KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED
康達國際環保有限公司

(Incorporated in the Cayman Islands with limited liability)
開曼群島註冊

2021
Annual R

Corporate Information
公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Suite 6409, 64/F
Central Plaza
18 Harbour Road, Wanchai
Hong Kong

香港主要營業地點
香港
灣仔港灣道18號
中環廣場
64樓6409室

SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS
Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

開曼群島股份過戶登記處
Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

香港股份過戶登記分處
香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712–1716號舖

LEGAL ADVISER
As to Hong Kong law:
Norton Rose Fulbright Hong Kong

法律顧問
有關香港法律：
諾頓羅氏香港

PRINCIPAL BANKER
Industrial and Commercial Bank of China
Chongqing Rural Commercial Bank
Bank of China
Shanghai Pudong Development Bank
Australia and New Zealand Banking Group Limited

主要往來銀行
中國工商銀行
重慶農村商業銀行
中國銀行
上海浦東發展銀行
澳新銀行集團有限公司

AUDITOR
Ernst & Young

核數師
安永會計師事務所

STOCK CODE
6136

股份代號
6136

COMPANY WEBSITE
http://www.kangdaep.com

公司網址
http://www.kangdaep.com

Chairman's Statement
主席報告

With the unremitting efforts of the management, the Group has retained positive operating cash flow for three consecutive years and achieved RMB320 million for the year, representing a year-on-year increase of approximately 31%, laying a solid foundation for the Group's stable recovery to achieve a virtuous cycle. On the other hand, due to the increase in administrative and other expenses and finance costs, in particular, the total amount of tax exemptions and concessions granted to wastewater treatment enterprises by the national governments at various levels due to the impact from the pandemic decreased by more than RMB40 million year-on-year, the profit attributable to equity shareholders of the Group for the year decreased to RMB412.8 million, representing a decrease of approximately 12% as compared with that of 2020. Basic earnings per share for the year was RMB19.29 cents. As at 31 December 2021, the Group's net asset value per share was RMB2.53, representing an increase of approximately 4% as compared to the same period last year.

在管理層的不懈努力下，本集團連續三年保留經營性現金流為正數，本年度實現人民幣320百萬元，同比提升約31%，為本集團穩健康復實現良性循環奠定了堅實基礎。另一方面，由於行政及其他開支及財務費用的上升，特別是國家各級政府因為疫情影響給予污水處理企業的稅費減免和優惠總額同比減少超過人民幣40百萬元，所以令本年度本集團權益股東應佔溢利下降至人民幣412.8百萬元，較二零二零年度減少約12%。本年度每股基本盈利為人民幣19.29分。於二零二一年十二月三十一日，本集團每股資產淨值為人民幣2.53元，較去年同期增加約4%。

DEVELOPMENT STRATEGY AND FUTURE OUTLOOK

The Group will seize the opportunities provided by the national policies, continue to focus on the development of the main business of municipal wastewater treatment, and deepen energy saving and consumption reduction measures by enhancing the wastewater treatment volume and treatment standard. By exploring wastewater resource recycling and reclaimed water utilization business, it will help the country achieve its goals of pollution prevention, water management and utilization, as well as energy saving and emission reduction while increasing the Group's revenue and profit, creating greater value for the Shareholders.

本集團發展策略及未來展望

本集團將抓緊國家政策提供的機會，繼續專注發展市政污水處理主業，通過提升污水處理量及處理標準，深化節能降耗措施，及探索包括污水資源化和再生水利用業務等方式，在幫助國家達成污染防治、水資源管理和利用及節能減排等目標的同時增加集團收入與利潤，為股東創造更大價值。

In terms of financial resources, the Group will continue to optimize its debt structure and develop financing channels to reduce financing costs. In early 2022, the Group obtained a green loan of US$16 million in total certified by the Hong Kong Quality Assurance Agency, which is the first green financing completed by the Group in Hong Kong and embodies the Group's green business concept of water-oriented environmental pollution management in its corporate financing activities.

財務資源方面，本集團將持續優化債務結構及開拓融資渠道以降低融資成本。於二零二二年初，本集團取得由香港品質保證局認証，合共1,600萬美元的綠色貸款，是本集團首次於香港完成的綠色融資，將本集團的綠色業務概念 — 以水為本的環境污染治理體現於企業融資活動之中。

Finally, I would like to take this opportunity to express our gratitude to all the Shareholders and all the collaborative partners of our Group for their dedicated support to the Group's development, and also to all staff of our Group for their endeavors and contributions made during the year.

最後，本人亦借此機會衷心感謝本集團的全體股東及所有合作夥伴對於本集團的發展一直給予的支持，並向本集團全體員工於年內作出的努力和貢獻致以敬意。

Li Zhong
Co-Chairman

聯席主席
李中

Hong Kong, 28 March 2022

香港，二零二二年三月二十八日

Management Discussion and Analysis
管理層討論及分析

BUSINESS REVIEW

During the year ended 31 December 2021 (the "Reporting Period"), the Group's principal business activities remained focusing on the Urban Water Treatment, followed by the existing projects of Water Environment Comprehensive Remediation and the Rural Water Improvement.

The scope of Urban Water Treatment includes the design, construction, upgrade and operation of wastewater treatment plants (the "WTPs"), reclaimed water treatment plant (the "RWTPs"), sludge treatment plants (the "STPs"), water distribution plants (the "WDPs"), and in the operation and maintenance of wastewater treatment facilities entrusted by governments (the "O&M"). The Group's business has covered the overall industry chain in Urban Water Treatment industry by executing contracts of Build-Operate-Transfer ("BOT") , Transfer-Operate-Transfer (the "TOT"), Public-Private-Partnership (the "PPP"), Build-Own-Operate (the "BOO"), Engineering-Procurement- Construction (the "EPC") and O&M. The Group had 101 service concession arrangement projects under operation while its operational treatment capacity was over 4 million tons per day as at 31 December 2021.

The scope of Water Environment Comprehensive Remediation includes river harnessing and improvement, foul water body treatment and sponge city construction. The Group engages in Water Environment Comprehensive Remediation by executing previously signed contracts of PPP and EPC.

The scope of Rural Water Improvement includes the construction and operation related to "the Water Environment Facilities of Beautiful Village" such as: wastewater treatment facilities and pipeline construction for collecting wastewater so as to achieve rural living environment improvement. The Group started to carry out this business since 2016 by executing the contracts of PPP.

In the future, the Group will continuously focus on the business of Urban Water Treatment to get steady cash flows and invest in high-quality, value-adding upstream and downstream businesses of water industry. The Group is very confident about the Group's prospects and future profitability and we will dedicate more efforts to enhance the profitability and effectiveness of the Group.

業務回顧

截至二零二一年十二月三十一日止年度(「報告期」),本集團主要業務仍集中在城鎮水務領域,兼顧水環境綜合治理及鄉村污水治理等領域的現有項目。

城鎮水務的範圍包括設計、建設、升級及營運污水處理廠(「污水處理廠」)、再生水處理廠(「再生水處理廠」)、污泥處理廠(「污泥處理廠」)、供水廠(「供水廠」)及營運及維護政府委託的污水處理設施(「運營及維護」)。本集團業務通過執行建設 — 運營 — 移交(「BOT」)、移交 — 運營 — 移交(「TOT」)、公私營合作(「PPP」)、建設 — 擁有 — 運營(「BOO」)、設計 — 採購 — 施工(「EPC」)以及運營及維護合約,已覆蓋城鎮水務行業的整體產業鏈。於二零二一年十二月三十一日,本集團在運營服務特許經營安排項目達到101個,在運營處理能力突破每日四百萬噸。

水環境綜合治理的範圍包括流域綜合治理及改善、黑臭水體處理及海綿城市建設等。本集團通過執行過往已簽訂的PPP和EPC合約,從事水環境綜合治理業務。

鄉村污水治理的範圍包括建設及營運「美麗鄉村水環境設施」,例如:污水處理設施設備和污水收集管網建設以達至鄉村居住環境改善。本集團於二零一六年開始通過執行PPP合約開展此類業務。

未來,本集團將繼續以獲得穩定現金流的城鎮水務業務為發展重心,同時擇優投資水務產業鏈上下游的增值領域。本集團對前景及未來的盈利能力充滿信心,並且我們將更加努力提升本集團的盈利能力和效益。

		Number of projects 項目數量	Treatment capacity 處理量 (Tonnes/Day) (噸／日)	Actual processing volume during the year ended 31 December 2021 截至二零二一年十二月三十一日止年度的實際處理量 (Million Tonnes) (百萬噸)
Wastewater treatment services	**污水處理服務**			
Shandong	山東	47	1,270,000	351.0
Henan	河南	23	1,060,000	339.6
Heilongjiang	黑龍江	6	425,000	152.1
Shanxi	山西	2	350,000	102.9
Zhejiang	浙江	2	250,000	90.8
Guangdong	廣東	4	220,000	57.7
Anhui	安徽	3	175,000	54.2
Jiangsu	江蘇	6	102,000	30.3
Other provinces/municipalities*	其他省／直轄市*	14	415,000	79.6
		107	4,267,000	1,258.2
Water distribution services	**供水服務**	1	30,000	–
Reclaimed water treatment services	**再生水處理服務**	2	65,000	4.2
Total	合計	110	4,362,000	1,262.4
Sludge treatment services	**污泥處理服務**	3	550	–
Total	合計	113	4,362,550	1,262.4

* Other provinces/municipalities include Beijing, Tianjin, Hebei, Jilin, Liaoning, Shaanxi, Sichuan and Fujian.

* 其他省／直轄市包括北京、天津、河北、吉林、遼寧、陝西、四川及福建。

1.1.1 Operation Services

As at 31 December 2021, the Group had 96 wastewater treatment projects, 2 reclaimed water treatment projects and 3 sludge treatment projects in operation in Mainland China. Total daily treatment capacity of wastewater treatment plants, reclaimed water treatment plants, and sludge treatment plants in operation for the year ended 31 December 2021 reached 3,961,500 tonnes (2020: 3,766,500 tonnes), 65,000 tonnes(2020: 65,000 tonnes), and 550 tonnes (2020: 550 tonnes), respectively. For the year ended 31 December 2021, the annualized utilization rate for wastewater and reclaimed water treatment plants in operation was approximately 86% (2020: 83%). The actual average water treatment tariff for the year ended 31 December 2021 was approximately RMB1.49 per tonne (2020: approximately RMB1.46 per tonne).The actual aggregate processing volume for the year ended 31 December 2021 was 1,262.4 million tonnes, representing an increase of 11% as compared to the same period last year (year ended 31 December 2020: 1,133.6 million tonnes), which was in line with the increase in treatment capacity.

Total operation revenue of the Group's Urban Water Treatment services recorded for the year ended 31 December 2021 was RMB1,185.9 million, representing an increase of approximately 13% as compared to the same period of last year (year ended 31 December 2020: RMB1,053.4 million). The corresponding increase was primarily due to the increase in the number of commencement of operation of new water treatment projects through construction.

1.1.2 Construction Services

The Group entered into a number of service concession arrangements under BOT, BOO and PPP contracts in relation to its Urban Water Treatment business. Under the International Financial Reporting Interpretation Committee 12 Service Concession Arrangements, the Group recognises the construction revenue with reference to the fair value of the construction service delivered in the building phase. The fair value of such service is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the inception date of service concession agreement. Construction revenue from BOT, BOO, PPP and EPC projects is recognised by using the percentage-of-completion method.

1.1.1 運營服務

於二零二一年十二月三十一日，本集團在中國內地有96個運營中的污水處理項目、2個再生水處理項目及3個污泥處理項目。截至二零二一年十二月三十一日止年度，運營中污水處理廠、再生水處理廠及污泥處理廠的每日總處理量分別為3,961,500噸（二零二零年：3,766,500噸）、65,000噸（二零二零年：65,000噸）及550噸（二零二零年：550噸）。截至二零二一年十二月三十一日止年度，運營中污水處理廠及再生水處理廠的年使用率約為86%（二零二零年：83%）。截至二零二一年十二月三十一日止年度的實際平均水處理費約為每噸人民幣1.49元（二零二零年：約為每噸人民幣1.46元）。截至二零二一年十二月三十一日止年度的實際總處理量為1,262.4百萬噸，同比增加11%（截至二零二零年十二月三十一日止年度：1,133.6百萬噸），與處理能力的增加相符。

本集團截至二零二一年十二月三十一日止年度城鎮水務服務的總運營收益為人民幣1,185.9百萬元，較去年同期增長約13%（截至二零二零年十二月三十一日止年度：人民幣1,053.4百萬元），相關增加主要由於通過建設新增污水處理項目開始運營的數量增加。

1.1.2 建設服務

本集團城鎮水務業務以BOT、BOO及PPP合約訂立多項服務特許經營安排。根據國際財務報告詮釋委員會詮釋第12號服務特許經營安排，本集團經參考於建設階段交付的建設服務的公平值確認建設收益。有關服務的公平值乃按成本加成基準並參考服務特許經營協議開始生效日期的毛利率的通行市場比率估計。BOT、BOO、PPP及EPC項目的建設收益採用完工百分比法確認。

For the year ended 31 December 2021, construction revenue was recognised for 25 projects, including 20 wastewater treatment plants, 2 water distribution plants, 1 reclaimed water treatment plant, and 2 sludge treatment plants, which were mainly located in Shandong, Shanxi provinces, and the city of Tianjin in Mainland China. Total construction revenue of those projects for the year ended 31 December 2021 was RMB780.7 million, representing a year-on-year decrease of approximately 35% (year ended 31 December 2020: RMB1,192.9 million). The corresponding decrease was primarily due to a decrease in the project numbers during the main construction period. As at 31 December 2021, the total daily treatment capacity of the service concession arrangements plants, which were still in the construction stage, was 210,500 tonnes, including 180,500 tonnes of wastewater treatment plants and 30,000 tonnes of water distribution plants.

截至二零二一年十二月三十一日止年度，已就25個項目確認建設收益，包括20個污水處理廠、2個供水廠、1個再生水處理廠及2個污泥處理廠，主要位於中國內地的山東省、山西省及天津市。截至二零二一年十二月三十一日止年度，該等項目的總建設收益為人民幣780.7百萬元，同比減少約35%（截至二零二零年十二月三十一日止年度：人民幣1,192.9百萬元），相應減少主要由於處於主體施工期的項目數量減少。於二零二一年十二月三十一日，該等服務特許經營安排廠房（仍在建設階段）的每日總處理量為210,500噸，包括污水處理廠180,500噸及供水廠30,000噸。

1.2 Water Environment Comprehensive Remediation

In the year of 2021, the Group continued to devote efforts to implementing the existing projects of Water Environment Comprehensive Remediation. As at 31 December 2021, most of the projects have been completed. The Group devoted efforts to lower the risk and enhance the reasonable profit for the existing projects. The Group will integrate resources to execute the Water Environment Comprehensive Remediation projects under the contracts of EPC and O&M.

The Group had 7 Water Environment Comprehensive Remediation projects under construction during the year ended 31 December 2021. The projects were mainly located in Jiangxi and Shandong provinces in Mainland China. For the year ended 31 December 2021, total revenue of those projects was RMB147.7 million, representing a year-on-year decrease of approximately 53% (year ended 31 December 2020: RMB311.7 million). The corresponding decrease was primarily due to the completion of partial existing EPC projects.

1.2 水環境綜合治理

二零二一年，本集團繼續致力於執行現有水環境綜合治理項目。於二零二一年十二月三十一日，大部分項目已經完工。本集團仍致力於降低現有項目的風險並提升合理利潤。本集團將整合資源，以執行EPC與運營及維護合約下的水環境綜合治理項目。

截至二零二一年十二月三十一日止年度，本集團有7個處於建設階段的水環境綜合治理項目，主要位於中國內地的江西省及山東省。截至二零二一年十二月三十一日止年度，該等項目總收益為人民幣147.7百萬元，同比減少約53%（截至二零二零年十二月三十一日止年度：人民幣311.7百萬元），相應減少主要由於部分現有EPC項目完工。

Finance Costs

The Group's finance costs for the year ended 31 December 2021 of RMB565.7 million mainly comprised interests on interest-bearing bank and other borrowings and corporate bonds, representing a slight increase as compared to RMB561.8million in the previous corresponding period. The increase in finance costs was mainly due to the increase of average interest-bearing bank and other borrowing and corporate bonds. The average balance of interest-bearing bank and other borrowings and corporate bonds increased by RMB180.2 million and the average interest rate was 6.04%, representing a decrease of 0.07 percentage points as compared to that in the previous corresponding period. The decrease in average interest rate was mainly due to the increase in short-term interest-bearing bank and repayment of the corporate bonds. The Group will further seek practical ways to optimize loan structure, expand financing channels and methods and lower the average interest rate in the coming year.

融資成本

截至二零二一年十二月三十一日止年度，本集團的融資成本人民幣565.7百萬元，主要包括計息銀行借款和其他借款及公司債券產生的利息，較去年同期人民幣561.8百萬元略微增加。融資成本增加主要是由於平均計息銀行借款和其他借款及公司債券增加。平均計息銀行借款和其他借款及公司債券餘額增加人民幣180.2百萬元，平均借款利率為6.04%，較去年同期減少0.07個百分點。該平均借款及債券利率的減少主要是由於短期借款增加及公司債券的償還。本集團將進一步尋求可行措施優化貸款結構，拓展融資渠道和方式及降低明年的平均借款及債券利率。

Share of Profits and Losses of Associates

The Group's share of losses of associates for the year ended 31 December 2021 was RMB0.3 million, representing a major decrease as compared to share of losses of associates of RMB2.7 million in the previous corresponding period. The Group will further execute practical ways to reduce the losses brought by the associates.

分佔聯營公司溢利及虧損

截至二零二一年十二月三十一日止年度，本集團分佔聯營公司虧損為人民幣0.3百萬元，較去年同期分佔聯營公司虧損人民幣2.7百萬元大幅減少。本集團將進一步執行可行措施以減少聯營公司帶來的虧損。

Share of Profits and Losses of Joint ventures

Share of losses of joint ventures for the year ended 31 December 2021 was RMB2.2 million, representing a major decrease as compared to share of losses of joint ventures of RMB4.8 million in the previous corresponding period. The Group will further execute practical ways to reduce the losses brought by the joint ventures.

分佔合營企業溢利及虧損

截至二零二一年十二月三十一日止年度，本集團分佔合營企業虧損為人民幣2.2百萬元，較去年同期分佔聯營公司虧損人民幣4.8百萬元大幅減少。本集團將進一步執行可行措施以減少合營企業帶來的虧損。

Income Tax Expense

Income tax expense for the year ended 31 December 2021 included the current PRC income tax of RMB44.3 million and deferred tax expenses of RMB87.8 million, which were RMB34.2 million and RMB103.1 million for the previous corresponding period, respectively. The Group's effective tax rate for the year ended 31 December 2021 was approximately 24%, representing an increase of 1 percentage points as compared with approximately 23% for the previous corresponding period, which was mainly due to the decrease in effect of lower tax rates for specific provinces or enacted by local authority.

所得稅開支

截至二零二一年十二月三十一日止年度的所得稅開支包括當期中國所得稅人民幣44.3百萬元及遞延稅項開支人民幣87.8百萬元，而去年同期分別為人民幣34.2百萬元及人民幣103.1百萬元。本集團截至二零二一年十二月三十一日止年度的實際稅率約為24%，較去年同期的約23%上升1個百分點，主要由於指定省份或當地機關頒佈的較低稅率的影響減少。

Financial Receivables

金融應收款項

		As at 於 31 December 2021 二零二一年十二月三十一日 RMB'000 人民幣千元	31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元
Receivables for service concession arrangements	服務特許經營安排應收款項	**10,978,212**	10,006,697
Portion classified as current	分類為即期的部分	**(1,878,059)**	(1,692,798)
Non-current portion	非即期部分	**9,100,153**	8,313,899

As at 31 December 2021, the Group's financial receivables of RMB10,978.2 million (31 December 2020: RMB10,006.7 million) increased by RMB971.5 million, which was mainly due to the increase in financial receivables which were reclassified from contract assets once the construction and upgrade period is ended for the water treatment projects.

於二零二一年十二月三十一日，本集團金融應收款項為人民幣10,978.2百萬元（二零二零年十二月三十一日：人民幣10,006.7百萬元）增加人民幣971.5百萬元，主要是由於水處理項目建造及提標週期結束後而從合約資產重新分類至金融應收款項的增加。

Contract Assets

合約資產

		As at 於 31 December 2021 二零二一年十二月三十一日 RMB'000 人民幣千元	31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元
Contract assets	合約資產	**1,973,035**	2,297,247
Portion classified as current	分類為即期部分	**(323,761)**	(222,337)
Non-current portion	非即期部分	**1,649,274**	2,074,910

As at 31 December 2021, the Group's contract assets of RMB1,973.0 million (31 December 2020: RMB2,297.2 million), decreased by RMB324.2 million, mainly due to the net impact of reclassification from contract assets to financial receivables and the increase of construction of the Group's projects under BOT, PPP, and EPC contracts.

於二零二一年十二月三十一日，本集團合約資產人民幣1,973.0百萬元（二零二零年十二月三十一日：人民幣2,297.2百萬元）減少人民幣324.2百萬元，主要由於合約資產重新分類至金融應收款項，以及來自於本集團BOT、PPP以及EPC合約項目的建設增加的淨影響。

Other Payables and Accruals

As at 31 December 2021, the Group's other payables and accruals of RMB278.2 million (31 December 2020: RMB240.2 million) increased by RMB38.0 million, which was mainly due to the increase in salary and welfare payables, acquisition of non-controlling interests payables, and amounts due to related parties.

其他應付款項及應計費用

於二零二一年十二月三十一日，本集團其他應付款項及應計費用為人民幣278.2百萬元（二零二零年十二月三十一日：人民幣240.2百萬元），增加人民幣38.0百萬元，主要由於應付工資及福利款項，應付少數股東併購款項以及應付關聯方款項的增加。

Liquidity and Financial Resources

The Group's principal liquidity and capital requirements primarily relate to investments in Urban Water Treatment projects, Water Environment Comprehensive Remediation projects, and Rural Water Improvement projects, merger and acquisition of subsidiaries, costs and expenses related to the operation and maintenance of the Group's facilities, working capital and general corporate purpose.

As at 31 December 2021, the carrying amount of the Group's cash and cash equivalents was RMB289.9 million, representing a decrease of approximately RMB140.4 million as compared to RMB430.3 million as at 31 December 2020, which was mainly due to the net cash inflows of RMB320.2 million from operating activities, the net cash outflows used in financing activities of RMB337.9 million, settlements of acquisition and investing payables of RMB1.8 million and cash outflows of RMB149.4 million for purchases of property, plant and equipment and intangible assets in investing activities, cash outflows of RMB118.3

流動資金及財務資源

本集團的主要流動及資本需求主要與投資城鎮水務項目、水環境綜合治理項目及鄉村污水治理項目、合併及收購附屬公司、運營及維護本集團設施相關的成本及開支、營運資金及一般公司用途有關。

於二零二一年十二月三十一日，本集團現金及現金等價物的賬面值為人民幣289.9百萬元，較二零二零年十二月三十一日的人民幣430.3百萬元減少約人民幣140.4百萬元，主要是由於經營活動現金淨流入人民幣320.2百萬元，融資活動現金淨流出人民幣337.9百萬元，就收購付款及支付投資款項人民幣1.8百萬元，投資活動購置物業、廠房及設備以及無形資產的現金流出人民幣149.4百萬元，投資活動抵押存款增加導致現金流出人民幣118.3百萬元，投資活動贖回其他流動金融資產流入人民幣133.5百萬元，投資活動處置附屬公司導致現金流入人民幣13.5百萬元，投資活動處置物業、廠房及設備以及無形資產的現金流入人民幣0.4百萬元。

於二零二一年十二月三十一日，本集團的計息債務總額略微增加至人民幣9,469.7百萬元（二零二零年十二月三十一日：人民幣9,272.8百萬元），其僅由銀行及其他借款構成（二零二零年十二月三十一日：銀行及其他借款人民幣8,688.5百萬元及公司債券為人民幣584.3百萬元），本集團的計息債務中的66.2%（二零二零年十二月三十一日：75.6%）屬長期債務；超過59%的計息銀行及其他借款按浮動利率計息。

於二零二一年十二月三十一日，本集團的銀行授信額度為人民幣58,417.5百萬元，其中人民幣49,552.6百萬元並未動用。未動用金額人民幣49,332.6百萬元主要受限制用於投資環保基礎設施及綜合治理。

Management Discussion and Analysis
管理層討論及分析

FOREIGN EXCHANGE RISK

Majority of the subsidiaries of the Company operate in the PRC with most of the transactions denominated and settled in RMB. As at 31 December 2021, except for the bank deposits and certain amount of interest-bearing bank borrowings denominated in foreign currencies, the Group did not have significant foreign currency exposure from its operations. Currently, the Group has not used derivative financial instruments to hedge its foreign currency risk.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed, no significant events took place subsequent to 31 December 2021.

外匯風險

本公司的大部分附屬公司在中國經營業務，交易大多以人民幣列值及結算。於二零二一年十二月三十一日，除以外幣計值的銀行存款及若干金額的計息銀行借款外，本集團經營業務並無涉及重大外幣風險。目前，本集團並無使用衍生金融工具以對沖其外幣風險。

報告期後事項

除披露者外，於二零二一年十二月三十一日後並無發生重大事項。

Directors and Senior Management
董事及高級管理層

EXECUTIVE DIRECTORS
Mr. Zhao Juanxian (alias, Zhao Junxian)

Mr. Zhao Juanxian (alias, Zhao Junxian), aged 69, is the founder of the Group. He is an executive Director, and the co-chairman of the Board (the "Co-Chairman") of the Company, responsible for strategic development and planning, overall operational management, market development and major decision making. He was appointed as a Director on 22 August 2011. He has acted as a director and the chief executive officer of Chongqing Kangda since the beginning of the establishment of Chongqing Kangda and ceased to be the chief executive officer of Chongqing Kangda in September 2012. Mr. Zhao has served as the chairman of the board of directors and general manager of Chongqing Kangte Environmental Protection Industry Holdings Co., Ltd.* (重慶康特環保產業控股有限公司) since November 1994. He graduated from the political administration at elementary level* (黨政幹部基礎科專業) from Sichuan University* (四川大學) located in Chengdu City, Sichuan Province, and Sichuan Higher Vocational and Examination Committee* (四川省高等中專教育自學考試指導委員會) in June 1988, and attended a one-month education programme of Sichuan foreign-related business from Shenzhen University* (深圳大學) located in Shenzhen City, Guangdong Province, in July 1988.

Mr. Zhao Juanxian has over 25 years of experience in the environmental protection and wastewater treatment industry and was awarded for several times for his valuable contribution to the development of environmental protection and his expertise in environmental protection technology by relevant environmental protection industry associations from 2004 to 2009. Mr. Zhao Juanxian was granted the title of Outstanding Environmental Technology Entrepreneurs by the Chinese Society for Environmental Sciences* (中國環境科學學會) in September 2004. He received the China Environmental Protection Industry Development Award granted by the China Association of Environmental Protection Industry* (中國環境保護產業協會) in January 2005. He was also granted the title of Outstanding Individual of Environmental Protection by the People's Government of Chongqing Municipal* (重慶市人民政府) in July 2006 and Outstanding Entrepreneur of China Environmental Protection Industry by China Association of Environmental Protection Industry* (中國環境保護產業協會) in October 2009. Mr. Zhao Juanxian served as the vice president of the 3rd and 4th Session of Chongqing Municipal Environmental Protection Industry Association* (重慶市環境保護產業協會第三屆及第四屆理事會) in 2005 and 2012, respectively, and the vice president of the 3rd and 4th Session of China Association of Environmental Protection Industry* (中國環境保護產業協會第三屆及第四屆理事會) in 2005 and 2009, respectively. In January 2015, he served as the vice chairman of the board of directors of China State-owned Industry Innovation Alliance (中國國資國企產業創新戰略聯盟) and the vice chairman of the board of directors of Hong Kong-Mainland International Investment Society (香港國際投資總會), respectively.

執行董事
趙雋賢先生

趙雋賢先生，69歲，本集團創辦人。彼為本公司的執行董事兼董事會聯席主席(「聯席主席」)，負責策略開發及規劃、整體運營管理、市場開發及主要決策制定。彼於二零一一年八月二十二日獲委任為董事。彼自重慶康達成立起擔任重慶康達董事兼行政總裁，並於二零一二年九月起終止擔任重慶康達行政總裁。自一九九四年十一月，趙先生擔任重慶康特環保產業控股有限公司董事會主席兼總經理。彼於一九八八年六月從四川大學(位於四川省成都市)及四川省高等中專教育自學考試指導委員會取得黨政幹部基礎科專業畢業證書，並於一九八八年七月參加深圳大學(位於廣東省深圳市)為期一個月的四川外國相關業務教育課程。

趙雋賢先生擁有超過25年的環保及污水處理行業經驗，於二零零四年至二零零九年間因其對環保發展作出的寶貴貢獻及其在環保技術方面的專業知識而屢次獲相關環保行業協會授予獎項。趙雋賢先生於二零零四年九月獲中國環境科學學會授予優秀環境科技實業家稱號。彼於二零零五年一月獲中國環境保護產業協會授予中國環保產業發展貢獻獎。彼亦於二零零六年七月獲重慶市人民政府授予環境保護先進個人稱號及於二零零九年十月獲中國環境保護產業協會授予中國環保產業優秀企業家稱號。趙雋賢先生分別於二零零五年及二零一二年擔任重慶市環境保護產業協會第三屆及第四屆理事會副會長並分別於二零零五年及二零零九年擔任中國環境保護產業協會第三屆及第四屆理事會副會長。於二零一五年一月，彼分別擔任中國國資國企產業創新戰略聯盟副理事長和香港國際投資總會董事會副主席。

Directors and Senior Management
董事及高級管理層

EXECUTIVE DIRECTORS (Continued)

Ms. Liu Yujie

Ms. Liu Yujie, aged 57, was graduated from University of International Business and Economic* (對外經濟貿易大學) located in Beijing and obtained a master degree in business administration. Ms. Liu Yujie has been working in Hong Kong, Singapore and the PRC for over 20 years in total and is familiar with the business environment and regulatory system of the three places. She has comprehensive experience in capital market, business promotion and corporate management, participated in IPO and underwriting of over 30 companies on the Hong Kong Stock Exchange, led and completed merger and acquisition of three companies in Hong Kong and Singapore, assisted capital raising and management of large-scale industrial fund for investment in the PRC, and acted as executive directors of listed companies in Hong Kong and Singapore which engaged in utilities and infrastructure investment. Currently, she is also an executive director of New Universe Environmental Group Limited (stock code: 436), an executive director of China Water and an independent non-executive director of Zhongyu Gas Holdings Limited (stock code: 3633), which are listed on the main board of the Hong Kong Stock Exchange. She joined the Group in 2019.

Mr. Duan, Jerry Linnan

Mr. Duan, Jerry Linnan, aged 31, studied in Beijing Normal University with a major in psychology. He joined China Water as the president assistant in 2011, mainly focusing on hotel operating and intelligent water businesses. At the same time, Mr. Duan, Jerry Linnan assisted the directors of China Water in capital market and investor relations, etc. In 2015, Mr. Duan, Jerry Linnan was appointed as the general manager of the hotel under China Water in Nanjing, and was in charge of the construction, procurement and daily operation of various hotels of China Water. Mr. Duan, Jerry Linnan has comprehensive experiences in human resources and corporate management. Currently, he is also an executive director of China Water. He joined the Group in 2019.

執行董事(續)

劉玉杰女士

劉玉杰女士，57歲，畢業於位於北京的對外經濟貿易大學，獲工商管理碩士學位。劉玉杰女士在香港、新加坡及中國大陸三地工作合計超過二十年，並熟悉三地的營商環境及監管體系。彼於資本市場、業務推廣及企業管理方面擁有豐富經驗；曾參與三十多間公司在聯交所的首次公開發售及包銷；在香港及新加坡主導並完成三間公司合併收購；協助於中國的大型產業基金投資的集資和管理；及擔任多家從事公用事業及基礎設施投資的香港及新加坡上市公　剟懣礸市

Directors and Senior Management
董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chau Kam Wing

Mr. Chau Kam Wing, aged 59, has over 20 years of experience in auditing, taxation and financial management and had been appointed as financial controller of a number of companies listed on the Hong Kong Stock Exchange. Mr. Chau obtained a master degree in business administration from the University of San Francisco in the United States in 2000. He is also a fellow member of The Association of Chartered Certified Accountants and a practicing member of the Hong Kong Institute of Certified Public Accountants. Mr. Chau is currently the finance director of Winox Holdings Limited (stock code: 6838) and an independent non-executive director of each of Carpenter Tan Holdings Limited (stock code: 837), Ching Lee Holdings Limited (stock code: 3728) and China Water, which are listed on the main board of the Hong Kong Stock Exchange. Mr. Chau is also an independent non-executive director of Eco-Tek Holdings Limited (stock code: 8169) and was an independent non-executive director of Zhejiang Chang'an Renheng Technology Co., Ltd. (stock code: 8139) from 8 May 2014 to 11 May 2019, which are both listed on the GEM of the Hong Kong Stock Exchange. He joined the Group in 2019. He is also the chairman of the audit committee and nomination committee and a member of the remuneration committee of the Company.

Mr. Chang Qing

Mr. Chang Qing, aged 64, was graduated from the Chinese Academy of Social Sciences* (中國社會科學院) with a doctorate degree in agricultural economics and management in 2001, graduated from Jilin University (吉林大學) with a bachelor's degree in economics in 1982 and a master's degree in national economics in 1985. Mr. Chang had successively served as a research assistant, a deputy research fellow and a research fellow of Development Research Center of the State Council (國務院發展研究中心) from 1985 to 2005 and the vice chairman of China Futures Association (中國期貨業協會) from 1999 to 2006. Mr. Chang has worked in the College of Economics and Management of China Agriculture University (中國農業大學經濟管理學院) since 2005. He has also served as the chairman of the board of Jinpeng International Futures Co., Ltd (金鵬期貨經紀有限公司) since 1993. Mr. Chang is currently an independent non-executive director of China Chengtong Development Group Limited (stock code: 217) and Honghua Group Limited (stock code 196), which are both listed on the main board of the Hong Kong Stock Exchange. He joined the Group in 2016. He is also the member of the audit committee and nomination committee of the Company.

獨立非執行董事

周錦榮先生

周錦榮先生，59歲，在審計、稅務及財務管理方面擁有逾二十年經驗，亦曾於香港多間聯交所上市公司任職財務總監。周先生於二零零零年獲取美國三藩市大學(University of San Francisco)的工商管理碩士學位。彼亦為英國特許公認會計師公會資深會員及香港會計師公會的執業會員。周先生現為盈利時控股有限公司(股份代號：6838)的財務董事，以及譚木匠控股有限公司(股份代號：837)、正利控股有限公司(股份代號：3728)及中國水務各自的獨立非執行董事，該等公司均在香港聯交所主板上市。周先生亦為環康集團有限公司(股份代號：8169)的獨立非執行董事及於二零一四年五月八日至二零一九年五月十一日出任浙江長安仁恒科技股份有限公司(股份代號：8139)的獨立非執行董事，該等公司均在香港聯交所創業板上市。彼於二零一九年加入本集團。彼亦為本公司審核委員會及提名委員會之主席以及薪酬委員會成員。

常清先生

常清先生，64歲，於二零零一年畢業於中國社會科學院，取得農業經濟管理博士學位，一九八二年畢業於吉林大學，取得經濟學學士學位並於一九八五年於該大學取得國民經濟學碩士學位。常先生於一九八五年至二零零五年於國務院發展研究中心先後擔任研究助理、副研究員及研究員，並於一九九九年至二零零六年擔任中國期貨業協會的副會長。常先生自二零零五年起於中國農業大學經濟管理學院工作。彼亦自一九九三年起擔任金鵬期貨經紀有限公司的董事長。常先生現為中國誠通發展集團有限公司(股份代號：217)及宏華集團有限公司(股份代號：196)的獨立非執行董事，該等公司均在香港聯交所主板上市。彼於二零一六年加入本集團。彼亦為本公司審核委員會及提名委員會之成員。

INDEPENDENT NON-EXECUTIVE DIRECTORS
(Continued)

Mr. Peng Yongzhen

Mr. Peng Yongzhen, aged 73, was graduated from Harbin Institute of Technology* (哈爾濱工業大學) (formerly known as Harbin University of Architecture and Engineering (哈爾濱建築大學), the same below) in June 1995 with a doctor degree in environmental engineering and was a senior visiting scholar in Gunma University (日本群馬大學) from October 1996 to April 1997. Mr. Peng previously held various positions in water supply and sewerage engineering major in the urban construction department of Harbin Institute of Technology* (哈爾濱工業大學), including the teaching assistant position from September 1976 to October 1978, the teaching assistant, lecturer and associate professor positions from December 1981 to September 1993, and the professor position from September 1993 to February 2000. Since 2000, he has been a chief professor of the environment engineering department, a professor, a tutor of doctoral candidates and the chief of the environmental engineering department and water pollution control research laboratory in Beijing University of Technology* (北京工業大學), Director of National Engineering Lab for Advanced Municipal Wastewater Treatment and Reuse Technology ("城鎮污水深度處理與資源化利用技術"國家工程實驗室) and the chief of Beijing Engineering Technology Research Center of Sewage Nitrogen and Phosphorus Removal* (北京市污水脫氮除磷處理工程技術研究中心) of Beijing University of Technology, concurrently.

