

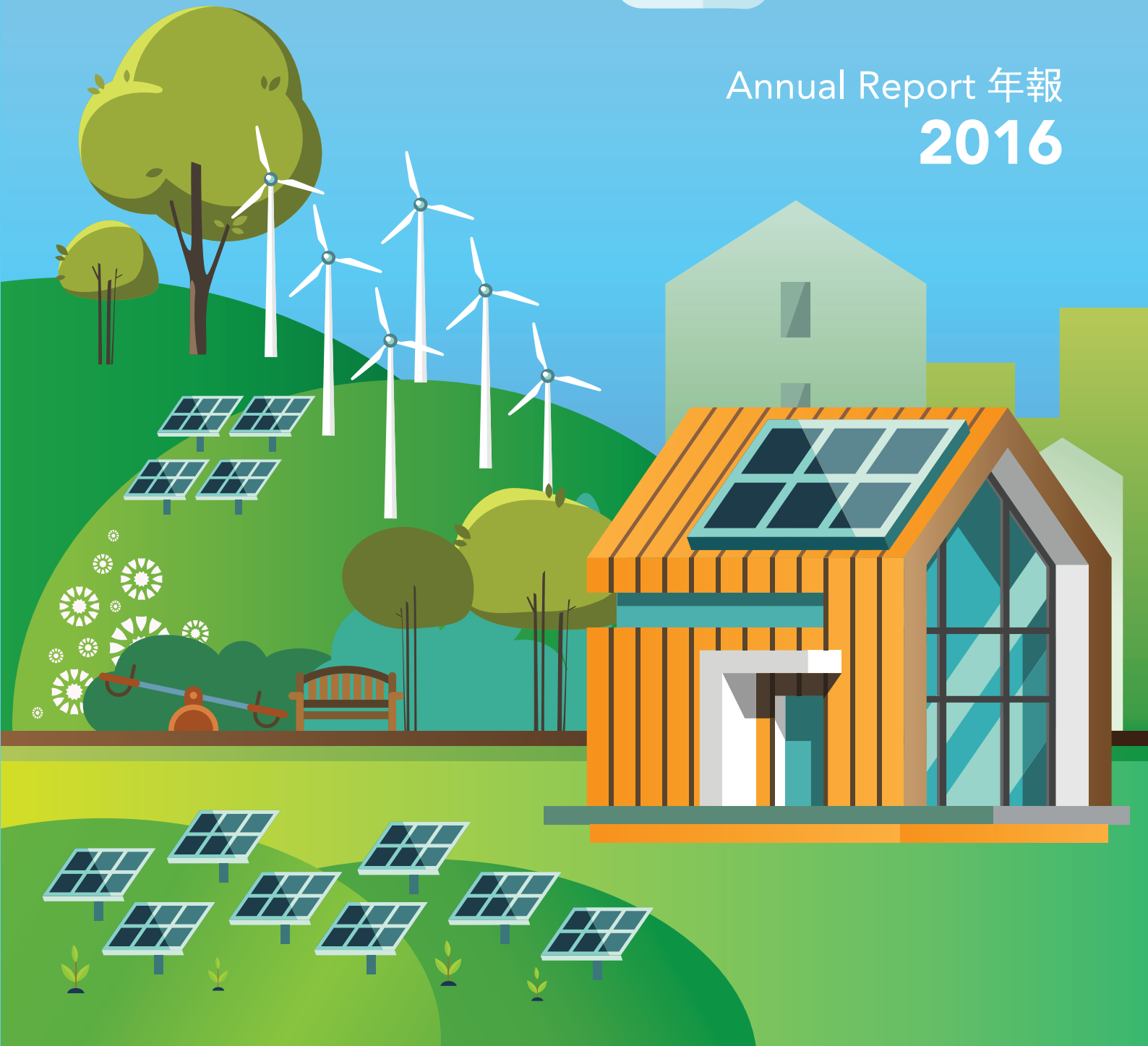


China Renewable Energy Investment Limited
中國再生能源投資有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

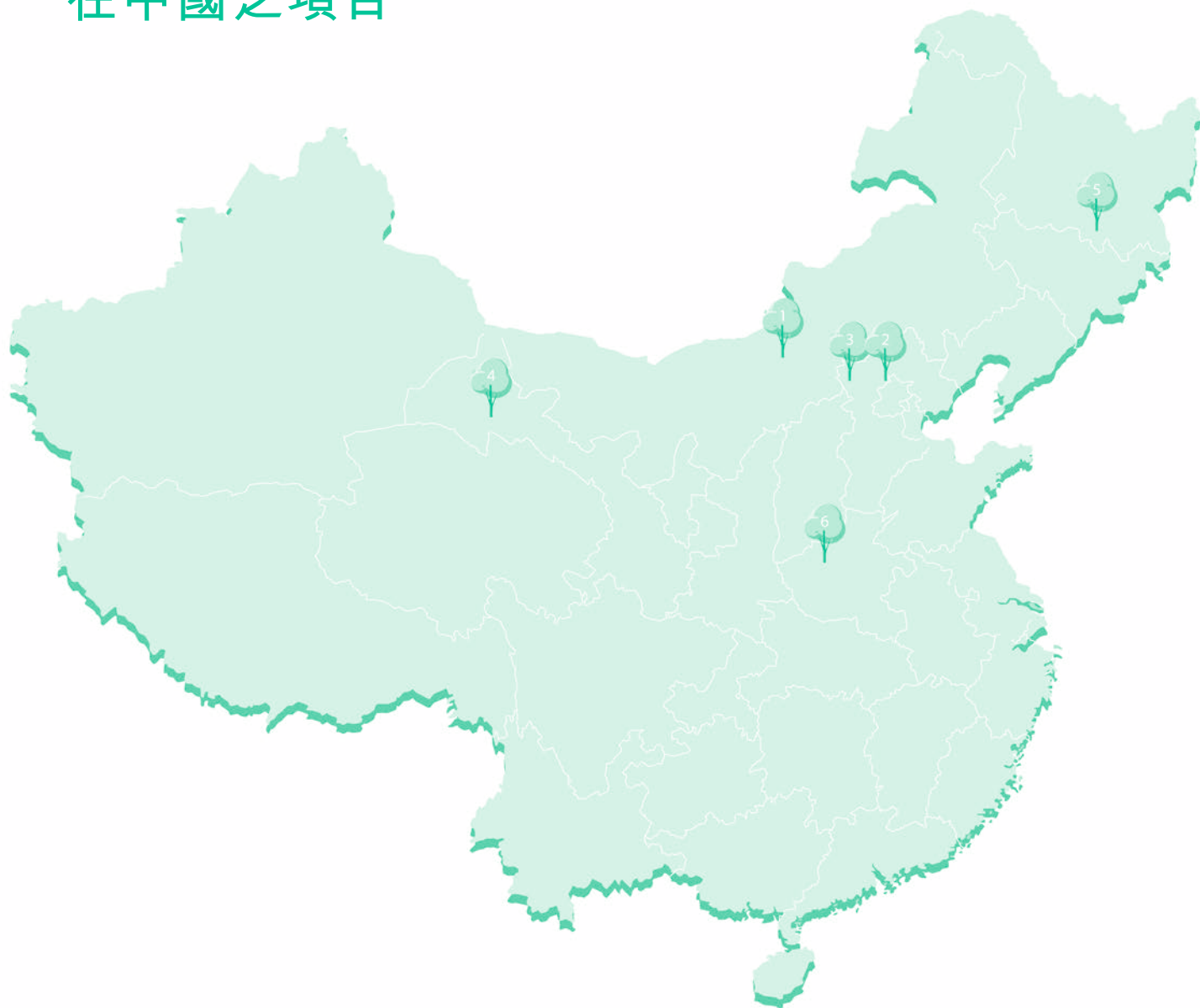
Stock Code 股份代號：987

Annual Report 年報
2016



PROJECT IN CHINA

在中國之項目



1 Siziwang Qi, Inner Mongolia
內蒙古四子王旗

2 Lunaobao, Hebei
河北綠腦包

3 Danjinghe, Hebei
河北單晶河

4 Changma, Gansu
甘肅昌馬

5 Mudanjiang, Heilongjiang
黑龍江牡丹江

6 Songxian, Henan
河南嵩縣



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CORPORATE INFORMATION

公司資料



Directors

Executive Directors

Mr. OEI Kang, Eric (*Chairman and Chief Executive Officer*)

Mr. LEUNG Wing Sum, Samuel (*Chief Financial Officer*)

Mr. WONG Jake Leong, Sammy

Independent Non-Executive Directors

Mr. YU Hon To, David

Mr. TIAN Yuchuan

Mr. ZHANG Songyi

Auditor

PricewaterhouseCoopers

Principal Bankers

Bank of Communications Co., Ltd.

China Construction Bank Corporation

China Merchants Bank Co., Ltd.

Company Secretary

Mr. LAI Kam Kuen, Ricky

Registered Office

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董事

執行董事

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梁榮森先生(首席財務官)

黃植良先生

獨立非執行董事

俞漢度先生

田玉川先生

張頌義先生

核數師

羅兵咸永道會計師事務所

主要往來銀行

交通銀行股份有限公司

中國建設銀行股份有限公司

招商銀行股份有限公司

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賴錦權先生

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(Cayman) Limited
4th Floor, Royal Bank House
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Grand Cayman KY1-1110
Cayman Islands

Branch Share Registrar and Transfer Agent in Hong Kong

Computershare Hong Kong Investor Services Limited
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183 Queen's Road East
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E-mail Address

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Website

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987

CHAIRMAN'S STATEMENT

主席報告書



Business review

In 2016, the Government of the People's Republic of China ("PRC" or "China") continued to lead the global market in terms of renewable energy investment. China remains the world's largest wind power market in terms of both new and total installed capacity. In 2016, China added 19.3 Giga-Watt ("GW") of installed wind power capacity; and now has an aggregate total of 149 GW.

China faced a variety of problems adversely affecting the domestic economy in 2016. However, the country was relatively successful in dealing with these issues. As a result, the national economy continued to grow at a reasonable pace. Of particular note were the "green" development model pledges in its 13th Five-Year Plan (2016–2020), of which 2016 was the first year. As part of this plan, the National Energy Administration ("NEA") continued to be very proactive in supporting the renewable energy industry and issued a number of policies to support the industry. All of these policies should gradually increase demand for renewable energy and reduce curtailment; and are described below:

In February 2016, NEA issued two important documents in order to help ease the problems with wind power curtailment: "Notice in Relation to Renewable Energy Consumption in the Three Northern Regions" (《關於做好「三北」地區可再生能源消納工作的通知》) and "Guidance in Relation to the Establishment of Renewable Energy Development and Utilisation Objectives" (《關於建立可再生能源開發利用目標引導制度的指導意見》). The first document emphasizes that renewable energy should be used for heating and any other purposes that could create demand for renewable energy. The second document stipulates that in order to achieve 15% non-fossil fuel energy generation by 2020 and 30% by 2030; each province must achieve a minimum renewable energy quota by those years.

In May, the "Administrative Measures on Guaranteed Purchase for Renewable Energy Power Generation" (《可再生能源發電全額保障性收購管理辦法》) was issued. This document requires western and northern provinces to absorb a minimum amount of utilisation hours. Provinces which cannot achieve this minimum will not be allowed to construct new projects.

In addition, the government has started to test a plan to use the markets to subsidise the renewable energy industry. In this plan, green certificates would be issued to renewable energy producers. Companies that emit pollution would be required to purchase these green certificates to compensate for the pollution or carbon dioxide that they are producing.

業務回顧

二零一六年，中華人民共和國（「中國」）政府繼續在可再生能源投資方面，引領全球市場。按新增及合共裝機容量計，中國仍是全球最大的風力發電市場。二零一六年，中國新增19.3吉瓦（「吉瓦」）的風力發電裝機容量；且目前合計擁有149吉瓦的總裝機容量。

二零一六年，中國面臨多項問題，對國內經濟產生不利影響。然而，國家在處理該等問題方面相對成功。因此，全國經濟保持合理增長。尤其值得關注，二零一六年作為「十三五」規劃（二零一六年至二零二零年）的首年，大力推動「綠色」發展模式。作為該規劃的一環，國家能源局（「國家能源局」）繼續十分積極支持可再生能源行業，並頒佈多項政策支持該行業的發展。通過實施所有該等政策，可再生能源需求將逐步增加，且限電亦將減少，有關政策詳情如下：

二零一六年二月，國家能源局出台兩份重要文件：《關於做好「三北」地區可再生能源消納工作的通知》及《關於建立可再生能源開發利用目標引導制度的指導意見》，幫助緩解風電限電問題。第一份文件強調，可再生能源應用於供暖及可提高可再生能源需求的任何其他用途。第二份文件規定，到二零二零年，非化石燃料能源發電佔比達到15%，到二零三零年達到30%；各省必須達到上述年度的最低可再生能源佔比目標。

五月，《可再生能源發電全額保障性收購管理辦法》出台。該文件要求，西部及北部省份須吸收最低數量的利用小時。不能達到最低數量的省份，將不被允許投建新項目。

此外，政府已開始進行測試，利用市場，補貼可再生能源行業。在該方案中，將會向可再生能源發電商發出綠色證書。排污公司須購買該等綠色證書，對排放的污染物或二氧化碳作出補償。



Business review (continued)

Although smaller than the State-owned Enterprises (“SOEs”), we believe that we have some of the highest quality wind farms in the country. Unlike SOEs whose mandate is growth, China Renewable Energy Investment Limited (“CRE” or the “Company”, and with its subsidiaries, collectively, the “Group”) is a private developer and focuses more on high returns for its shareholders. As a result, the Group has been much more selective than the SOEs in deciding in which wind farms to invest. The Group currently has seven wind farms with a total gross capacity of 660 Mega-Watt (“MW”) (net equity capacity of 341 MW). In 2016, the Group’s wind farms generated an average of 2,038 utilisation hours, 296 hours above the national average of 1,742 hours. Moreover, reflecting our ability to continually improve our performance, the Group increased the utilisation hours at a much higher rate than the national average. In 2016, our utilisation hours increased 55 hours, whereas the national average increased only 14 hours. As a result we believe the Group is generating far more cash per Mega-Watt-hour (“MWh”) of installed capacity compared to the national average. In 2016, the Group, including the associates, generated HK\$307.7 million of EBITDA or HK\$903,000 per MW of installed capacity.

The Group recorded revenue of HK\$131.0 million. Together with good performance in our associates, the Group’s net profit after tax attributable to the equity holders was HK\$61.1 million for the year ended 31 December 2016, an increase of 47%. Basic earnings per share reached HK2.59 cents. The Group has total assets of HK\$2,129.1 million as at 31 December 2016 and its cash position remains healthy, with cash in the bank of HK\$214.2 million. Net asset value per share is HK66.47 cents.

In 2016, the Group updated and implemented a new business strategy called “**Grow • Advance • Sustain**”. **Grow** means we plan to continue to develop renewable energy projects and will look for growth investment opportunities in new technology. **Advance** means every Kilo-Watt-hour (“KWh”) energy output counts at CRE. We strive to innovate and advance in all aspect of our business and operations to continuously enhance our profitability. **Sustain** means our ultimate goal is to create sustainable value and to increase returns for shareholders.

業務回顧(續)

儘管規模不及國有企業(「國有企業」)，但我們相信，我們擁有若干全國最優質的風力發電場。與國有企業其指命只追求擴張不同，中國再生能源投資有限公司(「中國再生能源」或「本公司」，連同其附屬公司統稱「本集團」)為一間私營發展商，更著重為其股東取得更高回報。因此，本集團於決定是否投資風力發電場時，較國有企業選擇更為謹慎。本集團現時擁有七座風力發電場，總容量合計為660兆瓦(「兆瓦」)，而淨權益容量為341兆瓦。二零一六年，本集團風力發電場達2,038個平均利用小時，較全國平均水平1,742小時超出296小時。此外，本集團利用小時增速高於全國平均水平，印證了我們持續改善表現的能力。二零一六年，我們的利用小時增加55小時，而全國平均水平僅增加14小時。故此，我們相信，本集團裝機容量的每兆瓦時(「兆瓦時」)產生的現金值遠高於全國平均水平。二零一六年，本集團(包括聯營公司)裝機容量產生的EBITDA為307,700,000港元或每兆瓦903,000港元。

本集團錄得131,000,000港元收益。同時受惠於聯營公司的良好業績，截至二零一六年十二月三十一日止年度，本集團錄得權益持有人應佔稅後溢利淨額61,100,000港元，增加47%。每股基本盈利2.59港仙。本集團於二零一六年十二月三十一日擁有總資產2,129,100,000港元，其現金狀況維持穩健，銀行存款214,200,000港元，每股資產淨值66.47港仙。

二零一六年，本集團調整並實行新的業務策略「**壯大 • 開拓 • 恒久**」。壯大意味著我們計劃持續發展可再生能源項目，並尋找可壯大投資機遇的新技術。**開拓**意味著中國再生能源重視所生產的每千瓦時(「千瓦時」)電力。我們致力在業務及營運各方面進行創新及開拓，繼續改善我們的盈利能力。**恒久**意味著我們的最終目標是為所有股東締造有恒久價值的投資，並提高回報。



Prospects

Over the past year, under the leadership of the Board and the guidance of management, we have overcome difficulties, and have therefore been able to achieve a record high in terms of operating results. This has created a solid foundation for us to further elevate the Company to a new level.

China's transition to a low carbon economy will not happen overnight. Companies, including CRE, will need to work hand in hand with policy makers to ensure an orderly and controlled transition to a low carbon economy. As an early investor in China's renewable energy sector for over 10 years, we are committed and willing to continue to face this challenge.

On the development front, the Group has over 1.3 GW wind project pipeline; however around 1.1 GW of the pipeline is in Inner Mongolia, which is currently experiencing significant curtailment. As a result, the Group will only develop this pipeline when it is satisfied that the curtailment problem will be resolved. We have been mainly focusing our development efforts on provinces with minimal or no curtailment for the past few years and are pleased to announce that the Company has received the final project approval from Luoyang Development and Reform Commission for the construction of a wholly-owned 74 MW wind power project ("Project") located in Songxian County of Luoyang City in Henan Province in the fourth quarter of 2016. Construction of the Project has begun and is expected to be commissioned in the first half of 2018, which will increase our net wind capacity by 22%.

China's transition to cleaner and more efficient sources of energy and reform of the power sector will bring new opportunities to renewable energy power producers such as CRE. We will be closely monitoring the development of the renewable energy sector in various markets and will not rule out the possibility of investing in other emerging markets for growth in the future when the timing is right; however China will remain the primary market where we will focus on. As such, we will build on our past successes and will continue to pursue more renewable projects in the country. Despite recent tariff cuts and growing competition, our portfolio of wind projects remains robust thanks to our effective cost control and strategic selection of projects. In addition to our existing pipeline of wind projects currently under wind measurement, we are evaluating a number of new opportunities, including both new wind and solar projects. We will continue to follow our prudent and selective investment strategy when such opportunities arise.

展望

過去一年，在董事會領導及管理層引領下，我們戰勝重重困難，並因此能夠實現經營業績創下新高，為我們進一步提升公司至新水平，奠定堅實基礎。

中國向低碳經濟的過渡，不會一蹴而就。包括中國再生能源在內的公司，需與政策制定者攜手，確保有序、穩定過渡至低碳經濟。作為過去十多年來在中國最早投資可再生能源領域的投資者之一，我們致力於並願意持續應對挑戰。

在開發方面，本集團擁有逾1.3吉瓦可建風電項目儲備；然而，約1.1吉瓦的可建項目儲備位於內蒙古，目前正受嚴重限電之困擾。因此，本集團將於確信限電問題會得到解決時，方會開發該項目儲備。過往數年，我們的重心一直放在開發限電較少或沒有限電省份。我們欣然宣佈，於二零一六年第四季，就建設位於河南省洛陽市高縣全資擁有之74兆瓦風力發電項目（「該項目」），本公司取得洛陽市發展和改革委員會的最終項目審批。該項目已動工，預計將於二零一八年上半年投產，屆時會令我們的淨風電容量增加22%。

中國將過渡至使用更清潔及更高效的能源組合，連同電力體制改革，都會為包括中國再生能源在內的可再生能源發電商締造新機遇。我們密切留意各市場可再生能源領域的發展，不排除日後時機成熟時，可能投資於其他新興市場，在將來能茁壯成長。但中國仍是我們重點發展的主要市場。因此，我們將憑過往成功經驗，持續在國內物色新的可再生能源項目。儘管近期電費下調，競爭日益激烈，但基於我們有效控制成本、策略性選擇項目，我們的風力發電項目組合，仍保持強勁勢頭。除目前正進行風力測量的現有風力項目儲備外，我們正研究多個新機會，包括新的風力及太陽能項目。我們將在機會出現時，繼續遵循審慎及有選擇性的投資策略。



Prospects (continued)

Our ultimate goal is to create sustainable and increasing value for our shareholders. To do that, we seek to invest in projects and businesses which leverage our core capabilities and provide long-term returns. We recognise that we are the stewards of our shareholders' investments in the Company; therefore we strive to maintain a healthy balance sheet, uphold our values in managing our businesses, and communicate frequently with our shareholders on important issues.

Looking at our overall 2016 results, our performance was very pleasing. We are glad that our strategy of “**Grow • Advance • Sustain**” was able to deliver results in its first year of implementation. We need to build on that, and we are confident that it will guide us going forward. Be assured that CRE will continue to be a responsible long term investor-operator in the renewable energy industry for the years to come.

Acknowledgements

On behalf of the Board, I would like to express my greatest thanks to all our business partners, employees, management and shareholders for the dedication and support you have shown for CRE throughout the year under review.

OEI Kang, Eric

Chairman and Chief Executive Officer

Hong Kong, 14 March 2017

展望(續)

我們的最終目標是為所有股東締造有恒久價值的投資，並提高回報。為達此目標，我們力爭投資於可發揮我們的核心實力、能創造長期回報的項目及業務。我們深明，我們有責任守護所有股東於本公司的投資；因此，我們致力於維持穩健的財務狀況、秉持把控業務的價值理念，並就重大事宜加強與股東溝通。

整體而言，二零一六年的業績表現令人非常欣慰。我們樂見「**壯大 • 開拓 • 恒久**」策略於實行首年，便締造豐碩成果。我們需要以此為基礎向前邁進，並堅信該策略將引領我們未來的發展。毋庸置疑，中國再生能源將在未來數年，仍然繼續在可再生能源行業內，作為有責任、長遠的投資者兼營運商。

致謝

本人謹藉此代表董事會，向於回顧年度內一直竭誠努力及鼎力支持中國再生能源之所有業務夥伴、員工、管理人員及股東，致以衷心謝意。

黃剛

主席兼行政總裁

香港，二零一七年三月十四日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Financial Review

For the year ended 31 December 2016, China Renewable Energy Investment Limited (“CRE” or the “Company”, and with its subsidiaries, collectively, the “Group”) recorded a revenue of HK\$131.0 million as compared to HK\$132.9 million for the same period in 2015. Gross profit was HK\$43.8 million as compared to HK\$44.3 million in 2015. Although wind resources were at a similar level as in 2015 and power generation was slightly higher, the revenue and gross profit declined slightly because of devaluation of Renminbi (“RMB”).

Danjinghe and Lunaobao performed particularly well in 2016 with very low curtailment. As a result, the wind farms under the associates contributed profits of HK\$72.0 million, an increase of 18% compared to 2015.

With careful control over the costs, the Group recorded a profit after tax attributable to the equity holders of HK\$61.1 million for 2016 (2015: a profit after tax of HK\$40.5 million). Basic earnings per share was HK2.59 cents as compared to the previous year of HK1.72 cents per share.

Liquidity and Financial Resources

As at 31 December 2016, the Group’s total bank borrowings was HK\$465.4 million as compared to HK\$556.7 million in 2015. The difference was mainly due to repayment of principal and currency exchange differences.

The bank borrowings include interest-bearing RMB bank loans to the Group’s wind farm projects in the People’s Republic of China, with interest rates fixed at the People’s Bank of China rates. The maturity dates for the Group’s outstanding borrowings were spread over the next nine years. There were HK\$82.4 million repayable within one year, HK\$316.3 million repayable within two to five years and HK\$66.7 million repayable after five years.

The Group’s unrestricted bank deposits and cash were HK\$214.1 million as at 31 December 2016 as compared to HK\$185.5 million in 2015. Such increase represents cash received from normal operations.

As the borrowings and incomes are in RMB, no hedging is required. The Group did not use any financial instruments for financial hedging purposes during the period under review.

財務回顧

截至二零一六年十二月三十一日止年度，中國再生能源投資有限公司（「中國再生能源」或「本公司」，連同其附屬公司統稱「本集團」）錄得收益131,000,000港元，而二零一五年同期則為132,900,000港元。毛利為43,800,000港元，而二零一五年則為44,300,000港元。儘管風力資源跟二零一五年水平相若，發電量亦輕微提昇，但收益及毛利卻因人民幣（「人民幣」）貶值而稍微下降。

受惠於極低限電，單晶河及綠腦包於二零一六年表現十分良好。因此，該等聯營公司之風力發電場溢利貢獻為72,000,000港元，較二零一五年增加18%。

二零一六年，本集團在審慎控制成本下，錄得權益持有人應佔稅後溢利61,100,000港元（二零一五年：稅後溢利40,500,000港元）。每股基本盈利為2.59港仙，而去年則為每股1.72港仙。

流動資金及財務資源

於二零一六年十二月三十一日，本集團之銀行借款總額為465,400,000港元，而二零一五年則為556,700,000港元，差額主要由於償還本金及匯兌差額。

銀行借款為本集團就位於中華人民共和國之風力發電場項目，按中國人民銀行固定利率計息的計息人民幣銀行貸款。本集團未償還借款之到期日介乎未來九年之內，當中有82,400,000港元須於一年內償還，316,300,000港元須於二至五年內償還及66,700,000港元須於五年後償還。

本集團之不受限制銀行存款及現金於二零一六年十二月三十一日為214,100,000港元，而於二零一五年則為185,500,000港元。該增加乃來自日常營運所得之現金。

由於借款及收入以人民幣計值，無須作出對沖活動。於回顧期內，本集團並無利用任何金融工具作財務對沖用途。



Financial Review (continued) Details of Charges in Group Assets

The Group's subsidiaries have charged their assets including wind power equipment, prepaid land lease payments and trade receivables, worth approximately RMB857.5 million (equivalent to HK\$953.2 million) as security for the bank borrowings as at 31 December 2016. Assets, worth approximately RMB917.5 million (equivalent to HK\$1,082.9 million), were charged as at 31 December 2015. The difference was due to the depreciation of assets and fluctuation of the RMB currency.

Gearing Ratio

As at 31 December 2016, the Group's net gearing ratio, which was the total borrowings less unrestricted bank deposits and cash divided by total equity, was 16% as compared to 23% as at 31 December 2015.

Contingent Liabilities

The Group did not have any contingent liabilities as at 31 December 2016 (Nil as at 31 December 2015).

Business Review

In 2016, China's economy grew steadily. Total power consumption reached 5,919,800 Giga-Watt-hours ("GWh"), representing an increase of 5% as compared to 2015. Total wind power output was 241,000 GWh, accounting for 4% of total power generation across the country. It is estimated that during China's 13th Five-Year Plan period commencing in 2016, demand for electricity will be relatively stable. However, renewable energy output as a percentage of total energy output will continue to increase. During 2016, the government has announced various supportive policies and regulations for the healthy development of the renewable energy industry. The government continues to deepen reform, looking to increase the use of renewable energy through the implementation of new policies, such as the promotion of green certificates. These policies provide both challenges and opportunities for all developers, including CRE.

財務回顧(續) 本集團資產抵押詳情

於二零一六年十二月三十一日，本集團附屬公司將價值約人民幣857,500,000元（相當於953,200,000港元）之資產進行抵押，當中包括風力發電設備、預付土地租賃款項及應收賬款，用作擔保銀行借款。而於二零一五年十二月三十一日用作抵押之資產價值約人民幣917,500,000元（相當於1,082,900,000港元）。該差額乃由於資產折舊及人民幣匯率波動所致。

資本負債比率

於二零一六年十二月三十一日，本集團的淨資本負債比率為16%，而二零一五年十二月三十一日則為23%。資本負債比率為借款總額減不受限制銀行存款及現金，再除以權益總額。

或然負債

於二零一六年十二月三十一日，本集團並無任何或然負債（於二零一五年十二月三十一日：無）。

業務回顧

於二零一六年，中國經濟穩步增長。總用電量達5,919,800吉瓦時（「吉瓦時」），較二零一五年增加5%。總風電輸出為241,000吉瓦時，佔全國發電總量之4%。預計於中國從二零一六年開始之「十三五」規劃的五年期間，電力需求將保持相對穩定。然而，可再生能源發電量佔總電量的百分比將持續增加。於二零一六年，政府頒佈多項扶持政策及法規，以促進可再生能源行業之健康發展。政府繼續深化改革，透過實施新政策，如推廣綠色證書，增加使用可再生能源。該等政策為包括中國再生能源在內的所有發展商，帶來挑戰及創造機會。



Business Review (continued)

In the past year, the Group has actively responded to market changes, through innovation in all aspect of our business. In particular, we focus on quality of development and operational effectiveness. We have effectively implemented our Safety, Health, Environmental and Quality (“SHEQ”) System, strengthened the risks control process, and further reduced losses from wind power curtailment through the optimization of our energy production strategy. As a result, we have achieved a steady increase in power generation and utilisation hours. In 2016, our wind farms dispatched a total of 1,345.5 GWh, representing an increase of 3% as compared to 2015. The average utilisation hours was 2,038 hours, 55 hours higher than the previous year and 296 hours higher than the national average.

On the development front, we continue to adhere to our principle of investing in only the highest quality wind farms – those projects with high potential return in regions not subject to curtailment. In the fourth quarter of 2016, we received the final approvals to develop our wholly-owned Henan Songxian wind project. This project, which has generating capacity of 74 Mega-Watt (“MW”), will increase our installed capacity by 22%. Most of the pre-construction preparatory work was completed before the end of 2016 and the project is expected to start construction in the first half of 2017.

In 2016, management updated the business strategy of CRE based on an in-depth analysis of the current market situation and the foreseeable development of the renewable energy market in China and worldwide. The new strategy “**Grow • Advance • Sustain**” recognises the challenges and opportunities we face. It allows us to position CRE well for the coming decade and also to improve and to evolve in this continuously changing environment. In the first year of implementation of our new strategy, the Company’s business performance achieved a record high. We expect this new strategy will provide strong guidance as we move forwards.

業務回顧(續)

去年，本集團透過對業務各方面的創新思維，積極應對市場變化。尤其著重於發展質量及營運效率。我們有效地推行新安全、健康、環境及質量系統，強化風險管控流程，並透過優化生產能源策略，進一步減低棄風限電損失。因此，我們的發電量及利用小時，均錄得穩定增長。於二零一六年，我們的風力發電場共發電1,345.5吉瓦時，較二零一五年增加3%。平均利用小時為2,038個小時，較去年及全國平均水平，分別高出55個小時及296個小時。

發展方面，我們繼續秉持僅投資最優質風力發電場的原則，投資在無限電地區，並能帶來高回報的項目。於二零一六年第四季度，就我們全資發展的河南嵩縣風力發電項目，取得最終審批。該項目發電能力達74兆瓦（「兆瓦」），將令我們的裝機容量增加22%。大部分施工前籌備工作已於二零一六年年末前完成，而項目預計將於二零一七年上半年動工。

於二零一六年，管理層深入分析市場現況及國內外可再生能源市場之預期發展，調整了中國再生能源的業務策略。新策略「**壯大•開拓•恒久**」讓我們掌握所面臨挑戰及機遇，為中國再生能源在未來十年定位，在不斷變化的環境下，改善及蛻變成。在新策略首年推行下，本公司的業務表現創下新高。預期該策略將為我們往前邁進，提供有力的指引。



Business Review (continued) Mudanjiang and Muling Wind Farms

Mudanjiang and Muling wind farms, located in Heilongjiang province, have a total of 59.5 MW of wind power capacity. The wind farms started commercial operation in the fourth quarter of 2007. The Group holds majority stakes of 86% and 86.68% respectively. Power despatch was around 56.9 million Kilo-Watt-hour (“KWh”), which was equivalent to 956 utilisation hours in 2016. Although power demand was still low in the region, management effort has been made to optimize generation and lower curtailment has led to better performance this year as compared to last year’s 54.4 million KWh (or 915 utilisation hours) power dispatch.

Siziwang Qi Phase I & II Wind Farm

Siziwang Qi Phase I & II wind farm has a total of 99 MW of wind power capacity and is wholly-owned by the Group. It is located 16 kilometres north of Wulanhua under Siziwang Qi of Western Inner Mongolia. Commercial operation of Phase I and II started in January 2011 and January 2015 respectively. The wind farms are the first two phases of a strategic 1,000 MW wind farm base for the Group. Siziwang Qi Phase I & II wind farm dispatched approximately 171.0 million KWh (an equivalent to 1,724 utilisation hours) in 2016. Higher wind resources and upgrades on wind equipment to enhance availability have led to an increase in power dispatch as compared to last year’s 169.0 million KWh (or 1,708 utilisation hours).

Danjinghe Wind Farm

The Group has a 40% effective equity interest in the 200 MW Danjinghe wind farm located in Hebei. The majority and controlling shareholder is the wind division subsidiary of China Energy Conservation and Environmental Protection Group (collectively “CECEP”), which holds 60%. The entire wind farm, which consists of three phases, started commercial operation in September 2010. The power dispatched in 2016 was approximately 437.1 million KWh (an equivalent to 2,185 utilisation hours). As the project was obtained through the national tendering process, the wind farm enjoyed minimal curtailment. Higher wind resources led to an increase in power dispatch as compared to last year’s 398.0 million KWh (or 1,994 utilisation hours).

業務回顧(續) 牡丹江及穆稜風力發電場

牡丹江及穆稜風力發電場位於黑龍江省，擁有合共59.5兆瓦風力發電能力，於二零零七年第四季開始投運。本集團為主要股東，分別持有86%及86.68%股本權益。二零一六年之發電量約達56,900,000千瓦時(「千瓦時」)，相當於956個利用小時。儘管地區電力需求仍較低，但管理層致力提高發電量及減少限電，令本年度表現改善，上一年度發電量達54,400,000千瓦時(或915個利用小時)。

四子王旗一期及二期風力發電場

四子王旗一期及二期風力發電場位於內蒙古西部四子王旗烏蘭花以北16公里，擁有合共99兆瓦風力發電能力，由本集團全資擁有。一期及二期分別於二零一一年一月及二零一五年一月投運。該等風力發電場為本集團1,000兆瓦發電量之策略性風力發電場基地的前二期。四子王旗一期及二期風力發電場於二零一六年發出約171,000,000千瓦時電力(相當於1,724個利用小時)。風力資源增加及風力發電設備升級提高可用率，令發電量增加，上一年度發出169,000,000千瓦時電力(或1,708個利用小時)。

單晶河風力發電場

單晶河風力發電場位於河北省，擁有200兆瓦風力發電能力，本集團擁有其40%實際股本權益，其主要及控股股東為中國節能環保集團公司(統稱「中節能」)之風力資源分部，持有60%權益。整體風力發電場分三期，於二零一零年九月投運。於二零一六年發出約437,100,000千瓦時電力(相當於2,185個利用小時)。由於項目透過國家招投標獲得，該風力發電場享有近乎零限電。風力資源增加，令發電量較上一年度的398,000,000千瓦時電力(或1,994個利用小時)有所增加。



Business Review (continued) Changma Wind Farm

Changma wind farm, located in Gansu province, is a joint venture with the wind division subsidiary of CECEP. The Group has a 40% effective interest in the project company. The 201 MW wind farm started commercial operation in November 2010. This project, also obtained through national tendering, enjoyed minimal curtailment in 2016 and dispatched around 455.5 million KWh (an equivalent to 2,266 utilisation hours). Slightly lower wind resources led to a decrease in power dispatch as compared to last year's 499.0 million KWh (or 2,483 utilisation hours).

