

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 1 公司簡介及主要業務的經營模式

天津創業環保股份有限公司（「本公司」）是於1993年6月8日在中華人民共和國（「中國」）註冊成立的股份有限公司。本公司及其附屬公司（「本集團」）現時的經營業務包括污水處理及污水處理廠建設業務，中水及建材生產及道路收費站業務。

以下是本集團主要業務的經營模式：

### (a) 污水處理業務

#### 污水處理委託協議：

依照相關協議（「《污水處理委託協議》」），本集團通過以下三家污水處理廠提供污水處理服務：

#### 位置 Plant Location

天津紀莊子  
Ji Zhuang Zi, Tianjin  
天津東郊  
Dong Jiao, Tianjin  
貴州  
Guizhou

## 1 Company profile and principal activities

Tianjin Capital Environmental Protection Company Limited (the “Company”) was established on 8 June 1993 in the People’s Republic of China (the “PRC”) as a joint stock limited company. The activities of the Company and its subsidiaries (the “Group”) include sewage water processing, construction of sewage water processing plants, production of recycled water, construction materials and operation of road toll stations.

The operation mode of the Group’s principal activities is described below:

### (a) Sewage water processing

#### Sewage Water Processing Agreements:

Pursuant to relevant agreements (“Sewage Water Processing Agreements”), the Group provides sewage water processing services via three plants as follows:

#### 合同簽訂日期 Contract Date

2000年10月10日  
10 October 2000  
2000年10月10日  
10 October 2000  
2004年9月16日  
16 September 2004

#### 客戶 Customer

排水公司  
TSC  
排水公司  
TSC  
貴陽城管局  
GCAB

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**1 公司簡介及主要業務的經營模式 (續)**

**(a) 污水處理業務 (續)**

**污水處理委託協議：(續)**

相關協議訂明的主要計價公式如下所述：

**排水公司 (排水公司，為國有企業，並受天津市市政工程局 (「天津市政局」) 監控)：**

本集團應全面彌補實際的經營成本，包括固定資產的折舊及攤銷，但不包括利息開支及滙兌損益，最少將：

- (i) 賺取按污水處理業務相關固定資產 (定義見協議) 的每月平均賬面淨值的年度平均數計算 15% 的回報，以及
- (ii) 獲得節省成本或當實際處理量超過協議規定的最低處理量時的獎勵計價調整。

**貴陽城管局 (「貴陽市城市管理局」)：**

協議規定以 0.84 元/立方米的價格作為合同簽訂日後的前兩年的污水處理服務費單價，據此

- (i) 二年期滿後雙方按照協議中訂明的計價公式釐定初始價格。計價公式可令污水處理業務全面彌補實際的經營成本，包括運行成本、折舊、所得稅及 8% 的概算淨資產回報；以及
- (ii) 以後年度將考慮設施設備改造、新增投資及能源動力、勞動力等因素來調整價格。

**1 Company profile and principal activities (Continued)**

**(a) Sewage water processing (Continued)**

**Sewage Water Processing Agreements: (Continued)**

The principal terms of the pricing formula as set out in the relevant agreements are briefly summarised below:

**TSC (Tianjin Sewage Company is a state owned enterprise under supervisory control of Tianjin Municipal Engineering Bureau (“TMEB”)):**

The Group will have full recovery of actual operating costs, including depreciation and amortisation of fixed assets, excluding interest expenses and foreign exchange gains or losses and at minimum:

- (i) earn a return of 15% per annum of the average balances of the monthly net book value of property, plant and equipment (as defined in the agreement) of the plants; and
- (ii) incentive pricing adjustments will be made for cost saving and/or when actual processing volume exceeds the minimum processing volume as stipulated in the agreement.

**GCAB (“Guiyang City Administration Bureau”):**

Initial sewage water processing price is Rmb0.84 per cubic meter for the first two years, thereafter

- (i) the price after two years will be determined by a pricing formula which will effectively allow full recovery of the actual business costs, including operating cost, depreciation, income tax and a return of 8% on budgeted net assets of the plant; and
- (ii) the price might be revised after considering the factors of renovation of equipment, additional investment, power and energy and labour force etc.

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**1 公司簡介及主要業務的經營模式 (續)** **1 Company profile and principal activities (Continued)**

**(b) 污水處理廠建設業務**

**建設收費協議：**

根據本公司於 2001 年 9 月 24 日與排水公司簽訂的《污水處理(擴建)在建工程收費協議》(「建設收費協議」)，本公司向排水公司提供建設以下三個污水處理廠的服務：

項目名稱 Project	咸陽路 Xian Yang Lu	紀莊子 Ji Zhuang Zi	北倉 Bei Cang	總計 Total
設計能力 (立方米/天) Designed capacity (M <sup>3</sup> /day)	450,000	280,000	100,000	830,000
預計竣工日期 Estimated date of completion	2006 年初 Early 2006	2006 年初 Early 2006	2006 年初 Early 2006	

人民幣百萬元  
Rmb' million

**實際建設成本：**

**Actual construction cost:**

— 截至 2004 年 12 月 31 日

- Up to 31 December 2004	641	723	184	1,548
- 本年新增 - Additions during the year	200	121	153	474

— 截至 2005 年 12 月 31 日

- Up to 31 December 2005	841	844	337	2,022
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**需投入的建設成本：**

**Budgeted cost:**

— 經修訂 (註釋(ii))

- As revised (note (ii))	958	1,027	408	2,393
- 如前呈報 (註釋(i)) - As previously reported (note (i))	1,199	1,055	366	2,620

排水公司佔 (註釋(iii))

Owned by TSC (note (iii))	394	100	211	705
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本公司佔

Owned by the Company	805	955	155	1,915
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本公司已確認建設收費 (註釋(i))：

**Construction fees recognised by the Company (note (i)):**

— 截至 2004 年 12 月 31 日

- Up to 31 December 2004	302	209	133	644
- 本年新確認 - For the year ended 31 December 2005	104	39	110	253

— 截至 2005 年 12 月 31 日

- Up to 31 December 2005	406	248	243	897
- 未確認建設收費 - Total balance not due	61	60	51	172

預計合計金額

Total expected	467	308	294	1,069
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— 如前呈報 (註釋(i))

- As previously reported (note (i))	589	317	264	1,170
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**已完成工程量百分比：**

**% of completion of construction:**

— 於 2004 年 12 月 31 日

- As at 31 December 2004	53%	69%	50%	
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— 於 2005 年 12 月 31 日

- As at 31 December 2005	88%	82%	83%	
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**1 公司簡介及主要業務的經營模式**  
(續)

**(b) 污水處理廠建設業務** (續)

上述建設收費協議的主要條款如下：

- 根據協議，本公司在承擔污水處理廠在建工程建設期間，排水公司同意向本公司支付建設費用總額約為人民幣11.7億元，作為鼓勵本公司承擔建設污水處理廠在建工程之報酬。根據修訂後的成本，新建設費用總額為人民幣10.69億元，
- 按照建設收費協議，排水公司應每月根據本公司編撰的有關各項目當月之估計完成百分比向本公司預支建設費用，然後在每季度結束時，根據獨立測量師或工程師對已完成工程量之核定作出相應調整，
- 本公司亦負責污水處理廠在建工程所需資金的籌集；以及
- 依據本公司與排水公司簽訂的協議，在天津三個污水處理廠開始運營後，雙方的權利與義務將按照原污水處理委託協議的具體規定執行（如附註1(a)所述）。

**1 Company profile and principal activities** (Continued)

**(b) Construction of sewage water processing plants** (Continued)

The principal terms of the Construction Agreement are summarised below:

- a fee will be paid by TSC during the period of constructing the plants as a reward to remunerate the Company for accepting the responsibility to construct the sewage water processing plants. The aggregate construction fees payable to the Company for the construction of these three plants amount to approximately Rmb1,170 million, currently revised to Rmb1,069 million;
- fee is payable by TSC in advance on a monthly basis according to the percentage of completion of the respective construction projects estimated by the Company. The percentage of completion of each project will be adjusted on a quarterly basis according to the certifications issued by qualified independent surveyors or engineers;
- the Company is responsible for the funding of the construction cost of these plants, and
- upon commencement of operations of the three sewage water processing plants, the rights and obligations between the Company and TSC will follow the terms as specified in the Sewage Water Processing Agreement as applicable to the Tianjin plants (Note1(a)).

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**1 公司簡介及主要業務的經營模式**  
(續)

**(b) 污水處理廠建設業務 (續)**

**轉讓協議：**

根據本公司於2001年9月24日與排水公司簽訂的相關的轉讓協議(「轉讓協議」)，本公司將收購原排水公司投資建設的三個污水處理廠在建工程，並承擔後續工程的建設及管理。前述在建工程轉讓工作已於2002年10月30日完成。

**合作協議：**

本公司於2003年8月25日與排水公司簽訂了一份合作協議(「合作協議」)，根據該合作協議：

- 本公司負責污水處理廠在建工程項目整體實施；
- 排水公司負責利用項目原有外資貸款開展採購項下污水處理廠所需的部分固定資產；
- 排水公司利用外資貸款採購的固定資產在完成安裝並經本公司驗收合格後一次性由排水公司以賬面價(註釋(iii))值轉讓予本公司。按照建設收費協議的規定，在確認建設費收入時應包括該等固定資產成本作為基礎；同時
- 於前述該等固定資產轉讓予本公司之前，在污水處理廠在建工程建設期間，本公司負責該等固定資產的維護和保養。

**1 Company profile and principal activities (Continued)**

**(b) Construction of sewage water processing plants (Continued)**

**Transfer Agreement:**

Also, on 24 September 2001, respective agreements (“Transfer Agreements”) were signed whereby, the Company would acquire the above three plants from TSC and would be responsible for the construction and management of the remaining uncompleted portion of the plants. The transfers were deemed completed on 30 October 2002.

**Co-operative Agreement:**

On 25 August 2003, the Company entered into an agreement with TSC (“Co-operative Agreement”) whereby:

- the Company would be responsible for the overall execution of the construction of the three plants;
- TSC would be responsible for making use of the original loans from two foreign banks (the “Foreign Loans”) to fund certain property, plant and equipment used in these plants;
- TSC would sell to the Company these Foreign Loans funded property, plant and equipment after their installation and the issuance of verification reports, at their carrying value (note(iii)). The construction fee charged by the Company pursuant to the above mentioned Construction Agreement, would include the cost of these property, plant and equipment as the base; and
- the Company would be responsible for the repairs and maintenance of these property, plant and equipment during the construction period.

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**1 公司簡介及主要業務的經營模式**  
(續)

**(b) 污水處理廠建設業務 (續)**

註釋：

- (i) 建設成本及收費只是按照合同估計的金額，將在工程完工時根據實際情況調整。
- (ii) 於 2005 年，本公司根據一獨立評估機構的評估報告修訂了上述三個污水處理廠的預計建設成本，並對相應預計建設費收入按照原定的回報率進行了修訂。修訂後的成本尚需排水公司的確認和股東大會的批准方能生效。
- (iii) 同時已完成工程量中包含排水公司使用前述國外銀行貸款採購的固定資產。

**1 Company profile and principal activities (Continued)**

**(b) Construction of sewage water processing plants (Continued)**

Notes:

- (i) Costs and fees as previously reported are only estimated numbers set out in the contracts which will be adjusted based on actual situation upon completion.
- (ii) In 2005, the Company revised the budgeted construction cost of the above three plants based on a valuation report issued by an independent valuer. Accordingly, the budgeted construction fees had been revised using the same return rate to reflect the change of cost. The revised construction costs and fees are pending approval from the Company's shareholders and confirmation from TSC.
- (iii) Assets owned by TSC are those funded by certain foreign loans in the preceding paragraphs.

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## 1 公司簡介及主要業務的經營模式 (續)

### (c) 道路收費站業務

2003 年度以前，本公司擁有於天津城市道路及入城的公路交界設立收費站的權利，並可於該等收費站向進入天津城市的所有車輛（於天津登記或根據有關中國法規及規例獲豁免支付路費的車輛除外）收取路費。該權利期限至2029年2月28日止。

於 2003 年度內，隨著天津周邊公路網的改造，天津市政府決定將包括本公司所屬各收費站在內的部分外埠進津車輛通行費收費站外遷到天津市與外省市公路交界處，並由天津市政局設立天津市車輛通行費徵收辦公室（「徵收辦」），統一對進入天津市的外地車輛徵收車輛通行費。據此，本公司的收費站已於 2003 年 5 月 31 日起停止經營，並實施拆除工程，本公司與天津市政局達成補償安排主要包括以下事項：

- 對本公司被拆除的收費站按其於 2003 年 6 月 30 日之賬面淨值人民幣 3,300 萬元由天津市政局給予了一次性現金補償；
- 自 2003 年 5 月 31 日起至新收費站（如下段所述）建造完成之日止，按照相當於本公司去年同期所得收益，就本公司的收益損失給予補償。本公司於 2003 年 6 月確認約人民幣 550 萬元的淨收益。

## 1 Company profile and principal activities (Continued)

### (c) Road toll stations

Prior to 2003, the Company owned the right, to set up toll stations at the junctions between the Tianjin city roads and expressways leading to the city, and to collect tolls generally from non-Tianjin registered motor vehicles (other than those exempted by law) passing these toll stations. The right was for a term expiring on 28 February 2029.

During 2003, following the reform of the public transportation network, the Tianjin Municipal Government relocated certain toll stations, including those of the Company, to the boundary of the interstate highways surrounding Tianjin. The collection of tolls from non-Tianjin registered vehicles was then centralised at a Tianjin Toll Collection Office (“Toll Collection Office”) set up by TMEB. As a result, the Company’s toll stations were demolished since 31 May 2003 and TMEB agreed to compensate the Company principally as follows:

- a one-off cash compensation by TMEB equivalent to the net book value of the assets of the demolished toll stations as at 30 June 2003 of about Rmb33 million;
- compensation for loss in revenue, during the period from 31 May 2003 to the date of completion of construction of the new toll stations (mentioned in following paragraph), equivalent to the revenue received in the same period of last year of about Rmb5.5 million net of expenses; and

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**1 公司簡介及主要業務的經營模式**  
(續)

(c) **道路收費站業務** (續)

- 本公司現擁有 6 個新收費站的收益權，期限自 2003 年 7 月 1 日起至 2029 年 2 月 28 日止。未經天津市政局允許，本公司不得將該收費權轉讓、租賃或抵押。

同時，本公司於 2003 年 7 月 24 日與徵收辦簽訂了通行費委託徵收協議（「委託徵收協議」），主要條款如下：

- 本公司委託徵收辦對 6 個新收費站實行統一收費並支付其管理費；
- 本公司以一家專業顧問公司對該 6 個新收費站於 2003 年 7 月簽署的交通流量和通行費的預測報告中列明的各期間／年度收費金額作為核定應收各期間／年度最低收取通行費收入的標準；以及
- 實際收入低於上述最低收入標準的差額將由徵收辦補給本公司。

**1 Company profile and principal activities** (Continued)

(c) **Road toll stations** (Continued)

- Company was granted the collection right of six new toll stations from 1 July 2003 to 28 February 2029. However, the Company is not allowed to transfer, lease or pledge the right to other parties without TMEB's consent.

In tandem, the Company entered into an agreement (“Toll Collection Agreement”) with Toll Collection Office on 24 July 2003 with following principal terms:

- the Company engaged the Toll Collection Office to collect the tolls at the six new toll stations on its behalf for which it will pay a management fee;
- the Company is to receive the actual tolls collected from the six new stations for the corresponding period/year, subject to minimum toll fee for each period/year based on the forecast traffic flow and tolls for the corresponding period/year as stipulated in a traffic flow and tolls forecast report for the six new toll stations issued by a professional consulting company in July 2003; and
- any shortfall to the Company between actual and the agreed minimum will be compensated to the Company by the Toll Collection Office.



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## 2 主要會計政策

編製本綜合財務報表採用的主要會計政策載於下文。除在本章節另有說明外，此等政策在所呈報的所有年度內貫徹應用。

### 2.1 編製基準

本集團的綜合財務報表是根據香港財務報告準則（「財務準則」）編製。綜合財務報表已按照歷史成本法編製，並就可供出售財務資產和按公平值透過損益列賬的財務資產和財務負債均按公平值列賬而作出修訂。

編製符合財務準則的財務報表需要使用若干關鍵會計估算。這亦需要管理層在應用本公司會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇，或涉及對綜合財務報表屬重大假設和估算的範疇，在附註4中披露。

#### (a) 持續經營假設

截至2005年12月31日止，本集團及本公司的流動負債超過其流動資產分別約為人民幣1.66億元及人民幣3.06億元。

董事會相信本集團及本公司已經獲取的未使用銀行授信額度以及集團之關係銀行的持續支持已足夠支持本集團及本公司償還到期債務，如有必要。因此本集團及本公司仍以持續經營假設為基礎編製本年度的財務報表。

## 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, other than discussed in this section.

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). The consolidated financial statements have been prepared under the historical cost convention, as modified by available-for-sale financial assets, financial assets and financial liabilities at fair value through income statement.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

#### (a) Going concern

As at 31 December 2005, the Group and the Company’s current liabilities exceeded their current assets by approximately Rmb166 million and Rmb306 million respectively.

