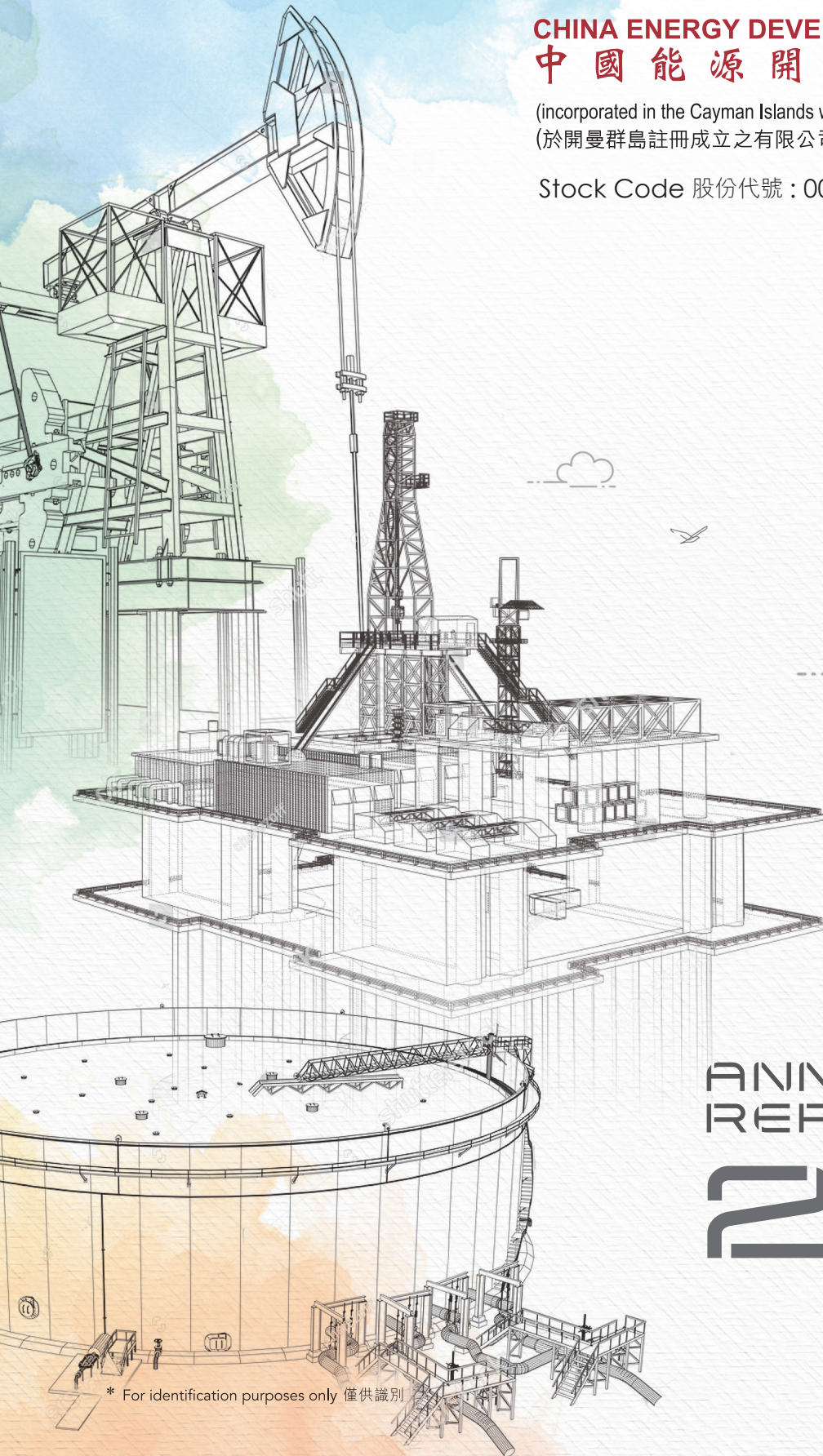




**CHINA ENERGY DEVELOPMENT HOLDINGS LIMITED**  
**中國能源開發控股有限公司\***

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

Stock Code 股份代號 : 00228



ANNUAL 年  
REPORT 報

2018

\* For identification purposes only 僅供識別

# CONTENTS

## 目 錄

2	Corporate Information 公司資料
4	CEO's Statement and Management Discussion and Analysis 行政總裁報告與管理層討論及分析
19	Biographical Details of Directors 董事之履歷
22	Corporate Governance Report 企業管治報告
43	Report of the Directors 董事會報告
53	Independent Auditor's Report 獨立核數師報告
60	Consolidated Statement of Comprehensive Income 綜合全面收益表
62	Consolidated Statement of Financial Position 綜合財務狀況表
64	Consolidated Statement of Changes in Equity 綜合權益變動表
65	Consolidated Statement of Cash Flows 綜合現金流量表
67	Notes to the Consolidated Financial Statements 綜合財務報表附註
200	Five-Year Financial Summary 五年財務概要

### Board of Directors

#### Executive Directors

Mr. Zhao Guoqiang (*Chief Executive Officer and alternate director to Dr. Gu Quan Rong*)

#### Non-executive Directors

Dr. Gu Quan Rong  
Ms. Ngan Mei Ying (*Resigned on 31 October 2018*)

#### Independent Non-executive Directors

Mr. Zong Ketao  
Mr. Cheng Chun Ying  
Mr. Lee Man Tai

### Audit Committee

Mr. Lee Man Tai (*Chairman*)  
Dr. Gu Quan Rong  
Mr. Zong Ketao  
Mr. Cheng Chun Ying  
Ms. Ngan Mei Ying (*Resigned on 31 October 2018*)

### Nomination Committee

Mr. Cheng Chun Ying (*Chairman*)  
Dr. Gu Quan Rong  
Mr. Zong Ketao  
Mr. Lee Man Tai  
Ms. Ngan Mei Ying (*Resigned on 31 October 2018*)

### Remuneration Committee

Mr. Cheng Chun Ying (*Chairman*)  
Dr. Gu Quan Rong  
Mr. Zong Ketao  
Mr. Lee Man Tai  
Ms. Ngan Mei Ying (*Resigned on 31 October 2018*)

### Company Secretary

Mr. Chan Chun Kau

### Company's Website

<http://www.cnenergy.com.hk>

### 董事會

#### 執行董事

趙國強先生 (*行政總裁及顧全榮博士之替任董事*)

#### 非執行董事

顧全榮博士  
顏美瑩女士 (*於二零一八年十月三十一日辭任*)

#### 獨立非執行董事

宗科濤先生  
鄭振鷹先生  
李文泰先生

### 審核委員會

李文泰先生 (*主席*)  
顧全榮博士  
宗科濤先生  
鄭振鷹先生  
顏美瑩女士 (*於二零一八年十月三十一日辭任*)

### 提名委員會

鄭振鷹先生 (*主席*)  
顧全榮博士  
宗科濤先生  
李文泰先生  
顏美瑩女士 (*於二零一八年十月三十一日辭任*)

### 薪酬委員會

鄭振鷹先生 (*主席*)  
顧全榮博士  
宗科濤先生  
李文泰先生  
顏美瑩女士 (*於二零一八年十月三十一日辭任*)

### 公司秘書

陳振球先生

### 公司網址

<http://www.cnenergy.com.hk>

## Registered Office

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

## Head Office and Principal Place of Business

Units 5611-12, 56th Floor  
The Center  
99 Queen's Road Central  
Central  
Hong Kong

## Principal Share Registrar and Transfer Office

SMP Partners (Cayman) Limited  
Royal Bank House — 3rd Floor  
24 Shedden Road, P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## Hong Kong Branch Share Registrar and Transfer Office

Tricor Tengis Limited  
Level 22  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

## Legal Advisers to the Company

### As to Hong Kong law

C.L. Chow & Mackson Chan, Solicitors  
Cheung & Choy  
Lawrence Chan & Co.

### As to Cayman Islands law

Conyers Dill & Pearman, Cayman  
Priestleys

## Auditor

BDO Limited

## Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited  
DBS Bank (HK) Limited

## 註冊辦事處

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

## 總辦事處及主要營業地點

香港  
中環  
皇后大道中99號  
中環中心  
56樓5611-12室

## 股份過戶登記總處

SMP Partners (Cayman) Limited  
Royal Bank House — 3rd Floor  
24 Shedden Road, P.O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

## 香港股份過戶登記分處

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心  
22樓

## 本公司之法律顧問

### 有關香港法律

周卓立陳啓球陳一理律師事務所  
張世文蔡敏律師事務所  
陳振球律師事務所

### 有關開曼群島法律

Conyers Dill & Pearman, Cayman  
Priestleys

## 核數師

香港立信德豪會計師事務所有限公司

## 主要往來銀行

香港上海滙豐銀行有限公司  
星展銀行(香港)有限公司

To Shareholders:

On behalf of the board of directors (the “**Board**”), I hereby present the results of China Energy Development Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2018.

### Operating Results

During the year, the Group recorded a revenue in the amount of approximately HK\$477,789,000 (2017: HK\$13,039,000). The Group's revenue was principally derived from the exploration, production and distribution of natural gas segment of approximately HK\$477,784,000 (2017: HK\$12,630,000). During the year, the money lending business segment only contributed revenue of approximately HK\$5,000 (2017: HK\$409,000). The sales of food and beverages segment did not contribute any revenue to the Group (2017: Nil).

The Group recorded a profit attributable to the owners of the Company in the amount of approximately HK\$27,544,000, compared to a loss of approximately HK\$235,510,000 during last year. It was mainly due to the revenue recognition of natural gas sales under the Group's Kashi Project during the year. Earnings per share attributable to the owners of the Company was 0.29 HK cents (2017: loss per share of 2.48 HK cents).

### Business Review

#### Exploration, Production and Distribution of Natural Gas Segment

##### *The Petroleum Contract*

The Company's indirectly wholly-owned subsidiary, China Era Energy Power Investment (Hong Kong) Limited (“**China Era**”) entered into a petroleum contract with China National Petroleum Corporation (“**CNPC**”) for the drilling, exploration, development and production of oil and/or natural gas within the specified site located in North Kashi Block, Tarim Basin, Xinjiang, PRC (the “**Petroleum Contract**”). The Petroleum Contract is for a term of not exceed 30 consecutive contract years commencing 1 June 2009.

致各位股東：

本人謹代表董事會(「**董事會**」)提呈中國能源開發控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)截至二零一八年十二月三十一日止年度之業績。

### 經營業績

於本年度，本集團錄得收益約477,789,000港元(二零一七年：13,039,000港元)。本集團主要來自天然氣勘探、生產及分銷分部之收益約為477,784,000港元(二零一七年：12,630,000港元)。年內放債業務分部僅貢獻收益約5,000港元(二零一七年：409,000港元)。銷售食品及飲料分部並無為本集團貢獻任何收益(二零一七年：無)。

本集團錄得本公司擁有人應佔溢利約27,544,000港元，而去年則錄得虧損約235,510,000港元，主要是由於年內確認本集團喀什項目之天然氣銷售收益所致。本公司擁有人應佔每股盈利0.29港仙(二零一七年：每股虧損2.48港仙)。

### 業務回顧

#### 天然氣勘探、生產及分銷分部

##### *石油合約*

本公司之間接全資附屬公司中國年代能源投資(香港)有限公司(「**中國年代**」)與中國石油天然氣集團公司(「**中國石油集團**」)訂立一份石油合約，以於中國新疆塔里木盆地喀什北區塊之指定地點鑽探、勘探、開發及生產石油及/或天然氣(「**石油合約**」)。石油合約自二零零九年六月一日起最長不超過30個連續合同年。

Under the Petroleum Contract, China Era shall apply its appropriate and advanced technology and management expertise and assign its competent experts to perform exploration, development, and production of oil and/or natural gas within the site. In the event that any oil field and/or gas field is discovered within the site, the development costs shall be borne by CNPC and China Era in the proportion of 51% and 49%, respectively.

According to the Petroleum Contract, the exploration period covers 6 years. The management has devoted much of its resources during the exploration period in exploration and research studies. In March 2015, China Era issued formal application to CNPC to apply for a two-year extension of the exploration period of Kashi Project beyond the original deadline of 31 May 2015. On 6 December 2017, China Era and CNPC entered into a supplemental and amendment contract (the “**Supplemental Contract**”) to amend the Petroleum Contract by extending the First Phase exploration period to 5 December 2017 (i.e. the day immediately preceding the date of the Supplemental Contract). The terms of the Supplemental Contract further provided that (inter alia): (1) China Era has satisfied the investment commitment in respect of the First Phase exploration period; (2) The Petroleum Contract shall proceed to the Second Phase exploration period on the effective date of the Supplemental Contract of 6 December 2017; and (3) the costs incurred by CNPC on Kashi Project between 1 June 2009 and 5 December 2017 shall be aggregated with the pre-contract costs incurred by CNPC on the project. The costs incurred between 1 June 2009 and 31 December 2015 was in the amount of approximately RMB651,653,000 (mainly including three completed wells, reconstruction of natural gas processing plant and the operating costs incurred during the period), and the costs incurred by CNPC between 1 January 2016 and 5 December 2017 shall be confirmed by both parties within 12 months after the effective date of the Supplemental Contract. During the year, the cost incurred by CNPC between 1 January 2016 and 31 December 2017 in the amount of approximately RMB94,042,000 was confirmed. All the costs incurred by CNPC shall be recovered in kind out of the crude oil/natural gas produced from any oil/gas field inside the cooperation site. Save as the changes expressly stated in the Supplemental Contract, the other terms and conditions of the Petroleum Contract shall remain unchanged.

No development and production activity were carried out under the Petroleum Contract, as the pilot production during the exploration stage is not regarded as production activities.

根據石油合約，中國年代將採用適當及先進的技術及管理專才，並指派稱職的專家在該地點進行勘探、開發及生產石油及／或天然氣。倘在該地點內發現任何油田及／或氣田，中國石油集團及中國年代將分別按51%及49%的比例承擔開發成本。

根據石油合約，勘探期為6年。管理層於勘探期內在勘探和研究方面投入大量資源。於二零一五年三月，中國年代向中國石油集團提出正式申請，將喀什項目之勘探期限從原訂的二零一五年五月三十一日延長兩年。於二零一七年十二月六日，中國年代與中國石油集團訂立一份補充及修訂協議（「**補充協議**」），以修訂石油合約，將勘探期第一階段延長至二零一七年十二月五日（即緊接補充協議日期前一日）。補充協議的條款進一步規定（其中包括）：(1)中國年代已完成有關勘探期第一階段的投資承諾；(2)石油合約將於補充協議生效日期（即二零一七年十二月六日）進入勘探期第二階段；及(3)中國石油集團就喀什項目於二零零九年六月一日至二零一七年十二月五日產生的費用合併計算並視為中國石油集團就該項目產生的前期合約費用。自二零零九年六月一日至二零一五年十二月三十一日產生的費用約為人民幣651,653,000元（主要包括三口完鑽井，天然氣處理站的改建以及期間產生的生產作業費），而中國石油集團自二零一六年一月一日至二零一七年十二月五日產生的費用將於補充協議生效日期後12個月內由雙方確認。年內，已確認中國石油集團自二零一六年一月一日至二零一七年十二月三十一日產生的費用約為人民幣94,042,000元。中國石油集團產生的所有費用應從合作地點內的任何油／氣田生產的原油／天然氣以實物形式收回。除補充協議明確說明的變動外，石油合約的其他條款及條件將維持不變。

概無根據石油合約進行開發及生產活動。試生產並不視作生產活動，因為仍處於勘探階段。

### **The Status of Overall Development Program**

In December 2018, the Overall Development Program (“ODP”) was approved by CNPC internally and proceeded into the finalization stage. During the year, the Company and CNPC were given to understand that the approval requirement of the ODP by the National Development and Reform Commission (“NDRC”) formerly imposed on the Kashi Project (being an oil and gas sino-foreign cooperation) will be relaxed. The cancellation of ODP approval requirement was formally announced by the State Council of the PRC under its circular No.6 of 2019 (國發[2019]6號) on 27 February 2019. Before the announcement by the State Council, the development period of any oil/gas field will start from the date of the completion of the ODP, which comprises a formal development engineering plan, backed up by survey results and relevant studies, together with a full economic analysis and time schedule of the development operations. Under the new regime, the ODP approval is no longer required and will be replaced by a filing system. We are still waiting to see the implementation procedures regarding the new ODP filing system. The directors expect the progress of Kashi Project will be expedited by the new procedures, and the development period should start immediately after the ODP finalisation and filing.

### **The Status of Gas Sales Agreements**

As at 31 December 2018, the directors are still negotiating the Gas Sales Agreements (“GSA”) with CNPC and expect that the negotiation will finalise and proceed to the signing of the formal GSA in the year 2019. The terms of the GSA include the quantity of volume commitments, gas quality, price terms, delivery obligations and delivery point, etc. As at the date of this annual report, most of the commercial terms of the GSA have reached the stage of in-principle consensus. Although the GSA has not been signed up to the date of this annual report, China Era has reached in-principle consensus with CNPC on the volume and price of the natural gas pilot production since project commencement up to 31 December 2018. China Era recorded revenue of approximately HK\$466,880,000 during the year ended 31 December 2018. Up to the date of this annual report, the Group has received settlement from CNPC in the amount of approximately HK\$83,449,000 and the directors of the Company expect that CNPC will settle the remaining account receivables within the year of 2019.

### **總體開發方案之情況**

於二零一八年十二月，總體開發方案(「總體開發方案」)已獲中國石油集團內部批准，並進入落實階段。年內，據本公司與中國石油集團了解，國家發展和改革委員會(「發改委」)原對喀什項目(即油氣中外合作項目)實施的總體開發方案審批要求將會放寬。於二零一九年二月二十七日，中國國務院根據二零一九年第6號通知(國發[2019]6號)正式宣佈取消總體開發方案審批要求。在國務院作出此項公佈前，任何油氣田的開發期將由總體開發方案完成之日起開始，該方案包括以調查結果和相關研究作依據的正式發展工程計劃，以及完整的經濟分析和開發工程的運作時間表。在新制度下，不再需要總體開發方案審批，其將被一個備案機制取代。我們尚在等待頒佈有關新總體開發方案備案機制之實施程序。董事預期新程序將有助加快喀什項目的進度，並將於完成總體開發方案並進行備案後立即進入開發階段。

### **售氣協議之情況**

於二零一八年十二月三十一日，董事與中國石油天然氣集團公司仍在就售氣協議(「售氣協議」)進行磋商，預期將於二零一九年完成磋商及進而簽訂正式售氣協議。售氣協議條款包括數量承諾、天然氣質素、價格條款、交付責任及交付點等。於本年報日期，大部份售氣協議之商業條款原則上已達成共識。儘管直至本年報日期尚未簽訂售氣協議，中國年代與中國石油集團已在原則上就自項目開始以來直至二零一八年十二月三十一日之天然氣試生產產量和價格達成共識。截至二零一八年十二月三十一日止年度內，中國年代錄得收益約466,880,000港元。截至本年報日期，本集團已收到中國石油集團結算約83,449,000港元，且本公司董事預期中國石油集團將在二零一九年內結清餘下應收賬款。

### Segment Performance

During the year, this operation together with the natural gas distribution operation in Karamany, Xinjiang contributes revenue of approximately HK\$477,784,000 (2017: HK\$12,630,000) and the segment profit before income tax was approximately HK\$163,523,000 (2017: loss before income tax HK\$216,136,000). Impairment losses on intangible assets and exploration and evaluation assets in the amounts of HK\$95,000,000 (2017: HK\$162,000,000) and HK\$36,000,000 (2017: HK\$39,000,000) respectively were recognised during the current year, as the carrying amounts of the intangible assets and exploration and evaluation assets of the Kashi Project exceeds the recoverable amount which was determined with reference to the valuation report produced by APAC Asset Valuation and Consulting Limited ("APAC"), an independent valuer.

The results of operations in exploration, production and distribution of natural gas segment and costs incurred for exploration and evaluation assets acquisition and exploration activities are shown as below:

(a) *Results of operations in exploration, production, and distribution of natural gas segment*

Revenue	收益	
Cost of inventories sold	已售存貨成本	
Other income	其他收入	
Selling and distribution expenses	銷售及分銷開支	
Operating expenses	經營開支	
Depreciation	折舊	
Impairment of exploration and evaluation assets	勘探及評估資產減值	
Impairment and amortisation of intangible assets	無形資產減值及攤銷	
Impairment of goodwill	商譽減值	
Finance cost	融資成本	
Results of operations before income tax	除所得稅前經營業績	

### 分部表現

年內，本業務及新疆克拉瑪依天然氣分銷業務貢獻收益約477,784,000港元(二零一七年：12,630,000港元)，而年內分部除所得稅前溢利約為163,523,000港元(二零一七年：除所得稅前虧損216,136,000港元)。由於無形資產及勘探及評估資產之賬面值超過其可收回金額，本年度已確認喀什項目的無形資產及勘探及評估資產減值虧損分別為95,000,000港元(二零一七年：162,000,000港元)及36,000,000港元(二零一七年：39,000,000港元)，而可收回金額乃參考獨立估值師亞太資產評估及顧問有限公司(「亞太」)編製之估值報告釐定。

天然氣勘探、生產及分銷分部之經營業績，以及勘探及評估資產收購及勘探活動產生之成本載列如下：

(a) *天然氣勘探、生產及分銷分部之經營業績*

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	477,784	12,630
Cost of inventories sold	(6,466)	(6,793)
Other income	368	147
Selling and distribution expenses	(24,520)	-
Operating expenses	(28,737)	(12,083)
Depreciation	(3,532)	(2,485)
Impairment of exploration and evaluation assets	(36,000)	(39,000)
Impairment and amortisation of intangible assets	(212,727)	(162,000)
Impairment of goodwill	(1,151)	(6,000)
Finance cost	(1,496)	(552)
Results of operations before income tax	163,523	(216,136)



# CEO's Statement and Management Discussion and Analysis

## 行政總裁報告與管理層討論及分析

(b) *Costs incurred for exploration and evaluation assets acquisitions and exploration activities*

(b) 勘探及評估資產收購及勘探活動產生之成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Exploration cost	勘探成本	<u>162,326</u>	<u>–</u>

### Information of Gross Contingent Resources on Oil and Gas Field

### 油氣田後備資源總量的資料

The reserve evaluation was conducted in accordance with Petroleum Resources Management system, an internationally recognised reserve standards and guideline, the details of information were set out in the Appendix V of Competent Person's Report to the Company's circular dated 3 December 2010. There is no material change of assumption as compared with previous disclosed in the Competent Person's Report, except for the delay in the production schedules due to the delay in the ODP finalisation and the signing of the GSA.

儲備評估乃根據石油資源管理系統(國際認可儲備標準及指引)作出，有關資料詳情載於本公司日期為二零一零年十二月三日之通函附錄五的合資格人士之報告。相比先前於合資格人士之報告的披露，除生產時間表因落實總體開發方案及簽署售氣協議而延後外，假設方面概無重大改變。

The following table summarised the estimates of Group's 49% net entitlement interests of the gross contingent resources in the Petroleum Contract:

下表概述石油合約中本集團佔後備資源總量的49%淨所有權權益的估計數字：

		Oil 石油 (Mbbbl) (千桶)	Natural gas 天然氣 (MMm <sup>3</sup> ) (百萬立方米)
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	47.4	11,453
Pilot-production activity during the year	年內之試產活動	–	(120)
As at 31 December 2018	於二零一八年十二月三十一日	<u>47.4</u>	<u>11,333</u>

These contingent resources are quantities of oil and gas estimated, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. The risks associated with these contingent resources included the following matters: (i) there being no definitive GSA; (ii) the ODP having yet to be filed; and (iii) the field being situated in a remote location.

該等後備資源為預計基於進行開發項目在已知儲量的潛在開採量估計所得的石油及天然氣數量，但目前由於一項或以上的或然因素而不被視為可進行商業性開採。有關該等後備資源之風險包括以下事項：(i)缺乏具體售氣協議；(ii)尚未就總體開發方案作出備案；及(iii)油／氣田位於偏遠地區。

### Sales of Food and Beverages Business

The Group did not record any revenue from the sales of food and beverages business segment in 2018 and 2017. The segment loss before tax was approximately HK\$1,990,000 (2017: HK\$1,939,000). No revenue was recorded during the year, mainly due to the Group's intention to reduce reliance on sales of food and beverage. We will continue to keep track of the economic environment and review the future allocation of resource as and when required.

