公司根據部份行使首次公開發售超額配股權，以每股港幣5.4元之價格額外發行每股面值美金0.1元之66,078,000股新普通股。

首次公開發售之所得款項總額為約港幣3,380,821,000元，其中港幣487,277,000元於股本記賬，另扣除股份發行成本港幣90,814,000元，港幣2,893,544,000元於股份溢價記賬。

(d) 儲備性質及目的

(i) 股份溢價

根據開曼群島公司法(修訂本)，本公司股份溢價賬內的資金可分派予本公司股東，惟於緊隨建議分派股息日期後，本公司將有能力在其日常業務過程中支付到期債項。

(ii) 匯兌儲備

匯兌儲備包括換算以功能貨幣而非港幣計值之附屬公司之財務報表所產生之所有外匯匯兌差額。本公司會根據附註1(v)所載會計政策處理儲備。

23 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(d) Nature and purpose of reserves (Continued)

(iii) 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.

(e) Distributability of reserves

The aggregate amount of reserves available for distribution to equity shareholders of the Company as at 31 December 2018 amounted to HK\$4,503,246,000 (2017: HK\$4,840,187,000).

(f) Capital management

The Group’s primary objectives when managing capital are to maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders’ value.

23 資本、儲備及股息(續)

(d) 儲備性質及目的(續)

(iii) 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。此法定儲備不會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。

(e) 儲備分派情況

於二零一八年十二月三十一日,可用於向本公司權益股東分派的儲備總金額達港幣4,503,246,000元(二零一七年:港幣4,840,187,000元)。

(f) 資本管理

本集團管理資本之主要目的是要維持優越的信貸評級及穩健的資本比率,以支援業務運作,並為股東創造最大價值。

23 CAPITAL, RESERVES AND DIVIDENDS (Continued)

(f) Capital management (Continued)

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. The Group reviews the capital structure on a regular basis and considers the cost of capital and the associated risks. Based on recommendations of the board of directors, the Group will balance its overall capital structure through adjusting the amount of dividends paid to shareholders, new shares issues or new debt financing.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure there were adequate working capital to service its debt obligation. The Group's gearing ratio, being the Group's total liabilities over its total assets, as at 31 December 2018 was 49% (2017: 39%).

Except for the banking facilities which require the fulfillment of covenants relating to certain of the Group's financial ratios as disclosed in note 20 to the consolidated financial statements, the Group does not subject to externally imposed capital requirements.

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and foreign currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to cash and cash equivalents, debtors, other receivables and contract assets.

23 資本、儲備及股息(續)

(f) 資本管理(續)

本集團在管理資本架構的同時，亦會因應經濟狀況之變動對資本架構作出調整。本集團會定期檢討資本架構，並加以考慮資本成本及相關風險。根據董事會之建議，本集團會透過調節支付予股東之股息金額、發行新股份或籌集新的債務融資，致力平衡整體資本架構。

本集團透過參照負債情況監察資本情況。本集團之策略，是保持權益與負債的適當平衡，確保有足夠營運資金支付債務。於二零一八年十二月三十一日，本集團之資本負債比率（即本集團之總負債除以總資產所得之數）為49%（二零一七年：39%）。

除綜合財務報表附註20所披露之銀行融資須符合有關本集團若干財務比率之契諾外，本集團均無受外界施加之資本規定所限制。

24 財務風險管理及金融工具公允值

本集團在日常業務過程中承受著信貸風險、流動資金風險、利率風險及外幣風險。

本集團所承受之上述風險詳情以及本集團用以管理上述風險之財務風險管理政策及常規載於下文。

(a) 信貸風險

信貸風險指交易對手未履行其合約責任而導致本集團產生財務損失的風險。本集團的信貸風險主要來自現金及現金等價物、應收賬款、其他應收款項及合約資產。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

All bank deposits are placed with highly reputable and sizable banks and financial institutions without significant credit risk.

The Group assesses the credit quality of the customers and other counter parties, taking into account their background, financial position, past experience and other factors. The Group has a credit policy in place and the exposures to credit risks are monitored on an ongoing basis. Debtors are usually due within 30 to 90 days from the date of billing.

