



ELL Environmental Holdings Limited

強泰環保控股有限公司*

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

Stock Code 股份代號 : 1395



2022 ANNUAL REPORT 年報

* For identification purpose only
僅供識別



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Corporate Information 公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

CHAU On Ta Yuen *BBS, SBS (Chairman)*
CHAN Kwan *(Chief Executive Officer)*
Radius SUHENDRA
CHAU Chi Yan Benny

NON-EXECUTIVE DIRECTOR

CHAN Pak Lam Brian

INDEPENDENT NON-EXECUTIVE DIRECTORS

NG Chung Yan Linda
NG Man Kung
LEUNG Bo Yee Nancy

BOARD COMMITTEES

AUDIT COMMITTEE

NG Chung Yan Linda *(Chairlady)*
NG Man Kung
LEUNG Bo Yee Nancy

NOMINATION COMMITTEE

CHAU On Ta Yuen *(Chairman)*
CHAN Kwan
NG Chung Yan Linda
NG Man Kung
LEUNG Bo Yee Nancy

REMUNERATION COMMITTEE

NG Man Kung *(Chairman)*
CHAN Pak Lam Brian
NG Chung Yan Linda
LEUNG Bo Yee Nancy

REGISTERED OFFICE

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事會

執行董事

周安達源 *銅紫荊星章、銀紫荊星章(主席)*
陳昆 *(行政總裁)*
蘇堅人
周致人

非執行董事

陳栢林

獨立非執行董事

伍頌恩
吳文拱
梁寶儀

董事委員會

審核委員會

伍頌恩 *(主席)*
吳文拱
梁寶儀

提名委員會

周安達源 *(主席)*
陳昆
伍頌恩
吳文拱
梁寶儀

薪酬委員會

吳文拱 *(主席)*
陳栢林
伍頌恩
梁寶儀

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands



Corporate Information 公司資料

HEADQUARTERS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC" OR "CHINA")

Rugao Hengfa Municipal and Industrial Wastewater Treatment Facility
North of Huimin Road
Rugao Economic and Technological Development Zone
Jiangsu Province
The PRC

於中華人民共和國(「中國」)的總部

如皋恆發市政及工業污水處理設施
中國
江蘇省
如皋經濟技術開發區
惠民路北側

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2304, 23rd Floor, Westlands Centre
20 Westlands Road
Hong Kong

香港主要營業地點

香港
華蘭路20號
華蘭中心23樓2304室

AUTHORISED REPRESENTATIVES

CHAN Kwan
TUNG Wing Yee Winnie

授權代表

陳昆
董穎怡

COMPANY SECRETARY

TUNG Wing Yee Winnie

公司秘書

董穎怡

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Boardroom Share Registrars (HK) Limited
Room 2103B, 21st Floor
148 Electric Road
North Point
Hong Kong

香港股份過戶登記分處

寶德隆證券登記有限公司
香港
北角
電氣道148號
21樓2103B室



Corporate Information 公司資料

PRINCIPAL BANKERS

Chiyu Banking Corporation Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

INDEPENDENT AUDITOR

Baker Tilly Hong Kong Limited
Certified Public Accountants

LEGAL ADVISORS

AS TO HONG KONG LAW:

Taylor Wessing

AS TO PRC LAW:

King & Wood Mallesons

WEBSITE

www.ellhk.com

LISTING INFORMATION

Place of Listing

Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

1395

Board Lot

5,000 shares

主要來往銀行

集友銀行有限公司
香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

獨立核數師

天職香港會計師事務所有限公司
執業會計師

法律顧問

有關香港法律：

泰樂信律師事務所

有關中國法律：

金杜律師事務所

公司網站

www.ellhk.com

上市資料

上市地點

香港聯合交易所有限公司主板

股份代號

1395

買賣單位

5,000股股份



Chairman's Statement 主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of ELL Environmental Holdings Limited (“**ELL Environmental**” or the “**Company**”, together with its subsidiaries, the “**Group**” or “**we**” or “**our**”), I present the annual report of the Company for the year ended 31 December 2022 (the “**Year**”).

According to the data published by China's National Bureau of Statistics, China's gross domestic product for 2022 was RMB121.0 trillion¹, representing a 3.0% increase over last year. Despite the ongoing impact of COVID-19 on China's economy in 2022, the nation's economy experienced an organised recovery this year, establishing a strong basis for further economic recuperation in 2023. This was achieved through the efficient implementation of targeted policies and measures, with the full cooperation of all regions and departments nationwide, and the successful containment of the epidemic. In recent years, China has made significant efforts to advance its environmental protection industry. According to the National Bureau of Statistics, investment in water conservancy, environment and public facilities management increased by 10.3%² in 2022 compared to the same period in the previous year. In October 2022, China's Ministry of Ecology and Environment released a report on national surface water and ambient air quality for January to September 2022, and among the 3,641 national surface water assessment sections, the proportion of sections with excellent water quality (Grade I~III) reached 86.3%³, representing an increase of 4.5% compared to the same period in the previous year. For the seven major river basins, Northwestern Rivers, Southwestern Rivers and rivers in Zhejiang and Fujian Provinces, the proportion of sections with excellent water quality (Grade I~III) reached 88.5%³, representing an increase of 4.8% compared to the same period in the previous year. This highlights the Chinese government's unwavering dedication to addressing environmental issues, including wastewater management, even amidst economic challenges and

Notes:

1. http://www.stats.gov.cn/tjsj/zxfb/202301/t20230117_1892179.html
2. http://www.stats.gov.cn/tjsj/zxfb/202301/t20230117_1892089.html
3. https://www.mee.gov.cn/ywdt/xwfb/202210/t20221024_997602.shtml

致各位股東：

本人謹代表強泰環保控股有限公司(「強泰環保」或「本公司」，連同其附屬公司，統稱「本集團」或「我們」)董事(「董事」)會(「董事會」)呈報截至二零二二年十二月三十一日止年度(「本年度」)的全年報告。

根據中國國家統計局數據顯示，二零二二年全年中國國內生產總值為人民幣121.0萬億元¹，比去年同期增長3.0%。儘管新冠肺炎疫情在二零二二年不斷沖擊國內的經濟，在全國各地區、各部門的通力合作下，種種針對性的政策及措施得以有效地落實，疫情因而受到有效的控制，使全國經濟今年有序復甦，為二零二三年經濟的進一步恢復打下堅實的基礎。近年來中國大力推動國內環保業，據國家統計局數據顯示，二零二二年全年水利、環境和公共設施管理業投資額比去年同期增長10.3%²。根據生態環境部於二零二二年十月公佈的全國地表水環境質量狀況，本年度一至九月，於3,641個國家地表水考核斷面中，水質優良(I~III類)斷面比例為86.3%³，比去年同期高出4.5%。而七大流域及西北諸河、西南諸河和浙閩片河流水質優良(I~III類)斷面比例則為88.5%³，比去年同期上升4.8%。由此可見，中國政府在處理經濟問題、使經濟恢復向好的同時，仍致力於處理污水及環境等問題。針對長江及黃河為中國兩條主要河道，政府亦對其

備註：

1. http://www.stats.gov.cn/tjsj/zxfb/202301/t20230117_1892179.html
2. http://www.stats.gov.cn/tjsj/zxfb/202301/t20230117_1892089.html
3. https://www.mee.gov.cn/ywdt/xwfb/202210/t20221024_997602.shtml



Chairman's Statement 主席報告

efforts to revive the economy. The Chinese government has also established distinct guidelines and specific targets for the Yangtze River and Yellow River, which are two crucial rivers in the country. In August 2022, 17 departments and units, including the Ministry of Ecology and Environment, the National Development and Reform Commission, the Ministry of Housing and Urban-Rural Development, and the Ministry of Water Resources, jointly issued the Action Plan for Deepening the Battle for the Protection and Restoration of the Yangtze River⁴ (《深入打好長江保護修復攻堅戰行動方案》), which proposed a number of major targets to be achieved by the end of 2025, focusing on the Yangtze River and its surrounding areas, including maintaining the water quality of Yangtze River Basin at an excellent level, maintaining the water quality of the main stream at “Grade II”, tackling and eliminating the problem of mixing and misconnecting sewage networks in cities at the prefecture level and above; and improving the centralised collection rate of urban domestic sewage to more than 70%, or more than 5 percentage points higher than that of 2020. In addition, navigation-restricted and prohibited areas shall be designated in important aquatic habitats of the Yangtze River, aquatic biological monitoring system should be established for the Yangtze River, and the closed fishing areas should be regulated, in order to achieve restorative growth for the aquatic biological resources in the Yangtze River. As for the Yellow River, another major river in our country, 12 departments including the Ministry of Ecology and Environment jointly issued the Action Plan for Protecting and Managing the Ecology of the Yellow River⁵ (《黃河生態保護治理攻堅戰行動方案》) in the second half of 2022, with the primary objective to improve the pollution control and water quality of the Yellow River, while also striving for continuous and steady improvement in the ecosystem quality of the Yellow River basin. The actual target is that by 2025, the water quality in the upper and middle reaches of the mainstream of the Yellow River should reach Grade II, the elimination rate of black and odorous water bodies in the built-up areas of county-level cities should reach more than 90%, and no less than 90% of the drinking water in cities at county level and above should have the water quality of Class III or above. The Yellow River basin covers nine provinces and regions, including Shanxi, Inner Mongolia, Henan and Shandong. The primary focus of action should be directed towards the ecology of the main tributaries, main streams, and significant lakes and reservoirs within the basin. Moving forward, the Group plans to remain updated on the most current national

分別發出不同指引及訂下相關目標。二零二二年八月，生態環境部、國家發展和改革委員會、住房和城鄉建設部、水利部等多達17個部門和單位聯合發佈《深入打好長江保護修復攻堅戰行動方案》⁴，提出於2025年年底以前，針對長江及其周邊的一些主要目標，其中包括長江流域的水質需保持優良，幹流水質需保持為II類，基本處理和消除地級及以上城市污水管網混錯接問題，城市生活污水集中收集率需提升至70%以上或高於2020年的5個百分點以上。另外，於長江水生生物重要棲息地劃定禁止及限制航行的區域、建立長江水生生物監測體系及管理禁漁水域，使長江水生生物資源恢復性增長。至於另一條主要河道 — 黃河，生態環境部等12個部門於二零二二年下半年亦聯合發佈《黃河生態保護治理攻堅戰行動方案》⁵，當中主要目標為提升黃河的污染治理及水質水平，黃河流域的生態系統質量需持續及穩定地得到提升。實際指標為於2025年，黃河幹流上中游的水質需達到II類，縣級城市建成區黑臭水體消除比例達到90%以上，縣級及以上城市飲用水水質達到III類或以上的比例不可低於90%。當中黃河流域的覆蓋範圍為山西、內蒙古、河南、山東等9個省區，而主要支流、幹流、重要湖庫的生態為關注的重點。本集團未來仍

Notes:

4. <https://huanbao.bjx.com.cn/news/20220919/1255837.shtml>
5. <https://huanbao.bjx.com.cn/news/20220901/1252348.shtml>

備註：

4. <https://huanbao.bjx.com.cn/news/20220919/1255837.shtml>
5. <https://huanbao.bjx.com.cn/news/20220901/1252348.shtml>



Chairman's Statement 主席報告

and regional policies and actively collaborate to make a contribution towards national environmental governance efforts.

As the comprehensive implementation of environmental policies in China presents growth opportunities, the Group is also proactively addressing challenges in the environmental industry abroad. To improve our competitiveness in overseas markets, the Group currently focuses on two overseas projects, including the development of biofuel pellet business in Jambi, Indonesia and the development of a power supply project in Bangka, Indonesia. The biofuel pellets business has been put into production and generated revenue since 2021. Construction is currently underway for the Bangka power plant project in Indonesia. The Group has entered into an agreement with PLN to supply electricity to its national grid at a fixed price for a period of 25 years from 2023.

Other than the above two overseas key projects, the Group has been endeavouring to explore opportunities to communicate with other power generation plants and companies to seek for more cooperation. The Group expects to develop more environmental protection businesses in the future, continue researching for the development opportunities of other new energy businesses in the environmental protection industry, thereby stabilising the Group's business foundation and allowing the Group to achieve diversified business and sustainable development. In terms of the Group's domestic businesses, the Group will continue to enhance its operation efficiency by strictly controlling cost and improving operational process, so as to further enhance the profitability of the wastewater treatment business. The management will continue to align with national policies, guiding the Group towards a pathway of good development.

For the year ended 31 December 2022, ELL Environmental recorded a revenue of approximately HK\$203.6 million with a year-on-year increase of 97.5%. The gross profit for the Year was HK\$60.6 million, representing a year-on-year increase of 12.9%. The net loss was HK\$2.2 million.

會繼續跟隨國家及地區的最新政策，加以配合，致力為國家的環境治理工作作出貢獻。

國內環保政策的全面推行無疑為本集團帶來增長的機遇，與此同時，本集團亦積極地因應國外環保業帶來的挑戰作出應對。為提高本集團在國外市場的競爭力，本集團現時主要集中發展兩項國外項目，包括於印尼佔碑省發展生物燃料球團的業務，以及於印尼邦加島發展供電項目。本集團的生物燃料球團業務已於二零二一年投產並開始產生收入。至於印尼邦加島發電廠項目方面，邦加島發電廠正處於建造階段，本集團已與印尼國家電力公司達成供電協議，預期由二零二三年起為期二十五年，以固定價格向國家電網進行供電。

除以上兩項國外重點項目外，本集團一直致力探索與其他發電廠及企業溝通的機會，以尋求合作的空間。本集團希望未來可以開展更多環保業務項目，繼續研究環保產業中其他新能源業務的發展機遇，穩扎集團業務基礎，使集團達至業務多元性及可持續發展。針對本集團的國內業務，本集團將繼續嚴格控制成本、改良營運流程以提升運作效率，進一步提升污水處理業務帶來的盈利。管理層將會繼續配合國家的政策，引領集團走向良好的發展道路。

截至二零二二年十二月三十一日止年度，強泰環保錄得營業收入約203.6百萬港元，同比增長97.5%。本年度毛利為60.6百萬港元，同比增長12.9%。淨虧損為2.2百萬港元。



Chairman's Statement 主席報告

Despite the recurrence of COVID-19 outbreaks in 2022 and uncertainties in the global economic landscape, the Group remains committed to upholding its established operational principles and proactively addressing market challenges. On one hand, we will continuously optimise the management of existing projects to bring stable growth for the Group. On the other hand, we will keep a close eye on market changes and actively cooperate with the latest national and regional policies to maintain the steady development of the wastewater treatment business in China to provide clean water for the whole country. In addition, the Group will explore appropriate and promising opportunities to extend its environmental philosophy overseas and contribute to global sustainable development by expanding its range of diverse environmental businesses.

Here, I would like to express my gratitude to my fellow Directors, shareholders of the Company (the “**Shareholders**”), staff and stakeholders for their constant support. Thanks to the tireless dedication of the management and all staff, as well as the support from our customers and partners, ELL Environmental has been able to overcome various obstacles in such a challenging business environment in recent years. The Group will continuously maintain its high-quality service level and close relationship with customers, with the aim to contribute to the society and environment, as well as create value and generate long-term stable returns for our investors and the Shareholders.

疫情在二零二二年內持續反覆，外圍經濟環境存在不確定性，然而，本集團將繼續堅守過往的經營理念，積極應對市場上的各種挑戰，一方面持續優化現有項目的管理，為本集團帶來穩定的增長，另一方面，本集團將密切留意市場變化，並積極配合國家及地區的最新政策，在中國污水處理業務上繼續穩步發展，為全國上下提供潔淨的用水，同時尋求合適及具發展潛力的機遇，透過發展多元化的環保業務，把本集團的環保理念帶至海外，為全球的可持續發展出一份力。

在此本人向各位董事、股東、員工及各持份者一直以來的支持致以衷心感謝。有賴管理層及全體員工一直以來的不辭勞苦，加上客戶和合作夥伴的支持，強泰環保才能在近年嚴峻的營商環境下跨過重重挑戰。本集團會繼續保持優質的服務水平，以及與客戶維持緊密的合作關係，為社會及環境作出貢獻，並為投資者及股東創造價值，帶來長期穩定的回報。

CHAU On Ta Yuen
Chairman

Hong Kong, 30 March 2023

主席
周安達源

香港，二零二三年三月三十日



Management Discussion and Analysis 管理層討論與分析

BUSINESS REVIEW

Due to external factors such as international geopolitical changes and the outbreak of Omicron, a variant of the COVID-19, coupled with internal factors such as the downturn in the domestic real estate market, China's overall economic growth was under pressure in 2022. However, with the support of the Chinese government's various "economy stabilisation" policies, the economy grew steadily throughout the Year, demonstrating the resilience of the China's economy. According to the data published by the National Bureau of Statistics, China's gross domestic product for 2022 was RMB121.0 trillion¹, representing a 3.0% growth over 2021.

In recent years, the Chinese government has taken a proactive approach to water pollution issues. The Chinese government has established distinct guidelines and specific targets for the two major rivers in China that cover vast areas, the Yangtze River and the Yellow River, in order to create a more comprehensive wastewater treatment system and improve water quality. In August 2022, 17 departments and units, including the Ministry of Ecology and Environment, the National Development and Reform Commission, the Ministry of Housing and Urban-Rural Development and the Ministry of Water Resources, jointly issued the Action Plan for Deepening the Protection and Restoration of the Yangtze River* (《深入打好長江保護修復攻堅戰行動方案》)², which proposed a number of major targets to be achieved by the end of 2025 focusing on the Yangtze River and its surrounding areas, which include maintaining the water quality in the Yangtze River basin at an excellent level, maintaining the water quality of the mainstream of Yangtze River at Grade II, tackling and eliminating the problem of mixing and misconnecting sewage networks in cities at the prefecture level and above, and improving the centralised collection rate of urban domestic sewage to more than 70% or more than five percentage points higher than that of 2020. In addition, navigation-restricted and prohibited areas should be designated in important aquatic habitats of the Yangtze River, aquatic biological monitoring system should be established for the Yangtze River, and the closed fishing areas should be regulated, in order to achieve restorative growth for the aquatic biological

Notes:

1. http://www.stats.gov.cn/sj/zxfb/202302/t20230203_1901718.html
2. <https://huanbao.bjx.com.cn/news/20220919/1255837.shtml>

業務回顧

由於外圍因素如國際地緣政治變化以及新冠肺炎的奧米克戎變種病毒的爆發，再加上內在因素如國內房地產市場的下行，中國整體經濟的增長在二零二二年面對不少壓力，但在中央政府各項「穩經濟」政策的支持下，全年經濟穩中有升，展現了中國經濟的韌性。根據國家統計局的數據顯示，二零二二年全年中國國內生產總值為人民幣121.0萬億元¹，比二零二一年同期增長3.0%。

近年，政府對水污染問題採取積極應對態度，而長江及黃河作為中國兩條主要河道，覆蓋範圍甚廣，故政府對兩條河道分別發出不同指引及訂下相關目標，以打造更完善的污水處理系並改善水質。二零二二年八月，生態環境部、國家發展和改革委員會、住房和城鄉建設部、水利部等多達17個部門和單位聯合發佈《深入打好長江保護修復攻堅戰行動方案》²，提出於二零二五年年底前，針對長江及其周邊的一些主要目標，其中包括長江流域的水質需保持優良，幹流水質需保持為II類，基本處理和消除地級及以上城市污水管網混錯接問題，及城市生活污水集中收集率需提升至70%以上或高於二零二零年的5個百分點以上。另外，於長江水生生物重要棲息地劃定禁止及限制航行的區域，建立長江水生生物監測體系，及管理禁漁水域，使長江水生生物資源恢復性增長。至於另一條主要河道 — 黃河，生態環境部等12個部門於

備註：

1. http://www.stats.gov.cn/sj/zxfb/202302/t20230203_1901718.html
2. <https://huanbao.bjx.com.cn/news/20220919/1255837.shtml>



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resources in the Yangtze River. As for the Yellow River, another major river in China, 12 departments, including the Ministry of Ecology and Environment, jointly issued the Action Plan for Protecting and Managing the Ecology of the Yellow River' (《黃河生態保護治理攻堅戰行動方案》)³ in the second half of 2022, with the primary objective to improve the pollution control and water quality of the Yellow River, while also striving for continuous and steady improvement in the ecosystem quality of the Yellow River basin. The actual target is that by 2025, the water quality in the upper and middle reaches of the mainstream of the Yellow River should reach Grade II, the elimination rate of black and odorous water bodies in the built-up areas of county-level cities should reach more than 90%, and no less than 90% of the drinking water in cities at county level and above should have the water quality of Grade III or above. The Yellow River basin covers nine provincial regions including Shanxi, Inner Mongolia, Henan and Shandong, with the focus of action should be directed towards the ecology of the main tributaries, mainstream and important lakes and reservoirs. It is apparent that China and various departments pay high attention to the water quality of the Yangtze River and the Yellow River, and are committed to implementing a series of measures to achieve the relevant targets. According to the national surface water environment quality status announced by the Ministry of Ecology and Environment in October 2022, from January to September this Year, among the 3,641 national surface water assessment sections, the proportion of sections with excellent water quality (Grade I-III) reached 86.3%⁴, which was 4.5% higher than that of the same period of 2021, and the proportion of inferior sections with Grade V was 0.9%, which was 0.3% lower than that of the same period of 2021. In the future, it is expected that more manpower and funds will be devoted by China in dealing with water quality issues, and the relevant index will continue to improve steadily.

Overall, the Group has been committed to prudently operating its existing businesses and exploring the potential of other environmental protection businesses in the past. Earlier, the Group sold the relevant interests in Hai'an Hengfa Wastewater Treatment Company Limited ("Haian Hengfa"), and no longer held a wastewater treatment facility operated by it, with the

二零二二年下半年亦聯合發佈《黃河生態保護治理攻堅戰行動方案》³，當中主要目標為提升黃河的污染治理及水質水平，黃河流域的生態系統質量需持續及穩定地得到提升。實際指標為於二零二五年，黃河幹流上中游的水質需達到II類，縣級城市建成區黑臭水體消除比例達到90%以上，縣級及以上城市飲用水水質達到III類或以上的比例不可低於90%。當中黃河流域的覆蓋範圍為山西、內蒙古、河南、山東等9個省區，而主要支流、幹流、重要湖庫的生態為關注的重點。由此可見，國家及各部門對長江及黃河的水質情況高度關注，並致力落實一系列措施，以達到相關的目標。根據生態環境部於二零二二年十月公佈的全國地表水環境質量狀況，本年度一至九月，於3,641個國家地表水考核斷面中，水質優良(I~III類)斷面比例為86.3%⁴，比二零二一年同期高出4.5%，劣V類斷面比例則為0.9%，低於二零二一年同期0.3%。於未來國家預計會投放更多人力及資金於處理水質問題上，相關指數定會持續穩步向好。

整體而言，本集團於過去致力於審慎地營運現有的業務，並開發其他環保業務的可能性。早前，本集團已出售海安恆發污水處理有限公司(「海安恆發」)的相關權益，亦不再持有其營運的一座污水處理設施，相關的資源將會被重新分配至

Note:

3. <https://huanbao.bjx.com.cn/news/20220901/1252348.shtml>
4. https://www.mee.gov.cn/ywdt/xwfb/202210/t20221024_997602.shtml

備註：

3. <https://huanbao.bjx.com.cn/news/20220901/1252348.shtml>
4. https://www.mee.gov.cn/ywdt/xwfb/202210/t20221024_997602.shtml



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relevant resources to be reallocated to the wastewater treatment facilities operated by Rugao Hengfa Water Treatment Company Limited (“**Rugao Hengfa**”) and the power plant project in Bangka, Indonesia (the “**Bangka Project**”). After the disposal of Hai'an Hengfa, the Group will mainly operate the wastewater treatment facilities of Rugao Hengfa in China. In July 2021, the Group reached an agreement with the local administrative committee, increasing water tariffs from RMB2.67 per tonne to RMB3.43 per tonne, contributing to a more robust result for the Group. With the increase in water tariffs and improvement in project efficiency, the management expects that the revenue and gross profit of the Group will further increase.

The Group has also been actively preparing for the development of suitable environmental protection projects in overseas and two key projects are currently being developed. Among which, the Bangka Project is still under construction but has reached a consensus regarding the electricity selling plan with the local government and entered into the power supply agreement with PT Perusahaan Listrik Negara (Persero) (also known as State Electricity Company), an Indonesian government-owned corporation, and is expected to supply power to the national grid at a fixed price for 25 years since 2023. If the Bangka Project turns out to be a success, we expect that the relevant operation model can be replicated in other outlying islands in Indonesia. Moreover, we will also continue our study on the feasibility of developing other new energy investment projects in other regions of Indonesia, while actively promoting the “Build-Operate-Transfer” or “BOT” investment projects in order to generate greater value for the Group and bring better cash flows and investment return.

As for the biofuel pellet business in Indonesia, the Group has been actively expanding such business and continuing to explore opportunities to cooperate with other power plants, thereby promoting and developing the biofuel pellet business. The Group's biofuel pellet business in Indonesia commenced its wood pellet production business in 2021 and has been generating revenue. With the development of biofuel pellet business, the management is confident that the biofuel pellet business will provide growth momentum for the Group and enable the Group to achieve diversification of its environmental businesses in the future.

OUTLOOK

Despite the growth of the national economy has slowed down due to various internal and external negative factors, the Group will continue to respond to challenges calmly, actively

由如皋恆發水處理有限公司(「**如皋恆發**」)營運的污水處理設施以及印尼邦加島發電廠的項目(「**邦加島項目**」)。在出售海安恆發後，本集團於國內將主力營運如皋恆發的污水處理設施，本集團與當地的管委會於二零二一年七月達成的協議，水價由每噸人民幣2.67元增加至每噸人民幣3.43元，此將為本集團帶來更加穩健的業績，而伴隨水價上升及項目效能提升，管理層期望本集團的收入及毛利將會進一步提升。

本集團在國外亦一直積極籌備發展合適的環保項目，現時主要發展兩個重點項目。其中邦加島項目正處於建造階段，本集團已與當地政府談妥售電方案，並與印尼國有公司PT Perusahaan Listrik Negara (Persero) (又稱國家電力公司)達成供電協議，預期自二零二三年起為期二十五年，以固定價格向國家電網供電。若果邦加島電廠項目取得成功，預期相關營運模式可複製至印尼其他離島進行。除此之外，亦可繼續研究於印尼其他地區發展其他新能源投資項目的可行性，同時積極推進「建設－經營－移交」或「BOT」投資項目，務求為本集團締造更多價值，帶來更理想的現金流量及投資回報。

印尼生物燃料球團業務方面，本集團一直積極開拓該業務並繼續探索與其他發電廠合作的機會，推動及發展生物燃料球團的業務。印尼生物燃料球團業務已於二零二一年開展生產木顆粒，並開始產生收入。隨著生物燃料球團的發展，管理層有信心生物燃料球團業務將帶動本集團增長，於將來亦有助本集團達至環保業務多元化的發展目標。

未來展望

即使全國經濟的增長在內外各種負面因素的影響下有所放緩，本集團將繼續沉著應對挑戰，積極管理現有的項目，務



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manage existing projects, and strive for excellence. The Group will continue cooperating with the latest national and regional policies, continue solidifying our strong foundation in China's wastewater treatment market and providing high-quality services to customers, creating a pristine water quality domestically. The Group will also continue to respond to market changes flexibly, proactively seek suitable opportunities with potential for development, capture and create more business opportunities, develop global diversified environmental businesses, and strive to be consistent, in order to further contribute to environmental protection while promoting the growth of the Group's business. The Group adheres to its consistent philosophy of providing customers with excellent service quality, with a view to jointly build a better future.

FINANCIAL REVIEW

REVENUE

Our total revenue increased by HK\$100.5 million or 97.5% to HK\$203.6 million for FY2022 as compared to HK\$103.1 million for FY2021. Such increase was primarily attributable to (i) the increase in construction revenue arising from the construction works of the Bangka Project during FY2022, and (ii) the increase in sales of biofuel in Indonesia during FY2022 as compared to FY2021.

COST OF SALES

Our total cost of sales increased by HK\$93.6 million or 189.1% from HK\$49.5 million for FY2021 to HK\$143.1 million for FY2022, primarily due to (i) the increase in construction costs arising from the Bangka Project during FY2022 as compared to FY2021, and (ii) the increase in the cost of biofuel in Indonesia during FY2022 as compared to FY2021.

GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit increased by HK\$7.0 million or 12.9% from HK\$53.6 million for FY2021 to HK\$60.6 million for FY2022, primarily due to the reasons of the aforementioned fluctuation in revenue and cost of sales. Our gross profit margin decreased from 52.0% for FY2021 to 29.7% for FY2022.

精益求精。本集團將繼續配合國家及地區的最新政策，繼續堅守在中國污水處理業務的穩固根基，向客戶提供高水準的服務，為國家締造潔淨水質。本集團亦會繼續靈活面對市場變化，主動尋求適合及具發展潛力的機遇，把握並創造更多商機，發展全球多元化的環保業務，務求貫徹始終，進一步為環保盡力，同時促進本集團業務的增長，堅持集團一貫的理念，為客戶提供優良的服務品質，共同構建更美好的將來。

財務回顧

營業收入

我們的營業收入總額由二零二一財政年度的103.1百萬港元增加100.5百萬港元或97.5%至二零二二財政年度的203.6百萬港元。有關增長主要是由於(i)二零二二財政年度邦加島項目的建設工程導致建築營業收入增加；及(ii)二零二二財政年度於印尼的生物燃料銷售較二零二一財政年度增加。

銷售成本

我們的銷售成本總額由二零二一財政年度的49.5百萬港元增加93.6百萬港元或189.1%至二零二二財政年度的143.1百萬港元，主要是由於(i)二零二二財政年度邦加島項目所產生的建設成本較二零二一財政年度增加；及(ii)二零二二財政年度於印尼的生物燃料成本較二零二一財政年度增加。

毛利及毛利率

我們的毛利由二零二一財政年度的53.6百萬港元增加7.0百萬港元或12.9%至二零二二財政年度的60.6百萬港元，主要是由於如上文所述營業收入及銷售成本不穩定所致。我們的毛利率由二零二一財政年度的52.0%下降至二零二二財政年度的29.7%。



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OTHER INCOME AND NET GAINS

Our other income and net gains increased slightly by HK\$0.5 million or 10.9% from HK\$4.5 million for FY2021 to HK\$4.9 million for FY2022, primarily due to the foreign exchange gain.

ADMINISTRATIVE EXPENSES

Our administrative expenses increased by HK\$3.0 million or 10.9% from HK\$27.5 million for FY2021 to HK\$30.5 million for FY2022. Administrative expenses mainly include staff costs and other operating expenses.

FINANCE COSTS

Our finance costs increased by HK\$4.9 million or 110.9% from HK\$4.4 million for FY2021 to HK\$9.3 million for FY2022, primarily due to the increase in loan borrowing for the financing of the Bangka Project during FY2022.

PROFIT BEFORE TAX

Our profit before tax decreased by HK\$8.9 million or 38.7% from HK\$22.9 million for FY2021 to HK\$14.0 million for FY2022, primarily due to the factors mentioned above.

INCOME TAX EXPENSE

Our income tax expense increased by HK\$4.8 million or 42.5% from HK\$11.4 million for FY2021 to HK\$16.2 million for FY2022, mainly due to withholding tax incurred from the disposal of a subsidiary.

(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

(Loss)/profit attributable to owners of the Company decreased by HK\$9.4 million or 153.6% from profit of HK\$6.1 million for FY2021 to loss of HK\$3.3 million for FY2022, primarily due to the factors mentioned above.

其他收入及淨收益

我們的其他收入及淨收益由二零二一財政年度的4.5百萬港元輕微增加0.5百萬港元或10.9%至二零二二財政年度的4.9百萬港元，主要是由於產生匯兌收益。

行政開支

我們的行政開支由二零二一財政年度的27.5百萬港元增加3.0百萬港元或10.9%至二零二二財政年度的30.5百萬港元。行政開支主要包括員工成本及其他經營開支。

融資成本

我們的融資成本由二零二一財政年度的4.4百萬港元增加4.9百萬港元或110.9%至二零二二財政年度的9.3百萬港元，主要是由於二零二二財政年度為邦加島項目融資而借入的貸款增加。

除稅前溢利

我們的除稅前溢利由二零二一財政年度的22.9百萬港元減少8.9百萬港元或38.7%至二零二二財政年度的14.0百萬港元，主要由上文所述原因所致。

所得稅開支

我們的所得稅開支由二零二一財政年度的11.4百萬港元增加4.8百萬港元或42.5%至二零二二財政年度的16.2百萬港元，主要是由於出售附屬公司產生預扣稅。

本公司擁有人應佔年內(虧損)/溢利

本公司擁有人應佔(虧損)/溢利由二零二一財政年度的溢利6.1百萬港元減少9.4百萬港元或153.6%至二零二二財政年度的虧損3.3百萬港元，主要由上文所述原因所致。



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LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Our principal liquidity and capital requirements primarily relate to investments in our projects, construction and upgrading of our wastewater treatment facilities, purchases of equipment as well as costs and expenses related to the operation and maintenance of our wastewater treatment and electricity generating facilities.

As at 31 December 2022, the Group's bank balances and cash was HK\$34.6 million, representing a decrease of 46.8% as compared with that of HK\$65.1 million as at 31 December 2021. As at 31 December 2022, the Group's bank balances and cash of HK\$13.0 million, HK\$1.8 million, HK\$0.9 million and HK\$18.9 million were denominated in Renminbi (“**RMB**”), Hong Kong Dollars (“**HK\$**”), Indonesian Rupiah (“**IDR**”) and United States Dollars (“**US\$**”), respectively (31 December 2021: HK\$35.8 million, HK\$4.9 million, HK\$7.7 million and HK\$16.7 million were denominated in RMB, HK\$, IDR and US\$, respectively).

BORROWINGS

As at 31 December 2022, the total amount of our utilised bank borrowings was HK\$38.0 million, of which HK\$18.0 million was repayable on demand and HK\$20.0 million was repayable within 2 to 5 years. All HK\$38.0 million of the outstanding bank borrowings were denominated in HK\$ (31 December 2021: HK\$18.0 million and HK\$2.2 million were denominated in HK\$ and US\$, respectively). Out of the HK\$38.0 million outstanding bank borrowings, HK\$18.0 million bore a floating interest rate of 1.4% per annum over the Hong Kong Interbank Offered Rate and HK\$20.0 million bore a fixed interest rate of 2% below Hong Kong Dollar prime rate (31 December 2021: HK\$18.0 million bore a floating interest rate of 1.4% per annum over the Hong Kong Interbank Offered Rate and HK\$2.2 million bore a floating interest rate of 1.4% per annum over London Interbank Offered Rate). We had HK\$4.7 million unutilised banking facilities as at 31 December 2022 (31 December 2021: HK\$7.3 million).

As at 31 December 2022, the Company had an outstanding borrowing from independent third parties of the Group amounted to HK\$23.9 million (31 December 2021: HK\$14.9 million), which bore a fixed interest rate of 8% per annum. The loan was repayable within one year.

流動資金、財務及資本資源

我們主要的流動資金及資本需求主要涉及我們的項目投資、建設及升級污水處理設施、購買設備以及與經營及維護污水處理及發電設施有關的成本及開支。

於二零二二年十二月三十一日，本集團銀行結餘及現金為34.6百萬港元，較二零二一年十二月三十一日的65.1百萬港元減少46.8%。於二零二二年十二月三十一日，本集團的銀行結餘及現金13.0百萬港元、1.8百萬港元、0.9百萬港元及18.9百萬港元分別以人民幣（「人民幣」）、港元（「港元」）、印尼盾（「印尼盾」）及美元（「美元」）計值（二零二一年十二月三十一日：35.8百萬港元、4.9百萬港元、7.7百萬港元及16.7百萬港元分別以人民幣、港元、印尼盾及美元計值）。

借款

於二零二二年十二月三十一日，我們已動用的銀行借款總額為38.0百萬港元，其中18.0百萬港元須按要求償還，20.0百萬港元須於二至五年內償還。全部38.0百萬港元之未償還銀行借款以港元計值（二零二一年十二月三十一日：18.0百萬港元及2.2百萬港元分別以港元及美元計值）。在38.0百萬港元的未償還銀行借款中，18.0百萬港元按香港銀行同業拆息利率之浮動利率每年1.4%計息，20.0百萬港元按港元最優惠利率減2%的固定利率計息（二零二一年十二月三十一日：18.0百萬港元按香港銀行同業拆息加1.4%的浮動年利率計息及2.2百萬港元按倫敦銀行同業拆息加1.4%的浮動年利率計息）。於二零二二年十二月三十一日，我們的未動用銀行融資為4.7百萬港元（二零二一年十二月三十一日：7.3百萬港元）。

於二零二二年十二月三十一日，本公司來自本集團獨立第三方的未償還借款為23.9百萬港元（二零二一年十二月三十一日：14.9百萬港元），按固定利率每年8%計息。該筆貸款須於一年內償還。



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As at 31 December 2022, the Company had outstanding amounts due to related parties of the Group amounted to HK\$105.5 million (31 December 2021: HK\$39.2 million), of which HK\$82.0 million bore a fixed interest rate of 8% per annum and HK\$23.5 million bore a fixed interest rate of 6% per annum. Out of the HK\$105.5 million outstanding amounts due to related parties, HK\$90.9 million was repayable within one year and HK\$14.6 million was repayable within two to five years. To the best knowledge of the Directors and management of the Group, all the interest rates of the above borrowings were determined on arm's length basis.

GEARING RATIO

Gearing ratio is calculated by dividing total debt by total equity and then multiplied by 100%, and total debt includes the interest-bearing bank borrowings, amounts due to related parties and other borrowings. Our gearing ratio increased from 19.4% as at 31 December 2021 to 55.3% as at 31 December 2022.

CHARGE ON ASSETS

As at 31 December 2022, the Group did not have any charge on assets (31 December 2021: nil).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Year. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. Surplus cash will be invested appropriately so that the Group's cash requirements for its strategy or direction from time to time can be met.

CAPITAL EXPENDITURES

Our capital expenditures consist primarily of expenditures for construction for our Bangka Project. During the Year, our capital expenditures amounted to HK\$106.1 million (31 December 2021: HK\$24.2 million), which were funded by our financing activities.

於二零二二年十二月三十一日，本公司應付本集團關聯方未償還款項為105.5百萬港元(二零二一年十二月三十一日：39.2百萬港元)，其中82.0百萬港元按固定利率每年8%計息，23.5百萬港元按固定利率每年6%計息。在應付關聯方的未償還款項105.5百萬港元中，90.9百萬港元須於一年內償還及14.6百萬港元須於二至五年內償還。據董事及本集團管理層所深知，上述借款的所有利率均按公平原則釐定。

資產負債比率

資產負債比率按債務總額除以權益總額並乘以100%計算，而債務總額包括計息銀行借款、應付關聯方款項及其他借款。我們的資產負債比率由於二零二一年十二月三十一日的19.4%上升至於二零二二年十二月三十一日的55.3%。

資產抵押

於二零二二年十二月三十一日，本集團並無任何資產抵押(二零二一年十二月三十一日：無)。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故於本年度一直維持健康的流動資金狀況。董事會緊密監察本集團的流動資金狀況以確保本集團的資產、負債及其他承擔的流動資金結構可應付其不時的資金需求。本集團將適當地投資盈餘現金，以致可不時滿足其策略或方針的現金需求。

資本開支

我們的資本開支主要包括邦加島項目的建設開支。於本年度，我們的資本開支為106.1百萬港元(二零二一年十二月三十一日：24.2百萬港元)，由我們的融資活動提供資金。



Management Discussion and Analysis 管理層討論與分析

FOREIGN EXCHANGE RISK

Individual member companies in Mainland China and Indonesia within our Group have limited foreign currency risk as most of the transactions are denominated in the same currency as the functional currency of the operations in which they relate. However, as these principal subsidiaries mainly carry assets and liabilities in RMB and IDR, any appreciation or depreciation of HK\$ against RMB and IDR will affect the Group's consolidated financial position which is presented in HK\$, and will be reflected in the exchange fluctuation reserve.

The Group does not have a foreign currency hedging policy. The Group minimises foreign exchange exposure by converting its cash and cash equivalents in other currencies generated from the operation of its foreign operating subsidiaries to HK\$.

CONTINGENT LIABILITIES

As at 31 December 2022, the Group had no material contingent liabilities (31 December 2021: nil).

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2022, the Group had 185 employees (31 December 2021: 122 employees). Employee costs, including Directors' emoluments, amounted to approximately HK\$14.6 million for FY2022 (FY2021: HK\$14.7 million). The remuneration policy for our Directors, senior management members and general staff is based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of our Group and the individual performance of our Directors, senior management members and general staff. The Group encourages the self-development of its employees and provides on-the-job training where appropriate.

The Company adopted a share option scheme on 5 September 2014 for the purpose of providing incentives and rewards to eligible directors and employees of the Group.

外匯風險

由於本集團內中國內地及印尼各成員公司大部份交易採用的貨幣與其業務有關功能貨幣相同，因此此等公司僅承受有限的外幣風險。但是，由於此等主要附屬公司的資產及負債主要以人民幣及印尼盾記賬，港元兌人民幣及印尼盾的任何升值或貶值將對本集團的綜合財務狀況（其以港元呈列）產生影響並反映於匯兌波動儲備。

本集團並無外幣對沖政策。本集團透過將其海外營運附屬公司的營運產生的其他貨幣的現金及現金等價物轉換為港元，以盡量減低外匯風險。

或然負債

於二零二二年十二月三十一日，本集團並無重大或然負債（二零二一年十二月三十一日：無）。

僱員及薪酬政策

於二零二二年十二月三十一日，本集團共有185名（二零二一年十二月三十一日：122名）僱員。二零二二財政年度的僱員成本（包括董事酬金）約為14.6百萬港元（二零二一財政年度：14.7百萬港元）。我們的董事、高級管理層成員以及一般員工的薪酬政策乃根據彼等的經驗、所負責任及一般市場情況釐定。任何酌情花紅及其他獎勵金均與本集團溢利表現及董事、高級管理層成員以及一般員工的個人表現掛鈎。本集團鼓勵其僱員自我發展，並提供適當的在職培訓。

本公司已於二零一四年九月五日採納一項購股權計劃，以激勵及獎勵本集團合資格董事及僱員。



Management Discussion and Analysis 管理層討論與分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

On 21 July 2022, Everbest Water Treatment Development Company Limited, an indirect wholly-owned subsidiary of the Company as the seller (the “**Seller**”), and CGN Environmental Protection Industry Co., Ltd. (中廣核環保產業有限公司) as the purchaser (the “**Purchaser**”), entered into the sale and purchase agreement (the “**Sale and Purchase Agreement**”), pursuant to which the Seller agreed to sell, and the Purchaser agreed to acquire, 70% of the issued share capital of Haian Hengfa (the “**Target Company**”), at the total consideration of approximately RMB68.2 million (inclusive of applicable tax) in accordance with the terms and conditions of the Sale and Purchase Agreement. After the completion, the Company ceased to hold any interest in the Target Company and the Target Company ceased to be a subsidiary of the Company. For further details, please refer to the announcement of the Company dated 21 July 2022 and the circular of the Company dated 29 August 2022 regarding the disposal of Haian Hengfa.

Save as disclosed above, the Group did not have any other significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed above in this report, the Group has no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

EVENTS AFTER THE REPORTING PERIOD

The Group had no material event subsequent to 31 December 2022 and up to the date of this report.

FINAL DIVIDEND

No final dividend has been recommended by the Board for FY2022 (FY2021: Nil).

重大投資、重大收購及出售事項

於二零二二年七月二十一日，本公司間接全資附屬公司恆發水務發展有限公司(作為賣方)(「賣方」)與中廣核環保產業有限公司(作為買方)(「買方」)訂立買賣協議(「買賣協議」)，據此，根據買賣協議的條款及條件，賣方同意出售而買方同意收購海安恆發(「目標公司」)已發行股本的70%，總代價約為人民幣68.2百萬元(包括適用稅項)。於完成後，本公司不再持有目標公司的任何權益，而目標公司不再為本公司的附屬公司。有關進一步詳情，請參閱本公司日期為二零二二年七月二十一日的公告及本公司日期為二零二二年八月二十九日的通函，內容有關出售海安恆發。

除上文所披露者外，本集團於本年度並無任何其他重大投資、重大收購或出售資產、附屬公司、聯營公司或合營企業。

重大投資或資本資產的未來計劃

除本年報上述所披露者外，於本年報日期，本集團並無已獲董事會批准有關其他重大投資或增添資本資產的計劃。

報告期後事項

於二零二二年十二月三十一日後及直至本年報日期，本集團概無重大事項。

末期股息

董事會不建議派付二零二二財政年度的末期股息(二零二一財政年度：無)。



Environmental, Social and Governance Report 環境、社會及管治報告

ABOUT THIS REPORT

ELL Environmental Holdings (“**ELL Environmental**” or the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”, “**we**”, “**us**, or “**our**”) is presenting its seventh Environmental, Social, and Governance (“**ESG**”) Report to its stakeholders to illustrate the Group’s sustainable development strategy, approach, and accomplishments during the year.

REPORTING PERIOD AND SCOPE

Unless otherwise stated, the reporting scope of this Report covers the Group’s major operations from 1 January 2022 to 31 December 2022 (the “**Reporting Period**”) of:

- Operation services of the Rugao Hengfa Wastewater Treatment Facility, in Jiangsu Province, the People’s Republic of China (“**PRC**”); and
- Biofuel pellet production business of PT Rimba Palma Sejahtera Lestari (“**RPSL**”) in Jambi, Indonesia.

Due to completion of disposal of Haian Hengfa Facility in December 2022, it was excluded in the reporting scope.

REPORTING STANDARDS

The Group has prepared this Report in compliance with the disclosure requirements of the Environmental, Social, and Governance Reporting Guide (the “**ESG Reporting Guide**”) in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

關於本報告

強泰環保控股有限公司(「**強泰環保**」或「**本公司**」，連同其附屬公司，統稱「**本集團**」或「**我們**」)發表其第七份環境、社會及管治(「**ESG**」)報告(本「**報告**」)，旨在向持份者展示我們於本年度的可持續發展策略、方針及表現。

報告期間和範圍

除非另有說明，本報告的報告範圍涵蓋集團二零二二年一月一日至二零二二年十二月三十一日(「**報告期間**」)的主要業務，包括：

- 位於中華人民共和國(「**中國**」)江蘇省的如皋恆發污水處理設施的營運服務；以及
- 位於印尼佔碑省的PT Rimba Palma Sejahtera Lestari (「**RPSL**」)的生物質發電業務。

基於本集團已於2022年12月完成出售海安恆發設施，我們將其於報告範圍剔除。

報告標準

本集團根據《香港聯合交易所有限公司證券上市規則》附錄二十七的《環境、社會及管治報告指南》(「**ESG 報告指南**」)的適用披露要求編製本報告。



Environmental, Social and Governance Report 環境、社會及管治報告

DATA COLLECTION METHOD

The information presented in this Report is sourced from the Group's official documents and statistical data. The Board of Directors ("the Board") approved this Report in March 2023.

FEEDBACK

The Group values the opinions and suggestions of its stakeholders as a driving force for sustainable development. If you have any feedback or suggestions regarding the Group's sustainable development or this Report, please do not hesitate to contact us at ell@anli.com.hk. We appreciate your input and look forward to hearing from you.

OUR BUSINESS

Founded in 2002, ELL Environmental is a one-stop environmental solutions service provider. Currently, we offer a one-stop approach to the provision of wastewater treatment services using the "Build — Operate — Transfer" (or BOT) model. We have two wastewater treatment facilities in operation which are all located within Jiangsu Province, China, treating municipal and industrial wastewater. The Group also investing in biofuel pellet production business in Jambi, Indonesia and developing a power supply business in Bunga Island, Indonesia.

HIGHLIGHTS OF THE YEAR



80,000
cubic meter
立方米

daily wastewater
treatment capacity

每日污水
可處理量



13,506,632
cubic meter
立方米

wastewater treated
in 2022

二零二二年處理
的污水量



4,911
tonnes
公噸

COD removed
in 2022

二零二二年
化學需氧量
減除量

資料收集方法

本報告所載列的資料來自本集團的正式文件及統計數據。本報告已於二零二三年三月獲得董事會(「董事會」)通過。

意見反饋

本集團重視持份者的意見及建議，並視之為推動可持續發展的動力。如閣下對本集團的可持續發展表現或本報告有任何意見或建議，請透過 ell@anli.com.hk 與我們聯繫。我們期待收到您的意見。

我們的業務

強泰環保成立於二零零二年，是一家一站式環境解決方案服務提供者，目前，我們採用「建設-經營-轉讓」(或稱BOT)模式提供一站式的污水處理服務。我們於中國江蘇省擁有一座污水處理設施，處理市政及工業污水。我們亦在印尼的佔碑省投資生物燃料顆粒生產業務，以及在印尼邦加島發展供電項目。

年度重點



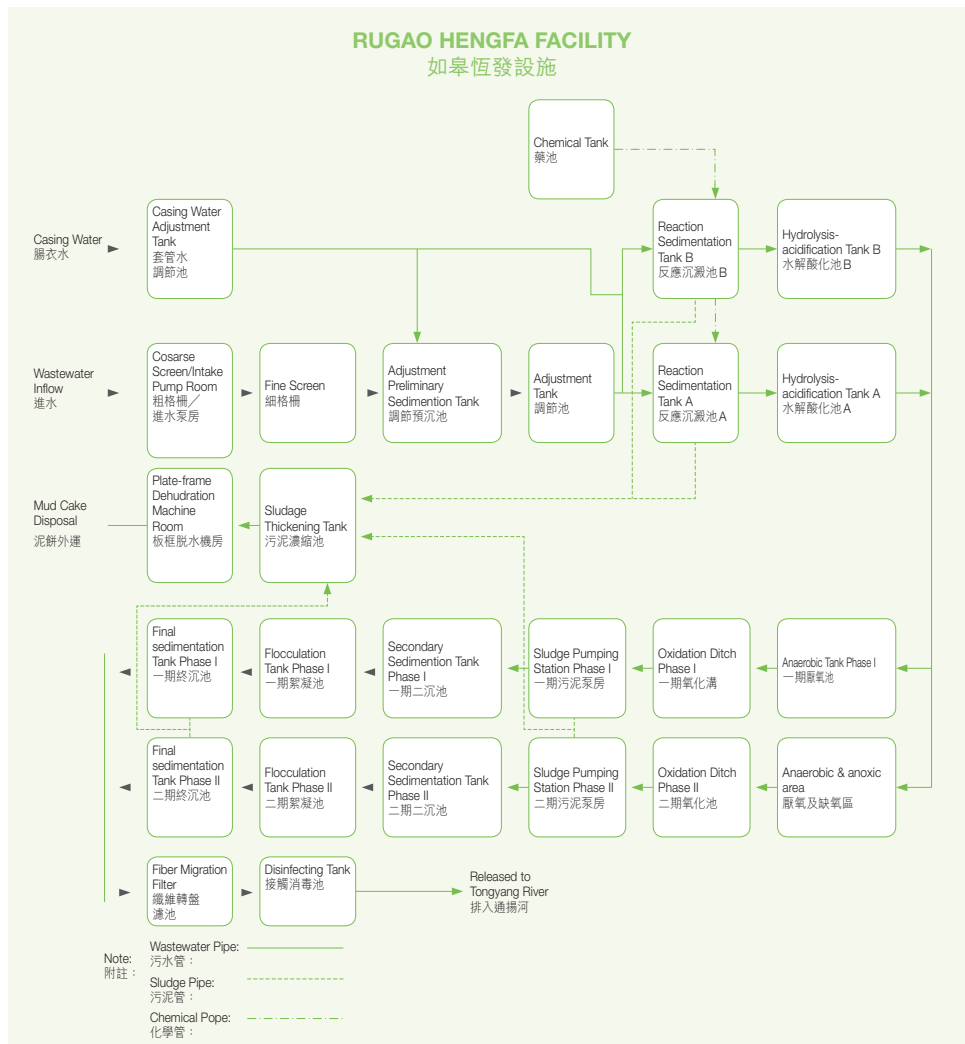
Environmental, Social and Governance Report 環境、社會及管治報告

WASTEWATER TREATMENT

The Group's primary wastewater treatment operations consist of two facilities located in Rugao County, Jiangsu Province, China, which treat both municipal and industrial sewage. Our facilities are equipped with Moving Bed Biofilm Reactor ("MBBR") treatment technology and have the capacity to treat up to 80,000 tonnes of wastewater daily. The diagrams below provide an overview of the key wastewater treatment processes utilized by our facilities:

污水處理

本集團的主要污水處理業務於中國江蘇省如皋縣擁有一座設施，處理生活和工業污水。設施採用流動式接觸床廢水生物膜反應(MBBR)處理方法處理污水，每日可處理量達到80,000公噸的污水。下圖概述設施的主要污水處理流程：





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Our wastewater treatment facilities adhere to local wastewater treatment standards to ensure that the treated wastewater meets quality requirements. The treated wastewater undergoes a series of procedures, including:

1. Filtration
2. Sedimentation
3. Adjustment
4. Acidification
5. Anaerobic
6. Sterilization

Our wastewater treatment business is committed to reducing the pollution of surrounding water bodies by ensuring that the quality of treated wastewater meets the Integrated Wastewater Discharge Standard and the Class 1-A or Class 1-B Discharge Standard of Pollutants for Municipal Wastewater Treatment Plants (GB18918-2002). We obtain Pollutant Emission Permits as required by the Measures for Pollutant Discharge Permitting Administration (for Trial Implementation). We monitor the water quality on a daily basis and record details such as chemical oxygen demand (“**COD**”), biological oxygen demand (“**BOD**”), pH value, suspended solids (“**SS**”), ammonia (NH₃), water content, organic materials, and pH value of sludge, etc. in a monthly report. We also conduct regular inspections to ensure the quality of treated wastewater before it is discharged. Our core responsibility and mission are to maintain the highest level of environmental protection and sustainability.

BIOFUEL PELLET PRODUCTION

ELL Environmental’s subsidiary, RPSL, primarily operates biofuel pellet production businesses in Jambi, Indonesia. The core raw material used in the production process is wood pellets, which are typically generated from the production of wood products. Our goal is to maximize the use of wood pellets to help minimize waste and reduce the burden on the environment. We have completed the construction of a production facility to process wood pellets as the major raw material, and has commenced operations and sales of processed wood pellets to power plants in Southeast Asia, our primary target customers, in mid-2022.

我們的污水處理設施均符合當地污水處理標準，確保污水經處理後符合品質標準。污水處理的程序包括：

1. 過濾
2. 沉澱
3. 調節
4. 酸化
5. 厭氧
6. 殺菌

我們的污水處理業務致力保障污水經處理後的質量，以減少污水對周邊水體所造成的污染，以符合《污水綜合排放標準》及《城鎮污水處理廠污染物排放標準》(GB18918 — 2002)的1-A級或1-B級要求。我們已取得《排污許可管理辦法(試行)》所要求的《排污許可證》。我們每日會就水質進行檢測，每月會記錄化學需氧量(「**COD**」)、生物需氧量(「**BOD**」)、酸鹼值、懸浮固體(「**SS**」)、氮，以及污泥的含水量、有機物和酸鹼值等數。我們亦會進行定期檢測，確保污水於排放前的水質，以期推動環境保護及可持續發展。

生物燃料顆粒生產

強泰環保的子公司RPSL在印尼佔碑主要營運生物燃料顆粒生產業務。主要生產原材料為木製品生產過程所產生的木質顆粒。我們致力提升木質顆粒利用率，以減少廢棄物產生，從而減低對環境的負擔。我們現時已完成建設生產設施，以處理作為原材料的木質顆粒。設施於二零二二年中開始營運，並向主要目標顧客，包括東南亞的發電廠銷售經處理的木質顆粒。

為保障生物質發電及生物質燃料粒生



Environmental, Social and Governance Report 環境、社會及管治報告

To ensure the quality of our biomass power generation and biofuel pellet production, we have established a “Standard Operation Procedure” (SOP) for our businesses which guides employees to run daily operations in a standardized and stringent manner.

BOARD STATEMENT AND GOVERNANCE STRUCTURE

BOARD'S OVERSIGHT OF ESG ISSUES

The Board is responsible for overseeing the management of environmental, social, and governance risks, while considering stakeholders' concerns to determine material issues for the Group. The Group has implemented risk management and internal control mechanisms to identify, manage, and monitor risks, including ESG-related risks. We regularly review and refine these mechanisms. For further information regarding the Group's corporate governance measures, please refer to the Corporate Governance Report in this Annual Report.

ESG MANAGEMENT APPROACH AND STRATEGY

The Group has established dedicated teams within each business division to manage ESG issues. They are responsible for overseeing the implementation of the Group's sustainability strategy, updating sustainability policies, reviewing sustainability risks, monitoring sustainability performance, goals, and targets, and reviewing feedback from stakeholders. They report on these sustainability matters regularly to the Board for decision-making purposes.

ESG-RELATED GOALS AND TARGETS

We are committed to integrating sustainability practices into our daily operations and aligning our sustainability goals with our strategic direction, creating innovative and productive spaces that generate sustainable values for our stakeholders. We continue to monitor and oversee progress towards corporate goals and targets, address climate change, and improve our performance on key ESG matters.