### Money Lending Business

During the year, the Group generated revenue from the money lending business operated by its indirect wholly owned subsidiary, Zhong Neng Finance Ltd., a licensed money lender under the Money Lenders Ordinance (Cap.163, Laws of Hong Kong) of approximately HK\$5,000 (2017: HK\$409,000). The segment loss before tax was approximately HK\$241,000 (2017: profit before tax of HK\$207,000). The Group continued to adopt a stringent credit policy to mitigate the credit risk arising from the money lending business, resulting in a decrease in the revenue when compared to last year.

## Financial Review

### Liquidity, Financial Resources and Capital Structure

As at 31 December 2018, the Group had outstanding secured bank borrowings of approximately HK\$65,931,000 (2017: Nil). The cash and cash equivalents of the Group were approximately HK\$68,084,000 (2017: HK\$171,926,000). The Group's current ratio (current assets to current liabilities) was approximately 109.6% (2017: 55.7%). The ratio of total liabilities to total assets of the Group was approximately 32.2% (2017: 27.6%).

As at 31 December 2018, the Company has outstanding convertible notes with the principal amount of HK\$679,670,000. These convertible notes are due in 2041, does not carry any interest but carry the right to convert the principal amount into a maximum of 4,045,654,761 ordinary shares of the Company (assuming the exercise in full) at the conversion price of HK\$0.168 per share (subject to adjustments). During the year, no convertible note was converted to ordinary shares of the Company.

### 銷售食品及飲料業務

於二零一八年及二零一七年，本集團並無自銷售食品及飲料業務分部錄得任何收益。除稅前分部虧損約為1,990,000港元(二零一七年：1,939,000港元)。本年度內並無錄得收益，主要原因為本集團擬減少對銷售食品及飲料的依賴。本集團將繼續觀察經濟環境，並於必要時檢討未來的資源分配。

### 放債業務

於本年度，本集團透過其間接全資附屬公司中能財務有限公司所營運的放債業務產生收益約5,000港元(二零一七年：409,000港元)，該公司為根據香港法例第163章《放債人條例》註冊之持牌放債人。除稅前分部虧損為約241,000港元(二零一七年：除稅前溢利207,000港元)。本集團繼續採納嚴格信貸政策以減輕放債業務產生的信貸風險，導致收益較上一年度減少。

## 財務回顧

### 流動資金、財務資源及資本架構

於二零一八年十二月三十一日，本集團有尚未償還有抵押銀行借貸約65,931,000港元(二零一七年：無)。本集團之現金及等同現金約為68,084,000港元(二零一七年：171,926,000港元)。本集團之流動比率(流動資產比流動負債)約為109.6%(二零一七年：55.7%)。本集團總負債與總資產之比率約為32.2%(二零一七年：27.6%)。

於二零一八年十二月三十一日，本公司有本金額為679,670,000港元之未償還可換股票據。該等可換股票據於二零四一年到期，為不計息，惟附有權利可將本金額按兌換價每股0.168港元(可予調整)兌換為最多4,045,654,761股本公司普通股(假設獲悉數行使)。年內並無可換股票據兌換為本公司普通股。

In June 2015, the Group commenced legal actions against the holder(s) of the convertible notes but in May 2018, a Consent Order was granted by the Cayman Court regarding the discontinuation of the litigation, as disclosed in the section headed "Litigation" in this annual report.

### Charge of Assets

Account receivables in the amount of approximately HK\$439,596,000 as at 31 December 2018 were pledged as security for bank borrowings (2017: Nil).

### Exchange Exposure

The Group mainly operates in Hong Kong and PRC and the exposure in exchange rate risks mainly arises from fluctuations in the HK dollar and Renminbi exchange rates. Exchange rate fluctuations and market trends have always been the concern of the Group. The policy of the Group for its operating entities operates in their corresponding local currencies to minimise currency risks. The Group, after reviewing its exposure for the time being, did not enter into any derivative contracts aimed at minimising exchange rate risks during the year. However, management will monitor foreign currency exposure and will consider hedging significant foreign currency exposure if necessary.

### Capital Commitments

The Group had capital commitments of approximately HK\$104,834,000 and HK\$118,650,000 as at 31 December 2018 (2017: HK\$141,254,000 and HK\$123,900,000) in respect of exploration and evaluation expenditure and capital contributions in a subsidiary respectively.

### Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2018 and 2017.

### Employee Information

As at 31 December 2018, the Group had a total workforce of 41 (2017: 35). The Group remunerates its employees based on their work performance, working experiences, professional qualifications and the prevailing market practice.

於二零一五年六月，本集團向可換股票據之持有人開展法律訴訟，惟於二零一八年五月，開曼法院已就終止訴訟發出同意令，詳情載於本年報「訴訟」一節。

### 資產抵押

於二零一八年十二月三十一日，約439,596,000港元的應收賬款已抵押為銀行借款之擔保（二零一七年：無）。

### 外匯風險

本集團的主要營運地區為香港和中國，其面對的匯兌風險主要來自港元及人民幣匯率的波動。匯率波幅及市場動向一向深受本集團關注。本集團的一貫政策是讓經營實體以其相關地區貨幣經營業務，盡量降低貨幣風險。在檢討當前承受的風險水平後，本集團年內並無為降低匯兌風險而訂立任何衍生工具合約。然而，管理層將密切留意外幣風險，必要時會考慮對沖重大外幣風險。

### 資本承擔

於二零一八年十二月三十一日，本集團就勘探及評估開支以及對一間附屬公司之注資分別有資本承擔約104,834,000港元及118,650,000港元（二零一七年：141,254,000港元及123,900,000港元）。

### 或然負債

於二零一八年及二零一七年十二月三十一日，本集團並無任何重大或然負債。

### 僱員資料

於二零一八年十二月三十一日，本集團共有41名（二零一七年：35名）員工。本集團僱員之薪酬與彼等之工作表現、工作經驗、專業資格及現行市場慣例掛鉤。

### ADDITIONAL DISCLOSURE REGARDING THE MODIFIED OPINION AND IMPAIRMENT TESTING

#### Revenue Recognition of Kashi Project

The revenue of HK\$477,784,000 recorded for the year ended 31 December 2018 comprised: (a) the revenue from Kashi Project in the amount of approximately HK\$466,880,000; and (b) the revenue from the Group's Karamay pipelined gas project in the amount of approximately HK\$10,904,000.

The revenue of HK\$466,880,000 recognised in the Group's results for the year ended 31 December 2018 relates to the sales of natural gas by the Group's Kashi Project to CNPC during the period since 2009 up to the year ended 31 December 2018. During the year 2018, the revenue of gas sales of Kashi Project was recognised by the Group because the volume and unit price of gas sales and the allocation of value-added tax (VAT), operating cost and profit sharing were agreed, signed and acknowledged by the Group and CNPC Tarim Oil Field Company by way of natural gas allocation tables (the "**Natural Gas Allocation Tables**"). Based on the legal advice obtained by the Company from its PRC legal advisers, these Natural Gas Allocation Tables, when read together with the records and minutes of various meetings held between the Group and CNPC during the year 2018, the Petroleum Contract dated 22 December 2008 and the 1st Supplemental Contract dated 6 December 2017, should have conferred legally-enforceable right to the Group regarding the profit sharing of Kashi Project under the Petroleum Contract between 2009 and 2018. For this reason, the Company formed the view that revenue on the project should now be recognised.

Regarding the cash settlement by CNPC of the profit sharing entitlement of the Group, CNPC has already settled the entire preliminary profit sharing of 2018 gas sales either in cash or by offsetting of payables owed to CNPC. Regarding the cash settlement on profit sharing between 2009 and 2017, the Company was given to understand that payment would be made upon the signing of a second supplemental and amendment contract to the Petroleum Contract (the "**2nd Supplement Contract**") which is expected to take place in 2019.

### 有關經修訂意見及減值測試之額外披露

#### 確認喀什項目之收益

截至二零一八年十二月三十一日止年度錄得之收益477,784,000港元包括：(a)來自喀什項目之收益約466,880,000港元；及(b)來自本集團克拉瑪依管道天然氣項目之收益約10,904,000港元。

本集團截至二零一八年十二月三十一日止年度之業績內，已確認有關自二零零九年起至截至二零一八年十二月三十一日止年度期間本集團喀什項目對中國石油集團之天然氣銷售收益466,880,000港元。於二零一八年，本集團確認喀什項目之天然氣銷售收益，乃由於本集團及中國石油集團塔里木油田分公司透過天然氣分配表（「**天然氣分配表**」）同意、簽署及確認天然氣銷售數量及單位價格以及增值稅、經營成本及溢利分成之分配所致。根據本公司，向其中國法律顧問取得的法律意見，該等天然氣分配表與本集團及中國石油集團於二零一八年舉行之各會議的記錄和紀要、日期為二零零八年十二月二十二日的石油合約及日期為二零一七年十二月六日的第一份補充合約一併閱讀時，將會賦予本集團就於二零零九年及二零一八年根據石油合約分佔喀什項目之溢利之合法強制執行權利。基於此理由，本公司認為應即時確認該項目之收益。

就中國石油集團以現金結算本集團溢利分成的權利而言，中國石油集團已以現金或抵銷結欠中國石油集團之應付款項之方式結算二零一八年天然氣銷售之全部初步溢利分成。就以現金結算二零零九年及二零一七年的溢利分成而言，本公司了解到，將於簽訂石油合約的第二份補充及修訂協議（「**第二份補充協議**」）後（預期於二零一九年內簽訂）作出付款。

During the audit, the auditors requested the Company to provide the properly executed agreements (i.e. the finalised and signed 2nd Supplemental Contract and GSA) as audit evidence, which the Company cannot provide because they are still under negotiation and have yet to be signed. Based on the Company's understanding, because the Company cannot produce the finalised and signed 2nd Supplemental Contract and the GSA, we cannot satisfy the auditors beyond doubt that the gas sales and profit sharing figures are free from any subsequent adjustments. Although the management cannot provide evidence to address the auditor's concern, we took the view that the risk of subsequent adjustment of gas sales and profit sharing figures is insignificant, principally due to the existence of the Natural Gas Allocation Tables and the actual cash payment of the 2018 profit sharing proceeds by CNPC.

### Impairment of Intangible Assets and Exploration and Evaluation Assets

During the audit, the recoverable amounts of the intangible assets and the exploration and evaluation assets relating to Kashi Project (the "Kashi Project Assets") were determined by the Directors based on value-in-use calculations, which involved the making of certain assumptions in preparing cash flows projections for the cash generating unit including, amongst other factors, (a) the submission of the ODP before 31 December 2019; (b) the commencement of the development stage and commercial production of the oil and natural gas field after the submission of the ODP; and (c) payment by CNPC of the sales of natural gas from 2009 to 2017 before 31 December 2019.

As explained above, payment of the profit sharing of gas sales proceeds from 2009 to 2017 is expected to take place in 2019 when the 2nd Supplemental Contract is finalised and signed in due course. The ODP approval requirement was formally abolished pursuant to State Council of the PRC under its circular No. 6 of 2019 (國發[2019]6號) issued in February 2019 and we are still waiting for the implementation procedures of the new filing system. That having said, the Company is of the view that these assumptions are reasonable due to the latest positive development, namely: (a) the actual cash payment by CNPC of the profit sharing of gas sales proceeds from 2009 to 2017; and (b) while the implementation procedures of ODP filing is yet to be published, the Company has reviewed the wordings of State Council Circular No.6 of 2019 and it is clearly stated that the approval requirement is being relaxed and the filing power is delegated to lower-level authority, meaning that the new filing system is going to make the project faster and easier rather than the other way round.

於核數過程中，核數師要求本公司提供正式簽訂合同（即已落實及簽署之第二份補充協議及售氣協議）作審核憑證，而由於該等協議尚在磋商中及尚未簽署，本公司無法提供該等協議。據本公司理解，由於本公司無法出具已落實及簽署的第二份補充協議及售氣協議，我們未能釋除核數師對天然氣銷售及溢利分成數據其後毋須作出任何調整的疑慮。儘管管理層無法提供憑證以釋除核數師之疑慮，我們認為天然氣銷售及溢利分成數據作出其後調整的風險微乎其微，主要由於天然氣分配表的存在及從中國石油集團收取的二零一八年溢利分成所得款項之實際現金付款所致。

### 無形資產以及勘探及評估資產減值

於核數中，有關喀什項目之無形資產以及勘探及評估資產（「喀什項目資產」）的可收回金額乃由董事根據使用價值計算法釐定，當中涉及在編製現金產生單位之現金流量預測時作出若干假設，包括（其中包括）(a) 於二零一九年十二月三十一日前提交總體開發方案；(b) 石油及天然氣田於提交總體開發方案後開始開發階段及商業生產；及(c) 中國石油集團於二零一九年十二月三十一日前支付二零零九年至二零一七年的天然氣銷售款項。

誠如上文所闡述，二零零九年至二零一七年天然氣銷售所得款項之溢利分成預期於落實及簽訂第二份補充協議時在二零一九年適時支付。根據中國國務院於二零一九年二月頒佈的二零一九年第六號通知（國發[2019]6號），總體開發方案審批要求已獲正式廢除，而我們尚在等待新備案機制之實施程序。儘管如此，由於最近的正面發展，即：(a) 中國石油集團就二零零九年至二零一七年天然氣銷售所得款項之溢利分成支付之實際現金款項；及(b) 儘管總體開發方案備案之實施程序尚未頒佈，但本公司已審閱國務院二零一九年第六號通知之措辭，當中清楚列明審批要求會被放寬及備案權力將下放至下級機關，意味著新備案機制將使該項目審批更快更容易，而非更慢更難，因此本公司認為該等假設誠屬合理。

During the audit, the auditors requested the Company to provide the properly executed agreements (i.e. the finalised and signed 2nd Supplemental Contract and GSA) and the details of new ODP filing procedures, which the Company cannot provide. Based on the Company's understanding, because the Company cannot produce the finalised and signed 2nd Supplemental Contract, the GSA and the details of new ODP filing procedures, we cannot satisfy the auditors beyond doubt that the estimated future selling price and estimated volume of gas to be extracted were reasonable and the ODP would be submitted to the relevant government authority before 31 December 2019, and the development stage and the commercial production of the project can start after the submission of the ODP. Although the management cannot provide evidence to address the auditor's concern, we took the view that that the risk of the project ultimately being incapable of being put to commercial production is insignificant, principally due to the negotiation progress on the 2nd Supplemental Contract and the GSA and the wordings of the State Council Circular No. 6 of 2019.

### Further details regarding the impairment losses on Kashi Project Assets

The impairment of the carrying value of Kashi Project Assets was principally due to the adjustment of gas sales price from RMB1.094 to RMB0.9856 per cubic meter (being the latest gas unit price agreed with the Group's customer) and the adjustment in capital expenditure budget in the latest draft of ODP. The management made assumptions including the timing and development plan of the latest ODP (including the capital expenditure for additional wells and related facilities), commercial production and signing of GSA, future gas prices, production costs (fixed and variable) and production volume forecast (based on the Group's previous estimation on the natural gas resources of the Kashi field).

Except for the change in post-tax discount rate from 18% (equivalent to pre-tax discount rate of 23.1%) in 2017 to 16% (equivalent to pre-tax discount rate of 19.5%) in 2018, the adjustment of gas unit price from RMB1.094 to RMB0.9856 per cubic meter as explained above and the adjustment of capital expenditure budget from US\$74.0 million to US\$92.6 million as explained above, there were no other significant changes in the value of the inputs and assumptions used in the valuation as compared to those previously adopted. The change in discount rate was mainly due to the decrease in firm specific risk factors from 10.67% to 7.67% resulting from the significant progress made by the Kashi Project during the year.

於核數中，核數師要求本公司提供正式簽訂協議（即已落實及簽署之第二份補充協議及售氣協議）及新總體開發方案備案程序詳情，惟本公司無法提供。據本公司理解，由於本公司無法提供經已落實及簽署之第二份補充協議、售氣協議及新總體開發方案之詳細備案程序，我們未能釋除核數師對項目之未來銷售價格及天然氣提取數量之估算是否合理、總體開發方案能否在二零一九年十二月三十一日前提交予相關政府機關以及能否在提交總體開發方案後開始開發階段及商業生產的疑慮。儘管管理層無法提供憑證以釋除核數師之疑慮，我們認為該項目最終無法投入商業生產的風險微乎其微，主要是由於第二份補充協議及售氣協議之磋商過程以及國務院二零一九年第6號通知之措辭所致。

### 有關喀什項目資產減值虧損之進一步詳情

喀什項目資產之賬面值減值乃主要由於售氣價格由每立方米人民幣1.094元調整至人民幣0.9856元（即與本集團客戶協定之最新天然氣單位價格）及於最新之總體開發方案草稿中調整資本開支預算所致。管理層對最新總體開發方案之時間及開發計劃（包括額外井口及相關設施之資本開支）、商業生產及簽署售氣協議、未來天然氣價格、生產成本（固定及可變）及生產量預測（根據本集團之前對喀什油田天然氣資源之估計計算）等作出假設。

除稅後貼現率由二零一七年的18%（相等於除稅前貼現率23.1%）變動至二零一八年的16%（相等於除稅前貼現率19.5%）、如上文所闡釋天然氣單位價格由每立方米人民幣1.094元調整至人民幣0.9856元及如上文所闡釋資本開支預算由74,000,000美元調整至92,600,000美元外，輸入數據的價值及於估值中使用之假設與之前所採納者相比並無其他重大變動。貼現率之變動乃主要由於因年內喀什項目取得重大進展，而企業特定風險因素由10.67%減少至7.67%所致。

In arriving at the fair value, the valuer has considered three generally accepted approaches, namely, market approach, cost approach and income approach. Since market approach is not appropriate (as no similar transactions in the public market can be identified as comparable transaction) and cost approach is not appropriate (as it ignores the economic benefits of the ownership of the business), the valuer has adopted income approach — discounted cash flow method to assess the fair value of the project. A discount on lack of marketability (DLOM) of 30% was applied in the fair value assessment, which is in line with market practice. In compliance with HKAS 36 Impairment of Assets, during an impairment testing of assets (other than financial assets), the recoverable amount should be the greater of (i) the fair value less costs of disposal, and (ii) the value-in-use (VIU), which is based on the estimated future cash flows expected to be derived from the asset 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. Therefore, after assessing the fair value and VIU in the valuation report, the Company has used the VIU, being the higher of the two figures, in determining the recoverable value of the Kashi Project Assets.

### Going Concern Basis

The Company's net current asset/liabilities position has greatly improved from net current liabilities of HK\$258,872,000 as at 31 December 2017 to net current asset of HK\$52,830,000 as at 31 December 2018. The Company has therefore prepared its financial statements on a going concern basis on the assumptions that: (i) CNPC will make payment of the profit sharing proceeds between 2009 and 2017 before 31 December 2019; and (ii) the Group will be able to successfully persuade its contractors not to insist on repayment of the construction cost payables before the Company receives the profit sharing proceeds from CNPC.

於達致公平值時，估值師曾考慮三種公認方法，即市場法、成本法及收入法。由於市場法並不適合（由於在公開市場上並無可識別為可資比較交易之類似交易），而成本法亦不適合（因其忽略業務擁有權之經濟利益），故估值師已採納收入法 — 貼現現金流量法以評估該項目之公平價值。於公平價值評估中應用之缺乏市場流通性貼現(DLOM)30%乃符合市場慣例。根據香港會計準則第36號資產減值，於資產（金融資產除外）減值測試時，可收回金額應為(i)公平價值減出售成本；及(ii)使用價值(VIU)（以較高者為準），而使用價值乃根據預期來自資產的估計未來現金流量，採用稅前貼現率（以反映貨幣時間價值及資產特定風險的當前市場評估），貼現至其現值。因此，於估值報告評估公平價值及使用價值後，本公司於釐定喀什項目資產之可收回價值時已使用使用價值（即兩個數據中之較高者）。

### 持續經營基準

本公司之淨流動資產／負債狀況已自二零一七年十二月三十一日之流動負債淨額258,872,000港元大幅改善至二零一八年十二月三十一日之流動資產淨值52,830,000港元。因此，本公司按持續經營基準編製其財務報表，當中假設：(i) 中國石油集團將在二零一九年十二月三十一日前支付二零零九年至二零一七年期間的溢利分成所得款項；及(ii)本集團將能成功說服其承建商於本公司從中國石油集團接獲溢利分成所得款項前，不堅持要求償還應付建築費用。

During the audit, the auditors requested the Company to provide the properly executed agreements (i.e. the finalised and signed 2nd Supplemental Contract and GSA) and written confirmations from contractors not to demand repayment of the construction cost payables before the Company receives the proceeds from CNPC, as audit evidence which the Company cannot provide. Based on the Company's understanding, because the Company cannot produce these requested evidence, we cannot satisfy the auditors beyond doubt that CNPC will make payment of the profit sharing proceeds between 2009 and 2017 before 31 December 2019 and the Group will be able to successfully persuade its contractors not to insist on repayment of the construction cost payables before the Company receives the profit sharing proceeds from CNPC. Although the management cannot provide evidence to address the auditor's concern, we took the view that CNPC will make the profit sharing proceeds in 2019 and the contractors will not to insist on repayment of the construction cost payables before the Company receives the profit sharing proceeds from CNPC principally due to the negotiation progress of the 2nd Supplemental Contract and the GSA and the relationship between the contractors and CNPC.

### The Audit Committee's view

During the audit process, the audit committee discussed with the management during which the management presented the financial highlights and conveyed the key audit matters expressed by the auditors including the audit modifications. After considering the circumstances surrounding the audit modification and the management's presentation, the audit committee concurred with the management's judgments regarding revenue recognition of Kashi Project, the valuation of the Kashi Project Assets and the going concern basis of the financial statements.

### Action plan to remove audit modification

In 2019, the Directors will continue to make efforts to follow up with the signing of the 2nd Supplemental Contract and the GSA, the ODP filing and the settlement of the profit sharing proceeds on the project from 2009 to 2017, and to continue to negotiate with banks and other financiers, financial institutions and potentially interested investors with the view to obtaining new funding whether by way of equity or debt financing. Once the ODP is filed for record as required, the 2nd Supplemental Contract and the GSA signed and the 2009 to 2017 profit sharing proceeds from CNPC are received within 2019 as expected by management, the Company expects that any perceived uncertainties on the audit modifications could be addressed by the end of year 2019.

於核數中，核數師已要求本公司提供正式簽訂協議（即已落實及簽署之第二份補充協議及售氣協議）以及承建商不要求於本公司從中國石油集團接獲所得款項前償還應付建築費用之書面確認作為審核憑證，惟本公司無法提供。據本公司理解，由於本公司無法出具該等所要求之憑證，因此吾等無法釋除核數師對中國石油集團會否在二零一九年十二月三十一日前支付二零零九年至二零一七年之溢利分成所得款項及本集團能否成功說服其承建商於本公司從中國石油集團接獲溢利分成所得款項前，不堅持要求償還應付建築費用之疑慮。儘管管理層無法提供憑證以釋除核數師之疑慮，吾等認為中國石油集團會在二零一九年支付溢利分成所得款項及於本公司從中國石油集團接獲溢利分成所得款項前，承建商不會堅持要求償還應付建築費用，主要乃由於第二份補充協議及售氣協議之磋商過程以及承建商與中國石油集團之關係所致。

### 審核委員會之意見

於核數過程中，審核委員會與管理層已進行討論，期間管理層已呈列財務摘要及傳達核數師所提出之關鍵審核事項，包括審核修訂。經考慮審核修訂之情況及管理層呈列之資料後，審核委員會同意管理層對有關喀什項目收益確認、喀什項目資產之估值及財務報表之持續經營基準之判斷。

### 移除審核修訂之行動計劃

於二零一九年，董事將繼續努力跟進有關簽訂第二份補充協議及售氣協議、總體開發方案備案及結算二零零九年至二零一七年的項目溢利分成所得款項之工作，及將繼續與銀行及其他金融界人士、金融機構及潛在有意投資者進行磋商，以透過股權融資或債務融資獲取新資金。一旦就總體開發方案按要求作出備案記錄、簽訂第二份補充協議及售氣協議，以及如管理層預期般於二零一九年內自中國石油集團收取二零零九年至二零一七年之溢利分成所得款項，則本公司預期將可於二零一九年年底前移除任何被視為審核修訂不確定性之因素。



### EVENTS AFTER THE REPORTING PERIOD

On 20 March 2019, the Group entered into a loan agreement (the "Loan Agreement") with the controller of a substantial shareholder of the Company (the "Lender") regarding the continual provision of a loan facility of up to HK\$45 million by the Lender to the Company a 5% per annum, 3-year loan facility. Under the Loan Agreement, interest shall start to accrue with effect from 1 January 2019, and the Lender reserves the overriding right to demand early repayment.

