



**光大國際**  
Everbright International

(Stock Code 股份代號: 257)

**BOLD  
VISIONS**

to overcome every challenge

**登高望遠 砥礪前行**



Annual Report 2016 年報

# The most Reliable Brand in the GREEN WORLD

金色品牌 綠色事業

## Corporate Profile 公司簡介

China Everbright International Limited (the “Company”, together with its subsidiaries, collectively the “Group”), a flagship company in the industrial investment sector of China Everbright Group Ltd. (“China Everbright Group”), is listed on the Mainboard of The Stock Exchange of Hong Kong Limited (“HKEx”). The Group is a leading player in China’s environmental protection industry and the first one-stop integrated environmental solution provider in the country. It leverages talent, science and technology to develop all of its businesses, namely envirotech, environmental energy, environmental water (China Everbright Water Limited (“Everbright Water”) is listed on the Mainboard of the Singapore Exchange Securities Trading Limited), greentech, equipment manufacturing and international business, etc. It also manages a large number of industry-leading, world-class projects, in the areas of waste-to-energy, water restoration, biomass integrated utilization, hazardous waste treatment, photovoltaic energy, wind power, environmental protection engineering, technological research and development, environmental protection equipment manufacturing, plus the planning and construction of environmental protection industrial parks. The Group has a business presence in over 80 counties and cities across 17 provinces and municipalities in China, as well as in Germany, Poland, Vietnam and Singapore.

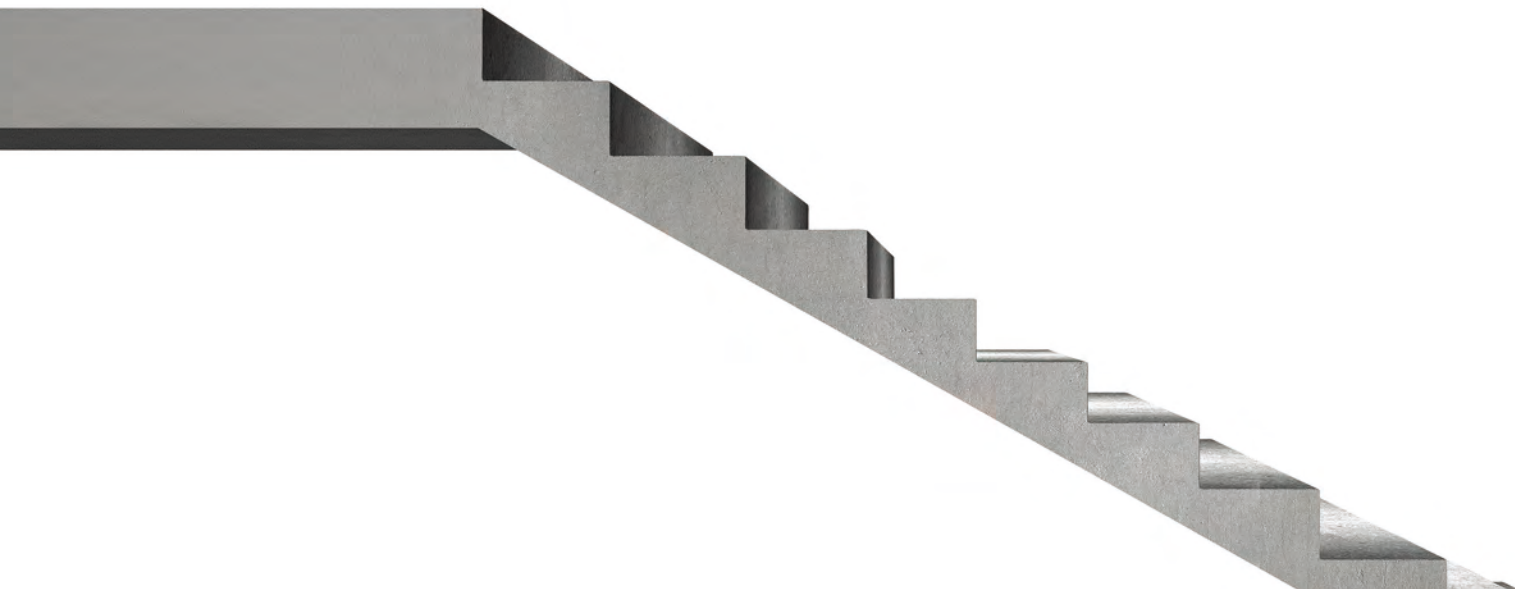
Under the leadership of an experienced and dedicated management team and with strong support from China Everbright Group, the Group will drive the next round of development, further explore the environmental protection market and develop new environmental protection projects, to position itself as the industry leader in the domestic market and in the global environmental protection sector in the future.

中國光大國際有限公司(「本公司」，連同其附屬公司合稱「本集團」)為中國光大集團股份有限公司(「中國光大集團」)旗下實業投資之旗艦公司，是香港聯合交易所有限公司(「聯交所」)主板上市公司。本集團為中國環保行業的領軍企業，是中國首個一站式、全方位的環境綜合治理服務商。本集團以人才、科技為引領，全面推動旗下環境科技、環保能源、環保水務(中國光大水務有限公司(「光大水務」)為新加坡證券交易所有限公司主板上市公司)、綠色環保、裝備製造及國際業務等各業務的發展，培育了一大批行業領先、具有國際水準的項目，包括垃圾發電、水環境治理、生物質綜合利用、危廢處理、光伏發電、風力發電、環保工程建設、技術研發、環保裝備製造、環保產業園的規劃及建設等。業務覆蓋境內17個省和直轄市及80多個縣市，遠至德國、波蘭、越南及新加坡。

在精幹敬業的管理層帶領下，憑藉中國光大集團的全力支持，本集團將蓄勢待發，進一步拓展環保市場並不斷開發新的環保項目，致力成為中國乃至世界環保產業的翹楚。

## Contents 目錄

Corporate Information	公司資料	2
Financial Highlights	財務概況	4
Corporate Milestones	企業大事概要	6
Chairman's Statement	主席報告	8
Chief Executive Officer's Report	行政總裁報告	11
Sustainability Report	可持續發展報告	48
Corporate Governance Report	企業管治報告	58
Directors and Senior Management	董事及高級管理人員	83
Report of the Directors	董事會報告	89
Independent Auditor's Report	獨立核數師報告	100
Consolidated Income Statement	綜合損益表	109
Consolidated Statement of Comprehensive Income	綜合全面損益表	110
Consolidated Statement of Financial Position	綜合財務狀況表	111
Consolidated Statement of Changes in Equity	綜合權益變動表	114
Consolidated Statement of Cash Flows	綜合現金流量表	116
Notes to Financial Statements	財務報表附註	119
Five Year Summary	五年業績概要	270
Major Properties held by the Group	本集團所持有之主要物業	272



# Corporate Information 公司資料

## DIRECTORS

### Executive Directors

CAI Yunge (*Chairman*)  
CHEN Xiaoping (*Chief Executive Officer*)  
WANG Tianyi (*General Manager*)  
WONG Kam Chung, Raymond (*Chief Financial Officer*)  
CAI Shuguang (*Deputy General Manager*)

### Non-executive Director

TANG Shuangning

### Independent Non-executive Directors

FAN Yan Hok, Philip  
MAR Selwyn  
LI Kwok Sing, Aubrey  
ZHAI Haitao

## COMPANY SECRETARY

POON Yuen Ling

## REGISTERED OFFICE

Room 2703, 27th Floor  
Far East Finance Centre  
16 Harcourt Road, Hong Kong

## PRINCIPAL BANKERS

Agricultural Bank of China Limited  
Asian Development Bank  
Bank of China (Hong Kong) Limited  
Bank of Communications Co., Ltd.  
Bank of Jiangsu  
China Citic Bank  
China CITIC Bank International Limited  
China Construction Bank Corporation  
China Development Bank Corporation  
China Everbright Bank Company Limited  
China Merchants Bank Co., Ltd.  
DBS Bank Ltd.  
Far Eastern International Bank Co., Ltd.  
Hang Seng Bank (China) Limited  
Industrial and Commercial Bank of China  
International Finance Corporation  
Mizuho Bank, Ltd.  
Nanyang Commercial Bank Ltd.  
Shanghai Pudong Development Bank Co., Ltd.  
Standard Chartered Bank (Hong Kong) Limited  
Taipei Fubon Commercial Bank Co., Ltd.  
The Bank of East Asia, Limited  
Wing Lung Bank Limited

## 董事

### 執行董事

蔡允革(主席)  
陳小平(行政總裁)  
王天義(總經理)  
黃錦驄(財務總監)  
蔡曙光(副總經理)

### 非執行董事

唐雙寧

### 獨立非執行董事

范仁鶴  
馬紹援  
李國星  
翟海濤

## 公司秘書

潘婉玲

## 註冊辦事處

香港夏慤道十六號  
遠東金融中心  
二十七樓二七零三室

## 主要往來銀行

中國農業銀行股份有限公司  
亞洲開發銀行  
中國銀行(香港)有限公司  
交通銀行有限公司  
江蘇銀行  
中信銀行  
中信銀行(國際)有限公司  
中國建設銀行股份有限公司  
國家開發銀行股份有限公司  
中國光大銀行股份有限公司  
招商銀行股份有限公司  
星展銀行  
遠東國際商業銀行有限公司  
恒生銀行(中國)有限公司  
中國工商銀行  
國際金融公司  
瑞穗銀行  
南洋商業銀行有限公司  
上海浦東發展銀行股份有限公司  
渣打銀行(香港)有限公司  
台北富邦商業銀行有限公司  
東亞銀行有限公司  
永隆銀行有限公司

## SOLICITORS

AllBright Law Offices  
Davis Polk & Wardwell  
Grandall Legal Group (Beijing)  
Li & Partners  
Paul Hastings

## AUDITORS

Ernst & Young

## REGISTRAR

Tricor Tengis Limited  
Level 22, Hopewell Centre  
183 Queen's Road East, Hong Kong

## PUBLIC RELATIONS

Citigate Dewe Rogerson

## WEBSITE

[www.ebchinaintl.com](http://www.ebchinaintl.com)

## STOCK CODE

257

## 律師

錦天城律師事務所  
達維香港律師事務所  
國浩律師集團(北京)事務所  
李偉斌律師行  
普衡律師事務所

## 核數師

安永會計師事務所

## 股份過戶處

卓佳登捷時有限公司  
香港皇后大道東183號  
合和中心22樓

## 公關顧問

哲基傑訊

## 電子網址

[www.ebchinaintl.com](http://www.ebchinaintl.com)

## 股份代號

257

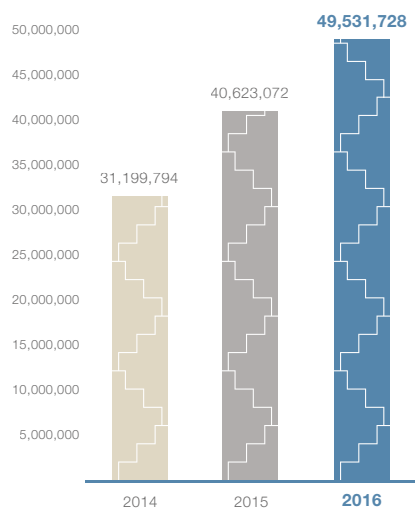
# Financial Highlights 財務概況

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	Percentage Change 百分比 變動
<b>RESULTS</b>	<b>業績</b>			
Revenue	收益	13,971,204	8,528,393	64%
EBITDA <sup>#</sup>	除利息、稅項、折舊及 攤銷前盈利 <sup>#</sup>	5,051,261	3,754,449	35%
Profit attributable to equity holders of the Company	本公司權益持有人 應佔盈利	2,784,863	2,084,888	34%
Return on shareholders' equity (%)	股東資金回報(%)	16.10	12.46	3.64 ppt
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	62.12	46.50	34%
<b>FINANCIAL POSITION</b>	<b>財務狀況</b>			
Total assets	資產總額	49,531,728	40,623,072	22%
Total liabilities	負債總額	29,686,520	21,202,531	40%
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益	17,389,302	17,196,154	1%
Net asset value per share attributable to equity holders of the Company (HK\$)	本公司權益持有人應佔 每股資產淨值(港幣元)	3.879	3.835	1%
Gearing ratio (%)	資產負債比率(%)	60	52	8 ppt
Current ratio (%)	流動比率(%)	132	182	-50 ppt

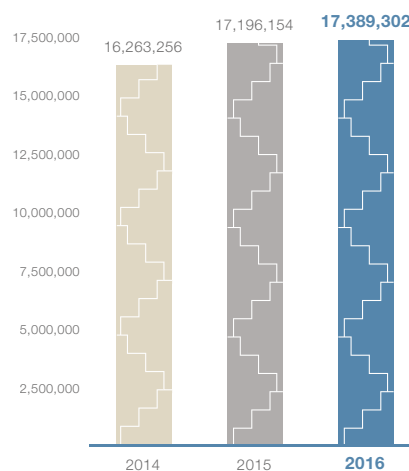
<sup>#</sup> EBITDA is the profit for the year before deduction of interest, taxation, depreciation and amortisation.

<sup>#</sup> EBITDA即除利息、稅項、折舊及攤銷前盈利。

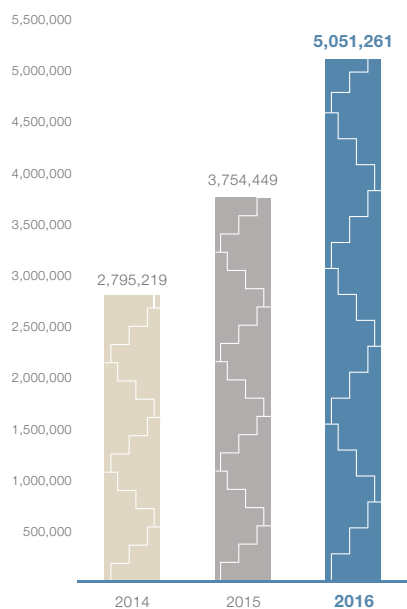
**TOTAL ASSETS** HK\$'000  
資產總額 港幣千元



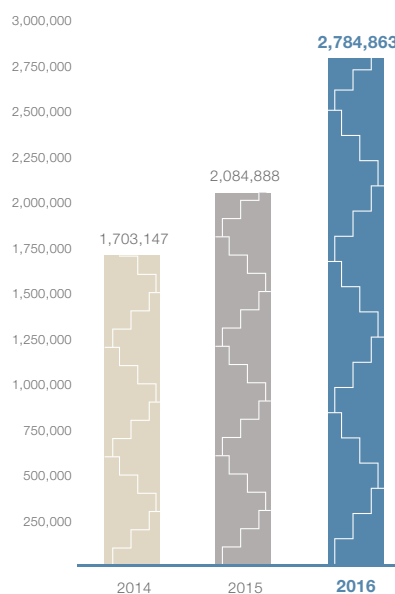
**NET ASSETS ATTRIBUTABLE TO EQUITY HOLDERS** HK\$'000  
權益持有人應佔資產淨額 港幣千元



**EBITDA** HK\$'000  
除利息、稅項、折舊及攤銷前盈利 港幣千元



**PROFIT ATTRIBUTABLE TO EQUITY HOLDERS** HK\$'000  
權益持有人應佔盈利 港幣千元



## Corporate Milestones 企業大事概要



### 02/2016

- Announced 2015 annual results, with profit from operations up by 33% YoY
- 光大國際公佈二零一五年度全年業績，經營盈利錄得33%增長

### 04/2016

- Completed the acquisition of Jiangsu Design and Research Institute of Energy Conservation Engineering
- 完成收購江蘇節能工程設計研究院



### 05/2016

- Disclosed emission standards of operating waste-to-energy projects on a daily basis, continued to take the lead in promoting information transparency in the industry
- Convened 2016 annual general meeting of the Company
- 披露運營垃圾發電項目日監測排放指標，進一步引領行業信息透明化
- 召開二零一六年股東週年大會



### 06/2016

- Secured Dismantling, Redevelopment and Upgrading Project of Jiangsu Suzhou Waste-to-energy Project
- Awarded Best Corporate Social Responsibility Company and Best Investor Relations Company, and Mr. Chen Xiaoping, CEO of the Company, was recognized as Asia's Best CEO, at the sixth Asian Excellence Recognition Awards 2016 by Corporate Governance Asia
- Launched "Open Day" for public visiting, joining hands with the public to develop environmental and ecological awareness
- 取得江蘇省蘇州垃圾發電項目拆舊建新全面提標升級項目
- 獲《亞洲企業管治》雜誌第六屆亞洲卓越大獎「最佳企業社會責任公司」、「最佳投資者關係公司」；本公司行政總裁陳小平先生獲嘉許為「亞洲最佳首席執行官」
- 設立公眾開放日，與公眾携手共創環境生態文明

### 07/2016

- Invited by the International PPP Centre of Excellence at the United Nations Economic Commission for Europe (UNECE) to lead the development of the United Nations' PPP standards on waste-to-energy projects
- Won the bid for Vietnam's Can Tho Waste-to-energy Project
- 獲聯合國PPP中心邀請，牽頭聯合國垃圾焚燒PPP標準制定
- 中標越南芹苴垃圾發電項目





## 08/2016

- Announced 2016 interim results, with profit attributable to equity holders up by 21% YoY
- Completed the acquisition of Poland's solid waste treatment company, Novago sp. z o.o., the largest Chinese acquisition in environmental industry in Central and Eastern Europe
- 公佈二零一六年上半年業績，權益持有人應佔盈利錄得21%增長
- 完成收購波蘭固廢處理公司 – Novago sp. z o.o.，為中國在東中歐環保市場中最大的一個收購項目

MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM

## 09/2016

- Included as a constituent stock of Hang Seng Corporate Sustainability Index for the third consecutive year
- Added into Dow Jones Sustainability World Index and Dow Jones Sustainability Emerging Markets Index
- 連續第三年獲納入恒生可持續發展企業指數成份股
- 上榜道瓊斯可持續發展全球指數及道瓊斯可持續發展新興國家指數



## 10/2016

- Received a financial support of RMB20 billion from China Development Bank
- The first self-developed 750-tonne/day grate furnaces and gas purification systems were put into operation at the Wujiang Waste-to-energy Project in Jiangsu Province; the gas emission levels of which are above the designed standards, and have filled a void in China's high-capacity grate furnace manufacturing segment
- 獲國家開發銀行人民幣200億元金融支持
- 首台自主研发的750噸/日焚燒爐和煙氣淨化系統正式應用在江蘇吳江垃圾發電項目上，煙氣排放指標全優於設計指標，填補國產大容量爐排的空白



## 12/2016

- Signed an investment agreement for Vietnam's Can Tho Waste-to-energy Project, expanded into solid waste treatment market in Southeast Asia
- 正式簽署越南芹苴垃圾發電項目投資協議，進軍東南亞固廢處理市場

## Chairman's Statement 主席報告



Carry forward the  
spirit of **CHINA EVERBRIGHT**  
Strive to establish a renowned  
**ENVIRONMENTAL  
PROTECTION** brand

發揚**光大**精神 爭創**環保**名牌

Chairman 主席  
Cai Yunge 蔡允革

It is my great honor to succeed Mr. Tang Shuangning as the Chairman of the board of directors of the Company (the “Board”), and I look forward to continuing the work of creating value for society and the shareholders of the Company (the “Shareholders”). I would like to take this opportunity to express my heartfelt thanks to Mr. Tang Shuangning for his leadership, which has seen the Group achieve robust growth over the past decade.

In 2016, looming uncertainties around the world continued to overshadow the development of the global economy, and amid a highly complex environment, China’s economy trod an arduous path. As a leading player in China’s environmental protection industry, the Group has remained receptive to market trends and made evident its determination to push ahead through the difficult times facing the country. With a bold vision, the Group has continued to make solid progress and surmounted every challenge to deliver stellar results for the market and its investors.

本人非常榮幸接任唐雙寧先生擔任本公司的董事會（「董事會」）主席職務，繼續推進為社會、本公司股東（「股東」）創造價值。借此機會，向十年來帶領本集團實現發展壯大的唐雙寧先生表達誠摯謝意！

二零一六年全球經濟發展不確定因素或隱或現，中國經濟在極其複雜的環境中艱難前行。作為中國環保行業的領軍企業，本集團審時度勢、共克時艱、登高望遠，以堅實步伐砥礪前行，為市場和投資者交上了一份靚麗的答卷。

During the year under review, the Group was included into the Dow Jones Sustainability Emerging Markets Index, which was an acknowledgement of its outstanding performance in sustainable development and its strong sense of social responsibility. Furthermore, it was the only mainland Chinese and Hong Kong company selected to be a constituent of the Dow Jones Sustainability World Index. The Company was also chosen as a constituent stock of the Hang Seng Corporate Sustainability Index for the third consecutive year; and remained a constituent of several important indices, such as the MSCI China Index, Hang Seng China-Affiliated Corporations Index and Hang Seng China (Hong Kong-listed) 100 Index. The Group also won over ten accolades in mainland China, including the Best Social Responsibility Brand, Top 10 Green Companies in China and the China Management Science Award. It also maintained its leading position on the list of Top 10 Influential Solid Waste Treatment Enterprises in China.

During the year under review, the Group received widespread recognition both at home and abroad for its strengths in the energy from waste sector. During the year, it was invited by Columbia University to collaborate on the development of global waste-to-energy project standards, and was also invited to lead the development of the United Nations' public-private-partnership standards on global energy from waste projects; both of which have further expanded the Group's influence and voice in the global market.

During the year under review, the Group continued to expand its geographical and business footprints. In alignment with China's "One Belt One Road" initiative, the Group secured Can Tho Waste-to-energy Project in Vietnam and acquired Novago sp. z o.o., a solid waste treatment company in Poland. During the year under review, the Group obtained 44 new environmental protection projects, which commanded an investment of more than RMB14.4 billion, setting another record in terms of both total number of new projects and total investment. The Group has secured a total of 213 environmental protection projects, which are located across 17 provinces and municipalities and in over 80 counties and cities across China so far. The total investment into these projects amounted to over RMB53.2 billion, an increase of 36%. The Group's strong project pipeline will ensure a sufficient base from which to fuel the Group's next round of development.

回顧年度內，本集團憑藉在可持續發展和高度社會責任等領域的卓越表現，成功上榜道瓊斯可持續發展新興國家指數成份股，並作為中國內地和香港唯一一家公司納入道瓊斯可持續發展全球指數：連續第三年獲納入「恒生可持續發展企業指數成份股」；繼續位列「MSCI明晟中國指數」、「恒生香港中資企業指數成份股」及「恒生中國（香港上市）100指數」等重要指標的成份股。此外，本集團在國內獲得中國最佳責任品牌獎、中國十佳綠色責任企業、中國管理科學獎等十多項殊榮，並繼續蟬聯中國固廢行業十大影響力企業榜首。

回顧年度內，本集團在「固廢變能源」領域的優勢得到國內外更加廣泛認可，年內受邀與哥倫比亞大學共同制定世界垃圾發電項目標準，受邀牽頭制定聯合國全球廢物變能源PPP標準，進一步擴大了在國際上的影響力和話語權。

回顧年度內，本集團新的發展區域和業務領域不斷擴大，圍繞國家「一帶一路」發展戰略，成功取得越南芹苴垃圾發電項目和波蘭Novago固廢處理項目。年內共新增44個環保新項目，投資額超過人民幣144億元，項目總量與投資總額再創歷史新高。至此，本集團項目已覆蓋境內17省及直轄市、80多個縣市，囊括各類環保項目213個，總投資逾人民幣532億元，增長36%，為新一輪發展提供了充足的項目儲備。

## Chairman's Statement 主席報告

During the year under review, the Group fully implemented a new management structure, and put in place 2 major systems, namely the ESHS management system and risk management system. Meanwhile, the Group's 4 major business segments witnessed notable levels of growth via competing with each other. Revenue of core businesses grew 64% to HK\$13.971 billion, exceeding HK\$10 billion. Profit attributable to equity holders of the Company amounted to HK\$2,784,863,000 (2015: HK\$2,084,888,000), representing a growth of approximately 34% over 2015.

Given the Group's continuous rapid and stable growth, satisfactory operating results, healthy financial position, and its long-term sustainable development, the Board has proposed to pay the Shareholders a final dividend of HK13.0 cents per share. Together with the interim dividend of HK7.5 cents per share in 2016, the total dividends for the year amounted to HK20.5 cents per share (2015: HK18.5 cents per share).

I would like to extend my gratitude to the management and all staff members of the Group for their dedication and outstanding contribution over the past year! My sincere thanks also go to all Shareholders, the Board, as well as various circles of society from mainland China and Hong Kong, for their staunch support to the Group!

Dreams inspire hard work and practical action leads to success. Looking forward, the Group will remain as ambitious as always, and will strive to foster new engines and drivers for growth. With the aim of improving the ecosystem, and conserving clear water and blue skies, the Group will ensure smooth sailing as it strives to reach its next level of success.

回顧年度內，本集團全面推行新的管理架構以及實施「ESHS」和風險管理兩大體系，四大業務板塊之間呈現競爭式發展態勢，主營業務收入突破港幣100億元大關，達港幣139.71億元，增長64%；實現本公司權益持有人應佔盈利港幣2,784,863,000元（二零一五年：港幣2,084,888,000元），較二零一五增長約34%。

基於本集團快速穩健的發展趨勢、良好的經營業績及健康的財務狀況，亦考慮到本集團的長期可持續發展，董事會擬向股東派發末期股息每股13.0港仙，連同二零一六年中期股息每股7.5港仙，全年股息為每股20.5港仙（二零一五年：每股18.5港仙）。

本人謹向集團管理層及全體員工過去一年的努力工作及卓越貢獻表示衷心感謝！向給予本集團鼎力支持的各位股東、董事會成員、內地及香港社會各界人士表示衷心感謝！

夢想催人奮進、實幹贏得未來。展望未來，本集團將一如既往，胸懷大格局，打造新引擎，激發新動能，為改善生態環境，實現碧水藍天揚帆再航。

CAI YUNGE  
蔡允革

Chairman

主席

Hong Kong, 28 February 2017

香港，二零一七年二月二十八日

# Chief Executive Officer's Report 行政總裁報告

## BUSINESS REVIEW AND PROSPECTS 業務回顧與展望

### Operating Results 經營業績

In 2016, with the global economy remaining weak, many countries encountered challenges such as low growth rates, low interest rates, a decline in trade and a low-growth equilibrium. Various political and economic issues, such as Brexit, the rise of protectionism and a strengthening US dollar, have increased uncertainty on the global stage. China has made remarkable progress as part of its cross-century development and reform after years of economic restructuring.

The year of 2016 was the inaugural year of China's 13th Five-year Plan, in which green development remained a top priority. Accordingly, the central government launched a series of focused and more specific environmental protection policies which have had the effect of opening up unprecedented development opportunities for the green low-carbon economy. These include the 13th Five-Year Plan for Eco-environmental Protection, 13th Five-year Development Plan for Renewable Energy, 13th Five-year Development Plan for National Strategic Emerging Industries, and the National Framework of the 13th Five-year Scientific and Technological Development Plan for Environmental Protection, etc. Meanwhile, China also reformed its environmental management system, with the Ministry of Environmental Protection of the PRC having established 3 departments dedicated to water, air and soil protection to enhance the implementation of the prevention and control plans relevant to these areas. This will improve the country's environmental management and support China's long-term goal of improving the overall quality of its environment.

二零一六年，世界經濟仍然疲弱，低增長、低利率、低貿易和低均衡的態勢依然是不少國家面對的挑戰。英國脫歐、貿易保護主義思潮抬頭、美元走強等多重政治經濟因素增加了世界經濟格局的不確定性。中國經過多年的經濟結構調整，在取得重大成就的同時，也在經歷一場跨世紀的發展和變革。

二零一六年是國家「十三·五」規劃的開局之年，綠色發展依然是國家發展規劃的重中之重。中央相關部門相繼出台「『十三·五』生態環境保護規劃」、「可再生能源發展『十三·五』規劃」、「『十三·五』國家戰略性新興產業發展規劃」、「國家環境保護『十三·五』科技發展規劃綱要」等一系列細化、更具針對性的環保政策，為綠色低碳經濟帶來了空前的發展良機。與此同時，國家亦對環境管理體系進行改革，國家環保部組建水、大氣、土壤三大環境管理司局，以更好貫徹落實水、大氣、土壤三個污染防治行動計劃，提升環境管理水平，以配合環境質量總體改善的長期目標。

## Chief Executive Officer's Report 行政總裁報告

The year of 2016 was also the first year of the Group's next phase of development, the roots of which are based on the country's 13th Five-year Plan, and was also the first year during which the Group introduced a new management structure to facilitate the concurrent growth of its 4 major business segments. During the year under review, the Group's management teams at all levels and staff members were committed to bold visions which helped them overcome every challenge dutifully. With this, the Group achieved notable achievements across all aspects of its development and concluded the year with exceptional results, which creates positive momentum for the Group's next round of growth.

In terms of business growth, thirteen years of exploration and development meant that during the first year of the new round of development, the Group's revenue surpassed RMB10 billion, making it the first solid waste treatment enterprise in China's environmental protection industry to deliver this level of annual revenue. It was also an important year for the construction of the Group's projects, with 2016 witnessing the highest number of projects to commence and complete construction. During the year under review, the Group commenced the construction of 39 projects, while completing the construction and commencing the operations of 23 projects, with the number of project construction sites reaching as many as 62 at one stage. As a result, numerous national and provincial high quality projects were completed, some of which now serve as hubs for environmental protection education, popularisation of environmental science, demonstration sites for the circular economy, and as industrial tourism attractions. So far, the Group has expanded its business into over 80 counties and cities across 17 provinces and municipalities in China; while foraying into overseas markets such as Vietnam, Poland and Germany. It has also explored new business areas, including the construction of sponge cities, river-basin ecological restoration and the harmless treatment of animal carcasses, among others. During the year under review, the Group fully developed the external sales market of its environmental protection equipment, with its self-developed core equipment becoming one of the top picks in the environmental protection industry.

二零一六年是本集團圍繞國家「十三·五」發展規劃實施新一輪發展的開局之年，也是本集團實施新的管理架構和四大業務板塊齊頭發展的第一年。回顧這一年，本集團各級管理層和廣大員工登高望遠，以堅實的步伐砥礪前行，各方面工作都取得顯著成效，交出了一份亮麗的成績單，為下一階段的發展創造了良好勢頭。

從業務發展看，本集團經過十三年的探索發展，在新一輪開局之年成功實現收益上百億大關，率先成為中國環保產業年收益突破百億的固廢處理企業。二零一六年也成功開啟了本集團工程建設的「大年」，年內建成完工及新開工項目均創歷史之最。回顧年度內，本集團新開工建設項目39個，建成投運項目23個，項目建設工地一度多達62個，一批批國家和省級優質工程陸續誕生，一個個環保教育、環保科普、循環經濟示範和工業旅遊基地陸續建成。業務版圖拓展至全國17個省及直轄市、80多個縣市，並延伸至越南、波蘭、德國等海外市場。主營業務領域也實現突破，年內拓展至海綿城市建設、流域治理、動物無害化處理等新的業務領域。回顧年度內，本集團環保裝備業務全面開啟外銷市場，自主研发的核心裝備成功進入環保行業設備選型的第一梯隊。

With regards to market expansion, the Group set new records in terms of the number and investment amount of projects secured during the year under review. In total, 44 projects were secured which commanded investment of approximately RMB14.4 billion. Throughout 2016, the Group also continuously pushed forward the growth of its domestic business. Meanwhile, in the spirit of China's "One Belt One Road" initiative, the Group secured Vietnam's Can Tho Waste-to-energy Project ("Can Tho Project") and Poland's Novago sp. z o.o. Waste Treatment Project ("Novago Project"). Can Tho Project is the first overseas household waste-to-energy project that the Group will be invested in, constructed and operated. Thanks to this development, the Group will also be able to introduce its environmental protection technologies and core equipment abroad. The agreement to secure Novago Project originated after Chinese President Xi Jinping's visit to Poland, which saw the two countries strengthen their cooperation on environmental protection and renewable energy areas. The groundbreaking transaction was the largest acquisition by a Chinese company in central and eastern Europe's environmental protection industry, and lays a solid foundation for the Group's future expansion in European markets.

As for technological innovation, years of continuous efforts, commitment to independent R&D and collaborations with institutions and research institutes as part of the development of its envirotech segment led to the Group developing fully self-made grate furnaces, gas purification systems, leachate treatment systems and automated control systems last year. Its first 750-tonne/day grate furnaces and gas purification systems were put into operation at the Wujiang Waste-to-energy Project ("Wujiang Project") in Jiangsu, the gas emission levels of which are above the designed standard, and have filled a void in China's self-developed high-capacity grate furnace manufacturing segment for household waste incineration. In addition, the Group's greentech business, driven by innovation, has witnessed exponential growth and has expanded into various business areas over the course of a few years, involving much hard work. From biomass direct combustion projects to electricity and heat cogeneration projects and from hazardous waste landfill projects to hazardous waste diversified treatment projects, it also initiated the urban-rural integration project model in China's environmental protection industry.

從市場拓展看，本集團於回顧年度內落實的新項目總量以及投資總額再創歷史新高，全年共取得項目44個，總投資約人民幣144億元。過去一年，本集團國內業務持續發展，同時圍繞國家「一帶一路」發展戰略，分別取得越南芹苴垃圾發電項目（「芹苴項目」）和波蘭Novago sp. z o.o.固廢處理項目（「Novago項目」）。芹苴項目為本集團在海外投資、建設和運營的第一個生活垃圾發電項目，亦實現了本集團環保技術及核心裝備的對外輸出；Novago項目是中國國家主席習近平訪問波蘭，確認環境與新能源等作為重點合作領域後，中國在該領域簽署的開創性收購，也是目前中國在東中歐環保市場最大的一個收購項目，為本集團未來進一步開啓歐洲市場打下了堅實的基礎。

從技術創新上看，環境科技通過多年的深耕細作，堅持走自主研發與產學研結合的道路，焚燒爐系統、煙氣處理系統、滲濾液處理系統、自動化控制系統等方面在過去一年全面實現中國製造。首台750噸／日的爐排爐和煙氣淨化系統在江蘇吳江垃圾發電項目（「吳江項目」）上正式投入運營，煙氣排放指標全部優於設計指標，填補了國產大容量生活垃圾焚燒裝備的空白。此外，本集團綠色環保業務堅持創新驅動發展，通過短短幾年的努力，從生物質直燃發電到熱電聯供，從危廢安全填埋到多元處置，特別是率先在中國環保行業推出城鄉一體化項目，整體業務呈現爆發式增長態勢。

## Chief Executive Officer's Report 行政總裁報告

In terms of management, the Group attaches great importance to the establishment of long-term risk prevention mechanisms. During the year under review, it implemented a more professional environmental, safety, health and social responsibility (“ESHS”) management system and risk management system, which have promoted the Group’s organic growth. By focusing on the ESHS management system and risk management system to strengthen administration procedures, and by learning from advanced international managerial experience, the Group managed to construct and operate projects in a standardised and sophisticated manner. The implementation of the two systems, designed to disclose information, has enabled the Group to precisely control and effectively prevent risks, while holistic efforts to promote the two systems have driven the Group’s organic growth and brought out the full potential; laying a solid foundation from which the Group can evolve into an international brand from a domestic one, as well as into an excellent enterprise from a common one.

As far as social responsibility is concerned, the Group embarked on its mission and fulfilled its responsibilities as a conscientious environmental protection company. Through the construction and operations of numerous environmental protection projects, it has made notable contributions towards improving the environment and has become a role model for the environmental protection industry. During the year under review, the Group reached its goal of implementing its “Four Steps” environmental information disclosure plan according to schedule and in the spirit of being socially responsible. As part of this effort, it took the lead in disclosing all of its operating waste-to-energy projects’ average gas emission levels on an hourly basis, and opening its operating waste-to-energy projects to the public, which boosted the Group’s information transparency and disclosure standards, and set a new benchmark for the environmental protection industry. The Group has always adhered to the development philosophy of “Producing Quality Projects and Building a Quality Brand” as a key principle when constructing all of its projects, and is committed to maintaining the stable operations of its various projects which comply with discharge standards. As a result, the Group has received a high level of recognition from society and the market. During the year under review, the Group received over 69,500 domestic and foreign visitors from all walks of life to its environmental protection projects in total. Seeing is believing, and with that in mind, the visits have helped the Group win the trust of different groups in society, in addition to receiving a great deal of praise and acknowledgement from the international community.

從管理上看，本集團十分重視建立長效風險防範機制。於回顧年度內，全面實施更專業的環境、安全、健康及社會責任(「ESHS」)管理體系以及風險管理體系，促進本集團內涵式發展。本集團將ESHS管理體系和風險管理體系作為強化管理的抓手，積極借鑒國際先進管理經驗，實現項目建設、運營過程中整體管理的標準化和精細化管理。兩大管理體系的實施以信息披露為導向，從源頭上對風險進行精準控制和有效防範。隨著兩大體系全面深入的推進，有效促進本集團的內生性增長和內涵式發展，為本公司實現從國內向國際、從普通企業步入卓越企業奠定了堅實基礎。

從履行社會責任上看，作為一個負責任的環保企業，本集團使命在前，責任在肩，通過一個個環保項目的建設運營，為社會帶來更多的青山綠水，為行業起到更多示範和引領。回顧年度內，本集團以高度的社會責任感按計劃完成了環境信息披露「四步走」目標，實現了本集團旗下所有投運的垃圾發電項目率先在國內按小時均值披露煙氣在線監測指標，也率先設置公眾開放日，在信息透明化、公開化方面再次實現新的跨越，樹立了環保行業新的標竿。一直以來，本集團各建設項目堅持「建精品、創品牌」的建設理念，各運營項目堅持「穩定運行，達標排放」的天職，贏得了社會及市場的高度認可。回顧年度內，本集團各環保項目共接待國內外各界人士參觀考察超過69,500人。「眼見為實」，贏得了各界信任，受到國際社會的高度讚揚和肯定。



Thirteen years of exploration has paid off with the Group now a leading player in the international waste-to-energy industry both in terms of size and sustainable development that has been globally recognised. During 2016, the Group was included in the Dow Jones Sustainability World Index for its remarkable performance in sustainable development, and was the only mainland Chinese company and Hong Kong listed company to be added to the 2016 index. The Group was also selected as a constituent stock of the Hang Seng Corporate Sustainability Index for the third year running. Such achievements are a testament to the management's commitment to sustainable development with the Group serving as an example for its peers in China and Hong Kong. In addition, Everbright Water, a non-wholly-owned subsidiary of the Group, was included as a constituent stock of the MSCI China Small Cap Index. These honors demonstrate the extraordinary achievements of the Group in terms of results performance, corporate governance and management quality, and the wide recognition it has received from the investment community and society.

While it has consolidated its own development, the Group has also taken an active role in shaping the standards of the environmental protection industry as a whole and successfully helping to establish relevant industrial standards across the world. During the year, the Group was invited by the United Nations Economic Commission for Europe International PPP (Public-Private Partnership) Centre of Excellence to lead the development of the United Nations' PPP standards on waste-to-energy projects. Meanwhile, it was invited by Columbia University to promote the development of the World Bank's guidelines for waste-to-energy projects, and was involved in the development of over 10 technical guidelines and standards for environmental protection launched by the Ministry of Environmental Protection of the PRC, the Ministry of Housing and Urban-Rural Development of the PRC, the National Development and Reform Commission of the PRC and the Ministry of Commerce of the PRC. Furthermore, it successfully applied for permission to establish the first national key engineering laboratory for waste incineration with Zhejiang University. All these have not only enabled the Group to improve the overall development of the entire industry in collaboration with its peers, but also enhanced its influence within the industry and internationally; further highlighting the Group's commitment to corporate social responsibility.

經過十三年的奮進發展，本集團躋身了國際垃圾發電行業的領先地位。這不僅僅是規模上的領先，在可持續發展上也居於全球認可的地位。本集團於二零一六年獲納入道瓊斯可持續發展全球指數，成為該指數去年唯一一家上榜的中國大陸公司及香港上市公司。並且連續第三年被納入恒生可持續發展企業指數成份股，展現出本集團管理層對可持續發展的堅持，並在中國及香港同業中作出表率。本集團旗下非全資子公司光大水務於年內晉身MSCI明晟中國小型指數成份股。這些榮譽彰顯了本集團在業績表現、企業管治、管理水平等方面的卓越成績，獲得投資界及社會各界的廣泛認同與嘉許。

在鞏固自身發展的同時，本集團亦積極參與行業標準的制定，也成功涉足全球行業標準制定。年內，本集團獲聯合國歐洲經濟委員會PPP中心邀請牽頭聯合國垃圾焚燒PPP標準編制，獲哥倫比亞大學邀請共同推進世界銀行垃圾發電標準制定，同時參與國家環保部、建設部、發改委、商務部組織編制環保技術及規範十多項。年內本集團更與浙江大學聯合成功申請垃圾焚燒領域首個國家重點工程實驗室。這不僅有助於攜手同業提升行業整體水平，亦極大增強了本集團在行業內及國際上的話語權，進一步彰顯本集團的企業社會責任。

## Chief Executive Officer's Report 行政總裁報告

The Group has actively participated in and provided support to environmental protection charitable campaigns globally. It has been the lead sponsor of the global environmental protection campaign Earth Hour for 3 consecutive years; it co-organised the Fourth World Environment Day with the China Ecological Civilization Research and Promotion Association and Beijing Forestry University on 5 June 2016, which took place in more than 100 universities in China and the outcome was very successful; and the Group has built up a good reputation within society and among the public for its high level of commitment to its social responsibilities as well as its management philosophy. During the year under review, the Group received awards, including Best Social Responsibility Brand in China, being one of the Top 10 Green Companies in China, an Asian Excellence Recognition Award, a Hong Kong Outstanding Enterprises Award and first place in the Top Ten Influential Solid Waste Treatment Enterprises in China.

In terms of operating results, the Group continued to facilitate the independent operations of its 4 major business segments during the year under review with outstanding performance. The Group's revenue, profit before tax and profit attributable to equity holders of the Company all registered satisfactory growth. The Group's construction service revenue hits a record high, as the management of projects at the preparatory stage was strengthened and construction works were carried out steadily. The Group also saw continuous growth in revenue from operation services as it continued to reduce costs, expand its income streams and enhance efficiency. During the year under review, the Group's consolidated revenue amounted to HK\$13,971,204,000, an increase of 64% over HK\$8,528,393,000 in 2015. The EBITDA amounted to HK\$5,051,261,000, an increase of 35% over HK\$3,754,449,000 in 2015. Profit attributable to equity holders of the Company for 2016 was HK\$2,784,863,000, 34% more than HK\$2,084,888,000 recorded in 2015. Excluding the gain on sale of listed securities of HK\$92,711,000 in 2015, profit attributable to equity holders recorded an increase of 40%. Basic earnings per share of 2016 were HK62.12 cents, HK15.62 cents more than HK46.50 cents in 2015. The Group has ready access to financing channels, with an abundance of cash on hand which continues to rise, and it performed well in all financial indicators.

本集團積極參與支持全球各地環保公益活動，連續三年贊助全球大型環保運動「地球一小時」；與中國生態文明促進會、北京林業大學合作主辦的「第四屆百所高校六五世界環境日」活動取得良好效果。本集團高度的社會責任感和經營理念得到社會和公眾的好評。年內，本集團獲得中國最佳責任品牌獎、中國十佳綠色責任企業、亞洲卓越大獎、香港傑出企業、中國固廢行業十大影響力企業榜首等等。

從經營業績看，本集團於回顧年度內全面推進四大業務板塊獨立運作，成效斐然。無論收益、稅前盈利、本公司權益持有人應佔盈利都錄得可喜的增長。本集團通過強化籌建項目管理，穩步推進工程項目，建造服務收益創歷史新高。在運營項目方面，本集團繼續開源節流，提升效益，運營服務收益持續增長。回顧年度內，本集團錄得綜合收益為港幣13,971,204,000元，較二零一五年之港幣8,528,393,000元增加64%。除利息、稅項、折舊及攤銷前盈利為港幣5,051,261,000元，較二零一五年之港幣3,754,449,000元增加35%。年內本公司權益持有人應佔盈利為港幣2,784,863,000元，較二零一五年之港幣2,084,888,000元增加34%。剔除二零一五年出售上市證券之收益港幣92,711,000元之影響，同比增加40%。二零一六年每股基本盈利為62.12港仙，較二零一五年之46.50港仙增加15.62港仙。本公司融資渠道暢通，資金充裕，手持現金持續增加，各項財務指標健康。

During the year under review, the Group continued to expand its financing channels to boost its capital strength and provide diverse, long-term and stable financial support for it to progress to its next stage of development, and it also actively adjusted its foreign currency exposure in light of the Renminbi's fluctuations. The Group obtained new loan facilities of HK\$18 billion in 2016 and also obtained various kinds of financial subsidies from the PRC government totaling RMB230 million. In addition, during the year under review, the Group signed the Strategic Cooperation Agreement to Provide Green Finance Support for Ecological Environment Construction with China Development Bank Corporation ("CDB"). As part of the agreement, CDB will provide a total of RMB20 billion to the Group during the 13th Five-year Plan period. With abundant capital reserves, the Group is well placed financially for its next round of development. As at 31 December 2016, the Group had cash and bank balances of HK\$7,037,597,000, a reasonable gearing level and a healthy financial position.

The Group remains dedicated to enhancing value for its Shareholders. To reward the Shareholders for their support and taking into account the Group's need to achieve long-term sustainable development, the Board has proposed to pay a final dividend of HK13.0 cents per share to the Shareholders. The total dividends for the year are to be HK20.5 cents per share (2015: HK18.5 cents per share).

本集團於回顧年度內持續積極拓展融資渠道，增強資金實力，為集團新一輪的發展提供了多元化、長期、穩定的資金支持；同時亦針對人民幣匯率波動積極作好應對調節。二零一六年，本集團獲得新貸款額度約港幣180億元，同時獲得國家各類資金補助人民幣2.3億元。另外，回顧年度內，本集團與國家開發銀行股份有限公司（「國開行」）簽署「綠色金融支持生態環境建設戰略合作協議」，國開行將於「十三·五」規劃期間，給予本集團總量達人民幣200億元的金融支持。充足的資金儲備為本集團新一輪的發展準備了豐裕的糧草。於二零一六年十二月三十一日，本集團手持現金及銀行結餘達港幣7,037,597,000元，負債水平合理，財務狀況健康。

本集團繼續為本公司股東（「股東」）創優增值，為回饋股東的支持及考慮本集團的長期可持續發展，本公司董事會（「董事會」）建議向本公司股東派發末期股息每股13.0港仙，全年股息每股20.5港仙（二零一五年：每股18.5港仙）。

## Chief Executive Officer's Report 行政總裁報告

### Environmental Protection Business 環保業務

As at 31 December 2016, the Group had secured 213 environmental protection projects with a total investment of approximately RMB53.212 billion and completed the construction of 130 projects, which commanded around RMB25.681 billion in investment. A total 39 projects were under construction which commanded an investment of about RMB14.462 billion. The projects in the preparatory stage commanded a total investment of approximately RMB13.069 billion.

In 2016, the Group carried out construction works of 62 projects commanding a total investment of approximately RMB19.378 billion. Among which, 23 projects completed construction and commenced operations during the year under review, including 5 waste-to-energy projects, 1 food waste treatment project, 7 waste water treatment projects (4 of them completed construction but yet to commence commercial operation), 1 reusable water project (project completed construction but yet to commence commercial operation), 4 hazardous waste treatment projects and 5 biomass projects (completed construction and began to generate revenue), commanding a total investment of approximately RMB4.916 billion. Meanwhile, as at 31 December 2016, 39 projects were under construction including 17 waste-to-energy projects, 1 food waste treatment project, 5 waste water treatment projects, 1 sponge city construction project, 1 river training project, 2 hazardous waste treatment projects and 12 biomass projects, commanding a total investment of approximately RMB14.462 billion.

During the year under review, the environmental energy, environmental water and greentech projects generated a total revenue of HK\$13,425,088,000, of which construction service revenue increased by 83% to HK\$8,987,199,000, operation service revenue increased by 31% to HK\$2,854,444,000, and finance income increased by 22% to HK\$1,583,445,000 as compared with 2015. The proportions of the revenue are as follows: construction service revenue 67%, operation service revenue 21% and finance income 12%.

截至二零一六年十二月三十一日，本集團已落實的環保項目213個，總投資約人民幣532.12億元；已竣工項目130個，總投資約人民幣256.81億元；在建項目39個，總投資約人民幣144.62億元；籌建中項目涉及總投資約人民幣130.69億元。

二零一六年工程項目共62個，涉及投資額約人民幣193.78億元。其中，23個項目於回顧年度內建成投運，包括5個垃圾發電項目、1個餐廚垃圾處理項目、7個污水處理項目（其中4個項目工程完工，尚未進入商業運營）、1個中水回用項目（工程完工，尚未進入商業運營）、4個危廢處置項目、5個生物質項目（建成完工並開始產生收益），涉及投資額約人民幣49.16億元；截至二零一六年十二月三十一日，在建項目39個（17個垃圾發電項目、1個餐廚垃圾處理項目、5個污水處理項目、1個海綿城市建設項目、1個河道治理項目、2個危廢處置項目及12個生物質項目），涉及總投資約人民幣144.62億元。

回顧年度內，環保能源、環保水務和綠色環保項目的收益為港幣13,425,088,000元，其中建造服務收益港幣8,987,199,000元，較二零一五年增加83%；運營服務收益港幣2,854,444,000元，較二零一五年增加31%；財務收入港幣1,583,445,000元，較二零一五年增加22%，各收益的比重為：建造服務收益佔67%，運營服務收益佔21%及財務收入佔12%。

Major financial data from the environmental energy, environmental water and greentech projects in 2016 is summarised in the table below:

二零一六年環保能源、環保水務和綠色環保項目之主要財務數據如下：

		2016 二零一六年				2015 (Restated) 二零一五年 (重報)			
		Environmental Energy Projects 環保能源項目 HK\$'000 港幣千元	Environmental Water Projects 環保水務項目 HK\$'000 港幣千元	Greentech Projects 綠色環保項目 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	Environmental Energy Projects 環保能源項目 HK\$'000 港幣千元	Environmental Water Projects 環保水務項目 HK\$'000 港幣千元	Greentech Projects 綠色環保項目 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Revenue	收益								
- Construction services	- 建造服務	5,779,429	1,133,784	2,073,986	8,987,199	3,715,228	591,890	608,731	4,915,849
- Operation services	- 運營服務	1,117,978	821,478	914,988	2,854,444	880,281	755,365	549,260	2,184,906
- Finance income	- 財務收入	1,007,704	538,775	36,966	1,583,445	806,087	467,895	18,690	1,292,672
		7,905,111	2,494,037	3,025,940	13,425,088	5,401,596	1,815,150	1,176,681	8,393,427
EBITDA	除利息、稅項、 折舊及攤銷前 盈利	3,299,687	843,973	1,020,204	5,163,864	2,670,199	795,955	436,460	3,902,614

The Group dedicates equal importance to generating both economic and social benefits, committing itself to the task of environmental protection and fulfilling its responsibilities to set new records in all of its energy conservation and emission reduction indicators. During the year under review, the Group processed 9,007,000 tonnes of household waste and 98,000 tonnes of hazardous waste, 728,000 tonnes of agricultural waste and generated 3,654,252,000 kWh of green electricity. This output can support the annual electricity consumption for 3,045,000 households, and is equivalent to saving 1,462,000 tonnes of standard coal and can reduce carbon dioxide (CO<sub>2</sub>) emissions by 3,864,000 tonnes. Meanwhile, the Group treated 1,148,279,000 m<sup>3</sup> of waste water, 1,724,000 m<sup>3</sup> of leachate produced from waste-to-energy plants and reduced COD emissions by 293,000 tonnes. Since the Group's first environmental protection project commenced operation in 2005, it has processed an accumulated 37,167,000 tonnes of household waste and 451,000 tonnes of hazardous waste, 2,450,000 tonnes of agricultural waste and generated 13,553,342,000 kWh of green electricity, which can fulfill the annual electricity consumption for 11,294,000 households and is equivalent to saving 5,421,000 tonnes of standard coal, reducing CO<sub>2</sub> emissions by 15,459,000 tonnes and preventing 1,761,934,000 trees from being cut down. The Group has treated an accumulated 5,811,828,000 m<sup>3</sup> of waste water, 6,890,000 m<sup>3</sup> of leachate produced from waste-to-energy plants and reduced COD emissions by 2,028,000 tonnes.

本集團一直以來堅持社會及經濟雙重效益並重，堅守環境與責任理念，節能減排各項指標屢創歷史之最。本集團於回顧年度內分別處理生活垃圾及危險廢棄物9,007,000噸及98,000噸，農業廢棄物728,000噸，提供綠色電力3,654,252,000千瓦時，可供3,045,000個家庭一年使用，相當於節約標煤1,462,000噸，減少二氧化碳排放3,864,000噸；處理污水1,148,279,000立方米，垃圾發電廠的滲濾液1,724,000立方米，COD減排293,000噸。自二零零五年首個環保項目運行以來，累計分別處理生活垃圾及危險廢棄物37,167,000噸及451,000噸，農業廢棄物2,450,000噸，提供綠色電力13,553,342,000千瓦時，可供11,294,000家庭一年使用，相當於節約標煤5,421,000噸，減少二氧化碳排放15,459,000噸及減少生靈樹木砍伐1,761,934,000株。處理污水5,811,828,000立方米，垃圾發電廠的滲濾液6,890,000立方米，COD減排2,028,000噸。



# STRIVING TO DEVELOP ADVANCED ENVIRONMENTAL TECHNOLOGIES

為環境研發更多科技成果

## Envirotech 環境科技

Scientific Theory, Meticulous Organisation,  
Bold Innovation, High Initiative

科學籌劃、精心組織、大膽創新、勇於實踐

## I. ENVIROTECH 一、環境科技

An innovative company needs to have the foresight to look to the future rather than only being satisfied with its current achievements, and it must constantly innovate and be motivated rather than constricting itself to the rules. The Group, which has leveraged innovation and reform to fuel its current phase of development, always seeks to enhance its core competencies through technological innovation as part of its transformation into a modern enterprise.

In early 2016, the Group recruited talent with expertise in technology from home and abroad as part of a restructuring of the technology management team, which will strengthen the Group's capacity for technology-related R&D and innovation. This has helped to lay a good foundation for the establishment of the Group's technological R&D platform, which will spur the growth of other business segments. During the year under review, the Group acquired Jiangsu Design & Research Institute and the Nanjing Science and Technology Building, established Everbright Envirotech (China) Limited, entered a comprehensive cooperation agreement with Zhejiang University, set up the Environmental Energy Research Center and actively engaged in terms of international technological cooperation and exchange. Through organizational restructuring, the envirotech business now comprises 3 research institutes in the fields of incineration technology, environmental technology and electrical control technology, as well as an information control center and a technical standards analysis and testing center. This, as well as its "R&D – Design and Consultancy – Equipment Manufacturing" model will be a springboard for the Group's next round of development through technological innovation.

During the year under review, the acquisition of Jiangsu Design & Research Institute allowed the Group to offer turnkey design solutions; leveraging these light assets will help to promote the Group's development. The Jiangsu Design & Research Institute not only has compiled feasibility reports and construction drawing designs for internal projects, but also has secured a number of project design and external engineering consultancy contracts with a total contract value of approximately RMB12.60 million during the year.

一個創新型企業，不是常思既往，而是嚮往未來；不是照例守舊，而要永存志氣、不斷創新。本集團在新一輪發展中，把創新、改革作為推進發展的抓手，通過科技不斷創新提升企業的核心競爭力，實現從傳統企業發展向現代企業的轉變。

二零一六年初，本集團通過重組科技管理團隊，引進國內外技術人才，旨在深化以技術創新為引領，為建立本集團科研基地打好基礎，進而成為其他業務板塊穩步發展的強大助力。回顧年度內，本集團先後收購江蘇設計院、購置南京科技大樓、成立光大環境科技(中國)有限公司、與浙江大學全面合作、成立環境能源研究中心及積極開展國際技術合作與交流等。全面調整環境科技組織架構，下設「焚燒技術」、「環境技術」、「電控技術」三個研究所和「信息管理」及「技術標準分析檢測」兩個中心，建立「一部三所兩中心」的管理格局和「科技研發—設計諮詢—裝備製造」的科技主線，拉開了通過技術創新全面推動本集團新一輪發展的序幕。

回顧年度內，本集團收購江蘇設計院以取得總承包資質，為本集團增加了以「輕資產」引領發展的模式。江蘇設計院不僅完成了內部項目的可研報告編制及施工圖設計等工作；對外還承接多個項目設計及工程諮詢，年內涉及合同總額約為人民幣1,260萬元。

## Chief Executive Officer's Report 行政總裁報告



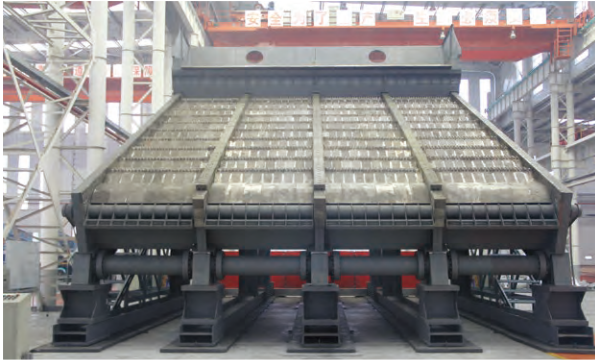
In terms of equipment manufacturing, in accordance with the pace of construction for the Group's projects, the Group completed the production and commissioning of 18 sets of incinerators, 15 sets of gas purification systems and 12 sets of leachate treatment systems during the year. Meanwhile, the Group has fully tapped the external sales market and secured contracts for the external sales of 34 entire sets of equipment, the total contract value of which amounted to approximately RMB581 million. The opportunities presented by China's "One Belt One Road" initiative and favorable policies for high-end equipment manufacturing have successfully supported the Group's move into the first-tier of the environmental protection equipment manufacturing industry with its self-developed core equipment, helping the Group to raise the profile and reputation of the "Made by Everbright International" brand.

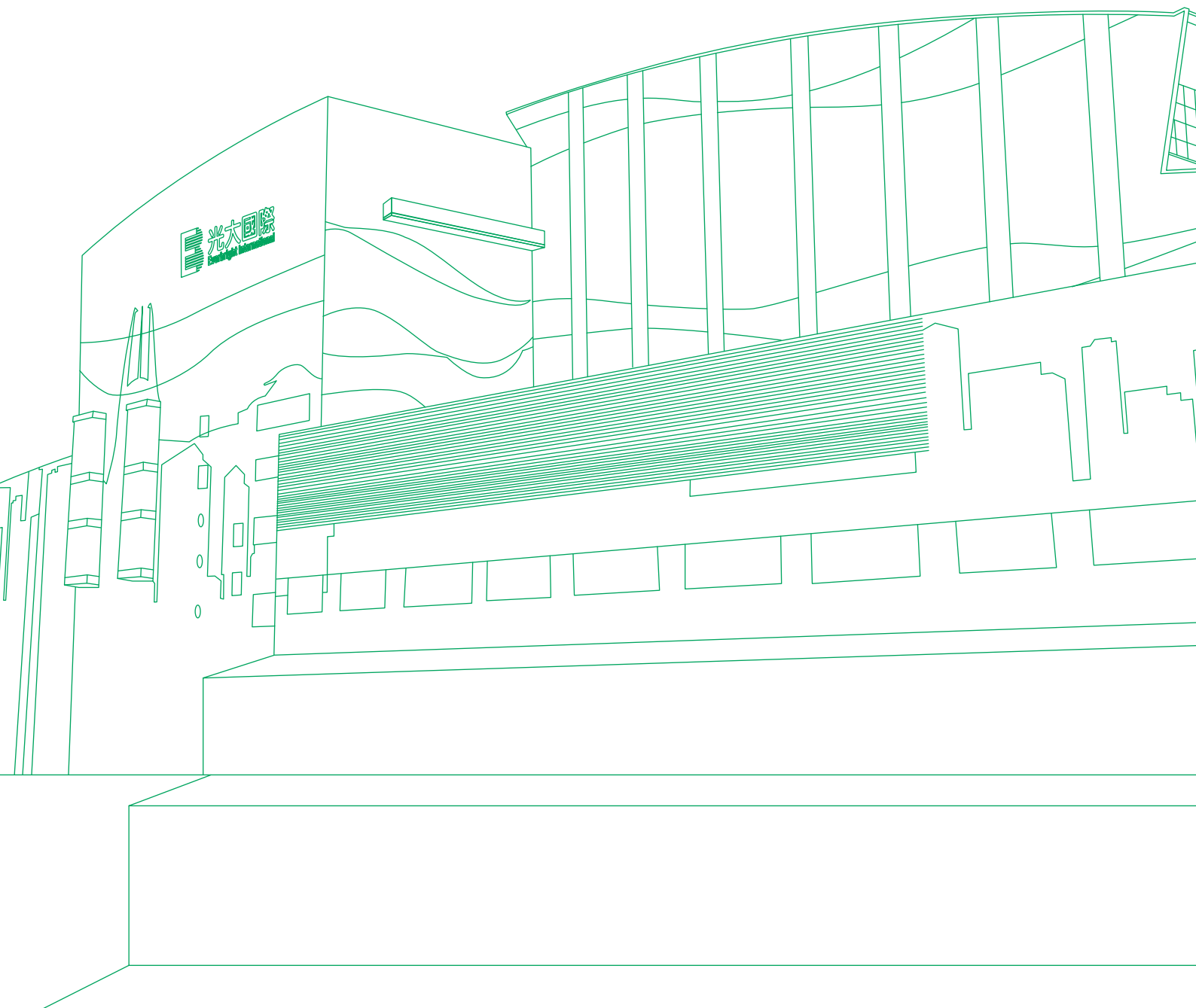
In terms of R&D and collaboration with higher education institutions and research institutes, the Group has adopted a "stepping out and bringing in" approach to enhance exchange and cooperation with entities worldwide, which will provide the Group with a global perspective and improve its technology. During the year under review, the Group successfully pushed forward with major R&D projects and was granted 37 patents, of which 10 were invention patents and 27 were utility invention patents. The Group will continue to step up efforts to advance its R&D capabilities to achieve business growth, support its expansion and develop sustainably.

裝備製造方面，年內配合本集團在建項目的建設進度，完成了焚燒爐排生產供貨18套、煙氣淨化成套設備生產供貨15套、滲濾液成套設備生產供貨12套。本集團同時全面開啟外銷市場，全年簽署對外銷售34台套成套設備的合同，合同總額約人民幣5.81億元。隨著國家不斷推進「一帶一路」的發展戰略、推出鼓勵高端裝備製造的產業政策，本集團自主研發的核心裝備已成功進入環保行業設備選型的第一梯隊，「光大製造」在行業中的品牌知名度和美譽度日益提升。

在技術研發和產學研方面，本集團採取「走出去和引進來」的方式，加強國際交流與合作，進一步拓寬國際視野，提升技術水平。年內多項重點研發課題進展順利，全年共獲授權專利37項，其中發明專利10項及實用型專利27項。本集團將持續加大科技研發工作，以科技引領發展，為本集團擴闊業務領域及持續發展注入強勁動力。







**BUILDING** A BETTER  
ENVIRONMENT FOR **YOU**

為您建造更好環境

**Environmental Energy**  
環保能源

Strive to convert Waste to Energy and  
build a Beautiful Environment

致力轉廢為能 建設優美環境

## II. ENVIRONMENTAL ENERGY 二、環保能源

### A. Environmental Energy 甲、環保能源

Environmental energy maintained its fast-paced growth momentum as well as its leading position in the industry. With its strong sense of social responsibility, the business made a leap forward in terms of information transparency and disclosure standards, which have set new benchmarks for the environmental protection industry.

As at 31 December 2016, the Group had 60 waste-to-energy projects, 2 methane-to-energy projects, 1 sludge treatment and disposal project, and 2 food waste treatment projects, with a total investment of approximately RMB26.933 billion. These facilities are designed with an annual household waste processing capacity of approximately 18,596,750 tonnes, which can generate annual on-grid electricity of approximately 5,788,110,000 kWh. The annual sludge treatment capacity is approximately 18,250 tonnes, while the annual food waste treatment capacity is approximately 73,000 tonnes.

In 2016, the Group secured 14 waste-to-energy projects, which commanded a total investment of approximately RMB6.445 billion, with an increase in designed daily household waste processing capacity of 13,050 tonnes, boosting the total daily waste processing capacity to 50,950 tonnes, which is the highest in the industry. New projects at home included the Jiangsu Jiangyin Waste-to-energy Project (“Jiangyin Project”) Phase III (1,000 tonnes/day), Shandong Linshu Waste-to-energy Project (500 tonnes/day), Shandong Laiyang Waste-to-energy Project (600 tonnes/day), Hunan Xiangxiang Waste-to-energy Project (500 tonnes/day), Shandong Zouping Waste-to-energy Project (700 tonnes/day), Shandong Fei County Waste-to-energy Project (600 tonnes/day), Shandong Weifang Waste-to-energy Project (“Weifang Project”) Phase II (500 tonnes/day), Shandong Jinan Waste-to-energy Plant Expansion Project (750 tonnes/day), Henan Taikang Waste-to-energy Project (700 tonnes/day), Guangdong Boluo Waste-to-energy Project Phase II (350 tonnes/day), Jiangsu Wuxi Xidong Waste-to-energy Project Entrusted Operation (2,000 tonnes/day), Jiangsu Changzhou Xinbei Waste-to-energy Project Phase II (700 tonnes/day), and the Dismantling and Redevelopment Project of the Jiangsu Suzhou Waste-to-energy Project (“Suzhou Project”) (3,750 tonnes/day). The Group also won the Can Tho Project (400 tonnes/day), its first overseas waste-to-energy project.

環保能源繼續保持快速增長勢頭和行業領先地位，並以高度的社會責任感在信息透明、公開方面再次實現新的跨越，樹立環保行業新的標竿。

截至二零一六年十二月三十一日，本集團共有60個垃圾發電項目、2個沼氣發電項目、1個污泥處理處置項目及2個餐厨垃圾處理項目，總投資約人民幣269.33億元。設計總規模為年處理生活垃圾約18,596,750噸、年上網電量約5,788,110,000千瓦時、年處理污泥約18,250噸及年處理餐厨垃圾約73,000噸。

二零一六年，本集團共取得14個垃圾發電項目，總投資逾人民幣64.45億元，新增設計規模日處理生活垃圾13,050噸，總日處理規模達到50,950噸，高踞行業領先地位。於國內市場新取得的項目包括，江蘇江陰垃圾發電項目（「江陰項目」）三期（1,000噸／日）、山東臨沭垃圾發電項目（500噸／日）、山東萊陽垃圾發電項目（600噸／日）、湖南湘鄉垃圾發電項目（500噸／日）、山東鄒平垃圾發電項目（700噸／日）、山東費縣垃圾發電項目（600噸／日）、山東濰坊垃圾發電項目（「濰坊項目」）二期（500噸／日）、山東濟南垃圾發電擴建項目（750噸／日）、河南太康垃圾發電項目（700噸／日）、廣東博羅垃圾發電項目二期（350噸／日）、江蘇無錫錫東垃圾發電項目委托運營（2,000噸／日）、江蘇常州新北垃圾發電項目二期（700噸／日）及江蘇蘇州垃圾發電項目（「蘇州項目」）拆舊建新項目（3,750噸／日）；並拓展了本集團第一個海外垃圾發電項目—芹苴項目（400噸／日）。

## Chief Executive Officer's Report 行政總裁報告

The positive results of market expansion have been underpinned by the stable operations and compliance with discharge standards of the Group's operating projects. In light of the increasing popularity of the Not-in-My-Back-Yard (NIMBY) phenomenon, the Group well recognises the importance of increasing the transparency of its project operations, respecting the public's right to know and proactively welcoming public supervision to increase the general public's understanding of the waste-to-energy industry as well as resolve NIMBY issues. At the same time, the Group also looks to continue strengthening its operational management standards by persistently putting pressure on itself. In 2015, the Group became the first company in the industry to disclose emission standards and the environmental management information of its operating waste-to-energy projects as part of its "Four Steps" disclosure plan. The Group carried out the plan as scheduled and successfully achieved its goal of disclosing environmental impact assessments and publishing the average levels of its operating waste-to-energy projects' emission standards on a monthly, daily and hourly basis in less than one and a half years. This set an example and new benchmark for the industry in terms of information disclosure.

Regarding operation management, all environmental protection projects of the Group comply with the industry's highest construction and operations standards. The gas emissions of the Group's waste-to-energy projects fully comply with the Euro 2010 Standard, while leachate after treatment is in line with the national grade 1 emission standard. All project companies, through intercompany competition, have optimised maintenance plans and the management of energy-intensive leachate treatment, induced draft fans, circulating pumps and feed water pumps. The result of this has been a continuous increase in aggregate average electricity generation per tonne of waste and a decline in the comprehensive auxiliary power consumption rate. Such organic growth enables the Group's projects to surpass all their operation standard targets, and offers the environmental energy business enormous room to grow.

