



维港环保

WEIGANG ENVIRONMENT

维港环保科技控股集团有限公司

Weigang Environmental Technology Holding Group Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code: 1845



2021

ANNUAL REPORT
年報



CONTENTS

目錄

COMPANY PROFILE	公司簡介	2
CORPORATE INFORMATION	公司資料	3
FINANCIAL SUMMARY	財務概要	7
CHAIRMAN'S STATEMENT	董事長報告書	8
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	9
DIRECTORS AND SENIOR MANAGEMENT	董事及高級管理層	24
CORPORATE GOVERNANCE REPORT	企業管治報告	31
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT	環境、社會及管治報告	48
DIRECTORS' REPORT	董事會報告	81
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告	98
FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS	財務報表及財務報表附註	110
GLOSSARY	釋義	265

COMPANY PROFILE

公司簡介

Weigang Environmental Technology Holding Group Limited (the “Company”) together with its subsidiaries (the “Group”) are the leading comprehensive hazardous waste incineration turnkey solution provider in China. As at 31 December 2021, the Group has completed 35 hazardous waste incineration projects with aggregate designed disposal capacity of 834,500 tonnes per annum, and 19 ongoing hazardous waste incineration projects with aggregate designed disposal capacity of 459,000 tonnes per annum.

The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 3 January 2019.

Leveraging its experience and expertise in hazardous waste incineration, the Group has expanded its offerings to other areas of solid waste treatment, such as thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln cotreatment.

The Group will continue to focus on the technology innovation to maintain its advanced technology and strong R&D capability. To capture the opportunities brought by the policies for the development of the environmental protection industry and the huge demand of industrial enterprise to comply with increasingly tighter environmental protection policies, the Group will leverage on its technology advantage to expanding its business into more and more new areas, and devote itself to become a leading solid waste treatment solutions provider in China.

維港環保科技控股集團有限公司(「本公司」)及其附屬公司(「本集團」)是中國領先的綜合危險廢物焚燒處置的整體解決方案提供商。截至2021年12月31日，本集團完成35個危廢焚燒處置項目，累計設計年處置量為834,500噸，並持有19個在建危廢焚燒處置項目，累計設計年處置量為459,000噸。

本公司股份於2019年1月3日在香港聯合交易所有限公司(「聯交所」)主板上市。

憑藉本集團在危險廢物焚燒處置方面的經驗及專業知識，本集團已將業務擴展至固體廢物處理的其他領域，如油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。

本集團將繼續專注於技術創新，保持自身的先進技術及強大的研發能力。為抓住環保行業發展政策及工業企業為滿足日益趨嚴的環保政策產生的巨大需求所帶來的機遇，本集團將憑藉自身的技術優勢在越來越多的新領域拓展業務，致力於成為中國領先的固體廢物處置解決方案提供商。

CORPORATE INFORMATION

公司資料

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Cai Zhuhua (*Chairman*)
Mr. Dong Honghui
Mr. Deng Zhaoshan
Mr. Gu Chunbin (*appointed on 11 March 2021*)

Non-executive Directors

Mr. Ren Jingfeng (*resigned on 11 March 2021*)
Mr. Yang Zhiqiang (*resigned on 11 March 2021*)

Independent Non-executive Directors

Mr. Yang Zhifeng
Mr. Jiang Guoliang
Mr. Feng Tao

AUDIT COMMITTEE

Mr. Feng Tao (*Chairman*)
Mr. Yang Zhifeng
Mr. Jiang Guoliang

REMUNERATION COMMITTEE

Mr. Feng Tao (*Chairman*)
Mr. Dong Honghui
Mr. Jiang Guoliang

NOMINATION COMMITTEE

Mr. Cai Zhuhua (*Chairman*)
Mr. Feng Tao
Mr. Jiang Guoliang

JOINT COMPANY SECRETARIES

Mr. Gu Chunbin
(*designated as the sole company secretary on 14 January 2022*)
Ms. So Shuk Yi Betty (*resigned on 14 January 2022*)

董事及高級管理層

董事

執行董事

蔡珠華先生 (*董事長*)
董紅暉先生
鄧兆善先生
辜淳彬先生 (*於2021年3月11日獲委任*)

非執行董事

任景豐先生 (*於2021年3月11日辭任*)
楊志強先生 (*於2021年3月11日辭任*)

獨立非執行董事

楊志峰先生
蔣國良先生
馮濤先生

審核委員會

馮濤先生 (*主席*)
楊志峰先生
蔣國良先生

薪酬委員會

馮濤先生 (*主席*)
董紅暉先生
蔣國良先生

提名委員會

蔡珠華先生 (*主席*)
馮濤先生
蔣國良先生

聯席公司秘書

辜淳彬先生
(*於2022年1月14日被指定為唯一公司秘書*)
蘇淑儀女士 (*於2022年1月14日辭任*)

CORPORATE INFORMATION

公司資料

AUTHORISED REPRESENTATIVES

Mr. Cai Zhuhua
Mr. Gu Chunbin

授權代表

蔡珠華先生
辜淳彬先生

LEGAL ADVISERS TO OUR COMPANY

As to Hong Kong law:

Miao & Co.
(in Association with Han Kun Law Offices)
Rooms 3901-05, 39/F, Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

關於香港法律：

繆氏律師事務所
(與漢坤律師事務所聯營)
香港
皇后大道中15號
置地廣場
公爵大廈39樓3901-05室

As to Cayman Islands law:

Walkers (Hong Kong)
15th Floor, Alexandra House
18 Chater Road
Central
Hong Kong

關於開曼群島法律：

Walkers (香港)
香港
中環
遮打道18號
歷山大廈15樓

As to PRC law:

DeHeng Law Offices (Guangzhou)
17/F, the North Tower of Guangzhou Media Centre
370 Yuejiang West Road
Haizhu District
Guangzhou 510335
PRC

關於中國法律：

北京德恒(廣州)律師事務所
中國
廣州市
海珠區
閱江西路370號
廣報中心北塔17層
郵編：510335

AUDITORS AND REPORTING ACCOUNTANTS

Baker Tilly Hong Kong Limited
Certified Public Accountants
2/F, 625 King's Road
North Point
Hong Kong

審計師及申報會計師

天職香港會計師事務所有限公司
執業會計師
香港
北角
英皇道625號2樓

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

14-15/F, Block A4
No. 181 Science Boulevard
Guangzhou, Guangdong Province
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3507, 35/F, AIA Tower
183 Electric Road
North Point
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

註冊辦事處

190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

總部及中國主要營業地點

中國
廣東省廣州市
科學大道181號
A4座14-15樓

香港主要營業地點

香港
北角
電氣道183號
友邦廣場35樓3507室

開曼群島主要股份過戶登記處

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

CORPORATE INFORMATION

公司資料

PRINCIPAL BANK

Bank of Guangzhou
Science City Branch
3/F, Science and Technology
Innovation Base Complex
80 Lanyue Road
Science City, Guangzhou
Guangdong Province
China

China Merchants Bank
Hong Kong Branch
31/F, Three Exchange Square
8 Connaught Place, Central
Hong Kong

STOCK CODE

1845

COMPANY'S WEBSITE

<http://www.gzweigang.com/>

DATE OF LISTING

3 January 2019

主要往來銀行

廣州銀行
科學城支行
中國
廣東省
廣州市科學城
攬月路80號
科技創新基地綜合服務樓3樓

招商銀行
香港分行
香港
中環康樂廣場八號
交易廣場三期31樓

股份代號

1845

公司網站

<http://www.gzweigang.com/>

上市日期

2019年1月3日

FINANCIAL SUMMARY

財務概要

For the year ended 31 December 2021, the revenue of the Group amounted to RMB561.7 million, representing an increase of 4.6% as compared with the year ended 31 December 2020.

For the year ended 31 December 2021, the gross profit of the Group amounted to RMB76.9 million and the gross profit margin of the Group was 13.7%, representing a decrease of 7.2% and 1.7 percentage points as compared with the year ended 31 December 2020, respectively.

For the year ended 31 December 2021, the Group recorded net loss amounted to RMB8.8 million, and the net loss margin of the Group was 1.6%, compared with the net loss amounted to RMB7.4 million and the net loss margin of 1.4% for the year ended 31 December 2020.

For the year ended 31 December 2021, the loss attributable to owners of the Company was RMB12.4 million, compared with the loss attributable to owners of the Company amounted to RMB10.9 million for the year ended 31 December 2020.

For the year ended 31 December 2021, the basic loss per share attributable to owners of the Company amounted to RMB0.009, compared with the basic loss per share attributable to owners of the Company amounted to RMB0.008 for the year ended 31 December 2020.

截至2021年12月31日止年度，本集團的收入為人民幣561.7百萬元，較截至2020年12月31日止年度增加4.6%。

截至2021年12月31日止年度，本集團的毛利為人民幣76.9百萬元，而本集團的毛利率則為13.7%，分別較截至2020年12月31日止年度減少7.2%及1.7個百分點。

與截至2020年12月31日止年度的淨虧損人民幣7.4百萬元及淨虧損率1.4%相比，本集團截至2021年12月31日止年度錄得淨虧損人民幣8.8百萬元，而本集團的淨虧損率則為1.6%。

與截至2020年12月31日止年度本公司擁有人應佔虧損人民幣10.9百萬元相比，截至2021年12月31日止年度本公司擁有人應佔虧損為人民幣12.4百萬元。

與截至2020年12月31日止年度本公司擁有人應佔每股基本虧損人民幣0.008元相比，截至2021年12月31日止年度本公司擁有人應佔每股基本虧損為人民幣0.009元。

		For the year ended 31 December 截至12月31日止年度				
		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	561,700	536,811	537,509	480,091	189,407
Gross profit	毛利	76,914	82,882	144,236	124,663	62,104
(Loss)/profit before income tax	除所得稅前 (虧損)/利潤	(10,484)	(8,319)	91,122	67,970	36,379
Income tax credit/(expense)	所得稅抵免/(開支)	1,639	949	(13,091)	(10,559)	(6,620)
(Loss)/profit for the year	年內(虧損)/利潤	(8,843)	(7,370)	78,031	57,411	29,759
(Loss)/profit attributable to:	以下各方應佔 (虧損)/利潤：					
Owners of the Company	本公司擁有人	(12,412)	(10,929)	66,984	49,799	30,195
Non-controlling interests	非控股權益	3,567	3,559	11,047	7,612	(436)

		As at 31 December 於12月31日				
		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Total Assets	資產總值	864,017	938,723	802,027	469,735	253,053
Total liabilities	負債總額	293,450	343,639	227,886	310,445	218,356
Non-controlling interests	非控股權益	79,150	89,739	57,326	27,220	(436)
Equity attributable to the owners of the Company	本公司擁有人 應佔權益	491,417	505,345	516,815	132,070	35,133

CHAIRMAN'S STATEMENT

董事長報告書

On behalf of the Board, I hereby to present the annual results of the Group for the year ended 31 December 2021 and the future outlook of 2022.

2021 REVIEW

In 2021, the world was still undergoing accelerated changes unseen in a century, with continued attack brought by the COVID-19 pandemic (the "Pandemic"). China maintained its leading position in economic development as well as the Pandemic prevention and control worldwide. Moreover, the building of a moderately prosperous society in all respects across China has started the country's 14th Five-Year Plan off on the right foot.

In 2021, the Group continued to shoulder and fulfill its social responsibilities. Though threats caused by COVID-19 alleviated, the Group still enhanced scientific pandemic prevention and control measures, and the staff guarded their positions steadfastly, to ensure that all projects operated at full swing and provided high quality services to our customers. The recognition from our customers which the Group has received is its driving force to move forward. On behalf of the Board of Directors and the senior management, I would like to extend my sincere gratitude to all colleagues who have remained at their posts with hard work, as well as people from all walks of life who have given great support to the Group's development all along!

FUTURE PROSPECTS

Looking forward to 2022, the Group will continue to capture the opportunities brought by the policies for the development of the environmental protection industry, and actively seize more business opportunities from solid waste treatment by commercialising its advanced solid waste treatment technologies to market with the resources from strategic shareholders, the capital market network, and its strong R&D capabilities. The Group will still continue to focus on the technology innovation to further expand the Group's business scope, maintain the Group's leading position in the market, maximize shareholder returns and optimize the Group's commitment of becoming a leading solid waste treatment solutions provider in China.

CAI Zhuhua
Chairman

24 March 2022

本人謹代表董事會欣然呈報本集團截至2021年12月31日止年度的年度業績以及對2022年的未來展望。

2021年回顧

於2021年，在新型冠狀病毒引發的肺炎疫情（「新冠疫情」）的持續衝擊下，全球仍然身處百年變局加速演進的過程中。中華人民共和國（「中國」）經濟發展和疫情防控保持全球領先地位，國家全面建成小康社會，實現了「十四五」良好開局。

於2021年，本集團繼續擔當及履行社會責任。儘管新冠疫情造成的威脅有所緩解，但本集團仍加強科學防控、堅守崗位，確保旗下項目全速運轉，為我們的客戶提供優質服務。客戶的認可是本集團前進的動力。本人謹代表本公司董事會和管理層，向一直以來堅守崗位辛勤耕耘的全體同仁，以及長期為公司發展給予大力支持的各界人士，致以最誠摯的謝意！

未來前景

展望2022年，本集團將繼續抓住環保行業發展政策所帶來的機遇，依托戰略股東資源，以資本市場為紐帶，以強大的研發能力為輔，將先進的固體廢物處理技術商業化，積極把握更多來自固體廢物處理的商機。本集團將繼續專注於技術創新，進一步拓展本集團的業務範疇，維持本集團的市場領先地位，為股東帶來最大回報，並致力實踐本集團成為中國領先的固體廢物處理解決方案提供商的承諾。

蔡珠華
董事長

2022年3月24日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

I. BUSINESS REVIEW

The Group is a leading comprehensive hazardous waste incineration turnkey solution provider in China focused on the research, design, integration and commissioning of solid waste treatment systems, particularly for hazardous waste incineration. Leveraging its experience and expertise in hazardous waste incineration, the Group has expanded its offerings to other areas of solid waste treatment, such as thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln co-treatment. The Group conducts research and development of technologies related to these new areas and have successfully applied some of them to its new solid waste treatment projects.

In 2021, the Group primarily engaged in and generated a substantial portion of the revenue from the design, integration and commissioning of hazardous waste incineration systems in China.

Provision of Hazardous Waste Incineration Solutions

Before 2021, the Group has 31 completed hazardous waste incineration projects with aggregate designed disposal capacity of 727,500 tonnes per annum which were passed to the Group's customers in normal operation. In 2021, the Group completed 4 more hazardous waste incineration projects with an aggregate designed disposal capacity of approximately 107,000 tonnes per annum. As at 31 December 2021, the Group had 19 ongoing hazardous waste incineration projects on hand, covering 18 cities in China with an aggregate designed disposal capacity of approximately 459,000 tonnes per annum. The table below sets out the summary of the completed hazardous waste incineration projects in 2021 and the ongoing hazardous waste incineration projects as at 31 December 2021:

I. 業務回顧

本集團是中國領先的綜合危險廢物焚燒處置整體解決方案提供商，專注於固體廢物處理系統（尤其是危險廢物焚燒處置系統）的研究、設計、集成及調試。憑藉本集團在危險廢物焚燒處置方面的經驗及專業知識，本集團已將業務擴展至固體廢物處理的其他領域，如油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。本集團開展與該等新領域相關的技術研發，並已成功地將部分研發成果應用於新的固體廢物處理項目。

於2021年，本集團主要在中國提供危險廢物焚燒處置系統的設計、集成及調試，並自其中產生很大一部分收入。

提供危險廢物焚燒處置解決方案

於2021年前，本集團完成了31個危險廢物焚燒處置項目並已於正常運轉下轉交予本集團的客戶，累計設計處置能力為727,500噸／年。於2021年，本集團額外完成了4個危險廢物焚燒處置項目，累計設計處置能力約為107,000噸／年。於2021年12月31日，本集團有19個危險廢物焚燒處置項目尚未完工，遍佈中國18個城市，累計設計處置能力約為459,000噸／年。下表載列於2021年竣工危險廢物焚燒處置項目及於2021年12月31日尚未完工危險廢物焚燒處置項目的概要：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Completed hazardous waste incineration projects in 2021:

於2021年竣工的危險廢物焚燒處置項目：

No.	Project	Designed Disposal/ Treatment Capacity (tonnes per annum)
編號	項目	設計處置／處理能力 (噸／年)
1	Guangzhou hazardous waste incineration project	33,000
2	Zhuhai hazardous waste incineration project	20,000
3	Jiangsu Nanjing hazardous waste incineration project	21,000
4	Shandong hazardous waste incineration project	33,000
	Total	107,000

* Completed project is defined as which the system functionality evaluation is completed.

* 已竣工項目界定為完成系統功能性評估的項目。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Ongoing hazardous waste incineration projects as at 31 December 2021:

於2021年12月31日尚未完工的危險廢物焚燒處置項目：

No.	Project		Designed Disposal/ Treatment Capacity (tonnes per annum) 設計處置／處理能力 (噸／年)
編號	項目		
1	Yantai hazardous waste incineration project	煙台危廢焚燒處置項目	30,000
2	North Bay hazardous waste incineration project	北部灣危險廢物焚燒處置項目	16,500
3	Zhejiang Taizhou hazardous waste incineration project	浙江台州危險廢物焚燒處置項目	25,000
4	Hubei Yichang hazardous waste incineration project phase II	湖北宜昌危險廢物焚燒處置項目二期	15,000
5	Hubei Wuhan hazardous waste incineration Project	湖北武漢危險廢物焚燒處置項目	30,000
6	Henan Puyang hazardous waste incineration project	河南濮陽危廢焚燒處置項目	15,000
7	Sichuan Zigong industry hazardous waste treatment project	四川自貢工業危險廢物處置項目	30,000
8	Anqing hazardous waste incineration project	安慶危險廢物焚燒處置項目	30,000
9	Guangdong Huizhou hazardous waste incineration project	廣東惠州危險廢物焚燒處置項目	20,000
10	Hubei Xianning hazardous waste incineration project	湖北咸寧危險廢物焚燒處置項目	21,000
11	Sichuan Meishan hazardous waste incineration project	四川眉山危險廢物焚燒處置項目	21,000
12	Yunfu hazardous waste incineration project	雲浮危險廢物焚燒處置項目	25,000
13	Huanggang hazardous waste incineration project	黃岡危險廢物焚燒處置項目	30,000
14	Xianju hazardous waste incineration project	仙居危險廢物焚燒處置項目	15,000
15	Guangzhou East Area hazardous waste incineration project	廣州東部危險廢物焚燒處置項目	33,000
16	Jiangsu Xuzhou hazardous waste incineration project	江蘇徐州危險廢物焚燒處置項目	20,000
17	Hubei Yichang hazardous waste incineration project	湖北宜昌危險廢物焚燒處置項目	22,500
18	Zhejiang Zhoushan hazardous waste incineration project	浙江舟山危險廢物焚燒處置項目	30,000
19	Guangdong Zhongshan hazardous waste incineration Project	廣東中山危險廢物焚燒處置項目	30,000
Total		總計	459,000

Provision of Oilfield Auxiliary Services

The Group's non-wholly owned subsidiary, Xinjiang Tiansheng, which is principally engaged in the business of provision of oil sludge thermal desorption treatment services and oilfield auxiliary services in Xinjiang Uyghur Autonomous Region.

Through Xinjiang Tiansheng, the Group entered into the oilfield auxiliary services market of Xinjiang Province successfully and recorded relevant revenue amounted to RMB49.6 million during the year (2020: RMB48.5 million).

提供油田周邊服務

本集團之非全資子公司新疆天聖主要於新疆維吾爾自治區內從事油泥熱脫附處置業務以及油田周邊服務業務。

通過新疆天聖，本集團成功進入新疆省內的油田周邊服務市場並在本年度錄得相關營收人民幣49.6百萬元(2020年：人民幣48.5百萬元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

II. FINANCIAL POSITION AND OPERATING RESULTS

Revenue

Revenue increased by 4.6% from RMB536.8 million for the year ended 31 December 2020 to RMB561.7 million for the year ended 31 December 2021.

The Group derived the majority of its revenue from provision of hazardous waste incineration solutions and the remainder from provision of cement plant parallel kiln co-treatment services, oilfield auxiliary services and other services including technical upgrading and maintenance services.

Revenue from hazardous waste incineration solutions increased by 5% from RMB468.5 million for the year ended 31 December 2020 to RMB491.8 million for the year ended 31 December 2021. This increase was mainly driven by a combination of favourable factors: 1) general increase in market demand; and 2) increased customer recognition of the Group.

The Group recorded oilfield auxiliary services revenue amounted to RMB49.6 million for the year ended 31 December 2021 (2020: RMB48.5 million), which remained steadily.

The Group recorded cement plant parallel kiln co-treatment services revenue amounted to RMB4.8 million for the year ended 31 December 2021 (2020: Nil), which was brought by the trial operations of Yunfu project.

Revenue from other services decreased by 19.8% from RMB19.2 million for the year ended 31 December 2020 to RMB15.4 million for the year ended 31 December 2021. This decrease was attributable to less technical upgrading and maintenance services demand from customers during the year.

II. 財務狀況及經營業績

收入

收入從截至2020年12月31日止年度的人民幣536.8百萬元增加4.6%至截至2021年12月31日止年度的人民幣561.7百萬元。

本集團的大部分收入來自提供危險廢物焚燒處置解決方案，剩餘收入來自提供水泥回轉窯平行協同處置服務、油田周邊服務及其他服務(包括技術升級及維護服務)。

危險廢物焚燒處置解決方案的收入從截至2020年12月31日止年度的人民幣468.5百萬元增加5%至截至2021年12月31日止年度的人民幣491.8百萬元。該增長主要由各項有利因素共同推動：1)市場需求整體增長；及2)本集團客戶認可度提升。

截至2021年12月31日止年度，本集團錄得油田周邊服務收入為人民幣49.6百萬元(2020年：人民幣48.5百萬元)，保持穩定。

截至2021年12月31日止年度，本集團錄得水泥回轉窯平行協同處置服務收入為人民幣4.8百萬元(2020年：無)，該等收入來源於雲浮項目的試運營。

來自其他服務的收入從截至2020年12月31日止年度的人民幣19.2百萬元減少19.8%至截至2021年12月31日止年度的人民幣15.4百萬元。該減少主要歸因於本年度內客戶的技術升級及技術維護服務需求減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of Services

Cost of services increased by 6.8% from RMB453.9 million for the year ended 31 December 2020 to RMB484.8 million for the year ended 31 December 2021. This increase was mainly attributable to the increase in cost of services for the Group's hazardous waste incineration treatment business.

Cost of services for the Group's hazardous waste incineration treatment business consists primarily of (i) cost of equipment and materials; (ii) direct labour costs; (iii) sub-contracting costs; and (iv) others.

The cost of services for the Group's hazardous waste incineration treatment business increased by 8.1% from RMB399.4 million for the year ended 31 December 2020 to RMB431.6 million for the year ended 31 December 2021. This increase was mainly due to the Company has procured equipment and materials with higher cost for installation of certain hazardous incineration systems so as to improve the quality of our systems, enhance our corporate brand and maintain better relationship with our customers.

The Group's cost of oilfield auxiliary services was RMB37.5 million for the year ended 31 December 2021 (2020: RMB37.2 million), which was steady.

The Group's cost of cement plant parallel kiln co-treatment services was RMB4.5 million for the year ended 31 December 2021 (2020: nil), which was due to the trial operations of Yunfu project.

Cost of services for other services decreased by 26.3% from RMB15.2 million for the year ended 31 December 2020 to RMB11.2 million for the year ended 31 December 2021. This decrease was in line with the decrease in the Group's other services revenue, which decreased in 2021 compared with 2020.

服務成本

服務成本從截至2020年12月31日止年度的人民幣453.9百萬元增加6.8%至截至2021年12月31日止年度的人民幣484.8百萬元。該增長主要歸因於本集團的危險廢物焚燒處置業務的服務成本上漲。

本集團危險廢物焚燒處置業務的服務成本主要包括：(i)設備及材料成本；(ii)直接人工成本；(iii)分包成本；及(iv)其他。

本集團危險廢物焚燒處置業務的服務成本從截至2020年12月31日止年度的人民幣399.4百萬元增加8.1%至截至2021年12月31日止年度的人民幣431.6百萬元。該增長主要歸因於為提高我們系統的質量、提升我們的公司品牌及維持與客戶的良好關係，本公司以較高的成本採購了用於安裝若干危險廢物焚燒系統的設備及材料。

截至2021年12月31日止年度，本集團來自油田周邊服務的服務成本為人民幣37.5百萬元(2020年：人民幣37.2百萬元)，保持穩定。

截至2021年12月31日止年度，本集團來自水泥回轉窯平行協同處置服務的服務成本為人民幣4.5百萬元(2020年：無)，乃由於雲浮項目試運營所致。

來自其他服務的服務成本從截至2020年12月31日止年度的人民幣15.2百萬元減少26.3%至截至2021年12月31日止年度的人民幣11.2百萬元。該減少與本集團之其他服務收入的下降一致，而其於2021年較2020年減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by 7.2% from RMB82.9 million for the year ended 31 December 2020 to RMB76.9 million for the year ended 31 December 2021, while the gross profit margin decrease from 15.4% for the year ended 31 December 2020 to 13.7% for the year ended 31 December 2021.

The following table sets out the Group's gross profit and gross profit margin for each of the business segments for the periods stated.

		Gross profit		Gross profit margin	
		2021	2020	2021	2020
		2021年	2020年	2021年	2020年
		RMB million	RMB million		
		人民幣百萬元	人民幣百萬元		
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	60.2	69.1	12.2%	14.8%
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置解決方案	—	(1.5)	38.2%	不適用
Oilfield auxiliary services	油田周邊服務	12.2	11.3	24.5%	23.3%
Cement plant parallel kiln co-treatment services	水泥回轉窯平行協同處置服務	0.3	—	6.3%	不適用
Other services	其他服務	4.2	4.0	27.2%	20.9%
Total	合計	76.9	82.9	13.7%	15.4%

The gross profit of hazardous waste incineration solutions decreased by 12.9% from RMB69.1 million for the year ended 31 December 2020 to RMB60.2 million for the year ended 31 December 2021. This decrease was mainly attributable to the decrease in gross profit margin. The gross profit margin of hazardous waste incineration solutions decreased from 14.8% for the year ended 31 December 2020 to 12.2% for the year ended 31 December 2021 primarily due to (i) the Company has adjusted the project price of the hazardous waste incineration solutions in view of the intense competition in the market and in order to maintain our leading market share; and (ii) the Company has procured equipment and materials with higher cost for installation of certain hazardous incineration systems so as to improve the quality of our systems, enhance our corporate brand and maintain good relationships with our customers.

毛利及毛利率

本集團的毛利從截至2020年12月31日止年度的人民幣82.9百萬元減少7.2%至截至2021年12月31日止年度的人民幣76.9百萬元，而毛利率從截至2020年12月31日止年度的15.4%減少至截至2021年12月31日止年度的13.7%。

下表載列於所述期間本集團各業務分部的毛利及毛利率。

危險廢物焚燒處置解決方案的毛利從截至2020年12月31日止年度的人民幣69.1百萬元減少12.9%至截至2021年12月31日止年度的人民幣60.2百萬元。該減少主要歸因於毛利率減少。危險廢物焚燒處置解決方案的毛利率從截至2020年12月31日止年度的14.8%減少至截至2021年12月31日止年度的12.2%，主要由於(i)鑒於市場競爭激烈及為維持領先市場份額，本公司已調整危險廢物焚燒處置解決方案的項目價格；及(ii)為提高我們系統的質量、提升我們的公司品牌及維持與客戶的良好關係，本公司以較高的成本採購了用於安裝若干危險廢物焚燒系統的設備及材料。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The gross profit of oilfield auxiliary services for the year ended 31 December 2021 amounted to RMB12.2 million (2020: RMB11.3 million), which was steady.

The gross profit of cement plant parallel kiln co-treatment services for the year ended 31 December 2021 amounted to RMB0.3 million (2020: nil), which was due to the trial operation of Yunfu project.

The gross profit of other services increased by 5% from RMB4.0 million for the year ended 31 December 2020 to RMB4.2 million for the year ended 31 December 2021. This increase was attributable to the increase in gross profit margin. The gross profit margin of other services increased from 20.9% for the year ended 31 December 2020 to 27.2% for the year ended 31 December 2021 primarily due to the enhancement of cost control.

Other Income, Gains and Losses

The Group's other income and gains decreased by 76.0% from RMB7.5 million for the year ended 31 December 2020 to RMB1.8 million for the year ended 31 December 2021, primarily attributable to the impairment of the pyrolysis solid waste treatment project in Sichuan was accrued in 2021, which amounted to RMB7.4 million.

Administrative Expenses

The Group's administrative expenses decreased by 2.0% from RMB55.5 million for the year ended 31 December 2020 to RMB54.4 million for the year ended 31 December 2021, which was relatively steady.

Other Expenses

Other expenses mainly include research and development expenses, which including staff costs, material and other related costs mainly in connection with the research and development of solid waste treatment applications.

The Group's research and development expenses decreased by 2.7% from RMB21.9 million for the year ended 31 December 2020 to RMB21.3 million for the year ended 31 December 2021, which was relatively steady.

截至2021年12月31日止年度，油田周邊服務的毛利為人民幣12.2百萬元(2020年：人民幣11.3百萬元)，保持穩定。

截至2021年12月31日止年度，提供水泥回轉窯平行協同處置服務的毛利為人民幣0.3百萬元(2020年：無)，乃由於雲浮項目的試運營所致。

其他服務的毛利從截至2020年12月31日止年度的人民幣4.0百萬元增加5%至截至2021年12月31日止年度的人民幣4.2百萬元。該增長歸因於毛利率的增加。其他服務的毛利率從截至2020年12月31日止年度的20.9%上升至截至2021年12月31日止年度的27.2%，乃主要由於加強成本控制所致。

其他收入、收益及虧損

本集團的其他收入及收益從截至2020年12月31日止年度的人民幣7.5百萬元減少76.0%至截至2021年12月31日止年度的人民幣1.8百萬元，主要歸因於四川無氧裂解固體廢物處置項目於2021年計提減值人民幣7.4百萬元。

行政開支

本集團的行政開支從截至2020年12月31日止年度的人民幣55.5百萬元減少2.0%至截至2021年12月31日止年度的人民幣54.4百萬元，保持相對穩定。

其他開支

其他開支主要包括研發開支(包括主要與固體廢物處理應用研發有關的人工成本、材料及其他相關成本)。

本集團的研發開支從截至2020年12月31日止年度的人民幣21.9百萬元減少2.7%至截至2021年12月31日止年度的人民幣21.3百萬元，從保持相對穩定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Impairment losses and writeoff of trade receivables and other receivables and contract assets, net of reversal

The Group's write-off and impairment losses decreased from RMB15.4 million for the year ended 31 December 2020 to RMB8.7 million for the year ended 31 December 2021. This decrease is mainly attributable to the provision for account receivable due to the impact of novel coronavirus outbreak in 2020.

Finance costs

The Group's finance costs increased by 8.3% from RMB2.4 million for the year ended 31 December 2020 to RMB2.6 million for the year ended 31 December 2021, primarily attributable to the increase of borrowings.

Income Tax Expense

Income tax expense consists of current tax and deferred tax for PRC enterprise income tax.

The Company operated business principally through its PRC subsidiaries which were subject to the PRC enterprise income tax at a statutory rate of 25% on its estimated assessable profits for the year ended 31 December 2021 (2020: 25%). Guangzhou Weigang was recognised as a "High and New Technology Enterprise" in 2019 again and was entitled to a preferential PRC income tax rate of 15% for each of 2019, 2020 and 2021 and such recognition can be applied for renewal every three years. Xinjiang Tiansheng and Karamay Shuangxin Company Limited were entitled to a tax concession of Western Development at a preferential corporate income tax rate of 15% in 2021.

The applicable tax rate of other PRC subsidiaries of the Company was 25% during the year ended 31 December 2021 (2020: 25%).

Loss for the Year

For the year 31 December 2021, the Group recorded net loss amounted to RMB8.8 million, and the net loss margin of the Group was 1.6%, compared with the net loss amounted to RMB7.4 million and the net loss margin of 1.4% for the year ended 31 December 2020. Loss for the year was mainly due to the impairment of the pyrolysis solid waste treatment project in Sichuan was accrued in 2021.

貿易應收款項及其他應收款項以及合約資產的減值虧損及撇銷(扣除撥回)

本集團之撇銷及減值虧損從截至2020年12月31日止年度的人民幣15.4百萬元減少至截至2021年12月31日止年度的人民幣8.7百萬元。該等減少主要由於在2020年受新冠疫情影響導致應收賬款撥備所致。

融資成本

本集團的融資成本從截至2020年12月31日止年度的人民幣2.4百萬元增加8.3%至截至2021年12月31日止年度的人民幣2.6百萬元，主要歸因於借款的增加。

所得稅開支

所得稅開支包括中國企業所得稅的即期稅項及遞延稅項。

本公司主要透過中國附屬公司運營業務，該等附屬公司於截至2021年12月31日止年度就估計應課稅利潤按25%（2020年：25%）的法定稅率繳納中國企業所得稅。廣州維港於2019年被再度評為「高新技術企業」，並有權於2019年、2020年及2021年各年度享受15%的中國所得稅稅率優惠。該項認可每三年可申請續期。新疆天聖及克拉克瑪依雙信有限公司享有西部大開發稅收優惠，於2021年按企業所得稅優惠稅率15%納稅。

截至2021年12月31日止年度，本公司其他中國附屬公司的適用稅率為25%（2020年：25%）。

年內虧損

與截至2020年12月31日止年度的淨虧損人民幣7.4百萬元及淨虧損率1.4%相比，本集團截至2021年12月31日止年度錄得淨虧損人民幣8.8百萬元，而本集團的淨虧損率則為1.6%。年內虧損主要由於四川無氧裂解固體廢物處置項目於2021年計提減值所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Trade and note receivables

The decrease in trade and note receivables from RMB235.0 million as at 31 December 2020 to RMB204.8 million as at 31 December 2021 was primarily due to the improvement in the receivable collection process of the Group.

The average trade receivables turnover days increased from 99.4 days in 2020 to 109.0 days in 2021 as the Group consolidated Xinjiang Tiansheng engaged in the oilfield auxiliary services, which has longer turnover days for the receivables, a common practice to deal with the oil production entity.

Trade payables

The increase in trade payables from RMB152.0 million as at 31 December 2020 to RMB171.8 million as at 31 December 2021 was primarily due to an increase in the procurement of equipment and materials, as well as sub-contracting services which was generally in line with the expanded business.

The average trade payables turnover days increased from 109.2 days in 2020 to 121.9 days in 2021 as the Group intended to better manage liquidity and cash flow.

Contract assets

The decrease in contract assets from RMB278.7 million as at 31 December 2020 to RMB249.1 million as at 31 December 2021 was primarily due to a decrease in our total number of ongoing hazardous waste incineration projects.

Contract liabilities

The decrease in contract liabilities from RMB105.1 million as at 31 December 2020 to RMB13.9 million as at 31 December 2021 was primarily due to a decrease in advance from customers of ongoing hazardous waste incineration projects.

貿易應收款項及應收票據

貿易應收款項及應收票據自2020年12月31日的人民幣235.0百萬元減少至2021年12月31日的人民幣204.8百萬元，主要原因是本集團改善應收款項的收款流程所致。

貿易應收款項的平均週轉日數自2020年的99.4日增加至2021年的109.0日，原因是本集團與從事油田周邊服務的天聖新宏合併，該公司應收款項的週轉日數相對較長，此舉亦為與產油企業進行商業往來的普遍慣例。

貿易應付款項

貿易應付款項自2020年12月31日的人民幣152.0百萬元增加至2021年12月31日的人民幣171.8百萬元，主要原因是我們採購的設備和材料增加以及分包服務總體符合我們的業務擴張。

貿易應付款項的平均週轉日數自2020年的109.2日增加至2021年的121.9日，原因是本集團有意更好地管理流動資金及現金流。

合約資產

合約資產自2020年12月31日的人民幣278.7百萬元減少至2021年12月31日的人民幣249.1百萬元，主要原因是正在進行的危險廢物焚燒處置項目總數減少。

合約負債

合約負債自2020年12月31日的人民幣105.1百萬元減少至2021年12月31日的人民幣13.9百萬元，主要原因是正在進行的危險廢物焚燒處置項目的預收客戶款項減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Borrowings

As at 31 December 2021, the Group had borrowings of RMB53.7 million provided by several financial institutions in China, which were secured by the Group's assets and the personal guarantee provided by the Group's controlling shareholder, Mr. Cai Zhuhua, and his spouse, Ms. Huang Ying (2020: RMB55.7 million).

Capital Expenditure

For the year ended 31 December 2021, the Group's material capital expenditure amounted to approximately RMB51.4 million (2020: RMB16.6 million), mainly used for (1) the purchase of properties and equipment for oil sludge treatment project; (2) the purchase of facility for solid waste treatment projects owned by the Group.

Capital Commitment

As at 31 December 2021, the Group had capital commitment amounted to RMB6.1 million (2020: RMB19.5 million) which consisted mainly of payments to be made for (1) the Cement Plant Co-treatment project in Guangdong; (2) the pyrolysis solid waste treatment project in Sichuan and Shandong.

Pledge of Assets

As at 31 December 2021, the Group had pledged deposits of RMB13.2 million (2020: RMB43.4 million) mainly for (1) deposit for bank acceptance which the Groups issued to its suppliers; and (2) deposit for bank guarantee given to several customers for performance obligation fulfilment.

Contingent Liabilities

As at 31 December 2021, the Group had no material contingent liabilities.

借款

於2021年12月31日，本集團獲數間中國金融機構借款為人民幣53.7百萬元，有關借款由本集團的資產提供擔保及本集團控股股東蔡珠華先生及其配偶黃瑛女士提供個人擔保(2020年：人民幣55.7百萬元)。

資本開支

截至2021年12月31日止年度，本集團的重大資本開支約為人民幣51.4百萬元(2020年：人民幣16.6百萬元)，主要用於(1)為油泥處理項目購買物業及設備；(2)為本集團自有的固體廢物處置項目購買設備。

資本承擔

於2021年12月31日，本集團的資本承擔為人民幣6.1百萬元(2020年：人民幣19.5百萬元)，主要包括為就(1)廣東水泥廠協同處理項目；及(2)四川及山東無氧裂解固體廢物處置項目所作的付款。

資產抵押

於2021年12月31日，本集團已抵押存款人民幣13.2百萬元(2020年：人民幣43.4百萬元)，主要有關(1)本集團向其供應商發出的銀行承兌匯票按金；及(2)出具給若干客戶履行履約義務的銀行保函按金。

或有負債

於2021年12月31日，本集團概無重大或有負債。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gearing Ratio

As at 31 December 2021, the current assets of the Group were approximately RMB618.2 million, total assets were approximately RMB864.0 million, current liabilities were approximately RMB290.5 million and total liabilities were approximately RMB293.5 million. The gearing ratio (total liabilities/total assets) of the Group was approximately 34.0% (2020: 36.6%).

III. PROSPECTS

In recent years, the PRC government has over time introduced a series of policies that have far-reaching impact on the development of the environmental protection industry, and promoted the sustained and rapid development of environmental protection. The realisation of “Beautiful China initiative” and “Ecological Civilization” has been written into the PRC Constitution, highlighting the importance of ecological civilization construction in the overall layout of the country, and the construction of ecological civilization has risen to the level of national will. With a strong support from national policies, the demand for solid waste treatment will continue to grow. The Group will seize these development opportunities by virtue of its own strength and a leading solid waste treatment solutions provider in China.

So far, the prevention and control measures of the new coronavirus pandemic (“COVID-19 pandemic”) adopted by various countries are still under huge pressures due to the global spread of COVID-19 pandemic, having an significant impact on the global economy. In addition, intensifying geopolitical conflict against the backdrop of COVID-19 pandemic has also painted a grim outlook of global economy with uncertainties.

At present, the COVID-19 pandemic appears to be effectively controlled in China. While there have been several sporadic outbreak of COVID-19 in different regions of China during the year, however, the resumption of work and production continued to be effectively promoted, domestic economic activities has generally returned to normal since the reopening of businesses at steady and gradual pace. The latest series of economic data also show that the Chinese economy has been resilient against the COVID-19 pandemic. As the pressures and challenges still weigh on the external economic landscape and the pandemic-control, China is expected to focus on pursuing economic progress while ensuring overall stability. Upon the balance between normalizing COVID-19 prevention efforts and promoting economic and social development, China' economy will be propelled to a phase of high-quality growth.

資本負債比率

於2021年12月31日，本集團有流動資產約人民幣618.2百萬元、資產總額約人民幣864.0百萬元、流動負債約人民幣290.5百萬元及負債總額約人民幣293.5百萬元。本集團的資本負債比率(負債總額/資產總額)約為34.0% (2020年：36.6%)。

III. 前景

近年，中國政府已隨時間推出一系列對環保行業發展有深遠影響的政策，並促進環境保護的可持續及急速發展。實現「美麗中國倡議」及「生態文明」已獲納入中國憲法，強調建立生態文明對國家整體佈局的重要性，且建立生態文明已提升至國家願景層面。憑藉國家政策所提供的強大支持，固體廢物處理的需求將繼續增長。作為中國領先固體廢物處理解決方案供應商，本集團將透過其自身優勢把握該等發展機遇。

目前，新型冠狀病毒疫情(「新冠疫情」)仍在全球範圍內肆虐蔓延，疫情防控形勢仍然嚴峻，各國因此而採取的防控措施對全球經濟體系造成較大沖擊。除此以外，疫情背景下地緣政治沖突日趨緊張，令全球經濟前景充滿較多不確定性。

目前，新冠疫情在中國已得到有效控制，雖然年內中國多個地區曾發生數次零星新冠疫情，但復工復產持續有效推進，國內經濟活動總體已逐漸回歸正常，最新公佈的系列經濟數據也顯示出中國經濟在抵禦新冠疫情沖擊時體現的強勁韌性。鑒於外部經濟及疫情防控形勢依然嚴峻，預計未來國內仍將堅持穩中求進的總基調，統籌疫情防控常態化及經濟社會發展工作，推動經濟高質量發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Taking into account the challenge for epidemic prevention, the Group has set up an epidemic prevention regime comprising the head office and the project companies, with specific duties, tasks and guidelines for epidemic prevention allocated to ensure that there would be no blind spots in epidemic prevention. The impact of the epidemic of coronavirus on the operation status of the Group has been controllable as a result of the adoption of the plans mentioned above.

The Group will continue to capture the opportunities brought by the policies for the development of the environmental protection industry, and actively seize more business opportunities from solid waste treatment by commercialising its advanced solid waste treatment technologies to market with the resources from strategic shareholders, the capital market network, and its strong R&D capabilities. The Group will still continue to focus on the technology innovation to further expand the Group's business scope, maintain the Group's leading position in the market, maximize shareholder returns. Looking forward, the Group will carry out the following tasks with its existing advantages:

Continue to strengthening the market position and expand the market share on hazardous waste incineration

The Group will focus on: (1) further improving techniques on hazardous waste incineration treatments; (2) continue to cultivate customer relationships as well as explore new customers in both China and overseas markets; (3) facilitate more frequent communications and provide more comprehensive value-added services with industry participants; and (4) further investment on other areas of hazardous waste treatment, including applying the facilities of oil sludge thermal desorption technology, upgrading cement production facilities to implement hazardous waste cooperative disposal system and etc.

Grasp more business opportunities on solid waste treatment through industrialization of pyrolysis technology

The Group will explore the demand of market by developing and commercializing solutions for a number of new solid waste treatment applications such as with respect to waste new energy batteries and waste paper residues.

經考慮防疫工作帶來挑戰後，本集團已建立由總辦事處及項目公司組成的防疫體系，就防疫發佈具體職責、任務及指引，確保防疫工作並無盲點。由於採納上文所述的計劃，故冠狀病毒疫情對本集團營運狀況的影響已受控。

本集團將繼續抓住環保行業發展政策所帶來的機遇，憑藉策略性股東的資源、資本市場網絡及其強大的研發能力將先進的固體廢物處理技術商業化，從而積極把握更多來自固體廢物處理的商機。本集團將繼續專注於技術創新，以進一步拓展本集團的業務範疇，維持本集團的市場領先地位，為股東帶來最大回報。展望未來，本集團將繼續以其現有優勢進行以下任務：

繼續鞏固市場地位，並擴大在危險廢物處置領域的市場份額

本集團將專注於：(1) 進一步提高危險廢物焚燒處理技術；(2) 於國內外市場繼續培養客戶關係及發掘新客戶；(3) 與行業參與者進行更頻繁的溝通及提供更全面的增值服務；及(4) 進一步投資危險廢物處理的其他範疇，包括應用油泥熱脫附技術及升級水泥生產設施以推行協作處置系統等。

通過將無氧裂解技術工業化，把握更多來自固體廢物處理領域的商機

本集團將通過開發及商業化其他多種新固體廢物處置應用解決方案（例如廢舊新能源電池及廢紙渣處置等），以挖掘市場需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Further enhance our competitiveness and risk management with the adoption of more project models

The Group will continue to seek opportunities to participate in solid waste treatment projects by exploring different project models, such as the first operation and maintenance services project, an oil sludge treatment facility designed and commissioned in Karamay. In future, the Group may also consider investing in and/or operating its own solid waste treatment projects as primary or joint project owner in other new area of solid waste treatment industry.

Utilize capital market platform to realize enterprise value appreciation

While developing business and expanding the markets, the Group will leverage its strong capital strength to enter the fields of solid waste treatment through various approaches, such as technology cooperation, investment, mergers and acquisitions, so as to build an integrated environmental industry group.

EMPLOYEE AND REMUNERATION POLICIES

A remuneration committee is responsible for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

As at 31 December 2021, the Group employed 359 employees (2020: 332 employees), among which more than 250 were personnel conducting R&D, project management and execution for our business.

Remuneration of Directors is determined based on their roles and duties and with reference to the market conditions, the Company's remuneration policy and the prevailing market conditions, subject to the approval by the shareholders in the general meeting.

我們將採用更多的項目模式，進一步提升競爭力併加強風險管理

本集團將繼續通過發掘不同項目模式，以尋求參與固體廢物處置項目的機遇，例如首個運營及維護服務項目以及於克拉瑪依設計和調試的油泥處理設施。將來，本集團亦可能會考慮以項目主要或聯合擁有人的身份投資及／或運營自有的固體廢物處理項目的其他新範疇。

運用資本市場平台實現企業增值

於發展業務及擴展市場時，本集團將憑藉其強勁資本優勢透過各途徑（如技術合作、投資、併購）進入固體廢物處理領域，從而建立一個綜合環保行業集團。

僱員及薪酬政策

薪酬委員會已負責以檢討本集團的薪酬政策以及董事及本集團高級管理層整體薪酬的架構，其中已考慮到本集團的經營業績、董事及高級管理層的個人工作表現以及相若市場慣例。

於2021年12月31日，本集團聘有359名僱員（2020年：332名僱員），其中超過250名僱員負責我們業務的研發、項目管理及執行。

董事的薪酬乃根據彼等的職責及職務併經參考市況、本公司的薪酬政策及現行市況後釐定，惟須待股東於股東大會上批准方可作實。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

USE OF PROCEEDS

The Company was listed on the Stock Exchange on 3 January 2019. The net proceeds raised from the global offering were approximately HK\$259.4 million (approximately equivalent to RMB227.2 million). During the year ended 31 December 2021, there was no change in the intended use of net proceeds as previously disclosed in the prospectus of the Company dated 19 December 2018.

所得款項用途

本公司於2019年1月3日在聯交所上市。全球發售募集的所得款項淨額約為259.4百萬港元(約等於人民幣227.2百萬元)。截至2021年12月31日止年度內，先前在2018年12月19日的本公司招股章程披露的所得款項淨額擬定用途概無變動。

<i>Unit: RMB million</i>	Net proceeds from the global offering	Utilisation up to 31 December 2021 截至2021年 12月31日 已動用金額	Unutilised amount	Expected timeline of the unutilised amount 未動用金額 預計使用時間
單位：人民幣百萬元	全球發售 所得款項淨額		未動用金額	
Utilisation of the pyrolysis technology for the treatment of various types of solid waste 用作利用各類固體廢物處理的無氧裂解技術	90.9	90.9	—	N/A 不適用
Establishment of a research and engineering centre 用作設立研究與工程技術中心	45.4	—	45.4	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Commercialisation of oil sludge thermal desorption technology 用作油泥熱脫附技術的商業化	34.1	23.9	10.2	The unutilised amount is expected to be fully utilised by the second half of 2023 未動用金額預計在2023年下半年前全部使用完畢
Invest in and operate the business of cement plant parallel kiln co-treatment solutions 用作投資及經營水泥回轉窯平行協同處置解決方案業務	34.1	34.1	—	N/A 不適用
Working capital and general corporate use 用作營運資金及一般公司用途	22.7	22.7	—	N/A 不適用
Total 總計	227.2	171.6	55.6	

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OTHER INFORMATION

Adoption of Dividend Policy

The Board has approved and adopted a dividend policy on 26 March 2019 (“Dividend Policy”) that aims to set out the principles and guidelines of the Company in relation to the declaration, recommendation and payment of dividends to its shareholders.

Under the Dividend Policy, the Company does not have any predetermined dividend payout ratio. Distribution of dividends should be in the interests of the Company and its shareholders as a whole. When considering dividend declaration recommendation, the Board shall take into account of the following factors:

- (i) business condition and strategy of the Group;
- (ii) capital requirement for the Group’s existing/potential project or investment;
- (iii) earnings, financial and cash flow position and distributable reserves of the Company and the Group; and
- (iv) other factors that the Board deem relevant.

The declaration and payment of dividends is subject to the provisions of the Articles of the Company, the Companies Law of the Cayman Islands and any other applicable laws, rules and regulations.

The Board has the sole discretion to recommend or not to recommend final dividends to the shareholders for approval; and to declare or not to declare any other dividends, including but not limited to interim and/or special dividends, after taking into consideration the factors as stated in the Dividend Policy.

The Dividend Policy may be updated, amended and modified from time to time as the Board may think fit and necessary.

其他資料

採納股息政策

董事會已於2019年3月26日批准並採納股息政策（「股息政策」），旨在列明有關本公司向其股東宣派、建議及派付股息的原則及指引。

根據股息政策，本公司並無任何預定的派息比率。派付股息應符合本公司及其股東的整體利益。於考慮宣派股息的建議時，董事會應考慮以下因素：

- (i) 本集團的業務狀況及戰略；
- (ii) 本集團現有／潛在項目或投資的資金需求；
- (iii) 本公司及本集團的盈利、財務及現金流量狀況以及可供分派儲備；及
- (iv) 董事會認為相關的其他因素。

宣派及派付股息須遵守以下文件的規定：本公司的章程細則、開曼群島《公司法》以及任何其他適用法律、規則及法規。

經考慮股息政策所述因素後，董事會可全權酌情向股東建議或不建議派付末期股息以供批准；及宣派或不宣派任何其他股息，包括但不限於中期及／或特別股息。

倘董事會認為適當及必要，可不時更新、修訂及修改股息政策。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS

董事

Name 姓名	Age 年齡	Date of appointment 獲委任日期	Position 職位
Mr. CAI Zhuhua 蔡珠華先生	58 58歲	18 May 2017 2017年5月18日	Executive Director 執行董事
Mr. DONG Honghui 董紅暉先生	51 51歲	27 April 2018 2018年4月27日	Executive Director 執行董事
Mr. DENG Zhaoshan 鄧兆善先生	55 55歲	27 April 2018 2018年4月27日	Executive Director 執行董事
Mr. GU Chunbin 辜淳彬先生	32 32歲	11 March 2021 2021年3月11日	Executive Director 執行董事
Mr. YANG Zhifeng 楊志峰先生	58 58歲	3 January 2019 2019年1月3日	Independent non-executive Director 獨立非執行董事
Mr. FENG Tao 馮濤先生	47 47歲	3 January 2019 2019年1月3日	Independent non-executive Director 獨立非執行董事
Mr. JIANG Guoliang 蔣國良先生	46 46歲	3 January 2019 2019年1月3日	Independent non-executive Director 獨立非執行董事

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CAI Zhuhua, aged 58, is an executive Director and the chairman of our Board since 27 April 2018. Mr. CAI is responsible for the management of the Board and the overall management, strategic planning and business development of our Group. Mr. CAI is the spouse of Ms. HUANG, who is a member of our senior management. Mr. CAI is also the chairman of the nomination committee of the Board.

Mr. CAI has over 23 years' experience in providing solid waste treatment solutions and in particular for hazardous waste incineration.

Mr. CAI was awarded a bachelor's degree in welding engineering by South China University of Technology* (華南理工大學) (then known as South China Engineering College* (華南工學院)) in the PRC in July 1984. Mr. CAI was certified as an engineer by Guangzhou Science and Technology Committee*(廣州市科學技術委員會) in March 1993.

Mr. DONG Honghui, aged 51, is an executive Director since 27 April 2018. Mr. DONG is responsible for the daily operation of our Group.

Mr. DONG has over 16 years' experience in providing solid waste treatment solutions. Mr. DONG joined the Group in 2009 and has been the general manager of Guangzhou Weigang Environmental Protection Technology Limited* (廣州維港環保科技有限公司) ("Guangzhou Weigang"), a wholly-owned subsidiary of the Company. In addition, he is also a director of a certain subsidiaries of the Group.

Mr. DONG obtained a bachelor's degree in material science and engineering from Northwestern Polytechnical University* (西北工業大學) in China in July 1993. Mr. DONG was certified as a mechanical engineer by Guangzhou Personnel Bureau* (廣州市人事局) in January 2003.

Mr. DENG Zhaoshan, aged 55, is an executive Director since 27 April 2018. Mr. DENG is responsible for the project management, technical supervision and research and development for our Group's business.

蔡珠華先生，58歲，自2018年4月27日為執行董事兼董事長。蔡先生負責董事會管理以及本集團整體管理、戰略規劃及業務發展。蔡先生為高級管理層成員黃女士的配偶，亦為董事會提名委員會主席。

蔡先生於提供固體廢物處理解決方案(尤其是危險廢物焚燒)方面擁有逾23年經驗。

蔡先生於1984年7月在中國獲華南理工大學(當時稱華南工學院)授予焊接工程學士學位。蔡先生於1993年3月獲廣州市科學技術委員會頒發工程師資格。

董紅暉先生，51歲，自2018年4月27日起出任執行董事。董先生負責本集團日常運營。

董先生於提供固體廢物處理解決方案方面擁有逾16年經驗。董先生於2009年加入本集團，此後，一直擔任本公司全資附屬公司廣州維港環保科技有限公司(「廣州維港」)的總經理。此外，彼亦為本集團若干附屬公司的董事。

董先生於1993年7月獲得中國西北工業大學材料科學與工程學士學位。董先生於2003年1月獲廣州市人事局頒發機械工程師資格。

鄧兆善先生，55歲，自2018年4月27日起出任執行董事。鄧先生負責本集團業務的項目管理、技術監督及研發。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. DENG has over 15 years' experience in providing solid waste treatment solutions. He joined our Group in 2009 and has been the chief engineer and a deputy general manager of Guangzhou Weigang. In addition, he is also a director of a certain subsidiaries of the Group.

Mr. DENG received a bachelor's degree in Cementitious Material Science from South China University of Technology* (華南理工大學) in China in July 1988. Mr. DENG was certified as a cement production process engineer by Guangdong International Trust & Investment Co., Ltd.* (廣東國際信託投資公司) in November 1995.

Mr. GU Chunbin, aged 32, has been appointed as an executive Director on 11 March 2021 and was designated as the sole company secretary of our Group on 14 January 2022. Mr. GU is responsible for corporate governance, corporate investment, corporate finance, and investor relations of the Group.

Mr. GU is experienced in investment, finance, corporate finance and business management. He joined our Group in December 2016 as a consultant to provide advice on financial matters and strategic development of our Group. In addition, he is also the head of corporate investment and financing and served as one of the joint company secretaries of the Company from May 2018 to January 2022.

Mr. GU received a bachelor's degree in logistics management from Shanghai Institute of Foreign Trade* (上海對外貿易學院) in China in July 2012 and concurrently, a bachelor's degree in business (logistics and supply chain management) from the Royal Melbourne Institute of Technology in Australia in June 2012. He also obtained a master's degree in media management from the Hong Kong Baptist University in Hong Kong in November 2013.

Mr. YANG Zhifeng, aged 58, has been appointed as an independent non-executive Director and a member of the audit committee of the Board on 3 January 2019.

Mr. YANG has over 23 years of experience in research and education in the environmental science field. Since October 1995, Mr. YANG has been working as a professor at the School of Environment of Beijing Normal University* (北京師範大學). Mr. YANG served as the head of the Institute of Environmental Science* (環境科學研究所) of Beijing Normal University* (北京師範大學) from November 1999 to September 2003. From October 2003 to January 2016, Mr. YANG served as the dean of School of Environment of Beijing Normal University* (北京師範大學).

鄧先生於提供固體廢物處理解決方案方面擁有逾15年經驗。其於2009年加入本集團，此後，一直擔任廣州維港總工程師及副總經理。此外，彼亦為本集團若干附屬公司的董事。

鄧先生於1988年7月在中國獲華南理工大學膠凝材料學學士學位。鄧先生於1995年11月獲廣東國際信託投資公司頒發水泥生產工藝工程師資格。

辜淳彬先生，32歲，於2021年3月11日獲委任為執行董事，並於2022年1月14日被指定為唯一公司秘書。辜先生負責本集團企業管治、企業投資、企業融資及投資者關係。

辜先生於投資、財務、企業融資及業務管理擁有豐富經驗。其於2016年12月加入本集團擔任顧問，就本集團的財務事宜及戰略發展提供意見。彼亦為企業投融資部總經理，並於2018年5月至2022年1月曾擔任本公司聯席公司秘書之一。

辜先生於2012年7月自中國上海對外貿易學院取得物流管理專業學士學位，同時，於2012年6月自澳洲皇家墨爾本理工大學取得商學(物流與供應鏈管理)學士學位。其亦於2013年11月在香港自香港浸會大學取得傳媒管理專業碩士學位。

楊志峰先生，58歲，於2019年1月3日獲委任為獨立非執行董事及董事會審核委員會成員。

楊先生於環境科學領域擁有逾23年的研究及教育經驗。自1995年10月起，楊先生一直於北京師範大學環境學院擔任教授。自1999年11月至2003年9月，楊先生於北京師範大學環境科學研究所擔任所長。自2003年10月至2016年1月，楊先生擔任北京師範大學環境學院院長。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. YANG obtained the degree of doctor in philosophy in engineering from Tsinghua University (清華大學) in China in December 1989. Mr. YANG has been a fellow member of the Chinese Academy of Engineering* (中國工程院) since November 2015.

Mr. FENG Tao, aged 47, has been appointed as an independent non-executive Director and the chairman of the audit committee and the remuneration committee and a member of the nomination committee of the Board on 3 January 2019.

Mr. FENG has over 18 years' experience in providing financial management services to listed companies. Mr. FENG served as the chief financial officer, from September 2013 to November 2017, and an executive director, from December 2013 to October 2017, of Peace Map Holding Limited (天下圖控股有限公司), the shares of which are listed on the Stock Exchange (stock code: 402).

Mr. FENG obtained his bachelor's degree in accounting from Central University of Finance and Economics (中央財經大學) in China in June 1997 and a master's degree in business administration from Peking University (北京大學) in China in January 2010. Mr. FENG obtained a professional technology qualification in business administration and economics (intermediate level)* (工商管理經濟(中級)專業技術資格) from the Ministry of Human Resources and Social Security of the PRC* (中華人民共和國人力資源和社會保障部) in November 2004.