The Lender, being the controller of a substantial shareholder of the Company, is a connected person of the Company as defined under the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Directors (including the independent non-executive Directors) noted that the terms of the Loan Agreement were determined after arm's length negotiations between the Company and the Lender and are of the view that the terms of the Loan Agreement are normal commercial terms or better from the Company's perspective, are fair and reasonable and in the interests of the Group and substantial shareholder as a whole. Accordingly, the Loan Agreement is fully exempt from all disclosure, annual review, circular and shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

### PROSPECTS

#### Exploration, Production and Distribution of Natural Gas

Subsequent to the signing of the Supplemental Contract to extend the exploration period and the settlement of the Litigation with the vendors of Kashi Project, significant progresses were made on Kashi Project during the first half of 2018, including the obtaining of a new RMB100 million banking facilities secured by the account receivable under the Petroleum Contract, the final preparation of the ODP filing and the final negotiation of GSA. Further details of the business update on the Kashi Project are disclosed in the Company's announcement dated 23 August 2018. In December 2018, the ODP was approved by CNPC internally.

### 報告期後事項

於二零一九年三月二十日，本集團與本公司一名主要股東的控制人（「貸款方」）就貸款方向本公司持續提供一筆上限為45,000,000港元的貸款融資訂立貸款協議（「貸款協議」），該貸款融資為年利率5%的3年期貸款融資。根據貸款協議，自二零一九年一月一日起開始計息，而貸款方保留凌駕性權利可要求提早還款。

貸款方（即本公司一名主要股東的控制人）為本公司之關連人士（定義見香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」））。董事（包括獨立非執行董事）注意到貸款協議之條款乃經本公司及貸款方公平磋商後釐定，並認為就本公司而言，貸款協議之條款乃按一般商業條款或更佳的條款訂立，屬公平合理且符合本集團及主要股東的整體利益。因此，貸款協議獲全面豁免遵守上市規則第14A.90條項下的所有披露、年度審閱、通函及股東批准規定。

### 展望

#### 天然氣勘探、生產及分銷

隨著簽署補充協議以延長勘探期及與喀什項目賣方就訴訟達成和解後，喀什項目於二零一八年上半年取得重大進展，包括以石油合約項下的應收賬款作抵押獲銀行新授予金額為人民幣100,000,000元的融資、總體開發方案備案已進行至最後預備階段及售氣協議進行到最終談判階段。有關喀什項目業務更新的進一步詳情，已於本公司日期為二零一八年八月二十三日的公佈中披露。於二零一八年十二月，總體開發方案已獲中國石油集團內部批准。

The project details and key milestones for the Kashi Project were disclosed in the Company's circular dated 3 December 2010. In essence, the Petroleum Contract covers an exploration period of up to six years (which was already extended by CNPC pursuant to the Supplemental Contract), a development period and a production period. The development period shall commence on the date of ODP filing/approval and end on the date of the completion of the development operations required by the ODP to be completed during the development period. The end of the development period also signifies the commencement of the commercial production of the project and the commencement of the production period, which runs for fifteen years for an oil field and twenty years for a gas field (subject to extension with the approval of the government). Further announcement(s) will be made by the Company regarding the implementation timetable of such development operations as and when the ODP is submitted for filing and when there is any significant progress of the Kashi Project.

The Company's management will continue to follow up with CNPC with the view to expediting the ODP filing and GSA finalisation and signing thereby accelerating the commencement of commercial production of Kashi Project, and will continue to follow up with potential lenders and investors with the view to secure additional debt and/or equity funding to finance the further development of the project.

### Sales of Food and Beverages Business

The management has taken a cautious approach to manage the operations of the food and beverages segment. The Group will assess the value and performance of this segment from time to time, and continue to keep track of the economic environment and review the future allocation of resources as and when required.

### Money Lending Business

The Group established this new segment in the second half of 2015. The management will continue to look for high quality borrowers in order to minimise the risk of default. The management has taken a cautious approach in money lending business in view of the Group's current financial position.

喀什項目的詳情和主要里程碑已於本公司日期為二零一零年十二月三日的通函中披露。概括來說，石油合約涵蓋最多六年的勘探期（已根據補充協議經中國石油集團延長），以及開發期和生產期。開發期由總體開發方案備案／批准當日起開始，直至總體發展方案中所規定須於開發期內完成的開發工程的完工當日結束。開發期結束亦標誌著該項目商業生產和生產期的開始，油田的生產期為十五年，氣田的生產期則為二十年，兩者皆可由政府批准延長。本公司將於總體開發方案提交備案後及喀什項目取得重大進展時就該開發業務的實施時間表另行發出公佈。

本公司管理層將繼續與中國石油集團跟進，尋求加快總體開發方案備案進程和售氣協議的最終落實及簽訂，藉此加快喀什項目開始商業生產，同時亦將繼續與潛在貸款方及投資者跟進，尋求獲得額外債務及／或股本融資以撥資該項目之進一步發展。

### 銷售食品及飲料業務

管理層已採取審慎態度管理食品及飲料分部的營運。本集團會不時評估該分部的價值及業績，繼續觀察經濟環境並於必要時檢討未來的資源分配。

### 放債業務

本集團於二零一五年下半年建立此新分部。管理層將繼續尋覓高質素的借款方，以減少拖欠還款的風險。鑒於本集團目前的財務狀況，管理層已就放債業務採取審慎態度。

### Appreciation

Looking forward, we will continue our proven strategy of fostering opportunity for sustainable growth with the aim of enhancing return for our shareholders. Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to a team of devoted staff for their outstanding service and to our shareholders for your continued support.

### Zhao Guoqiang

*Chief Executive Officer & Executive Director*

Hong Kong, 29 March 2019

### 致謝

展望未來，本集團將繼續施行能促進可持續發展業務機會之既定策略，務求提升股東之回報。最後，本人謹此代表董事會，對熱誠投入為本集團服務之出色員工及股東之不斷支持致以衷心感謝。

### 趙國強

*行政總裁兼執行董事*

香港，二零一九年三月二十九日

### Executive Directors

**Mr. Zhao Guoqiang**, aged 61, joined the Company as an executive director in December 2009 and was elected as the chief executive officer on 29 December 2009. He graduated from his study for Physics at Qufu Normal University. He has nearly 35 years of working experience in exploration and exploitation of petroleum industry. He acted as senior engineer in Sinopec Shengli Oilfield Company (the “**Shengli Oilfield**”) and was awarded the Top-notch talent from China Petroleum & Chemical Shengli Oilfield. Mr. Zhao was appointed as an alternative director to Dr. Gu Quan Rong on 29 June 2015.

### Non-Executive Directors

**Dr. Gu Quan Rong**, aged 54, joined the Company as a non-executive director in September 2014. He obtained a bachelor degree and a post-doctoral degree in Organic Chemistry from Nanjing University in 1987 and 1996, respectively, and a doctorate degree in mineral processing from China University of Mining & Technology, Beijing in 1993. He is an expert in chemistry, energy, biodiesel and oil and gas. Between 1996 and now, he held the positions of Associate Professor, Professor and Vice Dean for Scientific Research in Nanjing University, and had been a Visiting Scholar in Wayne State University, United States and University of Regina, Canada and a Senior Research Fellow in University of Alberta, Canada. He had worked with leading oilfields in China such as Daqing Oilfield, Shengli Oilfield and Dagang Oilfield, and been the Chief Scientist of energy companies in North America.

**Ms. Ngan Mei Ying**, aged 37, joined the Company as a non-executive director in April 2017. She graduated from Lingnan University, Hong Kong in 2003 with a bachelor’s degree in accountancy. She is a fellow member of the Association of Chartered Certified Accountants and has over 10 years of professional experience of auditing in international audit firms and accounting experience in public listed companies. Ms. Ngan resigned as a non-executive director on 31 October 2018.

### 執行董事

**趙國強先生**，現年61歲，於二零零九年十二月加入本公司出任執行董事，並於二零零九年十二月二十九日獲選任為行政總裁。彼畢業於曲阜師範大學物理專業，在石油開採及勘探行業有近35年的工作經驗。彼曾在中國石化勝利油田公司（「**勝利油田**」）擔任高級工程師，並榮獲中國石化勝利油田技術拔尖人才稱號。於二零一五年六月二十九日，趙先生獲委任為顧全榮博士之替任董事。

### 非執行董事

**顧全榮博士**，54歲，於二零一四年九月加入本公司出任非執行董事。彼先後於一九八七年及一九九六年取得南京大學有機化學專業學士學位及博士後學位，並於一九九三年獲中國礦業大學（北京）頒授礦物加工博士學位。顧博士為化學、能源、生物柴油及油氣專家。自一九九六年至今，顧博士先後出任南京大學副教授、教授及科研處副院長，並為美國韋恩州立大學及加拿大里賈納大學客席學者以及加拿大阿爾伯塔大學高級研究員。彼曾於大慶油田、勝利油田及大港油田等中國領先油田工作，歷任北美多家能源公司之首席科學家。

**顏美瑩女士**，37歲，於二零一七年四月加入本公司為非執行董事。彼於二零零三年畢業於香港嶺南大學，獲頒會計學學士學位。彼為英國特許公認會計師公會資深會員，於國際會計師行累積逾十年專業審計經驗及於上市公司累積會計經驗。顏女士於二零一八年十月三十一日辭任非執行董事。

### Independent Non-executive Directors

**Mr. Zong Ketao**, aged 52, joined the Company as an independent non-executive director in July 2015. He is a lawyer qualified to practice law in the People's Republic of China (the "PRC"). He holds a master degree in law from University of International Business and Economics, China and a bachelor degree in law from Lanzhou University, China. He has extensive experience in litigation and arbitration, company law and laws relating to investment, finance, energy, mining and capital market. From 1989 to 2000, he joined Sinopec Shengli Oilfield Company Limited, an associate of China Petroleum & Chemical Corporation ("Sinopec"), as a member of their in-house legal department. From 2003 to 2004, he was appointed as the senior legal supervisor of another group company of Sinopec. Since 2005, he started his own private legal practice and joined various law firms in the PRC as a partner.

**Mr. Cheng Chun Ying**, aged 50, joined the Company as an independent non-executive director in January 2016. He is an associate member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Certified Practising Accountants Australia. He holds a master's degree in business law from Monash University, Australia and a bachelor's degree in commerce accounting from The Curtin University of Technology, Australia. He has extensive experience in finance and accounting, and has worked as financial controller in various private and public listed companies in Hong Kong, Singapore and the United States.

### 獨立非執行董事

宗科濤先生，52歲，於二零一五年七月加入本公司出任獨立非執行董事。彼為中華人民共和國（「中國」）之認可執業律師。彼持有中國對外經濟貿易大學法律碩士學位及中國蘭州大學法律學士學位。彼於訴訟與仲裁、公司法以及有關投資、金融、能源、礦業及資本市場之法律方面具備豐富經驗。於一九八九年至二零零零年，彼加入中國石油化工股份有限公司（「中國石化」）之聯營公司中國石化勝利油田有限公司，擔任其內部法律部門人員。自二零零三年至二零零四年，彼獲委任為中國石化另一集團公司之高級法務主管。自二零零五年起，彼展開其私人法律執業業務，與中國多間律師事務所結成夥伴。

鄭振鷹先生，50歲，於二零一六年一月加入本公司出任獨立非執行董事。彼為香港會計師公會會員及澳洲註冊執業會計師公會會員。彼持有澳洲蒙納許大學(Monash University)商業法碩士學位及澳洲科廷大學(The Curtin University of Technology)商務會計學士學位。彼於金融及會計方面擁有豐富經驗，曾於香港、新加坡及美國多間私人及公眾上市公司出任財務總監。

**Mr. Lee Man Tai**, aged 42, joined the Company as an independent non-executive director in January 2016. He graduated from Lingnan University, Hong Kong in 2000 with a bachelor's degree in business administration and obtained a master's degree in business administration in financial services from The Hong Kong Polytechnic University in 2010. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. He has over 17 years of professional experience in accounting and auditing. He worked in audit firms between 2000 and 2006, and has occupied the positions of chief financial officer, financial controller and company secretary of several listed companies in Hong Kong between 2006 and 2016. He is an independent non-executive director of Progressive Path Group Holdings Limited (Stock code: 1581) which is listed on the Stock Exchange. He is also a representative for type 1 and 6 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

李文泰先生，42歲，於二零一六年一月加入本公司出任獨立非執行董事。彼於二零零零年畢業於香港嶺南大學並取得工商管理學士學位，及於二零一零年取得香港理工大學工商管理(金融服務)碩士學位。彼為香港會計師公會資深會員及英國特許公認會計師公會資深會員。彼於會計及審計方面擁有逾17年專業經驗。彼於二零零零年至二零零六年間在多間審計師事務所任職，並於二零零六年至二零一六年在香港多間上市公司出任首席財務官、財務總監及公司秘書。彼為進昇集團控股有限公司(股份代號：1581)的獨立非執行董事，該公司於聯交所上市。根據香港法例第571章證券及期貨條例，彼亦為第1類及第6類受規管活動的代表。

### Overview

The Company is committed to maintain good corporate governance standard and procedures. The Board recognizes the importance of and benefit from good corporate governance practices. We believe that improvement in corporate governance not only assists the Company in effective supervision and control on its business operation, but also attracts investment from international institutional investors, thereby creating and enhancing shareholder value.

#### 1. Corporate Governance Practices

The Stock Exchange has promulgated the code provisions on Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules (the “**CG Code**”). Throughout the year ended 31 December 2018, the Group has complied itself with all CG Code except for the following:

- (a) In relation to A.2.1 of the CG Code, the roles of chairman and Chief Executive Officer (the “**CEO**”) should be separate and should not be performed by the same individual and the division of responsibilities between the chairman and CEO should be clearly established and set out in writing. During the year, Mr. Zhao Guoqiang is the CEO of the Company. During the year, the position of chairman is vacated and the Board intends to identify satisfiable candidate to fill the vacancy.
- (b) In relation to E.1.2 of the CG Code, the chairman of the Board should attend the the annual general meeting (the “**AGM**”) to answer questions raised up in the meeting. During the year, the position of chairman is vacated, but other Directors and members of the audit committee were present at the AGM to answer questions from Shareholders.

### 概覽

本公司致力維持良好之企業管治水平及程序。董事會確認良好企業管治守則之重要性及成效。我們相信提高企業管治不單有助本公司有效監督及控制其業務運作，亦可吸引國際機構投資者，為股東締造更大價值。

#### 1. 企業管治常規

聯交所已公佈上市規則附錄十四所載《企業管治守則及企業管治報告》(「**企業管治守則**」)的守則條文。於截至二零一八年十二月三十一日止年度，本集團一直遵守全部企業管治守則，惟下列各項除外：

- (a) 根據企業管治守則第A.2.1條，主席及行政總裁(「**行政總裁**」)之角色應予以區分並不應由同一人擔任，以及主席及行政總裁之職責應以書面清楚界定。年內，趙國強先生擔任本公司行政總裁。年內，主席一職懸空，董事會有意物色合適的人選以填補空缺。
- (b) 根據企業管治守則第E.1.2條，董事會主席應出席股東週年大會(「**股東週年大會**」)以於會上回答提問。於年內，主席一職懸空，惟其他董事及審核委員會成員已出席股東週年大會，以回答股東提問。

(c) In relation to A.4.1 and A.4.2 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election while all directors should be subject to retirement by rotation at least once every three years. For the year under review, all independent non-executive directors of the Company have not been appointed for a specific term but they are subject to retirement by rotation in accordance with the Company's articles of association.

## 2. Risk Management and Internal Control

The Board acknowledges its responsibility in maintaining sound and effective risk management and internal control systems for the Group to safeguard investments of the shareholders and assets of the Company at all times. Such systems aim to help achieving the Group's business objectives, safeguarding assets and maintaining proper accounting records for provision of reliable financial information. However, the design of the systems is to provide reasonable, but not absolute, assurance against material misstatement in the financial statements or loss of assets and to manage rather than eliminate risks of failure when business objectives are being sought.

Management has conducted regular reviews during the year on the effectiveness of the risk management and internal control systems covering all material controls in area of financial, operational and compliance controls, various functions for risks management as well as physical and information systems security. The chief financial officer (the "CFO") has reported to the audit committee from time to time during the year, in conjunction with key findings identified by the external auditors, findings and actions or measures taken in addressing those internal controls. The audit committee in turn reports any material issues to the Board. The Board, through the audit committee, also sets targets for and reviews plan and progress on continuous improvement work of the Company's internal control system with the CFO on a periodic basis.

(c) 根據企業管治守則第A.4.1及A.4.2條，非執行董事須按指定任期委任，並須膺選連任，而全體董事須至少每三年輪值告退一次。於回顧年度，本公司所有獨立非執行董事均非按指定任期委任，惟須按照本公司組織章程細則之規定輪值告退。

## 2. 風險管理及內部監控

董事會知悉其職責乃維持行之有效之本集團風險管理及內部監控制度，全面保障股東之投資及本公司資產。該等制度旨在協助本集團達成其業務目標，保障資產，以及妥為存置提供可靠財務資料之會計記錄。然而，該等制度之設置乃就防止於財務報表中作出重大錯誤聲明或資產損失提供合理（而非絕對）之保證，以及管理（而非減低）無法尋求業務目標之風險。

管理層於年內已定期審閱風險管理及內部監控制度之成效，包括財務、營運及遵守監控、不同風險管理功能以及實際及資料系統保安等各個重大監控領域。財務總監（「財務總監」）於年內不時向審核委員會匯報外部核數師提出之重大發現，以及在進行內部監控時之發現、行動或措施。審核委員會則向董事會報告任何重大事宜。董事會亦透過審核委員會與財務總監定期制訂本公司內監控制度之目標、檢討有關計劃，以及對有關制度進行持續改善工作。



### 3. Board of directors

- (a) Up to the date of this annual report, the Board comprises a total of five members including one executive director, one non-executive directors and three independent non-executive directors. Members of the Board have different professional and relevant industry experiences and background so as to bring in valuable contributions and advices for the development of the Group's business. Up to the date of this annual report, the Company has three independent non-executive directors representing not less than one-third of the Board, and two of them are qualified accountants.
- (b) The Company has received written annual confirmation from each incumbent independent non-executive director of their independence to the Group. The Group considered that all independent non-executive directors meets the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. The names of the directors and their respective biographies are set out on pages 19 to 21 of this annual report.

### 3. 董事會

- (a) 截至本年報日期，董事會由合共五名成員組成，包括一名執行董事、一名非執行董事及三名獨立非執行董事。董事會成員具備不同專業及相關行業經驗及背景，可為本集團之業務發展提供寶貴貢獻及意見。截至本年報日期，本公司有三名獨立非執行董事，佔董事會不少於三分之一，其中兩人為合資格會計師。
- (b) 本公司已接獲各現任獨立非執行董事就彼等之獨立性而向本集團發出之年度確認書。本集團認為全體獨立非執行董事符合上市規則第3.13條之獨立指引，且根據該指引彼等為獨立人士。董事姓名及彼等各自之履歷載於本年報第19至21頁。

(c) The Board meets periodically with the management to discuss the Group's strategies development and to review the business operation. The Board also monitors and controls financial performance in pursuit of the Group's strategic objectives. The names of the directors during the financial year and their individual attendance of are set out below:

(c) 董事會定期與管理層會面，討論本集團之策略發展及檢討業務運作。董事會亦監察及監控本集團在達致策略性目標時之財務表現。本財政年度之董事姓名及其個別之會議出席率如下：

Name	Board	Attendance/number of meetings entitle to attend				Annual/ Extraordinary General Meeting
		Audit Committee	Remuneration Committee	Nomination Committee	Annual/ Extraordinary General Meeting	
姓名	董事會	審核委員會	薪酬委員會	提名委員會	特別大會	
Mr. Zhao Guoqiang (CEO)	趙國強先生 (行政總裁)	8/8	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Dr. Gu Quan Rong	顧全榮博士	8/8	2/2	1/1	1/1	0/1
Ms. Ngan Mei Ying (resigned on 31 October 2018)	顏美瑩女士 (於二零一八年十月 三十一日辭任)	6/7	2/2	1/1	1/1	1/1
Mr. Zong Ketao	宗科濤先生	8/8	2/2	1/1	1/1	0/1
Mr. Cheng Chun Ying	鄭振鷹先生	8/8	2/2	1/1	1/1	1/1
Mr. Lee Man Tai	李文泰先生	8/8	2/2	1/1	1/1	0/1

(d) The Board members have no financial, business, family or other material/relevant relationships with each other. Each of the independent non-executive directors have confirmed in writing their independence from the Company in accordance with the guidelines on director independence of the Listing Rules. On this basis, the Company considers all such directors to be independent.

(d) 董事會成員之間並無財務、業務、家族或其他重大／相關關係。各獨立非執行董事已根據上市規則董事獨立性指引向本公司發出書面獨立性確認函。據此，本公司認為所有董事誠屬獨立。

(e) The Board oversees the Group's strategic development and determines the objectives, strategies and policies of the Group.

(e) 董事會監督本集團之策略性發展，並決定本集團之目標、策略及政策。

- (f) The major issues which were brought before the Board for their decisions during the year include: (i) proposals related to potential acquisition, investments, or any significant capital expenditures; and (ii) formulation of operational strategies and review of its financial performance and results and the internal control system.
- (g) The Board has the overall responsibility to ensure that the Company maintains sound and effective internal controls to safeguard the shareholders' investments and the Company's assets.
- (h) The Company has set up three Board committees, namely, the audit committee, the remuneration committee and the nomination committee, to oversee particular aspect of the Group's affairs, details of which are set out in the relevant sections below.
- (i) The Board has delegated the day-to-day management and operations of the Group's businesses to management of the Group. Major corporate matters that are specifically delegated by the Board to the management include the preparation of financial statements for Board approval before publishing, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations.
- (j) When the Board delegates aspects of its management and administration functions to management, it has given clear directions as to the powers of management, in particular, with respect to the circumstance where management shall report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.
- (k) In relation to A.6.5 of the CG Code, all directors have participated their own professional training by attending seminar/programme/reading relevant materials in relation to the business on directors' duties.
- (f) 年內提呈董事會決議之主要事項包括：(i)有關潛在收購、投資或任何重大資本開支之建議；及(ii)制定經營策略及審閱其財務表現、業績以及內部監控制度。
- (g) 董事會之整體責任為確保本公司維持行之有效的內部監控，以保障股東之投資及本公司資產。
- (h) 本公司已成立三個董事委員會，即審核委員會、薪酬委員會及提名委員會，以監督本集團特定範圍之事務，詳情於下文相關部份載列。
- (i) 董事會已指派本集團之管理層處理本集團之日常業務管理及運作。董事會特別指派管理層處理之主要企業事宜包括：編製財務報表供董事會於刊發前審批、履行董事會採納之業務策略及目標、推行適當之內部監控及風險管理程序制度，以及遵守相關法定規定、規則及規例。
- (j) 倘董事會向管理層授出其管理及行政職能，董事會已就管理層之權力發出清晰指引，其中有關管理層須向董事會作出匯報，以及管理層在代表本公司作出決定或訂立任何承諾前須取得董事會事先批准之情況。
- (k) 根據企業管治守則第A.6.5條，所有董事已藉出席研討會／課程／閱讀有關董事的業務職責相關資料，參與其自身的專業訓練。

- (l) The Company has attached much importance to the risk management about directors' liabilities and has arranged appropriate liability insurance for Directors and senior management of the Company. The insurance coverage is reviewed on an annual basis.
- (m) 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 its own Code of conduct regarding securities transactions by the directors of the Company. All incumbent Directors have confirmed following specific enquiry by the Company that they have complied with the required standard set out in the Model Code through the year.
- (l) 本公司十分重視涉及董事責任的風險管理，並已為本公司董事及高級管理人員投購合適的責任保險。保險保障範圍會按年進行檢討。
- (m) 本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則(「**標準守則**」)，作為其本身對於本公司董事進行證券交易之行為守則。經本公司作出特定查詢後，全體現任董事已確認彼等於年內一直遵守標準守則所載之規定標準。

#### 4. Board diversity policy

On 27 August 2013, the Company adopted the Board diversity policy (the "**Board Diversity Policy**") in accordance with the requirement set out in the CG Code. On 31 March 2016, the Company revised the Board Diversity Policy. The Company recognizes that the Board diversity is an essential element contributing to the sustainable development of the Company. In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to the skills, knowledge, gender, age, cultural and educational background or professional experience. All Board appointments are based on merits and considered against a variety of objective criteria, having due regard for the benefits of diversity on the Board.