市場拓展的成績有賴於已投運項目的穩定運營和達標排放。尤其是在鄰避效應愈發顯現的環境下，本集團深知提升項目運營透明度、尊重公眾知情權、主動接受公眾監督對於提升公眾對垃圾發電行業的理解、降低鄰避效應的重要性，同時亦希望通過自我施壓，不斷提升項目的運營管理水平，因此本集團於二零一五年在業內率先推行運營垃圾發電項目排放標準及環境管理信息披露「四步走」工作計劃。計劃如期推進，在不到一年半時間內相繼完成從公開環評批覆、到按月、按日直至按小時均值公佈各運營垃圾發電項目監測排放指標，在行業信息公開方面起到了示範和標竿作用。

運營管理方面，本集團所有環保項目的建設和運行標準均全部達到行業最高水準，垃圾發電項目煙氣排放指標全面執行歐盟2010標準，經處理後的滲濾液達到國家一級排放標準。各項目公司通過深入開展「四比活動」、「運營大比武」，優化維修計劃，優化高耗能的滲濾液、引風機、循環泵、給水泵的管理，實現累計平均噸垃圾發電量的不斷上升及綜合廠用電率的持續下降。通過「一升一降」的內涵式增長，超額完成各項運營指標，給環保能源的發展帶來了廣闊的空間。

In terms of project construction, the Group had 5 waste-to-energy projects and 1 food waste treatment project that completed construction and commenced operations during the year, including the Hainan Sanya Waste-to-energy Project (“Sanya Project”) Phase II, Hunan Yiyang Waste-to-energy Project (“Yiyang Project”), Wujiang Project, Shandong Tengzhou Waste-to-energy Project Phase I, Jiangsu Pei County Waste-to-energy Project Phase I, and Shandong Laiwu Food Waste Treatment Project. Yiyang Project is the Group’s first environmental protection project to commence operations in Hunan Province, while Sanya Project Phase II was able to commence operations 104 days ahead of schedule, simultaneously ensuring the safety of construction on the premises and the maintenance of Sanya Project Phase I’s operations; establishing itself as another role model in terms of the duration of construction. A total of 15 projects, comprising 14 waste-to-energy projects and 1 food waste treatment project, commenced construction during the year, namely the Zhejiang Hangzhou Waste-to-energy Project, Anhui Ma’anshan Waste-to-energy Project, Shandong Laiwu Waste-to-energy Project, Jiangyin Project Phase III, Nanjing Gaochun Waste-to-energy Project, Shandong Xintai Waste-to-energy Project, Jiangsu Suqian Waste-to-energy Project Phase II, Henan Lankao Waste-to-energy Project, Shandong Ju County Waste-to-energy Project, Hunan Yongzhou Waste-to-energy Project, Shandong Zoucheng Waste-to-energy Project, Henan Xinzheng Waste-to-energy Project, Guangdong Huidong Waste-to-energy Project, Weifang Project Phase II and Jiangsu Suqian Food Waste Treatment Project. These projects, together with Jiangsu Nanjing Waste-to-energy Project (“Nanjing Project”) Phase II and Shandong Pingdu Waste-to-energy Project, which were under construction during the year, are expected to complete construction and commence operations between 2017 and 2018.

To ensure “high standards and first-class quality” of investment, construction, operation and management of all its projects, the Group continues to shoulder the responsibility for setting industry standards. With the successful application of grate furnace, gas emission purification and the third generation leachate treatment technologies, newly completed waste-to-energy projects have achieved significant results in operation standards and efficiency. The 750-tonne/day grate furnace installed in Wujiang Project is China’s first homebuilt large-scale grate furnace and has filled the void in the manufacturing of large-scale household waste incineration equipment in the country, which is also the first dismantling and redevelopment project in waste-to-energy industry in China.

項目建設方面，年內本集團共有5個垃圾發電項目及1個餐廚垃圾處理項目建成運營，包括海南三亞垃圾發電項目（「三亞項目」）二期、湖南益陽垃圾發電項目（「益陽項目」）、吳江項目、山東滕州垃圾發電項目一期、江蘇沛縣垃圾發電項目一期及山東萊蕪餐廚垃圾處理項目。其中，益陽項目為本集團在湖南省的首個投運的環保項目；而三亞項目二期在確保一期正常運行前提下安全施工並提前104天建成投運，再次創建設工期新典範。年內新開工項目15個，包括14個垃圾發電項目及1個餐廚垃圾處理項目，包括浙江杭州垃圾發電項目、安徽馬鞍山垃圾發電項目、山東萊蕪垃圾發電項目、江陰項目三期、南京高淳垃圾發電項目、山東新泰垃圾發電項目、江蘇宿遷垃圾發電項目二期、河南蘭考垃圾發電項目、山東莒縣垃圾發電項目、湖南永州垃圾發電項目、山東鄒城垃圾發電項目、河南新鄭垃圾發電項目、廣東惠東垃圾發電項目、濰坊項目二期以及江蘇宿遷餐廚垃圾處理項目；連同年內在建的江蘇南京垃圾發電項目（「南京項目」）二期及山東平度垃圾發電項目，該批項目預計於二零一七年及二零一八年陸續建成投運。

為確保以「高標準、高質量」投資、建設、運營、管理旗下各項目，本集團始終堅持以創建行業示範為己任，隨著爐排、煙氣淨化、滲濾液處理第三代技術的成功應用，新建成的垃圾發電項目在標準及效益上均顯著提升。吳江項目配置的750噸／日大型爐排爐是中國第一台完全實現「中國製造」的大型爐排爐，填補了國產大容量生活垃圾焚燒裝備的空白，同時開創了全國首個垃圾發電拆舊建新的新典範。

## Chief Executive Officer's Report 行政總裁報告

The Group strives to integrate its projects with the surrounding environment and focus on building hubs for environmental protection education, popularisation of environmental science, demonstration sites for the circular economy, and industrial tourism attractions. During the year under review, Suzhou Project was named National Environmental Science Hub; Weifang Project was awarded “National Outstanding Construction Award 2016-2017”; Nanjing Project and Zhejiang Ningbo Waste-to-energy Project received the provincial level AAA grade recognitions in terms of harmless treatment of household waste; Jiangsu Pizhou Waste-to-energy Project was named the provincial environmental science education hub and industrial tourism site; Shandong Shouguang Waste-to-energy Project was named the provincial industrial tourist attraction; and Sanya Project was named the provincial environmental science education hub. These honors not only reflect that the Group has earned recognition from different stakeholders in the society, but also motivate the Group towards excellence.

During the year under review, the Group's environmental energy projects processed a total of 8,933,000 tonnes household waste and generated a total on-grid electricity of 2,473,110,000 kWh, an increase of 29% and 31% respectively as compared with 2015. Environmental energy projects contributed an EBITDA of HK\$3,299,687,000, an increase of 24% as compared with the previous year. Environmental energy projects contributed the net profit attributable to the Group of HK\$2,083,650,000, an increase of 25% as compared with the previous year. The increase in profit was mainly due to the recognition of construction service revenue and costs saved on various construction projects, as well as an increase in the operation service revenue due to continued growth in operating projects' processing volumes during the year under review.

本集團各環保項目致力將項目建設與周邊環境融為一體，著力打造環保教育、環保科普、循環經濟示範和工業旅遊四個基地。回顧年度內，蘇州項目獲得國家級環保科普基地、濰坊項目獲「2016-2017年度國家優質工程獎」、南京項目及浙江寧波垃圾發電項目獲省級生活垃圾無害化AAA等級、江蘇邳州垃圾發電項目獲省級科普教育及工業旅遊示範點、山東壽光垃圾發電項目獲省級工業旅遊示範基地、三亞項目獲省級科普教育基地。這一系列的榮譽不但是各界對本集團的肯定及認可，更多的是本集團自我加壓的動力。

於回顧年度內，環保能源各項目合共處理生活垃圾8,933,000噸、提供上網電量合共2,473,110,000千瓦時，較二零一五年分別增加29%及31%。環保能源項目貢獻除利息、稅項、折舊及攤銷前盈利合共港幣3,299,687,000元，較二零一五年增加24%。環保能源項目貢獻集團應佔淨盈利港幣2,083,650,000元，較去年增加25%。盈利增加，主要由於回顧年度內多個工程項目進行建設，錄得建造服務收益以及工程成本節約，加上運營項目的總處理量持續上升，提升了運營服務收益。

Major operating and financial data of the environmental energy projects in 2016 is summarised in the table below:

二零一六年度環保能源項目之主要運營與財務資料如下：

		2016 二零一六年	2015 二零一五年 (Restated) (重報)
<b>Environmental energy projects</b>	<b>環保能源項目</b>		
Waste processing volume (tonne)	垃圾處理量(噸)	8,933,000	6,928,000
On-grid electricity (MWh)	上網電量(兆瓦時)	2,473,110	1,883,669
EBITDA (HK\$'000)	除利息、稅項、折舊及 攤銷前盈利(港幣千元)	3,299,687	2,670,199

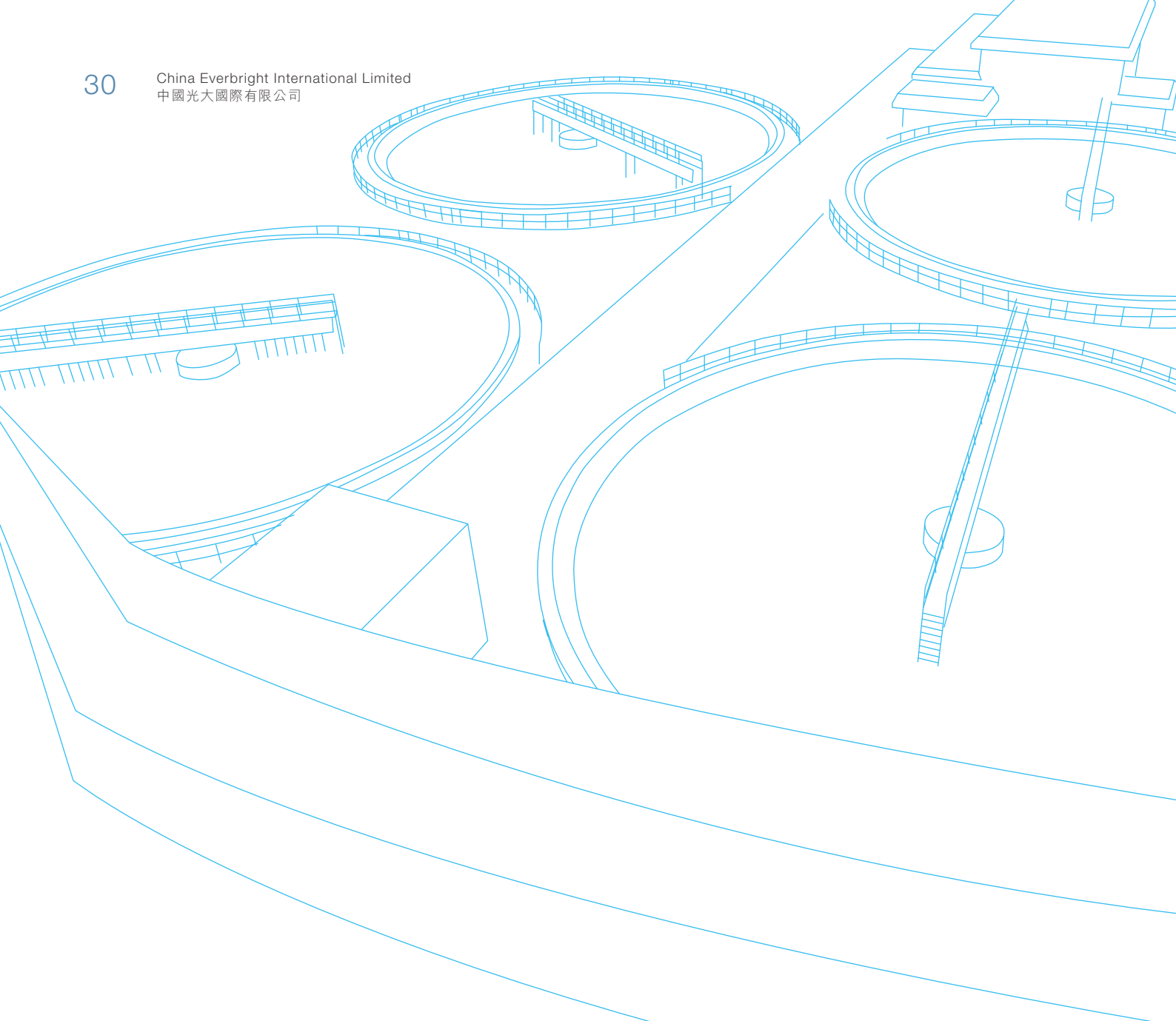
## B. Environmental Protection Industrial Parks 乙、環保產業園

The Group actively encourages environmental protection. Under the principle of “Implementing Projects with One Success Followed by Another”, the Group works closely with relevant local government authorities to design and build environmental protection industrial parks, making full use of local resources within the park, sharing infrastructure and optimising available land resources for planning of various kind of environmental protection projects. The goal of this exercise is to make the comprehensive recycling of solid waste as efficient as possible, enhance energy conservation and reduce emissions efficiently, so as to make it easier for the governments and enterprises to implement a centralised management system and ultimately achieve Nil Discharge in pollution. The parks are established as modern environmental protection industrial parks and educational hubs for environmental protection.

As at 31 December 2016, the Group had a total of 11 environmental protection industrial parks situated in Suzhou, Changzhou, Suqian, Zhenjiang New District, Yixing, Lianyungang Xuwei New District, Nanjing and Xinyi of Jiangsu Province, Weifang of Shandong Province, Ganzhou of Jiangxi Province and Lankao County of Henan Province.

本集團積極推動環保，與各地政府合作規劃及建設環保產業園，統籌規劃當地各類型環保項目，採取「成熟一個，推進一個」的原則，充分利用園區內資源、共享基礎設施、集約土地，實現固體廢物綜合循環利用，提高整體節能減排效益，便利政府與企業的集中管控，最終實現污染「零排放」，並將園區建設成現代化環保產業園及環保教育示範基地。

截至二零一六年十二月三十一日，本集團共有11個環保產業園，包括江蘇蘇州市、常州市、宿遷市、鎮江新區、宜興市、連雲港徐圩新區、南京市、新沂市、山東濰坊市、江西贛州市以及河南蘭考縣。



# CLEANING UP ENVIRONMENT FOR A BETTER FUTURE

為未來潔淨更好環境

## Environmental Water 環保水務

Perform high standard of Waste Water treatment  
to realize recycling of Water Resources

採用高標準處理污水 實現水資源循環利用



### III. ENVIRONMENTAL WATER 三、環保水務

As at 31 December 2016, Everbright Water, of which the Group owns 74.72% and is listed on the mainboard of the Singapore Exchange Securities Trading Limited, has 70 waste water treatment projects, 5 reusable water projects, 1 sponge city construction project, 1 river training project, 2 waste water source heat pump projects and 1 surface water BT Project, commanding a total investment of approximately RMB10.990 billion. The projects are designed to have an annual waste water treatment capacity of approximately 1,538,475,000 m<sup>3</sup>, a total annual reusable water volume of 29,784,000 m<sup>3</sup>, and are built to offer heating and cooling services to an area of 312,000 m<sup>2</sup> via the waste water source heat pump projects.

In 2016, after a series of acquisitions and organic growth throughout the year, Everbright Water further enhanced its market development model, which is based on the locational advantages of its existing projects, and established 4 regional management centers in the east of Shandong, west of Shandong, Jiangsu and Liaoning. The implementation of the regional management model aims to improve the integration of resources and facilitate internal synergy in every region. Everbright Water has also expanded into new business sectors, including river-basin ecological restoration projects and sponge city construction projects among others, to promote the steady growth of business. Furthermore, the integration after acquisition was progressed as scheduled, which raised the discharge and treatment standards of the acquired projects to higher levels.

During the year under review, Everbright Water submitted an application to the Shanghai Stock Exchange and the China Securities Regulatory Commission (“CSRC”) for a proposed issuance of RMB-denominated corporate bonds of up to RMB2.5 billion (subject to the CSRC’s approval) in a single tranche or multiple tranches in the PRC to support its sustainable development. Upon the grant of regulator’s approvals and the completion of the relevant registration process, Everbright Water expects to gain more financial support and to lay a solid foundation for its future business plans.

截至二零一六年十二月三十一日，本集團持有光大水務74.72%的權益。光大水務為新加坡證券交易所有限公司主板上市公司，合共擁有70個污水處理項目、5個中水回用項目、1個海綿城市建設項目、1個河道治理項目、2個污水源熱泵項目及1個建成移交(BT)的地表水項目，涉及總投資約人民幣109.90億元。設計規模為年污水處理量約1,538,475,000立方米、年供中水29,784,000立方米及污水源熱泵項目為312,000平方米面積提供供熱製冷服務。

二零一六年，基於此前一系列收購整合以及年內的有機增長，光大水務深化以現有項目所在地為依託的市場開發模式，設立了魯東、魯西、江蘇、遼寧四個管理中心，通過區域化管理模式，促進各區域資源整合與內部聯動。此外，光大水務於回顧年度內涉足流域治理及海綿城市建設等新業務領域，推動業務穩步增長。業務收購後的整合工作如期推進，令收購項目的排放指標和處理標準均提升至更高水平。

光大水務於回顧年度內向上海證券交易所和中國證券監督管理委員會(「中國證監會」)遞交申請，擬於中國境內以一期或分期發行規模不超過人民幣25億元的公司債券(受限於中國證監會批准)，以支持自身的可持續發展；待獲得監管機構批准並完成有關註冊程序後，光大水務有望獲得更多資金支持，為下一步的業務部署奠定良好基礎。

## Chief Executive Officer's Report 行政總裁報告

In terms of market development, Everbright Water secured 12 new projects in total, which increased the Group's daily waste water treatment capacity by 485,000 m<sup>3</sup> and commanded a total investment of approximately RMB2.465 billion; all of which helped to gradually increase Everbright Water's market share in the waste water treatment market. Newly secured projects include the Shandong Zhangqiu Waste Water Treatment Project (Plant 1) (50,000 m<sup>3</sup>/day), Shandong Zhangqiu Waste Water Treatment Project (Plant 2) (40,000 m<sup>3</sup>/day), Shandong Qingdao Waste Water Treatment Project (Maidao Plant) Upgrading ("Maidao Upgrading Project"), Jiangsu Xinyi City Waste Water Treatment Project ("Xinyi City Project") (70,000 m<sup>3</sup>/day) and Upgrading Project, Jiangsu Xinyi Economic Development Zone Waste Water Treatment Project ("Xinyi Economic Development Zone Project") Phase I (10,000 m<sup>3</sup>/day) and Expansion Project (10,000 m<sup>3</sup>/day), Shandong Ju County Shudong Waste Water Treatment Project ("Shudong Project") (20,000 m<sup>3</sup>/day), Jiangsu Nanjing Pukou Economic Development Zone Industrial Waste Water Treatment Project ("Pukou Project") Phase I (10,000 m<sup>3</sup>/day) and Henan Sanmenxia Waste Water Treatment Project Phase I Upgrading ("Sanmenxia Project Phase I Upgrading"). Furthermore, Everbright Water secured new projects in new business sectors, including the Jiangsu Zhenjiang Sponge City PPP Project ("Zhenjiang Sponge City Project"), which involves a series of ecological restoration projects and a waste water treatment project that has a treatment capacity of 275,000 m<sup>3</sup>/day; and Jiangsu Nanjing Municipal Water PPP Project ("Nanjing Municipal Water Project"), which involves a number of river training projects, as well as project operation and maintenance. The Zhenjiang Sponge City Project is one of the 16 sponge city pilot projects which will receive financial support from the central government of the PRC, as jointly announced by the Ministry of Finance, the Ministry of Housing and Urban-Rural Development, and the Ministry of Water Resources of the PRC. The launch of the Nanjing Municipal Water Project, Everbright Water's first river training project, signaled its further expansion into new business areas.

市場拓展方面，光大水務於回顧年度內共取得12個新項目，新增日污水處理規模達485,000立方米，總投資約人民幣24.65億元，在污水處理市場的份額穩步提升。新項目包括：山東章丘污水處理項目（第一廠）（50,000立方米／日）、山東章丘污水處理項目（第二廠）（40,000立方米／日）、山東青島污水處理項目（麥島廠）升級改造項目（「麥島升級改造項目」）、江蘇新沂城市污水處理項目（「新沂城市項目」）（70,000立方米／日）及提標改造項目、江蘇新沂經濟開發區污水處理項目（「新沂經濟開發區項目」）一期（10,000立方米／日）及擴建項目（10,000立方米／日）、山東莒縣沭東污水處理項目（「沭東項目」）（20,000立方米／日）、江蘇南京浦口開發區工業污水處理項目（「浦口項目」）一期（10,000立方米／日）及河南三門峽污水處理項目一期提標改造（「三門峽項目一期提標改造」）。此外，光大水務於多個新業務領域取得新項目，包括江蘇鎮江海綿城市建設PPP項目（「鎮江海綿城市項目」），涉及一系列生態修復工程及275,000立方米／日的污水處理項目；及江蘇南京涉水市政工程PPP項目（「南京涉水市政項目」），涉及一系列河道治理工程及後續運營維護。鎮江海綿城市項目是中國財政部、住房和城鄉建設部和水利部共同宣佈的中央財政予以支持的16個海綿城市建設試點項目之一，而南京涉水市政項目亦是光大水務首個河道治理項目，標誌著光大水務的業務發展模式進一步拓寬。

In terms of project construction, during the year under review, a total of 7 waste water treatment projects and 1 reusable water project completed construction, namely the Shandong Jinan Waste Water Treatment Project (Plant 1) Expansion, Shandong Jinan Xike Waste Water Treatment Project (Plant 4) Phase II, Jiangsu Wuzhong Chengnan Waste Water Treatment Project Phase II and Upgrading, which have already commenced operations; Liaoning Dalian Liangjiadian Waste Water Treatment Project Phase I which completed construction; Beijing Daxing Tiantanghe Waste Water Treatment Project Phase II and Upgrading, Liaoning Pulandian Waste Water Treatment Project Phase I Expansion, Sanmenxia Project Phase I Upgrading, which completed construction and are now running in compliance with discharge standard; also, Jiangsu Nanjing Pukou Reusable Water Project Phase I, which completed construction and is now undergoing a trial run. As at 31 December 2016, there were 7 projects under construction, including Xinyi City Project Upgrading, Xinyi Economic Development Zone Project Expansion, Maidao Upgrading Project, Shudong Project, Pukou Project Phase I, Zhenjiang Sponge City Project and Nanjing Municipal Water Project.

During the year under review, the Group's environmental water projects treated waste water of 1,148,279,000 m<sup>3</sup>, an increase of 28% as compared with 2015. The environmental water projects contributed an EBITDA of HK\$843,973,000, an increase of 6% as compared with 2015. The environmental water projects contributed the net profit attributable to the Group of HK\$271,363,000, a decrease of 15% as compared with 2015. The decrease was partly due to an exchange loss of HK\$48,710,000 arising from borrowings pegged to the US dollar as the Renminbi depreciated against the US dollar and such borrowings have been fully settled in 2016. Moreover, there were additional tax expenses (including corporate income tax and deferred tax) resulted from changes in the tax calculations of a project pursuant to the requirements of the local tax bureau.

項目建設方面，回顧年度內，共有7個污水處理項目及1個中水項目建成完工，其中山東濟南污水處理項目（一廠）擴建項目、山東濟南西客污水處理項目（四廠）二期、江蘇吳中城南污水處理項目二期及提標改造建成並投入運營；遼寧大連亮甲店污水處理項目一期建成完工；北京大興區天堂河污水處理項目二期及提標改造項目、遼寧普蘭店污水處理項目一期擴建、三門峽項目一期提標改造建成完工，通水達標排放；江蘇南京浦口中水一期建成完工並進入調試階段。截至二零一六年十二月三十一日，在建項目共7個，包括新沂城市項目提標改造、新沂經濟開發區擴建項目、麥島升級改造項目、洮東項目、浦口項目一期、鎮江海綿城市項目及南京涉水市政項目。

回顧年度內，環保水務處理污水1,148,279,000立方米，較二零一五年增加28%。環保水務項目貢獻除利息、稅項、折舊及攤銷前盈利合共港幣843,973,000元，較二零一五年增加6%。環保水務項目貢獻集團應佔淨盈利為港幣271,363,000元，較二零一五年減少15%。盈利下降主要由於與美元掛鈎的貸款因人民幣兌美元貶值而錄得匯兌損失港幣48,710,000元（該貸款已於二零一六年內全部歸還），加上一項目因當地稅局要求變更稅金計算方法，而需確認額外稅金（包括企業所得稅及遞延稅）。

Major operating and financial data of the environmental water projects in 2016 is summarised in the table below:

二零一六年環保水務項目之主要運營與財務資料如下：

		2016 二零一六年	2015 二零一五年
<b>Environmental water projects</b>	<b>環保水務項目</b>		
Waste water treatment volume ('000 m <sup>3</sup> )	污水處理量(千立方米)	1,148,279	899,163
EBITDA (HK\$'000)	除利息、稅項、折舊及 攤銷前盈利(港幣千元)	843,973	795,955



**CREATING A BETTER  
ENVIRONMENT FOR  
FUTURE GENERATIONS**  
為下一代培植更好環境

**Greentech**  
綠色環保

Strive to develop New Energy to  
increase the usable value of Natural Resources  
致力開發新型能源 增加天然資源的可利用價值

#### IV. GREENTECH 四、綠色環保

Greentech, driven by business innovation, witnessed exponential growth and efficiently completed all the preparation work for its spin-off listing. This has laid a solid foundation from which it can further expand and grow in the market.

As at 31 December 2016, the Group had a total of 63 greentech projects, including 32 biomass projects, 22 hazardous waste treatment projects, 7 solar energy projects and 2 wind power projects, commanding a total investment of approximately RMB13.956 billion. The aggregate annual designed processing capacity of agricultural waste was approximately 6,199,800 tonnes; annual processing capacity of household waste was approximately 1,387,000 tonnes; annual processing capacity of hazardous waste was approximately 439,000 tonnes; the annual on-grid electricity generation was approximately 4,677,806,000 kWh; and the annual heat supply was approximately 1,613,700 tonnes.

Greentech is committed to exploring and achieving breakthroughs across new business areas as it pursues organic growth and opens up room for its development; all of which has enabled it to stand out and swiftly capture considerable market share. The Group initiated a unique business model of integrated biomass and waste-to-energy projects, and is the only company to employ such integrated business model in China so far. This business model is expected to not only maximise environmental service output but also lower the overall project costs, thereby increasing the overall investment returns of the relevant projects. As at the end of 2016, the Group ranked fourth in terms of aggregate biomass power generation designed capacity and third in terms of aggregate hazardous waste treatment designed capacity in China for projects in operation, under construction or at the preparatory stage, which has been achieved while maintaining a high level of operational efficiency and delivering economies of scale.

綠色環保堅持以業務創新引領發展，整體業務呈現爆發式增長態勢，並高效率地完成分拆上市的各项準備工作，為下一步在市場上做優、做大、做強奠定了堅實基礎。

截至二零一六年十二月三十一日，本集團共有63個綠色環保項目，包括32個生物質項目、22個危廢處置項目、7個光伏發電項目及2個風電項目，總投資約人民幣139.56億元，總設計規模為年處理農業廢棄物約6,199,800噸，年處理生活垃圾約1,387,000噸，年處理危廢約439,000噸，年上網電量約4,677,806,000千瓦時，年供熱量約1,613,700噸。

綠色環保致力在新興領域進行探索和尋求突破，走內生發展的道路，打開板塊的發展空間，在市場上異軍突起，迅速贏得市場。本集團開創了城鄉一體化的獨特業務模式，而且是目前中國唯一一家採用此一體化業務模式的公司。該業務模式不但提升了環境服務產出，又可降低項目成本，從而增加項目的整體投資回報。截至二零一六年底，本集團就投運、在建及籌建項目的生物質總發電裝機容量而言，於中國排名第四，危廢處置設計處理能力位列中國第三，保持了運營高效率，實現規模效益。

## Chief Executive Officer's Report 行政總裁報告

The Group secured 17 new greentech projects in 2016, reaching another record high, including 9 biomass projects and 8 hazardous waste treatment projects, commanding a total investment of approximately RMB4.569 billion. The increased agricultural waste treatment capacity was approximately 2,230,000 tonnes per annum, the increased household waste treatment capacity was approximately 146,000 tonnes per annum and the increased hazardous waste processing capacity was approximately 228,000 tonnes per annum. These projects include: Henan Puyang Biomass Electricity and Heat Cogeneration Project, Tianjin Ji County Biomass Direct Combustion Project, Hubei Shayang Biomass Direct Combustion Project, Sichuan Zhongjiang Integrated Biomass and Waste-to-energy Project (Biomass), Henan Xiayi Integrated Biomass and Waste-to-Energy Projects (Biomass), Henan Xiayi Integrated Biomass and Waste-to-Energy Projects (Waste-to-Energy), Anhui Yu'an Biomass Electricity and Heat Cogeneration Project and Anhui Yeji Biomass Electricity and Heat Cogeneration Project, Jiangxi Guixi Biomass Electricity and Heat Cogeneration Project, Anhui Dingyuan Salt-based Chemical Industrial Park Hazardous Waste Integrated Treatment Project, Jiangsu Nanjing Jiangnan Hazardous Waste Treatment Project, Jiangsu Kunshan Hazardous Waste Incineration Project, Jiangsu Xinyi Hazardous Waste Landfill Project, Shandong Linshu Hazardous Waste Treatment Projects, Shandong Zibo Hazardous Waste Incineration Project (Phase II), Sichuan Mianzhu Hazardous Waste Incineration Project and Jiangsu Xinyi Animal Carcass Harmless Treatment Project.

During the year under review, the Group set a new record for having 23 greentech projects under construction. Among them, 9 projects completed construction within the year, including 4 hazardous waste treatment projects that already commenced commercial operation, namely Jiangsu Guanyun Hazardous Waste Landfill Project, Shandong Zibo Hazardous Waste Incineration Project Phase I, Jiangsu Binhai Hazardous Waste Landfill Project and Jiangsu Xinyi Hazardous Waste Incineration Project; and 5 biomass projects completed construction, among which, Jiangsu Sucheng Biomass Heat Supply Project has already commenced commercial operation, Jiangsu Xuyi Biomass Electricity and Heat Cogeneration Project, Anhui Huaiyuan Biomass Direct Combustion Project, Anhui Dingyuan Biomass Direct Combustion Project and Anhui Dangshan Integrated Biomass and Waste-to-Energy Project (Waste-to-Energy) completed construction and began to generate revenue. 14 projects commenced construction during the year, including 2 hazardous waste treatment projects and 12 biomass projects. All other projects under construction are progressing well and are expected to complete construction and commence operations between 2017 and 2018, providing an impetus for the greentech business's rapid growth.

二零一六年，本集團新拓展綠色環保項目17個，創下歷史新高，其中包括9個生物質項目及8個危廢處置項目，涉及總投資約人民幣45.69億元。新增年處理農林秸稈規模約2,230,000噸，年處理生活垃圾約146,000噸，年處理危廢約228,000噸。包括：河南濮陽生物質熱電聯供項目、天津薊縣生物質直燃項目、湖北沙洋生物質直燃項目、四川中江生物質及垃圾發電一體化項目(生物質)、河南夏邑生物質及垃圾發電一體化項目(生物質)、河南夏邑生物質及垃圾發電一體化項目(垃圾發電)、安徽裕安生物質熱電聯供項目、安徽葉集生物質熱電聯供項目、江西貴溪生物質熱電聯供項目、安徽定遠鹽化工業園廢棄物綜合處置項目、江蘇南京江南危廢處置項目、江蘇昆山危廢焚燒項目、江蘇新沂危廢填埋項目、山東臨沭危廢處置項目、山東淄博危廢焚燒項目二期、四川綿竹危廢焚燒項目，以及江蘇新沂動物無害化處理項目。

回顧年度內，本集團共有23個綠色環保項目在建設工程中，亦創下歷史新高。其中9個於回顧年度內建成完工，包括4個危廢處置項目建成並投入商業運營：江蘇灌雲危廢填埋項目、山東淄博危廢焚燒項目一期、江蘇濱海危廢填埋項目、江蘇新沂危廢焚燒項目；5個生物質項目建成完工，其中江蘇宿城生物質供熱項目已投入商業運營，江蘇盱眙生物質熱電聯供項目、安徽懷遠生物質直燃項目、安徽定遠生物質直燃項目及安徽碭山生物質及垃圾發電一體化項目(垃圾發電)建成完工並開始產生收益。年內新開工的項目共14個，包括2個危廢處置項目及12個生物質項目，預計將陸續於二零一七年及二零一八年建成投運，為綠色環保板塊帶來新一輪的快速增長。

During the year under review, the Group's greentech projects provided a total on-grid electricity of 891,407,000 kWh, an increase of 74% as compared with 2015. The greentech projects contributed an EBITDA of HK\$1,020,204,000, an increase of 134% as compared with 2015. The greentech projects contributed the net profit attributable to the Group of HK\$660,522,000, an increase of 145% as compared with 2015. The increase in profit was mainly due to the significant increase in both the construction service revenue and the operation service revenue as compared with 2015.

回顧年度內，綠色環保各項目合共提供上網電量891,407,000千瓦時，較二零一五年增加74%。綠色環保項目貢獻除利息、稅項、折舊及攤銷前盈利港幣1,020,204,000元，較二零一五年上升134%。綠色環保項目貢獻集團應佔淨盈利港幣660,522,000元，較二零一五年上升145%。盈利上升主要由於建造服務收益及運營服務收益均較二零一五年大幅上升。

Major operating and financial data of the greentech projects in 2016 is summarised in the table below:

二零一六年綠色環保項目之主要運營與財務數據如下：

		2016 二零一六年	2015 二零一五年 (Restated) (重報)
<b>Greentech projects</b>	<b>綠色環保項目</b>		
Waste processing volume (tonnes)	垃圾處理量(噸)	74,000	-
Biomass raw materials processing volume (tonnes)	生物質原材料處理量(噸)	728,000	520,000
Hazardous waste processing volume (tonnes)	危廢處理量(噸)	98,000	52,000
On-grid electricity (MWh)	上網電量(兆瓦時)	891,407	511,382
EBITDA (HK\$'000)	除利息、稅項、折舊及 攤銷前盈利(港幣千元)	1,020,204	436,460

## Chief Executive Officer's Report 行政總裁報告

### BUSINESS PROSPECTS 業務展望

To cope with a deteriorating ecological environment, an intensifying energy crisis and the increasingly complex issue of climate change, countries around the world have introduced green policies which aim to facilitate cooperation on a global scale and have kept the momentum of green development around the world going. The enforcement of the Paris Agreement on Climate Change on 4 November 2016 has reshaped the global landscape in terms of ecological restoration, and offers opportunities and presents challenges for the Group as it seeks to develop from an ordinary company into an excellent company.

In China, the opening year of the 13th Five-year Plan has just come to a close, with 2016 seeing the introduction of a raft of policies relating to environmental protection and alternative energy, which have undoubtedly outlined a clearer development blueprint for the environmental protection industry that calls for more urgent action. Looking forward to 2017, the Group will remain committed to its core value of “An enterprise is not only the Creator of Wealth but also the Safeguard of Environmental and Social Responsibility” and will continue to enthusiastically align itself with China’s overall development strategies to advance the progress of the “three strategies” while at the same time focusing on driving the development of its 6 major business segments. The 3 national strategies refer to the “One Belt One Road” initiative, the Beijing-Tianjin-Hebei region coordinated development strategy and the Yangtze River Economic Belt development strategy; while the Group’s 6 major business segments cover envirotech, environmental energy, environmental water, greentech, equipment manufacturing and international business. At the same time, the Group will strive to further enhance its management and operation standards as well as strengthen its awareness and measures for risk prevention, which will facilitate the steady growth for all of its environmental protection businesses in an ever-changing market environment. Leveraging on its comprehensive strengths, including self-developed technologies and equipment, advanced management and harmonious relations with local communities, the Group will make use of its talent and technologies to explore new business opportunities through multiple investment models, channels and methods. This will provide the impetus for the Group’s next round of development in both the domestic and overseas markets.

“Technology to drive Development” will be the major theme running through the Group’s innovations. During its new round of development, the Group will particularly focus on in-house research and development, technology imports, collaborations with institutions and research institutes, etc., in a bid to provide a strong driving force for the future growth of the Group’s various business segments. For the environmental energy business, the Group will seek to further consolidate its leading position in the domestic market by building on its strong advantages in terms of technology, market potential and experience, while exploring more development opportunities in the overseas market. As the government has rolled out a number of water restoration policies, the Group will also seize the right opportunities to expand its technological capabilities and business reach, so as to drive further development in its environmental water business. In terms of its greentech business, the Group will continue to innovate and pursue organic growth in order to achieve rapid business growth. It will also look to carry forward its separate listing in a steady manner.

在全球生態環境問題不斷加劇，能源危機日益突顯，氣候變化形勢日益複雜，世界各國都在推出綠色新政，尋求全球範圍內的綠色合作，綠色發展熱潮湧動。二零一六年十一月四日，《巴黎協議》正式生效，為全球生態治理奠定了新的格局。本集團要實現從普通企業向卓越企業邁進，既是機遇，同時也是挑戰。

在中國，「十三·五」規劃剛剛告別開局之年，環保和新能源政策密集出台，無疑為環保行業勾勒出一幅更加清晰、亟待實施的發展藍圖。二零一七年，本集團將堅守「企業不僅是物質財富的創造者，更應成為環境與責任的承擔者」的企業核心價值，繼續圍繞國家的整體發展戰略，腳踏實地打好「三大戰役」，推進「六大板塊」發展。「三大戰役」是指國家整體發展戰略：一是「一帶一路」發展戰略；二是京津冀地區協同發展戰略；三是沿長江經濟帶的發展戰略。「六大板塊」即環境科技、環保能源、環保水務、綠色環保、裝備製造及國際業務。同時不斷提升運營管理水平，加強風險防範意識和措施，確保各項業務在瞬息萬變的市場環境中穩步前行。憑藉自身技術和裝備優勢、先進的管理、與社區的和諧共存等綜合實力，以人才、科技為引領，通過多種投資模式、多種渠道和多種方式，尋找業務發展的新商機，推動本集團在國內外市場的新一輪發展。

「科技引領發展」將成為本集團創新發展的主旋律，尤其是自主研發、技術引進、產學研結合等方面，都會在本集團新一輪的發展中大力推行，為其他業務板塊的下一輪增長提供強大動力。環保能源將繼續發揮自身的強大技術、市場、經驗優勢，鞏固於國內市場的龍頭地位，向海外市場尋求更多的發展良機。伴隨著水環境治理政策頻出，本集團亦將抓準時機，通過在技術和業務領域尋求突破，推動水務業務進一步實現增長。綠色環保亦將繼續尋求創新突破和內生增長，推動業務快速增長，穩步推進分拆上市安排。



Going forward, China and the entire world are expected to place an increasingly greater emphasis on and input more resources into environmental protection. The Group will continue to proactively shoulder its responsibilities as the leading enterprise in the environmental protection industry. With an aim of achieving sustainable development, the Group will continue to build and strengthen its core competitiveness. In order to realise long-term growth, the Group will seek to uncover its full internal potential and strength, and keep abreast of the opportunities in the industry and market. The Group will also continue to innovate in terms of its business models and strengthen its risk prevention awareness and measures, as well as take a commercial and market-oriented approach to management and operation. It takes these steps as it strives to help China and the world solve environmental issues, improve the quality of urban environments, and ultimately make a greater contribution to environmental restoration.

Thanks to the Chinese government's favorable policies, which have created immense development potential for the environmental protection industry, and with the backing of the strong capabilities of its parent company, China Everbright Group, as well as the Group's comprehensive strength and resources, the management of the Company believes the Group will be able to reach new heights in 2017 as it sets sail into a new round of development.

展望未來，中國乃至全球對環保事業的重視程度和投入將不斷加大，本集團將繼續積極承擔環保行業領軍企業的責任，以實現可持續發展為目標，繼續打造和提升自身的核心競爭力。為實現長遠發展，本集團將深入挖掘企業內部的潛力及優勢，緊抓行業及市場發展機遇，不斷推動業務模式創新，加強風險防範意識和舉措，並通過企業化、市場化的管理和運營，幫助中國乃至全球各地解決環境問題、改善城市環境水平，為環境治理作出更大的貢獻。

受惠於國家政策支持以及在國策扶持下環保行業的巨大發展空間，加上母公司中國光大集團的強大實力為堅實依託以及本集團的綜合實力與資源，本公司管理層相信本集團定能在二零一七年揚帆再行，駛向新一輪發展的又一個輝煌。

### Financial Position 財務狀況

As at 31 December 2016, the Group's total assets approximately amounted to HK\$49,531,728,000 with net assets amounting to HK\$19,845,208,000. Net asset value per share attributable to equity holders of the Company was HK\$3.879 per share, representing an increase of 1% as compared to HK\$3.835 per share as at the end of 2015. As at 31 December 2016, gearing ratio (total liabilities over total assets) of the Group was 60%, an increase of 8 percentage points as compared to that of 52% as at the end of 2015.

於二零一六年十二月三十一日，本集團之總資產約為港幣49,531,728,000元。淨資產則為港幣19,845,208,000元，而本公司權益持有人應佔每股資產淨值為港幣3.879元，較二零一五年底之每股淨資產港幣3.835元增加1%。於二零一六年十二月三十一日，本集團之資產負債比率(以總負債除以總資產計算所得)為60%，較二零一五年底之52%上升8個百分點。

### Financial Resources 財務資源

The Group adopts a prudent approach to cash and financial management to ensure proper risk control and low cost funds. It finances its operations primarily with internally generated cash flow and loan facilities from banks. As at 31 December 2016, the Group had cash and bank balances of HK\$7,037,597,000, representing an increase of HK\$364,185,000 as compared to HK\$6,673,412,000 at the end of 2015. Most of the Group's cash and bank balance, representing approximately 89%, was denominated in Hong Kong dollars and Renminbi.

本集團對現金及財務管理採取審慎的原則，妥善管理風險及降低資金成本。營運資金基本來自內部現金流及往來銀行提供之貸款。於二零一六年十二月三十一日，本集團持有現金及銀行結餘約港幣7,037,597,000元，較二零一五年底之港幣6,673,412,000元增加港幣364,185,000元。本集團大部分現金及銀行結餘均為港幣及人民幣，約佔89%。

## Chief Executive Officer's Report 行政總裁報告

### Borrowing 負債狀況

The Group is dedicated to improving banking facilities to reserve funding to support environmental protection business development. As at 31 December 2016, the Group had outstanding borrowings of HK\$21,615,649,000, representing an increase of HK\$5,794,983,000 as compared to HK\$15,820,666,000 at the end of 2015. The borrowings included secured interest-bearing borrowings of HK\$10,487,107,000 and unsecured interest-bearing borrowings of HK\$11,128,542,000. The borrowings are mainly denominated in Renminbi, representing approximately 46% of the total, and the remainder is mainly denominated in US dollars, Hong Kong dollars and Euro. Most of the borrowings are at floating rates. As at 31 December 2016, the Group had banking facilities of HK\$33,514,000,000 of which HK\$11,938,957,000 have not been utilised. The banking facilities are of one to ten years terms.

本集團致力提升銀行貸款額度，儲備資金配合環保業務的發展。於二零一六年十二月三十一日，本集團尚未償還貸款總額約為港幣21,615,649,000元，較二零一五年年底之港幣15,820,666,000元增加港幣5,794,983,000元。貸款包括有抵押之計息借貸港幣10,487,107,000元及無抵押之計息借貸港幣11,128,542,000元。本集團的貸款主要以人民幣為單位，佔總數大約46%，其餘則主要為美元、港幣和歐羅。本集團的大部份貸款均為浮動利率。於二零一六年十二月三十一日，本集團之銀行融資額度為港幣33,514,000,000元，其中港幣11,938,957,000元為尚未動用之額度，銀行融資為一至十年期。

### Foreign Exchange Risks 外匯風險

The Company's financial statements are denominated in Hong Kong dollars, which is the functional currency of the Company. The Group's investments made outside Hong Kong (including mainland China) can incur foreign exchange risks. The Group's operations are predominantly based in mainland China, which makes up over 90% of its total investments and revenue. The Group's assets, borrowings and major transactions are mainly denominated in Renminbi, and as such, it forms a natural hedging effect. With this in mind, the Group also pursues an optimal allocation of borrowings in different currencies while setting appropriate levels of borrowing in non-base currencies, and adoption of proper financial instruments to closely manage foreign exchange risk.

本公司之列賬及功能貨幣均為港幣。本集團投資於香港以外地區(包括中國內地)存在外匯風險。一直以來，中國為本集團之主要業務所在地，佔總投資及收益超過90%以上。本集團大部分資產、貸款及主要交易以人民幣為單位，基本形成一種自然的對沖。通過合理匹配各種貨幣貸款，適量控制非本港幣貸款，及採用合適的金融工具以密切管理外匯風險。

### Pledge Of Assets 資產抵押

Certain banking facilities of the Group were secured by revenue and receivables in connection with the Group's service concession arrangements, bank deposits, mortgages over property, plant and equipment and prepaid land lease payments and equity interests of certain subsidiaries of the Company. As at 31 December 2016, the aggregate net book value of assets and equity interests in subsidiaries pledged amounted to approximately HK\$22,795,276,000.

本集團若干銀行融資以本集團服務特許經營權安排下之若干收益及應收款項、銀行存款、物業、廠房及設備、預付土地租金及本公司若干附屬公司的股權作為抵押。於二零一六年十二月三十一日，已抵押資產及附屬公司股權之賬面淨值總額約為港幣22,795,276,000元。

### Commitments 承擔

As at 31 December 2016, the Group had purchase commitments of HK\$4,393,106,000 outstanding in connection to construction contracts.

於二零一六年十二月三十一日，本集團為建造合約而訂約之採購承擔為港幣4,393,106,000元。

### Contingent Liabilities 或有負債

As at 31 December 2016, the Company issued financial guarantees to 6 subsidiaries. The Board does not consider it probable that a claim will be made against the Company under the guarantees. The maximum liability of the Company as at 31 December 2016 for the provision of the guarantees was HK\$2,344,072,000.

於二零一六年十二月三十一日，本公司曾為6家附屬公司作出財務擔保。董事會認為，有關擔保持有人不大可能根據上述擔保向本公司作出申索。於二零一六年十二月三十一日，本公司在上述財務擔保下之最高負債之余額為港幣2,344,072,000元。

### Business Acquisition 業務收購

During the year under review, the Group acquired 97.12% equity interests of Novago Project at a total consideration of approximately Euro119,458,000 or Polish zloty 525,087,000 (equivalent to approximately HK\$1,022,102,000). The principal activities of the Novago Project involve the provision of solid waste treatment service in Poland. Such acquisition was completed in August 2016.

於回顧年度內，本集團以總代價約119,458,000歐羅或525,087,000波蘭茲羅提（相等於約港幣1,022,102,000元）收購Novago項目的97.12%權益。Novago項目之主要業務涉及於波蘭提供固廢處理服務。有關收購於二零一六年八月完成。

### Internal Management 內部管理

Strengthening management and risk control have always been important duties during the business development of a corporation. The Group adheres diligently to the management principle of “People-oriented, Pragmatism, Creativity and Systematic Management” and is committed to building a comprehensive risk management culture. With the efforts of the Risk Management Advisory Committee for investment projects, the Engineering and Technology Management Committee and the Budget Approval Management Committee, the Group has formulated strict regulations on investment in, and the construction and operation of environmental protection projects.

During the year under review, the Group held management committee meetings on a monthly basis to review all projects under construction and operation. In addition, the Group's Internal Audit Department conducted internal audits and ensured strict enforcement of various management systems to enhance internal management standard. Since the beginning of this year, the Group has been focused on carrying out projects which are currently under construction or at the preparatory stage, and went through formalities to ensure that all projects meet their legal obligations during construction and operation. During the year under review, the Group issued “Management Rules for Projects in the Preparatory Stage” and “Management Rules for Projects under Construction” so that new projects can make reference to appropriate management guidelines and move forward the projects in an orderly manner. Through standardized management practices, the Group intends to improve its own overall operation procedures and management.

強化管理、風險控制是企業發展永恆的主題。本集團一直奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，並致力建立健全的風險管理文化。通過投資項目風險管理評審委員會、工程技術管理委員會和預算審核管理委員會的工作，本集團對環保項目的投資、建造、運營實施了嚴格的要求，防範風險。

於回顧年度內，本集團每月均召開管理委員會會議，審視各在建及運營項目的情況。此外，本集團內部審計部執行審計工作，確保內部嚴格執行各項管理制度，以提高內部管理水平。今年以來，本集團重點加強在建、籌建項目推進落實進度及合規合法手續辦理，確保各項目合法建造及運營。於回顧年度，先後頒發了「項目籌建工作考核管理辦法」及「項目建設開工管理辦法」等，讓新項目可參照相關管理辦法，有條不紊地推進項目的實施。通過規範化管理讓本集團提升整體運營管理水平。

## Chief Executive Officer's Report 行政總裁報告

Committed to maintaining safe and stable operations in compliance with discharge standards, and with the goal of ensuring no major safety and environmental accidents, the Group encouraged the project companies to compete with each other on conserving, enhancing efficiency, saving energy and controlling costs. The comprehensive auxiliary power consumption rates of waste-to-energy projects, biomass projects and solar energy projects, as well as the unit operating cost of waste water treatment projects, continued to decline, contributing to an improvement in project efficiency.

本集團繼續將「安全穩定運營、達標排放」作為原則，在確保無重大安全和環境事故前提下，全面開展「比節支節流，比開源增效，比能耗下降，比成本降低」的四比活動，垃圾發電、生物質及光伏發電項目的綜合廠用電率，污水處理項目的單位運營成本均持續下降，提升了項目自身效益。

### Human Resources 人力資源

The Group highly values its human resources and puts great emphasis on staff training. It believes that realising the full potential of its employees is crucial to its long term growth. The Group continued to improve its human resources through internal training as well as local, overseas, and on-campus recruitment. During the year under review, the Group held training sessions on ESHS, risk management and financial management to enhance the overall quality of its staff. To facilitate the integration of newly recruited staff, the Group held 4 execution trainings for more than 1,100 participants. A total of 36 managers and senior technical staff successfully completed the Tsinghua University CEO Course (the 5th session). To ensure that employees' development meets the objectives of the Group's sustainable development, the Group enriched its management level talent pool for its 4 core businesses. Through competition and selection processes, staff members were highly motivated, and the sessions allowed those who have passion and vision to grow and unleash their potential in the right job positions.

As at 31 December 2016, the Group had approximately 6,000 employees. Employees within the Group are remunerated according to their qualifications, experience, job nature, performance and with reference to market conditions. Apart from a discretionary performance bonus, the Group also provides other benefits such as medical insurance and a provident fund scheme to employees in Hong Kong.

本集團高度重視人力資源管理，一向注重員工培訓，深信發揮每個僱員的潛力對集團業務長遠發展舉足輕重。本集團繼續通過自身培養、社會招聘、海外招聘、校園招聘等方式不斷加強人才隊伍建設。於回顧年度內，本集團舉行全系統ESHS、風險管理及財務培訓，提升員工整體質素；為加快新員工的融入，舉行了四次執行力拓展培訓，參加人數超過1,100人；參加的清華大學CEO班(第五期)的36位管理層及技術骨幹順利結業。為做好人才儲備配合本集團的持續發展，本集團完善四大板塊的後備管理人員庫。通過競聘及選拔活動，大大提高員工的積極性，讓有能力、有理想的員工在適當的崗位有更大的成長和發揮空間。

於二零一六年十二月三十一日，本集團合共僱用約6,000名員工。僱員之薪酬乃根據資歷、經驗、工作性質、表現以及市場情況計算釐定。除了獎勵花紅外，本集團亦提供其他福利予香港僱員，包括醫療保險及強積金計劃。

## Principal Risks and Uncertainties 主要風險及不確定性

During the year under review, the Group fully implemented its risk management system, as well as identified and assessed risks faced by the Group. Due to changes in the external environment and the characteristics of our business strategies and operations, key risks that the Group faced remained the same as those in 2015, including talent management, environmental and social responsibilities, peer competition, new business investment and development risk, technology and innovation, and changes in environmental protection policies and business models. Thanks to the implementation of effective management measures, the severity level and impact of these risks have been receding.

Talent management risk mainly refers to the risk of failure in recruiting, retaining and developing sufficient talents for continuous business development because of the Group's rapid business development and huge demand for talents while at the same time facing severe competition over environmental protection specialists from the industry. During the year, the Group had completed adjustment of its remuneration system and enhancement over its remuneration structure so as to ensure that staff remuneration can align reasonably with market standard and maintain its competitiveness. The management structure and staff composition of the Group had been enhanced and the talent pool of senior management had been strengthened. Systematic staff training has been further enhanced to increase the overall effectiveness of training.

Environmental and social responsibility risk mainly refers to the risk of negative impacts over the construction and operation of projects, as a result of exceeding environmental emission limit, safety incidents and materially false or misleading articles from media. The Group had continued to formally disclose the environmental emission data of all waste-to-energy projects during the year under review and be proactively subject to the supervision of the general public. Through the organisation of on-site project visits and various environmental protection promotion activities, and the increase in the public understanding on the technical operation of the projects, it can remove general public's queries and promote the Group's enthusiasm over the execution of environmental and social responsibility. The establishment of ESHS management system and risk management system, as well as formulating the emergency incidents resolutions could help to effectively manage relevant risks.

本集團於回顧年度內全面推進風險管理體系，並對風險進行識別和評估。由於外部環境的變化以及戰略和運營的特點，本集團面臨的主要風險與二零一五年面臨主要風險保持一致，即人才管理、環境與社會責任、同業競爭、新業務投資開發風險、科技與創新、環保政策改變及商業模式改變。但由於有效的管控措施，各風險等級和影響程度處於下降趨勢。

人才管理風險主要指由於本集團的業務發展迅速，對人才的需求迫切，也面對行業對環保專才的激烈競爭，因此存在著未能有效引進、挽留及培養人才以配合業務發展的風險。本集團於回顧年度內完成薪酬體系調整，優化薪酬架構以確保員工薪酬處於市場合理水平，並具有競爭力。完善本集團管理架構及人員編制，並不斷充實高級管理層後備人才庫。加強對員工的系統化培訓，提升培訓效益。

環境與社會責任風險主要指環保排放超標、安全事故、媒體失實或具誤導性的報道等對項目的建設及運營帶來負面影響的風險。本集團於回顧年度內持續公開各垃圾發電項目的環保排放數據，主動接受社會及公眾的監督。通過組織項目參觀及各類環保宣傳活動，加強公眾對環保項目工藝技術的認識，以釋除公眾對項目的疑慮，並彰顯本集團全面履行環境及社會責任的決心。建立ESHS體系及風險管理體系，制定事故應急預案，有效控制相關的風險。

## Chief Executive Officer's Report 行政總裁報告

Competition risk refers to the risk of the Group's capability in business development and the returns from investment projects being affected, as a result of the severe competition from competitors throughout the industry. The Group had, through continuous enhancement in construction design, upgrade of equipment efficiency, enhancement in project management standard, improved the overall quality of projects and reduced the construction and operation costs. Maintaining good cooperation relationship with government facilitated us to obtain projects with better terms and conditions, and thus increase profitability. Participating in the formulation of waste-to-energy industry standards, so as to raise the industry entrance barrier and build a constructive competitive environment.

New business investment and development risk mainly refers to the risk of failure in developing new business types and locations which affects the Group's profitability. Technology and innovation risk mainly refers to the risk of failure in satisfying business development needs through research and development and the introduction of new technology, which affects the Group's profitability. The Group had set up the International Business Department during the year under review and introduced new talents in order to strengthen the development of international businesses. The Group had also set up a specialised group for international investment projects in order to thoroughly analyse the relevant investment risks, and develop risk mitigation measures and follow up works. The previously introduced overseas technologies and the products from research and development had been gradually applied on projects. The annual research and development plan had fully covered the Group's major areas of project development including biomass, urban-rural integration model, hazardous waste treatment, etc.

Changes of environmental protection policy and business model risks mean the risks of failure in responding timely and effectively to the changes in environmental protection policies and business models respectively, which bring negative impact to the Group's business. The Group has, from time to time, highly concerned with those changes in external factors such as environmental protection policies and business models, and the relevant impacts to the Group's business development. Regular reports and discussions have been organised for those relevant employees to implement the mitigation actions, enhance the internal control and arrange suitable trainings, so as to timely and effectively respond to the external changes and avoid the risks involved.

同業競爭風險指在業內對手的激烈競爭下，影響本集團的業務拓展能力及項目投資回報的風險。本集團通過持續優化工程設計、提升設備效能、提升項目管理水平等方式，提高項目的整體質量及節約建設及運營成本。保持與政府的良好合作關係，爭取獲得條件良好的項目，從而提升盈利水平。參與制定垃圾發電行業標準，提高行業門檻，建立良性競爭環境。

新業務投資開發風險主要指未能有效開拓新業務類型及地域而影響本集團盈利能力的風險。科技與創新風險主要指未能有效研發、引進新技術以滿足業務發展需要，而影響本集團盈利能力的風險。本集團於回顧年度內正式成立國際業務部，引入國際業務拓展人才，以加強對國外項目的開拓力度。本集團並成立國外投資項目專項小組，更全面地分析投資風險，制定風險緩解措施及後續跟進工作。前期引進的國外技術及研發成果，已逐步成功應用在項目上；而年內制定的研發課題計劃，也充分圍繞在本集團的生物質、城鄉一體、危廢處理等重點業務的項目拓展上。

環保政策改變風險及商業模式改變風險，分別指未能及時有效應對環保政策及商業模式的改變，而對集團業務帶來負面影響的風險。本集團一直密切關注環保政策及商業模式等外在因素的變動，對集團業務發展所帶來的影響，定期組織相關業務人員進行彙報及交流，制定相應措施、完善內控制度、進行適當培訓，以及時有效應對各項外在轉變及規避風險。

## Environmental and Social Management 環境與社會管理

The Group established an environmental and social management system following Asian Development Bank's Safeguard Policy Statement and other internationally recognised practices, which defines concrete procedures to ensure the environmental and social impacts of our activities are within the statutory limits. In 2016, the Group fully implemented the ESHS management system. All the Group's subsidiaries set up standardized operating procedures and checklists for on-site work, which will more effectively align and strengthen system requirements and operational practices, as well as improve the whole environmental and social management process.

The operating and environmental performance of the Group's projects strictly adheres to relevant standards and the requirements of their respective Environmental Impact Assessment Report. The Group also takes into consideration the expectations of the neighboring communities. The key regulations and standards that are highly relevant to the Group's business include the Environmental Protection Law of the PRC, Production Safety Law of the PRC, Labor Law of the PRC; Standard for Pollution Control on the Municipal Solid Waste Incineration (GB18485-2014) and Directive 2010/75/EU and its relevant Annexes/Amendments (for environmental energy projects), Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011) (for biomass power generation projects of greentech), as well as Discharge Standard of Pollutant for Municipal Wastewater Treatment Plant (GB18918-2002) (for environmental water projects), etc. No breach of these regulations and relevant environmental protection standards that has significant loss and impact to the Group was recorded in 2016.

Conforming to the national environmental management strategy in improving air quality and conserving natural resources, the Group continuously monitors its emission data and resources usage, and publishes key performance indicators on the website, LED display screens outside the plants, and its annual sustainability reports. On 11 May 2016, the Group announced in a press conference in Beijing that it would disclose on a daily basis the emission data of its operating waste-to-energy projects, including the daily average level of online monitored flue gas emissions, daily test results of leachate treatment water quality, etc., proactively inviting the public's supervision. From 1 January 2017, the Group began disclosing the average hourly gas emission levels of all of its operating waste-to-energy projects, which marks the completion of the Group's "Four Steps" environmental information disclosure plan. This important initiative has set an example for the industry in terms of information disclosure, as well as reflects the Group's continuous effort to enhance its operations and management.

本集團根據亞洲開發銀行的保障政策聲明及國際認可的常規編寫了一套環境與社會管理制度。該制度包含了具體程序以確保我們的活動對環境和社會的影響符合法律限制。二零一六年本集團全面推進ESHS體系，各下屬公司均建立了標準操作流程和現場工作檢查表，以此加強制度要求和運營實踐的有效結合，實現對環境與社會管理工作的全過程管理。

本集團項目的運營和環境表現嚴格參照相關標準及環境影響評估報告的要求，並將週邊社區的期望納入考慮。適用於本集團項目的主要法規和標準包括：《中華人民共和國環境保護法》、《中華人民共和國安全生產法》、《中華人民共和國勞動法》；生活垃圾焚燒污染控制標準(GB18485-2014)和歐盟指引2010/75/EU及其相關附表/修訂(適用於環保能源項目)，火電廠大氣污染物排放標準(GB13223-2011)(適用於綠色環保中的生物質發電項目)，以及城鎮污水處理廠污染物排放標準(GB18918-2002)(適用於環保水務項目)等等。本集團於二零一六年沒有因違反這些法律法規及環保標準而導致重大損失和影響的記錄。

為配合提升空氣質素和節約自然資源的環境國策，本集團持續監測排放資料和資源運用效率，並將關鍵績效指標發佈在公司網站、項目外的液晶顯示器以及可持續發展報告內。二零一六年五月十一日，本集團在北京召開新聞發佈會，宣佈即日起實現按日披露前一日煙氣線上監測指標日均值、滲濾液出水指標日檢測值等關鍵環境資料，主動接受公眾監督。二零一七年一月一日起，本集團實現按小時均值公佈運營垃圾發電項目煙氣排放指標，標誌著本集團「四步走」工作計劃已順利完成。是次的環境信息公佈在行業信息公開方面起到示範作用，同時不斷提升及完善本集團的運行管理。

## Chief Executive Officer's Report 行政總裁報告

### OTHER INFORMATION 其他資料

#### Loan Facilities with Covenants Relating to Specific Performance of the Controlling Shareholder

載有關於控股股東須履行特定責任的條件的貸款

On 11 January 2012, China Everbright Environmental Energy Limited, a wholly-owned subsidiary of the Company, was granted a 5-year term loan facility of USD100 million from ADB. Under the said facility, it will be an event of default if China Everbright Holdings Company Limited ceases to be the single largest Shareholder holding at least 35% of the issued share capital of the Company. Upon the occurrence of the said event, (i) the said facility, and (ii) a term loan facility of USD100 million granted by ADB on 3 September 2009 for a term of up to 3 September 2019 (together with the said facility, the "ADB Facilities"), and (iii) all accrued interest and any other amounts accrued under the ADB Facilities may become immediately due and payable and/or payable on demand.

As at 31 December 2016, the circumstances giving rise to the obligations under Rule 13.18 of the Rules Governing the Listing of Securities on the HKEx (the "Listing Rules") continued to exist.

於二零一二年一月十一日，亞發行向中國光大環保能源有限公司(本公司之全資附屬公司)提供金額為1億美元的五年期貸款額度。根據該貸款額度，如中國光大集團有限公司不再持有本公司已發行股本最少35%之本公司的單一最大股東，即構成違約事項。倘發生上述事項，(i)該貸款額度；及(ii)亞發行於二零零九年九月三日提供的金額為1億美元並於二零一九年九月三日期滿之定期貸款額度(與該貸款額度統稱為「亞發行貸款額度」)，及(iii)亞發行貸款額度所有應計利息及根據亞發行貸款額度累計之任何其他款項可能成為即時到期應付及/或須應要求支付。

截至二零一六年十二月三十一日，導致產生於聯交所證券上市規則(「上市規則」)第13.18條項下所述的有關披露責任的情況繼續存在。

#### Final Dividend 末期股息

The Board has proposed to pay a final dividend of HK13.0 cents per share (2015: HK 12.0 cents per share) to the Shareholders whose names appear on the register of members of the Company on Monday, 5 June 2017. Subject to approval by the Shareholders of the final dividend at the forthcoming annual general meeting of the Company, dividend cheques will be dispatched to the Shareholders on or around Thursday, 29 June 2017.

董事會建議派發末期股息每股13.0港仙(二零一五年：每股12.0港仙)，給予於二零一七年六月五日(星期一)名列在本公司股東名冊之股東。待股東在本公司應屆股東週年大會上批准末期股息，股息支票將於二零一七年六月二十九日(星期四)左右寄出。

#### Closure of register of members 截止過戶日期

The register of members will be closed from Friday, 19 May 2017 to Wednesday, 24 May 2017, both days inclusive, on which no transfer of shares will be effected. In order to qualify for attendance of the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on Thursday, 18 May 2017.

The register of members will also be closed from Thursday, 1 June 2017 to Monday, 5 June 2017, both days inclusive, on which no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on Wednesday, 31 May 2017.

本公司將於二零一七年五月十九日(星期五)起至二零一七年五月二十四日(星期三)(首尾兩日包括在內)暫停辦理股東登記手續。於此期間亦不會辦理任何股份過戶登記。為符合出席股東週年大會之資格，股東必須於二零一七年五月十八日(星期四)下午四時三十分前，將所有過戶表格，連同有關股票送達本公司之股份過戶處卓佳登捷時有限公司，地址為香港皇后大道東一百八十三號合和中心二十二樓。

本公司亦將於二零一七年六月一日(星期四)起至二零一七年六月五日(星期一)(首尾兩日包括在內)暫停辦理股東登記手續。於此期間亦不會辦理任何股份過戶登記。為符合取得建議派付之末期股息之資格，股東必須於二零一七年五月三十一日(星期三)下午四時三十分前，將所有過戶表格，連同有關股票送達本公司之股份過戶處卓佳登捷時有限公司，地址為香港皇后大道東一百八十三號合和中心二十二樓。



**Purchase, Sale or Redemption of the Company's Listed Securities 買賣或贖回本公司之上市證券**

During the year under review, the Company bought back 1,000,000 ordinary shares on HKEx at an aggregate consideration of HK\$7,949,990. The aim of the buy-back was to enhance the value of the Shareholders. Details of the buy-back are as follows:

於回顧年度內，本公司以總代價港幣7,949,990元於聯交所回購本公司1,000,000股普通股。作出股份回購的目的是為了提高股東利益。回購詳情如下：

Month/Year 月份／年份	Number of shares bought back 回購股份 數目	Highest price paid per share 回購每股 最高價 HK\$ 港幣元	Lowest price paid per share 回購每股 最低價 HK\$ 港幣元	Aggregate consideration 總代價 HK\$ 港幣元
---------------------	---	---	--	---

May 2016 二零一六年五月	1,000,000	7.99	7.78	7,949,990
---------------------	-----------	------	------	-----------

All 1,000,000 ordinary shares bought back were cancelled on delivery of the share certificates during the year under review. The aggregation consideration of HK\$7,949,990 was paid out from the Company's retained profits.

Apart from the above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year under review.

全數回購股份1,000,000股普通股已於本年度內交付股票及註銷。代價總額港幣7,949,990元在本公司之保留盈利中支付。

除上文所述外，於回顧年度內，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

**CHEN XIAOPING****陳小平***Chief Executive Officer*

行政總裁

Hong Kong, 28 February 2017

香港，二零一七年二月二十八日



# CARING FOR THE WORLD

為世界展現更多關懷

## Sustainability Report 可持續發展報告

Love the Earth, Love the Planet we live in  
讓我們關愛地球 關愛人類賴以生存的家園

Adhering to our core value of “An Enterprise is not only the Creator of Wealth, but also the Safeguard of Environmental and Social Responsibility”, we continued to promote our 4 major business segments of envirotech, environmental energy, environmental water and greentech in 2016 with the intent to make greater contributions to the environment. China’s emphasis on green development, ecological management together with the construction of ecological civilization created tremendous opportunities for enterprises in the environmental protection industry. Through innovative businesses, the Group cooperates with the promulgated national regulations on environmental protection such as the 13th Five-Year Plan for Eco-environmental Protection, the Opinions on Further Enhancement of Municipal Household Waste Incineration Work, the 13th Five-Year Plan for Renewable Energy as well as the Water Pollution Prevention and Control Law (Draft Amendment), striving to grasp the policy direction in time and seize for development opportunities, and successfully navigated strong market competition.

The Group has formally implemented a new Environmental, Safety, Health and Social Responsibility (“ESHS”) Management System and Risk Management System in 2016. The two-pronged approaches, designed to disclose information, have strengthened management capabilities during day-to-day operations and controlled risks by setting up a complete system that integrates pre-event risk identification, on-going risk inspections and reviews, as well as post-event appraisals and evaluations, not only providing a platform for the Company’s sustainable development, but also facilitating the Company to play a leading role in China and even the world. Furthermore, during the year, the Company made it onto the list of the Dow Jones Sustainability Emerging Markets Index, and was also selected to be included in the Dow Jones Sustainability World Index for the first time, in which we are the only Mainland China and Hong Kong listed company that was added to the Dow Jones Sustainability World Index.