At 31 December 2018, “Debtors, other receivables, deposits and prepayments” and “Contract assets” of the Group amounted to HK\$6,079,644,000 (2017: HK\$3,476,249,000), of which HK\$945,132,000 (2017: HK\$416,166,000) was due from the largest customer and HK\$1,720,719,000 (2017: HK\$1,529,093,000) 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.

Service concession assets and most of the other receivables are mainly due from local government authorities in the PRC with no history of default, the Group considers the credit risk for service concession assets and environmental remediation contract assets to be insignificant.

24 財務風險管理及金融工具公允價值 (續)

(a) 信貸風險(續)

所有銀行存款均存放在聲譽優良的大型銀行及財務機構，並無重大信貸風險。

本集團基於客戶及其他交易對手的背景、財務狀況、過往經驗及其他因素來評估其信貸品質。本集團設有一套信貸政策，並持續監察所面臨的信貸風險。應收賬款通常於開具發票日期後三十至九十天到期。

於二零一八年十二月三十一日，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6,079,644,000元(二零一七年：港幣3,476,249,000元)，其中港幣945,132,000元(二零一七年：港幣416,166,000元)為應收本集團最大客戶款項及港幣1,720,719,000元(二零一七年：港幣1,529,093,000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。

服務特許經營權資產及大部份其他應收款項主要為中國當地政府機關所應付，並無違約紀錄，本集團認為服務特許經營權資產及環境修復合約資產的信貸風險並不重大。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

The Group measures loss allowance for debtors under HKFRS 15 at an amount equal to lifetime ECLs. To measure the ECLs, debtors have been grouped based on shared credit risk characteristics including customer bases and the days past due. For debtor balances due from local government authorities in the PRC, there is no history of default and therefore, the Group considers credit risk for such balances to be insignificant.

In respect of the debtor balances due from non-government authorities arising from hazardous and solid waste treatment project operation revenue, the Group estimates the expected loss rates based on the actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the debtors. The expected loss rates were applied to balances due from non-government authorities arising from hazardous and solid waste treatment project operation revenue past due of approximately HK\$13,586,000 as at 31 December 2018, and loss allowance of HK\$1,939,000 was made.

The Group does not provide any guarantees which would expose the Group to credit risk.

24 財務風險管理及金融工具公允價值 (續)

(a) 信貸風險(續)

本集團根據香港財務報告準則第15號按等同於整個存續期預期信貸虧損的金額計量應收賬款虧損撥備。為計量預期信貸虧損，應收賬款按信貸虧損特徵(包括客戶群及逾期日數)分組。就應收中國當地政府機關之賬款結餘而言，並無違約紀錄，故此本集團認為該等結餘的信貸風險並不重大。

就危廢及固廢處置項目運營收益所產生的應收非政府機關之賬款結餘而言，本集團根據過去3年的實際虧損經驗估計預期虧損比率。該等比率已根據歷史數據收集期間的經濟狀況、當前的經濟狀況與本集團認為應收賬款預計存續期的經濟狀況三者之間的差異予以調整。於二零一八年十二月三十一日，預期虧損比率已就危廢及固廢處置項目運營收益產生的應收非政府機關之逾期結餘約港幣13,586,000元應用，故此已作出虧損撥備港幣1,939,000元。

本集團並無提供任何會令本集團承受信貸風險之擔保。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 1(i)(i)(B) – policy applicable prior to 1 January 2018).

There was no recent history of default in respect of the Group's debtors. Since most of the debtors are local government authorities in the PRC and based on past experience, management believed that no impairment allowance was necessary in respect of the past due balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable. No impairment loss was recognised by the Group at 31 December 2017.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

24 財務風險管理及金融工具公允值 (續)

(a) 信貸風險(續)

香港會計準則第39號項下比較資料

二零一八年一月一日前，耗損虧損僅在有客觀耗損證據時確認(見附註1(i)(i)(B) – 於二零一八年一月一日前適用的政策)。

本集團之應收賬款最近並無違約紀錄。由於大部份債務人均為中國當地政府機關，根據過往經驗，管理層認為毋須就逾期欠款結餘作出耗損撥備，因為信貸質素並無出現重大變化，而有關結餘仍被視為可全數收回。於二零一七年十二月三十一日，本集團無確認任何耗損虧損。

(b) 流動資金風險

本集團旗下獨立運營實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求。本集團之政策是定期監察流動資金所需及監察其對借貸契諾之遵行情況，確保集團維持充裕的現金儲備及從主要財務機構取得足夠的承諾信貸融資，以應付短期及長期流動資金需求。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS
(Continued)

(b) 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.