Lunaobao Wind Farm

Lunaobao wind farm is a joint venture with the wind division subsidiary of CECEP, and is adjacent to the Danjinghe wind farm. The Group has a 30% effective equity interest. The 100.5 MW wind farm commenced commercial operation in February 2011. Unlike Danjinghe, Lunaobao wind farm was not obtained through the national tendering process; and, hence, does not enjoy low curtailment. The power dispatched in 2016 was around 225.0 million KWh (an equivalent to 2,239 utilisation hours). Higher wind resources, together with an upgrade in the transmission line and newly commissioned 500 Kilo-Volt substations in the region have significantly reduced curtailment and increased power dispatch as compared to last year's 187.6 million KWh (or 1,866 utilisation hours).

Business Model & Risks Management

CRE's main business is acting as an investor-operator in China's renewable energy sector, in which we secure, develop, construct and operate power stations in order to provide reliable electricity to customer. As one of the main external investors in China's renewable energy sector, the Group is well positioned to contribute to the government's plan for a low-carbon economy.

Our updated strategy "**Grow • Advance • Sustain**" will guide our operations and development going forward. All investment opportunities are evaluated by the Executive Committee and the Board thoroughly based on a balance of the project economic, environmental and social benefits. We plan to continue to develop renewable energy projects and look for **growth** investment opportunity in new technologies. In CRE, every KWh energy output counts. We therefore strive to innovate and **advance** in all aspect of our business and operations to continuously enhance our profitability with an ultimate goal to create **sustainable** value and increasing return for shareholders.

業務回顧(續) 昌馬風力發電場

昌馬風力發電場位於甘肅省，是與中節能之風力資源分部合作之合營項目。本集團擁有該項目公司40%實際權益。此201兆瓦風力發電場於二零一零年十一月投運。由於此項目同樣透過國家招投標獲得，故二零一六年享有近乎零限電，並發出約455,500,000千瓦時電力(相當於2,266個利用小時)。風力資源輕微下降，令發電量與上一年的499,000,000千瓦時電力(或2,483個利用小時)較為減少。

綠腦包風力發電場

綠腦包風力發電場為與中節能之風力資源分部合作之合營項目，毗鄰單晶河風力發電場。本集團擁有其30%實際股本權益。風力發電場發電能力為100.5兆瓦，已於二零一一年二月投運。有別於單晶河，綠腦包風力發電場並非透過國家招投標獲得；因此，並無受惠於低限電。於二零一六年發出約225,000,000千瓦時電力(相當於2,239個利用小時)。風力資源增加，區內輸電網絡升級及新投產的500千伏變電站，大幅減少限電，並增加發電量，上一年度發出187,600,000千瓦時電力(或1,866個利用小時)。

商業模式及風險管理

中國再生能源之主要業務為在中國境內擔當可再生能源領域之投資者、運營商，開發、建設及運營發電場，為客戶提供穩定的電力。作為主要外來投資者之一，本集團已具備良好條件，為政府之低碳經濟計劃作出貢獻。

我們最新的策略「**壯大 • 開拓 • 恒久**」將引領我們未來的營運及發展。所有投資機遇，均由執行委員會及董事會按經濟、環境及社會裨益等各方，進行詳細綜合評估。我們計劃持續發展可再生能源項目，並尋找可**壯大**投資機遇的新技術。在中國再生能源，我們重視所生產的每千瓦時電力。因此，我們致力在業務及營運各方面進行創新及**開拓**，繼續改善我們的盈利能力，最終為所有股東締造有**恒久**價值的投資並提高回報。



Business Model & Risks Management (continued)

Risk management is the responsibility of everyone within the Group; risk is inherent in our business and the market in which it operates. Rather than being a standalone process, risk management is integrated into our daily business process, from project level day-to-day operation to corporate level strategy development and investment decisions.

Through a bottom up approach, we identify and review existing and emerging risks semi-annually. Identified risks are then monitored and discussed at the Group level. The risk management process is overseen by the Executive Committee and the Board as an element of our strong corporate governance. Within CRE, all risks factors are classified under 6 different categories, (i) Policy and Regulations, (ii) Legal and Compliance, (iii) Safety, Health and Environmental, (iv) Financial, (v) Operational and (vi) Reputational and are evaluated through assessing their consequences and likelihood. With a continuous and proactive approach to risk management, the Group is committed to identify material risks and then to manage these so that they can be understood, minimised, mitigated or avoided.

Outlook

China's transition from an export-led, high growth model to a low carbon economy that emphasizes sustainability and the services sector provide good opportunity for the non-carbon renewable energy generators. We are encouraged by the China government's green and air quality policies together with various guidance and administrative measures to support the renewable energy industry. These should help resolve the problems with curtailment and should encourage more investment in the industry. CRE is clearly encouraged, but will not invest just for the sake of growth, and will focus only on those projects which promise the highest returns on investment.

商業模式及風險管理(續)

風險管理是本集團內所有人之責任，風險存在於業務及運營之市場中。風險管理並非單一獨立過程，而須融入日常業務過程中，從項目層面上日常運營到企業層面上策略制定及至投資決策。

我們通過自下而上之方式，每半年一次確認及檢查現有及新增風險，已認定之風險將在整個集團層面上進行監察及討論。風險管理過程作為加強企業管治之基本部分，須受到執行委員會及董事會之監督。中國再生能源將所有風險因素分為六大類：(i)政策及法規，(ii)法律及合規，(iii)安全、健康及環境，(iv)財務，(v)運營，以及(vi)聲譽，就其後果及可能性進行評估。本集團通過持續積極之風險管理方式，致力於找出重大風險，並進行處理，使能識別、減少、降低或避免該等風險。

前景

中國由出口帶動的高增長經濟模式，轉向著重可持續發展及服務行業的低碳經濟，為非碳可再生能源發電者提供良機。中國政府的綠色及空氣質量政策，及支持可再生能源行業的各種指引及行政措施，都令人鼓舞。該等政策措施將有助於解決限電問題，並鼓勵對業界引入更多投資。中國再生能源雖然備受鼓舞，但不會為變大而盲目投資，而只會專注於能保證有最高回報的項目。



Outlook (continued)

In December 2016, the National Development and Reform Committee announced an adjustment to the onshore wind power benchmark feed-in-tariffs to partially compensate for lower turbine prices. The price cut applies for new projects to be approved from 2018 onwards, but doesn't apply to existing projects and projects that are approved before the end of 2017 and which started construction before the end of 2019. The new tariff for region I to IV will be RMB0.4/kWh, RMB0.45/kWh, RMB0.49/kWh, and RMB0.57/kWh respectively. We note that government subsidies on renewables will come down over time. As a result, there is very keen competition to secure new renewable projects. This presents a key challenge to all developers including CRE and we will take proactive actions. On the other hand, technology advancement is expected to drive down costs creating opportunities for new projects. Hence, we will focus on developing wholly-owned or majority-owned wind projects and continue to explore potential solar projects for sustainable growth.

Regarding our existing wind farms still facing grid curtailment, the Group will continue to enhance our communication with grid companies and will put in all necessary effort to respond to grid requirements. By doing so, we hope to reduce losses from wind power curtailment and to achieve steady increase in utilisation hours. While closely tracking developments in regions actively promoting or implementing the minimum guaranteed utilisation hours policy, the Group will also continue to observe power market changes, and will conduct in-depth analysis of the regional electricity markets and grid development. The Group will also actively explore various market measures, such as cross-region power supply as well as direct power supply for large energy consumers, in order to maximise power generation and enhance the profitability.

On the development front, the Group over the next few years will focus on certain selective regions based on detailed assessments of the wind resources as well as the potential grid curtailment trend. Most of our reserved projects (over 1 Giga-Watt) in the northern and north-eastern and north-western regions are currently subject to grid curtailment. However, a number of ultra-high-voltage transmission lines are due to be completed in these areas. If there are signs of reduced curtailment, the Group may consider developing wind farms in these regions again.

前景(續)

於二零一六年十二月，國家發展和改革委員會就風力發電機成本價格下降，而宣佈調整陸上風電標杆上網電價。價格下調適用於自二零一八年起的批准的新項目，但對現有項目及於二零一七年底前批准並於二零一九年底開始建設的項目，不會受影響。地區一至地區四的新電價，將分別為每千瓦時人民幣0.4元、每千瓦時人民幣0.45元、每千瓦時人民幣0.49元及每千瓦時人民幣0.57元。我們了解政府對可再生能源的補貼，將續步減少。因而，在提早搶佔新再生能源項目上，會有強烈競爭。這是所有發展商，包括中國再生能源在內的重大挑戰。集團將積極應對。另一方面，技術改進，將有望降低項目成本，締造新投資機會。因此，我們將重點發展全資擁有或主要控股的風電項目，並繼續尋找有潛力的太陽能項目，以實現可持續增長。

就現有受限電影響的風力發電場，本集團將繼續加強與電網公司的溝通，並將盡力滿足電網要求。我們希望藉此能減少棄風限電造成的損失，確保利用時數穩定回升。在密切關注積極推廣或實施最低保證利用時數政策的地區發展的同時，本集團亦將繼續觀察電力市場變化，並將對區域電力市場及電網發展，進行深入分析。本集團亦將積極探索各種市場措施，如跨區域供電及向大型能源消費者直接供電等，提高最大發電及盈利能力。

在開發層面上，本集團在未來幾年，將按風資源及電網限電的深入評估，著重個別地區。集團在北部、東北部及西北部的大部分儲備項目(超過1吉瓦)目前受到限電影響。然而，許多特高壓輸電線路將在該等地區安裝。一旦限電形勢有所好轉，本集團可能考慮再次在該等地區開發風力發電場。



Outlook (continued)

In 2017, construction of our Henan Songxian 74 MW wind project will be in full swing. Strenuous effort will be made to control project cost by ensuring that construction schedules are met and the project is commissioned on time. Upon completion of construction, the project will further increase our net capacity by 22% in 2018. In addition to wind projects, we are also evaluating a number of potential utility-scale and distributed solar projects.

The Group's wind farm investments are very capital intensive and require project loans. However, there is little currency risk as revenue, expenses, and project debt are denominated in RMB. While the Group has a strong balance sheet, we are exploring ways to expand our financing channels that could increase the amount of funds available and reduce financial costs.

In the near term, we expect that the transition to cleaner and more efficient sources of energy, and reform of the power sector will bring new opportunities to power producers such as CRE. The energy business is one that rewards expertise, patience, commitment and innovation. With over 10 years of experience in the renewable energy industry, in combination with the scale and nature of our portfolio, we have the resilience and confidence to maintain steady growth in our business. We will continue to grow by developing our own project pipeline and will consider strategic alliances with an aim to create sustainable, stable and increasing return for the shareholders as we work towards a smarter and cleaner tomorrow.

Employees

As at the end of December 2016, the Group's operations in Hong Kong and Mainland China employed a total of 72 employee. Our core requirement is to ensure that we attract, retain and deploy employees with the capabilities needed to secure, develop, construct and operate our assets. In 2016, we have strengthened our resources and capabilities through a combination of external recruitment and internal transfers of staff. These have enabled us to enhance performance through common standards and processes in safety, project management and asset management. The Group has also appointed technical consultants on contract terms when deemed necessary for the development of new projects and for operation of existing projects. All employees are remunerated according to the nature of their jobs, their individual performances, the Group's overall performance, and the prevailing marketing conditions.

前景(續)

於二零一七年，集團河南嵩縣74兆瓦風力發電項目建設，將全面展開。我們將透過努力確保施工進度及項目按時投運，控制項目成本。該項目於竣工後，將使集團二零一八年淨裝機容量，進一步增加22%。除風力項目外，我們亦在評估一些有潛力的大型及分佈式太陽能項目。

本集團的風力發電場投資，資本需求龐大，並依靠項目貸款，但由於收益、開支及項目債務均以人民幣計值，故外匯風險較低。本集團擁有強勁的資產負債表，同時，亦會尋找更多其他方式，擴大融資渠道，增加可供動用的資金及降低財務成本。

短期內，我們預期市場將過渡至使用更清潔及更高效的能源組合，及電力體制改革，都會為包括中國再生能源在內的發電商締造新機遇。專業、忍耐、投入及創新是能源業界成功因素。鑒於我們在可再生能源行業擁有十多年經驗，加上我們投資組合的規模及性質，將賦予我們堅毅的能力及信心，保持業務平穩增長。我們將繼續開發儲備項目，拓展業務，並將考慮作出戰略性聯盟，旨在為股東創造可持續、穩定及不斷增加的回報，為邁向更智能化、更潔淨的明天而努力。

僱員

於二零一六年十二月底，本集團就香港及中國大陸之業務，聘用合共72名僱員。吸引、挽留及部署具有適當能力的僱員，以獲取、開發、建設及運營我們的資產，是我們的核心需求。於二零一六年，我們透過外部招聘及內部調任方式，改善及加強人力資源及能力。透過就安全、項目管理及資產管理等設定標準及流程，確保績效提高。本集團亦在其認為必要的情況下，以合約形式委任技術顧問，以發展新項目及運作現有項目。所有僱員的薪酬均根據其工作性質、個人表現、本集團整體業績及當時市況釐定。



Outlook (continued) Environmental, Social and Governance Issues

As one of the earliest main investors in China's renewable energy sector since 2006, the Group has been heavily involved in environmental protection and support for the low carbon development of China. CRE strives to continuously improve and evolve in the renewable energy sector to adapt to the changing expectation of our stakeholders while balancing the needs of our shareholders, environment and the communities we operate in.

The Group has over 660 MW of operating wind farms in Hebei, Heilongjiang, Gansu and Inner Mongolia provinces. All our operating wind projects are located in remote northern regions, which greatly benefit the economic development of the local area through investment, by reducing local pollution and carbon emissions, and by contributing to the local community through the hiring of local staffs who are given fair market based remuneration packages. In 2016, CRE's operating assets complied with all local environmental related regulatory requirements. With a total electricity generation of 1,345.5 GWh, we have reduced approximately 1,040,747 tons of coal consumption and 437,288 tons of carbon emission. For our Songxian project to be constructed in 2017, we will monitor the environmental performance of our construction sites through regular measurements, site supervision, and on-site audits by both CRE internal staff and independent parties.

We place importance on creating positive relationships with stakeholders through understanding and addressing their expectations. As one of the main foreign investors in the China renewable energy industry, we continue to maintain close contacts with our stakeholders, including but not limited to the Government (e.g. the Development and Reform Commission and the Energy Administration at both national and provincial level), local authorities (e.g. environmental and land bureau) and State Grid Corporation through various meetings to facilitate their understanding of our business, operations and development direction.

The Group will continue to support the low carbon development in China though investing in various renewable energy projects. At the same time, we will explore other means to further contribute to the communities we operate in as the Group grows larger and profitability increases.

前景(續) 環境、社會和管治事項

從二零零六年開始作為在中國最早投資可再生能源領域的主要投資者之一，本集團一直積極參與環境保護及支持中國的低碳發展。中國再生能源致力於可再生能源領域的不斷改進與發展，回應利益持份者不斷改變的期望，同時平衡股東、環境及運營所在社區三者間之需求。

本集團於河北、黑龍江、甘肅及內蒙古等省份營運超過660兆瓦的風力發電場。我們營運的所有風電項目均位於偏遠的北部地區，投資非常有利於當地經濟發展。透過減少當地污染及碳排放，並按照公平的市場薪酬僱用當地員工，貢獻當地社區。於二零一六年，中國再生能源的運營資產符合當地所有環境相關監管條例。我們的總發電量為1,345.5吉瓦時，煤炭消耗量因而減少約1,040,747噸，碳排放量減少約437,288噸。就我們即將於二零一七年建設的嵩縣項目而言，我們將委派中國再生能源的內部員工及獨立人士，進行定期測量、現場監督及實地審核，監察建築工地符合環保要求。

我們重視與利益持份者建立良好關係，致力了解及回應他們的期望。作為中國可再生能源行業的主要境外投資者之一，我們繼續與利益持份者（包括但不限於政府（如國家及省級發展和改革委員會及能源局）、地方當局（如環境及土地局）及國家電網公司）透過各種會議保持緊密聯繫，讓他們了解我們的業務、營運及發展方向。

本集團將透過投資各種可再生能源項目，繼續支持中國的低碳發展。同時，隨著本集團實力及盈利能力增強，本集團將尋求透過其他方式為運營所在社區作出更多貢獻。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層



Mr. OEI Kang, Eric

(Executive Director, Chairman and Chief Executive Officer)

Mr. OEI Kang, Eric, aged 46, has been appointed as Executive Director, Chairman and Chief Executive Officer of the Company since 10 April 2008. He also holds several directorships in other members of the Group and the chairman of the Executive Committee of the Company. Mr. OEI was educated in the USA and obtained a Bachelor's Degree in Economics (with a minor in Electrical Engineering), and a Master's Degree in Business Administration. Earlier in his career, he worked with Peregrine Securities Ltd. and PCCW Limited in Hong Kong, the LG Group in Seoul and McKinsey & Co. in Los Angeles, USA. Mr. OEI is currently an Executive Director and Chief Executive Officer of HKC (Holdings) Limited ("HKC", together with its subsidiaries, the "HKC Group"), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited and the controlling shareholder of the Company. He is also a director of certain subsidiaries of HKC. Mr. OEI is also the director and the shareholder of Claudio Holdings Limited, the controlling shareholder of HKC.

Mr. LEUNG Wing Sum, Samuel

(Executive Director and Chief Financial Officer)

Mr. LEUNG Wing Sum, Samuel, aged 53 has been appointed as Executive Director and Chief Financial Officer of the Company since 1 December 2008. He joined the Group in April 2008 as Qualified Accountant of the Company. He also holds several directorships in other members of the Group and is a member of the Executive Committee of the Company. Mr. LEUNG has been appointed as Executive Director of HKC since 1 September 2015. He is currently the Chief Financial Officer of HKC and also a director of certain subsidiaries of HKC. Mr. LEUNG is a certified practising accountant of CPA Australia. Mr. LEUNG obtained a Master's Degree in Business from RMIT University of Australia. He has over 20 years' experience in auditing and finance management with an international audit firm and other major conglomerates in Hong Kong. Prior to joining the Group, Mr. LEUNG was a director of internal control and risk management of HKC.

黃剛先生

(執行董事、主席兼行政總裁)

黃剛先生，四十六歲，自二零零八年四月十日起出任本公司執行董事、主席兼行政總裁職務，彼亦於本集團其他成員公司出任董事職務並為本公司執行委員會之主席。黃先生於美國升學，持有經濟學學士學位(副修電機工程)，以及持有工商管理碩士學位。彼曾任職於百富勤證券有限公司、香港電訊盈科有限公司、首爾LG Group及美國洛杉磯McKinsey & Co.。黃先生現時為股份於香港聯合交易所有限公司主板上市之香港建設(控股)有限公司(「香港建設」，連同其附屬公司統稱「香港建設集團」)(本公司之控股股東)之執行董事兼行政總裁，彼同時亦為香港建設之若干附屬公司的董事。黃先生亦為Claudio Holdings Limited(香港建設之控股股東)之董事及股東。

梁榮森先生

(執行董事兼首席財務官)

梁榮森先生，五十三歲，自二零零八年十二月一日起出任本公司執行董事兼首席財務官職務，彼於二零零八年四月加入本集團為本公司合資格會計師，彼於本集團其他成員公司出任董事職務並為本公司執行委員會之成員。梁先生自二零一五年九月一日起出任香港建設之執行董事。彼現時亦為香港建設之首席財務官及香港建設之若干附屬公司的董事。梁先生為澳洲執業會計師公會執業會計師。梁先生取得澳洲RMIT大學之商業碩士學位，並於一家國際核數師事務所及香港其他主要大型企業累積逾二十年核數及財務管理經驗。梁先生於加入本集團前，為香港建設之內部監控及風險管理總監。



Mr. WONG Jake Leong, Sammy

(Executive Director)

Mr. WONG Jake Leong, Sammy, aged 56, has been appointed as Executive Director of the Company since 1 January 2014. He has been instrumental in raising funds for the Group. Mr. WONG is the Investor Relations Director of the Group, and is currently serving as a member of the Executive Committee of the Company. He is also a Director of certain subsidiaries of the Group. Since 2007, Mr. WONG has joined HKC, and is an Executive Director of HKC. He also serves as a Director of certain subsidiaries of the HKC Group.

Mr. WONG received a Bachelor's degree in the geophysical sciences from the University of Chicago and an MBA from the Yale School of Management. Before Yale, he worked as a petroleum geologist at Sohio Petroleum. After Yale, Mr. WONG became an investment banker at Kidder, Peabody in New York, where he was involved in project finance. He moved to Hong Kong with Bear Stearns, and was involved in a variety of corporate finance activities, including some of the first H share IPOs out of China. Mr. WONG then worked in equity research at Societe Generale where he was in charge of the research efforts in Shanghai; and later as vice President and head of China Research at Credit Suisse in Hong Kong. Before joining HKC, Mr. WONG served as a Chief Financial Officer for DVN Holdings Limited (now known as "Frontier Services Group Limited"), where he was involved in fund raising and introducing strategic investors to the company.

黃植良先生

(執行董事)

黃植良先生，五十六歲，自二零一四年一月一日起出任本公司執行董事，彼於本集團負責籌集資金。黃先生為本集團投資者關係總監，並為本公司執行委員會成員，彼亦於本集團若干成員公司出任董事職務。黃先生自二零零七年起加入香港建設，現任香港建設之執行董事。彼亦為香港建設集團若干成員公司之董事。

黃先生持有芝加哥大學地質物理科學學士及耶魯大學管理學院工商管理碩士學位。在入讀耶魯大學前，彼作為石油地質學家任職於Sohio Petroleum。在耶魯大學畢業後，黃先生任職於紐約投資銀行Kidder, Peabody，參與項目融資。彼移居香港後加入Bear Stearns，參與各種企業融資活動，包括部份中國以外H股首次公開發行。黃先生及後在上海Societe Generale證券分析部負責研究工作，以及後來在香港Credit Suisse出任中國研究副總裁及主管。在加入香港建設前，黃先生曾擔任天地數碼控股有限公司（現稱為「先豐服務集團有限公司」）財務總監，並參與集資及引進策略性投資者。



Mr. YU Hon To, David

(Independent Non-executive Director)

Mr. YU Hon To, David, aged 68, has been appointed as Independent Non-executive Director of the Company since 10 April 2008. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. YU is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in the fields of auditing, corporate finance, financial investigation and corporate management. He was formerly a partner of an international accounting firm.

Mr. YU is currently an independent non-executive director of the following companies listed on the Main Board of the Stock Exchange, namely China Resources Gas Group Limited (stock code: 1193), Haier Electronics Group Co., Ltd. (stock code: 1169), Keck Seng Investments (Hong Kong) Limited (stock code: 184), Media Chinese International Limited (which is also listed in Malaysia; Hong Kong stock code: 685, Malaysia stock code: 5090), One Media Group Limited (stock code: 426), Playmates Holdings Limited (stock code: 635) and Synergis Holdings Limited (stock code: 2340). Mr. YU is also an independent non-executive director of New Century Asset Management Limited, the manager of New Century Real Estate Investment Trust (stock code: 1275), a company listed on the Main Board of the Stock Exchange.

Mr. YU was an independent non-executive director of Bracell Limited (formerly known as "Sateri Holdings Limited") (stock code: 1768), VXL Capital Limited (stock code: 727) (now known as "Crown International Corporation Limited") and Great China Holdings Limited (stock code: 141) (companies listed on the Main Board of the Stock Exchange).

俞漢度先生

(獨立非執行董事)

俞漢度先生，六十八歲，自二零零八年四月十日起獲委任為本公司獨立非執行董事。彼同時亦為本公司審核委員會、提名委員會及薪酬委員會之成員。俞先生為英格蘭及威爾斯特許會計師公會之資深會員及香港會計師公會會員。彼於審計界、企業融資、財務調查以及企業管理方面擁有豐富經驗，彼亦曾為一間國際會計師行之合夥人。

俞先生目前出任下列公司(該等公司均於聯交所主板上市)之獨立非執行董事，包括華潤燃氣控股有限公司(股份代號：1193)、海爾電器集團有限公司(股份代號：1169)、激成投資(香港)有限公司(股份代號：184)、世界華文媒體有限公司(此公司亦於馬來西亞上市；香港股份代號：685，馬來西亞股份代號：5090)、萬華媒體集團有限公司(股份代號：426)、彩星集團有限公司(股份代號：635)、及新昌管理集團有限公司(股份代號：2340)。俞先生亦出任開元資產管理有限公司(開元產業投資信託基金(為聯交所主板上市公司，股份代號：1275)之管理人)之獨立非執行董事。

俞先生亦曾任Bracell Limited(前稱「賽得利控股有限公司」)(股份代號：1768)、卓越金融有限公司(股份代號：727)(現稱為「皇冠環球集團有限公司」)及大中華集團有限公司(股份代號：141)(該等公司於聯交所主板上市)之獨立非執行董事。



Mr. TIAN Yuchuan

(Independent Non-executive Director)

Mr. TIAN Yuchuan, aged 52, has been appointed as Independent Non-executive Director of the Company since 23 April 2013. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He holds a Bachelor of Arts Degree from Beijing Foreign Studies University. Mr. TIAN also obtained an executive education program certificate from Cheung Kong Graduate School of Management in 2009 and completed a program in leadership and public policy at University of Oxford in 2012. He has over 30 years of experience in multinational business, corporate management, international equity investment and corporate finance. Mr. TIAN was the executive director and chief executive officer of CITIC Dameng Holdings Limited (stock code: 1091), a company listed on the Main Board of the Stock Exchange. He also held senior positions in several subsidiaries of CITIC Group between 1986 and 2004. Mr. TIAN was employed as the Senior Vice President, Corporate Strategy and Development and served as a director of some subsidiaries of HKC between April 2006 to March 2008.

Mr. ZHANG Songyi

(Independent Non-executive Director)

Mr. ZHANG Songyi, aged 61, has been appointed as Independent Non-executive Director of the Company since 1 January 2016. He is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He obtained a Juris Doctor degree from Yale University in 1985. Mr. ZHANG currently serves in senior management and advisory capacities in several companies, including acting as the chairman of Mandra Capital and a director of SINA Corporation which is a company listed on the NASDAQ Stock Market. Mr. ZHANG is currently an independent non-executive director of China Longyuan Power Group Corporation Limited, the shares of which are listed on the Stock Exchange. Mr. ZHANG was previously an Independent Non-executive Director of the Company from April 2008 to April 2013.

田玉川先生

(獨立非執行董事)

田玉川先生，五十二歲，自二零一三年四月二十三日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會之成員。彼持有北京外國語大學文學士學位。田先生並於二零零九年由長江商學院取得高層管理教育證書及於二零一二年於牛津大學完成領導力和公共政策課程。彼在跨國公司業務、企業管理、國際股本投資及企業融資等方面具有超過三十年經驗。田先生曾為中信大錳控股有限公司（聯交所主板上市公司；股份代號：1091）之執行董事兼行政總裁。於一九八六年至二零零四年期間，彼在中信集團旗下多家附屬公司出任多個高級管理職位。於二零零六年四月至二零零八年三月期間，田先生受聘為香港建設高級副總裁（企業策略及發展），並出任該公司旗下若干附屬公司之董事。

張頌義先生

(獨立非執行董事)

張頌義先生，六十一歲，自二零一六年一月一日起獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會之成員。彼於一九八五年取得耶魯大學法學博士學位。張先生現於多家公司擔任高級管理層及顧問的職務，其中包括擔任Mandra Capital的主席及一家於納斯達克證券市場上市的公司新浪公司（SINA Corporation）的董事。張先生目前為股份於聯交所上市的龍源電力集團股份有限公司的獨立非執行董事。張先生自二零零八年四月至二零一三年四月曾擔任本公司獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告



Corporate Governance Practices

China Renewable Energy Investment Limited (the “Company”, and with its subsidiaries, collectively, the “Group”) is committed to good corporate governance principles and practices and its board of directors (the “Directors” or the “Board”) recognises that it is essential to safeguard the interests of shareholders, customers and employees and uphold accountability, transparency and responsibility of the Company.

The Company has applied the principles and complied with the code provisions and certain recommended best practices set out in the Corporate Governance Code (the “CG Code”), contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the year ended 31 December 2016, save for the deviations with considered reasons as explained stated in the following relevant paragraphs.

Board of Directors Board Composition

The Company has at all time during the year ended 31 December 2016 maintained a balanced board with strong independent element. The Board currently comprises six Directors with three Executive Directors and three Independent Non-executive Directors. Each Director possesses expertise and experience and provides checks and balances for safeguarding the interests of the Group and the shareholders as a whole. In addition, the Company had maintained three Independent Non-executive Directors which formed at least one-third of the full Board. Biographical details of the Directors and their relationships, where applicable, are set out in pages 17 to 20 of this Annual Report.

During the year, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors with at least one Independent Non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. The independence of the Independent Non-executive Directors was assessed in accordance with the applicable Listing Rules. Each of the Independent Non-executive Directors has provided to the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of them are independent.

企業管治常規

中國再生能源投資有限公司(「本公司」，連同其附屬公司統稱為「本集團」)致力達致良好之企業管治原則及常規，而其董事會(「董事」或「董事會」)明白，有關原則及常規對保障股東、客戶及僱員之利益以及維持本公司問責性、透明度及責任方面攸關重要。

於截至二零一六年十二月三十一日止年度，本公司一直採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企管守則」)之原則，並遵守其守則條文及若干建議最佳常規，惟若干具有合理理由之偏離情況除外，有關詳情載於下文相關段落。

董事會 董事會之組成

本公司於截至二零一六年十二月三十一日止年度全年維持各方面平衡且高度獨立之董事會。董事會目前由六名董事組成，當中包括三名執行董事及三名獨立非執行董事。各董事均具備專業知識及經驗，可收相互制衡之效，以保障本集團及股東整體利益。此外，本公司維持三名獨立非執行董事，人數佔整個董事會最少三分之一。董事之履歷詳情及彼等之關係(如適用)載於本年報第17頁至第20頁。

董事會於整個年度均符合上市規則之規定，委任最少三名獨立非執行董事，當中最少一名為具備合適專業資格或會計或相關財務管理知識之獨立非執行董事。本公司根據適用上市規則評估獨立非執行董事之獨立性。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立性確認書。本公司認為，彼等均為獨立人士。



Board of Directors (continued) Chairman and Chief Executive Officer

According to the Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer (“CEO”) should be separate and performed by different individuals. Under the current organisation structure of the Company, the functions of CEO are performed by the Chairman, Mr. OEI Kang, Eric, with support from the other Executive Directors. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company, and has been effective in discharging its responsibilities satisfactorily and facilitating the Company’s operation and business development. The Board will review the structure from time to time to ensure it continues to meet the principle and will consider segregation of the roles of chairman and CEO if and when appropriate.

Responsibilities of Directors

The Board is responsible for the leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising the Group’s affairs and formulating business strategies with a view to maximising its financial performance and shareholders’ value.

The Board has delegated various responsibilities and powers to the Board committees to assist it in efficiently implementing those functions specified in written terms of reference.

Decisions relating to the long-term objectives and viability of the Company, and any acquisitions or disposal of transactions and investments of any kind with value exceeding the authority of the Executive Committee set out in its terms of reference or the threshold for discloseable transactions for the Company as defined in the Listing Rules from time to time are reserved for the Board; whereas decisions on matters set out in the terms of reference of the Executive Committee and those not specifically reserved for the Board are delegated to the Executive Committee and management, as applicable.

Directors are provided with sufficient resources to seek independent professional advice in performing their duties at the Company’s expense and are encouraged to consult with the Company’s senior management independently. The management provides monthly management accounts of the Group to the Directors to apprise them of the Group’s latest performance and financial position.

董事會(續) 主席及行政總裁

根據企管守則項下守則條文第A.2.1條，主席及行政總裁(「行政總裁」)的角色應獨立區分，且由不同人士擔任。根據本公司目前之組織架構，行政總裁之職能由主席黃剛先生履行，並由其他執行董事提供支援。董事會認為，此架構將不會削弱董事會與本公司管理層之權力及職權平衡，且能有效妥善地履行責任，及促進本公司之營運及業務發展。董事會將不時檢討該架構以確保繼續符合原則，並考慮於適當時候分開主席及行政總裁之角色。

董事責任

董事會負責本集團之領導及監控工作，透過指導及監督本集團事務及制定業務策略，提升財務表現及股東價值，共同負責推動本集團邁向成功。

董事會向其轄下委員會委以重任及授予權力，以助其有效實施書面職權範圍內訂明之有關職能。

關於本公司長遠目標及經營能力之決策，及任何收購或出售交易，及任何類別投資，而其價值超出執行委員會職權範圍所載權力，或上市規則不時界定本公司須予披露交易上限者，概由董事會處理；而關於執行委員會職權範圍所載事項的決策，及該等毋須特別交由董事會處理之事項，則由執行委員會及管理層(視適用情況而定)處理。

董事獲提供足夠資源，以徵詢獨立專業意見，從而履行彼等之職務，費用由本公司承擔。彼等亦可獨立諮詢本公司高級管理層。管理層會向董事提交本集團每月管理賬目，以便董事評估本集團最近期表現及財務狀況。



Board of Directors (continued) Responsibilities of Directors (continued)

Directors are requested to disclose to the Company at the time of his appointment and in a timely manner for any change, the number and nature of offices held in public companies or organisations and other significant commitments. Such changes will be updated and published in the annual and interim reports as appropriate.

The Company has arranged appropriate liability insurance to indemnify the Group's Directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

Nomination, Appointment and Re-election of Directors

All new appointment of Directors and nomination of Directors proposed for re-election at the annual general meeting are first considered by the Nomination Committee. The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. Having due regard for the benefits of diversity of the Board, the Nomination Committee will then be put recommendations to the Board for decision. Details of the role and function as well as a summary of the work performed by the Nomination Committee are set out under the heading of "Nomination Committee" below.

In accordance with the articles of association of the Company (the "Articles of Association"), the nearest to but not less than one-third of the Directors shall retire from office by rotation but are eligible for re-election by shareholders at the annual general meeting provided that every Director is subject to retirement by rotation at least once every three years. New appointments to the Board are also subject to re-election by shareholders at the next following annual general meeting.

All Independent Non-executive Directors of the Company were appointed with no specific term, but are subject to the aforesaid rotation requirement in the Articles of Association, accomplishing the same purpose as being appointed for a specific term pursuant to Code Provision A.4.1 of the CG Code. The rotating Directors who are subject to retirement and re-election at the 2017 annual general meeting are set out on page 49 of this Annual Report.

董事會(續) 董事責任(續)

董事須於獲委任時向本公司披露彼等於公眾公司或組織所擔任職位數目及性質以及其他重大承擔，如有任何變動，須適時向本公司披露。有關變動將在適當時間在年報及中期報告內更新並刊載。

本公司已安排適當責任保險，以彌償本集團董事因企業事務產生之責任。本公司每年檢討保險範圍。

提名、委任及重選董事

所有新委任之董事及於股東週年大會候任重選之董事提名均先經由提名委員會初步考慮。提名委員會將按誠信、經驗、技能以及就履行職務及職責付出時間及努力的能力等標準評估候選人或在任人。經適當考慮董事會成員多元化之利益，提名委員會之建議將於其後提交董事會以作決定。提名委員會之角色及職能以及所履行工作之概要載於下文「提名委員會」一節。

根據本公司之組織章程細則（「組織章程細則」），最接近但不少於三分之一的董事須於股東週年大會輪值退任，惟彼等符合資格可於股東週年大會上獲股東重選連任，每名董事須至少每三年輪值退任一次。董事會之新委任董事亦須於下一屆股東週年大會由股東重選連任。

本公司全體獨立非執行董事均無固定任期，惟須遵守上述組織章程細則之輪值退任規定，以達致企管守則項下守則條文第A.4.1條按固定任期委任的相同目的。須於二零一七年股東週年大會輪值退任及重選連任之董事載於本年報第49頁。



Board of Directors (continued) Board Diversity Policy

The Board adopted a board diversity policy (the “Board Diversity Policy”) on 8 July 2013.

Below is the summary of the Board Diversity Policy:

The Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. All appointments of the members of the Board are made on merit, in the context of the skills and experience the Board as a whole requires to be effective. In designing the Board composition, the Company is committed to equality of opportunity in all aspects and does not discriminate on the grounds, including but not limited to, ethnicity, gender, age, cultural and religious background.