二零一六年，本集團致力發展旗下環境科技、環保能源、環保水務及綠色環保四大業務板塊，秉承「企業不僅是物質財富的創造者，更應成為環境與社會責任的承擔者」的核心價值，為環境治理作出更大的貢獻。中國對於綠色發展、生態環境治理和生態文明建設的高度重視為眾多環保企業帶來了前所未有的發展機遇，本集團亦以創新的業務配合國家《「十三•五」生態環境保護規劃》、《關於進一步加強城市生活垃圾焚燒處理工作的意見》、《可再生能源發展「十三•五」規劃》、《水污染防治法(修訂草案)》等多項環保政策，緊貼最新政策方向和抓住發展機遇，於激烈的市場競爭中脫穎而出。

本集團於二零一六年正式實施了全新的環境、安全、健康及社會責任(「ESHS」)管理體系以及風險管理體系。兩大管理體系雙管齊下，以信息披露為導向，建立了一套由事前識別評估、事中檢查審核、事後考核評價的完整體系，強化日常管理水平，從源頭上控制風險，不但為本集團的可持續發展提供一個健康的平台，更有助本公司發展成中國乃至國際優秀企業的翹楚，對本公司實施全球戰略具有重大意義。此外，本公司於今年獲納入道瓊斯可持續發展新興國家指數，更首次成功上榜道瓊斯可持續發展全球指數，成為該指數唯一一家上榜的中國大陸及香港上市公司。

## Sustainability Report 可持續發展報告

We believe that the voices of our stakeholders are valuable insights for our business developments, in making ongoing and long-term strategic decisions. Therefore, throughout the project life cycle, we invite stakeholders, including our investors, Shareholders, employees, governments, local communities, business partners and suppliers, media, investment analysts and international business partners etc., on a regular basis to express their views on issues that are relevant to our operational and environmental performance. We pursue effective engagement and on-going dialogue with our stakeholders through collaborative, transparent and responsive processes. From our stakeholder participation plan which involves all project companies, the views of stakeholders are actively listened throughout the project lifecycle from the planning stage to the operation stage, which helps us to identify high priority issues within all our project operations and the associated sustainability concerns. The effectiveness of our stakeholder engagement activities is also evaluated at different project phases to ensure higher efficacy.

This is a brief sustainability report in the annual report. The full version of sustainability report, in both Chinese and English versions, will be available for public download on the websites of the Company ([www.ebchinaintl.com](http://www.ebchinaintl.com)) and HKEx ([www.hkexnews.hk](http://www.hkexnews.hk)) by end of May 2017.

我們相信持份者的聲音能為公司的業務發展帶來真知卓見，有助於持續和長期的策略性決定，因此，我們在項目的各個週期都會定期收集持份者對我們運營和環保表現的意見，這些持份者包括投資者、股東、僱員、政府、當地社區、商業夥伴和供應商、媒體、投資分析員及國際業務夥伴等。我們通過具協作性、透明度和反應度的渠道以達至有效的持份者參與和持續溝通。在涉及所有項目公司的持份者參與計劃中，我們從初始的規劃階段及至運營階段均積極聆聽持份者的意見，以識別所有運營項目中的優先議題及被受關注的相關可持續性事項。我們亦於不同的項目階段評估持份者參與活動的有效性，務求達至更高效率。

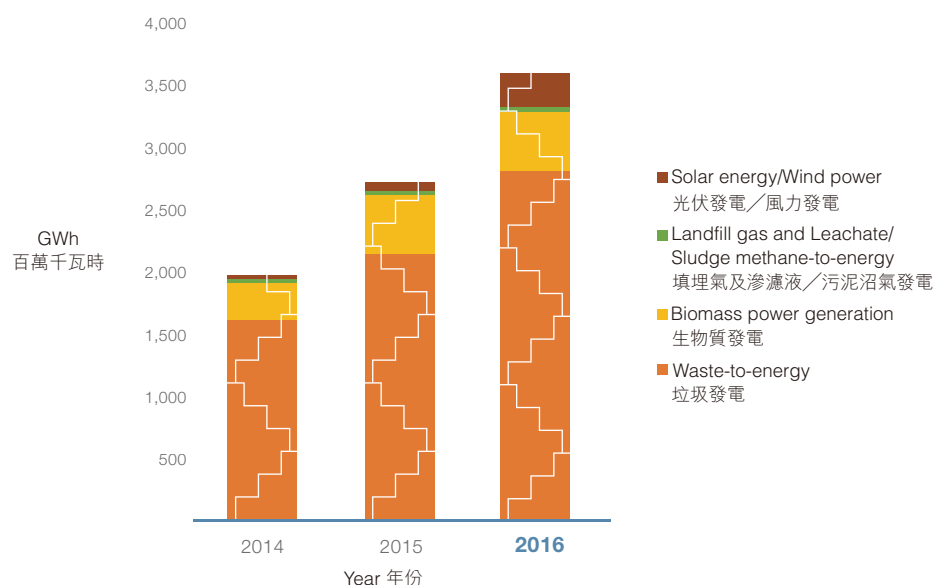
本年報所載的可持續發展報告僅為有關報告的摘要。可持續發展報告的完整版本(備有中英文版本)可於二零一七年五月底前在本公司網站([www.ebchinaintl.com](http://www.ebchinaintl.com))及聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))下載。

### 1. ENVIRONMENTAL PERFORMANCE 一、環保表現

As a leading environmental protection enterprise in China, the Group has regarded building an environmental friendly society as our responsibility and to pioneer in green production process and lifestyle. In 2016, approximately 3,654 GWh of green electricity was produced from our waste-to-energy projects, biomass power generation projects, methane-to-energy projects, solar energy projects and wind power projects, supporting the annual electricity consumption for more than 3.045 million households. Compared to 2015, there has been a significant increase in total electricity by 33%. We also persist in adopting advanced technologies and high industry standards to improve the efficiency in resource utilization and environmental performance.

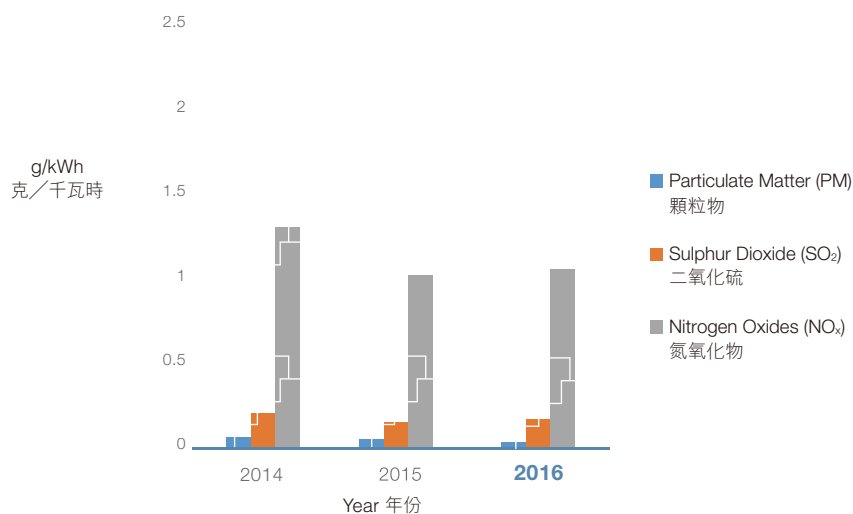
作為國內領先的環保企業，本集團以創建綠色社會為己任，勇當生產方式和生活方式的先行者。於二零一六年，我們的垃圾發電項目、生物質發電項目、沼氣發電項目、光伏發電項目和風力發電項目合共提供綠色電力約36.54億千瓦時，可供逾304.5萬戶家庭一年使用，較二零一五年的發電量相比上升約33%。我們更堅持採用先進的科技和高的行業標準，從而提升資源運用效率和環保表現。

1. ENVIRONMENTAL PERFORMANCE (continued) 一、環保表現(續)  
**Green Electricity Generation by Types of Operation**  
 按運營類型劃分的綠色發電量



**Air Emission Performance per kWh of Green Electricity Generated by Waste-to-energy Plants and Biomass Power Generation Plants**

垃圾發電項目及生物質發電項目每千瓦時發電量的氣體排放量



## Sustainability Report 可持續發展報告

### 1. ENVIRONMENTAL PERFORMANCE (continued) 一、環保表現(續)

All our energy generating projects adhere to stringent national and international pollution control requirements: our waste-to-energy projects meet the Standard for Pollution Control on the Municipal Solid Waste Incineration (GB18485-2014) and relevant emissions requirements as stipulated in the European Industrial Emissions Directive (2010/75/EU); where our biomass power generation projects meet the Emission Standard of Air Pollutants for Thermal Power Plants (GB13223-2011). We have also tightened the flue gas emission standards, improve the resources utilization efficiencies and increase the operational transparency of our businesses.

The Group has begun to disclose the emission standards of its operating waste-to-energy projects for the previous day starting from mid-May 2016 and the hourly average level of gas emissions from 1 January 2017 on the environment management page of the Group's official website, proactively accepting public supervision and continue to lead in promoting information transparency in the industry. The disclosed indicators include the level of online monitored gas emissions, the test results of leachate treatment water quality and ignition loss rate of incineration residue, approved environmental impact assessment documents, dioxin testing results, the test results of chelated fly ash and its ultimate treatment method, and a list of third-party test institutions for bottom ash and fly ash testing. Through disclosing emission standards and providing environmental management information of our operating projects, we emphasize the importance of resources recycling following the waste treatment hierarchy of "Reusing before Incinerating, Incinerating before Landfilling and Landfilling only when the material cannot be Reused or Incinerated". We adopt a synergistic approach in the environmental friendly treatment of medical waste and food waste. Majority of the bottom ash generated from waste-to-energy projects was reprocessed for brick making. Meanwhile, all fly ash and bottom ash generated from the biomass power generation projects were reprocessed for brick making or for other applications.

All waste water generated during the operation is treated by on-site waste water treatment facilities complying with the stringent national waste water discharge standards – Integrated Wastewater Discharge Standard (GB 8978-1996), as well as the requirements described in the approved Environmental Impact Assessment (EIA) report. In most of our waste-to-energy projects, all leachate generated was treated on-site by our self-developed leachate treatment system and reused accordingly to achieve Zero Discharge.

我們旗下的發電項目均遵守嚴格的國內外污染控制要求：我們的垃圾發電項目符合「生活垃圾焚燒污染控制標準」(GB18485-2014)和歐盟《工業排放指令》(2010/75/EU)中的相關標準；而我們的生物質發電項目則符合「火電廠大氣污染物排放標準」(GB13223-2011)。我們更不斷提高煙氣排放指標，提升資源利用效率，增加我們運營項目的透明度。

本集團於二零一六年五月中起在本集團官方網頁的環境管理欄目中公開前一日各運營垃圾發電項目日均排放指標，並於二零一七年一月一日起按小時均值披露，主動接受公眾監督，不斷提升及完善本集團的運行管理水平並進一步引領行業信息透明化。披露內容涵蓋：煙氣在線監測指標、滲濾液出水指標檢測值、爐渣熱灼減率檢測值，以及環評批覆文件、二噁英檢測結果、飛灰穩定化結果與最終處置途徑、爐渣和飛灰第三方檢測機構。透過公開已投運項目的排放標準和環境管理信息，我們強調資源的合理循環，對垃圾處理遵循「能用的不燒，能燒的不埋，不能用的不能燒的衛生填埋」的原則，對醫療垃圾、餐廚垃圾等採用協同方式環保處理。絕大部分垃圾發電項目所產生的爐渣經重新處理，用於製造磚塊；而生物質發電項目產生的飛灰、爐渣等也透過製磚等方式綜合利用。

我們在項目運營中產生的所有污水均由廠內的污水處理設施處理，以符合「污水綜合排放標準」(GB 8978-1996)等國家標準，以及經政府認可的環境影響評估報告提出的要求。我們絕大部分垃圾發電項目所產生的滲濾液採用我們自主研發的滲濾液處理系統，把滲濾液於廠內循環再用，從而達致滲濾液「零排放」。

## 1. ENVIRONMENTAL PERFORMANCE (continued) 一、環保表現(續)

Furthermore, we continue to try our best to conserve and recycle water resources to ensure that the recycled general industrial and domestic waste water can meet the Reuse of Urban Recycling Water – Water Quality Standard for Industrial Uses (GB/T19923-2005) and the Reuse of Urban Recycling Water – Water Quality Standard for Landscape Uses (GB/T 18921-2002) or other water reuse standards.

As for our Environmental Water business, great emphasis is laid upon proper treatment of sludge arising from the waste water treatment plants. We treat our sludge in accordance with International Finance Corporation (IFC)'s General Environmental, Health and Safety Guidelines and other applicable laws and regulations. In 2016, more than 81% of the total sludge generated from our projects was recycled. For sludge which eventually needs to be disposed of at the landfill, we will reduce its water content and volume by dewatering process onsite before to alleviate landfill burden and lower associated environmental impacts.

此外，我們持續竭力節約和循環利用水資源，並遵照「城市污水再生利用工業用水水質」(GB/T19923-2005)以及「城市污水再生利用景觀環境用水水質」(GB/T18921-2002)或其他水循環標準將一般工業及生活污水循環再用。

在環保水務業務方面，妥善處理污水處理廠運營中產生的污泥是業務重點。我們根據國際金融公司(IFC)的「通用環境、健康和安全管理指南」及其他適用法律和規定處理污泥。二零一六年，超過百分之八十一我們項目生產的污泥被循環再用。至於最終需作填埋處理的污泥，我們會先進行脫水處理，以減少其含水量和體積，從而減輕堆填區的負擔，舒緩對環境的影響。

## 2. HEALTH AND SAFETY 二、健康與安全

The Company upholds the principle that occupational health and safety is not only one of our core corporate culture, but also our solemn commitment to every employee. In addition to the occupational health and safety management systems certified under OHSAS 18001 (GB/T28001-2011) that have been implemented at all our project companies, this year, we officially launched the ESHS Management System, setting an important milestone of the Group in promoting health and safety. The system comprises management standards to guide procedures such as auditing, incident investigation and handling as well as issue identifications, it also safeguards our supply chain by incorporating environmental, social, health and safety considerations into our contract requirements for contractors and suppliers.

確保職業健康與安全是本公司企業文化的核心之一，亦是我們對每位員工的莊嚴承諾。除了在項目公司層面全面推行獲國際性認證的OHSAS 18001 (GB/T28001-2011)職業健康和安全管理体系外，我們在本年度正式開展和實施ESHS管理體系，樹立了本集團促進健康與安全的重要里程碑。該體系包括審核、事故調查及處理、議題識別等指導程序的管理標準。不僅如此，管理體系更涵蓋承包商及供應商，把職業環境、社會、健康和安全管理納入合約要求中，務求把安全文化和政策延伸到我們的供應鏈中。

## Sustainability Report 可持續發展報告

### 2. HEALTH AND SAFETY (continued) 二、健康與安全 (續)

Through developing a set of clear safety production guidelines, we provide adequate tools and personal protective equipment on project site and conduct regular safety inspections at our plants. To ensure our employees are aware of the safety production guidelines, we offer regular health and safety trainings, and held special seminars, lectures and competitions annually in the Production Safety Month to encourage their participation. All our project companies have formed a safety management team, which includes the general manager and other management officers, to supervise and manage all health and safety issues arising from various stages of the project. The team is also responsible for organizing emergency drills and exercises to increase the safety awareness of the employees as well as to prepare themselves for crisis.

本集團透過制定清晰的安全生產指示，在項目現場提供適當的工具和個人保護裝備，以及為我們的廠房進行定期的安全檢查等措施。為了確保僱員對安全生產的概念有充分認識，我們定期舉行健康與安全培訓，並透過在每年的安全生產月安排特別的研討會、講座和答問大賽等活動增加僱員的投入度。我們所有的項目公司均設有包括總經理和其他管理層在內的安全管理團隊，負責監督和管理項目各個階段的健康和 safety 事項，並定期組織緊急演練和操練，使員工掌握實用的危機處理技巧和保持高度的安全意識。

### 3. CARING FOR THE COMMUNITY 三、社區關懷

To be an outstanding enterprise, we believe one must commit to conducting business in a socially responsible manner. Therefore, the Group has endeavored to promote the education and community caring activities regarding environmental friendliness, energy conservation and ecological protection. As the city's green guards, we are happy to serve as the council members to various environmental protection associations in China, including the Chinese Society for Environmental Sciences, the Chinese Ecological Civilization Research and Promotion Association and the China Association of Urban Environmental Sanitation, and take part in the activities organized by these associations to further enhance our connection with the community.

In 2016, the Group continues to co-organize the National Environmental Science Popularization Innovation Competition with the theme "Love the Environment, Have a New Lifestyle". Over 6,000 animations, comics, short movies, drawings, and articles were collected and displayed in exhibition tours. We treat the promotion of environmental protection as our own responsibility and actively take part in various environmental technological activities, such as the National Science Popularization Day, China Ecological Forum, and World Environment Day, promoting the latest environmental technology to the general public, while raising the awareness on environmental protection. To support the World Environment Day, our Suzhou project company participated in environmental protection activities organized by local communities, such as "Environmental Walk", to implement practices of healthy lifestyles and promote environmental protection. On "Tree planting day", employees from our project companies in Jinan, Ningbo, Yixing organized tree planting activities. Apart from improving the environmental conditions of neighboring areas, we also increased the employee's participation and the sense of recognition on environmental protection activities. Furthermore, employees from the headquarters and Shenzhen representative office have volunteered as a helper to involve in the conservation of the Mai Po Natural Reserve with WWF's Hong Kong branch, developing a deeper understanding in ecological balance and biodiversity.

我們相信一家優秀的企業必須具備對社會責任的承擔，因此本集團一直致力於促進教育及環境友好、節能、生態保護活動等方面的社區關懷工作。作為城市中的綠色衛士，我們樂於在中國擔任各種環保協會的理事單位，包括中國環境科學學會、中國生態文明研究與促進會、中國城市環境衛生協會等，並透過參與該等協會的大型活動，增強與社區的聯繫。

二零一六年，本集團繼續與環境科學學會合辦「心環保，新生活」全國環保科普創意大賽，徵集的6,000多套動畫、漫畫、微電影、畫作和文章等作品進行巡迴展出。我們並以推廣環保為己任，致力參與不同的環保科技活動，如「全國科普日」、「中國生態文明論壇」及「世界環境日」等，向公眾宣傳先進的環保科技並提高環保意識。為支持二零一六年「世界環境日」，本集團於蘇州項目公司參與了當地組織的環保活動，如「環保綠色健步千人行」等活動，通過踐行綠色健康的生活方式，推動環保理念的傳播。在「植樹節」當日，本集團於濟南、寧波、宜興等地的項目公司員工組織植樹活動，通過綠化活動改善項目周邊環境，亦提升自身生態保護的參與感和認同感。此外，本集團總部及深圳代表處員工踴躍參加由世界自然基金會香港分會舉辦的義工活動，身體力行為香港米埔自然保護區保育出一分力，並了解生態平衡和生物多樣性的重要性。



### 3. CARING FOR THE COMMUNITY (continued) 三、社區關懷(續)

To promote ecological civilization in the society and educate the public on the uniqueness of the waste-to-energy industry, we actively utilize our existing resources to promote environmental education by regularly inviting international groups, government officials, investors, media, students and local residents to visit our plants, allowing them to develop a deeper understanding on waste-to-energy process. We believe such activities can enhance transparency and improve the interaction with our stakeholders, and cultivate the interest of young generations in protecting the natural resources of our country. For example, during the year under review, our Suzhou project company organized the “A Green Tour for Little Angels” on 1 June, inviting teachers and students from local schools to visit our Suzhou waste-to-energy projects. Through improving understanding on waste sorting and witnessing the waste incineration process, the environmental protection awareness of the visitors was enhanced; our Changzhou waste-to-energy project welcomed a summer study tour from Beijing Forestry University’s “The Green Tour for the Youth to Alleviate the Poor” program, the students and lecturers had developed a deeper understanding on waste-to-energy through field visits and introductions on waste incineration process. In 2016, our environmental protection projects have received over 69,500 visitors from all walks of life in total.

為了推動生態文明理念，讓公眾更了解垃圾發電行業和認識其特殊意義，我們積極利用現有資源宣傳環保教育。每年定期邀請國際考察團、政府部門、投資者、媒體、學生和當地居民等參觀旗下的廠房，深入了解垃圾發電的過程。我們深信這些活動有助於進一步提升公司的透明度和增進與持份者的交流，並培養新一代對保護國家環境資源的使命感。例如，於回顧年度內，本集團蘇州項目公司於六一兒童節開展「小天使綠色環保之旅」活動，邀請當地學校在校師生參觀蘇州垃圾發電項目，通過了解垃圾分類知識，參觀垃圾焚燒過程，進一步增強環保意識；我們的常州垃圾發電項目接待了北京林業大學「綠色扶貧青年行」大學生暑期考察團，通過介紹生活垃圾焚燒工藝流程和實地參觀，令來訪師生加深對垃圾焚燒發電的了解和認可。二零一六年，我們的環保項目共接待超過69,500來自社會各界的參觀來訪人士。

### 4. PHILANTHROPY 四、公益活動

The Company has always been enthusiastic in charitable activities. During 2016, the Company was awarded with the 2015/16 “Caring Company” Logo by the Hong Kong Council of Social Service to recognize our commitments to the community, employees and environmental care, signifying our care towards the community development. Our major charitable activities include the following:

本公司一直熱心於公益活動。在二零一六年，本公司更獲香港社會服務聯會頒發2015/16「商界展關懷」標誌，以表揚本公司對社區、員工及環境關懷的責任承擔，標誌著對我們長期在關懷社區發展方面的工作的一份肯定。主要公益活動包括：

#### Everbright International Environmental Protection Charitable Foundation

##### 光大國際環保公益基金會

Everbright International Environmental Protection Charitable Foundation Company Limited was founded in August 2013. It is mainly responsible for managing the Everbright International Environmental Protection Charitable Foundation in Hong Kong, sponsoring and coordinating all charitable activities related to environmental protection, environmental education, energy conservation, ecological preservation and community caring, etc.

光大國際環保公益基金會有限公司於二零一三年八月在香港成立，主要負責管理香港的光大國際環保公益基金會，以及協調所有相關的公益活動，包括環境保護、環保教育、節能環保、生態保育和社區關懷等。

## Sustainability Report 可持續發展報告

### 4. PHILANTHROPY (continued) 四、公益活動(續)

#### **Everbright International Environmental Protection Charitable Foundation (continued)** 光大國際環保公益基金會(續)

In 2016, the foundation has been supporting World Wild Fund for Nature – Hong Kong’s Earth Hour for the third consecutive year as the lead sponsor in Hong Kong. The theme of “Earth Hour 2016” Hong Kong was “Sustainable Lifestyle for Future” and it called for people to change their lifestyles and give up the unnecessary luxuries to help sustain the earth. The activity encouraged government departments, companies, organizations, schools and individuals to turn off nonessential lights in their buildings, offices, and facilities for an hour from 8:30 to 9:30 p.m. on 19 March 2016, as a symbol for their commitment to the planet. Through different community engagement activities, we hope to demonstrate to the public how different energy saving and recycling concepts can be integrated into our daily lives, and different methods to reduce carbon footprint and combat climate change.

The foundation also supported Heifer International Hong Kong branch’s “Read to feed” fund raising program (2016-2017). Through this program, we hope to develop reading habits among Hong Kong students, deepen their understanding on poverty, environmental issues, and develop a sense of empathy. On the other hand, we offered financial assistance to the poor farmers in mainland China, raising their living standard.

二零一六年亦是光大國際環保公益基金連續第三年全力支持由世界自然基金會主辦的「地球一小時」，為世界自然基金會香港分會的首席贊助機構。活動的主題為「熄出力量 燃續生態未來」，呼籲人們改變生活方式以避免不必要及過度的消費，拯救地球環境。該活動鼓勵政府機構、公司、組織、學校和個人在二零一六年三月十九日晚上八時三十分至九時三十分關掉不必要的照明，象徵對保護地球的決心。通過支持不同的社區活動，我們希望向公眾灌輸將節能環保與循環再用的概念融入日常生活的概念，並教育公眾減低碳足印和應對氣候變化的方法。

光大國際環保公益基金亦於回顧年度全力支持國際小母牛香港分會舉辦的「開卷助人」閱讀籌款計劃(2016-2017年度)。我們希望藉助該計劃，一方面鼓勵香港學童養成閱讀習慣，在閱讀過程中，加深對貧困、環保等問題的了解，拓展視野，培養同理心，關注地球的可持續發展；另一方面通過資金捐助的形式幫助國內山區農戶擺脫貧窮，改善生活質素。

#### **Everbright Environmental Protection Charitable Foundation** 光大環保愛心基金

In mainland China, the Everbright Environmental Protection Charitable Foundation continues to provide financial and psychological support to sanitation workers and their families in Suzhou who are experiencing financial difficulties or critical illness. During the year under review, we have distributed the sixth and seventh batches of donations to the workers in need as a support from the industry and society. As at the end of 2016, we have donated a total of approximately RMB3 million and the accumulated number of people being benefited from the foundation has reached 688.

在中國內地，我們的光大環保愛心基金繼續為蘇州環衛工人及其家庭就他們的財務困難或嚴重的疾病提供經濟及心理支持。於回顧年度內，我們已將第六、第七批「光大環保愛心基金」發放至困難環衛工人手中，令環衛一線的工作者感受到來自行業及社會的關愛和支持。截至二零一六年底，光大環保愛心基金已累計協助688位受益人，共計發放慰問金及救助金約人民幣300萬元。

#### 4. PHILANTHROPY (continued) 四、公益活動(續)

##### Everbright International True Love School

##### 光大國際愛心學校

The Everbright International True Love School located in Dangshan has provided education opportunities to 1,500 students and we have continuously encouraged our employees to be the acting teachers to spread our cares. In 2016, we assigned splendid staffs to conduct lectures for fine art, English, music and physical education subjects, etc. in the school. Our staffs have completed their teaching duties flawlessly and developed close relationships with the students. We have set up a True Love Fund to provide the students with financial support and recognise the outstanding students. Till the end of 2016, the True Love Fund have sponsored more than 200 poor students with outstanding results. Also, we organized Everbright International True Love School Summer Camp, inviting the teachers and students from the school to visit our waste-to-energy project in Nanjing, increasing their awareness on the waste-to-energy process and importance of environmental protection.

During the year under review, our Group was awarded with the Best Social Responsibility Brand Award in the China Charity Festival. It serves as a recognition from the general public on our long term effort towards philanthropy and environmental protection.

我們位於碭山的「光大國際愛心學校」為1,500名學生提供教育機會，而在每年均會組織員工支教活動，將愛心持續傳遞出去。二零一六年，我們繼續選派優秀員工赴碭山擔任愛心支教，提供美術、英語、音樂及體育等的教學工作，並圓滿完成了教學任務，與學校師生結下深厚情誼。我們也設立「愛心基金」，為清貧學生提供財務援助及獎勵優異生。截至二零一六年底，愛心助學基金已資助了200餘位學習成績優秀的貧困學生。此外，我們亦組織了「光大國際愛心學校暑期夏令營」活動，邀請學校學生及老師代表參觀了我們的南京垃圾發電項目，令他們直觀了解垃圾發電的主要生產工藝，認識了環保的重要性。

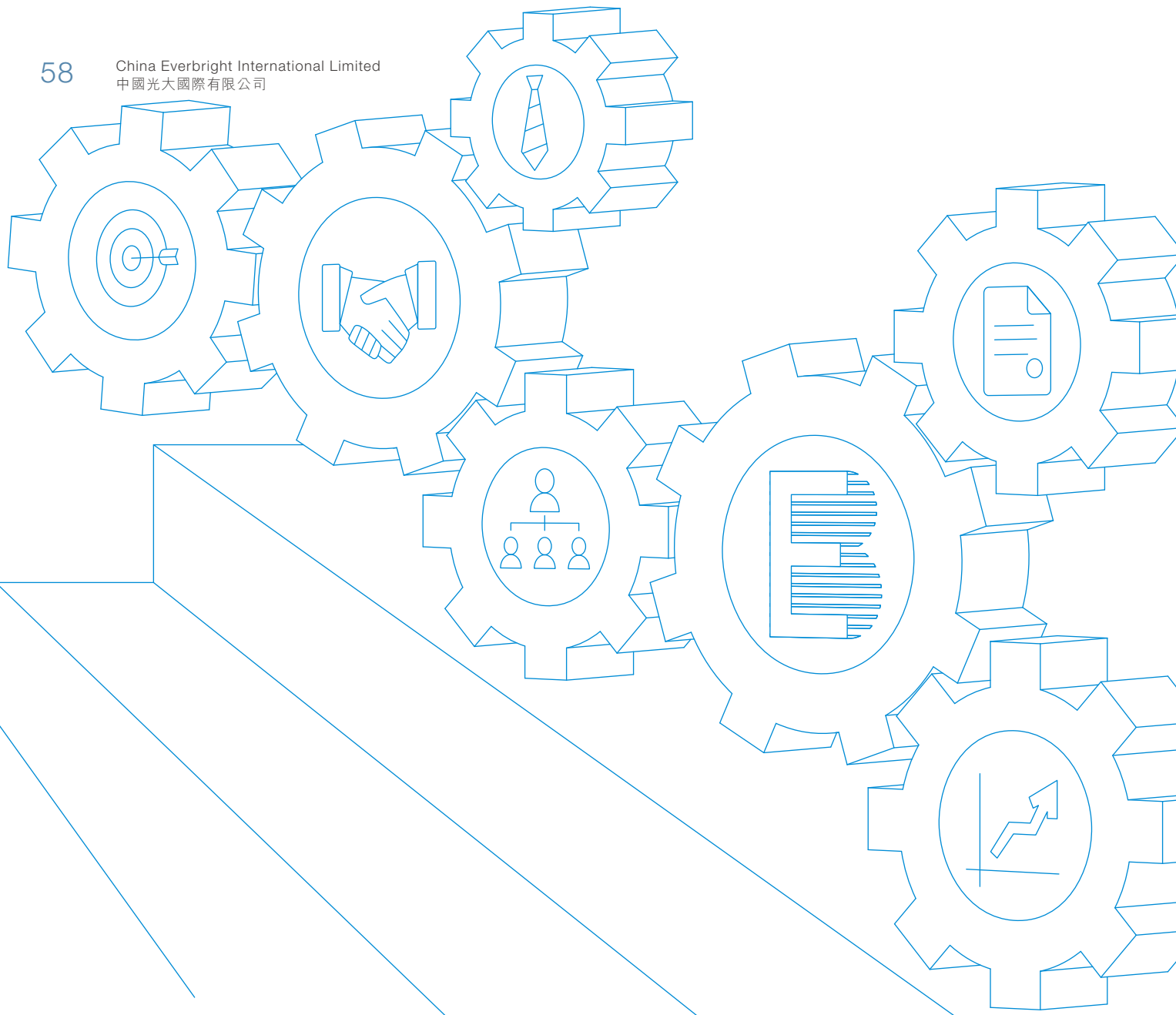
於回顧年度內，本集團再度榮獲中國公益節最佳責任品牌獎，顯示社會大眾對我們的公益活動和環保工作的廣泛、長期認可。

##### Self-initiated Philanthropy Activities by Employees

##### 員工自發的公益善舉

During the year under review, our employees from project companies have been participating in philanthropy activities through organizing activities, visits, and donations, improving the connections within the community. During festivals such as Chinese New Year, Mid-autumn, Tuen Ng, and Chung Yeung festival, our employees from project companies located in Sanya, Jiangyin, Suzhou, and Changzhou, etc. organize visits to families with poor living conditions, the elderly and the sanitation workers, and donate necessities and consolation money to them, which act as an expression of care and respect to the social vulnerable groups and cooperation partners. Our project companies regularly organize donation activities such as “Daily Donation for love” and “Daily Donation for Care”, providing scholarships to the poor students, financial assistances to families in with financial problems, alleviating poverty.

於回顧年度內，我們各個項目的員工亦積極參與並自發組織、參與探訪及捐款等各類公益慈善活動，加強我們與社區的聯繫紐帶。每逢春節、中秋、端午、重陽等重要節日，我們於三亞、江陰、蘇州及常州等地的項目公司組織員工前往探訪困難家庭，送上慰問品和慰問金；在敬老院與孤寡老人共度節日，送上節日問候；在節日為辛勞的環衛車司機和環衛工人送上慰問品，藉此以表達我們對社區弱勢群體及合作夥伴的關心和敬意。我們旗下亦有多個項目定期舉辦「愛心一日捐」、「慈心一日捐」等捐款活動，為貧困學生提供助學金，為困難家庭和個人提供救助金，幫助他們緩解貧困問題。



# PURSUING

## A BETTER CORPORATE GOVERNANCE STANDARD

為企業管治追求更佳水平

# Corporate Governance Report

## 企業管治報告

Strive to maintain a High Standard of  
Corporate Governance

致力維持高水平企業管治

## Corporate Governance 企業管治

The Group strives to maintain a high standard of corporate governance as it believes good corporate governance practices are increasingly important for maintaining and promoting the confidence of the Shareholders. They are crucial for the development of the Group's business and protection of the Shareholders' interests. The Group upholds the management principle of "People-oriented, Pragmatism, Creativity and Systematic Management", and through a set of rules and regulations, has continuously strengthened internal control and risk management. Furthermore, by full and timely public disclosure of information, the Group has maintained transparency and accountability which also enhanced its corporate values. The Board meets regularly and has currently 6 Board committees, namely Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee, Disclosure Committee and Management Committee. For project risk management, the Group has set up a Risk Management Advisory Committee to monitor and assess risks regularly, boost related management standards and evaluate investment projects. Regarding project technological risk management, the Group has in place an Engineering and Technology Management Committee which is responsible for assessing the technologies used in different investment projects. For project financial control, the Group insists on stringent budget management, and has set up a Budget Approval Management Committee that focuses on monitoring construction budgets. In addition, the Group has also set up an Internal Audit Department to perform internal audits to bolster the Group's management standards.

The Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules has been duly adopted by the Board as the code on corporate governance practices of the Company.

The Company complied with the CG Code for the year ended 31 December 2016, except that:

- (1) the then Chairman of the Board was unable to attend the annual general meeting of the Company held on 17 May 2016 ("2016 AGM") due to other business engagements. This constitutes a deviation from the code provision E.1.2 of the CG Code which requires the chairman of the board to attend the annual general meeting.
- (2) a non-executive director of the Company was not appointed for a specific term. This constitutes a deviation from the code provision A.4.1 of the CG Code which requires that all the non-executive directors should be appointed for a specific term. The Board believes that the current arrangement will enable the Company to have a greater flexibility to organize the composition of the Board to serve the needs of the Group. Pursuant to the Company's Articles of Association, subject to the manner of retirement by rotation of directors of the Company (the "Directors") as from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of 3, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement at least once every 3 years.

本集團致力維持高水平企業管治，相信良好企業管治對維持和提升股東的信心日益重要，並以此為發展本集團業務及保障股東利益之關鍵。本集團奉行「以人為本、求真務實、開拓創新、規範管理」的管理理念，並透過制定規章制度，強化內部監控、完善風險管理。本集團以公開及全面的態度適時披露資料，維持透明度及問責性，以提升公司價值。董事會定期召開會議，並目前下設六個委員會包括審核委員會、風險管理委員會、提名委員會、薪酬委員會、披露委員會及管理委員會。在項目管理風險機制上，本集團設立風險管理評審委員會負責定期進行風險監督及評估，以提升相關的管理水平及審核投資項目。在項目技術風險管理機制上，本集團設立工程技術管理委員會負責在投資項目的技術方面作出評審。在項目財務監控上，本集團堅持嚴格的項目預算管理，並特別成立預算審核管理委員會專職監控項目的工程預算。此外，本集團亦設立內部審計部進行內部審核以提升管理水平。

董事會已採納上市規則附錄十四所載的《企業管治守則》(「企業管治守則」)作為本公司的企業管治守則。

於截至二零一六年十二月三十一日止年度，本公司一直遵守企業管治守則所載原則，惟除下述以外：

- (1) 當時的董事會主席因其他公務未能出席本公司於二零一六年五月十七日舉行之本公司股東週年大會(「二零一六年股東週年大會」)，因此構成偏離企業管治守則條文第E.1.2條，有關董事會主席應出席股東週年大會的規定。
- (2) 本公司非執行董事的委任沒有指定任期，因此構成偏離企業管治守則條文第A.4.1條，要求所有非執行董事的委任應有指定任期。董事會認為現時的安排能夠賦予本公司較大的靈活性以組織一個能夠配合本集團需求的董事會班子。根據本公司的章程細則，遵照上市規則不時規定之本公司董事(「董事」)輪值告退方式，以及儘管委任或聘任任何董事時訂立了任何合約性或其他性質之條款，於每次股東週年大會上，三分之一在任董事(或若其數目並非三之倍數，則為最接近之數目，惟不得少於三分之一)須輪值告退，惟每位董事(包括具有指定任期者)必須至少每三年退任一次。

## Corporate Governance Report 企業管治報告

### THE BOARD OF DIRECTORS 董事會

#### Composition and function 組成及職責

The Board currently comprises 5 executive Directors, 1 non-executive Director and 4 independent non-executive Directors.

The Directors during the financial year and up to the date of the report are set out on page 93 of the annual report and currently are follows:

董事會現由五位執行董事、一位非執行董事及四位獨立非執行董事組成。

於本財政年度內及截至本報告之日的董事已載列於年報內第93頁，而現時的董事會成員如下：

Name of Directors	Title	董事姓名	職位
<i>Executive Directors</i>		<i>執行董事</i>	
Mr. Cai Yunge <sup>Note 1</sup>	Chairman	蔡允革先生 <sup>註1</sup>	主席
Mr. Chen Xiaoping	Chief Executive Officer	陳小平先生	行政總裁
Mr. Wang Tianyi	General Manager	王天義先生	總經理
Mr. Wong Kam Chung, Raymond	Chief Financial Officer	黃錦聰先生	財務總監
Mr. Cai Shuguang	Deputy General Manager	蔡曙光先生	副總經理
<i>Non-executive Director</i>		<i>非執行董事</i>	
Mr. Tang Shuangning <sup>Note 2</sup>	Non-executive Director	唐雙寧先生 <sup>註2</sup>	非執行董事
<i>Independent Non-executive Directors</i>		<i>獨立非執行董事</i>	
Mr. Fan Yan Hok, Philip	Independent Non-executive Director	范仁鶴先生	獨立非執行董事
Mr. Mar Selwyn	Independent Non-executive Director	馬紹援先生	獨立非執行董事
Mr. Li Kwok Sing, Aubrey	Independent Non-executive Director	李國星先生	獨立非執行董事
Mr. Zhai Haitao	Independent Non-executive Director	翟海濤先生	獨立非執行董事

Notes 註：

(1) Mr. Cai Yunge was appointed as the Vice-chairman and executive Director with effect from 10 November 2016 and was subsequently re-designated as the Chairman of the Board with effect from 12 December 2016.

蔡允革先生由二零一六年十一月十日起獲委任為執行董事兼副主席，其後由二零一六年十二月十二日起獲調任為董事會主席。

(2) Mr. Tang Shuangning was re-designated as a non-executive Director and ceased to be the Chairman of the Board with effect from 12 December 2016.

由二零一六年十二月十二日起，唐雙寧先生獲調任為非執行董事及不再擔任董事會主席。

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

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

The Directors have given sufficient time and attention to the Group's affairs. The Directors have disclosed to the Company annually the number and the nature of offices held in public companies or organizations and other significant commitments. The Board believes that the balance between executive Directors, non-executive Director and independent non-executive Directors is reasonable and adequate to provide sufficient balances that protect the interests of the Shareholders and the Group.

Independent non-executive Directors provide the Group with diversified experience and professionalism. Their advices and views as well as participation in the Board and committee meetings bring independent view, advice and judgment on issues relating to the strategy and development, business operation and performance, risk control, conflict of interest etc, to ensure the Shareholders' interests are taken into consideration.

In accordance with the Articles of Association of the Company, subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of 3, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement at least once every 3 years.

The position of the Chairman and the Chief Executive Officer are held by separate individuals, with a view to maintain an effective segregation of duties between the management of the Board and the day-to-day management of the Group's business and operation.

The Board meets regularly throughout the year. Under the lead of the Chairman, the Board is responsible for approving and supervising the overall strategies and policies of the Group, approving annual budget and business plans, assessing the Group's performance and supervising the work of the management. All Directors have access to board papers and related materials, and are provided with adequate information in a timely manner. The Directors may, if necessary, seek legal or other independent professional advice at the expense of the Company.

董事均有足夠時間及精神以處理本集團的事務。董事每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔的職務。董事會認為執行董事、非執行董事及獨立非執行董事組合之比例合理及適當，並充分發揮制衡作用，以保障股東及本集團之利益。

獨立非執行董事為本集團帶來多元化的經驗及專業知識。他們提出的提議及意見，以及透過其等參與董事會及各個委員會會議，為本集團的策略及發展、業務運營及表現、風險控制及利益衝突等事宜上，提供獨立意見、提議及判斷，以確保股東之權益均獲得考慮。

根據本公司的章程細則，遵照上市規則不時規定之董事輪值告退方式，以及儘管委任或聘任任何董事時訂立了任何合約性或其他性質之條款，於每次股東週年大會上，三分之一在任董事(或若其數目並非三之倍數，則為最接近之數目，惟不得少於三分之一)須輪值告退，惟每位董事(包括具有指定任期者)必須至少每三年退任一次。

主席及行政總裁之職務由不同人仕擔任，使董事會運作及集團業務及運營之日常管理得以有效區分。

董事會於年度內定期開會。在主席領導下，董事會負責批准及監察本集團的整體策略及政策，批准年度預算及業務計劃、評估集團表現，以及監督管理層的工作。全體董事均有權查閱董事會文件及有關資料，並會及時獲提供充份資料。在適當的情況下，董事可向外諮詢法律或其他獨立的專業意見，有關費用由本公司支付。

## Corporate Governance Report 企業管治報告

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

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

In respect of regular Board meetings and audit committee meetings, the agenda is sent out to the Directors at least 14 days before the meetings and the accompanying papers are sent at least 3 days before the meetings for information.

As an integral part of good corporate governance, the Board has established the following committees with specific written terms of reference which deal clearly with the respective committee's authority and duties:

定期的董事會會議及審核委員會會議議程會在召開會議前最少十四天前分發，而相關董事會或委員會會議文件會在召開會議前最少三天分發予董事及委員會成員以供審閱。

為確保提供優良的企業管治，董事會成立了以下的委員會，並書面訂明各委員會之具體職權範圍，清楚說明各委員會之職權及職責：

#### 1. Audit Committee 審核委員會

The Audit Committee, currently comprising all 4 independent non-executive Directors, namely Mr. Mar Selwyn (Chairman), Mr. Fan Yan Hok, Philip, Mr. Li Kwok Sing, Aubrey and Mr. Zhai Haitao, is primarily responsible for reviewing the accounting principles and practices adopted by the Group, as well as discussing and reviewing the internal control and financial reporting matters of the Group, etc. The terms of reference of the Audit Committee are disclosed on the website of the Company.

During the year under review, the Audit Committee reviewed with the management, KPMG, the predecessor auditors of the Company, and Ernst & Young, the existing auditors of the Company, including but not limited to the accounting principles and practices adopted by the Group, significant audit matters such as significant accounting estimates and judgmental areas, and discussed the Group's internal control and financial reporting matters, including review of the annual results for the year ended 31 December 2015 and the interim results for the six months ended 30 June 2016 respectively.

審核委員會由現時全數四位獨立非執行董事，包括馬紹援先生(擔任主席)、范仁鶴先生、李國星先生及翟海濤先生組成，其主要職責包括審閱本集團所採納之會計原則及慣例，討論及檢討內部監控及財務申報等事宜。有關審核委員會的職權範圍已載列於本公司的網站內。

於回顧年度內，審核委員會已與管理層、畢馬威會計師事務所(本公司前任核數師)和安永會計師事務所(本公司現任核數師)審閱包括但不限於本集團所採納之會計原則及慣例、重要審計事項如重要的會計估計及判斷領域，並就審核本集團的內部監控及財務報告等事宜(包括分別審閱本公司截至二零一五年十二月三十一日止年度業績及截至二零一六年六月三十日止六個月之中期業績)進行討論。

#### 2. Risk Management Committee 風險管理委員會

On 1 January 2016, the Company established the Risk Management Committee which currently comprises Mr. Fan Yan Hok, Philip (Chairman), an independent non-executive Director, Mr. Mar Selwyn, an independent non-executive Director, Mr. Wong Kam Chung, Raymond, the Chief Financial Officer, Mr. Cai Shuguang, an executive Director, and Ms. Xu Nailing, the Deputy Chief Financial Officer. Its main duties are to provide oversight of the Company's risk management programs, and to review the effectiveness of management's processes for identifying, assessing, mitigating and monitoring enterprise-wide risks. The terms of reference of the Risk Management Committee have been established in writing.

During the year under review, the Risk Management Committee reviewed the establishment of a risk management system for the Group, 2016 risk management work plan, the risk management at all levels and internal control reporting mechanism, the risk management policy and risk factors of the Company, 2017 risk management work plan and the analysis report of 8 key risks of the Company in 2016, etc.

風險管理委員會於二零一六年一月一日成立，現時由獨立非執行董事范仁鶴先生(擔任主席)、獨立非執行董事馬紹援先生、財務總監黃錦聰先生、執行董事蔡曙光先生及副財務總監徐乃玲女士組成，其主要職責為監管公司的風險管理程序和負責審核管理層就全面風險識別、評估、緩解、監控程序的有效性。風險管理委員會設有書面的職權範圍。

於回顧年度內，風險管理委員會審議本集團的風險管理體系建設工作、二零一六年風險管理工作計劃、各級風險管理及內部監控匯報機制、本公司的風險管理制度及風險因素、二零一七年風險管理工作計劃，以及審閱本公司二零一六年八大主要風險分析報告等事宜。



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

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

#### 3. Nomination Committee 提名委員會

The Nomination Committee currently comprises Mr. Zhai Haitao (Chairman), an independent non-executive Director, Mr. Chen Xiaoping, the Chief Executive Officer, and 3 other independent non-executive Directors, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn and Mr. Li Kwok Sing, Aubrey. Its primary responsibilities include making recommendations to the Board on appointment of Directors and assessing the qualifications and competencies of the candidates, so as to ensure that all nominations are fair and transparent. The terms of reference of the Nomination Committee are disclosed on the website of the Company.

During the year under review, the Nomination Committee considered the change in Directors and re-designation of Directors, reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board, assessed the independence of the independent non-executive Directors, and discussed and made recommendation to the Board on the re-election of the retiring Directors at the forthcoming 2017 annual general meeting of the Company, etc.

提名委員會現時由獨立非執行董事翟海濤先生(擔任主席)、行政總裁陳小平先生,以及另外三位獨立非執行董事范仁鶴先生、馬紹援先生及李國星先生組成。其主要職責包括向董事會就董事的委任提出建議,評估候選人的資格及能力,以確保所有提名均屬公正和具透明度。有關提名委員會的職權範圍已載列於本公司的網站內。

於回顧年度內,提名委員會審議董事變更及董事調任,檢討本公司董事會的架構、人數及組成(包括技能、知識及經驗方面),評核獨立非執行董事的獨立性,以及討論和向董事會建議即將舉行之二零一七年股東週年大會上所有退任董事之重選等事宜。

#### 4. Remuneration Committee 薪酬委員會

The Remuneration Committee currently comprises Mr. Li Kwok Sing, Aubrey (Chairman), an independent non-executive Director, Mr. Cai Yunge, the Chairman of the Board, and 3 other independent non-executive Directors, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn and Mr. Zhai Haitao. The terms of reference of the Remuneration Committee, which are disclosed on the website of the Company, set out the duties of the Remuneration Committee, including determining, with delegated responsibilities, the remuneration packages of the individual executive Directors and senior management.

During the year under review, the Remuneration Committee reviewed the remuneration adjustment proposal for the directors and management of the PRC subsidiaries and 4 business segments of the Company, and the remuneration proposal of the individual executive Directors and senior management.

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

薪酬委員會現時由獨立非執行董事李國星先生(擔任主席)、董事會主席蔡允革先生以及另外三位獨立非執行董事范仁鶴先生、馬紹援先生及翟海濤先生組成。有關薪酬委員會的職權範圍已載列於本公司的網站內,該職權範圍載列薪酬委員會的職責包括獲轉授責任,釐定個別執行董事及高級管理人員的薪酬待遇。

於回顧年度內,薪酬委員會審議本公司國內附屬公司及四個業務板塊的董事及管理層之整體薪酬調整方案,以及本公司個別執行董事及高級管理人員的薪酬方案。

各董事的薪酬刊載於本年報財務報表附註9內。

## Corporate Governance Report 企業管治報告

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

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

##### 5. Disclosure Committee 披露委員會

The Disclosure Committee currently comprises Mr. Chen Xiaoping (Chairman), the Chief Executive Officer, Mr. Wang Tianyi, the General Manager, Mr. Wong Kam Chung, Raymond, the Chief Financial Officer and Ms. Poon Yuen Ling, the Company Secretary. The Board has delegated the day-to-day execution of its continuous disclosure obligations to the Disclosure Committee to ensure the compliance of the Company with its disclosure obligations. The terms of reference of the Disclosure Committee have been established in writing.

During the year under review, no Disclosure Committee meeting was held.

披露委員會現時由行政總裁陳小平先生(擔任主席)、總經理王天義先生、財務總監黃錦聰先生及公司秘書潘婉玲女士組成。董事會已授權披露委員會負責持續披露責任的日常執行工作以確保本公司遵守披露責任。披露委員會設有書面的職權範圍。

於回顧年度內，沒有召開披露委員會會議。

##### 6. Management Committee 管理委員會

The Management Committee comprises Mr. Chen Xiaoping (Chairman), the Chief Executive Officer, Mr. Wang Tianyi, the General Manager, Mr. Wong Kam Chung, Raymond, the Chief Financial Officer, Mr. Cai Shuguang, an executive Director as well as Mr. Hu Yanguo, Mr. Qian Xiaodong and Mr. An Xuesong. The Management Committee is responsible for the management of daily business operations, formulating and implementing annual work tasks and medium-term development plans for the Group, etc. The Management Committee is the decision-making body for day-to-day business activities and makes collective decisions on major matters relating to the Group's daily business operations, management and personnel matters, etc. The terms of reference of the Management Committee have been established in writing.

During the year under review, the Management Committee held regular meetings. The Management Committee reviewed and discussed, including but not limited to, the Group's investment proposals on new projects, changes in senior management personnel, performance appraisals, and status of financial budget execution and the major works done and progress of each business segment, etc.

管理委員會的成員包括行政總裁陳小平先生(擔任主席)、總經理王天義先生、財務總監黃錦聰先生、執行董事蔡曙光先生，以及胡延國先生、錢曉東先生和安雪松先生。管理委員會負責日常業務運營管理，負責制定並實施本集團年度工作目標及中期發展規劃等，為本集團日常業務活動決策中心，對於日常運營、管理及人事等重大事項進行集體決定。管理委員會設有書面的職權範圍。

於回顧年度內，管理委員會定期召開會議。管理委員會審議及討論包括但不限於本集團新項目的投資方案、高級管理人員任免、各業務板塊的考核、執行預算及重點工作執行情況等事宜。

#### Role of the Board 董事會的角色

The Board directs and approves the overall strategies of the Group. It is the ultimate decision making body of the Company except for matters requiring the Shareholders' approval in accordance with the Articles of Association of the Company, the Listing Rules and other applicable laws and regulations.

The Board has delegated day-to-day business of the Group to the management. All committees established under the Board have their specific terms of reference clearly defining their powers and responsibilities.

董事會制定及批准本集團的整體政策。除根據本公司的章程細則、上市規則及其他適用法例及法規須獲股東批准的事宜外，董事會為本公司的最終決策機關。

董事會授權管理層管理本集團的日常業務。董事會下設的委員會有其特定的職權範圍，明確界定他們的權力和責任。

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

### Corporate governance functions 企業管治職責

The Board is responsible for performing the corporate governance duties as set out below:

1. to develop and review the Company's policies and practices on corporate governance and make recommendations;
2. to review and monitor the training and continuous professional development of Directors and senior management;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
5. to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Board had performed the above duties during the year under review.

董事會負責履行下述企業管治的職責：

1. 制定及檢討本公司的企業管治政策及常規，並提出建議；
2. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察僱員及董事的操守準則及合規手冊(如有)；及
5. 檢討本公司遵守企業管治守則的情況及在《企業管治報告》內的披露。

於回顧年度內，董事會已履行上述職責。

### Board Diversity Policy 董事會成員多元化政策

The Company has formulated the board diversity policy aiming at setting out the approach on diversity of the Board.

The Board recognizes the importance of having a diverse Board in enhancing the Board's effectiveness and corporate governance. A diverse Board includes and makes good use of differences in the skills, industry knowledge and experience, education, background and other qualities of the Directors and does not discriminate on the ground of race, age, gender or religious belief. These differences are taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

本公司訂立董事會成員多元化政策，目的是為董事會成員的多元化訂立方向。

董事會明白一個多元化的董事會對於提高董事會效益及企業管治的重要性。多元化的董事會包括善用董事的不同技能、行業知識和經驗、教育、背景和其他素質，而不會產生基於種族、年齡、性別或宗教的歧視。在決定最佳董事會組合時會考慮該等因素，並盡可能取得適當的平衡。

## Corporate Governance Report 企業管治報告

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

#### Board Diversity Policy *(continued)* 董事會成員多元化政策(續)

The Nomination Committee of the Company has responsibility for identifying and nominating candidates for approval by the Board. It takes responsibility in assessing the appropriate mix of experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and overseeing the Board succession.

The Nomination Committee is also responsible for reviewing and reporting to the Board in relation to Board diversity.

Board appointments will be based on merits of the candidates and other objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates to join the Board will be, in part, dependent on the pool of candidates with the necessary knowledge, experience, skills, educational background and other qualities. The final decision will be based on the chosen candidate's merits and contributions that he/she will bring to the Board.

The Board considers that Board diversity is a vital asset to the Company.

At present, the Nomination Committee has not set any measurable objectives to implement the Board diversity policy. However, the Nomination Committee will consider and review the Board diversity policy, and set any measurable objectives from time to time.

本公司提名委員會負責物色及提名董事候選人予董事會批准；負責董事會所需的適當組合和評估董事候選人的經驗、專業知識、技能和董事會所需的多元化因素；以及監督董事會的繼任。

提名委員會負責審查及向董事會報告有關董事會成員的多元化事宜。

董事的任命將根據候選人的優點及其他客觀標準作出，充分考慮該等因素對於董事會成員多元化的好處。

候選人加入董事會時，會按照候選人所需的知識、經驗、技能、教育背景及其他素質來考慮。最終的決定將會取決於候選人的優點和將會為董事會作出的貢獻。

董事會認為董事會成員的多元化，對於公司企業是一項重要的資產。

目前，提名委員會尚未就實踐董事會成員多元化政策而訂定任何可計量目標。然而，提名委員會將會不時考慮及檢討董事會成員多元化政策以及訂定任何可計量目標。

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

### Training for Directors 董事培訓

Each newly appointed Director receives an induction package covering the statutory and regulatory obligation of a director of a listed company. The Company continuously updates Directors with the latest developments and changes to the Listing Rules and other applicable regulatory requirements and provides training to develop and refresh the Directors' knowledge and skills. During the year under review, a director's induction training was given to Mr. Cai Yunge who was appointed as the Vice-chairman and executive Director of the Company on 10 November 2016 and was subsequently re-designated as the Chairman of the Board on 12 December 2016. Moreover, the Company provided Directors with monthly updates on the performance, position and prospects of the Company. The Company also provided Directors with monthly analysis report on the Company's stock price performance and monthly journal of the Company.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills as directors. The Company has prepared a training record in order to assist the Directors to record the training that they have undertaken.

During the year under review, the Company organised trainings for Directors on the applications of paperless solutions software for meetings as well as financial and tax considerations for outbound transactions. Individual Director had also attended seminars and/or conferences or forums relevant to his profession and duties as Directors. The Company also arranged project site visits for the newly appointed Director and the independent non-executive Directors.

每名新委任的董事將獲得入職培訓，內容包括上市公司董事在法則及監管規定上之責任的資料。本公司持續向董事提供有關上市規則和其他適用監管規定之最新發展概況，並提供培訓以發展及更新董事的知識和技能。於回顧年度內，本公司提供董事就任培訓予蔡允革先生，彼於二零一六年十一月十日獲委任為本公司執行董事兼副主席，及後於二零一六年十二月十二日獲調任為董事會主席。此外，本公司向董事提供有關本公司表現、狀況及前景的每月更新資料。本公司亦向董事每月提供有關本公司股價表現的分析報告，以及每月月刊。

本公司鼓勵董事參加持續專業發展，以發展並更新董事的知識和技能。本公司已備有培訓記錄，以協助董事記錄所接受的培訓。

於回顧年度內，本公司為董事舉辦有關無紙化會議軟件操作，以及海外併購的財務及稅務相關考慮的培訓。個別董事還參加了有關其專業和董事職務的培訓課程及／或會議或論壇。本公司並安排新任董事及獨立非執行董事到公司項目現場考察。

## Corporate Governance Report 企業管治報告

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

## Training for Directors (continued) 董事培訓(續)

Below is a summary of the training the Directors had received during the year under review:

於回顧年度內，董事所接受的培訓概要如下：

Name of Directors	董事姓名	Type of trainings 培訓類型
<i>Executive Directors</i> 執行董事		
Mr. Cai Yunge <sup>Note 1</sup>	蔡允革先生 <sup>註1</sup>	A,C,D,E
Mr. Chen Xiaoping	陳小平先生	A,B,C
Mr. Wang Tianyi	王天義先生	A,B,C
Mr. Wong Kam Chung, Raymond	黃錦聰先生	A,B,C
Mr. Cai Shuguang	蔡曙光先生	A,B,C
<i>Non-executive Director</i> 非執行董事		
Mr. Tang Shuangning <sup>Note 2</sup>	唐雙寧先生 <sup>註2</sup>	C
<i>Independent Non-executive Directors</i> 獨立非執行董事		
Mr. Fan Yan Hok, Philip	范仁鶴先生	A,C,D
Mr. Mar Selwyn	馬紹援先生	A,C,D
Mr. Li Kwok Sing, Aubrey	李國星先生	A,C
Mr. Zhai Haitao	翟海濤先生	A,C,D

Notes 註：

(1) Mr. Cai Yunge was appointed as the Vice-chairman and executive Director with effect from 10 November 2016 and was subsequently re-designated as the Chairman of the Board with effect from 12 December 2016.

蔡允革先生由二零一六年十一月十日起獲委任為執行董事兼副主席，其後由二零一六年十二月十二日起獲調任為董事會主席。

(2) Mr. Tang Shuangning was re-designated as a non-executive Director and ceased to be the Chairman of the Board with effect from 12 December 2016.

由二零一六年十二月十二日起，唐雙寧先生獲調任為非執行董事及不再擔任董事會主席。

**THE BOARD OF DIRECTORS (continued) 董事會(續)****Training for Directors (continued) 董事培訓(續)**

A: attending seminars/conferences/forums

出席座談會／會議／論壇

B: giving talks at seminars/conferences

於座談會／會議上演講

C: reading newspapers, journals and updates relating to the economy, environmental protection business or director's duties and responsibilities etc

閱讀有關經濟、環保業務或董事職責等之報章、刊物及更新資料

D: attending site visit arranged by the Company

參與本公司安排的現場考察

E: director's induction training

董事就任培訓

**Remuneration of Directors and Senior Management 董事及高級管理層薪酬**

The remuneration of the members of the senior management by band for the year ended 31 December 2016 is set out below:

截至二零一六年十二月三十一日止年度高級管理層之薪酬組別如下：

Remuneration bands (HK\$)	Number of persons 人數	薪酬組別(港幣元)
\$1,500,001 to \$2,000,000	1	1,500,001元至2,000,000元
\$2,000,001 to \$2,500,000	1	2,000,001元至2,500,000元
\$2,500,001 to \$3,000,000	1	2,500,001元至3,000,000元
\$3,000,001 to \$3,500,000	1	3,000,001元至3,500,000元
\$3,500,001 to \$4,000,000	1	3,500,001元至4,000,000元

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 9 and 10 to the financial statements, respectively.

根據上市規則附錄16須就董事酬金以及五名最高薪僱員披露之進一步詳情，分別載於財務報表附註9及10。

## Corporate Governance Report 企業管治報告

## NUMBER OF BOARD MEETINGS AND COMMITTEE MEETINGS AND ATTENDANCE RATE OF DIRECTORS 董事會及委員會會議次數及各董事的出席次數

The following shows the number of regular Board meetings and committee meetings held during the year under review as well as the attendance rate of the Directors.

下表顯示回顧年度內本公司所舉行的定期董事會及委員會會議次數以及董事的出席次數。

## Attendance rate 出席次數

Name of Directors 董事姓名	Board of Directors 董事會	Audit Committee 審核委員會	Risk Management Committee 風險管理委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Management Committee 管理委員會
<i>Executive Directors</i> 執行董事						
Mr. Cai Yunge <sup>Note 1</sup> 蔡允革先生 <sup>註1</sup>	1/4	N/A 不適用	N/A 不適用	N/A 不適用	0/1	N/A 不適用
Mr. Chen Xiaoping 陳小平先生	4/4	N/A 不適用	N/A 不適用	2/2	N/A 不適用	11/12
Mr. Wang Tianyi 王天義先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	12/12
Mr. Wong Kam Chung, Raymond 黃錦聰先生	4/4	N/A 不適用	2/2	N/A 不適用	N/A 不適用	12/12
Mr. Cai Shuguang 蔡曙光先生	4/4	N/A 不適用	2/2	N/A 不適用	N/A 不適用	12/12
<i>Non-executive Director</i> 非執行董事						
Mr. Tang Shuangning <sup>Note 2</sup> 唐雙寧先生 <sup>註2</sup>	3/4	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<i>Independent Non-executive Directors</i> 獨立非執行董事						
Mr. Fan Yan Hok, Philip 范仁鶴先生	4/4	3/3	2/2	2/2	1/1	N/A 不適用
Mr. Mar Selwyn 馬紹援先生	4/4	3/3	2/2	2/2	1/1	N/A 不適用
Mr. Li Kwok Sing, Aubrey 李國星先生	2/4	3/3	N/A 不適用	1/2	1/1	N/A 不適用
Mr. Zhai Haitao 翟海濤先生	4/4	3/3	N/A 不適用	2/2	1/1	N/A 不適用

Notes 註：

- Mr. Cai Yunge was appointed as the Vice-chairman and executive Director with effect from 10 November 2016 and was subsequently re-designated as the Chairman of the Board with effect from 12 December 2016.  
蔡允革先生由二零一六年十一月十日起獲委任為執行董事兼副主席，其後由二零一六年十二月十二日起獲調任為董事會主席。
- Mr. Tang Shuangning was re-designated as a non-executive Director and ceased to be the Chairman of the Board with effect from 12 December 2016.  
由二零一六年十二月十二日起，唐雙寧先生獲調任為非執行董事及不再擔任董事會主席。



## THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER 主席及行政總裁之職責分工

The roles of the Chairman and the Chief Executive Officer should be separate. The Chairman's responsibility is to manage the Board and the Chief Executive Officer's responsibility is to manage the Company's business. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly established.

The main duties of the Chairman include providing leadership for and overseeing the functioning of the Board; formulating overall strategies and policies of the Company; ensuring that all Directors are properly briefed on issues arising at Board meetings and giving each Director an opportunity to express his view at Board meetings; ensuring that Directors receive adequate information, which must be complete and reliable, in a timely manner; ensuring that the Board works effectively and discharges its responsibilities; ensuring that all key and appropriate issues are discussed by the Board in a timely manner; drawing up and approving the agenda for each Board meeting, taking into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda; taking responsibility for ensuring that good corporate governance practices and procedures are established; encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interests of the Company; ensuring that appropriate steps are taken to provide effective communication with Shareholders and that views of Shareholders are communicated to the Board as a whole; and facilitating the effective contribution of Directors and ensuring constructive relations between executive Directors and non-executive Directors.

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

主席與行政總裁的職位應有區分。主席管理董事會的職責與行政總裁管理本公司業務的職責應有清晰的區別。

主席的主要職責包括領導董事會及監察董事會功能；制定本公司整體策略及政策；確保董事會上所有董事均適當知悉當前的事項及給每名董事在董事會會議上表達其意見的機會；確保董事會及時收到充分的資訊，而有關資訊亦必須完備可靠；確保董事會有效地運作，且履行應有責任；確保董事會及時就所有重要的適當事項進行討論；釐定並批准每次董事會會議的議程，在適當情況下，這過程中應計及其他董事提議加入議程的任何事項；有責任確保本公司制定良好的企業管治常規及程序；鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達至整個董事會；及促進董事對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

行政總裁的職責包括負責本集團的經營和管理；執行董事會的決議及計劃；作出經營管理的日常決策；及協調整體業務運營。

## Corporate Governance Report 企業管治報告

### INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

The current 4 independent non-executive Directors hold office for a term until 31 December 2017. They are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

In accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules, the Board is of the view that all independent non-executive Directors are independent (except that for Mr. Fan Yan Hok, Philip under Rule 3.13(7), he had been a non-executive Director prior to his re-designation as an independent non-executive Director) and the Company has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to the Listing Rules.

Independent non-executive Directors are identified as such in all corporate communications containing names of the Directors. An updated list of the Directors identifying the independent non-executive Directors and the roles and functions of the Directors is maintained on the website of the Company.

現時四位獨立非執行董事的任期直至二零一七年十二月三十一日止。彼等並須遵行本公司的章程細則有關輪值退任及膺選連任之規定。

根據上市規則第3.13條所載之獨立性指引，董事會認為全體獨立非執行董事均為獨立人仕（除根據上市規則第3.13(7)條，范仁鶴先生在被調任為獨立非執行董事前為非執行董事外），而每名獨立非執行董事已根據上市規則的規定向本公司提供有關其獨立性的年度確認書。

本公司在所有載有董事姓名的公司通訊中，已明確說明獨立非執行董事身份。本公司之最新董事名單已載於本公司的網站內，註明獨立非執行董事身份及列明董事角色及職能。

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

#### 董事進行證券交易之標準守則

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set out in the Model Code during the year ended 31 December 2016.

本集團採納上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行本公司證券交易事宜的指引。經向所有董事作出特定查詢後，所有董事均確認其於截至二零一六年十二月三十一日止年度內一直遵守標準守則所載的規定。

## COMPANY SECRETARY 公司秘書

The Company Secretary is accountable to the Board for ensuring that Board policy and procedures are followed and Board activities are efficiently and effectively conducted. The Company Secretary is a full time employee of the Company. Although the Company Secretary reports to the Chairman of the Board and the Chief Executive Officer, all Directors may call upon the Company Secretary for assistance and advice at anytime in respect to their duties so as to ensure effective operation of the Board and the committees thereunder. The Company Secretary advises the Board on governance matters and facilitates the induction and professional development of Directors. For the year under review, the Company Secretary has obtained the practitioner's endorsement certificate for 2016/17 issued by The Hong Kong Institute of Chartered Secretaries and confirmed she had taken no less than 15 hours of relevant professional training.

公司秘書向董事會負責，以確保遵守董事會政策和程序，以及董事會事務有效率及有效地進行。公司秘書為本公司全職僱員，雖然公司秘書向董事會主席及行政總裁匯報，但全體董事均可隨時要求公司秘書提供有關董事責任的意見及協助，確保董事會及其下屬委員會可有效運作。公司秘書負責就管治事宜向董事會提供建議，並負責董事的就任簡報及專業發展。於回顧年度，公司秘書已取得由香港特許秘書公會發出的2016/17年度的執業批准證書及確認其已接受不少於十五小時的相關專業培訓。

## CONSTITUTIONAL DOCUMENTS 組織章程文件

During the year under review, there was no change in the Company's constitutional documents.

於回顧年度，本公司的組織章程並無變動。

## EXTERNAL AUDITORS 外聘核數師

It is the auditors' responsibility to form an independent opinion, based on their audit, on the Company's financial statements and to report their opinions solely to the Company, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance"), and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the independent auditor's report.

The external auditors of the Company for the year under review were Ernst & Young, who was appointed at the 2016 AGM in place of the retiring auditors, KPMG. Apart from the provision of annual audit services, Ernst & Young also carried out interim review of the Group's results and provided other services in connection with the requirements under the Listing Rules and the Occupational Retirement Schemes Ordinance.