		As at 31 December 2018 於二零一八年十二月三十一日					
		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years
		賬面值	現金流量總額	一年內或按需求	一年後但兩年內	兩年後但五年內	五年後
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Bank loans	銀行貸款	6,006,559	7,254,234	1,189,017	697,503	3,323,701	2,044,013
Creditors, other payables and accrued expenses*	應付賬款、其他應付款項及應計費用*	2,383,007	2,383,007	2,375,083	—	—	7,924
		8,389,566	9,637,241	3,564,100	697,503	3,323,701	2,051,937

		As at 31 December 2017 於二零一七年十二月三十一日					
		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	現金流量總額	一年內或按需求	一年後但兩年內	兩年後但五年內	五年後
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Bank loans	銀行貸款	3,494,703	4,290,409	703,130	477,414	1,625,725	1,484,140
Creditors, other payables and accrued expenses*	應付賬款、其他應付款項及應計費用*	1,629,331	1,629,331	1,629,331	—	—	—
		5,124,034	5,919,740	2,332,461	477,414	1,625,725	1,484,140

* The balances excluded deferred income — government grants.

24 財務風險管理及金融工具公允價值
(續)

(b) 流動資金風險 (續)

下表列示本集團於報告期末之非衍生財務負債之剩餘合約期限情況，並以訂約未貼現現金流量（包括按合約利率或（如屬浮息）根據報告期末通行之利率計算之利息）及本集團可能須償還有關款項之最早日期為基準而列出。

* 結餘不包括遞延收入 — 政府補助金。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, bank deposits and bank loans. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less bank deposits and cash and cash equivalents) at the end of the reporting period.

24 財務風險管理及金融工具公允值 (續)

(c) 利率風險

本集團面對之利率風險主要關乎本集團之現金及現金等價物、銀行存款及銀行貸款。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允值利率風險。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。

		2018 二零一八年		2017 二零一七年	
		Effective interest rate 實際利率	Amount 金額 HK\$'000 港幣千元	Effective interest rate 實際利率	Amount 金額 HK\$'000 港幣千元
Fixed rate deposits:	定息存款：				
Less: Deposits with banks	減：銀行存款	1.55%	(17,039)	1.35% - 1.55%	(736,229)
Cash and cash equivalents	現金及現金等價物	1.10% - 3.00%	(409,875)	1.10% - 3.50%	(1,181,261)
			(426,914)		(1,917,490)
Net variable rate borrowings:	浮息借貸淨額：				
Bank loans	銀行貸款	3.41% - 5.39%	6,006,559	2.56% - 4.90%	3,494,703
Less: Cash and cash equivalents	減：現金及現金等價物	0.01% - 0.35%	(1,634,951)	0.01% - 0.35%	(1,222,914)
Pledged bank deposits	已抵押銀行存款	0.01% - 0.30%	(198,968)	0.01% - 0.30%	(203,007)
			4,172,640		2,068,782
Total net borrowings	總借貸淨額		3,745,726		151,292

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

At 31 December 2018, 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\$37,457,000 (2017: HK\$1,513,000).

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 2017.

(d) Foreign currency risk

(i) Exposure to foreign currency risk

The Group is exposed to foreign currency risk primarily from 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.

24 財務風險管理及金融工具公允價值 (續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零一八年十二月三十一日，據本集團估計，倘利率整體上調／下調一個百分點，而所有其他變數維持不變，本集團之除稅前盈利將會減少／增加約港幣37,457,000元(二零一七年：港幣1,513,000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價值利率風險之金融工具。對於由集團於報告期末所持有之浮動利率非衍生工具所產生之現金流利率風險，其對本集團除稅前盈利之影響是基於利率變動而產生之全年利息支出或收入作估計。有關分析於二零一七年按相同基準進行。

(d) 外幣風險

(i) 須承受之外幣風險

本集團面臨的貨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)計值之現金及現金等價物、應收款項及應付款項。產生該風險的貨幣主要為港元、人民幣、美元及歐元。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Foreign currency risk (Continued)

(i) Exposure to foreign currency risk (Continued)

The following table details the Group's significant exposure at the end of the reporting period to foreign currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the reporting period end date. Differences resulting from the translation of the consolidated financial statements of foreign operations into the Group's presentation currency are excluded.