The Nomination Committee discussed and agreed the measurable objectives for achieving diversity on the Board and recommended them to the Board for adoption. During the year, the Committee reviewed the existing composition of the Board and received and accepted the progress report from the management in relation to identified business skills and experience required and their ranking and the action plan for recruiting new Board member. It also monitored the review of the Company’s recruitment process to reinforce its commitment to the principle of equal opportunity.

Meetings of the Board and Board Committees

The Directors meet from time to time to discuss and exchange ideas on the affairs of the Company. The Board has set up various Board Committees, among others, the Audit Committee, the Nomination Committee, the Remuneration Committee and the Executive Committee for overseeing particular aspects of the Group’s affairs. The terms of reference of the Audit Committee, the Nomination Committee and the Remuneration Committee are available on both the websites of the Company and the Stock Exchange.

董事會(續) 董事會多元化政策

本公司已於二零一三年七月八日採納董事會多元化政策(「董事會多元化政策」)。

董事會多元化政策之概要如下：

本公司了解及認同具有多元化董事會的裨益，並視在董事會層面的多元化為維持競爭優勢的重要元素。董事會成員的所有委任均配合董事會整體運作所需要的技能及經驗水平而作出。於制訂董事會之組成時，本公司致力於所有方面做到機會平等，並不會因(包括但不限於)種族、性別、年齡、文化及宗教背景而有所區別。

提名委員會已作出討論及協定為達致董事會多元化的所有可計量目標，並向董事會建議有關目標以供採納。年內，委員會審閱現有董事會之組成，並接受及採納了管理層提交的有關識別業務技能、經驗、排名情況及招募新董事會成員之行動計劃之進度報告。委員會亦監察本公司招聘過程之審查，以加強其對平等機會原則之決心。

董事會及董事委員會會議

董事不時舉行會議，以討論本公司事務及交換意見。董事會已成立多個董事委員會，其中包括審核委員會、提名委員會、薪酬委員會及執行委員會，以監察本集團各項事務之特定範疇。審核委員會、提名委員會及薪酬委員會之職權範圍可於本公司及聯交所網站查閱。



Board of Directors (continued) Meetings of the Board and Board Committees (continued)

During the year, the following meetings of the Board, the Audit Committee, the Nomination Committee and the Remuneration Committee were held and the attendance of the individual Directors at these meetings is set out in the table below:

董事會(續) 董事會及董事委員會會議(續)

年內，董事會、審核委員會、提名委員會及薪酬委員會曾舉行下列會議，各董事於該等會議之出席情況載於下表：

Name of Directors 董事姓名	Board 董事會	Number of meetings attended/ Number of meetings eligible to attend 出席會議數目／合資格出席會議數目		
		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors 執行董事				
Mr. OEI Kang, Eric 黃剛先生	4/4	2/2 (Note 附註)	1/1 (Note 附註)	1/1 (Note 附註)
Mr. LEUNG Wing Sum, Samuel 梁榮森先生	4/4	2/2 (Note 附註)	N/A 不適用	N/A 不適用
Mr. WONG Jake Leong, Sammy 黃植良先生	4/4	2/2 (Note 附註)	N/A 不適用	N/A 不適用
Independent Non-executive Directors 獨立非執行董事				
Mr. YU Hon To, David 俞漢度先生	4/4	4/4	1/1	1/1
Mr. TIAN Yuchuan 田玉川先生	4/4	4/4	1/1	1/1
Mr. ZHANG Songyi 張頌義先生	4/4	4/4	1/1	1/1

Note: The Executive Directors attended the relevant meetings as invitees.

附註：執行董事以受邀請人身份出席有關會議。

Notices of not less than fourteen days are given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. For committee meetings, reasonable notice is generally given. The agenda and accompanying board papers are dispatched to the Directors or committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When Directors or committee members are unable to attend a meeting, they are advised of the matters to be discussed and given an opportunity to make their views known to the Chairman and CEO prior to the meeting.

本公司就所有定期舉行之董事會會議發出不少於十四日的通知，以向全體董事提供機會騰空出席及提出商討事項列入定期會議議程。就委員會會議而言，一般將會作出合理通知。本公司於舉行會議前最少三日向董事或委員會成員送交議程及隨附董事會或委員會會議文件，以確保彼等具有充足時間檢閱該等文件，並就會議作充分準備。倘董事或委員會成員未能出席會議，彼等將於會議舉行前得悉將予討論之事項，以使彼等獲得機會向主席兼行政總裁發表意見。



Board of Directors (continued) Meetings of the Board and Board Committees (continued)

Minutes of the board meetings and committee meetings are recorded in sufficient detail on the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each board meeting and committee meeting are sent to the Directors for comments within a reasonable time after the date of the meeting. All Directors have access to the Company Secretary, who is responsible for ensuring that the board procedures are complied with and advising the Board on compliance matters.

The Chairman and CEO acknowledged the significance of promoting a culture of openness and debate among the Board members. To facilitate the effective contribution of Independent Non-executive Directors, the Chairman and CEO held a meeting with Independent Non-executive Directors without the other Executive Directors present in June 2016.

Remuneration Committee

The Company has established a Remuneration Committee with written terms of reference. The Remuneration Committee, chaired by an Independent Non-executive Director, currently comprises three members namely Mr. YU Hon To, David, Mr. TIAN Yuchuan and Mr. ZHANG Songyi, all of whom are Independent Non-executive Directors.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's remuneration policy and structure for Directors and senior management, and reviewing their remuneration packages. In arriving at its recommendations, the Remuneration Committee will consult with the Chairman and CEO whenever it thinks fit and take into consideration factors such as the remuneration paid by comparable companies, skill, knowledge, time commitment and responsibilities of Directors. The Remuneration Committee has the responsibility, powers and discretion to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management.

董事會(續) 董事會及董事委員會會議(續)

董事會及委員會會議之會議記錄均充分載列董事會及委員會所考慮事項之詳情及所達成之決策，包括董事提出之任何疑慮。各董事會及委員會會議之會議記錄草擬本於會議舉行日期後一段合理時間內送交董事，以供董事表達意見。全體董事均可與公司秘書聯絡，公司秘書須負責確保已遵守董事會程序，並就合規事宜向董事會提供意見。

主席兼行政總裁深明在董事會成員之間提倡開明討論文化的重要性。為促使獨立非執行董事有效付出貢獻，主席兼行政總裁曾於二零一六年六月與獨立非執行董事及在其他執行董事避席的情況下進行會議。

薪酬委員會

本公司已成立薪酬委員會，並制訂其書面職權範圍。薪酬委員會由一名獨立非執行董事擔任主席，目前包括三名成員，分別為俞漢度先生、田玉川先生及張頌義先生，彼等均為獨立非執行董事。

薪酬委員會負責就本公司董事及高級管理層之薪酬政策及結構，向董事會作出推薦建議，以及檢討彼等之薪酬待遇。於達致其建議時，薪酬委員會將於其認為合適時諮詢主席兼行政總裁，並考慮可比較公司所支付之薪酬、董事之技術、知識、所付出時間及職責等因素。薪酬委員會具有責任、權力及酌情權，並獲委以責任，釐定個別執行董事及高級管理層之薪酬待遇。



Remuneration Committee (continued)

During the year under review, the Remuneration Committee held one meeting to review, inter alia, the remuneration policy and structure of Directors including those retired and re-elected at the 2016 annual general meeting of the Company and approve the year-end bonus and salary increment of the Executive Directors. No Director was involved in deciding his own remuneration. The attendance records of each member at the meeting of the Remuneration Committee are set out on page 25. Details of the Directors' and senior management's remuneration for the year are set out in note 32 to the consolidated financial statements.

Nomination Committee

The Company has established a Nomination Committee with written terms of reference. The Nomination Committee, chaired by an Independent Non-executive Director, currently comprises three members namely Mr. YU Hon To, David, Mr. TIAN Yuchuan and Mr. ZHANG Songyi, all of whom are Independent Non-executive Directors. The Nomination Committee held one meeting during the year, and the attendance details of each member are set out on page 25.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board at least annually, identifying suitable candidates for directorship, assessing the independence of Independent Non-executive Directors, and making recommendations to the Board on any proposed changes to the Board to complement the Company's corporate strategy.

During the year, the work performed by the Nomination Committee includes the following:

- reviewing the structure, size and composition of the Board;
- reviewing the structure of board committees;
- assessing the independence of Independent Non-executive Directors and sufficient number of independent directors to maintain a balanced board;
- making recommendation to the Board relating to the re-appointment of the retiring Directors; and
- reviewing the progress report from the management in relation to the Board Diversity Policy.

薪酬委員會(續)

於回顧年內，薪酬委員會曾舉行一次會議，以檢討(其中包括)董事之薪酬政策與結構，當中包括於本公司二零一六年股東週年大會退任及重選連任之董事，以及批准執行董事之年終花紅及薪酬加幅。概無董事參與釐定本身之薪酬。各薪酬委員會成員於委員會會議之出席記錄載於第25頁。年內董事及高級管理層之薪酬詳情載於綜合財務報表附註32。

提名委員會

本公司已成立提名委員會，並制訂其書面職權範圍。提名委員會由一名獨立非執行董事擔任主席，目前包括三名成員，分別為俞漢度先生、田玉川先生及張頌義先生，彼等均為獨立非執行董事。提名委員會於年內曾舉行一次會議，各成員之出席詳情載於第25頁。

提名委員會負責最少每年檢討董事會結構、人數及組成；物色適合擔任董事之候選人；評估獨立非執行董事之獨立性；以及就任何為配合本公司之公司策略而擬對董事會作出的變動提出建議。

年內，提名委員會進行之工作包括以下各項：

- 檢討董事會結構、人數及組成；
- 檢討董事委員會結構；
- 評估獨立非執行董事之獨立性及獨立董事人數是否足夠，以維持各方面平衡的董事會；
- 就續聘退任董事向董事會提出建議；及
- 檢討管理層就董事會多元化政策發出之進度報告。



Nomination Committee (continued)

The Company had provided the Nomination Committee sufficient resources to perform its duties. Where necessary, the Nomination Committee could seek independent professional advice, at the Company's expense, to perform its responsibilities.

Audit Committee

The Company has established an Audit Committee with written terms of reference which have been updated from time to time to align with the code provisions set out in the CG Code. The Audit Committee, chaired by an Independent Non-executive Director, currently comprises three members namely Mr. YU Hon To, David, Mr. TIAN Yuchuan and Mr. ZHANG Songyi, all of whom are Independent Non-executive Directors.

The principal responsibilities of the Audit Committee are to, inter alia, review and supervise the Group's financial reporting process, internal control and risk management procedures, as well as oversee the adequacy of the accounting and financial reporting resources. While recognised corporate governance is the collective responsibility of all Directors, the Board has delegated the corporate governance functions to the members of Audit Committee who are in an objective and independent position to oversee the corporate governance compliance.

During the year under review, the Audit Committee held two meetings together with senior management and external auditor and two private meetings with the external auditor without the management's presence. The attendance details of each member are set out on page 25. The major work performed by the Audit Committee during the year included reviewing interim and annual financial statements, internal audit reports on the internal controls and risk management matters, the Company's policies and practices on corporate governance as well as reviewing and recommending re-appointment of external auditor.

The Company has adopted a whistleblowing guideline for employees to raise concerns, in confidence, with the designated executive who is accountable to the Audit Committee about possible improprieties in financial reporting, unlawful activities, or activities violating the Group's Code of Conduct and Business Ethics or otherwise amounting to serious improper conduct and to ensure protection from possible retaliation against any of our employees who has reported concerns in good faith.

提名委員會(續)

本公司已向提名委員會提供充足資源，以履行其職務。提名委員會可在需要時諮詢獨立專業意見，以履行職責，費用由本公司承擔。

審核委員會

本公司已成立審核委員會，並制訂其書面職權範圍。職權範圍不時更新，貫徹企管守則所載守則條文。審核委員會由一名獨立非執行董事擔任主席，目前包括三名成員，分別為俞漢度先生、田玉川先生及張頌義先生，彼等均為獨立非執行董事。

審核委員會之主要職責為(其中包括)檢討及監察本集團財務匯報程序、內部監控及風險管理程序以及監察會計及財務匯報資源是否足夠。雖然達致認可企業管治水平為全體董事之共同責任，董事會已將企業管治職能轉授予審核委員會成員，彼等能以客觀獨立身分，監察有否遵循企業管治守則。

於回顧年內，審核委員會與高級管理層及外聘核數師曾舉行兩次會議，更在管理層避席情況下，與外聘核數師舉行兩次私人會議。各成員之出席詳情載於第25頁。審核委員會年內進行之主要工作包括審閱中期及年度財務報表、內部監控之內部審核報告及風險管理事宜、本公司之企業管治政策與常規，並檢討外聘核數師之續聘及就此作出建議。

本公司已採納舉報指引，以供僱員保密地向對審核委員會負責之指定主管舉報財務匯報中可能存在的不當財務報告事宜、非法活動或違反本集團商業道德與行為守則或其他嚴重不當行為的活動，同時確保善意進行舉報的員工免受可能的報復。



Executive Committee

The Company has established an Executive Committee with the key initiatives to manage the Group's business activities, and oversee the operating performance and financial position of the Group and all strategic business units. The Committee comprises all Executive Directors of the Group. Mr. OEI Kang, Eric is the Chairman of the Executive Committee.

During the year under review, the Executive Committee met regularly to review the performance of various business units of the Group, coordinate overall resources, made financial and operation decisions delegated by the Board, review and develop investment strategy and policies of the Company and make relevant recommendations to the Board.

Delegation by the Board

The management, consisting of the Executive Directors of the Company and executives, is delegated with responsibilities for implementing the strategy and direction as adopted by the Board from time to time, and conducting the day-to-day operations of the Group. Executive Directors and executives meet regularly to review the performance of the businesses of various business units of the Group as a whole, coordinate overall resources and make financial and operation decisions. The Board also gives clear directions as to their powers of management including circumstances where management should report back, and will review the delegation arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries, the Company has obtained confirmation from all Directors that they have complied with the required standards set out in the Model Code during the year ended 31 December 2016.

The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of unpublished inside information in relation to the securities of the Group, on no less exacting terms than the Model Code.

執行委員會

本公司已成立執行委員會，主要目的為管理本集團之業務活動、監管本集團營運表現及財務狀況以及所有策略業務單位。委員會由本集團全體執行董事組成。執行委員會主席為黃剛先生。

回顧年內，執行委員會定期會面，以檢討本集團各業務單位之表現，並統籌整體資源，及按董事會授權作出財務及營運決策、覆審並制定本公司之投資策略及政策並向董事會提出相關建議。

董事會之授權

管理層（包括本公司執行董事及行政人員）獲授權負責執行董事會不時採納之策略及方針，及履行本集團日常營運。執行董事與行政人員定期會面，整體審閱本集團各業務單位之業務表現、協調整體資源安排以及作出財務及營運決定。董事會亦就管理權力提供清晰指引，包括管理層須作出匯報之情況，並定期檢討授權安排，以確保該等安排符合本集團需求。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為其本身有關董事進行證券交易之操守守則。經作出具體查詢後，本公司已獲全體董事確認，彼等於截至二零一六年十二月三十一日止年度一直遵守標準守則載列之規定標準。

本公司亦已採納相關僱員買賣本公司證券之守則，該等僱員可能擁有有關本集團證券之未公佈內幕消息。有關守則條款不會較標準守則寬鬆。



Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2016 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows. In preparing the financial statements, the Directors have adopted generally accepted accounting standards in Hong Kong and suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis.

The statement of the Company's auditor about their reporting responsibilities on the financial statements of the Company is set out in the Independent Auditor's Report on pages 62 to 68.

Auditors' Remuneration

For the year ended 31 December 2016, the fees in respect of audit and non-audit services provided to the Group by the auditor amounted to approximately HK\$1,494,000 and HK\$400,000 respectively. The non-audit services consist of interim results review.

董事就財務報表須承擔之責任

董事知悉彼等須負責編製截至二零一六年十二月三十一日止年度之財務報表，以真實及公平地反映本公司及本集團之業務狀況以及本集團之業績及現金流量。編製財務報表時，董事已採納並持續應用香港公認會計準則及適當之會計政策，作出審慎、公平及合理之判斷及評估，並按持續經營基準編製財務報表。

本公司核數師就彼等對本公司財務報表之申報責任聲明載於第62頁至第68頁之獨立核數師報告。

核數師酬金

截至二零一六年十二月三十一日止年度，有關核數師向本集團提供審核及非審核服務之費用分別約為1,494,000港元及400,000港元。非審核服務涉及中期業績審閱服務。



Directors' Training

For the year ended 31 December 2016, all Directors have participated in continuous professional development to develop and refresh their knowledge and skills. The training programmes included seminars and courses, reviewed the updated laws, rules and regulations and materials on topics relevant to the director's duties and responsibilities. A summary of training received by Directors during the year ended 31 December 2016 according to the records provided by the Directors is as follows:

Name of Directors

董事姓名

Executive Directors 執行董事

Mr. OEI Kang, Eric 黃剛先生

Mr. LEUNG Wing Sum, Samuel 梁榮森先生

Mr. WONG Jake Leong, Sammy 黃植良先生

Independent Non-executive Directors 獨立非執行董事

Mr. YU Hon To, David 俞漢度先生

Mr. TIAN Yuchuan 田玉川先生

Mr. ZHANG Songyi 張頌義先生

董事培訓

於截至二零一六年十二月三十一日止年度，全體董事已參與持續專業發展，以發展並更新知識及技能。培訓計劃包括研討會及課程、檢閱最新法律、規則及規例以及題材關於董事職務及職責之資料。根據董事提供之培訓記錄，董事於截至二零一六年十二月三十一日止年度曾接受之培訓概要如下：

Training on corporate governance, regulatory development and other relevant topics 企業管治、監管發展及其他相關主題之培訓

✓
✓
✓

✓
✓
✓

The Company continuously updates Directors on the latest developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. In addition, the Directors are regularly encouraged to enroll in a wide range of professional development courses and seminars regarding the Listing Rules and other regulatory requirements to enhance their awareness of good corporate governance practices.

本公司持續向董事提供最新資料，以便彼等瞭解法律及監管制度以及營商環境之最新發展，藉此履行職責。此外，本公司鼓勵董事定期參加關於上市規則及其他監管規定之各種專業發展課程及研討會，以提高彼等對良好企業管治常規之認知。



Risk Management and Internal Control

The Board is responsible for the Group's risk management and internal control systems and reviewing their effectiveness, while management is charged with the responsibility to design, implement and monitor the risk management and internal control systems to manage risks and compliance.

風險管理及內部監控

董事會負責監察本集團之風險管理及內部監控系統，並檢討其成效，而管理層則負責設計、執行及監察風險管理及內部監控系統以管理風險及規管事宜。

Risk Management Model

風險管理模式



As the first line of defense, operational management is responsible for maintaining effective internal controls and for executing risk and control procedures on day-to-day operation. Management of Head Office establishes various risk management and compliance functions to provide direction on the importance of risk management and monitor the first line of defense controls. The Internal Control and Risk Management (“ICRM”) Department reviews and provides independent assurance on the effectiveness of risk management and internal control systems of the Group.

作為第一道防線，營運管理層負責維持內部監控之效用及執行日常營運之風險及監控程序。總部管理層建立多種風險管理及合規職能，就風險管理之重要性發出指示及監察第一道防線。內部監控及風險管理部(「內部監控部」)評審本集團風險管理及內部監控系統之效用並就此提供獨立意見。



Risk Management and Internal Control

(continued)

Internal Control Framework

The Group has in place an integrated internal control framework that is consistent with the COSO (Committee of Sponsoring Organisations of the Treadway Commission) framework as illustrated below:

風險管理及內部監控(續)

內部監控框架

本集團已設立與COSO (Committee of Sponsoring Organisations of the Treadway Commission)框架一致之綜合內部監控架構，詳見如下：

Control Environment

監控環境

- Set the right tone of the Group influencing control consciousness and risk awareness of the staff.
確立本集團正確的管治基調，以強化僱員的監控意識及風險認知。
- Factors include integrity, ethical values, competence, delegation of authority and responsibility.
涵蓋個人操守、道德價值、勝任能力、授權及責任範圍等因素。
- Foundation for all other components of internal control.
作為所有其他內部監控組成部分的基礎。

Risk Assessment

風險評估

- Identification, evaluation and analysis of the key risks underlying the achievement of the Group's objectives, including the risks relating to the changing regulatory and operating environment; conducted regularly, forming the basis for determining control activities.
定期識別、評估及分析與達致本集團目標相關的主要風險(包括有關監管及經營環境變化的風險)，並以此作為制定監控活動的基礎。

Control Activities

監控活動

- Policies and procedures for ensuring management directives are carried out and necessary actions are taken to address the risks that may hinder the achievement of the Group's objectives.
制定政策及程序，確保管理層之指示得以執行以及採取必要行動處理或會影響本集團達致目標之風險。
- Control activities include authorisations, approvals, verifications, performance reviews, segregation of duties, asset security, access control, documentation and records.
監控活動包括授權、審批、核實、績效檢討、職責劃分、資產保護、存取控制、文件存檔及記錄等。

Information and Communication

資訊及通訊

- Pertinent information is identified, captured and provided to the right person in a timely manner.
適時識別、擷取及向適當人士提供相關資料。
- Channels of communication across the Group and with external parties are established.
建立本集團各部門之間以及與外界人士之溝通渠道。
- Channels of communication exist for people to report suspected malpractices or improprieties relating to the Group.
就舉報涉嫌與本集團事務有關的違規事件或不當行為設立溝通渠道。

Monitoring

監察

- Combination of ongoing and separate evaluations of control system's performance.
持續及個別評估監控系統的績效。
- Management and supervisory activities.
管理及監察工作。
- Internal audit activities.
內部審核工作。



Risk Management and Internal Control

(continued)

Control Environment

The actions of management and its demonstrated commitment to maintaining a high standard of corporate governance practices within the Group are transparent to all. The Group strives to conduct all business affairs based on good business ethics and accountability. We have in place a formal Code of Conduct & Business Ethics that is communicated to all staff members. We aim to build risk awareness and control responsibility into our culture and regard them as the foundation of our risk management and internal control systems.

The risk management and internal control systems are designed to monitor the Group's ability to achieve its business objectives; and can provide reasonable, but not absolute, assurance against material misstatement or loss.

We maintain an effective internal audit function, the ICRM Department, whose main features include:

- (i) independence from operational management;
- (ii) fully empowered auditors with access to all data and every operation of the Group;
- (iii) adequate resources and well qualified and capable staff;
- (iv) risk-based auditing, concentrating on areas with significant risks or where significant changes have been made.

Risk Management

Management has an ongoing process to identify and evaluate the significant risks facing the Group and to prioritise resources to manage those that arise. Mitigation strategies and plans with respect to each key risk identified are developed and implemented with regular review and update, which include establishing or enhancing internal controls.

Heads of the departments, projects and business units regularly review and analyse the key risks associated with achieving the objectives of their particular departments, activities and businesses to provide reasonable assurance that internal controls are both embedded and effective within their areas of accountability.

風險管理及內部監控(續)

監控環境

管理層之行為及其致力確保本集團維持高水平企業管治之決心是有跡可尋，透明度極高的。本集團致力按良好商業道德操守及問責制進行所有業務事宜，並已訂立正式的商业道德與行為守則，且已知會全體員工。本集團旨在於企業文化內建立風險意識及監控責任，並視之為其風險管理及內部監控系統之基礎。

風險管理及內部監控系統是為了監控本集團可達致的業務目標而設，其對於重大錯誤陳述或損失，只能提供合理而非絕對之保證。

本集團維持有效內部審核職能(即內部監控部)，其主要特色包括：

- (i) 獨立於營運管理；
- (ii) 全面賦予審計人員權利，可查閱本集團所有數據及營運資料；
- (iii) 具備充足資源，以及資歷深厚且能幹之員工；
- (iv) 推行以風險為本的審計工作，集中處理具重大風險或曾作出重大變動之範疇。

風險管理

管理層持續識別及評估本集團所面對之主要風險，及優化資源配置以管理已產生之主要風險。本集團已就各項已識別之主要風險，制定並執行緩和策略及計劃，並定期檢討及更新，當中包括建立或加強內部監控措施。

各部門、項目及業務單位之主管均定期檢討及分析與達致其部門、活動及業務目標相關之主要風險，並合理地確保各內部監控措施在其職責範疇內持續有效地運作。



Risk Management and Internal Control (continued) Control Processes

The Board maintains sound and effective risk management and internal control systems through the following:

- (i) The Board reviews the Group's strategic plans and objectives on an annual basis.
- (ii) An organisational structure with defined lines of responsibility and delegation of authority is devised.
- (iii) Systems and procedures are in place to identify and evaluate risks on an ongoing basis. Senior executives review the risk assessment process and monitor the effectiveness of the Group's risk management and internal control systems.
- (iv) Appropriate policies and key control activities are maintained with regular review on their effectiveness.
- (v) Financial performance is analysed against budget with variances being accounted for and appropriate actions taken to rectify deficiencies.
- (vi) Senior executives ensure compliance with relevant laws, regulations, standards and ordinances, including Hong Kong Financial Reporting Standards, the Listing Rules and the Companies Ordinance, under their responsibility.
- (vii) The ICRM Department reports directly to the Audit Committee and the CEO, and carries out independent reviews on the adequacy and effectiveness of the Group's risk management and internal control systems in accordance with its annual audit plan approved by the Audit Committee. Key audit findings and implementation progress of internal control recommendations are regularly reported to the Board through the Audit Committee. Head of the ICRM Department also serves as the contact person under the Whistleblowing Guideline of the Company.

風險管理及內部監控(續)

監控程序

董事會透過下列程序，維持行之有效的風險管理及內部監控系統：

- (i) 董事會每年檢討本集團的策略計劃及目標。
- (ii) 制定具清晰職責及授權範圍之組織架構。
- (iii) 建立制度及程序，持續識別及評估風險。高級行政人員負責檢討風險評估程序及監察本集團風險管理及內部監控系統之效能。
- (iv) 持續執行合適的政策及主要監控活動，並定期檢討其成效。
- (v) 將財務表現與預算作比較分析，考慮當中差異，並採取適當行動以補救不足之處。
- (vi) 高級行政人員負責確保其職責範疇內的相關法律、法規、準則及條例均獲遵守，包括香港財務報告準則、上市規則及公司條例。
- (vii) 內部監控部直接向審核委員會及行政總裁匯報。其根據已獲審核委員會審批之年度審核計劃，對本集團風險管理及內部監控系統之足夠性及效能進行獨立審核，並透過審核委員會定期向董事會匯報重要審核結果及內部監控建議之執行情況。根據本公司之舉報指引，內部監控部之主管亦擔任舉報聯絡人。



Risk Management and Internal Control (continued)

Review of Internal Control Effectiveness

The Executive Directors of the Company conduct reviews of the effectiveness of the Group's risk management and internal control systems, and submit to the Audit Committee a certification of compliance for effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations bi-annually. The scope of this review covers the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions.

The Audit Committee regularly reviews the audit findings and implementation progress of internal control recommendations, and opinion of the ICRM Department on the performance of risk management and internal control systems of the Group. External auditor also reports on any control issues identified in the course of their audit work.

Taking the above into consideration, the Audit Committee reviews the effectiveness of the Group's risk management and internal control systems at least once each year and reports to the Board on such reviews.

The Board has, through the Audit Committee, reviewed and considered the Group's risk management and internal control systems effective and adequate for the year ended 31 December 2016. No significant areas of concern that might affect the operational, financial, and compliance controls and risk management function of the Group were identified.

風險管理及內部監控(續)

檢討內部監控效能

本公司之執行董事每年兩度就本集團風險管理及內部監控系統之效能進行檢討，評估有關營運效益及效率、財務匯報的可靠性及適用的法律及法規之遵從情況，並就此向審核委員會呈交合規證明書。是項檢討之範圍涵蓋本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及預算是否充足。

審核委員會定期檢閱內部監控部的審核結果及內部監控建議之執行情況，以及內部監控部對本集團風險管理及內部監控系統表現之意見。外聘核數師亦會匯報其工作中識別之任何監控問題。

審核委員會在計及上述因素後，至少每年檢討本集團風險管理及內部監控系統效能一次，並就有關檢討結果向董事會匯報。

董事會已透過審核委員會檢討本集團之風險管理及內部監控系統，並認為就截至二零一六年十二月三十一日止年度而言，本集團之風險管理及內部監控系統屬有效及足夠。概無發現任何可能影響本集團營運、財務及守規監控以及風險管理職能之相關重大事項。



Risk Management and Internal Control

(continued)

Inside Information

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- (i) is aware of the obligations under the Securities and Futures Ordinance, the applicable Listing Rules and other statutory regulations with regard to the timely and proper disclosure of inside information, announcements and financial disclosures and authorises their publication as required.
- (ii) has adopted and implemented its Inside Information Disclosure Policy.
- (iii) has in place a Code for Securities Dealing for governing the securities transactions of those employees who, because of their positions, are likely to have access to confidential or inside information.
- (iv) identifies and authorises members of the Group's senior management to act as the Company's spokespersons and respond to external enquiries.

Company Secretary

The Company Secretary reports to the Chairman and CEO on Board or committee matters. He is an employee of HKC Group who serves both the Company and its holding company, HKC. All Directors have direct access to the advice and services of the Company Secretary for the ongoing discharge of their duties and responsibilities. For the financial year ended 31 December 2016, the Company Secretary took more than 15 hours of relevant professional training organised by the Stock Exchange and various professional bodies.

Constitutional Documents of the Company

The Company has published its updated and consolidated version of Memorandum and Articles of Association at the websites of the Stock Exchange and the Company. During the year, there was no alteration on the constitutional documents of the Company.

風險管理及內部監控(續)

內幕消息

就處理及發佈內幕消息之程序及內部監控方面，本公司：

- (i) 知悉根據證券及期貨條例、相關上市規則及其他監管規定，有關適時妥善披露內幕消息、公佈及財務披露資料的義務，並在需要時授權刊發。
- (ii) 已採納及實施其內幕消息披露政策。
- (iii) 已訂立買賣證券守則，旨在規管因工作關係而可能取得機密或內幕消息之員工的證券交易。
- (iv) 已選定本集團高級管理層成員，並授權彼等擔任本公司發言人，以回應外界提問。

公司秘書

公司秘書向主席兼行政總裁匯報關於董事會或委員會之事宜。公司秘書受聘於香港建設集團，同時為本公司及其控股公司香港建設服務。全體董事可直接聯絡公司秘書徵求意見及服務，以便持續履行彼等之職務及職責。於截至二零一六年十二月三十一日止財政年度，公司秘書參加了超過15小時由聯交所及多個專業機構舉辦之相關專業培訓。

本公司組織章程文件

本公司已於聯交所及本公司網站刊載組織章程大綱及章程細則之最新綜合版本。年內，並無對本公司之組織章程文件作出任何修改。



General Meeting

The last annual general meeting of the Company was held on 26 May 2016 (the "2016 AGM"). The Chairman and CEO chaired the 2016 AGM. The external auditor attended the 2016 AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

The attendance record of the individual Directors at the 2016 AGM is set out in the table below:

股東大會

本公司上一屆股東週年大會於二零一六年五月二十六日舉行(「二零一六年股東週年大會」)。主席兼行政總裁擔任二零一六年股東週年大會主席。外聘核數師亦出席二零一六年股東週年大會，以解答有關核數、核數師報告之編製及內容、會計政策及核數師獨立性之提問。

各董事於二零一六年股東週年大會之出席記錄載列如下：

		2016 AGM Attended
		出席二零一六年 股東週年大會
Name of Directors	董事姓名	
Executive Directors		
Mr. OEI Kang, Eric	黃剛先生	✓
Mr. LEUNG Wing Sum, Samuel	梁榮森先生	✓
Mr. WONG Jake Leong, Sammy	黃植良先生	✓
Independent Non-executive Directors		
Mr. YU Hon To, David	俞漢度先生	✓
Mr. TIAN Yuchuan	田玉川先生	✓
Mr. ZHANG Songyi	張頌義先生	X

Note: Independent Non-executive Directors are required to attend general meetings pursuant to code provision A.6.7 of the CG Code. All Independent Non-executive Directors were encouraged to attend the general meeting to inter-face with shareholders of the Company but one of them was not in a position to attend the 2016 AGM due to prearranged business engagements.

*附註：*獨立非執行董事須根據企管守則項下守則條文第A.6.7條出席股東大會。所有獨立非執行董事均獲邀出席股東大會，以與本公司股東會面，惟其中一名獨立非執行董事因預先安排之公務而未克出席二零一六年股東週年大會。



Shareholders' Rights

i. Procedures for shareholders to convene an extraordinary general meeting and put forward proposals at general meetings

Shareholders can put forward their proposals at an extraordinary general meeting. Procedures for the shareholders of the Company to convene an extraordinary general meeting is provided for under Article 58 of the Articles of Association.

Under Article 58 of the Articles of Association, any member(s) holding not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition ("Requisitionists"). The written request must state the resolution, preferably accompanied by a statement of not more than one thousand words with respect to the matter referred to in the proposed resolution for the Company's reference and consideration, signed by the all Requisitionists concerned.

The written request must be deposited at the head office of the Company at 9/F., Tower 1, South Seas Centre, 75 Mody Road, Tsimshatsui East, Kowloon, Hong Kong, for the attention of the Company Secretary.

The request will be verified with the Company's branch share registrar and transfer agent in Hong Kong (the "Branch Share Registrars"). Upon the Branch Share Registrars' confirmation that the request is proper and in order, the Company will convene an extraordinary general meeting within two months after the deposit of such requisition, and will serve sufficient notice in accordance with the statutory and regulatory requirements to all members of the Company.

ii. Procedures for election of directors of the Company

The procedures for the shareholders of the Company to propose a person for election as a Director are available and accessible on the Company's website at www.cre987.com.

股東權利

i. 股東召開股東特別大會並於股東大會提呈建議之程序

股東可於股東特別大會提呈彼等之建議。組織章程細則第58條列明關於本公司股東召開股東特別大會之程序。

根據組織章程細則第58條，任何持有本公司實繳股本不少於十分之一之股東，有權透過向董事會或公司秘書提出書面請求，以要求董事會召開股東特別大會，藉此處理該請求列明之事項（「呈請人」）。由所有相關呈請人簽署之書面呈請必須列明決議案，最好附有不多於一千字有關提呈之決議案所述事宜之陳述書，以供本公司參考及考慮。

書面呈請必須提交本公司之總辦事處，地址為香港九龍尖沙咀東麼地道75號南洋中心一期九樓（應註明收件人為公司秘書）。

本公司之香港股份過戶登記分處（「股份過戶分處」）將會查核呈請。於股份過戶分處確認呈請為妥當及符合程序後，本公司將於收到呈請後兩個月內召開股東特別大會，並根據法定及監管規定向本公司全體股東發出充足通知。

ii. 推選本公司董事之程序

本公司股東建議推選任何人士出任董事之程序可於本公司網站www.cre987.com查閱。



Communication with Shareholders

The Board believes regular and timely communication with shareholders forms part of the Group's effort to help our shareholders understand our business better. Copies of the annual reports and interim reports of the Company are distributed to its shareholders in accordance with statutory and regulatory requirements and also to interested parties recorded in the Company's mailing lists. The publications of the Company, including financial reports, circulars and announcements, are also available on the Company's website at www.cre987.com.

The Company acknowledges that general meetings are good communication channel with the shareholders. At the general meeting, each substantially separate issue is considered by a separate resolution, including election of individual directors, and the poll procedures are clearly explained. The Chairman and CEO, other members of the Board, the Chairmen of the relevant Board Committees and the external auditor of the Company attended the annual general meeting to interface with, and answer questions from the shareholders of the Company.