產業務品質，我們已制定標準營運程序（「SOP」），指導員工於日常營運維持嚴格標準。

董事會聲明和管治架構

董事會對ESG問題的監督

董事會負責監督集團整體的環境、社會及管治風險，並考慮持份者所關注的議題。本集團已建立風險管理及內部管控機制，識別、管理和監測風險，包括環境、社會及管治相關風險。我們定期審視及完善這些機制。有關本集團在企業管治措施的更多細節，請參考本年度報告中的企業管治報告。

ESG管理方法和戰略

我們於各業務板塊建立團隊，以管理ESG相關事宜。這些團隊會負責監督集團整體可持續發展策略的實施、更新的可持續發展政策、審視可持續發展風險、監督持份者的意見，同時向董事會定期匯報，以供決策之用。

與ESG相關的目標和指標

我們致力於將可持續發展常規融入日常營運，確保可持續發展目標與戰略方向保持一致，為持份者締造創新及具生產力的空間，創造持久價值。我們持續監測和監督企業目標和指標的進展，應對氣候變化，改善我們於重點ESG事宜的表現。



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REPORTING PRINCIPLES

報告原則

The Group prepared this Report based on the following four reporting principles:

本報告根據以下四項報告原則編製：

Principles 原則	Definitions 定義	Responses from the Group 集團回應
Materiality 重要性	The threshold at which ESG issues determined by the board are sufficiently important to investors and other stakeholders that they should be reported. 當董事會釐定有關ESG事宜會對投資者及其他持份者產生重要影響時，發行人就應作出匯報。	Through engaging with stakeholders as well as considering the Group's business nature and development, material sustainability issues are identified. 通過與利益相關者的接觸以及考慮集團的業務性質和發展，確定重大的可持續發展問題。
Quantitative 量化	KPIs in respect of historical data need to be measurable. The issuer should set targets (which may be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate. 有關歷史數據的關鍵績效指標須可予計量。發行人應訂下減少個別影響的目標(可能為實際數字或方向性、前瞻性的聲明)，使環境、社會及管治政策及管理系統的效益可被評估及驗證。量化數據應附帶說明，闡述其目的及影響，並在適當的情況下提供比較數據。	The Group discloses its key environmental and social performance indicators quantitatively where appropriate. 集團在適當的時候以量化的方式披露其關鍵的環境和社會績效指標。
Balance 平衡	The ESG report should provide an unbiased picture of the issuer's performance. The report should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader. 環境、社會及管治報告應當不偏不倚地呈現，避免可能會不恰當地影響報告讀者決策或判斷的選擇、遺漏或呈報格式。	The Group has identified and disclosed the environmental, social and governance issues with significant impact on the Group's business, including the results and challenges faced by the Group, in this Report. 集團已在本報告中確定並披露了對集團業務有重大影響的環境、社會及管治問題，包括集團的成果和面臨的挑戰。
Consistency 一致性	The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time. 發行人應使用一致的披露統計方法，令環境、社會及管治數據日後可作有意義的比較。	The reporting scope and reporting method are substantially consistent with those of the prior year(s), and this Report has also disclosed relevant comparative information. 報告範圍和報告方法與上一年度基本一致，本報告也披露了相關的比較資訊。



Environmental, Social and Governance Report

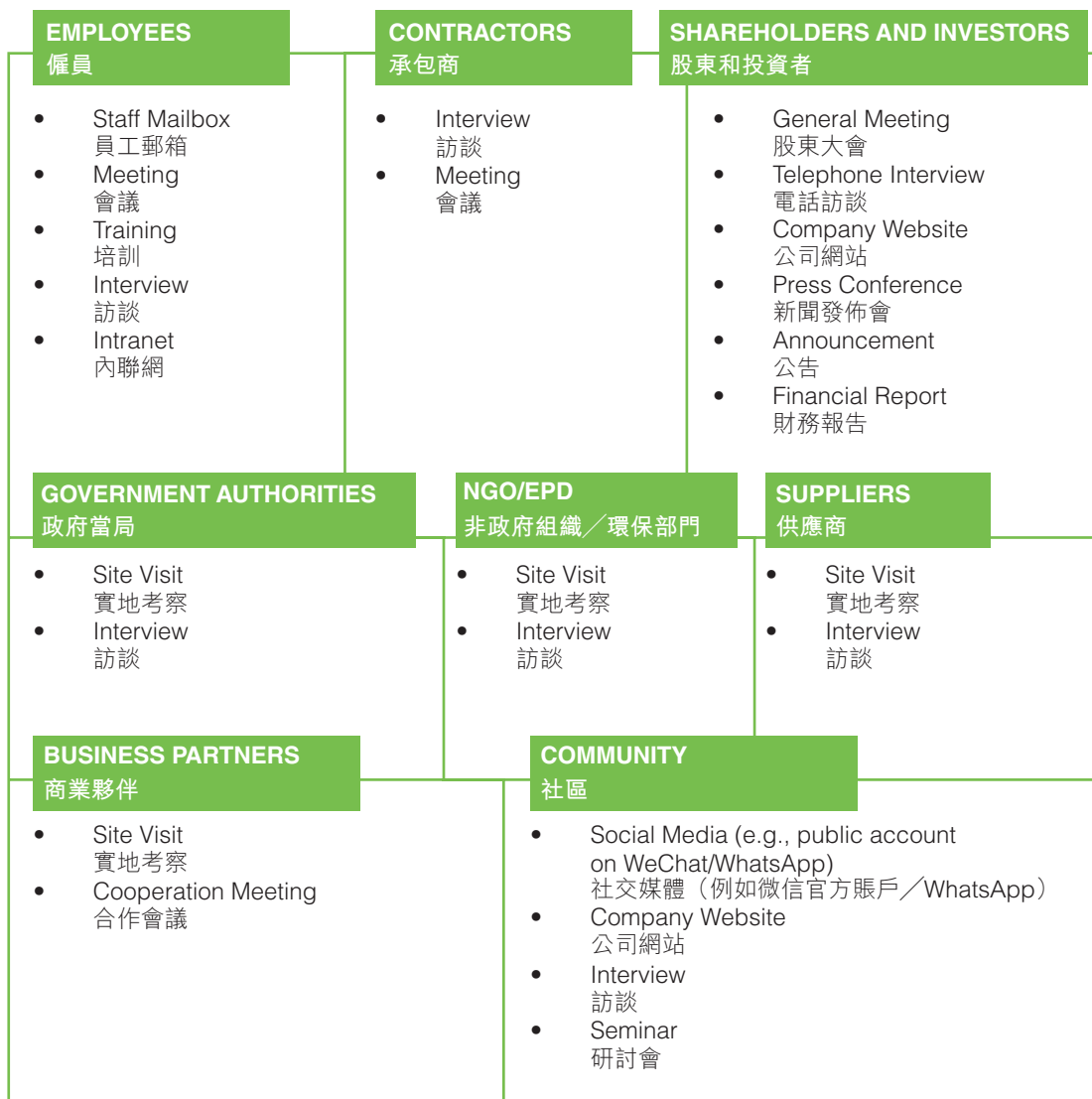
環境、社會及管治報告

STAKEHOLDER ENGAGEMENT

The Group places a strong emphasis on stakeholder communication and actively seeks to incorporate appropriate opinions and suggestions into our continuous improvement process. We have identified contractors, shareholders and investors, government authorities, non-governmental organizations (NGOs), environmental protection departments (EPDs), suppliers, business partners, and the neighboring community as our key stakeholder groups. We collect feedback from these groups regarding the Group's operations and sustainable development performance through various formal and informal two-way communication channels.

持份者參與

本集團重視持份者溝通，積極採納適當的意見及建議，以持續改善。我們已識別定承包商、股東和投資者、政府當局、非政府組織(「NGO」)、環保部門(「EPD」)、供應商、商業夥伴和鄰近社區為我們的主要持份者組別。我們透過不同形式及非正式雙向溝通渠道，收集這些組別對本集團營運及可持續發展表現的反饋。





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MATERIALITY ASSESSMENT

In addition to regular stakeholder communications as outlined above, we engage an independent sustainability consultant to conduct a materiality assessment on a yearly basis. This assessment involves collecting stakeholders' views through an online survey to identify the materiality of various sustainability issues. We believe that the results of the materiality assessment can help us identify environmental, social, and governance issues that are material to the Group, allowing us to improve our sustainability approach and strategies more effectively. The process of the materiality assessment covers:

1. Identify 27 ESG issues that are of concern to the Group based on recent and available stakeholder communication findings, listing requirements and latest sustainability trend in the industry.
2. Invite stakeholders from various sectors to fill in an online survey by rating the materiality of the issues to the Group.
3. Carry out materiality analysis based on the collected data and combine with the assessment of the management.

重要性評估

除了上述與的定期溝通，我們亦委託獨立可持續發展顧問每年進行重要性評估。評估通過線上調查收集持份者意見，以識別不同可持續發展議題的重要性。我們相信，重要性評估的結果可以幫助我們識別對集團有重大影響的環境、社會及管治議題，讓我們改善可持續發展方法及策略。重要性評估的過程涵蓋：

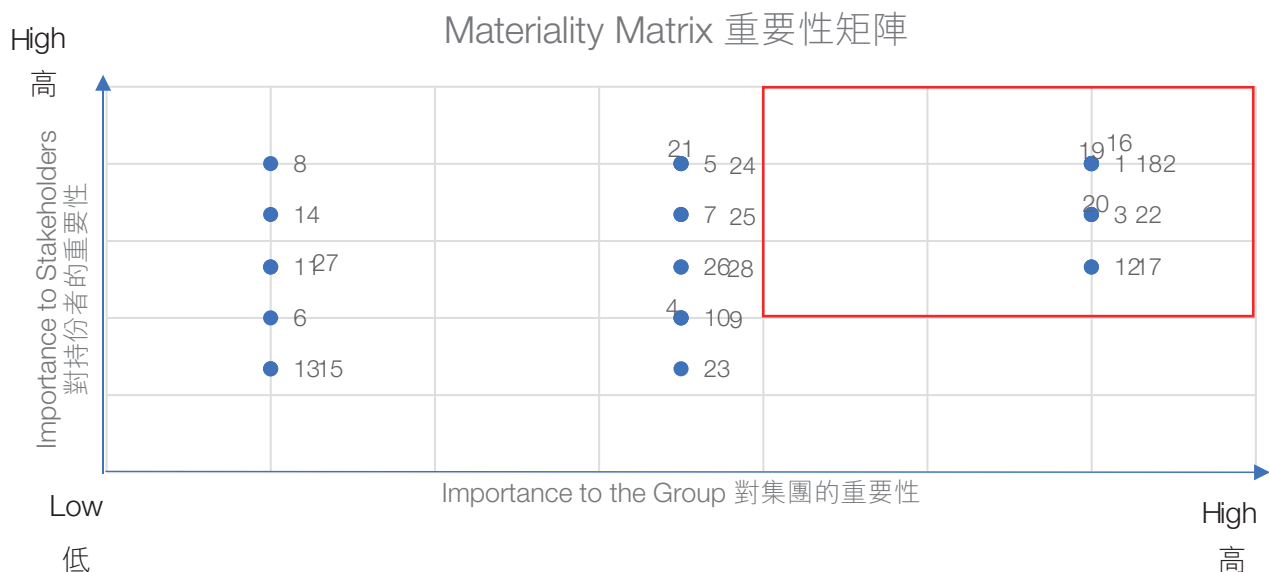
1. 根據近期和適用的持份者溝通結果、上市要求和最新可持續發展行業趨勢，識別本集團關注的27個ESG議題。
2. 邀請來自不同組別的持份者填寫網上問卷，就議題對本集團的重要性進行評分。
3. 根據所收集數據進行重要性分析，並與管理層的評估合併。



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Below outlines the results of materiality assessment conducted during the Reporting Period. The top 10 issues placed on the top right-hand corner of the matrix are the most significant issues identified and will be highlighted in this Report.

以下載列報告期間的爭議性評估結果。位於矩陣右上角的10項議題為最重大的議題，將於本報告重點披露。





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Service Responsibility 服務責任	Caring for Employees 關愛員工	Safeguarding the Environment 保護環境
1. Quality of services 服務質素	12. Diversification and equal opportunities talents 多樣化和平等機會	17. Air emissions management 氣體排放管理
2. Services safety and health 服務安全和健康	13. Recruiting and maintaining talents 招募和挽留人才	18. Energy consumption 能源消耗
3. Customer Communication and Satisfaction 客戶溝通與滿意度	14. Training and development 培訓和發展	19. Climate change 氣候變化
4. Complaint handling 投訴處理	15. Labour practices 勞動常規	20. Discharge quality management 排放質素管理
5. Customer data protection and privacy 保障客戶數據和私隱	16. Occupation health and safety 職業健康與安全	21. Greenhouse Gas Emissions 溫室氣體排放
6. Advertising and labelling management 廣告及標籤管理		22. Hazardous and non-hazardous waste management 有害和無害廢棄物管理
		23. Noise management 噪音管理
		24. Resource utilization and mitigation measures 資源利用和緩解措施
		25. Green procurement 綠色採購
Corporate Governance 公司治理	Giving Back to Community 回饋社會	
7. Anti-fraud and corruption 反舞弊腐敗	26. Participation in Volunteer Activities 參與志願活動	
8. Anti-corruption training 反貪污培訓	27. Charitable donations 慈善捐款	
9. Supplier environmental and social performance 供應商環境及社會表現	28. Fundraising work 籌款工作	
10. Supplier selection process and tendering management 供應商甄選流程和招標管理		
11. Disaster/emergency response and management 自然災害／緊急回應和管理		



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Most significant issues and relevant section in this Report are shown below:

ESG Topics ESG主題	Section in this Report 本報告中的章節
1. Quality of services 服務質素	Creating Green Fortune 創造綠色財富
2. Services safety and health 服務安全和健康	Creating Green Fortune 創造綠色財富
3. Customer communication and satisfaction 客戶溝通與滿意度	Creating Green Fortune 創造綠色財富
12. Diversification and equal opportunities talents 多樣化和平等機會	Caring Our People 關愛員工
16. Occupation health and safety 職業健康和安安全	Employees' Wellbeing 員工安康
17. Air emissions management 氣體排放管理	Creating Green Fortune 創造綠色財富
18. Energy consumption 能源消耗	Creating Green Fortune 創造綠色財富
19. Climate change 氣候變化	Creating Green Fortune 創造綠色財富
20. Discharge quality management 排放質素管理	Creating Green Fortune 創造綠色財富
21. Greenhouse Gas Emissions 溫室氣體排放	Creating Green Fortune 創造綠色財富



Environmental, Social and Governance Report 環境、社會及管治報告

OUR APPROACH IN SUSTAINABILITY

As a leading environmental solutions provider in the PRC and Indonesia, ELL Environmental recognizes its role as a responsible corporate citizen and is committed to pursuing sustainable operations. To this end, we have developed the Environmental, Social, and Governance Policy, along with other related policies and measures, to guide each department and employee in incorporating sustainable principles into daily operations. These principles include protecting employees' rights, ensuring occupational health and safety, promoting product and service responsibility, combating corruption, and prioritizing environmental protection at all levels of our operations. Our ultimate goal is to create a better, greener, and more equitable society for future generations. The following four sections in this Report outline our key strategies, policies, and achievements in sustainable development:

可持續發展方針

作為一家於中國及印尼的領先環保方案業務提供商，強泰環保視自身為負責任的企業公民，致力提倡可持續營運。為此，我們制定環境、社會及管治政策及其他相關政策，指導各部門及員工於日常營運各層面融入可持續發展原則，包括保障員工利益、確保職業健康與安全、產品及服務責任、反貪污及環境保護。我們的最終目標，是希望為下一代建立更好、更綠色、更平等的社會。以下四個範疇概括我們對可持續發展的策略、政策及表現：

Corporate Governance 企業管治

Assess, prevent and manage environmental, social and governance risks and maintain high-level business ethics and integrity

評估、防止和管理環境、社會及管治風險，並維持高度商業道德和誠信

Creating Green Fortune 創造綠色財富

Deliver high-quality environmental protection solutions to mitigate pollution and reduce environmental impact

提供優質環境解決方案，以減低污染和對環境的影響

Caring Our People 關愛員工

Build a harmonious and safe working environment while achieving people-orientation and care for employees

建立和諧及安全的工作環境，同時實現以人為本，並關愛員工

Contributing to the Community 社區貢獻

Encourage employees to participate in voluntary activities and actively contribute to community

鼓勵僱員參與志願活動，積極貢獻社區





Environmental, Social and Governance Report 環境、社會及管治報告

CREATING GREEN FORTUNE

The Group considers its fundamental responsibility to bring positive impact to the environment. Therefore, we have introduced comprehensive policies and measures in our daily operations, and at the same time we strictly adhere to applicable laws and regulations in the jurisdictions where we operate to regulate our environmental performance, as well as matters relating to health and safety, advertising, labeling, and privacy concerning our environmental solutions business. These laws and regulations include, but are not limited to, the Environmental Protection Law of the PRC, the Atmospheric Pollution Prevention and Control Law of the PRC, the Water Pollution Prevention and Control Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste, Law No. 32/2009 on Environmental Protection and Management, Government Regulation No. 41/1999 on Air Pollution Control, Government Regulation No. 101/2014 on Management of Hazardous Waste and Toxic, Law No. 7/2004 on Water Resources, the Regulation of the Minister of Energy and Mineral Resources No. 12/2017 on Utilization of Renewable Energy Sources for Power Supply of the Republic of Indonesia, as well as the Advertising Law of the PRC.

During the Reporting Period, the Group was not aware of any material non-compliance concerning relevant laws and regulations.

創造綠色財富

本集團視為環境帶來正面影響為我們的重任。因此，我們於日常營運實踐全方位政策措施，謹遵營運當地適用的法律及規例以規範我們的環境表現，以及與環保方案業務有關的健康與安全、廣告及標籤及私隱相關的事宜。這些法律及規例包括但不限於《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、第32/2009號《環境保護和管理法》、有關空氣污染控制的第41/1999號、政府法規、有關有害及有毒物質廢棄物、管理的第101/2014號政府法規、有關水資源的第7/2004號法律、有關利用可再生能源以便於印度尼西亞供電的第12/2017號能源及礦產資源部部長令，以及《中華人民共和國廣告法》。

於報告期間，本集團並不知悉任何重大的相關法律及規例的違規情況。



Environmental, Social and Governance Report 環境、社會及管治報告

AIR, GREENHOUSE GAS EMISSIONS AND USE OF ENERGY

廢氣、溫室氣體排放和能源消耗

The Group's air emissions, greenhouse gas (GHG) emissions, and energy consumption are primarily attributed to purchased electricity, fuel consumption of company vehicles, machinery, and other equipment, as well as air pollutants and odors generated during operations. As an environmental solutions service provider, we acknowledge our responsibility to reduce our air and GHG emissions and optimize the use of energy to combat global warming and climate change through a variety of measures:

本集團的廢氣、溫室氣體排放及能源消耗主要源自外購電力、公司車輛、機器及其他設施的燃油消耗，以及因營運而產生的廢氣和臭氣。作為環保方案提供商，我們有責任減少自身的廢氣及溫室氣體排放，並優化能源使用，透過以下措施，應對溫室效應及氣候變化問題：



Managing air emissions
管理廢氣排放

- Build atmospheric environmental protection zone surrounding exterior to our wastewater treatment facilities to minimize the negative impact of air pollutants imposed to the surrounding environment
- 在污水處理設施周邊建設大氣環境保護區，盡量減少空氣污染物對周邊居民的負面影響
- Conduct regular testing on air pollutants to ensure the emissions meet industrial and local standards
- 進行定期檢測，確保廢氣排放符合行業及本地標準



Minimizing odor
減少異味

- Build deodorization facilities in the wastewater treatment facilities to absorb odor
- 在污水處理設施建設除臭設施
- Adopt biological deodorization technology in Rugao Hengfa Facilities
- 在如皋恆發設施採取生物除臭技術
- Plant trees around the facilities to absorb odor
- 在設施周圍種植樹木，以吸收氣味
- Collect and transport waste properly to reduce odor
- 妥善儲存和運輸廢物，以減少異味



Optimizing use of energy
優化能源消耗

- Turn off the engines of idled vehicles
- 汽車閒置時關閉引擎
- Require employees to turn off electrical appliances while leaving
- 要求員工離開時關掉用電設備
- Turn down the air flowrate of blowers according to the quality and level of dissolved oxygen of incoming wastewater in the wastewater treatment facilities to reduce use of energy
- 根據入廠污水水質和溶解氧氣調低鼓風機風量，減低能源消耗



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WASTE EMISSIONS

We recognize that our business activities generate both non-hazardous and hazardous waste, including sludge, waste oil, used batteries, general refuse, chemicals, jerry cans, and oil filters. We acknowledge that these waste emissions can burden the environment. As such, we are committed to managing them in a stringent and responsible manner by promoting the concept of reducing waste at the source and handling waste emissions properly. We have established a waste management system that guides employees to separate different types of non-recyclable waste, recyclable waste, and hazardous waste. Our wastewater plants have hazardous waste storage facilities in place to temporarily store hazardous waste in an appropriate manner and store chemicals safely to prevent spills. We have engaged sanitation service providers to collect general refuse and screener residue and third-party providers with the necessary qualifications to collect and handle dewatered sewage sludge generated from wastewater facilities.

Furthermore, we highly promote the concept of “green office” to minimize the use of office paper and reduce waste at the source. We encourage our employees to adopt electronic communication, double-sided printing, and reuse single-sided paper.

WASTEWATER EMISSIONS AND USE OF WATER

ELL Environmental recognizes the importance of water conservation and the responsible management of water resources. The Group consumes both municipal and underground water to support its daily operations but has not encountered any issues with water sourcing. To conserve water resources, the Group advocates for the reuse of treated wastewater, such as for cleaning equipment. We also generate wastewater during its operations. We have established wastewater treatment facilities at Rugao Hengfa to treat industrial wastewater before discharge. In addition, we have built a wastewater treatment facility at RPSL to treat industrial wastewater and septic tanks to treat municipal wastewater before discharge. We conduct regular inspections of water quality to ensure it meets the requirements of Government Regulation No. 82/2001 on the Management of Water Quality, with inspection criteria including total suspended solids (TSS), pH, metals, and phosphate.

廢物排放

我們的業務會產生無害及有害廢棄物，包括污泥、廢油脂、廢棄電池、一般廢棄物、化學物質、油罐及油濾器。我們意識到廢棄物排放會對環境造成負擔。故此，我們致力以嚴謹負責的態度妥善處理廢棄物，並從源頭減廢。我們已建立廢棄物管理制度，指導員工將不同類別的非回收、可回收及有害廢棄物分類收集。我們的污水廠設有有害廢棄物倉庫，以妥善暫存有害廢棄物及化學品，以防止洩漏。我們已委託排污服務商收集一般廢棄物和篩渣，並委託合資格的第三方收集及處理由污水處理設施產生的脫水污泥。

此外，我們大力提倡「綠色辦公」的理念，從源頭減少用紙，降低廢棄物產生量。我們鼓勵員工採用電子化溝通、雙面影印，並重用單面印刷紙張。

廢水排放及用水

強泰環保重視節約用水及負責任的用水管理。本集團會消耗生活用水和地下水，以支持日常營運。我們在求取適用水源上並無遇到任何問題。為節省用水，本集團會回用經處理後的污水作清潔之用。我們亦會在營運當中產生污水。我們已於如皋恆發設置污水處理設施，將污水進行預處理，方可對外排放。我們亦於RPSL建設污水處理設施，處理工業污水，並設有化糞池，處理城鎮污水，方可對外排放。我們會定期檢測水質，確保其合乎第82/2001號關於水質管理的政府規例。檢測範疇包括總懸浮固體，酸鹼值，金屬及磷酸鹽等。



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NOISE EMISSIONS

The Group understands that its daily operations, particularly at its plants, may generate noise that could have negative impacts on the surrounding environment. To minimize these effects, we have implemented the following measures:

- Purchase low-noise equipment if possible
- Install vibration absorber and damping base to reduce noise generated from equipment
- Install rubber damper on windows and doors to absorb noise
- Plant trees or bamboos surrounding the plants to absorb noise
- Conduct regular inspection to ensure equipment are in good conditions without noise from friction or loose parts

MANAGING IMPACT ON ENVIRONMENT AND NATURAL RESOURCES

The Group is committed to identifying and managing the impact of its operations on the environment and natural resources to minimize the company's carbon footprint and promote positive environmental outcomes.

For RPSL in Indonesia, we have conducted an environmental impact assessment to identify and assess the potential environmental impacts of the construction of its biofuel pellet production plant. The assessment report identified emissions, including waste, air emissions, and wastewater, and outlined measures to properly handle and reduce such emissions to minimize the impact on the environment. ELL Environmental is dedicated to promoting sustainable practices and minimizing the environmental impact of its operations.

噪音排放

本集團明白日常營運，尤其廠區會產生噪音，會對周邊環境造成負面影響。為減少這些影響，我們已實施以下措施：

- 在可行情況下選購低噪音設備
- 安裝減震底座和避震器，減少設備所產生的噪音
- 在門窗上安裝橡膠減震器以吸收噪音
- 在廠區外圍種植樹木或竹子以吸收噪音
- 進行定期檢測，確保設備狀況良好，不會因磨擦或零件鬆動而產生噪音

管理對環境和自然資源的影響

本集團致力識別及管理營運對環境及天然資源所造成的影響，減少集團碳足跡，為環境創造正面影響。

在印尼RPSL，我們已進行環境影響評估，識別及評估建設生物質燃料粒生產設施時的潛在環境影響。評估報告列明相關排放，包括廢棄物、廢氣及污水排放，以及相關應對措施，以妥善處理及減少該等排放，務求減少對環境的負擔。強泰環保致力提倡可持續發展常規，減少營運產生的環境影響。



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CLIMATE RESILIENCE STRATEGIES

In view of the worsening climate change problem, we strive to take up our responsibility to address climate change issues. The Group has integrated physical, chronic, and transitional risks related to climate change into its risk assessments and strategies. We have referenced the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) framework to manage climate-related risks and opportunities. The climate-related risks and opportunities identified for the company include:

氣候韌性策略

鑑於氣候變化問題越趨嚴重，我們致力肩負應對氣候變化事宜的責任。本集團已在風險評估和戰略中納入了與氣候變化風險有關的急性實體、慢性實體和過渡性風險。我們參照金融穩定委員會的氣候相關財務信息披露工作組(TCFD)的框架管理氣候變化相關風險及機遇。本集團識別的氣候變化相關風險及機遇包括：

Risks 風險

Acute physical risk 急性實體風險	Extreme weather event such as a super typhoon or other causing flooding, damage to buildings and facilities, resulting in asset impairment and increased maintenance costs. 極端天氣事件，如超強颱風或其他造成洪水、建築和設施損壞，導致資產減值和維修費用增加。
Chronic physical risk 慢性實體風險	Long term change in climate such as a rainfall patterns causing repeated flooding which affect the effectiveness of normal operation and speed up the replacement need of equipment 氣候的長期變化，如降雨模式造成反覆的水災，影響正常運行的效果，加速設備的更換需求。
Transitional risks 過渡性風險	Increase in ESG related policies and legal requirements increase our cost of operation. ESG相關政策和法律要求的增加加重了我們的營運成本。

Opportunities 機遇

Sustainable cities 可持續社區	Increase in market demand of wastewater treatment and new energy enhance the number of available projects in the market that allow us to participate in and grow our business. 污水處理和新能源市場需求的增加提高了市場上可用的項目數量，使我們能夠參與並發展我們的業務。
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We acknowledge the importance of addressing the opportunities and risks of climate change and have developed the Environmental, Social, and Governance Management Policy that includes a climate change strategy. The policy aims to strengthen our climate risk management and performance. ELL Environmental has set targets to reduce the intensity of scope 1 and 2 greenhouse gas (GHG) emissions to mitigate its impact on climate change.

我們意識到應對氣候變化風險及機遇的重要性，並制定環境、社會及管治政策，當中涵蓋氣候變化戰略。政策旨在提升氣候變化管理及表現。我們已設定減少溫室氣體排放(範圍1及2)密度的目標，減少對氣候變化的影響。



Environmental, Social and Governance Report 環境、社會及管治報告

ENVIRONMENTAL KPIS

環境關鍵績效指標

Environmental Performance	環境表現	2022 二零二二年	2021 二零二一年	Unit 單位
Emissions	排放			
Air Emissions	廢氣排放			
Nitrogen Oxides (NO _x)	氮氧化物(NO _x)	1,461.46	138.81	kg 公斤
Sulphur Oxides (SO _x)	硫氧化物(SO _x)	9.33	1.50	kg 公斤
Particulate Matters (PM)	懸浮顆粒(PM)	17.27	2.81	kg 公斤
GHG Emissions	溫室氣體排放			
Total GHG Emissions (Scope 1 & Scope 2)	溫室氣體排放總量(範圍一及範圍二)	5,236.24	8,860.76	tonnes of CO ₂ e 公噸二氧化碳當量
Direct Emissions (Scope 1)	直接排放(範圍一)	213.13	39.37	tonnes of CO ₂ e 公噸二氧化碳當量
Indirect Emissions (Scope 2)	間接排放(範圍二)	5,023.11	8,827.60	tonnes of CO ₂ e 公噸二氧化碳當量
GHG Removal (Scope 1)	溫室氣體減除(範圍一)	0	6.21	tonnes of CO ₂ e 公噸二氧化碳當量
GHG Emissions (Scope 1 & Scope 2) Intensity (per floor area)	溫室氣體排放(範圍一及範圍二)密度(每樓面面積)	52.26	66.35	kg of CO ₂ e/m ² 公斤二氧化碳當量/ 平方米
Hazardous and Non-hazardous Wastes	有害及無害廢棄物			
Total Hazardous Waste Produced	產生的有害廢棄物總量	3.62	4.55	tonnes 公噸
Hazardous Waste Intensity (per floor area)	有害廢棄物密度(每樓面面積)	0.04	0.03	kg/m ² 公斤/平方米
Total Non-hazardous Waste Produced	產生的無害廢棄物總量	11,794.11	24,012.45	tonnes 公噸
General Refuse	一般廢物	6.10	15.17	tonnes 公噸
Sludge	污泥	11,788.01	23,997.28	tonnes 公噸
Non-hazardous Waste Intensity (per floor area)	無害廢棄物密度(每樓面面積)	117.72	179.82	kg/m ² 公斤/平方米



Environmental, Social and Governance Report

環境、社會及管治報告

Environmental Performance	環境表現	2022 二零二二年	2021 二零二一年	Unit 單位
Use of Resources	資源使用			
Energy	能源			
Total Energy Consumption	能源消耗總量	7,903.96	11,120.86	MWh 千個千瓦時
Purchased Electricity	外購電力	7,782.10	10,967.29	MWh 千個千瓦時
Diesel Oil	柴油	86.85	110.71	MWh 千個千瓦時
Liquefied Natural Gas	液化天然氣	0	4.99	MWh 千個千瓦時
Unleaded Petrol	無鉛汽油	35.01	37.87	MWh 千個千瓦時
Energy Consumption Intensity (per floor area)	能源消耗密度(每樓面面積)	78.89	83.28	kWh/m ² 千瓦時/平方米
Water	水			
Total Water Consumption	總用水量	13,618.70	13,954.00	m ³ 立方米
Water Consumption Intensity (per floor area)	用水密度(每樓面面積)	0.14	0.10	m ³ /m ² 立方米/平方

Remarks:

備註：

- Unless otherwise stated, the calculation methodology referred to “How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs” issued by HKEX and “EMEP/EEA Air Pollutant Emission Inventory Guidebook” issued by European Environment Agency.
- The emission factor for Scope 2 emissions from RPSL adopted from the latest sustainability reports of the local power companies.
- Due to business nature, the Group is not involved in the use of packaging material for finished products.

- 除非另有說明，計算方法參考香港交易所發佈的《如何編寫環境、社會及管治報告 — 附錄二：環境關鍵績效指標報告指南》和歐洲環境署發佈的「EMEP/EEA空氣污染物排放清單指導手冊」。
- RPSL的範圍2排放系數採用了當地電力公司的最新可持續發展報告。
- 由於業務性質，本集團不涉及製成品包裝材料的使用。



Environmental, Social and Governance Report 環境、社會及管治報告

CARING OUR PEOPLE

ELL Environmental values each employee's contribution to the company's sustainable development and strives to provide a healthy and safe workplace with a supportive atmosphere. The company adheres strictly to labor laws, including the "Labour Law of the PRC," the "Labour Contract Law of the PRC," "Provisions on the Prohibition of Using Child Labour," and the Government Regulation No. 50/2012 on the Implementation of Occupational Safety and Health Management Systems of the Republic of Indonesia. We have a number of policies in place that cover terms of compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, benefits, and welfare to safeguard the interests of our employees.

During the Reporting Period, ELL Environmental was not aware of any significant violations of relevant laws and regulations.

關愛員工

強泰環保重視每位員工對集團可持續發展進程的貢獻，致力提供一個健康、安全的職場和融合的工作氛圍。我們謹遵僱傭相關法律及規例，包括《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《禁止使用童工規定》及關於印度尼西亞共和國實施職業安全健康管理制第50/2012號政府法規。我們制定一系列有關補償及解僱、招聘及晉升、工作時數、休息時間、平等機會、多元化、反歧視及其他福利的政策，保障員工利益。

於報告期間，本集團並不知悉任何重大違反相關法律及規例的情況。



Environmental, Social and Governance Report 環境、社會及管治報告

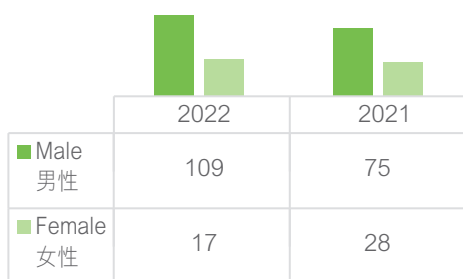
EMPLOYEE OVERVIEW

As of 31 December 2022, the Group had a total of 126¹ employees, with 32 in the PRC and 94 in Indonesia.

僱員概覽

於2022年12月31日，集團共有名126¹員工，其中32名位於中國，94名位於印尼。

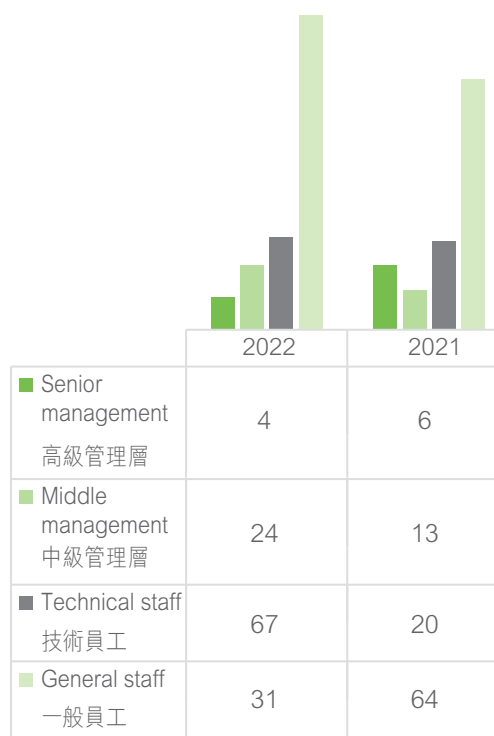
By Gender
性別



By Age
年齡



By Employment Type
僱傭類別



1 The number of employee only includes employee of Rugao Hengfa and PT Rimba Palma Sejahtera Lestari.

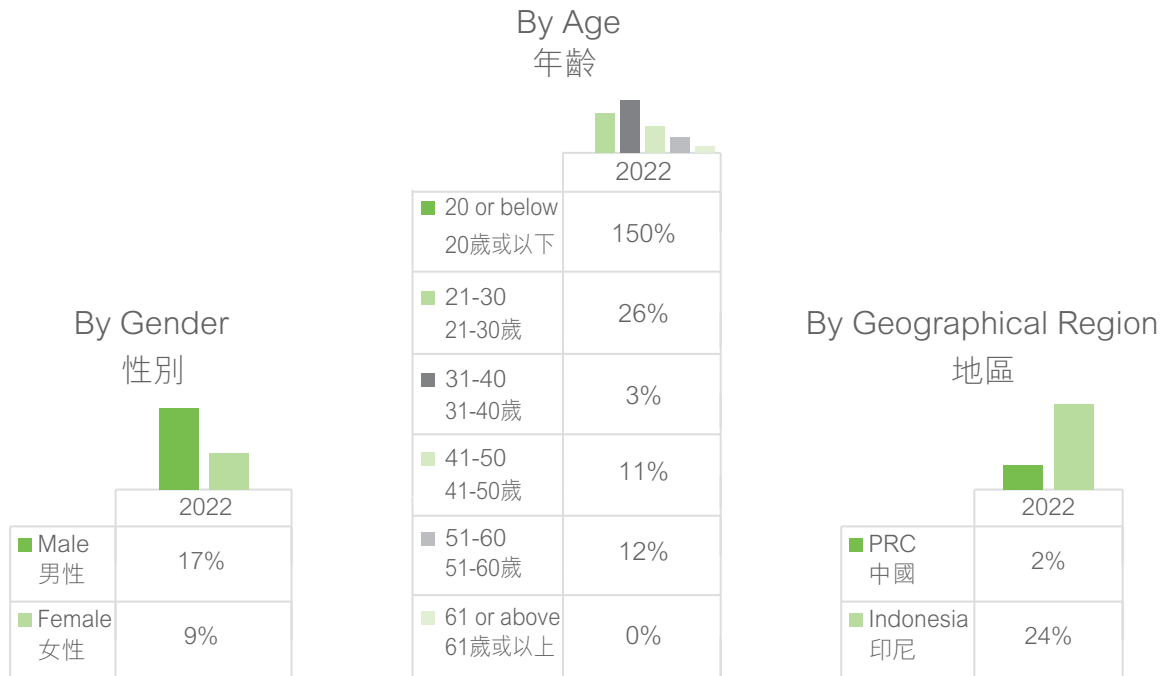
1 員工人數僅包括如皋恆發和印尼RPSL的員工。



Environmental, Social and Governance Report 環境、社會及管治報告

During the Reporting Period, the employee turnover rate² by gender, age group and geographical region is as below:

在報告期內，按性別、年齡組別和地區劃分的員工流失率²如下。



EQUALITY AND WORK-LIFE BALANCE

ELL Environmental is committed to promoting a harmonious workplace and upholding labor rights in accordance with relevant labor laws, regulations, and standards. We follow the principles of diversity, equality, and non-discrimination in all aspects of human resources, including recruitment, remuneration, promotion, and training. We treat all employees equally, regardless of their gender, age, race, religion, marital status, nationality, or sexual orientation.

平等及工作與生活平衡

強泰環保致力保障僱員權益，建立和諧職場，並符合僱傭相關法律、規例及標準。我們於人力資源相關程序，包括招聘、薪酬制定、晉升及培訓等秉持平等機會、多元化及反歧視的原則。我們對每位員工一視同仁，不論其性別、年齡、種族、宗教、婚姻狀況、國籍或性取向。

² Employee turnover rate is calculated by number of employee turnover in a category divided by total number of employee in that category.

² 員工流失率的計算是某一類別的員工流失人數除以該類別的總員工人數。



Environmental, Social and Governance Report

環境、社會及管治報告

We provide competitive remuneration and benefits to employees as recognition for their contribution. The compensation package includes basic salary, allowances, and bonuses. We will regularly review our remuneration system to ensure it aligns with market levels. We also contribute to various employee benefits, including social insurance and housing provident fund in the PRC, as well as pension, health insurance, work-related insurance, and termination compensation in Indonesia, as required by law.

我們為員工提供具競爭力的薪酬福利，回報他們的貢獻。薪酬包括基本薪酬、補貼及獎金。我們會定時檢討薪酬制度，確保符合市場水平。我們亦會為員工提供多種福利，包括依照法律為中國員工提供社會保險及住房公積金，以及為印尼員工提供養老保險、健康保險、工傷保險和終止聘用賠償金。

Employee Benefits

員工福利

- Public holidays
- 公共假期
- Statutory holidays
- 法定假日
- Sick leave
- 病假
- Marriage leave
- 婚假
- Maternity leave
- 產假
- Compassionate leave
- 恩恤假
- Annual leave
- 年假
- Health insurance
- 醫療保險
- Company trip
- 公司旅行
- Festive gift cards
- 節日禮券
- Health check
- 健康檢查
- Medical allowance
- 醫療津貼
- Overtime allowance
- 加班津貼
- Discretionary bonus
- 酌情花紅
- Mourning allowance
- 慰問金
- Religious holiday allowance
- 宗教節日津貼
- Meal allowance
- 膳食津貼
- High temperature subsidies
- 高溫補貼



Environmental, Social and Governance Report 環境、社會及管治報告

EMPLOYEES' WELLBEING

We recognize our responsibility to prioritize the well-being of our employees. The Group adheres to relevant laws and regulations to safeguard employee health and safety, including the “Work Safety Law of the PRC” and the “Government Regulation No. 50/2012 on Implementation of Occupational Safety and Health Management Systems” of the Republic of Indonesia. We have formulated rigorous occupational health and safety measures to protect its employees, including:



- Providing Personal Protective Equipment (“**PPE**”) to applicable employees including gloves, work clothes, masks, ear plug, ear muff, safety helmet and welding glasses
- 為適用員工提供個人保護設備，包括手套、工作服、面罩、耳塞、安全帽及電焊保護鏡
- Conducting inspections on a regular basis on fire-fighting equipment, facilities and electrical appliances
- 就防火設備、設施和電器進行定期檢查
- Conducting fire and emergency drills regularly as well as arranging safety trainings to ensure employees are equipped with relevant knowledge and skills
- 定期進行火警及應急演習，並為員工安排安全培訓，確保他們具備相關知識及技能
- Arranging designated personnel to oversee the safety of the work area
- 安排指定人員負責工作地點安全
- Organizing sport and leisure activities for employees to relax
- 舉辦體育及休閒活動，讓員工放鬆身心

During the past three years including the Reporting Period, the Group was not aware of any work-related fatalities. there were four minor work-related injuries in Indonesia during the Reporting Period and resulted in 34 man-day lost.

員工安康

我們重視員工安康。本集團謹遵相關法律及規例以確保員工的健康與安全，包括但不限於《中華人民共和國安全生產法》及關於印度尼西亞共和國實施職業安全健康管理制第50/2012號政府法規。我們已制定嚴謹的職業健康與安全措施保障員工，包括：

在過去三年(包括本次報告期間)，集團沒有發現任何與工作相關的死亡事件。另外，於報告期間，印尼有四宗與工作相關的輕度工傷事件，導致34日因工傷損失工作日數。



Environmental, Social and Governance Report 環境、社會及管治報告

EMPLOYEE DEVELOPMENT

We recognize the importance of providing employees with training and promotion opportunities to support their professional growth alongside the Group's development.

We strive to establish and maintain a comprehensive career development ladder that offers equal opportunities for promotion based on performance appraisal results. Regular performance appraisals are conducted to evaluate employees' work performance, abilities, and skills.

In terms of training, we offer a variety of training programs to enable employees to acquire professional knowledge and skills and strive for excellence. During the Reporting Period, we offered over 420 hours of training to our employees. Below shows the percentage of employees trained³ by gender and employee category, and average training hours completed per employee by gender and employee type:

3 Employee training ratio is calculated by number of employee received training during the Reporting Period in a category divided by total number of employee in that category.

員工發展

我們深明為員工提供培訓及晉升機會的重要性，致力支持員工與本集團共同成長。

我們竭力制定及維持完善的職業發展階梯，根據績效考核結果提供平等的晉升機會。我們會定期進行績效考核，評估員工的工作表現、個人能力和技能。

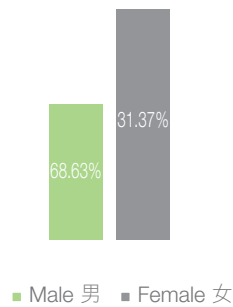
在培訓方面，我們為員工提供多元化的培訓課程，讓員工提升專業知識和技能，精益求精。在報告期間，本集團提供超過420小時的培訓。以下為員工按性別和僱員類別劃分的僱員受訓比例³，以及按性別和僱員類別劃分的平均培訓時數：

3 員工受訓比例的計算方法是該類別於報告期間受訓員工人數除以該類別的總員工人數。

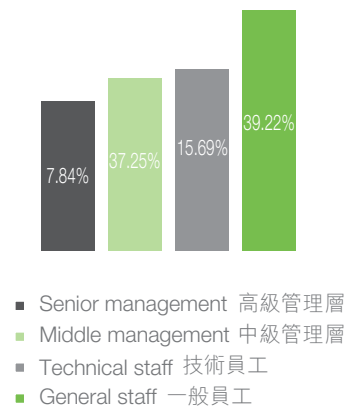


Environmental, Social and Governance Report 環境、社會及管治報告

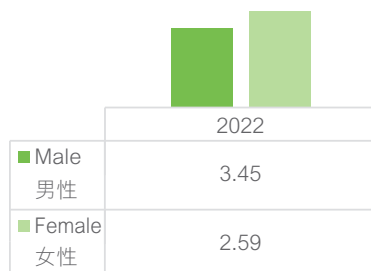
Training ratio by gender
按性別劃分受訓比例



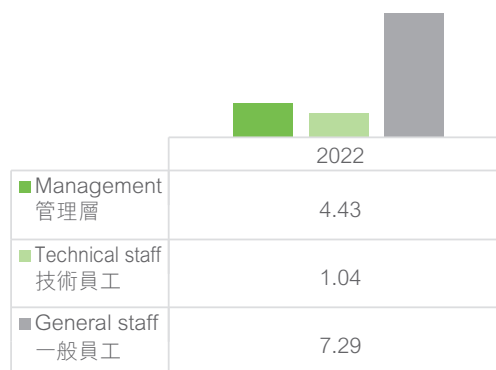
Training ratio by employment type
按僱傭類別劃分受訓比例



Average training hours completed per employee by gender
按性別劃分的每位僱員完成的平均受訓時數



Average training hours completed per employee by employment type
按僱員類別劃分的每位僱員完成的平均受訓時數





Environmental, Social and Governance Report 環境、社會及管治報告

LABOR STANDARDS

We are committed to being a responsible and desirable employer, and strictly adhere to applicable labor standards in all jurisdictions where it operates and prohibits the recruitment of child and forced labor. During the recruitment process, we will verify the personal identity documents of candidates to ensure they have met the legal working age to prevent the occurrence of child labor. We have also established clear policies on rest periods, leave, overtime work, working hours, dismissal, and other related arrangements to prevent forced labor. In cases of staff resignation or dismissal, we will offer appropriate compensation in accordance with applicable labor laws and regulations. Any instances of illegal or forced labor are investigated and addressed in compliance with local laws and regulations.

During the Reporting Period, we were not aware of any instances of child or forced labor within the Group.

MANAGING SUPPLIERS

As at 31 December 2022, we have engaged 678 suppliers in which 621 are in Indonesia, 1 in Singapore and 56 in China. We mainly worked with local suppliers to minimize the greenhouse gas emissions generated from transportation.

We are acknowledged to manage the environmental and social impacts of suppliers and promote positive outcomes throughout the entire supply chain. We have already established a Code of Conduct that requires suppliers to uphold environmental, social, and governance principles, including environmental protection, labor rights, labor standards, and anti-corruption practices when providing products and services. We will conduct regular assessments to ensure that suppliers comply with the Code of Conduct. If any suppliers are found to be noncompliant, we may terminate the partnership or require corrective measures. During the Reporting Period, we have conducted a review of 51 suppliers located in Mainland China.

勞工準則

我們致力成為負責任和理想僱主，嚴格遵守營運當地適用的僱傭標準，嚴禁聘請童工及強制勞工。在招聘過程中，我們會核實應聘者的身份證明文件，確保彼等已達到法定工作年齡，避免童工。我們亦制定政策，清晰列明有關作息時間、假期、加班、工作時數、解僱等的安排，避免強制勞動。如有員工辭職或被解僱，我們會根據適用僱傭法律及規例提供適當補償。如有發現任何僱用非法或強迫勞動的情況，我們會根據當地政府和當局制定的相關法律和法規進行調查和處理。

在報告期間，我們並不知悉本集團內有任何童工或強制勞動的情況。

管理供應商

截止2022年12月31日，本集團共與678家供應商合作，其中621間位於印尼、1間位於新加坡、56間位於中國大陸。我們主要與本地供應商合作，以減少因運輸產生的溫室氣體排放。

我們重視管理供應商的環境及社會影響，為整體供應鏈帶來正面影響。我們已制定行為守則，要求供應商提供產品及服務時秉持環境、社會及管治原則，包括環境保護、僱傭權益、僱傭標準及反貪污常規。我們會進行定期評估，確保彼等符合行為守則。如發現有任何不合規情況，我們或會終止合作關係，或要求供應商採取整改措施。於報告期間，我們對中國其中51家供應商進行了檢討評估。



Environmental, Social and Governance Report 環境、社會及管治報告

In addition, we also place significant importance on the quality of suppliers' products and services, as they have a direct impact on the quality of our operations. We conduct rigorous assessments of potential new suppliers, evaluating their qualifications, product and service quality, price, and reputation to ensure they meet our requirements. Similarly, existing suppliers are also regularly assessed to ensure they have met our expectations. We are dedicated to maintaining high standards of product and service quality across its supply chain to deliver superior value to its customers.

PRODUCT RESPONSIBILITY

PRIVACY PROTECTION

Our business operations involve handling confidential information, including customer information, business information, and financial information of the Group. To ensure the privacy of this information and to alleviate customer concerns, we have implemented measures to handle it with care. These measures include requiring employees to abide by our personnel management policy and employee handbook, and not disclosing privacy information to third parties without prior consent. We also use passwords for computers that store confidential information, and store hard copies of sensitive materials in a designated place with an electronic lock and 24-hour surveillance cameras.

ADVERTISING

The Group strictly adheres to the Advertising Law of the PRC and other relevant laws and regulations when creating promotional materials. We conduct a thorough review of these materials before publishing to ensure that there is no misleading information that may harm consumer rights. As our business does not heavily rely on product labelling, this is not a significant issue for the Group.

此外，我們十分重視對業務有重大影響的供應商產品及服務質素。我們對候選新供應商處很嚴格評估，評估其資質、產品及服務質素、價錢及聲譽等，確保他們符合集團要求。同樣地，我們會對現有供應商進行定期評估，確保彼等符合我們的期望。我們致力於供應鏈維持高品質的產品及服務質素，以期為客戶締造價值。

產品責任

隱私保護

本集團的業務營運會處理機密資料，包括客戶資料、集團的業務資料及財務資料。為保護資料私隱，確保客戶安心，我們已實施謹慎措施，包括要求員工遵守人力資源相關制度及員工手冊，在未經同意前不得將隱私資料對第三方披露。我們亦會於儲存機密資料的電腦設置密碼，並將印有敏感資料的文件儲存於具備電子鎖和24小時監控攝像鏡頭的地方。

廣告

本集團致力遵守《中華人民共和國廣告法》及其他適用法律及規例制定宣傳材料。我們在發佈這些材料前會進行全面評估，確保沒有具誤導性的資訊，以免損害消費者權益。由於產品標籤並非集團業務的重要範疇，因此標籤並非集團重大議題。



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ANTI-CORRUPTION

UPHOLDING BUSINESS ETHICS AND INTEGRITY

The Group is committed to maintaining a fair and transparent business environment and promoting ethical behavior in all our operations. We strictly adhere to the “Law of the PRC on Anti-Unfair Competition”, the “Criminal Law of the PRC”, “Interim Provisions on Banning Commercial Bribery”, Hong Kong’s “Prevention of Bribery Ordinance” and other relevant laws and regulations, prohibiting corruption, bribery, extortion, fraud, money laundering and other unethical and unlawful behaviours within the Group. We have introduced the Anti-corruption Policy and Code of Conduct, requiring our employees to maintain business ethics and integrity at all times. We have also established the Whistleblowing Policy, allowing employees and third parties to report suspicious cases or other misconduct while keeping their identities confidential. We conduct prompt investigations and take corresponding follow-up actions seriously to protect the rights of the Group and our stakeholders.

We will arrange trainings from time to time to raise employees’ awareness of relevant issues. During the Reporting Period, due to spread of pandemic, we have not arranged anti-corruption related trainings to our employees. We will actively seek appropriate opportunities to arrange relevant trainings in the coming year.

In the Reporting Period, the Group was not aware of any material non-compliance relating to corruption, bribery, extortion, fraud and money laundering.

CONTRIBUTING TO COMMUNITY

ELL Environmental is committed to listening to and addressing the needs of the community. We believe that striking a balance between business development and community investment is a core principle of our sustainable strategy. We are dedicated to wastewater treatment and participating in new energy, which benefits the community as a whole. We allocate adequate resources each year to community investment and encourage our employees to volunteer to showcase our efforts in taking up corporate social responsibility. We believe that community investment is an important aspect of our sustainable development and we will continue to evaluate and improve our approach to ensure that it aligns with our values and goals.

反腐倡廉

維護商業道德和誠信

本集團致力維護公平、透明的營商環境，於業務提倡道德行為。我們致力遵守《中華人民共和國反不正當競爭法》、《中華人民共和國刑法》、《關於禁止商業賄賂行為的暫行規定》、香港防止賄賂條例及其他相關法律及規例，禁止集團出現任何貪污、賄賂、勒索、欺詐、洗黑錢及其他不道德及非法行為。我們已實施反貪污政策和行為守則，要求員工時刻秉持商業道德及誠信。我們亦制定了舉報政策，讓員工及第三方就懷疑涉貪個案或其他違規情況作出舉報。我們會確保彼等身份保密。我們會及時嚴謹地作出調查及跟進行動，保障集團及持份者的利益。

我們會適時安排培訓，提供員工對相關議題的意識。於報告期間，基於疫情肆虐，我們並未為員工安排反貪污相關培訓。我們會積極尋求合適機會，於來年度安排相關培訓。

於報告期間，本集團並不知悉在貪污、賄賂、勒索、欺詐及洗黑錢方面涉及重大違規情況。

社區貢獻

強泰環保致力聆聽及回應社區需要。我們相關在業務發展和社區投資取得平衡是集團可持續發展策略的重要一環。我們竭力投身於污水處理及新能源業務，為社區帶來裨益。我們每年均會投放足夠資源於社區投資，鼓勵員工擔任義工，以彰顯我們實踐企業社會責任的決心。我們相關社區投資是可持續發展的重要一環，會持續檢討及優化我們的策略，確保符合我們的價值及目標。



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During the Reporting Period, RPSL has donated RP54,025,955 to support local residents in need, as well as celebration of festivals in the surrounding community. It also provided internship opportunities to students, allowing them to equip themselves with adequate job skills.

於報告期間，RPSL為有需要的居民及周邊社區的節日慶祝活動捐贈了54,025,955印尼盾。我們亦為學生提供實習機會，讓他們學習足夠的工作技能。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

香港聯交所《環境、社會及管治報告指引》內容索引

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主要範疇、層面、一般披露及關鍵績效指標		章節／聲明	頁數
Environmental			
A. 環境			
Aspect A1: Emissions			
層面 A1：排放物			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		Creating Green Fortune 創造綠色財富	P. 30-36
一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 註：廢氣排放包括氮氧化物、硫氧化物及其他受國家法律及規例規管的污染物。溫室氣體包括二氧化碳、甲烷、氧化亞氮、氫氟碳化合物、全氟化碳及六氟化硫。有害廢棄物指國家規例所界定者。			
KPI A1.1	The types of emissions and respective emission data.	Environmental KPIS 環境關鍵績效指標	P. 35-36
關鍵績效指標 A1.1	排放物種類及相關排放數據。		



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KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Creating Green Fortune 創造綠色財富	P. 30-36
關鍵績效指標 A1.2	直接(範圍1)及能源間接(範圍2)溫室氣體排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。		
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		
關鍵績效指標 A1.3	所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。		
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).		
關鍵績效指標 A1.4	所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。		
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.		
關鍵績效指標 A1.5	描述所訂立的排放量目標及為達到這些目標所採取的步驟。		
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.		
關鍵績效指標 A1.6	描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。		



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Aspect A2: Use of Resources			
層面A2：資源使用			
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		Creating Green Fortune 創造綠色財富	P. 30-36
一般披露 有效使用資源(包括能源、水及其他原材料)的政策。 註：資源可用於生產、儲存、運輸、樓宇、電子設備等。			
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental KPIs 環境關鍵績效指標	P. 35-36
關鍵績效指標 A2.1	按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。		
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).		
關鍵績效指標 A2.2	總耗水量及密度(如以每產量單位、每項設施計算)。		
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Creating Green Fortune 創造綠色財富	P. 30-36
關鍵績效指標 A2.3	描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。		
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.		
關鍵績效指標 A2.4	描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。		



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KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Group’s business 不適用於本集團的業務	N/A 不適用
關鍵績效指標 A2.5	製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量		
Aspect A3: Environmental and Natural Resources			
層面 A3：環境及天然資源			
General Disclosure Policies on minimizing the issuer’s significant impact on the environment and natural resources.		Managing Impact on Environment and Natural Resources 管理對環境和自然資源的影響	P. 33
一般披露 減低發行人對環境及天然資源造成重大影響的政策。			
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.		
關鍵績效指標 A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。		
Aspect A4: Climate Change			
層面 A4：氣候變化			
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Climate Resilience Strategies 氣候韌性策略	P. 34
一般披露 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。			
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.		
關鍵績效指標 A4.1	描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。		



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B. Social			
B. 社會			
Employment and Labour Standards			
僱傭及勞工常規			
Aspect B1: Employment			
層面B1：僱傭			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Caring Our People 關愛員工	P. 37-44	
一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。			
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Overview 僱員概覽	P. 38-39
關鍵績效指標 B 1.1	按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。		
KPI B1.2	Employee turnover rate by gender, age group and geographical region.		
關鍵績效指標 B1.2	按性別、年齡組別及地區劃分的僱員流失比率。		



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Aspect B2: Health and Safety			
層面B2：健康與安全			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Employees’ Wellbeing 員工安康	P. 41
一般披露 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。			
KPI B2.1	Number and rate of work-related fatalities.		
關鍵績效指標 B2.1	過去三年(包括匯報年度)每年因工亡故的人數及比率。		
KPI B2.2	Lost days due to work injury.		
關鍵績效指標 B2.2	因工傷損失工作日數。		
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.		
關鍵績效指標 B2.3	描述所採納的職業健康與安全措施，以及相關執行及監察方法。		



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Aspect B3: Development and Training		
層面B3：發展及培訓		
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development 員工發展	P. 42-43
一般披露 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 註：培訓指職業培訓，可包括由僱主付費的內外部課程。		
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).		
關鍵績效指標 B3.1 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。		
KPI B3.2 The average training hours completed per employee by gender and employee category.		
關鍵績效指標 B3.2 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。		
Aspect B4: Labour Standards		
層面B4：勞工準則		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards 勞工準則	P. 44
一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。		



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KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards 勞工準則	P. 44
關鍵績 效指標 B4.1	描述檢討招聘慣例的措施以避免童工及強制勞工。		
KPI B4.2	Description of steps taken to eliminate such practices when discovered.		
關鍵績 效指標 B4.2	描述在發現違規情況時消除有關情況所採取的步驟。		
Operating Practices			
營運慣例			
Aspect B5:Supply Chain Management			
層面B5：供應鏈管理			
General Disclosure Policies on managing environmental and social risks of the supply chain.		Managing Suppliers 管理供應商	P. 44
一般披露 管理供應鏈的環境及社會風險政策。			
KPI B5.1	Number of suppliers by geographical region.		
關鍵績 效指標 B5.1	按地區劃分的供應商數目。		
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.		
關鍵績 效指標 B5.2	描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。		



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KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		
關鍵績效指標 B5.3	描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。		
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.		
關鍵績效指標 B5.4	描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。		
Aspect B6: Product Responsibility			
層面B6：產品責任			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		Creating Green Fortune 創造綠色財富	P. 30-36
一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。			
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group's business 不適用於本集團 的業務	N/A 不適用
關鍵績效指標 B6.1	已售或已運送產品總數中因安全與健康理由而須回收的百分比。		



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主要範疇、層面、一般披露及關鍵績效指標		章節／聲明	頁數
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	No significant complaints received. 沒有收到重大投訴。	N/A 不適用
關鍵績效指標 B6.2	接獲關於產品及服務的投訴數目以及應對方法。		
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not applicable to the Group's business 不適用於本集團的業務	N/A 不適用
關鍵績效指標 B6.3	描述與維護及保障知識產權有關的慣例。		
KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable to the Group's business 不適用於本集團的業務	N/A 不適用
關鍵績效指標 B6.4	描述質量檢定過程及產品回收程序。		
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Privacy Protection 隱私保護	P. 45
關鍵績效指標 B6.5	描述消費者資料保障及私隱政策，以及相關執行及監察方法。		



Environmental, Social and Governance Report

環境、社會及管治報告

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page Number
主要範疇、層面、一般披露及關鍵績效指標		章節／聲明	頁數
Aspect B7: Anti-Corruption			
層面B7：反貪污			
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Anti-corruption 反腐倡廉	P. 46
一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。			
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.		
關鍵績效指標 B7.1	於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。		
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.		
關鍵績效指標 B7.2	描述防範措施及舉報程式，以及相關執行及監察方法。		
KPI B7.3	Description of anti-corruption training provided to directors and staff.		
關鍵績效指標 B7.3	描述向董事及員工提供的反貪污培訓。		



Environmental, Social and Governance Report

環境、社會及管治報告

Subject areas, aspects, general disclosure and key performance indicators (“KPIs”)		Section/ Declaration	Page Number
主要範疇、層面、一般披露及關鍵績效指標		章節／聲明	頁數
Community			
社區			
Aspect B8: Community Investment			
層面B8：社區投資			
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.		Contributing to Community 社區貢獻	P. 46
一般披露 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。			
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).		
關鍵績 效指標 B8.1	專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。		
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.		
關鍵績 效指標 B8.2	在專注範疇所動用資源(如金錢或時間)。		



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

EXECUTIVE DIRECTORS

Mr. Chau On Ta Yuen

Mr. Chau On Ta Yuen, aged 75, was appointed as a Director of the Company on 18 March 2014 and was re-designated as the chairman of the Board (the “**Chairman**”) and an executive Director of the Company on 5 September 2014. He has been the chairman of the nomination committee of the Board (the “**Nomination Committee**”) since 5 September 2014. Mr. Chau also holds directorships in certain subsidiaries of the Company and is mainly responsible for business development and formulation of strategies of the Group. He joined the Group in December 2002 as a director of Everbest Water Treatment Development Company Limited (“**Everbest**”), an indirect wholly-owned subsidiary of the Company. Mr. Chau is a director of and owns 90% of the issued shares in Wealthy Sea Holdings Limited (“**Wealthy Sea**”), a substantial shareholder of the Company.

Mr. Chau obtained a bachelor's degree in Chinese language and literature from Xiamen University (廈門大學) in the People's Republic of China (the “**PRC**”) in August 1968. He is currently a member of the 12th National Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議), a deputy officer of the Social and Legal Affairs Committee of the Chinese People's Political Consultative Conference (全國政協社會和法制委員會) and the vice chairman and the secretary-general of the 10th board of directors of the Hong Kong Federation of Fujian Associations (香港福建社團聯會). Mr. Chau was awarded a Bronze Bauhinia Star and a Silver Bauhinia Star by the Hong Kong government in 2010 and 2016, respectively.