He has long been engaged in the research of urban sewage disposal measures, of which some technological achievements have been massively applied into practice. Mr. Peng has earned diverse national-level titles and awards for his academic achievements, including without limitations National Role Model Lecturer* (全國模範教師) in

Directors and Senior Management
董事及高級管理層

SENIOR MANAGEMENT

The biographical details of the senior management of the Company during the year ended 31 December 2021 and up to the date of this annual report are set out below:

Mr. Zhou Wei

Mr. Zhou Wei, aged 42, was appointed as the chief financial officer of the Group on 9 April 2019. Mr. Zhou Wei graduated from Nanjing Audit University* (南京審計學院) located in Nanjing and obtained a bachelor degree in auditing. Mr. Zhou Wei is currently a certified tax agent of the People's Republic of China. From 2002 to 2007, he worked in several domestic and international accounting firms. In August 2007, Mr. Zhou Wei joined China Water and successively served as the chief financial officer of Huizhou Zhongshui Water Development Co., Ltd.* (惠州中水水務發展有限公司), a subsidiary of China Water), the vice general manager of the investment department of China Water, the general manager of Huizhou Dayawan Yiyuan Jingshui Co., Ltd.* (惠州大亞灣溢源淨水有限公司), a subsidiary of China Water), and the chief financial officers of Shenzhen Jinda Environment Holding Co. Ltd.* (深圳金達環境控股有限公司), a subsidiary of China Water) and Guangdong Xinsheng Environmental Protection Group Co., Ltd.* (廣東新晟環保集團有限公司), a subsidiary of China Water). Mr. Zhou Wei is experienced in financial management and investment and financing area.

高級管理層

於截至二零二一年十二月三十一日止年度及直至本年報日期，本公司高級管理層履歷詳情載列如下：

周偉先生

周偉先生，42歲，於二零一九年四月九日獲委任為本集團財務總監。周偉先生畢業於位於南京的南京審計學院，獲審計學士學位。周偉先生目前是中華人民共和國的註冊稅務師。自二零零二年至二零零七年，彼任職於多家國內和國際會計師事務所。於二零零七年八月，周偉先生加入中國水務，先後擔任惠州中水水務發展有限公司(中國水務附屬公司)財務總監，中國水務投資部副總經理，惠州大亞灣溢源淨水有限公司(中國水務附屬公司)總經理，及深圳金達環境控股有限公司(中國水務附屬公司)和廣東新晟環保集團有限公司(中國水務附屬公司)的財務總監。周偉先生在財務管理和投融資領域具有豐富的經驗。

Corporate Governance Report
企業管治報告

Corporate Governance Report
企業管治報告

THE BOARD OF DIRECTORS

The Board is responsible for leadership and control of the Company and overseeing the Group's businesses, strategic decisions and performance. The Board has delegated to the chief executive officer, of which the Directors also undertake, and through him, to the senior management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

As at 31 December 2021 and up to the date of this annual report, the composition of the Board is set out below:

Executive Directors

Zhao Juanxian (alias, Zhao Junxian) *(Co-Chairman)*
Li Zhong *(Co-Chairman)*
Liu Yujie
Duan, Jerry Linnan

Independent non-executive Directors

Chau Kam Wing
Chang Qing
Peng Yongzhen

The Directors have no financial, business, family or other material/relevant relationships with each other.

During the year ended 31 December 2021, the Board at all time complied with 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 Company has received written annual confirmation from each of the independent non-executive Directors of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

A code provision of the CG Code requires Directors to disclose to the issuer the number and nature of offices held in public companies or organisations and other significant commitments as well as the nature of such companies or organisations and the time involved in such offices, each Director has agreed to disclose their commitments to the Company in a timely manner.

董事會

董事會負責領導及控制本公司，並監督本集團的業務、戰略決定及表現。董事會已向行政總裁授權而董事亦承擔，並透過行政總裁向高級管理層轉授權力及職責，負責本集團日常管理及運作。此外，董事會已成立董事委員會，並向該等董事委員會授予多項職責，有關職責載於其各自的職權範圍內。

於二零二一年十二月三十一日及直至本年報日期，董事會的組成載列如下：

執行董事

趙雋賢(聯席主席)
李中(聯席主席)
劉玉杰
段林楠

獨立非執行董事

周錦榮
常清
彭永臻

董事之間概無財務、業務、家族或其他重大／相關關係。

於截至二零二一年十二月三十一日止年度，董事會一直遵守上市規則有關委任至少三名獨立非執行董事，且其中至少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識的規定。

根據上市規則第3.13條，本公司已接獲各獨立非執行董事就其獨立性作出的年度書面確認。本公司認為，根據上市規則所載獨立性指引，所有獨立非執行董事均為獨立人士。

企業管治守則的守則條文規定，董事須向發行人披露其於公眾公司或組織所擔任職位的數目及性質、其他重大承擔以及公眾公司或組織的性質及有關職務所涉及的時間，各董事已同意及時向本公司披露其承擔。

Corporate Governance Report
企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and duties of the Chairman and the Chief Executive Officer have been clearly defined in writing and are carried out by different individuals in order to preserve independence and a balance of views and judgement.

With the support of the senior management, the Chairman is responsible for ensuring that the Directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings. The Chief Executive Officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. He is in charge of the Company's day-to-day management and operations. The Chief Executive Officer is also responsible for developing strategic plans and formulating the organisational structure, control systems and internal procedures and processes for the Board's approval.

As at 31 December 2021, Mr. Zhao Juanxian and Mr. Li Zhong were the Co-chairmen of the Company and Mr. Duan, Jerry Linnan was the Chief Executive Officer of the Company.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has entered into service contract with the Company for an initial fixed term of three years and will continue

APPOINTMENT AND RE-ELECTION OF DIRECTORS (Continued)

The procedures and process of appointment, re-election and removal of Directors are laid down in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors.

The Board is collectively responsible for performing the corporate governance duties and formalised the inclusion of the following corporate governance duties into the terms of reference of the Board:

a. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

b. to review and monitor the training and continuous professional development of Directors and senior management;

c. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

d. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and

e. to review the Company's compliance with the CG Code and disclosure in the corporate governance report in the annual report of the Company.

The Board had reviewed and approved the corporate governance report contained in this annual report. The Board had also reviewed the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements.

委任及重選董事(續)

委任、重選及罷免董事的程序及過程均載於組織章程細則內。提名委員會負責檢討董事會的組成、監察董事的委任及接任計劃，以及評估獨立非執行董事的獨立性。

董事會共同負責履行企業管治責任，並將以下企業管治責任納入董事會權責範圍內：

a. 制定及檢討本公司的企業管治政策及常規，並向董事會作出推薦建議；

b. 檢討及監察董事及高級管理層的培訓及持續專業發展；

c. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；

d. 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊(如有)；及

e. 檢討本公司遵守企業管治守則的情況及在本公司年報中的企業管治報告的披露。

董事會已檢討及批准本年報所載的企業管治報告。董事會亦已檢討本公司的企業管治政策及常規以及遵守法律及監管規定的情況。

APPOINTMENT AND RE-ELECTION OF DIRECTORS (Continued)

The Board had adopted a board diversity policy aiming to set out the approach to achieve the diversity of members of the Board to enhance the effectiveness of the Board. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates of Board members will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for Directors will be arranged where necessary. Individual Directors also participated in the courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials.

委任及重選董事(續)

董事會已採納董事會成員多元化政策，旨在列載為達致董事會成員多元化以提高董事會效率而採取的方針。本公司認可並相信董事會成員多元化的好處，並盡力確保董事會就適合本公司業務所需的技能、經驗和多元化方面取得平衡。董事會所有委任均以用人唯才為原則，並充分顧及董事會成員多元化的裨益。對董事會成員候選人的甄選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終將按所甄選候選人的長處及可為董事會提供的貢獻而作決定。

每名新委任的董事均會於其獲委任初期接受正式、全面及因應個別董事而設計的入職培訓，以確保彼等適當了解本公司業務及營運以及充分認識到上市規則及苑遲醴 解及汎正受 受基類委 到 上市

DIRECTORS' TRAINING

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

During the year ended 31 December 2021, the Directors participated in the following continuous professional development:

董事的培訓

本公司致力就全體董事的持續專業發展為彼等安排合適的培訓，並提供資助。全體董事亦了解持續專業發展的重要性，並承諾參與任何合適的培訓，以發展及更新彼等的知識及技能。

截至二零二一年十二月三十一日止年度，各董事已出席以下的持續專業發展：

Name of Directors	董事姓名	Attend training 出席培訓	Reading Materials update on rules and regulations 更新有關規則及法規的閱讀材料
Executive Directors	**執行董事**		
Zhao Juanxian (alias, Zhao Junxian) *(Co-Chairman)*	趙雋賢*(聯席主席)*	.	.
Li Zhong *(Co-Chairman)*	李中*(聯席主席)*	.	.
Liu Yujie	劉玉杰	.	.
Duan, Jerry Linnan *(Chief Executive Officer)*	段林楠*(行政總裁)*	.	.
Independent Non-executive Directors	**獨立非執行董事**		
Chau Kam Wing	周錦榮	.	.
Chang Qing	常清	.	.
Peng Yongzhen	彭永臻	.	.

BOARD MEETINGS

The Board is provided with relevant materials in relation to the matters brought before the meetings. Reasonable notices of meetings are given to the Directors and the Directors are encouraged to propose new items as any other business for discussion at the meetings. The Directors have separate access to the Company's senior management for information at all times and may seek independent professional advice at the Company's expenses, if necessary. Minutes are kept by the company secretary and are open for inspections by all Directors at any reasonable time. Procedures for convening meetings of the Board and Board committees and preparing minutes of the meetings have complied with the requirements of the Articles of Association and applicable rules and regulations.

董事會會議

董事獲提供有關將於會議上提呈的事宜的相關資料。董事會獲發會議的合理通知，同時亦鼓勵董事提呈新項目作為任何其他事項以於會議上討論。董事可隨時獨立接觸本公司的高級管理層以了解資料，如有需要，亦可尋求獨立專業意見，費用由本公司負責。會議記錄由公司秘書保存，並於任何合理時間開放予所有董事查閱。召開董事會及董事委員會會議及編製會議記錄的程序符合組織章程細則及適用規則及規例的規定。

The attendance records of each Director at the Board meetings and the annual general meeting during the year ended 31 December 2021 are set out below:

截至二零二一年十二月三十一日止年度，各董事出席董事會會議及股東大會的記錄載列如下：

Name of Directors	董事姓名	Attendance/ Number of Board Meetings 董事會會議 出席次數／舉行次數	Attendance/ Number of General Meeting 股東大會 出席次數／舉行次數
Executive Directors	**執行董事**		
Zhao Juanxian (alias, Zhao Junxian) *(Co-Chairman)*	趙雋賢*(聯席主席)*	4/4	1/1
Li Zhong *(Co-Chairman)*	李中*(聯席主席)*	4/4	1/1
Liu Yujie	劉玉杰	4/4	1/1
Duan, Jerry Linnan *(Chief Executive Officer)*	段林楠*(行政總裁)*	4/4	1/1
Independent Non-executive Directors	**獨立非執行董事**		
Chau Kam Wing	周錦榮	4/4	1/1
Chang Qing	常清	4/4	1/1
Peng Yongzhen	彭永臻	4/4	1/1

Corporate Governance Report
企業管治報告

DELEGATION BY THE BOARD

The Board undertakes responsibility for decision making in major Company matters, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to its Chief Executive Officer and the senior management.

BOARD COMMITTEES

The Board has established three committees, namely, the nomination committee, the remuneration committee and the audit committee.

董事會授權

董事會負責對本公司重大事宜作出決策，包括批准及監督所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易(尤其是可能涉及利益衝突的交易)、財務資料及其他重大財務及運作事宜。

全體董事可及時取得所有相關資料以及公司秘書的意見及服務，以確保符合董事會議事程序以及遵守所有適用法律及規例。向董事會提出要求後，各董事一般可於適當情況下徵詢獨立專業意見，費用由本公司承擔。

本公司日常管理、行政及運作均由其行政總裁及高級管理層負責。

董事委員會

董事會已成立三個委員會，即提名委員會、薪酬委員會及審核委員會。

NOMINATION COMMITTEE

The Company has established a nomination committee (the "Nomination Committee") to make recommendations to the Board on the appointment or re- appointment of Directors and succession planning for Directors, in particular the Chairman and the chief executive. As at 31 December 2021, the Nomination Committee consisted of five members, comprising Mr. Chau Kam Wing (chairman), Mr. Zhao Juanxian (alias, Zhao Junxian), Mr. Li Zhong, Mr. Peng Yongzhen and Mr. Chang Qing.

提名委員會

本公司已成立提名委員會(「提名委員會」),就委任或續聘董事及董事的繼任計劃(特別是主席及行政總裁)向董事會提供建議。於二零二一年十二月三十一日,提名委員會由五名成員組成,即周錦榮先生(主席)、趙雋賢先生、李中先生、彭永臻先生及常清先生。

The Nomination Committee reviewed the size, structure and composition of the Board to complement the Group's corporate strategy and made recommendations to the Board on the appointment and re-appointment of Directors during the year ended 31 December 2021.

截至二零二一年十二月三十一日止年度,提名委員會檢討董事會的規模、架構及組成以配合本集團的企業策略,並就董事會委任及重新委任董事提供推薦建議。

The Nomination Committee held one meeting during the year ended 31 December 2021 and the attendance records are set out below:

截至二零二一年十二月三十一日止年度,提名委員會舉行一次會議,各董事的出席記錄載列如下:

Name of Directors	董事姓名	Attendance/ Number of Meetings 會議出席次數／舉行次數
Mr. Chau Kam Wing	周錦榮先生	1/1
Mr. Zhao Juanxian (alias, Zhao Junxian)	趙雋賢先生	1/1
Mr. Li Zhong	李中先生	1/1
Mr. Peng Yongzhen	彭永臻先生	1/1
Mr. Chang Qing	常清先生	1/1

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the "Remuneration Committee") to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objects and make recommendations to the Board on the remuneration package of individual executive Directors and senior management. As at 31 December 2021, the Remuneration Committee consisted of three members, namely Mr. Peng Yongzhen (chairman), Mr. Zhao Juanxian (alias, Zhao Junxian) and Mr. Chau Kam Wing.

薪酬委員會

本公司已成立薪酬委員會(「薪酬委員會」),以參考董事會的企業目標及宗旨檢討及批准管理層的薪酬方案,並就個別執行董事及高級管理層的薪酬組合向董事會提供建議。於二零二一年十二月三十一日,薪酬委員會由三名成員組成,即彭永臻先生(主席)、趙雋賢先生及周錦榮先生。

REMUNERATION COMMITTEE (Continued)

During the year ended 31 December 2021, the Remuneration Committee reviewed the Directors' fees (including executive Directors and independent non-executive Directors) in consideration of the increasing level of duties and responsibilities and market conditions; and approval of the remuneration incentive structure of the Group as a whole taking consideration of factors such as salaries paid by comparable companies, time commitment and their responsibilities.

The Remuneration Committee held one meeting during the year ended 31 December 2021 and the attendance records are set out below:

Name of Directors	董事姓名	Attendance/ Number of Meetings 會議出席次數／舉行次數
Mr. Peng Yongzhen	彭永臻先生	1/1
Mr. Zhao Juanxian (alias, Zhao Junxian)	趙雋賢先生	1/1
Mr. Chau Kam Wing	周錦榮先生	1/1

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a formal and transparent procedure for formulating policies on remuneration of senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2021 are set out in Note 8 to the Consolidated Financial Statements.

The biographies of the senior management are disclosed in the section headed "Directors and Senior Management" in this annual report. Remuneration paid to the senior management (excluding the Directors)

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") to assist the Board in providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems, oversee the audit process, monitor, review and assist in the research of the Company's environmental, social and governance matters, and perform other duties and responsibilities as assigned by the Board. As at 31 December 2021, the Audit Committee consisted of three independent non-executive Directors, being Mr. Chau Kam Wing (chairman), Mr. Peng Yongzhen and Mr. Chang Qing.

The Audit Committee has reviewed the annual results and annual report of the Group for the year ended 31 December 2021. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

During the year ended 31 December 2021, the Audit Committee discussed with the management of the Company about the internal controls, financial reporting and environmental, social and governance matters, and reviewed the accounting principles and practices adopted by the Group and the effectiveness of the Group's internal control system. The Audit Committee also met with the external auditor to review the annual report of the Company for the year ended 31 December 2021 and the interim report of the Company for the six months ended 30 June 2021 and discuss about the annual audit planning of the Company for the year ended 31 December 2021.

The Audit Committee held two meetings during the year ended 31 December 2021 and the attendance records are set out below:

審核委員會

本公司已成立審核委員會(「審核委員會」),以協助董事會就財務申報程序、內部監控及風險管理系統的有效性提供獨立意見、監督審核程序、監督、審查及協助研究本公司的環境、社會及管治事宜,以及履行董事會指派的其他職務及職責。於二零二一年十二月三十一日,審核委員會由三名獨立非執行董事組成,即周錦榮先生(主席)、彭永臻先生及常清先生。

審核委員會已審閱本集團截至二零二一年十二月三十一日止年度的年度業績及年報。審核委員會亦已與本公司高級管理層成員討論有關本公司所採納的會計政策及慣例以及內部監控的事宜。

截至二零二一年十二月三十一日止年度,審核委員會與本公司管理層討論內部監控、財務申報以及環境、社會及管治事宜,並檢討本集團採納的會計原則及慣例以及本集團的內部監控制度有效性。審核委員會亦已會見外聘核數師,以審閱本公司截至二零二一年十二月三十一日止年度的年報及本公司截至二零二一年六月三十日止六個月的中期報告及商討本公司截至二零二一年十二月三十一日止年度的年度審計計劃。

截至二零二零一年十二月三十一日止年度,審核委員會舉行兩次會議,各董事的出席記錄載列如下:

Name of Directors	董事姓名	Attendance/ Number of Meetings 會議出席次數／舉行次數
Mr. Chau Kam Wing	周錦榮先生	2/2
Mr. Peng Yongzhen	彭永臻先生	2/2
Mr. Chang Qing	常清先生	2/2

Corporate Governance Report
企業管治報告

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Company for the year ended 31 December 2021. The Directors consider that the Group has adequate resources to continue in business for the foreseeable future and are not aware of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's consolidated financial statements, which are put to the Board for approval.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is solely responsible for the risk management and internal control system to protect the interests of the Company and the Shareholders as a whole. To achieve its aim, the Board monitors and approves the strategies and policies of the Group's risk management and internal control systems. The purpose of the relevant strategies and policies is to evaluate and determine the nature and extent of risks to make it suitable for the Group's strategic objectives and risk endurance. The main target is to provide reasonable assurance against material misstatement or loss, rather than eliminate the risk of failure to achieve business objectives. To this end, management continues to allocate resources for an internal control and risk management system compatible with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) standards to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure in the operating system of the Group and in achieving business objectives by the Group.

問責及審核

董事認同其編製本公司截至二零二一年十二月三十一日止年度的綜合財務報表的責任。董事認為本集團有充足資源，能於可預見未來繼續其業務，且並不知悉可能嚴重令本公司持續經營的能力存疑的重大不明朗因素。

董事會負責對年度及中期報告、內幕資料公告及上市規則及其他法定及監管規定要求的其他披露資料呈列均衡、明確及容易理解的評估。

管理層已向董事會提供所需的說明及資料，從而令董事會對提交董事會批准的本公司綜合財務報表作出知情評估。

風險管理及內部監控

董事會對風險管理及內部監控系統承擔全部責任，以保障本公司及其股東的整體利益。為此，董事會監督及審批本集團的風險管理及內部監控系統的策略與政策，相關策略與政策旨在評估及釐定風險性質及程度符合本集團的策略目標及風險承受能力，主要目的是為合理地保證不會出現嚴重誤述或損失，而非消除未能達成業務目標的風險。為達到這個目的，管理層COSO (Committee of Sponsoring Organizations of the Treadway Commission)標準，持續分配資源予內部監控及風險管理系統，合理(但並非絕對)地保證不會出現嚴重的誤報或損失，並管理(但並非完全消除)本集團運營系統失誤及未能達到業務目標的風險。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

The Board, through the Audit Committee, has continuously monitored and annually reviewed the effectiveness of risk management and internal control system of the Group and its subsidiaries, and is of the view that the existing risk management and internal control system is sufficient and effective. The review covered all material aspects with regard to control, including financial control, operational control and compliance control. The internal audit reports submitted to the Audit Committee by the Group also covered aspects of risk management and internal control. The Board is not aware of any significant areas of concern which may affect the Shareholders, and believes that the Group has fully complied with the code provisions on internal controls, including compliance with legal and regulatory requirements, as set forth in the CG Code. The Board, through the appraisal performed by the Audit Committee, reviewed the adequacy of resources, staff qualifications and experience, training programs received by the staff and budget of the Group's accounting, internal auditing and financial reporting function at the Board meeting. In light of the Group's nature of business and the recommendations on the Board's role in risk management, the Group has developed risk management system and policies, and established a risk control department, which is responsible for the Group's risk management, to communicate and assess the Group's risk profile and material risks, and track the progress of mitigation plans and initiatives of material risks and report on detailed examinations of specific risks as required.

風險管理及內部監控(續)

董事會已透過審核委員會就本集團及其附屬公司的風險管理及內部監控系統是否有效進行持續監督及年度檢討，並認為現有的風險管理及內部監控系統足夠而有效。有關檢討涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控。本集團向審核委員會提交審閱的內部審計報告中亦涵蓋風險管理及內控部分。董事會並不察覺任何可能影響股東而須予關注的重要事項，並相信本集團的內部監控完全符合企業管治守則中各項有關內部監控的守則條文，包括符合法律和規例上的要求。董事會經審核委員會所作之評估，已於董事會會議上就本集團在會計、內部審計及財務彙報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠進行檢討。基於本集團的業務性質及董事會在風險管理上扮演的角色所提出的建議，本集團制訂了風險管理制度和政策，並成立風險控制部，專責本集團的風險管理事務，就集團的風險狀況和重大風險進行溝通及評估，跟蹤推行重大風險紓緩計劃及措施的進度，並按需要彙報特定風險的詳細檢查結果。

RISK MANAGEMENT ORGANISATION SYSTEM

The Group has established a comprehensive organization structure to manage the risks encountered by the Group. The risk management structure comprises two key factors: risk management structure and risk management program.

風險管理組織體系

本集團已建立一套完善的組織架構，對本集團所面對的風險進行管理。風險管理架構包括兩個關鍵因素：風險管理架構和風險管理程式。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)
風險管理組織體系(續)

1. Risk management structure
一、 風險管理架構

REGULATORY ORGANISATION 監督機構

The Board is responsible for the effectiveness of the overall risk management
董事會，就全面風險管理工作的有效性負責

- determine the overall objective, risk appetites and risk tolerance for corporate risk management, and approve risk management strategies, major risk mitigation solutions and risk management measures;
  確定企業風險管理總體目標、風險偏好、風險容忍度，批准風險管理策略和重大風險紓緩方案以及風險管理措施；
- understand and manage each major risks faced by the enterprise and its existing management situations, and make effective risks control decisions; approve the decision- making standards or mechanisms regarding major decisions, major risks, major events and major business processes;
  瞭解和掌握企業面臨的各項重大風險及其風險管理現狀，做出有效控制風險的決策；批准重大決策、重大風險、重大事件和重要業務流程的決策標準或機制；
- approve risk management report related to major decisions; and
  批准重大決策事項的風險管理報告；及
- approve the annual comprehensive risk management report.
  批准年度全面風險管理報告。

RISK MANAGEMENT ORGANISATION 風險管理機構

The Audit Committee, the highest risk management organisation in the Company, is accountable to the Board
審核委員會，本公司最高層級的風險管理機構，對董事會負責

- review the establishment and planning of the comprehensive risk management system;
  審議全面風險管理體系的建設規劃；
- review the proposal on the structure of the risk management organisations and their responsibilities;
  審議風險管理組織機構設置及其職責方案；
- review the annual comprehensive risk management report and submit to the Board;
  審議並向董事會提交年度全面風險管理報告；
- review risk management strategies, major risk management solutions and risk management measures; and
  審議風險管理策略、重大風險管理解決方案以及風險管理措施；及
- review the annual risk management work plan.
  審議年度風險管理工作計劃。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)
風險管理組織體系(續)

1. Risk management structure (Continued)
一、 風險管理架構(續)

LEADING RISK MANAGEMENT AND SUPPORTING ORGANISATION
風險管理主導及支持機構

Internal Audit and Inspection Department is the leading risk management and supporting organisation
內審稽核部，風險管理主導及支持機構

- responsible for the establishment and amendment of the Company's risk management policies and mechanisms;
  負責建立和修訂本公司風險管理政策及機制；
- establish anti-corruption mechanisms, and check for possible corruption conduct during the internal audit process, and make suggestions for dealing with corruption conduct;
  建立反舞弊機制，並在內部審計過程中檢查可能存在的舞弊行為，對舞弊行為提出處理建議；
- formulate annual risk management work plan and submit to the Board and the Audit Committee for their review;
  擬定年度風險管理工作計劃，提交董事會、審核委員會審議；
- regularly collect first-hand information regarding risk management, carry out risk assessment and discuss major risks faced by the Company;
  定期收集風險管理初始資訊，進行風險評估、討論提出本公司面臨的重大風險；
- assess the soundness, reasonability and the effectiveness in implementation of the risk management system, and review the annual comprehensive risk management report, risk management proposals and day-to-day risk management solutions;
  評估風險管理系統的健全性、合理性和執行的有效性，審議年度全面風險管理報告、風險管理方案和日常風險管理解決方案；
- accept reports from employees and cooperating organizations, organize investigations and provide handling advices, and investigate and deal with people and matters that violate Company and legal regulations;
  受理員工及合作單位的舉報，組織調查並提出處理意見，查處違反公司和法律規定的人和事；
- assist the Group in carrying out risk management work, and formulate internal auditing plan in accordance with the result of risk assessment; and
  協助本集團開展風險管理工作，根據風險評估結果制定內審工作計劃；及
- test the effectiveness of risk management through implementing accounting methods like walk through test and analytical review on its audit.
  進行穿行測試、分析性覆核等方法實施審計檢驗風險管理的有效性。

RISK MANAGEMENT ORGANISATION SYSTEM (Continued)

風險管理組織體系(續)

1. Risk management structure (Continued)

一、 風險管理架構(續)

RISK IMPLEMENTATION ORGANISATION
風險執行機構

Each functional department of the Company shall be under the coordination and supervision by the Internal Audit and Inspection Department
本公司各個職能部門，應接受內審稽核部的協調及監督

- implement the basic procedures in risk management;
  執行風險管理基本流程；
- research and propose decision-making standards or mechanisms regarding major decisions, major risks, major events and major business processes of the functional department;
  研究提出本職能部門重大決策、重大風險、重大事件和重要業務流程的決策標準或機制；
- research and propose risk assessment report of the functional department; properly carry out risk management work of the functional department; and
  研究提出本職能部門的風險評估報告；做好本職能部門的風險管理工作；及
- establish comprehensive risk management procedures for the functional department.
  建立健全本職能部門的風險管理流程。

2. Risk management program

The Group has established a comprehensive risk management program which is led and implemented by the internal audit and inspection department. The risk management program is as follows:

(1) to collect first-hand information for risk management;

(2) to analyse and assess risks;

(3) to propose risk management strategies and formulate risk management solutions; and

(4) to supervise the implementation of risk management works performed by each business units and verify the overall appraisal.

二、 風險管理程式

本集團已建立一套完善的風險管理程式，該程式由內審稽核部牽頭及內審部門協助執行。風險管理程式如下：

(1) 風險管理初始資訊收集；

(2) 風險分析和評估；

(3) 提出風險應對策略，並形成風險管理解決方案；及

(4) 對各業務單位風險管理工作實施情況進行監督並核對綜合評價。

The potential risk of breach of agreement by governments arises from economic losses due to fiscal stress of local government and unilateral non-compliance with stipulated terms. The Group's corresponding measures on such risk include maintaining good communication with local governments and entering into cooperation memorandum for follow-up and coordination.

政府違約的潛在風險的產生原因為地方財政緊張或單方面未按規定條款執行而造成的經濟損失。本集團應對有關風險的措施包括與地方政府保持良好溝通，及簽訂合作備忘錄跟進協調。

The potential risk in relation to short-term borrowing solvency arises from the rapid development of the Company, causing a lack of liquidity, unreasonable debt structure, lack of financing ability and excessive cost of capital acquisition. The Group's corresponding measures on such risk include enhancing profitability and operating cash flow, improving quality of asset, optimizing debt structure and formulating reasonable debt repayment plans.

短期借款償債能力的潛在風險的產生原因為公司發展迅速，導致資金流動性匱乏，負債結構不合理，融資能力不足及資金獲取成本過高。本集團應對有關風險的措施包括提高盈利能力與經營現金流量水平，提高資產質量，優化債務結構並制定合理償債計劃。

The potential risk in relation to the amount of water intake and water quality arises from lack of proper monitoring of water quality and timely adjustment of technique, resulting in a larger difference in the amount of water and non-compliance with intake water quality. The Group's corresponding measures on such risk include in-depth research on government planning, enhancing the monitoring of intake water quality and timely adjustment of technique based on water intake.

進水水量及水質的潛在風險的產生原因為進水水質監測不到位，工藝調整不合時，導致水量差異較大，水質不達標。本集團應對有關風險的措施包括深入研究政府規劃，加強進水水質監測，並及時根據進水情況調整工藝。

The potential risk in relation to litigation disputes arises from the incomprehensive dispute resolution mechanism, not solving disputes by making full use of litigation / arbitration or insufficient awareness on monitoring disputes. As a result,the Company loses the best timing to deal with disputes. The Group's corresponding measures on such risk include formulating a comprehensive dispute resolution mechanism, seeking assistance from professionals, dealing with disputes by means of litigation / arbitration, monitoring and properly handling disputes.

訴訟糾紛的潛在風險的產生原因為糾紛處理機制不完善，未充分運用訴訟／仲裁手段解決糾紛，或對糾紛事項監測關注不足，導致公司喪失最佳應對時機。本集團應對有關風險的措施包括完善糾紛應對機制，尋求專業人士協助及運用訴訟／仲裁處理糾紛，監測糾紛事項並妥善處置。

MANAGEMENT OF INSIDE INFORMATION

The Group has formulated a set of program of continuing obligations on information management and disclosure to formally regulate the monitoring of inside information that arises during the course of its current business development and has established the practice of delivering such information to the Shareholders, the media and analysts. When handling the relevant matters, the Group will comply with "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission and the related provisions issued by regulatory organisations and the Group has clearly stated that the unauthorised use of confidential or inside information is prohibited. The Group has set up a system of answering enquiries from external parties about the Group's affairs, and will appoint and authorise the senior executives of the Group to act as the Company's spokesperson in response to enquiries on a particular area.

內幕消息管理

本集團制訂了一套持續消息管理和披露責任程式，正式規範現行在業務發展時出現內幕消息的監察，及將有關資料向股東、媒體及分析員傳達的實務。於處理有關事務時恪守證券及期貨事務監察委員會頒佈的《內幕消息披露指引》，及監管機構頒佈的相關條文，明確訂明嚴禁未經授權使用機密或內幕資料，以及就外界對本集團事務作出的查詢訂立回應體系，並指定及授權本集團內高級行政人員擔任本公司發言人，響應特定範疇的查詢。

EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about its reporting responsibilities for the Consolidated Financial Statements is set out in the "Independent Auditor's Report" on pages 68 to 75.

During the year ended 31 December 2021, the remuneration paid/payable to the Company's independent auditor, Ernst & Young, is set out below:

外聘核數師及核數師酬金

本公司外聘核數師就其對綜合財務報表承擔的申報責任而發出的聲明載於第68頁至75頁的***「獨立核數師報告」***。

截至二零二一年十二月三十一日止年度，已付／應付本公司獨立核數師安永會計師事務所的薪金載列如下：

		RMB 人民幣千元
Annual audit services	年度審計服務	2,826
Non-audit services	非審計服務	404
Total fees	總費用	3,230

Non-audit services included tax advisory services and environmental, social and governance advisory services. The Audit Committee is satisfied that the non-audit services did not affect the independence of the external auditor.

非審計服務包括稅務顧問服務以及環境、社會及管治顧問服務。審核委員會信納，非審計服務不影響外部核數師的獨立性。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable Shareholders and investors to make the best investment decisions. The general meetings of the Company provide a forum for face-to face communication between the Board and the Shareholders dialogue. The Chairman as well as chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees and, where applicable, the chairman of the independent Board committee, are available to answer questions at general meetings.

To promote effective communication, the Company maintains on its website up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information, which are posted and are available for public access.

與股東及投資者的溝通／投資者關係

本公司認為，與股東保持有效溝通對促進投資者關係及加深投資者對本集團業務表現及策略的了解至為重要。本公司亦深明保持透明度及適時披露公司資料，讓股東及投資者得以作出最佳投資決定的重要性。本公司股東大會為董事會及股東提供了一個面對面的溝通平台。主席以及提名委員會主席、薪酬委員會主席及審核委員會主席（或（倘彼等缺席）各委員會的其他成員），以及（如適用）獨立董事委員會主席會於股東大會上回答提問。

為促進有效溝通，本公司設立了網站，本公司的業務運作及發展、財務資料、企業管治常規及其他資料的最新資料及更新均上載至該網站，以供公眾人士閱覽。

CONSTITUTIONAL DOCUMENTS

The Company has not amended its constitutional documents during the year ended 31 December 2021.

憲章文件

截至二零二一年十二月三十一日止年度，本公司並無修訂其憲章文件。

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at Shareholders' meetings, including the election of individual Directors.

All resolutions put forward at Shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Hong Kong Stock Exchange after each general meeting.

Shareholders who intend to put forward their enquiries to the Board could send their enquiries to the Company's principal place of business in Hong Kong or the headquarters in the PRC or by email to kangda@kangdaep.com. Shareholders can contact Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar of the Company, if they have any enquiries about their shareholdings and entitlements to dividend.

股東權利

為保障股東權益及權利，會在股東大會上就每項實際獨立的事宜個別提出決議案，包括選舉個別董事。

根據上市規則，在股東大會上所有提呈決議案將會以投票方式進行而每次股東大會後，投票表決的結果將會上載在本公司網站及香港聯交所的網站。

股東如欲向董事會提出任何查詢，可將其查詢寄至本公司在香港的主要營業地點或中國總部，或發送電子郵件至kangda@kangdaep.com。股東如對其持股及收取股息的權利作出任何查詢，可聯絡本公司的香港股份過戶登記分處香港中央證券登記有限公司。

CONVENING OF EXTRAORDINARY GENERAL MEETINGS AND PUTTING FORWARD PROPOSALS

召開股東特別大會及提出建議方案

根據組織章程細則，任何一位或以上於遞呈要求當日持有不少於十分之一的有權於本公司股東大會上投票的本公司繳足股本的股東，有權隨時透過向本公司董事會或秘書發出書面要求讓董事會召開股東特別大會，以處理有關要求中指明的任何事項；而上述會議應於遞呈相關要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內董事會未有召開有關股東大會，則遞呈要求人士可自行以相同的方式召開股東大會，而遞呈要求人士因董事會未有召開股東大會而合理產生的所有開支應由本公司向要求人士作出償付。

公司秘書

黃尹聲先生為本公司的公司秘書。截至二零二一年十二月三十一日止年度，彼已接受不少於十五小時的相關專業培訓。

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

法律及法規合規

合規程序已實施，以確保遵守適用的法律、法規及規章，特別是對本集團產生重大影響的在適用的法律、法規及規章。相關僱員及相關經營單位須不時留意適用法律、法規及規章的任何變動。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2021 are set out in note 12 to the consolidated financial statements.

物業、廠房及設備

本集團物業、廠房及設備於截至二零二一年十二月三十一日止年度的變動的詳情載於綜合財務報表的附註12。

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2021 are set out in note 29 to the consolidated financial statements.

股本

本公司股本截至二零二一年十二月三十一日止年度的變動詳情載於綜合財務報表附註29。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Companies Act of the Cayman Islands where the Company was incorporated, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

優先購買權

組織章程細則或開曼群島(本公司註冊成立地點)公司法並無優先購買權的條文，使本公司須受責按比例向現有股東提呈新股以供認購。

PURCHASE, SALE AND 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 securities during the year ended 31 December 2021.

購買、出售或贖回本公司上市證券

截至二零二一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、出售或贖回任何本公司上市證券。

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2021 are set out in note 41 to the consolidated financial statements and in the consolidated statement of changes in equity on page 80 of this annual report respectively.

As at 31 December 2021, the Company's reserves available for distribution, calculated in accordance with the provisions of Companies Law, amounted to approximately RMB1,676.0 million (2020: RMB1,715.0 million).

儲備及可分派儲備

本公司及本集團的儲備於截至二零二一年十二月三十一日止年度的變動的詳情分別載於本年報綜合財務報表附註41和本年報第80頁的綜合權益變動表。

於二零二一年十二月三十一日，根據公司法條文計算所得的本公司可供分派儲備約為人民幣1,676.0百萬元(二零二零年：人民幣1,715.0百萬元)。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2021, the Group's five largest suppliers accounted for 16.9% of the Group's total purchases and purchase from the Group's largest supplier included therein amounted to 4.9% of the total purchases for the year.

For the year ended 31 December 2021, the Group's sales to its five largest customers accounted for 30.6% of the Group's total sales and sales to the largest customer included therein amounted to 7.9% of the total sales for the year.

Jiangxi Silver Dragon Water Environment Construction Co., Ltd.* (江西銀龍水環境建設有限責任公司) ("Jiangxi Silver Dragon") is one of the five largest suppliers of the Group during the year ended 31 December 2021. Jiangxi Silver Dragon is a non-wholly owned subsidiary of China Water, a substantial shareholder of the Company. Mr. Li Zhong, Ms. Liu Yujie and Mr. Duan, Jerry Linnan, the executive Directors of the Company, are also the executive directors of China Water and Mr. Chau Kam Wing, an independent non-executive Director of the Company, is also an independent non-executive director of China Water. Further details are set out in the section "Connected Transaction" below. Save as disclosed, none of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers and suppliers.