Shareholders can send their enquiry to the Board by the following ways:

Post : 9/F., Tower 1, South Seas Centre, 75 Mody Road,
Tsimshatsui East, Kowloon, Hong Kong

E-mail : info@cre987.com

Fax : (852) 2722 1323

與股東之溝通

董事會相信，定期及適時與股東溝通為本集團致力協助股東更深入了解本集團業務之重要一環。本公司根據法例及監管規定，向股東及名列本公司郵寄名單中之有關人士寄發本公司年報及中期報告。本公司之刊物（包括財務報告、通函及公佈），亦於本公司網站www.cre987.com可供查閱。

本公司明白股東大會為與股東溝通之良好渠道。於股東大會上，各重大個別事項均以獨立決議案方式考慮，包括推選個別董事，本公司亦會清楚解釋按股數投票表決之程序。主席兼行政總裁、董事會其他成員、相關董事委員會主席以及本公司外聘核數師均出席股東週年大會，與本公司股東會面並回答股東提問。

股東可透過以下途徑向董事會提出諮詢：

郵寄 : 香港九龍尖沙咀東麼地道75號
南洋中心一期九樓

電郵 : info@cre987.com

傳真 : (852) 2722 1323

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



China Renewable Energy Investment Limited (the “Company” or “CRE”, and with its subsidiaries, collectively, the “Group”) is pleased to present its first annual Environmental, Social and Governance Report (the “ESG Report”) with disclosure reference made to the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as contained in Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The ESG Report covers the financial year ended 31 December 2016.

This ESG Report describes the Group’s environmental, social and governance management approach, strategy, priorities and objectives. It explains how the Group complies with the “comply or explain” provisions of the ESG Reporting Guide. This ESG Report covers the Group’s governance on the Environmental and Social aspect. The corporate governance aspect is addressed in more details in the Corporate Governance Report.

As one of the earliest investors in China’s renewable energy sector since 2006, the Group has been heavily involved in environmental protection and in reducing carbon emissions in China. CRE strives to continuously improve and evolve in the renewable energy sector in order to adapt to the changing expectations of our stakeholders while balancing the needs of our shareholders, the environment and the communities we operate in.

Environmental Emissions and Use of Resources

The Group has over 660 MW of operating wind farms in Hebei, Heilongjiang, Gansu and Inner Mongolia provinces. All our operating wind projects are located in remote northern regions, which greatly benefit the economic development of the local area through investment, by reducing local pollution and carbon emissions, and by contributing to the local community through the hiring of local staff who are given fair market based remuneration packages. In 2016, CRE’s operating assets complied with all local environmental related regulatory requirements. With a total electricity generation of 1,346.2GWh, we have reduced approximately 1,040,747 tons of coal consumption and 437,288 tons of carbon dioxide (CO₂) emission. For our Songxian project to be constructed in 2017, we will monitor the environmental performance of our construction sites through regular measurements, site supervision, and on-site audits by both CRE internal staff and independent parties.

中國再生能源投資有限公司(「本公司」或「中國再生能源」，連同其附屬公司，統稱「本集團」)欣然提呈第一份年度環境、社會及管治報告(「環境、社會及管治報告」)，乃參考香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄二十七所載「環境、社會及管治報告指引」(「環境、社會及管治報告指引」)所披露。本環境、社會及管治報告涵蓋截至二零一六年十二月三十一日止財政年度。

本環境、社會及管治報告列示本集團的環境、社會及管治管理方法、策略、優先次序及目標，說明本集團如何遵守環境、社會及管治報告指引中「不遵守就解釋」原則。本環境、社會及管治報告涵蓋本集團有關環境及社會範疇的管治。有關企業管治範疇的詳情載於企業管治報告。

從二零零六年開始作為在中國最早投資可再生能源領域的投資者之一，本集團一直積極參與環境保護及減少中國的碳排放。中國再生能源致力於可再生能源領域的不斷改進與發展，回應利益持份者不斷改變的期望，同時平衡股東、環境及運營所在社區三者間之需求。

環境排放物及資源使用

本集團於河北、黑龍江、甘肅及內蒙古等省份營運超過660兆瓦的風力發電場。我們營運的所有風電項目均位於偏遠的北部地區，投資非常有利於當地經濟發展。透過減少當地污染及碳排放，並按照公平的市場薪酬僱用當地員工，貢獻當地社區。於二零一六年，中國再生能源的運營資產符合當地所有環境相關監管條例。我們的總發電量為1,346.2吉瓦時，煤炭消耗量因而減少約1,040,747噸，二氧化碳(CO₂)排放量減少約437,288噸。就我們即將於二零一七年建設的嵩縣項目而言，我們將委派中國再生能源的內部員工及獨立人士，進行定期測量、現場監督及實地審核，監察建築工地符合環保要求。



Environmental (continued) Emissions and Use of Resources (continued)

We place importance on creating positive relationships with stakeholders through understanding and addressing their expectations. As one of the main foreign investors in China's renewable energy industry, we continue to maintain close contacts with our stakeholders, including but not limited to the Government (e.g. the Development and Reform Commission and the Energy Administration at both national and provincial level), local authorities (e.g. environmental and land bureau) and the State Grid Corporation through various meetings to facilitate their understanding of our business, operations and development direction.

The Group will continue to support the reduction in carbon emissions in China through investing in various renewable energy projects. At the same time, we will explore other means to further contribute to the communities we operate in as the Group grows larger and as profitability increases.

The Group does not generate any hazardous waste and water consumption is minimal.

The Group applies the following energy saving measures in the workplace:

- Lights and electrical appliances in living area or workplace must be turned off when not in use.
- Staff is reminded to switch off lights and air-conditioning in the meeting room and the computer at the workstation when it is not in use.
- The room temperature is maintained at 25°C to save energy.
- Video and telephone conferencing instead of face-to-face meetings are arranged where possible.
- The Group encourages employees to reduce the use of paper by assessing the necessity of printing, by encouraging duplex printing where appropriate, and by reusing the blank side of single-side printed paper.

Social

The Group regards people as its most important asset. Over the years, the Group has put considerable effort to provide a safe and healthy staff environment for its employees. The Group offers a comprehensive and competitive package of benefits to attract and retain talent.

環境(續) 排放物及資源使用(續)

我們重視與利益持份者建立良好關係，致力了解及回應他們的期望。作為中國可再生能源行業的主要境外投資者之一，我們繼續與利益持份者（包括但不限於政府（如國家及省級發展和改革委員會及能源局）、地方當局（如環境及土地局）及國家電網公司）透過各種會議保持緊密聯繫，讓他們了解我們的業務、營運及發展方向。

本集團將透過投資各種可再生能源項目，繼續支持中國減少碳排放。同時，隨著本集團實力及盈利能力增強，本集團將尋求透過其他方式為運營所在社區作出更多貢獻。

本集團並無產生任何有害廢棄物，且耗水量極少。

本集團在工作場所採用以下節能措施：

- 生活區域或工作場合的照明及電器設備在不使用時必須關閉。
- 提醒員工在不使用時關閉會議室的燈光及空調以及工作站的電腦。
- 室溫應維持在25°C，以節約能源。
- 盡可能安排視頻及電話會議，而非面對面會議。
- 本集團鼓勵員工透過評估打印的必要性來減少紙張消耗量，並鼓勵員工酌情使用雙面打印功能及重複使用單面打印紙。

社會

本集團將人才視為其最寶貴的資產。多年來，本集團一直竭力為僱員提供安全及健康的就業環境。本集團提供全面及具競爭力的福利待遇，以吸引及挽留人才。



Social (continued) Employment

The Group has adopted an “Employee Handbook” which sets out the practices and policies of human resources. The Employee Handbook is in compliance with the Labor law of the People’s Republic of China (the “PRC”), Labour Contract Law, the Hong Kong employment laws and other relevant laws and regulations. The Employee Handbook covers areas such as compensation and dismissal, recruitment and promotion, working hours, rest periods, diversity, and other policies for the benefit of the employees of the Company.

The Group is an equal opportunity employer and does not discriminate on the basis of personal characteristics. Regardless of race, color, descent, ethnic background, ethnic origin, gender, age, nationality, disability, veteran status, citizenship and religion, all job applicants and current employees enjoy equal opportunities and fair treatment. The Group values the input and contributions made by employees of all backgrounds.

During the year ended 31 December 2016, the Group has complied with all the relevant rules and regulations.

Health and Safety

The Group is committed to providing a safe, effective and congenial work environment. Adequate arrangements, training and guidelines are implemented to ensure the working environment is healthy and safe. Different safety-related initiatives and measures have been rolled out in the Company’s operations. Risk assessments are also conducted to identify risks in special working environments, while detailed safety instructions have been formulated and communicated to workers, including both employees and contractors as part of their safety training sessions and pre-work risk assessment. Safety officers are appointed to coordinate and communicate safety-related matters to all workers on site.

The Company offers its employees comprehensive health care coverage and also provides medical insurance coverage.

社會(續) 僱傭

本集團已正式通過「僱員手冊」，當中載列人力資源實踐及政策。該僱員手冊符合中華人民共和國（「中國」）勞動法、勞動合同法、香港僱傭法例及其他相關法律法規。僱員手冊涵蓋賠償與解僱、招募與晉升、工時、休息時間、多樣性以及有關本公司僱員福利的其他政策等領域。

本集團乃提供平等機會的僱主，不會歧視個人特徵。無論種族、膚色、血統、種族背景、種族起源、性別、年齡、國籍、殘疾、退伍軍人身份、公民資格及宗教如何，所有工作申請人及現有僱員享有平等機會及公平待遇。本集團珍視背景各異的僱員的加入及彼等作出的貢獻。

截至二零一六年十二月三十一日止年度，本集團已遵守所有相關規則及規例。

健康與安全

本集團承諾提供安全、有效及理想的工作環境。本集團已作出適當的安排、培訓及指引，以確保工作環境健康安全。在公司的業務營運中推出不同的安全計劃及措施。亦會進行風險評估，以識別特殊操作環境中的風險，同時制定詳細的安全指引，傳達予所有員工（包括僱員及承包商），作為其其中一個安全培訓課程及工作前風險評估。已委派安全主任協調及向現場所有員工傳達安全相關事項。

本公司為其員工提供全面的醫療保障計劃，並提供醫療保險。



Social (continued) Development and Training

The Group encourages employees to attend training and development programs to strengthen their job skills, to enhance their professionalism, to improve their operational efficiency and productivity, and to develop their potential and other talents. In addition, the Group encourages and assists employees to further develop their technical or professional standards knowledge by sponsoring them for professional membership. All applications for membership fee reimbursement will be considered depending on their degree of importance to the employee's job and their relevance to the operational requirements of the employee's department. Continuous professional development training for directors and senior management are required and the Group encourages them to attend training programs organised by various professional bodies.

Labour Standards

The Group's employment practices has strictly complied with the Labor Contract law of PRC, the Hong Kong employment laws and other relevant laws and regulations to avoid child or forced labour and other potential irregularities. During recruitment, all job applicants are required to complete a job application form and declare that all personal data provided (including age and personal particulars) are true and correct. The Group undertakes a detailed job reference check, if needed.

Supply Chain Management

The Group is committed to ensuring that its supply chain management is socially responsible. The Group has adopted procurement procedures and practices to identify eligible bidders through a detailed assessment of prospective bidders. Factors considered include company size, qualifications, financial strength, previous track record and whether various safety, environmental and quality related internal systems and qualifications (e.g. ISO) are in place. Qualified parties are then allowed to participate in the procurement process.

Suppliers are chosen based on the supplier's ability to guarantee satisfactory product quantity and quality, price and ability to deliver services on time. The Group closely monitors supplier's performance and provides feedback where necessary.

社會(續) 發展及培訓

本集團鼓勵僱員參加培訓及發展計劃，以提升僱員的工作技能，更新專業水平，提高經營效率及生產力，以及開發僱員的潛能及天賦。此外，本集團透過提供資助專業資格，鼓勵及協助僱員進一步學習技術或專業水平知識。所有專業協會年費資助申請均將根據其對僱員工作的重要程度及與僱員部門的經營要求的相關度而審議。向董事及高級管理層提供持續專業發展培訓實屬必要，且本集團鼓勵彼等參加由各類專業機構組織的培訓課程。

勞工準則

本集團的僱傭行為嚴格遵守中國勞動合同法、香港僱傭法例及其他相關法律法規，以避免童工或強制勞工或其他潛在的違法行為。於招聘期間，所有工作申請人均須填寫工作申請表且聲明提供的所有個人資料(包括年齡及個人詳情)均屬真實、準確。本集團將開展詳細的工作證明材料核查(如需)。

供應鏈管理

本集團致力於確保其供應鏈管理對社會負責。本集團採取採購流程及慣例，透過對擬投標方進行詳細評估，確定其是否具備投標資格。所考慮因素包括公司規模、資格、財政實力、以往項目紀錄及各種安全、環境及質量相關內部系統及資格(即ISO)是否已準備就緒。隨後，合資格者獲准參與採購流程。

供應商甄選以其保證令人滿意的產品數量及質量的能力、價格以及準時交付服務的能力為基準。本集團嚴密監控供應商的表現，並於必要時作出反饋。



Social (continued) Product Responsibility

Maintaining high quality and standards are crucial to the Group's sustainable development. Reliability, safety, and quality of our energy generation are crucial to the Group's success. Therefore, maintaining high availability of our wind turbines and operation of our wind farms efficiently to maximize our energy generation are the Group's major priorities.

During the construction of wind farms, the main equipment procured such as wind turbines and towers are required to have completed all necessary testing and qualifications certification in accordance with national standards. At the same time, the Group has undertaken production control and quality assurance examination of the procured equipment to make sure of its product quality so as to protect the interests of shareholders and customers. The Group puts considerable effort in dealing with the core issues that make us competitive as a renewable energy operator, including safety, health, environmental and quality standards, and operation & maintenance capability. The Group continuously reviews its construction to ensure it is consistent with the original project design. With regard to the quality of construction and health and safety standards, the Group strictly adheres to national and local standards and the respective codes for construction inspection and acceptance.

Anti-Corruption

The Group has issued the "Code of Conduct & Business Ethics" (the "Code") to all the directors and employees of the Group and the Code has been uploaded on to the Company's website. The Code sets out the principles to guide the directors and employees of the Group to conduct business affairs in accordance with the highest business ethical standards. The Group strives to preserve honesty, fairness and impartiality. In accordance with the "Whistle-blowing Guideline", all employees can report for investigation any suspected bribery, extortion, fraudulent and money laundering cases. Once confirmed, it will be reported to the police or other regulatory bodies for prosecution. The Group has also issued a "Policy on Advantages Handling" with regard to guidelines for soliciting, accepting or offering advantages and gifts by the directors and employees. The Policy also provides guidelines for the avoidance of any potential conflicts of interest or breaches of any local laws, rules or regulations.

社會(續) 產品責任

維持高質量及高標準對本集團的可持續發展至關重要，而能源生產的可靠性、安全性及質量是本集團取得成功的關鍵。因此，維持風力發電機的高可用性 & 高效經營風力場，盡量提高能源生產量，是本集團的主要優先任務。

於風力發電場建設期間，採購的主要設備(如風力發電機及塔筒)已根據國家標準完成所有必要的測試及資格認證。同時，本集團已對所採購的設備進行生產監控及質量保證檢查，以確保產品質量，從而保護股東及客戶的利益。本集團一直致力於提升核心要素，以鞏固我們作為可再生能源運營商的競爭力。該等核心要素包括安全、健康、環境及質量標準以及運營及維護能力。本集團持續監察其建設工程，以確保與原始項目設計保持一致。就建築質量、健康及安全標準而言，本集團嚴格遵守國家及地方標準以及各項施工驗收規範。

反貪污

本集團已向本集團所有董事及僱員發佈商業道德與行為守則(「守則」)，並已將守則上載至本公司網站。守則載有指引本集團董事及僱員根據最高商業道德標準進行所有業務的原則，秉持誠實、公平及公正的理念。根據「舉報指引」，所有僱員均可舉報任何涉嫌行賄、敲詐、欺詐及洗錢行為，以供調查。一旦被證實，將向警方或其他監管機構舉報，供其檢控。本集團亦已就相關指引發佈「利益處理規定」，作為董事及僱員申請、接受或提供利益及禮物的準則，避免任何潛在利益衝突或違反當地任何適用法律、法規或規例。



Social (continued) Anti-Corruption (continued)

The Group strictly complied with the aforesaid principle, relevant laws, rules and regulations throughout the year ended 31 December 2016.

Community Investment

The Group is committed to participating in the community where we operate with an aim to improve the community's well-being. Through the hiring of locals using market compatible remuneration packages, the Group is able to share its operational returns with the local community and to contribute back to the society.

The Group will explore other means to contribute more to the environment and society once the Group achieves higher profitability. To create shared values with the community and stakeholders, the Company will continue to consider ESG factors in selecting future investment projects.

社會(續) 反貪污(續)

於截至二零一六年十二月三十一日止年度，本集團嚴格遵守上述原則、相關法律、法規及規例。

社區投資

本集團致力於參與經營所在社區事務，以改善社區福利。通過採用與市場相符的薪酬待遇僱用當地人員，本集團與當地社區居民分享經營成果，回饋社會。

待本集團實現更高的盈利能力後，本集團將尋求向環境及社會作出更多貢獻的其他方式。為與社區及利益相關人士創造共享價值，本公司於日後選擇投資項目時繼續審議環境、社會及管治因素。

REPORT OF THE DIRECTORS

董事會報告書



The directors (the “Directors” or the “Board”) of China Renewable Energy Investment Limited (the “Company”) have pleasure in presenting to shareholders of the Company (the “Shareholders”) their report together with the audited financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2016.

Principal Activities and Geographical Analysis of Operations

The Company is an investment holding company. The principal activity of the Group is renewable energy business. The activities of its principal subsidiaries and associated companies are set out in pages 140 to 142 of the consolidated financial statements. An analysis of the Group’s performance for the year ended 31 December 2016 by geographical and business segments is set out in note 5 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2016 are set out in the consolidated statement of comprehensive income on pages 69 to 70.

The Directors do not recommend the payment of final dividend for the year ended 31 December 2016 (2015: HK0.2 cents).

Business Review Business Risk

As a long term investor-operator in the renewable energy sector, the Group is subject to Chinese government supportive policies, climate, economy and other execution risks.

Foreign Exchange Risk

Most of the Group’s assets are denominated in Renminbi. The Group conducts a majority of its business operations in the People’s Republic of China (the “PRC”). The major portion of revenue, expenses and debits are denominated in Renminbi. Fluctuations in the exchange rates of Renminbi would have limited impact on the Group’s operations.

中國再生能源投資有限公司(「本公司」)董事(「董事」或「董事會」)欣然向本公司股東(「股東」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一六年十二月三十一日止年度之報告書及經審核財務報表。

主要業務及營業地區分析

本公司為投資控股公司。本集團主要從事可再生能源業務。旗下主要附屬公司及聯營公司之業務載於綜合財務報表第140頁至第142頁。截至二零一六年十二月三十一日止年度，本集團按地域及業務分部劃分之業績分析載於綜合財務報表附註5。

業績及分派

本集團截至二零一六年十二月三十一日止年度之業績載於第69頁至第70頁綜合全面收入報表。

董事會不建議派發截至二零一六年十二月三十一日止年度之末期股息(二零一五年：0.2港仙)。

業務回顧 業務風險

作為可再生能源領域的長遠投資者兼營運商，本集團須承擔中國政府支持政策、氣候、經濟及其他執行風險。

外匯風險

本集團的大部分資產以人民幣計值。本集團主要業務是在中華人民共和國(「中國」)境內經營。大部分收入、開支及債務均以人民幣計值。人民幣匯率的波動對本集團經營的影響十分有限。



Business Review (continued) Compliance with the relevant laws and regulations

The Group have complied with the relevant laws and regulations during the year.

Relationships with Employees, Customers and Suppliers

The Group has a good relationships with its customers which are the grid companies. Through regular communication channels, the Group ensure the electricity dispatched can be invoiced. For the suppliers, they are mainly the maintenance providers, they provide services to our wind farms to ensure the safety systems and the wind farms are operating reliably.

Please also refer to pages 9 to 12 for business review on the Group's operation and wind farms.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

Share Capital and Convertible Preference Shares

Details of movements in the share capital and convertible preference shares of the Company during the year are set out in note 22 to the consolidated financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the articles of association of the Company ("Articles of Association") and there is no restriction against such rights under the laws of the Cayman Islands.

Reserves

Details of movements in the reserves of the Group and the Company during the year are set out in note 23 and note 31 respectively to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company as at 31 December 2016, calculated in accordance with the Companies Law of the Cayman Islands (as revised), amounted to HK\$1,095.08 million (2015: HK\$1,126.22 million).

業務回顧(續) 遵守相關法律及法規

本集團於本年度內已遵守相關法律及法規。

與僱員、客戶及供應商的關係

本集團與客戶(電網公司)維持良好關係,透過定期溝通渠道,本集團確保電力調度可獲開具發票。就供應商而言,彼等主要為維護供應商,彼等為我們的風力場提供服務,以確保安全系統及風力場可靠運行。

有關本集團營運及風力場之業務回顧,亦請參閱第9頁至第12頁。

物業、機器及設備

年內,本集團之物業、機器及設備變動詳情載於綜合財務報表附註14。

股本及可換股優先股

年內,本公司之股本及可換股優先股之變動詳情載於綜合財務報表附註22。

優先認股權

本公司之組織章程細則(「組織章程細則」)並無有關優先認股權之條文,而開曼群島法例亦無對優先認股權有所限制。

儲備

年內,本集團及本公司之儲備變動詳情分別載於綜合財務報表附註23及附註31。

可供分派儲備

按照開曼群島公司法(經修訂)計算,本公司於二零一六年十二月三十一日之可供分派儲備為1,095,080,000港元(二零一五年:1,126,220,000港元)。



Five-year Financial 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 143 to 144.

Donations

During the year, the Group made no charitable and other donations (2015: Nil).

Directors

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

Executive Directors

Mr. OEI Kang, Eric (*Chairman and Chief Executive Officer*)
Mr. LEUNG Wing Sum, Samuel (*Chief Financial Officer*)
Mr. WONG Jake Leong, Sammy

Independent Non-executive Directors

Mr. YU Hon To, David
Mr. TIAN Yuchuan
Mr. ZHANG Songyi

At the forthcoming annual general meeting of the Company (“AGM”), Mr. OEI Kang, Eric and Mr. YU Hon To, David will retire from office by rotation in accordance with Article 85 of the Articles of Association and being eligible, will offer themselves for re-election to serve for another term.

The Company has received from each Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company considers all of them to be independent.

Directors’ Service Contracts

No Director proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

五年財務概要

本集團過去五個財政年度之業績以及資產及負債概要載於第143頁至第144頁。

捐款

年內，本集團並無作出慈善及其他捐款（二零一五年：無）。

董事

年內及截至本報告書刊發日期之董事如下：

執行董事

黃剛先生(主席兼行政總裁)
梁榮森先生(首席財務官)
黃植良先生

獨立非執行董事

俞漢度先生
田玉川先生
張頌義先生

於本公司應屆股東週年大會（「股東週年大會」）上，黃剛先生及俞漢度先生將根據組織章程細則第85條之規定輪值告退，惟彼等符合資格，並願意膺選連任。

本公司已接獲各獨立非執行董事根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第3.13條就其獨立身份發出之年度確認書，本公司認為全體獨立非執行董事均為獨立人士。

董事服務合約

擬於股東週年大會膺選連任之董事概無與本公司或其任何附屬公司訂立本集團不可於一年內免付賠償（法定賠償除外）予以終止之服務合約。



Share Option Schemes

Share options of the Company

The Company's existing share option scheme was adopted on 27 May 2008 (the "CRE Option Scheme"). Particulars of the CRE Option Scheme are set out below:

(a) Purpose

The principal purposes are to recruit and retain high calibre Eligible Persons (as defined below) and attract human resources that are valuable to the Group or any entity in which any member of the Group holds an equity interest ("Invested Entity" or "Invested Entities"), to recognise the significant contributions of the Eligible Persons to the growth of the Group or Invested Entities by rewarding them with opportunities to obtain ownership interest in the Company and to further motivate and give incentives to these Eligible Persons to continue to contribute to the long term success and prosperity of the Group or Invested Entities.

(b) Eligible Persons

Any employee (whether full time or part time), senior executive or officer, manager, director (including executive, non-executive and independent non-executive director) or consultant of any members of the Group or any Invested Entity who, in the sole discretion of the Board, have contributed or will contribute to the growth and development of the Group or any Invested Entity.

(c) Maximum number of shares available for issue

The total number of shares of the Company available for issue under the CRE Option Scheme is 76,353,475 shares which represent 3.24% of the issued share capital of the Company as at the date of this Annual Report.

(d) Maximum entitlement of each Eligible Person

The total number of shares of the Company issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each Eligible Person must not exceed 1% of the shares of the Company in issue; and
- (ii) a substantial shareholder or an independent non-executive director of the Company must not exceed 0.1% of the shares of the Company in issue and not exceed HK\$5 million in aggregate value.

購股權計劃

本公司之購股權

本公司於二零零八年五月二十七日採納現有購股權計劃(「中國再生能源購股權計劃」)。中國再生能源購股權計劃之詳情載列如下：

(a) 目的

主要目的為招聘及留聘優秀之合資格人士(定義見下文)，以及吸引對本集團或旗下任何成員公司持有股本權益之任何實體(「投資實體」)而言屬有價值之人力資源，透過提供機會予合資格人士，讓彼等可取得本公司之擁有權權益，藉以表揚彼等對本集團或投資實體之增長所作出之重大貢獻，並進一步鼓勵及獎勵該等合資格人士繼續為本集團或投資實體之長遠成功及昌盛發展作出貢獻。

(b) 合資格人士

董事會全權酌情認為曾經或將會對本集團或任何投資實體之增長及發展有所貢獻之本集團旗下任何成員公司或任何投資實體之任何僱員(不論全職或兼職)、高級行政人員或主要人員、經理、董事(包括執行董事、非執行董事及獨立非執行董事)或顧問。

(c) 可供發行股份之最高數目

根據中國再生能源購股權計劃可供發行之本公司股份總數為76,353,475股，相當於本公司於本年報刊發日期之已發行股本3.24%。

(d) 各合資格人士可獲授權益上限

於任何十二個月期間，行使已授出購股權(不論已獲行使或尚未行使)時已發行及將向下列人士發行之本公司股份總數：

- (i) 每名合資格人士不得超過本公司已發行股份1%；及
- (ii) 本公司每名主要股東或獨立非執行董事不得超過本公司已發行股份0.1%及總值不得超過5,000,000港元。



Share Option Schemes (continued) Share options of the Company (continued)

(e) Period within which the shares must be taken up under an option

An option must be exercised within ten years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

(f) Minimum period, if any, for which an option must be held

At the time of the grant of an option, the Board must specify the minimum period(s), if any, for which an option must be held before it can be exercised.

(g) Period open for acceptance of an option and amount payable upon acceptance

An offer of the grant of an option shall remain open for acceptance for a period of ten business days from the date of offer and a consideration of HK\$1.0 must be paid upon acceptance.

(h) Basis of determining the subscription price of an option

The exercise price must be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share.

(i) Remaining life

CRE Option Scheme has a life of ten years and will expire on 27 May 2018 unless otherwise terminated in accordance with the terms of the CRE Option Scheme.

No share option is outstanding under the CRE Option Scheme as at 31 December 2016.

No share option was granted, exercised, cancelled nor lapsed during the year ended 31 December 2016 under the CRE Option Scheme.

購股權計劃(續) 本公司之購股權(續)

(e) 必須行使購股權認購股份之期限

承授人必須於購股權授出日期起計十年或董事會可能於授出時指明之較短期間內行使購股權。

(f) 購股權必須持有之最短期限(如有)

於授出購股權時，董事會須訂明購股權行使之前必須持有之最短期限(如有)。

(g) 接納購股權之期限以及接納時應付之金額

授出購股權之要約將自要約日期起計十個營業日期間內供接納，接納時須支付1.0港元代價。

(h) 釐定購股權認購價之基準

行使價須最少為以下較高者(i)股份於授出日期在聯交所每日報價表所列收市價；(ii)股份緊接授出日期前五個營業日在聯交所每日報價表所列平均收市價；及(iii)股份面值。

(i) 餘下年期

除非根據中國再生能源購股權計劃之條款另行終止，否則中國再生能源購股權計劃之有效期為期十年，並將於二零一八年五月二十七日屆滿。

於二零一六年十二月三十一日，中國再生能源購股權計劃項下概無尚未行使購股權。

於截至二零一六年十二月三十一日止年度，概無任何購股權根據中國再生能源購股權計劃獲授出、行使、註銷或已失效。



Share Option Schemes *(continued)* Share options of associated corporation of the Company

The existing share option scheme of HKC (Holdings) Limited (“HKC”) was adopted on 16 June 2006 (the “HKC Option Scheme”). Particulars of the HKC Option Scheme are set out below:

(a) Purpose

The principal purposes are to recruit and retain high caliber Eligible Persons (as defined below) and attract human resources that are valuable to HKC and its subsidiaries (the “HKC Group”) or any entity in which any member of the HKC Group holds an equity interest (“Invested Entity” or “Invested Entities”), to recognise the significant contributions of the Eligible Persons to the growth of the HKC Group or Invested Entities by rewarding them with opportunities to obtain ownership interest in HKC and to further motivate and give incentives to these Eligible Persons to continue to contribute to the long term success and prosperity of the HKC Group or Invested Entities.

(b) Eligible Persons

Any employee (whether full time or part time), senior executive or officer, manager, director (including independent non-executive director) or consultant of any members of the HKC Group or any Invested Entity who, in the sole discretion of the HKC board, have contributed or will contribute to the growth and development of the HKC Group or any Invested Entity.

(c) Maximum number of shares available for issue

The HKC Option Scheme was expired on 16 June 2016.

購股權計劃(續) 本公司相聯法團之購股權

香港建設(控股)有限公司(「香港建設」)於二零零六年六月十六日採納現有購股權計劃(「香港建設購股權計劃」)。香港建設購股權計劃詳情載列如下：

(a) 目的

主要目的為招聘及留聘優秀之合資格人士(定義見下文)，以及吸引對香港建設及其附屬公司(「香港建設集團」)或香港建設集團旗下任何成員公司持有股本權益之任何實體(「投資實體」)而言屬有價值之人力資源，透過提供機會予合資格人士，讓彼等可取得香港建設之擁有權權益，藉以表揚彼等對香港建設集團或投資實體之增長所作出之重大貢獻，並進一步鼓勵及獎勵該等合資格人士繼續為香港建設集團或投資實體之長遠成功及昌盛發展作出貢獻。

(b) 合資格人士

香港建設董事會全權酌情認為曾經或將會對香港建設集團或任何投資實體之增長及發展有所貢獻之香港建設集團旗下任何成員公司或任何投資實體之任何僱員(不論全職或兼職)、高級行政人員或主要人員、經理、董事(包括獨立非執行董事)或顧問。

(c) 可供發行股份之最高數目

香港建設購股權計劃已於二零一六年六月十六日屆滿。



Share Option Schemes (continued) Share options of associated corporation of the Company (continued)

(d) Maximum entitlement of each Eligible Person

The total number of shares of HKC issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each Eligible Person must not exceed 1% of the shares of HKC in issue; and
- (ii) a substantial shareholder or an independent non-executive director of HKC must not exceed 0.1% of the shares of HKC in issue and not exceed HK\$5 million in aggregate value.

(e) Period within which the shares must be taken up under an option

An option must be exercised within ten years from the date on which it is granted or such shorter period as the board of HKC may specify at the time of grant.

(f) Minimum period, if any, for which an option must be held

At the time of the grant of an option, the board of HKC must specify the minimum period(s), if any, for which an option must be held before it can be exercised.

(g) Period open for acceptance of an option and amount payable upon acceptance

An offer of the grant of an option shall remain open for acceptance for a period of 10 business days from the date of offer and a consideration of HK\$1.0 must be paid upon acceptance.

(h) Basis of determining the subscription price of an option

The exercise price must be at least the higher of (i) the closing price of the shares of HKC as stated in daily quotations sheet on the Stock Exchange on the date of grant; (ii) the average closing prices of the shares of HKC as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share of HKC.

(i) Remaining life

The HKC Option Scheme has a life of ten years and has been expired on 16 June 2016.

購股權計劃(續) 本公司相聯法團之購股權(續)

(d) 各合資格人士可獲授權益上限

於任何十二個月期間，行使已授出購股權（不論已獲行使或尚未行使）時已發行及將向下列人士發行之香港建設股份總數：

- (i) 每名合資格人士不得超過香港建設已發行股份1%；及
- (ii) 每名香港建設主要股東或獨立非執行董事不得超過香港建設已發行股份0.1%及總值不得超過5,000,000港元。

(e) 必須行使購股權認購股份之期限

承授人必須於購股權授出日期起計十年或香港建設董事會可能於授出時指明之較短期間內行使購股權。

(f) 購股權必須持有之最短期限(如有)

於授出購股權時，香港建設董事會須訂明購股權行使之前必須持有之最短期限(如有)。

(g) 接納購股權之期限以及接納時應付之金額

授出購股權之要約將自要約日期起計十個營業日期間內供接納，接納時須支付1.0港元代價。

(h) 釐定購股權認購價之基準

行使價須最少為以下較高者(i)香港建設股份於授出日期在聯交所每日報價表所列收市價；(ii)香港建設股份緊接授出日期前五個營業日在聯交所每日報價表所列平均收市價；及(iii)香港建設股份面值。

(i) 餘下年期

香港建設購股權計劃之有效期為期十年，並已於二零一六年六月十六日屆滿。



Share Option Schemes (continued) Share options of associated corporation of the Company (continued)

All the outstanding share options under the HKC Option Scheme were lapsed on 7 May 2015, the closing date of the mandatory unconditional cash offers (the “Offers”). Details of the Offers were set out in the composite offer and response document dated 16 April 2015 jointly issued by Creator Holdings Limited (“Creator”) and HKC.

Save as disclosed above, no share option was granted to the Directors, exercised, cancelled nor lapsed by the Directors during the year ended 31 December 2016 under the HKC Option Scheme.

Directors’ Interests in Securities

At 31 December 2016, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules adopted by the Company were as follows:

(i) Long positions in the shares and underlying shares of the Company:

Name of Director	Nature of interest	Number of shares and underlying shares of the Company	Approximate percentage of existing issued share capital of the Company
董事姓名	權益性質	本公司股份及相關股份數目	佔本公司現有已發行股本概約百分比
Mr. OEI Kang, Eric 黃剛先生	Corporate 公司	1,702,525,811 ¹	72.252
	Joint 共同	26,899,439 ²	1.142

購股權計劃(續) 本公司相聯法團之購股權(續)

香港建設購股權計劃項下全部尚未行使購股權已於強制性無條件現金收購建議(「收購建議」)截止日期二零一五年五月七日失效。有關收購建議之詳情載於創達集團有限公司(「創達」)及香港建設聯合刊發日期為二零一五年四月十六日之綜合收購建議及回應文件。

除上文披露者外，於截至二零一六年十二月三十一日止年度，香港建設並無根據香港建設購股權計劃向董事授出購股權，亦無董事據此行使、註銷購股權或令其失效。

董事於證券之權益

於二零一六年十二月三十一日，各董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有並已記錄於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之權益及淡倉，或已根據本公司所採納載於上市規則附錄十有關上市發行人董事進行證券交易的標準守則(「標準守則」)之規定知會本公司及聯交所之權益及淡倉如下：

(i) 於本公司股份及相關股份之好倉：



Directors' Interests in Securities

(continued)

(i) Long positions in the shares and underlying shares of the Company: (continued)

Notes:

1. Since as at 31 December 2016, HKC was held as to approximately 63.532% by Claudio Holdings Limited ("Claudio") (via its wholly-owned subsidiaries, Creator and Genesis Capital Group Limited ("Genesis")), a company wholly-owned by Mr. OEI Kang, Eric, Mr. OEI Kang, Eric is deemed to be interested in the same parcel of shares of the Company in which HKC is interested. The corporate interest of Mr. OEI Kang, Eric includes (i) an interest in 1,275,540,924 shares of the Company held by HKC; (ii) an interest in 150,918,990 shares of the Company held by Creator; and (iii) an interest in 276,065,897 shares of the Company held by Genesis.
2. The joint interest of Mr. OEI Kang, Eric represents an interest in 26,899,439 shares of the Company jointly held with his wife, Mrs. OEI Valonia Lau.