#### 4. 董事會成員多元化政策

於二零一三年八月二十七日，本公司根據企業管治守則所載之規定，採納董事會成員多元化政策(「**董事會成員多元化政策**」)。於二零一六年三月三十一日，本公司對董事會成員多元化政策作出修訂。本公司視董事會成員多元化為支持其維持可持續發展的關鍵元素。於設計董事會組成時，本公司從多方面考慮董事會成員多元化，包括但不限於技能、知識、性別、年齡、文化及教育背景或專業經驗。董事會所有委任以用人唯才為原則，並在考慮人選時在充分顧及董事會成員多元化的裨益的前提下考慮多個客觀條件。

### 5. Chairman and Chief Executive Officer

- (a) As at the date of this annual report, the Chairman of the Board is vacated. Mr. Zhao Guoqiang was elected as the CEO on 29 December 2009.
- (b) The CEO provides leadership and is responsible for the effective functioning of the Board in accordance with good corporate governance practice. With the support of the senior management, the CEO is also responsible for ensuring that the directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meeting.
- (c) The directors focus on implementing objectives, policies and strategies approved and delegated by the Board. Directors are in charge of the Company's day-to-day management and operations. The directors are also responsible for assisting the CEO in developing strategic plans and formulating the company practices and procedures, business objectives, and risk assessment for the Board's approval.

### 6. Non-executive Directors

All non-executive directors, including independent non-executive directors, of the Company, have not been appointed for a specific term, but are subject to retirement by rotation and eligible for re-election in the AGM in accordance with the articles of association of the Company.

### 5. 主席及行政總裁

- (a) 截至本年報日期，董事會主席職位懸空。趙國強先生於二零零九年十二月二十九日被選任為行政總裁。
- (b) 行政總裁為本集團領導，須就董事會按照良好企業管治守則有效運作負責。在高級管理層之支持下，行政總裁亦負責確保董事及時獲得足夠、完整及可靠資料，並就董事會會議提呈之事宜獲得適當簡報。
- (c) 董事專注於推行董事會批准及指派之目標、政策及策略。董事負責本公司之日常管理及營運。董事亦負責協助行政總裁發展策略性計劃，制訂本公司常規及程序、業務目標以及風險評估以供董事會批准。

### 6. 非執行董事

本公司所有非執行董事（包括獨立非執行董事）均非按指定任期委任，惟須按照本公司組織章程細則之規定於股東週年大會上輪值告退及膺選連任。

### 7. Remuneration of Directors

- (a) The Company has established a remuneration committee since 23 September 2005 with written terms of reference and revised on 27 March 2012 as disclosed on the Company's website. The primary duties of the remuneration committee include the following:
- i. to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
  - ii. to have the delegated responsibility to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payment, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive directors. The Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the group and desirability of performance-based remuneration;
  - iii. to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
  - iv. to review and approve the compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;

### 7. 董事薪酬

- (a) 本公司已於二零零五年九月二十三日成立薪酬委員會，具有書面職權範圍，並於二零一二年三月二十七日修訂，且已於本公司網站披露。薪酬委員會之主要職責包括下列各項：
- i. 就本公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議；
  - ii. 獲指派釐訂全體執行董事及高級管理人員的特定薪酬待遇的職責，包括非金錢利益、退休權利及賠償金額（包括喪失或終止職務或委任的賠償），並就非執行董事的薪酬向董事會提出建議。委員會應考慮的因素包括同類公司支付的薪酬、董事須付出的時間及董事職責、集團內其他職位的僱用條件及是否應按表現釐訂薪酬等；
  - iii. 透過參照董事會不時通過的公司目標，檢討及批准按表現而釐定的薪酬；
  - iv. 檢討及批准向喪失或終止職務或委任的執行董事及高級管理人員支付賠償，以確保該等賠償按有關合約條款釐定；若未能按有關合約條款釐定，賠償亦須公平合理，不會對本公司造成過重負擔；

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| <p>v. to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate; and</p> <p>vi. to ensure that no director or any of his associates is involved in deciding his own remuneration.</p>                | <p>v. 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排按有關合約條款釐定；若未能按有關合約條款釐定，有關賠償亦須合理適當；及</p> <p>vi. 確保任何董事或其任何聯繫人不得自行釐訂薪酬。</p> |
| <p>(b) Up to the date of this annual report, the members of the remuneration committee comprised Mr. Cheng Chun Ying who acts as the chairman of the remuneration committee, Dr. Gu Quan Rong, Mr. Zong Ketao and Mr. Lee Man Tai. The majority of members of the remuneration committee is comprised of independent non-executive directors of the Company.</p>  | <p>(b) 直至本年報日期，薪酬委員會之成員包括鄭振鷹先生(薪酬委員會主席)、顧全榮博士、宗科濤先生及李文泰先生。薪酬委員會大部分成員為本公司之獨立非執行董事。</p>                                 |
| <p>(c) The number of remuneration committee meeting held during the year and record of individual attendance of members, on a named basis, at meetings held during was set out in section headed "Corporate Governance Report" on page 25 of this annual report. The remuneration committee had reviewed and approved the management's remuneration proposals with reference to the Board's corporate goals and objectives.</p> | <p>(c) 薪酬委員會於年內舉行之會議次數及以記名方式記錄之個別成員會議出席率，載於本年報第25頁「企業管治報告」一節。薪酬委員會經參考董事會的企業目標後，檢討及批准管理層的薪酬建議。</p>                     |
| <p>(d) The emolument policy of the employees of the Group was set up by the remuneration committee on the basis of their merit, qualification and competence.</p>   | <p>(d) 本集團僱員之酬金政策由薪酬委員會根據彼等之長處、資格及競爭力而制定。</p>   |
| <p>(e) The emolument of the directors of the Company is determined by the remuneration committee, having regard to the Group's operating results, individual performance and comparable market statistics.</p>  | <p>(e) 本公司董事之酬金由薪酬委員會參考本集團之經營業績、個別表現及比較市場統計數字而釐定。</p>   |
| <p>(f) The Group's share option scheme as described on page 47 of this annual report is adopted as the Group's long-term incentive scheme.</p>  | <p>(f) 本集團採納本年報第47頁所述之購股權計劃作為其長期獎勵計劃。</p>   |

### 8. Nomination of Directors

The Company has established a nomination committee since 27 March 2012 with written terms of reference and amended on 27 August 2013 as disclosed on the Company's website. The primary functions of the nomination committee include the following:

- i. to review the structure, size and composition (including but not limited to the skills, knowledge, gender, age, cultural and educational background or professional experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- ii. to identify individuals suitably qualified to become the members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships on merits and against objective criteria, with due regard on the benefits of diversity on the Board, especially to ensure that the independent non-executive Directors comprise at least one-third of the Board;
- iii. to assess the independence of independent non-executive Directors;
- iv. to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for directors, in particular the chairman of the Board and the CEO, taking into account the Company's corporate strategy and the mix of skills, knowledge, diversity and experience in the future; and

### 8. 董事提名

本公司已自二零一二年三月二十七日成立提名委員會。提名委員會的書面職權範圍及於二零一三年八月二十七日之修改已於本公司網站披露。提名委員會的主要職能包括下列各項：

- i. 至少每年檢討董事會的架構、人數及組成(包括但不限於技能、知識、性別、年齡、文化及教育背景或專業經驗)，並就任何為補充本公司的企業策略而擬對董事會作出的變動提出建議；
- ii. 物色具備合適資格可擔任董事的人士，以用人唯才為原則，並在充分顧及董事會成員多元化的裨益的前提下考慮客觀條件，挑選提名有關人士出任董事或就此向董事會提供意見，特別是以確保獨立非執行董事必須佔董事會成員人數至少三分之一；
- iii. 評核獨立非執行董事的獨立性；
- iv. 就董事委任或重新委任以及董事(尤其是董事會主席及行政總裁)繼任計劃向董事會提出建議，當中考慮本公司企業策略及日後董事會之技能、知識、多元化及經驗組合；及



- v. to review the Board Diversity Policy, as appropriate, and to review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually.

The Company has a nomination policy of having a board of directors with a diversity of skills and experience. The selection and proposed appointment of the Directors are submitted to the nomination committee of the Company for consideration prior to Board approval, and the re-election of Directors is conducted in accordance with the Articles. The criteria of assessing a candidate include his/her ability to devote sufficient time and attention to participate in the affairs of the Company including the attendance of Board meetings and serving on committees, to bring business experience to the Board and to contribute to the Board diversity. If the candidate is proposed to be appointed as an independent non-executive Director, his/her independence shall be assessed in accordance with the requirements under the Listing Rules. The totality of the candidate's education, qualifications and experience shall be evaluated in assessing his/her suitability.

Up to the date of this annual report, the members of the nomination committee comprised Mr. Cheng Chun Ying who acts as the chairman of the nomination committee, Dr. Gu Quan Rong, Mr. Zong Ketao and Mr. Lee Man Tai. The majority of members of the nomination committee is comprised of independent non-executive directors of the Company.

The number of nomination committee meeting held during the year and record of individual attendance of members, on a named basis, at meetings held during was set out in section headed "Corporate Governance Report" on page 25 of this annual report. The nomination committee had reviewed the structure, size and composition of the Board, made recommendations on the changes to the Board to complement the Company's corporate strategy and assessed the independence of independent non-executive directors.

- v. 審閱董事會成員多元化政策，（倘適合）及審閱董事會就執行董事會成員多元化政策制定之可計量目標，及達成目標之進度；及每年於企業管治報告披露審閱結果。

本公司設有提名政策，以成立具備多元化技能及經驗之董事會。甄選及建議委任董事在提交予董事會批准前，須先提交予本公司提名委員會審議，而重選董事須按照章程細則進行。候選人之評估標準包括其能否投放足夠時間及注意力參與本公司事務（包括出席董事會會議及擔任委員會成員）、為董事會帶來業務經驗及對董事會多元化作出貢獻。倘候選人獲建議委任為獨立非執行董事，其獨立性須按照上市規則項下的規定作出評估。在評估候選人是否合適時，須評估其教育程度、資格及經驗等整體情況。

直至本年報日期，提名委員會之成員包括鄭振鷹先生（提名委員會主席）、顧全榮博士、宗科濤先生及李文泰先生。提名委員會大部分成員為本公司之獨立非執行董事。

提名委員會於年內舉行會議的次數及以記名方式記錄各成員的出席率載於年報第25頁「企業管治守則」一節。提名委員會已檢討董事會之結構、規模及組成；就董事會的變動提出建議，以配合本公司的企業策略，以及審核獨立非執行董事的獨立性。

### 9. Auditors' remuneration

For the financial year, BDO Limited, the auditor of the Company, received HK\$925,000 in respect of audit service provided to the Group. The auditors' remuneration has been duly approved by the audit committee and there was no disagreement between the Board and the audit committee on the selection and appointment of auditor.

### 10. Audit Committee

- (a) The audit committee of the Company was established on 30 January 2002. The written terms of reference of the audit committee were revised on 27 March 2012 and 31 March 2016 as disclosed on the Company's website. As at the date of this annual report, the audit committee comprises one non-executive director and three independent non-executive directors, namely Mr. Lee Man Tai (chairman of the audit committee), Dr. Gu Quan Rong, Mr. Zong Ketao and Mr. Cheng Chun Ying. Mr. Lee Man Tai and Mr. Cheng Chun Ying are certified public accountants for many years. In the opinion of the Board, the members of the audit committee have sufficient financial management expertise to discharge their duties.
- (b) The number of audit committee meetings held during the year and record of individual attendance of members, on a named basis, at meetings held was set out in section headed "Corporate Governance Report" on page 25 of this annual report.
- (c) The audit committee is delegated by the Board to assess matters related to the financial statements of accounts and to provide recommendations and advices, including but not limited to the followings:
  - i. to consider, and to make recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the audit fee and other terms of engagement of the external auditor, and any questions of resignation or dismissal of the external auditor;

### 9. 核數師薪酬

於本財政年度，本公司核數師香港立信德豪會計師事務所有限公司已就向本集團提供之核數服務收取925,000港元。核數師酬金已經審核委員會正式批准，而董事會與審核委員會在甄選及委任核數師上並無分歧。

### 10. 審核委員會

- (a) 本公司於二零零二年一月三十日成立審核委員會，具有書面職權範圍，並於二零一二年三月二十七日及二零一六年三月三十一日修訂，且已於本公司網站披露。直至本年報日期，審核委員會由一名非執行董事及三名獨立非執行董事組成，即李文泰先生（審核委員會主席）、顧全榮博士、宗科濤先生及鄭振鷹先生。李文泰先生及鄭振鷹先生為富多年經驗之執業會計師。董事會認為，審核委員會成員具備足夠之財務管理專長履行其職責。
- (b) 審核委員會於年內舉行之會議次數及以記名方式記錄之個別成員會議出席率，載於本年報第25頁「企業管治報告」一節。
- (c) 審核委員會獲董事會指派處理有關賬目財務報表之事宜，並就包括但不限於下列各項提供建議及意見：
  - i. 就外聘核數師的委任、重新委任及罷免作出考慮及向董事會提供建議，批准外聘核數師的核數費用及聘用條款、辭職或罷免的問題；

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| <p>ii. to review and monitor the external auditor's independence and objectively and the effectiveness of the audit process in accordance with applicable standard;</p>   | <p>ii. 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；</p>   |
| <p>iii. to discuss with the external auditors before the audit commences, the nature and scope of the audit and reporting obligations and ensure co-ordination where more than one audit firm is involved;</p>  | <p>iii. 在外聘核數師開始核數工作以前，與其討論工作性質、範疇以及匯報責任；如多於一間外聘核數師參與核數工作時，確實它們的互相配合；</p>   |
| <p>iv. to develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The Committee should report to the Board, identifying any matters in respect of which it considers that action or improvement needed and making recommendations as to the steps to be taken;</p> | <p>iv. 就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，外聘核數師包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何實體，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該實體屬於該負責核數的公司的本土或國際業務的一部分的任何實體。委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議有哪些可採取的步驟；</p> |
| <p>v. to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them;</p>   | <p>v. 監察本公司的財務報表及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見；</p>  |
| <p>vi. in reviewing, the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports before submission to the Board, the Committee should focus particularly on:</p>   | <p>vi. 委員會向董事會提交本公司的年度報告及賬目、半年度報告及(若擬刊發)季度報告之前，應特別針對下列事項加以審閱：</p>   |
| <p>a. any changes in accounting policies and practice;</p>  | <p>a. 任何會計政策及處理方法的改變；</p>   |
| <p>b. major judgmental areas;</p>   | <p>b. 涉及重大判斷性的領域；</p>   |
| <p>c. significant adjustments resulting from the audit;</p>   | <p>c. 因核數出現的重大調整；</p>   |

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| <p>d. the going concern assumption and any qualifications;</p>   | <p>d. 持續經營的假設及任何保留意見；</p>   |
| <p>e. compliance with accounting standards;</p>  | <p>e. 是否遵守會計準則；</p>   |
| <p>f. compliance with the Listing Rules and other legal requirements in relation to financial reporting;</p>   | <p>f. 是否遵守上市規則及其他適用法律對於財務報告的要求；</p>   |
| <p>g. the fairness and reasonableness of any connected transaction and the impact of such transaction on the profitability of the Group;</p>   | <p>g. 任何關連交易安排是否公平合理及該交易對本集團盈利的影響；</p>                                      |
| <p>h. whether all relevant items have been adequately disclosed in the Group's financial statements and whether the disclosures give a fair view of the Group's financial conditions;</p>  | <p>h. 本集團財務報表有否充分披露所有相關事項及該等披露有否公平反映本集團的財務狀況；</p>                           |
| <p>i. any significant or unusual items that are, or may need to be, reflected in such reports and accounts; and</p>  | <p>i. 該等報告及賬目中所反映或需反映的任何重大或不尋常項目；及</p>                                      |
| <p>j. the cashflow position of the Group.</p>  | <p>j. 本集團現金流量的狀況。</p>   |
| <p>and to provide advice and comments thereon to the Board;</p>  | <p>並就此向董事會提供建議及意見；</p>  |
| <p>vii. in regard to vi. above:</p>  | <p>vii. 就上述vi項而言：</p>   |
| <p>a. members of the Committee must liaise with the Board and senior management. The Committee must meet, at least twice a year, with the Company's auditors; and</p>  | <p>a. 委員會成員須與董事會及高層管理人員聯絡。委員會須至少每年與本公司的核數師開會兩次；及</p>                        |
| <p>b. the Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's accountant, compliance officer or auditors.</p> | <p>b. 委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由本公司的會計師、監察主任或核數師提出的事項。</p> |

- viii. to discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);
  - ix. to discuss with the management the risk managements and internal control systems and ensure the management has discharged its duty to have effective risk management and internal control systems and to review the Company's statements on risk management and internal control systems (which are included in the annual report) prior to endorsement by the Board;
  - x. to consider any findings of major investigations on risk management and internal control matters as delegated by the Board or on its own initiative and management's response;
  - xi. (where an internal audit function exists) to review the internal audit programme, ensure co-ordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the Company and to review monitor, the effectiveness of the internal audit function;
  - xii. to conduct exit interviews with any director, manager, financial controller or internal audit control manager upon their resignation in order to ascertain the reasons for his departure;
  - xiii. to prepare work reports for presentation to the Board and to prepare summary of work reports for inclusion in the Group's interim and annual reports;
- viii. 與核數師討論中期及年度審核所遇上的問題及保留意見，及核數師認為應當討論的任何事項(管理層可能按情況而須避席此等討論)；
  - ix. 與管理層討論風險管理及內部監控系統及確保管理層已履行職責建立有效的風險管理及內部監控系統及(已載入年報)在董事會確認前，審核本公司風險管理及內部監控系統的聲明；
  - x. 應董事會的委派或主動，就有關風險管理及內部監控事宜的重要調查結果及管理層的回應進行研究；
  - xi. (如果設有內部核數功能)評審集團內部核數程序、確保內部核數師與外聘核數師工作得到協調及確保公司內部核數部門有足夠資源運作，並且有相當的地位；以及檢討及監察內部核數功能是否有效；
  - xii. 於董事、經理、財務總監或內部核數部門經理離職時，接見有關人員並瞭解其離職原因；
  - xiii. 就期內的工作草擬報告及概要報告；前者交董事會審閱，後者刊於本集團的中期及年度報告；

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| <p>xiv. to consider the appointment of any person to be a Committee member, a company secretary, auditors and accounting staff (including internal control department) either to fill a casual vacancy or as an additional Committee member, company secretary, auditors and accounting staff or dismissal of any of them;</p>                             | <p>xiv. 考慮委任、增加、更換及罷免委員會成員、公司秘書、核數師及會計(包括內部監控部門)工作人員的建議；</p>                            |
| <p>xv. to consider the major findings of internal investigations and management's response;</p>  | <p>xv. 考慮內部調查報告之重大發現及管理層回應；</p>   |
| <p>xvi. to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;</p>   | <p>xvi. 檢查外聘核數師給予管理層的《審核情況說明函件》、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；</p>           |
| <p>xvii. to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;</p>   | <p>xvii. 確保董事會及時回應於外聘核數師給予管理層的《審核情況說明函件》中提出的事宜；</p>                                     |
| <p>xviii. to report to the Board on the matters set out in the code provisions contained in the Code on Corporate Governance Practices set out in (and as amended from time to time) Appendix 14 to the Listing Rules; and</p>   | <p>xviii. 就於上市規則附錄十四內列明(及不時修定)的《企業管治常規守則》內載有的守則條文所載的事宜向本董事會匯報；及</p>                     |
| <p>xix. to consider other matters, as defined or assigned by the Board from time to time.</p>  | <p>xix. 不時考慮董事會界定或委派的其他事項。</p>  |
| <p>(d) In addition to the above tasks regarding to the Company's financial statement, the audit committee should also to consider any other matters, as defined by the Board from time to time; and to conduct interviews with any director, manager, financial controller upon their resignation in order to ascertain the reasons for his departure.</p> | <p>(d) 除上述有關本公司財務報表之事項外，審核委員會亦須考慮董事會不時界定之其他事宜；及在任何董事、經理或財務總監辭任時與彼等進行諮詢，確切了解彼等離任之原因。</p> |

- (e) The audit committee acknowledges its responsibility in maintaining sound and effective internal control system of the Group to safeguard investments of the shareholders and assets of the Company at all times.
- (f) The Group's financial statements for the six months ended 30 June 2018 and the year ended 31 December 2018 have been reviewed by the audit committee.

### 11. Company Secretary

Mr. Chan Chun Kau has been the Company Secretary of the Company since June 2014. Mr. Chan is a solicitor in Hong Kong. He is responsible to the Board for ensuring the Board procedures and all applicable law, rules and regulations are followed. During the year, Mr. Chan undertook over 15 hours of professional training to update his skills and knowledge.

### 12. Shareholder Rights

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's articles of association. Details of such rights to demand a poll and the poll procedures are included in all circulars to shareholders issued during the financial year ended 31 December 2018, and will be explained during the proceedings of meetings.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, all the resolutions set out in the notice of the forthcoming AGM of the Company will be voted by poll, and the poll results will be published on the websites of the Company and the Stock Exchange on or before the business day following the shareholders' meeting.

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The chairman of the Board as well as the chairmen of the audit committee, the remuneration committee and the nomination committee, or in their absence, other members of the respective committees, is available to answer questions at the shareholders' meetings. Separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors. During the year, there was no significant change in the constitutional documents.

- (e) 審核委員會知悉其職責乃維持本集團行之有效之內部監控制度，以全面保障股東之投資及本公司資產。
- (f) 本集團截至二零一八年六月三十日止六個月及截至二零一八年十二月三十一日止年度之財務報表已由審核委員會審閱。

### 11. 公司秘書

陳振球先生自二零一四年六月起擔任本公司的公司秘書。陳先生為香港執業律師。彼須向董事會負責，以確保董事會程序及所有適用法律、規則及規例均獲得遵守。於本年度，陳先生已進行超過15小時的專業培訓，以提升其技術及知識。

### 12. 股東權利

股東之權利及於股東大會上就決議案進行投票表決之要求載於本公司之組織章程細則。有關要求投票表決之權利及投票表決之程序詳情載於在截至二零一八年十二月三十一日止財政年度刊發致股東之各通函內，並將於大會議程中闡述。

根據上市規則第13.39(4)條規定，股東於股東大會之任何表決均須以投票方式進行。因此，於應屆本公司股東週年大會通告中所載的所有決議案將以投票方式進行表決，而投票表決之結果將於股東大會後之營業日或之前於本公司網站及聯交所網站登載。

本公司之股東大會提供股東與董事會溝通之平台。董事會主席及審核委員會、薪酬委員會及提名委員會之主席（若彼等缺席，則為各委員會之其他成員）將可回答於股東大會上之提問。各重大事宜（包括推選個別董事）以獨立決議案形式於股東大會上提呈。於本年度，憲法文件並無重大變動。

Extraordinary general meeting may be convened by the Board on requisition of shareholders holding not less than one-tenth of the paid up capital of the Company or by such shareholders who made the written requisition (the “**Requisitionists**”) to the Board or the Secretary of the Company (as the case may be) pursuant to Article 58 of the Articles of Association. Such Requisition must state the object of business to be transacted at the meeting and must be signed by the Requisitionists and deposited at the registered office of the Company or the Company’s principal place of business in Hong Kong.

Shareholders should follow the requirements and procedures as set out in such Article for convening an extraordinary general meeting. Shareholders may put forward proposals at general meeting of the Company by sending the same to the Company at the principal office of the Company in Hong Kong.

The meeting shall be held within two months after the deposit of the requisition. If within 21 days of the deposit of the requisition the Directors fail to proceed to convene the EGM, the Requisitionists may do so in the same manner, and all reasonable expenses incurred by the Requisitionists as a result of the failure of the Directors shall be reimbursed to the Requisitionists by the Company.

股東特別大會可由董事會按持有不少於本公司實繳股本十分之一之股東，或根據組織章程細則第58條向董事會或本公司秘書（視情況而定）提出書面呈請之股東（「呈請人」）之呈請予以召開。有關呈請須列明大會上將處理之事務，由呈請人簽署，並交回本公司註冊辦事處或本公司香港主要營業地點。

股東須按照有關章程細則所載召開股東特別大會之規定及程序。股東可於本公司股東大會上提呈動議，有關動議須送交本公司之香港主要辦事處。

大會應於遞呈該要求後兩個月內舉行。倘遞呈該要求後21日內董事未有召開股東特別大會，則呈請人可以相同方式召開會議，而呈請人因董事未有召開大會而合理產生之所有開支應由本公司向呈請人作出償付。



The Articles of the Company provides that no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election and also a notice by that person to be proposed of his willingness to be elected shall have been lodged at the registered office or principal place of business in Hong Kong at least seven clear days before the date of the general meeting. Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, the following documents must be validly served at the Company within the period specified in the Articles, namely:

- (1) his/her notice of intention to propose a resolution to elect a nominated candidate as a Director at the AGM;
- (2) a notice signed by the nominated candidate of the candidate's willingness to be elected;
- (3) the nominated candidate's information as required to be disclosed under rule 13.51(2) of the Listing Rules; and
- (4) the nominated candidate's written consent to the publication of his/her personal data.