主要客戶及供應商

於截至二零二一年十二月三十一日止年度，本集團的五大供應商佔本集團採購總額的16.9%，而向當中本集團最大供應商作出的採購額佔全年採購總額的4.9%。

於截至二零二一年十二月三十一日止年度，本集團向五大客戶作出的銷售額佔本集團銷售總額的30.6%，而向當中最大客戶作出的銷售額佔全年銷售總額的7.9%。

江西銀龍水環境建設有限責任公司(「江西銀龍」)於截至二零二一年十二月三十一日止年度為本集團五大供應商之一。江西銀龍為本公司主要股東中國水務的非全資附屬公司。本公司執行董事李中先生、劉玉杰女士及段林楠先生均為中國水務董事，而本公司獨立非執行董事周錦榮先生亦為中國水務獨立非執行董事。有關進一步詳情載於下文「關連交易」一節。除所披露者外，概無董事或其任何緊密聯繫人或股東(據董事所知，擁有5%以上的本公司已發行股本)於本集團的五大客戶及供應商擁有任何權益。

BANK LOANS

Particulars of interest-bearing bank and other borrowings of the Group as at 31 December 2021 are set out in note 28 to the consolidated financial statements.

銀行貸款

本集團於二零二一年十二月三十一日的計息銀行及其他借款的詳情載於綜合財務報表附註28。

CAPITAL MANAGEMENT

Details of the Group's policies on capital management are set out in note 39 to the consolidated financial statements.

資本管理

本集團的資本管理政策詳情載於綜合財務報表附註39。

SIGNIFICANT INVESTMENTS HELD

For the year ended 31 December 2021, the Group did not hold any material investments in the equity interest of other companies.

所持重大投資

截至二零二一年十二月三十一日止年度，本集團並無任何其他公司的股權中持有的任何重大投資。

DIRECTORS' INTERESTS IN TRANSACTIONS OF SIGNIFICANCE, ARRANGEMENTS OR CONTRACTS

Save as disclosed elsewhere in this annual report, no Director or his/her connected party had a material interest, either directly or indirectly, in any transactions of significance, arrangements or contracts to the business of the Group to which the Company or any of its subsidiaries was a party during the year ended 31 December 2021.

董事於重大交易、安排或合約中的權益

除本年報其他章節所披露者外，概無董事或與關連的人士於對於本集團的業務而言意義重大且本公司或其任何附屬公司於截至二零二一年十二月三十一日止年度屬其中訂約方的任何重大交易、安排或合約中擁有直接或間接的重大權益。

PERMITTED INDEMNITY PROVISION

According to the Articles of Association, every Director or other officer of the Company shall be entitled to be indemnified out of the assets and profits of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

獲准許彌償條文

根據組織章程細則，本公司每位董事或其他高級行政人員有權就履行其職務或在其他有關方面而蒙受或產生或相關的所有損失或法律責任，自本公司的資產及溢利中獲得彌償。本公司已為本集團的董事及高級行政人員安排適當的董事及高級行政人員責任保險。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2021.

管理合約

於截至二零二一年十二月三十一日止年度概無訂立或已存在有關本公司整體或任何重要部分的業務的管理及行政的任何合約。

SHARE OPTION SCHEME

The Company has adopted the share option scheme (the "Share Option Scheme") on 14 June 2014 (the "Adoption Date"). The following is a summary of principal terms of the Share Option Scheme:

購股權計劃

本公司於二零一四年六月十四日(「採納日期」)採納了購股權計劃(「購股權計劃」)。以下為購股權計劃主要條款的概述：

Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to give the Eligible Persons (as defined in the following paragraph) an opportunity to have a personal stake in the Company and help motivate them to optimise their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of Executives (as defined below), to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

購股權計劃的目的

購股權計劃旨在給予合資格人士(定義見以下文段)於本公司持有個人權益的機會及激勵彼等日後於本集團發揮最佳表現及提升效率及／或就彼等過去的貢獻給予獎勵，吸引及留聘或以其他方式與該等合資格人士(該等合資格人士對本集團的表現、增長或成功乃屬重要及／或其貢獻有利於或將有利於本集團的表現、增長或成功)維持持續的合作關係，以及就行政人員(定義見下文)而言，讓本集團可吸引及留聘經驗豐富且有能力的人士及／或就其過往貢獻給予獎勵。

SHARE OPTION SCHEME (Continued)

Who may join in the Share Option Scheme

The Board may, at its absolute discretion, grant options ("Option(s)") to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to:

(a) any executive Director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group ("Executive"), any full-time or part-time employee, or person for the time being seconded to work full-time or part-time for any member of the Group ("Employee");

(b) a Director or proposed Director (including an independent non-executive Director) of any member of the Group;

(c) a direct or indirect shareholder of any member of the Group;

(d) a supplier of goods or services to any member of the Group;

(e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group;

(f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; and

(g) an associate of any of the persons referred to in paragraphs (a) to (f) above (the person referred above are the "Eligible Persons").

Maximum number of Shares

A resolution was passed by the shareholders of the Company at the annual general meeting of the Company on 10 June 2020, approving, inter alia, to refresh the limit of the Share Option Scheme to 213,973,500 shares of the Company, representing 10% of the issued shares of the Company as at 10 June 2020. For further details please refer to the Company's announcement dated 10 June 2020.

購股權計劃 (續)

可參與購股權計劃的人士

董事會可全權決定向下列人士授出購股權(「購股權」),以根據購股權計劃所載的條款認購有關數目的股份:

(a) 本集團任何成員公司的任何執行董事、經理或擔任行政、管理、監督或類似職位的其他僱員(「行政人員」)、任何全職或兼職僱員或被暫時調派全職或兼職為本集團任何成員公司工作的人士(「僱員」);

(b) 本集團任何成員公司的董事或擬任董事(包括獨立非執行董事);

(c) 本集團任何成員公司的直接或間接股東;

(d) 本集團任何成員公司的貨品或服務供應商;

(e) 本集團任何成員公司的客戶、顧問、業務或合營夥伴、特許經營商、承包商、代理或代表;

(f) 為本集團任何成員公司提供設計、研究、開發或其他支持或任何諮詢、顧問、專業或其他服務的人士或實體;及

(g) 上文(a)至(f)段所述的任何人士的聯繫人(上文所述人士為「合資格人士」)。

股份數目上限

本公司股東在本公司於二零二零年六月十日舉行的股東週年大會上通過一項決議案,批准(其中包括)更新購股權計劃的限額至213,973,500股本公司股份,相當於本公司於二零二零年六月十日已發行股份的10%。有關進一步詳情,請參閱本公司日期為二零二零年六月十日的公告。

SHARE OPTION SCHEME (Continued)

Maximum entitlement of each participant

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period exceeds 1% of the Company's issued share capital from time to time.

Where any further grant of Options to such Eligible Person would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be separately approved by the Shareholders in general meeting with such Eligible Person and his or her associates abstaining from voting.

Offer and grant of Options

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years from the Adoption Date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Hong Kong Stock Exchange or an integral multiple thereof).

Minimum holding period, vesting and performance target

Subject to the provisions of the Listing Rules, the Board may in its absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of Option) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period before the right to exercise the Option in respect of any of Shares shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme. For the avoidance of doubt, subject to such terms and conditions as the Board may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise) there is no minimum period for which an Option must be held before it can be exercised and no performance target which need to be achieved by the grantee before Option can be exercised.

購股權計劃(續)

各參與人士的權利上限

倘向任何一名人士授出購股權會導致已發行及因於任何12個月期間已向及將向該名人士授出的購股權獲行使而將會發行的股份總數超過本公司不時的已發行股本的1%，則不會向該名人士授出任何購股權。

倘進一步向該名合資格人士授出購股權會導致已發行及因於任何12個月期間直至進一步授出之日(包括該日)已向及將向該名合資格人士授出的所有購股權(包括已行使、註銷及未行使的購股權)獲行使而將會發行的股份合共超過已發行股份的1%，則該進一步授出事項須經股東在股東大會上另外批准，而有關合資格人士及其聯繫人須放棄投票。

提呈發售及授出購股權

於購股權計劃的條款的規限下，董事會有權於自採納日期起的10年內的任何時候向董事會全權決定選擇的任何合資格人士提呈授出購股權，以按認購價認購董事會(在購股權計劃的條款的規限下)可釐定的有關數目的股份(惟有關數目應為股份在香港聯交所的每手買賣單位或其整倍數)。

最短持有期限、歸屬及績效目標

根據上市規則的條文，董事會於提呈授出購股權時可全權酌情就有關購股權施加購股權計劃中所載者以外的其認為合適的任何條件、制約或限制(將載列於載有提呈授出購股權的函件)，包括(在不影響上述一般性的情況下)有關本公司及／或承授人達致績效、經營或財務目標的合資格及／或持續合資格標準、條件、制約或限制，承授人在達成若干條件或維持責任方面令人滿意或行使有關任何股份的購股權的權利歸屬前的時間或期間，惟該等條款或條件須與購股權計劃的任何其他條款或條件一致。為免生疑問，除受上述董事會可釐定的有關條款及條件(包括有關購股權的歸屬、行使或其他事宜的條款及條件)規限外，於購股權可獲行使前並無須持有購股權的最短期限，於購股權可獲行使前亦無須承授人達致的任何績效目標。

購股權計劃(續)
接納購股權時應付金額及付款期

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

As at 31 December 2021, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於二零二一年十二月三十一日，本公司董事及最高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)的股份、相關股份及債券證中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉)，或(ii)根據證券及期貨條例第352條須載入本公司所存置的登記冊的權益及淡倉，或(iii)根據標準守則須知會本公司及香港聯交所的權益及淡倉如下：

Name of Director 董事姓名	Nature of Interest 權益性質	Number of Shares 股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本的概約百分比
Mr. Zhao Juanxian (alias, Zhao Junxian)[1] 趙雋賢先生[1]	Person acting in concert 一致行動人士	546,728,004 (long position) (好倉)	25.56%
Mr. Li Zhong 李中先生	Beneficial owner 實益擁有人	10,000,000 (long position) (好倉)	0.47%
Ms. Liu Yujie 劉玉杰女士	Beneficial owner 實益擁有人	10,000,000 (long position) (好倉)	0.47%
Mr. Duan, Jerry Linnan 段林楠先生	Beneficial owner 實益擁有人	10,000,000 (long position) (好倉)	0.47%
Mr. Chau Kam Wing 周錦榮先生	Beneficial owner 實益擁有人	2,000,000 (long position) (好倉)	0.09%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

董事及最高行政人員於股份、相關股份及債權證的權益及淡倉(續)

Name of Director 董事姓名	Nature of Interest 權益性質	Number of Shares 股份數目	Approximate percentage of issued share capital of the Company 佔本公司已發行股本的概約百分比
Mr. Chang Qing 常清先生	Beneficial owner 實益擁有人	2,000,000 (long position) (好倉)	0.09%
Mr. Peng Yongzhen 彭永臻先生	Beneficial owner 實益擁有人	2,000,000 (long position) (好倉)	0.09%

Note:

(1) By virtue of Mr. Zhao Juanxian acting in concert with Mr. Zhao Sizhen, being the son of Mr. Zhao Juanxian, under the SFO, Mr. Zhao Juanxian is deemed to be interested in Mr. Zhao Sizhen's interests in the Company.

附註：

(1) 由於趙雋賢先生為Zhao Sizhen先生(趙雋賢先生之子)的一致行動人士，故根據證券及期貨條例，趙雋賢先生被視為於Zhao Sizhen先生持有的本公司權益中擁有權益。

Save as disclosed, as at 31 December 2021, none of the Directors and the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文披露者外，於二零二一年十二月三十一日，概無董事及本公司最高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第XV部)的股份、相關股份或債權證中，擁有根據證券及期貨條例第352條須載入須由本公司存置的登記冊的權益或淡倉或根據標準守則須另行知會本公司及香港聯交所的權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, at no time during the year ended 31 December 2021 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

董事收購股份或債權證的權利

除本年報另行披露者外，截至二零二一年十二月三十一日止年度的任何時間，概無向任何董事或彼等各自的配偶或未成年子女授出透過收購本公司股份或債權證而獲益的權利(或彼等亦行使式任何該等權利)，或本公司或其任何附屬公司並非讓董事或彼等各自的配偶或未成年子女可收購任何其他法團的該等權利的任何安排的訂約方。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

主要股東於股份及相關股份中的權益及淡倉(續)

Name 姓名／名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares/ Underlying Shares held 所持股份／相關股份數目	Percentage of Issued Share Capital of the Company 佔本公司已發行股本的百分比
The Baring Asia Private Equity Fund V, L.P.[4][5]	Interest of controlled corporation 受控制法團權益	344,129,996 (long position) (好倉)	16.08%
	Interest of controlled corporation 受控制法團權益	344,129,996 (short position) (淡倉)	16.08%
Baring Private Equity Asia GP V, L.P.[4][5]	Interest of controlled corporation 受控制法團權益	344,129,996 (long position) (好倉)	16.08%
	Interest of controlled corporation 受控制法團權益	344,129,996 (short position) (淡倉)	16.08%
Baring Private Equity Asia GP V Limited[4][5]	Interest of controlled corporation 受控制法團權益	344,129,996 (long position) (好倉)	16.08%
	Interest of controlled corporation 受控制法團權益	344,129,996 (short position) (淡倉)	16.08%
Mr. Jean Eric Salata[4][5] Jean Eric Salata先生[4][5]	Interest of controlled corporation 受控制法團權益	344,129,996 (long position) (好倉)	16.08%
	Interest of controlled corporation 受控制法團權益	344,129,996 (short position) (淡倉)	16.08%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Notes:

(1) Sharp Profit is wholly owned by China Water Affairs Group Limited. China Water Affairs Group Limited is therefore deemed to be interested in Sharp Profit's interests in the Company under the SFO.

(2) By virtue of Mr. Zhao Juanxian acting in concert with Mr. Zhao Sizhen, under the SFO, Mr. Zhao Juanxian is deemed to be interested in Mr. Zhao Sizhen's interests in the Company.

(3) Kangda Holdings Company Limited is wholly-owned and controlled by Mr. Zhao Sizhen and Mr. Zhao Sizhen is therefore deemed to be interested in the shares held by Kangda Holdings Company Limited under the SFO.

(4) BPEA V is held as to approximately 99.35% by The Baring Asia Private Equity Fund V, L.P. Baring Private Equity Asia GP V, L.P., is the general partner of The Baring Asia Private Equity Fund V, L.P. Mr. Jean Eric Salata is the sole shareholder of Baring Private Equity Asia GP V Limited, the general partner of Baring Private Equity Asia GP V, L.P. Each of The Baring Asia Private Equity Fund V, L.P., Baring Private Equity Asia GP V, L.P., Baring Private Equity Asia GP V Limited and Mr. Jean Eric Salata is deemed to be interested in BPEA V's interests in the Company. Mr. Jean Eric Salata disclaims beneficial ownership of such interests, other than to the extent of his economic interest in such entities.

(5) On 8 May 2020, BPEA V issued exchangeable bonds with principal amount of HK$361,336,495.8 to Sharp Profit ("Exchangeable Bonds"), which entitled the holder of the Exchangeable Bonds to exchange for 344,129,996 shares of the Company (at the initial exchange price of HK1.05 per share of the Company) beneficially owned by BPEA V. As at 31 December 2021, Sharp Profit beneficially owned 608,990,000 shares of the Company and is the holder of the Exchangeable Bonds with principal amount of HK$361,336,495.8 which are exchangeable into 344,129,996 shares of the Company beneficially owned by BPEA V.

Save as disclosed above, and as at 31 December 2021, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

主要股東於股份及相關股份中的權益及淡倉(續)

附註：

(1) Sharp Profit由中國水務集團有限公司全資擁有。因此根據證券及期貨條例，中國水務集團有限公司被視為於Sharp Profit持有的本公司權益中擁有權益。

(2) 由於趙雋賢先生為Zhao Sizhen先生的一致行動人士，故根據證券及期貨條例，趙雋賢先生被視為於Zhao Sizhen先生持有的本公司權益中擁有權益。

(3) 康達控股有限公司由Zhao Sizhen先生全資擁有及控制，因此Zhao Sizhen先生被視為於康達控股有限公司持有的股份中擁有權益。

(4) BPEA V由The Baring Asia Private Equity Fund V, L.P.持有約99.35%。Baring Private Equity Asia GP V, L.P.為The Baring Asia Private Equity Fund V, L.P.的普通合夥人。Jean Eric Salata先生為Baring Private Equity Asia GP V, L.P.的普通合夥人Baring Private Equity Asia GP V Limited的唯一股東。The Baring Asia Private Equity Fund V, L.P.、Baring Private Equity Asia GP V, L.P.、Baring Private Equity Asia GP V Limited及Jean Eric Salata先生各自被視為於BPEA V持有的本公司權益中擁有權益。Jean Eric Salata先生放棄於本公司該等股份的實益擁有權，惟其於該等實體的經濟利益除外。

(5) 於二零二零年五月八日，BPEA V向Sharp Profit發行本金額為361,336,495.8港元的可交換債券(「可交換債券」)，其賦予可交換債券的持有人按初始交換價本公司每股股份1.05港元交換本公司344,129,996股股份(由BPEA V實益擁有)的權利。於二零二一年十二月三十一日，Sharp Profit實益擁有本公司的608,990,000股股份，並為本金額為361,336,495.8港元的可交換債券持有人，有關可交換債券可交換為本公司344,129,996股股份(由BPEA V實益擁有)。

除上文披露者外，於二零二一年十二月三十一日，董事並不知悉任何人士(並非董事或本公司最高行政人員)於本公司的股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部須予披露或根據證券及期貨條例第336條須載入該條所述登記冊的權益或淡倉。

DIRECTORS' INTEREST IN COMPETING BUSINESS

Save as disclosed in this annual report, as at 31 December 2021, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

CONNECTED TRANSACTION

On 25 September 2020, Kangda Investment (Hong Kong) Company Limited ("Kangda Investment (Hong Kong)"), an indirectly wholly-owned subsidiary of the Company, entered into a framework construction services agreement (the "Construction Services Agreement") with Jiangxi Silver Dragon, pursuant to which, the parties agreed that Jiangxi Silver Dragon may be selected to provided civil works, construction, installation works and supply of equipment for projects of the Group relating to the construction, upgrading, reconstruction and expansion of wastewater treatment facilities through a tender process in compliance with the applicable laws and regulations in the PRC. The term of the Construction Services Agreement commenced from the date of the Construction Services Agreement and ending on 31 December 2022. Jiangxi Silver Dragon is a non-wholly owned subsidiary of China Water, a substantial shareholder of the Company. Therefore, Jiangxi Silver Dragon is an associate of China Water and a connected person of the Company. The transactions in relation to the Construction Services Agreement constitute continuous connected transactions of the Company under Chapter 14A of the Listing Rules, and the Company's independent shareholders approved the continuing connected transactions in relation to the Construction Service Agreement in the extraordinary general meeting of the Company held on 16 November 2020. The annual caps under the Construction Services Agreement for the period commenced from the date of the Construction Services Agreement and ended on 31 December 2020 and years ending 31 December 2021 and 2022 are RMB180 million, RMB300 million and RMB300 million, respectively. The Company has complied with the disclosure requirements in accordance with the Listing Rules. Further details of the Construction Services Agreement were set out in the announcement of the Company dated 25 September 2020 and circular dated 30 October 2020.

董事於競爭業務的權益

除本年報所披露者外，於二零二一年十二月三十一日，概無董事或其各自聯繫人曾從事與或可能與本集團業務競爭的任何業務中擁有任何權益。

關連交易

於二零二零年九月二十五日，康達投資(香港)有限公司(「康達投資(香港)」)(本公司的間接全資附屬公司)與江西銀龍訂立框架建設服務協議(「建設服務協議」)，據此，訂約方同意江西銀龍可根據中國適用法律及法規通過招標程序獲選為本集團有關污水處理設施的建設、升級、重建及擴建的項目提供土木工程、建設、安裝工程及設備供應。建設服務協議的期限自建設服務協議日期起至二零二二年十二月三十一日止。江西銀龍為本公司主要股東中國水務的非全資附屬公司。因此，江西銀龍是中國水務的聯繫人及本公司的關連人士。根據上市規則第14A章，有關建設服務協議的交易構成本公司的持續關連交易，而本公司獨立股東已於二零二零年十一月十六日舉行的本公司股東特別大會上批准有關建設服務協議的持續關連交易。根據建設服務協議項下，自建設服務協議日期起至二零二零年十二月三十一日止以及截至二零二一年及二零二二年十二月三十一日止年度的年度上限分別為人民幣180百萬元、人民幣300百萬元及人民幣300百萬元。有關建設服務協議的詳情已載於本公司日期為二零二零年九月二十五日的公告及日期為二零二零年十月三十日的通函內。

CONNECTED TRANSACTION (Continued)

As set out in note 36 of the consolidated financial statements, certain bank borrowings of the Group were secured by Mr. Zhao Juanxian, which constitute continuing connected transactions under Chapter 14A of the Listing Rules. However, pursuant to Rule 14A.90 of the Listing Rules, as the guarantees provided by Mr. Zhao Juanxian were conducted on normal commercial terms and not secured by the assets of the Group, the guarantees provided by Mr. Zhao Juanxian set out in note 36 of the consolidated financial statements are fully exempted from reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.09 of the Listing Rules, as Huizhou Kangda Yingzhihuang Water Co., Ltd.* (惠州康達英之皇水務有限公司), Jiaoling Kangda Environmental Governance Co., Ltd. (蕉嶺康達環境治理有限公司), Pingdingshan City Bay Water Treatment Co., Ltd.* (平頂山市海灣水務有限公司), Jilin Kangda Environmental Protection Co., Ltd.* (吉林康達環保有限公司), Weihai Kangda Ecological Environment Treatment Co., Ltd.* (威海康達生態環境綜合治理有限公司)and Shenyang Jinhai Kangda Environmental Protection Water Co., Ltd.* (瀋陽近海康達環保水務有限公司) are insignificant subsidiaries of the Group, the related party transactions between the Group and their respective non-controlling shareholders set out in note 36 of the consolidated financial statements do not constitute connected transactions or continuing connected transactions under the Listing Rules.

Save as disclosed above, the other transactions set in note 36 of the consolidated financial statements either do not constitute connected transactions or continuing connected transactions of the Company or are exempted from reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

關連交易 (續)

誠如綜合財務報表附註36所載，本集團的若干銀行借款由趙雋賢先生擔保，構成根據上市規則第14A章的持續關連交易。然而，根據上市規則第14A.90條，由於趙雋賢先生提供的擔保按正常商業條款進行及並無以本集團資產作抵押，故此綜合財務報表附註36所載由趙雋賢先生提供的擔保已獲完全豁免遵守上市規則第14A章項下的申報、公告、年度審核及獨立股東批准規定。本公司已遵守上市規則第14A章所載的披露規定。

根據上市規則第14A.09條，由於惠州康達英之皇水務有限公司、蕉嶺康達環境治理有限公司、平頂山市海灣水務有限公司、吉林康達環保有限公司、威海康達生態環境綜合治理有限公司及瀋陽近海康達環保水務有限公司屬於本集團的非重大附屬公司，故綜合財務報表附註36所載本集團與其各自的非控股股東進行的關連方交易並不構成上市規則項下的關連交易或持續關連交易。

除上文所披露者外，綜合財務報表附註36所載的其他交易不構成上市規則第14A章所載本公司的關連交易或持續關連交易，亦獲豁免遵守申報、公告、年度審核及獨立股東批准規定。

* *For identification purposes only*

CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS AND AUDITORS

The independent non-executive Directors have reviewed the above continuing connected transactions of the Group and have confirmed that these transactions have been entered into:

(i) in the ordinary and usual course of business of the Group;

(ii) on normal commercial terms; and

(iii) in accordance with the relevant agreement governing such transactions on terms that arTent governing such

獨立非執行董事及核數師確認

獨立非執行董事已審閱上述本集團的持續關連交易，並確認該等交易已：

(i) 於本集團一般及日常業務過程中進行；

(ii) 按一般商業條款進行；及

(iii) 根據規管該等交易的相關協議，按公平合理的條款進行，並符合股東的整體利益。

本公司核數師已向董事匯報，截至二零二一年十二月三十一日止年度，並無發現任何事宜令彼等認為：

(i) 上述持續關連交易未獲董事會批准；

(ii) 就涉及本集團提供貨品或服務之上述持續關連交易而言，於所有重大方面並不符合本公司之定價政策；

(iii) 上述持續關連交易於所有重大方面並非根據規管該等交易之相關協議進行；及

(iv) 上述有關協議各自的上限已被超越。

結算日後事項

重大結算日後事項於本年報綜合財務報表附註40披露。

審核委員會

審核委員會已連同管理層及獨立核數師審核本集團所採納的會計原則及政策以及截至二零二一年十二月三十一日止年度的經審核綜合財務報表。

Report of Directors
董事會報告

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code contained in the Listing Rules. Specific enquiry has been made to all the Directors and the Directors have confirmed that they had complied with such code of conduct during year ended 31 December 2021.

有關董事進行證券交易的行為守則

本公司已就董事進行證券交易採納一套行為準則，其條款並不遜於上市規則所載標準守則所載的規定標準。經向全體董事作出具體查詢後，董事確定彼等於截至二零二一年十二月三十一日止年度內一直遵守有關行為準則。

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders of the Company and to enhance corporate value and accountability. During the year ended 31 December 2021, the Company has compiled with all the applicable provisions of the CG Code as set out in Appendix 14 to the Listing Rules.

企業管治

本公司致力於維持高標準的企業管治以保障本公司的股東利益及提升企業價值及問責性。截至二零二一年十二月三十一日止年度，本公司已遵守上市規則附錄14所載企業管治守則所有適用條文。

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the knowledge of the Directors, at least 25% of the Company's total issued share capital, the prescribed minimum percentage of public float approved by the Hong Kong Stock Exchange and permitted under the Listing Rules, are held by the public at all times during the year ended 31 December 2021 and up to the date of this annual report.

足夠公眾持股量

根據本公司可獲取的公開資料及就董事所知，截至二零二一年十二月三十一日止年度直至本報告日期，本公司已發行股本總額中至少25%（香港聯交所批准及根據上市規則所允許的規定最低公眾持股百分比）一直由公眾持有。

AUDITOR

Ernst & Young has acted as auditor of the Company for the year ended 31 December 2021.

Ernst & Young shall retire at the Annual General Meeting and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as auditor of the Company will be proposed at the Annual General Meeting.

核數師

安永會計師事務所於截至二零二一年十二月三十一日止年度擔任本公司核數師。

安永會計師事務所將於股東週年大會上退任，且符合資格及願意接受續聘。有關續聘安永會計師事務所為本公司核數師的決議案，將於股東週年大會上提呈。

On behalf of the Board

代表董事會

Li Zhong
Co-Chairman

聯席主席
李中

Hong Kong, 28 March 2022

香港，二零二二年三月二十八日

Independent Auditor's Report
獨立核數師報告

Ernst & Young
27/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌
英皇道979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

To the shareholders of
Kangda International Environmental Company Limited
(Incorporated in the Cayman Islands with limited liability)

致康達國際環保有限公司

(於開曼群島註冊成立的有限公司) **股東**

OPINION

We have audited the consolidated financial statements of Kangda International Environmental Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 76 to 230, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

吾等已審計第76至230頁所載康達國際環保有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零二一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表的附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而公平地反映 貴集團於二零二一年十二月三十一日的綜合財務狀況以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要求妥為編製。

BASIS FOR OPINION

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

意見的基礎

吾等根據國際審計與鑒證準則理事會(「國際審計與鑒證準則理事會」)頒佈的國際審計準則(「國際審計準則」)進行審計。吾等在該等準則下承擔的責任已在本報告*核數師就審計綜合財務報表須承擔的責任*部分中作進一步闡述。根據香港會計師公會專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已履行守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

Independent Auditor's Report
獨立核數師報告

KEY AUDIT MATTERS

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

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

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理，而吾等不會對這些事項提供單獨的意見。吾等乃基於此原則闡釋吾等如何在審計中處理下文所述每件事項。

吾等已履行本報告中*核數師就審計綜合財務報表須承擔的責任*一節所述的責任，包括就該等事項履行的責任。因此，吾等的審計工作包括履行針對評估綜合財務報表是否存在重大錯誤陳述的風險而設的程序。吾等的審計結果（當中程序包括針對以下事項進行的程序）足以為吾等就隨附綜合財務報表發表的審計意見提供依據。

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 吾等的審計如何處理關鍵審計事項

Provision for impairment of trade receivables and financial receivables
貿易應收款項及金融應收款項減值撥備

Trade receivables and financial receivables were significant to the consolidated financial statements and the majority of the receivables were generated from service concession arrangements, engineering procurement construction ("EPC") contracts, and build-transfer contracts. Expected credit losses ("ECLs") allowances for trade receivables are made based on the assessment of the recoverability of receivables due from customers. The Group is required to regularly assess the recoverability of its trade receivables and financial receivables. This involves significant judgement and estimation as the ECLs allowances must reflect information about past events, current conditions and forecasts of future conditions.
貿易應收款項及金融應收款項對綜合財務報表關係重大，而大多數應收款項均源自服務特許經營安排、工程採購建設(「EPC」)合約及建設 — 移交合約。貿易應收款項的預期信貸虧損(「預期信貸虧損」)撥備乃根據對應收客戶款項可收回程度所作的評估計提。 貴集團須定期評估其貿易應收款項及金融應收款項的可收回程度，而這涉及重大判斷及估計，原因為預期信貸虧損撥備須反映有關過往事件、目前狀況和未來經濟狀況預測的資料。

Relevant disclosures are included in note 2.4 summary of significant accounting policies — "impairment of financial assets", note 2.5 significant accounting judgements and estimates — estimation uncertainty — "Provision for expected credit losses on trade receivables, financial receivables and contract assets", note 19 "financial receivables", and note 21 "trade and bills receivables" to the consolidated financial statements.
相關披露載於綜合財務報表附註2.4主要會計政策概要 —「金融資產減值」、附註2.5重大會計判斷及估計 — 估計不確定性 —「貿易應收款項、金融應收款項及合約資產預期信貸虧損撥備」、附註19「金融應收款項」及附註21「貿易應收款項及應收票據」。

Our procedures to assess the recoverability of trade receivables and financial receivables included, among others, obtaining confirmations of trade receivables and financial receivables, examining evidence of collection of trade receivables and financial receivables after the year end, recalculating the ageing analysis by customers, examining the Group's assessment of the customers' financial circumstances and ability to repay the debt, comparing the Group's provisioning rates against historical collection data, and considering the customers' historical payment habits along with other macroeconomic information and other reasonable and supportable forward-looking information.
吾等就評估貿易應收款項及金融應收款項的可收回程度所進行的程序包括但不限於就貿易應收款項及金融應收款項取得確認、於年結日後驗證收回貿易應收款項及金融應收款項的憑證、重新計算客戶所作賬齡分析、檢驗 貴集團對客戶財務狀況和償還債務能力的評估、比較 貴集團的撥備率與過往收集數據、審議客戶的支付習慣和其他宏觀經濟資料以及其他合理且有依據的前瞻性資料。

We also assessed ECLs allowances model and checked the calculations.
吾等亦已評估預期信貸虧損撥備，並檢查有關計算。

In addition, we evaluated the adequacy of the disclosures regarding the ECLs allowances for trade receivables and financial receivables.
此外，吾等已評價就貿易應收款項及金融應收款項預期信貸虧損撥備所作披露是否充分。

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 吾等的審計如何處理關鍵審計事項

Recognition and measurement of the contract revenue for service concession arrangements
服務特許經營安排項下的合約收益確認及計量

The Group engages in certain service concession arrangements under the terms of Build-Operate-Transfer ("BOT") in which the Group carries out the construction work of municipal infrastructure for certain governmental authorities or their designees (the "Grantors") and receives in return the rights to operate municipal infrastructure concerned in accordance with the pre-established conditions set by the Grantors. The measurement of revenue for service concession arrangements which is accounted for under IFRIC 12 *Service Concession Arrangements* involves significant management judgements and estimates including determination of applicable accounting model, estimation of the future guaranteed receipts, prevailing market rate of construction gross margins, and discount rates as used in the valuation process.
根據建設 — 運營 — 移交(「BOT」)的條款， 貴集團訂立若干服務特許經營安排，據此， 貴集團根據若干政府機關或其指定機構(「授予人」)預先訂立的條件對市政基礎設施進行建設工程，並取得市政基礎設施的經營權作為回報。根據國際財務報告詮釋委員會第12號服務特許經營安排計量服務特許經營安排的收益涉及重大管理判斷及估計，包括釐定適用會計模式、估計未來有保證的收費、現行市場的工程毛利率及估值過程中所用貼現率。

Relevant disclosures are included in note 2.4 summary of significant accounting policies — "service concession arrangements", note 2.5 significant accounting judgements and estimates — judgements — "accounting for service concession arrangements" and "percentage of completion of construction services", note 4 "revenue" and note 19 "financial receivables" to the consolidated financial statements.
相關披露載於綜合財務報表附註2.4主要會計政策概要 —「服務特許經營安排」、附註2.5重大會計判斷及估計 — 判斷 —「服務特許經營安排的會計處理」及「建設服務竣工百分比」、附註4「收益」以及附註19「金融應收款項」。

We reviewed the contract terms of the service concession arrangements and assessed the accounting model adopted and the future guaranteed receipts. We evaluated the competency and objectivity of the external appraiser engaged by management to assist the determination of the gross margin for construction service and discount rates. We also evaluated the basis and assumptions in the valuation and performed a comparison of the inputs used in the valuation against external market data. In addition, we involved our internal valuation specialists to assist us in evaluating the gross margin for construction service and the discount rates. We reviewed the methods and assumptions adopted by management in determining the total budgeted costs. We checked the relevant supporting documents for actual costs on a sampling basis. We also performed cut-off testing procedures to check whether material costs had been recognised in the appropriate accounting periods.
吾等已審閱服務特許經營安排的合約條款並評估所採納會計模式及未來的有保證的收費。吾等評估管理層外聘的估值師協助釐定工程服務毛利率及貼現率的能力及客觀性。吾等亦評估估值基準及假設，並將估值所用輸入數據與外界市場數據進行比較。此外，吾等亦派遣內部估值專家協助吾等評估工程服務的毛利率及貼現率。吾等已審閱管理層釐定總預算成本時所採納的方法及假設。吾等已按抽樣方式查核實際成本的有關證明文件。吾等亦執行截止測試程序，查核重大成本是否已於合適會計期間確認。

We also assessed the adequacy of the relevant disclosures.
吾等亦評估相關披露是否充分。

Independent Auditor's Report
獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

年報所載其他資料

貴公司董事須對其他資料負責。其他資料包括年報內的所有資料，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料。吾等亦不對該等其他資料發表任何形式的鑒證結論。

就吾等對綜合財務報表的審計而言，吾等的責任是閱讀其他資料，並藉此考慮其他資料是否與綜合財務報表或吾等在審計過程中得知的情況存在重大抵觸，或基於其他原因似乎存在重大錯誤陳述的情況。倘基於吾等已執行的工作，所得結論為其他資料出現重大錯誤陳述，吾等需要報告該事實。在這方面，吾等並無任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定擬備真實而公正的綜合財務報表，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監控負責。

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

貴公司董事在履行其監督 貴集團財務匯報過程的責任上獲審核委員會提供協助。

Independent Auditor's Report
獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表須承擔的責任

吾等的目標，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，並出具包括吾等意見的核數師報告。吾等的報告僅向　閣下作出，而並無其他用途。吾等不會就本報告的內容對任何其他人士承擔或負上任何責任。

合理保證是高水平的保證，但不能保證按照國際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，如果合理預期該等錯誤陳述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。

在根據國際審計準則進行審計的過程中，吾等運用專業判斷，並保持專業懷疑態度。吾等亦：

- 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，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險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監控，以設計適當的審計程序，但目的並非對　貴集團內部監控的有效性發表意見。

- 評價董事所採用會計政策恰當與否及作出會計估計和相關披露合理與否。

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

核數師就審計綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎恰當與否作出結論。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。如果吾等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，則吾等須修改意見。吾等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公正反映相關交易和事項。

- 就　貴集團內各實體或業務活動的財務資料獲得充足、適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等就審計意見承擔全部責任。

吾等與審核委員會溝通(其中包括)計劃的審計範圍、時間安排、重大審計發現等，包括吾等在審計中識別出內部監控的任何重大問題。

Independent Auditor's Report
獨立核數師報告

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Tsang Pang Sum Joe.