		2018 二零一八年			2017 二零一七年		
		United States dollars			United States dollars		
		Renminbi 人民幣	dollars 美元	Euros 歐元	Renminbi 人民幣	dollars 美元	Euros 歐元
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	1,300	30,507	7,272	198,841	19,410	—
Amounts due from/to group companies (net)	應收/應付集團公司 款項淨額	101,413	—	65,290	121,188	—	71,277
Other payables	其他應付款項	—	—	—	(143)	—	—
		102,713	30,507	72,562	319,886	19,410	71,277

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before tax that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. 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.

24 財務風險管理及金融工具公允值 (續)

(d) 外幣風險(續)

(i) 須承受之外幣風險(續)

下表詳列本集團於各報告期末由已確認資產或負債(以相關實體之功能貨幣以外之貨幣計值)所產生之重大外幣風險。為呈列目的,風險金額以港幣列示,並按報告期末的現貨匯率換算。因將外國業務的綜合財務報表換算為本集團的呈列貨幣而產生的差額不會計入貨幣風險。

(ii) 敏感度分析

下表載列假設於各報告期末本集團面對重大風險的外匯匯率於當日出現變動,而所有其他變數保持不變,將會對本集團的除稅前盈利造成即時影響。就此而言,假設港幣兌美元的聯繫匯率不會因美元價值兌其他貨幣的任何變動而受到重大影響。由於港幣與美元掛鉤,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。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS
(Continued)

(d) Foreign currency risk (Continued)

(ii) Sensitivity analysis (Continued)

24 財務風險管理及金融工具公允價值
(續)

(d) 外幣風險(續)

(ii) 敏感度分析(續)

		2018 二零一八年		2017 二零一七年	
		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	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		HK\$'000 港幣千元
Renminbi	人民幣	10% (10%)	10,271 (10,271)	10% (10%)	31,989 (31,989)
United States dollars	美元	10% (10%)	3,051 (3,051)	10% (10%)	1,941 (1,941)
Euros	歐元	10% (10%)	7,256 (7,256)	10% (10%)	7,128 (7,128)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit before tax measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

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 2017.

上表呈列之分析結果總結了本集團各個別公司以相關功能貨幣計量之除稅前盈利之即時影響，有關影響以報告期末之匯率折算為港幣呈報。

敏感度分析假設外匯匯率的變動已用於重新計量報告期末本集團所持有及使本集團承受外匯風險的該等金融工具，包括以貸款人或借款人的功能貨幣以外的貨幣計值的集團內公司間應付款項及應收款項。該分析撇除將外國業務的財務報表換算為本集團呈列貨幣所產生的差額。該分析於二零一七年按同一基準執行。

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(e) Fair value measurement

The fair values of cash and cash equivalents, debtors, bank deposits, current portion of other receivables, deposits and prepayments, contract assets and creditors, other payables and accrued expenses are not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments. The carrying amounts of non-current portion of other receivables and contract assets and interest-bearing borrowings approximate their fair values.

The fair values of the above financial assets and liabilities are determined based on the discounted cash flow approach. The estimated cash flows are based on the management's best estimates and the discount rate is market-related rate for a similar instrument at the end of the reporting period.

25 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

(a) Transactions with fellow subsidiaries

24 財務風險管理及金融工具公允價值 (續)

(e) 公允價值計量

現金及現金等價物、應收賬款、銀行存款、其他應收款項、按金及預付款項之即期部份、合約資產，以及應付賬款、其他應付款項及應計費用等項目之公允價值與彼等之賬面值並無重大差異，原因為此等金融工具均屬即時或於短期內到期。其他應收款項之非即期部份、合約資產及計息借款之賬面值與彼等之公允價值相若。

