

CIRCULATION  
OF CLEAN WATER  
循环洁净水源

**2018**  
ANNUAL  
REPORT  
年度报告





## Design Concept 设计概念

This cover design is themed with “**Circulation of Clean Water**”. It vividly outlines the process of Everbright Water’s water environment management solutions, in which a green leaf in the shape of a water droplet is condensing at the end of the waterway after going through multiple rounds of treatment. This illustrates Everbright Water’s commitment to creating a greener future by focusing on the water environment management sector.

本封面设计以“**循环洁净水源**”为主题。以图像的手法层层描绘出光大水务水环境综合治理方案的工序流程。经过重重处理后的水，在水管出口处形成了一块水滴形状的绿叶，寓意光大水务致力在水环境综合治理领域创造绿色未来。

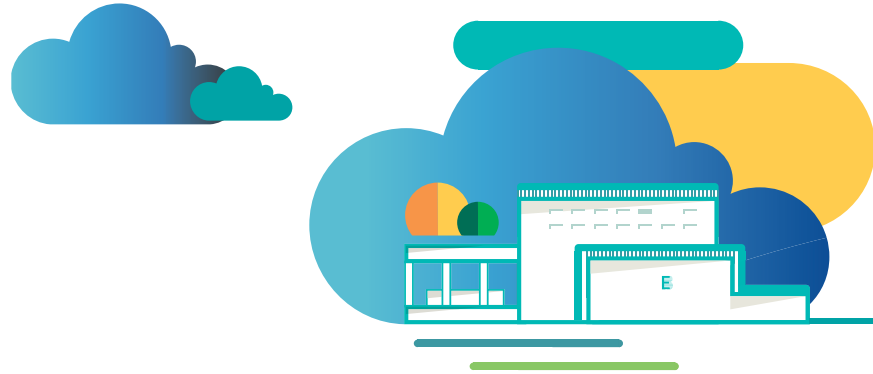


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STEADY GROWTH  
ACCUMULATED BY  
EXPERIENCE

点滴累积 稳步增长





China Everbright Water Limited (“**Everbright Water**” or the “**Company**”, together with its subsidiaries, the “**Group**”) is an environmental protection company focusing on water environment management. The Company is listed on the Mainboard of Singapore Exchange Securities Trading Limited (the “**SGX**” or the “**SGX-ST**”) (stock code: U9E) with its direct controlling shareholder being China Everbright International Limited (stock code: 00257. HK, “**Everbright International**”).

The Company is principally engaged in water environment management, sponge city construction, river-basin ecological restoration, water supply, waste water treatment, reusable water, waste water source heat pump, sludge treatment and disposal, research and development of water technologies, and engineering and construction, etc. The Company’s geographical footprint spans across East, Central, South, North, Northeast and Northwest China, including Beijing, Jiangsu, Shandong, Shaanxi, Henan, Hubei, Guangxi Zhuang Autonomous Region, Liaoning and Inner Mongolia Autonomous Region. As at 31 December 2018, the Company invested in and operated water treatment projects with a designed daily water treatment capacity exceeding 5 million m<sup>3</sup>.

With the experienced management team, the Company will seize opportunities and strive to emerge as a leader in China’s water environment management sector.

中国光大水务有限公司（“**光大水务**”或“**本公司**”，连同其附属公司合称“**本集团**”）是以水环境综合治理业务为主业的环保集团，为新加坡证券交易有限公司（“**新交所**”）主板上市公司（上市编号：U9E），直接控股股东为中国光大国际有限公司（香港交易所上市编号：00257，“**光大国际**”）。

本公司主营业务包括：水环境综合治理、海绵城市建设、流域治理、供水、污水处理、中水回用、污水源热泵、污泥处理处置以及环保水务技术研发和工程建设等，业务分布于中国华东、华中、华南、华北、东北及西北地区，包括北京、江苏、山东、陕西、河南、湖北、广西、辽宁、内蒙古等省市自治区。截至二零一八年十二月三十一日，本公司投资建设及运营管理的水处理项目设计规模逾500万立方米/日。

在经验丰富的管理团队的带领下，光大水务将紧抓行业机遇，全力以赴，致力推动本公司成为中国水环境综合治理领域的翘楚。



# CHAIRMAN'S STATEMENT

## 董事长致辞



**MR. WANG TIANYI**

**王天义先生**

Non-Executive Director and Chairman  
非执行董事兼董事长

### Dear Valued Shareholders,

2018 represented an eventful yet challenging year. The global market experienced an increasingly critical macro environment and volatility, whilst the People's Republic of China ("PRC") faced with increasing downward pressure on its domestic economy and a complicated external environment. Nonetheless, 2018 was a fruitful year for the significant development and reform of the ecological and environmental protection industry, which is a prone counter-cyclical industry. The concept of ecological conservation, which had been included into the Constitution of the PRC, became a national objective; the Ministry of Ecology and Environment of the PRC was established to unify various responsibilities in relation to ecological and environmental protection; the National Conference on Environmental Protection was held and it rolled out a comprehensive plan for the battle against pollution and a series of fundamental and long-term initiatives. Undeniably, these will accelerate the rapid development of the ecological and environmental protection industry. Thus, the industry is well positioned at a growth stage and marching into a maturity stage.

### 尊敬的各位股东：

二零一八年是颇为不平静且具有挑战性的一年。全球宏观环境形势严峻，国际市场波动加剧，中国国内经济下行压力增大，外部环境错综复杂。然而，对于逆周期性较强的生态环保行业而言，这一年是具有跨时代意义的发展与变革之年。随着“生态文明”写入中国国家宪法，上升为国家最高意志；组建生态环境部，整合分散的生态环境保护职责；召开生态环境保护大会，全面部署打好污染防治攻坚战等一系列根本性、长远性工作的开展，推动生态环保行业快速发展。中国的生态环保行业正处于成长期迈向成熟期的重要阶段。





FOR THE YEAR UNDER REVIEW, THE GROUP RODE THROUGH THE CHALLENGES AND WEATHERED THE HEADWINDS FIRMLY, PROGRESSED STEADILY AND DELIVERED GOOD BUSINESS RESULTS.

回顾年度内，本集团以**坚实**的步伐  
**栉风沐雨，砥砺前行**，取得喜人的经营业绩。



On the other hand, with the tightening of industry regulations, the environmental protection industry ushered in an era of stringent standards and strong supervisions. Against the backdrop of the PRC's deleveraging strategy and elimination of unqualified public-private partnership (“PPP”) projects, many small and weak enterprises struggled with poor operating conditions and pressure from the discharge regulations. The environmental protection enterprises embarked on a development journey where “good money drives out bad”.

Amid the opportunities and challenges presented in the industry environment, the Group's development has gradually undergone a transformation from waste water treatment into a wider range of water business. During the year under review, the Group pursued its corporate mission of being “Devoted to Ecology and Environment for a Beautiful China” and continued its stability with good progress, change and improvement. The Group steadily promoted the healthy development of its water environment management business, adhered to the “Technology Leads Development” ethos and proactively expanded its core technology industrial chain. Concurrently, the Group strengthened its proficiency and efficiency in operations management and enhanced its brand image.

In terms of investment and financing, the Company, during the year under review, issued the second tranche of its RMB-denominated corporate bonds (“Panda Bonds”) with an aggregate principal amount of RMB800 million. The bond issue helped the Group further optimise its financing structure and make good use of financial leverage. In August 2018, the Company submitted an application for the proposed dual primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (“HKEx”), with an aim of attracting different investors, expanding shareholder base and promoting its long-term development.

另一方面，随着监管日渐趋严，环保行业迎来了高标准、强监管的时代，加上金融去杠杆、政府和社会资本合作（“PPP”）清库存等多重因素影响下，不少小弱散的企业面临着沉重的经营和排放监管压力，环保企业步入了“良币驱逐劣币”的发展时期。

面对机遇与挑战并存的行业环境，本集团的发展也逐渐从污水处理转变到泛水务业务。回顾年度内，本集团秉承“情系生态环境，筑梦美丽中国”的企业使命，保持了稳中有进、稳中有变、稳中向好的基本态势，稳步推进旗下水环境综合治理业务的健康发展，坚持科技引领发展，积极拓展核心技术产业链，同时强化运营管理水平 and 效率，加强品牌形象的建设与提升。

在投融资方面，本公司于回顾年度内完成了总规模8.00亿元人民币的第二期人民币计价公司债券（“熊猫债券”）的发行工作，进一步优化融资结构，合理运用财务杠杆。二零一八年八月，本公司申请于香港联合交易所有限公司（“港交所”）主板双重第一上市，旨在吸引不同投资者，扩大股东范围，促进企业长足发展。



# CHAIRMAN'S STATEMENT

## 董事长致辞

As an active participant in and contributor to the ecological and environmental management, the Group, during the year under review, proactively engaged in various social responsibility activities to develop strong mutual trust and interactive relations with its stakeholders and to work together with them towards the continuous improvement of the ecological environment. The Group also participated in the initiative launched by its direct controlling shareholder Everbright International to open up its environmental protection facilities for public visits. Furthermore, the Group planned to open up more operating water projects to the public in the next three years, with an aim of improving its project operation transparency and enhancing the understanding and support of the public on environmental protection facilities. In 2018, the Group's project companies received a total of more than 20,000 local or overseas visitors from all walks of life. This had further reinforced the Group's brand value and public reputation.

For the year under review, the Group rode through the challenges and weathered the headwinds firmly, progressed steadily and delivered good business results. With the stable operational performance and healthy financial position, the Company believes in sharing its fruitful results with the shareholders of the Company (**"Shareholders"**). In addition to the distribution of the interim dividend of SGD0.0049 per share to the Shareholders for the financial year ended 31 December 2018 (**"FY2018"**), the board of directors of the Company (the **"Board"**) recommended a final dividend of SGD0.0050 per share to the Shareholders for FY2018 (final dividend for FY2017: SGD0.0049 per share).

Being the 70th anniversary of founding of the PRC, 2019 is a crucial year towards winning the battle against pollution and building a moderately prosperous society in all respects. The Group believes that the water environment management sector and the ecological and environmental protection industry will continue their rapid development. Following the effective implementation of the *Water Pollution Prevention and Control Plan* (also known as the "Clean Water Action Plan"), the industrial waste water treatment projects and the upgrading projects of existing traditional municipal waste water treatment plants will experience increasing growth, whilst more new water projects will be seen in the areas of water environment management and black-odor water body treatment. The Group will stick to the development path towards "marketisation and professionalism" and navigate and steer through the challenging market landscape.

作为生态环境治理的积极参与者和贡献者，本集团于回顾年度内积极通过形式多样的社会责任活动，与持份者建立良好的互信、互动关系，共同推进生态环境的持续改善。本集团还参与了直接控股股东光大国际的环保设施整体向公众开放倡议，计划于未来三年内向民众陆续开放旗下多个运营项目，提升项目运营透明度，增强民众对环保设施的了解和认可。二零一八年，本集团旗下各项目累计接待逾2万名国内外社会各界人士前来考察和交流，进一步加强光大水务的品牌价值和公众口碑。

回顾年度内，本集团以坚实的步伐栉风沐雨，砥砺前行，取得喜人的经营业绩。在稳健经营业绩和健康财务状况的基础上，本公司坚持贯彻“与股东共享企业发展成果”的理念，继派发截至二零一八年十二月三十一日止的财政年度（**"二零一八财政年度"**）中期每股股息0.0049新加坡元后，本公司董事会（**"董事会"**）建议向本公司股东（**"股东"**）派发二零一八财政年度末期每股股息0.0050新加坡元（二零一七财政年度末期每股股息：0.0049新加坡元）。

新的一年是新中国成立七十周年之际，也是打好污染防治攻坚战、决胜全面建成小康社会的关键之年。本集团相信，水环境治理行业乃至整个生态环保行业仍将快速蓬勃发展。随着《水污染防治行动计划》（又称“水十条”）的有效推进，现有传统市政污水处理项目的提标改造工程及工业污水处理项目的发展空间将进一步提升，更多的新建水务项目将显现在水环境整治领域及黑臭水体整治领域中。本集团将坚持“市场化、专业化”的发展路线，在富有挑战的市场环境中掌好舵、扬好帆、领好航。



# CHAIRMAN'S STATEMENT

## 董事长致辞



On behalf of the Board, I would like to express my deepest appreciation to the Shareholders, the Board members and our business partners for the continued trust and support. I would also like to take this opportunity to thank the management team (the **“Management”**) and employees for their unwavering commitment and hard work in contributing towards the growth of the Group. The Board will give full support to the Management and join hands with all staff, so as to enhance the Group's strengths and excellence in the rapidly changing market and to deliver value to the Shareholders and give back to the society.

本人谨代表董事会对本公司各位股东、董事会成员以及商业合作伙伴一直以来的信任与支持致以诚挚谢意，亦要借此机会感谢管理团队（**“管理层”**）及全体员工对本集团发展的坚定支持和宝贵贡献。本公司董事会将全力支持管理层，与广大员工携手奋进，上下一心，致力在瞬息万变的市场环境中继续做强做优，努力回报股东、回馈社会。

### MR. WANG TIANYI

Non-Executive Director and Chairman

14 March 2019

### 王天义先生

非执行董事兼董事长

二零一九年三月十四日



# CEO'S STATEMENT & BUSINESS REVIEW

## 总裁致辞及业务回顾



**MR. AN XUESONG**

**安雪松先生**

Executive Director and CEO

执行董事兼总裁

HK\$4.768 billion  
47.68亿港元

Revenue for FY2018  
二零一八财政年度收入

 **33%**  
Revenue increased by  
收入增加

 **27%**  
Profit increased by  
盈利增长

### Dear Valued Shareholders,

Over the past year, China's ecological and environmental protection industry experienced opportunities and challenges arising from favourable policies and stringent regulations. Supported by the promulgation and implementation of various key environmental protection policies in the recent years, China enhanced its efforts in promoting ecological and environmental protection to win the battle for blue sky, clear water and clean soil. In addition to the tightening of regulatory enforcement, these provide clearer directions and more stringent regulatory guidance for future industry growth, ranging from the water environment management sector to the ecological and environmental protection industry.

### 尊敬的各位股东：

在刚刚过去的一年里，随着政策利好、监管趋严，中国生态环保行业充满机遇也面临挑战。在近年来多项重磅环保政策陆续出台和实施的基础上，中国围绕全面加强生态环境保护打响了蓝天、碧水、净土保卫战，加上环保督查力度不断加大，为整个生态环保行业及水环境治理等细分行业，勾勒出更明确的发展方向和更严格的业务规范指引。

# CEO'S STATEMENT & BUSINESS REVIEW

## 总裁致辞及业务回顾



During the year under review, the Group was devoted to the comprehensive management of water environment, the comprehensive utilisation of water resources and the comprehensive protection of water ecology. By harnessing its strengths in the areas of investment, construction, operation, management, technology, talent and branding, the Group achieved steady progress and maintained a good growth momentum. During the year under review, the Group's revenue increased by 33% over FY2017 to HK\$4.768 billion; gross profit grew by 32% over FY2017 to HK\$1.624 billion; profit increased by 27% over FY2017 to HK\$737 million; and profit attributable to the Shareholders increased by 32% over FY2017 to HK\$676 million, with earnings per share of HK\$0.256. As at 31 December 2018, the gearing ratio stood at 55.8%, demonstrating the Group's reasonable debt level and good financial position.

With an aim of promoting its long-term development, the Company, during the year under review, applied for a listing of its shares on the Main Board of HKEx to achieve a dual primary listing status in both Singapore and Hong Kong. The dual listing process is currently underway smoothly. Separately, following the receipt of approvals to issue Panda Bonds to qualified investors in China and the successful issuance of first tranche of Panda Bonds in 2017, the Company, during the year under review, issued the second tranche of Panda Bonds with an aggregate principal amount of RMB800 million to further broaden the Group's financing channels. The second tranche bond issue also enabled the Group to explore the green bond market and gain valuable experience.

During the year under review, whilst providing strong support to its technological research and development ("R&D") and industrial-academic research collaboration model, the Group explored opportunities and made good progress in enhancing its core technology industrial chain. It set up a joint-venture company in Germany, namely E+B Umwelttechnik GmbH, with an aim of establishing overseas business channels and enabling its core technologies to achieve the international standards; it jointly incorporated Hebei Xiong'an Huashen Water Engineering Technology Limited with its partners and acquired Xuzhou Municipal Engineering Design Institute Co., Ltd., expanding the Company's business chain, diversifying its business areas and creating a new potential source of profit growth. In 2018, the Group was granted a total of 27 patents.

回顾年度内，本集团围绕水环境综合治理、水资源综合利用与水生态综合保护，凭借投资、建设、运营、管理、技术、人才、品牌等方面的优势，稳中有进，保持良好发展势头。回顾年度内，本集团录得收入47.68亿港元，较二零一七财政年度上升33%；毛利较二零一七财政年度增长32%至16.24亿港元；盈利较二零一七财政年度增长27%至7.37亿港元。股东应占盈利较二零一七财政年度增长32%至6.76亿港元；每股盈利为0.256港元。截至二零一八年十二月三十一日，资产负债率为55.8%，显示出本集团合理的负债水平和良好的财务状况。

为促进企业长足发展，本公司于回顾年度内申请于港交所主板上市，以取得在新加坡与香港的双重第一上市地位；双重上市事宜正稳步推进。此外，继二零一七年获批向中国境内合格投资者发行首支熊猫债券并成功发行首期熊猫债券后，本公司于回顾年度内完成发行总规模8.00亿元人民币的第二期熊猫债券，进一步拓宽本集团的融资渠道，并初次涉足绿色债券领域，积累宝贵经验。

回顾年度内，本集团在大力支持技术研发及“产学研”合作的同时，深入探索完善核心技术产业链并取得实质进展，包括：成立德国合资公司E+B Umwelttechnik GmbH，搭建海外业务渠道，推动本公司核心技术与国际接轨；与商业伙伴共同组建河北雄安华深水务工程技术有限公司，整体收购江苏省徐州市市政设计院有限公司，延伸本公司业务链条，丰富本公司业务领域，亦有助创造新的利润增长点。专利方面，本集团于二零一八年共获得27项专利授权。





# CEO'S STATEMENT & BUSINESS REVIEW

## 总裁致辞及业务回顾

As at 31 December 2018, Everbright Water held a total number of 111 projects, which commanded an aggregate investment of approximately RMB18.7 billion, including: 87 municipal waste water treatment projects, 7 industrial waste water treatment projects, 1 leachate treatment project, 6 water environment management projects, 3 water supply projects, 5 reusable water projects and 2 waste water source heat pump projects. As at 31 December 2018, the Group had a total daily designed water treatment capacity of more than 5 million m<sup>3</sup>, with its waste water source heat pump projects providing heating and cooling services over a service area of 295,000 m<sup>2</sup>.

In terms of market expansion, during the year under review, Everbright Water solidified its position in existing markets by securing 15 new projects and signing 4 supplementary agreements for existing projects, which command a total investment of approximately RMB3.579 billion and contribute an aggregate designed daily water treatment capacity of 476,600 m<sup>3</sup>. These projects include several upgrading and expansion projects and auxiliary facilities to the Group's existing projects, which laid a solid foundation for water treatment services with higher standards and efficiency in the future. In relation to project construction, 2018 marked an eventful year for the Group, with a total of 19 projects undergoing construction throughout the year. These included 9 projects that commenced construction and 9 projects that completed construction and commenced operations. Several projects also received construction subsidies of more than RMB56 million in total in 2018.

截至二零一八年十二月三十一日，本集团合共拥有87个生活污水处理项目、7个工业污水处理项目、1个渗滤液处理项目、6个水环境治理项目、3个供水项目、5个中水回用项目及2个污水源热泵项目，共计111个项目，涉及总投资额约187亿元人民币，总设计日水处理规模逾500万立方米，污水源热泵项目为29.5万平方米面积提供供热制冷服务。

市场拓展方面，本集团于回顾年度内深入巩固已有项目所在市场，共取得15个新项目并签署4个现有项目补充协议，涉及总投资额约35.79亿元人民币，新增日水处理规模47.66万立方米。新项目中包含多个现有项目的提标改造工程、扩建项目及配套设施，为项目未来提供更高标准、更高效的水处理服务奠定良好基础。工程建设方面，本集团迎来建设大年，旗下各项目工程建设有序推进，全年共有19个建设工程，其中9个项目开工建设，9个项目建成投运，多个建设工程获批专项补贴共逾5,600万元人民币。



# CEO'S STATEMENT & BUSINESS REVIEW

## 总裁致辞及业务回顾



In terms of operations management, Everbright Water continued enhancing the implementation of the Environmental, Safety, Health and Social Responsibility (“**ESHS**”) Management System and Risk Management System to ensure safe and efficient construction of its projects. In addition, the Group further promoted and implemented its “Intelligent Water” Management System at the project level and launched more pilot programs. Such implementation already demonstrated preliminary results. During the year under review, a total of 18 waste water treatment plants of the Group received regulatory approval for tariff hike.

In 2018, despite various pressures and challenges, the Group continued delivering good results. This was due to the strong collaboration and diligent efforts of all the employees of the Group. I would like to express my earnest appreciation to the Shareholders, the Board, the Management and the staff, as well as people from all social circles who have provided great support to the Group. Going forward, the Group will continue making great effort in various aspects, such as project investment, project construction, operations management, compliance with discharge standards, talent development, brand building, social responsibility, among others. I believe that, by leveraging on its many years of experience and competitive advantages in the water industry, the Group will remain focused, seize opportunities and make steady progress in the challenging and opportune industry environment. The Group will further enhance its overall strength and influence in the industry, and solidify its advantageous position, with an aim of facilitating the continuous improvement of the water environment and creating long-term returns for the Shareholders and investors.

**MR. AN XUESONG**

Executive Director and CEO

14 March 2019

运营管理方面，本集团继续推动环境、安全、健康及社会责任（“**ESHS**”）管理体系和风险管理体系的深入落实，为工程建设安全、高效开展保驾护航。此外，“智慧水务”管理体系在项目层面进一步试点和推广，已初见成效。回顾年度内，本集团共有18个污水处理厂获批上调水价。

二零一八年，本集团有赖全体员工上下一心、勤奋有为，纵然面临各种压力和挑战，仍然取得了不错的成绩。本人希望在此向本公司股东、董事会、管理层、各位员工以及大力支持本集团的社会各界人士表示衷心感谢。新的一年，本集团将继续全力以赴，扎实推进项目投资、工程建设、运营管理、达标排放、人才培养、品牌建设、社会责任等各项工作。我相信，凭借多年深耕水务行业的经验与优势，本集团在挑战与机遇并存的行业环境中，将保持定力、把握机遇、稳步向前，进一步增强综合实力和行业影响力，保持优势地位，继续为水环境的不断改善提供助力，为股东及广大投资者创造长期良好回报。

**安雪松先生**

执行董事兼总裁

二零一九年三月十四日

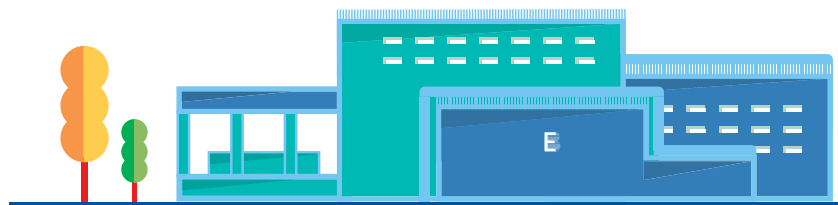




# CORPORATE INFORMATION

## 公司资料

BOARD OF DIRECTORS	董事会
<b>NON-EXECUTIVE DIRECTOR</b> Mr. Wang Tianyi ( <i>Non-Executive Director and Chairman</i> )	<b>非执行董事</b> 王天义先生 ( <i>非执行董事兼董事长</i> )
<b>EXECUTIVE DIRECTORS</b> Mr. An Xuesong ( <i>Executive Director and CEO</i> ) Mr. Luo Junling ( <i>Executive Director and CFO</i> )	<b>执行董事</b> 安雪松先生 ( <i>执行董事兼总裁</i> ) 罗俊岭先生 ( <i>执行董事兼首席财务官</i> )
<b>INDEPENDENT DIRECTORS</b> Mr. Zhai Haitao Mr. Lim Yu Neng Paul Ms. Cheng Fong Yee Ms. Hao Gang	<b>独立董事</b> 翟海涛先生 林御能先生 郑凤仪女士 郝刚女士
COMPANY SECRETARY	公司秘书
Ms. Peng Pei	彭珮女士
AUDIT COMMITTEE	审计委员会
Mr. Lim Yu Neng Paul ( <i>Chairman</i> ) Mr. Zhai Haitao Ms. Cheng Fong Yee Ms. Hao Gang	林御能先生 ( <i>主席</i> ) 翟海涛先生 郑凤仪女士 郝刚女士
NOMINATING COMMITTEE	提名委员会
Mr. Zhai Haitao ( <i>Chairman</i> ) Mr. Wang Tianyi Mr. Lim Yu Neng Paul	翟海涛先生 ( <i>主席</i> ) 王天义先生 林御能先生
REMUNERATION COMMITTEE	薪酬委员会
Ms. Cheng Fong Yee ( <i>Chairman</i> ) Mr. Wang Tianyi Mr. Zhai Haitao Mr. Lim Yu Neng Paul	郑凤仪女士 ( <i>主席</i> ) 王天义先生 翟海涛先生 林御能先生
STRATEGY COMMITTEE	战略委员会
Mr. Wang Tianyi ( <i>Chairman</i> ) Mr. An Xuesong Mr. Luo Junling Ms. Hao Gang	王天义先生 ( <i>主席</i> ) 安雪松先生 罗俊岭先生 郝刚女士
MANAGEMENT COMMITTEE	管理委员会
Mr. An Xuesong ( <i>Chairman</i> ) Mr. Luo Junling Mr. Wang Yuexing Mr. Wang Guanping Mr. Zhang Guofeng Mr. Sun Linbo Mr. Niu Kesheng	安雪松先生 ( <i>主席</i> ) 罗俊岭先生 王悦兴先生 王冠平先生 张国锋先生 孙林波先生 牛克胜先生



<b>REGISTERED OFFICE</b>	<b>注册地址</b>
Clarendon House, 2 Church Street Hamilton HM 11, Bermuda	Clarendon House, 2 Church Street Hamilton HM 11, Bermuda
<b>SHENZHEN OFFICE</b>	<b>深圳办公室</b>
26/F., Block A, Oriental Xintiandi Plaza No.1003 Shennan Avenue, Futian District, Shenzhen People's Republic of China 518000	中国深圳市福田区深南大道1003号 东方新天地广场A座26楼 邮编: 518000
<b>SINGAPORE OFFICE</b>	<b>新加坡办公室</b>
9 Battery Road, MYP Centre #20-02 Singapore 049910	新加坡百德里路9号MYP中心 #20-02室 邮编: 049910
<b>HONG KONG OFFICE</b>	<b>香港办公室</b>
Room 3601, 36/F., Far East Finance Centre 16 Harcourt Road, Hong Kong	香港夏悃道16号 远东金融中心36楼3601室
<b>BERMUDA SHARE REGISTRAR</b>	<b>百慕大股份过户登记处</b>
Conyers Corporate Services (Bermuda) Limited Clarendon House, 2 Church Street Hamilton HM 11, Bermuda	Conyers Corporate Services (Bermuda) Limited Clarendon House, 2 Church Street Hamilton HM 11, Bermuda
<b>SINGAPORE SHARE TRANSFER AGENT</b>	<b>新加坡股份转让代理</b>
Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623	宝德隆集团有限公司 新加坡莱佛士坊50号新置地大厦#32-01室 邮编: 048623
<b>AUDITOR</b>	<b>审计师</b>
Ernst & Young LLP One Raffles Quay North Tower, Level 18 Singapore 048583 Partner-in-charge: Mr. Alvin Phua Chun Yen (Appointed in Financial Year 2017)	Ernst & Young LLP 新加坡莱佛士码头1号 北座18楼 邮编: 048583 主管合伙人: 潘俊彦先生 (于二零一七财政年度获聘)
<b>PRINCIPAL BANKERS</b>	<b>主要银行</b>
Bank of China Limited China Construction Bank Corporation Agricultural Bank of China Limited Industrial and Commercial Bank of China Limited Bank of China (Hong Kong) Limited DBS Bank Limited CMB Wing Lung Bank Limited Mizuho Bank, Ltd. China Construction Bank (Asia) Corporation Limited Taipei Fubon Commercial Bank Co., Ltd. Far Eastern International Bank	中国银行股份有限公司 中国建设银行股份有限公司 中国农业银行股份有限公司 中国工商银行股份有限公司 中国银行(香港)有限公司 星展银行 招商永隆银行有限公司 瑞穗银行 中国建设银行(亚洲)股份有限公司 台北富邦商业银行有限公司 远东国际商业银行

TOGETHER TO  
ACHIEVE  
EXTRAORDINARY

携手共进 长效提升





In recent years, China's ecological and environmental protection industry has been gradually unleashing its potential for growth, given the continuous roll-out of relevant policies and the increasing demand for improvement of environment. In 2018, China carried out a series of fundamental and long-term initiatives relating to ecological conservation, such as: the inclusion of the ecological conservation concept into the Constitution of the PRC, the establishment of Ministry of Ecology and Environment of the PRC, and the convening of the National Conference on Environmental Protection, among others. The strategies relating to coordinated development among regions across China were smoothly implemented, such as the coordinated development of the Beijing-Tianjin-Hebei Region, the overall planning of the Xiong'an New Area, the development of the Yangtze River Economic Belt, and the construction of Guangdong-Hong Kong-Macao Greater Bay Area. These have positioned ecology and environment as a key development focus. Globally, as China further promotes its overseas development strategies like the "Belt and Road" initiative, the concept of ecological conservation has also been widely spread around the world. Under such top-down design and strategic planning, China's ecological and environmental protection industry has embraced a series of important changes and development opportunities.

On the other hand, with the tightening of industry regulations and enforcement, the "strict supervision" trend has become increasingly evident in the ecological and environmental protection industry. Due to the tightened financing environment for the industry resulted from the increasing economic downward pressure, environmental protection enterprises experience severe challenges, as many of them had stretched their balance sheet to fund development. Pressure came from various aspects for the industry, such as environmental management and financing channels. However, in the long run, these challenges would facilitate well-established enterprises to stand out among their peers during this round of industry consolidation and adjustment, and to gain more advantageous position for future growth.

In the meantime, the PRC government's enhanced effort in cleaning up the unqualified PPP projects in 2018 facilitated the regulation and standardisation of the PPP model.

近年来，随着生态环保政策不断出台、环境改善需求日渐增长，中国生态环保行业的发展空间逐步释放。二零一八年，国家围绕生态文明建设进行了一系列根本性、长远性的工作，包括将“生态文明”写入宪法，组建生态环境部，召开生态环境保护大会等。京津冀协同发展、雄安新区总体规划、长江经济带发展、粤港澳大湾区建设等遍及国家大江南北的区域协调发展战略稳步实施，将生态环境定位为核心要素之一。放眼海外，随着“一带一路”等国家海外发展战略的深入推进，生态文明理念亦得以推广至更广泛的地域范畴。在这样的顶层设计和战略规划之下，中国生态环保行业的发展迎来一系列重要变革和发展机遇。

另一方面，伴随着行业监管趋严、执法力度加强，整个生态环保行业的“强监管”趋势越来越明显；而经济下行压力加大，导致行业融资环境收紧，令环保企业依赖资产负债实现增长的发展路径受到严峻考验，面临来自环境管理、融资渠道等多重压力。但从长远来看，这些挑战有助促进那些真正有实力的“良币”企业在这轮行业调整中脱颖而出，占据更有利的发展优势。

与此同时，中国政府部门二零一八年加大力度整顿不规范的PPP项目，促进PPP模式正本清源、规范发展。



## CORPORATE OUTLOOK

### 公司展望

In relation to macroeconomic and industry trends, the water industry of China is expected to continue moving forward in the face of both challenges and opportunities. In terms of business development, the traditional business areas, such as municipal waste water treatment and water supply, have become mature after years of development and thus have relatively limited growth space for new projects amidst the intensified market competition; on the other hand, new business areas such as industrial waste water treatment, integrated water environment management and rural water environment management are expected to have bigger growth potential. In terms of business model, water business enterprises which have relied on asset-heavy models for growth over the years, are proactively exploring and implementing asset-light business models relating to technological R&D, engineering design and management, and etc., with an aim of boosting their capital utilisation efficiency and the overall returns. In respect of operations management, due to the tightened supervision and enhanced penalty measures, water business enterprises' operational costs have increased; as a result, the optimisation of management structure will become a key for the industry players to improve their operational efficiency and ensure compliance with relevant discharge standards. Last but not the least, from the aspect of funds for development, with the tightening of financing environment for the industry, smooth and diverse investment and financing channels would facilitate water business enterprises to overcome difficulties under the chilling capital market, and even help them grasp opportunities for new breakthroughs.

在宏观及行业大势之下，中国水务行业将继续在挑战与机遇中前行。业务发展方面，市政污水处理、供水等传统业务领域经过多年发展已较为成熟，新建项目的业务空间相对有限，竞争也更为激烈；但工业污水处理、水环境综合治理、农村水环境治理等新兴领域有望成为新的业务发展方向。业务模式方面，多年来倚重“重资产”模式的水务企业，近年来亦积极围绕技术研发、工程设计和管理等“轻资产”业务模式进行探索和实践，以提升资金利用效率，进而带动整体业务回报水平。运营管理方面，由于监管和处罚力度不断加大，业务运营成本将随之提升，如何通过优化管理架构提升运营效率、确保达标排放，将成为水务企业未来工作的重要方向。发展资金方面，鉴于行业融资环境收紧，投融资渠道畅通且多元化将有助企业在资本市场的寒冬中渡过难关，甚至有把握抓住机遇、实现新突破。







In the face of future challenges and opportunities, the Group will continue focusing on the comprehensive management of water environment, the comprehensive utilisation of water resources and the comprehensive protection of water ecology. It will enhance its penetration in traditional business areas and proactively explore new business areas, to improve both the depth and breadth of its business and to provide water environment management solutions with higher quality. Additionally, the Group will continue stepping up its effort in technological R&D and the industrial-academic research collaboration model, further improve its core technology industrial chain, and integrate its experience and qualification in the area of engineering design, so as to support the Group's future growth and increase its business growth points that are driven by asset-light business models. In response to the tightening of relevant discharge standards and regulatory requirements, Everbright Water will focus on strengthening its operations management skills and improve the level of intelligence of its management, to ensure the compliance of discharge standards, enhance the operational efficiency and ultimately boost the operation profit. Furthermore, the Group will continue opening up its environmental protection facilities for public visits, strengthening its interactions with the local communities, enhancing transparency of its business operations, and improving public recognition and trust of its "Everbright Water" corporate brand. Looking forward, Everbright Water will stay confident and forge ahead steadily, to promote the simultaneous growth of economic, social and environmental benefits and move towards its goal of becoming a leading player in China's water environment management sector.

面对未来的挑战与机遇，本集团将继续精专于水环境综合治理、水资源综合利用与水生态综合保护，深耕传统业务领域，积极探索新业务领域，实现业务深度和广度的发展，提供更优质的水环境治理解决方案；继续大力推动技术研发和“产学研”合作，进一步完善核心技术体系，整合工程设计等相关经验与资质，支撑公司未来的发展，增加“轻资产”模式的业务增长点；着力加强项目运营管理，提升管理的智能化水平，确保排放稳定达标、运营效率稳步提升，带动运营收益增长，从容应对不断提升的排放标准和监管要求；继续对民众开放旗下环保设施，加强与项目所在地社区的互动，提升业务运营的透明度，增强公众对“光大水务”品牌的认可和信赖。展望未来，本集团将坚定信心，勇敢前行，行稳致远，继续推动经济、社会和环境效益的同步提升，稳步朝向中国水环境治理领军者的目标迈进！



# FINANCIAL HIGHLIGHTS

## 财务摘要

### RESULTS | 业绩

	<b>FY2018</b> 二零一八财政年度 <b>HK\$'000</b> 千港元	FY2017 二零一七财政年度 <b>HK\$'000</b> 千港元	PERCENTAGE CHANGE FY2018 VS FY2017 二零一八财政年度对比 二零一七财政年度 变动百分比
Revenue 收入	<b>4,768,318</b>	3,591,633	33%
Gross Profit 毛利	<b>1,623,778</b>	1,230,587	32%
Profit for the Year 本年度盈利	<b>736,755</b>	580,793	27%
Profit Attributable to Shareholders 股东应占盈利	<b>676,459</b>	513,356	32%
Earnings per Share (HK\$) 每股盈利 (港元)	<b>0.256</b>	0.196	31%
Interim and Final Dividend per Share (SGD) 每股中期及末期股息 (新加坡元)	<b>0.0099</b>	0.0049	102%

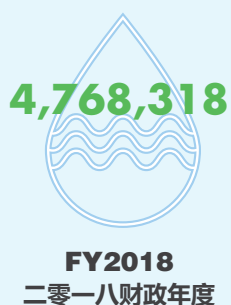
### FINANCIAL POSITION | 财务状况

	<b>31 DECEMBER 2018</b> 二零一八年十二月三十一日 <b>HK\$'000</b> 千港元	31 DECEMBER 2017 二零一七年十二月三十一日 <b>HK\$'000</b> 千港元	PERCENTAGE CHANGE 31 DECEMBER 2018 VS 31 DECEMBER 2017 二零一八年十二月三十一日对比 二零一七年十二月三十一日 变动百分比
Total Assets 总资产	<b>19,584,389</b>	18,047,919	9%
Total Liabilities 总负债	<b>10,920,692</b>	9,506,114	15%
Net Asset Value per Share (HK\$) 每股资产净值 (港元)	<b>2.98</b>	2.99	-0.3%
Gearing Ratio (Total Liabilities / Total Assets) 资产负债率 (总负债/总资产)	<b>55.8%</b>	52.7%	3.1ppt

ppt: percentage point  
百分点

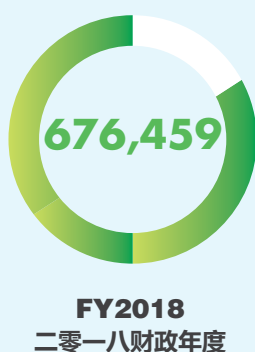
## REVENUE | 收入

HK\$'000 | 千港元



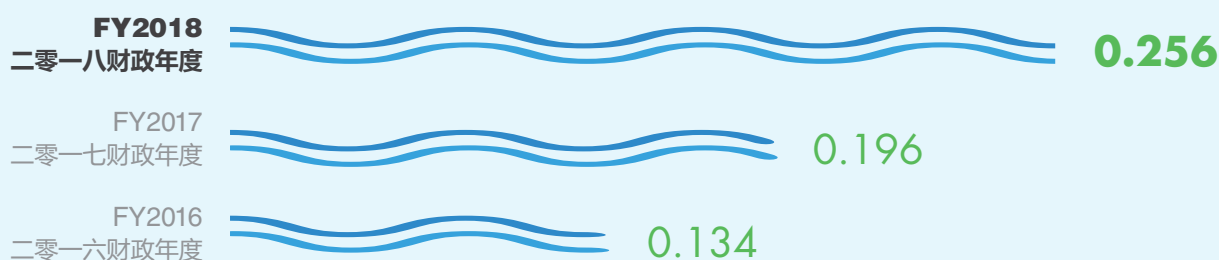
## PROFIT ATTRIBUTABLE TO SHAREHOLDERS | 股东应占盈利

HK\$'000 | 千港元



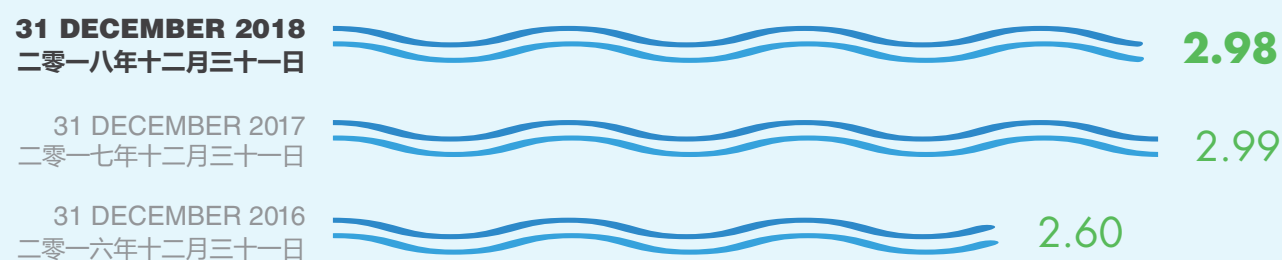
## EARNINGS PER SHARE | 每股盈利

HK\$ | 港元



## NET ASSET VALUE PER SHARE | 每股资产净值

HK\$ | 港元





## BOARD OF DIRECTORS 董事会成员

### MR. WANG TIANYI

Non-Executive Director and Chairman

**王天义先生**

**非执行董事兼董事长**

Mr. Wang is the Non-Executive Director and Chairman of the Company, as well as the Chairman of the Strategy Committee and a member of the Nominating Committee and the Remuneration Committee. He is also the Executive Director and Chief Executive Officer of China Everbright International Limited.

Mr. Wang was formerly the Dean of Shandong Academy of Science and the Deputy Mayor of Ji'nan City, Shandong Province. Mr. Wang had been the Vice President of Yantai University, and the Dean and Professor of the Economic Management Faculty of Yantai University, in Shandong Province.

Mr. Wang is currently a part-time professor of Tsinghua University and the Co-Director of the Center for Public-Private Partnership at Tsinghua University. He is also a member of the United Nations Economic Commission for Europe Public-Private Partnership Business Advisory Board, a member of the China Council for International Cooperation on Environment and Development, and a member of China Business Research Centre Advisory Council of the National University of Singapore.

Mr. Wang holds a Doctorate degree in Economics, a Master's degree in Management and a Bachelor's degree in Electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States.

王先生为本公司非执行董事兼董事长，战略委员会主席、提名委员会及薪酬委员会委员。王先生亦为中国光大国际有限公司执行董事兼行政总裁。

王先生曾任山东省科学院院长，山东省济南市副市长。彼亦曾任山东省烟台大学副校长、经管学院院长及教授。

王先生现任清华大学兼职教授和清华大学政府和社会资本合作研究中心的共同主任，联合国欧洲经济委员会政府和社会资本合作专家委员会委员，中国环境与发展国际合作委员会委员，以及新加坡国立大学中国商务研究中心咨询委员会委员。

王先生持有清华大学经济学博士、管理学硕士及电子学学士衔。彼亦曾在美国哈佛大学和加州大学学习深造。



## BOARD OF DIRECTORS 董事会成员

### MR. AN XUESONG

Executive Director and CEO

安雪松先生

执行董事兼总裁

Mr. An is the Executive Director and Chief Executive Officer (“**CEO**”) of the Company, as well as the Chairman of the Management Committee and a member of the Strategy Committee. He is also the Deputy General Manager of China Everbright International Limited.

Mr. An has comprehensive experience and knowledge in mergers and acquisitions, project investment and management, accounting management and risk management. Prior to joining the Company, Mr. An worked at the Municipal General Office of Jingzhou, Hubei Province, China Everbright Bank Ltd. and Guangdong Technology Venture Capital Group Ltd.

Mr. An holds a Master of Business Administration degree from Jinan University. He is a Certified Public Accountant in China and a Certified International Internal Auditor.

安先生为本公司执行董事兼总裁，管理委员会主席及战略委员会委员。安先生亦为中国光大国际有限公司副总经理。

安先生在兼并收购、项目投资与管理、财务管理及风险管理等方面具有丰富的经验。在加入本公司之前，彼曾在湖北省荆州市委办公室、中国光大银行、广东省粤科风险投资集团任职。

安先生持有暨南大学工商管理硕士衔。彼亦为中国注册会计师及国际注册内部审计师。





## BOARD OF DIRECTORS 董事会成员

### MR. LUO JUNLING

Executive Director and CFO

### 罗俊岭先生

执行董事兼首席财务官

Mr. Luo is the Executive Director and Chief Financial Officer (“**CFO**”) of the Company. He is also a member of the Strategy Committee and the Management Committee.

Mr. Luo has rich experience in accounting management and operations management. Mr. Luo was formerly the Vice President of the Company. Prior to joining the Company, Mr. Luo worked with China Construction Bank (Fujian Branch), Fuzhou Guang Min Road and Bridge Construction Co., Ltd., and Fujian Min Xing Accounting Firm.

Mr. Luo holds a Bachelor's degree in International Accounting from Shaanxi Institute of Finance and Economics. He is a Certified Public Accountant and a Certified Tax Agent in China.

罗先生为本公司执行董事兼首席财务官，战略委员会及管理委员会委员。

罗先生具有丰富之财务管理及运营管理经验。彼曾任本公司副总裁。在加入本公司之前，彼曾任职于中国建设银行（福建省分行）、福州光闽路桥建设有限公司以及福建闽兴会计师事务所。

罗先生毕业于陕西财经学院国际会计专业，具有中国注册会计师和中国注册税务师资格。



## BOARD OF DIRECTORS 董事会成员

**MR. ZHAI HAITAO**  
Independent Director

**翟海涛先生**  
独立董事

Mr. Zhai is the Independent Director of the Company, the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee. He is also the Independent Non-Executive Director of China Everbright International Limited and the President and Partner of Primavera Capital Group.

Mr. Zhai has extensive experience and knowledge in banking, capital market and management. He was formerly the Managing Director of Goldman Sachs Asia LLC and the Chief Representative of Goldman Sachs Beijing Office. Prior to joining Goldman Sachs, Mr. Zhai worked at the International Department of the People's Bank of China in Beijing, and was the Deputy Representative of the People's Bank of China Representative Office for the Americas based in New York.

Mr. Zhai holds a Master's degree in International Affairs from Columbia University, a Master of Business Administration degree from New York University and a Bachelor of Arts degree in Economics from Peking University.

翟先生为本公司独立董事，提名委员会主席、审计委员会及薪酬委员会委员。彼亦为中国光大国际有限公司之独立非执行董事及春华资本集团的总裁兼合伙人。

翟先生于银行、资本市场及企业管理方面拥有丰富的经验及知识。翟先生曾任职高盛亚洲有限责任公司董事总经理及高盛集团北京代表处首席代表。在任职高盛之前，翟先生曾在北京任职于中国人民银行总行国际司，并曾担任中国人民银行驻美洲代表处（纽约）副代表。

翟先生持有哥伦比亚大学国际关系硕士、纽约大学工商管理硕士以及北京大学经济学学士衔。



## BOARD OF DIRECTORS 董事会成员

**MR. LIM YU NENG PAUL**

Independent Director

**林御能先生**

**独立董事**

Mr. Lim is the Independent Director of the Company. He is also the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee.

Mr. Lim has over 25 years of banking experience with international investment banks including Morgan Stanley, Deutsche Bank, Salomen Smith Barney and Bankers Trust. He is currently the Managing Director and Head of Private Equity of SBI Ven Capital Pte. Ltd., and the Independent Director of Golden Energy and Resources Limited (listed on SGX) and Nippecraft Limited (listed on SGX).

Mr. Lim holds a Master of Business Administration degree in Finance and a Bachelor of Science degree in Computer Science from the University of Wisconsin, Madison, United States. He is also a Chartered Financial Analyst.

林先生为本公司独立董事，审计委员会主席、提名委员会及薪酬委员会委员。

林先生具有超过二十五年的银行业经验，彼曾在多家国际投资银行包括摩根士丹利、德意志银行、所罗门美邦及美国信孚银行任职。林先生现在为SBI Ven Capital Pte Ltd.董事总经理及SBI Ven Capital Pte Ltd.辖属私募基金主管，Golden Energy and Resources Limited（新交所上市）和Nippecraft Limited（新交所上市）独立董事。

林先生持有美国威斯康星大学金融工商管理硕士及计算机科学学士衔。彼亦为特许金融分析师。



## BOARD OF DIRECTORS 董事会成员

**MS. CHENG FONG YEE**

Independent Director

**郑凤仪女士**

独立董事

Ms. Cheng is the Independent Director of the Company. She is also the Chairman of the Remuneration Committee and a member of the Audit Committee.

Ms. Cheng has more than 20 years of experience in the insurance industry and is an Associate of the Australian Insurance Institute. She has been involved in major overseas insurance projects, particularly in the Asia Pacific region, and is actively involved in utilising insurance as a financial tool for project development. Ms. Cheng is currently the head of the Insurance Division of AsiaOne Insurance Agency Pte. Ltd. in Singapore and Executive Director (Principal Representative) of the Cambodia Branch of AsiaOne Insurance Agency Pte. Ltd. She also headed the Business Development Department of Aon Insurance Brokers, the biggest broking house in Asia, and managed the insurance division of the Singapore Technologies Group.

Ms. Cheng completed her insurance study at the Australian Insurance Institute.

郑女士为本公司独立董事，薪酬委员会主席及审计委员会委员。

郑女士具有超过二十年的保险行业从业经验，是澳洲保险协会会员。彼曾参与重大跨国尤其是亚太地区的保险项目并将保险作为金融工具用以支持项目发展。郑女士现为AsiaOne Insurance Agency Pte. Ltd.新加坡区保险部主管及柬埔寨区执行董事。彼亦曾为亚洲最大保险经纪Aon Insurance Brokers业务发展部主管及Singapore Technologies Group保险部主管。

郑女士曾于澳洲保险学院完成保险课程学习。



## BOARD OF DIRECTORS 董事会成员

**MS. HAO GANG**

Independent Director

**郝刚女士**  
独立董事

Ms. Hao is the Independent Director of the Company. She is also a member of the Audit Committee and the Strategy Committee.

Ms. Hao is currently an Associate Professor at the Department of Management Sciences, the Assistant Dean of the College of Business, and the Co-Director of CityU-TsinghuaU EMBA/MPA (Public-Private Partnership) dual degree programme at the College of Business, City University of Hong Kong. Prior to that, she took a number of roles at the City University of Hong Kong, mainly responsible for university development and international programme, amongst others. Ms. Hao also worked in Techno-Economic Research Institute of National Economic Commission of the PRC and participated in a number of major national investment and research projects in China.

Ms. Hao holds a Doctorate degree in Decision Sciences and Operations Management from University of Pittsburgh in the United States, a Master's degree in Industrial Administration from Tianjin University and a Bachelor of Science degree in Mathematics from Sichuan University.

郝刚女士为本公司独立董事，审计委员会及战略委员会委员。

郝女士现任香港城市大学商学院管理科学系副教授兼任商学院助理院长，以及香港城市大学-清华大学EMBA / MPA政府和社会资本合作）双学位项目联席主任。此前，彼曾于香港城市大学担任多个职位，主要负责大学发展、国际项目等领域。郝女士亦曾就职于中国国家经济委员会技术经济研究所并参与多项中国国家重大投资课题项目。

郝女士持有美国匹兹堡大学决策科学及运营博士、天津大学工业管理工学硕士以及四川大学数学理学学士衔。





## MR. WANG YUEXING

### VICE PRESIDENT

Mr. Wang is the Vice President of the Company.

Mr. Wang has rich experience in engineering construction and operations management. Mr. Wang was formerly the Deputy General Manager of Everbright Environmental Protection Technology Development (Beijing) Limited and Everbright Environmental Protection Engineering (Shenzhen) Limited, and the Plant Manager of Ji'nan Waste Water Treatment Project (Plant 1).

Mr. Wang holds a Master's degree in Environmental Engineering from Tsinghua University, a Master of Business Administration degree from Shandong University and a Bachelor's degree in Civil Engineering from South China University of Technology. He also holds the titles of Certified Cost Engineer and Certified Senior Engineer.

## MR. WANG GUANPING

### VICE PRESIDENT

Mr. Wang is the Vice President of the Company.

Mr. Wang has rich experience in technology management and research and development. He was granted several invention patents and utility patents. Mr. Wang was formerly the Assistant Dean of Everbright Environmental Research Institute, Chief Technology Officer of China Environmental Protection Science and Technology Holdings Limited, Deputy Chief Engineer of Shenzhen Liyuan Water Design and Consultant Limited and Chief Engineer of Operation Branch of Wuhan Kaidi Water Services Co., Ltd.

Mr. Wang holds a Doctorate degree in Environmental Engineering from Tsinghua University, a Master's degree in Municipal Engineering from Tongji University and a Bachelor's degree in Water Supply and Sewerage Engineering from Huazhong University of Science and Technology. He holds the title of Certified Senior Engineer.

## 王悦兴先生

### 副总裁

王先生为本公司副总裁。

王先生具有丰富之工程建设及运营管理经验。彼曾任光大环保科技发展（北京）有限公司副总经理、光大环保工程技术（深圳）有限公司副总经理以及济南市污水处理一厂厂长。

王先生持有清华大学环境工程硕士、山东大学工商管理硕士及华南理工大学工民建学士衔。彼亦取得国家注册造价师执业证书及高级工程师职称。

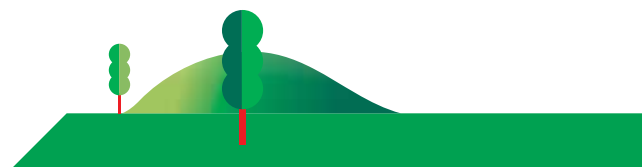
## 王冠平先生

### 副总裁

王先生为本公司副总裁。

王先生具有丰富之科技管理及技术研发经验，并获得多项发明及实用新型专利。彼曾任光大环保技术研究院院长助理，中国环保科技控股有限公司技术总监，深圳市利源水务设计咨询有限公司副总工程师以及武汉凯迪水务有限公司运营分公司总工程师。

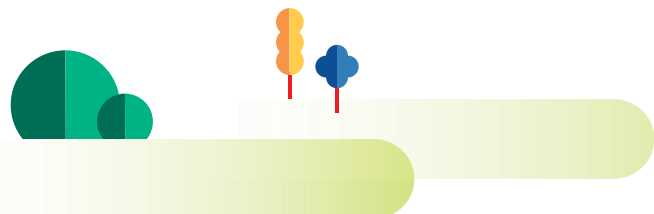
王先生持有清华大学环境工程博士、同济大学市政工程硕士及华中科技大学给排水工程学士衔，彼亦取得高级工程师职称。





## KEY MANAGEMENT

### 管理层成员



#### MR. ZHANG GUOFENG

##### VICE PRESIDENT

Mr. Zhang is the Vice President of the Company.

Mr. Zhang has rich experience in project investment, operations management and mergers and acquisitions. He was formerly the General Manager of the Investment Development Department at Everbright Environmental Protection (China) Limited, the Deputy General Manager of Everbright Water (Zibo) Limited and the Supervisor of Everbright Environmental Energy (Xintai) Ltd.

Mr. Zhang holds a Bachelor's degree in Engineering from Qingdao University of Science and Technology. He is a Certified International Accountant with the China Association of Chief Accountants, a Certified Management Accountant with the Institute of Certified Management Accountants in the USA and a member of the Association of International Accountants.

#### MR. SUN LINBO

##### VICE PRESIDENT

Mr. Sun is the Vice President of the Company.

Mr. Sun has rich experience in infrastructure construction and project operations management in the environmental protection industry. He is also the General Manager of Everbright Water (Ji'nan) Limited.

Mr. Sun holds a Master's degree in Environmental Engineering from Shandong University and a Bachelor's degree in Hydrology Engineering and Construction from Shandong Industrial University. He holds the titles of Certified Cost Engineer in China and Engineering and Technical Application Researcher.

#### 张国锋先生

##### 副总裁

张先生为本公司副总裁。

张先生具有丰富之项目投资、运营管理及兼并收购经验。彼曾任光大环保（中国）有限公司投资发展部总经理、光大水务（淄博）有限公司副总经理及光大环保能源（新泰）有限公司监事。

张先生持有青岛科技大学工学学士衔，持有中国注册会计师协会的注册国际会计师、美国管理会计师协会的注册管理会计师资格，彼亦为国际会计师协会会员。

#### 孙林波先生

##### 副总裁

孙先生为本公司副总裁。

孙先生具有丰富之环保行业基础设施建设及项目运营管理经验。彼亦为光大水务（济南）有限公司总经理。

孙先生持有山东大学环境工程硕士以及山东工业大学水利工程建筑学士衔。彼亦取得国家注册造价工程师执业证书及工程技术应用研究员职称。



## MR. NIU KESHENG

### CEO ASSISTANT

Mr. Niu Kesheng is the CEO Assistant of the Company.

Mr. Niu has rich experience in operations management within the environmental protection industry. He is also the General Manager of Everbright Water (Zibo) Limited.

Mr. Niu holds a Bachelor's Degree in Engineering on Mechanical Manufacturing Process and Equipment from Shandong University of Technology. He also holds the title of Engineering Researcher on Environmental Protection Engineering.

## 牛克胜先生

### 总裁助理

牛克胜先生为本公司总裁助理。

牛先生具有丰富之环保行业运营管理经验。彼亦为光大水务（淄博）有限公司总经理。

牛先生持有山东理工大学机械制造工艺及装备工学学士学位，具有环保工程专业工程技术研究员职称。

## MS. PENG PEI

### LEGAL COUNSEL AND COMPANY SECRETARY

Ms. Peng is the Legal Counsel and Company Secretary of the Company.

Prior to joining the Company, Ms. Peng was a practising lawyer at the Singapore office of Allen & Gledhill LLP. Her areas of practice included mergers and acquisitions and derivatives. She also participated, as a core member, in a major research project of the Supreme People's Court of the PRC on disregarding the corporate entity to propose the relevant judicial interpretations.

Ms. Peng holds Master of Laws degrees from New York University, National University of Singapore and Tsinghua University and a Bachelor of Laws degree from Tianjin University. She is called to the PRC Bar and the State Bar of California, United States. Ms. Peng is also an associate member of Chartered Secretaries Institute of Singapore and The Institute of Chartered Secretaries and Administrators.

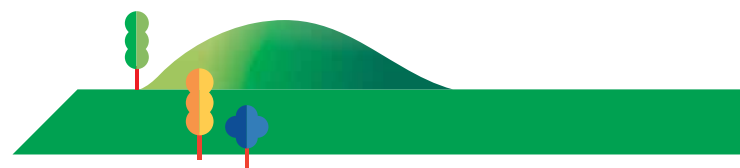
## 彭珮女士

### 法律顾问兼公司秘书

彭女士为本公司法律顾问兼公司秘书。

在加入本公司前，彭女士为艾伦格禧律师事务所新加坡办公室的执业律师，执业领域涵盖兼并收购与衍生产品。彼亦曾作为核心成员参与中国最高人民法院的公司法人格否认研究项目，为相关制度提供司法解释建议。

彭女士持有纽约大学法学硕士、新加坡国立大学法学硕士、清华大学法学硕士和天津大学法学学士学位。彭女士拥有中国法律职业资格证书和美国加利福尼亚州律师资格证。彼亦为新加坡特许秘书公会和英国特许秘书及行政人员公会之会士。



SYNERGY EFFECT  
TOWARDS  
SUSTAINABLE  
DEVELOPMENT

实现规模 持续发展



# SUSTAINABILITY REPORT

## 可持续发展报告

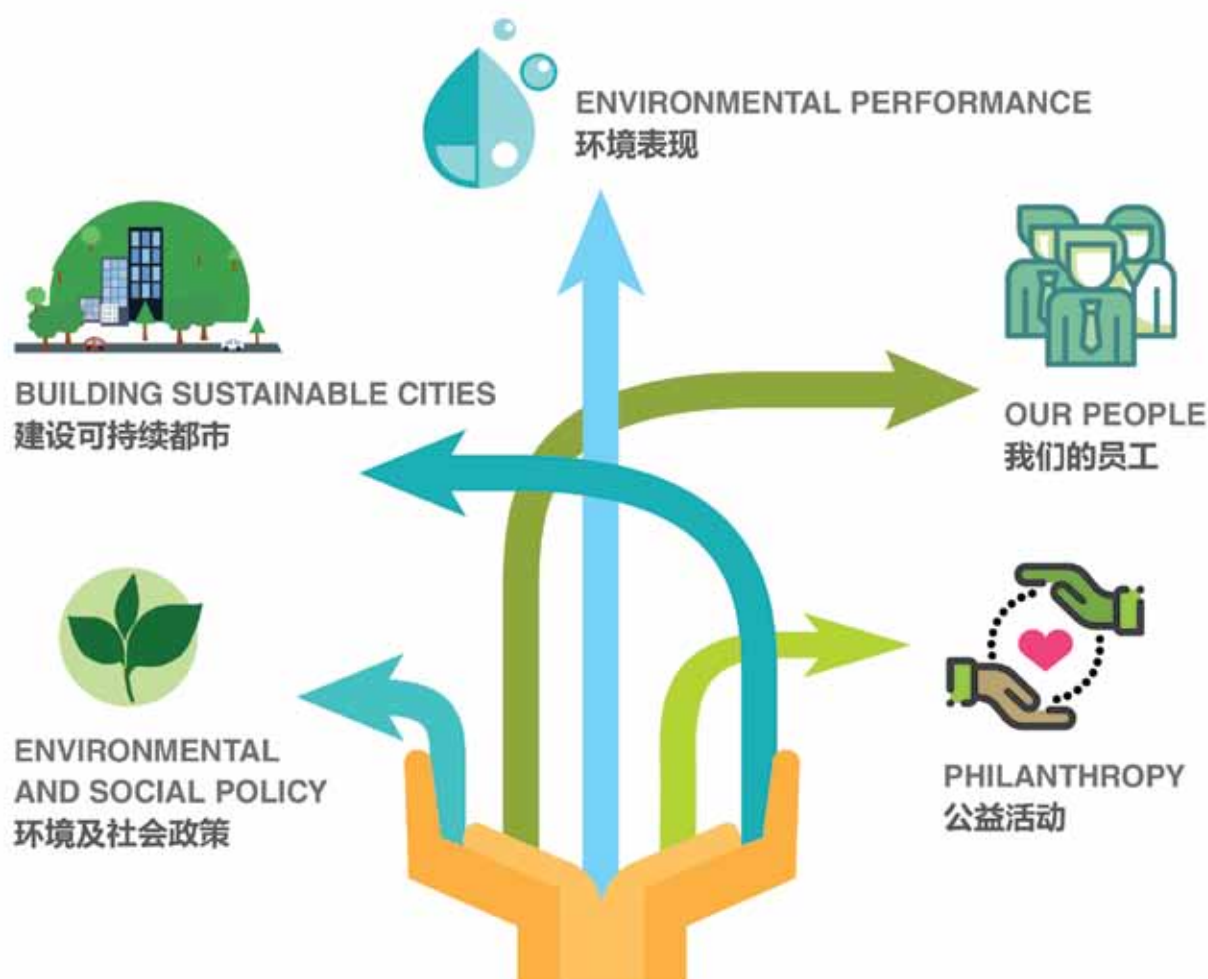


This is an abstract of Everbright Water's Sustainability Report for FY2018. The full Sustainability Report for FY2018 is prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Comprehensive option, the SGX Listing Manual (Rules 711A and 711B and Practice Note 7.6 Sustainability Reporting Guide) and the Environmental, Social and Governance ("ESG") Reporting Guide published by HKEx. The Sustainable Development Goals ("SDGs") of the United Nations are fully integrated into the Company's environmental and social management strategies to reflect its commitment to tackling the world's most pressing issues.

此章节为光大水务的二零一八财政年度可持续发展报告的摘要。二零一八财政年度可持续发展报告的完整版是依循全球报告倡议组织 ("GRI") 标准的 "全面" 方案、新交所上市规则 (第711A条、第711B条和第7.6项应用指引《可持续发展报告指引》) 以及港交所发布的《环境、社会及管治报告指引》编制而成。此外, 本公司将联合国可持续发展目标 ("SDGs") 全面融入其环境及社会管理策略过程, 以展示其应对全球最迫切议题的决心。

The full report, in both Chinese and English languages, is available for download at the corporate website of the Company ([www.ebwater.com](http://www.ebwater.com)) and the website of SGX ([www.sgx.com](http://www.sgx.com)) in May 2019.

完整版报告 (备有中英文版本) 可于二零一九年五月通过光大水务网站 ([www.ebwater.com](http://www.ebwater.com)) 及新交所网站 ([www.sgx.com](http://www.sgx.com)) 下载。





# SUSTAINABILITY REPORT

## 可持续发展报告

### ENVIRONMENTAL AND SOCIAL POLICY

### 环境及社会政策

The Company firmly believes that sound environmental and social performance is a key stepping stone for its goal towards becoming a leader in China's water environment management industry. In addition to proactively following the water environment policies issued at all levels, the Company further streamlined its ESHS Management System and Risk Management System to ensure systematic management of environmental and social impacts. Both management systems provide a comprehensive framework which effectively improves the Company's finest, standardised and systematic management and its risk control capabilities. The systems, coupled with the "Intelligent Water" Management System, have enhanced the employees' management capabilities in day-to-day operations, and help prevent risks at source.

All of the Company's projects have obtained or are applying for international management standard certifications, including ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and OHSAS 18001 / ISO 45001 Occupational Health and Safety Management System. These certifications serve as recognition of the Company's safe and stable operations, demonstrating its strong sense of social responsibility.