執行董事

周安達源先生

周安達源先生，75歲，於二零一四年三月十八日獲委任為本公司董事，並於二零一四年九月五日調任為本公司董事會主席（「**主席**」）兼執行董事。彼自二零一四年九月五日起一直為董事會的提名委員會（「**提名委員會**」）主席。周先生亦擔任本公司若干附屬公司的董事職務，並主要負責本集團的業務發展及策略制訂。彼於二零零二年十二月加入本集團擔任本公司間接全資附屬公司恆發水務發展有限公司（「**恆發**」）的董事。周先生為本公司主要股東潤海集團有限公司（「**潤海**」）的董事並擁有其已發行股份的90%。

周先生於一九六八年八月獲中華人民共和國（「**中國**」）廈門大學頒發漢語言文學學士學位。彼現時為中國人民政治協商會議第十二屆全國委員會委員、全國政協社會和法制委員會副主任及香港福建社團聯會第十屆董事會副主席兼秘書長。周先生於二零一零年及二零一六年分別獲香港政府授予銅紫荊星章和銀紫荊星章。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

Mr. Chau has held directorships in various companies listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Mr. Chau was the chairman and an executive director of China Ocean Industry Group Limited (stock code: 651) from September 2007 and had ceased to be the chairman from June 2015 and was re-designated as the non-executive director and appointed as the honorary chairman from June 2015 to November 2019. Mr. Chau has also been appointed as an independent non-executive director of Redco Properties Group Limited (stock code: 1622), Come Sure Group (Holdings) Limited (stock code: 794), Million Hope Industries Holdings Limited (stock code: 1897) and Beijing Enterprises Water Group Limited (stock code: 371) since January 2014, February 2009, June 2020 and April 2021, respectively. Mr. Chau has been an independent non-executive director of Good Resources Holdings Limited (stock code: 109) since July 2019 and has been re-designated as its executive director and chairman since September 2021. Mr. Chau had also been an executive director of Rosan Resources Holdings Limited (stock code: 578) from March 2000 to November 2006, an independent non-executive director of Hao Wen Holdings Limited (stock code: 8019) from June 2003 to August 2009, GR Properties Limited (stock code: 108) from December 2008 to September 2010, Leyou Technologies Holdings Limited (stock code: 1089) from December 2010 to May 2016 and Hang Pin Living Technology Company Limited (formerly known as Hua Long Jin Kong Company Limited) (stock code: 1682) from September 2017 to April 2021. Mr. Chau is the father of Mr. Chau Chi Yan Benny, an executive Director of the Company.

Mr. Chan Kwan

Mr. Chan Kwan, aged 40, was appointed as a Director of the Company on 25 February 2014 and was re-designated as an executive Director and the chief executive officer of the Company (the “**CEO**”) on 5 September 2014. He has been a member of the Nomination Committee since 5 September 2014. Mr. Chan also holds directorships in certain subsidiaries of the Company and is mainly responsible for all major affairs of the Group, including project construction and operation, business development, marketing and formulation of strategies. Mr. Chan joined the Group in March 2007 as a director of Everbest. Prior to joining the Group, Mr. Chan was a database administrator at Panda Restaurant Group, Inc. in Los Angeles, the United States of America (“**US**”), from February 2005 to December 2006.

周先生於多間香港聯合交易所有限公司(「**聯交所**」)上市公司擔任董事職務。周先生自二零零七年九月起擔任中海重工集團有限公司(股份代號: 651)主席兼執行董事, 自二零一五年六月不再任職主席, 並於二零一五年六月至二零一九年十一月被調任為非執行董事及獲委任為名譽主席。周先生分別自二零一四年一月、二零零九年二月、二零二零年六月及二零二一年四月起亦獲委任為力高地產集團有限公司(股份代號: 1622)、錦勝集團(控股)有限公司(股份代號: 794)、美亨實業控股有限公司(股份代號: 1897)及北控水務集團有限公司(股份代號: 371)獨立非執行董事。周先生自二零一九年七月起擔任天成國際集團控股有限公司(股份代號: 109)獨立非執行董事, 並自二零二一年九月起獲調任為該公司執行董事兼主席。周先生亦於二零零零年三月至二零零六年十一月擔任融信資源控股有限公司(股份代號: 578)執行董事、於二零零三年六月至二零零九年八月擔任皓文控股有限公司(股份代號: 8019)、於二零零八年十二月至二零一零年九月擔任國銳地產有限公司(股份代號: 108)、於二零一零年十二月至二零一六年五月擔任樂遊科技控股有限公司(股份代號: 1089)及於二零一七年九月至二零二一年四月擔任杭品生活科技股份有限公司(前稱華隆金控有限公司)(股份代號: 1682)獨立非執行董事。周先生為本公司執行董事周致人先生的父親。

陳昆先生

陳昆先生, 40歲, 於二零一四年二月二十五日獲委任為本公司董事, 並於二零一四年九月五日調任為本公司執行董事兼行政總裁(「**行政總裁**」)。彼自二零一四年九月五日起一直為提名委員會成員。陳先生亦擔任本公司若干附屬公司的董事職務, 並主要負責本集團一切重大事務, 包括項目建設及營運、業務發展、市場推廣及策略制訂。陳先生於二零零七年三月加入本集團, 擔任恆發的董事。於加入本集團前, 陳先生於二零零五年二月至二零零六年十二月為美利堅合眾國(「**美國**」)洛杉磯 Panda Restaurant Group, Inc. 的數據庫管理員。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

Mr. Chan obtained a bachelor's degree in science from the Iowa State University of Science and Technology in the US in December 2004. He is a member of the 12th Fujian Province Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議福建省委員會), a standing committee member of the 10th board of directors of the Hong Kong Federation of Fujian Associations (香港福建社團聯會), the chief supervisor of the 10th Hong Kong Minxi Association Ltd. (香港閩西聯會), the vice-president of the 11th Supervision Committee of Lung Yen Residents Association of Hong Kong Limited (香港龍岩同鄉會), and the president of the 2nd Hong Kong Federation of Overseas Chinese Youth Committee (香港華僑華人總會). Mr. Chan is the elder brother of Mr. Chan Pak Lam Brian, the non-executive Director of the Company.

Mr. Chan is the sole director of and holds a 20% shareholding interest in Everbest Environmental Investment Limited ("**Everbest Environmental**"), a controlling shareholder of the Company. Mr. Chan also owns 20% of the issued shares in Kingdrive Limited ("**Kingdrive**"). Kingdrive owned all the issued shares in Carlton Asia Limited which owns approximately 1.42% of the issued shares of the Company.

Mr. Radius Suhendra

Mr. Radius Suhendra, aged 49, was appointed as an executive Director of the Company on 21 October 2016. Mr. Suhendra is mainly responsible for all major affairs of an Indonesia-incorporated subsidiary of the Company, which was acquired by the Group in late 2016. He has been overseeing the construction and operation of the palm kernel oil mill and the ancillary biomass power plants in that subsidiary.

He obtained a bachelor's degree in business administration from Ohio State University, the US, in 1996. He has 15 years of experience in managing businesses in heavy industries in Asia, including 7 years in managing ferrous trading business of a ferrous alloy trading firm between 1998 and 2005 in Singapore. From 2006 to 2010, Mr. Suhendra was the president director of PT. Indoferro which operates blast furnace producing nickel pig iron in Indonesia.

陳先生於二零零四年十二月獲美國愛荷華州立大學(Iowa State University of Science and Technology)頒發理學學士學位。彼為中國人民政治協商會議第十二屆福建省委員會委員、香港福建社團聯會第十屆董事會常務會董、香港閩西聯會第十屆監事長、香港龍岩同鄉會第十一屆監督委員會副會長及香港華僑華人總會青年委員會第二屆主席。陳先生為本公司非執行董事陳栢林先生的胞兄。

陳先生為本公司控股股東 Everbest Environmental Investment Limited ("**Everbest Environmental**")的唯一董事，並持有其20%的股權。陳先生亦擁有 Kingdrive Limited ("**Kingdrive**") 20% 的已發行股份。Kingdrive 擁有 Carlton Asia Limited 全部已發行股份，而 Carlton Asia Limited 擁有本公司約 1.42% 的已發行股份。

蘇堅人先生

蘇堅人先生，49歲，於二零一六年十月二十一日獲委任為本公司執行董事。蘇先生主要負責本集團於二零一六年年末收購的本公司於印尼註冊成立附屬公司的所有重大事項。彼一直在監督該附屬公司的棕櫚仁油榨油廠及自備生物質電廠的建造及營運。

蘇堅人先生於一九九六年取得美國俄亥俄州立大學工商管理學士學位。彼在亞洲重工業業務管理方面擁有15年的經驗，包括於一九九八年至二零零五年7年在新加坡一間鐵合金交易公司負責管理黑色金屬交易業務。自二零零六年至二零一零年期間，蘇先生為PT. Indoferro的總裁董事，PT. Indoferro的業務為在印尼使用高爐生產含鎳生鐵。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

Mr. Chau Chi Yan Benny

Mr. Chau Chi Yan Benny, aged 41, was appointed as a Director of the Company on 18 March 2014, was re-designated as a non-executive Director of the Company on 5 September 2014 and was further re-designated as an executive Director of the Company and appointed as the deputy general manager of the Group both since April 2019. He also holds directorships in certain subsidiaries of the Company.

Prior to joining the Group, Mr. Chau worked as an international trade department manager of China Ocean Shipbuilding Industry Group Limited from February 2011 to August 2013 and a business adviser at Vodafone Ltd. in the United Kingdom (the "UK") from November 2005 to September 2008.

Mr. Chau was a consultant of Convoy Financial Services Limited from August 2012 to June 2017. He obtained a bachelor's degree in arts from Manchester Metropolitan University in the UK in September 2005. He is also registered as a technical representative of the Professional Insurance Brokers Association in Hong Kong. Mr. Chau has also been an independent non-executive director of Hang Pin Living Technology Company Limited (stock code: 1682) since April 2021. Mr. Chau is (i) the son of Mr. Chau On Ta Yuen, an executive Director of the Company and the Chairman and (ii) a director of Wealthy Sea, a substantial shareholder of the Company.

周致人先生

周致人先生，41歲，於二零一四年三月十八日獲委任為本公司董事，於二零一四年九月五日調任為本公司非執行董事，繼而自二零一九年四月起獲調任為本公司執行董事及獲委任為本集團副總經理。彼亦在本公司若干附屬公司擔任董事職務。

於加入本集團前，周先生於二零一一年二月至二零一三年八月擔任中海船舶重工集團有限公司國際貿易部經理，及於二零零五年十一月至二零零八年九月擔任英國（「英國」）Vodafone Ltd. 業務顧問。

周先生於二零一二年八月至二零一七年六月擔任康宏理財服務有限公司的顧問。彼於二零零五年九月獲英國曼徹斯特城市大學頒發文學學士學位。彼亦為香港專業保險經紀協會的註冊業務代表。周先生自二零二一年四月起亦為杭品生活科技股份有限公司（股份代號：1682）獨立非執行董事。周先生為(i)本公司執行董事兼主席周安達源先生之子及(ii)本公司主要股東潤海的董事。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

NON-EXECUTIVE DIRECTOR

Mr. Chan Pak Lam Brian

Mr. Chan Pak Lam Brian, aged 34, was appointed as a Director of the Company on 18 March 2014 and was re-designated as a non-executive Director of the Company on 5 September 2014. He has been a member of the remuneration committee of the Board (the “**Remuneration Committee**”) since 5 September 2014. He is also a director of three subsidiaries of the Company. Mr. Chan obtained a bachelor's degree in communication from Purdue University in the US in May 2011. Since March 2013, Mr. Chan has been working as marketing and sales director at PT. Indoferro. He has been involved in the business of the Group since September 2012 when he was appointed as a director of Exuberant Legacy Holdings Ltd. (“**Exuberant**”), a company incorporated in Hong Kong, which was intended by the then shareholders of Everbest Environmental to be used as the holding company for the purpose of the listing of the shares of the Company on the Stock Exchange. While serving as a director of Exuberant, Mr. Chan was involved in exploring business opportunities in the environmental-related industry within the larger Asia region and was also responsible for the setting up and maintenance of the Company's information technology system. Mr. Chan continued to be involved in the Group's business after he had been appointed as a Director on 18 March 2014. Mr. Chan is the younger brother of Mr. Chan Kwan, an executive Director and the CEO.

非執行董事

陳栢林先生

陳栢林先生，34歲，於二零一四年三月十八日獲委任為本公司董事，並於二零一四年九月五日調任為本公司非執行董事。彼自二零一四年九月五日起一直為董事會的薪酬委員會（「**薪酬委員會**」）成員。彼亦為本公司三間附屬公司的董事。陳先生於二零一一年五月獲美國普渡大學頒發傳播學學士學位。自二零一三年三月起，陳先生一直在PT. Indoferro擔任市場推廣及銷售總監。彼自二零一二年九月起已參與本集團業務，當時彼獲委任為一間香港註冊成立公司強泰控股有限公司（「**強泰**」）的董事，而Everbest Environmental當時的股東擬就本公司股份於聯交所上市將強泰作為控股公司。在擔任強泰董事時，陳先生參與在亞洲更多地區探索環保相關行業的業務機會，亦負責本公司資訊科技系統的設立及保養。陳先生於二零一四年三月十八日獲委任為董事後繼續參與本集團業務。陳先生為本公司執行董事兼行政總裁陳昆先生的胞弟。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Ng Chung Yan Linda

Ms. Ng Chung Yan Linda, aged 47, was appointed as an independent non-executive Director of the Company (the “**INED**”) on 5 September 2014. She has been the chairlady of the audit committee of the Board (the “**Audit Committee**”) and a member of each of the Remuneration Committee and the Nomination Committee since 5 September 2014.

Ms. Ng has been a director of Linda C.Y. Ng (CPA) Limited (previously known as Tseung & Ng (CPA) Limited) since April 2012, prior to which she was the sole proprietor of Linda C.Y. Ng & Co., an accounting firm, from January 2008 to April 2013. Ms. Ng has also been a director of Futurelink Limited since February 2004. She has been a part-time lecturer in the School of Continuing and Professional Education of City University of Hong Kong since October 2015 and a part-time lecturer at HKCA Learning Media Limited since August 2010, and was a part-time lecturer at Accountancy Training Company (International) Limited from September 2007 to April 2010. She has been the author of “Financial Reporting in Hong Kong: SME Edition 2015/16” published in December 2015 and “Practical Guide to Financial Reporting Standards in Hong Kong” published by CCH Hong Kong Limited since September 2013. She was a director of Learning Is Fun Association Limited from June 2007 to June 2012. Ms. Ng was a staff accountant at Ernst & Young from September 2000 to September 2001, and was promoted to senior accountant in October 2001 until she left that firm in October 2002.

Ms. Ng obtained a master's degree in professional accounting from the Hong Kong Polytechnic University in October 2009 and a bachelor's degree in business administration from Hong Kong University of Science and Technology in November 1997. She has been a certified professional forensic accountant of The Institute of Certified Forensic Accountants since September 2011, a certified tax adviser and an associate of the Taxation Institute of Hong Kong since September 2010, a fellow of the Association of Chartered Certified Accountants in the UK since October 2005 and a practising member of Hong Kong Institute of Certified Public Accountants since January 2005.

獨立非執行董事

伍頌恩女士

伍頌恩女士，47歲，於二零一四年九月五日獲委任為本公司獨立非執行董事（「獨立非執行董事」）。彼自二零一四年九月五日起一直為董事會審核委員會（「審核委員會」）主席以及薪酬委員會及提名委員會各自之成員。

伍女士自二零一二年四月起擔任伍頌恩會計師事務所有限公司（前稱蔣伍會計師事務所有限公司）董事，此前彼於二零零八年一月至二零一三年四月為會計師行伍頌恩會計師事務所的獨資經營者。伍女士亦自二零零四年二月起擔任Futurelink Limited的董事。彼自二零一五年十月起為香港城市大學專業進修學院的兼職講師、自二零一零年八月起為HKCA Learning Media Limited的兼職講師、自二零零七年九月至二零一零年四月為Accountancy Training Company (International) Limited的兼職講師。彼為於二零一五年十二月出版的《Financial Reporting in Hong Kong: SME Edition 2015/16》的作者及為自二零一三年九月起CCH Hong Kong Limited出版的《Practical Guide to Financial Reporting Standards in Hong Kong》的作者。彼自二零零七年六月至二零一二年六月擔任Learning Is Fun Association Limited的董事。伍女士於二零零零年九月至二零零一年九月為安永會計師事務所的會計職員，其後於二零零一年十月獲晉升為高級會計師，直至二零零二年十月離職。

伍女士於二零零九年十月獲香港理工大學頒發專業會計學碩士學位，及於一九九七年十一月獲香港科技大學頒發工商管理學士學位。彼自二零一一年九月起為註冊法證會計師協會（The Institute of Certified Forensic Accountants）執業專業法證會計師、自二零一零年九月為香港稅務學會的執業稅務顧問及資深會員、自二零零五年十月起為英國特許公認會計師公會資深會員及自二零零五年一月起為香港會計師公會執業會員。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

Mr. Ng Man Kung

Mr. Ng Man Kung, aged 71, was appointed as an INED on 5 September 2014. He has been the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee since 5 September 2014.

Mr. Ng was a business consultant of China Orient Asset Management (International) Holding Limited, a company principally engaged in investment, from January 2014 to April 2015. He worked at Chiyu Banking Corporation Ltd. from July 1969 to December 2012 and was a chief executive from April 1992 to July 2012. Mr. Ng was an honorary president of the 37th Chinese Bankers Club, Hong Kong, a member of the Council of Hong Kong Polytechnic University from April 1999 to March 2003 and a member of the 10th Fujian Province Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議福建省委員會). Mr. Ng completed an extension course in banking at the Hong Kong Polytechnic University in September 1982.

Mr. Ng has also been an independent non-executive director of each of Fujian Holdings Limited (stock code: 181) since June 2014 and Green Future Food Hydrocolloid Marine Science Company Limited (stock code: 1084) since September 2019. Mr. Ng was a non-executive director of Roma Group Limited (stock code: 8072) from August 2017 to December 2017. Mr. Ng was an independent non-executive director of each of Guoan International Limited (stock code: 143) from March 2016 to February 2021, Shanghai Zendai Property Limited (stock code: 755) from May 2017 to January 2021 and Renco Holdings Group Limited (stock code: 2323) from March 2016 to March 2022.

Mr. Ng has also been the chairman of the supervisory board of Well Link Bank in Macau since 31 March 2018.

吳文拱先生

吳文拱先生，71歲，於二零一四年九月五日獲委任為獨立非執行董事。彼自二零一四年九月五日起一直為薪酬委員會主席以及審核委員會及提名委員會各自之成員。

吳先生自二零一四年一月至二零一五年四月擔任中國東方資產管理(國際)控股有限公司的業務顧問，該公司主要從事投資業務。彼於一九六九年七月至二零一二年十二月於集友銀行有限公司任職，於一九九二年四月至二零一二年七月擔任總經理。吳先生為第37屆香港銀行華員會名譽會長、於一九九九年四月至二零零三年三月為香港理工大學校董會成員及為中國人民政治協商會議第十屆福建省委員會委員。吳先生於一九八二年九月修畢香港理工大學銀行業校外課程。

吳先生亦分別自二零一四年六月起擔任閩港控股有限公司(股份代號：181)及自二零一九年九月起擔任綠新親水膠體海洋科技有限公司(股份代號：1084)的獨立非執行董事。吳先生於二零一七年八月至二零一七年十二月期間擔任羅馬集團有限公司(股份代號：8072)的非執行董事。吳先生於二零一六年三月至二零二一年二月期間擔任國安國際有限公司(股份代號：143)、於二零一七年五月至二零二一年一月期間擔任上海証大房地產有限公司(股份代號：755)及於二零一六年三月至二零二二年三月期間擔任融科控股集團有限公司(股份代號：2323)的獨立非執行董事。

吳先生亦自二零一八年三月三十一日起擔任澳門立橋銀行監事會主席。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

Ms. Leung Bo Yee Nancy

Ms. Leung Bo Yee Nancy, aged 50, was appointed as an INED with effect from 15 October 2019. She has been a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee since 15 October 2019.

Ms. Leung graduated from the University of Cambridge in England with a master's degree in law in July 1996 and from the University of Hong Kong with a bachelor's degree in law in July 1994. After graduation, from 1996 to 2004, Ms. Leung worked at Clyde & Co., where her last position was associate.

Ms. Leung is a qualified solicitor in Hong Kong, England and Wales and a partner of Leung and Lau, Solicitors LLP which she co-founded in 2005. She co-founded L.I.M Tech Limited which commenced operations in December 2018 and Xu Shan Charitable Foundation Company Limited in July 2019, and has been the major shareholder and chairlady of California Insurance Company, Limited since 2018.

Ms. Leung is presently a member of the Legal Education Committee of the Law Society of Hong Kong. She was previously a member of the Public Education and Publicity Sub-committee under the Steering Committee on Mediation of the Department of Justice and the Mediate First Pledge Sub-Group of the Public Education and Publicity Sub-Group of the Secretary of Justice's Working Group on Mediation in Hong Kong. She was previously also appointed as a Deputy District Court Judge in Hong Kong in 2012.

Ms. Leung served as the non-executive director of New Trend Lifestyle Group Plc (LON:NTLG) from June 2016 to January 2018.

梁寶儀女士

梁寶儀女士，50歲，獲委任為獨立非執行董事，自二零一九年十月十五日起生效。彼自二零一九年十月十五日起一直為審核委員會、薪酬委員會及提名委員會各自之成員。

梁女士於一九九六年七月畢業於英國劍橋大學並取得法學碩士學位，於一九九四年七月畢業於香港大學並取得法學學士學位。畢業後，由一九九六年至二零零四年，梁女士任職於Clyde & Co.，彼於該公司最後之職位為律師。

梁女士，為香港、英國及威爾斯合資格律師，以及梁寶儀劉正豪律師行有限法律責任合夥(彼於二零零五年共同創立)之合夥人。彼共同創立鍊科有限公司(於二零一八年十二月開始營運)並於二零一九年七月共同創立Xu Shan Charitable Foundation Company Limited，並自二零一八年起一直擔任加洲保險有限公司之主要股東及主席。

梁女士目前為香港律師會之法律教育委員會(Legal Education Committee)之成員。彼於過往曾為律政司調解督導委員會轄下之公眾教育及宣傳小組委員會以及律政司於香港調解事務之工作小組的公眾教育及宣傳專責小組之調解為先專責小組之成員。彼過往亦曾於二零一二年於香港獲委任為區域法院暫委法官。

梁女士自二零一六年六月至二零一八年一月期間於新天地集團股份有限公司(New Trend Lifestyle Group Plc)(LON:NTLG)擔任非執行董事。



Directors' and Senior Management's Biographical Details 董事及高級管理層之個人履歷

SENIOR MANAGEMENT

Mr. Lam Wai Kit Ricky

Mr. Lam Wai Kit Ricky, aged 44, has been serving as the financial controller of the Company since July 2021. Prior to joining the Company, Mr. Lam served as a finance manager in Chevalier International Holdings Limited (stock code: 0025) from July 2019 to December 2020 where he was responsible for overseeing financial reporting and financial management. From August 2017 to June 2019, he served as a finance manager in K. Wah International Holdings Limited (stock code: 0173) where he was responsible for managing overseas property investment teams.

Mr. Lam holds a bachelor's degree of arts in accountancy from The Hong Kong Polytechnic University and a master's degree in business administration from Hong Kong University of Science and Technology. He is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Wang Zili

Mr. Wang Zili, aged 60, was appointed as the deputy general manager of the Hai'an Hengfa Facility on 18 March 2014. Mr. Wang joined the Group in February 2005 and is mainly responsible for overseeing operational matters related to the Hai'an Hengfa Facility. Prior to joining the Group, Mr. Wang was vice chairman and general manager of Beijing Solar Power Nutritious Engineering Development Co., Ltd. (北京瑞權營養工程發展有限公司), a deputy general manager of National Youth Services Centre (中國青少年社會服務中心) and a researcher of Zhuzhou Electric Locomotive Research Institute (鐵道部株洲電力機車研究院), and had worked at Shenzhen Recruitment Services Company (深圳市人才服務公司). Mr. Wang obtained a bachelor's degree in engineering from Dalian Railway Institute (大連鐵道學院) (now known as Dalian Jiaotong University (大連交通大學)) in the PRC in July 1983.

高級管理層

林偉傑先生

林偉傑先生，44歲，自二零二一年七月起一直擔任本公司的財務總監。在加入本公司前，林先生於二零一九年七月至二零二零年十二月在其士國際控股有限公司(股份代號：0025)擔任財務經理，負責監督財務報告及財務管理。二零一七年八月至二零一九年六月，彼於嘉華國際控股有限公司(股份代號：0173)擔任財務經理，負責管理海外物業投資團隊。

林先生持有香港理工大學會計學文學學士學位，並獲得香港科技大學工商管理碩士學位。他是香港會計師公會會員。

汪自力先生

汪自力先生，60歲，於二零一四年三月十八日獲委任為海安恆發設施副總經理。汪先生於二零零五年二月加入本集團，主要負責監督海安恆發設施相關營運事宜。於加入本集團前，汪先生曾擔任北京瑞權營養工程發展有限公司副主席及總經理、中國青少年社會服務中心副總經理、鐵道部株洲電力機車研究院研究員以及曾於深圳市人才服務公司任職。汪先生於一九八三年七月獲中國大連鐵道學院(現稱大連交通大學)頒發工程學士學位。



Corporate Governance Report 企業管治報告

The Company is committed to fulfilling its responsibilities to the Company's shareholders (the “**Shareholders**”) and protecting and enhancing Shareholder value through good corporate governance.

The directors of the Company (the “**Directors**”) recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Company and its subsidiaries (the “**Group**”) so as to achieve effective accountability, and to enable our Shareholders to evaluate how the principles of the CG Code (defined below) have been applied.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all the mandatory disclosure requirements and the applicable code provisions as set out in the section headed “Part 2 – Principles of good corporate governance, code provisions and recommended best practices” of the Corporate Governance Code contained in Appendix 14 (the “**CG Code**”) to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) throughout the Year.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules (the “**Model Code**”) as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on each of the Directors, all of them confirmed that they had complied with the required standard set out in the Model Code during the Year.

本公司致力履行其對本公司股東(「**股東**」)之職責，並透過良好企業管治維護及提高股東價值。

本公司董事(「**董事**」)深信要達至有效的問責制度及確保我們的股東能夠評估應用企業管治守則(定義見下文)原則的方式，在本公司及其附屬公司(「**本集團**」)之管理架構及內部管控程序中引進良好企業管治的元素非常重要。

企業管治慣例

本公司於本年度應聯交所證券上市規則(「**上市規則**」)附錄十四(「**企業管治守則**」)中的「第二部分 – 良好企業管治原則、守則條文及建議的最佳做法」一節所載原則，並遵守了所有強制性披露要求及適用的守則條文。

董事進行證券交易

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「**標準守則**」)，作為董事進行證券交易之操守準則。經本公司向各董事作出具體查詢後，彼等確認彼等於本年度一直遵守標準守則所規定之準則。



Corporate Governance Report 企業管治報告

CORPORATE CULTURE

The Board holds the belief that corporate culture underpins the long-term business, economic success and sustainable growth of the Group. A strong culture enables the Company to deliver long-term sustainable performance and fulfil its role as a responsible corporate citizen. The Company is committed to developing a positive and progressive culture that is built on its purpose, value and strategy.

During the Year, the Company continued to strengthen its cultural framework by focusing on the following:

- **VALUES:**

- Sustainable development**

- Sustainable development is one of the global trends — the Company is dedicated to make a substantial contribution to environmental protection by supporting sustainable development.

- Engagement**

- The Company prides itself on keeping its Shareholders engaged in and informed of the markets and communities in which the Company operates.

- Excellence**

- The Company is determined to deliver high-quality wastewater treatment services to its customers, creating a pristine water quality domestically in the PRC and develop and actively implement potential environmental protection-related industrial chain projects.

- Mutual Respect**

- The Company strives for working internally and externally in a collegiate environment based on trust, collaboration and respect.

企業文化

董事會堅信，企業文化為本集團長遠業務、經濟成功及可持續增長的基礎。強大的文化使本公司能夠提供長期可持續績效並履行其作為負責任企業公民的角色。本公司致力於發展以其宗旨、價值策略為根基的積極進取文化。

於本年度，本公司透過集中關注以下範疇繼續加強其文化框架：

- **價值：**

- 可持續發展**

- 可持續發展為全球趨勢之一 — 本公司致力於通過支持可持續發展為環境保護作出實質貢獻。

- 積極參與**

- 本公司以讓股東參與並了解本公司經營所在市場及社區而感到自豪。

- 成就卓越**

- 本公司矢志為客戶提供優質的污水處理服務，打造中國國內純淨水質，開發並積極落實具潛力的環保相關產業鏈項目。

- 相互尊重**

- 本公司努力在基於信任、協作及相互尊重的大學環境內展開對內對外的的工作。



Corporate Governance Report 企業管治報告

• STRATEGIES

1. Pro-actively seeking strategic acquisition, joint venture establishment and business partnership of other environmental protection projects in the PRC and overseas including Indonesia;
2. Upgrading the Company's facilities in order to meet the PRC government's new environmental policies which will further enhance the Company's competitiveness; and
3. Continuing to place investments on new environmental protection projects by leveraging the Company's previous excellent track record and good relationships with the local governments.

The Board sets and promotes corporate culture, and expects and requires all employees to reinforce it. All of our new employees are required to attend orientation and training programs so that they may better understand our corporate culture, structure and policies, learn relevant laws and regulations, and raise their quality awareness. In addition, the Company will from time to time invite external experts to provide training to our management personnel to improve their relevant knowledge and management skills.

The Board considers that the corporate culture and the purpose, values and strategy of the Group are aligned.

• 策略

1. 積極尋求在中國及海外(包括印尼)的其他環保項目進行策略性收購、成立合營企業及展開商業合作；
2. 升級本公司設施以滿足中國政府的新環保政策，此將進一步提升本公司的競爭力；及
3. 憑藉本公司先前的優秀往績記錄及與地方政府的良好關係，繼續投資新環保項目。

董事會制定及推廣企業文化，期望並要求全體僱員強化企業文化。所有新僱員均須參加入職培訓計劃，以便彼等更能夠了解我們的企業文化、架構及政策，學習相關的法律及法規，提高其質量意識。此外，本公司將不定期聘請外部專家為管理人員提供培訓，以提高彼等的相關知識及管理技能。

董事會認為企業文化與本集團的宗旨、價值及策略一致。



Corporate Governance Report 企業管治報告

BOARD OF DIRECTORS

RESPONSIBILITIES

The board of Directors (the “**Board**”) is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group’s values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but are not limited to formulating the Group’s business plans and strategies, reviewing the Company’s financial results and performance and approving its interim and annual results upon the review and recommendation of the audit committee of the Board (the “**Audit Committee**”); approving the appointment or re-appointment of the Board members upon the recommendation of the nomination committee of the Board (the “**Nomination Committee**”); approving the remuneration package of the Directors and senior management of the Company (the “**Senior Management**”) upon the recommendation of the remuneration committee of the Board (the “**Remuneration Committee**”), deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group’s corporate governance, and all other functions reserved to the Board under the Company’s articles of association (the “**Articles of Association**”). The Board may from time to time delegate certain functions to the Senior Management if and when considered appropriate. The Senior Management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

COMPOSITION

The Company is committed to the view that the Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on the Board which can effectively exercise independent judgement.

董事會

職責

董事會(「**董事會**」)主要負責監察及監管本集團之業務事宜管理及整體表現。董事會確立本集團之價值及標準，並確保本集團擁有必需之財務及人力資源支持以達致其目標。董事會履行的職能包括但不限於制訂本集團業務計劃及策略、因應董事會轄下審核委員會(「**審核委員會**」)的審閱及推薦建議審查本公司財務業績及表現、批准本公司中期及年度業績；並因應董事會轄下提名委員會(「**提名委員會**」)的推薦建議，批准委任或再委任董事會成員；因應董事會轄下薪酬委員會(「**薪酬委員會**」)的推薦建議，批准本公司董事及高級管理層(「**高級管理層**」)的薪酬組合，決定所有重大財務(包括主要的資本支出)及營運事項，發展、監察及審查本集團的企業管治，及所有其他根據本公司之組織章程細則(「**組織章程細則**」)須由董事會負責的職能。董事會可於其認為適當之時，不時授予高級管理層若干職能。高級管理層主要負責執行董事會採納及不時獲指派的業務計劃、策略及政策。

組成

本公司一向認為董事會中執行董事及獨立非執行董事之組合應保持均衡，使董事會在很大程度上保持獨立，從而能夠有效作出獨立判斷。



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Currently, the Board comprises the following eight Directors:

Executive Directors (the “EDs”)

Mr. Chau On Ta Yuen (*Chairman*)
Mr. Chan Kwan (*Chief Executive Officer*)
Mr. Radius Suhendra
Mr. Chau Chi Yan Benny

Non-executive Director (the “NED”)

Mr. Chan Pak Lam Brian

Independent Non-executive Directors (the “INEDs”)

Ms. Ng Chung Yan Linda
Mr. Ng Man Kung
Ms. Leung Bo Yee Nancy

The biographical details of each of the Directors are set out in the section headed “Directors’ and Senior Management’s Biographical Details” of this annual report.

Mr. Chau On Ta Yuen, the chairman of the Board (the “**Chairman**”), is the father of Mr. Chau Chi Yan Benny, an ED. He is also a substantial Shareholder (as defined in the Listing Rules) of the Company. Mr. Chan Kwan, the chief executive officer of the Company (the “**Chief Executive Officer**”), is the elder brother of Mr. Chan Pak Lam Brian, the NED. Mr. Chan Kwan owns 20% of the issued shares of a controlling shareholder (as defined in the Listing Rules) of the Company. Save as aforesaid, there was no financial, business, family or other material relationship among the Directors.

The EDs are responsible for the leadership and control of the Company and overseeing the Group’s businesses development, formulation of strategies and are collectively responsible for promoting the success of the Company by directing and supervising its affairs.

目前，董事會由以下八位董事組成：

執行董事（「執行董事」）

周安達源先生（*主席*）
陳昆先生（*行政總裁*）
蘇堅人先生
周致人先生

非執行董事（「非執行董事」）

陳栢林先生

獨立非執行董事（「獨立非執行董事」）

伍頌恩女士
吳文拱先生
梁寶儀女士

各董事的履歷資料列載於本年度報告「董事及高級管理層之個人履歷」內。

董事會主席（「**主席**」）周安達源先生為執行董事周致人先生之父親。彼亦為本公司之主要股東（定義見上市規則）。本公司行政總裁（「**行政總裁**」）陳昆先生為非執行董事陳栢林先生之兄長。陳昆先生持有本公司控股股東（定義見上市規則）已發行股本的20%。除上述者外，董事之間並無財務、業務、家族或其他重大關係。

執行董事負責領導、管控本公司與監控本集團業務發展、策略制定，並透過指導及監督本公司事項，共同負責促進本公司邁向成功。



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The INEDs participate in the Board meetings to bring in an independent judgement to bear on the issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts and scrutinise the Company's performance in achieving agreed corporate goals and objectives. They are also responsible for ensuring a high standard of financial and other mandatory reporting of the Board as well as providing a balance in the Board in order to effectively exercise an independent judgement on the corporate actions of the Company so as to protect Shareholders' interest and the overall interest of the Group.

Throughout the Year, the Company had three INEDs, which complied with the requirement of the Listing Rules that (i) the number of INEDs must represent at least one-third of the Board members; and (ii) at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

Each of the INEDs has made an annual confirmation of independence in writing pursuant to Rule 3.13 of the Listing Rules and the Board is satisfied that all the INEDs have been independent and met the independent guidelines set out in Rule 3.13 of the Listing Rules during the Year and up to the date of this annual report.

Proper insurance coverage in respect of legal actions against the Directors' liability has been arranged by the Company.

DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Any Director will receive formal, comprehensive and tailored-made induction on the first occasion of his/her appointment to ensure a proper understanding of the Company's operations and business and full awareness of the Director's responsibilities under the statutes and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

獨立非執行董事參與董事會會議，為有關策略、政策、表現、問責制、資源、重要委任及行為準則提供獨立判斷，並仔細審察本公司於實現協定企業目標及宗旨之表現。彼等亦負責確保董事會提供高標準之財務及其他規定匯報，並於董事會內提供平衡作用，務求有效行使對本公司企業行動的獨立判斷，以保障股東權益及本集團整體權益。

於本年度，本公司擁有三名獨立非執行董事，此乃符合上市規則規定，即(i)獨立非執行董事的人數須佔董事會成員人數的至少三分之一；及(ii)至少有一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識。

各獨立非執行董事已根據上市規則第3.13條以書面形式作出年度獨立性確認，而董事會信納，於本年度及直至本年報日期，全體獨立非執行董事均具獨立性並符合上市規則第3.13條所載的獨立性指引。

本公司已就針對董事責任之法律訴訟安排適當的保險。

董事就任須知及持續專業發展

任何董事於首次接受委任時將接受正式、全面及專門為其而設之就任須知，以確保適當地了解本公司的營運及業務，並完全清楚董事在成文法則及普通法、上市規則、法律及其他監管規定以及本公司業務及管治政策下的責任。



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The Company from time to time provides briefings to all Directors to develop and refresh the Directors' duties and responsibilities. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records. According to the training records maintained by the Company, each of Mr. Chau On Ta Yuen, Mr. Chan Kwan, Mr. Radius Suhendra, Mr. Chau Chi Yan Benny, Mr. Chan Pak Lam Brian, Ms. Ng Chung Yan Linda, Mr. Ng Man Kung and Ms. Leung Bo Yee Nancy has attended seminars/conference/forums and/or read newspapers, journals and materials relating to the economy, general business, corporate governance and directors' duties and responsibilities.

MEETINGS OF BOARD AND BOARD COMMITTEES AND DIRECTORS' ATTENDANCE RECORDS

The Board is scheduled to meet four times a year at approximately quarterly intervals with notice given to all Directors at least 14 days in advance. For additional Board meetings which require discussion and resolution of significant issues arising from the operations of the Company, notice is given in a reasonable time in advance. Before each Board meeting, a draft agenda is sent to all Directors at least three days or such other period as agreed in advance in order to allow the Directors to include any other matters in the agenda that is required for discussion and resolution in the meeting. To enable the Directors to be properly briefed on issues arising at the Board meetings and to make informed decisions, Board papers together with all appropriate and relevant information in relation to the matters of the meeting are sent to all Directors three days or such other period as agreed before each Board meeting. All Directors should have access to the advice and services of the company secretary ("**Company Secretary**") with a view to ensuring that the Board procedures and all applicable rules and regulations are followed. The Company Secretary is responsible for keeping all Board meetings minutes. Draft minutes are normally circulated to the Directors for comments within a reasonable time after each meeting and the final version is open for the Directors' inspection. According to the Listing Rules, any Directors and their close associates (as defined in the Listing Rules) with a material interest in the transactions to be discussed at the Board meetings will abstain from deliberating and voting on resolutions approving such transactions and are not to be counted in the quorum of the meetings.

本公司不時向全體董事提供簡報，以制定及更新董事的職責及責任。本公司亦承擔費用鼓勵全體董事參加相關培訓課程，並要求彼等向本公司提供其培訓記錄。根據本公司存置之培訓記錄，周安達源先生、陳昆先生、蘇堅人先生、周致人先生、陳栢林先生、伍頌恩女士、吳文拱先生及梁寶儀女士各人已就經濟、一般業務、企業管治及董事職責及責任等議題出席研討會／會議／論壇及／或閱讀相關報章、期刊及材料。

董事會會議、董事會轄下委員會及董事出席記錄

董事會計劃每年舉行四次會議，大約每季舉行一次，並最少提前14天向全體董事發出通知。對於需要討論及決議因本公司經營而產生的重大事項之額外董事會會議，將提前一段合理時間發出通知。於每次董事會會議前，最少提前三天或經協定的其他期間向全體董事發出議程稿本，以便董事可於議程內加入需要在會上商討及議決的任何其他事宜。在每次董事會會議前，為使董事能夠適當知悉董事會會議產生之議題簡要及作出知情決定，將提前三天或經協定的其他期間向全體董事發出有關董事會文件及所有關於會議事項之適用及相關資料。全體董事應有權獲得本公司之公司秘書（「**公司秘書**」）的意見和服務，以確保董事會程序及所有適用規則和法規得到遵守。公司秘書負責保管所有董事會會議記錄。於每次會議後，通常於合理期間內提供會議記錄稿本予董事傳閱，以便董事給予意見，而最終確認版本公開供董事查閱。根據上市規則，任何於董事會會議行將討論交易中擁有重大權益之董事及其緊密聯繫人（定義見上市規則）將須就批准該等交易的決議案進行商議及放棄其表決權，及不計入會議法定人數。



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During the Year, one annual general meeting of the Company (the “**AGM**”) and four Board meetings were held. The table below sets out the attendance by the Directors of these meetings:

於本年度，已舉行一次本公司股東週年大會（「**股東週年大會**」）及四次董事會會議。下表載列董事出席該等會議之情況：

Name 姓名		Meetings attended/ Eligible to attend 出席會議次數/ 有資格出席會議次數	
		Board Meetings 董事會會議	AGM 股東週年大會
EDs	執行董事		
Chau On Ta Yuen	周安達源	4/4	1/1
Chan Kwan	陳昆	4/4	1/1
Radius Suhendra	蘇堅人	0/4	0/1
Chau Chi Yan Benny	周致人	3/4	1/1
NED	非執行董事		
Chan Pak Lam Brian	陳栢林	3/4	1/1
INEDs	獨立非執行董事		
Ng Chung Yan Linda	伍頌恩	4/4	1/1
Ng Man Kung	吳文拱	3/4	1/1
Leung Bo Yee Nancy	梁寶儀	3/4	1/1

Apart from the Board meetings, the Chairman met with the INEDs without the presence of the other Directors during the Year.

除董事會會議外，主席亦於本年度與獨立非執行董事在沒有其他董事在場的情況下會面。



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BOARD DIVERSITY POLICY

Pursuant to the Listing Rules, the nomination committee (or the board) shall have a policy concerning diversity of board members and shall disclose the policy on diversity or a summary of the policy in the corporate governance report. The Company has adopted a Board diversity policy (the “**Board Diversity Policy**”) and the policy specifies that in designing the composition the Board, Board diversity shall be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

In accordance with the Board Diversity Policy, the measurable objectives are as below:

- 1.1 Recruitment and selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. In particular, when identifying potential candidates to the Board, the Nomination Committee and the Board will, among others, (i) consider the current level of representation of different genders on the Board and the senior management when making recommendations for nominees as well as succession planning to the Board and senior management; and (ii) consider the criteria that promotes diversity by making reference to the code of practices on employment published by the Equal Opportunities Commission from time to time.
- 1.2 The Nomination Committee will discuss and where necessary, agree annually on the measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company’s business growth.
- 1.3 The ultimate decision will be based on merit against objective criteria and contribution that the selected candidates will bring to the Board, taking into account the corporate strategy and business operations of the Company.

董事會多元化政策

根據上市規則，提名委員會(或董事會)應設有董事會成員多元化政策，並在企業管治報告中披露有關多元化政策或政策摘要。本公司董事會多元化政策(「**董事會多元化政策**」)指明，在設計董事會組成時，董事會多元化應從多個方面加以考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。董事的委任將基於任人唯賢的原則，按照客觀標準對候選人進行評估，並充分考慮董事會多元化之裨益。

根據董事會多元化政策，可衡量目標包括以下各項：

- 1.1 招聘及選擇候選人將基於一系列多元化的觀點，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。具體而言，在物色董事會的潛在候選人時，提名委員會及董事會將(其中包括)(i)在推薦候選人以及董事會及高級管理層的繼任計劃時，考慮目前不同性別在董事會及高級管理層的佔比；及(ii)通過參考平等機會委員會不時公佈的僱傭實務守則，考慮促進多元化的標準。
- 1.2 提名委員會將每年討論並在必要時協定實現董事會多元化的可衡量目標，並建議董事會採納。本公司的目標是在董事會中保持與本公司業務增長相關的多元化觀點的適當平衡。
- 1.3 最終的決定將基於客觀標準的優劣及所選候選人對董事會的貢獻，同時計及本公司的企業策略及業務營運。



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1.4 The Board is also committed to having a Board consisting of more than one gender. The Board should consist of at least one Director of a different gender who genuinely possesses the necessary skills, experience and calibre appropriate to the Company's business. The Board aims to ensure that there is at least one Director of a different gender on the Board and that this is maintained in accordance with the Listing Rules.

1.5 In order to achieve and/or maintain gender diversity, the Nomination Committee will propose a pipeline of potential successors to the Board to achieve gender diversity.

The Board considered that the aforementioned measurable goals have been achieved satisfactorily during the Year and the Board will continue to review the relevant goals from time to time to ensure its progress for achieving such goals.

The composition of the Board will be disclosed in the Corporate Governance Report every year and the Nomination Committee will supervise the implementation of this policy. The Nomination Committee will review the implementation and effectiveness of this policy on an annual basis, discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval. As at the date of this annual report, the diversity of the Board is illustrated as below. During the year, the Board comprises eight Directors, two of whom are female. The Board targets to maintain at least the current level of female representation, with the ultimate goal of achieving gender parity. Further details on the biographies and experience of the Directors are set out on page 59 to page 67 of this annual report.

1.4 董事會亦致力於促使董事會由不止一種性別人士組成。董事會應由至少一名不同性別的董事組成，該等董事應真正具備適合本公司業務的必要技能、經驗及才能。董事會旨在確保董事會中至少有一名不同性別的董事，並按照上市規則的規定保持該狀態。

1.5 為實現及／或保持性別多元化，提名委員會將向董事會提出潛在繼任者的管道，以實現性別多元化。

董事會認為，上述可衡量目標已於本年度圓滿達成，董事會將繼續不時檢討相關目標，以確保實現該等目標的進度。

董事會的組成將在每年的企業管治報告中披露，而提名委員會將監督該政策的實施。提名委員會將每年檢討該政策的實施情況及成效，討論任何可能需要的修訂，並向董事會建議任何有關修訂以供考慮及批准。於本年報日期，董事會的多元化情況如下所示。於本年度，董事會由八名董事組成，其中兩名為女性。董事會的目標為至少保持目前的女性佔比，最終目標是實現性別平等。有關各董事的履歷及經驗的進一步詳情載於本年報第59至67頁。

		Age Group 年齡組別			
		30 to 39 30歲至39歲	40 to 49 40歲至49歲	50 to 59 50歲至59歲	60 or above 60歲或以上
Name of Director	董事姓名				
Chau On Ta Yuen	周安達源				✓
Chan Kwan	陳昆		✓		
Radius Suhendra	蘇堅人		✓		
Chau Chi Yan Benny	周致人		✓		
Chan Pak Lam Brian	陳栢林	✓			
Ng Chung Yan Linda	伍頌恩		✓		
Ng Man Kung	吳文拱				✓
Leung Bo Yee Nancy	梁寶儀			✓	



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Professional Experience

專業經驗

		Finance/ Accounting 金融/會計	Law 法律	Banking 銀行	Insurance 保險	wastewater treatment 污水處理	Manufacturing 製造
Name of Director	董事姓名						
Chau On Ta Yuen	周安達源					✓	
Chan Kwan	陳昆					✓	
Radius Suhendra	蘇堅人						✓
Chau Chi Yan Benny	周致人				✓		
Chan Pak Lam Brian	陳栢林						✓
Ng Chung Yan Linda	伍頌恩	✓					
Ng Man Kung	吳文拱			✓			
Leung Bo Yee Nancy	梁寶儀		✓				

Education Background

教育背景

		Accountancy 會計	Science 科學	Business 商業	Law 法律	Arts 文學	Communication 傳理
Name of Director	董事姓名						
Chau On Ta Yuen	周安達源					✓	
Chan Kwan	陳昆		✓				
Radius Suhendra	蘇堅人			✓			
Chau Chi Yan Benny	周致人					✓	
Chan Pak Lam Brian	陳栢林						✓
Ng Chung Yan Linda	伍頌恩	✓					
Ng Man Kung	吳文拱			✓			
Leung Bo Yee Nancy	梁寶儀				✓		

During the Year, the Nomination Committee has reviewed the structure and composition of the Board, and is of the opinion that the structure of the Board is reasonable, and the experiences and skills of the Directors in various aspects and fields can enable the Company to maintain high standard of operation.

於本年度，提名委員會已檢討董事會的架構及組成，並認為董事會的架構屬合理，而董事在各方面及各領域的經驗及技能足以使本公司保持高水平營運。



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GENDER DIVERSITY AT WORKFORCE LEVELS

The gender ratio in the workforce (including senior management) for the Year is approximately Male: Female = 6: 1. For further details of gender ratio together with the relevant data, please refer to the disclosure in the environmental, social and governance report of the Company as set out on pages 18 to 58. Our approach for talent recruitment and retention is to employ a diverse team that works together collaboratively and encourage differences and individuality in employees with respect to equal opportunities, diversity and anti-discrimination. Notwithstanding this fact, with a view to enhancing efficiency, we have not set a measurable objective for achieving gender diversity at the workforce level. The Company is determined to commit to the meritocratic and diverse approach which provides equal consideration and opportunities to all qualified candidates regardless of gender in terms of hiring and promotion process. During the Year, the Board reviewed the implementation and effectiveness of the Board Diversity Policy and the results were considered to be satisfactory.

CHAIRMAN AND CHIEF EXECUTIVE

The roles of the Chairman and the Chief Executive Officer are separated and assumed by different individuals to ensure a balance of power and authority so that power is not vested in any member of the Board. Mr. Chau On Ta Yuen, the Chairman, is responsible for business development and formulation of strategies of the Group while Mr. Chan Kwan, the Chief Executive Officer, is responsible for all major affairs of the Group, including project construction and operation, business development, marketing and formulation of strategies.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

The written terms of reference for each of the Board committees named above are in line with the Listing Rules and are posted on the respective websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Company.

僱員層面的性別多元化

於本年度，僱員(包括高級管理層)的男女性別比例約為6:1。有關性別比例的進一步詳情及相關數據，請參閱載於第18至58頁的本公司環境、社會及管治報告內的披露。我們就招聘及挽留人才的方針是聘用一支多元化的團隊，協同工作，並鼓勵僱員在平等機會、多元化及反歧視方面的差異及個性。儘管如此，為提高效率，我們並未為在僱員層面實現性別多元化設定可衡量目標。本公司決心致力於採用任人唯賢及多元化方針，在招聘及晉升過程中為所有合資格候選人提供平等的考慮及機會，不分性別。於本年度，董事會檢討董事會多元化政策的實施情況及成效，而結果令人滿意。

主席及行政總裁

主席及行政總裁負責不同任務及由不同人士擔當，以確保權力及授權之平衡，令權力不屬於董事會任何成員。主席周安達源先生負責本集團業務發展及策略制定，而行政總裁陳昆先生則負責本集團所有主要事務，包括項目建設及營運、業務開發、市場營銷及策略制定。

董事會轄下委員會

董事會已設立三個董事會轄下委員會，即審核委員會、薪酬委員會及提名委員會，以專門監控本公司不同方面之指定事項。董事會轄下委員會均獲提供履行其各自職責之充分資源。

上述各董事會轄下委員會之書面職權範圍均符合上市規則，並分別刊登於香港聯合交易所有限公司(「聯交所」)及本公司網站上。



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AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with the CG Code. It consists of three INEDs, namely Ms. Ng Chung Yan Linda, serving as the chairlady, Mr. Ng Man Kung and Ms. Leung Bo Yee Nancy.

The principal responsibilities of the Audit Committee include:

- making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor, and considering any questions of resignation or dismissal of that auditor;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- developing and implementing a policy on the engagement of an external auditor to supply non-audit services and reporting the same to the Board, and identifying and making recommendations on any matters in respect of which it considers that an action or improvement is needed;
- discussing with the external auditor before the audit commences, the nature and scope of the audit and reporting obligations, and ensuring proper co-ordination where more than one audit firm is involved;
- discussing problems and reservations arising from the interim and final audits, and any matters the external auditor may wish to discuss (in the absence of the Senior Management where necessary);
- monitoring the integrity of the Company's financial statements, annual report and financial statements, half-year report and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgements contained in them;
- reviewing the Company's financial controls, risk management and internal control systems;

審核委員會

董事會設立具備書面職權範圍及符合企業管治守則之審核委員會。審核委員會包括三名獨立非執行董事，即伍頌恩女士(擔任主席)、吳文拱先生及梁寶儀女士。

審核委員會主要責任包括：

- 就外部核數師的委聘、續聘及解聘向董事會提供建議、批准外部核數師薪酬及聘用條款，及考慮任何有關該核數師辭職或解聘的問題；
- 根據適用準則審查及監察外部核數師之獨立性、客觀性及核數程序之有效性；
- 制定及執行聘任外部核數師之政策，以提供非核數服務並向董事會匯報有關情況，以及就其認為需要行動或改善的任何事項確定及作出建議；
- 於核數工作開始前先與外聘核數師討論核數性質及範疇以及申報責任，及若涉及多於一間核數公司，確保各公司之間相互妥為協調；
- 討論中期及年度核數過程中產生的問題及保留意見，以及外聘核數師可能希望討論的任何事宜(有需要時，應在高級管理層不在場情況下進行有關討論)；
- 監察本公司財務報表、年度報告及財務報表、半年度報告及(如為刊登而擬備)季度報告之完整性，並審查其中所載重大財務匯報判斷；
- 審查本公司財務管控、風險管理及內部管控系統；



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- discussing the risk management and internal control systems with the Senior Management to ensure that the Senior Management has performed its duties in establishing and maintaining effective systems, including matters on adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- considering findings of major investigations on risk management and internal control matters as delegated by the Board or on its own initiative and the Senior Management's response to these findings;
- where an internal audit function exists, ensuring co-ordination between the internal and external auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and reviewing and monitoring its effectiveness;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the external auditor's management letter, any material queries raised by such auditor to the Senior Management about the accounting records, financial accounts or systems of control and the Senior Management's response;
- ensuring that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- reporting to the Board on the matters set out in the Audit Committee's terms of reference;
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and ensuring that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;
- acting as the key representative body for overseeing the Company's relations with the external auditor;
- 與高級管理層討論風險管理及內部管控系統，確保高級管理層已履行職責建立及維持有效的系統，包括本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠、以及培訓課程及有關預算又是否充足的事宜；
- 根據董事會委託或其本身主動提議，考慮對風險管理及內部管控事項重大調查結果及高級管理層對有關調查結果之回應；
- 倘若有內部審核職能部門，確保內部與外部核數師之間的協調，確保內部審核職能部門獲得足夠的資源及於本公司內具有適當的地位，並審查及監察其有效性；
- 審查本集團財務及會計之政策及常規；
- 審查外部核數師管理層函件、該核數師向高級管理層提出任何有關會計記錄、財務賬目或管控制度之重大查詢及高級管理層之回應；
- 確保董事會將會就外部核數師管理層函件所提出事項及時給予回應；
- 就審核委員會職權範圍所載事宜向董事會匯報；
- 審查本公司僱員可保密使用的安排，以提出有關在財務匯報、內部管控或其他事項等方面的潛在不正當行為之關切，並確保有適當安排，以公平獨立地調查上述事項及採取適當跟進行動；
- 作為負責監察本公司與外部核數師之間的關係的主要代表機構；



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- establishing a whistle-blowing policy and system for employees of the Company and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company;
- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of the Directors and the Senior Management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors;
- reviewing the Company's compliance with the CG Code and the disclosure in the Corporate Governance Report in the Company's annual report;
- reviewing on-going connected transactions of the Company and ensuring compliance with the terms of approval by the Shareholders;
- reviewing the findings of internal investigations and the Senior Management's responses in relation to any suspected fraud or irregularities or failures of internal controls or infringement of laws, rules and regulations; and
- considering any other topics as determined by the Board.
- 為本公司僱員及與公司有往來者(如客戶及供應商)制定舉報政策及系統，以保密地就涉及本公司的任何事項中的潛在不正當行為向審核委員會提出關切；
- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於僱員及董事的行為守則及合規手冊(如有)；
- 檢討本公司對企業管治守則的遵守情況及在本公司年報企業管治報告內的披露事項；
- 檢討本公司的持續關聯交易，確保其符合股東批准的條款；
- 檢討內部調查的調查結果以及高級管理層對任何欺詐或違規嫌疑、違反內部管控或違法違規嫌疑的應對措施；及
- 考慮董事會釐定的任何其他議題。

During the Year, two Audit Committee meetings were held whereat the Audit Committee reviewed, among others, (i) the audited consolidated financial results of the Company for the year ended 31 December 2021; (ii) the unaudited consolidated financial results of the Company for the six months ended 30 June 2022; (iii) the internal control and risk management systems of the Group; and (iv) the effectiveness of the Group's internal audit function. The attendance of individual members was set out in the following table.

於本年度內，已舉行兩次審核委員會會議，審核委員會於會議上分別(其中包括)(i)審閱本公司截至二零二一年十二月三十一日止年度的經審核綜合財務業績；(ii)審閱本公司截至二零二二年六月三十日止六個月的未經審核綜合財務業績；(iii)檢討本集團的內部管控及風險管理系統；及(iv)本集團的內部審核職能的有效性。下表載列個別成員的出席情況。



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The Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the independent auditor of the Company.

董事會對審核委員會就本公司獨立核數師對篩選、委聘、辭任或解僱的觀點並無異議。

Name 姓名		Meetings attended/ Eligible to attend 出席會議次數/ 有資格出席會議次數
Ms. Ng Chung Yan Linda	伍頌恩女士	2/2
Mr. Ng Man Kung	吳文拱先生	1/2
Ms. Leung Bo Yee Nancy	梁寶儀女士	2/2

REMUNERATION COMMITTEE

The Remuneration Committee was established with written terms of reference in compliance with the CG Code. The Remuneration Committee consists of three INEDs, namely Mr. Ng Man Kung, serving as the chairman, Ms. Ng Chung Yan Linda and Ms. Leung Bo Yee Nancy, and Mr. Chan Pak Lam Brian, the NED. The principal responsibilities of the Remuneration Committee include:

- making recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and the Senior Management and on the establishment of a formal and transparent procedure for developing a remuneration policy;
- reviewing and approving the Senior Management's remuneration proposals by reference to the Board's corporate goals and objectives;
- making recommendations to the Board on the remuneration packages of individual EDs and the Senior Management and such packages include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- making recommendations to the Board on the remuneration of the NEDs;
- considering salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the Group;

薪酬委員會

董事會已設立具備書面職權範圍及符合企業管治守則的薪酬委員會。薪酬委員會成員包括三名獨立非執行董事，即吳文拱先生(擔任主席)、伍頌恩女士及梁寶儀女士及非執行董事陳栢林先生。薪酬委員會主要責任包括：

- 就本公司關於全體董事與高級管理層薪酬的政策及結構及設立正式及透明的薪酬政策制定程序向董事會提供推薦意見；
- 參考董事會的企業目標及宗旨審查及批准高級管理層的薪酬建議；
- 就個別執行董事及高級管理層的薪酬組合向董事會提供推薦意見，而有關薪酬組合包括實物福利、退休金權利及補償付款(包括喪失或終止其任職或委任的任何應付補償)；
- 就非執行董事的薪酬向董事會提供推薦意見；
- 考慮可供比較公司所支付薪金、時間的投放、責任及本集團其他成員的僱用條件；



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- reviewing and approving compensation payable to the EDs and the Senior Management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- reviewing and approving compensation arrangements relating to the dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- ensuring that no Director or any of his/her associates (as defined in the Listing Rules) is involved in deciding his/her own remuneration; and
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules;
- reviewing the Group's policy on expense reimbursements for the Directors and the Senior Management.
- 檢討及批准向執行董事及高級管理層就喪失或終止其職務或委任有關的賠償，以確保有關賠償按有關合約條款釐定，若未能按有關合約條款釐定，賠償亦須公平合理，不會對公司造成過重負擔；
- 檢討及批准關於罷免或解聘行為不當董事的補償安排，以確保有關安排按合約條款釐定，若未能按有關合約條款釐定，有關賠償亦須合理適當；
- 確保概無董事或其任何聯繫人(定義見上市規則)參與釐定其本身薪酬；及
- 檢討及／或批准上市規則第17章項下有關股份計劃的事宜；
- 審閱本集團的董事及高級管理層費用報銷政策。

During the Year, two Remuneration Committee meetings were held whereat the Remuneration Committee reviewed and recommended to the Board for consideration, among others, the remuneration packages of the Directors and the Senior Management. The attendance of individual members was set out in the following table.