Despite the foregoing, these financial statements have been prepared on a going concern basis, because the Directors of the Company believe that the undrawn bank facilities together with the continuing support of the Group’s bankers are sufficient for the Group and the Company to meet their respective liabilities as and when they fall due.

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2 主要會計政策 (續)

2.1 編製基準 (續)

(b) 採納新訂／經修訂準則

本集團已採納下列與其業務相關的新訂／經修訂準則及詮釋。2004年的比較數字已按有關之規定作出修訂。

香港會計準則 1	財務報表之呈報
香港會計準則 2	存貨
香港會計準則 7	現金流量表
香港會計準則 8	會計政策、會計估算更改及錯誤更正
香港會計準則 10	結算日後事項
香港會計準則 11	建設合同
香港會計準則 12	所得稅
香港會計準則 14	分部報告
香港會計準則 16	物業、機器及設備
香港會計準則 17	租賃
香港會計準則 18	收入
香港會計準則 21	匯率變更之影響
香港會計準則 23	借貸成本
香港會計準則 24	關聯方披露
香港會計準則 26	退休金計畫
香港會計準則 27	綜合及獨立財務報表
香港會計準則 32	金融工具：披露及呈報
香港會計準則 33	每股盈利
香港會計準則 36	資產減值
香港會計準則 38	無形資產
香港會計準則 39	金融工具：確認及計量
香港會計準則 40	投資物業 (附註 2.7)
香港財務準則 3	企業合併

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

(b) Adoption of new/revised accounting standards

The Group adopted the following new/revised standards and interpretation of HKFRS which are relevant to its operations. The 2004 comparatives have been restated as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 11	Construction Contracts
HKAS 12	Income Taxes
HKAS 14	Segment reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs
HKAS 24	Related Party Disclosures
HKAS 26	Accounting and Reporting by Retirement Benefit Plans
HKAS 27	Consolidated and Separate Financial Statements
HKAS 32	Financial Instruments: Disclosures and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 40	Investment Property (Note 2.7)
HKFRS 3	Business Combinations

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.1 編製基準 (續)

#### (b) 採納新訂／經修訂準則 (續)

採納新訂／經修訂香港會計準則2, 7, 8, 10, 11, 12, 14, 16, 18, 21, 23, 24, 26, 27, 33, 36, 38以及香港財務準則3並無導致本集團的會計政策出現重大變動。總括而言：

- 香港會計準則 2, 7, 8, 10, 11, 12, 14, 16, 18, 21, 23, 26, 27, 33, 36, 38, 以及香港財務準則 3 對本集團的政策並無重大影響。
- 香港會計準則 24 影響關聯方的確認和若干其他關聯方披露。

香港會計準則 1 財務報表之呈報：

香港會計準則 1 改變了對少數股東權益及其他事項之披露方式。資產負債表日之少數股東權益於綜合資產負債表內列於權益中，與母公司股權持有人應佔之權益分別列賬。少數股東應佔盈利亦須在本集團綜合損益表中單獨列示。已相應重列 2004 年之比較數字。

## 2. Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (b) Adoption of new/revised accounting standards (Continued)

The adoption of new / revised HKASs 2, 7, 8, 10, 11, 12, 14, 16, 18, 21, 23, 24, 26, 27, 33, 36, 38 and HKFRS 3 did not result in substantial changes to the Group's accounting policies. In summary:

- HKASs 2, 7, 8, 10, 11, 12, 14, 16, 18, 21, 23, 26, 27, 33, 36, 38 and HKFRS 3 had no material effect on the Group's policies.
- HKAS 24 has affected the identification of related parties and some other related-party disclosures.

HKAS 1 Presentation of financial statements:

HKAS 1 has affected the presentation of minority interests and other disclosures. Minority interests have been presented in the consolidated balance sheet within equity, separately from the parent shareholders' equity. Minority interests in the income statement of the Group have also been separately disclosed. The comparatives as at 31 December 2004 have been restated as appropriate.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.1 編製基準 (續)

#### (b) 採納新訂／經修訂準則 (續)

香港會計準則17租賃：  
採納修訂後之香港會計準則17後，土地使用權之會計政策變更為經營租賃。於以前年度，土地使用權系按照成本減累計攤銷及減值準備入賬。已相應重列2004年之比較數字。

對該香港會計準則17之追溯應用使本集團和公司未攤銷之土地使用權餘額人民幣5.96億元和5.92億元（2004年：人民幣5.79億元和5.75億元）分別從物業、機器及設備重分類至土地使用權，而對損益表並無影響。

## 2. Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (b) Adoption of new/revised accounting standards (Continued)

*HKAS 17 Leases:*

Adoption of revised HKAS 17 has resulted in a change in the accounting policy relating to land use rights now reclassified as operating leases. In prior years, land use rights were accounted for at cost less accumulated amortization and accumulated impairment. The 2004 comparatives have been amended as appropriate.

The retrospective application of HKAS 17 has resulted in a reclassification of unamortized lease premium for land from property, plant and equipment to land use right, amounting to Rmb596 million and Rmb592 million for the Group and the Company respectively (2004: Rmb579 million and Rmb575 million). There was no impact on the income statement.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.1 編製基準 (續)

#### (b) 採納新訂／經修訂準則 (續)

香港會計準則 32 金融工具－披露及呈列及香港會計準則 39 金融工具－確認及計量：

香港會計準則 32 及香港會計準則 39 確立了金融工具披露及呈列確認及計量之準則。在該等準則下，衍生金融工具按照公平值列賬。

- (i) 對香港會計準則 32 之採納改變了金融工具披露的會計政策。香港會計準則 32 規定複合金融工具（含金融債務及權益兩種成分）的發行人，應在複合金融工具初始計量時將債務及權益分開確認及列賬。而在其後的會計期內，採用實際利率法對債務進行攤銷並按攤銷後的成本列賬。

該項會計政策變更主要影響集團發行之含債務和權益的可轉換債券。於以前年度，可轉換債券作為負債於綜合資產負債表列示。鑒於該準則要求回溯應用，2004 年末本集團的本公司權益持有人應佔權益及本公司的總權益的比較數字已分別重新編列。

## 2. Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (b) Adoption of new/revised accounting standards (Continued)

HKAS 32 Financial instruments-disclosure and presentation and HKAS 39 Financial instruments-recognition and measurement:

HKAS 32 and HKAS 39 establish principles for disclosure, presentation, recognition and measurement of financial instruments.

- (i) Adoption of HKAS 32 has resulted in change in accounting policy for disclosure of financial instruments. HKAS 32 requires an issuer of a compound financial instrument (that contains both financial liability and equity components) to separate the compound financial instrument into its liability and equity components on its initial recognition and to account for these components separately. In subsequent periods, the liability component is carried at amortized cost using the effective interest method.

Because HKAS 32 requires retrospective application, comparative figures have been restated.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.1 編製基準 (續)

#### (b) 採納新訂／經修訂準則 (續)

- (ii) 香港會計準則 39 金融工具－確認及計量：列示於非流動資產的非上市投資被管理層重新指定為股權證券。股權證券以公平價值入賬，公平價值變動則視作投資重估儲備變動處理。

香港會計準則 39 要求採用未來適用法，故 2004 年之比較數位未作出重新編列。

香港會計準則 32 及香港會計準則 39 之採納對綜合財務報表產生之影響已在綜合權益變動表中披露。

## 2. Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### (b) Adoption of new/revised accounting standards (Continued)

- (ii) In accordance with provisions of HKAS 39, the Group's other unlisted investments, included under non-current assets, are classified as equity securities. Unlisted equity securities which are available for sale are carried at fair value and changes in fair values are dealt with as movements in the investment revaluation reserve, if any. It has also resulted in the recognition of derivative financial instruments at fair value.

HKAS 39 requires prospective application therefore the 2004 comparatives have not been restated.

The principal impact of HKAS 32 and HKAS 39 on the Group is in relation to convertible bonds issued by the Company. Previously, convertible loan notes were classified as liabilities on the balance sheet. The effect of adopting HKAS 32 and HKAS 39 in respect of the Company's convertible notes is set out in the consolidated statement of changes in equity.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.1 編製基準 (續)

(c) 已頒佈但尚未生效的準則、詮釋及修訂

本集團並無提早採納以下與本集團有關且於二零零六年一月一日或較後期間開始的會計期間生效的新訂準則、現有準則之修訂及詮釋：

由二零零六年一月一日起生效：

香港會計準則 19 (經修訂)	僱員福利
香港會計準則 39 (經修訂)	預測集團內公司間現金流量對沖會計；選擇以公平值入賬
香港會計準則 39 及香港財務 報告準則 4 (經修訂)	財務保證合約
香港財務報告準則 一詮釋 4	釐定一項安排是否包含租賃

由二零零七年一月一日起生效：

香港財務報告準則 7 及香港會計 準則 1 修訂	金融工具：披露、及香港會計準則 1 之補充修訂，財務報表之呈列－資本披露
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本集團已開始評估該等新準則、詮釋及修訂之影響，惟尚未能釐定該等新準則、詮釋及修訂對本集團營運業績及財務狀況是否有重大影響。

## 2. Summary of significant accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

(c) Standards, interpretations and amendments to published standards that are not yet effective

Following are the new standards, amendments and interpretations to existing standards for accounting periods beginning on or after 1 January 2006 or later periods which are relevant to the Group but the Group has not early adopted:

Effective from 1 January 2006:

HKAS 19 (Amendment)	Employee benefits
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast Intragroup transactions; The fair value option
HKAS 39 and HKFRS 4 (Amendment)	Financial guarantee contracts
HKFRS-Int 4	Determining whether an arrangement contains a lease

Effective from 1 January 2007:

HKFRS 7 and Amendment to HKAS 1	Financial instruments: disclosures, and a complementary Amendment to HKAS 1, Presentation of financial statements- Capital disclosures
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The Group has already commenced an assessment of the impact of these new standards, interpretations and amendments but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.2 綜合賬目

綜合賬目包括本公司及各附屬公司截至12月31日止之賬目。

附屬公司指本公司直接或間接控制董事會的組成，控制過半數投票權或持有過半數已發行股本的實體。

在年內購入或售出之附屬公司，其業績由收購生效日起計或計至出售生效日止列入綜合損益賬內。

集團內公司之間的交易及交易的結餘予以對銷。

會計收購法乃用作本集團收購附屬公司的入賬方法。收購的成本根據於交易日期所給予資產，所發行的股本工具及所產生或承擔的負債的公平值計算，另加該收購直接應佔的成本。在企業合併中所收購可識別的資產以及所承擔的負債及或然負債。首先以彼等於收購日期的公平值計量，而不論任何少數股東權益的數額。收購成本超過本集團應佔所收購可識別資產淨值公平值的數額記錄為商譽。若收購成本低於所購入附屬公司資產淨值的公平值，該差額直接在損益表確認。

## 2. Summary of significant accounting policies (Continued)

### 2.2 Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries made up to 31 December.

Subsidiaries are those entities in which the Group controls the composition of the board of Directors, controls more than half the voting power or holds more than half of the issued share capital.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.2 綜合賬目 (續)

在本公司之資產負債表內，於附屬公司之投資按成本值扣除減值虧損準備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

### 2.3 分部報告

業務分部指從事提供產品或服務的一組資產和業務，而產品或服務的風險和回報與其他業務分部的不同。地區分部指在某個特定經濟環境中從事提供產品或服務，其產品或服務的風險和回報與在其他經濟環境中營運的分部的不同。

### 2.4 外幣匯兌

#### (a) 功能和列賬貨幣

本集團每個實體的財務報表所列專案均以該實體營運所在的主要經濟環境的貨幣計量（「功能貨幣」）。綜合財務報表以人民幣呈報，人民幣為本公司及主要附屬公司的功能及列賬貨幣。

#### (b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣。結算此等交易產生的滙兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的滙兌盈虧在損益表確認。

## 2. Summary of significant accounting policies (Continued)

### 2.2 Consolidation (Continued)

In the Company's balance sheet, investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

### 2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

### 2.4 Translation of foreign currencies

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Renminbi ("Rmb"), which is the Company's functional and presentation currency and also that of its principal subsidiaries.

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.5 物業、機器及設備

物業、機器及設備是按成本減累計折舊／攤銷及累計減值虧損列賬。

道路的折舊是按照交通流量法計提。根據此種方法，折舊乃按有關期間的預計交通流量佔該道路獲授經營權利30年期間的預計交通總流量的比例撇減成本及累計減值虧損計算。

房屋及建築物的折舊是根據有關租賃期或其預計的可使用期限(以較短者為準)按直線法撇減成本減累計減值虧損計算。折舊所採納的期限介乎10至50年不等。

其他物業、機器及設備以直線法按其成本減去預計殘值及累計減值虧損後在預計可使用年限內計提折舊。預計可使用期限如下：

機器設備	10至20年
運輸車輛及其他	5至15年

資產的剩餘價值及可使用年期在每個結算日進行檢討，及在適當時調整。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額。

## 2. Summary of significant accounting policies (Continued)

### 2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation/amortisation and accumulated impairment losses, if any.

Depreciation of the road in relation to the tolls business is calculated to write off their cost, less accumulated impairment losses, if any, on a units-of-usage basis whereby the depreciation is provided based on the share of projected traffic volume for a particular period over the projected total traffic volume throughout the period of 30 years for which the right to operate the toll station is granted.

Depreciation of leasehold buildings and structures is calculated to write-off their cost less accumulated impairment losses, if any, on a straight-line basis over the unexpired periods of the leases, the unexpired periods of the rights to operate the road toll stations or their expected useful lives, whichever is shorter. The periods adopted for depreciation range from 10 to 50 years.

Other property, plant and equipment are depreciated at rates sufficient to write-off the cost less accumulated impairment losses, if any, of the assets and less estimated residual value, over their estimated useful lives on a straight-line basis. The estimated useful lives are as follows:

Machinery and equipment	10-20 years
Motor vehicles and others	5-15 years

The assets' carrying value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.5 物業、機器及設備 (續)

在建工程指正在興建中或安裝中的物業、機器及設備並按成本列賬。成本的計價包括購置或興建物業、機器及設備的所有直接成本，還包括在達到預定可使用狀態之前為在建工程項目專門借款並實際用於該項目所發生的借款費用。在建工程在達到預定可使用狀態時轉入物業、機器及設備。

恢復物業、機器及設備至其正常運作能力所產生的主要費用計入損益表中。改善物業、機器及設備的有關開支則被資本化，並按其對本集團的估計可使用期限攤銷。

在每年結算日，均須研究內外資訊以評估物業、機器及設備是否出現減值。如有跡象顯示資產出現減值，則估計資產之可收回價值，及(如適用)將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬。

出售物業、機器及設備的收入或虧損是指銷售所得款項淨額與有關資產的賬面值之間的差額，並於損益表入賬。任何應記入有關資產的重估儲備結餘將轉撥往保留盈餘，並列作儲備變動。

維修及保養費用在發生時計入損益表。

## 2. Summary of significant accounting policies (Continued)

### 2.5 Property, plant and equipment (Continued)

Construction in progress represents property, plant and equipment under construction or installation and is stated at cost. Cost comprises all direct costs of acquisition or construction of buildings and plant and machinery as well as interest expenses on the related funds borrowed during the construction, installation and testing periods prior to the commissioning date. Construction in progress is transferred to property, plant and equipment upon completion.

Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the income statement. The expenses relating to improvements of property, plant and equipment are capitalised and amortised over their expected useful lives to the Group.

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that the property, plant and equipment are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the income statement.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement. Any revaluation reserve balance being attributable to the relevant asset is transferred to retained earnings and is shown as a movement in reserves.