The Company has also been actively evaluating its environmental and social performance against internationally recognised standards, including the World Bank Group Environmental, Health, and Safety Guidelines and has been regularly submitting monitoring reports to the International Finance Corporation ("IFC") since 2016.

本公司深信稳健的环境和社会表现是其成为中国水环境治理行业领军人物的重要基石。除了积极关注各级水环境政策，本公司进一步优化了ESHS管理体系及风险管理体系，以确保对其环境和社会影响进行系统性的管理。两大管理体系提供了全面的框架，有效提升公司管理的精细化、标准化、制度化以及风险控制水平。连同本公司的“智慧水务”管理体系，这些体系有效地加强了员工日常运营的管理能力，并从源头上防范风险。

本公司旗下所有项目均已获得或正积极申请相关的国际管理体系证书，包括ISO 9001质量管理体系、ISO 14001环境管理体系及OHSAS 18001 / ISO 45001职业健康安全管理体系。这些认证为本公司安全、稳定的运营作出认可，并充分显示出其强烈的社会责任感。

本公司亦积极按照受国际认可的标准评估其环境及社会表现，包括世界银行集团《环境、健康和安全管理指南》，并自二零一六年起定时向国际金融公司（“IFC”）提交监测报告。

### BUILDING SUSTAINABLE CITIES

### 建设可持续都市

The Company contributes to the development of sustainable cities and communities in China by providing a series of water environment management services. Its waste water treatment, water supply, reusable water, and sludge treatment projects substantially minimise the environmental impact arising from waste water discharge. Furthermore, its water environment management projects, at a macro-level, improve the cities' flood prevention ability in the face of climate change. Moreover, the Company's core business of sponge city construction substantially improves infrastructure of cities and promotes the integrated policies towards resource efficiency and resilience to water-related disasters.

本公司透过一系列的水环境综合治理服务，为建设中国的可持续都市和社区作出贡献。本公司的污水处理、供水、中水回用及污泥处理项目可大幅降低污水排放带来的环境影响。其水环境综合治理项目则宏观地提升城市应对气候变化导致水患的抗御能力。此外，本公司的核心业务之一海绵城市建设大幅改善城市基建，并促进资源有效利用和抵抗水灾等相关综合政策的推广。



The stable and efficient operation of the Company's projects is attributable to the "Technology Leads Development" ethos and advanced research and development capabilities. During the year under review, the Company acquired Xuzhou Municipal Engineering Design Institute Co., Ltd. to further boost its capabilities in municipal engineering design and complete its full-service business chain.

本公司项目的平稳和高效运营有赖于“科技引领发展”的战略方针及先进的科研能力。于回顾年度内，本公司收购了徐州市市政设计院有限公司，提升其市政工程设计能力，并使其产业链更加完整。



## WHAT IS A SPONGE CITY?

### 什么是海绵城市？

A "Sponge City" aims to improve a city's ability in absorption, infiltration, retention and release of rainwater through systems which effectively control surface runoff and relieve pressure on urban river channels.

“海绵城市”旨在通过控制表面径流和防洪排涝的系统来提升城市对雨水的吸纳、蓄渗和缓释能力。

The Company applies the "Sponge City" concept in practice through its Zhenjiang Sponge City Construction PPP Project, which integrates a series of water storage tanks, rainwater pump stations, rainwater drainage networks, waste water treatment facilities, as well as ecological restoration works etc. The project will improve Zhenjiang City's ability in flood prevention, water pollution control, and rainwater reuse.

本公司将“海绵城市”概念透过镇江海绵城市建设PPP项目付诸实行，整合一系列调蓄池、雨水泵站、雨水管网和污水处理设施以及生态治理工程等。该项目将会大幅提升镇江市的内涝防治、污染削减以及雨水利用的能力。

## 6 CLEAN WATER AND SANITATION



## 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



## 11 SUSTAINABLE CITIES AND COMMUNITIES



## 13 CLIMATE ACTION





# SUSTAINABILITY REPORT

## 可持续发展报告

### ENVIRONMENTAL PERFORMANCE

### 环境表现

The Company's innovative business model allows it to stand on the frontline to safeguard people's health and well-being by addressing the pressing water quality and sanitation problems in China. The Company's comprehensive management systems enable effective prevention of hazardous materials from polluting the water body and land ecosystem, and at the same time improve water-use efficiency.

本公司创新的商业模式使其得以处理中国的水质量和卫生问题，并站在保护人民健康和福祉的最前线。本公司全面的管理体系有效地避免了有害物质对水体和陆上生态的污染，同时提升用水效益。

#### WASTE WATER AND WASTE MANAGEMENT

#### 污水及废物管理

The Company ensures that the effluents discharged from its waste water treatment plants strictly comply with the Discharge Standard of Pollutants for Municipal Waste Water Treatment Plant (GB18918-2002) or other requirements as approved by the government. During the year under review, the Company treated approximately 1,271,248,000 m<sup>3</sup> of waste water, and reduced approximately 356,461.52 tonnes of chemical oxygen demand ("COD") discharge.

本公司确保所有污水处理厂的出水均遵守《城镇污水处理厂污染物排放标准》(GB18918-2002)或已获政府部门批准的其他要求。于回顾年度内，本公司共处理约1,271,248,000立方米污水，同时减少了大约356,461.52吨的化学需氧量 ("COD") 排放。

The Company has been striving to reduce fresh water demand by recycling water resources. Its reusable water projects further purify effluent from its waste water treatment plants, and turn it into reusable water for power plants or general industrial use in accordance with Reuse of Urban Recycling Water – Water Quality Standard for Industrial Uses (GB/T19923-2005) or the equivalent. During the year under review, the Company's reusable water projects produced approximately 16,299,000 m<sup>3</sup> of reusable water.

本公司一直致力于循环再利用水资源，以减少淡水需求。本公司的中水回用项目进一步处理其污水处理厂的出水，确保水质符合《城市污水再生利用工业用水水质》(GB/T19923-2005)或同等标准，所产生的再生水可被发电厂或一般工业企业使用。于回顾年度内，本公司的中水回用项目共生产了约16,299,000立方米的再生水。

#### SLUDGE MANAGEMENT

#### 污泥管理

Besides treating the sludge generated from its waste water treatment projects in accordance with the applicable national standards such as the Discharge Standard of Pollutants for Municipal Waste Water Treatment Plant (GB18918-2002), the Company also complies with IFC's General Environmental, Health and Safety Guidelines and Environmental, Health, and Safety Guidelines for Water and Sanitation to reduce the environmental impact during sludge disposal process. To enhance resource utilisation efficiency, majority of its treated sludge is being recycled as raw materials for compost production. For the non-recyclable sludge which needs to be disposed of at landfills, it will undergo dewatering process before disposal, so as to reduce the burden of dumpsites. In 2018, 89.42% of the total sludge generated from our projects was recycled.

除按照《城镇污水处理厂污染物排放标准》(GB18918-2002)等有关国家标准处理污水处理项目所产生的污泥外，本公司还遵照IFC的《通用环境、健康和安全指南》及《水与卫生环境、健康与安全指南》来减少弃置污泥对环境的影响。为提升资源利用效益，大部分经处理的污泥被回收利用为生产堆肥的原料。至于不能回收利用的污泥，则会经脱水后填埋处理，以降低对堆填区的负担。在二零一八年，共有89.42%于项目中产生的污泥被再生利用。





## OUR PEOPLE

## 我们的员工

### TALENT DEVELOPMENT

To seize opportunities within the industry and strive to emerge as a leader in China's water environment management sector, the Company places great attention on talent development and employee welfare. The Company's people-oriented human resource strategy and transparent talent development framework provide it with a guidance in offering diverse employee development programmes such as apprenticeship and collaboration with academic institutions.

The key components of the Company's employee development programmes during the year under review included:

- **Comprehensive appraisal system:** The internal assessment mechanism closely monitored employees' career development by setting accountable goals along with on-going evaluation. The system also helped cultivate outstanding employees who embraced the core values of the Company.
- **Tiered talent development strategy:** The Company established a talent pool which recognised high performing talents and offered them with internal promotion opportunities.
- **Apprenticeship programme:** Since its first launch in 2017 at our Zhangqiu Waste Water Treatment Project, the apprenticeship programme has been effectively supporting the inheritance of professional knowledge by transferring valuable skills from skilled-workers to new hires, as well as helping the fresh blood establish practical career goals.
- **Tailored training programmes:** A wide range of training programmes were designed based on the position, skills and management requirement of each staff. Apart from the traditional training courses, the Company also provided external training opportunities such as overseas exchange programmes and industrial exchanges under the training programmes, and continued to arrange its management personnel and technical leaders to attend the CEO Course and the Engineering Master Programme at Tsinghua University.

During the year under review, the average number of training hours per employee of the Company was 168.42.

The Company's employment policies also ensure that its human resources management structure, including compensation, training opportunity and career prospect, is not gender biased, in order to achieve gender equality. As most of the Company's projects are located in suburb areas, their operations can create job opportunities in the remote area to foster local economic development.

### 人才发展

为紧抓行业机遇，致力推动本公司成为中国水环境综合治理领域的翘楚，本公司对员工的个人发展和福祉严肃以待。本公司以人为本的人力资源策略和具透明度的人才发展框架引导其提供诸如学徒制和院校合作等多元化的员工发展计划。

回顾年度内，本公司的重点员工发展计划包括：

- **综合考核机制：**内部考核机制通过向员工制定切实的工作目标及持续性的评估来紧密监察员工的职业发展。通过此机制，本公司能够培养拥护其核心价值的优秀员工。
- **梯队式人才布局：**建立后备人才库，以表彰高绩效人才并优先向他们提供内部晋升机会。
- **“师带徒”计划：**自二零一七年在章丘污水处理项目正式开展，“师带徒”计划让熟练技工带领新技工工作，有效地把宝贵的技术知识传承下去，并协助新人制定可行的职业生涯计划。
- **特制的培训计划：**根据每位员工的职位、技能和管理要求制定各式独特的培训计划。除了传统的培训课程外，本公司还将外部培训机会，如海外交流计划和产业交流等纳入到培训计划中，并继续安排公司管理层和技术骨干参加清华大学总裁班、工程硕士班。

于回顾年度内，本公司每名员工的平均培训时数为168.42。

为实现两性平等，本公司的雇员政策还确保其人力资源管理架构，包括报酬、培训机会和职业前景等，不受性别所限。本公司大部分项目位于市郊地区，因此其营运可以为偏远地区提供就业机会，从而推动当地的经济的发展。



# SUSTAINABILITY REPORT

## 可持续发展报告

### ENVIRONMENTAL PERFORMANCE

### 环境表现

#### HEALTH AND SAFETY

Health and safety is the backbone supporting the Company's sustained delivery of excellent water environment management projects. The Company's well-established ESHS Management System continues to guide the supervision of potential safety issues. The Company established ESHS management teams at every project company to monitor risks in the project life cycle. The Company also extends the ESHS Management System to its supply chain to monitor the health and safety performance of its key suppliers.

During the year under review, the Company's key health and safety measures also included:

- **Standardised training and guidelines:** Standardised trainings were offered to increase the awareness of all employees on safe production. The trainings covered topics such as emergency response planning, operational hazards, first aid, health and safety regulations, etc., and were carried out in forms of seminars, forums, knowledge competitions and drills. The Company also provided safe production guidelines and high-quality safety equipment to minimise the safety hazards in the daily activities of its employees.
- **Employee protection programmes:** The Company protected its employees' health by providing annual medical check-ups and occupational disease surveillance. Moreover, the Company set up an Employee Safeguard and Safety Fund, which can be disbursed upon application to provide support to employees who suffer from accidents or diseases, relieving financial burden of their families.

With all these efforts, the injury rate of the Company's employees was kept at 0.05 during the year under review.\*

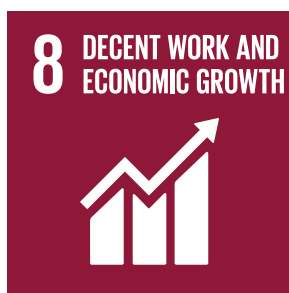
#### 健康与安全

健康与安全是支撑本公司水环境综合治理项目卓越表现的顶梁柱。本公司优秀的ESHS管理体系继续引领其监督各项安全隐患，本公司已在每个项目公司设立ESHS管理团队，以监测整个项目周期中的潜在风险。本公司更把ESHS管理体系伸延至供应链，深入评估主要供应商的健康与安全绩效。

回顾年度内，本公司的主要健康与安全措施还包括：

- **标准化培训与指引：**透过标准化的培训提升员工的安全生产意识。培训内容涵盖应急计划、运营风险、急救及安全法规等议题，并以课堂、座谈会、知识竞赛及演练等形式进行。本公司亦提供安全生产指引和高规格的安全装备，把员工日常工作中的安全风险降到最低。
- **员工保障计划：**每年为员工提供医疗检查及职业病监测，保障员工健康。此外，本公司设立了员工保障及安全基金，在员工不幸遭遇事故或疾病时，可以申领基金作为支持，缓解员工家庭的经济压力。

在各计划齐头并进下，本公司员工于回顾年度内的工伤率为0.05。\*



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

\* 工伤率 (IR) = (工伤个案总计/工作总小时数) x 200,000。数字调整至最接近的小数点后两位表示。





## PHILANTHROPY

The Company has been actively devoted to, and supporting its employees to participate in, charitable activities to fulfil its corporate social responsibility.

### REDUCING INEQUALITIES

The Company consistently devotes resources to empowering and promoting the intergration of social, economic and environmental benefits to prevent unfair treatment due to age, sex, disability, etc. During the year under review, the Company's Suzhou Wuzhong Chengnan Waste Water Treatment Project Company continued to participate in the "Walking Gesang Flower" walkathon, raising funds for the Gesang Flower Western Development Camp Project to support students living in underprivileged areas in Western China. Besides donations, the Company's employees also demonstrated the corporate culture by voluntarily cleaning up the streets along the route, which was highly acknowledged by the organising committee and other participants.

During the International Woman's Day on 8<sup>th</sup> March 2018, the Company's Nanning Shuitang River Integrated Restoration PPP Project invited all female employees to a vacation trip at Qingxiu Mountain Scenic Area to express the respect and gratitude to its female workers. On the other hand, the Company's Zibo Waste Water Treatment Project Company sent a performance group to a nursing home in Taihe Town of Zichuan District, donated clothes and performed a Chinese opera to spread warmth and blessings to the elderly. Through the donations, visits and community services, the Company hopes to reduce inequalities regarding access to health, education and other basic rights.

### ENVIRONMENTAL EDUCATION

The Company accords high priority in the public environmental education, aiming to popularise environmental protection knowledge at all age. Its project companies located in different provinces participated in various international environmental technology events such as the World Water Day, World Environment Day and National Science Popularisation Day. Together with the local government agencies and social organisations, the Company launched a series of charitable campaigns focusing on environmental protection during the World Environment Day, including hosting of the "Drawing Lucid Water and Lush Mountains with a Childlike Heart" painting competition, which aimed at enhancing the environmental awareness of the children and local communities.

## 公益活动

本公司热切投入及支持员工参与各项公益活动，体现其社会责任。

### 减少不平等

本公司持续投入资源以促进和推广社会、经济和环境效益共融，使人们不会因年龄、性别、残障等因素受到不公对待。于回顾年度内，本公司的苏州吴中城南污水处理项目公司继续参与“行走的格桑花”公益徒步活动，为格桑花西部拓展营项目和中国西部贫困地区的学生筹款。除了捐款外，本公司的员工更自愿清理了沿途的街道。此举不但展示了公司文化，更得到主办方和其他参与者的高度认可。

本公司的南宁水塘江综合整治工程PPP项目公司在“三八”国际妇女节组织全体女职工到青秀山风景区开启踏青之旅，充分表现本公司对女职工的尊重和关爱。另一方面，淄博污水处理项目公司的爱心演出团到淄川区太河镇养老院，向老人捐献衣物和送他们一台精彩的文化大戏，给老人们送上温暖和祝福。本公司希望透过筹款、探访和社区服务，减少人们在获得健康和教育等基本权利的不平等状况。

### 环保教育

本公司非常重视公众的环保教育，以于各年龄层普及环保知识为己任。本公司位于各个省份的项目公司以不同形式参与了多项国际性的环保科技活动，如“世界水日”、“世界环境日”和“全国科普日”等。本公司在“世界环境日”与当地政府机构和社会组织共同推出了一系列以环保为主题的公益宣传活动，其中包括“青山绿水更为邻，拳拳童心绘环保”绘画比赛，旨在增强少年儿童及社会各界的环保意识。





# SUSTAINABILITY REPORT

## 可持续发展报告

### PHILANTHROPY (CONT'D)

### 公益活动 (续)

#### ENVIRONMENTAL EDUCATION (CONT'D)

Additionally, in response to the “I am the Enabler for a Beautiful China” initiative of the Ministry of Ecology and Environment of the PRC, the Company encourages its employees to actively adopt an environmental-friendly lifestyle, such as promoting paperless working environment and bringing their own shopping bags, to integrate individual efforts into a momentum that strives for a change.

To align with Everbright International's open day initiative, most of the Company's project companies have formulated policies to voluntarily open up the facilities for public's scrutiny. For instance, the Ji'nan Waste Water Treatment Project, which is a National Science Popularisation Education Base and Environmental Education Base, has officially declared each Friday as a open day, and provides free and professional talks to the public. Through various interactive channels, the Company hopes to educate the next generation to actively undertake the responsibility of environmental protection. Over 20,000 visitors visited the Company's environmental protection facilities during the year under review.

#### 环保教育 (续)

另外，为响应中国生态环境部的“美丽中国，我是行动者”计划，本公司积极鼓励员工在生活中践行环保，例如工作环境无纸化和自备购物袋等，以汇聚各人微小的努力而形成一股改变的动力。

为响应光大国际的公众开放日活动，本公司多家项目公司都制定了对外开放的政策，自愿接受公众监督。济南污水处理项目宣布在原有“全国科普教育基地”、“环保教育基地”的基础上，将每周五定为公众开放日，向公众提供免费专业的讲解。本公司希望透过各种互动式的体验，教育下一代积极承担环境保护的责任。于回顾年度内，超过20,000名访客参观了本公司的项目。



# CORPORATE GOVERNANCE REPORT

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

公司治理报告



The Company is committed to achieving high standards of corporate governance to ensure investor confidence in the Company as a trusted business enterprise. The Board and the Management will continue to uphold good corporate governance practices to enhance long-term value and returns for shareholders and protect shareholders' interests.

This report outlines the Company's corporate governance practices for FY2018 with specific reference made to the principles and guidelines of the Code of Corporate Governance 2012 (the "Code"), which forms part of the continuing obligations of the Listing Rules of the SGX.

The Board sits at the top of the Company's governance framework. To execute its responsibilities, the Board delegates specific functions to various sub-committees, namely, the Nominating Committee, the Remuneration Committee, the Audit Committee, the Strategy Committee and the Management Committee. These sub-committees function within written terms of reference and operating procedures, which are reviewed on a regular basis. Each of these sub-committees ("Board Committees") reports its activities regularly to the Board.

## (A) BOARD MATTERS

### *The Board's conduct of its affairs*

The Board is collectively responsible for the long-term success of the Company. Its key responsibilities include providing leadership and supervision to the Management of the Group with a view to protecting shareholders' interests and enhancing long-term shareholders' value.

The Board's principal functions include the following:

- (1) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives;
- (2) reviewing and approving corporate strategies, financial objectives and direction of the Group;
- (3) establishing a prudent and effective control system to assess and manage risks, including safeguarding of shareholders' interests and the Group's assets;
- (4) establishing goals for the Management and monitoring the achievement of these goals;
- (5) ensuring the Management's leadership of high quality, effectiveness and integrity;
- (6) reviewing the Management's performance;

本公司致力于实现高标准的公司治理，确保投资者对本公司是一家值得信赖的企业充满信心。本公司的董事会和管理层将继续维持良好的公司治理实践，以提高本公司的长期价值和股东回报，保护股东的权益。

本报告概述了本公司在二零一八财政年度的公司治理实践，具体参考了二零一二年公司治理守则（“**公司治理守则**”）的原则和指引，该守则也是新交所上市规则中的持续义务的组成部分。

董事会位于本公司治理框架的顶层。董事会下设几个专门委员会（“**专门委员会**”）来行使董事会的具体职能，这些专门委员会包括提名委员会、薪酬委员会、审计委员会、战略委员会以及管理委员会。各专门委员会按照书面规定的职能和程序运作，该等职能和程序接受定期审阅。每个专门委员会都定期向董事会汇报工作。

## (A) 董事会事项

### *董事会的运作*

董事会集体为本公司的长期成功负责。董事会的主要职责是领导和监督本集团的管理层，以保护股东权益和提升股东的长期价值。

董事会的主要职能包括以下内容：

- (1) 提供企业领导，制定战略目标，确保本集团拥有实现其目标所必要的财力和人力资源；
- (2) 审阅和批准本集团的企业战略、财务目标和发展方向；
- (3) 建立审慎有效的风险评估和风险管理的控制机制，包括保障股东权益和本集团资产的机制；
- (4) 为管理层设定目标，监督目标的实现；
- (5) 确保管理层的领导优质、有效和诚信廉洁；
- (6) 审阅管理层的绩效；



# CORPORATE GOVERNANCE REPORT

## 公司治理报告

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

- |  |   |
|--|---|
| (7) approving annual budgets and investment and divestment proposals;  | (7) 批准年度预算和投资撤资提案;                                  |
| (8) reviewing the internal controls, risk management, financial performance and reporting compliance;  | (8) 审阅内部控制、风险管理、财务业绩和报表的合规性;                        |
| (9) identifying the key stakeholder group and recognising that their perceptions affect the Company's reputation;  | (9) 发现关键的持份者群体, 承认他们的看法会对本公司声誉产生影响;                 |
| (10) setting the Group's value and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met; | (10) 制定本集团的价值和标准 (包括道德标准), 确保本集团理解并履行了对股东和其他持份者的义务; |
| (11) considering the sustainability issues, such as environmental, health, safety and social factors, as part of its strategic formulation; and                          | (11) 在制定战略时考虑可持续性议题 (如环境、健康、安全和社会因素); 和             |
| (12) assuming responsibility for corporate governance.   | (12) 承担公司治理的责任。                                     |

All Directors exercise due diligence and independent judgment, and are obliged to act in good faith and consider at all times the interest of the Company.

所有的董事均勤勉尽责, 保持独立的判断, 且必须诚信行事并始终以本公司的利益为出发点。

The Board meets regularly, at least on a quarterly basis. Ad-hoc meetings are held at such times, as and when required, to address any specific significant matters that may arise. Notices of Board meetings, together with detailed meeting materials for each agenda (including board papers and explanatory or background information), are generally sent to the Board one week earlier to ensure that the Directors have sufficient preparation time for the meetings. During the Board meetings, the relevant Management personnel may be invited to make presentation and answer the Directors' queries on the relevant agenda, and the Directors are free to discuss and openly challenge the views presented by the Management and other Directors. The Chairman of the Board ensures that each agenda is allocated sufficient time for discussion and each Director is given sufficient opportunity to express his/her opinions. Where necessary, the Company also engages external consultants to provide professional opinions on specific projects or corporate exercises to facilitate the Board's decision-making process. The Board's decision-making process is an objective one. In FY2018, the Board held 7 meetings in total.

董事会定期召开会议, 每个季度至少召开一次。如有需要, 董事会也可随时召开特别会议, 讨论可能出现的具体重大问题。董事会的会议通知以及关于每项会议议程的详细会议资料 (包括董事会议案以及解释或背景信息) 通常于会议召开前一周发给董事会, 以确保各名董事拥有充分的时间准备会议。在董事会的会议期间, 相关管理层人员也将受邀向董事会做出陈述或回答董事会就有关议程提出的问题。董事在董事会会议上可自由发言, 对管理层和其他董事的意见公开发表自己的看法。董事长确保会议的每项议程都被分配予充足的讨论时间, 并确保每名董事均享有充分的机会表达他/她的观点。在必要时, 本公司也聘请外部顾问对特定项目或公司行动提供专业意见, 以此协助董事会做出决策。董事会的决策过程是客观的。在二零一八财政年度中, 董事会一共召开了七次会议。

# CORPORATE GOVERNANCE REPORT

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

公司治理报告



The number of meetings and the Directors' attendance at the meetings of the Board, the Audit Committee, the Remuneration Committee and the Nominating Committee, held during FY2018, are as follows:

在二零一八财政年度中，本公司召开的董事会、审计委员会、薪酬委员会和提名委员会的会议次数和董事的出席情况如下表所示：

Directors/ Board Members 董事/董事会成员	Board 董事会		Audit 审计委员会		Remuneration 薪酬委员会		Nominating 提名委员会	
	Held 会议次数	Attended 出席次数	Held 会议次数	Attended 出席次数	Held 会议次数	Attended 出席次数	Held 会议次数	Attended 出席次数
Mr. Wang Tianyi <sup>(1)</sup> 王天义先生 <sup>(1)</sup>	7	7	N.A.	N.A.	2	0 <sup>(1)</sup>	3	3
Mr. An Xuesong 安雪松先生	7	7	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Luo Junling <sup>(2)</sup> 罗俊岭先生 <sup>(2)</sup>	7	4 <sup>(2)</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Zhai Haitao 翟海涛先生	7	7	4	4	2	2	3	3
Mr. Lim Yu Neng Paul 林御能先生	7	7	4	4	2	2	3	3
Ms. Cheng Fong Yee 郑凤仪女士	7	7	4	4	2	2	N.A.	N.A.
Ms. Hao Gang <sup>(3)(4)</sup> 郝刚女士 <sup>(3)(4)</sup>	7	5 <sup>(3)</sup>	4	2 <sup>(4)</sup>	N.A.	N.A.	N.A.	N.A.
Mr. Cai Shuguang <sup>(5)</sup> 蔡曙光先生 <sup>(5)</sup>	7	3 <sup>(5)</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Xu Nailong <sup>(6)</sup> 徐乃玲女士 <sup>(6)</sup>	7	3 <sup>(6)</sup>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

## Notes:

N.A. – Not a Member of the Board Committee

- <sup>(1)</sup> Mr. Wang Tianyi was appointed as a member of the Remuneration Committee with effect from 10 May 2018. Following such appointment, no Remuneration Committee meeting was held in FY2018.
- <sup>(2)</sup> Mr. Luo Junling was appointed as Executive Director of the Company with effect from 10 May 2018. Following such appointment, 4 Board meetings were held in FY2018.
- <sup>(3)</sup> Ms. Hao Gang was appointed as Independent Director of the Company with effect from 16 March 2018. Following such appointment, 5 Board meetings were held in FY2018.
- <sup>(4)</sup> Ms. Hao Gang was appointed as a member of the Audit Committee of the Company with effect from 10 May 2018. Following such appointment, 2 Audit Committee meetings were held in FY2018.
- <sup>(5)</sup> Mr. Cai Shuguang resigned as Executive Director of the Company with effect from 10 May 2018.
- <sup>(6)</sup> Ms. Xu Nailong resigned as Executive Director of the Company with effect from 10 May 2018.

## 附注:

N.A. – 不是该专门委员会的成员

- <sup>(1)</sup> 王天义先生自二零一八年五月十日起被聘任为本公司的薪酬委员会的委员。自其被聘任后，二零一八财政年度未再召开薪酬委员会会议。
- <sup>(2)</sup> 罗俊岭先生自二零一八年五月十日起被聘任为本公司的执行董事。自其被聘任后，二零一八财政年度共召开了四次董事会会议。
- <sup>(3)</sup> 郝刚女士自二零一八年三月十六日起被聘任为本公司的独立董事。自其被聘任后，二零一八年财政年度共召开了五次董事会会议。
- <sup>(4)</sup> 郝刚女士自二零一八年五月十日起被聘任为审计委员会的委员。自其被聘任后，二零一八财政年度共召开了两次审计委员会会议。
- <sup>(5)</sup> 蔡曙光先生自二零一八年五月十日起辞任本公司的执行董事。
- <sup>(6)</sup> 徐乃玲女士自二零一八年五月十日起辞任本公司的执行董事。

In lieu of physical meetings, written resolutions were also circulated for approval by members of the Board. The Company's Bye-laws also provide for meetings by way of telephone, electronic or other communication facilities.

董事会也通过向各董事分发书面决议供其批准的方式取代现场召开的董事会会议。公司章程也规定了董事会会议可以电话、电子传讯或其他通讯方式召开。

The Board approves a document, known as the Board Authority Matrix, with guidelines setting forth the matters reserved for the Board's decision and clear directions to the Management on matters that must be approved by the Board. The Board Authority Matrix is reviewed by the Board at least once a year and revised accordingly when necessary. The matters reserved for the Board's decision include but are not limited to change in share capital, acquisitions and disposals of assets with value exceeding certain threshold, venturing into non-core business, setting up of joint venture, corporate or financial restructuring, obtaining borrowings exceeding certain threshold, appointment of key management personnel, decision on major legal actions, share issuance and dividends, financial results, annual budget and corporate strategies. The Board will provide directions to the management teams of the Group's business divisions through presentations at Board and Board Committee meetings.

董事会批准了一份名称为“董事会权限清单”的文件，其中列明了哪些事项被保留给董事会决策。该文件也给予了管理层一个清晰的指引，明确了哪些事项管理层需要上报董事会审批。董事会至少每年一次对董事会权限清单进行审阅，并在必要时候对该清单做出修改。保留给董事会决策的事项包括但不限于：股本变更、超过特定限额的资产收购或处置、进入非核心业务领域、设立合资企业、企业或财务重组、获得超过特定限额的借贷、委任关键管理人员、对重大法律进程的决策、发行股份和派发股息、财务业绩、年度预算和企业战略等。董事会通过在董事会会议和董事会各专门委员会会议上发表讲话的方式指导本集团各业务部门管理团队的工作。





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The current members of the Board are familiar with the Group's business operations and corporate governance practices. In particular, a majority of the Directors (including a majority of Independent Directors) have more than eight years' experience serving as an executive officer or a director of a company in the environmental protection industry. The Nominating Committee ("NC") ensures that new Board appointees are provided with trainings and information to familiarise themselves with the Group's business, strategic goals and directions and corporate governance practices.

Upon the appointment of a new Director, the Company will provide a formal letter to the Director, setting out his/her duties and obligations. Such Directors are given appropriate briefings when they are first appointed to the Board. Appropriate orientations are conducted for all new Directors appointed to the Board to ensure that they are familiar with the Company's business, operations, governance practice and regulatory requirements. The Company Secretary or the external lawyers also provide trainings to the new Directors on his/her duties and responsibilities as a Director and the ongoing obligations of the Company as an SGX-listed company.

The Company provides ongoing education on Board procedures, corporate governance practices and industry developments to all Directors. The Company also invite external experts (such as auditors, lawyers, sustainability consultants, technical experts or other professionals) to provide regular trainings to the Directors and the Management on legal, financial, technical and business topics, depending on the Company's development needs. The Management further provides regular updates on changes in the relevant laws, regulations and changing commercial risks to enable the Directors to make well-informed decisions and to ensure that the Directors are competent in carrying out their respective roles and responsibilities. At the same time, the Directors are encouraged to keep themselves abreast of the latest developments relevant to the business of the Group.

Besides that, the Directors have the opportunity to visit the Group's operational facilities and meet with the Management to gain a better understanding of the Group's business operations.

### Board Composition and Balance

The Board currently comprises seven Directors, with a majority being Independent Directors. The Directors of the Company as at the date of this Annual Report are:

- (i) Mr. Wang Tianyi (Non-Executive Director & Chairman of Board);
- (ii) Mr. An Xuesong (Executive Director & CEO);
- (iii) Mr. Luo Junling (Executive Director & CFO);
- (iv) Mr. Zhai Haitao (Independent Director);
- (v) Mr. Lim Yu Neng Paul (Independent Director);
- (vi) Ms. Cheng Fong Yee (Independent Director); and
- (vii) Ms. Hao Gang (Independent Director).

董事会的成员均了解本集团的业务运营和公司治理实践。具体而言，本公司超过半数的董事（包括超过半数的独立董事）曾在环保行业的公司担任执行管理人员或董事超过八年。提名委员会确保新董事接受相关培训和信息，使之了解本集团的业务、战略目标和方向以及公司治理实践。

在委任新董事时，本公司会向该董事发出一份正式的聘任函，其中列明他/她担任董事所需履行的义务和职责。新任董事在首次加入董事会时将接受培训和业务介绍。本公司为所有新聘任的董事都提供培训和业务介绍项目，以此确保他们熟悉本公司的业务、运营、治理实践以及监管要求。公司秘书或外部律师也对新任董事进行培训，使其了解作为董事应尽的义务和职责以及本公司作为新交所上市公司应履行的持续性义务。

本公司持续地向全体董事提供有关董事会程序、公司治理实践和行业发展的培训。本公司还邀请外部专家（比如审计师、律师、可持续发展顾问、技术专家或其他专业人士）对董事和管理层进行定期培训，培训课题涵盖法律、财务、技术、商业等领域，具体取决于本公司的发展需求。管理层还定期提供相关法律、法规的最新修改以及关于不断变化的商业风险的更新，使董事们得以在充分掌握信息的基础上做出决定，确保董事们能够履行其各自的角色和职责。同时，本公司也鼓励董事们随时跟进与本集团业务有关的最新进展。

除此之外，董事们也有机会参观本集团的运营设施并与管理层见面接洽，以便更好地了解本集团的业务经营情况。

### 董事会的组成和平衡

董事会目前由七名董事组成，其中超过半数为独立董事。截至本年度报告日，本公司的董事会由下列人员组成：

- (i) 王天义先生（非执行董事兼董事长）；
- (ii) 安雪松先生（执行董事兼总裁）；
- (iii) 罗俊岭先生（执行董事兼首席财务官）；
- (iv) 翟海涛先生（独立董事）；
- (v) 林御能先生（独立董事）；
- (vi) 郑凤仪女士（独立董事）；和
- (vii) 郝刚女士（独立董事）。



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The independence of each Director is assessed and reviewed annually by the NC. The NC adopts the Code's definition of an independent director in its review. The Board and the NC consider an independent director as one who has no relationship with the Group, its related companies, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interest of the Company and the Group's affairs.

Each Independent Director is required to complete a Director's Independence Checklist annually to confirm his/her independence based on the guidelines as set out in the Code. For FY2018, the NC has determined that all the Independent Directors are independent. In particular, Mr. Zhai Haitao is also an independent director of the Company's controlling shareholder Everbright International, but he is not involved in the daily management and operation of Everbright International. The NC determined that Mr. Zhai Haitao is independent in character and judgment and his role as independent director of Everbright International will not affect his judgment as Independent Director of the Company. Mr. Lim Yu Neng Paul and Ms. Cheng Fong Yee were appointed as Independent Directors of the Company in July 2007. Since then, the Company experienced changes in controlling shareholders and the management teams twice. The current controlling shareholder, Everbright International, only gained control of the Company in December 2014 and the current management team and executive officers joined the Company following that change. Thus, although Mr. Lim Yu Neng Paul and Ms. Cheng Fong Yee served the Board beyond nine years from the date of their appointment, both the NC and the Board held the view that they remain independent in both character and judgement. In addition, Ms. Hao Gang, who was appointed in March 2018, has no relationship with the Company, its related corporations, its controlling shareholders or its officers that could interfere, or be reasonably perceived to interfere with the exercise of her independent business judgement. Therefore, the NC considered Ms. Hao Gang to be independent. The Board will undertake more rigorous review annually on the independence of any Director who has served the Board beyond nine years, and in doing so, the Board will also take into account the need for progressive refreshing of the Board. The Board has determined that it is of an appropriate size to facilitate effective decision-making, and to meet the objective of having a balance of skills and experiences, taking into account the size and scope of the Company's operations.

提名委员会每年评估和审阅各名董事的独立性。在审阅过程中，提名委员会采用公司治理守则中关于独立董事的定义。若一名董事与本集团、或与本集团的关联公司、拥有本集团10%股份的股东或其管理人员之间的关系不会干扰到或被合理认为不会干扰到该董事为本公司和本集团的最佳利益行使独立商业判断，则董事会和提名委员会即视该董事为独立董事。

每名独立董事须每年填写董事独立调查清单，以确认其按照公司治理守则的要求具备独立性。在二零一八财政年度，提名委员会认为所有的独立董事均是独立的。其中，翟海涛先生也是本公司的控股股东光大国际的独立董事，但他并不参与光大国际的日常经营管理。提名委员会认为，翟海涛先生在品格和判断方面具有独立性，他作为光大国际独立董事的角色不会影响他作为本公司独立董事的判断。林御能先生和郑凤仪女士在二零零七年七月被任命为本公司的独立董事。自那时起，本公司经历了两次控股股东和管理团队的变化。目前的控股股东光大国际在二零一四年十二月才取得本公司的控制权，目前的管理团队和执行人员也是继该次变更之后才加入本公司。因此，虽然林御能先生和郑凤仪女士在董事会的任期自委任之日起已超过九年，但提名委员会和董事会认为他们在品格和判断方面仍具有独立性。此外，郝刚女士自二零一八年三月被聘任为独立董事，她与本集团或本集团的关联公司、拥有本集团10%股份的股东或其管理人员之间不存在任何关系会干扰到或被合理认为干扰到她为本公司和本集团的最佳利益而行使独立的商业判断。因此，提名委员会认为郝刚女士也具备独立性。对于在本公司任职超过九年的独立董事，董事会会在审阅其独立性时采用更加严格的标准，也会考虑到董事会逐步更新其人员组成的需求。董事会认为，考虑到本公司经营的规模和范围，目前独立董事的人数是适当的，这有利于董事会做出有效的决策并在各领域拥有平衡兼顾的技能和经验。



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The current Board comprises business leaders, industry experts, professionals and academia experts, with industry, accounting, financial, business, management and academic backgrounds. A majority of the Directors (including a majority of Independent Directors) have more than eight years' experience serving as an executive officer or a director of a company in the environmental protection industry. This composition and diversity of the Board enables the Management to benefit from a diverse and objective external perspective, on issues raised before the Board. The Board reviews its composition, expertise and experience annually to determine if the Directors, as a group, provide an appropriate balance and diversity of skills. Each Director has been appointed based on the strength of his/her caliber, expertise, experience and his/her potential contribution to the Group and its businesses. Profiles of the Directors are set out on pages 20 to 26 of this Annual Report.

The Board is able to exercise objective judgment on corporate affairs independently from the Management. No individual or group of individuals is allowed to dominate the Board's decision-making. Currently, a majority of the Board members are Independent Directors. The Board is thus of the view that there is sufficiently strong independent element on the Board to enable independent exercise of objective judgment on corporate affairs of the Group, taking into account factors such as the size and scope of the affairs and operations of the Group.

Non-Executive Directors (including Independent Directors) play an important role in the Board's decision-making process. They constructively challenge and assist to develop proposals on strategy, and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. In particular, the Chairman ensures that each of the Independent Directors is given sufficient time to express his/her opinions during the Board meetings. The Independent Directors meet at least once a year without the presence of the Management.

### Chairman and CEO

The Board recognises the Code's recommendation that the Chairman and the CEO should be separate persons to ensure that there is an appropriate balance of power and authority within the Company.

The Non-Executive Chairman of the Company is Mr. Wang Tianyi and the CEO is Mr. An Xuesong. The Chairman bears the responsibility for the effective conduct of the Board whilst the CEO bears the executive responsibility for the operations of the Group's business. The Chairman and the CEO are not related to each other.

目前的董事会成员由具有行业、会计、财务、业务和管理背景的商界领袖、行业专家、专业人士和学术界专家组成。本公司超过半数的董事（包括超过半数的独立董事）在环保行业的企业担任执行管理人员或董事的经验超过八年。董事会的这种组成结构和多元化使得管理层受益，提交到董事会的议题得以从多元客观的外部视角接受审阅。董事会每年一次审阅其成员组成、专长和经验，以此确定董事会作为一个团队是否提供了适当的、平衡的多样性和技能。每名董事均是依照其能力、经验及其对本集团和本集团的业务可能做出的贡献而获得聘任。各董事的情况介绍见本年度报告第20页至第26页。

董事会对公司事务能够行使独立于管理层的客观判断。任何个人或一组人均不可支配董事会的决策。本公司目前的董事会成员中超过半数独立董事。董事会因此认为，鉴于独立董事在董事会中的人数以及本集团业务经营的规模和范围，董事会目前的组成使董事会具有足够的独立性，并让董事会的成员得以对本集团事务做出独立客观的判断。

非执行董事（包括独立董事）对于董事会的决策过程起到非常重要的作用。他们对战略决策提出具有建设性的意见并协助拟定战略方案，审阅管理层的表现是否达到预先设定的目标，并对其绩效报告进行监督。具体而言，董事长将确保在每次董事会的会议中每位独立董事都拥有充足的时间表达其观点。独立董事每年至少一次在管理层不在场的情况进行会面。

### 董事长和总裁

董事会认可公司治理守则中的建议，即董事长和总裁应由不同的人员担任，以确保本公司内部在权力和授权方面达到适当平衡。

本公司的非执行董事长是王天义先生，总裁是安雪松先生。董事长负责董事会的有效运作，总裁负责本集团业务的具体经营。董事长和总裁彼此没有关联关系。

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The Chairman is responsible for exercising control over the quality and timeliness of the flow of information between the Management and the Board and ensuring compliance with the Group's guidelines on corporate governance. The Chairman ensures that Board meetings are held regularly in accordance with the agreed schedule of meetings and sets the agenda of the Board meetings.

The Chairman also builds constructive relations within the Board and between the Board and the Management, and facilitates the effective participation of Non-Executive Directors (including Independent Directors) by promoting a culture of openness and debate of the Board. The Chairman further ensures effective communication with shareholders and promotes high standards of corporate governance.

The CEO is responsible for the day-to-day management of the Group and chairs the Management Committee. The CEO works with the Board for strategic planning, business development and charting the growth of the Group.

The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual exercising any considerable concentration of power or influence.

Furthermore, the Audit Committee ("AC"), the Remuneration Committee ("RC") and the NC are chaired by Independent Directors, and a majority of the Board currently consist of Independent Directors. The AC comprises only Independent Directors and the majority of the NC and the RC members are also Independent Directors. The Company currently has no Lead Independent Director. Considering the Company's current business operations and Board size of seven members with a majority being Independent Directors, the Company is of the view that the appointment of a Lead Independent Director for the year under review is not necessary. Nevertheless, the Board will annually examine the need for such appointment.

## Board Membership

The NC comprises:

- (i) Mr. Zhai Haitao (NC Chairman & Independent Director);
- (ii) Mr. Wang Tianyi (Non-Executive Director & Chairman of Board); and
- (iii) Mr. Lim Yu Neng Paul (Independent Director).

Majority of the NC, including the NC Chairman are Independent Directors.

董事长负责控制管理层和董事会之间信息流通的质量和及时性，确保本集团遵守了其公司治理准则。董事长确保董事会按照拟定的会议时间表定期召开会议，并确定董事会会议的议程。

董事长也负责在董事会内部以及董事会与管理层之间形成建设性的关系，通过坦率的沟通和董事会辩论来鼓励非执行董事（包括独立董事）有效参与。董事长还会确保本公司与股东之间进行了有效沟通，并促进高水平的公司治理。

总裁负责本集团的日常管理，并担任管理委员会的主席。总裁与董事会一起制定本集团的战略规划、业务拓展方向和发展蓝图。

董事会认为，本公司具有充分的保障和检查措施，以确保董事会的决策过程是独立的，且其决策是经过集体讨论而做出的，不受任何个人的严重干预或影响。

另外，审计委员会、薪酬委员会和提名委员会的主席均由独立董事担任，并且董事会中超过半数的成员为独立董事。审计委员会全部由独立董事构成，提名委员会和薪酬委员会的委员中有大多数是独立董事。本公司目前没有聘任首席独立董事。鉴于本公司目前的业务以及董事会七名成员中超过半数独立董事，本公司认为在回顾年内并无必要聘任首席独立董事。但董事会将每年审查是否需要做出该等聘任。

## 董事会成员

提名委员会由下列董事组成：

- (i) 翟海涛先生（提名委员会主席、独立董事）；
- (ii) 王天义先生（非执行董事兼董事长）；和
- (iii) 林御能先生（独立董事）。

提名委员会的大多数成员（包括提名委员会主席）是独立董事。



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The key terms of references of the NC are as follows:

- (1) establishing procedures and making recommendations to the Board on all Board appointments and re-nominations with regards to each Director's contribution and performance, his/her attendance at meetings of the Board or the Board Committees (where applicable), participation, candour and any special contributions;
- (2) reviewing and determining annually whether a Director is independent, bearing in mind the considerations set out in the Code;
- (3) deciding whether or not each Director is able to and has adequately carried out his/her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments;
- (4) developing a process for evaluation of the performance of the Board as a whole, the Board Committees and the Directors; and
- (5) reviewing training and professional development programmes for the Board.

Where a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC, in consultation with the Board, determines the selection criteria and selects candidates with the appropriate expertise and experience for the position. Besides the qualification and experience of each candidate, the NC takes into consideration the candidate's ability to increase the effectiveness and the diversity of the Board and to add value to the Company's business in line with its strategic objectives. Before appointment of any new Director, the NC conducts an interview with the candidate and holds a meeting to discuss the candidacy (and the independence, where applicable) of the candidate. If appropriate, the NC makes recommendation to the Board on the proposed appointment. The Board will then review and discuss the candidacy of the candidate, and if appropriate, approve the appointment of the new Director. The Company makes immediate announcement on any new appointment of Directors on the SGXNET.

In considering the re-appointment of a Director, the NC evaluates such Director's contribution and performance, such as his/her attendance at meetings of the Board or the Board Committees (where applicable), participation, candour and any special contributions. Upon the NC's recommendation, the Board will review and approve the re-nomination of a Director for re-appointment for the shareholders' approval at annual general meetings ("AGMs").

提名委员会的主要职权范围如下:

- (1) 根据每名董事的贡献和表现及其在董事会会议或董事会各专门委员会会议（如适用）上的出席率、参与度、坦率程度以及任何特殊贡献，制定所有董事聘任和再提名的程序，并向董事会作出推荐；
- (2) 按照公司治理守则中的标准每年审查并确定董事是否具有独立性；
- (3) 根据董事在其他上市公司董事会任职的数量和其他主要职责，决定每名董事是否能够并已充分履行了作为本公司董事的职责；
- (4) 制定评估董事会整体、董事会各专门委员会和董事们的绩效表现的程序；和
- (5) 审阅董事会的培训和专业发展方案。

在董事会的席位出现空缺时、或当引进具有某方面特长的新董事将有益于董事会时，提名委员会在与董事会协商后，制定遴选标准并挑选具有适当专业知识和经验的候选人。除了各候选人的资质和经验以外，提名委员会也考虑候选人是否能提高董事会的有效性和多样性并按照本公司的战略目标为本公司的业务创造价值。在聘请任何新董事前，提名委员会将对候选人进行面试，并且召开一次会议讨论候选人的情况（包括独立性，如适用）。如果认为候选人资历合适，提名委员会将向董事会做出该项聘任的推荐。董事会随后将审阅并探讨候选人的资历，在合适的情况下，董事会将批准聘任该候选人作为本公司的董事。本公司在聘请了任何新董事后都将立即在新交所上市公司信息披露网站（“SGXNET”）发布聘任公告。

在考虑重新聘任一名董事时，提名委员会评估该名董事的贡献和表现，比如其在董事会会议或董事会各专门委员会会议（如适用）的出席率、参与度、坦率程度以及任何特殊贡献。董事会将根据提名委员会做出的推荐审阅和批准重新聘任某名董事。



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All Directors (including the Chairman of the Board and the CEO) are subject to the provisions of the Company's Bye-laws whereby:

- (a) each Director shall retire at least once every three years and shall be eligible for re-election. No Director is subject to retirement pursuant to the Company's Bye-law 86(1) at the forthcoming AGM; and
- (b) any Directors appointed by the Board shall retire at the next AGM of the Company and shall be eligible for re-election. Mr. Luo Junling is subject to retirement pursuant to the Company's Bye-law 85(6) at the forthcoming AGM. After considering Mr. Luo Junling's experience and qualifications as well as his contributions to the Company since his appointment as a Director, the NC and the Board recommended that Mr. Luo Junling be nominated for re-election as a Director at the forthcoming AGM. Mr. Luo Junling also expressed his willingness to be re-elected. The profile of Mr. Luo Junling is set out on page 22 of this Annual Report. Further information relating to him is set out below.

During the past 10 years, Mr. Luo Junling assumed various positions within the Group or Everbright International, including: CFO or Vice President of the Company, General Manager of Everbright Environmental Water Management Centre under Everbright Environmental Protection (China) Limited, General Manager or Financial Controller of Everbright Water (Jiangyin) Limited, and Financial Controller of China Everbright Water Investments Limited. He does not have any relationship (including immediate family relationships) with any existing Director, existing executive officer, the Company and/or substantial shareholder of the Company or of any of its principal subsidiaries. Neither does he have any conflict of interest (including any competing business) with the Company. Mr. Luo Junling is currently a director of 45 subsidiaries and 1 associated company within the Group. He does not have any other principal commitments (including directorship) outside the Group. Prior to his appointment as a Director of the Company, he had no experience as a director of an issuer listed on any stock exchange (including the SGX). Prior to his appointment as a Director, he received relevant trainings on the roles and responsibilities of a director of a listed company on the SGX, and submitted an undertaking to the Company under Rule 720(1) of the SGX Listing Manual.

The NC conducts an annual review of the Directors' independence. The NC is of the view that Mr. Zhai Haitao, Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao Gang are independent and that, no individual or small group of individuals dominates the Board's decision-making process.

所有董事（包括董事长和总裁）均需遵守本公司章程的下列规定：

- (a) 每名董事每三年应至少告退一次，可连选连任。无任何董事将按照本公司章程第86(1)条的规定在即将召开的年度股东大会上告退；以及
- (b) 董事会聘任的任何董事应在本公司下一次年度股东大会上告退，可连选连任。罗俊岭先生将按照本公司章程第85(6)条的规定在即将召开的年度股东大会上告退。在考虑了罗俊岭先生的经验、资历以及其自受聘为董事以来对本公司所做出的贡献，提名委员会和董事会推荐提名其在即将召开的年度股东大会上被重新选举为董事。罗俊岭先生也表达了被重新选举的意愿。罗俊岭先生的个人简介载于本年度报告第22页。关于他的其它信息如下。

在过去十年期间，罗俊岭先生在本集团或光大国际内曾担任多个职位，包括：本公司的首席财务官或副总裁，光大环保（中国）有限公司旗下光大环保水务中心的总经理，光大水务（江阴）有限公司的总经理或财务总监，以及中国光大水务投资有限公司的财务总监。他与任何现任董事、现任主要管理人员、本公司和/或其主要股东或其任何附属公司的现任董事或主要管理人员均无任何关系（含直系亲属关系）。他和本公司也无任何利益冲突（含任何竞争业务）。罗俊岭先生现任本集团内45家附属公司和一家联营公司的董事。他在本集团以外无任何其他主要职责（含董事席位）。在被受聘为本公司的董事以前，他没有在任何证券交易所（含新交所）的上市发行人担任过董事。在被受聘为本公司的董事以前，他已接受了关于新交所上市公司董事之角色和职责的培训，也根据新交所上市规则第720(1)条的规定向本公司提交了承诺函。

提名委员会对董事的独立性进行了年度审阅，并认为翟海涛先生、林御能先生、郑凤仪女士和郝刚女士是独立的，不存在个人或一小部分人支配董事会决策过程的情况。





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All Directors are required to declare their board representations. When a Director has multiple board representations, the NC will consider whether the Director is able to adequately carry out his/ her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations, the efforts and time required for his/her other board representations and his/her other principal commitments.

The NC has reviewed and is satisfied that all Directors, who sit on multiple boards, have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Directors of the Company, notwithstanding their multiple board appointments. The NC did not recommend setting of limit as to the number of listed board representations that every Director can hold, as the time and efforts required for each board representation may vary, depending on the type of directorship (executive or non-executive). The Board will determine the maximum number of listed company board representations which any Director may hold as and when required.

There is no Alternate Director on the Board.

The dates of initial appointment, last re-election/re-appointment and other listed company board representations of each of the Directors are set out below:

所有董事均需申报其在本公司董事会的任职情况。如果一名董事在多家公司的董事会任职，提名委员会将根据董事在其他上市公司董事会任职的数量、在该其他上市公司担任董事所需花费的时间和精力以及他/她的其它主要职责来认定该董事是否能够充分履行其作为本公司董事的职责。

经审阅，提名委员会认为，在多家上市公司董事会任职的董事尽管身兼多职，均能对本公司的事务贡献足够的时间和精力以充分履行其董事职责。由于在其他上市公司任职董事所需花费的时间和精力将根据具体董事席位的性质（执行或非执行）而有所不同，因此，提名委员会并未建议为每名董事在其他上市公司董事会任职的数量设定上限。董事会可随时视需要规定每名董事可担任的上市公司董事的数量上限。

董事会中没有候补董事。

各现任董事的初次聘任、上一次改选/再聘任以及担任其他上市公司董事职务的详情如下：

Director 董事 (Age) (年龄)	Position 职务	Country of Principal Residence 主要居住国	Date of Initial Appointment 初次聘任日期	Date of Last Re-Election 上一次连任 日期	Membership of Board Committee 董事会专门委员会 成员	Directorship/ Chairmanship both present and those held over the preceding three years in other listed company 目前和前三担任董事/董 事长的其他上市公司
Mr. Wang Tianyi 王天义先生 (56)	Non-Executive Director and Chairman 非执行董事 兼董事长	Hong Kong SAR, China 中国香港	12 Dec 2014 二零一四年 十二月十二日	25 Apr 2017 二零一七年 四月二十五日	SC Chairman RC Member NC Member 战略委员会主席 薪酬委员会委员 提名委员会委员	Present: China Everbright International Limited (listed on HKEx) 现任: 中国光大国际有限公司 (在香港联交所上市) <u>Over the preceding 3 years: None</u> 前三年的任职: 无
Mr. An Xuesong 安雪松先生 (48)	Executive Director and CEO 执行董事兼 总裁	Hong Kong SAR, China 中国香港	12 Dec 2014 二零一四年 十二月十二日	25 Apr 2017 二零一七年 四月二十五日	MC Chairman SC Member 管理委员会主席 战略委员会委员	None 无
Mr. Luo Junling 罗俊岭先生 (45)	Executive Director and CFO 执行董事兼 首席财务官	China 中国	10 May 2018 二零一八年 五月十日	None 无	SC Member MC Member 战略委员会委员 管理委员会委员	None 无

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Director 董事 (Age) (年龄)	Position 职务	Country of Principal Residence 主要居住国	Date of Initial Appointment 初次聘任日期	Date of Last Re-Election 上一次连任 日期	Membership of Board Committee 董事会专门委员会 成员	Directorship/ Chairmanship both present and those held over the preceding three years in other listed company 目前和前三年担任董事/董 事长的其他上市公司
Mr. Zhai Haitao 翟海涛先生 (50)	Independent Director 独立董事	Hong Kong SAR, China 中国香港	14 Aug 2015 二零一五年 八月十四日	25 Apr 2018 二零一八年 四月二十五日	NC Chairman AC Member RC Member 提名委员会主席 审计委员会委员 薪酬委员会委员	Present: China Everbright International Limited (listed on HKEx) 现任: 中国光大国际有限公司 (在香港联交所上市) <u>Over the preceding 3 years: None</u> 前三年的任职: 无
Mr. Lim Yu Neng Paul 林御能先生 (56)	Independent Director 独立董事	Singapore 新加坡	31 July 2007 二零零七年 七月三十一日	25 Apr 2018 二零一八年 四月二十五日	AC Chairman NC Member RC Member 审计委员会主席 提名委员会委员 薪酬委员会委员	Present: 1. Golden Energy and Resources Limited (listed on SGX) 2. Nippecraft Limited (listed on SGX) 现任: 1. Golden Energy and Resources Limited (在新交所上市) 2. Nippecraft Limited (在新交所上市) <u>Over the preceding 3 years: None</u> 前三年的任职: 无
Ms. Cheng Fong Yee 郑凤仪女士 (62)	Independent Director 独立董事	Singapore 新加坡	31 July 2007 二零零七年 七月三十一日	25 Apr 2018 二零一八年 四月二十五日	RC Chairman AC Member 薪酬委员会主席 审计委员会委员	None 无
Ms. Hao Gang 郝刚女士 (60)	Independent Director 独立董事	Hong Kong SAR, China 中国香港	16 March 2018 二零一八年 三月十六日	25 Apr 2018 二零一八年 四月二十五日	AC Member SC Member 审计委员会委员 战略委员会委员	None 无

## Board Performance

The Board and the NC have adopted a formal process for the evaluation of the performance of the Board as a whole, the Board Committees and the contribution by each individual Director to the effectiveness of the Board. Following the end of each financial year, each of the Directors is requested to complete a Board Evaluation Questionnaire and a Director Self-Appraisal Form. Each of the NC members is also requested to complete a Board Committee Appraisal Form. The performance criteria for the Board as a whole include, amongst others, the Company's

## 董事会的表现

董事会和提名委员会采用正式的程序来评估董事会整体的表现、董事会专门委员会的表现以及每名董事对董事会有效性的贡献。在每个财政年度结束后，每名董事将被要求填写一份董事会评估问卷和一份董事自评表格。提名委员会的每名成员也会被要求填写一份董事会专门委员会评估表格。评估董事会整体表现的标准包括但不限于：本公司在该财政年度中的财务表现、公司治理守则中所规定的董事会的人数和构成、董事会对信



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financial performance for that financial year, an evaluation of the size and composition of the Board, the Board's access to information, accountability, Board procedures and Board performance in relation to discharging its principal responsibilities in terms of the financial indicators as set out in the Code. The assessment criteria for an individual Director include, amongst others, attendance, adequacy in meeting preparation, generation of constructive ideas, leadership, keeping abreast of industry developments, and contribution in specific areas. The evaluation criteria for the Board Committees include, amongst others, committee composition, the contribution in assisting the Board for better decision-making, sufficiency of expertise of Board members, Committee chairman's performance in discharging responsibility, quality of Board Committee's communication with the Board. To facilitate the candour in providing feedback by the Directors in the appraisal process, all completed appraisal forms are sent to the Company Secretary directly for summarisation, and then the appraisal summaries (on a no-name basis) and findings are circulated to the NC for analysis and discussion during the NC meeting. The NC will then report its findings and recommendations to the Board for discussion with a view to enhancing the effectiveness of the Board. The Board discusses and determines the areas for improvement and enhancement of the Board's effectiveness as well as its implementation.

Following the review, the NC assessed the Board's performance as a whole, the Board Committees' performance and the contribution by individual Directors in FY2018, and is of the view that the Board's performance as a whole, the Board Committees' performance and the contribution by individual Directors are satisfactory.

No external facilitator was used in FY2018.

### Access to Information

To enable the Board to function effectively and to fulfill its responsibilities, the Management strives to provide the Board members with adequate information for Board meetings and update the Board on an ongoing basis.

The Board is generally furnished with detailed Board papers (including related materials, background or explanatory information of each agenda) one week prior to any Board meeting to enable the Directors to sufficiently prepare for the meetings. The Directors will also request for additional information or clarification from the Management, if necessary, before or during the meetings. The Board is also informed of any significant developments or events relating to the Company timely. All disclosure documents issued by the Company (such as announcements, press releases, analyst briefing presentation slides, reports) are provided to the Board before or upon such release. Forecasts and internal financial statements are also provided to the Board and any material variance between the projections and actual results are disclosed and explained to the Board.

息的获取、责任制、董事会程序以及董事会在完成财务指标方面的表现等。评估每名董事个人表现的标准包括但不限于：会议出席率、对会议准备的充分性、建设性意见的提出、领导力、与行业发展与时俱进、在特定领域的贡献。评估董事会专门委员会表现的标准包括但不限于：委员会的人员组成、协助董事会做出更优决策的贡献、专门委员会主席的职责履行情况、专门委员会与董事会之间的沟通。为了促进董事们在评估过程中坦诚地提供反馈，所有评估表格在填妥后被直接交给公司秘书进行汇总，随后评估总结表（不记名）和评估发现被发送给提名委员会在会议上进行分析和讨论。提名委员会随后将其在评估过程中的发现和推荐向董事会进行报告。董事会将讨论和确定董事会有效性需要改进和加强的方面及其落实措施。

经过对二零一八财政年度董事会整体表现、董事会专门委员会的表现和每名董事表现的评估，提名委员会认为董事会的整体表现、专门委员会的表现和每名董事的表现令人满意。

在二零一八财政年度没有使用外部服务。

### 董事会获取信息

为使董事会有效运作并履行其职责，管理层尽力在董事会开会以前向董事会成员提供充分的信息，并持续地向董事会进行汇报。

董事们通常在开会前一周收到详细的董事会议资料（包括每项议程的相关材料、背景资料和解释信息），以此为董事们提供充分的会议准备时间。董事们也将在必要时在会议前或会议中向管理层索取额外的信息或澄清。与本公司有关的任何重大进展和事件也及时向董事会汇报。本公司发布的所有披露文件（比如公告、新闻稿、分析师简介会资料、报告）都会在发布前或发布时提供给董事会。本公司的预测信息和内部财务报表也会提供给董事会，关于预测信息与实际结果之间的任何重大差异也披露给董事会并向其提供解释。

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The Directors are given separate and independent access to the Management to address any enquiries and also have separate and independent access to the Company Secretary. The Company Secretary attends all Board meetings and Board Committee meetings and ensures that they are conducted in accordance with the Bye-laws of the Company and that the applicable rules and regulations are complied with. The appointment and removal of the Company Secretary is subject to approval of the Board. The Company Secretary, under the direction of the Chairman of the Board, ensures good information flows within the Board and the Board Committees and between the Management and Non-Executive Directors. The Company Secretary also advises the Board on all governance matters, facilitates orientation to the new Directors, arranges for trainings and professional development of Board members, as required. The current Company Secretary is also the Group's Legal Counsel, who is a licensed lawyer and a member of Chartered Secretaries Institute of Singapore.

When necessary, the Directors can seek independent professional advice, concerning any aspect of the Group's operations or undertakings in order to fulfill their roles and responsibilities as Directors, at the Company's expense.

董事们可各自独立地向管理层征询，也可各自独立地联系公司秘书。公司秘书出席所有的董事会会议和专门委员会会议，确保会议按照本公司章程的规定召开且本公司遵守了所适用的法规和规定。聘任和免除公司秘书均需获得董事会的批准。在董事长的指导下，公司秘书确保在董事会成员之间、专门委员会成员之间、管理层和非执行董事之间均形成良好的信息流通。公司秘书也向董事会提供关于所有治理事项的意见，协助为新董事安排任职培训，并在必要时为董事会成员安排培训项目和职业发展项目。本公司目前的公司秘书同时也是本集团的法律顾问，她是一名执业律师，也是新加坡特许秘书协会的会士。

在必要时，董事们可寻求关于本集团运营或业务的任何方面的独立专业意见，以便董事们履行其相关职责，寻求该种专业意见的相关费用将由本公司承担。

## (B) REMUNERATION MATTERS

### *Procedures for Developing Remuneration Policies*

The RC comprises:

- (i) Ms. Cheng Fong Yee (RC Chairman & Independent Director);
- (ii) Mr. Wang Tianyi (Non-Executive Director & Chairman of Board);
- (iii) Mr. Zhai Haitao (Independent Director); and
- (iv) Mr. Lim Yu Neng Paul (Independent Director).

The key terms of references of the RC are as follows:

- (1) recommending to the Board, in consultation with the Chairman of the Board, for endorsement, a remuneration policy framework and guidelines for remuneration of the Directors and key management personnel of the Group;
- (2) recommending remuneration packages for the Directors and the key management personnel (including but not limited to, Directors' and key management personnel's fees, salaries, allowances, bonuses and benefits-in-kind);
- (3) reviewing the obligations of the Group arising in the event of termination of the service contracts of the Directors and key management personnel; and
- (4) administering the share incentive plans of the Group, if any.

## (B) 薪酬事项

### *制定薪酬政策的程序*

薪酬委员会由下列董事组成：

- (i) 郑凤仪女士（薪酬委员会主席、独立董事）；
- (ii) 王天义先生（非执行董事兼董事长）；
- (iii) 翟海涛先生（独立董事）；和
- (iv) 林御能先生（独立董事）。

薪酬委员会的主要职权范围如下：

- (1) 在征询董事长的意见后，向董事会建议本集团董事和关键管理人员的薪酬政策框架和指引供董事会审批；
- (2) 建议董事和高级管理人员的薪酬配套（包括但不限于董事和关键管理人员的费用、薪金、津贴、奖金和实物福利）；
- (3) 审阅本集团在终止董事和关键管理人员的服务合同时产生的责任；以及
- (4) 管理本集团的股权激励计划（如有）。





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The RC is responsible for ensuring that a formal and transparent procedure is in place for developing an appropriate executive remuneration policy and a competitive framework for determining the remuneration packages of Directors and key management personnel. The RC recommends for the Board's endorsement, a framework of remuneration, including but not limited to, Director's fees, salaries, allowances, bonuses, options and benefits-in-kind for the Directors and key management personnel. No Director is involved in any decision-making relating to his/her own compensation.