(ii) Long positions in the shares and underlying shares of associated corporation of the Company:

董事於證券之權益(續)

(i) 於本公司股份及相關股份之好倉：(續)

附註：

1. 於二零一六年十二月三十一日，由於香港建設由 Claudio Holdings Limited (「Claudio」) 持有約 63.532% (通過其全資附屬公司創達及華創集團有限公司 (「華創」))，而 Claudio 由黃剛先生全資擁有，故黃剛先生被視為於香港建設擁有權益之同一批本公司股份中擁有權益。黃剛先生之公司權益包括 (i) 香港建設所持 1,275,540,924 股本公司股份權益；(ii) 創達所持 150,918,990 股本公司股份權益；及 (iii) 華創所持 276,065,897 股本公司股份權益。
2. 黃剛先生之共同權益指由彼與彼之妻子劉慧女士共同擁有之 26,899,439 股本公司股份權益。

(ii) 於本公司相聯法團股份及相關股份之好倉：

Name of associated corporation	Name of Directors	Nature of interest	Number of shares and underlying shares of the associated corporation	Approximate percentage of existing issued share capital of the associated corporation
相聯法團名稱	董事姓名	權益性質	相聯法團之股份及相關股份數目	佔相聯法團現有已發行股本概約百分比
HKC (Holdings) Limited 香港建設(控股)有限公司	Mr. OEI Kang, Eric 黃剛先生	Corporate 公司	335,979,938 ¹	63.532
		Joint 共同	8,042,987 ²	1.521
	Mr. WONG Jake Leong, Sammy 黃植良先生	Personal 個人	3,348,000 ³	0.633



Directors' Interests in Securities

(continued)

(ii) Long positions in the shares and underlying shares of associated corporation of the Company: (continued)

Notes:

1. The corporate interest of Mr. OEI Kang, Eric represents (i) an interest in 192,767,407 shares of HKC held by Creator; and (ii) an interest in 143,212,531 shares of HKC held by Genesis. Both Creator and Genesis are wholly-owned subsidiaries of Claudio, a company wholly-owned by Mr. OEI Kang, Eric.
2. The joint interest of Mr. OEI Kang, Eric represents an interest in 8,042,987 shares of HKC jointly held with his wife, Mrs. OEI Valonia Lau.
3. The personal interest of Mr. WONG Jake Leong, Sammy represents an interest in 3,348,000 shares of HKC.

Save as disclosed above, at no time during the year was the Company, its subsidiaries, its fellow subsidiaries, its parent company or its other associated corporations a party to any arrangement to enable the Directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its specified undertakings or other associated corporation.

Directors' Right to Acquire Shares or Debentures

Save as disclosed under the heading "Directors' Interests in Securities" above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement that enabled the Directors or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in Competing Businesses

Mr. OEI Kang, Eric, Mr. LEUNG Wing Sum, Samuel and Mr. WONG Jake Leong, Sammy are executive directors of HKC. One of the business activities of the HKC Group is alternative energy business in the PRC. Apart from the Company's business, HKC Group has an interest in a business in ethanol energy business in the PRC. Having considered that HKC's investment in the ethanol energy business is non-core and the business was sold in August 2016, the Company can operate its business independently.

董事於證券之權益(續)

(ii) 於本公司相聯法團股份及相關股份之好倉：(續)

附註：

1. 黃剛先生之公司權益指(i)創達所持之192,767,407股香港建設股份權益；及(ii)華創所持之143,212,531股香港建設股份權益。創達及華創均為Claudio之全資附屬公司，而Claudio由黃剛先生全資擁有。
2. 黃剛先生之共同權益指彼與彼之妻子劉慧女士共同持有之8,042,987股香港建設股份權益。
3. 黃植良先生之個人權益指於3,348,000股香港建設股份權益。

除上文披露者外，於本年度內任何時間，本公司、本公司之附屬公司、同系附屬公司、母公司或其他相聯法團概無訂立任何安排，致使董事及本公司主要行政人員(包括彼等之配偶及18歲以下之子女)於本公司、本公司指明企業或其他相聯法團之股份、相關股份或債券中擁有任何權益或淡倉。

董事購買股份或債券之權利

除上文「董事於證券之權益」一節披露者外，於年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事或彼等各自之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事在競爭業務之權益

黃剛先生、梁榮森先生及黃植良先生為香港建設之執行董事。香港建設集團其中一項業務為在中國從事替代能源業務。除了本公司之業務外，香港建設集團於中國之乙醇能源業務擁有業務權益。經考慮香港建設作出投資之乙醇能源業務並非核心業務，且該業務已於二零一六年八月售出，故本公司可獨立運作。



Directors' Interests in Competing Businesses (continued)

Save as disclosed above, none of the Directors or their respective associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group during the year.

Directors' and Controlling Shareholders' Interests in Contracts of Significance

Save as disclosed in note 24 "Bank borrowings" and note 28 "Related party transactions" to the consolidated financial statements, the transactions with HKC and its subsidiaries and in which Mr. OEI Kang, Eric was interested, no contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Substantial Shareholders' Interests in Securities

As at 31 December 2016, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions in the shares and underlying shares of the Company

Name	Nature of interest	Number of shares and underlying shares of the Company	Approximate
			percentage of the existing issued share capital of the Company
姓名／名稱	權益性質	相聯法團之股份及相關股份數目	佔本公司現有已發行股本概約百分比
HKC (Holdings) Limited 香港建設(控股)有限公司	Beneficial owner 實益擁有人	1,275,540,924 ¹	54.132
Mrs. OEI Valonia Lau 劉慧女士	Family 家族	1,702,525,811 ²	72.252
	Joint 共同	26,899,439 ³	1.142
Claudio Holdings Limited	Corporate 公司	1,702,525,811 ⁴	72.252
Genesis Capital Group Limited 華創集團有限公司	Corporate 公司	276,065,897 ⁵	11.716
Creator Holdings Limited 創達集團有限公司	Corporate 公司	150,918,990 ⁶	6.405

董事在競爭業務之權益(續)

除上文披露者外，年內概無董事或彼等各自之聯繫人士於與本集團的業務直接或間接構成或可能構成競爭之任何業務中擁有權益。

董事及控股股東於重大合約之權益

除綜合財務報表附註24「銀行借款」及附註28「關聯方交易」所披露者，與香港建設及其附屬公司以及黃剛先生於其中擁有權益之交易外，本公司或其任何附屬公司概無訂立任何董事於其中直接或間接擁有重大權益，而於年度結束時或於本年度內任何時間存續的重大合約。

主要股東於證券之權益

於二零一六年十二月三十一日，按本公司根據證券及期貨條例第336條規定須予存置之登記冊所記錄，以下人士(董事或本公司主要行政人員除外)於本公司之股份及相關股份中擁有權益或淡倉：

於本公司股份及相關股份之好倉



Substantial Shareholders' Interests in Securities (continued)

Long positions in the shares and underlying shares of the Company (continued)

Notes:

1. The beneficial interest of HKC includes an interest in 1,275,540,924 shares of the Company held by HKC.
2. Mrs. OEI Valonia Lau is deemed to be interested in the same parcel of shares of the Company in which Mr. OEI Kang, Eric is taken to be interested (as detailed in "Directors' Interests in Securities" section above).
3. The joint interest of Mrs. OEI Valonia Lau represents an interest in 26,899,439 shares of the Company jointly held with Mr. OEI Kang, Eric.
4. Claudio is beneficially interested in 63.532% of the issued share capital of HKC (via its wholly-owned subsidiaries, Creator and Genesis) and thus, is deemed to be interested in the same parcel of shares of the Company in which HKC is interested. In addition, as Creator and Genesis are wholly-owned subsidiaries of Claudio, and thus, Claudio is deemed to be interested in the same parcel of shares of the Company in which Creator and Genesis are interested.
5. The corporate interest of Genesis includes an interest in 276,065,897 shares of the Company.
6. The corporate interest of Creator includes an interest in 150,918,990 shares of the Company.

Save as disclosed above, at 31 December 2016, the Company had not been notified by any person, other than Directors and chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company which are required to record in the register required to be kept by the Company under section 336 of Part XV of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year ended 31 December 2016.

Financial Assistance and Guarantee to Affiliated Companies

As at 31 December 2016, the Group has provided financial assistance to, and guarantee for, an affiliated company in the amount of HK\$107 million, which represented approximately 5% of the Group's total assets value as at 31 December 2016.

主要股東於證券之權益(續)

於本公司股份及相關股份之好倉(續)

附註：

1. 香港建設之實益權益包括香港建設持有之1,275,540,924股本公司股份權益。
2. 劉慧女士被視為為黃剛先生被當作擁有權益之同一批本公司股份中擁有權益（詳情參見上文「董事於證券之權益」一節）。
3. 劉慧女士之共同權益指彼與黃剛先生共同擁有之26,899,439股本公司股份權益。
4. Claudio實益擁有香港建設已發行股本之63.532%權益（透過其全資附屬公司創達及華創），因此被視為為香港建設擁有權益之同一批本公司股份中擁有權益。此外，由於創達及華創為Claudio之全資附屬公司，因此，Claudio被視為為創達及華創擁有權益之同一批本公司股份中擁有權益。
5. 華創之公司權益包括276,065,897股本公司股份權益。
6. 創達之公司權益包括150,918,990股本公司股份權益。

除上文披露者外，於二零一六年十二月三十一日，本公司並無獲任何人士（董事及本公司主要行政人員除外）知會，表示彼於本公司之股份及相關股份中擁有權益或淡倉，並須記錄於本公司根據證券及期貨條例第XV部第336條之規定須予存置之登記冊內。

購買、出售或贖回本公司上市證券

於截至二零一六年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

向聯屬公司提供財務資助及擔保

於二零一六年十二月三十一日，本集團向一間聯屬公司提供財務資助及擔保，總額達約107,000,000港元，相當於本集團於二零一六年十二月三十一日之資產總值約5%。



Management Contract

Apart from those disclosed under the heading “Related Party Transactions” in note 28 to the consolidated financial statements, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Customers and Suppliers

The percentages of the Group’s purchases and sales for the year attributable to its major suppliers and customers are as follows:

Purchases

The largest supplier	26%
Five largest suppliers in aggregate	57%

Sales

During the year, the Group had two customers only and the percentages of the Group’s sales attributable to the major customers are as follows:

The largest customer	70%
The remaining customer	30%

None of the Directors, any of their associates, or Shareholders (which to the knowledge of the Directors, own more than 5% of the Company’s issued share capital) had any interest in the Group’s customers noted above.

Corporate Governance

The Company’s corporate governance practices are set out in the Corporate Governance Report on pages 21 to 40.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as its own code of conduct regarding Directors’ securities transactions. Specified employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code. A Code for Securities Dealings by Employees has also been adopted in this regard.

管理合約

除綜合財務報表附註28「關聯方交易」一節披露者外，本公司於年內並無訂立或訂有任何有關本公司全部或任何重大部份業務之管理及行政合約。

主要客戶及供應商

年內，本集團主要供應商及客戶應佔本集團採購額及銷售額之百分比如下：

採購額

最大供應商	26%
五大供應商合計	57%

銷售額

年內，本集團僅有兩名客戶，主要客戶應佔本集團銷售額之百分比如下：

最大客戶	70%
餘下客戶	30%

董事、彼等之任何聯繫人士或股東(據董事所知擁有本公司已發行股本超過5%者)概無於上述本集團客戶中擁有任何權益。

企業管治

本公司之企業管治常規載於第21頁至第40頁之企業管治報告。

董事進行證券交易的標準守則

本公司已採納標準守則作為董事進行證券交易之操守守則。可能擁有本集團尚未公佈內幕消息之特定僱員，亦須遵守不會較標準守則寬鬆之指引。本公司亦已就此採納僱員買賣證券之守則。



Retirement Benefits Schemes

Information on the Group's retirement benefits schemes is set out in note 10 to the consolidated financial statements.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

Permitted Indemnity Provisions

Pursuant to the Articles of Association of the Company, every Director and other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she may incur or sustain in or about the execution of the duties of his/her office or otherwise in relation thereto, provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons. The Company has arranged appropriate liability insurance to indemnify the Group's Directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

Review of the Annual Report by Audit Committee

The audit committee of the Company currently comprises three independent non-executive Directors with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board.

The audit committee has reviewed the audited consolidated financial statements for the year ended 31 December 2016.

Auditor

The consolidated financial statements for the year have been audited by Messrs. PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. PricewaterhouseCoopers as auditor of the Company is to be proposed at the AGM.

退休福利計劃

本集團之退休福利計劃資料載於綜合財務報表附註10。

足夠公眾持股量

根據本公司公開取得之資料，以及就董事所知，於本報告書刊發日期，本公司維持足夠公眾持股量，即根據上市規則所規定本公司已發行股份25%以上由公眾人士持有。

獲准許彌償條文

根據本公司之組織章程細則，本公司各董事及其他行政人員於履行其職責或相關職責時可能招致或蒙受之所有訴訟、費用、收費、損失、損害及開支，可從本公司資產及溢利中獲得彌償保證及確保免受任何損害，惟彌償保證不得延伸至與任何上述人士有關之欺詐或不誠實事項。本公司已安排適當責任保險，以彌償本集團董事因企業事務產生之責任。本公司每年檢討保險範圍。

審核委員會審閱年報

本公司之審核委員會目前由三名獨立非執行董事組成，本公司已根據上市規則之規定制訂其書面職權範圍。審核委員會須向董事會匯報。

審核委員會已審閱截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

核數師

本年度之綜合財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所任滿告退，並符合資格及願意獲續聘。本公司將於股東週年大會上提呈有關續聘羅兵咸永道會計師事務所為本公司核數師之決議案。



Update on Directors' Information

Pursuant to Rule 13.51B(1) of the Listing Rules, change in the information of the Directors since the date of the 2016 Interim Report is set out below:

Mr. TIAN Yuchuan (Independent Non-executive Director)

Mr. TIAN resigned as an executive director and chief executive officer of CITIC Dameng Holdings Limited (stock code: 1091) with effect from 30 September 2016.

Mr. YU Hon To, David (Independent Non-executive Director)

Mr. YU resigned as an independent non-executive director of Bracell Limited (Stock Code: 1768) with effect from 1 November 2016.

On behalf of the Board

China Renewable Energy Investment Limited
OEI Kang, Eric
Chairman and Chief Executive Officer

Hong Kong, 14 March 2017

董事資料更新

根據上市規則第13.51B(1)條，董事資料自二零一六年中期報告日期以來之變動如下：

田玉川先生 (獨立非執行董事)

田先生自二零一六年九月三十日起辭任中信大錳控股有限公司(股份代號：1091)之執行董事兼行政總裁。

俞漢度先生 (獨立非執行董事)

俞先生自二零一六年十一月一日起辭任Bracell Limited(股份代號：1768)之獨立非執行董事。

代表董事會

中國再生能源投資有限公司
主席兼行政總裁
黃剛

香港，二零一七年三月十四日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

Independent auditor's report

獨立核數師報告

TO THE SHAREHOLDERS OF CHINA RENEWABLE ENERGY INVESTMENT LIMITED

(incorporated in the Cayman Islands with limited liability)

致中國再生能源投資有限公司股東

(於開曼群島註冊成立的有限公司)

Opinion

What we have audited

The consolidated financial statements of China Renewable Energy Investment Limited (the "Company") and its subsidiaries (the "Group") set out on pages 69 to 142, which comprise:

意見

我們已審計的內容

中國再生能源投資有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第69至142頁的綜合財務報表，包括：

- the consolidated balance sheet as at 31 December 2016;
 - the consolidated statement of comprehensive income for the year then ended;
 - the consolidated statement of changes in equity for the year then ended;
 - the consolidated cash flow statement for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於二零一六年十二月三十一日的綜合資產負債表；
 - 截至該日止年度的綜合全面收入報表；
 - 截至該日止年度的綜合權益變動表；
 - 截至該日止年度的綜合現金流量表；及
 - 綜合財務報表附註，包括主要會計政策概要。

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羅兵咸永道會計師事務所，香港中環太子大廈22樓
電話：+852 2289 8888，傳真：+852 2810 9888，www.pwchk.com

Opinion (continued)

Our opinion

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 (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Key Audit Matters

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

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of property, plant and equipment, intangible assets and prepaid land lease payments related to certain power plants in the Mainland China, which have impairment indicators.

意見(續)

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

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》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承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。

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。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 就存在減值跡象且與中國大陸的部分發電廠相關的物業、機器及設備、無形資產以及預付土地租賃款項進行減值評估。

Key Audit Matters (continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Impairment assessment of property, plant and equipment, intangible assets and prepaid land lease payments related to certain power plants in the Mainland China, which have impairment indicators

就存在減值跡象且與中國大陸的部分發電廠相關的物業、機器及設備、無形資產以及預付土地租賃款項進行減值評估

Refer to note 2.9 and 4a to the consolidated financial statements

請參閱綜合財務表附註2.9及附註4a

The Group has certain power plants in the Mainland China which have incurred operating losses in the years ended 31 December 2015 and 2016. Management consider this is an impairment indicator and performed an impairment assessment on these power plants accordingly.

本集團中國大陸的部分發電廠於截至二零一五年及二零一六年十二月三十一日止年度已發生經營虧損。管理層認為經營虧損為減值之跡象，並就相應的發電廠進行減值評估。

Under the impairment assessment, management calculated the recoverable amount under value-in-use method. The impairment assessment requires the use of significant management judgement and estimates, among other things, average annual tariff increment, future electricity dispatched, contribution from Certified Emission Reduction and discount rate.

在減值評估中，管理層採用使用價值方法就可回收金額進行計算。減值評估要求管理層運用重大判斷和估計，包括平均電費增幅、未來輸電量、核證減排量及貼現率。

Our procedures in relation to management's impairment assessment of property, plant and equipment, intangible assets and prepaid land lease payments related to relevant power plants in the Mainland China included:

管理層就存在減值跡象且與中國大陸的部分發電廠相關的物業、機器及設備、無形資產以及預付土地租賃款項進行減值評估之相關審計程序包括：

- Assessed the impairment assessment methodology used by the management to estimate value in use;
就管理層在估算使用價值時採用的評估方法進行評估；
- Assessed the reasonableness of the key assumptions based on our knowledge of the relevant business and industry and with the involvement of our valuations specialists;
基於我們對相關業務和行業的了解及我們估值專家的參與，就關鍵假設之合理性進行評估；
- Reconciled input data to supporting evidence, such as approved budgets and considered the reasonableness of these budgets;
將輸入值與支持性證據(如已批准的預算)進行調節，並斟酌此預算的合理性；
- Evaluated the management's sensitivity analysis to assess the potential impact of reasonable possible downside changes in the key assumptions.
就管理層作出的敏感性分析進行評估，以評估關鍵假設中合理可能的不利變化之潛在影響。

We found the assumptions made by management in relation to the value in use assessment to be supportable based on available evidence.

根據現有證據，我們發現，管理層在使用價值評估方面所作出的假設合理支持。

The significant inputs have been appropriately disclosed in note 4a.

此項重要輸入值已在附註4a中合理披露。

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of 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 Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層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》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督 貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 HKSAAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之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，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，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：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取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，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

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

We also provide those charged with governance 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.

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。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注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(continued)*

From the matters communicated with those charged with governance, 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 Pong Fei Ho.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14 March 2017

核數師就審計綜合財務報表承擔的責任(續)

從與治理層溝通的事項中，我們確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。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人為龐飛浩。

羅兵咸永道會計師事務所
執業會計師

香港，二零一七年三月十四日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

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

		Note	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		附註		
Revenue	收益	5	130,998	132,919
Cost of sales	銷售成本	6	(87,152)	(88,645)
Gross profit	毛利		43,846	44,274
Other gains	其他收益	7	162	22
Administrative expenses	行政費用	6	(22,755)	(23,620)
Operating profit	經營溢利		21,253	20,676
Finance income	財務收入	8	3,612	6,583
Finance costs	融資成本	8	(31,894)	(43,154)
Finance costs – net	融資成本 – 淨額	8	(28,282)	(36,571)
Share of profits less losses of associates	應佔聯營公司溢利減虧損	18	72,009	60,916
Profit before income tax	所得稅前溢利		64,980	45,021
Income tax expense	所得稅支出	11	(6,834)	(5,669)
Profit for the year	本年度溢利		58,146	39,352
Other comprehensive loss:	其他全面虧損：			
Items that may be reclassified subsequently to profit or loss	可於其後重新分類至損益之項目			
Currency translation differences	匯兌換算差額		(92,015)	(94,478)
Other comprehensive loss for the year, net of tax	本年度其他全面虧損，扣除稅項		(92,015)	(94,478)
Total comprehensive loss for the year	本年度全面虧損總額		(33,869)	(55,126)
Profit attributable to:	以下應佔溢利：			
Equity holders of the Company	本公司權益持有人		61,098	40,454
Non-controlling interests	非控股權益		(2,952)	(1,102)
			58,146	39,352

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收入報表

For the 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 千港元	2015 二零一五年 HK\$'000 千港元
		Note 附註		
Total comprehensive loss attributable to:	以下應佔全面虧損總額：			
Equity holders of the Company	本公司權益持有人		(31,068)	(54,060)
Non-controlling interests	非控股權益		(2,801)	(1,066)
			<u>(33,869)</u>	<u>(55,126)</u>
Earnings per share attributable to equity holders of the Company (expressed in HK cents per share)	本公司權益持有人應佔每股盈利 (每股以港仙列示)			
Basic earnings per share	每股基本盈利	12(a)	<u>2.59</u>	<u>1.72</u>
Diluted earnings per share	每股攤薄盈利	12(b)	<u>2.59</u>	<u>1.56</u>

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2016
於二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14	910,853	1,039,197
Construction in progress	在建工程	15	7,319	1,055
Prepaid land lease payments	預付土地租賃款項	16	12,089	13,937
Intangible assets	無形資產	17	4,057	4,718
Prepayments and other receivables	預付款項及其他應收款	19	18,188	22,719
Interests in associates	於聯營公司之權益	18	878,111	923,940
Total non-current assets	非流動資產總值		1,830,617	2,005,566
Current assets	流動資產			
Inventory	存貨		5,939	5,920
Trade and other receivables	應收賬款及其他應收款	19	78,319	65,674
Short-term bank deposits	短期銀行存款	20	13,475	4,269
Cash and cash equivalents	現金及現金等價物	21	200,704	181,250
Total current assets	流動資產總值		298,437	257,113
Total assets	資產總值		2,129,054	2,262,679
EQUITY	權益			
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本	22	23,564	23,564
Reserves	儲備	23	1,542,629	1,583,123
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		1,566,193	1,606,687
Non-controlling interests	非控股權益		(2,522)	279
Total equity	權益總額		1,563,671	1,606,966

CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31 December 2016
於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Bank borrowings	銀行借款	24	383,018	471,874
Deferred income tax liabilities	遞延所得稅負債	25	31,518	33,072
Total non-current liabilities	非流動負債總額		414,536	504,946
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	26	68,433	65,911
Current portion of bank borrowings	銀行借款即期部分	24	82,414	84,856
Total current liabilities	流動負債總額		150,847	150,767
Total liabilities	負債總額		565,383	655,713
Total equity and liabilities	權益及負債總額		2,129,054	2,262,679

OEI Kang, Eric
黃剛
Director
董事

LEUNG Wing Sum, Samuel
梁榮森
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

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

		Share capital	Share premium	Exchange reserve	Employee	Retained earnings	Total	Non-controlling interests	Total equity
					share-based compensation reserve				
		股本	股份溢價	匯兌儲備	僱員股份補償儲備	保留盈利	總額	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2015	於二零一五年一月一日之結餘	26,564	993,505	128,995	517	607,934	1,757,515	1,345	1,758,860
Profit for the year	本年度溢利	-	-	-	-	40,454	40,454	(1,102)	39,352
Other comprehensive loss:	其他全面虧損：								
Currency translation differences	匯兌換算差額	-	-	(94,514)	-	-	(94,514)	36	(94,478)
Total comprehensive loss	全面虧損總額	-	-	(94,514)	-	40,454	(54,060)	(1,066)	(55,126)
Transactions with owners	與擁有人進行之交易								
Buy-back of convertible preference shares	購回可換股優先股	(3,000)	(100,600)	-	-	6,832	(96,768)	-	(96,768)
Lapse of employee share option benefits	僱員購股權福利失效	-	-	-	(517)	517	-	-	-
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	23,564	892,905	34,481	-	655,737	1,606,687	279	1,606,966
Balance at 1 January 2016	於二零一六年一月一日之結餘	23,564	892,905	34,481	-	655,737	1,606,687	279	1,606,966
Profit for the year	本年度溢利	-	-	-	-	61,098	61,098	(2,952)	58,146
Other comprehensive loss:	其他全面虧損：								
Currency translation differences	匯兌換算差額	-	-	(92,166)	-	-	(92,166)	151	(92,015)
Total comprehensive loss	全面虧損總額	-	-	(92,166)	-	61,098	(31,068)	(2,801)	(33,869)
Transactions with owners	與擁有人進行之交易								
Dividend Paid	已付股息	-	-	-	-	(9,426)	(9,426)	-	(9,426)
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	23,564	892,905	(57,685)	-	707,409	1,566,193	(2,522)	1,563,671

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

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

		Note	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		附註		
Cash flows from operating activities	經營活動之現金流量			
Cash generated from operations	經營所得現金	29	86,815	135,680
Mainland China taxation paid	已付中國大陸稅項		(6,657)	(4,932)
Net cash generated from operating activities	經營活動所得現金淨額		80,158	130,748
Cash flows from investing activities	投資活動之現金流量			
Interest received	已收利息		3,539	6,771
Addition to prepayments	添置預付款項		–	(3,947)
Purchase of property, plant and equipment	購入物業、機器及設備		(5,298)	(38,970)
Purchase of construction in progress	購入在建工程		(5,071)	(189)
Purchase of intangible assets	購入無形資產		(6)	–
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項		162	22
Increase in short-term bank deposits	短期銀行存款增加		(9,505)	(4,382)
Dividends received from associates	已收聯營公司股息		66,570	49,322
Net cash generated from investing activities	投資活動所得現金淨額		50,391	8,627
Cash flows from financing activities	融資活動之現金流量			
Repayment of bank and other loans	償還銀行及其他貸款		(82,141)	(85,975)
Redemption convertible preference shares	贖回可換股優先股		–	(96,768)
Proceeds from bank loan	銀行貸款所得款項		23,170	–
Interest paid	已付利息		(31,801)	(43,211)
Dividend paid	已付股息		(9,426)	–
Net cash used in financing activities	融資活動所用現金淨額		(100,198)	(225,954)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額		30,351	(86,579)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物		181,250	278,271
Effect of foreign exchange rate changes	匯率變動之影響		(10,897)	(10,442)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等價物		200,704	181,250

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 General information

China Renewable Energy Investment Limited (the “Company” or “CRE”) is an exempted company incorporated in the Cayman Islands with limited liability. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company and its subsidiaries (collectively the “Group”) are principally engaged in alternative energy business. The Group has operations mainly in the People’s Republic of China (the “PRC”).

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”). The ultimate holding company is Claudio Holdings Limited, a company incorporated in the British Virgin Islands, since 29 January 2015.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$ thousand or HK\$’000), unless otherwise stated. These consolidated financial statements were approved by the board of directors of the Company for issue on 14 March 2017.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of CRE have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention.

1 一般資料

中國再生能源投資有限公司(「本公司」或「中國再生能源」)為於開曼群島註冊成立的獲豁免有限公司，其註冊辦事處地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司及其附屬公司(統稱「本集團」)主要從事替代能源業務。本集團之業務主要位於中華人民共和國(「中國」)。

本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。於英屬處女群島註冊成立的 Claudio Holdings Limited，自二零一五年一月二十九日起為本公司最終控股公司。

除另有指明外，此等綜合財務報表以千港元(「千港元」)為單位呈列。此等綜合財務報表已於二零一七年三月十四日獲本公司董事會批准刊發。

2 主要會計政策概要

編製綜合財務報表所採用之主要會計政策載列如下。除另有說明外，此等政策已於所有呈報年度內貫徹應用。

2.1 編製基準

中國再生能源之綜合財務報表乃根據所有適用香港財務報告準則(「香港財務報告準則」)編製。綜合財務報表按歷史成本慣例編製。

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

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

Changes in accounting policy and disclosures

(a) Amended standards adopted by the Group

Annual improvements project	Annual improvements to HKFRSs 2012 – 2014 cycle
HKAS 1 (Amendment)	Disclosure initiative
HKAS 27 (Amendment)	Equity method in separate financial statements
HKAS 16 and HKAS 38 (Amendments)	Clarification of acceptable methods of depreciation and Amortisation
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment entities: Applying the consolidation exception

The adoption of the above amendments has no significant effects on the Group's financial information.

(b) Amended standards mandatory for the first time for the financial year beginning on 1 January 2016 but not currently relevant to the Group (although they may affect the accounting for future transactions and events)

HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer plants
HKFRS 11 (Amendment)	Accounting for acquisitions of interests in joint operations
HKFRS 14	Regulatory deferral accounts

2 主要會計政策概要(續)

2.1 編製基準(續)

編製符合香港財務報告準則之財務報表時，須使用若干重大會計估計。管理層亦須在應用本集團會計政策之過程中作出判斷。涉及較高度判斷或較複雜之範疇，或涉及對綜合財務報表作出重大假設和估計的範疇，於附註4披露。

會計政策變動及披露

(a) 本集團採納之經修訂準則

年度改進項目	香港財務報告準則
	二零一二年至二零一四年週期年度改進
香港會計準則第1號(修訂本)	披露計劃
香港會計準則第27號(修訂本)	獨立財務報表之權益法
香港會計準則第16號及香港會計準則第38號(修訂本)	澄清折舊及攤銷之可接受方法
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(修訂本)	投資實體：應用綜合例外情況

採納上述修訂本對本集團之財務資料並無重大影響。

(b) 於二零一六年一月一日開始之財政年度首次強制應用之經修訂準則，惟目前與本集團無關(但或其或會對未來交易及事件之會計造成影響)

香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港財務報告準則第11號(修訂本)	收購合營業務權益之會計處理
香港財務報告準則第14號	監管遞延賬目

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

- (c) New standards, amendments and interpretations have been issued but are not effective for the financial year beginning on 1 January 2016 and have not been early adopted

The following standards, amendments to standards and interpretation have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2017 or later periods, but the Group has not early adopted them:

		Effective for accounting periods beginning on or after 於下列日期或之 後開始之會計 期間生效
HKAS 12 (Amendments) 香港會計準則第12號(修訂本)	Income taxes 所得稅	1 January 2017 二零一七年一月一日
HKAS 7 (Amendments) 香港會計準則第7號(修訂本)	Statement of cash flows 現金流量表	1 January 2017 二零一七年一月一日
HKFRS 2 (Amendments) 香港財務報告準則第2號(修訂本)	Classification and Measurement of Share-based Payment Transactions 以股份支付交易之分類及計量	1 January 2018 二零一八年一月一日
HKFRS 9 香港財務報告準則第9號	Financial instruments 財務工具	1 January 2018 二零一八年一月一日
HKFRS 15 香港財務報告準則第15號	Revenue from contracts with customers 客戶合約收益	1 January 2018 二零一八年一月一日
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及香港 會計準則第28號(修訂本)	Sale or contribution of assets between an investor and its associate or joint venture 投資者與其聯營或合營企業之間的資產出售或贈送	To be announced 待公佈

2 主要會計政策概要(續)

2.1 編製基準(續)

會計政策變動及披露(續)

- (c) 於二零一六年一月一日開始之財政年度已頒佈但尚未生效且本集團亦無提早採納之新準則、修訂本及詮釋

以下為已頒佈且必須在二零一七年一月一日或以後開始之本集團會計期間或較後期間強制應用，惟本集團並無提早採納之準則、對準則之修訂及詮釋：

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

- (c) New standards, amendments and interpretations have been issued but are not effective for the financial year beginning on 1 January 2016 and have not been early adopted (continued)

The Group has not early adopted the new standards, amendments to standards and interpretation, which have been issued but are not effective for the financial year beginning 1 January 2016. The Group has commenced an assessment of the related impact, but is not yet in a position to state whether any substantial changes to the Group's accounting policies and presentation of the financial information will be resulted.

2.2 Consolidation

(a) Subsidiaries

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 主要會計政策概要(續)

2.1 編製基準(續)

會計政策變動及披露(續)

- (c) 於二零一六年一月一日開始之財政年度已頒佈但尚未生效且本集團亦無提早採納之新準則、修訂本及詮釋(續)

本集團並無提早採納已頒佈但於二零一六年一月一日開始之財政年度尚未生效之新準則、對準則之修訂及詮釋。本集團已著手評估相關影響，惟現階段尚未能指出會否對本集團會計政策及財務資料呈列方式造成任何重大變動。

2.2 綜合基準

(a) 附屬公司

附屬公司為本集團可對其行使控制權之實體(包括結構實體)。當本集團從參與某實體之業務獲得或有權獲得可變回報，及有能力藉對實體行使其權力而影響其回報，則本集團控制該實體。自附屬公司之控制權轉移到本集團之日期開始合併，並於本集團失去控制權之日時終止合併。

本集團採用收購會計法為業務合併列賬。收購附屬公司之轉讓代價為所轉讓資產、對被收購方前擁有人產生之負債及本集團發行人股本權益之公平值。所轉讓代價包括或然代價安排所產生之任何資產或負債之公平值。收購相關成本於產生時支銷。於業務合併時所收購可識別資產及所承擔負債及或然負債初步按收購當日公平值計量。

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. It is adjusted to reflect changes in consideration arising from contingent consideration amendments. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 主要會計政策概要(續)

2.2 綜合基準(續)

(a) 附屬公司(續)

本集團按個別收購基準，確認在被收購方的任何非控股權益。被收購方的非控股權益為現時的擁有權權益，並賦予持有人一旦清盤時按比例應佔主體的淨資產，可按公平值或按現時擁有權權益應佔被收購方可識別淨資產的確認金額比例而計量。非控股權益的所有其他組成部分按收購日期的公平值計量，除非香港財務報告準則規定必須以其他計量基準計算。

所轉讓代價、於被收購方非控股權益之金額以及於被收購方任何早前股本權益之收購日期公平值，超出所收購可識別資產淨值之公平值，會入賬列作商譽。倘屬優惠價購買，少於所收購附屬公司資產淨值之公平值者，則差額直接於損益表內確認。

在本公司之資產負債表，於附屬公司之投資按成本扣除減值列賬，成本包括投資直接應佔投資成本，並調整成本以反映或然代價修訂所產生之代價變動。附屬公司之業績由本公司按已收及應收股息入賬。

集團內公司間之交易、結餘及集團公司之間進行交易之未實現收入均予對銷。除非交易提供所轉撥資產的減值證據，未變現虧損亦會對銷。附屬公司之會計政策已作出必要修改，以確保與本集團採用之會計政策一致。

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2 主要會計政策概要(續)

2.2 綜合基準(續)

(a) 附屬公司(續)

倘自於附屬公司之投資收取之股息超出宣派股息期間該附屬公司之全面收入總額，或倘個別財務報表之投資賬面值超出綜合財務報表所示被投資公司之資產淨值（包括商譽）之賬面值，則須對該等附屬公司之投資進行減值測試。

(b) 不導致控制權變動的附屬公司擁有權益變動

並無導致失去控制權的與非控股權益進行的交易入賬作為權益交易 – 即與作為持有人的附屬公司持有人進行的交易。任何已付代價的公平值與所收購附屬公司資產淨值賬面值的相關應佔部分的差額於權益入賬。向非控股權益出售的收益或虧損亦於權益入賬。

(c) 出售附屬公司

當本集團停止擁有控制權時，任何於該實體之保留權益按於失去控制權當日之公平值重新計量，賬面值之變動於損益表確認。該保留權益往後會以聯營公司、聯合企業或金融資產作會計處理，此公平值會作為其初始賬面值。此外，以往就該實體在其他全面收入中確認之任何金額將視作本集團已直接出售相關資產或負債而處理。此意味著，以往在其他全面收入中確認之金額將重新分類至損益表。

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's interests in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2 主要會計政策概要(續)

2.2 綜合基準(續)

(d) 聯營公司

聯營公司為本集團對其有重大影響力但無控制權之所有實體，一般附帶有20%至50%表決權之股權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始按成本值確認，並增加或減少賬面值，以確認投資者應佔被投資者於收購日期後之損益。本集團於聯營公司之權益包括收購時已識別之商譽。於收購聯營公司之所有權權益時，聯營公司成本與本集團應佔聯營公司可識別資產及負債之公平值淨額之差額確認為商譽。

若於聯營公司之擁有權權益減少，惟仍然保留重大影響力，則在適當情況下，僅將以往在其他全面收入中確認之金額在適當情況下按比例重新分類至損益表。

本集團應佔收購後聯營公司之溢利或虧損於損益表內確認，而應佔收購後其他全面收入之變動則於其他全面收入中確認，投資賬面值也會隨之而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其於該聯營公司之權益（包括任何其他無抵押應收款），則本集團不會確認進一步虧損，除非本集團需對該聯營公司承擔法定或推定責任或代表該聯營公司作出付款。

2 Summary of significant accounting policies (continued)

2.2 Consolidation (continued)

(d) Associates (continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to “share of profits less losses of associates” in the income statement.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interests in associates are recognised in the profit or loss.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the directors of the Company who make strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The Group’s functional currency is Renminbi and the Group’s presentation currency is Hong Kong dollars to facilitate analysis of the financial information of the Group, which is listed in Hong Kong.