Repair and maintenance expenses are charged to the income statement as incurred.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.6 土地使用權

土地使用權是按成本減累計攤銷及累計減值虧損列賬。

土地使用權的攤銷(不包括與道路及收費站業務有關的土地使用權的攤銷)是按照土地使用權50年期以直線法撇減成本減累計減值虧損計算。

有關道路及收費站業務的土地使用權攤銷是按照交通流量法撇減成本減累計減值虧損計算。根據此種方法，攤銷乃按有關期間的預計交通流量佔該道路獲授經營權利30年期間的預計交通總流量的比例計提。

### 2.7 投資物業

投資物業系本集團為獲取長期租金收益而持有，且並非由集團內公司佔用的物業。

投資物業是按成本減去累計折舊及累計減值虧損列賬。投資物業的折舊是按照預計可使用年限40年以直線法撇減成本減累計減值虧損計算。

### 2.8 資產減值

減值虧損按資產之賬面值超出其可收回金額之差額於損益表內確認。可收回金額以資產之公平值扣除銷售成本或使用價值兩者之較高者為準。於評估減值時，資產將按可識辨現金流量(現金產生單位)的最低層次組合。

## 2. Summary of significant accounting policies (Continued)

### 2.6 Land use rights

Land use rights are recorded at cost and presented net of accumulated amortization and impairment provision.

Amortisation of land use rights, other than those in relation to tolls business, is calculated to write-off their cost less accumulated impairment losses, if any, on a straight line basis over the period of land use rights of 50 years.

Amortisation of land use rights in relation to the tolls business is calculated to write off their cost, less accumulated impairment losses, if any, on a units-of-usage basis whereby the amortisation is provided based on the share of projected traffic volume for a particular period over the projected total traffic volume throughout the period of 30 years for which the right to operate the road is granted.

### 2.7 Investment property

Property that is held for long-term rental yields and that is not occupied by any of the companies within the Group, is classified as investment property.

Investment property is stated at cost less accumulated depreciation and impairment. Depreciation of investment property is calculated to write-off that cost, less accumulated impairment losses, if any, on a straight-line basis over estimated useful lives of 40 years.

### 2.8 Impairment of assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.9 投資

由 2004 年 1 月 1 日至 2004 年 12 月 31 日：

本集團將其證券的投資分類為投資證券。

此乃對非上市證券的長期投資，並按成本減減值撥備入賬。個別投資之賬面值在各結算日進行評估，以評估其公平值是否已下跌至低於其賬面值。假如下跌並非短期性，則有關投資的賬面值須減至其公平值。所削減金額在損益表中列支。

由 2005 年 1 月 1 日至 2005 年 12 月 31 日：

本集團將其投資分類如下：

- **貸款及應收款**

貸款及應收款為有固定或可釐定付款且沒有在活躍市場上報價的非衍生財務資產。此等款項包括在流動資產內，但到期日由結算日起計超過 12 個月者，則分類為非流動資產。

## 2. Summary of significant accounting policies (Continued)

### 2.9 Investments

From 1 January 2004 to 31 December 2004:

The Group classified its investments in securities as investment securities

These represent long-term investments in unlisted securities which are stated at cost to the Group less provision for impairment losses. The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities will be reduced to the fair value. The amount of the reduction is recognized as an expense in the income statement.

From 1 January 2005 to 31 December 2005:

The Group classifies its financial assets in the following categories:

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.9 投資 (續)

- 可供出售財務資產

可供出售財務資產為非衍生工具，被指定為此類別或並無分類為任何其他類別。除非管理層有意在結算日後12個月內出售該項投資，否則此等資產列在非流動資產內。

投資的購入及出售在交易日確認—交易日指本集團承諾購入或出售該資產之日。投資初步按公平值加交易成本確認。當從投資收取現金流量的權利經已到期或經已轉讓，而本集團已將擁有權的所有風險和回報實際轉讓時，投資即終止確認。可供出售財務資產其後按公平值列賬。貸款及應收款利用實際利息法按攤銷成本列賬。

### 2.10 存貨

存貨包括原材料、製成品及低值耗品。

原材料及製成品乃按成本及可變現淨值兩者的較低者列賬。低值耗品按成本減陳舊庫存準備列賬。

成本值按加權平均法核算。製成品成本包括原材料、直接人工及按正常生產能力下適當比例分攤的所有間接生產費用。存貨跌價準備一般按單個存貨專案成本高於其可變現淨值的差額計提。可變現淨值為預計銷售價，減估計分銷費用。

## 2. Summary of significant accounting policies (Continued)

### 2.9 Investments (Continued)

- Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose the investment within 12 months after the balance sheet date.

Regular purchases and sales of investments are recognized on trade-date - the date on which the Group commits to purchase or sell the assets. Investments are initially recognized at fair value plus transaction costs. Investments are derecognized when the rights to receive cash flows from investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale assets are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

### 2.10 Inventories

Inventories comprise raw materials, finished goods and other consumables.

Raw materials and finished goods are stated at the lower of cost and net realisable value whilst other consumables are stated at cost less provision for obsolescence.

Cost is determined on the weighted average basis. The cost of finished goods comprise raw materials, direct labour and an allocation of all production overhead expenditures incurred based on normal operating capacity. Provisions for declines in the values of inventories are determined on item-by-item basis when the carrying value of the inventories is higher than their net realisable value. Net realisable value is determined on the basis of anticipated sales proceeds less estimated distribution and selling expenses.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.11 貿易及其他應收款

貿易及其他應收款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收款的原有條款收回所有款項時，即就貿易及其他應收款設定減值撥備。撥備金額為資產賬面值與按實際利率貼現的估計未來現金流量的現值兩者的差額。撥備金額在損益表確認。

### 2.12 現金及現金等價物

現金及現金等價物包括現金、銀行通知存款、原到期日為三個月或以下的其他短期高流動性投資，以及銀行透支。銀行透支在資產負債表的流動負債內貸款列示。

### 2.13 貸款

貸款初步按公平值並扣除產生的交易成本確認。交易成本為取得、發行或出售某項財務資產或財務負債直接所佔的新增成本，包括支付予代理人、顧問、經紀和交易商的費用和佣金、監管機關及證券交易所的徵費，以及過戶和印花稅。貸款其後按攤銷成本列賬；所得款(扣除交易成本)與贖回價值的任何差額利用實際利息法於貸款期間內在損益表確認。

除非本集團有無條件權利將負債的結算遞延至結算日後最少 12 個月，否則貸款分類為流動負債。

## 2. Summary of significant accounting policies (Continued)

### 2.11 Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Provision is made against accounts receivable to the extent that they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

### 2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

### 2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

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(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.14 遞延所得稅

遞延所得稅採用負債法就資產和負債之稅基與他們在財務報表之賬面值兩者之差產生的暫時差異全數撥備。遞延稅項採用在結算日前已頒佈或實質頒佈之稅率而釐定。

遞延所得稅資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

遞延稅項就附屬公司產生之暫時差異而撥備，但假若可以控制暫時差異之撥回時間，而暫時差異在可預見未來有可能不會撥回則除外。

當有法定可執行權利將現有稅項資產與稅項負債抵消，且遞延所得稅涉及同一權力機關，則可將遞延所得稅資產與負債互相抵消。

### 2.15 僱員福利

- 退休福利責任

本集團按月向中國各省市政府所組織的各類界定供款退休計畫供款。各省市政府承擔這些計畫中所有現在和未來退休職工的退休福利責任。此等計畫的供款於發生時作為費用支銷。

## 2. Summary of significant accounting policies (Continued)

### 2.14 Deferred income tax

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

### 2.15 Employee benefits

- Retirement benefit obligation

The Group contributes on a monthly basis to various defined contribution retirement benefit plans organized by relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefit obligation of all existing and future retired employees payable under these plans. Contributions to these plans are expensed as incurred.



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(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.15 僱員福利

- 住房公積金

本集團按工資總額的一定比例且在不超过規定上限的基礎上提取住房公積金，並向社會保障機構繳納，相應的支出計入當年成本或費用。

### 2.16 收入確認

污水處理服務收益於提供服務時確認。

污水處理廠建設費收入按照各污水處理廠建設期間的完工百分比確認。完工百分比根據中國境內符合資格之獨立測量師或工程師所發出之證書而定。

公路收費收入於從公路使用者實際收取及從徵收辦取得的任何補償時確認。

銷售產品收入在已將產品所有權上的主要風險和報酬轉移給購貨方，通常是指該產品已經發給客戶及所有權轉移時確認銷售收入的實現。

利息收入於計及尚未償還的本金額及適用的利率後，按時間比例基準確認。

## 2. Summary of significant accounting policies (Continued)

### 2.15 Employee benefits

- Housing fund

The Group provides housing fund based on certain percentage of the wages but restrict to the upper limit of the requirement. The housing fund is paid to government social security organization and the corresponding costs incurred are expensed and included in the cost of sales for the year.

### 2.16 Revenue recognition

Revenue from sewage water processing is recognised when services are rendered.

Revenue from sewage water processing plants construction services is calculated based on the percentage of completion during the construction period of the respective sewage water processing plants. The percentage of completion is determined with reference to the certification of qualified independent surveyors or engineers in the PRC.

Toll fee income is recognised on an actual collection from toll users and compensation from the Toll Collection Office, if any.

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 2 主要會計政策 (續)

### 2.17 借貸成本

凡直接與購置、興建或生產某項必須經過頗長時間籌備以作預定用途或出售之資產有關之借貸成本，均資本化為資產之部分成本。

所有其他借貸成本均於發生年度內在損益表中支銷。

### 2.18 營運租賃

如租賃擁有權的重大部份風險和回報由出租人保留，分類為營運租賃。根據營運租賃支付的款項於租賃期內以直線法在損益表支銷。

### 2.19 股息分派

向本公司股東分派的股息在股息獲本公司股東批准的期間內於本集團賬目內列為負債。

## 3. 財務風險因素

集團的業務活動中包含著匯率風險、信貸風險及現金流利率風險等一系列財務風險。

### (a) 風險因素

#### (i) 匯率風險

本集團的業務主要以人民幣結算，因此所承受的匯率風險相對較少。

## 2. Summary of significant accounting policies (Continued)

### 2.17 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that 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.

All other borrowing costs are charged to the income statement in the year in which they are incurred.

### 2.18 Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the lease periods.

### 2.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

## 3 Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of foreign exchange risk, credit risk and cash flow and fair value interest rate risk, etc.

### (a) Financial risk factors

#### (i) Foreign exchange risk

The Group mainly operates in the PRC with most of the transactions settled in Renminbi and does not have significant exposure to foreign exchange risk.

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### 3. 財務風險因素 (續)

#### (a) 風險因素 (續)

##### (ii) 信貸風險

本集團的信用風險主要由於其大部分收入來源於幾個與政府機構有關的客戶。貿易應收款的賬面值為本集團最大信用風險。大部分的貿易應收款為應收關聯方之提供服務收入，該關聯方為國有企業。本集團持續關注及評估客戶的財務狀況。

##### (iii) 現金流量及公平值利率風險

本集團並無大量含息資產，但有以固定和浮動利率取得之長短期銀行貸款。按固定利率取得的貸款令本集團承受公平值利率風險。

#### (b) 公平值估計

本集團之財務資產包括現金及銀行存款、貿易及其他應收款、保證金及預付款，集團之財務負債包括貿易應付款、短期貸款、其他應付款及預提費用，上述資產及負債由於均會在短期內到期，因此其賬面價值接近於其公平值。

集團之貸款賬面價值與其公平值接近。公平值是將未來的現金流以本公司董事預期在資產負債表日取得借款的利率折現得出。

### 3 Financial risk factors (Continued)

#### (a) Financial risk factors (Continued)

##### (ii) Credit risk

The Group is exposed to concentrated credit risk because most sales are to a small number of government bodies. The carrying amount of the trade receivables represents the Group's maximum exposure to credit risk. Majority of the Group's trade receivables relates to provision of services to a related party which is the government backed body. The Group performs ongoing credit evaluations of the customers' financial condition.

##### (iii) Cash flow and fair value interest rate risk

The Group has no significant interest-bearing assets but borrowed substantial amount of short-term and long-term loans from banks at fixed and floating rates. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

#### (b) Fair value estimation

The carrying amounts of the Group's financial assets including cash and bank, trade, other receivables, deposits and prepayments; and financial liabilities including trade payables, short-term borrowings, other payables and accruals, approximate their fair value due to their short maturities.

The carrying amounts of the Group's borrowings approximate their fair value. The fair value is estimated by discounted cash flows using a discount rate based upon the borrowing rate in which the Directors of the Company expect to be available to the Group at the balance sheet date.

(除非特別指明所有金額單位均為人民幣千元)  
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#### 4. 關鍵會計估算及判斷

估算和判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信為合理的對未來事件的預測。

本集團對未來作出估算和假設。所得的會計估算如其定義，很少會與其實際結果相同。很大機會導致下個財政年度的資產和負債的賬面值作出重大調整的估算和假設討論如下。

##### (a) 可轉換債券的性質

本公司會測試可轉換債券是否會在一年內贖回。按照附註 20(d)中所述的債券的基本條款，在某些情況下，公司有提前贖回，持有人擁有回售債券之權利。但是，公司並無提前贖回債券的意圖，也不希望持有人回售債券。

為了使債券不被回售，公司會關注股票價格並在必要時對轉股價格進行相應調整。因此，可以合理地認為公司在不打算贖回債券的情況下，債券在一年內不會被回售，所以公司認為可轉換債券是非流動性質的。

##### (b) 物業、機器及設備減值估計

本集團每年測試其物業、機器及設備是否存在本財務報告附註 2.5 所述的減值。於評估減值時，資產將按可識辨現金流量（現金產生單位）的最低層次組合。該種評估需要使用估計。

#### 4 Critical accounting estimate and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below.

##### (a) Nature of convertible bonds

The Company tests whether the convertible bonds will be redeemed within one year. In accordance with the principal terms of bonds detailed in Note 20(d), in particular circumstances, the Company has the option to redeem and the holder has the option to resell the bonds to the Company. However, the Company has no intention to redeem the bonds, nor does it want the holder to resell the bonds back either.

To ensure the bonds are not resold, the Company actively monitors the stock price and adjusts the conversion price as necessary. It is reasonably concluded that the bonds will not be resold within the year as long as the Company is willing to have the bonds outstanding; hence management estimates that the convertible bonds are non-current in nature.

##### (b) Estimated impairment of property, plant and equipment

The Group tests annually whether property, plant and equipment have suffered any impairment, in accordance with the accounting policy stated in financial statements Note 2.5. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

**4. 關鍵會計估算及判斷 (續)**

**(c) 金融工具的估值**

沒有在活躍市場上買賣的金融工具的價值利用估值技術釐定。本集團利用判斷選取多個方法，並主要根據在每個結算日當時市場情況作出假設。對於沒有在活躍市場上買賣的多項可供出售財務資產及負債，本集團利用貼現現金流量分析法。

對金融工具估值的主要假設如下：

	折現率(%)	到期日
可轉換債券	5.6	3.5 年
貸款	6.1	12 年

如果以上管理層用於計算的貼現率上升或下降 10%，則以上金融工具的賬面價值將下降或上升約如下所示：

可轉換債券－負債部分  
貸款

**4 Critical accounting estimate and judgements (Continued)**

**(c) Valuation of financial instruments**

The value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. The Group has used discounted cash flow analysis for various financial assets and liabilities that were not traded in active markets.