The Company engaged Aon Hewitt Singapore Pte Ltd (**"Aon Hewitt"**), a third-party remuneration consultant, in January 2018 to benchmark the remuneration of the Company's Executive Directors, Non-Executive Directors and the key management personnel against the industry peers in Singapore and Hong Kong. There is no relationship between the Company and Aon Hewitt that will affect the independence and objectivity of Aon Hewitt. The RC made recommendations on the Company's remuneration framework and remuneration packages for Directors and key management personnel, taking into account Aon Hewitt's findings.

The RC reviews the Company's obligations arising in the event of termination of Executive Directors and key management personnel's contracts of services to ensure that such contracts of service contain fair and reasonable termination clause.

### Level and Mix of Remuneration

Under the framework developed by the RC, the RC uses the following factors to determine the Directors' remuneration:

- (1) qualifications and experience of the Directors required by the Company;
- (2) for Independent Directors, the general level of fees earned by each Director in his/her professional capacity or billed by professionals in their industry;
- (3) time spent in preparing for meetings and actual attendance;
- (4) indirect costs and expenses incurred by the Directors;
- (5) such remuneration as may be considered fair and reasonable, having regard to the nature and size of the business of the Company;
- (6) level of remuneration which is directly linked to the extent of involvement and participation in and contribution to the business of the Company;
- (7) the level of commitment and the ability to devote sufficient time and attention to the business of the Company; and
- (8) where special circumstances justify, the payment of additional remuneration.

薪酬委员会负责确保本公司采用了正式透明的程序来制定适当的管理层薪酬政策，并采用了具有竞争力的框架来决定董事和关键管理人员的薪酬配套。薪酬委员会对董事和关键管理人员的薪酬框架向董事会作出推荐供其审批，其中包括但不限于董事和关键管理人员的费用、薪金、津贴、奖金和实物福利。任何董事均未参与决定其本人的任何补偿。

本公司在二零一八年一月聘请了第三方薪酬顾问Aon Hewitt Singapore Pte Ltd (**"Aon Hewitt"**)，针对本公司的执行董事、非执行董事和关键管理人员的薪酬和香港及新加坡的同行业公司薪酬情况做比对。本公司与Aon Hewitt之间不存在任何关系会影响Aon Hewitt独立性和客观性。薪酬委员会在参考了Aon Hewitt的分析结论后，针对本公司的董事及关键管理人员的薪酬框架和薪酬配套做出了推荐。

薪酬委员会审阅本公司在终止执行董事和关键管理人员的服务合同时产生的责任，以确保该等服务合同包含了公平合理的终止条款。

### 薪酬水平和薪酬组合

按照薪酬委员会制定的框架，薪酬委员会根据下列因素来决定董事的薪酬：

- (1) 本公司要求的董事资质及经验；
- (2) 对于独立董事而言，各董事按其专业能力可赚取的，或按其领域的专业人士可收取的一般水平的费用；
- (3) 为准备会议和实际出席会议所花费的时间；
- (4) 董事产生的间接费用和开支；
- (5) 按照本公司业务的性质和规模可视为公平的薪酬；
- (6) 按照对本公司业务参与和贡献程度的不同而有不同的薪酬水平；
- (7) 对本公司业务投入足够的时间和精力所需要花费的付出和具备的能力；和
- (8) 在特殊情况下需要支付的额外报酬。



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Annual reviews are carried out by the RC to ensure that key management personnel are appropriately rewarded, giving due regard to the financial health and business needs of the Group without being excessive and thereby maximise shareholders' value. The Group's remuneration framework, remuneration packages and bonus distribution plans for the Directors and key management personnel in each year are reviewed and discussed by the RC, which comprises three Independent Directors and one Non-Executive Chairman, before submitting to the Board for endorsement.

The Executive Directors have entered into service agreements with the Company. Their compensation consists of basic salary, fixed allowance and performance-linked bonus. The bonus of the Executive Directors and the key management personnel are dependent on the Group's performance and such individual's performance and contribution to the Company in that year. In particular, the Company sets up a bonus pool and an objective bonus determination mechanism for the Executive Directors and the key management personnel at the beginning of each financial year, which is reviewed and approved by the RC as delegated by the Board. To incentivise the Executive Directors and the key management personnel to successfully manage the Company, the performance-linked bonus makes up a substantial portion of their total remuneration in a financial year. The amount of the performance-linked bonus for each Executive Director and key management personnel is linked to the achievement of certain key financial indicators of the Company in that financial year and the annual appraisal result of him/her.

The Group's remuneration policy is to provide compensation packages appropriate to attract, retain and motivate the Directors and the key management personnel.

The Independent Directors receive directors' fees according to their level of contributions and other factors such as effort and time spent for serving on the Board and the Board Committees, as well as the responsibilities and obligations of the Directors. The Company recognises the need to pay competitive fees to attract, motivate and retain the Directors without being excessive to the extent that their independence might be compromised.

Directors' fees are recommended by the Board for approval by the shareholders at the AGMs of the Company.

薪酬委员会进行年度审阅，在保证本集团的健康财务状况和正当业务需求的前提下，给予主要管理人员适当的回报，从而实现股东价值的最大化。本集团在每个财政年度中关于执行董事、非执行董事和关键管理人员的薪酬框架、薪酬配套以及奖金分配方案都提交给薪酬委员会审阅并讨论。薪酬委员会目前由三名独立董事及一名非执行董事长组成。该等薪酬框架、薪酬配套以及奖金分配方案随后将提供给董事会确认。

执行董事与本公司签订了服务协议。他们的报酬包括基本工资、固定补贴和绩效奖金。执行董事和关键管理人员的奖金数额取决于本公司的表现以及该人员在当年的表现和对本公司的贡献。具体而言，在每个财政年度初，本公司为执行董事和关键管理人员设立一个奖金池并确定一个客观的奖金确定机制，随后提交给薪酬委员会由其根据董事会的授权进行审议。为了激励执行董事和关键管理人员成功地管理本公司，绩效奖金构成了他们全年总薪酬中的重要组成部分。执行董事和每位关键管理人员的绩效奖金都与本公司在该财政年度中是否实现了特定关键财务指标挂钩，同时还取决于该人员在当年的年度考评结果。

本集团的薪酬政策是提供适当的薪酬配套以吸引、保留和激励董事和关键管理人员。

独立董事按照他们的贡献程度和其他因素（如任职董事会和董事会专门委员会所投入的精力和时间以及董事的责任和义务）来领取董事袍金。本公司认可有必要支付具有竞争力的董事袍金，以吸引、激励和留住董事，但不会支付过高的董事袍金而影响他们的独立性。

董事袍金由董事会建议并经本公司年度股东大会批准。



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### Disclosure on Remuneration

A breakdown of the remuneration of the Directors and the key management personnel (who are not Directors) for FY2018 is set out below.

a) The level and mix of each Director's remuneration is as follows:

Remuneration Band and Name of Director 薪酬幅度和董事姓名	Directors' Fee% 董事袍金%	Salary % 工资%	Bonus % 奖金%	Benefits in kind % 实物福利%	Total % 总计%
<b>SGD500,000 to below SGD750,000</b> <b>500,000新加坡元至750,000新加坡元以下</b>					
Mr. An Xuesong 安雪松先生	—	40	50	10	100
<b>SGD250,000 to below SGD500,000</b> <b>250,000新加坡元至500,000新加坡元以下</b>					
Mr. Luo Junling <sup>(1)</sup> 罗俊岭先生 <sup>(1)</sup>	—	34	57	9	100
<b>Below SGD250,000</b> <b>250,000新加坡元以下</b>					
Mr. Wang Tianyi 王天义先生	—	—	—	100	100
Mr. Cai Shuguang <sup>(2)</sup> 蔡曙光先生 <sup>(2)</sup>	—	—	—	100	100
Ms. Xu Nailing <sup>(3)</sup> 徐乃玲女士 <sup>(3)</sup>	—	—	—	100	100
Mr. Zhai Haitao 翟海涛先生	83	—	—	17	100
Mr. Lim Yu Neng Paul 林御能先生	86	—	—	14	100
Ms. Cheng Fong Yee 郑凤仪女士	86	—	—	14	100
Ms. Hao Gang 郝刚女士	90	—	—	10	100

<sup>(1)</sup> Mr. Luo Junling was appointed as a Director of the Company with effect from 10 May 2018. Prior to that, he was the CFO of the Company, which was a key management personnel position, in FY2018. The above summarised remuneration information of Mr. Luo Junling took into account all his remuneration received from the Company for his capacity as a Director and a key management personnel in FY2018.

<sup>(2)</sup> During FY2018, in addition to his executive directorship with the Company, Mr. Cai Shuguang also assumed other executive position with Everbright International, the Company's controlling shareholder. The remuneration of Mr. Cai Shuguang which he received from Everbright International during FY2018 already reflected his effort and time spent on the Company's affairs and his contributions to the Company. Therefore, during FY2018, Mr. Cai Shuguang only received allowances from the Company for his attendance at the Board meetings, the amount of which was minimum. Mr. Cai Shuguang already resigned as a Director of the Company with effect from 10 May 2018.

<sup>(3)</sup> During FY2018, in addition to her executive directorship with the Company, Ms. Xu Nailing also assumed other executive position with Everbright International, the Company's controlling shareholder. The remuneration of Ms. Xu Nailing which she received from Everbright International during FY2018 already reflected her effort and time spent on the Company's affairs and her contributions to the Company. Therefore, during FY2018, Ms. Xu Nailing only received allowances from the Company for her attendance at the Board meetings, the amount of which was minimum. Ms. Xu Nailing already resigned as a Director of the Company with effect from 10 May 2018.

### 薪酬的披露

董事和关键管理人员（未担任董事）在二零一八财政年度的薪酬明细表如下。

a) 每名董事的薪酬水平和组合如下：

<sup>(1)</sup> 罗俊岭先生自二零一八年五月十日起被聘任为本公司的董事。在此聘任生效前，他在二零一八财政年度中担任本公司的首席财务官（属于关键管理人员职位）。上述关于罗俊岭先生的薪酬汇总表包含了其在二零一八财政年度中担任董事和高级管理人员职位而从本公司获得的全部薪酬。

<sup>(2)</sup> 在二零一八财政年度中，除了在本公司担任执行董事以外，蔡曙光先生也担任本公司的控股股东光大国际的其他执行人员职务。蔡曙光先生在二零一八财政年度从光大国际领取的薪酬已经反映了蔡曙光先生在本公司事务上所花费的时间和精力以及他对本公司所做出的贡献。因此，在二零一八财政年度中，蔡曙光先生仅从本公司领取了少量的董事会会议津贴。蔡曙光先生自二零一八年五月十日起已辞任本公司的董事。

<sup>(3)</sup> 在二零一八财政年度中，除了在本公司担任执行董事以外，徐乃玲女士也担任本公司的控股股东光大国际的其他执行人员职务。徐乃玲女士在二零一八财政年度从光大国际领取的薪酬已经反映了徐乃玲女士在本公司事务上所花费的时间和精力以及她对本公司所做出的贡献。因此，在二零一八财政年度中，徐乃玲女士仅从本公司领取了少量的董事会会议津贴。徐乃玲女士自二零一八年五月十日起已辞任本公司的董事。

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The Board believes that it is not in the best interest of the Company to fully disclose precise remuneration given the highly competitive industry conditions for the environmental water sectors, particularly in China. The disclosure of the Directors' and the key management personnel's remuneration based on the remuneration bands set out in this report is appropriate.

董事会相信，鉴于环保水务行业，尤其是在中国的环保水务行业的激烈竞争情况，充分披露具体的薪酬不符合本公司的最大利益。根据本报告中的薪酬幅度披露董事和关键管理人员的薪酬信息较为恰当。

b) The level and mix of each key management personnel's (who is not a Director) remuneration in bands is as follows:

b) 各关键管理人员（未担任董事）的薪酬水平和组合如下：

Remuneration Band and Name of Key Management Personnel 薪酬幅度和关键管理人员姓名	Salary % 工资%	Bonus % 奖金%	Benefits in kind % 实物福利%	Total % 总计%
<b>Below SGD500,000 500,000新加坡元以下</b>				
Mr. Yu Yiping <sup>(1)</sup> 余一平先生 <sup>(1)</sup>	43	42	15	100
Mr. Tao Junjie <sup>(2)</sup> 陶俊杰先生 <sup>(2)</sup>	71	—	29	100
Mr. Wang Yuexing 王悦兴先生	40	50	10	100
Mr. Wang Guanping 王冠平先生	39	50	11	100
Mr. Zhang Guofeng 张国锋先生	36	49	15	100
Mr. Sun Linbo 孙林波先生	36	56	8	100
Mr. Niu Kesheng 牛克胜先生	40	45	15	100
Ms. Peng Pei 彭珮女士	50	45	5	100

<sup>(1)</sup> Mr. Yu Yiping resigned as Vice President and a member of the Management Committee of the Company with effect from 1 April 2019, as he reached the retirement age.

<sup>(1)</sup> 由于已满退休年龄，余一平先生自二零一九年四月一日起辞任本公司的副总裁及管理委员会委员。

<sup>(2)</sup> Mr. Tao Junjie resigned as Vice President and a member of the Management Committee of the Company with effect from 10 May 2018 to focus on the other business of Everbright International, the Company's controlling shareholder. Therefore, he did not receive any bonus from the Company in FY2018.

<sup>(2)</sup> 陶俊杰先生自二零一八年五月十日起辞任本公司的副总裁及管理委员会委员，转而负责本公司控股股东光大国际的其他业务。因此，他在二零一八财政年度中未从本公司领取任何奖金。

The aggregate amount of the total remuneration paid to the key management personnel is SGD2,376,000 (including the remuneration which Mr. Luo Junling received from the Company during FY2018 for his capacity as a key management personnel).

支付给关键管理人员的薪酬总额为2,376,000新加坡元（其中包括罗俊岭先生在二零一八财政年度中担任关键管理人员时从本公司领取的薪酬）。

There are no employees of the Group who are immediate family members of a Director and whose remuneration exceeds SGD50,000 during FY2018.

在二零一八年财政年度内，不存在董事直系亲属担任本集团员工并领取超过50,000新加坡元薪酬的情形。

The China Everbright Water Limited Employee Share Option Scheme (the "Scheme") was approved by shareholders at the Company's special general meeting ("SGM") held on 27 October 2011. The Group has granted options to the Directors and the key executives under the Scheme on 15 November 2013 and the options granted have been fully exercised by the employees and the Directors of the Company.

中国光大水务有限公司员工股份期权计划（“期权计划”）由股东在二零一一年十月二十七日召开的本公司特别股东大会上批准。本集团按此计划在二零一三年十一月十五日向董事和主要管理人员授予了期权，该等已发行的期权已由本公司员工以及董事全部行权完毕。

The Scheme has been terminated with effect from 4 December 2018.

期权计划自二零一八年十二月四日起已被终止。



# CORPORATE GOVERNANCE REPORT

## 公司治理报告

For the financial year ended 31 December 2018  
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As at 4 December 2018, being the termination date, there was no outstanding share option granted under the Scheme, which had not been exercised.

### (C) ACCOUNTABILITY AND AUDIT

#### Accountability

The Board's primary role is to protect and enhance long-term value and returns for shareholders. In the discharge of its duties to shareholders, the Board, when reporting the Group's financial performance via SGXNET announcements and the Annual Report, has a responsibility to present a fair assessment of the Group's financial performance, position and prospects. The Management currently provides the Board with detailed management accounts of the Group's performance, position and prospects on a quarterly basis and/or when requested. Such reports provide key business indicators and major issues relevant to the Group's performance, position and prospects. Directors have access to the Management at all times.

In line with the Listing Rules of the SGX, the Board provides a negative assurance statement to the shareholders in its quarterly financial statements announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

#### Risk Management and Internal Controls

The Group's internal controls and management systems are designed to provide reasonable, but not absolute assurance to the integrity and reliability of the financial information and to safeguard and maintain the accountability of the assets. While no cost-effective internal control system can provide absolute assurance against loss or misstatement, the AC, with the participation of the Board, has reviewed the adequacy of the Group's internal controls and systems to ensure that they are designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably managed, proper accounting records are maintained and the integrity of financial information used for business and publication is preserved.

The internal auditors conduct annual review of the effectiveness of the Group's key internal controls including financial, operational, compliance, information technology and sustainability risks management. The external auditors during the conduct of their normal audit procedures may also report on matters relating to internal control. Any material non-compliance and recommendation for improvements are reported to the AC. The AC also reviews and continues to monitor the effectiveness of the actions taken by the Management on the recommendations made by the internal and external auditors in this respect.

截至二零一八年十二月四日（即计划终止日），不存在按照该期权计划已授予但尚未行权的期权。

### (C) 责任制和审计

#### 责任制

董事会的主要作用是保护和增加股东的长期价值和回报。在履行本公司对股东的职责方面，董事会通过SGXNET发布的公告和年度报告来宣布本集团的财务业绩时，有责任对本集团的财务表现、现状和前景做出公正的评估。管理层目前按季度和/或按要求随时向董事会提供详细的管理报表，其中包含了本集团的财务表现、现状和前景。这些报告列示了主要经营指标以及与本集团财务表现、现状和前景有关的主要事项。董事会始终和管理层保持沟通。

根据新交所的上市规则，董事会在其季度业绩公告中向股东做出消极保证，即董事会确认，尽其所知，董事会没有发现任何情况会导致财务报表在任何重要方面是虚假或具有误导性的。

#### 风险管理和内部控制

本集团的内部控制和管理体系旨在对财务信息的公正可靠性提供合理但并非绝对的保证，并保障和维护资产的责任制。尽管任何一个具有成本效益的内控体系都无法绝对保证不出现亏损或不当报表，但审计委员会在董事会的参与下审阅了本集团内部控制和体系的充分性，认为它们在保障资产、控制运营、适度管理商业风险、适当进行会计记录、保持业务用途的财务信息和予以发布的财务信息准确完整等方面都提供了合理的保证。

内部审计师对本集团的关键内部控制（包括财务、运营、合规、信息技术和持续性风险管理）的有效性进行年度审阅。外部审计师在正常审计工作中也可以对与内部控制相关的事项作出报告。重大的不合规事项和改进建议向审计委员会报告。审计委员会也审阅和继续监督管理层针对内部和外部审计师提出的建议所采取的行动。



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Based on the work performed by the internal and external auditors, the AC reviews the findings from the internal and external auditors on the Group's internal controls and the Management's responses to the auditors' recommendations for improvement to the Group's internal controls and discussions with the auditors and Management. The Company may, from time to time, appoint external advisers to facilitate the Company to assess and identify the key risks and the related key controls established by the Company. The first engagement of such external adviser was for the financial year ended 31 December 2015, during which such external adviser had determined that the Group's internal controls were adequate and effective enough in mitigating key risks of the Group. In April 2018, the Group engaged another external consulting firm as its independent internal control consultant to conduct a review of the internal control measures relating to its business operations with a view to identifying irregularities and furnishing internal control recommendations on remedial actions in order to enhance its internal control system generally. Based on the reviews and findings of such internal control consultant, the Directors are of the view that the Group's internal controls remain adequate and effective enough in mitigating key risks of the Group. The AC will review the needs for the engagement of such external adviser in reviewing the Group's internal control system on an annual basis, and if needed, will make such recommendation to the Board.

In addition, the Company have implemented two major management systems to address risks in different aspects of the Company, namely the Risk Management System and the ESHS Management System. The Risk Management System provides the procedures for risk identification and assessment, risk register compilation, risk tactics development, risk event management, risk event reporting, and the review and audit of such system. The Company updates its risk register on a quarterly basis. Any material findings on the risk management will be escalated to the AC and the Board. The ESHS Management System provides a series of standard operating procedures to address the environmental, safety, health and social responsibility risks.

The Board has received assurance from the CEO and the CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and regarding the effectiveness of the Company's risk management and internal control systems.

The risk management is subject to the AC and no other dedicated committee at the Board level is set up. Nonetheless, a Risk Assessment Committee is set up by the Company to assist the Management Committee in making decisions on new investment projects. In relation to the investment project which is subject to the Board's approval, the Risk Assessment Committee's findings and recommendations will also be submitted to the Board for consideration. More details about the Risk Assessment Committee are set out in paragraphs below in this Corporate Governance Report under sub-section "Internal Management".

基于内部和外部审计师的工作，审计委员会审查内部和外部审计师对本集团内部控制的审计结果、管理层对审计师改善本集团内部控制之建议的回应、以及其与审计师和管理层进行的讨论。本公司不时会聘任外部顾问协助本公司评估和识别关键风险和相关控制措施。首次聘请该等外部顾问是针对截至二零一五年十二月三十一日止的财政年度，其时外部顾问确定了本集团的内部控制充分有效，足以应付本集团所面临的关键风险。二零一八年四月，本集团聘请了另外一家外部咨询公司担任其独立的内部控制顾问，以此审阅与本集团业务营运有关的内部控制措施，识别不规范情况并提供有关补救措施的内部控制建议，借以增强本集团的内部控制系统。基于该内部控制顾问的审阅和发现，董事会认为本集团的内部控制仍然充分有效，足以应对本集团所面临的关键风险。审计委员会将每年审阅是否需要聘请外部顾问来审查本集团的内控系统；如需，则会向董事会做出该等推荐。

另外，本公司实施了两大管理体系来应对本公司在不同领域所面临的风险，即风险管理体系和ESHS管理体系。风险管理体系提供了一系列程序进行风险识别和评估、整理风险事件登记簿、制定风险策略、管理风险事件、报告风险事件、审查和审计风险管理体系等。本公司每季度一次更新风险事件登记簿。ESHS管理体系提供了一系列标准化流程来应对环境、安全、健康和社会责任风险。

董事会收到了总裁和首席财务官的保证，即本公司的财务记录得到了适当保管、财务报表真实公允地反映了本公司的经营和财务状况，以及本公司的风险管理和内部控制系统具有效力和效果。

风险管理由审计委员会负责，本公司没有为此另行在董事会层面设立专门委员会。然而，本公司设立了风险评审委员会来协助管理委员会做出关于新投资项目的决策。对于需要董事会批准的新投资项目，风险评审委员会的结论和推荐会被提交给董事会参考。关于风险评审委员会的更多详情请见本公司治理报告中“内部管理”一节。





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The Company's Legal and Risk Management Department is responsible for summarising the risk management results of each department and regional management centre and assessing the potential material risks confronting the Group according to the risk management program of the Group, formulating and implementing the risk management plan for the next year. The Legal and Risk Management Department is also responsible for maintaining and updating the Company's register of risks.

The Board, with the concurrence of the AC, is satisfied with the adequacy of the Group's risk management and internal control systems in addressing financial, operational, compliance and information technology controls and sustainability risks as at 31 December 2018 and that Management has taken efforts to minimise the risk of recurrence of such lapses.

### Audit Committee

The AC comprises:

- (i) Mr. Lim Yu Neng Paul (AC Chairman & Independent Director);
- (ii) Mr. Zhai Haitao (Independent Director);
- (iii) Ms. Cheng Fong Yee (Independent Director); and
- (iv) Ms. Hao Gang (Independent Director)

The Board considers Mr. Lim Yu Neng Paul, who is a Chartered Financial Analyst and has extensive and practical financial management knowledge and experience, well qualified to chair the AC.

Majority of the AC members have an accounting or finance background. The members of the AC, collectively, have recent and relevant accounting or related financial management expertise or experience to discharge the AC's responsibilities.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of the Management and full discretion to invite any Director or any key executive to attend its meetings. The AC has adequate resources, including access to external auditors, to enable it to discharge its responsibilities properly.

The AC met four times in FY2018 and the relevant Directors and Management members were invited to attend the meetings.

本公司的法律及风险管理部负责总结各部门和区域管理中心的风险管理结果，按照本集团的风险管理计划评估本集团面临的潜在重大风险，制定和实施下一年的风险管理计划。法律及风险管理部同时也负责维持和更新本公司的风险事件登记簿。

董事会和审计委员会对本集团截至二零一八年十二月三十一日在财务、运营、合规及信息技术控制措施和应对可持续性风险方面的风险管理和内部控制体系的充分性以及管理层为尽量减少重复失误所做出的努力表示满意。

### 审计委员会

审计委员会由下列董事组成：

- (i) 林御能先生（审计委员会主席、独立董事）；
- (ii) 翟海涛先生（独立董事）；
- (iii) 郑凤仪女士（独立董事）；和
- (iv) 郝刚女士（独立董事）

林御能先生（特许金融分析师）具有丰富实用的财务管理知识和经验，董事会认为他完全有资格担任审计委员会主席。

审计委员会的大多数成员均拥有会计或金融背景。审计委员会成员总体上具有履行审计委员会职责所需的会计或相关财务管理方面的新近知识或经验。

审计委员会具有明确的授权来调查其职责范围内的任何事项，能全面接触管理层并得到管理层的配合，可自行决定邀请任何董事或主要管理人员出席委员会的会议。审计委员会拥有足够的资源（包括聘请外部审计师）使之适当地履行职责。

审计委员会在二零一八财政年度里召开了四次会议，相关董事和管理人员应邀出席了会议。

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The functions of the AC include:

- (1) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- (2) reviewing and reporting to the Board the adequacy and effectiveness of the Group's internal controls, comprising financial, operational, compliance and information technology controls, including procedures for entering into hedging transactions (such review can be carried out internally or by third parties);
- (3) reviewing the effectiveness of the Group's internal audit function;
- (4) reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;
- (5) making recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (6) reviewing any interested person transactions as defined in the SGX Listing Rules;
- (7) reviewing potential conflicts of interest, if any, including reviewing and considering transactions in which there may be potential conflicts of interests between the Group and interested persons and recommending whether those who are in a position of conflict should abstain from participating in any discussions or deliberations of the Board or voting on resolutions of the Board of the shareholders in relation to such transactions as well as to ensure that proper measures to mitigate such conflicts of interest have been put in place;
- (8) reviewing the rectification measures and internal control measures relating to regulatory issues involving the Group's licences, permits or certificates etc;
- (9) reviewing the investments in our customers, suppliers and competitors made by the Directors, controlling shareholders and their respective associates who are involved in management of the Group or have shareholding interests in similar or related business of the Group and making assessments on whether there are any potential conflicts of interests and ensuring that proper measures to mitigate such conflicts of interests have been put in place;

审计委员会的职能包括:

- (1) 审阅重大的财务报告问题和结论, 以确保本集团的财务报表以及与本集团财务业绩有关的任何公告都健全完整;
- (2) 审阅并向董事会报告本集团在财务、运营、合规和信息技术控制 (包括进行对冲交易的程序) 等方面的内部控制的充分性和有效性 (该等审查可内部进行或借助有关第三方的协助);
- (3) 审阅本集团内部审计职能的有效性;
- (4) 审阅外部审计的范围和结果, 以及外部审计师的独立性和客观性;
- (5) 关于外部审计师的聘任、续聘和罢免, 向董事会推荐提交股东大会审议的议案, 批准外部审计师的薪酬和聘任条款;
- (6) 审阅新交所上市规则中定义的关联人士交易;
- (7) 审阅潜在的利益冲突 (如有), 包括审阅和考虑本集团和关联人士之间可能存在的潜在利益冲突, 并建议有利益冲突的人士回避董事会的相关讨论或相关股东的董事会对该等交易的表决, 以确保采取了适当措施减少该等利益冲突;
- (8) 审阅本集团牌照、资质或证书等监管问题相关的整改措施和内部控制措施;
- (9) 对于参与本集团管理或在本集团类似或相关业务中持有股权的董事、控股股东及其各自的关联人士而言, 审阅其在本集团的客户、供应商和竞争对手中的投资, 评估其是否存在潜在利益冲突, 以便确保本集团采取了适当措施来减少这种利益冲突;



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| <p>(10) reviewing the statements to be included in the annual report concerning the adequacy of internal controls, including financial, operational and compliance controls, and risk management systems;</p>          | <p>(10) 审阅需要包含在年度报告中的有关内部控制（包括财务、运营和合规控制以及风险管理系统）充分性的声明；</p> |
| <p>(11) monitoring the implementation of outstanding internal control recommendations and/or observations highlighted by the external auditors in the course of their audit of the statutory financial statements;</p> | <p>(11) 监测尚未落实的内部控制建议和/或外部审计师在审计财务报表过程中提出的问题的落实情况；</p>       |
| <p>(12) reviewing whistle-blowing investigations within the Group and ensuring appropriate follow-up action, if required;</p>  | <p>(12) 审阅本集团内部的举报调查，本集团确保采取了适当的后续行动（如需）；</p>                |
| <p>(13) planning and overseeing the implementation of the measures in respect of the legal representatives of the PRC subsidiaries;</p>  | <p>(13) 规划和监督中国各附属公司法定代表人的落实措施；</p>                          |
| <p>(14) undertaking such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and</p>         | <p>(14) 按照董事会的要求实施其他审阅和事项，向董事会报告审计委员会对各类事项的审查结果；和</p>        |
| <p>(15) generally undertaking such other functions and duties as may be required by statutes or the SGX Listing Rules, or by such amendments as may be made thereto from time to time on a quarterly basis.</p>        | <p>(15) 依照法律或新交所上市规则（或其不时的修订）的要求，按季度履行其他职能和职责。</p>           |

The AC meets with the internal auditors and external auditors separately, at least once a year, without the presence of the Management to review any matter that might be raised.

审计委员会每年至少一次分别与内部审计师和外部审计师单独会面（在管理层不在场的情况下），审查可能会提出的问题。

The AC and the external auditors have discussed the significant issues in financial reporting throughout the year at the AC meetings. As set out in the Independent Auditor's Report on pages 75 to 82, the following significant issues were discussed with the management and the external auditors and were reviewed by the AC:

审计委员会及外部审计师已于审计委员会会议上就整个年度财务报告的重大事项进行了讨论。诚如第75页至第82页之独立审计师报告所载，以下重大事项已经由审计委员会与管理层及外部审计师进行了讨论，并已经过审计委员会复核：

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Significant issues 重大事项	How the issue was addressed by the AC 审计委员会在有关事项上的解决方法
<p>Service concession arrangements and revenue recognition 服务特许权安排及收入确认</p>	<p>The key area reviewed by the AC on revenue recognition was the service concession arrangements of water treatment plants under IFRIC 12. The AC received confirmation from the Management that consistent accounting policy was applied throughout the year for recognising revenue under IFRIC 12. The AC assessed the competency, capability and objectivity of the Group's independent financial model consultant. The AC also considered the approach, methodology and key assumptions applied to the financial model for the determination of the fair value of construction services. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used.</p> <p>审计委员会根据国际财务报告准则委员会诠释第12号就收入确认复核的主要范围为污水处理厂的服务特许经营权安排。审计委员会已获管理层确认，其已于本会计年度根据国际财务报告准则委员会诠释第12号就确认收入采用一致的会计政策。审计委员会也评估了本集团独立财务模型顾问的资格、能力及客观性。审计委员会还考虑了确定建造服务的公允价值所采用的方式、方法及主要假设。审计委员会对所采用方法之合适程度及所作出主要假设之合理程度表示满意。</p>
<p>Recoverability of trade receivables 应收账款的可收回性</p>	<p>The AC and the Board receive regular updates from the Management on the ageing analysis of trade receivables, the progress of trade receivables collection and repayment schedule discussions with customers in the year. The AC is satisfied with the attention and effort taken by the Management on the receivables collection. Besides taking into account the opinion and findings from the Management and the external auditors, the AC also considered and reviewed the methodology used in the estimation of impairment loss of trade receivables and the appropriateness, completeness and reasonableness of the factors used in the estimation based on their knowledge of the business of the Group, the industry, and the current and future economic environment.</p> <p>审计委员会及董事会自管理层定期获得有关本集团应收账款的账龄、回款及就还款与客户进行协商的进展情况。审计委员会满意管理层对收回应收款项事项的关注及所付出的努力。除考虑了管理层及外部审计师的意见及发现外，审计委员会也根据其对本集团及行业业务的了解、目前及未来经济环境的判断，对应收账款预期减值准备计提方法及计提所考虑的因素的适用性、全面性及合理性进行了评估。</p> <p>The AC is satisfied that provision for impairment loss of trade receivables as at 31 December 2018 was adequate.</p> <p>审计委员会对截至二零一八年十二月三十一日计提应收账款减值准备的足够程度表示满意。</p>



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<p>Impairment assessment of goodwill 商誉减值测试</p>	<p>The AC considered the approach and methodology applied by the Management on both the assessment for impairment indicators and the impairment assessment of goodwill. In addition to considering opinion and findings from the Management and the external auditors, the AC also reviewed the approach used in the valuation and the reasonableness of key assumptions used in the cash flows forecast, including future revenue growth rate, operating margin, terminal growth rate and discount rate based on their knowledge of the business of the Group and the industry.</p> <p>审计委员会考虑了管理层在减值指标测试和商誉减值测试中应用的方法和概念。除考虑了管理层和外部审计师的意见和发现外，审计委员会还根据其对本集团及本行业业务的了解对评估使用的方法和现金流量预测中使用的主要假设包括未来收入增长率、运营利润率、长期增长率及贴现率的合理性进行审阅。</p> <p>The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used.</p> <p>审计委员会对所采用方法之合适程度及所作出主要假设之合理程度表示满意。</p>
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Following the review and discussions, the AC recommended to the Board to approve the full year financial statements for FY2018.

During the financial year under review, the AC has reviewed and noted that there were no non-audit services provided to the Group by the external auditor, Ernst & Young LLP, and thus is satisfied that the independence and objectivity of the external auditor will not be prejudiced. The AC is pleased to recommend their re-appointment.

The fees paid or payable to the external auditor is set out on page 155 of this Annual Report.

The AC is satisfied that the Company has complied with Rules 712, 715 and 716 of the SGX Listing Rules in relation to the appointment of its external auditors for FY2018 and in making the above-mentioned appointment recommendation.

The Company has put in place a whistle-blowing policy (the "Policy") to provide an avenue to all Directors and employees to report any concern or complaint regarding financial reporting and questionable accounting practices; criminal offences, unlawful and/or unethical acts, fraud, corruption, bribery and blackmail; failure to comply with legal or regulatory obligations and concealment of any of the abovementioned issues.

During the financial year, there was no whistle-blowing report received by the AC regarding the above-mentioned concerns.

An e-mail address and a special telephone number are set up to allow whistle-blowers to contact the AC Chairman directly. All concerns or irregularities raised will be treated with confidence and every effort will be made to ensure that confidentiality is maintained throughout the process.

经审阅及讨论后，审计委员会建议董事会批准二零一八财政年度的全年财务报表。

在本财政年度，审计委员会经审查后知悉外部审计师Ernst & Young LLP未向本集团提供任何非审计服务，因此认为该外部审计师的独立性和客观性未受任何影响。审计委员会推荐重新聘任Ernst & Young LLP担任本公司的外部审计师。

向外部审计师已付或应付的费用请详见本年度报告第155页。

审计委员会确认，本公司在二零一八财政年度中及作出上述聘任推荐时遵守了新交所上市规则第712条、第715条和第716条有关聘任外部审计师的规定。

本公司制定了举报政策（“政策”），为所有董事及员工提供渠道，举报任何其所关注的问题或有关财务报告和可疑会计行为、刑事犯罪、非法和/或不道德行为、欺诈、贪污、贿赂和勒索或未能遵守法定义务以及针对前述问题的掩盖行为。

在本财政年度，审计委员会没有收到有关上述事项的举报。

本公司设立了接收举报的电子邮箱和专线电话，举报人可以此直接联系审计委员会主席。所提出的所有关注事项或违规行为都将被视为是保密信息，本公司将尽一切努力确保整个举报过程也是保密的。



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The AC is guided by the terms of reference which stipulate its principal functions.

The AC meets regularly with the Management and the external auditors to review auditing and risk management matters and discuss accounting implication of any major transactions including significant financial reporting issues. It also reviews the internal audit functions to ensure the adequacy and an effective system of control is maintained in the Group.

On a quarterly basis, the AC also reviews the interested person transactions and the financial results announcements before their submission to the Board for approval.

The AC is well informed by the Management and the external auditors of change to accounting standards, the SGX Listing Rules and other regulations which could have an impact on the Group's business and financial statements.

No former partners or director of the Company's existing audit firm is a member of the AC.

## Internal Audit

The objective of the internal audit function is to provide an independent review of the effectiveness of the Group's internal controls and provide reasonable assurance to the AC and the Management that the Group's risk management, controls and governance processes are adequate and effective.

The AC approves the recruitment, removal, evaluation of the internal auditors.

The Company has an Internal Audit Department ("IA") to strengthen the internal audit function and promote sound risk management, including financial, operational, compliance, information technology controls, sustainability and good corporate governance.

The IA reports primarily to the AC Chairman and has full access to the documents, records, properties and personnel of the Company and of the Group. The IA reports to the AC on a quarterly basis regarding the progress and major findings of the internal audit process. The AC reviews at least annually the adequacy and effectiveness of the internal audit function of the Company and ensures that the Company's internal audit team is formed by the sufficient number of personnel with relevant qualifications and experience.

The Board recognises that it is responsible for maintaining a system of internal control to safeguard shareholders' investments and the Group's businesses and assets, while the Management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner.

审计委员会按其职权范围履行职责。

审计委员会定期会见管理层和外部审计师，审查审计和风险管理的事项，讨论任何重大交易（包括重大财务报告事项）的会计影响。它还审阅内部审计职能，确保本集团保持充分有效的控制机制。

审计委员会还在呈报董事会审批以前先行审阅每个季度的关联人士交易和财务业绩公告。

管理层和外部审计师向审计委员会及时通报可能会对本集团的业务和财务报表产生影响的会计准则、新交所上市规则和其他规则的变更。

本公司目前的审计师事务所的任何前任合伙人或董事均不是审计委员会的委员。

## 内部审计

内部审计职能的目的是对本集团内部控制的有效性进行独立审查，并向审计委员会和管理层针对本集团的风险管理、控制和治理程序的充分性和有效性提供合理保证。

审计委员会批准内部审计师的聘任、免职、和评估。

本公司设有内审部（“内部审计师”），以加强内部审计职能，提高健全的风险管理（包括财务、运营、合规、信息技术控制、可持续性和良好的公司治理）。

内部审计师主要向审计委员会主席报告工作，并可全面接触到本公司和本集团的所有文件、记录、物业和人员。内部审计师每季度向审计委员会汇报内部审计进展以及在内部审计过程中发现的问题。审计委员会至少每年一次审查本公司的内部审计职能的充分性和有效性，也将确保本公司的内部审计团队由充足数量的人员组成，并且该等人员均具有相关资质和经验。

董事会负责维护内部控制机制，以保障股东的投资和本集团的业务和资产；管理层负责及时地并以适当的方式建立和实施内部控制程序。



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IA's main scope of work covers the review and evaluation of processes and areas of concerns identified. IA assists Management in enhancing existing risk management initiatives and carry out regular independent monitoring of key controls and procedures. The findings and recommendations in relation to the adequacy and effectiveness of internal controls and process improvements will be presented to the AC and the Management.

The AC is satisfied that the internal audit function has adequate resources to perform its functions effectively.

Material non-compliance and internal control weaknesses noted during reviews are reported together with recommended corrective actions to the AC on a regular basis. In particular, the Company had certain outstanding licenses and/or permits in relation to its business and operations as at November 2014 ("**Licenses and/or Permits**") as disclosed in the Company's circular dated 12 November 2014. The IA followed up on the status and noted that the Company had obtained most of such Licenses and/or Permits in the financial years ended 31 December 2015, 2016 and 2017 and had disclosed such progress in the relevant annual reports. The Company did not have any further update in FY2018.

The results of the internal audit findings are also shared with the external auditors to assist them in their audit planning and also for them to perform further checks on the weak areas identified.

### (D) STRATEGY DEVELOPMENT

The Strategy Committee ("**SC**") comprises:

- (i) Mr. Wang Tianyi (SC Chairman, Non-Executive Director & Chairman of Board);
- (ii) Mr. An Xuesong (Executive Director & CEO);
- (iii) Mr. Luo Junling (Executive Director & CFO); and
- (iv) Ms. Hao Gang (Independent Director).

The SC is primarily responsible for assisting the Board in providing strategic direction to the Company and overseeing the strategic planning of the Company and the implementation of such strategies; reviewing the medium-term and long-term strategic objectives proposed by the Management and overseeing Management's performance in relation to such strategies; considering sustainability issues in formulating strategies and overseeing the monitoring and management of the environmental, social and governance factors that are material to the business of the Company.

内部审计师的主要工作范围包括审查和评估所关注事项的程序和范围。内部审计师协助管理层改善现有的风险管理措施，对关键控制和程序进行定期独立监测。有关内部控制和程序改善是否充分有效的调查结果和建议将提交给审计委员会和管理层。

审计委员会认为内部审计师具有足够的资源来有效履行其职能。

内部审计师定期向审计委员会汇报在审阅过程中发现的重大不合规和内部控制的薄弱环节、以及纠正措施的建议。本公司曾在二零一四年十一月十二日的通函中披露了本公司截至二零一四年十一月尚有某些与其业务相关的许可证和/或批准（“**许可证和/或批准**”）未能取得。内部审计师跟进有关状态，并注意到本公司已于截至二零一五年、二零一六年和二零一七年十二月三十一日止的财政年度中取得了绝大多数该等许可证和/或批准，并于相关年度报告中披露了该等进展。在二零一八财政年度中无额外更新。

内部审计结果也通知了外部审计师，以此协助他们制定审计计划并进一步检查所发现的薄弱环节。

### (D) 战略制定

战略委员会由以下人员组成：

- (i) 王天义先生（战略委员会主席、非执行董事兼董事长）；
- (ii) 安雪松先生（执行董事兼总裁）；
- (iii) 罗俊岭先生（执行董事兼首席财务官）；和
- (iv) 郝刚女士（独立董事）。

战略委员会的主要职责包括协助董事会制定本公司的战略方向，监督本公司的战略发展规划和落实；审阅管理层提议的中期和长期战略目标，监督管理层与该战略相关的表现；在制定战略时考虑可持续发展议题，监督对本公司业务有重大影响的环境、社会和管治因素的实行和管理。

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The SC was established in May 2018, with the main objective to assist the Board in oversight responsibilities relating to the planning and implementation of the Company's development strategies. It currently comprises Non-Executive, Executive and Independent Directors. The SC will hold meetings as and when necessary. During its meetings, the SC may invite the key management personnel to join and discuss on the Company's strategies and development directions. The SC will then report its recommendations on the Company's development strategies to the Board for discussion and approval.

## (E) INTERNAL MANAGEMENT

The Management Committee ("MC") comprises:

- (i) Mr. An Xuesong (MC Chairman, Executive Director & CEO);
- (ii) Mr. Luo Junling (Executive Director & CFO);
- (iii) Mr. Wang Yuexing (Vice President);
- (iv) Mr. Wang Guanping (Vice President);
- (v) Mr. Zhang Guofeng (Vice President);
- (vi) Mr. Sun Linbo (Vice President); and
- (vii) Mr. Niu Kesheng (CEO Assistant).

The MC is responsible for the management of daily business operations, formulating and implementing annual work tasks and medium-term development plans for the Group. The MC is the decision-making authority for the day-to-day operations, management and personnel matters.

The MC holds meetings on a regular and ad hoc basis. It holds meetings at least once a month and has a weekly communication mechanism. The MC reviews and discusses, the Group's investment proposals on new projects, appointment and removal of key executives at headquarter departments, regional management centres and project companies, performance appraisals, status of financial budget execution and the major works done and progress of the headquarter departments and regional management centres, etc.

To assist the MC in decision-making process, the Company also established a Risk Assessment Committee ("RAC") and an Engineering and Technology Committee ("ETC") to assess the risks and make recommendations in undertaking new investment projects and construction works. Any new investment project, before submitted to the MC for consideration, will be reviewed by the RAC and the ETC respectively. The MC will then take into account the findings and recommendations made by the RAC and ETC. In relation to investment project with investment amount exceeding certain threshold, Board's approval will be sought before the definitive agreement is executed.

战略委员会成立于二零一八年五月，主要旨在协助董事会履行其制定和实施本公司发展战略相关的职责，目前由非执行、执行和独立董事构成。战略委员会按需召开会议，并可邀请关键管理人员一同参与讨论本公司的战略及发展方向。战略委员会随后将其关于本公司发展战略的建议向董事会进行报告，供董事会讨论和批准。

## (E) 内部管理

管理委员会由以下人员组成：

- (i) 安雪松先生（管理委员会主席、执行董事兼总裁）；
- (ii) 罗俊岭先生（执行董事兼首席财务官）；
- (iii) 王悦兴先生（副总裁）；
- (iv) 王冠平先生（副总裁）；
- (v) 张国锋先生（副总裁）；
- (vi) 孙林波先生（副总裁）；和
- (vii) 牛克胜先生（总裁助理）。

管理委员会负责日常业务运营管理，制定并实施本集团年度工作目标及中期发展规划等，是本集团日常业务活动的决策机构，对于日常运营、管理及人事等重大事项进行集体决策。

管理委员会定期和不定期召开会议。其至少每月一次召开会议，同时也建立了每周的定期沟通机制。管理委员会审阅并讨论本集团对新项目的投资方案、对总部的部门及区域管理中心和项目公司的主要管理人员的聘任和解聘、绩效考核、财务预算的执行情况以及总部部门和区域管理中心的重大工作及进展。

为了协助管理委员会进行决策，本公司还设立了风险评审委员会和工程技术委员会来评估实施新投资或建设工程的风险并作出相关推荐。所有的新投资项目在上报管理委员会决策前，需分别经过风险评审委员会和工程技术委员会的审阅。管理委员会将参考风险评审委员会和工程技术委员会的推荐再做出决策。关于超过特定投资额度的投资项目，在董事会审议批准以后方能签署协议。



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In relation to each meeting held by the MC, minutes duly signed by its chairman (being the CEO) will be retained by the Company as records.

管理委员会召开的每次会议均会形成书面会议纪要，在经过管理委员会主席（即总裁）签署后作为本公司的记录存档。

### (F) COMMUNICATION WITH SHAREHOLDERS

#### Shareholder Rights

To facilitate shareholders' ownership rights, the Company ensures that all material information is disclosed on a comprehensive, accurate and timely basis via SGXNET, especially information pertaining to the Group's business development and financial performance which could have a material impact on the share price of the Company, so as to enable shareholders to make informed decisions in respect of their investment in the Company. To ensure a timely and equal disclosure to all its shareholders, the Company also uploads all its press releases, analyst briefing presentations and other disclosure documents which includes material information on the SGXNET.

The Management supports the Code's principle to encourage shareholder participation. Shareholders are encouraged to attend the shareholders' meetings to ensure a high level of accountability and to stay informed of the Company's strategy and goals. Notices are despatched to shareholders, published in the Business Times as well as uploaded onto the SGXNET. The Company also prepares and uploads the Management's presentation slides to be used at the general meetings in advance. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the shareholders' meeting. To facilitate the shareholders' communication with the Directors and the Management of the Company, a question and answer session is held at all the general meetings before voting is carried out.

The Company conducts poll voting for all resolutions to be passed in its general meetings. The rules, including voting procedures, will be explained by the scrutineers in the forthcoming AGM. If any shareholder is unable to attend general meetings, the Company's Bye-laws allow each shareholder to appoint up to two proxies to attend and vote at all general meetings on his/her behalf. Meeting minutes are prepared for all the general meetings (including the details of the question and answer sessions therein) and are properly maintained as the Company's records.

In line with continuous disclosure obligations of the Company, and pursuant to the SGX Listing Rules and the Bermuda Companies Act, the Board ensures that shareholders are fully informed of all major developments that impact the Group on a timely and equally basis.

### (F) 与股东的沟通

#### 股东权利

为了便于股东行使所有权，本公司确保所有的重要信息（尤其是对本公司股价有重大影响的业务发展和业绩信息）均全面、准确、及时地披露在SGXNET上，使股东可在充分掌握信息的基础上做出投资本公司的相关决定。为了确保本公司向所有股东作出及时和平等的披露，本公司也将新闻稿、分析师简介会资料和其他包含了重要信息的披露文件上载至SGXNET。

管理层支持公司治理守则中关于鼓励股东参与的原则。本公司鼓励股东出席股东大会，以确保高水平的问责制并使其及时了解本公司的战略和目标。股东大会的通知会派发给股东、刊登在商业时报上并在SGXNET上予以公布。本公司也提前准备用于年度股东大会的管理层介绍资料，并在会议召开前将其上载至SGXNET。股东有机会在股东大会召开前或会议中正式或非正式地提出问题，董事会欢迎股东提问。为了促进股东与董事会及管理层之间的沟通，本公司在其所有的股东大会的投票环节前均设有问答环节。

本公司在其股东大会上均以累积投票制的方式表决通过所有决议。监票人将在大会上解释表决的机制（包括投票程序）。若任何股东不能出席股东大会，则本公司章程允许每名股东委派最多两名代理人代其出席所有的股东大会并表决。所有的股东大会均形成书面纪要（其中载有问答环节的详情），并作为本公司记录妥善保管。

为履行本公司的持续披露义务并符合新交所上市规则和百慕大公司法的规定，董事会确保股东及平等地充分获知对本集团有影响的所有重要情况。



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Information is disseminated to the shareholders on a timely basis through:

- (i) SGXNET announcements;
- (ii) press releases;
- (iii) results briefing and analyst briefing presentations;
- (iv) Annual Reports; and
- (v) Company's website at [www.ebwater.com](http://www.ebwater.com), at which shareholders can access information on the Group.

The Company does not practise selective disclosure of material information. All materials on the quarterly and full year results briefing for media and analysts are available on the SGXNET and the Company's website – [www.ebwater.com](http://www.ebwater.com).

All Directors are encouraged to attend the Company's general meetings. In the AGM for FY2017, all Directors (including the Chairman of the Board and the CEO) and the CFO attended the meeting to answer the questions from the shareholders. At the forthcoming AGM, most Directors (including the Chairman of the Board, the CEO, the CFO and the chairman of each Board Committee) will also be available to answer questions relating to the Company's performance and development as well as work of the Board Committees. The external auditor and the Legal Counsel and Company Secretary will also be present to assist the Directors in addressing any relevant queries from the shareholders.

Our Management acknowledges that effective communication with investors is of paramount importance to the Group. In order to reinforce mutual understanding between shareholders and the Company, we have established and maintained a number of ways to strengthen our communication with investors.

Measures that the Company has taken are as follows:

- (a) making notifications on SGXNET about the dates on which the Company's quarterly and full year financial statements are released, around two weeks prior to such release;
- (b) organising quarterly analyst briefings to explain our latest published financial information as well as to provide our business update when necessary;
- (c) attending meetings or telephone conferences requested by investors, shareholders or analysts on an ongoing basis throughout the year to assist them in understanding the latest updates relating to the Company;
- (d) organising road shows for our investors or potential investors. This may be done solely by ourselves or coordinated with investment banks;
- (e) organising site visits by investors or potential investors to our projects; and

信息通过以下方式向股东进行及时发布:

- (i) SGXNET公告;
- (ii) 新闻稿;
- (iii) 业绩简报和分析师简介资料;
- (iv) 年度报告; 和
- (v) 股东可访问公司网站[www.ebwater.com](http://www.ebwater.com)获取本集团的信息。

本公司未采取选择性的信息披露政策。向媒体和分析师发布的所有季度及全年业绩均刊登在SGXNET和本公司网站[www.ebwater.com](http://www.ebwater.com)。

本公司鼓励所有的董事出席本公司的股东大会。在关于二零一七财政年度的年度股东大会上,所有的董事(包括董事长和总裁)以及首席财务官均有出席,并在现场回答股东提问。大多数的董事(包括董事长、总裁、首席财务官、董事会各专门委员会的主席)也会出席即将召开的年度股东大会,并会在现场回答有关本公司表现以及专门委员会工作的问题。外部审计师、法律顾问兼公司秘书也将到场协助董事回答股东的任何问题。

管理层认可,与投资者的有效沟通对本集团至关重要。为加强股东与本公司之间的相互理解,我们建立并保持了多种沟通方式以加强与投资者的沟通。

本公司采取的措施如下:

- (a) 大约提前两周在SGXNET公布本公司的季度和年度财务报表的发布日期;
- (b) 举办季度分析师简介会,解释我们最新公布的财务信息,在必要时提供我们业务的最新动态;
- (c) 应投资者、股东或分析师的要求,全年经常性地参加现场会议或电话会议,帮助他们了解公司的最新动态;
- (d) 为投资者或潜在投资者举办路演。路演由我们自己举办或与投资银行合办;
- (e) 组织投资者或潜在投资者到我们的项目现场参观; 和





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- (f) ensuring important information of the Group will be announced in a timely manner without delay.

The Company's investor relations officer can also be reached via [ir@ebwater.com](mailto:ir@ebwater.com) to answer any questions which the investors may raise relating to the Company's business.

The Group does not have a policy on payment of dividends at present. However, the Company declared and distributed interim dividend for FY2018 of SGD0.0049 per share, and the Board has recommended a distribution of a final dividend for FY2018 of SGD0.0050 per share subject to shareholders' approval. The shareholders may elect to receive dividends in the form of scrip in lieu of cash for the final dividend for FY2018. Details of such dividend payments will be disclosed via SGXNET when available.

### (G) CONDUCT OF SHAREHOLDERS MEETINGS

Shareholders are informed of shareholders' meetings through notices contained in annual reports or circulars sent to all shareholders. These notices are also published in the Business Times and posted onto the SGXNET. The Company also prepares and uploads the Management's presentation slides to be used at the general meetings in advance.

If shareholders are unable to attend the meetings, the Bye-laws allow a shareholder of the Company to appoint not more than two proxies to attend and vote on his/her behalf.

Resolutions at general meetings are on each substantially separate issue. All the resolutions at the general meetings are single item resolutions.

All Directors (including the Chairman of the Board, the CEO, the CFO and the respective chairman of the Board Committees) are in attendance at the Company's AGM to address shareholders' questions relating to the Company's development and the work of the Board Committees.

The Company's external auditors and the Legal Counsel and Company Secretary are also invited to attend the AGM and are available to assist the Directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of the auditors' report.

The Board views the AGMs as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the resolutions tabled for approval and/or ask the Directors or the Management questions regarding the Company and its operations. Minutes are prepared for all the general meetings (including the details of the question and answer sessions therein) and properly maintained as the Company's records.

- (f) 确保本集团没有拖延地及时公告重要信息。

投资者也可以通过发送电邮至[ir@ebwater.com](mailto:ir@ebwater.com)的方式联系本公司的投资者关系人员，他/她将回复投资者提出的关于本公司业务的任何问题。

本集团目前没有关于派发股息的具体政策。但是，本公司宣告并派发了二零一八财政年度的中期股息每股0.0049新加坡元，并且董事会推荐在股东大会批准后派发二零一八财政年度的末期股息每股0.0050新加坡元。股东可选择以股票取代现金的方式收取二零一八财政年度的末期股息。股息支付的详情将会通过SGXNET披露。

### (G) 召开股东会议

年度报告或通函中会载明股东大会的通知，股东可以此了解股东大会的细节。通知也会刊登在商业时报和SGXNET上。本公司也提前准备用于股东大会的管理层介绍资料，并将其上载至SGXNET。

如果股东无法出席会议，本公司章程允许本公司的每名股东委任不超过两名代理人代表其出席会议并进行投票表决。

股东大会上的决议都是针对各个单独议题的决议。股东大会上的所有决议均为单项决议。

所有的董事（包括董事长、总裁、首席财务官以及董事会各专门委员会的主席）也将出席本公司的年度股东大会，并回答股东提出的有关本公司发展和这些专门委员会工作的问题。

本公司的外部审计师以及法律顾问兼公司秘书也应邀参加年度股东大会，并协助董事回答股东提出的有关审计的开展、审计报告的编制及其内容等方面的询问。

董事会认为，年度股东大会是与股东对话的主要平台，也是股东对提交审议的各项决议提出问题和/或针对本公司及其经营向董事或管理层提问的机会。所有的股东大会均形成书面纪要（其中载有问答环节的详情），并作为本公司记录妥善保管。

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To have greater transparency in the voting process, with effect from the 2014 AGM, the Company has conducted the voting of all its resolutions by poll at all its general meetings. The detailed voting results of each of the resolutions tabled are announced immediately at the meeting. The total numbers of votes cast for or against the resolutions are also announced after the meeting via SGXNET.

## (H) DEALINGS IN SECURITIES

In line with Rule 1207(19) of the SGX Listing Rules, the Group prohibits its Directors and employees from trading in the Company's securities on short-term considerations. In addition, the Group prohibits its Directors and employees from dealing in the Company's securities during the periods commencing two weeks before the announcement of the Group's first three quarters results and one month before the announcement of the Group's full year results and ending on the date of the announcement of such results; and when they are in possession of price-sensitive and confidential information relating to the Group. The Company issues quarterly reminders to its Directors and employees regarding their obligations to observe the relevant laws in dealing in the Company's securities.

In addition, Directors, employees and connected persons are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

## (I) MATERIAL CONTRACTS

There are no material contracts of the Group involving the interests of any Director or controlling shareholder subsisting at the end of FY2018, or entered into since the end of the previous financial year.

## (J) INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are conducted on arm's length basis and not prejudicial to the interests of the shareholders. In particular, the Company generally requires obtaining of at least two other quotations from unrelated counterparties for similar services or products and will only enter into transactions with an interested person if the terms are no less favourable than those offered by the unrelated counterparties. In relation to an interested person transaction ("IPT") with value in excess of SGD100,000, the entry into such transaction will also be subject to review and approval by the CFO, the CEO, the Audit Committee or the Board, depending on the contract value of such transaction. The AC also reviews the summary of the IPTs on a quarterly basis.

为使表决过程更加透明，从二零一四年年度股东大会起，本公司所有的股东大会的所有决议均采用累积投票制的表决方式。提交表决的每项决议的表决结果详情均在会上立即宣布。赞成或反对决议的总票数也会在会后通过SGXNET公告。

## (H) 证券交易

根据新交所上市规则第1207(19)条的规定，本集团禁止其董事和员工短线交易本公司的证券。此外，本集团也禁止其董事和员工在本集团前三个季度的业绩发布前的两个星期起或从本集团全年业绩发布前的一个月起到该等业绩发布之日这段期间交易本公司的证券；在其掌握与本集团有关的价格敏感信息和保密信息时也不得交易本公司的证券。本公司每季度向其董事及员工发送关于交易本公司证券的义务备忘录，协助他们遵守证券交易的相关法律。

此外，董事、员工及关联方即使是在被允许交易的期间也应始终遵守证券的内幕交易方面的法律。

## (I) 重大合同

在二零一八财政年度中，本集团并未存续涉及任何董事或控股股东权益的重大合同；自上个财政年度截止日以来本集团也未签署任何依然存续的涉及董事或控股股东权益的重大合同。

## (J) 关联人士交易

本公司制定了关联人士交易的程序，确保与关联人士进行的所有交易都是公平交易且没有损害股东权益。具体而言，本公司通常要求至少从另外两家提供类似服务或产品的无关联的第三方获得报价方案，并只有当关联人士提供的价格或条款不劣于第三方提供的条款时才会与该关联人士进行交易。对于金额超过100,000新加坡元的关联人士交易（“关联人士交易”）而言，签署该等交易需经过首席财务官、总裁、审计委员会或董事会的审议和批准，具体取决于该等交易的价值。审计委员会也每季度审阅关联人士交易的汇总信息。



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The Group obtained a general mandate (“**IPT Mandate**”) from shareholders for IPTs during its AGM held on 25 April 2018 pursuant to Rule 920 of the SGX-ST Listing Rules. The aggregate value of the IPTs in excess of SGD100,000 during FY2018 are set out as follows:

根据新加坡交易所上市规则第920条规定，于二零一八年四月二十五日举行本集团年度股东大会期间，本集团自股东获得有关关联人士交易的一项一般性授权（“**关联人士交易授权**”）。于二零一八财政年度，超过100,000新加坡元的关联人士交易的总价值载列如下：

Name of interested person 关联人士名称	Aggregate value of all IPTs during FY2018 (excluding transactions less than SGD100,000 and transactions conducted under the IPT Mandate) 二零一八财政年度内关联人士交易的累计金额（金额少于100,000新加坡元或根据关联人士交易授权所进行的交易除外）	Aggregate value of all IPTs conducted under the IPT Mandate (excluding transactions less than SGD100,000) 根据关联人士交易授权所进行的关联人士交易的累计金额（金额少于100,000新加坡元的交易除外）
China Everbright International Limited 中国光大国际有限公司	HK\$3,906,414 (equivalent to SGD672,303) 3,906,414港元 (等值672,303新加坡元)	HK\$68,573,715 (equivalent to SGD11,801,689) 68,573,715港元 (等值11,801,689新加坡元)
Everbright Securities Company Limited 光大证券股份有限公司	Nil 无	HK\$6,350,728 (equivalent to SGD1,092,974) 6,350,728港元 (等值1,092,974新加坡元)
Sun Life Everbright Life Insurance Co., Ltd 光大永明人寿保险有限公司	Nil 无	HK\$1,462,572 (equivalent to SGD251,712) 1,462,572港元 (等值251,712新加坡元)

# DIRECTORS' STATEMENT

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董事会声明



We are pleased to submit this Annual Report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2018.

In our opinion:

- (a) the financial statements are drawn up so as to present fairly, in all material respects, the financial position of the Group and of the Company as at 31 December 2018 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with International Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## Directors

The Directors in office at the date of this statement are as follows:

Wang Tianyi  
An Xuesong  
Luo Junling  
Zhai Haitao  
Lim Yu Neng Paul  
Cheng Fong Yee  
Hao Gang

## Directors' interests

According to the register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

我们欣然向本公司股东提呈本年度报告以及截至二零一八年十二月三十一日止财政年度之经审计财务报表。

我们认为:

- (a) 提呈之财务报表已根据国际财务报告准则于所有重大方面公允反映本集团及本公司截至二零一八年十二月三十一日之财务状况, 以及本集团截至该日止年度之财务表现、权益变动及现金流量;
- (b) 于本声明签署之日, 我们有合理理由相信本公司有能力于债项到期时进行偿还。

## 董事

于本声明签署之日在职董事如下:

王天义  
安雪松  
罗俊岭  
翟海涛  
林御能  
郑凤仪  
郝刚

## 董事权益

根据董事股权登记册所载, 于本财政年度结束时, 概无在职董事于本公司或其关联公司之股份或债券中拥有任何权益, 惟以下者除外:

Name of Director and corporation in which interests are held	持有权益之董事姓名及公司名称	Holdings registered in the name of Directors 以董事名义登记之股权		Holdings in which Directors are deemed to have an interest 董事被视为拥有权益之股权	
		As at 1/1/2018 截至二零一八年一月一日	As at 31/12/2018 截至二零一八年十二月三十一日	As at 1/1/2018 截至二零一八年一月一日	As at 31/12/2018 截至二零一八年十二月三十一日
<b>The Company</b>	<b>本公司</b>				
Ordinary shares	普通股				
Lim Yu Neng Paul	林御能	—	—	1,608,909	1,608,909
Cheng Fong Yee	郑凤仪	622,266	622,266	—	—



# DIRECTORS' STATEMENT

## 董事会声明

For the financial year ended 31 December 2018  
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### Directors' interests (cont'd)

None of the Directors who held office at the end of the financial year had interests in share options, warrants or debentures of the Company or of related corporations, either at the beginning or at the end of the financial year.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2019.

### Share options

#### Employee share option scheme

On 27 October 2011, the Company established an employee share option scheme (the "**Scheme**") that entitles key management personnel and controlling shareholders to purchase shares in the Company at an exercise price determined by the committee established to administer the Scheme. The Scheme was terminated during the year ended 31 December 2018.

There were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

The options granted by the Company do not entitle the holders of the options, by virtue of such holding, to any rights to participate in any share issue of any other company.

### Warrants

As at the end of the financial year, there were no warrants issued by the Company to take up any unissued shares of the Company.

### Audit Committee

The members of the Audit Committee at the date of this statement are as follows:

Lim Yu Neng Paul	(Chairman)
Zhai Haitao	(Member)
Cheng Fong Yee	(Member)
Hao Gang	(Member)

All members of the Audit Committee are independent and non-executive directors. The Audit Committee carried out its functions as required by the SGX-ST Listing Manual and the Code of Corporate Governance.