楊先生於1989年12月獲得中國清華大學工程系博士學位。自2015年11月起，楊先生為中國工程院院士。

馮濤先生，47歲，於2019年1月3日獲委任為獨立非執行董事兼董事會審核委員會及薪酬委員會主席以及提名委員會成員。

馮先生於向上市公司提供財務管理服務方面擁有逾18年經驗。馮先生分別自2013年9月至2017年11月及自2013年12月至2017年10月擔任天下圖控股有限公司(其股份於聯交所上市，股份代號：402)的財務總監及執行董事。

馮先生於1997年6月獲得中國中央財經大學會計學學士學位，於2010年1月獲得中國北京大學工商管理碩士學位。馮先生於2004年11月獲中華人民共和國人力資源和社會保障部頒發工商管理經濟(中級)專業技術資格。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. JIANG Guoliang, aged 46, has been appointed as an independent non-executive Director and a member of the audit committee, the remuneration committee and the nomination committee of the Board on 3 January 2019.

Mr. JIANG has served as a partner of T&C (Zhejiang) Law Firm* (浙江天冊律師事務所) since October 2012. Prior to that, Mr. JIANG was a vice president of BOCGI Zheshang Capital Co. Ltd.* (中銀投資浙商產業基金管理有限公司) from August 2010 to September 2012, a partner of the Hangzhou branch of King & Wood Mallesons (北京金杜律師事務所杭州分所) from August 2008 to July 2010 and an associate of T&C (Zhejiang) Law Firm* (浙江天冊律師事務所) from April 1999 to July 2008.

Mr. JIANG has been an independent non-executive director of OKG Technology Holdings Limited (歐科雲鏈控股有限公司) (Formerly known as Leap Holdings Group Limited) since 31 August 2018, the shares of which are listed on the Stock Exchange (stock code: 1499). Mr. Jiang served as an independent director of Zhejiang Communications Technology Co., Ltd.* (浙江交通科技股份有限公司), the shares of which are listed on the Shanghai Stock Exchange (stock code: 002061), from December 2013 to April 2021.

Mr. JIANG obtained his bachelor's degree in laws from Peking University* (北京大學) in the PRC in July 1997, and is a practising PRC lawyer.

蔣國良先生，46歲，於2019年1月3日獲委任為獨立非執行董事兼董事會審核委員會、薪酬委員會及提名委員會成員。

蔣先生自2012年10月起擔任浙江天冊律師事務所合夥人。在此之前，自2010年8月至2012年9月，蔣先生為中銀投資浙商產業基金管理有限公司副總裁；自2008年8月至2010年7月，為北京金杜律師事務所杭州分所合夥人及自1999年4月至2008年7月為浙江天冊律師事務所的執業律師。

蔣先生自2018年8月31日起擔任歐科雲鏈控股有限公司(前稱前進控股集團有限公司，其股份於聯交所上市，股份代號：1499)的獨立非執行董事。蔣先生自2013年12月至2021年4月擔任浙江交通科技股份有限公司(其股份於上海證券交易所上市(股份代碼：002061))的獨立董事。

蔣先生於1997年7月獲得中國北京大學法學學士學位，且其為中國執業律師。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT 高級管理層

Name 姓名	Age 年齡	Date of joining the Group 加入本集團的日期	Position 職位	Responsibility 職責
Ms. HUANG Ying 黃瑛女士	54 54歲	15 July 2009 2009年7月15日	Deputy general manager 副總經理	Overseeing the daily operations of our Group 監督本集團日常運營
Mr. CUI Jinhong 崔錦鴻先生	48 48歲	1 February 2017 2017年2月1日	Vice President 副總裁	Overseeing the daily operations of our Group 監督本集團日常運營
Mr. ZHENG Ziyuan 鄭梓元先生	37 37歲	2 March 2018 2018年3月2日	Chief financial officer 首席財務官	Overseeing the financial and accounting affairs of our Group 監督本集團財務及會計事務

Ms. HUANG Ying, aged 54, joined our Group in July 2009 as a deputy general manager of Guangzhou Weigang and is mainly responsible for overseeing our daily operations. She is a director of Guangzhou Weigang.

Ms. HUANG received a college diploma in architectural studies from the Guangdong Architectural Engineering Technical College* (廣東省建築工程專科學校) in June 1990, and was awarded an architectural design engineer qualification by the Guangzhou First Evaluation Committee of Architectural Engineering Technology Engineer* (廣州市建築工程技術工程師第一評審委員會) in November 1998.

Ms. HUANG is the spouse of Mr. CAI, who is an executive Director and a Controlling Shareholder.

黃瑛女士，54歲，於2009年7月加入本集團，擔任廣州維港副總經理，主要負責監督日常運營。其為廣州維港一名董事。

黃女士於1990年6月自廣東省建築工程專科學校取得建築學大專學位，並於1998年11月獲廣州市建築工程技術工程師第一評審委員會頒發建築設計工程師資格證。

黃女士為執行董事及控股股東蔡先生的配偶。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CUI Jinhong, aged 48, joined our Group in February 2017 as a deputy general manager of Guangzhou Weigang. Mr. CUI currently serves as general manager of Debo and Vice President of the Group and is mainly responsible for overseeing the daily operations of our Group.

Mr. CUI has over 20 years of experience in the environmental protection industry.

Mr. CUI obtained a bachelor's degree in chemical machinery and equipment from the South China University of Technology* (華南理工大學) in the PRC in July 1995 and a master's degree in environmental engineering from the Harbin Institute of Technology* (哈爾濱工業大學) in the PRC in January 2008. Mr. CUI was certified as an Environmental Protection Technology Engineer* (環境保護技術工程師) by Shenzhen Job Title Management Office* (深圳職稱管理辦公室) in December 2002.

Mr. ZHENG Ziyuan, aged 37, joined our Group in March 2018 as the financial controller. Mr. ZHENG currently served as the Chief Financial Officer and is mainly responsible for overseeing the financial and accounting affairs of our Group.

Mr. ZHENG has over 10 years of experience in corporate finance and accounting, investment management and risk management.

Mr. ZHENG obtained his bachelor's degree in finance from Shenzhen University* (深圳大學) in the PRC in June 2008. He was qualified as a Certified Public Accountant* (註冊會計師) in the PRC in February 2012.

崔錦鴻先生，48歲，於2017年2月加入本集團，擔任廣州維港副總經理。現任德博環境總經理及本集團副總裁，主要負責監管本集團的日常運營。

崔先生於環保行業擁有逾20年經驗。

崔先生於1995年7月自中國華南理工大學取得化工機械與設備學士學位，並於2008年1月自中國哈爾濱工業大學取得環境工程碩士學位。崔先生於2002年12月獲深圳職稱管理辦公室頒發環境保護技術工程師資格。

鄭梓元先生，37歲，於2018年3月加入本集團擔任財務總監。現任本集團首席財務官，主要負責監督本集團的財務及會計事務。

鄭先生於公司金融及會計、投資管理及風險管理方面擁有逾10年經驗。

鄭先生於2008年6月自中國深圳大學取得金融專業學士學位。其於2012年2月獲授中國註冊會計師資格。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the corporate governance report for the annual report of the Company for the year ended 31 December 2021.

CORPORATE GOVERNANCE PRACTICES

Preserving the high levels of corporate governance and business ethics is one of the Group's major objectives. The Group believes that conducting business in an ethical and reliable manner will maximize its long term interests and those of the shareholders.

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix 14 to the Listing Rules. In the opinion of the Directors the Company has fully complied with the CG Code during the Period except from the deviation from the Code Provision C.2.1 of the CG Code. The Company will continue to review the current corporate governance structure from time to time and shall make necessary changes when appropriate and report to Shareholders accordingly.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company. Having made specific enquiry of all the Directors of the Company, all the Directors confirmed that they have strictly complied with the required standards set out in the Model Code during the period.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted during the Reporting Period after making reasonable enquiry.

董事會欣然提呈截至2021年12月31日止年度本公司年報的企業管治報告。

企業管治常規

保持高水平的企業管治及商業道德乃本集團的主要目標之一。本集團相信，以合乎道德及可靠的方式經營業務將最大限度地提高其自身及股東的長期利益。

本集團致力維持高水平的企業管治，以維護股東的權益並改善企業價值及問責性。本公司已採納《上市規則》附錄十四所載《企業管治守則》。董事認為本公司於期內已全面遵守《企業管治守則》，惟偏離《企業管治守則》的守則條文第C.2.1條除外。本公司將繼續不時檢討現行企業管治架構，並於適當時候作出必要變更及相應向股東報告。

證券交易的《標準守則》

本公司已採納上市規則附錄十所載《標準守則》，作為其買賣本公司證券時的行為準則。在向本公司全體董事作出特定查詢後，全體董事已確認彼等於期內已嚴格遵守《標準守則》所載的必守準則。

董事會亦已採納《標準守則》，規範可能擁有本公司有關本公司證券的未公開內幕消息的相關僱員的所有交易（如企業管治守則的守則條文第C.1.3條所述）。經作出合理查詢後，報告期內並無發現本公司的相關僱員未有遵守《標準守則》的情況。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board Committees including the audit committee, the remuneration committee and the nomination committee. The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its shareholders at all times.

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance, and is collectively responsible for promoting the success of the Company by directing and supervising its affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

董事會

職責

董事會負責本集團的整體領導、監督本集團的戰略決定以及監察業務及表現。董事會向本集團高級管理層授予本集團日常管理及營運的權力及職責。為監察本公司的特定事務範疇，董事會已設立三個董事會委員會，包括審核委員會、薪酬委員會及提名委員會。董事會已授予董事會委員會載於其各自職權範圍的職責。

全體董事須確保彼等一直本著真誠、遵守適用法律及法規並符合本公司及其股東利益的方式履行職務。

董事會負責領導及控制本公司以及監督本集團的業務、戰略決定及表現，並集體負責指導及監管本公司的事務，推動其成功發展。

董事會直接及間接透過其委員會制定戰略並監督其實施、監督本集團的營運及財務表現，並確保建立健全的內部控制及風險管理制度，藉以為管理層提供引導及方向。

CORPORATE GOVERNANCE REPORT

企業管治報告

Composition of the board

The Board currently comprises seven Directors, including four executive Directors and three independent non-executive Directors. Members of the Board are listed below:

董事會的組成

董事會現時由七名董事組成，包括四名執行董事及三名獨立非執行董事。董事會成員名單如下：

Members of the board 董事會成員	Position 職位	Date of appointment 委任日期
Executive Directors 執行董事		
Mr. CAI Zhuhua 蔡珠華先生	Chairman of the Board, Executive Director and Chief Executive Officer 董事長、執行董事兼行政總裁	18 May 2017 2017年5月18日
Mr. DONG Honghui 董紅暉先生	Executive Director 執行董事	27 April 2018 2018年4月27日
Mr. DENG Zhaoshan 鄧兆善先生	Executive Director 執行董事	27 April 2018 2018年4月27日
Mr. GU Chunbin 辜淳彬先生	Executive Director and Company Secretary 執行董事兼公司秘書	11 March 2021 2021年3月11日
Independent Non-executive Directors 獨立非執行董事		
Mr. YANG Zhifeng 楊志峰先生	Independent Non-executive Director 獨立非執行董事	3 January 2019 2019年1月3日
Mr. FENG Tao 馮濤先生	Independent Non-executive Director 獨立非執行董事	3 January 2019 2019年1月3日
Mr. JIANG Guoliang 蔣國良先生	Independent Non-executive Director 獨立非執行董事	3 January 2019 2019年1月3日

CORPORATE GOVERNANCE REPORT

企業管治報告

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have carried out duties in good faith and in compliance with applicable laws and regulations, and have acted in the interests of the Company and the Shareholders at all times.

The Board currently has no female Director in the Board but we will continue to strive to enhance female representation and achieve an appropriate balance of gender diversity with reference to shareholders' expectation and international and local recommended best practices. The Nomination Committee will use its best endeavors and on suitable basis, identify and recommend female candidates to our Board for its consideration on appointment of a Director as and when appropriate with the goal to maintain at least one female Director in our Board, subject to the Directors (i) being satisfied with the competence and experience of the relevant candidate based on reasonable criteria; and (ii) fulfilling their fiduciary duties to act in the best interests of the Company and its Shareholders as a whole when considering the appointment.

An updated list of Directors identifying their roles and functions has been published on the websites of the Company and the Stock Exchange.

Biography of each Director is set out in the section headed "Directors and Senior Management".

Save as disclosed herein, there is no relationship (including financial, business, family or other material/relevant relationship(s)) between the Directors.

Chairman and Chief Executive Officer

Under code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cai Zhuhua serves as chairman as well as chief executive officer of the Company and this dual role leadership has been in practice by the Company since 2009. Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be chairman of the Company as well as to discharge the executive functions of a chief executive thereby enabling more effective planning and better execution of long-term strategies. The Board believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals. The Company will review the current structure when and as it becomes appropriate.

全體董事(包括非執行董事及獨立非執行董事)為董事會帶來廣泛且寶貴的業務經驗、知識及專業技能，使其高效及有效地運作。全體董事一直本著真誠、遵守適用法律及法規履行職務，並按符合本公司及股東利益的方式行事。

董事會目前並無女性董事。我們將參考利益相關者的期望以及國際及本地的最佳實踐建議，致力提升女性比例並實現性別多元化的適當平衡。提名委員會亦將盡最大努力及在適當情況下物色並向董事會推薦女性候選人，供董事會於適當時候在任命董事時考慮，以使董事會維持至少一名女性董事，惟須經董事(i)根據合理標準信納相關候選人的能力及經驗；及(ii)於作出有關委任時，履行受信責任，按符合本公司及股東整體最佳利益的方式行事。本公司相信，根據董事會多元化政策及業務性質的擇優遴選過程符合本公司及股東整體最佳利益。

最新董事名單(當中列明董事之角色及職責)已刊登於本公司及聯交所網站。

各董事的履歷載於「董事及高級管理層」一節。

除本報告所披露者外，董事之間概無任何關係(包括財務、業務、親屬或其他重大／相關關係)。

董事長兼行政總裁

《企業管治守則》的守則條文第C.2.1條規定，董事長與行政總裁的角色應有區分，並不應由一人同時兼任。蔡珠華先生為本公司董事長兼行政總裁，而此雙角色領導模式自2009年起於本公司一直推行。有關偏離情況被視為恰當，原因是由同一人士擔任本公司董事長兼履行行政總裁的執行職能被視為更具效率，有助提高長遠戰略的有效規劃及執行表現。董事會認為董事會成員不乏經驗豐富及具才幹的人士，其營運及管治足以確保權力及職能平衡。本公司將於適當時候檢討現行架構。

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Advices

The Directors and their committees shall have access to independent professional advisers' advices if considered necessary. The Directors may also seek independent professional advices on matters related to the Company to fulfill their responsibilities at the Company's expense after obtaining the approval of the Board.

Independent Non-executive Directors

During the Period, the Company has three independent non-executive Directors in compliance with the Rules 3.10(1) and Rules 3.10(2) of the Listing Rules, with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise. The number of independent non-executive Directors accounts for more than one-third of the number of the Board members.

According to the Rule 3.13 of Listing Rules, the independent non-executive Directors of the Company have made confirmations to the Company regarding their independence during the Period. Based on the confirmations of the independent non-executive Directors, the Company considers each of them to be independent during the Period.

Appointment and Re-election of Directors

Code Provision B.2.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years whereas code provision B.2.3 of the CG Code states that if an independent non-executive director has served more than nine years, such director's further appointment should be subject to a separate resolution to be approved by shareholders.

The procedures and process of appointment, re-election and removal of Directors are laid down in the Memorandum and Articles of Association.

Each of Mr. Cai Zhuhua, Mr. Dong Honghui and Mr. Deng Zhaoshan, being executive Directors, have entered into a service contract with the Company pursuant to which they agreed to act as executive Directors for an initial term of three years with effect from the Listing Date or until the third annual general meeting of the Company since the Listing Date (whichever ends earlier), which will continue therefore until terminated by not less than three months' notice in writing served by either party on the other. Mr. Gu Chunbin has entered into a service contract with the Company pursuant to which he agreed to act as executive Director for a term of three years with effect from 11 March 2021, which will continue therefore until terminated by not less than three months' notice in writing served by either party on the other. Either party has the right to give not less than three months' written notice to terminate the agreement.

獨立意見

董事及其委員會認為適當時可向獨立專業顧問尋求意見。各董事亦可於取得董事會的同意後，就與本公司相關事項尋求獨立專業意見以履行其責任，費用由本集團支付。

獨立非執行董事

於期內，本公司符合《上市規則》第3.10(1)條及第3.10(2)條具有三名獨立非執行董事，當中至少一名擁有合適專業資格或會計或相關財務管理專業知識。獨立非執行董事佔董事會成員人數超過三分之一。

根據《上市規則》第3.13條，本公司獨立非執行董事就彼等於期內的獨立性向本公司作出確認。根據獨立非執行董事的確認，本公司認為彼等各自於期內屬獨立人士。

委任及重選董事

《企業管治守則》的守則條文第B.2.2條規定，每名董事(包括有指定任期之董事)應輪值退任，至少每三年一次，而《企業管治守則》的守則條文第B.2.3條規定，倘獨立非執行董事已任職超過九年，其續任應以獨立決議案形式由股東審議通過。

有關委任、重選及罷免董事的手續及程序載於組織大綱及組織章程細則。

蔡珠華先生、董紅暉先生和鄧兆善先生各自均已與本公司訂立服務合約，據此，彼等同意擔任執行董事，初始任期自上市日期起為期三年或自上市日期起至本公司第三屆股東週年大會當日止(以較早者為準)，其後持續生效，除非由其中一方向另一方發出不少於三個月書面通知予以終止。辜淳彬先生已與本公司訂立服務合約，據此，彼同意擔任執行董事，任期自2021年3月11日起為期三年，其後持續生效，除非由其中一方向另一方發出不少於三個月書面通知予以終止。

CORPORATE GOVERNANCE REPORT

企業管治報告

Each of the non-executive Directors has entered into an appointment letter on 10 December 2018 with the Company with an initial term for three years or until the third annual general meeting of the Company since the Listing Date, whichever ends earlier, subject to re-election as and when required under the Memorandum and Articles of Association unless terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than one month's prior notice in writing.

Each of the independent non-executive Directors has entered into an appointment letter with the Company on 10 December 2018 with an initial term for three years or until the third annual general meeting of the Company since the Listing Date, whichever ends earlier, subject to re-election as and when required under the Memorandum and Articles of Association unless terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than one month's prior notice in writing.

In accordance with the Memorandum and Articles of Association, all Directors are subject to retirement by rotation at least once every three years and any new director appointed to fill a causal vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment. Any director appointed as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Training and Continuous Professional Development

Pursuant to code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

Each newly appointed Director has been provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant statutes, laws, rules and regulations. As at 31 December 2021, each of Executive Directors and Independent Non-Executive Directors has read the training materials provided by the company secretary of the Company, as is summarized below. The content of such training related to corporate governance, regulatory updates, Companies Ordinance Guideline and PRC's contract law guideline.

各非執行董事已於2018年12月10日與本公司訂立委任書，初始任期為三年或自上市日期起至本公司第三屆股東週年大會當日止(以較早者為準)，惟須根據組織大綱及組織章程細則所規定重選連任，除非根據委任書所訂明的條款及條件或任何一方均有權提前不少於一個月發出書面通知予以終止。

各獨立非執行董事已於2018年12月10日與本公司訂立委任書，初始任期為三年或自上市日期起至本公司第三屆股東週年大會當日止(以較早者為準)，惟須根據組織大綱及組織章程細則所規定重選連任，除非根據委任書所訂明的條款及條件或任何一方均有權提前不少於一個月發出書面通知予以終止。

根據組織大綱及組織章程細則，所有董事須至少每三年輪值退任一次，而獲委任填補臨時空缺的任何新董事須於獲委任後的首個股東大會上供股東重選連任。獲委任作為現行董事會增補董事的任何董事，任期僅至本公司下屆股東週年大會為止，屆時合資格重選連任。

培訓及持續專業發展

根據《企業管治守則》守則條文第C.1.4條，全體董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

每名新委任董事均已獲提供必要的入職培訓及資料，確保其對本公司營運及業務以及其於相關條例、法律、規則及法規的責任具有適當程度的了解。截至2021年12月31日止年度，各執行董事及獨立非執行董事均已閱讀由本公司公司秘書提供的培訓材料，匯總如下。而培訓內容有關企業管治、監管更新、公司條例指引及中國合同法指引。

CORPORATE GOVERNANCE REPORT

企業管治報告

Name of Director	Training for the year ended 31 December 2021 截至2021年12月31日 止年度培訓
董事姓名	
Mr. Cai Zhuhua 蔡珠華先生	✓
Mr. Dong Honghui 董紅暉先生	✓
Mr. Deng Zhaoshan 鄧兆善先生	✓
Mr. Gu Chunbin* 辜淳彬先生*	✓
Mr. Yang Zhifeng 楊志峰先生	✓
Mr. Feng Tao 馮濤先生	✓
Mr. Jiang Guoliang 蔣國良先生	✓

* Mr. GU Chunbin was appointed as an executive Director on 11 March 2021.

* 辜淳彬先生於2021年3月11日獲委任為執行董事。

Note: The training records for those Directors who resigned during the year are not included herein. Please refer to the section headed "Corporate Information" for details of changes in Directors during the year and up to the date of this Annual Report. Further details is set out in the announcement of the Company dated 10 March 2021.

附註：年內辭任董事的培訓記錄不包括在內。有關年內及截至本年報日期的董事變動詳情，請參閱「公司資料」一節。進一步詳情載於本公司日期為2021年3月10日的公告。

All the Directors have been updated with the latest developments regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. In addition, continuing briefing and professional development to Directors will be arranged whenever necessary.

全體董事已獲悉有關《上市規則》及其他適用監管規定的最新發展，確保遵守有關規定及提高彼等對良好企業管治常規的意識。此外，本公司將於有需要時為董事安排持續簡報及專業發展。

Directors' Responsibility on Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the financial year ended 31 December 2021.

董事對財務報表的責任

董事知悉彼等對編製本公司截至2021年12月31日止財政年度的財務報表的責任。

The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and relevant statutory and regulatory requirements and applicable accounting standards are complied with.

董事負責監督本公司財務報表的編製，以確保有關財務報表真實公平反映本集團的事務狀況，並符合相關法定及監管規定以及適用會計準則。

The Board has received from the senior management the management accounts and such accompanying explanation and information as are necessary to enable the Board to make an informed assessment for approving the financial statements.

董事會已收悉高級管理層提供管理賬目、必要隨附說明及資料，以便董事會就批准財務報表作出知情評估。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Meetings and General Meeting

Up to the year ended 31 December 2021, six Board meetings and one General Meeting were held for reviewing and approving the financial statements for the year ended 31 December 2020 and other matters. The attendance records of Board Meetings and General Meeting for all Directors are set out in the table below. In addition to Board meetings, the Chairman held one meeting with independent non-executive directors annually without the presence of executive directors.

Name of Directors

董事姓名

Executive Directors

執行董事

Mr. CAI Zhuhua

蔡珠華先生

Mr. DONG Honghui

董紅暉先生

Mr. DENG Zhaoshan

鄧兆善先生

M. GU Chunbin (appointed on 11 March 2021)

辜淳彬先生(於2021年3月11日獲委任)

Non-Executive Directors

非執行董事

Mr. REN Jingfeng (resigned on 11 March 2021)

任景豐先生(於2021年3月11日辭任)

Mr. YANG Zhiqiang (resigned on 11 March 2021)

楊志強先生(於2021年3月11日辭任)

Independent Non-Executive Directors

獨立非執行董事

Mr. YANG Zhifeng

楊志峰先生

Mr. FENG Tao

馮濤先生

Mr. JIANG Guoliang

蔣國良先生

Notices for all regular Board meeting and the agenda and accompanying Board paper will be given to all Directors at least 3 days before the meetings in order that they have sufficient time to review the papers. Minutes of meetings are kept by the company secretary with copies circulated to all Directors or Board Committee members for information and records. Directors who have conflicts of interest in a board resolution have abstained from voting for that resolution.

董事會會議及股東大會

截至2021年12月31日止年度六次董事會會議及一次股東大會已舉行，以審閱及批准截至2020年12月31日止年度財務報表及其他事宜。全體董事出席董事會會議及股東大會紀錄載於下表。除董事會會議外，主席與獨立非執行董事舉行了一次執行董事避席的年度會議。

	Meetings attended/ Number of general meetings held in 2021 於2021出席/ 舉行股東大會次數	Meetings attended/ Number of board meetings held in 2021 於2021出席/ 舉行董事會次數
--	--	---

1/1

6/6

1/1

6/6

1/1

6/6

1/1

4/4

N/A

不適用

2/2

N/A

不適用

2/2

1/1

5/6

1/1

6/6

1/1

6/6

所有定期董事會會議通知、會議議程及相關董事會文件均於會議舉行至少3日前派發予全體董事，以便彼等具備充足時間審閱有關文件。會議記錄由公司秘書保存，並向全體董事或董事會委員會成員傳閱副本，以供參閱及記錄。與董事會決議案有利益衝突的董事均已放棄就該決議案表決。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES

Audit Committee

The Audit Committee of the Company consists of three independent non-executive Directors, namely Mr. FENG Tao, Mr. YANG Zhifeng and Mr. JIANG Guoliang. Mr. FENG, who holds the appropriate professional qualifications as required under Rule 3.10(2) and Rule 3.21 of the Listing Rules, serves as the chairman of the Audit Committee.

The primary duties of the Audit Committee include examining independently the financial positions of the Company, overseeing the Company's financial reporting system, risk management and internal control system, the audit process and proposals of internal management, communicating independently with, monitoring and verifying the work of internal audit and external auditors.

Up to the year ended 31 December 2021, two meetings were held by the Audit Committee to review the annual/interim financial results and report and major internal audit issues, re-appointment of external auditors and relevant scope of works.

Name of committee member

委員會成員姓名

Mr. FENG Tao (*chairman*)

馮濤先生(主席)

Mr. YANG Zhifeng

楊志峰先生

Mr. JIANG Guoliang

蔣國良先生

The Audit Committee reviewed the financial reporting system, compliance procedures, internal control (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function), risk management systems and processes and the reappointment of the external auditor and fulfilled duties as required aforesaid. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor. They also reviewed final results of the Company and its subsidiaries for the fiscal year as well as the audit report prepared by the external auditor relating to accounting issues and major findings in course of audit. There are proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters. The written terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

董事會委員會

審核委員會

本公司審核委員會由三名獨立非執行董事組成，即馮濤先生、楊志峰先生及蔣國良先生。馮先生為審核委員會主席，持有《上市規則》第3.10(2)條及第3.21條所規定的適當專業資格。

審核委員會的主要職務包括獨立審查本公司的財務狀況、監察本公司的財務報告制度、風險管理及內部控制制度、審核過程及內部管理建議、與內部審計的核數師及外聘核數師獨立溝通，並監督及核實彼等的工作。

截至2021年12月31日止年度，審核委員會已舉行兩次會議，以審閱年度／中期財務業績及重大內部審核事宜、重新委任外聘核數師以及相關工作範疇。

Attended/number of meeting(s) held

出席會議次數／舉行會議次數

2/2

2/2

2/2

審核委員會已檢討財務報告制度、合規程序、內部控制(包括本公司於會計及財務報告職能方面的資源、員工資格及經驗是否足夠，以及培訓課程及預算是否充足)、風險管理制度及程序以及外聘核數師的續聘及履行上述規定的職務。董事會並無偏離審核委員會就挑選、委任、辭退或罷免外聘核數師所提供的任何建議。彼等亦已審閱本公司及其附屬公司於財政年度的全年業績以及由外聘核數師所編製有關審核過程中的會計事項及重大發現的審核報告。委員會為僱員作出適當安排，讓彼等可透過保密方式就財務報告、內部控制及其他事宜可能出現的不當行為提出疑問。審核委員會的書面職權範圍可於本公司及聯交所網站查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration Committee

The Remuneration Committee comprises three members, namely Mr. FENG Tao (chairman), Mr. DONG Honghui and Mr. JIANG Guoliang, the majority of them are independent non-executive Directors. The primary duties of the Remuneration Committee are to recommend the Board on the Group's remuneration policy and structure for the Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives, and to make recommendations to the Board on the remuneration packages of the executive Directors and senior management.

Up to the year ended 31 December 2021, two meetings was held by the Remuneration Committee for considering and recommending to the Board the remuneration and other benefits paid by the Company to the Directors and senior management and other related matters. The table below sets forth the details of the attendance at the meeting:

Name of committee member

委員會成員姓名

Mr. FENG Tao (*chairman*)
Mr. DONG Honghui
Mr. JIANG Guoliang

馮濤先生(主席)
董紅暉先生
蔣國良先生

Attended/number of meeting(s) held

出席會議次數／舉行會議次數

2/2
2/2
2/2

The Remuneration Committee discussed and reviewed the remuneration policy for Directors and senior management of the Company, made recommendations to the Board on the remuneration packages of individual executive Directors and senior management and fulfilled duties as required aforesaid.

薪酬委員會討論及檢討董事及本公司高級管理層的薪酬政策，以及就個別執行董事及高級管理層的薪酬待遇向董事會提供建議並履行上述規定的職務。

Remuneration of senior management

The remuneration payable to the senior management of the Company (who are not the Directors) is shown in the following table by band:

高級管理層的薪酬

應付予本公司高級管理層(並非董事)的薪酬按等級於下表列示：

Nil to HK\$1,000,000

零至1,000,000港元

2021
2021年

3

CORPORATE GOVERNANCE REPORT

企業管治報告

Nomination Committee

The Nomination Committee currently comprises three members, namely Mr. CAI Zhuhua (chairman), Mr. FENG Tao and Mr. JIANG Guoliang, the majority of them are independent non-executive Directors.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy, to make recommendation to the Board regarding candidates to fill vacancies on the Board and/or in the management, and to assess the independence of the independent non-executive Directors.

The Nomination Committee will assess the candidate or incumbent on criteria such as integrity, experience, skill and ability to commit time and effort to carry out the duties and responsibilities. The recommendations of the Nomination Committee will then be put to the Board for decision.

Up to the year ended 31 December 2021, two meetings was held by the Nomination Committee to make recommendation to the Board in relation to the proposed appointment of Mr. Gu Chunbin as an executive Director, review the structure, size and composition of the Board, assess the independence of independent non-executive Directors and make recommendation to the Board on the re-election of the retiring Directors. The table below sets forth the details of the attendance at the meeting:

Name of committee member

委員會成員姓名

Mr. CAI Zhuhua (*chairman*)
Mr. FENG Tao
Mr. JIANG Guoliang

蔡珠華先生(主席)
馮濤先生
蔣國良先生

The Nomination Committee assessed the independence of independent non-executive Directors, considered the re-appointment of the retiring Directors, reviewed the time commitment required from the non-executive Director and fulfilled duties as required aforesaid.

提名委員會

提名委員會由三名成員組成，即蔡珠華先生(主席)、馮濤先生及蔣國良先生，大部分成員為獨立非執行董事。

提名委員會的主要職務為至少每年檢討董事會的架構、規模及組成，並就董事會為配合本公司的企業戰略所作出的任何建議變動提供建議、就填補董事會及／或管理層空缺的人選向董事會提供建議，並評估獨立非執行董事的獨立性。

提名委員會將按標準評估候選人或現任人，如誠信、經驗、技能以及投入時間及精力以履行職務及職責的能力。提名委員會的推薦建議隨後將提呈予董事會作出決定。

截至2021年12月31日止年度，提名委員會已舉行兩次會議，以就擬委任辜淳彬先生為執行董事向董事會提供推薦意見、檢討董事會的架構、規模及組成、評估獨立非執行董事的獨立性以及就重選退任董事向董事會提供建議。下表載列會議的出席詳情：

Attended/number of meeting(s) held 出席會議次數／舉行會議次數

2/2
2/2
2/2

提名董事會評估獨立非執行董事的獨立性、考慮重選退任董事的事宜以及檢討擔任非執行董事所需投入的時間並履行上述規定的職務。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION POLICY

Board Diversity Policy

The Board has adopted a board diversity policy (the “BD Policy”) in accordance with the requirements of the Listing Rules with effect from 26 March 2019 which sets out the approach to achieve diversity on the Board. All Board appointments shall be based on meritocracy, and candidates will be considered against selection criteria, having regard for the benefits of diversity on the Board. Selection of candidates will be based on range of diversity perspectives, which would include but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will monitor the implementation of the BD Policy and will from time to time review the BD Policy, as appropriate, to ensure the effectiveness of the BD Policy.

CORPORATE GOVERNANCE FUNCTION

The Board recognises that corporate governance should be the collective responsibility of Directors which include:

- to formulate and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to formulate, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- to review the Company's compliance with the Listing Rules and disclosure in the Corporate Governance Report.

JOINT COMPANY SECRETARIES

During the Period, the joint company secretaries of the Company are Mr. GU Chunbin and Ms. SO Shuk Yi Betty. The primary contact person at the Company is Mr. GU Chunbin, one of the joint company secretaries of the Company.

提名政策

董事會成員多元化政策

董事會已按照《上市規則》的規定自2019年3月26日起採納董事會成員多元化政策(「董事會多元化政策」)，當中載列為達致董事會成員多元化而採取的方針。所有董事會成員的委任均以用人唯才為原則，並在考慮人選時以充分顧及董事會成員多元化的裨益為甄選準則。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供的貢獻而作決定。提名委員會將監察董事會多元化政策的執行，並將不時在適當時候檢討董事會多元化政策，以確保董事會多元化政策行之有效。

企業管治職能

董事會認為企業管治乃董事的共同責任，包括：

- 制定並檢討本公司企業管治方面的政策及常規，並向董事會提供建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本公司於遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察僱員及董事適用的操守守則及合規手冊(如有)；及
- 檢討本公司遵守《上市規則》的情況及在企業管治報告內的披露事項。

聯席公司秘書

於期內，本公司的聯席公司秘書為辜淳彬先生及蘇淑儀女士。本公司的主要聯絡人為本公司聯席公司秘書之一辜淳彬先生。

CORPORATE GOVERNANCE REPORT

企業管治報告

On 14 January 2022, Ms. SO Shuk Yi Betty resigned from the position of joint company secretary of the Company. After the resignation of Ms. So Shuk Yi Betty, Mr. GU Chunbin continues to be the sole company secretary of the Company, with effect from 14 January 2022.

In compliance with Rule 3.29 of the Listing Rules, each of the joint company secretaries has undertaken no less than 15 hours of relevant professional training during the year ended 31 December 2021.

AUDITOR

Financial statements contained in this report have been audited by Baker Tilly Hong Kong Limited. Service fees which shall be paid by the Company to Baker Tilly Hong Kong Limited for the year amounted to RMB1.6 million.

Service rendered 所提供的服務

Audit service	審核服務
Non-audit services	非審核服務

Total	總計
-------	----

Fees Payable 應付費用 (RMB) (人民幣)

1,600,000
—

1,600,000

The statement of the external auditor of the Company about its reporting responsibilities for the Consolidated Financial Statements is set out in the Auditor's Report on pages 98 to 109.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining an adequate risk management and internal control systems to safeguard Shareholders' investments and Company's assets and with the support of the Audit Committee, reviewing the effectiveness of such systems on an annual basis. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group utilises an integrated risk management system to minimise and protect against a range of strategic, business, financial and legal risks. Through our risk management system, we seek to manage and reduce risks, encourage effective and reliable communication, maintain legal compliance and improve the efficiency of our business and management.

於2022年1月14日，蘇淑儀女士辭任本公司聯席公司秘書職務。於蘇淑儀女士辭任後，辜淳彬先生繼續擔任本公司唯一公司秘書，自2022年1月14日起生效。

根據上市規則第3.29條，聯席公司秘書各自於截至2021年12月31日止年度接受不少於15小時的相關專業培訓。

核數師

本報告所載財務報表已由天職香港會計師事務所有限公司審核。本年度應付天職香港會計師事務所有限公司的服務費為人民幣1.6百萬元。

本公司外聘核數師對綜合財務報表報告責任的聲明載於第98頁至第109頁的核數師報告。

風險管理及內部控制

董事會負責維持充分的風險管理及內部控制制度，以保障股東投資及本公司的資產，並在審核委員會的支持下，每年檢討有關制度的效能。該等系統旨在管理，而非消除無法實現業務目標的風險，而且只能就重大錯誤陳述或損失提供合理（而非絕對）的保證。

本集團利用風險集中管理制度以最大程度減低並防範在戰略、業務、財務及法律方面的一系列風險。通過風險管理系統，我們力求管理並減低風險，促進高效且可靠的溝通，堅持依法合規，從而提升我們的業務及管理效率。

CORPORATE GOVERNANCE REPORT

企業管治報告

Our risk management system is implemented on three levels. Its implementation starts with the manager of each department who is responsible for organising the daily work in accordance with the relevant policies. The second level involves the active role of the internal audit department which centralises our risk management policies and supervises the individual departments through periodic audits. The Group has also engaged external consultants to perform a review of the internal control and risk management systems of the Group. Finally, the highest level involves decision-making by the board of directors regarding certain risk management decisions. The relevant personnel at these three levels are in frequent communication in order to ensure accurate information is shared between all parties.

In order to formulate and implement effective policies, our risk management system emphasises continuous information gathering. Our risk management system collects data on a variety of business, financial and legal risks such as market demand, technological trends and innovations, data comparisons with our competitors, our financial performance and results of operation, costs of services, changes in intellectual property law, company laws and possible legal disputes.

The information gathered is used for risk assessment. Our risk assessment procedures take into account our Company's overall risk philosophy and seek to accurately evaluate how a potential risk may affect our objective in the strategic, business, compliance and financial reporting areas. We seek to identify both internal risks, such as employee ethics, our financial condition or product quality, as well as external risks, such as economic and legal developments, technology advances and environmental factors. Identified risks are assessed on the basis of likelihood of occurrence and the degree of influence it may have on our business. Risks with a high probability of occurring are more closely examined in order to ensure accurate results. We then determine what countermeasures should be implemented in order to avoid, absorb or reduce such risks and any negative consequences.

The Company is required to disclose inside information as soon as practicable in accordance with the SFO and the Listing Rules. It ensures, through its internal reporting processes, the appropriate handling and dissemination of inside information. Reasonable measures have been taken by the Group from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of inside information is restricted to a limited number of employees (mainly senior management and Directors) on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.

我們的風險管理制度按三個層次實施。由各部門經理開始實施(其負責根據相關政策安排日常工作)。第二層次涉及內部審計部門的積極作用，該部門聚焦於我們的風險管理政策並通過定期審計監督各部門。本集團亦已聘請外部顧問對本集團的內部監控及風險管理系統進行檢討。最後，最高層次涉及董事會就若干風險管理決策的決策過程。該等三個層次的相關人員須進行頻繁溝通，以確保各方得以共用準確資料。

為制定並有效實行政策，我們的風險管理制度重視持續收集資料。風險管理制度收集有關各類業務、財務及法律風險的資料，如市場需求、技術發展趨勢及創新、與競爭對手的數據比較、我們的財務表現及經營業績、服務成本、知識產權法及公司法的變更以及潛在法律糾紛等。

所收集資料用於風險評估。我們的風險評估程序會考慮本公司的整體風險理念，力求對潛在風險可能對我們在戰略、業務、合規及財務報告等方面的目標造成哪些影響進行準確評估。我們力求同時識別內部風險(如僱員道德操守、我們的財務狀況或產品質量)及外部風險(如經濟及法律發展、技術進步以及環境因素)。已識別風險乃基於其發生概率及可能對我們業務造成影響的程度進行評估。發生概率高的風險將受到更嚴格的審查，以確保取得準確結果。我們隨後將確定須實施哪些對策，以規避、消化或減低有關風險及任何負面後果。

本公司須根據證券條例及上市規則在合理切實可行的範圍內儘快披露內幕消息。本公司透過其內部報告程序，確保適當處理及發佈內幕消息。本集團已不時採納合理措施以確保設有適當保障防止違反有關本集團的披露要求，包括：

- 僅有少數僱員(主要為高級管理人員及董事)在有需要知悉的情況下取得內幕消息。掌握內幕消息的僱員充份熟知彼等之保密責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

- The company has adopted the Model Code as its model code for securities transactions by the directors and guidelines on insider dealing on terms no less exacting than those set out in the Model Code for the relevant employees who are or may be in possession of inside information.
- The Group has formulated an inside information policy and regularly reminds its Directors and employees to comply with all inside information policies.

During the year, a review of the effectiveness of the group's risk management and internal control systems and procedures was conducted by the Audit Committee and subsequently reported to the Board. The Board is not aware of any significant internal control and risk management weaknesses nor significant breach of limits or risk management policies, and considers that the current monitoring systems of the Company are effective and that the qualifications and experience of the staff, performing accounting, internal audit, financial reporting functions, ESG performance and reporting, the training programmes of the Company as well as the experiences and resources for setting the budget of the Company are adequate. The Company has complied with the requirements under D.2.1, D.2.2 and D.2.3 of the CG Code relating to risk management and internal control.

SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, a separate resolution will be proposed for each issue at shareholder meetings, including the election of individual directors. All resolutions put forward at shareholder meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each shareholder meeting.

Procedures for shareholders to convene an extraordinary general meeting

According to Article 64 of the Articles of Association, general meetings can be convened on the written requisition of any two or more shareholders holding 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 deposited at the principal office of the Company in Hong Kong. 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) 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 them by the Company.

- 本公司已採納標準守則作為董事進行證券交易之標準守則，以及就擁有或可能擁有內幕消息之有關僱員，制定條款與標準守則所載者同等嚴謹之股份買賣指引。
- 本集團已制訂內幕消息政策，並定期提醒其董事及員工遵守所有內幕消息政策。

於年內，審核委員會已對本集團風險管理及內部監控系統及程序的效用作出檢討並其後向董事會匯報。董事會並不知悉任何重大內部控制及風險管理的不足之處，亦不知悉遭重大違反限制或風險管理政策的情況，並認為本公司目前的監控制度行之有效，而本公司員工的資格及經驗、會計、內部審計及財務報告職能、環境、社會及管治表現及報告的履行，以及本公司的培訓課程及本公司有關預算方面的經驗及資源亦屬足夠。本公司已遵守有關風險管理及內部控制的《企業管治守則》第D.2.1條、第D.2.2條以及第D.2.3條項下的規定。

股東權利

為保障股東的利益及權利，本公司會於股東大會上就各項議題(包括選舉個別董事)提呈獨立決議案。於股東大會上提呈的所有決議案將根據《上市規則》以投票方式進行表決，投票結果將於各股東大會舉行後適時於本公司及聯交所網站刊登。

股東召開股東特別大會的程序

根據組織章程細則第64條，股東大會須於任何兩名或以上於存放請求書於本公司香港主要辦事處當日持有不少於有權於股東大會上投票的本公司繳足股本十分之一的股東要求時召開。倘董事會並無於提交要求當日起計21日內，正式召開將於額外21日內舉行的會議，要求者本身或當中代表彼等所享有全部投票權過半數的任何人士，可按相同方式(盡可能接近董事會可召開會議的方式)召開股東大會，前提為如此召開的任何會議不得在提交要求當日起計三個月屆滿後舉行，而所有因董事會未能履行要求而令要求者產生的合理費用須由本公司向要求者作出補償。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Shareholders to Propose a Person for Election as a Director

If a shareholder of the Company wishes to propose a person other than a Director for election as a Director at the Company's general meeting ("Proposal"), he/she should lodge a written notice setting out the Proposal and his/her contact details at the principal place of business of the Company or the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited. The Proposal should include the biographical details of the proposed Director and a written notice signed by the proposed Director confirming his/her willingness to be elected, the accuracy and completeness of his/her biographical details.

Shareholders' inquires

If you have any query in connection with your shareholdings, please write to or contact the Company's Hong Kong share registrar, Tricor Investor Services Limited, at:

Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong

Tel: (852) 2980 1333

Fax: (852) 2810 8185

Website: www.tricorglobal.com

Investor relations and communications

The Company has set up an effective communication channel with investors. It carries out investor relationship maintenance work under the principles of openness and fairness and with a proactive attitude while conforming to the rules. During the Period, the Company disclosed information truly, accurately, completely and timely according to the laws, regulations and regulatory requirements to ensure that investors would know the important matters of the Company in a timely manner, thus protecting the investors' interests to the greatest extent.

To promote effective communication, up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information are available in the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gzweigang.com) for public access.

股東提名人選參選董事的程序

倘本公司股東有意於本公司股東大會上提名董事以外的人士參選董事(「議案」)，則應向本公司香港主要營業地點或本公司香港股份過戶登記分處卓佳證券登記有限公司遞交書面通知，當中載列議案及其聯絡詳情。議案應包括建議董事的履歷詳情及建議董事簽署的書面通知，確認其選舉意願、履歷詳情的準確性及完整程度。

股東查詢

如閣下對所持股份有任何查詢事項，請致函或聯絡本公司香港股份登記處卓佳證券登記有限公司，地址為：

香港皇后大道東183號合和中心54樓

電話：(852) 2980 1333

傳真：(852) 2810 8185

網站：www.tricorglobal.com

投資者關係及通訊

本公司建立了與投資者有效溝通的渠道，本著公開、公平的原則，以積極、主動的態度，合規開展投資者關係維護工作。期內，本公司嚴格遵守法律法規和監管規定，真實、準確、完整、及時的進行信息披露，確保投資者及時了解本公司重大事項，最大程度保護投資者的利益。

為推動有效溝通，聯交所網站(www.hkexnews.hk)及本公司網站(www.gzweigang.com)載有有關本公司業務營運及發展、財務資料、企業管治常規及其他資料的最新資訊及消息。

CORPORATE GOVERNANCE REPORT

企業管治報告

The general meetings of the Company provide a forum and an important channel for communication between the Board and the Shareholders. The chairman of the Board as well as chairman of the Nomination Committee, the Remuneration Committee and the Audit Committee or, in their absence, other members of the respective committees and, where applicable, are available normally at the annual general meetings and other relevant shareholder meetings to answer questions. Shareholders are also encouraged to attend general meetings held by the Company and are invited to express their views and raise questions thereat.

As part of its regular review, the Board has reviewed these communication channels for the year ended 31 December 2021 and is of the view that this is effective and adequately implemented.

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2021, there has been no change in the Memorandum and Articles of Association.

本公司股東大會為董事會與股東之間的溝通提供平台及重要渠道。董事會主席以及提名委員會、薪酬委員會及審核委員會主席或(倘主席缺席)各委員會的其他成員(倘適用)通常會出席股東週年大會及其他相關股東會議回答提問。本公司亦鼓勵股東出席本公司舉行的股東大會，並歡迎股東於會上發表意見及提問。

作為定期檢討的一部分，董事會已檢討截至2021年12月31日止年度的股東溝通渠道，並認為該溝通渠道有效並已充分實施。

憲章文件的變動

截至2021年12月31日止年度，組織章程大綱及細則並無變化。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Weigang Environmental Technology Holding Group Limited (“WG”) (Stock Code: 1845) and its subsidiaries (hereinafter referred to as “the Group” or “We”) are pleased to present the Environmental, Social and Governance (“ESG”) Report (the “Report”) for the year ended 31 December 2021, entailing a detailed description of our sustainability and corporate social responsibility performances throughout the year. The Group would also like to take this opportunity to thank all stakeholders who have contributed to this sustainability journey with us and present the ESG performance to all our stakeholders.

The Report is prepared both in English and Chinese. In case of inconsistency, the English version shall prevail. Electronic version of this ESG Report is available for downloading on the website of HKEx at www.hkexnews.hk, or on our company website at www.gzweigang.com. If you have any enquiries or suggestions regarding the ESG Report, please feel free to contact us at ir@gzweigang.com.

Reporting Principles

The Report has been prepared according to the “Environmental, Social and Governance Reporting Guide” as set out in Appendix 27 of the Listing Rules on the Stock Exchange. The Report is based on the four reporting principles of materiality, quantitative, balance and consistency. To serve the best interest of our readers, we conducted a materiality assessment and selected the key ESG issues concerning with our business, which will be covered in the later part. We adopt consistent approach in computing environmental key performance indicators, making reference from the ESG Reporting Guide and the standards of Greenhouse Gas Protocol, which makes our ESG performance measurable, in terms of carbon emission, resource usage, waste generation and so on. We also presented the social KPIs which were related to the performance of employment, supply chain management, labour standards, training activities, community investment, etc. In general, the Report aims at providing the stakeholders with a comprehensive and objective view of our ESG management efficacy, and as such, the Group is committed to revealing the statistics and numbers to the best of our knowledge as well.

For the convenience of readers, an index is available in the last chapter of the Report for the readers, regarding the locations of KPIs within the Report.

關於本報告

維港環保科技控股集團有限公司(「維港」)(股份代號：1845)及其附屬公司(下文統稱為「本集團」或「我們」)欣然提呈截至2021年12月31日止年度的環境、社會及管治(「環境、社會及管治」)報告(「本報告」)，當中詳述我們於整個年度在可持續發展及企業社會責任方面的表現。本集團亦藉此機會感謝所有與我們攜手為可持續發展作出貢獻的持份者，並向全體持份者呈報我們在環境、社會及管治方面的表現。

本報告以中英文兩種語言編製。如中英文版本有任何差異，概以英文版為準。本環境、社會及管治報告的電子版本可於聯交所網站 www.hkexnews.hk 或本公司網站 www.gzweigang.com 查閱及下載。如閣下對本環境、社會及管治報告有任何查詢或提議，請電郵至 ir@gzweigang.com 與我們聯絡。

匯報原則

本報告遵循《聯交所上市規則》附錄二十七所載的《環境、社會及管治報告指引》編製。本報告乃基於四個報告原則，即重要性、量化、平衡及一致性。為方便我們的讀者，我們進行了重要性評估，並選定與我們業務相關的關鍵環境、社會及管治議題，這些議題將在後面部分闡述。我們採用一致的方法計算環境關鍵績效指標，並參考《環境、社會及管治報告指引》及《溫室氣體核算體系》的標準，以使我們的環境、社會及管治表現在碳排放、資源使用、廢物產生等方面均可予計量。我們亦呈報與僱傭、供應鏈管理、勞工準則、培訓活動、社區投資等相關的社會關鍵績效指標。總括而言，本報告旨在全面及客觀地反映我們的環境、社會及管治管理成效，亦因此，本集團亦會盡可能披露我們所知的統計數據及數字。

為方便讀者閱覽，本報告最後一章載有報告內關鍵績效指標的位置索引。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Reporting Scope

This Report details the operations of the Group's core business for the financial year from January 1, 2021 to December 31, 2021 ("this Year" or "the Reporting Period"). The reporting scope covers our major segment, turnkey solution for hazardous waste incineration, which occupies around 90% of the Group's revenue and the co-processing of solid wastes in cement kiln. Other segments, such as oilfield peripheral service and waste treatment service are not included in the coverage of the report as the total proportion of these activities in our overall business is relatively small.

Our business scope changed significantly last year. The oily sludge treatment business was still under construction, and the sludge business consumed a large amount of natural gas. The business was responsible for 90% of air pollutant emission and 96% of Scope 1 greenhouse gas emission of the Group in the previous year. The suspension of the oily sludge treatment business also saved the use of electricity and water significantly. As a result, readers can expect significant reduction of emissions and energy consumption in these two years', which is in line with the Group's commitment on carbon reduction. Comparison of emission data with that of the previous year emission may not be necessarily meaningful.

Confirmation and Approval

The Company's Board of Directors (the "Board") has the overall responsibility for the setting and disclosure of the KPIs. The Group has established internal controls and formal review procedures to ensure that all information presented in the Report, as confirmed by the Board, is accurate and reliable.

This Report contains forward-looking statements that are based on assumptions and expectations. No guarantee is expressed as to the accuracy of the statements and the Group expressly disclaims any liability for and assumes no responsibility to correct or update those forward-looking statements in the event that any of the statements does not materialize or turns out to be incorrect.

Contact Us

For more information on the Group's business, please refer to our official website and other parts of the Annual Report. We welcome any comments on the Report and are eager to improve our disclosures with sustainable development of ESG. Should you have any enquiries, please contact us via the following channels:

Tel: 020-3221-1246
Email: gzwg@gzweigang.com
Official website: www.gzweigang.com

匯報範圍

本報告詳述於2021年1月1日至2021年12月31日之財政年度(「本年度」或「報告期間」)本集團核心業務的營運情況。匯報範圍涵蓋我們的主要業務分部，即危險廢物焚燒處置整體解決方案(佔本集團收益約90%)及固體廢物於水泥窯的協同處置。由於其他業務分部(如油田周邊服務及廢物處理服務)總比例佔我們的整體業務較少，所以則未被納入在報告之中。

我們的業務範圍於去年發生重大變化。而且油泥處理業務仍在建設當中，而且油泥業務消耗大量天然氣，於過往年度，本集團90%的空氣污染物排放量及96%的範圍1溫室氣體排放量均源自該項業務。再者油泥處理業務暫停營運亦大幅降低了水電用量。因此，讀者可預期近兩年的排放量及耗能量大幅下降，這與本集團的減碳承諾一致。將排放數據與上年的比較未必有意義。

確認及批准

本公司之董事會(「董事會」)對關鍵績效指標的制定及披露負有整體責任。本集團已建立內部控制系統及正式檢討程序，以確認本報告所呈列的所有資料均經董事會確認準確及可靠。

本報告載有假設及預期的前瞻性陳述。本集團不會就該等陳述的準確性作出任何保證，且本集團明確表示，倘任何該等陳述未能實現或被證明不準確，概不會就此承擔任何責任，亦不負責更正或更新任何該等前瞻性陳述。

聯絡方式

有關本集團業務的更多資料，請參閱我們的官方網站及年報的其他部分。我們歡迎各位對本報告提出任何意見，以便改進我們就環境、社會及管治的可持續發展作出披露。如閣下有任何查詢，請透過以下方式聯絡我們：

電話：020-3221-1246
電郵：gzwg@gzweigang.com
官網：www.gzweigang.com

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE COMPANY

The Group is a leading comprehensive hazardous waste incineration turnkey solution provider in the PRC focusing on the research, design, integration and commissioning of solid waste treatment systems, particularly for hazardous waste incineration. Our business can be divided into four major segments, namely hazardous waste incineration system solution, thermal desorption of oil sludge, pyrolysis treatment of solid waste and cement plant parallel kiln co-treatment. In 2021, the Group primarily engaged in and generated a substantial portion of our revenue from the design, integration and commissioning of hazardous waste incineration system in China. Incineration solution, where operations spread across 16 provinces in China, brings a large part of revenue for the Group for the year ended 31 December 2021. In 2021, the Group has completed 4 more hazardous waste incineration projects.

Being a major engineering solution provider of hazardous waste incineration in China, we are deeply aware of the environmental impacts, regulatory requirements and social expectation regarding waste handling. Therefore, much of our emphasis in the Year has been put into improving the design of our products in terms of eco-friendliness and efficiency. We know that sustainable development is the general trend of the World, and all of us hope to achieve it together. We will continue to promote the sustainability concepts through our product and service and also improving the corporate social responsibility and our corporate governance standards, in order to raise our management quality, protect the interest of stakeholders and create values for all parties of society.

ESG Governance

To lead the company to become a socially and environmentally responsible company, a solid ESG governance structure is essential. The Board acknowledges its role in identifying the ESG risks and opportunities in the Group and it also has been involved in the determination of the major ESG strategies and planning of the ESG related goals. To fulfill the strategies, we have formulated an ESG working group comprised of senior managers from different functional departments, which it can lubricate the cooperation of the different departments with their own ESG related issues. The ESG working group will discuss the ESG issues from time to time, and also serving as a bridge between the Board and the different departments in communication of the sustainable development strategies among the Group, to show a great determination to improve the Group's corporate governance and ensure effective implementation of our ESG policies in the course of operation. The Board will manage the process of the ESG related group from time to time. In the future, the Group would love to consider recruiting some external environmental professionals in our working group to further stress our focus on the ESG improvement.

關於本公司

本集團是中國領先的綜合危險廢物焚燒處置整體解決方案提供商，專注於固體廢物處理系統（尤其是危險廢物焚燒處置系統）的研究、設計、集成及調試。我們的業務可分為四個主要分部，即危險廢物焚燒處置系統解決方案、油泥熱脫附、固體廢物的無氧裂解處理及水泥回轉窯平行協同處置。於2021年，本集團主要於中國從事設計、集成及調試危險廢物焚燒處置系統，並自其中產生大部分收入。焚燒解決方案業務遍佈中國16個省份，截至2021年12月31日止年度為本集團帶來大部分收入。於2021年，本集團額外完成了4個危險廢物焚燒處置項目。

作為中國主要的危險廢物焚燒處置工程解決方案供應商，我們深知廢物處理方面的環境影響、監管規定及社會期望。因此，我們於本年度的工作重點是改善產品在環保及效率方面的設計。我們深明可持續發展乃全球大勢所趨，並希望能共同達成這個願景。我們將透過我們的服務及產品繼續倡導可持續發展理念，以及提升企業社會責任及企業管治水平，從而提升我們的管理質量、保障持份者的權益及為社會各方創造價值。

環境、社會及管治治理

為了帶領公司成為對環境及社會負責的公司，穩健的環境、社會及管治治理架構至關重要。董事會於本集團內承擔識別環境、社會及管治風險及機遇的職責，彼等亦參與釐定主要環境、社會及管治策略及訂立環境、社會及管治相關目標。為落實相關策略，我們已成立由來自不同職能部門的高級管理人員組成之環境、社會及管治工作小組，以使不同部門之間就各自環境、社會及管治相關事宜上的合作更順暢。環境、社會及管治工作小組不時討論環境、社會及管治的事宜，並作為董事會與不同部門之間溝通本集團的可持續發展策略之橋樑，彰顯本集團改進企業管治的決心及確保環境、社會及管治政策在營運過程中得到有效實施。董事會不時管理環境、社會及管治工作小組的運作過程。未來，本集團樂意聘請部分專業人士加入我們的工作小組，進一步加強我們對提升環境、社會及管治表現的關注。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

Taking the opinions of the stakeholders seriously is the direction of the Group, as listening to the stakeholder's opinions is one of the important factors to reach the success of the Company. We wish to establish a transparent mechanism that can consolidate the voices from stakeholders of every group so that we can integrate them in our corporate decisions.

We use different channels to gather opinions from various stakeholders, and the table below lists various types of stakeholders with their concerns and the communication channels we used.