於本年度內，已舉行兩次薪酬委員會會議，薪酬委員會於會議上審閱及向董事會推薦考慮(其中包括)董事及高級管理層的薪酬政策。下表載列個別成員的出席情況。

Name 姓名	Meetings attended/ Eligible to attend 出席會議次數/ 有資格出席會議次數
Mr. Ng Man Kung 吳文拱先生	2/2
Ms. Ng Chung Yan Linda 伍頌恩女士	2/2
Mr. Chan Pak Lam Brian 陳栢林先生	1/2
Ms. Leung Bo Yee Nancy 梁寶儀女士	2/2



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NOMINATION COMMITTEE

The Nomination Committee was established with written terms of reference in compliance with the CG Code. It consists of three INEDs, namely Ms. Ng Chung Yan Linda, Mr. Ng Man Kung and Ms. Leung Bo Yee Nancy, and two EDs, namely Mr. Chau On Ta Yuen and Mr. Chan Kwan with Mr. Chau On Ta Yuen serving as the chairman. The principal responsibilities of the Nomination Committee include:

- reviewing the structure, size and diversity (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships, with due regard for the benefits of diversity on the Board;
- assessing the independence of the INEDs;
- reviewing the Board diversity policy of the Company and Directors' nomination policy, as appropriate; and reviewing the measurable objectives that the Board has set for implementing such Board diversity policy, and the progress in achieving the objectives; and
- making recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for the Directors, in particular, the Chairman and the chief executives.

提名委員會

董事會已設立具備書面職權範圍及符合企業管治守則的提名委員會。提名委員會包括三名獨立非執行董事，即伍頌恩女士、吳文拱先生及梁寶儀女士及兩名執行董事，即周安達源先生及陳昆先生。周安達源先生擔任提名委員會主席。提名委員會主要責任包括：

- 至少每年檢討董事會結構、規模及多元化(包括技巧、知識及經驗)，並就任何建議變動向董事會提供推薦意見，以補充本公司的企業策略；
- 物色具備合適資格可擔任董事的人士，並就挑選提名有關人士出任董事向董事會提供推薦意見，並適當考慮董事會多元化的益處；
- 評估獨立非執行董事的獨立性；
- 檢討本公司董事會多元化政策及董事提名政策(如適用)；及審查董事會為推行該董事會多元化政策所設定可衡量宗旨及實現該等宗旨的進度；及
- 就董事委任或重新委任以及(尤其是主席及行政總裁)的繼任計劃，向董事會提供推薦意見。



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During the Year, two Nomination Committee meetings were held whereat the Nomination Committee, among others, (i) assessed the independence of the INEDs; (ii) recommended to the Board for consideration the re-appointment of all the retiring Directors as Directors at the 2022 AGM; (iii) reviewed the structure, size and diversity of the Board; (iv) reviewed the Board diversity policy; (v) reviewed the continuation in service of director reaching the age of 70; and (vi) considered the renewal of service agreement or appointment letter of certain directors. The attendance of individual members was set out in the following table.

於本年度內，已舉行兩次提名委員會會議，提名委員會於會議上(其中包括)(i)評估獨立非執行董事的獨立性；(ii)推薦董事會考慮於二零二二年股東週年大會上重新委聘所有退任董事為董事；(iii)檢討董事會結構、規模及多元化；(iv)檢討董事會的多元化政策；(v)審閱年滿70歲董事繼續服務的情況；及(vi)考慮更新若干董事的服務協議或委任書。下表載列個別成員的出席情況。

Name 姓名		Meetings attended/ Eligible to attend 出席會議次數/ 有資格出席會議次數
Mr. Chau On Ta Yuen	周安達源先生	2/2
Mr. Chan Kwan	陳昆先生	2/2
Mr. Ng Man Kung	吳文拱先生	2/2
Ms. Ng Chung Yan Linda	伍頌恩女士	2/2
Ms. Leung Bo Yee Nancy	梁寶儀女士	1/2

NOMINATION POLICY

The Board has adopted a nomination policy (the “**Nomination Policy**”) which aims to:

- set out the criteria and process in the nomination and appointment of Directors;
- ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company; and
- ensure the Board’s continuity and appropriate leadership at Board level.

提名政策

董事會已採納提名政策(「**提名政策**」)，旨在：

- 載列提名及委任董事的準則及程序；
- 確保董事會具備切合本公司所需的技能、經驗及多元化觀點；及
- 確保董事會的持續性及維持其領導角色。



CRITERIA

The Nomination Committee shall consider the following criteria in evaluating and selecting candidates for directorships:

- character, reputation and integrity;
- qualifications, experience and accomplishments, including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments;
- requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidates would be considered independent by reference to the independence guidelines set out in the Listing Rules;
- Board diversity policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board;
- any other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of Directors and succession planning; and
- such other perspectives appropriate to the Company's business.

準則

提名委員會在評估及挑選候選人擔任董事時應考慮下列準則：

- 品格、聲譽與誠信；
- 資格、經驗及成就，包括與本公司業務及企業策略相關的專業資格、技能、知識及經驗；
- 是否願意投放足夠時間履行身為董事會成員的職責及其他董事及重大承擔；
- 根據上市規則，董事會需包括獨立董事的規定，以及參考上市規則所載有關獨立性的指引，候選人是否被視為獨立；
- 提名委員會為達致董事會成員多元化而採納的董事會多元化政策及任何可計量目標；
- 適用於本公司業務及其繼任計劃的任何其他因素，及董事會及／或提名委員會可不時採納及／或修訂有關董事提名及繼任計劃的因素(如適用)；及
- 適用於本公司業務的該等其他觀點。



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NOMINATION PROCEDURES

(A) APPOINTMENT OF NEW DIRECTOR

- (i) The Nomination Committee shall, upon receipt of the proposal on appointment of the new Director, the biographical information (or relevant details) of such candidate and evaluate such candidate based on the criteria as set out in above paragraph of “CRITERIA” to determine whether such candidate is qualified for directorship.
- (ii) The Nomination Committee may request candidates to provide additional information and documents, if considered necessary.
- (iii) If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company (including but not limited to ensuring that the Board has a balance of skills, experience and diversity of perspectives) and reference check of each candidate (where applicable).
- (iv) The Nomination Committee shall then recommend appointment of the appropriate candidate for directorship and the candidate shall provide his/her written consent (i) to be appointed as a Director, and (ii) to the public disclosure of his/her personal data on any documents or the relevant websites for the purpose of or in relation to his/her standing for election as a Director.
- (v) For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee shall evaluate such candidate based on the above paragraph of “CRITERIA” to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendation to the Shareholders in respect of the proposed election of Director at the general meeting.
- (vi) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

提名程序

(A) 委任新董事

- (i) 提名委員會應在收到委任新董事的建議及該候選人的個人資料(或相關詳情)後，依據上段「準則」所載之準則評估該候選人以決定該候選人是否合資格擔任董事。
- (ii) 提名委員會可要求候選人提供額外資料及文件(如有必要)。
- (iii) 如過程涉及一個或多個合意的候選人，提名委員會應根據本公司的需要(包括但不限於確保董事會擁有平衡的技能、經驗及多元化觀點)及每位候選人的證明審查(如適用)排列彼等的優先次序。
- (iv) 提名委員會隨後應就委任合適候選人擔任董事一事提出建議，而候選人應就(i)獲委任為董事；及(ii)為其參選董事在任何文件或相關網站公開披露其個人資料等事宜提供其書面同意。
- (v) 就任何經股東提名於本公司股東大會上選舉為董事的人士，提名委員會應依據上段「準則」評估該候選人，以釐定該候選人是否合資格擔任董事及提名委員會及／或董事會應就於股東大會上委任董事的提案向股東提出建議(如適用)。
- (vi) 對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。



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(B) RE-ELECTION OF DIRECTOR AT GENERAL MEETING

- (i) Retiring Directors are eligible for nomination by the Board to stand for re-election at a general meeting of the Company.
- (ii) The Nomination Committee shall review the retiring Director's overall contribution and service to the Company, including his/her attendance of Board meetings and, where applicable, general meetings, and his/her level of participation and performance on the Board.
- (iii) The Nomination Committee shall also review and determine whether the retiring Director continues to meet the criteria as set out in the above section headed "CRITERIA".
- (iv) The Nomination Committee and/or the Board shall then make recommendation to the Shareholders in respect of the proposed re-election of the Director at the general meeting.
- (v) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for re-election at any general meeting.

REGULAR REVIEW

The Nomination Committee will conduct regular review on (i) the effectiveness of the Nomination Policy to ensure that it remains relevant to the Company's needs and reflects both current regulatory requirements and good corporate governance practice, and (ii) the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

CORPORATE GOVERNANCE FUNCTIONS

The Company has adopted the code provisions stated in the CG Code and the Board has delegated its responsibilities to the Audit Committee to perform the corporate governance functions of the Company as set out in code provision A.2.1 of the CG Code. The Audit Committee has, amongst other matters, reviewed this corporate governance report in discharge of its corporate governance functions, ensuring compliance with the Listing Rules.

(B) 於股東大會上重選董事

- (i) 退任董事合資格獲董事會提名在本公司股東大會上參選。
- (ii) 提名委員會應檢討退任董事對本公司的整體貢獻及服務，包括其董事會會議及(如適用)股東大會出席率以及在董事會的參與程度及表現。
- (iii) 提名委員會亦應檢討及釐定退任董事是否仍然符合上文「準則」一節所載準則。
- (iv) 提名委員會及／或董事會應就於股東大會上重選董事的提案向股東提出建議。
- (v) 對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。

定期檢討

提名委員會將會定期檢討(i)提名政策的效率，以確保其與本公司需求相關以及可反映現時的法規規定及良好的企業管治常規；及(ii)董事會的架構、規模及組成以及在有需要時向董事會提出修訂建議，以完善本公司企業策略及切合業務需要。

企業管治職能

本公司已採納企業管治守則之守則條文，而董事會已委派其職能予審核委員會，以執行企業管治守則之守則條文第A.2.1條所載本公司的企業管治職能。審核委員會已審閱(其中包括)本企業管治報告，履行其企業管治職能，以確保遵守上市規則。



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APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the NEDs (including INEDs) has entered into an appointment letter with the Company for the term of three years in respect of their appointment as NED or INED (as the case may be).

None of the Directors has or is proposed to have a service contract or letter of appointment with the Company or any of its subsidiaries other than contracts or letters of appointment expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

All the Directors, including the INEDs, are subject to retirement by rotation and eligible for re-election in accordance with the Articles of Association. At each AGM, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director will be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he/she retires and shall be eligible for re-election thereat.

According to the Articles of Association,

- (a) the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following AGM and shall then be eligible for re-election at that meeting; and
- (b) the Company may by ordinary resolution in general meetings elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following AGM and shall then be eligible for re-election.

However, any Director who fills a casual vacancy shall hold office until the following general meeting of the Company.

委任及重選董事

各非執行董事(包括獨立非執行董事)根據其各自與本公司訂立為期三年的委任書，同意相關委任(視情況而定)。

概無董事已或擬與本公司或其任何附屬公司訂立服務合約或委任書，惟不包括將於一年內屆滿或僱主可確定無須作出補償(法定補償除外)的合約或委任書。

全體董事(包括獨立非執行董事)須依據組織章程細則輪席退任及符合重選資格。於每次股東週年大會上，當時三分之一董事(如數目並非三或非三的倍數，則最接近之數，但不得低於三分之一)將輪席退任，惟各董事須最少每三年退任一次。退任董事須留任直至彼將退任之大會結束為止，屆時將符合資格膺選連任。

根據組織章程細則，

- (a) 董事會可不時及隨時委任任何人士為董事，以填補董事會臨時空缺或出任董事會新增成員。就此獲委任的任何董事僅任職至下屆股東週年大會舉行為止，惟屆時將符合資格膺選連任；及
- (b) 本公司可通過普通決議案於股東大會選出任何人士出任董事，以填補董事會臨時空缺或出任董事會新增成員。就此獲委任的任何董事僅任職至本公司下一屆股東週年大會舉行為止，惟屆時將符合資格膺選連任。

然而，填補臨時空缺的任何董事須任職至本公司下一屆股東大會舉行為止。



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REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the Year are set out in note 10 to the Notes to the Consolidated Financial Statements in this annual report.

Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of the Senior Management (other than the Directors) whose particulars are contained in the section headed "Directors' and Senior Management's Biographical Details" in this annual report for the Year by band is set out below:

Remuneration band (in HK\$) 薪酬組別 (港元)		Number of individuals 人數
Nil to 1,000,000	零至1,000,000	1 (Note 附註)
1,000,001 to 1,500,000	1,000,001至1,500,000	1

Note: Including a former member of the Senior Management

董事及高級管理層薪酬

本年度內董事的薪酬詳情列載於本年報綜合財務報表附註的附註10內。

根據企業管治守則之守則條文第E.1.5條，董事以外的高級管理層(其資料按組別載列於本年報「董事及高級管理層之個人履歷」內)之薪酬列載如下：

Number of individuals 人數
1 (Note 附註)
1

附註：包括一名前高級管理層成員

INDEPENDENT AUDITOR'S REMUNERATION

The fees charged by Baker Tilly Hong Kong Limited ("Baker Tilly") in respect of the auditing services for the Year amounted to approximately HK\$1,210,000 and in respect of the non-auditing services for the Year amounted to approximately HK\$390,000. The non-auditing services rendered related to review of financial information in the circular of the Company dated 29 August 2022 in relation to disposal of a subsidiary and the performance of agreed-upon procedures on interim financial report of the Company for the six months ended 30 June 2022.

Both the Board and the Audit Committee have agreed to recommend the re-appointment of Baker Tilly as the Company's independent auditor for the ensuing year at the 2023 AGM.

獨立核數師酬金

天職香港會計師事務所有限公司(「天職」)就本年度審核服務收取之費用約為1,210,000港元，而本年度非審核服務之費用約為390,000港元。所提供之非審核服務與審閱本公司日期為二零二二年八月二十九日有關出售附屬公司之通函內的財務資料及履行截至二零二二年六月三十日止六個月之本公司中期財務報告的協定程序有關。

董事會及審核委員會均同意建議於二零二三年股東週年大會上續聘天職為本公司來年的獨立核數師。



Corporate Governance Report 企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements for the Year, which give a true and fair view of the Group's state of affairs, results and cash flows for the Year and are properly prepared on a going concern basis in accordance with the applicable statutory requirements as well as accounting and financial reporting standards. The Directors were not aware of any material uncertainties which may affect the Group's business or cast significant doubt upon the Group's ability to continue as a going concern.

In addition, Baker Tilly has stated in the independent auditor's report its reporting responsibility on the Company's consolidated financial statements for the Year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledged its overall responsibility to ensure that sound and effective risk management and internal controls are maintained, while the senior management of the Group is charged with the responsibility to design and implement an internal controls system to manage risks. A sound system of risk management and internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss. The Group has established a risk management and internal control systems. Different functions and procedures of the systems are responsible by the Board of Directors, the Audit Committee, the management of the Group and the internal control review team. The system monitors risks of the Group including, but not limited to, operational, financial, reporting and compliance risks. The system also aims at covering Environmental Social and Governance (“ESG”) related risk factors in order to govern the identified ESG risks to the businesses and provide a robust monitoring system in all aspects. We strive to constantly enhance the system and expand the coverage of the risk factors in a feasible way.

Our Group has established an enterprise risk management (the “ERM”) framework in order to implement effective risk management efforts. Our ERM framework comprises two key elements, namely risk management structure and risk management process. It defines a simple and clear risk management structure as well as the responsibilities as below.

董事對財務報表的責任

董事確認彼等有責任根據適用的法定規定及會計及財務報告準則編製本年度綜合財務報表，以真實公平地反映本集團於本年度的事務狀況、業績及現金流量，並按持續經營基準妥為編製。董事並無發現有任何重大不確定因素可能影響本集團業務或對本集團持續經營能力產生重大懷疑。

此外，天職已於獨立核數師報告述明其對本公司於本年度內綜合財務報表的申報責任。

風險管理及內部管控

董事會承認其有關確保維持健全有效的風險管理及內部管控的總體責任，而本集團的高級管理層則負責設計和實施內部管控系統以管理風險。一套健全的風險管理及內部管控系統是為了管理而非消除無法實現業務目標的風險，只能對重大錯報或損失提供合理而非絕對的保證。本集團已經建立了一套風險管理及內部管控系統。系統的不同功能及程序由董事會、審核委員會、本集團管理層及內部管控審查小組負責。該系統監測本集團的風險，包括但不限於營運、財務、匯報及合規風險。系統亦旨在涵蓋與環境、社會及管治(「ESG」)相關的風險因素，以管理已確定的ESG業務風險，並在各方面提供一個強大的監測系統。我們努力以可行的方式不斷加強該系統並擴大風險因素的覆蓋範圍。

本集團已確立企業風險管理(「企業風險管理」)框架，以進行有效之風險管理。我們的企業風險管理框架主要包含兩部份，即風險管理架構及風險管理流程。其界定了下文簡單明確的風險管理架構以及職責。



Corporate Governance Report 企業管治報告

RISK MANAGEMENT STRUCTURE

BOARD OF DIRECTORS

The Board has a duty to ensure the effectiveness of the risk management and internal control systems of the Group (the “**ERM system**”). The Board oversees the ERM system, assesses and evaluates the Group’s business strategies and risk tolerance. The Board reviews, with the assistance of the Audit Committee, at least annually the effectiveness of the ERM system and monitors the ERM system in an on-going manner.

AUDIT COMMITTEE

The Audit Committee has the primary responsibility for risk management and internal control after the Board. It assists the Board in overseeing the Group’s ERM system by providing support and advice, including on-going monitoring of the execution of risk management processes, reviewing the Group’s risk register as well as reviewing and approving the internal control review plan and results.

MANAGEMENT

The management of the Group (the “**Management**”) is responsible for identifying and monitoring the risks relevant to the Group during daily operations, including strategic, operational, financial, reporting and compliance risks. The Management reports to the Board and the Audit Committee on the risks identified and their changes. The Management is also responsible for developing appropriate internal control measures to mitigate the risks, and identify and resolve material internal control defects.

INTERNAL CONTROL

The Group has established the internal audit function and the scope of work includes reviewing the effectiveness of the ERM system. The scope of the risk management and internal control review is risk-based and is reviewed by the Audit Committee. The internal audit function is able to communicate with the Audit Committee directly regarding the results of its review.

風險管理架構

董事會

董事會有責任確保本集團風險管理及內部管控系統(「**企業風險管理系統**」)之有效性。董事會監督企業風險管理系統，評估及評定本集團業務策略及風險承受能力。董事會在審核委員會之協助下，至少每年檢討企業風險管理系統之有效性及持續監察企業風險管理系統。

審核委員會

除董事會外，審核委員會對風險管理及內部管控負有主要責任。審核委員會透過提供支持及意見，協助董事會監督本集團之企業風險管理系統，包括持續監察風險管理流程之執行、檢討本集團之風險登記冊以及審閱及批准內部管控檢討計劃及結果。

管理層

本集團管理層(「**管理層**」)負責識別及監察日常營運期間與本集團相關之風險，包括策略、營運、財務、報告及合規風險。管理層向董事會及審核委員會報告已識別風險及其變化。管理層亦負責制定適當的內部管控措施以降低風險，及識別及解決重大內部管控缺陷。

內部管控

本集團已成立內部審核職能部門，其工作範圍包括檢討企業風險管理系統之有效性。風險管理及內部管控檢討之範圍乃基於風險而定，並由審核委員會檢討。內部審核職能部門可就其檢討結果直接與審核委員會交流。



Corporate Governance Report 企業管治報告

RISK MANAGEMENT PROCESS

Our ERM framework defines the procedures for identifying, assessing, responding and monitoring risks and their changes. Through regular discussions with each operating function, the Group strengthens the understanding of risk management such that all employees can understand and report various risks they have identified in a timely manner. It enhances the Group's ability to identify and manage risks.

風險管理流程

我們的企業風險管理架構規定了識別、評估、響應及監察風險及其變化的程序。透過定期與各營運部門討論，本集團加強對風險管理的了解，以便全體僱員能夠及時了解並報告彼等已識別之各種風險。該流程提升本集團識別及管理風險之能力。



To identify and prioritise material risks throughout the Group, the Management communicates with each operating function, collects significant risk factors that affect the Group from bottom to top, including strategic, operational, financial, reporting and compliance risks. After identifying all relevant risks, the Management assesses the potential impact and possibilities of the risks and prioritises the risks. Appropriate internal control measures are then developed to mitigate the risks identified and the changes of risks are monitored in an on-going manner.

為識別本集團內部重大風險並分清主次，管理層與各營運部門進行溝通，收集自下而上影響本集團各個方面的重大風險因素，包括策略、營運、財務、報告及合規風險。在識別所有相關風險後，管理層對風險的潛在影響及可能性進行評估並分清主次風險。管理層隨後制定適當的內部管控措施以降低已識別風險及持續監察風險變化。



Corporate Governance Report 企業管治報告

MAIN FEATURES OF OUR RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

MAINTAIN AN EFFECTIVE INTERNAL CONTROL SYSTEM (OPERATIONAL LEVEL)

- Establish clear internal control policies and procedures, and clearly define the responsibilities, authorities and accountabilities of each key position;
- Establish code of conduct and explain the Group's requirements on integrity and ethical value to all staff;
- Establish a whistle-blowing mechanism and encourage employees to report incidents of misconduct or fraud;
- Establish appropriate level of information technology to assess rights and avoid the leakage of price-sensitive information; and
- Establish inside information disclosure policy, including reporting channel and responsible person of disclosure, unify response to external enquiries and obtain advice from professional financial adviser or the Stock Exchange if necessary.

During the Year, the Board had reviewed the effectiveness of risk management and internal control policies and procedures, including those related to financial reporting and Listing Rules compliance. The Board has considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions during the review of the effectiveness of the ERM system.

ON-GOING RISK MONITORING (RISK MANAGEMENT LEVEL)

Based on the ERM framework and risk management policies established by the Board, the Management communicates with each operating function, and collects significant risk factors that affect the Group from bottom to top. The Group has established a risk register to record the risks identified, and the Management assesses the potential impact and possibilities of the risks and develops appropriate internal control measures to mitigate the risks identified.

我們的風險管理及內部管治系統之主要特點

維持有效之內部管治系統(營運層面)

- 制定明確的內部管治政策及程序，及清楚界定各關鍵職位之責任、權限及職責；
- 確立行為守則，並向全體員工闡釋本集團有關誠信及道德價值的要求；
- 確立舉報機制，鼓勵僱員報告不當行為或欺詐事件；
- 確立適度的資訊科技水平，以評估權限及避免洩漏股價敏感信息；及
- 確立內幕消息披露政策，包括報告渠道及披露之負責人、統一答复外部查詢及在必要時徵詢專業財務顧問或聯交所意見。

於本年度，董事會已檢討風險管理及內部管治政策及程序之有效性，包括與財務報告及上市規則合規相關之政策及程序。董事會於檢討企業風險管理系統之有效性期間，考慮多種因素，包括資源充足性、僱員資歷及經驗、培訓計劃及會計預算、內部審核及財務報告職能。

持續風險監控(風險管理層面)

基於董事會制定之企業風險管理架構及風險管理政策，管理層與各營運部門進行溝通，並收集自下而上影響本集團的重大風險因素。本集團已設立風險登記冊以記錄已識別風險，而管理層評估風險之潛在影響及可能性，制定適當的內部管治措施以降低已識別風險。



Corporate Governance Report 企業管治報告

During the Year, the Management conducted an evaluation of the Group's risk management structure and procedures and submitted a risk assessment report to the Board and the Audit Committee, including a three-year internal control review plan, to enable the Board and the Audit Committee to effectively monitor the major risks of the Group and understand how the Management responds to and mitigates the risks.

INTERNAL CONTROL DEPARTMENT

During the Year, the Group had not established an internal control department internally. Instead, the Group engaged an external internal control consulting company, Conesgo Consulting Group Limited, to conduct an assessment and evaluation on the effectiveness of internal control measures and systems of the Group. Certain internal control enhancement suggestions have been identified and the Management has established action plans for improving the internal control effectiveness accordingly. An internal control review report has been provided to the Audit Committee which has also been reported to the Board about the findings and improvement measures.

No material internal control deficiency has been identified during the Year and the Board considers that the ERM system to be adequate and effective.

於本年度，管理層對本集團之風險管理架構及程序進行評估，並向董事會及審核委員會提交風險評估報告，包括三年內部管控檢討計劃，以令董事會及審核委員會能夠有效監察本集團之主要風險及了解管理層應對及降低風險之措施。

內部管控部門

於本年度，本集團並未在公司內部設立內部管控部門，而是委聘了外部的內部管控諮詢公司雋高顧問集團有限公司評估及評價本集團內部管控措施及系統的成效。若干內部管控改進建議已獲識別，而管理層已就改進內部管控成效制定相應的行動計劃。內部管控檢討報告已呈予審核委員會，而審核委員會亦已向董事會匯報有關的結果及改進措施。

於本年度，本集團並無識別重大內部管控缺陷，而董事會認為企業風險管理系統屬完善及有效。



Corporate Governance Report 企業管治報告

MAJOR RISKS OF THE GROUP

Our risk management process has identified the following as major risks of the Group and their changes.

本集團之主要風險

我們的風險管理流程已識別本集團之以下主要風險及其變化。

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變化
New investments in Bangka, Indonesia 印尼邦加島的新投資	<p>The Group has invested in the development of a new biomass power plant in Bangka, Indonesia with a capacity of 10 megawatts (the “Bangka Power Plant”) to generate electricity for sale to PT PLN (Persero), an Indonesia government-owned corporation. The construction of the Bangka Power Plant may not be completed successfully or may not meet the expected standard. The operation of the Bangka Power Plant may not be successful due to the potential insufficiency of biomass raw material, incapability of the new staff in the Bangka Power Plant or other unknown factors.</p> <p>本集團於印尼邦加島投資發展一座發電量為10兆瓦的新生物質發電廠(「邦加島發電廠」)，以出售電力至印尼國營公司PT PLN (Persero)。邦加島發電廠的建設未必能夠成功完成或未必達到預期標準。由於生物質原材料的潛在不足、邦加島發電廠新員工的能力不足或其他未知因素，邦加島發電廠的營運可能不會成功。</p>	<ol style="list-style-type: none"> Carry out thorough feasibility studies on the Bangka Power Plant project Monitor closely the construction progress by industry experts Hiring professional consultant to monitor the operation and conduct training for new staff Negotiate with local suppliers to enter into long-term purchase agreements to ensure sufficiency of the biomass raw material 	<p>Decreased 減少</p> <p>The new power plant in Bangka, Indonesia has entered the final preparatory stage. It is making good progress despite the delay caused by the pandemic. The Group has reached a consensus about the electricity sale with the local government. The Bangka Power Plant is expected to provide electricity to the state grid at a fixed rate for a 25-year term starting from 2023, according to the power supply agreement with PT PLN (Persero).</p> <p>印尼邦加島開設的新電廠已進入最後籌備階段，雖然因疫情關係有延誤，但目前進度良好。本集團已與當地政府就售電方案達成共識。根據與PT PLN (Persero)的供電協議，邦加島發電廠預期自二零二三年起為期25年，以固定價格向國家電網供電。</p>



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Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變化
Biofuel business in Jambi, Indonesia 印尼佔碑的生物燃料業務	<p>The Group's biomass power generation business in Indonesia is temporarily suspended. The Group is commencing the biofuel pellet/wood pellets manufacturing business for export in Asian countries such as Indonesia and Korea. Since the relevant business is in its initial stage, the relevant business transformation may not be successful.</p> <p>本集團於印尼從事生物質發電業務暫時處於停運狀態。集團正開展生物燃料球團／木顆粒生產業務，以向印尼、韓國等亞洲國家出口。由於相關業務為初始狀態，相關的業務轉型活動可能不會成功。</p>	<ol style="list-style-type: none"> Control production cost to increase product competitiveness. Proactively promote biofuel pellet/wood pellets products to Indonesia and other Asian countries. 積極向印尼及亞洲各國推廣生物燃料球團／木顆粒產品。 	<p>Decreased 減少</p> <p>Biofuel pellet operation in Indonesia commenced its wood pellet production business in 2021 and has been generating revenue since 2021.</p> <p>印尼生物燃料球團業務已於二零二一年開展木顆粒生產業務，並自二零二一年開始產生收入。</p>
Credit 信貸	<p>Customers or counterparties of the Group are local government authorities. Payment from them could be longer than the credit period granted to them due to the complexity of their internal administrative procedures. The Group might suffer from a financial loss or liquidity difficulty in the case of delay in payment.</p> <p>集團的客戶或對手方為當地政府部門。由於其內部行政程式之複雜性，彼等之付款可能遲於授予彼等之信貸期。本集團或會因付款延誤遭受財務虧損或流動資金困難。</p>	<ol style="list-style-type: none"> Frequently communicate with customers to follow up the outstanding balance Maintain sufficient cash flow to avoid liquidity problem Regularly perform impairment review to assess the recovery of account receivables and provide sufficient impairment to avoid over-statement of balance 定期進行減值檢討以評估應收賬款之可收回性並作出足夠的減值撥備以避免呈列過高結餘 	<p>Unchanged 無變化</p>



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Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變化
<p>Pricing and cost recovery</p> <p>定價及成本補償</p>	<p>The Group operates the wastewater treatment facilities at a pre-determined tariff rate specified at the time the Build, Operate and Transfer (BOT) agreement is entered into. The circumstances of tariff adjustment have also specified that the Group has only limited ability to change/renew the tariffs. The increase in operating costs due to an increase in utilisation of the wastewater treatment facilities might not be fully compensated, and the Group could suffer from loss or decrease in profitability.</p> <p>集團按訂立建設、經營及移交(BOT)協議時預先決定的費率營運污水處理設施。水費調整之情況亦表明集團變更／重新協議水費的能力有限。因增加使用污水處理設施導致之營運成本增加可能無法完全得到補償，因此集團或會遭受虧損或盈利減少。</p>	<ol style="list-style-type: none"> 1. Negotiate the water tariffs with the local government to compensate the increased costs of operation 1. 與當地政府協商水價以補償營運成本增加 2. On-going cost control to avoid unnecessary spending 2. 持續進行成本控制以避免不必要的開支 3. Negotiate with supplier to minimise the increase in costs 3. 與供應商協商儘量減少成本增加額 	<p>Decreased</p> <p>減少</p> <p>The Group has reached an agreement with the Administrative Committee of Jiangsu Province, China in July 2021 for an upward adjustment to the water tariffs of Rugao Hengfa facilities to compensate the increased costs of operation.</p> <p>於二零二一年七月與中國江蘇省管委會達成協議，上調如皋恒發設施的水價，以補償本集團營運成本增加。</p>



Corporate Governance Report 企業管治報告

DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong and the Listing Rules and the overriding principle that inside information should be announced promptly when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements/circulars and its website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group’s affairs, so that only the EDs, the Company Secretary and the financial controller of the Company (the “**Financial Controller**”) are authorised to communicate with parties outside the Group.

內幕消息之披露

本集團確認其根據香港法例第571章證券及期貨條例及上市規則所應履行之責任，最高原則是凡涉及內幕消息，必須在有所決定後即時公佈。處理及發佈內幕消息之程序及內部管控措施如下：

- 本集團處理事務時會充分考慮上市規則及香港證券及期貨事務監察委員會於二零一二年六月頒佈的「內幕消息披露指引」項下之披露規定；
- 本集團透過財務報告、公告／通告及其網站等途徑，向公眾廣泛及非獨家地披露資料，以實施及披露其公平披露政策；
- 本集團已經嚴格禁止未經授權使用機密或內幕消息；及
- 本集團已就外界對本集團事務的查詢訂立及執行回應程序，以致唯有執行董事、公司秘書及本公司財務總監（「**財務總監**」）方獲授權與本集團外部通訊。



Corporate Governance Report 企業管治報告

COMPANY SECRETARY

Ms. Tung Wing Yee Winnie (“**Ms. Tung**”) was appointed as the Company Secretary with effect from 30 October 2021.

Ms. Tung was nominated by Boardroom Corporate Services (HK) Limited (“**Boardroom**”) to act as the Company Secretary and Boardroom has been providing certain corporate secretarial services to the Company pursuant to an engagement letter entered into between the Company and Boardroom. The primary person at the Company with whom Ms. Tung has been contacting in respect of company secretarial matters is Mr. Lam Wai Kit Ricky, the Financial Controller.

Ms. Tung had complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules during the Year.

SHAREHOLDERS' RIGHTS

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

There are no provisions allowing the Shareholders to make proposals or move resolutions at the general meeting under the memorandum of association of the Company and the Articles of Association (the “**M&A**”). Shareholders who wish to make proposals or move a resolution may, however, convene an extraordinary general meeting (the “**EGM**”) to do so in accordance with the “Procedures for Shareholders to convene an EGM” set out below.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EGM

Article 12.3 of the Articles of Association stipulates that:

General meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists hold as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company, which carries the right of voting at general meetings of the Company.

公司秘書

董穎怡女士(「**董女士**」)已獲委任為公司秘書，自二零二一年十月三十日起生效。

董女士由寶德隆企業服務(香港)有限公司(「**寶德隆**」)提名擔任公司秘書。寶德隆已根據本公司與寶德隆簽訂的聘任函件向本公司提供若干企業秘書服務。董女士就公司秘書事宜與本公司聯絡的主要人士為財務總監林偉傑先生。

於本年度內，董女士已遵守上市規則第3.29條之相關專業培訓規定。

股東權利

在股東大會上提呈建議的程序

根據本公司的組織章程大綱及組織章程細則(「**大綱及細則**」)，概無守則條文允許股東於股東週年大會上提呈建議或作出動議。然而，有意股東可按照下文所載「股東召開股東特別大會的程序」召開股東特別大會(「**股東特別大會**」)提呈建議或作出動議。

股東召開股東特別大會的程序

組織章程細則第12.3條規定：

股東大會應按存放於本公司在香港的主要辦事處名冊上其中兩位或以上的股東的書面要求召開股東大會，指明本次會議的對象，並由請求人簽署，條件是該等請求人於存放請求書之日須持有本公司不少於十分之一的繳足股本，賦予他們於本公司股東大會的投票權。



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General meetings may also be convened on the written requisition of any one member of the Company, which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong specifying the objects of the meeting and signed by the requisitioner, provided that such requisitioner holds as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company, which carries the right of voting at general meetings of the Company.

If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitioner(s) himself/herself/themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to him/her/ them by the Company.

PROCEDURES FOR SHAREHOLDERS TO SEND ENQUIRIES TO THE BOARD

Shareholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to the Directors or management of the Company. Such questions, requests and comments can be addressed to the Company by mail to its principal place of business in Hong Kong, presently at Unit 2304, 23rd Floor, Westlands Centre, 20 Westlands Road, Hong Kong or by email to ell@anli.com.hk.

Shareholders should direct their questions about their shareholdings or change of correspondence address or dividend instructions by mail to the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, which has been appointed by the Company to deal with Shareholders for share registration and related matters.

本公司亦可按其中一位股東的書面要求召開股東大會，該股東應為認可結算所(或其代名人)，其請求書存放於本公司在香港的主要辦事處內，指明本次會議的對象，並由請求人簽署，條件是該請求人於存放請求書之日須持有本公司不少於十分之一的繳足股本，賦予他於本公司股東大會的投票權。

如果董事會並未於存放請求書之日起21天內正式召開一個將於額外的21天內舉行的會議，請求人本身或他們當中任何超過一半總投票權的人士，可以同樣的方式(盡可能接近董事會可召開會議的方式)召開股東大會，條件是如此召開的任何會議不得在存放請求書之日起三個月期滿後舉行，以及所有因董事會不履行而對請求人造成的合理費用應當由本公司向請求人作出賠償。

股東向董事會發出查詢的程序

股東可於任何時間向本公司董事或管理層提出問題、要求公眾可用資料及提供意見及建議。該等問題、要求及意見可透過郵件寄至其香港主要營業地點，現時位於香港鰂魚涌華蘭路20號華蘭中心23樓2304室或透過電郵發送至 ell@anli.com.hk。

股東可將有關彼等持股或通訊地址變動的問題或股息指示透過郵件寄送至本公司的香港股份過戶登記分處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室，寶德隆證券登記有限公司已獲本公司委任處理股東的股份登記及相關事宜。



POLICY ON OBTAINING INDEPENDENT VIEWS AND INPUT

With effect from 1 January 2022, the Company has adopted the policy on obtaining independent views and input. In accordance with this policy, the Board, Board committees or individual Directors may seek such independent professional advice, views and input as considered necessary to fulfil their responsibilities and in exercising independent judgement when making decisions in furtherance of their Directors' duties at the Company's expense (the "Mechanism"). The Mechanism is established to ensure independent views and input are available to the Board and should be disclosed in the Corporate Governance Report of the Company.

Independent professional advice shall include legal advice and advice of accountants and other professional financial advisers on matters of law, accounting, tax and other regulatory matters.

In the event that independent professional advice, views and input are considered necessary, the Board, Board committees or individual Directors shall communicate with the Company Secretary to start the Mechanism, providing background and details of the relevant incidents and/or transactions, and the issues involved which would require independent views and input. They may direct any questions, queries, concerns or specific advice to be sought to the Company Secretary who will then contact the Company's professional advisers (including, but not limited to, legal advisers, accountants, independent auditor, internal control adviser) or other independent professional parties to obtain such independent professional advice within a reasonable period of time.

Any advice obtained through the Mechanism shall be duly documented and made available to other members of the Board.

Despite having obtained any information or advice from the Chairlady/Chairman and/or any independent professional advisers through the Mechanism, the Directors are expected to exercise independent judgement in forming their decisions.

Also, the senior management of the Company are, from time to time, brought into formal and informal contact at Board meetings and other corporate events. The Board has full access to all information provided by the senior management of the Company it deems appropriate for the purposes of fulfilling its role.

The Company has reviewed and considered the implementation of the Mechanism to be effective during the Year.

獲取獨立觀點及意見的政策

自二零二二年一月一日起，本公司已採納有關獲取獨立觀點及意見的政策。根據該政策，董事會、董事委員會或個別董事在履行其職責及在執行董事職務時為作出決定行使獨立判斷時可在其認為有需要時尋求獨立專業建議、觀點及意見，費用由本公司承擔（「機制」）。機制旨在確保董事會能取得獨立觀點及意見，並應在本公司企業管治報告中披露。

獨立專業建議包括法律建議及會計師建議以及其他專業財務顧問對法律、會計、稅務及其他監管事宜的建議。

倘有需要尋求獨立專業建議、觀點及意見，董事會、董事委員會或個別董事可與公司秘書溝通以開展機制，提供相關事項及／或交易的背景及詳情以及需要獨立觀點及意見的事宜。彼等可向公司秘書傳達任何問題、疑問、憂慮或所尋求的具體建議，而公司秘書將聯絡本公司的專業顧問（包括但不限於法律顧問、會計師、獨立核數師、內部管控顧問）或其他獨立專業人士，以在合理時間內取得有關獨立專業建議。

透過機制取得的任何建議須妥為記錄，並提供予董事會其他成員。

儘管已透過機制從主席及／或任何獨立專業顧問取得任何資料或建議，惟董事仍應在決策時行使獨立判斷。

此外，本公司高級管理層可不時在董事會會議及其他公司活動中進行正式及非正式交流。董事會可從本公司高級管理層取得其認為履行職責所需的一切資料。

本公司已於年內檢討有關機制，並認為其實施屬有效。



Corporate Governance Report 企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Company has adopted a Shareholders' communication policy with the objective of enhancing investor relations and investors' understanding of the Company's business performance and strategies.

Information about the Company will be communicated to the Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), announcements and circulars, the AGMs and the EGMs that may be convened, as well as by all the published disclosures submitted to the Stock Exchange and its corporate communications made available by the Company on the respective websites of the Stock Exchange and the Company.

The Shareholders' Communication Policy is summarised as below:

- The Company will assign dedicated employee(s) to be in charge of ensuring effective and timely dissemination of information to Shareholders.
- The Company will provide Shareholders with ready access to understandable information about the Company.
- The Company will take steps to solicit and understand the views of Shareholders and other stakeholders.
- The Company will facilitate Shareholders' participation in annual general meetings and make available the chairmen of the board committees and advisory panel(s) (if any), appropriate management executives, auditors at annual general meetings to answer questions from Shareholders.
- Shareholders may, at any time, direct questions, communicate their views on various matters affecting the Company, request for publicly available information and provide comments and suggestions to directors or management of the Company through the prescribed channel mentioned below.

股東通訊

本公司採用股東通訊政策，旨在加強投資者關係和投資者對本公司之經營業績和策略之理解。

本公司向股東及投資人士傳達本公司資料的主要渠道為：本公司的財務報告(中期及年度報告)、公告及通函、股東週年大會及可能召開的股東特別大會，並將所有呈交予聯交所的本公司已公佈披露資料及公司通訊登載在聯交所及本公司網站。

股東通訊政策概述如下：

- 本公司將指派專門的僱員負責確保有效及時地向股東傳遞資料。
- 本公司將向股東隨時提供容易理解的本公司資料。
- 本公司將採取措施，徵求並了解股東及其他持份者的意見。
- 本公司將協助股東參與股東週年大會，並在股東週年大會上安排董事委員會的主席及諮詢小組(如有)、適當的管理行政人員及核數師回答股東的問題。
- 股東可在任何時候通過下述指定管道直接提問，就影響本公司的各種事項提供意見，要求提供公開資料，並向本公司董事或管理層提供意見及建議。



Corporate Governance Report 企業管治報告

In accordance with the Shareholders' Communication Policy, the Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include (i) the publication of interim and annual reports and/or dispatching circulars, notices, and other announcements; (ii) the annual general meeting or extraordinary general meeting providing a forum for Shareholders to raise comments and exchanging views with the Board; (iii) updated and key information of the Group available on the websites of the Stock Exchange and the Company; (iv) the Company's website offering communication channel between the Company and its stakeholders; and (v) the Company's share registrars in Hong Kong serving the Shareholders in respect of all share registration matters. Having considered the multiple channels of communication mentioned above, the Company is satisfied that the Shareholders' Communication Policy has been properly implemented during the year of 2022 and such policy remains effective.

CONSTITUTIONAL DOCUMENTS

The Company has adopted the second amended and restated memorandum and articles of association of the Company (the "new M&A") at the 2022 AGM which was held on 2 June 2022, so as to, among others, comply with the updated Listing Rules and CG code which came into effect on 1 January 2022. The new M&A is available on the website of the Company and the Stock Exchange.

根據股東通訊政策，本公司已在其與股東、投資者及其他利益相關者之間建立一系列的溝通渠道。該等渠道包括：(i) 刊發中期及年度報告及／或寄發通函、通告及其他公告；(ii) 股東週年大會或股東特別大會為股東提供平台，讓彼等提出意見並與董事會交換意見；(iii) 在聯交所及本公司的網站上提供本集團的最新及主要資料；(iv) 本公司的網站提供本公司與持份者之間的溝通管道；及(v) 本公司在香港的股份過戶登記處就所有股份登記事宜為股東服務。經考慮上述多種溝通渠道，本公司信納股東通訊政策在二零二二年已經妥為實施，且該政策仍然有效。

憲章文件

本公司已於二零二二年六月二日舉行的二零二二年股東週年大會上通過第二次經修訂及重列的本公司組織章程大綱及細則(「新大綱及細則」)，藉以(其中包括)遵守於二零二二年一月一日生效的經更新上市規則及企業管治守則。新大綱及細則於本公司網站及聯交所網站上可供查閱。



Directors' Report 董事會報告

The directors of the Company (the “**Directors**”) present their report and the audited consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2022 (the “**Year**”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are the provision of wastewater treatment services in Jiangsu Province, the People's Republic of China (the “**PRC**”) and the generation of electricity by biomass power plants in Jambi, the Republic of Indonesia (“**Indonesia**”). The principal activities and other particulars of its principal subsidiaries are set out in note 40 to the Notes to the Consolidated Financial Statements in this annual report.

RESULTS

The results of the Group for the Year and the state of affairs of the Group as at 31 December 2022 are set out on pages 140 to 287 of this annual report.

DIVIDEND POLICY

OBJECTIVES

The dividend policy of the Company (the “**Dividend Policy**”) aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

PRINCIPLES AND GUIDELINES

1. The Board adopts the policy that, in recommending or declaring dividends, the Company shall maintain adequate and sufficient cash reserves for meeting its working capital requirements and future growth as well as its shareholder value.
2. The Company does not have any pre-determined dividend payout ratio.
3. The Board has the full discretion to declare and distribute dividends to the Shareholders, subject to the articles of association of the Company (the “**Articles of Association**”), all applicable laws and regulations and the factors set out below.

本公司董事(「**董事**」)提呈本公司及其附屬公司(「**本集團**」)截至二零二二年十二月三十一日止年度(「**本年度**」)之董事會報告及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司之業務為於中華人民共和國(「**中國**」)江蘇省提供污水處理服務，及於印度尼西亞共和國(「**印尼**」)占碑省的生物質發電廠發電。其主要附屬公司之主要業務及其他資料列載於本年報綜合財務報表附註的附註40。

業績

本集團於本年度之業績及於二零二二年十二月三十一日之事務狀況列載於本年報第140至287頁。

股息政策

目的

本公司股息政策(「**股息政策**」)旨在載列本公司就宣派、派付或分發其純利予股東作為股息時擬應用的原則及指引。

原則及指引

1. 本董事會採納的政策為，在建議或宣派股息時，本公司應維持足夠及充足現金儲備，以應付其營運資金需求、未來增長以及其股權價值。
2. 本公司並無任何預定派息率。
3. 根據本公司組織章程細則(「**組織章程細則**」)及所有適用法律及法規及下列因素的規定，董事會可全權酌情宣派及分發股息予股東。



Directors' Report 董事會報告

4. The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:
- financial results;
 - cash flow situation;
 - business conditions and strategies;
 - expected future operations and earnings;
 - capital requirements and expenditure plans;
 - interests of Shareholders;
 - any restrictions on payment of dividends; and
 - any other factors that the Board may consider relevant.
5. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period as follows:
- interim dividend;
 - final dividend;
 - special dividend; and
 - any distribution of net profits that the Board may deem appropriate.
6. Any final dividend for a financial year will be subject to the Shareholders' approval.
7. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.
8. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles of Association, and all applicable laws and regulations.
4. 董事會在考慮宣派及派付股息時，應同時考慮下列有關本集團的因素：
- 財務業績；
 - 現金流量情況；
 - 業務狀況及策略；
 - 預期未來營運及盈利；
 - 現金需求及開支計劃；
 - 股東的利益；
 - 任何派付股息的限制；及
 - 董事會可能視為相關的任何其他因素。
5. 視乎本公司及本集團的財政狀況以及上述條件及因素，董事會可在財政年度或期間建議及／或宣派下列股息：
- 中期股息；
 - 末期股息；
 - 特別股息；及
 - 任何董事會認為合適的純利分發。
6. 任何財政年度之末期股息均須由股東批准。
7. 本公司可以董事會認為合適的形式宣派及派付股息，包括現金或代息股份或其他形式。
8. 任何未領取的股息應被沒收及應根據組織章程細則及所有適用法律及法規複歸本公司。

REVIEW

The Board will review the Dividend Policy as appropriate from time to time.

檢討

董事會將在有需要時檢討股息政策。



Directors' Report 董事會報告

DIVIDENDS

No interim dividend was paid or declared for the six months ended 30 June 2022 (2021: HK0.5 cents).

During its meeting held on 30 March 2023, the Board has resolved not to recommend the payment of any final dividend for the Year (2021: nil).

BUSINESS REVIEW

A review of the business of the Group during the Year and the potential future development of the Group's business is set out in the Chairman's Statement on pages 5 to 8 and in the Management Discussion and Analysis on pages 9 to 17 of this annual report.

No important event affecting the Group has occurred since the end of the Year and up to the date of this report.

The performance analysis of the Group for the Year using financial key performance indicators is set out in the Management Discussion and Analysis on pages 9 to 17 of this annual report.

股息

截至二零二二年六月三十日止六個月概無派付或宣派中期股息(二零二一年：0.5港仙)。

於二零二三年三月三十日舉行的會議上，董事會議決於本年度不建議派付任何末期股息(二零二一年：無)。

業務回顧

本集團本年度之業務回顧與本集團的潛在未來業務發展之論述均載於本年報第5至8頁之主席報告及第9至17頁之管理層討論與分析。

自本年度結束後及直至本報告日期，概無發生任何影響本集團之重大事件。

本集團採用財務關鍵表現指標的本年度表現分析載於本年報第9至17頁之管理層討論與分析。



Directors' Report 董事會報告

PRINCIPAL RISKS OF THE GROUP

A discussion on the principal risks and uncertainties faced by the Group, together with the Group's internal control, is set out on pages 86 to 93 of this annual report. The financial risks are covered in note 33 to the Notes to the Consolidated Financial Statements in this annual report. A more comprehensive analysis of the Group's risk factors (excluding the operation of the palm kernel oil mill and the ancillary biomass power plants by a subsidiary of the Company in Indonesia, which the Group acquired in late 2016) is set out on pages 29 to 46 of the prospectus of the Company dated 12 September 2014 (the "Prospectus"). The risk factors relating to the operation of the palm kernel oil mill and the ancillary biomass power plants in Indonesia are set out on pages 35 to 37 of the Company's circular dated 24 August 2016.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS THAT HAVE A SIGNIFICANT IMPACT ON THE GROUP

The Group operates its business mainly in Hong Kong, the PRC and Indonesia.

During the Year, save as disclosed in the rest of this annual report, as far as the Company is aware, there was no breach of or non-compliance with applicable laws and regulations of Hong Kong, the PRC and Indonesia by the Group that has a significant impact on the business and operations of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Details of the environmental, social and governance of the Group are set out in the Environmental, Social and Governance Report on pages 18 to 58 of this annual report.

RELATIONSHIPS WITH STAKEHOLDERS

An account of the Group's key relationships with its stakeholders are set out in the Environmental, Social and Governance Report on pages 18 to 58 of this annual report.

本集團主要風險

關於本集團面臨的主要風險及不確定因素，連同本集團內部管控的討論載於本年報第86至93頁。財務風險載於本年報綜合財務報表附註的附註33。對本集團風險因素的更為全面的分析(不包括本集團於二零一六年年末收購的本公司印尼附屬公司營運仁油榨油廠及自備生物質發電廠的風險因素)載於本公司日期為二零一四年九月十二日的招股章程(「招股章程」)第29至46頁。有關營運印尼仁油榨油廠及自備生物質發電廠的風險因素載於本公司日期為二零一六年八月二十四日的通函第35至37頁。

遵守對本集團有重大影響的相關法律及法規

本集團主要在香港、中國及印尼經營業務。

於本年度，除於本年報其他地方所披露者外，就本公司所知，本集團概無違反或不遵守對本集團業務及營運有重大影響的香港、中國及印尼適用法律及法規。

環境、社會及管治

本集團之環境、社會及管治詳情列載於本年報第18至58頁之環境、社會及管治報告。

與持份者之關係

本集團與其持份者之主要關係之闡述已載於本年報第18至58頁之環境、社會及管治報告。



Directors' Report 董事會報告

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the past five financial years is set out on page 276 of this annual report. This summary does not form part of the audited financial statements of the Group for the Year.

ANNUAL GENERAL MEETING

The Company will hold its annual general meeting on Thursday, 1 June 2023 (the "AGM"), the notice of which will be published and dispatched to the shareholders of the Company (the "Shareholders") in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 29 May 2023 to Thursday, 1 June 2023 (both dates inclusive), during which period no transfer of shares of the Company will be effected. In order to qualify for attending and voting at the AGM, the non-registered Shareholders must lodge all transfer documents, accompanied by the relevant share certificates, with the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Thursday, 25 May 2023.

財務摘要

本集團的業績及過去五個財政年度之資產及負債摘要列載於本年報第276頁。本摘要並不構成本集團本年度經審核財務報表之一部份。

股東週年大會

本公司將於二零二三年六月一日(星期四)舉行股東週年大會(「股東週年大會」)，有關通告將於適當時候刊發並寄發予本公司股東(「股東」)。

暫停股份過戶登記

為釐定股東出席股東週年大會並於會上投票的權利，本公司將自二零二三年五月二十九日(星期一)至二零二三年六月一日(星期四)(包括首尾兩日)暫停股份過戶登記，期內將不會辦理股份過戶登記手續。為符合資格出席股東週年大會並於會上投票，尚未登記的股東須將所有過戶文件連同有關股票於二零二三年五月二十五日(星期四)下午四時三十分前送達本公司香港股份過戶登記分處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室，以辦理過戶登記手續。



Directors' Report 董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the Group's revenue was mainly attributable to a customer in Indonesia and two customers which are local government authorities in the PRC for the wastewater treatment business. They jointly accounted for 90.7% of the Group's revenue, where the customer in Indonesia accounted for 58.4% of the Group's revenue and the two local government authorities in the PRC accounted for 22.7% and 9.6% of the Group's revenue, respectively. The purchases attributable to the largest supplier and the five largest suppliers of the Group accounted for 10% and 25%, respectively of the Group's total purchase.

None of the Directors or any of their close associates or any Shareholders (who, to the best knowledge of the Directors, own more than 5% of the number of the issued Shares) had any beneficial interest in the Group's five largest customers and suppliers.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year, together with the reasons therefor, are set out in note 29 to the Notes to the Consolidated Financial Statements in this annual report.

優先購買權

根據組織章程細則或開曼群島法例，並無優先購買權之規定，致使本公司須按比例向現有股東發售新股。

主要客戶及供應商

於本年度，本集團的營業收入主要來自向一名印尼客戶及兩名客戶提供污水處理服務，該兩名客戶為中國地方政府機關。其合共佔本集團營業收入的90.7%，其中，該名印尼客戶佔本集團收入的58.4%，而該兩家中國地方政府機關分別佔本集團營業收入的22.7%及9.6%。本集團最大供應商及五名最大供應商應佔採購額佔本集團總採購額之百分比分別為10%及25%。

概無董事或其任何緊密聯繫人或任何股東(據董事所知，擁有已發行股份數目5%以上)擁有本集團五名最大客戶及供應商之任何實益權益。

股本

本公司於本年度之股本變動詳情及有關原因列載於本年報綜合財務報表附註的附註29內。



Directors' Report 董事會報告

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2022, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law of the Cayman Islands, amounted to HK\$215.8 million (31 December 2021: HK\$238.4 million). This amount included the Company's share premium account of HK\$391.9 million as at 31 December 2022 (31 December 2021: HK\$391.9 million), which may be distributed provided that immediately following the date on which the dividend is distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

DIRECTORS

The following are the Directors during the Year and up to the date of this report:

The EDs

CHAU On Ta Yuen (“**Mr. Chau**”) (Chairman) ^N
CHAN Kwan (“**Mr. Chan**”) (Chief Executive Officer) ^N
Radius SUHENDRA
CHAU Chi Yan Benny (“**Mr. Benny Chau**”)

The NED

CHAN Pak Lam Brian (“**Mr. Brian Chan**”) ^R

The INEDs

NG Chung Yan Linda (“**Ms. Ng**”) ^{A/R/N}
NG Man Kung (“**Mr. Ng**”) ^{A/R/N}
LEUNG Bo Yee Nancy (“**Ms. Leung**”) ^{A/R/N}

A = member of the Audit Committee
R = member of the Remuneration Committee
N = member of the Nomination Committee

In accordance with the Articles of Association, Mr. Radius Shuhendra, Mr. Ng and Ms. Ng shall retire at the 2023 AGM and all of them, being eligible, have offered themselves for re-election.

本公司之可分派儲備

於二零二二年十二月三十一日，本公司根據開曼群島公司法條文計算的可供分派儲備為215.8百萬港元(二零二一年十二月三十一日：238.4百萬港元)。此金額包括本公司於二零二二年十二月三十一日可分派的股份溢價賬391.9百萬港元(二零二一年十二月三十一日：391.9百萬港元)，惟緊隨分派股息之日期後，本公司須有能力支付其於一般業務過程中到期應付之債務。

董事

於本年度及直至本報告日期之董事如下：

執行董事

周安達源(「周先生」)(主席) ^N
陳昆(「陳先生」)(行政總裁) ^N
蘇堅人
周致人(「周致人先生」)

非執行董事

陳栢林(「陳栢林先生」) ^R

獨立非執行董事

伍頌恩(「伍女士」) ^{A/R/N}
吳文拱(「吳先生」) ^{A/R/N}
梁寶儀(「梁女士」) ^{A/R/N}

A = 審核委員會成員
R = 薪酬委員會成員
N = 提名委員會成員

根據組織章程細則，蘇堅人先生、吳先生及伍女士將於二零二三年股東週年大會上退任，且彼等均符合資格並已願意膺選連任。



Directors' Report 董事會報告

CONFIRMATION OF INDEPENDENCE OF INEDS

The Company has received from each of the INEDs, namely Ms. Ng, Mr. Ng and Ms. Leung, an annual written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. As at the date of this report, the Company considers all of them to be independent.

DIRECTORS' BIOGRAPHIES

The biographical details of the Directors are set out on pages 59 to 67 of this annual report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors being proposed for re-election at the forthcoming 2023 AGM has a service contract or an appointment letter with the Company that is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 38 to the Notes to the Consolidated Financial Statements in this annual report, none of the Directors or an entity connected with a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group, to which the Company or any of its subsidiaries was a party, subsisted during or at the end of the Year.

CHARITABLE DONATION

During the Year, the Group has made charitable donations amounting to RMB0.4 million in the PRC (2021: nil).

SHARE OPTION SCHEME

On 5 September 2014, the Company adopted a share option scheme (the “**Share Option Scheme**”) to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution or potential contribution to the Group.

確認獨立非執行董事之獨立性

本公司已收到各獨立非執行董事，即伍女士、吳先生及梁女士依據上市規則第3.13條對其獨立性之年度確認書。本公司於本報告日期認為彼等均具獨立性。

董事之個人履歷

董事之個人履歷詳情載於本年報第59至67頁。

董事服務合約

擬於應屆二零二三年股東週年大會上膺選連任之董事概無與本公司訂立本公司不能決定於一年內無需做出賠償(法定補償除外)之服務合約或委任書。

董事於重大交易、安排或合約的權益

除本年報綜合財務報表附註的附註38所披露者外，於本年度內或年末，概無董事或與董事有關連的任何實體與本公司或其任何附屬公司訂立對本集團業務屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

慈善捐款

於本年度內，本集團於中國作出慈善捐款為人民幣0.4百萬元(二零二一年：零)。

購股權計劃

於二零一四年九月五日，本公司採納一項購股權計劃(「**購股權計劃**」)，令本公司能夠向合資格參與者授予購股權作為彼等對本集團作出貢獻或潛在貢獻的激勵或獎勵。



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The Share Option Scheme took effect on 26 September 2014. During the Year, no options were granted, exercised or cancelled, 500,000 options were lapsed and as at 31 December 2021, no options were outstanding under the Share Option Scheme.

The maximum number of Shares in respect of the options granted by the Company under the Share Option Scheme and any other share option schemes must not in aggregate exceed 80,000,000 Shares (representing 10% of the Shares in issue immediately upon completion of the Share Offer (as defined in the Prospectus) and approximately 7.22% of the Shares in issue as at the date of this report).

The options granted to a former employee shall vest over a period of three years commencing on the date of grant. The closing price of the Shares immediately before the date of grant was HK\$0.50 per Share, as stated in the daily quotation sheet issued by the Stock Exchange. Those options are exercisable from 14 April 2017 to 13 April 2026. All 500,000 options of such a former employee were lapsed on 31 October 2021 due to his resignation on 30 September 2021.