The key assumptions used for estimating the value of financial instruments are:

	Discount rate (%)	Maturity
Convertible bonds	5.6	3.5 years
Loans payable	6.1	12 years

If the above discount rate used in management's computation had been increased or decreased by 10%, the carrying amount of the above financial instruments would be approximately lower or higher as follows:

	人民幣百萬元 Rmb' million
Convertible bonds-liability component	6
Loans payable	6

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 5 營業額及分部資料

以下為按主要業務劃分的除營業稅後營業額及業績分析：

### (a) 本集團的營業額及其他收入分析

營業額 (附註 5(b))
其他收入，淨額
— 投資物業租金收入
— 利息收入
— 其他
總收入

### (b) 業務分部分析

營業額
污水處理及污水處理廠建設
道路及收費站 (註釋(i))
建築材料
中水處理
分部業績
污水處理及污水處理廠建設
道路及收費站
建築材料
中水處理
未分部
融資成本
除所得稅前盈利
所得稅
年度盈利

## 5. Revenue and segment information

An analysis of sales, stated net of business tax, and contributions to operating profit for the year by principal activities is as follows:

### (a) Analysis of the Group's turnover and other revenue

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
Turnover (Note 5(b))	580,495	713,737
Other gains, net		
- Rental income from investment property	7,552	—
- Interest income	8,843	6,466
- Others	716	(1,540)
	17,111	4,926
Total revenue	597,606	718,663

### (b) Business segment analysis

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
		經重列 Restated
Turnover		
Sewage water processing and construction of sewage plants	504,539	647,517
Tolls (note(i))	61,699	63,646
Construction materials	1,775	2,574
Water recycling	12,482	—
	580,495	713,737
Segment result		
Sewage water processing and construction of sewage plants	313,252	475,331
Tolls	44,941	44,057
Construction materials	(5,151)	(2,908)
Water recycling	(6,397)	—
Unallocated	7,552	—
	354,197	516,480
Finance costs	(94,216)	(50,515)
Profit before income tax	259,981	465,965
Income tax expense	(84,345)	(154,856)
Profit for the year	175,636	311,109

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

5 營業額及分部資料 (續)

(b) 業務分部分析 (續)

註釋：

- (i) 通行費收入人民幣6,100萬元為徵收協議規定的最低通行費收入 (附註1(c))，其中約人民幣400萬元為通行費徵收辦公室的補貼。
- (ii) 根據中國稅法，本集團的經營業務須繳納按經營收益5%計算的營業稅及按營業稅款10%計算的政府附加稅。截至2005年12月31日止年度的營業稅及政府附加稅為人民幣3,100萬元 (2004年：人民幣4,100萬元)，此金額已於計算本集團的營業額時從經營收入中扣除。

其他在損益表列賬的分部項目如下：

5. Revenue and segment information (Continued)

(b) Business segment analysis (Continued)

Notes:

- (i) The tolls income of Rmb61 million represents the minimum toll fee guaranteed under the Toll Collection Agreement (Note 1(c)), which includes about Rmb4 million compensation by the Toll Collection Office.
- (ii) Pursuant to the PRC tax rules, the Group is subject to PRC business tax levied at 5% of operating revenue and government surcharges levied at 10% of the amount of business tax. The business tax and government surcharges related to revenues derived from the Group during the year ended 31 December 2005 amounting to Rmb31 million (2004: Rmb41 million) and has been deducted from the operating revenue to arrive at the turnover of the Group.

Other segment items included in the income statement are as follows:

	截至12月31日止年度 Year ended 31 December	
	2005	2004 經重列 Restated
折舊	Depreciation:	
污水處理及污水處理廠建設	Sewage water processing and construction of sewage plants	40,427 33,006
道路及收費站	Tolls	3,453 5,632
建築材料	Construction materials	2,019 705
中水處理	Water recycling	7,280 —
未分部	Unallocated	2,272 —
	<u>55,451</u>	<u>39,343</u>
攤銷	Amortisation:	
污水處理及污水處理廠建設	Sewage water processing and construction of sewage plants	10,584 14,484
道路及收費站	Tolls	4,170 4,109
建築材料	Construction materials	85 —
未分部	Unallocated	602 —
	<u>15,441</u>	<u>18,593</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

5 營業額及分部資料 (續)

(b) 業務分部分析 (續)

於12月31日的分部資產和負債以及截至該日止年度的資本開支如下：

總資產  
污水處理及污水處理廠建設

道路及收費站  
建築材料  
中水處理  
未分部

總負債  
污水處理及污水處理廠建設

道路及收費站  
建築材料  
中水處理  
未分部

資本開支  
污水處理及污水處理廠建設

道路及收費站  
建築材料  
中水處理  
未分部

由於本集團所有的業務均在中國發生，故未編製分地區業績報告。

5. Revenue and segment information (Continued)

(b) Business segment analysis (Continued)

The segment assets and liabilities as at 31 December and capital expenditure for the year then ended are as follows:

	2005	2004 經重列 Restated
Total assets		
Sewage water processing and construction of sewage plants	3,723,959	4,125,092
Tolls	398,482	443,540
Construction materials	46,583	51,978
Water recycling	238,694	—
Unallocated	138,135	6,000
	<u>4,545,853</u>	<u>4,626,610</u>
Total liabilities		
Sewage water processing and construction of sewage plants	2,016,300	2,138,368
Tolls	7,948	109,034
Construction materials	9,815	17,385
Water recycling	155,170	—
Unallocated	26,127	20,550
	<u>2,215,360</u>	<u>2,285,337</u>
Capital expenditure		
Sewage water processing and construction of sewage plants	298,602	246,652
Tolls	—	13,822
Construction materials	12,375	30,398
Water recycling	4,794	—
Unallocated	121,009	—
	<u>436,780</u>	<u>290,872</u>

No geographical segment analysis is presented since all of the Group's operations are in the PRC.



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

6. 物業、機器及設備

(a) 集團

		土地使用權 Land use rights	道路 Road	房屋及 建築物 Buildings and structures (註釋(i)) (note (i))	廠房及 機器設備 Plant, machinery and equipment	運輸車輛 及其他 Motor vehicles and others	在建工程 Construction in progress (註釋(c)) (note (c))	合計 Total
成本	Cost							
於 2004 年 1 月 1 日 重分類 (附註 8)	At 1 January 2004 Reclassified (Note 8)	645,517 (645,517)	185,418 —	677,777 —	273,494 —	58,585 —	1,220,625 —	3,061,416 (645,517)
於 2004 年 1 月 1 日， 經重列	At 1 January 2004, as restated	—	185,418	677,777	273,494	58,585	1,220,625	2,415,899
增添	Additions		—	16,548	9,869	19,368	240,713	286,498
出售	Disposals		—	(7,284)	(5,523)	(2,101)	—	(14,908)
於 2004 年 12 月 31 日 重分類	At 31 December 2004 Reclassification		185,418 —	687,041 4,412	277,840 (21,879)	75,852 17,467	1,461,338 —	2,687,489 —
增添	Other additions		—	23,710	3,240	2,732	251,098	280,780
投資物業轉入 (附註 7)	Transferred from investment property (Note 7)		—	27,668	—	—	—	27,668
在建工程轉入	Transferred out from CIP		—	102,124	41,229	14,409	(157,762)	—
出售	Disposals		—	(2,022)	(5,742)	(1,658)	—	(9,422)
於 2005 年 12 月 31 日	At 31 December 2005		185,418	842,933	294,688	108,802	1,554,674	2,986,515
累計折舊及攤銷	Accumulated depreciation and amortisation							
於 2004 年 1 月 1 日 重分類 (附註 8)	At 1 January 2004 Reclassified (Note 8)	56,507 (56,507)	35,995 —	276,551 —	132,271 —	33,229 —	— —	534,553 (56,507)
於 2004 年 1 月 1 日， 經重列	At 1 January 2004, as restated	—	35,995	276,551	132,271	33,229	—	478,046
本年度折舊及攤銷 出售	Charge for the year Disposals		3,453 —	18,241 (3,403)	16,777 (4,883)	4,635 (1,877)	— —	43,106 (10,163)
於 2004 年 12 月 31 日	At 31 December 2004		39,448	291,389	144,165	35,987	—	510,989
本年度折舊及攤銷 出售	Charge for the year Disposals		3,453 —	22,492 (2,012)	14,521 (5,468)	12,713 (863)	— —	53,179 (8,343)
於 2005 年 12 月 31 日	At 31 December 2005		42,901	311,869	153,218	47,837	—	555,825
賬面淨值	Net book value							
於 2005 年 12 月 31 日	At 31 December 2005		142,517	531,064	141,470	60,965	1,554,674	2,430,690
於 2004 年 12 月 31 日	At 31 December 2004		145,970	395,652	133,675	39,865	1,461,338	2,176,500

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

6. 物業、機器及設備 (續)

(b) 公司

6. Property, plant and equipment (Continued)

(b) Company

		土地使用權 Land use rights	道路 Road	房屋及 建築物 Buildings and structures (註釋(i)) (note (i))	廠房及 機器設備 Plant, machinery and equipment	運輸車輛 及其他 Motor vehicles and others	在建工程 Construction in progress (註釋(c)) (note (c))	合計 Total
成本	Cost							
於2004年1月1日 重分類 (附註8)	At 1 January 2004 Reclassified (Note 8)	645,517 (645,517)	185,418 —	634,327 —	207,148 —	55,549 —	1,113,164 —	2,841,123 (645,517)
於2004年1月1日， 經重列	At 1 January 2004, as restated	—	185,418	634,327	207,148	55,549	1,113,164	2,195,606
增添	Additions		—	1,058	4,198	14,641	206,739	226,636
出售	Disposals		—	(7,284)	(5,523)	(2,101)	—	(14,908)
於2004年12月31日	At 31 December 2004		185,418	628,101	205,823	68,089	1,319,903	2,407,334
重分類	Other additions		—	—	1,544	696	178,133	180,373
投資物業轉入 (附註7)	Transferred from investment property (Note 7)		—	27,668	—	—	—	27,668
在建工程轉入	Transferred out from CIP		—	8,799	—	7,367	(16,166)	—
轉出至一家附屬公司	Transferred to a subsidiary		—	—	—	—	(6,591)	(6,591)
出售	Disposals		—	(2,022)	(5,742)	(1,666)	—	(9,430)
於2005年12月31日	At 31 December 2005		185,418	662,546	201,625	74,486	1,475,279	2,599,354
累計折舊及攤銷	Accumulated depreciation and amortisation							
於2004年1月1日 重分類 (附註8)	At 1 January 2004 Reclassified (Note 8)	56,507 (56,507)	35,995 —	276,549 —	132,272 —	32,640 —	— —	533,963 (56,507)
於2004年1月1日， 經重列	At 1 January 2005, as restated	—	35,995	276,549	132,272	32,640	—	477,456
本年度折舊及攤銷	Charge for the year		3,453	16,381	9,987	4,100	—	33,921
出售	Disposals		—	(3,403)	(4,883)	(1,877)	—	(10,163)
於2004年12月31日	At 31 December 2004		39,448	289,527	137,376	34,863	—	501,214
本年度折舊及攤銷	Charge for the year		3,453	16,918	9,358	5,830	—	35,559
出售	Disposals		—	(2,012)	(5,468)	(863)	—	(8,343)
於2005年12月31日	At 31 December 2005		42,901	304,433	141,266	39,830	—	528,430
賬面淨值	Net book value							
於2005年12月31日	At 31 December 2005		142,517	358,113	60,359	34,656	1,475,279	2,070,924
於2004年12月31日	At 31 December 2004		145,970	338,574	68,447	33,226	1,319,903	1,906,120

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 6. 物業、機器及設備 (續)

### (b) 公司 (續)

註釋：

- (i) 本集團的所有道路、房屋及建築物均位於中國境內，租期為 10 到 50 年。
- (ii) 折舊費用其中人民幣 45,710,000 元 (2004：人民幣 38,864,000 元) 在已售貨品成本中支銷，而人民幣 7,469,000 元 (2004 年：人民幣 4,236,000 元) 則計入行政費用中。
- (iii) 攤銷費用其中人民幣 14,610,000 元 (2004：人民幣 14,488,000 元) 在已售貨品成本中支銷，而人民幣 831,000 元 (2004 年：人民幣 4,105,000 元) 則計入行政費用中。

## 6. Property, plant and equipment (Continued)

### (b) Company (Continued)

Notes:

- (i) All of the Group's road, buildings and structures are located in the PRC and held under medium term leases of 10 to 50 years.
- (ii) Depreciation expense of Rmb45,710,000 (2004: Rmb38,864,000) has been included in cost of sales and Rmb7,469,000 (2004: Rmb4,236,000) in administrative costs.
- (iii) Amortisation expense of Rmb14,610,000 (2004: Rmb14,488,000) has been included in cost of sales and Rmb831,000 (2004: Rmb4,105,000) in administrative costs.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

6. 物業、機器及設備 (續)

(c) 在建工程

在建工程包括如下專案：

工程項目名稱		於 2005 年			於 2005 年	
		預算成本	1 月 1 日	本期增加	本期轉出	12 月 31 日
		Budget costs	As at 1 January 2005	Additions	Transferred out	As at 31 December 2005
天津境內污水處理廠建設工程：	Sewage water processing plants in Tianjin:					
- 咸陽路	- Xian Yang Lu	1,199,720	544,536	52,574	—	597,110
- 紀莊子	- Ji Zhuang Zi					
- 擴建工程	- New wing	1,054,722	634,477	39,635	—	674,112
- 改造工程	- Old wing	58,990	5,175	53,246	—	58,421
- 北倉	- Bei Cang	366,327	104,845	26,979	—	131,824
研發中心	Research and development center	16,546	6,525	1,613	(932)	7,206
員工宿舍樓項目	Staff dormitory	8,907	5,401	576	—	5,977
赤壁污水處理廠	Chibi Sewage water processing plant	23,000	6,591	—	(6,591)	—
其他	Others	—	12,353	3,510	(15,234)	629
合計—公司	Total -Company	2,728,212	1,319,903	178,133	(22,757)	1,475,279
紀莊子污水回用工程	Tianjin Water Recycling Project	138,348	138,348	161	(138,509)	—
污水處理廠建設工程：	Sewage water processing plants in:					
- 江蘇寶應	- Bao Ying, Jiangsu	93,400	—	47,982	—	47,982
其他	Others	—	3,087	31,413	(3,087)	31,413
合計—合併	Total -Group	2,959,960	1,461,338	257,689	(164,353)	1,554,674
其中：借款費用資本化金額	Including: Capitalised borrowing costs					
- 公司	-Company		38,231	35,254	—	73,485
- 合併 (附註 25)	-Group (Note 25)		43,543	35,254	(7,536)	71,261

全部天津的三家污水處理廠在 2006 年一季度已基本建設完成，在商業運營前還需要相關職能部門的竣工驗收。竣工驗收程序預計將會在接下來的 12 個月內完成。

根據建設收費協議中的相關條款 (附註 1(b))，排水公司會在污水處理廠運營後收取污水處理費。於 2006 年 3 月 20 日，本公司董事們提議污水處理費應在建設完成時開始收取而不是竣工驗收後的商業運營日。這個提議取決於本公司為此相關的臨時股東大會批准。

6. Property, plant and equipment (Continued)

(c) Construction in progress

Construction in progress comprise of following projects:

工程項目名稱		於 2005 年			於 2005 年	
		預算成本	1 月 1 日	本期增加	本期轉出	12 月 31 日
		Budget costs	As at 1 January 2005	Additions	Transferred out	As at 31 December 2005
天津境內污水處理廠建設工程：	Sewage water processing plants in Tianjin:					
- 咸陽路	- Xian Yang Lu	1,199,720	544,536	52,574	—	597,110
- 紀莊子	- Ji Zhuang Zi					
- 擴建工程	- New wing	1,054,722	634,477	39,635	—	674,112
- 改造工程	- Old wing	58,990	5,175	53,246	—	58,421
- 北倉	- Bei Cang	366,327	104,845	26,979	—	131,824
研發中心	Research and development center	16,546	6,525	1,613	(932)	7,206
員工宿舍樓項目	Staff dormitory	8,907	5,401	576	—	5,977
赤壁污水處理廠	Chibi Sewage water processing plant	23,000	6,591	—	(6,591)	—
其他	Others	—	12,353	3,510	(15,234)	629
合計—公司	Total -Company	2,728,212	1,319,903	178,133	(22,757)	1,475,279
紀莊子污水回用工程	Tianjin Water Recycling Project	138,348	138,348	161	(138,509)	—
污水處理廠建設工程：	Sewage water processing plants in:					
- 江蘇寶應	- Bao Ying, Jiangsu	93,400	—	47,982	—	47,982
其他	Others	—	3,087	31,413	(3,087)	31,413
合計—合併	Total -Group	2,959,960	1,461,338	257,689	(164,353)	1,554,674
其中：借款費用資本化金額	Including: Capitalised borrowing costs					
- 公司	-Company		38,231	35,254	—	73,485
- 合併 (附註 25)	-Group (Note 25)		43,543	35,254	(7,536)	71,261

All the three sewage water processing plants in Tianjin were substantially completed during the first quarter of 2006 and will be subject to inspection by relevant authorities before commencing commercial operations. The inspection process is expected to be completed within the next twelve months.