本公司之章程細則規定，除獲董事推薦參選之人士外，概無任何人士（將於該大會上退任之董事除外）有資格於任何股東大會上參選董事，除非於股東大會日期至少七個完整日前向註冊辦事處或香港主要營業地點遞交由正式合資格出席大會並於會上投票之股東（參選人士除外）簽署並表明有意提名該人士參選的通告，以及該獲提名人士表明願意參選之署名通知。因此，如股東欲提名他人於股東週年大會上參選董事，則必須於章程細則規定之限期內將下列文件有效送達本公司：

- (1) 該股東表明有意於股東週年大會上提呈決議案推選獲提名候選人為董事之通知；
- (2) 獲提名候選人表明願意參選之署名通知；
- (3) 根據上市規則第13.51(2)條須予披露之獲提名候選人之資料；及
- (4) 獲提名候選人就刊發其個人資料之書面同意。

## 13. Investor Relations

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Company. Shareholders may send their enquiries or requests in respect of their rights to the Company's principal place of business in Hong Kong.

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

## 14. Dividend Policy

The Company adopts a dividend policy, taking into consideration all circumstances including the following factors before declaring or recommending dividends: (i) the current and projected financial performance of the Company; (ii) the growth and investment opportunities; (iii) other macro and micro economic factors; and (iv) other factors or events that the Board may consider relevant or appropriate from time to time. The payment of dividend is also subject to any restrictions under the applicable laws and the Articles.

## 15. Directors' Responsibility for Preparing Financial Statements

The Board acknowledges that it is responsible for the preparation of the financial statements of the Group and for ensuring that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Board also ensures the timely publication of the financial statements of the Group.

## 13. 投資者關係

股東可將彼等向董事會提出之任何查詢以書面形式郵寄至本公司。股東可將有關其權利之查詢或要求郵寄至本公司之香港主要營業地點。

本公司不斷加強與投資者的溝通及關係。獲委派之高級管理層定期與投資者及分析師進行對話，以確保彼等了解本公司發展的最新情況。投資者提出的疑問均會以詳盡的方式獲適時處理。

## 14. 股息政策

本公司採納一項股息政策，在宣派或建議宣派股息前，會先考慮所有情況(包括下列因素)：(i)本公司現時及預測財務表現；(ii)增長及投資機會；(iii)其他宏觀及微觀經濟因素；及(iv)其他董事會不時可能認為相關或合適的因素或事項。派付股息亦須受適用法律及章程細則下的任何限制所規限。

## 15. 董事對編製財務報表之責任

董事會知悉其須負責編製本集團的財務報表，並確保財務報表按法定規定及適用會計準則編製。董事會亦確保本集團財務報表適時刊發。

The appropriateness of the preparation of the Company's consolidated financial statements on a going concern basis largely depends upon the outcome of the underlying assumptions as detailed in Note 3(b)(ii) to the consolidated financial statements, which in particular include: (i) CNPC paying the proceeds from sales of natural gas related to prior years (the "Proceeds") before 31 December 2019; and (ii) the Group being able to successfully persuade the contractors not to insist on repayment of the construction cost payables before the Company receives the Proceeds from CNPC. However, the Company has not obtained any written confirmation that CNPC will pay the Proceeds before 31 December 2019 and the contractors will not insist on payment of the construction cost payables until the Company receives the Proceeds from CNPC. These conditions indicate the existence of material uncertainty that may cast significant doubts about the Group's ability to continue as a going concern. Save as disclosed above, the Directors are not aware of any other events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Notwithstanding the foregoing, the Directors have prepared the consolidated financial statements on a going concern basis, taking into consideration the various factors set out in the section headed "Additional disclosure regarding the modified opinion and impairment testing" on pages 11 to 15 of this annual report.

By the order of the Board

**Zhao Guoqiang**

*Chief Executive Officer & Executive Director*

Hong Kong, 29 March 2019

按持續經營基準編製本公司之綜合財務報表是否適當，主要取決於相關假設之結果，誠如綜合財務報表附註3(b)(ii)所詳述，其中特別包括(i)中國石油集團會否於二零一九年十二月三十一日前支付有關過往年度的天然氣銷售之所得款項（「所得款項」）；及(ii)本集團能否成功說服承建商在本公司從中國石油集團接獲所得款項前，不堅持要求償還應付建築費用。然而，本公司尚未取得任何書面確認，表示中國石油集團將於二零一九年十二月三十一日前支付所得款項及承建商在本公司從中國石油集團接獲所得款項前將不會堅持要求支付應付建築費用。該等情況反映存在重大不確定性，或會對本集團持續經營的能力產生重大疑問。除上文所披露者外，董事概不知悉任何或會對本公司持續經營的能力產生重大疑問的其他事件或情況。

儘管上文所述，經考慮本年報第11頁至第15頁「有關經修訂意見及減值測試之額外披露」一節所載之各項因素後，董事已按持續經營基準編製綜合財務報表。

承董事會命

**趙國強**

*行政總裁兼執行董事*

香港，二零一九年三月二十九日

The directors present herewith the annual report and the audited financial statements of the Group for the year ended 31 December 2018.

### Principal Activity and Business Review

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries include sales of food and beverages and money lending business in Hong Kong, and exploration, production and distribution of natural gas in PRC, the details of which are set out in Note 6 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the "**Company Ordinance**"), including a fair review of the business and a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2018, and an indication of likely future development in the Group's business, can be found in the section headed "CEO's Statement and Management Discussion and Analysis" of this annual report. The above section forms part of this report of the Directors.

### Financial Statements and Dividends

The results of the Group for the year are set out in the Consolidated Statement of Comprehensive Income on pages 60 to 61.

The state of the Group's affairs as at 31 December 2018 is set out in the Consolidated Statement of Financial Position on pages 62 to 63.

The directors do not recommend the payment of final dividend in respect of the year ended 31 December 2018.

### Five-Year Financial Summary

A summary of the consolidated financial results and consolidated assets and liabilities of the Group for the past five financial years is set out on page 200.

### Property, Plant and Equipment

Movements in property, plant and equipment during the year are set out in Note 15 to the consolidated financial statements.

董事謹此提呈本年度報告及截至二零一八年十二月三十一日止年度本集團之經審核財務報表。

### 主要業務及業務回顧

本公司之主要業務為投資控股，而本公司主要附屬公司之主要業務包括於香港銷售食品及飲料及借貸業務及於中國勘探、生產及分銷天然氣。有關詳情載於綜合財務報表附註6。

公司條例附表5(香港法例第622章)(「**公司條例**」)規定關於該等活動之進一步討論及分析，包括業務回顧及本集團面臨的主要風險和不確定因素的討論、自二零一八年財政年度結束起已發生且對本集團有影響的重要事件詳情，和集團業務的可能未來發展的指示，可參閱本年報「行政總裁報告與管理層討論及分析」一節。上一節內容是本董事會報告的一部分。

### 財務報表及股息

本集團於年內之業績載於第60至61頁之綜合全面收益表。

截至二零一八年十二月三十一日，本集團之財務狀況分別載於第62至63頁之綜合財務狀況表。

董事並不建議派發截至二零一八年十二月三十一日止年度之末期股息。

### 五年財務概要

本集團過去五個財政年度各年之綜合財務業績以及綜合資產及負債概要，列載於第200頁。

### 物業、廠房及設備

於本年度之物業、廠房及設備之變動詳情載於綜合財務報表附註15。

### Investment Properties

Movements in investment properties during the year are set out in Note 16 to the consolidated financial statements.

### Subsidiaries

Details of the Company's principal subsidiaries as at 31 December 2018 are set out in Note 20 to the consolidated financial statements.

### Share Capital and Share Options

Movements in share capital of the Company during the year, together with reasons thereof, and of the Company's share options, are set out in Note 29 and Note 30 to the consolidated financial statements respectively.

### Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association or the Laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### Reserves

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 64 and Note 32 to the consolidated financial statements respectively.

### Distributable Reserves

Distributable reserves of the Company at 31 December 2018 are set out in Note 32 to the consolidated financial statements.

### 投資物業

年內投資物業變動載於綜合財務報表附註16。

### 附屬公司

截至二零一八年十二月三十一日，本公司主要附屬公司之詳情載於綜合財務報表附註20。

### 股本及購股權

本公司於本年度股本之變動詳情及變動原因，連同有關本公司購股權之詳情分別載於綜合財務報表附註29及附註30。

### 優先購股權

根據本公司之組織章程細則或開曼群島(本公司註冊成立之司法權區)之法例並無有關本公司須按比例向現有股東發售新股之優先購股權之規定。

### 儲備

本集團及本公司於本年度之儲備變動詳情分別載於第64頁之綜合權益變動表及綜合財務報表附註32。

### 可分派儲備

本公司於二零一八年十二月三十一日之可分派儲備，載列於綜合財務報表附註32內。

### Major Customers and Suppliers

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

The largest customer	最大客戶
Five largest customers in aggregate	五大客戶總計
The largest supplier	最大供應商
Five largest suppliers in aggregate	五大供應商總計

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

### Composition of the Board

The directors who held office during the year and up to the date of this annual report as follows:

#### Executive Directors

Mr. Zhao Guoqiang (*Chief Executive Officer and alternate director to Dr. Gu Quan Rong*)

#### Non-executive Director

Dr. Gu Quan Rong  
Ms. Ngan Mei Ying (*Resigned on 31 October 2018*)

#### Independent Non-executive Directors

Mr. Zong Ketao  
Mr. Cheng Chun Ying  
Mr. Lee Man Tai

### 主要客戶及供應商

於財政年度內，主要客戶及供應商分別佔本集團之銷售額及採購額如下：

Percentage of the Group's total 佔本集團之總額百分比	
Sales 銷售額	Purchases 採購額

	98%
	100%
	100%
	100%

於年內任何時間，本公司概無任何董事或彼等之聯繫人士或任何股東（據董事所知擁有本公司已發行股本5%以上）持有本集團主要客戶及供應商之任何權益。

### 董事會組成

於本年度及截至本年報日期之在任董事名列如下：

#### 執行董事

趙國強先生（行政總裁及顧全榮博士之替任董事）

#### 非執行董事

顧全榮博士  
顏美瑩女士（於二零一八年十月三十一日辭任）

#### 獨立非執行董事

宗科濤先生  
鄭振鷹先生  
李文泰先生

Pursuant to the articles of association of the Company, Directors retiring at the upcoming AGM will be eligible for re-election. Further details of the Directors' re-election will be set out in a circular of the Company dispatched together with the notice of the AGM.

### Directors' Biographies

Biographical details of the directors of the Company are set out on pages 19 to 21 of this annual report.

### Directors' Service Contracts

No director proposed for re-election at the forthcoming AGM has a service contract with the Company which was not determinable by the Company within one year without payment of compensation other than statutory compensation.

### Management Contracts

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

### Directors' Interests in Contracts

No other contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### Directors' Interest and Short Position in Shares

As at 31 December 2018, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

根據本公司組織章程細則，於應屆股東週年大會上退任之董事將合資格膺選連任。有關董事重選的進一步詳情將載於本公司連同股東週年大會通告一併寄發之通函內。

### 董事之履歷

本公司董事之履歷詳情已載列於本年報第19至第21頁。

### 董事之服務合約

獲提名於應屆股東週年大會重選之其他董事概無與本公司訂立不得於一年內予以終止而不給予賠償(法定賠償除外)之服務合約。

### 管理合約

本年度並無訂立或存在任何有關本集團業務全部或任何重大部分之管理及行政合約。

### 董事於合約中之權益

於年終或本年度任何時間概無存在由本公司或其任何附屬公司所訂立，涉及本集團之業務且本公司董事直接或間接於其中擁有重大權益之其他合約。

### 董事於股份之權益及淡倉

於二零一八年十二月三十一日，本公司董事或主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益或淡倉(包括根據該等證券及期貨條例條文被視為或當作擁有之權益或淡倉)，亦無擁有須根據證券及期貨條例第352條列入本公司須存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

## Directors' Right to Acquire Shares or Debentures

Apart from the share option scheme disclosures in the section "Share Option Scheme" below, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Equity-linked Agreements

Details of the equity-linked agreements entered into during the year or subsisting at the end of the year are set out below:

### Share Option Scheme

Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 25 June 2013 and the Stock Exchange granting approval of the listing of and permission to deal in the shares to be issued under the share option scheme (the "**Share Option Scheme**") on 26 June 2013, the Company has adopted the Share Option Scheme to replace the expired share option scheme adopted 28 January 2002 and as amended on 2 November 2006.

Under the terms of the Share Option Scheme adopted, the Board of the Company may, at its discretion, grant options to eligible participants to subscribe for shares of the Company.

No share option was granted and exercised during the year under review and there was no outstanding share option as at 31 December 2018 and 2017.

## Substantial Shareholders' Interests and Short Position

As at 31 December 2018, the interests or short positions of the persons, other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

## 董事購入股份或債券之權利

除於下文「購股權計劃」一節披露之購股權計劃外，本公司或其任何附屬公司於本年度內並無訂立任何安排促使本公司之董事可透過購入股份或債券獲得本公司或其任何其他公司實體之該等權利。

## 股權關連協議

本年度訂立或於年末仍有效之股權關連協議詳情載列如下：

### 購股權計劃

根據本公司於二零一三年六月二十五日舉行的股東特別大會上通過的普通決議案，以及聯交所於二零一三年六月二十六日對根據購股權計劃（「**購股權計劃**」）將會發行的股份上市及買賣的批准，本公司已採納購股權計劃，以代替已屆滿的購股權計劃（於二零零二年一月二十八日採納及於二零零六年十一月二日修訂）。

根據採納的購股權計劃的條款，本公司董事會可酌情向合資格參與者授出購股權，以認購本公司股份。

於回顧年內，並無購股權已獲授出及行使。於二零一八年及二零一七年十二月三十一日，並無尚未行使之購股權。

## 主要股東之權益及淡倉

於二零一八年十二月三十一日，本公司董事或高級行政人員以外之人士於本公司之股份及相關股份中持有證券及期貨條例第336條規定本公司須載入記錄冊之權益或淡倉如下：



### Long Positions in the Shares and Underlying Shares of the Company 於本公司股份及相關股份之好倉

Name of Shareholders	Nature of interests	Number of shares	Number of underlying shares	Total number of shares and underlying shares	Approximate percentage of issued share capital
股東名稱／姓名	權益性質	股份數目	相關股份數目	相關股份總數	佔已發行股本概約百分比
U.K. Prolific Petroleum Group Company Ltd. (Note 1) (附註1)	Beneficial Owner 實益擁有人	1,860,000,000	4,045,654,762	5,905,654,762	62.13%
Cypress Dragons Limited (Note 2) (附註2)	Beneficial Owner 實益擁有人	970,000,000	—	970,000,000	10.20%
Wang Guoju (Notes 1 & 2) 王國巨 (附註1及2)	Interest of controlled corporation 受控法團之權益	2,830,000,000	4,045,654,762	6,875,654,762	72.33%

Notes:

- Based on the disclosure of interest (“DI”) filings, U.K. Prolific Petroleum Group Limited (“UK Prolific”) is interested in 1,860,000,000 shares of the Company (“Shares”) and convertible notes (the “Convertible Notes”) in the principal amount of HK\$679,670,000 due in 2041 not carrying any interest with right to convert the Convertible Notes into 4,045,654,762 Shares at a conversion price of HK\$0.168 per Share. Based on the DI filings, UK Prolific is wholly owned by Mr. Wang Guoju.
- Based on the DI filings, Cypress Dragons Limited (“Cypress Dragons”), a controlled corporation wholly owned by Mr. Wang Guoju, is interested in 970,000,000 Shares.

附註：

- 根據權益披露(「權益披露」)表格，U.K. Prolific Petroleum Group Limited (「UK Prolific」) 於 1,860,000,000 股本公司股份(「股份」)及本金額為 679,670,000 港元二零四一年到期可換股票據(「可換股票據」)中擁有權益，該等可換股票據不計息及附有權利可轉換為最多 4,045,654,762 股股份，轉換價每股股份 0.168 港元。根據權益披露表格，UK Prolific 由王國巨先生全資擁有。
- 根據權益披露表格，由王國巨先生全資擁有的受控法團 Cypress Dragons Limited (「Cypress Dragons」) 於 970,000,000 股股份中擁有權益。

## Directors' Interests in a Competing Business and Conflict of Interests

None of the directors were interested in any business apart from the Group's business which competed or were likely to compete, either directly or indirectly, with the business of the Group during the year.

## Related and Connected Party Transactions

Details of the significant related party and connected transaction of the Group under the Listing Rules are set out in Note 34 to the financial statements.

## Purchase, Sale or Redemption of Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2018.

## Sufficiency of Public Float

The Company has maintained a sufficient public float throughout the year ended 31 December 2018.

## Corporate Governance

The Company's corporate governance principles and practices are set out in the Corporate Governance Report on pages 22 to 42 of this annual report.

## 董事於競爭業務之權益及利益衝突

年內，概無董事於與本集團業務直接或間接競爭或可能競爭之業務(本集團業務除外)中擁有權益。

## 關聯人士及關連交易

根據上市規則本集團的重大關聯人士及關連交易詳情載於財務報表附註34。

## 購買、出售或贖回本公司證券

於截至二零一八年十二月三十一日止年度內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

## 足夠公眾持股量

本公司於截至二零一八年十二月三十一日止年度內一直維持足夠公眾持股量。

## 企業管治

本公司之企業管治原則及慣例詳情載於本年報第22至42頁之企業管治報告中。

### 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 its own Code of conduct regarding securities transactions by the directors of the Company. All incumbent directors have confirmed that they have complied with the required standard set out in the Model Code through the year under review.

### Environmental, Social and Governance

The Group is committed to contributing to the sustainability of the environment and maintaining a high standard of corporate social governance essential for creating a framework for motivating staff, and contributes to the community in which we conduct our businesses and creating a sustainable return to the Group.

### Working Conditions

The Company adopted the Board Diversity Policy in accordance with the requirement set out in the CG Code. The Company recognizes that the Board diversity is an essential element contributing to the sustainable development of the Company. In designing the Board’s composition, the Board diversity has been considered from a number of aspects, including but not limited to the skills, knowledge, gender, age, cultural and educational background or professional experience. A Board Diversity Policy, with the aim of enhancing the quality of the Board’s performance by diversity, was adopted on 27 August 2013 and revised on 31 March 2016.

The Group encourages its staff to participate in external seminars and lectures to keep abreast of changes and updates on areas of legal, compliance, financial accounting and reporting, and market industry practices. Through these types of training, we believe that the Group can increase its efficiency and productivity while overall reduction of risk and uncertainties of the Group can be reduced.

The Company encourages continuous professional development training for the Directors and senior management to develop and refresh their knowledge and skills which includes seminars and workshops, updates on regulatory requirements and development and corporate governance practices.

### 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之標準守則(「**標準守則**」)，作為本公司董事進行證券交易之行為守則。所有現任董事確認於回顧年度彼等已遵守標準守則所載之規定準則。

### 環境、社會及管治

本集團致力為環境的可持續性出一分力，並維持高水準的企業社會管治，其對營造激勵員工的環境極為重要，而我們於經營業務同時回饋社會，為本集團創造持續回報。

### 工作環境

本公司根據企業管治守則所載的規定採納董事會成員多元化政策。本公司肯定董事會多元化是公司可持續發展的一個關鍵要素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於技能、知識、性別、年齡、文化及教育背景或專業經驗。董事會成員多元化政策於二零一三年八月二十七日經採納並於二零一六年三月三十一日經修訂，旨在藉此提升董事會表現質素。

本集團鼓勵員工參加外部座談會及演講，以緊貼法律、合規、財務會計及申報和市場行業慣例等範疇的變更及最新資訊。我們相信，透過該等類型的培訓可改善本集團的效益及生產力，降低本集團整體的風險及不確定性。

本公司鼓勵董事及高級管理層參與持續專業發展培訓，以發展及更新彼等的知識及技能，包括座談會及工作坊、有關監管規定、發展及企業管治常規的最新資訊。

## Health and Safety

The Group strives to provide a healthy and safe working environment to the employees. In order to maintain a healthy and safe working environment, the Group has upgraded and maintained tools, office and IT equipment.

## Environment Protection

Conservation of the environment is a key focus for the Group. The Group complies with environmental legislation, encourages environmental protection and promotes environmental protection awareness to all employees of the Group.

## Community Involvement

The Group is committed to participating in community events from time to time, and to the improvement of community well-being and social services. The Group supports and encourages staff to actively participate in a wide range of charitable events outside working hours, to raise awareness and concern for the community, and to inspire more people to take part in serving the community.

## Compliance with Laws and Regulations

The Group has compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing responsibility to monitor adherence and compliance with all significant legal and regulatory requirements.

As far as the Company is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries.

## Relationship with Stakeholders

The Group is committed to operate in a sustainable manner while balancing the interests of its various stakeholders including customers, suppliers and employees. Through regular stakeholder engagement via different channels, the stakeholders are encouraged to give their opinions regarding the environmental, social and governance policies of the Group.

## 健康與安全

本集團致力為僱員提供健康及安全的工作環境。為保持健康及安全的工作環境，本集團升級及維護工具、辦公室及資訊科技設備。

## 環境保護

保護環境是本集團首要任務。本集團遵守環保法例，鼓勵環境保護並向本集團全體僱員推廣環保意識。

## 社區參與

本集團致力參與不時舉辦的社區活動，以改善社區福祉及社會服務。本集團支持及鼓勵員工於工餘時間積極參與各類慈善活動，以提升社區意識及對社區的關注，並激發更多力量參與社區服務。

## 遵守法律與法規

本集團已制訂合規及風險管理政策及程序，委派高級管理人員負責持續監督對於一切重大法律及監管規定的遵守及遵循情況。

據本公司所知，其已於各重大方面遵循對本公司及其附屬公司之業務及營運構成重大影響的有關法律法規。

## 與權益持有人的關係

本集團致力長遠經營，平衡各權益持有人(包括客戶、供應商及僱員)的利益。權益持有人獲鼓勵透過不同渠道定期參與表達對本集團環境、社會及管治的政策意見。

This includes providing quality services to customers, developing effective and mutual beneficial working relationships with its suppliers, and offering competitive remuneration package with safety working environments to employees.

The details of environmental, social and governance policies and performance of the Group will be disclosed in a standalone Environmental, Social and Governance Report to be issued in due course.

### Indemnity of Directors

A permitted indemnity provision that provides for indemnity against liability incurred by directors and chief executives of the Group is currently in force and was in force throughout the year ended 31 December 2018.

### Audit Committee

The audit committee comprises one non-executive director and three independent non-executive directors of the Company. The audit committee has adopted terms of reference which are in line with the CG Code. The Group's audited financial statements for the year ended 31 December 2018 have been reviewed by the audit committee, who is of the opinion that such statements comply with applicable accounting standards, the Listing Rules and other legal requirements, and that adequate disclosures have been made.

### Auditor

The consolidated financial statements for the year ended 31 December 2018 have been audited by BDO Limited.