持份者參與

本集團的方針是認真對待持份者的意見，由於聆聽持份者意見乃公司成功的重要因素之一。我們希望建立一個透明的機制，以集合各方持份者的意見，從而可將大家的意見融入到我們的企業決策中。

我們透過不同溝通渠道收集持份者的意見，下表載列不同的持份者種類、彼等的關注要點及我們使用的溝通渠道。

Stakeholder Group 持份者組別	Concerns and expectations 關注事項及期望	Communication channel 溝通渠道
Shareholders and investors 股東及投資者	Transparency; risk control; long-term development of the business 透明度；風險管理；業務的長遠發展	Annual General Meeting; corporate communication; announcements; Annual Report 股東週年大會；公司通訊；公告；年報
Employees 僱員	Work-life balance; safe work environment; adequate welfare 工作與生活平衡；安全工作環境；適當的福利	Employee activities; Intranet; performance appraisal and interviews; conferences 員工活動；內聯網；表現評估及面談；會議
Suppliers and business partners 供應商與業務夥伴	Timely settlement of accounts, purchase quantity, reputation 及時結賬、採購數量、聲譽	Conferences, supplier management system; site visits 會議、供應商管理制度；實地考察
Government departments and regulatory authorities 政府部門與監管機構	Conformity with the environment-and safety-related laws and regulations 符合環境及安全相關法律法規	Supervision and assessment; formal meetings; information disclosure 監督及評估；正式會議；信息披露
Customers 客戶	Product quality and safety, maintenance policy, product lifecycle 產品質量及安全、維護政策、產品生命週期	Comprehensive feedback system; daily operations, communications 完善的意見反饋制度；日常營運、溝通
Community 社區	Support local economic development, resolving solid waste problem and improve the living environment 支持當地經濟發展、解決固體廢棄物問題、改善生活環境	News; charitable events 新聞；慈善活動

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

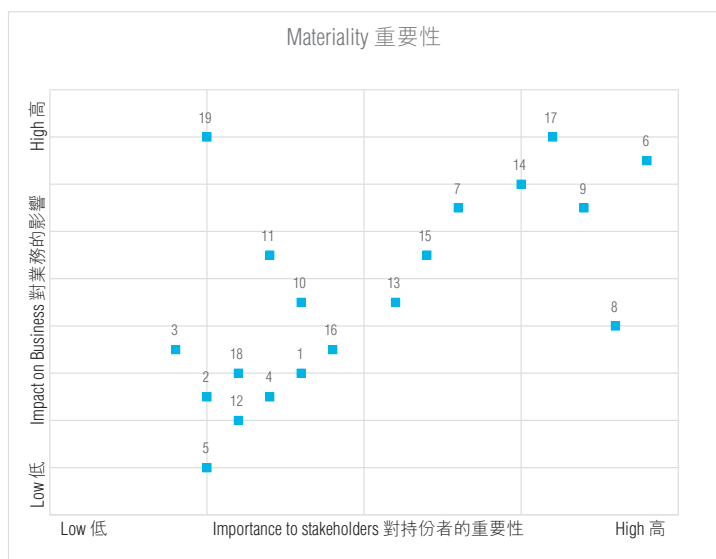
環境、社會及管治報告

Materiality Assessment

The Group has obtained the views of management and the other stakeholders (for example, the staff, the supplier and the customers) on the Group's material issues and sustainability strategy. After a series of managerial-level meetings and the Board's discussion, the Group has assessed those important ESG topics and produced the following materiality matrix to clarify the ESG issues that concern our business most. Below is the materiality matrix plot.

重要性評估

本集團已取得管理層及其他持份者(如員工、供應商及客戶)對本集團重大事宜及可持續發展策略的意見。經過一系列管理層會議及董事會討論後，本集團對該等重要的環境、社會及管治議題作出評估並制定了以下重要性矩陣圖，以釐清與我們業務最相關的環境、社會及管治事宜。以下為該重要性矩陣：



Details of the numbers can be found in the table below:

數字的詳情請參閱下表：

Environmental 環境

1	Air pollutant and carbon emission 空氣污染物及碳排放
2	Sewage and waste 污水與廢棄物
3	Energy and electricity consumption 能源用量及用電量
4	Water consumption 用水量
5	Packaging material consumption 包裝材料用量

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

6	Significant impacts on the environment, such as noise, odour, pollution, ecological imbalance, species extinction and resource depletion 對環境的重大影響，如噪音、惡臭、污染、生態失衡、物種滅絕及資源枯竭
7	Risks brought by climate issues, such as physical risk (extreme weather events and rise of temperature) and transition risk (policy, legal and market risk) 氣候問題帶來的風險，如實體風險（如極端天氣及氣溫上升）及轉型風險（政策、法律及市場風險）

Social 社會

8	Compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare 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
9	Employees' health and workplace safety 僱員健康及工作場所安全
10	Improvement in job skills and development opportunities 工作技能進步及發展機遇
12	Stability and sustainability of supply chain 供應鏈穩定性及可持續性
15	Product market demand and innovation 產品市場需求及創新
19	Contribution to society, such as donation, care, conservation and education 對社會的貢獻，如捐款、看護、節能及教育

Governance 管治

11	Preventing child labour and forced labour. 防止童工及強制勞工
13	Supply chain environmental risk management 供應鏈環境風險管理
14	Product quality and safety 產品質量及安全
16	Customer relation and protection 客戶關係及保護
17	Intellectual property rights 知識產權
18	Behaviours such as bribery, extortion, fraud and money laundering, and the mechanisms and training activities to prevent such behaviours 賄賂、勒索、欺詐及洗黑錢等行為，及防範該等行為的機制及培訓活動

* The red colored are the most important topics to the Group

* 紅字為對本集團最重要的議題

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As illustrated above, the ESG topics of highest priority to the Group are the Significant Impacts on environment, Product Quality and Safety, Employees' Health and Workplace Safety, and Intellectual Property Rights.

In view of our business nature, impacts on local communities and environment are unavoidable since construction is a big part of the project, which also creates noise pollution and disrupts the landscape, we are pleased to note that our employees and customers also take the Group's environmental impact very seriously and we will also work harder to minimize it.

We are also concerned about the health and safety of our employees. Our workers are often required to climb up to heights to monitor and test the production, which pose risks of injuries and deaths. In view of this, we have strict regulations on employee safety precautions and monitoring policies to prevent serious injuries from occurring.

In addition, because our products can bring about a significant societal impact, it is critical to ensure that our products are safe, provide required functionality, and continually improve product design in line with society's growing expectations for waste management.

Sewage and Waste and the Packaging Material Consumption are less important to our business and our stakeholders in line with their response. Due to our business nature, we do not produce sewage in the production process and also our product does not require the usage of packaging materials, so those are immaterial to the Group.

SOCIAL SUSTAINABILITY

Product Responsibility

Product Quality and Safety

The Group seizes every opportunity to improve our product quality. As evidence of the Group's ambition and commitment, we have obtained the ISO9001 accreditation, with a focus on standardization and strategic sourcing. Based on the requirements of ISO9001 quality management system, we have a flawless production process management system, which ensures normal production operation, and we try our best to give our customers a good service experience.

We require contractors to follow standard production procedures, making sure all critical steps are taken and executed in a reasonable timeframe. We established KPIs for production, such as resource input, quality of outcomes, and structure robustness, in order to measure contractor's performance and identify rooms for improvement.

如上圖所示，本集團最重視的環境、社會及管治議題為對環境的重大影響、產品質量及安全、僱員健康及工作場所安全以及知識產權。

因業務性質使然，我們不可避免地對當地社區及環境產生影響。建造是我們業務項目的重要部分，亦會產生噪音污染及破壞景觀。我們樂於知悉我們的僱員及客戶亦非常認真地看待本集團對環境的影響，而我們亦致力將影響減至最低。

我們亦關注僱員的健康及安全。我們的工人時常需於高空監察及測試生產，存在傷亡風險。為此我們就僱員的安全預防措施及監督政策作出嚴格規範，以防止嚴重工傷事故發生。

此外，由於我們的產品可能會產生重大的社會影響，因此確保產品安全可靠、具備所需功能、並不斷改善產品設計，以符合日漸提高的廢物管理社會期望，至為重要。

污水與廢棄物及包裝材料用量對我們的業務及持份者（與彼等的反應一致）而言較不重要。由於業務性質使然，我們並不會於生產過程中產生污水，而我們的產品並不會使用包裝材料，因此該等議題對本集團而言並不重要。

社會可持續性

產品責任

產品質量及安全

本集團把握每一個機會提高產品質量。我們已通過ISO9001認證，專注於標準化及策略性採購，這體現了本集團的抱負及承諾。根據ISO9001質量管理體系的要求，我們擁有完善的生產過程管理體系，保證了生產的正常運行，並盡力為客戶提供良好的服務體驗。

我們要求承包商遵守標準生產程序，確保在合理的時間內採取及執行各項重要步驟。我們已設立生產層面的關鍵績效指標，如資源投入、成果質量及結構穩健性，以衡量承包商的表現及識別改善空間。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Apart from process improvement, we source raw materials carefully. Raw materials can produce a huge impact on output quality, as a single point of weakness can result in structural collapse and system failure. To guarantee product safety, we constantly compare the valves and pipes against the specifications. Knowing intense heating and a chain of chemical reactions would be involved during product operation, mechanical components must be resistant to heat and acidic gas.

Being a solution provider in hazardous waste incineration, it is of our priority to ensure a complete decomposition of waste and no unwanted materials remain. Hence, we have made product testing a compulsory part of the production, with a focus on equipment capacity, decomposition rate and emission tracking, so as to make our clients aware of the risks and not to overwhelm the system. We would deliver the products only after obtaining all necessary experimental data with a high credibility.

As one of the leaders in the industry, the Group does not sit on its laurels and is keen on researching waste treatment technologies continuously. Facing the complex environmental problems today, we are obliged to resolve the solid waste problem in a more efficient and environmentally-friendly manner. We look into every possibility of getting more energy out of the waste and reducing the amount of pollutant that results from the combustion process and have been integrating relevant concepts into the products, for example, harvesting the heat to facilitate waste pre-treatment process and installing detecting sensors that monitor pollutant emission levels.

Product quality inspection is mainly to find problems in the appearance, installation, debugging and other aspects of the project site. We will arrange refurbishment or return of goods that do not meet the requirements. During the reporting year, no products of the Group were subject to recalls for health and safety reasons.

除流程改進外，我們亦審慎採購原材料。原材料質量可能會對輸出質量產生巨大影響，因為每一個缺陷都有可能導致結構崩潰及系統故障。為確保產品安全，我們經常將閥門和管道與指定規格進行比較。由於在產品運作過程中會涉及大量加熱及一連串化學反應，機械部件必須為耐熱及耐酸性氣體。

作為危險廢物焚燒處置解決方案供應商，我們的首要任務是確保廢物完全分解，且不遺留有害的材料。因此，產品測試是我們生產過程的必要環節，重點關注設備容量、分解率及排放物追蹤，從而可讓客戶了解所存在的風險，並且不會令系統不堪重負。我們僅會在取得各種可信程度高的所需實驗數據後，才會交付產品。

作為行業領導者之一，本集團並未滿足於現狀，而是繼續積極投入研究廢棄物處理技術之中。面對現今複雜的環境問題，我們有責任以更有效及更環保的方式解決固體廢棄物問題。我們研究各種可能性，力求從廢棄物中獲取更多能源及減少燃燒過程中產生的污染物數量，並已將相關概念融入到產品中，例如收集熱能以促進廢物事先處理工序及安裝監測污染物排放水平的檢測傳感器。

產品質量檢驗主要是找出項目現場的外觀、安裝、調試等方面所存在的問題。我們會安排不符合要求的貨品進行翻新或退貨。於報告年度內，本集團概無產品因健康與安全理由而須回收。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Advertising and label

The Group has been complying with the laws and regulations related to advertising in Mainland China and Hong Kong and confirms the accuracy and authenticity of all published materials.

Privacy and Data Protection

The Company takes due care of the confidentiality of all personal information and prevents any unauthorized access to customers' information. We do not collect more information than the data we need to complete the projects. For the customer information we have collected, we will not share them with any unauthorized third party.

Intellectual Property Rights

The Company requires our employees to respect and protect intellectual property rights in our daily business operations. We handle prudently and ensure we and our employees maintain a high standard of integrity and ethics.

Customer Opinion and Complaints

It is always important to listen to the opinion of customers. While we serve our customers, they in turn feed us with valuable insights into how the products can be made to fit their business needs. Hence, we cherish the relationship with customers and have carried out in-depth surveys in assessing their satisfaction levels. Once we have received complaints from our customers, we will resolve them as soon as possible and report them to the suppliers in a timely manner.

In 2021, we complied with all relevant laws and regulations that have a significant impact on the Group. During the Reporting Period, the Company did not receive any major complaints on product quality. The Group has followed all relevant laws and regulations of Mainland China and Hong Kong concerning product responsibility, including health and safety of customers and the public, service quality, advertising, labelling and privacy matters.

Supply Chain Management

Suppliers are one of the key stakeholders to the Group who cannot be independent of production materials. Hence, we value our relationship with suppliers and are actively developing a sustainable supply chain that meets the Group's ethical, environmental, health and safety standards.

廣告及標籤

本集團一直緊遵中國內地及香港有關廣告的法律法規，並確認所發佈資料的準確性及真實性。

私隱及資料保障

本公司極度關注所有個人資料的保密程度，並避免客戶的資料遭受任何未經授權的方式獲取。我們收集的資料以完成項目所需信息為限，所有收集的資料不會與任何未經授權的第三方分享。

知識產權

本公司要求僱員於日常業務營運中尊重及保護知識產權。我們審慎處理並確保僱員維持高水平的誠信及道德操守。

客戶意見及投訴

聆聽客戶意見至為重要。在我們為客戶提供服務的同時，客戶也為我們提供寶貴的見解，讓我們了解產品如何才能切合其業務需要。因此，我們珍視與客戶的關係，並已進行深入調查以評估客戶的滿意度。當我們收到客戶的投訴，我們將會盡快解決並即時向供應商匯報。

於2021年，我們遵守所有對本集團而言有重大影響的法律及法規。於報告期內，本公司並無收到任何有關產品質量的重大投訴。本集團已遵守中國大陸及香港所有與產品責任有關的法律及法規，包括客戶及公眾的健康及安全、服務質素、廣告、標籤及私隱事宜。

供應鏈管理

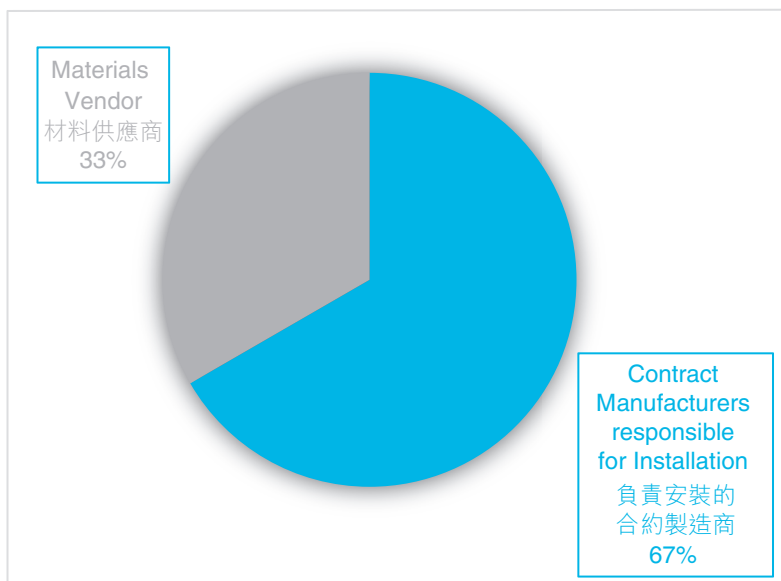
供應商為本集團的主要持份者之一，因為本集團無法自供所需生產材料。因此，我們重視與供應商的關係，並積極建立符合本集團道德、環境、健康與安全標準的可持續供應鏈。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the Reporting Period, our main suppliers are material vendors and contract manufacturers responsible for installation.

於報告期內，我們主要的供應商為材料供應商及負責安裝的合約製造商。



They are mainly distributed across China, especially in Guangdong Province. For the Materials Vendor, they are distributed in Guangzhou, Beijing, Hangzhou, Nanjing and Anhui, each places have one supplier. For the Contract Manufacturers responsible for Installation, they are distributed in eight places in China Two in Beijing and two in Shanghai, and with one supplier in each of the following places, including Jiangsu, Hangzhou, Zhengzhou, Henan, and Yinchuan, Ningxia.

該等供應商主要分佈於中國各地，尤其是廣東省。就材料供應商而言，彼等佈於廣州、北京、杭州、南京及安徽，各個地區均有一個供應商。就負責安裝的合約製造商而言，彼等分佈於中國八個地點。包括兩個在北京，兩個在上海。而江蘇、杭州、河南鄭州以及寧夏銀川，各個地方均有一個供應商。

The selection of suppliers has been made according to the ISO9001 Framework. We established an assessment scheme and review the performance of suppliers each year. The Company cares about the performance of all our suppliers in environmental and social sustainable development. We hope that our suppliers should uphold the same corporate and social responsibilities as we hold ourselves. Moreover, we study their price, steadiness, quality, and long-term potential to identify those who are in good fit with our criteria. As a reward, we establish a long-term relationship with well-rated suppliers and engage them in our internal meetings regarding supply chain management.

本集團根據ISO9001的框架挑選供應商。我們制定評估計劃，並每年檢討供應商的表現。本公司重視我們所有供應商於環境及社會可持續發展方面的表現。我們希望供應商秉持與我們同樣的企業及社會責任。此外，我們研究供應商的價格、穩定性、質量及長期潛力，以識別符合我們標準的供應商。我們與信譽良好的供應商建立長期關係，並邀請這些供應商參與我們有關供應鏈管理的內部會議。

To ensure we have sufficient knowledge of their operations and products for fair judgement, we conduct regular visits to their production facilities. New suppliers must first enter information in the bidding system, and be evaluated as qualified suppliers before they can make bids and quotations. There are currently more than 400 qualified suppliers in the system. A quality control personnel will be assigned to monitor the manufacturing process of equipment.

為確保我們對供應商的營運及產品有充分了解，以作出公平判斷，我們定期視察供應商的生產設施。新的供應商必須先在招標系統輸入資料，經評估為合資格供應商後，才可投標及報價。系統內目前有超過400間合資格供應商。質量控制人員將會被指派到監控設備的製造過程。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Anti-Corruption

The Group does not accept any form of misconduct in operation, and is committed to upholding the core values of honesty, responsibility and integrity in daily operation. We comply with the Anti-Unfair Competition Law of the People's Republic of China, the Supervision Law of the People's Republic of China, the Prevention of Bribery Ordinance (Cap. 201 of Hong Kong Law) and all other relevant rules and regulations regarding the subject and the operation areas. We do not allow employees to derive benefits or opportunities from one's position, company resources or information. We also implement an Anti-Fraud system to control the risk of corruption.

During the reporting period, the Group, its directors and its employees were not involved in any legal cases concerning corrupt practices. We did not observe any cases involving bribery, extortion, fraud or money laundering and also, we complied with all the relevant rules and regulations.

Employment

The Group regards talents as one of its core competencies and has optimized the use of human resources through a dedicated recruitment process and appraisal system.

The management regularly reviews the Group's remuneration and welfare policies making reference to the market standards and the individual's performance and experience. This will help fostering our commitment to safeguarding the rights and interests of the staff. With the annual performance appraisal, we offer bonuses and salary increments to reward employees for their diligence and dedication during their working period.

The Company strictly abides by the labour regulations, including but not limited to the Employment Ordinance and the Occupational Safety and Health Ordinance of Hong Kong, the Labour Law and the Employment Contract Law of the People's Republic of China. In any circumstances, the Group offers wages not lower than the minimum wage as stipulated by law. In addition to the statutory benefits such as insurances and public holidays, the Group provides paid holidays such as annual leave, bereavement leave, maternity and sick leave, as well as subsidies in travelling and studying.

Our Group embraces a diverse workforce that includes employees of different ages, genders, family status, sexual orientation, disabilities, ethnicity, and religion. We offer equal opportunity to every staff in our company. We encourage our employees to facilitate their communication at work through team-building activities, inter-and intra-departmental conferences, and sports competitions. These ensure their well-being and a healthy working lifestyle.

反貪污

本集團不接受在營運當中任何形式的不當行為，並致力在日常營運中秉持誠實、負責及正直的核心價值觀。我們遵守《中華人民共和國反不正當競爭法》、《中華人民共和國監察法》、《防止賄賂條例》(香港法例第201章)及其他相關法規。我們不允許僱員利用其職位、公司資源或信息謀取利益或機會。我們亦實施反欺詐系統以控制貪污風險。

於報告期間，本集團、其董事及其僱員並無牽涉任何貪污訴訟案件。我們並無發現任何涉及賄賂、勒索、欺詐或洗黑錢的案件，而且我們已遵守所有法律及法規。

僱傭

本集團視人才為其核心競爭力之一，並通過專門的招聘流程及考核體系優化人力資源的使用。

管理層定期參考市場標準及員工個人表現及經驗，檢討本集團的薪酬及福利政策，該做法有助促進我們致力保障員工權益的承諾。根據年度績效評估，我們提供花紅及加薪以獎勵員工於工作期間的努力及奉獻。

本公司嚴格遵守勞工法規，包括但不限於香港的《僱傭條例》及《職業安全及健康條例》、中國的《中華人民共和國勞動法》及《中華人民共和國勞動合同法》。在任何情況下，本集團提供的工資均不低於法律規定的最低工資。除保險及公眾假期等法定福利外，本集團亦提供年假、喪假、產假及病假等帶薪假期，以及交通及學習補貼。

本集團擁有多元化的員工隊伍，包括不同年齡、性別、家庭狀況、性取向、殘疾、種族及宗教的僱員。我們為公司內每一位員工提供平等機會。我們鼓勵僱員透過團隊建設活動、部門內部會議及跨部門會議、運動賽事等加強交流，促進工作上的交流，從而保障員工的福祉及健康的工作生活方式。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

To maintain the relationship within this one big family, we open up communication channels for workers to express their opinions, such as Employee Representative Meeting, in favour of the reflection on operation and management. We would also distribute notice regarding significant changes in our management directions, to ensure that workers are aware of and abide by the relevant regulations.

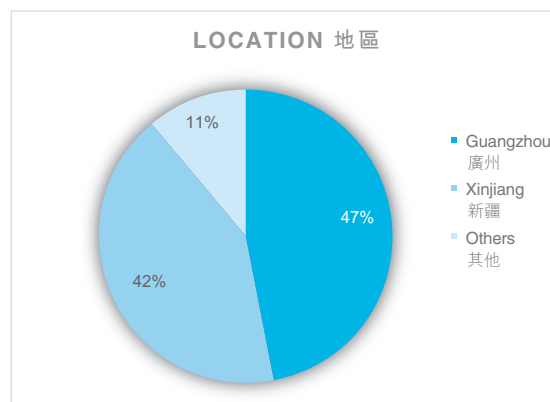
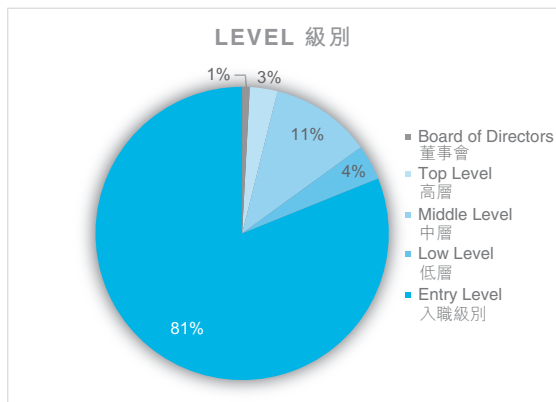
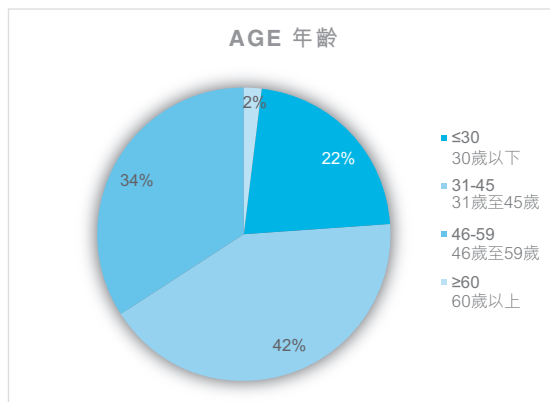
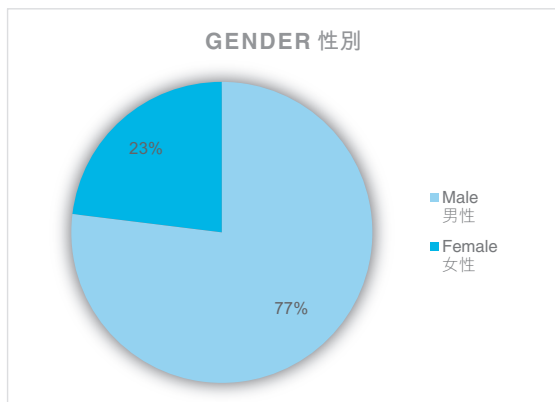
為了維持這個大家庭的和諧關係，我們為員工開辟溝通渠道，以表達他們的意見，例如員工代表大會，有利於我們對營運及管理進行反思。我們亦會就管理方針的重大變動發佈通知，以確保工人均知悉及遵守有關規定。

At the end of the Reporting Period, our Group hired a total of 359 employees, increasing by 8.1% from the previous year. Across our business portfolio, females accounted for 23% of the labor force. While the gender gap may seem big, we are glad to see more females joining us and we must understand that the professionals in engineering consultancy are dominantly males. Regarding age, most of our employees concentrated in 31-45, accounting for 42% of the total. This is good for the company as the employees at this age are often experienced and productive. We would develop corresponding retention strategies.

於報告期末，本集團共聘用359名僱員，較去年增加8.1%。在我們的業務組合中，女性佔勞動力的23%。雖然性別差距似乎較大，但我們很高興看到更多女性加入我們，且我們必須理解工程諮詢的專業人士多以男性為主。在年齡方面，我們大部分僱員集中在31至45歲，佔總數的42%。這對於公司而言是有利的，因為在這個年齡段的員工通常經驗豐富且工作效率高。我們亦會就此制定相應的僱員挽留策略。

Employee Statistics

僱員統計數據



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

On the other hand, we saw 10% of our employees leaving during the reporting period. Most of them belong to the age group under or equal to 30 and the turnover rate for the age group is 14%. This is significant and has aroused the attention of management, who will come up with policies and plans to retain the talents, such as, to provide the employees with more training courses so as to develop their potential and let them feel being valued.

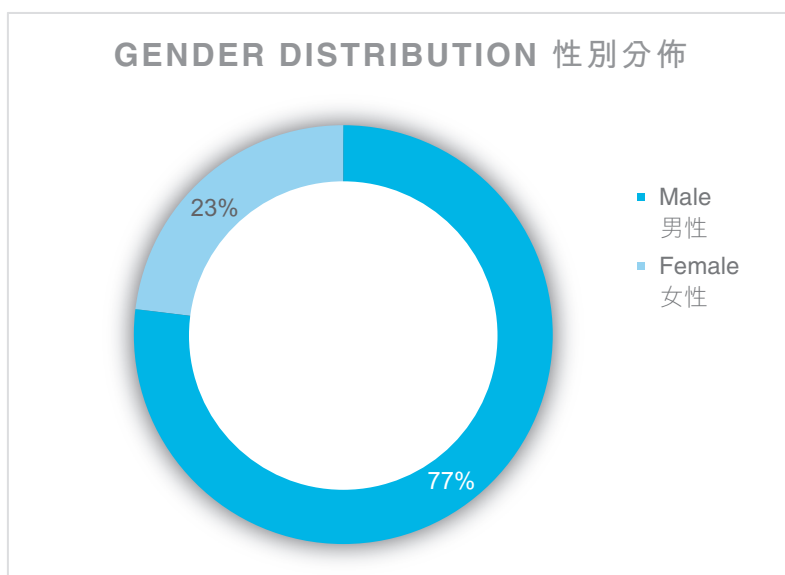
Turnover Statistics

(Employees of certain category leaving / ((Number of employees in the category at the beginning of the period + Number of employees in the category at the end of the period) / 2)

另一方面，我們發現於報告期內，有10%的僱員離職，大部分屬於30歲或以下的年齡組別，該年齡組別的流失率為14%。這項發現十分重要，並已引起管理層的關注，而管理層將制定政策及計劃挽留人才，例如向員工提供更多培訓課程以發展潛能，並讓彼等感到備受重視。

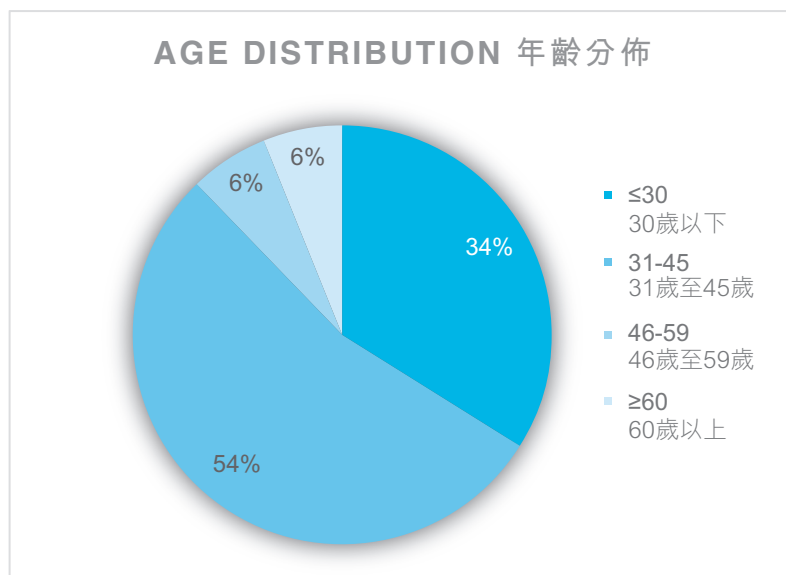
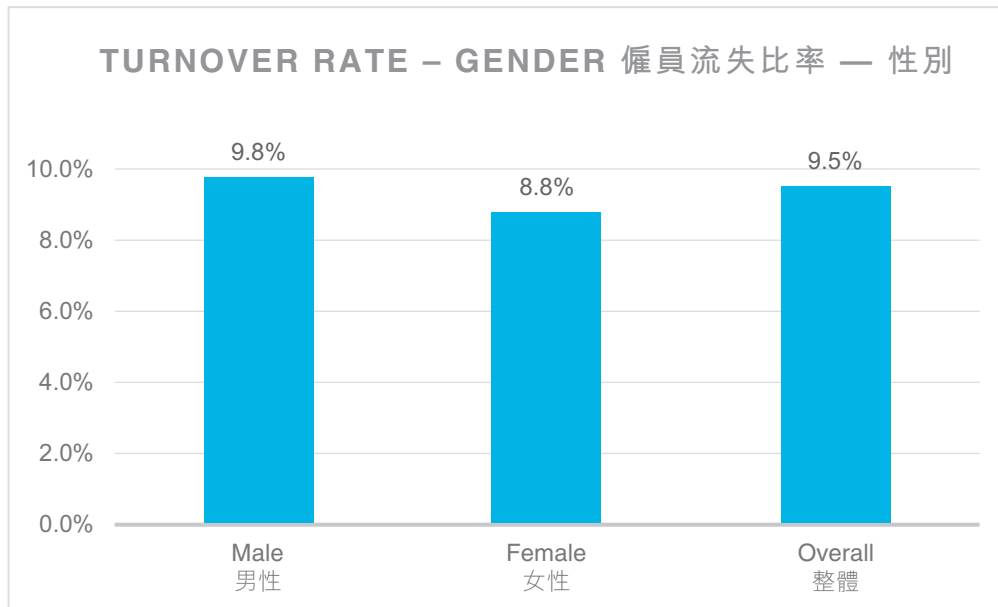
僱員流失比率

(離職的若干類別僱員 / (該類別僱員於期初的數目 + 該類別僱員於期末的數目) / 2)



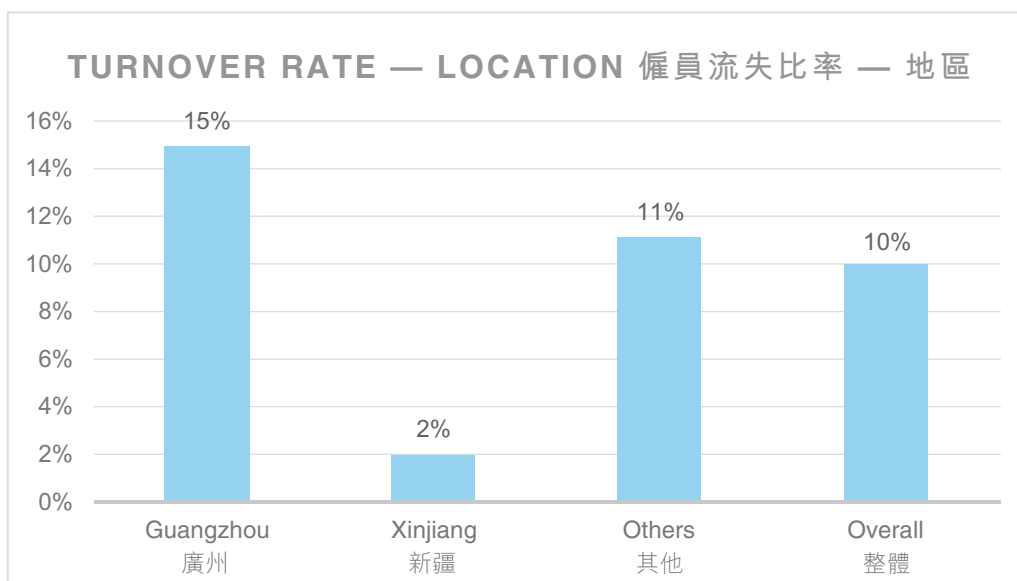
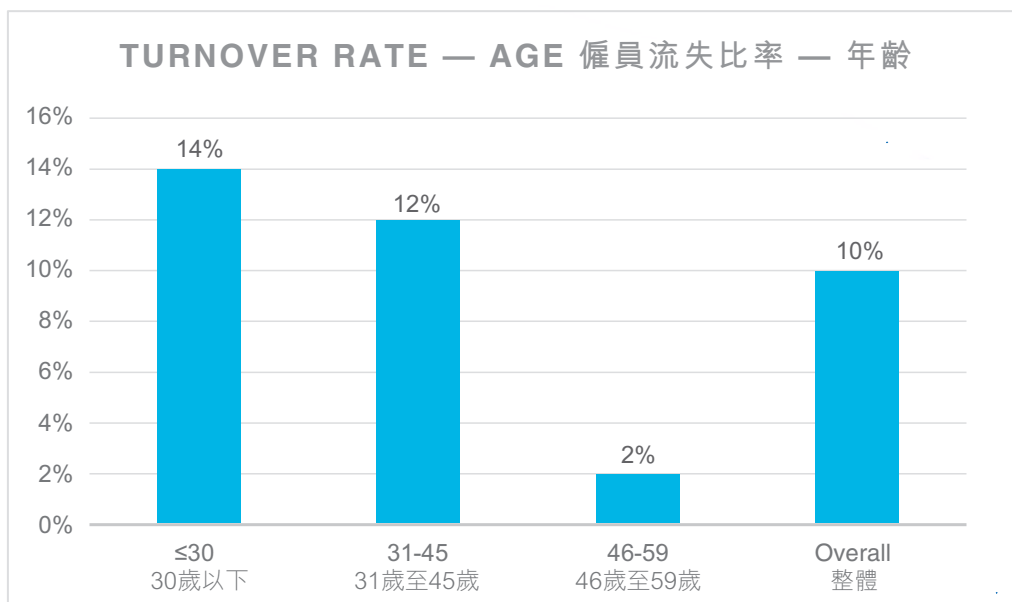
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Labour Standards

The Group strongly opposes to the employment of child and forced labour, the practice of which violates international labour conventions. The Group strictly prohibit the employment of both.

We prudently check the identity of all candidates to prevent the hiring of underaged labour. We form a voluntary employment relationship with each of our employees and over-time working is not allowed. The Group strictly follows the working-hour system, does not squeeze employees' time, and adheres to the principle of negotiation and voluntariness. We have also promoted such concepts within the supply chain so as to protect the well-being of labour of the entire community. We hope to spread out the ideas of prohibiting child and forced labour. If, unfortunately child labour is found, their employment will be terminated immediately and remuneration will be made according to the agreed wages.

During the reporting period, the Group did not recognize any material irregularities in the laws and regulations relating to labour standards.

Health and Safety

The Group places occupational health and safety at the first place. In light of that, sound occupational health and safety policies are essential, not only for employees and the Group, but also our customers and other stakeholders. In compliance with relevant laws and regulations of mainland China and Hong Kong, the Group has formulated a control system for labour safety and sanitation with certification of OHSAS18001. OHSAS18001 is a system utilized to manage the operational health and safety risk in the Group and hence, is able to improve our overall performance.

勞工準則

本集團堅決反對童工及強制勞工的聘用，該等行為違反國際勞工公約。本集團嚴格禁止兩者的僱用。

我們審慎檢查申請人的身份，以防止聘用未成年勞工。我們與各僱員建立自願僱傭關係，而且不允許員工超時工作。本集團嚴格遵從工時系統，不會壓榨員工的時間，堅守磋商及自願性的原則。我們亦有在供應鏈中倡導此觀念，以保障整個社區的勞工福利。我們希望發揚禁止童工及強制勞工的理念。倘不幸發現童工，將立即終止其僱用，並根據協定工資支付薪酬。

於報告期內，本集團並無發現任何嚴重違反勞工準則相關法律法規的情況。

健康與安全

本集團將職業健康與安全放在第一位。有見及此，健全的職業健康與安全政策不單止對僱員及本集團至關重要，對我們的客戶及持份者亦同樣同要。根據中國內地及香港的相關法律法規，本集團制定了勞動安全及衛生管理體系，並通過OHSAS18001認證。OHSAS18001為一套用作管理本集團營運方面健康與安全風險的系統，並能夠藉此提升我們整體的表現。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As a consultant in hazardous waste incineration system development, we instruct, monitor and make sure the equipment is built in strict accordance with sketches and diagrams. For structures that have been established within the project phase, we scrutinize every screw and joint in search of possible faults and malfunctions. This leads us closer to the source of risk and spotting the risk in the first place.

We have established a risk management system, which entails precautions and handling procedures for hazards. Guidelines are reviewed periodically to ensure alignment with industry consensus and regulatory requirements. Apart from the documentation, we assign safety managers to maintain communications with employees at all levels to make sure they are well aware of safety hazards and the steps to take in case of occurrence.

We strive to reduce risk. Through observation and laboratory procedures, we evaluate the health of incineration system structures. For every flaw or mismatch identified, we would look into the issue and broaden the range of inspection to dig out other possible defects that pose risks of system collapse. We cherish such experience, despite an unpleasant one, and report our findings to contractors.

Where working at heights, in confined space, or where mobile machineries are involved, we offer protective gadgets to workers to reduce the magnitude and chance of incidents, for example, offering safety harness that ties the body of the workers to the working structures that prevent falling of the workers and offering helmets that avoid objects falling overhead. We also delegate a site supervisor to monitor operations, including the adoption of safety procedures, the maneuvering of vehicles, and the division of labour.

Last but not least, we provide safety trainings for workers who are stationed in construction sites. Workshops are held to inform workers of the safety concerns of production practices, hoping they would exercise extra caution when performing relevant duties and not trigger accidents that may harm other people or the environment. Regardless of seniority, workers are required to attend trainings regularly, even if they have attended similar trainings before. This is to remind them of the correct working postures and operating procedures and promote corporate safety culture. The Group takes worker's safety very seriously.

Thanks to the joint efforts of workers and site supervisors, during the Reporting Period, the Group has no work-related injury and safety incidents recorded, meaning zero incidents related to deaths and injuries arising from work. In our record, there was no work-related injury and safety incidents within the past three reporting periods.

作為危險廢物焚燒系統開發顧問，我們指導、監控並確保設備嚴格按照圖紙的要求建造。對於在項目施工階段建立的結構，我們會仔細檢查每個螺桿及接頭以發現可能存在的缺陷及故障。這使我們一開始便接近源頭，識別風險。

我們已建立風險管理制度，當中包括危險預防及處理程序。我們定期檢討指引，以確保符合業界共識及監管規定。除文件外，我們指派安全經理與各級僱員保持溝通，以確保彼等充分了解安全風險及發生事故時應採取的措施。

我們致力減低風險。通過觀察及實驗室程序，我們評估焚燒系統結構的牢靠性。對於發現的每一個缺陷或錯配，我們都會認真研究問題並擴大檢查範圍，以挖出其他可能導致系統崩潰風險的缺陷。儘管這並非愉快的過程，但我們予以重視，並向承包商報告我們的調查結果。

在高空、密閉空間作業或涉及移動機械的情況下，我們為工人提供保護裝置，以減少事故發生的幅度及可能性，例如提供將工人身體與工作架連接的安全帶，避免其從高處墮下，及提供安全帽而避免頭部受墜落物體砸傷。我們亦委派一名地盤主管監察作業情況，包括採納安全程序、車輛操作及分工。

最後，我們為駐於建築地盤的工人提供安全培訓。我們舉辦專題培訓，讓工人了解生產作業中的安全問題，以期望彼等在履行職責時格外小心謹慎，確保不會觸發可能危害他人或環境的事故。不論資歷高低，工人均須定期參加培訓，即使以前已參與過類似培訓亦不例外。這是為了提醒工人正確的工作姿勢及操作程序，弘揚企業安全文化。我們非常重視工人的安全。

在工人及地盤主管的共同努力下，於報告期內，本集團無發生安全事故，即無出現因工死亡及受傷的事故。根據我們的紀錄，於過去三個報告期內，概無工傷與安全事故。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Development and Training

The Group treasures talents and encourages employees to grow both intellectually and professionally. The Group has formulated training plans for employees, including seminars and workshops. The training programs are classified into two types, internal and external. During the reporting period, the Group has organized two core trainings listed as below:

發展及培訓

本集團重視人才，並鼓勵僱員在知識及專業方面持續成長。本集團已為僱員制定培訓計劃，包括研討會及工作坊。培訓課程可被分類為內部及外部兩種。報告期間內，本集團組織了兩項核心培訓，具體如下：

Training Subject 培訓主題	Training purpose and content 培訓目的及內容
Anti-Corruption Training 反貪污培訓	<ol style="list-style-type: none"> 1. Raise awareness of anti-corruption laws 提高反貪污法律的意識 2. Master the skills of dealing with permissions 熟習處理許可的技巧 3. Take effective measures to establish a corruption prevention system and a culture of integrity 採取有效的防範貪污措施，建立防範貪污的系統及誠信文化
Operation Project Safety Training 運營項目安全培訓	<ol style="list-style-type: none"> 1. Standard procedures for thermal load debugging and trial operation 熱負荷調試及試運行的標準程序 2. Emergency response 緊急情況應對措施 3. Other project safety related issues 其他項目安全相關事宜

During the Reporting Period, all of our employees have received trainings. Each employee attended an average of 16-19 hours of normal business operation training, and a 3 hours of anti-corruption training.

於報告期內，我們全體員工均已接受培訓。每位員工平均參與了16至19小時的日常業務營運培訓，及3小時的反貪污培訓。

Community Investment

The Group is committed to building a harmonious relationship with the community. We harnesses its know-how in waste incineration to serve the society. By assisting to devise solution in handling industrial and municipal waste, such as heavy metals and electronics, the Group helps cleaning up the wastes in the landfill and improves the living environment.

社區投資

本集團致力與社區建立和諧關係。我們利用其於垃圾焚燒方面的專業知識服務社會。本集團協助設計處理工業及城市垃圾(如重金屬及電子產品)的解決方案，從而幫助清理填埋區廢棄物及改善生活環境。

The Group focuses on community contributions to environmental affairs and public health. Coinciding with the emergence of COVID-19, we have worked hard to find out how we can help the public cope with the virus through our business development. We believe that waste incineration can at least help to reduce the spread of the virus.

本集團專注於對環境事務及公眾健康的貢獻。因應新冠病毒的出現，我們努力透過業務發展幫助公眾應付疫情。我們相信廢物焚燒能最起碼能夠協助減少病毒傳播。

Not only did the Group provide waste removal solution, but we also added lines of greenery for the city. We held tree planting activities along the roads during the year for the provision of fresh air and make our journey more pleasant.

本集團不僅提供廢物清除解決方案，亦為城市增添多條綠化路。年內，我們舉辦植樹活動，在道路沿線種植樹木，以提供清新空氣並讓我們的旅程更愉快。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

We would continue to encourage employees to do good to their surrounding communities by drawing their attention to diverse social and environmental issues and organizing charitable activities.

ENVIRONMENTAL SUSTAINABILITY

We are concerned about the environmental quality, we try to minimize our impact on the environment at the same time spreading out the concept of sustainability development and protecting the environment. We seek to respond to the sustainability issues across our operations, from sourcing materials to our office usage to engaging customers.

Emissions

The Group has always emphasized environmental friendliness and reducing emissions of all kinds. Since we are mostly providing consultancy services for hazardous waste incineration system this year, our emissions are rather limited. And due to the nature of business, the main emissions from the Group only included air emission and greenhouse gas (GHG) emission which comes from the usage of vehicles, paper and electricity. Compared to the emission from the previous year, the Group has not made significant progress, we will try our best to reduce the emission from our business operation, to encourage the Group in the reduction of emission, we have set a target to reduce the GHG emission by 30% by 2025 with 2021 as the baseline year. Considering the target, we will think twice when conducting activities that generate greenhouse gas emissions.

The air pollutants including the Nitrogen Oxides, Sulphur Oxides and the Particulate Matter mainly come from the automobile exhaust, the detail data will be provided in the below tables.

我們將繼續鼓勵僱員關注各種社會及環境事宜，並組織慈善活動，對周邊社區作出貢獻。

環境可持續性

我們關注環境質量，我們致力將我們對環境的影響減至最低，同時宣揚可持續發展及保護環境的理念。我們設法尋求回應整個營運中(從採購物料、辦公室使用以至吸引客戶)的可持續發展問題。

排放物

本集團一直強調環保及減少各類排放物。由於我們於本年度主要提供危險廢物焚燒系統方面的顧問服務，我們的排放量相當少。亦由於我們的業務性質使然，本集團的主要排放僅包括來自使用汽車、紙張及電力的廢氣排放溫室氣體(溫室氣體)排放。與去年的排放量相比，本集團未有大幅改善，我們將會盡力減低業務營運中的排放。為鼓勵本集團減排，我們會以2021年作為基準年度，訂下於2025年減低30%排放的目標。考慮到這個目標，我們將於進行會產生溫室氣體排放的業務前三思而後行。

空氣污染物包括主要來自汽車廢氣排放的氮氧化物、硫氧化物及顆粒物，詳細數據將於下表載列。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Air and Greenhouse Gases

廢氣及溫室氣體

The following tables set out the relevant statistics for the reporting period:

下表載列報告期間的相關統計數據：

Indicators 指標	Unit 單位	Total (2020) 總計(2020年)	Total (2021) 總計(2021年)
Nitrogen Oxides (NO _x) 氮氧化物(NO _x)	kg 千克	6.39	6.55
Intensity (Per Employee) 密度(每名僱員)	kg/Employee 千克/僱員	0.0193	0.0187
Sulphur Oxides (SO _x) 硫氧化物(SO _x)	kg 千克	0.11	0.11
Intensity (Per Employee) 密度(每名僱員)	kg/Employee 千克/僱員	0.0003	0.0003
Particulate Matter (PM10) 顆粒物(PM)	kg 千克	0.47	0.48
Intensity (Per Employee) 密度(每名僱員)	kg/Employee 千克/僱員	0.0014	0.0014
Total GHG Emissions 溫室氣體排放總量	Tonnes of CO _{2e} 噸二氧化碳當量	90.25	90.64
Intensity (Per Employee) 密度(每名僱員)	Tonnes of CO _{2e} /Employee 噸二氧化碳當量/僱員	0.27	0.27
Scope 1 — Stationary combustion 範圍1 — 固定源燃燒	Tonnes of CO _{2e} 噸二氧化碳當量	0	0
Intensity (Per Employee) 密度(每名僱員)	Tonnes of CO _{2e} /Employee 噸二氧化碳當量/僱員	0	0
Scope 1 — Mobile combustion 範圍1 — 移動源燃燒	Tonnes of CO _{2e} 噸二氧化碳當量	20.79	20.31
Intensity (Per Employee) 密度(每名僱員)	Tonnes of CO _{2e} /Employee 噸二氧化碳當量/僱員	0.063	0.058
Scope 2 Indirect Emissions 範圍2間接排放	Tonnes of CO _{2e} 噸二氧化碳當量	69.46	70.33
Intensity (Per Employee) 密度(每名僱員)	Tonnes of CO _{2e} /Employee 噸二氧化碳當量/僱員	0.21	0.20

Note: GHG emissions are computed based on the *ESG Reporting Guide and Emission Factor from Cross-Sector Tools* prepared by Greenhouse Gas Protocol.

附註：溫室氣體排放量乃根據環境、社會及管治報告指引及溫室氣體核算體系編製的跨行業工具排放系數計算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group understand the impact brought by GHG and air emission, so we strive to reduce the air and GHG emissions through improving process flow, for example, we ease the moving of cranes by clearing obstacles on the paths and avoid acceleration, thus consuming less fuels. Not only do we modify our operation, but we also integrate sustainability concepts into our products, including flue gas cleaning and the harvest of waste heat. Through scrubbing and bag-house filtering, acidic gas and fly ash is removed from the incineration process so that the resultant flue gas is much less harmful to the environment.

Since incineration requires a huge heat input and the decomposition of waste does not consume fully the heat, the system is made able to store the leftover for alternative usages, such as pre-treatment of waste and the driving of turbine for electricity generation, substantially saving energy.

We also avoid the use of refrigerant for system cooling, which otherwise would produce GHG with a much higher global warming potential than ordinary fossil fuel combustion.

Solid Waste Emission

We uphold the principle of “4Rs”, namely Reduce, Reuse, Replace and Recycle. In our offices, we produce only municipal waste, which is unharmed, disposed through legal means and collected by governmental services daily. Hence, we consider this issue insignificant to the Group and do not report the figures here.

As we outsource the installation of incineration system to contractors, we do not generate waste in system production. However, this does not mean we do not contribute to waste reduction. Instead, we actively assist them in retrieving materials for future production, such as metal scrap.

本集團深明溫室氣體及廢氣排放帶來的影響，因此我們致力透過改善工藝流程減少廢氣及溫室氣體排放，例如，清除路上障礙讓起重機移動靈便並避免加速，從而減少燃料消耗。我們不僅改善作業流程，亦將可持續發展理念融入產品中，包括煙氣淨化及餘熱回收。通過清洗和袋式過濾，去除焚燒過程中的酸性氣體和飛灰，從而令產生的煙氣減少對環境的危害。

由於焚燒需要大量的熱量輸入，且垃圾的分解不會完全消耗所輸入熱量，因此該系統能夠將剩餘的熱量儲存作其他用途，如垃圾的預先處理及驅動發電用的渦輪機，大大節省了能源。

同時，由於使用製冷劑進行系統冷卻產生的溫室氣體全球增溫潛值較普通化石燃料燃燒所產生者更高，我們亦避免使用製冷劑。

固體廢棄物排放

我們秉持「4R」原則，即減少使用、物盡其用、替代使用及循環再用。我們的辦公室僅產生無害的城市垃圾，且均以合法的方式處置及每日由政府服務機構收集。因此，我們認為這事宜對本集團而言並不重大，故並無在此報告有關數據。

由於我們將焚燒系統的安裝外包予承包商，我們在系統生產中不會產生廢棄物。然而，這並不意味著我們不會為減少廢棄物作貢獻。相反，我們積極協助承包商回收日後生產可用的材料，如廢金屬等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Wastewater

The wastewater of the Group comes mainly from lavatories. Since living wastewater should not pose huge harm to the environment, we assume this topic insignificant. The Group strictly discharges wastewater into municipal sewage pipelines for uniform treatment in accordance with the "Wastewater Quality Standards for Discharge to Municipal Sewers". The Group also calls on employees to conserve water resources.

During the Reporting Period, there was no incidence of non-compliance in emissions with the relevant environmental laws and regulations that have a significant impact on our Group.

Use of Resources

The Group earnestly reduces resource consumption and improves economic efficiency, including fuels, electricity, water, and paper. As electricity is one of the resources all of us will use in our daily operation process, no matter for lighting or the air conditioning, so we have set a target for the Group and all of our employees, to reduce the usage of electricity by 30% compared with 2021 by 2025.

The following table shows the figures of resource consumption in our business operations:

Resources 資源	Unit 單位	Total (2020) 總計(2020年)	Total (2021) 總計(2021年)
Electricity consumption 用電量	kWh 千瓦時	86,376.0	87,425
Intensity (per Employee) 密度(每名僱員)	kWh/Employee 千瓦時/僱員	260.2	249.8
Water consumption 用水量	Tonnes 噸	2,039.0	2265
Intensity (per Employee) 密度(每名僱員)	Tonnes/Employee 噸/僱員	6.1	6.5
Gasoline consumption 汽油耗用量	Liter 公升	7,677.8	7,499.8
Intensity (per Employee) 密度(每名僱員)	Liter/Employee 公升/僱員	22.9	21.4

廢水

本集團產生的廢水主要來自洗手間。由於生活污水不會對環境造成重大危害，我們認為此議題並不重大。本集團嚴格按照《污水排入城鎮下水道水質標準》將廢水排入城鎮污水管道進行統一處理。本集團亦呼籲員工節約水資源。

於報告期間，並無發生對本集團有重大影響的違反相關環境法律法規排放的事件。

資源使用

本集團切實減少資源消耗，提高燃料、電力、水及紙張等資源使用的經濟效益。不論用於燈光或空調，電力為我們於日常業務過程中使用的資源之一，因此我們為本集團及所有員工訂下目標，以2021年為基準，於2025年前減低30%的用電量。

下表列示我們的業務營運所耗用的資源數字：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group endeavours to cut fuel consumption. In addition to avoiding idling engines, we seek to introduce hybrid vehicles to reduce the dependence on gasoline, which generates GHG during combustion. On the other hand, the Group does not back down when it comes to energy saving. We adopt smart lighting in the stairway of office area as to if no person is detected, lights will be off. We retrofit office equipment when in need, such as air-conditioners, lightings and lift, in order to prevent obsolete components from hindering performance and taking up more electricity per unit of work delivered. We also maintain environmentally friendly indoor temperature to ensure comfort both inside and outside the office buildings.

For water resources, the Group adopts a robust management system, which keeps track of water use patterns and compares usage among offices. In the events where water consumption is significantly higher on a year-over-year basis, we would delve into the issue to find out the reasons behind and develop responsive strategies, such as replacing the leaking faucets.

The Group have noticed that the water consumption in this year is slightly higher than the previous year, in view of this, we decided to set a target for ourselves, taking 2021 as the base year, to reduce the water usage of the Group by 30% by 2025. We treasure natural resources and want to remind ourselves to be kind to the environment.

To participate in environmental sustainability, the Group has established a number of environmental goals to help reduce our emissions and use of natural resources. The goals are mainly related to the air emission, waste reduction, energy efficient and water efficient.

本集團致力降低燃料消耗。由於汽油在燃燒過程中會產生溫室氣體，除避免引擎空轉外，我們亦尋求引入混合動力汽車，以減少對汽油的依賴。此外，本集團亦積極減少電能消耗。我們在辦公區域樓梯採用智能照明，在沒有人的情況下，會自動熄燈。我們於有需要時對辦公室設備（如冷氣機、電燈及電梯）進行替換，以防止過時部件影響性能及耗用更多電力。我們亦保持環保的室內溫度，確保辦公樓內外的舒適度。

在水資源方面，本集團採用健全的管理系統，追蹤用水模式及比較各辦公室的用水情況。倘用水量較上年同期大幅增加，我們會進行深入探討找出原因，並制定應對策略，例如更換漏水的水龍頭。

本集團注意到，本年度的耗水量略高於去年，有見及此，我們決定為自己訂下目標，以2021年為基準年度，於2025年將本集團的耗水量減少30%。我們珍惜天然資源，並希望提醒我們要對環境友善。

為了參與推動環境可持續性，本集團制訂了多項環境目標，以幫助減低排放及天然資源使用。該等目標主要與廢氣排放、廢棄物減少、節約能源及節約用水。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Impact on Communities, Environmental and Natural Resource

The Group is well aware of the importance of sustainable development and has always regarded environmental protection as one of its key tasks. The Group's management acknowledges its responsibility in monitoring environmental impacts and the use of natural resources. We abide by relevant environmental protection laws and regulations, namely Environmental Protection Law of the People's Republic of China, Energy Conservation Law of the People's Republic of China and so on. We actively search for opportunities to reduce our environmental footprint, which stems primarily from noise, emissions and the change of landscape during the production of incineration system.

The Group values the harmony with the environment and has received the ISO14001 Environmental Management System Certification. We adopted the ISO 14001 environmental management system and operates in accordance with the procurement environmental indicators to reduce our impact on the environment. We plan ahead of the project, taking into account the site-specific factors and demands from clients, for the sake of minimizing disturbance to the neighboring communities. This includes limiting the height of the establishment to prevent the output from being incompatible, if not peculiar, with the surroundings, or ruining the urban scenery. For sites with high proximity to dwellings, we work only in the daytime and enclose the area with noise barriers. For sites in suburbs widely surrounded by vegetation, we make the equipment as compact as possible so that it is not taking up too much space of the nature.

Aside from planning, we assess the environmental performance during the construction phase of the project. We continuously monitor the operation to make sure contractors have adopted environmentally friendly practices, such as the spraying of water over the ground to prevent the sand from flying into the air. This helps contractors and us to beware of the environmental impacts we are making, and not to forget about our mission — to solve environmental problems in face of the rising living standards and changing social behaviours.

對社區、環境及天然資源的影響

本集團深知可持續發展的重要性，始終將環境保護作為重點工作之一。本集團管理層承擔監察環境影響及天然資源使用的責任。我們遵守相關的環境保護法律法規，包括《中國環境保護法》、《中國節約能源法》等。我們積極尋求機會減少我們對環境的影響，有關影響主要來自焚燒系統製造過程中的噪音、排放物及使周邊景觀變化。

本集團重視與環境的和諧相處，並已取得 ISO14001 環境管理體系認證。我們採納 ISO14001 環境管理體系，並根據採購環境指標運營，以減低對環境的影響為盡量減少對鄰近社區的干擾，我們考慮地盤的特定因素及客戶的需求，提前作出規劃。這包括限制建築物的高度，以防止與周圍環境不協調，顯得怪異或破壞城市景觀。若地盤鄰近住宅，我們僅會於日間工作，並使用隔音屏障圍封。對於植被環繞的郊區地盤，我們盡可能將設備範圍收窄，不佔用太多的自然空間。

除規劃外，我們於項目建設階段評估環境表現。我們持續監察作業情況，以確保承包商採取環保措施，例如在地面噴水以防止沙子飛揚。這有助於承包商及我們警惕集團營運對環境造成的影響，同時不忘我們的使命 — 在生活水平不斷提高及社會習慣不斷變化中，解決環境問題。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Climate Change

Climate change is an issue that troubles a multitude of corporations and countries around the world. The Group is not likely to be unaffected and will not leave ourselves unguarded. We have, apart from reducing GHG emissions, developed adaptive measures.

In view of extreme weather, in particular up-scaled floods or tropical cyclones, we have considered to use storm-resistant materials in our products, which digest hazardous industrial waste and are critical to the well-being of the community. If leakage occurs during the incineration process owing to weather events, results can be catastrophic and irreversible to the ecosystem. Therefore, we will continue to strengthen the physical ability of the system to prevent damage or loss of functionality arising from natural disasters.

Climate change does not only involve physical risks, but also transition risk, according to the Taskforce on Climate-related Financial Disclosures. We expect the Chinese government to raise emission requirements and impose carbon quota in the future and have hence further researched the incineration technology on using less energy and releasing less pollutant, to improve the competencies of our products. In the middle of difficulties lies opportunities, it is also what the Group facing in front of climate change, we will catch the opportunities to develop and rise to the challenge.