Ernst & Young
Certified Public Accountants
Hong Kong
28 March 2022

核數師就審計綜合財務報表須承擔的責任(續)

吾等還向審核委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響吾等獨立性的所有關係和其他事項，以及在適用的情況下，消除威脅所採取的行動或所應用的保障措施。

從與審核委員會溝通的事項中，吾等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。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在吾等報告中通報某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中通報該事項。

出具本獨立核數師報告的審計項目合夥人是曾鵬森。

安永會計師事務所
執業會計師
香港
二零二二年三月二十八日

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

Year ended 31 December 2021　截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
REVENUE	**收益**	4	**2,918,958**	3,332,432
Cost of sales	銷售成本		**(1,583,680)**	(2,006,795)
Gross profit	毛利		**1,335,278**	1,325,637
Other income and gains	其他收入及收益	5	**106,557**	107,157
Selling and distribution expenses	銷售及分銷開支		**(1,117)**	(2,530)
Administrative expenses	行政開支		**(245,965)**	(217,593)
Other expenses	其他開支		**(76,400)**	(35,902)
Finance costs	融資成本	7	**(565,688)**	(561,781)
Share of profits and losses of:	分佔以下公司損益：			
Associates	聯營公司		**(270)**	(2,688)
Joint ventures	合營企業		**(2,150)**	(4,761)
PROFIT BEFORE TAX	**除稅前溢利**	6	**550,245**	607,539
Income tax expense	所得稅開支	10	**(132,064)**	(137,282)
PROFIT FOR THE YEAR	**年內溢利**		**418,181**	470,257
Attributable to:	下列各項應佔：			
Owners of the parent	母公司擁有人	11	**412,752**	470,488
Non-controlling interests	非控股權益		**5,429**	(231)
			418,181	470,257
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	**母公司普通權益持有人應佔每股盈利**			
Basic for profit for the year (expressed in RMB per share)	年度基本溢利（以每股人民幣為單位）	11	**19.29 cents分**	22.39 cents分
Diluted for profit for the year (expressed in RMB per share)	年度攤薄溢利（以每股人民幣為單位）	11	**19.29 cents分**	22.39 cents分

Consolidated Statement of Profit or Loss and Other Comprehensive Income
綜合損益及其他全面收益表

Year ended 31 December 2021　截至二零二一年十二月三十一日止年度

		Notes 附註	2021 **二零二一年** **RMB'000** **人民幣千元**	2020 二零二零年 RMB'000 人民幣千元
OTHER COMPREHENSIVE INCOME	**其他全面收益**			
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:	將不會於其後期間重新分類至損益之其他全面收益：			
Equity investments designated at fair value through other comprehensive income:	指定為按公平值計入其他全面收益的股權投資：			
Changes in fair value	公平值變動		**(90,000)**	(25,000)
Income tax effect	所得稅影響		**13,500**	3,750
			(76,500)	(21,250)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	將不會於其後期間重新分類至損益之其他全面收益淨額		**(76,500)**	(21,250)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**年內其他全面收益，扣除稅項**		**(76,500)**	(21,250)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**年內全面收益總額**		**341,681**	449,007
Attributable to:	下列各項應佔：			
Owners of the parent	母公司擁有人		**336,252**	449,238
Non-controlling interests	非控股權益		**5,429**	(231)
			341,681	449,007

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2021　二零二一年十二月三十一日

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	12	**66,784**	119,472
Investment properties	投資物業		**12,094**	12,970
Right-of-use assets	使用權資產	13	**1,718**	1,887
Investments in associates	於聯營公司的投資	14	**376,773**	375,239
Investments in joint ventures	於合營企業的投資	15	**82,009**	84,159
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	16	**248,000**	338,000
Service concession intangible assets	無形資產 — 特許經營權	17	**1,084,506**	1,133,188
Other intangible assets	其他無形資產		**2,577**	3,436
Goodwill	商譽	18	**58,325**	

Consolidated Statement of Financial Position
綜合財務狀況表

31 December 2021　二零二一年十二月三十一日

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
NON-CURRENT LIABILITIES	**非流動負債**			
Trade payables	貿易應付款項	26	**62**	1,756
Interest-bearing bank and other borrowings	計息銀行及其他借款	28	**6,271,742**	6,754,171
Corporate bonds	公司債券		**–**	256,985
Deferred income	遞延收入		**1,930**	1,260
Other payables and accruals	其他應付款項及應計費用	27	**30,991**	23,063
Deferred tax liabilities	遞延稅項負債	20	**1,001,602**	910,260
Total non-current liabilities	非流動負債總額		**7,306,327**	7,947,495
Net assets	資產淨值		**5,407,621**	5,118,198
EQUITY	**權益**			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	29	**17,125**	17,125
Reserves	儲備	30	**5,252,881**	4,901,605
			5,270,006	4,918,730
Non-controlling interests	非控股權益		**137,615**	199,468
Total equity	權益總額		**5,407,621**	5,118,198

Li Zhong
李中
Director
董事

Duan Jerry Linnan
段林楠
Director
董事

Consolidated Statement of Changes in Equity
綜合權益變動表

Year ended 31 December 2021　截至二零二一年十二月三十一日止年度

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2021　截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	**經營活動所得現金流量**			
Profit before tax	除稅前溢利		**550,245**	607,539
Adjustments for:	經調整下列各項：			
Finance costs	融資成本	7	**565,688**	561,781
Foreign exchange differences, net	外匯差額，淨額	6	**(7,250)**	(5,557)
Loss on disposal of subsidiaries	出售附屬公司的虧損	31	**4,530**	708
Share of profits and losses of associates and joint ventures	分佔聯營公司及合營企業損益		**2,420**	7,449
Bank interest income	銀行利息收入	5	**(2,557)**	(4,665)
Interest income from loans to third parties	向第三方貸款的利息收入	5	**(22,869)**	(18,099)
Interest income from loans to a joint venture	向一家合營企業貸款的利息收入	5	**(700)**	(820)
Investment income from other current financial assets	其他流動金融資產的投資收入	5	**(8,508)**	(26,246)
Covid-19-related rent concessions from lessors	來自出租人的與2019年新型冠狀病毒肺炎相關的租金優惠	13	**–**	(89)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6, 12	**6,814**	10,471
Depreciation of investment properties	投資物業折舊	6	**876**	933
Depreciation of right-of-use assets	使用權資產折舊	6, 13	**283**	1,932
Amortisation of service concession intangible assets	無形資產 — 特許經營權攤銷	6, 17	**63,925**	57,870
Amortisation of other intangible assets	其他無形資產攤銷	6	**385**	501
Gains on disposal of service concession intangible assets, net	出售無形資產—特許經營權的收益淨值	6	**(694)**	–
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	6	**478**	11
Impairment of goodwill	商譽減值	6	**1,894**	–
Impairment of financial receivables	金融應收款項減值	6, 19	**452**	1,801
Impairment of contract assets	合約資產減值	6, 23	**962**	403
Impairment of prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減值	6, 22	**17,295**	7,875
Impairment of trade receivables	貿易應收款項減值	6, 21	**26,404**	22,459
Loss for debt restructuring	債務重組虧損		**2,408**	–
			1,202,481	1,226,257
Increase in inventories	存貨增加		**(2,330)**	(1,304)
Increase in financial receivables	金融應收款項增加		**(971,881)**	(850,523)
Decrease/(increase) in contract assets	合約資產減少／(增加)		**317,072**	(190,705)
Increase in trade and bills receivables	貿易應收款項及應收票據增加		**(284,481)**	(188,377)
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少		**17,382**	11,251
Increase in trade and bills payables	貿易應付款項及應付票據增加		**16,416**	256,162
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加／(減少)		**34,248**	(9,574)
Decrease in contract liabilities	合約負債減少		**–**	8,001
Increase in deferred income	遞延收入增加		**14,365**	2,520

Consolidated Statement of Cash Flows
綜合現金流量表

Year ended 31 December 2021　截至二零二一年十二月三十一日止年度

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cash generated from operations	經營所得現金		**343,272**	263,708
Interest received	已收利息		**4,693**	3,141
Income taxes paid	已繳所得稅		**(27,800)**	(23,123)
Net cash flows from operating activities	經營活動所得現金流量淨額		**320,165**	243,726
CASH FLOWS FROM INVESTING ACTIVITIES	**投資活動所得現金流量**			
Purchase of items of property, plant and equipment	購買物業、廠房及設備項目	12	**(1,059)**	(1,247)
Additions to intangible assets	添置無形資產		**(148,404)**	(226,096)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項		**447**	831
Decrease in other current financial assets	其他流動金融資產減少		**133,526**	623,621
Acquisition of subsidiaries, net of cash acquired	收購附屬公司，扣除所獲得現金		**–**	(63,743)
Disposal of subsidiaries	出售附屬公司	31	**13,531**	847
Additions to investments in associates	於聯營公司的投資增加		**(1,804)**	(691)
Increase in pledged deposits	抵押存款增加		**(118,320)**	(52,383)
Interest received from third parties	已收第三方利息		**–**	26,035
Decrease in loans due from a third party	應收一名第三方貸款減少		**–**	30,000
Net cash flows (used in)/from investing activities	投資活動所（用）／得現金流量淨額		**(122,083)**	337,174
CASH FLOWS FROM FINANCING ACTIVITIES	**融資活動所得現金流量**			
Increase of interest-bearing bank and other borrowings	計息銀行及其他借款增加		**4,410,532**	4,974,455
Repayment of interest-bearing bank and other borrowings	償還計息銀行及其他借款		**(3,607,982)**	(3,974,191)
Proceeds from issue of corporate bond payable	發行應付公司債券所得款項		**300,000**	–
Interest paid	已付利息		**(553,670)**	(537,337)
Acquisition of non-controlling interests	收購非控股權益		**(10,000)**	–
Repayment of corporate bonds	償還公司債券		**(876,016)**	(915,994)
Principal portion of lease payments	租賃付款的本金部份		**(243)**	(2,403)
Proceeds from exercise of share options	行使購股權所得款項		**–**	74,705
Dividends paid to a non-controlling shareholder	向非控股股東支付之股息		**(498)**	–
Net cash flows used in financing activities	融資活動所用現金流量淨額		**(337,877)**	(380,765)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**現金及現金等價物增加／（減少）淨額**		**(139,795)**	200,135
Cash and cash equivalents at beginning of year	年初現金及現金等價物		**430,262**	225,672
Effect of foreign exchange rate changes, net	匯率變動的影響淨額		**(569)**	4,455
CASH AND CASH EQUIVALENTS AT END OF YEAR	**年末現金及現金等價物**	25	**289,898**	430,262

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Kangyu Investment Co., Ltd. (康渝投資有限公司)# ^	PRC/ Mainland China	US$200,000,000	–	100	Investment activities in Mainland China
康渝投資有限公司^	中國／中國內地	200,000,000美元	–	100	於中國內地從事投資活動
Chongqing Kangda Environmental Protection Industry (Group) Co., Ltd. (" Chongqing Kangda ") (重慶康達環保產業(集團)有限公司)# *	PRC/ Mainland China	RMB1,876,019,000	–	100	Investment in WTPs and construction of municipal infrastructure in Mainland China
重慶康達環保產業(集團)有限公司(「重慶康達」)*	中國／中國內地	人民幣1,876,019,000元	–	100	在中國內地投資污水處理廠及建設市政基礎設施
Kangda Environmental Protection Water Co., Ltd. (康達環保水務有限公司)# *	PRC/ Mainland China	RMB80,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達環保水務有限公司*	中國／中國內地	人民幣80,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Shangqiu) Water Co., Ltd. (康達環保(商丘)水務有限公司)# *	PRC/ Mainland China	RMB63,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達環保(商丘)水務有限公司*	中國／中國內地	人民幣63,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Suzhou) Water Co., Ltd. (康達環保(宿州)水務有限公司)# *	PRC/ Mainland China	RMB23,000,000	–	100	Provision of WTP operation services in Mainland China
康達環保(宿州)水務有限公司*	中國／中國內地	人民幣23,000,000元	–	100	在中國內地提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Guangrao Kangda Environmental Protection Water Co., Ltd. (廣饒康達環保水務有限公司)#*	PRC/ Mainland China	RMB8,320,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
廣饒康達環保水務有限公司*	中國／中國內地	人民幣 8,320,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Harbin Kangda Environmental Protection Investment Co., Ltd. (哈爾濱康達環保投資有限公司)#*	PRC/ Mainland China	RMB30,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
哈爾濱康達環保投資有限公司*	中國／中國內地	人民幣 30,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Linying Kangda Environmental Protection Water Co., Ltd. (臨潁康達環保水務有限公司)#*	PRC/ Mainland China	RMB6,000,000	–	100	Provision of WTP operation services in Mainland China
臨潁康達環保水務有限公司*	中國／中國內地	人民幣 6,000,000元	–	100	在中國內地提供污水處理廠運營服務
Weifang Kangda Environmental Protection Water Co., Ltd. (濰坊康達環保水務有限公司)#*	PRC/ Mainland China	RMB94,180,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濰坊康達環保水務有限公司*	中國／中國內地	人民幣 94,180,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Gaomi) Sewage Treatment Co., Ltd. (康達環保(高密)污水處理有限公司)#*	PRC/ Mainland China	RMB17,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達環保(高密)污水處理有限公司*	中國／中國內地	人民幣 17,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Kangda (Dongying) Environmental Protection Water Co., Ltd. (康達(東營)環保水務有限公司)#*	PRC/ Mainland China	RMB163,263,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達(東營)環保水務有限公司*	中國／中國內地	人民幣163,263,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Beijing Chang Sheng Si Yuan Environmental Protection Technology Co., Ltd. (北京長盛思源環保科技有限公司)#*	PRC/ Mainland China	RMB150,000,000	–	100	Investment, management of environmental projects and public infrastructure projects in Mainland China
北京長盛思源環保科技有限公司*	中國／中國內地	人民幣150,000,000元	–	100	在中國內地投資、管理環保項目及公共基礎設施項目
Yucheng Dongjiao Chengjian Sewage Treatment Co., Ltd. (禹城東郊城建污水處理有限公司)#*	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
禹城東郊城建污水處理有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Puyang Kangda Environmental Protection Water Co., Ltd. (濮陽康達環保水務有限公司)#*	PRC/ Mainland China	RMB50,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濮陽康達環保水務有限公司*	中國／中國內地	人民幣50,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Liangshan Kangda Water Co., Ltd. (梁山康達水務有限公司)#*	PRC/ Mainland China	RMB1,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
梁山康達水務有限公司*	中國／中國內地	人民幣 1,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Jining City Xinkangda Sewage Treatment Co., Ltd. (濟寧市鑫康達水務有限公司)#*	PRC/ Mainland China	RMB64,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濟寧市鑫康達水務有限公司*	中國／中國內地	人民幣 64,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Shen County Kangda Sewage Treatment Co., Ltd. (莘縣康達水務有限公司)#*	PRC/ Mainland China	RMB121,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
莘縣康達水務有限公司*	中國／中國內地	人民幣 121,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Gaomi) Water Co., Ltd. (康達環保(高密)水務有限公司)#*	PRC/ Mainland China	RMB33,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達環保(高密)水務有限公司*	中國／中國內地	人民幣 33,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Zhengzhou Xinzhongzhou Water Co., Ltd. (鄭州新中洲水務有限公司)#*	PRC/ Mainland China	RMB100,300,000	–	100	Provision of WTP operation services in Mainland China
鄭州新中洲水務有限公司*	中國／中國內地	人民幣 100,300,000元	–	100	在中國內地提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Xuzhou Kangda Environmental Protection Water Co., Ltd. (徐州康達環保水務有限公司)#*	PRC/ Mainland China	RMB20,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
徐州康達環保水務有限公司*	中國／中國內地	人民幣20,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Tianjin Kangda Environmental Protection Water Co., Ltd. (天津康達環保水務有限公司)#*	PRC/ Mainland China	RMB68,077,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
天津康達環保水務有限公司*	中國／中國內地	人民幣68,077,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Chongqing Fulunde Technology Co., Ltd. (重慶弗侖德科技有限公司)#*	PRC/ Mainland China	RMB20,000,000	–	100	Development and sale of computer software in Mainland China
重慶弗侖德科技有限公司*	中國／中國內地	人民幣20,000,000元	–	100	在中國內地從事計算機軟件開發及銷售
Suzhou Kangda Environmental Protection Sewage Treatment Co., Ltd. (宿州康達環保污水處理有限公司)#*	PRC/ Mainland China	RMB36,000,000	–	100	Provision of WTP operation services in Mainland China
宿州康達環保污水處理有限公司*	中國／中國內地	人民幣36,000,000元	–	100	在中國內地提供污水處理廠運營服務
Gaomi Kangda Lvyi Sludge Treatment Co., Ltd. (高密康達綠意污泥處理有限公司)#*	PRC/ Mainland China	RMB3,000,000	–	100	Construction and provision of STP operation services in Mainland China
高密康達綠意污泥處理有限公司*	中國／中國內地	人民幣3,000,000元	–	100	在中國內地建設污泥處理廠及提供污泥處理運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Yunan Kangda Liangke Environment Treatment Co., Ltd. (郁南康達亮科環境治理有限公司)#*	PRC/ Mainland China	RMB62,000,000	–	80	Construction, operation and maintenance of WTPs and other environmental protection projects in Mainland China
郁南康達亮科環境治理有限公司*	中國／中國內地	人民幣62,000,000元	–	80	在中國內地建設、運營及維護污水處理廠及其他環保項目
Weihai Kangda Ecological Environment Treatment Co., Ltd. (" Weihai Kangda ") (威海康達生態環境綜合治理有限公司)#*	PRC/ Mainland China	RMB100,000,000	–	88	Construction, operation and maintenance of WTPs, STPs, pipe networks and other municipal infrastructure in Mainland China
威海康達生態環境綜合治理有限公司(「威海康達」)*	中國／中國內地	人民幣100,000,000元	–	88	在中國內地建設、運營及維護污水處理廠、污泥處理廠、管網及其他市政基礎設施
Pingdingshan City Bay Water Treatment Co., Ltd. (" Pingdingshan City Bay ") (平頂山市海灣水務有限公司)#*	PRC/ Mainland China	RMB50,000,000	–	80	Construction of WTPs and provision of WTP operation services in Mainland China
平頂山市海灣水務有限公司(「平頂山市海灣」)*	中國／中國內地	人民幣50,000,000元	–	80	在中國內地建設污水處理廠及提供污水處理廠運營服務
Shenzhen Kangyue Environmental Protection Technology Co., Ltd. (深圳康粵環保科技有限公司)#*	PRC/ Mainland China	RMB50,000,000	–	100	Development and sale of WTP equipment in Mainland China
深圳康粵環保科技有限公司*	中國／中國內地	人民幣50,000,000元	–	100	在中國內地研發及銷售污水處理廠設備

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Dongping Kangda Water Co., Ltd. (東平康達水務有限公司)# *	PRC/ Mainland China	US$5,200,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
東平康達水務有限公司*	中國／中國內地	5,200,000美元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Chongqing Kangda Lvyi Energy Investment Co., Ltd. (重慶康達綠意能源投資有限公司)# *	PRC/ Mainland China	RMB50,000,000	–	100	Investment in energy industry and provision of WTP operation services in Mainland China
重慶康達綠意能源投資有限公司*	中國／中國內地	人民幣50,000,000元	–	100	在中國內地投資能源行業及提供污水處理廠運營服務
Shangqiu Kangda Water Treatment Co., Ltd. (商丘康達水處理有限公司)# *	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
商丘康達水處理有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Chongqing Kangda Zhishang Environmental Protection Industry Co., Ltd. (重慶康達至尚環保產業有限公司)# *	PRC/ Mainland China	RMB70,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
重慶康達至尚環保產業有限公司*	中國／中國內地	人			

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Qishan County Dayuan Sewage Treatment Co., Ltd. (岐山縣大源污水處理有限責任公司)#*	PRC/ Mainland China	RMB3,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
岐山縣大源污水處理有限責任公司*	中國／中國內地	人民幣3,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Weifang Shuangjie Water Purification Material Co., Ltd. (" Weifang Shuangjie ") (濰坊雙傑淨水材料有限公司)#*	PRC/ Mainland China	RMB8,000,000	–	100	Sale of water purifying materials in Mainland China
濰坊雙傑淨水材料有限公司(「濰坊雙傑」)*	中國／中國內地	人民幣8,000,000元	–	100	在中國內地銷售淨水材料
Dong'e County Kangda Sewage Treatment Co., Ltd. (東阿縣康達水務有限公司)#*	PRC/ Mainland China	RMB110,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
東阿縣康達水務有限公司*	中國／中國內地	人民幣110,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Liaocheng Jiaming Kangda Sewage Treatment Co., Ltd. (聊城嘉明康達污水處理有限公司)#*	PRC/ Mainland China	RMB70,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
聊城嘉明康達污水處理有限公司*	中國／中國內地	人民幣70,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Linqing City Kangda Sewage Treatment Co., Ltd. (臨清市康達污水處理有限公司)#*	PRC/ Mainland China	RMB75,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
臨清市康達污水處理有限公司*	中國／中國內地	人民幣75,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Qitaihe Kangda Water Co., Ltd. (七台河康達水務有限責任公司)#*	PRC/ Mainland China	RMB90,000,000	–	100	Construction and provision of WTP and RWTP operation services and reclaimed water treatment services in Mainland China
七台河康達水務有限責任公司*	中國／中國內地	人民幣90,000,000元	–	100	在中國內地建設污水處理廠及再生水處理廠並提供運營服務及提供再生水處理服務
Xinzheng Xinkang Water Co., Ltd. (新鄭新康水務有限公司)#*	PRC/ Mainland China	RMB60,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
新鄭新康水務有限公司*	中國／中國內地	人民幣60,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Linyi) Water Co., Ltd. (康達環保(臨庇苛槁游（康等旨庇胺庸⑽公					

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Jining Kangda Environmental Protection Water Co., Ltd. (濟寧康達環保水務有限公司)#*	PRC/ Mainland China	RMB25,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濟寧康達環保水務有限公司*	中國／中國內地	人民幣25,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Haiyang Kangda Environmental Protection Water Co., Ltd. (海陽康達環保水務有限公司)#*	PRC/ Mainland China	RMB6,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
海陽康達環保水務有限公司*	中國／中國內地	人民幣6,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Wendeng Kangda Environmental Protection Water Co., Ltd. (文登康達環保水務有限公司)#*	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
文登康達環保水務有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Weifang Binhai Kangda Environmental Protection Water Co., Ltd. (濰坊濱海康達環保水務有限公司)#*	PRC/ Mainland China	RMB10,500,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濰坊濱海康達環保水務有限公司*	中國／中國內地	人民幣10,500,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Kangda Environmental Protection (Hebi) Water Treatment Co., Ltd. (" Hebi Kangda ") (康達環保(鶴壁)水處理有限公司)#*	PRC/ Mainland China	RMB5,500,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
康達環保(鶴壁)水處理有限公司(「鶴壁康達」)*	中國／中國內地	人民幣5,500,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Pingdingshan Kangda Environmental Protection Water Co., Ltd. (平頂山康達環保水務有限公司)#*	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
平頂山康達環保水務有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Huadian Kangda Environmental Protection Water Co., Ltd. (樺甸康達環保水務有限公司)#*	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
樺甸康達環保水務有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Fengxian Kangda Environmental Protection the third Sewage Treatment Co., Ltd. (豐縣康達第三污水處理有限公司)#*	PRC/ Mainland China	RMB3,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
豐縣康達第三污水處理有限公司*	中國／中國內地	人民幣3,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Suihua Kangda Environmental Protection Water Co., Ltd. (綏化康達環保水務有限公司)#*	PRC/ Mainland China	RMB1,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
綏化康達環保水務有限公司*	中國／中國內地	人民幣1,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Jixi County Chengjian Sewage Treatment Co., Ltd. (績溪縣城建污水處理有限公司)#*	PRC/ Mainland China	RMB8,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
績溪縣城建污水處理有限公司*	中國／中國內地	人民幣8,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Dacheng Chengjian Environmental Protection Sewage Treatment Co., Ltd. (大城縣城建環保污水處理有限公司)#*	PRC/ Mainland China	RMB9,600,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
大城縣城建環保污水處理有限公司*	中國／中國內地	人民幣9,600,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Jiyuan City Yuchuan Chengjian Sewage Treatment Co., Ltd. (濟源市玉川城建污水處理有限公司)#*	PRC/ Mainland China	RMB30,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濟源市玉川城建污水處理有限公司*	中國／中國內地	人民幣30,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Dandong Kangda Environmental Protection Water Co., Ltd. (丹東康達環保水務有限公司)#*	PRC/ Mainland China	RMB27,800,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
丹東康達環保水務有限公司*	中國／中國內地	人民幣27,800,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Sanmenxia Kangda Water Co., Ltd. (三門峽康達水務有限公司)#*	PRC/ Mainland China	RMB10,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
三門峽康達水務有限公司*	中國／中國內地	人民幣10,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Tianjin Kangda Lvyi Sludge Treatment Co., Ltd. (天津康達綠意污泥處理有限公司)#*	PRC/ Mainland China	RMB2,000,000	–	100	Construction of STPs and provision of STP operation services in Mainland China
天津康達綠意污泥處理有限公司*	中國／中國內地	人民幣2,000,000元	–	100	在中國內地建設污泥處理廠及提供污泥處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Jiaoling Kangda Environmental Governance Co., Ltd. (" Jiaoling Kangda ") (蕉嶺康達環境治理有限公司) # *	PRC/ Mainland China	RMB56,172,000	–	97	Construction, operation and maintenance of WTPs and other environmental protection projects in Mainland China
蕉嶺康達環境治理有限公司 (「蕉嶺康達」) *	中國／中國內地	人民幣56,172,000元	–	97	在中國內地建設、運營及維護污水處理廠及其他環保項目
Wenzhou Chuangyuan Water Co., Ltd. (" Wenzhou Chuangyuan ") (溫州市創源水務有限公司) # *	PRC/ Mainland China	RMB168,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
溫州市創源水務有限公司 (「溫州創源」) *	中國／中國內地	人民幣168,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Meiling Environmental Technology (Zibo) Co., Ltd. (" Meiling Zibo ") (美陵環境科技(淄博)有限公司) # ^	PRC/ Mainland China	SGD3,780,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
美陵環境科技(淄博)有限公司 (「美陵淄博」) ^	中國／中國內地	3,780,000新加坡元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Jining Meiling Sewage Purification Co., Ltd. (濟寧美陵污水淨化有限公司) # *	PRC/ Mainland China	RMB5,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
濟寧美陵污水淨化有限公司 *	中國／中國內地	人民幣5,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

Company name 公司名稱	Place of incorporation/ registration and operation 註冊成立／登記及營業地點	Issued ordinary/ registered share capital 已發行普通／註冊股本	Percentage of equity attributable to the Company 本公司應佔股權百分比 Direct 直接	Indirect 間接	Principal activities 主要業務
Qingzhou Meiling Sewage Purification Co., Ltd. (青州市美陵污水淨化有限公司)#*	PRC/ Mainland China	RMB5,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
青州市美陵污水淨化有限公司*	中國／中國內地	人民幣5,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Sichuan Weiyuan Hefeng Bioengineering Co., Ltd. (四川威遠禾豐生物工程有限公司)#*	PRC/ Mainland China	RMB45,000,000	–	100	Construction of WTPs and provision of WTP operation services in Mainland China
四川威遠禾豐生物工程有限公司*	中國／中國內地	人民幣45,000,000元	–	100	在中國內地建設污水處理廠及提供污水處理廠運營服務
Taiyuan Kangjin Water Co., Ltd. (太原康晉水務有限公司)#*	PRC/ Mainland China	RMB194,450,000	–	99.44	Construction of WTPs and provision of WTP operation services in Mainland China
太原康晉水務有限公司*	中國／中國內地	人民幣194,450,000元	–	99.44	在中國內地建設污水處理廠及提供污水處理廠運營服務
Weiyuan Kangda Environmental Protection Co., Ltd. (威遠康達環保有限公司)#*	PRC/ Mainland China	RMB38,496,000	–	95	Construction of WTPs and provision of WTP operation services in Mainland China
威遠康達環保有限公司*	中國／中國內地	人民幣38,496,000元	–	95	在中國內地建設污水處理廠及提供污水處理廠運營服務
Shenyang Jinhai Kangda Environmental Protection Water Co., Ltd. (" Shenyang Jinhai ") (瀋陽近海康達環保水務有限公司)#*	PRC/ Mainland China	RMB22,000,000	–	95	Construction of WTPs and provision of WTP operation services in Mainland China
瀋陽近海康達環保水務有限公司(「瀋陽近海」)*	中國／中國內地	人民幣22,000,000元	–	95	在中國內地建設污水處理廠及提供污水處理廠運營服務

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the principal subsidiaries of the Company are as follows: (Continued)

The names of these companies referred to in this report represent management's best effort in translating the Chinese names of the companies registered in Mainland China, as no English names have been registered.

^ Kangyu Investment Co., Ltd. and Meiling Environmental Technology (Zibo) Co., Ltd. are registered as wholly-foreign-owned enterprises under PRC law.

* These companies are registered as limited liability companies under PRC law.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

1. 公司及集團資料(續)

有關附屬公司的資料(續)

有關本公司主要附屬公司的詳情載列如下：(續)

由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司名稱乃管理層盡力翻譯其中文名稱所得。

^ 康渝投資有限公司及美陵環境科技(淄博)有限公司根據中國法律註冊為外商獨資企業。

* 該等公司乃根據中國法律註冊為有限責任公司。

董事認為上表所列本公司附屬公司主要影響本年度業績或組成本集團資產淨值的主要部分。董事認為列出其他附屬公司的詳情會導致資料過於冗長。

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

The financial statements have been prepared under the historical cost convention, except for equity investments designed at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Going concern

As at 31 December 2021, the Group's current liabilities exceeded its current assets by approximately RMB185,439,000 (31 December 2020: net current assets: RMB293,821,000). In addition, the Group has contracted capital commitments of RMB198,144,000 and commitments in respect of service concession arrangements of RMB2,442,938,000. Part of such

2.1 編製基準

該等財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)(包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及詮釋)、香港公認會計原則及香港公司條例的披露規定編製。

財務報表已按歷史成本慣例編製,惟指定為按公平值計入其他全面收益的股權投資除外,其乃按公平值計量。該等財務報表以人民幣(「人民幣」)呈列,且除另有指明外,所有價值均約整至最接近的千位數。

持續經營

於二零二一年十二月三十一日,本集團的流動負債超過其流動資產約人民幣185,439,000元(二零二零年十二月三十一日:流動資產淨值:人民幣293,821,000元)。此外,本集團訂約資本承擔為人民幣198,144,000元,並就服務特許權安排承付人民幣2,442,938,000元。預計部分承諾在可預見將來到期。本公司董事認為截至該等綜合財務報表核准之日止本集團可利用的資金來源如下:

- 本集團的尚未動用銀行融資。本公司董事相信,基於本集團的過往經驗及良好信用狀況,在可見將來於有關銀行融資各自到期時可獲不斷續期;
- 本集團經中國相關政府部門批准可用以發行國內短期票據的未動用融資額;
- 本集團於二零二一年十二月三十一日之後業務產生的現金流入;及
- 本集團根據信用記錄可從銀行、金融機構和其他機構獲取的融資額。

2.1 BASIS OF PREPARATION (Continued)

Going concern (Continued)

In light of the available funding as mentioned above, and after taking into account the operating performance of the Group and cash flow projection prepared by the directors of the Company. The directors of the Company are confident that the Group will have sufficient working capital to meet with its financial obligations and operation requirements in the foreseeable future of at least up to 31 December 2022. Hence the directors of the Company are of the opinion that it is appropriate to prepare these consolidated financial statements under the going concern basis.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2021. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

2.1 編製基準 (續)

持續經營 (續)

鑒於上述可用資金，並考慮本集團的經營表現及本公司董事編製的現金流量預測，本公司董事有信心本集團將有充裕的營運資金，足以在可預見的未來(至少直至二零二二年十二月三十一日)應付其財務責任及營運所需。因此，本公司董事認為，按持續經營基準編製該等綜合財務報表乃屬適當。

綜合基準

本綜合財務報表包括本集團截至二零二一年十二月三十一日止年度的財務報表。附屬公司乃本公司直接或間接控制的實體(包括結構性實體)。當本集團因參與被投資方的業務而可或有權獲得可變回報，且有能力通過對投資對象行使其權利(即授予本集團現時指示投資對象相關活動的現有權利)而影響該等回報時，即獲得控制權。

倘本公司直接或間接擁有少於投資對象大多數的投票或類似權利，則本集團於評估其是否擁有對投資對象的權力時，會考慮一切相關事實及情況，包括：

(a) 與投資對象其他投票持有人的合約安排；

(b) 其他合約安排所產生的權利；及

(c) 本集團的投票權及潛在投票權。

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

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

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

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

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

2.1 編製基準(續)

綜合基準(續)

附屬公司財務報表就本公司相同報告期間編製，並採用一致的會計政策編製。附屬公司的業績由本集團獲得控制權之日作綜合入賬，直至有關控制權終止當日為止。

損益及其他全面收益的各個組成部分歸屬於本集團母公司的擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。所有有關本集團各成員公司間的交易的集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合入賬時全數抵銷。

倘事實及情況顯示上述三項控制因素中的一項或多項出現變化，本集團會重新評估其是否控制投資對象。並無失去控制權的附屬公司擁有權權益變動乃以股本交易入賬。

倘本集團失去對一間附屬公司的控制權，則終止確認(i)該附屬公司的資產(包括商譽)及負債，(ii)任何非控股權益的賬面值及(iii)於權益內記錄的累計匯兌差額；及確認(i)已收代價的公平值，(ii)所保留任何投資的公平值及(iii)損益中任何因此產生的盈餘或虧絀。先前已於其他全面收益內確認的本集團應佔部分重新分類至損益或保留溢利(如適當)，基準與本集團直接出售相關資產或負債所需使用的基準相同。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's consolidated financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform — Phase 2*
Amendment to IFRS 16	*Covid-19-Related Rent Concessions beyond 30 June 2021* (early adopted)

The nature and the impact of the revised IFRSs are described below:

(a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR"). The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

2.2 會計政策及披露的變動

本集團已對本年度綜合財務報表首次採納以下經修訂國際財務報告準則。

國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號(修訂本)	*利率基準改革－第二階段*
國際財務報告準則第16號(修訂本)	*二零二一年六月三十日後的COVID-19相關租金寬減(提早採納)*

經修訂國際財務報告準則之性質及影響說明如下：

(a) 當現有利率基準以其他無風險利率(「無風險利率」)替代時會影響財務報告時，國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號(修訂本)解決先前修訂中未涉及的問題。第二階段修訂本提供實際權宜方法，於入賬釐定金融資產及負債合約現金流量的基準變動時，倘變動因利率基準改革直接引致，且釐定合約現金流量的新基準經濟上相當於緊接變動前的先前基準，在不調整金融資產及負債賬面值的情況下更新實際利率。此外，該等修訂本允許利率基準改革要求就對沖名稱及對沖文件作出的變動，而不中斷對沖關係。過渡期間可能產生的任何損益均透過國際財務報告準則第9號的正常要求進行處理，以計量及確認對沖無效性。當無風險利率被指定為風險組成部分時，該等修訂本亦暫時寬免實體須符合可單獨識別的規定。寬免允許實體於指定對沖時假設符合可單獨識別的規定，前提是實體合理預期無風險利率風險成分於未來24個月內將可單獨識別。此外，該等修訂本亦要求實體披露其他資料，以使財務報表的使用者能夠了解利率基準改革對實體金融工具及風險管理策略的影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

The Group had certain interest-bearing bank borrowings denominated in United States dollars based on the London Interbank Offered Rate ("LIBOR") as at 31 December 2021. For the LIBOR-based borrowings, since the interest rates of these instruments were not replaced by RFRs during the year, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply the above-mentioned practical expedient upon the modification of these instruments provided that the "economically equivalent" criterion is met. Additional information about the transition and the associated risks is disclosed in note 39 to the financial statements.

(b) Amendment to IFRS 16 issued in April 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic by 12 months. Accordingly, the practical

2.2 會計政策及披露的變動(續)

(a) (續)

本集團於二零二一年十二月三十一日持有根據倫敦銀行同業拆息(「倫敦銀行同業拆息」)以美元計值的若干計息銀行借貸。就以倫敦銀行同業拆息為基礎的借貸而言，由於年內並無以無風險利率替代該等借貸的利率，該等修訂本對本集團的財務狀況及表現概無任何影響。倘該等借貸的利率於未來期間以無風險利率替代，本集團將於修改有關工具時採用上述實際權宜方法，惟須滿足「經濟上相當」的標準。有關過渡期及相關風險的更多資料於財務報表附註39中披露。

(b) 二零二一年四月頒佈的國際財務報告準則第16號(修訂本)將承租人可選擇實際權宜方法而不採用租賃變更的方法來核算因COVID-19疫情直接導致的租金寬減延長了12個月。因此，在滿足應用實際權宜方法的其他條件下，實際權宜方法適用於租金的寬減為原定於二零二二年六月三十日前到期的租賃付款額。該修訂本適用於二零二一年四月一日或之後開始的年度期間，且追溯應用，並將首次應用該修訂本之累計影響確認為目前會計期間開始時對期初留存溢利結餘作出的調整。該修訂本允許提前應用。

本集團已於二零二一年一月一日提早採納該修訂本。然而，本集團尚未收到COVID-19相關租金寬減，並計劃在允許的適用期限內適用時採用實際權宜方法。

2.3 已頒佈但尚未生效的國際財務報告準則

本集團尚未於綜合財務報表應用以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第3號（修訂本）	*概念框架之提述*[1]
國際財務報告準則第10號及國際會計準則第28號（修訂本）	*投資者與其聯營公司或合營企業之間的資產出售或投入*[3]
國際財務報告準則第17號	*保險合約*[2]
國際財務報告準則第17號（修訂本）	*保險合約*[2, 4]
國際會計準則第1號（修訂本）	*負債分類為流動或非流動*[2]
國際會計準則第1號及國際財務報告準則實務公告2號（修訂本）	*披露會計政策*[2]
國際會計準則第8號（修訂本）	*會計估計之定義*[2]
國際會計準則第12號（修訂本）	*與一項交易產生之資產及負債相關之遞延稅項*[2]
國際會計準則第16號（修訂本）	*物業、機器及設備：擬定用途前的所得款項*[1]
國際會計準則第37號（修訂本）	*有償合約－履行合約的成本*[1]
國際財務報告準則二零一八至二零二零年年度改進	國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附之範例及[illegible]

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in March 2018 without significantly changing its requirements. The amendments also add to IFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 if they were incurred separately rather than assumed in a business combination, an entity applying IFRS 3 should refer to IAS 37 or IFRIC 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

預期將適用於本集團的該等國際財務報告準則的進一步資料於下文載述。

國際財務報告準則第3號(修訂本)旨在以二零一八年三月發佈*財務報告概念框架的提述*取代先前的*編製及呈列財務報表的提述*，而無需重大改變其要求。該等修訂亦為國際財務報告準則第3號增加確認原則的例外，實體可參考概念框架釐定資產或負債的構成要素。該例外情況規定，對於單獨而非於業務合併中承擔且屬於國際會計準則第37號或國際財務報告詮釋委員會第21號的負債及或然負債，採用國際財務報告準則第3號的實體應分別提述國際會計準則第37號或國際財務報告詮釋委員會第21號，而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認資格。本集團預期自二零二二年一月一日起前瞻採用該等修訂。由於該等修訂可能對收購日期為首次採納日期或之後的業務合併前瞻性採納，本集團於過渡日期將不會受到該等修訂的影響。

國際財務報告準則第10號及國際會計準則第28號(修訂本)針對國際財務報告準則第10號及國際會計準則第28號之間有關投資者與其聯營公司或合營公司之間資產出售或注資兩者規定之不一致情況。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須全數確認下游交易產生的收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂已前瞻應用。國際會計準則理事會已於二零一五年十二月剔除國際財務報告準則第10號及國際會計準則第28號(修訂本)的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營公司的會計處理完成更廣泛的檢討後釐定。然而，該等修訂現時可供採納。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

IFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace the existing IFRS 4 *Insurance Contracts*. The standard applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of the standard is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, the standard provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of the standard is the general model, supplemented by:

- a specific adaptation for contracts with direct participation features (the variable fee approach); and
- a simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. The standard is not expected to have any impact on the Group.