ON BEHALF OF THE BOARD

**Zhao Guoqiang**

*Chief Executive Officer & Executive Director*

Hong Kong, 29 March 2019

這包括向客戶提供高質服務、與其供應商建立有效互惠的關係，並向僱員提供可觀的薪酬組合及安全工作環境。

本集團環境、社會及管治政策及表現之詳情將在適當時候在單獨刊發之環境、社會及管治報告中披露。

### 董事彌償

為本集團董事及主要行政人員所產生的負債提供彌償之獲准彌償條款現時有效且於截至二零一八年十二月三十一日止年度一直生效。

### 審核委員會

審核委員會由本公司一名非執行董事及三名獨立非執行董事組成。審核委員會已採納職責條款，其與企業管治守則一致。本集團截至二零一八年十二月三十一日止年度之經審核財務報表已由審核委員會審閱，其認為該等報表已符合適用會計準則、上市規則及其他法例規定，並已作出充分披露。

### 核數師

截至二零一八年十二月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核。

承董事會命

**趙國強**

*行政總裁兼執行董事*

香港，二零一九年三月二十九日



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**TO THE SHAREHOLDERS OF CHINA ENERGY DEVELOPMENT HOLDINGS LIMITED**

(中國能源開發控股有限公司)

*(Incorporated in the Cayman Islands with limited liability)*

致中國能源開發控股有限公司全體股東

*(於開曼群島註冊成立之有限公司)*

**Disclaimer of Opinion**

We were engaged to audit the consolidated financial statements of China Energy Development Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) set out on pages 60 to 199, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the “Basis for Disclaimer of Opinion” section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

**不發表意見**

本核數師已獲委聘審核刊於第60頁至第199頁中國能源開發控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合全面收益表、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。

吾等不會就 貴集團綜合財務報表發表意見。鑒於吾等報告內「不發表意見之基準」一節所述事宜之重要性，吾等尚未能取得足夠及適當的審核憑證，以就該等綜合財務報表以及綜合財務報表是否已遵守香港公司條例之披露規定妥為編製提供審核意見基準。

### Basis for Disclaimer of Opinion

#### 1. Revenue recognition

Included in the consolidated statement of comprehensive income for the year ended 31 December 2018 is revenue in the amount of HK\$466,880,000 related to the following sales of natural gas. As disclosed in Note 5(iv) to the consolidated financial statements, the Group has recognised revenue from the sales of natural gas arising from its interests in a Petroleum Contract during the exploration and evaluation period from 2009 to 2018. The Petroleum Contract was entered between a subsidiary of the Company and China National Petroleum Corporation (“CNPC”) in relation to a project for the drilling, exploration, exploitation and production of oil and natural gas in North Kashi Block, Tarim Basin in the People's Republic of China (the “Project”). During the year ended 31 December 2018, the Group recognised the sales of natural gas related to the gas delivered during and before year 2018 for the Project as the Company's directors considered that based on their discussions with counterparty and information available to them during the year, the conditions for revenue recognition were met during the year. The directors provided us information available to them and represented that they had agreed with the counterparty the terms of the sales of natural gas delivered during and before year 2018 and both parties agreed to formalise these agreed terms of sales of natural gas by entering into agreements. However, up to the date of this report, the properly executed agreements are yet available to us.

There were no other satisfactory audit procedures that we could adopt to obtain sufficient audit evidence to corroborate with the aforesaid representation from the directors. As a result, we were unable to determine whether the revenue was recognised in accordance with Hong Kong Financial Reporting Standard 15 *Revenue from Contracts with Customers*. Reversal of the revenue and corresponding account receivables would reduce the Group's net assets as at 31 December 2018 and its net profits after tax for the year then ended, and affect the elements making up the consolidated statement of changes in equity and the consolidated statement of cash flows.

### 不發表意見之基準

#### 1. 收益確認

計入截至二零一八年十二月三十一日止年度之綜合全面收益表之收益466,880,000港元與以下天然氣銷售有關。誠如綜合財務報表附註5(iv)所披露，貴集團已確認於二零零九年至二零一八年勘探及評估期間自其於石油合約之權益產生之天然氣銷售所得之收益。該石油合約乃由貴公司附屬公司與中國石油天然氣集團公司（「中國石油集團」）訂立，內容有關於中華人民共和國塔里木盆地喀什北區塊鑽探、勘探、開發及生產石油及天然氣之項目（「該項目」）。截至二零一八年十二月三十一日止年度，貴集團就於二零一八年度內及之前就該項目交付之天然氣確認天然氣銷售，此乃由於貴公司董事認為根據彼等於年內與對手方之討論及彼等可得之資料，已符合於年內確認收益之條件。董事向吾等提供彼等可得之資料，並聲明彼等與對手方均已同意於二零一八年度內及之前交付天然氣銷售條款，而訂約雙方同意訂立協議，正式訂立該等已協定之天然氣銷售條款。然而，直至本報告日期，吾等尚未獲提供正式簽立之協議。

吾等並無其他可採用的適當審核程序以取得足夠的審核憑證，從而證實上述董事之聲明。因此，吾等未能釐定收益是否根據香港財務報告準則第15號客戶合約收益予以確認。收益撥回及相應應收賬款將減少貴集團於二零一八年十二月三十一日之資產淨值及其截至該日止年度之除稅後純利，並對綜合權益變動表及綜合現金流量表之組成部分構成影響。

### Basis for Disclaimer of Opinion (Continued)

#### 2. Impairment of intangible assets and exploration and evaluation assets

Included in the consolidated statement of financial position as at 31 December 2018 are intangible assets and exploration and evaluation assets with carrying amounts of HK\$1,250,254,000 and HK\$474,224,000 respectively (collectively referred to as the “Assets”). As disclosed in Notes 17 and 18 to the consolidated financial statements, the intangible assets represent interests in the Project. Exploration and evaluation assets represent costs directly associated with exploratory wells (drilling cost and others) that are capitalised.

As detailed in Note 18 to the consolidated financial statements, as at 31 December 2018, an impairment assessment was carried out by the directors of the Company on the Assets. The assessment indicated the carrying amounts of the intangible assets and exploration and evaluation assets exceeded the recoverable amount of the cash-generating unit (the “CGU”) to which these assets were assigned. Accordingly, impairment losses of HK\$95,000,000 and HK\$36,000,000 were recognised for the year ended 31 December 2018 on intangible assets and exploration and evaluation assets respectively. The recoverable amount of the intangible assets and exploration and evaluation assets has been determined by the directors based on the CGU’s value in use. The cash flows estimation in the value in use calculation was based on certain assumptions including the estimated future selling price and the estimated volume of gas to be extracted. In the value in use calculation, the directors also assumed the Overall Development Program (“ODP”) would be submitted to the relevant government authority before 31 December 2019, the development stage and commercial production of the Project will start after the submission of the ODP.

Given the Project has been delayed for a number of years, it indicates the existence of a material uncertainty as to when the commercial production can be started. The directors were unable to provide us with sufficient supporting documents to support the reasonableness of the above assumptions underlying the value in use calculation.

### 不發表意見之基準(續)

#### 2. 無形資產以及勘探及評估資產之減值

於二零一八年十二月三十一日，綜合財務狀況表包括賬面值分別為1,250,254,000港元及474,224,000港元之無形資產以及勘探及評估資產(統稱為「該等資產」)。誠如綜合財務報表附註17及18所披露，無形資產指於該項目之權益。勘探及評估資產指已撥作資本的勘探井之直接相關成本(鑽探成本及其他)。

誠如綜合財務報表附註18所詳述，於二零一八年十二月三十一日，貴公司董事就該等資產進行減值評估。該評估顯示無形資產以及勘探及評估資產的賬面值均超出該等資產所屬現金產生單位(「現金產生單位」)之可收回金額。因此，已就截至二零一八年十二月三十一日止年度之無形資產以及勘探及評估資產分別確認減值虧損95,000,000港元及36,000,000港元。無形資產以及勘探及評估資產的可收回金額已由董事根據現金產生單位的使用價值釐定。計算使用價值時的現金流量估計乃基於若干假設，包括估計未來售價及估計天然氣開採量。在計算使用價值時，董事亦假設總體開發方案(「總體開發方案」)將於二零一九年十二月三十一日前提交予相關政府機關，而該項目的發展階段及商業生產將於提交總體開發方案後開展。

鑒於該項目已延遲多年，顯示該項目何時開始商業生產存在重大不確定性。董事未能為吾等提供足夠支持文件，支持上述使用價值計算方式中相關假設的合理性。



### Basis for Disclaimer of Opinion (Continued)

#### 2. Impairment of intangible assets and exploration and evaluation assets (Continued)

There were no other satisfactory audit procedures that we could adopt to assess the reasonableness of the assumptions in the impairment assessment. As a result, we were unable to determine whether the recoverable amounts and impairment provisions of the Assets were appropriately stated. Any adjustments to the carrying amounts of the Assets would have a consequential effect on the Group's financial position as at 31 December 2018 and on its financial performance for the year then ended, and the elements making up the consolidated statement of changes in equity and the consolidated statement of cash flows.

We encountered similar limitation of scope during the course of audit of the Group's consolidated financial statements for the year ended 31 December 2017 (the "**Group's 2017 Consolidated Financial Statements**"). Together with the matter detailed in our audit report dated 28 March 2018, we did not express an opinion on the Group's 2017 Consolidated Financial Statements. Such unresolved limitation of scope brought forward from last year has possible effect on the comparability of the current year's figures and the corresponding figures.

#### 3. Uncertainties relating to going concern

The directors of the Company have prepared the consolidated financial statements on a going concern basis, the appropriateness of which largely depends upon the outcome of the underlying assumptions, as detailed in Note 3(b)(ii) to the consolidated financial statements, which in particular include (i) CNPC will pay the proceeds from sales of natural gas related to prior years (the "**Proceeds**") before 31 December 2019; and (ii) the Group will be able to successfully persuade the contractors not to insist on repayment of the construction cost payables before the Company receives the proceeds from CNPC.

### 不發表意見之基準(續)

#### 2. 無形資產以及勘探及評估資產之減值(續)

吾等並無其他可採用的適當審核程序，以評估減值評估中所用假設之合理性。因此，吾等未能釐定該等資產之可收回金額及減值撥備是否已適當地列述。該等資產賬面值的任何調整均會對 貴集團於二零一八年十二月三十一日之財務狀況及其截至該日止年度之財務表現以及綜合權益變動表及綜合現金流量表之組成部分構成相應的影響。

吾等於審核 貴集團截至二零一七年十二月三十一日止年度之綜合財務報表(「**貴集團二零一七年綜合財務報表**」)之過程中亦遭遇類似範圍限制。連同吾等日期為二零一八年三月二十八日之審核報告所詳述之事宜，吾等並無對 貴集團二零一七年綜合財務報表發表意見。自去年起尚未解決之有關範圍限制可能對本年度之數字及相應數字之可比性造成影響。

#### 3. 有關持續經營的不確定性

貴公司董事已按持續經營基準編製綜合財務報表，此舉是否適當主要取決於綜合財務報表附註3(b)(ii)所述的相關假設結果，特別包括：(i)中國石油集團將於二零一九年十二月三十一日前支付有關過往年度的天然氣銷售之所得款項(「**所得款項**」)；及(ii) 貴集團將能成功說服承建商在 貴公司接獲中國石油集團的所得款項前，不堅持要求償還應付建築費用。

## Basis for Disclaimer of Opinion (Continued)

### 3. Uncertainties relating to going concern (Continued)

However, the Company has not obtained any written confirmation that CNPC will pay the Proceeds before 31 December 2019 and the contractors will not insist on payment of the construction cost payables until the Company receives the Proceeds from CNPC.

There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the Group can continue as a going concern. Accordingly, we were unable to determine whether it is appropriate for the consolidated financial statements for the year ended 31 December 2018 prepared on a going concern basis. Should the going concern basis be considered inappropriate, adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amount, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

The directors of the Company also have prepared the Group's 2017 Consolidated Financial Statements on a going concern basis. In our audit on the Group's 2017 Consolidated Financial Statements, we were unable to obtain sufficient appropriate audit evidence to assess the reasonableness of the application of the going concern basis and among other matters that exist in last year, and did not express an opinion in the report.

## 不發表意見之基準(續)

### 3. 有關持續經營的不確定性(續)

然而，貴公司尚未取得任何書面確認，稱中國石油集團將於二零一九年十二月三十一日前支付所得款項及在貴公司接獲中國石油集團的所得款項前，承建商不會堅持要求支付應付建築費用。

吾等並無可執行的替代性審核程序，以令吾等信納貴集團能夠按持續基準經營。因此，吾等無法釐定按持續經營基準編製截至二零一八年十二月三十一日止年度之綜合財務報表是否恰當。倘認為持續經營基準並不恰當，則須進行調整，將貴集團資產的賬面值撇減至其可變現淨值，並就可能產生之任何額外負債作出撥備，以及將非流動資產及非流動負債分別重新歸類為流動資產及流動負債。該等調整之影響並無於綜合財務報表內反映。

貴公司董事亦按持續經營基準編製貴集團二零一七年綜合財務報表。在吾等對貴集團二零一七年綜合財務報表的審核中，吾等無法取得充份適當的審核憑證，以評估應用持續經營基準的合理性及去年存在的其他事宜，且並無於本報告發表意見。

### Directors' Responsibilities for the Consolidated Financial Statements

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibilities in this regard.

### 董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則及香港公司條例之披露規定，編製表達真實及公平意見之綜合財務報表，並且對其認為對於為使編製不存在由於欺詐或錯誤而導致之重大錯誤陳述的綜合財務報表份屬必要之內部監控負責。

編製綜合財務報表時，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準，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。

董事亦負責監察 貴集團的財務申報程序。審核委員會協助董事履行彼等在此方面之責任。

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

However, because of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

### **BDO Limited**

*Certified Public Accountants*

### **YU Tsui Fong**

Practising Certificate no. P05440

Hong Kong, 29 March 2019

## 核數師就審核綜合財務報表須承擔之責任

吾等之責任是根據香港會計師公會頒佈之香港審計準則對 貴集團之綜合財務報表進行審核，並出具核數師報告。根據吾等之委聘條款，本報告僅為 閣下(作為一個整體)編製，且別無其他目的。吾等概不就本報告之內容，向任何其他人士承擔責任或負責。

然而，基於本報告「不發表意見之基準」一節所述事宜，吾等未能取得足夠適當的審核憑證，以為吾等就此等綜合財務報表發表審核意見提供基礎。

根據香港會計師公會《專業會計師職業道德守則》(「守則」)，吾等獨立於 貴集團，且吾等已根據守則履行其他道德責任。

香港立信德豪會計師事務所有限公司

執業會計師

余翠芳

執業證書號碼 P05440

香港，二零一九年三月二十九日

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018	2017
		Notes	二零一八年	二零一七年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Revenue	收益	6	477,789	13,039
Cost of inventories sold	已售存貨成本		(6,466)	(6,793)
Other income	其他收入	7	20,133	399
Selling and distributing expenses	銷售及分銷開支		(24,520)	-
Staff costs	員工成本	9	(14,964)	(11,299)
Operating lease rentals	經營租賃租金		(3,579)	(4,524)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	15	(3,840)	(2,761)
Fair value (loss)/gain of financial assets at fair value through profit or loss	按公平價值計入損益之金融資產之公平價值(虧損)/收益		(13,064)	15,678
Fair value loss of investment properties	投資物業公平價值虧損	16	(10,849)	-
Impairment of exploration and evaluation assets	勘探及評估資產減值	17	(36,000)	(39,000)
Impairment and amortisation of intangible assets	無形資產減值及攤銷	18	(212,727)	(162,000)
Impairment of goodwill	商譽減值	19	(1,151)	(6,000)
Other operating expenses	其他經營開支		(24,059)	(31,364)
Finance costs	融資成本	8	(8,474)	(7,002)
<b>Profit/(loss) before income tax</b>	<b>除所得稅前溢利/(虧損)</b>	9	<b>138,229</b>	(241,627)
Income tax (expense)/credit	所得稅(開支)/抵免	10	(111,041)	6,774
<b>Profit/(loss) for the year</b>	<b>本年度溢利/(虧損)</b>		<b>27,188</b>	(234,853)
<b>Other comprehensive income</b>	<b>其他全面收益</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>其後可能重新分類至損益之項目</b>			
Exchange differences arising on translation of foreign operations attributable to:	下列應佔換算境外業務產生之匯兌差額：			
Owners of the Company	本公司擁有人		(73,284)	119,307
Non-controlling interests	非控股權益		882	(761)
			<b>(72,402)</b>	118,546
<b>Total comprehensive income for the year</b>	<b>本年度全面收益總額</b>		<b>(45,214)</b>	(116,307)

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	附註			
<b>Profit/(loss) attributable to:</b>	下列應佔溢利/(虧損):			
Owners of the Company	本公司擁有人		27,544	(235,510)
Non-controlling interests	非控股權益		(356)	657
			<u>27,188</u>	<u>(234,853)</u>
<b>Total comprehensive income attributable to:</b>	下列應佔全面收益總額:			
Owners of the Company	本公司擁有人		(45,740)	(116,203)
Non-controlling interests	非控股權益		526	(104)
			<u>(45,214)</u>	<u>(116,307)</u>
<b>Earnings/(loss) per share attributable to owners of the Company for the year</b>	本公司擁有人應佔本年度每股盈利/(虧損)			
— Basic (HK cents)	— 基本(港仙)	12	0.29	(2.48)
— Diluted (HK cents)	— 攤薄(港仙)		<u>0.25</u>	<u>(2.48)</u>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	26,603	31,178
Investment properties	投資物業	16	57,600	–
Exploration and evaluation assets	勘探及評估資產	17	474,224	369,087
Intangible assets	無形資產	18	1,250,254	1,523,512
Goodwill	商譽	19	–	1,151
Deferred tax assets	遞延稅項資產	21(a)	–	99,673
			<u>1,808,681</u>	<u>2,024,601</u>
<b>Current assets</b>	<b>流動資產</b>			
Account receivables	應收賬款	22	439,596	–
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產	23	61,476	74,540
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項	24	33,736	78,412
Cash and bank balances	現金及銀行結餘		68,084	171,926
			<u>602,892</u>	<u>324,878</u>
<b>Total assets</b>	<b>總資產</b>		<u>2,411,573</u>	<u>2,349,479</u>
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付款項及應計款項	25	444,768	536,902
Amount due to a shareholder	應付一名股東款項	26	39,363	40,626
Amounts due to non-controlling interests	應付非控股權益款項	26	–	6,222
Bank borrowings	銀行借貸	27	65,931	–
			<u>550,062</u>	<u>583,750</u>
<b>Net current assets/(liabilities)</b>	<b>流動資產/(負債)淨值</b>		<u>52,830</u>	<u>(258,872)</u>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<u>1,861,511</u>	<u>1,765,729</u>

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Other payables	其他應付款項	25	143,736	-
Convertible notes	可換股票據	28	71,467	64,489
Deferred tax liabilities	遞延稅項負債	21(a)	11,649	-
			<u>226,852</u>	<u>64,489</u>
<b>Net assets</b>	<b>資產淨值</b>		<u>1,634,659</u>	<u>1,701,240</u>
<b>Equity</b>	<b>權益</b>			
Share capital	股本	29	475,267	475,267
Reserves	儲備		1,147,086	1,214,193
Attributable to owners of the Company	本公司擁有人應佔		1,622,353	1,689,460
Non-controlling interests	非控股權益		12,306	11,780
<b>Total equity</b>	<b>總權益</b>		<u>1,634,659</u>	<u>1,701,240</u>

These consolidated financial statements were approved and authorised for issue by the board of directors on 29 March 2019.

董事會於二零一九年三月二十九日批准及授權刊發該等綜合財務報表。

**Zhao Guoqiang**  
趙國強  
Director  
董事

**Gu Quan Rong**  
顧全榮  
Director  
董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests	Total equity
		Issued capital	Contributed surplus	Convertible Share premium	Convertible notes reserve	Translation reserve	Accumulated losses	Sub-total		
		已發行股本	股本盈餘	股份溢價	股票儲備	換算儲備	累計虧損	小計	非控股權益	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
			(Note 32(a))	(Note 32(b))	(Note 32(c))					
			(附註 32(a))	(附註 32(b))	(附註 32(c))					
At 1 January 2017	於二零一七年一月一日	475,267	30,004	1,679,187	695,828	(223,019)	(851,604)	1,805,663	-	1,805,663
(Loss)/profit for the year	本年度(虧損)/盈利	-	-	-	-	-	(235,510)	(235,510)	657	(234,853)
<b>Other comprehensive income:</b>	<b>其他全面收入：</b>									
Exchange differences on translation foreign operations	換算海外業務的匯兌差異	-	-	-	-	119,307	-	119,307	(761)	118,546
<b>Total comprehensive income for the year</b>	<b>本年度全面收益總額</b>	-	-	-	-	119,307	(235,510)	(116,203)	(104)	(116,307)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	11,884	11,884
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>475,267</b>	<b>30,004</b>	<b>1,679,187</b>	<b>695,828</b>	<b>(103,712)</b>	<b>(1,087,114)</b>	<b>1,689,460</b>	<b>11,780</b>	<b>1,701,240</b>
Effect of adjustment on adoption of HKFRS 9 (Note 2(a)A(i))	採納香港財務報告準則第9號之調整之影響(附註2(a)A(i))	-	-	-	-	-	(21,367)	(21,367)	-	(21,367)
At 1 January 2018 (restated)	於二零一八年一月一日(經重列)	<b>475,267</b>	<b>30,004</b>	<b>1,679,187</b>	<b>695,828</b>	<b>(103,712)</b>	<b>(1,108,481)</b>	<b>1,668,093</b>	<b>11,780</b>	<b>1,679,873</b>
Profit/(loss) for the year	本年度溢利/(虧損)	-	-	-	-	-	27,544	27,544	(356)	27,188
<b>Other comprehensive income:</b>	<b>其他全面收入：</b>									
Exchange differences on translation foreign operations	換算海外業務的匯兌差異	-	-	-	-	(73,284)	-	(73,284)	882	(72,402)
<b>Total comprehensive income for the year</b>	<b>本年度全面收入總額</b>	-	-	-	-	(73,284)	27,544	(45,740)	526	(45,214)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>475,267</b>	<b>30,004</b>	<b>1,679,187</b>	<b>695,828</b>	<b>(176,996)</b>	<b>(1,080,937)</b>	<b>1,622,353</b>	<b>12,306</b>	<b>1,634,659</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cash flows from operating activities</b>	<b>經營業務現金流量</b>		
<b>Profit/(loss) before income tax</b>	<b>除所得稅前溢利/(虧損)</b>	<b>138,229</b>	(241,627)
Adjustments for:	就以下項目作出調整：		
Interest expenses	利息開支	<b>8,474</b>	7,002
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>3,840</b>	2,761
Interest income	利息收入	<b>(43)</b>	(25)
Dividend income	股息收入	<b>(228)</b>	(325)
Fair value loss of investment properties	投資物業之公平價值虧損	<b>10,849</b>	-
Fair value loss/(gain) of financial assets at fair value through profit or loss	按公平價值計入損益之金融資產之公平價值虧損/(收益)	<b>13,064</b>	(15,678)
Exchange gain, net	匯兌收益淨值	<b>(256)</b>	(49)
Reversal of expected credit losses	預期信貸虧損撥回	<b>(6,268)</b>	-
Impairment of exploration and evaluation assets	勘探及評估資產減值	<b>36,000</b>	39,000
Impairment and amortisation of intangible assets	無形資產減值及攤銷	<b>212,727</b>	162,000
Impairment of goodwill	商譽減值	<b>1,151</b>	6,000
Gain on disposal of subsidiary	出售附屬公司之收益	<b>(12,697)</b>	-
<b>Operating cash flows before working capital changes</b>	<b>計入營運資本變動前經營現金流量</b>	<b>404,842</b>	(40,941)
(Increase)/decrease in account receivables	應收賬款(增加)/減少	<b>(439,739)</b>	26,951
Decrease/(increase) in other receivables, deposits and prepayments	其他應收款項、訂金及預付款項減少/(增加)	<b>9,162</b>	(70,655)
Increase in other payables and accruals	其他應付款項及應計款項增加	<b>84,280</b>	90,977
<b>Cash generated from operations</b>	<b>經營業務所得之現金</b>	<b>58,545</b>	6332
Income tax paid	已付所得稅	-	(6)
<b>Net cash generated from operating activities</b>	<b>經營業務所得現金淨額</b>	<b>58,545</b>	6,326

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cash flows from investing activities</b>	<b>投資業務現金流量</b>		
Acquisition of property, plant and equipment	收購物業、廠房及設備	35 (411)	(630)
Acquisition of subsidiaries, net of cash acquired	收購附屬公司(扣除所收購現金)	36 –	(9,461)
Acquisition of exploration and evaluation assets	收購勘探及評估資產	(162,326)	–
Acquisition of investment properties	收購投資物業	(68,449)	–
Interest received	已收利息	43	25
Dividend income	股息收入	228	325
<b>Net cash used in investing activities</b>	<b>投資業務動用現金淨額</b>	<b>(230,915)</b>	<b>(9,741)</b>
<b>Cash flows from financing activities</b>	<b>來自融資活動的現金流</b>		
Repayment (to)/advance from a shareholder	(償還)/來自一名股東之墊款	(1,263)	224
Repayment (to)/advance from non-controlling interests	(償還)/來自非控股權益之墊款	(6,222)	6,222
Proceeds from bank borrowings	銀行借貸所得款項	69,903	–
Repayment of bank borrowings	償還銀行借貸	(1,638)	–
Interest paid	已付利息	(919)	–
<b>Net cash generated from financing activities</b>	<b>融資活動所產生的現金淨額</b>	<b>59,861</b>	<b>6,446</b>
Net (decrease)/increase in cash and cash equivalents	現金及等同現金(減少)/增加淨額	(112,509)	3,031
<b>Cash and cash equivalents at beginning of year</b>	<b>年初之現金及等同現金</b>	<b>171,926</b>	<b>203,719</b>
Effects of foreign exchange rate changes	匯率變動之影響	8,667	(34,824)
<b>Cash and cash equivalents at end of year, comprising cash and bank balances</b>	<b>年終之現金及等同現金，包括現金及銀行結餘</b>	<b>68,084</b>	<b>171,926</b>

### 1. ORGANISATION AND OPERATIONS

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 4 April 2001 under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, Cayman Islands. Its principal place of business is located at Units 5611–12, The Center, 99 Queen's Road Central, Central, Hong Kong.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“SEHK”) with effect from 18 February 2002.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are described in Note 20 to the consolidated financial statements.