購股權計劃於二零一四年九月二十六日生效。於本年度，概無購股權獲授出、獲行使或註銷，有500,000份購股權已失效，及於二零二一年十二月三十一日，根據購股權計劃下概無尚未行使的購股權。

本公司根據購股權計劃及任何其他購股權計劃授出的購股權所涉及的最大股份數目合共不得超過80,000,000股股份(分別相當於緊接股份發售(定義見招股章程)完成後已發行股份的10%及於本報告日期已發行股份的約7.22%)。

授予一名前僱員購股權將於授出日期起三年期間內歸屬。緊接授出日期之前的股份收市價為每股0.50港元(聯交所每日報價表所示)。該等購股權於二零一七年四月十四日至二零二六年四月十三日期間可予行使。由於該名前僱員於二零二一年九月三十日辭職，其所有500,000份購股權已於二零二一年十月三十一日失效。



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The principal terms of the Share Option Scheme are set out as follows:

1. PURPOSE

The purpose of the Share Option Scheme is to enable the Company to grant options to Eligible Participants (as defined in paragraph 2 below) as incentives or rewards for their contribution or potential contribution to the Group.

2. ELIGIBLE PARTICIPANTS

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine to any full-time or part-time employees, potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries, and any suppliers, customers, agents and advisers who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries (the “**Eligible Participants**”).

3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

The maximum number of Shares in respect of the options granted by the Company under the Share Option Scheme and any other share option schemes must not in aggregate exceed 80,000,000 Shares (representing 10% of the Shares in issue immediately upon completion of the Share Offer (as defined in the Prospectus) and approximately 7.22% of the Shares in issue as at the date of this report).

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT UNDER THE SHARE OPTION SCHEME

The maximum number of Shares comprising in the options that may be granted under the Share Option Scheme to any Eligible Participant shall not, when aggregated with

- (a) any Shares issued upon exercise of options under the Share Option Scheme or options under other schemes which have been granted to that Eligible Participant;

購股權計劃之主要條款載列如下：

1. 目的

購股權計劃的目的為令本公司向合資格參與者(定義見下文第2段)授出購股權作為彼等對本集團作出貢獻或潛在貢獻的激勵或獎勵。

2. 合資格參與者

董事會可酌情向本公司或其任何附屬公司的任何全職或兼職僱員、潛在僱員、行政人員或高級職員(包括執行、非執行及獨立非執行董事)及董事會單獨認為將會對或已經對本公司及／或其任何附屬公司作出貢獻的任何供應商、客戶、代理人及顧問(「合資格參與者」)授出購股權以認購董事會可能決定的有關數目新股份。

3. 可發行的股份數目上限

本公司根據購股權計劃及任何其他購股權計劃授出的購股權所涉及的股份數目合共不得超過80,000,000股股份(分別相當於緊接股份發售(定義見招股章程)完成後已發行股份的10%及於本報告日期已發行股份的約7.22%)。

4. 各參與者於購股權計劃下的最高權益

於直至要約日期止任何12個月期間，根據購股權計劃可能授予任何合資格參與者的購股權所涉及的最多股份數目計及以下各項

- (a) 因行使購股權計劃項下的購股權或根據其他計劃已經授予該合資格參與者的購股權已發行的任何股份；



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- (b) any Shares which would be issued upon the exercise of outstanding options under the Share Option Scheme or options under other schemes granted to that Eligible Participant; and
- (c) any cancelled Shares which were the subject of options under the Share Option Scheme or options under other schemes which had been granted to and accepted by that Eligible Participant,

in any 12-month period up to the offer date, exceed 1% of the number of Shares in issue on the offer date. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company to the Shareholders, which shall comply with the Listing Rules; and
- (ii) the approval of the Shareholders in a general meeting at which that Eligible Participant and his/her/its associates (as defined in the Listing Rules) shall abstain from voting.

Where any grant of options to a substantial shareholder (as defined in the Listing Rules) of the Company or an INED, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue on the date of such grant; and (ii) having an aggregate value, based on the official closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant, in excess of HK\$5.0 million, such further grant of the options shall be subject to the approval of the Shareholders with such person/entity and his/her/its core connected persons (as defined in the Listing Rules) abstaining from voting in favour at the general meeting.

- (b) 因行使購股權計劃項下的未行使的購股權或根據其他計劃已經授予該合資格參與者的購股權將發行的任何股份；及
- (c) 註銷購股權計劃項下的購股權或根據其他計劃已授予合資格參與者並獲合資格參與者接納的購股權所涉及的任何股份，

不得超過於要約日期已發行股份數目的1%。任何進一步授出超過該1%限制的購股權應受以下各項規限：

- (i) 本公司遵守上市規則向股東發佈通函；及
- (ii) 股東於股東大會批准，而合資格參與者及其聯繫人(定義見上市規則)應放棄投票。

倘向本公司主要股東(定義見上市規則)或獨立非執行董事或彼等各自的任何聯繫人授出任何購股權會導致截至授出日期(包括該日)止12個月期間因向該人士已授出或將予授出之所有購股權(包括已行使、已註銷及尚未行使購股權)獲行使而發行及將予發行之股份(i)總計佔於該授出日期已發行股份超過0.1%；及(ii)總值(根據股份於授出日期於聯交所每日報價表所示之官方收市價計算)超過5.0百萬港元，則進一步授出該等購股權須獲股東於股東大會批准(有關人士／實體及其核心關連人士(定義見上市規則)須放棄投票)。



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Any grant of options to any Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates under the Share Option Scheme is subject to the prior approval of the INEDs (excluding the INED who is the grantee of an option).

5. PERIOD WITHIN WHICH THE SECURITIES MUST BE EXERCISED UNDER AN OPTION

Unless otherwise provided in the respective grantee's offer document, each of the grantees to whom an option has been granted under the Share Option Scheme shall be entitled to exercise his/her/its option in the following manner:

- (a) up to 33% of the Shares that are subject to the option so granted to him/her/it (rounded down to the nearest whole number) at any time during the period commencing on the first anniversary of the date on which such option is granted (the "**Commencement Date**") and ending on the expiry of the period to be notified by the Board to each grantee (the "**Option Period**"), within which the option may be exercisable provided that the Option Period shall not exceed a period of ten years commencing on the Commencement Date;
- (b) up to 66% of the Shares that are subject to the option so granted to him/her/it (rounded down to the nearest whole number) at any time during the period commencing on the second anniversary of the Commencement Date and ending on the expiry of the Option Period; and
- (c) up to 100% of the Shares that are subject to the option so granted to him/her/it (rounded down to the nearest whole number) at any time during the period commencing on the third anniversary of the Commencement Date and ending on the expiry of the Option Period.

根據購股權計劃向本公司任何董事、最高行政人員或主要股東(定義見上市規則)或彼等各自的任何聯繫人授出任何購股權，須事先經獨立非執行董事(不包括本身為購股權承授人的獨立非執行董事)批准。

5. 證券必須在期限內根據購股權行使

除非各承授人的要約文件另行規定，否則根據購股權計劃獲授予購股權的各承授人應有權以下列方式行使其購股權：

- (a) 於授出購股權當日(「**開始日期**」)的第一週年起至董事會告知各承授人可行使購股權的期限(「**購股權期限**」)屆滿為止的期間(惟購股權期限自開始日期起不應超過十年)內任何時間，承授人獲授予的購股權所涉及股份的最多33%(四捨五入至最接近的整數)；
- (b) 於開始日期的第二週年起至購股權期限屆滿為止的期間內任何時間，承授人獲授予的購股權所涉及股份的最多66%(四捨五入至最接近的整數)；及
- (c) 於開始日期的第三週年起至購股權期限屆滿為止的期間內任何時間，承授人獲授予的購股權所涉及股份的最多100%(四捨五入至最接近的整數)。



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6. VESTING PERIOD

There is no minimum period (i.e., vesting period) for which an option granted must be held before it can be exercised unless otherwise imposed by the Directors.

7. PERIOD FOR AND CONSIDERATION PAYABLE ON ACCEPTANCE OF AN OPTION

An offer for the grant of option must be accepted within the time period specified in the relevant offer document. A sum of HK\$1.00 is payable as consideration upon acceptance of the offer.

8. BASIS OF DETERMINING THE EXERCISE PRICE

The exercise price in relation to each option offered to an Eligible Participant shall be determined by the Board (or its committee) in its sole discretion, save that such price shall not be less than the highest of:

- (a) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, which must be a day on which the Stock Exchange is open for business of dealing in securities (the "**Business Day**");
- (b) the average of the official closing prices of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five Business Days immediately preceding the date of grant; and
- (c) the nominal value of a Share.

6. 歸屬期

除非董事另行施加規定，概無就所授出購股權設有在其可行使之前必須持有的最短期限(即歸屬期)。

7. 接納購股權的期限及應付代價

授出購股權的要約必須在有關要約文件指定的期限內接納。接納要約後，應付1.00港元作為代價。

8. 釐定行使價的基準

提供予合資格參與者的各份購股權的相關行使價應當由董事會(或其委員會)全權釐定，惟有關價格將不得低於以下各項最高者：

- (a) 授出日期(須為聯交所開市進行證券交易業務的日子(「營業日」)聯交所每天報價表所列的股份正式收市價；
- (b) 緊接授出日期前五個營業日聯交所每天報價表所列的股份正式平均收市價；及
- (c) 股份的面值。



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9. REMAINING LIFE OF THE SHARE OPTION SCHEME

The Share Option Scheme will remain in force for a period of 10 years commencing on 26 September 2014.

EQUITY-LINKED AGREEMENTS

Save for the share option granted with details set out under the section headed “Share Option Scheme” in this report, the Company has not entered into any equity-linked agreements that (i) will or may result in the Company issuing Shares; or (ii) require the Company to enter into any agreement that will or may result in the Company issuing Shares during the Year and no such agreement subsisted at the end of the Year.

ARRANGEMENTS FOR DIRECTORS TO ACQUIRE SHARES

Save as disclosed above in the section headed “Share Option Scheme”, at no time during the Year or at the end of the Year was the Company or any of its subsidiaries a party to any arrangement to enable a Director to acquire benefits by means of the acquisition of the Shares or any shares in or debentures of the Company or any other body corporate.

MANAGEMENT CONTRACT

No contracts (except for the executive Directors' service contracts) concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the Year.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and the five individuals with the highest emoluments for the Year are set out in notes 10 and 11, respectively to the Notes to the Consolidated Financial Statements in this annual report.

9. 購股權計劃的剩餘期限

購股權計劃將自二零一四年九月二十六日起計10年期間維持有效。

股票掛鈎協議

除本報告「購股權計劃」一節所詳述之已授出購股權外，本公司概無訂立任何股票掛鈎協議而(i)將會或可能導致本公司發行股份；或(ii)要求本公司訂立將會或可能會導致本公司於本年度發行股份之任何協議，且本年度末亦不存在任何該等協議。

董事購入股份的安排

除上文「購股權計劃」一節所披露者外，本公司或其任何附屬公司於本年度或年末任何時間概無訂立任何安排，致使董事可藉購入股份或本公司或任何其他法人團體的任何股份或債權證而獲益。

管理合約

於本年度內，就本公司或其附屬公司整體或任何重要環節業務方面並無訂立或存在管理及行政合約(執行董事的服務合約除外)。

董事薪酬及五名最高薪酬人士

於本年度內，董事薪酬及五名最高薪酬人士的詳情分別載於本年報綜合財務報表附註的附註10及11。



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INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2022, the interests or short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO")), which were required: (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interest in the Company's ordinary Shares of HK\$0.0001 each

本公司董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於二零二二年十二月三十一日，本公司董事或最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有：(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括彼等根據證券及期貨條例的該等條文被當作或視為擁有的權益或淡倉)；或(ii)根據證券及期貨條例第352條須登記於該條所指登記冊的權益或淡倉；或(iii)根據標準守則須知會本公司及聯交所的權益或淡倉如下：

於本公司每股面值0.0001港元的普通股份之權益

Name of Directors/Chief Executive 董事/最高行政人員姓名	Capacity/Nature of Interest 身份/權益性質	Number of Shares Held 所持股份數目	Approximate Percentage of Shareholding Interest in the Company ⁽⁴⁾ 於本公司股權概約百分比 ⁽⁴⁾
Mr. Chau 周先生	Interest in a controlled corporation 受控法團權益	225,000,000 ⁽¹⁾	20.32%
Mr. Chan 陳先生	Interest in controlled corporations 受控法團權益	353,200,000 ⁽²⁾	31.90%



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Notes:

- (1) Wealthy Sea which held 225,000,000 Shares is owned as to 90% and 10% by Mr. Chau, an executive Director and the Chairman and Ms. Wong Mei Ling, the wife of Mr. Chau, respectively.
- (2) Everbest Environmental which held 337,500,000 Shares was owned as to 50%, 30% and 20% by Ms. Wong Shu Ying (“**Ms. Wong**”), Ms. Judy Chan and Mr. Chan, an executive Director and the CEO, respectively. Mr. Chan is the sole director of Everbest Environmental. Ms. Wong is the mother of all of Ms. Judy Chan, Mr. Chan and Mr. Brian Chan, the NED. Mr. Chan also owns 20% of the issued shares in Kingdrive Limited which in turn owns 100% of the issued shares in Carlton Asia Limited (“**Carlton Asia**”). Carlton Asia held 15,700,000 Shares and is accustomed to act in accordance with the directions of Mr. Chan.
- (3) All the above Shares were held in long position.
- (4) The calculation is based on the total number of 1,107,300,000 Shares in issue as at 31 December 2022.

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares, or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which had been notified to the Company and the Stock Exchange or entered in the register referred to in the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2022, to the best of the Directors' knowledge, the following entities or persons (other than the Directors and chief executives of the Company) had or were deemed or taken to have an interest and/or a short position in the Shares or the underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which was recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

附註：

- (1) 潤海持有225,000,000股股份，並由執行董事兼主席周先生及王美玲女士(周先生的妻子)分別擁有90%及10%。
- (2) Everbest Environmental 持有337,500,000股股份並由王穗英女士(「**王女士**」)、陳芳女士及執行董事兼行政總裁陳先生分別擁有50%、30%及20%。陳先生為Everbest Environmental 的唯一董事。王女士為陳芳女士、陳先生及非執行董事陳栢林先生的母親。陳先生亦持有Kingdrive Limited 20%已發行股份，而該公司擁有Carlton Asia Limited (「**Carlton Asia**」)100%已發行股份。Carlton Asia 擁有15,700,000股股份及慣於按照陳先生的指示行事。
- (3) 上述所有股份均以好倉持有。
- (4) 該計算乃基於二零二二年十二月三十一日已發行股份總數 1,107,300,000 股作出。

除上文所披露者外，於二零二一年十二月三十一日，概無本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債權證中擁有已知會本公司及聯交所或已登記於證券及期貨條例所指登記冊或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

主要股東及其他人士於本公司股份及相關股份中的權益及淡倉

於二零二二年十二月三十一日，就董事所知，下列實體或人士(本公司董事及最高行政人員除外)擁有或被視作或當作於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部的條文作出披露或記錄於根據證券及期貨條例第336條本公司須存置的登記冊內的權益及／或淡倉。



Directors' Report 董事會報告

Interest in the Company's ordinary Shares of HK\$0.0001 each

於本公司每股面值0.0001港元的普通股份之權益

Name of Shareholders	Capacity/Nature of Interest	Number of Shares Held	Total	Approximate Percentage of Shareholding Interest in the Company ⁽⁶⁾ 佔本公司股權概約百分比 ⁽⁶⁾
股東姓名／名稱	身份／權益性質	所持股份數目	總計	
Everbest Environmental	Beneficial interest 實益權益	337,500,000 ⁽¹⁾	337,500,000	30.48%
Ms. Wong 王女士	Beneficial interest 實益權益	20,415,000 ⁽¹⁾	373,310,000	33.71%
	Interest in controlled corporations 受控法團權益	352,895,000 ⁽¹⁾		
Mr. Chan Chun Keung 陳進強先生	Interest in a controlled corporation 受控法團權益	15,395,000 ⁽²⁾	373,310,000	33.71%
	Interest held by spouse 配偶所持權益	357,915,000 ^{(1)&(2)}		
Wealthy Sea 潤海	Beneficial interest 實益權益	225,000,000 ⁽³⁾	225,000,000	20.32%
Ms. Wong Mei Ling 王美玲女士	Interest held by spouse 配偶所持權益	225,000,000 ⁽³⁾	225,000,000	20.32%
Morgan Top Trading Co., Ltd.	Beneficial interest 實益權益	143,300,000	143,300,000	12.94%

Notes:

附註：

(1) Each of Everbest Environmental and Hightop Investment Limited (“**Hightop**”) is owned as to 50% by Ms. Wong and therefore, Ms. Wong is deemed to be interested in the 337,500,000 Shares and 15,395,000 Shares held by Everbest Environmental and Hightop respectively pursuant to the SFO. Also, Ms. Wong is beneficially interested in 20,415,000 Shares.

(1) Everbest Environmental及高峻投資有限公司(「高峻」)各由王女士擁有50%，因此，根據證券及期貨條例，王女士被視為分別於Everbest Environmental及高峻所持有的337,500,000股及15,395,000股股份中擁有權益。王女士亦於20,415,000股股份中擁有實益權益。

(2) Hightop is also owned as to 50% by Mr. Chan Chun Keung, the husband of Ms. Wong. Therefore, Mr. Chan Chun Keung is deemed to be interested in the 15,395,000 Shares held by Hightop, 337,500,000 Shares deemed to be held by Ms. Wong through Everbest Environmental and 20,415,000 Shares beneficially owned by Ms. Wong pursuant to the SFO.

(2) 高峻亦由陳進強先生擁有50%(王女士的丈夫)。因此，根據證券及期貨條例，陳進強先生被視為於高峻所持有的15,395,000股股份、視為王女士透過Everbest Environmental所持有的337,500,000股股份及王女士實益擁有的20,415,000股股份中擁有權益。



Directors' Report 董事會報告

- (3) Wealthy Sea is owned as to 90% and 10% by Mr. Chau, an executive Director and the Chairman, and Ms. Wong Mei Ling, the wife of Mr. Chau, respectively. Ms. Wong Mei Ling is, therefore, deemed to be interested in the 225,000,000 Shares held by Wealthy Sea controlled by Mr. Chau pursuant to the SFO.
- (4) All the above Shares were held in long position.
- (5) The calculation is based on the total number of 1,107,300,000 Shares in issue as at 31 December 2022.

Save as disclosed above, as at 31 December 2021, the Directors were not aware of any entities which or persons (other than a Director or the chief executive of the Company) who had, or were deemed or taken to have interests or short positions in the Shares or the underlying Shares, which had been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were entered in the register kept by the Company under the SFO.

RETIREMENT BENEFIT SCHEMES/PENSION SCHEME

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) in Hong Kong under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to 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.

The employees of the Group's operations in the PRC are required to participate in the central pension schemes operated by the local municipal governments, the assets of which are held separately from those of the Group. Contributions are made by the Group based on a percentage of the participating employees' salaries and are charged to profit or loss as they become payable in accordance with the rules of the central pension schemes. The employer contributions vest fully with the employees once made.

- (3) 潤海由執行董事兼主席周先生及王美玲女士(周先生的妻子)分別擁有90%及10%。因此，根據證券及期貨條例，王美玲女士被視為於周先生控制的潤海所持有的225,000,000股股份中擁有權益。
- (4) 上述所有股份均以好倉持有。
- (5) 該計算乃基於二零二二年十二月三十一日已發行股份總數 1,107,300,000 股作出。

除上文所披露者外，於二零二一年十二月三十一日，董事並不知悉有任何實體或人士(董事或本公司最高行政人員除外)於股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露的權益或淡倉，或登記於本公司根據證券及期貨條例存置的登記冊的權益或淡倉。

退休福利計劃／退休金計劃

本集團遵照香港法例第485章強制性公積金計劃條例為合資格參與強制性公積金計劃(「**強積金計劃**」)的僱員在香港設立一項定額供款強積金計劃。供款按僱員基本薪酬的某一百分比計算，並於根據強積金計劃規則規定需要支付時自損益扣除。強積金計劃資產與本集團資產分開以獨立管理基金持有。本集團按強積金計劃作出的僱主供款全數歸屬於僱員。

本集團於中國業務的僱員須參加由當地市政府營辦的中央退休金計劃，該等計劃的資產與本集團資產分開持有。供款乃由本集團根據中央退休金計劃的規則按參與僱員薪金的某一百分比計算，並於應付時從損益扣除。僱主的供款於其作出供款時即全面歸屬予僱員。



Directors' Report 董事會報告

Under the Indonesia Labour Law, companies are required to pay separation, appreciation and compensation benefits to their employees if the conditions specified in the Indonesia Labour Law are met. The Company's subsidiaries in Indonesia estimate their liability for employee service entitlement benefits in order to meet and cover the minimum benefits requirement to be paid to employees under the Indonesia Labour Law. For further information, please refer to note 35 to the Notes to the Consolidated Financial Statements in this annual report.

No forfeited contributions were incurred during the Year. For further information, please refer to note 35 to the Notes to the Consolidated Financial Statements in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, the Company maintained adequate public float (i.e. at least 25% of the issued Shares being held by the public) during the Year and up to the date of this report.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in the ordinary course of business by the Group during the Year are set out in note 38 to the Notes to the Consolidated Financial Statements in this annual report.

CONNECTED TRANSACTIONS

During the Year, the Group had not conducted any "one-off connected transaction" or "continuing connected transaction" (as defined under Chapter 14A of the Listing Rules) which is subject to reporting and annual review requirements under the Listing Rules. Save for disclosed in note 38(a) and (b) to the Notes to the Consolidated Financial Statements in this annual report, the transactions disclosed in note 38 to the Notes to the Consolidated Financial Statements in this annual report as related party transactions did not fall under the definition of "connected transaction" or "continuing connected transaction" (as defined under Chapter 14A of the Listing Rules) or are fully exempt continuing connected transactions under Rule 14A.73 of the Listing Rules.

根據《印尼勞工法》，倘《印尼勞工法》中指定的條件適用，公司必須向其僱員支付離職、升職及賠償福利。本公司的印尼附屬公司，會估計僱員服務應付福利的負債，以符合及涵蓋《印尼勞工法》必須向僱員提供福利的最低要求。進一步資料，請參閱本年報綜合財務報表附註的附註35。

本年度並無產生沒收供款。進一步資料，請參閱本年報綜合財務報表附註的附註35。

足夠公眾持股量

根據本公司所取得的公開資料及據董事所知，本公司於本年度及直至本報告日期維持足夠公眾持股量(即至少25%的已發行股份由公眾持有)。

關聯方交易

本集團於本年度在日常業務過中進行的關聯方交易詳情載於本年報綜合財務報表附註的附註38。

關連交易

於本年度內，本集團並無進行任何須遵守上市規則項下申報及年度審閱規定的「一次性關連交易」或「持續關連交易」(定義見上市規則第14A章)。除本年報綜合財務報表附註38(a)及(b)所披露者外，本年報綜合財務報表附註的附註38披露為關聯方交易的交易不符合「關連交易」或「持續關連交易」(定義見上市規則第14A章)的定義，並是根據上市規則第14A.73條規定獲全面豁免的持續關連交易。



DEED OF NON-COMPETITION

Each of Ms. Judy Chan, Mr. Chan (an ED and the CEO), Ms. Wong, Everbest Environmental (a company owned by Ms. Wong, Ms. Judy Chan and Mr. Chan as to 50%, 30% and 20%, respectively), Mr. Chau (an ED and the Chairman) and Wealthy Sea (a company owned as to 90% and 10% by Mr. Chau and his wife, respectively) (collectively, the “**Controlling Shareholders**”) executed a deed of non-competition (the “**Deed of Non-Competition**”) in favour of the Company on 5 September 2014. Pursuant to the Deed of Non-Competition, each of the Controlling Shareholders has unconditionally and irrevocably agreed, undertaken to and covenanted with the Company (for itself and for the benefits of other members of the Group) that it/he/she would not, and would procure its/his/her associates (other than members of the Group) not to, directly or indirectly, either on its/his/her own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, director, partner, agent, employee or otherwise, and whether for profit, reward or otherwise) any activity or business which competes or is likely to compete, directly or indirectly, with the business of operating wastewater treatment facilities in the PRC by the Group as described in the Prospectus and any other business from time to time conducted, carried on or contemplated to be carried on by any member of the Group or in which any member of the Group is engaged or has invested or which any member of the Group has otherwise publicly announced its intention to enter into, engage in or invest in (whether as principal or agent and whether undertaken directly or through any body corporate, partnership, joint venture, or other contractual or other arrangement).

The Company has received from each of the Controlling Shareholders an annual written declaration as to the compliance with the terms of the Deed of Non-Competition during the Year. The INEDs had reviewed the compliance by each of the Controlling Shareholders with the Deed of Non-Competition and were not aware of the occurrence of any adverse event, confirmed that the Controlling Shareholders had not been in breach of the Deed of Non-Competition during the Year.

不競爭契據

陳芳女士、陳先生(執行董事兼行政總裁)、王女士、Everbest Environmental(一家由王女士、陳芳女士及陳先生分別擁有50%、30%及20%的公司)、周先生(執行董事兼主席)及潤海(一家由周先生及其妻子分別擁有90%及10%的公司)(統稱「**控股股東**」)各自與本集團於二零一四年九月五日就本公司的利益訂立不競爭契據(「**不競爭契據**」)。根據不競爭契據，控股股東各自無條件及不可撤回地同意、向本公司(為其本身及本集團其他成員公司的利益)承諾及契諾，其不會及會促使其聯繫人(本集團成員公司除外)不會直接或間接地以自己的名義或聯同或代表任何人士、商號或公司(其中包括)進行、參與、從事、收購或持有任何直接或間接與招股章程所述本集團在中國經營的污水處理設施業務，以及本集團任何成員公司不時經營、進行或擬進行或本集團任何成員公司從事或投資或本集團任何成員公司已公開宣佈其有意訂立、從事或投資(不論是否以主事人或代理人身份及不論是否直接或透過任何法人團體、合夥、合營公司或其他合約或其他安排進行)的任何其他業務競爭或可能競爭的任何活動或業務或於當中擁有權益(在各個情況下不論是否以股東、董事、合夥人、代理人、僱員或其他身份及不論以牟利、獎勵或其他方式)。

於本年度內，本公司已接獲各控股股東就遵行不競爭契據條款的年度書面聲明函。獨立非執董事已審閱各控股股東遵行不競爭契據之情況及並未得悉任何不利事件的發生，並已確認控股股東於本年度並無違反不競爭契據。



Directors' Report 董事會報告

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the Year and up to the date of this report, none of the Directors is considered to have interests in a business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group and has any other conflicts of interest, as required to be disclosed under the Listing Rules.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed above and in note 37 to the Notes to the Consolidated Financial Statements in this annual report, no controlling Shareholder or any of its subsidiaries had a material interest, either directly or indirectly, in any contract of significance (whether for the provision of services to the Group or not) to the business of the Group to which the Company or any of its subsidiaries was a party during the Year.

PERMITTED INDEMNITIES

Pursuant to the Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour, or in which he/she is acquitted. In addition, proper insurance coverage in respect of legal actions against the Directors' liability has been arranged. The relevant provisions in the Articles of Association and the Directors' liability insurance were in force during the Year and as at the date of this report.

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

董事於競爭業務的權益

於本年度及直至本報告日期，概無董事被認為於與本集團業務直接或間接競爭或可能產生競爭的業務(本集團業務除外)中擁有權益及擁有根據上市規則須予披露的任何其他利益衝突。

控股股東於重大合約之權益

除上文及本年報綜合財務報表附註的附註37所披露者外，概無控股股東或其任何附屬公司於本年度內在本公司或其任何附屬公司屬訂約方且與本集團業務有重大關係的任何合約(不論是否向本集團提供服務)中直接或間接擁有任何重大權益。

獲准許彌償

根據組織章程細則，每名董事以董事身份對其獲判勝訴或無罪的任何訴訟(不論民事或刑事)進行抗辯，所引致或蒙受之一切損失或責任應從本公司資產當中獲得彌償。此外，本公司已就董事可能面對之法律訴訟作適當投保安排。組織章程細則之相關條文及董事責任保險均於本年度及截至本報告日期生效。

稅項寬減

本公司並不知悉股東因持有股份而可獲得任何稅項寬減。倘股東不確定購買、持有、出售、買賣或行使股份相關權利方面的稅務影響，彼等應諮詢專業顧問。



Directors' Report 董事會報告

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2022, the Group had 185 employees (31 December 2021: 122 employees). Employee costs, including Directors' emoluments, amounted to approximately HK\$14.6 million for FY2022 (FY2021: HK\$14.7 million). The remuneration policy for our Directors, senior management members and general staff is based on their experience, level of responsibility and general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of our Group and the individual performance of our Directors, senior management members and general staff. The Group encourages the self-development of its employees and provides on-the-job training where appropriate.

The Company adopted a share option scheme on 5 September 2014 for the purpose of providing incentives and rewards to eligible directors and employees of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During FY2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

僱員及薪酬政策

於二零二二年十二月三十一日，本集團共有185名(二零二一年十二月三十一日：122名)僱員。二零二二財政年度的僱員成本(包括董事酬金)約為14.6百萬港元(二零二一財政年度：14.7百萬港元)。我們的董事、高級管理層成員以及一般員工的薪酬政策乃根據彼等的經驗、所負責任及一般市場情況釐定。任何酌情花紅及其他獎勵金均與本集團溢利表現及董事、高級管理層成員以及一般員工的個人表現掛鈎。本集團鼓勵其僱員自我發展，並提供適當的在職培訓。

本公司已於二零一四年九月五日採納一項購股權計劃，以激勵及獎勵本集團合資格董事及僱員。

購買、銷售或贖回上市證券

於二零二二財政年度內，本公司或其任何附屬公司概無購買、銷售或贖回本公司任何上市證券。



Directors' Report 董事會報告

CORPORATE GOVERNANCE

Details of the principal corporate governance policies and practices adopted by the Company are set out in the Corporate Governance Report on pages 68 to 105 of this annual report.

REVIEW BY AUDIT COMMITTEE

The Company has established an Audit Committee in compliance with paragraph D.3 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process, risk management and internal controls. As at the date of this report, the Audit Committee comprises three members, namely Ms. Ng (who is also the chairlady of the Audit Committee), Mr. Ng and Ms. Leung, all being the INEDs. The Audit Committee has reviewed with the Company's management the accounting principles and practices adopted by the Group and the annual audited consolidated results of the Group for the Year.

UPDATE ON THE DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, there has been no change in Directors' information since the date of the 2022 interim report of the Company.

企業管治

本公司採納之主要企業管治政策及慣例之詳情載於本年報第68至105頁之企業管治報告。

由審核委員會審閱

本公司已遵照上市規則附錄十四所載企業管治守則第D.3段成立審核委員會，旨在審閱及監督本集團的財務申報程序、風險管理及內部管控。於本報告日期，審核委員會包括三名成員，即獨立非執行董事伍女士（其亦擔任審核委員會主席）、吳先生及梁女士。審核委員會已與本公司管理層審閱本集團所採納的會計原則及慣例以及本集團於本年度的年度經審核綜合業績。

根據上市規則第13.51B(1)條更新董事資料

根據上市規則第13.51B(1)條，自本公司二零二二年中期報告日期以來概無董事資料的變動。



Directors' Report 董事會報告

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu (“**Deloitte**”) resigned as the independent auditor of the Group with effect from 26 November 2019. Baker Tilly Hong Kong Limited (“**Baker Tilly**”) was appointed as the independent auditor of the Company with effect from 12 December 2019 to fill the casual vacancy following the resignation of Deloitte.

The consolidated financial statements of the Group for the Year have been audited by Baker Tilly, which will retire and, being eligible, offer itself for re-appointment at the forthcoming 2023 AGM. Having been approved by the Board upon the Audit Committee’s recommendation, a resolution to re-appoint Baker Tilly as the independent auditor of the Company and to authorise the Directors to fix its remuneration will be proposed at the forthcoming 2023 AGM.

On behalf of the Board

Chau On Ta Yuen
Chairman

Hong Kong, 30 March 2023

獨立核數師

德勤•關黃陳方會計師行(「**德勤**」)辭任本集團獨立核數師，自二零一九年十一月二十六日起生效。天職香港會計師事務所有限公司(「**天職**」)已獲委任為本公司獨立核數師以填補德勤辭任後的臨時職位空缺，自二零一九年十二月十二日生效。

本集團就本年度之綜合財務報表經已由天職審核，天職將退任及符合資格並願意於即將舉行之二零二三年股東週年大會接受續聘。經董事會根據審核委員會的推薦意見批准，續聘請天職為本公司獨立核數師並授權董事訂定彼等薪酬之決議案將於即將舉行之二零二三年股東週年大會提呈。

代表董事會

主席
周安達源

香港，二零二三年三月三十日



Independent Auditor's Report 獨立核數師報告



**TO THE SHAREHOLDERS OF
ELL ENVIRONMENTAL HOLDINGS LIMITED**
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of ELL Environmental Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 140 to 287, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致強泰環保控股有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第140至287頁的強泰環保控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零二二年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零二二年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作出進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



Independent Auditor's Report 獨立核數師報告

**TO THE SHAREHOLDERS OF
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KEY AUDIT MATTERS

關鍵審計事項

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

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Key audit matter
關鍵審計事項

How our audit addressed the key audit matter
我們的審計如何對關鍵審計事項進行處理

Revenue and profit from construction services and imputed interest income on receivables under service concession arrangements

來自建設服務的營業收入及溢利以及服務特許權安排下應收款項推算利息收入

Refer to notes 4, 5 and 16 to the consolidated financial statements

請參閱綜合財務報表附註4、5及16

We identified recognition of revenue and profit from construction services and imputed interest income on receivables under service concession arrangements as a key audit matter due to the significant estimation made by the Group's management.

由於貴集團管理層所作重大估計，我們將來自建設服務的營業收入及溢利以及服務特許權安排下應收款項的推算利息收入認定為關鍵審計事項。

Our procedures in relation to recognition of revenue and profit from construction services and imputed interest income on receivables under service concession arrangements included:

我們就確認來自建設服務的營業收入及溢利以及服務特許權安排下應收款項的推算利息收入採取的程序包括：

- Examining the related BOT agreements entered into between the governments and the Group to assess the appropriateness of the related accounting treatment adopted by the Group;
- 審查政府與貴集團訂立的相關BOT協議，以評估貴集團所採納相關合計處理的適當性；



Independent Auditor's Report 獨立核數師報告

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KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

Key audit matter 關鍵審計事項

How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理

As disclosed in note 4 to the consolidated financial statements, revenue from construction of biomass power facilities under the terms of build-operate-transfer (the "BOT") arrangement are estimated on a cost-plus basis in which the construction margin is estimated with reference to a prevailing market rate of gross margins of market comparable at the time of construction. Revenue from construction services is recognised using the percentage-of-completion method measured by reference to the proportion of costs incurred to date to the estimated total cost of the construction contract.

如綜合財務報表附註4所披露，根據建設—經營—移交("BOT")安排條款來自生物質發電設施的營業收入以成本加成法估計，而建設毛利率乃參考於建造時可資比較的現行市場毛利率估計。來自建設服務的營業收入採用完工百分比方法確認入賬，及參考迄今已產生成本佔建造合約估計總成本的比例計量。

Imputed interest income from wastewater treatment and biomass power facilities under the terms of the BOT arrangement is recognised from time to time on receivables under service concession arrangements on an accrual basis using the effective interest method by discounting the estimated future cash receipts over the service concession period at the estimated effective interest rate computed at initial recognition.

服務特許權安排下的應收款項不時會使用實際利率法按累計基準確認BOT安排條款下污水處理及生物質發電設施的推算利息收入，並按照初始確認時計算的估計實際利率將服務特許期的估計未來現金收入貼現。

- Understanding the Group's estimation of the construction margin, the available industry and market data of market comparables at the time of construction and the involvement of an independent valuer appointed by the Group for the revenue from construction services;
- 對於來自建設服務的營業收入，了解貴集團對建設毛利率的估計、建造時可得可資比較市場的行業與市場數據及貴集團委聘的獨立估值師的參與；
- Evaluating the independent external valuer's competence, capabilities and objectives of the exercise and assessing its valuation methodology;
- 評估獨立外部估值師的資歷、能力及其審核客觀性及評估其估值方法；
- Assessing the reasonableness of the percentage-of-completion measured by reference to the proportion of costs incurred to date to the estimated total cost of the construction contract;
- 評估參考迄今已產生成本佔建造合約估計總成本的比例計量的完工百分比的合理性；
- Verifying the construction costs incurred during the year by examining the contracts, invoices, completion reports and other supporting documents on a sample basis;
- 透過抽樣審查合約、發票、完工報告及其他證明文件，核查年內產生的建設成本；



Independent Auditor's Report 獨立核數師報告

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KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
<p>The Group engages an independent qualified valuer to access the prevailing market rate of gross margin of market comparable and the effective interest rate for service concession arrangements as mentioned above.</p> <p>貴集團聘請獨立合資格估值師評估上述可資比較市場的現行市場毛利率及服務特許權安排的實際利率。</p> <p>As disclosed in notes 5 and 16 to the consolidated financial statements, the Group recognised revenue and profit from construction services of HK\$114,389,000 and HK\$13,479,000, respectively, and imputed interest income on receivables under services concession arrangements of HK\$18,258,000 during the year ended 31 December 2022.</p> <p>如綜合財務報表附註5及16所披露，截至二零二二年十二月三十一日止年度，貴集團確認來自建設服務的營業收入及溢利分別為114,389,000港元及13,479,000港元，服務特許權安排下應收款項的推算利息收入為18,258,000港元。</p>	<ul style="list-style-type: none">• Evaluating the estimated total cost of construction contract by reference to the signed contracts and approved budgets; and • 參考已簽訂合約及已批准預算評估建造合約的估計總成本；及• Evaluating the reasonableness of estimated effective interest rate for the imputed interest income on receivables under service concession arrangements by benchmarking against market data. • 以市場數據為基準評估服務特許權安排下應收款項的推算利息收入的估計實際利率的合理性。



Independent Auditor's Report 獨立核數師報告

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KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
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Impairment assessment of property, plant and equipment 物業、廠房及設備的減值評估

Refer to notes 4 and 15 to the consolidated financial statements
請參閱綜合財務報表附註4及15

We identified impairment assessment of property, plant and equipment as a key audit matter due to the significant judgements made by the management in assessing the recoverable amount of the cash-generating unit (“CGU”), which is derived from value in use calculations using discounted cash flow model.

由於貴集團管理層在評估現金產生單位(「現金產生單位」)的可收回金額(由貼現現金流量模型計算使用價值計算得出)時會作出重大判斷，我們將物業、廠房及設備減值評估確定為關鍵審計事項。

Management's impairment assessment of property, plant and equipment is highly judgemental and is dependent on certain key assumptions including the discount rate, growth rates, budgeted sales and gross margin, which are affected by expected future market or economic conditions, particularly those in the Republic of Indonesia (“Indonesia”).

管理層對物業、廠房及設備的減值評估過程涉及重大判斷，而該評估取決於若干重要假設，包括貼現率、增長率及預算銷售及毛利率，前述各項均受預期未來市場或經濟情況所影響，尤其是印度尼西亞共和國(「印尼」)的未來市場或其經濟狀況。

Our procedures in relation to impairment assessment of property, plant and equipment included:

我們就物業、廠房及設備的減值評估採取的程序包括：

- Understanding the Group's impairment assessment process, including the impairment model, preparation of the cash flow projections and involvement of an independent valuer appointed by the Group;
了解貴集團減值評估的過程(包括減值模型、現金流量預測的編製及貴集團委聘的獨立估值師的參與)；
- Evaluating the independent external valuer's competence, capability and objectivity and assessing its valuation methodology;
評估獨立外部估值師的資歷、能力及客觀性及評估其估值方法；



Independent Auditor's Report 獨立核數師報告

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KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
<p>An independent qualified professional valuer is engaged to assess the recoverable amount of the CGU. 貴集團聘請一名獨立合資格專業估值師評估現金產生單位的可收回金額。</p> <p>During the year ended 31 December 2022, no impairment loss was recognised in respect of property, plant and equipment after assessing the recoverable amount of CGU which is principally engaged in the sales of biofuel business in Indonesia. 截至二零二二年十二月三十一日止年度，於評估現金產生單位可收回金額後已就物業、廠房及設備確認並無減值虧損，而現金產生單位主要在印尼從事銷售生物燃料業務。</p>	<ul style="list-style-type: none"> Evaluating the appropriateness of impairment model applied by the management; 評估管理層運用減值模型的恰當性； Comparing the budgeted sales and gross margin against historical performance in respect of the CGU; 將預算銷售及毛利率與過往表現進行比較； Evaluating the accuracy of the management's cash flow forecasts by comparing the actual results of the CGU to the previously forecasted results; 透過將現金產生單位的實際結果與此前預測結果進行比較，以評估管理層的現金流量預測的準確度； Assessing the reasonableness of key inputs or assumptions (including growth rates and discount rate) applied in the impairment assessment; and 評估於減值評估應用的關鍵輸入數據或假設(包括增長率及貼現率)的合理性；及 Evaluating the sensitivity analysis performed by management on the key assumptions as stated above and assessed the potential impacts of a range of possible outcomes. 評估管理層就上述關鍵假設進行的敏感度分析及評估可能結果範圍的潛在影響。



Independent Auditor's Report 獨立核數師報告

**TO THE SHAREHOLDERS OF
ELL ENVIRONMENTAL HOLDINGS LIMITED**
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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

致強泰環保控股有限公司股東

(於開曼群島註冊成立的有限公司)

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部管控負責。

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

治理層須負責監督貴集團的財務報告過程。



Independent Auditor's Report 獨立核數師報告

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

核數師就審計綜合財務報表承擔的責任

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

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並根據我們協定之委聘條款僅向全體股東出具包括我們意見的核數師報告。除此之外，我們的報告不可作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。

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

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計在重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述被視作重大。

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

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部管控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部管控，以設計適當的審計程序，但目的並非對貴集團內部管控的有效性發表意見。



Independent Auditor's Report 獨立核數師報告

**TO THE SHAREHOLDERS OF
ELL ENVIRONMENTAL HOLDINGS LIMITED**
(incorporated in the Cayman Islands with limited liability)

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

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

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

致強泰環保控股有限公司股東

(於開曼群島註冊成立的有限公司)

核數師就審計綜合財務報表承擔的責任(續)

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體呈列方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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



Independent Auditor's Report 獨立核數師報告

**TO THE SHAREHOLDERS OF
ELL ENVIRONMENTAL HOLDINGS LIMITED**
(incorporated in the Cayman Islands with limited liability)

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

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

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

The engagement director on the audit resulting in this independent auditor's report is Wan Wing Ping.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 30 March 2023

Wan Wing Ping
Practicing certificate number P07471

致強泰環保控股有限公司股東
(於開曼群島註冊成立的有限公司)

核數師就審計綜合財務報表承擔的責任(續)

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用情況下，採取消除威脅的行動或防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律或法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目董事是溫永平。

天職香港會計師事務所有限公司
執業會計師
香港，二零二三年三月三十日

溫永平
執業證書編號P07471



Consolidated Statement of Profit or Loss 綜合損益表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		NOTES 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Revenue	營業收入	5	203,659	103,136
Cost of sales	銷售成本		(143,090)	(49,498)
Gross profit	毛利		60,569	53,638
Other income and net gains	其他收入及淨收益	7	4,942	4,456
Loss on disposal of a subsidiary	出售附屬公司的虧損	36	(359)	—
Impairment losses under expected credit loss model	預期信貸虧損模式下的減值虧損		(2,772)	(3,250)
Distribution and selling expenses	分銷及銷售開支		(8,509)	—
Administrative expenses	行政開支		(30,539)	(27,536)
Finance costs	融資成本	8	(9,298)	(4,408)
Profit before tax	除稅前溢利	9	14,034	22,900
Income tax expense	所得稅開支	12	(16,236)	(11,394)
(Loss)/profit for the year	年內(虧損)/溢利		(2,202)	11,506
(Loss)/profit for the year attributable to:	以下各方應佔年內(虧損)/溢利:			
Owners of the Company	本公司擁有人		(3,291)	6,145
Non-controlling interests	非控股權益		1,089	5,361
			(2,202)	11,506
			HK cent 港仙	HK cent 港仙
(Loss)/earnings per share	每股(虧損)/盈利	14		
— Basic	— 基本		(0.30)	0.55
— Diluted	— 攤薄		(0.30)	0.55



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

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
(Loss)/profit for the year	年內(虧損)/溢利	(2,202)	11,506
Other comprehensive (expense)/ income	其他全面(開支)/收入		
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益的項目：</i>		
Actuarial gain of defined benefit retirement plan	界定福利退休計劃之精算收益	28	754
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能重新分類至損益的項目：</i>		
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(41,051)	8,813
Reclassification of cumulative exchange reserve to profit or loss upon disposal of a subsidiary	透過出售附屬公司將累計匯兌 儲備重新分類至損益	(3,693)	—
Net fair value loss on debt instrument at fair value through other comprehensive income	透過其他全面收益按公允值計 量的債務工具之公允值虧損 淨額	(1,429)	(1,303)
Release on redemption of debt instrument at fair value through other comprehensive income	贖回透過其他全面收益按公允 值計量的債務工具時撥回	—	5
Impairment loss for debt instrument at fair value through other comprehensive income included in profit or loss	透過其他全面收益按公允值計 量的債務工具之減值虧損	2,381	—
Other comprehensive (expense)/income for the year, net of income tax	年內其他全面(開支)/收入， 扣除所得稅	(43,764)	8,269
Total comprehensive (expense)/ income for the year	年內全面(開支)/收入總額	(45,966)	19,775
Total comprehensive (expense)/income for the year attributable to:	以下各方應佔年內全面(開支)/ 收入總額：		
Owners of the Company	本公司擁有人	(44,365)	13,265
Non-controlling interests	非控股權益	(1,601)	6,510
		(45,966)	19,775



Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2022 於二零二二年十二月三十一日

		NOTES 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	64,129	71,490
Receivables under service concession arrangements	服務特許權安排下的應收款項	16	298,498	313,194
Goodwill	商譽	17	—	—
Debt instrument at fair value through other comprehensive income	透過其他全面收益按公允價值計量的債務工具	18	583	2,012
Other financial assets at amortised cost	按攤銷成本計量的其他金融資產	19	—	14
Prepayments and other receivables	預付款項及其他應收款項	20	312	341
Restricted bank deposits	受限制銀行存款	21	—	2,960
			363,522	390,011
CURRENT ASSETS	流動資產			
Inventories	存貨		4,417	1,973
Trade receivables	貿易應收款項	20	414	73
Receivables under service concession arrangements	服務特許權安排下的應收款項	16	28,327	25,559
Prepayments and other receivables	預付款項及其他應收款項	20	94,360	30,867
Other financial assets at amortised cost	按攤銷成本計量的其他金融資產	19	—	5
Restricted bank deposits	受限制銀行存款	21	5,405	2,960
Time deposits	定期存款	21	—	12,269
Bank balances and cash	銀行結餘及現金	21	34,611	65,054
			167,534	138,760
CURRENT LIABILITIES	流動負債			
Trade payables	貿易應付款項	22	5,466	3,301
Other payables and accruals	其他應付款項及應計費用	23	10,126	5,984
Amounts due to related parties	應付關聯方款項	24	90,977	35,207
Borrowings	借款	25	41,867	35,107
Lease liabilities	租賃負債	26	438	472
Income tax payable	應付所得稅		6,994	4,972
			155,868	85,043
NET CURRENT ASSETS	流動資產淨值		11,666	53,717
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		375,188	443,728



Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2022 於二零二二年十二月三十一日

		NOTES 附註	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	29	111	111
Reserves	儲備	30	308,389	352,754
Equity attributable to owners of the Company	本公司擁有人應佔權益		308,500	352,865
Non-controlling interests	非控股權益		(5,608)	30,200
TOTAL EQUITY	權益總額		302,892	383,065
NON-CURRENT LIABILITIES	非流動負債			
Amounts due to related parties	應付關聯方款項	24	14,567	4,000
Borrowings	借款	25	20,000	—
Lease liabilities	租賃負債	26	557	—
Deferred tax liabilities	遞延稅項負債	27	22,891	36,620
Provision for major overhauls	重大檢修撥備	28	13,352	18,978
Retirement benefit obligations	退休福利責任	35	929	1,065
			72,296	60,663
			375,188	443,728

The consolidated financial statements on pages 140 to 287 were approved and authorised for issue by the board of directors on 30 March 2023 and are signed on its behalf by:

第140至287頁的綜合財務報表經董事會於二零二三年三月三十日批准及授權刊發，並由下列人士代為簽署：

Chau On Ta Yuen
周安達源
Chairman
主席

Chan Kwan
陳昆
Executive director
執行董事



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

At 31 December 2022 於二零二二年十二月三十一日

		Attributable to owners of the Company 本公司擁有人應佔								Non-controlling interests		Total
		Share capital	Share premium	Share option reserve	Other reserve	Exchange reserve	General reserve	Investment revaluation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	一般儲備	投資重估儲備	累計虧損	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(note 30(A)) (附註30(A))		(note 30(B)) (附註30(B))					
At 1 January 2021	於二零二一年一月一日	111	408,460	121	(31,476)	3,617	24,608	146	(60,451)	345,136	30,028	375,164
Profit for the year	年內溢利	-	-	-	-	-	-	-	6,145	6,145	5,361	11,506
Actuarial gain of defined benefit retirement plan	界定福利退休計劃之精算收益	-	-	-	-	-	-	-	754	754	-	754
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	7,664	-	-	-	7,664	1,149	8,813
Net fair value loss on debt instrument at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的公允值虧損淨額	-	-	-	-	-	-	(1,303)	-	(1,303)	-	(1,303)
Release on redemption of debt instrument at fair value through other comprehensive income	贖回透過其他全面收益按公允值計量的債務工具時撥回	-	-	-	-	-	-	5	-	5	-	5
Total comprehensive income/(expense) for the year	年內全面收益/(開支)總額	-	-	-	-	7,664	-	(1,298)	6,899	13,265	6,510	19,775
Transfer	轉撥	-	(11,073)	-	-	-	3,044	-	8,029	-	-	-
Share options lapsed	已失效之購股權	-	-	(121)	-	-	-	-	121	-	-	-
Dividends recognised as distribution (note 13)	獲確認為分派之股息(附註13)	-	(5,536)	-	-	-	-	-	-	(5,536)	-	(5,536)
Dividends paid to non-controlling interests	已付非控股股東權益股息	-	-	-	-	-	-	-	-	-	(6,338)	(6,338)
		-	(16,609)	(121)	-	-	3,044	-	8,150	(5,536)	(6,338)	(11,874)
At 31 December 2021	於二零二一年十二月三十一日	111	391,851	-	(31,476)	11,281	27,652	(1,152)	(45,402)	352,865	30,200	383,065



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

At 31 December 2022 於二零二二年十二月三十一日

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元 (note 30(A)) (附註30(A))	Exchange reserve 匯兌儲備 HK\$'000 千港元	General reserve 一般儲備 HK\$'000 千港元 (note 30(B)) (附註30(B))	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2022	於二零二二年 一月一日	111	391,851	(31,476)	11,281	27,652	(1,152)	(45,402)	352,865	30,200	383,065
Loss for the year	年內虧損	-	-	-	-	-	-	(3,291)	(3,291)	1,089	(2,202)
Actuarial gain of defined benefit retirement plan	界定福利退休計劃之 精算收益	-	-	-	-	-	-	28	28	-	28
Exchange differences arising on translation of foreign operations	換算海外業務產生之 匯兌差額	-	-	-	(38,361)	-	-	-	(38,361)	(2,690)	(41,051)
Disposal of a subsidiary (note 36)	出售附屬公司 (附註36)	-	-	-	(3,693)	-	-	-	(3,693)	-	(3,693)
Net fair value loss on debt instrument at fair value through other comprehensive income	透過其他全面收益按 公允值計量的債務 工具的公允值虧損 淨額	-	-	-	-	-	(1,429)	-	(1,429)	-	(1,429)
Impairment loss for debt instrument at fair value through other comprehensive income	透過其他全面收益 按公允值計量的債 務工具之減值虧損	-	-	-	-	-	2,381	-	2,381	-	2,381
Total comprehensive (expense)/income for the year	年內全面(開支)/ 收益總額	-	-	-	(42,054)	-	952	(3,263)	(44,365)	(1,601)	(45,966)
Transfer	轉撥	-	-	-	-	1,650	-	(1,650)	-	-	-
Disposal of a subsidiary (note 36)	出售附屬公司 (附註36)	-	-	-	-	(3,566)	-	3,566	-	(34,207)	(34,207)
		-	-	-	-	(1,916)	-	1,916	-	(34,207)	(34,207)
At 31 December 2022	於二零二二年 十二月三十一日	111	391,851	(31,476)	(30,773)	25,736	(200)	(46,749)	308,500	(5,608)	302,892



Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Operating activities	經營活動		
Profit before tax	除稅前溢利	14,034	22,900
Adjustments for:	對以下各項作出調整：		
Bank interest income	銀行利息收入	(693)	(513)
Interest income from advance to a third party	向一名第三方作出墊款的利息收入	(600)	(975)
Interest income from debt instrument at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的利息收入	(190)	(205)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,968	5,341
Provision for major overhauls	重大檢修撥備	1,868	757
Loss on disposal of a subsidiary	出售附屬公司的虧損	359	—
Finance costs	融資成本	9,298	4,408
Impairment losses recognised on	就下列各項確認的減值虧損		
— other receivables	— 其他應收款項	374	1,008
— other financial assets at amortised cost	— 按攤銷成本計量的其他金融資產	17	2,242
— debt instrument at fair value through other comprehensive income	— 透過其他全面收益按公允值計量的債務工具	2,381	—
(Reversal of write-down)/write-down of inventories	(撥回撇減)/撇減存貨	(897)	1,058
Loss on redemption of debt instrument at fair value through other comprehensive income	贖回透過其他全面收益按公允值計量的債務工具的虧損	—	5
Loss on disposal on property, plant and equipment	出售物業、廠房及設備的虧損	14	8
Gain on lease modification	租賃修改的收益	(10)	—
Contribution to defined benefit retirement plans	界定福利退休計劃供款	13	466
Operating cash flows before movements in working capital	未計營運資金變動前的經營現金流量	31,936	36,500
Increase in inventories	存貨增加	(1,905)	(2,062)
Increase in trade receivables	貿易應收款項增加	(366)	(72)
Increase in receivables under service concession arrangements	服務特許權安排下的應收款項增加	(119,279)	(13,488)
Decrease/(increase) in prepayments and other receivables	預付款項及其他應收款項減少/(增加)	10,032	(20,579)
Increase in trade payables	貿易應付款項增加	3,864	471
Decrease in retirement benefit obligations	退休福利責任減少	(31)	(36)
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	5,942	(28)
Cash (used in)/generated from operations	經營(所用)/產生的現金	(69,807)	706
Income tax paid	已付所得稅	(10,740)	(9,728)
Income tax refunded	所得稅退稅	—	1,375
Net cash used in operating activities	經營活動所用的現金淨額	(80,547)	(7,647)



Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Investing activities	投資活動	
Purchases of property, plant and equipment	購買物業、廠房及設備 (3,943)	(3,665)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項 —	97
Proceeds from redemption of debt instrument at fair value through other comprehensive income	贖回透過其他全面收益按公允值計量的債務工具的所得款項 —	1,657
Proceeds from redemption of other financial assets at amortised cost	贖回按攤銷成本計量的其他金融資產的所得款項 —	6,027
Withdrawal of restricted bank deposits	提取受限制銀行存款 —	5,873
Placement of time deposit	存入定期存款 —	(12,045)
Withdrawal of time deposit	提取定期存款 11,642	—
Net cash outflow of disposal of a subsidiary	出售附屬公司的淨現金流出 (37,269)	—
Interest received	已收利息 720	650
Net cash used in investing activities	投資活動所用的現金淨額 (28,850)	(1,406)
Financing activities	融資活動	
Repayments to related parties	向關聯方還款 —	(28,549)
Repayments of borrowings	償還借款 (20,240)	(20,240)
Repayments of lease liabilities	償還租賃負債 (513)	(547)
Interest paid	已付利息 (6,013)	(3,295)
New loan from related parties	來自關聯方的新貸款 73,131	54,350
New borrowings raised	新造借款 38,000	32,867
Dividends paid	已付股息 —	(6,333)
Dividends paid to non-controlling interests	已付非控股股東權益股息 —	(6,338)
Net cash generated from financing activities	融資活動產生的現金淨額 84,365	21,915
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/增加淨額 (25,032)	12,862
Cash and cash equivalents at 1 January	於一月一日現金及現金等價物 65,054	51,067
Effect of foreign exchange rate changes	外匯匯率變動的影響 (5,411)	1,125
Cash and cash equivalents at 31 December	於十二月三十一日現金及現金等價物 34,611	65,054
Represented by:	指：	
Bank balances and cash	銀行結餘及現金 34,611	65,054



Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

MAJOR NON-CASH TRANSACTION:

During the year ended 31 December 2022, a close family member of a director provided a new loan of HK\$9,000,000 to the Group. This loan was subsequently assigned to an independent third party and was included in other borrowings as at 31 December 2022.

主要非現金交易：

截至二零二二年十二月三十一日止年度，一名董事的近親向本集團提供一筆9,000,000港元的新貸款，該貸款其後轉讓予一名獨立第三方，並於二零二二年十二月三十一日計入其他借款。



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

1. GENERAL INFORMATION

ELL Environmental Holdings Limited (the “**Company**”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. On 1 June 2022, the principal place of business of the Company was changed from Unit 5, 7th Floor, Westlands Centre, 20 Westlands Road, Hong Kong to Unit 2304, 23rd Floor, Westlands Centre, 20 Westlands Road, Hong Kong.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 40.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

AMENDMENTS TO HKFRSs THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

In the current year, the Company and its subsidiaries (collectively referred to as the “**Group**”) has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual period beginning on 1 January 2022, for the preparation of the consolidated financial statements:

Amendments to HKFRS 3
香港財務報告準則第3號(修訂本)

Reference to the Conceptual Framework
概念框架之提述

Amendment to HKFRS 16
香港財務報告準則第16號(修訂本)

Covid-19-Related Rent Concessions beyond 30 June 2021
二零二一年六月三十日後之Covid-19相關的租金優惠

Amendments to HKAS 16
香港會計準則第16號(修訂本)

Property, Plant and Equipment — Proceeds Before Intended Use
物業、廠房及設備 — 擬定用途前之所得款項

Amendments to HKAS 37
香港會計準則第37號(修訂本)

Onerous Contracts — Cost of Fulfilling a Contract
虧損性合約 — 履行合約之成本

Amendments to HKFRSs
香港財務報告準則(修訂本)

Annual Improvements to HKFRSs 2018–2020
對二零一八年至二零二零年週期之香港財務報告準則的年度改進

1. 一般資料

強泰環保控股有限公司(「本公司」)為一間在開曼群島註冊成立的獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。於二零二二年六月一日，本公司的主要營業地點由香港華蘭路20號華蘭中心7樓5室變更為香港華蘭路20號華蘭中心23樓2304室。

本公司為投資控股公司。其主要附屬公司的主要活動載於附註40。

綜合財務報表以港元(「港元」)列值，港元亦為本公司功能貨幣。

2. 採用經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之香港財務報告準則修訂本

於本年度，本公司及其附屬公司(統稱為「本集團」)首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之經修訂香港財務報告準則(其於二零二二年一月一日開始的年度期間強制生效)，以編製本集團的綜合財務報表：



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

AMENDMENTS TO HKFRSs THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR (Cont’d)

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17) 香港財務報告準則第17號(包括於二零二零年十月及二零二二年二月香港財務報告準則第17號(修訂本))	Insurance Contracts ¹ 保險合約 ¹
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ² 投資者與其聯營公司或合營企業之間的資產出售或注資 ²
Amendments to HKFRS 16 香港財務報告準則第16號(修訂本)	Lease liability in a Sale and Leaseback ³ 售後租回的租賃負債 ³
Amendments to HKAS 1 香港會計準則第1號(修訂本)	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ³ 將負債分類為流動或非流動以及香港詮釋第5號之有關修訂(二零二零年) ³
Amendments to HKAS 1 香港會計準則第1號(修訂本)	Non-current Liabilities with Covenants ³ 附有契諾的非流動負債 ³
Amendments to HKAS 1 and HKFRS Practice Statement 2 香港會計準則第1號及香港財務報告準則實務聲明第2號(修訂本)	Disclosure of Accounting Policies ¹ 會計政策的披露 ¹
Amendments to HKAS 8 香港會計準則第8號(修訂本)	Definition of Accounting Estimates ¹ 會計估計的定義 ¹
Amendments to HKAS 12 香港會計準則第12號(修訂本)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹ 與單一交易產生的資產及負債有關的遞延稅項 ¹

- 1 Effective for annual periods beginning on or after 1 January 2023.
- 2 Effective for annual periods beginning on or after a date to be determined.
- 3 Effective for annual periods beginning on or after 1 January 2024.