上述金融資產及負債之公允價值乃按現金流貼現法計算釐定。預計現金流乃按管理層之最佳估計計算，而貼現率則為於報告期末類似工具之市場相關比率。

25 與關聯人士之重大交易

除財務報表其他部份所披露之交易及結餘外，本集團與關聯人士進行下列重大交易：

(a) 與同系附屬公司之交易

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Purchase of machineries and design fees	採購機器及設計費用	38,028	66,968
Interest expenses	利息開支	11,373	2,585
Rental expenses	租金開支	5,593	5,127
Underwriting commission paid and sponsor fee	已付包銷佣金及保薦人費用	—	33,836
Hazardous waste processing income	危廢處理收入	2,757	—

25 MATERIAL RELATED PARTY TRANSACTIONS
(Continued)**(b) Key management personnel remuneration**

The Group paid key management personnel compensation, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, as follows:

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	59,542	37,044
Retirement scheme contributions	退休計劃供款	3,689	2,109
		63,231	39,153

Total remuneration is included in "Staff costs" (see note 6(b)).

(c) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of purchase of machineries and design fee and rental expenses as disclosed in note 25(a) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures defined by Chapter 14A of the Listing Rules are provided in section "Continuing Connected Transactions" of the Directors' Report.

26 COMMITMENTS

- (a)** At 31 December 2018, the Group had outstanding purchase commitments in connection with the Group's construction contracts not provided for in the financial statements of HK\$1,578,260,000 (2017: HK\$1,470,949,000).

25 與關聯人士之重大交易(續)

(b) 主要管理層人員酬金

本集團已支付主要管理層人員薪酬(包括支付予附註8披露的本公司董事及附註9披露的若干最高薪酬僱員之款項)如下:

薪酬總額計入「員工成本」(見附註6(b))。

(c) 與關連交易有關的上市規則的適用性

附註25(a)所披露有關採購機器及設計費用以及租金開支之關聯人士交易構成持續關連交易(定義見上市規則14A章)。上市規則第14A章所界定的披露載於董事會報告「持續關連交易」一節。

26 承擔

- (a)** 於二零一八年十二月三十一日，本集團並未在財務報表中撥備有關本集團建造合約之未履行採購承擔港幣1,578,260,000元(二零一七年：港幣1,470,949,000元)。

26 COMMITMENTS (Continued)

- (b) The total future minimum lease payments under non-cancellable operating leases of the Group are payable as follows:**

		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Within 1 year	一年內	5,995	8,867
After 1 year but within 5 years	一年後但五年內	4,492	6,627
After 5 years	五年後	6,719	7,844
		17,206	23,338

The Group leases a number of properties and land under operating leases. The leases typically run for an initial period of one to twenty-nine years. None of these leases includes contingent rentals.

- (c)** At 31 December 2018, the Group had no outstanding capital commitment relating to the capital contribution to a joint venture not provided for in the financial statements (2017: HK\$9,500,000).
- (d)** At 31 December 2018, the Group had outstanding capital commitment relating to the capital contribution to an associate not provided for in the financial statements of HK\$56,216,000 (2017: Nil).
- (e)** On 12 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 88.88% of the equity interest in Suntime Environmental Remediation Co., Ltd. ("Suntime Environmental Remediation"), which is principally engaged in the environmental remediation business in the PRC, at a consideration of RMB222,200,000 (equivalent to approximately HK\$252,397,000). At 31 December 2018, the Group had outstanding capital commitment relating to the acquisition of Suntime Environmental Remediation not provided for in the financial statements of approximately HK\$201,918,000.

26 承擔(續)

- (b)** 本集團根據不可解除的經營租賃於日後應付的最低租賃付款總額如下：

本集團根據經營租賃租用多項物業及土地。有關租賃一般初步為期一至二十九年。該等租約並不包括或有租金。

- (c)** 於二零一八年十二月三十一日，本集團並無未在財務報表就有關向合營企業注資之資本承擔作撥備(二零一七年：港幣9,500,000元)。
- (d)** 於二零一八年十二月三十一日，本集團並未在財務報表就有關向聯營公司注資之資本承擔港幣56,216,000元作撥備(二零一七年：無)。
- (e)** 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，以收購上田環境修復股份有限公司(「上田環境修復」，主要在中國從事環境修復業務)88.88%股權，代價為人民幣222,200,000元(約相等於港幣252,397,000元)。於二零一八年十二月三十一日，本集團並未在財務報表就有關收購上田環境修復之未履行資本承擔約港幣201,918,000元作撥備。

26 COMMITMENTS (Continued)

- (f) On 20 December 2018, the Group entered into a share transfer agreement with certain independent third parties to acquire 90% of the equity interest in Jiangsu Jiayuan Environmental Technology Company Limited (“Jiangsu Jiayuan”), which is principally engaged in the hazardous and solid waste treatment business in the PRC, at a consideration of RMB180,000,000 (equivalent to approximately HK\$204,462,000) which has not been provided for in the financial statements as at 31 December 2018.