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

#### (a) Adoption of new/revised HKFRSs — effective 1 January 2018

Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2 HKFRS 9	Classification and Measurement of Share-based Payment Transactions Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC) — Int 22	Foreign Currency Transactions and Advance Consideration

### 1. 組織及營運

本公司於二零零一年四月四日根據開曼群島公司法於開曼群島註冊成立為受豁免有限公司。註冊辦事處之地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, Cayman Islands。主要營業地點位於香港中環皇后大道中99號中環中心5611–12室。

本公司股份由二零零二年二月十八日起於香港聯合交易所有限公司(「香港聯交所」)主板上市。

本公司之主要業務為投資控股，而本公司附屬公司之主要業務於綜合財務報表附註20詳述。

### 2. 採納香港財務報告準則(「香港財務報告準則」)

#### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效

二零一四年至二零一六年週期香港財務報告準則之年度改進	香港財務報告準則第1號之修訂，首次採納香港財務報告準則
二零一四年至二零一六年週期香港財務報告準則之年度改進	香港會計準則第28號之修訂，聯營公司及合營公司之投資
香港財務報告準則第2號之修訂	以股份為基礎付款交易之分類及計量
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號之修訂	客戶合約收益(釐清香港財務報告準則第15號)
香港會計準則第40號之修訂	投資物業的轉讓
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

The impact of the adoption of HKFRS 9 “Financial instruments” (see Note 2(a)(A) below) and HKFRS 15 “Revenue from Contracts with Customers” (see Note 2(a)(B) below) have been summarised below. The other or amended HKFRSs that are effective from 1 January 2018 did not have any material impact on the Group’s consolidated financial statements.

#### A. HKFRS 9 — Financial Instruments

(i) *Classification and measurement of financial instruments*

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated financial statements.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

採納香港財務報告準則第9號「金融工具」(見下文附註2(a)(A))及香港財務報告準則第15號「客戶合約收益」(見下文附註2(a)(B))之影響概述如下。於二零一八年一月一日起生效之其他或經修訂香港財務報告準則對本集團綜合財務報表並無任何重大影響。

#### A. 香港財務報告準則第9號 — 金融工具

(i) 金融工具之分類及計量

香港財務報告準則第9號於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號「金融工具：確認及計量」，合併金融工具會計處理方式之所有三個方面：(1)分類及計量；(2)減值及(3)對沖會計。自二零一八年一月一日起採納香港財務報告準則第9號已導致本集團會計政策及綜合財務報表所確認之金額出現變動。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

- (i) *Classification and measurement of financial instruments (Continued)*

The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of accumulated losses as of 1 January 2018 as follows:

#### Accumulated losses

Accumulated losses as at 31 December 2017  
Recognition of additional expected credit losses (“ECL”) on:  
— Other receivables

Restated accumulated losses as at 1 January 2018

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

- (i) 金融工具之分類及計量(續)

下表概述過渡至香港財務報告準則第9號對截至二零一八年一月一日累計虧損期初結餘的影響(扣除稅項)如下：

HK\$'000  
千港元

#### 累計虧損

於二零一七年十二月三十一日的  
累計虧損  
就下列項目確認額外預期信貸虧損  
(「預期信貸虧損」):  
— 其他應收款項

於二零一八年一月一日的經重列  
累計虧損

(1,087,114)

(21,367)

(1,108,481)

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

- (i) *Classification and measurement of financial instruments (Continued)*

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

- (i) 金融工具之分類及計量(續)

香港財務報告準則第9號貫徹香港會計準則第39號之財務負債確認、分類及計量規定，惟指定以按公平價值計入損益之財務負債除外，該負債信貸風險變動產生之公平價值變動金額於其他全面收益確認，除非在其他全面收益呈列該負債之信貸風險變動影響會導致或加劇會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關終止確認金融資產及金融負債之規定。然而，其取消先前香港會計準則第39號有關持有至到期金融資產、貸款及應收款項以及可供出售金融資產之金融資產類別。採納香港財務報告準則第9號對本集團有關金融負債及衍生金融工具之會計政策並無重大影響。香港財務報告準則第9號對本集團金融資產分類及計量之影響載列如下。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

- (i) *Classification and measurement of financial instruments (Continued)*

Under HKFRS 9, except for certain account receivables (that the account receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“**amortised costs**”); (ii) financial assets at fair value through other comprehensive income (“**FVOCI**”); or (iii) FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “**solely payments of principal and interest**” criterion, also known as “**SPPI criterion**”). Under HKFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

- (i) 金融工具之分類及計量(續)

根據香港財務報告準則第9號，除若干應收賬款(根據香港財務報告準則第15號，應收賬款不包括重大融資部分)外，實體於初次確認時須按公平價值加交易成本(倘為並非按公平價值計入損益(「按公平價值計入損益」)之金融資產)計量金融資產。金融資產分類為：(i)按攤銷成本(「攤銷成本」)計量之金融資產；(ii)按公平價值計入其他全面收益(「按公平價值計入其他全面收益」)之金融資產；或(iii)按公平價值計入損益(定義見上文)之金融資產。根據香港財務報告準則第9號，金融資產之分類一般基於兩個準則：(i)金融資產受管理之業務模式及(ii)其合約現金流量特徵(「僅為支付本金及利息」準則，亦稱「僅為支付本金及利息準則」)。根據香港財務報告準則第9號，嵌入式衍生工具不再須與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。



## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (i) Classification and measurement of financial instruments (Continued)

A financial asset is measured at amortised cost if meets both of the following conditions and it has not been designated as at FVTPL.

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

A debt investment is measured at FVOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to achieve by both collecting contractual cash flows and selling financial assets; and

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (i) 金融工具之分類及計量(續)

當金融資產同時符合以下兩個條件，且並無指定按公平價值計入損益，則該金融資產按攤銷成本計量。

- 該金融資產由一個旨在通過持有金融資產收取合約現金流量之業務模式所持有；及
- 該金融資產之合約條款使於特定日期產生符合僅為支付本金及利息準則的現金流量。

倘債務投資同時符合以下條件，且並非指定按公平價值計入損益，則該債務投資按公平價值計入其他全面收益計量：

- 該債務投資由一個通過收取合約現金流量及銷售金融資產達成目標之業務模式所持有；及

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

(i) *Classification and measurement of financial instruments (Continued)*

- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具之分類及計量(續)

- 該金融資產之合約條款使於特定日期產生符合僅為支付本金及利息準則的現金流量。

於初次確認並非持作買賣股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平價值之其後變動。該選擇按投資逐項作出。所有其他上述並非分類為按攤銷成本或按公平價值計入其他全面收益之金融資產，均分類為按公平價值計入損益。此包括所有衍生金融資產。於初次確認時，本集團可不可撤回地指定金融資產(於其他方面符合按攤銷成本計量或按公平價值計入其他全面收益之規定)為按公平價值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

- (i) *Classification and measurement of financial instruments (Continued)*

The following accounting policies would be applied to the Group’s financial assets as follows:

FVTPL	FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.
Amortised costs	Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

- (i) 金融工具之分類及計量(續)

以下會計政策將適用於本集團之金融資產：

按公平價值計入損益	按公平價值計入損益 其後按公平價值計量。公平價值、股息及利息收入之變動均於損益確認。
攤銷成本	按攤銷成本之金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值均於損益確認。終止確認之任何收益均於損益確認。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

- (i) Classification and measurement of financial instruments (Continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group’s financial assets as at 1 January 2018:

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 根據香港會計準則第39號 於二零一八年一月一日之 賬面值 HK\$'000 千港元	Carrying amount as at 1 January 2018 under HKFRS 9 根據香港財務報告準則第9號 於二零一八年一月一日之 賬面值 HK\$'000 千港元
金融資產	根據香港會計準則第39號之原有類別	根據香港財務報告準則第9號之新類別		
Financial assets held for trading	Held for trading	FVTPL	74,540	74,540
持作出售之金融資產	持作出售	按公平價值計入損益		
Other receivables and deposits	Loans and receivables	Amortised cost	77,005	55,638
其他應收款項及訂金	貸款及應收款項	攤銷成本		
Cash and bank balance	Loans and receivables	Amortised cost	171,926	171,926
現金及銀行結餘	貸款及應收款項	攤銷成本		

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

- (i) 金融工具之分類及計量(續)

下表概述本集團於二零一八年一月一日各類金融資產根據香港會計準則第39號之原有計量類別及根據香港財務報告準則第9號之新計量類別：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments (Continued)

##### (ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “expected credit losses model”. HKFRS 9 requires the Group to recognise ECL for account receivables, and financial assets at amortised costs, earlier than HKAS 39. Cash and cash equivalents are subject to ECL model but the impairment is immaterial for the current period.

Under HKFRS 9, the losses allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (ii) 金融資產之減值

採納香港財務報告準則第9號改變了本集團之減值模式，由香港會計準則第39號「已產生虧損模式」改為「預期信貸虧損模式」。香港財務報告準則第9號規定本集團早於香港會計準則第39號規定之時間就應收賬款及按攤銷成本計量之金融資產確認預期信貸虧損。現金及現金等價物受預期信貸虧損模式規限，惟本期間之減值並不重大。

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生之可能違約事件導致的預期信貸虧損；及(2)全期預期信貸虧損：此為於金融工具預計年期內所有可能違約事件產生的預期信貸虧損。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (ii) Impairment of financial assets (Continued)

###### Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group measure loss allowances for account receivables and has calculated ECLs based on lifetime ECLs. The Group estimated expected credit loss rate that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## 2. 採納香港財務報告準則（「香港財務報告準則」）(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (ii) 金融資產之減值(續)

###### 預期信貸虧損之計量

預期信貸虧損基於根據合約應付之合約現金流量與本集團預期收取之所有現金流量之間的差額。該差額其後按與資產原實際利率相近之比率貼現。

本集團根據全期預期信貸虧損計量應收賬款的虧損撥備及已計算預期信貸虧損。本集團根據本集團過往信貸虧損經驗估計預期信貸虧損率，並按債務人特定的前瞻性因素及經濟環境作出調整。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

For other debt financial assets, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information. The Group’s debt investment at FVOCI are considered to have low credit risk since the issuers’ credit rating are high.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (ii) 金融資產之減值(續)

預期信貸虧損之計量(續)

就其他債務金融資產而言，預期信貸虧損以12個月預期信貸虧損為基準。12個月預期信貸虧損為全期預期信貸虧損之一部分，其因在報告日期後12個月內可能發生之金融工具違約事件而產生。然而，信貸風險自產生起顯著增加時，撥備將以全期預期信貸虧損為基準。當釐定金融資產之信貸風險自初次確認起是否顯著增加及於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得的合理及有據的資料。此包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料及分析，並包括前瞻性資料。由於發行人信貸評級較高，故本集團按公平價值計入其他全面收益之債務投資被視為具有低信貸風險。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments (Continued)

##### (ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (ii) 金融資產之減值(續)

預期信貸虧損之計量(續)

本集團假定，金融資產如逾期超過30日，其信貸風險會顯著增加。

本集團認為金融資產於下列情況下屬違約：(1) 借款人不大可能在本集團無追索權採取行動(例如：變現抵押品(如持有))的情況下向本集團悉數履行其信貸義務；或(2)該金融資產逾期超過90日。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損之呈列

按攤銷成本計量的金融資產的虧損撥備從資產賬面總額中扣除。



## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (ii) Impairment of financial assets (Continued)

Impact of the ECL model

##### (a) Impairment of account receivables

As mentioned above, the Group measure ECLs which adopts a life time ECLs for all account receivables. Expected credit loss rate is estimated at 0.03%. The loss allowances further increased by HK\$143,000 for account receivables during the year ended 31 December 2018.

##### (b) Impairment of other receivables and deposits

Other financial assets at amortised cost of the Group includes other receivables and deposits. Applying the ECL model result in the recognition of additional ECL of HK\$21,367,000 on 1 January 2018 and a reversal of ECL of HK\$6,411,000 for the year ended 31 December 2018.

## 2. 採納香港財務報告準則（「香港財務報告準則」）（續）

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效（續）

#### A. 香港財務報告準則第9號 — 金融工具（續）

##### (ii) 金融資產之減值（續）

預期信貸虧損模式之影響

##### (a) 應收賬款減值

如上所述，本集團採用全期預期信貸虧損計量所有應收賬款的預期信貸虧損。預期信貸虧損率估計為0.03%。於截至二零一八年十二月三十一日止年度，應收賬款的虧損撥備進一步增加143,000港元。

##### (b) 其他應收款項及訂金減值

本集團按攤銷成本計量的其他金融資產包括其他應收款項及訂金。應用預期信貸虧損模式導致於二零一八年一月一日確認額外預期信貸虧損為21,367,000港元以及截至二零一八年十二月三十一日止年度確認撥回預期信貸虧損為6,411,000港元。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

##### (b) Impairment of other receivables and deposits (Continued)

As a result of the above changes, the impact of the new HKFRS 9 impairment model results in additional impairment allowance as follow:

Loss allowance as at 1 January 2018 under HKAS 39

Additional impairment recognised for:  
— Other receivables

Loss allowance as at 1 January 2018 under HKFRS 9

##### (iii) Hedge accounting

Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (ii) 金融資產之減值(續)

預期信貸虧損模式之影響(續)

##### (b) 其他應收款項及訂金減值(續)

由於上述變動，新香港財務報告準則第9號減值模式的影響導致額外減值撥備如下：

	<b>HK\$'000</b>
	<b>千港元</b>
根據香港會計準則第39號於二零一八年一月一日的虧損撥備	<b>69,708</b>
就下列項目確認額外減值： — 其他應收款項	<b>21,367</b>
	<hr/>
根據香港財務報告準則第9號於二零一八年一月一日的虧損撥備	<b>91,075</b>
	<hr/> <hr/>

##### (iii) 對沖會計

根據香港財務報告準則第9號的對沖會計對本集團並無影響，此乃由於本集團並未於其對沖關係中應用對沖會計處理。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (iv) Transition

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECL rules are therefore not reflected in the statement of financial position as at 31 December 2017, but are recognised in the statement of financial position on 1 January 2018. This mean that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (iv) 過渡

本集團已應用香港財務報告準則第9號之過渡條文，以使香港財務報告準則第9號全面獲採納而毋須重列比較資料。因此，新預期信貸虧損規則所產生之重新分類及調整並無於二零一七年十二月三十一日之財務狀況表中反映，惟於二零一八年一月一日財務狀況表中確認。這意味著採納香港財務報告準則第9號所產生之金融資產與金融負債賬面值之差異乃於二零一八年一月一日之保留盈利及儲備中確認。因此，二零一七年呈列之資料並不反映香港財務報告準則第9號之規定，惟反映香港會計準則第39號之規定。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments (Continued)

##### (iv) Transition (Continued)

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held;
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and
- The designation of certain investments in equity investments not held for trading as at FVOCI.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (iv) 過渡(續)

下列評估乃根據香港財務報告準則第9號初次應用日期(「初次應用日期」)存在之事實及情況而作出：

- 釐定持有金融資產之業務模式；
- 指定及撤銷原來指定的若干金融資產及金融負債為按公平價值計入損益；及
- 指定並非持作買賣的股本投資的若干投資為按公平價值計入其他全面收益。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### A. HKFRS 9 — Financial Instruments

(Continued)

##### (iv) Transition (Continued)

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

#### B. HKFRS 15 — Revenue from Contracts with Customers (“HKFRS 15”)

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### A. 香港財務報告準則第9號 — 金融工具(續)

##### (iv) 過渡(續)

倘於債務投資之投資在初次應用日期具有較低的信貸風險，則本集團假設該資產之信貸風險自其初次確認起並無顯著增加。

#### B. 香港財務報告準則第15號 — 客戶合約收益(「香港財務報告準則第15號」)

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋。香港財務報告準則第15號建立一個五步模式將來自客戶合約的收益入賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權獲得的代價金額確認。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) Adoption of new/revised HKFRSs — effective 1 January 2018 (Continued)

#### B. HKFRS 15 — Revenue from Contracts with Customers (“HKFRS 15”) (Continued)

The Group has adopted HKFRS 15 using the cumulative effect method without practical expedients. The Group has recognised the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained earnings at the date of initial application (that is, 1 January 2018). As a result, the financial information presented for 2017 has not been restated.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (a) 採納新訂／經修訂香港財務報告準則 — 於二零一八年一月一日生效(續)

#### B. 香港財務報告準則第15號 — 客戶合約收益(「香港財務報告準則第15號」)(續)

本集團在沒有實際權宜之下採用累計影響法採納香港財務報告準則第15號。本集團已將初次應用香港財務報告準則第15號的累計影響確認為於初次應用日期(即二零一八年一月一日)對保留盈利期初結餘的調整。因此，二零一七年呈列的財務資料並未重新呈列。

採納香港財務報告準則第15號對本集團何時確認收益並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

#### (b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

HKFRS 16	Leases <sup>1</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 3, Business Combinations <sup>1</sup>
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 11, Joint Arrangements <sup>1</sup>
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 12, Income Taxes <sup>1</sup>
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 23, Borrowing Costs <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>2</sup> The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments continues to be permitted.

### 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

#### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

本集團並無提前採納下列已頒佈但尚未生效之新訂／經修訂香港財務報告準則，但有關準則可能與本集團之綜合財務報表相關。本集團目前擬於該等變動生效日期應用該等變動。

香港財務報告準則第16號	租賃 <sup>1</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 <sup>1</sup>
香港財務報告準則第9號之修訂	具有負補償之提前還款特性 <sup>1</sup>
二零一五年至二零一七年週期香港財務報告準則之年度改進	香港財務報告準則第3號業務合併之修訂 <sup>1</sup>
二零一五年至二零一七年週期香港財務報告準則之年度改進	香港財務報告準則第11號合營安排之修訂 <sup>1</sup>
二零一五年至二零一七年週期香港財務報告準則之年度改進	香港會計準則第12號所得稅之修訂 <sup>1</sup>
二零一五年至二零一七年週期香港財務報告準則之年度改進	香港會計準則第23號借貸成本之修訂 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營公司之間的資產出售或注入 <sup>2</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效。

<sup>2</sup> 該等修訂原擬於二零一七年一月一日或之後開始之期間生效。生效日期現已遞延／取消。仍獲允許提前應用該等修訂。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have significant impact on the Group’s result of operations and financial positions.

#### **HKFRS 16 — Leases**

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

本集團現正評估該等修訂在首次應用期間預期將產生的影響，且迄今認為採納該等修訂不大可能對本集團的經營業績及財務狀況造成重大影響。

#### **香港財務報告準則第16號 — 租賃**

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認可使用相關租賃資產之權利為租賃資產(即有使用權資產)及代表須支付租賃款項之責任為租賃負債。因此，承租人應確認有使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，並於現金流量表內呈列。此外，有使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或不行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據前準則香港會計準則第17號分類為經營租賃之租賃。



## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

#### **HKFRS 16 — Leases (Continued)**

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

#### **HK(IFRIC)-Int 23 — Uncertainty over Income Tax Treatments**

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

#### **香港財務報告準則第16號 — 租賃(續)**

就出租人會計處理而言，香港財務報告準則第16號大致繼承了香港會計準則第17號之出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且對兩類租賃進行不同之會計處理。

#### **香港(國際財務報告詮釋委員會) — 詮釋第23號 — 所得稅處理的不確定性**

該詮釋是針對香港會計準則第12號所得稅的規定，就如何反映所得稅會計處理中的不確定性影響提供指引。

根據該詮釋，實體必須確定是單獨考慮每項稅務處理的不確定性，還是結合一項或多項其他稅務處理的不確定性一併考慮，這取決於哪種方法能夠更好地預測不確定性的解決方式。實體還應假設稅務機關會核查其有權核查的金額並在核查時完全知悉所有相關資料。倘實體釐定稅務機關很可能會接受不確定的稅務處理，則實體應按與其稅務申報一致的方式計量即期及遞延稅項。否則，釐定稅項涉及的不確定性應採用「最可能金額」或「預期值」兩種方法中能更好地預測不確定性解決方式的方法來反映。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

#### **Amendments to HKFRS 9 — Prepayment Features with Negative Compensation**

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met — instead of at fair value through profit or loss.

#### **Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 3, Business Combinations**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

#### **Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 11, Joint Arrangements**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

#### **香港財務報告準則第9號之修訂 — 具有負補償之提前還款特性**

該等修訂澄清在符合指定條件下，具有負補償的可預付金融資產可按攤銷成本計量或按公平價值計入其他全面收益，而非按公平價值計入損益。

#### **二零一五年至二零一七年週期 香港財務報告準則之年度改進 — 香港財務報告準則第3號業 務合併之修訂**

於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第3號之修訂，其闡明當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併已初步達成，故此先前持有之股權應重新計量為其收購日期之公平價值。

#### **二零一五年至二零一七年週期 香港財務報告準則之年度改進 — 香港財務報告準則第11號合 營安排之修訂**

於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第11號之修訂，其闡明於參與(但並非擁有共同控制權)為一項業務的聯合經營的一方隨後取得聯合經營之共同控制權時，先前持有之股權不得重新計量至其收購日期之公平價值。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

#### **Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 12, Income Taxes**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

#### **Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 23, Borrowing Costs**

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

#### **二零一五年至二零一七年週期香港財務報告準則之年度改進—香港會計準則第12號所得稅之修訂**

於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第12號之修訂，其闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於損益、其他全面收益或直接於權益內確認。

#### **二零一五年至二零一七年週期香港財務報告準則之年度改進—香港會計準則第23號借貸成本之修訂**

於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第23號之修訂，其闡明為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售後仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

## 2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

#### ***Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

## 3. BASIS OF PREPARATION

### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance which concern to preparation of financial statement. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### (b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

#### **香港財務報告準則第10號及香港會計準則第28號之修訂 — 投資者及其聯營公司或合營公司之間的資產出售或注入**

該等修訂釐清了當實體向其聯營公司或合營公司出售或注入資產時將予確認的收益或虧損之範圍。當交易涉及一項業務則收益或虧損悉數確認，反之當交易涉及不構成業務之資產，則僅就非關聯投資者於合營公司或聯營公司權益確認收益或虧損。

## 3. 編製基準

### (a) 合規聲明

此綜合財務報表乃根據所有適用香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋(以下統稱「香港財務報告準則」)以及因應編製財務報表的香港公司條例的披露規定編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則(「上市規則」)所規定的適用披露內容。

### 3. BASIS OF PREPARATION (Continued)

#### (b) Basis of measurement and going concern assumption

##### (i) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values as explained in the accounting policies set out below.

##### (ii) Going concern basis

The directors of the Company have prepared the consolidated financial statements on a going concern basis, the appropriateness of which largely depends upon the outcome of the underlying assumptions as detailed below.

As at 31 December 2018, the Group has account receivables in the amount of HK\$439,596,000 (2017: Nil), the balance mainly represents the amount due from China National Petroleum Corporation (“CNPC”) related to sales of natural gas on and prior to 2018. The directors confirm that the CNPC has verbally agreed the proceeds could be paid in 2019 after the second supplemental agreement has been properly executed. However, the Company has not obtained any written confirmation that CNPC will pay the proceeds before 31 December 2019 or the supplemental agreement has been signed at the date of this report.