核數師之職責是根據彼等審核工作的結果，對財務報表作出獨立意見，並按照香港法例第六百二十二章公司條例（「公司條例」）第405條的規定，對本公司作為一個整體作出報告。除此之外，該報告不可用作其他用途，核數師概不就獨立核數師報告的內容，對任何其他人士負責或承擔責任。

於回顧年度內，本公司之外聘核數師為安永會計師事務所（於二零一六年股東週年大會上獲委任，以替代退任核數師畢馬威會計師事務所），除每年提供審核服務外，安永會計師事務所亦審閱本集團的中期業績及就本集團按照上市條例及職業退休計劃條例的規定而提供其他服務。

## Corporate Governance Report 企業管治報告

## EXTERNAL AUDITORS (continued) 外聘核數師(續)

For the year ended 31 December 2016, Ernst & Young, the external auditors, received the following remuneration from the Group in connection with the provision of audit and non-audit services to the Group:

截至二零一六年十二月三十一日止年度內，外聘核數師安永會計師事務所就提供審核及非審核服務予本集團而收取下列酬金：

		2016 二零一六年 HK\$'000 港幣千元
Financial statements audit services and interim review services	財務報表審核服務及中期業績審閱服務	4,040
Other services	其他服務	
– assurance services in connection with the requirements under the Occupational Retirement Schemes Ordinance	– 根據職業退休計劃條例有關規定的核證服務	6
– due diligence, tax advisory and other services	– 盡職調查、稅務諮詢及其他服務	474
		4,520

## RISK MANAGEMENT AND INTERNAL CONTROLS 風險管理及內部監控

The Board has full responsibility for the Group's risk management and internal control systems, which include the establishment of a defined management structure with specified limits of authority. The systems are designed to help the achievement of business objectives of the Group, safeguard assets against unauthorized use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication and ensure compliance with relevant legislations and regulations. The risk management and internal control systems are designed to manage rather than eliminate the risks of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

董事會全權負責本集團的風險管理及內部監控系統，包括制訂管理架構及相關的權限以協助本集團達致業務目標、保管資產以防未經授權使用或出售、確保存有正確會計紀錄以提供可靠的財務資料供內部使用或對外發放，並確保遵守有關法例與規則。風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只可合理（但並非絕對）保證不會出現重大失實陳述或損失。

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

The Board has conducted a review of the effectiveness of the Group's risk management and internal control systems. This review covered all material controls, including financial, operational and compliance controls and risk management functions, and also considered the adequacy of resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions, and their training programmes and budget. The Risk Management Department reports to the Company's Risk Management Committee on the internal control of key risks. Any internal control weaknesses detected by the Internal Audit Department of the Company is reported to the Audit Committee members and the management of the Company. Accordingly, the management takes remedial actions and the Internal Audit Department subsequently follows up and reviews whether the remedial actions in place are adequate.

董事會已檢討本集團風險管理及內部監控系統的有效性。該等檢討包括所有重要的監控，特別是財務監控、運營監控、合規監控及風險管理功能，並考慮本公司在會計、內部審計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。風險管理部就主要風險的內部控制情況向本公司的風險管理委員會彙報，倘若發現任何本公司內部監控的弱點，內部審計部會向本公司的審核委員會委員及管理層匯報。據此，管理層並會採取相應的糾正措施及由內部審計部隨後跟進及審核有關糾正措施是否適當。

The key procedures that the Board has established to provide effective internal controls are as follows:

為提供有效的內部監控，董事會確立了下列主要程序：

### – Organisational Structure 組織架構

An appropriate organisational structure is in place with defined operating policies and procedures as well as responsibility and reporting lines.

本集團已制訂合適的組織架構，清楚訂明相關的運營政策及程序、職責及彙報。

### – Authority and Control 權限及監控

The executive Directors and senior management are delegated with respective levels of authorities to carry out the corporate strategies, policies and the related matters formulated by the Board, and also based on related internal control requirements of the existing policies and procedures to execute.

執行董事及高級管理人員獲授相關權限以執行董事會制訂的企業策略、政策及有關事務，並根據現有制度與流程中有關內部控制的要求行事。

### – Budgetary Control and Financial Reporting 預算控制及財務報告機制

The Group implements budget management, and financial budget is executed upon approval by the Board. Relevant procedures have been established to assess, review and approve major capital and recurrent expenditures, and regular review and comparison between operating results and the budget are made.

The Group has established appropriate internal control procedures to ensure the keeping of complete and accurate accounting and management records on a timely basis. Examination and review are carried out regularly to ensure that the financial statements are properly prepared in conformity with the generally accepted accounting principles, the Group's accounting policies and the applicable laws and regulations.

本集團實行預算管理，財務預算由董事會批核後執行。本集團已訂立相關程序以評估、檢討及批核主要的資本性及經常性支出，並定期檢討與比較經營結果與預算。

本集團已建立適當的內部監控程序，確保全面、正確及準時記錄會計及管理資料。定期進行檢討及審查，確保財務報表的編製符合一般認可的會計準則、本集團會計政策，以及適用的法律及法規。

## Corporate Governance Report 企業管治報告

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

#### - Internal Auditing 內部審計

The Group has its Internal Audit Department, which has regularly conducted internal audits to review whether the internal control procedures are being implemented appropriately.

本集團設有內部審計部，並定期進行內部審計以檢討內部監控程序是否如實執行。

The Company has established a whistleblowing policy and system for employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters.

In order to achieve effective step-by-step management, the Company has set up 3 lines of defence in risk management and internal control: The first line of defence includes business segments, regional centers and project companies. They are responsible for continuous identification, assessment, monitoring and report of risks in operating process and implementation of risk management and internal control specific process. The second line of defence includes functional departments of the headquarter, functional departments in all segments and Risk Management Department. They are responsible for the regular review of overall risk level and effectiveness of control measures in key risks. The third line of defence is Internal Audit Department which is responsible for the regular review on risk management and the follow up actions taken in enhancing internal control.

Adherence to the principle of “Up-and-Down Coordination and Cross-segmental Cooperation”, the Group has strengthened its risk management through promotion of risk management system and establishment of the risk management working network. The Risk Management Committee under the Board takes accountability on risk management, and reviews the corporate risk management and internal controls at least twice a year. During the year under review, the Risk Management Committee reviewed the establishment of a risk management system for the Group, 2016 risk management work plan, the risk management at all levels and internal control reporting mechanism, the risk management policy and risk factors of the Company, 2017 risk management work plan and the analysis report of 8 key risks of the Company in 2016, etc. The Risk Management Department of the Company is responsible for the implementation of the risk management system and evaluates the effectiveness of the risk management and internal control systems through on-site assessment and risk information collection, etc.

本公司制定了舉報政策及系統，僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。

本公司建立了風險管理和內部監控的三道防線組織體系，實現有效的逐級管理：第一道防線包括各業務板塊、區域中心和項目公司，負責對運營過程中的風險持續識別、評估、監控及彙報，實施風險管理及內控具體流程；第二道包括總部職能部門、各板塊職能部門和風險管理部，負責定期評估整體的風險等級、審閱關鍵風險管控措施的有效性；第三道防線為公司內部審計部，負責定期審核風險管理和內控改進的落實情況。

本公司以「上下聯動、縱橫交錯」為指導原則全面推進風險管理體系，建立風險管理工作網絡，提升風險管理水準。本公司在董事會下設風險管理委員會，對風險管理工作負責，每年不少於兩次對風險管理情況和內部監控進行檢討。於回顧年度內，風險管理委員會審議本集團的風險管理體系建設工作、二零一六年風險管理工作計劃、各級風險管理及內部監控匯報機制、本公司的風險管理制度及風險因素、二零一七年風險管理工作計劃，以及審閱本公司二零一六年八大主要風險分析報告等事宜。本公司風險管理部負責執行風險管理體系的工作，通過現場風險調研、風險資訊收集等方式，評估風險管理和內部監控系統的有效性。

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

In 2016, the Company completed the establishment of the risk management system based on the characteristics of risk management and operational management needs, in order to clearly define the overall requirements of risk management, management processes and functional division of labor, and to maintain a smooth risk reporting channel. At the same time, for risk identification, the Group adopts the risk inventory mechanism by assessing the risks of the project operations and constructions and setting out a list of risk factors of the Company. Each business segment further forms the segment level risk factor list according to their own characteristics. The Company uses the risk matrix, and determines unified risk parameters for the type and degree of risk assessment. Following the risk management system, the Company has established risk control plan for the major risks faced by the Company during the year. The risk control plan includes specific objectives, responsible departments, management and business processes involved, resources for required conditions and methods, process supervision and management requirements, etc. The Company has continued to carry out risk control measures, and assessed the effectiveness of the control measures. The overall major risks were effectively controlled and the risk level has continued to decrease and it is considered that the risk management and internal control systems of the Company are effective and adequate.

The Company attaches great importance to risk awareness and risk management capability. During the year, the Company conducted various risk management trainings, strengthened on-site risk verification and developed risk self-assessment tools and risk event collection tools to enhance the standardization level of risk management.

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company has established a Disclosure Committee and the Board has delegated the day-to-day execution of its continuous disclosure obligations to the Disclosure Committee. Moreover, the Company has formulated an inside information reporting policy to ensure that potential inside information can be promptly identified, assessed and escalated, if necessary, for the attention of the Disclosure Committee and/or the Board to decide about the need for disclosure.

二零一六年，本公司根據風險管理特點和運營管理需要完成編制風險管理制度，以明確風險管理整體要求、管理流程和職能分工，保持暢通的風險彙報通道，同時採用清單管理機制進行風險辨識，通過對運營項目和在建項目的風險調研，建立了本公司風險要素清單，各業務板塊根據自身特點，進一步形成板塊層面風險要素清單，公司採用風險矩陣，並確定統一的風險參數對風險影響類型和程度進行量化評估。對於面臨的年度主要風險，本公司基於風險管理體系，制定相應的風險管控方案，風險管控方案包括具體目標，負責部門，所涉及的管理及業務流程，所需的條件、手段等資源，進程監督和管理要求等。本公司通過持續開展風險管控措施工作，並對管控效果進行評估，整體上主要風險得到有效控制，風險水準持續降低，並認為本公司風險管理和內部監控制度有效及充足。

本公司高度重視風險意識和風險管理能力的提升，年內開展多種形式的風險管理培訓，強化風險現場核查工作，同時開發風險自評工具和風險事件收集工具，提升風險管理的標準化水平。

有關處理及發佈內幕消息的程序和內部監控，本公司設有披露委員會，董事會並授權披露委員會負責持續披露責任的日常執行工作。此外，本公司制定了內幕消息報告政策以確保潛在的內幕消息及時得以識別、評估及在必要時反映至披露委員會及／或董事會，以便決定是否需要作出披露。

## Corporate Governance Report 企業管治報告

### DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

#### 董事就財務報表所承擔的責任

The Directors confirm that they are responsible for the preparation of the Group's financial statements.

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

A statement by Ernst & Young, the auditors of the Company, about their reporting responsibilities on the financial statements of the Group is included in the Independent Auditor's Report on pages 100 to 108.

董事確認須就編製本集團財務報表承擔有關責任。

本公司的財務管理部由財務總監負責管理。在財務管理部的協助下，董事確保本集團財務報表的編製符合有關法規及適用之會計準則。

本公司核數師安永會計師事務所就本集團財務報表所作之申報責任聲明列載於第100頁至第108頁之獨立核數師報告內。

### SHAREHOLDERS' RIGHTS 股東的權利

The Company recognizes the importance of good communications with the Shareholders and the investment community and also recognizes the value of providing current and relevant information to Shareholders and the investors. The Board has established a Shareholders' communication policy setting out the principles of the Company in relation to the Shareholders' communication, with the objective of ensuring the Shareholders and investors are provided with ready, equal and timely access to current and relevant information about the Group.

The Company maintains on-going dialogue with Shareholders to communicate with them through annual general meetings or other general meetings and encourage their participation in such general meetings.

Notices of Shareholders' meetings which contain agenda, proposed resolutions and postal voting form, are sent to the registered Shareholders by post.

All registered Shareholders are entitled to attend annual and extraordinary general meetings, provided that their shares have been recorded in the Register of Shareholders.

本公司明白與股東及投資者保持良好溝通的重要性，也認識到向股東及投資者提供當前及相關資訊的價值。董事會制定了股東通訊政策，列出本公司有關股東通訊之原則，旨在確保股東及投資者，能取得現成、相同及適時的最新相關資料。

本公司就此透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵彼等參與股東大會。

登記股東以郵遞方式收取股東大會通告，大會通告載有議程、提呈的決議案及郵遞投票表格。

任何登記股東均有權出席股東週年大會及股東特別大會，惟彼等的股份必須已登記於股東名冊內。



## SHAREHOLDERS' RIGHTS (continued) 股東的權利(續)

Annual and interim reports offer comprehensive operational and financial performance information to Shareholders and the annual general meeting of the Company provides a forum for Shareholders to exchange views directly with the Board, which together help enhance and facilitate communication with Shareholders. Shareholders who are unable to attend a general meeting may complete and return to the Company's Share Registrar the proxy form enclosed with notice of meeting to give proxy to their representatives, another Shareholder or chairman of the meeting.

年度及中期報告為股東提供運營及財務業績表現的詳盡資料及本公司的股東週年大會為股東提供與董事會成員直接交換意見的機會，這有助於加強和促進與股東的溝通。未能出席股東大會的股東可填妥隨附於大會通告的代表委任表格並交回本公司股份過戶處，以委任彼等之代表或另一名股東或大會主席為彼等的代表。

## CONVENING OF EXTRAORDINARY GENERAL MEETING ON REQUISITION BY SHAREHOLDERS 應股東要求召開股東特別大會

Pursuant to section 566 of the Companies Ordinance, the members of the Company representing at least 5% of the total voting rights of all the members having a right to vote at general meetings may request the Directors to call a general meeting. The request must state the general nature of business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request may consist of several documents in like form and may be sent to the Company in hard copy form or in electronic form and must be authenticated by the person(s) making it.

If the Directors do not within 21 days from the date of the deposit of the request proceed duly to convene a general meeting for a day not more than 28 days after the date on which the notice convening a general meeting is given, the members concerned or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, provided that the general meeting so convened shall not be held after the expiration of 3 months from such date.

The general meeting convened by such members shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

根據公司條例第566條，擁有股東大會上投票的全體股東總投票權的至少5%之本公司股東，可要求董事召開股東大會。有關要求書必須列明將於會上處理的事項的大致性質，並可包括將於會上適當動議或擬於會上動議的決議案內容。有關要求書可包含多份形式相近的文件，並可透過硬複本形式或電子形式向本公司提出，且必須經由提出要求的人士核證。

倘董事在該要求書存放日期起計二十一天內，未有在召開股東大會通知書發出日期後二十八天內安排召開一次股東大會，則該等請求人或佔全體請求人一半以上總表決權的請求人，可自行召開股東大會，但如此召開的股東大會不得在上述請求日期起計三個月屆滿後舉行。

由有關股東召開的股東大會，須盡可能以接近董事召開股東大會的方式召開。

## Corporate Governance Report 企業管治報告

### PUTTING FORWARD PROPOSAL AT ANNUAL GENERAL MEETING

#### 於股東週年大會上提出議案

Pursuant to section 615 of the Companies Ordinance, the members of the Company may request the Company to give, to members of the Company entitled to receive notice of the annual general meeting, notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request may be sent to the Company in hard copy form or in electronic form and must identify the resolution of which notice is to be given, be authenticated by the person or persons making it and be received by the Company not later than 6 weeks before the annual general meeting to which the requests relates; or if later, the time at which notice is given of that meeting.

The Company will give notice of a resolution if it has received the requests from (a) members representing at least 2.5% of the total voting rights of all the members who have a right to vote on the resolution to which the request relate; or (b) at least 50 members who have a relevant right to vote on the resolution to which the request relate.

根據公司條例第615條，本公司股東可要求本公司向有權收取股東週年大會通告的股東發出決議案通告，而有關決議案將於股東週年大會上適當動議或擬於會上動議。有關要求書可透過硬複本形式或電子形式向本公司提出，並須說明將予發出通告所述決議案，且必須經由提出要求的人士核證，以及本公司必須不遲於有關股東週年大會舉行日期前六個星期或(如較後)發出股東週年大會通告的時間接獲有關要求書。

本公司將於接獲下列人士發出的要求書後，發出決議案通告：(a)擁有權就有關決議案投票的全體股東總投票權的至少2.5%之股東；或(b)至少50名擁有就有關決議案投票權的股東。

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

As regards the procedures for proposing a person for election as a Director, please refer to the procedures made available under the Corporate Governance section of the Company's website at [www.ebchinaintl.com](http://www.ebchinaintl.com).

有關提名個別人士候選董事的程序，請參閱本公司網站[www.ebchinaintl.com](http://www.ebchinaintl.com)內企業管治部分的程序。

## 2016 ANNUAL GENERAL MEETING 二零一六年股東週年大會

At the 2016 AGM, a separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of each retiring Director. All resolutions were duly passed by Shareholders by way of poll at the meeting. The then Chairman was unable to attend the 2016 AGM due to other business engagements. Certain Directors and members of committees attended the meeting to answer questions of Shareholders. The Company announced the results of the poll in the manner prescribed under the Listing Rules. No other general meeting was held during 2016. The attendance record of the Directors at the general meeting is set out below:

於二零一六年股東週年大會，會議主席就每項獨立的事項個別提呈獨立決議案，其中包括重選各退任董事。所有決議案獲股東於該會議上以投票表決方式通過。當時董事會主席因其他公務未能出席二零一六年股東週年大會。部份董事及委員會的成員出席會議回答股東的提問。本公司根據上市規則規定的方式公佈投票表決結果。於二零一六年度內並沒有舉行其他股東大會。董事出席股東大會之紀錄如下：

Directors	董事	General meeting attended/held 出席大會次數／全部大會次數
<i>Executive Directors</i> 執行董事		
Mr. Cai Yunge <sup>Note 1</sup>	蔡允革先生 <sup>註1</sup>	N/A 不適用
Mr. Chen Xiaoping	陳小平先生	1/1
Mr. Wang Tianyi	王天義先生	1/1
Mr. Wong Kam Chung, Raymond	黃錦聰先生	1/1
Mr. Cai Shuguang	蔡曙光先生	1/1
<i>Non-executive Director</i> 非執行董事		
Mr. Tang Shuangning <sup>Note 2</sup>	唐雙寧先生 <sup>註2</sup>	0/1
<i>Independent non-executive Directors</i> 獨立非執行董事		
Mr. Fan Yan Hok, Philip	范仁鶴先生	0/1
Mr. Mar Selwyn	馬紹援先生	1/1
Mr. Li Kwok Sing, Aubrey	李國星先生	1/1
Mr. Zhai Haitao	翟海濤先生	1/1

Notes 註：

(1) Mr. Cai Yunge was appointed as the Vice-chairman and Executive Director with effect from 10 November 2016 and was subsequently re-designated as the Chairman of the Board with effect from 12 December 2016.

蔡允革先生由二零一六年十一月十日起獲委任為執行董事兼副主席，其後由二零一六年十二月十二日起獲調任為董事會主席。

(2) Mr. Tang Shuangning was re-designated as a non-executive Director and ceased to be the Chairman of the Board with effect from 12 December 2016.

由二零一六年十二月十二日起，唐雙寧先生獲調任為非執行董事及不再擔任董事會主席。

## Corporate Governance Report 企業管治報告

### INVESTOR RELATIONS AND COMMUNICATIONS 與投資者的關係及溝通

The Company recognizes the importance of efficient and effective communications with the investor community. Briefings and meetings with institutional investors and analysts are conducted regularly to provide them with up-to-date and comprehensive information about the Group's development. Besides, the Company facilitates the initiation and coverage of the Company published by research analysts of well-received investment banks which are instrumental in providing investors with independent and professional evaluations of the Company. Moreover, the Group participates in different international forums and overseas non-deal roadshows to elaborate on the Group's business development plans to global investors. Furthermore, the Company arranges site visits for investors and media to our key projects in China. Last but not least, the Company has established a function dedicated to investor relations and engaged an external public relations company to take care of investor relations matters. The Company also maintains a website ([www.ebchinaintl.com](http://www.ebchinaintl.com)) which renders Shareholders, investors and the general public direct access to the information of the Group on a timely basis.

In order to enable Shareholders to exercise their rights in an informed manner, and to allow them to engage actively with the Company, a Shareholders communication policy of the Company has been established. Shareholders may at any time send their enquiries and concerns to the Company via the Company's website at [www.ebchinaintl.com](http://www.ebchinaintl.com). Shareholders may also make enquiries with the Board at the general meetings of the Company.

本公司非常重視與投資者的高效及有效的溝通。本公司會不時與機構投資者及分析員舉行簡報會及會議，為彼等提供有關本集團發展的最新全面詳情。此外，本公司協助知名的投資銀行的研究分析師為本公司撰寫分析報告，此舉有利於提供投資者有關本公司的獨立及專業評估。此外，本集團出席不同的國際論壇和海外的非交易路演，向全球投資者闡述本集團的業務發展計劃。另外，我們更透過實地考察，為投資者和媒體展示本集團位於中國的若干重點項目。本公司已設有專責投資者關係的功能，並聘請外部公關公司負責投資者關係的事宜。本公司之網站 ([www.ebchinaintl.com](http://www.ebchinaintl.com)) 為本公司與股東、投資者及公眾人士適時提供本公司資訊的渠道。

為了讓股東在知情的情況下行使其股東的權利，並讓他們積極參與本公司，本公司訂立了股東通訊政策。股東可在任何時間通過本公司網站 [www.ebchinaintl.com](http://www.ebchinaintl.com) 向本公司發送他們的查詢和其所關心的問題。股東亦可在本公司的股東大會上向董事會提出查詢。

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

## DIRECTORS 董事

### Executive Directors 執行董事

#### CAI YUNGE – CHAIRMAN

aged 45, is the Chairman of the Board. Mr. Cai is the Deputy General Manager of China Everbright Group Ltd., the Vice-chairman and General Manager of China Everbright Holdings Company Limited, and an Executive Director and chairman of the board of directors of China Everbright Limited (the shares of which are listed on The Stock Exchange of Hong Kong Limited). He holds a master degree in Business Administration from The University of Warwick, UK and a doctoral degree in Economics from the Financial Research Institute of the People's Bank of China. He holds the title of Senior Economist. Before joining the Company, Mr. Cai has served as the Secretary to the board and General Manager of Executive Office of China Everbright Bank Company Limited, Deputy Chief of the Development and Reform Commission of Guangdong Province, and Division Chief of the General Office and Deputy Division Chief of Banking Supervisory Department II of the China Banking Regulatory Commission. Mr. Cai joined the Board in November 2016 and was re-designated as the Chairman of the Board in December 2016.

#### 蔡允革(主席)

現年45歲，董事會主席。蔡先生為中國光大集團股份公司副總經理，中國光大集團有限公司副董事長、總經理及中國光大控股有限公司(其股份於香港聯合交易所有限公司上市)執行董事兼董事會主席。蔡先生持有英國沃里克(華威)大學工商管理碩士學位及中國人民銀行金融研究所博士研究生學位，彼具有高級經濟師職稱。在加入本公司前，蔡先生曾任中國光大銀行股份有限公司董事會秘書、辦公室總經理，廣東省發展和改革委員會副主任以及中國銀行業監督管理委員會辦公廳處長、銀行監管二部副處長等職務。蔡先生於二零一六年十一月加入董事會並於二零一六年十二月調任為董事會主席。

#### CHEN XIAOPING – CHIEF EXECUTIVE OFFICER

aged 63, is the Chief Executive Officer of the Company. Mr. Chen is also a Vice-chairman of All-China Environmental Federation, a Deputy President of Chinese Ecological Civilization Research and Promotion Association and a Standing Director of China Environmental Culture Promotion Association. Prior to joining the Group, Mr. Chen had been a department head in the Bureau of Investigation & Supervision of The People's Bank of China, the Assistant Governor of China Everbright Bank Company Limited and the President of the Bank's Guangzhou Branch. He currently serves as a non-executive director and the chairman of China Everbright Greentech Limited and had been a non-executive director and the chairman of China Everbright Water Limited, the Company's subsidiary listed in Singapore, until August 2015. He graduated from the Department of Finance of the Southwest University in Finance and Economics, the PRC, finished the MBA class of the Research Institute of Business Management of Sichuan University, the PRC and holds a Master's Degree with a major in Money & Banking from the Department of Finance and Trade of the China Research Institute of Social Science. He holds the title of Senior Economist and Certified Public Accountant in the PRC. He had been engaged as a researcher at the China International Economic Development Research Centre. He has rich experience and extensive knowledge in banking, capital market and management. Mr. Chen joined the Board in August 2001.

#### 陳小平(行政總裁)

現年63歲，本公司行政總裁。陳先生亦為中華環保聯合會副主席、中國生態文明研究與促進會副會長和中國環境文化促進會常務理事。在加入本集團前，陳先生曾任職中國人民銀行稽核監督局處長及中國光大銀行行長助理兼廣州分行行長。彼現為中國光大綠色環保有限公司之非執行董事兼主席及曾任中國光大水務有限公司(本公司於新加坡上市的附屬公司)的非執行董事兼董事長直至二零一五年八月止。彼畢業於中國西南財經大學金融系、四川大學工商管理研究所MBA研究生班及持有中國社會科學研究院財貿所貨幣銀行專業碩士學位銜，具有高級經濟師職稱和註冊會計師資格，彼亦曾聘為中國國際經濟發展研究中心研究員。彼於銀行、資本市場及企業管理方面擁有豐富經驗及廣泛知識。陳先生於二零零一年八月加入董事會。

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

### DIRECTORS (continued) 董事(續)

#### Executive Directors (Continued) 執行董事(續)

##### WANG TIANYI – GENERAL MANAGER

aged 54, is the General Manager of the Company. Mr. Wang is also a non-executive director and the chairman of China Everbright Water Limited, the Company's subsidiary listed in Singapore. Prior to joining the Group, he was the President of Shandong Academy of Science. He was formerly the Deputy Mayor of Jinan City of Shandong Province. He had been the Vice President, Dean and Professor of Economic Management Faculty of Yantai University of Shandong Province. He is currently also a part-time professor of Tsinghua University and a Co-Director of Center for PPP of Tsinghua University. He is also a member of PPP Business Advisory Board of UNECE and a member of Advisory Committee of China Business Research Centre of National University of Singapore. He holds a Doctorate degree in Economics, a Master's degree in Management and a Bachelor's degree in Electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States. Mr. Wang joined the Board in February 2010.

##### 王天義(總經理)

現年54歲，本公司總經理。王先生亦為中國光大水務有限公司(本公司於新加坡上市的附屬公司)的非執行董事兼董事長。在加入本集團前，彼為山東省科學院院長。彼亦曾任山東省濟南市副市長。並曾任山東省煙台大學副校長、經管學院院長及教授。現亦任清華大學兼職教授和清華大學PPP研究中心的共同主任，聯合國歐洲經濟委員會PPP專家委員會委員，新加坡國立大學中國商務研究中心諮詢委員。彼持有清華大學經濟學博士、管理學碩士及電子學學士銜。彼亦曾在美國哈佛大學和加州大學學習深造。王先生於二零一零年二月加入董事會。

##### WONG KAM CHUNG, RAYMOND – CHIEF FINANCIAL OFFICER

aged 53, is the Chief Financial Officer of the Company. Mr. Wong holds a Master of Business Administration Degree, a Master of Management Degree in Information Technology Management from Macquarie University, Australia, and a Bachelor of Arts with Honours Degree in Accountancy from the City University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants, a member of the Institute of Chartered Accountants of England and Wales, a fellow member of the Association of Chartered Certified Accountants of United Kingdom and a member of the Chartered Professional Accountants of Canada. He has extensive experience in accounting, finance and auditing areas. Mr. Wong joined the Board in December 2002.

##### 黃錦聰(財務總監)

現年53歲，本公司財務總監。黃先生持有澳洲麥克理大學工商管理碩士銜，管理學碩士銜(主修資訊科技管理)，以及香港城市大學會計學榮譽文學士銜，並為香港會計師公會會員、英國特許會計師公會會員、英國特許公認會計師公會資深會員及加拿大特許專業會計師協會會員。彼具有豐富之會計、財務及核數經驗。黃先生於二零零二年十二月加入董事會。

##### CAI SHUGUANG – DEPUTY GENERAL MANAGER

aged 61, is the Deputy General Manager of the Company. Mr. Cai is the Vice-chairman of Everbright Environmental Protection (China) Limited. He is also an executive director of China Everbright Water Limited, the Company's subsidiary listed in Singapore. Prior to joining the Group, he was formerly Deputy General Manager of Shenzhen Kingway Brewery Limited. He graduated from the Department of Computer Science from Shanghai Fudan University and holds a Master of Business Administration Degree from the University of Ballarat in Australia. He holds the title of senior engineer. Mr. Cai has rich experience and extensive knowledge in corporate management and project planning. Mr. Cai joined the Board in August 2010.

##### 蔡曙光(副總經理)

現年61歲，本公司副總經理。蔡先生為光大環保(中國)有限公司的副董事長。彼亦為中國光大水務有限公司(本公司於新加坡上市的附屬公司)執行董事。蔡先生在加入本集團前，曾任職深圳金威啤酒有限公司副總經理。彼畢業於上海復旦大學電腦科學系，並持有澳大利亞巴拉瑞特大學工商管理碩士學位。具有高級工程師職稱。蔡先生在企業管理與項目策劃方面擁有豐富經驗及廣泛知識。蔡先生於二零一零年八月加入董事會。

**DIRECTORS (continued) 董事(續)****Non-Executive Director 非執行董事****TANG SHUANGNING – CHAIRMAN**

aged 62, is Non-executive Director of the Company. Mr. Tang is the representative of the 12th National People's Congress and the Vice-chairman of the Agriculture and Rural Affairs Committee of the 12th National People's Congress. He is also the Chairman of China Everbright Group Ltd., China Everbright Holdings Company Limited and China Everbright Bank Company Limited. Mr. Tang is also the Director of Sun Life Everbright Life Insurance Company Limited and a Non-executive Director of China Everbright Limited (the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")). He was the non-executive director of Everbright Securities Company Limited (the shares of which are listed on the Stock Exchange) until February 2017. He also serves as the Vice Chairman of China Society for Finance and Banking and the Consultant of China Society for Investment. He is a director of China Economic and Social Council and China Center for International Economic Exchanges. Prior to joining the China Everbright Group, he was the Vice Chairman of the China Banking Regulatory Commission. He holds a Master's Degree in Economics from China Northeast University of Finance & Economics. Mr. Tang has extensive knowledge and experience in finance management. Mr. Tang joined the Board in July 2007, and was re-designated as a Non-executive Director of the Company in December 2016.

**唐雙寧(主席)**

現年62歲，本公司之非執行董事。唐先生為第十二屆全國人民代表大會代表、全國人民代表大會農業與農村委員會副主任委員，彼亦為中國光大集團股份公司、中國光大集團有限公司及中國光大銀行股份有限公司董事長。此外，唐先生亦為光大永明人壽保險有限公司董事及中國光大控股有限公司(其股份於香港聯合交易所有限公司(「聯交所」)上市)非執行董事。彼曾任光大證券股份有限公司(其股份於聯交所上市)非執行董事直至二零一七年二月止。彼兼任中國金融學會副會長、中國投資學會顧問、中國經濟社會理事會常務理事、中國國際經濟交流中心常務理事。彼在加入中國光大集團前，曾任中國銀行業監督管理委員會副主席等職務。彼持有中國東北財經大學經濟學碩士學位。唐先生於金融管理方面擁有非常廣泛的知識及十分豐富的經驗。唐先生於二零零七年七月加入董事會，並於二零一六年十二月調任為非執行董事。

**Independent Non-Executive Directors 獨立非執行董事****FAN YAN HOK, PHILIP**

aged 67, is Independent Non-executive Director of the Company. Mr. Fan is an independent non-executive director of the following Hong Kong listed public companies, namely Hysan Development Company Limited, First Pacific Company Limited, China Aircraft Leasing Group Holdings Limited and PFC Device Inc. Mr. Fan is also an independent director of Goodman Group, an Australian listed company and a member of the Asian Advisory Committee of AustralianSuper, a pension fund established in Australia. He was formerly an independent director of Zhuhai Zhongfu Enterprise Co., Ltd., a Shenzhen listed company and Suntech Power Holdings Co., Ltd. (under official liquidation) until June 2013 and December 2013 respectively. He was also formerly an independent non-executive director of HKC (Holdings) Limited and Guolian Securities Co., Ltd, both are Hong Kong listed companies, until December 2014 and July 2016 respectively. Mr. Fan holds a Bachelor's Degree in Industrial Engineering, a Master's Degree in Operations Research from Stanford University and a Master's Degree in Management Science from Massachusetts Institute of Technology. Before joining the Company in 1997, he was an executive director of CITIC Pacific Limited in charge of industrial projects in China. He joined the Board in November 1997 and was re-designated as the Non-executive Director and Independent Non-executive Director of the Company in January 2010 and December 2012 respectively.

**范仁鶴**

現年67歲，本公司之獨立非執行董事。范先生為多家香港上市公司(即希慎興業有限公司、第一太平有限公司、中國飛機租賃集團控股有限公司及節能元件有限公司)的獨立非執行董事。范先生亦為Goodman Group(一家於澳大利亞上市的公司)的獨立董事及AustralianSuper(一家於澳大利亞成立的退休基金)的亞洲諮詢委員會成員。彼曾任珠海中富實業股份有限公司(一家於深圳上市的公司)及尚德電力控股有限公司(現正正式進行清盤程序)的獨立董事，分別直至二零一三年六月及二零一三年十二月止。范先生也曾任香港建設(控股)有限公司及國聯證券股份有限公司(皆為香港上市公司)的獨立非執行董事，分別直至二零一四年十二月及二零一六年七月止。范先生持有史丹福大學工程學士銜，史丹福大學統籌學碩士銜及麻省理工學院管理科學碩士銜。在一九九七年加入本公司之前，彼曾任中信泰富有限公司執行董事，主管中國工業業務。范先生於一九九七年十一月加入本公司之董事會，並分別於二零一零年一月及二零一二年十二月調任為非執行董事及獨立非執行董事。

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

### DIRECTORS (continued) 董事(續)

#### Independent Non-Executive Directors (Continued) 獨立非執行董事(續)

##### MAR SELWYN

aged 81, is Independent Non-executive Director of the Company. Mr. Mar graduated from the London School of Economics, University of London. He is a fellow member of the Institute of Chartered Accountants of United Kingdom and the Hong Kong Institute of Certified Public Accountants. He is a director of Nexia Charles Mar Fan Limited. He is also an independent non-executive director and chairman of the audit committee of Minmetals Land Limited and Man Yue Technology Holdings Limited as well as an independent non-executive director of PanAsialum Holdings Company Limited. He was formerly an independent non-executive director of China Kingstone Mining Holdings Limited until December 2015. He was the President of Hong Kong Society of Accountants (now known as Hong Kong Institute of Certified Public Accountants) in 1991. Mr. Mar is an Honorary Fellow of the Lingnan University. He joined the Board in September 2004.

##### 馬紹援

現年81歲，本公司之獨立非執行董事。馬先生畢業於倫敦大學倫敦經濟學院經濟系。彼為英國特許公認會計師公會及香港會計師公會資深會員。馬先生現為馬炎璋會計師行有限公司的董事。彼亦為五礦建設有限公司及萬裕科技集團有限公司的獨立非執行董事及審核委員會主席，以及榮陽實業集團有限公司之獨立非執行董事。彼曾任中國金石礦業控股有限公司的獨立非執行董事，直至二零一五年十二月止。彼曾於一九九一年出任香港會計師公會會長。馬先生亦為嶺南大學榮譽院士。彼於二零零四年九月加入董事會。

##### LI KWOK SING, AUBREY

aged 67, is Independent Non-executive Director of the Company. Mr. Li is the Chairman of IAM Holdings (Hong Kong) Limited, a Hong Kong based investment firm, and has over 40 years' experience in merchant banking and commercial banking. He is also a non-executive director of The Bank of East Asia, Limited and an independent non-executive director of Café de Coral Holdings Limited, Kunlun Energy Company Limited, Kowloon Development Company Limited, Pokfulam Development Company Limited and Tai Ping Carpets International Limited. Mr. Li has a Master of Business Administration from Columbia University and a Bachelor of Science in Civil Engineering from Brown University. He joined the Board in November 1998.

##### 李國星

現年67歲，本公司之獨立非執行董事。李先生為星安控股有限公司(一家從事投資以香港為基地之公司)之董事長，且在投資銀行及商業銀行界具有逾四十年經驗。彼亦為東亞銀行有限公司之非執行董事及大家樂集團有限公司、昆侖能源有限公司、九龍建業有限公司、博富臨置業有限公司及太平地氈國際有限公司之獨立非執行董事。李先生持有哥倫比亞大學工商管理碩士學位及布朗大學土木工程理學士學位。彼於一九九八年十一月加入董事會。

##### ZHAI HAITAO

aged 48, is Independent Non-executive Director of the Company. Mr. Zhai is the President and Partner of Primavera Capital Group. He is also an independent director of China Everbright Water Limited, the Company's subsidiary listed in Singapore. He was formerly Managing Director of Goldman Sachs Asia LLC and Chief Representative of Goldman Sachs Beijing Office. Prior to joining Goldman Sachs, Mr. Zhai worked at the International Department of the People's Bank of China in Beijing, and was Deputy Representative of the People's Bank of China Representative Office for the Americas based in New York. He holds a Master's Degree in International Relations from Columbia University, a Master of Business Administration Degree from New York University and a Bachelor of Arts Degree in Economics from Peking University. He has extensive experience and knowledge in banking, capital market and management. Mr. Zhai joined the Board in January 2011.

##### 翟海濤

現年48歲，本公司之獨立非執行董事。翟先生為春華資本集團的總裁兼合夥人，彼亦為中國光大水務有限公司(本公司於新加坡上市的附屬公司)的獨立董事。彼曾任職高盛亞洲有限責任公司董事總經理及高盛集團北京代表處首席代表。在任職高盛之前，翟先生曾任職中國人民銀行總行國際司，並曾擔任中國人民銀行駐美洲代表處(紐約)副代表。彼持有哥倫比亞大學國際關係碩士，紐約大學工商管理碩士，以及北京大學經濟學學士。彼於銀行、資本市場及企業管理方面擁有豐富的經驗及知識。翟先生於二零一一年一月加入董事會。



## SENIOR MANAGEMENT 高層管理人員

### HU YANGUO

aged 50, is the Deputy General Manager of the Company, the General Manager of Everbright Environmental Protection (China) Company Limited and a non-executive director of China Everbright Greentech Limited. Prior to joining the Group, Mr. Hu was formerly the lecturer of mathematics at the Northeast Forestry University, the person-in charge of the Accounting Department of Guangzhou Branch of the China Everbright Bank. Mr. Hu was a director of Qinghai Spring Medicinal Resources Technology Co., Ltd. (formerly known as Qinghai Sunshiny Mining Co., Ltd.). He holds a bachelor's degree in mathematics and a master's degree in Forestry Economy and Management from Northeast Forestry University in the PRC. Mr. Hu is a Certified Public Accountant in the PRC. He has comprehensive experience in accounting and settlement, administration management and construction management. Mr. Hu joined the Group in April 2006.

### 胡延國

現年50歲，擔任本公司副總經理，光大環保(中國)有限公司總經理及中國光大綠色環保有限公司非執行董事。胡先生在加入本集團前，在東北林業大學任職數學講師、中國光大銀行廣州分行會計部負責人及曾擔任青海春天藥用資源科技股份有限公司(前稱青海賢成礦業股份有限公司)董事。彼持有中國東北林業大學數學學士學位及林業經濟管理碩士學位。胡先生是中國註冊會計師。彼於財務結算、行政管理及工程建設方面擁有廣泛經驗及知識。胡先生於二零零六年四月加入本集團。

### CHEN TAO

aged 53, is the Deputy General Manager of the Company. He is also the General Manager of Everbright Environmental Protection Technological Development (Beijing) Ltd. and Everbright Environmental Protection Technology Institute (Shenzhen) Ltd. Prior to joining the Group, he was formerly the lecturer and laboratory supervisor of automation of Sichuan Light Chemistry Institute (presently known as East China University of Science and Technology), the manager of Automation Department and the Assistant to General Manager of Shenzhen Catic Intelligent System Co., Ltd. He graduated from the Department of Chemical Instrument and Industrial Automation of East China Chemistry Institute (presently known as East China University of Science and Technology) and holds a Master of Automation Degree from East China University of Science and Technology. Mr. Chen holds the title of Certified Senior Engineer. He has comprehensive experience and knowledge in construction management, technology development and administration management. Mr. Chen joined the Group in April 2005.

### 陳濤

現年53歲，本公司副總經理，亦是光大環保科技發展(北京)有限公司及光大環保技術研究院(深圳)有限公司總經理。陳先生在加入本集團前，曾任職於四川輕化工學院(現名華東理工大學)自動化教研室教師、自動化實驗室主任及深圳中航電腦有限公司自動化部經理、總經理助理。陳先生畢業於華東化工學院(現名華東理工大學)化工儀錶及自動化工學系，亦取得華東理工大學工業自動化工學碩士。陳先生持有高級工程師職稱。彼於工程建設、技術研發及行政管理方面擁有廣泛經驗和知識。陳先生於二零零五年四月加入本集團。

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

### SENIOR MANAGEMENT (*continued*) 高層管理人員(續)

#### QIAN XIAODONG

aged 44, is the Executive Director and Chief Executive Officer of China Everbright Greentech Limited and also formerly Deputy General Manager of the Company. He holds a Bachelor's Degree in Heat Energy Engineering from the Department of Heat Energy Engineering of Dalian University of Technology in the PRC and a Master's Degree in Environment Engineering from Southeast University in the PRC. He has comprehensive experience and knowledge in market development of environmental protection industry, national environmental policies and industrial trend. Mr. Qian joined the Group in July 2003.

#### 錢曉東

現年44歲，為中國光大綠色環保有限公司執行董事兼行政總裁及前本公司副總經理。錢先生持有中國大連理工大學熱能工程學士學位及中國東南大學環境工程碩士學位。彼在環保產業具有豐富的市場拓展經驗，對國家環保政策、各地環保行業前景深入瞭解。錢先生於二零零三年七月加入本集團。

#### AN XUESONG

aged 46, is the Deputy General Manager of the Company. Mr. An is also the Executive Director and Chief Executive Officer of China Everbright Water Limited, the Company's subsidiary listed in Singapore. He holds a Master of Business Administration Degree from Jinan University. Mr. An holds the title of Certified Public Accountant in the PRC and International Internal Auditor. He has comprehensive experience in investment management, financial management and risk management. Mr. An joined the Group in May 2002.

#### 安雪松

現年46歲，本公司副總經理。安先生亦為中國光大水務有限公司(本公司於新加坡上市的附屬公司)的執行董事兼總裁。安先生持有暨南大學工商管理碩士銜，彼亦為中國註冊會計師及國際註冊內部審計師。彼具有豐富之投資管理、財務管理、風險管理經驗。安先生於二零零二年五月加入本集團。

#### POON YUEN LING

aged 49, is the Company Secretary of the Company. She is an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. She joined the Group in April 1994, with over 20 years of experience in company secretarial affairs.

#### 潘婉玲

現年49歲，本公司之公司秘書。彼為香港特許秘書公會及英國特許秘書及行政人員公會之會士。彼於一九九四年四月加入本集團，具逾二十年公司秘書事務經驗。

# Report of the Directors

## 董事會報告

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2016.

### PRINCIPAL PLACE OF BUSINESS

China Everbright International Limited (the “Company”) is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at Room 2703, 27th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in note 45 to the financial statements.

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries (the “Group”) during the financial year are set out in note 4 to the financial statements.

### BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group’s future business development are provided in the Chairman’s Statement and Chief Executive Officer’s Report on pages 8 to 47 of this Annual Report. In particular, description of principal risks and uncertainties faced by the Group can be found in the section headed “Principal Risks and Uncertainties” in the Chief Executive Officer’s Report on pages 43 to 44. An analysis of the Group’s performance during the year using key performance indicators by each business segment can be found in pages 18 to 37 of the Chief Executive Officer’s Report. In addition, discussions on the Group’s environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are provided in the section headed “Environmental and Social Management” in the Chief Executive Officer’s Report on page 45.

董事欣然提呈截至二零一六年十二月三十一日止年度之年度報告及經審核財務報表。

### 主要營業地點

中國光大國際有限公司(「本公司」)為一家於香港註冊成立，並以香港為本籍之公司。本公司之註冊辦事處及主要營業地點位於香港夏慤道十六號遠東金融中心二十七樓二七零三室。

### 主要業務

本公司之主要業務為投資控股。各附屬公司之主要業務及其他詳情載於財務報表附註45。

本公司及其附屬公司(「本集團」)於本財政年度內之主要業務及按運營地域劃分之分析載於財務報表附註4。

### 業務回顧

本集團業務之年度回顧及有關本集團未來業務發展之討論載於本年報第8頁至第47頁之主席報告及行政總裁報告。特別是，本集團所面對之主要風險及不確定性之描述載於第43頁至第44頁之行政總裁報告「主要風險及不確定性」一節。本集團使用主要表現指標按各業務分部劃分之年度表現分析載於第18頁至第37頁之行政總裁報告。此外，有關本集團環境政策、與主要持份者之關係，以及對本集團有重大影響之相關法律及法規之遵守情況之討論載於第45頁之行政總裁報告「環境與社會管理」一節。

## Report of the Directors

### 董事會報告

#### MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the major customers and suppliers of the Group respectively during the financial year is as follows:

		Percentage of the Group's total 佔本集團下列總額之百分比	
		Turnover 營業額	Purchases 採購額
The largest customer	最大客戶	9%	
Five largest customers in aggregate	五大客戶合計	33%	
The largest supplier	最大供應商		5%
Five largest suppliers in aggregate	五大供應商合計		19%

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

#### CONTINUING CONNECTED TRANSACTIONS

##### *Deposit and loan service*

On 14 May 2015, the Company entered into the Deposit Services Framework Agreement and the Loan Services Framework Agreement (collectively, the "Old Services Framework Agreements") with China Everbright Group Ltd. ("China Everbright Group"). Pursuant to the Old Services Framework Agreements, China Everbright Group will, through its associate, China Everbright Bank Company Limited ("CE Bank"), provide deposit, loan and related services to the Group.

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

#### 主要客戶及供應商

本集團於本財政年度之主要客戶及供應商資料如下：

本公司各董事或彼等之任何聯繫人士或任何股東（據董事所深知擁有本公司股本5%以上）概無擁有本集團五大客戶及供應商任何實益權益。

#### 持續關連交易

##### *存款及貸款服務*

於二零一五年五月十四日，本公司與中國光大集團股份公司（「中國光大集團」）訂立存款服務框架協議及貸款服務框架協議（統稱「舊服務框架協議」）。根據舊服務框架協議，中國光大集團將透過其聯繫人士中國光大銀行股份有限公司（「光大銀行」）向本集團提供存款、貸款及相關服務。

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

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS (continued)

#### Deposit and loan service (continued)

##### (a) (continued)

During the year ended 31 December 2016, the maximum daily closing balance of the Group's deposits (including interests accrued thereon) placed in CE Bank amounted to HK\$762,526,000. This amount was below the annual cap of HK\$1,200,000,000 for the year ended 31 December 2016 which was proposed in the announcement made by the Company on 14 May 2015.

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

During the year ended 31 December 2016, the maximum daily closing balance of the Group's loans (excluding loans which do not require security over the assets of the Group) provided by CE Bank amounted to HK\$432,415,000. This amount was below the annual cap of HK\$1,200,000,000 for the year ended 31 December 2016 which was proposed in the announcement made by the Company on 14 May 2015.

On 7 December 2016, the Company entered into the New Deposit Services Master Agreement and the New Loan Services Master Agreement with China Everbright Group, pursuant to which (i) the Company and China Everbright Group have agreed to terminate the Old Services Framework Agreements with effect from 1 January 2017 and (ii) China Everbright Group will, through CE Bank, provide deposit, loan and related services to the Group. Details are set out in the Company's announcement dated 7 December 2016.

### 持續關連交易(續)

#### 存款及貸款服務(續)

##### (a) (續)

於截至二零一六年十二月三十一日止年度，本集團存放於光大銀行之最高每日存款結餘（包括其應計利息）為港幣762,526,000元。此金額低於截至二零一六年十二月三十一日止年度之年度限額港幣1,200,000,000元，即本公司於二零一五年五月十四日所作公佈之建議年度限額。

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

於截至二零一六年十二月三十一日止年度，中國光大銀行提供予本集團之貸款（不包括毋須本集團資產作抵押之貸款）之最高每日結餘為港幣432,415,000元。此金額低於截至二零一六年十二月三十一日止年度之年度限額港幣1,200,000,000元，即本公司於二零一五年五月十四日所作公佈之建議年度限額。

於二零一六年十二月七日，本公司與中國光大集團訂立了新存款服務總協議及新貸款服務總協議。據此，(i)本公司與中國光大集團同意自二零一七年一月一日起終止舊服務框架協議及(ii)中國光大集團同意透過光大銀行向本集團提供存款、貸款及相關服務。有關詳情載於本公司日期為二零一六年十二月七日之公告。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS (continued)

#### Lease of the premises

On 18 May 2016, China Everbright Environmental Group Limited, a direct wholly-owned subsidiary of the Company, entered into an agreement (the “Tenancy Agreement”) with Lane Bright Limited, an indirect wholly-owned subsidiary of China Everbright Holdings Co. Ltd. (“CE Hong Kong”), in relation to the leasing of the whole 36th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for a term of three years commencing from 18 May 2016 to 17 May 2019 (both days inclusive) at a monthly rent of HK\$1,026,000 (exclusive of rates, management fee, water, electricity, gas and other utility charges payable to independent third parties not connected with the Company in respect of the use of the premises during the lease term).

During the year ended 31 December 2016, the rent paid or payable to Lane Bright Limited under the Tenancy Agreement amounted to HK\$6,600,600. The amount did not exceed the annual cap of HK\$6,600,600 for the year ended 31 December 2016 which was proposed in the announcement made by the Company on 18 May 2016.

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

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

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

### 持續關連交易(續)

#### 租賃物業

於二零一六年五月十八日，本公司直接全資附屬公司中國光大環境集團有限公司與中國光大集團有限公司(「光大香港」)的間接全資附屬公司隆耀有限公司就租賃香港夏慤道16號遠東金融中心36樓全層訂立協議(「租賃協議」)，租期自二零一六年五月十八日起至二零一九年五月十七日止(包括首尾兩日)，為期三年，月租港幣1,026,000元(不包括差餉、管理費、水費、電費、煤氣費以及其他於租期內使用上述物業而應向與本公司概無關連的獨立第三方支付之公用支出)。

於截至二零一六年十二月三十一日止年度，根據租賃協議已付或應付隆耀有限公司之租金為港幣6,600,600元。有關金額並無超出截至二零一六年十二月三十一日止年度之年度限額港幣6,600,600元，即本公司於二零一六年五月十八日所作公佈之建議年度限額。

本公司之獨立非執行董事已審閱上述關連交易，並確認有關交易為：

- 於本集團日常及一般業務過程中訂立；
- 按一般商業條款進行或倘並無足夠可供比較者以鑑定有關交易是否按一般商業條款進行，則按不遜於本集團給予獨立第三方或獨立第三方提供予本集團之條款訂立；及
- 根據監管持續關連交易之有關協議訂立，而交易條款屬公平合理，且符合本公司股東之整體利益。

本公司核數師安永會計師事務所已獲委聘就本集團之持續關連交易作出匯報，有關匯報乃根據香港會計師公會發出之《香港核證委聘準則》第3000號「審核或審閱過往財務資料以外之核證委聘」，並經參考《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」進行。安永會計師事務所已根據香港聯合交易所有限公司證券上市規則(「上市規則」)第14A.56條之規定，就本集團於上文所披露之持續關連交易發出無保留意見函件，當中載列其發現及結論。本公司已向香港聯合交易所有限公司提供核數師函件副本。

# Report of the Directors

## 董事會報告

### RESULTS

The profit of the Group for the year ended 31 December 2016 and the Group's financial position at that date are set out in the financial statements on pages 109 to 269.

### RECOMMENDED DIVIDEND

An interim dividend of HK7.5 cents per share (2015: HK6.5 cents per share) was paid on 3 October 2016. The directors now recommend the payment of a final dividend of HK13.0 cents per share (2015: HK12.0 cents per share) in respect of the year ended 31 December 2016.

### DISTRIBUTABLE RESERVES

At 31 December 2016, the aggregate amount of reserves available for distribution to equity holders of the Company, as calculated under the provisions of sections 291, 297 and 299 of the Hong Kong Companies Ordinance, was HK\$1,236,909,000 (2015: HK\$857,814,000). After the end of the reporting period, the directors proposed a final dividend of HK13.0 cents per ordinary share (2015: HK12.0 cents per ordinary share), amounting to HK\$582,753,000 (2015: HK\$538,045,000).

### CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$4,014,000 (2015: HK\$2,153,000).

### SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 32 to the financial statements.

### DIRECTORS

The directors during the financial year were:

#### Executive directors

Cai Yunge, *Chairman* (appointed on 10 November 2016 as executive director and the Vice-chairman, and re-designated as executive director and the Chairman with effect from 12 December 2016)

Liu Jun, *Vice-chairman* (resigned on 10 November 2016)

Chen Xiaoping, *Chief Executive Officer*

Wang Tianyi, *General Manager*

Wong Kam Chung, Raymond, *Chief Financial Officer*

Cai Shuguang, *Deputy General Manager*

#### Non-executive director

Tang Shuangning (re-designated from an executive director and ceased to be the Chairman with effect from 12 December 2016)

#### Independent non-executive directors

Fan Yan Hok, Philip

Mar Selwyn

Li Kwok Sing, Aubrey

Zhai Haitao

### 業績

本集團截至二零一六年十二月三十一日止年度之盈利，以及本集團於該日之財務狀況載於第109頁至第269頁之財務報表內。

### 建議股息

本公司已於二零一六年十月三日派付中期股息每股7.5港仙(二零一五年：每股6.5港仙)。董事現建議派付截至二零一六年十二月三十一日止年度末期股息每股13.0港仙(二零一五年：每股12.0港仙)。

### 可供分派儲備

於二零一六年十二月三十一日，根據香港公司條例第291、297及299條之條文計算可供分派予本公司權益持有人之儲備總額為港幣1,236,909,000元(二零一五年：港幣857,814,000元)。於報告期末後，董事建議派付末期股息每股普通股13.0港仙(二零一五年：每股普通股12.0港仙)，合共港幣582,753,000元(二零一五年：港幣538,045,000元)。

### 慈善捐款

本集團於本年度內共捐款港幣4,014,000元(二零一五年：港幣2,153,000元)作慈善用途。

### 股本

本公司股本於本年度內之變動詳情載於財務報表附註32。

### 董事

於本財政年度內之董事如下：

#### 執行董事

蔡允革(主席) (於二零一六年十一月十日獲委任為執行董事兼副主席，並自二零一六年十二月十二日起調任為執行董事兼主席)

劉 珺(副主席) (於二零一六年十一月十日辭任)

陳小平(行政總裁)

王天義(總經理)

黃錦聰(財務總監)

蔡曙光(副總經理)

#### 非執行董事

唐雙寧 (自二零一六年十二月十二日起由執行董事調任此職並不再擔任主席)

#### 獨立非執行董事

范仁鶴

馬紹援

李國星

翟海濤

## Report of the Directors

### 董事會報告

#### DIRECTORS (continued)

In accordance with articles 73, 77, 78 and 79 of the Company's Articles of Association, Mr. Tang Shuangning, Mr. Cai Yunge, Mr. Wang Tianyi, Mr. Cai Shuguang and Mr. Zhai Haitao will retire from the board at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The independent non-executive directors are appointed for a specific term, subject to re-election. The current 4 independent non-executive directors of the Company hold office for a term until 31 December 2017. They are all subject to retirement by rotation in accordance with the Company's Articles of Association as indicated above.

#### DIRECTORS OF SUBSIDIARIES

To the best knowledge of the Board and based on the information available, other than certain directors and senior management named in the section headed "Directors and Senior Management" as set out on pages 83 to 88 of this Annual Report, the persons who have served on the boards of the subsidiaries of the Company either during the year ended 31 December 2016 or up to the date of this report included Mr. Chang Song, Mr. Chen Daning, Mr. Chen Dawei, Mr. Chen Hengbao, Ms. Cheng Fong Yee, Fonda, Mr. Cheng Gang, Mr. Cheung Lap Kei, Mr. Cui Debin, Mr. Cui Yuan, Mr. Ding Ritang, Mr. Gao Jining, Mr. Hu Jianmin, Mr. Huang Mingsheng, Ms. Huang Yiyi, Mr. Jiao Hai, Mr. Jin Renjie, Mr. Lee Wei Hsiung, Mr. Li Guoqing, Mr. Li Shihua, Mr. Liang Haidong, Mr. Lim Yu Neng, Paul, Mr. Lin An Tai, Mr. Lo Kam Fan, Ms. Lo Kong, Grace, Mr. Luo Junling, Mr. Mao Li Ching, Mr. Niu Kesheng, Mr. Qiu Bo, Mr. Sha Jianxin, Mr. Shao Qichao, Mr. Sheng He, Mr. Shi Zhiqiang, Mr. Su Quantong, Mr. Sun Linbo, Mr. Tang Xianqing, Mr. Tao Junjie, Mr. Tao Minqiang, Mr. Wang Dianer, Mr. Wang Fuhao, Mr. Wang Guanping, Ms. Wang Wei, Mr. Wang Weidong, Mr. Wang Weidong, Mr. Wang Xiawei, Mr. Wang Yuexing, Mr. Wang Yungang, Mr. Wang Zhen, Mr. Wu Kai, Ms. Xu Hongna, Mr. Xu Liqun, Ms. Xu Nailing, Mr. Xu Peng, Ms. Yang Rufen, Mr. Yang Shiqiao, Mr. Yang Zhiqiang, Mr. Zang Hailong, Mr. Zhang Jianping, Mr. Zhang Jun, Mr. Zhang Xiaoning, Mr. Zhang Xiaoquan, Ms. Zhang Yan, Mr. Zhang Yunyue, Mr. Zhou Bo, Mr. Zhu Fugang, Mr. Zhu Haifeng and Mr. Zhu Jie.

#### DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

#### 董事(續)

依據本公司之公司章程細則第73、77、78及79條規定，唐雙寧先生、蔡允革先生、王天義先生、蔡曙光先生及翟海濤先生須於即將舉行之股東週年大會上依章告退，而彼等符合資格，並已表示願意膺選連任。

獨立非執行董事獲委任指定年期，並須符合重選之規定。本公司四位現任獨立非執行董事之任期直至二零一七年十二月三十一日止。彼等須如上文所述根據本公司之公司章程細則輪席告退。

#### 附屬公司之董事

就董事會所深知，以及根據取得之資料，除了名列本年報第83頁至第88頁所載「董事及高級管理人員」一節之若干董事及高級管理人員外，於截至二零一六年十二月三十一日止年度或直至本報告刊發日期，本公司附屬公司董事會之在任董事包括常松先生、陳大寧先生、陳大偉先生、陳恒寶先生、鄭鳳儀女士、程崗先生、張立基先生、崔德斌先生、崔援先生、丁日堂先生、郜濟寧先生、胡建民先生、黃明生先生、黃奕奕女士、焦海先生、金人傑先生、李偉雄先生、李國慶先生、李世華先生、梁海東先生、林御能先生、林安泰先生、盧錦勳先生、盧剛女士、羅俊嶺先生、茅麗清先生、牛克勝先生、邱波先生、沙建新先生、邵啟超先生、盛赫先生、石志強先生、蘇全通先生、孫林波先生、唐賢清先生、陶俊傑先生、陶敏強先生、王殿二先生、王福浩先生、王冠平先生、王煒女士、王煨冬先生、王衛東先生、王秀偉先生、王悅興先生、王雲剛先生、王貞先生、吳凱先生、許紅娜女士、許立群先生、徐乃玲女士、徐鵬先生、楊如芬女士、楊仕橋先生、楊志強先生、臧海龍先生、張建平先生、張軍先生、張曉寧先生、張曉全先生、張豔女士、張雲月先生、周波先生、朱福剛先生、竺海峰先生及朱傑先生。

#### 董事之服務合約

在即將舉行之股東週年大會上獲提名連任之董事概無訂立本公司或其任何附屬公司不可於一年內免付賠償(一般法定賠償除外)予以終止之未屆滿服務合約。



# Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

The directors and chief executive of the Company who held office at 31 December 2016 had the following interests in the shares, underlying shares and debentures of the Company, its holding companies, subsidiaries and other associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) at that date as recorded in the register of directors' and chief executive's interests and short positions required to be kept under section 352 of the SFO:

Long position in shares of the Company

### 董事及主要行政人員持有之股份、相關股份及債券權益及淡倉

按本公司根據證券及期貨條例(「證券及期貨條例」)第352條規定須予存置之董事及主要行政人員權益及淡倉登記冊所載記錄顯示，於二零一六年十二月三十一日在任之本公司董事及主要行政人員於該日在本公司、其控股公司、附屬公司及其他聯繫公司(定義見證券及期貨條例第十五部)之股份、相關股份及債券中所擁有之權益如下：

於本公司股份之好倉

Name of director	董事姓名	Nature of interest 權益性質	Number of shares (ordinary shares) (普通股)	Percentage 百分比
Chen Xiaoping	陳小平	Personal 個人	9,000,000	0.20%
Wong Kam Chung, Raymond	黃錦驄	Personal 個人	2,000,000	0.04%
Fan Yan Hok, Philip	范仁鶴	Personal 個人	8,140,000	0.18%
Li Kwok Sing, Aubrey	李國星	Personal 個人	1,000,000	0.02%

Apart from the foregoing, none of the directors and chief executive of the Company or any of their spouses or children under eighteen years of age has interests or short positions in the shares, underlying shares or debentures of the Company, or any of its holding companies, subsidiaries or other associated corporations, as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

除上文所述者外，按本公司根據證券及期貨條例第352條規定須予存置之登記冊所載記錄顯示，本公司各董事及主要行政人員或彼等之任何配偶或十八歲以下之子女概無在本公司、其任何控股公司、附屬公司或其他聯繫公司之股份、相關股份或債券中擁有權益或淡倉或根據上市公司董事進行證券交易的標準守則須知會本公司之權益或淡倉。

### DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, holding companies or fellow subsidiaries, a party to any arrangements (other than a share option scheme of a listed subsidiary of the Company referred to below) to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 董事購買股份或債券之權利

在本年度內任何時間，本公司、其任何附屬公司、控股公司或同系附屬公司並無參與任何安排(下文所述本公司上市附屬公司之購股權計劃除外)，致使董事可藉購買本公司或任何其他法人團體之股份或債券而取得利益。

# Report of the Directors

## 董事會報告

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

The Company has been notified of the following interests in the Company's issued shares at 31 December 2016 amounting to 5% or more of the ordinary shares in issue:

### 主要股東及其他人士在股份及相關股份中擁有之權益及淡倉

本公司獲悉於二零一六年十二月三十一日擁有本公司已發行股份之權益達已發行普通股5%或以上之股東如下：

		Capacity 身份	Nature of interest 權益性質	Long position in ordinary shares held and percentage of total issued shares 所持普通股之 好倉及佔全部已 發行股份百分比
Central Huijin Investment Limited ("Huijin") (notes (1) and (2))	中央匯金投資有限責任公司(「匯金」) (附註(1)及(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,855,951,910 Approximately 41.40% 約41.40%
China Everbright Group (note (2))	中國光大集團 (附註(2))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	1,855,951,910 Approximately 41.40% 約41.40%
RRJ Capital Master Fund II, L.P. ("RRJ Capital") (note (3))	RRJ Capital Master Fund II, L.P. (「RRJ Capital」) (附註(3))	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	318,360,000 Approximately 7.10% 約7.10%

#### Notes:

- Huijin is indirectly wholly-owned by the State Council of the People's Republic of China and holds 55.67% equity interest of China Everbright Group.
- China Everbright Group holds 100% of the issued shares of CE Hong Kong. CE Hong Kong holds (1) 100% of the issued shares of Datten Investments Limited ("Datten") which in turn holds 55% of the issued shares of Guildford Limited ("Guildford"); (2) 100% of the issued shares of Everbright Investment & Management Limited ("EIM"); and (3) 45% of the issued shares of Guildford, respectively. Out of the 1,855,951,910 ordinary shares, 1,758,215,910 ordinary shares are held by Guildford. The remaining 97,736,000 ordinary shares are held by EIM. Accordingly, China Everbright Group and Huijin are deemed to be interested in 1,758,215,910 ordinary shares held by Guildford and 97,736,000 ordinary shares held by EIM.
- The corporate interest of RRJ Capital was attributable on account through its wholly-owned subsidiary, Dalvey Asset Holding Limited. According to the register kept under section 336 of the SFO, as at 31 December 2016, RRJ Capital and its associates had interests of 318,360,000 ordinary shares.

#### 附註：

- 匯金由中華人民共和國國務院間接全資擁有，並持有中國光大集團55.67%股權。
- 中國光大集團持有光大香港100%已發行股份。光大香港分別持有(1) Datten Investments Limited (「Datten」) 100%已發行股份，而Datten則持有Guildford Limited (「Guildford」) 55%已發行股份；(2) 光大投資管理有限公司(「光大投資管理」) 100%已發行股份；及(3) Guildford 45%已發行股份。在1,855,951,910股普通股中，其中1,758,215,910股普通股由Guildford持有；其餘97,736,000股普通股則由光大投資管理持有。故此，中國光大集團及匯金被視為在Guildford所持有之1,758,215,910股普通股及光大投資管理所持有之97,736,000股普通股中擁有權益。
- RRJ Capital之公司權益乃透過旗下全資附屬公司Dalvey Asset Holding Limited擁有。按本公司根據證券及期貨條例第336條存置之登記冊所示，於二零一六年十二月三十一日，RRJ Capital及其聯繫人士持有318,360,000股普通股。

## Report of the Directors

### 董事會報告

#### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Apart from the foregoing, the Company had not been notified of any other interests by prescribed notices which had been recorded in the register kept under section 336 of the SFO as at 31 December 2016.

#### SHARE OPTIONS ISSUED BY CHINA EVERBRIGHT WATER LIMITED, A LISTED SUBSIDIARY OF THE COMPANY

##### Share options

The Company completed a reverse takeover of HanKore Environment Tech Group Limited ("HanKore", now known as China Everbright Water Limited) on 12 December 2014 (the "Completion Date"). On 15 November 2013, HanKore granted 365,086,178 share options pursuant to its share option scheme to certain key management personnel and employees. The exercise period for the share options granted is from 16 November 2014 to 15 November 2023. These share options have been fully exercised as at 31 December 2014. No share options were granted, exercised, cancelled, lapsed and outstanding during the year ended 31 December 2016.

#### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

#### PERMITTED INDEMNITY

The Company's Articles of Association provides that every Director shall be indemnified out of the funds of the Company against all liabilities incurred by him in relation to the Company in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted. In addition, liability insurance for Directors and senior management of the Company is maintained by the Company with appropriate coverage for certain legal actions against the Directors and senior management.

#### 主要股東及其他人士在股份及相關股份中擁有之權益及淡倉(續)

除上文所述者外，於二零一六年十二月三十一日，本公司並無接獲訂明的通知，表示有任何其他權益已記錄於依照證券及期貨條例第336條存置之登記冊內。

#### 本公司上市附屬公司中國光大水務有限公司已發行之購股權

##### 購股權

本公司於二零一四年十二月十二日(「完成日期」)完成反向收購漢科環境科技集團有限公司(「漢科」，現稱中國光大水務有限公司)。於二零一三年十一月十五日，漢科根據其購股權計劃授出365,086,178股購股權予若干主要管理人員及僱員。上述已授出購股權之行使期為二零一四年十一月十六日至二零二三年十一月十五日。於二零一四年十二月三十一日，該等購股權已獲全數行使。於截至二零一六年十二月三十一日止年度，並無任何購股權獲授出、行使、註銷、失效及尚未行使。

#### 足夠的公眾持股量

根據本公司取得之公開資料，以及就本公司董事所知，於本年報刊發日期，本公司維持上市規則所規定之公眾持股量。

#### 准許的彌償

本公司之公司章程細則規定，本公司須以本公司之資金，就董事因有關本公司之民事或刑事法律程序中進行辯護並獲判勝訴或獲判無罪所招致之法律責任作出彌償。此外，本公司已為本公司之董事及高級管理人員購買責任保險，為若干針對董事及高級管理人員而作出之法律訴訟提供合適之保額。

# Report of the Directors

## 董事會報告

### EQUITY-LINKED AGREEMENTS

Save as disclosed in the above paragraphs headed “Share options issued by China Everbright Water Limited, a listed subsidiary of the Company”, no equity-linked agreements were entered into during the year and subsisted at the end of the year.

### DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

### COMPETING INTEREST

As at the date of this annual report, as far as the directors are aware of, none of the directors or their respective associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

### BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at 31 December 2016 are set out in note 29 to the financial statements.

### FIVE YEAR SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 270 and 271 of the annual report.

### PROPERTIES

Particulars of the major properties of the Group are shown on page 272 of the annual report.

### RETIREMENT SCHEMES

The Company provides retirement benefits to all local eligible employees in Hong Kong under an approved defined contribution provident fund (the “ORSO Scheme”). The ORSO Scheme is administered by trustees, the majority of which are independent, with its assets held separately from those of the Company. The ORSO Scheme is funded by contributions from employees and employers at 5% each based on the monthly salaries of employees. Forfeited contribution may be used to reduce the existing level of contribution by the Company.