Amendments to IFRS 17 include changes to simplify certain requirements in the standard and make financial performance easier to explain. The amendments also provide additional reliefs to reduce the effort required for the transition to IFRS 17. In addition, the amendments defer the effective date of IFRS 17 to annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. As a result of the deferral, the IASB issued the amendments to IFRS 4 to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023. The amendments are not expected to have any impact on the Group.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

國際財務報告準則第17號為一項綜合性的全新的適用於保險合約的會計準則，包含了確認及計量、呈列及披露。國際財務報告準則第17號一旦生效將取代現有國際財務報告準則第4號*保險合約*。該準則適用於各類保險合約(如壽險、非壽險、直接保險及再保險)，不論該等合約是由何類實體簽發的，同時亦適用於具有相機分紅特徵的部分擔保合約及金融工具。存在少數適用範圍例外的情形。該準則的總體目標是為保險人提供一個更實用和更一致的保險合約會計模型。相對於國際財務報告準則第4號(該準則主要沿用過往地方會計政策)的規定，該準則為保險合約提供一套綜合性模型，涵蓋所有相關會計方面。該準則的核心為一般模型，由以下各項進行補充：

- 具有直接分紅特徵的合約的特定模型(浮動收費法)；及
- 主要適用於短期合約的簡化模型(保費分配法)。

國際財務報告準則第17號於二零二三年一月一日或之後開始的報告期間生效。若實體於首次應用國際財務報告準則第17號當日或之前亦應用國際財務報告準則第9號及國際財務報告準則第15號，則可提早應用國際財務報告準則第17號。該準則預期將不會對 貴集團造成任何影響。

國際財務報告準則第17號(修訂本)旨在對準則中的部分要求進行簡化，並使財務業績更易於解釋。該等修訂亦提供額外豁免，以減少企業在國際財務報告準則第17號過渡期間的工作量。此外，該等修訂自二零二三年一月一日起或之後開始的報告期間生效，並允許提早採用。由於推遲，國際會計準則理事會發佈了國際財務報告準則第4號修訂案，以延長臨時豁免時間，允許保險公司在二零二三年一月一日之前開始的報告期間採用國際會計準則第39號以代替國際財務報告準則第9號。該等修訂預期不會對本集團產生任何影響。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 1 *Disclosure of Accounting Policies* require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. Amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted. Since the guidance provided in the amendments to IFRS Practice Statement 2 is non-mandatory, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments on the Group's accounting policy disclosures.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

國際會計準則第1號(修訂本)*負債分類為流動或非流動*澄清劃分負債為流動或非流動的規定。該等修訂本載明，倘實體推遲清償負債的權利受限於該實體須符合特定條件，則倘該實體符合當日之條件，其有權於報告期末推遲清償負債。負債的分類不受實體行使其權利延遲清償負債的可能性的影響。該等修訂本亦澄清被認為清償負債的情況。該等修訂自二零二三年一月一日或之後開始的年度期間生效，並將追溯應用。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

國際會計準則第1號(修訂本)*披露會計政策*要求企業披露重要會計政策信息，而非重大會計政策。倘連同實體財務報表內其他資料一併考慮，會計政策資料可以合理預期會影響通用財務報表的主要使用者根據該等財務報表所作出的決定，則該會計政策資料屬重大。國際財務報告準則實務公告2號(修訂本)就如何將重要性的概念應用於會計政策披露提供非強制性指引。國際會計準則第1號(修訂本)於二零二三年或之後開始之年度期間生效，並允許提前採納。由於國際財務報告準則實務公告2號(修訂本)中所提供的指引為非強制性，因此該等修訂本的生效日期並非必要。本集團目前正評估該等修訂本對本集團會計政策披露的影響。

2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

Amendments to IAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous under IAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的國際財務報告準則(續)

國際會計準則第16號(修訂本)禁止實體從物業、廠房及設備成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的全部出售所得款項。相反，實體須將出售任何有關項目的所得款項及成本計入損益。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並僅對實體首次應用該等修訂的財務資料呈列的最早期間開始時或之後可供使用的物業、廠房及設備項目追溯應用。允許提早採納。預期該等修訂本不會對本集團的財務報表產生任何重大影響。

國際會計準則第37號(修訂本)澄清，就根據國際會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其他成本分配(例如分配履行合約所用物業、廠房及設備項目的折舊開支以及合約管理與監督成本)。一般及行政費用與合約並無直接關係，除非合約明確向對手方收費，否則將其排除在外。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並適用於實體首次應用該等修訂的年度報告期間開始時實體尚未履行其全部責任的合約。允許提早採納。初步應用修訂的任何累積影響應於初始應用日期確認為期初權益的調整，且毋須重列比較資料。預期該等修訂不會對本集團的財務報表產生任何重大影響。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and joint ventures

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

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

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.4 主要會計政策概要

於聯營公司及合營企業的投資

聯營公司指本集團擁有一般不少於20%股本投票權的長期權益，並可對其實施重大影響力的實體。重大影響力指參與被投資方財務及經營決策的權力，但並非控制或聯合控制該等政策。

合營企業屬於一種合營安排，據此，在有關安排中擁有共同控制權的合營方對合營企業的淨資產享有權利。共同控制權為以合約形式協定分享一項安排的控制權，只在就有關活動作出決定必須經分享控制權的各方一致同意的情況下出現。

本集團於聯營公司及合營企業的投資以權益會計法按本集團應佔資產淨值減任何減值虧損於綜合財務狀況表列賬，並就消除會計政策上的分歧作出調整。

本集團應佔聯營公司及合營企業的收購後業績及其他全面收益計入綜合損益及其他全面收益表。此外，倘直接於聯營公司或合營企業的權益確認一項變動，則本集團會於綜合權益變動表確認其應佔的任何變動(如適用)。本集團與聯營公司或合營企業交易產生的未變現收益及虧損均按本集團於聯營公司或合營企業的投資比例對銷，惟倘未變現虧損證明所轉讓資產出現減值則除外。收購聯營公司或合營企業所產生的商譽計入為本集團於聯營公司或合營企業投資的一部分。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

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

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

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

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

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

2.4 主要會計政策概要(續)

於聯營公司及合營企業的投資(續)

倘於聯營公司的投資成為於合營企業的投資，或於合營企業的投資成為於聯營公司的投資，則不會重新計量保留權益。相反，投資繼續按權益法入賬。在所有其他情況下，於喪失對聯營公司的重大影響力或合營企業的共同控制權時，本集團按公平值計量及確認任何保留投資。於喪失重大影響力或共同控制權時聯營公司或合營企業的賬面值與保留投資的公平值及出售所得款項之間的任何差額於損益內確認。

當聯營公司或合營企業的投資歸類為持作出售時，則按國際財務報告準則第5號*持作出售的非流動資產及已終止經營業務*入賬。

業務合併及商譽

業務合併使用收購法入賬。轉讓代價按收購日期的公平值計量，該公平值為本集團於收購日期所轉資產的公平值、本集團向被收購方的原擁有人承擔的負債及本集團就換取被收購方控制權而發行的股本權益的總和。就各項業務合併而言，本集團選擇是否以公平值或於被收購方可識別資產淨值的應佔比例，計量於被收購方的非控股權益，即賦予持有人在清盤時按比例分佔資產淨值的現有擁有權權益。非控股權益的所有其他組成部分均按公平值計量。收購相關成本於產生時列為開支。

當所收購的一組活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出的能力有重大貢獻，本集團認為其已收購一項業務。

本集團於收購業務時根據合約條款、收購日期的經濟環境及有關狀況評估所承擔的金融資產及負債，以作出適當分類及指定，包括區分被收購方主合約的嵌入式衍生工具。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

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

Fair value measurement

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

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

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

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘商譽獲分配至現金產生單位(或現金產生單位組別),而屬於該單位的部分業務已出售,則在釐定出售業務所得盈虧時,與所出售業務相關的商譽會計入該業務的賬面值。在該等情況下出售的商譽,乃根據所出售業務與所保留現金產生單位部分的相對價值計量。

公平值計量

本集團於各報告期末計量名下股權投資的公平值。公平值為在市場參與者於計量日期進行的有序交易中出售資產所收取或轉讓負債所支付的價格。公平值計量乃基於假設出售資產或轉讓負債的交易於資產或負債的主要市場,或於並無主要市場的情況下,在資產或負債的最有利市場進行。主要或最有利市場須位於本集團能到達的地方。資產或負債的公平值乃基於市場參與者為資產或負債定價所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

非金融資產的公平值計量乃經計及一名市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

本集團使用適用於不同情況的估值方法,而其有足夠資料計量公平值,以盡量利用相關可觀察輸入值及盡量減少使用不可觀察輸入值。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

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

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.4 主要會計政策概要(續)

公平值計量(續)

於綜合財務報表中計量或披露公平值的所有資產及負債，乃按對整體公平值計量而言屬重大的最低級輸入值分類至下述的公平值等級：

第一級 — 根據相同資產或負債於活躍市場的報價(未經調整)

第二級 — 根據採用對公平值計量而言屬重大的直接或間接可觀察最低級輸入值的估值方法

第三級 — 根據採用對公平值計量而言屬重大的不可觀察最低級輸入值的估值方法

就按經常性基準於綜合財務報表確認的資產及負債而言，本集團於各報告期末透過重新評估分類釐定轉撥是否於各級之間發生(基於對整體公平值計量而言屬重大的最低級輸入值)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets, investment properties, and non-current assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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

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

2.4 主要會計政策概要(續)

非金融資產減值

倘有減值跡象或須對資產(存貨、合約資產、遞延稅項資產、金融資產、投資物業及非流動資產除外)進行年度減值測試，則會估計資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值或公平值減出售成本(以較高者為準)，並視為個別資產計算，惟倘該項資產並無產生在頗大程度上獨立於其他資產或資產組別的現金流入，則為該項資產所屬的現金產生單位釐定可收回金額。就現金產生單位進行減值測試時，倘企業資產(如總部大樓)的部分賬面值可按合理一致的基準或以其他方式分配至最小的現金產生單位組別，則其分配至個別現金產生單位。

減值虧損僅於資產賬面值超逾其可收回金額時確認。評估使用價值時，估計未來現金流量按可反映目前市場所評估貨幣時間價值及該資產特定風險的稅前貼現率折現至其現值。減值虧損於產生期間在與減值資產功能相同的開支類別的其他開支中自損益扣除。

本公司於各報告期末評估有否任何跡象顯示之前已確認的減值虧損可能不再存在或已減少。倘有相關跡象存在，則會估計可收回金額。僅在用於釐定資產(商譽除外)可收回金額的估計有變時，方可撥回原先已就該資產確認的減值虧損，惟撥回後的金額不得高於假設過往年度並無就資產確認減值虧損而應有的賬面值(經扣除任何折舊／攤銷)。有關減值虧損的撥回部分會於其產生期間計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

2.4 主要會計政策概要(續)

關聯方

倘符合下列情況，有關方則被視為與本集團有關聯：

(a) 該方為某人士或某人士的直系親屬，且該人士

(i) 對本集團擁有控制權或共同控制權；

(ii) 對本集團有重大影響力；或

(iii) 為本集團或本集團母公司的主要管理人員；

或

(b) 該方為以下任何條件適用的實體：

(i) 該實體與本集團為同一集團成員公司；

(ii) 該實體為另一實體(或另一實體的母公司、附屬公司或同系附屬公司)的聯營公司或合營企業；

(iii) 該實體與本集團為同一第三方的合營企業；

(iv) 該實體為第三方實體的合營企業，而另一實體為第三方實體的聯營公司；

(v) 該實體為以本集團或本集團相關實體僱員為受益人的離職後福利計劃；

(vi) 該實體受(a)所述人士控制或共同控制；

(vii) (a)(i)所述人士對該實體具有重大影響力或為該實體(或該實體的母公司)的主要管理人員；及

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with IFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

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

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings and other infrastructure	3.13%–4.50%
Machinery	6.67%–18.00%
Office equipment and others	9.50%–18.00%

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

2.4 主要會計政策概要(續)

關聯方(續)

(b) (續)

(viii) 該實體或其所屬集團旗下任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損列賬。倘物業、廠房及設備項目分類為持作出售或倘其為分類為持作出售的出售組合一部分，則不會折舊並根據國際財務報告準則第5號入賬。物業、廠房及設備項目的成本包括購買價及任何使資產達至運營狀況及地點作擬定用途的直接應佔成本。

物業、廠房及設備項目投產後產生的維修及保養等開支，一般於產生期間自損益扣除。於符合確認標準的情況下，大型檢測開支計入資產賬面值，作為重置成本。倘物業、廠房及設備的重要部分須定期更換，則本集團確認該等部分為具特定使用年期的個別資產並作出相應折舊。

折舊以直線法計算，按每項物業、廠房及設備項目的估計使用年期撇銷成本至其剩餘價值。就此所採用的主要年率如下：

樓宇及其他基礎設施	3.13%至4.50%
機器	6.67%至18.00%
辦公設備及其他	9.50%至18.00%

倘物業、廠房及設備項目各部分的使用年期不同，則該項目的成本按合理基準分配至各部分，單獨計算折舊。剩餘價值、使用年期及折舊方法至少於各財政年度結算日進行審閱，並作出適當調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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

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

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each item of such properties to its residual value over its estimated useful life. The principal annual rate used for this purpose is as follows:

Buildings	4.50%

2.4 主要會計政策概要(續)

物業、廠房及設備與折舊(續)

初步確認的物業、廠房及設備項目及任何重大部分於出售時或預期使用或出售不會再產生未來經濟利益時終止確認。於資產終止確認年度在損益內確認的任何出售或報廢盈虧，乃有關資產銷售所得款項淨額與賬面值之間的差額。

在建工程指在建樓宇，按成本扣除任何減值虧損列賬，且並無折舊。成本包括在建期間的直接建設成本及相關借貸資金的資本化借款成本。在建工程於竣工並可供使用時重新分類至物業、廠房及設備的適當類別。

投資物業

投資物業指持作賺取租金收入及／或資本增值而非用於生產或供應貨品或服務或作行政用途，或於一般業務過程作出售用途但在其他方面均符合投資物業定義的土地及樓宇權益(包括持作使用權資產的租賃物業)。有關物業首先按成本(包括交易成本)計量。初步確認後，投資物業按成本扣除累計折舊及任何減值虧損列賬。

折舊以直線法計算，按各項有關物業的估計使用年期撇銷成本至其剩餘價值。就此所採用的主要年率如下：

樓宇	4.50%

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

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

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 10 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five to seven years, commencing from the date when the products are put into commercial production.

Operating concessions

For details of the accounting policy of operating concessions, please refer to "Service concession arrangements" below.

Operating contract rights

Operating contract rights represent the fair value of operating rights of WTPs or RWTPs acquired through business combination. These intangible assets are amortised on the straight-line basis over the remaining period of the operating contract rights.

2.4 主要會計政策概要(續)

無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併中收購的無形資產的成本為收購日期的公平值。無形資產的可使用年期經評估分為有固定期限或無固定期限。使用年期有限的無形資產隨後於可用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時評估是否減值。使用年期有限的無形資產的攤銷期及攤銷方法至少於各財政年度結算日進行審閱。

軟件

已購買軟件按成本減任何減值虧損列賬並按其估計可使用年期十年以直線法攤銷。

研發開支

所有研發開支於產生時自損益中扣除。

發展新產品項目引致的支出，只在本集團可證明完成該項無形資產以供使用或出售在技術上可行，本身亦有意完成該項資產及有能力使用或出售該項資產，以及該項資產日後如何帶來經濟利益，備有所需資源完成項目及有能力可靠計量發展過程所需支出的情況下，方予以資本化及遞延。不符合此等準則的產品發展支出，將於產生時列作支銷。

遞延發展成本乃按成本減任何減值虧損列賬，並於相關產品自投入商業生產當日起計不超過五至七年的商業壽命內按直線法攤銷。

運營特許權

有關運營特許權的會計政策詳情，請參閱下文「服務特許經營安排」。

運營合約權利

運營合約權利指透過業務合併所取得污水處理廠或再生水處理廠運營權的公平值。該等無形資產於運營合約權利的剩餘年期內按直線法攤銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

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

Group as a lessee

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

( ) R - .

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

Land	19 years
Office	2 to 3 years

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

2.4 主要會計政策概要(續)

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約賦予權利於一段時間內控制已識別資產的用途以換取代價，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃及低價值資產租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產的權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用的日期)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額，已發生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。使用權資產在資產的租期及估計使用年期(以較短者為準)內按直線法計提折舊如下：

土地	19年
辦公室	2至3年

倘於租期結束時租賃資產的擁有權轉讓至本集團或成本反映購買權的行使，折舊則根據資產的估計可使用年期計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

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

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

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 租賃負債

租賃負債於租賃開始日期按租賃期內作出的租賃付款之現值計予以確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於某一指數或比率的可變租賃付款，以及預期在剩餘價值擔保下支付的金額。租賃付款亦包括合理確定將由本集團行使的購買選擇權之行使價，及為終止租賃而支付的罰款(倘租賃期反映本集團正行使終止權)。並非取決於某一指數或比率的可變租賃付款於導致付款的事件或條件發生的期間確認為開支。

於計算租賃付款的現值時，本集團在租賃開始日期使用增量借款利率，因為租賃中所隱含的利率不易確定。在開始日期之後，租賃負債的金額將會增加以反映利息的增加及就已作出的租賃付款作出扣減。此外，倘租期有所更改、變更、租賃付款變更(如指數或比率變更導致未來租賃付款變更)或評估購買相關資產的選擇權有所變更，則重新計量租賃負債的賬面值。

本集團的租賃負債計入計息銀行及其他借款。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (Continued)

( ) S

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

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

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in other income and gains in the consolidated statement of profit or loss and other comprehensive income due to its nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income and gains in the period in which they are earned.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用辦公物業的短期租賃(即自租賃開始日期起計租期為十二個月或以下，並且不包含購買選擇權的租賃)。其亦應用於被視為低價值的辦公物業的低價值資產租賃。

短期租賃的租賃款項及低價值資產租賃在租期內按直線法確認為支出。

本集團作為出租人

當本集團作為出租人時，本集團在租賃開始時(或當存在租賃變更時)將其各租賃分類為經營租賃或融資租賃。

所有本集團並未轉讓資產所有權所附帶的絕大部分風險及回報的租賃歸類為經營租賃。當合約包含租賃及非租賃組成部分時，本集團將合約中的代價以相對獨立的銷售價格分配至各組成部分。由於其性質，租金收入於租期內按直線法列賬並計入綜合損益及其他全面收益表之其他收入及收益。於磋商及安排經營租賃時產生的初始直接成本乃計入租賃資產的賬面值，並於租期內按相同方法確認為租金收入。或然租金乃於所賺取的期間內確認為其他收入及收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Service concession arrangements

The Group has entered into a number of service concession arrangements with the Grantors. The service concession arrangements consist of Build-Operate-Transfer (the "BOT") arrangements and Transfer-Operate-Transfer (the "TOT") arrangements. Under the BOT arrangements, the Group carries out construction work of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure for the Grantors and receives in return the rights to operate the service project concerned for a specified period of time (the "operation period") in accordance with the pre-established conditions set by the Grantors, and the service project should be transferred to the Grantors with nil consideration at the end of the operation period. A TOT arrangement is similar to a BOT arrangement, except that the Group pays consideration for the rights to operate the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure that have been built.

Consideration given by the Grantors

A financial asset (financial receivable) is recognised to the extent that the Group has an unconditional right to receive cash or another financial asset from or at the direction of the Grantors for the construction services rendered and/or the consideration paid and payable by the Group for the rights to operate WTPs, and the Grantors have little, if any, discretion to avoid payment, usually because the agreements are enforceable by law. The Group has an unconditional right to receive cash or another financial asset if nothing other than the passage of time is required before payment of the consideration is due and the Grantors contractually guarantee to pay the Group specified or determinable amounts even if the payment is contingent on the Group ensuring that the infrastructure meets specified quality of efficiency requirements. The financial asset (financial receivable) is accounted for in accordance with the policy set out for *Financial assets at amortised cost (debt instruments)* under "Investments and other financial assets" below.

2.4 主要會計政策概要(續)

服務特許經營安排

本集團與授予人訂立多項服務特許經營安排。服務特許經營安排包括建設 — 運營 — 移交(「BOT」)安排及移交 — 運營 — 移交(「TOT」)安排。根據BOT安排，本集團為授予人開展污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的建設工程，並根據授予人預先設定的條件獲得於指定期間(「經營期間」)經營有關服務項目的權利作為回報，而有關服務項目應於經營期末無償轉讓予授予人。TOT安排與BOT安排類似，惟本集團須就已建立的污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的經營權支付代價。

授予人支付的代價

倘本集團於擁有無條件權利就所提供的建設服務及／或本集團就污水處理廠的經營權利已付及應付的代價向授予人或按授予人的指示收取現金或另一項金融資產，且授予人避免付款的酌情權很小(如有)(通常由於協議可按法律強制執行)，則會確認金融資產(金融應收款項)。倘於代價到期支付前隨時間流逝外並無其他規定，且授予人以合約方式擔保向本集團支付特定或可釐定金額，即使付款須以本集團確保基礎設施符合特定的有效質量要求為條件，本集團仍擁有無條件權利收取現金或其他金融資產。金融資產(金融應收款項)乃根據下文「投資及其他金融資產」項下*按攤銷成本計量之金融資產(債務工具)*所載的政策入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Service concession arrangements (Continued)

Consideration given by the Grantors (Continued)

An intangible asset (operating concession) is recognised to the extent that the Group receives the rights to charge users of public service or the grantors remunerate the Group on the basis of the extent of use of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure by users, but with no guarantees as to the amounts that will be paid to the Group, which is not an unconditional right to receive cash because the amounts are contingent on the extent that the public use the service. The intangible asset (operating concession) is accounted for in accordance with the policy set out for "intangible assets" above, which is amortised on a straight-line basis over the terms of operation ranging from 25 to 30 years.

If the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, then each component of the consideration is accounted for separately and is recognised initially at the fair value of the consideration.

Construction or upgrade services

Costs relating to construction or upgrade services comprise direct materials, the costs of subcontracting, direct labour and an appropriate proportion of variable and fixed construction overheads. Revenue from the construction or upgrade services under the BOT agreements is estimated on a cost-plus basis with reference to the prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered in similar locations, and is recognised using the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

Operating services

Revenue relating to operating services is accounted for in accordance with the policy for "Revenue recognition" below. Costs for operating services are expensed in the period in which they are incurred.

2.4 主要會計政策概要(續)

服務特許經營安排(續)

授予人支付的代價(續)

無形資產(經營特許權)只有在本集團獲得權利可向公共服務使用者收費或授予人按照使用者使用污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的情況對本集團作出補償(但不保證將支付予本集團的金額)時亦予確認，此項權利並非收取現金的無條件權利，因金額視乎公眾使用服務的程度而定。該項無形資產乃根據上文「無形資產」所載政策入賬，乃於介乎25至30年的經營年期內按直線法攤銷。

倘本集團就建設服務獲支付的代價部分為一項金融資產及部分為一項無形資產，則代價的各組成部分須分開入賬，初步按代價的公平值確認。

建設或改造服務

有關建設或改造服務的成本包括直接物料、分包成本、直接勞工及合適比例的浮動及固定間接成本。BOT協議項下建設或改造服務的收益乃參考於協議日期在類似地點提供類似建設服務適用的現行市場毛利率，按成本加成基準估計，並採用竣工百分比法(參考至今所產生成本佔相關合約估計成本總額的比例計量)確認。

經營服務

有關經營服務的收益乃根據下文「收益確認」所載有關政策入賬。經營服務的成本於其產生期間列為開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

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

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

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

2.4 主要會計政策概要(續)

投資及其他金融資產

初步確認及計量

金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計入其他全面收益以及按公平值計入損益的金融資產。

於初始確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已應用並無調整重大融資成分影響的實際權宜方法貿易應收款項外，本集團按公平值加上(倘金融資產並非按公平值計入損益)交易成本計量金融資產。並無重大融資成分或本集團已應用實際權宜方法的貿易應收款項根據下文「收入確認」所載的政策按國際財務報告準則第15號釐定的交易價格計量。

按攤銷成本或通過其他全面收益公平值計量及分類的金融資產，產生的現金流量應僅為支付本金及未償還的本金產生的利息(「SPPI」)(僅為支付本金及利息)。現金流量並非SPPI的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產在旨在持有金融資產以收取合約現金流量的業務模式內持有，而按公平值計入其他全面收益分類及計量的金融資產則在旨在持有以收集合約現金流量及出售的業務模式內持有。並非在上述業務模式內持有的金融資產則以按公平值計入損益分類及計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

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

Subsequent measurement

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

***F* _ ( )**

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

***F* _ ( )**

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

***F* _ ( )**

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初步確認及計量(續)

循正常途徑買入及出售的金融資產於交易日(即本集團承諾買入或出售資產之日)確認。循正常途徑買入或出售，乃指須於法規或市場慣例一般設定的期間內交付資產的金融資產買入或出售。

後續計量

金融資產的後續計量視乎其如下分類而定：

按攤銷成本計量的金融資產(債務工具)

按攤銷成本計量的金融資產後續使用實際利率法計量，並可能受減值影響。當資產終止確認、變更或減值時，收益及虧損於損益中確認。

按公平值計入其他全面收益計量的金融資產(債務工具)

就按公平值計入其他全面收益的債務工具而言，利息收入、外匯重估及減值虧損或撥回於損益中確認，並按與按攤銷成本計量的金融資產相同的方式計量。其餘公平值變動於其他全面收益中確認。終止確認時，於其他全面收益中確認的累計公平值變動將重新計入損益。

指定為按公平值計入其他全面收益的金融資產(股權投資)

於初步確認時，本集團可選擇於股權投資符合國際會計準則第32號*金融工具：呈報*項下的股本定義且並非持作買賣時，將其股權投資不可撤回地分類為指定為按公平值計入其他全面收益的股權投資。分類乃按個別工具基準釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

F (Continued)

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition of financial assets

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

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

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

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

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

按公平值計入損益的金融資產(續)

嵌入混合合約(包含金融資產主體)的衍生工具不得單獨列賬。金融資產主體連同嵌入式衍生工具須整體分類為按公平價值計量且其變動計入損益。

終止確認金融資產

金融資產(或(如適用)一項金融資產或一組類似金融資產的部分)主要於下列情況下終止確認(即從本集團的綜合財務狀況表內移除):

- 自資產收取現金流量的權利已屆滿;或
- 本集團已根據「轉讓」安排轉讓自資產收取現金流量的權利或承擔在無重大延誤情況下向第三方悉數支付已收取現金流量的責任,及(a)本集團已轉讓資產的絕大部分風險及回報,或(b)本集團概無轉讓亦無保留資產的絕大部分風險及回報,但已轉讓資產的控制權。

倘本集團轉讓自資產收取現金流量的權利或已訂立轉讓安排,本集團會評估其是否有及何種程度上保留資產擁有權的風險及回報。倘本集團概無轉讓或保留資產的絕大部分風險及回報,亦無轉讓資產的控制權,則本集團會以持續參與程度為限繼續確認已轉讓資產。在此情況下,本集團亦會確認相關負債。已轉讓資產及相關負債按反映本集團所保留權利及責任的基準計量。

持續涉及指就已轉讓資產作出的保證,已轉讓資產乃以該項資產的原賬面值及本集團或須償還代價數額的上限(以較低者為準)計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

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

General approach

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

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

The various group companies have different credit policies depending on the requirements of their markets in which they operate and the businesses they engage in. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值

本集團確認對並非按公平價值計入損益的所有債務工具預期信貸虧損(「預期信貸虧損」)的撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

一般方式

預期信貸虧損分兩個階段確認。對於自初始確認概無重大增加的信貸風險，預期信貸虧損乃是為於未來12個月內可能來自違約事件的預期信貸虧損(12個月預期信貸虧損)而計提。對於該等自首次確認後顯著增加的信貸風險，必須為預期於剩餘年期產生的信貸虧損作出虧損撥備，毋須考慮違約事件發生的時間(全期預期信貸虧損)。

於各報告日期，本集團評估信貸風險自初始確認以來是否顯著上升。於評估時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的資料，包括過往經驗及毋須花費不必要成本或努力獲取的前瞻性資料。

各集團公司訂有不同的信貸政策，視乎其業務營運所在市場及所從事業務的要求而定。然而，在若干情況下，倘內部或外部資料顯示，在計及本集團持有的任何信貸提升措施前，本集團不大可能悉數收回未償還合約款項，則本集團亦可認為金融資產已違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

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

For trade receivables and contract assets that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方式(續)

按公平值計量的其他全面收益及按攤銷成本計量的金融資產應以一般方法減值及根據以下預期信貸虧損的計量階段分類，惟貿易應收款項須應用以下詳述之簡化方法除外。

第一階段 自初始確認以來信貸風險未有顯著上升的金融工具及該等按相當於12個月預期信貸虧損之金額計量虧損減值的金融工具

第二階段 自初始確認以來信貸風險顯著上升惟不屬於未作信貸減值的金融資產之金融工具及該等按相等於全期預期信貸虧損之金額計量虧損減值的金融工具

第三階段 於報告日期已作信貸減值的金融資產(惟不是已購買或源頭信貸減值)及該等按相等於全期預期信貸虧損之金額計量虧損減值的金融資產

簡化方法

就並無重大融資成分或本集團應用實際權宜方法未調整重大融資成分影響的貿易應收款項及票據而言，本集團於計算預期信貸虧損時應用簡化方法。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

就貿易應收款項及包含重大融資部分及應收租賃條款的合約資產而言，本集團選擇採取簡化方法計算上述政策的預期信貸虧損作為其會計政策。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

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

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

The Group's financial liabilities include trade and bills payables, other payables, interest-bearing bank and other borrowings, and corporate bonds.

Subsequent measurement

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

F (illegible)

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

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

Derecognition of financial liabilities

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

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

2.4 主要會計政策概要(續)

金融負債

初步確認及計量

金融負債於初步確認時分類為按公平值計入損益的金融負債、貸款及借款、應付款項或於實際對沖指定為對沖工具的衍生工具(如適當)。

所有金融負債初步按公平值確認，而如屬貸款及借款以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項及應付票據、其他應付款項、計息銀行及其他借款及公司債券。

其後計量

金融負債的其後計量按如下分類進行：

按攤銷成本計量之金融負債(貸款及借款)

於初步確認後，計息銀行及其他借款其後採用實際利率法按攤銷成本計量，惟倘折現並無重大影響，則按成本列賬。當終止確認負債時及在採用實際利率法的攤銷過程中，收益及虧損會在損益內確認。

計算攤銷成本時須計及收購時的任何折讓或溢價，且包括組成實際利率不可缺少的費用或成本。實際利率攤銷計入損益的融資成本。

終止確認金融負債

倘金融負債的責任被解除、取消或到期，則會終止確認金融負債。

倘現有金融負債被來自同一貸款人的另一項與現有大部分條款不相同的負債所替代，或現有負債的條款大部分被修訂，該項交換或修訂作為終止確認原有負債及確認新負債處理，兩者相應賬面值的差額於損益內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Offsetting of financial instruments

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

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

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

2.4 主要會計政策概要(續)

抵銷金融工具

倘現行存在合法可強制執行的權利以抵銷已確認金融資產及金融負債金額及有意按淨額基準結算，或可同時變現資產並結算負債，則金融資產及金融負債可互相抵銷，抵銷淨額於綜合財務狀況表內呈報。

存貨

存貨按成本與可變現淨值中較低者列賬。成本按先進先出基準釐定。可變現淨值按估計售價減完成及出售時產生的任何估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時兌換為已知數額現金、無重大價值變動風險及一般於購入後三個月內的較短期限到期的短期及高流動性投資，扣除須按要求償還且構成本集團現金管理整體的部份的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括用途不受限制的手頭現金及銀行存款(包括定期存款及與現金性質相似的資產)。

撥備

倘因過往事件須承擔現時責任(法定或推定)，而履行該責任可能導致未來資源外流，假設該責任所涉金額能夠可靠估計，則確認撥備。

倘折現影響重大，則確認為撥備的金額為預期履行責任所需未來開支於報告期末的現值。因時間推移而產生的折現現值增加計入損益表的融資成本內。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions (Continued)

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above; and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

Income tax

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

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

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

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

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

2.4 主要會計政策概要(續)

撥備(續)

於業務合併中確認的或然負債初步按其公平值計量，其後則按(i)將根據上述一般撥備政策確認的金額；與(ii)初步確認金額減(指在適當情況下)根據收益確認政策確認的收益金額兩者中的較高值計量。

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認的項目相關的所得稅於損益以外確認，即於其他全面收益或直接於權益確認。

即期稅項資產及負債，乃根據於年末已實施或大致實施的稅率(及稅法)，考慮到本集團經營所在國家現行詮釋及慣例，以預期可自稅務機關收回或向稅務機關支付的金額計量。

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

遞延稅項負債乃就所有應課稅暫時差額確認，惟以下情況除外：

- 倘遞延稅項負債來自初步確認商譽或非業務合併交易中的資產或負債，且於交易時對會計溢利及應課稅溢利或虧損均無影響；及
- 對於與附屬公司、聯營公司及合營企業投資有關的應課稅暫時差額，倘能夠控制撥回暫時差額的時間，且於可見將來應不會撥回暫時差額。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

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

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

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

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

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項資產乃就所有可扣稅暫時差額、結轉的未動用稅項抵免及任何未動用稅項虧損確認。倘可能有可供動用可扣稅暫時差額、結轉的未動用稅項抵免及任何未動用稅項虧損的應課稅溢利，則會確認遞延稅項資產，惟以下情況除外：

- 倘與可扣稅暫時差額有關的遞延稅項資產來自初步確認非業務合併交易中的資產或負債，且於交易時對會計溢利及應課稅溢利或虧損均無影響；及
- 對於與附屬公司、聯營公司及合營企業投資有關的可扣稅暫時差額，僅暫時差額有可能在可見將來撥回，以及可能有可供動用暫時差額的應課稅溢利，方會確認遞延稅項資產。

遞延稅項資產的賬面值會於各報告期末檢討，倘不再可能有可供動用全部或部分遞延稅項資產的足夠應課稅溢利，則會予以調低。未確認的遞延稅項資產會於各報告期末重新評估及於可能有可供收回全部或部分遞延稅項資產的足夠應課稅溢利時確認。

遞延稅項資產及負債乃根據於報告期末前已實施或大致實施的稅率(及稅法)，按預期於資產變現或負債償還期間適用的稅率計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

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

Government grants

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

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

Where the Group receives grants of non-monetary assets, the grants are recorded at the fair value of the non-monetary assets and released to the profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

2.4 主要會計政策概要(續)

所得稅(續)

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同稅務實體徵收之所得稅相關，則遞延稅項資產與遞延負債可予抵消。

政府補助

如能合理確保將獲得政府補助，且所有附帶條件將獲遵守，則政府補助按公平值確認。如補助與支出項目有關，則有系統地將補助在擬補償的成本支銷期間確認為收入。

倘補助涉及一項資產，則其公平值會計入遞延收益賬，並按有關資產的預計可使用年期以每年等額分期款項撥入損益或自該項資產的賬面值中扣除，並透過減少折舊開支方式撥入損益。

倘若本集團收到非貨幣資產補助金，則有關補助金會以非貨幣資產的公平值記錄，並在相關資產的預期使用年限內每年按等額計入損益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers

2.4 主要會計政策概要(續)

收益確認

來自客戶合約的收益

來自客戶合約的收益乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收益金額極有可能不會發生重大收益回撥。

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收益按應收款項的現值計量，使用貼現率折現，該貼現率將反映在本集團與客戶在合約開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為在本集團提供了一年以上的重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上加算的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用國際財務報告準則第15號中實際權宜方法，不會對重大融資部分的影響作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Other income

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

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

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract assets

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

Contract liabilities

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

2.4 主要會計政策概要(續)

收益確認

其他收益

租賃收益已按時間比例於租賃期間獲確認。並非取決於某一指數或比率的可變租賃付款於其產生的會計期間確認為收入。

利息收益按應計基準使用實際利率法確認，透過應用於金融工具的預期期限或較短期間(如適用)其已估算未來現金流量的利率準確變現至金融資產的賬面淨值。

股息收入於股東收取付款權利實施後予以確認，與股息相關的經濟利益很可能流入本集團且股息金額能夠可靠計量。

合約資產

合約資產乃就換取已向客戶轉讓的貨品或服務而收取代價的權利。倘本集團於客戶支付代價或付款到期前將貨品或服務轉讓予客戶，則就附帶條件的已賺取代價確認合約資產。合約資產須作減值評估，其詳情載於金融資產減值的會計政策。

合約負債

合約負債於本集團轉讓相關貨品或服務前收到客戶付款或付款到期(以較早者為準)時確認。倘本集團根據合約履約(即向客戶轉讓相關產品或服務的控制權)，則合約負債確認為收益。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

2.4 主要會計政策概要(續)

合約成本

除作為存貨、物業、廠房及設備及無形資產資本化的成本外，倘若符合以下所有條件，履行與客戶的合約成本則資本化為資產：

(a) 有關成本與實體可明確識別之合約或預期訂立之合約有直接關係。

(b) 有關成本令實體將用於履行(或持續履行)日後履約責任之資源得以產生或有所增加。

(c) 有關成本預期可收回。

資本化合約成本以被攤銷並按系統基準計入損益，與向客戶轉讓與該資產相關的貨品或服務一致。其他合約成本於產生時列為開支。

以股份為基礎的付款

本公司設有購股權計劃，旨在向為本集團業務成功作出貢獻的合資格參與者提供獎勵及回報。本集團僱員(包括董事)按以股份為基礎的付款形式收取酬金，而僱員則提供服務作為股本工具的代價(「股權結算交易」)。

因授予而與僱員進行股權結算交易的成本，乃參考購股權授出之日的公平值計量。公平值乃由外部估值師採用二項式模型釐定。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss and other comprehensive income for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 主要會計政策概要(續)

以股份為基礎的付款(續)

股權結算交易的成本在績效及／或服務條件獲達成期間，連同股本的相應升幅一併於僱員福利開支確認。股權結算交易於各報告期末至歸屬日期間確認的累計開支，反映過去歸屬期屆滿以及本集團就最後歸屬的股本工具數目的最佳估計。期內自綜合損益及其他全面收益表扣除或計入收益的金額，指於該期間期初及期終所確認的累計開支變動。

在釐定獎勵於授予日期的公平值時，服務及非市場績效條件均不予考慮，但會評估符合該等條件的可能性，作為本集團就最終將予歸屬的股本工具數目作出最佳估計的部分工作。市場績效條件在授予日期公平值中反映。某項獎勵附帶的任何其他條件(但並無相關的服務要求)被視為非歸屬條件。非歸屬條件在獎勵的公平值中反映，並導致即時支銷獎勵，除非同時存在服務及／或績效條件。

因非市場績效及／或服務條件未能達成而最終無賦予的獎勵並不確認為支出。包含市場或非歸屬條件的獎勵不論市場或非歸屬條件是否獲達成，仍被視為歸屬，但必須符合所有其他績效及／或服務條件。

倘股權結算獎勵的條款被修訂，則確認最低開支，猶如條款未被修改及給予的原條款獲履行。此外，任何增加以股份為基礎的付款的公平值總額，或對以修訂日期計量有關公平值的僱員有利的修訂將確認開支。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

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

The Group also operates a defined contribution Mandatory Provident Fund retirement benefit scheme in Hong Kong (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to

2.4 主要會計政策概要(續)

以股份為基礎的付款(續)

倘股權結算獎勵被註銷，則被視為已於註銷日期被歸屬，而未就獎勵確認的開支則即時確認。這包括在本集團或僱員控制範圍以內的非歸屬條件未能獲履行的任何獎勵。然而，倘被註銷獎勵被新獎勵所取代，則被視為於授出之日期替代獎勵處理，而所註銷及新獎勵的處理方法，乃猶如其為前段所述修訂原獎勵。

尚未行使購股權的攤薄影響，於計算每股盈利時，被反映為額外股份攤薄。

其他僱員福利

退休金計劃

本集團於中國內地經營的附屬公司僱員須參與地方市政府設立的中央退休金計劃。該等附屬公司須按工資的一定百分比向中央退休金計劃供款，供款於按照中央退休金計劃的規定須予支付時計入損益。僱主之供款於其作出時即悉數歸屬。

本集團亦遵照香港強制性公積金計劃條例，在香港為該等合資格參與強積金計劃之僱員設立一項定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金之某一百分比計算，並於損益表扣除。強積金計劃資產由獨立管理基金保管，與本集團資產分開持有。本集團對強積金計劃作出之僱主供款悉數歸屬於僱員。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other employee benefits (Continued)

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group has no further obligations beyond the contributions made.