2. 採用經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效之香港財務報告準則修訂本(續)

於本年度應用經修訂香港財務報告準則對本集團本年度及過往年度的財務狀況及表現及／或此等綜合財務報表所載的披露並無重大影響。

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本

本集團並無提前應用下列已頒佈但尚未生效之新訂香港財務報告準則及其修訂本：

- 1 於二零二三年一月一日或之後開始之年度期間生效。
- 2 於將釐定的日期或之後開始的年度期間生效。
- 3 於二零二四年一月一日或之後開始之年度期間生效。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

NEW AND AMENDMENTS TO HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Cont’d)

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. 採用經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本(續)

本公司董事預期應用所有新訂及經修訂香港財務報告準則將不會在可見未來對綜合財務報表產生重大影響。

3. 綜合財務報表之編製基準及重大會計政策

3.1 綜合財務報表之編製基準

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則(「**上市規則**」)及香港公司條例規定之適用披露事項。

綜合財務報表按歷史成本基準編製，惟下文的會計政策說明者(於各報告期末按公允值計量的若干金融工具)除外。

歷史成本一般按交換貨物及服務之代價之公允值計量。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.1 綜合財務報表之編製基準(續)

公允值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格，不論該價格是否直接觀察可得或使用另一種估值技術估計。估計資產或負債公允值時，本集團考慮了市場參與者於計量日期為該資產或負債定價時會考慮的資產或負債的特徵。在該等綜合財務報表中計量及／或披露的公允值均在此基礎上予以釐定，惟香港財務報告準則第2號基於股份的付款範圍內之基於股份的付款交易、根據香港財務報告準則第16號租賃入賬之租賃交易以及與公允值部分類似但並非公允值的計量(例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值)除外。

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

此外，就財務報告而言，公允值計量根據公允值計量之輸入數據可觀察程度及輸入數據對公允值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策

綜合基準

綜合財務報表包括本公司及受本公司及其附屬公司控制的實體的財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對被投資方行使權力；
- 透過參與被投資方業務而享有或有權取得被投資方的可變回報；及
- 有能力行使其權力以影響其回報。

倘事實及情況顯示上述三項控制因素中的一項或多項出現變化，本集團會重新評估其是否控制被投資方。

本集團於獲得附屬公司的控制權時將該附屬公司綜合入賬，並於失去附屬公司的控制權時停止綜合入賬。具體而言，年內收購或出售附屬公司的收入及開支自本集團獲得對附屬公司之控制權當日起計入綜合損益表至本集團不再控制附屬公司當日為止。

損益及其他全面收益的各個項目歸屬於本公司的擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司的擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。

必要時，調整附屬公司財務報表，使其會計政策與本集團之會計政策一致。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

BASIS OF CONSOLIDATION (Cont'd)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

CHANGES IN THE GROUP'S INTEREST IN EXISTING SUBSIDIARIES

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

綜合基準(續)

所有有關本集團各成員公司間的交易之集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合計算時全數抵銷。

於附屬公司之非控股權益與本集團於當中之權益分開呈列，指相關附屬公司清盤後其持有人可按比例分佔其資產淨值之現時擁有權權益。

本集團於現有附屬公司的權益變動

如本集團於附屬公司之權益變動並無導致本集團失去附屬公司控制權，該等變動將按權益交易入賬。本集團之有關部份權益及非控股權益的賬面值乃予以調整，以反映其於附屬公司相關權益之變動，包括按照本集團與非控股權益的權益比例，將本集團與非控股權益間的相關儲備重新歸屬。

經調整之非控股權益數額與已付或已收代價公允值之間的任何差額，乃於權益直接確認，並歸屬於本公司擁有人。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

CHANGES IN THE GROUP'S INTEREST IN EXISTING SUBSIDIARIES (Cont'd)

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or group of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

本集團於現有附屬公司的權益變動(續)

當本集團失去對附屬公司的控制權時，會終止確認該附屬公司的資產與負債及非控股權益(如有)。收益或虧損於損益確認，並按(i)已收代價公允值及任何保留權益公允值的總額與(ii)本公司擁有人應佔附屬公司資產(包括商譽)及負債賬面金額之間的差額計算。所有先前於其他全面收益確認有關該附屬公司的款項，乃按猶如本集團已直接出售該附屬公司的相關資產或負債入賬(即按適用香港財務報告準則所規定/許可重新分類至損益或轉撥至另一類權益)。於失去控制權當日在前附屬公司保留的任何投資的公允值乃根據香港財務報告準則第9號金融工具於其後入賬時被視為初始確認時的公允值或(如適用)初始確認於聯營公司或合營企業時的投資成本。

商譽

收購業務產生的商譽以於收購業務日期既定之成本減累計減值虧損(如有)入賬。

為進行減值測試，商譽乃分配至預期將從合併所帶來的協同效益中受惠的各個本集團的現金產生單位(「現金產生單位」)(或現金產生單位組合)，而該單位(或單位組合)指就內部管理目的監控商譽的最低水平且不超過經營分類。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

GOODWILL (Cont'd)

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the CGU (or group of CGUs).

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

商譽(續)

獲得商譽分配的現金產生單位(或現金產生單位組合)每年進行減值測試及每當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位(或現金產生單位組合)於該報告期末前進行減值測試。倘現金產生單位的可收回金額低於其賬面值，則首先分配減值虧損以減低任何商譽的賬面值，然後按該現金產生單位(或現金產生單位組合)內各項資產的賬面值按比例分配至其他資產。

於出售相關現金產生單位或現金產生單位組合中的任何現金產生單位時，商譽的應佔金額計入釐定的出售損益金額。當本集團出售現金產生單位(或現金產生單位組合中的現金產生單位)內之業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金單位(或現金產生單位組合)部分之相對價值計量。

客戶合約收入

本集團確認收入，即於特定履約義務的相關商品或服務的「控制權」轉讓予客戶時確認。

履約義務指一項明確商品及服務(或一批商品或服務)或一系列大致相同的明確商品及服務。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

REVENUE FROM CONTRACTS WITH CUSTOMERS (Cont'd)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

客戶合約收入(續)

倘符合以下其中一項標準，則控制權隨時間轉移，而收入乃參照完全滿足相關履約義務的進展情況而隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約導致創建或增強客戶於本集團履約時所控制的資產；或
- 本集團的履約並未創建對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，收入於客戶獲得明確商品或服務控制權的時間點確認。

合約資產指本集團收取代價以換取本集團向客戶轉讓貨品或服務之權利(尚未成為無條件)。其根據香港財務報告準則第9號就減值作出評估。相反，應收款項則指本集團收取代價之無條件權利，即該代價到期應付前僅需時間推移。

合約負債指本集團就已向客戶收取代價(或代價金額已到期)而承擔向該客戶轉移貨品或服務的責任。

與同一合約相關之合約資產及合約負債乃按淨額列賬。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

CONTRACTS WITH MULTIPLE PERFORMANCE OBLIGATIONS (INCLUDING ALLOCATION OF TRANSACTION PRICE)

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

OVER TIME REVENUE RECOGNITION: MEASUREMENT OF PROGRESS TOWARDS COMPLETE SATISFACTION OF A PERFORMANCE OBLIGATION

INPUT METHOD

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

包含多項履約責任的合約(包括分配交易價格)

對於包含一項以上履約責任的合約，本集團以相對獨立的銷售價格基準將交易價格分配至各項履約責任。

各項履約責任項下特定商品或服務的獨立售價均於合約開始時釐定。其指本集團將承諾的商品或服務單獨出售予客戶的價格。倘一項獨立的銷售價格不能直接觀察，本集團採用適當的技術進行估計，以便最終分配至任何履約責任的交易價格反映本集團預期將承諾的商品或服務轉讓予客戶有權換取的代價金額。

隨時間確認收入：計量完全履行履約責任的進度

投入法

完全履行履約責任的進度乃根據投入法計量，即根據本集團為履行履約責任所付出或投入(相對於預期對履行有關履約責任的總投入)確認收入，此方法最能反映本集團於轉移貨品或服務控制權時的履約表現。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

OVER TIME REVENUE RECOGNITION: MEASUREMENT OF PROGRESS TOWARDS COMPLETE SATISFACTION OF A PERFORMANCE OBLIGATION (Cont'd)

EXISTENCE OF SIGNIFICANT FINANCING COMPONENT

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For contracts where the Group transferred the associated goods or services before payments from customers in which the Group adjusts for the promised amount of consideration for significant financing components, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The Group recognises interest income during the period between the payment from customers and the transfer of the associated goods or services.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

隨時間確認收入：計量完全履行履約責任的進度(續)

存在重大融資成份

於釐定交易價時，倘向客戶轉移貨品或服務時(不論以明示或暗示方式)協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就金額時間值的影響而調整已承諾之代價金額。於該等情況下，合約含有重大融資成份。不論於合約中以明示呈列或合約訂約方協定的支付條款暗示融資承諾，合約中均存在重大融資成份。

就相關貨品或服務的支付與轉移期間少於一年的合約而言，本集團就任何重大融資成份應用不調整交易價的簡易處理方法。

對於本集團在客戶付款前已轉移相關貨品或服務並會就任何重大融資成分調整已承諾代價金額的合約，本集團採用會在本集團與客戶於合約開始時的獨立融資交易中反映的貼現率。自客戶付款直至相關貨品或服務獲轉移期間，本集團確認利息收入。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

OVER TIME REVENUE RECOGNITION: MEASUREMENT OF PROGRESS TOWARDS COMPLETE SATISFACTION OF A PERFORMANCE OBLIGATION (Cont'd)

REVENUE FROM CONSTRUCTION SERVICE OF WASTEWATER TREATMENT FACILITIES AND POWER PLANT FACILITIES

Revenue from provision of construction services of wastewater treatment facilities and power plant facilities are derived from long-term contracts with customers. Such contracts are entered into before the services begin. Under the term of contracts, the Group is contractually required to perform the services at the customers' specified sites that the Group's performance creates and enhances an asset towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

SALES OF BIOFUEL

Sales of biofuel is recognised at the point in time when the control of the good is transferred to the customer which generally coincides with delivery and acceptance of the good sold.

OPERATION INCOME

Operation income related to the income derived from managing and operating of wastewater treatment facilities under service concession arrangements. Operation income is recognised at a point in time.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

隨時間確認收入：計量完全履行履約責任的進度(續)

來自污水處理設施及發電廠設施之建造服務之營業收入

提供污水處理設施及發電廠設施建造服務的營業收入來自與客戶訂立的長期合約。該等合約於服務開始前訂立。根據合約條款，本集團須按合約於客戶指定地點提供服務，而本集團的履約會產生及增強一項資產，其乃根據投入法計量，即根據本集團為履行履約責任所付出或投入(相對於預期對履行有關履約責任的總投入)確認收入，此方法最能反映本集團於轉移貨品或服務控制權時的履約表現。

銷售生物燃料

銷售生物燃料於貨品擁有權轉移至客戶的時間點確認，一般與交收所出售貨物的時間一致。

經營收入

經營收入與根據服務特許權安排下管理及經營污水處理設施所得的收入有關。經營收入於某一時間點確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

IMPUTED INTEREST INCOME ON RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

Imputed interest income on receivables under service concession arrangements is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Imputed interest income on receivables under service concession arrangements is accrued on a time basis, by reference to the principal outstanding and at the applicable effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

LEASES

DEFINITION OF A LEASE

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

For contracts entered into or modified on or after the date of initial application of HKFRS 16 or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

服務特許權安排下應收款項推算利息收入

服務特許權安排下應收款項推算利息收入於在經濟利益可能流入本集團且收入金額能夠可靠地計量時予以確認。服務特許權安排下應收款項推算利息收入按時間比例基準確認，參考未償還的本金及適用實際利率，即在初始確認時將金融資產預期年限內的估計未來現金收入精確貼現到該資產的賬面淨額的利率。

租賃

租賃定義

倘合約為換取代價而給予可在一段時間內控制使用已識別資產的權利，則該合約屬於或包含租賃。

就於首次應用香港財務報告準則第16號日期或之後訂立或修改或因業務合併所產生的合約而言，本集團根據香港財務報告準則第16號的定義於開始、修改日期或收購日期(如適用)評估該合約是否屬於或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約不予重新評估。作為權宜方案，當本集團合理預期對綜合財務報表之影響將不會與組合內之個別租賃有重大差別時，類似性質的租賃乃按組合基準入賬。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

LEASES (Cont'd)

THE GROUP AS A LESSEE

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

租賃(續)

本集團作為承租人

將代價分配至合約部分

就包含租賃部分以及一個或多個額外租賃或非租賃部分的合約而言，本集團根據租賃部分的相對獨立價格及非租賃部分總獨立價格，將合約中的代價分配至各租賃部分。

短期租賃及低價值資產租賃

本集團就租期自開始日期起計為12個月或以下且並無包括購買權的租賃應用短期租賃確認豁免。其同時就低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款以直線法或其他系統化基準於租期內確認為開支。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

LEASES (Cont'd)

THE GROUP AS A LESSEE (Cont'd)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減去任何已收租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團於拆卸及移除相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定狀況時將產生的成本估計。

使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

本集團合理確定將於租期結束時獲取相關租賃資產所有權的使用權資產，自開始日期起至可使用年期結束期間折舊。在其他情況下，使用權資產以直線法於其估計可使用年期及租期(以較短者為準)內折舊。

本集團於「物業、廠房及設備」呈列使用權資產，即呈列相應相關資產(倘被擁有)的同一分列項目內。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

LEASES (Cont'd)

THE GROUP AS A LESSEE (Cont'd)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

可退回之租賃按金

已付可退回租賃按金根據香港財務報告準則第9號入賬並以公允值初步計量。就初步確認公允值所作之調整乃視為額外租賃付款，並計入使用權資產成本內。

租賃負債

於租賃開始日期，本集團以於該日期尚未支付的租賃付款的現值確認並計量租賃負債。倘租賃隱含的利率不易釐定，則本集團會使用於租賃開始日期的遞增借款利率計算租賃付款現值。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 取決於指數或利率的可變租賃付款於開始日期首次使用指數或利率初始計量；
- 本集團預期應付的剩餘價值擔保金額；
- 倘本集團合理確定將行使購買選擇權的行權價；及
- 終止租賃的罰款金額(倘租賃期反映出本集團正行使終止租賃的選擇權)。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

LEASES (Cont'd)

THE GROUP AS A LESSEE (Cont'd)

Lease liabilities (Cont'd)

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

於開始日期後，租賃負債經利息增加及租賃付款進行調整。

倘出現以下情況，本集團將重新計量租賃負債(並對相關使用權資產進行相應調整)：

- 租期變動或行使購買選擇權的評估有所變動，在此情況下，相關租賃負債透過使用重新評估日期的經修訂貼現率貼現經修訂租賃款項而重新計量。
- 租賃付款因進行市場租金審查後市場租金率/保證剩餘價值項下的預期付款變動而出現變動，在此情況下，相關租賃負債透過使用首次貼現率貼現經修訂租賃款項而重新計量。

本集團於綜合財務狀況表中將租賃負債呈列為單獨項目。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

LEASES (Cont'd)

THE GROUP AS A LESSEE (Cont'd)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivables, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃修改

倘出現以下情況，本集團將租賃修改作為獨立租賃入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 租賃代價的增加金額相當於範圍擴大對應的獨立價格及為反映特定合約情況而對獨立價格進行的任何適當調整。

就未作為一項獨立租賃入賬的租賃修改而言，本集團透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款，按經修訂租賃的租期重新計量租賃負債減任何應收租賃優惠。

本集團通過對相關使用權資產進行相應調整，對租賃負債的重新計量進行會計處理。當經修訂的合約包含租賃部分及一個或多個其他租賃或非租賃部分時，本集團會根據租賃部分的相對獨立價格及非租賃部分的總獨立價格將經修訂合約代價分配至每個租賃部分。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

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

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外貨幣(外幣)進行的交易按交易日期的現行匯率確認。於報告期末，以外幣列值的貨幣項目以該日的現行匯率重新換算。以外幣列值按公允值列賬之非貨幣項目按釐定公允值當日之現行匯率重新換算。以外幣計值按歷史成本計量的非貨幣項目不予重新換算。

結算及重新換算貨幣項目產生的匯兌差額於產生期間於損益內確認。

為呈列綜合財務報表，本集團營運的資產及負債均以各報告期末的現行匯率換算為本集團的呈列貨幣(即港元)。收入及開支項目則以期間平均匯率進行換算，除非匯率於該期間內出現大幅波動，於此情況下，則採用於交易當日之匯率。所產生的匯兌差額(如有)則於其他全面收入確認並累計計入匯兌儲備項下的權益(在適當情況下歸屬於非控股權益)。

於出售海外業務(即出售本集團於海外業務之所有權益，或出售涉及失去對一間包含海外業務之附屬公司控制權)時，於本公司擁有人應佔該業務於權益累計之所有匯兌差額重新分類至損益。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FOREIGN CURRENCIES (Cont'd)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

BORROWING COSTS

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

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

GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income and net gains".

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

外幣(續)

海外業務收購所產生之商譽及已收購可識別資產的公允值調整視作該海外業務的資產及負債，並按各報告期末的現行匯率重新換算。產生之匯兌差額於其他全面收益確認。

借款成本

直接歸屬於收購、建造或生產合資格資產(即必須經過一段長時間方可作擬定用途或出售的資產)的借款成本計入該等資產的成本中，直至該等資產大致可用作擬定用途或出售時為止。

所有其他借款成本在其產生期內於損益確認。

政府補助

在合理肯定本集團符合政府補助的附帶條件及將會收到補助的情況下，政府補助方會予以確認。

與收入有關的政府補助，乃作為補償已產生開支或虧損而應收或旨在為本集團提供即時財務支援(而無未來相關成本)，於應收期間在損益內確認。該等補助於「其他收入及淨收益」呈列。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

EMPLOYEE BENEFITS

RETIREMENT BENEFITS COSTS

Payments to defined contribution retirement benefit plan are recognised as expenses when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. In determining the present value of the Group's defined benefit obligations and the related current service cost and, where applicable, past service cost, the Group attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than earlier years, the Group attributes the benefit on a straight-line basis from:

- (a) the date when service by the employee first leads to benefits under plan (whether or not the benefits are conditional on further service) until
- (b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in accumulated losses and will not be reclassified to profit or loss.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

僱員福利

退休福利成本

向定額供款退休福利計劃的付款於僱員提供服務令彼等有權收取該等供款時確認為開支。

對於界定福利退休福利計劃，提供福利的成本是採用預期累計福利單位法予以確定，並在每個年度報告期末執行精算估價。在釐定本集團界定福利義務的現值及相關當前服務成本以及(如適用)過往服務成本時，本集團根據計劃的福利公式將福利歸屬於服務期間。然而，若僱員在晚年的服務將導致其享有的福利水平大幅高於早年，本集團按直線法歸屬福利，自：

- (a) 僱員的服務首次產生計劃項下的福利(不論該等福利是否具有提供進一步服務的條件)之日直至
- (b) 僱員的進一步服務不會就計劃項下的進一步福利產生重大金額(進一步薪金增長除外)之日。

重新計量(包括精算損益、資產上限(如適用)變動之影響及計劃資產回報(不包括利息))即時於綜合財務狀況表反映，並於其產生期間於其他全面收益確認為支出或抵免。於其他全面收益確認之重新計量即時於累計虧損反映，將不會重新分類至損益。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

EMPLOYEE BENEFITS (Cont'd)

RETIREMENT BENEFITS COSTS (Cont'd)

Past service cost is recognised in profit or loss in the period of a plan amendment or curtailment and a gain or loss on settlement is recognised when settlement occurs. When determining past service cost, or a gain or loss on settlement, an entity shall remeasure the net defined benefit liability or asset using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan and the plan assets before and after the plan amendment, curtailment or settlement, without considering the effect of asset ceiling (i.e. the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan).

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

僱員福利(續)

退休福利成本(續)

過往服務成本於計劃修訂或縮減期間於損益中確認，而結算的收益或虧損於結算產生時確認。當釐定過往服務成本或結算的收益或虧損時，實體應採用計劃資產的當前公允價值及當前的精算假設重新計量既定福利負債或資產淨值，反映根據計劃所提供的福利以及於計劃修訂、縮減或結算前後的計劃資產，並無考慮資產上限的影響(即以計劃退款或削減未來計劃供款行使獲得的任何經濟利益的現值)。

利息淨額根據期初既定福利負債或資產淨額的貼現率計算。然而，倘本集團重新計量於計劃修訂、縮減或結清前的既定福利負債或資產淨額，則本集團採用計劃修訂、縮減或結清後根據計劃所提供的福利及計劃資產以及重新計量有關既定福利負債或資產淨額所使用的貼現率釐定本年度報告期間於計劃修訂、縮減或結清後餘下時間內的淨權益，並計及期內既定福利負債或資產淨額因供款或福利付款產生的任何變動。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

EMPLOYEE BENEFITS (Cont'd)

RETIREMENT BENEFITS COSTS (Cont'd)

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

TERMINATION BENEFITS

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

僱員福利(續)

退休福利成本(續)

界定福利成本分類如下：

- 服務成本(包括目前服務成本、過往服務成本以及削減及結算之收益及虧損)；
- 利息開支或收入淨額；及
- 重新計量。

本集團將首兩項界定福利成本呈報為損益之項目。計劃縮減收益及虧損以過往服務成本入賬。

綜合財務狀況表內確認之退休福利責任代表本集團界定福利退休計劃實際虧損或盈餘。由此計算產生之盈餘將不多於以該計劃收回款項模式的經濟收益或該計劃之未來供款減額之現值。

離職福利

離職福利負債會於本集團實體無法再撤回離職福利邀約及當其確認任何相關重組成本(取其較早者)時確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

SHORT-TERM AND OTHER LONG-TERM EMPLOYEE BENEFITS

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除已付金額後確認為負債。

就其他長期僱員福利確認的負債按本集團截至報告日期預期就僱員所提供服務作出的估計未來現金流出的現值計量。服務成本、利息及重新計量引致負債賬面值的任何變動於損益確認，惟有另一項香港財務報告準則規定或允許計入資產成本則作別論。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

SHARE-BASED PAYMENT

EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

股份基礎給付

以權益結算股份基礎給付交易

授予僱員的購股權

向僱員及提供類似服務之其他人士作出以權益結算股份基礎給付乃按授出日期權益工具的公允值計量。

於以權益結算股份基礎給付的公允值(於授出日期釐定, 未考慮所有非市場歸屬條件), 基於本集團預計將最終歸屬之權益工具按直線法於歸屬期內支銷, 而權益(購股權儲備)亦相應增加。於各報告期末, 本集團根據對所有相關的非市場歸屬條件的評估修訂其對預期歸屬的權益工具數目之估計。修訂原有估計之影響(如有)於損益內確認, 以使累計開支能反映經修訂估計, 而購股權儲備亦作出相應調整。

於行使購股權之時, 先前於購股權儲備確認之金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未獲行使, 先前於購股權儲備確認之款項將轉撥至累計虧損。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit/loss before tax" because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利與「除稅前溢利／虧損」不同，乃由於其他年度應課稅或可扣稅的收入或開支及永不須課稅或不可扣稅的項目所致。本集團乃按報告期末已實行或實際已實行之稅率計算即期稅項負債。

遞延稅項乃就綜合財務報表中資產及負債之賬面值與用於計算應課稅溢利的相應稅基之暫時性差額確認。遞延稅項負債一般會就所有應課稅暫時性差額予以確認，而遞延稅項資產一般於可能有應課稅溢利用以抵銷可扣稅暫時性差額時就所有可扣稅暫時性差額予以確認。若暫時性差額乃因首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之資產及負債而產生，則不予確認有關遞延稅項資產及負債。此外，若暫時性差額是源自商譽之初步確認，則不確認遞延稅項負債。

遞延稅項負債乃就與附屬公司投資相關之應課稅暫時性差額予以確認，惟若本集團可控制暫時性差額之撥回及暫時性差額於可見未來很可能不會撥回之情況除外。與該等投資相關的可扣稅暫時性差額所產生的遞延稅項資產，僅於很可能有足夠應課稅溢利可以抵銷暫時性差額的利益且預計於可見將來可以撥回時確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

TAXATION (Cont'd)

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 profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liabilities are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

稅項(續)

遞延稅項資產的賬面值在各報告期末進行檢討，並於不再可能有足夠應課稅溢利可用以備抵將收回的全部或部分資產時作出相應扣減。

遞延稅項資產及負債乃根據於報告期末已實行或實際已實行的稅率(及稅法)，按清償該負債或變現該資產期間預期適用的稅率計量。

遞延稅項負債及資產的計量反映本集團在報告期末預期收回或清償其資產及負債賬面值所用方式可能導致的稅務後果。

就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項而言，本集團首先釐定使用權資產或租賃負債是否應佔稅項扣減。

就租賃交易而言，稅項扣減歸屬於租賃負債，本集團分別就使用權資產及租賃負債應用國際會計準則第12號所得稅之規定。由於初次確認豁免的應用，故有關使用權資產及租賃負債的暫時性差異於初始確認時不予確認。因租賃負債的重新計量及租賃修改，後續修訂使用權資產及租賃負債賬面值所產生的不予初始確認豁免的暫時性差異，在重新計量或修訂之日確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

TAXATION (Cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment that are held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Land rights are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets are functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

稅項(續)

倘有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，而該等資產與負債乃與同一稅務機關向同一應課稅實體徵收之所得稅有關時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益賬確認，除非其與於其他全面收入確認或直接於權益確認的項目有關，在該情況下，即期及遞延稅項亦分別於其他全面收入確認或直接於權益確認。倘因業務合併的初步會計核算而產生即期或遞延稅項，有關稅務影響會計入業務合併的會計核算內。

物業、廠房及設備

持作用於生產或提供貨物或服務或作行政用途之物業、廠房及設備乃按成本減後續累計折舊及後續累計減值虧損(如有)列賬於綜合財務狀況表。

土地權不會折舊，並按成本減後續累計減值虧損計量。

興建中作生產、供應或行政用途之物業按成本減任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本，包括測試相關資產是否正常運作的成本，以及(就合資格資產而言)根據本集團會計政策撥充資本的借款成本。當此等資產準備好作預定用途時，會按照與其他物業資產相同的基準開始計算折舊。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

PROPERTY, PLANT AND EQUIPMENT (Cont'd)

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented within “property, plant and equipment” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as “property, plant and equipment”.

Depreciation is recognised so as to write off the cost of assets, other than land rights and properties under construction, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

物業、廠房及設備(續)

當本集團就包括租賃土地及樓宇兩部分之物業擁有權益付款時，全部代價於初步確認時按相對公允值比例於租賃土地及樓宇部分之間分配。倘相關付款分配能可靠計量時，租賃土地權益於綜合財務狀況表「物業、廠房及設備」呈列。倘代價無法於非租賃樓宇成分及相關租賃土地不可分割的權益間可靠分配，則整項物業會歸類為「物業、廠房及設備」。

確認折舊乃以直線法在資產(土地權及在建物業除外)的估計可使用年期內撇銷其成本減其殘值。估計使用年期、殘值及折舊方法於各報告期末審閱，任何估計變動之影響按預期基準入賬。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時終止確認。出售或停用物業、廠房及設備項目所產生之任何盈虧為該資產出售所得款項與賬面值之差額，於損益中確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

IMPAIRMENT ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a CGU) for which the estimates of future cash flows have not been adjusted.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

物業、廠房及設備以及使用權資產的減值

於報告期末，本集團審閱其物業、廠房及設備以及使用權資產的賬面值，衡量是否有跡象顯示相關資產已出現減值虧損。倘出現任何該等跡象，則會估計資產的可收回金額，以釐定減值虧損(如有)之程度。

物業、廠房及設備以及使用權資產已個別估計可收回金額。倘不能個別估計可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。

於對現金產生單位進行減值測試時，倘能建立合理一致之企業資產分配基準，企業資產應分配至相關現金產生單位，否則會按能建立之合理一致分配基準分配至最小之現金產生單位組別。可收回金額按企業資產所屬之現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值進行比較。

可收回金額為公允值減出售成本及使用價值之較高者。於評估使用價值時，估計日後現金流量乃採用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值之現行市場評估及尚未就日後現金流量之估計作出調整之資產(或現金產生單位)之特有風險。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

IMPAIRMENT ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (Cont'd)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

物業、廠房及設備以及使用權資產的減值(續)

倘估計資產(或現金產生單位)之可收回金額將少於其賬面值,則資產(或現金產生單位)之賬面值將調減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產而言,本集團會比較一個組別的現金產生單位賬面值(包括已分配至該現金產生單位組別的企業資產或部分企業資產的賬面值)與該現金產生單位組別的可收回金額。於分配減值虧損時,首先分配減值虧損以減少任何商譽的賬面值(如適用),其後根據該單位各資產或現金產生單位組別的賬面值按比例分配至其他資產。資產賬面值不得減少至低於其公允值減出售成本(如可計量)、其使用價值(如可計量)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產或現金產生單位組別。減值虧損即時於損益確認。

倘減值虧損其後撥回,該項資產(或現金產生單位)之賬面值將增加至其經修訂之估計可收回金額,惟增加後之賬面值不得超過倘若該資產或現金產生單位或現金產生單位組別於過往年度並無確認減值虧損所釐定之賬面值。減值虧損之撥回即時於損益確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

SERVICE CONCESSION ARRANGEMENTS

CONSIDERATION GIVEN BY THE GRANTOR

A financial asset (receivable under service concession arrangement) is recognised to the extent that (a) 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 (b) the grantor has little, if any, discretion to avoid payment, usually because the agreement is enforceable by law. 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 quality of efficiency requirements. The financial asset (receivable under service concession arrangement) is accounted for in accordance with the policy set out for “Financial instruments” below.

OPERATING SERVICES

Revenue and costs relating to operating services are accounted for in accordance with the policy for “Revenue from contracts with customers”. Costs for operating services are expensed in the period in which they are incurred.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

服務特許權安排

授予人給予之代價

所確認財務資產(服務特許權安排下之應收款項)以下列者為限：(a)本集團有無條件權利就所提供建築服務向授予人或按其指示收取現金或其他金融資產；及(b)授予人擁有有限酌情權(如有)逃避付款，通常因為協議可依法強制執行。倘授予人以合約方式擔保向本集團支付(a)指定或待定金額，或(b)已收公共服務用戶之款項與指定或待定金額兩者間之差額(如有)，而儘管付款須以本集團確保基礎設施符合規定質素及效率要求為條件，本集團仍擁有無條件權利收取現金。金融資產(服務特許權安排下之應收款項)根據下文「金融工具」所載之政策列賬。

經營服務

與經營服務有關之營業收入及成本按「客戶合約收入」之政策列賬。經營服務的成本於產生期間支銷。



Notes to the Consolidated Financial Statements 綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

SERVICE CONCESSION ARRANGEMENTS (Cont'd)

CONTRACTUAL OBLIGATIONS TO RESTORE THE INFRASTRUCTURE TO A SPECIFIED LEVEL OF SERVICEABILITY

The Group has contractual obligations which it must fulfill as a condition of its licence, that is (a) to maintain the wastewater treatment and biomass power plant facilities it operates to a specified level of serviceability and/or (b) to restore the plants to a specified condition before they are handed over to the grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore the wastewater treatment and biomass power facilities plant are recognised and measured in accordance with the policy set out for "Provisions" below.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

服務特許權安排(續)

修復基礎設施至特定可提供服務水平的合約責任

本集團為獲取許可證而須承擔的合約責任為(a)保養其經營的污水處理及生物質發電廠設施，確保符合特定的可提供服務水平及／或(b)於服務特許權安排結束時，在移交廠房予授予人之前，將其修復至釐定狀態。該等保養或修復污水處理及生物質發電廠設施的合約責任乃根據下文「撥備」所載政策確認與計量。

存貨

存貨以成本及可變現淨值兩者之間較低者入賬。存貨成本乃按先入先出法釐定。可變現淨值指存貨的估計售價減所有估計完工成本及銷售所需成本。進行銷售所需成本包括與銷售直接相關的增量成本及本集團為進行銷售所必須的非增量成本。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

撥備

倘本集團須就過往事件承擔現時(法定或推定)責任，及本集團有可能須履行該項責任，並可對責任的金額作出可靠估計時，則會確認撥備。

已確認為撥備的金額為對報告期末履行現時責任所需代價的最佳估計，並考慮與責任有關的風險及不明朗因素。倘使用履行現時責任所需的估計現金流量計量撥備，其賬面值為相關現金流量的現值(倘貨幣時間價值之影響重大)。

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方時確認。所有日常購買或出售金融資產乃按交易日基準確認及終止確認。日常買賣乃指須按市場規定或慣例所釐定的時限內交付資產的金融資產買賣。

除根據香港財務報告準則第15號來自客戶合約的營業收入初步計量由客戶合約收入產生的貿易應收款項外，金融資產及金融負債初步按公允值計量。於初步確認時，收購或發行金融資產及金融負債(除透過損益按公允值計量(「透過損益按公允值計量」)的金融資產及金融負債外)所產生直接交易成本將視乎情況計入或扣除自金融資產或金融負債的公允值。收購透過損益按公允值計量的金融資產或金融負債的直接應佔交易成本即時於損益確認。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

FINANCIAL ASSETS

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“**FVTOCI**”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

實際利率法乃計算金融資產或金融負債攤銷成本及分攤相關期間利息收入及利息開支的方法。實際利率乃透過金融資產或金融負債的預期年期或(如適用)較短期間將估計未來現金收入及付款(包括所有構成整體實際利率的已付或已收費用及代價、交易成本及其他溢價或折讓)準確貼現至於初步確認時的賬面淨值的利率。

金融資產

金融資產分類及後續計量

符合以下條件的金融資產其後按攤銷成本計量：

- 以收取合約現金流量為目的之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及尚未償還本金之利息。

符合下列條件的金融資產其後透過其他全面收益按公允值(「**透過其他全面收益按公允值**」)計量：

- 以達致收取合約現金流量及出售目的而持有金融資產之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及尚未償還本金之利息。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

所有其他金融資產其後透過損益按公允值計量，惟在首次確認金融資產日期，倘該股權投資並非持作買賣，亦非由於收購方在香港財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，則本集團可不可撤銷地選擇於其他全面收益呈列股權投資公允值的其後變動。

金融資產於下列情況為持作交易：

- 收購的主要目的為於短期作出售用途；或
- 於初步確認時構成本集團合併管理的已識別金融工具組合的一部分，並具有近期實際短期獲利模式；或
- 其並非作為指定及有效對沖工具的衍生工具。

此外，本集團可不可撤回地將按攤銷成本計量或透過其他全面收益按公允值計量的金融資產指定為透過損益按公允值計量，前提是有關指定可撤銷或大幅減少會計錯配。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量之金融資產及其後透過其他全面收益按公允值計量之債務工具之利息收入使用實際利率法確認。利息收入乃對金融資產賬面總值應用實際利率計算，惟其後出現信貸減值之金融資產除外(見下文)。對於其後出現信貸減值之金融資產而言，利息收入按金融資產自下個報告期起之攤銷成本應用實際利率確認。倘信貸減值金融工具之信貸風險有所改善，致使金融資產不再信貸減值，則利息收入自釐定有關資產不再出現信貸減值後之報告期開始對賬面總值應用實際利率確認。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Classification and subsequent measurement of financial assets (Cont'd)

- (ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method, and foreign exchange gains and losses are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產分類及後續計量(續)

- (ii) 分類為透過其他全面收益按公允值計量之債務工具

分類為透過其他全面收益按公允值計量之債務工具，其賬面值之後續變動會於損益中確認，有關變動乃由實際利率法計算之利息收入及外匯收益及虧損所致。該等債務工具賬面值之所有其他變動均於其他全面收益中確認，並於投資重估儲備項下累計。於損益中確認之減值撥備連同其他全面收益之相應調整並無減少該等債務工具之賬面值。如該等債務工具終止確認，則先前於其他全面收益確認之累計收益或虧損將重新分類至損益。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“**ECL**”) model on financial assets (including trade receivables, other receivables, receivables under service concession arrangements, debt instruments at FVTOCI, other financial assets at amortised cost, restricted bank deposits, time deposits and bank balances and cash) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易應收款項、其他應收款項、服務特許權安排下的應收款項、透過其他全面收益按公允值計量之債務工具、按攤銷成本計量的其他金融資產、受限制銀行存款、定期存款及銀行結餘及現金)根據預期信貸虧損(「**預期信貸虧損**」)模式進行減值評估。預期信貸虧損的金額於各報告日期更新，以反映自初步確認後信貸風險的變動。

全期預期信貸虧損指因相關工具的預期使用期內所有可能的違約事件而將產生之預期信貸虧損。相反，12個月預期信貸虧損(「**12個月預期信貸虧損**」)指預期於報告日期後12個月內可能發生的違約事件導致之全期預期信貸虧損部份。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。

本集團經常就貿易應收款項確認全期預期信貸虧損。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

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

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

就所有其他工具而言，本集團計量的虧損撥備等於12個月預期信貸虧損，惟倘自初始確認以來信貸風險顯著增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初始確認以來發生違約之可能性或風險是否顯著增加。

(i) 信貸風險顯著增加

於評估自初始確認以來信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量及定性資料，包括無需付出不必要的成本或努力而可取得之過往經驗及前瞻性資料。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(i) Significant increase in credit risk (Cont'd)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著增加(續)

特別是，在評估信貸風險是否已顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險外部市場指標的顯著惡化，如信貸利差、債務人的信貸違約掉期價格大幅增加；
- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變動；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人償還債務能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變動。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(i) Significant increase in credit risk (Cont'd)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(i) 信貸風險顯著增加(續)

不論上述評估之結果如何，本集團認為，倘合約付款逾期超過30天，則自初始確認以來信貸風險已顯著增加，除非本集團有合理且可支持之資料證明屬其他情況。

儘管如此，倘債務工具於報告日期釐定為具有較低信貸風險，則本集團可假設債務工具之信貸風險自初始確認以來並未顯著增加。在以下情況下，債務工具會釐定為具有較低信貸風險：i)其違約風險較低；ii)借款人短期內絕對有能力履行其合約現金流量責任；及iii)經濟及商業環境之長期不利變動可能但未必會降低借款人履行合約現金流量責任之能力。本集團認為，倘債務工具之內部或外部信貸評級為國際通用的「投資級別」，則該債務工具具有較低信貸風險。

本集團定期監察識別信貸風險是否顯著上升所用標準之有效性，並酌情修訂以確保該標準能夠在款項逾期前識別信貸風險之顯著上升。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(ii) 違約之定義

就內部信貸風險管理而言，本集團認為內部產生或獲取自外部來源之資料顯示債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有之任何抵押品)時將構成違約事件。

不論上述結果如何，倘金融資產逾期超過90天，則本集團認為已發生違約，除非本集團有合理可作為依據之資料顯示更滯後之違約準則更為適合則作別論。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(iii) Credit-impaired financial assets

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:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(iii) 信貸減值金融資產

當發生對金融資產之估計未來現金流量產生不利影響之一項或多項事件時，金融資產即出現信貸減值。金融資產信貸減值之證據包括以下可觀察事件：

- (a) 發行人或借款人陷入重大財困；
- (b) 違反合約，如違約或逾期事件；
- (c) 借款人之貸款人因與借款人出現財困相關之經濟或合約原因，而向借款人授予貸款人在一般情況下不會考慮之優惠條件；
- (d) 借款人可能破產或進行其他財務重組；或
- (e) 因財困導致金融資產之活躍市場消失。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience and forward-looking information that is available without undue cost or effort.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(iv) 撇銷政策

當有資料顯示交易對手陷入重大財困，且並無實際收回可能(例如交易對手已被清盤或進入破產程序，或就貿易應收款項而言，款項逾期超過兩年，以較早者為準)，本集團會撇銷金融資產。已撇銷之金融資產仍可根據本集團之收回程序進行法律行動，在適當情況下應聽取法律建議。撇銷構成取消確認事項。任何後續收回款項會於損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損程度)及違約風險之函數。違約概率及違約虧損之評估乃基於歷史數據及前瞻性資料。預期信貸虧損的估計反映公正及概率加權金額，有關金額乃根據發生相應違約風險的金額作為加權數值而釐定。本集團經考慮過往信貸虧損經驗及毋需花費不必要成本或精力即可獲得的前瞻性資料後使用撥備矩陣並採用可行權宜方法估計貿易應收款項的預期信貸虧損。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(v) Measurement and recognition of ECL (Cont'd)

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(v) 預期信貸虧損之計量及確認(續)

一般而言，預期信貸虧損及按根據合約應付本集團之所有合約現金流量與本集團預期收取之現金流量之間的差額(按初始確認時釐定之實際利率貼現)估計。

若干貿易應收款項的全期預期信貸虧損乃經計及逾期資料及相關信貸資料(如前瞻性宏觀經濟資料)後按集體基準考量。

本集團為集體評估制定組別時，將考慮以下特點：

- 逾期狀況；
- 債務人之性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期檢討分組方法，確保各組別之組成項目仍然具有類似之信貸風險特徵。

利息收入按金融資產之總賬面值計算，除非該金融資產已發生信貸減值，則利息收入按金融資產之攤銷成本計算。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Cont'd)

(v) Measurement and recognition of ECL (Cont'd)

Except for investments in debt instruments that are measured at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the investment revaluation reserve without reducing the carrying amount of these debt instruments. Such amount represents the changes in the investment revaluation reserve in relation to accumulated loss allowance.

Derecognition/modification of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產及根據香港財務報告準則第9號須進行減值評估之其他項目之減值(續)

(v) 預期信貸虧損之計量及確認(續)

除債務工具投資透過其他全面收益按公允值計量外，本集團透過調整其賬面值就所有金融工具於損益中確認減值收益或虧損，惟透過虧損撥備賬確認相應調整之貿易及其他應收款項除外。就透過其他全面收益按公允值計量之債務工具投資外，虧損撥備於其他全面收益中確認並於投資重估儲備中累計而不會減少該等債務工具之賬面值。有關金額指與累計虧損撥備有關的投資重估儲備變動。

終止確認／修訂金融資產

本集團僅會於資產現金流量之合約權力屆滿或其轉讓金融資產並已向另一實體轉移資產絕大部分擁有權風險及回報時終止確認金融資產。倘本集團並未轉移亦未保留擁有權之絕大部分風險及回報，並繼續控制已轉移資產，則本集團確認從其於該資產之保留權益及與其可能須支付金額有關之負債。倘本集團仍保留已轉移金融資產擁有權之絕大部分風險及回報，本集團將繼續確認該金融資產以及確認已收所得款項之有抵押借款。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Derecognition/modification of financial assets (Cont'd)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

A modification of a financial asset occurs if the contractual cash flows are renegotiated or otherwise modified.

When the contractual terms of a financial asset are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset, after reducing gross carrying amount that has been written off.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

終止確認／修訂金融資產(續)

終止確認按攤銷成本計量之一項金融資產時，該資產賬面值與已收及應收代價總和之差額於損益中確認。

於終止確認分類為透過其他全面收益按公允值計量之債務工具投資時，先前於投資重估儲備中累計之累計收益或虧損將重新分類至損益。

倘合約現金流量重新磋商或以其他方式修訂，則產生金融資產的修改。

當金融資產的合約條款被修訂時，本集團會考慮所有相關因素及情況(包括定性因素)，評估經修訂的條款是否導致對原有條款有重大修訂。倘定性評估並無定論，則倘根據新條款的現金流量(包括任何已付費用扣除任何已收費用，並使用原實際利率貼現)的貼現值與原金融資產剩餘現金流量的貼現值經計及已撇銷的賬面總值後相差至少10%，則本集團認為該等條款有重大差異。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL INSTRUMENTS (Cont'd)

FINANCIAL ASSETS (Cont'd)

Derecognition/modification of financial assets (Cont'd)

For non-substantial modifications of financial assets that do not result in derecognition, the carrying amount of the relevant financial assets will be calculated at the present value of the modified contractual cash flows discounted at the financial assets' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial assets and are amortised over the remaining term. Any adjustment to the carrying amount of the financial asset is recognised in profit or loss at the date of modification.

FINANCIAL LIABILITIES AND EQUITY

CLASSIFICATION AS DEBT OR EQUITY

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

EQUITY INSTRUMENT

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instrument issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融工具(續)

金融資產(續)

終止確認/修訂金融資產(續)

就不會導致金融資產取消確認的不重大修訂而言，相關金融資產的賬面值將會按金融資產的原有實際利率貼現的經修訂合約現金流量的現值計算。產生的交易成本或費用已調整至經修訂金融資產的賬面值，並於餘下年期予以攤銷。金融資產賬面值的任何調整於修訂日期在損益確認。

金融負債及權益

分類為債務或權益

債務及權益工具乃根據所合約安排的內容以及金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具為證明實體的資產於扣除其所有負債後的剩餘權益的任何合約。本公司所發行的權益工具乃按已收所得款項扣除直接發行成本確認。

回購本公司自身的權益工具直接於權益確認及扣除。在購買、出售、發行或註銷本公司自身的權益工具時，並無於損益確認收益或虧損。



Notes to the Consolidated Financial Statements 綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FINANCIAL LIABILITIES AND EQUITY (Cont'd)

FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities including trade payables, other payables, amounts due to related parties and borrowings are subsequently measured at amortised cost, using the effective interest method.

DERECOGNITION OF FINANCIAL LIABILITIES

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 綜合財務報表之編製基準及重大會計政策(續)

3.2 重大會計政策(續)

金融負債及權益(續)

按攤銷成本列值的金融負債

金融負債(包括貿易應付款項、其他應付款項、應付關連方款項及借款)於其後採用實際利率法按攤銷成本計量。

終止確認金融負債

本集團於及僅會於本集團責任遭解除、註銷或屆滿時終止確認財務負債。已終止確認的財務負債賬面值與已付及應付代價的差額於損益確認。

4. 關鍵會計判斷及估計不明朗因素的主要來源

於應用本集團會計政策(載於附註3)時,本公司董事須就未能直接從其他來源取得的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及其他被視為相關的因素作出。實際結果與該等估計或有所不同。

該等估計及相關假設會作持續檢討。倘對會計估計的修訂僅影響估計修訂的期間,則於該期間確認有關修訂,或倘修訂影響當前及未來期間,則於修訂期間及未來期間確認有關修訂。



Notes to the Consolidated Financial Statements 綜合財務報表附註

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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

CRITICAL JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

DEPRECIATION OF LAND RIGHTS

The Group classified the land rights held by a subsidiary, PT Rimba Palma Sejahtera Lestri ("RPSL"), in Indonesia as right-of-use assets because the management considered that substantially all risks and rewards are transferred to RPSL, even if at the end of the lease term, titles do not pass to RPSL. Indonesian land rights are granted for a stated period of time, with an extension option at an immaterial cost. Land rights are also renewable after the extended period term expires. Given the fact that land rights can be extended at RPSL's option, the management considered that the term of land rights is sufficiently long to indicate the transfer of risks and rewards from the government to RPSL and the government's interest in the residual value of the underlying land is considered as insignificant. Also, the management considered that RPSL has the ability and intent to renew the land leases in perpetuity, the useful life of the land rights is in perpetuity and hence are not depreciated.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. 關鍵會計判斷及估計不明朗因素的主要來源(續)

應用會計政策時的關鍵判斷

下列為本公司董事於應用本集團會計政策的過程中所作出且對於綜合財務報表中確認的金額具有最重大影響的關鍵判斷(除該等涉及估計者外(見下文))。

土地權折舊

本集團將附屬公司PT Rimba Palma Sejahtera Lestri ("RPSL")於印尼持有的土地權分類為使用權資產，原因是管理層認為其絕大部分風險及回報已轉讓予RPSL，儘管於租賃期末土地業權尚未轉讓至RPSL。印尼土地權於規定時期內獲授予，可選擇以非重大成本延期。延長期限到期後，土地權亦可續期。鑑於RPSL可選擇延長土地權，管理層認為土地權的期限之久足以表明風險及回報由政府轉讓至RPSL，政府於相關土地剩餘價值的權益被視為無關緊要。管理層亦認為RPSL能夠及有意續簽永久地契，土地權的使用年期為永久，因此不會折舊。

估計不明朗因素的主要來源

以下乃有關日後的主要假設及於報告期末的估計不明朗因素的其他主要來源，而該等假設及估計不明朗因素或會導致須對下一個財政年度資產及負債的賬面值作出重大調整的重大風險。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

ESTIMATED IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT RELATED TO BUSINESS OPERATION IN INDONESIA

Determining whether property, plant and equipment is impaired requires an estimation of the recoverable amount of the CGU to which the property, plant and equipment has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows, further impairment loss may arise. During the years ended 31 December 2022, no impairment loss was recognised after assessing the recoverable amount of CGU which is principally engaged in the sales of biofuel business (2021: the biomass power generation business) in Indonesia.

The management's assessment of property, plant and equipment impairment is highly judgemental and is dependent on certain key assumptions including the discount rate, growth rates and budgeted sales, and gross margin, which are affected by expected future market or economic conditions, particularly those in Indonesia. An independent qualified professional valuer is engaged to assess the recoverable amount of the CGU.

4. 關鍵會計判斷及估計不明朗因素 的主要來源(續)

估計不明朗因素的主要來源(續)

與印尼的業務營運相關的估計物業、
廠房及設備減值

決定物業、廠房及設備有否減值須估計物業、廠房及設備所分配至的現金產生單位的可收回金額(使用價值或公允值減出售成本之較高者)。計算使用價值須本集團估計預期來自現金產生單位的未來現金流量及合適的貼現率以計算現值。倘實際的未來現金流量低於預期，或事實及環境變化導致向下修訂未來現金流量，則可能產生更大的減值虧損。於截至二零二二年十二月三十一日止年度，於評估主要於印尼從事銷售生物燃料業務(二零二一年：生物質發電業務)的現金產生單位的可收回金額後，本集團概無確認任何減值虧損。

管理層對物業、廠房及設備減值的評估過程涉及重大判斷，而該評估取決於若干重要假設，包括貼現率、增長率及預算銷售及毛利率，前述各項均受預期未來市場或經濟情況所影響，尤其是印尼的未來市場或其經濟狀況。本集團聘請一名獨立合資格專業估值師評估現金產生單位的可收回金額。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

SERVICE CONCESSION ARRANGEMENTS

The Group entered into the build-operate-transfer (the “**BOT**”) arrangements in wastewater treatment and biomass power facilities. The Group concluded that the BOT arrangements are service concession arrangements under HK(IFRIC)-Int 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 addition, upon expiry of concession right agreement, the infrastructure has to be transferred to the local government at nil consideration.

Revenue from the construction of biomass power facilities under the terms of a BOT contract is estimated on a cost-plus basis in which the construction margin is determined with reference to a prevailing market rate of gross margins of market comparable at the time of construction, and is recognised using the percentage-of-completion method, measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract. During the year ended 31 December 2022, the Group recognised the revenue of approximately HK\$114,389,000 (2021: HK\$22,535,000) from the construction of biomass power facilities.

Imputed interest income is recognised from time to time on receivables under service concession arrangements on an accrual basis using the effective interest method by discounting the estimated future cash receipts over the service concession period at the effective interest rate computed at initial recognition.

The relevant effective interest rate is determined with reference to the yield of corporate bonds of comparable infrastructure companies in The People’s Republic of China (the “**PRC**”) and Indonesia.

4. 關鍵會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

服務特許權安排

本集團已訂立污水處理及生物質發電設施建設－經營－移交(「**BOT**」)安排。本集團認為有關BOT安排均屬香港(國際財務報告詮釋委員會)－詮釋第12號服務特許權安排下的服務特許權安排，因為當地政府控制並監管本集團按預定服務費以基礎設施提供的服務。此外，在特許權協議到期後，有關基礎設施須無償轉歸當地政府。

根據BOT合約條款來自建設生物質發電設施的營業收入以成本加成法估計，而建設毛利率乃參考於建造時可資比較市場的現行市場毛利率釐定，並採用完工百分比方法確認入賬，及參考截至當日已產生的成本佔相關合約的估計總成本的比例計量。截至二零二二年十二月三十一日止年度，本集團確認來自建設生物質發電設施的營業收入約為114,389,000港元(二零二一年：22,535,000港元)。

服務特許權安排下的應收款項不時會使用實際利率法按累計基準確認推算利息收入，並按照初始確認時計算的實際利率將服務特許期的估計未來現金收入貼現。

相關實際利率經參考可資比較的中華人民共和國(「**中國**」)及印尼基建公司的公司債券收益率釐定。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

PROVISION FOR MAJOR OVERHAULS OF WASTEWATER TREATMENT FACILITIES TO A SPECIFIED LEVEL OF SERVICEABILITY

The Group has contractual obligations (a) to maintain the wastewater treatment facilities it operates to a specified level of serviceability and (b) to restore the facilities to a specified condition before they are handed over to the grantor at the end of the service concession arrangement. These contractual obligations to maintain or restore infrastructure, except for any upgrade element, are recognised and measured in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, i.e., at the best estimate of the expenditure that would be required to settle the present obligation at the end of each reporting period. The estimation of the expenditure requires the Group to estimate the expected future cash outlays on major overhauls of the wastewater treatment facilities over the service concession periods and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The amount of the provision for major overhauls carried as a liability in the consolidated statement of financial position as at 31 December 2022 was approximately HK\$13,352,000 (2021: HK\$18,978,000). Further details of the provision for major overhauls are set out in note 28.

4. 關鍵會計判斷及估計不明朗因素 的主要來源(續)

估計不明朗因素的主要來源(續)

使污水處理設施達致特定可提供服務水平的重大檢修撥備

本集團的合約責任為(a)保養其經營的污水處理設施，確保符合特定的可提供服務水平及(b)於服務特許權安排結束時，在移交該等設施予授予以人之前，將其修復至指定狀態。該等保養或修復基礎設施的合約責任(升級部分除外)乃根據香港會計準則第37號撥備、或然負債及或然資產予以確認與計量，即按各報告期末履行當前責任所需開支的最佳估計值進行確認與計量。估計開支時本集團須估計服務特許期內污水處理設施重大檢修的預計未來現金開支，並選擇適當貼現率以計算該等現金流量的現值。於二零二二年十二月三十一日的綜合財務狀況表內列作負債的重大檢修撥備的金額約為13,352,000港元(二零二一年：18,978,000港元)。有關重大檢修撥備的進一步詳情載於附註28。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

PROVISION OF ECL AND IMPAIRMENT OF RECEIVABLES UNDER SERVICES CONCESSION ARRANGEMENTS

The Group individually calculates ECL for the receivables under services concession arrangements. Such assessments are based on internal credit rating, customers' ageing and historical default rates and are adjusted for forward-looking information that is available with undue costs or effort. At every reporting date, the internal credit rating and historical observed default rates are reassessed and changes in the forward-looking information are considered. The provision of ECL is sensitive to changes in estimates. The information about the ECL is set out in note 33.

CURRENT TAX AND DEFERRED TAX

The Group is subject to income taxes in Hong Kong, the PRC and Indonesia. The Group carefully evaluates tax implications of its transactions in accordance with prevailing tax regulations and makes tax provision accordingly. However, a judgement is required in determining the Group's provision for income taxes as there are many transactions and calculations of which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the differences will impact on the income tax and deferred tax provision in the periods in which the determination is made. Details of the deferred tax liabilities are set out in note 27.

4. 關鍵會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

預期信貸虧損撥備及服務特許權安排下的應收款項減值

本集團就服務特許權安排下的應收款項個別計算預期信貸虧損。有關評估乃以內部信貸評級、客戶賬齡及過往違約率為基準，並就無需付出不必要的成本或努力即可得到的前瞻性資料作出調整。於每個報告日期，重新評估內部信貸評級及過往觀察的違約率，並已考慮前瞻性資料的變動。預期信貸虧損的撥備易受估計的變動影響。預期信貸虧損的資料載於附註33。

即期稅項及遞延稅項

本集團於香港、中國及印尼須繳納所得稅。本集團審慎評估現行稅務規例對其交易的稅務影響並相應地計提稅項撥備。然而，於釐定本集團的所得稅撥備時須作出判斷，乃因於日常業務過程中未能準確釐定最終須繳納稅項的交易及計算相當繁多。若有關事項的最終稅務結果與初始入賬額不同，則該差額將影響釐定稅款期間的所得稅及遞延稅項撥備。遞延稅項負債的詳情載於附註27。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

CURRENT TAX AND DEFERRED TAX (Cont'd)

Deferred tax liabilities have been recognised for withholding taxes that would be payable on certain portion of the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in the PRC since it is probable that these subsidiaries will distribute such earnings in the foreseeable future. Where the final distribution portion of earnings is larger than the amount that initially recorded, the differences will impact on the income tax in the periods in which the distribution is made. Further details of the temporary difference associated with investment in subsidiaries are set out in note 27.

5. REVENUE

4. 關鍵會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

即期稅項及遞延稅項(續)

已就本集團於中國所成立的附屬公司須繳納預扣稅的若干部分未匯回盈利應繳納的預扣稅確認遞延稅項負債，原因為該等附屬公司於可見將來可能會分派有關盈利。倘盈利的最終分派部分高於最初入賬的金額，該等差額將影響分派期間的所得稅。與於該等附屬公司之投資相關的暫時性差額的進一步詳情載於附註27。

5. 營業收入

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Types of goods and services	商品及服務類別		
Wastewater treatment facilities operation services	污水處理設施營運服務	52,126	64,384
Wastewater treatment facilities construction services	污水處理設施建設服務	—	420
Biomass power construction services	生物質發電廠建設服務	114,389	22,535
Sales of biofuel	銷售生物燃料	18,886	72
Revenue from goods and services	商品及服務營業收入	185,401	87,411
Imputed interest income on receivables under service concession arrangements	服務特許權安排下應收款項推算利息收入	18,258	15,725
		203,659	103,136



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

5. REVENUE (Cont'd)

5. 營業收入(續)

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Timing of revenue recognition	收入確認時點		
A point in time	於某一時間點	71,012	64,456
Over time	隨時間	114,389	22,955
Revenue from goods and services	商品及服務營業收入	185,401	87,411

The sales of biofuel are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

銷售生物燃料合約期限均為一年或以下。如香港財務報告準則第15號所批准，並無披露分配至該等未履行合約的交易價。

As at 31 December 2022, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately HK\$43,286,000 (2021: HK\$146,993,000). This amount represents revenue expected to be recognised in the future from partially-completed long term construction contracts. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur in the next 8 months (2021: 12 months).

於二零二二年十二月三十一日，分配至本集團現有合約項下餘下履約責任的交易價總額約為43,286,000港元(二零二一年：146,993,000港元)。該金額指預期未來自部分完成的長期建造合約確認的收益。本集團將於未來當工程竣工時確認預期收益，預期將於未來8個月(二零二一年：12個月)竣工。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

5. REVENUE (Cont'd)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

5. 營業收入(續)

以下為來自客戶合約的營業收入與分部資料所披露金額的對賬：

		2022 二零二二年		Total 總計
		PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	HK\$'000 千港元
Wastewater treatment facilities operation and construction services	污水處理設施營運及建設服務	52,126	—	52,126
Biomass power construction services	生物質發電廠建設服務	—	114,389	114,389
Sales of biofuel	銷售生物燃料	—	18,886	18,886
Revenue from contracts with customers	來自客戶合約的營業收入	52,126	133,275	185,401
Imputed interest income on receivables under service concession arrangements	服務特許權安排下應收款項推算利息收入	13,721	4,537	18,258
Total revenue	營業收入總額	65,847	137,812	203,659



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

5. REVENUE (Cont'd)

5. 營業收入(續)

		2021 二零二一年		Total 總計
		PRC 中國	Indonesia 印尼	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Wastewater treatment facilities operation and construction services	污水處理設施營運及建設服務	64,804	—	64,804
Biomass power construction services	生物質發電廠建設服務	—	22,535	22,535
Sales of biofuel	銷售生物燃料	—	72	72
Revenue from contracts with customers	來自客戶合約的營業收入	64,804	22,607	87,411
Imputed interest income on receivables under service concession arrangements	服務特許權安排下應收款項推算利息收入	14,939	786	15,725
Total revenue	營業收入總額	79,743	23,393	103,136



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION

The Group is engaged in the construction and operation of wastewater treatment facilities, construction of biomass power plant and sales of biofuel business. Information reported to the executive directors of the Company, being the chief operating decision maker for the purposes of resource allocation and assessment of performance is focused on geographical locations of its manpower and customers, including Hong Kong, PRC and Indonesia. No operating segments have been aggregated in arriving at the reporting segments of the Group.