27 PLEDGE OF ASSETS

The aggregate net book value of assets pledged amounted to HK\$7,597,951,000 (2017: HK\$6,582,527,000) as at 31 December 2018 in connection with the secured bank loans as set out in note 20.

26 承擔(續)

- (f) 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，以收購江蘇佳願環境科技有限公司（「江蘇佳願」）90%股權，其主要在中國從事危廢及固廢處置業務，代價為人民幣180,000,000元（約相等於港幣204,462,000元），並未在二零一八年十二月三十一日之財務報表作撥備。

27 資產抵押

於二零一八年十二月三十一日，如附註20所載，與有抵押之銀行貸款有關之已抵押資產的賬面淨值總額為港幣7,597,951,000元（二零一七年：港幣6,582,527,000元）。

28 COMPANY LEVEL STATEMENTS OF
FINANCIAL POSITION

28 公司層面財務狀況表

		Note 附註	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資	13	2,336,994	2,336,993
Amounts due from subsidiaries	應收附屬公司款項		4,308,529	2,297,699
Property, plant and equipment	物業、廠房及設備		1,414	2,257
			6,646,937	4,636,949
Current assets	流動資產			
Other receivables and prepayments	其他應收款項及 預付款項		859	11,526
Deposits with banks	銀行存款		—	700,000
Cash and cash equivalents	現金及現金等價物		483,840	1,248,135
			484,699	1,959,661
Current liabilities	流動負債			
Bank loans — unsecured	銀行貸款 — 無抵押		—	128,400
Other payables	其他應付款項		25,007	19,994
			25,007	148,394
Net current assets	流動資產淨值		459,692	1,811,267
Total assets less current liabilities	總資產減流動負債		7,106,629	6,448,216
Non-current liability	非流動負債			
Bank loans — unsecured	銀行貸款 — 無抵押		995,354	—
Net assets	資產淨額		6,111,275	6,448,216
Capital and reserves	股本及儲備	23(a)		
Share capital	股本		1,608,029	1,608,029
Reserves	儲備		4,503,246	4,840,187
Total equity	權益總額		6,111,275	6,448,216

Approved and authorised for issue by the board of directors
on 6 March 2019

於二零一九年三月六日獲董事會批准及授
權刊發

Qian Xiaodong
錢曉東
Director
董事

Yang Zhiqiang
楊志強
Director
董事

29 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

As disclosed in note 26(e), the Group entered into a share transfer agreement for the acquisition of 88.88% of equity interest in Suntime Environmental Remediation in December 2018. The acquisition was completed on 21 January 2019 and Suntime Environmental Remediation has become a subsidiary of the Company.

As disclosed in note 26(f), the Group entered into a share transfer agreement for the acquisition of 90% of equity interest in Jiangsu Jiayuan in December 2018. The acquisition was completed on 25 January 2019 and Jiangsu Jiayuan has become a subsidiary of the Company.

30 COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, certain comparative figures have been restated. Further details of the changes in accounting policies are disclosed in note 1(c).

31 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2018, the directors consider the immediate parent and ultimate controlling party of the Group to be China Everbright Green Holdings Limited and China Investment Corporation, which are incorporated in the British Virgin Islands and the PRC respectively. The intermediate holding company, China Everbright International Limited, produces financial statements available for public use.