Termination benefits

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

Borrowing costs

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

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

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

2.4 主要會計政策概要(續)

其他僱員福利(續)

短期僱員福利

短期僱員福利責任按未貼現基準計量，並在提供相關服務時支銷。

住房公積金及其他社會保險

本集團已根據中國有關法律法規為其僱員參與定額社會保障供款計劃，包括住房公積金、基本醫療保險、失業保險、工傷保險和生育保險。本集團每月向住房公積金及其他社會保險作出供款。有關供款按照應計基準自損益扣除。本集團除作出供款外並無其他責任。

終止福利

終止福利於本集團不再能撤銷提供該等福利及本集團確認涉及支付終止福利時的重組成本(以較早者為準)時確認。

借款成本

收購、建造或生產合資格資產(即需經過相當長時間才可供作其擬定用途或出售的資產)的直接應佔借款成本按該等資產的部分成本予以資本化。當資產大致可作其擬定用途或出售時，該等借款成本終止作資本化。在特定借款用作合資格資產的開支前將其暫時投資所賺取的投資收入乃自資本化借款成本中扣除。所有其他借款成本於產生期間支銷。借款成本包括實體就借入資金產生的利息和其他成本。

股息

末期股息經股東在股東大會上批准後，則確認為負債。

由於本公司的組織章程大綱及細則授予董事權力宣派中期股息，故中期股息乃同時建議及宣派。因此，中期股息乃於建議及宣派時即時確認為負債。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

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

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

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

As at the end of the year, the assets and liabilities of the entities whose functional currencies differ from the presentation currency are translated into RMB at the exchange rates prevailing at the end of the reporting period and the consolidated statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

2.4 主要會計政策概要(續)

外幣

該等綜合財務報表以本公司的功能貨幣人民幣呈列。本集團旗下各實體自行釐定其功能貨幣，而各實體的財務報表所列的項目採用功能貨幣計量。本集團旗下實體所記錄的外幣交易初步採用其各自於交易日期通行的功能貨幣匯率列賬。以外幣計值的貨幣資產及負債於年末按適用的功能貨幣匯率換算。結算或換算貨幣產生的差額於損益確認。

以外幣歷史成本計量的非貨幣項目採用首次交易日期的匯率換算。以外幣按公平值計量的非貨幣項目採用計量公平值當日的匯率換算。按公平值計量的非貨幣項目換算所產生的收益或虧損，按與確認該項目公平值變動的收益或虧損一致的方式處理(即公平值收益或虧損於其他全面收益或損益確認的項目的換算差額亦分別於其他全面收益或損益確認)。

於終止確認與預付代價相關的非貨幣性資產或非貨幣性負債時，為釐定初步確認相關資產、開支或收入採用的匯率，初步交易日期為本集團初步確認預付代價產生的非貨幣性資產或非貨幣性負債當日。倘存在多筆預先付款或收款，本集團就每筆預付代價的付款或收款釐定交易日期。

於年末，功能貨幣與呈列貨幣不同的有關實體的資產及負債按報告期末的當前匯率換算為人民幣，而綜合損益表則按與交易日期的當前匯率相若的匯率換算為人民幣。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

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

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

2.5 重大會計判斷及估計

編製本集團的綜合財務報表時，管理層須作出對收益、開支、資產及負債的報告金額、其相關披露以及或然負債的披露產生影響的判斷、估計和假設。這些假設及估計相關的不確定性可能引致須對日後受影響的資產或負債的賬面值作出重大調整的後果。

判斷

在應用本集團的會計政策的過程中，除涉及估計的判斷外，管理層作出以下對財務報表中確認的金額影響最重大的判斷：

客戶合約收益

本集團採取以下對釐定金額及客戶合約收益時機造成重大影響之判斷：

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

( ) *A*

The Group engages in certain service concession arrangements in which the Group carries out construction work of the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure 0 e con 8leco1DC BT /T1_1 1 TfSn <</LanE 8eonJ 997 [illegible] 8leco1DCr /S

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(i) ***服務特許經營安排的會計處理***

本集團經營若干服務特許經營安排，據此，本集團為授予人進行污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的建設工程，以根據授予人先前訂下的條件取得經營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的權利作為回報。根據國際財務報告詮釋委員會詮釋第12號*服務特許經營安排*，服務特許經營安排項下的污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施可分類為無形資產或金融資產。污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施於本集團獲得權利(權限)向公用服務使用者收取費用或授予人按照使用者使用污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的情況對本集團作出補償(但不保證將支付予本集團的金額)時分類為無形資產。倘本集團於這些服務特許經營安排下的投資只有部分可由授予人的付款承諾彌補，則按授予人保證的最高金額確認為金融應收款項，而餘額則確認為無形資產。如本集團根據服務特許權安排獲得無條件合約權利於特許經營期間收取可確定數額的款項(不論污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的用途)，將確認金融應收款項。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

(i) A [illegible] (Continued)

Subsequent to initial recognition, the financial receivable is measured at amortised cost using the effective interest method.

Revenue from the construction service under the terms of service concession arrangements is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of agreement applicable to similar construction services rendered in similar locations, and is recognised on the percentage of completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract. The Group's prevailing margins of gross construction margin were valued by Crowe Horwath First Trust Appraisal Pte Ltd ("Crowe Horwath"), an independent third-party valuer that has appropriate qualifications and recent experience in the valuation of gross construction margin.

When the Group receives a payment during the concession period, it will apportion such payment among (i) a repayment of the financial receivables (if any), which will be used to reduce the carrying amount of the financial receivables on the statement of financial position, (ii) interest income, which will be recognised as revenue in profit or loss and (iii) revenue from operating and maintaining the WTPs, RWTPs, WDPs, STPs or other municipal infrastructure in profit or loss.

Judgement is also exercised in determining the fair value of the financial receivables. Discount rates, estimates of future cash flows and other factors are used in the valuation process.

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(i) 服務特許經營安排的會計處理(續)

在初步確認後，金融應收款項採用實際利率法按攤銷成本計量。

服務特許經營安排條款下的建設服務收益乃參考適用於協議日期在類似地點提供類似建設服務現行的市場毛利率，按成本加成基準估計，並按竣工百分比法(參考至今所產生成本佔相關合約估計成本總額的比例計量)確認。本集團建設毛利潤率的當時費率由獨立第三方估值師Crowe Horwath First Trust Appraisal Pte Ltd(「國富浩華」)估值；該估值師具有評估建設毛利潤率方面的合適資格及近期經驗。

本集團於特許經營期內收到款項時，會將有關款項分配至(i)償還金融應收款項(如有)，用以減少財務狀況表金融應收款項的賬面值，(ii)利息收入(將於損益確認為收益)及(iii)污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施運營及維護收益(於損益確認)。

在釐定金融應收款項的公平值時亦會作出判斷。折現率、估計未來現金流量及其他因素會於估值過程中使用。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Revenue from contracts with customers (Continued)

( ) A 、 EPC 、 、

The Group seeks to collect claims from the customers as reimbursement of costs and margins for scope of works not included in the original construction contract, which give rise to variable consideration. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for claims in construction services, given there is a wide range of possible outcomes which are subject to negotiations with third parties.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, current negotiations with customers, profitability of the head contracts of the customers and the current economic conditions.

Withholding tax arising from the distribution of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distributions of dividends from certain subsidiaries according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends or on whether certain subsidiaries of the Group are determined to be Chinese resident enterprises by the PRC governing tax authorities in the future. Management considered that it is not probable that the Group's subsidiaries in the PRC will distribute retained profits as at the end of the year in the foreseeable future, and accordingly no additional provision for withholding tax was made. Where the final outcome of these matters is different from the amounts originally rewarded, the difference will impact the deferred tax provision in the period in which the difference arises.

2.5 重大會計判斷及估計(續)

判斷(續)

客戶合約收益(續)

(ii) EPC安排的會計處理

本集團尋求向客戶收取賠償，作為原始建設合約未包含工程範圍的成本及保證金的補償，從而產生可變代價。鑒於存在多種可能結果需要與第三方協商，本集團認為預期價值法為用於估計建設服務索償可變代價的最佳方法。

將任何數額可變代價納入交易價格之前，本集團會考慮可變代價金額是否受到約束。根據歷史經驗、與客戶的當前談判、客戶總承包的盈利能力及當前經濟狀況，本集團認為可變代價的估計不受約束。

派發股息產生的預扣稅

本集團釐定是否根據相關稅務司法權區累計若干附屬公司派發股息產生的預扣稅，乃視乎對派付股息的時間或中國規管稅務機關會否於日後釐定本集團若干附屬公司為中國居民企業的判斷而定。管理層認為於可見將來，本集團的中國附屬公司將不大可能於年末派發保留溢利，故並無作出額外預扣稅撥備。如該等事宜的最終結果與原先獲獎勵的金額不同，有關差額將對出現差額期間的遞延稅項撥備造成影響。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Percentage of completion of construction services

The Group recognises revenue according to the percentage of completion of individual contracts of construction works, which requires estimation to be made by management. The stage of completion is estimated by reference to the actual costs incurred over the total budgeted costs. Due to the nature of the activity undertaken in construction works, the date on which the activity commences and the date on which the activity completes usually fall into different accounting periods. Hence, the Group reviews and revises the percentage of completion of construction works. Where the actual contract revenue is less than expected or actual contract costs are more than expected, a foreseeable loss may arise.

Estimation of total budgeted costs and cost to completion for construction services

Total budgeted costs for construction contracts comprise (i) direct material costs and direct labour, (ii) costs of subcontracting, and (iii) an appropriation of variable and fixed construction overheads. In estimating the total budgeted costs for construction contracts, management refers to information such as (i) current offers from sub-contractors and suppliers, (ii) recent offers agreed with sub-contractors and suppliers, and (iii) professional estimation on material costs, labour costs and other costs.

Provision for expected credit losses on trade receivables, financial receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables, financial receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

2.5 重大會計判斷及估計(續)

估計的不確定性(續)

建設服務竣工百分比

本集團根據建設工程個別合約的竣工百分比確認收益，而該確認需要管理層作出估計。竣工階段經參考總預算成本產生的實際成本後進行估計。由於建設工程所進行活動的性質，活動開始日期及活動竣工日期一般屬於不同會計期間。因此，本集團會對建設工程竣工百分比進行審閱及修訂。如實際合約收益低於預期或實際合約成本高於預期，則可能產生可預見虧損。

建設服務的預算成本總額及完工成本估計

建設合約的總預算成本包括(i)直接物料成本及直接工資、(ii)分包成本，及(iii)適當比例的可變及固定建設費用。估計建設合約的總預算成本時，管理層會參考有關資料，例如(i)分包商及供應商的目前報價、(ii)分包商及供應商協定的近期報價、及(iii)有關物料成本、勞工成本及其他成本的專業估計。

貿易應收款項、金融應收款項及合約資產預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項、金融應收款項及合約資產預期信貸虧損撥備。撥備率乃根據具備類似虧損型態(即按地區、產品類別及評級以及以信用證及其他信用保險形式的保障劃分)的各類客戶分部逾期日數計算。

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

2.5 重大會計判斷及估計(續)

估計的不確定性(續)

租賃 — 估計增量借款利率

本集團未能輕易釐定租賃的隱含利率，因此，其使用增量借款利率(「IBR」)計量租賃負債。IBR為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品於類似期間借入所需資金應支付之利率。因此，IBR反映了本集團「應支付」的利率，當無可觀察的利率時(如就並無訂立融資交易的附屬公司而言)或當須對利率進行調整以反映租賃的條款及條件時，則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據估算IBR並須作出若干實體特定的估計。

非金融資產(商譽除外)減值

本集團於各報告期末評估全部非金融資產(包括使用權資產)是否存在任何減值跡象。具無限年期的無形資產將於每年及出現減值跡象時進行減值測試。其他非金融資產將於有跡象顯示其賬面值可能不可收回時進行減值測試。當一項資產或現金產生單位的賬面值超過其可收回金額時即存在減值，減值為其公平值減出售成本與其使用價值兩者中的較高者。公平值減出售成本乃根據來自類似資產公平交易的受約束銷售交易的可用數據或可觀察市價減出售資產的增量成本計算。採用使用價值計算時，管理層必須估計來自資產或現金產生單位的未來預計現金流量，並選擇適當的折現率，以計算上述現金流量現值。

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating businesses are structured and managed separately according to their nature. Each of the Group's operating segments represents a strategic business unit that provides services which are subject to risks and returns that are different from those of the other operating segments. Summary details of the operating segments are as follows:

(a) the segment of Urban Water Treatment engages in the design, construction, upgrade and operation of WTPs, RWTPs, STPs and WDPs, and in the operation and maintenance of waste water treatment facilities entrusted by governments ("O&M");

(b) the segment of Water Environment Comprehensive Remediation engages in river harnessing and improvement, foul water body treatment, sponge city construction; and

(c) the segment of Rural Water Improvement engages in the construction and operation related to "the Water Environment Facilities of Beautiful Village" such as: waste water treatment facilities and pipeline construction for collecting waste water so as to achieve rural living environment improvement.

3. 經營分部資料

為方便管理，本集團經營業務的結構及管理乃按其性質分開處理。本集團各經營分部代表一個戰略業務單位，提供的服務涉及的風險及回報與其他經營分部不同。經營分部的詳情概述如下：

(a) 城鎮水務分部涉及設計、建設、改造及運營污水處理廠、再生水處理廠、污泥處理廠及供水廠以及運營及維護政府委託的污水處理設施(「運營及維護」)；

(b) 水環境綜合治理分部涉及流域治理及改善、黑臭水體修復、海綿城市興建；及

(c) 鄉村污水治理分部涉及建設及營運「美麗鄉村水環境設施」如：污水處理設施設備及污水收集管網以達致鄉村居住環境改善。

3. OPERATING SEGMENT INFORMATION (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the reportable segment results, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that unallocated income and gains, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets and liabilities mainly comprise operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Segment assets exclude investment properties, unallocated intangible assets, unallocated deferred tax assets, unallocated prepayments, other receivables and other assets, unallocated pledged deposits, unallocated cash and cash equivalents, unallocated investments in associates and a joint venture and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude corporate bonds, unallocated other payables and accruals, lease liabilities, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. 經營分部資料(續)

管理層分開監察本集團各經營分部的業績，以作出資源分配及績效評估決定。分部表現按可呈報分部業績評估，並為經調整除稅前溢利的計量方式。經調整除稅前溢利的計量與本集團除稅前溢利一致，惟該計量不包括未分配的收入及收益、融資成本以及企業及其他未分配開支。

分部資產及負債主要由該分部直接應佔或可合理分配至該分部的經營資產及負債構成。

分部資產不包括投資物業、未分配無形資產、未分配遞延稅項資產、未分配預付款項、其他應收款項及其他資產、未分配抵押存款、未分配現金及現金等價物、於聯營公司及一家合營企業的未分配投資以及其他未分配總部及企業資產，原因為該等資產乃集團總部統一管理。

分部負債不包括公司債券、未分配其他應付款項及應計費用、租賃負債以及其他未分配總部及企業負債，原因為該等負債乃以集團總部統一管理。

分部間銷售及轉讓乃參考按當時現行市價向第三方銷售的售價進行交易。

3. OPERATING SEGMENT INFORMATION (Continued)

3. 經營分部資料(續)

Year ended 31 December 2021	截至二零二一年十二月三十一日止年度	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Segment revenue	**分部收益**				
Sales to external customers	向外部客戶銷售	2,668,356	147,690	102,912	2,918,958
		2,668,356	147,690	102,912	2,918,958
Segment results	**分部業績**	715,981	44,609	21,072	781,662
Reconciliation:	*對賬：*				
Unallocated income and gains	未分配收入及收益				23,525
Share of profits and losses of unallocated associates	分佔未分配聯營公司的損益				1,392
Share of profit and loss of an unallocated joint venture	分佔未分配合營企業的損益				(1,821)
Corporate and other unallocated expenses	企業及其他未分配開支				(38,838)
Unallocated lease-related finance costs	未分配租賃相關融資成本				(98)
Unallocated finance costs (other than interest on lease liabilities)	未分配融資成本（租賃負債利息除外）				(215,577)
Profit before tax	除稅前溢利				550,245
Segment assets	**分部資產**	15,424,670	1,215,755	696,706	17,337,131
Reconciliation:	*對賬：*				
Corporate and other unallocated assets	企業及其他未分配資產				944,277
Total assets	總資產				18,281,408
Segment liabilities	**分部負債**	11,763,185	496,509	492,470	12,752,164
Reconciliation:	*對賬：*				
Corporate and other unallocated liabilities	企業及其他未分配負債				121,623
Total liabilities	總負債				12,873,787

3. OPERATING SEGMENT INFORMATION (Continued)

3. 經營分部資料(續)

Year ended 31 December 2021	截至二零二一年十二月三十一日止年度	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Other segment information	**其他分部資料**				
Investments in associates	於聯營公司的投資	–	230,929	–	230,929
Unallocated investments in associates	於聯營公司的未分配投資				145,844
Investment in a joint venture	於一家合營企業的投資	72,472	–	–	72,472
Unallocated investment in a joint venture	於一家合營企業的未分配投資				9,537
Share of profits and losses of associates	分佔聯營公司的損益	–	(1,662)	–	(1,662)
Share of profits and losses of unallocated associates	分佔未分配聯營公司的損益				1,392
Share of profit and loss of a joint venture	分佔一家合營企業的損益	(329)	–	–	(329)
Share of profit and loss of an unallocated joint venture	分佔一家未分配合營企業的損益				(1,821)
Impairment losses recognised in profit or loss, net	於損益確認的減值虧損淨額	(30,029)	(15,084)	–	(45,113)
Depreciation and amortisation	折舊及攤銷	62,408	123	6,560	69,091
Unallocated depreciation and amortisation	未分配折舊及攤銷				3,192
Total depreciation and amortisation	折舊及攤銷總額				72,283
Capital expenditure	資本開支	104,783	–	88,290	193,073
Unallocated amounts	未分配金額				70
Total capital expenditure*	資本開支總額*				193,143

* Capital expenditure consists of additions to property, plant and equipment and service concession contract assets.

* 資本開支包括添置物業、廠房及設備以及服務特許經營合約資產。

3. 經營分部資料(續)

* 資本開支包括添置物業、廠房及設備以及服務／舍霖

3. OPERATING SEGMENT INFORMATION (Continued)

Geographical information

(a) Revenue from external customers

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mainland China	中國內地	**2,918,958**	3,332,432

The revenue information above is based on the locations of the customers.

(b) Non-current assets

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mainland China	中國內地	**12,802,978**	12,690,836

All the non-current assets are located in Mainland China. The non-current asset information above excludes deferred tax assets.

3. 經營分部資料(續)

地區資料

(a) 外部客戶收益

上述收益資料乃基於客戶的地點。

(b) 非流動資產

所有非流動資產均位於中國內地。上述非流動資產的資料不包括遞延稅項資產。

3. OPERATING SEGMENT INFORMATION (Continued)

Information about major customers

The revenue derived from the Group's two largest customers during the year is as follows:

3. 經營分部資料(續)

與主要客戶有關的資料

於年內，本集團兩大客戶產生的收益如下：

Year ended 31 December 2021 **截至二零二一年十二月三十一日止年度**

		Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Customer A	客戶A	**229,661**	**229,661**
Customer C	客戶C	**206,772**	**206,772**
		436,433	**436,433**

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

		Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Customer A	客戶A	527,121	527,121
Customer B	客戶B	185,225	185,225
		712,346	712,346

4. REVENUE

The Group has entered into a number of service concession arrangements with the Grantors on a BOT or a TOT basis in respect of its WTPs, RWTPs, WDPs, STPs or other municipal infrastructure. These service concession arrangements generally involve the Group as an operator in (i) constructing WTPs, RWTPs, WDPs, STPs or other municipal infrastructure for those arrangements on a BOT basis; (ii) paying a specific amount for those arrangements on a TOT basis; and (iii) operating WTPs, RWTPs, WDPs, STPs or other municipal infrastructure on behalf of the Grantors for periods ranging from 17 to 30 years (the "Service Concession Periods"), and the Group will be paid for its services over the Service Concession Periods at prices stipulated through a pricing mechanism.

The Group carries out construction works of other municipal infrastructure under EPC arrangements and agrees with EPC customers to enter into a settled agreement for the construction work during the construction.

Revenue represents: (i) an appropriate proportion of contract revenue from construction contracts under BOT arrangements, EPC arrangements and other construction service projects, net of tax and government surcharges; (ii) revenue from operation of WTPs, RWTPs, WDPs, STPs or other municipal infrastructure under BOT arrangements and TOT arrangements and the provision of Operation and Maintenance services; (iii) revenue from sales of water purifying materials; and (iv) financial income on financial receivables. The amounts of each of the significant categories of revenue during the year are as follows:

4. 收益

本集團已就污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施以BOT或TOT方式與授予人訂立多項服務特許經營安排。該等服務特許經營安排一般涉及本集團作為經營者(i)以BOT方式就該等安排建設污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施；(ii)以TOT方式就該等安排支付指定金額；及(iii)於17至30年的期間內(「服務特許經營期間」)代表授予人經營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施，而本集團將於服務特許經營期間就其服務按通過定價機制規定的價格獲得報酬。

本集團根據EPC安排進行其他市政基礎設施的建設工程，並於建設期間與EPC客戶達成訂立建設工程的結算協議。

收益指：(i) BOT安排、EPC安排及其他建設服務項目下建設合約的適當比例合約收益，扣除稅項及政府附加費；(ii) BOT安排及TOT安排下運營污水處理廠、再生水處理廠、供水廠、污泥處理廠或其他市政基礎設施的收益；(iii)銷售淨水材料的收益；及(iv)金融應收款項的財務收入。於年內各重大收益類別的金額如下：

Revenue from contracts with customers

客戶合約收益

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Revenue from operating services	運營服務收益	**1,200,545**	1,046,264
Revenue from construction services	建設服務收益	**1,008,451**	1,613,074
Revenue from sales of water purifying materials	銷售淨水材料的收益	**–**	12,045
Financial income	財務收入	**709,962**	661,049
		2,918,958	3,332,432

4. REVENUE (Continued)

Revenue from contracts with customers (Continued)

(a) Disaggregated revenue information

For the year ended 31 December 2021

4. 收益(續)

客戶合約收益(續)

(a) 收益資料細分

截至二零二一年十二月三十一日止年度

Segments 分部	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with customers 客戶合約收益	2,668,356	147,690	102,912	2,918,958
Geographical market 地區市場				
Mainland China 中國內地	2,668,356	147,690	102,912	2,918,958
Total revenue from contracts with customers 客戶合約收益總額	2,668,356	147,690	102,912	2,918,958
Timing of revenue recognition 收益確認時間				
Services transferred over time 隨時間轉移的服務	2,668,356	147,690	102,912	2,918,958
Total revenue from contracts with customers 客戶合約收益總額	2,668,356	147,690	102,912	2,918,958

4. REVENUE (Continued)

Revenue from contracts with customers (Continued)

(a) Disaggregated revenue information (Continued)

For the year ended 31 December 2020

Segments	分部	Urban Water Treatment 城鎮水務 RMB'000 人民幣千元	Water Environment Comprehensive Remediation 水環境綜合治理 RMB'000 人民幣千元	Rural Water Improvement 鄉村污水治理 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Revenue from contracts with customers	**客戶合約收益**	2,899,601	311,661	121,170	3,332,432
Geographical market	**地區市場**				
Mainland China	中國內地	2,899,601	311,661	121,170	3,332,432
Total revenue from contracts with customers	客戶合約收益總額	2,899,601	311,661	121,170	3,332,432
Timing of revenue recognition	**收益確認時間**				
Goods transferred at a point in time	於某一時間點轉讓的貨品	12,045	–	–	12,045
Services transferred over time	隨時間轉移的服務	2,887,556	311,661	121,170	3,320,387
Total revenue from contracts with customers	客戶合約收益總額	2,899,601	311,661	121,170	3,332,432

Revenue from construction services, operating services of waste water treatment, reclaimed water treatment, water distribution and sludge treatment and financial income are recognised over time. For sales of water purifying materials in operating services, revenue is recognised at a point in time.

(b) Performance obligations

The aggregate amount of the transaction prices allocated to the performance obligations of BOT and TOT arrangements that are unsatisfied (or partially unsatisfied) as at 31 December 2021 was RMB38 billion(2020: RMB36 billion). The performance obligations expected to be recognised in more than one year relate to the services to be performed in respect of the BOT and TOT arrangements. The amounts disclosed above do not include variable consideration which is constrained.

4. 收益(續)

客戶合約收益(續)

(a) 收益資料細分(續)

截至二零二零年十二月三十一日止年度

污水處理、再生水處理、供水以及污泥處理的建設服務、運營服務收益以及財務收入均於一段時間內確認。就運營服務的銷售淨水材料而言，收益則在某一時點確認。

(b) 履約責任

於二零二一年十二月三十一日分配至BOT及TOT安排的未履行(或部分未履行)履約責任的交易價格總金額為人民幣380億元(二零二零年：人民幣360億元)。預期於一年以後確認之履約責任與將就BOT及TOT安排履行的服務有關。上文披露的金額不包括受限制的可變代價。

5. OTHER INCOME AND GAINS

5. 其他收入及收益

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Government grants*	政府補助*	**60,491**	49,958
Interest income from loans to third parties	向第三方貸款的利息收入	**22,869**	18,099
Investment income from other current financial assets	其他流動金融資產的投資收入	**8,508**	26,246
Foreign exchange differences, net	匯兌差額，淨額	**7,250**	5,557
Bank interest income	銀行利息收入	**2,557**	4,665
Interest income from loans to a joint venture	向一家合營企業貸款的利息收入	**700**	820
Rental income less depreciation of investment properties	租金收入減投資物業折舊	**490**	536
Others	其他	**3,692**	1,276
		106,557	107,157

* Government grants primarily represented the value-added tax refund and the environmental protection funds for environmental technological improvements granted by government authorities. Certain environmental protection funds related to the upgrading of WTPs granted by government authorities are recognised as deferred income that is recognised in profit or loss on a systematic basis over the expected upgrade interval cycle. There are no unfulfilled conditions or contingencies relating to these grants.

* 政府補助主要指政府機關授予的增值稅退稅及有關環保技術改進的環境保護基金。若干經政府當局批准與污水處理廠改造有關的環保基金已確認為遞延收入，於預期的改造間隔週期按系統化之基準於損益中確認。並無與該等補助有關的未滿足條件或或然事項。

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

本集團的除稅前溢利乃經扣除／(計入)以下各項後得出：

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost for construction services	建設服務成本		**824,663**	1,333,485
Cost for operation services	運營服務成本		**759,017**	662,144
Cost for sales of water purifying materials	銷售淨水材料的成本		**–**	11,166
Total cost of services	總服務成本		**1,583,680**	2,006,795
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12	**6,814**	10,471
Depreciation of right-of-use assets	使用權資產折舊	13(a)	**283**	1,932
Amortisation of service concession intangible assets	無形資產 — 特許經營權攤銷	17	**63,925**	57,870
Amortisation of other intangible assets	其他無形資產攤銷		**385**	501
Impairment of goodwill#	商譽減值#	18	**1,894**	–
Impairment of financial receivables	金融應收款項減值	19	**452**	1,801
Impairment of contract assets	合約資產減值	23	**962**	403
Impairment of trade receivables	貿易應收款項減值	21	**26,404**	22,459
Impairment of other receivables	其他應收款項減值	22	**17,295**	7,875
Lease payments not included in the measurement of lease liabilities	並無計入租賃負債計量的租賃付款	13(c)	**286**	409
Auditor's remuneration	核數師酬金		**2,826**	2,850
Employee benefit expense (including directors' remuneration):	僱員福利開支（包括董事薪酬）：			
Wages, salaries and allowances, social securities and benefits	工資、薪金及津貼、社會保障及福利		**241,038**	229,278
Pension scheme contributions (defined contribution scheme)*	退休金計劃供款（界定供款計劃）*		**23,293**	5,992
Total employee benefit expense	總僱員福利開支		**264,331**	235,270

6. 除稅前溢利(續)

		Notes 附註	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Operating lease income	經營租賃收入		(1,366)	(1,469)
Less: Depreciation of investment properties	減：投資物業折舊		876	933
Rental income less depreciation of investment properties	租金收入減投資物業折舊	5	(490)	(536)
Bank interest income	銀行利息收入	5	(2,557)	(4,665)
Government grants	政府補助	5	(60,491)	(49,958)
Interest income from loans to third parties	向第三方貸款的利息收入	5	(22,869)	(18,099)
Interest income from loans to a joint venture	向一家合營企業貸款的利息收入	5	(700)	(820)
Investment income from other current financial assets	其他流動金融資產的投資收入	5	(8,508)	(26,246)
Loss on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的虧損淨額		478	11
Loss on disposal of subsidiaries	出售附屬公司虧損	31	4,530	708
Foreign exchange differences, net	匯兌差額，淨額	5	(7,250)	(5,557)
Gains on disposal of service concession intangible assets,net	出售無形資產—特許經營權的收益淨額		(694)	–

商譽減值包括在綜合損益及其他全面收益表的「其他開支」中。

* 概無任何被沒收供款可被本集團作為雇主用於減低現有供款水平。

7. FINANCE COSTS

7. 融資成本

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Interest on interest-bearing bank and other borrowings	計息銀行及其他借款利息	**536,451**	484,890
Interest on corporate bonds	公司債券利息	**29,139**	76,654
Interest on lease liabilities	租賃負債利息	**98**	237
		565,688	561,781

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及最高行政人員薪酬

本年度董事及最高行政人員酬金根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Fees	袍金	**1,793**	1,915
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	**4,553**	5,575
Total	總計	**6,346**	7,490

(i) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

(i) 獨立非執行董事

本年度已付獨立非執行董事的袍金如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Mr. Chang Qing (常清)	常清先生	**299**	319
Mr. Peng Yongzhen (彭永臻)	彭永臻先生	**299**	319
Mr. Chau Kam Wing (周錦榮)	周錦榮先生	**299**	319
Total	總計	**897**	957

There were no other emoluments payable to the independent non-executive directors during the year (2020: Nil).

本年度並無應付獨立非執行董事的其他薪酬(二零二零年：無)。

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(ii) Executive directors

8. 董事及最高行政人員薪酬(續)

(ii) 執行董事

		Fees 袍金 RMB'000 人民幣千元	Equity-settled share option expenses 以權益結算購股權開支 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼及實物福利 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total remuneration 總薪酬 RMB'000 人民幣千元
Year ended 31 December 2021	**截至二零二一年十二月三十一日止年度**					
Executive directors:	**執行董事：**					
Mr. Zhao Juanxian (alias, Zhao Junxian) (趙雋賢)	趙雋賢先生	**299**	**–**	**1,451**	**–**	**1,750**
Mr. Li Zhong (李中)	李中先生	**199**	**–**	**1,363**	**–**	**1,562**
Mr. Duan Jerry Linnan (段林楠)	段林楠先生	**199**	**–**	**1,241**	**–**	**1,440**
Ms. Liu Yujie (劉玉杰)	劉玉杰女士	**199**	**–**	**498**	**–**	**697**
		896	**–**	**4,553**	**–**	**5,449**
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度					
Executive directors:	**執行董事：**					
Mr. Zhao Juanxian (alias, Zhao Junxian) (趙雋賢)	趙雋賢先生	319	–	2,105	–	2,424
Mr. Li Zhong (李中)	李中先生	213	–	1,518	–	1,731
Mr. Duan Jerry Linnan (段林楠)	段林楠先生	213	–	1,388	–	1,601
Ms. Liu Yujie (劉玉杰)	劉玉杰女士	213	–	564	–	777
		958	–	5,575	–	6,533

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

概無董事於年內作出豁免或同意豁免任何薪酬的安排。

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2020: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining one (2020: one) highest paid employee who is neither a director nor a chief executive of the Company are as follows:

9. 五名最高薪酬僱員

年內，五名最高薪僱員包括四名董事(二零二零年：四名董事)，彼等之薪酬詳情載於上文附註8。本年度餘下一名(二零二零年：一名)既非本公司董事亦非最高行政人員之最高薪酬僱員之薪酬詳情如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	**985**	1,103
Performance related bonuses	表現相關花紅	**348**	247
Pension scheme contributions	退休金計劃供款	**21**	3
		1,354	1,353

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

薪酬在以下範圍內的非董事及非最高行政人員最高薪酬僱員人數如下：

		Number of employees 僱員人數 2021 二零二一年	2020 二零二零年
HK$1,000,001 to HK$1,500,000	1,000,001港元至1,500,000港元	**–**	1
HK$1,500,001 to HK$2,000,000	1,500,001港元至2,000,000港元	**1**	–
		1	1

10. INCOME TAX EXPENSE

Pursuant to The PRC Enterprise Income Tax Law Implementing Regulations (中華人民共和國企業所得稅法實施條例), most of the subsidiaries established in the PRC, engaged in the operations of waste water treatment projects, are eligible for tax holiday of a three-year full exemption followed by a three-year half exemption commencing from their respective first years of generating operating revenue (the "3+3 Tax Holiday"). At the end of the year, these subsidiaries were qualified for the 3+3 Tax Holiday or in the process of preparation and submission of the required documents to the respective tax authorities to apply for the 3+3 Tax Holiday.

Pursuant to Caishui [2011] No.58 *Circular of the Ministry of Finance, the State Administration of Taxation, the General Administration of Customs on Issues Relating to Preferential Tax Policies for the Development of the Western Region* (財政部、國家稅務總局、海關總署關於西部大開發稅收優惠政策問題的通知), certain subsidiaries operated in the western region of Mainland China are entitled to a preferential corporate income tax rate of 15%, provided that the main business of the subsidiaries belongs to the industrial projects stipulated in the Catalogue of Encouraged Industries in the Western Region, and such main business income accounts for more than 70% of the total income of the subsidiaries.

Under the relevant PRC Corporate Income Tax Law and respective regulations, except for the preferential treatments available to certain subsidiaries as mentioned above, other subsidiaries within the Group were subject to corporate income tax at the statutory rate of 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and British Virgin Islands.