Under the terms of the Construction Agreement (Note 1(b)), the Company will collect the sewage water processing fees upon commencement of the plants' operations. On 20 March 2006, the Directors of the Company proposed that the sewage water processing fees be payable by TSC from the completion date of construction rather than the completion of inspection date. This proposal is pending approval by the Company's shareholders at the forthcoming Extraordinary General Meeting.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 7 投資物業

## 7 Investment property

		集團和公司 Group and Company
於 2005 年 1 月 1 日	As at 1 January 2005	—
由 2004 年預付款轉入 (附註 14)	Transferred from prepayments made in 2004 (Note 14)	115,411
本年新增付款額	Additional payment during the year	4,000
未付款項	Unsettled balance	36,589
		<hr/>
收購總價	Total purchase consideration	156,000
減去：	Less:	
重分類至物業、機器及設備 (附註 6)	Transferred to property, plant and equipment (Note 6)	(27,668)
重分類至土地使用權 (附註 8)	Transferred to land use rights (Note 8)	(32,649)
		<hr/>
		95,683
本年折舊	Depreciation for the year	(2,272)
		<hr/>
於 2005 年 12 月 31 日	As at 31 December 2005	93,411
		<hr/> <hr/>

投資物業為購置辦公樓中租賃給第三方的部分所佔之成本。根據獨立的資產評估機構的意見，本公司董事認為該投資物業的市場公平值近似於其在 2005 年 12 月 31 日的賬面價值。

該辦公樓的總價為人民幣 1.56 億元。截至 2005 年 12 月 31 日止，剩餘約人民幣 3,700 萬元的款項將於該辦公樓之產權轉讓給本公司後付清。

該產權轉讓手續正在辦理中。根據本公司法律顧問之意見，本公司董事確信最終能取得相關之產權而不會產生任何額外之重大成本。

Investment property represents the apportioned cost of the portion of the Group's office building located in the PRC leased to third parties. Based on the advice of an independent professional valuer, the Directors of the Company believe that the fair market value of the investment property closely approximates its net book value as at 31 December 2005.

The total price for the building has been agreed at Rmb156 million. The remaining amount due of about Rmb37 million as at 31 December 2005 will be settled when the ownership of the building is transferred to the Company.

Transfer of the ownership of the building to the Company is currently being processed. Based on the advice from the Group's legal counsel, the Directors of the Company believe that the title will be received in due course without additional significant cost to the Group, if any.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 8 土地使用權

本集團在土地使用權的權益指預付營運租賃款，按其賬面淨值分析如下：

	集團 Group	公司 Company
於2004年1月1日，如前呈列 重分類自物業、機器及設備（附註6） 成本 累計攤銷	As at 1 January 2004, as previously reported Reclassified from property, plant and equipment (Note 6): Cost Accumulated amortisation	— — 645,517 (56,507)
於2004年1月1日，經重列	As at 1 January 2004, as restated	589,010
本年增添 本年攤銷	Additions for the year Amortisation charge for the year	287 (14,605)
於2004年12月31日 由預付款轉入（附註7） 本年攤銷	As at 31 December 2004 Transferred from investment property (Note 7) Amortisation charge for the year	578,554 32,649 (15,441)
於2005年12月31日	As at 31 December 2005	574,692 32,649 (15,356) <u>595,762</u>

本集團的所有土地使用權均位於中國境內，租期為10到50年。

## 8 Land use rights

The Group's interests in land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

	集團 Group	公司 Company
As at 1 January 2004, as previously reported Reclassified from property, plant and equipment (Note 6): Cost Accumulated amortisation	— — 645,517 (56,507)	— — 645,517 (56,507)
As at 1 January 2004, as restated	589,010	589,010
Additions for the year Amortisation charge for the year	4,374 (14,830)	287 (14,605)
As at 31 December 2004 Transferred from investment property (Note 7) Amortisation charge for the year	578,554 32,649 (15,441)	574,692 32,649 (15,356)
As at 31 December 2005	<u>595,762</u>	<u>591,985</u>

All of the Group's land use rights are located in the PRC and held under medium term leases of 10 to 50 years.

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## 9 可供出售財務資產／非買賣證券

非上市之權益性投資：  
— 非買賣證券  
— 可供出售財務資產

Unquoted equity investments:  
- Non-trading securities  
- Available-for-sale financial assets

集團 Group		公司 Company	
2005	2004	2005	2004
—	6,000	—	4,000
6,000	—	4,000	—
<u>6,000</u>	<u>6,000</u>	<u>4,000</u>	<u>4,000</u>

投資證券為同系附屬公司之股份。於2005年採納香港會計準則32及香港會計準則39後，該等非買賣證券重分類至可供出售財務資產。

## 9 Available-for-sale financial assets/Non-trading securities

Investments in securities are investments in shares of fellow subsidiaries. Pursuant to the adoption of HKAS 32 and HKAS 39, these investments in securities were reclassified to available-for-sale financial assets in 2005.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 10 其他非流動資產

## 10 Other non-current assets

		集團 Group		公司 Company	
		2005	2004 經重列 Restated	2005	2004 經重列 Restated
成本值：	At cost:				
受限銀行存款（註釋(i)）	Restricted bank deposits (note (i))	47,000	20,000	47,000	20,000
阜陽項目預付款（註釋(ii)）	Prepayment for Fuyang project (note (ii))	40,802	—	—	—
其他	Others	7,173	—	—	—
		<u>94,975</u>	<u>20,000</u>	<u>47,000</u>	<u>20,000</u>

註釋：

Notes:

(i) 於2005年12月31日，受限銀行存款包括本公司存放於金融機構作為該機構為本公司提供可轉換債券擔保之保證金。

(i) These deposits represent collateral deposited with a financial institution as guarantee for the issuance of the Company's convertible bonds.

(ii) 根據2005年12月28日訂立的協議，於2005年12月31日的預付款項為支付予安徽省阜陽市建設委員會作為租用阜陽污水處理廠固定資產之款項。

(ii) Pursuant to the agreement dated 28 December 2005, prepayment for lease of fixed assets of Fuyang Sewage Water Processing Plant were paid to Fuyang Construction Committee as at 31 December 2005.

## 11 附屬公司投資－公司

## 11 Investments in subsidiaries- Company

		2005	2004
非上市投資	Unlisted investments	<u>450,380</u>	<u>139,500</u>

非上市投資變動如下：

The movement of unlisted investment is as follows:

		成本 Original cost
於2004年12月31日	31 December 2004	139,500
本年增加	Additions during the year	<u>310,880</u>
於2005年12月31日	31 December 2005	<u>450,380</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

11 附屬公司投資－公司 (續)

於 2005 年 12 月 31 日之附屬公司的資料如下，所有的附屬公司均為有限責任公司：

11 Investments in subsidiaries- Company (Continued)

Particulars of the subsidiaries as at 31 December 2005, all of which are limited liability companies, are as follows:

子公司名稱 Name of subsidiary	註冊成立地點 Place of incorporation	主要業務 Principal activities	註冊資本 Paid-up capital 人民幣 百萬元 (In Rmb million)	公司 投資成本 Investment 人民幣 百萬元 (In Rmb million)	所佔權益 Interest held (%)
貴州創業水務有限公司 Guizhou Capital Water Co., Ltd.	中國貴陽市 Guiyang, the PRC	市政污水處理廠設施開發 建設及相關污水處理 設施的諮詢 Development and construction of municipal sewage water plants	100	95	95
天津中水有限責任公司 (中水) (註釋(i)) Tianjin Water Recycling Co., ("TWRC") (note(i))	中國天津市 Tianjin, the PRC	中水生產、中水設施開發 建設及中水技術諮詢 Production of recycled water, equipment development and technical consulting for water recycling business.	100	98	98
天津創業建材有限公司 (創業建材) (註釋(ii)) Tianjin Capital New Materials Co., Ltd. ("TCNM") (note(ii))	中國天津市 Tianjin, the PRC	新型建築材料的製造、銷售 Manufacture of new types of construction materials	45	26	58
2005 年新成立：					
Established during 2005:					
赤壁創業水務有限公司 Chibi Capital Water Co., Ltd.	中國赤壁市 Chibi, The PRC	開辦期 Pre-operating	35	33	99.7
寶應創業水務有限公司 Baoying Capital Water Co., Ltd.	中國寶應市 Baoying, the PRC	開辦期 Pre-operating	38	27	70
阜陽創業水務有限公司 Fuyang Capital Water Co., Ltd.	中國阜陽市 Fuyang, the PRC	開辦期 Pre-operating	45	44	99.9
洪湖創業水務有限公司 Honghu Capital Water Co., Ltd.	中國洪湖市 Honghu, the PRC	開辦期 Pre-operating	20	18	90
曲靖創業水務有限公司 Qujing Capital Water Co., Ltd.	中國曲靖市 Qujing, the PRC	開辦期 Pre-operating	120	108	90
天津創業環保(香港)有限公司 Tianjin Capital Environmental Protection (HK) Co., Ltd.	香港 Hong Kong	開辦期 Pre-operating	每股 1 美元， 共計 7.8 百萬股 7.8 million ordinary shares of US\$ 1 each	1	100

註釋：

(i) 於 2005 年，本公司董事決定向中水增加投資人民幣 8,000 萬元。此次增資後，中水的註冊資本自 2005 年 8 月起增加為人民幣 1 億元，本公司所佔權益增加為 98%。

(ii) 於 2005 年 12 月 29 日，創業建材要求增資人民幣 800 萬元。本公司並未回應其增資要求，故其所佔股份比例由 71% 下降至 58%。

Notes:

(i) During 2005, the Directors of the Company resolved to increase its investment in TWRC by Rmb80 million. After this additional capital contribution, the registered capital of TWRC increased to Rmb100 million and the Company's equity interest increased to 98% from August 2005.

(ii) On 29 December 2005, TCNM made a further call for capital of Rmb8 million. As the Company did not take up its share of call, the Company's equity interest was diluted from 71% to 58%.



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 12 存貨

## 12. Inventories

		集團 Group		公司 Company	
		2005	2004	2005	2004
原材料	Raw materials	2,918	1,954	2,510	1,646
製成品	Finished goods	6,423	3,725	—	—
其他低值耗品	Other consumables	2,487	121	104	121
		<u>11,828</u>	<u>5,800</u>	<u>2,614</u>	<u>1,767</u>

截至 2005 年 12 月 31 日止年度，本公司並無存貨撇減（2004 年：無）。

As at 31 December 2005, no inventories were carried at net realisable value (2004: nil).

存貨成本中確認為費用及列入售出貨品成本的金額共計人民幣 1,400 萬元（2004 年：人民幣 800 萬元）。

The cost of inventories recognized as expense and included in cost of sales amounted to about Rmb14 million (2004: Rmb8 million).

## 13 貿易應收款

## 13. Trade receivables

貿易應收款明細如下：

Details of the trade receivables are as follows:

		集團 Group		公司 Company	
		2005	2004	2005	2004
應收排水公司：	Due from TSC for :				
— 污水處理收入（附註 1(a)）	- water processing services (Note 1(a))	45,544	133,541	45,544	133,541
— 污水處理廠建設費收入（附註 1(b)）	- construction of plants (Note 1(b))	466,185	238,484	466,185	238,484
		<u>511,729</u>	<u>372,025</u>	<u>511,729</u>	<u>372,025</u>
應收天津市車輛通行費徵收辦公室（附註 1(c)）	Due from Toll Collection Office (Note 1(c))	16,323	19,157	16,323	19,157
應收貴陽城管局	Due from GCAB	5,953	1,981	—	—
其他	Others	—	639	—	—
		<u>534,005</u>	<u>393,802</u>	<u>528,052</u>	<u>391,182</u>
減：非流動部分：	Less non-current portion:				
應收排水公司污水處理廠建設費	Due from TSC for construction of plants	(466,185)	—	(466,185)	—
流動部分	Current portion	<u>67,820</u>	<u>393,802</u>	<u>61,867</u>	<u>391,182</u>

所有長期貿易應收款於結算日起 5 年內到期。

All non-current receivables are due within five years from the balance sheet date.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

**13 貿易應收款 (續)**

本集團大部分銷售的信貸期限為30天。於2005年12月31日，貿易應收款的賬齡如下：

1 - 2年	One to two years
1年以內	Within one year

根據與排水公司簽署的合作協議，排水公司將於相關資產完工和驗收後轉讓予本公司(附註1(b))。在2006年4月17日，排水公司就還款作出保證，排水公司會自2005年底起兩年內用上述資產置換積欠本公司的建設費收入(最終協議尚需另定合約及經股東大會的批准)。截至2005年12月31日止，這些由本公司正在使用及管理的資產金額約為人民幣6.18億元。因此，董事們相信對排水公司的貿易應收款能夠全部收回。

根據還款計畫，應收建設費收入的餘額為人民幣4.66億元被重分類至長期貿易應收款。

**13. Trade receivables (Continued)**

The majority of the Group's sales have credit terms of 30 days. Trade receivables as at 31 December 2005 are aged as follows:

集團 Group		公司 Company	
2005	2004	2005	2004
—	13,318	—	13,318
67,820	380,484	61,867	377,864
<u>67,820</u>	<u>393,802</u>	<u>61,867</u>	<u>391,182</u>

Under the Co-operative Agreement, TSC would sell certain of its assets to the Company upon completion and verification (Note 1(b)). On 17 April 2006, TSC confirmed to the Company that it would pay all the construction fees owed to the Company using the above mentioned assets within two years from end 2005 (final agreement is subject to the Company's shareholders' approval). As at 31 December 2005, these assets, which are used and managed by the Company, amounted to about Rmb618 million. As such, the Directors believe that the amount due from TSC is fully recoverable.

Following the repayment plan, the carrying value of balance amounting to Rmb466 million representing construction fee income has been reclassified to trade receivables due after one year.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

#### 14 其他應收款及預付款項

#### 14. Other receivables and prepayments

		集團		公司	
		Group	2004	Company	2004
其他應收款	Other receivables	5,872	8,544	4,600	3,944
預付款項 (註釋(i))	Prepayments (note(i))	4,016	115,411	—	115,411
		<u>9,888</u>	<u>123,955</u>	<u>4,600</u>	<u>119,355</u>

註釋：

Notes:

(i) 於2004年12月31日預付款項餘額中含本公司預付給一物業發展商(附註7)購辦公樓款人民幣115百萬元。

(i) Prepayments as at 31 December 2004 included about Rmb115 million being the prepayment for the office building (Note 7).

(ii) 由於其他應收款和預付款項均會在短期內到期，故其賬面價值近似於公平值。

(ii) The carrying values of other receivables and prepayments approximate their fair values due to their short-term maturity.

#### 15 應收貸款

#### 15. Loan receivable

於2005年12月31日，金額為人民幣16百萬元(2004年：無)應收貸款為本公司貸予第三方的委託貸款，年利率為5%，於2006年3月23日到期。本委託貸款已於到期日全部收回。

Loan receivable as at 31 December 2005 of Rmb16 million (2004:nil) represents entrusted loan to a third party with interest rate about 5% per annum and maturity on 23 March 2006. This entrusted loan has been fully recovered on maturity.

由於應收貸款會在短期內到期，故賬面價值近似於公平值。

The carrying value of loan receivable approximates its fair value due to its short-term maturity.