29 報告期後的非調整事項

如附註26(e)所披露，本集團於二零一八年十二月訂立股權轉讓協議，以收購上田環境修復88.88%股權。收購於二零一九年一月二十一日完成，而上田環境修復成為本公司之附屬公司。

如附註26(f)所披露，本集團於二零一八年十二月訂立股權轉讓協議，以收購江蘇佳願90%股權。收購於二零一九年一月二十五日完成，而江蘇佳願成為本公司之附屬公司。

30 比較數據

本集團於二零一八年一月一日初次應用香港財務報告準則第15號及香港財務報告準則第9號。根據選定的過渡方法，若干比較數字並無重列。有關會計政策的變動詳情載於附註1(c)。

31 直接及最終控股人士

於二零一八年十二月三十一日，董事認為本集團之直接母公司及最終控股人士分別為中國光大綠色控股有限公司及中國投資有限責任公司，彼等分別於英屬處女群島及中國註冊成立。中介控股公司中國光大國際有限公司編製財務報表供公眾使用。

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

32 已公佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新準則及詮釋之可能影響

直至該等財務報表刊發日期止，香港會計師公會已公佈數項修訂、新準則及詮釋。該等修訂、新準則及詮釋於截至二零一八年十二月三十一日止年度尚未生效，該等財務報表亦無採用該等修訂、新準則及詮釋。可能與本集團相關的修訂、新準則及詮釋如下。

		Effective for accounting periods beginning on or after 自以下日期或之後開始 之會計期間生效
HKFRS 16, <i>Leases</i>	香港財務報告準則第16號租賃	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>	香港(國際財務報告詮釋委員會)詮釋第23號 <i>所得稅處理之不確定性</i>	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015-2017 Cycle	二零一五年至二零一七年週期香港財務報告準則的年度改進	1 January 2019 二零一九年一月一日
Amendments to HKAS 28, <i>Long-term interest in associates and joint ventures</i>	香港會計準則第28號(修訂)－ <i>聯營公司及合營企業的長期權益</i>	1 January 2019 二零一九年一月一日

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the HKFRS 16 which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ended 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

本集團正評估該等修訂本、新準則及詮釋於首次應用期間預期產生的影響。迄今，本集團發現香港財務報告準則第16號有若干方面可能對綜合財務報表構成重大影響。預計影響的詳情載於下文。儘管有關香港財務報告準則第16號之評估已大致完成，惟首次應用有關準則的實際影響或與基於本集團現時可得資料迄今評估結果不同，且於本集團截至二零一九年六月三十日止六個月之中期財務報告首次採納該等準則前可能會識別其他影響。本集團亦可能變更其會計政策選擇(包括過渡選擇)，直至於該財務報告首次應用該等準則為止。

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)

HKFRS 16, Leases

As disclosed in note 1(h), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for a number of properties and land, which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease.

32 已公佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新準則及詮釋之可能影響 (續)

香港財務報告準則第16號租賃

誠如附註1(h)所披露，本集團目前將租賃分類為融資租賃及經營租賃，並據租賃分類按租賃安排作不同入賬。

預期香港財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬的方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受實際權益方法的規限，承租人將以類似現有融資租賃會計處理方法的方式將所有租約入賬，即於該租約開始日期，承租人將按最低日後租賃款項的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非於租期內按系統基準確認根據經營租約所產生的租賃開支的現有政策。作為實際的權益方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為12個月或以下）及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為租約承租人就若干物業及土地（現時分類為經營租賃）的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於損益表確認開支的時間。

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)

HKFRS 16, Leases (Continued)

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019 and will not restate the comparative information. As disclosed in note 26(b), at 31 December 2018, the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$17,206,000 for properties and land under operating leases, the majority of which is payable either between 1 and 5 years after the reporting date or in more than 5 years. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

32 已公佈但於截至二零一八年十二月三十一日止年度尚未生效之修訂、新準則及詮釋之可能影響 (續)

香港財務報告準則第16號租賃(續)

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。鑒於香港財務報告準則第16號允許，本集團計劃利用可行的權宜之計，將之前就現有安排屬於或包含租賃的可行權宜之計不在此限。因此，本集團將就香港財務報告準則第16號的租賃新定義僅應用於初始應用當日或之後訂立的合約。此外，本集團計劃選擇可行權宜之計，以放棄對短期租賃和低價值資產租賃應用新會計模型。