### 股票掛鈎協議

除上文「本公司上市附屬公司中國光大水務有限公司已發行之購股權」部份各段落所披露者外，年內並無訂立及於年結日仍然有效之任何股票掛鈎協議。

### 董事於交易、安排或合約之權益

本公司、其任何控股公司、附屬公司或同系附屬公司概無訂立於年結日或本年度內任何時間仍然有效，且本公司董事於當中擁有重大利益之重要交易、安排或合約。

### 於競爭性業務之權益

於本年報刊發日期，就董事所知，各董事或彼等各自之聯繫人士概無於與本集團業務構成競爭或可能構成競爭（不論直接或間接）之業務中擁有任何權益，亦無與本集團有任何其他利益衝突。

### 銀行貸款及其他借貸

本集團於二零一六年十二月三十一日之銀行貸款及其他借貸詳情載於財務報表附註29。

### 五年業績概要

本集團過去五個財政年度之業績及資產與負債概要載於年報第270頁及第271頁。

### 物業

本集團之主要物業詳情載於年報第272頁。

### 退休計劃

本公司已為所有香港本地合資格僱員設定認可定額供款公積金（「職業退休計劃條例計劃」）。職業退休計劃條例計劃由信託人（大部份為獨立信託人）管理，其資產與本公司之資產分開持有。僱員及僱主均須就職業退休計劃條例計劃供款，分別為僱員月薪的5%。沒收之供款可用作抵銷本公司現需承擔之供款。

# Report of the Directors

## 董事會報告

### RETIREMENT SCHEMES (continued)

As from 1 December 2000, the Group also operates a Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the ORSO Scheme. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the Group’s MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 10% and 5% of the employees’ relevant income, respectively. Employee can choose to contribute with a cap of monthly relevant income of HK\$30,000.

The employees of the subsidiaries in the PRC are members of the retirement schemes operated by the local authorities. The subsidiaries are required to contribute a certain percentage of their payroll to these schemes to fund the benefits. The only obligation of the Group with respect to these schemes is the required contributions under the schemes.

The Group’s total contributions to these schemes charged to the consolidated income statement during the year ended 31 December 2016 amounted to HK\$88,838,000.

### CONFIRMATION OF INDEPENDENCE

In accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules, the Board is of the view that all independent non-executive directors are independent and satisfy the requirements under Rule 3.13 (except that for Mr. Fan Yan Hok, Philip under Rule 3.13(7), he had been a non-executive director prior to his re-designation as the independent non-executive director of the Company) and the Company has received an annual confirmation of independence from each of the independent non-executive directors of the Company pursuant to the Listing Rules.

### AUDITORS

KPMG retired as the auditors of the Company and did not seek for re-appointment at 2016 annual general meeting (“2016 AGM”) of the Company held on 17 May 2016.

Ernst & Young was appointed as the auditors of the Company at the 2016 AGM in place of the retiring auditors KPMG.

Ernst & Young retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of Ernst & Yong as auditors of the Company is to be proposed at the forthcoming annual general meeting.

Save as disclosed above, there has been no other change in auditors of the Company in any of the preceding three years.

By order of the board  
**Cai Yunge**  
Chairman

Hong Kong, 28 February 2017

### 退休計劃(續)

自二零零零年十二月一日起，本集團亦根據香港強制性公積金計劃條例為受香港僱傭條例管轄且原先未包括在職業退休計劃條例計劃內之僱員提供強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立信託人管理之定額供款退休計劃。根據本集團的強積金計劃，僱主及僱員各自須向計劃供款，供款額分別為僱員有關入息之10%及5%，僱員供款可選擇以有關入息每月港幣30,000元為上限。

中國附屬公司之僱員均參與當地政府管理之退休計劃。該等附屬公司須按員工薪金之若干百分比向上述計劃作出供款，為有關福利提供資金。就此等計劃而言，本集團之唯一責任為根據此等計劃作出所需供款。

本集團於截至二零一六年十二月三十一日止年度向此等計劃所作之總供款額為港幣88,838,000元，並已入賬綜合損益表內。

### 獨立性確認書

根據上市規則第3.13條所載之獨立性指引，董事會認為全體獨立非執行董事均為獨立人士，並符合第3.13條之要求(除根據上市規則第3.13(7)條，范仁鶴先生在被調任為本公司獨立非執行董事前為本公司非執行董事外)，而每名獨立非執行董事已根據上市規則之規定向本公司提供有關其獨立性的年度確認書。

### 核數師

在本公司於二零一六年五月十七日舉行之二零一六年股東週年大會(「二零一六年股東週年大會」)上，畢馬威會計師事務所退任本公司核數師，並不再尋求續聘。

在二零一六年股東週年大會上，安永會計師事務所獲委任為本公司核數師，替代退任核數師畢馬威會計師事務所。

安永會計師事務所任滿退任，且符合資格並願意膺選連任。本公司將於應屆股東週年大會上提呈續聘安永會計師事務所出任本公司核數師之決議案。

除上文所披露者外，本公司核數師於過去三年概無任何其他變動。

承董事會命  
**蔡允革**  
主席

香港，二零一七年二月二十八日

# Independent Auditor's Report

## 獨立核數師報告

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHINA EVERBRIGHT INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

#### OPINION

We have audited the consolidated financial statements of China Everbright International Limited (the "Company") and its subsidiaries (the "Group") set out on pages 109 to 269, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

#### KEY AUDIT MATTERS

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

### 致中國光大國際有限公司各股東 獨立核數師報告

(於香港註冊成立的有限公司)

#### 意見

本核數師(以下簡稱「我們」)已審計列載於109頁至第269頁中國光大國際有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況表及截至該日止年度的綜合損益表、綜合全面損益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實和公允地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況和 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥善編製。

#### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表須承擔的責任」一節中闡述。按照香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已按照守則履行其他道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

#### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時處理，且我們不對該等事項提供單獨的意見。下文載有我們的審計如何處理以下各項事項的資料。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

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

### 關鍵審計事項(續)

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

<b>Key audit matter</b> <b>關鍵審計事項</b>	<b>How our audit addressed the key audit matter</b> <b>我們的審計如何處理關鍵審計事項</b>
<p><i>Service concession arrangements</i> 服務特許經營權安排</p> <p>The Group entered into Build-Operate-Transfer (“BOT”), Transfer-Operate-Transfer (“TOT”) and Build-Operate-Own (“BOO”) arrangements in respect of its environmental energy projects, environmental water projects and greentech projects. The assessment on whether the BOT, TOT and BOO arrangements fall within the scope of HK(IFRIC) Interpretation 12 <i>Service Concession Arrangements</i> requires significant management judgement. Management’s assessment included whether the grantors control or regulate what services the Group must provide with the infrastructure, to whom it must provide them, and at what price; and whether the grantors control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the term of the arrangement.</p> <p>貴集團就旗下環保能源項目、環保水務項目及綠色環保項目，訂立建造－運營－轉移(「BOT」)、轉移－運營－轉移(「TOT」)及建造－運營－擁有(「BOO」)安排。在評估BOT、TOT及BOO安排是否屬於《香港(國際財務報告詮釋委員會)詮釋》第12號「服務特許經營權安排」範圍內時，管理層需要作出重大判斷。管理層的評估包括授權人可否控制或監管貴集團利用基礎設施所須提供的服務、服務的提供對象及收取的價格；以及授權人在有關安排的有效期結束時，能否通過所有權、實益享有權或其他方式，控制基礎設施的任何重大剩餘權益。</p> <p>The details of the Group’s service concession arrangements are disclosed in notes 3 and 45 of the financial statements. 貴集團的服務特許經營權安排詳情於財務報表附註3及附註45披露。</p>	<p>We evaluated the management’s assessment of the BOT, TOT and BOO arrangements of the Group by reviewing and understanding the terms of the respective agreements. In particular, we evaluated the management’s assessment as to whether the grantors control or regulate what services the Group must provide with the infrastructure, to whom it must provide them, and at what price. In addition, we evaluated the management’s assessment as to whether the grantors control any significant residual interest in the infrastructure at the end of the term of the arrangements, including whether the infrastructure for the service concession arrangements is used for its entire or substantially entire useful life.</p> <p>我們已透過審視及了解貴集團BOT、TOT及BOO安排的相關協議條款，評價管理層對有關安排所作的評估。特別是，我們已評價管理層就授權人可否控制或監管貴集團利用基礎設施所須提供的服務、服務的提供對象及收取的價格等方面所作的評估。此外，我們亦已評價管理層就授權人在有關安排的有效期結束時能否控制基礎設施的任何重大剩餘權益所作的評估(包括服務特許經營權安排所涉的基礎設施是否於其整個或大致上整個可使用年期使用)。</p>

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

<b>Key audit matter</b> <b>關鍵審計事項</b>	<b>How our audit addressed the key audit matter</b> <b>我們的審計如何處理關鍵審計事項</b>
<p><i>Revenue and profit recognition for construction services</i> <i>建造服務的收益及盈利確認</i></p> <p>Revenue arising from construction services in relation to environmental energy projects, environmental water projects and greentech projects accounted for approximately 64% of the Group's total revenue during the year. Management estimated the fair value of the revenue from construction services with reference to the valuations performed by independent professional valuers. In addition, revenue and profit from construction contracts are recognised using the percentage of completion method, which involved significant management judgement and estimation on the stage of construction work performed and the final outcome of the construction contracts.</p> <p>年內，環保能源項目、環保水務項目及綠色環保項目的相關建造服務所產生的收益佔 貴集團收益總額約64%。管理層經參考獨立專業估值師所作估值後估計建造服務收益之公允值。此外，建造合約的收益及盈利乃使用完成百分比方法予以確認，而此涉及管理層須就建造工程完成程度及建造合約的最終成果作出重大判斷及估計。</p> <p>The details of the Group's revenue from construction services in relation to its environmental energy projects, environmental water projects and greentech projects are disclosed in notes 2.4, 3 and 5 of the financial statements. 貴集團來自環保能源項目、環保水務項目及綠色環保項目相關建造服務的收益詳情於財務報表附註2.4、附註3及附註5披露。</p>	<p>We evaluated the management's measurement of the revenue from construction services by assessing the appropriateness of the valuation methodology and the reasonableness of key assumptions, such as margins, with the assistance of our valuation experts who have made reference to the observable market data and comparable companies in the industry.</p> <p>我們已評價管理層對建造服務收益之計量，方法為在我們的估值專家之協助下，經參考可觀察市場數據及業內可供比較之公司後，評估估值方法之合適性及主要假設(例如：利潤)之合理性。</p> <p>We also evaluated the management's assessment of percentage of completion of construction services in relation to the environmental energy projects, environmental water projects and greentech projects by discussing the status of significant projects under construction with the management, including finance and technical staff of the Group, as well as examining independent surveyors' reports. We tested the reasonableness of underlying data adopted by independent surveyors, which included checking to suppliers' agreements and invoices for construction costs of respective construction work performed. We also understood and reviewed the management's process of estimating the total budget cost and costs to completion of incomplete construction contracts.</p> <p>我們亦曾與管理層(包括 貴集團的財務及技術人員)討論重大建設中項目的情況，以及審視獨立測量師報告，藉以評價管理層就環保能源項目、環保水務項目及綠色環保項目的建造服務完成百分比所作的評估。此外，我們已測試獨立測量師所採納的有關數據的合理性，包括就已進行的建造工程的建造成本核對供應商協議及發票。另外，我們亦已了解並審視管理層估計未完成建造合約的總預算成本及完工成本的程序。</p>



# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

<b>Key audit matter</b> <b>關鍵審計事項</b>	<b>How our audit addressed the key audit matter</b> <b>我們的審計如何處理關鍵審計事項</b>
<p><i>Impairment assessment of debtors</i>            應收賬款的耗損評估</p> <p>Debtors of the Group amounted to HK\$1,377,070,000 as at 31 December 2016. The management performed an impairment assessment of debtors based on the debtors' ageing, customers' credit-worthiness and historical write-off experience, which involved significant management's judgement and estimation uncertainty.</p> <p>於二零一六年十二月三十一日，貴集團的應收賬款為港幣1,377,070,000元。管理層已根據應收賬款的賬齡、客戶的信用及過往撇賬經驗，就應收賬款作出耗損評估，而此涉及重大管理層判斷及估算不確定性。</p> <p>The details of the Group's debtors are included in note 25 of the financial statements.</p> <p>貴集團應收賬款的詳情載於財務報表附註25。</p>	<p>We evaluated the management's impairment assessment of debtors by testing the debtors' ageing analysis, discussing with the management about the status of significant overdue individual debtors' balances, and reviewing the historical settlement pattern of individual debtors.</p> <p>我們已透過測試應收賬款的賬齡分析，與管理層討論個別嚴重逾期的應收賬款結餘的情況，以及審視個別債務人的過往償還模式，評價管理層所作的應收賬款耗損評估。</p>

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (continued)

### 關鍵審計事項(續)

<b>Key audit matter</b> <b>關鍵審計事項</b>	<b>How our audit addressed the key audit matter</b> <b>我們的審計如何處理關鍵審計事項</b>
<p><i>Impairment assessment of goodwill</i> 商譽的耗損評估</p> <p>The Group is required to test goodwill acquired in business combinations for impairment annually. The goodwill of the Group amounted to HK\$1,563,390,000 as at 31 December 2016 and was allocated to the relevant individual cash-generating units ("CGUs") or business segments. The management's impairment assessment of goodwill involved the estimation of the recoverable amounts of the CGUs or business segments to which the goodwill was allocated, being the higher of the fair value less costs of disposal and the value in use. For the recoverable amounts determined using a value in use calculation, significant management estimates were used to determine the key assumptions, such as future revenue growth rate, operating margin, terminal growth rate and discount rate, that are affected by expected future market or economic conditions. The assessment process also involved management appropriately identifying the CGU.</p> <p>貴集團須每年就業務合併所得的商譽進行耗損測試。於二零一六年十二月三十一日，貴集團的商譽為港幣1,563,390,000元，其已獲分配至有關的獨立現金生產單位(「現金生產單位」)或業務分部。管理層進行的商譽耗損評估涉及對獲分配商譽的現金產生單位或業務分部的可收回金額作出估計，可收回金額即公允值減去出售成本或使用價值(以較高者為準)。就採用使用價值計算法釐定的可收回金額而言，管理層須使用重大估計來釐定各項主要假設，例如：未來收益增長率、經營利潤率、長期增長率及貼現率，而彼等會受預期未來市場或經濟情況影響。此外，管理層在評估過程中亦須洽當地識別現金生產單位。</p> <p>The details of the Group's goodwill are included in notes 3 and 17 of the financial statements. 貴集團的商譽詳情載於財務報表附註3及附註17。</p>	<p>Our procedures to evaluate the management's impairment assessment of goodwill included: 我們為了評價管理層的商譽耗損評估而進行的程序包括：</p> <ul style="list-style-type: none"> <li>– Assessing the appropriateness of management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's business; 根據貴集團的會計政策及我們對貴集團業務的了解，評估管理層對現金生產單位的識別是否恰當；</li> <li>– Assessing the fair value less costs of disposal and value in use calculation methodologies adopted by management; and 評估管理層所採用的公允值減去出售成本計算法及使用價值計算法；及</li> <li>– Assessing the key assumptions, including future revenue growth rate, operating margin, terminal growth rate and discount rate, based on our knowledge of the Group's business and the industry. We also involved our valuation experts to assist in the assessment of the above key assumptions, which included reference to the observable market data and comparable companies in the industry. 根據我們對貴集團業務及有關行業的認識，評估各項主要假設(包括未來收益增長率、經營利潤率、長期增長率及貼現率)。此外，我們亦安排我們的估值專家協助評估上述主要假設，包括參考可觀察市場數據及業內可供比較的公司。</li> </ul>

# Independent Auditor's Report

## 獨立核數師報告

### OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 年報所載的其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載的資料(綜合財務報表及我們就此發出的核數師報告除外)。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不會就其發表任何形式的鑒證結論。

就審計綜合財務報表而言，我們的責任是閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解的情況有重大不符，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告有關事實。就此而言，我們無需報告任何事項。

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的規定，編製真實和公允的綜合財務報表，及落實其認為編製綜合財務報表所必要的內部監控，以確保綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基準，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

# Independent Auditor's Report

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

### 核數師就審計綜合財務報表須承擔的責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照香港《公司條例》第405條的規定，僅向全體股東報告。除此以外，本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果按合理預期而錯誤陳述個別或匯總起來可能會影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦會：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 瞭解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團的內部監控的有效性發表意見。

# Independent Auditor's Report

## 獨立核數師報告

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

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

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

### 核數師就審計綜合財務報表須承擔的責任(續)

- 評價董事所採用的會計政策的合適性及作出會計估計及相關披露資料的合理性。
- 對董事採用持續經營會計基準的恰當性作出結論，並根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者關注綜合財務報表中的相關披露資料，假若有關披露資料不足，則我們須出具非無保留意見的核數師報告。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否公允反映交易及事項。
- 就貴集團實體或業務活動的財務資料獲得充分、適當的審計憑證，以對綜合財務報表發表意見。我們須負責指導、監督和執行集團審計。我們對審計意見承擔全部責任。

我們與審核委員會溝通計劃審計範圍、時間安排、重大審計發現等事項，包括我們於審計期間識別出內部監控的任何重大缺陷。

## Independent Auditor's Report

### 獨立核數師報告

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (*continued*)

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

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

The engagement partner on the audit resulting in this independent auditor's report is Lai Wan Fung.

#### **Ernst & Young**

*Certified Public Accountants*  
22/F CITIC Tower  
1 Tim Mei Avenue  
Central  
Hong Kong

28 February 2017

#### 核數師就審計綜合財務報表須承擔的 責任(續)

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有合理地被認為會影響我們獨立性的關係及其他事項，以及(倘適用)相關的防範措施。

就與審核委員會溝通的事項而言，我們釐定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們於核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期於我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人為賴耘峰。

#### **安永會計師事務所**

*執業會計師*  
香港  
中環  
添美道1號  
中信大廈22樓

二零一七年二月二十八日

# Consolidated Income Statement

## 綜合損益表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
Revenue	收益	5	<b>13,971,204</b>	8,528,393
Direct costs and operating expenses	直接成本及經營費用		<b>(8,661,638)</b>	(4,625,701)
Gross profit	毛利		<b>5,309,566</b>	3,902,692
Other revenue	其他收益	6	<b>464,916</b>	350,743
Other income and gains/(losses), net	其他收入及收益/ (虧損)淨額	6	<b>(39,775)</b>	91,431
Administrative expenses	行政費用		<b>(1,059,294)</b>	(768,400)
Profit from operating activities	經營活動所得盈利		<b>4,675,413</b>	3,576,466
Finance costs	財務費用	7	<b>(639,584)</b>	(451,759)
Share of profits and losses of joint ventures	所佔合營企業盈利及虧損		<b>63,373</b>	(6,046)
Share of profits and losses of associates	所佔聯營公司盈利及虧損		<b>(479)</b>	140
Profit before tax	除稅前盈利	8	<b>4,098,723</b>	3,118,801
Income tax	所得稅	11	<b>(1,062,150)</b>	(783,275)
Profit for the year	本年度盈利		<b>3,036,573</b>	2,335,526
Attributable to:	應佔部份：			
Equity holders of the Company	本公司權益持有人		<b>2,784,863</b>	2,084,888
Non-controlling interests	非控股權益		<b>251,710</b>	250,638
			<b>3,036,573</b>	2,335,526
Earnings per share attributable to equity holders of the Company	本公司權益持有人 應佔每股盈利	13		
– Basic and diluted	– 基本及攤薄		<b>HK62.12 cents 港仙</b>	HK46.50 cents 港仙

# Consolidated Statement of Comprehensive Income

## 綜合全面損益表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit for the year	本年度盈利	<b>3,036,573</b>	2,335,526
Other comprehensive income/(loss)	其他全面收入/(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於其後期間可能重新分類至損益表之其他全面收入/(虧損)：		
Available-for-sale investments:	待售投資：		
Changes in fair value	公允值變動	<b>(190)</b>	22,653
Income tax effect relating to changes in fair value	公允值變動之相關所得稅影響	-	(4,135)
Reclassification adjustment for gains included in the consolidated income statement	計入綜合損益表之收益之重新分類調整		
- gain on disposal	- 出售收益	-	(92,711)
- income tax effect relating to the disposal	- 出售事項之相關所得稅影響	-	13,907
Exchange differences:	匯兌差額：	<b>(190)</b>	(60,286)
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	<b>(1,922,087)</b>	(929,756)
Other comprehensive loss for the year, net of tax	本年度其他全面虧損 (已扣除稅項)	<b>(1,922,277)</b>	(990,042)
Total comprehensive income for the year	本年度全面收入總額	<b>1,114,296</b>	1,345,484
Attributable to:	應佔部份：		
Equity holders of the Company	本公司權益持有人	<b>1,072,829</b>	1,199,388
Non-controlling interests	非控股權益	<b>41,467</b>	146,096
		<b>1,114,296</b>	1,345,484



# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

		Notes	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment properties	投資物業	14	<b>157,140</b>	166,099
Property, plant and equipment	物業、廠房及設備	15	<b>3,029,417</b>	2,350,265
Prepaid land lease payments	預付土地租賃款項	16	<b>152,091</b>	151,047
			<b>3,338,648</b>	2,667,411
Goodwill	商譽	17	<b>1,563,390</b>	1,061,891
Intangible assets	無形資產	18	<b>5,686,374</b>	3,357,187
Interests in joint ventures	合營企業權益	19	<b>345,353</b>	209,161
Interests in associates	聯營公司權益	20	<b>228,047</b>	239,306
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	23	<b>19,464,201</b>	15,822,848
Finance lease receivables	融資租賃應收款項	24	<b>17,273</b>	19,062
Other financial assets	其他財務資產	21	<b>33,332</b>	24,800
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	25	<b>6,494,188</b>	5,696,894
Deferred tax assets	遞延稅項資產	31	<b>53,732</b>	36,483
<b>Total non-current assets</b>	<b>非流動資產總額</b>		<b>37,224,538</b>	29,135,043
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	22	<b>361,540</b>	202,314
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	23	<b>1,569,027</b>	1,546,505
Finance lease receivables	融資租賃應收款項	24	<b>526</b>	531
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	25	<b>3,337,241</b>	3,060,436
Tax recoverable	可收回稅項		<b>1,259</b>	4,831
Pledged bank deposits	已抵押銀行存款	26	<b>653,054</b>	555,277
Deposits with banks	銀行存款	26	<b>43,964</b>	164,654
Cash and cash equivalents	現金及現金等價物	27	<b>6,340,579</b>	5,953,481
<b>Total current assets</b>	<b>流動資產總額</b>		<b>12,307,190</b>	11,488,029

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

		Notes	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
		附註		
<b>Current liabilities</b>	<b>流動負債</b>			
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	28	<b>4,804,142</b>	2,794,456
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		<b>1,175,213</b>	1,947,620
– Unsecured	– 無抵押		<b>3,236,961</b>	1,461,935
			<b>4,412,174</b>	3,409,555
Tax payable	應付稅項		<b>97,474</b>	119,295
Total current liabilities	流動負債總額		<b>9,313,790</b>	6,323,306
<b>Net Current Assets</b>	<b>流動資產淨額</b>		<b>2,993,400</b>	5,164,723
<b>Total Assets Less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>40,217,938</b>	34,299,766
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Other payables	其他應付款項	28	<b>93,610</b>	43,365
Interest-bearing borrowings	計息借貸	29		
– Secured	– 有抵押		<b>9,311,894</b>	7,088,502
– Unsecured	– 無抵押		<b>7,891,581</b>	5,322,609
			<b>17,203,475</b>	12,411,111
Deferred tax liabilities	遞延稅項負債	31	<b>3,075,645</b>	2,424,749
Total non-current liabilities	非流動負債總額		<b>20,372,730</b>	14,879,225
<b>Net Assets</b>	<b>資產淨額</b>		<b>19,845,208</b>	19,420,541

# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Equity	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	32	<b>7,405,414</b>	7,405,414
Reserves	儲備	33	<b>9,983,888</b>	9,790,740
			<b>17,389,302</b>	17,196,154
Non-controlling interests	非控股權益		<b>2,455,906</b>	2,224,387
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>19,845,208</b>	19,420,541

**Chen Xiaoping**  
陳小平  
Director  
董事

**Wang Tianyi**  
王天義  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	Notes 附註	Attributable to equity holders of the Company 本公司權益持有人應佔		
		Share capital 股本 HK\$'000 港幣千元	Goodwill arising on consolidation 綜合賬項 產生之商譽 HK\$'000 港幣千元	Property revaluation reserve 物業重估 儲備 HK\$'000 港幣千元
At 1 January 2015	於二零一五年一月一日	7,405,414	(986)	90,512
Profit for the year	本年度盈利	-	-	-
Other comprehensive loss for the year:	本年度其他全面虧損:			
Changes in fair value of available-for-sale investments, net of tax	待售投資公允值變動 (已扣除稅項)	-	-	-
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	-	-	-
Dividend approved in respect of the previous year	已批准上年度之股息	-	-	-
Dilution of interest in a subsidiary	附屬公司權益攤薄	-	-	-
Transfer to reserve fund	轉撥至儲備金	-	-	-
Capital contributions received by non-wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額	-	-	-
Dividend paid to non-controlling shareholders of subsidiaries	已付附屬公司非控股股東之股息	-	-	-
Interim 2015 dividend	二零一五年中期股息	-	-	-
At 31 December 2015	於二零一五年十二月三十一日	7,405,414	(986)*	90,512*
At 1 January 2016	於二零一六年一月一日	<b>7,405,414</b>	<b>(986)</b>	<b>90,512</b>
Profit for the year	本年度盈利	-	-	-
Other comprehensive loss for the year:	本年度其他全面虧損:			
Changes in fair value of available-for-sale investments, net of tax	待售投資公允值變動 (已扣除稅項)	-	-	-
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	-	-	-
Dividend approved in respect of the previous year	已批准上年度之股息	-	-	-
Dilution of non-controlling interests in a subsidiary	附屬公司非控股權益攤薄	-	-	-
Acquisition of subsidiaries	收購附屬公司	35	-	-
Transfer to reserve fund	轉撥至儲備金	-	-	-
Repurchase of shares	回購股份	32	-	-
Capital contributions received by non-wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額	-	-	-
Dividend paid to non-controlling shareholders of subsidiaries	已付附屬公司非控股股東之股息	-	-	-
Interim 2016 dividend	二零一六年中期股息	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	<b>7,405,414</b>	<b>(986)*</b>	<b>90,512*</b>

\* These reserve accounts comprise the consolidated reserves of HK\$9,983,888,000 (2015: HK\$9,790,740,000) in the consolidated statement of financial position.

\* 該等儲備賬包括綜合財務狀況表所示綜合儲備港幣9,983,888,000元(二零一五年:港幣9,790,740,000元)。

Attributable to equity holders of the Company  
本公司權益持有人應佔

Exchange reserve	Fair value reserve	Other reserves	Reserve fund	Retained profits	Total	Non-controlling interests	Total equity
匯兌儲備 HK\$'000 港幣千元	公允價值儲備 HK\$'000 港幣千元	其他儲備 HK\$'000 港幣千元	儲備金 HK\$'000 港幣千元	保留盈利 HK\$'000 港幣千元	總額 HK\$'000 港幣千元	非控股權益 HK\$'000 港幣千元	權益總額 HK\$'000 港幣千元
641,358	56,422	1,866,495	409,470	5,794,571	16,263,256	1,579,714	17,842,970
-	-	-	-	2,084,888	2,084,888	250,638	2,335,526
-	(60,286)	-	-	-	(60,286)	-	(60,286)
(825,214)	-	-	-	-	(825,214)	(104,542)	(929,756)
(825,214)	(60,286)	-	-	2,084,888	1,199,388	146,096	1,345,484
-	-	-	-	(269,023)	(269,023)	-	(269,023)
(10,206)	-	304,180	-	-	293,974	365,789	659,763
-	-	-	128,250	(128,250)	-	-	-
-	-	-	-	-	-	137,756	137,756
-	-	-	-	-	-	(4,968)	(4,968)
-	-	-	-	(291,441)	(291,441)	-	(291,441)
(194,062)*	(3,864)*	2,170,675*	537,720*	7,190,745*	17,196,154	2,224,387	19,420,541
<b>(194,062)</b>	<b>(3,864)</b>	<b>2,170,675</b>	<b>537,720</b>	<b>7,190,745</b>	<b>17,196,154</b>	<b>2,224,387</b>	<b>19,420,541</b>
-	-	-	-	2,784,863	2,784,863	251,710	3,036,573
-	(190)	-	-	-	(190)	-	(190)
(1,711,844)	-	-	-	-	(1,711,844)	(210,243)	(1,922,087)
(1,711,844)	(190)	-	-	2,784,863	1,072,829	41,467	1,114,296
-	-	-	-	(538,045)	(538,045)	-	(538,045)
-	-	2,518	-	-	2,518	(25,006)	(22,488)
-	-	-	-	-	-	33,196	33,196
-	-	-	193,196	(193,196)	-	-	-
-	-	-	-	(7,950)	(7,950)	-	(7,950)
-	-	-	-	-	-	214,000	214,000
-	-	-	-	-	-	(32,138)	(32,138)
-	-	-	-	(336,204)	(336,204)	-	(336,204)
<b>(1,905,906)*</b>	<b>(4,054)*</b>	<b>2,173,193*</b>	<b>730,916*</b>	<b>8,900,213*</b>	<b>17,389,302</b>	<b>2,455,906</b>	<b>19,845,208</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Cash flows from operating activities 經營活動所得現金流量				
Profit before tax 除稅前盈利			<b>4,098,723</b>	3,118,801
Adjustments for: 經調整：				
Depreciation 折舊		8	<b>163,428</b>	90,547
Amortisation of prepaid land lease payments 預付土地租賃款項攤銷		8	<b>5,699</b>	1,204
Amortisation of intangible assets 無形資產攤銷		8	<b>143,827</b>	92,138
Finance costs 財務費用		7	<b>639,584</b>	451,759
Dividend income 股息收入		6	<b>(8)</b>	(3,319)
Interest income 利息收入		6	<b>(46,439)</b>	(51,977)
Share of profits and losses of joint ventures 所佔合營企業盈利及虧損			<b>(63,373)</b>	6,046
Share of profits and losses of associates 所佔聯營公司盈利及虧損			<b>479</b>	(140)
Change in fair value of derivative financial instrument: 衍生金融工具公允價值變動：				
Derivative financial instrument – transactions not qualified as hedges 衍生金融工具 – 不符合資格作為對沖之交易		6	<b>28,528</b>	–
Gain on sale of listed securities 出售上市證券之收益		6	–	(92,711)
Loss on disposal of property, plant and equipment, net 出售物業、廠房及設備之淨虧損		6	<b>11,247</b>	1,280
Effect of foreign exchange rates changes, net 匯率變動之影響淨額			<b>(142,775)</b>	(147,484)
Increase in inventories 存貨增加			<b>4,838,920</b>	3,466,144
Increase in gross amounts due from customers for contract work 應收客戶合約工程款項總額增加			<b>(166,356)</b>	(89,572)
Increase in debtors, other receivables, deposits and prepayments 應收賬款、其他應收款項、按金及預付款項增加			<b>(4,785,133)</b>	(3,315,959)
Increase in creditors, other payables and accrued expenses 應付賬款、其他應付款項及應計費用增加			<b>(1,572,879)</b>	(1,735,295)
Increase in creditors, other payables and accrued expenses 應付賬款、其他應付款項及應計費用增加			<b>2,194,557</b>	301,440
Cash generated from/(used in) operations 經營所得/(所動用)之現金			<b>509,109</b>	(1,373,242)
Interest received 已收利息			<b>46,439</b>	51,977
People's Republic of China ("PRC") and overseas income taxes paid 已付中華人民共和國(「中國」)及海外所得稅			<b>(334,986)</b>	(217,210)
Net cash flows from/(used in) operating activities 經營活動所得/(所動用)之現金流量淨額			<b>220,562</b>	(1,538,475)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
<b>Cash flows from investing activities</b>	<b>投資活動所得現金流量</b>		
Dividend received	已收股息	8	3,319
Purchase of items of property, plant and equipment and prepayment of land leases	購買物業、廠房及設備以及土地租賃預付款項	(520,015)	(660,729)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備所得款項	62	4,700
Additions of intangible assets	增置無形資產	(2,636,667)	(421,260)
Acquisition of subsidiaries	收購附屬公司	(1,042,391)	(2,163,337)
Capital contributions to joint ventures	注資合營企業	(101,856)	(185,844)
Capital contributions to associates	注資聯營公司	(4,099)	–
Increase in non-current portion of prepayments	預付款項非即期部份增加	(32,154)	(131,268)
Repayment from finance lease receivables	融資租賃應收款項還款	495	491
Proceeds from sale of listed securities	出售上市證券所得款項	–	223,186
Purchase of available-for-sale financial assets	購買待售財務資產	(8,722)	–
Decrease in deposits with banks with original maturity of more than three months	原到期日為三個月以上之銀行存款減少	109,780	655,177
<b>Net cash flows used in investing activities</b>	<b>投資活動所動用之現金流量淨額</b>	<b>(4,235,559)</b>	<b>(2,675,565)</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
<b>Cash flows from financing activities</b>	<b>融資活動所得現金流量</b>			
New bank loans	新增銀行貸款		<b>12,581,348</b>	10,598,754
Repayment of bank loans and notes payable	償還銀行貸款及應付票據		<b>(6,361,463)</b>	(3,806,215)
Repurchase of shares	回購股份		<b>(7,950)</b>	–
Capital contributions received by non-wholly-owned subsidiaries from non-controlling shareholders	非全資附屬公司從非控股股東收取所得之出資額		<b>214,000</b>	137,756
Acquisition of non-controlling interests	收購非控股權益	45(f)	<b>(22,488)</b>	–
Proceeds from issuance of shares by a non-wholly-owned subsidiary to non-controlling shareholders	非全資附屬公司向非控股股東發行股份所得款項		–	659,763
Increase in pledged bank deposits	已抵押銀行存款增加		<b>(134,570)</b>	(332,632)
Interest paid	已付利息		<b>(645,924)</b>	(457,818)
Interest element of finance lease rental payments	融資租賃租金付款之利息部份		<b>(561)</b>	–
Capital element of finance lease rental payments	融資租賃租金付款之本金部份		<b>(2,992)</b>	–
Dividend paid to equity holders of the Company	已付本公司權益持有人之股息		<b>(874,249)</b>	(560,464)
Dividend paid to non-controlling shareholders of subsidiaries	已付附屬公司非控股股東之股息		<b>(32,138)</b>	(4,968)
Settlement of cross currency swap	結算交收交叉貨幣掉期		–	(30,644)
<b>Net cash flows from financing activities</b>	<b>融資活動所得現金流量淨額</b>		<b>4,713,013</b>	6,203,532
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>		<b>698,016</b>	1,989,492
Cash and cash equivalents at beginning of year	年初現金及現金等價物		<b>5,953,481</b>	4,094,096
Effect of foreign exchange rates changes, net	匯率變動之影響淨額		<b>(310,918)</b>	(130,107)
<b>Cash and cash equivalents at end of year</b>	<b>年終現金及現金等價物</b>	27	<b>6,340,579</b>	5,953,481



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 1 CORPORATE AND GROUP INFORMATION

China Everbright International Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Room 2703, 27th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are construction, environmental energy project operation (waste-to-energy plants, methane-to-energy plants, sludge treatment and disposal project and food waste treatment projects), environmental water project operation (waste-water treatment plants, reusable water treatment plants and waste-water source heat pump projects), greentech project operation (biomass integrated utilisation projects, industrial solid waste and hazardous waste treatment projects, solar energy projects and wind power projects), envirotech (provision of environmental-related technological service, design of environmental protection projects, manufacturing and sales of environmental protection project equipment) and investment holding.

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

#### 2.1 BASIS OF PREPARATION

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

### 1 公司及集團資料

中國光大國際有限公司(「本公司»)為一家於香港註冊成立之有限公司。本公司之註冊辦事處位於香港夏慤道十六號遠東金融中心二十七樓二七零三室。

年內，本公司及其附屬公司(統稱「本集團»)之主要業務為建造、環保能源項目運營(垃圾發電廠、沼氣發電廠、污泥處理處置項目及餐廚垃圾處理項目)、環保水務項目運營(污水處理廠、中水回用處理廠及污水源熱泵項目)、綠色環保項目運營(生物質綜合利用項目、工業固廢和危廢處理項目、太陽能發電項目及風力發電項目)、環境科技(提供環保相關技術服務、設計環保項目、製造與銷售環保項目設備)及投資控股。

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

#### 2.1 編製基準

此等財務報表乃按照香港會計師公會(「香港會計師公會»)頒佈之香港財務報告準則(「香港財務報告準則»)(包括所有香港財務報告準則、香港會計準則(「香港會計準則»)及詮釋)、香港公認會計原則及香港公司條例而編製。此等財務報表已根據歷史成本慣例編製，惟投資物業、待售投資及衍生金融工具除外，彼等乃按公允值計量。此等財務報表乃以港幣呈列，除另有指明外，所有價值均調整至最接近的千元數。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.1 BASIS OF PREPARATION (continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

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

### 2.1 編製基準(續)

#### 綜合基準

綜合財務報表包括本集團截至二零一六年十二月三十一日止年度之財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團對被投資公司之業務之浮動回報承擔風險或享有權利以及能透過運用其對被投資公司的控制權(即本集團當時獲賦予可主導被投資公司相關活動之現有權利)影響該等回報時,即屬取得控制權。

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.1 BASIS OF PREPARATION (continued)

#### Basis of consolidation (continued)

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

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

### 2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
HKFRS 14	<i>Regulatory Deferral Accounts</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
Annual Improvements 2012-2014 Cycle	Amendments to a number of HKFRSs

The adoption of the above new and revised HKFRSs has had no significant financial effect on these financial statements.

### 2.1 編製基準(續)

#### 綜合基準(續)

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

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

### 2.2 會計政策之變動及披露

本集團已於本年度之財務報表首次採納下列新訂及經修訂香港財務報告準則：

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂(二零一一年)	[投資實體：應用綜合入賬之例外情況]
香港財務報告準則第11號之修訂	[收購合營業務權益之會計方法]
香港財務報告準則第14號	[監管遞延賬目]
香港會計準則第1號之修訂	[披露主動性]
香港會計準則第16號及香港會計準則第38號之修訂	[澄清可接受之折舊及攤銷方法]
香港會計準則第16號及香港會計準則第41號之修訂	[農業：生產性植物]
香港會計準則第27號之修訂(二零一一年)	[獨立財務報表的權益法]
二零一二年至二零一四年周期之年度改進	香港財務報告準則之多項修訂

採納上述新訂及經修訂香港財務報告準則對此等財務報表並無構成重大財務影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> <sup>2</sup>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> <sup>2</sup>
HKFRS 9	<i>Financial Instruments</i> <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
HKFRS 15	<i>Revenue from Contracts with Customers</i> <sup>2</sup>
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> <sup>2</sup>
HKFRS 16	<i>Leases</i> <sup>3</sup>
Amendments to HKAS 7	<i>Disclosure Initiative</i> <sup>1</sup>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>4</sup> No mandatory effective date yet determined but is available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. The Group is currently assessing the impact of the standard.

### 2.3 已頒佈但尚未生效之香港財務報告準則

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

香港財務報告準則第2號之修訂	「股份支付交易之分類及計量」 <sup>2</sup>
香港財務報告準則第4號之修訂	採用香港財務報告準則第4號「保險合同」時一併應用香港財務報告準則第9號「金融工具」 <sup>2</sup>
香港財務報告準則第9號	「金融工具」 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂（二零一一年）	「投資者與其聯營公司或合營企業之間的資產出售或注資」 <sup>4</sup>
香港財務報告準則第15號	「客戶合約收益」 <sup>2</sup>
香港財務報告準則第15號之修訂	「香港財務報告準則第15號「客戶合約收益」之澄清」 <sup>2</sup>
香港財務報告準則第16號	「租賃」 <sup>3</sup>
香港會計準則第7號之修訂	「披露主動性」 <sup>1</sup>
香港會計準則第12號之修訂	「就未實現虧損確認遞延稅項資產」 <sup>1</sup>

<sup>1</sup> 於二零一七年一月一日或之後開始之年度期間生效。

<sup>2</sup> 於二零一八年一月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零一九年一月一日或之後開始之年度期間生效。

<sup>4</sup> 尚未確定強制生效日期，惟已可供採納。

預期將適用於本集團之香港財務報告準則之進一步資料如下：

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號之最終版本，將金融工具項目之所有階段結集一起，以代替香港會計準則第39號及香港財務報告準則第9號之所有先前版本。該準則引入有關分類與計量、耗損及對沖會計處理之新規定。本集團預期自二零一八年一月一日起採納香港財務報告準則第9號。本集團現正評估該準則之影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

### 2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第15號建立了一個全新的五步模式，供入賬客戶合約產生的收益。根據香港財務報告準則第15號，收益按能反映實體轉讓貨物或服務予客戶而預期有權換取所得的代價金額予以確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括劃分總收益、關於履行責任的資料、在不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計。該準則將取代香港財務報告準則項下所有現行收益確認規定。於二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號之修訂，藉以闡述有關識別履約責任、委託人及代理人以及知識產權許可的應用指引及過渡安排的落實執行問題。此外，有關修訂旨在協助確保實體在採納香港財務報告準則第15號時能更加一致地應用有關準則，以及降低應用有關準則之成本及複雜性。本集團預期於二零一八年一月一日採納香港財務報告準則第15號，現正評估採納香港財務報告準則第15號所帶來之影響。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 January 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

Other than as further explained above regarding the impact of HKFRS 9, HKFRS 15 and HKFRS 16, the Group is also in the process of making an assessment of the impact of the other new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have any significant impact on its results of operations and financial position.

#### 2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港財務報告準則第16號取代香港會計準則第17號「租賃」、香港(國際財務報告詮釋委員會)詮釋第4號「釐定安排是否包含租賃」、香港(常務詮釋委員會)詮釋第15號「經營租賃-優惠」及香港(常務詮釋委員會)詮釋第27號「評估牽涉租賃的法律形式的交易的內容」。該準則載列有關確認、計量、呈列及披露租賃之原則，並規定承租人須確認絕大部份租賃資產及負債。該準則載有承租人獲豁免確認的兩項租賃-低價值資產之租賃及短期租賃。於租賃開始日期，承租人將就租賃期內作出之租賃付款確認負債(即租賃負債)，並就租賃期內使用有關資產的權利確認資產(即使用權資產)。使用權資產其後按成本值減去累計折舊及任何耗損虧損計量，但如使用權資產符合香港會計準則第40號所載投資物業之定義則除外。租賃負債其後將會增加以反映租賃負債利息，並會因作出租賃付款而減少。承租人須獨立確認租賃負債的利息開支及使用權資產的折舊開支。此外，承租人亦須於發生若干事件(例如：租期變動、用於釐定未來租賃付款的指數或利率出現變動而導致的租賃付款變動)後重新計量租賃負債。承租人一般將重新計量的租賃負債金額，確認為對使用權資產的調整。香港財務報告準則第16號所載的出租人會計處理方式大致上沿襲香港會計準則第17號的相關會計處理方式。出租人將繼續使用香港會計準則第17號所載的同一分類原則來分類所有租賃，並將之區分為經營租賃及融資租賃。本集團預期於二零一九年一月一日採納香港財務報告準則第16號，現正評估採納香港財務報告準則第16號所帶來之影響。

除上文所載有關香港財務報告準則第9號、香港財務報告準則第15號及香港財務報告準則第16號之影響之詳盡說明外，本集團亦正評估初步應用其他新訂及經修訂香港財務報告準則所帶來之影響，惟於現階段未能指出有關新訂及經修訂香港財務報告準則會否對本集團之經營業績及財務狀況構成任何重大影響。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Investments in associates and joint ventures

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

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

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

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

### 2.4 主要會計政策概要

#### 於聯營公司及合營企業之投資

聯營公司為本集團長期擁有其股本投票權一般不少於20%權益且有權對其行使重大影響力之實體。重大影響力指有權參與決定被投資公司之財務及營運政策，惟並非控制或共同控制該等政策。

合營企業為一項共同安排，據此，對共同安排擁有共同控制權之訂約方均有權享有合營企業的資產淨值。共同控制是指按照合約協定對某項安排共享控制權，其僅在相關活動決策必須獲共享控制權的人士一致同意方存在。

本集團於聯營公司及合營企業之投資乃按權益會計法，以本集團應佔資產淨值減去任何耗損虧損，於綜合財務狀況表列賬。

本集團應佔聯營公司及合營企業之收購後業績及其他全面收入分別計入綜合損益表及綜合全面損益表。此外，倘出現直接於聯營公司或合營企業之權益確認之變動，則本集團會於綜合權益變動表確認其應佔之任何變動(倘適用)。本集團與其聯營公司或合營企業之間之交易所產生之未實現收益及虧損將以本集團於聯營公司或合營企業之投資為限對銷，但如未實現虧損為所轉讓資產耗損之憑證則除外。收購聯營公司或合營企業所產生之商譽計作本集團於聯營公司或合營企業之投資之一部份。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments in associates and joint ventures (continued)

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

#### Business combinations and goodwill

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

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

### 2.4 主要會計政策概要(續)

#### 於聯營公司及合營企業之投資(續)

倘於聯營公司之投資成為於合營企業之投資(反之亦然)，則保留權益不會重新計量，而是有關投資將繼續使用權益會計法入賬。在所有其他情況下，在失去聯營公司之重大影響力或失去合營企業之共同控制權時，本集團會按公允值計量並確認任何保留投資。於失去重大影響力或失去共同控制權時聯營公司或合營企業之賬面值與保留投資及出售所得款項之公允值間之差額於損益表確認。

#### 業務合併及商譽

業務合併採用收購法入賬。所轉讓代價按收購日期之公允值計量，而公允值乃本集團所轉讓資產之收購日期公允值、本集團對被收購公司前擁有人所承擔之負債及本集團為換取被收購公司控制權所發行之股權之總和。就每項業務合併而言，本集團會選擇按公允值或按其於被收購公司可辨別資產淨值之應佔比例，計量於被收購公司之非控股權益，非控股權益屬現時擁有人權益，並賦予其持有人權利可於清盤時按比例分佔資產淨值。非控股權益之所有其他部份按公允值計量。收購交易之相關成本於產生時支銷。

當本集團收購業務時，其會根據合約條款、經濟情況及於收購日期之相關情況評估收購所得之財務資產及所承擔之財務負債，以便作出適當分類及指定。此包括區分被收購公司主合約之嵌入式衍生工具。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Business combinations and goodwill (continued)**

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

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

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

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

### 2.4 主要會計政策概要(續)

#### **業務合併及商譽(續)**

倘業務合併乃分階段完成，則原先持有之股權會按收購日期之公允值重新計量，所產生之收益或虧損於損益表確認。

收購方將轉讓之任何或然代價按收購日期之公允值確認。獲分類為資產或負債之或然代價乃按公允值計量，而公允值變動則於損益表確認。分類為權益之或然代價並不會重新計量，而其後結算會於權益中入賬。

商譽初步按成本值計量，而成本乃所轉讓代價、就非控股權益確認之金額及本集團原先持有被收購公司之股權之任何公允值之總和超出收購所得可辨別資產淨值及所承擔負債之數。倘該代價與其他項目之總和低於收購所得資產淨值之公允值，則經重新評估後之差額於損益表確認為議價購入收益。

於初步確認後，商譽按成本值減去任何累計耗損虧損計量。商譽會每年測試耗損或於發生事件或情況有變顯示賬面值可能耗損時將更頻密地測試耗損。本集團於十二月三十一日進行其年度商譽耗損測試。為進行耗損測試，於業務合併中收購所得之商譽自收購日期起分配至本集團預期可受惠於合併協同效益之各個現金生產單位或現金生產單位組別，而不論本集團其他資產或負債是否撥入該等單位或單位組別。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Business combinations and goodwill (continued)

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

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

#### Fair value measurement

The Group measures its investment properties, available-for-sale investments and derivative financial instrument at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

### 2.4 主要會計政策概要(續)

#### 業務合併及商譽(續)

耗損乃藉評估與商譽有關之現金生產單位(現金生產單位組別)之可收回金額而釐定。倘現金生產單位(現金生產單位組別)之可收回金額少於賬面值，便會確認耗損虧損。就商譽確認之耗損虧損不會於其後期間撥回。

倘商譽獲分配至現金生產單位(或現金生產單位組別)及該單位之部份業務獲出售，則於釐定該出售事項之收益或虧損時，與該已出售業務相關之商譽會計入該業務之賬面值。在此情況下出售之商譽根據所出售業務之相關價值及所保留現金產生單位部份計量。

#### 公允值計量

本集團於各報告期末按公允值計量其投資物業、待售投資及衍生金融工具。公允值為市場參與者於計量日期在有序交易中出售資產所收取之價格或轉讓負債所支付之價格。公允值乃根據出售資產或轉讓負債之交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行之假設而計量。主要及最具優勢市場須為本集團可進入之市場。資產或負債之公允值乃按市場參與者於資產或負債定價時所使用之假設計量，並假設市場參與者會以符合最佳經濟利益之方式行事。

非財務資產之公允值計量會計及市場參與者能否自最佳最有效使用該資產而賺取經濟利益，或能否將該資產出售予最佳最有效使用該資產之其他市場參與者而賺取經濟利益。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fair value measurement (continued)

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 公允值計量(續)

本集團會使用適用於不同情況且具備充分數據以供計量公允值之估值方法，並儘量使用相關可觀察輸入數據及儘量減少使用不可觀察輸入數據。

已於財務報表中計量或披露公允值之所有資產及負債乃按對公允值計量整體而言屬重大之最低層輸入數據根據以下公允值等級分類：

- 第一級 – 基於相同資產或負債於活躍市場之報價(未經調整)
- 第二級 – 基於對公允值計量而言屬重大之可觀察(直接或間接)最低層輸入數據之估值方法
- 第三級 – 基於對公允值計量而言屬重大之不可觀察最低層輸入數據之估值方法

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(按對公允值計量整體而言屬重大之最低層輸入數據)確定不同等級之間是否出現轉移。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of non-financial assets

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

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

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

### 2.4 主要會計政策概要(續)

#### 非財務資產之耗損

倘出現耗損跡象或須就資產進行年度耗損測試(存貨、遞延稅項資產、建造合約資產、財務資產及投資物業除外)，便會估計資產之可收回金額。資產之可收回金額為資產或現金生產單位之使用價值或其公允值減去銷售成本(以較高者為準)，並就每項資產釐定，除非有關資產並不能產生明顯獨立於其他資產或資產組別之現金流入，在此情況下則就資產所屬現金生產單位釐定可收回金額。

耗損虧損僅在資產賬面值超出其可收回金額之情況下予以確認。在評估使用價值時，估計日後現金流量乃使用能反映市場當前所評估之貨幣時間價值及資產之特定風險之除稅前貼現率貼現至現值。耗損虧損於其產生期間自損益表中與該耗損資產功能相符之開支類別中扣除。

於各報告期末，將評估是否有跡象顯示先前已確認之耗損虧損可能不再存在或已減少。倘出現有關跡象，便會估計可收回金額。先前就商譽以外資產確認之耗損虧損僅會在用以釐定該資產可收回金額之估計出現變動時撥回，而有關金額將不會高於倘過往年度並無就資產確認耗損虧損而應釐定之賬面值(扣除任何折舊／攤銷)。耗損虧損之撥回金額於其產生期間計入損益表。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Related parties

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

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

or

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

### 2.4 主要會計政策概要(續)

#### 關聯人士

在下列情況下，某一方將被視為與本集團有關聯：

- (a) 如上述一方為一名人士(或有關人士之直系親屬)，而有關人士：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司之主要管理人員其中一名成員；

或

- (b) 如上述一方為一個實體，且下列任何情況適用：
  - (i) 有關實體與本集團屬同一集團之成員；
  - (ii) 其中一個實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
  - (iii) 有關實體及本集團均為同一第三方之合營企業；
  - (iv) 其中一個實體為第三方實體之合營企業，而另一實體則為該第三方實體之聯營公司；
  - (v) 有關實體為離職後福利計劃，而該計劃之受益人為本集團或與本集團有關之實體之僱員；
  - (vi) 有關實體由(a)項所辨識人士控制或共同控制；
  - (vii) 於(a)(i)項所辨識人士對有關實體有重大影響力或屬有關實體(或有關實體之母公司)主要管理人員其中一名成員；及
  - (viii) 有關實體或其所屬集團之任何成員公司向本集團或向本集團之母公司提供主要管理人員服務。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment and depreciation

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

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

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Leasehold land under finance leases	Over the lease terms
Buildings	Over the shorter of the lease terms and 2% to 5%
Leasehold improvements	Over the shorter of the lease terms and 10%
Plant and machinery	4% to 20%
Furniture and fixtures	10% to 20%
Motor vehicles, electronic equipment and others	8 $\frac{1}{3}$ % to 33 $\frac{1}{3}$ %

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

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備以及折舊

物業、廠房及設備(在建工程除外)按成本值減去累計折舊及任何耗損虧損列賬。物業、廠房及設備項目之成本包括其購買價及任何使資產達至營運狀況及地點作擬定用途之直接應佔成本。

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

折舊以直線基準按估計可使用年期將物業、廠房及設備各個項目之成本撇銷至其餘值計算。就此使用之主要年率如下：

永久業權土地	不予折舊
在融資租賃下之租賃土地	租賃年期
樓宇	租賃年期或2%至5%，以較短者為準
租賃物業裝修	租賃年期或10%，以較短者為準
廠房及機器	4%至20%
傢俬及裝置	10%至20%
汽車、電子設備及其他	8 $\frac{1}{3}$ %至33 $\frac{1}{3}$ %

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment and depreciation (continued)

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

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

#### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

### 2.4 主要會計政策概要(續)

#### 物業、廠房及設備以及折舊(續)

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

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

#### 投資物業

投資物業乃指持作賺取租金收入及／或資本升值，而非為生產或供應貨物或服務的用途；或為行政目的；或為於日常業務過程中出售而持有的土地及樓宇中的權益(包括在經營租賃下持有並符合投資物業定義之物業之租賃權益)。該等物業初步按成本值計量，當中包括交易成本。於首次確認後，投資物業按能反映報告期末市場情況的公允值列賬。

投資物業公允值變動而產生之收益或虧損於產生年度計入損益表。

投資物業報廢或出售而產生之任何收益或虧損於報廢或出售年度在損益表確認。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Intangible assets (other than goodwill)

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

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

Environmental energy project operating rights	20 to 30 years
Environmental water project operating rights	20 to 32 years
Greentech project operating rights	20 to 30 years
Patents and trademarks	10 to 20 years
Computer software	5 years
Backlog contracts	3 years
Technology	10 years
Customer relations	7 years
Trade contracts	4 years

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

### 2.4 主要會計政策概要(續)

#### 無形資產(商譽除外)

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

下列無形資產自其可供使用日期起攤銷，而其估計可使用年期如下：

環保能源項目運營權	二十至三十年
環保水務項目運營權	二十至三十二年
綠色環保項目運營權	二十至三十年
專利及商標	十至二十年
電腦軟件	五年
未完成合約	三年
技術	十年
客戶關係	七年
貿易合同	四年

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



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

When the Group is a lessor under finance leases, an amount representing the minimum lease payment receivables and initial direct costs is included in the statement of financial position as finance lease receivables. Any unguaranteed residual value is also recognised at the inception of the lease. The difference between the sum of the minimum lease payment receivables, initial direct costs, the unguaranteed residual value and their present value is recognised as unearned finance income. Unearned finance income is recognised over the period of the lease using the effective interest rate method.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

### 2.4 主要會計政策概要(續)

#### 租賃

凡資產擁有權絕大部份回報及風險(法定業權除外)轉讓予本集團之租賃,均以融資租賃入賬。融資租賃開始時,租賃資產之成本按最低租賃款項之現值撥充資本,並連同責任(不包括利息部份)一併列賬,以反映購買及融資情況。根據撥充資本融資租賃持有之資產(包括在融資租賃下之預付土地租賃款項)計入物業、廠房及設備,並按租賃年期或資產估計可使用年期(以較短者為準)折舊。該等租約之融資成本按租賃年期以固定定期的支銷率自損益表扣除。

透過融資性質租購合同而獲得的資產列作融資租賃,惟將於資產預計可使用年期內折舊。

倘本集團為融資租賃項下之出租方,便會將相當於最低租賃應收款項及初始直接成本之金額在財務狀況表入賬為融資租賃應收款項。此外,亦會於訂立租賃時確認任何未擔保剩餘價值。最低租賃應收款項、初始直接成本及未擔保剩餘價值之總和與其現值之間的差額會確認為未實現融資收入。未實現融資收入乃使用實際利率法於租期內確認。

凡資產擁有權絕大部份回報及風險仍歸出租人所有之租賃,均列作經營租賃。倘本集團為出租人,則本集團根據經營租賃出租之資產計入非流動資產,而根據經營租賃應收之租金則按租賃年期以直線基準計入損益表。倘本集團為承租人,則根據經營租賃應付之租金(扣除自出租人收取所得之任何優惠)按租賃年期以直線基準自損益表扣除。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leases (continued)

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

#### Investments and other financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables and available-for-sale financial investments, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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

##### Subsequent measurement

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

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation and the loss arising from impairment are recognised in the income statement.

### 2.4 主要會計政策概要(續)

#### 租賃(續)

經營租賃項下預付土地租賃款項初步按成本值列賬，其後按租賃年期以直線基準確認。

#### 投資及其他財務資產

##### 初步確認及計量

財務資產於初步確認時分類為貸款及應收款項及待售金融投資(視何者適用)。財務資產於初步確認時按公允值加收購財務資產應佔之交易成本計量，惟按公允值計入損益之財務資產除外。

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

##### 其後計量

財務資產之其後計量取決於其分類，現載列如下：

##### 貸款及應收款項

貸款及應收款項為並無活躍市場報價而有固定或可釐定款項之非衍生財務資產。在初步計量後，有關資產其後以實際利率法按攤銷成本減去任何耗損撥備計量。計算攤銷成本時會計及收購所產生之任何折讓或溢價，並計及作為實際利率一部份之費用或成本。實際利率攤銷及耗損所產生之虧損於損益表確認。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

##### Subsequent measurement (continued)

##### Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity securities. Equity securities classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the fair value reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the fair value reserve to the income statement in other gains or losses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the income statement in accordance with the policy set out for “Revenue recognition” below.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(續)

##### 其後計量(續)

##### 待售金融投資

待售金融投資指上市以及非上市股本證券及債務證券之非衍生財務資產。待售類別之股本證券為並非分類為持作買賣，亦非指定為按公允值計入損益之股本證券。

於初步確認後，可供出售金融投資其後以公允值計量，而未實現盈虧則於公允值儲備確認為其他全面收入，直至有關投資終止確認為止，屆時，累計盈虧則於損益表內其他收入確認，或直至有關投資被釐定為出現耗損為止，屆時，累計盈虧自公允值儲備重新分類至損益表內其他收益或虧損。持有待售金融投資期間賺取之利息及股息分別呈報為利息收入及股息收入，並根據下文「收益確認」所載政策於損益表確認。

本集團會評估近期出售待售金融資產之能力及意向是否仍屬適當。在少數情況下，當本集團因市場不活躍而無法買賣該等財務資產時，本集團或會選擇重新分類該等財務資產，如管理層有能力及意向於可預見未來持有該等資產或持有該等資產至到期日。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments and other financial assets (continued)

##### Subsequent measurement (continued)

##### Available-for-sale financial investments (continued)

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

#### Derecognition of financial assets

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

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

### 2.4 主要會計政策概要(續)

#### 投資及其他財務資產(續)

##### 其後計量(續)

##### 待售金融投資(續)

對於從待售類別中重新分類之財務資產，於重新分類日期之公允值賬面值會成為其新攤銷成本，而該資產先前已於權益確認之任何盈虧，於該投資尚餘年期內採用實際利率攤銷至損益。新攤銷成本與到期金額兩者間之任何差額亦於資產尚餘年期內採用實際利率攤銷。倘資產其後釐定為出現耗損，則於權益入賬之金額會重新分類至損益表。

#### 終止確認財務資產

財務資產(或(倘適用)一項財務資產之一部份或一組類似財務資產之一部份)主要在下述情況下終止確認(即從本集團之綜合財務狀況表剔除):

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Derecognition of financial assets (continued)**

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

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

#### **Impairment of financial assets**

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

### 2.4 主要會計政策概要(續)

#### **終止確認財務資產(續)**

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

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

#### **財務資產之耗損**

本集團於各報告期末評估是否有客觀證據顯示一項財務資產或一組財務資產出現耗損。倘若於初步確認該資產後發生一項或多項事件導致對該項或該組財務資產之估計未來現金流量所構成影響能夠可靠估計，即屬經已出現耗損。耗損證據可包括一名或一群債務人正面臨重大財政困難、欠繳或拖欠利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量之減少，例如：欠款數目變動或出現與欠繳相關之經濟情況。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets (continued)

##### Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the income statement.

### 2.4 主要會計政策概要(續)

#### 財務資產之耗損(續)

##### 按攤銷成本列賬之財務資產

就按攤銷成本列賬之財務資產而言，本集團會首先評估個別屬重大之財務資產是否獨立存在耗損跡象，或個別並非屬重大之財務資產是否整體存在耗損跡象。倘本集團釐訂個別評估之財務資產(不論是否屬重大)並不存在客觀耗損證據，其會將資產計入一組具備類似信貸風險特徵之財務資產，並整體作耗損評估。個別作耗損評估且獲確認或繼續獲確認耗損虧損之資產，概不會計入整體作耗損評估之組別。

已確定之耗損虧損金額按該資產賬面值與估計未來現金流量現值(不包括仍未產生之未來信貸虧損)間之差額計量。估計未來現金流量現值以該財務資產之原實際利率(即於初步確認時計算之實際利率)貼現。

資產賬面值乃透過使用撥備賬減少，而虧損則在損益表確認。利息收入繼續按減少後之賬面值累計，並採用計量耗損虧損時用以貼現未來現金流量之利率計算。貸款及應收款項連同任何相關撥備於確定日後並無機會收回且所有抵押品已變現或轉歸本集團時撇銷。

倘估計耗損虧損金額於往後期間因與確認耗損後發生之事件而有所增加或減少，則過往確認之耗損虧損將會藉調整撥備賬予以增加或減少。倘撇銷金額其後收回，所收回之金額將計入損益表。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of financial assets (continued)

##### Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is removed from other comprehensive income and recognised in the income statement.

In the case of equity securities classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses on equity securities classified as available for sale are not reversed through the income statement. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

### 2.4 主要會計政策概要(續)

#### 財務資產之耗損(續)

##### 待售金融投資

就待售金融投資而言，本集團會於各報告期末評估是否有客觀證據顯示一項投資或一組投資出現耗損。

倘待售資產出現耗損，屆時相當於其成本值（扣除任何本金付款及攤銷）與其現行公允值之差額之數，減去任何過往於損益表確認之耗損虧損，將自其他全面收入剔除，並於損益表確認。

就分類為待售類別之股本證券而言，客觀證據包括投資之公允值顯著或持續降至低於其成本。「顯著」根據原投資成本評估，而「持續」則根據公允值低於其原成本之期間評估。倘出現耗損證據，則累計虧損（按收購成本與當前公允值間之差額，減去過往於損益表確認之任何投資耗損虧損計量）會自其他全面收入剔除，並於損益表確認。分類為待售類別之股本證券耗損虧損不會透過損益表撥回。在耗損後出現之公允值增加直接於其他全面收入確認。

在釐定「顯著」或「持續」之定義時，需要作出判斷。在作出是項判斷時，本集團會評估（其中包括）投資之公允值低於其成本之時間及程度。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and loans and borrowings, as appropriate.

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

The Group's financial liabilities include creditors, other payables and accrued expenses and interest-bearing borrowings.

##### Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Gains or losses on liabilities held for trading are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any interest charged on these financial liabilities.

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

### 2.4 主要會計政策概要(續)

#### 財務負債

##### 初步確認及計量

財務負債於初步確認時分類為按公允值計入損益之財務負債以及貸款及借貸(視何者適用)。

所有財務負債均於初步確認時按公允值確認，並(就貸款及借款而言)經扣除直接應佔交易成本。

本集團之財務負債包括應付賬款、其他應付款項及應計費用以及計息借貸。

##### 其後計量

財務負債其後之計量取決於其分類，現載列如下：

按公允值計入損益之財務負債

按公允值計入損益之財務負債包括持作買賣之財務負債，以及於初步確認時指定為按公允值計入損益之財務負債。

倘收購財務負債旨在於短期內購回，則有關財務負債將分類為持作買賣類別。此類別包括本集團所訂立並無指定為香港會計準則第39號所定義對沖關係之對沖工具之衍生金融工具。持作買賣財務負債之盈虧於損益表確認。於損益表確認之公允值盈虧淨額不包括就此等財務負債收取之任何利息。

於初步確認時指定為按公允值計入損益之財務負債，乃於初步確認當日及僅於符合香港會計準則第39號之標準後獲指定歸類有關類別。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities (continued)

##### Subsequent measurement (continued)

##### Loans and borrowings

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

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

##### Financial guarantees contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

#### Derecognition of financial liabilities

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

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

### 2.4 主要會計政策概要(續)

#### 財務負債(續)

##### 其後計量(續)

##### 貸款及借款

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

計算攤銷成本時會計及收購所產生之任何折讓或溢價，亦計及作為實際利率一部份之費用或成本。實際利率攤銷計入損益表之融資成本中。

##### 財務擔保合約

本集團發出之財務擔保合約為要求作出付款以償付持有人因特定債務人未能根據債務工具條款償還到期款項而招致之損失之合約。財務擔保合約初步按其公允值確認為負債，並就發出擔保直接應佔之交易成本作出調整。於初步確認後，本集團按以下兩項之較高者計量財務擔保合約：(i)於報告期末償付現有責任所需開支之最佳估計金額；及(ii)初步確認金額減去(倘適用)累計攤銷。

#### 終止確認財務負債

財務負債於負債項下之責任獲解除或取消或屆滿時終止確認。

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Offsetting of financial instruments

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

#### Derivative financial instruments and hedge accounting

##### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as cross-currency swaps, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the income statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

##### Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- When the Group expects to hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.

### 2.4 主要會計政策概要(續)

#### 抵銷金融工具

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

#### 衍生金融工具及對沖會計法

##### 初步確認及其後計量

本集團利用交叉貨幣掉期等衍生金融工具對沖外幣風險。上述衍生金融工具初步於衍生工具合約訂立日期按公允值確認，其後按公允值重新計量。當衍生工具之公允值為正數時，便會入賬為資產；當衍生工具之公允值為負數時，便會入賬為負債。

衍生工具公允值變動所產生之任何收益或虧損，會直接計入損益表，惟現金流量對沖之有效部份除外，有關部份於其他全面收入確認，之後會於被對沖項目影響損益時重新分類至損益表。

##### 即期與非即期分類

並非指定作為有效對沖工具之衍生工具會基於事實及情況(即相關合約現金流量)之評估分類為即期或非即期衍生工具，或分開為即期或非即期部份。

- 當本集團預期於報告期末之後超過12個月期間持有衍生工具作經濟上對沖(及並無應用對沖會計法)，則有關衍生工具會分類為非即期衍生工具(或分開為即期及非即期部份)，與相關項目分類一致。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Derivative financial instruments and hedge accounting (continued)

##### Current versus non-current classification (continued)

- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

#### Inventories

Inventories, mainly comprise construction materials, biomass fuel, spare parts and consumable used in the repairs and maintenance of the environmental energy projects, environmental water projects and greentech projects, and are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the income statement.

### 2.4 主要會計政策概要(續)

#### 衍生金融工具及對沖會計法(續)

##### 即期與非即期分類(續)

- 與主合約並無密切關連之內含衍生工具，與主合約之現金流量分類一致。
- 被指定及屬於有效對沖工具之衍生工具，與有關被對沖項目之分類一致。只有在可作出可靠分配之情況下，衍生工具方可分開為即期及非即期部份。

#### 存貨

存貨主要包括建築物料、生物燃料、用於維修及保養環保能源項目、環保水務項目及綠色環保項目之零件及消耗品，其按成本值或可變現淨值(以較低者為準)列賬。成本值按加權平均基準計算。可變現淨值按估計售價減去於完成及出售前將產生之任何估計成本計算。在耗用存貨後，有關存貨之賬面值會於損益表中確認為開支。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

#### Provisions

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

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

#### Income tax

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

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

### 2.4 主要會計政策概要(續)

#### 現金及現金等價物

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

就綜合財務狀況表而言，現金及現金等價物包括手頭及銀行現金（包括定期存款及性質近似現金及並無使用限制的資產）。

#### 撥備

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

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

#### 所得稅

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Income tax (continued)

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

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 所得稅(續)

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

所有應課稅暫時差異均會確認遞延稅項負債，惟以下情況除外：

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

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

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

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Income tax (continued)

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

##### Government grants

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

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

#### 2.4 主要會計政策概要(續)

##### 所得稅(續)

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

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

遞延稅項資產及遞延稅項負債可在具合法執行權利可予抵銷即期稅項資產及即期稅項負債，以及遞延稅項關乎同一應課稅實體及同一稅務機關之情況下互相抵銷。

##### 政府補助金

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

如補助金與資產有關，屆時公允值便會計入遞延收入賬，並於有關資產之預計可使用年期分期每年等額撥回損益表，或自資產之賬面值扣除，並以已扣減折舊費用方式撥回損益表。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from construction contracts, on the percentage of completion basis, as further explained in the accounting policy for “Construction contracts” below;
- (c) from environment energy project, environmental water project and greentech project operation services, when the related services are rendered;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) finance and interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (f) dividend income, when the shareholders’ right to receive payment has been established.