氣候變化

氣候變化是困擾全球眾多企業及國家的問題。本集團不可能不受影響，亦不會無所防備。除減少溫室氣體排放外，我們還制定了相關適應措施。

鑒於極端天氣，尤其是大規模的洪災或熱帶氣旋，我們已考慮在產品中使用抗風暴材料，因為產品需要消化有害工業廢物，對社區福祉至關重要。倘於焚燒過程中因天氣問題而發生洩漏，可能會對生態系統造成災難性的不可逆轉傷害。因此，我們將繼續加強系統的物理能力，以防止因自然災害而造成的功能損壞或喪失。

根據氣候相關財務信息披露工作組提供的資料，氣候變化不僅涉及實體風險，亦涉及轉型風險。我們預期中國政府日後將提高排放要求及實施碳配額，因此我們已著手深入研究可減少能耗及污染物的焚燒技術，以提升我們產品的競爭力。有危便有機，本集團於氣候變化當前亦發現機遇，而我們將抓緊機遇並面對挑戰。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Environmental, Social and Governance Report Index

環境、社會及管治報告索引

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
A. Environmental 環境		
A1 Emission 排放物		
General Disclosure 一般披露	Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: 有關廢氣及溫室氣體排放、向水及土地排污、產生有害及無害廢棄物等的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及規例的資料。	For more details, please refer to Environmental — Emission 有關更多詳情，請參閱環境可持續性 — 排放物
A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	For more details, please refer to Environmental — Emission 有關更多詳情，請參閱環境可持續性 — 排放物
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 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)。	For more details, please refer to Environmental — Emission 有關更多詳情，請參閱環境可持續性 — 排放物
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 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)。	Not material 不重大
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 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)。	For more details, please refer to Environmental — Emission 有關更多詳情，請參閱環境可持續性 — 排放物
A1.5	Description of emission target(s) set and steps taken to achieve them. 描述所訂立的排放量目標的及達到這些目標所採取的步驟。	For more details, please refer to Environmental — Emission 有關更多詳情，請參閱環境可持續性 — 排放物

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引/附註
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. 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用的步驟。	Not material 不重大
A2 Use of Resources 資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 資源使用
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). 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)。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 資源使用
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 資源使用
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 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。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 資源使用
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. 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達到這些目標所採取的步驟。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 資源使用
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量。	Not material 不重大

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
A3 The Environment and Natural Resources 環境及天然資源		
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 對社區、環境及天然資源的影響
A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them. 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。	For more details, please refer to Environmental — Use of Resources 有關更多詳情，請參閱環境可持續性 — 對社區、環境及天然資源的影響
A4 Climate Change 氣候變化		
General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 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。	For more details, please refer to Environmental — Climate Change 有關更多詳情，請參閱環境可持續性 — 氣候變化
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. 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。	For more details, please refer to Environmental — Climate Change 有關更多詳情，請參閱環境可持續性 — 氣候變化

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
Social 社會		
B1 Employment and Labour Practices 僱傭及勞工常規		
General Disclosure 一般披露	<p>Following information on: 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：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及法規</p> <p>Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits welfare. 的資料。</p>	For more details, please refer to Social Sustainability — Employment 有關更多詳情，請參閱社會可持續性 — 僱傭
B1.1	Total workforce by gender, position level, age group and geographical region. 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。	For more details, please refer to Social Sustainability — Employment 有關更多詳情，請參閱社會可持續性 — 僱傭
B1.2	Turnover Rate by gender, position level, age group and geographical region 按性別、年齡組別及地區劃分的流失比率。	For more details, please refer to Social Sustainability — Employment 有關更多詳情，請參閱社會可持續性 — 僱傭

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
B2 Health and Safety 健康與安全		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及規例的資料。 relating to providing a safe working environment and protecting employees from occupational hazards.	For more details, please refer to Social Sustainability — Health and Safety 有關更多詳情，請參閱社會可持續性 — 健康與安全
B2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year. 過去三年(包括匯報年度)每年因工亡故的人數及比率。	For more details, please refer to Social Sustainability — Health and Safety 有關更多詳情，請參閱社會可持續性 — 健康與安全
B2.2	Lost day due to work injury 因工傷損失工作日數	For more details, please refer to Social Sustainability — Health and Safety 有關更多詳情，請參閱社會可持續性 — 健康與安全
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 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。	For more details, please refer to Social Sustainability — Health and Safety 有關更多詳情，請參閱社會可持續性 — 健康與安全
B3 Development and Training 發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 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。	For more details, please refer to Social Sustainability — Development and Training 有關更多詳情，請參閱社會可持續性 — 發展及培訓
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	For more details, please refer to Social Sustainability — Development and Training 有關更多詳情，請參閱社會可持續性 — 發展及培訓
B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	For more details, please refer to Social Sustainability — Development and Training 有關更多詳情，請參閱社會可持續性 — 發展及培訓

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
B4 Labour Standards 勞工準則		
General Disclosure 一般披露	Relating to preventing child and forced labour: 有關防止童工及強制勞工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及規例的資料。	For more details, please refer to Social Sustainability — Labour Standard 有關更多詳情，請參閱社會可持續性 — 勞工準則
B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	For more details, please refer to Social Sustainability — Labour Standard 有關更多詳情，請參閱社會可持續性 — 勞工準則
B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	For more details, please refer to Social Sustainability — Labour Standard 有關更多詳情，請參閱社會可持續性 — 勞工準則
B5 Supply Chain Management 供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	For more details, please refer to Social Sustainability — Supply Chain Management 有關更多詳情，請參閱社會可持續性 — 供應鏈管理
B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	For more details, please refer to Social Sustainability — Supply Chain Management 有關更多詳情，請參閱社會可持續性 — 供應鏈管理
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. 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，以及相關執行及監察方法。	For more details, please refer to Social Sustainability — Supply Chain Management 有關更多詳情，請參閱社會可持續性 — 供應鏈管理
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 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。	For more details, please refer to Social Sustainability — Supply Chain Management 有關更多詳情，請參閱社會可持續性 — 供應鏈管理

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 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。	For more details, please refer to Social Sustainability — Supply Chain Management 有關更多詳情，請參閱社會可持續性 — 供應鏈管理
B6 Product Responsibility 產品責任		
General Disclosure 一般披露	Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: 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) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及規例的資料。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 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。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任
B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任
B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述觀察及保護知識產權有關的慣例。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任
B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 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。	For more details, please refer to Social Sustainability — Product Responsibility 有關更多詳情，請參閱社會可持續性 — 產品責任

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspects 層面	Summary 內容	Page Index/Notes 頁碼索引／附註
B7 Anti-corruption 反貪污		
General Disclosure 一般披露	Relating to bribery, extortion, fraud and money laundering: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer. 遵守對發行人有重大影響的相關法律及規例的資料。	For more details, please refer to Social Sustainability — Anti-Corruption 有關更多詳情，請參閱社會可持續性 — 反貪污
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. 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。	For more details, please refer to Social Sustainability — Anti-Corruption 有關更多詳情，請參閱社會可持續性 — 反貪污
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	For more details, please refer to Social Sustainability — Anti-Corruption 有關更多詳情，請參閱社會可持續性 — 反貪污
B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	For more details, please refer to Social Sustainability — Anti-Corruption 有關更多詳情，請參閱社會可持續性 — 反貪污
B8 Community Investment 社區投資		
General Disclosure 一般披露	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. 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。	For more details, please refer to Social Sustainability — Community Investment 有關更多詳情，請參閱社會可持續性 — 社區投資
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	For more details, please refer to Social Sustainability — Community Investment 有關更多詳情，請參閱社會可持續性 — 社區投資
B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	For more details, please refer to Social Sustainability — Community Investment 有關更多詳情，請參閱社會可持續性 — 社區投資

DIRECTORS' REPORT

董事會報告

The Board is pleased to present this annual report together with the audited financial statements of the Group for the year ended 31 December 2021.

GLOBAL OFFERING

The Company was incorporated in the Cayman Islands on 18 May 2017 as an exempted company with limited liability. The Shares of the Company were listed on the Main Board of the Stock Exchange on 3 January 2019.

PRINCIPAL BUSINESSES AND ACTIVITIES

The Group is a leading comprehensive hazardous waste incineration turnkey solution provider in China focused on the research, design, integration and commissioning of solid waste treatment systems, particularly for hazardous waste incineration.

A list of the Company's principal subsidiaries as of 31 December 2021 and their particulars are set out in note 41 of the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are provided on page 8 of this annual report. An analysis of the Group's performance during the year using financial key performance indicators is provided on pages 12 to 19 of this annual report. Details of the capital structure of the Company is provided on page 19 of this annual report. Details of the significant capital investment of the Group is provided on page 18 of this annual report.

In addition, information of the Company's environmental policies and performance can be found in environmental, social and governance report of this annual report. The Company's compliance with relevant laws and regulations which have a significant impact on the Group are provided in the section headed "Compliance with Laws and Regulations" of this directors' report.

董事會欣然提呈本年報連同本集團截至2021年12月31日止年度的經審核財務報表。

全球發售

本公司於2017年5月18日在開曼群島註冊成立為獲豁免有限公司。本公司股份於2019年1月3日在聯交所主板上市。

主要業務及活動

本集團是中國領先的綜合危險廢物焚燒處置整體解決方案提供商，專注於固體廢物處理系統（尤其是危險廢物焚燒處置系統）的研究、設計、集成及調試。

本公司於2021年12月31日的主要附屬公司列表及其詳情載於綜合財務報表附註41。

業務回顧

有關本集團年內業務的回顧及對本集團未來業務發展的論述載於本年報第8頁。運用財務主要表現指標對本集團年內表現進行的分析載於本年報第12頁至第19頁。有關本公司資本架構的詳情載於本年報第19頁。有關本集團重大資本投資的詳情載於本年報第18頁。

此外，有關本公司環境政策及表現的資料可參閱本年報環境、社會及管治報告。本公司遵守對本集團有重大影響的相關法律及法規的情況載於本董事會報告「遵守法律及法規」一節。

DIRECTORS' REPORT

董事會報告

RESULTS

The consolidated results of the Group for the year ended 31 December 2021 are set out on pages 110 to 119 of this annual report.

DIVIDEND POLICY

Subject to the Companies Law of the Cayman Islands and the memorandum and articles of association of the Company, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalizing dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (including in the repurchase by the Company of its own securities or the giving of any financial assistance for the acquisition of its own securities) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve, carry forward any profits which it may think prudent not to distribute by way of dividend.

FINAL DIVIDEND

The Board has resolved that no final dividend was declared for the year ended 31 December 2021.

業績

本集團截至2021年12月31日止年度的綜合業績載於本年報第110頁至第119頁。

股息政策

在開曼群島《公司法》及本公司組織章程大綱及細則的規限下，本公司可於股東大會中以任何貨幣宣派股息，惟股息不得超過董事會建議的金額。

在建議任何股息之前，董事會可從本公司溢利中留存其認為恰當的款項作為儲備，董事會可酌情將有關儲備用作支付本公司遭索償的金額、負債、或有負債，或用作償還任何資本性貸款或補足股息或作任何其他可適當動用本公司溢利的用途，且在有關動用之前，同樣可酌情將其用於本公司業務或董事會不時認為恰當的投資（包括本公司購回其自身證券或就收購其自身證券提供任何財務資助），因此董事會並無必要將任何構成儲備的投資與本公司任何其他投資劃分開來。董事會也可結轉任何其認為不宜以股息分派的溢利，而不必將其置入儲備。

末期股息

董事會議決截至2021年12月31日止年度不會宣派末期股息。

DIRECTORS' REPORT

董事會報告

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 30 May 2022 to Thursday, 2 June 2022, both days inclusive and during which period no transfer of share will be effected. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 pm on Friday, 27 May 2022.

SHARE CAPITAL

As at 31 December 2021, the authorised share capital of the Company was HK\$200,000,000, divided into 4,000,000,000 shares of HK\$0.05 each. Details of movements in the share capital of the Company during the year 2021 are set out in note 32 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company during the year 2021 are set out in note 47 to the consolidated financial statements on page 263 of this annual report.

DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2021 are set out on page 115 and page 263 of this annual report.

DONATIONS

During the year ended 31 December 2021, the Company and its subsidiaries made no external donations.

BANK BORROWINGS AND OTHER BORROWINGS

Details of bank borrowings of the Company and its subsidiaries as at 31 December 2021 are set out in note 31 to the consolidated financial statements.

暫停辦理股份過戶登記

本公司的股份過戶登記將於2022年5月30日(星期一)至2022年6月2日(星期四)(包括首尾兩日)期間暫停,期間不會進行股份過戶登記。為符合資格出席股東週年大會並於會上投票,務請本公司的未登記股份持有人確保所有股份過戶文件連同相關股票須於2022年5月27日(星期五)下午四時三十分前送交本公司的股份過戶登記處卓佳證券登記有限公司,地址為香港皇后大道東183號合和中心54樓,以辦理過戶登記手續。

股本

於2021年12月31日,本公司的法定股本為200,000,000港元,分為4,000,000,000股每股面值0.05港元的股份。有關本公司股本於2021年內的變動詳情載於綜合財務報表附註32。

儲備

有關本公司儲備於2021年內的變動詳情載於本年報第263頁內的綜合財務報表附註47。

可供分派儲備

截至2021年12月31日止年度,本公司及本集團之儲備變動詳情載於本年報第115及263頁。

捐贈

截至2021年12月31日止年度,本公司及其附屬公司並無對外作出捐款。

銀行借款及其他借款

有關本公司及其附屬公司於2021年12月31日的銀行借款詳情載於綜合財務報表附註31。

DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The largest customers and the five largest customers of the Group accounted for approximately 11.3% and 48.5% respectively of the Group's revenue for the year ended 31 December 2021.

For the year ended 31 December 2021, the total amount of purchases made by the Group from the its five largest suppliers amounted to RMB90.3 million, and accounted for 25.1% of the total purchases for the year. The amount of the purchases from the largest supplier amounted to RMB30.8 million, and accounted for 8.6% of the total purchases for the year.

Save as disclosed above, during the year, to the knowledge of the Directors, none of the Directors, their close associates, or Shareholders of the Company (which, to the knowledge of the Directors, owned more than 5% of the number of issued Shares of the Company) had interests in the five largest suppliers or customers of the Group.

PROPERTY, PLANT AND EQUIPMENT

Details of changes in property, plant and equipment of the Company are set out in note 14 to the Financial Statements.

DIRECTORS

The Board currently consists of the following seven Directors:

Executive Directors

Mr. CAI Zhuhua (*Chairman and Chief Executive Officer*)
Mr. DONG Honghui
Mr. DENG Zhaoshan
Mr. GU Chunbin (*appointed on 11 March 2021*)

Independent Non-executive Directors

Mr. YANG Zhifeng
Mr. JIANG Guoliang
Mr. FENG Tao

主要客戶及供應商

本集團最大客戶及五大客戶分別佔本集團於截至2021年12月31日止年度收入約11.3%及48.5%。

截至2021年12月31日止年度，本集團向其五大供應商作出的採購總金額為人民幣90.3百萬元，佔年內採購總額25.1%。年內向最大供應商作出的採購總金額為人民幣30.8百萬元，佔採購總額8.6%。

除上文所披露者外，據董事所知，概無董事、其緊密聯繫人或本公司股東（據董事所知擁有超過本公司5%以上已發行股份數目）於本年度在本集團五大供應商或客戶中擁有權益。

物業、廠房及設備

有關本公司物業、廠房及設備的變動詳情載於財務報表附註14。

董事

董事會現時由以下七名董事組成：

執行董事

蔡珠華先生 (*董事長兼行政總裁*)
董紅暉先生
鄧兆善先生
辜淳彬先生 (*於2021年3月11日獲委任*)

獨立非執行董事

楊志峰先生
蔣國良先生
馮濤先生

DIRECTORS' REPORT

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The Board comprises of seven Directors in total. For details, please refer to the section headed "Directors" above. There are three senior management in total, including Ms. HUANG Ying, Mr. CUI Jinhong, Mr. ZHENG Ziyuan.

Information about the details of the Directors and senior management of the Company is set out in the section headed "Directors and Senior Management".

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules, and considers all the independent non-executive Directors to be independent.

SERVICE CONTRACTS OF DIRECTORS

The Company has entered into service contracts with all Directors for a term of three years following each Director's respective appointment date or until the third annual general meeting of the Company since the Listing Date, whichever ends earlier, or which shall be terminated pursuant to relevant terms of respective contracts or letters of appointment.

None of the Directors proposed for re-election at the forthcoming annual general meeting has entered into any service contract with the Company or any of its subsidiaries which was not determinable by the Company within one year without payment of compensation (other than statutory compensation).

董事及高級管理層的履歷詳情

董事會合共由七名董事組成。有關詳情，請參閱上文「董事」一節。高級管理層總人數為三名，包括黃瑛女士、崔錦鴻先生、鄭梓元先生。

有關董事及本公司高級管理層詳情的資料載於「董事及高級管理層」一節。

獨立非執行董事的獨立性確認書

本公司已收到每位獨立非執行董事根據《上市規則》第3.13條發出的年度獨立確認書，並認為，所有獨立非執行董事均為獨立人士。

董事服務合約

本公司已與所有董事訂立服務合約，自各名董事各自的委任日期起或直至本公司自上市日期起第三屆股東週年大會止(以較早者為準)為期三年，或根據有關合約或委任書的相關條款須予終止。

所有擬於本公司即將到來的股東週年大會上膺選連任之董事概無與本公司及其任何附屬公司訂立於一年內由本公司及其附屬公司予以終止而需作出賠償(一般法定賠償除外)之尚未屆滿服務合約。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CONTROLLING SHAREHOLDERS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save for service contracts, there were no other transactions, arrangements or contracts of significance in relation to the Group's business, to which the Company, its holding company, any of its subsidiaries or fellow subsidiaries was a party and in which any of the Directors, an entity connected with a Director, or the controlling shareholders of the Company had a material interest, whether directly or indirectly, as at the end of the year or at any time during the Reporting Period.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Period.

INTERESTS OF DIRECTORS IN BUSINESSES COMPETING WITH THE COMPANY

The Company has received confirmation letters from the Directors, confirming that other than business of the Group, none of the Directors holds any interest in business which directly or indirectly competes or is likely to compete with the business of the Group.

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

As at Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including those taken or deemed as their interests and short position in accordance with such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register kept by the Company referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange were as follows:

董事及控股股東於交易、安排及重要合約的重大權益

於年末或報告期內任何時間，除服務合約外，本公司、其控股公司、其任何附屬公司或同系附屬公司概無訂立與本集團業務有重大聯繫的交易、安排或合約，且董事、與該董事有關連的實體或本公司控股股東於相關交易、安排或合約中直接或間接擁有重大權益。

管理合約

於報告期內，概無訂立或存在任何有關本公司全部或任何主要部分業務的管理及行政合約。

董事於與本公司構成競爭的業務中的權益

本公司已收到董事出具的確認函，確認董事概無於本集團業務以外任何對本集團業務構成或可能構成直接或間接競爭的業務中擁有任何權益。

董事及最高行政人員於本公司及其相關法團股份、相關股份及債權證中的權益及淡倉

於最後實際可行日期，董事及本公司最高行政人員於本公司及其相關法團(定義見《證券及期貨條例》第XV部)的股份、相關股份或債權證中擁有根據《證券及期貨條例》第XV部第7及第8分部知會本公司及聯交所的權益及淡倉(包括其根據《證券及期貨條例》的該等條文被認為或視為擁有的權益及淡倉)，或須根據《證券及期貨條例》第352條載入有關條例所述存置於本公司的登記冊內的權益及淡倉，或根據《標準守則》須知會本公司及聯交所的權益及淡倉如下：

DIRECTORS' REPORT

董事會報告

Long Position in Shares and underlying Shares

於股份及相關股份中的好倉

Name of Director	Nature of interest	Note	Number of ordinary shares held	Number of underlying shares held	Approximately percentage of the Company's issued share capital 本公司已發行股本的概約百分比
董事姓名	權益性質	附註	所持普通股數目	所持相關股份數目	
Mr. CAI Zhuhua 蔡珠華先生	Interest in controlled corporation 於受控法團中的權益		664,418,000	—	49.83%
	Interest of spouse 配偶權益	1	—	3,933,338	0.29%
Mr. DONG Honghui 董紅暉先生	Beneficial owner 實益擁有人		—	3,933,338	0.29%
Mr. DENG Zhaoshan 鄧兆善先生	Beneficial owner 實益擁有人		—	3,933,338	0.29%
Mr. GU Chunbin 辜淳彬先生	Beneficial owner 實益擁有人	2	—	1,333,335	0.10%

Notes:

- Mr. CAI is the spouse of Ms. HUANG Ying. By virtue of the SFO, Mr. CAI is deemed to be interested in all the Shares in which Ms. HUANG Ying is interested.
- Mr. GU Chunbin was appointed as an executive Director on 11 March 2021.

附註:

- 蔡先生為黃瑛女士的配偶。根據《證券及期貨條例》，蔡先生被視為於黃瑛女士擁有權益的所有股份中擁有權益。
- 辜淳彬先生於2021年3月11日獲委任為執行董事。

Save as disclosed above, so far as the Directors are aware, as at Latest Practicable Date, none of the Directors or chief executives and their respective associates had any interest or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register kept by the Company, or (ii) which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文所披露者外，據董事所知，於最後實際可行日期，董事或最高行政人員及彼等各自的聯繫人概無於本公司或其相關法團（定義見《證券及期貨條例》第XV部）股份、相關股份及債權證中擁有(i)根據《證券及期貨條例》第352條須登記於本公司所存置登記冊的任何權益或淡倉，或(ii)根據《標準守則》須知會本公司及香港聯交所的任何權益或淡倉。

DIRECTORS' REPORT

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, as at Latest Practicable Date, the following person (other than the Directors and chief executives) had interest or short positions in the shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company:

Long Position in Shares and underlying Shares

主要股東權益

據董事所知，於最後實際可行日期，以下人士（董事或最高行政人員除外）於本公司股份中擁有須根據《證券及期貨條例》第XV部第2及3分部條文予以披露或根據《證券及期貨條例》第336條須記入有關條例所述登記冊的股份或淡倉如下：

於股份及相關股份中的好倉

Name of Director	Nature of interest	Notes	Number of ordinary shares held	Number of underlying shares held	Approximately percentage of the Company's issued share capital
董事姓名	權益性質	附註	所持普通股數目	所持相關股份數目	本公司已發行股本的概約百分比
WeiGang Technology 維港科技	Beneficial owner 實益擁有人	1	664,418,000	—	49.83%
Weigang Green 維港綠色	Interest in controlled corporation 於受控法團中的權益	1	664,418,000	—	49.83%
Mr. CAI 蔡先生	Interest in controlled corporation 於受控法團中的權益	1	664,418,000	—	49.83%
	Interest of spouse 配偶權益	2	—	3,933,338	0.29%
Ms. HUANG 黃女士	Interest of spouse 配偶權益	3	664,418,000	—	49.83%
	Beneficial owner 實益擁有人	3	—	3,933,338	0.29%
DHW Holdings 大河灣控股	Beneficial owner 實益擁有人	4	191,671,000	—	14.38%
Mr. ZHANG Weiyang 張維仰先生	Interest in controlled corporation 於受控法團中的權益	4	191,671,000	—	14.38%
	Beneficial owner 實益擁有人	4	46,710,000	—	3.50%
Ms. ZHOU Wenying 周文英女士	Interest of spouse 配偶權益	5	238,381,000	—	17.88%

DIRECTORS' REPORT

董事會報告

Notes:

1. WeiGang Technology is wholly owned by Weigang Green which is in turn wholly owned by Mr. CAI. Mr. CAI and Weigang Green are deemed to be interested in all the Shares held by WeiGang Technology under the SFO.
2. Mr. CAI is the spouse of Ms. HUANG. By virtue of the SFO, Mr. CAI is deemed to be interested in all the Shares in which Ms. HUANG is interested.
3. Ms. HUANG is the spouse of Mr. CAI. By virtue of the SFO, Ms. HUANG is deemed to be interested in all the Shares in the Shares in which Mr. CAI is interested.
4. DHW Holdings is wholly owned by Mr. ZHANG Weiyang ("Mr. ZHANG"). Mr. ZHANG is deemed to be interested in all the Shares held by DHW Holdings under the SFO.
5. Ms. ZHOU Wenying is the spouse of Mr. ZHANG. By virtue of the SFO, Ms. ZHOU Wenying is deemed to be interested in all the Shares in which Mr. ZHANG is interested.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, no rights to acquire benefits by means of the acquisition of shares in or debentures of the Company were granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the Reporting Period.

PERMITTED INDEMNITY PROVISION

The Company has maintained appropriate liability insurance for its Directors and senior management. The permitted indemnity provisions are set out in such liability insurance.

附註：

1. 維港科技由維港綠色全資擁有，而維港綠色由蔡先生全資擁有。根據《證券及期貨條例》，蔡先生和維港綠色被視為於維港科技持有的所有股份中擁有權益。
2. 蔡先生為黃女士的配偶。根據《證券及期貨條例》，蔡先生被視為於黃女士擁有權益的所有股份中擁有權益。
3. 黃女士為蔡先生的配偶。根據《證券及期貨條例》，黃女士被視為於蔡先生擁有權益的所有股份中擁有權益。
4. 大河灣控股由張維仰先生（「張先生」）全資擁有。根據《證券及期貨條例》，張先生被視為於大河灣控股持有的所有股份中擁有權益。
5. 周文英女士為張先生的配偶。根據《證券及期貨條例》，周文英女士被視為於張先生擁有權益的所有股份中擁有權益。

董事購買股份或債權證的權利

除本年報另有披露外，概無向任何董事或彼等各自的配偶或18歲以下的子女授出透過購買本公司股份或債權證而取得利益的權利，彼等亦無行使任何有關權利；或本公司及其任何附屬公司亦無訂立任何安排，致使董事或彼等各自的配偶或18歲以下的子女於報告期內取得於任何其他法人團體的有關權利。

允許彌償條文

本公司已為其董事及高級管理層維持適當的責任保險。有關責任保險載列允許彌償條文。

DIRECTORS' REPORT

董事會報告

PRE-IPO SHARE OPTION SCHEME

In order to incentivize the Directors, senior management, connected persons and other grantees for their contribution to the Group and to attract and retain suitable personnel to the Group, the Company adopted the Pre-IPO Share Option Scheme on 10 December 2018. Subject to the terms of the Pre-IPO Share Option Scheme, the Pre-IPO Share Option Scheme shall be valid and effective for the period commencing on the 10 December 2018 (the "Adoption Date") and ending on the tenth anniversary of the Adoption Date. The term of this scheme are not subject to the provisions of Chapter 17 of the Listing Rules as this scheme will not involve the grant of options by the Company to subscribe for shares subsequent to the Listing of the Company.

Details of the Options Granted under the pre-IPO Share Option Scheme

As at the 31 December 2021, the total number of outstanding share options was 40,000,050, representing approximately 3.1% of the issued share capital of the Company. No such provision regarding maximum entitlement of each participant under the Pre-IPO Share Option Scheme.

The details below set out the movement of the Share options granted under Pre-IPO Share Option Scheme during the year:

Grantee	Balance as at 01/01/2021 於2021年 1月1日的結餘	During the reporting period 於報告期間			Lapsed	Balance as at 31/12/2021 於2021年 12月31日的結餘	Exercise price per share (HK\$) (港元)	Option period
		Exercised	Cancelled					
承授人		已行使	已註銷	已失效			購股權期限	
Directors								
董事								
DONG Honghui 董紅暉	3,933,338	—	—	—	3,933,338	0.23	03/01/2021- 29/04/2027	
DENG Zhaoshan 鄧兆善	3,933,338	—	—	—	3,933,338	0.23	03/01/2021- 29/04/2027	
GU Chunbin 辜淳彬	1,333,335	—	—	—	1,333,335	0.23	03/01/2021- 29/04/2027	

首次公開發售前購股權計劃

為獎勵董事、高級管理層、關連人士及其他承授人對本集團作出的貢獻，並為本集團吸引及留聘合適的人才，本公司已於2018年12月10日採納首次公開發售前購股權計劃。受限於首次公開發售前購股權計劃的條款，首次公開發售前購股權計劃自2018年12月10日（「採納日期」）起至採納日期第十週年止期間有效及生效。由於此計劃並不涉及本公司授出購股權以於本公司上市後認購股份，故此計劃的條款並不受上市規則第17章之條文所規限。

根據首次公開發售前購股權計劃授出的購股權詳情

於2021年12月31日，尚未行使的購股權總數為40,000,050股，相當於本公司已發行股本約3.1%。首次公開發售前購股權計劃並無就每名參與人可獲授權益設定上限。

於期內，根據首次公開發售前購股權計劃授出的購股權之變動載列如下：

DIRECTORS' REPORT

董事會報告

Grantee 承授人	Balance as at 01/01/2021 於2021年 1月1日的結餘	During the reporting period 於報告期間			Balance as at 31/12/2021 於2021年 12月31日的結餘	Exercise price per share 每股行使價 (HK\$) (港元)	Option period 購股權期限
		Exercised 已行使	Cancelled 已註銷	Lapsed 已失效			
Employees 僱員							
HUANG Ying (wife of Mr. CAI Zhuhua) 黃瑛(蔡珠華先生的 妻子)	3,933,338	—	—	—	3,933,338	0.23	03/01/2021- 29/04/2027
27 other employees 27名其他僱員	28,813,370	—	1,946,669	—	26,866,701	0.23	03/01/2021- 29/04/2027
Total 總計	41,946,719	—	1,946,669	—	40,000,050		

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares as at the date of this annual report, which was in line with the requirement under the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any member of the Group has purchased, sold or redeemed any of the Company's shares during the period under review.

PRE-EMPTIVE RIGHTS

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

充足公眾持股量

根據本公司所得公開資料及就董事所知，於本年報日期，本公司已維持已發行股份不少於25%的公眾持股量，符合《上市規則》的規定。

購買、出售或贖回本公司的上市證券

於回顧期內，本公司或本集團任何成員公司並無購買、出售或贖回本公司任何股份。

優先購買權

組織章程大綱及細則或開曼群島法律並無載列有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

DIRECTORS' REPORT

董事會報告

EMPLOYEES, REMUNERATION AND PENSION SCHEME

A remuneration committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices. The Company offers the executive Directors and senior management, as its employees, with remuneration in the form of salaries, allowances, benefits in kind, performance-related bonuses, share based payments, pensions, and other social insurance benefits. Non-executive Directors and Independent non-executive Directors receive compensation according to their duties (including serving as members or chairmen of the Board committees).

Remuneration of Directors is determined based on their roles and duties and with reference to the market conditions, the Company's remuneration policy and the prevailing market conditions, subject to the approval of the shareholders general meeting. Details of remuneration of Directors and the five highest paid individuals of the Company during the Reporting Period are set out in Note 11 to the Financial Statements.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five highest paid individuals are set out in note 11 to the consolidated financial statements.

CONTINGENT LIABILITIES

As at 31 December 2021, the Group had no material contingent liabilities.

僱員、薪酬及退休金計劃

薪酬委員會已告成立，以檢討本集團的酬金政策以及董事及本集團高級管理層整體薪酬的架構，其中已考慮到本集團的經營業績、董事及高級管理層的個人工作表現以及相若市場慣例。本公司透過薪金、津貼、實物福利、績效花紅、股份付款、退休金及其他社會保險福利等方式向身為其僱員的執行董事及高級管理層提供薪酬。非執行董事及獨立非執行董事根據其職務（包括擔任董事會委員會成員或主席）收取薪酬。

董事的薪酬乃根據彼等的職責及職務並經參考市況、本公司的薪酬政策及現行市況後釐定，惟須待股東於股東大會上批准方可作實。有關董事及本公司五名最高薪酬人士於報告期內的薪酬載於財務報表附註11。

董事及五名最高薪人士的薪酬

有關董事及五名最高薪人士的酬金詳情載於綜合財務報表附註11。

或有負債

於2021年12月31日，本集團並無重大或有負債。

DIRECTORS' REPORT

董事會報告

NON-COMPETITION UNDERTAKING

Each of the Controlling Shareholders, namely Mr. CAI, Weigang Green and WeiGang Technology, has executed a deed of non-competition on 10 December 2018 pursuant to which they have irrevocably and unconditionally undertaken to the Company (for the Company itself and on behalf of the members of the Group) that, during the period that the Non-Competition Deed remains effective, he/it/she shall not, and shall procure that his/its/her close associates (other than any member of the Company) shall not, directly or indirectly, develop, acquire, participate in, hold any right or interest or invest in or engage in, render any services for or otherwise be involved in any business in competition with or likely to be in competition with the existing business activities of the Company in the PRC or any other area in which the Company carries on business. The Company shall seek opinion and decision from the independent non-executive Directors who are responsible for reviewing and determining whether to accept or decline such new business opportunity provided by Controlling Shareholders or its associates. The details of the Deed of Non-competition have been disclosed in the Prospectus under the section headed "Relationship with Controlling Shareholders".

The independent non-executive Directors have reviewed the Non-Competition Deed and had determined that neither Mr. CAI, Weigang Green and WeiGang Technology has been in breach of the Non-Competition Deed during the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its business and operations are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all shareholders.

The Company has complied with the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules during the Reporting Period except from the deviation from the Code Provision C.2.1 of the CG Code.

不競爭承諾

控股股東(即蔡先生、維港綠色及維港科技)各自於2018年12月10日簽立不競爭契據，據此，彼等已不可撤回及無條件地向本公司(為本公司本身及代表本集團成員公司)承諾，其不得且促致其緊密聯繫人(本公司任何成員公司除外)不得在不競爭契據維持有效期間直接或間接從事、收購、參與與本公司於中國或本公司進行業務的任何其他地區從事的現有業務活動構成競爭或可能構成競爭的任何業務，或於該等業務中持有任何權利或權益或投資或從事或提供任何服務或以其他方式參與該等業務。本公司須向負責審閱及確定是否接納或拒絕控股股東或其聯繫人所提供的有關新商機的獨立非執行董事尋求意見及決策。有關不競爭契據的詳情於招股章程「與控股股東的關係」一節中披露。

獨立非執行董事已審閱不競爭契據，並已釐定蔡先生、維港綠色及維港科技於報告期內並無違反不競爭契據。

遵守《企業管治守則》

本公司致力維持及促進嚴格的企業管治。本公司的企業管治原則為促進有效的內部控制措施，維持高水平的道德標準、保持所有業務範疇透明負責且廉潔，確保其業務及營運均遵守適用法律及法規，藉此加強董事會對所有股東的透明度與問責性。

本公司於報告期內已遵守《上市規則》附錄十四所載的《企業管治守則》(「《企業管治守則》」)內的適用守則條文，惟偏離《企業管治守則》的守則條文第C.2.1條除外。

DIRECTORS' REPORT

董事會報告

Under code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Cai Zhuhua serves as chairman as well as chief executive officer of the Company and this dual role leadership has been in practice by the Company since 2009. Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be chairman of the Company as well as to discharge the executive functions of a chief executive thereby enabling more effective planning and better execution of long-term strategies. The Board believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals. The Company will review the current structure when and as it becomes appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding Directors' dealings in the securities of the Company.

Having made specific enquiry of all the Directors, each Director confirmed that he/she had complied with the required standards set out in the Model Code during the reporting period. The Board has also established written guidelines to regulate dealings by relevant employees who are likely to be in possession of inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2021 have been audited by Baker Tilly Hong Kong Limited, certified public accountants. Baker Tilly Hong Kong Limited will retire and, being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

Baker Tilly Hong Kong Limited has been appointed as the auditors of the Company following the annual general meeting of the Company on 5 June 2019 to fill the vacancy from the retirement of the previous auditors. Details of the change of auditors were set out in the Company's announcements dated 26 April 2019 and 9 May 2019.

《企業管治守則》的守則條文第C.2.1條規定，董事長與行政總裁的角色應有區分，並不應由一人同時兼任。蔡珠華先生為本公司董事長兼行政總裁，而此雙角色領導模式自2009年起於本公司一直推行。有關偏離情況被視為恰當，原因是由同一人士擔任本公司董事長兼履行行政總裁的執行職能被視為更具效率，有助提高長遠戰略的有效規劃及執行表現。董事會認為董事會成員不乏經驗豐富及具才幹的人士，其營運及管治足以確保權力及職能平衡。本公司將於適當時候檢討現行架構。

遵守董事進行證券交易的《標準守則》

本公司已採納《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》(「《標準守則》」)，作為董事買賣本公司證券時的行為準則。

在向全體董事作出特定查詢後，各董事均已確認彼已於報告期內遵守《標準守則》所載的必守準則。董事會亦已制定書面指引，規範可能擁有本公司有關本公司證券內幕消息的相關僱員的所有交易(如《企業管治守則》的守則條文第C.1.3條所述)。

核數師

本集團於截至2021年12月31日止年度的綜合財務報表已由執業會計師天職香港會計師事務所有限公司審核。天職香港會計師事務所有限公司將退任，並符合資格及願意接受續聘。本公司將於股東週年大會上提呈續聘其為本公司核數師之決議案。

天職香港會計師事務所有限公司已在2019年6月5日舉行之股東週年大會後獲委任為本公司核數師，以填補前任核數師退任後的空缺。有關核數師變動之詳情載於本公司日期為2019年4月26日及2019年5月9日的公告。

DIRECTORS' REPORT

董事會報告

CONNECTED TRANSACTIONS

During the Period, the Group conducted the following transaction which constituted a connected transaction for the Company under the Listing Rules.

On 21 June 2021, Guangzhou Weigang Environmental Protection Technology Limited (the "Seller"), Mr. Zhu Xinwei (the "Buyer") and Mr. Tian Yixin ("Mr. Tian") entered into an agreement (the "Agreement") in relation to a disposal, pursuant to which the Seller had agreed to sell, and the Buyer had agreed to purchase, 51% equity interest in Xinjiang Wosen Environmental Protection Technology Limited (the "Target Company") for a consideration of RMB5.1 million (the "Consideration") (the "Disposal").

The Target Company is owned as to 51% by the Seller and as to 49% by the Buyer.

Xinjiang Tiansheng Xinhong Environmental Protection Co., Ltd. ("Xinjiang Tiansheng"), an indirect subsidiary of the Company, is owned as to 60% by the Group and as to 40% by Karamay Chengfeng Technology Company Limited ("Chengfeng Technology"), which is in turn owned as to 95% by Mr. Tian. Mr. Tian is a substantial shareholder and a director of Xinjiang Tiansheng and therefore, a connected person of the Company.

The Consideration was determined after arm's length negotiations between the parties with reference to the owners' equity of the Target Company as at 30 April 2021.

There were certain amounts due from Mr. Tian to the Buyer. Pursuant to the Agreement, Mr. Tian agreed to pay the Consideration on behalf of the Buyer in order to settle his indebtedness owed to the Buyer.

To secure the obligations of Mr. Tian to pay the Consideration in accordance with the Agreement, Mr. Tian agreed to procure Chengfeng Technology to pledge 30% of the equity interests in Xinjiang Tiansheng in favor of the Seller.

The payment arrangement of the Consideration under the Agreement would constitute financial assistance provided by the Group to Mr. Tian and thus a connected transaction of the Company.

關連交易

期內，本集團曾進行以下根據《上市規則》構成本公司關連交易的交易。

於2021年6月21日，廣州維港環保科技有限公司（「賣方」）、朱新位先生（「買方」）及田宜新先生（「田先生」）就一項出售訂立一份協議（「該協議」）據此，賣方已同意出售而買方已同意購買新疆沃森環保科技有限責任公司（「目標公司」）的51%股權，對價為人民幣5.1百萬元（「對價」）（「出售事項」）。

目標公司由賣方及買方分別擁有51%及49%權益。

本公司的間接附屬公司新疆天聖新宏環保科技有限公司（「新疆天聖」）由本集團及克拉瑪依市誠豐科有限公司（「誠豐科技」）分別擁有60%及40%權益，而誠豐科技由田先生擁有95%。田先生為新疆天聖的主要股東及董事，因此亦為本公司的關連人士。

對價乃由訂約方經參考目標公司於2021年4月30日的所有者權益經公平協商釐定。

田先生結欠買方若干金額。根據該協議，田先生同意代表買方支付對價，以償付其結欠買方的債務。

為擔保田先生根據該協議支付對價的責任，田先生同意促使誠豐科技以賣方為受益人質押於新疆天聖的30%股權。

該協議項下對價的付款安排將構成本集團向田先生提供的財務資助，並因此構成本公司的關連交易。

DIRECTORS' REPORT

董事會報告

As the Target Company and the Xinjiang Tiansheng are located in the same areas with similar business natures, the Board considered that the positioning of Xinjiang Tiansheng and the Target Company within the Group may duplicate. Accordingly, the Group plans to dispose its interests in the Target Company and reallocate its resources to Xinjiang Tiansheng. The Directors (including the independent non-executive Directors) consider that the Disposal, the payment arrangement of the Consideration and other terms and conditions of the Agreement have been made on normal commercial terms and are fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

Further details of the aforementioned connected transaction is set out in the announcement of the Company dated 21 June 2021.

Saved as disclosed above, the Group did not enter into any other connected transactions which should comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

For certain material related party transactions disclosed in note 38 to the Financial Statements which were also connected transactions under Chapter 14A of the Listing Rules of the Company, the Company had made disclosure as required under the Listing Rules.

SIGNIFICANT LEGAL PROCEEDINGS

During the year, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

由於目標公司及新疆天聖位於相同地區且業務性質類似，董事會認為新疆天聖及目標公司於本集團內的定位或會重疊。因此，本集團計劃出售其於目標公司的權益，並將其資源重新分配至新疆天聖。董事（包括獨立非執行董事）認為，出售事項、對價的付款安排以及該協議的其他條款及條件乃按一般商業條款訂立，屬公平合理，並符合本公司及其股東的整體利益。

有關上述關連交易的進一步詳情載於本公司日期為2021年6月21日的公告。

除上文所披露者外，本集團並無進行任何其他須遵守《上市規則》第十四A章項下申報、公告及獨立股東批准規定的關連交易。

就財務報表附註38所披露的若干重大關聯方交易（同時為本公司於《上市規則》第十四A章項下的關連交易）而言，本公司已按照《上市規則》的規定作出披露。

重大法律程序

本公司於年內概無牽涉任何重大訴訟或仲裁，且就董事所知，概無針對本公司或尚未了結的重大訴訟或申索。

DIRECTORS' REPORT

董事會報告

COMPLIANCE WITH LAWS AND REGULATIONS

The Group has allocated system and staff resources to ensure ongoing compliance with rules and regulations and to maintain well relationships with regulators effectively through effective communications. During the year, the Group has complied, to the best of our knowledge, with all relevant rules and regulations that have a significant impact on the Company.

By order of the Board
Weigang Environmental Technology Holding Group Limited

CAI Zhuhua
Chairman

PRC

24 March 2022

遵守法律及法規

本集團已分配系統及人力資源，確保持續遵守規則及法規，並透過有效溝通與監管部門保持良好關係。就我們所深知，本集團於年內已遵守所有對本公司有重大影響的規則及法規。

承董事會命
維港環保科技控股集团有限公司

蔡珠華
董事長

中國

2022年3月24日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



**Independent auditor's report to the shareholders of
Weigang Environmental Technology Holding Group Limited**
(Incorporated in the Cayman Islands with limited liability)

**致維港環保科技控股集團有限公司股東之
獨立核數師報告**
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Weigang Environmental Technology Holding Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 110 to 263, which comprise the consolidated statement of financial position as at 31 December 2021, the 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 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

本核數師(以下簡稱「我們」)已審計載於第110至263頁維港環保科技控股集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於2021年12月31日之綜合財務狀況表，截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，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國際會計準則理事會所頒佈的《國際財務報告準則》真實而中肯地反映了貴集團於2021年12月31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》的披露要求妥為擬備。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants (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.

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。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。

KEY AUDIT MATTERS

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

關鍵審計事項

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Recognition of revenue on contracts with customers for hazardous waste incineration solutions services 確認與客戶就危險廢物焚燒處置解決方案服務所訂立合約的收入

We identified the recognition of revenue from contracts with customers for hazardous waste incineration solutions services as key audit matter due to its significance to the consolidated statement of profit or loss and other comprehensive income and the determination of the timing and recognition involved significant management judgement.

我們將與客戶就危險廢物焚燒處置解決方案服務所訂立合約產生的收入識別為關鍵審計事項，原因為其對綜合損益及其他全面收益表具有重大影響，且釐定時間及進行確認需要管理層作出重大判斷。

As set out in Note 6 to the consolidated financial statements, the Group has recognised revenue from hazardous waste incineration solutions services amounting to RMB491,832,000 for the year ended 31 December 2021.

誠如綜合財務報表附註6所載述，截至2021年12月31日止年度，貴集團已確認來自危險廢物焚燒處置解決方案服務的收入人民幣491,832,000元。

Our audit procedures in relation to the recognition of revenue on contracts with customers for hazardous waste incineration solutions services included:

我們有關確認與客戶就危險廢物焚燒處置解決方案服務所訂立合約的收入的審計程序包括：

- Obtaining an understanding of the revenue business process and the key controls over revenue recognition performed by the management;
- 了解收入業務流程及管理層就收入確認所進行的關鍵控制；
- On a sample selection basis, agreeing the contract sum to signed contracts;
- 按抽選樣本基準根據已簽訂合約核對合約金額；
- On a sample selection basis, agreeing the estimated total contract costs to signed contracts, visiting selected construction sites and interviewing project managers for the progress of the construction work and evaluating the reasonableness of estimated total contract costs prepared by management by performing gross margin analysis and comparing the actual outcome of completed projects against management's estimation of total contract costs;
- 按照抽選樣本基準根據已簽訂合約核對估計總合約成本，考察施工選址，並與工地項目經理訪談建造工程的進度，以及透過進行毛利分析及將已完成項目的實際結果與管理層對總合約成本的估算進行比較以評價管理層所編備的估計總合約成本的合理性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
<p>Recognition of revenue on contracts with customers for hazardous waste incineration solutions services (continued) 確認與客戶就危險廢物焚燒處置解決方案服務所訂立合約的收入(續)</p> <p>The accounting policies and estimation uncertainty in relation to revenue from hazardous waste incineration solutions services are set out in Notes 3 and 4 respectively to the consolidated financial statements. The Group recognised revenue from hazardous waste incineration solutions services over time by using the input method, with reference to the estimated total contract costs.</p> <p>有關來自危險廢物焚燒處置解決方案服務的收入的會計政策及估計不確定性分別載於綜合財務報表附註3及4。貴集團參照估計總合約成本使用投入法於一段時間內確認來自危險廢物焚燒處置解決方案服務的收入。</p>	<ul style="list-style-type: none"> • Tracing, on a sample selection basis, the contract costs incurred for work performed during the year to supporting documents; • 按抽樣基準，對照證明文件追查年內所進行工程產生之合約成本； • Arranging confirmations to selected customers by agreeing the contract amount, the progress billings issued to customers, and relevant balance of trade and note receivables, and assessing the reasonableness of the percentage of completion of the corresponding contracts based on the confirmed information; • 透過核對合約金額、向客戶發出的合約進度款項賬單及貿易應收款項及應收票據相關結餘，安排向經選定客戶作出確認，以及根據已確認資料評估相應合約完成百分比的合理性； • Performing alternative procedures for the unreturned confirmation by tracing to the relevant supporting documents, and assessing the reasonableness of the percentage of completion of the corresponding contract based on the supporting documents; and • 透過追查相關證明文件以對未有交還的確認書執行替代程序，並根據證明文件對相應合約的完工百分比的合理性予以評估；及 • Recalculating the percentage of completion based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs. • 根據截至目前所開展工程產生的合約成本佔估計總合約成本的比例，重新計算完工百分比。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Estimated impairment of trade receivables and contract assets

貿易應收款項及合約資產的預計減值

We identified the estimated impairment of trade receivables and contract assets as a key audit matter due to their significance to the consolidated statement of financial position and the involvement of management judgement in evaluating the expected credit losses ("ECL") of trade receivables and contract assets at the end of the reporting period. As at 31 December 2021, the Group had trade receivables and contract assets, with carrying amount of approximately RMB162,601,000 and RMB249,061,000 in Notes 22 and 24 to the consolidated financial statements respectively, amounting to approximately RMB411,662,000 in aggregate.

我們將貿易應收款項及合約資產的預計減值識別為關鍵審計事項，原因為其對綜合財務狀況表具有重大影響及於評價報告期末的貿易應收款項及合約資產的預期信貸虧損時涉及管理層判斷。於2021年12月31日，貴集團之貿易應收款項及合約資產（其賬面值分別約人民幣162,601,000元及人民幣249,061,000元（見綜合財務報表附註22及24））合共約為人民幣411,662,000元。

Our audit procedures in relation to the estimated impairment of trade receivables and contract assets included:

我們有關貿易應收款項及合約資產的預計減值的審計程序包括：

- Obtaining an understanding of management's process of assessing the ECL of trade receivables and contract assets;
- 了解管理層評估貿易應收款項及合約資產的預期信貸虧損的過程；
- Obtaining management's assessment on the collectability of individual trade receivables, and contract assets, and corroborated management's assessment against relevant supporting evidence, including subsequent settlements and credit history of these customers;
- 取得管理層對個別貿易應收款項及合約資產可收回性的評估，並根據相關支持證據（包括該等客戶的後續結算及信貸歷史）證實管理層的評估；
- Assessing the appropriateness of the Group's grouping for those trade receivables and contract assets that were not assessed individually by considering the credit risk;
- 透過考慮信貸風險評估，貴集團對未進行個別評估的貿易應收款項及合約資產分組的適當性；
- Evaluating the reasonableness of the default rates of different groups by considering the actual losses recorded during the prior and current financial years;
- 透過考慮過往及當前財政年度錄得的實際虧損評估不同組別違約率的合理性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
<p>Estimated impairment of trade receivables and contract assets (continued) 貿易應收款項及合約資產的預計減值(續)</p> <p>Management collectively assessed expected credit losses taking into account of the nature of customers, the aging analysis and historical bad debt losses incurred in respect of those group of customers. Expected credit losses are estimated by grouping the remaining trade receivables based on shared credit risk characteristics and collectively assessed for likelihood of recovery. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables.</p> <p>管理層經計及客戶性質、賬齡分析及就該等客戶組別產生的過往壞賬虧損，集體評估預期信貸虧損。預期信貸虧損透過根據共同信貸風險特徵對餘下貿易應收款項進行分組估計，並集體評估收回的可能性。過往虧損率乃經調整以反映影響客戶結算應收款項能力的當前及前瞻性資料。</p> <p>As disclosed in Notes 22 and 24 to the consolidated financial statements, the impairment loss of the Group on trade receivables and contract assets as at 31 December 2021 amounted to RMB7,914,000 and RMB8,995,000 respectively.</p> <p>誠如綜合財務報表附註22及24所披露，貴集團於2021年12月31日的貿易應收款項及合約資產的減值虧損分別為人民幣7,914,000元及人民幣8,995,000元。</p>	<ul style="list-style-type: none"> Assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; 透過檢查管理層用以作出有關判斷的資料(包括測試過往違約數據的準確性及評估過往虧損率是否根據當前經濟狀況及前瞻性資料作出適當調整)，評估管理層虧損撥備估計的合理性； Checking the subsequent settlements of trade receivables, by inspecting supporting documents in relation to cash receipt from trade debtors subsequent to the end of the current reporting period and challenging management regarding their reasons for not considering a provision against any unsettled past-due balances; and 檢查貿易應收款項的期後結算情況，並在本報告期結束後查核有關貿易債務人現金收款的證明文件，並就管理層不考慮就任何未結算逾期結餘計提撥備的理由提出質疑；及 Evaluating the appropriateness of the disclosures in respect of the credit risk and impairment assessment of trade receivables and contract assets in the consolidated financial statements. 評價綜合財務報表中有關貿易應收款項及合約資產的信貸風險及減值評估的披露是否恰當。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Impairment of goodwill

商譽減值

We identified the impairment of goodwill as a key audit matter due to the judgment and estimation involved in determining the recoverable amount which was prepared and used by the management in considering impairment of goodwill.

我們將商譽減值識別為關鍵審計事項，原因為釐定管理層於考慮商譽減值時所編製及採用的可收回金額涉及判斷及估計。

Impairment of goodwill is assessed by the management by comparing the recoverable amount and carrying amount of the relevant cash-generating units at the end of the reporting period. The recoverable amount is determined based on the value in use of which the calculation involved significant assumptions such as discount rate and the forecasts of future revenue growth rates, gross margins and terminal growth rate used in the estimated future cash flow.

商譽減值由管理層透過比較相關現金產生單位於報告期末的可收回金額及賬面值進行評估。可收回金額乃根據使用價值釐定，其計算涉及重大假設，如貼現率及估計未來現金流量所用的未來收入增長率、毛利率及永久增長率預測。

As disclosed in Note 18 to the consolidated financial statements, the Group reported goodwill in oilfield auxiliary services business with a carrying amount of RMB18,277,000 as at 31 December 2021.

誠如綜合財務報表附註18所披露，貴集團於2021年12月31日呈報賬面值為人民幣18,277,000元的油田周邊服務業務的商譽。

Details of the related key estimation uncertainty are set out in Note 4 to the consolidated financial statements.

有關主要估計不確定因素的詳情載於綜合財務報表附註4。

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

Our procedures in relation to management's impairment assessment of goodwill included:

我們有關管理層對商譽減值評估的程序包括：

- Understanding the Group's key control over the management's impairment assessment on goodwill;
- 了解 貴集團就管理層進行商譽減值評估所採取的關鍵控制；
- Obtaining the future cash flow analysis prepared by the management and checking its mathematical accuracy;
- 取得管理層編製的未來現金流量分析並檢查其計算準確性；
- Reviewing the valuation report prepared by the independent professional valuer not connected with the Group, checking its mathematical accuracy and assessing the objectivity, competency and capability of the valuer;
- 審閱與 貴集團並無關連的獨立專業估值師編製的評估報告、檢查其計算準確性及評估估值師的客觀性、勝任情況及能力；
- Evaluating the discount rate used in the discounted cash flow model, by comparing with the industry practice;
- 透過與行業慣例進行比較，評估貼現現金流量模型中使用的貼現率；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
Impairment of goodwill (continued) 商譽減值(續)	<ul style="list-style-type: none">• Evaluating the key assumptions used in the estimated future cash flow, including the forecasts of future revenue growth rates, gross margins and terminal growth rate by comparing with the historical performance and future strategic plan of the Group in respect of the cash-generating units;• 透過比較 貴集團有關現金產生單位的過往表現及未來策略計劃，評估估計未來現金流量所用的主要假設，包括未來收入增長率、毛利率及永久增長率的預測；• Assessing management's sensitivity analysis for the key assumptions, to ascertain the extent to which adverse changes, either individually or in aggregate, would result in the impairment of goodwill;• 評估管理層對主要假設的敏感度分析，以確定個別或整體不利變動將導致商譽減值的程度；• Performing a retrospective review on the consistency of the methodology adopted in the previous years and inquiring with the management for the reasons for changes, if any; and• 對往年採用的方法的一致性進行回顧性審查，並向管理層詢問變動(如有)的原因；及• Evaluating the adequacy of the Group's disclosures regarding the goodwill impairment testing.• 評估本集團有關商譽減值測試的披露是否充足。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Impairment assessment of property, plant and equipment, intangible assets and right-of-use assets

物業、廠房及設備、無形資產及使用權資產的減值評估

The carrying values of property, plant and equipment, intangible assets and right-of-use assets as at 31 December 2021 were allocated to the cash-generating units ("CGUs") to which they belong. As at 31 December 2021, the carrying amount of property, plant and equipment, intangible assets and right-of-use assets was approximately RMB168,782,000, RMB19,966,000 and RMB9,322,000, respectively. In view of the losses sustained by the Group during the current year, management considered that indicators of impairment of property, plant and equipment, intangible assets and right-of-use assets existed as at 31 December 2021.

於2021年12月31日，物業、廠房及設備、無形資產及使用權資產的賬面價值的已分配至其所屬的現金產生單位（「現金產生單位」）。於2021年12月31日，貴集團物業、廠房及設備、無形資產及使用權資產的賬面價值分別約為人民幣168,782,000元、人民幣19,966,000元及人民幣9,322,000元。鑒於貴集團於本年度所蒙受虧損，管理層認為於2021年12月31日其他物業、廠房及設備、無形資產及使用權資產的存在減值跡象。

In assessing whether impairment existed at the reporting date, management determined the recoverable amounts of the smallest cash-generating units to which these assets were allocated. The recoverable amount of a CGU is the greater of its value in use and the fair value less costs of disposal of the related assets.

評估於報告日期是否存在減值時，管理層釐定獲分派該等資產的最小現金產生單位的可收回金額。一個現金產生單位的可收回金額為其使用價值與公允價值減去出售相關資產成本的較大者。

When it is determined that indicators of impairment of a CGU exist, management assesses the value in use of the CGU by preparing a discounted cash flow forecast and that value in use is compared with the carrying value of the CGU to determine if any impairment is required.