### 董事权益 (续)

本财政年度开始或结束时，在职董事概无于本公司或关联公司之期权、认股权证或债券中拥有权益。

于财政年度结束之日至二零一九年一月二十一日期间，上述于本公司之权益概无任何变动。

### 期权

#### 员工期权计划

于二零一一年十月二十七日，本公司制定员工期权计划（“**计划**”），赋予主要管理人员及控股股东权利，按照就管理期权计划而成立之委员会所厘定之行权价格购买本公司股份。该计划已于截至二零一八年十二月三十一止的财政年度内终止。

于本财政年度结束时，本公司或其附属公司概无根据已授出之期权未发行的股份。

本公司授出之期权并未赋予其持有人可凭借持有期权而有权参与任何其他公司之任何股份发行。

### 认股权证

截至本财政年度结束时，本公司并未发行任何可承购本公司之未发行股份的认股权证。

### 审计委员会

于本声明签署之日，审计委员会之成员如下：

林御能	(主席)
翟海涛	(委员)
郑凤仪	(委员)
郝刚	(委员)

审计委员会全体成员均为独立及非执行董事。审计委员会已履行新交所上市手册及公司治理守则所规定之职能。



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董事會聲明



## Audit Committee (cont'd)

Based on the internal control established and maintained by the Group, the work performed by the internal and external auditors (to the extent as required by them to form an opinion on the financial statements), and the reviews conducted by the Management, the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls addressing financial, operational and compliance risks were adequate as at the forthcoming AGM of the Company.

The Audit Committee has held four meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the Directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual).

The Audit Committee has full access to the Management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board that the auditor, Ernst & Young LLP, be nominated for re-appointment as auditor of the Company at the forthcoming AGM of the Company.

## 审计委员会 (续)

根据本集团所设立及维护之内部控制、内部及外部审计师执行之工作（在其对财务报表发表意见所要求的范围内），及管理层进行之审阅，于本公司之即将召开的年度股东大会上，董事会（与审计委员会意见一致）认为，本集团已就应对财务、运营及合规风险设立足够之内部控制。

自上一份董事声明签署日以来，审计委员会已召开四次会议。就履行其职能而言，审计委员会与本公司之外部及内部审计师会面，以讨论其工作范围、审查结果及对本公司内部会计控制系统进行评估。

审计委员会亦已审阅以下各项：

- 本公司行政人员向内部及外部审计师提供之协助；
- 提请本公司董事采纳前，审阅本集团及本公司之季度财务资料及年度财务报表；及
- 关联人士交易（定义见新交所上市手册第九章）。

审计委员会可以全面接触管理层，并获得履行职能所需的资源。审计委员会有权酌情邀请任何董事及高级管理人员出席其会议。审计委员会亦推荐聘任外部审计师，并审查审计及非审计服务之费用水平。

审计委员会对外部审计师的独立性和客观性感到满意，审计委员会已向董事会推荐提名 Ernst & Young LLP 在本公司即将召开的年度股东大会上被重新聘任为本公司的审计师。



# DIRECTORS' STATEMENT

## 董事会声明

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### Auditor

The auditor, Ernst & Young LLP has expressed its willingness to accept re-appointment as auditor.

### 审计师

审计师Ernst & Young LLP表示愿意接受再次被聘任为审计师。

On behalf of the Board of Directors,

代表董事会

Wang Tianyi  
Non-Executive Director and Chairman

王天义  
非执行董事兼董事长

An Xuesong  
Executive Director and Chief Executive Officer

安雪松  
执行董事兼总裁

14 March 2019

二零一九年三月十四日

# INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

独立审计师报告



To the Members of China Everbright Water Limited  
致中国光大水务有限公司股东

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of China Everbright Water Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2018, the consolidated statement of changes in equity of the Group, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with International Financial Reporting Standards (IFRSs) so as to present fairly, in all material respects the consolidated financial position of the Group and the financial position of the Company as at 31 December 2018 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

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

## 独立审计师报告

### 意见

我们已审计中国光大水务有限公司（以下简称“**贵公司**”）及其附属公司（以下统称“**贵集团**”）的财务报表，此财务报表包括于二零一八年十二月三十一日贵集团的综合财务状况表及贵公司的财务状况表与截至该日止年度贵集团的综合权益变动表，综合全面收益表和综合现金流量表，以及财务报表附注，包括主要会计政策概要。

我们认为，该等贵集团之综合财务报表及贵公司之财务状况表在所有重大方面按照国际财务报告准则的规定编制，公允反映了于二零一八年十二月三十一日贵集团的综合财务状况及贵公司的财务状况与截至该日止年度贵集团的综合财务表现、综合权益变动及综合现金流量。

### 意见的基础

我们已根据国际审计准则的规定执行了审计工作。审计报告的“*审计师对财务报表审计的责任*”部分进一步阐述了我们在这些准则下的责任。根据新加坡会计与企业管理局颁布的《*会计师及会计师事务所职业道德守则*》（以下简称“**守则**”），连同我们审计新加坡财务报表相关之道德要求，我们独立于贵集团，并履行了职业道德方面的其他责任。我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

### 关键审计事项

关键审计事项是我们根据专业判断，认为对本期综合财务报表的审计最为重要的事项。该等事项是在我们审计整体综合财务报表及出具意见时的处理，且我们不对该等事项提供单独的意见。



# INDEPENDENT AUDITOR'S REPORT

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致中国光大水务有限公司股东

### Key audit matters (cont'd)

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the audit of the 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 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 financial statements.

### 关键审计事项 (续)

我们已经履行了本报告“注册会计师对财务报表审计的责任”部分阐述的责任，包括与这些关键审计事项相关的责任。相应地，我们的审计工作包括执行为应对评估的财务报表重大错报风险而设计的审计程序。我们执行审计程序的结果，包括应对下述关键审计事项所执行的程序，为财务报表整体发表审计意见提供了基础。

#### The key audit matter 关键审计事项

#### How the matter was addressed in our audit 我们的审计如何处理该事项

#### IFRIC 12 – Service Concession Arrangements (“IFRIC 12”) and Revenue Recognition 国际财务报告准则委员会解释第12号 - 服务特许权安排及收入确认

The Group enters into service concession arrangements with municipalities in the People's Republic of China to build and/or operate water/waste water treatment plants. The Group recognises the consideration for the construction services as financial assets and/or intangible assets for service concession arrangements within the scope of IFRIC 12. As the related amounts are material and the application of IFRIC 12 requires significant management judgement, we identified this as a key audit matter.

贵集团与地方政府部门就污水处理厂的建造及/或运营订立服务特许权安排。贵集团对在国际财务报告准则委员会解释第12号范围内的服务特许经营安排中的建造服务对价确认为金融资产及/或无形资产。由于与国际财务报告准则委员会解释第12号有关的收入和资产的金额重大且需要管理层作出重大判断，我们将该事项认定为关键审计事项。

The Group applies IFRIC 12 in its recognition of revenue from service concession arrangements, which includes revenue relating to construction services, operation income and finance income. Disclosure of the revenue is included in notes 2.4, 3 and 5 to the financial statements.

贵集团采用国际财务报告准则委员会解释第12号确认与服务特许权安排有关的收入，包括建造服务收入、运营收入和财务收入。收入的披露列示在财务报表附注2.4，附注3和附注5。

We assessed the appropriateness of the Group's revenue recognition policies, evaluated the Group's process in assessing the applicability of IFRIC 12 and also reviewed the associated agreements to assess whether these agreements are appropriately identified as service concession arrangements to be within the scope of IFRIC 12.

我们评估贵集团的收入确认政策的适当性，评估贵集团判断国际财务报告准则委员会解释第12号适用性的程序，并复核相关协议，以评估该等协议是否被恰当地认定为属于国际财务报告准则委员会解释第12号范围内的服务特许权安排。

We considered the competence, capability and objectivity of the independent consultant and surveyors engaged by management. We reviewed the progress reports for projects under construction and the reasonableness of the revenue recognised over time.

我们考虑了独立第三方评估顾问及监理公司的独立性，胜任能力和客观性。此外，我们还复核了在建项目的完工进度报告，以及随时间确认收入的合理性。



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To the Members of China Everbright Water Limited  
致中国光大水务有限公司股东

## Key audit matters (cont'd)

## 关键审计事项 (续)

### The key audit matter (cont'd)

### How the matter was addressed in our audit (cont'd)

#### 关键审计事项 (续)

#### 我们的审计如何处理该事项 (续)

#### IFRIC 12 – Service Concession Arrangements (“IFRIC 12”) and Revenue Recognition (cont'd)

#### 国际财务报告准则委员会诠释第12号 - 服务特许权安排及收入确认 (续)

Construction service revenue is measured based on the Group's estimation of the fair value of construction services and the percentage of construction completed during the year. Significant judgement is required in determining the fair value of the construction services and involves estimation of the total construction costs and the margin for each contract. The Group engaged an independent financial modeling consultant to assist in the estimation of the fair value of the construction services. The percentage of construction completed during the year is estimated based on the survey of work performed by independent surveyors with relevant qualifications and industry experience. Judgement is required in estimating the percentage of construction completed.

建造收入的计量乃根据贵集团估计的建造服务的公允价值及年内完工工程的百分比计算。确定建造服务的公允价值时需要管理层作出重大判断，包括评估每项合同的总建造成本和利润。贵集团聘任独立财务模型顾问协助估计建造服务的公允价值。工程完工百分比需依据具有相关资质和行业经验的第三方监理公司的进度报告来评估，该评估也涉及到管理层判断。

We reviewed management's computation of amortised cost of financial receivables/contract assets and intangible assets and allocation of consideration between financial receivables/contract assets and intangible assets and the related revenue recognised during the year and tested key estimates including discount rates used by management by comparing to the relevant market interest rates to identify any inappropriate estimates.

我们复核了管理层对金融应收账款/合同资产和无形资产的摊销成本计算、金融应收账款/合同资产与无形资产的分配以及相关的收入确认；测试管理层作出的重要估计，包括将管理层使用的折现率与市场利率进行比较，确认管理层估计是否恰当合理。

We engaged our internal specialists to review the valuation methodology and the reasonableness of certain key assumptions such as the margin used and the industry comparable companies in the determination of the fair value of the construction services in the financial model.

我们聘任了安永内部专家对估值方法的恰当性以及估值时使用假设（如使用的利润率和评估建造服务公允价值时选取的业内可比公司）的合理性进行复核。

We also considered the adequacy of the disclosures related to service concession arrangements in the financial statements.

我们评估了贵集团在财务报表中与服务特许权安排相关披露的适当性和充分性。



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### Key audit matters (cont'd)

### 关键审计事项 (续)

#### The key audit matter (cont'd)

#### 关键审计事项 (续)

#### How the matter was addressed in our audit (cont'd)

#### 我们的审计如何处理该事项 (续)

#### Recoverability of trade receivables

#### 应收账款可收回性

As at 31 December 2018, the Group had trade receivables amounting to HK\$721,281,000, net of expected credit losses ("ECL") allowance of HK\$49,888,000. The Group determines impairment losses by making debtor-specific assessment of ECL for credit impaired debtors and has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment for the remaining group of debtors.

截至二零一八年十二月三十一日，贵集团应收账款余额为721,281,000港元，已扣除预期信贷亏损（“预期信贷亏损”）拨备49,888,000港元。贵集团根据针对债务人的预期信贷损失评估来计算预期信贷亏损。贵集团已建立基于贵集团的过往信贷亏损记录的拨备矩阵，可就债务人及经济环境特有的前瞻性因素而予以调整。

The estimation of impairment loss of trade receivables is based on the evaluation of collectability and ageing analysis of trade receivables as well as expectation of forward-looking factors. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, taking into consideration the current creditworthiness and the past collection history of each debtor. Accordingly, we identified this as a key audit matter. Disclosures of the trade receivables are included in notes 2.4, 3 and 22 to the financial statements.

应收账款坏账损失根据对回收性的评估、应收账款账龄分析以及前瞻性因素的预期分析做出估计。在评估应收账款的最终可收回金额时，包括评估目前债务人的可信赖程度以及每个债务人的以往回收历史，需要大量的判断，因此我们将该事项认定为关键审计事项。应收账款的相关附注请参阅综合财务报表附注2.4，附注3及附注22。

We obtained an understanding of management's processes relating to the monitoring of trade receivables.

我们了解了管理层监控应收账款的相关流程。

In assessing the adequacy of the ECL allowance, we reviewed the ageing analysis of the debtors to identify potential collectability issues, reviewed data used in management's assessment of default rates and assessed the reasonableness of management's assumptions used in establishing the forward-looking adjustments. In addition, we discussed with management about the status of significant overdue individual debtors' balance, management's consideration of the debtors' specific profiles and risks, reviewed settlement history and assessed management's assumptions used to determine the ECL allowance. We also requested direct confirmations and considered receipts subsequent to the year end.

评估预期信贷亏损是否充分，我们复核了应收账款的账龄，以识别潜在的回收性问题；我们复核了管理层用以计算逾期率的数据，并评估管理层建立前瞻性因素调整时所用的假设的合理性。另外，我们还与管理层，就单独的重大逾期的应收账款余额，管理层对该债务人的特殊情况和风险的考虑，进行讨论。我们还复核了账款回收的历史，并评估了管理层用于确定预期信贷亏损拨备的假设。我们还要求应收账款询证函的直接回函，并检查了期后回款的情况。

We further considered the adequacy of the Group's disclosures regarding the estimation uncertainty involved in determining the ECL allowance.

我们进一步评估了贵集团就预期信贷亏损拨备所作出的估计不确定性因素的披露是否充分。

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## Key audit matters (cont'd)

## 关键审计事项 (续)

### The key audit matter (cont'd)

### 关键审计事项 (续)

### How the matter was addressed in our audit (cont'd)

### 我们的审计如何处理该事项 (续)

#### Impairment assessment of goodwill

#### 商誉减值测试

IAS 36 *Impairment of Assets* requires goodwill to be tested annually for impairment or more frequently when there is an indication that the cash-generating unit ("CGU") may be impaired. This assessment requires the exercise of significant judgement about the future market conditions, including future cash flows to be generated from the continuing use of the water/waste water treatment plants over the service concession period. The determination of the recoverable amount requires judgement in both identification and valuation of the relevant CGU. Accordingly, we identified this as a key audit matter. The Group determined that the water environment management segment was accounted for as a collective CGU for the purpose of impairment testing. The impairment assessment was determined using a value-in-use model based on the discounted cash flows projection. Assumptions such as estimated key financial data, the growth rate and discount rate used to determine the discounted cash flows required significant judgements by the Group. As at 31 December 2018, the goodwill carried in the Group's financial statements amounted to HK\$1,242,713,000. Disclosures of goodwill are included in notes 2.4, 3 and 17 to the financial statements.

“国际会计准则第36号 - 资产减值”要求对商誉每年进行减值测试，若有迹象表明现金产出单元（“现金产出单元”）可能出现减值时应更频繁地进行减值测试。该测试要求对未来市场状况作出重大判断，包括在服务特许期内污水处理厂所产生的未来现金流量。可收回金额的厘定需要对现金产出单元的识别及估值作出判断。因此，我们将该事项认定为关键审计事项。贵集团将商誉分配至现金产出单元 - 水环境综合治理分部，进行减值测试。减值测试乃使用以折现现金流量为基础的使用价值模型厘定。确定折现现金流量所需要的假设，如估计的关键财务数据，增长率和折现率等，均需要贵集团作出重大判断。截至二零一八年十二月三十一日，贵集团财务报表所载商誉金额为1,242,713,000港元。商誉的披露列示在财务报表附注2.4，附注3及附注17。

We reviewed the appropriateness of the Group's determination of the CGU.

我们评估了贵集团厘定现金产出单元的适当性。

We assessed the appropriateness of the discount rate used by assessing the cost of capital of the Company and comparable organisations in the industry, and where relevant, using our internal valuation specialists to independently develop expectations for the discount rate, and comparing the independent expectations to those used by management.

我们评估了贵集团及市场可比公司的资本成本以评价管理层使用的折现率，并由安永内部估值专家对折现率进项独立测试并将测试结果与管理层使用的折现率进行对比。

We reviewed the cash flow forecasts by comparing them to recent and past performance, taking into consideration the approach used in the valuation and the reasonableness of key assumption used in the cash flows forecast, including growth rate and discount rate. We also assessed the adequacy of the disclosures made in the financial statements on the impairment assessment, specifically on the key assumptions that have the most significant effect on the determination of the recoverable amount of the goodwill.

我们基于贵集团现在及过往的运营表现，复核了所使用的预测现金流量，同时评估了估值方法及重要假设（例如增长率和折现率）的合理性。我们也评估了贵集团就减值测试作出的披露是否充分适当，特别是对确定商誉可收回金额影响最为重大的主要假设。



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### Other information

The other information consists of the information included in the annual report, other than the financial statements and our auditor's report thereon. Management is responsible for other information.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### 其他信息

其他信息包括年度报告中涵盖的信息，但不包括财务报表和我们的审计报告。管理层对其他信息负责。

我们对财务报表发表的审计意见不涵盖其他信息，我们也不对其他信息发表任何形式的鉴证结论。

结合我们对财务报表的审计，我们的责任是阅读其他信息，在此过程中，考虑其他信息是否与财务报表或我们在审计过程中了解到的情况存在重大不一致或者似乎存在重大错报。基于我们已执行的工作，如果我们确定其他信息存在重大错报，我们应当报告该事实。在这方面，我们无任何事项需要报告。

### 管理层和董事对财务报表的责任

管理层负责按照国际财务报告准则的规定编制财务报表，使其实现公允反映，并设计、执行和维护必要的内部控制，保障资产不会因未获授权之使用或处置而产生损失，交易得到适当授权及记录，以使财务报表不存在由于舞弊或错误导致的重大错报。

在编制财务报表时，管理层负责评估贵集团的持续经营能力，披露与持续经营相关的事项（如适用），并运用持续经营假设，除非计划进行清算、终止运营或别无其他实际的替代方案。

董事的责任包括负责监督贵集团的财务报告过程。



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## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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. 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

## 审计师对财务报表审计的责任

我们的目标是对财务报表整体是否不存在由于舞弊或错误而导致的重大错报获取合理保证，并出具包含审计意见的审计报告。合理保证是高水平的保证，但并不能保证按照国际审计准则执行的审计在某一重大错报存在时总能发现。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响财务报表使用者依据财务报表所作出的经济决策，则通常认为错报是重大的。

在按照国际审计准则执行审计工作的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

- 识别和评估由于舞弊或错误而导致的财务报表重大错报风险，设计及执行审计程序以应对这些风险，并获取充分、适当的审计证据，作为发表审计意见的基础。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。
- 了解与审计相关的内部控制，以设计适当的审计程序，但目的并非对贵集团内部控制的有效性发表意见。
- 评价管理层选用会计政策的恰当性和作出会计估计及相关披露的合理性。
- 对管理层使用持续经营假设的恰当性得出结论。同时，根据获取的审计证据，就可能对贵集团持续经营能力产生重大疑虑的事项或情况是否存在重大不确定性得出结论。如果我们得出结论认为存在重大不确定性，审计准则要求我们在审计报告中提请报表使用者注意财务报表中的相关披露；如果披露不充分，我们应当发表非无保留意见。我们的结论基于截至审计报告日可获得的信息。然而，未来事项或情况可能导致贵集团不能持续经营。



# INDEPENDENT AUDITOR'S REPORT

## 独立审计师报告

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

To the Members of China Everbright Water Limited  
致中国光大水务有限公司股东

### Auditor's responsibilities for the audit of the financial statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the 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 Alvin Phua Chun Yen.

### 审计师对财务报表审计的责任 (续)

- 评价财务报表的总体列报方式、结构和内容，包括披露资料，并评价财务报表是否公允反映相关交易和事项。
- 就贵集团中实体或业务活动的财务信息获取充分、适当的审计证据，以对财务报表发表审计意见。我们负责指导、监督和执行集团审计，并对审计意见承担全部责任。

我们与董事就计划的审计范围、时间安排和重大审计发现等事项进行沟通，包括我们在审计中识别出的值得关注的内部控制缺陷。

我们还就已遵守与独立性相关的职业道德要求向董事提供声明，并与董事沟通可能被合理认为影响我们独立性的所有关系和其他事项，以及相关的防范措施（如适用）。

从与董事沟通的事项中，我们确定哪些事项对本期财务报表审计最为重要，因而构成关键审计事项。我们在审计报告中描述这些事项，除非法律法规禁止公开披露这些事项，或在极少数情形下，如果合理预期在审计报告中沟通某事项造成的负面后果超过在公众利益方面产生的益处，我们确定不应在审计报告中沟通该事项。

出具本独立审计师报告的审计项目合伙人是潘俊彦。

Ernst & Young LLP  
Public Accountants and Chartered Accountants  
Singapore  
14 March 2019

Ernst & Young LLP  
公共会计师及特许会计师  
新加坡  
二零一九年三月十四日

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

综合全面收益表

		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>REVENUE</b>	<b>收入</b>	5	<b>4,768,318</b>	3,591,633
Direct costs and operating expenses	直接成本及经营开支		<b>(3,144,540)</b>	(2,361,046)
<b>Gross profit</b>	<b>毛利</b>		<b>1,623,778</b>	1,230,587
Other income and gains, net	其他收入及收益净额	6	<b>140,583</b>	129,809
Administrative and other operating expenses	行政及其他经营费用		<b>(439,564)</b>	(287,021)
Finance income	财务收入	7	<b>17,918</b>	12,463
Finance costs	财务费用	7	<b>(291,398)</b>	(241,391)
Share of profits of associates	应占联营公司盈利		<b>422</b>	158
<b>PROFIT BEFORE TAX</b>	<b>除税前盈利</b>	8	<b>1,051,739</b>	844,605
Income tax	所得税	11	<b>(314,984)</b>	(263,812)
<b>PROFIT FOR THE YEAR</b>	<b>本年度盈利</b>		<b>736,755</b>	580,793
<b>OTHER COMPREHENSIVE INCOME</b>	<b>其他全面收益</b>			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:	其后期间可能重新分类至损益的其他全面收益:			
Exchange differences on translation of foreign operations	换算海外业务的汇兑差额		<b>(67,407)</b>	(4,002)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	其后期间不会重新分类至损益的其他全面收益:			
Exchange differences on translation of the Company's financial statements into the presentation currency	换算本公司财务报表呈报货币的汇兑差额		<b>(441,728)</b>	591,893
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX OF NIL</b>	<b>除税后本年度其他全面收益</b>		<b>(509,135)</b>	587,891
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>本年度全面收益总额</b>		<b>227,620</b>	1,168,684

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 综合全面收益表

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

	Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>PROFIT ATTRIBUTABLE TO:</b>	<b>应占盈利:</b>		
Equity holders of the Company	本公司股东	676,459	513,356
Non-controlling interests	非控股权益	60,296	67,437
		<b>736,755</b>	<b>580,793</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>	<b>应占全面收益总额:</b>		
Equity holders of the Company	本公司股东	195,887	1,070,925
Non-controlling interests	非控股权益	31,733	97,759
		<b>227,620</b>	<b>1,168,684</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<b>本公司股东应占每股盈利</b>		
- Basic and diluted	- 基本及摊薄	13 <b>HK25.6 cents</b> <b>25.6港仙</b>	<b>HK19.6 cents</b> <b>19.6港仙</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION



For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

综合财务状况表

The Group  
本集团

As at 31 December  
于十二月三十一日

		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流动资产</b>			
Property, plant and equipment	物业、厂房及设备	14	144,779	146,064
Prepaid land lease payments	预付土地租赁款项	15	5,372	5,974
			<b>150,151</b>	152,038
Intangible assets	无形资产	16	1,536,169	1,489,718
Goodwill	商誉	17	1,242,713	1,259,922
Interests in associates	联营公司权益	18	3,011	1,445
Trade and other receivables	应收账款及其他应收款项	22	159,259	10,515
Service concession financial receivables/contract assets	与服务特许经营权相关的金融应收款项/合同资产	20	11,727,822	10,313,724
Total non-current assets	非流动资产总额		<b>14,819,125</b>	13,227,362
<b>CURRENT ASSETS</b>	<b>流动资产</b>			
Inventories	存货	21	40,436	14,342
Trade and other receivables	应收账款及其他应收款项	22	1,025,044	805,859
Service concession financial receivables/contract assets	与服务特许经营权相关的金融应收款项/合同资产	20	1,424,161	1,200,539
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款	23	547,050	630,403
Cash and cash equivalents	现金及现金等价物	24	1,728,573	2,169,414
Total current assets	流动资产总额		<b>4,765,264</b>	4,820,557
<b>CURRENT LIABILITIES</b>	<b>流动负债</b>			
Trade and other payables	应付账款及其他应付款项	25	1,895,095	1,553,565
Borrowings	贷款	26	2,160,400	1,903,722
Tax payable	应付税项		45,083	49,951
Total current liabilities	流动负债总额		<b>4,100,578</b>	3,507,238
<b>NET CURRENT ASSETS</b>	<b>流动资产净值</b>		<b>664,686</b>	1,313,319
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>资产总额减流动负债</b>		<b>15,483,811</b>	14,540,681

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。





# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 综合财务状况表

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

		The Group 本集团	
		As at 31 December 于十二月三十一日	
	Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>NON-CURRENT LIABILITIES</b>	<b>非流动负债</b>		
Borrowings	贷款	26 5,440,376	4,728,030
Deferred tax liabilities	递延税项负债	28 1,379,738	1,270,846
Total non-current liabilities	非流动负债总额	6,820,114	5,998,876
<b>NET ASSETS</b>	<b>资产净值</b>	8,663,697	8,541,805
<b>EQUITY</b>	<b>权益</b>		
<b>Equity attributable to equity holders of the Company</b>	<b>本公司股东应占权益</b>		
Share capital	股本	29 2,676,062	2,625,642
Reserves	储备	30 5,307,128	5,231,541
		7,983,190	7,857,183
Non-controlling interests	非控股权益	680,507	684,622
<b>TOTAL EQUITY</b>	<b>总权益</b>	8,663,697	8,541,805

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。

# STATEMENT OF FINANCIAL POSITION

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务状况表



		The Company 本公司	
		As at 31 December 于十二月三十一日	
	Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流动资产</b>		
Property, plant and equipment	物业、厂房及设备	14	18
Interests in subsidiaries	附属公司权益	19	10,741,587
Total non-current assets	非流动资产总额		10,741,605
<b>CURRENT ASSETS</b>	<b>流动资产</b>		
Other receivables	应收账款其他应收款项	22	3,663,426
Cash and cash equivalents	现金及现金等价物	24	31,661
Total current assets	流动资产总额		3,695,087
<b>CURRENT LIABILITIES</b>	<b>流动负债</b>		
Trade and other payables	应付账款及其他应付款项	25	102,001
Borrowings	贷款	26	1,053,319
Total current liabilities	流动负债总额		1,155,320
<b>NET CURRENT ASSETS</b>	<b>流动资产净值</b>		2,539,767
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>资产总额减流动负债</b>		13,281,372
<b>NON-CURRENT LIABILITIES</b>	<b>非流动负债</b>		
Borrowings	贷款	26	3,511,586
<b>NET ASSETS</b>	<b>资产净值</b>		9,769,786
<b>EQUITY</b>	<b>权益</b>		
Share capital	股本	29	2,676,062
Reserves	储备	30	7,093,724
<b>TOTAL EQUITY</b>	<b>总权益</b>		9,769,786

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 综合权益变动表

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

		Attributable to the equity holders of the Company																			
		本公司股东应占																			
		Share capital 股本		Share premium 股份溢价		Foreign currency translation reserve 外币换算储备		Statutory reserve 法定储备		Contributed surplus 缴入盈余储备		Other reserves 其他储备		Retained earnings 保留盈利		Total 总计		Non-controlling interests 非控股权益		Total equity 总权益	
Notes		HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元
	At 1 January 2018																				
	于2018年1月1日																				
	Initially stated																				
	Initial presentation																				
	Effect on adoption of International Financial Reporting Standard 9																				
	采纳国际财务报告准则第9号的影响																				
2.2																					
	As restated																				
	经重列																				
	Profit for the year																				
	本年度盈利																				
	Other comprehensive income for the year:																				
	年内其他全面收益																				
	Foreign currency translation differences																				
	外币换算差额																				
	Total comprehensive income for the year																				
	年内全面收益总额																				
	Issue of shares pursuant to a scrip dividend scheme																				
	根据以股代息计划发行股份																				
29																					
	Share issue expenses																				
	股份发行开支																				
29																					
	2017 final dividend declared																				
	已宣派2017年末期股息																				
	2018 interim dividend declared																				
	已宣派2018年中期股息																				

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

## 综合权益变动表

	Attributable to the equity holders of the Company 本公司股东应占									
	Share capital 股本	Share premium 股份溢价	Foreign currency translation reserve 外币换算储备	Statutory reserve 法定储备	Contributed surplus reserve 缴入盈余储备	Other reserves 其他储备	Retained earnings 保留盈利	Total 总计	Non-controlling interests 非控股权益	Total equity 总权益
Notes 附注	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Capital contribution received by a non-wholly-owned subsidiary from a non-controlling shareholder 非全资附属公司自非控股股东取得的注资	-	-	-	-	-	-	-	-	192	192
Dividends declared to two non-controlling shareholders of two subsidiaries 向附属公司的非控股股东宣派股息	-	-	-	-	-	-	-	-	(36,040)	(36,040)
Transfer to statutory reserve 转拨至法定储备	-	-	-	99,587	-	-	(99,587)	-	-	-
At 31 December 2018 于2018年12月31日	2,676,062	1,333,181*	(502,623)*	300,386*	1,229,302*	(2,181)*	2,949,063*	7,981,190	680,507	8,663,697

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 综合权益变动表

For the financial year ended 31 December 2017  
截至二零一七年十二月三十一日止的财政年度

		Attributable to the equity holders of the Company															
		本公司股东应占															
		Foreign currency				Contributed				Non-controlling interests				Total equity			
		Share capital	Share premium	Share translation reserve	Statutory reserve	Surplus reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total						
		股本	股份溢价	外币换算储备	法定储备	缴入盈余储备	其他储备	保留盈利	总计	非控股权益	总计	HK\$'000	千港元	HK\$'000	千港元		
Notes		HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元		
	附注																
	At 1 January 2017	2,609,908	1,240,300	(579,620)	155,635	1,229,302	(2,181)	2,144,843	6,798,187	393,515	7,191,702						
	于2017年1月1日																
	Profit for the year	-	-	-	-	-	-	513,356	513,356	67,437	580,793						
	本年度盈利																
	Other comprehensive income for the year:																
	年内其他全面收益:																
	Foreign currency translation differences	-	-	557,569	-	-	-	-	557,569	30,322	587,891						
	外币换算差额																
	Total comprehensive income for the year	-	-	557,569	-	-	-	-	557,569								
	年内全面收益总额																
	issue of shares pursuant to a scrip dividend scheme	-	-	557,569	-	-	-	513,356	1,070,925	97,759	1,168,684						
	根据以股代息计划发行股份																
29	Share issue expenses	15,734	26,116	-	-	-	-	-	41,850	-	41,850						
29	2016 final dividend declared	-	(168)	-	-	-	-	-	(168)	-	(168)						
	已宣派2016年末期股息																
	Capital contributions received by non-wholly-owned subsidiaries from non-controlling shareholders	-	-	-	-	-	-	(53,611)	(53,611)	-	(53,611)						
	非全资附属公司自非控股股东取得的注资																
		-	-	-	-	-	-	-	-	214,798	214,798						

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



For the financial year ended 31 December 2017  
截至二零一七年十二月三十一日止的财政年度

## 综合权益变动表

Attributable to the equity holders of the Company 本公司股东应占										
Notes 附注	Share capital 股本	Share premium 股份溢价	Foreign currency translation reserve 外币折算储备	Statutory reserve 法定储备	Contributed surplus reserve 缴入盈余储备	Other reserves 其他储备	Retained earnings 保留盈利	Total 总计	Non-controlling interests 非控股权益	Total equity 总权益
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Dividends declared to a non-controlling shareholder of a subsidiary 向附属公司的非控股股东宣派股息	-	-	-	-	-	-	-	-	(21,450)	(21,450)
Transfer to statutory reserve 转拨至法定储备	-	-	-	45,164	-	-	(45,164)	-	-	-
At 31 December 2017 于2017年12月31日	2,625,642	1,266,248*	(22,051)*	200,799*	1,229,302*	(2,181)*	2,559,424*	7,857,183	684,622	8,541,805

\* These reserve accounts comprise the consolidated reserves of HK\$5,307,128,000 and HK\$5,231,541,000 as at 31 December 2018 and 31 December 2017 in the consolidated statements of financial position, respectively.

\* 该等储备账目包括于2018年12月31日及2017年12月31日之综合财务状况表内综合储备分别为5,307,128,000港元及5,231,541,000港元。

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 综合现金流量表

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

			Year ended 31 December 截至十二月三十一日止年度	
		Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>经营活动现金流量</b>			
Profit before tax	除税前盈利		<b>1,051,739</b>	844,605
<b>Adjustments for:</b>	<b>经调整:</b>			
Depreciation of property, plant and equipment	物业、厂房及设备折旧	8	<b>16,736</b>	14,613
Amortisation of prepaid land lease payments	预付土地租赁款项摊销	8	<b>357</b>	347
Amortisation of intangible assets	无形资产摊销	8	<b>72,349</b>	80,119
Loss/(gain) on disposal of property, plant and equipment	出售物业、厂房及设备之亏损/（收益）	8	<b>445</b>	(23)
Net finance costs	财务费用净额	7	<b>273,480</b>	228,928
Share of profits of associates	应占联营公司盈利		<b>(422)</b>	(158)
Provision for impairment of trade receivables	应收账款减值拨备	8	<b>16,664</b>	—
Fair value gains, net: adjustment of contingent consideration receivable	公允价值收益净额：或然代价应收款项公允价值调整	6	<b>(3,428)</b>	—
Effect on foreign exchange rates changes	汇率变动的影响		<b>45,559</b>	16,842
<b>Operating cash flows before working capital changes</b>	<b>营运资金变动前的经营现金流量</b>		<b>1,473,479</b>	1,185,273
(Increase)/decrease in inventories	存货（增加）/减少		<b>(27,907)</b>	861
Increase in service concession financial receivables/contract assets	与服务特许经营权相关的金融应收款项/合同资产增加		<b>(2,233,287)</b>	(1,915,443)
Increase in trade and other receivables	应收账款及其他应收款项增加		<b>(421,441)</b>	(173,252)
Increase in trade and other payables	应付账款及其他应付款项增加		<b>341,840</b>	712,157
Cash used in operations	经营所动用的现金		<b>(867,316)</b>	(190,404)
People's Republic of China (“PRC”) income tax paid	已付中华人民共和国（“中国”）所得税		<b>(148,331)</b>	(73,856)
<b>Net cash flows used in operating activities</b>	<b>经营活动所动用的现金流量净额</b>		<b>(1,015,647)</b>	(264,260)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

综合现金流量表



		Year ended 31 December 截至十二月三十一日止年度		
	Notes 附注	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投资活动现金流量</b>			
Payment made for acquisition of subsidiaries, net of cash acquired	收购附属公司的付款，扣除所得现金	31	(51,494)	—
Capital contribution to an associate	向一间联营公司注资	18	(1,168)	—
Interest received	已收利息		17,918	12,463
Purchases of items of property, plant and equipment and prepayment of land leases	购买物业、厂房及设备		(11,176)	( 9,741)
Proceeds from sale of property, plant and equipment	出售物业、厂房及设备所得款项		89	581
Payment for additions of intangible assets	添置无形资产付款		(181,134)	(221,411)
Increase in amounts due from an associate	应收一间联营公司款项增加		(4,551)	—
Decrease/(increase) in fixed deposits with maturity period over three months and restricted balances in financial institutions	到期日为三个月以上定期存款及金融机构结余减少/（增加）		177,975	(172,755)
<b>Net cash flows used in investing activities</b>	<b>投资活动所动用的现金流量净额</b>		(53,541)	(390,863)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融资活动现金流量</b>			
Expenses from issue of shares	股份发行开支	29	(348)	(168)
Proceeds from issue of corporate bonds, net of related expenses paid	发行公司债券所得款项，扣除相关已付开支		944,251	1,144,831
New bank and other loans	新提贷款		2,418,142	1,959,205
Repayment of bank and other loans	偿还贷款		(2,229,213)	(1,592,312)
Interest paid	已付利息		(268,257)	(198,753)
Decrease in amounts due to fellow subsidiaries	应付同系附属公司款项减少		—	(154,928)
Increase/(decrease) in amounts due to intermediate holding companies	应付中间控股公司款项增加/（减少）		4	(79,034)
Increase in pledged bank deposits	已抵押银行存款增加		(22,669)	—
Dividends paid to shareholders	支付予本公司股东之股息		(31,687)	(12,348)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 综合现金流量表

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

		Notes 附注	Year ended 31 December 截至十二月三十一日止年度	
			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Dividends paid to non-controlling shareholders of subsidiaries	支付予附属公司非控股股东之股息		(28,609)	—
Contributions from non-controlling shareholders of subsidiaries	一名附属公司的非控股股东注资		192	214,798
<b>Net cash flows from financing activities</b>	<b>融资活动所得现金流量净额</b>		<b>781,806</b>	1,281,291
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>现金及现金等价物（减少） / 增加净值</b>		<b>(287,382)</b>	626,168
Cash and cash equivalents at beginning of year	年初之现金及现金等价物		<b>2,074,414</b>	1,359,401
Effect of exchange rate fluctuations on cash and cash equivalents, net	汇率变动的影响，净额		<b>(80,161)</b>	88,845
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年末之现金及现金等价物</b>		<b>1,706,871</b>	2,074,414
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>现金及现金等价物结余分析</b>			
Cash and cah equivalents as stated in the consolidated statements of financial position	于综合财务状况表的现金及现金结余	24	<b>1,728,573</b>	2,169,414
Less: Pledged bank deposits	减：已抵押银行存款	24	<b>(21,702)</b>	—
Less: Restricted balances in financial institutions	减：于金融机构的受限制结余	24	—	(95,000)
Cash and cash equivalents as stated in the consolidated statements of cash flows	于综合现金流量表列账的现金及现金等价物		<b>1,706,871</b>	2,074,414

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.  
后附会计政策及附注为本财务报表的组成部分。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in Bermuda and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. The registered address of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at 26th Floor, Block A, Oriental Xintiandi Plaza, No. 1003 Shennan Avenue, Futian District, Shenzhen, PRC 518000.

The principal activity of the Company is investment holding. The Company's subsidiaries are primarily involved in the water environment management business in the PRC.

The immediate holding company of the Company is China Everbright Water Holdings Limited, a limited liability company incorporated in the British Virgin Islands ("BVI"). In the opinion of the directors, the ultimate holding entity of the Company is China Investment Corporation, an entity established in the PRC.

As at the date of this report, the Company had direct and indirect interests in the following subsidiaries, all of which are private limited liability companies (or, if incorporated/registered outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

## 1. 公司资料

本公司为于百慕大注册成立的有限公司并于新加坡证券交易所有限公司主板上市。本公司的注册地址为Clarendon House, 2 Church Street, Hamilton HM11, Bermuda且其主要营业地点为中国深圳市福田区深南大道1003号东方新天地广场A座26层（邮编：518000）。

本公司的主要业务为投资控股。本公司的附属公司主要涉及中国水环境治理业务。

本公司的中间控股公司为中国光大水务控股有限公司（一间于英属维尔京群岛（“英属维京群岛”）注册成立的有限公司）。董事认为，本公司的最终控股实体为中国投资有限责任公司，其为于中国成立之实体。

于本报告日期，本公司已于以下附属公司拥有直接及间接权益，该等附属公司全部为私营有限责任公司（或倘于香港境外注册成立/登记，则其特征大致与香港注册成立的私营公司相若），其详情如下：





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比	Principal activities 主要业务
			Direct 直接	Indirect 间接
Anshan City Water Operating Co., Ltd. <sup>^</sup> (note (5)) 鞍山城市水务运营有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 15 March 2006 中国/中国内地 2006年3月15日	RMB 10,000,000 人民币 10,000,000元	-	100
				Waste water treatment 污水处理
Aqua Shine Group Limited	BVI 18 April 2011 英属维京群岛 2011年4月18日	United States dollar ("US\$") <sup>1</sup> 1美元 ( "美元" )	100	-
				Investment holding 投资控股
Beijing Everbright Water Investment Management Co., Ltd. (formerly known as "Beijing Hankelin Environmental Technology Co., Ltd.") ("BEWI") <sup>^</sup> 北京光大水务投资管理有限公司 (前称 "北京汉柯林环境 科技有限公司" ) ( "北京光大水务投资" ) <sup>^</sup>	PRC/Mainland China 26 October 2010 中国/中国内地 2010年10月26日	RMB 1,200,000,000 人民币 1,200,000,000元	-	100
				Investment and investment management 投资及投资管理
Beijing Hanksen Environmental Technology Co., Ltd. <sup>^</sup> 北京汉柯森环境科技有限公司 <sup>^</sup>	PRC/Mainland China 27 June 2011 中国/中国内地 2011年6月27日	RMB 9,582,816 人民币 9,582,816元	-	100
				R&D and consultation on water treatment technology 研发及水治理技术咨询
Biopower International Limited 生物动能国际有限公司	BVI 15 March 2005 英属维京群岛 2005年3月15日	US\$1 1美元	-	100
				Investment holding 投资控股
Bio-Treat International Limited 金迪国际有限公司	BVI 11 July 2003 英属维京群岛 2003年7月11日	US\$10,000 10,000美元	-	100
				Investment holding 投资控股

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比	Principal activities 主要业务
			Direct 直接	Indirect 间接
Bio-Treat Resources Limited	BVI 11 July 2003 英属维京群岛 2003年7月11日	US\$10,000 10,000美元	-	100
Investment holding 投资控股				
CEW Corporate Services Limited 中国光大水务服务有限公司	Hong Kong 8 December 2016 香港 2016年12月8日	HK\$100 100港元	-	100
Corporate services 公司服务				
China Everbright Water International Pte. Ltd. (formerly known as "Hankore International Pte. Ltd.") 中国光大水务国际私人有限公司 (前称“汉科国际私人有限公司”)	Singapore 18 July 2011 新加坡 2011年7月18日	Singapore dollars ("SGD") 5,000,000 5,000,000 新加坡元	100	-
Investment holding, technology R&D, business development and management services 投资控股, 技术研发, 业务发展及管理服务				
China Everbright Water Investments Limited ("CEWIL") 中国光大水务投资有限公司 ("光大水务投资")	BVI 25 March 2003 英属维京群岛 2003年3月25日	US\$2 2美元	100	-
Investment holding 投资控股				
China Everbright Water Management Limited 中国光大水务管理有限公司	Hong Kong 6 January 2015 香港 2015年1月6日	HK\$100 100港元	-	100
Investment holding 投资控股				

## 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Dalian Bonded Area Dongda Waste Water Treatment Co., Ltd. <sup>^</sup> (note (5)) 大连保税区东达污水处理有限公司 <sup>^</sup> ( (附注5) )	PRC/Mainland China 25 January 2013 中国/中国内地 2013年1月25日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dalian Dongda Environment Group Chunliuhe Waste Water Treatment Co., Ltd. <sup>^</sup> (note (4) & note (5)) 大连东达环境集团春柳河污水处理有限公司 <sup>^</sup> (附注(4)及附注(5))	PRC/Mainland China 28 July 2006 中国/中国内地 2006年7月28日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dalian Dongda Environment Group Malanhe Waste Water Treatment Co., Ltd. <sup>^</sup> (note (4) & note (5)) 大连东达环境集团马栏河污水处理有限公司 <sup>^</sup> (附注(4)及附注(5))	PRC/Mainland China 28 July 2006 中国/中国内地 2006年7月28日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dalian Dongda Environment Group Pulandian Water Co., Ltd. <sup>^</sup> (note (5)) 大连东达环境集团普兰店水务有限公司 <sup>^</sup> ( (附注(5))	PRC/Mainland China 22 June 2006 中国/中国内地 2006年6月22日	RMB 34,500,000 人民币 34,500,000元	-	100	Waste water treatment 污水处理
Dalian Dongda Water Co., Ltd. <sup>^</sup> ("Dalian Dongda") (note (5)) 大连东达水务有限公司 <sup>^</sup> ( "大连东达" ) (附注(5))	PRC/Mainland China 19 December 2003 中国/中国内地 2003年12月19日	RMB 120,000,000 人民币 120,000,000元	-	100	Waste water treatment 污水处理
Dalian Lvshun City Waste Water Treatment Co., Ltd. <sup>^</sup> (note (5)) 大连旅顺城市污水处理有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 17 November 2003 中国/中国内地 2003年11月17日	RMB 13,000,000 人民币 13,000,000元	-	100	Waste water treatment 污水处理

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Dalian Lyshun Sanjianpu Waste Water Treatment Co., Ltd. <sup>^</sup> (note (5)) 大连旅顺三涧堡污水处理有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 10 September 2009 中国/中国内地 2009年9月10日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dalian Puwan New District Dongda Waste Water Treatment Co., Ltd. <sup>^</sup> (note (5)) 大连普湾新区东达污水处理有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 12 July 2011 中国/中国内地 2011年7月12日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dalian Siergou Water Co., Ltd. <sup>^</sup> (note (4) & note (5)) 大连寺儿沟水务有限公司 <sup>^</sup> (附注(4)及附注(5))	PRC/Mainland China 31 July 2009 中国/中国内地 2009年7月31日	RMB 30,000,000 人民币 30,000,000元	-	100	Waste water treatment 污水处理
Dandong Dongda Waste Water Treatment Co., Ltd. <sup>^</sup> (note (5)) 丹东东达污水处理有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 15 May 2009 中国/中国内地 2009年5月15日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dezhou Everbright Water Pipeline Limited <sup>^</sup> (note (5)) 德州市光大水务管网有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 20 March 2018 中国/中国内地 2018年3月20日	RMB 35,000,000 人民币 35,000,000元	-	100	Construction management 工程管理
Dongda Group (Shenyang) Hunnan Water Co., Ltd. <sup>^</sup> (note (5)) 东达集团(沈阳)浑南水务有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 29 July 2010 中国/中国内地 2010年7月29日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理
Dongda Group Tongjiao Water Co., Ltd. <sup>^</sup> (note (5)) 东达集团通辽水务有限公司 <sup>^</sup> (附注(5))	PRC/Mainland China 25 December 2009 中国/中国内地 2009年12月25日	RMB 10,000,000 人民币 10,000,000元	-	100	Waste water treatment 污水处理

## 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Dongda Group Zhuanghe Water Co., Ltd.* (note (5)) 东达集团庄河水务有限公司* (附注(5))	PRC/Mainland China 27 March 2008 中国/中国内地	RMB 10,000,000 人民币	-	100	Waste water treatment 污水处理
	2008年3月27日	10,000,000元			
E+B Umwelttechnik GmbH	Germany 12 February 2018 德国	EUR 100,000 100,000欧元	-	80	R&D 研发
	2018年2月12日				
Everbright Industrial Waste Water Treatment Nanjing Limited* (note (5)) 光大工业废水处理南京有限公司* (附注(5))	PRC/Mainland China 2 September 2016 中国/中国内地	RMB 50,000,000 人民币	-	60	Waste water treatment 污水处理
	2016年9月2日	50,000,000元			
Everbright Reusable Water (Jiangyin) Limited* 光大中水利用 (江阴) 有限公司*	PRC/Mainland China 18 May 2011 中国/中国内地	US\$ 5,000,000 5,000,000美元	-	100	Reusable water 中水回用
	2011年5月18日				
Everbright Reusable Water (Nanjing) Limited* (note (5)) 光大中水利用 (南京) 有限公司* (附注(5))	PRC/Mainland China 14 March 2016 中国/中国内地	US\$ 4,700,000 4,700,000美元	-	100	Reusable water 中水回用
	2016年3月14日				
Everbright River Basin Remediation (Nanjing) Limited* (note (5)) 光大河道整治 (南京) 有限公司* (附注(5))	PRC/Mainland China 9 November 2016 中国/中国内地	RMB 92,000,000 人民币	-	100	River basin ecological repair 流域治理
	2016年11月9日	92,000,000元			

### 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Sponge City Development (Zhenjiang) Limited* (note (5)) 光大海绵城市发展 (镇江) 有限公司* (附注(5))	PRC/Mainland China 1 June 2016 中国/中国内地 2016年6月1日	RMB 462,000,000 人民币 462,000,000元	70	-	Sponge city construction, operation and R&D 海绵城市建设、 运营及研发
Everbright Water (Beijing) Limited (formerly known as "Beijing Bio-Treat Water Co., Ltd.")* (note (5)) 光大水务 (北京) 有限公司 (前称 "北京金迪水务有限公司") * (附注(5))	PRC/Mainland China 15 August 2006 中国/中国内地 2006年8月15日	RMB 119,310,000 人民币 119,310,000元	-	100	Waste water treatment 污水处理
Everbright Water (Binzhou) Limited (formerly known as "Binzhou Jin Di Water Co., Ltd.")* (note (5)) 光大水务 (滨州) 有限公司 (前称 "滨州金迪水务 有限公司") * ^ (附注(5))	PRC/Mainland China 8 November 2007 中国/中国内地 2007年11月8日	RMB 48,220,000 人民币 48,220,000元	-	100	Waste water treatment 污水处理
Everbright Water (Boxing) Limited* (note (5)) 光大水务 (博兴) 有限公司* (附注(5))	PRC/Mainland China 21 February 2008 中国/中国内地 2008年2月21日	HK\$ 94,375,000 港元 94,375,000元	-	100	Waste water treatment 污水处理
Everbright Water (Dezhou) Holdings Limited 光大水务 (德州) 控股有限公司	Hong Kong 8 November 2007 香港 2007年11月8日	HK\$100 100港元	-	100	Investment holding 投资控股
Everbright Water (Dezhou) Limited* (note (5)) 光大水务 (德州) 有限公司* (附注(5))	PRC/Mainland China 24 February 2012 中国/中国内地 2012年2月24日	US\$ 12,280,000 美元 12,280,000元	-	100	Waste water treatment 污水处理

## 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比	Principal activities 主要业务
			Direct 直接	Indirect 间接
Everbright Water (Jiangyin) Limited* (note (5)) 光大水务 (江阴) 有限公司* (附注(5))	PRC/Mainland China 26 December 2007 中国/中国内地 2007年12月26日	RMB 180,000,000 人民币 180,000,000元	70	Waste water treatment 污水处理
Everbright Water (Ji'nan Licheng) Limited* (note (5)) 光大水务 (济南历城) 有限公司* (附注(5))	PRC/Mainland China 26 November 2008 中国/中国内地 2008年11月26日	RMB 199,848,000 人民币 199,848,000元	100	Waste water treatment 污水处理
Everbright Water (Ji'nan) Holdings Limited 光大水务 (济南) 控股有限公司	Hong Kong 11 June 2007 香港 2007年6月11日	HK\$100 100港元	100	Investment holding 投资控股
Everbright Water (Ji'nan) Limited* (note (5)) 光大水务 (济南) 有限公司* (附注(5))	PRC/Mainland China 10 October 2006 中国/中国内地 2006年10月10日	US\$ 106,246,600 106,246,600 美元	100	Waste water treatment 污水处理
Everbright Water (Juxian) Limited* (note (5)) 光大水务 (莒县) 有限公司* (附注(5))	PRC/Mainland China 1 July 2015 中国/中国内地 2015年7月1日	RMB 58,200,000 人民币 58,200,000元	100	Waste water treatment 污水处理
Everbright Water (Kunshan) Limited (formerly known as "Kunshan Gang Dong Wastewater Treatment Co., Ltd.")* (note (5)) 光大水务 (昆山) 有限公司 (前称 "昆山港东污水处理 有限公司") * (附注(5))	PRC/Mainland China 29 March 2004 中国/中国内地 2004年3月29日	HK\$ 100,000,000 100,000,000 港元	100	Waste water treatment 污水处理

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Water (Laiyang) Limited <sup>#</sup> 光大水务 (莱阳) 有限公司	PRC/Mainland China 4 December 2018 中国/中国内地 2018年12月4日	RMB 169,521,765 人民币 169,521,765元	-	90	Waste water treatment 污水处理
Everbright Water (Lianyungang) Limited (formerly known as "Lianyungang King Fortune Water Co., Ltd.") <sup>*</sup> (note (5)) 光大水务 (连云港) 有限公司 (前称 "连云港金兆水务有限公司") <sup>*</sup> (附注(5))	PRC/Mainland China 21 June 2005 中国/中国内地 2005年6月21日	HK\$ 78,980,250 78,980,250 港元	-	100	Waste water treatment 污水处理
Everbright Water (Lingxian) Limited <sup>*</sup> (note (5)) 光大水务 (陵县) 有限公司 <sup>*</sup> (附注(5))	PRC/Mainland China 10 December 2009 中国/中国内地 2009年12月10日	US\$ 10,962,800 10,962,800 美元	-	100	Waste water treatment 污水处理
Everbright Water (Nanjing) Limited (formerly known as "Nanjing Golden Idea Water Development Co., Ltd.") <sup>*</sup> (note (5)) 光大水务 (南京) 有限公司 ( "南京金迪水务发展有限公司" ) <sup>*</sup> (附注(5))	PRC/ Mainland China 21 March 2006 中国/中国内地 2006年3月21日	RMB 96,186,423 人民币96,186,423元	-	100	Waste water treatment 污水处理
Everbright Water (Nanning) Limited <sup>#</sup> ( "EB Water Nanning" ) (note (4) & note (5)) 光大水务 (南宁) 有限公司 <sup>#</sup> ( "光大水务南宁" ) (附注(4)及附注(5))	PRC/Mainland China 30 September 2017 中国/中国内地 2017年9月30日	RMB 488,690,000 人民币 488,690,000元	79.6 Note (3) 79.6 附注(3)	-	River restoration works 河流修复工程
Everbright Water (Qingdao) Holdings Limited ( "EW (Qingdao) Holdings" ) 光大水务 (青岛) 控股有限公司 ( "光大水务 (青岛) 控股" )	Hong Kong 15 October 2003 香港 2003年10月15日	HK\$ 10,710,680 10,710,680 港元	-	100	Investment holding 投资控股

## 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Water (Qingdao) Limited (formerly known as "Qingdao EB-VW Waste Water Treatment Co., Ltd.") ("EB Water Qingdao")* (note (5)) 光大水务 (青岛) 有限公司 (前称 "青岛光威污水处理") ( "光大水务青岛" ) * (附注(5))	PRC/Mainland China 13 August 2004 中国/中国内地 2004年8月13日	US\$ 15,257,400 15,257,400 美元	-	60 Note (4) 60 附注(4)	Waste water treatment 污水处理
Everbright Water (Shenzhen) Limited* 光大水务 (深圳) 有限公司*	PRC/Mainland China 16 March 2015 中国/中国内地 2015年3月16日	HK\$ 10,000,000 10,000,000 港元	-	100	Water investment and management 水务投资及管理
Everbright Water (Suizhou) Holdings Limited 光大水务 (随州) 控股有限公司	Hong Kong 17 March 2017 香港 2017年3月17日	HK\$100 100港元	-	100	Investment holding 投资控股
Everbright Water (Suzhou) Limited (formerly known as "Suzhou Jin Di Water Co., Ltd.")* (note (5)) 光大水务 (苏州) 有限公司 (前称 "苏州金迪水务有限公司") * (附注(5))	PRC/Mainland China 3 July 2006 中国/中国内地 2006年7月3日	HK\$ 258,000,000 258,000,000 港元	-	100	Waste water treatment 污水处理
Everbright Water (Wuxi) Holdings Limited 光大水务 (无锡) 控股有限公司	Hong Kong 3 October 2007 香港 2007年10月3日	HK\$100 100港元	-	100	Investment holding 投资控股
Everbright Water (Xianyang) Limited (formerly known as "Xianyang Bai Sheng Shui Purifying Co., Ltd.")* (note (4) & note (5)) 光大水务 (咸阳) 有限公司 (前称 "咸阳百晟水净化有限公司") ^ (附注(4)及附注(5))	PRC/Mainland China 19 May 2003 中国/中国内地 2003年5月19日	RMB 94,000,000 人民币 94,000,000元	-	100	Waste water treatment 污水处理

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# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Water Operating (Xinyi) Limited <sup>#</sup> (note (5)) 光大水务运营 (新沂) 有限公司 <sup>#</sup> (附注(5))	PRC/Mainland China 24 June 2016 中国/中国内地 2016年6月24日	US\$ 19,496,300 19,496,300 美元	-	60.4	Waste water treatment and reusable water 污水处理及中水回用
Everbright Water Purification Nanjing Limited (formerly known as "Nanjing Jin Huan Water Development Co., Ltd.") <sup>^</sup> (note (5)) 光大水质净化南京有限公司 (前称 "南京金环水务发展有 限公司") <sup>^</sup> (附注(5))	PRC/ Mainland China 23 November 2006 中国/中国内地 2006年11月23日	RMB 14,750,000 人民币 14,750,000元	-	100	Waste water treatment 污水处理
Everbright Water Suzhou Water Environment Management Limited <sup>#</sup> (note (5)) 光大水务苏州水环境治理有限公司 <sup>#</sup> (附注(5))	PRC/Mainland China 8 May 2017 中国/中国内地 2017年5月8日	RMB 260,000,000 人民币 260,000,000元	78.4	-	River restoration works 河流修复工程
Everbright Water (Xinyi) Limited <sup>*</sup> 光大水务 (新沂) 有限公司 <sup>*</sup>	PRC/Mainland China 4 March 2010 中国/中国内地 2010年3月4日	HK\$ 174,590,000 174,590,000 港元	-	100	Waste water treatment 污水处理
Everbright Water (Xuzhou) Holdings Limited <sup>#</sup> 光大水务 (徐州) 控股有限公司 <sup>#</sup>	Hong Kong 14 January 2010 香港 2010年1月14日	HK\$100 100港元	-	100	Investment holding 投资控股
Everbright Water (Xuzhou) Limited <sup>^</sup> 光大水务 (徐州) 有限公司 <sup>^</sup>	PRC/Mainland China 4 December 2018 中国/中国内地 2018年12月4日	RMB 15,438,000 人民币 15,438,000元	-	100	Leachate and waste water treatment 渗滤液及污水 处理

## 1. CORPORATE INFORMATION (cont'd)





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Water (Yangzhou) Limited (formerly known as "Yangzhou Hankore Water Development Co., Ltd.")* (note (5)) 光大水务(扬州)有限公司(前称“扬州汉科水处理发展有限公司”) * (附注(5))	PRC/Mainland China 14 December 2004 中国/中国内地 2004年12月14日	US\$ 14,000,000 14,000,000美元	-	100	Waste water treatment 污水处理
Everbright Water (Zhangqiu) Limited* (note (5)) 光大水务(章丘)有限公司 * (附注(5))	PRC/Mainland China 4 June 2013 中国/中国内地 2013年6月4日	RMB 30,349,700 人民币 30,349,700元	-	100	Waste water treatment 污水处理
Everbright Water (Zhangjiu) Operating Limited# (note (5)) 光大水务(章丘)运营有限公司# (附注(5))	PRC/Mainland China 14 April 2016 中国/中国内地 2016年4月14日	RMB 65,507,600 人民币 65,507,600元	-	95	Waste water treatment and operation services 污水处理及经营服务
Everbright Water (Zibo Zhoucun) Water Purification Co., Ltd.* (note (5)) 光大水务(淄博周村)净水有限公司* (附注(5))	PRC/Mainland China 5 December 2007 中国/中国内地 2007年12月5日	HK\$ 35,000,000 35,000,000港元	-	100	Waste water treatment 污水处理
Everbright Water (Zibo) Holdings Limited 光大水务(淄博)控股有限公司	Hong Kong 11 June 2007 香港 2007年6月11日	HK\$100 100港元	-	100	Investment holding 投资控股
Everbright Water (Zibo) Limited* (note (5)) 光大水务(淄博)有限公司* (附注(5))	PRC/Mainland China 15 November 2005 中国/中国内地 2005年11月15日	US\$ 85,666,900 85,666,900美元	-	100	Waste water treatment 污水处理

### 1. CORPORATE INFORMATION (cont'd)

# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Everbright Water Technology Development (Nanjing) Limited <sup>^</sup> 光大水务科技发展 (南京) 有限公司 <sup>^</sup>	PRC/Mainland China 18 April 2017 中国/中国内地 2017年4月18日	RMB 10,000,000 人民币 10,000,000元	-	100	R&D and consultation on technology 技术研发及咨询
Everbright Water Treatment (Jiangyin) Limited* (note (5)) 光大水处理 (江阴) 有限公司* (附注(5))	PRC/Mainland China 5 September 2017 中国/中国内地 2017年9月5日	US\$ 100,000,000 100,000,000 美元	-	100	Waste water treatment and construction and maintenance of pipeline network 污水处理及管网的 建造及维护
Jiangsu Tongyong Environment Engineering Co., Ltd. <sup>^</sup> 江苏通用环境工程有限公司 <sup>^</sup>	PRC/Mainland China 11 June 2007 中国/中国内地 2007年6月11日	RMB 55,080,000 人民币 55,080,000元	-	100	Construction engineering 建造工程
Ji'nan Everbright Water Supply Limited* (note (5)) 济南光大供水有限公司* (附注(5))	PRC/Mainland China 10 August 2017 中国/中国内地 2017年8月10日	RMB 250,000,000 人民币 250,000,000元	-	80	Water supply, construction and operation of water source and water supply facility 供水、水源及供水设施的 建造及营运
Joyer International Limited 卓越国际有限公司	BVI 7 October 2010 英属维京群岛 2010年10月7日	US\$1 1美元	100	-	Investment holding 投资控股

## 1. CORPORATE INFORMATION (cont'd)



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### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比	Principal activities 主要业务
			Direct 直接	Indirect 间接
New Efficient Limited 新环境有限公司	BVI 22 January 2004 英属维京群岛 2004年1月22日	US\$100 100美元	-	100
				Investment holding 投资控股
Newsussex International Limited 新萨西克斯国际有限公司	BVI 15 March 2005 英属维京群岛 2005年3月15日	US\$1 1美元	-	100
				Investment holding 投资控股
Ocean Force International Limited	BVI 11 July 2003 英属维京群岛 2003年7月11日	US\$1 1美元	100	-
				Investment holding 投资控股
Ocean Master International Limited	BVI 11 July 2003 英属维京群岛 2003年7月11日	US\$1 1美元	-	100
				Investment holding 投资控股
Oriental Fortune International Limited	Hong Kong 7 May 2004 香港 2004年5月7日	HK\$10,000 10,000港元	-	100
				Investment holding 投资控股
Panjin City Waste Water Treatment Co., Ltd.^ (note (5)) 盘锦城市污水处理有限公司^ (附注(5))	PRC/Mainland China 5 December 2003 中国/中国内地 2003年12月5日	RMB 44,000,000 人民币 44,000,000元	-	100
				Waste water treatment 污水处理

### 1. CORPORATE INFORMATION (cont'd)

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## 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比		Principal activities 主要业务
			Direct 直接	Indirect 间接	
Sanmenxia Everbright Water Limited (formerly known as "Sanmenxia Hankore Water Co., Ltd.") <sup>(note (5))</sup> 三门峡光大水务有限公司 (前称 "三门峡汉科水务有限公司") <sup>(附注(5))</sup>	PRC/Mainland China 6 January 2011 中国/中国内地 2011年1月6日	RMB 22,000,000 人民币 22,000,000元	-	100	Waste water treatment 污水处理
Shanghai Weiyang Construction Design Co., Ltd. ("Shanghai Weiyang") <sup>(^)</sup> 上海未央建设工程设计有限公司 ( "上海未央" ) <sup>(^)</sup>	PRC/Mainland China 26 April 2011 中国/中国内地 2011年4月26日	RMB 1,000,000 人民币 1,000,000元	-	100	Survey, mapping, design and consultancy for municipal projects 市政府项目的勘察、 测绘、设计及咨询
Sky Billion Limited 天亿有限公司	BVI 14 January 2004 英属维京群岛 2004年1月14日	US\$ 10,000 10,000美元	-	100	Investment holding 投资控股
Suqian City Cheng Bei Wastewater Treatment Co., Ltd.* 宿迁市城北污水处理发展有限公司*	PRC/Mainland China 30 May 2005 中国/中国内地 2005年5月30日	US\$ 3,100,000 3,100,000美元	-	100	Waste water treatment 污水处理
Suqian City Cheng Bei Water Treatment Co., Ltd.* 宿迁市城北水务发展有限公司*	PRC/Mainland China 30 May 2005 中国/中国内地 2005年5月30日	US\$ 3,250,000 3,250,000美元	-	100	Waste water treatment 污水处理
Tianjin Hanquan Environment Technology Limited* 天津汉泉环保科技有限公司*	PRC/Mainland China 7 March 2013 中国/中国内地 2013年3月7日	HK\$ 2,000,000 2,000,000港元	-	100	Investment holding 投资控股

## 1. CORPORATE INFORMATION (cont'd)



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 1. 公司资料 (续)

Name 名称	Place and date of incorporation/ registration and place of business 注册成立/登记地点及日期及营业地点	Issued ordinary share/ paid up capital 已发行普通股/缴足股本	Percentage of equity attributable to the Company 本公司应占股权百分比	Principal activities 主要业务
			Direct 直接	Indirect 间接
True Global Limited 万达集团有限公司	BVI 31 March 2004 英属维京群岛 2004年3月31日	US\$1 1美元	-	100
Victor Best Holdings Limited	BVI 12 June 2012 英属维京群岛 2012年6月12日	US\$50,000 50,000美元	-	100
World Pioneer Investments Limited 国际先锋有限公司	BVI 11 July 2003 英属维京群岛 2003年7月11日	US\$100 100美元	-	100
Xuzhou Municipal Engineering Design Institute Co., Ltd. ("Xuzhou Engineering Design Institute") <sup>^</sup> 徐州市政设计院有限公司 ("徐州设计院") <sup>^</sup>	PRC/Mainland China 30 December 1985 中国/中国内地 1985年12月30日	RMB 6,000,000 人民币 6,000,000元	-	100
Zibo Everbright Water Energy Development Company Limited <sup>^</sup> (note (4) & note (5)) 淄博光大水务能源开发有限公司 <sup>^</sup> (附注(4)及附注(5))	PRC/Mainland China 8 June 2009 中国/中国内地 2009年6月8日	RMB 51,350,000 人民币 51,350,000元	-	100

<sup>^</sup> Registered under the laws of the PRC as private companies with limited liability  
根据中国法律注册为私营有限公司

<sup>\*</sup> Registered under the laws of the PRC as foreign investment enterprises  
根据中国法律注册为外商投资企业

<sup>#</sup> Registered under the laws of the PRC as Sino-foreign co-operation joint ventures  
根据中国法律注册为中外合资企业



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 1. CORPORATE INFORMATION (cont'd)

Notes:

- (1) All significant subsidiaries are audited by member firm of Ernst & Young Global in China for group consolidation purpose. For this purpose, a subsidiary or an associated company is considered significant, as defined under the Listing Manual of the Singapore Exchange Securities Trading Limited, if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits. For the avoidance of doubt, the Group did not have any associated company which was considered significant for the year ended 31 December 2018.
- (2) The Company is committed to contributing 79.6474% of EB Water Nanning's registered capital. The remaining 20.3526% registered capital is contributed by three PRC joint venture partners. Except for one of the PRC joint venture partners, who is committed to contributing 0.0097% of registered capital and shall not be entitled to the net profit of EB Water Nanning, the Company and other two PRC joint venture partners share the net profit of EB Water Nanning on the basis of their respective proportions of registered capital contribution.
- (3) EW (Qingdao) Holdings, a wholly-owned subsidiary of the Company and the foreign joint venture partner of EB Water Qingdao, is committed to contributing 60% of EB Water Qingdao's registered capital. The remaining 40% registered capital is contributed by a PRC joint venture partner. EW (Qingdao) Holdings is fully entitled to the net profit of EB Water Qingdao for the first 14 years of the joint venture period. From the 15th year of the joint venture period onwards, the net profit of EB Water Qingdao is to be shared by EW (Qingdao) Holdings and the PRC joint venture partner on a 98:2 basis.
- (4) These subsidiaries of the Group entered into service concession arrangements with the local government authorities in the PRC (the "Grantors"). Pursuant to the service concession arrangements, the Group was granted rights to construct, operate and maintain waste water treatment related projects in the PRC for a period of 20 to 32 years. The Group has the obligation to maintain and restore the waste water treatment related projects in good condition. The service fees are based on the extent of services rendered and are subject to approvals from the relevant local government authorities. Upon expiry of the concession periods, the waste water treatment related projects and facilities will be transferred to the local government authorities.