#### 16 非銀行金融機構存款

#### 16. Deposit with a non-bank financial institution

於2004年12月31日，存放於獨立的國有非銀行金融機構的存款人民幣4億元，已於2005年全部收回。

Deposit of Rmb400 million as at 31 December 2004 in an independent state-owned non-banking financial institution was fully recovered during 2005.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

17 現金及銀行結餘

17. Cash and bank balances

		集團 Group		公司 Company	
		2005	2004	2005	2004
現金及銀行存款	Cash on hand and in bank	800,294	941,999	544,462	859,619
於其他非流動資產列示 的受限銀行存款 (附註 10)	Restricted bank deposits included in other non-current assets (Note 10)	(47,000)	(20,000)	(47,000)	(20,000)
		<u>753,294</u>	<u>921,999</u>	<u>497,462</u>	<u>839,619</u>
其中：	Included:				
污水處理廠建設專用 資金 (註釋(i))	Special funds for construction of sewage water processing plants (note (i))	281,742	129,145	266,329	128,887
受限銀行存款－流動部分	Restricted bank deposits-current	<u>9,182</u>	<u>3,332</u>	<u>9,000</u>	<u>3,332</u>

就現金流量表而言，現金及銀行結餘包  
括下列項目：

Cash and bank balances include the following for the purposes of the cash flow  
statement:

		集團 Group		公司 Company	
		2005	2004	2005	2004
現金及銀行結餘	Cash and bank balances	753,294	921,999	497,462	839,619
受限銀行存款－流動部分	Restricted bank deposits-current	(9,182)	(3,332)	(9,000)	(3,332)
		<u>744,112</u>	<u>918,667</u>	<u>488,462</u>	<u>836,287</u>

註釋：

Notes:

- (i) 專用資金為污水處理廠建設項目專有借款賬戶  
尚未使用的銀行存款餘額 (附註 1(b))。
- (ii) 所有銀行結餘及現金均為人民幣。人民幣與外  
幣之間的滙兌以及將外幣滙出中國境內均須符  
合中國政府對外滙所作的規定。
- (iii) 現金及在銀行結餘中約有人民幣 5.5 億元與國  
有銀行機構有關(2004年：人民幣8.77億元)。

- (i) The special funds represent the unutilised balances of the special loans for the sewage water  
processing projects (Note1(b)).
- (ii) All cash and bank balances of the Group are Renminbi deposits and cash. The conversion of  
these Renminbi denominated balances into foreign currencies and remittance out of the PRC is  
subject to the rules and regulation of foreign exchange controls promulgated by the PRC  
government.
- (iii) Out of the cash and bank balances, approximately Rmb550 million relates to state owned  
banking institutions (2004: Rmb877 million).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 18 股本

### 已發行及繳足股本

每股面值為人民幣 1 元之 A 股：

- 尚未流通股份
- 國家股
- 境內法人股

已流通股份

- 社會公眾股
- 可轉換債券轉股  
(附註 20(d))

每股面值為人民幣 1 元之 H 股：

- 已流通境外股份
- 社會公眾股

所有 A 股及 H 股在各方面均享有同等權益。

本公司 A 股股東於 2006 年 3 月 20 日批准了本公司控股股東（附註 33）提出的經修訂的股權分置改革方案。根據該股權分置改革方案，本公司控股股東會向本公司截止於 2006 年 3 月 8 日註冊的 A 股股東支付每 10 股 3.7 股的股份，總共要支付 41,866,631 股。股權分置改革後，本公司股本中控股股東所持有的股份從 63.05% 下降為了 59.91%。

本次股權分置改革後，除了支付給 A 股股東 41,866,631 的股份為非限制性流通股以外，其餘所有非流通股轉換為限制性流通股。此限制性系針對控股股東對其持有股份的出售行為，即控股股東在股權改制完成後三年內最多可出售其所持有股份的 10%。

## 18. Share capital

	股份數 千股 No. of shares (1000)	31 December 2005	31 December 2004
<b>Issued and fully paid up capital</b>			
A shares with par value of Rmb1:			
Non-circulating shares			
-State shares	839,020	839,020	839,020
-Legal person shares	38,485	38,485	38,485
	<u>877,505</u>	<u>877,505</u>	<u>877,505</u>
Circulating shares			
-Public shares	112,495	112,495	112,495
-Conversion of convertible bonds (Note 20)	658	658	—
	<u>113,153</u>	<u>113,153</u>	<u>112,495</u>
H shares with par value of Rmb1:			
Circulating shares outside China			
-Public shares	340,000	340,000	340,000
	<u>1,330,658</u>	<u>1,330,658</u>	<u>1,330,000</u>

All the A and H shares rank pari passu in all respects.

Subsequent to year end, on 20 March 2006, the revised stock reform plan proposed by the Company's controlling shareholder, TMICL (Note 33), was approved by the Company's shareholders of A shares. According to the revised stock reform plan, TMICL will pay to the Company's shareholders of A shares as registered as at 8 March 2006, 3.7 shares for each 10 shares held resulting in total payment of 41,866,631 shares. After the stock reform, TMICL's equity interest in the Company reduced from 63.05% to 59.91%.

After the Company's stock reform, all of the non-circulating shares were converted into restricted circulating shares except for the 41,866,631 shares paid to the Company's A share holders which became non-restricted circulating shares. Shares held by TMICL are restricted to the extent that, within 3 years after the stock reform, TMICL can only sell a maximum of 10% of its total shares.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 18 股本 (續)

### ADR

本公司於 2003 年 12 月 23 日已於紐約銀行 (作為託管銀行) 建立一級美國存托憑證計畫(ADR)。美國證券交易委員會已宣佈該美國存托憑證計畫之註冊說明書生效。該美國存托憑證計畫中之每份美國存托憑證相等於二十股本公司於香港聯合交易所有限公司上市的 H 股股份。該美國存托憑證計畫中之美國存托憑證將不會在美國的任何證券交易所上市，而只會在美國場外市場進行買賣。

於 2003 年起，本公司沒有且未來也不會在此種一級美國存托憑證計畫下發行新股。

## 18. Share capital (Continued)

### ADR:

The Company established a Sponsored Level I American Depositary Receipts (“ADR”) Program with The Bank of New York (as the Depositary Bank). The Securities and Exchange Commission of the United States declared that the registration statement of the ADR Program has become effective on 23 December 2003. Each ADR under the ADR Program shall represent 20 H shares of the Company listed on The Stock Exchange of Hong Kong Limited. Trading of the Company’s ADR, if issued, will only be made in the over-the counters markets in the United States.

Since 2003, the Company did not and will not issue any new shares under such ADR Program.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 19. 儲備

有關儲備的變動及調節列示如下：

## 19. Reserves

The reconciliation and movement of reserves are as follows:

	集團 Group	資本公積 Capital reserve	一般儲備 General reserve	可轉換 債券儲備 Convertible bonds reserve	保留盈餘 Retained earnings	合計 Total
2004年12月31日結餘 原先呈報	Balance at 1 January 2004, as previously reported	69,289	125,869	—	493,808	688,966
本年度盈利，如前呈報	Profit for the year, as previously reported	—	—	—	323,197	323,197
可轉換債券採用香港 會計準則32的影響	Effect of adopting HKAS 32 in respect of convertible bonds	—	—	—	(11,286)	(11,286)
本年利潤，經重列	Profit for the year, as restated	—	—	—	311,911	311,911
可轉換債券採用香港會計 準則32的影響 (附註2.1(b))	Effect of adopting HKAS 32 in respect of convertible bonds (Note 2.1(b))	—	—	100,215	—	100,215
利潤分配：	Profit appropriation:					
—提取法定盈餘公積金 (註釋ii)	- statutory common reserve (note (ii))	—	32,320	—	(32,320)	—
—提取法定公益金 (註釋ii)	- statutory provident fund (note (ii))	—	16,160	—	(16,160)	—
分派2003年股利	Dividend relating to 2003	—	—	—	(106,400)	(106,400)
2004年12月31日結餘 經重列	Balance at 31 December 2004, as restated	69,289	174,349	100,215	650,839	994,692
期初調整—可轉換債券 採用香港會計準則 39影響的(附註2.1(b))	Opening adjustment - effect of adopting HKAS 39 in respect of convertible bonds (Note 2.1(b))	—	—	—	(20,231)	(20,231)
2005年1月1日結餘經重列	Balance at 1 January 2005, as restated	69,289	174,349	100,215	630,608	974,461
本年利潤	Profit for the year	—	—	—	177,475	177,475
利潤分配：	Profit appropriation:					
—提取法定盈餘公積金 (註釋ii)	- statutory common reserve (note (ii))	—	17,581	—	(17,581)	—
—提取法定公益金 (註釋ii)	- statutory provident fund (note (ii))	—	8,791	—	(8,791)	—
分派2004年股利	Dividend relating to 2004	—	—	—	(133,000)	(133,000)
可轉換債券—回售部分 (附註20(d))	Convertible bonds - Redeemed (Note 20(d))	—	—	(74,126)	—	(74,126)
可轉換債券—轉換部分 (附註20(d))	Convertible bonds - Converted (Note 20(d))	3,343	—	—	—	3,343
一家附屬公司資本溢價 (註釋(iii))	Contributed surplus of a subsidiary (note (iii))	2,550	—	—	—	2,550
2005年12月31日結餘	Balance at 31 December 2005	75,182	200,721	26,089	648,711	950,703

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

19. 儲備 (續)

19. Reserves (Continued)

公司 Company	資本公積 Capital reserve	一般儲備 General reserve	可轉 換債券儲備 Convertible bonds reserve	保留盈餘 Retained earnings	合計 Total	
2004年1月1日 結餘原先呈報	Balance at 1 January 2004, as previously reported	69,289	125,869	—	499,365	694,523
本年利潤，經重列	Profit for the year, as restated	—	—	—	312,611	312,611
可轉換債券採用香港 會計準則 32 的影響 (附註 2.1(b))	Effect of adopting HKAS 32 in respect of convertible bonds (Note 2.1(b))	—	—	100,215	—	100,215
利潤分配：	Profit appropriation:					
— 提取法定盈餘公積金 (註釋 ii)	- statutory common reserve (note (ii))	—	32,320	—	(32,320)	—
— 提取法定公益金 (註釋 ii)	- statutory provident fund (note (ii))	—	16,160	—	(16,160)	—
分派 2003 年股利	Dividend relating to 2003	—	—	—	(106,400)	(106,400)
2004年12月31日結餘 經重列	Balance at 31 December 2004, as restated	69,289	174,349	100,215	657,096	1,000,949
期初調整—可轉換債券 採用香港會計準則 39 影響的 (附註 2.1(b))	Opening adjustment – effect of adopting HKAS 39 in respect of convertible bonds (Note 2.1(b))	—	—	—	(20,231)	(20,231)
2005年1月1日結餘 經重列	Balance at 1 January 2005, as restated	69,289	174,349	100,215	636,865	980,718
本年利潤	Profit for the year	—	—	—	187,067	187,067
利潤分配：	Profit appropriation:					
— 提取法定盈餘公積金 (註釋 ii)	- statutory common reserve (note (ii))	—	17,581	—	(17,581)	—
— 提取法定公益金 (註釋 ii)	- statutory provident fund (note (ii))	—	8,791	—	(8,791)	—
分派 2004 年股利	Dividend relating to 2004	—	—	—	(133,000)	(133,000)
可轉換債券—回售部分 (附註 20(d))	Convertible bonds – Redeemed (Note 20(d))	—	—	(74,126)	—	(74,126)
可轉換債券—轉換部分 (附註 20(d))	Convertible bonds – Converted (Note 20(d))	3,343	—	—	—	3,343
2005年12月31日結餘	Balance at 31 December 2005	72,632	200,721	26,089	664,560	964,002



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 19. 儲備 (續)

註釋：

- (i) 資本公積年末餘額為發行股份產生的股本溢價。資本公積可用於彌補以前年度虧損或增加股本。
- (ii) 一般儲備包含法定盈餘公積金和法定公益金。

根據本公司章程，應按中國會計制度計算的淨利潤的10%計提法定盈餘公積金（直至此項公積金結餘達註冊資本的50%為止），及淨利潤的5%至10%計提法定公益金。此等金額須在派發股息之前計提。

本公司董事會決定於2005年度按中國會計制度計算的淨利潤的10%及5%分別計提法定盈餘公積金人民幣17,581,000元（2004年：人民幣32,320,000元）和法定公益金人民幣8,791,000元（2004年：人民幣16,160,000元）。

- (iii) 資本溢價為一家附屬公司少數股東投資的固定資產評估值超過其所佔股份的部分。

## 19. Reserves (Continued)

Notes:

- (i) Capital reserve fund comprises share premium arising from the issuance of shares. Amounts in capital reserve fund can be utilised to offset prior years' losses or for issuance of bonus shares.
- (ii) The general reserve comprise the statutory common reserve and the statutory provident fund.

According to the Company's Articles of Association, it is required to transfer 10% and 5% of the net profit of the Company as shown in the accounts prepared under PRC accounting regulations to the statutory common reserve (until the reserve reaches 50% of the registered capital) and statutory provident fund, respectively. The transfers to these reserves must be made before the distribution of dividends to shareholders.

The Directors of the Company have proposed to transfer 10% and 5% of the net profit of the Company for 2005 prepared under PRC accounting regulations to the statutory common reserve of Rmb17,581,000 (2004: Rmb32,320,000) and to the statutory provident fund of Rmb8,791,000 (2004: Rmb16,160,000) respectively.

- (iii) The contributed surplus represents the excess of value of fixed assets contributed by the minority shareholder of a subsidiary over the par value of its share of the share capital.

## 20 貸款

## 20. Borrowings

		註釋 note	集團 Group	2004	公司 Company	2004
			2005		2005	
長期：	Long-term:					
銀行貸款	Bank borrowings	(a)	642,500	605,000	575,000	555,000
應付貸款	Loans payable	(c)	180,000	91,719	180,000	—
可轉換債券	Convertible bonds	(d)	362,623	1,036,124	362,623	1,036,124
			<u>1,185,123</u>	<u>1,732,843</u>	<u>1,117,623</u>	<u>1,591,124</u>
短期：	Short-term:					
短期銀行貸款	Short-term bank borrowings	(b)	595,000	115,000	590,000	100,000
長期銀行貸款一年內到期部分	Current portion of long-term bank borrowings	(a)	62,500	50,000	60,000	50,000
應付貸款	Loans payable	(c)	91,828	—	—	—
			<u>749,328</u>	<u>165,000</u>	<u>650,000</u>	<u>150,000</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

20 貸款 (續)

20. Borrowings (Continued)

(a) 長期貸款

(a) Long-term bank borrowings

		集團		公司	
		Group	2004	Company	2004
		2005	2004	2005	2004
貸款包括：	Borrowings from:				
國家開發銀行 (註釋(i))	State Development Bank (note (i))	585,000	555,000	585,000	555,000
中國光大銀行 (註釋(ii))	China Everbright Bank (note (ii))	100,000	100,000	50,000	50,000
中國建設銀行 (註釋(iii))	China Construction Bank (note (iii))	20,000	—	—	—
		<u>705,000</u>	<u>655,000</u>	<u>635,000</u>	<u>605,000</u>
減：已列入流動負債的 一年內到期金額	Less: Repayable within one year included under current liabilities	(62,500)	(50,000)	(60,000)	(50,000)
		<u>642,500</u>	<u>605,000</u>	<u>575,000</u>	<u>555,000</u>

這些貸款的具體還款期如下：

These borrowings mature as follows:

		集團		公司	
		Group	2004	Company	2004
		2005	2004	2005	2004
一年以內	Within one year	62,500	50,000	60,000	50,000
第二年在內	In the second year	136,500	60,000	134,000	60,000
第三年至第五年在內	In the third to fifth year	448,500	502,000	391,000	452,000
五年以後	After the fifth year	57,500	43,000	50,000	43,000
		<u>705,000</u>	<u>655,000</u>	<u>635,000</u>	<u>605,000</u>

註釋：

Notes:

(i) 該借款由天津市政局提供保證擔保並以其擁有業務中的部分收費權作為質押。該銀行貸款利率依據中國人民銀行頒佈的長期借款利率而變動，現時平均年利率為5.8%到6.1% (2004年：5.8%)。

(i) This borrowing is secured by TMEB guarantee together with certain of its fee collection rights, and bears interest according to the rates for long-term loans as promulgated by the People's Bank of China. The average prevailing interest rate is ranging from 5.8% to 6.1% (2004: 5.8%) per annum.

(ii) 該借款由排水公司提供污水處理費收費權作為質押以及由天津市政投資有限公司東提供保證擔保，年利率為5%到5.8% (2004年：5%到5.8%)。

(ii) This borrowing is secured by the TSC's right to receive sewage water processing fees together with TMICL guarantee and bears interest rate ranging from 5% to 5.8% (2004: 5% to 5.8%) per annum.

(iii) 該借款由天津創業環保股份有限公司提供保證擔保，利率為中國人民銀行長期借款利率，現時平均年利率為6% (2004：無)。

(iii) This borrowing is secured by the Company's guarantee and bears interest according to the rates for long-term loans as promulgated by the People's Bank of China. The average prevailing interest rate is 6% (2004: nil) per annum.

(iv) 所有長期貸款皆從國有銀行機構借入。

(iv) All long term borrowings are from state owned banking institutions.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

20 貸款 (續)

(b) 短期銀行貸款

		Group		Company		Interest Rate
		2005	2004	2005	2004	
貸款銀行：	Borrowings from:					
深圳發展銀行	Shenzhen Development Bank	100,000	—	100,000	—	5.6%
中信實業銀行	CITIC Industrial Bank	90,000	—	90,000	—	5%
中國民生銀行 (註釋(i))	China Minsheng Bank (note(i))	300,000	—	300,000	—	5%
上海浦東發展銀行	Shanghai Pudong Development Bank	100,000	100,000	100,000	100,000	5.6%
其他銀行 (註釋(ii))	Other banks(note (ii))	5,000	15,000	—	—	5.1%-6.4%
		<u>595,000</u>	<u>115,000</u>	<u>590,000</u>	<u>100,000</u>	

截至2005年12月31日止年度，由於以上貸款將於一年內到期或者其利率為活躍市場利率，故其賬面價值近似於公平值。

註釋：

- (i) 其中人民幣1億元由天津市政投資有限公司提供擔保。
- (ii) 由天津市政投資有限公司擔保。
- (iii) 短期銀行貸款中，只有中信實業銀行是屬於國有銀行機構。

20. Borrowings (Continued)

(b) Short-term bank borrowings

		Group		Company		Interest Rate
		2005	2004	2005	2004	
貸款銀行：	Borrowings from:					
深圳發展銀行	Shenzhen Development Bank	100,000	—	100,000	—	5.6%
中信實業銀行	CITIC Industrial Bank	90,000	—	90,000	—	5%
中國民生銀行 (註釋(i))	China Minsheng Bank (note(i))	300,000	—	300,000	—	5%
上海浦東發展銀行	Shanghai Pudong Development Bank	100,000	100,000	100,000	100,000	5.6%
其他銀行 (註釋(ii))	Other banks(note (ii))	5,000	15,000	—	—	5.1%-6.4%
		<u>595,000</u>	<u>115,000</u>	<u>590,000</u>	<u>100,000</u>	

The carrying amounts of all borrowings approximate their fair values as at 31 December 2005 either due to their short-term maturity or because they bear interest of prevailing market rates throughout their maturity period.