SEGMENT REVENUE AND RESULTS

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 December 2022

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Results	業績				
Segment revenue	分部收入	—	65,847	137,812	203,659
Segment (loss)/profit	分部(虧損)/溢利	(21,994)	28,165	7,863	14,034
Unallocated expenses	未分配開支				
Administrative expenses	行政開支				—
Profit before tax	除稅前溢利				14,034

6. 分部資料

本集團從事建設及營運污水處理設施、建設生物質發電廠以及銷售生物燃料業務。呈報予本公司執行董事，(即主要營運決策人)，以作為資源分配及表現評估之用的資料集中在其人力資源及客戶的地理位置，包括香港、中國及印尼。於達致本集團的可呈報分部時並無將經營分部作合併處理。

分部收入及業績

本集團可呈報及經營分部的收入及業績分析如下：

截至二零二二年十二月三十一日止年度



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION (Cont'd)

SEGMENT REVENUE AND RESULTS (Cont'd)

For the year ended 31 December 2021

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Results	業績				
Segment revenue	分部收入	—	79,743	23,393	103,136
Segment (loss)/profit	分部(虧損)/溢利	(12,353)	45,213	(9,960)	22,900
Unallocated expenses	未分配開支				
Administrative expenses	行政開支				—
Profit before tax	除稅前溢利				22,900

There are no inter-segment sales for both years.

All of the segment revenue reported above is from external customers.

6. 分部資料(續)

分部收入及業績(續)

截至二零二一年十二月三十一日止年度

兩個年度均無分部間銷售。

上述呈報的所有分部收入均來自外部客戶。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION (Cont'd)

SEGMENT ASSETS AND LIABILITIES

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

As at 31 December 2022

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Segment and total consolidated assets	分部綜合資產及綜合資產總值	82,129	209,834	239,093	531,056
Liabilities	負債				
Segment and total consolidated liabilities	分部綜合負債及綜合負債總值	176,492	35,487	16,185	228,164

As at 31 December 2021

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Segment and total consolidated assets	分部綜合資產及綜合資產總值	9,120	367,885	151,766	528,771
Liabilities	負債				
Segment and total consolidated liabilities	分部綜合負債及綜合負債總值	77,061	65,454	3,191	145,706

6. 分部資料(續)

分部資產及負債

本集團按可呈報及經營分部劃分之資產及負債分析如下：

於二零二二年十二月三十一日

於二零二一年十二月三十一日



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION (Cont'd)

OTHER SEGMENT INFORMATION

Amounts included in the measure of segment profit or loss or segment assets:

For the year ended 31 December 2022

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Additions to non-current assets (note)	添置非流動資產 (附註)	1,029	308	3,838	5,175
Depreciation of property, plant and equipment	物業、廠房及設備折舊	443	508	5,017	5,968
Impairment losses under expected credit loss model	預期信貸虧損模式下的減值虧損	2,381	374	17	2,772
Reversal of write-down of inventories	撇減存貨撥回	—	—	897	897
Interest income from advance to a third party	向一名第三方作出墊款的利息收入	—	600	—	600
Bank interest income	銀行利息收入	4	492	197	693
Finance costs	融資成本	8,211	1,087	—	9,298

6. 分部資料(續)

其他分部資料

計入分部溢利或虧損或分部資產之金額：

截至二零二二年十二月三十一日止年度



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION (Cont'd)

OTHER SEGMENT INFORMATION (Cont'd)

For the year ended 31 December 2021

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Additions to non-current assets (note)	添置非流動資產 (附註)	—	91	4,449	4,540
Depreciation of property, plant and equipment	物業、廠房及設備折舊	543	464	4,334	5,341
Impairment losses under expected credit loss model	預期信貸虧損模式下的減值虧損	—	1,008	2,242	3,250
Write-down of inventories	撇減存貨	—	—	1,058	1,058
Interest income from advance to a third party	向一名第三方作出墊款的利息收入	—	975	—	975
Bank interest income	銀行利息收入	3	245	265	513
Finance costs	融資成本	3,438	970	—	4,408

6. 分部資料(續)

其他分部資料(續)

截至二零二一年十二月三十一日止年度



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

6. SEGMENTAL INFORMATION (Cont'd)

GEOGRAPHICAL INFORMATION

The Group's non-current assets by geographical locations of the assets are detailed below:

		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	857	453
PRC	中國	662	1,494
Indonesia	印尼	62,610	69,543
		64,129	71,490

Note: Non-current assets excluded receivables under service concession arrangements, debt instrument at FVTOCI, other financial assets at amortised cost, prepayments and other receivables and restricted bank deposits.

INFORMATION ABOUT MAJOR CUSTOMERS

Revenue from customers of the corresponding years contributing over 10% of the Group's revenue are as follows:

		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
Customer A from the PRC segment	中國分部客戶A	N.A*	37,329
Customer B from the PRC segment	中國分部客戶B	46,201	42,414
Customer C from the Indonesia segment	印尼分部客戶C	118,926	23,321

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. 分部資料(續)

地理資料

本集團按資產之地區劃分之非流動資產詳列如下：

	2022	2021
	二零二二年	二零二一年
	HK\$'000	HK\$'000
	千港元	千港元
Hong Kong	857	453
PRC	662	1,494
Indonesia	62,610	69,543
	64,129	71,490

附註：非流動資產不包括服務特許權安排下之應收款項、透過其他全面收益按公允值計量的債務工具、按攤銷成本計量的其他金融資產、預付款項及其他應收款項及受限制銀行存款。

有關主要客戶的資料

相應年度佔本集團收入10%以上的客戶收入如下：

	2022	2021
	二零二二年	二零二一年
	HK\$'000	HK\$'000
	千港元	千港元
Customer A from the PRC segment	N.A*	37,329
Customer B from the PRC segment	46,201	42,414
Customer C from the Indonesia segment	118,926	23,321

* 相應收入佔本集團營業收入總額不超過10%。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

7. OTHER INCOME AND NET GAINS

7. 其他收入及淨收益

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Bank interest income	銀行利息收入	693	513
Interest income from advance to a third party	向一名第三方作出墊款的利息收入	600	975
Interest income from debt instrument at FVTOCI	透過其他全面收益按公允值計量的債務工具的利息收入	190	205
Foreign exchange gain, net	外匯收益淨額	2,115	1,479
Government grants	政府補助	97	16
Refund of value-added tax	增值稅退稅	1,046	1,243
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(14)	(8)
Gain on lease modification	租賃修改的收益	10	—
Others	其他	205	33
		4,942	4,456

8. FINANCE COSTS

8. 融資成本

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest on borrowings	借款利息	2,518	1,362
Interest on loans from related parties	來自關聯方的貸款利息	5,676	2,048
Interest on lease liabilities	租賃負債利息	22	28
Increase in discounted amounts of provision for major overhauls arising from the passage of time (note 28)	由於時間流逝而產生的重大檢修撥備的貼現金額增加(附註28)	1,082	970
		9,298	4,408



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

9. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

9. 除稅前溢利

除稅前溢利已扣除：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Staff cost (including directors' remuneration):	員工成本(包括董事酬金)：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	14,298	12,634
Discretionary bonus	酌情花紅	800	382
Pension scheme contributions (note (a))	退休金計劃供款(附註(a))	1,819	2,067
Less: Amount capitalised in inventories	減：於存貨資本化的款項	(39)	(336)
Less: Amount recognised in cost of sales	減：已確認之銷售成本款項	(2,305)	(37)
		14,573	14,710
Depreciation of property, plant and equipment	物業、廠房及設備折舊	5,968	5,341
Less: Amount capitalised in inventories	減：於存貨資本化的款項	(28)	(650)
Less: Amount recognised in cost of sales	減：已確認之銷售成本款項	(1,435)	(72)
		4,505	4,619
Impairment losses recognised on:	就下列各項確認的減值虧損：		
— Other receivables	— 其他應收款項	374	1,008
— Other financial assets at amortised cost	— 按攤銷成本計量的其他金融資產	17	2,242
— Debt instrument at FVTOCI	— 透過其他全面收益按公允價值計量的債務工具	2,381	—
Auditor's remuneration	核數師薪酬	1,600	1,090
Cost of construction services	建設服務成本	100,910	19,797
Cost of wastewater treatment facilities operation services rendered	提供污水處理設施營運服務的成本	32,229	28,393
Cost of biofuel operation (including reversal of write-down of inventories of HK\$897,000 (2021: write-down of inventories of HK\$1,058,000)) (note (b))	生物燃料業務營運成本(包括撇減存貨撥回897,000港元(二零二一年：撇減存貨1,058,000港元))(附註(b))	9,951	1,308
Provision for major overhauls	重大檢修撥備	1,868	757
Defined benefit retirement plans	界定福利退休計劃	13	466



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

9. PROFIT BEFORE TAX (Cont'd)

Notes:

- (a) As at 31 December 2022, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2021: Nil).
- (b) During the year ended 31 December 2022, there was a decrease in unit cost of inventories due to mass production. As a result, the net realisable value is higher than the cost of inventories and a reversal of write-down of HK\$897,000 has been recognised and included in cost of sales.

10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

9. 除稅前溢利(續)

附註：

- (a) 於二零二二年十二月三十一日，本集團概無被沒收供款可減少未來年度的退休金計劃之供款(二零二一年：無)。
- (b) 截至二零二二年十二月三十一日止年度，存貨單位成本有所下降是由於大規模生產所致。因此，年變現淨值高於存貨成本及有897,000港元的撇減存貨撥回已確認併計入銷售成本中。

10. 董事及最高行政人員薪酬

根據適用上市規則及香港公司條例已披露之年內董事及最高行政人員薪酬如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Directors' fees	董事袍金	860	860
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,788	420
Discretionary bonus	酌情花紅	45	20
Pension scheme contributions	退休金計劃供款	10	—
		1,843	440
		2,703	1,300



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Cont'd)

10. 董事及最高行政人員薪酬(續)

(A) INDEPENDENT NON-EXECUTIVE DIRECTORS

(A) 獨立非執行董事

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Ms. Ng Chung Yan Linda	伍頌恩女士	120	120
Mr. Ng Man Kung	吳文拱先生	120	120
Ms. Leung Bo Yee Nancy	梁寶儀女士	100	100
		340	340

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上述獨立非執行董事之酬金乃就彼等作為本公司董事所提供服務之薪酬。

(B) EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTOR

(B) 執行董事及非執行董事

		Salaries, allowances and benefits		Discretionary bonus	Pension scheme contributions	Total
		Fees	in kind			
		薪金、津貼及袍金	實物福利	酌情花紅	退休金計劃供款	總額
		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
Year ended 31 December 2022		截至二零二二年十二月三十一日止年度				
Executive directors		執行董事				
Mr. Chau On Ta Yuen	周安達源先生	120	907	—	—	1,027
Mr. Chan Kwan (Chief Executive)	陳昆先生(行政總裁)	100	471	19	10	600
Mr. Radius Suhendra	蘇堅人先生	100	—	—	—	100
Mr. Chau Chi Yan Benny	周致人先生	100	—	—	—	100
		420	1,378	19	10	1,827
Non-executive director		非執行董事				
Mr. Chan Pak Lam Brian	陳栢林先生	100	410	26	—	536
		520	1,788	45	10	2,363



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Cont'd)

10. 董事及最高行政人員薪酬(續)

(B) EXECUTIVE DIRECTORS AND NON- EXECUTIVE DIRECTOR (Cont'd)

(B) 執行董事及非執行董事(續)

		Salaries, allowances and benefits in kind 薪金、津貼及 實物福利	Discretionary bonus 酌情花紅	Pension scheme contributions 退休金 計劃供款	Total 總額
	Fees 袍金	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Year ended 31 December 2021	截至二零二一年十二 月三十一日止年度				
Executive directors	執行董事				
Mr. Chau On Ta Yuen	周安達源先生	120	72	—	192
Mr. Chan Kwan (Chief Executive)	陳昆先生(行政總裁)	100	239	20	359
Mr. Radius Suhendra	蘇堅人先生	100	—	—	100
Mr. Chau Chi Yan Benny	周致人先生	100	—	—	100
		420	311	20	751
Non-executive director	非執行董事				
Mr. Chan Pak Lam Brian	陳栢林先生	100	109	—	209
		520	420	20	960

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上述執行董事酬金乃就彼等提供與管理本公司及本集團事務有關之服務之薪酬。

The non-executive director's emolument shown above was for his service as director of the Company or its subsidiaries.

上述非執行董事酬金乃就彼作為本公司或其附屬公司之董事所提供服務之薪酬。

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

年內並無董事或最高行政人員放棄或同意放棄任何薪酬之安排。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included three (2021: one) directors, details of whose remuneration are set out in note 10 above. Details of the remuneration for the year of the remaining two (2021: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2022	2021
	二零二二年	二零二一年
	HK\$'000	HK\$'000
	千港元	千港元
Salaries, allowances and benefits in kind 薪金、津貼及實物福利	1,809	2,614
Discretionary bonus 酌情花紅	169	204
Pension scheme contributions 退休金計劃供款	57	73
	2,035	2,891

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Number of employees	
	僱員數目	
	2022	2021
	二零二二年	二零二一年
Nil to HK\$1,000,000 零至1,000,000港元	1	3
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元	1	1
	2	4

During the years ended 31 December 2022 and 2021, no emoluments were paid by the Group to any directors or the five highest paid individuals as an inducement to join or upon joining the Group or as a compensation for loss of office.

11. 五名最高薪酬僱員

年內本集團五名最高薪酬僱員包括三名(二零二一年:一名)董事,其薪酬之詳情載列於上文附註10。年內餘下兩名(二零二一年:四名)既非本公司董事亦非最高行政人員之最高薪酬僱員之薪酬詳情載列如下:

薪酬屬於以下範圍非本公司董事的最高薪酬僱員的數目如下:

於截至二零二二年及二零二一年十二月三十一日止年度,本集團概無向任何董事或五名最高薪酬僱員支付任何薪酬作為促使其加入本集團的獎勵或離職補償。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. INCOME TAX EXPENSE

12. 所得稅開支

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong	香港	5	5
PRC	中國	13,070	11,656
		13,075	11,661
Under/(over) provision in prior years:	過往年度撥備不足／(超額撥備)：		
Hong Kong	香港	(51)	—
PRC	中國	196	83
		145	83
Deferred tax (note 27):	遞延稅項(附註27)：	3,016	(350)
		16,236	11,394

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

根據開曼群島及英屬處女群島規則及法規，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

For the year ended 31 December 2022, the provision for Hong Kong Profits Tax was calculated at 16.5% (2021: 16.5%) of the estimated assessable profit for the year.

截至二零二二年十二月三十一日止年度，香港利得稅撥備按本年度之估計可評稅溢利的16.5% (二零二一年：16.5%)計算。

The provision for the PRC enterprise income tax is based on the respective corporate income tax rates applicable to the subsidiaries of the Company located in the PRC as determined in accordance with the relevant income tax rules and regulations of the PRC.

中國企業所得稅撥備是根據位於中國的本公司附屬公司所適用並按中國相關所得稅規則及規例所釐定的各企業所得稅率而作出。

The withholding tax on distributable profits is calculated at the rate of 10% on total dividend distributed from the Group's subsidiaries in the PRC.

可供分配溢利預扣稅按本集團中國附屬公司分派股息總額的10%之稅率計算。

The withholding tax on disposal of the Group's subsidiary is calculated at the rate of 10% on consideration receivable less investment cost.

出售本集團附屬公司的預扣稅按應收對價減去投資成本的10%之稅率計算。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

12. INCOME TAX EXPENSE (Cont'd)

No provision for Indonesian income tax had been made as the Group did not generate any assessable profits arising in Indonesia during the year (2021: Nil).

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for jurisdictions in which the Company's subsidiaries are domiciled to the tax expense at the Group's effective tax rate is as follows:

12. 所得稅開支(續)

由於本集團於年內並無於印尼產生任何可評稅溢利(二零二一年:無),故概無計提印尼所得稅撥備。

按本公司附屬公司註冊成立所在司法權區的法定稅率計算的除稅前溢利適用的稅項開支與按本集團實際稅率計算的稅項開支的對賬如下:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Profit before tax	除稅前溢利	14,034	22,900
Tax at the domestic income tax rate of 25% (2021: 25%)	按國內所得稅率25%(二零二一年:25%)計算的稅項	3,508	5,725
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	7,040	2,672
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(8,428)	(1,283)
Under provision in respect of prior years	過往年度撥備不足	145	83
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	9,955	4,454
Utilisation of tax losses previously not recognised	動用先前未確認稅項虧損	(24)	(26)
The effect of deductible temporary difference not recognised	未確認可扣除暫時性差額之影響	(690)	292
Income tax at concessionary rate	按優惠稅率計算的所得稅	(568)	(1,007)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區營運之附屬公司稅率不同之影響	(543)	(108)
Effect of withholding tax on the distributable profits of the Group's subsidiaries in the PRC	預扣稅對本集團中國附屬公司可供分配溢利之影響	582	1,673
Effect of withholding tax on the undistributed profits of the Group's subsidiaries in the PRC	預扣稅對本集團中國附屬公司未分配溢利之影響	(232)	(1,081)
Effect of withholding tax on the disposal of the Group's subsidiary in the PRC	預扣稅對出售本集團中國附屬公司的影響	5,491	—
Income tax expense for the year	本年度所得稅開支	16,236	11,394



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

13. DIVIDENDS

13. 股息

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Dividends recognised as distribution during the year: 於本年度確認為分派的股息：		
2021 interim dividend — HK0.5 cent per share 二零二一年中期股息 — 每股0.5港仙	—	5,536

No final dividend was proposed in respect of the years ended 31 December 2022 and 2021.

不建議就截至二零二二年及二零二一年十二月三十一日止年度派付末期股息。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

14. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share attributable to the owners of the Company is based on the following data:

14. 每股(虧損)/盈利

本公司擁有人應佔每股基本(虧損)/盈利的計算基於下列數據：

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
(Loss)/earnings for the purposes of basic (loss)/earnings per share, being (loss)/profit for the year attributable to owners of the Company	(3,291)	6,145
	Number of shares 股份數目	
	2022 二零二二年 '000 千股	2021 二零二一年 '000 千股
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	1,107,300	1,107,300

No diluted earnings per share for 2022 and 2021 were presented as there were no potential ordinary shares in issue for 2022 and 2021.

由於二零二二年及二零二一年概無已發行的潛在普通股，故二零二二年及二零二一年並無呈列每股攤薄盈利。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Construction in progress 在建工程 HK\$'000 千港元	Land rights 土地權 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Land and buildings 土地及樓宇 HK\$'000 千港元	Equipment and machines 設備及機器 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本								
At 1 January 2021	於二零二一年一月一日	25,284	5,671	1,629	10,289	137,966	1,827	1,104	183,770
Exchange adjustments	匯兌調整	(553)	(90)	—	(155)	(1,869)	56	7	(2,604)
Additions	添置	—	—	—	1,198	3,208	131	3	4,540
Disposals	出售	—	(96)	—	—	(40)	(73)	—	(209)
Transfer	轉撥	(19,109)	—	—	—	19,109	—	—	—
At 31 December 2021	於二零二一年 十二月三十一日	5,622	5,485	1,629	11,332	158,374	1,941	1,114	185,497
Exchange adjustments	匯兌調整	(377)	(477)	—	(994)	(13,777)	(184)	(99)	(15,908)
Additions	添置	2,736	—	1,029	58	425	710	217	5,175
Disposals	出售	—	—	(1,629)	—	—	(136)	—	(1,765)
Disposal of a subsidiary (note 36)	出售附屬公司 (附註36)	—	—	—	—	(304)	(1,368)	(472)	(2,144)
Transfer	轉撥	(4,892)	—	—	102	4,790	—	—	—
At 31 December 2022	於二零二二年 十二月三十一日	3,089	5,008	1,029	10,498	149,508	963	760	170,855
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值								
At 1 January 2021	於二零二一年一月一日	5,713	2,979	635	5,297	93,674	1,173	829	110,300
Exchange adjustments	匯兌調整	(91)	(55)	—	(72)	(1,358)	36	10	(1,530)
Provided for the year	年內撥備	—	—	543	513	4,033	203	49	5,341
Eliminated on disposals	出售時撇除	—	—	—	—	(36)	(68)	—	(104)
At 31 December 2021	於二零二一年 十二月三十一日	5,622	2,924	1,178	5,738	96,313	1,344	888	114,007
Exchange adjustments	匯兌調整	(234)	(296)	—	(489)	(8,833)	(112)	(78)	(10,042)
Provided for the year	年內撥備	—	—	443	529	4,621	250	125	5,968
Eliminated on disposals	出售時撇除	—	—	(1,448)	—	—	(122)	—	(1,570)
Eliminated on disposal of a subsidiary (note 36)	出售附屬公司時撇除 (附註36)	—	—	—	—	(274)	(935)	(428)	(1,637)
Transfer	轉撥	(4,892)	—	—	102	4,790	—	—	—
At 31 December 2022	於二零二二年 十二月三十一日	496	2,628	173	5,880	96,617	425	507	106,726
CARRYING VALUES	賬面值								
At 31 December 2022	於二零二二年 十二月三十一日	2,593	2,380	856	4,618	52,891	538	253	64,129
At 31 December 2021	於二零二一年十二月 三十一日	—	2,561	451	5,594	62,061	597	226	71,490



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15. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

15. 物業、廠房及設備(續)

The above items of property, plant and equipment, except for construction in progress, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

經考慮剩餘價值後，上述物業、廠房及設備項目(在建工程除外)按下列年率以直線法計提折舊：

Land rights	0%
Leased properties	Over the term of lease
Land and buildings	5%–10%
Equipment and machines	10%–20%
Office equipment	18%–20%
Motor vehicles	Over the shorter of the term of the lease or, 12.5%–20%

土地權	0%
租賃物業	以租賃期計算
土地及樓宇	5%–10%
設備及機器	10%–20%
辦公室設備	18%–20%
汽車	以租賃期或12.5%–20% (以較短者為準)計算

Analysis of right-of-use assets included in the property, plant and equipment:

使用權資產的分析(已計入物業、廠房及設備)：

		Land rights 土地權 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2022	於二零二二年 十二月三十一日				
Carrying amount	賬面值	2,380	856	131	3,367
As at 31 December 2021	於二零二一年 十二月三十一日				
Carrying amount	賬面值	2,561	451	—	3,012
For the year ended 31 December 2022	截至二零二二年 十二月三十一日止 年度				
Depreciation charge	折舊費用	—	443	68	511
For the year ended 31 December 2021	截至二零二一年 十二月三十一日止 年度				
Depreciation charge	折舊費用	—	543	—	543



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15. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

15. 物業、廠房及設備(續)

		Year ended 2022 截至 二零二二年 止年度 HK\$'000 千港元	Year ended 2021 截至 二零二一年 止年度 HK\$'000 千港元
Expense relating to short-term leases	有關短期租賃之開支	397	373
Total cash outflow for leases	租賃現金流出總額	932	948
Additions to right-of-use assets	添置使用權資產	1,232	—

For both years, the Group leases various offices and vehicles for its operations. Lease contracts are entered into for fixed term of 1 to 3 years (2021: 1 to 3 years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for various offices. At 31 December 2022 and 2021, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

在兩年內，本集團就其營運租賃多個辦公室及汽車。租賃合約已按固定租期1至3年(二零二一年：1至3年)訂立。租期乃在個別基礎上協商，並包含不同的條款及條件。於釐定租期及評估不可撤回期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。

本集團定期就各種辦公室訂立短期租賃。於二零二二年及二零二一年十二月三十一日，短期租賃組合與上文披露的短期租賃開支的短期租賃組合相若。



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16. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

The Group through its subsidiaries engaged in the businesses of wastewater treatment and biomass power in the PRC and Indonesia and has entered into a number of service concession arrangements with certain governmental authorities in the PRC and government-owned corporation in Indonesia, respectively, on a BOT basis in respect of its business. These service concession arrangements generally involve the Group as an operator to (i) design and construct wastewater treatment facility and biomass power plant (the “**Facilities**”); and (ii) operate and maintain the Facilities at a specified level of serviceability on behalf of the grantors for periods ranging from 20 to 28 years (2021: 20 to 34 years) (the “**Service Concession Periods**”), and the Group has been guaranteed to receive minimum annual payments in connection with the arrangements. The Facilities will be transferred to the respective grantors at the end of the Service Concession Periods for BOT.

The Group is generally entitled to use all the property, plant and equipment of the Facilities, however, the relevant governmental authorities or government-owned corporation will control and regulate the scope of services that the Group provides to the Facilities and retain the beneficial entitlement to any residual interest in the Facilities at the end of the terms of the Services Concession Periods. Each of these service concession arrangements is governed by a contract and, where applicable, supplementary agreements entered into between the Group and the relevant governmental authorities or government-owned corporation that set out, inter alia, performance standards, mechanisms for adjusting prices for the service rendered by the Group, specific obligations levied on the Group to restore the Facilities to a specified level of serviceability at the end of the Service Concession Periods, and arrangements for arbitrating disputes. The service concession arrangements do not contain renewal options or any termination rights to any of the contracting parties.

As at 31 December 2022, the biomass power plant is under construction. In the opinion of directors, it is expected to be completed in the second-half of 2023.

16. 服務特許權安排下的應收款項

本集團透過附屬公司在中國及印尼從事污水處理服務及生物質發電服務業務，並已分別與若干中國政府機關及印尼國營公司就其業務按BOT基準訂立多項服務特許權安排。該等服務特許權安排一般涉及本集團作為營運商(i)設計及建設污水處理設施及生物質發電廠(「該等設施」);及(ii)於20至28年(二零二一年: 20至34年)的期間內(「服務特許期」)代表授予人以指定的可服務水平營運及維護該等設施，而本集團已獲保證將就有關安排收取最低年度付款。該等設施將在BOT的服務特許期結束時轉讓給各自的授予人。

本集團通常有權使用該等設施的所有物業、廠房及設備，然而，有關政府機關或國營公司將控制及監管服務範圍，本集團於服務特許服務結束時提供該等設施，並保留其於該等設施之任何剩餘權益之實際權利。該等服務特許權安排受本集團與有關政府機關或國營公司之間就(其中包括)績效標準、本集團所提供服務的價格調整機制所訂立之合約及(倘適用)補充協議之規限，本集團須在服務特許期結束時將該等設施恢復到規定服務水平而承擔之特定責任，以及對糾紛進行仲裁之安排。服務特許權安排不包含續期選擇權或任何訂約方之任何終止權。

於二零二二年十二月三十一日，生物質發電廠仍在興建中。董事認為，發電廠預計將於二零二三年下半年完工。



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16. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS (Cont'd)

As at 31 December 2022, the Group had 3 (2021: 5) service concession arrangements and a summary of major terms of these arrangements is as follows:

16. 服務特許權安排下的應收款項 (續)

於二零二二年十二月三十一日，本集團有3項(二零二一年：5項)服務特許權安排，該等安排的主要條款概要如下：

Name of company as operator 作為營運商的公司名稱	Name of facility 設施名稱	Location 位置	Name of grantor 授予人名稱	Type of service concession equipment 服務特許權設備類型	Designed processing capacity 設計處理能力	Service concession period 服務特許期
As at 31 December 2021: 於二零二一年十二月三十一日:						
Haian Hengfa Wastewater Treatment Company Limited ("Haian Hengfa")* 海安恆發污水處理有限公司 (「海安恆發」)	Haian Hengfa Municipal Wastewater Treatment Facility (Phase I) 海安恆發市政污水處理設施(一期)	Haian Country, Nantong City, the PRC 中國南通市海安縣	Haian Country Construction Bureau 海安縣建設局	BOT on wastewater treatment 有關污水處理的BOT	20,000 tonnes 20,000公噸	28 years from 2002 to 2030 and extended to 2036 in 2013# 28年，從二零零二年起計至二零三零年止，並於二零一三年延長至二零三六年#
Haian Hengfa*	Haian Hengfa Municipal Wastewater Treatment Facility (Phase II) 海安恆發	Haian Country, Nantong City, the PRC 中國南通市海安縣	Haian Country Construction Bureau 海安縣建設局	BOT on wastewater treatment 有關污水處理的BOT	20,000 tonnes 20,000公噸	22.5 years from 2013 to 2036# 22.5年，從二零一三年起計至二零三六年止#
As at 31 December 2022 and 2021: 於二零二二年及二零二一年十二月三十一日:						
Rugao Hengfa Water Treatment Company Limited ("Rugao Hengfa")* 如皋恆發水處理有限公司 (「如皋恆發」)	Rugao Hengfa Municipal and Industrial Wastewater Treatment Facility (Phase I) 如皋恆發市政及工業污水處理設施(一期)	Rugao Country, Nantong City, the PRC 中國南通市如皋縣	Rugao Economic and Technological Development Zone Administrative Committee 如皋經濟技術開發區管委會	BOT on wastewater treatment 有關污水處理的BOT	20,000 tonnes 20,000公噸	25 years from 2007 to 2032 and extended to 2035 in 2009 25年，從二零零七年起計至二零三二年止，並於二零零九年延長至二零三五年
Rugao Hengfa*	Rugao Hengfa Municipal and Industrial Wastewater Treatment Facility (Phase II) 如皋恆發	Rugao Country, Nantong City, the PRC 中國南通市如皋縣	Rugao Economic and Technological Development Zone Administrative Committee 如皋經濟技術開發區管委會	BOT on wastewater treatment 有關污水處理的BOT	20,000 tonnes 20,000公噸	20 years from 2015 to 2035 20年，從二零一五年起計至二零三五年止
PT Sentosa Jaya Purnama	Sadai 10MW Biomass Power 沙代10MW生物質發電廠	Bangka, Indonesia 印尼邦加島	PT PLN (Persero) 印尼國家電力公司	BOT on biomass power plant 有關生物質發電廠的BOT	12.5 Megawatts 12.5兆瓦	25 years from 2023 to 2048 25年，從二零二三年起計至二零四八年止

* The official name of the operator is in Chinese. The English translation is for identification purposes only.

* 營運商的官方名稱為中文名稱。英文名稱翻譯僅供參考。

Following the disposal of entire 70% equity interest in Haian Hengfa during the year ended 31 December 2022 (see note 36), the Group ceased to have any interest in these two service concession arrangements.

於截至二零二二年十二月三十一日止年度出售海安恆發全部70%股權後(見附註36)，本集團不再擁有該等兩項服務特許權安排的任何權益。



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16. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS (Cont'd)

Pursuant to the service concession agreements, the Group is granted the rights to use the property, plant and equipment of the Facilities and certain related land during the Service Concession Periods. The Group is required to surrender these assets to the grantors at a specified level of serviceability at the end of the respective service concession periods. As at 31 December 2022 and 2021, while some of the related land has been registered under the names of the relevant group companies, the title certificates with respect to certain land use rights of the Facilities to which the Group's service concession arrangements relate have not been registered under the names of the relevant group companies. The directors of the Company are of the opinion that the Group is entitled to the lawful and valid occupation or use of these buildings and land to which the above-mentioned land use rights during the respective concession periods for nil consideration for providing wastewater treatment and biomass power services under the relevant BOT agreements.

For the year ended 31 December 2022, revenue was recognised for exchanging construction services for a financial asset amounting to HK\$114,389,000 (2021: HK\$22,955,000). Considerations for revenue related to the construction and operation services under BOT arrangements were recognised as "receivables under service concession arrangements" in the consolidated statement of financial position.

16. 服務特許權安排下的應收款項 (續)

根據服務特許權協議，本集團獲授權於服務特許期內使用該等設施的物業、廠房及設備以及若干相關土地。本集團須於各服務特許期結束時按一定可提供服務水平將該等資產移交授予人。於二零二二年及二零二一年十二月三十一日，有關本集團服務特許權安排的該等設施的若干土地使用權的業權證書並未登記於相關集團公司的名下，惟部分相關土地乃以相關集團公司名義登記。本公司的董事認為，根據相關BOT安排，本集團有權於相關特許期內就提供污水處理及生物質發電服務以零代價合法有效佔用或使用該等與上述土地使用權有關的該等樓宇及土地。

截至二零二二年十二月三十一日止年度，就以建設服務交換金融資產確認營業收入金額為114,389,000港元(二零二一年：22,955,000港元)。與BOT安排項下建設及經營服務有關的營業收入代價於綜合財務狀況表確認為「服務特許權安排下的應收款項」。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

16. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS (Cont'd)

The Group's receivables under service concession arrangements are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Receivables under service concession arrangements	服務特許權安排下的應收款項	326,825	338,753
Portion classified as current assets	分類為流動資產的部分	(28,327)	(25,559)
Portion classified as non-current assets	分類為非流動資產的部分	298,498	313,194

The following is an aged analysis of receivables under service concession arrangements, presented based on the invoice date:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Billed within 3 months	3個月內已開具發票	14,147	12,248
Billed between 4 to 6 months	4至6個月已開具發票	4,648	—
Unbilled (note)	尚未開具發票(附註)	308,030	326,505
		326,825	338,753

Note: The balance included contract assets from construction contracts as the rights to considerations have not yet to be unconditional.

As at 1 January 2021, receivables under service concession arrangements and contract costs from construction contracts amounted to HK\$314,782,000.

Details of the impairment assessment are set out in note 33.

16. 服務特許權安排下的應收款項 (續)

本集團服務特許權安排下的應收款項如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Receivables under service concession arrangements	服務特許權安排下的應收款項	326,825	338,753
Portion classified as current assets	分類為流動資產的部分	(28,327)	(25,559)
Portion classified as non-current assets	分類為非流動資產的部分	298,498	313,194

根據發票日期呈列對服務特許權安排下應收款項的賬齡分析如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Billed within 3 months	3個月內已開具發票	14,147	12,248
Billed between 4 to 6 months	4至6個月已開具發票	4,648	—
Unbilled (note)	尚未開具發票(附註)	308,030	326,505
		326,825	338,753

附註：結餘包括有權收取代價(尚未成為無條件)之來自建築合約的合約資產。

於二零二一年一月一日，服務特許權安排下的應收款項及建設合約的合約成本為314,782,000港元。

減值評估詳情載列於附註33。



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17. GOODWILL

17. 商譽

		HK\$'000 千港元
COST	成本	
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	於二零二一年一月一日、二零二一年 十二月三十一日、二零二二年一月 一日及二零二二年十二月三十一日	81,407
ACCUMULATED IMPAIRMENT	累計減值	
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	於二零二一年一月一日、二零二一年 十二月三十一日、二零二二年一月 一日及二零二二年十二月三十一日	81,407
CARRYING VALUE	賬面值	
At 31 December 2022	於二零二二年十二月三十一日	—
At 31 December 2021	於二零二一年十二月三十一日	—

The amount represents goodwill arising on the acquisition of Weal Union Limited and its subsidiary on 21 October 2016, and is allocated to the Group's CGU in the biomass power generation business. The goodwill was fully impaired during the year ended 31 December 2018, as the carrying amount of the CGU was determined to be higher than its recoverable amount at that time.

該金額表示於二零一六年十月二十一日收購旭衡有限公司及其附屬公司產生的商譽，並已分配至本集團之生物質發電業務現金產生單位。於截至二零一八年十二月三十一日止年度，由於該現金產生單位之賬面值被認定高於其當時可收回金額，商譽已予全數減值。



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18. DEBT INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

18. 透過其他全面收益按公允值計量的債務工具

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Investment in listed bond, with fixed interest of 6.13% and maturity date on 21 February 2024 listed in Hong Kong 投資於香港上市的上市債券，固定息率為6.13%，到期日為二零二四年二月二十一日	583	2,012

The above investment is held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell the financial asset. Hence, the investment is classified as at FVTOCI.

Details of impairment assessment are set out in note 33.

本集團持有上述投資的業務模式以同時收取僅用於支付本金及未償還本金之利息的合約現金流量及出售該等金融資產為目標。因此，該投資分類為透過其他全面收益按公允值列賬。

減值評估詳情載列於附註33。



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19. OTHER FINANCIAL ASSETS AT AMORTISED COST

19. 按攤銷成本計量的其他金融資產

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Bank deposits (note)	銀行存款(附註)	2,080	2,278
		2,080	2,278
Less: Allowance for credit losses	減：信貸虧損撥備	(2,080)	(2,259)
		—	19
Analysed as:	分析為：		
Non-current	非流動	—	14
Current	流動	—	5
		—	19

Note: These represent deposits of approximately HK\$1,656,000 and HK\$424,000 (2021: HK\$1,814,000 and HK\$464,000) placed with Koperasi Simpan Pinjam Indosurya Cipta (“KSPIC”), which is in the process of debt restructuring. Based on the Jakarta District court order, KSPIC is required to return the deposits to the Group, by 60-month instalments and 48-month instalments starting from June 2021 and January 2021, respectively. The bank deposits are interest-free.

附註：該等存款約為1,656,000港元及424,000港元(二零二一年：1,814,000港元及464,000港元)，均存入於正在進行債務重組的Koperasi Simpan Pinjam Indosurya Cipta (「KSPIC」)。根據雅加達地方法院判令，KSPIC須自二零二一年六月及二零二一年一月起分別以60個月和48個月的分期付款方式向本集團退還存款。銀行存款為不計息。

Details of impairment assessment are set out in note 33.

減值評估詳情載列於附註33。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

20. TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

20. 貿易應收款項、預付款項及其他應收款項

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Trade receivables	貿易應收款項	414	73
Less: Allowance for credit losses	減：信貸虧損撥備	—	—
		414	73
Other receivables	其他應收款項	4,059	3,827
Advance to a third party (note)	向一名第三方作出的墊款(附註)	3,618	4,049
Prepayments for BOT construction	BOT建設預付款項	3,970	19,785
Prepaid expenses	預付開支	2,332	1,774
VAT recoverable	可收回增值稅	4,926	2,800
Receivable from disposal of a subsidiary (note 36)	出售附屬公司的應收款項(附註36)	77,076	—
		95,981	32,235
Less: Allowance for credit losses on advance to a third party	減：向一名第三方作出的墊款之信貸虧損撥備	(1,309)	(1,027)
		94,672	31,208
		95,086	31,281
Analysed as:	分析為：		
Non-current	非流動	312	341
Current	流動	94,774	30,940
		95,086	31,281

Note: The advance bears interest of 10% per annum, is repayable on demand and secured by pledge of 40% equity interest in a private company incorporated in the PRC.

附註：墊款按年利率10%計息、按要求償還，並以一間於中國註冊成立的私人公司的40%股權作抵押。

As at 1 January 2021, there were no trade receivables from contracts with customers.

於二零二一年一月一日，概無來自客戶合約的貿易應收款項。



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20. TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES (Cont'd)

The following is an aged analysis of trade receivables (net of allowance for credit losses) presented based on the invoice date:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
0–60 days	0至60日	407	73
Over 60 days	60日以上	7	—
		414	73

The Group had a policy of allowing a credit period of 30–60 days.

Details of impairment assessment are set out in note 33.

21. RESTRICTED BANK DEPOSITS, TIME DEPOSITS AND BANK BALANCES AND CASH

The restricted deposits are in relation to a service agreement signed by PT Sentosa Jaya Purnama (“SJP”) with an independent third party during the year ended 31 December 2020 for building and operating a power plant in Indonesia. As at 31 December 2022, the restricted bank deposits carried interests of 4% (2021: 4%) per annum with maturity of 8 months to 11 months (2021: 9 months to 16 months) from the end of the reporting period.

As at 31 December 2021, time deposits with original maturity over three months carried interest at prevailing market rates of 2.1% per annum.

As at 31 December 2022, bank balances carried interest at prevailing market rates of 0.001% to 0.25% (2021: 0.001% to 1%) per annum.

Details of impairment assessment are set out in note 33.

20. 貿易應收款項、預付款項及其他應收款項(續)

貿易應收款項按發票日期列示的賬齡分析(扣除信貸虧損撥備)如下:

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
0–60 days	407	73
Over 60 days	7	—
	414	73

本集團的政策為批准30至60日信貸期。

減值評估的詳情載於附註33。

21. 受限制銀行存款、定期存款及銀行結餘及現金

受限制存款與 PT Sentosa Jaya Purnama (“SJP”) 於截至二零二零年十二月三十一日止年度與一名獨立第三方就於印尼興建及營運發電廠簽訂的服務協議有關。於二零二二年十二月三十一日，受限制銀行存款按4%的年利率計息(二零二一年：4%)，並於報告期末後8個月至11個月到期(二零二一年：9個月至16個月)。

於二零二一年十二月三十一日，原定期日超過三個月的定期存款按2.1%的現行市場年利率計息。

於二零二二年十二月三十一日，銀行結餘按0.001%至0.25% (二零二一年：0.001%至1%) 的現行市場年利率計息。

減值評估的詳情載於附註33。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

22. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
0-60 days	0至60日	5,036	667
61-90 days	61至90日	3	3
Over 90 days	90日以上	427	2,631
		5,466	3,301

22. 貿易應付款項

貿易應付款項按發票日期列示之賬齡分析如下：

23. OTHER PAYABLES AND ACCRUALS

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Other payables	其他應付款項	3,271	3,964
Accruals	應計費用	6,855	2,020
		10,126	5,984

23. 其他應付款項及應計費用



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24. AMOUNTS DUE TO RELATED PARTIES

24. 應付關聯方款項

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Non-trading in nature:	非貿易性質：		
Related company	關聯公司	32,440	11,579
Beneficial owner	實益擁有人	20,920	11,698
Close family members of directors	董事的近親	52,184	15,930
		105,544	39,207
Less: Amount that is expected to settle after 12 months shown under non-current liabilities	減：預期於12個月後結算並列作非流動負債之款項	(14,567)	(4,000)
Amount that is expected to settle within 12 months shown under current liabilities	預期於12個月內結算並列作流動負債之款項	90,977	35,207

The amount due to a related company, which is wholly owned by a substantial shareholder of the Company, is unsecured, interest-bearing at 6% to 8% (2021: 6%) per annum and repayable within 1 year.

應付一間關聯公司(由本公司一名主要股東全資擁有之公司)的款項為無抵押、按年利率6%至8%(二零二一年：6%)計息和須於1年內償還。

The amount due to a beneficial owner is unsecured, interest-bearing at 6% to 8% (2021: 6%) per annum and repayable within 1 year.

應付一名實益擁有人之款項為無抵押、按年利率6%至8%(二零二一年：6%)計息，及須於1年內償還。

The amount due to close family members of directors is unsecured, interest-bearing at 8% (2021: 8%) per annum, of which HK\$37,617,000 (2021: HK\$11,930,000) is repayable within 1 year and the remaining balance of HK\$14,567,000 (2021: HK\$4,000,000) is repayable after 1 year but within 2 years.

應付董事近親的款項為無抵押、按年利率8%(二零二一年：8%)計息，其中37,617,000港元(二零二一年：11,930,000港元)須於1年內償還，而餘款14,567,000港元(二零二一年：4,000,000港元)須於1年後但2年內償還。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

25. BORROWINGS

25. 借款

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Bank borrowings (note (a))	銀行借款(附註(a))	38,000	20,240
Other borrowings (note (b))	其他借款(附註(b))	23,867	14,867
		61,867	35,107

Notes:

(a) Bank borrowings of approximately HK\$18,000,000 (2021: HK\$18,000,000) are secured by personal guarantee of an executive director, Mr. Chan Kwan and unlimited corporate guarantee of the Company.

Bank borrowings of approximately HK\$20,000,000 (2021: Nil) are secured by mortgage of a leasehold property of a beneficial owner and personal guarantee of Mr. Chan Kwan.

(b) Other borrowings of approximately HK\$14,867,000 (2021: Nil) are secured by personal guarantee of a close family member of a director.

附註：

(a) 約18,000,000港元(二零二一年：18,000,000港元)的銀行借款由執行董事陳昆先生提供的個人擔保及本公司的無限額公司擔保作抵押。

約20,000,000港元(二零二一年：無)的銀行借款由一名實益擁有人的物業按揭及陳昆先生提供的個人擔保作抵押。

(b) 約14,867,000港元(二零二一年：無)的其他借款由一名董事的近親提供的個人擔保作抵押。

		Bank borrowings 銀行借款		Other borrowings 其他借款	
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
The carrying amounts of the above borrowings are repayable:	上述借款的賬面值須於以下期限償還：				
On demand or within one year	按要求或一年內	18,000	20,240	23,867	14,867
Within a period of more than one year but not exceeding two years	超過一年但不超過兩年的期間內	2,000	—	—	—
Within a period of more than two years but not exceeding five years	超過兩年但不超過五年的期間內	18,000	—	—	—
		38,000	20,240	23,867	14,867
Less: Amounts due within one year shown under current liabilities	減：一年內到期並列作流動負債之款項	(18,000)	(20,240)	(23,867)	(14,867)
Amounts shown under non-current liabilities	列作非流動負債之款項	20,000	—	—	—



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

25. BORROWINGS (Cont'd)

The exposure of the Group's borrowings are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Fixed-rate borrowings	固定利率借款	23,867	14,867
Variable-rate borrowings	浮動利率借款	38,000	20,240
		61,867	35,107

The Group's variable-rate borrowings of HK\$20,000,000 (2021: Nil) and HK\$18,000,000 (2021: HK\$18,000,000) carrying interest at Hong Kong Dollar prime rate ("HKD prime rate") deduct 2% and HIBOR plus a premium, respectively. Interest is reset each month.

The ranges of effective interests (which are also equal to contractual interest rates) on the Group's borrowings are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Effective interest rate:	實際利率：		
Fixed-rate borrowings	固定利率借款	8%	8%
Variable-rate borrowings	浮動利率借款	1.79%–3.05%	1.52%–1.53%

As at 31 December 2022, borrowings of approximately HK\$9,867,000 (2021: HK\$2,240,000) were dominated in United States dollars ("US\$"), while the remaining balance was dominated in HK\$.

25. 借款(續)

本集團借款的敞口如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Fixed-rate borrowings	固定利率借款	23,867	14,867
Variable-rate borrowings	浮動利率借款	38,000	20,240
		61,867	35,107

本集團的浮動利率借款分別為20,000,000港元(二零二一年：零)及18,000,000港元(二零二一年：18,000,000港元)，按港元最優惠利率(「港元最優惠利率」)減2%及香港銀行同業拆息加溢價計息。利息每月重設。

本集團借款的實際利率(與約定利率相同)範圍如下：

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Effective interest rate:	實際利率：		
Fixed-rate borrowings	固定利率借款	8%	8%
Variable-rate borrowings	浮動利率借款	1.79%–3.05%	1.52%–1.53%

於二零二二年十二月三十一日，以美元(「美元」)計值的借款約為9,867,000港元(二零二一年：2,240,000港元)，餘額以港元計值。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

26. LEASE LIABILITIES

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	438	472
Within a period of more than one year but not exceeding two years	超過一年但不超過兩年之期間內	381	—
Within a period of more than two years but not exceeding five years	超過兩年但不超過五年之期間內	176	—
		995	472
Less: Amount due for settlement within 12 months shown under current liabilities	減：於12個月到期結算並列作流動負債之款項	(438)	(472)
Amount due for settlement after 12 months shown under non-current liabilities	於12個月後到期結算並列作非流動負債之款項	557	—

The weighted average incremental borrowing rates applied to lease liabilities range from 2.29% to 4.75% (2021: 3.93%).

應用於租賃負債的加權平均增量借款利率介乎2.29%至4.75% (二零二一年：3.93%)。

27. DEFERRED TAX LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Net deferred tax liabilities	遞延稅項負債淨額	22,891	36,620

26. 租賃負債

27. 遞延稅項負債

就綜合財務狀況表呈列而言，若干遞延稅項資產及負債已予抵銷。以下為作財務呈報用途之遞延稅項結餘分析：



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27. DEFERRED TAX LIABILITIES (Cont'd)

The following are the major deferred tax (liabilities)/assets recognised and movements thereon during the current and prior years:

27. 遞延稅項負債(續)

以下為於本年度及過往年度確認的主要遞延稅項(負債)/資產及其變動：

		Provision for major overhauls	Temporary difference related to service concession arrangements 與服務特許權 安排有關的 暫時性差額	Withholding taxes 預扣稅	Retirement benefit obligation 退休福利責任	ECL provision of other receivables 其他應收款項 的預期信貸 虧損撥備	Total 總計
		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 2021	於二零二一年 一月一日	4,164	(37,824)	(2,114)	—	—	(35,774)
Credited/(charged) to profit or loss	計入/(扣除)損益	432	(1,423)	1,081	8	252	350
Exchange adjustments	匯兌調整	149	(1,298)	(52)	—	5	(1,196)
At 31 December 2021	於二零二一年 十二月三十一日	4,745	(40,545)	(1,085)	8	257	(36,620)
Credited/(charged) to profit or loss	計入/(扣除)損益	738	(4,082)	232	3	93	(3,016)
Disposal of a subsidiary (note 36)	出售附屬公司(附註36)	(1,751)	15,439	—	—	—	13,688
Exchange adjustments	匯兌調整	(393)	3,395	79	(1)	(23)	3,057
At 31 December 2022	於二零二二年 十二月三十一日	3,339	(25,793)	(774)	10	327	(22,891)

As at 31 December 2022, the Group has unused tax losses of approximately HK\$95,314,000 (2021: HK\$73,901,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of the future profit streams. The tax losses could be carried forward for a maximum of five years.

於二零二二年十二月三十一日，本集團有未動用稅項虧損約95,314,000港元(二零二一年：73,901,000港元)可用作抵銷未來溢利。由於無法預測未來利潤流，故並無就未動用稅項虧損確認任何遞延稅項資產。稅項虧損最多可結轉五年。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

27. DEFERRED TAX LIABILITIES (Cont'd)

As at 31 December 2022, the Group has deductible temporary differences of approximately HK\$6,037,000 (2021: HK\$9,454,000). No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is imposed on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate of 5% may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

28. PROVISION FOR MAJOR OVERHAULS

At 1 January	於一月一日	18,978	16,656
Additional provision in the year	年內增加撥備	1,868	757
Increase in discounted amounts arising from the passage of time (note 8)	由於時間流逝而產生的貼現金額增加(附註8)	1,082	970
Disposal of a subsidiary (note 36)	出售附屬公司(附註36)	(7,003)	—
Exchange adjustments	匯兌調整	(1,573)	595

At 31 December	於十二月三十一日	13,352	18,978
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27. 遞延稅項負債(續)

於二零二二年十二月三十一日，本集團有可扣稅暫時性差額約6,037,000港元(二零二一年：9,454,000港元)。由於產生應課稅溢利而可用以抵銷可扣稅暫時性差額之可能性不大，故並無就該等可扣稅暫時性差額確認遞延稅項資產。

根據中國企業所得稅法，在中國成立的外資企業向外國投資者宣派的股息須繳納10%的預扣稅。該規定自二零零八年一月一日起生效，適用於二零零七年十二月三十一日之後獲得的盈利。倘中國與該等外國投資者所在司法權區有簽訂稅務條約，則可按較低稅率5%繳納預扣稅。因此，本集團須就該等於中國成立的附屬公司自二零零八年一月一日起所得盈利而分派的股息繳納預扣稅。

28. 重大檢修撥備

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
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At 1 January	於一月一日	18,978	16,656
Additional provision in the year	年內增加撥備	1,868	757
Increase in discounted amounts arising from the passage of time (note 8)	由於時間流逝而產生的貼現金額增加(附註8)	1,082	970
Disposal of a subsidiary (note 36)	出售附屬公司(附註36)	(7,003)	—
Exchange adjustments	匯兌調整	(1,573)	595
At 31 December	於十二月三十一日	13,352	18,978



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28. PROVISION FOR MAJOR OVERHAULS (Cont'd)

Pursuant to the service concession agreements entered into by the Group, the Group has contractual obligations to maintain the wastewater treatment facilities to a specified level of serviceability and/or to restore the facilities to a specified condition before they are handed over to the relevant governmental authorities at the end of the Service Concession Periods. These contractual obligations to maintain or restore the facilities, except for any upgrade element, are recognised and measured in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, i.e., at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period. The future expenditure on these maintenance and restoration costs are collectively referred to as “major overhauls”. The estimation basis is reviewed on an ongoing basis, and revised where appropriate.

As at 31 December 2022, no provision for major overhauls has been made for biomass power facilities as it is under construction.

Details of service concession agreements are set out in note 16.

28. 重大檢修撥備(續)

根據本集團所訂立的服務特許權協議，本集團須承擔合約責任，以保養污水處理設施，確保其符合一定可提供服務水平及／或於服務特許期結束時，在將設施轉讓予有關政府機關前，將其修復至指定狀況。保養或修復設施的合約責任(除升級部分外)按香港會計準則第37號撥備、或然負債及或然資產予以確認及計量，換言之，按報告期末履行現有責任所需開支的最佳估計金額列賬。有關該等保養及修復費用的未來開支統稱為「重大檢修」。估計基準持續獲檢討並於適當時修訂。

於二零二二年十二月三十一日，概無為仍在興建中的生物質發電設施的重大檢修計提撥備。

服務特許權協議的詳情載於附註16。

29. SHARE CAPITAL

29. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.0001 each	每股面值0.0001港元的普通股		
Authorised	法定		
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	於二零二一年一月一日、 二零二一年十二月三十一日、 二零二二年一月一日及 二零二二年十二月三十一日	3,800,000	380
Issued and fully paid	已發行及繳足		
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	於二零二一年一月一日、 二零二一年十二月三十一日、 二零二二年一月一日及 二零二二年十二月三十一日	1,107,300	111



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30. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

(A) OTHER RESERVE

Other reserve comprises HK\$113,780,000 debit reserve resulting from the share swap pursuant to the Group reorganisation and HK\$82,304,000 credit reserve resulting from capitalisation of shareholders' loans during the year ended 31 December 2014.

(B) GENERAL RESERVE

The transfers from retained earnings to the general reserve were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC.

30. 儲備

於本年度及過往年度，本集團儲備數額及其變動呈列於綜合權益變動表。

(A) 其他儲備

其他儲備包括根據集團重組的股份互換產生的113,780,000港元扣除儲備及截至二零一四年十二月三十一日止年度股東貸款資本化產生的82,304,000港元信貸儲備。

(B) 一般儲備

根據有關中國規則及法規以及本公司於中國成立的附屬公司的組織章程細則將保留溢利轉化為一般儲備。



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31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

31. 融資活動產生之負債對賬

下表詳列融資活動產生之本集團負債變動，包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動產生的現金流量。

		Amounts due to related parties 應付 關聯方款項 HK\$'000 千港元	Borrowings 借款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Interest payables 應付利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2021	於二零二一年 一月一日	13,406	22,480	1,019	—	36,905
Financing cash flows	融資現金流量	23,753	12,627	(575)	(1,219)	34,586
Interest expenses	利息開支	2,048	—	28	1,362	3,438
At 31 December 2021	於二零二一年 十二月三十一日	39,207	35,107	472	143	74,929
Financing cash flows	融資現金流量	69,661	17,760	(535)	(2,521)	84,365
Lease modification	租賃修改	—	—	(191)	—	(191)
New lease entered	新訂租賃	—	—	1,232	—	1,232
Transfer	轉撥	(9,000)	9,000	—	—	—
Exchange adjustments	匯兌調整	—	—	(5)	—	(5)
Interest expenses	利息開支	5,676	—	22	2,518	8,216
At 31 December 2022	於二零二二年 十二月三十一日	105,544	61,867	995	140	168,546



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32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the amounts due to related parties, borrowings and lease liabilities as disclosed in notes 24, 25 and 26 respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, accumulated losses and other reserves.

The management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

33. FINANCIAL INSTRUMENTS

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	450,699	428,937
Debt instrument at FVTOCI	透過其他全面收益按公允值計量的債務工具	583	2,012
		451,282	430,949
Financial liabilities	金融負債		
Financial liabilities at amortised cost	按攤銷成本計量的金融負債	177,143	82,051

32. 資本風險管理

本集團管理其資本以確保本集團旗下實體將能夠繼續按持續經營基準經營，同時透過優化債務及股權之平衡讓股東的回報最大化。本集團的整體策略與去年保持不變。

本集團的資本架構包括債務淨額，其中包括分別於附註24、25及26披露的應付關聯方款項、借款及租賃負債，扣除現金及現金等價項目及本公司擁有人應佔權益(包括已發行股本、累計虧損及其他儲備)。

管理層定期檢討資本架構。作為檢討的一部分，管理層考慮資本成本及與各類資本有關的風險。根據管理層的推薦建議，本集團將藉由派付股息、發行新股份及回購股份，以及發行新債務或贖回現有債務平衡其整體資本架構。

33. 金融工具

(A) 金融工具類別



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include receivables under service concession arrangements, debt instrument at FVTOCI, other financial assets at amortised cost, trade receivables, other receivables, restricted bank deposits, time deposits, bank balances and cash, trade payables, other payables, amounts due to related parties, borrowings and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk, liquidity risk and risks from the interest rate benchmark reform. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

MARKET RISK

The Group's activities expose it primarily to the financial risks of changes in currency risk, interest rate risk and other price risk. There has been no change to the Group's exposure to market risk or the manner in which it manages and measures the risk.

33. 金融工具(續)

(B) 金融風險管理目標及政策

本集團主要金融工具包括服務特許權安排下的應收款項、透過其他全面收益按公允值計量的債務工具、按攤銷成本計量的其他金融資產、貿易應收款項、其他應收款項、受限制銀行存款、定期存款、銀行結餘及現金、貿易應付款項、其他應付款項、應付關聯方款項、借款及租賃負債。有關金融工具之詳情已於各附註披露。與該等金融工具相關的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險、流動資金風險及基準利率改革風險。下文載列有關減低該等風險的政策。本集團管理層管理及監察該等風險以確保能及時且有效實施適當措施。

市場風險

本集團活動令其主要面對外幣匯率、利率風險及其他價格風險的財務風險。本集團面對的市場風險或管理及計量該等風險的方式並無變動。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

MARKET RISK (Cont'd)

(i) Currency risk

Currency risk is the risk that the holding of foreign currency assets and liabilities will affect the Group's position as a result of a change in foreign currency exchange rates.

Individual companies in the PRC and Indonesia within the Group have limited foreign currency risk as most of the transactions are denominated in the functional currency of the operations in which they relate. However, as the principal subsidiaries mainly carried out transactions in RMB and IDR, therefore any appreciation or depreciation of HK\$ against RMB and IDR will affect the Group's consolidated financial position and be reflected in the exchange reserve.

As at 31 December 2022, individual companies in the Cayman Islands and Hong Kong within the Group have foreign currency exposure because certain debt instruments of approximately HK\$583,000 (2021: HK\$2,012,000), bank balances and cash of approximately HK\$199,000 (2021: HK\$898,000), amounts due to related parties of approximately HK\$81,642,000 (2021: HK\$3,900,000) and borrowings of approximately HK\$9,867,000 (2021: HK\$2,240,000) were denominated in US\$. The Group considers that the currency exposures in related to the US\$ are insignificant as HK\$ is pegged to the US\$. Therefore, these balances are excluded from the sensitivity analysis.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險

貨幣風險指由於外幣匯率的變動，持有之外幣資產及負債將影響本集團狀況的風險。

由於本集團旗下位於中國和印尼的各公司大部分交易以與其業務有關功能貨幣相同的貨幣計值，因此本集團旗下位於中國和印尼的各公司僅承受有限的外幣風險。然而，由於主要附屬公司主要以人民幣及印尼盾開展交易，因此，港元兌人民幣及印尼盾的任何升值或貶值將對本集團的綜合財務狀況產生影響，並於匯兌儲備中反映。

於二零二二年十二月三十一日，由於本集團旗下位於開曼群島及香港的公司擁有若干債務工具約583,000港元(二零二一年：2,012,000港元)、銀行結餘及現金約199,000港元(二零二一年：898,000港元)、應付關聯方款項約81,642,000港元(二零二一年：3,900,000港元)及借款約9,867,000港元(二零二一年：2,240,000港元)以美元計值，故上述公司須承擔外幣風險。由於港元與美元掛鈎，本集團認為與美元相關的貨幣風險甚微。因此，該等結餘不包含於敏感度分析。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

MARKET RISK (Cont'd)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to amounts due to related parties (see note 24), fixed-rate borrowings (see note 25) and lease liabilities (see note 26). The Group is also exposed to cash flow interest rate risk in relation to the variable-rate bank balances (see note 21) and variable-rate borrowings (see note 25). The Group cash flow interest rate risk is mainly concentrated on fluctuation of interest rates on borrowings. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and variable rates and ensure they are within reasonable range.