The service concession arrangements do not contain renewal options. Both the Grantors and the Group have the rights to terminate the agreements in the event of a material breach of the terms of the agreements.

Operating rights of the waste water treatment related projects are recognised as intangible assets.

- (5) These subsidiaries of the Group entered into service concession arrangements with the Grantors. Pursuant to the service concession arrangements, the Group has to design, construct and/or upgrade, operate and maintain waste water treatment related projects in the PRC for a period of 10 to 32 years. The Group has the obligation to maintain the waste water treatment related projects in good condition. The Grantors guarantee the Group will receive minimum annual payments in connection with the arrangements. Upon expiry of the concession periods, the waste water treatment related projects and facilities will be transferred to the local government authorities.

## 1. 公司资料 (续)

附注:

- (1) 所有主要附属公司均由就Ernst & Young集团合并的目的而进行审计。就此而言, 诚如新加坡证券交易所上市手册所界定, 如果附属公司或联营公司的有形资产净额占本集团综合有形资产净额的20%或以上, 或如附属公司或联营公司除税前盈利占本集团综合除税前盈利的20%或以上, 则该附属公司或联营公司会被视为主要附属公司或主要联营公司。未免疑义, 本集团无联营公司在截至2018年12月31日止年度被视为主要联营公司。
- (2) 本公司承诺注入光大水务南宁79.6474%注册资本。余下20.3526%注册资本由中国三家合营企业注入。除一家承诺注入0.0097%注册资本且无权享有光大水务南宁的净利润的中国合营企业外, 本公司及其他两家中国合营企业基于彼等各自的注册资本注入比例分摊光大水务南宁的净盈利。
- (3) 本公司之全资附属公司兼光大水务青岛之外方合营伙伴—光大水务(青岛)控股承诺注入光大水务青岛60%注册资本。余下40%注册资本由中方合营伙伴注入。光大水务(青岛)控股于合营期首14年可全数享有光大水务青岛之净盈利。而由第15年合营期起, 光大水务青岛之净盈利将由光大(青岛)控股及中方合营伙伴按98:2之比例分摊。
- (4) 本集团该等附属公司与中国当地行政机关(“授权人”)订立服务特许经营安排。根据服务特许经营安排, 本集团获授权在中国建造、运营及维护污水处理相关项目, 为期20至32年。本集团有责任维持及恢复污水处理相关项目的良好状况。服务费按已提供之服务而定, 并须待有关当地行政机关批准后方可作实。待特许经营期届满后, 污水处理相关项目将转归当地行政机关所有。

服务特许经营安排并无续约选择。授权人及本集团均有权于协议条款遭重大违反之情况下终止有关协议。

污水处理相关项目之运营权确认为无形资产。

- (5) 本集团该等附属公司与授权人订立服务特许经营安排。根据服务特许经营安排, 本集团须于中国设计、建造及/或改造、运营及维护污水处理相关项目, 为期10至32年。本集团有责任维持污水处理相关项目的良好状况。授权人担保, 就有关安排而言, 本集团将可每年收取最低保证款项。待特许经营期届满后, 污水处理相关项目及设施将转归当地行政机关所有。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 1. CORPORATE INFORMATION (cont'd)

Notes: (cont'd)

The service concession arrangements do not contain renewal options. The standard rights of the Grantors to terminate the agreements include the failure of the Group to construct, upgrade or operate the waste water treatment related projects and in the event of a material breach of the terms of the agreements. The standard rights of the Group to terminate the agreements include failure to receive payments for waste water treatment service from the Grantors and in the event of a material breach of the terms of the agreements.

Revenue relates to the construction services provided in constructing or upgrading the waste water treatment related projects is recognised as "Service concession financial receivables/contract assets" in the statements of financial position.

#### 2.1 BASIS OF PRESENTATION

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.

All intra-group transactions and balances have been eliminated on consolidation.

#### 2.2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"). Except for IFRS 9 Financial Instruments, all IFRSs effective for the accounting period commencing from 1 January 2018, together with the relevant transitional provisions, have been consistently applied by the Group in the preparation of the financial statements throughout the financial periods.

The Group has applied IFRS 9, effective for the periods beginning on or after 1 January 2018. The Group has not restated financial information from 1 January 2017 to 31 December 2017 for financial instruments in the scope of IFRS 9. The financial information from 1 January 2017 to 31 December 2017 is reported under International Accounting Standard ("IAS") 39 *Financial Instruments: Recognition and Measurement* and is not comparable to the information presented for 2018. The Group has applied IFRS 15 in the preparation of the financial statements with a date of initial application of 1 January 2017. The Group has adopted IFRS 15 using the full retrospective method of adoption.

### 1. 公司资料 (续)

附注: (续)

服务特许经营安排并无续约选择。授权人可行使标准权利终止协议之情况包括: 本集团未能建造、改造或运营污水处理相关项目以及协议条款遭重大违反。本集团可行使标准权利终止协议之情况包括: 未能从授权人取得污水处理服务费, 以及协议条款遭重大违反。

因建造或改造污水处理相关项目而提供建造服务所得之相关收益在财务状况表中确认为 "与服务特许经营权相关的金融应收款项/合同资产"。

#### 2.1 呈列基准

附属公司之财务报表乃使用一致会计政策按本公司同一报告期编制。附属公司之业绩乃自本集团取得控制权之日起予以合并, 并继续纳入合并范围, 直至不再被控制为止。

所有集团内公司间的交易及结余乃于合并入账时对冲。

#### 2.2 编制基准

财务报表乃根据国际财务报告准则 ("国际财务报告准则") (包括由国际会计准则理事会 ("国际会计准则理事会") 批准的所有准则及诠释) 编制。除国际财务报告准则第9号金融工具外, 于编制财务报表数据的两个财务报表期间, 本集团已贯彻采用自2018年1月1日会计期间可生效的所有国际财务报告准则连同相关过渡性条文。

本集团已应用国际财务报告准则第9号, 自2018年1月1日或之后的期间生效。本集团并未就国际财务报告准则第9号范畴内的金融工具重列自2017年1月1日至2017年12月31日的财务资料。自2017年1月1日至2017年12月31日的财务资料应用国际会计准则 ("国际会计准则") 第39号金融工具: 确认及计量呈报, 不可与2018年呈列之数据比较。本集团为编制财务报表数据已应用首次应用日期为2017年1月1日的国际财务报告准则第15号。本集团使用全面追溯法采纳国际财务报告准则第15号。

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财务报表附注



## 2.2 BASIS OF PREPARATION (cont'd)

The principal effects of adopting these new IFRSs are as follows:

### (a) IFRS 9 *Financial Instruments*

IFRS 9 brings together all phases of the financial instruments project to replace IAS 39 and all previous versions of IFRS 9. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings as of 1 January 2018.

#### Changes to classification and measurement

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories of financial assets (fair value through profit or loss ("FVPL"), available for sale ("AFS"), held-to-maturity, loans and receivables, and amortised cost) have been replaced by:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income ("FVOCI"), with gains or losses recycled to profit or loss on derecognition
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- Financial assets at FVPL

The accounting for financial liabilities remains largely the same as it was under IAS 39, except for the treatment of gains or losses arising from an entity's own credit risk relating to liabilities designated at FVPL. Such movements are presented in other comprehensive income with no subsequent reclassification to profit or loss.

The Group's classification of its financial assets and liabilities is explained in note 2.4.

## 2.2 编制基准 (续)

采纳该等新国际财务准则的主要影响如下:

### (a) 国际财务报告准则第9号金融工具

国际财务报告准则第9号汇集金融工具的所有阶段,以代替国际会计准则第39号及国际财务报告准则第9号所有之前的版本。因采纳国际财务报告准则第9号产生的差异已于2018年1月1日的保留盈利直接确认。

#### 分类及计量的变动

为厘定其分类及计量类别,国际财务报告准则第9号规定所有金融资产(股本工具及衍生工具除外)根据实体管理资产的业务模式及工具合同现金流特征的结合进行评估。

国际会计准则第39号计量金融资产类别(按公允价值计入损益("按公允价值计入损益")、可供出售("可供出售")、持作到期、贷款及应收账款以及摊销成本)已被下列各项取代:

- 按摊销成本列账的债务工具
- 按公允价值计入其他全面收益("按公允价值计入其他全面收益")的债务工具及收益或亏损于取消确认时重新计入损益
- 按公允价值计入其他全面收益的权益工具及收益或亏损于取消确认时不会重新计入损益
- 按公允价值计入损益的金融资产

金融负债的会计处理法与国际会计准则第39号的规定大致相同,惟实体本身有关指定为按公允价值计入损益的负债的信用风险收益或亏损的处理除外。有关变动将于其他全面收益呈列,其后不会重新分类至损益。

本集团金融资产及负债的分类阐述于附注2.4。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 2.2 BASIS OF PREPARATION (cont'd)

#### (a) IFRS 9 *Financial Instruments* (cont'd)

##### Changes to the impairment calculation

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss approach. IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL. The ECL allowance is 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. The shortfall is then discounted at an approximation to the asset's original effective interest rate ("EIR").

Details of the Group's impairment method are disclosed in note 2.4.

### 2.2 编制基准 (续)

#### (a) 国际财务报告准则第9号 *金融工具* (续)

##### 减值计算之变动

采纳国际财务报告准则第9号透过前瞻性预期信贷亏损法取代国际会计准则第39号的产生亏损法，已根本上改变本集团对金融资产亏损减值的会计处理方式。国际财务报告准则第9号要求本集团就并非按公允价值计入损益持有的全部贷款及其他债务金融资产记录预期信贷亏损拨备。预期信贷亏损拨备乃基于按照合同到期的合同现金流量与本集团预期收取的所有现金流量之间的差额计算。其后，差额按资产原有实际利率（“**实际利率**”）近似值贴现。

本集团减值方法的详情于附注2.4披露。

# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 2.2 BASIS OF PREPARATION (cont'd)

(a) IFRS 9 *Financial Instruments* (cont'd)

### Changes to the impairment calculation (cont'd)

A reconciliation between the carrying amounts under IAS 39 and the balances reported under IFRS 9 as at 1 January 2018 is as follows:

## 2.2 编制基准 (续)

(a) 国际财务报告准则第9号金融工具 (续)

### 减值计算之变动 (续)

于2018年1月1日，根据国际会计准则第39号的账面值与根据国际财务报告准则第9号所报结余之间的对账如下：

		IAS 39 measurement 国际会计准则第39号 计量			IFRS 9 measurement 国际财务报告准则第9号 计量		
		Notes 附注	Category 类别	Amount 金额 HK\$'000 千港元	ECL 预期信贷 亏损 HK\$'000 千港元	Amount 金额 HK\$'000 千港元	Category 类别
<u>Financial assets</u>	<u>金融资产</u>						
Financial assets included in trade and other receivables	计入应收账款及其他应收款项的金融资产	(i)	L&R <sup>1</sup>	544,121	(35,669)	508,452	AC <sup>2</sup>
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款		L&R	630,403	—	630,403	AC
Cash and cash equivalents	现金及现金等价物		L&R	2,169,414	—	2,169,414	AC
				<u>3,343,938</u>	<u>(35,669)</u>	<u>3,308,269</u>	
<u>Other assets</u>	<u>其他资产</u>						
Property, plant and equipment	物业、厂房及设备			146,064	—	146,064	
Prepaid land lease payments	预付土地租赁款项			5,974	—	5,974	
Intangible assets	无形资产			1,489,718	—	1,489,718	
Goodwill	商誉			1,259,922	—	1,259,922	
Service concession financial Receivables/contract assets	与服务特许经营权相关的金融应收款项/合同资产			11,514,263	—	11,514,263	
Interest in associates	联营公司权益			1,445	—	1,445	
Other assets included in trade and other receivables	计入应收账款及其他应收款项的其他资产			272,253	—	272,253	
Inventories	存货			14,342	—	14,342	
				<u>14,703,981</u>	<u>—</u>	<u>14,703,981</u>	
Total assets	资产总值			<u>18,047,919</u>	<u>(35,669)</u>	<u>18,012,250</u>	





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 2.2 BASIS OF PREPARATION (cont'd)

(a) IFRS 9 *Financial Instruments* (cont'd)

Changes to the impairment calculation (cont'd)

		IAS 39 measurement 国际会计准则第39号 计量			IFRS 9 measurement 国际财务报告准则第9 号计量	
	Notes 附注	Category 类别	Amount 金额 HK\$'000 千港元	ECL 预期信贷 亏损 HK\$'000 千港元	Amount 金额 HK\$'000 千港元	Category 类别
<u>Financial liabilities</u>		<u>金融负债</u>				
Financial liabilities included in trade and other payables		计入应付账款及其他应付款项的金融负债	AC 1,493,486	–	1,493,486	AC
Borrowings		贷款	AC 6,631,752	–	6,631,752	AC
			<u>8,125,238</u>	<u>–</u>	<u>8,125,238</u>	
<u>Other liabilities</u>		<u>其他负债</u>				
Other liabilities included in trade and other payables		计入应付账款及其他应付款项的其他负债	60,079	–	60,079	
Tax payables		应付税项	49,951	–	49,951	
Deferred tax liabilities		递延税项负债	1,270,846	–	1,270,846	
			<u>1,380,876</u>	<u>–</u>	<u>1,380,876</u>	
Total liabilities		负债总额	<u>9,506,114</u>	<u>–</u>	<u>9,506,114</u>	

<sup>1</sup> L&R: Loans and receivables

<sup>2</sup> AC: Financial assets or financial liabilities at amortised cost

The impact of the Group's retained earnings due to the remeasurement of financial instruments as at 1 January 2018, the Group's date of initial application of IFRS 9, is as follows:

	Note 附注	Retained earnings 保留盈利 HK\$'000 千港元
At 1 January 2018 (originally stated)		2,559,424
Remeasurement upon initial application of IFRS 9	(i)	(35,669)
At 1 January 2018 (restated)		<u>2,523,755</u>

Note:

(i) As at 1 January 2018, the Group has recorded ECL allowance under IFRS 9 of HK\$35,669,000.

### 2.2 编制基准 (续)

(a) 国际财务报告准则第9号金融工具  
(续)

减值计算之变动 (续)

本集团于2018年1月1日初始应用国际财务报告准则第9号重新计量金融工具对本集团保留盈利的影响如下:

附注:

(i) 于2018年1月1日, 本集团根据国际财务报告准则第9号录得预期信贷亏损拨备35,669,000港元。

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I 财务报表附注



## 2.2 BASIS OF PREPARATION (cont'd)

### (b) IFRS 15 *Revenue from Contracts with Customers*

IFRS 15, issued in May 2014, established a new five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard has superseded all previous revenue recognition requirements under IFRSs. In April 2016, the IASB issued amendments to IFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt IFRS 15 and decrease the cost and complexity of applying the standard.

The Group has applied IFRS 15 using the full retrospective method of adoption. The Group has elected to apply the practical expedient for completed contracts and has not restated amounts for contracts completed before 1 January 2017.

The accounting policy for the Group's main types of revenue is presented in note 2.4 which has been updated to reflect the application of IFRS 15. The Group's service concession financial receivables, representing contract assets under IFRS 15, have been separately disclosed in the consolidated statements of financial position in the financial statements. More extensive disclosure on the Group's revenue transactions and additional disclosures for the contract assets and information about performance obligations related to service concession arrangements have been made in the financial statements upon the application of IFRS 15.

## 2.2 编制基准 (续)

### (b) 国际财务报告准则第15号 *客户合同收益*

国际财务报告准则第15号于2014年5月颁布，建立了一个新五步模型用作对客户合同产生所有收益进行会计处理。根据国际财务报告准则第15号，收入确认的金额应反映实体预期有权以向客户转让商品或服务而取得的代价。国际财务报告准则第15号的原则为衡量和确认收入提供了更加结构化的方法。该准则还引入了广泛的定性和定量披露要求，包括总收入的分解，有关履约义务的信息，不同期间的合同资产和负债科目余额的变化以及关键的判断和估计。该准则已代替国际财务报告准则所有过往收益确认的规定。于2016年4月，国际会计准则理事会颁布国际财务报告准则第15号（修订本），以处理有关识别履约义务、主体与代理应用指引及知识产权执照以及过渡的实施问题。该等修订亦旨在协助确保实体于采纳国际财务报告准则第15号时能一致地应用及降低成本和应用该准则的复杂性。

本集团使用全面追溯法应用国际财务报告准则第15号。本集团已选择适用于已完成合同的简化处理办法，并无重列2017年1月1日前已完成的合同金额。

本集团收益的主要类别之会计政策于附注2.4呈列并已作更新以反映国际财务报告准则第15号的应用情况。本集团与服务特许经营权相关的金融应收款项（即国际财务报告准则第15号项下的合同资产），已单独于财务报表综合财务状况表内披露。应用国际财务报告准则第15号后，于财务报表对本集团收入交易作出更广泛的披露及对合同资产及服务特许经营安排相关的履约责任的信息作出进一步披露。



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### 2.2 BASIS OF PREPARATION (cont'd)

#### (b) IFRS 15 *Revenue from Contracts with Customers* (cont'd)

All customer contracts in force throughout the financial periods have been reviewed and assessed and it was determined that the application of IFRS 15 had no significant impact on the recognition and measurement of revenue.

Apart from the above, the application of IFRS 15 has had no significant impact on the financial position and/or financial performance of the Group.

The financial statements have been prepared under the historical cost convention, except for contingent consideration receivable which has been measured at fair value.

### 2.2 编制基准 (续)

#### (b) 国际财务报告准则第15号 *客户合同收益* (续)

于财务报表期间所有有效的客户合同已作审阅及评估，应用国际财务报告准则第15号已厘定为并未对收入确认及计量产生重大影响。

除以上所述，应用国际财务报告准则第15号并未对本集团的财务状况及/或财务表现产生重大影响。

财务报表乃按历史成本法编制，而已按公允价值计量的应收或然代价除外。

### 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

Amendments to IFRS 3  
国际财务报告准则第3号 (修订本)  
Amendments to IFRS 9  
国际财务报告准则第9号 (修订本)  
Amendments to IFRS 10 and IAS 28  
国际财务报告准则第10号及国际会计准则第28号 (修订本)  
IFRS 16  
国际财务报告准则第16号  
IFRS 17  
国际财务报告准则第17号  
Amendments to IAS 1 and IAS 8  
国际会计准则第1号及国际会计准则第8号 (修订本)  
Amendments to IAS 19  
国际会计准则第19号 (修订本)  
Amendments to IAS 28  
国际会计准则第28号 (修订本)  
IFRIC 23  
国际财务报告准则委员会解释第23号  
*Annual Improvements 2015-2017 Cycle*  
2015年至2017年周期年度改进

### 2.3 已颁布但尚未生效的国际财务报告准则

本集团尚未于财务报表中应用以下已颁布但尚未生效的新订及经修订国际财务报告准则：

*Definition of a Business*<sup>5</sup>  
业务的定义<sup>5</sup>  
*Prepayment Features with Negative Compensation*<sup>1</sup>  
具有负补偿之提前还款特性<sup>1</sup>  
*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*<sup>4</sup>  
投资者与其联营公司或合资企业之间的资产销售或出资<sup>4</sup>  
*Leases*<sup>1</sup>  
租赁<sup>1</sup>  
*Insurance Contracts*<sup>3</sup>  
保险合约<sup>3</sup>  
*Definition of Material*<sup>2</sup>  
重大性之定义<sup>2</sup>  
*Plan Amendment, Curtailment or Settlement*<sup>1</sup>  
计划修订、削减或结算<sup>1</sup>  
*Long-term Interests in Associates and Joint Ventures*<sup>1</sup>  
于联营公司及合资企业的长期权益<sup>1</sup>  
*Uncertainty over Income Tax Treatments*<sup>1</sup>  
所得税处理之不确定性<sup>1</sup>  
*Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23*<sup>1</sup>  
国际财务报告准则第3号、国际财务报告准则第11号、国际会计准则第12号及国际会计准则第23号 (修订本)<sup>1</sup>

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## 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> No mandatory effective date yet determined but available for adoption
- <sup>5</sup> Effective for business combination for which the acquisition date is on or after 1 January 2020 and to asset acquisition that occurs on or after the beginning of that period.

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application but is not yet in a position to state whether they would have a significant impact on the Group's financial performance and financial position. Further information about those IFRSs that are expected to be applicable to the Group is as follows:

IFRS 16, issued in January 2016, replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases – Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standards sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for leases – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in IAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between operating leases and finance leases. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17.

## 2.3 已颁布但尚未生效的国际财务报告准则 (续)

- <sup>1</sup> 于2019年1月1日或之后开始的年度期间生效
- <sup>2</sup> 于2020年1月1日或之后开始的年度期间生效
- <sup>3</sup> 于2021年1月1日或之后开始的年度期间生效
- <sup>4</sup> 尚未厘定强制生效日期，惟可供采纳
- <sup>5</sup> 就收购日期为2020年1月1日或之后的业务合并及对该期间开始时或之后发生的资产收购生效。

本集团正在评估首次应用此等新订及经修订国际财务报告准则的影响，惟未能确定该等准则是否对本集团的财务表现及财务状况产生重大影响。预期适用于本集团的该等国际财务报告准则的进一步资料如下：

国际财务报告准则第16号于2016年1月颁布，取代国际会计准则第17号 *租赁*、国际财务报告准则委员会解释第4号 *厘定协议是否包括租赁*、准则解释委员会第15号 *经营租赁—优惠*及准则解释委员会第27号 *评估和租赁有关的法律形式和交易内容*。该准则载列有关租赁确认、计量、呈列及披露的原则，并要求承租人确认绝大部分租赁的资产及负债。该准则包括承租人可选的免于确认的两项事项：租赁低价值资产及短期租赁。于租赁开始日，承租人将租赁付款（即租赁负债）确认为负债，将于租期内使用相关资产的权利（即使用权资产）确认为资产。使用权资产按照成本减累计折旧及任何减值亏损进行后续计量，除非使用权资产符合国际会计准则第40号中投资物业的定义，或与重估模式应用的物业、厂房及设备类别有关。租赁负债其后会有所增加以反映有关租赁负债利息，并因支付租赁付款而有所减少。承租人将须单独确认有关租赁负债的利息开支及有关使用权资产的折旧开支。承租人亦将须于发生若干事件（如租期变动、用于厘定未来租赁付款的指数或利率变动导致的该等付款变动）时重新计量租赁负债。承租人一般将确认重新计量租赁负债的金额，作为对使用权资产的调整。国际财务报告准则第16号下的出租人会计处理与国际会计准则第17号下的会计处理相比并无大幅改变。出租人将继续使用国际会计准则第17号中的相同划分原则划分所有租赁及区分经营租赁及融资租赁。与国际会计准则第17号相比，国际财务报告准则第16号要求承租人及出租人作出的披露更加广泛。





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### 2.3 ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS (cont'd)

Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt IFRS 16 from 1 January 2019. The Group is currently assessing the impact of IFRS 16 upon adoption and is considering whether it will choose to take advantage of the practical expedients available and which transition approach and reliefs will be adopted.

As set out in note 34 to the financial statements, the Group's total future minimum lease payments under non-cancellable operating leases as at 31 December 2018 and 2017 were approximately HK\$10,678,000 and HK\$17,966,000, respectively. The directors of the Company do not expect the adoption of IFRS 16 as compared with the current accounting policy would result in a significant impact on the Group's results but it is expected that a certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Subsidiaries

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

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

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

The results of subsidiaries are included in the Company's profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

### 2.3 已颁布但尚未生效的国际财务报告准则(续)

承租人可以选择使用完全追溯法或修改的追溯法应用准则。本集团将自2019年1月1日起应用国际财务报告准则第16号。本集团目前正评估采纳国际财务报告准则第16号后之影响及考虑会否选择利用现有可行权宜方式,以及将来采用何种过渡方式及豁免方式。

诚如财务报表附注34所载,于2018年及2017年12月31日,本集团根据不可撤销经营租赁应付的未来最低租赁总额分别为约10,678,000港元及17,966,000港元。本公司董事预期采纳国际财务报告准则第16号较当前会计政策不会对本集团的业绩产生重大影响,惟预期该等租约承担的若干部分将须于综合财务报表确认为使用权资产及租赁负债。

### 2.4 重大会计政策概要

#### 附属公司

附属公司指本公司直接或间接控制的实体(包括结构性实体)。当本集团就参与投资对象业务而承担可变回报风险或享有可变回报权利以及能透过对投资对象行使权力(即现有权利可让本集团主导投资对象相关活动)影响该等回报时,即取得控制权。

倘本公司直接或间接拥有投资对象半数或以下的投票权或类似权利,则本集团于评估其是否可对投资对象行使权力时会考虑一切相关事实及情况,包括:

- (a) 与投资对象其他投票持有人订立的合同安排;
- (b) 根据其他合同安排享有的权利;
- (c) 本集团的投票权及潜在投票权。

附属公司业绩以已收及应收股息为限计入本公司损益。本公司于附属公司的投资乃按成本减任何减值亏损列账。



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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Investment in associates

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.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

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

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, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

## 2.4 重大会计政策概要 (续)

### 于联营公司的投资

联营公司为本集团长期持有其一般不少于20%的股本投票权，并可对其行使重大影响。重大影响指的是参与投资对象的财务和经营决策的权力，但不是控制或共同控制该等决策的权力。

本集团于联营公司的投资乃按本集团根据权益会计法计算应占资产净值减任何减值亏损于综合财务状况表列账。

本集团分占联营公司的收购后业绩及其他全面收益分别计入综合全面收益表。此外，倘直接于联营公司的权益确认有关变动，则本集团会视乎情况于综合权益变动表确认其应占任何变动。本集团与其联营公司间交易的未变现收益及亏损以本集团于联营公司的投资为限对销，惟尚未变现亏损为所转让资产减值的凭证则除外。收购联营公司产生的商誉则计作本集团于联营公司投资的一部份。

倘于联营公司的投资变成于合资企业的投资或出现相反情况，则不会重新计量保留权益。反之，该投资继续根据权益法列账。在所有其他情况下，失去对联营公司的重大影响后，本集团按公允价值计量及确认任何保留投资。联营公司失去重大影响时的账面值与保留投资及出售所得款项的公允价值之间的任何差额于损益确认。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Business combinations and goodwill

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

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

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

### 2.4 重大会计政策概要 (续)

#### 业务合并及商誉

业务合并采用收购法列账。所转让代价乃以收购日期的公允价值计量，有关公允价值为本集团所转让资产于收购日期的公允价值、本集团向被收购方前所有者承担的负债及本集团发行以换取被收购方控制权的股权的总和。于各业务合并中，本集团选择以公允价值或于被收购方可识别资产净值的应占比例，计量于被收购方的非控制权益，即于被收购方中赋予持有人在清盘时按比例分占资产净值的现时所有权权益。非控制权益的所有其他组成部分均按公允价值计量。收购相关成本于产生时列为开支。

当本集团收购业务时，须根据合同条款、收购日期的经济状况及相关条件，评估须承担的金融资产及负债，以作出适当分类及确认，其中包括分离被收购方主合同中的嵌入式衍生工具。

倘业务合并分阶段进行，先前持有的股权按其于收购日期的公允价值重新计量，所产生的任何收益或亏损在损益中确认。

收购方将转让的任何或然代价按收购日期的公允价值确认。分类为资产或负债的或然代价按公允价值计量，其公允价值变动于损益确认。分类为权益的或然代价不重新计量，其后的结算在权益中列账。

商誉按成本进行初始计量，即所转让代价、非控制权益的确认金额及本集团先前持有的被收购方任何股权的公允价值总额，与所收购可识别资产净值及所承担负债之间的差额。如此代价与其他项目的总额低于所收购资产净值的公允价值，则于重新评估后的差额将于损益内确认为廉价收购收益。

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财务报表附注



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Business combinations and goodwill (cont'd)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

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

### Service concession arrangements

The Group has entered into a number of service concession arrangements with the Grantors.

Under these service concession arrangements:

- the Grantors control or regulate the services the Group must provide with the infrastructure, to whom it must provide them, and at what price; and
- the Grantors control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure at the end of the term of the arrangement, or the infrastructure is used for its entire useful life under the arrangements, or both the Group's practical ability to sell or pledge the infrastructure is restricted and continuing right of use of the infrastructure is given to the Grantors throughout the period of the arrangements.

## 2.4 重大会计政策概要 (续)

### 业务合并及商誉 (续)

于初始确认后，商誉按成本减任何累计减值亏损计量。商誉须每年作减值测试，若有事件发生或情况改变显示账面值有可能减值时，则会更频密地进行测试。本集团于12月31日对商誉进行年度减值测试。为进行减值测试，因业务合并而购入的商誉自收购日期起，分配至预期可从合并产生的协同效益中获益的本集团各现金产出单元（或现金产出单元组别），而无论本集团其他资产或负债是否被分配至该等单位或单位组别。

减值乃通过评估与商誉有关的现金产出单元（现金产出单元组别）的可收回金额厘定。当现金产出单元（现金产出单元组别）的可收回金额低于账面值时，减值亏损便予以确认。就商誉确认的减值亏损不得于随后期间转回。

当商誉被分配至现金产出单元（现金产出单元组别）而该单位的部分业务已出售，则在厘定出售损益时，与所出售业务相关的商誉会计入该业务的账面值。在该等情况下出售的商誉乃根据所出售业务的相对价值及现金产出单元的保留份额进行计量。

### 服务特许经营安排

本集团已与授予人订立多项服务特许经营安排。

根据该等服务特许经营安排：

- 授予人控制或监管本集团必须与基础设施一同提供的服务，提供服务的对象以及服务价格；
- 授予人在安排有效期结束时，通过所有权、权益或其他方式控制基础设施的任何重大剩余利益，或基础设施在该等安排下使用整个可使用年期，或限制本集团出售或抵押基础设施的实际能力，以及整个安排期间的基础设施持续使用权授予授予人。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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截至二零一八年十二月三十一日止的财政年度

### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### *Service concession arrangements (cont'd)*

The Group's infrastructure includes leasehold land, buildings, plant and machinery that are acquired from the Grantors and/or are derecognised by the Group when the directors of the Company consider that the significant risks and rewards of these assets have been passed to the Grantors.

#### *Consideration given by the grantor*

A financial asset (receivable under service concession arrangement) 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 grantor for the construction services rendered and/or the consideration paid and payable by the Group for the right to manage and operate the infrastructure for public service. The Group has an unconditional right to receive cash if the grantor contractually guarantees to pay the Group (a) specified or determinable amounts or (b) the shortfall, if any, between amounts received from users of the public service and specified or determinable amounts, even if the payment is contingent on the Group ensuring that the infrastructure meets specified requirements. The financial asset (receivable under service concession arrangement) is accounted for in accordance with the policy set out for "Financial assets and liabilities" below.

An intangible asset (concession right) is recognised to the extent that the Group receives a right to charge users of the public service. The intangible asset (operating concession) is stated at cost less accumulated amortisation and any accumulated impairment loss. Amortisation is provided on a straight-line basis over the operation phase of the concession periods.

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 of service concession related infrastructure*

Revenue relating to construction services is accounted for in accordance with the policy for "Revenue recognition" below.

### 2.4 重大会计政策概要 (续)

#### *服务特许经营安排 (续)*

本集团的基础设施包括从授予人收购的租赁土地、楼宇、厂房及机器，并于本公司董事认为该等资产的重大风险及回报已转移到授予人时终止确认。

#### *授予人提供之代价*

于本集团有无条件权利就所提供建筑服务及/或本集团就管理及运作公共服务基础设施之权利而支付及应付之代价向授予人或按其指示收取现金或其他金融资产时，金融资产（与服务特许经营权相关的金融应收款项）予以确认。倘授予人以合约方式担保向本集团支付(a)指定或待定金额或(b)已收公共服务用户之款项与指定或待定金额两者间之差额（如有），而即使付款须以本集团确保基础设施符合具体规定为条件，本集团仍拥有无条件收取现金的权利。金融资产（与服务特许经营权相关的金融应收款项）根据下文“金融资产及负债”所载之政策列账。

无形资产（特许经营权）于本集团获得向公共服务用户收费之权利时确认。无形资产（特许经营权）按成本减累计摊销及任何累计减值亏损列账。摊销于特许经营权的营运阶段按直线基准计提拨备。

若本集团就建造服务获得金融资产及无形资产分别作为部分报酬，代价各部分会分开列账，并按代价之公允价值初步确认。

#### *建造服务特许经营相关的基础设施*

有关建造服务的收益根据下文“收入确认”所载政策入账。



# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Service concession arrangements (cont'd)

#### *Operating services*

Revenue relating to operating services is accounted for in accordance with the policy for "Revenue recognition" below.

#### Fair value measurement

The Group measures its contingent consideration receivable 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.

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

- Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

## 2.4 重大会计政策概要 (续)

### 服务特许经营安排 (续)

#### 经营服务

有关经营服务的收益根据下文“收入确认”所载政策入账。

#### 公允价值计量

本集团按各报告期末的公允价值计量其或然代价。公允价值乃在市场参与者于计量日期进行的有序交易中出售资产所收取或转移负债所支付的价格。公允价值计量乃基于假设出售资产或转移负债的交易于资产或负债的主要市场或于未有主要市场的情况下，则于资产或负债的最有利市场进行。主要或最有利市场须位于本集团能到达的地方。资产或负债的公允价值乃按假设市场参与者为资产或负债定价时会以最佳经济利益行事计量。

非金融资产的公允价值计量须考虑市场参与者可从使用该资产得到的最高及最佳效用，或把该资产售予另一可从使用该资产得到最高及最佳效用的市场参与者所产生的经济效益。

本集团使用适用于不同情况且拥有足够数据计量公允价值的估值方法，以尽量利用相关可观察输入数据及尽量减少使用不可观察输入数据。

于财务报表中计量或披露公允价值的所有资产及负债，均根据对公允价值计量整体而言属重大的最低级别输入数据按下述公允价值层级分类：

- 第一层级 — 基于相同资产或负债于活跃市场的所报价格（未经调整）
- 第二层级 — 基于对公允价值计量而言属重大的可观察（直接或间接）最低级别输入数据的估值方法





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Fair value measurement (cont'd)

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

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

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, construction contract assets and financial 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.

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 重大会计政策概要 (续)

#### 公允价值计量 (续)

第三层级 — 基于对公允价值计量而言属重大的不可观察最低级别输入数据的估值方法

就按经常性基准于财务报表确认的资产及负债而言，本集团透过于各报告期末重新评估分类（基于对公允价值计量整体而言属重大的最低等级输入数据）确定是否发生不同等级转移。

#### 非金融资产减值

倘出现减值迹象，或须每年对资产（存货、建造合同资产及金融资产除外）作减值测试时，则评估资产的可收回金额。资产的可收回金额乃资产或现金产出单元的使用价值，与其公允价值减出售成本二者的较高者，并就个别资产进行厘定，除非资产并不产生很大程度上独立于其他资产或资产组别的现金流入，在此情况下，则按资产所属的现金产出单元厘定可收回金额。

仅当资产的账面值超过其可收回金额时，方会确认减值亏损。评估使用价值时，估计未来现金流使用除税前贴现率折现至现值，而该贴现率反映市场当时所评估的货币时间价值及该资产的特有风险。减值亏损于产生期间自损益中与减值资产功能一致的有关开支类别扣除。

于各报告期末均会评估，是否有任何迹象显示过往确认的减值亏损可能不复存在或有所减少。如有任何该等迹象，则会估计可收回金额。先前就资产（不包括商誉）确认的减值亏损，仅于用以厘定该资产可收回金额的估计有变时予以拨回，但拨回后金额不得高于假设过往年度并无就该资产确认减值亏损而应有的账面值（扣除任何折旧/摊销）。减值亏损的拨回于产生期间计入损益。

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I 财务报表附注



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Related parties

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

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

## 2.4 重大会计政策概要 (续)

### 关联方

在下列情况下，一方被认为与本集团有关联：

- (a) 该方为某人士或其关系密切的家庭成员，且该人士
  - (i) 对本集团有控制权或共同控制权；
  - (ii) 对本集团有重大影响力；
  - (iii) 为本集团或本集团母公司的主要管理人员；

或者

- (b) 该方为符合以下任何条件的实体：
  - (i) 该实体与本集团为同一集团的成员公司；
  - (ii) 一个实体为另一实体（或另一实体的母公司、附属公司或同系附属公司）的联营公司或合资企业；
  - (iii) 该实体及本集团均为同一第三方的合资企业；
  - (iv) 一个实体为第三方实体的合资企业，而另一实体为该第三方实体的联营公司；
  - (v) 该实体为以本集团或与本集团有关联实体的雇员为受益人的离职后福利计划；
  - (vi) 该实体由(a)项界定的人士控制或共同控制；
  - (vii) (a)(i)项界定的人士对该实体有重大影响，或为该实体（或该实体的母公司）的主要管理人员；
  - (viii) 该实体或其所属集团之任何成员公司向本集团或本集团之母公司提供主要管理人员服务



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to 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	4%
Plant and machinery	10% to 20%
Leasehold improvements, furniture and fixtures	20% to 25%
Motor vehicles and office equipment	20% to 25%

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.

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 sale proceeds and the carrying amount of the relevant asset.

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

### 2.4 重大会计政策概要 (续)

#### 物业、厂房及设备以及折旧

在建工程以外的物业、厂房及设备按成本扣除累计折旧及任何减值亏损列账。物业、厂房及设备项目的成本包括购买价及使用资产达到拟定用途运作状态及地点而直接产生的任何成本。

物业、厂房及设备项目投入运作后产生的维修及保养等开支，通常于费用产生期间在损益中扣除。在达成确认条件的情况下，重大检修开支会资本化，作为重置成本，记入资产账面值。倘物业、厂房及设备的重大部分须不时重置，本集团会确认该等部分为具特定可使用年期的独立资产，并相应计提折旧。

折旧以直线法按各物业、厂房及设备项目的估计可使用年期将其成本摊销至剩余价值。就此采用的主要年率如下：

楼宇	4%
厂房及机器	10%至20%
租赁装修、家具及装置	20%至25%
汽车及办公设备	20%至25%

倘物业、厂房及设备项目的各部分有不同可使用年期，则在各部分间合理分配该项目的成本，且按各部分单独计提折旧。剩余价值、可使用年期及折旧方法至少于每个财政年度结束时复核及调整（如适用）。

初步确认的物业、厂房及设备项目（包括任何重大部分）于出售或预期使用或出售不会再产生任何未来经济利益时终止确认。于资产终止确认年度在损益中确认的任何出售或报废盈亏，乃有关资产出售所得款项净额与账面值的差额。

在建工程按成本减任何减值亏损列账，且不予折旧。成本包括建设期间建设的直接成本及相关借入资金的资本化借贷成本。在建工程于竣工及可供使用时重新分类至适当物业、厂房及设备类别。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Intangible assets (other than goodwill)

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

The following intangible assets are amortised from the date they are available for use and their estimated useful lives are as follows:

Concession rights	20 to 32 years
Patents and trademarks	10 to 20 years
Computer software	5 years
Backlog contracts	3 years
Customer relationships	5 years

The useful life of the patents and trademarks of the Group is determined based on the shorter of their statutory validity periods and the expected benefit periods.

The useful life of the customer relationships of the Group is determined based on the expected benefit periods with reference to the historical customer attrition rate.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the intangible assets is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant intangible asset.

### *Research and development costs*

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

Expenditure incurred on projects to develop new water environment technologies 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. Water environment technologies development expenditure which does not meet these criteria is expensed when incurred.

## 2.4 重大会计政策概要 (续)

### 无形资产 (商誉除外)

单独取得的无形资产于初始确认时按成本计量。通过业务合并取得的无形资产的成本为收购日的公允价值。无形资产的可用年期分为有限期或无限期。有限期的无形资产随后按可使用经济年期摊销，并于有迹象显示无形资产可能出现减值时评估减值。可使用年期有限的无形资产的摊销期及摊销方法至少于每个财政年度末复核一次。

以下无形资产由可供使用当日起摊销，其估计可使用年期如下：

特许经营权	20至32年
专利及商标	10至20年
计算机软件	5年
未完成合同	3年
客户关系	5年

本集团的专利及商标之可使用年期根据法定有效期及预期利益期间（以较短者为准）厘定。

本集团的客户关系之可使用年期经参考过往客户流失率根据预期利益期间厘定。

无形资产于出售时或预期不能再透过使用或出售取得未来经济利益时终止确认。终止确认无形资产年度在损益中确认的出售或报废无形资产的任何收益或亏损，为出售相关无形资产所得款项净额与其账面值两者间的差额。

### *研发成本*

所有研究成本于发生时计入损益。

开发新水环境技术产生的开支仅于本集团能证明在技术上能够形成无形资产供使用或出售、有意完成及有能力使用或出售该资产，该资产将产生未来经济利益，具有完成项目所需的资源且能够可靠地计量开发期间的支出时，方会资本化并以递延方式入账。未能符合该等标准的水环境技术开发开支概于产生时列作开支。





# NOTES TO THE FINANCIAL STATEMENTS

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

#### Financial instruments – initial recognition

##### *Date of recognition*

Financial assets and liabilities are initially 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.

##### *Initial measurement of financial instruments*

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in the accounting policy for “Financial assets and liabilities”. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

##### *Day 1 profit or loss*

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on valuation technique using only inputs observable in market transaction, the Group recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

### 2.4 重大会计政策概要 (续)

#### 经营租赁

出租人承受资产拥有权的绝大部分回报及风险的租赁，皆计入经营租赁。倘本集团为承租人，根据经营租赁应付租金扣除收取出租人的任何奖励，以直线法按租期在损益中确认。

经营租赁的预付土地租金初步按成本列账，其后以直线法于租期内确认。

#### 金融工具—初始确认

##### *确认日期*

金融资产及负债于交易日（即本集团承诺买卖该资产之日）确认。常规方式买卖指遵循一般法规或市场惯例在约定时间内交付资产的金融资产买卖。

##### *金融工具之初始计量*

如有关“金融资产及负债”的会计政策所述，于初始确认时分类金融工具取决于其合同条款及管理该等工具的业务模式。金融工具初步按其公允价值计量，惟金融资产及金融负债按公允价值计入损益列账时，该金额则加上或减去交易成本。应收账款按交易价格计量。当金融工具于初始确认时的公允价值有别于交易价格，本集团按第一日损益列账，如下文所述。

##### *第一日损益*

当工具的交易价格有别于最初的公允价值，而公允价值根据仅使用市场交易中可观察输入数据的估值方法计算，本集团确认交易价格与交易收入净额公允价值之间的差额。倘公允价值根据部分输入数据属不可观察的模式计算，该交易价格与公允价值间的差额将获递延并仅于输入数据可观察或终止确认工具时在损益中确认。



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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments – initial recognition (cont'd)  
*Measurement categories of financial assets and liabilities*

From 1 January 2018, the Group has classified all of its financial assets based on the business model for managing the assets and the assets' contractual terms, measured at amortised cost, as explained in the policy "Financial assets and liabilities".

Financial liabilities are measured at amortised cost, as explained in the accounting policy "Financial assets and liabilities".

*Financial assets and liabilities*  
*Loans and receivables, financial investments at amortised cost*

Before 1 January 2018, loans and receivables, included non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- That the Group intended to sell immediately or in the near term
- That the Group, upon initial recognition, designated as FVPL or as available-for-sale
- For which the Group may not recover substantially all of its initial investments, other than because of credit deterioration, which were designated as available-for-sale.

From 1 January 2018, the Group only measures loans and receivables and financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

## 2.4 重大会计政策概要 (续)

金融工具—初始确认 (续)  
*金融资产及负债的计量类别*

如“金融资产及负债”的会计政策所述，自2018年1月1日起，本集团根据管理该等资产的业务模式及资产合同条款分类并按摊销成本计量其全部金融资产。

如“金融资产及负债”的会计政策所述，金融负债按摊销成本计量。

*金融资产及负债*  
*贷款及应收账款、按摊销成本列账的金融投资*

于2018年1月1日前，贷款及应收账款包括具有固定或可确定付款金额但并无活跃市场报价之非衍生金融资产，惟不包括：

- 本集团有计划立即或于短期内出售者
- 本集团于初始确认时指定为按公允价值计入损益或可供出售者
- 本集团可能无法收回其绝大部分初始投资（因信贷情况恶化而无法收回者除外）而将被分类为可供出售者

自2018年1月1日起，倘以下两项条件均获达成，本集团仅计量贷款及应收账款、按摊销成本列账的金融投资：

- 金融资产在一种经营模式中持有，旨在持有金融资产以获得合同现金流
- 金融资产的合同条款导致在指定的日期就未偿还本金单独支付本息（“单独支付本息”）的现金流量。



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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets and liabilities (cont'd)

*Loans and receivables, financial investments at amortised cost* (cont'd)

The details of these conditions are outlined below.

#### (a) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

### 2.4 重大会计政策概要 (续)

金融资产及负债 (续)

*贷款及应收账款、按摊销成本列账的金融投资* (续)

该等条件的详情概述如下。

#### (a) 业务模式评估

本集团按能最佳反映管理各组金融资产以实现其业务目标的方式确定其业务模式。

本集团的业务模式并非按逐项工具基准进行评估，而按较高层级的汇总资产组合进行，并基于以下可观察因素：

- 如何评估业务模式及该业务模式内所持金融资产之表现及汇报予合并实体关键管理人员之方式
- 影响业务模式（及该业务模式内所持金融资产）表现之风险以及（具体而言）该等风险予以管理之方式
- 业务经理获得补偿之方式（如补偿是否基于受管理资产之公允价值或所收取之合同现金流量）
- 销售的预计频度、价值及时间亦为本集团评估的重要方面

业务模式乃基于合理预期的情形，并不考虑“最坏情况”或“受压情况”。倘初始确认后的现金流量以有别于本集团最初预计的方式变现，本集团并不改变该业务模式所持余下金融资产的分类，但于日后评估新产生或新购入的金融资产时则纳入考虑该等信息。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Financial assets and liabilities (cont'd)

Loans and receivables, financial investments at amortised cost (cont'd)

#### (b) The SPPI assessment

As a second step of its classification process, the Group assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

### Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying')
- It requires no initial net investment or an initial net investment that is smaller than that would be required for other types of contracts expected to have a similar response to changes in market factors
- It is settled at a future date

## 2.4 重大会计政策概要 (续)

### 金融资产及负债 (续)

贷款及应收账款、按摊销成本列账的金融投资 (续)

#### (b) 单独支付本息的评估

作为分类过程的第二步，本集团评估金融资产的合同条款以确定其是否符合单独支付本息的测试。

就该测试而言，“本金”界定为金融资产于初始确认时的公允价值并可随着金融资产的年限显示变动（例如在偿还本金或溢价/折让摊销的情况下）。

借贷安排内有关利息的最重要因素通常为金钱时间价值的代价及信贷风险。为进行单独支付本息的评估，本集团应用判断及考虑用以计值金融资产的货币及设定利率的期间等相关因素。

相对而言，倘与基本借贷安排无关的合同条款引入合同现金流量中高于最低豁免水平的风险或波动，则不会产生单独支付未偿还金额的本息之合同现金流量。在此情况下，金融资产须按公允价值计入损益计量。

### 按公允价值计入损益列账的衍生工具

衍生工具为具有以下全部三个特征的金融工具或其他合同：

- 其价值随指定利率、金融工具价格、商品价格、汇率、价格或利率指数、信贷评级或信贷指数或其他变量等的变动而变动，惟在非财务变量中，变量并非专门限于合同的某一订约方（亦作“标的物”）
- 不要求初始投资净额，或与预期对市场因素变化有类似反应的其他类型合同相比，要求更少的初始投资净额
- 在未来某一日期结算



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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Financial assets and liabilities (cont'd)

##### *Derivatives recorded at fair value through profit or loss (cont'd)*

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in fair value of derivatives are included in net trading income unless hedge accounting is applied.

##### *Embedded derivatives*

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

Under IAS 39, derivatives embedded in financial assets, liabilities and non-financial host contracts, were treated as separate derivatives and recorded at fair value if they met the definition of a derivative (as defined above), their economic characteristics and risks were not closely related to those of the host contract, and the host contract was not itself held for trading or designated at FVPL. The embedded derivatives separated from the host were carried at fair value in the trading portfolio with changes in fair value recognised in profit or loss.

From 1 January 2018, with the introduction of IFRS 9, the Group accounts in this way for derivatives embedded in financial liabilities contracts. Financial assets are classified based on the business model and SPPI assessments as outlined above.

##### *Debt issued and other borrowed funds*

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

### 2.4 重大会计政策概要 (续)

#### 金融资产及负债 (续)

##### *按公允价值计入损益列账的衍生工具 (续)*

衍生工具，倘其公允价值为正数，则以资产列账；而倘其公允价值为负数，则以负债列账。除非运用对冲会计，衍生工具的公允价值变动则计入交易收入净额。

##### *嵌入式衍生工具*

嵌入式衍生工具是混合投资工具之组成部分，同时包含非衍生主合同，并且该组合工具中部分现金流量以类似于单独存在的衍生工具的方式变动。倘衍生工具随附一项金融工具，但可不受该工具约束而根据合同规定予以转让或于该工具拥有不同的对手方，则该衍生工具并非嵌入式衍生工具，而是一项独立金融工具。

根据国际会计准则第39号，倘嵌入金融资产、负债及非金融主合同的衍生工具符合衍生工具的定义（见上文）、其经济特征及风险并无与主合同的密切相关及主合同本身并非持作买卖或按公允价值计入损益列账，该等衍生工具则被当作独立衍生工具处理并按公允价值列账。独立于主合同的嵌入式衍生工具在交易组合中按公允价值列账，而公允价值变动于损益中确认。

自2018年1月1日起，由于引入国际财务报告准则第9号，本集团以此方式将嵌入金融负债合同的衍生工具作会计处理。金融资产根据业务模式及单独支付本息评估分类，如上文概述。

##### *已发行债务及其他借入资金*

初步计量后，已发行债务及其他借入资金随后按摊销成本计量。摊销成本乃经计入任何发行资金之折让或溢价及构成实际利率核心部分的成本后计算。包含负债部分及权益部分的复合金融工具于发行日期分开处理。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Reclassification of financial assets and liabilities

From 1 January 2018, the Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in 2017.

### Derecognition of financial assets and liabilities

#### (a) 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 重大会计政策概要 (续)

### 金融资产及负债分类

自2018年1月1日起, 本集团于初始确认后并不重新分类其金融资产, 惟在本集团收购、出售或终止某一业务线的特殊情况除外。金融负债未曾重新分类。于2017年, 本集团并无重新分类其任何金融资产或负债。

### 终止确认金融资产及负债

#### (a) 金融资产

金融资产(或金融资产的部分或一组类似金融资产的部分)主要在下列情况下终止确认(即从本集团综合财务状况表删除):

- 自资产收取现金流的权利已届满;
- 本集团已转让自资产收取现金流的权利, 或已根据“转递”安排承担在无重大延误的情况下将全数所得现金流支付予第三方的责任; 及(a)本集团已转让资产的绝大部分风险及回报, 或(b)本集团并无转让或保留资产的绝大部分风险及回报, 惟已转让资产的控制权。

倘本集团已转让自资产收取现金流的权利, 或已订立转递安排, 则会评估是否保留该项资产的风险及回报的所有权以及保留的程度。倘本集团并无转让亦无保留资产的绝大部分风险及回报, 且无转让资产的控制权, 则本集团按持续参与的程度继续确认已转让资产。在该情况下, 本集团亦会确认相关负债。已转让资产及相关负债按反映本集团已保留权利及义务的程度计量。

采取就已转让资产作出担保的形式持续参与, 以资产的原账面值及本集团或须偿还之最高代价数额中较低者计算。





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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Derecognition of financial assets and liabilities (cont'd)

##### (b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, 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 the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

#### Impairment of financial assets (Policy applicable from 1 January 2018)

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking ECL approach.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL.

The ECL allowance is 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. The shortfall is then discounted at an approximation to the asset's original EIR.

For service concession financial receivables and trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Other receivables are assessed for impairment based on 12-month expected credit losses: 12-month ECLs are the portion of lifetime ECLs that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the asset is less than 12 months). However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

### 2.4 重大会计政策概要 (续)

#### 终止确认金融资产及负债 (续)

##### (b) 金融负债

金融负债于负债的责任已解除或撤销或届满时终止确认。

当现有金融负债为同一出借人以大不相同的条款的另一项负债取代，或现有负债的条款经大幅修改时，有关替代或修改视为终止确认原有负债及确认新负债。原有金融负债的账面值与已付代价之间的差额于损益中确认。

#### 金融资产减值 (自2018年1月1日起适用的政策)

采纳国际财务报告准则第9号通过以具前瞻性的预期信贷亏损法替代国际会计准则第39号的已产生亏损法，从根本上改变本集团对金融资产减值亏损的会计处理。

国际财务报告准则第9号要求本集团就并非持作按公允价值计入损益的所有贷款及其他债务金融资产的预期信贷亏损计提拨备。

预期信贷亏损拨备乃基于根据合同到期的合同现金流量与本集团预期收取的所有现金流量之间的差额。该差额其后按与资产原有实际利率相近的数值贴现。

对于与服务特许经营权相关的金融应收款项及应收账款，本集团已采用该准则的简化方法及根据可使用期内预期信贷亏损计算预期信贷亏损。本集团已建立基于本集团的过往信贷亏损记录的拨备矩阵，可就债务人及经济环境特有的前瞻性因素而予以调整。

其他应收账款根据12个月之预期信贷亏损作出减值评估：12个月之预期信贷亏损是指因报告日后12个月内（或倘该资产预计使用年期少于12个月，则以较短期间为准）可能发生之违约事件而导致部分可使用期内预期信贷亏损。然而，如信贷风险自产生以来大幅增加，则将根据可使用期内预期信贷亏损作出拨备。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets (Policy applicable from 1 January 2018) (cont'd)

The Group considers a financial asset in default when contractual payments are 90 days past due. 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.

The adoption of the ECL requirements of IFRS 9 resulted in increases in impairment allowances for the Group's debt financial assets. The increase in allowance resulted in an adjustment to the Group's retained earnings as at 1 January 2018.

Impairment of financial assets (Policy applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

*Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

## 2.4 重大会计政策概要 (续)

金融资产减值 (自2018年1月1日起适用的政策) (续)

本集团于合同付款逾期90日时将金融资产视为违约。然而,于若干情况下,当内部或外部信息表明本集团在考虑本集团持有的任何信贷增级前不可能全数收取未偿还合同金额时,本集团亦可能认为金融资产违约。

采纳国际财务报告准则第9号的预期信贷亏损规定导致本集团的债务金融资产减值拨备增加。于2018年1月1日,拨备增加令本集团的保留盈利作出调整。

金融资产减值 (自2018年1月1日前适用的政策)

本集团于各报告期末评估是否有客观证据显示一项或一组金融资产出现减值。倘于资产初始确认后发生一项或多项事件对该项金融资产或该组金融资产的估计未来现金流造成影响,而该影响能可靠估计,则存在减值。减值证据可能包括债务人或一组债务人正面临重大财政困难、违约或未能偿还利息或本金、可能破产或进行其他财务重组,以及有可观察数据显示估计未来现金流出现可计量的减少,例如欠款数目变动或出现与违约相关的经济状况。

*按摊销成本列账的金融资产*

对于按摊销成本列账的金融资产,本集团首先会按个别基准就个别属重大的金融资产或按整体基准就个别不重大的金融资产评估是否存在减值。倘本集团厘定个别评估的金融资产并无客观证据显示存在减值,则无论重大与否,均须将该项资产归入一组具有相似信贷风险特性的金融资产,从而整体评估该组金融资产是否存在减值。经个别评估减值且会确认或继续确认减值亏损的资产,不进行整体减值评估。



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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets (Policy applicable before 1 January 2018) (cont'd)

*Financial assets carried at amortised cost* (cont'd)

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR (i.e., the EIR computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to profit or loss.

Offsetting of financial instruments

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

Inventories

Inventories, mainly comprise raw materials and consumables used in the repairs and maintenance of the waste water treatment plants, 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. When inventories are consumed, the carrying amount of those inventories is recognised as an expense in profit or loss.

### 2.4 重大会计政策概要 (续)

金融资产减值 (自2018年1月1前适用的政策) (续)

*按摊销成本列账的金融资产* (续)

已识别任何减值亏损金额按资产账面值与估计未来现金流 (不包括尚未产生的未来信贷亏损) 现值之间的差额计算。估计未来现金流的现值按金融资产初始实际利率 (即初始确认时计算的实际利率) 折现。

该资产的账面值因计提使用拨备减少, 而亏损于损益中确认。利息收入采用计量减值亏损时用以折现未来现金流的利率于减少后的账面值中持续确认。若日后收回的机会极低, 且所有抵押品已变现或转让予本集团, 则冲销贷款及应收账款连同任何相关拨备。

倘其后期间估计减值亏损金额由于确认减值后发生的事件而增加或减少, 则调整拨备科目以增加或减少先前确认的减值亏损。倘其后收回冲销, 该项收回计入损益。

抵销金融工具

倘现时存在可执行合法权利抵销已确认金额, 且有意以净额结算, 或同时变现资产及清偿负债, 则抵销金融资产与金融负债, 净额于财务状况表呈报。

存货

存货 (主要包括修理及维护污水处理厂所用的原材料及消耗品) 按成本与可变现净值之较低者列账。成本乃采用先入先出法厘定。可变现净值根据估计售价减完成及出售将产生之任何估计成本计算。消耗存货时, 该等存货的账面值于损益中确认为开支。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short-term deposits and short-term balances in financial institutions with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

For the purpose of the consolidated statement of cash flows, restricted bank balances are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

### Provisions

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

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

### Income tax

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

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

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.

## 2.4 重大会计政策概要 (续)

### 现金及现金等价物

现金及现金等价物包括现金结余、短期存款及金融机构中公允价值变动风险不大且自购买日期起三个月或以内到期的短期结余，而该等现金及现金等价物被本集团用于管理其短期承担。

就综合现金流量表而言，不计入受限制银行结余，而须按要求偿还且构成本集团现金管理必不可少一部分的银行透支则计入现金及现金等价物。

### 拨备

倘因过往事件须承担现时责任（法定或推定），而履行该责任可能导致未来资源外流，且该责任所涉金额能够可靠估计，则确认拨备。

倘贴现影响重大，则确认拨备的金额为预期履行责任所需未来开支于报告期末的现值。贴现现值随时间增加之金额计入损益。

### 所得税

所得税包括即期及递延税项。与于损益外确认的项目有关的所得税于损益外确认，即于其他全面收益或直接于权益确认。

即期税项资产及负债按预期可自税务机关收回或向其支付的数额计算，采用的税率（及税法）为于报告期末已颁布或已实际颁布者，并已计及本集团经营所在国家的现行诠释及惯例。

递延税项乃使用负债法就于报告期末的资产及负债的税基与其作财务报告用途的账面值之间的所有暂时差额计提拨备。





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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Income tax (cont'd)

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 and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, 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.

### 2.4 重大会计政策概要 (续)

#### 所得税 (续)

除下列情况外，对所有应课税暂时差额确认递延税项负债：

- 递延税项负债源于初始确认商誉或并非业务合并的交易中的资产或负债，且于该项交易进行时并不影响会计利润及应课税损益；
- 就与在附属公司及联营公司的投资有关的应课税暂时差额而言，暂时差额的拨回时间可予控制，而该暂时差额于可见未来很可能不会拨回。

递延税项资产乃就所有可扣减暂时差额、结转未动用税项抵免及未动用税项亏损予以确认。递延税项资产在很可能有应课税利润可用作抵销可扣减暂时差额、结转未动用税项抵免及未动用税项亏损的情况下，方予以确认，惟下列情况除外：

- 有关可扣减暂时差额的递延税项资产源于初始确认并非业务合并的交易中的资产或负债，且于该项交易进行时并不影响会计利润及应课税损益；
- 就与在附属公司及联营公司的投资有关的可扣减暂时差额而言，递延税项资产仅会于暂时差额很可能于可预见未来拨回及有应课税利润可用作抵销该暂时差额的情况下，方予以确认。

递延税项资产的账面值于各报告期末审核，并冲减至不可能再有足够应课税利润以致可动用全部或部分递延税项资产的水平。未确认的递延税项资产将于各报告期末重新评估，并于很可能将有足够的应课税利润以致可收回全部或部分递延税项资产时予以确认。



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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Income tax (cont'd)

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

Deferred tax assets and deferred tax liabilities are offset if 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 tax 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, 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.

### Revenue recognition

#### *Revenue from contracts with customers*

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer.