倘釐定現金產生單位存在減值跡象，管理層通過編製貼現現金流量預測以評估現金產生單位的使用價值，並將該使用價值與現金產生單位的賬面價值作比較以釐定是否須作出減值。

Our audit procedures in relation to the impairment assessment of property, plant and equipment included: 我們有關物業、廠房及設備減值評估的審計程序包括：

- Obtaining an understanding of the Group's policies and procedures to identify impairment indicators of property, plant and equipment, intangible assets and right-of-use assets;
- 了解貴集團的政策及程序以確定物業、廠房及設備的減值跡象；
- Evaluating management's identification of impairment indicators, if any, with reference to the internal sources and external sources of information;
- 參考內部資料來源及外部資料來源，評估管理層有關減值跡象（如有）的識別方法；
- Assessing and challenging management's impairment assessment model. This included evaluating the discounted cash flow forecasts for each CGU where an indicator of impairment was identified and comparing the resultant value in use with the carrying values of the relevant assets and considering whether impairment or a reversal of past impairment was required;
- 評估及質疑管理層的減值評估模型，包括評估發現存在減值跡象的各現金產生單位的貼現現金流量預測，比較由此產生的使用價值與相關資產的賬面價值，並考慮是否須進行減值或撥回過往減值；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理
<p>Impairment assessment of property, plant and equipment, intangible assets and right-of-use assets (continued) 物業、廠房及設備、無形資產及使用權資產的減值評估(續)</p>	
<p>Assessing the value in use of a CGU is complex and requires management to make a number of judgemental assumptions, particularly relating to the revenue growth rates (which drives future production levels) and future gross margins. 評估一個現金產生單位的使用價值較為複雜，管理層須作出大量判斷性假設，尤其是與收入增長率(推動未來生產水平)及未來毛利率有關的假設。</p>	<ul style="list-style-type: none"> Comparing the most significant inputs used in the discounted cash flow forecasts, including the revenue growth rates and future gross margins, with the historical performance of each CGU and management's budgets and forecasts; 比較貼現現金流量預測所使用的最重要輸入資料(包括收入增長率及未來毛利率)與各現金產生單位的歷史表現以及管理層的預算及預測；
<p>We identified the valuation of property, plant and equipment, intangible assets and right-of-use assets as a key audit matter because determining the level of impairment, if any, involves a significant degree of management judgement in forecasting future cash flows and estimating the value in use of these assets both of which are inherently uncertain and may be subject to management bias. 我們將物業、廠房及設備、無形資產及使用權資產的估值確定為一項關鍵審計事項，因為釐定減值水準(倘有)涉及管理層於預測未來現金流量及估計該等資產的使用價值時作出大量高度的判斷，而兩者存在固有的不確定因素，且可能受管理部門偏向影響。</p>	<ul style="list-style-type: none"> Evaluating the discount rates used in the cash flow forecasts by benchmarking against other similar companies in the same industry; 通過與同行業其他類似公司進行基準對比，評估現金流量預測所使用的貼現率； Performing sensitivity analysis for the key assumptions and considering the resulting impact on the impairment assessment for the year and whether there were any indicators of management bias; and 對關鍵假設進行敏感度分析，並考慮由此對年內減值評估的影響，以及是否存在管理層偏向跡象；及
	<ul style="list-style-type: none"> Considering the disclosures in the consolidated financial statements in respect of impairment testing of property, plant and equipment, intangible assets and right-of-use assets, including the key assumptions and sensitivities to changes in such assumptions, with reference to the requirements of the prevailing accounting standards. 參考現行會計準則的規定，考慮綜合財務報表中有關物業、廠房及設備、無形資產及使用權資產的減值測試的披露，包括關鍵假設及對有關假設變動的敏感度。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

其他信息

貴公司董事需對其他信息負責。其他信息包括列載於年報內的信息，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，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀上文所識別的其他信息，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國際會計準則理事會所頒佈的《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並僅向全體股東出具包括我們意見的核數師報告，除此以外，我們的報告不可用作其他用途。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責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或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。

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

(continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 safeguard 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 Chan Sai Ho.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 24 March 2022

Chan Sai Ho
Practising certificate number P07705

核數師就審計綜合財務報表承擔的責任 (續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平反映相關交易和事項。
- 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。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

我們亦向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或所實施的相關防範措施。

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總監為陳世豪。

天職香港會計師事務所有限公司
執業會計師
香港，2022年3月24日

陳世豪
執業證書編號P07705

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 2021 截至2021年12月31日止年度

(Expressed in Renminbi) (以人民幣為單位)

			2021 2021年	2020 2020年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	5,6	561,700	536,811
Cost of services	服務成本		(484,786)	(453,929)
Gross profit	毛利		76,914	82,882
Other income, gains and losses	其他收入、收益及虧損	7	1,787	7,484
Administrative expenses	行政開支		(54,441)	(55,483)
Distribution and selling expenses	分銷及銷售開支		(2,141)	(2,481)
Impairment loss and write-off of trade receivables, other receivables and contract assets, net of reversal	貿易應收款項、其他應收款項及合約資產減值虧損及撤銷		(8,676)	(15,449)
Other expenses	其他開支		(21,258)	(21,890)
Share of results of an associate	應佔聯營企業的業績		(118)	(953)
Finance costs	融資成本	8	(2,551)	(2,429)
Loss before tax	稅前虧損	10	(10,484)	(8,319)
Income tax credit	所得稅抵免	9	1,639	949
Loss for the year	年內虧損		(8,845)	(7,370)
Other comprehensive expense	其他全面開支			
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
Fair value loss on equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的股本工具的公允價值虧損		(572)	(950)
Income tax relating to items that will not be reclassified to profit or loss	與不會重新分類至損益的項目有關的所得稅		143	237
			(429)	(713)
Total comprehensive expense for the year	年內全面開支總額		(9,274)	(8,083)

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 2021 截至2021年12月31日止年度
(Expressed in Renminbi) (以人民幣為單位)

		2021 2021年	2020 2020年
	Note 附註	RMB'000 人民幣千元	<i>RMB'000</i> 人民幣千元
(Loss)/profit for the year attributable to:	以下各方應佔年內(虧損)/利潤:		
— Owners of the Company	— 本公司擁有人	(12,412)	(10,929)
— Non-controlling interests	— 非控股權益	3,567	3,559
		(8,845)	(7,370)
Total comprehensive (expense)/income for the year attributable to:	以下各方應佔年內全面(開支)/收益總額:		
— Owners of the Company	— 本公司擁有人	(12,609)	(11,256)
— Non-controlling interests	— 非控股權益	3,335	3,173
		(9,274)	(8,083)
Loss per share	每股虧損		
— Basic and diluted (RMB)	— 基本及攤薄 (人民幣元)	(0.009)	(0.008)
	12		

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2021 於2021年12月31日

(Expressed in Renminbi) (以人民幣為單位)

			2021 2021年	2020 2020年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	168,782	132,205
Right-of-use assets	使用權資產	15	9,322	11,775
Intangible assets	無形資產	16	19,966	22,047
Interest in an associate	於聯營企業的權益	17	9,160	594
Goodwill	商譽	18	18,277	18,277
Equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的股本工具	19	—	3,825
Deposits for acquisition of property, plant and equipment	購置物業、廠房及設備的按金		2,423	16,551
Pledged bank deposits	已抵押銀行存款	27	—	7,382
Deferred tax assets	遞延稅項資產	20	17,876	13,764
			245,806	226,420
Current assets	流動資產			
Inventories	存貨	21	16,802	6,952
Trade and note receivables	貿易應收款項及應收票據	22	204,836	234,951
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	23	45,760	63,737
Contract assets	合約資產	24	249,061	278,733
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股股東款項	25	9,365	4,523
Financial assets at fair value through profit or loss	按公允價值計量並計入損益的金融資產	26	10,024	—
Pledged bank deposits	已抵押銀行存款	27	13,182	36,053
Bank balances and cash	銀行結餘及現金	27	69,181	87,354
			618,211	712,303
Current liabilities	流動負債			
Trade payables	貿易應付款項	28	171,791	151,962
Other payables and accrued expenses	其他應付款項及應計開支	29	45,198	25,211
Amount due to a non-controlling shareholder of a subsidiary	應付一間附屬公司非控股股東款項	25	5,395	—
Contract liabilities	合約負債	24	13,920	105,089
Lease liabilities	租賃負債	30	1,000	2,670
Income tax payables	應納所得稅		2,169	1,087
Borrowings	借款	31	51,035	44,384
			290,508	330,403

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2021 於2021年12月31日

(Expressed in Renminbi) (以人民幣為單位)

			2021 2021年	2020 2020年
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Net current assets	流動資產淨值		327,703	381,900
Total assets less current liabilities	資產總額減流動負債		573,509	608,320
Non-current liabilities	非流動負債			
Borrowings	借款	31	2,702	11,344
Lease liabilities	租賃負債	30	183	1,275
Deferred tax liabilities	遞延稅項負債	20	57	617
			2,942	13,236
NET ASSETS	資產淨值		570,567	595,084
Capital and reserves	資本及儲備			
Share capital	股本	32	55,100	55,100
Reserves	儲備		436,317	450,245
Equity attributable to owners of the Company	本公司擁有人應佔權益		491,417	505,345
Non-controlling interests	非控股權益		79,150	89,739
TOTAL EQUITY	權益總額		570,567	595,084

Approved and authorised for issue by the Board of Directors on 24 March 2022:

於2022年3月24日經董事會批准及授權發佈：

Mr. Cai Zhuhua
蔡珠華先生
Director
董事

Mr. Dong Honghui
董紅暉先生
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至2021年12月31日止年度

(Expressed in Renminbi) (以人民幣為單位)

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Share-based option reserve	Other reserve	Revaluation reserve	Statutory surplus reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	以股份為基礎的 支付儲備	其他儲備	重估儲備	法定 盈餘儲備	保留利潤	小計	非控股 權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 32)					(Note (a))				
		(附註 32)					(附註 (a))				
At 1 January 2020	於2020年1月1日	55,100	237,130	3,461	38,394	1,879	25,616	155,235	516,815	57,326	574,141
Loss for the year	年內虧損	—	—	—	—	—	—	(10,929)	(10,929)	3,559	(7,370)
Other comprehensive expense for the year, net of income tax	年內其他全面開支 (扣除所得稅)	—	—	—	—	(327)	—	—	(327)	(386)	(713)
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	—	—	—	—	(327)	—	(10,929)	(11,256)	3,173	(8,083)
Recognition of equity-settled share-based payment	確認股權結算以股份為基礎的支付(附註40)	—	—	1,006	—	—	—	—	1,006	—	1,006
Acquisition of subsidiaries	收購附屬公司 (附註42及43)	—	—	—	—	—	—	—	—	19,575	19,575
Change in ownership interests in subsidiaries without change of control	附屬公司所有者權益變動 (不改變控制權) (附註(b))	—	—	—	(920)	—	—	—	(920)	920	—
Capital contribution from non-controlling shareholders	非控股股東注資	—	—	—	—	—	—	—	—	8,445	8,445
Transaction with non-controlling interests	與非控股權益的交易 (附註45)	—	—	—	(300)	—	—	—	(300)	300	—
Transfer to statutory surplus	轉撥至法定盈餘	—	—	—	—	—	295	(295)	—	—	—
At 31 December 2020	於2020年12月31日	55,100	237,130	4,467	37,174	1,552	25,911	144,011	505,345	89,739	595,084

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至2021年12月31日止年度

(Expressed in Renminbi) (以人民幣為單位)

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Share-based reserve	Other reserve	Revaluation reserve	Statutory surplus reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	以股份為基礎的支付儲備	其他儲備	重估儲備	法定盈餘儲備	保留利潤	小計	非控股權益	總計
		RMB'000 人民幣千元 (Note 32) (附註 32)	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元 (Note (a)) (附註 (a))	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2021	於2021年1月1日	55,100	237,130	4,467	37,174	1,552	25,911	144,011	505,345	89,739	595,084
Loss for the year	年內虧損	—	—	—	—	—	—	(12,412)	(12,412)	3,567	(8,845)
Other comprehensive expense for the year, net of income tax	年內其他全面開支 (扣除所得稅)	—	—	—	—	(197)	—	—	(197)	(232)	(429)
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	—	—	—	—	(197)	—	(12,412)	(12,609)	3,335	(9,274)
Recognition of equity-settled share-based payment	確認股權結算以股份為基礎的支付 (附註40)	—	—	624	—	—	—	—	624	—	624
Transfer of share option reserve upon forfeiture of share options	沒收購股權時轉讓購股權儲備	—	—	(85)	—	—	—	85	—	—	—
Capital contribution from non-controlling shareholders	非控股股東注資	—	—	—	—	—	—	—	—	297	297
Acquisition of additional interests in a subsidiary	收購一間附屬公司額外權益(附註45)	—	—	—	(1,896)	—	—	—	(1,896)	(3,499)	(5,395)
Deregistration of a subsidiary	一間附屬公司撤銷註冊	—	—	—	—	—	—	—	—	105	105
Disposal of subsidiaries	出售附屬公司(附註44)	—	—	—	—	—	—	—	—	(10,874)	(10,874)
Transaction with non-controlling interests	與非控股權益的交易 (附註45)	—	—	—	(47)	—	—	—	(47)	47	—
Transfer to statutory surplus	轉撥至法定盈餘	—	—	—	—	—	1,787	(1,787)	—	—	—
At 31 December 2021	於2021年12月31日	55,100	237,130	5,006	35,231	1,355	27,698	129,897	491,417	79,150	570,567

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至2021年12月31日止年度

(Expressed in Renminbi) (以人民幣為單位)

Notes:

(a) In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to set aside 10% of their profit after tax as per statutory financial statements determined under the PRC laws and regulations for the statutory surplus reserve fund until the reserve reach 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity owners of the subsidiaries. The statutory surplus reserve can be used to make up previous years' losses, expand the existing operations or convert into additional capital of the respective subsidiaries.

(b) On 4 April 2018, Guangzhou Weigang Environmental Protection Technology Limited ("Guangzhou Weigang"), WEIGANG HOLDINGS (HONG KONG) LIMITED ("Weigang Holdings (Hong Kong)"), Jade Road Investment Limited ("Jade Road"), Jade Fly Investment Limited ("Jade Fly"), WeiGang Technology Limited ("WeiGang Technology") and Orient Landscape Group Environmental Protection Co., Ltd ("Orient Landscape"), an independent third party, entered into investment agreements whereby Orient Landscape agreed, among others, to subscribe for the registered capital of RMB40,000,000 in Guangzhou Weigang, for 10% of the equity interest in Guangzhou Weigang, at a consideration of RMB94,444,444. Upon completion of the subscription on 11 April 2018, an amount representing the proportionate share of the carrying amount of the net assets of Guangzhou Weigang at the date of the completion of the subscription was transferred to non-controlling interests. The difference between the capital contribution from the non-controlling interests, the proportionate share of the carrying amount of the net assets of Guangzhou Weigang and the re-attribution of its statutory surplus reserve and retained profits have been recognised in other reserve.

On the same date, an amount representing the present value amounting to RMB94,444,444 of the amount that the Group could be required to pay to Orient Landscape pursuant to the put option over the 10% equity interest in Guangzhou Weigang held by Orient Landscape, with a corresponding debit in other reserve, is recognised in obligation arising from a put option.

Upon the successful listing of the Company on 3 January 2019, the put option has been lapsed and all the previously recognised interest expenses have been reversed through equity without any payment to Orient Landscape.

During the year ended 31 December 2020, the Company has made several capital injections to Guangzhou Weigang for total amount of RMB9,198,900. Upon the completion of capital injections, there has been no change in shareholding of Guangzhou Weigang and the amount representing 10% of the above capital injections has been transferred to non-controlling interests.

附註:

(a) 根據於中華人民共和國(「中國」)成立的所有附屬公司的組織章程細則，中國附屬公司須從其法定財務報表中呈報的稅後利潤(根據中國法律法規釐定)中轉撥10%作為法定盈餘儲備，直至儲備達到其註冊資本的50%。向該儲備的轉入必須在向附屬公司權益擁有人分派股息前進行。法定盈餘儲備可用作彌補以前年度的虧損、擴展現有業務或轉換為相應附屬公司的額外資本。

(b) 於2018年4月4日，廣州維港環保科技有限公司(「廣州維港」)、維港控股(香港)有限公司(「維港控股(香港)」)、杰路投資有限公司(「杰路」)、杰飛投資有限公司(「杰飛」)、維港科技有限公司(「維港科技」)及東方園林集團環保有限公司(「東方園林」，為獨立第三方)訂立投資協議，據此，東方園林同意(其中包括)認購廣州維港人民幣40,000,000元的註冊資本(廣州維港10%的股權)，對價為人民幣94,444,444元。認購於2018年4月11日完成後，一筆相當於完成認購當日應佔的廣州維港資產淨值賬面值的金額轉撥至非控股權益。非控股權益注資、應佔廣州維港資產淨值的賬面值及重新分配其法定盈餘儲備及保留利潤之間的差額於其他儲備中確認。

同日，有關金額指本集團可能須向東方園林支付的現值人民幣94,444,444元(按東方園林持有的廣州維港10%股權的認沽期權於其他儲備中借記)，於認沽期權產生的責任中確認。

本公司於2019年1月3日成功上市後，認沽期權已失效，且所有先前確認的利息開支已透過股本撥回，且並無向東方園林作出任何付款。

截至2020年12月31日止年度，本公司已數度向廣州維港注資，總金額為人民幣9,198,900元。於完成注資後，廣州維港的股權並無變動，而相當於上述注資10%的金額已轉撥至非控股權益。

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至2021年12月31日止年度

(Expressed in Renminbi) (以人民幣為單位)

		2021 2021年	2020 2020年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Operating activities	經營活動		
Loss before tax	稅前虧損	(10,484)	(8,319)
Adjustments for:	調整項目：		
Share of results of an associate	應佔一間聯營企業的業績	118	953
Gain on disposal of subsidiaries	出售附屬公司的收益	(4,084)	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,345	7,596
Depreciation of right-of-use assets	使用權資產折舊	2,416	2,839
Amortisation of intangible assets	無形資產攤銷	2,061	3,330
Bank interest income	銀行利息收入	(1,366)	(2,972)
Finance costs	融資成本	2,551	2,429
Impairment loss and write-off of trade and note receivables, other receivables and contract assets, net of reversal	貿易應收款項及應收票據、其他應收款項及合約資產減值虧損及撇銷(扣除撥回)	8,676	15,449
Net foreign exchange losses	外匯虧損淨額	2,089	805
Share-based payment expenses	以股份為基礎的支付開支	624	1,006
Change in fair value of financial asset at fair value through profit or loss	按公允價值計量並計入損益的金融資產的公允價值變動	(24)	—
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	7,359	—
Write-off of property, plant and equipment	撇銷物業、廠房及設備	2,094	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	—	3
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	23,375	23,119
Decrease/(increase) in inventories	存貨減少/(增加)	6,837	(1,702)
Decrease/(increase) in trade and note receivables	貿易應收款項及應收票據減少/(增加)	26,228	(67,632)
Decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少	6,556	9,347
Decrease/(increase) in contract assets	合約資產減少/(增加)	6,823	(641)
Increase/(decrease) in trade payables	貿易應付款項增加/(減少)	21,705	(52,507)
Increase/(decrease) in other payables and accrued expenses	其他應付款項及應計開支增加/(減少)	22,836	(8,919)
(Decrease)/increase in contract liabilities	合約負債(減少)/增加	(91,169)	60,809
Cash generated from/(used in) operations	經營所得/(所用)現金	23,191	(38,126)
Income tax paid	已付所得稅	(622)	(16,915)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	22,569	(55,041)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至2021年12月31日止年度
(Expressed in Renminbi) (以人民幣為單位)

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
	Note 附註		
Investing activities			
Purchase of and deposits paid for property, plant and equipment	購置物業、廠房及設備及已付按金	(47,274)	(48,365)
Addition of right-of-use assets	添置使用權資產	—	(8,304)
Investment in an associate	於一間聯營企業的投資	(8,684)	(966)
Interest received	已收利息	1,366	2,972
Proceeds from disposal of items of property, plants and equipment	出售物業、廠房及設備項目所得款項	—	339
Withdrawal of pledged bank deposits	提取已抵押銀行存款	40,789	43,265
Placement of pledged bank deposits	存入已抵押銀行存款	(10,536)	(33,701)
Purchase of financial assets at fair value through profit or loss	購買按公允價值計量並計入損益的金融資產	(10,000)	—
Acquisition of subsidiaries, net of cash paid	收購附屬公司 (扣除已付現金)	—	18,552
	42		
Net cash outflow on acquisition of assets through acquisition of a subsidiary	透過收購一家附屬公司收購資產的現金流出淨額	—	(1,500)
	43		
Net cash inflow arising on disposal of subsidiaries	出售附屬公司時註銷產生的現金流入淨額	1,410	—
	44		
Advance to non-controlling shareholders of subsidiaries	向一間附屬公司非控股股東墊款	(1,242)	(4,523)
Received from a non-controlling shareholder upon deregistration of a subsidiary	註銷一間附屬公司時收取非控股股東款項	105	—
Net cash used in investing activities	投資活動所用現金淨額	(34,066)	(32,231)
Financing activities			
Capital element of lease rental paid	已付租金的本金部分	(2,431)	(2,816)
Interest element of lease rental paid	已付租金的利息部分	(121)	(261)
Other interest paid	已付其他利息	(2,430)	(2,078)
Repayment of borrowings	償還借款	(44,954)	(30,137)
Proceeds from new borrowings	新籌借款所得款	42,963	59,267
Capital injection by non-controlling shareholders	非控股股東注資	297	8,445
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(6,676)	32,420

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至2021年12月31日止年度
(Expressed in Renminbi) (以人民幣為單位)

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
	<i>Note</i> 附註		
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(18,173)	(54,852)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	87,354	142,206
Cash and cash equivalents at end of the year, represented by bank balances and cash	年末現金及現金等價物，指銀行結餘及現金	69,181	87,354

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之組成部分。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

1 GENERAL

Weigang Environmental Technology Holding Group Limited (the “Company”) was incorporated in the Cayman Islands on 18 May 2017 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The immediate holding company and the ultimate holding company of the Company are WeiGang Technology Limited and Weigang Green Technology Limited (“Weigang Green”), respectively, both of which were incorporated in the British Virgin Islands (“BVI”). Weigang Green is wholly owned by Mr. Cai Zhuhua (“Mr. Cai”), the ultimate controlling shareholder of the Group, who is also the chairman and executive director of the Company. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 3 January 2019.

The address of the registered office of the Company is changed from Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands to 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands and the address of principal place of business of the Company is Unit 3507, 35/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred as a “Group”) are principally engaged in hazardous waste incineration turnkey solution provider in China focused on the research, design, integration and commissioning of solid waste treatment systems particularly for hazardous waste incineration and oilfield auxiliary services.

A list of the Company’s principal subsidiaries as of 31 December 2021 and their particulars are set out in Note 41.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

1 一般資料

維港環保科技控股集團有限公司(「本公司」)於2017年5月18日根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司。本公司的直接控股公司及最終控股公司分別為維港科技有限公司及維港綠色科技有限公司(「維港綠色」)，兩者均於英屬維爾京群島(「英屬維爾京群島」)註冊成立。維港綠色由蔡珠華先生(「蔡先生」，本集團最終控股股東)全資擁有，蔡先生亦為本公司主席兼執行董事。本公司股份已於2019年1月3日在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司的註冊辦事處地址由Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman, KY1-9008 Cayman Islands變更為190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands，而本公司主要營業地點的地址為香港北角電氣道183號友邦廣場35樓3507室。

本公司為一間投資控股公司。本公司及其附屬公司(統稱為「本集團」)主要於中國提供危險廢物焚燒處置整體解決方案，專注於固體廢物處理系統(尤其是危險廢物焚燒處置系統)的研究、設計、集成及調試，同時亦提供油田周邊服務。

本公司於2021年12月31日的主要附屬公司名單及其詳情載於附註41。

綜合財務報表以人民幣(「人民幣」)列示，人民幣亦為本公司的功能貨幣。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

2 APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standard Board (“IASB”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform — Phase 2
--	--

In addition, the Group has early applied the Amendment to IFRS 16 Covid-19-Related Rent Concession beyond 30 June 2021.

Except as described below, the application of the amendments to IFRSs and the Committee’s agenda decision 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.

Impacts on early application of Amendment to IFRS 16, Covid-19-Related Rent Concessions beyond 30 June 2021

The Group has early applied the amendment in the current year. The amendment extends the availability of the practical expedient in paragraph 46A of IFRS 16 “Leases” (“IFRS 16”) by one year so that the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The application of this amendment has had no material impact on the Group’s financial positions and performance for the current and prior years.

2 應用《國際財務報告準則》(「《國際財務報告準則》」)之修訂

於本年度，本集團已首次應用以下由國際會計準則理事會頒佈並於2021年1月1日或之後開始的年度期間強制生效的《國際財務報告準則》修訂，以編製綜合財務報表：

《國際財務報告準則》第9號、《國際會計準則》第39號、《國際財務報告準則》第7號、《國際財務報告準則》第4號及《國際財務報告準則》第16號之修訂	利率基準改革 — 第二階段
--	---------------

此外，本集團已提早應用《國際財務報告準則》第16號之修訂於2021年6月30日之後新冠疫情相關租金減免。

除以下所述外，於本年度應用國際財務報告準則之修訂及委員會的議程決定不會對本集團於本年度及過往年度之財務狀況及表現及／或對該等綜合財務報表內所載之披露產生重大影響。

提早應用《國際財務報告準則》第16號之修訂「於2021年6月30日之後新冠疫情相關租金減免」的影響

本集團已於本年度提早應用此修訂。此修訂將國際財務報告準則第16號「租賃」(「國際財務報告準則第16號」)第46A段中之實際權宜方法之期限延長一年，使其適用於在滿足有關採用實際權宜方法之其他條件之前提下，租賃付款之任何減少僅影響原本應於2022年6月30日或之前到期之租賃付款之租金減免。應用此修訂對本集團於本年度及過往年度之財務狀況及表現並無造成重大影響。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

2 APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

New and amendments to IFRSs issued but not yet effective

The following new and amendments to IFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

The Group has not early applied the following new and amendments to IFRSs that have been issued but not yet effective:

IFRS 17
《國際財務報告準則》第17號

Amendments to IFRS 3
《國際財務報告準則》第3號之修訂

Amendments to IFRS 10 and IAS 28
《國際財務報告準則》第10號及
《國際會計準則》第28號之修訂

Amendments to IAS 1
《國際會計準則》第1號之修訂

Amendments to IAS 1 and IFRS Practice Statement 2
《國際會計準則》第1號及
《國際財務報告準則》實務聲明第2號之修訂

Amendments to IAS 8
《國際會計準則》第8號之修訂

Amendments to IAS 12
《國際會計準則》第12號之修訂

Amendments to IAS 16
《國際會計準則》第16號之修訂

Amendments to IAS 37
《國際會計準則》第37號之修訂

Amendments to IFRS Standards
《國際財務報告準則》準則之修訂

1 Effective for annual periods beginning on or after 1 January 2022.

2 Effective for annual periods beginning on or after 1 January 2023.

3 Effective for annual periods beginning on or after a date to be determined.

Insurance Contracts and the related Amendments²
保險合約及相關修訂²

Reference to the Conceptual Framework¹
概念框架引用¹

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³
投資者與其聯營企業或合營企業之間出售或注入資產³

Classification of Liabilities as Current or Non-current²
將負債分類為流動或非流動²

Disclosure of Accounting Policies²
會計政策披露²

Definition of Accounting Estimates²
會計估計的定義²

Deferred Tax related to Assets and Liabilities arising from a Single Transaction²
與單一交易產生之資產及負債相關之遞延稅項²

Property, Plant and Equipment: Proceeds before Intended Use¹
物業、廠房及設備：擬定用途前之所得款項¹

Onerous Contracts — Cost of Fulfilling a Contract¹
虧損性合約 — 履行合約的成本¹

Annual Improvements to IFRS Standards 2018–2020¹
《國際財務報告準則》準則2018年至2020年之年度改進¹

2 應用《國際財務報告準則》(《國際財務報告準則》)之修訂(續)

已頒佈但未生效的新訂及經修訂《國際財務報告準則》

以下可能與本集團財務報表有關的新訂及經修訂《國際財務報告準則》已頒佈但尚未生效，本集團並無提早採納。

本集團並無提前應用以下已頒佈但尚未生效之新訂及經修訂國際財務報告準則：

1 於2022年1月1日或之後開始的年度期間生效。

2 於2023年1月1日或之後開始的年度期間生效。

3 於待定期日或之後開始的年度期間生效。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

2 APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

New and amendments to IFRSs issued but not yet effective (continued)

The directors of the Company anticipate that the application of these new and amendments to IFRSs 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

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decision made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange 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 應用《國際財務報告準則》(「《國際財務報告準則》」)之修訂(續)

已頒佈但未生效的新訂及經修訂《國際財務報告準則》(續)

本公司董事預期，應用該等新訂及經修訂《國際財務報告準則》於可見將來不會對綜合財務報表造成重大影響。

3 綜合財務報表之編製基準及主要會計政策

綜合財務報表之編製基準

綜合財務報表乃根據國際會計準則理事會頒佈的《國際財務報告準則》編製。就編製綜合財務報表而言，倘某一項資料合理預期會影響主要使用者作出的決定，則有關資料被視為重大。此外，綜合財務報表包含《聯交所證券上市規則》及香港《公司條例》規定的適用披露。

綜合財務報表已按歷史成本基準編製，惟如下文會計政策所說明於各報告期末按公允價值計量的若干金融工具除外。

歷史成本一般根據換取貨品及服務所付對價之公允價值計算。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation of consolidated financial statements (continued)

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 the consolidated financial statements is determined on such a basis, except for share based payment transactions that are within the scope of IFRS 2 "Share-based Payment", leasing transactions that are accounted for in accordance with IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 "Inventories" or value in use in IAS 36 "Impairment of Assets".

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.

The principal accounting policies are set out below.

3 綜合財務報表之編製基準及主要會計政策(續)

綜合財務報表之編製基準(續)

公允價值為於計量日期於市場參與者的有序交易中因出售資產而收取或因轉讓負債而支付的價格，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。於估計資產或負債的公允價值時，本集團會考慮市場參與者於計量日期為該資產或負債進行定價時所考慮有關資產或負債的特徵。用於在綜合財務報表中計量及／或披露的公允價值均在此基礎上予以釐定，惟屬於《國際財務報告準則》第2號「以股份為基礎的支付」範圍內的以股份為基礎的支付交易、根據《國際財務報告準則》第16號入賬的租賃交易，以及與公允價值部分類似但並非公允價值的計量(例如《國際會計準則》第2號「存貨」內的可變現淨值或《國際會計準則》第36號「資產減值」內的使用價值)除外。

此外，就財務呈報而言，公允價值計量根據公允價值計量的輸入數據可觀察程度及公允價值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是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)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察的輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

- (i) has power over the investee;
- (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and
- (iii) 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.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策

綜合基準

綜合財務報表包括本公司及受本公司控制之實體和附屬公司的財務報表。倘屬以下情況，則本公司取得控制權：

- (i) 擁有對投資對象的權力；
- (ii) 因參與投資對象業務而承擔浮動回報的風險或享有浮動回報的權利；及
- (iii) 可對投資對象行使權力影響本公司之回報金額。

倘有事件及情況顯示上述三項控制權因素之一項或多項出現變動，本集團會重估是否仍控制投資對象。

倘本集團於投資對象的投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指揮投資對象的相關活動時即對投資對象擁有權力。本集團於評估本集團於投資對象的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相較其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票人或其他人士持有之潛在投票權；
- 其他合約安排所產生的權利；及
- 於需要作出決定時，表明本集團目前能夠或不能指揮相關活動的任何額外事實及情況(包括於過往股東會議上的投票模式)。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Basis of consolidation (continued)

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 and other comprehensive income 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.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

綜合基準(續)

當本集團取得附屬公司的控制權，則該附屬公司綜合入賬，直至本集團失去對該附屬公司的控制權為止。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取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司為止。

損益及其他全面收入各項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使這會導致非控股權益出現虧絀結餘。

必要時，對附屬公司的財務報表作出調整，使其會計政策與本集團會計政策一致。

有關本集團成員公司間交易的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於合併賬目時悉數對銷。

非附屬公司的非控股權益與本集團於有關附屬公司的股權分開呈列。非控股權益指清盤時持有人有權按比例分佔相關附屬公司資產淨值之現所有權權益。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing 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.

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 IFRSs). 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 "Financial Instruments" ("IFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

本集團於現有附屬公司的所有權權益變動

本集團於現有附屬公司的所有權權益變動，如不會導致本集團失去對附屬公司的控制權，則入賬列作權益交易。本集團相關權益部分及非控股權益的賬面值乃經調整以反映各自於附屬公司中的相關利益變動，包括根據本集團及非控股權益的權益佔比於本集團與非控股權益之間重新分配相關儲備。

非控股權益的調整金額與已付或已收對價的公允價值之間的差額直接在權益中確認，歸屬於本公司擁有人。

倘本集團失去附屬公司控制權，則終止確認該附屬公司的資產及負債以及非控股權益(如有)。收益或虧損於損益確認並按(i)已收對價的公允價值及任何保留權益的公允價值的總值與(ii)本公司擁有人應佔附屬公司的資產(包括商譽)及負債的賬面值之間的差額計算。先前於其他全面收益就該附屬公司確認的所有金額，會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《國際財務報告準則》所訂明/允許而重新分類至損益或轉撥至另一權益類別)。於失去控制權當日在前附屬公司保留的任何投資的公允價值，將被視為其後根據《國際財務報告準則》第9號「金融工具」入賬時初始確認的公允價值或(如適用)於聯營企業或合營企業之投資的初始確認成本。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits" respectively;

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

資產收購

當本集團收購不構成業務的一組資產及負債時，本集團識別及確認各項可識別的所收購資產及所承擔負債，方式為首先將購買價按各自的公允價值分配至金融資產／金融負債，然後將購買價餘額按於收購日的相對公允價值分配至其他可識別資產及負債。有關交易不會產生商譽或議價購買收益。

業務合併

收購業務以收購法入賬。業務合併所轉讓對價以公允價值計量，而公允價值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期的公允價值總和計算。收購相關成本一般於產生時於損益內確認。

於收購日期，所購入可識別資產及所承擔負債按其公允價值確認，但以下各項除外：

- 遞延稅項資產或負債及有關僱員福利安排的資產或負債分別根據《國際會計準則》第12號「所得稅」及《國際會計準則》第19號「僱員福利」確認及計量；

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Business combinations (continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

業務合併(續)

- 與被收購方以股份為基礎的支付安排或本集團為替代被收購方以股份為基礎的支付安排而訂立之以股份為基礎的支付安排有關之負債或股本工具，於收購日期根據《國際財務報告準則》第2號「以股份為基礎的支付」計量；
- 根據《國際財務報告準則》第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組別)按該準則計量；及
- 租賃負債乃按餘下租賃付款的現值(定義見《國際財務報告準則》第16號)確認及計量，猶如所收購租賃於收購日期為新租賃，惟(a)租期於收購日期後12個月內完結；或(b)相關資產為低價值的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並作出調整以反映租賃較市場條款有利或不利的條款。

商譽按所轉讓對價、於被收購方之任何非控股權益金額及收購方過往所持被收購方股本權益(如有)公允價值之總和超出於收購日期所收購可識別資產與所承擔負債之淨額之差額計量。倘於重新評估後，所收購可識別資產及所承擔負債之淨額超出所轉讓對價、於被收購方之任何非控股權益金額及收購方過往所持被收購方權益(如有)公允價值之總和，差額即時於損益確認為議價購買收益。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Significant accounting policies *(continued)*

Business combinations *(continued)*

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under IFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

3 綜合財務報表之編製基準及主要會計政策 *(續)*

主要會計政策 *(續)*

業務合併 *(續)*

屬現有所有權權益且清盤時持有人有權按比例分佔相關附屬公司資產淨值之非控股權益，初步按公允價值或非控股權益按比例分佔被收購方可識別資產淨值之已確認數額計量。計量基準按個別交易作出選擇。

倘業務合併分階段完成，本集團先前持有之被收購方股本權益按於收購日期（即本集團獲得控制權之日）的公允價值重新計量，而所產生之收益或虧損（如有）於損益或其他全面收益（倘適合）確認。先前已於其他全面收益確認並根據《國際財務報告準則》第9號計量的在收購日期前於被收購方權益所產生的金額，按本集團直接出售該等先前持有之股本權益的相同基準入賬。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

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 (or group of cash-generating units) 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.

A cash-generating unit (or group of cash-generating units) 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 cash-generating unit (or group of cash-generating units) 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 unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, 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 cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

商譽

收購業務所產生的商譽按收購業務當日確定的成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期可從合併之協同效益中獲益之本集團各現金產生單位(或現金產生單位組別)，即就內部管理目的監控商譽的最小單位，且並不大於經營分部。

獲分配商譽的現金產生單位(或現金產生單位組別)會每年進行減值測試，或於有跡象顯示該單位可能出現減值時更頻繁地進行減值測試。就於某一報告期間進行收購所產生之商譽而言，獲分配商譽的現金產生單位(或現金產生單位組別)於該報告期末前進行減值測試。倘可收回金額少於其賬面值，則減值虧損會首先分配以減少任何商譽的賬面值，然後根據該單位(或現金產生單位組別)內各項資產的賬面值按比例分配至其他資產。

倘出售相關現金產生單位或現金產生單位組別內任何現金產生單位，於釐定出售的損益金額時應計入商譽應佔金額。於本集團出售現金產生單位內的業務(或現金產生單位組別內的現金產生單位)時，所出售商譽金額按所出售業務(或現金產生單位)與該現金產生單位(或現金產生單位組別)保留部分的相對價值計量。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Investments in subsidiaries

Investments in subsidiaries are stated in the statements of financial position of the Company at cost less any identified impairment loss.

Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associate used for equity accounting purpose is prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Appropriate adjustments have been made to conform the associate's accounting policies to those of the Group. Under the equity method, an investment in an associate is initially recognised in the consolidated statements of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes result in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

於附屬公司的投資

於附屬公司的投資按成本減任何已識別減值虧損於本公司財務狀況表內列賬。

於聯營企業的投資

聯營企業為本集團對其具有重大影響力的實體。重大影響力指參與被投資方財務及經營政策決策之權力，但對該等政策並無控制或共同控制權。

聯營企業的業績及資產與負債按權益會計法併入該等綜合財務報表。用作權益會計法用途的聯營企業財務報表採用與本集團就同類情況下的類似交易及事件所採用者相同的會計政策編製。已作出適當調整以使聯營公司的會計政策與本集團的會計政策一致。按照權益法，於聯營企業的投資初始按成本於綜合財務狀況表中確認，並於其後調整以確認本集團應佔的該聯營企業損益及其他全面收益。聯營企業除損益及其他全面收益外的資產淨值變動不予入賬，除非該等變動會導致本集團所持所有權權益發生變動。若本集團應佔聯營企業的虧損超出其於該聯營企業的權益(包括任何實質上屬於本集團於該聯營企業的投資淨額的長期權益)，則本集團終止確認其分佔的進一步虧損。僅在本集團已招致法律責任或推定責任或代表該聯營企業作出付款的情況下，方會確認額外虧損。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Investment in an associate (continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

於聯營企業的投資(續)

於投資對象成為聯營企業當日，對於聯營企業的投資採用權益法入賬。於收購於聯營企業的投資時，投資成本超過本集團所佔投資對象可識別資產及負債公允價值淨值之任何部分乃確認為商譽，並計入投資之賬面值。本集團所佔可識別資產及負債於重新評估後之公允價值淨值超過投資成本之任何差額，於收購投資期間即時在損益內確認。

本集團評估是否有客觀證據表明於聯營公司的權益可能出現減值。若存在任何客觀證據，則將投資之全部賬面值(包括商譽)作為單一資產根據《國際會計準則》第36號「資產減值」進行減值測試，方法為將其可收回金額(使用價值與公允價值減處置成本兩者中之較高者)與賬面值進行比較。任何已確認減值虧損均為投資賬面值之一部分。減值虧損的任何撥回乃按《國際會計準則》第36號確認，惟僅限於投資的可收回金額隨後增加。

於本集團對聯營企業失去重大影響力的情況下，有關交易將會當作處置於該投資對象之全部權益入賬，而所得盈虧將於損益中確認。倘本集團保留於前聯營企業的權益且該保留權益屬《國際財務報告準則》第9號項下的金融資產，則本集團會於該日按公允價值計量保留權益，而該公允價值被視為初步確認時的公允價值。聯營企業的賬面值與任何保留權益及處置聯營企業相關權益的任何所得款項公允價值間的差額，於釐定出售該聯營企業的收益或虧損時應予計入。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Investment in an associate (continued)

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfied a performance obligation

The Group recognised 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 customers.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

於聯營企業的投資(續)

當集團實體與本集團的聯營企業進行交易時，與該聯營企業交易所產生的利潤及虧損僅於該聯營企業的權益與本集團無關的情況下，方會於本集團的綜合財務報表中確認。

收入確認

收入按向客戶轉移所承諾商品或服務的金額確認，而該金額能反映本集團預期就交換該等商品或服務有權獲得的對價。具體而言，本集團採用的5步法確認收入：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於(或隨著)實體完成履約責任時確認收入

本集團於(或隨著)履約責任完成時(即於特定履約責任相關的商品或服務的「控制權」轉移予客戶時)確認收入。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Revenue recognition (continued)

Control of the goods or services may be transferred over time or at a point of time. Control of the goods or services is transferred over time if:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates and 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.

If control of the services transfer over time, revenue is recognised over the period of the contract by reference to the progress toward complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or services.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control of a product or service to a customer. The Group recognises revenue from the following major sources:

- i) provision of hazardous waste incineration solutions services,
- ii) provision of pyrolysis solid waste treatment solutions services,
- iii) provision of technical upgrading services,

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

收入確認(續)

商品或服務的控制權可在一段時間內或某一時點轉讓。倘為下列情況，則商品或服務的控制權在一段時間內轉讓：

- 客戶隨著本集團履約的同時獲得及消費本集團履約所提供的利益；
- 本集團的履約行為創造及改良了客戶於本集團履約時控制的資產；或
- 本集團的履約行為不會創造可由本集團另作他用的資產，且本集團就對迄今已完成的履約部分獲得付款擁有可強制執行的權利。

如服務的控制權在一段時間內轉移，收入乃於合約期參照履約責任完成的進度確認。否則，收入於客戶取得相關商品或服務的控制權的時點確認。

收入按客戶合約中訂明的對價計量。本集團於其向客戶轉讓產品或服務的控制權時確認收入。本集團確認以下主要來源的收入：

- i) 提供危險廢物焚燒處置解決方案服務；
- ii) 提供固體廢物無氧裂解處理解決方案服務；
- iii) 提供技術升級服務；

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Revenue recognition (continued)

- iv) provision of cement plant parallel kiln co-treatment solution services,
- v) provision of oil sludge thermal desorption treatment services,
- vi) provision of maintenance services, and
- vii) provision of oilfield auxiliary services

Provision of i) hazardous waste incineration solutions services, ii) pyrolysis solid waste treatment solution services and iii) technical upgrading services

Recognition

Provision of hazardous waste incineration solutions services and pyrolysis solid waste treatment solutions services represent the services on design, integration and commissioning of solid waste treatment systems which comprise a range of equipment and other components, on a made-to-order basis pursuant to the technical specification and requirement of the customers. Provision of technical upgrading services represent the upgrading services provided for existing hazardous waste incineration systems and certain cement production facilities. Since the Group's performance creates and enhances an asset that the customer controls as the Group performs, revenue from these services therefore are recognised over time using input methods, i.e. based on the stage of completion of the contract, and the stage of completion of the contract is measured based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs.

For warranty embedded to the contracts, the customer does not have the option to purchase a warranty separately, the Group accounts for the warranty in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" unless the warranty provides the customer with a service in addition to the assurance that the contracting work complies with the agreed-upon specifications.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

收入確認(續)

- iv) 提供水泥廠平行窯協同處置解決方案服務。
- v) 提供油泥熱脫附處理服務；
- vi) 提供維護服務；及
- vii) 提供油田周邊服務。

提供i)危險廢物焚燒處置解決方案服務；ii)無氧裂解固體廢物處置解決方案服務；及iii)技術升級服務

確認

提供危險廢物焚燒處置解決方案服務及無氧裂解固體廢物處置解決方案指根據客戶的技術規範和要求所提供有關固體廢物處理系統(包括一系列設備及其他部件)的設計、集成及調試的定製服務。提供技術升級服務指為現有危險廢物焚燒處置系統及若干水泥生產設施提供的升級服務。由於本集團的履約行為創造及改良了客戶於本集團履約時控制的資產，故該等服務收入於一段時間內使用投入法(即按合約的完成進度)進行確認，而合約的完成進度按截至目前所開展工程產生的合約成本佔估計總合約成本的比例計量。

就合約隨附的保修而言，客戶無權單獨購買保修，且除非該保修服務向客戶提供保證合約工程符合約定規範以外的服務，否則本集團根據《國際會計準則》第37號「撥備、或有負債及或有資產」將保修入賬。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Revenue recognition (continued)

Provision of i) hazardous waste incineration solutions services, ii) pyrolysis solid waste treatment solution services and iii) technical upgrading services (continued)

Contract assets/liabilities

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 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. Any amount previously recognised as a contract asset is reclassified to trade and note receivables at the point at which it is invoiced to the customer. If the progress payment exceeds the revenue recognised to date under the input method then the Group recognises a contract liability for the difference. A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

收入確認(續)

提供i)危險廢物焚燒處置解決方案服務；ii)無氧裂解固體廢物處置解決方案服務；及iii)技術升級服務(續)

合約資產／負債

合約資產指本集團就其已轉讓予客戶的服務收取對價的權利，但並非無條件的權利。其根據《國際財務報告準則》第9號評估減值。與之相對，應收款項指本集團獲得對價的無條件權利，即在該對價到期支付之前僅需要通過一段時間。先前確認為合約資產的任何金額於向客戶出具賬單時重新歸類至貿易應收款項及應收票據。倘工程進度款超過到目前為止根據投入法確認的收入，則本集團就差額確認合約負債。與同一合約有關的合約資產及合約負債按淨值入賬及呈列。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Revenue recognition (continued)

Provision of cement plant parallel kiln co-treatment solution services

Provision of cement plant parallel kiln co-treatment solution services represent the services provided for the customer engaged in cement production to lease the cement plant parallel kiln co-treatment solution services designed and commissioned by the Group by charging a treatment services fee based on the actual treatment volume of solid waste.

Provision of oil sludge thermal desorption treatment services

Provision of oil sludge thermal desorption treatment services represent the service provided for an oil service provider which has the relevant operating licence, to lease and provide operation and maintenance services for, an oil sludge treatment facility designed and commissioned by the Group in Karamay, Xinjiang, by charging a leasing and operation fee based on the actual treatment volume of oil sludge.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

收入確認(續)

提供水泥廠平行窯協同處理解決方案服務

提供水泥廠平行窯協同處理解決方案服務指為從事水泥生產的客戶提供的服務，以租賃本集團設計及委託的水泥廠平行窯協同處理解決方案服務，根據固體廢物的實際處置量收取處置服務費。

提供油泥熱脫附處理服務

提供油泥熱脫附處理服務指向擁有相關經營許可證的石油服務提供商提供的服務，本集團向石油服務提供商出租新疆克拉瑪依的一處由本集團設計和調試的油泥處理設施，並提供運營及維護服務，根據實際油泥處置量收取租賃及運營費。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Revenue recognition (continued)

Provision of maintenance services

The Group provides maintenance services, including repair and maintenance services to customers. Income is recognised over the contract period when the relevant services are provided by the Group and the customers simultaneously receive and consume the benefits provided by the Group's performance.

Provision of oilfield auxiliary services

The Group provide the provision of oilfield auxiliary services, including the providing petroleum transportation, meter maintenance, oil pipe repair and water treatment. Revenue from providing services is recognised in the accounting period in which the services are rendered by the Group and the customer simultaneously receives and uses the benefits provided by the Group's performance.

Segment reporting

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

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

收入確認(續)

提供維護服務

本集團向客戶提供維護服務，包括維修及保養服務。收入於本集團提供相關服務，同時客戶收到並消費本集團履約的利益的合約期內確認。

提供油田周邊服務

本集團提供油田周邊服務，包括提供石油運輸、測量儀維護、油管維修及水處理服務。提供服務的收入於本集團提供服務的會計期間確認，而客戶同時收取及使用本集團履約所提供的利益。

分部報告

經營分部的報告方式與向主要經營決策者（「主要經營決策者」）提供內部報告的方式一致。主要經營決策者負責分配資源及評估經營分部的表現，已被確定為作出戰略決策的指導委員會。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued) (Continued)

Significant accounting policies (continued) (Continued)

Lease

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 or after date of initial application of IFRS 16 or arising from business combinations on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 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.

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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

租賃

租賃的定義

倘合約賦予於一段時間內控制已識別資產用途以換取對價的權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修改或於初始應用《國際財務報告準則》第16號的日期後或因業務合併而產生的合約而言，本集團於合約開始時、修改日期或收購日期(如適用)根據《國際財務報告準則》第16號項下的定義評估合約是否為租賃或包含租賃。除非合約的條款及條件隨後有更改，否則不會重新評估該合約。

本集團作為承租人

將對價分配至合約的各部分

就包含租賃部分及一個或多個額外租賃或非租賃部分的合約而言，本集團按租賃部分的相對獨立價格及非租賃部分的總獨立價格將合約對價分配至各租賃部分。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued) (Continued)

Significant accounting policies (continued) (Continued)

Lease (Continued)

The Group as a lessee (Continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to lease of office and machineries 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.

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, unless those costs are incurred to produce inventories.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

短期租賃及低價值資產租賃

本集團對租期自開始日期起計為12個月或以內且並不包含購買選擇權的辦公室及機器租賃應用短期租賃確認豁免。其亦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於租期內按直線法或另一系統性基準確認為開支。

使用權資產

使用權資產成本包括：

- 租賃負債的初步計量金額；
- 於租賃開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 就本集團拆解及搬遷相關資產、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所產生成本作出的估計，惟該等成本為生產存貨而產生，則另當別論。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Lease (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjust for any remeasurement of lease liabilities other than adjustments to lease liabilities resulting from Covid-19-related rent concessions in which the Group applied the practical expedient.

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 as a separate line item on the consolidated statement of financial position.

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;

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產(續)

使用權資產按成本減任何累計折舊及減值虧損計量，並就任何重新計量的租賃負債進行調整，但不就與新冠疫情有關的租金減免導致的租賃負債作出調整。在此情況下，本集團採用實際權宜方法。

本集團合理確定於租期結束時可取得相關租賃資產所有權的使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產以直線法於其估計使用年期或租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。倘租賃隱含的利率難以釐定，則本集團會使用租賃開始日期的增量借貸利率計算租賃付款的現值。

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；
- 取決於某一指數或利率的可變租賃付款，於開始日期使用該指數或利率初步計量；
- 根據餘下價值擔保本集團預期應付的金額；

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Lease (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

- the exercise price of a purchase option if the Group is reasonably certain 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.

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 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主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

- 購買選擇權的行使價(倘本集團合理確定將行使該選擇權);及
- 終止租賃的罰款(倘租期反映本集團行使終止租賃選擇權)。

於開始日期後,租賃負債根據利息增長及租賃付款作出調整。

倘出現以下情況,本集團會重新計量租賃負債(並對相關使用權資產作出相應調整):

- 租期有所變動或行使購買選擇權的評估發生變化,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付款而重新計量。
- 租賃付款因擔保餘下價值項下預計付款有變而出現變動,在此情況下,相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Lease (continued)

The Group as a lessee (continued)

Lease modifications

Except for Covid-19-related-rent concessions in which the Group applied the practical expedient, 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 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主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃修改

除應用可行權宜方法將新冠疫情相關租金減免入賬外，在以下情況下，本集團將租賃修改作為獨立租賃入賬：

- 該項修改通過增加一項或多項相關資產的使用權擴大租賃範圍；及
- 租賃對價增加，增加的金額相當於範圍擴大對應的獨立價格，加上為反映特定合約的實際情況而對獨立價格進行的任何適當調整。

就並非作為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，根據經修改租賃的租期重新計量租賃負債。

本集團透過對相關使用權資產進行相應調整，將租賃負債的重新計量入賬。當經修改合約包含租賃部分以及一個或多個額外租賃或非租賃部分時，本集團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，將經修改合約中的對價分配至各租賃部分。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Lease (continued)

The Group as a lessee (continued)

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform

For changes in the basis for determining the future lease payments as a result of interest rate benchmark reform, the Group applies the practical expedient to remeasure the lease liabilities by discounting the revised lease payments using the unchanged discount rate and makes a corresponding adjustment to the related right-of-use assets. A lease modification is required by interest rate benchmark reform if, and only if, both of these conditions are met:

- the modification is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the lease payments is economically equivalent to the previous basis (i.e. the basis immediately preceding the modification).

If lease modifications are made in addition to those lease modifications required by interest rate benchmark reform, the Group applies the applicable requirements in IFRS 16 (see the accounting policy above) to account for all lease modifications made at the same time, including those required by interest rate benchmark reform.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

因利率基準改革導致釐定未來租賃付款的基準變動

就因利率基準改革導致釐定未來租賃付款的基準變動而言，本集團應用實際可行權宜方法，透過使用不變貼現率將經修訂租賃付款貼現而重新計量租賃負債，並對相關使用權資產作出相應調整。僅在同時符合以下情況時，方須根據利率基準改革的規定修改租賃：

- 因利率基準改革的直接後果而導致必須修改；及
- 釐定租賃付款的新基準在經濟上等同於過往基準(即緊接修改前的基準)。

如果除利率基準改革要求的租賃修改外還進行了租賃修改，本集團應用國際財務報告準則第16號的適用要求對所有租賃修改同時進行處理，包括利率基準改革要求的租賃修改。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Lease (continued)

The Group as a lessee (continued)

Covid-19-related rent concessions

In relation to rent concessions that occurred as a direct consequence of the Covid-19 pandemic, the Group has elected to apply the practical expedient not to assess whether the change is a lease modification if all of the following conditions are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying IFRS 16 if the changes are not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

租賃(續)

本集團作為承租人(續)

新冠疫情相關租金減免

就因新冠疫情直接產生的租金減免而言，倘符合以下所有條件，本集團已選擇應用可行權宜方法不評估有關變動是否屬租賃修改：

- 租賃付款的變動使租賃對價有所修改，而經修改的對價與緊接變動前租賃對價大致相同，或少於緊接變動前租賃對價；
- 租賃付款的任何減少僅影響原到期日為2022年6月30日或之前的付款；及
- 租賃的其他條款及條件並無實質變動。

應用該可行權宜方法的承租人就租金減免產生的租賃付款變動所用的入賬方式，與其在有關變動並非租賃修改的情況下，應用《國際財務報告準則》第16號將變動入賬所用的方式相同。租賃付款的寬免或豁免作為可變租賃付款入賬。相關租賃負債予以調整以反映寬免或豁免的金額，並於該事件發生期間於損益內確認相應調整。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Significant accounting policies *(continued)*

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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) 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 retranslated at the rates prevailing at that date. 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates/joint ventures.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expense 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 prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

3 綜合財務報表之編製基準及主要會計政策 *(續)*

主要會計政策 *(續)*

外幣

編製各個個別集團實體的財務報表時，以實體功能貨幣以外之貨幣(外幣)進行的交易均按交易日期之適用匯率以相關功能貨幣(即實體營運所在主要經濟環境的貨幣)記賬。於報告期末，以外幣計值的貨幣項目按該日之適用匯率重新換算。以歷史成本計量並以外幣計價的非貨幣性項目並無予以重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額乃於產生期間於損益內確認，惟應收或應付海外業務的貨幣項目的匯兌差額除外，該等差額並無計劃結算且發生結算的可能性亦不大，因而構成海外業務投資淨額之一部份，初步於其他全面收益確認及於本集團出售或部分出售於聯營企業／合營企業的權益時由權益重新分類至損益。

就呈列綜合財務報表而言，本集團業務的資產及負債於各報告期末使用適用匯率換算至本集團的呈列貨幣(即人民幣)。收入及開支項目按期內平均匯率換算，惟若匯率於該期間出現大幅波動，則使用於交易日期的匯率換算。所產生的匯兌差額(如有)於其他全面收益確認，並於匯兌儲備項下權益累計(歸屬於非控股權益(如適用))。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Foreign currencies (continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), 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.

Research and development costs

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

When no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the year in which it is 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 year in which they become receivable. Such grants are presented under "other income".

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

外幣(續)

出售海外業務(即出售本集團於海外業務的全部權益,或涉及失去一間附屬公司(包含海外業務)控制權的出售事項,或部分出售於包含海外業務的合營安排或聯營企業(其保留權益成為金融資產)的權益)時,本公司擁有人應佔該業務於權益累計的所有匯兌差額重新分類至損益。

研發成本

研究活動開支均於其產生年度確認為支出。

若未能確認內部產生之無形資產,則開發開支乃於產生年度內於損益確認。

政府補助

於可合理保證本集團會遵守政府補助的附帶條件以及將會得到補助時,政府補助方予以確認。

作為已產生支出或虧損的補償或旨在給予本集團實時財務支持(而無未來有關成本)而可收取的收入相關政府補助,於可收取的年度於損益中確認。該等補助於「其他收入」項下呈列。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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 costs 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.

Retirement benefit costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered services entitling them to the contributions.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

借貸成本

直接因收購、建造或生產合資格資產(即須耗用大量時間方可作其擬定用途或銷售的資產)產生的借貸成本計入該等資產的成本,直至該等資產大致可作其擬定用途或銷售時為止。

擬投資於合資格資產之特定借貸在用於特定投資前所作暫時投資所賺取的投資收入從可撥充資本之借貸成本中扣除。

所有其他借貸成本於其產生期間在損益中確認。

存貨

存貨乃按成本及可變現淨值兩者中之較低者列賬。存貨成本乃按先進先出法計算。可變現淨值按存貨的估計售價減所有估計完工成本及銷售所需成本計算。進行銷售所需的成本包括直接歸屬於銷售的增量成本及本集團為進行銷售而必須產生的非增量成本。

退休福利成本

由國家管理的退休福利計劃及強制性公積金計劃之供款於僱員提供服務並因而有權收取供款時確認為開支。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Short-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 IFRS 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) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share options granted to directors and 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-based payment 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-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

短期僱員福利

短期僱員福利乃按預期將於僱員提供服務時支付之福利之未貼現金額確認。所有短期僱員福利均確認為開支，惟倘另一項《國際財務報告準則》規定或允許將有關福利計入一項資產的成本中則作別論。

僱員之應計福利(如薪金及工資)乃於扣除任何已付金額後確認負債。

以股份為基礎的支付

股權結算以股份為基礎的支付交易

授予董事及僱員的購股權

向僱員及提供類似服務的其他方作出的股權結算以股份為基礎的支付按股本工具於授出日期的公允價值計量。

於授出日期釐定且並無考慮所有非市場歸屬條件的股權結算以股份為基礎的支付的公允價值，根據本集團估計最後將歸屬的股本工具數目，按直線法於歸屬期間支銷，並於權益(以股份為基礎的支付儲備)作出相應增幅。於各報告期末，本集團根據對所有相關非市場歸屬條件的評估修訂其估計最後將歸屬的股本工具數目。修訂原先估計數目的影響(如有)於損益中確認，令有關累計支出反映經修訂估計，並於以股份為基礎的支付儲備作出相應調整。就於授出日期即時歸屬的購股權而言，已授出購股權的公允價值即時於損益中支銷。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued) (Continued)

Significant accounting policies (continued) (Continued)

Share-based payments (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to directors and employees (Continued)

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share capital and 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-based payment reserve will be transferred to retained profits.

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 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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

以股份為基礎的支付(續)

股權結算以股份為基礎的支付交易(續)

授予董事及僱員的購股權(續)

行使購股權時，先前於以股份為基礎的支付儲備確認的金額將轉撥至股本及股份溢價。當購股權於歸屬日期後被沒收，或於屆滿日期尚未獲行使，先前於以股份為基礎的支付儲備確認的金額將轉撥至保留利潤。

稅項

所得稅開支為即期應付稅項及遞延稅項之總和。

即期應付稅項乃按年內應課稅利潤計算。因於其他年度應課稅或可扣稅的收支以及毋須課稅或不可扣稅的項目的緣故，應課稅利潤與稅前虧損不同。本集團的即期稅項負債乃按報告期末已頒佈或實質已頒佈的稅率計算。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued) (Continued)

Significant accounting policies (continued) (Continued)

Taxation (Continued)

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 and associates, 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.

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 assets to be recovered.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

稅項(續)

遞延稅項按綜合財務報表中資產及負債的賬面值與計算應課稅利潤所採用的相應稅基的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。倘於日後可能取得應課稅利潤以抵銷可動用的可扣減暫時差額，則遞延稅項資產一般按所有可扣減暫時差額確認。倘暫時差額產生自初始確認一項交易(業務合併除外)之資產及負債，而有關交易既不影響應課稅利潤亦不影響會計利潤，則不予確認有關遞延稅項資產及負債。此外，倘因商譽的初始確認產生暫時差額，則不會確認相關的遞延稅項負債。

遞延稅項負債乃就與於附屬公司及聯營公司投資相關的應課稅暫時差額而確認，惟若本集團可控制暫時差額的撥回及暫時差額於可見將來很可能不會撥回則除外。與該等投資相關之可扣減暫時差額所產生之遞延稅項資產，僅在可能將出現足夠應課稅利潤而動用暫時差額利益且其預期於可見將來撥回時確認。

遞延稅項資產之賬面值於各個報告期末檢討，並在不再可能有足夠應課稅利潤收回全部或部分資產時作調減。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Taxation (continued)

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 leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 "Income Taxes" requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

稅項(續)

遞延稅項資產及負債乃根據於報告期末已頒佈或實質已頒佈之稅率(及稅法)·按清償負債或變現資產之期間預期適用之稅率計量。

遞延稅項負債及資產之計量反映按照本集團預期之方式於報告期末收回或結算其資產及負債賬面值將會產生之稅務結果。

就稅項扣減歸屬於租賃負債的租賃交易而言·本集團對租賃交易整體採納《國際會計準則》第12號「所得稅」規定。有關使用權資產及租賃負債的臨時差額按淨額基準估算。由於使用權資產折舊超過租賃負債本金部分的租金·而導致可扣除臨時淨差額。

當有合法可執行權力將即期稅項資產與即期稅項負債抵銷·且遞延稅項資產及負債與同一稅務機關對同一應課稅實體徵收的所得稅有關時·則可將遞延稅項資產及負債互相抵銷。

即期及遞延稅項於損益確認·惟在其與其他全面收益或直接於權益內確認的項目有關的情況下·即期及遞延稅項亦會分別於其他全面收益或直接於權益內確認。倘因對業務合併進行初步會計處理而產生即期稅項或遞延稅項·則相關稅務影響納入業務合併會計處理。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment including facility held for use in the production or supply of goods or services or for administrative purposes other than properties under construction as described below are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets 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主要會計政策(續)

主要會計政策(續)

物業、廠房及設備

包括持作生產或供應商品或服務或行政用途的設施之物業、廠房及設備(下文所述在建物業除外)乃按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

作生產、供應或行政用途的建設中物業按成本減任何已確認減值虧損列賬。該等物業於竣工及或作擬定用途時，被分類至物業、廠房及設備的適當類別。與其他物業資產的折舊基準一樣，該等資產的折舊於可用作其擬定用途時開始計提折舊。

折舊乃採用直線法於資產之估計可使用年內撇銷資產成本(經扣除剩餘價值)而確認。估計可使用年期、剩餘價值及折舊方法於各個報告期末檢討，任何估計變動的影響按未來適用法入賬。

物業、廠房及設備項目於出售後或預期繼續使用資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生的任何收益或虧損釐定為出售所得款項與資產賬面值間的差額，並於損益中確認。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives 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 amounts of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

無形資產

獨立收購的具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期之無形資產於估計可使用年內以直線法確認攤銷。估計可使用年期以及攤銷方法於各個報告期末檢討，任何估計變動的影響按未來適用法入賬。

物業、廠房及設備、使用權資產及無形資產(商譽除外)的減值

於報告期末，本集團對具有有限可使用年期的物業、廠房及設備、使用權資產及無形資產賬面值進行檢討，以釐定有否任何跡象顯示該等資產出現減值虧損。如有任何減值跡象，則會估計相關資產之可收回金額，以釐定減值虧損(如有)之程度。

物業、廠房及設備、使用權資產及無形資產的可收回金額個別估計。如果無法估計個別資產的可收回金額，本集團會估計該資產所屬的現金產生單位的可收回金額。

對現金產生單位進行減值測試時，倘可建立合理一致的分配基準，則企業資產會分配至相關現金產生單位，否則會分配至可建立合理一致的分配基準的最小現金產生單位組別。釐定企業資產所屬的現金產生單位或現金產生單位組別的可收回金額，並與相關現金產生單位或現金產生單位組別的賬面值進行比較。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill (continued)

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 cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) 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 cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. 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. 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 cash-generating units. An impairment loss is recognised immediately in profit or loss.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

物業、廠房及設備、使用權資產及無形資產(商譽除外)的減值(續)

可收回金額指公允價值減銷售成本與使用價值二者中的較高者。在評估使用價值時，估計未來現金流量會採用稅前貼現率貼現至現值，該稅前貼現率反映對貨幣時間價值的當前市場評估及該資產(或現金產生單位)特有的風險(未針對該等風險調整估計未來現金流量)。

倘資產(或現金產生單位)之估計可收回金額低於賬面值，則資產(或現金產生單位)之賬面值將調減至其可收回金額。就未能按合理一致基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。在分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值(如適用)，然後按比例根據該單位內各資產的賬面值分配至其他資產。資產賬面值不會扣減至低於其公允價值減出售成本(倘可計量)、使用價值(倘可釐定)及零當中之最高者。本應分配至該項資產的減值虧損數額，按比例分配至該單位或該現金產生單位組別內其他資產。減值虧損即時於損益中確認。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or the group of cash-generating units) 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 cash-generating unit or the group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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).