2 主要會計政策概要(續)

2.2 綜合基準(續)

(d) 聯營公司(續)

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在收益表中確認於「應佔聯營公司溢利減虧損」旁。

本集團與其聯營公司之間交易的未變現收益按本集團於聯營公司權益的數額對銷。除非交易時有證據顯示所轉讓資產有所減值，否則未變現虧損亦會對銷。聯營公司之會計政策於有需要時更改，以確保與本集團所採納之會計政策一致。

於聯營公司之權益攤薄所產生之收益或虧損於損益表內確認。

2.3 分部報告

經營分部按照公司內部向主要經營決策人(「主要經營決策人」)提供報告之一貫方式予以呈報。主要經營決策人負責分配資源及評估經營分部表現，已識別為作出策略決定之本公司董事。

2.4 外幣換算

(a) 功能及呈報貨幣

計入本集團各實體財務報表之項目乃採用實體經營業務所在主要經濟環境之貨幣計算(「功能貨幣」)。本集團之功能貨幣為人民幣，而本集團之呈報貨幣為港元，以方便分析於香港上市之本集團之財務資料。

2 Summary of significant accounting policies (continued)

2.4 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Cumulative exchange differences arising are recognised in other comprehensive income.

2 主要會計政策概要(續)

2.4 外幣換算(續)

(b) 交易及結餘

外幣交易均按交易或估值(如有關項目需重新計量)當日之現行匯率換算為功能貨幣。因該等交易結算及按年結日之匯率換算以外幣計值之貨幣資產及負債而產生之匯兌損益，均於損益表確認。

(c) 集團公司

集團旗下所有實體如有與呈報貨幣不一致之功能貨幣(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)，其業績及財務狀況均按以下方法兌換為呈報貨幣：

- (i) 每項資產負債表之資產及負債均按照該資產負債表結算日之收市匯率換算為呈報貨幣；
- (ii) 每項全面收入報表之收入及開支均按照平均匯率換算為呈報貨幣(但若此平均匯率未能合理地反映各交易日之匯率所帶來之累計影響，則按照各交易日之匯率換算此等收入及開支)；及
- (iii) 所產生之所有匯兌差額均於其他全面收入中確認。

因收購海外公司而產生之商譽及公平值調整，均視作該海外公司之資產及負債處理，並以收市匯率換算。累計所產生之匯兌差額在其他全面收入中確認。

2 Summary of significant accounting policies (continued)

2.4 Foreign currency translation (continued)

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates that do not result in the Group losing significant influence) the proportionate share of the accumulated currency translation difference is reclassified to profit or loss.

2.5 Property, plant and equipment

Property, plant and equipment, comprising leasehold improvements, plant and machinery, motor vehicles and furniture, fixtures and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

2 主要會計政策概要(續)

2.4 外幣換算(續)

(d) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務之全部權益、或涉及失去對一間具有海外業務的附屬公司之控制權之出售、或涉及失去對一間具有海外業務的聯營公司之重大影響力之出售)時,就本公司權益持有人應佔該業務而於權益內累計之所有匯兌換算差額重新分類至損益表。

就有關部分出售並未導致本集團失去具有海外業務之附屬公司之控制權,則按比例將累計匯兌換算差額重新分配予非控股權益,且不在損益表內確認。就所有其他部分出售(即削減本集團於聯營公司之擁有權權益,而不會導致本集團失去重大影響力)而言,則按比例將累計匯兌換算差額重新分類至損益表。

2.5 物業、機器及設備

物業、機器及設備包括租賃物業裝修、廠房及機器、汽車以及傢俬、裝置及設備,按以往成本減累計折舊及累計減值虧損列賬。歷史成本包括直接因收購有關項目而動用之開支。

2 Summary of significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated using the straight-line method, to write off their cost less the residual values over their estimated useful lives or remaining useful lives for those second-hand assets and the estimated useful lives are as follows:

Electricity utility plants	Shorter of the remaining operation period or 20 years
Other plant and machinery	5 years
Leasehold improvements	Shorter of the lease period or 5 years
Furniture, fixtures and equipment	3-5 years
Motor vehicles	3-5 years

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

Subsequent costs are included in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the profit or loss during the financial period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/losses, net in the profit or loss.

2 主要會計政策概要(續)

2.5 物業、機器及設備(續)

物業、機器及設備使用直線法計算折舊，於估計可使用年期或二手資產之剩餘可使用年期內撇減其成本。有關估計可使用年期載列如下：

發電廠	餘下營業期或二十年 (以較短者為準)
其他機器及設備 租賃物業裝修	五年 租賃年期或五年 (以較短者為準)
傢俬、裝置及設備	三至五年
汽車	三至五年

每個結算日均會檢討資產之餘值及可使用年期，如有需要會作出調整。

其後成本僅於與該項目有關的未來經濟利益很有可能流入本集團及項目成本能夠可靠計量時，方計入資產賬面值或確認為一項獨立資產(視適用情況而定)。已置換部件之賬面值會剔除確認。所有其他維修及保養費用於產生財政期間在損益表扣除。

當資產之賬面值超過預計可收回款額時，資產賬面值即時撇減至其可收回款額(附註2.9)。

出售盈虧按比較所得款項與賬面值釐定，並於損益表內其他收益／虧損淨額確認。

2 Summary of significant accounting policies (continued)

2.6 Construction in progress

All costs directly attributable to the construction of property, plant and equipment including borrowing costs during the construction period are capitalised as the costs of the assets, which are classified as construction in progress. On completion, the construction in progress is transferred to property, plant and equipment at cost less accumulated impairment losses. No depreciation is provided on construction in progress until such items as the relevant assets are completed and available for intended use.

2.7 Prepaid land lease payments

Prepaid land lease payments represent prepayments for leasehold land held under operating leases, which are stated at cost and subsequently are amortised in the profit or loss on a straight-line basis over the period of the lease or when there is impairment, the impairment is expensed in the profit or loss.

2.8 Intangible assets

(a) Concession right

Concession right acquired in a business combination is recognised at fair value at the acquisition date. The concession right has a finite useful life and is carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over its concession right period of shorter of the remaining operation period or 20 years.

(b) Computer software

Computer software separately acquired is shown at historical cost. Computer software acquired in a business combination is recognised at fair value at the acquisition date. Amortisation is calculated using the straight-line method to allocate the cost of computer software over its estimated useful live of 2-5 years.

2 主要會計政策概要(續)

2.6 在建工程

所有於建築期間與物業、機器及設備之建造相關之直接成本(包括借貸成本)，會資本化作為資產成本，並分類為在建工程。在建工程於完工後轉撥至物業、機器及設備，按成本值減累計減值虧損列賬。不會對在建工程計算折舊，直至有關資產已完成並可作擬定用途為止。

2.7 預付土地租賃款項

預付土地租賃款項即根據經營租賃持有之租賃土地之預付款項，按成本值列賬，其後須於租期以直線法在損益表攤銷，或倘出現減值，減值會在損益表中支銷。

2.8 無形資產

(a) 特許權

於業務合併過程中獲得之特許權按收購當日之公平值確認。特許權之使用年期有限，按成本值減累計攤銷及減值列賬。攤銷於特許權期間按餘下營業期或二十年(以較短者為準)以直線法計算。

(b) 電腦軟件

獨立收購之電腦軟件按歷史成本列賬。於業務合併過程中獲得之電腦軟件按收購當日之公平值確認。電腦軟件之攤銷以直線法分配電腦軟件之成本至其估計可使用年期二至五年計算。

2 Summary of significant accounting policies (continued)

2.9 Impairment of investments in subsidiaries, associates and non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

2 主要會計政策概要(續)

2.9 於附屬公司、聯營公司及非金融資產之投資減值

當有事件或情況變動顯示可能無法收回資產賬面值時，便會進行資產減值檢討。資產賬面值高出其可收回金額之數會確認為減值虧損。可收回金額指資產之公平值減出售成本或使用價值(以較高者為準)。於評核減值時，資產按可分開識別現金流量(即現金產生單位)最小單位進行分組。倘商譽以外之資產出現減值，則於每個呈報日期檢討撥回減值之可能性。

2.10 金融資產

本集團將其金融資產分類如下：按公平值在損益表列賬之金融資產及貸款及應收款。分類方式視乎購入金融資產目的而定。管理層在初始確認時決定其金融資產的分類。

(a) 按公平值在損益表列賬之金融資產

按公平值在損益表列賬之金融資產為持作買賣之金融資產。倘購入之主要目的是在短期內出售，則該金融資產會歸類入此類別。除非指定作對沖，否則衍生工具將分類為持作買賣。此類別資產如預期將於十二個月內結算，便會分類為流動資產，否則分類為非流動資產。

2 Summary of significant accounting policies (continued)

2.10 Financial assets (continued)

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in fair value of the “financial assets at fair value through profit or loss” category are presented in the profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss when the Group’s right to receive payments is established.

2 主要會計政策概要(續)

2.10 金融資產(續)

(b) 貸款及應收款

貸款及應收款為附帶固定或待定付款且並無在活躍市場報價之非衍生金融資產。此等項目包括在流動資產內，但預期將於報告期末起計超過十二個月結算的數額，則分類為非流動資產。

一般金融資產買賣乃於買賣日期(即本集團承諾買賣有關資產當日)確認入賬。對於所有並非按公平值在損益表列賬之金融資產，投資初始按公平值加交易成本確認。按公平值在損益表列賬之金融資產，初始按公平值確認，交易成本於損益表支銷。金融資產於收取投資現金流量的權利屆滿或已經轉讓且本集團已轉讓擁有權絕大部分風險和回報時，終止確認。按公平值在損益表列賬之金融資產其後以公平值列賬。貸款及應收款以實際利率法按攤銷成本列賬。

「按公平值在損益表列賬之金融資產」類別的公平值變動而產生的盈虧，於產生期間在損益表列賬。按公平值在損益表列賬之金融資產所得股息收入，於本集團收取款項之權利確定時，於損益表確認。

2 Summary of significant accounting policies (continued)

2.10 Financial assets (continued)

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counter party.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

2.11 Financial guarantee policy

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of subsidiaries or associates to secure loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantee was given. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the initial amount, less amortisation of fees recognised in accordance with HKAS 18, and the best estimate of the amount required to settle the guarantee. These estimates are determined based on experience of similar transactions and history of past losses, supplemented by management's judgement. The fee income earned is recognised on a straight-line basis over the life of the guarantee. Any increase in the liability relating to guarantees is reported in the profit or loss within other operating expenses.

2 主要會計政策概要(續)

2.10 金融資產(續)

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對應方一旦出現違約、無償債能力或破產時，這也必須具有約束力。

本集團會在每個結算日評估是否有客觀證據證明金融資產或一組金融資產已經減值。

2.11 財務擔保政策

財務擔保合約是指發行人須就某指定債務人未能根據債務工具的條款支付到期債務時須向合約持有人支付指定款項以償付其損失的合約。該等財務擔保乃代表附屬公司或聯營公司授予銀行、金融機構及其他團體以擔保其貸款、透支及其他銀行信貸。

財務擔保初步按擔保提供之日的公平值於財務報表中確認。初步確認後，本集團於該項擔保下的負債按初始金額減根據香港會計準則第18號已確認的費用攤銷與償付擔保債務所需金額的最佳估計的較高者計量。該等估計乃根據類似交易經驗及過往虧損歷史並輔以管理層的判斷而釐定。所賺取的費用收入按直線法於擔保期間內確認。有關擔保責任的任何增加匯報於損益表確認為其他營運開支。

2 Summary of significant accounting policies (continued)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the provision is recognised in the profit or loss. When a trade receivable is uncollectible, it is written off against other gains/losses, net in the profit or loss. Subsequent recoveries of amounts previously written off are credited to other gains/losses, net in the profit or loss.

2.14 Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

2 主要會計政策概要(續)

2.12 存貨

存貨按成本與可變現淨值之較低者列賬。成本以先進先出法釐定。可變現淨值為在日常業務過程中之估計銷售價減適用之變動銷售費用。

2.13 應收賬款及其他應收款

應收賬款及其他應收款初始按公平值確認，其後以實際利率法按攤銷成本減去減值撥備計算。應收賬款及其他應收款之減值撥備於出現客觀證據證明本集團無法按應收款之原有條款收回所有金額時確認。倘債務人出現重大財政困難、債務人有可能破產或進行財務重組及違約或拖欠還款，均被視為應收賬款減值跡象。撥備金額為資產賬面值與估計未來現金流量之現值(按原實際利率貼現計算)之差額。撥備金額於損益表確認。當應收賬款不能收回時，將撇銷在損益表中從其他收益／虧損淨額中抵銷。先前已撇銷之金額在其後撥回時會在損益表計入其他收益／虧損淨額中。

2.14 應付賬款及其他應付款

應付賬款及其他應付款初始按公平值確認，其後以實際利率法按攤銷成本計量。

2 Summary of significant accounting policies (continued)

2.15 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要(續)

2.15 現金及現金等價物

在綜合現金流量表中，現金及現金等價物包括手頭現金、銀行通知存款、其他原到期日為三個月或以下之短期高流通性投資，以及銀行透支。

2.16 股本

普通股分類為權益。發行新股份或購股權之直接應佔遞增成本，於權益中列為所得款項之扣減項目(扣除稅項)。

2.17 當期及遞延所得稅

期內稅項開支指當期及遞延稅項。稅項於損益表確認，惟如其與在其他全面收入中確認或直接在權益確認之項目有關則除外。在此情況下，稅項亦分別在其他全面收入中確認或直接在權益中確認。

當期所得稅開支以本公司附屬公司及聯營公司經營及產生應課稅收入之國家在結算日已頒佈或實質頒佈之稅務法例計算。管理層定期就適用並有待詮釋之稅務法例評估報稅情況，並在適用情況下按預期向稅務機構支付之稅款設定撥備。

2 Summary of significant accounting policies (continued)

2.17 Current and deferred income tax (continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or difference taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要(續)

2.17 當期及遞延所得稅(續)

遞延所得稅就資產及負債之稅基與綜合財務報表所示賬面值之間的暫時差異，以負債法作出確認。然而，倘遞延稅項負債乃由初始確認商譽而產生，將不予確認。若遞延所得稅來自在交易(不包括企業合併)中對資產或負債之初始確認而在交易時並無影響會計及應課稅盈虧，將不會入賬。於非業務合併的交易中初次確認資產或負債而產生遞延所得稅，而交易當時並無影響會計處理及應課稅溢利或虧損，則不會將遞延所得稅入賬。遞延所得稅按結算日前已頒佈或實際頒佈，並預期於相關遞延所得稅資產變現或遞延所得稅負債結算時應用之稅率(及法例)釐定。

遞延所得稅資產於未來有可能取得應課稅溢利而令致暫時差異得以抵銷時確認。

遞延所得稅乃就附屬公司及聯營公司投資產生之暫時差異而撥備，惟本集團可以控制暫時差異之撥回時間，且暫時差異在可預見將來不大可能撥回之遞延稅項負債則除外。

當有可依法強制執行權利，以將當期稅項資產抵銷當期稅項負債，且遞延所得稅資產及負債乃與同一稅務機關向同一應課稅實體或不同應課稅實體徵收之所得稅有關，及有意按淨額基準結清餘額，則遞延所得稅資產及負債乃予以抵銷。

2 Summary of significant accounting policies (continued)

2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

2.19 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as 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 eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

2 主要會計政策概要(續)

2.18 借款

借款初始按公平值扣除已產生交易成本後確認。借款其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值之任何差額於借款期內以實際利率法於損益表內確認。

設立貸款融資所支付費用將於部分或全部融資有可能被提取之情況下確認為貸款之交易成本。於此情況下，費用將會遞延直至提取貸款為止。倘若無證據顯示部分或全部融資有被提取之可能，費用將撥充資本作為流動資金之預付款項，並於融資之相關期間內攤銷。

除非本集團有權無條件將負債之結算遞延至結算日期後最少十二個月，否則借款分類為流動負債。

2.19 借款成本

可直接歸屬且需經較長時間的預備方能達至預定可使用或出售狀態之合資格資產收購、建設或生產的一般及特定借款成本，計入該等資產之成本，直至達至其預定可使用或出售狀態為止。

在特定借款撥作合資格資產支出前之暫時投資所賺取之投資收入，須自合資格資本化之借款成本中扣除。

所有其他借款成本於其產生期間於損益表確認。

就興建任何合資格資產產生的借款成本，於資產須完成備妥作擬定用途期間資本化。其他借款成本予以支銷。

2 Summary of significant accounting policies (continued)

2.20 Employee benefits

(a) Employee leaves entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Defined contribution plans

The Group participates in a mandatory provident fund scheme (“MPF”) and employee pension schemes established by municipal government in the PRC for the eligible employees in Hong Kong and the PRC respectively.

The Group’s and the employees’ contributions to the MPF comply with the related statutory requirements. The Group has no further payments obligations once the contributions have been paid. The Group’s contributions to the MPF are expensed as incurred and are not reduced by contributions forfeited by those employees who leave MPF prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. The asset of MPF is held separately from those of the Group in independently administered funds.

The Group’s contribution to the employee pension schemes in the PRC is at a percentage in compliance with the requirements of respective municipal governments.

2 主要會計政策概要(續)

2.20 僱員福利

(a) 僱員應享假期

僱員應享之年假乃於僱員有權享有時確認。本公司將會就因僱員截至結算日之服務而產生之年假之估計負債作出撥備。

僱員應享病假及產假於僱員放假時方會確認。

(b) 定額供款計劃

本集團分別為了香港及中國之合資格僱員而參與強制性公積金計劃(「強積金」)及由中國市政府設立之僱員退休金計劃。

本集團及僱員均按有關法例要求對強積金作出供款。在支付供款後，本集團再無進一步付款責任。本集團對強積金作出之供款於產生時列作開支，而不會扣減僱員於全數享有供款前不再參與強積金而被沒收之供款。倘出現現金退款或未來款項扣減，預付供款將確認為資產。強積金之資產與本集團資產分開持有，並由獨立管理之基金管理。

本集團就中國僱員退休金計劃作出之供款乃根據相關市政府規定之百分比作出。

2 Summary of significant accounting policies (continued)

2.20 Employee benefits (continued)

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(d) Share-based compensation

The Group operates an equity-settled, share-based compensation plan in which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions which are included in assumptions about the number of options that are expected to vest and including the impact of any non-vesting conditions (for example, the requirement for employees to save). At each balance sheet date, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting performance and service conditions. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period.

2 主要會計政策概要(續)

2.20 僱員福利(續)

(c) 終止服務福利

終止服務福利在本集團於正常退休日期前終止僱用僱員，或當僱員接受自願離職以換取此等福利時支付。本集團在以下較早日期發生時確認終止服務福利：(a)當本集團不再能夠撤回此等福利要約時；及(b)當主體確認的重組成本屬於香港會計準則第37號的範圍內並涉及支付終止服務福利時。在鼓勵僱員自願離職要約的情況下，終止服務福利按預期接受要約的僱員數目計算。在報告期末後超過十二個月支付的福利應貼現為現值。

(d) 股份補償

本集團設有以股權結算之股份補償計劃。據此，本集團自僱員收取服務作為本集團股本工具之代價。就僱員提供服務而授出購股權作交換之公平值會確認為開支。將於歸屬期內支銷之總金額乃參考所授出購股權之公平值釐定，不包括任何非市場性質之歸屬條件（在作出有關預期歸屬購股權數目假設時，已計入非市場性質之歸屬條件）之影響，以及包括任何非歸屬條件（例如：僱員儲蓄要求）之影響。於各結算日，本集團會基於非市場歸屬表現及服務條件，對預期歸屬購股權數目之估計作出修訂。本集團會在損益表確認修訂原來估計所產生之影響（如有），並於餘下歸屬期內對權益作出相應調整。

2 Summary of significant accounting policies (continued)

2.20 Employee benefits (continued)

(d) Share-based compensation (continued)

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. In respect of the potential obligations to dismantle the wind farms at the end of their useful lives, the Group would assess the obligations continuously based on the latest changes in the laws and regulations and make provision when the recognition criteria are met.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown net of business tax within the Group and after eliminating sales within the Group.

2 主要會計政策概要(續)

2.20 僱員福利(續)

(d) 股份補償(續)

已收所款項在扣除任何直接應佔交易成本後在行使購股權時計入股本(面值)及股份溢價。

2.21 撥備

當本集團因已發生之事件而產生現有的法律或推定責任，並很有可能需要流出資源以償付責任，且能可靠地估計有關金額時，便會確認撥備。鑒於風電場於其使用年期末時的潛在拆卸責任，本集團將按法律及規定的最新改動，持續評估責任及於達到確認標準後作出撥備。

當有多項類似責任時，於清償責任時需要流出資金之可能性，乃根據責任之類別整體考慮。即使在同一責任類別內任何一個項目流出資金之可能性極低，仍會確認撥備。

撥備按預期履行責任所需開支之現值計算，而上述金額按可反映金錢之時間價值及責任特定風險之現有市場評估的稅前比率計算。撥備隨時間流逝而增加之金額確認為利息支出。

2.22 收益確認

收益指本集團在日常業務過程中提供服務的已收或應收代價公平值。收益在扣除集團內之營業稅後，並與集團內之銷售額對銷後呈列。

2 Summary of significant accounting policies (continued)

2.22 Revenue recognition (continued)

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (i) Revenue from alternative energy is recognised based on power dispatch during commercial operation. Commercial operation starts when obtaining a Power Purchase Agreement, safety certificate from the State Electricity Regulatory Commission (“SERC”) or Provincial Grid Authority, and 240 hours commissioning. Revenue attributable to the sales of electricity generated during construction and testing period is not included in the electricity sales revenue, but is offset against the cost of property, plant and equipment.
- (ii) Revenue from Clean Development Mechanism (“CDM”) is recognised when the counterparty has committed to purchase the carbon credits, the sales prices have been agreed, relevant electricity has been generated and transmitted, and it is probable that the carbon credits will be entitled.
- (iii) Interest income is recognised on a time proportion basis using the effective interest method.
- (iv) Dividend income is recognised when the right to receive payment is established.

2 主要會計政策概要(續)

2.22 收益確認(續)

當收益金額能夠可靠計量、未來經濟利益很有可能流入有關實體，而本集團每項活動均符合下文所述之具體條件時，本集團便會確認收益。除非與銷售有關的所有或然事項均已解決，否則收益金額不會被視為能夠可靠計量。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

- (i) 來自替代能源之收益按商業營運中輸電確認。於獲得購電協議、國家電力監管委員會(「電監會」)或省電網管理局發出之安全證書及進行240小時試運行後，方會開始商業營運。應佔建設及測試期間電力銷售的收益不計入電力銷售收益，但與物業、機器及設備成本對銷。
- (ii) 來自清潔發展機制(「清潔發展機制」)之收益乃於對應方協議購買碳排放額度、售價已協定、有關電力已產生及輸出，並有理由肯定享有碳排放額度時確認。
- (iii) 利息收入以實際利率法按時間比例基準確認。
- (iv) 股息收入於確立收款權利時確認。

2 Summary of significant accounting policies (continued)

2.23 Operating leases as lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

2.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

2.25 Dividend distribution

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

2 主要會計政策概要(續)

2.23 經營租賃(作為承租人)

出租者保留資產擁有權之絕大部分風險及回報之租賃，均歸類為經營租賃。根據經營租賃支付之款項(在扣除自出租者收取之任何優惠後)於租賃期內以直線法在損益表扣除。

2.24 或然負債

或然負債指因為已發生之事件而可能引起之責任，而其存在只能就集團控制範圍以外之一宗或多宗不確定未來事件發生或不發生之情況下確認。或然負債亦可能是因為已發生之事件引致之現有責任，但由於不可能導致經濟資源流出，或責任金額未能可靠計量而不作確認者。

或然負債不會被確認，但會在綜合財務報表附註中披露。倘若資源流出之可能性改變導致可能出現資源流出，則將或然負債確認為撥備。

2.25 派付股息

向本公司股東派付之股息於批准派付股息之期間在本集團及本公司之財務報表中確認為負債。

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's major financial instruments include trade and other receivables, cash and cash equivalents, trade and other payables and bank borrowings. Details of these financial instruments are disclosed in the respective notes.

It is the policy of the Group not to enter into derivative transactions for speculative purposes.

The Board of Directors focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Foreign exchange risk

The Group operates mainly in Hong Kong and the Mainland China and is exposed to foreign exchange risk arising from future commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the Group's functional currency.

The Group currently does not have any foreign currency hedging policy. However, the management of the Group monitors the foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

As at 31 December 2016, if US dollars and Hong Kong dollars had strengthened/weakened by 5% against Renminbi respectively, with all other variables held constant, the Group's profit before tax would have been HK\$2,855,000 higher/lower respectively (2015: HK\$2,880,000 higher/lower).

3 財務風險管理

3.1 財務風險因素

本集團業務令本集團面對多項財務風險：外匯風險、利率風險、信貸風險及流動資金風險。本集團之主要金融工具包括應收賬款及其他應收款、現金及現金等價物、應付賬款及其他應付款及銀行借款。此等金融工具之詳情於各附註披露。

本集團之政策為不會就投機進行衍生交易。

董事會專注於金融市場難以預測的一面，力求減低其對本集團財務表現之潛在負面影響。董事會就管理各項風險進行檢討及議定政策，現概述如下。

(a) 外匯風險

本集團主要於香港及中國大陸經營業務，故面對外匯風險。外匯風險來自未來商業交易及以本集團功能貨幣以外貨幣列值之貨幣資產及負債。

本集團現時並無任何外匯對沖政策。然而，本集團管理層密切監察外匯風險，並於有需要時考慮對沖重大外匯風險。

於二零一六年十二月三十一日，倘美元及港元兌人民幣分別升值／貶值5%，而所有其他變動因素維持不變，本集團之稅前溢利應分別增加／減少2,855,000港元（二零一五年：增加／減少2,880,000港元）。

3 Financial risk management (continued)**3.1 Financial risk factors (continued)****(b) Interest rate risk**

The Group's interest rate risk mainly arises from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk due to fluctuation of the prevailing market interest rate. The Group's results and operating cash flows are dependent on changes in market interest rates.

The Group does not use any derivative contracts to hedge its exposure to interest rate risk. However, management will consider hedging significant interest rate exposures should the need arise.

As at 31 December 2016, if interest rates had been 100 (2015: 100) basis points higher/lower and all other variables were held constant, the Group's profit before income tax would have decreased/increased by HK\$3,034,000 (2015: HK\$3,895,000).

(c) Credit risk

The Group is exposed to credit risk in its short-term bank deposits, cash and cash equivalents, prepayments and trade and other receivables, and financial guarantee provided for credit facilities granted to certain associates.

The carrying amounts of short-term bank deposits, cash and cash equivalents and trade and other receivables represent the Group's maximum exposure to credit risk in relation to its financial assets.

To manage the credit risk associated with short-term bank deposits, cash and cash equivalents, most of the deposits are placed with certain state-owned banks in the PRC which are high-credit-quality financial institutions and banks with high credit rankings in Hong Kong.

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 利率風險**

本集團之利率風險主要源於銀行借款。由於現行市場利率波動，按浮動利率授出之借款導致本集團須面對現金流量利率風險。市場利率變動對本集團之業績及經營現金流量有影響。

本集團並無使用任何衍生合約對沖其面對之利率風險。然而，管理層將於有需要時考慮對沖重大利率風險。

於二零一六年十二月三十一日，倘利率增加／減少100個點子（二零一五年：100個），而所有其他變動因素維持不變，本集團之所得稅前溢利於利息資本化後應減少／增加3,034,000港元（二零一五年：3,895,000港元）。

(c) 信貸風險

本集團之短期銀行存款、現金及現金等價物、預付款項及應收賬款及其他應收款，及就授予若干聯營公司的信貸融資擔保令本集團面對信貸風險。

短期銀行存款、現金及現金等價物以及應收賬款及其他應收款之賬面值，指本集團就其金融資產面對之最高信貸風險。

為管理短期銀行存款、現金及現金等價物之相關信貸風險，大部分存款存放於若干中國國有銀行，即高信貸質素之金融機構，以及於香港獲高信貸評級之銀行。

3 Financial risk management (continued)**3.1 Financial risk factors (continued)****(c) Credit risk (continued)**

To manage the credit risk associated with trade and other receivables, the Group adopts risk control measures to assess the credit quality, to determine credit limits and approve credit of customers, taking into account their financial position and past experience. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

The Group is exposed to significant concentration of credit risk in terms of electricity sales as the Group's sales of electricity were made to state-owned provincial power grid companies. The Group normally does not require collateral from trade debtors. It normally grants credit terms of 30 days to these power grid companies. However, part of the trade receivables due from the power grid companies relate to government subsidy which are subject to the government allocation of the tariff surcharge for renewable energy. Based on past experience and industry practice, these tariff premiums are generally paid in 6 to 12 months from the date of the sales recognition. Ageing analysis of the Group's trade receivables is disclosed in Note 19. Management makes periodic collective assessment as well as individual assessment of the recoverability of trade and other receivables based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any disputes with the relevant debtors. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables has been made.

3 財務風險管理(續)**3.1 財務風險因素(續)****(c) 信貸風險(續)**

為管理應收賬款及其他應收款之相關信貸風險，本集團已採納風險監控措施，經考慮客戶之財務狀況及過往經驗後，評估彼等之信貸質素、釐定信貸額及批出信貸額。本集團已制定監察程序，以確保採取跟進行動收回逾期債務。

本集團於電力銷售方面面對嚴重的集中信貸風險，原因為本集團電力大部分售予國有省級電網公司。本集團一般不會就應收賬款要求收取抵押品。本集團一般向電網公司批出為期30日之信貸期。然而，部分應收電網公司之應收賬款與政府補助有關，受限於政府就再生能源電費附加費之分配。根據過往經驗及行規，此等電費溢價一般於確認銷售之日起計6至12個月內支付。本集團應收賬款之賬齡分析於附註19披露。管理層定期對應收賬款及其他應收款之可收回程度進行整體及個別評核，有關評核乃根據過往付款記錄、逾期長短、債務人之財政實力及與有關債務人是否有任何糾紛等基準而作出。本集團於收回應收賬款及其他應收款之過往經驗與所記錄撥備相符，另董事認為本集團已就不能收回之應收款作出充份撥備。

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its current obligations when they fall due. The Group measures and monitors its liquidity through the maintenance of prudent ratios regarding the liquidity structure of the overall assets, liabilities, loans and commitments of the Group. The Group also maintains a conservative level of liquid assets to ensure the availability of sufficient cash flows to meet any unexpected and material cash requirements in the course of ordinary business.

During the year, the Group complied with all externally imposed loan covenant requirements to which it was subject.

The following table details the Group's contractual maturity for its financial liabilities at the balance sheet date. The table has been drawn up with reference to the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is required to pay. Except for bank borrowings, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
		一年內	一至二年	二至五年	五年以上	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 31 December 2016	於二零一六年十二月三十一日					
Bank borrowings	銀行借款	106,182	101,842	267,264	76,866	552,154
Trade and other payables	應付賬款及其他應付款	68,433	-	-	-	68,433
Financial guarantee	財務擔保	106,714	-	-	-	106,714
At 31 December 2015	於二零一五年十二月三十一日					
Bank borrowings	銀行借款	113,543	109,064	304,813	143,933	671,353
Trade and other payables	應付賬款及其他應付款	65,911	-	-	-	65,911
Financial guarantee	財務擔保	127,462	-	-	-	127,462

3 財務風險管理(續)

3.1 財務風險因素(續)

(d) 流動資金風險

流動資金風險為本集團未能於即期債務到期時履行責任之風險。本集團會透過維持流動資金架構(包括本集團的整體資產、負債、貸款及承擔)於審慎的比率，計量及監察其流動資金情況。本集團亦維持流動資產於穩健水平，以確保具備充裕現金流量，足以應付日常業務過程中任何未能預測及重大的現金需要。

本年度內，本集團遵循所有有關外部借貸合同的要求。

下表詳列本集團於結算日金融負債之合約到期日。下表參考金融負債之未貼現現金流量及本集團須償還有關款項之最早日期而編製。除銀行借款外，由於貼現影響不大，故於十二個月內到期之結餘相等於其賬面值。

3 Financial risk management (continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by reviewing the capital structure. The capital structure of the Group consists of debt and equity attributable to equity holders of the Company, as shown in the consolidated balance sheet. The Group considers the cost and the risk associated with the capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or conduct shares buy-back.

The Group maintains its gearing ratio within the reasonable range according to the Group's strategy.

The gearing ratios as 31 December 2016 and 2015 were as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current borrowings	流動借款	82,414	84,856
Non-current borrowings	非流動借款	383,018	471,874
Total borrowings	借款總額	465,432	556,730
Less: Cash and bank deposits	減：現金及銀行存款	(214,179)	(185,519)
Net debt position	債務淨額狀況	251,253	371,211
Total equity	權益總額	1,563,671	1,606,966
Gearing ratio	資本負債比率	16.1%	23.1%

3 財務風險管理(續)

3.2 資本風險管理

本集團管理資本之宗旨為保障本集團持續經營業務之能力，務求為股東提供回報及為其他股東權益持有人帶來利益，並維持最佳的資本架構從而減低資金成本。

本集團透過檢討資本架構監控資本。誠如綜合資產負債表所示，本集團之資本架構包括債務及本公司權益持有人應佔權益。本集團會考慮資金成本及資金相關風險。為維持或調整資本架構，本集團或會調整向股東支付之股息金額、發行新股份或進行股份購回。

本集團根據其策略，將本集團資本負債比率維持於合理範圍內。

於二零一六年及二零一五年十二月三十一日之資本負債比率如下：

3 Financial risk management (continued)

3.3 Fair value estimation

The Group has no assets and liabilities that are measured at fair value at 31 December 2016 and 2015.

The carrying values of trade and other receivables, bank deposits, cash and cash equivalents, trade and other payables approximate their fair values due to their short maturities. The carrying values of variable rate borrowings approximate their fair values as the impact of discounting using the relevant rate is not significant.

4 Critical accounting estimates and judgements

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

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

(a) Estimated impairment of property, plant and equipment, intangible assets, prepaid land lease payments and interests in associates

The Group tests whether property, plant and equipment, intangible assets, prepaid land lease payments and interests in associates engaged in the alternative energy businesses (“Alternative Energy Projects”) have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the relevant accounting policies. The Group reviews certain indicators of potential impairment such as operating performance, actual electricity dispatched, tariff of electricity, market unit price of Certified Emission Reduction (“CER”) and other general market conditions.

3 財務風險管理(續)

3.3 公平值估計

於二零一六年及二零一五年十二月三十一日本集團並無按公平值計量之資產及負債。

應收賬款及其他應收款、銀行存款、現金及現金等價物以及應付賬款及其他應付款之賬面值與其公平值相若，乃由於其短期到期之性質所致。浮息借款之賬面值與其公平值相若，乃由於使用相關利率折現的影響並不重大。

4 重大會計估算及判斷

本集團持續根據過往經驗及其他因素(包括在有關情況下合理預期之未來事件)評估已作出之估算及判斷。

本集團作出有關未來之估算及假設。顧名思義，所作之會計估算很少與相關實際結果相同。下文載列極有可能導致下一個財政年度之資產及負債賬面值作出重大調整之估算及假設。

(a) 物業、機器及設備、無形資產、預付土地租賃款項及於聯營公司之權益之估計減值

當有事件或情況變動顯示可能無法收回賬面值時，本集團便會按照相關會計政策測試物業、機器及設備、無形資產、預付土地租賃款項及於從事替代能源業務(「替代能源項目」)之聯營公司之權益有否出現任何減值。本集團會審閱若干潛在減值指標，例如：營運表現、實際輸電量、電費、核證減排量(「核證減排量」)之市場單位價格以及其他一般市場狀況。

4 Critical accounting estimates and judgements (continued)

(a) Estimated impairment of property, plant and equipment, intangible assets, prepaid land lease payments and interests in associates (continued)

If an indication of impairment is identified, the need for recognising an impairment loss is assessed by comparing the carrying amount of the assets, to the higher of (i) the fair value less cost to sell, and (ii) the value-in-use of the cash-generating units. The value-in-use of the cash-generating units represents estimated future cash flows from the continuous use of the assets, and requires complex assumptions and estimates such as future electricity dispatched, tariff of electricity and CER and discount rates. The discount rates used to discount the estimated future cash flows are based on the relevant industry sector risk premium and the gearing ratio.