The Group has satisfied a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs

## 2.4 重大会计政策概要 (续)

### 所得税 (续)

递延税项资产及负债乃按预期资产变现或负债清偿期间所适用的税率(以截至报告期末已颁布或已实质颁布的税率(及税法)为基准)计算。

当且仅当本集团拥有法定行使权可将即期税项资产与即期税项负债相互抵销,且递延税项资产与递延税项负债与由同一税务机关对同一应纳税实体或不同的应纳税实体所征收的所得税有关,而该等实体有意在日后每个预计有大额递延税项负债需要清偿或大额递延税项资产可以收回的期间内,按净额基准清偿即期税项负债及资产,或同时变现该等资产及清偿该等负债,即递延税项资产可与递延税项负债互相抵销。

### 政府补助

政府补助于可合理保证实体将会收到补助及将遵守相关附带条件时按公允价值确认。倘补助与开支项目有关,则会于拟补贴的成本支销期间按系统基准确认为收入。

当政府补助与某个资产项目相关联时,公允价值先计入递延收入,并根据相关资产之预期可使用年期以年限平均法计入损益,或者从资产的账面值中减去并通过减少折旧费用的方式计入损益。

### 收入确认

#### *客户合同收入*

收入按与客户订立之合同中订明的代价计量,并不包括代表第三方收取的金额。本集团于其向客户转让产品或服务的控制权时确认收入。

倘以下其中一项条件获达成,则本集团将履行履约责任并随时间确认收入:

- (a) 客户同时取得及利用本集团履约时所提供之利益



# NOTES TO THE FINANCIAL STATEMENTS

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Revenue recognition (cont'd)

#### Revenue from contracts with customers (cont'd)

- (b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- (c) The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date

If none of the above conditions are met, the Group recognises revenue at the point in time at which the performance obligation is satisfied.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

When the Group provides more than one service in a service concession arrangement, the transaction price will be allocated to each performance obligation by reference to their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

### 2.4 重大会计政策概要 (续)

#### 收入确认 (续)

#### 客户合同收入 (续)

- (b) 本集团之履约创建或增强一项于资产被创建或增强时客户控制之资产
- (c) 本集团之履约并无创建一项可被本集团用于替代用途之资产，且本集团对迄今已完成之履约付款具有可执行权利

倘所有上述条件尚未获达成，本集团于履约责任获履行时确认收入。

倘资产的控制权在一段时间内转移，本集团按在合同期间已完成履约责任的进度确认收入。否则，收入如于客户获得资产控制权的某一时点确认。

已完成履约责任的进度经参考就每份合同所进行的测量评估工作及截至报告期末已产生的成本在预算成本总额中的占比后，按本集团为完成履约责任而作出的支出或投入衡量。

于本集团在服务特许经营安排中提供不止一项服务，则有关交易价格将经参考各相关单一售价分配至各履约责任。倘单一售价不可直接观察，则基于预期成本加利润率或经调整市场评估法（视乎可观察数据是否可得）进行估计。

在确定合同交易价格时，若融资成份重大，本集团将根据融资成份的影响调整承诺代价。

# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Revenue recognition (cont'd) *Construction service revenue*

The Group's performance in respect of construction services creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue from construction service over time, by reference to completion of the specific transaction assessed on the basis of the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Revenue from the construction services under a service concession agreement is estimated on a cost-plus basis with reference to a prevailing market rate of gross margin at the date of the agreement applicable to similar construction services rendered.

### *Operation revenue*

The Group recognises revenue from environmental water project operation services when the related services are rendered. The operation revenue from reusable water supply service is recognised at a point in time when the Group has delivered water to the customer; the customer has accepted the water; the Group has the present right to payment and the collection of the consideration is probable. The other operation revenue from service concession arrangements is recognised over the period of time that the services are rendered and the benefits are received and consumed simultaneously by the customers.

### *Finance and interest income*

Finance and interest income is recognised on an accrual basis using the EIR 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.

## 2.4 重大会计政策概要 (续)

### 收入确认 (续) 建造服务收入

就建造服务而言，本集团之履约行为创造或增强了客户在资产被创造或增强时已控制的资产或在建工程，因此本集团履行履约责任并根据测量师就已进行之工程之评估及截至报告期末已产生的成本在各合同的估计成本总额中的占比评估特定交易的完成比率随时间确认建造服务的收入。

来自根据服务特许经营协议的建造服务的收入经参考于协议日期提供类似建造服务适用之现行市场毛利率后以成本加成法进行估计。

### 经营收入

于提供相关服务时，本集团确认来自水环境项目经营服务的收入，而中水回用供应服务所得经营收入于某个时间点，即本集团已向客户交付水；客户接受水；本集团有现时权利可支付及收回代价时，予以确认。服务特许经营安排其他经营收入均于提供服务的期间及客户同时收到且消耗利益时确认。

### 财务及利息收入

财务及利息收入采用将金融工具在预计使用年期或较短期间（倘适用）内估计日后收取的现金准确贴现至金融资产账面净值的利率，按应计基准以实际利率法确认。



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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligation. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

The Group recognises the incremental costs of obtaining a contract with a customer within contract assets if the Group expects to recover those costs.

#### Other employee benefits - pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance and are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group’s employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

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.

### 2.4 重大会计政策概要 (续)

#### 合同资产及合同负债

在与客户订立合同时，本集团有权获得来自客户支付的代价，并承担将货物或服务转移至客户的履约责任。该等权利及履约责任共同导致产生资产净值或负债净额，视乎剩余权利与履约责任之间的关系而定。倘合同计量的剩余收款权超过剩余履约责任，则该合同为一项资产，并确认为合同资产。反之，倘剩余履约责任超过剩余收款权，则该合同为一项负债，并确认为合同负债。

本集团预计为获得客户合同而产生的增量成本若可收回，则将其确认为合同资产。

#### 其他雇员福利—退休金计划

根据《强制性公积金计划条例》，本集团为在香港雇佣条例管辖之司法权区受雇并符合资格参与的雇员设立定额供款强制性公积金退休福利计划（“**强积金计划**”）。供款额根据有关雇员的基本薪金按一定比例计算，根据强积金计划的规则在供款应予支付时，有关费用于损益内扣除。强积金计划的资产与本集团的资产分开，并由独立管理基金持有。根据强积金计划的规则，除了本集团雇主自愿性供款部分外，本集团雇主向强积金计划的供款于供款时全部归属于雇员，倘雇员于有权获得全数雇主自愿性供款前离职，则本集团可收回该供款的未归属雇员部分。

本集团在中国内地经营的附属公司的雇员须参与由地方市政府管理的中央退休金计划。该等附属公司须就中央退休金计划作出供款，金额为其工资成本的一定百分比。根据中央退休金计划的规则，供款于应付时于损益中。

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## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### 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. Proposed final dividends are disclosed in the notes to the financial statements.

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.

### Foreign currencies

The functional currency of the Company is RMB. This financial statements are presented in Hong Kong dollars, which is the Company's presentation currency. The Company has used Hong Kong dollars as its presentation currency to be consistent with that of China Everbright Water Holdings Limited, the immediate holding company of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

## 2.4 重大会计政策概要 (续)

### 贷款成本

因收购、兴建或生产合资格资产（即需要大量时间方可达致拟定用途或出售的资产）而直接应计的借贷成本，一律资本化作为该等资产的部分成本。一旦资产大致可供拟定用途或出售，则有关借贷成本不再资本化。特定贷款于用作合资格资产支出前的临时投资所赚取的投资收入于已资本化的借贷成本中扣减。所有其他借贷成本于产生期间费用化。借贷成本包括实体就借入资金产生的利息及其他成本。

### 股息

末期股息在股东大会上获股东批准时确认为负债。拟派末期股息于财务报表附注披露。

中期股息建议及宣派同步进行，此乃由于本公司组织章程大纲及细则授权董事宣派中期股息。因此，中期股息于其建议及宣派时实时确认为负债。

### 外币

本公司的功能货币为人民币。财务报表以港元（本公司之呈列货币）呈列。本公司已采用与本公司中间控股公司中国光大水务控股有限公司所用一致之港元作为其呈列货币。本集团旗下各实体自行确定功能货币，且各实体财务报表中的项目均使用该功能货币计量。本集团旗下实体录得之外币交易初步按交易日期通行的相关功能货币汇率列账。以外币计值的货币资产与负债按于报告期末通用的功能货币汇率重新换算。结算或换算货币项目产生之差额于损益内确认。





# NOTES TO THE FINANCIAL STATEMENTS

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### 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### Foreign currencies (cont'd)

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

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

The functional currencies of the Company, certain overseas subsidiaries and an associate are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of comprehensive income are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### 2.4 重大会计政策概要 (续)

#### 外币 (续)

因结算或换算货币项目产生的差额于损益确认，惟指定作为对冲本集团海外业务投资净额一部分的货币项目则除外，该等货币项目于其他全面收益确认，直至投资净额已出售，此时累计金额乃重新分类至损益。该等货币项目汇兑差额应占的税项支出及抵免亦计入其他全面收益内。

按历史成本列账、以外币计量的非货币项目，采用初始交易日期的汇率换算。按公允价值列账、以外币计量的非货币项目，采用计量公允价值日期的汇率换算。换算按公允价值计量的非货币项目产生的收益或亏损按与确认项目公允价值变动的收益或亏损一致的方式处理（即公允价值收益或亏损于其他全面收益或损益内确认的项目的换算差额亦分别于其他全面收益或损益内确认）。

本公司、若干境外附属公司及联营公司的功能货币为港元以外的货币。于报告期末，该等实体的资产与负债按报告期末的汇率换算为港元，其全面收益表则按年内的加权平均汇率换算为港元。

因此而产生的汇兑差额于其他全面收益内确认，并于汇兑储备中累计。出售海外业务时，与该项特定海外业务有关的其他全面收益的部分于损益确认。

收购海外业务产生的任何商誉及对收购产生的资产及负债账面金额作出的任何公允价值调整作为海外业务的资产及负债处理，并按收市汇率换算。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### Foreign currencies (cont'd)

For the purpose of the consolidated statement of cash flows, the cash flows of the Company, certain overseas subsidiaries and an associate are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of these entities which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

### Judgements

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

### Service concession arrangements

The Group entered into Build-Operate-Transfer ("BOT"), Transfer-Operate-Transfer ("TOT") and Build-Operate-Own ("BOO") arrangements in respect of its environmental water projects.

The Group has concluded that all the BOT and TOT arrangements and certain BOO arrangements are service concession arrangements under IFRIC 12 Service Concession Arrangements, because the local government controls and regulates the services that the Group must provide with the infrastructure at a pre-determined service charge. In respect of BOT and TOT arrangements, upon expiry of concession right agreements, the infrastructure has to be transferred to the local government at nil consideration. Infrastructure for BOO arrangements is used in the service concession arrangements for its entire or substantially entire useful life.

## 2.4 重大会计政策概要 (续)

### 外币 (续)

就综合现金流量表而言, 本公司、若干境外附属公司及联营公司的现金流量按现金流量日期的汇率换算为港元。该等实体于年内经常产生的现金流量则按该年度的加权平均汇率换算为港元。

## 3. 重大会计判断及估计

管理层编制财务报表时须作出会影响收益、开支、资产及负债的呈报金额、其随附披露及或然负债披露的判断、估计及假设。有关该等假设及估计的不确定因素会导致须对未来受影响的资产或负债账面值作出重大调整。

### 判断

在应用本集团的会计政策的过程中, 管理层除作出涉及估计的判断外, 还作出以下对在财务报表中确认的金额最具重大影响的判断:

### 服务特许经营安排

本集团就其水环境项目订立建造—运营—转移 ("BOT")、转移—运营—转移 ("TOT") 及建造—运营—拥有 ("BOO") 安排。

本集团已确定所有BOT及TOT安排以及若干BOO安排均属国际财务报告诠释委员会第12号项下之服务特许经营安排, 乃由于当地政府机关控制并监管本集团须按预定服务费向基础设施提供服务。就BOT及TOT安排而言, 与特许经营协议到期后, 有关基础设施须无偿转归当地政府机关所有。就BOO安排而言, 有关服务特许经营安排所涉及之基础设施于其整个或大致上整个可使用年期使用。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

#### *Financial receivables and/or intangible assets under IFRIC 12 Service Concession Arrangements*

The Group recognises the consideration received or receivable in exchange for the construction services as a financial receivable and/or an intangible asset under a service concession arrangement. However, if the Group is paid for the construction services partly by a financial asset and partly by an intangible asset, it is necessary to account separately for each component of the operator's consideration. The consideration received or receivable for both components shall be recognised initially at the fair value.

The segregation of the consideration for a service concession arrangement between the financial asset component and the intangible asset component, if any, requires the Group to make an estimate of a number of factors, which include, inter alia, fair value of the construction services, expected future water treatment volume of the relevant water treatment plant over its service concession period, future guaranteed receipts and unguaranteed receipts, and also to choose a suitable discount rate in order to calculate the present value of those cash flows. These estimates, including revenue recognition under the financial asset and intangible asset components are determined by the Group's management based on their experience and assessment on current and future market conditions. The carrying amounts of the intangible assets ("concession rights") and service concession financial receivables at the end of reporting period are disclosed in notes 16 and 20, respectively.

#### *Impairment of non-financial assets other than interests in subsidiaries and goodwill*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amount may not be recoverable.

### 3. 重大会计判断及估计 (续)

#### 估计不确定因素

涉及未来的主要假设及于报告期末估计不确定因素的其他主要来源 (该等因素均拥有导致下个财政年度的资产及负债账面值出现重大调整的重大风险) 于下文载述。

#### *国际财务报告准则委员会第12号服务特许经营安排项下的金融应收账款及/或无形资产*

本集团根据服务特许经营安排将以建筑服务换取的已收或应收代价确认为金融应收账款及/或无形资产。然而, 倘本集团已就建造服务获付款 (部分以金融资产及部分以无形资产支付), 则需就经营者代价的各部分个别入账。各部分的已收或应收代价初步按公允价值进行确认。

服务特许经营安排的代价分为金融资产部分与无形资产部分 (如有), 需要本集团对若干因素作出估计, 包括 (其中包括) 建造服务的公允价值、有关污水处理厂于其服务特许经营期内的预期未来污水处理量、未来有担保收款及无担保收款, 并需选择适当贴现率以计算该等现金流量的现值。该等估计 (包括金融资产及无形资产部分的收入确认) 由本集团管理层按彼等的经验以及对现有及未来市况的评估而厘定。无形资产 ("特许经营权") 及与服务特许经营权相关的金融应收账款项之账面值分别披露于附注16及20。

#### *非金融资产 (除附属公司权益及商誉外) 减值*

于各报告日期, 本集团评估所有非金融资产是否有任何减值迹象。当有迹象表明未必能收回账面金额时, 非金融资产将进行减值测试。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

### Estimation uncertainty (cont'd)

*Impairment of non-financial assets other than interests in subsidiaries and goodwill (cont'd)*

Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of property, plant and equipment and intangible assets (other than goodwill) are disclosed in notes 14 and 16.

*Impairment of loans and receivables/financial assets at amortised cost*

Before 1 January 2018, the Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

From 1 January 2018, the impairment loss in respect of service concession financial receivables, trade and other receivables of the Group is based on the evaluation of collectability and ageing analysis of service concession financial receivables, trade and other receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required.

The carrying amounts of the Group's loans and receivables/financial assets at amortised cost are disclosed in notes 20, 22, 23 and 24.

## 3. 重大会计判断及估计 (续)

### 估计不确定因素 (续)

*非金融资产 (除附属公司权益及商誉外) 减值 (续)*

估计使用价值要求本集团对来自现金产生单位之预期未来现金流量作出估计, 亦要求选择合适贴现率计算该等现金流量之现值。物业、厂房及设备以及无形资产 (除商誉外) 之账面值披露于附注14及16。

*贷款及应收账款/按摊销成本计量的金融资产减值*

于2018年1月1日前, 本集团于各报告日期评估是否存在任何客观证据显示金融资产出现减值。为厘定是否存在减值的客观证据, 本集团考虑债务人可能无力偿债或面对重大财政困难以及拖欠或严重延迟付款等因素。倘有客观证据显示出现减值, 日后现金流量的金额及时间乃根据具有类似信贷风险特征的资产的过往亏损经验估计。

自2018年1月1日起, 有关本集团与服务特许经营权相关的金融应收款项, 以及应收账款及其他应收款项的减值亏损基于对与服务特许经营权相关的金融应收款项, 以及应收账款及其他应收款项的可收回性及账龄分析之评估及管理层之判断。于评估该等应收账款的最终收回情况时需作出大量判断, 包括各债务人目前的信誉及过往付款记录。倘本集团债务人的财务状况转差而削弱彼等之付款能力时, 则需要作出额外拨备。

本集团贷款及应收账款/按摊销成本计量的金融资产的账面值披露于附注20、22、23及24。





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

#### Estimation uncertainty (cont'd)

##### *Impairment of interests in subsidiaries*

The Company assesses at each reporting date whether there is any objective evidence that the interests in subsidiaries are impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the industry performance, technology changes, operational and financing cash flows. Management will also consider the financial condition and business prospects of the interest.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on the forecasted performance of the subsidiary. The carrying amounts of the Company's interests in subsidiaries at the reporting date are disclosed in note 19.

##### *Revenue recognition for construction work*

The Group recognises contract revenue over time by reference to the progress towards complete satisfaction of the performance obligation at the reporting date. The progress is measured based on the Group's effort or inputs to the satisfaction of the performance obligation, by reference to the surveyors' assessment of work performed and the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each performance obligation in the contract. Significant assumptions are required to estimate the recoverable variation works that will affect the progress towards complete satisfaction of the performance obligation. The Group reviews and revises the estimates in each construction contract as the contract progresses.

##### *Impairment losses for goodwill*

As explained in the accounting policy set out in note 2.4 for "Business combinations and goodwill", goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit from the synergies of the combination for the purpose of impairment assessment, which requires significant judgement. The Group determined that the group of cash-generating units to which goodwill was allocated reflected the lowest level at which goodwill was monitored for internal reporting and was not larger than an operating segment in accordance with IAS 36 *Impairment of Assets*.

### 3. 重大会计判断及估计 (续)

#### 估计不确定因素 (续)

##### *附属公司权益减值*

本公司于各报告日期评估是否存在任何客观证据显示附属公司权益出现减值。为厘定是否存在减值的客观证据，本集团考虑行业表现、技术变化、经营及财务现金流量等因素。管理层亦将考虑该等权益的财务状况及业务前景。

倘有客观证据显示出现减值，日后现金流量的金额及时间乃根据附属公司的预测表现估计。于报告日期，本公司的附属公司权益的账面值披露于附注19。

##### *建筑工程的收入确认*

本集团经参考于报告日期已完成履约责任的进度后随时间确认收入。该进度经参考就合同中各项履约责任所进行的测量评估工作及截至报告期末已产生的成本在预算成本总额中的占比后按本集团为完成履约责任而作出的支出或投入衡量。对将影响已完成履约责任进度之可收回改建工程进行估计须作出重大假设。本集团在执行合同过程中复核及修改各建造合同的估计。

##### *商誉的减值亏损*

如附注2.4载列的“业务合并及商誉”的会计政策所述，商誉被分配至预期可受惠于合并协同效益之现金产出单元或现金产出单元组别以进行减值评估，而此需要作出重大判断。根据国际会计准则第36号资产减值，本集团厘定获分配商誉之现金产出单元组别为本集团就内部报告目的而监察商誉的最低层次，且该组别不会大于一个经营分部。



# NOTES TO THE FINANCIAL STATEMENTS

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## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

*Estimation uncertainty (cont'd)*

*Impairment losses for goodwill (cont'd)*

The Group determines whether goodwill is impaired at least on an annual basis. This involves an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at the reporting date is disclosed in note 17.

*Income taxes*

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Where the final tax outcome is different from the amounts that were initially recognised, such differences will impact the income and other taxes and deferred tax provisions in the period in which such determination is made.

## 4. OPERATING SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's executive committee and the Company's board of directors for the purpose of resource allocation and performance assessment.

The Group operates in a single business segment which is the water environment management business in the PRC. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and expense, interest-bearing borrowings and related expenses and income and deferred taxes. No operating segments have been aggregated to form the following reportable operating segment.

## 3. 重大会计判断及估计 (续)

*估计不确定因素 (续)*

*商誉的减值亏损 (续)*

本集团至少每年厘定一次商誉是否出现减值，这需要对获分配商誉之现金产出单元的使用价值进行估计。在估计使用价值时，本集团需估计来自现金产出单元的预计未来现金流，并需选择合适的贴现率，以便计算有关现金流量的现值。于报告日，商誉的账面值于附注17披露。

*所得税*

厘定所得税拨备涉及对若干交易之日后税项处理方法作出判断。本集团会审慎评估交易之相关交易税务影响，从而计提税项拨备。本集团会定期重新考虑有关交易之税项处理方法，并会将税务规例之所有变动列为考虑因素。倘最终税项结果与初步确认的金额不同，则有关差额会影响须作有关决定之期间的所得税及其他税项以及递延税项拨备。

## 4. 经营分部数据

经营分部乃根据本集团执行委员会及本公司董事会为分配资源及评估表现而定期审阅有关本集团分部的内部报告而识别。

本集团经营单一业务分部（即中国的水环境治理业务）。分部业绩、资产及负债包括直接归属于某一分部的项目，以及能够在合理基础上进行分配的项目。未分配的项目主要包括企业资产及费用、利息贷款与相关的支出、收入及递延税项。并无合并任何经营分部以组成下列须予报告之经营分部。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 4. OPERATING SEGMENT INFORMATION (cont'd)

#### Business segment

There is only one operating segment as the Group's operations relate to water environment management for the years ended 31 December 2018 and 2017:

- Water environment management - Engagement in sponge city construction, river-basin ecological restoration, waste water treatment, water supply, reusable water, waste water source heat pump, sludge treatment and disposal, research and development of water environment technologies and engineering construction.

#### Geographical information

All of the Group's revenues are derived from the Group's operations in the PRC. All non-current assets are located in the PRC.

#### Major customers

Customer 1**	客户1**
Customer 2**	客户2**
Customer 3**	客户3**

\* The corresponding revenues from these customers are not disclosed as the revenue individually did not account for 10% or more of the Group's revenue.

\*\* The customers are local government authorities.

### 4. 经营分部数据 (续)

#### 业务分部

截至12月31日止的2018年度和2017年度，本集团的业务涉及水环境治理且只有一个须予报告的运营分部：

- 水环境治理—从事海绵城市建设、流域生态修复、污水处理、供水、中水回用、污水源热泵、污泥处理处置、水环境技术与研究和工程建设。

#### 地区资料

本集团的所有收入均源自本集团的中国业务。所有非流动资产均位于中国境内。

#### 主要客户

#### Year ended 31 December 截至十二月三十一日止年度

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,585,196	N/A*
N/A*	450,922
490,005	N/A*

\* 该等客户的相应收入未予披露，因为其个别收入于该财务报表期间并未占本集团收入的10%或以上。

\*\* 该等客户为当地政府机关。

# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 5. REVENUE

## 5. 收入

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Revenue:</b>	<b>收入:</b>		
Construction service revenue from service concession arrangements	服务特许经营安排的建造服务收入	2,709,369	2,111,292
Finance income from service concession arrangements	服务特许经营安排的财务收入	720,714	601,204
Operation income from service concession arrangements	服务特许经营安排的运营收入	1,208,567	849,813
Operation income from reusable water supply services	中水供应服务所得运营收入	29,104	28,613
Construction contract revenue and technical services income	建造合同收益及技术服务收入	100,564	711
		<b>4,768,318</b>	<b>3,591,633</b>
<b>Timing of revenue recognition:</b>	<b>收入确认时间:</b>		
At a point in time	于时间点	29,104	28,613
Over time	随着时间推移	4,018,500	2,961,816
		<b>4,047,604</b>	<b>2,990,429</b>
Finance income from service concession arrangements	服务特许经营安排的财务收入	720,714	601,204
		<b>4,768,318</b>	<b>3,591,633</b>

The aggregated revenue from construction services, finance income and operation income derived from the local government authorities in the PRC amounted to HK\$4,597,023,000 and HK\$3,531,522,000 for the years ended 31 December 2018 and 2017, respectively. Details of concentrations of credit risk arising from these customers are set out in note 39.

截至12月31日止的2018年度及2017年度，来自中国当地政府机关的建造服务、财务收入及经营收入总额分别为4,597,023,000港元及3,531,522,000港元。该等客户产生之信贷风险集中的详情载于附注39。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 6. OTHER INCOME AND GAINS, NET

### 6. 其他收入及收益净额

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Government grants*	政府补助*	23,857	11,422
Value-added tax ("VAT") refunds**	增值税 ( "增值税" ) 退税**	98,609	114,049
Fair value gain, net fair value adjustment of contingent consideration receivable (note 22)	公允价值收益净额: 或然代价应收款项公允价值调整 (附注22)	3,428	—
Sludge landfill site closure subsidy	污泥填埋场封场补贴	2,373	—
Sundry income	杂项收入	12,316	4,338
		<b>140,583</b>	<b>129,809</b>

\* Government grants of HK\$23,857,000 and HK\$11,422,000 were granted during the years ended 31 December 2018 and 2017, respectively, to subsidise certain water/waste water treatment plants of the Group in the PRC. There were no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future.

\*\* VAT refunds of HK\$98,609,000 and HK\$114,049,000 were received/receivable during the years ended 31 December 2018 and 2017, respectively, in relation to certain environmental water project operations of the Group in the PRC. There were no unfulfilled conditions and other contingencies attached to the receipts of such tax refund. There is no assurance that the Group will continue to receive such tax refund in the future.

\* 截至12月31日止的2018年度及2017年度, 本集团分别被授予23,857,000港元、11,422,000港元的政府补助以补贴本集团于中国的若干水/污水处理厂。收取该等补助并无尚未达成之条件及其他或然事项。概无保证本集团将于日后继续收取有关补助。

\*\* 截至12月31日止的2018年度及2017年度本集团于中国的若干水环境项目业务的已收/应收增值税退税分别为98,609,000港元及114,049,000港元。收取有关退税并无尚未达成之条件及其他或然事项。概无保证本集团将于日后继续收取有关退税。

### 7. NET FINANCE COSTS

### 7. 财务费用净额

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<u>Finance income</u>	<u>财务收入</u>		
Interest income on bank deposits	银行存款的利息收入	17,918	12,463
<u>Finance costs</u>	<u>财务费用</u>		
Interest expense on:	以下各项的利息开支:		
Bank and other loans	银行及其他贷款	(220,940)	(211,109)
Corporate bonds	公司债券	(70,458)	(22,971)
Amounts due to intermediate holding companies	应付中间控股公司款项	—	(2,947)
Amounts due to fellow subsidiaries	应付同系附属公司款项	—	(4,364)
		<b>(291,398)</b>	<b>(241,391)</b>
Net finance costs	财务费用净额	<b>(273,480)</b>	<b>(228,928)</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/  
(crediting):

## 8. 除税前盈利

本集团的除税前盈利乃经扣除 / (计 入)  
下列各项后得出:

		Year ended 31 December 截至十二月三十一日止年度		
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	
	Notes 附注			
Depreciation*	折旧*	14	16,736	14,613
Amortisation	摊销			
- prepaid land lease payments	- 预付土地租赁款项	15	357	347
- intangible assets*	- 无形资产*	16	72,349	80,119
Loss/(gain) on disposal of property, plant and equipment	出售物业、厂房及设备之 亏损 / (收益)		445	(23)
Cost of construction services**	建造服务成本**		2,131,808	1,634,636
Research and development costs	研发成本		46,458	20,868
Minimum lease payments under operating leases	经营租赁之最低租赁 款项		10,050	9,552
Impairment of trade receivables	应收账款减值	22	16,664	—
Foreign exchange differences, net	外汇差额，净额		20,221	4,239
Listing expenses	上市开支		31,726	—
Employee benefit expense (including directors' remuneration (note 9))*:	雇员福利开支( (包括董事 薪酬 (附注9) ) *:		207,549	170,717
Wages and salaries	工资及薪金		49,225	44,678
Defined contribution plans	界定供款计划		26,466	20,507
Welfare and other benefits	福利及其他福利		283,240	235,902
Fees paid to auditor of the Company:	已付本公司审计师的费用:			
Audit fees	审计费用		460	460
Non-audit fees	非审计费用		—	—
Fees paid to affiliates of auditor of the Company:	已：付本公司审计师成员所 的费用			
Audit fees	审计费用		1,920	1,920
Non-audit fees	非审计费用			
- Reporting accountant fees (included in listing expenses)	- 申报会计师费用 (已包括在上市开支中)		6,378	—
- Others	- 其他		691	—





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 8. PROFIT BEFORE TAX (cont'd)

\* Amortisation of intangible assets, depreciation and employee benefit expense in total of HK\$226,495,000 and HK\$207,029,000 for the years ended 31 December 2018 and 2017, respectively, are included in "Direct costs and operating expenses" on the face of the consolidated statements of comprehensive income.

\*\* Included in "Direct costs and operating expenses" on the face of the consolidated statements of comprehensive income.

As at the end of each financial year, the Group had no forfeited contributions available to reduce its contributions to the retirement schemes in future years.

### 9. DIRECTORS' REMUNERATION

The remuneration of the Company's directors is set out below:

### 8. 除税前盈利 (续)

\* 截至12月31日止的2018年度及2017年度无形资产摊销、固定资产折旧及雇员福利开支总额分别226,495,000港元及207,029,000港元计入综合全面收益表内的“直接成本及经营开支”。

\*\* 计入综合全面收益表的“直接成本及经营开支”。

于各财务报表期间末，本集团并无被没收供款用以减少其未来年度的退休计划供款。

### 9. 董事酬金

本公司董事酬金载列如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fees	袍金	1,880	1,163
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津贴及实物利益	2,816	3,764
Discretionary bonuses	酌情花红	3,607	4,300
Defined contribution plans	界定供款计划	327	40
		6,750	8,104
		8,630	9,267

### 10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2018 and 2017 included two directors, respectively, whose remuneration is included in note 9 above. Details of the remuneration for the years ended 31 December 2018 and 2017 of the remaining three highest paid employee who is neither a director nor chief executive of the Company are as follows:

### 10. 五名最高薪酬雇员

截至12月31日止的2018年度及2017年度，五名最高薪酬雇员分别包括两名董事，其酬金计入上文附注9。截至12月31日止的2018年度及2017年度余下三名既非本公司董事亦非关键管理人员之最高薪酬雇员的薪酬详情如下：

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 10. FIVE HIGHEST PAID EMPLOYEES (cont'd)

Salaries, allowances and benefits in kind	薪金、津贴及实物利益
Discretionary bonuses	酌情花红
Defined contribution plans	界定供款计划

During the financial year, no emoluments were paid by the Group to the directors of the Company or any of the highest paid employees who are not a director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

## 10. 五名最高薪酬雇员 (续)

Year ended 31 December 截至十二月三十一日止年度	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
2,705	2,233
2,793	2,675
312	140
<b>5,810</b>	<b>5,048</b>

于财务报表期间，本集团并无向本公司董事或本公司任何最高薪酬非董事雇员支付酬金作为加入或于加入本集团后的奖励或作为离职赔偿。

## 11. INCOME TAX

No provision for Singapore and Hong Kong income tax was made as the Group did not earn any income subject to Singapore and Hong Kong income tax during the years ended 31 December 2018 and 2017.

Tax for the PRC operations is charged at the statutory rate of 25% of the assessable profits under tax rules and regulations in the PRC. During the years ended 31 December 2018 and 2017, certain PRC subsidiaries are subject to tax at 50% of the standard rates or fully exempt from income tax under the relevant tax rules and regulations.

## 11. 所得税

由于本集团截至12月31日止的2018年度及2017年度并无赚取任何须缴纳新加坡及香港所得税的收入，故并无就新加坡及香港所得税作出拨备。

中国业务之税项根据中国税务法律及法规，按应税利润以法定税率25%计算。截至12月31日止的2018年度及2017年度根据相关税务法律及法规，若干中国附属公司须按标准税率之50%缴纳所得税或获所得税税项全额豁免。

Year ended 31 December 截至十二月三十一日止年度	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current - PRC:	即期 — 中国:
Charge for the year	过往年度
Underprovision/(overprovision) in prior years	拨备不足/(过剩)
Deferred (note 28)	递延 (附注28)
Total tax expense for the year	本年度税项开支总额
139,967	110,840
4,156	3,592
170,861	149,380
<b>314,984</b>	<b>263,812</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 11. INCOME TAX (cont'd)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

### 11. 所得税 (续)

按适用于本公司及其大部份附属公司所在国家之法定税率计算除税前盈利之税项支出与按实际税率计算之税项支出之对账如下:

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before tax	除税前盈利	1,051,739	844,605
Tax calculated at tax rate of 25% (2017: 25%)	按25%的税率计算之税项	262,935	211,151
Effect of tax rates in foreign jurisdictions	海外司法权区税率影响	26,550	25,759
Tax concession	税项优惠	(24,966)	(12,296)
Adjustments in respect of current tax of previous periods	就过往期间之即期税项作出调整	4,156	3,592
Profits attributable to associates	联营公司应占盈利	(105)	(26)
Income not subject to tax	无须课税收入	(13,189)	(15,952)
Expenses not deductible for tax	不可扣税开支	8,439	24,536
Tax losses not recognised	未确认税项亏损	5,005	7,405
Tax losses utilised from previous periods	动用过往期间之税项亏损	(1,397)	(5,897)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	本集团中国附属公司可供分派盈利之预扣税之影响	47,556	25,540
Tax expense at the Group's effective rate	按本集团实际税率计算之税项支出	314,984	263,812

The share of tax attributable to associates amounting to HK\$58,000 and HK\$198,000 for the years ended 31 December 2018 and 2017, respectively, is included in "Share of profits of associates" in the consolidated statement of comprehensive income.

截至12月31日止的2018年度及2017年度，应占联营公司税项分别为58,000港元及198,000港元已计入综合全面收益表的“应占联营公司盈利”。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 12. DIVIDENDS

## 12. 股息

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Dividends attributable to the year:	本年度股息:		
Interim – SGD0.0049 and nil, respectively, per ordinary share	中期股息 — 每股普通股分别 为0.0049新加坡元及零	74,644	—
Proposed final – SGD0.0050 and SGD0.0049, respectively, per ordinary share	拟派末期股息 — 每股普通股 分别为0.0050新加坡元及 0.0049新加坡元	77,219	77,003
		<b>151,863</b>	<b>77,003</b>

## 13. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the Group's profit for the year attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the financial year.

## 13. 每股盈利

每股基本盈利金额乃按本公司权益持有人应占本集团本年度盈利除以年内已发行普通股加权平均数计算。

于财务报表期间，本集团并无任何已发行具潜在摊薄影响之普通股。

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	本公司股东应占本年度 盈利	676,459	513,356
		'000 千股	'000 千股
Weighted average number of ordinary shares in issue during the year	年内已发行普通股加权 平均数	2,644,322	2,618,228
		HK cents 港仙	HK cents 港仙
Basic and diluted earnings per share	每股基本及摊薄 盈利	25.6	19.6



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物业、厂房及设备

#### Group

#### 本集团

		Buildings 楼宇 HK\$'000 千港元	Plant and machinery 厂房及机器 HK\$'000 千港元	Leasehold improvements, furniture and fixtures 租赁物业 装修、家私 HK\$'000 千港元	Motor vehicles and office equipment 汽车及办公 室设备 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 总额 HK\$'000 千港元
<b>31 December 2018</b>	<b>2018年12月31日</b>						
Cost:	成本:						
At 1 January 2018	于2018年1月1日	100,064	51,781	10,028	66,874	–	228,747
Additions	增置	–	34	635	10,507	–	11,176
Acquisition of subsidiaries (note 31)	收购附属公司 (附注31)	10,970	–	39	605	–	11,614
Disposals	出售	–	–	(68)	(2,328)	–	(2,396)
Exchange realignment	汇兑重新调整	(5,067)	(2,245)	(361)	(3,276)	–	(10,949)
At 31 December 2018	于2018年12月31日	105,967	49,570	10,273	72,382	–	238,192
Accumulated depreciation:	累计折旧:						
At 1 January 2018	于2018年1月1日	23,289	13,730	5,119	40,545	–	82,683
Charge for the year	年内支出	5,350	2,268	1,724	7,394	–	16,736
Disposals	出售	–	–	(26)	(1,836)	–	(1,862)
Exchange realignment	汇兑重新调整	(1,202)	(702)	(228)	(2,012)	–	(4,144)
At 31 December 2018	于2018年12月31日	27,437	15,296	6,589	44,091	–	93,413
Net carrying amount:	账面净值:						
At 31 December 2018	于2018年12月31日	78,530	34,274	3,684	28,291	–	144,779
At 1 January 2018	于2018年1月1日	76,775	38,051	4,909	26,329	–	146,064
<b>31 December 2017</b>	<b>2017年12月31日</b>						
Cost:	成本:						
At 1 January 2017	于2017年1月1日	94,006	48,692	6,931	57,071	78	206,778
Additions	增置	105	24	3,062	6,550	–	9,741
Disposals	出售	–	(18)	(478)	(1,258)	–	(1,754)
Transfers	转拨	–	–	80	–	(80)	–
Exchange realignment	汇兑重新调整	5,953	3,083	433	4,511	2	13,982
At 31 December 2017	于2017年12月31日	100,064	51,781	10,028	66,874	–	228,747
Accumulated depreciation:	累计折旧:						
At 1 January 2017	于2017年1月1日	18,263	10,784	3,312	32,402	–	64,761
Charge for the year	年内支出	3,792	2,199	1,822	6,800	–	14,613
Disposals	出售	–	(3)	(248)	(945)	–	(1,196)
Exchange realignment	汇兑重新调整	1,234	750	233	2,288	–	4,505
At 31 December 2017	于2017年12月31日	23,289	13,730	5,119	40,545	–	82,683
Net carrying amount:	账面净值:						
At 31 December 2017	于2017年12月31日	76,775	38,051	4,909	26,329	–	146,064
At 1 January 2017	于2017年1月1日	75,743	37,908	3,619	24,669	78	142,017



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The property ownership certificates of certain buildings of the Group in the PRC (the “Buildings”) with aggregate net carrying amounts of HK\$22,080,000 and HK\$76,775,000 as at 31 December 2018 and 31 December 2017, respectively, have not yet been issued by the relevant PRC authorities. In the opinion of the directors of the Company, pursuant to the relevant agreements signed with the local government authorities in the PRC and based on the advice from the Company's PRC legal adviser, Zhong Lun Law Firm, the Group has the proper legal rights to occupy and use the Buildings.

### Company

## 14. 物业、厂房及设备 (续)

相关中国机关并未发出本集团于中国若干楼宇（“楼宇”）的物业所有权证，该等物业于2018年及2017年12月31日账面净值总额分别为22,080,000港元及76,775,000港元。本公司董事认为，根据与中国当地政府机关签订的相关协议及本公司中国法律顾问中伦律师事务所的意见，本集团具有合法权利占用及使用该等楼宇。

### 本公司

		Motor vehicles and office equipment 汽车及办公室设备	
		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost:	成本:		
At the beginning of the year	年初	41	56
Additions during the year	年内增置	—	—
Disposals during the year	年内出售	—	(15)
Exchange realignment	汇兑重新调整	(2)	—
At the end of the year	年末	39	41
Accumulated depreciation:	累计折旧		
At the beginning of the year	年初	15	25
Charges for the year	年内支出	7	7
Disposals during the year	年内出售	—	(15)
Exchange realignment	汇兑重新调整	(1)	(2)
At the end of the year	年末	21	15
Net carrying amount:	账面净值		
At the end of the year	年末	18	26
At the beginning of the year	年初	26	31



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 15. PREPAID LAND LEASE PAYMENTS

#### Group

		Year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount at the beginning of the year	年初账面值	5,974	5,954
Additions during the year	年内增置	—	—
Amortisation provided during the year	年内摊销拨备	(357)	(347)
Exchange realignment	汇兑重新调整	(245)	367
Carrying amount at the end of the year	年末账面值	5,372	5,974

### 15. 预付土地租赁款项

#### 本集团

### 16. INTANGIBLE ASSETS

#### Group

		Concession rights 特许经营权 HK\$'000 千港元	Patents and trademarks 专利及商标 HK\$'000 千港元	Computer software 计算机软件 HK\$'000 千港元	Backlog contracts 未完成合同 HK\$'000 千港元	Customer relationships 客户关系 HK\$'000 千港元	Total 总计 HK\$'000 千港元
<b>31 December 2018</b>	<b>2018年12月31日</b>						
Cost:	成本:						
At 1 January 2018	于2018年1月1日	1,669,343	25,861	4,867	30,400	—	1,730,471
Additions	增置	181,095	—	39	—	—	181,134
Acquisition of a subsidiary (note 31)	收购附属公司 (附注31)	—	—	65	—	13,573	13,638
Exchange realignment	汇兑重新调整	(84,904)	(1,124)	(218)	(1,321)	(923)	(88,490)
At 31 December 2018	于2018年12月31日	1,765,534	24,737	4,753	29,079	12,650	1,836,753
Accumulated amortisation:	累计摊销:						
At 1 January 2018	于2018年1月1日	194,577	13,246	2,530	30,400	—	240,753
Amortisation provided during the year	年内摊销拨备	66,255	4,292	481	—	1,321	72,349
Exchange realignment	汇兑重新调整	(10,294)	(759)	(88)	(1,321)	(56)	(12,518)
At 31 December 2018	于2018年12月31日	250,538	16,779	2,923	29,079	1,265	300,584
Net carrying amount:	账面净值:						
At 31 December 2018	于2018年12月31日	1,514,996	7,958	1,830	—	11,385	1,536,169
At 1 January 2018	于2018年1月1日	1,474,766	12,615	2,337	—	—	1,489,718

### 16. 无形资产

#### 本集团

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 16. INTANGIBLE ASSETS (cont'd)

## 16. 无形资产 (续)

### Group (cont'd)

### 本集团 (续)

		Concession rights 特许经营权 HK\$'000 千港元	Patents and trademarks 专利及商标 HK\$'000 千港元	Computer software 计算机软件 HK\$'000 千港元	Backlog contracts 未完成合同 HK\$'000 千港元	Total 总计 HK\$'000 千港元
<b>31 December 2017</b>	<b>2017年12月31日</b>					
Cost:	成本:					
At 1 January 2017	于2017年1月1日	1,352,062	24,321	3,203	28,590	1,408,176
Additions	增置	219,993	–	1,418	–	221,411
Exchange realignment	汇兑重新调整	97,288	1,540	246	1,810	100,884
At 31 December 2017	于2017年12月31日	1,669,343	25,861	4,867	30,400	1,730,471
Accumulated amortisation:	累计摊销:					
At 1 January 2017	于2017年1月1日	118,900	8,417	1,556	19,854	148,727
Amortisation provided during the year	年内摊销拨备	66,095	4,166	849	9,009	80,119
Exchange realignment	汇兑重新调整	9,582	663	125	1,537	11,907
At 31 December 2017	于2017年12月31日	194,577	13,246	2,530	30,400	240,753
Net carrying amount:	账面净值:					
At 31 December 2017	于2017年12月31日	1,474,766	12,615	2,337	–	1,489,718
At 1 January 2017	于2017年1月1日	1,233,162	15,904	1,647	8,736	1,259,449

As at 31 December 2018 and 2017, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, service concession financial receivables and trade receivables) with aggregate carrying amounts of HK\$4,426,064,000 and HK\$4,362,784,000, respectively, were pledged to secure banking facilities granted to the Group, further details of which are included in notes 26 and 33.

于2018年及2017年12月31日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、与服务特许经营权相关的金融应收款项及应收账款）的账面总值分别为4,426,064,000港元及4,362,784,000港元已抵押作为本集团获授银行融资之抵押品，进一步详情载于附注26及33。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 16. INTANGIBLE ASSETS (cont'd)

#### Impairment testing of concession rights not yet available for use

As at 31 December 2018 and 2017, certain projects had not commenced operations and the carrying amounts of the concession rights not yet available for use of these projects were approximately HK\$390 million and HK\$226million, respectively. The recoverable amount of each of these concession rights was determined based on value-in-use calculations using cashflow projections based on a financial budget covering a five-year period approved by the management. Management determined the budgets based on the service concession arrangements governing the relevant operations. The pre-tax discount rates applied to the cashflow projections were 10.2% for 2018 and 10.6% for 2017, and cash flows beyond the five-year period were extrapolated using a growth rate of 3%. The discount rates used are pre-tax and reflect specific risks relating to the relevant operations. No impairment is considered necessary as at 31 December 2018 and 2017. Management believes that any reasonably possible changes to the key assumptions applied is not likely to lead to any impairment of the concession rights not yet available for use.

The sensitivity analysis below has been determined based on the exposure to the pre-tax discount rate and five-year period growth rate, representing the key inputs to the determination of the recoverable amount.

The headroom of the concession rights not yet available for use is shown as below:

### 16. 无形资产 (续)

#### 尚不可用的特许经营权的减值测试

于2018年及2017年12月31日，若干项目并无开始营运及尚未可供该等项目使用的特许经营权的账面值分别为约3.90亿港元及2.26亿港元。各项特许经营权乃根据使用价值获管理层批准的五年期财务预算的现金流量预测厘定其可收回金额。管理层根据规管相关营运的服务特许经营安排厘定预算。适用于现金流量预测的税前贴现率于2018年为10.2%及2017年为10.6%，以及超过五年期的现金流量乃采用增长率3%予以推测。所用贴现率为税前贴现率，并反映与相关营运有关之特定风险。于2018年及2017年12月31日并无必要作出减值。管理层认为，所采用主要假设的任何合理可能变动并不可能导致尚不可用的特许经营权的减值。

以下敏感度分析乃根据税前贴现率及五年期增长率厘定，为厘定可收回金额时应用的主要输入数据。

尚不可用的特许经营权的额外部分列示如下：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Headroom	超出部分	63,000	32,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 16. INTANGIBLE ASSETS (cont'd)

Impairment testing of concession rights not yet available for use (cont'd)

Had the estimated key assumptions been changed as below, the headroom would be increased/(decreased) by:

## 16. 无形资产 (续)

尚不可用的特许经营权的减值测试 (续)

倘估计主要假设变动如下，额外部分则增加/ (减少)：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Pre-tax discount rate decreased by 0.2%	税前贴现率降低 0.2%	26,000	25,000
Pre-tax discount rate increased by 0.2%	税前贴现率提高 0.2%	(24,000)	(24,000)
Five-year period growth rate increased by 5%	五年期增长率提高 5%	2,000	2,000
Five-year period growth rate decreased by 5%	五年期增长率降低 5%	(2,000)	(2,000)

A respective increase in the discount rate from the original rate of 10.2% and 10.6% by 0.5% and 0.3% to 10.7% and 10.9%, respectively, as at 31 December 2018 and 2017, would remove the remaining headroom. Even if the five-year period growth rate decreased to 0%, the recoverable amount of the concession rights not yet available for use would still exceed its carrying value.

倘2018年及2017年12月31日贴现率分别从原贴现率10.2%及10.6%各自提高0.5%及0.3%至10.7%及10.9%，则可消除剩余额外部分。此外，即使五年期增长率降至0%，尚不可用的特许经营权的可收回金额将仍超出其账面值。

## 17. GOODWILL

Group

## 17. 商誉

本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost and net carrying amount at the beginning of the year	年初成本及账面净值	1,259,922	1,185,478
Acquisition of a subsidiary (note 31)	收购附属公司 (附注31)	39,835	—
Exchange realignment	汇兑调整	(57,044)	74,444
Cost and net carrying amount at the end of the year	年末成本及账面净值	1,242,713	1,259,922





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 17. GOODWILL (cont'd)

The goodwill arising from the acquisition is attributable mainly to the expected synergies from combining operations of the acquiree and acquirer. None of the goodwill acquired is expected to be deductible for tax purposes.

#### Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the water environment management segment as at 31 December 2018 and 2017.

The recoverable amount of the group of cash-generating units within the water environment management segment as at 31 December 2018 and 2017 was determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period using a growth rate of 6% to 10% approved by management. The pre-tax discount rates applied to the cash flow projections were 11.2% for 2018 and 11.5% for 2017, and cash flows beyond the five-year period were extrapolated using a growth rate of 3%. Management determined the budgets based on service concession arrangements governing the relevant operations. Based on the assessment, no impairment provision was necessary as at 31 December 2018 and 2017. Management believes that any reasonably possible changes to the key assumptions applied would not lead to impairment of goodwill as at 31 December 2018 and 2017.

The sensitivity analysis below has been determined based on the exposure to the pre-tax discount rate and five-year period growth rate, representing the key inputs to the determination of the recoverable amount.

The headroom of the Group of cash-generating units within the water environment management segment is shown as below:

### 17. 商誉 (续)

收购产生的商誉主要归因于被收购方与收购方的业务合并产生的预期协同作用。收购所得商誉皆不可扣税。

#### 商誉之减值测试

就减值测试而言，于2018年及2017年12月31日，有关商誉已被分配至水环境治理分部。

于2018年及2017年12月31日，水环境治理分部内现金产出单元根据使用价值以基于获管理层批准的6%至10%增长率计算的五年期财务预算之现金流量预测厘定其可收回金额。适用于现金流量预测的税前贴现率于2018年为11.2%及2017年为11.5%，以及超过五年期的现金流量乃采用增长率3%予以推测。管理层根据规管相关营运的服务特许经营安排厘定预算。根据评估，于2018年及2017年12月31日并无必要计提减值拨备。管理层认为，于2018年及2017年12月31日所采用主要假设的任何合理可能变动并不可能导致商誉减值。

以下敏感度分析乃根据确定可收回金额的主要输入数据：税前贴现率及五年期增长率厘定。

本集团水环境治理分部内现金产出单元的额外部分列示如下：

		As at 31 December 于十二月三十一日	
		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Headroom	额外部分	4,459,000	500,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 17. GOODWILL (cont'd)

### Impairment testing of goodwill (cont'd)

Had the estimated key assumptions been changed as below, the headroom would be increased/(decreased) by:

## 17. 商誉 (续)

### 商誉之减值测试 (续)

倘估计主要假设变动如下，额外部分则增加/（减少）：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Pre-tax discount rate increased by 0.2%	税前贴现率提高 0.2%	(424,000)	(329,000)
Pre-tax discount rate decreased by 0.2%	税前贴现率降低 0.2%	439,000	341,000
Five-year period growth rate increased by 5%	五年期增长率提高 5%	384,000	283,000
Five-year period growth rate decreased by 5%	五年期增长率降低 5%	(381,000)	(283,000)

A respective increase in the discount rate from the original rate of 11.2% and 11.5% by 2.5% and 0.3% to 13.7% and 11.8%, respectively; or a decrease in the five-year period growth rate by 61% and 9% of the original five-year period growth rate respectively, as at 31 December 2017 and 2018, would remove the remaining headroom.

倘于2018年及2017年12月31日贴现率分别从原贴现率11.2%及11.5%各自提高2.5%及0.3%至13.7%及11.8%；或五年期增长率分别较原五年期增长率降低61%及9%，则可消除剩余额外部分。

## 18. INTERESTS IN ASSOCIATES

### Group

## 18. 联营公司权益

### 本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Share of net assets	所占资产净值	3,011	1,445



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 18. INTERESTS IN ASSOCIATES (cont'd)

Particulars of the Group's associates during the financial year are as follows:

Name 名称	Particulars of capital 资本详情	Place of registration and business 登记及营业地点	Percentage of ownership interest attributable to the Group 本集团应占拥有 权权益百分比	Principal activities 主营业务
Qingdao Haibohe Water Operating Limited ("Qingdao Haibohe") 青岛海泊河水务运营 有限公司 ("青岛海泊河")	Paid up capital of US\$350,845 实缴资本 350,845美元	PRC/ Mainland China 中国/中国内地	49	Waste water treatment 污水处理
Hebei Xiong'an Huashen Water Engineering Technology Limited ("Hebei Xiong'an") (note (a)) 河北雄安华深水务工程技术 有限公司 ("河北雄安") (附注(a))	Paid up capital of RMB5,000,000 实缴资本 5,000,000元人民币	PRC/ Mainland China 中国/中国内地	20	R&D and consultation on water treatment 水务处理的研发 及咨询

Note:

- (a) During the year ended 31 December 2018, the Group made a capital contribution of RMB1,000,000 (equivalent to HK\$1,168,000) to Hebei Xiong'an. Hebei Xiong'an is established with other three entities established in the PRC, in Xiong'an City, the PRC, which enables the Group to further develop R&D and construction services in Xiong'an City.

The Group has significant influence, but not control or joint control, over Hebei Xiong'an, including participation in the financial and operating policy decisions, pursuant to the Articles of Association of Hebei Xiong'an. Accordingly, Hebei Xiong'an is classified as an associate of the Group.

As at 31 December 2018 and 2017, the above investments were held by the Company's subsidiaries.

### 18. 联营公司权益 (续)

本集团联营公司于财务报表期间之详情如下:

Name 名称	Particulars of capital 资本详情	Place of registration and business 登记及营业地点	Percentage of ownership interest attributable to the Group 本集团应占拥有 权权益百分比	Principal activities 主营业务
Qingdao Haibohe Water Operating Limited ("Qingdao Haibohe") 青岛海泊河水务运营 有限公司 ("青岛海泊河")	Paid up capital of US\$350,845 实缴资本 350,845美元	PRC/ Mainland China 中国/中国内地	49	Waste water treatment 污水处理
Hebei Xiong'an Huashen Water Engineering Technology Limited ("Hebei Xiong'an") (note (a)) 河北雄安华深水务工程技术 有限公司 ("河北雄安") (附注(a))	Paid up capital of RMB5,000,000 实缴资本 5,000,000元人民币	PRC/ Mainland China 中国/中国内地	20	R&D and consultation on water treatment 水务处理的研发 及咨询

附注:

- (a) 截至2018年12月31日止年度, 本集团向河北雄安注资1,000,000元人民币(相当于1,168,000港元)。河北雄安由本集团及在中国的另外三家实体共同设立, 便于本集团能在雄安市进一步发展研发及建设服务。

根据河北雄安之公司章程细则, 本集团对河北雄安有重大影响(而非控制权或共同控制权), 包括参与决定其财务及运营政策。因此, 河北雄安被分类为本集团之联营公司。

于2018年及2017年12月31日, 上述投资由本公司附属公司持有。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 19. INTERESTS IN SUBSIDIARIES

### Company

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	11,760,204	12,294,429
Amounts due from subsidiaries	应收附属公司款项	3,274,536	3,893,998
		15,034,740	16,188,427
Impairment	减值	(4,293,153)	(4,488,176)
		10,741,587	11,700,251

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms. The balances are considered by the directors as quasi-equity investments in these subsidiaries.

Movements in the provision for impairment are as follows:

应收附属公司款项为无抵押、免息及并无固定还款期。该等结余被董事视为于该等附属公司的准股权投资。

减值拨备变动如下：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	4,488,176	4,220,965
Exchange realignment	汇兑重新调整	(195,023)	267,211
At the end of the year	年末	4,293,153	4,488,176

Particulars of the subsidiaries are disclosed in note 1 to the financial statements.

该等附属公司的详情于附注1披露。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 20. SERVICE CONCESSION FINANCIAL RECEIVABLES/ CONTRACT ASSETS

#### Group

Gross amounts due from customers for contract work	应收客户合同工程款项总额
Other receivables related to service concession arrangements	与服务特许经营安排相关的其他应收账款
Less: Non-current portion	减：非即期部分
Current portion	即期部分
Contract costs incurred plus recognised profits less anticipated losses	已产生合同成本加已确认盈利减预期亏损
Less: Progress billings	减：进度款项
Net contract work	合同工程净额
Representing:	代表：
Gross amounts due from customers for contract work	应收客户合同工程款项总额

Included in "Service concession financial receivables/contract assets" as at 31 December 2018 and 2017 are amounts of HK\$582,215,000 and HK\$589,969,000, respectively, which are due from a non-controlling shareholder of a non-wholly-owned subsidiary, and amounts of HK\$603,995,000 and HK\$617,792,000, respectively, which are due from a related company.

Service concession financial receivables/contract assets as at 31 December 2018 and 2017 totalling HK\$13,151,983,000 and HK\$11,514,263,000, respectively, bear interest at rates ranging from 4.90% to 7.83% and 4.90% to 7.83%, respectively, per annum. As at 31 December 2018 and 2017, HK\$5,443,224,000 and HK\$4,616,531,000, respectively, related to the service concession arrangements with operation commenced. The amounts for the service concession arrangements are not yet due for payment and will be settled by revenue to be generated during the operating periods of the service concession arrangements. Amounts billed will be transferred to trade receivables (note 22). No impairment loss was recognised by the Group at 31 December 2018 and 2017 in respect of the service concession financial receivables/contract assets.

### 20. 与服务特许经营权相关的金融应收款项/ 合同资产

#### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
8,677,810	7,189,327
4,474,173	4,324,936
13,151,983	11,514,263
(11,727,822)	(10,313,724)
1,424,161	1,200,539
12,891,494	10,340,120
(4,213,684)	(3,150,793)
8,677,810	7,189,327
8,677,810	7,189,327

于2018年及2017年12月31日，计入“与服务特许经营权相关的金融应收款项/合同资产”包括应收非全资附属公司的非控股股东款项分别582,215,000港元及589,969,000港元以及应收关联公司款项分别603,995,000港元及617,792,000港元。

于2018年及2017年12月31日，与服务特许经营权相关的金融应收款项分别合共13,151,983,000港元及11,514,263,000港元，分别按年利率介乎4.90%至7.83%及4.90%至7.83%计息。于2018年及2017年12月31日，与开始营运的服务特许经营安排有关的款项分别5,443,224,000港元及4,616,531,000港元。服务特许经营安排的款项尚未到期支付，并将以于服务特许经营安排的经营期间将予产生的收益结付。账单金额将转至应收账款（附注22）。于2018年及2017年12月31日，本集团并无就与服务特许经营权相关的金融应收款项/合同资产确认减值亏损。



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 20. SERVICE CONCESSION FINANCIAL RECEIVABLES/ CONTRACT ASSETS (cont'd)

As at 31 December 2018 and 2017, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, service concession financial receivables and trade receivables) with aggregate carrying amounts of HK\$4,426,064,000 and HK\$4,362,784,000, respectively, were pledged to secure banking facilities granted to the Group, further details of which are included in notes 26 and 33 to the financial statements.

### Group

Unsatisfied performance obligations related to service concession arrangements:	与服务特许经营安排相关的未完成履约责任:
Expected to be recognised within one year	预期将于一年内确认
Expected to be recognised after one year	预期将于一年后确认
Total transaction price allocated to the unsatisfied performance obligations	分配至未完成履约责任的交易总价

Included in the revenue recognised in each of the years ended 31 December 2018 and 2017, HK\$75,101,000 and nil, respectively, were related to performance obligations satisfied in previous periods.

Included in "Intangible assets" of the Group (note 16) as at 31 December 2018 and 2017 are contract assets of HK\$390,347,000 and HK\$226,832,000, respectively, arising from performance under construction contracts in connection with service concession arrangements.

## 20. 与服务特许经营权相关的金融应收款项/ 合同资产 (续)

于2018年及2017年12月31日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、与服务特许经营权相关的金融应收款项及应收账款）的账面总值分别4,426,064,000港元及4,362,784,000港元已抵押作为本集团获授银行融资之抵押，进一步详情载于附注26及33。

### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
4,827,359	4,248,695
39,482,401	25,966,109
44,309,760	30,214,804

截至2018年及2017年12月31日止年度，于过往期间达成的履约责任确认的收益金额分别为75,101,000港元及零。

于2018年及2017年12月31日计入本集团“无形资产”（附注16）的合同资产分别为390,347,000港元及226,832,000港元，乃产生自与服务特许经营安排有关的建造合同的表现。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 21. INVENTORIES

#### Group

Raw materials and consumables      原材料及耗材

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

### 21. 存货

#### 本集团

As at 31 December  
于十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
----------------------------------	----------------------------------

40,436	14,342
--------	--------

已确认为开支并计入损益的存货金额分析如下：

As at 31 December  
于十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
----------------------------------	----------------------------------

549,349	214,766
---------	---------

Cost of inventories consumed      已耗存货的账面值

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 22. TRADE AND OTHER RECEIVABLES

### Group

#### Non-current

Trade receivables	应收账款
VAT receivable	应收增值税
Other receivables	其他应收款项
Amount due from an associate	应收联营公司款项

Contingent consideration receivable	或然代价应收款项
-------------------------------------	----------

#### Current

Trade receivables	应收账款
Less: Impairment	减：减值
VAT receivable	应收增值税
Other receivables and sundry deposits	其他应收款项及杂项按金
Prepayments	预付款项

Contingent consideration receivable	或然代价应收款项
-------------------------------------	----------

Total	总计
-------	----

#### Company

Amounts due from subsidiaries	应收附属公司款项
Prepayments	预付款项
Total	总计

## 22. 应收账款及其他应收款项

### 本公司

As at 31 December  
于十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
50,216	—
92,341	—
10,518	10,515
4,029	—
157,104	10,515
2,155	—
159,259	10,515
720,953	413,777
(49,888)	—
671,065	413,777
131,658	113,054
90,918	127,304
125,017	151,724
1,018,658	805,859
6,386	—
1,025,044	805,859
1,184,303	816,374
3,660,270	1,834,010
3,156	—
3,663,426	1,834,010

The amount due from an associate as at 31 December 2018 is unsecured, interest-bearing at a rate of 4.75% per annum and repayable in 2020.

于2018年12月31日的应收联营公司款项为无抵押、按年利率4.75%计息及须于2020年偿还。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 22. TRADE AND OTHER RECEIVABLES (cont'd)

The amounts due from subsidiaries of the Company as at 31 December 2018 and 2017 are unsecured, interest-free and repayable on demand.

The movements in provision for impairment of trade receivables are as follows:

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	—	—
Effect on adoption of IFRS 9 (note 2.2)	采纳国际财务报告准则第9号的 影响 (附注2.2)	35,669	—
Impairment losses recognised (note 8)	已确认减值亏损 (附注8)	16,664	—
Exchange realignment	汇兑重新调整	(2,445)	—
At the end of the year	年末	49,888	—

Included in "Trade and other receivables" are trade receivables, that are not individually nor collectively considered to be impaired, with the following ageing analysis as at the end of the reporting period:

#### Group

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期	367,987	222,142
Past due:	已逾期:		
- 1 to 30 days	- 1至30日	21,844	40,250
- 31 to 90 days	- 31至90日	73,100	32,578
- 91 to 180 days	- 91至180日	133,978	13,685
- 181 to 365 days	- 181至365日	54,511	25,391
- more than 1 year but within 2 years	- 超过一年但两年内	38,851	74,860
- over 2 years	- 两年以上	31,010	4,871
Amounts past due	逾期款项	353,294	191,635
		721,281	413,777

### 22. 应收账款及其他应收款项 (续)

本公司于2018年及2017年12月31日的应收附属公司款项为无抵押、免息及须按要求偿还。

应收账款的减值拨备变动如下:

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	—	—
Effect on adoption of IFRS 9 (note 2.2)	采纳国际财务报告准则第9号的 影响 (附注2.2)	35,669	—
Impairment losses recognised (note 8)	已确认减值亏损 (附注8)	16,664	—
Exchange realignment	汇兑重新调整	(2,445)	—
At the end of the year	年末	49,888	—

计入“应收账款及其他应收款项”之被视为并未个别或共同减值的应收账款于报告期末之账龄分析如下:

#### 本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期	367,987	222,142
Past due:	已逾期:		
- 1 to 30 days	- 1至30日	21,844	40,250
- 31 to 90 days	- 31至90日	73,100	32,578
- 91 to 180 days	- 91至180日	133,978	13,685
- 181 to 365 days	- 181至365日	54,511	25,391
- more than 1 year but within 2 years	- 超过一年但两年内	38,851	74,860
- over 2 years	- 两年以上	31,010	4,871
Amounts past due	逾期款项	353,294	191,635
		721,281	413,777

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 22. TRADE AND OTHER RECEIVABLES (cont'd)

The ageing analysis of debtors, based on the date of invoice (or date of revenue recognition, if earlier) and net of provision, as at the end of the reporting period is as follows:

### Group

Within 1 month	一个月内
More than 1 month but within 2 months	超过一个月但于两个月内
More than 2 months but within 4 months	超过两个月但于四个月内
More than 4 months but within 7 months	超过四个月但于七个月内
More than 7 months but within 13 months	超过七个月但于十三个月内
More than 13 months	十三个月以上

Trade receivables are due within 30 to 90 days from the date of billing. During the year ended 31 December 2018, certain local government authorities agreed repayment schedules for the Group's trade receivables past due of HK\$50,216,000 to be settled by instalments from 2020 to 2021. Further details on the Group's credit policy are set out in note 39.

Trade receivables mainly represent revenue from the provision of operation services and the billed amounts of the service concession financial receivables. There was no recent history of default in respect of the Group's trade receivables. Since most of the debtors are local government authorities in the PRC and based on past experience, management, based on IAS 39's incurred loss approach, believes that no impairment allowance was necessary as at 31 December 2017 in respect of the past due balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

## 22. 应收账款及其他应收款项 (续)

债务人于报告期末根据发票日期 (或确认收益日期, 倘更早及扣除拨备后) 之账龄分析如下:

### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
295,894	181,695
67,763	42,944
67,071	41,440
147,661	16,610
53,203	56,023
89,689	75,065
<b>721,281</b>	<b>413,777</b>

应收账款应于开票日期后30至90日到期。截至2018年12月31日止年度, 若干地方政府机关就本集团的逾期应收账款50,216,000港元协议还款时间, 即将于2020年至2021年分期结付。有关本集团的信贷政策的进一步详情载于附注39。

应收账款主要指提供营运服务产生的收入及与服务特许经营权相关的金融应收款项的开票金额。本集团应收账款并无近期违约记录。由于大多数债务人为中国当地地方政府机关且根据过往经验、管理层基于国际会计准则第39号的产生亏损法, 相信由于信贷质素并无重大变动且结余仍被认为可悉数收回, 故毋须于2017年12月31日就已逾期结余作出减值拨备。本集团并不持有该等结余的任何抵押品。





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 22. TRADE AND OTHER RECEIVABLES (cont'd)

From 1 January 2018, the Group has applied the simplified approach to providing impairment for ECLs prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The ECLs below also incorporate forward looking information. The impairment as of 31 December 2018 was determined as follows:

		Current 即期	Past due within 1 year 逾期一年内	Past due more than 1 year but within 2 years 逾期超过一年 但于两年内	Past due over 2 years 逾期两年 以上	Total 总计
<b>31 December 2018:</b>	<b>2018年12月31日:</b>					
Expected loss rate	预计亏损率	0%	3%	12%	53%	6%
Gross carrying amount (HK\$'000)	账面总值 (千港元)	367,987	293,083	43,907	66,192	771,169
Impairment (HK\$'000)	减值 (千港元)	–	9,650	5,056 <sup>^</sup>	35,182 <sup>*</sup>	49,888

<sup>^</sup> The impairment included an amount of HK\$1,628,000 made for specific trade receivables which were considered in default due to indicators which showed that the Group was unlikely to receive the outstanding contractual amounts in full.