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

物業、廠房及設備、使用權資產及無形資產(商譽除外)的減值(續)

倘減值虧損其後撥回，則資產(或現金產生單位或現金產生單位組別)的賬面值將調高至其可收回金額的經修訂估計數，惟經調高的賬面值不得超出資產(或現金產生單位或現金產生單位組別)於過往年度未有確認減值虧損時原應有的賬面值。減值虧損撥回即時於損益中確認。

撥備

當本集團因過往事件而導致現時的責任(法律或推定)，且本集團很可能須履行該責任，並可對該責任的金額作出可靠估計時，則確認撥備。

確認為撥備的金額為於各報告期末履行該現時責任所需對價的最佳估計，當中已計及有關責任的風險及不確定性。倘撥備以估計履行現時責任之現金流量計量時，其賬面值為該等現金流量之現值(倘貨幣時間價值影響屬重大)。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

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 IFRS 15. 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.

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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。所有以常規方式買賣的金融資產均按買賣日期基準確認及終止確認。以常規方式買賣指須於市場規定或慣例所訂時限內交付資產之金融資產買賣。

金融資產及金融負債初始按公允價值計量，惟自客戶合約產生的貿易應收款項根據《國際財務報告準則》第15號進行初步計量。收購或發行金融資產及金融負債(按公允價值計量並計入損益(「按公允價值計量並計入損益」)之其他金融資產或金融負債除外)直接應佔之交易成本於初步確認時計入或扣除自金融資產或金融負債之公允價值(倘適合)。收購按公允價值計量並計入損益之金融資產或金融負債直接應佔之交易成本即時於損益中確認。

實際利率法乃計算金融資產或金融負債的攤銷成本及分配相關期間利息收入及利息開支的方法。實際利率乃將金融資產或金融負債於預計年期或(如適用)較短期間內估計未來現金收入及付款(包括所有屬實際利率不可或缺部分的已付或已收費用及利率差價、交易成本及其他溢價或折讓)準確貼現至於初始確認時之賬面淨值的利率。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

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.

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 IFRS 3 "Business Combinations" applies.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產

金融資產的分類及後續計量

符合以下條件的金融資產後續按攤銷成本計量：

- 持有金融資產的業務模式以收取合約現金流量為目的；及
- 合約條款規定於特定日期產生僅為支付未償還本金額的本金及利息的現金流量。

符合以下條件的金融資產後續按公允價值計量並計入其他全面收益（「按公允價值計量並計入其他全面收益」）：

- 持有金融資產的業務模式以通過出售及收取合約現金流量為目的；及
- 合約條款規定於特定日期產生僅為支付未償還本金額的本金及利息的現金流量。

所有其他金融資產後續均按公允價值計量並計入損益，惟於金融資產初始確認時，倘股本投資並非持作交易亦非收購方於《國際財務報告準則》第3號「業務合併」所適用的業務合併中確認的或有對價，則本集團可不可撤銷地選擇於其他全面收益內呈列股本投資的公允價值後續變動。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

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.

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/receivables 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主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及後續計量(續)

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
- 於初始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
- 並非作為指定及有效對沖工具的衍生工具。

此外，本集團可不可撤銷地將須按攤銷成本計量或按公允價值計量並計入其他全面收益的金融資產指定為按公允價值計量並計入損益，前提是該做法可消除或顯著減少會計錯配情況。

攤銷成本及利息收入

後續按攤銷成本計量的金融資產及後續按公允價值計量並計入其他全面收益計量的債務工具／應收款項，其利息收入使用實際利率法確認。利息收入透過對金融資產賬面總值應用實際利率計算，惟其後出現信用減值的金融資產除外(見下文)。就其後出現信用減值的金融資產而言，自下一報告期間起，利息收入乃透過對金融資產的攤銷成本應用實際利率予以確認。倘出現信用減值的金融工具的信貸風險好轉，使金融資產不再存在信用減值，則由釐定該資產不再存在信用減值後的報告期開始，利息收入乃透過對金融資產賬面總值應用實際利率予以確認。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income, gains and losses" line item in profit or loss.

Impairment of financial assets

The Group performs impairment assessment under ECL model on financial assets which are subject to impairment under IFRS 9 (including trade and note receivables, other receivables, amounts due from non-controlling shareholders of subsidiaries, pledged bank deposits and bank balances) and contract assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

指定為按公允價值計量並計入其他全面收益的股本工具

於按公允價值計量並計入其他全面收益的股本工具之投資其後按公允價值計量(公允價值變動產生的收益及虧損按於其他全面收益中確認並於重估儲備累計);且毋須進行減值評估。於出售股本投資時,累計收益或虧損不會重新分類至損益,而會轉撥至保留利潤。

當本集團收取股息的權利確立時,來自股本工具投資的股息於損益中確認,除非有關股息明確指收回部分投資成本。股息計入損益中的「其他收入、收益及虧損」。

金融資產的減值

本集團根據預期信貸虧損模式對根據《國際財務報告準則》第9號須進行減值的金融資產(包括貿易應收款項及應收票據、其他應收款項、應收附屬公司非控股股東款項、已抵押銀行存款和銀行結餘)及根據《國際財務報告準則》第9號須進行減值評估的合約資產進行減值評估。預期信貸虧損金額應於各報告日期更新以反映自初始確認以來信貸風險的變化。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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 conducted 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 and contract assets.

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.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

整個存續期預期信貸虧損指於相關工具預期存續期間可能發生的所有違約事項引起的預期信貸虧損。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項所導致的部分整個存續期預期信貸虧損。相關評估會根據本集團歷史信貸虧損經驗展開，並就債務人特定因素、整體經濟狀況以及對報告日期當前狀況及未來狀況預測的評估作出調整。

本集團通常對貿易應收款項及合約資產確認整個存續期預期信貸虧損。

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，但若自初始確認以來信貸風險顯著增加，則本集團確認整個存續期預期信貸虧損。評估是否應確認整個存續期預期信貸虧損乃基於從初始確認以來違約的風險或可能性是否顯著增加。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

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.

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; or
- 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主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

信貸風險的顯著增加

於評估自初始確認以來信貸風險是否顯著增加時，本集團會將金融工具於報告日期發生違約的風險與金融工具於初始確認之日發生違約的風險進行比較。在進行此項評估時，本集團會考慮合理且可佐證的定量和定性資料，包括歷史經驗和無需過度成本或投入即可獲得的前瞻性資料。

具體而言，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具外部(如有)或內部信用評級實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，如信貸息差、債務人之信貸違約掉期價格大幅增加；
- 業務、財務或經濟狀況當前或預期有不利變動，預計會導致債務人償還債務能力大幅下降；
- 債務人經營業績的實際或預期顯著惡化；或
- 債務人的監管、經濟或技術環境的實際或預期重大不利變化，導致債務人償還債務能力的大幅下降。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Significant increase in credit risk (continued)

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 fulfil 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主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

信貸風險的顯著增加(續)

無論上述評估的結果如何，倘合約付款已逾期超過30日，本集團均假定自初始確認以來的信貸風險大幅增加，除非本集團有合理及可佐證的資料證明屬其他情況。

儘管如此，倘債務工具在報告日期被確定為具有較低信貸風險，本集團則會假設債務工具自初始確認以來的信貸風險並未顯著增加。在符合下列情況時，債務工具被認為具有較低的信貸風險：i) 違約風險較低；ii) 借款人有能力在短期內履行合約現金流量義務；及iii) 長期經濟及業務形勢的不利變化可能，但不一定，會降低借款人履行其合約現金流量義務的能力。本集團認為，倘債務工具有全球認可的內部或外部「投資等級」信用評級，則其信貸風險較低。

本集團定期監察用以識別信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前識別信貸風險顯著增加。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

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 collaterals 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.

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 of that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- 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; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

違約的定義

就內部信貸風險管理而言，當有內部產生或自外部來源取得的資料顯示債務人不大可能向其債權人(包括本集團)悉數還款(不計及本集團持有的任何抵押品)，則本集團認為發生違約事件。

儘管上文所述，本集團認為，倘金融資產逾期超過90日，即屬發生違約，除非本集團有合理及可佐證的資料證明較寬鬆的違約標準更為適用則作別論。

信貸減值的金融資產

當發生一項或多項對金融資產的估計未來現金流量產生不利影響的事件時，則金融資產出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- 發行人或借款人出現重大財務困難；
- 違反合約，例如違約或逾期事件；
- 借款人的貸款人，出於與借款人的財務困難有關的經濟或合約原因，已向借款人授予貸款人本不會考慮給予的優惠；或
- 借款人很可能會將破產或進行其他財務重組。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

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.

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.

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.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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.

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 note receivables and contract assets where the corresponding adjustment is recognised through a loss allowance account.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融資產(續)

撇銷政策

當有資料顯示交易對手陷入嚴重財務困難，且並無實際收回的可能之時(例如交易對手已清算或進入破產程序)，本集團會撇銷金融資產。

經考慮法律意見(如適用)後，已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事件。其後收回的任何金額於損益確認。

預期信貸虧損的計量和確認

預期信貸虧損的計量取決於違約概率、違約損失率(即發生違約時的損失程度)及違約風險敞口。違約概率及違約損失率的評估基於過往數據及前瞻性資料。

一般而言，預期信貸虧損估計為本集團根據合約應收的所有合約現金流量與本集團預期收取的所有現金流量之間的差額，按初始確認時釐定的實際利率進行折現。

利息收入按金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本計算。

本集團通過調整賬面值於損益中確認所有金融工具的減值損益，惟貿易應收款項及應收票據以及合約資產除外，其相應調整透過虧損撥備賬確認。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Derecognition 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.

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 equity instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

終止確認金融資產

僅在從資產收取現金流量的合約權利屆滿，或本集團已將金融資產及其擁有權的絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉移或保留資產擁有權的絕大部份風險及回報並繼續控制所轉讓資產，本集團確認其在資產中的保留權益，並就可能須支付的金額確認相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團將繼續確認該金融資產，並就已收款項確認抵押借款。

於終止確認按攤銷成本計量的金融資產時，該項資產賬面值與已收及應收對價之和的差額，於損益內確認。

於終止確認分類為按公允價值計量並計入其他全面收益的股本工具時，先前於重估儲備中積累的累計收益或虧損不會重新分類至損益，而是轉轉至保留利潤。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity 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 instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including trade payables, other payables and accrued expenses, lease liabilities and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

金融負債及股本工具

分類為債務或股本

集團實體發行的債務及股本工具根據合約安排的實質以及金融負債及股本工具的定義分類為金融負債或權益。

股本工具

股本工具乃證明於本集團經扣除所有負債後的資產中擁有剩餘權益的任何合約。本集團發行的股本工具乃按已收所得款項(扣除直接發行成本)確認。

金融負債

所有金融負債其後使用實際利率法按攤銷成本計量。

實際利率法

實際利率法為計算金融負債之攤銷成本及於有關年度分配利息開支的方法。實際利率為將金融負債於估計年期或(如適用)較短期間的估計未來現金付款(包括屬實際利率不可或缺部分的所有已付或已收費用及利率差價、交易成本及其他溢價或折讓)準確貼現至初始確認時賬面淨值的利率。

利息開支按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債(包括貿易應付款項、其他應付款項及應計開支、租賃負債及銀行借款)其後採用實際利率法按攤銷成本計量。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting policies (continued)

Financial instruments (continued)

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.

Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

3 綜合財務報表之編製基準及主要會計政策(續)

主要會計政策(續)

金融工具(續)

終止確認金融負債

本集團於且僅於本集團義務已履行、撤銷或已到期時終止確認金融負債。終止確認的金融負債賬面值與已付及應付對價之間的差額於損益中確認。

關聯方

- (a) 任何人士或其近親如符合以下情況，即為與本集團有關聯：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員。
- (b) 倘一間實體符合以下條件，即為與本集團有關聯：
- (i) 該實體與本集團為同一集團的成員公司(即各母公司、附屬公司及同系附屬公司彼此互有關聯)；
 - (ii) 一間實體為另一間實體的聯營企業或合營企業(或為另一間實體所屬集團成員公司的聯營企業或合營企業)；
 - (iii) 兩間實體均為同一第三方的合營企業；
 - (iv) 一間實體為一名第三方的合營企業，而另一間實體為該第三方的聯營企業；
 - (v) 該實體為本集團或與本集團有關聯的實體的僱員福利而設的退休福利計劃；

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Significant accounting policies *(continued)*

Financial instruments *(continued)*

(b) *(continued)*

- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) The entity, or any members of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent;

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3 綜合財務報表之編製基準及主要會計政策 *(續)*

主要會計政策 *(續)*

關聯方 *(續)*

(b) *(續)*

- (vi) 該實體受第(a)項所識別人士控制或共同控制；
- (vii) 第(a)(i)項所識別人士對該實體有重大影響力或為該實體(或該實體的母公司)主要管理人員；及
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務；

一名人士的近親指於該人士與該實體進行買賣時，預期可能會影響該人士或受該人士影響的家庭成員。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

4 CRITICAL ACCOUNTING JUDGEMENTS 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 associated 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 ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future periods.

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.

Recognition of revenue on contracts with customers for hazardous waste incineration solution services

The Group recognised contract revenue using the input method and contract costs are recognised on actual incurred basis. The input method is measured by reference to the stage of completion of the contract activity at the end of the reporting period, as measured by the proportion that contract costs incurred for work performed to date relative to the estimated contract costs.

The estimated contract revenue is determined in accordance with the terms set out in the relevant contract.

4 重大會計判斷及估計不確定因素的主要來源

在應用本集團的會計政策(見附註3)時，本公司董事須就不可透過其他資料來源而輕易取得的資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及視為相關的其他因素而作出。實際結果或會與該等估計有所不同。

估計與相關假設按持續基準檢討。假如會計估計的修訂僅影響作出有關修訂的年度，則會在該年度內確認；但如對當期及未來的期間均有影響，則會在作出有關修訂的年度及未來年度確認。

估計不確定因素的主要來源

以下為涉及未來的主要假設及於報告期末估計不確定因素的其他主要來源，該等估計及假設很可能導致下一個財政年度的資產及負債賬面值須作出重大調整。

確認與客戶就危險廢物焚燒處置解決方案服務所訂立合約的收入

本集團使用投入法確認合約收入，並按實際產生基準確認合約成本。投入法參照報告期末合約活動之完成階段予以計量，而該完成階段按迄今已完成工程所產生的合約成本佔估計總合約成本的比例計量。

預計合約收入乃根據相關合約所載條款確定。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Recognition of revenue on contracts with customers for hazardous waste incineration solution services

(continued)

The estimated total contract costs are based on contracted amount of suppliers' contracts, and in respect of amounts not contracted for, management's estimates for the amounts to be incurred taking into consideration historical trends for the amounts incurred and adjusted for any price fluctuation during the year, where applicable. Significant assumptions are required in estimating the total contract costs which affect the contract revenue recognised to date based on the input method.

Management review the contracts with customers for foreseeable losses whenever there is an indication that the estimated contract revenue is lower than the estimated contract costs. The actual outcome in terms of total cost or revenue may be higher or lower than estimated at the end of each reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

Estimated impairment of trade receivables and contract assets

Management estimate the amount of loss allowance for ECL on trade receivables that are measured at amortised cost and contract assets. The Group uses a lifetime ECL model and estimates the expected loss rate for the trade receivables and contract assets based on the assessment of probability of default and loss given default with reference to historical data adjusted by forward-looking information. The assessment of the credit risk of the trade receivables and contract assets involves high degree of estimation and uncertainty as details in Notes 22, 24 and 35. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly.

4 重大會計判斷及估計不確定因素的主要來源(續)

確認與客戶就危險廢物焚燒處置解決方案服務所訂立合約的收入(續)

估計總合約成本乃基於供應商合約的訂約金額，對於未訂約的金額，管理層對所產生金額的估計考慮到了該等金額的歷史趨勢，並對照年內價格波動進行調整(如適用)。在估計影響迄今所確認之合約收入的總合約成本時，須根據投入法作出重大假設。

若有跡象表明估計合約收入低於估計合約成本，則管理層會審核與客戶合約有沒有可預見的損失。於各報告期末，總成本或收入之實際數額可能高於或低於估計，而該等差異將影響未來年度確認的收入及利潤(作為對迄今所記錄金額的調整)。

貿易應收款項及合約資產的預計減值

管理層估計按攤銷成本計量的貿易應收款項及合約資產預期信貸虧損的損失準備金額。本集團使用整個存續期預期信貸虧損模式，並參考按前瞻性資料調整的歷史數據評估違約概率及違約損失率，估計貿易應收款項及合約資產的預期虧損率。評估貿易應收款項及合約資產的信貸風險涉及較大程度的估計及不確定因素(誠如附註22、24及35所詳述)。若實際未來現金流量少於預期或多於預期，可能會因此產生重大減值虧損或減值虧損重大撥回。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of trade receivables and contract assets (continued)

As at 31 December 2021, the total carrying amount of trade receivables and contract assets of the Group amounted to approximately RMB411,662,000 (2020: RMB451,683,000), net of allowance for impairment of approximately RMB16,909,000 (2020: RMB17,247,000).

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated, which is the higher of the value in use and 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 cash-generating unit (or a group of cash-generating units) 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 or upward revision of discount rate, a material impairment loss or further impairment loss may arise.

As at 31 December 2021, the carrying amount of goodwill is RMB18,277,000 (2020: RMB18,277,000). Details of the recoverable amount calculation are disclosed in Note 18.

4 重大會計判斷及估計不確定因素的主要來源(續)

貿易應收款項及合約資產的預計減值(續)

於2021年12月31日，本集團貿易應收款項及合約資產的總賬面值約為人民幣411,662,000元(2020年：人民幣451,683,000元)，已扣除減值撥備約人民幣16,909,000元(2020年：人民幣17,247,000元)。

商譽的預計減值

釐定商譽是否減值須估計獲分配商譽的現金產生單位(或現金產生單位組別)的可收回金額，即使用價值與公允價值減出售成本兩者中的較高者。計算使用價值時，本集團須估計現金產生單位(或現金產生單位組別)預期產生的未來現金流量及適當的貼現率，以計算現值。倘實際未來現金流量少於預期，或事實及情況變動導致未來現金流量下調或貼現率上調，則可能產生重大減值虧損或進一步減值虧損。

於2021年12月31日，商譽的賬面值為人民幣18,277,000元(2020年：人民幣18,277,000元)。可收回金額的計算詳情於附註18披露。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of property, plant and equipment, intangible assets and right-of-use assets

Property, plant and equipment, intangible assets and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash-generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 December 2021, the carrying amount of property, plant and equipment, subject to impairment assessment were RMB37,596,000 (2020: Nil), after taking into account the impairment losses of RMB7,359,000 (2020: Nil) of property, plant and equipment that have been recognised. Details of the impairment of property, plant and equipment are disclosed in Note 14.

4 重大會計判斷及估計不確定因素的主要來源(續)

物業、廠房及設備，無形資產及使用權資產的預計減值

物業、廠房及設備，無形資產及使用權資產按成本減累計折舊及減值(如有)列賬。於釐定資產是否減值時，本集團須作出判斷及估計，尤其需要評估：(1)是否發生可能影響資產價值的事件或任何跡象；(2)資產賬面值是否能夠以可收回金額(如為使用價值)支持，即按照持續使用資產估計的未來現金流量的淨現值；及(3)將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。當無法估計個別資產的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額，包括當可設立合理及持續分配基準的公司資產分配，否則可收回金額按現金產生單位最小組合釐定，而其相關公司資產已予分配。更改有關假設及估計(包括現金流預測中的貼現率或增長率)，可顯著影響可收回金額。

於2021年12月31日，經計及已確認的物業、廠房及設備的減值虧損人民幣7,359,000元(2020年：無)後，須進行減值評估的物業、廠房及設備的賬面值為人民幣37,596,000元(2020年：無)。物業、廠房及設備的減值詳情披露於附註14。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

5 OPERATING SEGMENT INFORMATION

The Group is organised into two business units based on the internal structure and management strategy, which is also the basis of information reported to the Group's CODM (i.e. the executive directors of the Company) for the purpose of making strategic decisions.

The two reportable and operating segments are set out as follows:

- (a) solid waste treatment segment is engaged in the provision of comprehensive solid waste incineration turnkey solutions focused on the research, design, integration and commissioning of solid waste systems by the Group to external customers in the PRC; and
- (b) oilfield auxiliary services segment is engaged in petroleum transportation, meter maintenance, oil pipe repair and water treatment.

Management monitor the results of the Group's operating segments separately for the purpose of making decision about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's loss before tax except that bank interest income, net foreign exchange losses, certain finance costs, and income tax credit are excluded from such measurement.

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than certain right-of-uses assets, certain cash and cash equivalents and certain other receivables as these assets are managed on a group basis.
- All liabilities are allocated to reportable segments other than certain lease liabilities, certain other payables and income tax payables as these liabilities are managed on a group basis.

5 營運分部資料

本集團根據內部架構及管理策略分為兩個業務單位，而內部架構及管理策略亦為向本集團主要經營決策者（即本公司執行董事）呈報資料以供作戰略決策的基準。

上述兩個可呈報及營運分部載列如下：

- (a) 固體廢物處理分部，為中國境內外部客戶提供綜合固體廢物焚燒處置整體解決方案，專注於固體廢物系統的研究、設計、集成及調試；及
- (b) 油田周邊服務分部，從事石油運輸、測量儀維護、油管維修及水處理業務。

管理層會分別監察本集團各營運分部的業績，以作資源分配決定及表現評估。分部表現乃基於可呈報分部業績進行評估，即經調整稅前利潤／（虧損）的計量。除銀行利息收入、外匯虧損淨額、若干融資成本及所得稅抵免不納入計算外，經調整稅前利潤／（虧損）與本集團稅前虧損的計量方法一致。

就監察分部表現及於分部間分配資源而言：

- 除按組別基準管理的若干使用權資產、若干現金及現金等價物及若干其他應收款項外，所有資產均分配至可呈報分部。
- 除按組別基準管理的若干租賃負債、若干其他應付款項及應付所得稅外，所有負債均分配至可呈報分部。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

5 OPERATING SEGMENT INFORMATION

(continued)

Segment revenue and results

The Group's revenue and result by operating and reportable segments are presented below:

		Solid waste treatment		Oilfield auxiliary services		Total	
		固體廢物處理		油田周邊服務		總計	
		2021 2021年	2020 2020年	2021 2021年	2020 2020年	2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue (Note 6)	收入(附註6)	512,076	488,304	49,624	48,507	561,700	536,811
Segment (loss)/profit	分部(虧損)/利潤	(10,216)	(2,047)	6,032	2,314	(4,184)	267
Bank interest income	銀行利息收入					1,366	2,972
Unallocated corporate other income, other gains and losses	未分配企業其他收入、其他收益及虧損					(1,298)	(943)
Unallocated corporate expenses	未分配企業開支					(6,348)	(10,590)
Finance costs	融資成本					(20)	(25)
Loss before tax	稅前虧損					(10,484)	(8,319)
Income tax credit	所得稅抵免					1,639	949
Loss for the year	年內虧損					(8,845)	(7,370)

5 營運分部資料(續)

分部收入及業績

本集團按營運及可呈報分部劃分的收入及業績呈列如下：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

5 OPERATING SEGMENT INFORMATION

(continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

		Solid waste treatment 固體廢物處理		Oilfield auxiliary services 油田周邊服務		Total 總計	
		2021 2021年	2020 2020年	2021 2021年	2020 2020年	2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Segment assets	分部資產	723,418	787,561	117,474	129,240	840,892	916,801
Interest in an associate	於聯營企業的權益	9,160	594	—	—	9,160	594
Corporate and other unallocated assets	企業及其他未分配資產					13,965	21,328
Total assets	資產總額					864,017	938,723
Segment liabilities	分部負債	(191,322)	(282,305)	(97,440)	(58,139)	(288,762)	(340,444)
Corporate and other unallocated liabilities	企業及其他未分配負債					(4,688)	(3,195)
Total liabilities	負債總額					(293,450)	(343,639)

5 營運分部資料 (續)

分部資產及負債

以下為本集團按可呈報及營運分部劃分的資產及負債分析。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

5 OPERATING SEGMENT INFORMATION

(continued)

5 營運分部資料(續)

Amounts included in measure of segment profit or loss or segment assets:

計入分部損益或分部資產計量的金額：

		Solid waste treatment		Oilfield auxiliary services		Corporate		Total	
		固體廢物處理		油田周邊服務		企業		總計	
		2021	2020	2021	2020	2021	2020	2021	2020
		2021年	2020年	2021年	2020年	2021年	2020年	2021年	2020年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Other information	其他資料								
Addition to non-current assets	添置非流動資產								
— Property, plant and equipment	— 物業、廠房及設備	45,531	49,143	15,745	4,806	—	—	61,276	53,949
— Right-of-use assets	— 使用權資產	256	8,304	—	—	775	—	1,031	8,304
Acquisition of subsidiaries	收購附屬公司								
— Property, plant and equipment	— 物業、廠房及設備	—	—	—	14,526	—	—	—	14,526
— Intangible assets	— 無形資產	—	9,612	—	—	—	—	—	9,612
— Goodwill	— 商譽	—	—	—	18,277	—	—	—	18,277
Depreciation and amortisation	折舊及攤銷								
— Property, plant and equipment	— 物業、廠房及設備	7,851	4,590	3,494	3,006	—	—	11,345	7,596
— Right-of-use assets	— 使用權資產	1,981	2,310	—	—	435	529	2,416	2,839
— Intangible assets	— 無形資產	2,061	3,330	—	—	—	—	2,061	3,330
Allowance for/(reversal of allowance for) impairment of trade and note receivables	貿易應收款項及應收票據減值撥備/(撥備撥回)	433	1,960	(6)	1,736	—	—	427	3,696
(Reversal of allowance for)/allowance for impairment of contract assets	合約資產減值(撥備撥回)/撥備	(758)	5,713	—	—	—	—	(758)	5,713
Write-off of trade receivables	撇銷貿易應收款項	—	6,540	—	—	—	—	—	6,540
Write-off of contract assets	撇銷合約資產	9,007	—	—	—	—	—	9,007	—
Reversal of impairment of other receivables	其他應收款項減值撥回	—	—	—	(500)	—	—	—	(500)
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	7,359	—	—	—	—	—	7,359	—
Write-off of property, plant and equipment	撇銷物業、廠房及設備	—	—	2,094	—	—	—	2,094	—
Income tax expense/(credit)	所得稅開支/(抵免)	(1,646)	(672)	7	(277)	—	—	(1,639)	(949)

Geographical information

The Group primarily operates in the PRC. Substantially all of the Group's non-current assets, excluding financial instruments and deferred tax assets, are located in the PRC, and revenue of the Group is generated from customers located in the PRC.

地區資料

本集團主要在中國境內營運。本集團幾乎全部的非流動資產(不含金融工具以及遞延稅項資產)均位於中國，且本集團的收入來源於中國的客戶。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

6 DISAGGREGATION OF REVENUE

Revenue from major services

The following is an analysis of the Group's revenue from its major services which is recognised over time within the scope of IFRS 15:

6 收入分拆

主要服務收入

下表載列本集團來自其主要服務的收入之分析，其皆於《國際財務報告準則》第15號範圍內隨時間確認：

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	491,832	468,528
Oilfield auxiliary services	油田周邊服務	49,624	48,507
Pyrolysis solid waste treatment solutions	無氧裂解固體廢物處置解決方案	82	577
Cement plant parallel kiln co-treatment solution services	水泥廠平行窯協同處置解決方案服務	4,807	—
Maintenance services	維護服務	11,854	16,177
Technical upgrading services	技術升級服務	3,501	3,022
		561,700	536,811

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

6 DISAGGREGATION OF REVENUE (continued)

Transaction price allocated to the remaining performance obligations for contracts with customers

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at 31 December 2021 and 2020.

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Provision of hazardous waste incineration solutions	提供危險廢物焚燒處置解決方案	418,689	576,293
Provision of pyrolysis solid waste treatment solutions	提供無氧裂解固體廢物處置解決方案	2,335	5,561
Provision of technical upgrading services	提供技術升級服務	72	2,640
Provision of maintenance services	提供維護服務	—	4,475
Total	總計	421,096	588,969

Based on the information available to the Group at the end of reporting period, the directors of the Company expect the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts as of 31 December 2020 and 2021 will be recognised as revenue during the years ended/ending 31 December 2021 to 31 December 2022 in respect of provision of hazardous waste incineration solutions, provision of pyrolysis solid waste treatment solutions, technical upgrading services and provision of maintenance services.

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its contracts for the provision of oilfield auxiliary services such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for the provision of oilfield auxiliary services that had an original expected duration of one year or less.

Provision of cement plant parallel kiln co-treatment solution services typically have a 15-year non-cancellable term in which the Group charges fee based on the actual treatment volume of solid waste. The Group elected to apply the practical expedient by recognising revenue in the amount to which the Group has right to invoice. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

6 收入分拆(續)

就客戶合約分配至餘下履約責任的交易價格

下表列示於2021年及2020年12月31日分配至未履行(或部分未履行)的履約責任的交易價格總額。

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Provision of hazardous waste incineration solutions	提供危險廢物焚燒處置解決方案	418,689	576,293
Provision of pyrolysis solid waste treatment solutions	提供無氧裂解固體廢物處置解決方案	2,335	5,561
Provision of technical upgrading services	提供技術升級服務	72	2,640
Provision of maintenance services	提供維護服務	—	4,475
Total	總計	421,096	588,969

根據本集團於報告期末獲得的資料，本公司董事預計於2020年及2021年12月31日分配至上述未履行(或部分未履行)的合約的交易價格將分別於截至2021年12月31日至2022年12月31日止年度就提供危險廢物焚燒處置解決方案、提供無氧裂解固體廢物處置解決方案、技術升級服務及提供維護服務確認為收入。

本集團對提供油田周邊服務的合約應用《國際財務報告準則》第15號第121段所述可行權宜方法，因此，上述資料並不包括有關本集團於履行提供油田周邊服務合約(原預定期限為一年或以下)項下餘下履約責任時有權獲得的收入的資料。

提供水泥回轉窯平行協同處置解決方案服務的期限一般為15年，且不可撤銷，其中本集團根據固體廢物的實際處理量收取費用。本集團選擇應用可行權宜方法，以本集團有權開具發票的數額確認收入。由於國際財務報告準則第15號允許，故並未披露向該等未履行合約分配的交易價格。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

6 DISAGGREGATION OF REVENUE (continued)

Major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Customer A	客戶A	63,548	N/A*
Customer B	客戶B	63,147	N/A*
Customer C	客戶C	56,297	N/A*
Customer D	客戶D	N/A*	74,635
Customer E	客戶E	N/A*	67,670

* Revenue did not account for 10% or more of the Group's revenue during the respective reporting period.

6 收入分拆(續)

主要客戶

於相應年度在本集團總收入中佔10%以上的客戶收入如下：

* 收入佔本集團於相應報告期總收入的比例不足10%。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

7 OTHER INCOME, GAINS AND LOSSES

7 其他收入、收益及虧損

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Bank interest income	銀行利息收入	1,366	2,972
Change in fair value of financial asset at FVTPL	按公允價值計量並計入損益的金融資產的公允價值變動	24	—
Government grants (Note)	政府補助(附註)	7,591	2,256
Value-added tax refund	增值稅退稅	—	2,449
Sundry income	雜項收入	264	413
Other income	其他收入	9,245	8,090
Net foreign exchange losses	外匯虧損淨額	(2,089)	(805)
Covid-19-related rent concessions	新冠疫情相關租金減免	—	202
Write-off of property, plant and equipment	撇銷物業、廠房及設備	(2,094)	—
Gain on disposal of subsidiaries (Note 44)	出售附屬公司收益(附註44)	4,084	—
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備產生的虧損·淨額	—	(3)
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	(7,359)	—
Other gains and losses	其他收益及虧損	(7,458)	(606)
		1,787	7,484

Note:

Government grants represented immediate financial support granted by the local governments. There were no specific conditions attached to the grants and the amounts were recognised in profit or loss upon the receipt of relevant cash.

附註:

政府補助為當地政府給予的即時財務支持。補助不附帶特定條件，且金額於收到相關現金時在損益中確認。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

8 FINANCE COSTS

8 融資成本

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Interest on borrowings	借款利息	2,430	2,168
Interest on lease liabilities	租賃負債利息	121	261
		2,551	2,429

9 INCOME TAX CREDIT

9 所得稅抵免

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
The income tax credit comprises:	所得稅抵免包括：		
PRC Enterprise Income Tax ("EIT"):	中國企業所得稅(「企業所得稅」)：		
— Current tax	— 即期稅項	2,684	2,320
— Under-provision in prior years	— 過往年度撥備不足	4	195
		2,688	2,515
Deferred tax (Note 20)	遞延稅項(附註20)	(4,327)	(3,464)
Income tax credit	所得稅抵免	(1,639)	(949)

The Company and its subsidiaries, WeiGang Environment Limited, Jade Far Investment Limited and Definite Thrive Limited, were incorporated in the Cayman Islands and BVI, respectively. All these entities did not have tax assessable profit in Cayman Islands, BVI or other jurisdictions in both years.

No provision for Hong Kong Profits Tax has been recognised in the consolidated financial statements in the both years as the Group does not have income which arose in, or derived from Hong Kong.

本公司及其附屬公司(維港環境有限公司、杰發投資有限公司及興定有限公司)分別於開曼群島及英屬維爾京群島註冊成立。於該兩個年度，所有該等實體在開曼群島、英屬維爾京群島或其他司法管轄區均無應課稅利潤。

由於本集團並無得自香港的收入，因此於該兩個年度，並未於綜合財務報表中確認香港利得稅撥備。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

9 INCOME TAX CREDIT (continued)

Pursuant to the Enterprise Income Tax Law (the "EIT Law") effective on 1 January 2008, Guangzhou Weigang obtained a "High and New Technology Enterprise" in 2016, and was entitled to a preferential tax rate of 15% from 2019 to 2021 and eligible for renewal every three years. Xinjiang Tiansheng Xinhong Environmental Protection Technology Co., Ltd.# ("Xinjiang Tiansheng") and Karamay Shuangxin Company Limited# ("Shuangxin") were entitled to a tax concession of Western Development at a preferential corporate income tax rate of 15% in 2021 and 2020.

The applicable tax rate of other PRC subsidiaries of the Company was 25% during the years ended 31 December 2021 and 2020.

Income tax credit can be reconciled to the loss before tax as stated in the consolidated statement of profit or loss and other comprehensive income as follows:

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Loss before tax	稅前虧損	(10,484)	(8,319)
Tax at applicable income tax rate of 25% (2020: 25%)	按適用所得稅稅率25% (2020年：25%)計算的稅項	(2,621)	(2,080)
Tax effect due to preferential tax rate	因優惠稅率而產生的稅務影響	(2,313)	(866)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	5,763	1,911
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(1,484)	(825)
Tax effect of share of results of an associate	應佔聯營企業的業績的稅務影響	29	238
Tax effect of tax loss not recognised	未確認之稅項虧損的稅務影響	2,546	3,821
Tax effect of super-deduction on research and development expenses	加計扣除研發開支的稅務影響	(3,563)	(3,343)
Under-provision in prior years	過往年度撥備不足	4	195
Income tax credit	所得稅抵免	(1,639)	(949)

The English name is for identification only.

英文名稱僅供標識。

9 所得稅抵免(續)

根據2008年1月1日生效的《企業所得稅法》(《企業所得稅法》)，廣州維港自2016年獲認定為「高新技術企業」，並於2019年至2021年享受15%的優惠稅率，並可每三年續期。新疆天聖新宏環保科技有限公司(「新疆天聖」)及克拉瑪依雙信有限公司(「雙信」)享有西部大開發稅收優惠，於2021年及2020年按企業所得稅優惠稅率15%納稅。

截至2020年及2021年12月31日止各年度，本公司其他中國附屬公司的適用稅率為25%。

所得稅抵免與綜合損益及其他全面收益表所載的稅前虧損對賬如下：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

10 LOSS BEFORE TAX

10 稅前虧損

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Loss before tax has been arrived at after charging/(crediting):	稅前虧損已扣除/(計入)下列各項:		
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
Directors' remuneration	董事薪酬	3,741	3,534
Other staff:	其他員工:		
— Salaries and other benefits	— 薪金與其他福利	47,092	47,100
— Bonus	— 花紅	4,750	4,941
— Contributions to retirement benefits scheme	— 退休福利計劃供款	10,878	5,358
— Share-based payment expenses	— 以股份為基礎的支付開支	456	776
Total staff costs	總員工成本	66,917	61,709
Auditors' remuneration	核數師薪酬	1,659	1,660
Research and development costs (included in other expenses)*	研發成本(計入其他開支)*	21,258	21,890
Gain on disposal of subsidiaries	出售附屬公司的收益	(4,084)	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,345	7,596
Depreciation of right-of-use assets	使用權資產折舊	2,416	2,839
Amortisation of intangible assets	無形資產攤銷	2,061	3,330
Allowance for impairment of trade and note receivables	貿易應收款項及應收票據減值撥備	427	3,696
Write-off of trade receivables	撇銷貿易應收款項	—	6,540
Write-off of contract assets	撇銷合約資產	9,007	—
(Reversal of allowance for)/allowance for impairment of contract assets	合約資產減值(撥備撥回)/撥備	(758)	5,713
Reversal of impairment of other receivables	其他應收款項減值撥回	—	(500)
Write-off of property, plant and equipment	撇銷物業、廠房及設備	2,094	—
Impairment loss on property, plant and equipment	物業、廠房及設備的減值虧損	7,359	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	—	3

* The amount included staff costs of approximately RMB8,110,000 (2020: RMB7,511,000), and material and other related costs of approximately RMB13,148,000 (2020: RMB14,379,000) for the year ended 31 December 2021.

* 該款項包括截至2021年12月31日止年度的員工成本約人民幣8,110,000元(2020年: 人民幣7,511,000元)以及材料及其他相關成本約人民幣13,148,000元(2020年: 人民幣14,379,000元)。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

11 DIRECTORS' CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors and chief executive

Directors' and chief executive's remuneration for the year, disclosed, pursuant to the Listing Rules, section 383(1)(a), (b), and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

For the year ended 31 December 2021

11 董事、最高行政人員及僱員酬金

董事及最高行政人員

根據上市規則、香港公司條例第383(1)(a)、(b)及(f)條及公司(披露董事利益資料)規例第2部披露的年內董事及最高行政人員薪酬如下：

截至2021年12月31日止年度

		Fees	Salaries and other allowances	Discretionary Bonus	Share-based payment expenses	Retirement benefits scheme contributions	Total
		袍金	薪金與其他實物津貼	酌情花紅	以股份為基礎的支付開支	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Mr. Cai (Note i)	蔡先生(附註i)	101	546	144	—	42	833
Mr. Dong Honghui	董紅暉先生	53	486	80	72	42	733
Mr. Deng Zhaoshan	鄧兆善先生	53	484	80	72	42	731
Mr. Gu Chunbin (Note ii)	辜淳彬先生(附註ii)	—	634	53	24	16	727
Non-executive directors	非執行董事						
Mr. Ren Jingfeng (Note iii)	任景豐先生(附註iii)	42	—	—	—	—	42
Mr. Yang Zhiqiang (Note iii)	楊志強先生(附註iii)	42	—	—	—	—	42
Independent non-executive directors	獨立非執行董事						
Mr. Yang Zhifeng	楊志峰先生	211	—	—	—	—	211
Mr. Feng Tao	馮濤先生	211	—	—	—	—	211
Mr. Jiang Guoliang	蔣國良先生	211	—	—	—	—	211
		924	2,150	357	168	142	3,741

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

11 DIRECTORS' CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

Directors and chief executive (continued)

For the year ended 31 December 2020

		Fees	Salaries and other allowances	Bonus	Share-based payment expenses	Retirement benefits contributions	Total
		袍金	薪金與其他實物津貼	酌情花紅	以股份為基礎的支付開支	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Mr. Cai	蔡先生	317	421	80	—	30	848
Mr. Dong Honghui	董紅暉先生	211	391	70	115	29	816
Mr. Deng Zhaoshan	鄧兆善先生	211	389	70	115	30	815
Non-executive directors	非執行董事						
Mr. Ren Jingfeng	任景豐先生	211	—	—	—	—	211
Mr. Yang Zhiqiang	楊志強先生	211	—	—	—	—	211
Independent non-executive directors	獨立非執行董事						
Mr. Yang Zhifeng	楊志峰先生	211	—	—	—	—	211
Mr. Feng Tao	馮濤先生	211	—	—	—	—	211
Mr. Jiang Guoliang	蔣國良先生	211	—	—	—	—	211
		1,794	1,201	220	230	89	3,534

Notes:

- (i) Mr. Cai is also the chief executive of the Company.
- (ii) Appointed as executive director of the Company on 11 March 2021.
- (iii) Resigned as non-executive directors of the Company on 11 March 2021.

11 董事、最高行政人員及僱員酬金 (續)

董事及最高行政人員 (續)

截至2020年12月31日止年度

		Fees	Salaries and other allowances	Bonus	Share-based payment expenses	Retirement benefits contributions	Total
		袍金	薪金與其他實物津貼	酌情花紅	以股份為基礎的支付開支	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事						
Mr. Cai	蔡先生	317	421	80	—	30	848
Mr. Dong Honghui	董紅暉先生	211	391	70	115	29	816
Mr. Deng Zhaoshan	鄧兆善先生	211	389	70	115	30	815
Non-executive directors	非執行董事						
Mr. Ren Jingfeng	任景豐先生	211	—	—	—	—	211
Mr. Yang Zhiqiang	楊志強先生	211	—	—	—	—	211
Independent non-executive directors	獨立非執行董事						
Mr. Yang Zhifeng	楊志峰先生	211	—	—	—	—	211
Mr. Feng Tao	馮濤先生	211	—	—	—	—	211
Mr. Jiang Guoliang	蔣國良先生	211	—	—	—	—	211
		1,794	1,201	220	230	89	3,534

附註：

- (i) 蔡先生亦為本公司最高行政人員。
- (ii) 於2021年3月11日獲委任為本公司執行董事。
- (iii) 於2021年3月11日辭任本公司非執行董事。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

11 DIRECTORS' CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(continued)*

Directors and chief executive *(continued)*

The executive directors' emoluments shown above were for their services in connection with the management affairs of the Group.

The discretionary bonus payments are determined with reference to the operating results and individual performance during the years ended 31 December 2021 and 2020.

Details of share-based payment transaction are set out in Note 40.

Employees

The five highest paid individuals of the Group included three (2020: three) directors, whose emoluments are included in the disclosures above for the year ended 31 December 2021. The emoluments of the remaining two (2020: two) individuals for the years ended 31 December 2021 and 2020, are as follows:

11 董事、最高行政人員及僱員酬金 *(續)*

董事及最高行政人員 *(續)*

上述執行董事酬金乃因彼等就本集團管理事務提供服務而取得。

酌情花紅乃參考截至2021年及2020年12月31日止年度的經營業績及個人表現而釐定。

以股份為基礎的支付交易的詳情載於附註40。

僱員

截至2021年12月31日止年度，本集團五名最高薪酬人士包括三名(2020年：三名)董事，彼等之酬金已於上文披露。截至2021年及2020年12月31日止年度，其餘兩名(2020年：兩名)人士的酬金如下：

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Salaries and other benefits in kind	工資及其他實物福利	1,289	1,268
Discretionary bonus	酌情花紅	150	106
Retirement benefits scheme contributions	退休福利計劃供款	67	32
Share-based payment expenses	以股份為基礎的支付開支	38	100
		1,544	1,506

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

11 DIRECTORS' CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(continued)*

Employees *(continued)*

The number of the five highest paid employee who are not the directors of the Company whose remuneration fell within the following band is as follows bands:

Nil to HK\$1,000,000 零至1,000,000港元

During the years ended 31 December 2021 and 2020, no remuneration was paid by the Group to the five highest paid individuals including directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. Each of the directors of the Company did not waive or agreed to waive any remuneration during the years ended 31 December 2021 and 2020.

11 董事、最高行政人員及僱員酬金 *(續)*

僱員 *(續)*

五名最高薪酬僱員中並非本公司董事且薪酬介乎以下範圍的人數如下：

	2021 2021年 Number of employees 僱員數目	2020 2020年 Number of employees 僱員數目
Nil to HK\$1,000,000 零至1,000,000港元	2	2

於截至2021年及2020年12月31日止年度，本集團概無向五名最高薪酬人士(包括本公司董事)支付任何酬金，作為加盟本集團或加盟後的獎勵或作為離職補償。於截至2021年及2020年12月31日止年度，本公司各董事均無放棄或同意放棄任何薪酬。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

12 LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Loss	虧損		
Loss for the purpose of calculating basic and diluted loss per share	用以計算每股基本及攤薄虧損的虧損	(12,412)	(10,929)
Number of shares	股份數目		
Number of shares for the purpose of calculating basic loss per share	用於計算每股虧損的股份數目	1,331,622,830	1,331,622,830

The computation of diluted loss per share for the years ended 31 December 2021 and 2020 does not assume the exercise of the Company's share options since their assumed exercise would result in a decrease in loss per share.

13 DIVIDENDS

No dividend has been paid or declared by the Company during the years ended 31 December 2021 and 2020, nor has any dividend been proposed since 31 December 2021.

12 每股虧損

本公司擁有人應佔每股基本及攤薄虧損的計算乃基於下列數據：

	2021 2021年	2020 2020年
	RMB'000 人民幣千元	RMB'000 人民幣千元
虧損		
用以計算每股基本及攤薄虧損的虧損	(12,412)	(10,929)
股份數目		
用於計算每股虧損的股份數目	1,331,622,830	1,331,622,830

計算截至2021年及2020年12月31日止年度的每股攤薄虧損並無假設本公司購股權已獲行使，原因為假設該項行使會導致每股虧損減少。

13 股息

截至2021年及2020年12月31日止年度，本公司並無派付或宣派任何股息，且自2021年12月31日以來亦無建議派付任何股息。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Leasehold improvements	Oil sludge treatment facility	Pyrolysis treatment facility	Cement plant parallel kiln co-treatment facility	Office equipment	Motor vehicles	Plant and machinery	Buildings	Construction in progress	Total
		租賃裝修	油泥處理設施	無氧裂解處理設施	平行窯協同處理設施	辦公設備	車輛	廠房及設備	樓宇	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
COST	成本										
At 1 January 2020	於2020年1月1日	2,250	27,327	—	—	3,054	1,783	—	—	52,608	87,022
Additions	添置	158	82	—	—	203	3,559	314	—	49,633	53,949
Disposals	出售	—	(388)	—	—	—	(343)	—	—	—	(731)
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	—	—	—	—	909	8,402	1,386	3,829	—	14,526
Transfer to inventories	轉發至存貨	—	—	—	—	—	—	—	—	(9,397)	(9,397)
Transfer from construction in progress	來自在建工程的轉發	—	—	5,941	—	—	—	—	—	(5,941)	—
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	2,408	27,021	5,941	—	4,166	13,401	1,700	3,829	86,903	145,369
Additions	添置	—	—	—	—	505	3,210	622	11,916	45,023	61,276
Reclassification	重新分類	—	—	—	—	—	—	2,288	(2,288)	—	—
Disposal of subsidiaries	出售附屬公司	(1,132)	(662)	—	—	(597)	(515)	—	—	—	(2,906)
Disposals/write off	出售/撤銷	—	—	—	—	(392)	—	(2,336)	—	—	(2,728)
Transfer to inventories	轉發至存貨	—	—	—	—	—	—	—	—	(2,283)	(2,283)
Transfer from construction in progress	來自在建工程的轉發	—	—	—	31,860	—	—	—	—	(31,860)	—
At 31 December 2021	於2021年12月31日	1,276	26,359	5,941	31,860	3,682	16,096	2,274	13,457	97,783	198,728
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值										
At 1 January 2020	於2020年1月1日	570	2,903	—	—	1,963	521	—	—	—	5,957
Provided for the year	年內撥備	626	2,625	384	—	744	2,876	113	228	—	7,596
Eliminated on disposal	於出售時對銷	—	(63)	—	—	—	(326)	—	—	—	(389)
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	1,196	5,465	384	—	2,707	3,071	113	228	—	13,164
Provided for the year	年內撥備	438	2,976	577	2,337	797	3,644	235	341	—	11,345
Reclassification	重新分類	—	—	—	—	—	—	333	(333)	—	—
Disposal of subsidiaries	出售附屬公司	(566)	(179)	—	—	(414)	(129)	—	—	—	(1,288)
Impairment loss recognised	確認的減值虧損	—	—	—	—	—	—	—	—	7,359	7,359
Eliminated on disposal/write-off	於出售時對銷/撤銷	—	—	—	—	(221)	—	(413)	—	—	(634)
At 31 December 2021	於2021年12月31日	1,068	8,262	961	2,337	2,869	6,586	268	236	7,359	29,946
CARRYING VALUES	賬面值										
At 31 December 2021	於2021年12月31日	208	18,097	4,980	29,523	813	9,510	2,006	13,221	90,424	168,782
At 31 December 2020	於2020年12月31日	1,212	21,556	5,557	—	1,459	10,330	1,587	3,601	86,903	132,205

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

14 PROPERTY, PLANT AND EQUIPMENT (continued)

Note: Amount represented the costs incurred for the construction of a thermal desorption of oil sludge treatment facilities, a pyrolysis treatment facility and a cement plant parallel kiln co-treatment facility. The oil sludge treatment facilities are being used to provide oil sludge thermal desorption treatment service to customer, while the respective operating income is charged according to the tons of oil sludge being processed. The pyrolysis treatment facility is being used to provide pyrolysis solid waste treatment solutions to customers, while the respective operating income is charged according to the quantity of service provided. The cement plant parallel kiln co-treatment facility is being used to provide solid waste treatment solutions to customer, while the respective operating income is charged according to the quantity of service provided.

The above items of property, plant and equipment, other than construction in progress, after taking into account their estimated residual value, are depreciated on a straight-line basis at the following useful lives:

Buildings	20 years
Leasehold improvements	5 years or over the shorter of the term of lease
Oil sludge treatment facility	10 years
Pyrolysis treatment facility	10 years
Cement plant parallel kiln co-treatment facility	15 years
Plant and machinery	10 years
Office equipment	3 years
Motor vehicles	3-5 years

Impairment assessment

Due to the change of the government's policies on environment protection and capacity replacement, the operation in a subsidiary of the Group encounter an impact on its operations in the near future. The management of the Group concluded there was indication for impairment for certain property, plant and equipment of a cash-generating unit (the "CGU") and conducted impairment assessment on recoverable amounts of which with total carrying amount RMB44,955,000 as at 31 December 2021. The Group estimates recoverable amount of the CGU to which the assets belong when it is not possible to estimate the recoverable amount of the relevant assets individually based on a value-in-use calculation.

14 物業、廠房及設備 (續)

*附註：*有關數額指建造油泥熱脫附處理設施、無氧裂解處理設施及水泥廠平行窯協同處理設施所產生的成本。油泥處理設施用於向客戶提供油泥熱脫附處理服務，而相關經營收入乃根據所處理的油泥噸數收取。無氧裂解處理設施用於向客戶提供無氧裂解固體廢物處理解決方案，而相關經營收入乃根據所提供服務的數量收取。水泥廠平行窯協同處理設施用於向客戶提供固體廢物處理解決方案，而相關經營收入乃根據所提供服務的數量收取。

上述物業、廠房及設備項目(在建工程除外)在考慮到其估計剩餘價值後以下列使用年限按直線法折舊：

樓宇	20年
租賃裝修	5年或租賃較短年期
油泥處理設施	10年
無氧裂解處理設施	10年
水泥廠平行窯協同處理設施	15年
廠房及機器	10年
辦公設備	3年
車輛	3-5年

減值評估

由於政府有關環境保護及產能置換的政策變化，本集團一間附屬公司的運營於不久的將來會受到影響。本集團管理層認為現金產生單位(「現金產生單位」)的若干物業、廠房及設備存在減值跡象，並對其於2021年12月31日的總賬面價值為人民幣44,955,000元的若干在建工程進行減值評估。當無法根據使用價值計算單獨估計相關資產的可收回金額時，本集團估計資產所屬現金產出單元的可收回金額。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

14 PROPERTY, PLANT AND EQUIPMENT *(continued)*

Impairment assessment *(continued)*

The recoverable amount of the CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following operating remaining operating term with a pre-tax discount rate 15.11% as at 31 December 2021. The annual growth rate used is from 0% to 5% which is based on the industry growth forecasts and does not exceed the long-term average growth rate for the relevant industry. Another key assumption for the value in use calculated is the budget gross margin, which is determined based on the CGU's past performance and management expectations for the market development.

The relevant assets were impaired to their recoverable amount of RMB37,596,000, and the impairment of approximately RMB7,359,000 has been recognised in profit or loss within the relevant functions to which these assets relate during the year. The other key assumptions for the value in use calculated are revenue growth rate and profit margin, which are determined based on the Group's past performance and management expectations for the market development.

The impairment loss recognised for the above assets have been included in profit or loss in the "other gains and losses".

14 物業、廠房及設備 *(續)*

減值評估 *(續)*

現金產生單位的可收回金額乃根據其使用價值釐定。該計算採用基於本集團管理層批准的財務預算的現金流預測，涵蓋以下營運剩餘期限，於2021年12月31日的稅前折現率為15.11%。所使用的年增長率為0%至5%，乃基於行業增長預測，且不超過相關行業的長期平均增長率。計算使用價值的另一關鍵假設是預算毛利率，其根據現金產生單位過去的表現及管理層對市場發展的預期釐定。

相關資產減值至其可收回金額人民幣37,596,000元，約人民幣7,359,000元的減值已於年內該等資產相關功能的損益中確認。計算使用價值的其他關鍵假設為收入增長率及利潤率，該等假設乃根據本集團過往的業績及管理層對市場發展的預期釐定。

就上述資產確認的減值虧損已計入損益中的「其他收益及虧損」。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

15 RIGHT-OF-USE ASSETS

15 使用權資產

		Leasehold land 租賃土地 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本			
At 1 January 2020	於2020年1月1日	—	8,361	8,361
Additions	添置	8,304	—	8,304
At 31 December 2020 and 1 January 2021	於2020年12月31日及 2021年1月1日	8,304	8,361	16,665
Additions	添置	256	775	1,031
Disposal of subsidiaries	出售附屬公司	—	(2,403)	(2,403)
At 31 December 2021	於2021年12月31日	8,560	6,733	15,293
ACCUMULATED DEPRECIATION	累計折舊			
At 1 January 2020	於2020年1月1日	—	2,051	2,051
Provided for the year	年內撥備	83	2,756	2,839
At 31 December 2020 and 1 January 2021	於2020年12月31日及 2021年1月1日	83	4,807	4,890
Provided for the year	年內撥備	174	2,242	2,416
Disposal of subsidiaries	出售附屬公司	—	(1,335)	(1,335)
At 31 December 2021	於2021年12月31日	257	5,714	5,971
CARRYING VALUES	賬面值			
At 31 December 2021	於2021年12月31日	8,303	1,019	9,322
At 31 December 2020	於2020年12月31日	8,221	3,554	11,775

For both years, the Group leases offices for its operation. Lease contracts are entered into for fixed term of 2 to 5 years (2020: 2 to 5 years), but may have extension and termination options as described below. 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 ownership interest in leasehold land held for own use, carried at fair value in the PRC with remaining lease term of between 10 and 50 years.

於兩個年度，本集團租賃用於營運的辦公室。租賃合約按2至5年的固定期限訂立（2020年：2至5年），但可具有延期及終止選擇權，如下文所述。租賃期按個別基準磋商，並載有不同條款及條件。於釐定租賃期及評估不可撤銷期限時，本集團應用了合約的定義，並確定了合約可執行的期限。

於持作自用租賃土地的擁有權權益按於中國的公允價值入賬，剩餘租賃期介乎10年至50年。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

15 RIGHT-OF-USE ASSETS (continued)

15 使用權資產(續)

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Expense relating to short-term leases	有關短期租賃的開支	994	316
Expense relating to leases of low-value assets	有關低價值資產租賃的開支	172	10
Total cash outflow for lease	租賃現金流出總額	3,718	3,201

Rent concessions

There is no rental concession occurred during the year ended 31 December 2021. During the year ended 31 December 2020, a lessor of an office provided rent concessions to the Group through rent reductions of 94% over a 3-month period.

These rent concessions occurred as a direct consequence of Covid-19 pandemic and met of all of the conditions in IFRS 16.46B, and the Group applied the practical expedient not to assess whether the changes constitute lease modifications. The effects on changes in lease payments due to forgiveness or waiver by the lessors for the relevant leases of approximately RMB202,000 were recognised as negative variable lease payments during the year ended 31 December 2020.