During the year, the Group has performed impairment assessment on the Alternative Energy Projects with impairment indicators. The value-in-use calculation was based on the key assumptions, including (i) average annual tariff increment at approximately 2% (2015: 2%) based on management's expectation on market development and general inflation, (ii) Projection of volume of electricity dispatched based on the operational feasibility reports and historical performances, and (iii) assuming the contributions from CER is of negligible amount. The pre-tax discount rates applied to the cash flow projections are 11.38%–11.50% per annum.

Based on the impairment assessment, the recoverable amounts of cash-generating units are higher than their respective carrying amounts.

Judgement is required in the area of impairment. If there is a significant adverse change in the key assumptions, it may be necessary to have an impairment charge to the income statement.

4 重大會計估算及判斷(續)

(a) 物業、機器及設備、無形資產、預付土地租賃款項及於聯營公司之權益之估計減值(續)

倘有減值跡象，確認減值虧損之需要乃透過比較資產賬面值與下列各項之較高者：(i)公平值減出售成本，及(ii)現金產生單位之使用價值。現金產生單位之使用價值指持續使用資產產生之估計未來現金流量，本集團須就此作出複雜假設及估計，包括未來輸電量、電費、核證減排量及貼現率等。用以貼現估計未來現金流量之貼現率乃基於相關行業風險溢價及資本負債比率釐定。

本年度內，本集團已就存在減值迹象的替代能源項目作出減值評估。使用價值計算乃基於數項主要假設而作出，包括：(i)基於管理層對市場發展及整體通脹之預期，平均每年約有2% (二零一五年：2%)之電費增幅，(ii)根據營運可行性報告及過往表現之基準估計之輸電量，及(iii)假設來自核證減排量之貢獻不多。適用於現金流量預測之稅前貼現率為每年11.38%至11.50%。

根據減值評估，現金產生單位之可收回金額高於其各自賬面值。

減值範疇須作出判斷。倘關鍵假設發生重大不利變動，收益表可能需要扣除減值開支。

4 Critical accounting estimates and judgements (continued)

(a) Estimated impairment of property, plant and equipment, intangible assets, prepaid land lease payments and interests in associates (continued)

With all other variables held constant, if there is an average annual tariff increment at 1% (2015: 1%) throughout the operating period, the recoverable amount would be less than the carrying amount by HK\$14,494,000 (2015: HK\$16,723,000). Similarly, with all other variables held constant, if the volume of electricity dispatched is 10% (2015: 10%) less than management expectation, the recoverable amount would be less than the carrying amount by HK\$32,224,000 (2015: HK\$84,205,000).

(b) Useful lives and residual value of property, plant and equipment

Management of the Company and its subsidiaries determine the estimated useful lives, residual value and related depreciation charges for its property, plant and equipment. This estimate is based on projected wear and tear incurred during power generation. This could change significantly as a result of technical renovations on power generators. Management will adjust the estimated useful lives where useful lives vary with previously estimated useful lives. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from current assumptions could require material adjustments to the carrying amount of property, plant and equipment.

(c) Income taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

4 重大會計估算及判斷(續)

(a) 物業、機器及設備、無形資產、預付土地租賃款項及於聯營公司之權益之估計減值(續)

在所有其他變數維持不變之情況下，倘於營運年期內每年平均電費增加1%(二零一五年：1%)，可收回金額將少於賬面值14,494,000港元(二零一五年：16,723,000港元)。同樣地，在所有其他變數維持不變之情況下，倘輸電量較管理層預期少10%(二零一五年：10%)，可收回金額將少於賬面值32,224,000港元(二零一五年：84,205,000港元)。

(b) 物業、機器及設備之可使用年期及剩餘價值

本公司及其附屬公司之管理層釐定物業、機器及設備之估計可使用年期、剩餘價值及相關折舊支出。此估計乃基於發電期間產生之預測磨損而作出。此可能會因發電機之技術革新而發生重大變動。若可使用年期與原先估計者不同，則管理層將調整估計可使用年期。據現時所知，若下一個財政年度之結果有別於現時假設，則有合理可能需要對物業、機器及設備之賬面值作出重大調整。

(c) 所得稅

本集團須於香港及中國繳納所得稅。在釐定所得稅撥備時，須作出重大判斷。於日常業務過程中，有許多交易及計算之最終稅項未能準確釐定。本集團根據有否額外稅項到期之估計而就可能須繳納之稅項確認負債。若該等事項之最終稅項結果與最初記錄之金額不同，有關差額將影響釐定最終稅項期間內之所得稅及遞延稅項撥備。

4 Critical accounting estimates and judgements (continued)

(d) Allowances for bad and doubtful debts

The policy for allowance of bad and doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of receivables and management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer.

(e) Revenue recognition for CDM income

CDM income is determined by the electricity volume generated, emission reduction factors and unit price of CER. The volumes of electricity transmitted to the grid companies are subject to the verification and certification by an agent appointed by the buyer. The final settlement of CDM income will only occur after verification and certification by an agent. A considerable amount of judgement is required in estimating the expected volumes of CER certification and the probability that future economic benefits will flow to the entity.

5 Revenue

The amount of each significant category of revenue recognised during the year is as follows:

The amount represents sales of electricity generated by the wind power plants of the Group, including value added tax refund of HK\$5,661,000 (2015: HK\$2,785,000). The Group has a single reportable segment which is wind power segment. As the Group does not have significant operations outside the PRC, no geographic segment information is presented.

For the year ended 31 December 2016, the Group's revenue for reportable segment from external customers of HK\$130,998,000 (2015: HK\$132,919,000) is only attributable to the China market.

4 重大會計估算及判斷(續)

(d) 呆壞賬撥備

本集團之呆壞賬撥備政策乃根據應收款之可收回程度及賬齡分析評估以及管理層之判斷釐定。於評估該等應收款之最終變現能力時，須作出大量判斷，包括每名客戶之信譽及過往收賬記錄。

(e) 清潔發展機制收入之收益確認

清潔發展機制收入乃根據產出電量、減排因素及核證減排量單位價格而釐定。向電網公司輸出的電量，須經由買家委任的代理檢驗及核證。清潔發展機制收入將僅於代理商檢驗及核證後作最後結算。於估計預期核證減排量的核證量及未來經濟利益將流向實體的可能性上，必須作出重大判斷。

5 收益

本年度確認的各主要收入項目的金額如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sales of electricity 電力銷售	130,998	132,919

該金額指本集團風力發電場產生之售電金額，包括增值稅退稅5,661,000 港元(二零一五年：2,785,000 港元)。本集團僅有一個可呈報分部，即風力發電分部。因本集團在中國境外並無重大營運，故無需呈列地理分部資料。

截至二零一六年十二月三十一日止年度，本集團來自外界客戶之可呈報分部收益為130,998,000 港元(二零一五年：132,919,000 港元)僅來自中國市場。

5 Revenue (continued)

For the year ended 31 December 2016, the Group has two customers with revenue exceeding 10% of the Group's total revenue (2015: two customers). Revenues from the customers amounted to HK\$91,792,000 and HK\$39,206,000 (2015: HK\$92,703,000 and HK\$40,216,000) respectively.

6 Expenses by nature

Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	1,494	1,550
– Non-audit services	– 非審核服務	400	400
Amortisation of prepaid land lease payments (Note 16)	預付土地租賃款項攤銷 (附註16)	1,092	1,152
Amortisation of intangible assets (Note 17)	無形資產攤銷(附註17)	413	445
Depreciation of property, plant and equipment (Note 14)	物業、機器及設備折舊 (附註14)	72,351	76,525
Net exchange gains	匯兌收益淨額	(943)	(1,156)
Employee benefit expenses (including directors' emoluments) (Note 10)	僱員福利開支(包括董事酬金)(附註10)	17,353	17,088
Operating lease rental	經營租賃租金	1,595	1,675
Repair and maintenance expenses	維修及保養開支	2,103	1,481
Corporate expenses	企業開支	862	847
Legal and professional fees	法律及專業費用	475	894
Management service fee	管理服務費	990	990
Other expenses	其他開支	11,722	10,374
Total cost of sales and administrative expenses	銷售成本及行政費用總額	109,907	112,265

7 Other gains

Gain on disposal of property, plant and equipment	出售物業、機器及設備所得收益	162	22
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5 收益(續)

截至二零一六年十二月三十一日止年度，本集團有兩名客戶(二零一五年：兩名客戶)，所佔收益超逾本集團總收益之10%。來自此等客戶之收益分別為91,792,000 港元及39,206,000 港元(二零一五年：92,703,000 港元及40,216,000 港元)。

6 按性質劃分之開支

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Auditor's remuneration		
– Audit services	1,494	1,550
– Non-audit services	400	400
Amortisation of prepaid land lease payments (Note 16)	1,092	1,152
Amortisation of intangible assets (Note 17)	413	445
Depreciation of property, plant and equipment (Note 14)	72,351	76,525
Net exchange gains	(943)	(1,156)
Employee benefit expenses (including directors' emoluments) (Note 10)	17,353	17,088
Operating lease rental	1,595	1,675
Repair and maintenance expenses	2,103	1,481
Corporate expenses	862	847
Legal and professional fees	475	894
Management service fee	990	990
Other expenses	11,722	10,374
Total cost of sales and administrative expenses	109,907	112,265

7 其他收益

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Gain on disposal of property, plant and equipment	162	22

8 Finance income and costs

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Finance costs:	融資成本：		
– interest expenses on bank borrowings	– 銀行借款之利息開支	(31,894)	(43,154)
Finance income:	財務收入：		
– interest income on bank deposits	– 銀行存款利息收入	3,612	6,583
Finance costs – net	融資成本－淨額	<u>(28,282)</u>	<u>(36,571)</u>

8 財務收入及融資成本

9 Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three directors (2015: three) whose emoluments are reflected in the analysis presented on note 32. The emoluments payable to the remaining two (2015: two) individual during the year are as follows:

9 五名最高酬金人士

本年度，本集團五名最高薪人士包括三名（二零一五年：三名）董事，彼等之酬金已於附註32呈列之分析中反映。本年度內應付餘下兩名（二零一五年：兩名）個別人士之酬金分佈如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪金、住房津貼、其他津貼及實物利益	1,985	1,358
Bonuses	花紅	433	190
Retirement scheme contributions	退休計劃供款	36	36
		<u>2,454</u>	<u>1,584</u>

The emoluments fell within the following bands:

酬金等級分析如下：

		No of individuals 人數	
		2016 二零一六年	2015 二零一五年
Emoluments band (in HK dollar)	酬金級別(港元)	1	2
HK\$nil – HK\$1,000,000	零港元 – 1,000,000港元		
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 – 1,500,000港元	<u>1</u>	<u>–</u>

10 Employee benefit expenses

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Wages, salaries and other benefits	工資、薪金及其他福利	15,263	15,106
Provision for unused annual leave	未使用年假之撥備	26	4
Pension costs – defined contribution plan (Note a)	退休金成本 – 定額供款計劃 (附註a)	2,064	1,978
		17,353	17,088

Notes:

- (a) The Group's contribution to the employee pension scheme in the PRC is at a percentage in compliance with the requirements of respective municipal governments. The Group also participates in the MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000 with effect from 1 June 2014 (HK\$25,000 before 1 June 2014). Contributions to the scheme vest immediately.
- (b) Contributions totaling HK\$27,000 (2015: HK\$30,000) were payable under the MPF scheme at 31 December 2016.

11 Income tax expense

No provision for Hong Kong profits tax has been made as the Group has no assessable profit for the year (2015: Nil). Taxation on PRC profits has been calculated on the estimated assessable profit for the year at 25%, which is the rate of taxation prevailing in the PRC.

10 僱員福利開支

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Wages, salaries and other benefits	工資、薪金及其他福利	15,263	15,106
Provision for unused annual leave	未使用年假之撥備	26	4
Pension costs – defined contribution plan (Note a)	退休金成本 – 定額供款計劃 (附註a)	2,064	1,978
		17,353	17,088

附註：

- (a) 本集團向中國僱員退休金計劃作出之供款乃按照相關市政府規定之百分率作出。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之僱員提供強積金計劃。強積金計劃是由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及僱員均須按照僱員相關收入之5%向計劃作出供款，惟每月之相關收入上限為30,000港元(自二零一四年六月一日生效)(二零一四年六月一日之前為25,000港元)。向計劃作出之供款即時歸屬。
- (b) 於二零一六年十二月三十一日，根據強積金計劃須予支付之供款合共27,000港元(二零一五年：30,000港元)。

11 所得稅支出

由於本集團本年度並無應課稅溢利，故並無就香港利得稅作出撥備(二零一五年：無)。中國利得稅乃根據本年度估計應課稅溢利，按中國適用稅率25%計算。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Withholding tax on dividends	有關股息之預扣稅	(6,657)	(4,932)
Deferred income tax expense, net (Note 25)	遞延所得稅支出淨額 (附註25)	(177)	(737)
Income tax expense	所得稅支出	(6,834)	(5,669)

Note:

The share of income tax expense of associates of HK\$21,277,000 (2015: HK\$15,309,000) is included in the Group's share of profits less losses of associates.

附註：

應佔聯營公司之所得稅支出為21,277,000港元(二零一五年：15,309,000港元)，乃計入本集團之應佔聯營公司溢利減虧損。

11 Income tax expense (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	64,980	45,021
Less: Share of profits less losses of associates	減：應佔聯營公司之溢利減虧損	<u>(72,009)</u>	<u>(60,916)</u>
		<u>(7,029)</u>	<u>(15,895)</u>
Tax calculated at the domestic rates applicable to profits in the respective countries	按有關國家之溢利所適用國內稅率計算之稅項	5,851	7,745
Expenses not deductible for taxation purpose	不可扣稅之開支	(1,905)	(1,935)
Income not subject to tax	毋須課稅之收入	653	1,136
Tax losses not recognised	未確認之稅項虧損	(2,818)	(5,144)
Deferred tax on undistributed profits	未分配利潤之遞延稅項	<u>(8,615)</u>	<u>(7,471)</u>
Income tax expense	所得稅支出	<u>(6,834)</u>	<u>(5,669)</u>

The weighted average applicable tax rate was 83.2% (2015: 48.7%).

11 所得稅支出(續)

本集團所得稅前溢利之稅項，與採用合併企業溢利適用之加權平均稅率計算所得之理論稅項之差額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	64,980	45,021
Less: Share of profits less losses of associates	減：應佔聯營公司之溢利減虧損	<u>(72,009)</u>	<u>(60,916)</u>
		<u>(7,029)</u>	<u>(15,895)</u>
Tax calculated at the domestic rates applicable to profits in the respective countries	按有關國家之溢利所適用國內稅率計算之稅項	5,851	7,745
Expenses not deductible for taxation purpose	不可扣稅之開支	(1,905)	(1,935)
Income not subject to tax	毋須課稅之收入	653	1,136
Tax losses not recognised	未確認之稅項虧損	(2,818)	(5,144)
Deferred tax on undistributed profits	未分配利潤之遞延稅項	<u>(8,615)</u>	<u>(7,471)</u>
Income tax expense	所得稅支出	<u>(6,834)</u>	<u>(5,669)</u>

加權平均適用稅率為83.2%(二零一五年：48.7%)。

12 Earnings per share**(a) Basic**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

12 每股盈利**(a) 基本**

每股基本盈利乃按本公司權益持有人應佔溢利除以本年度內已發行普通股加權平均數計算。

		2016	2015
		二零一六年	二零一五年
Profit attributable to equity holders of the Company (HK\$ thousand)	本公司權益持有人應佔溢利 (千港元)	<u>61,098</u>	<u>40,454</u>
Weighted average number of ordinary shares in issue (thousand)	已發行普通股加權平均數 (千股)	<u>2,356,372</u>	<u>2,356,372</u>
Basic earnings per share (HK cents per share)	每股基本盈利(每股港仙)	<u>2.59</u>	<u>1.72</u>

12 Earnings per share (continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. In 2015, the convertible preference shares are assumed to have been converted into ordinary shares.

		2016 二零一六年	2015 二零一五年
Profit attributable to equity holders of the Company (HK\$ thousand)	本公司權益持有人應佔溢利 (千港元)	<u>61,098</u>	<u>40,454</u>
Weighted average number of ordinary shares in issue (thousand)	已發行普通股加權平均數 (千股)	<u>2,356,372</u>	2,356,372
Adjustment for:	就以下各項調整：		
– Assumed conversion of convertible preference shares (thousand)	– 假設可換股優先股獲兌換 (千股)	<u>–</u>	<u>242,466</u>
Weighted average number of ordinary shares for diluted earnings per share (thousand)	用於計算每股攤薄盈利之普通股加權平均數 (千股)	<u>2,356,372</u>	<u>2,598,838</u>
Diluted earnings per share (HK cents per share)	每股攤薄盈利 (每股港仙)	<u>2.59</u>	<u>1.56</u>

Remaining outstanding convertible preference shares and share options were buy-back and lapsed in October 2015 and January 2015 respectively. No diluted earnings per share are presented as the Company have any no dilutive potential ordinary shares during the year ended 31 December 2016.

Diluted earnings per share for the year ended 31 December 2015 did not assume the exercise of the share options outstanding during the year since the exercise would have an anti-dilutive effect.

12 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃透過調整已發行普通股加權平均數計算，有關調整假設所有具潛在攤薄影響之普通股均獲兌換。於二零一五年，可換股優先股被假定為已兌換為普通股。

餘下尚未獲行使可換股優先股及購股權已於二零一五年十月及二零一五年一月分別獲回購及失效。由於截至二零一六年十二月三十一日止年度本公司並無任何攤薄潛在普通股，故並無呈列每股攤薄盈利。

截至二零一五年十二月三十一日止年度之每股攤薄盈利並無假設本年度內尚未行使之購股權獲行使，因為有關行使將產生反攤薄影響。

13 Dividends

13 股息

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interim dividend paid, of HK0.2 cents (2015: HK nil cents) per ordinary share	已派發中期股息，每股普通股0.2港仙（二零一五年：零港仙）	4,713	-
Final dividend proposed, of HK nil cents (2015: HK0.2 cents) per ordinary share	擬派發末期股息，每股普通股零港仙（二零一五年：0.2港仙）	-	4,713

No final dividend was proposed for the year ended 31 December 2016.

截至二零一六年十二月三十一日止年度，並無建議派發末期股息。

On 18 August 2016, the Board has declared an interim dividend of HK0.2 cents per ordinary share payable in cash, total of HK\$4.7 million was paid in September 2016.

於二零一六年八月十八日，董事會宣派中期股息，派發現金每股普通股0.2港仙，合計4,700,000港元，已於二零一六年九月支付。

For the year ended 31 December 2015, a final dividend of HK0.2 cents per ordinary share payable in cash, total of HK\$4.7 million was paid in June 2016.

截至二零一五年十二月三十一日止年度，派發末期股息現金每股普通股0.2港仙，合計4,700,000 港元，已於二零一六年六月支付。

14 Property, plant and equipment

14 物業、機器及設備

		Electricity utility plant and others 發電廠及 其他 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及 設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日				
Cost	成本	1,424,807	1,029	1,420	1,427,256
Accumulated depreciation and impairment	累計折舊及減值	(247,824)	(903)	(1,246)	(249,973)
Net book amount	賬面淨值	1,176,983	126	174	1,177,283
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度				
Opening net book amount	年初賬面淨值	1,176,983	126	174	1,177,283
Currency translation differences	匯兌換算差額	(62,675)	(10)	(4)	(62,689)
Additions	添置	987	156	-	1,143
Disposal	出售	(15)	-	-	(15)
Depreciation	折舊	(76,354)	(48)	(123)	(76,525)
Closing net book amount	年終賬面淨值	1,038,926	224	47	1,039,197
At 31 December 2015	於二零一五年十二月三十一日				
Cost	成本	1,345,858	1,007	1,113	1,347,978
Accumulated depreciation and impairment	累計折舊及減值	(306,932)	(783)	(1,066)	(308,781)
Net book amount	賬面淨值	1,038,926	224	47	1,039,197
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度				
Opening net book amount	年初賬面淨值	1,038,926	224	47	1,039,197
Currency translation differences	匯兌換算差額	(56,598)	(15)	(8)	(56,621)
Additions	添置	345	150	133	628
Depreciation	折舊	(72,228)	(64)	(59)	(72,351)
Closing net book amount	年終賬面淨值	910,445	295	113	910,853
At 31 December 2016	於二零一六年十二月三十一日				
Cost	成本	1,268,186	1,060	1,040	1,270,286
Accumulated depreciation and impairment	累計折舊及減值	(357,741)	(765)	(927)	(359,433)
Net book amount	賬面淨值	910,445	295	113	910,853

Certain bank borrowings are secured by certain of the Group's property, plant and equipment with carrying values of HK\$900.9 million (2015: HK\$1,028.1 million) (Note 24).

若干銀行借款乃由本集團賬面值900,900,000港元(二零一五年: 1,028,100,000港元)之若干物業、機器及設備作抵押(附註24)。

15 Construction in progress

15 在建工程

		Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	500
Currency translation differences	匯兌換算差額	(55)
Additions	添置	610
		<u>1,055</u>
At 31 December 2015	於二零一五年十二月三十一日	1,055
At 1 January 2016	於二零一六年一月一日	1,055
Currency translation differences	匯兌換算差額	(393)
Additions	添置	6,657
		<u>7,319</u>
At 31 December 2016	於二零一六年十二月三十一日	7,319

16 Prepaid land lease payments

16 預付土地租賃款項

		HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	15,934
Currency translation differences	匯兌換算差額	(845)
Amortisation	攤銷	(1,152)
		<u>13,937</u>
At 31 December 2015	於二零一五年十二月三十一日	13,937
At 1 January 2016	於二零一六年一月一日	13,937
Currency translation differences	匯兌換算差額	(756)
Amortisation	攤銷	(1,092)
		<u>12,089</u>
At 31 December 2016	於二零一六年十二月三十一日	12,089

Notes:

- (a) Certain bank borrowings are secured by certain of the Group's prepaid land lease payments with carrying values of HK\$8.7 million (2015: HK\$10.1 million) (Note 24).

附註：

- (a) 若干銀行借款乃由本集團賬面值8,700,000港元(二零一五年：10,100,000港元)之若干預付土地租賃款項作抵押(附註24)。

17 Intangible assets

17 無形資產

		Computer software 電腦軟件 HK\$'000 千港元	Concession right 特許權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日			
Cost	成本	793	205,354	206,147
Accumulated amortisation and impairment	累計攤銷及減值	(488)	(200,211)	(200,699)
Net book amount	賬面淨值	<u>305</u>	<u>5,143</u>	<u>5,448</u>
Year ended 31 December 2015	截至二零一五年 十二月三十一日止年度			
Opening net book amount	年初賬面淨值	305	5,143	5,448
Currency translation differences	匯兌換算差額	(13)	(272)	(285)
Amortisation	攤銷	(50)	(395)	(445)
Closing net book amount	年終賬面淨值	<u>242</u>	<u>4,476</u>	<u>4,718</u>
At 31 December 2015	於二零一五年 十二月三十一日			
Cost	成本	770	193,810	194,580
Accumulated amortisation and impairment	累計攤銷及減值	(528)	(189,334)	(189,862)
Net book amount	賬面淨值	<u>242</u>	<u>4,476</u>	<u>4,718</u>
Year ended 31 December 2016	截至二零一六年 十二月三十一日止年度			
Opening net book amount	年初賬面淨值	242	4,476	4,718
Currency translation differences	匯兌換算差額	(12)	(242)	(254)
Additions	添置	6	-	6
Amortisation	攤銷	(39)	(374)	(413)
Closing net book amount	年終賬面淨值	<u>197</u>	<u>3,860</u>	<u>4,057</u>
At 31 December 2016	於二零一六年 十二月三十一日			
Cost	成本	753	182,544	183,297
Accumulated amortisation and impairment	累計攤銷及減值	(556)	(178,684)	(179,240)
Net book amount	賬面淨值	<u>197</u>	<u>3,860</u>	<u>4,057</u>

18 Interests in associates

18 於聯營公司之權益

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Group's share of net assets	本集團應佔資產淨值	<u>878,111</u>	<u>923,940</u>

The following financial information, after making adjustments to conform with the Group's significant accounting policies, represents the Group's aggregate share of assets, liabilities, revenue and results of associates, all of which are unlisted, and is summarised below:

下列財務資料(經調整以與本集團主要會計政策一致)乃本集團合共應佔聯營公司(全部均為非上市公司)之資產、負債、收益及業績，現概述如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets	資產	<u>1,465,060</u>	1,691,998
Liabilities	負債	<u>(586,949)</u>	(768,058)
Net assets	資產淨值	<u>878,111</u>	<u>923,940</u>
Revenue	收益	<u>230,886</u>	<u>232,606</u>
Profit for the year	本年度溢利	<u>72,009</u>	<u>60,916</u>

Particulars of the associates are set out on page 142.

聯營公司之詳情載於第142頁。

18 Interests in associates (continued)

Set out below are the summarised financial information for the associates of the Group.

Summarised income statement

		CECIC HKC Wind Power Company Limited 中節能港建風力發電 (張北)有限公司		CECIC HKE Wind Power Company Limited 中節能港能風力發電 (張北)有限公司		CECIC HKC (Gansu) Wind Power Company Limited 中節能港建(甘肅)風力 發電有限公司		Total	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	236,027	225,992	112,695	98,969	256,667	281,297	605,389	606,258
Other expense	其他開支	(24,763)	(25,479)	(7,736)	(5,811)	(15,295)	(9,496)	(47,794)	(40,786)
Depreciation and amortisation	折舊及攤銷	(105,772)	(111,414)	(46,981)	(49,593)	(102,045)	(107,647)	(254,798)	(268,654)
Finance costs - net	融資成本-淨額	(26,465)	(37,089)	(19,146)	(29,440)	(25,994)	(48,566)	(71,605)	(115,095)
Current income tax expense	當期所得稅支出	(26,202)	(19,623)	(9,273)	(1,827)	(20,036)	(17,279)	(55,511)	(38,729)
Deferred income tax credit	遞延所得稅抵免	6,673	7,037	-	-	5,059	5,336	11,732	12,373
Profit for the year	本年度溢利	59,498	39,424	29,559	12,298	98,356	103,645	187,413	155,367
Other comprehensive loss	其他全面虧損	(54,084)	(56,498)	(22,826)	(22,603)	(56,972)	(59,912)	(133,882)	(139,013)
Total comprehensive income/(loss)	全面收入/(虧損)總額	5,414	(17,074)	6,733	(10,305)	41,384	43,733	53,531	16,354
Dividends received from associates	收到聯營公司之股息	(20,140)	(29,960)	(2,830)	(3,548)	(43,600)	(15,814)	(66,570)	(49,322)

18 於聯營公司之權益(續)

下列載有本集團聯營公司之財務資料概述。

收益表概述

18 Interests in associates (continued)
 Summarised balance sheet

18 於聯營公司之權益(續)
 資產負債表概述

		CECIC HKC Wind Power Company Limited 中節能港建風力發電 (張北)有限公司		CECIC HKE Wind Power Company Limited 中節能港能風力發電 (張北)有限公司		CECIC HKC (Gansu) Wind Power Company Limited 中節能港建(甘肅)風力 發電有限公司		Total 總計	
		31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	1,369,568	1,555,721	689,092	795,586	1,418,010	1,603,855	3,476,670	3,955,162
Current assets	流動資產	198,795	188,662	74,372	67,562	103,678	234,397	376,845	490,621
Total assets	資產總值	1,568,363	1,744,383	763,464	863,148	1,521,688	1,838,252	3,853,515	4,445,783
Non-current liabilities	非流動負債	84,423	96,364	311,248	377,664	63,777	72,816	459,448	546,844
Current liabilities	流動負債	539,183	658,326	66,975	97,543	496,322	736,232	1,102,480	1,492,101
Total liabilities	負債總額	623,606	754,690	378,223	475,207	560,099	809,048	1,561,928	2,038,945
Net assets	資產淨值	944,757	989,693	385,241	387,941	961,589	1,029,204	2,291,587	2,406,838

The information above reflects the amounts presented in the financial statements of the associates adjusted for any fair value adjustments made at the time of acquisition.

上述資料反映聯營公司於財務報表之呈列金額，按購買當時作出之任何公平值調整而調整。

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in its associates:

本集團於其聯營公司權益賬面值呈列之財務資料概述對賬：

		CECIC HKC Wind Power Company Limited 中節能港建風力發電 (張北)有限公司		CECIC HKE Wind Power Company Limited 中節能港能風力發電 (張北)有限公司		CECIC HKC (Gansu) Wind Power Company Limited 中節能港建(甘肅)風力 發電有限公司		Total 總計	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日								
Opening net assets	年初資產淨值	989,693	1,081,668	387,941	410,072	1,029,204	1,025,005	2,406,838	2,516,745
Profit for the year	本年度溢利	59,498	39,424	29,559	12,298	98,356	103,645	187,413	155,367
Other comprehensive loss	其他全面虧損	(54,084)	(56,498)	(22,826)	(22,603)	(56,972)	(59,912)	(133,882)	(139,013)
Dividends	股息	(50,350)	(74,901)	(9,433)	(11,826)	(108,999)	(39,534)	(168,782)	(126,261)
At 31 December	於十二月三十一日								
Closing net assets	年終資產淨值	944,757	989,693	385,241	387,941	961,589	1,029,204	2,291,587	2,406,838
Reporting entities' share in %	申報分享權益之百分比	40%	40%	30%	30%	40%	40%	N/A 不適用	N/A 不適用
Group's interests in associates	集團於聯營公司之權益	377,903	395,877	115,572	116,382	384,636	411,681	878,111	923,940

19 Prepayments and trade and other receivables

19 預付款項以及應收賬款及其他應收款

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current	非流動			
Prepayments	預付款項		886	2,527
Other receivables	其他應收款	(b)	17,302	20,192
			<u>18,188</u>	<u>22,719</u>
Current	流動			
Trade receivables	應收賬款	(a)	53,150	48,741
Prepayments and other receivables	預付款項及其他應收款	(b)	25,169	16,933
			<u>78,319</u>	<u>65,674</u>
			<u>96,507</u>	<u>88,393</u>

Notes:

- (a) At 31 December 2016 and 2015, the ageing analysis of trade receivables by the Group's revenue recognition policy is as follows:

附註：

- (a) 於二零一六年及二零一五年十二月三十一日，應收賬款按本集團收益確認政策分類之賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 30 days	少於30日	18,740	18,768
More than 30 days and within 60 days	超過30日但於60日內	1,088	1,975
More than 60 days and within 90 days	超過60日但於90日內	-	1,864
More than 90 days	超過90日	33,322	26,134
		<u>53,150</u>	<u>48,741</u>

19 Prepayments and trade and other receivables (continued)

Notes: (continued)

At 31 December 2016 and 2015, the ageing analysis of trade receivables by invoice due date is as follows: (Note i)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 30 days	少於30日	52,471	48,741
More than 30 days and within 60 days	超過30日但於60日內	679	-
		53,150	48,741

Note i:

The Group allows a credit period of 30 days to its trade customers. Trade receivables that are less than 30 days past due are not considered as impaired. As at 31 December 2016, trade receivable of HK\$52.5 million (2015: HK\$48.7 million) were fully performing. Included in this balance, HK\$41.2 million (2015: HK\$44.8 million) represented the electricity tariff receivables due from the government which have to go through an approval procedure before issuing invoices and invoices of these related receivables were not issued as at 31 December 2016.

- (b) Included in other receivables were input value-added taxation recoverable of HK\$22,994,000 (2015: HK\$26,234,000) arising from purchase of property, plant and equipment.
- (c) The carrying amount of the Group's prepayments and trade and other receivables is denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong dollars	港元	169	206
Renminbi	人民幣	96,258	88,105
Singapore dollars	新加坡元	80	82
		96,507	88,393

- (d) All prepayments and trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above.

A bank borrowing is secured by certain of the Group's trade receivables with carrying values of HK\$43.5 million (2015: HK\$44.7 million) (Note 24).

19 預付款項及應收賬款及其他應收款(續)

附註：(續)

於二零一六年及二零一五年十二月三十一日，應收賬款按發票到期日分類之賬齡分析如下：(附註i)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 30 days	少於30日	52,471	48,741
More than 30 days and within 60 days	超過30日但於60日內	679	-
		53,150	48,741

附註i：

本集團向其貿易客戶提供為期30日之信貸期。逾期少於30日之應收賬款不被視作減值。於二零一六年十二月三十一日，應收賬款52,500,000港元(二零一五年：48,700,000港元)已獲全數履行。在該結餘中，41,200,000港元(二零一五年：44,800,000港元)指應收政府電費於開出發票前須通過審批，而於二零一六年十二月三十一日該等相關應收款項的發票未開出。

- (b) 計入其他應收款為可抵扣進項增值稅22,994,000港元(二零一五年：26,234,000港元)，乃源自購買物業、機器及設備。
- (c) 本集團預付款項及應收賬款及其他應收款之賬面值以下列貨幣計值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong dollars	港元	169	206
Renminbi	人民幣	96,258	88,105
Singapore dollars	新加坡元	80	82
		96,507	88,393

- (d) 所有預付款項及應收賬款及其他應收款並無包含減值資產。於報告日期信貸風險之最高值為上述各類別應收款之賬面值。

銀行借款乃由本集團賬面值43,500,000港元(二零一五年：44,700,000港元)之若干應收賬款作抵押(附註24)。

20 Short-term bank deposits

As at 31 December 2016 and 2015, the short-term bank deposits were denominated in Renminbi. The interest rates on the deposits were 2.6%-3.3% (2015:3.41%), and had maturity of 94 days (2015: 182 days).

20 短期銀行存款

於二零一六年及二零一五年十二月三十一日，短期銀行存款以人民幣計值。存款之利率介乎2.6%至3.3%（二零一五年：3.41%），到期日為94天（二零一五年：182天）。

21 Cash and cash equivalents

21 現金及現金等價物

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash at bank and in hand	銀行及手頭現金	125,518	99,731
Short-term bank deposits	短期銀行存款	75,186	81,519
		200,704	181,250

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(a) Placed in banks in the PRC:	(a) 存放於中國各銀行：		
– denominated in Renminbi	– 以人民幣計值	82,104	52,493
– denominated in Hong Kong dollars	– 以港元計值	36,816	36,813
– denominated in US dollars	– 以美元計值	4,874	7,592
(b) Placed in banks in Hong Kong:	(b) 存放於香港各銀行：		
– denominated in Hong Kong dollars	– 以港元計值	13,542	11,240
– denominated in Renminbi	– 以人民幣計值	63,249	72,934
– denominated in Singapore dollars	– 以新加坡元計值	2	2
(c) Cash in hand	(c) 手頭現金	117	176
		200,704	181,250

21 Cash and cash equivalents (continued)

The effective interest rates at the balance sheet date were as follows:

	2016 二零一六年		2015 二零一五年	
	HK\$ 港元	RMB 人民幣	HK\$ 港元	RMB 人民幣
Short-term bank deposits 短期銀行存款	1.51%	0.35%-3.6%	0.6%	2.15%-3.89%

The short-term bank deposits of the Group have original maturities of one to two months.

Significant restrictions

Cash and short-term deposits of HK\$123,793,900 (2015: HK\$96,898,000) are held in Mainland China and are subject to local exchange control regulations, under which the balances could not be exported freely out of Mainland China. The repatriation of fund out from Mainland China is possibly conducted by way of dividends or other means as complied to the regulations.