10. 所得稅開支

根據《中華人民共和國企業所得稅法實施條例》，在中國成立並從事污水處理項目運營的大部分附屬公司合資格自其各自產生經營收益的首個年度起開始享受三年免稅及其後三年減半的稅務優惠(「三免三減半稅務優惠」)。於年末，該等附屬公司已合資格享受三免三減半稅務優惠或正在籌備及向各自的稅務機關遞交所需文件申請三免三減半稅務優惠。

根據《*財政部、國家稅務總局、海關總署關於西部大開發稅收優惠政策問題的通知*》(財稅[2011]58號)，在中國內地西部地區運營的若干附屬公司有權按15%的優惠企業所得稅稅率繳稅，前提是附屬公司的主要業務所屬的西部地區鼓勵類產業目錄所規定的產業項目，而有關主要業務收入佔附屬公司總收入的70%以上。

根據有關《中華人民共和國企業所得稅法》及相關法規，除上述若干附屬公司適用優惠待遇外，本集團內的其他附屬公司須按25%的法定稅率繳納企業所得稅。

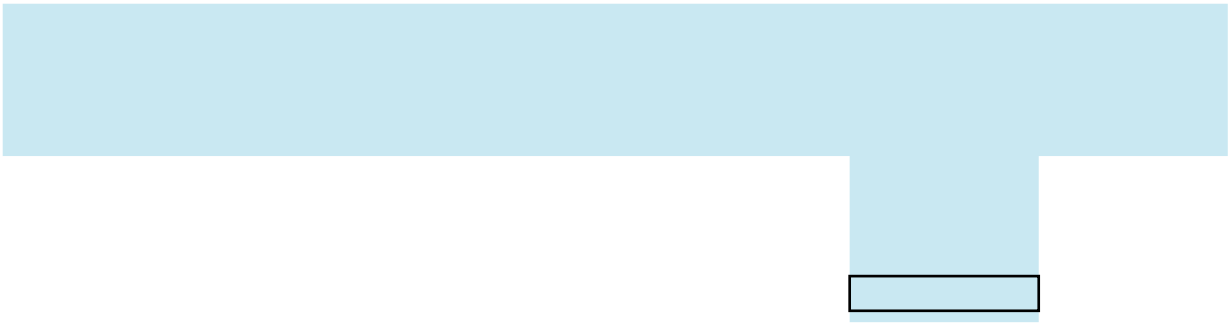
根據開曼群島及英屬處女群島的規則及法規，本集團在開曼群島及英屬處女群島毋須繳納任何所得稅。

10. INCOME TAX EXPENSE (Continued)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

10. 所得稅開支(續)

由於本集團年內並無在香港產生或賺取應課稅溢利，故並無計提香港利得稅撥備。



按本公司及其大部分附屬公司所在國家的法定稅率計算的除稅前溢利適用的稅項開支與按實際稅率計算的稅項開支對賬，以及適用稅率(即法定稅率)與實際稅率的對賬如下：

分佔聯營公司及合營企業應佔稅項人民幣480,000元(二零二零年：人民幣838,000元)於損益內的「分佔聯營公司損益」及「分佔合營企業損益」項下入賬。

11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,139,735,000 (2020: 2,100,877,000) in issue during the year, as adjusted to reflect the rights issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2021 and 2020.

The calculations of basic and diluted earnings per share are based on:

11. 母公司普通權益持有人應佔每股盈利

每股基本盈利金額乃基於年內母公司普通權益持有人應佔溢利及年內已發行普通股之加權平均數2,139,735,000股(二零二零年：2,100,877,000股)(經調整以反映年內供股)計算。

截至二零二一年及二零二零年十二月三十一日止年度，本集團並無已發行潛在攤薄普通股。

每股基本及攤薄盈利乃基於以下各項計算：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Earnings:	**盈利：**		
Profit attributable to ordinary equity holders of the parent used in the basic and diluted earnings per share calculations	用於計算每股基本及攤薄盈利的母公司普通權益持有人應佔溢利	**412,752**	470,488

		Number of shares 股份數目 2021 二零二一年	2020 二零二零年
Shares:	**股份：**		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利的年內已發行普通股加權平均數	**2,139,735,000**	2,100,877,000

12. PROPERTY, PLANT AND EQUIPMENT

31 December 2021

12. 物業、廠房及設備

二零二一年十二月三十一日

	Buildings and other	Machinery		Total
	人		人	人
	65,900		19,402	119,472
	–	91	967	

159 450681pan <</La 0iTd <0385ar

Notes to the Consolidated Financial Statements
綜合財務報表附註

31 December 2021

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 December 2021, certain of the Group's buildings with a net carrying amount of approximately RMB13,619,000 (2020: RMB15,447,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 28). As the payments of the land use rights for the buildings cannot be separated reliably from the payments for the purchase of office buildings, the entire payments are included in the costs of the relevant buildings.

Certain infrastructure with a net carrying amount as at 31 December 2021 of approximately RMB10,903,000 (2020: RMB11,541,000) is situated on a piece of land which is legally owned by the non-controlling shareholder of Jilin Kangda Environmental Protection Company Limited ("Jilin Kangda"), a subsidiary of the Group. The subsidiary is contractually authorised to use the land without charge throughout its operating period.

12. 物業、廠房及設備(續)

於二零二一年十二月三十一日，本集團賬面淨值約為人民幣13,619,000元(二零二零年：人民幣15,447,000元)的若干樓宇已抵押作授予本集團若干計息銀行及其他借款的擔保(附註28)。由於土地使用權的付款無法可靠地從購買辦公樓宇的付款中分離，故全部付款計入相關樓宇成本。

於二零二一年十二月三十一日，賬面淨值約為人民幣10,903,000元(二零二零年：人民幣11,541,000元)的若干基礎設施均位於由本集團的附屬公司吉林康達環保有限公司(「吉林康達」)的非控股股東合法擁有的一幅土地上。該附屬公司獲合約授權於整個運營期間免費使用該土地。

13. LEASES

The Group as a lessee

The Group leases certain land properties and one office property under operating lease arrangements with leases negotiated for terms ranging from 1 to 18 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

13. 租賃

本集團作為承租人

本集團根據經營租賃安排租賃若干土地物業及一間辦公物業，租賃協定期限介乎一至十八年。一般而言，本集團被限制將租賃資產轉讓及分租予本集團以外的公司。

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

(a) 使用權資產

本集團於年內的使用權資產的賬面值及變動如下：

		Land 土地 RMB'000 人民幣千元	Office 辦公室 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
As at 1 January 2020	於二零二零年一月一日	1,465	1,796	3,261
Additions	添置	–	558	558
Depreciation charge	折舊開支	(75)	(1,857)	(1,932)
As at 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	**1,390**	**497**	**1,887**
Additions	添置	**114**	**–**	**114**
Depreciation charge	折舊開支	**(96)**	**(187)**	**(283)**
As at 31 December 2021	於二零二一年十二月三十一日	**1,408**	**310**	**1,718**

13. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the year are as follows:

13. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

於年內，租賃負債(包含在計息銀行及其他借款)的賬面值及變動如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	**2,241**	3,938
New leases	新租賃	**114**	558
Accretion of interest recognised during the year	年內確認的利息增加	**98**	237
Covid-19-related rent concessions from lessors	來自出租人的與2019年新型冠狀病毒肺炎相關的租金優惠	**–**	

租賃負債的到期分析於財務報表附註39中披露。

(c) 於與租賃有關的損益中確認的金額如下：

13. LEASES (Continued)

The Group as a lessee (Continued)

(d) The total cash outflow for leases is disclosed in note 32(c) to the financial statements.

The Group as a lessor

The Group leases its investment properties consisting of four commercial properties under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income less depreciation of investment properties recognised by the Group during the year was RMB490,000 (2020: RMB536,000), details of which are included in notes 5 and 6 to the financial statements.

At 31 December 2021, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

13. 租賃(續)

本集團作為承租人(續)

(d) 租賃的現金流出總額披露於財務報表附註32(c)。

本集團作為出租人

本集團根據經營租賃安排租賃其投資物業(包括四個商用物業)。租賃條款通常要求租戶支付保證金，並根據當時的當前市況定期調整租金。本集團年內確認的租金收入減投資物業折舊為人民幣490,000元(二零二零年：人民幣536,000元)，其詳情載於財務報表附註5及6。

於二零二一年十二月三十一日，本集團與其租戶訂立的不可撤銷經營租賃下的未來期間應收未貼現租賃款項如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within one year	一年內	**1,504**	1,440
After one year but within two years	一年後但兩年內	**1,456**	1,504
After two years but within three years	兩年後但三年內	**1,325**	1,456
After three years but within four years	三年後但四年內	**628**	1,325
After four years but within five years	四年後但五年內	**456**	628
After five years	五年後	**952**	1,408
		6,321	7,761

14. INVESTMENTS IN ASSOCIATES

14. 於聯營公司的投資

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Share of net assets	分佔淨資產	**366,332**	364,798
Goodwill on acquisition	收購的商譽	**10,441**	10,441
		376,773	375,239

14. INVESTMENTS IN ASSOCIATES (Continued)

Particulars of the associates are as follows:

14. 於聯營公司的投資(續)

有關聯營公司的詳情如下：

Company name 公司名稱	Place of incorporation registration and operation 註冊成立 登記及營業地點	Issued and fully paid-up capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔 股權百分比	Principal activities 主要業務
Jiangsu Eastern Biological Sludge Treatment Engineering Co., Ltd. ("Eastern Sludge Treatment") (江蘇東方生態清淤工程有限公司)#	PRC/Mainland China	RMB35,000,000	49	Treatment of sludge in rivers and lakes
江蘇東方生態清淤工程有限公司 (「東方生態清淤」)	中國／中國內地	人民幣35,000,000元		在河流及湖泊進行污泥處理
Zhongyuan Water Group Co., Ltd. ("Zhongyuan Shuiwu") (中原水務集團有限公司)#	PRC/Mainland China	RMB500,000,000	31	Construction, operation and management of environment protection and infrastructure projects
中原水務集團有限公司 (「中原水務」)	中國／中國內地	人民幣500,000,000元		建設、運營及管理環保及基建設施項目
Fuzhou Fuhe River Investment & Development Co., Ltd. ("Fuzhou Fuhe") (撫州市撫河流域投資開發有限公司)#	PRC/Mainland China	RMB300,000,000	24	Investment, construction, operation and management of municipal projects
撫州市撫河流域投資開發有限公司 (「撫州撫河」)	中國／中國內地	人民幣300,000,000元		投資、建設、運營及管理市政項目
Sichuan Kangda Zhonghuan Municipal Engineering Design Co., Ltd. ("Sichuan Zhonghuan") (四川康達中環市政工程設計有限公司)#	PRC/Mainland China	RMB5,000,000	30	Design and consulting of construction projects
四川康達中環市政工程設計有限公司(「四川中環」)	中國／中國內地	人民幣5,000,000元		建設項目設計及諮詢
Leping Hehu Ecological Environmental Treatment Co., Ltd. ("Leping Hehu") (樂平市河湖生態環境治理有限公司)#	PRC/Mainland China	RMB50,000,000	44	Construction, operation and management of environment protection and infrastructure projects
樂平市河湖生態環境治理有限公司 (「樂平河湖」)	中國／中國內地	人民幣50,000,000元		建設、運營及管理環保及基建設施項目

The names of these companies referred to in this report represent management's best effort at translating the Chinese names of the companies registered in Mainland China, as no English names have been registered.

由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司名稱乃管理層盡力翻譯其中文名稱所得。

14. INVESTMENTS IN ASSOCIATES (Continued)

The percentages of voting power held and profit sharing are the same as the percentages of equity interest attributable to the Group. The Group's shareholdings in the associates comprise equity shares held through wholly-owned subsidiaries of the Company.

The following table illustrates the summarised financial information in respect of some investments in associates, which are individually material, reconciled to their carrying amounts in the consolidated financial statements:

14. 於聯營公司的投資 (續)

持有投票權及溢利分配的百分比與本集團應佔的股權百分比相同。本集團於聯營公司的股權包括本公司全資附屬公司持有的權益股份。

下表說明部分屬個別重大的於聯營公司的投資與在綜合財務報表中的賬面值對賬的財務資料概要：

		2021 二零二一年		2020 二零二零年	
		Fuzhou Fuhe 撫州撫河 RMB'000 人民幣千元	Zhongyuan Shuiwu 中原水務 RMB'000 人民幣千元	Fuzhou Fuhe 撫州撫河 RMB'000 人民幣千元	Zhongyuan Shuiwu 中原水務 RMB'000 人民幣千元
Current assets	流動資產	**558,413**	**194,364**	775,805	235,969
Non-current assets	非流動資產	**1,645,719**	**453,611**	1,455,160	460,501
Current liabilities	流動負債	**(280,162)**	**(17,971)**	(250,655)	(78,547)
Non-current liabilities	非流動負債	**(1,292,570)**	**(160,581)**	(1,348,910)	(153,545)

14. INVESTMENTS IN ASSOCIATES (Continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

14. 於聯營公司的投資(續)

下表列示並非個別重大的本集團聯營公司的合併財務資料：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Share of the associates' loss for the year	分佔聯營公司年內虧損	**(1,834)**	(2,459)
Share of the associates' total comprehensive income	分佔聯營公司全面收益總額	**(1,834)**	(2,459)
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司投資的賬面總值	**79,716**	79,746

15. INVESTMENTS IN JOINT VENTURES

15. 於合營企業的投資

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Share of net assets	分佔淨資產	**82,009**	84,159

Particulars of the joint ventures are as follows:

有關合營企業的詳情如下：

Company name 公司名稱	Place of registration and operation 登記及營業地點	Issued and fully paid-up capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比	Principal activities 主要業務
Zibo Tianqiyuan Water Supply Co., Ltd. ("Tianqiyuan") (淄博市天齊淵供水有限公司)[#] 淄博市天齊淵供水有限公司(「天齊淵」)	PRC/Mainland China 中國／中國內地	RMB5,190,000 人民幣5,190,000元	49	Central water supply 中央供水
Gaomi Kangrui Environmental Protection Technology Co., Ltd. ("Gaomi Kangrui") (高密市康瑞環保科技有限公司)[#] 高密市康瑞環保科技有限公司(「高密康瑞」)	PRC/Mainland China 中國／中國內地	RMB28,000,000 人民幣28,000,000元	50	Sale and maintenance of environmental protection equipment 銷售及保養環保設備

[#] The names of these companies referred to in this report represent management's best effort in translating the Chinese names of the companies registered in Mainland China, as no English names have been registered.

[#] 由於在中國內地註冊的公司並無註冊英文名稱，本報告提述的該等公司名稱乃管理層盡力翻譯其中文名稱所得。

15. INVESTMENTS IN JOINT VENTURES (Continued)

The above investments are held through wholly-owned subsidiaries of the Company.

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

15. 於合營企業的投資(續)

上述投資乃透過本公司全資附屬公司持有。

下表列示並非個別重大的本集團合營企業的合併財務資料：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Share of the joint ventures' loss for the year	分佔合營企業年內虧損	**(2,150)**	(4,761)
Share of the joint ventures' total comprehensive income	分佔合營企業全面收益總額	**(2,150)**	(4,761)
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營企業投資的賬面總值	**82,009**	84,159

16. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

16. 指定為按公平值計入其他全面收益的股權投資

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資		
Unlisted equity investments, at fair value	非上市股權投資，按公平值	**248,000**	338,000

During the year, the loss, net of tax, in respect of the Group's equity investments in Zhongyuan Asset Management Co., Ltd. recognised in other comprehensive income amounted to RMB76,500,000 (2020: loss in other comprehensive income amounted to RMB21,250,000).

於年內，就本集團於中原資產管理有限公司的股權投資的虧損(扣除稅項)人民幣76,500,000元已確認於其他全面收益(二零二零年：其他全面收益中的虧損人民幣21,250,000元)。

17. SERVICE CONCESSION INTANGIBLE ASSETS 17. 無形資產 — 特許經營權

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cost at 1 January, net of accumulated amortisation	於一月一日的成本，扣除累計攤銷	**1,133,188**	802,417
Additions	添置	**154,100**	388,641
Amortisation provided during the year	年內計提攤銷	**(63,925)**	(57,870)
Disposal	出售	**(138,857)**	–
At 31 December	於十二月三十一日	**1,084,506**	1,133,188
At 31 December:	於十二月三十一日		
Cost	成本	**1,308,905**	1,293,662
Accumulated amortisation	累計攤銷	**(224,399)**	(160,474)
Net carrying amount	賬面淨值	**1,084,506**	1,133,188

As at 31 December 2021, the Group's service concession intangible assets with a carrying value of RMB1,033,590,000 (2020: RMB937,310,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 28).

於二零二一年十二月三十一日，本集團賬面值人民幣1,033,590,000元(二零二零年：人民幣937,310,000元)的無形資產 — 特許經營權已抵押作授予本集團若干計息銀行及其他借款的擔保(附註28)。

18. GOODWILL

18. 商譽

		Cash-generating units 現金產生單位		
		Waste water treatment plant 污水處理廠	Manufacture of chemicals for waste water treatment 生產污水處理所用化學品	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2020	二零二零年			
Cost and carrying amount at 1 January 2020	於二零二零年一月一日的成本及賬面值	58,325	1,894	60,219
At 31 December 2020	於二零二零年十二月三十一日	58,325	1,894	60,219
2021	二零二一年			
Cost at 1 January 2021, net of accumulated impairment	於二零二一年一月一日的成本，扣除累計減值	**58,325**	**1,894**	**60,219**
Impairment during the year	年內減值	**–**	**(1,894)**	**(1,894)**
Cost and net carrying amount at 31 December 2021	於二零二一年一月一日的成本及賬面淨值	**58,325**	**–**	**58,325**
At 31 December 2021:	於二零二一年十二月三十一日：			
Cost	成本	**58,325**	**1,894**	**60,219**
Accumulated impairment	累計減值	**–**	**(1,894)**	**(1,894)**
Net carrying amount	賬面淨值	**58,325**	**–**	**58,325**

Impairment testing of goodwill

Goodwill acquired through business combinations in the amount of approximately RMB60,219,000 as at 31 December 2021 has been allocated to the cash-generating units of "waste water treatment plant" and "the manufacture of chemicals for waste water treatment" for impairment testing.

The recoverable amounts of the cash-generating units of "waste water treatment plant" and "the manufacture of chemicals for waste water treatment" have been determined based on a value in use calculation using cash flow projections based on a financial budget covering a three-year period approved by the Group. The pre-tax discount rate applied to the cash flow projections is 10.67%.

商譽減值測試

於二零二一年十二月三十一日透過業務合併收購的商譽約人民幣60,219,000元，已分配至「污水處理廠」及「生產污水處理所用化學品」現金產生單位作減值測試。

「污水處理廠」及「生產污水處理所用化學品」現金產生單位的可收回金額已根據使用以本集團批准的三年期財政預算為依據的現金流量預測計算的使用價值釐定。現金流量預測應用的稅前貼現率為10.67%。

19. FINANCIAL RECEIVABLES

19. 金融應收款項

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Receivables for service concession arrangements	服務特許經營安排應收款項	**10,980,465**	10,008,498
Impairment	減值	**(2,253)**	(1,801)
		10,978,212	10,006,697
Portion classified as current assets	分類為流動資產部分	**(1,878,059)**	(1,692,798)
Non-current portion	非即期部分	**9,100,153**	8,313,899

Receivables for service concession arrangements arose from the service concession contracts to build and operate WTPs or STPs and were recognised to the extent that the Group has an unconditional contractual right to receive cash from or at the direction of the Grantor.

服務特許經營安排應收款項產生自建設及運營污水處理廠或污泥處理廠的服務特許經營安排，並於本集團擁有無條件合約權利自授予人或按授予人的指示收取現金時確認。

Financial receivables were unbilled receivables, mainly due from governmental authorities in Mainland China, as the Grantors in respect of the Group's service concession arrangements. The Group does not hold any collateral or other credit enhancements over these balances. Financial receivables represent contract assets as the rights to considerations have yet to be unconditional.

金融應收款項為未開票應收款項，主要為應收中國內地政府機關的款項，有關政府機關為本集團服務特許經營安排的授予人。本集團並無就該等結餘持有任何抵押品或其他信貸提升產品。金融應收款項指合約資產，原因是收取代價的權利尚未成為無條件。

The movements in the loss allowance for impairment of financial receivables are as follows:

金融應收款項減值虧損撥備變動如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At beginning of year	年初	**1,801**	–
Impairment losses	減值虧損	**452**	1,801
At end of year	年末	**2,253**	1,801

20. DEFERRED TAX (Continued) 20. 遞延稅項(續)

		Fair value adjustments arising from acquisition of a subsidiary 收購一家附屬公司產生的公平值調整 RMB'000 人民幣千元	Impairment of financial and contract assets 金融及合約資產減值 RMB'000 人民幣千元	Losses available for offsetting against future taxable profits 可用於抵銷未來應課稅溢利的虧損 RMB'000 人民幣千元	Fair value adjustments of the equity investments designated at fair value through other comprehensive income 指定為按公平值計入其他全面收益的股權投資公平值調整 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產					
At 31 December 2020	於二零二零年十二月三十一日	229	2,184	53,723	24,900	81,036
Deferred tax credited to equity during the year	年內計入權益的遞延稅項	–	–	–	13,500	13,500
Deferred tax charged to profit or loss during the year	年內自損益扣除的遞延稅項	(16)	–	1,889	–	1,873
At 31 December 2021	於二零二一年十二月三十一日	213	2,184	55,612	38,400	96,409

20. DEFERRED TAX (Continued)
31 December 2020

20. 遞延稅項(續)
二零二零年十二月三十一日

		Service concession arrangements 服務特許經營安排 RMB'000 人民幣千元	Transaction costs for interest-bearing bank borrowings and corporate bonds 計息銀行借款及公司債券的交易成本 RMB'000 人民幣千元	One-off deduction of machinery 機器的一次性扣減 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax liabilities	遞延稅項負債				
At 31 December 2019	於二零一九年十二月三十一日	(803,341)	(17,169)	(60)	(820,570)
Deferred tax charged to profit or loss during the year	年內自損益扣除的遞延稅項	(84,736)	(4,832)	(122)	(89,690)
At 31 December 2020	於二零二零年十二月三十一日	(888,077)	(22,001)	(182)	(910,260)

		Fair value adjustments arising from acquisition of a subsidiary 收購一家附屬公司產生的公平值調整 RMB'000 人民幣千元	Impairment of financial and contract assets 金融及合約資產減值 RMB'000 人民幣千元	Losses available for offsetting against future taxable profits 可用於抵銷未來應課稅溢利的虧損 RMB'000 人民幣千元	Fair value adjustments of the equity investments designated at fair value through other comprehensive income 指定為按公平值計入其他全面收益的股權投資公平值調整 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產					
At 31 December 2019	於二零一九年十二月三十一日	244	2,184	67,051	21,150	90,629
Deferred tax credited to equity during the year	年內計入權益的遞延稅項	–	–	–	3,750	3,750
Deferred tax charged to profit or loss during the year	年內自損益扣除的遞延稅項	(15)	–	(13,328)	–	(13,343)
At 31 December 2020	於二零二零年十二月三十一日	229	2,184	53,723	24,900	81,036

20. DEFERRED TAX (Continued)

The Group also has tax losses arising in Mainland China of RMB289,511,000 (2020: RMB280,554,000) that will expire in one to five years for offsetting against future taxable profits.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2021, no deferred tax liability has been recognised for withholding taxes that would be payable on unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB3,428,807,000 at 31 December 2021 (2020: RMB2,975,947,000).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

20. 遞延稅項(續)

本集團亦在中國內地產生稅項虧損人民幣289,511,000元(二零二零年:人民幣280,554,000元),將於一至五年內屆滿,用於抵銷日後應課稅溢利。

根據《中華人民共和國企業所得稅法》,在中國內地成立的外商投資企業向海外投資者宣派的股息將徵收10%的預扣稅。該規定自二零零八年一月一日起生效並適用於二零零七年十二月三十一日後產生的盈利。倘中國大陸與外國投資者所屬司法權區之間定有稅務優惠則可按較低預扣稅率繳稅。本集團的適用比率為5%或10%。因此,本集團須就該等在中國內地成立附屬公司就自二零零八年一月一日起產生的盈利所分派的股息繳納預扣稅。

於二零二一年十二月三十一日,並無就本集團於中國內地成立的附屬公司須繳納預扣稅的未匯出盈利應付的預扣稅確認任何遞延稅項負債。董事認為,該等附屬公司於可預見未來不可能分派有關盈利。於二零二一年十二月三十一日,與中國大陸附屬公司的投資有關的暫時性差異總額(尚未就此確認遞延稅項負債)合計約為人民幣3,428,807,000元(二零二零年:人民幣2,975,947,000元)。

本公司向其股東派付股息並無附帶任何所得稅影響。

21. TRADE AND BILLS RECEIVABLES

21. 貿易應收款項及應收票據

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	**1,820,962**	1,555,762
Bills receivable	應收票據	**–**	627
Impairment	減值	**(44,402)**	(29,366)
		1,776,560	1,527,023

The Group's major customers are the PRC government authorities or agencies. The Group not only provides construction service and operation service pursuant to its service concession arrangements, but also provides construction service under other construction service projects.

本集團的主要客戶為中國政府機構或代理。本集團不僅根據其服務特許經營安排提供建設服務及運營服務，亦提供其他建設服務項目下的建設服務。

Trade and bills receivables represent the unsettled amounts being billed to the customers in accordance with the terms specified in the contracts governing the relevant transactions. The Group does not have a standardised and universal credit period granted to the construction service customers. The credit period for individual customers of construction service is considered on a case-by-case basis. Trade receivables are non-interest-bearing.

貿易應收款項及應收票據指根據規管相關交易的合約所列明的條款而應收客戶的未結清款項。本集團並無向建設服務客戶授出統一標準的信用期。個別建設服務客戶的信用期乃按個別基準考慮。貿易應收款項免息。

Included in the Group's trade receivables are amounts due from the Group's joint ventures and associates of nil (2020: nil) and RMB209,649,000 (2020: 225,254,000), respectively, which are repayable on credit terms similar to those offered to the major customers of the Group.

本集團的貿易應收款項包括應收本集團合營企業及聯營公司款項分別為無(二零二零年：無)及人民幣209,649,000元(二零二零年：人民幣225,254,000元)，該等款項按本集團向主要客戶提供的類似信貸條款償還。

At 31 December 2021, the Group's trade receivables with a carrying value of RMB777,488,000 (2020: RMB748,253,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 28).

於二零二一年十二月三十一日，本集團賬面值人民幣777,488,000元(二零二零年：人民幣748,253,000元)的貿易應收款項已抵押作授予本集團若干計息銀行及其他借款的擔保(附註28)。

21. TRADE AND BILLS RECEIVABLES (Continued)

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

21. 貿易應收款項及應收票據(續)

於報告期末，根據發票日期及扣除虧損撥備後，本集團的貿易應收款項的賬齡分析如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within 3 months	3個月內	**411,569**	432,308
4 to 6 months	4至6個月	**241,979**	245,572
7 to 12 months	7至12個月	**401,819**	287,593
Over 12 months	超過12個月	**721,193**	560,923
		1,776,560	1,526,396

The movements in the loss allowance for impairment of trade receivables are as follows:

貿易應收款項減值的虧損撥備變動如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At beginning of the year	於年初	**29,366**	7,265
Impairment losses, net	減值虧損淨額	**26,404**	22,459
Amount written off as uncollectible	因無法收回而核銷的金額	**(11,368)**	(358)
At end of the year	於年末	**44,402**	29,366

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式(即地區、產品類別、客戶類別及評級以及信用證或其他信貸保險形式的保障範圍)的多個客戶分部組別的逾期日數釐定。該計算反映或然率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前狀況及未來經濟狀況預測的合理及可靠資料。

21. TRADE AND BILLS RECEIVABLES (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

21. 貿易應收款項及應收票據(續)

下表載列有關使用撥備矩陣的本集團貿易應收款項的信貸風險的資料：

As at 31 December 2021 **於二零二一年十二月三十一日**

		Within 3 months 3個月內	4 to 6 months 4至6個月	7 to 12 months 7至12個月	Over 12 months 超過12個月	Total 合計
Expected credit loss rate	預期信貸虧損率	0.52%	1.75%	1.02%	4.48%	2.44%
Gross carrying amount (RMB'000)	總賬面值（人民幣千元）	413,707	246,296	405,972	754,987	1,820,962
Expected credit losses (RMB'000)	預期信貸虧損（人民幣千元）	2,138	4,317	4,153	33,794	44,402

As at 31 December 2020 於二零二零年十二月三十一日

		Within 3 months 3個月內	4 to 6 months 4至6個月	7 to 12 months 7至12個月	Over 12 months 超過12個月	Total 合計
Expected credit loss rate	預期信貸虧損率	0.52%	0.82%	1.20%	3.70%	1.89%
Gross carrying amount (RMB'000)	總賬面值（人民幣千元）	434,583	247,597	291,094	582,488	1,555,762
Expected credit losses (RMB'000)	預期信貸虧損（人民幣千元）	2,275	2,025	3,501	21,565	29,366

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

22. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

The movements in the loss allowance for impairment of other receivables are as follows:

22. 預付款項、其他應收款項及其他資產(續)

其他應收款項減值的虧損撥備的變動如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At beginning of the year	於年初	**19,080**	11,333
Impairment losses	減值虧損	**17,295**	7,875
Amount written off as uncollectible	因無法收回而核銷的金額	**(3,457)**	(128)
At end of the year	於年末	**32,918**	19,080

An impairment analysis is performed at each reporting date by considering the probability of default of comparable companies with published credit ratings. As at 31 December 2021, the probability of default applied ranged from 1.65% to 7.02% (2020: 0.94% to 2.00%) and the loss given default was estimated to be 100% (2020:100%). Included in the above provision for impairment of other receivables is a provision for individually impaired other receivables of RMB32,918,000 (2020: RMB19,080,000) with a carrying amount before provision of RMB452,259,000 (2020: RMB357,034,000).

減值分析於各報告日期透過考慮具有已公佈信貸評級的可資比較公司的違約概率進行。於二零二一年十二月三十一日，所應用的違約概率介乎1.65%至7.02%(二零二零年：0.94%至2.00%)，而違約損失率估計為100%(二零二零年：100%)。上述其他應收款項的減值撥備包括就為數人民幣32,918,000元(二零二零年：人民幣19,080,000元)的個別已減值其他應收款項(於作出撥備前的賬面值為人民幣452,259,000元(二零二零年：人民幣357,034,000元))所作的撥備。

Apart from described above, the financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. As at 31 December 2021 and 2020, the loss allowance was assessed to be minimal.

除上述者外，計入上述應收款項相關結餘的金融資產與近期並無拖欠記錄及逾期款項。於二零二一年及二零二零年十二月三十一日，虧損撥備評估為極低。

23. CONTRACT ASSETS

23. 合約資產

		31 December 2021 二零二一年十二月三十一日 RMB'000 人民幣千元	31 December 2020 二零二零年十二月三十一日 RMB'000 人民幣千元
Contract assets arising from: Construction services	以下項目所產生的合約資產：建設服務	1,974,400	2,297,650
Impairment	減值	(1,365)	(403)
		1,973,035	2,297,247
Proportion classified as current assets	分類為流動資產部分	(323,761)	(222,337)
Non-current portion	非即期部分	1,649,274	2,074,910

Contract assets are initially recognised for revenue earned from construction services as the receipt of consideration is conditional on successful completion of construction. Included in contract assets for construction services are retention receivables. Upon completion of installation or construction and acceptance by the customer, the amounts recognised as contract assets are reclassified to intangible assets and contract assets included in financial receivables under service concession arrangements and operating concession for BOT arrangements and trade receivables for other construction contracts when the rights to considerations are unconditional. The decrease in contract assets in 2021 was the result of completion of construction services.

由於代價須待建設成功竣工後方可收取，合約資產會就建設服務所賺取的收益單獨予以初始確認。建設服務合約資產包括應收保留金。在完成安裝或建設並獲客戶接納後，確認為合約資產的金額重新分類至無形資產，當代價權利為無條件，合約資產包括在服務特許經營安排項下金融應收款項及BOT安排的運營特許權以及其他建設合約的貿易應收款項之中。於二零二一年合約資產減少乃建設服務完成所致。

23. CONTRACT ASSETS (Continued)

The movements in the loss allowance for impairment of contract assets are as follows:

23. 合約資產(續)

合約資產減值虧損撥備變動如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
At beginning of the year	年初	**403**	–
Impairment losses,net	減值虧損淨額	**962**	403
At end of the year	年末	**1,365**	403

An impairment analysis is performed at each reporting date using the probability of default approach to measure expected credit losses. The probabilities of default rates are estimated based on default rates and published credit ratings of credit bonds issued in Mainland China. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forward-looking credit risk information.

減值分析於各報告日期採用違約概率方法進行，以計量預期信貸虧損。違約概率乃根據違約率及中國內地已發行信貸債券的已公佈信貸評級估計。該計算反映概率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前狀況及前瞻性信貸風險資料的合理及可靠資料。

Set out below is the information about the credit risk exposure on the Group's contract assets:

有關本集團合約資產的信貸風險資料載列如下：

		2021 二零二一年	2020 二零二零年
Expected credit loss rate	預期信貸虧損率	**0.07%**	0.02%
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	**1,974,400**	2,297,650
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	**1,365**	403

At 31 December 2021, the Group's contract assets with a carrying value of RMB274,223,000 (2020: RMB552,464,000) were pledged to secure certain interest-bearing bank and other borrowings granted to the Group (note 28).

於二零二一年十二月三十一日，本集團賬面值人民幣274,223,000元(二零二零年：人民幣552,464,000元)的合約資產已抵押作授予本集團若干計息銀行及其他借款的擔保(附註28)。

Included in the Group's contract assets are amounts due from the Group's associates of RMB114,141,000 (2020: RMB4,413,000), which are repayable on credit terms similar to those offered to the major customers of the Group.

本集團的合約資產包括應收本集團聯營公司款項人民幣114,141,000元(二零二零年：人民幣4,413,000元)，該等款項按本集團向主要客戶提供的類似信貸條款償還。

24. OTHER CURRENT FINANCIAL ASSETS

As at December 2021, bank wealth management products amounting to RMB28,431,000 were purchased by the Group from certain banks. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows were not solely payments of principal and interest. The aggregate changes of fair value of the financial assets were immaterial since their respective acquisition dates.

On 4 January 2022, the Group redeemed one bank wealth management product amounting to RMB28,007,000.

24. 其他流動金融資產

於二零二一年十二月，本集團自若干銀行購買銀行理財產品，金額為人民幣28,431,000元。由於其合約現金流量不只是支付本金及利息，因此被強制分類為按公平值計入損益的金融資產。金融資產自各自購買日以來公平值變動總額甚微。

於二零二二年一月四日，本集團贖回一項銀行理財產品，金額為人民幣28,007,000元。

25. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

25. 現金及現金等價物及抵押存款

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	**623,768**	645,812
Less: Pledged deposits	減：抵押存款	**(333,870)**	(215,550)
Cash and cash equivalents	現金及現金等價物	**289,898**	430,262
Cash and bank balances denominated in:	以下列貨幣計值的現金及銀行結餘：		
— RMB	－人民幣	**214,112**	425,446
— United States dollars	－美元	**75,341**	3,268
— Hong Kong dollars	－港元	**445**	1,548
Cash and cash equivalents	現金及現金等價物	**289,898**	430,262

The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

人民幣不可自由兌換為其他貨幣。然而，根據中國內地外匯管制規定以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權從事外匯業務的銀行將人民幣兌換為其他貨幣。

26. TRADE AND BILLS PAYABLES (Continued)

Notes:

(a) As at 31 December 2021, the Group's bills payable were secured by the pledged deposits amounting to RMB228,224,000 (2020: RMB169,305,000).

(b) TOT payables represented amounts due to the Grantors based on payment schedules set out in the relevant TOT contracts at the end of the year.

An ageing analysis of the Group's trade and bills payables as at the end of the year is as follows:

26. 貿易應付款項及應付票據(續)

附註：

(a) 於二零二一年十二月三十一日，本集團的應付票據乃以為數人民幣228,224,000元(二零二零年：人民幣169,305,000元)的抵押存款作抵押。

(b) TOT應付款項指年末根據相關TOT合約所載付款時間表計算的應付授予人款項。

於年末，本集團貿易應付款項及應付票據的賬齡分析如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Within 3 months	3個月內	**448,342**	654,033
4 to 6 months	4至6個月	**392,028**	467,291
7 to 12 months	7至12個月	**434,152**	424,537
Over 12 months	超過12個月	**782,293**	514,067
		2,056,815	2,059,928

The carrying amounts of the current portion of the trade and bills payables approximate to their fair values.

貿易應付款項及應付票據即期部分的賬面值與其公平值相若。

Included in the Group's trade and bills payables are amounts due to the Group's associates of RMB10,120,000 (2020: RMB9,622,000) (note36).

本集團的貿易應付款項及應付票據包括應付本集團聯營公司款項人民幣10,120,000元(二零二零年：人民幣9,622,000元)(附註36)。

27. OTHER PAYABLES AND ACCRUALS

27. 其他應付款項及應計費用

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Payables for the acquisitions	應付收購款項	**76,199**	62,499
Amounts due to related parties (note (a))	應付關聯方款項(附註(a))	**69,330**	64,884
Contract liabilities (note (b))	合約負債(附註(b))	**30,996**	26,622
Salary and welfare payables (note (c))	應付工資及福利(附註(c))	**28,290**	18,000
Other taxes payables	其他應付稅項	**9,067**	9,795
Other payables	其他應付款項	**64,301**	58,379
		278,183	240,179
Portion classified as current other payables and accruals	分類為即期其他應付款項及應計費用的部分	**(247,192)**	(217,116)
Non-current portion	非即期部分	**30,991**	23,063

Notes:

(a) The amounts mainly represent borrowings provided by an associate, Zhongyuan Shuiwu, the non-controlling shareholders of Huizhou Kangda Yingzhihuang Water Co., Ltd. (惠州康達英之皇水務有限公司) ("Huizhou Kangda"), which is a non-wholly-owned subsidiary of the Group, and Jilin Kangda, to finance the construction of property, plant and equipment of Huizhou Kangda and Jilin Kangda.