租金減免

截至2021年12月31日止年度並無發生租金減免。截至2020年12月31日止年度，一間辦公室的一名出租人透過於三個月期間減租94%向本集團提供租金優惠。

該等租金優惠因新冠疫情直接產生，並符合《國際財務報告準則》第16.46B條的所有條件，且本集團應用可行權宜方法不評估有關變動是否構成租賃修改。截至2020年12月31日止年度，出租人就相關租賃免除或豁免約人民幣202,000元對租賃付款變動的影響確認為負可變租賃付款。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

16 INTANGIBLE ASSETS

16 無形資產

		Concession right 特許經營權 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本			
At 1 January 2020	於2020年1月1日	—	17,180	17,180
Acquisition of assets through acquisition of a subsidiary (Note 43)	透過收購一間附屬公司收購資產(附註43)	9,612	—	9,612
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	9,612	17,180	26,792
Disposal of subsidiaries	出售附屬公司	—	(24)	(24)
At 31 December 2021	於2021年12月31日	9,612	17,156	26,768
ACCUMULATED AMORTISATION	累計攤銷			
At 1 January 2020	於2020年1月1日	—	1,415	1,415
Provided for the year	年內撥備	481	2,849	3,330
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	481	4,264	4,745
Provided for the year	年內撥備	482	1,579	2,061
Disposal of subsidiaries	出售附屬公司	—	(4)	(4)
At 31 December 2021	於2021年12月31日	963	5,839	6,802
CARRYING VALUES	賬面值			
At 31 December 2021	於2021年12月31日	8,649	11,317	19,966
At 31 December 2020	於2020年12月31日	9,131	12,916	22,047

Note:

The other intangible assets have finite useful lives and are amortised on a straight-line basis over the following periods:

Concession right	20 years
Patents	5 to 10 years

附註:

其他無形資產具有有限可使用年期，並於下列期間以直線法攤銷：

特許經營權	20年
專利	5至10年

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

17 INTEREST IN AN ASSOCIATE

17 於聯營企業的權益

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Cost of investment in an associate	於聯營企業的投資成本	10,244	1,560
Share of post-acquisition losses	應佔收購後虧損	(1,084)	(966)
		9,160	594

Details of the Group's associate at the end of the reporting period are as follows:

於報告期末本集團聯營企業的詳情載於下表：

Name of associate 聯營企業名稱	Principal activities 主要活動	Place and date of establishment and operation 成立與營運的地點和日期	Proportion of ownership interest and voting interest held by the Group at 31 December 於12月31日本集團持有所有權權益及表決權份額	
			2021 2021年	2020 2020年
Guangzhou Weigang Hongda Environmental Company Ltd.# ("Weigang Hongda") 廣州維港泓達環境有限公司 (「維港泓達」)	Provision of project management service for solid and hazardous waste 就固體及有害廢物提供項目管理服務	The PRC, 21 May 2019 中國，2019年5月21日	41%	37%

The above associate is accounted for using equity method in the consolidated financial statements.

上述聯營企業使用權益法在綜合財務報表入賬。

* The English names are for identification purpose only.

* 英文名稱僅供識別。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

17 INTEREST IN AN ASSOCIATE (continued)

During the year ended 31 December 2021, Guangzhou Weigang, a subsidiary as 90% owned by the Group, entered into a sale agreement with Debo Environmental (Guangzhou) Co., Ltd* (“Debo”) a wholly-owned subsidiary of the Group, to dispose of its 41% equity interests in Weigang Hongda to Debo. As a result, in the Group’s effective equity interest in Weigang Hongda was increased from 37% to 41%. In addition, the Group has made a capital injection to Weigang Hongda of approximately RMB8,684,000.

Information of an associate that is not material:

17 於聯營企業的權益(續)

截至2021年12月31日止年度，本集團擁有90%權益的附屬公司廣州維港與本集團全資附屬公司德博環境(廣州)有限公司(「德博」)訂立銷售協議，以向德博出售維港泓達41%的股本權益。因此，本集團於維港泓達的實際權益由37%增加至41%。此外，本集團已向維港泓達注資約人民幣8,684,000元。

並非重大的聯營企業資料：

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	<i>RMB'000</i> 人民幣千元
The Group’s share of loss	本集團應佔虧損	(118)	(953)
The Group’s share of other comprehensive income	本集團應佔其他全面收益	—	—
The Group’s share of total comprehensive income	本集團應佔全面收益總額	(118)	(953)
Aggregate earning of the Group’s interest in the associate	本集團於聯營企業的權益的總盈利	9,160	594

* The English name is for identification purpose only.

* 英文名稱僅供識別。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

18 GOODWILL

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
At 1 January	於1月1日	18,277	—
Acquisition of the subsidiaries (Note 42)	收購附屬公司(附註42)	—	18,277
At 31 December	於12月31日	18,277	18,277

Impairment testing on goodwill

For the purpose of impairment testing, the goodwill has been allocated to the CGU representing the Xinjiang Tiansheng and its subsidiaries (collectively referred to as "Xinjiang Tiansheng Group").

The recoverable amount of Xinjiang Tiansheng Group has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and discount rate of 19.2% (2020:19.5%). Xinjiang Tiansheng Group's cash flows beyond the 5-year period are extrapolated using a steady 2% (2020: 2%) growth rate which is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin to provide basis and explanation of significant changes in key assumptions, where appropriate, such estimation is based on the unit's past performance and management's expectations for the market development. The cash flow projections, growth rates and discount rate have been reassessed as at 31 December 2021 and 2020 taking into consideration higher degree of estimation uncertainties in the current year due to how the Covid-19 pandemic may progress and evolve and volatility in financial markets, including potential disruptions of the Group's oilfield auxiliary services.

18 商譽

商譽減值測試

就減值測試而言，商譽已分配至代表新疆天聖及其附屬公司(統稱「新疆天聖集團」)的現金產生單位。

新疆天聖集團的可收回金額乃根據使用價值計算釐定。該計算使用基於管理層批准的五年期財務預算的現金流量預測及貼現率19.2%(2020年:19.5%)。新疆天聖集團超過5年期的現金流量採用2%(2020年:2%)的穩定增長率推算，該增長率乃基於相關行業增長預測，且不超過相關行業的平均長期增長率。使用價值計算的其他主要假設與現金流入/流出量的估計有關，包括預算銷售額及毛利率，以就主要假設的重大變動提供基準及解釋(如適用)，有關估計乃基於單位的過往表現及管理層對市場發展的預期。現金流量預測、增長率及貼現率已於2021年及2020年12月31日評估，當中已考慮本年度較高的估計不確定性，原因為新冠疫情的進展及演變以及金融市場的波動，包括本集團油田周邊服務可能出現的中斷。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

18 GOODWILL (continued)

Impairment testing on goodwill (continued)

During the years ended 31 December 2021 and 2020, management of the Group determine that there is no impairment on goodwill. The recoverable amount is significantly above the carrying amount of Xinjiang Tiansheng Group. Management believe that any reasonably possible change in any of these assumptions would not result in impairment. Management have performed sensitively analysis and believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of goodwill to exceed its recoverable amount.

19 EQUITY INSTRUMENT AT FVTOCI

Unlisted investment:	未上市投資：
— Equity securities	— 股本證券

This represented shares in a private entity engaged in oil sludge treatment facility operator in the PRC. The Group designated its unlisted equity investment at FVTOCI as the investment is held for strategic purposes. No dividends were received on this investment during the year ended 31 December 2021 (2020: Nil). The investment as at 31 December 2020 was measured at fair value, details of fair value measurements are disclosed in Note 35(c).

On 30 July 2021, the Group disposed of entire equity interest of a non-wholly-owned subsidiary, Xinjiang Wosen Environmental Protection Technology Limited* (“Xinjiang Wosen”), which held the equity investment. Details of the disposal of Xinjiang Wosen are disclosed in Note 44.

* The English name is for identification only.

18 商譽 (續)

商譽減值測試 (續)

截至2021年及2020年12月31日止各年度，本集團管理層釐定商譽並無減值。可收回金額大幅高於新疆天聖集團的賬面值。管理層相信，任何該等假設的任何合理可能變動將不會導致減值。管理層已進行敏感性分析並相信，任何該等假設的任何合理可能變動將不會導致商譽的賬面值超過其可收回金額。

19 按公允價值計量並計入其他全面收益的股本工具

	2021 2021年	2020 2020年
	RMB'000 人民幣千元	RMB'000 人民幣千元
Unlisted investment:		
— Equity securities	—	3,825

這指於一間在中國從事油泥處理設備運營的私營實體的股份。由於該投資乃持作策略用途，故本集團將其未上市股本投資指定為按公允價值計量並計入其他全面收益。截至2021年12月31日止年度並無就此項投資收取股息(2020年：無)。於2020年12月31日，該投資以公允價值計量，公允價值計量詳情披露於附註35(c)。

於2021年7月30日，本集團出售非全資附屬公司新疆沃森環保科技有限責任公司(「新疆沃森」)的全部股權，後者持有股本投資。出售新疆沃森詳情於附註44披露。

* 英文名稱僅供識別。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

20 DEFERRED TAXATION

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the years ended 31 December 2021 and 2020.

20 遞延稅項

下文載有於截至2021年及2020年12月31日止年度確認的主要遞延稅項資產／(負債)及其變動情況。

		Allowance for impairment of trade and note receivables and contract assets and impairment loss on advance to a supplier 貿易應收款項及應收票據以及合約資產的減值撥備及與向供應商作出的墊款有關的減值虧損 RMB'000 人民幣千元	Tax loss 稅項虧損 RMB'000 人民幣千元	Changes in fair value of equity instrument at FVTOCI 按公允價值計量並計入其他全面收益之股本工具之公允價值變動 RMB'000 人民幣千元	Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生的公允價值調整 RMB'000 人民幣千元	Unrealised profit of inter-company transaction 公司間交易之未變現利潤 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	1,144	1,904	(819)	—	7,410	64	9,703
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	—	—	—	(257)	—	—	(257)
Credit/(charge) to profit or loss (Note 9)	計入損益/(於其扣除)(附註9)	1,687	(882)	—	222	2,449	(12)	3,464
Credit to other comprehensive income	於其他全面收益扣除	—	—	237	—	—	—	237
At 1 January 2021	於2021年1月1日	2,831	1,022	(582)	(35)	9,859	52	13,147
Disposal of subsidiaries (Note 44)	出售附屬公司(附註44)	—	(237)	439	—	—	—	202
Credit/(charge) to profit or loss (Note 9)	計入損益/(於其扣除)(附註9)	1,321	1,329	—	(22)	1,735	(36)	4,327
Credit to other comprehensive income	於其他全面收益扣除	—	—	143	—	—	—	143
At 31 December 2021	於2021年12月31日	4,152	2,114	—	(57)	11,594	16	17,819

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

20 DEFERRED TAXATION (continued)

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 deferred tax balances for financial reporting purposes:

		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產	17,876	13,764
Deferred tax liabilities	遞延稅項負債	(57)	(617)
		17,819	13,147

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for the consolidated financial statements in respect of temporary differences attributable to the profit earned by the PRC subsidiaries amounting to approximately RMB32,751,000 (2020: RMB32,340,000) as at 31 December 2021 as the Group is able to control the timing of reversal of temporary difference and it is probable that temporary differences will not reverse in the foreseeable future.

As at 31 December 2021, the Group has unused tax losses of approximately RMB29,496,000 (2020: RMB27,112,000) available for offset against future profits for the consecutive five years and will expire between 2022 and 2026. Deferred tax assets have been recognised in respect of approximately RMB8,456,000 (2020: RMB4,088,000) of such losses as at 31 December 2021. No deferred tax asset has been recognised in respect of the remaining tax losses of approximately 21,040,000 (2020: RMB23,024,000) due to the unpredictability of future profit streams as at 31 December 2021 and 2020.

20 遞延稅項(續)

就綜合財務狀況表的呈列而言，已抵銷若干遞延稅項資產及負債。就財務報告分析的遞延稅項結餘如下：

根據中國《企業所得稅法》，自2008年1月1日起，就中國附屬公司所得利潤而宣派的股息須繳納預扣稅。對於在2021年12月31日金額約為人民幣32,751,000元(2020年：人民幣32,340,000元)的中國附屬公司所得利潤之暫時差額，並無在綜合財務報表中作出遞延稅項的撥備，原因是本集團能夠控制暫時差額的撥回時機，而且在可預見的將來該暫時差額將不會撥回。

於2021年12月31日，本集團尚未使用的稅項虧損約為人民幣29,496,000元(2020年：人民幣27,112,000元)，可連續五年抵銷未來利潤，將於2022年至2026年屆滿。於2021年12月31日，就該等約人民幣8,456,000元(2020年：人民幣4,088,000元)的虧損確認遞延稅項資產。於2021年及2020年12月31日，由於未來利潤流的不可預測性，尚未就金額為約人民幣21,040,000元(2020年：人民幣23,024,000元)的剩餘稅項虧損確認遞延稅項資產。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

21 INVENTORIES

21 存貨

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Spare parts and other materials	備件及其他材料	16,802	6,952

22 TRADE AND NOTE RECEIVABLES

22 貿易應收款項及應收票據

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Trade receivables	貿易應收款項	170,515	180,444
Less: allowance for impairment	減：減值撥備	(7,914)	(7,494)
Note receivables	應收票據	162,601 42,235	172,950 62,001
Total trade and note receivables	貿易應收款項及應收票據總額	204,836	234,951

The Group normally allows a credit period within 90 (2020: 90) days to its trade customers.

The following is an aging analysis of trade receivables net of allowance for impairment at the end of the reporting period presented based on payment schedule or invoice date stated in the contracts.

本集團一般向貿易客戶授予90(2020年：90)日內的信貸期。

下文載有貿易應收款項(減去根據合約所述付款安排或發票日期呈報的各報告期末之減值撥備)的賬齡分析。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

22 TRADE AND NOTE RECEIVABLES (continued)

22 貿易應收款項及應收票據(續)

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
0-90 days	0至90日	78,111	129,838
91-180 days	91至180日	75,770	30,571
181-365 days	181至365日	2,640	9,377
Over 365 days	365日以上	6,080	3,164
		162,601	172,950

Note receivables are bank acceptance notes and commercial acceptance notes amounting to approximately RMB25,784,000 (2020: RMB37,109,000) and RMB16,451,000 (2020: RMB24,892,000) respectively and the average aging is generally within 180 (2020: 180) days based on the issuance date, which management believes that no impairment allowance is necessary as there is no significant change in credit quality and the balances are considered fully recoverable. As at 31 December 2021 and 2020, all the amounts of bank acceptance notes were endorsed to settle trade payables and not derecognised until the maturity date of the notes.

The management of the Group considers the note receivables are issued by the banks and reputable state-owned enterprises with high credit rating and the probability of default is low. Therefore, no impairment is considered necessary.

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 35(b).

應收票據為金額分別約為人民幣25,784,000元(2020年:人民幣37,109,000元)及人民幣16,451,000元(2020年:人民幣24,892,000元)的銀行承兌票據及商業承兌票據,且基於發行日期的平均賬齡一般為180日(2020年:180日)內,管理層認為,由於信用質量無重大變動及該等結餘被認為可悉數收回,故無必要作出減值撥備。於2021年及2020年12月31日,已背書所有銀行承兌票據的款項以結清貿易應付款項,直至票據到期日並未終止確認。

本集團管理層認為,該等應收票據由具有高信貸評級及違約可能性較低的銀行及知名國有企業發行,故毋須作出減值。

有關本集團信貸政策及來自貿易應收款項之信貸風險的進一步詳情載於附註35(b)。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

23 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23 按金、預付款項及其他應收款項

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Advances to suppliers	向供應商作出的墊款	10,006	37,250
Deposits for tender bidding	投標按金	6,889	6,345
Other deposits	其他按金	2,522	1,931
Value-added tax receivables	應收增值稅	20,905	13,390
Staff advances	員工墊款	1,615	1,186
Others	其他	3,823	3,635
		45,760	63,737

24 CONTRACT ASSETS AND LIABILITIES

24 合約資產及負債

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Contract assets	合約資產	249,061	278,733
Contract liabilities	合約負債	13,920	105,089

As at 31 December 2021, contract assets include retention receivables of approximately RMB42,636,000 (2020: RMB19,780,000). The Group generally provides their customers with one to two (2020: one to two) years warranty period. Upon the expiration of retention period, if the relevant hazardous wastage processing plant has met the requirements in the contract, the customer would conduct a final inspection and provide an acceptance certificate and pay the retention within the term specified in the contract.

The changes in contract assets and liabilities are due to i) adjustments arising from changes in the measure of progress of contracting work, or ii) reclassification to trade receivables when the Group has unconditional right to the consideration.

於2021年12月31日，合約資產包括應收保留金約人民幣42,636,000元(2020年：人民幣19,780,000元)。本集團一般向其客戶提供一至兩年(2020年：一至兩年)的保修期。於保留期屆滿之時，若相關危險廢物處理廠已滿足合約所列要求，客戶將進行最後檢驗並提供驗收合格證書，且於合約規定的期限內支付保留金。

合約資產及負債變動乃由於i)因合約工程的進度計量標準變動而產生的調整，或ii)當本集團對對價有無條件權利時，重新歸類至貿易應收款項。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

24 CONTRACT ASSETS AND LIABILITIES

(continued)

Contract assets

Arising from performance under hazardous waste incineration solutions services, pyrolysis solid waste treatments solutions services and technical upgrading services	產生自有害廢物焚燒處理解決方案服務、無氧裂解固體廢物處理解決方案服務及技術升級服務的表現
--	--

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

The contract assets have the same risk characteristics as the trade receivables, which are subject to the same ECL assessment as the trade receivables.

During the year ended 31 December 2021, the reversal of allowance for impairment of contract assets amounting to approximately RMB758,000 (2020: allowance for impairment of approximately RMB5,713,000) was recognised in profit or loss. As at 31 December 2021, the accumulated allowance for impairment of contract assets is approximately RMB8,995,000 (2020: RMB9,753,000).

Further details on the Group's credit policy and credit risk arising from contract assets are set out in Note 35(b).

24 合約資產及負債(續)

合約資產

2021 2021年	2020 2020年
RMB'000 人民幣千元	RMB'000 人民幣千元
249,061	278,733

本集團將該等合約資產分類為流動，原因為本集團預期於其正常營運週期內將其變現。

合約資產與貿易應收款項具有相同的風險特徵，就合約資產作出的預期信貸虧損評估與貿易應收款項相同。

截至2021年12月31日止年度，約人民幣758,000元(2020年：減值撥備約人民幣5,713,000元)的合約資產減值撥備撥回已於損益中確認。於2021年12月31日，合約資產減值累計撥備約為人民幣8,995,000元(2020年：人民幣9,753,000元)。

有關本集團信貸政策及來自合約資產之信貸風險的進一步詳情載於附註35(b)。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

24 CONTRACT ASSETS AND LIABILITIES

(continued)

Contract liabilities

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Hazardous waste incineration solutions	危險廢物焚燒處置解決方案	11,120	97,781
Technical upgrading services	技術升級服務	—	2,468
Maintenance services	維護服務	2,800	4,840
		13,920	105,089

合約負債

All the contract liabilities are expected to be recognised as revenue in the following year.

全部合約負債預期於下一年度確認為收入。

Contract liabilities represent the progress payment exceeds the revenue recognised to date under the input method and are recognised as revenue when the Group performs its obligations under the contracts.

合約負債指進度付款超過至今按投入法確認的收入，並於本集團履行其於合約項下的責任時確認為收入。

The following table shows amount of the revenue recognised in the current year relates to carried-forward contract liabilities in prior periods.

下表列示於本年度確認的收入與過往期間結轉的合約負債的相關程度。

		Hazardous waste incineration solutions 危險廢物焚燒處置解決方案		Technical upgrading services 技術升級服務		Maintenance services 維護服務	
		2021 2021年	2020 2020年	2021 2021年	2020 2020年	2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Balance at 1 January	於1月1日的結餘	97,781	43,881	2,468	298	4,840	—
Revenue recognised that was included in the contract liability balance at the beginning of the year	計入年初合約負債結餘的已確認收入	(92,553)	(31,072)	(2,468)	(78)	(3,181)	—
Increase in contract liabilities as a result of receipts in advance of performance	因履約前收款的合約負債增加	5,892	84,972	—	2,248	1,141	4,840
Balance at 31 December	於12月31日的結餘	11,120	97,781	—	2,468	2,800	4,840

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

25 AMOUNTS DUE FROM NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES/ AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

As at 31 December 2021, amounts due from non-controlling shareholders of subsidiaries are interest-free, unsecured and receivable on demand, except for an aggregate amount of approximately RMB5,175,000 (2020: RMB1,500,000) which is secured by their 27% equity interest in a subsidiary, Qingyang Qingyi Petroleum Engineering Company Limited* ("Qingyang Qingyi"), carries interest of 10% (2020: 10%) per annum and receivable on demand.

As at 31 December 2021, amount due from a non-controlling shareholder of Xinjiang Tiansheng, Mr. Tian Yixin ("Mr. Tian"), for RMB3,600,000 is the consideration receivable on disposal of a subsidiary as detailed in Note 44. The amount is interest-free, unsecured and receivable on demand.

As at 31 December 2021, amount due to Mr. Tian of approximately RMB5,395,000 is the consideration payable of acquisition of additional interests in a subsidiary as detailed in Note 45. The amount is interest-free, unsecured and repayable on demand.

* The English name is for identification only

26 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial wealth management investment products, at FVTPL 按公允價值計量並計入損益的金融理財管理投資產品

The financial wealth management investment products are issued by a bank in PRC. The fair value hierarchy used for determining and disclosing the fair values are for the disclosed in Note 35(c).

25 應收附屬公司非控股股東款項／應付一間附屬公司的一名非控股股東款項

於2021年12月31日，應收附屬公司非控股股東款項為免息、無抵押及按要求償還，惟總額約人民幣5,175,000元(2020年：人民幣1,500,000元)乃以彼等於附屬公司慶陽慶義石油工程有限公司(「慶陽慶義」)的27%股權作抵押，年利率為10%(2020年：10%)及按要求償還。

於2021年12月31日，應收新疆天聖的非控股股東田宜新先生(「田先生」)的款項為人民幣3,600,000元，乃出售附屬公司的應收對價，詳見附註44。該款項乃免息、無抵押及按要求償還。

於2021年12月31日，應收田先生款項為約人民幣5,395,000元，乃收購一間附屬公司額外權益的應付對價，詳見附註45。該款項乃免息、無抵押及按要求償還。

* 英文名稱僅供識別

26 按公允價值計量並計入損益的金融資產

	2021 2021年	2020 2020年
	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Financial wealth management investment products, at FVTPL 按公允價值計量並計入損益的金融理財管理投資產品	10,024	—

理財管理投資產品由中國的一家銀行發行。用於釐定及披露公允價值的公允價值等級於附註35(c)披露。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

27 BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS

Bank balances and cash comprise cash and bank balances held by the Group with maturity of three months or less and carry interest at market rate of 0.01% to 1.35% (2020: 0.01% to 1.35%) per annum as at 31 December 2021.

Pledged bank deposits as at 31 December 2021 represent the bank guarantee with several customers for performance obligation fulfilment. The pledged bank deposits will be released when the performance obligation is met, the customer cancels the requirement for the bank guarantee or the bank guarantee is due. Pledged bank deposits of the Group carry interest at market rate of 0.35% to 2.415% (2020: 0.35% to 2.415%) per annum as at 31 December 2021.

28 TRADE PAYABLES

The following is an aging analysis of the trade payables presented based on the invoice date at the end of the reporting period.

0-90 days	0至90日
91-180 days	91至180日
181-365 days	181至365日
Over 365 days	365日以上

There is no specific credit period granted on purchase of goods and services. All of the trade payables are expected to be settled within one year or are repayable on demand.

27 銀行結餘及現金和已抵押銀行存款

於2021年12月31日，銀行結餘及現金包括本集團持有的期限不超過三個月並以每年0.01%至1.35%（2020年：0.01%至1.35%）的市場利率計息的現金和銀行結餘。

於2021年12月31日，已抵押銀行存款指就履行履約責任與若干客戶訂立的銀行擔保。已抵押銀行存款將在履行履約義務、客戶取消銀行擔保要求或銀行擔保到期時解除。於2021年12月31日，本集團的已抵押銀行存款按市場利率每年0.35%至2.415%（2020年：0.35%至2.415%）計息。

28 貿易應付款項

以下為於報告期末按發票日期呈列的貿易應付款項的賬齡分析。

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
0-90 days	0至90日	139,313	117,828
91-180 days	91至180日	15,381	17,540
181-365 days	181至365日	5,980	3,808
Over 365 days	365日以上	11,117	12,786
		171,791	151,962

本公司並無就購買商品及服務被授予特定的信貸期。預期所有貿易應付款項將於一年內結付或須按要求償還。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

29 OTHER PAYABLES AND ACCRUED EXPENSES

29 其他應付款項及應計開支

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Other tax payables	其他應付稅項	14,134	7,192
Accrued staff costs	應計員工成本	7,926	8,418
Accrued charges	應計費用	5,809	5,441
Provision for legal claim	法律申索撥備	—	950
Others (<i>Note</i>)	其他 (<i>附註</i>)	17,329	3,210
		45,198	25,211

Note: The amount includes a payable of approximately RMB14,416,000 to a former shareholder of a subsidiary. The amount is interest-free, unsecured and repayable on demand.

附註: 該金額包括應付一間附屬公司的一名前股東約人民幣14,416,000元。該款項乃免息、無抵押及按要求償還。

30 LEASE LIABILITIES

30 租賃負債

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of reporting periods:

下表顯示本集團租賃負債於本報告期末的餘下合約到期日：

		31 December 2021 2021年12月31日		31 December 2020 2020年12月31日	
		Present value of the minimum lease payments 最低租賃 付款現值	Total Minimum lease payments 最低租賃 付款總額	Present value of the minimum lease payments 最低租賃 付款現值	Total Minimum lease payments 最低租賃 付款總額
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Within one year	一年內	1,000	1,025	2,670	2,797
After 1 year but within 2 years	一年後但兩年內	183	185	1,275	1,296
		1,183	1,210	3,945	4,093
Total future interest expenses	未來利息開支總額		(27)		(148)
Present value of lease liabilities	租賃負債現值		1,183		3,945

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

31 BORROWINGS

31 借款

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Fixed-rate borrowings	定息借款		
— Secured bank borrowings	— 有抵押銀行借款	26,900	28,000
— Secured borrowings from financing institutions	— 來自金融機構的有抵押借款	8,494	16,461
— Unsecured bank borrowings	— 無抵押銀行借款	15,793	—
		51,187	44,461
Variable-rate borrowings:	浮息借款：		
— Secured bank borrowings	— 有抵押銀行借款	2,550	11,267
		53,737	55,728
The carrying amounts of the above borrowings are repayable based on the scheduled repayment dates set out in the loan agreements as:	上述借款的賬面值須按貸款協議所載計劃還款日期償還，詳情如下：		
— Within one year	— 一年內	51,035	44,384
— More than one year, but not exceeding two years	— 一年以上但不超過兩年	2,702	8,642
— More than two years, but not exceeding three years	— 兩年以上但不超過三年	—	2,702
		53,737	55,728
Less: amount due within one year shown under current liabilities	減：流動負債項下所示一年內到期的金額	(51,035)	(44,384)
Amount shown under non-current liabilities	非流動負債項下所示金額	2,702	11,344

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

31 BORROWINGS (continued)

The ranges of effective interest rates on the Group's borrowings are as follows:

Effective interest rate:	實際利率：
— Fixed-rate borrowings	— 定息借款
— Variable-rate borrowings	— 浮息借款

As at 31 December 2021, the bank borrowings of approximately RMB29,450,000 were secured by the pledged bank deposits and the personal guarantee provided by Mr. Cai and Mr. Tian. As at 31 December 2020, the bank borrowings of approximately RMB39,267,000 were secured by the pledged bank deposits and the personal guarantee provided by Mr. Cai.

Other borrowings were secured by an oil sludge treatment facility and certain patents in the PRC with an aggregate carrying amount of approximately RMB13,666,000 (2020: RMB15,482,000).

Except for the borrowings denominated in US\$ of approximately RMB8,417,000 as at 31 December 2020, all borrowings were denominated in RMB which is also the functional currency of the respective entities.

31 借款(續)

本集團借款的實際利率範圍如下：

31 December 2021 2021年 12月31日	31 December 2020 2020年 12月31日
3.85% to 7.00%	3.85% to 7.00%
5.05%	0.89% to 5.05%

於2021年12月31日，銀行借款約人民幣29,450,000元由已抵押銀行存款及蔡先生與田先生提供的個人擔保作抵押。於2020年12月31日，銀行借款約人民幣39,267,000元由已抵押銀行存款及蔡先生提供的個人擔保作抵押。

其他借款以賬面值總額為約人民幣13,666,000元(2020年：人民幣15,482,000元)位於中國的一項油泥處理設施及若干專利作抵押。

除於2020年12月31日以美元計值的借款約人民幣8,417,000元外，所有結餘以人民幣計值，人民幣亦為相應實體的功能貨幣。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

32 SHARE CAPITAL

Details of the movement of share capital of the Company are as follows:

		Number of shares 股份數目	Nominal value per share 每股面值 HK\$ 港元	Share capital 股本 HK\$ 港元	Share capital 股本 RMB'000 人民幣千元
Authorised	法定				
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	於2020年1月1日、 2020年12月31日、 2021年1月1日及 2021年12月31日	4,000,000,000	0.05	200,000,000	168,620
Issued and fully paid	已發行及繳足				
At 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	於2020年1月1日、 2020年12月31日、 2021年1月1日及 2021年12月31日	1,333,335,000	0.05	66,666,750	55,100

32 股本

本公司股本變動的詳情如下：

33 RETIREMENT BENEFITS PLANS

The Group operates a Mandatory Provident Fund Scheme for all qualify employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by employees. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce existing level of contribution.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute a specified percentage of payroll costs as determined by respective local government authority to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions under the scheme. Contributions to the plan vest immediately, there is no forfeited contributions that may be used by the Group to reduce existing level of contribution.

The amounts of contributions made by the Group in respect of the retirement benefits scheme for the years ended 31 December 2021 and 2020 are disclosed in Notes 10 and 11.

33 退休福利計劃

本集團於香港為所有合資格僱員推行強制性公積金計劃。該計劃的資產與本集團資產分隔開來，由受托人所控制基金持有。本集團按相關工資成本的5%向該計劃作出供款，而僱員亦須作出等額供款。有關該計劃的供款獲即刻歸屬，概無被沒收供款可供本集團用於減少現有供款水平。

本集團於中國附屬公司的僱員為中國政府主辦的國家管理退休福利計劃的成員。相關附屬公司需要向退休福利計劃作出一筆由各當地政府確定的薪酬成本之特定比例的供款，以向福利提供資金。本集團有關退休福利計劃的唯一義務是作出計劃下的特定供款。有關該計劃的供款乃即時歸屬，概無被沒收供款可供本集團用於減少現有供款水平。

本集團於截至2021年及2020年12月31日止年度就退休福利計劃作出的供款金額披露於附註10及11。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

34 CAPITAL RISK MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of business. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of borrowings and lease liabilities, net of bank balances and cash, and equity attributable to owners of the Company, comprising share capital and reserves.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risks associated with the capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the issue of new shares and raising of new debts.

34 資本風險管理

本集團的政策規定保持穩固的資本基礎，以維持債權人和市場信心，並支持未來業務的可持續發展。本集團的整體戰略與過往年度相同。

本集團的資本架構包括借款及租賃負債(扣除銀行結餘及現金)以及本公司擁有人應佔權益(其中包括股本與儲備)。

本公司董事根據資本成本以及各類資本所涉及的風險，持續審核資本架構。根據本公司董事的建議，本集團將透過發行新股及募集新債來平衡其整體資本架構。

35 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	300,387	373,898
Financial assets FVTPL	按公允價值計量並計入損益的金融資產	10,024	—
Equity instrument at FVTOCI	按公允價值計量並計入其他全面收益的股本工具	—	3,825
		310,411	377,723
Financial liabilities	金融負債		
Liabilities measured at amortised cost	按攤銷成本計量的負債	255,244	221,236

35 金融工具

(a) 金融工具的類型

		2021 2021年	2020 2020年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量的金融資產	300,387	373,898
Financial assets FVTPL	按公允價值計量並計入損益的金融資產	10,024	—
Equity instrument at FVTOCI	按公允價值計量並計入其他全面收益的股本工具	—	3,825
		310,411	377,723
Financial liabilities	金融負債		
Liabilities measured at amortised cost	按攤銷成本計量的負債	255,244	221,236

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial instruments (continued)

Financial assets at amortised cost are as follows:

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Trade and note receivables	貿易應收款項及應收票據	204,836	234,951
Other receivables	其他應收款項	3,823	3,635
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股股東款項	9,365	4,523
Pledged bank deposits	已抵押銀行存款	13,182	43,435
Bank balances and cash	銀行結餘及現金	69,181	87,354
		300,387	373,898

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and note receivables, amounts due from non-controlling shareholders of subsidiaries, other receivables, financial assets at FVTPL, pledged bank deposits, bank balances and cash, equity instrument at FVTOCI, trade payables, other payables, amount due to a non-controlling shareholder of a subsidiary, borrowings and lease liabilities. Details of these financial instruments are disclosed in the respective notes.

The risks associated with these financial instruments include interest rate risk, currency risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

35 金融工具(續)

(a) 金融工具的類型(續)

按攤銷成本計量之金融資產如下：

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Trade and note receivables	貿易應收款項及應收票據	204,836	234,951
Other receivables	其他應收款項	3,823	3,635
Amounts due from non-controlling shareholders of subsidiaries	應收附屬公司非控股股東款項	9,365	4,523
Pledged bank deposits	已抵押銀行存款	13,182	43,435
Bank balances and cash	銀行結餘及現金	69,181	87,354
		300,387	373,898

(b) 財務風險管理目標及政策

本集團的主要金融工具包括貿易應收款項及應收票據、應收附屬公司非控股股東的款項、其他應收款項、按公允價值計量並計入損益的金融資產、已抵押銀行存款、銀行結餘及現金、按公允價值計量並計入其他全面收益的股本工具、貿易應付款項、其他應付款項、應付一間附屬公司非控股股東款項、借款及租賃負債。該等金融工具之詳情於相應附註披露。

與該等金融工具有關的風險包括利率風險、貨幣風險、信貸風險及流動性風險。下文載列如何降低該等風險的政策。本公司董事管理及監控該等風險，以確保及時有效地採取適當措施。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate borrowings. The Group currently does not have any fair value interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arises.

The Group is also exposed to cash flow interest rate risk due to the fluctuation of market rate. The benchmark lending rate quoted by the People's Bank of China on variable-rate bank balances, pledged bank deposits and borrowings.

The following table details the Group's interest-bearing financial assets and liabilities at variable rates as at the end of reporting period:

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Variable rate financial assets/ (liabilities)	浮動利率金融資產／(負債)		
Pledge bank deposits	已抵押銀行存款	13,182	43,435
Bank balances	銀行結餘	69,156	87,339
Borrowings	借款	(2,550)	(11,267)
Net exposure	風險淨額	79,788	119,507

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

利率風險

本集團面臨與定息借款有關的公允價值利率風險。本集團目前並無制定任何公允價值利率對沖政策。但管理層於有需要時考慮對沖重大利率風險。

本集團亦面臨市場利率、中國人民銀行就浮息銀行結餘、已抵押銀行存款及借款提供的貸款基準利率報價之波動導致的現金流量利率風險。

下表詳述本集團於報告期末按浮動利率計息的金融資產及負債：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for bank balances and cash, pledged bank deposits and variable rate borrowings at the end of each reporting period and assumed that the amount of liabilities outstanding at the end of each reporting period was outstanding for the whole year. 100 basis points increase or decrease 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.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2021 would decrease/increase by approximately RMB598,000 (2020: RMB896,000). This is mainly attributable to the Group's exposure to interest rates on its bank balances and pledged bank deposits and partially offset by the impact from borrowings.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

利率風險(續)

敏感度分析

下文的敏感度分析乃基於銀行結餘及現金、已抵押銀行存款及可變利率借款於各報告期末的利率風險釐定，並假設於各報告期末的未償還負債金額於整個年度尚未償還。向主要管理人員內部匯報利率風險時，採用100基點的增減，代表管理層對利率的合理可能變動作出的評估。

倘利率增加／減少100基點，而所有其他變數維持不變，則本集團截至2021年12月31日止年度的稅後虧損將減少／增加約人民幣598,000元(2020年：人民幣896,000元)。這主要是由於本集團的銀行結餘及已抵押銀行存款面臨利率風險，並部分被借款的影響抵銷。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Currency risk

The Group's certain bank balances and cash, other receivables, other payables and borrowings are denominated in US\$ and HK\$, which exposed the Group to foreign currency risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date is as below:

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Assets	資產		
US\$	美元	2,638	9,397
HK\$	港元	2,351	2,857
Liabilities	負債		
US\$	美元	—	8,417
HK\$	港元	876	439

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

貨幣風險

本集團的若干銀行結餘及現金、其他應收款項、其他應付款項及借款均以美元及港元計值，這使本集團面臨外匯風險。

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債的賬面值載列如下：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Currency risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to foreign currency rates and includes only outstanding foreign currency denominated monetary items and adjusted their transaction at year end for a 5% change in foreign currency rates. The sensitivity analysis includes bank balances and cash, other receivables and other payables. A 5% increase or decrease is used when reporting foreign currency rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign currency rates.

If 5% weakening/strengthening of US\$ and HK\$ against RMB, the Group's post-tax loss for the year ended 31 December 2021 would increase/decrease by approximately RMB154,000 (2020: RMB127,000). This is mainly attributable to the Group's exposure to foreign currencies rates of US\$ and HK\$ on its bank balances and cash, other receivables and other payables as at 31 December 2021 and 2020.

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade and note receivables, contract assets, amounts due from non-controlling shareholders of subsidiaries, bank balances and pledged bank deposits.

The carrying amounts of the respective recognised financial assets and contract assets as stated in the consolidated statements of financial position best represent the Group's maximum exposure to credit risk.

The directors of the Company estimates the lifetime ECL of trade receivables and contract assets, after considering credit risk characteristics based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information. Estimated loss rates are based on credit risk characteristics with reference to estimated loss rates assigned by international credit-rating agencies. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

貨幣風險(續)

敏感度分析

下文的敏感度分析乃基於外幣匯率風險釐定，且僅包括以外幣計值的尚未支付貨幣項目，並以5%的外幣匯率變動於年末作交易調整。敏感度分析包括銀行結餘及現金、其他應收款項以及其他應付款項。向主要管理人員內部匯報外幣匯率風險時，採用5%的增減，代表管理層對外幣匯率的合理可能變動作出的評估。

倘美元及港元兌人民幣匯率下跌／上升5%，則截至2021年12月31日止年度，本集團稅後虧損將增加／減少約人民幣154,000元(2020年：人民幣127,000元)。這主要是由於本集團於2021年及2020年12月31日之銀行結餘及現金、其他應收款項以及其他應付款項面臨美元及港元外幣匯率風險。

信貸風險及減值評估

本集團的信貸風險主要來自貿易應收款項及應收票據、合約資產、應收附屬公司非控股股東款項、銀行結餘及已抵押銀行存款。

綜合財務狀況表所示各項已確認金融資產及合約資產的相應賬面值最能反映本集團面臨的最大信貸風險。

本公司董事估計貿易應收款項及合約資產的整個存續期預期信貸虧損，並根據債務人預期年期內的歷史觀察違約率考慮信貸風險特徵，並就前瞻性資料作出調整。估計虧損率乃基於信貸風險特徵，並參考國際信貸評級機構指定的估計虧損率。故此，本公司董事認為本集團的信貸風險已大幅降低。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 90 days from the date of billing. Debtors with balances that are more than 90 days past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The credit risk on bank balances, pledged bank deposits and bank acceptance note receivables are limited because the counterparties are reputable financial institutions in the PRC. The credit risk on commercial acceptance note receivables is also limited because the counterparties are reputable state-owned enterprises in the PRC.

The management of the Group considers pledged bank deposits and bank balances that are deposited with state-owned banks or financial institutions with high credit rating to be low credit risk financial assets. The directors of the Company consider that the probability of default is negligible on the basis of high-credit rating issuers during the years ended 31 December 2021 and 2020.

The Group has concentration of credit risk as 14% (2020: 20%) of the total trade and note receivables was due from the Group's largest customer as at 31 December 2021.

The Group has concentration of credit risk as 51% (2020: 44%) of the total trade and note receivables was due from the Group's five largest customers as at 31 December 2021.

The Group applies the simplified approach to provide for expected credit losses as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for trade and note receivables and contract assets.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團已制定信貸風險管理政策，據此對所有需要超過一定金額的信貸的客戶進行個別信貸評估。該等評估側重於客戶過往到期作出付款的記錄及目前的支付能力，並計及客戶的特定資料以及有關客戶經營所在經濟環境的資料。應收貿易款項自開單日期起計90日內到期。結餘逾期90日以上的債務人須清償所有未償還結餘後方可再獲授任何信貸。正常情況下，本集團不會收取客戶的抵押品。

由於對手方均為信譽良好之中國境內金融機構，故銀行結餘、已抵押銀行存款及應收銀行承兌票據的信貸風險有限。由於對手方為信譽良好之中國國有企業，故應收商業承兌票據的信貸風險亦屬有限。

本集團管理層認為，存放於國有銀行或信用評級較高的金融機構的已抵押銀行存款及銀行結餘為低信貸風險金融資產。基於截至2021年及2020年12月31日止各年度彼等為高信貸評級發行人，本公司董事認為違約的可能性可忽略。

於2021年12月31日，本集團因貿易應收款項及應收票據總額中有14% (2020年：20%)應由本集團最大客戶支付而面臨信貸集中風險。

於2021年12月31日，本集團因貿易應收款項及應收票據總額中有51% (2020年：44%)應由本集團五大客戶支付而面臨信貸集中風險。

本集團應用簡化方法來提供《國際財務報告準則》第9號所規定的預期信貸虧損，該準則允許使用貿易應收款項及應收票據以及合約資產的整個存續期預期虧損撥備。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ contract assets 貿易應收款項/ 合約資產	Other financial assets/other items 其他金融資產/ 其他項目
Group A 組合A	The counterparty has a low risk of default and does not have any past-due amounts 對手方的違約風險屬低微，且並無任何逾期款項	Lifetime ECL — not credit-impaired 整個存續期預期 信貸虧損 — 並無 信貸減值	12m ECL 12個月的預期信貸
Group B 組合B	Debtor frequently repays after due dates but usually settle in full 債務人時常於逾期後悉數償付	Lifetime ECL — not credit-impaired 整個存續期預期 信貸虧損 — 並無 信貸減值	12m ECL 12個月的預期信貸
Group C 組合C	There have been significant increases in credit risk since initial recognition through information developed internally or externally 信貸風險自透過內部或外部資源建立的資料初始確認起大幅增加	Lifetime ECL — not credit-impaired 整個存續期預期 信貸虧損 — 並無 信貸減值	Lifetime ECL — not credit-impaired 整個存續期預期 信貸虧損 — 並無 信貸減值
Group D 組合D	There is evidence indicating the asset is credit-impaired 顯示資產信貸減值的證據	Lifetime ECL — credit-impaired 整個存續期預期 信貸虧損 — 信貸 減值	Lifetime ECL — credit-impaired 整個存續期預期 信貸虧損 — 信貸 減值
Group E 組合E	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect 顯示債務人處於嚴峻財務困難的證據，且本集團並無實際收回的可能	Amount is written off 款項已撇銷	Amount is written off 款項已撇銷

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團的內部信貸風險評級的評估包括以下類別：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's trade and note receivables and contract assets, bank balances, pledged bank deposits, amounts due from non-controlling shareholders of subsidiaries and other receivables, which are subject to ECL assessment:

Financial assets at amortised costs

		External credit rating 外部 信貸評級	Internal credit rating 內部 信貸評級	12-month or lifetime ECL 12個月或整個 存續期預期信貸虧損	Gross carrying amount 總賬面值	
	Note 附註				2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Trade receivables 貿易應收款項	22	N/A 不適用	(Note 2) (附註2)	Lifetime ECL 整個存續期預期信貸虧損	170,515	180,444
Note receivables 應收票據	22	Low risk 低風險	N/A 不適用	12m ECL 12個月的預期信貸虧損	42,235	62,001
Contract assets 合約資產	24	N/A 不適用	(Note 2) (附註2)	Lifetime ECL 整個存續期預期信貸虧損	258,056	288,486
Bank balances 銀行結餘	27	Low risk 低風險	N/A 不適用	12m ECL 12個月的預期信貸虧損	69,156	87,339
Pledged bank deposits 已抵押銀行存款	27	Low risk 低風險	N/A 不適用	12m ECL 12個月的預期信貸虧損	13,182	43,435
Amounts due from non-controlling shareholders of subsidiaries 應收一間附屬公司非控股股東款項	25	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月的預期信貸虧損	9,365	4,523
Other receivables 其他應收款項	23	N/A 不適用	(Note 1) (附註1)	12m ECL 12個月的預期信貸虧損	3,823	3,653

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

下表詳列本集團貿易應收款項及應收票據以及合約資產、銀行結餘、已抵押銀行存款、應收附屬公司非控股股東款項及其他應收款項面對的信貸風險，須進行預期信貸虧損評估：

按攤銷成本計量的金融資產

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Financial assets at amortised costs (continued)

Notes:

1. For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. At 31 December 2021, other receivables and amounts due from non-controlling shareholders of subsidiaries with no fixed payment terms amounting to approximately RMB3,823,000 (2020: RMB3,635,000) and RMB9,365,000 (2020: RMB4,523,000) respectively.
2. For trade receivables and contract assets, the Group has applied the simplified approach under IFRS 9 to measure the loss allowance at lifetime ECL.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables and contract assets which are assessed on a collective basis within lifetime ECL.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

按攤銷成本計量的金融資產(續)

附註:

1. 就內部信貸風險管理的目的而言，本集團使用逾期資料評估信貸風險是否自初始確認起一直大幅上升。於2021年12月31日，並無固定付款期的其他應收款項及應收一間附屬公司非控股股東款項分別約為人民幣3,823,000元(2020年：人民幣3,635,000元)及人民幣9,365,000元(2020年：人民幣4,523,000元)。
2. 就貿易應收款項及合約資產而言，根據《國際財務報告準則》第9號，本集團應用簡化方法計量整個存續期預期信貸虧損的虧損撥備。

作為本集團信貸風險管理的一部分，本集團對與其營運相關的客戶進行內部信貸評級。下表提供有關整個存續期預期信貸虧損內按集體基準評估的貿易應收款項及合約資產的信貸風險資料。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Financial assets at amortised costs (continued)

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

按攤銷成本計量的金融資產(續)

Internal credit rate	內部信貸評級	2021 2021年			
		Average loss rate 平均虧損率	Gross carrying amount 總賬面值	Loss allowances 虧損撥備	Net carrying amount 賬面淨值
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Group A	組合A	0.11%	219,923	244	219,679
Group B	組合B	4.81%	195,743	9,425	186,318
Group C	組合C	25.07%	7,560	1,895	5,665
Group D	組合D	100.00%	5,345	5,345	—
			428,571	16,909	411,662

Internal credit rate	內部信貸評級	Average loss rate 平均虧損率	2020 2020年		
			Gross carrying amount 總賬面值	Loss allowances 虧損撥備	Net carrying amount 賬面淨值
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Group A	組合A	0.14%	316,586	444	316,142
Group B	組合B	3.59%	131,484	4,720	126,764
Group C	組合C	33.08%	13,115	4,338	8,777
Group D	組合D	100.00%	7,745	7,745	—
			468,930	17,247	451,683

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Financial assets at amortised costs (continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

In the opinion of the directors of the Company, the trade receivables at the end of the reporting period which have been past due over 90 days are not considered as in default based on good repayment records for those customers and continuous business with the Group.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

按攤銷成本計量的金融資產(續)

估計虧損率乃根據債務人於預期存續期內的過往已觀察違約率估計，並就無需過度成本或投入即可獲得的前瞻性資料作出調整。管理層定期檢討有關分類，以確保已更新有關特定債務人的相關資料。合約資產與同類合約的貿易應收款項具有大致相同的風險特徵。因此，本集團認為貿易應收款項的虧損率為合約資產虧損率的合理近似值。

本公司董事認為，於報告期末已逾期超過90日之貿易應收款項根據該等客戶之良好還款記錄及持續與本集團進行之業務將不被視為違約。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Financial assets at amortised costs (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables and contract assets under the simplified approach.

		Lifetime ECL (not credit-impaired) 整個存續期 預期信貸虧損 (未信貸減值) RMB'000 人民幣千元	Lifetime ECL (credit-impaired) 整個存續期 預期信貸虧損 (已信貸減值) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As 1 January 2020	於2020年1月1日	4,580	3,258	7,838
Transfer to credit-impaired	轉撥至信貸減值	(148)	148	—
Impairment losses recognised	已確認減值虧損	10,728	4,383	15,111
Impairment losses reversed	已撥回減值虧損	(5,658)	(44)	(5,702)
As 31 December 2020 and 1 January 2021	於2020年12月31日及 2021年1月1日	9,502	7,745	17,247
Transfer to credit-impaired	轉撥至信貸減值	(52)	52	—
Impairment losses recognised	已確認減值虧損	9,974	123	10,097
Impairment losses reversed	已撥回減值虧損	(7,853)	(2,575)	(10,428)
Disposal of subsidiaries	出售附屬公司	(7)	—	(7)
As 31 December 2021	於2021年12月31日	11,564	5,345	16,909

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.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

按攤銷成本計量的金融資產(續)

下表列示按簡化方法就貿易應收款項及合約資產所確認的整個存續期預期信貸虧損的變動情況。

	Lifetime ECL (not credit-impaired) 整個存續期 預期信貸虧損 (未信貸減值) RMB'000 人民幣千元	Lifetime ECL (credit-impaired) 整個存續期 預期信貸虧損 (已信貸減值) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As 1 January 2020	4,580	3,258	7,838
Transfer to credit-impaired	(148)	148	—
Impairment losses recognised	10,728	4,383	15,111
Impairment losses reversed	(5,658)	(44)	(5,702)
As 31 December 2020 and 1 January 2021	9,502	7,745	17,247
Transfer to credit-impaired	(52)	52	—
Impairment losses recognised	9,974	123	10,097
Impairment losses reversed	(7,853)	(2,575)	(10,428)
Disposal of subsidiaries	(7)	—	(7)
As 31 December 2021	11,564	5,345	16,909

流動性風險

在管理流動性風險時，本集團監控及維持管理層認為足以為本集團的經營提供資金的現金及現金等價物水平，並降低現金流量波動的影響。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following tables detail the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. The tables have 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. The tables include both interest and principal cash flows.

35 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動性風險(續)

下表詳述根據議定還款條款，本集團金融負債的餘下合約到期詳情。該等表格根據本集團可被要求支付金融負債未貼現現金流量的最早日期的有關現金流量繪製。下表載列利息及本金現金流量。

	Weighted average interest rate 加權平均利率	On demand or less than 3 months 按要求或3個月內	4-6 months 4至6個月	6 months to 1 year 6個月至1年	1-2 years 1至2年	More than 2 years 2年以上	Total undiscounted cash flows 未變現現金流量總額	Carrying amount 賬面值
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2021 於2021年12月31日								
Trade payables 貿易應付款項	—	171,791	—	—	—	—	171,791	171,791
Other payables 其他應付款項	—	23,138	—	—	—	—	23,138	23,138
Amount due to a non-controlling shareholder of a subsidiary 應付附屬公司非控股股東款項	—	5,395	—	—	—	—	5,395	5,395
Borrowings 借款	4.84%	4,801	12,383	35,685	2,798	—	55,667	53,737
Lease liabilities 租賃負債	4.75%	547	256	222	185	—	1,210	1,183
		205,672	12,639	35,907	2,983	—	257,201	255,244
At 31 December 2020 於2020年12月31日								
Trade payables 貿易應付款項	—	151,962	—	—	—	—	151,962	151,962
Other payables 其他應付款項	—	9,601	—	—	—	—	9,601	9,601
Borrowings 借款	4.43%	10,719	12,462	22,704	9,298	2,798	57,981	55,728
Lease liabilities 租賃負債	4.75%	763	733	1,301	1,296	—	4,093	3,945
		173,045	13,195	24,005	10,594	2,798	223,637	221,236

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

This note provides information about how the Group determines fair value of its financial asset, which is 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. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Fair value of the Group's financial asset that is measured at fair value on a recurring basis

The Group invested the financial wealth management investment products with a cost of RMB10,000,000, which was classified as financial assets at FVTPL and was measured at fair value at the end of year ended 31 December 2021. The fair value of the investment as at 31 December 2021 amounts to approximately RMB10,024,000, measured based on cash flow discounted using the expected return based on management judgement and are within Level 2 of fair value hierarchy under IFRS 13.

The Group owned 3% equity interest in a PRC private company that was classified as an equity investment at FVTOCI and was measured at fair value at the end of year ended 31 December 2020. The fair value of the investment as at 31 December 2020 amounts to approximately RMB3,825,000, measured using a valuation technique with significant unobservable inputs and hence was classified as Level 3 of the fair value hierarchy under IFRS 13.

35 金融工具(續)

(c) 金融工具的公允價值計量

本附註提供有關本集團如何釐定其金融資產之公允價值的資料，乃以財務呈報目的按公允價值計量。

估計公允價值時，本集團使用可用市場可觀察數據。倘第一級輸入數據不可用，本集團會委聘第三方合資格估值師進行估值。管理層與合資格外聘估值師緊密合作，制訂合適估值技術及模式輸入數據。

按經常性基準以公允價值計量之本集團金融資產的公允價值

本集團按人民幣10,000,000元的成本投資於理財管理投資產品，其分類為按公允價值計量並計入損益的金融資產並於截至2021年12月31日止年度末按公允價值計量。於2021年12月31日，投資的公允價值約為人民幣10,024,000元，基於根據管理層判斷使用預期回報折現的現金流量，並屬於《國際財務報告準則》第13號項下的第二級公允價值層級範圍內。

本集團於一間中國私營公司擁有的3%股本權益被分類為按公允價值計量並計入其他全面收益的股本工具，並於截至2020年12月31日止年度末以公允價值計量。於2020年12月31日，投資的公允價值約為人民幣3,825,000元，採用估值技術計量，當中涉及重大不可觀察輸入數據，因此根據《國際財務報告準則》第13號分類為公允價值等級之第三級。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial asset that is measured at fair value on a recurring basis (continued)

The following table gives information about how the fair value of the Group's financial asset is determined.

Financial assets 金融資產	Fair value as at 於下列日期的 公允價值	Fair value hierarchy 公允價值等級	Valuation technique(s) and key inputs 估值技術及 關鍵輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與 公允價值的關係	Rang of parameter 參數範圍
Financial wealth management products issued by PRC bank	RMB10,024,000 (2020: Nil)	Level 2	Discounted cash flow-Future cash flows are estimated based on expected return, discounted at a rate that reflects the risk of underlying investments	N/A	N/A
中國的銀行發行的金融理財管理產品	人民幣10,024,000元 (2020年：無)	第二級	貼現現金流量—未來現金流量乃根據預期回報估計以折現率折現反映風險基礎投資	不適用	不適用
Private equity investment classified as equity instrument at FVTOCI -3% equity investment in a PRC private company engaged in oil sludge treatment facility operator	Nil (2020: RMB3,825,000)	Level 3	Market approach — The fair value is primarily affected by market multiples. Market multiples is determined based on the enterprise value to earnings before interest, tax, depreciation and amortisation of the comparable companies.	If the market multiples increase/ decrease by 10% with all other variable hold constant, other comprehensive expense for the year ended 31 December 2020 would have been RMB287,000 lower and higher, respectively.	N/A (2020: 5.62)
私募股權投資分類為按公允價值計量並計入其他全面收益的股本工具-3%的股權投資於從事油泥處理設施營運的一間中國私營公司	無 (2020年： 人民幣3,825,000元)	第三級	市場法—公允價值主要受市值倍數影響。市值倍數乃根據企業價值與多個可資比較公司未計利息、稅項、折舊及攤銷前的盈利之比釐定。	在所有其他變量保持不變的情況下，市值倍數增加/減少10%，截至2020年12月31日止年度的其他全面開支將分別下降和上升人民幣287,000元。	不適用 (2020年：5.62)

35 金融工具 (續)

(c) 金融工具的公允價值計量 (續)

按經常性基準以公允價值計量之本集團金融資產的公允價值 (續)

下表提供有關如何釐定本集團金融資產之公允價值的資料。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial asset that is measured at fair value on a recurring basis (continued)

If the market multiples increase/decrease by 10% with all other variable hold constant, other comprehensive expense for the year ended 31 December 2020 would have been RMB287,000 lower and higher respectively.

There were no transfers between Level 1, 2 and 3 during the years ended 31 December 2021 and 2020.

Fair value measurements and valuation processes

The management of the Company is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the board of directors of the Company to explain the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

35 金融工具(續)

(c) 金融工具的公允價值計量(續)

按經常性基準以公允價值計量之本集團金融資產的公允價值(續)

在所有其他變量保持不變的情況下，市值倍數增加／減少10%，截至2020年12月31日止年度的其他全面開支將分別下降和上升人民幣287,000元。

截至2021年及2020年12月31日止年度，第一級、第二級及第三級之間並無轉移。

公允價值計量和估值過程

本公司的管理層負責確定合適的估值技術及公允價值計量的輸入數據。

在估計一項資產的公允價值時，本集團使用可用市場可觀察數據。倘第一級輸入數據不可用，本集團會委聘第三方合資格估值師進行估值。管理層與合資格外聘估值師緊密合作，制訂合適估值技術及模式輸入數據。管理層向本公司董事會報告有關發現，並解釋資產公允價值波動的原因。

有關用於釐定各資產公允價值的估值技術及輸入數據的資料如上文披露。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

35 FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial asset that is measured at fair value on a recurring basis

Reconciliation of Level 3 fair value measurements

		Equity investment at FVTOCI 按公允價值計量 並計入其他全面 收益的股本投資 RMB'000 人民幣千元
1 January 2020	2020年1月1日	4,775
Total losses	虧損總額	
— in other comprehensive expense (Note)	— 於其他全面開支(附註)	(950)
31 December 2020 and 1 January 2021	2020年12月31日及2021年1月1日	3,825
Total losses	虧損總額	
— in other comprehensive expense (Note)	— 於其他全面開支(附註)	(572)
Disposal of subsidiaries (Note 44)	出售附屬公司(附註44)	(3,253)
31 December 2021	2021年12月31日	—

Note: Included in other comprehensive expense are the loss of approximately RMB572,000 (2020: RMB950,000) relating to unlisted equity securities classified as an equity instrument at FVTOCI held up to date of disposal, 30 July 2021 (2020: 31 December 2020).

附註：計入其他全面開支之虧損約人民幣572,000元(2020年：人民幣950,000元)，為持有至出售日期(2021年7月30日)(2020年：2020年12月31日)之非上市股本證券被分類為按公允價值計量並計入其他全面收益的股本工具。

Fair values of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management estimates the fair values of its financial assets and financial liabilities measured at amortised cost using discounted cash flows analysis. Management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their respective fair value.

本集團根據經常性基準不以公允價值計量的金融資產及金融負債的公允價值

管理層採用貼現現金流量分析估計其按攤銷成本計量的金融資產及金融負債公允價值。本集團管理層認為，於綜合財務報表以攤銷成本入賬的金融資產及金融負債賬面值與其各自的公允價值相若。

35 金融工具(續)

(c) 金融工具的公允價值計量(續)

公允價值計量和估值過程

第三級公允價值計量對賬

Equity investment
at FVTOCI
按公允價值計量
並計入其他全面
收益的股本投資
RMB'000
人民幣千元

		Equity investment at FVTOCI 按公允價值計量 並計入其他全面 收益的股本投資 RMB'000 人民幣千元
1 January 2020	2020年1月1日	4,775
Total losses	虧損總額	
— in other comprehensive expense (Note)	— 於其他全面開支(附註)	(950)
31 December 2020 and 1 January 2021	2020年12月31日及2021年1月1日	3,825
Total losses	虧損總額	
— in other comprehensive expense (Note)	— 於其他全面開支(附註)	(572)
Disposal of subsidiaries (Note 44)	出售附屬公司(附註44)	(3,253)
31 December 2021	2021年12月31日	—

Note: Included in other comprehensive expense are the loss of approximately RMB572,000 (2020: RMB950,000) relating to unlisted equity securities classified as an equity instrument at FVTOCI held up to date of disposal, 30 July 2021 (2020: 31 December 2020).