### 2.4 主要會計政策概要(續)

#### 收益確認

當經濟利益有可能流入本集團，且收益能可靠計量時，便會按下列基準確認收益：

- (a) 來自銷售貨品之收益於擁有權之絕大部份風險及回報轉移予買方時確認，惟本集團對所售出貨品須不再涉及一般與擁有權相關之管理權，亦無實際控制權；
- (b) 來自建造合約之收益按完成百分比基準確認(詳見下文「建造合同」之會計政策)；
- (c) 來自環保能源項目、環保水務項目及綠色環保項目運營服務之收益於提供相關服務時確認；
- (d) 租金收入根據有關租賃年期按時間比例確認；
- (e) 財務及利息收入乃按應計基準採用實際利息法透過應用有關利率(即於金融工具預計年期或(倘適用)較短期間內將估計未來現金收入準確貼現至財務資產賬面淨值之利率)計算確認；及
- (f) 股息收入於股東收取款項之權利獲確立時確認。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. Contract revenue comprises (i) the agreed contract amounts and appropriate amounts from variation orders, claims and incentive payments in respect of the construction services, and (ii) construction revenue recognised under a service concession arrangement. Contract costs incurred comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads. When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Revenue from the construction services is recognised in proportion to the stage of completion of the contract, by reference to the surveyors of work performed and the proportion of costs incurred to date to the estimated total cost of the relevant contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

Revenue from the construction services under a service concession agreement is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered, and is recognised based on the stage of completion of the work performed, by reference to the surveyors of work performed and the proportion of costs incurred to date to the estimated total cost of the relevant contract.

### 2.4 主要會計政策概要(續)

#### 建造合約

建造合約指公司與客戶就建造一項資產或一組資產而明確磋商之合約，且有關客戶能指明設計之主要結構部份。合約收益包括(i)建造服務之協定合約金額以及適當金額之更改訂單款、賠償款及獎勵；及(ii)根據服務特許經營權安排而確認之建造收益。已所產生之合約成本包括直接材料、分包成本、直接勞工成本及適當比例之非固定和固定之經常性建造費用。倘能夠可靠地估計建造合約之成果，則合約成本會參照報告期末之合約完成程度確認為支出。倘不能可靠地估計工程合約之成果，則合約成本於產生期間確認為支出。

建造服務收益按合約完成程度確認，並參考已進行之工程之檢視及迄今已產生之成本佔有關合約之估計總成本之比例來計算。如不能可靠地估計建造合約之成果，則僅將所產生而有可能收回之合約成本確認為合約收益。有關合約之預期虧損即時在損益表中確認。

根據服務特許經營權協議提供建造服務所得收益經參考於協議日期提供類似建造服務適用之現行市場毛利率，按成本加成法估計。其按工程完成程度確認，並參考已進行之工程之檢視及迄今已產生之成本佔有關合約之估計總成本之比例來計算。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Construction contracts (continued)

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers.

Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

#### Employee benefits

##### Retirement schemes

The Company provides retirement benefits to all local eligible employees in Hong Kong under an approved defined contribution provident fund (the "ORSO Scheme"). The ORSO Scheme is administered by trustees, the majority of which are independent, with its assets held separately from those of the Company. Contributions are made based on a percentage of the employees' basic salaries. Forfeited contributions may be used to reduce the existing level of contributions by the Company.

As from 1 December 2000, the Group also operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the ORSO Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully in accordance with the rules of the MPF Scheme.

### 2.4 主要會計政策概要(續)

#### 建造合約(續)

管理層一旦預期有任何可預見虧損時，將盡快對該等虧損作出撥備。

倘迄今之合約成本加已確認盈利減去已確認虧損超過進度款項時，超出部份會當作應收合約客戶款項處理。

當進度款項超出迄今之合約成本加已確認盈利減去已確認虧損時，超出部份會當作應付合約客戶款項處理。

#### 員工福利

##### 退休計劃

本公司已為所有香港本地合資格僱員提供認可定額供款公積金(「職業退休計劃條例計劃」)。職業退休計劃條例計劃由信託人(大部份為獨立信託人)管理，其資產與本公司之資產分開持有。供款按僱員基本薪金某一百分比計算作出。沒收之供款可用作抵銷本公司現需承擔之供款。

自二零零零年十二月一日起，本集團亦根據香港強制性公積金計劃條例為受香港僱傭條例管轄且原先未包括在職業退休計劃條例計劃內之僱員提供定額供款強制性公積金退休福利計劃(「強積金計劃」)。按照強積金計劃之規則，供款按僱員基本薪金某一百分比計算作出，並於有關供款須予支付時在損益表支銷。強積金計劃之資產獨立於本集團之資產，在獨立管理之基金持有。本集團向強積金計劃所作之僱主供款，一經支付即全數歸屬於僱員，惟本集團之僱主自願性供款除外，按照強積金計劃之規則，倘僱員在有關供款全數歸屬於僱員前離職，有關供款將退還予本集團。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Employee benefits (continued)

##### Retirement schemes (continued)

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

##### Termination benefits

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

#### Borrowing costs

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

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

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

### 2.4 主要會計政策概要(續)

#### 員工福利(續)

##### 退休計劃(續)

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

##### 終止僱用福利

終止僱用福利於本集團不能取消提供該等福利時及本集團確認涉及支付終止僱用福利的重組成本當日(以較早者為準)確認。

#### 借貸成本

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

#### 股息

末期股息於股東在股東大會上作出批准後確認為負債。

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies

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

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

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

### 2.4 主要會計政策概要(續)

#### 外幣

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

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

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

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

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

### 2.4 主要會計政策概要(續)

#### 外幣(續)

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

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

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

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

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

#### Judgements

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

##### *Service concession arrangements*

The Group entered into Build-Operate-Transfer ("BOT"), Transfer-Operate-Transfer ("TOT") and Build-Operate-Own ("BOO") arrangements in respect of its environmental energy projects, environmental water projects and greentech projects.

The Group concluded that all the BOT and TOT arrangements and certain BOO arrangements are service concession arrangements under HK(IFRIC) Interpretation 12 *Service Concession Arrangements*, because the local government controls and regulates the services that the Group must provide with the infrastructure at a pre-determined service charge. In respect of BOT and TOT arrangements, upon expiry of concession right agreement, the infrastructure has to be transferred to the local government at nil consideration. Infrastructure for BOO arrangements is used in the service concession arrangements for its entire or substantially entire useful life.

##### *Operating lease commitments – Group as lessor*

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

### 3 重大會計判斷及估計

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

#### 判斷

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

##### *服務特許經營權安排*

本集團就其環保能源項目、環保水務項目及綠色環保項目，訂立建造－運營－轉移（「BOT」）、轉移－運營－轉移（「TOT」）及建造－運營－擁有（「BOO」）安排。

本集團確定所有BOT及TOT安排及若干BOO安排均屬《香港（國際財務報告詮釋委員會）詮釋》第12號「服務特許經營權安排」下之服務特許經營權安排，因為當地政府控制並監管本集團利用基礎設施按預定服務費所須提供之服務。就BOT及TOT安排而言，在特許經營權協議到期後，有關基礎設施須無償轉歸當地政府所有。就BOO安排而言，有關服務特許經營權安排所涉及之基礎設施於其整個或大致上整個可使用年期使用。

##### *經營租賃承擔－本集團作為出租人*

本集團就其投資物業組合訂立商用物業租賃。根據對有關安排之條款及條件作出之評估，本集團確定其保留上述根據經營租賃出租之物業之擁有權之所有重大風險及回報。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty

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

#### Construction contracts

As explained in the accounting policies set out in note 2.4 to the financial statements for “Construction contracts” and “Revenue recognition”, revenue and profit recognition on an incompleting project is dependent on estimating the final outcome of the construction contract, as well as the work done to date. Based on the Group’s recent experience and the nature of the construction activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached, the “Gross amounts due from customers for contract work” as disclosed in note 23 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of revenue or costs may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

#### Impairment losses for bad and doubtful debts

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers to make the required payments. The Group bases the estimates on the ageing of the receivables, customer credit-worthiness, and historical write-off experience. If the financial conditions of customers were to deteriorate, actual write-offs would be higher than estimated. The carrying amounts of gross amounts due from customers for contract work and debtors, other receivables, deposits and prepayments at 31 December 2016 were HK\$21,033,228,000 (2015: HK\$17,369,353,000) and HK\$9,831,429,000 (2015: HK\$8,757,330,000), respectively, details of which are set out in notes 23 and 25 to the financial statements.

### 3 重大會計判斷及估計(續)

#### 估計之不確定性

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

#### 建造合約

誠如財務報表附註2.4下有關「建造合約」及「收益確認」之會計政策所闡釋，未完成項目之收益及盈利確認取決於對建造合約最終成果之估計及迄今已完成之工程。根據本集團之近期經驗及本集團所承辦建造活動之性質，本集團會於其認為工程進度已達致一定水平，足以可靠估計完工成本及收益時進行估計。因此，在達至有關階段前，附註23所披露之「應收客戶合約工程款項總額」不會包括本集團就迄今已完成工程而最終可能變現之盈利。此外，於報告期末收益或成本之實際結果可能會高於或低於估計之數，亦因而會由於對迄今已入賬之金額作出調整而影響在未來年度確認之收益及盈利。

#### 呆壞賬之耗損虧損

本集團會就客戶無力作出所需付款而產生之呆壞賬估計耗損虧損。本集團會根據應收款項之賬齡、客戶之信用及過往撇賬經驗作出估計。如客戶之財務狀況變壞，實際撇賬金額會高於估計金額。於二零一六年十二月三十一日，應收客戶合約工程款項總額之賬面值及應收賬款、其他應收款項、按金及預付款項之賬面值分別為港幣21,033,228,000元(二零一五年：港幣17,369,353,000元)及港幣9,831,429,000元(二零一五年：港幣8,757,330,000元)。有關詳情載於財務報表附註23及附註25。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Impairment losses for goodwill

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

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2016 was HK\$1,563,390,000 (2015: HK\$1,061,891,000). Further details are given in note 17 to the financial statements.

### 3 重大會計判斷及估計(續)

#### 估計之不確定性(續)

##### 商譽之耗損虧損

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

本集團最少每年一次釐定商譽有否出現耗損，而此涉及估計獲分配商譽之現金生產單位之使用價值。在估計使用價值時，本集團須估計來自現金生產單位之預期未來現金流量，並須選擇合適的貼現率，以便計算有關現金流量之現值。於二零一六年十二月三十一日，商譽之賬面值為港幣1,563,390,000元(二零一五年：港幣1,061,891,000元)。進一步詳情載於財務報表附註17。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Other impairment losses

If circumstances indicate that the carrying values of investments in associates and joint ventures, property, plant and equipment, prepaid land lease payments, intangible assets and other financial assets may not be recoverable, these assets may be considered impaired, and an impairment loss may be recognised in accordance with HKAS 36 *Impairment of assets*. The carrying amounts of these assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and the value in use. It is difficult to estimate precisely fair values because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and amount of operating costs.

### 3 重大會計判斷及估計(續)

#### 估計之不確定性(續)

##### 其他耗損虧損

當情況顯示於聯營公司及合營企業之投資、物業、廠房及設備、預付土地租賃付款、無形資產及其他財務資產等項目之賬面值可能無法收回時，該等資產可被視為已耗損，並可按照《香港會計準則》第36號「資產耗損」之規定確認耗損虧損。本集團會定期檢討該等資產之賬面值，以評估可收回金額是否已降至低於賬面值。當有事件發生或情況轉變顯示該等資產之已記賬賬面值可能無法收回時，便會對該等資產進行耗損測試。當出現上述耗損時，賬面值會減至可收回金額。可收回金額為公允值減去出售成本或使用價值（以較高者為準）。由於未能隨時取得本集團資產之市場報價，因此難以準確估計公允值。於釐定使用價值時，資產產生之預期現金流量會貼現至其現值，而此需要就收益及營運成本金額作出重大判斷。本集團會利用所有現有資料來釐定可收回金額之合理概約金額，包括根據收益及營運成本金額之合理有力假設與預測所作出之估計。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

#### Estimation uncertainty (continued)

##### Estimation of fair value of investment properties

As described in note 14 to the financial statements, the Group's investment properties were revalued at the end of the reporting period based on the appraised market value provided by independent firms of surveyors. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each reporting period. The carrying amount of investment properties at 31 December 2016 was HK\$157,140,000 (2015: HK\$166,099,000). Further details, including the key assumptions used for fair value measurement and sensitivity analysis, are given in note 14 to the financial statements.

##### Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised for temporary deductible differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilised, management's judgement is required to assess the probability of future taxable profits. Management reassesses these estimates at the end of each reporting period. Additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered. The carrying value of deferred tax assets at 31 December 2016 was HK\$53,732,000 (2015: HK\$36,483,000). Further details are included in note 31 to the financial statements.

### 3 重大會計判斷及估計(續)

#### 估計之不確定性(續)

##### 估計投資物業之公允值

誠如財務報表附註14所述，本集團之投資物業已於報告期末根據獨立測量師行提供之經評定市場價值進行重新估值。有關估值乃基於若干假設進行，故受限於不明朗因素以及或會與實際結果有重大差異。在作出估計時，本集團會考慮在活躍市場同類物業之當前價格資料，並會使用主要基於各個報告期末之現行市況作出之假設。於二零一六年十二月三十一日，投資物業之賬面值為港幣157,140,000元(二零一五年：港幣166,099,000元)。進一步詳情(包括用於公允值計量之主要假設及敏感度分析)載於財務報表附註14。

##### 所得稅

釐訂所得稅撥備涉及對若干交易之日後稅項處理方法作出判斷。本集團會審慎評估交易之相關稅務影響，從而計提稅項撥備。本集團會定期重新考慮有關交易之稅項處理方法，並會將稅務規例之所有變動列為考慮因素。本集團會就暫時可扣減差異確認遞延稅項資產。由於上述遞延稅項資產僅限於將來很可能取得應課稅盈利而令未使用稅項抵免得以運用之情況下予以確認，故管理層須作出判斷，評估產生未來應課稅盈利之可能性。管理層會於各個報告期末重新評估上述估計。倘未來應課稅盈利有可能令遞延稅項資產得以收回，便會確認額外的遞延稅項資產。於二零一六年十二月三十一日，遞延稅項資產之賬面值為港幣53,732,000元(二零一五年：港幣36,483,000元)。進一步詳情載於財務報表附註31。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION

The Group manages its business by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Environmental energy project construction and operation: this segment engages in the construction and operation of waste-to-energy plants, methane-to-energy plants, sludge treatment and disposal project and food waste treatment projects, to generate revenue from construction services, revenue from operation services as well as finance income.
- Environmental water project construction and operation: this segment engages in the construction, upgrade and operation of waste-water treatment plants, reusable water treatment plants, surface water treatment plants and waste-water source heat pump projects, to generate revenue from construction services, revenue from operation services as well as finance income.
- Greentech project construction and operation: this segment engages in the construction and operation of biomass integrated utilisation projects, industrial solid waste and hazardous waste treatment projects, solar energy projects and wind power projects, to generate revenue from construction services, revenue from operation services as well as finance income.
- Envirotech: this segment engages in the conduct of environmental protection technology research and development projects, the provision of environmental-related technological services, design of environmental protection projects and the manufacturing and sales of environmental protection project equipment, from which it generates revenue.

### 4 經營分部資料

本集團之業務按業務種類劃分為多個分部並加以管理。按照公司內部就資源分配及表現評估而向本集團最高管理層呈報資料之一貫方式，本集團呈報了下列四個須予報告分部。本集團並無合併任何運營分部，以組成下列須予報告分部。

- 環保能源項目建造及運營：此業務分部透過建造及運營垃圾發電廠、沼氣發電廠、污泥處理處置項目及餐廚垃圾處理項目，以賺取建造服務收益、運營服務收益及財務收入。
- 環保水務項目建造及運營：此業務分部透過建造、改造及運營污水處理廠、中水回用處理廠、地表水處理廠及污水源熱泵項目，以賺取建造服務收益、運營服務收益及財務收入。
- 綠色環保項目建造及運營：此業務分部透過建造及運營生物質綜合利用項目、工業固廢和危廢處理項目、太陽能發電項目及風力發電項目，以賺取建造服務收益、運營服務收益及財務收入。
- 環境科技：此業務分部透過進行環保科技研發項目、提供環保相關技術服務、設計環保項目、製造及銷售環保項目設備，從中賺取收益。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

For the purpose of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets, goodwill, interests in associates and joint ventures, deferred tax assets and current assets with the exception of investments in other financial assets, intercompany receivables and other corporate assets. Segment liabilities include current taxation, deferred tax liabilities, creditors, other payables and accrued expenses attributable to the activities of the individual segment and borrowings managed directly by the segments, with the exception of intercompany payables.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of equipment and provision of technological services, assistance provided by one segment to another, including technical know-how, is not measured.

The measure used for reporting segment profit is "earnings before interest, taxes, depreciation and amortisation" ("EBITDA"). To arrive at EBITDA, the Group's earnings are further adjusted for items not specifically attributed to the individual segment, such as directors' and auditor's remuneration and other head office or corporate administration costs.

### 4 經營分部資料(續)

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

分部資產包括所有有形資產、無形資產、商譽、聯營公司及合營企業權益、遞延稅項資產及流動資產，惟不包括於其他財務資產之投資、集團內公司間之應收款項及其他企業資產。分部負債包括各個個別分部之業務活動所產生之本期稅項、遞延稅項負債、應付賬款、其他應付款項及應計費用及由各個分部直接管理之借貸，惟不包括集團內公司間之應付款項。

收益及開支乃參考須予報告分部所賺取之收益及所產生之開支或有關分部之資產所產生之折舊或攤銷而分配至有關分部。然而，除報告分部間之設備銷售及提供之技術服務外，某一分部向另一分部提供之協助(包括專業知識技術)並不計算在內。

用於報告分部盈利之表示方式為「除利息、稅項、折舊及攤銷前盈利」，即「EBITDA」。為了得出EBITDA，本集團之盈利將就無明確歸於任何分部之項目(例如：董事及核數師酬金及其他總公司或企業行政成本)作進一步調整。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

In addition to receiving segment information concerning EBITDA, management is provided with segment information concerning revenue (including inter-segment sales and revenue from technological services), depreciation and amortisation and additions to non-current segment assets used by the segments in their operations.

During the year, the Group redefined its business divisions to align with its organisational structure for the purpose of managing its strategic direction. Accordingly, the segment information of certain subsidiaries previously included in the “Environmental technology and construction management” segment has been reclassified to the “Environmental energy project construction and operation” segment and “unallocated head office and corporate income, expenses, assets and liabilities”, and the segment information of certain subsidiaries previously included in “unallocated head office and corporate income, expenses, assets and liabilities” has been reclassified to the “Environmental energy project construction and operation” segment, “Environmental water project construction and operation” segment and “Greentech project construction and operation” segment. In addition, the Group reclassified the “Property investment” segment to “unallocated head office and corporate income, expenses, assets and liabilities” as a result of the diminishing importance of the “Property investment” segment to the operation of the Group. Accordingly, the comparative segment information has been reclassified to conform to the current year’s presentation, and the revenue, contributed by the “Property investment” segment for the year ended 31 December 2015 of HK\$6,138,000 was reclassified to other revenue from revenue on the face of the consolidated income statement.

### 4 經營分部資料(續)

除獲提供有關EBITDA之分部資料外，管理層亦獲提供有關下列各項之分部資料：收益（包括集團內公司間之銷售額及來自技術服務之收益）及各分部運營時所使用之非流動分部資產之折舊、攤銷及增置。

年內，本集團因應其組織架構，重新界定旗下業務分部，以便管理集團策略方向。因此，原先列入「環保科技及工程管理」分部之若干附屬公司之分部資料已重新分類至「環保能源項目建造及運營」分部及「未分配總公司及企業收入、開支、資產及負債」，而原先列入「未分配總公司及企業收入、開支、資產及負債」之若干附屬公司之分部資料已重新分類至「環保能源項目建造及運營」分部、「環保水務項目建造及運營」分部及「綠色環保項目建造及運營」分部。此外，鑑於「物業投資」分部對本集團業務運作之重要性日漸減弱，故此本集團把「物業投資」分部重新分類至「未分配總公司及企業收入、開支、資產及負債」。因此，分部比較資料亦已重新分類，以符合本年度之呈報方式，而「物業投資」分部於截至二零一五年十二月三十一日止年度貢獻之收益港幣6,138,000元已在綜合損益表由收益項下重新分類至其他收益項下。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

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

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2016 and 2015 is set out below.

For the year ended 31 December

### 4 經營分部資料(續)

#### (i) 分部業績、資產及負債

截至二零一六年及二零一五年十二月三十一日止年度，本集團就資源分配及分部表現評估而向本集團最高管理層提供之須予報告分部資料如下：

截至十二月三十一日止年度

		Environmental energy project construction and operation 環保能源項目建造及運營		Environmental water project construction and operation 環保水務項目建造及運營		Greentech project construction and operation 綠色環保項目建造及運營		Envirotech 環境科技		Total 總額	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
<b>Segment revenue:</b>	<b>分部收益:</b>										
Revenue from external customers	來自外界客戶收益	7,905,111	5,401,596	2,494,037	1,815,150	3,025,940	1,176,681	546,116	134,966	13,971,204	8,528,393
Inter-segment revenue	分部間收益	-	-	-	-	-	-	867,519	554,420	867,519	554,420
Reportable segment revenue	須予報告之分部收益	7,905,111	5,401,596	2,494,037	1,815,150	3,025,940	1,176,681	1,413,635	689,386	14,838,723	9,082,813
<b>Reconciliation:</b>	<b>對賬:</b>										
Elimination of inter-segment revenue	抵銷分部間收益									(867,519)	(554,420)
Reportable segment revenue derived from the Group's external customers	來自本集團外界客戶之須予報告分部收益									13,971,204	8,528,393

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

### 4 經營分部資料(續)

#### (i) Segment results, assets and liabilities (continued)

#### (i) 分部業績、資產及負債(續)

For the year ended 31 December

截至十二月三十一日止年度

		Environmental energy project construction and operation 環保能源項目建造及運營		Environmental water project construction and operation 環保水務項目建造及運營		Greentech project construction and operation 綠色環保項目建造及運營		Envirotech 環境科技		Total 總額	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
<b>Segment results:</b>	<b>分部業績:</b>										
Reportable segment profit (EBITDA)	須予報告分部盈利(EBITDA)	3,299,687	2,670,199	843,973	795,955	1,020,204	436,460	416,554	170,606	5,580,418	4,073,220
Elimination of inter-segment profits	抵銷分部間盈利									(433,718)	(253,956)
Reportable segment profit derived from the Group's external customers	來自本集團外界客戶之須予報告分部盈利									5,146,700	3,819,264
Finance costs	財務費用									(639,584)	(451,759)
Depreciation and amortisation, including unallocated portion	折舊及攤銷(包括未分配部份)									(312,954)	(183,889)
Unallocated head office and corporate income	未分配總公司及企業收入									18,981	17,647
Unallocated head office and corporate expenses	未分配總公司及企業開支									(114,420)	(82,462)
Consolidated profit before tax	綜合除稅前盈利									4,098,723	3,118,801
<b>Other segment information:</b>	<b>其他分部資料:</b>										
Depreciation and amortisation	折舊及攤銷	58,148	26,753	101,275	71,827	131,509	72,901	17,728	8,110	308,660	179,591
Additions to property, plant and equipment and prepayment of land leases during the year	年內增置物業、廠房及設備以及土地租賃預付款項	59,125	31,275	11,865	10,607	371,854	1,039,345	58,440	61,424	501,284	1,142,651
Additions to intangible assets and non-current portion of prepayments during the year	年內增置無形資產及預付款項之非即期部份	1,108,593	89,738	988	609,392	1,535,093	327,552	24,147	12,957	2,668,821	1,039,639
Additions to non-current portion of other receivables and deposits and gross amounts due from customers for contract work during the year	年內增置其他應收款項及按金及應收客戶合約工程款項總額之非即期部份	5,691,340	4,488,836	1,773,307	2,639,613	553,427	251,435	-	-	8,018,074	7,379,884

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

#### (i) Segment results, assets and liabilities (continued)

### 4 經營分部資料(續)

#### (i) 分部業績、資產及負債(續)

		Environmental energy project construction and operation 環保能源項目建造及運營		Environmental water project construction and operation 環保水務項目建造及運營		Greentech project construction and operation 綠色環保項目建造及運營		Envirotech 環境科技		Total 總額	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
Reportable segment assets	須予報告之分部資產	24,526,890	18,617,663	13,851,356	13,694,024	7,414,046	5,464,048	1,225,995	667,388	47,018,287	38,443,123
Non-current other financial assets	非流動其他財務資產									33,332	24,800
Unallocated head office and corporate assets	未分配總公司及企業資產									2,480,109	2,155,149
Consolidated total assets	綜合資產總額									49,531,728	40,623,072
Reportable segment liabilities	須予報告之分部負債	10,871,253	7,408,760	6,662,303	6,403,135	3,266,397	1,923,952	681,433	494,921	21,481,386	16,230,768
Unallocated head office and corporate liabilities	未分配總公司及企業負債									8,205,134	4,971,763
Consolidated total liabilities	綜合負債總額									29,686,520	21,202,531

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

#### (ii) Geographic information

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

### 4 經營分部資料(續)

#### (ii) 地區資料

下表載列有關(i)本集團來自外界客戶之收益，(ii)本集團之投資物業、物業、廠房及設備、預付土地租賃款項及無形資產及(iii)本集團之其他應收款項、按金及預付款項之非即期部份及應收客戶合約工程款項總額之非即期部份之所在地區。客戶所在地區按服務提供地點劃分。資產所在地區按資產實際所在地點(以投資物業、物業、廠房及設備以及預付土地租賃款項而言)，以及涉及之業務之所在地點(以其他應收款項、按金及預付款項、無形資產及應收客戶合約工程款項總額而言)劃分。

		Revenue from external customers 來自外界客戶之收益		Investment properties, property, plant and equipment, prepaid land lease payments and intangible assets 投資物業、物業、廠房及設備、預付土地租賃款項及無形資產		Non-current portion of other receivables, deposits and prepayments and gross amounts due from customers for contract work 其他應收款項、按金及預付款項及應收客戶合約工程款項總額之非即期部份	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Hong Kong (place of domicile)	香港 (註冊營業地點)	-	-	50,062	52,948	-	-
Other parts of the PRC	中國其他地區	13,844,287	8,521,891	8,238,318	5,922,712	25,946,362	21,519,742
Germany	德國	5,995	6,502	43,814	48,938	-	-
Poland	波蘭	120,922	-	692,828	-	12,027	-
Total	總額	13,971,204	8,528,393	9,025,022	6,024,598	25,958,389	21,519,742



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 4 OPERATING SEGMENT INFORMATION (continued)

#### (iii) Information about a major customer

For the year ended 31 December 2016, the revenue from the Group's largest customer amounted to less than 10% of the Group's total revenue. For the year ended 31 December 2015, the Group had transactions with a local government authority in the PRC from which the revenue arisen exceeded 10% of the Group's revenue. The revenue from that PRC local government authority during the year ended 31 December 2015 amounted to HK\$961,001,000 which were derived from the "Environmental energy project construction and operation" segment and the "Greentech project construction and operation" segment.

### 5 REVENUE

Revenue represents the revenue from construction services, revenue from environmental energy projects, environmental water projects and greentech projects operation services, finance income, revenue from sales of equipment and environmental protection project design services. The amount of each significant category of revenue recognised during the year is as follows:

### 4 經營分部資料(續)

#### (iii) 主要客戶資料

截至二零一六年十二月三十一日止年度，來自本集團最大客戶之收益佔本集團收益總額少於10%。截至二零一五年十二月三十一日止年度，本集團與一個中國當地政府機關進行交易，有關交易所產生之收益佔本集團收益逾10%。截至二零一五年十二月三十一日止年度，來自上述中國當地政府機關之收益為港幣961,001,000元，有關收益來自「環保能源項目建造及運營」分部及「綠色環保項目建造及運營」分部。

### 5 收益

收益包括建造服務收益、來自環保能源項目、環保水務項目及綠色環保項目之運營服務收益、財務收入、來自設備銷售及環保項目設計服務之收益。年內已確認的各項主要收益類別的數額如下：

	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
Revenue from environmental energy project construction services	5,779,429	3,715,228
Revenue from environmental water project construction services	1,133,784	591,890
Revenue from greentech project construction services	2,073,986	608,731
Revenue from environmental energy project operation services	1,117,978	880,281
Revenue from environmental water project operation services	821,478	755,365
Revenue from greentech project operation services	914,988	549,260
Finance income	1,583,445	1,292,672
Revenue from sales of equipment and environmental protection project design services	546,116	134,966
	<b>13,971,204</b>	8,528,393

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 5 REVENUE (continued)

The aggregated revenues from environmental energy project construction and operation services, environmental water project construction and operation services, greentech project construction and operation services and finance income derived from the local government authorities in the PRC amounted to HK\$12,996,599,000 (2015: HK\$8,183,491,000) for the year ended 31 December 2016. The revenues are included in "Environmental energy project construction and operation", "Environmental water project construction and operation" and "Greentech project construction and operation" segments as disclosed in note 4 to the financial statements.

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

An analysis of other revenue, other income and gains/(losses), net is as follows:

## 5 收益(續)

截至二零一六年十二月三十一日止年度，來自中國當地政府機關之環保能源項目建造及運營服務收益、環保水務項目建造及運營服務收益、綠色環保項目建造及運營服務收益及財務收入總額為港幣12,996,599,000元（二零一五年：港幣8,183,491,000元）。有關收益計入「環保能源項目建造及運營」分部、「環保水務項目建造及運營」分部及「綠色環保項目建造及運營」分部（詳見財務報表附註4）。

## 6 其他收益、其他收入及收益／(虧損)淨額

其他收益、其他收入及收益／(虧損)淨額分析如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)
<b>Other revenue</b>	<b>其他收益</b>		
Rental income	租金收入	8,496	6,138
Interest income	利息收入	46,439	51,977
Dividend income	股息收入	8	3,319
Government grants*	政府補助金*	36,045	49,314
Value-added tax refund**	增值稅退稅**	311,170	206,141
Others	其他	62,758	33,854
		<b>464,916</b>	350,743
<b>Other income and gains/(losses), net</b>	<b>其他收入及收益／(虧損)淨額</b>		
Change in fair value of derivative financial instrument:	衍生金融工具公允價值變動：		
Derivative financial instrument – transactions not qualified as hedges	衍生金融工具 – 不符合資格作為對沖之交易	<b>(28,528)</b>	–
Gain on sale of listed securities	出售上市證券之收益	–	92,711
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損淨額	<b>(11,247)</b>	(1,280)
		<b>(39,775)</b>	91,431
<b>Total</b>	<b>總額</b>	<b>425,141</b>	442,174

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

- \* Government grants of HK\$36,045,000 (2015: HK\$49,314,000) were granted during the year ended 31 December 2016 to subsidise certain environmental energy, environmental water and greentech projects of the Group in the PRC and Poland. There are no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future.
- \*\* Value-added tax refund of HK\$311,170,000 (2015: HK\$206,141,000) was received/receivable during the year ended 31 December 2016 in relation to environmental energy, environmental water and greentech project operations of the Group in the PRC. There are no unfulfilled conditions and other contingencies attached to the receipts of such tax refund. There is no assurance that the Group will continue to receive such tax refund in the future.

#### 6 其他收益、其他收入及收益/(虧損)淨額(續)

- \* 於截至二零一六年十二月三十一日止年度，本集團獲發放政府補助金港幣36,045,000元(二零一五年：港幣49,314,000元)，以補貼本集團若干中國及波蘭的環保能源、環保水務及綠色環保項目。概無有關收取該等補助金之未達成條件或其他或然事項。目前不能保證本集團於日後將可繼續獲發該等補助金。
- \*\* 於截至二零一六年十二月三十一日止年度，本集團在中國之若干環保能源、環保水務及綠色環保運營項目已獲發放/將獲發放增值稅退稅港幣311,170,000元(二零一五年：港幣206,141,000元)。概無有關收取該等增值稅退稅之未達成條件及其他或然事項。目前不能保證本集團於日後將可繼續獲發該等增值稅退稅。

#### 7 FINANCE COSTS

#### 7 財務費用

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Interest on bank advances and other loans	銀行貸款及其他貸款之利息	645,924	457,818
Interest on finance leases	融資租賃之利息	561	-
Less: Interest expenses capitalised into construction in progress*	減：於在建工程資本化之利息支出*	(6,901)	(6,059)
		<b>639,584</b>	451,759

- \* The borrowing costs have been capitalised at rates ranging from 4.5% to 4.9% (2015: 5.0% to 5.5%) per annum during the year ended 31 December 2016.

- \* 於截至二零一六年十二月三十一日止年度，借貸成本按介乎4.5%至4.9%(二零一五年：5.0%至5.5%)之年利率進行資本化。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 8 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

## 8 除稅前盈利

本集團之除稅前盈利已扣除：

	Notes 附註	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	
Depreciation	折舊	15	163,428	90,547
Amortisation	攤銷			
– prepaid land lease payments	– 預付土地租賃款項	16	5,699	1,204
– intangible assets*	– 無形資產*	18	143,827	92,138
Research and development costs	研究及開發成本		54,180	28,719
Minimum lease payments under operating leases	經營租賃最低租賃費用		17,384	11,740
Auditor's remuneration	核數師酬金			
– audit services	– 審核服務		4,040	7,827
– other services	– 其他服務		480	2,682
Employee benefit expense (excluding directors' remuneration (note 9)):	僱員福利開支(不包括董事酬金(附註9)):			
Wages, salaries, allowances and benefits in kind	工資、薪金、津貼及實物利益		804,194	678,908
Retirement scheme contributions	退休計劃供款		88,838	69,294
			<b>893,032</b>	748,202
Foreign exchange differences, net	匯兌淨差額		72,742	58,945
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	賺取租金之投資物業之直接經營費用(包括維修及保養)		348	348

\* Included in "Direct costs and operating expenses" on the face of the consolidated income statement.

\* 計入綜合損益表「直接成本及經營費用」項下。

As at 31 December 2016, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years (2015: Nil).

於二零一六年十二月三十一日，本集團並無沒收供款可用以扣減本集團在未來年度之退休計劃供款(二零一五年：無)。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 9 DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

#### 9 董事薪酬

根據上市規則、香港《公司條例》第383(1)(a)、(b)、(c)及(f)條及《公司(披露董事利益資料)規例》第2部披露之董事年度酬金如下：

		Group 本集團	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Fees	袍金	1,280	1,000
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	9,903	7,046
Discretionary bonuses	酌情花紅	11,430	13,000
Retirement scheme contributions	退休計劃供款	605	557
		21,938	20,603
		23,218	21,603

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 9 DIRECTORS' REMUNERATION (continued)

## 9 董事薪酬(續)

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
		袍金	薪金、津貼 及實物利益	酌情花紅	退休計劃 供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2016	二零一六年					
<b>Executive directors</b>	<b>執行董事</b>					
Cai Yunge (note (a))	蔡允革(附註(a))	-	-	-	-	-
Tang Shuangning (note (b))	唐雙寧(附註(b))	-	-	-	-	-
Liu Jun (note (c))	劉 琨(附註(c))	-	-	-	-	-
Chen Xiaoping <sup>^</sup>	陳小平 <sup>^</sup>	-	3,334	6,230	-	9,564
Wang Tianyi	王天義	-	2,102	1,900	-	4,002
Wong Kam Chung, Raymond	黃錦聰	-	2,164	1,700	571	4,435
Cai Shuguang	蔡曙光	-	1,939	1,600	34	3,573
		-	9,539	11,430	605	21,574
<b>Non-executive director</b>	<b>非執行董事</b>					
Tang Shuangning (note (b))	唐雙寧(附註(b))	-	-	-	-	-
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Fan Yan Hok, Philip	范仁鶴	320	96	-	-	416
Mar Selwyn	馬紹援	320	99	-	-	419
Li Kwok Sing, Aubrey	李國星	320	83	-	-	403
Zhai Haitao	翟海濤	320	86	-	-	406
		1,280	364	-	-	1,644
		1,280	9,903	11,430	605	23,218

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 9 DIRECTORS' REMUNERATION (continued)

## 9 董事薪酬(續)

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
		袍金	薪金、津貼 及實物利益	酌情花紅	退休計劃 供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2015	二零一五年					
<b>Executive directors</b>	<b>執行董事</b>					
Tang Shuangning (note (b))	唐雙寧(附註(b))	-	15	-	-	15
Liu Jun (note (c))	劉 瓚(附註(c))	-	20	-	-	20
Chen Xiaoping <sup>^</sup>	陳小平 <sup>^</sup>	-	2,199	6,800	-	8,999
Wang Tianyi	王天義	-	1,868	2,100	-	3,968
Wong Kam Chung, Raymond	黃錦聰	-	1,422	2,100	525	4,047
Cai Shuguang	蔡曙光	-	1,302	2,000	32	3,334
		-	6,826	13,000	557	20,383
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Fan Yan Hok, Philip	范仁鶴	250	55	-	-	305
Mar Selwyn	馬紹援	250	55	-	-	305
Li Kwok Sing, Aubrey	李國星	250	55	-	-	305
Zhai Haitao	翟海濤	250	55	-	-	305
		1,000	220	-	-	1,220
		1,000	7,046	13,000	557	21,603

<sup>^</sup> Mr. Chen Xiaoping is also the chief executive officer of the Group.<sup>^</sup> 陳小平先生亦為本集團行政總裁。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 9 DIRECTORS' REMUNERATION (continued)

Notes:

- (a) Mr. Cai Yunge was appointed as executive director and the Vice-chairman on 10 November 2016, and was re-designated as executive director and the Chairman on 12 December 2016.
- (b) Mr. Tang Shuangning ceased to be executive director and the Chairman and was re-designated as non-executive director on 12 December 2016.
- (c) Mr. Liu Jun resigned as executive director and the Vice-chairman on 10 November 2016.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

#### 10 FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2015: four directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining one (2015: one) highest paid employee who is neither a director nor chief executive of the Company are as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,834	1,181
Discretionary bonuses	酌情花紅	1,829	1,800
Retirement scheme contributions	退休計劃供款	36	33
		<b>3,699</b>	3,014

#### 9 董事薪酬(續)

附註:

- (a) 蔡允革先生於二零一六年十一月十日獲委任為執行董事兼副主席，其後於二零一六年十二月十二日調任為執行董事兼主席。
- (b) 唐雙寧先生於二零一六年十二月十二日不再出任執行董事兼主席，並調任為非執行董事。
- (c) 劉珺先生於二零一六年十一月十日辭任執行董事兼副主席。

年內概無訂立董事或主要行政人員放棄或同意放棄任何酬金之安排。

#### 10 五名最高薪酬僱員

年內五名最高薪酬僱員包括四名董事(二零一五年：四名董事)，彼等之酬金詳情載於上文附註9。年內餘下一名(二零一五年：一名)既非本公司董事亦非主要行政人員之最高薪酬僱員之薪酬詳情如下：



## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 10 FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2016 二零一六年	2015 二零一五年
HK\$3,000,001 to HK\$3,500,000	港幣3,000,001元至港幣3,500,000元	-	1
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至港幣4,000,000元	1	-
		1	1

During the year, no emoluments were paid by the Group to the directors of the Company or any of the highest paid employees who are not a director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

#### 11 INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the year ended 31 December 2016 (2015: Nil).

Tax for the PRC operations is charged at the statutory rate of 25% of the assessable profits under tax rules and regulations in the PRC. During the year, certain PRC subsidiaries are subject to tax at 50% of the standard tax rate or fully exempted from income tax under the relevant tax rules and regulations.

#### 10 五名最高薪酬僱員(續)

薪酬介乎以下範圍之既非董事亦非主要行政人員最高薪酬僱員之人數如下：

年內，本集團並無向本公司董事或任何並非本公司董事之最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團時之獎勵或離職補償。

#### 11 所得稅

由於本集團於截至二零一六年十二月三十一日止年度在香港並無賺取任何應課稅盈利，故此並無作出香港利得稅撥備(二零一五年：無)。

中國業務之稅項根據中國稅務法律及法規，按應課稅盈利以法定稅率25%計算。年內，根據有關稅務法律及法規，若干中國附屬公司須按標準稅率之50%繳納所得稅或獲所得稅稅項豁免。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current – Elsewhere: Charge for the year	本期 – 其他國家： 本年度計提	306,673	270,916
Underprovision/(overprovision) in prior years	過往年度撥備 不足/(過剩)	(3,048)	2,221
Deferred (note 31)	遞延(附註31)	758,525	510,138
Total tax expense for the year	本年度稅項開支總額	1,062,150	783,275

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 11 INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries or jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

## 11 所得稅(續)

按適用於本公司及其大部份附屬公司所在國家或司法權區之法定稅率計算除稅前盈利之稅項支出與按實際稅率計算之稅項支出之對賬如下:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit before tax	除稅前盈利	4,098,723	3,118,801
Tax at the statutory tax rate	按法定稅率計算之稅項	1,054,217	808,891
Difference in tax rates enacted by local authorities	地方當局頒佈之稅率 差異	(262,615)	(183,833)
Effect of withholding tax on the distributable and distributed profits of the Group's PRC subsidiaries	預提所得稅對本集團中國附屬公司可供分派及已分派盈利之影響	142,279	101,257
Adjustments in respect of current tax of previous periods	就過往期間之即期稅項 作出之調整	(3,048)	2,221
Profits and losses attributable to joint ventures and associates	合營企業及聯營公司之 盈利及虧損	(15,723)	-
Income not subject to tax	毋須課稅收入	(33,677)	(18,610)
Expenses not deductible for tax	不可扣稅開支	166,369	76,565
Tax losses utilised from previous periods	動用過往期間之可抵扣 虧損	(943)	(4,861)
Tax losses not recognised	未確認可抵扣虧損	6,564	1,645
Others	其他	8,727	-
Tax expense at the Group's effective rate	按本集團實際稅率計算 之稅項支出	1,062,150	783,275

The share of tax attributable to joint ventures amounting to HK\$30,394,000 (2015: Nil) is included in "Share of profits and losses of joint ventures" in the consolidated income statement.

所佔合營企業稅項為港幣30,394,000元(二零一五年: 無), 已計入綜合損益表「所佔合營企業盈利及虧損」項下。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 12 DIVIDENDS

## 12 股息

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Dividend attributable to the year:	本年度股息：		
Interim – HK7.5 cents (2015: HK6.5 cents) per ordinary share	中期股息 – 每股普通股 7.5港仙(二零一五年：6.5港仙)	<b>336,204</b>	291,441
Proposed final – HK13.0 cents (2015: HK12.0 cents) per ordinary share	擬派末期股息 – 每股普通股 13.0港仙(二零一五年：12.0港仙)	<b>582,753</b>	538,045
		<b>918,957</b>	829,486
Dividend paid during the year:	年內已付股息：		
Final in respect of the previous financial year – HK12.0 cents (2015: HK6.0 cents) per ordinary share	上一個財政年度之末期股息 – 每股普通股 12.0港仙(二零一五年：6.0港仙)	<b>538,045</b>	269,023

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

本年度建議分派之末期股息須待本公司股東在應屆股東週年大會上批准後方可作實。於報告期末後建議分派之末期股息並未在報告期末確認為負債。

## 13 EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the year attributable to equity holders of the Company of HK\$2,784,863,000 (2015: HK\$2,084,888,000), and the weighted average number of approximately 4,483,124,000 (2015: 4,483,712,000) ordinary shares in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2016 and 2015.

## 13 本公司權益持有人應佔每股盈利

每股基本盈利金額乃按本公司權益持有人應佔本年度盈利港幣2,784,863,000元(二零一五年：港幣2,084,888,000元)以及年內已發行普通股之加權平均數約4,483,124,000股(二零一五年：4,483,712,000股)普通股計算。

截至二零一六年及二零一五年十二月三十一日止年度，本集團並無任何已發行具潛在攤薄影響之普通股。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 14 INVESTMENT PROPERTIES

## 14 投資物業

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	166,099	172,938
Exchange realignment	匯兌調整	(8,959)	(6,839)
Carrying amount at 31 December	於十二月三十一日之 賬面值	157,140	166,099

The directors of the Company have determined that the Group's investment properties were commercial investment properties based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 December 2016 based on valuations performed by Beijing Deping Daxin Assets Appraisal Co, Ltd. and Shenzhen Zhong Heng Xin Assets Appraisal Co., Ltd, independent firms of surveyors, at HK\$157,140,000. Each year, the management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management has discussions with the surveyors on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 37 to the financial statements.

Further particulars of the Group's investment properties are included on page 272.

根據各項物業之性質、特性及風險，本公司董事確定本集團之投資物業屬商用投資物業。於二零一六年十二月三十一日，本集團投資物業進行重估，有關重估依據獨立測量師行北京德平達盛資產評估有限責任公司及深圳市中衡信資產評估有限公司所作之估值進行，重估價值為港幣157,140,000元。管理層於每個年度均會決定委聘那家外聘估值公司負責對本集團物業進行外部估值。甄選準則包括對市場之熟識程度、聲譽、獨立性及能否維持專業水平。管理層與測量師每年兩次為中期及年度財務申報而進行估值假設及估值結果之討論。

投資物業根據經營租賃出租予第三方，其進一步資料概要載於財務報表附註37。

本集團投資物業之進一步詳情載於第272頁。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 14 INVESTMENT PROPERTIES (continued)

**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

## 14 投資物業(續)

**公允值架構級別**

下表說明本集團投資物業之公允值計量架構級別：

		Fair value measurement as at 31 December 2016 using 於二零一六年十二月三十一日 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Recurring fair value measurement for:	下列項目之經常性 的公允值計量：				
Commercial investment properties	商用投資物業	-	-	157,140	157,140

		Fair value measurement as at 31 December 2015 using 於二零一五年十二月三十一日 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Recurring fair value measurement for:	下列項目之經常性 的公允值計量：				
Commercial investment properties	商用投資物業	-	-	166,099	166,099

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 14 INVESTMENT PROPERTIES (continued)

#### Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2015: Nil).

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

### 14 投資物業(續)

#### 公允值架構級別(續)

年內，第一級與第二級之間並無公允值計量轉移，第三級亦無公允值計量轉入或轉出(二零一五年：無)。

分類於公允值架構級別第三級之公允值計量之對賬：

		Commercial investment properties 商用投資物業 HK\$'000 港幣千元
Carrying amount at 1 January 2015	於二零一五年一月一日之賬面值	172,938
Exchange realignment	匯兌調整	(6,839)
Carrying amount at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日之賬面值	166,099
Exchange realignment	匯兌調整	(8,959)
Carrying amount at 31 December 2016	於二零一六年十二月三十一日 之賬面值	157,140

No valuation gain or loss is recognised in the consolidated income statement for the years ended 31 December 2016 and 2015 as there has been no change in the fair value of the investment properties since previous valuations.

於截至二零一六年及二零一五年十二月三十一日止年度並無在綜合損益表確認任何估值盈虧，原因為投資物業之公允值自上一次估值以來並無變動。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 14 INVESTMENT PROPERTIES (continued)

##### Fair value hierarchy (continued)

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

#### 14 投資物業(續)

##### 公允值架構級別(續)

下表概述投資物業估值所使用之估值技術及主要數據：

	Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察數據
Commercial investment properties 商用投資物業	Market comparison approach 市場比較法	Premium (discount) on quality of the buildings 有關樓宇質量之溢價(折讓)  Adjustment on timing of comparable transactions 就可供比較交易時間作出之調整

The fair value of investment properties is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square metre basis, adjusted for a premium or a discount specific to the quality of the Group's buildings compared to the recent sales and the timing on the comparable transactions. Higher premium for higher quality buildings and a favourable adjustment on the timing of comparable transactions will result in a higher fair value measurement.

投資物業之公允值乃使用市場比較法釐定，其經參考可供比較物業按每平方米價格基準計算之近期售價，且已就本集團樓宇質量之特定溢價或折讓(與近期銷售交易比較所得)以及可供比較交易之時間作出調整。倘樓宇質量較佳以致溢價較高及倘可供比較交易之時間導致作出有利調整，均會導致計量所得之公允值較高。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 15 PROPERTY, PLANT AND EQUIPMENT

## 15 物業、廠房及設備

		Land and buildings 土地及樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及機器 HK\$'000 港幣千元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、 傢俬及裝置 HK\$'000 港幣千元	Motor vehicles, electronic equipment and others 汽車、 電子設備及 其他 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
<b>31 December 2016</b>	<b>二零一六年 十二月三十一日</b>						
<b>Cost:</b>	<b>成本值：</b>						
At 1 January 2016	於二零一六年一月一日	1,013,812	1,208,154	55,028	188,013	259,162	2,724,169
Additions	增置	32,265	16,544	27,737	65,508	344,653	486,707
Acquisition of subsidiaries (note 35)	收購附屬公司 (附註35)	388,408	132,818	309	30,546	33,040	585,121
Disposals	出售	(355)	(10,301)	(4,196)	(9,862)	(3,160)	(27,874)
Disposal of a subsidiary	出售一家附屬公司	-	(18)	(64)	(389)	-	(471)
Transfers	轉撥	253,600	228,918	-	6,326	(488,844)	-
Exchange realignment	匯兌調整	(103,667)	(107,094)	(4,515)	(14,871)	(13,318)	(243,465)
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>	<b>1,584,063</b>	<b>1,469,021</b>	<b>74,299</b>	<b>265,271</b>	<b>131,533</b>	<b>3,524,187</b>
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>						
At 1 January 2016	於二零一六年一月一日	133,910	115,306	25,842	98,846	-	373,904
Charge for the year	本年度折舊	46,519	73,628	10,925	32,356	-	163,428
Disposals	出售	(56)	(4,496)	(3,399)	(8,614)	-	(16,565)
Disposal of a subsidiary	出售一家附屬公司	-	(17)	(20)	(146)	-	(183)
Exchange realignment	匯兌調整	(6,359)	(10,436)	(1,844)	(7,175)	-	(25,814)
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>	<b>174,014</b>	<b>173,985</b>	<b>31,504</b>	<b>115,267</b>	<b>-</b>	<b>494,770</b>
<b>Net carrying amount:</b>	<b>賬面淨值：</b>						
At 31 December 2016	於二零一六年 十二月三十一日	1,410,049	1,295,036	42,795	150,004	131,533	3,029,417



## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

15 PROPERTY, PLANT AND EQUIPMENT  
(continued)

## 15 物業、廠房及設備(續)

		Land and buildings 土地及樓宇 HK\$'000 港幣千元	Plant and machinery 廠房及機器 HK\$'000 港幣千元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、 傢俬及裝置 HK\$'000 港幣千元	Motor vehicles, electronic equipment and others 汽車、 電子設備及 其他 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2015	二零一五年 十二月三十一日						
Cost:	成本值：						
At 1 January 2015	於二零一五年一月一日	832,145	588,825	35,563	172,477	185,173	1,814,183
Additions	增置	17,666	13,855	21,887	30,113	940,400	1,023,921
Acquisition of subsidiaries (note 35)	收購附屬公司 (附註35)	-	-	-	380	-	380
Disposals	出售	-	(5,239)	(489)	(7,355)	-	(13,083)
Transfers	轉撥	198,701	658,455	-	-	(857,156)	-
Exchange realignment	匯兌調整	(34,700)	(47,742)	(1,933)	(7,602)	(9,255)	(101,232)
At 31 December 2015	於二零一五年 十二月三十一日	1,013,812	1,208,154	55,028	188,013	259,162	2,724,169
Accumulated depreciation:	累計折舊：						
At 1 January 2015	於二零一五年一月一日	110,383	88,231	20,169	84,522	-	303,305
Charge for the year	本年度折舊	25,998	33,144	6,936	24,469	-	90,547
Disposals	出售	-	(759)	(309)	(6,035)	-	(7,103)
Exchange realignment	匯兌調整	(2,471)	(5,310)	(954)	(4,110)	-	(12,845)
At 31 December 2015	於二零一五年 十二月三十一日	133,910	115,306	25,842	98,846	-	373,904
Net carrying amount:	賬面淨值：						
At 31 December 2015	於二零一五年 十二月三十一日	879,902	1,092,848	29,186	89,167	259,162	2,350,265

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 15 PROPERTY, PLANT AND EQUIPMENT (continued)

The net carrying amount of the Group's items of property, plant and equipment held under finance leases included in the total amount of land and buildings at 31 December 2016 was approximately HK\$51,521,000 (2015: Nil) (note 29).

At 31 December 2016, certain of the Group's items of property, plant and equipment with an aggregate carrying amount of HK\$2,015,853,000 were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 36 to the financial statements.

### 15 物業、廠房及設備(續)

於二零一六年十二月三十一日，本集團根據融資租賃持有並計入土地及樓宇總額內之物業、廠房及設備賬面淨值約為港幣51,521,000元(二零一五年：無)(附註29)。

於二零一六年十二月三十一日，本集團若干物業、廠房及設備(賬面總值港幣2,015,853,000元)已抵押作為本集團獲授銀行融資之抵押品，其進一步詳情載於財務報表附註29及附註36。

### 16 PREPAID LAND LEASE PAYMENTS

### 16 預付土地租賃款項

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Carrying amount at 1 January	於一月一日之賬面值	151,047	35,717
Additions during the year	年內增置	40,209	121,861
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	670	-
Amortised during the year	年內攤銷	(5,699)	(1,204)
Transfers to intangible assets (note 18)	轉撥至無形資產(附註18)	(23,861)	-
Exchange realignment	匯兌調整	(10,275)	(5,327)
Carrying amount at 31 December	於十二月三十一日之賬面值	<b>152,091</b>	151,047

At 31 December 2016, certain of the Group's prepaid land lease payments with an aggregate carrying amount of HK\$20,019,000 were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 36 to the financial statements.

於二零一六年十二月三十一日，本集團若干預付土地租賃款項(賬面總值港幣20,019,000元)已抵押作為本集團獲授銀行融資之抵押品，其進一步詳情載於財務報表附註29及附註36。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 17 GOODWILL

## 17 商譽

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Cost and net carrying amount at 1 January	於一月一日之成本值及 賬面淨值	<b>1,061,891</b>	834,845
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	<b>617,820</b>	271,822
Exchange realignment	匯兌調整	<b>(116,321)</b>	(44,776)
Cost and net carrying amount at 31 December	於十二月三十一日之成本值 及賬面淨值	<b>1,563,390</b>	1,061,891

**Impairment testing of goodwill**

The carrying amount of goodwill allocated to the Group's cash-generating units ("CGU") identified according to business segment is as follows:

**商譽之耗損測試**

下表列示已分配至本集團按業務分部分類之現金生產單位(「現金生產單位」)之商譽之賬面值:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Environmental energy project construction and operation	環保能源項目建造及運營	<b>581,737</b>	11,255
Environmental water project construction and operation	環保水務項目建造及運營	<b>981,653</b>	1,050,636
		<b>1,563,390</b>	1,061,891

## Notes to Financial Statements 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 17 GOODWILL (continued)

#### Impairment testing of goodwill (continued)

##### Goodwill allocated to individual CGU

The goodwill of HK\$570,482,000 (2015: Nil), HK\$11,255,000 (2015: HK\$11,255,000) and HK\$9,538,000 (2015: HK\$9,538,000) was allocated to the individual CGU in the “Environmental energy project construction and operation”, “Environmental energy project construction and operation” and “Environmental water project construction and operation” segments, respectively. The goodwill of HK\$570,482,000 as at 31 December 2016 (2015: Nil) is arising from the acquisition of the entire equity interests in Arent Capital Sp. Z o.o., a company incorporated in the Republic of Poland, and Uscudar Holdings Limited, a company incorporated in the Republic of Cyprus, (the “Poland Target Companies”) and their subsidiaries in the current year (note 35(b)), which is attributable mainly to the expected synergies from combining operations of the Group and the acquirees.

The recoverable amount of the respective CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Discount rates of 9% to 12% (2015: 10% to 12%) have been used for the value-in-use calculations. Management determined the budgets based on service agreements governing the relevant operations. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments. No impairment is considered necessary at 31 December 2015 and 2016.

### 17 商譽(續)

#### 商譽之耗損測試(續)

##### 分配至獨立現金生產單位之商譽

商譽港幣570,482,000元(二零一五年：無)、港幣11,255,000元(二零一五年：港幣11,255,000元)及港幣9,538,000元(二零一五年：港幣9,538,000元)已分別分配至「環保能源項目建造及運營」分部、「環保能源項目建造及運營」分部及「環保水務項目建造及運營」分部中之獨立現金生產單位。於二零一六年十二月三十一日之商譽港幣570,482,000元(二零一五年：無)來自本年度收購Arent Capital Sp. Z o.o.(於波蘭共和國註冊成立之公司)及Uscudar Holdings Limited(於塞浦路斯共和國註冊成立之公司)(「波蘭目標公司」)以及彼等之附屬公司全部股權(附註35(b))，其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

有關現金生產單位之可收回金額乃根據使用價值計算。計算方法按照管理層已核准之五年財務預算之現金流量預測估計。用於計算使用價值之貼現率為9%至12%(二零一五年：10%至12%)。管理層根據監管有關業務之服務協議，釐定有關預算。所使用之貼現率為能反映有關分部特定風險之除稅前貼現率。於二零一六年及二零一五年十二月三十一日，毋需確認任何耗損。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 17 GOODWILL (*continued*)

#### **Impairment testing of goodwill** (*continued*)

##### *Goodwill allocated to segment*

The goodwill as at 31 December 2016 also comprised of HK\$249,115,000 (2015: HK\$266,792,000) and HK\$723,000,000 (2015: HK\$774,306,000), arising from the acquisition of Dalian Dongda Water Co., Ltd (“Dalian Dongda”) (note 35(c)) and HanKore Environment Tech Group Limited, respectively, in previous years, which is attributable mainly to the expected synergies from combining operations of the Group and the acquirees.

For the purpose of impairment testing, such goodwill has been allocated to the “Environmental water project construction and operation” segment.

The recoverable amount of the “Environmental water project construction and operation” segment was based on fair value less costs of disposal.

The Group’s testing approach included a comparison of the market capitalisation of the “Environmental water project construction and operation” segment, which is a group listed on the Singapore Stock Exchange, with the net assets of this segment. Under this approach, the market capitalisation is the fair value of the “Environmental water project construction and operation” segment. Costs of disposal were assessed as insignificant. The market capitalisation was categorised as Level 1 fair value measurement.

Under this approach, the estimated recoverable amount exceeded the carrying amount and the Group concluded that the goodwill was not impaired at 31 December 2015 and 2016.

None of the goodwill acquired is expected to be deductible for tax purposes.

### 17 商譽(續)

#### **商譽之耗損測試(續)**

##### *分配至分部之商譽*

於二零一六年十二月三十一日之商譽亦包括來自過往年度收購大連東達水務有限公司(「大連東達」)(附註35(c))之港幣249,115,000元(二零一五年:港幣266,792,000元)及來自收購漢科環境科技集團有限公司之港幣723,000,000元(二零一五年:港幣774,306,000元),其主要根據本集團及被收購公司合併業務之預期協同效益而計算。

就耗損測試而言,有關商譽已被分配至「環保水務項目建造及運營」分部。

「環保水務項目建造及運營」分部之可收回金額乃按公允值減去出售成本計算。

本集團之測試方法包括將「環保水務項目建造及運營」分部(於新加坡交易所上市之集團)之資本市值與此分部之資產淨額作比較。根據此方法,資本市值為「環保水務項目建造及運營」分部之公允值。出售成本被評估為微不足道。資本市值獲分類為第一級公允值計量。

根據上述方法,估計可收回金額超逾賬面值,故本集團確定於二零一六年及二零一五年十二月三十一日商譽並無出現耗損。

收購所得商譽皆不可扣稅。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 18 INTANGIBLE ASSETS

### 18 無形資產

		Environmental energy project operating rights 環保能源 項目運營權 HK\$'000 港幣千元	Environmental water project operating rights 環保水務 項目運營權 HK\$'000 港幣千元	Greentech project operating rights 綠色環保 項目運營權 HK\$'000 港幣千元	Patents and trademarks 專利及商標 HK\$'000 港幣千元	Computer software 電腦軟件 HK\$'000 港幣千元	Backlog contracts 未完成合約 HK\$'000 港幣千元	Technology 技術 HK\$'000 港幣千元	Customer relations 客戶關係 HK\$'000 港幣千元	Trade contracts 貿易合同 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2016	二零一六年十二月三十一日										
Cost:	成本值:										
At 1 January 2016	於二零一六年一月一日	260,656	1,451,493	1,726,733	48,181	2,418	30,619	-	-	-	3,520,100
Additions	增置	1,094,662	-	1,533,758	7,259	988	-	-	-	-	2,636,667
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	-	-	-	20,032	684	-	77,737	87,104	10,303	195,860
Transfer from prepaid land lease payments (note 16)	轉撥自預付土地租賃款項 (附註16)	-	-	23,861	-	-	-	-	-	-	23,861
Transfer out	轉出	(29,631)	-	-	-	-	-	-	-	-	(29,631)
Disposal of a subsidiary	出售一家附屬公司	-	(3,385)	-	-	-	-	-	-	-	(3,385)
Exchange realignment	匯兌調整	(65,524)	(96,046)	(184,984)	(5,194)	(255)	(2,029)	(5,957)	(6,675)	(791)	(367,455)
At 31 December 2016	於二零一六年 十二月三十一日	1,260,163	1,352,062	3,099,368	70,278	3,835	28,590	71,780	80,429	9,512	5,976,017
Accumulated amortisation:	累計攤銷:										
At 1 January 2016	於二零一六年一月一日	-	53,825	85,739	10,987	1,305	11,057	-	-	-	162,913
Amortisation provided during the year	年內攤銷撥備	184	71,750	41,668	11,897	1,011	9,963	2,539	3,989	826	143,827
Exchange realignment	匯兌調整	(8)	(6,674)	(7,569)	(1,259)	(128)	(1,166)	(101)	(159)	(33)	(17,097)
At 31 December 2016	於二零一六年 十二月三十一日	176	118,901	119,838	21,625	2,188	19,854	2,438	3,830	793	289,643
Net carrying amount:	賬面淨值:										
At 31 December 2016	於二零一六年 十二月三十一日	1,259,987	1,233,161	2,979,530	48,653	1,647	8,736	69,342	76,599	8,719	5,686,374

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 18 INTANGIBLE ASSETS (continued)

## 18 無形資產(續)

		Environmental energy project operating rights 環保能源 項目運營權 HK\$'000 港幣千元	Environmental water project operating rights 環保水務 項目運營權 HK\$'000 港幣千元	Greentech project operating rights 綠色環保 項目運營權 HK\$'000 港幣千元	Patents and trademarks 專利及商標 HK\$'000 港幣千元	Computer software 電腦軟件 HK\$'000 港幣千元	Backlog contracts 未完成合約 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
31 December 2015	二零一五年 十二月三十一日							
<b>Cost:</b>	<b>成本值:</b>							
At 1 January 2015	於二零一五年一月一日	675,084	905,440	984,069	50,192	1,100	31,896	2,647,781
Additions	增置	31,254	12,604	375,986	-	1,416	-	421,260
Acquisition of subsidiaries (note 35)	收購附屬公司 (附註35)	-	574,252	-	-	-	-	574,252
Reclassification	重新分類	(430,878)	-	430,878	-	-	-	-
Exchange realignment	匯兌調整	(14,804)	(40,803)	(64,200)	(2,011)	(98)	(1,277)	(123,193)
At 31 December 2015	於二零一五年 十二月三十一日	260,656	1,451,493	1,726,733	48,181	2,418	30,619	3,520,100
<b>Accumulated amortisation:</b>	<b>累計攤銷:</b>							
At 1 January 2015	於二零一五年一月一日	-	14,025	56,518	5,270	78	884	76,775
Amortisation provided during the year	年內攤銷撥備	-	41,789	32,484	6,113	1,231	10,521	92,138
Exchange realignment	匯兌調整	-	(1,989)	(3,263)	(396)	(4)	(348)	(6,000)
At 31 December 2015	於二零一五年 十二月三十一日	-	53,825	85,739	10,987	1,305	11,057	162,913
<b>Net carrying amount:</b>	<b>賬面淨值:</b>							
At 31 December 2015	於二零一五年 十二月三十一日	260,656	1,397,668	1,640,994	37,194	1,113	19,562	3,357,187

As at 31 December 2016, certain of the Group's concession rights of the environmental energy, environmental water and greentech projects (comprising operating rights, gross amounts due from customers for contract work, debtors and other receivables) with an aggregate carrying amount of HK\$17,005,067,000 were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 36 to the financial statements.

於二零一六年十二月三十一日，本集團若干環保能源項目、環保水務項目及綠色環保項目之特許經營權(包括運營權、應收客戶合約工程款項總額、應收賬款及其他應收款項)(賬面總值港幣17,005,067,000元)已抵押作為本集團獲授銀行融資之抵押品，其進一步詳情載於財務報表附註29及附註36。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 19 INTERESTS IN JOINT VENTURES

## 19 合營企業權益

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	<b>345,353</b>	209,161

Particulars of the Group's joint ventures are as follows:

本集團合營企業之資料如下：

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest 擁有權權益 百分比	Principal activities 主要業務
Everbright Jiangdong Environmental Energy (Ma'anshan) Company Limited ("EB Energy (Ma'anshan)") 光大江東環保能源(馬鞍山) 有限公司(「光大能源(馬鞍山)」)	Paid up capital of Renminbi ("RMB") 150,000,000 繳足股本人民幣 150,000,000元	PRC/ Mainland China 中國／中國大陸	50	Design, construction, operation and maintenance of waste-to-energy plant (note (a)) 設計、建造、運營及維護 垃圾發電廠(附註(a))
Everbright SITA Solid Waste Treatment (Changzhou) Limited ("EB SITA Solid Waste") 光大升達固廢處置(常州)有限公司 (「光大升達固廢」)	Paid up capital of US\$9,278,000 繳足股本 9,278,000美元	PRC/ Mainland China 中國／中國大陸	50	Design, construction, operation and maintenance of hazardous waste landfill (note (b)) 設計、建造、運營及維護 危廢填埋場(附註(b))
Sichuan Everbright Environmental Investment Company Limited ("Sichuan EB Investment") 四川光大節能環保投資有限公司 (「四川光大投資」)	Paid up capital of RMB300,000,000 繳足股本人民幣 300,000,000元	PRC/ Mainland China 中國／中國大陸	49	Investment in waste-to-energy plant (note (c)) 投資垃圾發電廠(附註(c))



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 19 INTERESTS IN JOINT VENTURES (continued)

Particulars of the Group's joint ventures are as follows:  
(continued)

### 19 合營企業權益(續)

本集團合營企業之資料如下：(續)

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest 擁有權權益 百分比	Principal activities 主要業務
Everbright Environmental Energy (Suining) Co., Ltd. ("EB Energy Suining") 光大環保能源(遂寧)有限公司 (「光大能源遂寧」)	Paid up capital of RMB105,000,000 繳足股本人民幣 105,000,000元	PRC/ Mainland China 中國/中國大陸	64	Design, construction, operation and maintenance of waste-to-energy plant (note (d)) 設計、建造、運營及維護 垃圾發電廠(附註(d))
雅安能投光大環保能源有限公司 (「雅安能投」)	Paid up capital of RMB14,082,000 繳足股本人民幣 14,082,000元	PRC/ Mainland China 中國/中國大陸	49	Design, construction, operation and maintenance of waste-to-energy plant (note (c)) 設計、建造、運營及維護 垃圾發電廠(附註(c))
廣安能投華西環保發電有限公司 (「廣安能投」)	Paid up capital of RMB100,000,000 繳足股本人民幣 100,000,000元	PRC/ Mainland China 中國/中國大陸	42	Design, construction, operation and maintenance of waste-to-energy plant (note (c)) 設計、建造、運營及維護 垃圾發電廠(附註(c))

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 19 INTERESTS IN JOINT VENTURES (continued)

Notes:

- (a) EB Energy (Ma'anshan) was established by the Group with Ma'anshan City Development Investment Group Limited in the PRC, the other investor to this joint venture, to carry out the Group's waste-to-energy business in specific areas in Ma'anshan City.
- (b) EB SITA Solid Waste was established by the Group with SITA Asia Pacific Limited in the PRC, the other investor to this joint venture, to enhance the harmless disposal of hazardous waste of Changzhou City.
- (c) Sichuan EB Investment was established by the Group with Sichuan Energy Investment Limited in the PRC, the other investor to this joint venture, to invest in the waste-to-energy sector in Sichuan Province.

During the year ended 31 December 2016, Sichuan EB Investment acquired 86% equity interest of 廣安能投 at a total consideration of RMB105,678,000. In addition, Sichuan EB Investment established a wholly-owned subsidiary, 雅安能投, during the year.