A fundamental reform of major interest rate benchmarks has been undertaken globally to replace some interbank offered rates (“IBORs”) with alternative nearly risk-free rates. Details of the impacts on the Group’s risk management strategy arising from the interest rate benchmark reform and the progress towards implementation of alternative benchmark interest rates are set out under “interest rate benchmark reform” in this note.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險

本集團就其應付關聯方款項(參見附註24)、固定利率借款(參見附註25)及租賃負債(參見附註26)面臨公允值利率風險。本集團亦就其浮動利率銀行結餘(參見附註21)及浮動利率借款(參見附註25)面臨現金流量利率風險。本集團現金流量利率風險主要集中於借款利率波動。本集團根據利率水平及前景評估任何利率變動所產生的潛在影響，以管理其利率風險。管理層將檢討固定及浮動利率的借款比例，並確保其在合理範圍內。

主要利率基準的根本性改革正在全球範圍內進行，以其他近似無風險利率取代若干銀行同業拆息率(「銀行同業拆息率」)。利率基準改革對本集團風險管理策略的影響及實施替代基準利率的進度詳情載於本附註「利率基準改革」。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

MARKET RISK (Cont'd)

(ii) Interest rate risk (Cont'd)

Total interest revenue/income from financial assets that are measured at amortised cost or at FVTOCI is as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest revenue	利息收入		
Financial assets at amortised cost	按攤銷成本計量的 金融資產	19,551	17,213
Other income and net gains	其他收入及淨收益		
Debt instrument at FVTOCI	透過其他全面收益 按公允值計量的 債務工具	190	205
		19,741	17,418
Interest expense on financial liabilities not measured at FVTPL:	並非透過損益按公允值計量的金融負債的利息開支:		
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Financial liabilities at amortised cost	按攤銷成本計量的 金融負債	8,216	3,438

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

按攤銷成本或透過其他全面收益按公允值計量的金融資產的利息收入/收益總額如下:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Interest revenue	利息收入		
Financial assets at amortised cost	按攤銷成本計量的 金融資產	19,551	17,213
Other income and net gains	其他收入及淨收益		
Debt instrument at FVTOCI	透過其他全面收益 按公允值計量的 債務工具	190	205
		19,741	17,418
Interest expense on financial liabilities not measured at FVTPL:	並非透過損益按公允值計量的金融負債的利息開支:		
		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Financial liabilities at amortised cost	按攤銷成本計量的 金融負債	8,216	3,438



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

MARKET RISK (Cont'd)

(ii) Interest rate risk (Cont'd)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2021: 50 basis points) increase or decrease in variable-rate borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates had been 50 basis points (2021: 50 basis points) higher/ lower and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2022 would decrease/increase by approximately HK\$190,000 (2021: HK\$101,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析

以下敏感度分析已按於報告期末所面臨的利率風險釐定。該分析乃假設於報告期末未清償的金融工具於全年一直未清償而編製。向內部主要管理人員匯報利率風險時乃採用50個基點(二零二一年: 50個基點)的浮動利率借款升幅或跌幅, 代表管理層對利率合理可能變動作出的評估。敏感度分析並無計入銀行結餘, 此乃由於管理層認為浮動利率銀行結餘產生之現金流量利率風險微不足道。

倘利率上升/下降50個基點(二零二一年: 50個基點), 而所有其他變數維持不變, 則本集團截至二零二二年十二月三十一日止年度的除稅前溢利將減少/增加約190,000港元(二零二一年: 101,000港元)。此乃主要歸因於本集團就其浮息借款面臨利率風險。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

MARKET RISK (Cont'd)

(iii) Other price risk

The Group is exposed to debt securities price risk through its investments in debt instrument at FVTOCI. The management of the Group manages this exposure by maintaining a portfolio of investments with different risks. The Group's other price risk is mainly concentrated on debt instruments operating in infrastructure industry sector quoted in the Stock Exchange.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to debt securities price risks at the reporting date.

If the prices of the respective debt instruments had been 5% (2021: 5%) higher/lower, the other comprehensive income would increase/decrease by approximately HK\$29,000 (2021: HK\$101,000) for the Group as a result of the change in fair value of debt instrument at FVTOCI.

CREDIT RISK AND IMPAIRMENT ASSESSMENT

Credit risk refers to the risk that the Group's counterparties' default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to receivables under service concession arrangements, trade receivables, other receivables, debt instrument at FVTOCI, other financial assets at amortised cost, restricted bank deposits, time deposits and bank balances.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險

本集團透過其於透過其他全面收益按公允值計量的債務工具的投資而須面臨債務證券價格風險。本集團管理層透過持有不同風險的投資組合管理有關風險。本集團其他價格風險主要集中於從事基建業務並在聯交所報價之債務工具。

敏感度分析

以下敏感度分析乃根據於報告日期面臨的債務證券價格風險而釐定。

倘各有關債務工具的價格上升/下跌5% (二零二一年: 5%)，則本集團其他全面收益將由於透過其他全面收益按公允值計量的債務工具的公允值變動而增加/減少約29,000港元(二零二一年: 101,000港元)。

信貸風險及減值評估

信貸風險指因本集團之交易對手未能履行其合約責任而導致本集團承受財務損失之風險。本集團之信貸風險主要來自服務特許權安排下的應收款項、貿易應收款項、其他應收款項、透過其他全面收益按公允值計量的債務工具、按攤銷成本計量的其他金融資產、受限制銀行存款、定期存款及銀行結餘。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

In order to minimise the credit risk, the Group has established policies and systems for the monitoring and control of credit risk. The management has delegated different departments responsible for determination of credit limits, credit approvals and other monitoring processes to ensure that follow-up action is taken to recover overdue debts. The Board has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's asset portfolio. In this regard, management considers that the Group's credit risk is significantly reduced.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment is summarised as below:

Receivables under service concession arrangements

The Group has individually assessed allowance for credit losses for its receivables under service concession arrangements at the end of the reporting period based on internal credit rating, their ageing, historical observed default rates over the expected life of receivables and adjusted for forward-looking information that is available without undue cost or effort. In the opinion of the directors, these customers are local governmental authorities in the PRC and government-owned corporation in Indonesia, which are financially sound and accordingly no loss allowance is recognised.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

為盡量減低信貸風險，本集團已制定信貸風險監控政策及制度。管理層已指派不同部門負責釐定信貸限額、信貸批核及其他監察程序，以確保採取跟進行動收回過期債項。董事會全面負責本集團的信貸政策及監察本集團資產組合的信貸質素。就此而言，管理層認為，本集團的信貸風險已大為減少。

本集團根據預期信貸虧損模式對金融資產進行減值評估。本集團信貸風險管理、最高信貸風險及相關減值評估之資料概述如下：

服務特許權安排下的應收款項

本集團於報告期末就服務特許權安排下的應收款項之信貸虧損撥備進行單獨評估，評估乃根據內部信貸評級、賬齡以及應收款項預期年限內的歷史觀察違約率進行，並根據無需付出不必要的成本或努力即可得到的前瞻性資料作出調整。董事認為，該等客戶為財務狀況穩健的中國地方政府機構及印尼國營公司，因此概無確認虧損撥備。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

Trade receivables arising from contracts with customers

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The ECL on trade receivables are assessed individually, based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forward-looking information that is available without undue cost or effort at the end of each year.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

As at 31 December 2022 and 2021, the management of the Group considers the credit risk arising from trade receivables is insignificant and no allowance was recognised.

Debt instrument at FVTOCI

As at 31 December 2022, the Group's debt instrument at FVTOCI portfolio comprising debt instrument issued by an issuer listed on the Stock Exchange which operates in the property sector in the PRC. The Group had concentration of credit risk as 100% (2021: 100%) of the total debt instrument at FVTOCI at 31 December 2022 was due from one (2021: one) issuer.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

由客戶合約產生的貿易應收款項

對於貿易應收款項，本集團已採用香港財務報告準則第9號的簡化方法計量整個全期預期信貸虧損的虧損撥備。貿易應收款項的預期信貸虧損是根據債務人過去的違約經驗、債務人經營所在行業的整體經濟狀況以及對當前及於各年末無須花費過多成本或努力而可用的前瞻性資料進行評估而單獨評估。

為盡量降低信貸風險，本集團管理層已委派一個團隊，負責決定信貸限額及信貸批核。在接納任何新客戶前，本集團會評估潛在客戶的信貸素質，並按客戶界定信貸限額。另已制定其他監控措施，以確保採取跟進行動收回逾期債務。

於二零二二年及二零二一年十二月三十一日，本集團管理層認為應收款項的信貸風險並不重大，故未確認撥備。

透過其他全面收益按公允值計量的債務工具

於二零二二年十二月三十一日，本集團按透過其他全面收益按公允值計量的債務工具包括由在中國房地產行業營運的聯交所上市發行人發行的債務工具。由於本集團於二零二二年十二月三十一日透過其他全面收益按公允值計量的債務工具總額100% (二零二一年：100%) 來自一名(二零二一年：一名)發行人，因此面臨信貸風險集中情況。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

Debt instrument at FVTOCI (Cont'd)

The Group closely monitors the changes in the credit ratings of the issuer, and follows its market news for taking immediate actions if there is any indication of deterioration of the repayment ability of the issuer.

The Group determines whether the debt instrument held by the Group has suffered from significant increase in credit risk since initial recognition by comparing the credit rating and other qualitative benchmarks that affect the credit quality of the debt instruments at initial recognition and at the end of the reporting period. On the basis of prevailing market conditions in respect of property developers in the PRC, the credit rating of the debt instrument issued by the issuer was withdrew by the rating agencies and the credit risk of the debt instrument held by the Group has increased significantly since initial recognition, as such, lifetime ECL on the debt instruments has been assessed at 31 December 2022. As the issuer of the debt instrument has suffered from significant financial difficulty, including defaulted in payments for its other debt instrument and other liabilities, and its listed equity shares were being suspended from trading, the debt instrument held by the Group is therefore considered as credit-impaired at 31 December 2022. The Group estimates the probability of default and the loss given default of the debt instruments with reference to relevant default studies published by the credit rating agencies after taking into account forward-looking information available without undue cost or effort. The calculation of ECL amount also reflects the time value of money. In view of the above, the Group's management considers the ECL allowance on the debt instrument is adequate at 31 December 2022. The Group will closely monitor the market conditions of property market in the PRC and the price of the debt instruments, and will formulate appropriate exit strategy accordingly.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

透過其他全面收益按公允值計量的債務工具(續)

本集團密切監控發行人之信貸評級變動，並緊隨其市場消息以於在有跡象顯示發行人的還款能力下降時採取即時行動。

本集團透過比較信貸評級及影響債務工具於初始確認及報告期末之信貸質素的其他定性基準，釐定本集團所持有之債務工具自初始確認以來之信貸風險是否顯著增加。基於中國房地產開發商目前之市場狀況，發行人所發行之債務工具之信貸評級被評級機構撤銷，本集團所持有債務工具之信貸風險自初始確認以來已大幅增加，因此於二零二二年十二月三十一日評估債務工具之全期預期信貸虧損。由於債務工具的發行人面對重大財務困難，包括拖欠其其他債務工具及其他負債之付款，而其上市股票暫停買賣，因此本集團所持有之債務工具於二零二二年十二月三十一日被視為信貸減值。本集團參照信貸評級機構發佈的相關違約研究報告，並計及無需過度成本或投入而取得之前瞻性資料，估計債務工具的違約概率及違約損失。預期信貸虧損金額之計算亦反映貨幣的時間價值。鑑於上文所述，本集團管理層認為債務工具之預期信貸虧損撥備於二零二二年十二月三十一日已足夠。本集團將密切注視中國房地產市場之市況及債務工具之價格，並將隨之制定相應適當之撤資策略。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

Debt instrument at FVTOCI (Cont'd)

The Group had engaged an independent professional valuer to perform ECL assessment on the debt instruments by taking into consideration the historical data from an international credit rating agency. The Company's management works closely with the independent professional valuer to establish the appropriate valuation techniques and inputs to the model. In making the evaluation, the Group assesses ECL for debt instrument at FVTOCI by reference to the credit rating of the debt instruments announced by the recognised rating agency, the macroeconomic factors affecting the issuer, and the probability of default and loss given default of the debt instruments. The Group also takes into account forward-looking information that is reasonably and supportably available to the Group without undue cost or effort.

During the year ended 31 December 2022, the ECL on debt instrument at FVTOCI amounting to HK\$2,381,000 (2021: Nil) was recognised in profit or loss.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

透過其他全面收益按公允值計量的債務工具(續)

本集團已委聘獨立專業估值師透過考慮國際信貸評級機構的歷史數據對債務工具進行預期信貸虧損評估。本公司管理層與獨立專業估值師緊密合作以制定適當的估值技術及模型輸入數據。於進行該評估時，本集團會參考由認可評級機構公佈對債務工具之信貸評級、影響發行人的宏觀經濟因素、對債務工具之違約概率及違約損失，評估透過其他全面收益按公允值列賬之債務工具的預期信貸虧損。本集團亦考慮本集團無需過度的成本或投入獲取的合理及有理據的前瞻性資料。

於截至二零二二年十二月三十一日止年度，透過其他全面收益按公允值計量的債務工具之預期信貸虧損2,381,000港元(二零二一年：零)於損益確認。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

Other receivables

The Group has assessed the allowance for credit losses of advance to a third party with reference to the historical past due information, default rate, the financial position of the counterparties as well as the fair value of collateral pledged by the counterparty. During the year ended 31 December 2022, loss allowances of HK\$374,000 (2021: HK\$1,008,000) is recognised in the profit or loss.

For the remaining other receivables, the management believes that there is no significant increase in credit risk of these amounts since initial recognition and thus no loss allowance is recognised.

Other financial assets at amortised cost

The Group has assessed on the recoverability of other financial assets at amortised cost by reference to probability of default and loss given default of the bank. During the year ended 31 December 2022, loss allowance of HK\$17,000 (2021: HK\$2,242,000) is recognised in profit or loss.

Restricted bank deposits/time deposits/bank balances

The credit risks on restricted bank deposits, time deposits and bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收款項

本集團已參考交易對手的過往逾期資料、違約率及財務狀況，以及交易對手的抵押品之公允值，對向一名第三方作出的墊款信貸虧損撥備進行評估。截至二零二二年十二月三十一日止年度，虧損撥備374,000港元(二零二一年：1,008,000港元)於損益內確認。

就其餘其他應收款項而言，管理層相信，該等金額的信貸風險自初始確認以來並未顯著增加，因此並無確認虧損撥備。

按攤銷成本計量的其他金融資產

本集團已參考銀行違約概率及違約虧損評估按攤銷成本計量的其他金融資產的可收回性。截至二零二二年十二月三十一日止年度，虧損撥備17,000港元(二零二一年：2,242,000港元)於損益中確認。

受限制銀行存款／定期存款／銀行結餘

由於交易對手為國際信用評級機構指定的信用評級較高的銀行，受限制銀行存款、定期存款及銀行結餘的信貸風險有限。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

The Group's internal credit risk grading assessment comprises the following categories:

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團內部信貸風險級別評估包括以下類別：

Internal credit rating 內部信貸評級	Description 說明	Trade receivables 貿易應收款項	Other financial assets/ other items 其他金融資產／其他項目
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手的違約風險較低，且並無任何逾期款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	12m ECL 12個月預期信貸虧損
Watch list 觀察名單	Debtor frequently repays after due dates but usually settle in full 債務人經常於到期日後還款但通常全數結清	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 存疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 信貸風險自初始確認以來顯著增加(透過內部或外部資源開發之信息)	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 未發生信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示有關資產已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已發生信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已發生信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團不認為日後可收回有關款項	Amount is written off 撇銷有關金額	Amount is written off 撇銷有關金額



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33. FINANCIAL INSTRUMENTS (Cont'd)

33. 金融工具(續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(B) 金融風險管理目標及政策(續)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

信貸風險及減值評估(續)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

本集團金融資產的信貸風險敞口(須進行預期信貸虧損評估)詳情如下：

	Notes 附註	External credit rating 外部信貸評級	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預 期信貸虧損	2022 Gross carrying amount 二零二二年 賬面總額 HK\$'000 千港元	2021 Gross carrying amount 二零二一年 賬面總額 HK\$'000 千港元
Debt instrument at FVTOCI 透過其他全面收益按公允值計量的 債務工具						
Investment in listed bond 上市債券投資	18	BBB- to BB BBB-至BB	N/A 不適用	12m ECL 12個月預期信貸 虧損	—	2,012
		N/A (note 1) 不適用(附註1)	Loss 虧損	Lifetime ECL — credit-impaired 全期預期信貸 虧損 — 已發生 信貸減值	583	—
Financial assets at amortised cost 按攤銷成本計量的金融資產						
Trade receivables 貿易應收款項	20	N/A 不適用	Low risk (note 2) 低風險(附註2)	Lifetime ECL — not credit- impaired 全期預期信貸 虧損 — 未發生 信貸減值	414	73
Receivables under service concession arrangements 服務特許權安排下的應收款項	16	N/A 不適用	Low risk 低風險	12m ECL (individual assessment) 12個月預期 信貸虧損 (獨立評估)	326,825	338,753



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

	Notes 附註	External credit rating 外部信貸評級	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預 期信貸虧損	2022 Gross carrying amount 二零二二年 賬面總額 HK\$'000 千港元	2021 Gross carrying amount 二零二一年 賬面總額 HK\$'000 千港元
Other financial assets at amortised cost 按攤銷成本計量的其他金融資產	19	N/A 不適用	Loss 虧損	Lifetime ECL – credit-impaired 全期預期信貸 虧損 – 已發生 信貸減值	2,080	2,278
Other receivables 其他應收款項	20	N/A 不適用	Low risk 低風險 Doubtful 存疑	12m ECL 12個月預期 信貸虧損 Lifetime ECL – not credit- impaired 全期預期信貸 虧損 – 未發生 信貸減值	81,135 3,618	3,827 4,049
Restricted bank deposits 受限制銀行存款	21	BBB to AA+ BBB至AA+	N/A 不適用	12m ECL 12個月預期信貸 虧損	5,405	5,920
Time deposits 定期存款	21	A- A-	N/A 不適用	12m ECL 12個月預期信貸 虧損	–	12,269
Bank balances 銀行結餘	21	BBB+ to AA- BBB+至AA-	N/A 不適用	12m ECL 12個月預期信貸 虧損	34,611	65,054

Notes:

- The bond issuer has chosen to stop participating in the rating process; therefore the international rating agency has withdrawn the rating of the bond issuer as sufficient information to maintain the rating is no longer exist.
- For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.

附註：

- 債券發行人已選擇停止參與評級過程；因此，由於已無維持評級的足夠信息，國際評級機構已撤銷對該債券發行人的評級。
- 就貿易應收款項而言，本集團已應用香港財務報告準則第9號的簡化方法計量全期預期信貸虧損的虧損撥備。

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)



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33. FINANCIAL INSTRUMENTS (Cont'd)

33. 金融工具(續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(B) 金融風險管理目標及政策(續)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

信貸風險及減值評估(續)

The following tables show reconciliation of loss allowance that have been recognised for debt instrument at FVTOCI, financial assets at amortised cost and other receivables:

下表列示已就透過其他全面收益按公允值計量的債務工具、按攤銷成本計量的金融資產及其他應收款項確認之虧損撥備之對賬：

		Debt instrument at FVTOCI Lifetime ECL – credit- impaired 透過其他全面 收益按公允值 計量的債務工具 全期預期 信貸虧損 – 已發生信貸減值 HK\$'000 千港元	Other financial assets at amortised cost Lifetime ECL – credit- impaired 按攤銷成本計量的 其他金融資產 全期預期 信貸虧損 – 已發生信貸減值 HK\$'000 千港元	Other receivables Lifetime ECL – not credit- impaired 其他應收款項 全期預期 信貸虧損 – 未發生信貸減值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2021	於二零二一年一月一日	–	–	–	–
Impairment losses recognised	減值虧損確認	–	2,242	1,008	3,250
Exchange adjustments	匯兌調整	–	17	19	36
At 31 December 2021	於二零二一年 十二月三十一日	–	2,259	1,027	3,286
Impairment losses recognised	減值虧損確認	2,381	17	374	2,772
Exchange adjustments	匯兌調整	–	(196)	(92)	(288)
At 31 December 2022	於二零二二年 十二月三十一日	2,381	2,080	1,309	5,770



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

CREDIT RISK AND IMPAIRMENT ASSESSMENT (Cont'd)

During the current year, the changes in loss allowance mainly comprise:

- (i) Debt instrument at FVTOCI with gross carrying amount totalling HK\$583,000 (2021: Nil) that have become credit-impaired for which lifetime ECL has been provided, resulted in recognition of ECL of HK\$2,381,000 (2021: Nil).
- (ii) Other receivables with gross carrying amount totalling HK\$3,618,000 that continued to be not credit-impaired for which lifetime ECL has been provided, resulted in recognition of ECL of HK\$374,000 (2021: HK\$1,008,000).

LIQUIDITY RISK

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of amounts due to related parties and bank and other borrowings and ensures compliance with loan covenants.

The Group relies on amounts due to related parties (see note 24) and bank and other borrowings (see note 25) as a significance source of liquidity. As at 31 December 2022, the Group has available unutilised facilities of HK\$4,874,000 (2021: HK\$18,257,000).

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

於本年內，虧損撥備變動主要包括：

- (i) 賬面總額合共583,000港元(二零二一年：零)的透過其他全面收益按公允值計量的債務工具已發生信貸減值，並就全期預期信貸虧損作出撥備，導致確認預期信貸虧損2,381,000港元(二零二一年：零)。
- (ii) 賬面總額合共3,618,000港元的其他應收款項仍然未發生信貸減值，並就全期預期信貸虧損作出撥備，導致確認預期信貸虧損374,000港元(二零二一年：1,008,000港元)。

流動資金風險

就管理流動資金風險而言，本集團監察及維持管理層視為足夠之現金及現金等價物水平，以為本集團之營運提供資金，以及減輕現金流量波動之影響。本集團管理層監察應付關聯方款項以及銀行及其他借款之使用情況並確保符合貸款契約。

本集團依賴應付關聯方款項(參見附註24)以及銀行及其他借款(參見附註25)作為流動資金之主要來源。於二零二二年十二月三十一日，本集團擁有可動用而尚未動用融資4,874,000港元(二零二一年：18,257,000港元)。



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33. FINANCIAL INSTRUMENTS (Cont'd)

33. 金融工具(續)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(B) 金融風險管理目標及政策(續)

LIQUIDITY RISK (Cont'd)

流動資金風險(續)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for non-derivative financial liabilities are based on the agreed repayment dates.

下表詳列本集團非衍生金融負債的剩餘合約期。下表乃根據金融負債的未折現現金流量而開列，該等金融負債乃根據本集團可能須付款的最早日期分類。具體而言，具有按還款條款之銀行貸款乃列入最早時間範圍，而不論銀行選擇行使其權利之可能性多少。非衍生金融負債之到期日乃按協定還款日期而釐定。

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

該表已計入利息及本金現金流量。在利息流量為浮息的情況下，未貼現金額按報告期末利率曲線計算。

Liquidity tables

流動資金表

		Weighted average interest rate	On demand or 3 months or less	3-6 months	6-12 months	1-5 years	Total undiscounted cash flows	Carrying amount at
								31.12.2022
			按要求或 3個月或以內	3至6個月	6至12個月	1至5年	未折現現金 流量總額	於二零二二年 十二月三十一日 的賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元	千港元
2022	二零二二年							
Trade payables	貿易應付款項	—	5,466	—	—	—	5,466	5,466
Other payables	其他應付款項	—	3,271	—	—	—	3,271	3,271
Borrowings	借款	5.88%	33,306	332	9,606	21,019	64,263	61,867
Lease liabilities	租賃負債	3.52%	115	115	263	532	1,025	995
Amounts due to related parties	應付關聯方 款項	7.55%	14,817	23,721	54,738	14,634	107,910	105,544
			56,975	24,168	64,607	36,185	181,935	177,143



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33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

LIQUIDITY RISK (Cont'd)

Liquidity tables (Cont'd)

		Weighted average interest rate	On demand or 3 months or less	3-6 months	6-12 months	1-5 years	Total undiscounted cash flows	Carrying amount at 31.12.2021 於二零二二年 十二月三十一日 的賬面值
		加權平均利率	按要求或 3個月或以內	3至6個月	6至12個月	1至5年	未折現現金 流量總額	的賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元	千港元
2021	二零二一年							
Trade payables	貿易應付款項	—	3,301	—	—	—	3,301	3,301
Other payables	其他應付款項	—	3,964	—	—	—	3,964	3,964
Borrowings	借款	4.30%	33,032	2,248	—	—	35,280	35,107
Lease liabilities	租賃負債	3.93%	144	144	192	—	480	472
Amounts due to related parties	應付關聯方 款項	6.81%	8,639	506	27,784	4,096	41,025	39,207
			49,080	2,898	27,976	4,096	84,050	82,051

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金表(續)



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

33. FINANCIAL INSTRUMENTS (Cont'd)

(B) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

LIQUIDITY RISK (Cont'd)

Liquidity tables (Cont'd)

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

INTEREST RATE BENCHMARK REFORM

As listed in note 25, certain of the Group's HIBOR bank borrowings will or may be subject to the interest rate benchmark reform. The Group is closely monitoring the market and managing the transition to new benchmark interest rates, including announcements made by the relevant IBOR regulators.

While the Hong Kong Dollar Overnight Index Average ("HONIA") has been identified as an alternative to HIBOR, there is no plan to discontinue HIBOR. The multi-rate approach has been adopted in Hong Kong, whereby HIBOR and HONIA will co-exist. The Group's bank borrowings linked to HIBOR will continue till maturity and hence, not subject to transition.

(C) FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available.

33. 金融工具(續)

(B) 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金表(續)

倘浮動利率變動與於報告期末釐定的利率估計有別，則上述所包含浮動利率工具金額亦會有變。

利率基準改革

如附註25所列，本集團之若干銀行借款將或可能會受利率基準改革影響。本集團正密切監察市場及管理過渡至新基準利率之情況，包括相關銀行同業拆息監管機構作出的公告。

雖然港元隔夜平均指數(「港元隔夜平均指數」)已被確定為香港銀行同業拆息的替代利率，但並無計劃停用香港銀行同業拆息。香港已採用香港銀行同業拆息與港元隔夜平均指數並存的多利率方法。本集團與香港銀行同業拆息掛鉤的銀行借款將持續至到期日，故無須過渡。

(C) 金融工具的公允值計量

就財務報告而言，本集團部分金融工具按公允值計量。本集團使用可以取得之市場可觀察數據估計公允值。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

33. FINANCIAL INSTRUMENTS (Cont'd)

(C) FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

- (i) FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique and inputs used).

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2022	於二零二二年十二月三十一日				
Debt instrument at FVTOCI	透過其他全面收益按公允值計量的債務工具				
Investment in listed bond	上市債券投資	583	—	—	583
At 31 December 2021	於二零二一年十二月三十一日				
Debt instrument at FVTOCI	透過其他全面收益按公允值計量的債務工具				
Investment in listed bond	上市債券投資	2,012	—	—	2,012

33. 金融工具(續)

(C) 金融工具的公允值計量(續)

- (i) 根據經常性基準按公允值計量之本集團金融資產之公允值

於各報告期末，本集團部分金融資產按公允值計量。下表提供有關如何釐定該等金融資產之公允值之資料(特別是所用估值技術及輸入數據)。



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33. FINANCIAL INSTRUMENTS (Cont'd)

(C) FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

- (i) FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS (Cont'd)

Debt instrument at FVTOCI 透過其他全面收益按 公允值計量的債務工具	Fair value as at 31 December 於十二月三十一日 之公允值		Fair value hierarchy 公允值等級	Valuation technique(s) and key input(s) 估值技術及 關鍵輸入數據
	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元		
Investment in listed bond 上市債券投資	583	2,012	Level 1 第一級	Quoted bid prices in an active market 活躍市場所報買入價

There were no transfers between Level 1, 2 and 3 fair value during both the current and prior years.

- (ii) FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE NOT MEASURED AT FAIR VALUE ON A RECURRING BASIS

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

33. 金融工具(續)

(C) 金融工具的公允值計量(續)

- (i) 根據經常性基準按公允值計量之本集團金融資產之公允值(續)

於本年度及過往年度，第一級、第二級及第三級公允值之間並無轉撥。

- (ii) 並非根據經常性基準按公允值計量之本集團金融資產之公允值

本公司董事認為，按攤銷成本計入綜合財務報表之金融資產及金融負債之賬面值與其公允值相若。



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34. SHARE OPTION SCHEME

The Company's share option scheme ("**Scheme**") was adopted pursuant to a resolution passed on 5 September 2014 for the primary purpose of providing incentives to directors and eligible employees. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

The limit on the total number of Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other Schemes of our Company at any time shall not exceed 30% of the Shares in issue from time to time (the "**Maximum Limit**"). The maximum number of Shares in respect of which options under the Scheme and any other Schemes of our Company may be granted is 10% of the Shares in issue immediately upon completion of the share offer, being 80,000,000 Shares (the "**Scheme Limit**"), excluding for this purpose the number of shares which would be issued on the exercise in full of the options granted under the Scheme or any other schemes of our Company but not cancelled, lapsed or exercised; the number of Shares which have been allotted and issued pursuant to the exercise of any options granted under the Scheme or any other schemes of our Company; and the number of cancelled Shares.

34. 購股權計劃

本公司根據於二零一四年九月五日通過的決議案採納購股權計劃(「**該計劃**」)，主要旨在激勵董事及合資格僱員。根據該計劃，本公司董事會可向合資格僱員授出購股權，其中包括本公司及其附屬公司的董事，以認購本公司股份。

在未經本公司股東事先批准之情況下，根據該計劃授出之購股權所涉之股份總數目，於任何時候不得超過本公司已發行股份之10%。在未經本公司股東事先批准之情況下，於任何一年向任何個人已授予及可能授予之購股權所涉及之已發行及將予發行之股份數目不得超過本公司於任何時間已發行股份之1%。

根據該計劃及本公司任何其他該計劃已授出而尚未行使其所有未行使購股權獲行使時可予發行之本公司股份總數目的上限，於任何時候不得超過不時已發行股份之30% (「**最高限額**」)。根據該計劃及本公司任何其他該計劃可能授出的購股權所涉及的股份最高數目為緊接股份發售完成後已發行股份的10%，即80,000,000股股份(「**計劃限額**」)，就此而言，不包括根據該計劃或本公司任何其他計劃授出的購股權(以並無註銷、失效或獲行使者為限)獲悉數行使時可能發行的股份數目；因行使根據該計劃或本公司任何其他計劃授出的任何購股權而已配發及發行的股份數目；及已註銷股份之數目。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

34. SHARE OPTION SCHEME (Cont'd)

Any grant of options to a director, chief executive or substantial shareholder of our Company or any of their respective associates is required to be approved by our independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). If the Board determines to offer to grant options to a substantial shareholder or an independent non-executive director or any of their respective associates which will result in the number of shares issued and to be issued in excess of 0.1% of the issued shares or with an aggregate value (based on the closing price of the shares at the date of grant) in excess of HK\$5,000,000 within any 12-month period is subject to approval by shareholders of the Company in general meeting.

The subscription price for the Company's shares on the exercise of options under Scheme shall be at least the highest of: (a) the closing price of the shares as stated in Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the 5 business days immediately preceding the date of grant; and (c) the nominal value of the share.

No share option was granted or remained outstanding under the Scheme during the years ended 31 December 2022 and 2021.

34. 購股權計劃(續)

向本公司董事、最高行政人員或主要股東或彼等各自的任何聯繫人授出任何購股權，須經本公司獨立非執行董事(不包括本身為購股權承授人的任何獨立非執行董事)批准。倘董事會決議向主要股東或獨立非執行董事或任何彼等各自的聯繫人授出購股權，而導致任何十二個月期間內已發行及將予發行股份數目超過已發行股份的0.1%或超過5,000,000港元價值總額(根據於授出日期股份收市價計算)，則須經本公司股東於股東大會上的批准。

本公司行使該計劃授出的購股權之股份認購價不得低於下列三者中之最高者：(a) 股份於授出日期(必須為營業日)在聯交所每日報價表所報收市價股份；(b) 於緊接授出日期前五個營業日在聯交所每日報價表所報平均收市價；及(c) 股份面值。

於截至二零二二年及二零二一年十二月三十一日止年度，概無根據該計劃已授出但尚未行使的購股權。



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For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

35. RETIREMENT BENEFIT OBLIGATIONS

(A) DEFINED CONTRIBUTION RETIREMENT PLAN OPERATING IN HONG KONG

The Group operates a Mandatory Provident Fund Scheme (“**MPF Scheme**”) established under the Mandatory Provident Fund Schemes Ordinance in Hong Kong for employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basis 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 funds under the control of trustee. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme. There are no forfeited contributions that may be used by the Group to reduce the existing level of contributions.

35. 退休福利責任

(A) 於香港實行之界定供款退休計劃

本集團遵照強制性公積金計劃條例為合資格參與強制性公積金計劃(「**強積金計劃**」)的僱員在香港設立一項定額供款強積金計劃。供款按僱員基本薪酬的某一百分比計算，並於根據強積金計劃規則規定需要支付時自損益扣除。強積金計劃資產由信託人控制的基金持有，與本集團資產分開處理。本集團按強積金計劃作出的僱主供款全數歸屬於僱員。概無被沒收供款可供本集團用以減低現有供款水平。



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd)

(B) DEFINED CONTRIBUTION RETIREMENT PLAN OPERATING IN THE PRC

The employees of the Group's operations in the PRC are required to participate in central pension schemes operated by the local municipal governments, the assets of which are held separately from those of the Group. Contributions are made by the Group based on a percentage of the participating employees' salaries and are charged to profit or loss as they become payable in accordance with the rules of the central pension schemes. The employer contributions vest fully once made. There are no forfeited contributions that may be used by the Group to reduce the existing level of contributions.

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA

Under the Indonesia Labour Law, companies are required to pay separation, appreciation and compensation benefits to their employees if the conditions specified in the Indonesia Labour Law are met. The Group's subsidiaries in Indonesia, estimates its liability for employee service entitlement benefits in order to meet and cover the minimum benefits requirement to be paid to employees under the Indonesia Labour Law. The post-employment benefits are unfunded.

The plan exposes the Group to actuarial risks such as interest rate risk, longevity risk and salary risk.

INTEREST RATE RISK

A decrease in the bond interest rate will increase the plan liability.

LONGEVITY RISK

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

35. 退休福利責任(續)

(B) 於中國實行之界定供款退休計劃

本集團於中國業務的僱員須參加由當地市政府營辦的中央退休金計劃，該等計劃的資產與本集團資產分開持有。供款乃由本集團根據中央退休金計劃的規則按參與僱員薪金的某一百分比作出，並於應付時從損益扣除。僱主的供款於其作出供款時即全數歸屬。並無已沒收供款，可供本集團用以減低現有供款水平。

(C) 於印尼實行之界定福利退休計劃

根據《印尼勞工法》，倘《印尼勞工法》中指明的條件適用，則公司必須向其僱員支付離職、升職及賠償福利。本集團的印尼附屬公司估計僱員服務應付福利的負債，以符合及涵蓋《印尼勞工法》必須向僱員提供福利的最低要求。本集團並無提供離職後福利。

該計劃使本集團面臨精算風險，如利率風險、長壽風險及薪金風險。

利率風險

債券利率降低將增加計劃負債。

長壽風險

界定福利計劃負債的現值乃參考對計劃參與人於僱用期間及期後離世的最佳估計而計算。計劃參與人預期壽命延長將增加計劃負債。



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd)

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA (Cont'd)

SALARY RISK

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuations of the present value of the defined benefit obligation were carried out at 31 December 2022 by Kautor Konsultan Aktuaria Steven & Mourits, an independent actual consulting firm in Indonesia. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

		2022 二零二二年	2021 二零二一年
Discount rate	貼現率	7.29%	7.13%
Expected rate of salary increase	預期薪金升幅	5%	5%

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

35. 退休福利責任(續)

(C) 於印尼實行之界定福利退休計劃(續)

薪金風險

界定福利計劃負債的現值乃參考計劃參與人的未來薪金而計算。因此，計劃參與人薪金上升將增加計劃負債。

界定福利責任現值最近之精算估值乃由印尼一間獨立精算顧問公司Kautor Konsultan Aktuaria Steven & Mourits於二零二二年十二月三十一日進行。界定福利責任現值及相關的目前服務成本及過往服務成本按預計單位貸記法計量。

精算估值所用主要假設如下：

		2022 二零二二年	2021 二零二一年
Discount rate	貼現率	7.29%	7.13%
Expected rate of salary increase	預期薪金升幅	5%	5%

釐定界定責任之重大精算假設為貼現率及預期薪金升幅。以下敏感度分析根據於報告期末各假設出現合理可能變動而其他假設維持不變而釐定。



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd) 35. 退休福利責任(續)

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA (Cont'd)

(C) 於印尼實行之界定福利退休計劃(續)

		(Decrease)/ increase in net defined benefit obligations 界定福利責任 淨額(減少)/ 增加		Increase/ (decrease) in net defined benefit obligations 界定福利責任 淨額增加/ (減少)	
		Increase in rate 利率上升 %	Decrease in rate 利率下降 %	Decrease in rate 利率下降 %	Increase/ (decrease) in net defined benefit obligations 界定福利責任 淨額增加/ (減少) HK\$'000 千港元
At 31 December 2022	於二零二二年十二月 三十一日				
Discount rate	貼現率	1	(55)	1	61
Expected rate of salary increase	預期薪金升幅	1	68	1	(62)
At 31 December 2021	於二零二一年十二月 三十一日				
Discount rate	貼現率	1	(75)	1	84
Expected rate of salary increase	預期薪金升幅	1	92	1	(83)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the consolidated statement of financial position.

由於部分假設可能互相關連，單一獨立假設變動不太可能發生，以上呈列敏感度分析不一定能代表界定福利責任之實際變動。

此外，於呈列以上敏感度分析時，界定福利責任之現值於報告期末以預計單位貸記法計量，與應用於計算綜合財務狀況表內確認之界定福利責任負債之方法相同。



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd) 35. 退休福利責任(續)

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA (Cont'd)

Amounts recognised in comprehensive income in respect of the defined benefit plan are as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Service cost:	服務成本：		
— Current service cost	— 目前服務成本	282	401
— Past service cost and gain from settlements	— 過往服務成本及結算收益	(309)	(26)
Net interest expense	利息開支淨額	40	91
Components of defined benefit costs recognised in profit or loss	於損益確認的界定福利成本的組成部分	13	466
Remeasurement on the net defined benefit liability:	重新計量界定福利負債淨額：		
— Actuarial gains and losses arising from changes in financial assumptions	— 財務假設變動所產生之精算收益及虧損	(27)	(600)
— Actuarial gains and losses arising from experience adjustments	— 經驗調整所產生之精算收益及虧損	(1)	(154)
Components of defined benefit costs recognised in other comprehensive income	於其他全面收入確認的界定福利成本的組成部分	(28)	(754)
Total	總計	(15)	(288)

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(C) 於印尼實行之界定福利退休計劃(續)

就界定福利計劃於全面收益確認的金額如下：

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Service cost:		
— Current service cost	282	401
— Past service cost and gain from settlements	(309)	(26)
Net interest expense	40	91
Components of defined benefit costs recognised in profit or loss	13	466
Remeasurement on the net defined benefit liability:		
— Actuarial gains and losses arising from changes in financial assumptions	(27)	(600)
— Actuarial gains and losses arising from experience adjustments	(1)	(154)
Components of defined benefit costs recognised in other comprehensive income	(28)	(754)
Total	(15)	(288)

界定福利負債淨額之重新計量計入其他全面收益。



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd)

35. 退休福利責任(續)

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA (Cont'd)

The amount included in the consolidated statement of financial position arising from the Group's obligation in respect of its defined benefit plan is as follows:

(C) 於印尼實行之界定福利退休計劃(續)

本集團就其界定福利計劃的責任產生的計入綜合財務狀況表的金額如下：

		2022	2021
		二零二二年	二零二一年
		HK\$'000	HK\$'000
		千港元	千港元
Present value of funded defined benefit obligations	已注資界定福利責任現值	929	1,065
Fair value of plan assets	計劃資產的公允值	—	—
Net liability arising from defined benefit obligations	界定福利責任產生的負債淨額	929	1,065



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35. RETIREMENT BENEFIT OBLIGATIONS (Cont'd)

(C) DEFINED BENEFIT RETIREMENT PLAN OPERATING IN INDONESIA (Cont'd)

Movements in the present value of the defined benefit obligations in the current year were as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Opening defined benefit obligations	年初界定福利責任	1,065	1,414
Service cost:	服務成本：		
— Current service cost	— 目前服務成本	282	401
— Past service cost and gain from settlements	— 過往服務成本及結算收益	(309)	(26)
Interest cost	利息成本	40	91
Remeasurement gains:	重新計量收益：		
— Actuarial gains arising from changes in financial assumptions	— 財務假設變動所產生之精算收益	(27)	(600)
— Actuarial gains arising from experience adjustments	— 經驗調整所產生之精算收益	(1)	(154)
Exchange differences on foreign plans	海外計劃匯兌差額	(90)	(25)
Benefits paid	已付福利	(31)	(36)
Closing defined benefit obligations	年末界定福利責任	929	1,065

The weighted average duration of the defined benefit obligation is 13 years (2021: 12 years)

35. 退休福利責任(續)

(C) 於印尼實行之界定福利退休計劃(續)

界定福利責任現值於本年度的變動如下：

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Opening defined benefit obligations	1,065	1,414
Service cost:		
— Current service cost	282	401
— Past service cost and gain from settlements	(309)	(26)
Interest cost	40	91
Remeasurement gains:		
— Actuarial gains arising from changes in financial assumptions	(27)	(600)
— Actuarial gains arising from experience adjustments	(1)	(154)
Exchange differences on foreign plans	(90)	(25)
Benefits paid	(31)	(36)
Closing defined benefit obligations	929	1,065

界定福利責任加權平均期限為13年(二零二一年：12年)。



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36. DISPOSAL OF A SUBSIDIARY

During the year ended 31 December 2022, the Group disposed of its entire 70% equity interest in Hai'an Hengfa, an indirect subsidiary of the Company, which operates wastewater treatment facilities in the PRC. The net assets of Hai'an Hengfa at the date of disposal were as follows:

36. 出售附屬公司

於截至二零二二年十二月三十一日止年度，本集團出售於海安恆發(本公司的間接附屬公司，於中國經營污水處理設施)的全部70%股權。海安恆發於出售日期的資產淨值如下：

		HK\$'000 千港元
Consideration received:	已收代價：	
Cash received	已收現金	—
Deferred cash consideration (note)	遞延現金代價(附註)	76,065
Total consideration received	已收現金代價總額	76,065

Note: The deferred consideration will be settled in cash by the purchaser within one year after the end of reporting period.

附註：遞延代價將於報告期末後一年內由買方以現金償付。

Analysis of assets and liabilities over which control was lost:	對失去控制權的資產及負債的分析：	
Property, plant and equipment	物業、廠房及設備	507
Receivables under service concession arrangements	服務特許權安排下的應收款項	98,228
Inventories	存貨	44
Prepayments and other receivables	預付款項及其他應收款項	753
Bank balances and cash	銀行結餘及現金	37,269
Trade payables	貿易應付款項	(1,213)
Other payables and accruals	其他應付款項及應計費用	(573)
Deferred tax liabilities	遞延稅項負債	(13,688)
Provision for major overheads	重大經常性開支撥備	(7,003)

Net assets disposed of	已出售資產淨值	114,324
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Loss on disposal of a subsidiary:	出售附屬公司的虧損：	
Consideration received and receivable	已收及應收代價	76,065
Net assets disposed of	已出售資產淨值	(114,324)
Non-controlling interests	非控股權益	34,207
Reclassification of cumulative translation reserve upon disposal of Hai'an Hengfa to profit or loss	出售海安恆發後的累計換算儲備重新分類至損益	3,693
Loss on disposal	出售的虧損	(359)

Net cash outflow arising on disposal:	出售產生的現金流出淨額：	
Cash consideration	現金代價	—
Less: bank balances and cash disposed of	減：已出售銀行結餘及現金	(37,269)
		(37,269)



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37. CAPITAL COMMITMENTS

37. 資本承擔

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Capital expenditure in respect of service concession arrangement under BOT basis contracted for but not provided in the consolidated financial statements	36,202	93,600

BOT基準項下有關已訂約但未於綜合財務報表中撥備的服務特許權安排的資本開支

38. RELATED PARTY TRANSACTIONS

38. 關聯方交易

(A) Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions and balances with related parties:

(A) 除於該等綜合財務報表另有披露外，本集團與關聯方有以下交易：

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Nature of transactions and balances with related companies:		
Rental expense*	146	316
Administrative service expense**	2,343	2,252
Interest expenses on lease liabilities	17	28
Lease liabilities***	862	472

與關聯方的交易性質及結餘：

租金開支*

行政服務開支**

租賃負債的利息開支

租賃負債***

* During the year ended 31 December 2022 and 2021, rental expense was paid to a related company over which a director of the Company has significant influence to operate, monitor and maintain the two power plants of the Group.

** The Group entered an administrative service sharing agreement with a related party, a company controlled by certain executive directors and their family members, in connection with the sharing of administrative services on a cost basis.

* 於截至二零二二年及二零二一年十二月三十一日止年度，已支付租金開支予一間關聯公司，而本公司一名董事對關聯公司擁有重大影響力，從而影響本集團兩座發電廠的營運、監督及維護。

** 本集團已就共享行政服務與一名關聯方(由若干執行董事及其家屬控制的公司)訂立行政服務共享協議(按成本基準收費)。



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38. RELATED PARTY TRANSACTIONS (Cont'd)

(A) Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions and balances with related parties: (Cont'd)

*** During the year ended 31 December 2019, the Group entered a sub-lease agreement with Dragonfield Management Limited, a company controlled by certain executive directors and their family members, to sub-lease the office premise. The sub-lease has a term of three years from 20 November 2019 to 19 November 2022 at a rent of HK\$47,800 per month. At the commencement date of the sub-lease, the Group recognised a right-of-use asset and a lease liability of HK\$1,629,000.

During the year ended 31 December 2022, the existing sub-lease is early terminated and then entered into another sub-lease agreement for the reallocation of office premise. The new sub-lease agreement has a term of three years from 1 July 2022 to 30 June 2025 at a rent of HK\$29,536 per month. At the commencement date of the sub-lease, the Group recognised a right-of-use asset and a lease liability of HK\$1,029,000.

(B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and other members of key management during the year was as follows:

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	4,872	3,908
Post-employment benefits	離職後福利	128	122
		5,000	4,030

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. Further details of compensation of directors' emoluments are included in note 10.

38. 關聯方交易(續)

(A) 除於該等綜合財務報表另有披露外，本集團與關聯方有以下交易：(續)

*** 於截至二零一九年十二月三十一日止年度，本集團已就分租辦公室與龍田管理有限公司(由若干執行董事及其家屬控制的公司)訂立分租協議。分租協議為期三年(自二零一九年十一月二十日至二零二二年十一月十九日)，月租為47,800港元。於分租開始日期，本集團確認使用權資產及租賃負債1,629,000港元。

於截至二零二二年十二月三十一日止年度，現有分租已提前終止，並已就重新分配辦公室而訂立另一份分租協議。新分租協議為期三年(自二零二二年七月一日至二零二五年六月三十日)，月租為29,536港元。於分租開始日期，本集團確認使用權資產及租賃負債1,029,000港元。

(B) 主要管理層人員的薪酬

於年內董事及主要管理層其他人員的薪酬如下：

	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Short-term employee benefits	4,872	3,908
Post-employment benefits	128	122
	5,000	4,030

董事及主要行政人員之薪酬由薪酬委員會經考慮個人表現及市場趨勢後釐定。董事酬金的進一步詳情載於附註10。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 39. 本公司的財務狀況表

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司的投資	163,090	164,259
Debt instrument at FVTOCI	透過其他全面收益按公允值計量的債務工具	583	2,012
		163,673	166,271
CURRENT ASSETS	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	375	248
Amounts due from subsidiaries	應收附屬公司款項	292,979	207,851
Bank balances and cash	銀行結餘及現金	1,764	1,415
		295,118	209,514
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	1,406	1,129
Amounts due to subsidiaries	應付附屬公司款項	92,232	83,241
Amounts due to related parties	應付關聯方款項	90,977	35,207
Borrowings	借款	23,867	14,867
		208,482	134,444
NET CURRENT ASSETS	流動資產淨值	86,636	75,070
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	250,309	241,341
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	111	111
Reserves	儲備	215,631	237,230
TOTAL EQUITY	總權益	215,742	237,341
NON-CURRENT LIABILITIES	非流動負債		
Amounts due to related parties	應付關聯方款項	14,567	4,000
Borrowings	借款	20,000	—
		34,567	4,000
		250,309	241,341



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd) 39. 本公司的財務狀況表(續)

MOVEMENT IN THE COMPANY'S RESERVES

本公司權益變動

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2021	於二零二一年一月一日	111	408,460	121	146	(156,866)	251,972
Loss for the year	年內虧損	-	-	-	-	(7,797)	(7,797)
Net fair value loss on debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的公允值虧損淨額	-	-	-	(1,303)	-	(1,303)
Release on redemption of debt instruments at fair value through other comprehensive income	贖回透過其他全面收益按公允值計量的債務工具時撥回	-	-	-	5	-	5
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(1,298)	(7,797)	(9,095)
Transfer	轉撥	-	(11,073)	-	-	11,073	-
Share options lapsed	已失效之購股權	-	-	(121)	-	121	-
Dividends recognised as distribution (note 13)	獲確認為分派之股息(附註13)	-	(5,536)	-	-	-	(5,536)
At 31 December 2021	於二零二一年十二月三十一日	111	391,851	-	(1,152)	(153,469)	237,341
Loss for the year	年內虧損	-	-	-	-	(22,551)	(22,551)
Net fair value loss on debt instrument at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的公允值虧損淨額	-	-	-	(1,429)	-	(1,429)
Impairment loss on debt instrument at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的減值虧損	-	-	-	2,381	-	2,381
Total comprehensive income/(expense) for the year	年內全面收益/(開支)總額	-	-	-	952	(22,551)	(21,599)
At 31 December 2022	於二零二二年十二月三十一日	111	391,851	-	(200)	(176,020)	215,742



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's principal subsidiaries as at 31 December 2022 and 2021 are as follows:

40. 本公司主要附屬公司的詳情

於二零二二年及二零二一年十二月三十一日，本公司主要附屬公司的詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operation 成立／註冊／ 營運地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本／註冊資本	Proportion of ownership interest held by the Company 本公司持有的 擁有權益比例		Principal activities 主要活動
			2022 二零二二年 %	2021 二零二一年 %	
Haian Hengfa (notes a, c & d) 海安恆發污水處理有限公司(附註a、c及d)	PRC 中國	RMB30,000,000 人民幣30,000,000元	—	70	Wastewater treatment 污水處理
Rugao Hengfa (notes b & c) 如皋恆發污水處理有限公司(附註b及c)	PRC 中國	US\$10,880,000 10,880,000美元	100	100	Wastewater treatment 污水處理
Shanghai Taihuan Environmental Technology Limited (notes b & c) 上海泰環環保科技有限公司(附註b及c)	PRC 中國	HK\$400,000 400,000港元	100	100	Dormant 暫無業務
Rugao Taihuan Environmental Technology Limited (notes b & c) 如皋泰環環保科技有限公司(附註b及c)	PRC 中國	US\$1,000,000 1,000,000美元	100	100	Dormant 暫無業務
ELL Environmental Limited	BVI 英屬處女群島	US\$100 100美元	100	100	Investment holding 投資控股
Everbest Water Treatment Development Company Limited 恆發水務發展有限公司	Hong Kong 香港	HK\$82,304,273 82,304,273港元	100	100	Investment holding 投資控股
Grand Target Holdings Limited	BVI 英屬處女群島	US\$100 100美元	100	100	Investment holding 投資控股
Greatcorp International Limited 宏皓國際有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Investment holding 投資控股



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Cont'd)

Particulars of the Company's principal subsidiaries as at 31 December 2022 and 2021 are as follows: (Cont'd)

40. 本公司主要附屬公司的詳情(續)

於二零二二年及二零二一年十二月三十一日，本公司主要附屬公司的詳情如下：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operation 成立／註冊／ 營運地點	Issued and paid up share capital/ registered capital 已發行及繳足 股本／註冊資本	Proportion of ownership interest held by the Company 本公司持有的 擁有權權益比例		Principal activities 主要活動
			2022 二零二二年 %	2021 二零二一年 %	
Eternity Time Group Limited	BVI 英屬處女群島	US\$100 100美元	100	100	Investment holding 投資控股
Weal Union Limited 旭衡有限公司	Hong Kong 香港	HK\$250 250港元	100	100	Investment holding 投資控股
Absolute Praise Limited	Cayman Islands 開曼群島	US\$100 100美元	100	100	Dormant 暫無業務
Winwood Holdings Limited 永蒼集團有限公司	Hong Kong 香港	HK\$100 100港元	100	100	Dormant 暫無業務
RPSL	Indonesia 印尼	IDR230,900 million 230,900百萬印尼盾	95	95	Manufacturing and sale of biofuel 生產及出售生物質燃料
SJP	Indonesia 印尼	IDR25,000 million 25,000百萬印尼盾	95	95	Biomass power plant construction 生物質發電廠建設
PT ELL Environmental Limited	Indonesia 印尼	IDR2,500 million 2,500百萬印尼盾	99	99	Provision of administration and management services to group companies 向集團公司提供行政管理服 務



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Cont'd)

Particulars of the Company's principal subsidiaries as at 31 December 2022 and 2021 are as follows: (Cont'd)

Notes:

- (a) This entity is registered as a Sino-foreign equity joint venture under the laws of PRC.
- (b) These entities are registered as wholly-owned foreign enterprises under the laws of PRC.
- (c) The English names of these entities represent management's best effort at translating their Chinese names as these entities did not register any official English names.
- (d) This entity is disposed of during the year ended 31 December 2022.

Except for ELL Environmental Limited, Absolute Praise Limited and Eternity Time Group Limited, all subsidiaries are indirectly held by the Company.

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

40. 本公司主要附屬公司的詳情(續)

於二零二二年及二零二一年十二月三十一日，本公司主要附屬公司的詳情如下：(續)

附註：

- (a) 該實體根據中國法律註冊為中外合資經營企業。
- (b) 該等實體根據中國法律註冊為外商獨資企業。
- (c) 鑑於該等實體並未註冊任何官方英文名稱，該等實體的英文名稱乃由管理層盡力從彼等中文名稱翻譯得出。
- (d) 該實體於截至二零二二年十二月三十一日止年度已出售。

除ELL Environmental Limited，Absolute Praise Limited 及 Eternity Time Group Limited外，所有附屬公司由本公司間接持有。

上表列示董事認為主要影響年度業績或構成本集團資產淨值之主要部分之本公司附屬公司。董事認為，提供其他附屬公司之詳情會令篇幅過於冗長。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

41. PARTIAL-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly-owned subsidiary of the Group that has material non-controlling interests:

Name of subsidiary 公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有的擁有權權益及投票權比例		Profit allocated to non-controlling interests 分配予非控股權益的溢利		Accumulated non-controlling interests 累計非控股權益	
		2022	2021	2022	2021	2022	2021
		二零二二年	二零二一年	二零二二年	二零二一年	二零二二年	二零二一年
		%	%	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	%	千港元	千港元	千港元	千港元
Haian Hengfa 海安恆發	PRC 中國	—	30	—	5,967	—	35,024
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益的個別非重大附屬公司						(5,608)	(4,824)
						(5,608)	30,200

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below presents amounts before intragroup eliminations.

41. 擁有重大非控股權益的非全資附屬公司

擁有重大非控股權益的本集團非全資附屬公司的詳情載列於下：

本集團擁有重大非控股權益的附屬公司的財務資料概要載於下文。以下財務資料概要呈列集團內公司間對銷前的數額。



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

41. PARTIAL-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS (Cont'd)

HAIAN HENGFA

41. 擁有重大非控股權益的非全資附 屬公司(續)

海安恆發

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Current assets	流動資產	—	43,686
Non-current assets	非流動資產	—	101,678
Current liabilities	流動負債	—	(7,063)
Non-current liabilities	非流動負債	—	(21,553)
Equity attributable to owners of the Company	本公司擁有人應佔權益	—	81,724
Non-controlling interests of Haian Hengfa	海安恆發的非控股權益	—	35,024
Revenue	營業收入	19,646	37,329
Expenses	開支	(13,023)	(17,437)
Profit for the year	年內溢利	6,623	19,892
Profit attributable to owners of the Company	本公司擁有人應佔溢利	4,636	13,925
Profit attributable to non-controlling interests of Haian Hengfa	海安恆發非控股權益應佔溢利	1,987	5,967
Profit for the year	年內溢利	6,623	19,892
Other comprehensive (expense)/ income attributable to owners of the Company	本公司擁有人應佔其他全面(開支)/收益	(6,543)	2,686
Other comprehensive (expense)/ income attributable to non-controlling interests of Haian Hengfa	海安恆發非控股權益應佔其他全面(開支)/收益	(2,804)	1,151



Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度

41. PARTIAL-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS (Cont'd)

HAIAN HENGFA (Cont'd)

41. 擁有重大非控股權益的非全資附 屬公司(續)

海安恆發(續)

		2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Other comprehensive (expense)/ income for the year	年內其他全面(開支)/收益	(9,347)	3,837
Total comprehensive (expense)/ income attributable to owners of the Company	本公司擁有人應佔全面(開支)/ 收益總額	(1,907)	16,611
Total comprehensive (expense)/ income attributable to non- controlling interests of Haian Hengfa	海安恆發非控股權益應佔全面(開 支)/收益總額	(817)	7,118
Total comprehensive (expense)/ income for the year	年內全面(開支)/收益總額	(2,724)	23,729
Dividends paid to non-controlling interests of Haian Hangfa	付予海安恆發非控股權益之股息	—	(6,338)
Net cash flows from operating activities	經營活動產生的現金流量淨額	2,699	4,887
Net cash flows from/(used in) investing activities	投資活動產生/(使用)的現金流 量淨額	12,018	(5,777)
Net cash inflow/(outflow)	現金流入/(流出)淨額	14,717	(890)



Five-Year Financial Summary 五年財務概要

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年	2019 二零一九年	2020 二零二零年	2021 二零二一年	2022 二零二二年
		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
Revenue	營業收入	79,050	77,473	59,017	103,136	203,659
(Loss)/profit before tax	除稅前(虧損)/溢利	(141,105)	17,038	5,096	22,900	14,034
Income tax expenses	所得稅開支	(3,562)	(7,438)	(6,581)	(11,394)	(16,236)
(Loss)/profit for the year	年內(虧損)/溢利	(144,667)	9,600	(1,485)	11,506	(2,202)

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December 於十二月三十一日				
		2018 二零一八年	2019 二零一九年	2020 二零二零年	2021 二零二一年	2022 二零二二年
		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
Total assets	總資產	475,888	479,926	477,381	528,771	531,056
Total liabilities	總負債	(101,512)	(102,210)	(102,217)	(145,706)	(228,164)
Non-controlling interests	非控股權益	(23,873)	(31,892)	(30,028)	(30,200)	5,608
		350,503	345,824	345,136	352,865	308,500



ELL

Environmental
Holdings Limited