附註：計入其他全面開支之虧損約人民幣572,000元(2020年：人民幣950,000元)，為持有至出售日期(2021年7月30日)(2020年：2020年12月31日)之非上市股本證券被分類為按公允價值計量並計入其他全面收益的股本工具。

Fair values of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management estimates the fair values of its financial assets and financial liabilities measured at amortised cost using discounted cash flows analysis. Management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their respective fair value.

本集團根據經常性基準不以公允價值計量的金融資產及金融負債的公允價值

管理層採用貼現現金流量分析估計其按攤銷成本計量的金融資產及金融負債公允價值。本集團管理層認為，於綜合財務報表以攤銷成本入賬的金融資產及金融負債賬面值與其各自的公允價值相若。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

36 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.

		Borrowings 借款 RMB'000 人民幣千元 (Note 31) (附註31)	Lease liabilities 租賃負債 RMB'000 人民幣千元 (Note 30) (附註30)	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	26,598	6,761	33,359
Financing cash flows	融資現金流量	27,052	(3,077)	23,975
Interest expenses	利息開支	2,078	261	2,339
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	55,728	3,945	59,673
Disposal of subsidiaries (Note 44)	出售附屬公司 (附註44)	—	(1,106)	(1,106)
Financing cash flows	融資現金流量	(4,421)	(2,552)	(6,973)
Interest expenses	利息開支	2,430	121	2,551
Non-cash transaction: — Recognition of lease liabilities	非現金交易： — 確認租賃負債	—	775	775
At 31 December 2021	於2021年12月31日	53,737	1,183	54,920

36 融資活動所產生負債之對賬

下表詳列融資活動產生的本集團負債變動，包括現金和非現金變動。融資活動產生的負債為相關現金流量已經或未來現金流量將會在本集團綜合現金流量表中被歸類為融資活動所產生之現金流量的負債。

37 CAPITAL COMMITMENTS

37 資本承擔

		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元
Commitments contracted for but not provided for:			
(i)	In respect of the acquisition of property, plant and equipment	6,102	19,496
(ii)	In respect of the acquisition of a subsidiary	—	12,750
(iii)	In respect of the interest in an associate	30,750	2,534

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

38 PLEDGE OF ASSETS

Details of the Group's borrowings, which are secured by the assets of the Group are included in Note 31.

39 RELATED PARTY TRANSACTIONS AND BALANCES

(i) Guarantees in support of the borrowings

Details of guarantees in support of the borrowings of the Group provided by a director and a related party are set out in Note 31.

(ii) Compensation of key management personnel

The key management personnel of the Group comprises all executive directors of the Company, details of their emoluments are disclosed in Note 11. The emoluments of the directors of the Company are determined with regard to individual's performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

(iii) Amounts due from non-controlling shareholders of subsidiaries/amount due to a non-controlling shareholder of a subsidiary

Details of balances with non-controlling shareholders of subsidiaries are set out in Note 25.

38 資產抵押

以本集團資產作抵押的本集團借款詳情載於附註31。

39 關聯方交易及結餘

(i) 借款擔保

由一名董事及一名關聯方就本集團借款提供之擔保詳情載於附註31。

(ii) 主要管理人員薪酬

本集團主要管理人員包括本公司全體執行董事，彼等的酬金詳情載於附註11。本公司董事酬金乃參照個人表現、本集團表現及盈利能力、行業薪酬基準及現行市況釐定。

(iii) 應收附屬公司非控股股東款項／應付一間附屬公司的一名非控股股東款項

有關與附屬公司非控股股東餘額之詳情載於附註25。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

40 SHARE-BASED PAYMENT TRANSACTION

On 30 April 2017, the shareholders of Guangzhou Weigang have passed the shareholders resolution to implement an employee incentive scheme to grant share options to the employees of Guangzhou Weigang. On the same date, share options are granted to 35 employees of Guangzhou Weigang. The number of shares awarded shall equal to 3.5% of the total number of shares of the Company upon the Listing. If the Listing does not complete by 31 December 2018, Guangzhou Weigang or the Company is entitled to amend, terminate or cancel the employee incentive scheme. The total exercise price of the share options was fixed at RMB8,750,000.

On 10 December 2018, the principal terms of the pre initial public offering share option scheme (the "Pre-IPO Share Option Scheme") were adopted by the Company, and the share options granted to 35 employees of Guangzhou Weigang on 30 April 2017 had been approved by the board of directors of the Company as the Pre-IPO Share Option Scheme. Upon the adoption of the Pre-IPO Share Option Scheme, a total of 46,666,725 share options were offered for acceptance by the Company to the 35 employees.

40 以股份為基礎的支付交易

於2017年4月30日，廣州維港的股東通過了實行僱員激勵計劃向廣州維港僱員授出購股權的股東決議案。同日，向廣州維港35名僱員授出購股權。獎勵股份的數目應為本公司上市後股份總數的3.5%。倘上市並無於2018年12月31日前完成，則廣州維港或本公司有權修改、終止或取消僱員激勵計劃。購股權的總行使價釐定為人民幣8,750,000元。

於2018年12月10日，本公司已採納首次公開發售前購股權計劃（「首次公開發售前購股權計劃」）的主要條款，而本公司董事會已批准於2017年4月30日向廣州維港35名僱員授出的購股權作為首次公開發售前購股權計劃。於採納首次公開發售前購股權計劃後，本公司已向該35名僱員提呈合共46,666,725份購股權以供接納。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

40 SHARE-BASED PAYMENT TRANSACTION

(continued)

40 以股份為基礎的支付交易(續)

Date of grant 授出日期	Number of options 購股權數目	Adoption date 採納日期	Vesting period 歸屬期	Exercisable period 行使期	Exercise price 行使價
30.4.2017 2017年4月30日	14,000,018	10.12.2018 2018年12月10日	30.4.2017 to 3.1.2021 2017年4月30日至2021年1月3日	3.1.2021 to 29.4.2027 2021年1月3日至2027年4月29日	HK\$0.23 0.23港元
30.4.2017 2017年4月30日	14,000,018	10.12.2018 2018年12月10日	30.4.2017 to 3.1.2022 2017年4月30日至2022年1月3日	3.1.2022 to 29.4.2027 2022年1月3日至2027年4月29日	HK\$0.23 0.23港元
30.4.2017 2017年4月30日	18,666,690	10.12.2018 2018年12月10日	30.4.2017 to 3.1.2023 2017年4月30日至2023年1月3日	3.1.2023 to 29.4.2027 2023年1月3日至2027年4月29日	HK\$0.23 0.23港元

The following table discloses movements of the Company's share options held by directors of the Company and employees of the Group during the years ended 31 December 2021 and 2020:

下表披露截至2021年及2020年12月31日止各年度本公司董事及本集團僱員持有本公司購股權的變動：

	Exercise price 行使價	Date of grant 授出日期	Outstanding at 1/1/2021 於2021年1月1日未行使 '000 千份	Granted during the year 年內授出 '000 千份	Forfeited during the year 年內沒收 '000 千份 (Note) (附註)	Exercised during the year 年內行使 '000 千份	Outstanding at 31/12/2021 於2021年12月31日未行使 '000 千份
Directors 董事							
Mr. Deng 鄧先生	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	3,933	—	—	—	3,933
Mr. Dong 董先生	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	3,933	—	—	—	3,933
Employees 僱員	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	34,080	—	(1,947)	—	32,133
Total 總計			41,946	—	(1,947)	—	39,999
Exercisable at the end of the year 年末可行使							12,000
Weighted average exercise price 加權平均行使價			0.23	0.23	0.23	0.23	0.23

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

40 SHARE-BASED PAYMENT TRANSACTION

(continued)

40 以股份為基礎的支付交易(續)

	Exercise price	Date of grant	Outstanding at 1/1/2020 於2020年 1月1日 未行使 '000 千份	Granted during the year 年內授出 '000 千份	Forfeited during the year 年內沒收 '000 千份	Exercised during the year 年內行使 '000 千份	Outstanding at 31/12/2020 於2020年 12月31日 未行使 '000 千份
Directors							
董事							
Mr. Deng 鄧先生	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	3,933	—	—	—	3,933
Mr. Dong 董先生	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	3,933	—	—	—	3,933
Employees							
僱員							
	HK\$0.23 0.23港元	30.4.2017 2017年4月30日	36,587	—	(2,507)	—	34,080
Total 總計			44,453	—	(2,507)	—	41,946
Exercisable at the end of the year 年未可行使							
							Nil Nil
Weighted average exercise price 加權平均行使價							
			0.23	0.23	0.23	0.23	0.23

Note:

During the year ended 31 December 2021, two (2020: two) employees of the Group left and the corresponding share options granted were forfeited accordingly.

The estimated fair values of the Pre-IPO Share Option Scheme granted on 30 April 2017 are RMB6,305,000.

附註：

截至2021年12月31日止年度，本集團有兩名(2020年：兩名)僱員離職，已授出的有關購股權已相應失效。

於2017年4月30日，已授出首次公開發售前購股權計劃的估計公允價值為人民幣6,305,000元。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

40 SHARE-BASED PAYMENT TRANSACTION

(continued)

The fair values were calculated using the Binomial Option Pricing Model. The major inputs into the model were as follows:

Granted date	30 April 2017
授出日期	2017年4月30日
Exercise price*	0.23
行使價*	
Expected volatility	60.4%
預期波幅	
Expected life	10 years
預期年期	10年
Risk-free rate	3.5%
無風險利率	
Expected dividend yield	0.0%
預期股息率	

* The exercise price was fixed at RMB8,750,000 for 3.5% of the total number of shares of the Company upon the Listing.

Expected volatility was determined by using the historical volatility of the comparable companies' share price over the previous 10 years. The expected life used in the model has been stated in the option scheme. The risk free rate was referred to the China sovereign bond yield with the term close to the option life as at the grant date.

The Group recognised a total expense of approximately RMB624,000 (2020: RMB1,006,000) in relation to share options granted under Pre-IPO Share Option Scheme by the Company during the year ended 31 December 2021.

The total number of shares in respect of which options may be granted under the Pre-IPO Share Option Scheme is not permitted to exceed 30% of the enlarged issued share capital of the Company as at the Listing date.

40 以股份為基礎的支付交易(續)

公允價值使用二項式期權定價模式而計算得出。該模式的主要輸入數據如下：

	30 April 2017
	2017年4月30日
	0.23
	60.4%
	10 years
	10年
	3.5%
	0.0%

* 行使價就本公司上市後股份總數3.5%而言，行使價釐定為人民幣8,750,000元。

預期波幅乃根據可資比較公司股價於過去10年的歷史波幅釐定。該模式所使用的預期年期載列於購股權計劃。無風險利率參考中國主權債券收益率，有關期限接近於授予日期的購股權年期。

截至2021年12月31日止年度，本集團就本公司根據首次公開發售前購股權計劃授出購股權確認開支總額約人民幣624,000元(2020年：人民幣1,006,000元)。

有關可能根據首次公開發售前購股權計劃授出購股權的股份總數不得超過本公司於上市日期經擴大的已發行股本30%。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

41 本公司的附屬公司詳情

於報告期末，本公司直接及間接持有之附屬公司詳情載於下文。

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/ 成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 2021年 %	2020 2020年 %	
<i>Directly held:</i> 直接持有:							
Weigang Environment Limited 維港環境有限公司	11 May 2017 2017年5月11日	BVI, limited liability company 英屬維爾京群島， 有限公司	Hong Kong 香港	1 ordinary share of US\$1 each 1股每股面值 1美元的普通股	100.00 100.00	100.00 100.00	Investment holding 投資控股
Jade Far Investment Limited 杰發投資有限公司	16 May 2017 2017年5月16日	BVI, limited liability company 英屬維爾京群島， 有限公司	Hong Kong 香港	US\$1,001 1,001美元	100.00 100.00	100.00 100.00	Investment holding 投資控股
Definite Thrive Limited 興定有限公司	19 March 2019 2019年3月19日	BVI, limited liability company 英屬維爾京群島， 有限公司	Hong Kong 香港	US\$50,000 50,000美元	100.00 100.00	100.00 100.00	Investment holding 投資控股
<i>Indirectly held:</i> 間接持有:							
Weigang Holdings (Hong Kong) Limited 維港控股(香港)有限公司	19 September 2016 2016年9月19日	Hong Kong, limited liability company 香港，有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$10,000 10,000股 10,000港元的普通股	100.00 100.00	100.00 100.00	Investment holding 投資控股
Jade Road Investment Limited 杰路投資有限公司	28 October 2015 2015年10月28日	Hong Kong, limited liability company 香港，有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$10,000 10,000股 10,000港元的普通股	100.00 100.00	100.00 100.00	Investment holding 投資控股

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情 (續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 2021年 %	2020 2020年 %	
Weigang Development (Hong Kong) Limited 維港發展(香港)有限公司	24 April 2019 2019年4月24日	Hong Kong, limited liability company 香港, 有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$10,000 10,000股 10,000港元的普通股	100.00 100.00	100.00 100.00	Investment holding 投資控股
Guangzhou Weigang	15 July 2009	PRC, sino-foreign equity joint venture	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB196,129,820 (2020: RMB196,129,820) Registered capital as at 31 December 2021: RMB400,000,000 (2020: RMB400,000,000)	90.00	90.00	Providing solutions for solid waste treatment
廣州維港	2009年7月15日	中國, 中國 中外合資企業	中國	於2021年12月31日的 已發行及繳足股本: 人民幣196,129,820元 (2020年: 人民幣 196,129,820元) 於2021年12月31日的 註冊資本: 人民幣 400,000,000元 (2020年: 人民幣 400,000,000元)	90.00	90.00	提供固體廢物處理 解決方案
Xinjiang Wosen (Notes a & h)	17 November 2011	PRC, sino-foreign equity joint venture	The PRC	Disposed (Note 44)	N/A	45.90	Providing research and development of environmental protection technologies and facilities
新疆沃森(附註a及h)	2011年11月17日	中國, 中國 中外合資企業	中國	已出售(附註44)	不適用	45.90	提供環保技術及設 施的研發

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 %	2020 %	
Shenzhen Xinnengji Technology Limited ("Shenzhen Xinnengji")*	24 November 2016	PRC, Corporate-owned limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB20,980,000 (2020: RMB20,980,000) Registered capital as at 31 December 2021: RMB28,000,000 (2020: RMB28,000,000)	90.00	90.00	Providing research and development of environmental protection technologies and facilities
深圳新能極科技有限公司 (「深圳新能極」)	2016年11月24日	中國，中國 企業擁有有限公司		於2021年12月31日的已發行及繳足股本：人民幣20,980,000元 (2020年：人民幣20,980,000元) 於2021年12月31日的註冊資本：人民幣28,000,000元 (2020年：人民幣28,000,000元)	90.00	90.00	提供環保技術及設施的研發
Guangdong Lvhuan Taian Environmental Protection Limited* (Note h)	28 August 2017	PRC, sino-foreign equity joint venture	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB1,000,000 (2020: RMB1,000,000) Registered capital as at 31 December 2021: RMB10,000,000 (2020: RMB10,000,000)	45.90	45.90	Inactive
廣東綠環泰安環保有限公司 (附註h)	2017年8月28日	中國，中國 中外合資企業		於2021年12月31日的已發行及繳足股本：人民幣1,000,000元 (2020年：人民幣1,000,000元) 於2021年12月31日的註冊資本：人民幣10,000,000元 (2020年：人民幣10,000,000元)	45.90	45.90	未營業

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情 (續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/ 成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益	2021 2020年 %	
Shenzhen Kaipu Lansheng Energy Environmental Protection Co., Ltd ("Kaipu Lansheng")* (Note c)	29 May 2007	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB8,987,070 (2020: RMB8,987,070) Registered capital as at 31 December 2021: RMB8,987,070 (2020: RMB8,987,070)	100.00	90.00	Providing research and development of environmental protection technologies and facilities
深圳開普藍生能源環保有限公司 (「開普藍生」)(附註c)	2007年5月29日	中國，有限公司	中國	於2021年12月31日的已發行及繳足股本：人民幣8,987,070元(2020年：人民幣8,987,070元)於2021年12月31日的註冊資本：人民幣8,987,070元(2020年：人民幣8,987,070元)	100.00	90.00	提供環保技術及設施的研發
Qingchuan Kaipu Environmental Construction Co., Ltd ("Qingchuan Kaipu")* (Notes b and c)	23 March 2018	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB1,400,000 (2020: RMB900,000) Registered capital as at 31 December 2021: RMB10,000,000 (2020: RMB10,000,000)	90.00	81.00	Providing research and development of environmental protection technologies and facilities
青川開普環境工程有限公司 (「青川開普」)(附註b及c)	2018年3月23日	中國，有限公司	中國	於2021年12月31日已發行及繳足股本：人民幣1,400,000元(2020年：人民幣900,000元)於2021年12月31日的註冊資本：人民幣10,000,000元(2020年：人民幣10,000,000元)	90.00	81.00	提供環保技術及設施的研發

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 %	2020 %	
Debo	22 May 2019	PRC, wholly foreign-owned enterprise	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB50,000,000 (2020: RMB50,000,000) Registered capital as at 31 December 2021: RMB50,000,000 (2020: RMB50,000,000)	100.00	100.00	Providing research and development of environmental protection technologies and facilities
德博	2019年5月22日	中國，中國 外商獨資企業		於2021年12月31日的已發行及繳足股本：人民幣50,000,000元 (2020年：人民幣50,000,000元) 於2021年12月31日的註冊資本：人民幣50,000,000元 (2020年：人民幣50,000,000元)	100.00	100.00	提供環保技術及設施的研發
Xinjiang Tiansheng* (Note d)	26 December 2016	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB40,000,000 (2020: RMB26,000,000) Registered capital as at 31 December 2021: RMB50,000,000 (2020: RMB50,000,000)	60.00	60.00	Providing oilfield auxiliary services
新疆天聖(附註d)	2016年12月26日	中國，有限公司	中國	於2021年12月31日的已發行及繳足股本：人民幣40,000,000元 (2020年：人民幣26,000,000元) 於2021年12月31日的註冊資本：人民幣50,000,000元 (2020年：人民幣50,000,000元)	60.00	60.00	提供油田周邊服務

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情 (續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/ 成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益	2021 2020年 %	
Shuangxin (Notes d and h)	12 August 1998	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB10,010,000 (2020: RMB10,010,000) Registered capital as at 31 December 2021: RMB10,010,000 (2020: RMB10,010,000)	36.24	32.94	Providing oilfield auxiliary services
雙信(附註d及h)	1998年8月12日	中國·有限公司	中國	於2021年12月31日的已發行及繳足股本：人民幣10,010,000元 (2020年：人民幣10,010,000元) 於2021年12月31日的註冊資本：人民幣10,010,000元 (2020年：人民幣10,010,000元)	36.24	32.94	提供油田周邊服務
Qingyang Qingyi* (Note e)	30 September 2014	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB10,852,000 (2020: RMB9,752,000) Registered capital as at 31 December 2021: RMB60,000,000 (2020: RMB60,000,000)	73.00	73.00	Providing research and development of environmental protection technologies and facilities
慶陽慶義(附註e)	2014年9月30日	中國·有限公司	中國	於2021年12月31日的已發行及繳足股本：人民幣10,852,000元 (2020年：人民幣9,752,000元) 於2021年12月31日的註冊資本：人民幣60,000,000元 (2020年：人民幣60,000,000元)	73.00	73.00	提供環保技術及設施的研發

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 %	2020 %	
Akesu Debo Environmental Co., Ltd ("Akesu Debo")* 阿克蘇德博環境有限公司 (「阿克蘇德博」)	27 June 2019 2019年6月27日	PRC, limited liability company 中國·有限公司	The PRC 中國	Deregistered (Note f) 註銷(附註f)	N/A 不適用	70.00 70.00	Deregistered 註銷
Guangdong Qizhou Weigang Co., Ltd*	8 July 2019 2019年7月8日	PRC, wholly foreign-owned enterprise 中國·中國 外商獨資企業	The PRC 中國	Issued and fully paid up capital as at 31 December 2021: RMB31,500,000 (2020: RMB31,100,000) Registered capital as at 31 December 2021: RMB50,000,000 (2020: RMB50,000,000) 於2021年12月31日的已發行及繳足股本: 人民幣31,500,000元 (2020年: 人民幣31,100,000元) 於2021年12月31日的註冊資本: 人民幣50,000,000元 (2020年: 人民幣50,000,000元)	100.00 100.00	100.00 100.00	Providing research and development of environmental protection technologies and facilities 提供環保技術及設施的研發
Weierneng Environmental (Suzhou) Limited ("Weierneng Environmental")* (Note g)	25 July 2018	PRC, Natural person investment or holding limited liability company	The PRC	Disposed (Note 44)	N/A	51.00	Providing research and development of environmental protection technologies and facilities
威爾能環保科技(蘇州)有限公司 (「威爾能環保」)(附註g)	2018年7月25日	中國·自然人投資或控股有限公司	中國	已出售(附註44)	不適用	51.00	提供環保技術及設施的研發

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情 (續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/ 成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 %	2020 %	
Karamay Shuangxin Environmental Technology Limited ("Shuangxin Environmental")* (Notes d and h)	2 June 2020	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB4,371,971 (2020: Nil) Registered capital as at 31 December 2021: RMB10,000,000 (2020: RMB10,000,000)	36.24	32.94	Providing oilfield auxiliary services
克拉瑪依雙信環保科技有限公司 (「雙信環保」)(附註d及h)	2020年6月2日	中國·有限公司	中國	於2021年12月31日的已發行及繳足股本: 人民幣4,371,971元 (2020年: 無) 於2021年12月31日的註冊資本: 人民幣10,000,000元 (2020年: 人民幣10,000,000元)	36.24	32.94	提供油田周邊服務
Zhibo Debo Environmental Technology Company Limited*	20 April 2021*	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB800,000 Registered capital as at 31 December 2021: RMB10,000,000	100.00	N/A	Providing solutions for solid waste treatment
淄博德博環保技術有限責任公司	2021年4月20日*	中國·有限公司	中國	於2021年12月31日的已發行及繳足股本: 人民幣800,000元 於2021年12月31日的註冊資本: 人民幣10,000,000元	100.00	不適用	提供固體廢物處置解決方案

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Place of incorporation/ establishment and legal form 註冊成立/ 成立 地點及法律形式	Location of operation 營運地點	Issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest 所有權權益之百分比		Principal activities 主要活動
					Group's effective interest as at 31 December 本集團於12月31日 之實際權益		
					2021 %	2020 %	
Karamay Shuangxin Inspection Technology Limited# ("Shuangxin Inspection") (Notes d and h)	30 April 2021*	PRC, limited liability company	The PRC	Issued and fully paid up capital as at 31 December 2021: RMB1,875,046 Registered capital as at 31 December 2021: RMB10,000,000	36.24	N/A	Providing oilfield auxiliary services
克拉瑪依雙信檢測技術有限責任公司(「雙信檢測」) (附註d及h)	2021年4月30日*	中國, 有限公司	中國	於2021年12月31日的已發行及繳足股本: 人民幣1,875,046元 於2021年12月31日的註冊資本: 人民幣10,000,000元	36.24	不適用	提供油田周邊服務
Karamay Shuangxin Construction Company Limited# ("Shuangxin Construction") (Notes d and h)	4 June 2021*	PRC, limited liability company	The PRC	Registered capital as at 31 December 2021: RMB10,000,000	36.24	N/A	Providing oilfield auxiliary services
克拉瑪依雙信工程建設有限公司(「雙信工程」)(附註d及h)	2021年6月4日*	中國, 有限公司	中國	於2021年12月31日的註冊資本: 人民幣10,000,000元	36.24	不適用	提供油田周邊服務

The English name is for identification only.

* Incorporated during the year.

英文名稱僅供識別。

* 本年度註冊成立。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Note:

(a) On 30 July 2021, Guangzhou Weigang, a non-wholly-owned subsidiary of the Group, has disposed 51% equity interests in Xinjiang Wosen to a non-controlling shareholders at consideration of RMB6,530,000. Details of the disposal are disclosed in Note 44.

(b) During the year ended 31 December 2021, an amount of RMB500,000 had been paid to Qingchuan Kaipu as capital injection by the Group. As at 31 December 2021, the outstanding amount of RMB8,600,000 (2020: RMB9,100,000) has not yet been paid by the Group.

(c) On 11 August 2021, Guangzhou Weigang, a non-wholly-owned subsidiary, has disposed the equity interests of Kaipu Lansheng and its subsidiary, Qingchuan Kaipu, to Debo, a wholly owned subsidiary of the Group as disclosed in Note 45.

(d) On 26 March 2020, the subsidiary of the Group, Debo, has acquired 60% equity interests in Xinjiang Tiansheng from an independent third party at consideration approximately of RMB24,000,000 as disclosed in Note 42.

On 1 June 2021, Xinjiang Tiansheng has further acquired 7.19% equity interests in Shuangxin and its subsidiaries, Shuangxin Environmental, Shuangxin Inspection and Shuangxin Construction. After the transaction, the Group's effective equity interests in Shuangxin were increased from 32.94% to 36.24% as disclosed in Note 45.

(e) On 16 January 2020, the subsidiary of the Group, Debo, has acquired 73% equity interests in Qingyang Qingyi from an independent third party at consideration approximately of RMB7,000,000 as disclosed in Note 43.

(f) Akesu Debo was deregistered on 23 July 2021.

(g) Weierneng Environmental was established as a limited liability company under the laws of the PRC on 25 July 2018 and an indirectly non-wholly owned subsidiary of the Company, which is owned as to 51% by Shenzhen Xinnengji and 49% by an independent third party, Party D. According to the Articles of Association of Weierneng Environmental, the capital injection of the shareholders should be paid to Weierneng Environmental no later than 31 August 2037.

On 23 June 2020, Weierneng Environmental was acquired by Debo. As a result, the Group's effective interest has changed from 45.9% to 51% as disclosed in Note 45.

On 28 July 2021, Debo, the subsidiary of the Group, has disposed 51% equity interests in Weierneng Environmental to an independent third party at cash consideration of RMB4,324,000 as disclosed in Note 44.

41 本公司的附屬公司詳情(續)

附註：

(a) 於2021年7月30日，本集團的一間非全資附屬公司廣州維港向非控股股東出售於新疆沃森51%股權，對價為人民幣6,530,000元。出售詳情於附註44披露。

(b) 截至2021年12月31日止年度，本集團向青川開普支付人民幣500,000元作為注資。於2021年12月31日，本集團尚有人民幣8,600,000元(2020年：人民幣9,100,000元)未支付。

(c) 誠如附註45所披露，於2021年8月11日，非全資附屬公司廣州維港向本集團的全資附屬公司德博出售開普藍生及其附屬公司青川開普的股權。

(d) 誠如附註42所披露，於2020年3月26日，本集團附屬公司德博向一名獨立第三方收購新疆天聖的60%股權，對價約為人民幣24,000,000元。

誠如附註45所披露，於2021年6月1日，新疆天聖進一步收購雙信及其附屬公司雙信環保、雙信檢測及雙信工程7.19%的股權。於該交易後，本集團於雙信的實際股權由32.94%上升至36.24%。

(e) 誠如附註43所披露，於2020年1月16日，本集團附屬公司德博向一名獨立第三方收購慶陽慶義的73%股權，對價約為人民幣7,000,000元。

(f) 阿克蘇德博於2021年7月23日註銷。

(g) 威爾能環保於2018年7月25日根據中國法律成立為一家有限公司，為本公司的間接非全資附屬公司，由深圳新能極和獨立第三方丁方分別擁有51%及49%的權益。根據威爾能環保的組織章程細則，股東注資應於2037年8月31日前支付予威爾能環保。

於2020年6月23日，威爾能環保由德博收購。因此，誠如附註45所披露，本集團的實際權益由45.9%變更為51%。

誠如附註44所披露，於2021年7月28日，本集團附屬公司德博向獨立第三方出售威爾能環保51%的股權，現金對價為人民幣4,324,000元。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Notes: (continued)

(h) For the years ended 31 December 2021 and 2020, the Group holds less than 50% of the registered capital of these subsidiaries. The Group controls the composition of the Board of directors of these subsidiaries and has control over them. Therefore, they are classified as the subsidiaries of the Group.

None of the subsidiaries had issued any debt securities at the end of the year.

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests as at 31 December 2021 and 2020:

Name of subsidiary 附屬公司名稱	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 非控股權益所持所有權權益及投票權份額		Profit allocated to non-controlling interests 分配予非控股權益的利潤		Accumulated non-controlling interests 累計非控股權益	
		31/12/2021 2021年 12月31日	31/12/2020 2020年 12月31日	31/12/2021 2021年 12月31日	31/12/2020 2020年 12月31日	31/12/2021 2021年 12月31日	31/12/2020 2020年 12月31日
				RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Guangzhou Weigang 廣州維港	The PRC 中國	10%	10%	2,082	1,977	59,057	56,927
Xinjiang Tiansheng 新疆天聖	The PRC 中國	40%	40%	1,596	4,290	18,858	20,761

41 本公司的附屬公司詳情(續)

附註：(續)

(h) 截至2021年及2020年12月31日止年度，本集團持有該等附屬公司少於50%的註冊資本。本集團控制該等附屬公司董事會的組成並對其擁有控制權。因此，彼等被分類為本集團的附屬公司。

概無附屬公司於年末發行任何債務證券。

擁有重大非控股權益的非全資附屬公司詳情

下表列示於2021年及2020年12月31日本集團擁有重大非控股權益的非全資附屬公司詳情：

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (continued)

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests as at 31 December 2021 and 2020 is set out below. The summarised financial information below represents amounts before intra-group eliminations.

Guangzhou Weigang

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Current assets	流動資產	772,009	760,248
Non-current assets	非流動資產	44,723	108,069
Current liabilities	流動負債	225,396	289,122
Non-current liabilities	非流動負債	2,702	11,919
Equity attributable to owners of the Company	本公司擁有人應佔權益	529,577	510,649
Non-controlling interests of Guangzhou Weigang	廣州維港之非控股權益	59,057	56,627
		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Revenue	收入	585,486	534,843
Expenses	開支	(564,667)	(515,074)
Profit and total comprehensive income for the year	年內利潤及全面收入總額	20,819	19,769

41 本公司的附屬公司詳情 (續)

擁有重大非控股權益的非全資附屬公司詳情 (續)

以下所載為於2021年及2020年12月31日本集團擁有重大非控股權益的附屬公司之概述財務資料。下列概述財務資料呈列集團內對銷前之金額。

廣州維港

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

Guangzhou Weigang (continued)

41 本公司的附屬公司詳情(續)

廣州維港(續)

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Dividends paid to non-controlling interests of Guangzhou Weigang	已付廣州維港非控股權益股息	—	—
Net cash outflow from operating activities	經營活動產生的現金流出淨額	(40,403)	(60,149)
Net cash inflow from investing activities	投資活動產生的現金流入淨額	42,738	6,997
Net cash (outflow)/inflow from financing activities	融資活動產生的現金(流出)/流入淨額	(15,331)	35,625
Net cash outflow	現金流出淨額	(12,996)	(17,527)

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

41 本公司的附屬公司詳情(續)

Xinjiang Tiansheng Group

新疆天聖集團

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Current assets	流動資產	71,326	94,412
Non-current assets	非流動資產	84,620	54,587
Current liabilities	流動負債	97,921	96,443
Non-current liabilities	非流動負債	—	—
Equity attributable to owners of the Company	本公司擁有人應佔權益：	39,167	31,795
— Non-controlling interests of Xinjiang Tiansheng	— 新疆天聖之非控股權益	6,002	4,314
— Non-controlling interests of Xinjiang Tiansheng's subsidiaries	— 新疆天聖附屬公司之非控股權益	12,856	16,447
		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Revenue	收入	49,624	48,507
Expenses	開支	(44,156)	(43,210)
Profit attributable to owners of the Company	本公司擁有人應佔利潤	3,872	1,007
Profit attributable to the non-controlling interests of Xinjiang Tiansheng	新疆天聖之非控股權益應佔利潤	(1,356)	671
Profit attributable to the non-controlling interests of Xinjiang Tiansheng's subsidiaries	新疆天聖附屬公司之非控股權益應佔利潤	2,952	3,619

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

41 PARTICULARS OF SUBSIDIARIES OF THE COMPANY *(continued)*

Xinjiang Tiansheng Group *(continued)*

41 本公司的附屬公司詳情(續)

新疆天聖集團(續)

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Dividends paid to non-controlling interests of Xinjiang Tiansheng Group	已付新疆天聖集團非控股權益股息	—	—
Net cash inflow/(outflow) from operating activities	經營活動產生的現金流入／(流出)淨額	15,708	(17,784)
Net cash outflow from investing activities	投資活動產生的現金流出淨額	(23,020)	(2,833)
Net cash inflow from financing activities	融資活動產生的現金流入淨額	9,734	—
Net cash inflow/(outflow)	現金流入／(流出)淨額	2,422	(20,617)

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

42 ACQUISITION OF SUBSIDIARIES

Xinjiang Tiansheng Group

On 27 December 2019, Debo, a wholly-owned subsidiary of the Company, has entered into the Capital Injection and Subscription Agreement (the "Agreement") with Xinjiang Tiansheng Group and two independent third parties, Xinjiang Hongtong Industry and Trade Co., Ltd.# ("Hongtong") and Mr. Tian. Pursuant to the Agreement, Debo agreed to subscribe for 60% of equity interests in Xinjiang Tiansheng Group. By way of capital injection in the amount of RMB24,000,000, and shall subscribe for the registered capital of Xinjiang Tiansheng to RMB30,000,000 at a later date to be agreed between Debo and Hongtong. Upon the Capital injection, Xinjiang Tiansheng will be held as to 60% by Debo and 40% by Hongtong, and the total registered capital of Xinjiang Tiansheng will be increased from RMB20,000,000 to RMB50,000,000.

On 26 March 2020, the transaction has been completed, Xinjiang Tiansheng Group became a non-wholly owned subsidiary of the Group. Xinjiang Tiansheng Group is principally engaged in the business of provision of oil sludge thermal desorption treatment services and oilfield auxiliary services. The acquisition has been accounted for as acquisition of business using the acquisition method.

A goodwill approximately of RMB18,277,000 arising from this acquisition has been recognised during the year based on valuation result provided by an independent valuer who assessed the fair values of the identifiable assets and liabilities acquired.

The English name is for identification only.

42 收購附屬公司

新疆天聖集團

於2019年12月27日，本公司的全資附屬公司德博與新疆天聖集團以及兩名獨立第三方新疆宏通工貿有限公司(「宏通」)及田先生簽訂增資認購協議(「協議」)。根據協議，德博同意出資人民幣24,000,000元以認購新疆天聖集團60%股權，並將於德博與宏通協定的較後日期認購新疆天聖的註冊資本人民幣30,000,000元。於增資完成後，新疆天聖將分別由德博及宏通持有60%及40%股權，而新疆天聖的總註冊資本將由人民幣20,000,000元增加至人民幣50,000,000元。

於2020年3月26日，上述交易已完成，新疆天聖集團成為本集團的非全資附屬公司。新疆天聖集團主要從事提供油泥熱脫附處置服務及油田周邊服務業務。本次收購已按收購法入賬列作業務收購。

根據獨立估值師對本次收購涉及的可識別資產與負債的公允價值估值結果，於本年度已確認本次收購產生的商譽約人民幣18,277,000元。

英文名稱僅供識別。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

42 ACQUISITION OF SUBSIDIARIES (continued)

Xinjiang Tiansheng Group (continued)

The fair values of the identifiable assets and liabilities of the acquired subsidiaries as at the date of acquisition are as follows:

42 收購附屬公司(續)

新疆天聖集團(續)

於收購日期，所收購附屬公司的可識別資產及負債的公允價值如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	14,526
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備的按金	12,934
Trade and note receivables	貿易應收款項及應收票據	33,681
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	20,944
Bank balances and cash	銀行結餘及現金	28,552
Trade payables	貿易應付款項	(83,633)
Other payables and accrued expenses	其他應付款項及應計開支	(3,928)
Contract liabilities	合約負債	(101)
Income tax payable	應納所得稅	(9)
Deferred tax liabilities	遞延稅項負債	(257)
		22,709
Non-controlling interests	非控股權益	(16,986)
Goodwill (Note 18)	商譽(附註18)	18,277
Consideration	對價	24,000
Satisfied by:	以下列方式支付：	
Cash	現金	10,000
Other payables	其他應付款項	14,000
		24,000

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

42 ACQUISITION OF SUBSIDIARIES (continued)

Xinjiang Tiansheng Group (continued)

Non-controlling interests

The Group has chosen to recognise the non-controlling interest at its fair value for this acquisition. The fair value of the non-controlling interest in Xinjiang Tiansheng Group was estimated by applying the replacement cost approach.

Goodwill arising on acquisition

Goodwill arose on the acquisition of Xinjiang Tiansheng Group because the acquisition included the assembled workforce of Xinjiang Tiansheng Group and some potential contracts which are still under negotiation with prospective new customers at the date of acquisition. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

Net cash inflow arising on acquisition of Xinjiang Tiansheng Group

Bank balances and cash acquired
Less: consideration paid in cash

所購入的銀行結餘及現金
減：以現金支付的對價

RMB'000
人民幣千元

28,552
(10,000)

18,552

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2020 is profit of approximately RMB2,314,000 attributable to the additional business generated by Xinjiang Tiansheng Group. Revenue for the year ended 31 December 2020 includes approximately RMB48,507,000 generated from Xinjiang Tiansheng Group.

42 收購附屬公司(續)

新疆天聖集團(續)

非控股權益

本集團已選擇就是次收購按公允價值確認非控股權益。於新疆天聖集團的非控股權益公允價值乃應用重置成本法估算。

收購產生的商譽

收購新疆天聖集團產生商譽乃因該項收購包括新疆天聖集團旗下員工及部分於收購日期仍在與潛在新客戶磋商的潛在合約。由於該等利益未符合確認為可識別無形資產的標準，故並無與商譽分開確認。

是次收購產生的商譽預期概不可扣稅。

收購新疆天聖集團產生的現金流入淨額

收購對本集團業績的影響

截至2020年12月31日止年度的利潤中包括新疆天聖集團產生的額外業務利潤約人民幣2,314,000元。截至2020年12月31日止年度的收入包括新疆天聖集團產生的收入約人民幣48,507,000元。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

42 ACQUISITION OF SUBSIDIARIES (continued)

Xinjiang Tiansheng Group (continued)

Impact of acquisition on the results of the Group (continued)

Had the acquisition of Xinjiang Tiansheng been completed on 1 January 2020, revenue for the year ended 31 December 2020 of the Group would have been approximately RMB552,980,000, and the loss for the year ended 31 December 2020 would have been approximately RMB6,599,000.

In determining the “pro-forma” revenue and profit of the Group had Xinjiang Tiansheng Group been acquired at the beginning of the current year, the directors of the Company calculated depreciation and amortisation of property, plant and equipment based on the recognised amounts of property, plant and equipment at the date of the acquisition.

42 收購附屬公司(續)

新疆天聖集團(續)

收購對本集團業績的影響(續)

假設收購新疆天聖於2020年1月1日完成，則本集團截至2020年12月31日止年度的收入將約為人民幣552,980,000元，而截至2020年12月31日止年度的虧損將約為人民幣6,599,000元。

假設新疆天聖集團於本年初被收購，於釐定本集團「備考」收入及利潤時，本公司董事根據物業、廠房及設備於收購日期的已確認金額計算物業、廠房及設備的折舊及攤銷。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

43 ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY

On 16 January 2020, the Group acquired 73% equity interest in Qingyang Qingyi at a cash consideration of RMB7,000,000. The principal activity of Qingyang Qingyi is holding a concession right and classified as the intangible asset. This acquisition is determined by the directors of the Company to be acquisition of assets and liabilities through acquisition of a subsidiary rather than as business combination because the assets acquired and liabilities assumed did not constitute a business as defined under IFRS 3.

The net assets acquired in the above acquisition are as follows:

43 透過收購一間附屬公司收購資產

於2020年1月16日，本集團以現金對價人民幣7,000,000元收購慶陽慶義73%股權。慶陽慶義的主要活動為持有特許經營權並分類為無形資產。由於所購入的資產及所承擔負債並不構成《國際財務報告準則》第3號所界定的業務，故是次收購經本公司董事釐定為透過收購附屬公司收購資產及負債，而非業務合併。

於上述收購中所購入的資產淨值如下：

		<i>RMB'000</i> 人民幣千元
Intangible asset	無形資產	9,612
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	20
Bank balances and cash	銀行結餘及現金	—*
Other payables and accrued expenses	其他應付款項及應計開支	(43)
Net assets	資產淨值	9,589
Less: Non-controlling interests	減：非控股權益	(2,589)
Consideration	對價	7,000
Satisfied by:	以下列方式支付：	
Cash	現金	1,500
Prepayment for acquisition of a subsidiary	收購附屬公司的預付款項	5,500
		7,000

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

43 ACQUISITION OF ASSETS THROUGH ACQUISITION OF A SUBSIDIARY (continued)

Net cash outflow arising on acquisition of Qingyang Qingyi

Bank balances and cash acquired
Less: consideration paid in cash

所購入的銀行結餘及現金
減：以現金支付的對價

RMB'000

人民幣千元

—*

(1,500)

(1,500)

Non-controlling interests

The non-controlling interest (27%) in Qingyang Qingyi recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of Qingyang Qingyi and amounted to approximately RMB2,589,000.

* Less than RMB1,000

43 透過收購一間附屬公司收購資產 (續)

收購慶陽慶義產生的現金流出淨額

非控股權益

於收購日期確認的慶陽慶義非控股權益(27%)乃參考慶陽慶義已確認資產淨值所佔比例計量，約為人民幣2,589,000元。

* 少於人民幣1,000元

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

44 DISPOSAL OF SUBSIDIARIES

Xinjiang Wosen

On 21 June 2021, Guangzhou Weigang a non-wholly-owned subsidiary, entered into a sale and purchase agreement with Mr. Zhu Xinwei ("the Buyer"), who holds 49% equity interest of Xinjiang Wosen, and Mr. Tian, Guangzhou Weigang has agreed to sell, and the Buyer has agreed to purchase, 51% equity interest in Xinjiang Wosen for a consideration of RMB6,530,000, subject to the terms and conditions of the agreement. Pursuant to the agreement, the consideration of RMB5,100,000 has agreed to be settled by Mr. Tian. On 30 July 2021, the Group has completed the above disposal transaction.

The net assets of Xinjiang Wosen at the date of disposal were as follows:

44 出售附屬公司

新疆沃森

於2021年6月21日，非全資附屬公司廣州維港與朱新位先生（「買方」，彼持有新疆沃森的49%股權）及田先生訂立一份買賣協議，根據協議的條款及條件，廣州維港已同意出售而買方已同意購買新疆沃森的51%股權，對價為人民幣6,530,000元。根據協議，田先生已同意結算對價人民幣5,100,000元。於2021年7月30日，本集團已完成上述出售交易。

新疆沃森於出售日期的資產淨值如下：

		RMB'000 人民幣千元
Total consideration satisfied by:	總對價按以下結算：	
Cash	現金	1,500
Consideration receivable (Note 25)	應收對價(附註25)	3,600
Other payables	其他應付款項	1,430
		6,530
Analysis of assets and liabilities over which control was lost:	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	620
Intangible assets	無形資產	20
Equity instrument at fair value through other comprehensive income	按公允價值計量並計入其他全面收益的權益工具	3,253
Inventories	存貨	196
Trade and note receivables	貿易應收款項及應收票據	3,160
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	10,655
Bank balances and cash	銀行結餘及現金	314
Trade payables	貿易應付款項	(737)
Other payables and accrued expenses	其他應付款項及應計開支	(2,998)
Income tax payables	應付所得稅	(984)
Deferred tax liabilities	遞延所得稅負債	(202)
Net assets disposed of	所出售資產淨值	13,297
Loss on disposal of a subsidiary:	出售附屬公司之虧損：	
Consideration received	已收對價	6,530
Net assets disposed of	所出售資產淨值	(13,297)
Non-controlling interests	非控股權益	6,515
Loss on disposal	出售虧損	(252)
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金對價	1,500
Less: bank balances and cash disposed of	減：銀行結餘及所出售現金	(314)
		1,186

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

44 DISPOSAL OF SUBSIDIARIES (continued)

Weierneng Environmental

During the year ended 31 December 2021, Debo entered into a sale and purchase agreement with an independent third party, Mr. Teng Huaiping, ("Mr. Teng") to dispose of 51% equity interests in Weierneng Environmental at cash consideration of approximately RMB4,324,000. On 28 July 2021, the Group has completed the above disposal transaction.

The net assets of Weierneng Environmental at the date of disposal were as follows:

44 出售附屬公司(續)

威爾能環保

截至2021年12月31日止年度，德博與一名獨立第三方滕懷平先生(「滕先生」)訂立買賣協議，以出售威爾能環保的51%股權，現金對價約人民幣4,324,000元。於2021年7月28日，本集團已完成上述出售交易。

威爾能環保於出售日期的資產淨值如下：

		RMB'000 人民幣千元
Analysis of assets and liabilities over which control was lost:	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	998
Right of use assets	使用權資產	1,068
Trade and note receivables	貿易應收款項及應收票據	300
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	766
Bank balances and cash	銀行結餘及現金	4,100
Trade payables	貿易應付款項	(1,269)
Other payables and accrued expenses	其他應付款項及應計開支	(510)
Lease liabilities	租賃負債	(1,106)
Net assets disposed of	所出售資產淨值	4,347
		RMB'000 人民幣千元
Gain on disposal of a subsidiary:	出售附屬公司之收益：	
Consideration received	已收對價	4,324
Net assets disposed of	所出售資產淨值	(4,347)
Non-controlling interests	非控股權益	4,359
Gain on disposal	出售收益	4,336
		RMB'000 人民幣千元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金對價	4,324
Less: bank balances and cash disposed of	減：銀行結餘及所出售現金	(4,100)

224

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

45 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Acquisition of additional interests in a subsidiary

Kaipu Lansheng

On 11 August 2021, Guangzhou Weigang, a non-wholly-owned subsidiary, disposed of 100% equity interests in Kaipu Lansheng to Debo, a wholly-owned subsidiary of the Group. Upon the completion of the transaction, the Group's effective equity interests in Kaipu Lansheng were increased from 90% to 100%.

As a result, the Group recognised a decrease in equity attributable to owners of the Company of approximately RMB47,000 and recognised an increase in non-controlling interests of approximately RMB47,000.

Shuangxin

On 18 May 2021, the Shareholder of collective investment of Shuangxin ("Collective Investors") agreed to dispose of 7.19% of equity interests of Shuangxin to Xinjiang Tiansheng at consideration of approximately RMB5,395,000. The transaction has completed on 1 June 2021. After that, the Group's effective interests in Shuangxin increased from 32.94% to 36.24%. The Group recognised a decrease in non-controlling interests of approximately RMB3,499,000 and an decrease in equity attributable to owners of the Company of approximately RMB1,896,000.

As at 31 December 2021, the consideration was settled by Mr. Tian on behalf of Xinjiang Tiansheng.

Weierneng Environmental

On 23 June 2020, a non-wholly-owned subsidiary of the Group, Guangzhou Weigang, disposed of all of its equity interests of Weierneng Environmental to a wholly-owned subsidiary of the Group, Debo, at cost of RMB5,100,000. As a result, the Group's effective equity interest in Weierneng Environmental has been changed from 45.9% to 51%.

46 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

45 與非控股權益的交易

收購一間附屬公司的額外權益

開普藍生

於2021年8月11日，非全資附屬公司廣州維港向本集團的全資附屬公司德博出售於開普藍生100%的股權。於該交易完成後，本集團於開普藍生的實際股權由90%上升至100%。

因此，本集團確認本公司擁有人應佔權益減少約人民幣47,000元，及確認非控股權益增加約人民幣47,000元。

雙信

於2021年5月18日，雙信集體投資者（「集體投資者」）股東同意以約人民幣5,395,000元的代價將雙信7.19%的股權出售予新疆天聖。該交易已於2021年6月1日完成。此後，本集團於雙信的實際權益由32.94%上升至36.24%。本集團確認非控股權益減少約人民幣3,499,000元及本公司擁有人應佔權益減少約人民幣1,896,000元。

於2021年12月31日，田先生代新疆天聖結清該代價。

威爾能環保

於2020年6月23日，本集團的非全資附屬公司廣州維港向本集團的全資附屬公司德博出售其於威爾能環保的全部股權，成本為人民幣5,100,000元。因此，本集團於威爾能環保的實際股權由45.9%變更為51%。

46 比較數字

若干比較數字已重新分類，以符合本年度之呈列方式。

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

47 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

47 本公司財務狀況表及儲備

		2021 2021年	2020 2020年
		<i>RMB'000</i> 人民幣千元	<i>RMB'000</i> 人民幣千元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司的投資	5,445	4,821
Right-of-use assets	使用權資產	549	209
		5,994	5,030
Current assets	流動資產		
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	194	228
Amounts due from subsidiaries	應收附屬公司款項	240,996	247,167
Bank balances and cash	銀行結餘及現金	4,081	11,317
		245,271	258,712
Current liabilities	流動負債		
Other payables and accrued expenses	其他應付款項及應計開支	269	218
Amounts due to subsidiaries	應付附屬公司款項	9,162	8,992
Lease liabilities	租賃負債	424	221
		9,855	9,431
Net current assets	流動資產淨值	235,416	249,281
Total assets less current liabilities	總資產減流動負債	241,410	254,311
Non-current liabilities	非流動負債		
Lease liabilities	租賃負債	183	—
NET ASSETS	資產淨值	241,227	254,311
Capital and reserves	資本及儲備		
Share capital	股本	55,100	55,100
Reserves	儲備	186,127	199,211
TOTAL EQUITY	權益總額	241,227	254,311

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS

財務報表及財務報表附註

(Expressed in Renminbi)

(以人民幣為單位)

47 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

47 本公司財務狀況表及儲備(續)

Movement in the Company's reserves

本公司儲備變動

		Share premium	Share-based payment reserve	Other reserve	Accumulated losses	Total
		股份溢價	以股份為基礎的 支付儲備	其他儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2020	於2020年1月1日	237,130	3,461	8	(16,900)	223,699
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	—	—	—	(25,494)	(25,494)
Recognition of equity-settled share based payment	確認股權結算以股份為基礎的支付	—	1,006	—	—	1,006
At 31 December 2020 and 1 January 2021	於2020年12月31日及2021年1月1日	237,130	4,467	8	(42,394)	199,211
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	—	—	—	(13,708)	(13,708)
Recognition of equity-settled share based payment	確認股權結算以股份為基礎的支付	—	624	—	—	624
Transfer of share option reserve upon forfeiture of share options	沒收購股權時轉讓購股權儲備	—	(85)	—	85	—
At 31 December 2021	於2021年12月31日	237,130	5,006	8	(56,017)	186,127

FINANCIAL SUMMARY

財務概要

Consolidated statement of profit or loss

綜合損益表

		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	561,700	536,811	537,509	480,091	189,407
Cost of sales	銷售成本	(484,786)	(453,929)	(393,273)	(355,428)	(127,303)
Gross profit	毛利	76,914	82,882	144,236	124,663	62,104
Other income, gains and losses	其他收入、收益及虧損	1,787	7,484	11,862	8,110	2,372
Administrative expenses	行政開支	(54,441)	(55,483)	(39,764)	(27,854)	(11,743)
Distribution and selling costs	分銷及銷售成本	(2,141)	(2,481)	(2,280)	(951)	—
Other expenses	其他開支	(21,258)	(21,890)	(21,058)	(29,251)	(14,474)
Impairment losses, net of reversal	減值虧損(扣除撥回)	(8,676)	(15,449)	(767)	(716)	(767)
Share of results of associates	應佔聯營企業的業績	(118)	(953)	(13)	—	(675)
Finance costs	融資成本	(2,551)	(2,429)	(1,094)	(6,031)	(438)
Profit/(loss) before income tax	除所得稅前利潤/ (虧損)	(10,484)	(8,319)	91,122	67,970	36,379
Income tax (expense)/credit	所得稅(開支)/抵免	1,639	949	(13,091)	(10,559)	(6,620)
(Loss)/profit for the year	年內(虧損)/利潤	(8,845)	(7,370)	78,031	57,411	29,759
(Loss)/profit for the year attributable to:	以下各方應佔年內(虧損)/利潤:					
Owners of the Company	本公司擁有人	(12,412)	(10,929)	66,984	49,799	30,195
Non-controlling interests	非控股權益	3,567	3,559	11,047	7,612	(436)
		(8,845)	(7,370)	78,031	57,411	29,759

Extracts from the consolidated statement of financial position

摘錄自綜合財務狀況表

		2021 2021年	2020 2020年	2019 2019年	2018 2018年	2017 2017年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Total assets	資產總額	864,017	938,723	802,027	469,735	253,053
Total liabilities	負債總額	(293,450)	(343,639)	(227,886)	(310,445)	(218,356)
Non-controlling interest	非控股權益	(79,150)	(89,739)	(57,326)	(27,220)	436
Equity attributable to owners of the Company	本公司擁有人應佔權益	491,417	505,345	516,815	132,070	35,133

GLOSSARY

釋義

“AGM”	the forthcoming annual general meeting for the year 2021 of the Company	「股東週年大會」	指 本公司即將舉行的2021年股東週年大會
“Audit Committee”	the audit committee under the Board	「審核委員會」	指 董事會屬下審核委員會
“Board”	board of directors of the Company	「董事會」	指 本公司董事會
“CG Code”	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules	「《企業管治守則》」	指 《上市規則》附錄十四所載《企業管治守則》
“China” or “PRC”	the People’s Republic of China, but for the purposes of this annual report and for geographical reference only (unless otherwise indicated), excluding Taiwan, Macau and Hong Kong	「中國」	指 中華人民共和國，僅就本年報及地理參考目的而言(除另有註明外)，不包括台灣、澳門及香港
“Company” or “we”	an exempted company incorporated in the Cayman Islands with limited liability on 18 May 2017 under the names of “Weigang Environmental Technology Holding Group Limited” and “維港環保科技控股集團有限公司”，and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance	「本公司」或「我們」	指 以「Weigang Environmental Technology Holding Group Limited」及「維港環保科技控股集團有限公司」的名稱於2017年5月18日在開曼群島註冊成立的獲豁免有限公司，並根據《公司條例》第16部註冊為一家非香港公司
“DHW Holdings”	DHW Holdings Limited, a company incorporated in the BVI with limited liability on 30 January 2018, which is wholly owned by Mr. ZHANG	「大河灣控股」	指 大河灣控股有限公司，一家於2018年1月30日在英屬維爾京群島註冊成立的有限公司，由張維仰先生全資擁有
“Director(s)”	director(s) of the Company	「董事」	指 本公司董事
“Global Offering”	the offer of the Company’s Shares for subscription as described in the section headed “Structure of the Global Offering” in the Prospectus	「全球發售」	指 誠如招股章程「全球發售的架構」一節所述，發售本公司股份以供認購
“Group”	the Company and its subsidiaries and operating entities	「本集團」	指 本公司以及其附屬公司及經營實體

GLOSSARY

釋義

“HKSCC”	Hong Kong Securities Clearing Company Limited	「香港結算」	指 香港中央結算有限公司
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency for the time being of Hong Kong	「港元」	指 香港當時的法定貨幣港元
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC	「香港」	指 中國香港特別行政區
“IFRS”	the International Financial Reporting Standards, which include standards and interpretations promulgated by the International Accounting Standards Board (IASB), and the International Accounting Standards (IAS) and interpretation issued by the International Accounting Standards Committee (IASC)	「《國際財務報告準則》」	指 《國際財務報告準則》，包括國際會計準則理事會頒佈的準則及詮釋，以及國際會計準則委員會頒佈的國際會計準則及詮釋
“Independent Third Party(ies)”	any entity or person who is not a connected person of the Company within the meaning ascribed thereto under the Listing Rules	「獨立第三方」	指 並非本公司關連人士（定義見《上市規則》）的實體或個人
“Latest Practicable Date”	20 April 2022, being the latest practicable date for the purpose of ascertaining certain information contained in this annual report prior to its publication	「最後實際可行日期」	指 2022年4月20日，即於本年報發佈前為確定當中所載若干資料的最後實際可行日期
“Listing Date”	3 January 2019 on which the Shares were listed on the Stock Exchange	「上市日期」	指 2019年1月3日，即股份於聯交所上市當日
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time	「《上市規則》」	指 《香港聯合交易所有限公司證券上市規則》，經不時修訂
“Memorandum and Articles of Association”	the amended and restated memorandum of articles of association and articles of association of our Company, conditionally adopted on 20 May 2018 with effect from the Listing Date, and as amended from time to time	「組織章程大綱及細則」	指 本公司於2018年5月20日有條件採納並自上市日期起生效的經修訂及重述組織章程大綱及章程細則，經不時修訂

GLOSSARY

釋義

"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules	「《標準守則》」	指 《上市規則》附錄十所載《上市發行人董事進行證券交易的標準守則》
"Nomination Committee"	the nomination committee under the Board	「提名委員會」	指 董事會屬下提名委員會
"PBOC"	People's Bank of China	「中國人民銀行」	指 中國人民銀行
"Period"	the year ended 31 December 2021	「期內」	指 截至2021年12月31日止年度
"Pre-IPO Share Option Scheme"	the pre-IPO share option scheme of our Company as approved by the Board on 10 December 2018 with effective immediately prior to the completion of the Global Offering	「首次公開發售前購股權計劃」	指 董事會於2018年12月10日通過的本公司首次公開發售前購股權計劃，於緊接全球發售完成前生效
"Prospectus"	the prospectus of the Company dated 19 December 2018 in connection with the Hong Kong public offering of the Company	「招股章程」	指 本公司日期為2018年12月19日有關本公司香港公開發售的招股章程
"Remuneration Committee"	the remuneration committee under the Board	「薪酬委員會」	指 董事會屬下薪酬委員會
"Reorganisation"	the reorganisation of the Group in preparation for Listing as set out in the subsection headed "History and Reorganisation and Group Structure — Reorganisation" in the Prospectus	「重組」	指 誠如招股章程「歷史、重組及集團架構—重組」分節所載述，本集團為籌備上市而進行的重組
"RMB" or "Renminbi"	the lawful currency of the PRC	「人民幣」	指 中國的法定貨幣
"SFC"	the Securities and Futures Commission of Hong Kong	「證監會」	指 香港證券及期貨事務監察委員會
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time	「《證券及期貨條例》」	指 香港法例第571章《證券及期貨條例》，經不時修訂、補充或以其他方式修改

GLOSSARY

釋義

“Shareholder(s)”	holder(s) of the Shares	「股東」	指 股份持有人
“Shares”	shares in the share capital of the Company, with a nominal value of HK\$0.05 each	「股份」	指 本公司股本中每股面值0.05港元的股份
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指 香港聯合交易所有限公司
“Weigang Green”	Weigang Green Technology Limited, a company incorporated in the BVI with limited liability on 8 June 2017, which is wholly owned by Mr. Cai and is a Controlling Shareholder	「維港綠色」	指 維港綠色科技有限公司，一家於2017年6月8日在英屬維爾京群島註冊成立的有限公司，由蔡先生全資擁有，為控股股東
“WeiGang Technology”	WeiGang Technology Limited, a company incorporated in the BVI with limited liability on 3 January 2017, formerly known as “First Jump Inc.”, which is indirectly wholly owned by Mr. Cai through Weigang Green and is a Controlling Shareholder	「維港科技」	指 維港科技有限公司，一家於2017年1月3日在英屬維爾京群島註冊成立的有限公司(前稱「先越有限公司」)，由蔡先生(通過維港綠色)間接全資擁有，為控股股東
“%”	per cent.	「%」	指 百分比