21 現金及現金等價物(續)

於結算日之實際利率如下：

本集團之短期銀行存款之原到期日為一至兩個月。

重大限制

於中國大陸持有的現金及短期存款123,793,900 港元(二零一五年：96,898,000 港元)須遵循當地外匯管制規定，據此，該等結餘不得自由匯出中國大陸。資金可透過股息或其他遵守規定的方式調離中國大陸。

22 Share capital

22 股本

	Note 附註	Ordinary shares of HK\$0.01 each 每股面值0.01港元之普通股		Non-redeemable convertible preference shares of HK\$0.01 each 每股面值0.01港元之 不可贖回可換優先股		Total 總計	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元	HK\$'000 千港元	
Issued and fully paid: At 1 January 2015	已發行及繳足： 於二零一五年 一月一日	(a), (b)	2,356,371,843	23,564	300,000,000	3,000	26,564
Buy-back of convertible preference shares	購回可換股 優先股	(b)	-	-	(300,000,000)	(3,000)	(3,000)
At 31 December 2015, 1 January 2015 and 31 December 2016	於二零一五年 十二月三十一日、 二零一五年 一月一日及 二零一六年 十二月三十一日		2,356,371,843	23,564	-	-	23,564

Notes:

- (a) On 23 November 2010, the Company issued and allotted 300,000,000 convertible preference shares to STAR Butterfly Energy, Ltd. ("STAR") at HK\$0.65 amounting to HK\$195 million to STAR for cash. STAR may at any time during the ensuing 4 years require the Company to issue to them a maximum of 260,000,000 additional preference shares at a price of HK\$0.75 per additional preference share. The convertible preference shares carry rights to convert into ordinary shares at the initial conversion rate of 1 convertible preference share to 1 ordinary share, such conversion rate being subject to customary adjustments. The 260,000,000 additional preference shares options were expired on 23 November 2014 and no additional preference shares options had been exercised.

On 22 October 2015, the Group completed its buy-back of 300,000,000 convertible preference shares from STAR at a cash consideration of HK\$93.9 million.

附註：

- (a) 於二零一零年十一月二十三日，本公司以0.65港元向STAR Butterfly Energy, Ltd. (「STAR」)發行及配發300,000,000股價值為195,000,000港元之可換股優先股以換取現金。STAR可於確保四年間任何時間要求本公司以每股額外優先股0.75港元之價格向其最多發行260,000,000股額外優先股。可換股優先股附帶權利可按1股可換股優先股兌1股普通股之初步兌換比率兌換成普通股，惟此兌換比率須受慣例調整規限。該等260,000,000股額外優先股購股權已於二零一四年十一月二十三日屆滿及並無額外優先股購股權獲行使。

於二零一五年十月二十二日，本公司以現金代價93,900,000港元完成向STAR購回300,000,000股可換股優先股。

22 Share capital (continued)

Notes: (continued)

- (b) Share options are granted to employees, senior executives or officers, managers, directors or consultants of any members of the Group or any Invested Entity.

The exercise price must be at least the higher of

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant;
- (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a share.

An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant. An offer of the grant of an option shall remain open for acceptance for a period of 10 business days from the date of offer and a consideration of HK\$1 must be paid upon acceptance.

All the outstanding share options were lapsed on 19 January 2015.

22 股本(續)

附註：(續)

- (b) 本公司向本集團旗下任何成員公司或任何投資實體之僱員、高級行政人員或主要人員、經理、董事或顧問授出購股權。

行使價須最少為以下較高者

- (i) 股份於授出日期在聯交所每日報價表所列收市價；
- (ii) 股份緊接於授出日期前五個營業日在聯交所每日報價表所列平均收市價；及
- (iii) 股份面值。

購股權須於授出日期起計十年或董事會可能於授出時間指明之較短期間內行使。提呈授出之購股權自要約日期起計十個營業日期間供接納，接納時須支付1港元代價。

所有尚未行使購股權於二零一五年一月十九日失效。

23 Reserves

		Share premium 股份溢價 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Employee share-based compensation reserve 僱員股份補償儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2015	於二零一五年 一月一日之結餘	993,505	128,995	517	607,934	1,730,951
Currency translation differences	匯兌換算差額	-	(94,514)	-	-	(94,514)
Buy-back of convertible preference shares (Note)	購回可換股優先股(附註)	(100,600)	-	-	6,832	(93,768)
Lapse of employee share option benefits	僱員購股權福利失效	-	-	(517)	517	-
Profit for the year	本年度溢利	-	-	-	40,454	40,454
Balance at 31 December 2015	於二零一五年 十二月三十一日之結餘	892,905	34,481	-	655,737	1,583,123
Balance at 1 January 2016	於二零一六年 一月一日之結餘	892,905	34,481	-	655,737	1,583,123
Currency translation differences	匯兌換算差額	-	(92,166)	-	-	(92,166)
Dividend paid	已付股息	-	-	-	(9,426)	(9,426)
Profit for the year	本年度溢利	-	-	-	61,098	61,098
Balance at 31 December 2016	於二零一六年 十二月三十一日之結餘	892,905	(57,685)	-	707,409	1,542,629

Note: The credit to retained earnings represented difference between the total consideration and the book value of those shares, netting off the incremental transaction costs (including auditor's remuneration of HK\$125,000) directly attributable to the equity transaction.

附註：保留盈利抵免指該等股份總代價與賬面值之差額，扣除權益交易直接應佔之遞增交易成本(包括核數師酬金125,000港元)。

24 Bank borrowings

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current	非流動	383,018	471,874
Current	流動	82,414	84,856
		465,432	556,730

Amounts of HK\$303 million (2015: HK\$389 million) of bank borrowings issued at variable rates are secured and guaranteed by fellow subsidiaries.

為數 303,000,000 港元(二零一五年：389,000,000 港元)按浮動利率發行之銀行借款已予抵押，並由同系附屬公司作擔保。

24 Bank borrowings (continued)

Notes:

- (a) The maturity of bank borrowings at the balance sheet date is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	82,414	84,856
In the second year	第二年	82,414	84,857
In the third year to fifth year	第三年至第五年	233,903	259,290
After the fifth year	五年後	66,701	127,727
		465,432	556,730

- (b) Bank borrowings are denominated in Renminbi.
- (c) The effective interest rate for variable rate bank borrowings at the balance sheet date was 4.90% (2015: 5.54%). The effective interest rate for fixed rate bank borrowings at the balance sheet date was 6.30% (2015: 6.50%).
- (d) Bank borrowings are secured by certain property, plant and equipment, prepaid land lease payments and trade receivables of the Group (Notes 14, 16 and 19).
- (e) The Group had an undrawn borrowing facility amounted HK\$53 million as of 31 December 2016 (2015: HK\$85 million).
- (f) The fair value of the fixed rate bank borrowings as at 31 December 2016 is HK\$165 million (2015: HK\$183 million). The carrying amounts of the remaining bank borrowings approximate their fair values.
- (g) The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates or maturity (whichever is earlier) at the end of the reporting period are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
6 months or less	六個月或以下	151,733	194,733
6-12 months	六至十二個月	151,733	194,733
		303,466	389,466

24 銀行借款(續)

附註：

- (a) 於結算日銀行借款之到期日如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	82,414	84,856
In the second year	82,414	84,857
In the third year to fifth year	233,903	259,290
After the fifth year	66,701	127,727
	465,432	556,730

- (b) 銀行借款以人民幣計值。
- (c) 可變利率銀行借款於結算日之實際利率為4.90厘(二零一五年：5.54厘)。固定利率銀行借款於結算日之實際利率為6.30厘(二零一五年：6.50厘)。
- (d) 銀行借款乃以本集團若干物業、機器及設備、預付土地租賃款項及應收賬款作抵押(附註14、16及19)。
- (e) 於二零一六年十二月三十一日，本集團之未提取借款融資額為53,000,000港元(二零一五年：85,000,000港元)。
- (f) 於二零一六年十二月三十一日，固定利率銀行借款之公平值為165,000,000港元(二零一五年：183,000,000港元)。餘下銀行借款之賬面值與其公平值相若。
- (g) 於報告期末本集團借款面對利率變動之風險，合約重新定價日期或到期日(以較早者為準)如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
6 months or less	151,733	194,733
6-12 months	151,733	194,733
	303,466	389,466

25 Deferred income tax liabilities

The analysis of deferred tax liabilities is as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deferred tax liabilities:		
– To be recovered after more than 12 months	22,966	25,665
– To be recovered within 12 months	8,552	7,407
	31,518	33,072

The movements in deferred income tax liabilities during the year are as follows:

		Fair value adjustment arising from business combinations 源自業務合併 之公平值調整 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	(1,983)	(32,095)	(34,078)
Currency translation differences	匯兌換算差額	67	1,676	1,743
Credited/(charged) to the profit or loss (Note 11)	在損益表計入/ (支銷)(附註11)	328	(1,065)	(737)
At 31 December 2015	於二零一五年 十二月三十一日	(1,588)	(31,484)	(33,072)
At 1 January 2016	於二零一六年一月一日	(1,588)	(31,484)	(33,072)
Currency translation differences	匯兌換算差額	46	1,685	1,731
Credited/(charged) to the profit or loss (Note 11)	在損益表計入/ (支銷)(附註11)	310	(487)	(177)
At 31 December 2016	於二零一六年 十二月三十一日	(1,232)	(30,286)	(31,518)

The Group did not recognise deferred income tax assets of HK\$23,617,000 (2015: HK\$28,208,000) in respect of losses amounting to HK\$95,717,000 (2015: HK\$114,638,000) that can be carried forward against future taxable income. These tax losses have no expiry dates except tax losses of HK\$92,933,000 (2015: HK\$111,854,000) which expire at various dates up to 2021 (2015: 2020)

25 遞延所得稅負債

遞延稅項負債分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
遞延稅項負債：		
– 將於十二個月後收回	22,966	25,665
– 將於十二個月內收回	8,552	7,407
	31,518	33,072

本年度內，遞延所得稅負債之變動如下：

		Fair value adjustment arising from business combinations 源自業務合併 之公平值調整 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Total 總計 HK\$'000 千港元
於二零一五年一月一日		(1,983)	(32,095)	(34,078)
匯兌換算差額		67	1,676	1,743
在損益表計入/ (支銷)(附註11)		328	(1,065)	(737)
於二零一五年 十二月三十一日		(1,588)	(31,484)	(33,072)
於二零一六年一月一日		(1,588)	(31,484)	(33,072)
匯兌換算差額		46	1,685	1,731
在損益表計入/ (支銷)(附註11)		310	(487)	(177)
於二零一六年 十二月三十一日		(1,232)	(30,286)	(31,518)

本集團並無就虧損95,717,000港元(二零一五年：114,638,000港元)確認遞延所得稅資產23,617,000港元(二零一五年：28,208,000港元)用以結轉抵銷日後應課稅收入。該等稅項虧損並無應用限期，惟92,933,000港元(二零一五年：111,854,000港元)之稅項虧損則將於截至二零二一年(二零一五年：二零二零年)止之不同日期屆滿。

26 Trade and other payables

26 應付賬款及其他應付款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade payables	應付賬款	667	546
Payables for acquisition and construction of property, plant and equipment	有關購置及建設物業、機器及設備之應付款	57,471	58,832
Other payables and accruals	其他應付款及應計費用	10,295	6,533
		<u>68,433</u>	<u>65,911</u>

At 31 December 2016 and 2015, the ageing analysis of trade payables is as follows:

於二零一六年及二零一五年十二月三十一日，應付賬款之賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Less than 12 months	少於十二個月	185	456
12 months and more	十二個月及以上	482	90
		<u>667</u>	<u>546</u>

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

本集團之應付賬款及其他應付款之賬面值按以下貨幣列值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong dollars	港元	2,428	2,564
Renminbi	人民幣	65,967	63,312
Singapore dollars	新加坡元	38	35
		<u>68,433</u>	<u>65,911</u>

27 Commitments

(a) Capital commitments

Capital expenditure at the balance sheet date but not yet incurred was as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted but not provided for capital expenditure in respect of alternative energy projects	8,648	5,936

(b) Commitments under operating leases

The aggregate future minimum lease payments under non-cancellable operating leases in respect of land and buildings were as follows:

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
No later than 1 year	364	516
Later than 1 year and no later than 5 years	629	-
	993	516

27 承擔

(a) 資本承擔

於結算日已承擔但尚未產生之資本開支如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
已訂約但未就有關替代能源項目之資本開支撥備	8,648	5,936

(b) 在經營租賃項下之承擔

根據有關土地及樓宇之不可撤銷經營租賃在未來應付之最低租金總額如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
一年內	364	516
一年後但五年內	629	-
	993	516

28 Related party transactions

The Group entered into transactions with the following related parties for the years ended 31 December 2016 and 2015, in addition to those disclosed elsewhere in the consolidated financial statements.

- (a) Administrative services fee, which includes the office overhead, and reimbursement of cost of internal audit, legal and information technology department of HK\$990,000 (2015: HK\$990,000) was paid to HKC.
- (b) Office rental of HK\$726,000 (2015: HK\$705,000) was paid to HKC.

The above related party transactions are continuing connected transactions exempt from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.33 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

(c) Key management compensation

Key management solely represents directors of the Company. The compensation paid or payable to key management is shown as below:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,603	3,262
Directors' fees	董事袍金	675	735
Pension cost – defined contribution scheme	退休金成本 – 定額供款計劃	54	53
		3,332	4,050

- (d) As at 31 December 2016, the Group provided guarantee to counter parties in respect of credit facilities granted to certain associates of HK\$106,714,000 (2015: HK\$127,462,000).

The transactions did not constitute a connected transaction as defined in Chapter 14A of the Listing Rules.

28 關聯方交易

截至二零一六年及二零一五年十二月三十一日止年度，除綜合財務報表其他章節所披露外，本集團曾與下列關聯方訂立之交易。

- (a) 向香港建設支付行政服務費用，包括辦公室經常開支，以及償付內部審計、法律及資訊科技部門成本990,000港元(二零一五年：990,000港元)。
- (b) 向香港建設支付辦公室租金726,000港元(二零一五年：705,000港元)。

上述關聯方交易根據聯交所證券上市規則(「上市規則」)第14A.33條為可獲豁免遵守有關申報、年度審核、公佈及獨立股東批准規定之持續關連交易。

(c) 主要管理人員之報酬

主要管理人員僅指本公司董事。已付或應付主要管理人員之報酬載列如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and other benefits	2,603	3,262
Directors' fees	675	735
Pension cost – defined contribution scheme	54	53
	3,332	4,050

- (d) 於二零一六年十二月三十一日，本集團就若干聯營公司獲授之信貸融資向對應方提供擔保106,714,000港元(二零一五年：127,462,000港元)。

有關交易並不構成上市規則第14A章所界定之關連交易。

29 Notes to consolidated cash flow statement

Reconciliation of profit before income tax to cash generated from operations

29 綜合現金流量表附註

所得稅前溢利與經營所得現金之對賬

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	64,980	45,021
Finance costs	融資成本	31,894	43,154
Finance income	財務收入	(3,612)	(6,583)
Depreciation and amortisation	折舊及攤銷	73,856	78,122
Gain on disposal of property, plant and equipment	出售物業、機器及設備所得收益	(162)	(22)
Share of profits less losses of associates	應佔聯營公司溢利減虧損	<u>(72,009)</u>	<u>(60,916)</u>
Operating profit before working capital changes	營運資金變動前之經營溢利	94,947	98,776
Increase in inventory	存貨增加	(425)	(196)
(Increase)/decrease in trade and other receivables	應收賬款及其他應收款(增加)/減少	(16,987)	39,091
Increase/(decrease) in trade and other payables	應付賬款及其他應付款增加/(減少)	<u>9,280</u>	<u>(1,991)</u>
Cash generated from operations	經營所得現金	<u>86,815</u>	<u>135,680</u>

30 Financial instruments by category 30 按類別劃分之金融工具

		Loans and receivables 貸款及應收款 HK\$'000 千港元
Assets as per consolidated balance sheet		
按綜合資產負債表所示資產		
31 December 2015 二零一五年十二月三十一日		
Trade and other receivables (Note 19)	應收賬款及其他應收款(附註19)	85,866
Short-term bank deposit (Note 20)	短期銀行存款(附註20)	4,269
Cash and cash equivalents (Note 21)	現金及現金等價物(附註21)	181,250
Total	總計	<u>271,385</u>
31 December 2016 二零一六年十二月三十一日		
Trade and other receivables (Note 19)	應收賬款及其他應收款(附註19)	95,621
Short-term bank deposits (Note 20)	短期銀行存款(附註20)	13,475
Cash and cash equivalents (Note 21)	現金及現金等價物(附註21)	200,704
Total	總計	<u>309,800</u>
Financial liabilities at amortised cost 按攤銷成本列賬 之金融負債 HK\$'000 千港元		
Liabilities as per consolidated balance sheet		
按綜合資產負債表所示負債		
31 December 2015 二零一五年十二月三十一日		
Bank borrowings (Note 24)	銀行借款(附註24)	556,730
Trade and other payables (Note 26)	應付賬款及其他應付款(附註26)	65,911
Total	總計	<u>622,641</u>
31 December 2016 二零一六年十二月三十一日		
Bank borrowings (Note 24)	銀行借款(附註24)	465,432
Trade and other payables (Note 26)	應付賬款及其他應付款(附註26)	68,433
Total	總計	<u>533,865</u>

31 Balance sheet and reserve movement of the Company
Balance sheet of the Company

31 本公司資產負債表及儲備變動
本公司資產負債表

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
ASSETS	資產			
Non-current asset	非流動資產			
Interests in subsidiaries	於附屬公司之權益		<u>10,656</u>	<u>11,314</u>
Current assets	流動資產			
Other receivables	其他應收款		181	269
Amounts due from subsidiaries	應收附屬公司款項		1,308,784	1,315,570
Cash and cash equivalents	現金及現金等價物		<u>21,958</u>	<u>28,070</u>
Total current assets	流動資產總值		<u>1,330,923</u>	<u>1,343,909</u>
Total assets	資產總值		<u>1,341,579</u>	<u>1,355,223</u>
EQUITY	權益			
Capital and reserves attributable to equity holders of the Company	本公司權益持有人應佔股本及儲備			
Share capital	股本		23,564	23,564
Reserves	儲備	a	<u>1,095,083</u>	<u>1,126,224</u>
Total equity	權益總額		<u>1,118,647</u>	<u>1,149,788</u>
LIABILITIES	負債			
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項		221,609	204,047
Other payables	其他應付款		<u>1,323</u>	<u>1,388</u>
Total current liabilities	流動負債總額		<u>222,932</u>	<u>205,435</u>
Total equity and liabilities	權益及負債總額		<u>1,341,579</u>	<u>1,355,223</u>

OEI Kang, Eric
黃剛
Director
董事

LEUNG Wing Sum, Samuel
梁榮森
Director
董事

31 Balance sheet and reserve movement of the Company

(continued)

Note (a) Reserves movement of the Company

31 本公司資產負債表及儲備變動(續)

附註(a)本公司儲備變動

		Share premium	Exchange reserve	Other reserve (Note)	Employee share-based compensation reserve	Retained earnings	Total
		股份溢價	匯兌儲備	其他儲備	僱員股份補償儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2015	於二零一五年一月一日之結餘	993,505	102,150	98,709	517	48,073	1,242,954
Currency translation differences	匯兌換算差額	-	(73,677)	-	-	-	(73,677)
Buy-back of convertible preference shares	購回可換股優先股	(100,600)	-	-	-	6,832	(93,768)
Lapse of employee share option benefits	僱員購股權福利失效	-	-	-	(517)	517	-
Profit for the year	本年度溢利	-	-	-	-	50,715	50,715
Balance at 31 December 2015	於二零一五年十二月三十一日之結餘	892,905	28,473	98,709	-	106,137	1,126,224
Balance at 1 January 2016	於二零一六年一月一日之結餘	892,905	28,473	98,709	-	106,137	1,126,224
Currency translation differences	匯兌換算差額	-	(76,495)	-	-	-	(76,495)
Dividend paid	已付股息	-	-	-	-	(9,426)	(9,426)
Profit for the year	本年度溢利	-	-	-	-	54,780	54,780
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	892,905	(48,022)	98,709	-	151,491	1,095,083

Note: The other reserve of the Company related to an acquisition prior to 1 January 2001 and continues to be held in reserves.

附註：本公司之其他儲備與二零零一年一月一日前之一項收購事項有關，並繼續留在儲備中。

32 Benefits and interests of directors and chief executive officer

The remuneration of every director and the chief executive officer is set out below:

For the year ended 31 December 2016

Name of Director	董事姓名	Fees	Salaries [#]	Discretionary bonuses [#] (Note 5) 酌情花紅 [#] (附註5)	Employer's contribution to a retirement benefit scheme [#] 退休金計劃之僱主供款 [#]	Total
		袍金 HK\$'000 千港元	薪金 [#] HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
OEI Kang, Eric ⁽¹⁾	黃剛 ⁽¹⁾	75	1,115	93	18	1,301
LEUNG Wing Sum, Samuel	梁榮森	75	620	104	18	817
WONG Jake Leong, Sammy	黃植良	75	620	52	18	765
YU Hon To, David	俞漢度	150	-	-	-	150
TIAN Yuchuan	田玉川	150	-	-	-	150
ZHANG Songyi ⁽²⁾	張頌義 ⁽²⁾	150	-	-	-	150
		<u>675</u>	<u>2,355</u>	<u>249</u>	<u>54</u>	<u>3,333</u>

[#] The amounts represented emoluments in respect of services provided in connection with the management of the affairs of the Company or its subsidiaries undertaking.

32 董事及行政總裁之福利及權益

各董事及行政總裁的薪酬如下：

截至二零一六年十二月三十一日止年度

Name of Director	董事姓名	Fees	Salaries [#]	Discretionary bonuses [#] (Note 5) 酌情花紅 [#] (附註5)	Employer's contribution to a retirement benefit scheme [#] 退休金計劃之僱主供款 [#]	Total
		袍金 HK\$'000 千港元	薪金 [#] HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
OEI Kang, Eric ⁽¹⁾	黃剛 ⁽¹⁾	75	1,115	93	18	1,301
LEUNG Wing Sum, Samuel	梁榮森	75	620	104	18	817
WONG Jake Leong, Sammy	黃植良	75	620	52	18	765
YU Hon To, David	俞漢度	150	-	-	-	150
TIAN Yuchuan	田玉川	150	-	-	-	150
ZHANG Songyi ⁽²⁾	張頌義 ⁽²⁾	150	-	-	-	150
		<u>675</u>	<u>2,355</u>	<u>249</u>	<u>54</u>	<u>3,333</u>

[#] 其金額代表在與管理本公司或其附屬公司的事務有關連情況下提供服務的薪酬。

32 Benefits and interests of directors and chief executive officer (continued)

For the year ended 31 December 2015

Name of Director	董事姓名	Fees	Salaries [#]	Discretionary bonuses [#] (Note 5) 酌情花紅 [#] (附註5)	Employer's contribution to a retirement benefit scheme [#] 退休金計劃之僱主供款 [#]	Total
		袍金 HK\$'000 千港元	薪金 [#] HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
OEI Kang, Eric ⁽¹⁾	黃剛 ⁽¹⁾	75	1,078	162	18	1,333
LEUNG Wing Sum, Samuel	梁榮森	75	1,182	200	18	1,475
WONG Jake Leong, Sammy	黃植良	75	550	90	17	732
WANG Sing ⁽³⁾	王焯 ⁽³⁾	60	-	-	-	60
TANG Siu Kui, Ernest ⁽⁴⁾	鄧兆駒 ⁽⁴⁾	150	-	-	-	150
YU Hon To, David	俞漢度	150	-	-	-	150
TIAN Yuchuan	田玉川	150	-	-	-	150
		<u>735</u>	<u>2,810</u>	<u>452</u>	<u>53</u>	<u>4,050</u>

* The amounts represented emoluments in respect of services provided in connection with the management of the affairs of the Company or its subsidiaries undertaking.

Notes:

- (1) Mr. OEI Kang, Eric is the chief executive officer of the Group
- (2) Appointed on 1 January 2016
- (3) Resigned on 22 October 2015
- (4) Resigned on 1 January 2016
- (5) Discretionary bonuses are determined on the performance of directors

During the year, no housing allowance, other benefits and remunerations in respect of accepting office as director were paid to or receivable by the directors in respect of their services as directors (2015: same). During the year, no emoluments were paid or receivable by the directors in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking (2015: same).

32 董事及行政總裁之福利及權益(續)

截至二零一五年十二月三十一日止年度

* 其金額代表在與管理本公司或其附屬公司的事務有關連情況下提供服務的薪酬。

附註：

- (1) 黃剛先生為本集團之行政總裁
- (2) 於二零一六年一月一日獲委任
- (3) 於二零一五年十月二十二日辭任
- (4) 於二零一六年一月一日辭任
- (5) 酌情花紅乃根據董事之表現釐定

本年度內，概無董事就擔任董事職務獲支付或應收住房津貼、其他福利及酬金(二零一五年：情況相同)。本年度內，概無董事就其管理本公司或其附屬公司事務而提供之其他服務獲支付或應收酬金(二零一五年：情況相同)。

32 Benefits and interests of directors and chief executive officer (continued)

(A) Directors' retirement benefits

During the year, no retirement benefits were paid to or receivable by the directors in respect of their services as directors of the Company and its subsidiaries or other services in connection with the management of the affairs of the Company or its subsidiary undertaking (2015: same).

(B) Directors' termination benefits

During the year, no payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2015: Nil).

(C) Consideration provided to third parties for making available directors' services

During the year, no consideration was provided to or receivable by third parties for making available directors' services (2015: Nil).

(D) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year, there are no loans, quasi-loans or other dealings in favour of the directors, their controlled bodies corporate and connected entities (2015: Nil).

(E) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in note 24 "Bank borrowings" and note 28 "Related party transactions" to the consolidated financial statements, the transactions with HKC and its subsidiaries and in which Mr. OEI Kang, Eric was interested, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

32 董事及行政總裁之福利及權益(續)

(A) 董事退休福利

本年度內，概無董事就擔任本公司及其附屬公司董事或就管理本公司或其附屬公司事務而提供之其他服務獲支付或應收退休福利(二零一五年：情況相同)。

(B) 董事離職福利

本年度內，概無就終止董事服務而直接或間接向董事支付或作出任何付款或福利；亦無任何應付款項(二零一五年：無)。

(C) 就獲取董事服務而向第三方支付之代價

本年度內，概無就獲取董事服務而已付第三方或第三方應收之代價(二零一五年：無)。

(D) 有關以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

本年度內，概無以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款或其他交易(二零一五年：無)。

(E) 董事於交易、安排或合約中之重大權益

除綜合財務報表附註24「銀行借款」及附註28「關聯方交易」所披露者，與香港建設及其附屬公司以及黃剛先生於其中擁有權益之交易外，本公司並無就本集團業務本公司董事於其中直接或間接擁有重大權益，而於本年度結束時或於本年度內任何時間存續的重大交易、安排及合約。

33 Principal subsidiaries and associates

Listed below are the subsidiaries and associates which, in the opinion of the directors, principally affect the result and/or net assets of the Group.

33 主要附屬公司及聯營公司

下表載列董事認為對本集團業績及／或資產淨值構成主要影響之附屬公司及聯營公司。

Name 名稱	Place of incorporation/ operation and kind of legal entity 註冊成立／經營地點及 法律實體類型	Principal activities 主要業務	Issued share capital/ Paid up registered capital 已發行股本／實繳註冊 資本	Percentage of equity/ Paid up registered capital held 所持權益／實繳註冊資本 百分比	
				2016 二零一六年	2015 二零一五年
Subsidiaries 附屬公司					
Best Whole Holdings Limited* 保希控股有限公司*	Hong Kong 香港	Investment holding 投資控股	HK\$1 1港元	-	100%
China Renewable Energy (Services) Limited 中國再生能源(管理)有限公司	Hong Kong 香港	Human resources management 人力資源管理	HK\$1 1港元	100%	100%
China Renewable Energy (Songxian) Limited* 中國再生能源(嵩縣)有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$1 1港元	100%	100%
HKC (Linyi) Holdings Limited* 香港建設(臨沂)控股有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$1 1港元	100%	100%
HKE (Da He) Holdings Limited* 香港新能源(大河)控股有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$1 1港元	100%	100%
HKE (Danjinghe) Wind Power Limited* 香港新能源(單晶河)風能有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$4 4港元	100%	100%
HKE (Gansu) Wind Power Limited* 香港新能源(甘肅)風能有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$1 1港元	100%	100%
Hong Kong New Energy (Si Zi Wang Qi) Wind Power Limited* 香港新能源(四子王旗)風能有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$2 2港元	100%	100%
Hong Kong New Energy (Si Zi Wang Qi II) Wind Power Limited* 香港新能源(四子王旗二期)風能有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$1,000 1,000港元	100%	100%
Sinoriver International (Wind Power) Limited* 中川國際(風電)有限公司*	Hong Kong/PRC 香港／中國	Investment holding 投資控股	HK\$20 20港元	100%	100%
HKE (BVI) Limited** 香港新能源(BVI)有限公司**	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%	100%
HKE (Wind Power) Holdings Limited* 香港新能源(風電)控股有限公司*	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%	100%
HKE Danjinghe (BVI) Wind Power Limited** 香港新能源單晶河(BVI)風能有限公司**	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1,000 1,000美元	100%	100%

33 Principal subsidiaries and associates (continued) **33 主要附屬公司及聯營公司 (續)**

Name 名稱	Place of incorporation/ operation and kind of legal entity 註冊成立／經營地點及 法律實體類型	Principal activities 主要業務	Issued share capital/ Paid up registered capital 已發行股本／實繳註冊 資本	Percentage of equity/ Paid up registered capital held 所持權益／實繳註冊資本 百分比	
				2016 二零一六年	2015 二零一五年
Subsidiaries 附屬公司					
Joy Holdings Limited*	British Virgin Islands 英屬處女群島	Investment holding 投資控股	US\$1 1美元	100%	100%
Sinoriver International Limited** 中川國際有限公司**	British Virgin Islands/PRC 英屬處女群島／中國	Investment holding 投資控股	US\$1 1美元	100%	100%
APC Wind Power Pte Limited**	Singapore 新加坡	Investment holding 投資控股	SGD10 10新加坡元	100%	100%
Asia Wind Power (Mudanjiang) Company Ltd.** 亞洲風力發電(牡丹江)有限公司**	PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind Power project in Heilongjiang, the PRC 於中國黑龍江之風力 發電項目	HK\$100,000,000 100,000,000港元	86%	86%
Hong Kong Wind Power (Muling) Co. Ltd.** 香港風力發電(穆稜)有限公司**	PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind Power project in Heilongjiang, the PRC 於中國黑龍江之風力 發電項目	HK\$150,100,000 150,100,000港元	86.68%	86.68%
港建新能源四子王旗風能有限公司**	PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind Power project in Siziwang Qi, Inner Mongolia, the PRC 於中國內蒙古四子王旗之 風力發電項目	RMB166,480,000 人民幣166,480,000元	100%	100%
港能新能源四子王旗風能有限公司**	PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind power project in Siziwang Qi, Inner Mongolia, the PRC 於中國內蒙古四子王旗之 風力發電項目	RMB172,526,500 人民幣172,526,500元	100%	100%
Songxian HKE Wind Power Limited** 嵩縣港能風電有限公司**	PRC/Sino-foreign equity joint venture 中國／中外合資企業	Wind Power project in Songxian, Henan, the PRC 於中國河南嵩縣之風力發電 項目	RMB9,500,000 人民幣9,500,000元	100%	-

33 Principal subsidiaries and associates (continued) **33 主要附屬公司及聯營公司 (續)**

Name 名稱	Place of incorporation/ operation and kind of legal entity 註冊成立/經營地點及 法律實體類型	Principal activities 主要業務	Issued share capital/ Paid up registered capital 已發行股本/實繳註冊 資本	Percentage of equity/ Paid up registered capital held 所持權益/實繳註冊資本 百分比	
				2016 二零一六年	2015 二零一五年
Associates 聯營公司					
CECIC HKC (Gansu) Wind Power Company Limited*#□	PRC/Sino-foreign equity joint venture	Wind power project in Changma, Gansu, the PRC	RMB589,620,000	40%	40%
中節能港建(甘肅)風力發電有限公司*#□	中國/中外合資企業	於中國甘肅昌馬之 風力發電項目	人民幣589,620,000元		
CECIC HKC Wind Power Company Limited*#□	PRC/Sino-foreign equity joint venture	Wind power project in Danjinghe, Hebei, the PRC	RMB545,640,000	40%	40%
中節能港建風力發電(張北)有限公司*#□	中國/中外合資企業	於中國河北單晶河之 風力發電項目	人民幣545,640,000元		
CECIC HKE Wind Power Company Limited*#□	PRC/Sino-foreign equity joint venture	Wind power project in Lunaobao, Hebei, the PRC	RMB323,260,000	30%	30%
中節能港能風力發電(張北)有限公司*#□	中國/中外合資企業	於中國河北綽爾包之 風力發電項目	人民幣323,260,000元		

Remarks:

- + Interest held by subsidiaries
- # Not audited by PricewaterhouseCoopers
- Unofficial English transliterations or translations for identification purpose only.

備註:

- + 權益由附屬公司持有
- # 並非由羅兵咸永道會計師事務所審核
- 非正式英文字譯或翻譯，僅供識別。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Consolidated statement of comprehensive income	綜合全面收入報表					
Revenue	收益					
Continuing operations	持續經營業務	130,998	132,919	97,334	113,744	99,513
Profit/(loss) before income tax	所得稅前溢利/(虧損)					
Continuing operations	持續經營業務	64,980	45,021	14,883	33,990	(110,367)
Discontinued operations	已終止經營業務	-	-	-	-	100
		64,980	45,021	14,883	33,990	(110,267)
Income tax (expense)/credit	所得稅(支出)/抵免					
Continuing operations	持續經營業務	(6,834)	(5,669)	(1,922)	(6,382)	15,648
		58,146	(5,669)	(1,922)	(6,382)	15,648
Profit/(loss) for the year	本年度溢利/(虧損)					
Continuing operations	持續經營業務	58,146	39,352	12,961	27,608	(94,719)
Discontinued operations	已終止經營業務	-	-	-	-	100
		58,146	39,352	12,961	27,608	(94,619)
Non-controlling interests	非控股權益	2,952	1,102	1,501	586	11,877
Profit/(loss) attributable to equity holders of the Company	本公司權益持有人應佔溢利/(虧損)					
Continuing operations	持續經營業務	61,098	40,454	14,462	28,194	(82,842)
Discontinued operations	已終止經營業務	-	-	-	-	100
		61,098	40,454	14,462	28,194	(82,742)
Consolidated balance sheet	綜合資產負債表					
Net current assets	流動資產淨值	147,590	106,346	194,337	69,001	193,900
Non-current assets	非流動資產	1,830,617	2,005,566	2,188,493	2,324,548	2,120,406
Non-current liabilities	非流動負債	(414,536)	(504,946)	(623,970)	(602,176)	(593,793)
Net assets including non-controlling interests	資產淨值包括非控股權益	1,563,671	1,606,966	1,758,860	1,791,373	1,720,513

FIVE-YEAR FINANCIAL SUMMARY 五年財務概要

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Share capital	股本	23,564	23,564	26,564	26,564	26,564
Reserves	儲備	1,542,629	1,583,123	1,730,951	1,761,767	1,690,567
Non-controlling interests	非控股權益	(2,522)	279	1,345	3,042	3,382
Total equity	權益總額	1,563,671	1,606,966	1,758,860	1,791,373	1,720,513
Earnings/(loss) per share	每股盈利/(虧損)					
– basic	– 基本					
Continuing operations	持續經營業務	2.59	1.72	0.61	1.20	(3.51)
Dividend per share	每股股息					
– attributable to the year	– 本年度應佔	Nil無	Nil無	Nil無	Nil無	Nil無
Return on total equity (note)	權益總額回報率(附註)	3.72%	2.45%	0.74%	1.54%	(5.5%)

Note:

Return on total equity represents the current year's profit/loss for the year expressed as a percentage of the closing total equity for the year concerned.

附註：

權益總額回報率為本年度溢利/虧損相對有關本年度年終權益總額之百分比。