- (d) EB Energy Suining was established by the Group with Sichuan EB Investment in the PRC, the other investor to this joint venture, to carry out the Group's waste-to-energy business in Suining City.

As at 31 December 2016, the above investments are held by the Company's subsidiaries.

#### 19 合營企業權益(續)

附註：

- (a) 本集團及馬鞍山市城投集團市政公用事業投資管理有限公司(此合營企業之另一投資者)於中國成立光大能源(馬鞍山)，以於馬鞍山市指定地區進行本集團之垃圾發電業務。
- (b) 本集團及升達亞洲有限公司(此合營企業之另一投資者)於中國成立光大升達固廢，以提升常州市之無害化危廢處理工作。
- (c) 本集團及四川省能源投資集團有限責任公司(此合營企業之另一投資者)於中國成立四川光大投資，以投資於四川省之垃圾發電業。

截至二零一六年十二月三十一日止年度，四川光大投資收購廣安能投86%股權，總代價為人民幣105,678,000元。此外，四川光大投資於年內成立全資附屬公司雅安能投。

- (d) 本集團及四川光大投資(此合營企業之另一投資者)於中國成立光大能源遂寧，以於遂寧市進行本集團之垃圾發電業務。

於二零一六年十二月三十一日，上述投資由本公司附屬公司持有。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 19 INTERESTS IN JOINT VENTURES (continued)

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

## 19 合營企業權益(續)

下表載列本集團個別不屬於重大之合營企業之匯總財務資料：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Share of the joint ventures' profit/(loss) for the year	分佔合營企業之年度盈利/(虧損)	63,373	(6,046)
Share of the joint ventures' other comprehensive income/(loss)	分佔合營企業之其他全面收入/(虧損)	(29,037)	2,074
Share of the joint ventures' total comprehensive income/(loss)	分佔合營企業之全面收入/(虧損)總額	34,336	(3,972)
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營企業之投資之賬面總值	345,353	209,161

## 20 INTERESTS IN ASSOCIATES

## 20 聯營公司權益

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Share of net assets	應佔資產淨額	228,047	239,306

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 20 INTERESTS IN ASSOCIATES (continued)

Particulars of the Group's associates are as follows:

### 20 聯營公司權益(續)

本集團聯營公司之資料如下：

Name 名稱	Particulars of capital 資本詳情	Place of registration and business 登記及業務地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權 權益百分比		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
Nanjing Jiangnan Environmental Industrial Park Development Company Limited (formerly known as "Nanjing Jiangnan Veinous Industrial Park Development Company Limited") ("Nanjing Jiangnan") (note (a)) 南京江南環保產業園發展有限公司 (前稱「南京江南靜脈產業園發展有限公司」)(「南京江南」)(附註(a))	Paid up capital of RMB320,000,000 繳足股本人民幣 320,000,000元	PRC/ Mainland China 中國/中國大陸	51	51	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護 環保項目
Everbright Environmental Energy (Xiangxiang) Limited ("EB Energy Xiangxiang") (note (b)) 光大環保能源(湘鄉)有限公司 (「光大能源湘鄉」)(附註(b))	Paid up capital of RMB16,680,000 繳足股本人民幣 16,680,000元	PRC/ Mainland China 中國/中國大陸	20	-	Design, construction, operation and maintenance of environmental protection projects 設計、建造、運營及維護 環保項目
Qingdao Everbright Water Operating Limited ("Qingdao EB Water Operating") (note (c)) 青島光大水務運營有限公司 (「青島光大水務運營」)(附註(c))	Paid up capital of US\$350,845 繳足股本 350,845美元	PRC/ Mainland China 中國/中國大陸	49	99	Construction, operation and maintenance of waste-water treatment plants 建造、運營及維護 污水處理廠

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 20 INTERESTS IN ASSOCIATES (continued)

Notes:

- (a) Nanjing Jiangnan is established with a local government body in Nanjing City, the PRC, which enables the Group to further develop environmental protection projects in Nanjing City.

The Group has significant influence, but not control or joint control, over Nanjing Jiangnan's management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Nanjing Jiangnan. Accordingly, Nanjing Jiangnan is classified as an associate of the Group.

- (b) During the year ended 31 December 2016, EB Energy Xiangxiang was established with a local government body in Xiangxiang City, the PRC, which enables the Group to further develop environmental protection projects in Xiangxiang City.

The Group has significant influence, but not control or joint control, over EB Energy Xiangxiang's management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of EB Energy Xiangxiang. Accordingly, EB Energy Xiangxiang is classified as an associate of the Group.

- (c) During the year ended 31 December 2016, the Group disposed of a partial equity interest in Qingdao EB Water Operating to Qingdao Water Group Co., Ltd (the "Transfer"). Upon completion of the Transfer, the Group's equity interest in Qingdao EB Water Operating has been reduced from 99% to 49%. After the Transfer, the Group has significant influence, but not control or joint control, over Qingdao EB Water Operating's management, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Qingdao EB Water Operating. Accordingly, Qingdao EB Water Operating is classified as an associate of the Group after the Transfer.

Qingdao EB Water Operating provides services to the Maidao Waste Water Treatment Plant and Haibohe Waste Water Treatment Plant in Qingdao.

As at 31 December 2016, the above investments are held by the Company's subsidiaries.

### 20 聯營公司權益(續)

附註：

- (a) 南京江南由本集團與中國南京市當地政府機關共同成立，其讓本集團得以在南京市進一步發展環保項目。

根據南京江南之公司章程，本集團可重大影響（而非控制或共同控制）南京江南之管理，包括參與決定其財務及運營政策。因此，南京江南被分類為本集團之聯營公司。

- (b) 於截至二零一六年十二月三十一日止年度，光大能源湘鄉由本集團與中國湘鄉市當地政府機關共同成立，其讓本集團得以在湘鄉市進一步發展環保項目。

根據光大能源湘鄉之公司章程，本集團可重大影響（而非控制或共同控制）光大能源湘鄉之管理，包括參與決定其財務及運營政策。因此，光大能源湘鄉被分類為本集團之聯營公司。

- (c) 於截至二零一六年十二月三十一日止年度，本集團出售青島光大水務運營部份股權予青島水務集團有限公司（「轉讓事項」）。在轉讓事項完成後，本集團擁有青島光大水務運營之股權由99%減至49%。在進行轉讓事項後，根據青島光大水務運營之公司章程，本集團可重大影響（而非控制或共同控制）青島光大水務運營之管理，包括參與決定其財務及運營政策。因此，在進行轉讓事項後，青島光大水務運營被分類為本集團之聯營公司。

青島光大水務運營在青島提供服務予麥島污水處理廠及海泊河污水處理廠。

於二零一六年十二月三十一日，上述投資由本公司附屬公司持有。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 20 INTERESTS IN ASSOCIATES (continued)

The following table illustrates the summarised financial information in respect of the material associate, Nanjing Jiangnan, adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current assets	流動資產	27,453	62,516
Non-current assets	非流動資產	329,634	321,033
Current liabilities	流動負債	(164)	(624)
Net assets	資產淨額	356,923	382,925
Reconciliation to the Group's interest in Nanjing Jiangnan:	與本集團於南京江南之權益之對賬：		
Proportion of the Group's ownership	本集團之擁有權比例	51%	51%
Group's share of net assets of Nanjing Jiangnan	本集團應佔南京江南資產淨額	223,131	239,306
Carrying amount of the investment	有關投資之賬面值	223,131	239,306
Profit/(loss) for the year	年度盈利／(虧損)	(659)	275
Other comprehensive loss	其他全面虧損	(25,343)	(24,276)
Total comprehensive loss for the year	年度全面虧損總額	(26,002)	(24,001)

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

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Share of the associates' loss for the year	分佔聯營公司之年度虧損	(143)	-
Share of the associates' other comprehensive loss	分佔聯營公司之其他全面虧損	(117)	-
Share of the associates' total comprehensive loss	分佔聯營公司之全面虧損總額	(260)	-
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資之賬面總值	4,916	-

## 20 聯營公司權益(續)

下表載列重大聯營公司南京江南之財務資料概要，其已就任何會計政策差異作出調整，並已與綜合財務報表所載賬面值對賬：

下表載列本集團個別不屬於重大之聯營公司之匯總財務資料：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 21 OTHER FINANCIAL ASSETS

## 21 其他財務資產

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Available-for-sale equity securities, at fair value	待售股本證券(公允值)		
Listed in Hong Kong	香港上市	5,208	5,398
Unlisted in other parts of the PRC	中國其他地區非上市	3,899	3,899
Unlisted overseas	海外非上市	24,225	15,503
		<b>28,124</b>	19,402
		<b>33,332</b>	24,800

During the year, the gross loss in respect of the Group's available-for-sale investments recognised in other comprehensive loss amounted to HK\$190,000 (2015: gross gain of HK\$22,653,000), and none of which was reclassified from other comprehensive income to the income statement for the year (2015: gain of HK\$92,711,000).

The above investments consist of investments in equity securities which were designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

年內，本集團在其他全面虧損確認之待售投資虧損總額為港幣190,000元(二零一五年：收益總額港幣22,653,000元)，當中並無任何部份從其他全面收入重新分類至本年度之損益表(二零一五年：收益港幣92,711,000元)。

上述投資包括股本證券投資，其被指定作為待售財務資產，且並無固定到期日或票息率。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 22 INVENTORIES

## 22 存貨

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Raw materials and operating supplies	原材料及運營用品	97,916	76,909
Spare parts	零部件	263,624	125,405
		<b>361,540</b>	202,314

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

已確認為開支並計入損益表之存貨金額分析如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Carrying amount of inventories consumed	已耗用存貨之賬面值	<b>1,082,901</b>	541,943



## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 23 GROSS AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORK 23 應收客戶合約工程款項總額

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Contract costs incurred plus recognised profits less anticipated losses	已產生合約成本加上已確認盈利，減預期虧損	<b>27,760,449</b>	22,944,995
Less: Progress billings	減：進度款項	<b>(6,727,221)</b>	(5,575,642)
Net contract work	合約工程淨額	<b>21,033,228</b>	17,369,353
Representing:	代表：		
Gross amounts due from customers for contract work	應收客戶合約工程款項總額		
– Non-current	– 非即期	<b>19,464,201</b>	15,822,848
– Current	– 即期	<b>1,569,027</b>	1,546,505
		<b>21,033,228</b>	17,369,353

Included in “Gross amounts due from customers for contract work” are amounts of HK\$207,589,000 (2015: HK\$161,293,000) and HK\$134,484,000 (2015: HK\$157,685,000) which are due from a non-controlling shareholder of a non-wholly-owned subsidiary and a related company, respectively.

「應收客戶合約工程款項總額」中，分別包括應收非全資附屬公司之非控股股東款項港幣207,589,000元（二零一五年：港幣161,293,000元）及應收關聯公司款項港幣134,484,000元（二零一五年：港幣157,685,000元）。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 23 GROSS AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORK (continued)

“Gross amounts due from customers for contract work” represent revenue from construction under BOT, Build-Transfer (“BT”) and certain BOO arrangements or upgrade services under TOT arrangements and bear interest at rates ranging from 4.90% to 7.83% (2015: 5.65% to 7.83%) per annum. Among the total of HK\$21,033,228,000 (2015: HK\$17,369,353,000), HK\$15,502,312,000 (2015: HK\$13,496,518,000) relates to BOT, TOT and BOO arrangements with operations commenced. The amounts for BOT, TOT and BOO arrangements are not yet due for payment and will be settled by revenue to be generated during the operating periods of the service concession arrangements. The amounts for BT arrangements will be settled according to the respective repayment schedules as stated in the agreements.

As at 31 December 2016, certain of the Group’s concession rights of the environmental energy, environmental water and greentech projects (comprising operating rights, gross amounts due from customers for contract work, debtors and other receivables) with an aggregate carrying amount of HK\$17,005,067,000 were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 36 to the financial statements.

## 24 FINANCE LEASE RECEIVABLES

The Group leases machinery to its customer. This lease is classified as a finance lease and has remaining lease term of 19 years. The customer shall purchase or has an option to purchase the leased machinery at the end of lease term of the finance lease.

## 23 應收客戶合約工程款項總額(續)

「應收客戶合約工程款項總額」乃於BOT、建造－轉移(「BT」)及部份BOO安排下之建造服務收益或在TOT安排下之改造工程收益，其按年息率4.90%至7.83%(二零一五年：5.65%至7.83%)計算利息。在總額港幣21,033,228,000元(二零一五年：港幣17,369,353,000元)中，其中港幣15,502,312,000元(二零一五年：港幣13,496,518,000元)關乎已投入運營之BOT、TOT及BOO安排。有關BOT、TOT及BOO安排下之款項屬未到期支付，並將以服務特許經營權安排之運營期收益支付。BT安排下之款項將根據合同所列明的相關還款時間表支付。

於二零一六年十二月三十一日，本集團若干環保能源項目、環保水務項目及綠色環保項目之特許經營權(包括運營權、應收客戶合約工程款項總額、應收賬款及其他應收款項)(賬面總值港幣17,005,067,000元)已抵押作為本集團獲授銀行融資之抵押品，其進一步詳情載於財務報表附註29及附註36。

## 24 融資租賃應收款項

本集團出租機器予其客戶。有關租賃被分類為融資租賃，餘下租期為19年。於融資租賃租期完結時，有關客戶須購買或有權選擇購買有關租賃機器。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Finance lease receivables, non-current portion	融資租賃應收款項－非即期部份	17,273	19,062
Finance lease receivables, current portion	融資租賃應收款項－即期部份	526	531
		<b>17,799</b>	19,593

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 24 FINANCE LEASE RECEIVABLES (continued)

At 31 December 2016, the total future minimum lease receivables under finance leases and their present values were as follows:

## 24 融資租賃應收款項(續)

於二零一六年十二月三十一日，在融資租賃項下未來最低的租賃應收款項總額及其現值如下：

		Minimum lease receivables 最低的租賃應收款項		Present value of minimum lease receivables 最低的租賃應收款項之現值	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Amounts receivable:	應收款項：				
Within one year	一年內	<b>1,575</b>	1,687	<b>526</b>	531
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	<b>6,301</b>	6,748	<b>2,439</b>	2,464
After five years	五年後	<b>22,054</b>	25,306	<b>14,834</b>	16,598
Total minimum finance lease receivables	最低的融資租賃應收款項總額	<b>29,930</b>	33,741	<b>17,799</b>	19,593
Unearned finance income	未實現財務收入	<b>(12,131)</b>	(14,148)		
Total net finance lease receivables	總融資租賃應收款項淨額	<b>17,799</b>	19,593		
Portion classified as current assets	分類為流動資產之部份	<b>(526)</b>	(531)		
Non-current portion	非即期部份	<b>17,273</b>	19,062		

No contingent income was recognised during the year ended 31 December 2016 (2015: Nil).

Finance lease receivables that were neither past due nor impaired relate to customer for whom there was no recent history of default.

於截至二零一六年十二月三十一日止年度，並無確認任何或然收入(二零一五年：無)。

既無逾期亦無耗損之融資租賃應收款項與近期並無拖欠還款紀錄之客戶有關。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 25 DEBTORS, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS 25 應收賬款、其他應收款項、按金及預付款項

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Debtors	應收賬款	<b>1,377,070</b>	1,237,155
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>8,454,359</b>	7,520,175
		<b>9,831,429</b>	8,757,330
Less: Non-current portion – other receivables, deposits and prepayments	減：非即期部份 —其他應收款項、按金及預付款項	<b>(6,494,188)</b>	(5,696,894)
Current portion	即期部份	<b>3,337,241</b>	3,060,436

Included in “Debtors, other receivables, deposits and prepayments” are debtors with the following ageing analysis as at the end of the reporting period:

「應收賬款、其他應收款項、按金及預付款項」中包括應收賬款，其於報告期末之賬齡分析如下：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Current	即期	<b>916,283</b>	660,592
Within 1 month past due	逾期不多於一個月	<b>135,319</b>	122,976
More than 1 month but within 3 months past due	逾期超過一個月但不多於三個月	<b>42,660</b>	79,238
More than 3 months but within 6 months past due	逾期超過三個月但不多於六個月	<b>86,481</b>	124,983
More than 6 months but within 12 months past due	逾期超過六個月但不多於十二個月	<b>137,214</b>	174,260
More than 12 months past due	逾期超過十二個月	<b>59,113</b>	75,106
Amounts past due	逾期金額	<b>460,787</b>	576,563
		<b>1,377,070</b>	1,237,155

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

The ageing analysis of debtors based on the date of invoice (or date of revenue recognition, if earlier) as at the end of the reporting period is as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within 1 month	不多於一個月	693,316	486,326
More than 1 month but within 2 months	超過一個月但不多於兩個月	169,487	122,894
More than 2 months but within 4 months	超過兩個月但不多於四個月	146,414	159,994
More than 4 months but within 7 months	超過四個月但不多於七個月	95,215	193,757
More than 7 months but within 13 months	超過七個月但不多於 十三個月	145,497	138,160
More than 13 months	超過十三個月	127,141	136,024
		<b>1,377,070</b>	1,237,155

Debtors are due within 30 to 90 days from the date of billing. Further details on the Group's credit policy are set out in note 42 to the financial statements.

Included in "Debtors, other receivables, deposits and prepayments" of the Group are debtors of HK\$1,377,070,000 (2015: HK\$1,237,155,000), of which HK\$19,600,000 (2015: HK\$13,312,000) and HK\$10,546,000 (2015: HK\$8,628,000) are due from a non-controlling shareholder of a non-wholly-owned subsidiary and a related company, respectively. Debtors represent revenue from the provision of operation services for environmental energy projects, environmental water projects and greentech projects. There was no recent history of default in respect of the Group's debtors. Since most of the debtors are local government authorities in the PRC and based on past experience, management believes that no impairment allowance is necessary in respect of the past due balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances. No impairment loss was recognised by the Group at 31 December 2016 (2015: Nil).

### 25 應收賬款、其他應收款項、按金及預付款項(續)

按照發單日期(或收益確認日期,以較早者為準)計算,應收賬款於報告期末之賬齡分析如下:

應收賬款由發單日期起計三十至九十日內到期。本集團信貸政策之進一步資料載於附註42。

本集團之「應收賬款、其他應收款項、按金及預付款項」中,包括應收賬款港幣1,377,070,000元(二零一五年:港幣1,237,155,000元),其中港幣19,600,000元(二零一五年:港幣13,312,000元)及港幣10,546,000元(二零一五年:港幣8,628,000元)分別為應收非全資附屬公司之非控股股東款項及應收關聯公司款項。應收賬款為提供環保能源項目、環保水務項目及綠色環保項目運營服務所得收益。本集團之應收賬款最近並無違約紀錄。由於大部份債務人均為中國當地政府機關,根據過往經驗,管理層認為無須就逾期欠款結餘作出耗損撥備,因為信貸質素並無出現重大變化,而有關結餘仍被視為可全數收回。本集團並無就該等結餘持有任何抵押品。於二零一六年十二月三十一日,本集團亦無確認任何耗損虧損(二零一五年:無)。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

“Debtors, other receivables, deposits and prepayments” include balances totalling HK\$6,568,288,000 (2015: HK\$5,946,927,000) which bear interest at rates ranging from 4.90% to 7.83% (2015: 5.65% to 7.83%) per annum and relate to the Group’s service concession arrangements, of which HK\$195,407,000 (2015: HK\$202,523,000) and HK\$458,525,000 (2015: HK\$489,322,000) are due from a non-controlling shareholder of a non-wholly-owned subsidiary and a related company, respectively. The amounts are not yet due for payment and will be settled by revenue to be generated during the operating periods of the service concession arrangements. No impairment loss was recognised by the Group at 31 December 2016 (2015: Nil).

Included in “Other receivables, deposits and prepayments” at 31 December 2016 are advances made to local government authorities in relation to service concession arrangements amounting to HK\$103,458,000 (2015: HK\$35,882,000), of which HK\$54,518,000 (2015: HK\$35,882,000) is unsecured, interest-bearing at rates announced by the People’s Bank of China and will be settled by instalments until 2017 and HK\$48,940,000 (2015: Nil) is unsecured, interest-bearing at 10% over rates announced by the People’s Bank of China and will be settled by instalments until 2026.

Included in “Debtors, other receivables, deposits and prepayments” at 31 December 2016 are debtors of HK\$153,574,000 (2015: Nil) due from the Group’s joint venture, which are repayable on credit terms similar to those offered to the customers of the Group, and advance of HK\$53,785,000 (2015: Nil) to the Group’s joint venture for daily operation, which is unsecured, interest-bearing at rates announced by the People’s Bank of China and repayable within one year.

Included in “Other receivables, deposits and prepayments” at 31 December 2016 are prepayments of HK\$33,504,000 (2015: HK\$7,644,000) to a non-controlling shareholder of a non-wholly-owned subsidiary for construction related works.

#### 25 應收賬款、其他應收款項、按金及預付款項(續)

「應收賬款、其他應收款項、按金及預付款項」包括合共港幣6,568,288,000元(二零一五年：港幣5,946,927,000元)之結餘，其按年息率4.90%至7.83%(二零一五年：5.65%至7.83%)計算利息。該等款項關乎本集團之服務特許經營權安排，其中港幣195,407,000元(二零一五年：港幣202,523,000元)及港幣458,525,000元(二零一五年：港幣489,322,000元)分別為應收非全資附屬公司之非控股股東款項及應收關聯公司款項。有關款項尚未到期還款，並將以服務特許經營權安排之經營期收益支付。於二零一六年十二月三十一日，本集團亦無確認任何耗損虧損(二零一五年：無)。

在二零一六年十二月三十一日之「其他應收款項、按金及預付款項」中，包括向當地政府機關作出有關服務特許經營權安排之墊款港幣103,458,000元(二零一五年：港幣35,882,000元)，其中港幣54,518,000元(二零一五年：港幣35,882,000元)為無抵押、按中國人民銀行公佈之息率計息，並將分期還款至二零一七年；另外港幣48,940,000元(二零一五年：無)則為無抵押、按中國人民銀行公佈之息率加10%計息，並將分期還款至二零二六年。

在二零一六年十二月三十一日之「應收賬款、其他應收款項、按金及預付款項」中，包括應收本集團合營企業之應收賬款港幣153,574,000元(二零一五年：無)，其按提供予本集團客戶之類似信貸條款予以償還，以及提供予本集團合營企業作日常運營用途之墊款港幣53,785,000元(二零一五年：無)，其為無抵押、按中國人民銀行公佈之息率計息，並須予一年內償還。

在二零一六年十二月三十一日之「其他應收款項、按金及預付款項」中，包括向非全資附屬公司之非控股股東支付有關建造相關工程之預付款項港幣33,504,000元(二零一五年：港幣7,644,000元)。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

As at 31 December 2016, certain of the Group's concession rights of the environmental energy, environmental water and greentech projects (comprising operating rights, gross amounts due from customers for contract work, debtors and other receivables) with an aggregate carrying amount of HK\$17,005,067,000 were pledged to secure banking facilities granted to the Group, further details of which are included in notes 29 and 36 to the financial statements.

All of the current portion of the above balances are expected to be recovered or recognised as expense within one year.

### 26 PLEDGED BANK DEPOSITS AND DEPOSITS WITH BANKS

As at 31 December 2016, bank deposits are pledged to secure certain bank loans of the Group (note 29) and are pledged to banks for the issuance of guarantees by the banks to the grantors in respect of the specific performance of the duties by the Group under certain service concession agreements.

Deposits with banks with original maturity of more than three months are not included in cash and cash equivalents.

Included in "Pledged bank deposits" and "Deposits with banks" at 31 December 2016 are deposits of HK\$2,234,000 (2015: Nil) and HK\$94,928,000 (2015: HK\$80,135,000), respectively, placed with a related party bank (note 39(h)).

Pledged bank deposits and deposits with banks earn interest at the respective time deposit rates, and are deposited with creditworthy banks with no recent history of default.

### 25 應收賬款、其他應收款項、按金及預付款項(續)

於二零一六年十二月三十一日，本集團若干環保能源項目、環保水務項目及綠色環保項目之特許經營權(包括運營權、應收客戶合約工程款項總額、應收賬款及其他應收款項)(賬面總值港幣17,005,067,000元)已抵押作為本集團獲授銀行融資之抵押品，其進一步詳情載於財務報表附註29及附註36。

上述結餘之所有即期部份預期可於一年內收回或確認為開支。

### 26 已抵押銀行存款及銀行存款

於二零一六年十二月三十一日，銀行存款已抵押作為本集團若干銀行貸款(附註29)之抵押品，以及由於若干銀行就本集團在若干服務特許經營權安排下之特定履約責任而向授權人發出擔保，故已抵押予有關銀行。

原到期日為三個月以上之銀行存款不會計入現金及現金等價物。

於二零一六年十二月三十一日，「已抵押銀行存款」及「銀行存款」分別包括存放於關聯人士銀行之存款港幣2,234,000元(二零一五年：無)及港幣94,928,000元(二零一五年：港幣80,135,000元)(附註39(h))。

已抵押銀行存款及銀行存款按相關定期存款息率計息，並存放於信譽良好且近期並無違約紀錄之銀行。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 27 CASH AND CASH EQUIVALENTS

## 27 現金及現金等價物

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Deposits with banks	銀行存款	878,704	901,813
Cash at banks and in hand	銀行結餘及現金	5,461,875	5,051,668
		<b>6,340,579</b>	5,953,481

Included in “Cash and cash equivalents” at 31 December 2016 are deposits of HK\$491,797,000 (2015: HK\$545,233,000) placed with a related party bank (note 39(h)).

於二零一六年十二月三十一日之「現金及現金等價物」包括存放於關聯人士銀行之存款港幣491,797,000元(二零一五年：港幣545,233,000元)(附註39(h))。

Included in “Cash and cash equivalents” at the end of the reporting period are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

於報告期末之「現金及現金等價物」包括下列款項，其以相關實體之功能貨幣以外之貨幣計值：

		2016 二零一六年 US\$'000 千美元	2015 二零一五年 US\$'000 千美元
United States dollar	美元	87,016	12,544

At the end of the reporting period, the cash and cash equivalents of the Group denominated in RMB amounted to HK\$4,858,583,000. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於報告期末，本集團以人民幣計值之現金及現金等價物為港幣4,858,583,000元。人民幣不能自由兌換成其他貨幣。然而，根據中國大陸《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。



## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 27 CASH AND CASH EQUIVALENTS (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying period of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

#### 27 現金及現金等價物(續)

銀行存款按浮動息率計息，而浮動息率乃根據每日銀行存款息率釐定。視乎本集團之即時現金需求而定，短期定期存款之存款期介乎一日至三個月不等，並按有關之短期定期存款息率計息。銀行結餘及定期存款乃存放於信譽良好且近期並無違約紀錄之銀行。

#### 28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES

#### 28 應付賬款、其他應付款項及應計費用

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Creditors	應付賬款	<b>3,419,072</b>	1,618,057
Other payables, accrued expenses and deferred income – government grants	其他應付款項、應計費用及遞延收入 – 政府補助金	<b>1,450,152</b>	1,219,764
		<b>4,869,224</b>	2,837,821
Derivative financial instrument – cross-currency swap	衍生金融工具 – 交叉貨幣掉期	<b>28,528</b>	–
		<b>4,897,752</b>	2,837,821
Less: Non-current portion – other payables, accrued expenses and deferred income – government grants	減：非即期部份 – 其他應付款項、應計費用及遞延收入 – 政府補助金	<b>(93,610)</b>	(43,365)
Current portion	即期部份	<b>4,804,142</b>	2,794,456

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 28 CREDITORS, OTHER PAYABLES AND ACCRUED EXPENSES (continued)

Included in “Creditors, other payables and accrued expenses” are creditors with the following ageing analysis based on the date of invoice as at the end of the reporting period:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within 6 months	不多於六個月	3,047,205	1,324,332
Over 6 months	超過六個月	371,867	293,725
		<b>3,419,072</b>	1,618,057

Creditors totalling HK\$3,082,689,000 (2015: HK\$1,507,603,000) represent construction payables for the Group's BT, BOT and certain BOO arrangements, of which HK\$1,117,000 (2015: HK\$1,196,000) is due to a non-controlling shareholder of a non-wholly-owned subsidiary. The construction payables are not yet due for payment.

Included in “Other payables, accrued expenses and deferred income – government grants” at 31 December 2016 is other payable of HK\$1,555,000 (2015: Nil) due to the Group's associate, which is unsecured, interest-free and repayable on demand.

The cross-currency swap will be settled in 2017, when the Group will pay HK\$646,365,000 and receive an agreed amount of Euro75,000,000.

### 28 應付賬款、其他應付款項及應計費用(續)

「應付賬款、其他應付款項及應計費用」中包括應付賬款。按照發票日期計算，其於報告期末之賬齡分析如下：

合共港幣3,082,689,000元(二零一五年：港幣1,507,603,000元)之應付賬款為在本集團BT、BOT及部份BOO安排下之建造工程應付款項，其中港幣1,117,000元(二零一五年：港幣1,196,000元)為應付予非全資附屬公司之非控股股東款項。建造工程應付款項屬未到期支付。

在二零一六年十二月三十一日之「其他應付款項、應計費用及遞延收入—政府補助金」中，包括應付本集團聯營公司之其他應付款項港幣1,555,000元(二零一五年：無)，其為無抵押、免息及須按要求償還。

交叉貨幣掉期將於二零一七年結算交收，屆時，本集團將支付港幣646,365,000元，並收取協定金額75,000,000歐羅。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 29 INTEREST-BEARING BORROWINGS

## 29 計息借貸

		2016 二零一六年		2015 二零一五年	
		Maturity 到期日	HK\$'000 港幣千元	Maturity 到期日	HK\$'000 港幣千元
Current	即期				
Finance lease payables (note 30)	融資租賃應付款項 (附註30)	2017 二零一七年	12,826	-	-
Bank loans – secured	銀行貸款 – 有抵押	2017 or on demand 二零一七年或 按要求	1,162,387	2016 or on demand 二零一六年或 按要求	1,947,620
Bank loans – unsecured	銀行貸款 – 無抵押	2017 or on demand 二零一七年或 按要求	3,236,961	2016 or on demand 二零一六年或 按要求	1,461,935
			4,412,174		3,409,555
Non-current	非即期				
Finance lease payables (note 30)	融資租賃應付款項 (附註30)	2018 – 2021 二零一八年至 二零二一年	27,780	-	-
Bank loans – secured	銀行貸款 – 有抵押	2018 – 2032 二零一八年至 二零三二年	9,284,114	2017 – 2028 二零一七年至 二零二八年	7,088,502
Bank loans – unsecured	銀行貸款 – 無抵押	2018 – 2026 二零一八年至 二零二六年	7,891,581	2017 – 2024 二零一七年至 二零二四年	5,322,609
			17,203,475		12,411,111
			21,615,649		15,820,666

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

29 INTEREST-BEARING BORROWINGS  
(continued)

## 29 計息借貸(續)

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Analysed into:	分析:		
Bank loans repayable:	須於下列期間償還之 銀行貸款:		
Within one year or on demand	一年內或按要求	4,399,348	3,409,555
In the second year	第二年	3,675,263	3,546,894
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	10,270,623	6,694,846
Beyond five years	五年後	3,229,809	2,169,371
		<b>21,575,043</b>	15,820,666
Finance lease payables:	融資租賃應付款項:		
Within one year	一年內	12,826	-
In the second year	第二年	18,998	-
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	8,782	-
		<b>40,606</b>	-
		<b>21,615,649</b>	15,820,666

As at 31 December 2016, certain banking facilities of the Group are secured by certain revenue and receivables in connection with the Group's service concession arrangements, bank deposits, mortgages over property, plant and equipment and prepaid land lease payments and shares of certain subsidiaries of the Group. Such banking facilities, amounting to HK\$14,769,690,000 (2015: HK\$12,547,872,000), were utilised to the extent of HK\$10,446,501,000 (2015: HK\$9,036,122,000) at 31 December 2016. Among the secured banking facilities, HK\$1,968,984,000 (2015: HK\$1,812,168,000) are guaranteed by the Company and were utilised to the extent of HK\$1,331,291,000 (2015: HK\$1,502,068,000) at 31 December 2016.

於二零一六年十二月三十一日，本集團若干銀行融資以本集團服務特許經營權安排下之若干收益及應收款項、銀行存款、物業、廠房及設備之按揭、預付土地租賃款項及本集團旗下若干附屬公司之股份作抵押。於二零一六年十二月三十一日，上述銀行融資之金額為港幣14,769,690,000元(二零一五年：港幣12,547,872,000元)，已動用港幣10,446,501,000元(二零一五年：港幣9,036,122,000元)。上述有抵押銀行融資其中港幣1,968,984,000元(二零一五年：港幣1,812,168,000元)由本公司作擔保，於二零一六年十二月三十一日已動用港幣1,331,291,000元(二零一五年：港幣1,502,068,000元)。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 29 INTEREST-BEARING BORROWINGS

(continued)

As at 31 December 2016, the unsecured banking facilities, amounting to HK\$18,744,310,000 (2015: HK\$9,534,155,000), were utilised to the extent of HK\$11,128,542,000 (2015: HK\$6,784,544,000). Among the unsecured banking facilities of the Group, HK\$1,235,338,000 (2015: HK\$20,000,000) are guaranteed by the Company and were utilised to the extent of HK\$1,012,781,000 (2015: Nil) at 31 December 2016.

As at 31 December 2016, banking facilities of HK\$18,652,083,000 (2015: HK\$10,068,138,000) are subject to the fulfilment of covenants relating to certain of the Group's financial ratios. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. At 31 December 2016, such facilities were utilised to the extent of HK\$13,130,250,000 (2015: HK\$7,698,778,000). The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 42 to the financial statements.

As at 31 December 2016, the finance lease payables were secured by the underlying property, plant and equipment (note 30).

As at 31 December 2016, the Group's bank loans of HK\$527,696,000 (2015: HK\$2,263,042,000) bear interest at fixed rates ranging from 2.88% to 3.50% (2015: 4.70% to 6.00%) per annum, bank loans of HK\$21,047,347,000 (2015: HK\$13,557,624,000) bear interest at variable rates ranging from 0.70% to 6.00% (2015: 1.47% to 5.88%) per annum, and finance lease payables of HK\$40,606,000 (2015: Nil) bear interest at rates ranging from 3% to 4% per annum.

### 29 計息借貸(續)

於二零一六年十二月三十一日，無抵押銀行融資之金額為港幣18,744,310,000元(二零一五年：港幣9,534,155,000元)，已動用港幣11,128,542,000元(二零一五年：港幣6,784,544,000元)。上述本集團無抵押銀行融資其中港幣1,235,338,000元(二零一五年：港幣20,000,000元)由本公司作擔保，於二零一六年十二月三十一日，已動用港幣1,012,781,000元(二零一五年：無)。

於二零一六年十二月三十一日，銀行融資港幣18,652,083,000元(二零一五年：港幣10,068,138,000元)須符合若干有關本集團財務比率之契諾。倘本集團違反有關契諾，則已提取之融資須應要求償還。於二零一六年十二月三十一日，有關融資已動用港幣13,130,250,000元(二零一五年：港幣7,698,778,000元)。本集團會定期監察有關契諾之遵行情況。有關本集團管理流動資金風險之進一步資料載於財務報表附註42。

於二零一六年十二月三十一日，融資租賃應付款項以相關物業、廠房及設備作抵押(附註30)。

於二零一六年十二月三十一日，本集團之銀行貸款港幣527,696,000元(二零一五年：港幣2,263,042,000元)按介乎2.88%至3.50%(二零一五年：4.70%至6.00%)之固定年息率計息，銀行貸款港幣21,047,347,000元(二零一五年：港幣13,557,624,000元)按介乎0.70%至6.00%(二零一五年：1.47%至5.88%)之浮動年息率計息，以及融資租賃應付款項港幣40,606,000元(二零一五年：無)按介乎3%至4%之年息率計息。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 29 INTEREST-BEARING BORROWINGS

(continued)

As at 31 December 2016, the Group's bank loans of HK\$3,055,052,000 (2015: HK\$1,944,283,000) are denominated in United States dollars, HK\$9,876,629,000 (2015: HK\$8,992,200,000) are denominated in RMB, HK\$1,012,781,000 (2015: Nil) are denominated in Euro dollars, HK\$170,419,000 (2015: Nil) are denominated in Polish zloty and HK\$7,460,162,000 (2015: HK\$4,884,183,000) are denominated in Hong Kong dollars.

Included in "Interest-bearing borrowings" at 31 December 2016 are loans of HK\$464,914,000 (2015: HK\$238,373,000) from a related party bank (note 39(h)).

Included in loans from a related party bank are:

- (i) bank loans of HK\$32,499,000 (2015: HK\$57,769,000) which are unsecured, interest-bearing at rates announced by the People's Bank of China and will be settled by instalments until 2018;
- (ii) bank loans of HK\$248,997,000 (2015: HK\$167,447,000) which are secured, interest-bearing at rates announced by the People's Bank of China and will be settled by instalments until 2023;
- (iii) bank loans of HK\$12,061,000 (2015: HK\$13,157,000) which are secured, interest-bearing at rates announced by the People's Bank of China and will be settled by instalments until 2025;
- (iv) bank loans of HK\$33,504,000 (2015: Nil) which are secured, interest-bearing at 90% of rates announced by the People's Bank of China and will be settled by instalments until 2021;
- (v) bank loans of HK\$80,008,000 (2015: Nil) which are secured, interest-bearing at 95% of rates announced by the People's Bank of China and will be settled by instalments until 2025; and
- (vi) bank loans of HK\$57,845,000 (2015: Nil) which are secured, interest-bearing at 97% of rates announced by the People's Bank of China and will be settled by instalments until 2030.

### 29 計息借貸(續)

於二零一六年十二月三十一日，本集團之銀行貸款港幣3,055,052,000元(二零一五年：港幣1,944,283,000元)以美元計值，港幣9,876,629,000元(二零一五年：港幣8,992,200,000元)以人民幣計值，港幣1,012,781,000元(二零一五年：無)以歐羅計值，港幣170,419,000元(二零一五年：無)以波蘭茲羅提計值及港幣7,460,162,000元(二零一五年：港幣4,884,183,000元)以港元計值。

於二零一六年十二月三十一日之「計息借貸」包括關聯人士銀行提供之貸款港幣464,914,000元(二零一五年：港幣238,373,000元)(附註39(h))。

關聯人士銀行提供之貸款包括：

- (i) 銀行貸款港幣32,499,000元(二零一五年：港幣57,769,000元)，其為無抵押、按中國人民銀行公佈之息率計息，並將於二零一八年前分期攤還；
- (ii) 銀行貸款港幣248,997,000元(二零一五年：港幣167,447,000元)，其為有抵押、按中國人民銀行公佈之息率計息，並將於二零二三年前分期攤還；
- (iii) 銀行貸款港幣12,061,000元(二零一五年：港幣13,157,000元)，其為有抵押、按中國人民銀行公佈之息率計息，並將於二零二五年前分期攤還；
- (iv) 銀行貸款港幣33,504,000元(二零一五年：無)，其為有抵押、按中國人民銀行公佈之息率之90%計息，並將於二零二一年前分期攤還；
- (v) 銀行貸款港幣80,008,000元(二零一五年：無)，其為有抵押、按中國人民銀行公佈之息率之95%計息，並將於二零二五年前分期攤還；及
- (vi) 銀行貸款港幣57,845,000元(二零一五年：無)，其為有抵押、按中國人民銀行公佈之息率之97%計息，並將於二零三零年前分期攤還。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 30 FINANCE LEASE PAYABLES

The Group leases certain of its buildings for its business operation (note 15). These leases are classified as finance leases and have remaining lease terms of 5 years.

At 31 December 2016, the total future minimum lease payments under finance leases and their present values were as follows:

#### 30 融資租賃應付款項

本集團租用其若干樓宇作業務運作之用(附註15)。有關租賃被分類為融資租賃，餘下租期為5年。

於二零一六年十二月三十一日，在融資租賃項下未來最低租賃款項總額及其現值如下：

		Minimum lease payments 最低租賃款項		Present value of minimum lease payments 最低租賃款項之現值	
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Amounts payable:	應付款項:				
Within one year	一年內	15,062	—	12,826	—
In the second year	第二年	20,376	—	18,998	—
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年)	9,705	—	8,782	—
Total minimum finance lease payments	最低融資租賃款項 總額	45,143	—	40,606	—
Future finance charges	未來財務費用	(4,537)	—		
Total net finance lease payables	總融資租賃應付款項 淨額	40,606	—		
Portion classified as current liabilities (note 29)	分類為流動負債之 部份(附註29)	(12,826)	—		
Non-current portion (note 29)	非即期部份 (附註29)	27,780	—		

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 31 DEFERRED TAX

The movements in deferred tax assets/(liabilities) during the year are as follows:

### 31 遞延稅項

遞延稅項資產/(負債)於年內之變動如下：

		Temporary differences on assets recognised under HK(IFRIC) -Int 12 根據《香港(國際財務報告詮釋委員會) 詮釋》第12號 確認之資產之暫時差異	Revaluation of properties 物業重估	Fair value adjustments arising from acquisition of subsidiaries 收購 附屬公司 所產生之 公允值調整	Fair value adjustment on available-for-sale investments 待售投資之 公允值調整	Undistributed profits of subsidiaries 附屬公司 未分派盈利	Others 其他	Total 總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January 2015	於二零一五年一月一日	(1,442,893)	(20,326)	-	(9,772)	(311,976)	-	(1,784,967)
Deferred tax charged to the consolidated income statement during the year (note 11)	年內在綜合損益表扣除之 遞延稅項(附註11)	(408,881)	-	-	-	(101,257)	-	(510,138)
Deferred tax credited to other comprehensive income during the year	年內計入其他全面收入之 遞延稅項	-	-	-	9,772	-	-	9,772
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	(185,105)	-	-	-	(24,131)	14,528	(194,708)
Exchange realignment	匯兌調整	70,262	202	-	-	21,580	(269)	91,775
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	<b>(1,966,617)</b>	<b>(20,124)</b>	<b>-</b>	<b>-</b>	<b>(415,784)</b>	<b>14,259</b>	<b>(2,388,266)</b>
Deferred tax credited/(charged) to the consolidated income statement during the year (note 11)	年內在綜合損益表計入/(扣除) 之遞延稅項(附註11)	<b>(644,269)</b>	<b>-</b>	<b>2,675</b>	<b>-</b>	<b>(125,299)</b>	<b>8,368</b>	<b>(758,525)</b>
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)	<b>-</b>	<b>-</b>	<b>(69,977)</b>	<b>-</b>	<b>-</b>	<b>(5,008)</b>	<b>(74,985)</b>
Exchange realignment	匯兌調整	<b>159,535</b>	<b>1,333</b>	<b>6,600</b>	<b>-</b>	<b>33,394</b>	<b>(999)</b>	<b>199,863</b>
At 31 December 2016	於二零一六年十二月三十一日	<b>(2,451,351)</b>	<b>(18,791)</b>	<b>(60,702)</b>	<b>-</b>	<b>(507,689)</b>	<b>16,620</b>	<b>(3,021,913)</b>



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 31 DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	53,732	36,483
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(3,075,645)	(2,424,749)
		<b>(3,021,913)</b>	(2,388,266)

The Group has estimated tax losses arising in Hong Kong of approximately HK\$207,735,000 (2015: approximately HK\$252,904,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has estimated tax losses arising in Mainland China of approximately HK\$65,545,000 (2015: approximately HK\$54,850,000) that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets in respect of tax losses arising in Hong Kong of approximately HK\$207,735,000 (2015: approximately HK\$252,904,000) and Mainland China of approximately HK\$65,545,000 (2015: approximately HK\$54,850,000) have not been recognised as they have arisen in certain subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

### 31 遞延稅項 (續)

為了呈列目的，若干遞延稅項資產及負債已於綜合財務狀況表中抵銷。下表為就財務申報目的而對本集團遞延稅項結餘作出之分析：

本集團於香港產生之估計稅項虧損約港幣207,735,000元(二零一五年：約港幣252,904,000元)，可無限年期用作抵銷產生虧損之公司日後應課稅盈利。此外，本集團於中國大陸產生之估計稅項虧損約港幣65,545,000元(二零一五年：約港幣54,850,000元)，有關虧損可用作抵銷產生虧損之公司日後應課稅盈利，其應用限期將於一至五年內屆滿。概無就香港產生之稅項虧損約港幣207,735,000元(二零一五年：約港幣252,904,000元)及中國大陸產生之稅項虧損約港幣65,545,000元(二零一五年：約港幣54,850,000元)確認遞延稅項資產，原因為有關虧損來自自己出現虧損一段時間之若干附屬公司，且本集團認為於日後不大可能會產生應課稅盈利而令有關稅項虧損得以運用。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 31 DEFERRED TAX (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

### 31 遞延稅項(續)

根據中國企業所得稅法，於中國大陸成立之外資企業向外國投資者宣派股息時，需按10%之稅率徵收預扣稅。該規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後產生之盈利。倘若中國大陸與有關外國投資者所屬司法權區訂有相關稅務協議，則可應用較低之預扣稅率。本集團之適用稅率為5%或10%。因此，本集團須就於中國大陸成立之附屬公司自二零零八年一月一日起產生之盈利所分派之股息繳納預扣稅。

本公司向其股東派發股息並不附帶任何所得稅後果。

### 32 SHARE CAPITAL

### 32 股本

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Issued and fully paid: 4,482,712,000 (2015: 4,483,712,000) ordinary shares	已發行及悉數繳足： 4,482,712,000股 (二零一五年： 4,483,712,000股) 普通股	<b>7,405,414</b>	7,405,414

During the year, the Company purchased 1,000,000 of its shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for a total consideration of HK\$7,950,000 which was paid wholly out of retained profits in accordance with section 257 of the Hong Kong Companies Ordinance. The purchased shares were cancelled during the year and the total amount paid for the purchase of the shares of HK\$7,950,000 has been charged to retained profits of the Company.

年內，本公司在香港聯合交易所有限公司（「聯交所」）購買1,000,000股本公司股份，總代價為港幣7,950,000元，其已根據香港公司條例第257條全數以保留盈利撥付。上述已購入股份已於年內註銷。購買上述股份之已付款項總額港幣7,950,000元已從本公司之保留盈利中支銷。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 33 RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

#### (i) Goodwill arising on consolidation

The goodwill arising on consolidation has been set up and dealt with in accordance with the transitional arrangements under HKFRS 3 (August 2004), goodwill which had previously been taken directly to reserves (i.e. goodwill which arose before 1 January 2001) will not be recognised in profit or loss on disposal or impairment of the acquired business, or under any other circumstances.

#### (ii) Property revaluation reserve

Certain properties previously occupied by the Group as owner-occupied properties were transferred to investment properties in prior years and a revaluation surplus was credited to property revaluation reserve to account for the difference between the carrying amounts and the fair values of the properties at the date of change in use, determined using market comparison approach by independent firms of surveyors.

The property revaluation reserve of the Group is not distributable as at 31 December 2016 and 2015.

#### (iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2.4 to the financial statements.

#### (iv) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale investments held at the end of the reporting period and is dealt with in accordance with the accounting policy set out in note 2.4 to the financial statements.

### 33 儲備

本集團於本年度及過往年度之儲備金額及其變動詳情於財務報表中之綜合權益變動表呈列。

#### (i) 綜合賬項產生之商譽

本公司已根據《香港財務報告準則》第3號(二零零四年八月)之過渡條文設立及處理綜合賬項所產生之商譽。據此，當所收購業務被出售或出現耗損時，或在任何其他情況下，過往直接計入儲備之商譽(即於二零零一年一月一日之前產生之商譽)亦不會在損益表中確認。

#### (ii) 物業重估儲備

若干原先由本集團佔用之物業(自用物業)於過往年度轉撥至投資物業，並已於物業重估儲備計入重估盈餘，以入賬有關物業於用途變更日期之賬面值與公允值之間的差額，其由獨立測量師行按市場比較法釐定。

於二零一六年及二零一五年十二月三十一日，本集團之物業重估儲備並不可供分派。

#### (iii) 匯兌儲備

匯兌儲備包括換算外國業務之財務報表所產生之所有匯兌差額。本公司會根據財務報表附註2.4所載會計政策處理儲備。

#### (iv) 公允值儲備

公允值儲備包括於報告期末持有之待售投資公允值之累計變動淨額及其根據財務報表附註2.4所載會計政策處理。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 33 RESERVES (continued)

#### (v) Other reserves

Other reserves comprise (i) the difference between the consideration paid/received for the acquisition/dilution of non-controlling interests and the carrying amount of non-controlling interests at the transaction date, less the foreign exchange movements on translation of those subsidiaries attributable to the non-controlling interests; and (ii) the difference between the fair value of the Group's equity interest in subsidiaries transferred to the acquiree for the acquisition of subsidiaries and the net assets value attributable to the non-controlling interests in respect of the subsidiaries transferred to the acquiree at the transaction date.

#### (vi) Reserve fund

*Statutory reserve – wholly-foreign-owned enterprises*  
Subsidiaries of the Group in the PRC, which are wholly-foreign-owned enterprises, follow the accounting principles and relevant financial regulations of the PRC applicable to wholly-foreign-owned enterprises ("PRC GAAP – WFOE"), in the preparation of its accounting records and financial statements. Pursuant to the accounting regulations for business enterprises (企業會計制度[財會(2000)25號]), the subsidiaries are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP – WFOE for each year to the statutory reserve. The profit arrived at must be used initially to set off against any accumulated losses. The appropriations to the statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to equity owners. The appropriation is required until the statutory reserve reaches 50% of the registered capital. This statutory reserve is not distributable in the form of cash dividends, but may be used to set off losses or be converted into paid-in capital.

### 33 儲備(續)

#### (v) 其他儲備

其他儲備包括(i)收購／攤薄非控股權益之已付／已收代價與非控股權益於交易日期之賬面值間之差額減非控股權益應佔換算該等附屬公司而產生之匯兌變動；及(ii)本集團在已轉讓予被收購公司之附屬公司(因收購附屬公司而轉讓者)中之股權之公允值與非控股權益應佔已轉讓予被收購公司之附屬公司於交易日期之資產淨值間之差額。

#### (vi) 儲備金

##### 法定儲備—全外資企業

本集團位於中國之附屬公司(全外資企業)依據適用於全外資企業之中國會計原則及有關財務法規(「中國公認會計原則—全外資企業」)，編製會計記錄及財務報表。根據《企業會計制度[財會(2000)25號]》，附屬公司須每年將按照「中國公認會計原則—全外資企業」計算所得之盈利其中10%劃撥至法定儲備。盈利必須首先用以抵銷任何累計虧損。此外，只有在劃撥盈利(已扣除任何累計虧損後)至法定儲備後方可向股權擁有人分派股息。附屬公司須一直劃撥盈利至法定儲備，直至法定儲備達至註冊資本50%為止。此法定儲備不會以現金股息形式分派，惟可用於抵銷虧損或轉換為繳足股本。

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 34 PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below.

The information set out below represents the non-controlling interests in China Everbright Water Limited ("CEWL") and its subsidiaries.

#### 34 附帶重大非控股權益之非全資附屬公司

本集團附帶重大非控股權益之附屬公司之詳情載列如下。

下列資料顯示於中國光大水務有限公司(「光大水務」)及其附屬公司之非控股權益。

		2016 二零一六年	2015 二零一五年
Percentage of equity interest held by non-controlling interests	非控股權益持有之股權百分比	<b>25.3%</b>	25.6%
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Profit for the year allocated to non-controlling interests	分配予非控股權益之年度盈利	<b>88,513</b>	99,287
Accumulated balances of non-controlling interests at the reporting dates	於報告日期非控股權益之累計結餘	<b>1,471,583</b>	1,553,497

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

34 PARTLY-OWNED SUBSIDIARIES WITH  
MATERIAL NON-CONTROLLING INTERESTS  
(continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

34 附帶重大非控股權益之非全資附屬  
公司(續)

下表列示上述附屬公司之財務資料概要。所披露之金額為集團內公司間互相對銷前之金額。

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Revenue	收益	<b>2,494,037</b>	1,815,150
Profit for the year	年度盈利	<b>372,615</b>	423,668
Total comprehensive income/(loss) for the year	年度全面收入/(虧損) 總額	<b>(225,985)</b>	86,097
Current assets	流動資產	<b>3,297,412</b>	3,314,627
Non-current assets	非流動資產	<b>9,802,167</b>	9,631,727
Current liabilities	流動負債	<b>(2,471,747)</b>	(2,922,282)
Non-current liabilities	非流動負債	<b>(4,417,783)</b>	(3,719,646)
Non-controlling interests	非控股權益	<b>(393,515)</b>	(236,077)
Net cash flows from operating activities	經營活動所得現金流量 淨額	<b>20,195</b>	32,605
Net cash flows used in investing activities	投資活動所動用現金流量 淨額	<b>(6,329)</b>	(2,177,471)
Net cash flows from financing activities	融資活動所得現金流量 淨額	<b>142,364</b>	2,954,083
Effect of foreign exchange rate changes, net	匯率變動影響淨額	<b>(85,379)</b>	(19,998)
Net increase in cash and cash equivalents	現金及現金等價物增加 淨額	<b>70,851</b>	789,219

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS

#### (a) Acquisition of 江蘇省節能工程設計研究院有限公司 (“Jiangsu Design & Research Institute”)

On 7 April 2016, the Group acquired 100% equity interest in Jiangsu Design & Research Institute from an independent third party. Jiangsu Design & Research Institute is engaged in the provision of construction services, design of renewable energy construction projects and research and development of environmental protection equipment. The acquisition was made as part of the Group’s strategy to expand its market share of the “Envirotech” segment. The total purchase consideration of HK\$53,636,000 for the acquisition was in the form of cash, with HK\$11,959,000 paid in February 2016 and the remaining HK\$41,677,000 paid in March 2016.

The fair values of the identifiable assets and liabilities of Jiangsu Design & Research Institute as at the date of acquisition were as follows:

### 35 業務合併

#### (a) 收購江蘇省節能工程設計研究院有限公司(「江蘇省節能工程設計研究院」)

於二零一六年四月七日，本集團向一名獨立第三方收購江蘇省節能工程設計研究院100%股權。江蘇省節能工程設計研究院之業務為提供建造服務、設計再生能源建造工程項目及研發環保設備。是項收購乃本集團拓展旗下「環境科技」分部市場佔有率之策略的其中一環。是項收購之購買代價總額港幣53,636,000元以現金形式支付。其中港幣11,959,000元已於二零一六年二月支付，餘下港幣41,677,000元亦已於二零一六年三月支付。

於收購日期，江蘇省節能工程設計研究院之可辨別資產及負債之公允值如下：

		2016 二零一六年 Fair value recognised on acquisition 收購時確認之 公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	715
Prepaid land lease payments	預付土地租賃款項	670
Intangible assets	無形資產	20,032
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	10,711
Cash and cash equivalents	現金及現金等價物	28,112
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(1,026)
Tax payable	應付稅項	(570)
Deferred tax liabilities	遞延稅項負債	(5,008)
Total identifiable net assets at fair value	可辨別資產淨值總額 (公允值)	53,636
Satisfied by cash	以現金支付	53,636

## Notes to Financial Statements 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS (continued)

#### (a) Acquisition of 江蘇省節能工程設計研究院有限公司 ("Jiangsu Design & Research Institute") (continued)

The fair values of the debtors and other receivables as at the date of acquisition amounted to HK\$10,711,000. The gross contractual amount of debtors and other receivables was HK\$10,711,000, none of which are expected to be uncollectible.

The Group incurred transaction costs of HK\$110,000 for this acquisition. These transaction costs have been expensed and are included in "Administrative expenses" in the consolidated income statement.

An analysis of the cash flows in respect of the acquisition of Jiangsu Design & Research Institute is as follows:

### 35 業務合併(續)

#### (a) 收購江蘇省節能工程設計研究院有限公司 ("江蘇省節能工程設計研究院") (續)

於收購日期，應收賬款及其他應收款項之公允值為港幣10,711,000元。應收賬款及其他應收款項之總合約金額為港幣10,711,000元，預期皆可收回。

本集團就是項收購交易產生之交易成本為港幣110,000元。有關交易成本已於綜合損益表支銷，並計入「行政費用」。

有關收購江蘇省節能工程設計研究院之現金流量分析如下：

		2016 二零一六年 HK\$'000 港幣千元
Cash consideration	現金代價	(53,636)
Cash and cash equivalents acquired	收購所得現金及現金等價物	28,112
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(25,524)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(110)
		(25,634)



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS (continued)

#### (a) Acquisition of 江蘇省節能工程設計研究院有限公司 ("Jiangsu Design & Research Institute") (continued)

Since the acquisition, Jiangsu Design & Research Institute contributed HK\$13,757,000 to the Group's revenue and a loss of HK\$7,560,000 to the consolidated profit for the year ended 31 December 2016.

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the year would have been HK\$13,976,493,000 and HK\$3,037,717,000, respectively.

#### (b) Acquisition of the Poland Target Companies and their subsidiaries (collectively the "NOVAGO Group")

During the year, the Group acquired 100% equity interests in the Poland Target Companies from certain independent third parties at a total consideration of approximately Euro119,458,000 or Polish zloty 525,087,000 (equivalent to approximately HK\$1,022,102,000) (the "Poland Acquisition"). The principal activities of the NOVAGO Group involve the provision of solid waste treatment service in the Republic of Poland. The Poland Acquisition was completed in August 2016. The total purchase consideration for the Poland Acquisition of Euro119,458,000 (equivalent to approximately HK\$1,022,102,000) was paid in the form of cash in August 2016.

The Group has elected to measure the non-controlling interests in the NOVAGO Group at the non-controlling interests' proportionate share of the identifiable net assets of the related non-wholly owned subsidiaries of the NOVAGO Group.

### 35 業務合併(續)

#### (a) 收購江蘇省節能工程設計研究院有限公司(「江蘇省節能工程設計研究院」) (續)

自收購以來，江蘇省節能工程設計研究院為本集團貢獻收益港幣13,757,000元，並為截至二零一六年十二月三十一日止年度之綜合盈利帶來虧損港幣7,560,000元。

倘有關合併於年初進行，年內本集團之收益及本集團之盈利將分別為港幣13,976,493,000元及港幣3,037,717,000元。

#### (b) 收購波蘭目標公司及彼等之附屬公司 (合稱「NOVAGO集團」)

年內，本集團向若干獨立第三方收購波蘭目標公司100%股權，總代價為約119,458,000歐羅或525,087,000波蘭茲羅提(相當於約港幣1,022,102,000元)(「波蘭收購事項」)。NOVAGO集團之主要業務涉及在波蘭共和國提供固廢處理服務。波蘭收購事項已於二零一六年八月完成。波蘭收購事項之總購買代價119,458,000歐羅(相當於約港幣1,022,102,000元)已於二零一六年八月以現金形式支付。

本集團選擇按非控股權益應佔NOVAGO集團相關非全資附屬公司之可辨別資產淨值計量NOVAGO集團之非控股權益。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 35 BUSINESS COMBINATIONS (continued)

**(b) Acquisition of the Poland Target Companies and their subsidiaries (collectively the “NOVAGO Group”) (continued)**

The fair values of the identifiable assets and liabilities of the NOVAGO Group as at the date of acquisition were as follows:

## 35 業務合併(續)

**(b) 收購波蘭目標公司及彼等之附屬公司(合稱「NOVAGO集團」)(續)**

於收購日期，NOVAGO集團之可辨別資產及負債如下：

		2016 二零一六年 Fair value recognised on acquisition 收購時確認 之公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	584,406
Goodwill	商譽	4,775
Inventories	存貨	7,398
Intangible assets	無形資產	175,828
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項	66,068
Cash and cash equivalents	現金及現金等價物	5,235
Interest-bearing bank borrowings	計息銀行借貸	(209,683)
Finance lease payables	融資租賃應付款項	(47,039)
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及應計費用	(54,632)
Tax payable	應付稅項	(20,126)
Deferred tax liabilities	遞延稅項負債	(69,977)
Non-controlling interests	非控股權益	(33,196)
Total identifiable net assets at fair value	可辨別資產淨值總額(公允值)	409,057
Goodwill on acquisition	收購所得商譽	613,045
Satisfied by cash	以現金支付	1,022,102

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS (continued)

#### (b) Acquisition of the Poland Target Companies and their subsidiaries (collectively the “NOVAGO Group”) (continued)

The fair values of the debtors and other receivables as at the date of acquisition amounted to HK\$66,068,000. The gross contractual amount of debtors and other receivables was HK\$66,068,000, none of which are expected to be uncollectible.

The Group incurred transaction costs of HK\$25,989,000 for this acquisition. These transaction costs have been expensed and are included in “Administrative expenses” in the consolidated income statement.

An analysis of the cash flows in respect of the acquisition of the NOVAGO Group is as follows:

### 35 業務合併(續)

#### (b) 收購波蘭目標公司及彼等之附屬公司 (合稱「NOVAGO集團」)(續)

於收購日期，應收賬款及其他應收款項之公允值為港幣66,068,000元。應收賬款及其他應收款項之總合約金額為港幣66,068,000元，預期皆可收回。

本集團就是項收購交易產生之交易成本為港幣25,989,000元。有關交易成本已於綜合損益表支銷，並計入「行政費用」。

有關收購NOVAGO集團之現金流量分析如下：

		2016 二零一六年 HK\$'000 港幣千元
Cash consideration	現金代價	(1,022,102)
Cash and cash equivalents acquired	收購所得現金及現金等價物	5,235
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(1,016,867)
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購交易成本	(25,989)
		(1,042,856)

Since the acquisition, the NOVAGO Group contributed HK\$120,922,000 to the Group's revenue and a profit of HK\$12,896,000 to the consolidated profit for the year ended 31 December 2016.

Had the combination taken place at the beginning of the year, the revenue of the Group and the profit of the Group for the year would have been HK\$14,175,361,000 and HK\$3,062,958,000, respectively.

自收購以來，NOVAGO集團為本集團貢獻收益港幣120,922,000元，並為截至二零一六年十二月三十一日止年度之綜合盈利帶來盈利港幣12,896,000元。

倘有關合併於年初進行，年內本集團之收益及本集團之盈利將分別為港幣14,175,361,000元及港幣3,062,958,000元。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS (continued)

#### (c) Acquisition of Dalian Dongda

On 28 August 2015, CEWL and Beijing Everbright Water Investment Management Co., Ltd (“BEWI”), a wholly-owned subsidiary of CEWL, entered into an equity transfer agreement (the “Dongda Agreement”) with Dongda Group Co., Ltd (the “Dongda Group”) and Mr. Liu Yubao (together the “Dongda Sellers”), pursuant to which BEWI agreed to acquire the entire equity interest in Dalian Dongda and provide new shareholder’s loan to Dalian Dongda as it retires all outstanding debts due by the Dongda Group to one of the Dongda Sellers, Dongda Group, at a total consideration of RMB1,843,978,000 (approximately equivalent to HK\$2,238,866,000).

At the date of acquisition, Dalian Dongda and certain of its subsidiaries had claims against relevant PRC government authorities for RMB203,150,000 (approximately equivalent to HK\$246,421,000) under certain service concession arrangements. Any claim amounts recovered from the relevant PRC government authorities within three years from completion of acquisition of 90% equity interest in Dalian Dongda by BEWI on 4 November 2015 (the “Three-year Period”) will be payable to Dongda Group. Dalian Dongda and its subsidiaries will also bear taxes, if any, arising from the actual receipt of these claims. Having considered all currently available information, the directors of the Company are of the view that the recovery of the claims is not probable and that any tax liability in relation to the receipt of these claims is remote.

The remaining 10% equity interest (the “Remaining Interest”) will be transferred to BEWI each year in the Three-year Period based on the proportion of claims recovered. All of the Remaining Interest will be transferred to BEWI regardless of how much claims are recovered at the end of the Three-year Period.

Pursuant to the Dongda Agreement, upon the completion of acquisition of the 90% equity interest in Dalian Dongda, BEWI is entitled to the share of profits or loss, assets and liabilities of Dalian Dongda in respect of the Remaining Interest, even though the Remaining Interest will be transferred to BEWI over the Three-year Period.

### 35 業務合併(續)

#### (c) 收購大連東達

於二零一五年八月二十八日，光大水務及北京光大水務投資管理有限公司(「北京光大水務」，光大水務之全資附屬公司)與東達集團有限公司(「東達集團」)及劉玉寶先生(合稱「東達賣方」)訂立股權轉讓協議(「東達協議」)。據此，北京光大水務同意收購大連東達全部股權，並提供新股東貸款予大連東達，以讓其償還大連東達集團結欠其中一名東達賣方之所有未償還債項，總代價為人民幣1,843,978,000元(相當於約港幣2,238,866,000元)。

於收購日期，大連東達及其若干附屬公司根據若干服務特許經營權安排向有關中國政府機關申索人民幣203,150,000元(相當於約港幣246,421,000元)。在北京光大水務於二零一五年十一月四日完成收購大連東達90%股權起計三年(「三年期間」)內，從有關中國政府機關收回之任何申索款項將支付予東達集團。大連東達及其附屬公司亦須承擔因實際收悉有關申索款項而產生之稅項(如有)。經考慮目前所得之所有資料後，本公司董事認為不大可能收回有關申索款項，而因收取上述申索款項而產生稅項負債之機會微乎其微。

餘下10%之股權(「餘下權益」)將於三年期間內各年根據申索款項之收回比例轉讓予北京光大水務。全部餘下權益將於三年期間結束時轉讓予北京光大水務，而不論收回多少申索款項。

根據東達協議，在完成收購大連東達90%股權後，儘管餘下權益將於三年期間內轉讓予北京光大水務，惟北京光大水務有權就餘下權益分佔大連東達之盈虧、資產及負債。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 35 BUSINESS COMBINATIONS (continued)

#### (c) Acquisition of Dalian Dongda (continued)

The fair values of the identifiable assets and liabilities of Dalian Dongda as at the date of acquisition were as follows:

### 35 業務合併(續)

#### (c) 收購大連東達(續)

於收購日期，大連東達之可辨別資產及負債之公允值如下：

		2015 二零一五年 Fair value recognised on acquisition 收購時確認之 公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	380
Intangible assets	無形資產	574,252
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	1,558,620
Debtors, other receivables, deposits and prepayments	應收賬款、其他應收款項、 按金及預付款項	216,318
Cash and cash equivalents	現金及現金等價物	75,529
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 預計費用	(75,182)
Interest-bearing borrowings	計息借貸	(161,282)
Tax payable	應付稅項	(26,883)
Deferred tax liabilities	遞延稅項負債	(194,708)
Total identifiable net assets at fair value	可辨別資產淨值總額 (公允值)	1,967,044
Goodwill on acquisition	收購所得商譽	271,822
Satisfied by cash	以現金支付	2,238,866

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 35 BUSINESS COMBINATIONS (continued)

## (c) Acquisition of Dalian Dongda (continued)

An analysis of the cash flows in respect of the acquisition of Dalian Dongda is as follows:

		2015 二零一五年 HK\$'000 港幣千元
Cash consideration	現金代價	(2,238,866)
Cash and cash equivalents acquired	收購所得現金及現金等價物	75,529
Net outflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流出淨額	(2,163,337)

From the date of acquisition to 31 December 2015, Dalian Dongda contributed revenue of HK\$34,264,000 and profit of HK\$7,534,000 to the Group's net profit for the year ended 31 December 2015. Had the acquisition taken place on 1 January 2015, the consolidated revenue and profit for the year of the Group would have been HK\$8,774,506,000 and HK\$2,404,915,000 respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2015.

Net cash outflow for the acquisition of subsidiaries included in the cash flows from investing activities:

## 35 業務合併(續)

## (c) 收購大連東達(續)

有關收購大連東達之現金流量分析如下：

於截至二零一五年十二月三十一日止年度，自收購日期至二零一五年十二月三十一日期內，大連東達貢獻收益港幣34,264,000元及為本集團淨盈利帶來盈利港幣7,534,000元。倘是項交易乃於二零一五年一月一日進行，本集團之年內綜合收益及盈利將分別為港幣8,774,506,000元及港幣2,404,915,000元。在釐定此等金額時，管理層假設倘是項收購於二零一五年一月一日發生，收購所得資產及負債於收購日期所產生之公允值調整仍然相同。

計入投資活動所得現金流量有關收購附屬公司之現金流出淨額：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Acquisition of Jiangsu Design & Research Institute (note 35(a))	收購江蘇省節能工程設計研究院(附註35(a))	(25,524)	-
Acquisition of the NOVAGO Group (note 35(b))	收購NOVAGO集團(附註35(b))	(1,016,867)	-
Acquisition of Dalian Dongda (note 35(c))	收購大連東達(附註35(c))	-	(2,163,337)
		(1,042,391)	(2,163,337)

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 36 PLEDGE OF ASSETS

Details of the Group's banking facilities and finance lease payables, which are secured by the assets of the Group, are included in note 29 to the financial statements. The aggregate net book value of assets and equity interests in subsidiaries pledged amounted to HK\$22,795,276,000 (2015: HK\$20,487,905,000) as at 31 December 2016.

### 37 OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases its investment properties (note 14 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from three to ten years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. None of the leases includes contingent rentals.