Notes:

- (i) Including Rmb100 million guaranteed by TMICL.
- (ii) Guaranteed by TMICL.
- (iii) Of the short term borrowings, only CITIC Industrial Bank is a state owned banking institution.

(c) 應付貸款

		集團 Group		公司 Company	
		2005	2004	2005	2004
長期應付：	Long-term Due to:				
- 天津市政局 (註釋(i))	-TMEB (note(i))	180,000	81,106	180,000	—
- 天津市政府部門 (註釋(iii))	-Tianjin Municipal Government (note(iii))	—	10,613	—	—
成本	At cost	<u>180,000</u>	<u>91,719</u>	<u>180,000</u>	<u>—</u>
短期應付：	Short-term Due to:				
- 天津市政局 (註釋(ii))	-TMEB (note(ii))	81,215	—	—	—
- 天津市政府 (註釋(iii))	-Tianjin Municipal Government (note(iii))	10,613	—	—	—
		<u>91,828</u>	<u>—</u>	<u>—</u>	<u>—</u>

應付貸款的公平值近似於其賬面價值。

(c) Loans payable

		集團 Group		公司 Company	
		2005	2004	2005	2004
長期應付：	Long-term Due to:				
- 天津市政局 (註釋(i))	-TMEB (note(i))	180,000	81,106	180,000	—
- 天津市政府部門 (註釋(iii))	-Tianjin Municipal Government (note(iii))	—	10,613	—	—
成本	At cost	<u>180,000</u>	<u>91,719</u>	<u>180,000</u>	<u>—</u>
短期應付：	Short-term Due to:				
- 天津市政局 (註釋(ii))	-TMEB (note(ii))	81,215	—	—	—
- 天津市政府 (註釋(iii))	-Tianjin Municipal Government (note(iii))	10,613	—	—	—
		<u>91,828</u>	<u>—</u>	<u>—</u>	<u>—</u>

The fair values of the loans payable are approximate to the book values.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

20 貸款 (續)

(c) 應付貸款 (續)

註釋：

- (i) 2005年從天津市政局取得之人民幣1.8億元為污水處理廠建設專項資金。本資金從2005年起分12年均衡償付。貸款利率前6年為5%，從第7年起利率為一年期存款利率加0.3%。
- (ii) 在從天津市政局取得的全部貸款中，人民幣8,100萬元（2004年：人民幣8,100萬元）的用途及條款同如下註釋(iii)所示。
- (iii) 人民幣1,100萬元（2004年：人民幣1,100萬元）為該子公司從天津市政府部門獲得，用於本集團中水廠建設。該貸款不計息，具體還款日期和方法在中水廠完成後與貸款方商議，商議尚在進行中。
- (iv) 以上在註釋(ii)和(iii)中列示的人民幣8,100萬元和人民幣1,100萬元貸款的還款計畫尚在與貸款方商討中。因還款期限尚未確定，這些貸款被分類至流動負債。

20. Borrowings (Continued)

(c) Loans payable: (Continued)

Notes:

- (i) The Rmb180 million from TMEB taken during 2005 is specifically for construction of sewage water processing plants. The loan is repayable in equal instalments over twelve years from 2005. The loan bears interest at 5% per annum for the first six years. From the seventh year to maturity, the interest will be based on the one-year deposit plus 0.3% premium.
- (ii) Of the total amount loaned by TMEB, Rmb81 million (2004: 81 million) is specifically for the same purpose and under same terms as loan stated in note (iii) below.
- (iii) The Rmb11 million (2004: Rmb11 million) loaned by a Tianjin Municipal Government body was for the construction of the Group's water recycling plant. The loan is interest free and the method and date of repayment which is supposed to be determined after the completion of the said plant has yet to be finalised.
- (iv) The repayment scheme for the Rmb81 million and Rmb11 million loans mentioned in (ii) and (iii) above is still being negotiated. As the terms are uncertain, these loans have been classified as current liabilities.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 20 貸款

### (d) 應付可轉換債券

可轉換債券－負債部分

債券張數 (千計)

本公司於2004年7月1日公開發行1200萬張A股可轉換公司債券，每張面值人民幣100元，共計發行可轉換公司債券金額人民幣12億元。扣除發行費用約人民幣3,500萬元後，發行債券所融資之淨金額為人民幣11.65億元。該債券於2004年7月19日在上海證券交易所上市交易。

- *回售：*

根據可轉換公司債券的條款，本公司在2005年8月贖回了8,239,020張可轉換公司債券。因此，可轉換公司債券中權益部分人民幣7,400萬元被沖回。相應回售的補償為人民幣1,650萬元。

- *轉股：*

截止於2005年12月31日，累計有人民幣400萬元轉換成了A股股票，轉股價格為人民幣6.08元每股。轉股後，本公司的股本和股本溢價分別增加人民幣658,000元和人民幣3,343,000元。

## 20. Borrowings (Continued)

### (d) Convertible bonds payable

	公司和集團 Group and Company	
	2005	2004
Liability component of convertible bonds	362,623	1,036,124
No. of units (1,000)	3,721	12,000

On 1 July 2004, the Company issued 12 million "A share" convertible bonds certificates at face value of Rmb100 each ("Bonds"), which was listed on Shanghai Stock Exchange on 19 July 2004. The aggregate amount of the Bonds issued was Rmb1,200 million. The net cash received from issuance of bonds is about Rmb1,165 million after deducting the issuance expenses of about Rmb35 million.

- *Redemption during the year:*

In accordance with the term of the bonds, 8,239,020 units were redeemed during August 2005. Accordingly, the equity component of the bonds redeemed of Rmb74 million has been reversed. The premium for the redemption is Rmb16.5 million.

- *Conversion during the year:*

During 2005, Bonds with aggregate value of Rmb4 million were converted into the Company's A share at Rmb6.08 per share. As a result of conversion, the Company's share capital and capital reserve were increased by Rmb658,000 and Rmb3,343,000 respectively.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 20 貸款 (續)

### (d) 應付可轉換債券 (續)

- 確認及期後計量

初始發行

可轉換債券負債部分和權益部分之分派在發行日確認。

列示於長期貸款之可轉換債券負債部分之價值，根據無轉換權利之類似普通公司債券之市場利率計算得出，並以攤餘價值列示，其餘部分除稅後分派為權益部分之價值。負債部分之利息費用以5.6%之折現率按實際利率法計算 (附註2.1)。

回售和轉股時

截止於2005年12月31日按實際利率法計算之剩餘負債部分的價值約為人民幣3.63億元(2004: 人民幣10.36億元)，採用之實際利率為5.6%。

## 20. Borrowings (Continued)

### (d) Convertible bonds payable (Continued)

- *Recognition and subsequent measurement:*

At inception:

The classification of the liability component and the equity conversion component were determined at issuance of the bonds.

The value of the liability component, included in long-term borrowings, was carried at amortised cost and calculated using a market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves net of deferred income taxes. Interest expense on the bonds is calculated using the effective interest method by applying the effective interest rate of 5.6% to the liability component (Note 2.1).

Upon redemption and conversion:

The value of the remaining liability component of the bonds as at 31 December 2005 is estimated at about Rmb363 million using the effective interest rate of 5.6% (2004: Rmb1,036 million).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 20 貸款 (續)

### (d) 應付可轉換債券 (續)

- 發行費用：

可轉換債券之發行費用在債券存續期間內平均攤銷。截至2009年6月30日前，如果可轉換公司債券發生贖回、轉股、回售、或者中止交易等行為，則未攤銷之可轉換債券發行費用部分一次計入當期損益。2005年8月，可轉換債券贖回部分相關的發行費用約人民幣2,300萬元已一次記入當期損益。於2005年，根據新的香港會計準則要求，未攤銷之發行費用約為人民幣750萬元（2004年：人民幣3,100萬元）與應付債券相互抵消。

## 20. Borrowings (Continued)

### (d) Convertible bonds payable: (Continued)

- *Issuance expense:*

The issuance expense of the convertible bonds is being amortised over the duration of the bonds. Any unamortized amount would be charged to income statement in the year when the bonds are redeemed, converted or purchased and cancelled before the maturity date on 30 June 2009. In August 2005, upon redemption of a certain portion of these bonds, the related issuance expense that was written off is about Rmb23million. In 2005, the unamortized issuance expense of about Rmb7.5 million was offset with convertible bonds payable upon the adoption of new HKAS (2004: Rmb31 million).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

20 貸款 (續)

(d) 應付可轉換債券 (續)

• 主要條款

- (i) 此可轉換債券由中國建設銀行天津市分行(「擔保人」)提供全額擔保，並由本公司控股股東向該擔保人提供反擔保。轉股期自發行之日一年後即2005年7月1日起(含當日)，至2009年6月30日前之一個交易日止(含當日)，持有人可在轉股期內申請轉股。本公司可轉換債券之初始轉股價格為每股人民幣7.7元。在轉股期內，本公司董事會有權根據公司股票之市場價格修正轉股價格。如果轉股期間沒有贖回、轉股、回售或者中止交易行為之發生，在公司可轉債到期即2009年6月30日之後之5個交易日內，本公司除全額償還到期未轉股之可轉債之本金及第五年之利息外，還將補償支付到期債券持有人第5年票面利息之5倍和其5年持有期間內實際所獲利息之間之差額。

20. Borrowings (Continued)

(d) Convertible bonds payable: (Continued)

• *Principal terms of bonds:*

- (i) The Bonds, guaranteed by the Construction Bank of China, Tianjin Branch (“the guarantor”) and counter-guaranteed by TMICL, the Company’s controlling shareholder, to the guarantor, are convertible into the Company’s A share at any time on and after 1 July 2005 and prior to 30 June 2009. The initial conversion price of the Bonds was set as Rmb7.7 per share and the Company is entitled to revise the conversion price during the conversion period based on the market price of the Company’s shares. Unless previously redeemed, converted or purchased and cancelled, the Bonds will be redeemed within 5 days after maturity date on 30 June 2009 at 100% of the principal amount and accrued interest in the fifth year plus an interest compensation for the difference between the five times of bond interest of the fifth year and actual total interest paid in the 5 years.



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 20 貸款 (續)

### (d) 應付可轉換債券 (續)

#### • 主要條款 (續)

#### (i) (續)

本公司發行之債券之票面年利率為1.7%至2.7%，實際支付與債券持有人之利息將在票面利率之基礎上根據國家法定五年期存款利率之當時水準予以調整。截至2005年12月31日止年度，本公司計提了債券利息約為人民幣1,900萬元（截至2004年12月31日止年度：1,400萬元）。

本公司在可轉換公司債券發行日一年後至債券存續期滿有提前贖回債券之權利。如果本公司A股股票在任何連續30個交易日中任意20個交易日之收盤價格不低於當期轉股價格之130%，本公司有權按面值之102%並另加所在計息年度年利息之價格贖回全部或部分未轉股之可轉換債券。

## 20. Borrowings (Continued)

### (d) Convertible bonds payable: (Continued)

#### • *Principal terms of bonds:* (Continued)

#### (i) (Continued)

These Bonds bear interest ranging from 1.7% to 2.7%. The actual interest payable to the bond holders will be based on the carrying bond interest rate and adjusted according to the five-year fixed deposit rate published by the State. For the year ended 31 December 2005, the Company accrued the related bonds interest of about Rmb19 million (2004: Rmb14 million).

The Company has the option to redeem the bonds one year after its issuance through its maturity in whole or in part at 102% of par value plus current year's interest, provided that during conversion period, the closing prices of the A shares for any 20 days in 30 consecutive trading days are not more than 130% of the conversion price.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

**20 貸款 (續)**

(d) 應付可轉換債券 (續)

• 主要條款 (續)

(i) (續)

可轉換公司債券持有人擁有在可轉換公司債券轉股期內回售債券之權利。如果本公司 A 股股票在任何連續 30 個交易日中任意 20 個交易日之收盤價格低於當期轉股價格之 70% 時，債券持有人有權將其持有之可轉換公司債券全部或部分回售給本公司。

(ii) 根據可轉債有關條款，截至 2005 年 12 月 31 日止，轉股價格由人民幣 7.7 元已下調為人民幣 6.08 元。

(e) 未使用之信用額度

於 2005 年 12 月 31 日，未使用之信用額度金額人民幣 8,000 萬元 (2004 年：人民幣 2.3 億元) 已作安排以提供本集團擴展污水處理業務所需資金。

**20. Borrowings (Continued)**

(d) Convertible bonds payable: (Continued)

• *Principal terms of bonds* (Continued)

(i) (Continued)

The Bonds holder has the option to resell the bond to the Company in the conversion period in whole or in part according to their maturity period, provided that during the conversion period, the closing prices of the A shares for any 20 days in 30 consecutive trading days are less than 70% of the conversion price.

(ii) Pursuant to the terms of the Bonds, the conversion price has been revised downwards from the initial Rmb7.7 to Rmb6.08 as at 31 December 2005.

(e) Undrawn borrowing facilities

As at 31 December 2005 undrawn facilities of Rmb80 million have been arranged to help finance the proposed expansion of the Group's sewage water processing business (2004: Rmb230 million).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 21 遞延所得稅

遞延所得稅變動如下所示：

年初  
採納香港會計準則 39 的期初調整  
於損益表確認  
於權益中（貸記）／扣除稅項

年末

遞延所得稅項影響與可轉換債券有關  
(附註 20(d))。

## 21. Deferred income tax

The gross movement on the deferred income tax account is as follows:

	集團和公司 Group and Company	
	2005	2004
Beginning of the year	43,799	—
Opening adjustment for the adoption of HKAS 39	(9,964)	—
Recognized in the income statement	(8,303)	(5,560)
Tax (credited)/charged to equity	(19,841)	49,359
End of the year	<u>5,691</u>	<u>43,799</u>

The deferred income tax relates to the convertible bonds (Note 20(d)).