<sup>\*</sup> The impairment included an amount of HK\$33,164,000 made for specific trade receivables which were considered in default due to indicators which showed that the Group was unlikely to receive the outstanding contractual amounts in full.

Included in "Trade and other receivables" of the Group as at 31 December 2018 and 2017 were trade receivables of HK\$721,281,000 and HK\$413,777,000, respectively, of which HK\$148,663,000 and HK\$20,456,000, respectively, are due from a non-controlling shareholder of a non-wholly-owned subsidiary, HK\$10,612,000 and HK\$10,937,000, respectively, are due from a related company, HK\$51,960,000 and nil, respectively, are due from fellow subsidiaries.

Included in "Trade and other receivables" of the Group as at 31 December 2018 was contingent consideration receivable of HK\$8,541,000 in relation to the acquisition of Xuzhou Engineering Design Institute (note 31) during the year ended 31 December 2018. The contingent consideration receivable constitutes a derivative within the scope of IFRS 9, and is recognised at its fair value as asset on initial recognition and is subsequently remeasured at fair value with changes in fair value recognised in profit or loss.

### 22. 应收账款及其他应收款项 (续)

自2018年1月1日起, 本集团已应用简化方法对国际财务报告准则第9号规定的预期信贷亏损作出拨备, 其准许对所有应收账款采用整个存续期的预期亏损拨备。为计算预期信贷亏损, 根据共享信贷风险特征及逾期天数将应收账款分类。下文预期信贷亏损亦纳入前瞻性信息。于2018年12月31日的减值厘定如下:

<sup>^</sup> 减值包括就特定应收账款作出的金额1,628,000港元, 由于有迹象显示本集团不可能悉数收取未偿还合同金额, 故有关特定应收账款被视为违约。

<sup>\*</sup> 减值包括就特定应收账款作出的金额33,164,000港元, 由于有迹象显示本集团不可能悉数收取未偿还合同金额, 故有关特定应收账款被视为违约。

于2018年及2017年12月31日之集团“应收账款及其他应收款项”包括应收账款721,281,000港元及413,777,000港元, 其中应收非全资附属公司的非控股股东款项分别为148,663,000港元及20,456,000港元、应收关联公司款项分别为10,612,000港元及10,937,000港元、以及应收同系附属公司款项分别为51,960,000港元及零。

于2018年12月31日计入本集团“应收账款及其他应收款项”的或然代价应收款项8,541,000港元与截至2018年12月31日止年度收购徐州设计院(附注31)有关。或然代价应收款项构成国际财务报告准则第9号范围内的衍生工具, 并于初步确认时按其公允价值确认为资产, 且其后按公允价值重新计量, 其公允价值变动确认为损益。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 22. TRADE AND OTHER RECEIVABLES (cont'd)

## 22. 应收账款及其他应收款项 (续)

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	年初	—	—
Additions (note 31)	添置 (附注31)	5,643	—
Fair value gain recognised in profit or loss (note 6)	于损益内确认之公允价值收益 (附注6)	3,428	—
Exchange realignment	汇兑重新调整	(530)	—
At the end of the year	年末	8,541	—
Portion classified as current assets	分类为流动资产之部分	(6,386)	—
Non-current portion	非即期部分	2,155	—

Details of the fair value disclosure of the contingent consideration receivable as at 31 December 2018 are set out in note 37 to the financial statements.

于2018年12月31日或然代价应收款项公允价值披露的详情载于附注37。

Included in "Other receivables and sundry deposits" of the Group as at 31 December 2018 and 2017 were consideration receivables of HK\$23,939,000 and HK\$29,657,000, respectively, due from third parties arising from the disposals of service concession rights held by Suqian City Cheng Bei Water Treatment Co., Ltd. and Suqian City Cheng Bei Wastewater Treatment Co., Ltd., and the ageing of which is as follows:

于2018年及2017年12月31日，出售宿迁市城北水务发展有限公司及宿迁市城北污水处理发展有限公司所持服务特许经营权分别产生计入“其他应收款项及杂项按金”的应收第三方代价23,939,000港元及29,657,000港元，其账龄分析载列如下：

### Group

### 本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期	10,871	12,433
Past due:	已逾期:		
- within 1 year	- 一年内	—	—
- more than 1 year but within 2 years	- 一年以上但于两年内	4,923	5,147
- over 2 years	- 两年以上	8,145	12,077
Amounts past due	逾期款项	13,068	17,224
		23,939	29,657



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 22. TRADE AND OTHER RECEIVABLES (cont'd)

As at 31 December 2018 and 2017, certain of the Group's concession rights of the environmental water projects (comprising concession rights of intangible assets, service concession financial receivables and trade receivables) with aggregate carrying amounts of HK\$4,426,064,000 and HK\$4,362,784,000, respectively, were pledged to secure banking facilities granted to the Group, further details of which are included in notes 26 and 33 to the financial statements.

All of the current portions of the above balances are expected to be recovered or recognised as expenses within one year.

### 23. FIXED DEPOSITS WITH MATURITY PERIOD OVER THREE MONTHS

#### Group

Pledged bank deposits      已抵押银行存款  
Fixed deposits                定期存款

Deposits with banks with original maturity of more than three months are not included in cash and cash equivalents.

As at 31 December 2018 and 2017, bank deposits were pledged to secure certain bank and other loans of the Group (note 26).

Pledged bank deposits earn interest at the respective time deposit rates, and are deposited with a creditworthy bank with no recent history of default.

As at 31 December 2018, pledged bank deposits of the Group were considered to be of low credit risk, and thus the Group has assessed that the ECL for pledged deposits is immaterial under the 12-month expected losses method.

As at 31 December 2017, the fixed deposit of HK\$83,125,000 had a maturity period of 180 days from the date of acquisition. The balance was principal-protected and carried the expected rate of return of 3.8% per annum. The Group redeemed such deposit in the first quarter of 2018.

### 22. 应收账款及其他应收款项 (续)

于2018年及2017年12月31日，本集团若干水环境项目之特许经营权（包括无形资产中的特许经营权、与服务特许经营权相关的金融应收款项及应收账款）的账面总值分别4,426,064,000港元及4,362,784,000港元已抵押作为本集团获授银行融资之抵押品，进一步详情载于附注26及33。

上述结余之所有即期部分预期可于一年内收回或确认为开支。

### 23. 到期日为三个月以上定期存款

#### 本集团

As at 31 December  
于十二月三十一日

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	(Restated)
547,050	547,278
—	83,125
547,050	630,403

原到期日超过三个月之银行存款并未计入现金及现金等价物。

于2018年及2017年12月31日，银行存款已抵押以取得本集团若干银行及其他贷款（附注26）。

已抵押银行存款按各自对应的定期存款利率赚取利息，并存放于信誉良好且近期并无违约纪录之银行。

于2018年12月31日，本集团的已抵押银行存款被视为低信贷风险，因此，本集团已根据12个月的预期亏损法评估已抵押存款的预期信贷亏损为不重大。

于2017年12月31日，定期存款83,125,000港元自购入日期起计180日到期。有关结余属保本性质，而其预期年回报率为3.8%。本集团在2018年度第一季度赎回该存款。

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## 24. CASH AND CASH EQUIVALENTS

### Group

Cash on hand and bank balances	手持现金及银行结余
Restricted balances in financial institutions	于金融机构的受限制结余
Pledged bank deposits	已抵押银行存款

### Company

Cash and cash equivalents	手持现金及银行结余
---------------------------	-----------

As at 31 December 2017, the restricted balances in financial institutions had a maturity period of 21 days from the date of acquisition. The balances were principal-protected and carried the expected rate of return of 4.4% per annum.

As at 31 December 2018, the pledged bank deposits are pledged to banks for the issuance of guarantees by the banks to the grantors in respect of the specific performance duties by the Group under certain service concession agreements.

Included in "Cash and cash equivalents" of the Group as at 31 December 2018 and 2017 are deposits of HK\$6,926,000 and HK\$5,597,000, respectively, placed with a related party bank, which is a fellow subsidiary of the Company.

As at 31 December 2018 and 2017, the cash and cash equivalents of the Group denominated in RMB amounted to HK\$1,687,447,000 and HK\$2,018,696,000, respectively. 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.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

## 24. 现金及现金等价物

### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,706,871	2,074,414
—	95,000
21,702	—
1,728,573	2,169,414

### 本公司

31,661	27,783
--------	--------

于2017年12月31日，于金融机构的受限制结余自购入日期起计21日到期。有关结余属保本性质，而其预期年回报率为4.4%。

于2018年12月31日，已抵押银行存款抵押予银行，就本集团于若干服务特许经营协议项下的特定履约责任而由银行向授权人发出担保。

于2018年及2017年12月31日，本集团“现金及现金等价物”包括存放于本公司同系附属公司关联方银行之存款，分别为6,926,000港元及5,597,000港元。

于2018年及2017年12月31日，本集团以人民币计值的现金及现金等价物分别为1,687,447,000港元及2,018,696,000港元。人民币不能自由兑换成其他货币，然而，根据中国内地《外汇管理条例》及《结汇、售汇及付汇管理规定》，本集团可透过获授权经营外汇业务之银行将人民币兑换成其他货币。

银行存款按浮动息率计息，而浮动息率乃根据每日银行存款息率厘定。银行结余乃存放于信誉良好且近期并无违约纪录之银行。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 24. CASH AND CASH EQUIVALENTS (cont'd)

As at 31 December 2018, cash and cash equivalents of the Group and the Company were considered to be of low credit risk, and thus the Group has assessed that the ECL for cash and cash equivalents is immaterial under the 12-month expected losses method.

### 25. TRADE AND OTHER PAYABLES

#### Group

Trade payables	应付账款
Amounts due to intermediate holding companies	应付中间控股公司款项
Dividend payable to a non-controlling shareholder of a non-wholly-owned subsidiary	应付非全资附属公司的非控股股东股息
Interest payable	应付利息
Payable for acquisition	应付收购款项
Tax payables	应交税费
Other creditors and accrued expenses	其他应付款项及预提费用
Total	总额

#### Company

Amounts due to subsidiaries	应付附属公司款项
Interest payable	应付利息
Other creditors and accrued expenses	其他应付款项及预提费用
Total	总额

### 24. 现金及现金等价物 (续)

于2018年12月31日，本集团及本公司的现金及现金等价物被视为低信贷风险，因此，本集团已根据12个月的预期亏损法评估现金及现金等价物的预期信贷亏损为不重大。

### 25. 应付账款及其他应付款项

#### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,472,377	1,132,040
4	—
28,583	22,444
64,776	43,963
14,994	—
42,541	39,261
271,820	315,857
1,895,095	1,553,565

#### 本公司

26,936	105,889
62,912	43,805
12,153	5,837
102,001	155,531



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For the financial year ended 31 December 2018  
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## 25. TRADE AND OTHER PAYABLES (cont'd)

Included in "Trade and other payables" are trade payables with the following ageing analysis based on the date of invoice as at the end of the reporting period:

### Group

Within 6 months	六个月内
Over 6 months	六个月以上

Trade payables totalling HK\$1,231,468,000 and HK\$982,950,000 as at 31 December 2018 and 2017 represent construction payables for the Group's BOT and certain BOO arrangements, of which HK\$1,136,000 and HK\$1,188,000 is due to a non-controlling shareholder of a non-wholly-owned subsidiary. The construction payables are not yet due for payment.

Included in "Trade payables" of the Group as at 31 December 2018 and 2017 are trade payables of HK\$6,940,000 and HK\$7,116,000, respectively, due to an associate, which are unsecured, interest free and repayable on credit terms similar to those offered by the associate to its major customers.

Included in "Other creditors and accrued expenses" of the Group as at 31 December 2018 and 2017 is a guarantee deposit of HK\$14,230,000 and HK\$14,144,000, respectively, from a former director of a subsidiary.

The amounts due to intermediate holding companies of the Group as at 31 December 2018 is unsecured, interest free and repayable on demand.

The amounts due to subsidiaries of the Company as at 31 December 2018 and 2017 are unsecured, interest free and repayable on demand.

## 25. 应付账款及其他应付款项 (续)

"应付账款及其他应付款项" 包括应付账款，按发票日期计算，其于报告期末之账龄分析如下：

### 本集团

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,219,776	984,111
252,601	147,929
1,472,377	1,132,040

于2018年及2017年12月31日的应付账款总额1,231,468,000港元及982,950,000港元为就本集团BOT及若干BOO安排应付的建造款项，其中1,136,000港元及1,188,000港元为应付非全资附属公司之非控股股东款项。建造工程应付账款属未到期款项。

于2018年及2017年12月31日，本集团"应付账款"包括应付联营公司的应付账款6,940,000港元及7,116,000港元，相关款项为无抵押、免息及按与联营公司授予主要客户的信贷期相若的信贷期偿还。

于2018年及2017年12月31日，本集团"其他应付款项及预提费用"包括自附属公司的一名前董事的担保按金14,230,000港元及14,144,000港元。

于2018年12月31日，应付本集团中间控股公司款项为无担保、免息及按要求偿还。

于2018年及2017年12月31日，应付本公司附属公司款项为无担保、免息及按要求偿还。



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### 26. BORROWINGS

### 26. 贷款

#### Group

#### 本集团

		As at 31 December 2018 于二零一八年十二月三十一日		As at 31 December 2017 于二零一七年十二月三十一日	
		Maturity 到期日	HK\$'000 千港元	Maturity 到期日	HK\$'000 千港元
<b>Non-current</b>	<b>非流动</b>				
Bank and other loans – secured	银行及其他贷款 – 有抵押	2020-2032	1,453,818	2019-2032	2,458,680
Bank loans – unsecured	银行贷款 – 无抵押	2020-2038	1,951,154	2019-2038	1,088,315
Corporate bonds – unsecured (note 27)	公司债券 – 无抵押 (附注27)	2022-2023	2,035,404	2022	1,181,035
			<u>5,440,376</u>		<u>4,728,030</u>
<b>Current</b>	<b>流动</b>				
Bank and other loans – secured	银行及其他贷款 – 有抵押	2019	1,062,132	2018	248,881
Bank loans – unsecured	银行贷款 – 无抵押	2019	1,098,268	2018	1,654,841
			<u>2,160,400</u>		<u>1,903,722</u>
			<u>7,600,776</u>		<u>6,631,752</u>

#### Company

#### 本公司

<b>Non-current</b>	<b>非流动</b>				
Bank loans – secured	银行贷款 – 有抵押	2025	775,150	2025	896,655
Bank loans – unsecured	银行贷款 – 无抵押	2021	701,032	–	–
Corporate bonds – unsecured (note 27)	公司债券 – 无抵押 (附注27)	2022-2023	2,035,404	2022	1,181,035
			<u>3,511,586</u>		<u>2,077,690</u>
<b>Current</b>	<b>流动</b>				
Bank loans – secured	银行贷款 – 有抵押	2019	121,132	2018	121,183
Bank loans – unsecured	银行贷款 – 无抵押	2019	932,187	2018	1,235,219
			<u>1,053,319</u>		<u>1,356,402</u>
			<u>4,564,905</u>		<u>3,434,092</u>

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For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 26. BORROWINGS (cont'd)

## 26. 贷款 (续)

### Group

### 本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Analysed into:	分析为:		
Bank loans repayable:	须偿还银行贷款:		
Within one year or on demand	一年内或按要求	1,663,126	1,898,402
In the second year	第二年	601,391	1,084,057
In the third to fifth years, inclusive	第三年至第五年 (包括首尾两年)	2,010,762	1,112,248
Beyond five years	第五年后	792,819	830,826
		5,068,098	4,925,533
Other loans repayable:	须偿还其他贷款:		
Within one year or on demand	一年内或按要求	497,274	5,320
In the second year	第二年	—	519,864
		497,274	525,184
Corporate bond repayable:	须偿还公司债券:		
In the second year	第二年	1,131,070	—
In the third to fifth years, inclusive	第三年至第五年 (包括首尾两年)	904,334	1,181,035
		2,035,404	1,181,035
Total	总计	7,600,776	6,631,752

### Company

### 本公司

Analysed into:	分析为:		
Bank loans repayable:	须偿还银行贷款:		
Within one year or on demand	一年内或按要求	1,053,319	1,356,402
In the second year	第二年	119,019	121,183
In the third to fifth years, inclusive	第三年至第五年 (包括首尾两年)	1,066,543	363,548
Beyond five years	第五年后	290,620	411,924
		2,529,501	2,253,057
Corporate bond repayable:	须偿还公司债券:		
In the second year	第二年	1,131,070	—
In the third to fifth years, inclusive	第三年至第五年 (包括首尾两年)	904,334	1,181,035
		2,035,404	1,181,035
Total	总计	4,564,905	3,434,092



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 26. BORROWINGS (cont'd)

Note: For the purpose of the above analysis, the corporate bond payable in the amount of HK\$2,035,404,000 and HK\$1,181,035,000 as at 31 December 2018 and 2017, respectively, and containing an option to sell back the bond to the Company which is exercisable after three years from the issuance date (note 27) is analysed as to HK\$1,131,070,000 repayable within the second year and HK\$904,334,000 repayable within the third to fifth years, inclusive as at 31 December 2018 and HK\$1,181,035,000 repayable within the third to fifth years, inclusive as at 31 December 2017.

The corporate bond payable at 31 December 2018 and 2017 will be due for repayment on the respective maturity dates (note 27) unless being sold back to the Company prior to the maturity pursuant to the terms of the Corporate Bond. Based on the maturity terms of the Corporate Bond (as defined in note 27), the amounts repayable in respect of the corporate bond payable are: HK\$2,035,404,000 repayable within the third to fifth years, inclusive as at 31 December 2018, and HK\$1,181,035,000 repayable within the third to fifth years, inclusive as at 31 December 2017.

Certain banking facilities and other loans of the Group are secured by certain revenue, receivables and intangible assets in connection with the Group's service concession arrangements, and bank deposits. Such bank loan facilities and other loans, amounting to HK\$2,754,489,000 and HK\$2,924,874,000 as at 31 December 2018 and 2017, respectively, were utilised to the extent of HK\$2,515,950,000 and HK\$2,707,561,000, respectively. Among the secured banking facilities, HK\$309,593,000 and HK\$352,157,000 are guaranteed by the Company as at 31 December 2018 and 2017, respectively, and were utilised to the extent of HK\$309,593,000 and HK\$352,157,000 as at 31 December 2018 and 2017, respectively.

The unsecured bank loan facilities, amounting to HK\$6,793,701,000 and HK\$4,589,334,000 as at 31 December 2018 and 2017, respectively, were utilised to the extent of HK\$3,049,422,000 and HK\$2,743,156,000, respectively. Among the unsecured banking facilities of the Group, HK\$1,067,055,000 and HK\$949,610,000 are guaranteed by the Company as at 31 December 2018 and 2017, respectively, and were utilised to the extent of HK\$830,409,000 and HK\$866,485,000 as at 31 December 2018 and 2017, respectively.

### 26. 贷款 (续)

附注: 就上述分析而言, 应付公司债券于2018年及2017年12月31日的金额分别为2,035,404,000港元及1,181,035,000港元, 均订明将债券售回予本公司的选择权, 可自发行日期(附注27)起计三年后行使, 公司债券的分析为截至2018年12月31日须于第二年内偿还的金额为1,131,070,000港元及须于第三至五年内(包括首尾两年)偿还的金额为904,334,000港元以及截至2017年12月31日须于第三至五年内(包括首尾两年)偿还的金额为1,181,035,000港元。

于2018年及2017年12月31日的应付公司债券将于相关到期日(附注27)偿还, 惟根据公司债券(定义见附注27)之条款于到期前售回予本公司的情况除外。根据公司债券(定义见附注27)之条款, 就应付公司债券须偿还的金额为截至2018年12月31日(包括该日)须于第三至第五年内偿还的2,035,404,000港元及截至2017年12月31日(包括该日)须于第三至第五年内偿还的1,181,035,000港元。

本集团之若干银行融资及其他贷款授信是以若干与本集团服务特许经营安排相关的收入、应收款项及无形资产以及银行存款作抵押。于2018年及2017年12月31日, 该等银行贷款融资及其他贷款授信分别为2,754,489,000港元及2,924,874,000港元, 其中分别动用2,515,950,000港元及2,707,561,000港元。在有抵押银行融资授信中, 309,593,000港元及352,157,000港元由本公司分别于2018年及2017年12月31日担保, 其中于2018年及2017年12月31日分别动用309,593,000港元及352,157,000港元。

于2018年及2017年12月31日, 无抵押银行贷款融资授信分别为6,793,701,000港元及4,589,334,000港元, 其中分别动用3,049,422,000港元及2,743,156,000港元。在本集团无抵押银行融资授信中, 1,067,055,000港元及949,610,000港元由本公司分别于2018年及2017年12月31日担保, 其中于2018年及2017年12月31日分别动用830,409,000港元及866,485,000港元。

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财务报表附注



## 26. BORROWINGS (cont'd)

Bank loan facilities of HK\$5,233,720,000 and HK\$3,377,205,000 as at 31 December 2018 and 2017, respectively, are subject to the fulfilment of covenants relating to certain of the Group's financial ratios. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. At 31 December 2018 and 2017, such facilities were utilised to the extent of HK\$3,772,447,000 and HK\$2,878,162,000 respectively. The Group regularly monitors its compliance with these covenants. Certain banking facilities also restrict some of the Company's subsidiaries from declaring or paying dividends to shareholders without obtaining prior written approval of the banks or require the Group to process waste water treatment operating fee via respective financial institutions. Further details of the Group's management of liquidity risk are set out in note 39.

The Group's bank and other loans of HK\$497,274,000 and HK\$525,184,000 as at 31 December 2018 and 2017, respectively, bear interest at fixed rates ranging from 2.88% to 2.90% and 2.88% to 2.90% per annum, bank loans of HK\$5,068,098,000 and HK\$4,925,533,000 as at 31 December 2018 and 2017, respectively, bear interest at variable rates ranging from, 2.95% to 5.02% and 2.60% to 4.90% per annum, and corporate bond payable of HK\$2,035,404,000 and HK\$1,181,035,000 as at 31 December 2018 and 2017, respectively, bears interest at fixed rates ranging from 4.55% to 4.60% per annum and a fixed rate of 4.55% per annum.

The Group's bank and other loans of HK\$1,052,583,000 and HK\$1,916,057,000 and as at 31 December 2018 and 2017, respectively, are denominated in US\$, HK\$2,309,585,000 and HK\$2,966,487,000 as at 31 December 2018 and 2017, respectively, are denominated in RMB, HK\$2,203,204,000 and HK\$568,173,000 as at 31 December 2018 and 2017, respectively, are denominated in Hong Kong dollars.

## 26. 贷款 (续)

于2018年及2017年12月31日，银行贷款融资授信分别为5,233,720,000港元及3,377,205,000港元须符合与本集团若干财务比率有关的契诺。倘本集团违反契诺，所提取的融资授信须应要求偿还。于2018年及2017年12月31日，有关融资授信已分别动用3,772,447,000港元及2,878,162,000港元。本集团会定期监察该等契诺的遵行情况。若干银行融资授信亦限制本公司若干附属公司不得在未获银行事前书面批准下向股东宣派或支付股息，或要求本集团通过指定的财务机构处理污水处理运营费。本集团管理流动资金风险的进一步详情载于附注39。

于2018年及2017年12月31日，本集团银行及其他贷款分别有497,274,000港元及525,184,000港元按固定年利率介乎2.88%至2.90%及2.88%至2.90%计息；于2018年及2017年12月31日，银行贷款分别有5,068,098,000港元及4,925,533,000港元按浮动年利率2.95%至5.02%及2.60%至4.90%计息，及于2018年及2017年12月31日应付公司债券分别有2,035,404,000港元及1,181,035,000港元，按固定年利率介乎4.55%至4.60%计息及固定年利率4.55%计息。

于2018年及2017年12月31日，本集团银行及其他贷款分别有1,052,583,000港元及1,916,057,000港元以美元计值；于2018年及2017年12月31日，分别有2,309,585,000港元及2,966,487,000港元以人民币计值；及于2018年及2017年12月31日，分别有2,203,204,000港元及568,173,000港元以港元计值。





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### 27. CORPORATE BONDS

#### Group and Company

#### Non-current

Corporate bonds - unsecured

#### 非流动

公司债券 — 无抵押

On 21 July 2017, the Company entered into an underwriting agreement with the relevant financial institution in relation to the issue of RMB-denominated corporate bonds with an aggregate principal amount of not exceeding RMB2.5 billion (the “**Corporate Bond**”) to the qualified investors in the PRC.

On 24 July 2017 (the “**First Issue Date**”), the Company issued the first tranche of the Corporate Bond with principal amount of RMB1 billion, before related expenses of RMB5,964,000, with a maturity period of five years from the First Issue Date. The first tranche of the Corporate Bond bears interest at a rate of 4.55% per annum and the interest will be repayable by the Company annually from the First Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the First Issue Date, the Company is entitled to adjust the interest rate of the first tranche of the Corporate Bond for the remaining two years before the maturity date. The Company will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the First Issue Date. The bondholders have an option to sell back the first tranche of the Corporate Bond to the Company at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of the Company's announcement related to the adjustment in interest rate of the first tranche of the Corporate Bond.

### 27. 公司债券

#### 本集团及本公司

As at 31 December  
于十二月三十一日

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元

2,035,404	1,181,035
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于2017年7月21日，本公司就向中国合格投资者发行以人民币计值本金总额不超过25亿元人民币的公司债券（“**公司债券**”）与相关金融机构订立承销协议。

于2017年7月24日（“**首次发行日期**”），本公司发行第一批本金额为10亿元人民币（扣除相关开支5,964,000元人民币前）的公司债券，期限由首次发行日期起计为期五年。第一批公司债券按年息率4.55%计息及本公司将于首次发行日期起至到期日止每年支付利息。根据公司债券之条款，自首次发行日期起计三年后，本公司有权调整第一批公司债券于到期日前余下两年之息率。本公司将于支付首次发行日期后第三年的利息前20个工作日宣布息率调整（如有）。债券持有人可选择按名义价格将第一批公司债券售回予本公司，及该选择权的行使期为紧随本公司有关调整第一批公司债券息率的公告刊发后的五个工作日。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 27. CORPORATE BONDS (cont'd)

On 16 August 2018 (the “**Second Issue Date**”), the Company issued the second tranche of the Corporate Bond with principal amount of RMB800 million, before related expenses of RMB4,171,000, with a maturity period of five years from the Second Issue Date. The second tranche of the Corporate Bond comprises two types of bonds: (i) bonds with principal amount of RMB400 million which bear interest at a rate of 4.60% per annum, and (ii) bonds with principal amount of RMB400 million which bear interest at a rate of 4.58% per annum. The interest will be repayable by the Company annually from the Second Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the Second Issue Date, the Company is entitled to adjust the interest rate of the second tranche of the Corporate Bond for the remaining two years before the maturity date. The Company will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the Second Issue Date. The bondholders have an option to sell back the second tranche of the Corporate Bond to the Company at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of the Company's announcement related to the adjustment in interest rate of the second tranche of the Corporate Bond.

Subsequent to the end of the financial year, the Company issued the third tranche of the Corporate Bond on 21 January 2019 (the “**Thrid Issue Date**”) with principal amount of RMB700 million, before related expenses, with a maturity period of five years from the Thrid Issue Date, as further detailed in note 40.

## 27. 公司债券 (续)

于2018年8月16日 (“**第二次发行日期**”)，本公司发行第二批本金额为8.00亿元人民币（扣除相关开支4,171,000元人民币前）的公司债券，期限由第二次发行日期起计为期五年。第二批公司债券包括两类债券：(i)本金额4.00亿元人民币按年息率4.60%计息的债券，(ii)本金额4.00亿元人民币按年息率4.58%计息的债券。本公司将于第二次发行日期起至到期日止每年支付利息。根据公司债券之条款，自第二次发行日期起计三年后，本公司有权调整第二批公司债券于到期日前余下两年之息率。本公司将于支付第二次发行日期后第三年的利息前20个工作日宣布息率调整（如有）。债券持有人可选择按名义价格将第二批公司债券售回予本公司，及该选择权的行使期为紧随本公司有关调整第二批公司债券息率的公告刊发后的五个工作日。

于财务报表期间结束后，本公司于2019年1月21日 (“**第三次发行日期**”) 发行本金额为7.00亿元人民币（扣除相关开支前）的第三批公司债券，期限由第三次发行日期起计为期五年，进一步详情载于附注40。

## 28. DEFERRED TAX

### Group

## 28. 递延税项负债

### 本集团

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax liabilities	递延税项负债	1,379,738	1,270,846



# NOTES TO THE FINANCIAL STATEMENTS

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### 28. DEFERRED TAX (cont'd)

The movements in deferred tax liabilities/(assets) during the financial year are as follows:

#### Group

		Fair value adjustments arising from acquisition of subsidiaries 收购附属公司所产生之公允价值调整 HK\$'000 千港元	Temporary differences on assets recognised under IFRIC 12 根据国际财务报告 准则委员会第 12号确认之资产 之暂时性差额 HK\$'000 千港元	Undistributed profits of subsidiaries 附属公司 未分配盈利 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 总计 HK\$'000 千港元
At 1 January 2017	于2017年1月1日	213,813	724,628	126,235	(12,984)	1,051,692
Deferred tax charged/ (credited) to profit or loss	扣除 / (计入) 损益 的递延税项	(13,972)	137,812	25,540	–	149,380
Exchange realignment	汇兑重新调整	13,852	47,960	8,784	(822)	69,774
At 31 December 2017 and 1 January 2018	于2017年12月31日 及2018年1月1日	213,693	910,400	160,559	(13,806)	1,270,846
Deferred tax charged/ (credited) to profit or loss	扣除 / (计入) 损益 的递延税项	(11,845)	135,150	47,556	–	170,861
Acquisition of subsidiaries (note 31)	收购附属公司 (附注31)	2,269	–	–	–	2,269
Exchange realignment	汇兑重新调整	(10,865)	(44,968)	(9,005)	600	(64,238)
At 31 December 2018	于2018年12月31日	193,252	1,000,582	199,110	(13,206)	1,379,738

The Group has estimated tax losses arising in Mainland China of approximately HK\$117,783,000 and HK\$98,154,000 as at 31 December 2018 and 2017, respectively, that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets in respect of such tax losses arising in Mainland China have not been recognised as they have arisen in certain subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

### 28. 递延税项负债 (续)

递延税项负债 / (资产) 于财务报表期间之变动如下:

#### 本集团

于2018年及2017年12月31日，本集团于中国内地产生之估计税项亏损分别约117,783,000港元及98,154,000港元将于一至五年内届满用于抵销产生亏损之公司日后应课税盈利。由于有关亏损来自已出现亏损一段时间之若干附属公司，且被认为应课税盈利将不可能抵销该等可动用的税项亏损，故概无就中国内地产生之该等税项亏损确认递延税项资产。

# NOTES TO THE FINANCIAL STATEMENTS

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截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 28. DEFERRED TAX (cont'd)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

## 28. 递延税项负债 (续)

根据中国企业所得税法，于中国内地成立的外商投资企业向海外投资者宣派的股息须缴纳10%扣税。该规定自2008年1月1日起生效，并适用于2007年12月31日后之盈利。倘中国内地与海外投资者所处司法权区订有税务条约，则可采用较低预扣税率。本集团的适用税率为5%或10%。因此，本集团须就于中国内地成立的附属公司分派自2008年1月1日产生之盈利的股息缴纳预扣所得税。

本公司向其股东派发股息并不附带任何所得税后果。

## 29. SHARE CAPITAL

### Group and Company

## 29. 股本

### 本集团及本公司

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Authorised:	法定:		
10,000,000,000 ordinary shares of HK\$1 each	10,000,000,000股每股面值 1港元的普通股	10,000,000	10,000,000
Issued and fully paid:	已发行及缴足:		
2,676,062,186 and 2,625,641,871 ordinary shares of HK\$1 each	2,676,062,186股及2,625,641,871股 每股面值1港元的普通股	2,676,062	2,625,642



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 29. SHARE CAPITAL (cont'd)

#### Group and Company (cont'd)

A summary of movements in share capital is as follows:

		Number of shares in issue 已发行股份 数目 '000 千股	Share capital 股本 HK\$'000 千港元	Share premium 股份溢价 HK\$'000 千港元	Total 总计 HK\$'000 千港元
At 1 January 2017	于2017年1月1日	2,609,908	2,609,908	1,240,300	3,850,208
Issue of ordinary shares pursuant to a scrip dividend scheme	根据以股代息计划发行普通股	15,734	15,734	26,116	41,850
Share issue expenses	股份发行开支	—	—	(168)	(168)
At 31 December 2017 and 1 January 2018	于2017年12月31日及2018年1月1日	2,625,642	2,625,642	1,266,248	3,891,890
Issue of ordinary shares pursuant to a scrip dividend scheme	根据以股代息计划发行普通股	50,420	50,420	67,281	117,701
Share issue expenses	股份发行开支	—	—	(348)	(348)
At 31 December 2018	于2018年12月31日	2,676,062	2,676,062	1,333,181	4,009,243

During the financial year ended 31 December 2017, the Company allotted and issued 15,733,870 new ordinary shares to ordinary shareholders who had elected to participate in the scrip dividend scheme. Accordingly, the Company recognised share premium of HK\$26,116,299 arising from the issuance of such shares and the additional listing fee of SGD30,000 (HK\$167,993) would be recognised as a reduction to share premium.

The Company declared a dividend of SGD0.0049 per ordinary share for the financial year ended 31 December 2017. According to the result of an election between a cash dividend and a scrip dividend by shareholders of the Company, dividends of SGD2,612,855 were settled by the Company in cash and 24,411,431 ordinary shares were issued on 21 June 2018 to settle the remaining dividend payable of SGD10,252,789 (equivalent to approximately HK\$60,068,000).

### 29. 股本 (续)

#### 本集团及本公司 (续)

股本变动摘要如下:

截至2017年12月31日止的财政年度, 本公司向选择参与以股代息计划的股东配发及发行15,733,870股普通股股份。据此本公司确认了发行股份产生的股份溢价26,116,299港元, 额外产生的发行费用30,000新加坡元(即167,993港元)确认为股份溢价的抵减项。

本公司宣派截至2017年12月31日止财政年度的股息每股普通股0.0049新加坡元。根据本公司股东对现金股息及以股代息的选择结果, 本公司以现金结清股息2,612,855新加坡元, 及24,411,431股普通股于2018年6月21日发行以结清剩余应付股息10,252,789新加坡元(相当于约60,068,000港元)。



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For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 29. SHARE CAPITAL (cont'd)

The Company declared an interim dividend of SGD0.0049 per ordinary share for the financial year ended 31 December 2018. According to the result of an election between a cash dividend and a scrip dividend by shareholders of the Company, dividends of SGD2,919,823 were settled by the Company in cash and 26,008,884 ordinary shares were issued on 11 October 2018 to settle the remaining dividend payable of SGD10,065,437 (equivalent to approximately HK\$57,633,000).

## 29. 股本 (续)

本公司宣派截至2018年12月31日止财政年度的中期股息每股普通股0.0049新加坡元。根据本公司股东对现金股息及以股代息的选择结果，本公司以现金结清股息2,919,823新加坡元，及于2018年10月11日发行26,008,884股普通股以结清剩余应付股息10,065,437新加坡元（相当于约57,633,000港元）。

## 30. RESERVES

## 30. 储备

		Group 本集团		Company 本公司	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Share premium	股份溢价	1,333,181	1,266,248	123,131	56,198
Foreign currency translation reserve	外币换算储备	(502,623)	(22,051)	(934,538)	(492,810)
Statutory reserve	法定储备	300,386	200,799	—	—
Contributed surplus reserve	缴入盈余储备	1,229,302	1,229,302	7,639,082	7,639,082
Other reserves	其他储备	(2,181)	(2,181)	64,953	64,953
Retained earnings	保留盈利	2,949,063	2,559,424	201,096	79,382
		<b>5,307,128</b>	<b>5,231,541</b>	<b>7,093,724</b>	<b>7,346,805</b>

### (i) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

### (i) 外币换算储备

外币换算储备指换算功能货币与本集团列报货币不同的海外业务财务报表所产生的汇兑差额。

### (ii) Statutory reserve

In accordance with the Company Law of the People's Republic of China, the subsidiaries in the PRC are required to allocate 10% of the statutory after tax profits to the statutory reserve until the cumulative total of the reserve reaches 50% of the subsidiaries' registered capital. Subject to approval from the relevant PRC authorities, the statutory reserve may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The statutory reserve is not available for dividend distribution to shareholders of the PRC subsidiaries.

### (ii) 法定储备

根据适用于中国附属公司的《外资企业法》，全资附属公司须对法定储备作出拨备。根据适用的中国会计准则及规定，至少10%的法定税后盈利须分配至法定储备，直至累计储备总额达至附属公司注册资本的50%为止。待相关中国机关审批后，法定储备可用于抵销任何累计亏损或增加附属公司的注册资本。法定储备不得用于向中国附属公司股东派付股息。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 30. RESERVES (cont'd)

#### (iii) Contributed surplus reserve

Contributed surplus reserve arose from the reduction of share premium. Pursuant to the special resolution at the Special General Meeting of the Company held on 15 December 2015, the entire amount standing to the credit of the Company's share premium was reduced to nil and transferred to the contributed surplus reserve.

#### (iv) Other reserves

Other reserves comprise capital reserve and other reserve.

### 31. BUSINESS COMBINATIONS

#### Acquisition of Xuzhou Engineering Design Institute

On 13 June 2018, BEWI entered into an equity purchase agreement (the **"Xuzhou Agreement"**) with certain individual third parties (the **"Xuzhou Sellers"**), pursuant to which BEWI agreed to acquire the entire equity interest in Xuzhou Engineering Design Institute from the Xuzhou Sellers at a consideration of RMB82,000,000 (equivalent to approximately HK\$99,946,000) in cash (the **"Xuzhou Acquisition"**). Xuzhou Engineering Design Institute and its subsidiary (collectively, **"Xuzhou Engineering Design Institute Group"**) are engaged in the survey, mapping, design and consultancy services for projects relating to roads, bridges, tunnels, water supply, drainage, heat, gas, electricity, construction, landscape, sanitation, highways and water conservancy, as well as the consultancy services for project costs and project management.

Pursuant to the Xuzhou Agreement, the Xuzhou Sellers and Xuzhou Engineering Design Institute guarantee and undertake to BEWI that the amount of new business contracts entered into by Xuzhou Engineering Design Institute Group shall be no less than RMB55,000,000 (the **"Target Amount"**) for each calendar year from 2018 to 2020, and the aggregate amount of the new business contracts entered into by Xuzhou Engineering Design Institute Group shall be no less than RMB165,000,000 (the **"Target Sum"**) during 2018 to 2020 (the **"Performance Guarantee"**). In the event that the Performance Guarantee is unfulfilled, the Xuzhou Sellers undertakes to pay to BEWI a compensation which is determined depending on the amount of shortfall between the actual new business contract amount and the Target Amount and/or the Target Sum.

### 30. 储备 (续)

#### (iii) 缴入盈余储备

此余额为弥补累计亏损后结余的股份溢价。根据二零一五年十二月十五日举行的本公司特别股东大会所通过的特别决议案，本公司股份溢价的全部进账金额减至零及转拨至缴入盈余储备。

#### (iv) 其他储备

其他储备包括资本储备及其他储备。

### 31. 业务合并

#### 收购徐州设计院

于2018年6月13日，北京光大水务投资与若干第三方个人（**"徐州卖方"**）订立股权购买协议（**"徐州协议"**），据此，北京光大水务投资同意自徐州卖方收购徐州设计院的全部股权，代价为现金82,000,000元人民币（相当于约99,946,000港元）（**"徐州收购事项"**）。徐州设计院及其附属公司上海未央（统称**"徐州设计院集团"**）从事道路、桥梁、隧道、给水、排水、热力、燃气、电力、建筑、园林景观、环境卫生、公路及水利工程的勘察、测绘、设计及咨询服务以及工程造价咨询服务及工程项目管理服务。

根据徐州协议，徐州卖方及徐州设计院向北京光大水务投资担保及承诺，徐州设计院集团于2018年至2020年各年订立的新业务合同款项将不低于55,000,000元人民币（**"目标金额"**），及徐州设计院集团于2018年至2020年订立的新业务合同总额不少于165,000,000元人民币（**"目标总额"**）（**"履约保证"**）。倘履约保证未达成，徐州卖方承诺向北京光大水务投资支付补偿，该补偿视乎实际新业务合同款项与目标金额及/或目标总额的差额厘定。

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财务报表附注



## 31. BUSINESS COMBINATIONS (cont'd)

Acquisition of Xuzhou Engineering Design Institute (cont'd)

The consideration for the Xuzhou Acquisition was satisfied by the Group as follows:

- HK\$99,946,000 in cash;
- contingent consideration receivable of HK\$5,643,000, arising from the Performance Guarantee.

At the date of acquisition, Xuzhou Engineering Design Institute had claims against certain customers for approximately RMB200 million (equivalent to approximately HK\$244 million). Pursuant to the Xuzhou Agreement, any claim amounts recovered from the relevant customers within three years from completion of the Xuzhou Acquisition, after deducting the related recovery costs, tax expenses and commission expenses, will be payable to the Xuzhou Sellers. Having considered all currently available information, the directors of the Company are of the view that the recovery of the claims is not probable.

The Xuzhou Acquisition was completed on 30 June 2018, and thereafter Xuzhou Engineering Design Institute and its subsidiary became indirect wholly-owned subsidiaries of the Company. The cash consideration for the Xuzhou Acquisition of HK\$39,979,000 and HK\$44,973,000 were paid by the Group in June 2018 and September 2018, respectively, and the remaining consideration of HK\$14,994,000 was recorded in "Trade and other payables" in the consolidated statements of financial position as at 31 December 2018.

## 31. 业务合并 (续)

收购徐州设计院 (续)

本集团支付徐州收购事项的代价如下:

- 现金99,946,000港元;
- 履约保证产生的或然代价应收款项5,643,000港元。

于收购日期, 徐州设计院向若干客户申索约2.00亿元人民币(相当于约2.44亿港元)。根据徐州协议, 自完成徐州收购事项起计三年内自相关客户收回的任何申索金额(经扣除相关收回成本、税项开支及佣金开支), 将支付予徐州卖方。经考虑目前所得之所有资料后, 本公司董事认为不大可能收回申索款项。

徐州收购事项于2018年6月30日完成, 其后徐州设计院及其附属公司成为本公司的间接全资附属公司。徐州收购事项的现金代价39,979,000港元及44,973,000港元已由本集团分别于2018年6月及2018年9月支付, 而余下代价14,994,000港元于2018年12月31日的综合财务状况表“应付账款及其他应付款项”中列账。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 31. BUSINESS COMBINATIONS (cont'd)

Acquisition of Xuzhou Engineering Design Institute (cont'd)

The fair values of the identifiable assets and liabilities of Xuzhou Engineering Design Institute Group as at the date of acquisition were as follows:

		Notes 附注	Fair value recognised on acquisition 收购时确认之 公允价值 HK\$'000 千港元
Property, plant and equipment	物业、厂房及设备	14	11,614
Intangible assets	无形资产	16	13,638
Trade and other receivables	应收账款及其他应收款项		38,721
Cash and cash equivalents	现金及现金等价物		33,458
Deferred tax liabilities	递延税项负债	28	(2,269)
Trade and other payables	应付账款及其他应付款项		(39,266)
Tax payable	应付税项		(1,428)
Total identifiable net assets at fair value	按公允价值列账的可识别资产净值总额		54,468
Goodwill on acquisition	收购所得商誉	17	39,835
			94,303
Satisfied by:	以下列方式结算:		
Cash	现金		99,946
Contingent consideration receivable	或然代价应收款项	22	(5,643)
			94,303

The fair values of the trade and other receivables as at the date of acquisition amounted to HK\$38,721,000. The gross contractual amount of trade and other receivables was HK\$50,569,000, of which HK\$11,848,000 is expected to be uncollectible.

The fair value of contingent consideration receivable as at 30 June 2018 is based on the valuation report issued by Grant Sherman Appraisal Limited, an independent professional qualified valuer, by using a discounted cash flow method with scenario simulation.

### 31. 业务合并 (续)

收购徐州设计院 (续)

于收购日期, 徐州设计院集团之可识别资产及负债之公允价值如下:

于收购日期, 应收账款及其他应收款项的公允价值为38,721,000港元。应收账款及其他应收款项的总合同金额为50,569,000港元, 其中11,848,000港元预期不可收回。

于2018年6月30日, 或然代价应收款项的公允价值根据独立专业合资格估值师中证评估有限公司发出的估值报告采用贴现现金流量模式计算。

# NOTES TO THE FINANCIAL STATEMENTS

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财务报表附注



## 31. BUSINESS COMBINATIONS (cont'd)

Acquisition of Xuzhou Engineering Design Institute (cont'd)

Significant unobservable valuation inputs for the fair value measurement of contingent consideration receivable as at 30 June 2018 are as follows:

### Significant unobservable inputs 重大不可观察估值输入数据

Range  
范围

Estimated amounts of the new business contracts entered into by Xuzhou Engineering Design Institute Group during 2018 to 2020

徐州设计院集团于2018年至2020年订立的新业务合同的估计金额

Discount rate

贴现率

RMB85.6 million to RMB261.4 million  
8.560万元人民币至2.614亿元人民币

17.5%

A significant increase (decrease) in the amounts of the new business contracts entered into by Xuzhou Engineering Design Institute Group would result in a significant decrease (increase) in the fair value of the contingent consideration receivable. A significant increase (decrease) in the discount rate would result in a significant decrease (increase) in the fair value of the contingent consideration receivable.

徐州设计院集团订立的新业务合同金额大幅增加（减少）将导致或然代价应收款项的公允价值大幅减少（增加）。贴现率大幅增加（减少）将导致或然代价应收款项的公允价值大幅减少（增加）。

The Group incurred transaction costs of HK\$878,000 for this acquisition. These transaction costs were expensed and included in "Administrative and other operating expenses" in the consolidated statement of comprehensive income for the year ended 31 December 2018.

本集团就该项收购产生之交易成本为878,000港元。有关交易成本已于截至2018年12月31日止年度的综合全面收益表支销，并计入“行政及其他经营费用”。

An analysis of the cash flows in respect of the acquisition of Xuzhou Engineering Design Institute is as follows:

有关收购徐州设计院的现金使用分析如下：

		2018 二零一八年 HK\$'000 千港元
Cash consideration	现金代价	(84,952)
Cash and cash equivalents acquired	收购所得现金及现金等价物	33,458
Net outflow of cash and cash equivalents included in cash flows from investing activities	计入投资活动现金流量之现金及现金等价物流出净额	(51,494)
Transaction costs of the acquisition included in cash flows from operating activities	计入经营活动现金流量之收购交易成本	(878)
		(52,372)





# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
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### 31. BUSINESS COMBINATIONS (cont'd)

Acquisition of Xuzhou Engineering Design Institute (cont'd)

Since the acquisition, Xuzhou Engineering Design Institute Group contributed HK\$53,320,000 to the Group's revenue and a profit of HK\$5,523,000 to the consolidated profit for the year ended 31 December 2018.

Had the acquisition taken place on 1 January 2018, the consolidated revenue and profit after tax for the year ended 31 December 2018 of the Group would have been HK\$4,843,986,000 and HK\$752,686,000, respectively. In determining these amounts, management assumed that the fair value adjustments to the acquired assets and liabilities that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2018.

### 32. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

- (i) During the years ended 31 December 2018 and 2017, the Company allotted and issued 24,411,431 and 15,733,870 ordinary shares to settle the final dividends of HK\$60,068,000 and HK\$41,850,000 for the financial years ended 31 December 2018 and 2017, respectively, which were paid to ordinary shareholders who had elected to participate in the scrip dividend scheme, and have no cash flow impact to the Group.

During the year ended 31 December 2018, the Company allotted and issued 26,008,884 ordinary shares to settle the interim dividends of HK\$57,633,000 for the financial year ended 31 December 2018, which were paid to ordinary shareholders who had elected to participate in the scrip dividend scheme, and have no cash flow impact to the Group.

### 31. 业务合并 (续)

收购徐州设计院 (续)

自收购起,截至2018年12月31日止年度,徐州设计院集团向本集团贡献收入53,320,000港元及贡献综合盈利5,523,000港元。

倘收购于2018年1月1日落实,本集团截至2018年12月31日止年度的综合收入及盈利将分别为4,843,986,000港元及752,686,000港元。于厘定该等金额时,管理层假设,倘收购已于2018年1月1日落实,于收购日期产生的所收购资产及负债之公允价值调整将为相同。

### 32. 综合现金流量表附注

(a) 重大非现金交易

- (i) 截至12月31日止的2018年度和2017年度,本公司分别配发及发行24,411,431股及15,733,870股普通股以支付截至12月31日止的2018年度和2017年度之末期股息60,068,000港元及41,850,000港元,该等股息已支付予选择参与以股代息计划之普通股股东,对本集团并无现金流量影响。

截至2018年12月31日止年度,本公司配发及发行26,008,884股普通股以支付截至2018年12月31日止财政年度之中期股息57,633,000港元,该等股息已支付予选择参与以股代息计划之普通股股东,对本集团并无现金流量影响。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

I 财务报表附注



## 32. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

### (a) Major non-cash transactions (cont'd)

- (ii) During the years ended 31 December 2018 and 2017, the interest expenses on corporate bonds of HK\$40,137,000 and HK\$22,971,000, respectively, were not yet settled by the Group, and recorded in "Trade and other payables" in the consolidated statements of financial position as at 31 December 2018 and 2017, and have no cash flow impact to the Group.
- (iii) During the years ended 31 December 2018 and 2017, the dividends declared to the non-controlling shareholder of a non-wholly-owned subsidiary of HK\$29,856,000 and HK\$21,450,000, respectively, were not yet settled by the Group as at 31 December 2018 and 2017, and recorded in "Trade and other payables" in the consolidated statement of financial position as at 31 December 2018 and 2017, and have no cash flow impact to the Group.

## 32. 综合现金流量表附注 (续)

### (a) 重大非现金交易 (续)

- (ii) 截至12月31日止的2018年度和2017年度，本集团尚未支付公司债券的利息开支分别为40,137,000港元及22,971,000港元，于2018年及2017年12月31日，于综合财务状况表的“应付账款及其他应付款项”中记录，对本集团并无现金流量影响。
- (ii) 截至12月31日止的2018年度和2017年度，本集团向非全资附属公司的非控股股东宣派的股息尚未支付金额分别为29,856,000港元及21,450,000港元，于2018年及2017年12月31日，在综合财务状况表的“应付账款及其他应付款项”中记录，对本集团并无现金流量影响。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 32. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)

### 32. 综合现金流量表附注 (续)

(b) Changes in liabilities arising from financing activities

(b) 融资活动产生的负债变动

		Bank and other loans 银行及其他 贷款 HK\$'000 千港元	Corporate bonds 公司债券 HK\$'000 千港元	Interest payable 应付利息 HK\$'000 千港元	Amounts due to fellow subsidiaries 应付同系附属 公司款项 HK\$'000 千港元	Amounts intermediate due to holding companies 应付中间控股 公司款项 HK\$'000 千港元	Dividend payable to non-controlling shareholders of non-wholly- owned subsidiaries 应付非全资附属 公司非控股 股东股息 HK\$'000 千港元
At 1 January 2017	2017年1月1日	4,887,498	–	6,467	150,182	78,336	–
Changes from financing cash flows	融资现金流量 产生的变动	366,893	1,144,831	(198,753)	(154,928)	(79,034)	–
Finance costs	财务费用	–	–	241,391	–	–	–
Dividends declared to a non-controlling shareholder of a subsidiary	向附属公司的非 控股股东宣派 的股息	–	–	–	–	–	21,450
Foreign exchange movement	汇兑变动	196,326	36,204	(5,142)	4,746	698	994
At 31 December 2017 and 1 January 2018	于2017年12月 31日及2018年 1月1日	5,450,717	1,181,035	43,963	–	–	22,444
Changes from financing cash flows	融资现金流量 产生的变动	188,929	944,251	(268,257)	–	4	(28,609)
Finance costs	财务费用	–	–	291,398	–	–	–
Dividends declared to a non-controlling shareholder of a subsidiary	向附属公司的 非控股股东宣 派的股息	–	–	–	–	–	36,040
Foreign exchange movement	汇兑变动	(74,274)	(89,882)	(2,328)	–	–	(1,292)
At 31 December 2018	于2018年12月 31日	5,565,372	2,035,404	64,776	–	4	28,583

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 33. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's banking facilities and other loans are included in note 26. The aggregate net book values of assets and equity interests in subsidiaries pledged amounted to HK\$5,872,547,000 and HK\$5,816,472,000 as at 31 December 2018 and 2017, respectively.

## 34. OPERATING LEASE ARRANGEMENTS

The Group leases a number of properties under operating leases, with leases negotiated for terms ranging from one to thirty years. None of the leases includes contingent rentals.

At the reporting date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

## 33. 资产抵押

就本集团银行融资及其他贷款而予以抵押之本集团资产之详情载附注26。于2018年及2017年12月31日，已抵押附属公司资产及股权之总账面净值分别为5,872,547,000港元及5,816,472,000港元。

## 34. 经营租赁安排

本集团根据经营租赁租得多项物业，商定租期介乎一至三十年不等。概无任何租赁包括或然租金。

于各财务报表期间末，根据不可解除经营租赁，本集团日后的最低租赁付款总额到期支付如下：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year	一年内	7,098	11,079
After 1 year but within 5 years	一年后但五年内	3,073	4,575
After 5 years	五年后	507	2,312
		<b>10,678</b>	<b>17,966</b>

## 35. COMMITMENTS

In addition to the operating lease commitments detailed in note 34 above, the Group had the following commitments as at the reporting date:

## 35. 承担

除上文附注34所详述的经营租赁承担外，本集团于各财务报表期间末的承担如下：

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Purchase commitments outstanding in connection with the Group's construction contracts were as follows:	有关本集团建造合约的采购承担如下：		
Contracted, but not provided for:	已订约但未拨备	<b>1,936,318</b>	681,615



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 36. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in this report, the Group entered into the following material related party transactions during the reporting date:

- (a) The Group entered into the following related party transactions with a related party bank:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest expense 利息开支	—	1,238

Details of the Group's deposits placed with a related party bank and loans from a related party bank are included in notes 24 and 26.

- (b) The Group entered into the following related party transactions with non-controlling shareholders of non-wholly-owned subsidiaries of the Group:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from project operation service 项目运营服务收入	114,139	45,775
Finance income 财务收入	20,931	21,462
Cost of construction service 建造服务成本	120,644	—

- (c) The Group entered into the following related party transactions with a related company of the Group:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from project operation service 项目运营服务收入	53,594	47,720
Finance income 财务收入	46,651	45,616

### 36. 关联方交易

除本报告其他部分所披露之交易及结余外，于财务报表期间，本集团发生了下列重大关联方交易：

- (a) 本集团与一家关联方银行订立了下列关联方交易：

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
—	1,238

本集团存放于关联方银行之存款及关联方银行提供之贷款详情载于附注24及26。

- (b) 本集团与本集团非全资附属公司的非控股股东订立下列关联方交易：

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
114,139	45,775
20,931	21,462
120,644	—

- (c) 本集团与本集团的一家关联公司发生下列关联方交易：

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
53,594	47,720
46,651	45,616



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财务报表附注



## 36. RELATED PARTY TRANSACTIONS (cont'd)

- (d) The Group entered into the following related party transactions with an associate of the Group:

Service expenses for operation of waste water treatment plants	污水处理厂的运营服务开支
--	--------------

- (e) The Group entered into the following related party transactions with fellow subsidiaries and intermediate holding companies of the Group:

Sales of equipment	销售设备
Rental expenses	租金开支
Interest expenses	利息开支
Underwriting service fee	承销服务费
Costs of operation	运营成本
Listing related fee	上市相关费用
Insurance expenses	保险费用

Notes:

- (i) The sales of equipment to fellow subsidiaries of the Group were conducted based on mutually agreed terms.
- (ii) The rental expenses were charged by fellow subsidiaries of the Group on mutually agreed terms.
- (iii) The interest expenses in respect of the advances from fellow subsidiaries and intermediate holding companies, which were repayable by 2017, were charged at rates ranging from HIBOR+2.5% per annum to the rates announced by the People's Bank of China during year 2017.
- (iv) The underwriting service fees of the issue of the first and second tranches of the Corporate Bond paid to a fellow subsidiary were calculated pursuant to the relevant underwriting agreement.
- (v) The costs of operation were paid for the sludge disposal services provided by fellow subsidiaries of the Group.

## 36. 关联方交易 (续)

- (d) 本集团与本集团一家联营公司发生下列关联方交易:

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
41,884	41,717

- (e) 本集团与本集团同系附属公司及中间控股公司发生下列关联方交易:

As at 31 December 于十二月三十一日		
Notes 附注	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
(i)	49,279	—
(ii)	6,177	5,245
(iii)	—	7,311
(iv)	4,746	5,759
(v)	2,490	—
(vi)	1,763	—
(vii)	1,463	978

附注:

- (i) 向本集团同系附属公司销售设备乃按双方协议的条款进行。
- (ii) 本集团同系附属公司按双方协议的条款收取租金开支。
- (iii) 应于2017年偿还的同系附属公司及中间控股公司垫款的利息开支按年利率介乎香港银行同业拆息上浮2.5%至中国人民银行2017年间颁布的息率收取。
- (iv) 向本集团同系附属公司支付的发行第一批及第二批公司债券的承销服务费乃根据相关承销协议计算。
- (v) 运营成本系支付给本集团同系附属公司的污泥处置服务费。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

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### 36. RELATED PARTY TRANSACTIONS (cont'd)

Notes: (cont'd)

- (vi) The listing related fee was charged by a fellow subsidiary of the Group on mutually agreed terms.
- (vii) The insurance expenses were charged by a fellow subsidiary of the Group on mutually agreed terms.

- (f) Transactions with other stated-owned entities in Mainland China:

The Group operates in an economic environment predominated by enterprises directly or indirectly owned and/or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively “Other SOEs”). During the financial year, the Group had transactions with the Other SOEs including, but not limited to the waste water treatment service, bank deposits and borrowings, and utilities consumption. The directors consider that the transactions with the Other SOEs are activities in the ordinary course of the Group's business, and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and the Other SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services and such pricing policies are not carried out on non-market terms and do not depend on whether or not the customers are the Other SOEs. Having due regard to the substance of the relationships, the directors are of the opinion that none of these transactions is a material related party transaction that would require separate disclosure.

- (g) The Group paid compensation of directors and key management personnel as follows:

### 36. 关联方交易 (续)

附注: (续)

- (vi) 向本集团同系附属公司支付的上市相关费用乃按双方协议的条款进行。
- (vii) 向本集团同系附属公司支付的保险费乃按双方协议的条款进行。

- (f) 与中国内地其他国有实体的交易:

本集团在由中国政府通过其各种机关、联属人士或其他组织直接或间接拥有及/或控制的企业(统称“其他国有企业”)占主导地位的经济环境中营运。于财务报表期间,本集团与其他国有企业之间进行的交易包括(但不限于)污水处理服务、银行存款及贷款及公用事业开支。董事认为与该等其他国有企业之间的交易乃属本集团日常业务过程中之活动,而且尽管本集团及其他国有企业最终均由中国政府控制或拥有,但这并不会对本集团的业务造成重大或不当影响。本集团亦就产品及服务确立定价政策,且该等政策并非按非市场条款制订,亦不视乎客户是否为其他国有企业而定。经妥为考虑上述关系之本质后,董事认为该等交易概非须另行披露之重大关联方交易。

- (g) 本集团已支付予董事及关键管理人员之报酬如下:

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, bonuses and related benefit	薪金、花红及相关福利	19,213	19,285
Directors' fees	董事袍金	1,880	1,163
Defined contribution plans	界定供款计划	1,345	283
		<b>22,438</b>	<b>20,731</b>
Comprising amounts paid/payable to:	包括已付/应付下列各方金额:		
Directors of the Company	本公司董事	8,630	9,267
Other key management personnel	其他关键管理人员	13,808	11,464
		<b>22,438</b>	<b>20,731</b>

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## 36. RELATED PARTY TRANSACTIONS (cont'd)

- (h) As disclosed in note 36(e), the Group has rental commitments with fellow subsidiaries of the Group under non-cancellable operating leases falling due as follows:

Within 1 year	一年内
After 1 year but within 5 years	一年后但五年内

## 36. 关联方交易 (续)

- (h) 诚如附注36(e)所披露，根据本集团与其同系附属公司订立不可解除经营租赁协议，本集团之租金承担到期支付如下：

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
4,025	5,919
2,583	5,776
6,608	11,695

## 37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, bank deposits, trade payables, current portion of trade receivables, other receivables, other payables, and borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's financial management department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the financial management department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of trade receivables, other receivables, other payables, and borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for borrowings as at the end of each of the financial year was assessed to be insignificant.

## 37. 金融工具的公允价值及公允价值层级

管理层评定现金及现金等价物、银行存款、应付账款、应收账款的即期部份、其他应收款项及其他应付款项之公允价值与其账面值相若，主要由于该等工具于短期内到期。

本集团之财务管理部门专责厘定金融工具公允价值计量之政策及程序。于各个报告日期，财务管理部门会分析金融工具之价值变动，并厘定估值所应用之主要输入数据。估值由财务总监审阅及审批。审计委员会每年两次讨论估值程序及结果，以便作出中期及年度财务报告。

金融资产及负债之公允价值以该工具于自愿交易方（而非强迫或清盘出售）当前交易下之可交易金额入账。下列方法及假设乃用于估计公允价值：

应收账款的非即期部份、其他应收款项及其他应付款项及贷款之公允价值乃按具有类似条款、信贷风险及剩余年期之工具之现行适用利率，贴现预期未来现金流量之方式计算。于财务报表期间，就贷款而言，本集团本身之不履约风险被评定为甚微。



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### 37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

The fair value of contingent consideration receivable as at 31 December 2018 is based on the valuation by the management using a discounted cash flow method with scenario simulation.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2018:

### 37. 金融工具的公允价值及公允价值层级 (续)

于2018年12月31日，或然代价应收款项的公允价值是根据管理层以模拟情境采用贴现现金流量方式进行的估值。

以下为于2018年12月31日对金融工具估值之重大不可观察输入数据概要连同定量敏感度分析：

	Valuation technique 估值技巧	Significant unobservable input 重大不可观察输入数据	Range 范围	Sensitivity of fair value to the input 公允价值对输入数据的敏感度
Contingent consideration receivable 或然代价应收款项	Discounted cash flow method with scenario simulation 境况模拟下贴现现金流量模式	Estimated amounts of the new business contracts 新业务合同的估计金额	RMB 73.8 million to RMB 237.8 million 7,380万元人民币至2.378亿元人民币	5% increase (decrease) in estimated amounts of the new business contracts would result in decrease in fair value by HK\$593,000 or increase in fair value by HK\$623,000 新业务合同的估计款项增加（减少）5%将导致公允价值减少593,000港元或公允价值增加623,000港元
		Discount rate 贴现率	17.5%	1% increase (decrease) in discount rate would result in decrease (increase) in fair value by HK\$45,000 贴现率上升（下降）1%将导致公允价值减少（增加）45,000港元

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## 37. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (cont'd)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2018

## 37. 金融工具的公允价值及公允价值层级 (续)

### 公允价值层级

下表列示本集团金融工具的公允价值计量层级：

按公允价值计量的资产：

于二零一八年十二月三十一日

Fair value measurement using 公允价值计量采用以下基准				
Quoted prices in active markets (Level 1) 于活跃市场的 报价 (第一级) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可观察输入 数据 (第二级) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可观察输 入数据 (第三级) HK\$'000 千港元	Total 总计 HK\$'000 千港元	
Contingent consideration receivable	或然代价应收 款项	—	—	8,541
				8,541

The movements in fair value measurements within Level 3 during the year ended 31 December 2018 are as follows:

截至2018年12月31日止年度，第三级公允价值计量的变动如下：

		HK\$'000 千港元
Contingent consideration receivable:	或然代价应收款项:	
At 1 January 2018	于2018年1月1日	—
Additions during the period	一年内添置	5,643
Fair value gain/(loss)	公允价值收益/(亏损)	3,428
Exchange realignment	汇兑重新调整	(530)
At 31 December 2018	于2018年12月31日	8,541

The Group did not have any financial assets measured at fair value as at 31 December 2017.