附註：

(a) 金額主要為聯營公司中原水務、本集團非全資附屬公司惠州康達英之皇水務有限公司(「惠州康達」)及吉林康達的非控股股東提供的借款，以為建設惠州康達及吉林康達的物業、廠房及設備提供資金。

(b) Details of contract liabilities are as follows:

(b) 合約負債詳情如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Construction services	建設服務	**30,996**	23,231
Advance from sales of water purifying materials	銷售淨水材料的墊款	**–**	3,391
Total contract liabilities	合約負債總額	**30,996**	26,622

Contract liabilities include advances received to deliver industrial products and render installation and construction services. The increase in contract liabilities in 2021 was mainly due to the increase in advances received from customers in relation to the operating services of waste water treatment and sludge treatment at the end of the year.

合約負債包括為交付工業產品及提供安裝及施工服務而收取的墊款。二零二一年的合約負債增加主要由於年末收取的客戶污水處理及污泥處理運營服務的墊款增加。

(c) The salary and welfare payables are non-interest-bearing and are payable on demand. Other payables are non-interest-bearing and have no fixed terms of repayment.

(c) 應付工資及福利為不計息且須按要求支付。其他應付款項為不計息及無固定還款期。

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

28. 計息銀行及其他借款

		31 December 2021 二零二一年十二月三十一日			31 December 2020 二零二零年十二月三十一日		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期年份	RMB'000 人民幣千元	Effective interest rate (%) 實際利率 (%)	Maturity 到期年份	RMB'000 人民幣千元
Current	即期						
Lease liabilities (note 13(b))	租賃負債(附註13(b))	4.91	2022 二零二二年	335	4.91	2021 二零二一年	310
Bank loans — secured	銀行貸款 — 有抵押	3.45–4.35	2022 二零二二年	462,300	4.35–6.72	2021 二零二一年	986,204
Bank loans — unsecured	銀行貸款 — 無抵押	3.85–7.08	2022 二零二二年	1,033,290	3.85–4.90	2021 二零二一年	38,043
Current portion of long term bank loans — secured	長期銀行貸款的即期部分 — 有抵押	4.60–6.50	2022 二零二二年	562,448	3.75–6.18	2021 二零二一年	582,369
Current portion of long term bank loans — unsecured	長期銀行貸款的即期部分 — 無抵押	4.55–6.18	2022 二零二二年	791,783	–	2021 二零二一年	–
Current portion of long term other loans — secured	長期其他貸款的即期部分 — 有抵押	5.60–6.65	2022 二零二二年	305,211	4.50–9.90	2021 二零二一年	302,533
Current portion of long term other loans — unsecured	長期其他貸款的即期部分 — 無抵押	4.35–8.43	2022 二零二二年	42,630	4.20–7.80	2021 二零二一年	24,913
				3,197,997			1,934,372
Non-current	非即期						
Lease liabilities (note 13(b))	租賃負債(附註13(b))	4.91	2023–2039 二零二三年至 二零三九年	1,875	4.91	2022–2039 二零二二年至 二零三九年	1,931
Long term bank loans — secured	長期銀行貸款 — 有抵押	4.25–6.50	2023–2045 二零二三年至 二零四五年	4,075,765	3.75–6.18	2022–2045 二零二二年至 二零四五年	4,368,344
Long term bank loans — unsecured	長期銀行貸款 — 無抵押	4.90–5.30	2023 二零二三年	319,141	4.55–4.99	2022–2023 二零二二年至 二零二三年	647,676
Long term other loans — secured	長期其他貸款 — 有抵押	5.60–6.65	2023–2026 二零二三年至 二零二六年	880,115	2.80–9.90	2022–2026 二零二二年至 二零二六年	1,141,220
Long term other loans — unsecured	長期其他貸款 — 無抵押	1.20–8.43	2023–2026 二零二三年至 二零二六年	994,846	1.20–7.80	2022–2026 二零二二年至 二零二六年	595,000
				6,271,742			6,754,171
				9,469,739			8,688,543
Interest-bearing bank and other borrowings denominated in	以下列貨幣計值的計息銀行及其他借款						
— RMB	— 人民幣			9,024,961			8,313,318
— United States dollars	— 美元			444,778			375,225
				9,469,739			8,688,543

28. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

28. 計息銀行及其他借款(續)

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Analysed into:	分析：		
Interest-bearing bank and other borrowings repayable:	應償還計息銀行及其他借款：		
Within one year	一年以內	**3,197,997**	1,934,372
In the second year	第二年	**2,011,492**	

上述有抵押計息銀行及其他借款以若干資產作抵押，其賬面值如下：

本集團為數人民幣2,599,726,000元(二零二零年：人民幣2,164,284,000元)的計息銀行及其他借款以本公司於若干附屬公司的投資作抵押。

本集團為數人民幣693,290,000元(二零二零年：人民幣1,427,068,000元)的計息銀行及其他借款由第二大股東擔保(附註36)。

29. SHARE CAPITAL
Shares

29. 股本
股份

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Authorised: 5,000,000,000 (2020: 5,000,000,000) ordinary shares of HK$0.01 each	法定： 5,000,000,000股 （二零二零年：5,000,000,000股） 每股面值0.01港元的普通股	**39,766**	39,766
Issued and fully paid: 2,139,735,000 (2020: 2,139,735,000) ordinary shares of HK$0.01 each	已發行及已繳足： 2,139,735,000股 （二零二零年：2,139,735,000股） 每股面值0.01港元的普通股	**17,125**	17,125

A summary of movements in the Company's share capital is as follows:

有關本公司股本變動的概要如下：

		Number of shares in issue 已發行股份數目	Issued capital 已發行資本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2021 and 31 December 2021	於二零二一年一月一日及二零二一年十二月三十一日	**2,139,735,000**	**17,125**	**1,717,384**	**1,734,509**

30. 儲備

本集團本年度及過往年度的儲備金額及其變動呈列於綜合財務報表第80頁的綜合權益變動表內。

31. DISPOSAL OF SUBSIDIARIES

In 2021, Chongqing Kangda disposed of its entire 90% interests in Xishui Kangda Environmental Treatment Co., Ltd., 100% interests in Shandong Fengmin Water Co.,Ltd., 80% interests in Pingdingshan Rulan New Energy Co., Ltd., and 100% interests in other six new energy companies, collectively referred to as "Nine companies". (In 2020, Chongqing Kangda disposed of its entire 70% interest in Guangdong Kangda Ecological Environmental Protection Industry Development Co., Ltd., hereafter referred to as "Guangdong Kangda").

31. 出售附屬公司

於二零二一年，重慶康達出售其於習水康達環境治理有限公司的全部90%權益、於山東豐民水務有限公司的100%權益、於平頂山市如藍新能源有限公司的80%權益，以及其他六間新能源公司的100%權益，統稱為「九間公司」。（二零二零年，重慶康達出售其於廣東康達生態環保產業發展有限公司的全部70%權益（稱為「廣東康達」））。

		Notes 附註	Nine Companies **九間公司** **2021** **二零二一年** **RMB'000** **人民幣千元**	Guangdong Kangda 廣東康達 2020 二零二零年 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	12	**47,463**	1,058
Contract assets	合約資產		**67,383**	–
Service concession intangible assets	無形資產 — 特許經營權		**38,942**	–
Deferred tax assets	遞延稅項資產		**1,747**	–
Trade and bills receivables	貿易應收款項及應收票據		**2,733**	2,497
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		**5,563**	120
Cash and cash equivalents	現金及現金等價物		**408**	3
Trade and bills payables	貿易應付款項及應付票據		**(86,520)**	–
Interest-bearing bank and other borrowings	計息銀行及其他借款		**(18,018)**	–
Other payables and accruals	其他應付款項及應計費用		**(33,439)**	(1,452)
Tax payable	應付稅項		**(5)**	–
			26,257	2,226
Group's share of net assets of disposed subsidiaries	本集團應佔已出售附屬公司資產淨值		**27,184**	1,558
Loss on disposal	出售虧損		**(4,530)**	(708)
			22,654	850
Satisfied by: Cash	以下列方式支付： 現金		**22,654**	850
Cash consideration	已收現金代價		**13,939**	850
Cash and bank balances disposed of	已出售現金及銀行結餘		**(408)**	(3)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	就出售附屬公司的現金及現金等價物淨流入		**13,531**	847

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB114,000 (2020: RMB558,000) and RMB114,000 (2020: RMB558,000), respectively, in respect of lease arrangements for office properties.

(b) Changes in liabilities arising from financing activities

2021

		Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Corporate bonds 公司債券 RMB'000 人民幣千元	Other payables and accruals* 其他應付款項及應計費用* RMB'000 人民幣千元
At 1 January 2021	於二零二一年一月一日	8,686,302	2,241	584,247	49,940
Changes from financing cash flows	融資現金流量變動	787,435	(243)	(576,016)	15,115
New leases	新租賃	–	114	–	–
Foreign exchange movement	外匯變動	(8,341)	–	–	–
Interest expense	利息開支	536,451	98	29,139	–
Interest paid classified as financing cash flows	分類為融資現金流量的已付利息	(516,300)	–	(37,370)	–
Disposal of subsidiaries, net of cash	出售附屬公司，扣除現金	(18,018)	–	–	–
At 31 December 2021	於二零二一年十二月三十一日	9,467,529	2,210	–	65,055

* Other payables and accruals mainly represent interest payable, dividend payable, and certain borrowings provided by related parties.

32. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就辦公室物業租賃安排的使用權資產及租賃負債的非現金添置分別為人民幣114,000元（二零二零年：人民幣558,000元）及人民幣114,000元（二零二零年：人民幣558,000元）。

(b) 融資活動產生的負債變動

二零二一年

* 其他應付款項及應計費用主要指應付利息、應付股息及若干由關聯方提供的借款。

32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities (Continued)

2020

	Interest-bearing bank and

32. 綜合現金流量表附註(續)

(b) 融資活動產生的負債變動(續)

二零二零年

(c) 租賃的現金流出總額

載於現金流量表的租賃現金流出總額如下：

33. CONTINGENT LIABILITIES

At the end of the year, the Group did not have any significant contingent liabilities.

33. 或然負債

於本年度末，本集團並無任何重大或然負債。

34. PLEDGE OF ASSETS

Details of the Group's bank and other loans, which are secured by the assets of the Group, are included in note 28 to the consolidated financial statements.

34. 資產抵押

有關以本集團資產擔保的本集團銀行及其他貸款詳情載於綜合財務報表附註28。

35. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

35. 承擔

於報告期末，本集團有以下資本承擔：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但尚未撥備	**198,144**	175,575

The Group had the following commitments with respect to service concession arrangements at the end of the year:

於本年度末，本集團有下列有關服務特許經營安排的承擔：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Contracted, but not provided for	已訂約但尚未撥備	**2,442,938**	2,775,662

36. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year:

36. 關聯方交易

(a) 除綜合財務報表其他部分所詳述的交易外，本集團於本年度與關聯方進行的重大交易如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Certain expenses of the Group paid by a non-controlling shareholder of:	由下列公司的非控股股東支付的本集團若干開支：		
Huizhou Kangda	惠州康達	**384**	–
Certain expenses of the Group paid by an associate:	由一家聯營公司支付的本集團若干開支：		
Zhongyuan Shuiwu	中原水務	**–**	15,075
Certain loans of the Group borrowed from an associate:	向一家聯營公司借入的本集團若干貸款：		
Zhongyuan Shuiwu	中原水務	**114,725**	83,855
Certain expenses paid by the Group for non-controlling shareholders of:	本集團為下列公司的非控股股東支付的若干開支：		
Shenyang Jinhai	沈陽近海	**–**	1,100
Jiaoling Kangda	蕉嶺康達	**499**	217
Pingdingshan City Bay	平頂山市海灣	**–**	100
Services provided to associates and a joint venture:	向聯營公司及一家合營企業提供的服務：		
Fuzhou Fuhe	撫州撫河	**140,717**	147,274
Zhongyuan Shuiwu	中原水務	**–**	33,303
Leping Hehu	樂平河湖	**49,685**	72,399
Gaomi Kangrui	高密康瑞	**749**	869
Services provided by an associate:	由一家聯營公司提供的服務：		
Eastern Sludge Treatment	東方生態清淤	**1,998**	300
Services provided by a subsidiary of a shareholder:	由股東的一家附屬公司提供的服務：		
Jiangxi Silver Dragon (i)	江西銀龍(i)	**69,256**	98,255
Services provided by the non-controlling shareholder of:	由下列公司的非控股股東提供的服務：		
Jiaoling Kangda	蕉嶺康達	**–**	1,740

36. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

(i) Jiangxi Silver Dragon Water Environment Construction Co., Ltd. (江西銀龍水環境建設有限責任公司) ("Jiangxi Silver Dragon") is a subsidiary of the largest shareholder of the Group. This related party transaction also constitutes a connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

The Group is contractually authorised to use a piece of land which is legally owned by the non-controlling shareholder of Jilin Kangda without charge, and such use also constitutes a related party transaction during the year.

The Group's interest-bearing bank and other borrowings in 2021 amounting to RMB693,290,000 (2020: RMB1,427,068,000) were secured by the second largest shareholder (note 28).

The above related party transactions were conducted in accordance with the terms mutually agreed between the parties.

36. 關聯方交易(續)

(a) (續)

(i) 江西銀龍水環境建設有限責任公司(「江西銀龍」)為本集團最大股東的附屬公司。該關聯方交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

本集團在合約上獲授權無償使用一塊由吉林康達非控股股東合法擁有的土地，使用該土地亦構成本年度的一宗關聯方交易。

二零二一年為數人民幣693,290,000元(二零二零年：人民幣1,427,068,000元)的本集團計息銀行及其他借款由第二大股東擔保(附註28)。

上述關聯方交易乃根據雙方協定的條款進行。

36. RELATED PARTY TRANSACTIONS (Continued)
(b) Outstanding balances with related parties

36. 關聯方交易(續)
(b) 與關聯方的未償還結餘

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Amounts due to non-controlling shareholders of:	應付以下公司非控股股東款項：		
Pingdingshan City Bay	平頂山市海灣	**50,337**	50,337
Jilin Kangda	吉林康達	**9,285**	11,000
Huizhou Kangda	惠州康達	**4,546**	4,162
Jiaoling Kangda	蕉嶺康達	**1,478**	1,478
Amounts due to associates:	應付以下聯營公司款項：		
Zhongyuan Shuiwu	中原水務	**55,499**	49,612
Eastern Sludge Treatment	東方生態清淤	**10,120**	9,622
Amounts due to the subsidiary of a shareholder:	應付股東的以下附屬公司款項：		
Jiangxi Silver Dragon	江西銀龍	**72,021**	55,305
Amounts due from non-controlling shareholders of:	應收以下公司非控股股東款項：		
Pingdingshan City Bay	平頂山市海灣	**10,649**	10,749
Weihai Kangda	威海康達	**43**	43
Jiaoling Kangda	蕉嶺康達	**1,686**	1,187
Shenyang Jinhai	沈陽近海	**1,100**	1,100
Amounts due from associates:	應收以下聯營公司款項：		
Zhongyuan Shuiwu	中原水務	**124,217**	132,758
Fuzhou Fuhe	撫州撫河	**150,339**	67,100
Leping Hehu	樂平河湖	**49,234**	29,809
Amounts due from joint ventures:	應收以下合營企業款項：		
Tianqiyuan	天齊淵	**22,575**	22,575
Gaomi Kangrui	高密康瑞	**18,083**	17,334

36. RELATED PARTY TRANSACTIONS (Continued)

(c) Compensation of key management personnel of the Group

36. 關聯方交易 (續)

(c) 本集團主要管理層人員的薪酬

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	1,354	1,353
Total compensation paid to key management personnel	支付予主要管理層人員的薪酬總額	1,354	1,353

Further details of directors' emoluments are included in note 8 to the consolidated financial statements.

董事酬金的進一步詳情載於綜合財務報表附註8。

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

37. 按類別劃分的金融工具

於報告期末，各類別金融工具的賬面值如下：

31 December 2021

二零二一年十二月三十一日

Financial assets

金融資產

		Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益的金融資產 RMB'000 人民幣千元	Financial assets at amortised cost 按攤銷成本計量的金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	248,000	–	248,000
Loans to a joint venture	向一家合營企業的貸款	–	18,083	18,083
Financial receivables	金融應收款項	–	10,978,212	10,978, 212
Trade and bills receivables	貿易應收款項及應收票據	–	1,776,560	1,776,560
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	–	747,600	747,600
Pledged deposits	抵押存款	–	333,870	333,870
Cash and cash equivalents	現金及現金等價物	–	289,898	289,898
		248,000	14,144,223	14,392,223

37. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

37. 按類別劃分的金融工具(續)

Financial liabilities

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及應付票據	2,056,815	2,056,815
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	218,902	218,902
Interest-bearing bank and other borrowings	計息銀行及其他借款	9,469,739	9,469,739
		11,745,456	11,745,456

31 December 2020 二零二零年十二月三十一日

Financial assets

金融資產

		Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益的金融資產 RMB'000 人民幣千元	Financial assets at amortised cost 按攤銷成本計量的金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	338,000	–	338,000
Loans to a joint venture	向一家合營企業的貸款	–	17,334	17,334
Financial receivables	金融應收款項	–	10,006,697	10,006,697
Trade and bills receivables	貿易應收款項及應收票據	–	1,527,023	1,527,023
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	–	653,673	653,673
Pledged deposits	抵押存款	–	215,550	215,550
Cash and cash equivalents	現金及現金等價物	–	430,262	430,262
		338,000	12,850,539	13,188,539

37. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

37. 按類別劃分的金融工具(續)

Financial liabilities

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及應付票據	2,059,928	2,059,928
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	199,116	199,116
Interest-bearing bank and other borrowings	計息銀行及其他借款	8,688,543	8,688,543
Corporate bonds	公司債券	584,247	584,247
		11,531,834	11,531,834

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

38. 金融工具公平值及公平值等級

本集團金融工具(其賬面值與公平值合理相若者除外)的賬面值及公平值如下：

		Carrying amounts 賬面值		Fair values 公平值	
		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Financial assets	**金融資產**				
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	**248,000**	338,000	**248,000**	338,000
Prepayments, other receivables and other assets, non-current portion	預付款項、其他應收款項及其他資產，非即期部分	**96,418**	148,590	**100,703**	166,353
Financial receivables, non-current portion	金融應收款項，非即期部分	**9,100,153**	8,313,899	**9,177,051**	8,375,726
		9,444,571	8,800,489	**9,525,754**	8,880,079
Financial liabilities	**金融負債**				
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	**62**	1,756	**59**	1,676
Interest-bearing bank and other borrowings (other than lease liabilities), non-current portion	計息銀行及其他借款(租賃負債除外)，非即期部分	**6,271,742**	6,754,171	**6,309,215**	6,918,418
Non-current corporate bonds	非即期公司債券	**–**	256,985	**–**	256,985
		6,271,804	7,012,912	**6,309,274**	7,177,079

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, other current financial assets, the current portion of financial receivables, the current portion of trade and bills payables, the current portion of financial assets included in prepayments, other receivables and other assets, the current portion of loans to joint ventures and associates, the current portion of financial liabilities included in other payables and accruals, and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

管理層已評估，現金及現金等價物、抵押存款、貿易應收款項及應收票據、其他流動金融資產、金融應收款項的即期部分、貿易應付款項及應付票據的即期部分、計入預付款項、其他應收款項及其他資產的金融資產的即期部分、向合營企業及聯營公司貸款的即期部分、計入其他應付款項及應計費用的金融負債的即期部分以及計息銀行及其他借款的即期部分的公平值均與其賬面值相若，主要是由於該等工具於短期內到期。

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value disclosure of financial instruments. The finance manager reports directly to the chief financial officer. At the end of the year, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of financial receivables, prepayments, other receivables and other assets, trade and bills payables, interest-bearing bank and other borrowings, and corporate bonds have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risks for trade and bills payables, interest-bearing bank and other borrowings, and corporate bonds as at the end of the year were assessed to be insignificant.

The fair values of unlisted equity investments designated at fair value through other comprehensive income have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as price to book value (P/B), for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by book value measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding P/B of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

38. 金融工具公平值及公平值等級 (續)

由財務經理領導的本集團財務部負責釐定金融工具公平值披露的政策及程序。財務經理直接向財務總監報告。於本年度末，財務部分析金融工具的價值變動並釐定估值中適用的主要參數。估值由財務總監審閱及批准。

金融資產及負債的公平值按自願方於一項現行交易中交換有關工具的金額(強迫或清盤出售除外)列值。以下為估計公平值所用的方法及假設：

金融應收款項、預付款項、其他應收款項及其他資產、貿易應付款項及應付票據、計息銀行及其他借款的非即期部分及公司債券的公平值乃將預期未來現金流按具備相若條款、信用風險及剩餘有效期的工具目前適用的貼現率貼現而計算。於各年末，因本集團本身貿易應付款項及應付票據、計息銀行及其他借款及公司債券的違約風險而產生的公平值變動被評定為並不重大。

指定為按公平值計入其他全面收益的非上市股權投資的公平值乃採用基於市場的估值技術估算，該估值基於不可觀察的市場價格或利率支持的假設進行。估值要求董事根據行業、規模、槓桿及策略釐定可資比較公眾公司(同業)，並就所識別的各可資比較公司計算合適的價格倍數(如市賬率)。倍數的計算方法為按可資比較公司的企業價值除以賬面值計量計算。交易倍數其後根據公司特定事實及情況就可資比較公司之間的流動性不足及規模差異等考慮因素進行貼現。貼現倍數應用於非上市股權投資的相應市賬率以計量公平值。董事認為，估值技術產生的估計公平值(計入綜合財務狀況表)及公平值的相關變動(計入其他全面收益)屬合理，且為報告期末最合適的價值。

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

38. 金融工具公平值及公平值等級 (續)

公平值等級

下表說明本集團金融工具的公平值計量等級：

Assets measured at fair value:
As at 31 December 2021

按公平值計量的資產：
於二零二一年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價（第一級） RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值（第二級） RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值（第三級） RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	–	248,000	–	248,000

As at 31 December 2020

於二零二零年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價（第一級） RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值（第二級） RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值（第三級） RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益的股權投資	–	338,000	–	338,000

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Assets for which fair values are disclosed:

As at 31 December 2021

38. 金融工具公平值及公平值等級 (續)

公平值等級 (續)

已披露公平值的資產：

於二零二一年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Prepayments, other receivables and other assets, non-current portion	預付款項、其他應收款項及其他資產，非即期部分	–	100,703	–	100,703
Financial receivables, non-current portion	金融應收款項，非即期部分	–	9,177,051	–	9,177,051
		–	9,277,754	–	9,277,754

As at 31 December 2020 於二零二零年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Prepayments, other receivables and other assets, non-current portion	預付款項、其他應收款項及其他資產，非即期部分	–	166,353	–	166,353
Financial receivables, non-current portion	金融應收款項，非即期部分	–	8,375,726	–	8,375,726
		–	8,542,079	–	8,542,079

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities for which fair values are disclosed:

As at 31 December 2021

38. 金融工具公平值及公平值等級 (續)

公平值等級 (續)

已披露公平值的負債：

於二零二一年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	–	59	–	59
Interest-bearing bank and other borrowings (other than lease liabilities), non-current portion	計息銀行及其他借款（租賃負債除外），非即期部分	–	6,309,215	–	6,309,215
		–	6,309,274	–	6,309,274

As at 31 December 2020 於二零二零年十二月三十一日

		Fair value measurement using 公平值計量採用			
		Quoted prices in active markets (Level 1) 活躍市場的報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Trade and bills payables, non-current portion	貿易應付款項及應付票據，非即期部分	–	1,676	–	1,676
Interest-bearing bank and other borrowings (other than lease liabilities), non-current portion	計息銀行及其他借款（租賃負債除外），非即期部分	–	6,918,418	–	6,918,418
Non-current corporate bonds	非即期公司債券	–	256,985	–	256,985
		–	7,177,079	–	7,177,079

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, corporate bonds, cash and cash equivalents and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and

39. 財務風險管理目標及政策

本集團的主要金融工具包括計息銀行及其他借款、公司債券、現金及現金等價物及抵押存款。該等金融工具主要用於為本集團的經營籌集資金。本集團擁有直接來自其運營的多種其他金融資產及負債，如金融應收款項、貿易應收款項及應收票據及貿易應付款項及應付票據。

本集團金融工具產生的主要風險為利率風險、信用風險、流動資金風險及外幣風險。一般而言，本公司高級管理層會定期召開會議分析及制定措施，管理本集團面臨的該等風險。此外，本公司董事會定期召開會議分析及批准本公司高級管理層提呈的建議。一般而言，本集團於其風險管理中採取保守策略。由於本集團將該等風險維持在最低水平，故本集團未使用任何衍生工具及其他工具作對沖用途。本集團並無持有或發行用作交易的衍生金融工具。本公司董事會檢討及批准管理該等風險的政策，其概要如下。

39. 財務風險管理目標及政策(續)

(a) 利率風險

本集團承受主要與本集團按浮動利率計息的長期債務責任有關的市場利率變動的風險。

本集團會定期審閱及監察固定及浮動利率借款的組合，以管理其利率風險。本集團的計息銀行及其他借款、公司債券、抵押存款和現金及現金等價物乃按攤銷成本列賬，且不會定期重估其價值。浮動利率利息收入及開支乃於賺取／產生時在損益計入／扣除。

截至二零二一年及二零二零年十二月三十一日止年度，如市場利率全面[illegible]

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk

The carrying amounts of cash and cash equivalents, pledged deposits, trade and bills receivables, financial receivables and financial assets included in prepayments, other receivables and other assets represent the Group's maximum exposure to credit risk in relation to these financial assets. Substantially all of the Group's cash and cash equivalents and pledged deposits are held in major financial institutions located in Mainland China and Hong Kong, which management believes are of high credit quality. The Group has policies to control the size of the deposits to be placed with various reputable financial institutions according to their market reputation, operating scale and financial background with a view to limiting the credit exposure to each financial institution to an acceptable level.

The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

As the Group's major customers are either PRC government authorities or agencies at the provincial and local levels or other state-owned enterprises, the Group believes that they are reliable and of high credit quality and hence, there is no significant credit risk with these customers. The senior management of the Company keeps reviewing and assessing the creditworthiness of the Group's existing customers on an ongoing basis.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 21 to the financial statements.

39. 財務風險管理目標及政策(續)

(b) 信用風險

現金及現金等價物、抵押存款、貿易應收款項及應收票據、金融應收款項及計入預付款項、其他應收款項及其他資產的金融資產的賬面值為本集團就該等金融資產所承受的最大信用風險。本集團絕大部分現金及現金等價物和抵押存款乃存放於位於中國內地及香港且管理層相信具有高信貸質素的主要金融機構。本集團設有政策根據不同知名金融機構的市場聲譽、運營規模和財政背景控制將存放於該等金融機構的存款數量，旨在將各金融機構的信用風險限制在可接受水平。

本集團僅與獲認可且信用可靠的第三方進行交易。此外，會持續監察應收款項結餘，而本集團的壞賬風險不大。

由於本集團主要客戶為中國省級及地方政府機構或代理或其他國有企業，本集團相信彼等可信賴及具有高信用質素，故該等客戶並無重大信用風險。本公司高級管理層會不斷檢討及評估本集團現有客戶的信用可靠性。

有關本集團來自貿易應收款項的信用風險的進一步量化數據於財務報表附註21披露。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

39. 財務風險管理目標及政策(續)

(c) Liquidity risk

(c) 流動資金風險

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure.

本集團的流動資金主要依賴其維持充足經營現金流入以於到期時履行債務責任的能力及取得外部融資以履行已承擔未來資本開支的能力。

The maturity profile of the Group's financial liabilities at the end of the year, based on the contractual undiscounted payments, is as follows:

於本年度末，本集團的金融負債根據合約未貼現付款劃分的到期狀況如下：

		31 December 2021 二零二一年十二月三十一日				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 5 years 2至5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease liabilities	租賃負債	318	318	353	1,491	2,480
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他借款（不包括租賃負債）	3,556,576	2,138,775	2,933,013	2,120,863	10,749,227
Trade and bills payables	貿易應付款項及應付票據	2,056,753	62			

ID 21656 >>BDC BT /T1_0 1 Tf 7.65 0 0 9 3

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk (Continued)

39. 財務風險管理目標及政策(續)

(c) 流動資金風險(續)

		31 December 2020 二零二零年十二月三十一日				
		Within 1 year 1年內 RMB'000 人民幣千元	1 to 2 years 1至2年 RMB'000 人民幣千元	2 to 5 years 2至5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Lease liabilities	租賃負債	318	318	486	1,609	2,731
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他借款（不包括租賃負債）	2,199,021	1,723,857	2,770,857	2,286,495	8,980,230
Corporate bonds	公司債券	358,975	35,275	104,344	251,556	750,150
Trade and bills payables	貿易應付款項及應付票據	2,058,172	1,756	–	–	2,059,928
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	199,116	–	–	–	199,116
		4,815,602	1,761,206	2,875,687	2,539,660	11,992,155

(d) Foreign currency risk

The Group has minimal transactional currency exposures as the majority of the subsidiaries of the Group operate in the PRC with most of the transactions denominated and settled in Renminbi ("RMB").

In addition, the Group has currency exposures from its cash and cash equivalents and interest-bearing bank borrowings. The Group manages foreign currency risk by closely monitoring the proportion of its non-Renminbi borrowings and assets.

(d) 貨幣風險

由於本集團大部分附屬公司在中國經營業務，且大部分交易以人民幣(「人民幣」)計值及結算，故本集團的交易貨幣風險甚微。

此外，本集團因其現金及現金等價物以及計息銀行借款而面臨貨幣風險。本集團透過密切監察其非人民幣借貸及資產的比例管理貨幣風險。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Foreign currency risk (Continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB/HK$ and RMB/USD exchange rates, with all other variables held constant, of the Group's profit before tax and the Group's equity.

39. 財務風險管理目標及政策(續)

(d) 貨幣風險(續)

下表顯示在所有其他變數維持不變的情況下，本集團除稅前溢利及本集團權益於報告期末對人民幣／港元及人民幣／美元匯率的合理可能變動的敏感度。

		Increase/ (decrease) in profit before tax 除稅前溢利增加／(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity* 權益增加／(減少)* RMB'000 人民幣千元
2021	**二零二一年**		
If the RMB weakens against the USD by 5%	倘人民幣兌美元貶值5%	**(18,472)**	**(18,472)**
If the RMB strengthens against the USD by 5%	倘人民幣兌美元升值5%	**18,472**	**18,472**
If the RMB weakens against the HK$ by 5%	倘人民幣兌港元貶值5%	**22**	**22**
If the RMB strengthens against the HK$ by 5%	倘人民幣兌港元升值5%	**(22)**	**(22)**
2020	二零二零年		
If the RMB weakens against the USD by 5%	倘人民幣兌美元貶值5%	(18,598)	(18,598)
If the RMB strengthens against the USD by 5%	倘人民幣兌美元升值5%	18,598	18,598
If the RMB weakens against the HK$ by 5%	倘人民幣兌港元貶值5%	77	77
If the RMB strengthens against the HK$ by 5%	倘人民幣兌港元升值5%	(77)	(77)

* Excluding retained profits

* 不包括保留溢利

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Capital management

The Group's primary objectives for managing capital are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratio in order to support its business and maximise shareholders' value.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. No change was made in the objectives, policies or processes for managing capital during the year.

The Group monitors capital using a gearing ratio, which is net debt divided by the capital plus net debt. Net debt includes trade and bills payables, certain other payables and accruals, interest-bearing bank and other borrowings, corporate bonds less cash and cash equivalents and pledged deposits. Capital includes the equity attributable to owners of the parent and non-controlling interests as stated in the consolidated statement of financial position.

The Group's strategy is to maintain the gearing ratio at a healthy capital level in order to support its businesses. The principal strategies adopted by the Group include, but are not limited to, reviewing future cash flow requirements and the ability to meet debt repayment schedules when they fall due, maintaining a reasonable level of available banking facilities and adjusting investment plans and financing plans, if necessary. The gearing ratios at the end of the years were as follows:

39. 財務風險管理目標及政策(續)

(e) 資本管理

本集團資本管理的首要目標是保障本集團的持續經營能力及維持穩健的資本比率，以支持業務及為股東帶來最大價值。

本集團按風險比例設定資本金額。本集團根據經濟狀況變動及相關資產的風險特點管理及調整資本結構。為維持或調整資本結構，本集團或會調整派付予股東的股息金額、向股東歸還資本、發行新股份或出售資產以減少債務。於本年度，資本管理目標、政策或程序並無任何變動。

本集團以資本負債比率監管資本，該比率乃以債務淨額除以資本加債務淨額計算。債務淨額包括貿易應付款項及應付票據、若干其他應付款項及應計費用、計息銀行及其他借款、公司債券減現金及現金等價物及抵押存款。資本包括綜合財務狀況表所列母公司擁有人應佔權益及非控股權益。

本集團的策略為維持資產負債比率在穩健資本水平，以支持其業務。本集團採取的主要策略包括但不限於檢討未來現金流量要求及於債務到期時按時間表還款的能力、維持可動用銀行融資在合理水平以及調整投資計劃及融資計劃(如有需要)。於各年末的資產負債比率如下：

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(e) Capital management (Continued)

39. 財務風險管理目標及政策(續)

(e) 資本管理(續)

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
Trade and bills payables (note 26)	貿易應付款項及應付票據(附註26)	**2,056,815**	2,059,928
Other payables and accruals (note 27)	其他應付款項及應計費用(附註27)	**278,183**	240,179
Interest-bearing bank and other borrowings (note 28)	計息銀行及其他借款		

數千元對C]TJpan <</MCID 22037->>BDC B4 /C0 1 1 Tf 9 0 0 9 2870 Tw .126 523.7002 Tm484807>Tj 1.02CAF <025B06

40. 報告期後事項

於二零二一年十二月三十一日後並無發生其他重大事項。

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

41. 本公司財務狀況表

報告期末本公司財務狀況表的資料如下：

		2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元
NON-CURRENT ASSETS	**非流動資產**		
Investments in subsidiaries	於附屬公司的投資	**1,217,802**	1,217,802
Total non-current assets	非流動資產總值	**1,217,802**	1,217,802
CURRENT ASSETS	**流動資產**		
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	**1,014,758**	1,059,121
Cash and cash equivalents	現金及現金等價物	**470**	2,431
Total current assets	流動資產總值	**1,015,228**	1,061,552
CURRENT LIABILITIES	**流動負債**		
Other payables and accruals	其他應付款項及應計費用	**195,548**	199,505
Interest-bearing bank and other borrowings	計息銀行及其他借款	**105,199**	–
Total current liabilities	流動負債總額	**300,747**	199,505
NET CURRENT ASSETS	**流動資產淨值**	**714,481**	862,047
TOTAL ASSETS LESS CURRENT LIABILITIES	**資產總值減流動負債**	**1,932,283**	2,079,849

41. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

41. 本公司財務狀況表(續)

附註：

本公司儲備的概要如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Retained profits/ (accumulated losses) 保留溢利／（累計虧損） RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於二零二零年一月一日	1,643,661	65,553	12,356	1,721,570
Share options exercised during the year	年內已行使的購股權	73,723	–	–	73,723
Loss for the year	年內虧損	–	–	(80,245)	(80,245)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	1,717,384	65,553	(67,889)	1,715,048
Loss for the year	年內虧損	–	–	**(39,031)**	**(39,031)**
At 31 December 2021	於二零二一年十二月三十一日	**1,717,384**	**65,553**	**(106,920)**	**1,676,017**

42. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 March 2022.

42. 批准綜合財務報表

該等綜合財務報表於二零二二年三月二十八日獲董事會批准及授權刊發。

Financial Summary
財務概要

A summary of the results and of the assets, liabilities and total equity of the Group for the last five financial years is as set below:

本集團最近五個財政年度的業績以及資產、負債及權益總額概要載列如下：

RESULTS
業績

		Year ended 31 December 截至十二月三十一日止年度				
		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益	**2,918,958**	3,332,432	2,815,203	3,021,327	2,523,940
Profit before tax	除稅前溢利	**550,245**	607,539	509,841	455,691	536,796
Income tax	所得稅	**132,064**	137,282	125,770	145,801	109,187
Profit for the year	年內溢利	**418,181**	470,257	384,071	309,890	427,609
Other comprehensive income	其他全面收益	**(76,500)**	(21,250)	(107,100)	(112,200)	99,450
Total comprehensive income for the year	年內全面收益總額	**341,681**	449,007	276,971	197,690	527,059
PROFIT ATTRIBUTABLE TO:	以下人士應佔溢利：					
Shareholders of the Company	本公司股東	**412,752**	470,488	376,868	303,350	414,448
Non-controlling interests	非控股權益	**5,429**	(231)	7,203	6,540	13,161
		418,181	470,257	384,071	309,890	427,609
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:	以下人士應佔全面收益總額：					
Shareholders of the Company	本公司股東	**336,252**	449,238	269,768	191,150	513,898
Non-controlling interests	非控股權益	**5,429**	(231)	7,203	6,540	13,161
		341,681	449,007	276,971	197,690	527,059

Financial Summary
財務概要

ASSETS, LIABILITIES AND TOTAL EQUITY 資產、負債及權益總額

		As at 31 December 於十二月三十一日				
		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	**18,281,408**	17,645,830	16,698,491	16,525,227	15,235,594
Total liabilities	負債總額	**12,873,787**	12,527,632	12,104,339	12,203,554	11,028,733
NET ASSETS	資產淨值	**5,407,621**	5,118,198	4,594,152	4,321,673	4,206,861
Equity attributable to shareholders of the Company	本公司股東應佔權益	**5,270,006**	4,918,730	4,395,102	4,114,653	4,003,314
Non-controlling interests	非控股權益	**137,615**	199,468	199,050	207,020	203,547
TOTAL EQUITY	權益總額	**5,407,621**	5,118,198	4,594,152	4,321,673	4,206,861