## 22 應付賬款及其他應付款

應付建設成本  
應付購買物業、機器及設備  
預收賬款  
預提費用  
貿易應付款  
其他

Construction costs payable  
Payable for purchase of property,  
plant and equipment  
Advances from TSC  
Accrued expenses  
Trade payables  
Others

	集團 Group		公司 Company	
	2005	2004	2005	2004
Construction costs payable	70,547	97,720	70,547	97,720
Payable for purchase of property, plant and equipment	50,512	55,000	36,589	—
Advances from TSC	38,594	52,700	27,385	52,700
Accrued expenses	7,266	7,882	6,050	7,882
Trade payables	8,414	8,408	2,774	2,153
Others	28,440	33,799	25,322	32,607
	<u>203,773</u>	<u>255,509</u>	<u>168,667</u>	<u>193,062</u>

由於均為短期內到期，以上應付賬款及其他應付款的賬面價值和公允價值十分接近。

The carrying value of trade and other payables approximate to their fair value due to their short-term maturities.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

### 23 按性質分類的費用

列在售出貨品成本，銷售及推廣成本和行政費用內的費用分析如下：

折舊及攤消費用（附註6及8）  
僱員福利開支（附註24）  
動力費  
維修及保養費用  
使用的原材料及消耗品  
徵收辦管理費  
核數師酬金  
清理固定資產虧損  
土地及房屋經營性租賃開支  
其他

### 23. Expense by nature

Expenses included in cost of sales, selling and marketing costs and administrative costs are analyzed as follows:

截至12月31日止年度  
Year ended 31 December  
2005 2004

Depreciation and amortisation expenses (Notes 6 and 8)	70,892	57,936
Staff costs (Note 24)	41,678	34,416
Utility	33,742	30,060
Repair and maintenance expenses	22,111	15,212
Raw materials and consumables used	13,666	8,283
Management fee to Toll Collection Office	7,262	7,120
Auditors' remuneration	3,380	3,170
Loss on disposal of property, plant and equipment	706	4,645
Operating lease rentals for land and buildings	—	1,381
Others	49,972	39,960
	<u>243,409</u>	<u>202,183</u>

### 24 僱員福利開支

(a) 僱員福利開支分析如下：

工資及酬金  
社會保障成本  
退休金成本—界定供款計畫  
其他福利

### 24. Employee benefit expense

(a) The analysis of employee benefit expense is as follows:

截至12月31日止年度  
Year ended 31 December  
2005 2004

Wages and salaries	30,300	25,154
Social security costs	4,264	2,397
Pension costs – defined contribution plans	1,915	3,198
Other benefits	5,199	3,667
	<u>41,678</u>	<u>34,416</u>

(b) 董事及高級管理層薪酬  
本公司董事的薪酬如下：

獎金  
基本薪金及其他補貼  
養老統籌金

(b) Directors' and senior management's emoluments

The aggregate amounts of emoluments payable to the Directors of the Company during the year are as follows:

截至12月31日止年度  
Year ended 31 December  
2005 2004

Fees	624	636
Salaries and other emoluments	1,188	1,238
Contribution to retirement benefit scheme	21	—
	<u>1,833</u>	<u>1,874</u>

本年度支付給獨立非執行董事的薪酬人民幣624,000元（2004年：人民幣636,000元）已包括在以上餘額中。

Emoluments paid to independent non-executive directors amounted to Rmb624,000 during the year have been included in the above balance (2004: Rmb636,000).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

**24 僱員福利開支 (續)**

- (b) 董事及高級管理層薪酬 (續)  
各董事的薪酬如下：

執行董事：

馬白玉  
顧啟峰  
譚兆甫  
王佔英  
安品東  
付亞娜

非執行董事：

高寶明  
高宗澤  
王翔飛

於年內無任何董事的薪酬超過港幣  
1,000,000 元。

- (c) 五位最高薪酬人事  
本年度本集團最高薪酬的五位人士  
包括二位 (2004 年：二位) 董事，  
他們的酬金在上文呈報的分析中反  
映。本年度支付予其餘三位 (2004  
年：三位) 人事的薪酬如下：

基本薪金及其他酬金  
養老統籌金

**24. Employee benefit expense (Continued)**

- (b) Directors' and senior management's emoluments (Continued)

Details of emoluments of individual directors and supervisors are set out as  
below:

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
<b>Executive Directors:</b>		
Ma Baiyu	150	150
Gu Qifeng	401	409
Tan Zhaofu	100	100
Wang Zhanying	100	100
An Pindong	100	100
Fu Yana	358	379
<b>Non-executive Directors:</b>		
Ko Po Ming	208	212
Gao Zongze	208	212
Wang Xiangfei	208	212
	<u>1,833</u>	<u>1,874</u>

None of the Directors of the Company received emoluments in excess of  
HK\$1,000,000 during the year.

- (c) Five highest paid individuals  
The five individuals whose emoluments were the highest in the Group for  
the year include 2 (2004: 2) Directors of the Company whose emoluments  
are reflected in the analysis presented above. The emoluments payable to  
the remaining 3 (2004: 3) individuals during the year are as follows:

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
Salaries and other emoluments	732	750
Contribution to retirement benefit scheme	32	28
	<u>764</u>	<u>778</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

**25 融資成本**

**25. Finance costs**

		截至 12 月 31 日止年度	
		Year ended 31 December	
		2005	2004
			經重列
			Restated
利息費用：	Interest expense on:		
- 銀行貸款	- bank borrowings	60,723	38,526
- 須於五年內全數償還的可轉換債券 (附註 20(d))	- convertible bonds wholly repayable within five years (Note 20(d))	49,019	34,346
減：資本化利息 (附註 6(c))	Less: Capitalised interest (Note 6(c))	(35,254)	(24,107)
		<u>74,488</u>	<u>48,765</u>
可轉債回售補償 (附註 20(d))	Redemption premium on convertible bonds (Note 20(d))	16,478	—
其他補償性貸款成本	Other ancillary borrowing costs	3,250	1,750
		<u>94,216</u>	<u>50,515</u>
利息費用資本化率	Interest rate per annum at which finance costs were capitalised	<u>5.8%-6.1%</u>	<u>2.3%-6.1%</u>

**26 所得稅費用**

**26. Income tax expense**

由於本集團在截至 2005 年 12 月 31 日止年度並無在香港地區的應課稅盈利 (2004 年：無)，所以本年度無香港所得稅。中國盈利之稅款則按照本年度估計應課稅盈利按照 33% 的稅率計算 (2004 年：33%)。

No Hong Kong profits tax has been provided as the Group has no assessable profit in Hong Kong (2004: Nil). PRC income tax has been charged at 33% on the assessable profits of the Group (2004: 33%).

		截至 12 月 31 日止年度	
		Year ended 31 December	
		2005	2004
			經重列
			Restated
所得稅構成如下：	Tax charge comprises:		
當期中國所得稅	Current PRC income tax	92,648	160,416
遞延所得稅 (附註 21)	Deferred income tax (Note 21)	(8,303)	(5,560)
		<u>84,345</u>	<u>154,856</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 26 所得稅費用 (續)

本集團就除稅前盈利的稅項，與採用綜合公司盈利適用的加權平均稅率而產生之理論稅額的差額如下：

除稅前盈利  
按 33% 的稅率計算的稅項 (2004 年：33%)  
不可扣稅之費用  
無須課稅之收入  
不可抵扣之附屬公司虧損

## 26. Income tax expense (Continued)

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the PRC income tax rate and the difference is set out as follows:

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
Profit before taxation	259,981	465,965
Calculated at a tax rate of 33% (2004: 33%)	85,794	153,768
Expenses not deductible for taxation purposes	—	1,088
Income not subject to tax	(6,642)	—
Unutilised tax losses of subsidiaries	5,193	—
	<u>84,345</u>	<u>154,856</u>

## 27 本公司權益持有人應佔盈利

計入本年度本公司帳目之本公司權益持有人應佔盈利約為人民幣 1.87 億元 (2004 年：人民幣 3.13 億元)。

## 27. Profit attributable to equity holders of the Company

The profit attributable to equity holders of the Company for the year is dealt with in the financial statements of the Company to the extent of approximately Rmb187 million (2004: Rmb313 million).

## 28 每股盈利

基本：

每股盈利根據本期間股東應佔盈利人民幣 1.77 億元 (2004 年：人民幣 3.12 億元) 以及期內已發行股份 13.3 億股計算 (2004 年：13.3 億股)。

## 28. Earnings per share

Basic:

The calculation of basic earnings per share is based on the profit attributable to shareholders of Rmb177 million (2004: Rmb312 million) and 1,331 million shares in issue during the year (2004: 1,330 million shares).

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004 經重列 Restated
Profit attributable to equity holders of the Company	<u>177,475</u>	<u>311,911</u>
Weighted average number of ordinary shares in issue (million)	<u>1,331</u>	<u>1,330</u>
Basic earnings per share (Rmb per share)	<u>0.13</u>	<u>0.23</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

## 28 每股盈利 (續)

攤薄：

每股攤薄盈利假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均股數計算。本公司有一種可攤薄的潛在普通股：可轉換公司債券。可轉換債券假設被兌換為普通股，而淨盈利經調整以對銷利息費用減稅務影響。

本公司權益持有人應佔盈利  
可轉換債券的利息費用 (扣除稅項)

用以釐定每股攤薄盈利的盈利

已發行普通股的加權平均數 (千計)

調整—假設可轉換債券被兌換 (千計)

計算每股攤薄盈利的普通股  
的加權平均數 (千計)

每股攤薄盈利 (每股人民幣元)

## 28. Earnings per share (Continued)

Diluted:

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: convertible debt. The convertible debt is assumed to have been converted into ordinary shares and the net profit is adjusted to eliminate the interest expense less the tax effect.

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004 經重列 Restated
Profit attributable to equity holders of the Company	177,475	311,911
Interest expense on convertible debt, net of tax	6,091	9,407
Profit used to determine diluted earnings per share	<u>183,566</u>	<u>321,318</u>
Weighted average number of ordinary shares in issue (thousands)	1,330,658	1,330,000
Adjustments for – assumed conversion of convertible debt (thousands)	61,858	155,844
Weighted average number of ordinary shares for diluted earnings per share (thousands)	<u>1,392,516</u>	<u>1,485,844</u>
Diluted earnings per share (Rmb per share)	<u>0.13</u>	<u>0.22</u>

## 29 股息

2005年度及2004年度支付的股息分別為人民幣133,000,000元(每股人民幣0.1元)及人民幣106,400,000元(每股人民幣0.08元)。2005年的股息每股人民幣0.04元，合計為人民幣53,226,320元將於即將舉行的股東周年大會上建議派發。本財務報表未反映此項應付股息。

## 29. Dividend

During the year dividend amounting to Rmb133,000,000 (Rmb0.1 per share) were paid (2004: Rmb106,400,000 (Rmb0.08 per share)). A dividend in respect of 2005 of Rmb0.04 per share, amounting to a total dividend of Rmb53,226,320 is to be proposed at the forthcoming Annual General Meeting. These financial statements do not reflect this dividend payable.



(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

### 30 綜合現金流量表

年度盈利與營運產生的現金對帳表：

年度盈利
調整專案：
—稅項
—折舊及攤銷
—物業、機器及設備的出售損失 (見下文)
—利息收入
—利息費用—淨額
營運資金變動前經營盈利
存貨的增加
貿易和其他應收款及預付賬款的增加
應付和其他應付賬款的減少
營運產生的現金

在綜合現金流量表內，出售物業、機器及設備的所得款包括：

賬面淨值 (附註 6)
出售物業、機器及設備的虧損
出售物業、機器及設備的所得款

### 30. Consolidated cash flow statement

Reconciliation of profit for the year to cash generated from operations

	2005	2004 經重列 Restated
Profit for the year	175,636	311,109
Adjustments for:		
-Tax	101,086	154,856
-Depreciation and amortisation	70,892	57,936
-Loss on sale of property, plant and equipment (see below)	706	4,645
-Interest income	(8,563)	(6,466)
-Interest expense-net	93,934	45,305
Operating profit before working capital changes	433,691	567,385
Increase in inventories	(6,028)	(3,677)
Increase in trade receivables, other receivables and prepayments	(183,829)	(286,896)
Decrease in trade and other payables	(37,265)	(25,674)
Cash generated from operations	<u>206,569</u>	<u>251,138</u>

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	2005	2004
Net book amount (Note 6)	1,079	4,745
Loss on sale of property, plant and equipment	<u>(706)</u>	<u>(4,645)</u>
Proceeds from sale of property, plant and equipment	<u>373</u>	<u>100</u>

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

31 承擔事項

資本承擔

於結算日有關污水處理廠建設的資本支出及註冊資本支出如下所列：

集團

污水處理廠專案：  
— 咸陽路  
— 紀莊子  
— 北倉  
— 赤壁  
— 曲靖  
— 阜陽（附註 10）  
— 杭州  
中水  
辦公樓  
天津創業環保  
（香港）有限公司  
其他

Sewage water processing plants in:

- Xian Yang Lu  
- Ji Zhuang Zi  
- Bei Cang  
- Chi Bi  
- Qu Jing  
- Fu Yang (Note 10)  
- Hang Zhou  
Zhong Shui  
Office building  
Hong Kong subsidiary  
capital contribution  
Others

31. Commitments

Capital commitments

Capital expenditure at the balance sheet date in respect of several sewage plant construction projects and capital contribution is as follows:

Group

已簽約未撥備		已批准未簽約	
Contracted but not provided for	31 December	Authorised but not contracted for	31 December
截至 12 月 31 日	截至 12 月 31 日	截至 12 月 31 日	截至 12 月 31 日
止年度	止年度	止年度	止年度
2005	2004	2005	2004
人民幣百萬元	人民幣百萬元	人民幣百萬元	人民幣百萬元
Rmb' million	Rmb' million	Rmb' million	Rmb' million
		註釋 (i)	
		Note(i)	
	56	70	註釋 Note(i)
	5	19	註釋 Note(i)
	18	98	註釋 Note(i)
	—	9	—
	290	—	—
	61	—	—
	—	—	180
	—	—	—
	—	39	—
	62	—	—
	—	—	—
	—	—	26
	492	235	180
			1,210

註釋：

(i) 有關收購屬於天津市排水公司的剩餘資產的意向如附註 5(i) 所述。

Note:

(i) The intention to acquire the remaining assets belonging to TSC is described in Note 5(i).

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

### 32 關聯交易

本公司及其子公司之主要商業活動都是與國有企業進行。根據香港會計準則 24 進行關聯方披露之目的，本公司及其子公司已盡可能地通過適當之程式來識別客戶與供應商是否為國有企業。但是很多國有企業有多層法人結構並且其所有權結構由於移交和剝離等原因隨著時間發生了改變。然而管理層相信所有重大數額之關聯方餘額及交易都已經被充分地披露。

除了在本綜合賬目其他部分列示之關聯方資訊外，下文歸納了本公司及其子公司與其關聯方在本期發生之通過正常商業途徑進行之重大關聯方交易和因為關聯方交易產生之期末餘額。

(a) 與天津市政投資有限公司及其監控企業：

於排水公司取得之污水處理及  
污水處理廠建設收入

應支付關聯建築商污水處理廠建設成本

應付控股股東辦公室租賃費用  
(於 2004 年內終止)

天津市政投資有限公司  
所持有可轉換債券

與排水公司的年末餘額包含在貿易  
應收款中。

### 32. Related party transactions

The majority of the business activities of the Company and its subsidiaries are conducted with state-owned enterprises. For the purpose of the related party transactions disclosure in accordance with HKAS 24, the Company and its subsidiaries have established procedures to determine, to the extent possible, the identification of the ownership structures which may change over time as a result of transfers and privatization programs. Nevertheless, management believes that all material related party balances and transactions have been adequately disclosed.

In addition to the related party information shown elsewhere in the financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of the business between the Company and its subsidiaries and their related parties during the year and balances arising from related party transactions at the end of the year.

(a) Transactions with TMICL and its supervisory entities:

截至 12 月 31 日止年度  
Year ended 31 December  
2005 2004  
人民幣百萬元  
In Rmb' million

Revenue earned from TSC for sewage water processing services and construction of sewage plant	506	662
Amount payable for sewage water processing plants construction costs to other related contractors	—	3
Operating lease rental payable to TMICL in respect of office premises (ceased during 2004)	—	1
Convertible bonds held by TMICL	209	209

The year ended balance with TSC is included under trade receivables.

(除非特別指明所有金額單位均為人民幣千元)  
(All amounts in RMB thousand unless otherwise stated)

### 32 關聯交易 (續)

(b) 與其他國有企業交易發生額

採購物業、機器及設備  
採購工程物資  
採購原材料及配件  
支付工程費  
獲得短期貸款  
獲得長期貸款  
利息支出

在本賬目中，與其他國有企業交易  
年末餘額如下所示：

#### 流動資產

存放於非銀行金融機構存款

#### 流動負債

應付賬款及其他應付賬款

(c) 核心管理層報酬

工資及短期員工福利  
其他長期福利

### 32. Related party transactions (continued)

(b) Transactions with other state-owned enterprises:

	截至 12 月 31 日止年度 Year ended 31 December	
	2005	2004
	人民幣百萬元 In Rmb' million	
Purchase of property, plant and equipment	14	13
Purchase of construction materials	10	5
Purchase of raw materials and accessories	19	14
Payment for plants construction	113	149
Drawdown of short-term loan	40	—
Drawdown of long-term loan	80	—
Interest expenses	54	44

The year ended balances with other state-owned enterprises are included in the financial statements as follows:

	31 December 2005	31 December 2004
	人民幣百萬元 In Rmb' million	人民幣百萬元 In Rmb' million
<b>Current assets</b>		
Deposit with a non-bank financial institution	—	400
<b>Current liabilities</b>		
Trade and other payables	166	151
(c) Key management compensation		
Salaries and other short-term employee benefits	1,675	2,250
Other long-term benefits	74	75
	1,749	2,325

### 33 最終控股公司

截至 2005 年 12 月 31 日止，本公司董事視天津市政投資有限公司為本公司的最終控股公司。

### 34 綜合財務報表核准

本綜合財務報表於 2006 年 4 月 20 日經由本公司董事會核准發出。

### 33. Ultimate holding company

As at 31 December 2005, the Directors of the Company regard Tianjin Municipal Investment Company Limited ("TMICL") as the ultimate holding company.

### 34. Approval of consolidated financial statements

The accounts were approved by the Directors of the Company on 20 April 2006.