本集团于2018年及2017年12月31日并无任何按公允价值计量的金融资产。

The Group did not have any financial liabilities measured at fair value as at 31 December 2018 and 2017.

本集团于2018年及2017年12月31日并无任何按公允价值计量的金融负债。

During the years ended 31 December 2018 and 2017, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

截至2月31日止的2018年度和2017年度，第一级和第二级公允价值计量之间并无任何转移。对于金融资产及金融负债，第三级亦无任何转入或转出。





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### 38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each financial year are as follows:

#### Financial assets

Group	本集团
Financial assets included in trade and other receivables	计入应收账款及其他应收款项的金融资产
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款
Cash and cash equivalents	现金及现金等价物

### 38. 按类别划分的金融工具

于各财务报表期间末，各类别金融工具的账面值如下：

#### 金融资产

As at 31 December 2018  
于二零一八年十二月三十一日

Financial assets at amortised cost 按摊销成本计量的金融资产 HK\$'000 千港元	Financial assets at FVPL 按公允价值计入损益的金融资产 HK\$'000 千港元	Total 总计 HK\$'000 千港元
826,746	8,541	835,287
547,050	—	547,050
1,728,573	—	1,728,573
3,102,369	8,541	3,110,910

As at 31 December 2017  
于二零一七年十二月三十一日

Group	本集团	HK\$'000 千港元
<b>Loans and receivables</b>	<b>贷款及应收款项</b>	
Financial assets included in trade and other receivables	计入应收账款及其他应收款项的金融资产	544,121
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款	630,403
Cash and cash equivalents	现金及现金等价物	2,169,414
		3,343,938

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## 38. FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

**Financial liabilities - financial liabilities at amortised cost**

Group	本集团	As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial liabilities included in trade and other payables	计入应付账款及其他应付款项的金融负债	1,784,866	1,493,486
Borrowings	贷款	7,600,776	6,631,752
		<b>9,385,642</b>	<b>8,125,238</b>

**Financial assets - loans and receivables/financial assets at amortised cost**

Company	本公司	As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets included in other receivables	计入其他应收款项的金融资产	3,660,270	1,834,010
Cash and cash equivalents	现金及现金等价物	31,661	27,783
		<b>3,691,931</b>	<b>1,861,793</b>

**Financial liabilities - financial liabilities at amortised cost**

Company	本公司	As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial liabilities included in trade and other payables	计入应付账款及其他应付款项的金融负债	102,001	155,531
Borrowings	贷款	4,564,905	3,434,092
		<b>4,666,906</b>	<b>3,589,623</b>

## 38. 按类别划分的金融工具 (续)

**金融负债 - 按摊销成本计量的金融负债**

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,784,866	1,493,486
7,600,776	6,631,752
<b>9,385,642</b>	<b>8,125,238</b>

**金融资产 - 贷款及应收款项/按摊销成本计量的金融资产**

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
3,660,270	1,834,010
31,661	27,783
<b>3,691,931</b>	<b>1,861,793</b>

**金融负债 - 按摊销成本计量的金融负债**

As at 31 December 于十二月三十一日	
2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
102,001	155,531
4,564,905	3,434,092
<b>4,666,906</b>	<b>3,589,623</b>



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### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise borrowings, cash and short term deposits. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade and other receivables, service concession financial receivables and trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4.

#### *Interest rate risk*

The Group's interest rate risk arises primarily from the Group's cash and cash equivalents, fixed deposits with maturity period over three months, borrowings and balances with group companies. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group does not use financial derivatives to hedge against the interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

### 39. 财务风险管理目标及政策

本集团之主要金融工具包括贷款、现金及短期存款。此等金融工具之主要目的在于为本集团之业务运营提供资金。本集团还有其他金融资产及负债，包括应收账款及其他应收款项及应付账款及其他应付款项，乃直接自其业务产生。

本集团金融工具产生之主要风险包括利率风险、外币风险、信贷风险及流动资金风险。董事会复核及确认管理各项有关风险之政策，有关政策概述于下文。本集团有关衍生工具之会计政策载于附注2.4。

#### *利率风险*

本集团之利率风险主要来自本集团之现金及现金等价物、到期日为三个月以上定期存款、贷款及集团公司间结余。按浮动利率及固定利率批出之贷款令本集团分别承受现金流量利率风险及公允价值利率风险。本集团并无利用金融衍生工具来对冲利率风险。本集团之利率概况由管理层监察，详载于下文(i)。

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## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

### Interest rate risk (cont'd)

#### (i) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (being interest-bearing financial liabilities less bank deposits and cash and cash equivalents) at the end of each of the financial year.

## 39. 财务风险管理目标及政策 (续)

### 利率风险 (续)

#### (i) 利率概况

下表载列本集团于各财务报表期间末之贷款净额（即计息金融负债减银行存款及现金及现金等价物）之利率概况。

		As at 31 December 2018 于二零一八年十二月三十一日		As at 31 December 2017 于二零一七年十二月三十一日	
		Effective interest rate 实际利率	HK\$'000 千港元	Effective interest rate 实际利率	HK\$'000 千港元
		%		%	
Net fixed rate borrowings/ (deposits):	定息贷款 / (存款) 净额:				
Borrowings	贷款	2.88 - 4.60	2,532,678	2.88 - 4.55	1,706,219
Less: Fixed deposits with maturity period over three months	减: 到期日为三个月以上 定期存款	0.15	(547,050)	0.15 - 3.80	(630,403)
Cash and cash equivalents	现金及现金等价物	1.75	(9,769)	4.40	(95,000)
Amount due from an associate	应收一间联营公司 款项	4.75	(4,029)	—	—
			<u>1,971,830</u>		<u>980,816</u>
Net variable rate borrowings/(deposits):	浮动利率贷款 / (存款) 净额:				
Borrowings	贷款	2.95 - 5.02	5,068,098	2.60 - 4.90	4,925,533
Less: Cash and cash equivalents	减: 现金及现金等价物	0.01 - 1.76	(1,718,804)	0.01 - 1.75	(2,074,414)
			<u>3,349,294</u>		<u>2,851,119</u>
Total net borrowings	总贷款净额		<u>5,321,124</u>		<u>3,831,935</u>



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### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Interest rate risk (cont'd)

##### (ii) Sensitivity analysis

It is estimated that a general increase/decrease of one percent in interest rates at 31 December 2018 and 2017, with all other variables held constant, would decrease/increase the Group's profit before tax by approximately HK\$53,211,000 and HK\$38,319,000 at 31 December 2018 and 2017, respectively.

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before tax is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis was performed on the same basis throughout the financial year.

#### Foreign currency risk

##### (i) Exposure to currency risk

The Group is exposed to currency risk primarily from borrowings, cash and cash equivalents, fixed deposits with maturity period over three months, receivables and payables that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily HK\$, RMB, US\$, SGD and Euro ("EUR").

### 39. 财务风险管理目标及政策 (续)

#### 利率风险 (续)

##### (ii) 敏感度分析

于2018年及2017年12月31日, 在所有其他变量维持不变的情况下, 利率总体上升/下降1%估计将导致本集团于2018年及2017年12月31日的除税前盈利分别减少/增加约53,211,000港元及38,319,000港元。

上述敏感度分析指出本集团的除税前盈利可能产生的实时变动。敏感度分析假设利率变动于报告期末已经发生, 并已用于重新计量本集团所持有并于报告期末使本集团面临公允价值利率风险的金融工具。对于由本集团于报告期末所持有的浮动利率非衍生工具所产生的现金流量利率风险, 其对本集团的除税前盈利的影响是基于利率变动而产生的按年计算之利息支出或收入作估计。有关分析在两个财务报表年度以相同基准进行。

#### 外汇风险

##### (i) 货币风险

本集团因以外币(即与其营运相关的功能货币以外之货币)计值之贷款、现金及现金等价物、到期日为三个月以上定期存款, 应收款项及应付款项而面临货币风险。引起风险的货币主要为港元、人民币、美元、新加坡元及欧元。



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## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

### Foreign currency risk (cont'd)

#### (i) Exposure to currency risk (cont'd)

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the end of the reporting period. Differences resulting from the translation in the financial statement of foreign operations into the Group's presentation currency are excluded.

## 39. 财务风险管理目标及政策 (续)

### 外汇风险 (续)

#### (i) 货币风险 (续)

下表详列本集团于各报告期末因相关实体的功能货币以外的货币计值的已确认资产或负债而承担的货币风险。为呈列目的，风险金额以港元列示，并按报告期末的现货汇率换算。因将外国业务的财务报表换算为本集团的呈列货币而产生的差额已予撇除。

### Exposure to foreign currencies (expressed in Hong Kong dollars)

#### 面临的外币风险 (以港元列示)

As at 31 December 2018  
于二零一八年十二月三十一日

		RMB 人民币 HK\$'000 千港元	SGD 新加坡元 HK\$'000 千港元	HK\$ 港元 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元
Cash and cash equivalents	现金及现金等价物	1,712	1,205	36,998	35,454
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款	—	—	—	547,050
Borrowings	贷款	—	—	(1,476,918)	(1,052,583)
Amounts due from/(to) group companies, net	应收 / (付) 集团公司款项，净额	602,360	(54)	531,732	—
Trade and other payables	应付账款及其他应付款项	(4,578)	(1,437)	(6,162)	(22,624)
		599,494	(286)	(914,350)	(492,703)



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## 财务报表附注

For the financial year ended 31 December 2018  
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### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk (cont'd)

(i) Exposure to currency risk (cont'd)

		Exposure to foreign currencies (expressed in Hong Kong dollars) 面临的外币风险 (以港元列示)				
		As at 31 December 2017 于二零一七年十二月三十一日				
		RMB 人民币 HK\$'000 千港元	SGD 新加坡元 HK\$'000 千港元	HK\$ 港元 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元	EUR 欧元 HK\$'000 千港元
Cash and cash equivalents	现金及现金等价物	9,294	1,916	140,917	329	5,036
Fixed deposits with maturity period over three months	到期日为三个月以上定期存款	—	—	—	547,278	—
Borrowings	贷款	—	—	(337,000)	(1,916,057)	—
Amounts due from/ (to) group companies, net	应收 / (付) 集团公司款项, 净额	394,324	(55)	267,142	—	—
Trade and other payables	应付及其他应付款项	(7,685)	(918)	(6,034)	(22,667)	—
		395,933	943	65,025	(1,391,117)	5,036

(ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit before tax that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. Except for those subsidiaries with their functional currencies other than Hong Kong dollars, the impact of foreign exchange rate fluctuations with respect to the assets and liabilities denominated in United States dollars is insignificant as the Hong Kong dollar is pegged to the United States dollar.

### 39. 财务风险管理目标及政策 (续)

外汇风险 (续)

(i) 货币风险 (续)

Exposure to foreign currencies  
(expressed in Hong Kong dollars)  
面临的外币风险  
(以港元列示)

As at 31 December 2017  
于二零一七年十二月三十一日

	RMB 人民币 HK\$'000 千港元	SGD 新加坡元 HK\$'000 千港元	HK\$ 港元 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元	EUR 欧元 HK\$'000 千港元
Cash and cash equivalents	9,294	1,916	140,917	329	5,036
Fixed deposits with maturity period over three months	—	—	—	547,278	—
Borrowings	—	—	(337,000)	(1,916,057)	—
Amounts due from/ (to) group companies, net	394,324	(55)	267,142	—	—
Trade and other payables	(7,685)	(918)	(6,034)	(22,667)	—
	395,933	943	65,025	(1,391,117)	5,036

(ii) 敏感度分析

下表载列假设于各报告期末本集团面对重大外汇风险的汇率于该日出现变动, 而所有其他可变风险因素保持不变, 本集团的除税前盈利将会受到的实时影响。就此而言, 假设港元兑美元的挂钩汇率不会因美元兑其他货币价值波动的任何变动而受到重大影响。除使用港元以外的功能货币的该等附属公司外, 由于港元与美元挂钩, 与以美元计值的资产及负债有关之外汇汇率波动的影响并不重大。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
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财务报表附注



## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk (cont'd)

(ii) Sensitivity analysis (cont'd)

## 39. 财务风险管理目标及政策 (续)

外汇风险 (续)

(ii) 敏感度分析 (续)

		As at 31 December 2018 于二零一八年十二月三十一日		As at 31 December 2017 于二零一七年十二月三十一日	
		Increase/ (decrease) in foreign exchange rate 汇率上升/ (下降)	Increase/ (decrease) in profit before tax 除税前盈利 上升/(下降) HK\$'000 千港元	Increase/ (decrease) in foreign exchange rate 汇率上升/ (下降)	Increase/ (decrease) in profit before tax 除税前盈利 上升/(下降) HK\$'000 千港元
		%		%	
RMB	人民币	10	59,949	10	39,593
RMB	人民币	(10)	(59,949)	(10)	(39,593)
SGD	新加坡元	10	(29)	10	94
SGD	新加坡元	(10)	29	(10)	(94)
HK\$	港元	10	(91,435)	10	6,503
HK\$	港元	(10)	91,435	(10)	(6,503)
US\$	美元	10	101,257	10	27,551
US\$	美元	(10)	(101,257)	(10)	(27,551)
EUR	欧元	—	—	10	504
EUR	欧元	—	—	(10)	(504)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit before tax measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis was performed on the same basis throughout the financial year.

上表呈列的分析结果为对本集团实体按各自的功能货币计量并为呈列目的按报告期末的适用汇率换算为港元的除税前盈利的实时影响的总计。

敏感度分析假设外汇汇率的变动已用于重新计量各报告期末本集团所持有及使本集团承受外汇风险的金融工具，包括以贷款人或贷款人的功能货币以外的货币计值的集团内公司间应付款项及应收款项。该分析撇除将外国业务的财务报表换算为本集团呈列货币所产生的差额。该分析于整个会计年度按同一基准执行。



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## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Credit risk

Management has a credit policy in place and the exposures to credit risk are monitored on an ongoing basis. Debts are usually due within 30 to 90 days from the date of billing.

Trade receivables of the Group represent receivables in respect of revenue from environmental water project operation services which are settled on a monthly basis. In addition, the Group has service concession financial receivables in respect of the BT, BOT, TOT and certain BOO arrangements.

At 31 December 2018 and 2017, "Trade and other receivables" and "Service concession financial receivables" amounted to HK\$14,336,286,000 and HK\$12,330,637,000 respectively, of which HK\$2,869,455,000 and HK\$697,823,000 were due from the largest customer HK\$5,368,951,000 and HK\$3,716,929,000 were due from the five largest customers in aggregate of the Group, respectively. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statements of financial position. Since the parties to BT, BOT, TOT and BOO arrangements are local government authorities in the PRC, the Group considers the credit risk is low as at 31 December 2018 and 2017. The Group does not hold any collateral over these balances.

From 1 January 2018, upon the adoption of IFRS 9, management groups financial instruments on basis of shared credit risk characteristics, such as instrument type and credit risk ratings for the purpose of determining significant increase in credit risk and calculation of impairment. The carrying amounts of each financial asset in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets as at 31 December 2018.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or past due event;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

### 39. 财务风险管理目标及政策 (续)

#### 信贷风险

管理层设定既定的信贷政策，并持续监察集团所面对之信贷风险。债项通常由开票日期起计30日至90日内到期。

本集团之应收账款指来自水环境项目之运营服务收益之应收账款，有关款项按月收取。此外，本集团亦有涉及BT、BOT、TOT及部分BOO安排之与服务特许经营权相关的金融应收款项。

于2018年及2017年12月31日，“应收账款及其他应收款项”及“与服务特许经营权相关的金融应收款项”分别为14,336,286,000港元及12,330,637,000港元，其中应收最大客户款项分别为2,869,455,000港元及697,823,000港元，及应收本集团五大客户款项总额分别为5,368,951,000港元及3,716,929,000港元。信贷风险的最大金额为综合财务状况表中各项金融资产的账面值。由于BT、BOT、TOT及BOO安排的交易对方为中国的当地政府机关，本集团认为于2018年及2017年12月31日的信贷风险属低。本集团并无持有该等结余的任何抵押品。

自2018年1月1日起，于采纳国际财务报告准则第9号后，管理层根据共享信贷风险特征（例如工具类别及信贷风险评级）将金融工具分门别类藉以厘定大幅增加的信贷风险及计算减值。综合财务状况表中各项金融资产的账面值为本集团于2018年12月31日就其金融资产承受信贷风险的最大金额。

当发生对金融资产估计未来现金流量有不利影响的一个或多个事件时，金融资产发生信用减值。金融资产信用减值的证据包括以下可观察数据：

- 债务人出现严重财务困难；
- 违反合同，如拖欠或逾期事件；
- 债务人很有可能将破产或进行其他财务重组。

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

### *Credit risk (cont'd)*

To manage credit risk arising from trade receivables and service concession financial receivables, the credit quality of the debtors is assessed, taking into account their financial position, historical settlement records, past experience and other factors. The Group applies the simplified approach to provide for ECL prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all trade receivables. The ECLs also incorporated forward looking information.

The Group has established a policy to perform an assessment as at 31 December 2018, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group groups its other receivables into Stage 1, Stage 2 and Stage 3, as described below:

- |         |  |
|---------|--|
| Stage 1 | When other receivables are first recognised, the Group recognised an allowance based on 12 months' ECL.  |
| Stage 2 | When other receivables have shown a significant increase in credit risk since origination, the Group records an allowance for the lifetime ECLs. |
| Stage 3 | Other receivables considered credit-impaired. The Group records an allowance for the lifetime ECLs.  |

Management also makes periodic collective assessments for other receivables as well as individual assessment on the recoverability of other receivables based on historical settlement records, past experience and other factors. The Group classified other receivables in stage 1 and continuously monitored their credit risk. Management believes that there is no material credit risk inherent in the Group's outstanding balance of other receivables as at 31 December 2018.

As at 31 December 2018, all fixed deposits with maturity period over three months and cash and cash equivalents were deposited with creditworthy financial institutions without significant credit risk.

## 39. 财务风险管理目标及政策 (续)

### *信贷风险 (续)*

为管理应收账款及与服务特许经营权相关的金融应收款项产生的信贷风险，须考虑债务人的财务状况、过往结算记录、过往经验及其他因素以评估其信贷质量。本集团应用国际财务报告准则第9号所订明的简化方法就预期信贷亏损作出拨备，国际财务报告准则第9号允许对所有应收账款采用整个存续期的预期亏损拨备。预期信贷亏损亦包含前瞻性信息。

本集团于2018年12月31日制定一项政策，考虑金融工具余下周期的信贷风险的变动以评估金融工具的信贷风险于初次确认后是否已大幅增加。本集团将其他应收款项分为如下所述的第一阶段、第二阶段及第三阶段：

- |      |   |
|------|---|
| 第一阶段 | 当首次确认其他应收款项时，本集团根据12个月的预期信贷亏损确认拨备。          |
| 第二阶段 | 当其他应收款项自产生以来显示信贷风险大幅上升，本集团确认生命周期的预期信贷亏损的拨备。 |
| 第三阶段 | 其他应收款项被视为信贷减值。本集团确认生命周期的预期信贷亏损的拨备。          |

管理层基于过往结算记录、过往经验及其他因素对其他应收款项是否可回收定期作出整体评估及个别评估。本集团于第一阶段将其他应收款项进行分类并持续监察信贷风险。管理层相信于2018年12月31日本集团未偿还的其他应收款项余额并无重大内在的信贷风险。

于2018年12月31日，所有到期日为三个月以上定期存款及现金及现金等价物存入无重大信贷风险且信誉良好的金融机构。





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## 财务报表附注

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### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Credit risk (cont'd)

The Group does not provide any guarantees which would expose the Group to credit risk. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from "Service concession financial receivables/contract assets" as well as "Trade and other receivables" are set out in notes 20 and 22, respectively.

#### Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

### 39. 财务风险管理目标及政策 (续)

#### 信贷风险 (续)

本集团并未提供将令本集团面临信贷风险的任何担保。有关本集团因“与服务特许经营权相关的金融应收款项”及“应收账款及其他应收款项”而面临的信贷风险的进一步定量披露分别载于附注20及22。

#### 流动资金风险

本集团内的独立运营实体须自行负责现金管理工作，包括现金盈余的短期投资及筹措贷款以应对预期现金需求。我们的政策是定期监察流动资金需求及我们对贷款契约的遵行情况，确保我们维持充裕的现金储备及从主要金融机构取得足够的承诺信贷融资，以应对短期及长期流动资金需求。

下表载列本集团于报告期末的非衍生工具金融负债的剩余合同期限情况，乃基于合同未贴现现金流量（包括按合同利率或（如属浮息）根据报告期末通行的利率计算的利息）及本集团须偿还有关款项的最早日期列出：

As at 31 December 2018  
于二零一八年十二月三十一日

		Carrying amount 账面值 HK\$'000 千港元	Total contractual undiscounted cash flow 合同未贴现现金流量总额 HK\$'000 千港元	Within 1 year or on demand 一年内或按 要求 HK\$'000 千港元	More than 1 year but within 2 years 一年以上但 于两年内 HK\$'000 千港元	More than 2 years but within 5 years 两年以上但 于五年内 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元
Financial liabilities included in trade and other payables	计入应付账款及其他应付款项的金融负债	1,784,866	1,784,866	1,784,866	—	—	—
Borrowings	贷款	7,600,776	8,097,201	2,433,845	1,978,535	3,226,295	458,526
		9,385,642	9,882,067	4,218,711	1,978,535	3,226,295	458,526

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截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

### Liquidity risk (cont'd)

Included in borrowings is a corporate bond payable with a carrying amount of HK\$2,035,404,000 containing an option to sell back the bond to the Company and therefore, for the purpose of the above maturity profile, the total contractual discounted cash flow amount of HK\$2,230,461,000 related to the Corporate Bond is presented as: HK\$93,649,000 is classified as repayable "within 1 year or on demand", HK\$1,203,637,000 classified as repayable "more than 1 year but within 2 years" and HK\$933,175,000 classified as repayable "more than 2 years but within 5 years".

The Corporate Bond will be due for repayment on the respective maturity dates unless being sold back to the Company prior to the maturity pursuant to the terms of the Corporate Bond. In accordance with the terms of the Corporate Bond, the maturity terms as at 31 December 2018 are HK\$93,649,000 in 2019, HK\$93,649,000 in 2020 and HK\$2,230,462,000 in 2021 to 2023.

## 39. 财务风险管理目标及政策 (续)

### 流动资金风险 (续)

贷款包括账面值为2,035,404,000港元的应付公司债券，该公司债券订明将债券售回予本公司的选择权，因此，就上述到期情况而言，有关公司债券的合约贴现现金流量总额2,230,461,000港元按以下方式呈列：93,649,000港元分类为“一年内或按要求”偿还、1,203,637,000港元分类为“一年以上但于两年内”偿还及933,175,000港元分类为“两年以上但于五年内”偿还。

公司债券将于相关到期日偿还，惟根据公司债券之条款于到期前售回予本公司的情况除外。根据公司债券之条款，于2018年12月31日的到期期限为2019年的93,649,000港元，2022年的93,649,000港元及2021年至2023年的2,230,462,000港元。

As at 31 December 2017  
于二零一七年十二月三十一日

		Total contractual undiscounted cash flow 合同未贴现现金流量总额	Within 1 year or on demand 一年内或按要求	More than 1 year but within 2 years 一年以上但于两年内	More than 2 years but within 5 years 两年以上但于五年内	More than 5 years 五年以上
	Carrying amount 账面值	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial liabilities included in trade and other payables	计入应付账款及其他应付款项的金融负债	1,493,486	1,493,486	1,493,486	—	—
Borrowings	贷款	6,631,752	7,354,040	2,143,557	1,777,688	2,498,799
		8,125,238	8,847,526	3,637,043	1,777,688	2,498,799

Included in borrowings is a corporate bond payable with a carrying amount of HK\$1,181,035,000 containing an option to sell back the bond to the Company and therefore, for the purpose of the above maturity profile, the total contractual discounted cash flow amount of HK\$1,322,356,000 related to the Corporate Bond is presented as: HK\$54,031,000 is classified as repayable "within 1 year or on demand", HK\$54,031,000 classified as repayable "more than 1 year but within 2 years" and HK\$1,214,294,000 classified as repayable "more than 2 years but within 5 years".

贷款包括账面值为1,181,035,000港元的应付公司债券，该公司债券订明将债券售回予本公司的选择权，因此，就上述到期情况而言，有关公司债券的合约贴现现金流量总额1,322,356,000港元按以下方式呈列：54,031,000港元分类为“一年内或按要求”偿还、54,031,000港元分类为“一年以上但于两年内”偿还及1,214,294,000港元分类为“两年以上但于五年内”偿还。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Liquidity risk (cont'd)

The Corporate Bond will be due for repayment on the respective maturity dates unless being sold back to the Company prior to the maturity pursuant to the terms of the Corporate Bond. In accordance with the terms of the Corporate Bond, the maturity terms as at 31 December 2017 are HK\$54,031,000 in 2018, HK\$54,031,000 in 2019 and HK\$1,322,356,000 in 2020 to 2022.

#### Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, issue new shares or obtain new borrowings. The Group's strategies are to maintain a prudent balance between the advantage and flexibility afforded by a sound capital position and the higher return on equity that is possible with greater leverage. There was no change in capital management policies during the reporting date.

Consistently, the Group monitors capital based on a net debt against equity ratio. The net debt against equity ratio is calculated by dividing net debt by total equity. Net debt is calculated as total liabilities (as shown in the consolidated statements of financial position of the Group, excluding tax payables and deferred tax liabilities) less cash and cash equivalents. Total equity comprises share capital, reserves and non-controlling interests.

### 39. 财务风险管理目标及政策 (续)

#### 流动资金风险 (续)

公司债券将于相关到期日偿还，惟根据公司债券之条款于到期前售回予本公司的情况除外。根据公司债券之条款，于2017年12月31日的到期期限为2018年的54,031,000港元、2019年的54,031,000港元及2020年至2022年的1,322,356,000港元。

#### 资本管理

本集团在管理资本时的主要目标为保障本集团继续持续经营及维持最佳资本结构的能力，以尽量提升股东价值。

为保持或达致最佳资本结构，本集团或会调整股息派付金额、发行新股份或获得新贷款。本集团之策略仍为在强劲资金状况所提供之优势及灵活性及与杠杆较大而可能获得较高股本回报率两者之间维持审慎平衡。于财务报表期间，资本管理政策并无变动。

管理层根据净债务对权益比率持续监控资本。净债务对权益比率按债务净额除以权益总额计算。债务净额按负债总额（如本集团综合财务状况表所示，不包括应付税项及递延税项负债）减现金及现金等价物计算。权益总额包括股本、储备及非控股权益。

		As at 31 December 于十二月三十一日	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade and other payables	应付账款及其他应付款项	1,895,092	1,553,565
Borrowings	贷款	7,600,776	6,631,752
Less: Cash and cash equivalents	减：现金及现金等价物	(1,728,573)	(2,169,414)
Net debt	债务净额	7,767,295	6,015,903
Total equity	权益总额	8,663,699	8,541,805
Net debt against equity ratio	净债务对权益比率	90%	70%

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

财务报表附注



## 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

### *Capital management (cont'd)*

Except for the banking facilities which require the fulfilment of covenants relating to certain of the Group's financial ratios as disclosed in note 26 to the financial statements, the Group does not subject to externally imposed capital requirements.

## 40. SUBSEQUENT EVENT

- (a) On 21 January 2019, the Company issued the third tranche of the Corporate Bond with principal amount of RMB700 million, before related expenses, with a maturity period of five years from the Third Issue Date. The third tranche of the Corporate Bond bears interest at a rate of 3.89% per annum. The interest will be repayable by the Company annually from the Third Issue Date and up to the maturity date. According to the terms of the Corporate Bond, after three years from the Third Issue Date, the Company is entitled to adjust the interest rate of the third tranche of the Corporate Bond for the remaining two years before the maturity date. The Company will announce the adjustment in interest rate, if any, 20 working days prior to the payment of the interest for the third year after the Third Issue Date. The bondholders have an option to sell back the third tranche of the Corporate Bond to the Company at the nominal price, and the exercisable period of this option is five working days immediately after the issuance of the Company's announcement related to the adjustment in interest rate of the third tranche of the Corporate Bond.
- (b) After the reporting date, a final one-tier tax exempt dividend of SGD0.0050 per ordinary share was proposed by the directors. As the proposed final dividend for the year ended 31 December 2018 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting, it has not been recognised as a liability at the end of the reporting period. Further details on the proposed final dividend are set out in Note 12.

## 39. 财务风险管理目标及政策 (续)

### *资本管理 (续)*

除财务报表附注26所披露之银行融资须符合有关本集团若干财务比率之契约外，本集团均无受外界施加之资本规定所限制。

## 40. 期后事项

- (a) 于2019年1月21日，本公司发行本金额为7.00亿元人民币（扣除相关开支前）的第三批公司债券，期限由第三次发行日期起计为期五年。第三批公司债券按年息率3.89%计息。本公司将于第三次发行日期起至到期日止每年支付利息。根据公司债券之条款，自第三次发行日期起计三年后，本公司有权调整第三批公司债券于到期日前余下两年之息率。本公司将于支付第三次发行日期后第三年的利息前20个工作日宣布息率调整（如有）。债券持有人可选择按名义价格将第三批公司债券售回予本公司，及该选择权的行使期为紧随本公司有关调整第三批公司债券息率的公告刊发后的五个工作日。
- (b) 于报告日期末之后，本公司董事已建议派发一级税项豁免末期普通股股息每股0.0050新加坡元。建议分派之截至2018年12月31日止年度末期股息须待本公司股东在应届年度股东大会上批准后方可作实，因此未在报告期末将其确认为负债。有关建议派发末期股息的进一步详情载于附注12。



# NOTES TO THE FINANCIAL STATEMENTS

## 财务报表附注

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 41. COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been amended in the statement of financial position and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified as follows:

### 41. 比较数据

上年度财务报表经过下列重分类调整，以提高上一年度财务报表与本年度财务报表的可比性。

财务状况表的某些条目，以及相关财务报表附注已经过修改，比较数据也经过调整，以适应本期的披露。

如下项目经过重分类调整：

		Previously reported 初始呈列 2017 二零一七年 HK\$'000 千港元	After reclassification 经重列 2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents	现金及现金等价物	2,716,692	2,169,414
Fixed deposits with maturity period over three months	到期日为三个月以上 定期存款	83,125	630,403

### 42. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2018 were authorised for issue in accordance with a resolution of the directors on 14 March 2019.

### 42. 财务报表之批准

本截至二零一八年十二月三十一日止的财务报表业经本公司董事会于二零一九年三月十四日决议批准。



# STATISTICS OF SHAREHOLDINGS

As at 12 March 2019  
截至二零一九年三月十二日

I 股权统计资料



Authorised share capital 法定股本	:	HK\$10,000,000,000 10,000,000,000港元
Issued and fully paid-up capital 已发行并已全额缴足的股本	:	HK\$2,676,062,186 2,676,062,186港元
Class of shares 股票种类	:	Ordinary shares of HK\$1.00 each 普通股，每股票面价值1.00港元
Number of shares 股份数量	:	2,676,062,186
Voting rights 投票权	:	One vote per ordinary share 每股一权

## DISTRIBUTION OF SHAREHOLDINGS 股权分布

SIZE OF SHAREHOLDINGS 股权规模	NO. OF SHAREHOLDERS 股东数量	% 百分比	NO. OF SHARES 股份数量	% 百分比
1 ~ 99	439	8.04	11,745	0.00
100 ~ 1,000	1,174	21.48	586,851	0.02
1,001 ~ 10,000	2,208	40.40	10,287,550	0.38
10,001 ~ 1,000,000	1,615	29.55	97,812,882	3.66
1,000,001 AND ABOVE	29	0.53	2,567,363,158	95.94
TOTAL 总计	5,465	100.00	2,676,062,186	100.00

As at 12 March 2019, no shares issued in the share capital of the Company (“**Shares**”) were held as treasury shares or by any of the Company’s subsidiary.

截至二零一九年三月十二日，在本公司股本中发行的股份（“**本公司股份**”）未被作为库存股持有，也未被本公司的任何附属公司所持有。

Based on the information available to the Company, approximately 24.68% of the equity securities of the Company are held in the hands of the public. This is in compliance with Rule 723 of the Listing Rules of the SGX, which requires at least 10% of a listed issuer’s equity securities to be held by the public.

基于本公司所获得的信息，本公司约24.68%的股份由公众持有。该比例符合新交所上市规则第723条的要求，即公众至少须持有上市公司权益性证券的10%以上。



# STATISTICS OF SHAREHOLDINGS

## 股权统计资料

As at 12 March 2019  
截至二零一九年三月十二日

### TWENTY LARGEST SHAREHOLDERS 前二十大股东

	NAME 名称	NO. OF SHARES 持股数量	% 百分比
1.	CHINA EVERBRIGHT WATER HOLDINGS LIMITED 中国光大水务控股有限公司	2,013,448,456	75.24
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	191,070,551	7.14
3.	RAFFLES NOMINEES (PTE.) LIMITED	124,516,909	4.65
4.	DBS NOMINEES (PRIVATE) LIMITED	94,981,321	3.55
5.	PHILLIP SECURITIES PTE LTD	31,738,485	1.19
6.	HSBC (SINGAPORE) NOMINEES PTE LTD	22,370,740	0.84
7.	MAYBANK KIM ENG SECURITIES PTE. LTD.	21,881,660	0.82
8.	OCBC SECURITIES PRIVATE LIMITED	17,671,773	0.66
9.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	8,409,785	0.31
10.	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	6,134,036	0.23
11.	UOB KAY HIAN PRIVATE LIMITED	3,807,952	0.14
12.	PU WEIDONG	3,532,800	0.13
13.	CHIEW CARLTON	2,832,667	0.11
14.	DBSN SERVICES PTE. LTD.	2,779,073	0.10
15.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	2,724,648	0.10
16.	ABN AMRO CLEARING BANK N.V.	2,264,891	0.08
17.	MERRILL LYNCH (SINGAPORE) PTE. LTD.	2,063,140	0.08
18.	DB NOMINEES (SINGAPORE) PTE LTD	1,896,731	0.07
19.	CHEONG SAE PENG	1,529,320	0.06
20.	RHB SECURITIES SINGAPORE PTE. LTD.	1,468,887	0.05
	TOTAL 总计	2,557,123,825	95.55

# STATISTICS OF SHAREHOLDINGS

As at 12 March 2019  
截至二零一九年三月十二日

股权统计资料



## SUBSTANTIAL SHAREHOLDERS

### 主要股东

NAME OF SUBSTANTIAL SHAREHOLDER 主要股东名称	DIRECT INTEREST 直接权益		DEEMED INTEREST 间接权益	
	NO. OF SHARES HELD 持股数量	% 百分比	NO. OF SHARES HELD 持股数量	% 百分比
China Everbright Water Holdings Limited 中国光大水务控股有限公司	2,013,448,456	75.24	–	–
China Everbright Environmental Protection Holdings Limited <sup>(1)</sup> 中国光大环保控股有限公司	–	–	2,013,448,456	75.24
China Everbright International Limited <sup>(2)</sup> 中国光大国际有限公司	–	–	2,013,448,456	75.24
Guildford Limited <sup>(3)</sup>	–	–	2,013,448,456	75.24
Datten Investments Limited <sup>(4)</sup>	–	–	2,013,448,456	75.24
China Everbright Holdings Company Limited <sup>(5)</sup> 中国光大集团有限公司	–	–	2,013,448,456	75.24
China Everbright Group Ltd. <sup>(6)</sup> 中国光大集团股份公司	–	–	2,013,448,456	75.24
Central Huijin Investment Ltd. <sup>(7)</sup> 中央汇金投资有限责任公司	–	–	2,013,448,456	75.24

### Notes:

### 注释:

- (1) China Everbright Environmental Protection Holdings Limited, which is the holding company of China Everbright Water Holdings Limited, is deemed to have an interest in the Shares held by China Everbright Water Holdings Limited.  
中国光大环保控股有限公司为中国光大水务控股有限公司之控股公司，并对中国光大水务控股有限公司持有的本公司股份享有间接权益。
- (2) China Everbright International Limited is the holding company of China Everbright Environmental Protection Holdings Limited and is deemed to have an interest in the Shares in which China Everbright Environmental Protection Holdings Limited has an interest.  
中国光大国际有限公司为中国光大环保控股有限公司之控股公司，并对中国光大环保控股有限公司持有的本公司股份享有间接权益。
- (3) Guildford Limited holds more than 20 per cent. but not more than 50 per cent. of the total issued shares in China Everbright International Limited and is deemed to have an interest in the Shares in which China Everbright International Limited has an interest.  
Guildford Limited 持有中国光大国际有限公司总股份数的20%以上（但不超过50%），并对中国光大国际有限公司持有的本公司股份享有间接权益。
- (4) Datten Investments Limited is the holding company of Guildford Limited and is deemed to have an interest in the Shares in which Guildford Limited has an interest.  
Datten Investments Limited 为Guildford Limited之控股公司，并对Guildford Limited持有的本公司股份享有间接权益。
- (5) China Everbright Holdings Company Limited is the holding company of Datten Investments Limited and is deemed to have an interest in the Shares in which Datten Investments Limited has an interest.  
中国光大集团有限公司为Datten Investments Limited之控股公司，并对Datten Investments Limited持有的本公司股份享有间接权益。
- (6) China Everbright Group Ltd. (“Everbright Group”) is the holding company of China Everbright Holdings Company Limited and is deemed to have an interest in the Shares in which China Everbright Holdings Company Limited has an interest.  
中国光大集团股份公司（“光大集团”）为中国光大集团有限公司之控股公司，并对中国光大集团有限公司持有的本公司股份享有间接权益。
- (7) Central Huijin Investment Ltd. holds 55.67 per cent. of the shares in Everbright Group and is deemed to have an interest in the Shares in which Everbright Group has an interest.  
中央汇金投资有限责任公司持有光大集团总股份数的55.67%，并对光大集团持有的本公司股份享有间接权益。

# STATISTICS OF SHAREHOLDINGS

## 股权统计资料

As at 12 March 2019  
截至二零一九年三月十二日

### (i) Relationship between the Company and each of China Investment Corporation and Central Huijin Investment Ltd.

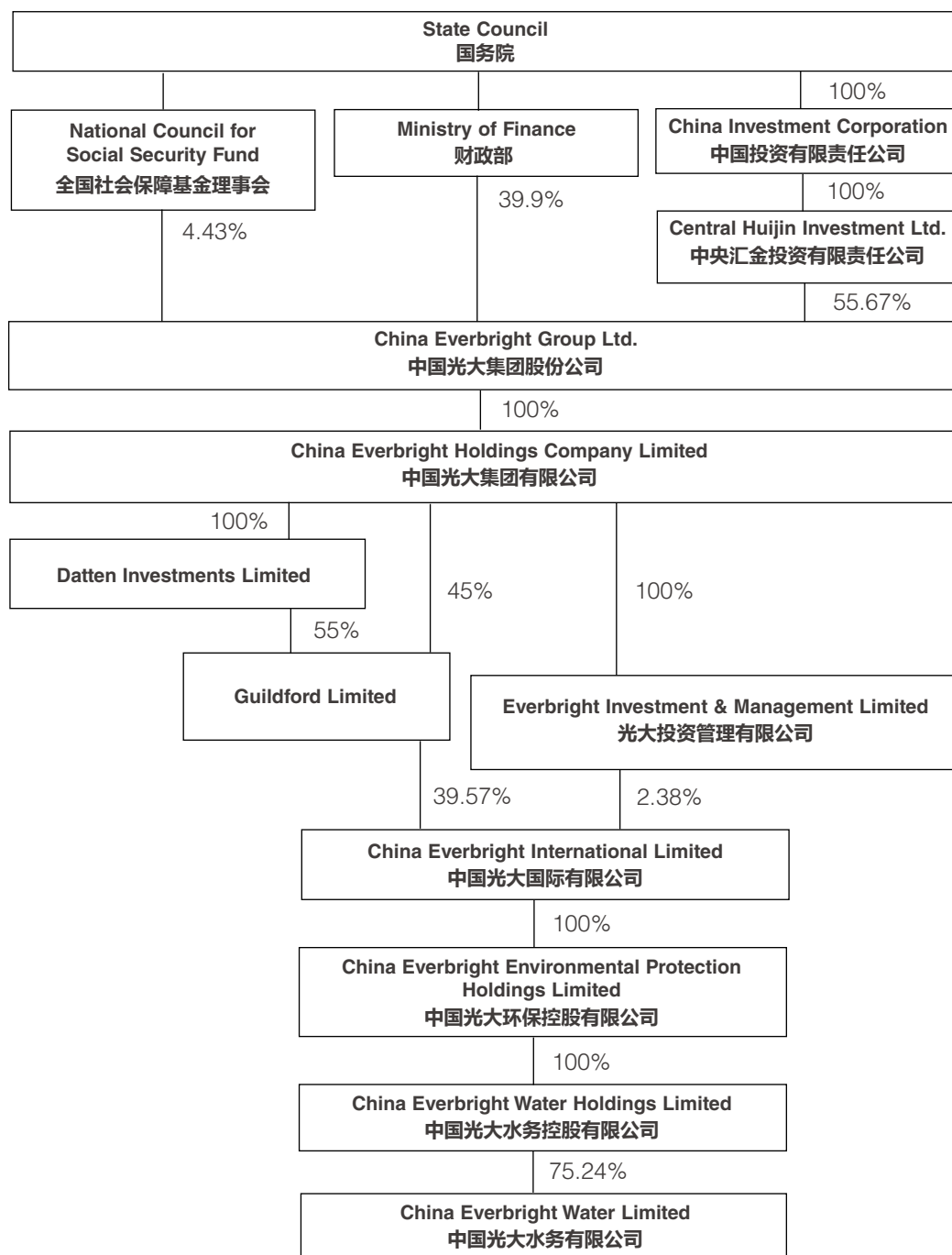
Each of China Investment Corporation and Central Huijin Investment Ltd., which is ultimately owned by the State Council of the People's Republic of China ("State Council"), is deemed to have a controlling interest (via Everbright International) in the issued share capital of the Company.

Based on the information furnished to the Company, below is shareholding structure of the Company:

### (i) 本公司与中国投资有限责任公司和中央汇金投资有限责任公司的关系

中国投资有限责任公司和中央汇金投资有限责任公司均最终由中华人民共和国国务院（“国务院”）持有，中投和汇金通过光大国际对本公司的已发行股本享有间接控股权益。

基于提供给本公司的信息，下表反映了本公司的股权结构：



# STATISTICS OF SHAREHOLDINGS

As at 12 March 2019  
截至二零一九年三月十二日

I 股权统计资料



## Central Huijin Investment Ltd. (“Huijin”)

Huijin, established in December 2003, is a state-owned investment company incorporated in accordance with the Company Law of the PRC, with a mandate to exercise the rights and the obligations as an investor in major state-owned financial enterprises, on behalf of the PRC. Huijin, in accordance with authorization by State Council makes equity investments in major state-owned financial enterprises, and shall, to the extent of its capital contribution, exercise the rights and perform the obligations as an investor on behalf of the PRC in accordance with applicable laws, to achieve the goal of preserving and enhancing the value of state-owned financial assets.

## China Investment Corporation (“CIC”)

CIC was founded in September 2007 as a wholly state-owned company incorporated in accordance with the Company Law of the PRC. CIC was established as a vehicle to diversify China's foreign exchange holdings and seek maximum returns for its shareholder within acceptable risk tolerance. Huijin is a wholly-owned subsidiary of CIC. However, Huijin's principal shareholder rights are exercised by the State Council. Strict operational firewalls exist among CIC's overseas business and the domestic business run by Huijin.

## Extract of the articles of association of Huijin and CIC

The articles of association of each of Huijin and CIC provide that each of Huijin and CIC “shall not interfere in the day-to-day business operations of the state-owned major financial enterprises it controls”. The articles of association of CIC further provide that “as a matter of principle, [CIC] shall not actively seek investment in domestic non-financial enterprises, except for purchasing overseas listed stocks, passive shareholdings and other circumstances as approved by the relevant governmental authorities”.

## Board of Directors of Everbright International and the Company

In addition, neither CIC nor Huijin has any nominees sitting on the board of directors of Everbright International. Similarly, neither CIC nor Huijin has any nominees sitting on the board of directors of the Company.

## 中央汇金投资有限责任公司 (“汇金”)

汇金于二零零三年十二月成立，是依据《中华人民共和国公司法》由国家出资设立的国有独资公司。根据国务院授权，对国有重点金融企业进行股权投资，以出资额为限代表国家依法对国有重点金融企业行使出资人权利和履行出资人义务，实现国有金融资产保值增值。

## 中国投资有限责任公司 (“中投”)

中投成立于二零零七年九月，是依照《中华人民共和国公司法》设立的国有独资公司，组建宗旨是实现国家外汇资金多元化投资，在可接受风险范围内实现股东权益最大化。汇金是中投的全资子公司。汇金的重要股东职责由国务院行使。中投的境外业务与汇金开展的境内业务之间实行严格的“防火墙”措施。

## 汇金和中投的公司章程条款摘录

汇金和中投的公司章程均规定汇金和中投“不得干预其控股的国有重点金融企业的日常经营活动”。中投的章程进一步规定“【中投】原则上不主动参股境内非金融企业，但购买境外上市股票、被动持股或经国家有关部门批准的除外”。

## 光大国际及本公司的董事会

此外，中投和汇金均未提名董事参与光大国际的董事会。同样，中投和汇金均未提名董事参与本公司的董事会。



### (ii) Not regarded as “controlling shareholders”

On the basis that each of Huijin and CIC does not in fact exercise control over the Company, the SGX has confirmed that each of Huijin and CIC will not be regarded as “controlling shareholders” of the Company for the purposes of the Listing Rules of the SGX (the “**Listing Rules**”).

Accordingly, each of the State Council, Huijin and CIC and their respective associates (other than Everbright Group and its associates) will not be regarded as “interested persons” of the Company and consequently, will not be subject to the rules and requirements under Chapter 9 of the Listing Rules governing interested person transactions. For the avoidance of doubt, Everbright Group is regarded as a “controlling shareholder” of the Company for the purposes of the Listing Rules and accordingly, Everbright Group and its associates are subject to the rules and requirements under Chapter 9 of the Listing Rules governing interested person transactions.

### (ii) 汇金和中投不属于“控股股东”

汇金和中投事实上未对本公司实施控制，因此新交所已依据其上市规则确认，汇金和中投不属于本公司的“控股股东”。

因此，国务院、汇金和中投及其各自的关联方（不包括光大集团及其关联方）均不属于本公司的“关联人士”，因此均不受新交所上市规则第九章关于关联人士交易规范和要求的规制。为免疑义，就新交所上市规则而言，光大集团将被视为本公司的“控股股东”，因此，光大集团及其关联方均将受新交所上市规则第九章关于关联人士交易规范和要求的规制。

# NOTICE OF ANNUAL GENERAL MEETING

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

## 年度股东大会通知



NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of China Everbright Water Limited (the “Company”) will be held at The Ritz-Carlton, Millenia Singapore, Chihuly Room, Level 3, 7 Raffles Avenue, Singapore 039799 on Friday, 12 April 2019 at 9.30 a.m. (Singapore time) to transact the following businesses:

兹通知，中国光大水务有限公司（“本公司”）年度股东大会将于二零一九年四月十二日星期五上午九时三十分（新加坡时间）在新加坡莱佛士大道七号新加坡丽思卡尔顿美年酒店三楼Chihuly宴会厅（邮编：039799）召开，以讨论通过以下事项：

### AS ORDINARY BUSINESS

### 普通事项

1. To receive and consider the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2018 and the Auditor's Report thereon.  
接收并审议董事会声明以及截至二零一八年十二月三十一日止的财政年度经审计的本公司财务报表及其审计师报告。  
**(Resolution 1)**  
**(第1项决议)**
2. To declare a final tax exempt 1-Tier dividend of SGD0.0050 per ordinary share for the financial year ended 31 December 2018 as recommended by the Directors.  
根据董事会建议，宣布派发截至二零一八年十二月三十一日止的财政年度的每股普通股0.0050新加坡元的单一免税末期股息。  
**(Resolution 2)**  
**(第2项决议)**
3. To approve the payment of Directors' fees of SGD323,556 for the financial year ended 31 December 2018. (2017: SGD200,000/-)  
批准支付截至二零一八年十二月三十一日止的财政年度的董事袍金323,556新加坡元整。（二零一七年：200,000新加坡元整）  
**(Resolution 3)**  
**(第3项决议)**
4. To re-elect Mr. Luo Junling, a Director retiring pursuant to the Bye-law 85(6) of the Bye-laws of the Company, and who, being eligible, will offer himself for re-election, as a Director of the Company:  
改选根据公司章程第85(6)条规定即将告退的董事罗俊岭先生（其适格竞选连任）为本公司董事：  
*(See Explanatory Note i)*  
**(Resolution 4)**  
**(第4项决议)**  
*(见附注说明i)*
5. To re-appoint Ernst & Young LLP as Auditor of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix its remuneration.  
重新委任Ernst & Young LLP为本公司审计师，任期直至下个年度股东大会结束为止，并授权董事会确定其薪酬。  
**(Resolution 5)**  
**(第5项决议)**

### AS SPECIAL BUSINESS

### 特别事项

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

考虑并通过（如认为恰当）以下普通决议（经修改或不经修改）：

6. Authority to allot and issue shares  
(a) That, pursuant to the Company's Bye-laws, and the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:  
(a) 根据本公司章程和新加坡交易所证券交易有限公司（“新交所”）上市规则，授权本公司董事会随时向其全权酌情认为适合的人士以合适目的按其认为适合的条款：



# NOTICE OF ANNUAL GENERAL MEETING

## 年度股东大会通知

For the financial year ended 31 December 2018  
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- |   |   |
|---|---|
| <p>(i) issue shares in the capital of the Company (“<b>Shares</b>”) whether by way of right, bonus or otherwise;</p> <p>(ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “<b>Instruments</b>”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares;</p> <p>(iii) issue additional instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and</p> <p>(b) (notwithstanding THAT the authority conferred by the shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the authority was in force.</p> | <p>(i) 通过供股、红利或其他方式发行公司股份 (“<b>公司股份</b>”) ;</p> <p>(ii) 作出或授予可能或将会要求发行股份的要约、协议或期权, 或其他可转让的认购或购买公司股份的权利 (合称 “<b>文据</b>”), 包括但不限于创设并发行权证、债券或其他可转换成公司股份的文据;</p> <p>(iii) 关于供股、红利或资本化发行, 因调整之前发行的文据数目而发行额外的文据; 和</p> <p>(b) (尽管股东授权可能已不再有效) 当授权有效时, 根据董事会所作出或授予的文据发行公司股份。</p> |
|---|---|

provided always that:

须符合下列事项:

- |   |  |
|---|--|
| <p>(i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed twenty per cent. (20%) of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued share capital shall be the Company's total number of issued Shares excluding treasury shares at the time this resolution is passed, after adjusting for;</p> | <p>(i) 根据本决议将予发行的公司股份总数 (包括根据本决议所作出或授予的文据将予发行的股份) 不超过已发行公司股份总数 (不含公司库存股) 的50%, 其中非按比例向本公司现有股东发行的公司股份总数 (包括根据本决议所作出或授予的文据将予发行的股份) 不超过已发行公司股份总数 (不含公司库存股) 的20%, 且就本决议而言, 已发行公司股本应为通过本决议案时、经以下各项调整后的已发行公司股份总数 (不含库存股) :</p> |
|---|--|

# NOTICE OF ANNUAL GENERAL MEETING

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

## I 年度股东大会通知



- |      |  |      |  |
|------|--|------|--|
| a)   | new Shares arising from the conversion or exercise of any convertible securities, or   | a)   | 转换或行使任何可转换证券产生的新公司股份, 或  |
| b)   | new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST (the “ <b>Listing Manual</b> ”); and       | b)   | 如果期权或股份奖励是遵照新交所《上市手册》(“《 <b>上市手册</b> 》”)第八章第VIII部分授予的, 在本决议通过时尚未行权的期权或被授予且仍存续的股份奖励由于被行权产生的新公司股份; 及 |
| c)   | any subsequent bonus issue, consolidation or subdivision of Shares, and  | c)   | 任何后续的红利股份发行、公司股份合并或拆分, 以及  |
| (ii) | such authority shall, unless revoked or varied by the Company at a General Meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. <b>(Resolution 6)</b> | (ii) | 除非被本公司在股东大会上撤回或更改, 该等授权持续有效直至下个年度股东大会结束或法律规定最晚举行下个年度股东大会之日(以其中较早者为准)为止。 <b>(第6项决议)</b>             |

(See Explanatory Note ii)

(见附注说明ii)

7. Authority to allot and issue Shares under the China Everbright Water Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”)

That authority be and is hereby given to the Directors to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme. **(Resolution 7)**

(See Explanatory Note iii)

7. 在中国光大水务有限公司以股代息计划 (“**以股代息计划**”) 项下分配和发行股份的权力

授权董事会不时地分配和发行根据以股代息计划可能需要分配和发行的相应数量的公司股份。 **(第7项决议)**

(见附注说明iii)

8. Renewal of the share buy-back mandate

That:

- (a) the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

8. 股份回购授权续期

即:

- (a) 授权董事会行使本公司通过下列方式、以董事会不时决定的不超过最高限价(定义见下文)的价格购买或以其它方式收购总计不超过最高限额(定义见下文)的已发行公司股份的全部权力:



# NOTICE OF ANNUAL GENERAL MEETING

## 年度股东大会通知

For the financial year ended 31 December 2018  
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- (i) market purchase(s) on the SGX-ST; and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall, as required under the Listing Manual, satisfy all the conditions prescribed by section 76C of the Companies Act, Chapter 50 of Singapore (“**Singapore Companies Act**”),

in accordance with the Companies Act 1981 of Bermuda (as amended) and all other laws and regulations and rules of the SGX-ST as may for the time being be applicable (the “**Share Buy-back Mandate**”);

- (b) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next Annual General Meeting of the Company is held;
- (ii) the date on which the next Annual General Meeting of the Company is required by law to be held; and
- (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST, before the date of the market purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

- (i) 在新交所市场上购买；和/或

- (ii) 按照董事会认为适当而可能决定或制定的任何平等购买计划在市场外购买（如果购买不是在新交所市场上实施，该等计划应如《上市手册》所要求、满足新加坡法律第50章《公司法》（“《**新加坡公司法**”）第76C条规定的所有条件。

需遵守百慕大一九八一年《公司法》（修订版）和所有其他法律法规以及届时适用的新交所规则（“**股份回购授权**”）；

- (b) 除非被本公司在股东大会上更改或撤销，根据股份回购授权授予董事会的权力可由董事会自通过本项决议时起至以下日期中较早者为止的期间内随时行使：

- (i) 本公司下个年度股东大会举行之日；
- (ii) 法律规定的最晚举行本公司下个年度股东大会之日；和
- (iii) 根据股份回购授权购买和收购的公司股份达到所授权的最大限度之日；

- (c) 在本项决议中：

“**平均收盘价**”是指在本公司进行市场购买之日前，或视情况而定，根据市场外购买作出要约之日前，公司股份在新交所交易的近五个交易日的平均收盘市场价，且该等平均收盘价视为已经根据新交所上市规则和相关五日期间之后发生的公司行动进行了调整；



# NOTICE OF ANNUAL GENERAL MEETING

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

## I 年度股东大会通知



**“date of the making of the offer”** means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

**“Maximum Limit”** means that number of Shares representing 10 per cent. of the total number of issued Shares as at the date of the passing of this Resolution (excluding any treasury shares and any Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Singapore Companies Act); and

**“Maximum Price”** in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses), which shall not exceed:

- (i) in the case of a market purchase of a Share, five per cent. above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share, five per cent. above the Average Closing Price; and
- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Buy-back Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Buy-back Mandate. **(Resolution 8)**

(See Explanatory Note iv)

**“作出要约之日”**是指本公司作出要约向股东购买或收购公司股份之日，该等要约中需说明每股购买价格（不应超过最高限价）以及实施市场外购买的平等购买计划的相关条款；

**“最高限额”**是指代表了通过本决议之日已发行公司股份总数的10%的公司股份数量（不含任何库存股以及在《新加坡公司法》第21（4）条、21（4B）条、21（6A）条和21（6C）条描述的情况下，所有由本公司的附属公司持有的股份）；和

关于购买或收购公司股份的**“最高限价”**，是指每股购买价格（不含经纪人佣金、手续费、适用的商品和服务税以及其他相关费用），该价格不得超出：

- (i) 在市场上购买公司股份的情况下，平均收盘价的105%；和
- (ii) 在市场外购买股份的情况下，平均收盘价的105%；以及
- (d) 授权董事会完成和作出所有其认为必要、合适或有效或有利于本公司的使本决议和股份回购授权生效的行为（包括但不限于签署可能需要的关于本决议和股份回购授权的全部协议和文件）。 **(第8项决议)**

(见附注说明iv)



# NOTICE OF ANNUAL GENERAL MEETING

## 年度股东大会通知

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

### 9. Renewal of the interested person transaction mandate

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the SGX-ST, for the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9), or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in the Appendix to the Company’s Letter to Shareholders dated 27 March 2019 (the “**Letter**”) with any party who is of the class of interested persons described in the Appendix to the Letter, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions (the “**IPT Mandate**”);
- (b) the renewal of the IPT Mandate above shall unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the IPT Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the IPT Mandate.

#### (Resolution 9)

(See Explanatory Note v)

- 10. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

AN XUESONG  
Executive Director and Chief Executive Officer

27 March 2019  
Singapore

### 9. 续期关联人士交易的授权

即:

- (a) 为《上市手册》第九章（“**第九章**”）之目的，授权本公司及其附属公司和联营公司（当它们是第九章所定义的风险实体时），或其中任何一方，与本公司于二零一九年三月二十七日发出的致股东函（“**致股东函**”）的附件中所载明的任何一类关联人士进行致股东函中所载明的任何一类关联人士交易，前提是该等交易是按照正常商业条款进行并已通过相关审阅程序（“**关联人士交易授权**”）；
- (b) 除非被本公司在股东大会上撤回或更改，该等授权持续有效直至下个年度股东大会结束为止；
- (c) 授权董事会完成和做出所有其认为必要、合适或有效或有利于本公司的使本决议和关联人士交易授权生效的行为（包括但不限于签署可能需要的关于本决议和关联人士交易授权的全部协议和文件）。

#### (第9项决议)

(见附注说明v)

- 10. 处理任何其他可在年度股东大会妥善处理的普通事项。

承董事会命令

安雪松  
执行董事兼总裁

二零一九年三月二十七日  
新加坡

# NOTICE OF ANNUAL GENERAL MEETING

For the financial year ended 31 December 2018  
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## 年度股东大会通知



### Notes:

1. A member of the Company (other than The Central Depository (Pte) Limited) entitled to attend and vote at the Annual General Meeting and who holds two or more Shares shall be entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy needs not be a member of the Company.
2. Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy respectively.
3. The instrument appointing a proxy or proxies must be under the hand of the appointer or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
4. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the Share Registrar's office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 48 hours before the time set for the Annual General Meeting.

### Explanatory Notes:

- i Detailed information relating to Mr. Luo Junling is set out on page 22 and pages 47 to 48 of the Company's annual report for the financial year ended 31 December 2018.
- ii The ordinary resolution 6 proposed in item 6 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 percent of the total number of issued Shares excluding treasury shares of the Company, of which the total number of Shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20 percent of the total number of issued Shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the next Annual General Meeting of the Company.
- iii Pursuant to the Special General Meeting of the Company held on 28 October 2005, the shareholders of the Company approved the passing of the ordinary resolution relating to the Scrip Dividend Scheme. In the circular dated 11 October 2005, the Scrip Dividend Scheme provides members with the option to elect to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. The Ordinary Resolution 7 proposed in item 7, if passed, will empower the Directors of the Company to allot and issue Shares in the Company pursuant to the terms and conditions of the Scrip Dividend Scheme.
- iv The Company intends to use internal sources of funds, external borrowings or a combination of internal resources and external borrowings, to finance the purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, the manner in which the purchase or acquisition is funded, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10 per cent. of its issued Shares as at 14 March 2019, at a purchase price equivalent to the Maximum Price per Share, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2018 and certain assumptions, are set out in paragraph 3.8 of the Letter.

### 附注:

1. 有权出席年度股东大会并投票的本公司股东（中央托收私人有限公司除外），若持有两股或两股以上的公司股份，应有权委托不超过两名代理人代替其出席并投票。代理人无需为公司股东。
2. 如果股东委托两名代理人，则该股东应列明各代理人分别代表的其所持股份的分摊比例（以总数的百分比表示）。
3. 委托代理人的文书须由委托人或经其书面妥为授权的人签发。如果委托代理人的文书由公司签署，则须加盖公司公章或由经其妥为授权的人员签署。
4. 委托代理人的文书和作为其签署依据的授权委托书或其他授权书（如有），或公证人签署证明之副本，必须于不晚于年度股东大会计划召开前48小时存放于位于新加坡莱佛士坊50号新置地大厦#32-01室（邮编：048623）的股份过户登记处。

### 附注说明:

- i 关于罗俊岭先生的详细信息载于本公司截至二零一八年十二月三十一日止财政年度的年度报告第22页和第47页至第48页。
- ii 第六条中所提议的第6项普通决议是为授权本公司董事会根据其认为对本公司有利之目的，自上述会议日期开始至下年度股东大会为止发行公司股份和可转换证券，发行总数不超过已发行公司股份总数（不含公司库存股）的50%，其中非按比例向本公司现有股东发行的总数不超过该决议通过时已发行公司股份总数（不含公司库存股）的20%。该项授权除非在股东大会上被撤销或更改，将于本公司下年度股东大会时期满终止。
- iii 根据二零零五年十月二十八日举行的本公司特别股东大会，本公司股东批准通过了关于以股代息计划的普通决议。在二零零五年十月十一日的通函中，以股代息计划为股东提供选择以收取公司股份的方式代以收取其根据持有公司股份可获分配的股息现金。第七条中所提议的第7项普通决议如果获通过，将授权本公司董事会根据以股代息计划的条款和条件分配和发行公司股份。
- iv 本公司打算使用内部资金来源、外部借款或二者兼而有之的方式作为购买或收购公司股份的资金。本公司购买或收购其股份所需要的资金数额以及对本公司财务状况的影响在本通知之日尚不能确定，因为该等数额和影响尤其取决于购买或收购资金来源取得方式、购买或收购的公司股份总数以及在相关时间支付的对价。仅为说明之目的，致股东函第3.8段列示了，假设以等同于每股最高限价的购买价格购买或收购本公司截至二零一九年三月十四日已发行股份的10%，基于本公司及其附属公司截至二零一八年十二月三十一日止的财政年度的已审计财务报表和特定假设，该等购买或收购对本公司的财务影响。



# NOTICE OF ANNUAL GENERAL MEETING

## 年度股东大会通知

For the financial year ended 31 December 2018  
截至二零一八年十二月三十一日止的财政年度

- v. The ordinary resolution 9 proposed in item 9 is to approve the renewal of the IPT Mandate to enable the Company, its subsidiaries and associated companies that are entities at risk (as defined in Chapter 9 of the Listing Manual), or any of them, to enter into certain interested person transactions with specified classes of interested persons, as described in the Letter. Please refer to the Letter for more details.

- v. 第九条中所提议的第9项普通决议是为批准关联人士交易授权，使得本公司及其附属公司和联营公司（当它们是第九章所定义的风险实体时）或其中任何一方，如致股东函中所载，与特定的关联人士进行特定的关联人士交易。更多详情请参见致股东函。

### Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

### 个人资料隐私权:

通过提交代理人表格委托一名或多名代理人和/或代表出席年度股东大会和/或其任何续会并发言和投票，本公司股东 (i) 同意让本公司（或其代理人）收集、使用及披露股东的个人资料，以让本公司（或其代理人）能够就因年度股东大会（包括其任何续会）而受委托的代理人和代表事宜进行处理和管理，并准备和整理出席名单、会议记录和其他有关年度股东大会（包括其任何续会）的文件，以及让本公司（或其代理人）能够遵循适用法律、上市规则、规定和/或指导原则（统称“目的”），(ii) 就上述目的，保证当本公司股东向本公司（或其代理人）披露其代理人和/或代表的个人资料时，股东已获得该等代理人和/或代表的事先同意，允许本公司（或其代理人）收集、使用和披露该等代理人和/或代表的个人资料，并且 (iii) 同意将就因股东违反承诺而引致的任何处罚、责任、索赔、要求、损失及损害对本公司作出赔偿。







CHINA EVERBRIGHT WATER LIMITED  
中国光大水务有限公司

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