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within 1 year	一年內	8,168	5,238
After 1 year but within 5 years	一年後但五年內	23,721	14,711
After 5 years	五年後	8,199	11,448
		<b>40,088</b>	31,397

### 36 資產抵押

本集團銀行融資及融資租賃應付款項(由本集團之資產作抵押)之詳情載於財務報表附註29。於二零一六年十二月三十一日，已抵押資產及附屬公司股權之總賬面淨值為港幣22,795,276,000元(二零一五年：港幣20,487,905,000元)。

### 37 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租其投資物業(財務報表附註14)，商定租期介乎三至十年不等。此外，租賃條款一般規定租戶須支付保證金，並規定可定期按照當時之市場情況調整租金。概無任何租賃包括或然租金。

於二零一六年十二月三十一日，根據本集團與其租戶訂立之不可解除經營租賃，本集團日後的最低租賃應收款項總額到期支付如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 37 OPERATING LEASE ARRANGEMENTS

(continued)

#### (b) As lessee

The Group leases a number of properties under operating leases, with leases negotiated for terms ranging from one to twenty-nine years. None of the leases includes contingent rentals.

At 31 December 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within 1 year	一年內	17,663	10,406
After 1 year but within 5 years	一年後但五年內	18,863	2,045
After 5 years	五年後	9,400	-
		<b>45,926</b>	12,451

### 38 COMMITMENTS

In addition to the operating lease commitments detailed in note 37 above, the Group had the following capital commitments at the end of the reporting period:

- (a) Purchase commitments outstanding in connection with the Group's construction contracts were as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備	<b>4,393,106</b>	2,728,184

### 37 經營租賃安排(續)

#### (b) 作為承租人

本集團根據經營租賃租用數項物業，商定租期介乎一年至二十九年不等。概無任何租賃包括或然租金。

於二零一六年十二月三十一日，根據不可解除的經營租賃，本集團日後應付的最低租賃款項總額到期支付如下：

### 38 承擔

除了上文附註37所述之經營租賃承擔外，於報告期末，本集團亦有以下資本承擔：

- (a) 有關本集團建造合約之採購承擔如下：



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 38 COMMITMENTS (continued)

- (b) At 31 December 2016, the Group had an outstanding capital commitment relating to the purchase of a limited partnership in an investment fund not provided for in the financial statements of HK\$14,554,000 (2015: HK\$23,258,000).
- (c) At 31 December 2016, the Group had outstanding capital commitments relating to the capital contributions to joint ventures not provided for in the financial statements of HK\$174,371,000 (2015: HK\$288,793,000).
- (d) At 31 December 2016, the Group had outstanding capital commitment relating to the capital contribution to associates not provided for in the financial statements of HK\$23,643,000 (2015: HK\$9,760,000).

### 39 RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions during the year:

- (a) The Group entered into the following related party transactions with a related party bank:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Dividend income from listed securities	上市證券股息收入	-	956
Interest income	利息收入	1,774	3,490
Interest expense	利息支出	16,171	13,528

Details of the Group's loans from a related party bank are included in note 29 to the financial statements.

### 38 承擔(續)

- (b) 於二零一六年十二月三十一日，本集團並未在財務報表中，就購買營運一個投資基金的一家有限責任合伙公司之資本承擔港幣14,554,000元(二零一五年：港幣23,258,000元)作出撥備。
- (c) 於二零一六年十二月三十一日，本集團並未在財務報表中就合營企業注資之資本承擔港幣174,371,000元(二零一五年：港幣288,793,000元)作出撥備。
- (d) 於二零一六年十二月三十一日，本集團並未在財務報表中就聯營公司注資之資本承擔港幣23,643,000元(二零一五年：港幣9,760,000元)作出撥備。

### 39 關聯人士交易

除了此等財務報表其他部份所披露之交易及結餘外，年內本集團訂立了下列重大關聯人士交易：

- (a) 本集團與一家關聯人士銀行訂立了下列關聯人士交易：

本集團之關聯人士銀行貸款詳情載於財務報表附註29。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 39 RELATED PARTY TRANSACTIONS

*(continued)*

(b) The Group entered into the following related party transactions with a non-controlling shareholder of a non-wholly-owned subsidiary of the Group:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Revenue from environmental water project operation services	環保水務項目運營服務收益	47,668	70,271
Finance income	財務收入	24,809	25,197

(c) The Group entered into the following related party transactions with a related company and subsidiaries of non-controlling shareholders of non-wholly-owned subsidiaries of the Group:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Revenue from environmental water project operation services	環保水務項目運營服務收益	39,737	52,400
Finance income	財務收入	47,157	50,687

(d) The Group entered into the following related party transactions with joint ventures of the Group:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Revenue from environmental energy project construction services	環保能源項目建造服務收益	301,004	-
Sales of machinery	銷售機器	46,598	-
Interest income	利息收入	1,188	-

## 39 關聯人士交易(續)

(b) 本集團與其非全資附屬公司之非控股股東訂立了下列關聯人士交易：

(c) 本集團與其關聯公司及其非全資附屬公司之非控股股東之附屬公司訂立了下列關聯人士交易：

(d) 本集團與其合營企業訂立了下列關聯人士交易：

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

39 RELATED PARTY TRANSACTIONS  
(continued)

- (e) The Group entered into the following related party transactions with a non-controlling shareholder of a non-wholly-owned subsidiary of the Group:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Prepayments to a non-controlling shareholder of a non-wholly-owned subsidiary for construction related works	支付予非全資附屬公司之非控股股東之建造相關工程預付款項	33,504	-

- (f) The Group entered into the following related party transactions with a fellow subsidiary of the Group:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Rental expenses	租金費用	6,601	-

The rental expenses of an office were charged by a fellow subsidiary of the Group on mutually agreed terms at a fixed monthly amount of HK\$1,026,000. In the opinion of the directors of the Company, the rental expenses were determined by reference to the prevailing market rent and the rental valuation report of the premises conducted by an independent property consulting firm engaged by the Company.

辦公室租金費用由本集團同系附屬公司按雙方協定條款計收，固定月租為港幣1,026,000元。本公司董事認為，租金費用乃經參考當時之市場租金及本公司委聘之獨立物業顧問公司就有關物業作出之租金估值報告而釐定。

## 39 關聯人士交易(續)

- (e) 本集團與其非全資附屬公司之非控股股東訂立了下列關聯人士交易：

- (f) 本集團與其同系附屬公司訂立了下列關聯人士交易：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 39 RELATED PARTY TRANSACTIONS

*(continued)*

(g) The Group paid key management personnel compensation as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	132,929	105,451
Retirement scheme contributions	退休計劃供款	5,237	3,515
		<b>138,166</b>	108,966

(h) During the year ended 31 December 2016, the Group entered into certain continuing connected transactions. The Company's independent non-executive directors have reviewed these transactions, details of which are disclosed under the paragraph "Continuing connected transactions" in the report of the directors.

(i) As disclosed in note 39(f), the Group has rental commitments with a fellow subsidiary of the Group under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Within one year	一年內	11,286	-
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	15,903	-
		<b>27,189</b>	-

### 39 關聯人士交易(續)

(g) 本集團已支付予主要管理人員之報酬如下：

(h) 於截至二零一六年十二月三十一日止年度，本集團訂立了若干持續關連交易。本公司之獨立非執行董事已審閱有關交易。有關交易詳情在董事會報告中「持續關連交易」一節下披露。

(i) 誠如附註39(f)所披露，根據本集團與其同系附屬公司訂立之不可解除經營租賃，本集團之租金承擔到期支付如下：

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 40 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, bank deposits, debtors, current portion of other receivables, deposits and prepayments, creditors, other payables and accrued expenses and interest-bearing borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance management department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance management department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of gross amounts due from customers for contract work, the non-current portion of other receivables, deposits and prepayments, and interest-bearing borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing borrowings as at 31 December 2016 was assessed to be insignificant.

The available-for-sale equity investment in Level 2 represents an investment in a property investment company, with its investment properties (being significant part of the total assets) stated at fair value. The fair value of such investment is determined based on net asset value of the investee which approximates to the fair value.

### 40 金融工具之公允值及公允值架構級別

管理層評定現金及現金等價物、銀行存款、應收賬款、其他應收款項、按金及預付款項、應付賬款、其他應付款項及應計費用及計息借貸之即期部份之公允值與其賬面值相若，主要由於該等工具於短期內到期。

本集團之財務管理部門專責釐定金融工具公允值計量之政策及程序。於各個報告日期，財務管理部門會分析金融工具之價值變動，並釐定估值所應用之主要輸入數據。估值由財務總監審閱及審批。審核委員會每年兩次討論估值程序及結果，以便作出中期及年度財務報告。

財務資產及負債之公允值以該工具於自願交易方(而非強迫或清盤出售)當前交易下之可交易金額入賬。下列方法及假設乃用於估計公允值：

應收客戶合約工程款項總額、其他應收款項、按金及預付款項以及計息借貸之非即期部份之公允值乃按具有類似條款、信貸風險及剩餘年期之工具之現行適用利率，貼現預期未來現金流量之方式計算。於二零一六年十二月三十一日，就計息借貸而言，本集團本身之不履約風險被評定為甚微。

第二級之待售股本投資指於一家物業投資公司之投資，該公司之投資物業(佔其總資產重大部份)按公允值列賬。有關投資之公允值根據被投資公司之資產淨值釐定，有關資產淨值與公允值相若。

## Notes to Financial Statements 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 40 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of unlisted available-for-sale equity investment in Level 3 is estimated with reference to the expected future cash flows of the investment.

The fair value of cross-currency swap in Level 2 is estimated by the discounted cash flow approach, assuming that the Group entered into an offsetting position in the swap at the valuation date, such that the fair value at the valuation date would be the sum of the present value of the net payoffs from the original position and the offsetting position on the scheduled payment dates. The cash flows associated with the assumed offsetting position on the scheduled payment dates were estimated based on the forward exchange rates with matching maturities at the valuation date. The net payoffs were discounted to present values at the risk-free rates with matching maturities and currencies.

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

#### As at 31 December 2016

		Fair value measurement using 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Available-for-sale investments:	待售投資：				
- Listed	- 上市	5,208	-	-	5,208
- Unlisted	- 非上市	-	3,899	24,225	28,124
		5,208	3,899	24,225	33,332

### 40 金融工具之公允值及公允值架構級別 (續)

第三級之非上市待售股本投資之公允值乃經參考有關投資之預期未來現金流量而估計。

第二級之交叉貨幣掉期之公允值乃按現金流量貼現法估計，假設本集團於估值日期訂立相抵持倉之掉期合約，則於估值日期之公允值將會是於預定付款日期原來的倉盤與上述相抵持倉淨額結算後之現值。相抵持倉於預定付款日期的現金流量乃按合約屆滿時所報之遠期匯率牌價估計。淨額結算所得之數按貨幣合約屆滿時之適用無風險收益率貼現至現值。

#### 公允值架構級別

下表列出本集團金融工具之公允值計量層級：

按公允值計量之資產：

於二零一六年十二月三十一日

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 40 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

#### Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2015

### 40 金融工具之公允值及公允值架構級別 (續)

#### 公允值架構級別 (續)

按公允值計量之資產: (續)

於二零一五年十二月三十一日

		Fair value measurement using 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Available-for-sale investments:	待售投資:				
- Listed	- 上市	5,398	-	-	5,398
- Unlisted	- 非上市	-	3,899	15,503	19,402
		5,398	3,899	15,503	24,800

The movements in fair value measurements within Level 3 during the year are as follows:

第三級公允值計量於年內之變動如下:

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Available-for-sale investments – unlisted:	待售投資 – 非上市:		
At 1 January	於一月一日	15,503	15,503
Purchases	購買	8,722	-
At 31 December	於十二月三十一日	24,225	15,503

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 40 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

## Fair value hierarchy (continued)

Liabilities measured at fair value:

As at 31 December 2016

## 40 金融工具之公允值及公允值架構級別 (續)

## 公允值架構級別 (續)

按公允值計量之負債：

於二零一六年十二月三十一日

		Fair value measurement using 使用以下各項進行公允值計量			
		Quoted prices in active markets (Level 1) 活躍市場 之報價 (第一級) HK\$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Derivative financial instrument	衍生金融工具	-	28,528	-	28,528

The Group did not have any financial liabilities measured at fair value as at 31 December 2015.

During the year ended 31 December 2016, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

於二零一五年十二月三十一日，本集團並無任何按公允值計量之金融負債。

截至二零一六年十二月三十一日止年度，第一級和第二級公允值計量之間並無任何轉移。至於財務資產及財務負債，第三級亦無任何轉入或轉出(二零一五年：無)。



## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 41 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2016

Financial assets	財務資產	Loans and receivables 貸款及應收款項 HK\$'000 港幣千元	Available-for-sale financial assets 待售財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Gross amounts due from customers for contract work	應收客戶合約 工程款項總額	21,033,228	-	21,033,228
Finance lease receivables	融資租賃應收款項	17,799	-	17,799
Other financial assets	其他財務資產	-	33,332	33,332
Financial assets included in debtors, other receivables, deposits and prepayments	計入應收賬款、其他 應收款項、按金及 預付款項之財務資產	8,585,854	-	8,585,854
Pledged bank deposits	已抵押銀行存款	653,054	-	653,054
Deposits with banks	銀行存款	43,964	-	43,964
Cash and cash equivalents	現金及現金等價物	6,340,579	-	6,340,579
		<b>36,674,478</b>	<b>33,332</b>	<b>36,707,810</b>

Financial liabilities	財務負債	Financial liabilities at fair value through profit or loss 按公允值 計入損益之 財務負債 HK\$'000 港幣千元	Financial liabilities at amortised cost 按攤銷 成本計算之 財務負債 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他 應付款項及應計費用 之財務負債	28,528	4,476,305	4,504,833
Interest-bearing borrowings	計息借貸	-	21,615,649	21,615,649
		<b>28,528</b>	<b>26,091,954</b>	<b>26,120,482</b>

## 41 按類別劃分之金融工具

於報告期末，各類別金融工具之賬面值如下：

二零一六年

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

41 FINANCIAL INSTRUMENTS BY CATEGORY  
(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2015

## 41 按類別劃分之金融工具(續)

於報告期末，各類別金融工具之賬面值如下：(續)

二零一五年

Financial assets	財務資產	Loans and receivables 貸款及應收款項 HK\$'000 港幣千元	Available-for-sale financial assets 待售財務資產 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Gross amounts due from customers for contract work	應收客戶合約 工程款項總額	17,369,353	–	17,369,353
Finance lease receivables	融資租賃應收款項	19,593	–	19,593
Other financial assets	其他財務資產	–	24,800	24,800
Financial assets included in debtors, other receivables, deposits and prepayments	計入應收賬款、其他 應收款項、按金及 預付款項之財務資產	7,874,594	–	7,874,594
Pledged bank deposits	已抵押銀行存款	555,277	–	555,277
Deposits with banks	銀行存款	164,654	–	164,654
Cash and cash equivalents	現金及現金等價物	5,953,481	–	5,953,481
		31,936,952	24,800	31,961,752
Financial liabilities	財務負債			Financial liabilities at amortised cost 按攤銷成本 計算之 財務負債 HK\$'000 港幣千元
Financial liabilities included in creditors, other payables, and accrued expenses	計入應付賬款、其他 應付款項及應計費用 之財務負債			2,792,050
Interest-bearing borrowings	計息借貸			15,820,666
				18,612,716

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing borrowings, cash and short term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as debtors, other receivables, deposits, finance lease receivables, gross amounts due from customers for contract work, finance lease payables and creditors, other payables and accrued expenses, which arise directly from its operations.

The Group also enters into derivative transactions, including principally cross-currency swaps. The purpose is to manage the currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

#### Interest rate risk

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, bank deposits and bank loans. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

### 42 財務風險管理目標及政策

本集團之主要金融工具包括計息借貸、現金及短期存款。此等金融工具之主要目的在於為本集團之業務運作提供資金。本集團還有其他財務資產及負債，包括應收賬款、其他應收款項、按金、融資租賃應收款項、應收客戶合約工程款項總額、融資租賃應付款項，以及應付賬款、其他應付款項及應計費用，乃直接自其業務產生。

此外，本集團亦訂立衍生工具交易，其主要包括交叉貨幣掉期。其目的在於管理本集團業務運作及資金來源所產生的貨幣風險。

本集團金融工具產生之主要風險包括利率風險、外幣風險、信貸風險、流動資金風險及股本價格風險。董事會檢討及協定管理各項有關風險之政策，有關政策概述於下文。本集團有關衍生工具之會計政策載於財務報表附註2.4。

#### 利率風險

本集團面對之利率風險主要關乎集團之現金及現金等價物、銀行存款及銀行貸款。按浮動利率及固定利率批出之借貸令本集團分別承受現金流量利率風險及公允值利率風險。本集團並無利用金融衍生工具來對沖利率風險。本集團之利率概況由管理層監察，詳載於下文(i)。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Interest rate risk (continued)

##### (i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less bank deposits and cash and cash equivalents) at the end of the reporting period.

		2016 二零一六年		2015 二零一五年	
		Effective interest rate	HK\$'000	Effective interest rate	HK\$'000
		實際利率 %	港幣千元	實際利率 %	港幣千元
Net fixed rate borrowings/ (deposits):					
定息借貸/(存款) 淨額:					
Bank loans and finance lease payables	銀行貸款及融資租賃 應付款項	2.88 – 4.00	568,302	4.70 – 6.00	2,263,042
Less: Pledged bank deposits	減: 已抵押銀行存款	0.15	(543,340)	–	–
Deposits with banks	銀行存款	0.15 – 2.76	(43,964)	1.55 – 2.17	(164,654)
Cash and cash equivalents	現金及現金等價物	0.35 – 2.96	(878,704)	1.00 – 2.80	(901,813)
			(897,706)		1,196,575
Net variable rate borrowings/ (deposits):					
浮息借貸/(存款) 淨額:					
Bank loans	銀行貸款	0.70 – 6.00	21,047,347	1.47 – 5.88	13,557,624
Less: Other receivables, deposits and prepayments	減: 其他應收款項、 按金及預付 款項	4.75 – 5.39	(103,458)	4.75	(35,882)
Pledged bank deposits	已抵押銀行存款	0.01 – 0.35	(109,714)	0.27 – 1.35	(555,277)
Cash and cash equivalents	現金及現金 等價物	0.01 – 1.50	(5,461,875)	0.01 – 1.00	(5,051,668)
			15,372,300		7,914,797
Total net borrowings	總借貸淨額		14,474,594		9,111,372

### 42 財務風險管理目標及政策 (續)

#### 利率風險 (續)

##### (i) 利率概況

下表載列本集團於報告期末之借貸淨額 (即計息財務負債減去銀行存款及現金及現金等價物) 之利率概況。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Interest rate risk (continued)

##### (ii) Sensitivity analysis

At 31 December 2016, it is estimated that a general increase/decrease of one percent in interest rates, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$144,746,000 (2015: HK\$91,114,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before tax is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis was performed on the same basis for 2015.

#### Foreign currency risk

##### (i) Exposure to currency risk

The Group is exposed to currency risk primarily from bank loans, cash and cash equivalents, other financial assets, receivables and payables that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Hong Kong dollars, RMB, United States dollars, Singapore dollars and Euro dollars.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the reporting period end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

### 42 財務風險管理目標及政策 (續)

#### 利率風險(續)

##### (ii) 敏感度分析

於二零一六年十二月三十一日，據本集團估計，如利率整體上調／下調1個百分點，而所有其他不定因素維持不變，本集團之除稅前盈利將會減少／增加約港幣144,746,000元(二零一五年：港幣91,114,000元)。

上述敏感度分析指出本集團之除稅前盈利可能產生之即時變動。敏感度分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公允價值利率風險之金融工具。對於由本集團於報告期末所持有之浮動利率非衍生工具所產生之現金流利率風險，其對本集團除稅前盈利之影響是基於利率變動而產生之利息支出或收入作估計。有關分析按二零一五年之分析之相同基準進行。

#### 外幣風險

##### (i) 須承受之貨幣風險

本集團面對之貨幣風險主要來自以外幣(即相關業務之功能貨幣以外之貨幣)計值之銀行貸款、現金及現金等價物、其他財務資產、應收款項及應付款項。涉及貨幣風險之貨幣主要為港幣、人民幣、美元、新加坡元及歐羅。

下表詳列本集團於報告期末由已確認資產或負債(以相關實體之功能貨幣以外之貨幣計值)所產生之貨幣風險。為方便呈報，貨幣風險之金額乃按報告期間結算日之即期匯率兌換為港幣列示。海外業務之財務報表換算為集團呈報貨幣時產生之差異，不會計入貨幣風險。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

42 FINANCIAL RISK MANAGEMENT  
OBJECTIVES AND POLICIES (continued)

## Foreign currency risk (continued)

(i) Exposure to currency risk (continued)

## 42 財務風險管理目標及政策 (續)

## 外幣風險 (續)

(i) 須承受之貨幣風險 (續)

		Exposure to foreign currencies (expressed in Hong Kong dollars) As at 31 December 2016 須承受之外幣風險 (以港幣計算) 於二零一六年十二月三十一日				
		Hong Kong dollars 港幣 HK\$'000 港幣千元	RMB 人民幣 HK\$'000 港幣千元	United States dollars 美元 HK\$'000 港幣千元	Singapore dollars 新加坡元 HK\$'000 港幣千元	Euro dollars 歐羅 HK\$'000 港幣千元
Pledged bank deposits	已抵押銀行存款	-	-	543,340	-	-
Cash and cash equivalents	現金及現金等價物	4,052	233,581	675,246	10,681	21,552
Other financial assets	其他財務資產	-	-	24,225	-	-
Bank loans	銀行貸款	-	-	(3,055,052)	-	(1,012,781)
Amounts due from/(to) group companies (net)	應收/(應付)集團 公司款項(淨額)	35,654	563,036	(223,391)	10,267	58,103
Creditors, other payables and accrued expenses	應付賬款、其他應付 款項及應計費用	-	(24,825)	(30,379)	(1,675)	(520)
		39,706	771,792	(2,066,011)	19,273	(933,646)

		Exposure to foreign currencies (expressed in Hong Kong dollars) As at 31 December 2015 須承受之外幣風險 (以港幣計算) 於二零一五年十二月三十一日			
		Hong Kong dollars 港幣 HK\$'000 港幣千元	RMB 人民幣 HK\$'000 港幣千元	United States dollars 美元 HK\$'000 港幣千元	Singapore dollars 新加坡元 HK\$'000 港幣千元
Cash and cash equivalents	現金及現金等價物	97,985	651,510	96,135	2,703
Other financial assets	其他財務資產	-	-	15,503	-
Bank loans	銀行貸款	(684,974)	-	(1,751,623)	-
Amounts due from/(to) group companies (net)	應收/(應付)集團公司款項 (淨額)	(25,049)	456,336	(356,033)	-
Creditors, other payables and accrued expenses	應付賬款、其他應付款項及 應計費用	-	(36,865)	(2,338)	-
		(612,038)	1,070,981	(1,998,356)	2,703

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk (continued)

##### (ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before tax that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. The impact of foreign exchange rate fluctuations with respect to the assets and liabilities denominated in United States dollars is insignificant as the Hong Kong dollar is pegged to the United States dollar.

### 42 財務風險管理目標及政策 (續)

#### 外幣風險(續)

##### (ii) 敏感度分析

下表顯示假設於報告期末對本集團有重大影響之匯率於當日出現變動，而所有其他風險不定因素維持不變，屆時本集團之除稅前盈利可能產生之即時變動。就此而言，本集團假設美元兌其他貨幣之幣值變動將不會對港元與美元之間的聯繫匯率構成重大影響。就以美元計值之資產及負債而言，由於港元與美元掛鈎，故此匯率波動之影響甚微。

		As at 31 December 於十二月三十一日			
		2016 二零一六年		2015 二零一五年	
		Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Increase/ (decrease) in profit before tax 除稅前 盈利增加/ (減少) HK\$'000 港幣千元	Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Increase/ (decrease) in profit before tax 除稅前 盈利增加/ (減少) HK\$'000 港幣千元
Hong Kong dollars	港幣	10 (10)	3,971 (3,971)	10 (10)	(61,204) 61,204
RMB	人民幣	10 (10)	77,179 (77,179)	10 (10)	107,098 (107,098)
United States dollars	美元	10 (10)	(607,755) 607,755	10 (10)	(110,999) 110,999
Singapore dollars	新加坡元	10 (10)	1,927 (1,927)	10 (10)	270 (270)
Euro dollars	歐羅	10 (10)	(93,365) 93,365	- -	- -

## Notes to Financial Statements 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk (continued)

##### (ii) Sensitivity analysis (continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit before tax measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis was performed on the same basis for 2015.

### 42 財務風險管理目標及政策 (續)

#### 外幣風險 (續)

##### (ii) 敏感度分析 (續)

上表呈列之分析結果總結了本集團各個別公司以相關功能貨幣計量之除稅前盈利之即時影響，有關影響以報告期末之匯率折算為港幣呈報。

敏感度分析乃假設匯率變動已用於重新計量本集團所持有令本集團於報告期末蒙受外幣風險之金融工具，包括集團內公司間以貸款人或借入人之功能貨幣以外之貨幣計值之應付款項及應收款項。海外業務之財務報表換算為集團呈報貨幣時產生之差異，不會計入貨幣風險。有關分析按二零一五年之分析之相同基準進行。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Credit risk

Management has a credit policy in place and the exposures to credit risk are monitored on an ongoing basis. Debts are usually due within 30 to 90 days from the date of billing.

Debtors of the Group represent receivables in respect of revenue from environmental energy, environmental water and greentech project operation services which are settled on a monthly basis. In addition, the Group has gross amounts due from customers for contract work and other receivables in respect of the BT, BOT, TOT and certain BOO arrangements.

At the end of the reporting period, debtors, other receivables, deposits and prepayments and gross amounts due from customers for contract work of the Group amounted to HK\$9,831,429,000 (2015: HK\$8,757,330,000) and HK\$21,033,228,000 (2015: HK\$17,369,353,000) respectively, of which HK\$1,281,527,000 (2015: HK\$249,495,000) and HK\$3,742,075,000 (2015: HK\$3,214,540,000) were due from the largest customer and the five largest customers in aggregate of the Group, respectively. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Since the parties to BT, BOT, TOT and BOO arrangements are local government authorities in the PRC, the Group considers the credit risk is low. The Group does not hold any collateral over these balances.

The Group does not provide any guarantees which would expose the Group or the Company to credit risk. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from "Gross amounts due from customers for contract work" as well as "Debtors, other receivables, deposits and prepayments" are set out in notes 23 and 25 to the financial statements, respectively.

### 42 財務風險管理目標及政策 (續)

#### 信貸風險

管理層設定了既定的信貸政策，並持續監察集團所面對之信貸風險。債項通常由發單日期起計三十至九十日內到期。

本集團之應收賬款指來自環保能源、環保水務及綠色環保項目之運營服務收益之應收款項，有關款項按月收取。此外，本集團亦有涉及BT、BOT、TOT及部份BOO安排之應收客戶合約工程款項總額及其他應收款項。

於報告期末，本集團之「應收賬款、其他應收款項、按金及預付款項」及「應收客戶合約工程款項總額」分別為港幣9,831,429,000元（二零一五年：港幣8,757,330,000元）及港幣21,033,228,000元（二零一五年：港幣17,369,353,000元），其中港幣1,281,527,000元（二零一五年：港幣249,495,000元）及港幣3,742,075,000元（二零一五年：港幣3,214,540,000元）分別為本集團最大客戶欠款及五大客戶合計欠款。信貸風險之最高值已於財務狀況表中按各項財務資產之賬面值呈列。由於BT、BOT、TOT及BOO安排下之訂約方均為中國當地政府機關，故本集團認為信貸風險屬低。本集團並無就該等結餘持有任何抵押品。

本集團並無提供任何會令本集團或本公司承受信貸風險之擔保。本集團「應收客戶合約工程款項總額」及「應收賬款、其他應收款項、按金及預付款項」所涉信貸風險之進一步數據披露，分別載於財務報表附註23及附註25。

## Notes to Financial Statements 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

### 42 財務風險管理目標及政策 (續)

#### 流動資金風險

本集團旗下獨立營運實體須自行負責現金管理工作，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求，惟如借貸超出預定授權金額，則須獲母公司董事會之批准方可作實。本集團之政策是定期監察流動資金所需及監察其對借貸契諾之遵行情況，確保集團維持充裕的現金儲備及從主要財務機構取得足夠的承諾信貸融資，以應付短期及長期流動資金需求。

下表列示本集團於報告期末之非衍生工具財務負債之剩餘合約期限情況，並以訂約未貼現現金流量(包括按合約利率或(如屬浮息)根據報告期末通行之利率計算之利息)及本集團須償還有關款項之最早日期為基準而列出。

		2016 二零一六年					
		Total contractual undiscounted cash flow amount	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years	
		Carrying amount	現金流量總額	按一年內或按一年後	按一年後但兩年內	按兩年後但五年內	按五年後
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	4,504,833	4,504,833	4,479,668	10,509	14,656	-
Interest-bearing borrowings	計息借貸	21,615,649	24,563,432	5,058,014	4,351,791	11,490,729	3,662,898
		26,120,482	29,068,265	9,537,682	4,362,300	11,505,385	3,662,898

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Liquidity risk (continued)

## 42 財務風險管理目標及政策 (續)

## 流動資金風險(續)

		2015 二零一五年					
		Total contractual undiscounted	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	More than 5 years	
Carrying amount	cash flow						
賬面值	現金流量總額						
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Financial liabilities included in creditors, other payables and accrued expenses	計入應付賬款、其他應付款項及應計費用之財務負債	2,792,050	2,792,050	2,792,050	-	-	-
Interest-bearing borrowings	計息借貸	15,820,666	17,948,300	3,995,811	4,018,632	7,442,049	2,491,808
		18,612,716	20,740,350	6,787,861	4,018,632	7,442,049	2,491,808

**Equity price risk**

The Group is exposed to equity price changes arising from equity investments classified as available-for-sale equity investments (note 21). The Group's listed investments are listed on the Stock Exchange. The Group's unquoted investments are held for long term strategic purposes. The management monitors regularly the performance of the investments against expectation, together with an assessment of their relevance to the Group's long term strategic plans.

**股本價格風險**

本集團承受股本投資(被歸類為待售股本投資, 見附註21)之股本價格變動風險。本集團之上市投資均在聯交所上市。本集團之非上市投資均為長期策略目的而持有。管理層定期監察各項投資之實際與預期表現, 並評估有關投資是否配合本集團之長期策略計劃。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Equity price risk (continued)

At 31 December 2016, it is estimated that an increase/decrease of 10% (2015: 10%) in that relevant stock market index (for listed investments) or the price/earning ratios of comparable listed companies (for unquoted investments) as applicable, with all other variables held constant, would have increased/decreased the Group's other components of consolidated equity as follows:

		2016		2015	
		Effect of other components of equity		Effect of other components of equity	
		二零一六年		二零一五年	
		權益之其他部份之影響		權益之其他部份之影響	
		HK\$'000		HK\$'000	
		港幣千元		港幣千元	
Change in the relevant equity price risk variable:	相關股本價格風險不定因素之變化：				
Increase	上升	10%	3,333	10%	2,480
Decrease	下跌	10%	(3,333)	10%	(2,480)

The sensitivity analysis indicates the instantaneous change in the Group's other components of consolidated equity that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, that none of the Group's available-for-sale investments would be considered impaired as a result of the decrease in the relevant stock market index or other relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2015.

### 42 財務風險管理目標及政策 (續)

#### 股本價格風險 (續)

於二零一六年十二月三十一日，據本集團估計，如有關股市指數（適用於上市投資）或可供比較上市公司之市盈率（適用於非上市投資）（視何者適用）上調／下調10%（二零一五年：10%），而所有其他不定因素維持不變，本集團之綜合權益之其他部份將會增加／減少如下：

上述敏感度分析指出本集團之綜合權益之其他部份可能產生之即時變動。敏感度分析假設股市指數或其他相關風險不定因素之變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨股本價格風險之金融工具。此外，亦假設本集團股本投資之公允值會根據與相關股市指數或相關風險不定因素之間存在的歷史相關性而產生變動，本集團之待售投資不會因為相關股市指數或其他相關風險不定因素下跌而被視為已出現耗損，以及所有其他不定因素維持不變。有關分析按二零一五年之分析之相同基準進行。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Capital management

The Group's primary objectives when managing capital are to maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. The Group reviews the capital structure on a regular basis and considers the cost of capital and the associated risks. Based on recommendations of the board of directors, the Group will balance its overall capital structure through adjusting the amount of dividends paid to shareholders, new shares issues or new debt financing. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2016 and 2015.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure there were adequate working capital to service its debt obligation. The Group's gearing ratio, being the Group's total liabilities over its total assets, as at 31 December 2016 was 60% (2015: 52%).

Except for the banking facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in note 29 to the financial statements, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

### 43 COMPARATIVE AMOUNTS

As set out in note 4, certain comparative amounts have been reclassified to conform with the current year's presentation and disclosures.

### 42 財務風險管理目標及政策 (續)

#### 資本管理

本集團管理資本之主要目的是要維持優越的信貸評級及穩健的資本比率，以支持業務運作，並為股東帶來最大利益。

本集團在管理資本架構的同時，亦會因應經濟狀況之變動對資本架構作出調整。本集團會定期檢討資本架構，並加以考慮資本成本及相關風險。根據董事會之建議，本集團會透過調節支付予股東之股息數目、發行新股份或籌集新的債務融資，致力平衡整體資本架構。於截至二零一六年及二零一五年十二月三十一日止兩個年度內，管理資本之目標、政策或程序維持不變。

本集團透過參照負債情況來監察資本情況。本集團之策略，是保持權益與負債的適當平衡，確保有足夠營運資金支付債務。於二零一六年十二月三十一日，本集團之資產負債比率（即本集團之總負債除以總資產所得之數）為60%（二零一五年：52%）。

除了財務報表附註29所載之銀行融資須符合若干有關本集團財務比率之契諾外，本公司及其任何附屬公司均無受外界施加之資本規定所限制。

### 43 比較數字

誠如附註4所載，若干比較數字已重新分類，以符合本年度之呈列方式及披露。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 44 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

## 44 本公司之財務狀況表

以下為於報告期末本公司財務狀況表之資料：

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	3,223	3,167
Interests in subsidiaries	附屬公司權益	15,283,307	12,109,370
Prepayments	預付款項	5,917	-
Other financial assets	其他財務資產	3,899	3,899
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>15,296,346</b>	12,116,436
<b>Current assets</b>	<b>流動資產</b>		
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	27,012	76,189
Cash and cash equivalents	現金及現金等價物	1,069,289	571,934
<b>Total current assets</b>	<b>流動資產總額</b>	<b>1,096,301</b>	648,123
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables and accrued expenses	其他應付款項及應計費用	59,422	38,114
Interest-bearing borrowings	計息借貸		
– Secured	– 有抵押	-	75,000
– Unsecured	– 無抵押	586,223	-
		<b>586,223</b>	75,000
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>645,645</b>	113,114
<b>Net Current Assets</b>	<b>流動資產淨額</b>	<b>450,656</b>	535,009
<b>Total Assets Less Current Liabilities</b>	<b>總資產減流動負債</b>	<b>15,747,002</b>	12,651,445

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

44 STATEMENT OF FINANCIAL POSITION OF  
THE COMPANY (continued)

Information about the statement of financial position of the Company at the end of the reporting period is as follows:  
(continued)

## 44 本公司之財務狀況表(續)

以下為於報告期末本公司財務狀況表之資料：(續)

		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
Non-current liabilities	非流動負債		
Interest-bearing borrowings	計息借貸		
– Secured	– 有抵押	1,000,000	500,000
– Unsecured	– 無抵押	6,067,083	3,816,869
		<b>7,067,083</b>	4,316,869
Due to subsidiaries	應付附屬公司款項	<b>37,596</b>	71,348
Total non-current liabilities	非流動負債總額	<b>7,104,679</b>	4,388,217
Net Assets	資產淨額	<b>8,642,323</b>	8,263,228
Equity	權益		
Share capital	股本	<b>7,405,414</b>	7,405,414
Reserves	儲備	<b>1,236,909</b>	857,814
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>8,642,323</b>	8,263,228

**Chen Xiaoping**

陳小平

Director

董事

**Wang Tianyi**

王天義

Director

董事

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 44 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Special reserve 特別儲備 HK\$'000 港幣千元	Retained profits 保留盈利 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2015	於二零一五年一月一日	-	800,047	800,047
Total comprehensive income for the year	年度全面收入總額	-	618,231	618,231
Final 2014 dividend declared	已宣派二零一四年末期股息	-	(269,023)	(269,023)
Interim 2015 dividend	二零一五年中期股息	-	(291,441)	(291,441)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	-	857,814	857,814
Total comprehensive income for the year	年度全面收入總額	-	1,253,344	1,253,344
Final 2015 dividend declared	已宣派二零一五年末期股息	-	(538,045)	(538,045)
Interim 2016 dividend	二零一六年中期股息	-	(336,204)	(336,204)
At 31 December 2016	於二零一六年十二月三十一日	-	1,236,909	1,236,909

### 44 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

On 5 January 2004, the Company announced its intention to put forward a proposal for the reduction of the Company's share premium account by the sum of HK\$2,372,172,824 (i.e. accumulated losses of the Company as at 30 September 2003) and the application of the same amount of credit arising from such reduction towards the elimination of the accumulated losses of the Company. The reduction of the share premium account, approved by the shareholders at the extraordinary general meeting held on 2 February 2004, was confirmed by an order made by the High Court of Hong Kong (the "Court") on 2 March 2004 and became effective upon registration of the said order by the Registrar of Companies in Hong Kong on the same date.

於二零零四年一月五日，本公司公佈其擬提呈建議，削減本公司股份溢價賬港幣2,372,172,824元（即本公司截至二零零三年九月三十日之累計虧損），並將削減股份溢價賬所產生之同一數額進賬金額用於抵銷本公司之累計虧損。削減股份溢價賬事項已於二零零四年二月二日舉行之股東特別大會上獲股東批准，並於二零零四年三月二日獲香港高等法院（「法院」）作出頒令予以確認及於本公司在同日向香港公司註冊處登記上述頒令後生效。



# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 44 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (continued)

To safeguard the interests of the Company's creditors, the Company undertakes to the Court to create a special reserve upon the reduction of the share premium account on the terms set out below:

(1) that for so long as there shall remain outstanding any debt of or claim against the Company which, if the date on which the reduction of the share premium account of the Company (the "Effective Date") were the commencement of the winding-up of the Company, would be admissible to proof in such winding-up and the person entitled to the benefit thereof shall not have consented to the said reduction of the share premium account or agreed otherwise, the Company shall credit to a special reserve in the books of the Company (the "Special Reserve"):

- any amount arising by reason of a release of any provision taken into account in establishing the accumulated losses of the Company shown in the statement of financial position of the management accounts of the Company for the nine months ended 30 September 2003; or
- any amount received by the Company as profit by way of distribution from a corporation which was a subsidiary or an associated company of the Company at the Effective Date (a "subsidiary" or an "associated company" respectively) which is made by such subsidiary or associated company out of profits available for distribution prior to the Effective Date or any dividend paid to the Company in respect of any liquidation of a subsidiary or an associated company commencing prior to the Effective Date; and

(2) the Special Reserve:

- shall not be treated as realised profits of the Company; and
- shall, for so long as the Company shall remain a limited company, be treated as an undistributable reserve of the Company for the purposes of the Hong Kong Companies Ordinance or any statutory modification or re-enactment thereof.

### 44 本公司之財務狀況表(續)

附註：(續)

為了保障本公司債權人之權益，本公司向法院作出承諾，於削減股份溢價賬時設立一個特別儲備，條款如下：

(1) 倘於本公司削減股份溢價賬生效當日(「生效日期」)(若該日為本公司清盤開始日)公司仍有任何未清償債務或未了結申索，而此等債務或申索為本公司清盤事宜之可接納債權證明，且此等債務或申索之受益人不批准或不同意上述削減股份溢價賬事項，則本公司須把下述各項記入本公司賬目之特別儲備(「特別儲備」)下：

- 因撥回已計入本公司截至二零零三年九月三十日止九個月管理賬目中之財務狀況表所示累計虧損之任何撥備所產生之金額；或
- 本公司從一家公司收取所得作為盈利分派之金額，有關公司於生效日期為本公司附屬公司或聯營公司(分別簡稱為「附屬公司」或「聯營公司」)，而上述金額乃由有關附屬公司或聯營公司利用生效日期前可供分派之盈利支付，或本公司就生效日期前已開始清盤行動之附屬公司或聯營公司收取所得之股息；及

(2) 特別儲備：

- 不得被視為本公司之已變現盈利；及
- 只要本公司仍為有限公司，根據香港公司條例或法例規定就其所作之任何修改或修訂，其應被視為本公司之不可分派儲備。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 44 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (*continued*)

Note: (*continued*)

Provided always that:

- (1) the Special Reserve may be applied for the same purposes as a share premium account may lawfully be applied;
- (2) the amount standing to the credit of the Special Reserve may be reduced by an amount equal to any increase, after the Effective Date, in the share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves, and the Company shall be at liberty to transfer the amount so reduced to the general reserves of the Company and the same shall become available for distribution;
- (3) the amount credited to the Special Reserve in accordance with the foregoing provisions of this undertaking shall not at any time exceed HK\$1,762,999,500 (the "Limit");
- (4) the Limit may be reduced by the amount of any increase, after the Effective Date, in the paid-up share capital or share premium account of the Company which results from an issue of shares (other than for the purposes of any redemption or purchase by the Company of its own shares) for cash or other consideration or by way of the capitalisation of distributable profits or reserves;
- (5) the Limit may be reduced upon the liquidation, disposal or other realisation, after the Effective Date, of a subsidiary, an associated company or any of the financial assets or property, plant and equipment of the Company by the amount of the provision made in relation to such subsidiary, associated company or financial assets or property, plant and equipment as at 30 September 2003 less such amount (if any) as credited to the Special Reserve as a result of such liquidation, disposal or realisation; and

### 44 本公司之財務狀況表(續)

附註：(續)

惟：

- (1) 特別儲備可用作適用於股份溢價賬之合法用途；
- (2) 特別儲備進賬金額可被削減，數額為在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司股份溢價賬增加之數。本公司可自由轉撥就此減少之數至本公司之一般儲備，而有關金額可供分派之用；
- (3) 根據本承諾之上述規定記入特別儲備之金額在任何時間均不得超過港幣1,762,999,500元（「有關限額」）；
- (4) 在生效日期後，因發行股份（因本公司贖回或購買本身股份者除外）換取現金或其他代價或透過資本化可分派盈利或儲備而引致本公司之繳足股本或股份溢價賬增加之數可用作減少有關限額；
- (5) 於生效日期後，在清盤、出售或以其他方式變現附屬公司、聯營公司或本公司任何財務資產或物業、廠房及設備時，於二零零三年九月三十日就有關附屬公司、聯營公司或財務資產或物業、廠房及設備所提撥之準備金額減上述清盤、出售或變現事項所產生之特別儲備進賬金額（如有）之數，可用作減少有關限額；及

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 44 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (*continued*)

Note: (*continued*)

Provided always that: (*continued*)

- (6) in the event that the amount standing to the credit of the Special Reserve at any time exceeds the Limit after any reduction of the Limit pursuant to provisos (4) and/or (5) above, the Company shall be at liberty to transfer the amount of any such excess to the general reserves of the Company and the same shall become available for distribution.

The Special Reserve of HK\$112,016,000 credited in 2004 was reduced to Nil during the year ended 31 December 2006 due to an increase in the share premium account of the Company which resulted from an issue of shares in 2006.

After the Effective Date, shares were issued during the prior years through the placing and exercise of share options. Pursuant to the proviso (4) above, the Limit was reduced by the amount of any increase in the paid-up share capital or share premium account of the Company which results from an issue of shares for cash or other considerations. At 31 December 2016, the Limit was reduced to Nil and no further amount will be credited to the Special Reserve.

### 44 本公司之財務狀況表(續)

附註：(續)

惟：(續)

- (6) 倘根據上文第(4)及／或(5)條削減有關限額後特別儲備之進賬金額超過有關限額，本公司可自由轉撥超出之數至本公司之一般儲備，而有關金額可供分派之用。

於截至二零零六年十二月三十一日止年度，於二零零四年入賬之特別儲備港幣112,016,000元減至零，原因為本公司於二零零六年發行股份以致股份溢價賬增加所致。

在生效日期後，於過往年度，本公司因配售事項及購股權獲行使而發行股份。根據上文第(4)條，因發行股份換取現金或其他代價而引致本公司之繳足股本或股份溢價賬增加之數已用作減少有關限額。於二零一六年十二月三十一日，有關限額已減至零，以及再無任何金額記入特別儲備。

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries are as follows:

## 45 主要附屬公司資料

本公司主要附屬公司詳情如下:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
CEWL <sup>^</sup> (note (f)) 光大水務 <sup>^</sup> (附註(f))	Bermuda 百慕達	HK\$2,609,908,001 港幣2,609,908,001元	-	75%	Investment holding 投資控股
Everbright Alternative Energy (Dangshan) Company Limited <sup>^</sup> (note (c)) 光大新能源(瑯山)有限公司 <sup>^</sup> (附註(c))	PRC/ Mainland China 中國/中國大陸	HK\$125,800,000 港幣125,800,000元	-	100%	Design, construction, operation and maintenance of biomass direct combustion project 設計、建造、運營及維護 生物質直燃項目
Everbright Biomass Energy (Hanshan) Company Limited <sup>^</sup> (note (c)) 光大生物能源(含山)有限公司 <sup>^</sup> (附註(c))	PRC/ Mainland China 中國/中國大陸	HK\$127,000,000 港幣127,000,000元	-	100%	Design, construction, operation and maintenance of biomass direct combustion project 設計、建造、運營及維護 生物質直燃項目
Everbright Biomass Energy (Suqian) Company Limited <sup>^</sup> (note (c)) 光大生物能源(宿遷)有限公司 <sup>^</sup> (附註(c))	PRC/ Mainland China 中國/中國大陸	RMB75,600,000 人民幣75,600,000元	-	100%	Design, construction, operation and maintenance of biomass direct combustion project 設計、建造、運營及維護 生物質直燃項目
Everbright Biomass Energy (Xuyi) Company Limited <sup>^</sup> (note (c)) 光大生物能源(盱眙)有限公司 <sup>^</sup> (附註(c))	PRC/ Mainland China 中國/中國大陸	US\$16,500,000 16,500,000美元	-	100%	Design, construction, operation and maintenance of biomass direct combustion project 設計、建造、運營及維護 生物質直燃項目

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued) 45 主要附屬公司資料(續)

Particulars of the Company's principal subsidiaries are as follows: (continued)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Changzhou Hi-tech Environmental Energy (Changzhou) Co., Ltd.*^ (note (d)) 光大常高新環保能源(常州) 有限公司*(附註(d))	PRC/ Mainland China 中國/中國大陸	US\$23,000,000 23,000,000美元	-	60%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Boluo) Ltd.*^ (note (d)) 光大環保能源(博羅)有限公司*( 附註(d))	PRC/ Mainland China 中國/中國大陸	RMB138,986,300 人民幣138,986,300元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Changzhou) Co., Ltd.*^ (note (d)) 光大環保能源(常州)有限公司*( 附註(d))	PRC/ Mainland China 中國/中國大陸	RMB137,520,000 人民幣137,520,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Jiangyin) Ltd.*^ (note (d)) 光大環保能源(江陰)有限公司*( 附註(d))	PRC/ Mainland China 中國/中國大陸	US\$46,579,196 46,579,196美元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 45 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Jinan) Co., Ltd.*^ (note (d)) 光大環保能源(濟南)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB305,406,000 人民幣305,406,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Nanjing) Ltd.*^ (notes (c) and (d)) 光大環保能源(南京)有限公司*^ (附註(c)及(d))	PRC/ Mainland China 中國/中國大陸	RMB680,000,000 人民幣680,000,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Ningbo) Co., Ltd.*^ (note (d)) 光大環保能源(寧波)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB250,000,000 人民幣250,000,000元	-	80%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Pizhou) Ltd.*^ (note (d)) 光大環保能源(邳州)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	HK\$135,300,000 港幣135,300,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued) 45 主要附屬公司資料(續)

Particulars of the Company's principal subsidiaries are as follows: (continued)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Rizhao) Limited*^ (note (d)) 光大環保能源(日照)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB116,500,000 人民幣116,500,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Hangzhou) Limited*^ (note (d)) 光大環保能源(杭州)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB528,000,000 人民幣528,000,000元	-	70%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Yiyang) Ltd.*^ (note (d)) 光大環保能源(益陽)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB124,053,000 人民幣124,053,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Yixing) Ltd.*^ (note (d)) 光大環保能源(宜興)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	US\$11,520,000 11,520,000美元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Sanya) Co., Ltd.*^ (note (d)) 光大環保能源(三亞)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	HK\$222,000,000 港幣222,000,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plants 設計、建造、運營及維護 垃圾發電廠

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 45 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Shouguang) Co., Ltd.*^ (note (d)) 光大環保能源(壽光)有限公司^ (附註(d))	PRC/ Mainland China 中國/中國大陸	HK\$138,430,000 港幣138,430,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plant 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Suqian) Ltd.*^ (note (d)) 光大環保能源(宿遷)有限公司^ (附註(d))	PRC/ Mainland China 中國/中國大陸	US\$28,700,000 28,700,000美元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Suzhou) Ltd. ("EB Energy (Suzhou)")#^ (note (d)) 光大環保能源(蘇州)有限公司 (「光大能源(蘇州)」)#^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB568,000,000 人民幣568,000,000元	-	Note (a) 附註(a)	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Weifang) Co., Ltd.*^ (note (d)) 光大環保能源(濰坊)有限公司^ (附註(d))	PRC/ Mainland China 中國/中國大陸	US\$30,990,000 30,990,000美元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠



## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

## 45 主要附屬公司資料(續)

Particulars of the Company's principal subsidiaries are as follows: (continued)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Environmental Energy (Zhenjiang) Co., Ltd.*^ (note (d)) 光大環保能源(鎮江)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB262,000,000 人民幣262,000,000元	-	100%	Design, construction, operation and maintenance of waste-to- energy plants 設計、建造、運營及維護 垃圾發電廠
Everbright Environmental Energy (Dangshan) Company Limited*^ (note (d)) 光大環保能源(蕩山)有限公司*^ (附註(d))	PRC/ Mainland China 中國/中國大陸	RMB83,340,000 人民幣83,340,000元	-	100%	Design, construction, operation and maintenance of integrated biomass and waste-to-energy project 設計、建造、運營及維護生物質 及垃圾發電廠一體化項目
Everbright Environmental Technical Equipment (Changzhou) Limited*^ 光大環保技術裝備(常州)有限公司*^	PRC/ Mainland China 中國/中國大陸	RMB131,000,000 人民幣131,000,000元	-	100%	Manufacturing of environmental protection equipment 製造環保設備
Everbright Environmental Protection (China) Limited*^ 光大環保(中國)有限公司*^	PRC/ Mainland China 中國/中國大陸	US\$46,000,000 46,000,000美元	100%	-	Provision of construction management services and investment holding 提供工程管理服務及投資控股

## Notes to Financial Statements

### 財務報表附註

31 December 2016 二零一六年十二月三十一日

#### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

#### 45 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Jiangyin) Limited <sup># ^</sup> (notes (c) and (e)) 光大水務(江陰)有限公司 <sup># ^</sup> (附註(c)及(e))	PRC/ Mainland China 中國/中國大陸	RMB180,000,000 人民幣180,000,000元	-	70%	Design, construction, operation and maintenance of waste- water treatment plants 設計、建造、運營及維護 污水處理廠
Everbright Water (Ji'nan) Limited <sup>^</sup> (note (e)) 光大水務(濟南)有限公司 <sup>^</sup> (附註(e))	PRC/ Mainland China 中國/中國大陸	US\$53,750,000 53,750,000美元	-	100%	Design, construction, operation and maintenance of waste- water treatment plants 設計、建造、運營及維護 污水處理廠
Everbright Water (Ji'nan Licheng) Limited <sup>^</sup> (note (e)) 光大水務(濟南歷城)有限公司 <sup>^</sup> (附註(e))	PRC/ Mainland China 中國/中國大陸	RMB148,530,000 人民幣148,530,000元	-	100%	Design, construction, operation and maintenance of waste- water treatment plants and reusable water treatment plant 設計、建造、運營及維護 污水處理廠及中水回用處理廠

## Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

## 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued) 45 主要附屬公司資料(續)

Particulars of the Company's principal subsidiaries are as follows: (continued)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Water (Xinyi) Limited* ^ 光大水務(新沂)有限公司^	PRC/ Mainland China 中國/中國大陸	HK\$174,590,000 港幣174,590,000元	-	100%	Design and construction of waste-water treatment plant and surface water treatment plant 設計及建造污水處理廠及 地表水處理廠
Everbright Water (Zibo) Limited* ^ (note (e)) 光大水務(濰博)有限公司^(附註(e))	PRC/ Mainland China 中國/中國大陸	US\$31,158,000 31,158,000美元	-	100%	Design, construction, operation and maintenance of waste- water treatment plants and reusable water treatment plants 設計、建造、運營及維護 污水處理廠及中水回用處理廠
Everbright Water (Qingdao) Limited (EB Water Qingdao)# ^ (note (e)) 光大水務(青島)有限公司 (「光大水務青島」)#^(附註(e))	PRC/ Mainland China 中國/中國大陸	US\$15,257,000 15,257,000美元	-	Note (b) 附註(b)	Construction, operation and maintenance of waste-water treatment plants 建造、運營及維護 污水處理廠

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

### 45 主要附屬公司資料(續)

本公司主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 登記及業務地點	Issued ordinary share/ paid up capital 已發行普通股/ 繳足股本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Everbright Wind Power (Ningwu) Company Limited <sup>*</sup> 光大風電(寧武)有限公司 <sup>*</sup>	PRC/ Mainland China 中國/中國大陸	RMB258,360,000 人民幣258,360,000元	-	100%	Design, construction, operation and maintenance of wind power projects 設計、建造、運營及維護風電項目
Suzhou Wujiang Everbright Environmental Energy Ltd. <sup>*(note (d))</sup> 蘇州吳江光大環保能源有限公司 <sup>*(附註(d))</sup>	PRC/ Mainland China 中國/中國大陸	RMB306,925,500 人民幣306,925,500元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護垃圾發電廠
Everbright Environmental Energy (Pingdu) Ltd. <sup>*(note (d))</sup> 光大環保能源(平度)有限公司 <sup>*(附註(d))</sup>	PRC/ Mainland China 中國/中國大陸	RMB120,110,000 人民幣120,110,000元	-	100%	Design, construction, operation and maintenance of waste-to-energy plant 設計、建造、運營及維護垃圾發電廠

\* Registered under the laws of the PRC as foreign investment enterprises.

\* 根據中國法律註冊為外商投資企業。

# Registered under the laws of the PRC as sino-foreign co-operation joint ventures.

# 根據中國法律註冊為中外合作合營企業。

<sup>^</sup> Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

<sup>^</sup> 並非由香港安永會計師事務所或安永會計師事務所全球網絡另一會員事務所審核。

Notes:

附註：

(a) Everbright Environmental Energy (Suzhou) Holdings Limited, a wholly-owned subsidiary of the Company and the foreign joint venture partner of EB Energy (Suzhou), is committed to contribute the full amount of EB Energy (Suzhou)'s registered capital. Net profit, after payment of an agreed sum of RMB880,000 annually to the PRC joint venture partner of EB Energy (Suzhou), is fully attributable to Everbright Environmental Energy (Suzhou) Holdings Limited.

(a) 本公司之全資附屬公司兼光大能源(蘇州)之外方合營夥伴—光大環保能源(蘇州)控股有限公司承諾注入光大能源(蘇州)全數註冊資本。光大能源(蘇州)之淨盈利(在每年支付協定款項人民幣880,000元予光大能源(蘇州)中方合營夥伴後)將全歸光大環保能源(蘇州)控股有限公司所有。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

- (b) Everbright Water (Qingdao) Holdings Limited (“EW (Qingdao) Holdings”, formerly known as EB-VW HK Holding Company Limited), a wholly-owned subsidiary of the Company and the foreign joint venture partner of EB Water Qingdao, is committed to contribute 60% of EB Water Qingdao’s registered capital. The remaining 40% registered capital is contributed by the PRC joint venture partner. EW (Qingdao) Holdings is fully entitled to the net profit of EB Water Qingdao for the first 14 years of the joint venture period. From the 15th year of the joint venture period onwards, the net profit of EB Water Qingdao is to be shared by EW (Qingdao) Holdings and the PRC joint venture partner on a 98:2 basis.
- (c) These subsidiaries of the Group entered into service concession arrangements with the local government authorities in the PRC (the “Grantors”). Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain environmental energy, environmental water and greentech projects in the PRC for a period of 20 to 30 years. The service fees are based on the extent of services rendered and are subject to the approvals from the relevant local government authorities. During the operating period, the Group will be responsible for maintaining the environmental energy, environmental water and greentech projects in good condition.

The service concession arrangements do not contain renewal options. Both the Grantor and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the environmental energy, environmental water and greentech projects are recognised as intangible assets.

### 45 主要附屬公司資料(續)

附註：(續)

- (b) 本公司之全資附屬公司兼光大水務青島之外方合營夥伴—光大水務(青島)控股有限公司(「光大(青島)控股」，前稱光大威立雅水務香港控股有限公司)承諾注入光大水務青島60%註冊資本，餘下40%將由中方合營夥伴出資。光大(青島)控股於合營期首十四年可全數享有光大水務青島之淨盈利。而由第十五年合營期起，光大水務青島之淨盈利將由光大(青島)控股及中方合營夥伴按98:2之比例攤分。
- (c) 本集團附屬公司與中國當地政府機關(「授權人」)訂立服務特許經營權安排。根據服務特許經營權安排，本集團獲授權在中國建造、運營及維護環保能源、環保水務及綠色環保項目，為期二十至三十年。服務費按已提供之服務而定，並須待有關當地政府機關批准後方可作實。於運營期內，本集團有責任維持環保能源、環保水務及綠色環保項目的良好狀況。

服務特許經營權安排並無續約選擇。授權人及本集團均有權於協議條款遭重大違反之情況下終止有關協議。

環保能源、環保水務及綠色環保項目之運營權確認為無形資產。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

- (d) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group has to design, construct, operate and maintain waste-to-energy plants in the PRC for a period of 25 to 30 years. The Group has the obligation to maintain the waste-to-energy plants in good condition. The Grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the waste-to-energy plants and related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. The standard rights of the Grantors to terminate the agreements include failure of the Group to construct or operate the waste-to-energy plants and in the event of a material breach of the terms of the agreements. The standard rights of the Group to terminate the agreements include failure to receive payments for solid waste treatment service from the Grantors and in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing the waste-to-energy plants is recognised as “Gross amounts due from customers for contract work” in the financial statements.

### 45 主要附屬公司資料(續)

附註：(續)

- (d) 本集團附屬公司與授權人訂立服務特許經營權安排。根據服務特許經營權安排，本集團須於中國設計、建造、運營及維護垃圾發電廠，為期二十五至三十年。本集團有責任維持垃圾發電廠的良好狀況。授權人擔保，就有關安排而言，本集團將可每年收取最低保證款項。待特許經營期屆滿後，垃圾發電廠及相關設施將轉歸當地政府機關所有。

服務特許經營權安排並無續約選擇。授權人可行使標準權利終止協議之情況包括：本集團未能建造或運營垃圾發電廠以及協議條款遭重大違反。本集團可行使標準權利終止協議之情況包括：未能從授權人取得固體廢物處理服務費，以及協議條款遭重大違反。

因建造垃圾發電廠而提供建造服務所得之相關收益在財務報表中確認為「應收客戶合約工程款項總額」。

# Notes to Financial Statements

## 財務報表附註

31 December 2016 二零一六年十二月三十一日

### 45 PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes: (continued)

- (e) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group has to design, construct and/or upgrade, operate and maintain waste-water treatment plants in the PRC for a period of 25 to 30 years. The Group has the obligation to maintain the waste-water treatment plants in good condition. The Grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the waste-water treatment plants and the related facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. The standard rights of the Grantors to terminate the agreements include failure of the Group to construct, upgrade or operate the waste-water treatment plants and in the event of a material breach of the terms of the agreements. The standard rights of the Group to terminate the agreements include failure to receive payments for waste-water treatment service from the Grantors and in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing or upgrading the waste-water treatment plants is recognised as "Gross amounts due from customers for contract work" in the financial statements.

- (f) During the year ended 31 December 2016, CEWL bought back an aggregate of 8,283,400 ordinary shares in its issued and paid up capital pursuant to a share buy-back mandate, and allotted and issued 10,177,139 new ordinary shares to its ordinary shareholders who had elected to participate in the scrip dividend scheme of CEWL. After the aforementioned transactions, the Group's equity interest in CEWL changed to 74.7% as at 31 December 2016 from 74.4% as at 31 December 2015.

### 46 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 February 2017.

### 45 主要附屬公司資料(續)

附註：(續)

- (e) 本集團附屬公司與授權人訂立服務特許經營權安排。根據服務特許經營權安排，本集團須於中國設計、建造及／或改造、運營及維護污水處理廠，為期二十五至三十年。本集團有責任維持污水處理廠的良好狀況。授權人擔保，就有關安排而言，本集團將可每年收取最低保證款項。待特許經營期屆滿後，污水處理廠及相關設施將轉歸當地政府機關所有。

服務特許經營權安排並無續約選擇。授權人可行使標準權利終止協議之情況包括：本集團未能建造、改造或運營污水處理廠，以及協議條款遭重大違反。本集團可行使標準權利終止協議之情況包括：未能從授權人取得污水處理服務費，以及協議條款遭重大違反。

因建造或改造污水處理廠而提供建造服務所得之相關收益在財務報表中確認為「應收客戶合約工程款項總額」。

- (f) 於截至二零一六年十二月三十一日止年度，光大水務根據股份購回授權，購回其已發行及繳足股本中合共8,283,400股普通股，並配發及發行10,177,139股新普通股予選擇參與光大水務以股代息計劃之普通股股東。在進行上述交易後，本集團於光大水務之股權由二零一五年十二月三十一日的74.4%，變為二零一六年十二月三十一日的74.7%。

### 46 批准財務報表

董事會於二零一七年二月二十八日批准並授權刊發財務報表。

## Five Year Summary 五年業績概要

		At 31 December 於十二月三十一日				
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元	2014 二零一四年 HK\$'000 港幣千元	2013 二零一三年 HK\$'000 港幣千元	2012 二零一二年 HK\$'000 港幣千元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Investment properties, property, plant and equipment and prepaid land lease payments	投資物業、物業、廠房及設備、以及預付土地租賃款項	<b>3,338,648</b>	2,667,411	1,719,533	1,587,319	1,471,047
Goodwill	商譽	<b>1,563,390</b>	1,061,891	834,845	20,793	20,793
Intangible assets	無形資產	<b>5,686,374</b>	3,357,187	2,571,006	1,096,453	613,564
Interests in joint ventures	合營企業權益	<b>345,353</b>	209,161	27,289	–	–
Interests in associates	聯營公司權益	<b>228,047</b>	239,306	254,339	254,380	–
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	<b>19,464,201</b>	15,822,848	12,630,020	9,035,315	6,889,550
Finance lease receivables	融資租賃應收款項	<b>17,273</b>	19,062	20,411	21,485	21,384
Other financial assets	其他財務資產	<b>33,332</b>	24,800	229,012	176,710	196,692
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>6,494,188</b>	5,696,894	4,376,789	3,023,616	2,603,369
Deferred tax assets	遞延稅項資產	<b>53,732</b>	36,483	49,455	10,966	27,508
Net current assets	流動資產淨額	<b>2,993,400</b>	5,164,723	3,505,685	4,671,973	1,854,906
		<b>40,217,938</b>	34,299,766	26,218,384	19,899,010	13,698,813
Non-current liabilities	非流動負債	<b>(20,372,730)</b>	(14,879,225)	(8,375,414)	(6,119,889)	(5,028,404)
<b>NET ASSETS</b>	<b>資產淨額</b>	<b>19,845,208</b>	19,420,541	17,842,970	13,779,121	8,670,409
Share capital	股本	<b>7,405,414</b>	7,405,414	7,405,414	448,371	403,841
Reserves	儲備	<b>9,983,888</b>	9,790,740	8,857,842	12,925,893	7,945,918
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額	<b>17,389,302</b>	17,196,154	16,263,256	13,374,264	8,349,759
Non-controlling interests	非控股權益	<b>2,455,906</b>	2,224,387	1,579,714	404,857	320,650
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>19,845,208</b>	19,420,541	17,842,970	13,779,121	8,670,409



## Five Year Summary 五年業績概要

		For the year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元 (Restated) (重報)	2014 二零一四年 HK\$'000 港幣千元 (Restated) (重報)	2013 二零一三年 HK\$'000 港幣千元 (Restated) (重報)	2012 二零一二年 HK\$'000 港幣千元 (Restated) (重報)
<b>Results</b>	<b>業績</b>					
<b>Continuing operations</b>	<b>持續經營業務</b>					
Revenue	收益	<b>13,971,204</b>	8,528,393	6,350,295	5,316,124	3,409,484
Profit from operating activities	經營活動所得盈利	<b>4,675,413</b>	3,576,466	2,680,443	2,127,232	1,483,202
Finance costs	財務費用	<b>(639,584)</b>	(451,759)	(380,775)	(315,579)	(312,640)
Shares of profits and losses of joint ventures	所佔合營企業盈利及虧損	<b>63,373</b>	(6,046)	(594)	-	-
Shares of profits and losses of associates	所佔聯營公司盈利及虧損	<b>(479)</b>	140	(41)	-	-
Profit before tax	除稅前盈利	<b>4,098,723</b>	3,118,801	2,299,033	1,811,653	1,170,562
Income tax	所得稅	<b>(1,062,150)</b>	(783,275)	(533,990)	(447,455)	(266,554)
Profit from continuing operations	持續經營業務之盈利	<b>3,036,573</b>	2,335,526	1,765,043	1,364,198	904,008
<b>Discontinued operation</b>	<b>終止經營業務</b>					
Profit from discontinued operation (net of tax)	終止經營業務之盈利(除稅後)	-	-	-	-	250,096
Profit for the year	本年度盈利	<b>3,036,573</b>	2,335,526	1,765,043	1,364,198	1,154,104
Attributable to:	應佔部份:					
Equity holders of the Company	本公司權益持有人	<b>2,784,863</b>	2,084,888	1,703,147	1,324,667	1,123,269
Non-controlling interests	非控股權益	<b>251,710</b>	250,638	61,896	39,531	30,835
Profit for the year	本年度盈利	<b>3,036,573</b>	2,335,526	1,765,043	1,364,198	1,154,104
Basic earnings per share	每股基本盈利	<b>HK62.12 cents港仙</b>	HK46.50 cents港仙	HK37.99 cents港仙	HK32.60 cents港仙	HK29.65 cents港仙

The consolidated operation results of certain subsidiaries, which were disposed of by the Group during the year ended 31 December 2012, are presented as discontinued operation in the financial statements.

在財務報表內，本集團於截至二零一二年十二月三十一日止年度出售之若干附屬公司之綜合經營業績呈列為終止經營業務。

## Major Properties held by the Group 本集團所持有之主要物業

	Location 地點	Existing use 現時用途	Term of lease 租賃年期	Percentage of interest 所佔權益百分比
1.	Units 2703 and 2704, 27th Floor Far East Finance Centre 16 Harcourt Road Hong Kong 香港夏慤道十六號 遠東金融中心 二十七樓二七零三及二七零四室	Commercial 商業	Medium 中期	100%
2.	25th Floor to 28th Floor Block A, Oriental Xintiandi Plaza No. 1003 Shennan Avenue Futian District, Shenzhen 深圳市福田區 深南大道1003號 東方新天地廣場A座25層至28層	Commercial 商業	Medium 中期	100%
3.	Units 3 and 4, 11th Floor Qingsong South Lane Dalian Development Zone the PRC 中國大連開發區青松南里 十一樓三及四單元	Residential 住宅	Medium 中期	100%
4.	Room 1301-1309 Central Business Building No. 88 Fuhua Road One Futian District Shenzhen, Guangdong Province the PRC 中國廣東省深圳市福田區 福華一路八十八號中心商務大廈 一三零一至一三零九室	Commercial 商業	Medium 中期	100%
5.	24th Floor Tower of Education Science & Technology Building Zhuziilin, Futian District Shenzhen, Guangdong Province the PRC 中國廣東省深圳市 福田區竹子林 教育科技大廈二十四層	Commercial 商業	Medium 中期	100%
6.	Block J07, Zhongguancun Science Park No. 156 Wenquan Town Haidian District Beijing, the PRC 中國北京海淀區 溫泉鎮一五六號 中關村環保科技園J07號	Commercial 商業	Medium 中期	100%

An enterprise is not only the Creator of Wealth  
but also the **Safeguard of Environmental and Social Responsibility**

企業不僅是物質財富的創造者  
更應成為環境與責任的承擔者



CHINA EVERBRIGHT INTERNATIONAL LIMITED  
中國光大國際有限公司

[www.ebchinaintl.com](http://www.ebchinaintl.com)