本集團計劃選用追溯調整法採納香港財務報告準則第16號，將初始應用的累計影響確認為對二零一九年一月一日權益期初結餘之調整，並不會重列比較數字。如附註26(b)所披露，於二零一八年十二月三十一日，本集團根據不可解除的經營租賃就經營租賃項下物業及土地之日後最低租賃付款為港幣17,206,000元，大部份須於報告日期後1至5年內或5年之後付償。一經採納香港財務報告準則第16號，預期該等租賃將確認為租賃負債，並確認相應使用權資產。有關金額將就貼現影響及本集團可用的過渡安排作出調整。

FINANCIAL SUMMARY

財務概要

		At 31 December 於十二月三十一日				
		2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年
		HK\$'000 港幣千元	(restated) (經重列) HK\$'000 港幣千元	(restated) (經重列) HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Assets and liabilities	資產及負債					
Property, plant and equipment and interests in leasehold land held for own use under operating leases	物業、廠房及設備，以及根據經營租賃持作自用之租賃土地權益	2,502,054	2,282,648	1,834,542	1,716,724	786,041
Intangible assets	無形資產	7,486,422	5,131,608	2,975,814	1,661,629	1,358,802
Interest in an associate	一家聯營公司權益	56,216	—	—	—	—
Interest in a joint venture	一家合營企業權益	57,446	51,841	33,651	14,361	—
Contract assets	合約資產	2,852,061	1,766,507	824,581	334,264	151,585
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	425,957	370,729	189,269	222,999	392,203
Deferred tax assets	遞延稅項資產	34,797	34,942	21,127	12,314	8,615
Net current assets	流動資產淨額	1,832,332	2,576,616	289,783	828,996	187,271
Non-current liabilities	非流動負債	5,816,211	3,448,845	1,968,185	1,870,152	2,256,416
Net assets	資產淨額	9,431,074	8,766,046	4,200,582	2,921,135	628,101
Share capital	股本	1,608,029	1,608,029	3	2	—*
Other reserves	其他儲備	7,730,823	7,140,023	4,187,218	2,906,945	612,806
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	9,338,852	8,748,052	4,187,221	2,906,947	612,806
Non-controlling interests	非控股權益	92,222	17,994	13,361	14,188	15,295
Total equity	權益總額	9,431,074	8,766,046	4,200,582	2,921,135	628,101

* The balance represents amount less than HK\$1,000.

* 結餘指少於港幣1,000元的金額。

		At 31 December 於十二月三十一日				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		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	7,001,820	4,581,352	3,000,131	1,203,198	1,057,784
Profit from operations	經營盈利	1,870,961	1,314,044	851,977	369,409	251,278
Finance costs	財務費用	(202,384)	(125,565)	(67,715)	(41,202)	(26,228)
Share of loss of a joint venture	所佔一家合營企業虧損	(158)	(891)	(867)	(461)	—
Profit before taxation	除稅前盈利	1,668,419	1,187,588	783,395	327,746	225,050
Income tax	所得稅	(337,068)	(230,289)	(153,873)	(56,302)	(25,373)
Profit for the year	年內盈利	1,331,351	957,299	629,522	271,444	199,677
Attributable to:	應佔部份：					
Equity shareholders of the Company	本公司權益股東	1,324,871	953,823	629,222	271,953	196,368
Non-controlling interests	非控股權益	6,480	3,476	300	(509)	3,309
Profit for the year	年內盈利	1,331,351	957,299	629,522	271,444	199,677
Basic and diluted earnings per share*	每股基本及攤薄盈利*					
(HK cents)	(港仙)	64.12	51.70	43.70	18.89	13.64

* The calculation of basic earnings per share for the years ended 31 December 2014 and 2015 is based on the profit attributable to equity shareholders of the Company for that year and the weighted average number of 1,440,000 ordinary shares, taking into consideration the effect of share split and the capitalisation issue during the year ended 31 December 2017.

Diluted earnings per share for the years ended 31 December 2014 and 2015 were the same as the basic earnings per share as there were no potentially dilutive ordinary shares in existence during both years.

* 截至二零一四年及二零一五年十二月三十一日止年度之每股基本盈利乃按本公司權益股東年內應佔盈利及普通股加權平均股數1,440,000股(經計及於截至二零一七年十二月三十一日止年度內的股份拆細及資本化發行之影響)計算。

截至二零一四年及二零一五年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同，因兩個年度內均不存在潛在攤薄普通股。



中國光大綠色環保有限公司
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