### 3. 編製基準(續)

#### (b) 計量基準及持續經營假設

##### (i) 計量基準

如下文載列的會計政策所闡述，綜合財務報表乃根據歷史成本基準編製，惟按公平價值計量之投資物業及若干金融工具除外。

##### (ii) 持續經營基準

本公司董事已按持續經營基準編製綜合財務報表，如下文所詳述，此舉是否適當主要取決於相關假設之結果。

於二零一八年十二月三十一日，本集團之應收賬款為439,596,000港元(二零一七年：無)，該結餘主要指於二零一八年及之前有關天然氣銷售應收中國石油天然氣集團公司(「中國石油集團」)之款項。董事確認，中國石油集團已口頭同意可於二零一九年妥為簽立第二份補充協議後支付所得款項。然而，本公司尚未取得任何書面確認表示中國石油集團將於二零一九年十二月三十一日前支付所得款項或已於本報告日期簽署補充協議。

### 3. BASIS OF PREPARATION (Continued)

#### (b) Basis of measurement and going concern assumption (Continued)

##### (ii) Going concern basis (Continued)

The Group's current liabilities as at 31 December 2018 are mainly attributable to exploration and evaluation cost payables amounting to HK\$353,956,000 (2017: HK\$421,119,000). The directors of the Company confirm that these contractors are aware of the fact that the Group has yet to receive the proceeds from sales of natural gas related to prior years from CNPC, and that the Group will be able to successfully persuade these contractors not to insist on repayment of the construction costs until CNPC has settled the proceeds. However, there is no certainty that these contractors will not demand repayment before the Group receives the proceeds from CNPC.

The directors have carried out a detailed review of the cash flow forecast of the Group covering a period of not less than twelve months from the end of the reporting period based on certain underlying assumptions including (i) CNPC will pay the proceeds before 31 December 2019; and (ii) the Group will be able to successfully persuade contractors not to insist on repayment of the construction cost payables before the Group receives the proceeds from CNPC. During the year, the Group obtained a new RMB100 million banking facilities. Taking into account the above measures, the directors of the Company consider the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 31 December 2018.

### 3. 編製基準(續)

#### (b) 計量基準及持續經營假設(續)

##### (ii) 持續經營基準(續)

本集團於二零一八年十二月三十一日之流動負債主要源於應付勘探及評估費用，金額為353,956,000港元(二零一七年：421,119,000港元)。本公司董事確認，該等承建商知悉本集團尚未自中國石油集團收取有關過往年度的天然氣銷售之所得款項及本集團將能成功說服該等承建商，在中國石油集團結付所得款項前，不堅持償付建築費用。然而，無法保證該等承建商將不會於本集團自中國石油集團收取所得款項前要求還款。

董事已根據下列若干相關假設，對本集團自報告期末起計不少於十二個月期間的現金流量預測進行詳細審閱：(i)中國石油集團將於二零一九年十二月三十一日之前支付所得款項；及(ii)本集團將能成功說服承建商在本集團自中國石油集團收到所得款項前，不堅持償付應付建築費用。年內，本集團取得新銀行融資人民幣100,000,000元。經考慮上述措施，本公司董事認為本集團將擁有足夠營運資金以於二零一八年十二月三十一日起計十二個月內履行其到期財務責任。

### 3. BASIS OF PREPARATION (Continued)

#### (b) Basis of measurement and going concern assumption (Continued)

##### (ii) Going concern basis (Continued)

There is an uncertainty related to the outcomes of the above events or conditions that may cast doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the use of the going concern basis in preparation of the consolidated financial statements be determined to be not appropriate, adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable value, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

#### (c) Functional and presentation currency

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

### 3. 編製基準(續)

#### (b) 計量基準及持續經營假設(續)

##### (ii) 持續經營基準(續)

有關上述事件或條件的結果涉及不確定性，可能對本集團持續經營的能力構成疑問，因此，本集團可能無法於正常業務過程中變現其資產及清償其債務。倘使用持續經營基準編製綜合財務報表被釐定為並不恰當，則須進行調整，將本集團資產之賬面值撇減至其可變現淨值，並就可能產生之任何額外負債作出撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整之影響並未於綜合財務報表中反映。

#### (c) 功能及呈列貨幣

此等綜合財務報表以港元(「港元」)呈列，港元亦為本公司的功能貨幣。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

##### (a) Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries ("the Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interest that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

#### 4. 重大會計政策

##### (a) 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司(「本集團」)的財務報表。集團公司間的交易及結餘連同未變現溢利於編製綜合財務報表時全面抵銷。未變現虧損亦予以抵銷，除非交易提供所轉讓資產的減值證據，在此情況下，則於損益確認虧損。

年內所收購或出售之附屬公司之業績乃由收購日期起或直至出售日期止(如適用)計入綜合全面收益表。如有需要，會對附屬公司之財務報表作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

收購附屬公司或業務乃以收購法入賬。收購成本按本集團(作為收購方)所轉移之資產、產生之負債及發行之股權於收購日期之公平價值總額計量。所收購之可識別資產及承擔之可識別負債主要按收購日期之公平價值計量。本集團先前持有被收購方之股權按收購日期之公平價值重新計量，所產生之盈虧於損益確認。本集團可按每宗交易選擇按公平價值或按應佔被收購方可識別資產淨值之比例計量屬目前於附屬公司擁有權益之非控股權益。所有其他非控股權益均按公平價值計量，除非香港財務報告準則規定使用其他計量基準，則作別論。所產生之收購相關成本一概列作開支，除非有關成本於發行股本工具時產生而自權益中扣除，則作別論。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (a) Business combination and basis of consolidation (Continued)

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

When the Group loses control of a subsidiary, the profit or loss on disposal 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 previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

#### 4. 重大會計政策(續)

##### (a) 業務合併及綜合基準(續)

收購方將予轉移之任何或然代價按收購日期之公平價值計量。倘其後對代價作出調整，僅於調整乃由於計量期間(最長為收購日期起計12個月)內所取得有關於收購日期之公平價值之新資料而作出時，方通過商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益確認。

倘本集團失去附屬公司之控制權，出售損益乃按下列兩者之差額計算：(i)所收取代價之公平價值與任何保留權益之公平價值之總額，與(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益過往之賬面值。先前就該附屬公司於其他全面收益確認之款額按出售相關資產或負債時所規定之相同方式列賬。

收購後，屬目前於附屬公司擁有權益之非控股權益之賬面值之金額為該等權益於初步確認時之金額加上非控股權益應佔權益其後變動之部分。全面收益總額乃歸屬於非控股權益，即使這會導致非控股權益出現虧絀亦屬如此。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- Substantive potential voting rights held by the Company and other parties who hold voting rights;
- Other contractual arrangements; and
- Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

#### 4. 重大會計政策 (續)

##### (b) 附屬公司

附屬公司為被投資方，本公司可對其行使控制權。倘下列三項因素全部出現時，本公司可控制被投資方：對被投資方的權力、風險承擔，或有權收取被投資方的可變回報及有能力利用權力影響該等可變回報。當事實及情況顯示該等控制權的任何因素可能發生變動，控制權將會進行重新評估。

倘本公司擁有實際能力引導投資對象相關活動，而毋須持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

- 相對其他持有投票權人士的數量及分散情況，本公司投票權的數量多少；
- 本公司及其他持有投票權人士所持有的實際潛在投票權；
- 其他合同安排；及
- 過往參與投票的出席記錄。

於本公司財務狀況表中，投資附屬公司按成本減任何減值虧損列賬。本公司按已收及應收股息之基準，將附屬公司之業績列賬。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (c) Joint arrangements

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

#### 4. 重大會計政策 (續)

##### (c) 聯合安排

本集團為聯合安排的一方，合約安排賦予本集團與至少一名其他方聯合控制相關活動安排。聯合控制根據控制附屬公司的相同原則進行評估。

本集團將下列兩項分類為聯合安排：

- 合營公司：倘本集團僅有權享有聯合安排的資產淨值；或
- 共同經營：倘擁有聯合安排的資產權力及負債義務。

評估聯合安排的權益分類時，本集團考慮：

- 聯合安排的結構；
- 聯合安排的法律形式為一個獨立載體結構；
- 聯合安排協議之合約條款；及
- 任何其他事實及情況（包括任何其他合約安排）。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (c) Joint arrangements (Continued)

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group accounts for its interests joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

The Company's interests in joint ventures are stated at cost less impairment losses, if any. Results of joint ventures are accounted for by the Company on the basis of dividends received and receivable.

##### (d) Goodwill

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

#### 4. 重大會計政策 (續)

##### (c) 聯合安排 (續)

任何就於合營公司之投資支付高於本集團應佔所收購可識別資產、負債及或然負債公平價值之溢價會撥充資本，並計入於合營公司投資的賬面值。倘有客觀證據表明於合營公司之投資已減值，則有關投資的賬面值按與其他非金融資產相同之方式測試減值。

本集團根據合約所賦予的權利及義務，透過確認其分佔資產、負債、收入及支出，將其共同經營權益列賬。

本公司於合營公司之權益按成本減減值虧損（如有）列賬。本公司會按已收及應收股息基準將合營公司之業績入賬。

##### (d) 商譽

倘可識別資產及負債之公平價值高於已付代價之公平價值、於已收購資產任何非控股權益之金額及於收購日期收購方過往所持已收購資產權益公平價值之總和，則超出部分經重新評核後於收購日期在損益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (d) Goodwill (Continued)

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see Note 4(p)), and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

#### 4. 重大會計政策(續)

##### (d) 商譽(續)

商譽按成本減減值虧損計量。就減值測試而言，因收購而產生之商譽獲分配至預期受惠於收購所產生協同效益之各個相關現金產生單位。現金產生單位為很大程度上獨立於其他資產或資產類別所產生之現金流量並可賺取現金之最小可識別之資產類別。獲分配商譽之現金產生單位可通過比較賬面值及其可收回金額(見附註4(p))，每年及於有跡象顯示單位可能出現減值時測試減值。

就某財政年度內進行收購所產生之商譽而言，於該財政年度結束前就獲分配商譽之現金產生單位進行減值測試。倘現金產生單位之可收回金額少於單位賬面值，則首先將減值虧損分配至該單位所獲分配之任何商譽以減少其賬面值，其後以該單位內各資產賬面值為基準按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會導致獨立資產之賬面值減至低於其公平價值減出售成本(如可計量)或其使用價值(如可釐定)(以較高者為準)。商譽任何減值虧損於損益確認，不會於其後期間撥回。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

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

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Leasehold improvements	3–6 years or over the term of the lease; if shorter
Furniture and fixtures	4–8 years
Motor vehicles	6–8 years
Natural gas pipeline	10 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the assets estimated recoverable amounts.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sales proceeds and its carrying amount, and is recognised in profit or loss on disposal.

#### 4. 重大會計政策(續)

##### (e) 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及任何累計減值虧損列賬。

物業、廠房及設備之成本包括其購買價及購置項目直接應佔成本。

其後成本僅在與項目有關的未來經濟利益可能流入本集團且項目成本能可靠計量情況下，方會計入資產的賬面值或確認為另一項資產(如適用)。替換部分之賬面值終止確認。所有其他維修保養費用在產生的財政期間計入損益。

物業、廠房及設備按直線法於估計可使用年期內撇銷其成本或扣除預計剩餘價值後之估值。可使用年期、剩餘價值及折舊方法於各報告期末檢討，並於適當時候調整。可使用年期如下：

租賃物業裝修	3至6年或按租期(以較短為準)
傢俬及裝置	4至8年
汽車	6至8年
天然氣管道	10年

倘資產的賬面值高於其估計可收回金額，則資產會即時撇減至其可收回金額。

出售物業、廠房及設備項目所產生的盈損以出售淨所得款項與資產賬面值的差額釐定，並於出售時在損益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (f) Investment property

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

When the Group holds a property interest under an operating lease to earn rental income, the Group chooses not to classify and account for these property interests as investment property.

##### (g) Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. Costs directly associated with an exploratory wells (drilling cost and others) are capitalised pending a determination of whether sufficient quantities of potentially economic gas reserves have been discovered. If it is determined that commercial discovery has not been achieved, these costs are charged to profit or loss.

Expenditure incurred in the preliminary exploration stage are written off as expense as incurred.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, relevant previously recognised exploration and evaluation assets are reclassified as gas properties under property, plant and equipment. These assets are assessed for impairment before reclassification.

#### 4. 重大會計政策(續)

##### (f) 投資物業

投資物業為用以賺取租金收入及／或資本增值之物業，而非於一般業務過程中持作出售、用於生產或供應商品或服務或作行政用途。投資物業於初步確認時按成本計量，其後按公平價值計量，而其任何變動於損益確認。

倘本集團根據經營租賃持有一項物業權益以賺取租金收入，則本集團選擇不將該等物業權益分類及入賬作為投資物業。

##### (g) 勘探及評估資產

於初步確認時，勘探及評估資產均以成本確認。於初步確認後，勘探及評估資產均以成本減任何累計減值虧損列賬。勘探井之直接相關成本(鑽探成本及其他)將予資本化，以待釐定是否發現充足具潛在經濟效益之氣儲量。倘確定所發現的儲量並不具商業效益，該等成本將於損益扣除。

勘探初期產生的開支將於產生時作為開支撇銷。

當證實開採天然資源在技術上及商業上均屬可行，則任何先前確認之相關勘探及評估資產，將重新分類為物業、廠房及設備項下之天然氣資產。此等資產會在重新分類前就減值作出評估。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (g) Exploration and evaluation assets (Continued)

###### **Impairment of exploration and evaluation assets**

The carrying amount of the exploration and evaluation assets is reviewed when facts and circumstances suggest that the carrying amount of an exploration and evaluation assets may exceed its recoverable amount. When one or more of the following events or changes in circumstances indicate that the carrying amount may not be recoverable, the Group shall perform an impairment test in accordance with HKAS 36.

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
- substantive expenditure on further exploration for and evaluation of natural resources in the specific area is neither budgeted nor planned.
- exploration for and evaluation of natural resources in the specific area have not led to the discovery of commercially viable quantities of natural resources and the Group has decided to discontinue such activities in the specific area.
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

#### 4. 重大會計政策(續)

##### (g) 勘探及評估資產(續)

###### **勘探及評估資產減值**

當出現任何事實及情況，顯示勘探及評估資產之賬面值可能超出其可收回金額，則勘探及評估資產之賬面值將會進行檢討。倘發生或出現以下一項或多項事件或情況變動，顯示賬面值可能無法收回時，本集團將根據香港會計準則第36號進行減值測試。

- 本集團有權於特定範圍勘探之期限，已於期內屆滿或將於可見將來屆滿，並預期不會續期。
- 於特定範圍進一步勘探或評估天然資源產生之重大支出，並非在預算或計劃內。
- 於特定範圍勘探及評估天然資源，並未導致發現足夠達成商業效益之天然資源，而本集團已決定終止特定範圍進行該等活動。
- 現存之足夠數據顯示，雖然有極大可能於特定範圍進行開發，惟勘探及評估資產之賬面值不大可能透過成功開發或出售而收回全部金額。

當資產賬面值超過其可收回金額時，將於損益確認減值虧損。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (h) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

##### *The Group as lessee*

Assets held under finance leases are initially recognised as assets at their fair value or, if lower, the present value of the minimum lease payments. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to profit or loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

##### (i) Intangible assets (other than goodwill)

##### *(i) Acquired intangible assets*

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. The interests in petroleum production sharing contracts were amortised on unit of production method.

#### 4. 重大會計政策(續)

##### (h) 租賃

當租賃的條款將擁有權的絕大部分風險及回報轉移予承租人時，租賃分類為融資租賃。所有其他租賃分類為經營租賃。

##### *本集團為承租人*

根據融資租賃持有之資產初步按其公平價值或最低租賃付款之現值(如金額較低)確認為資產。相應之租賃承擔以負債列示。租賃付款分析為資本及利息。利息部分於租期內於損益扣除，並以於租賃負債中佔固定比例方式計算。資本部分減去欠出租人之餘額。

經營租賃應付之租金總額於租期內以直線法在損益扣除。已收取之租賃獎勵於租期內確認為租金開支總額之一部分。

##### (i) 無形資產(不包括商譽)

##### *(i) 已收購無形資產*

獨立收購之無形資產初步按成本確認。於業務合併中所收購無形資產之成本為收購日期之公平價值。其後，具有有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。石油產量分成合約之權益按單位產量法進行攤銷。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (i) Intangible assets (other than goodwill)

(Continued)

##### (ii) Impairment

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (see the accounting policies in respect of impairment of assets (other than financial assets) below). If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

#### 4. 重大會計政策(續)

##### (i) 無形資產(不包括商譽)(續)

##### (ii) 減值

當有跡象顯示資產可能出現減值時，會對具有有限可使用年期的無形資產進行減值測試，而具無限可使用年期的無形資產及未可使用的無形資產則會每年進行減值測試，不論是否存在跡象顯示資產可能出現減值。無形資產透過比較其賬面值與可收回金額進行減值測試（見下文有關資產（不包括金融資產）減值之會計政策）。倘資產之可收回金額估計會低於其賬面值，則該資產之賬面值將調低至其可收回金額。

減值虧損會即時確認為開支，除非相關資產以經重估金額列值，此時減值虧損撥回為一項重估增加金額。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments

###### (A) Accounting policies applied from 1 January 2018

###### (i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

###### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

#### 4. 重大會計政策(續)

##### (j) 金融工具

###### (A) 自二零一八年一月一日應用之會計政策

###### (i) 金融資產

金融資產(並無重大融資成分之貿易應收款項除外)初步按公平價值加收購或發行直接應佔之交易成本計量(倘屬並非按公平價值計入損益(「按公平價值計入損益」)之項目)。並無重大融資成分之貿易應收款項初步按交易價格計量。

所有常規金融資產買賣於交易日期(即本集團承諾購買或出售資產之日)確認。常規買賣指須於一般按有關市場之規例或慣例訂立之時限內交付資產之金融資產買賣。

於釐定具有嵌入式衍生工具之金融資產之現金流量是否僅為支付本金及利息時，應整體考慮該等金融資產。

###### 債務工具

債務工具之後續計量視乎本集團管理資產之業務模式以及資產之現金流量特徵而定。本集團將其債務工具分為以下三種計量類別：

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Financial assets (Continued)

###### Debt instruments (Continued)

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through profit or loss ("FVTPL"): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (i) 金融資產(續)

###### 債務工具(續)

攤銷成本：為收取合約現金流量而持有，且其現金流量純粹為支付本金及利息之資產按攤銷成本計量。按攤銷成本計量之金融資產其後使用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益中確認。終止確認時產生之任何收益於損益中確認。

按公平價值計入損益(「按公平價值計入損益」)：按公平價值計入損益之金融資產包括持作買賣之金融資產、於初步確認時指定按公平價值計入損益之金融資產，或強制要求按公平價值計量之金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非該等衍生工具被指定作有效對沖工具。現金流量並非純粹支付本金及利息之金融資產，不論其業務模式如何，均按公平價值計入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平價值計入其他全面收益分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平價值計入損益。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (i) Financial assets (Continued)

###### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (i) 金融資產(續)

###### 股本工具

於初步確認並非持作買賣之股本投資時，本集團能不可撤回地選擇於其他全面收益中呈列投資公平價值之後續變動。該選擇乃按逐項投資作出。按公平價值計入其他全面收益之股本投資乃按公平價值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他股本工具按公平價值計入損益分類，而公平價值變動、股息及利息收入則於損益內確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (ii) Impairment loss on financial assets

The Group recognises loss allowances for ECL on trade receivables, and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured 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. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (ii) 金融資產之減值虧損

本集團就貿易應收款項及按攤銷成本計量之金融資產之預期信貸虧損確認虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生潛在違約事件導致之預期信貸虧損；及(2)存續預期信貸虧損：此乃於金融工具預計年期內所有潛在違約事件導致之預期信貸虧損。於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損是信貸虧損之概率加權估計。信貸虧損乃基於根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間之差額計量。該差額其後按與資產原有實際利率相若之利率貼現。

本集團已選用香港財務報告準則第9號簡化法將貿易應收款項之虧損撥備進行計量，並已根據存續預期信貸虧損計算預期信貸虧損。本集團已根據本集團過往信貸虧損經驗設立撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (ii) Impairment loss on financial assets (Continued)

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (ii) 金融資產之減值虧損(續)

就其他債務金融資產而言，預期信貸虧損根據12個月預期信貸虧損計量。然而，當自產生以來信貸風險顯著增加時，則撥備將根據存續預期信貸虧損計量。

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須花費不必要成本或精力即可獲得之合理及可靠資料。此包括根據本集團過往經驗及已知信貸評估得出定量及定性之資料分析，並包括前瞻性資料。

本集團假設，倘逾期超過30日，金融資產之信貸風險已大幅增加。

本集團認為金融資產於下列情況下出現信貸減值：(1) 借款人不可能在本集團無追索權(例如變現擔保)(如持有)下向本集團悉數支付其信貸義務；或(2) 該金融資產逾期超過90日。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (ii) Impairment loss on financial assets (Continued)

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

###### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (ii) 金融資產之減值虧損(續)

信貸減值金融資產之利息收入乃根據金融資產之攤銷成本(即賬面總值減虧損撥備)計算。而並無信貸減值之金融資產，利息收入則根據賬面總值計算。

###### (iii) 金融負債

本集團視乎產生負債之目的為其金融負債分類。按公平價值於損益列賬之金融負債初步按公平價值計量，而按攤銷成本計量之金融負債初步按公平價值計量並須扣除所產生的直接應佔成本。

按公平價值計入損益之金融負債

按公平價值計入損益之金融負債包括持作買賣之金融負債以及於初步確認時指定按公平價值計入損益之金融負債。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (iii) 金融負債(續)

按公平價值計入損益之金融負債(續)

倘為於近期出售而收購金融負債，則該等金融負債分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非該等衍生工具被指定作有效對沖工具。持作買賣負債之收益或虧損於損益內確認。

倘合約包括一項或以上嵌入式衍生工具，則整項混合式合約可指定為按公平價值計入損益之金融負債，惟嵌入式衍生工具對現金流量並無重大影響或明確禁止將嵌入式衍生工具單獨入賬除外。

僅當(i)有關指定會消除或大幅減低按照不同基準計量負債或確認損益所產生之不一致處理情況時；(ii)負債構成一組金融負債之一部分，其管理及表現評估均根據已記錄之風險管理策略按公平價值基準進行時；或(iii)金融負債包含須單獨入賬之嵌入式衍生工具時，則金融負債方於初步確認時指定為按公平價值計入損益。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including other payables and accruals, borrowings, amount due to a shareholder, amounts due to non-controlling interests and the debt element of convertible notes issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (iii) 金融負債(續)

按公平價值計入損益之金融負債(續)

於初步確認後，按公平價值計入損益之金融負債乃按公平價值計量，公平價值變動於發生期間內於損益確認，惟本集團自身信貸風險所產生之損益除外，有關損益於其他全面收益呈列且其後並不會重新分類至損益表。於損益表確認之公平價值收益或虧損淨額並不包括任何自該等金融負債扣除之利息。

按攤銷成本列賬之金融負債

按攤銷成本列賬之金融負債包括其他應付款項及應計款項、借貸、應付一名股東款項、應付非控股權益款項及本集團發行之可換股票據之債務元素，其後以實際利率法按攤銷成本計量。相關利息開支於損益中確認。

當有關負債終止確認及透過攤銷程序攤銷成本時，其收益或虧損於損益中確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (iv) Convertible notes

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into their respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible notes reserve).

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (iv) 可換股票據

本集團發行的可換股票據包括負債及轉換權部分，乃於初步確認時各自分類為負債及轉換權部分。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股權工具方式結清的轉換權乃分類為股權工具。

於初步確認時，負債部分的公平價值乃按類似不可轉換債務的現行市場利率釐定。發行可換股票據的所得款項與撥往負債部分的公平價值的差額(代表讓持有人將貸款票據轉換為股本的轉換權)應列入股本(可換股票據儲備)內。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

##### (A) Accounting policies applied from 1 January 2018 (Continued)

##### (iv) Convertible notes (Continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes reserve until the embedded option is exercised (in which case the balance stated in convertible notes reserve will be transferred to share capital and share premium. Where the option remains unexercised at the expiry dates, the balance stated in convertible notes reserve will be released to the retained earnings. No gain or loss is recognised upon conversion or expiration of the option.

##### (v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### (vi) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

##### (A) 自二零一八年一月一日應用之會計政策(續)

##### (iv) 可換股票據(續)

於往後期間，可換股票據的負債部分乃以實際利率法按攤銷成本列賬。股本部分(代表可將負債部分轉換為本公司普通股的選擇權)將保留於可換股票據儲備，直至嵌入式轉換權獲行使為止(於此情況下，可換股票據儲備的結餘將轉撥至股本及股份溢價)。倘轉換權於到期日尚未獲行使，可換股票據儲備的結餘將解除至保留盈利。轉換權獲轉換或到期時不會於損益中確認任何盈虧。

##### (v) 實際利率法

實際利率法為用於計算金融資產或金融負債攤銷成本及於有關期間內分配利息收入或利息開支之方法。實際利率為於金融資產或負債預計期限或於較短期間(如適用)內準確折現估計未來現金收入或支出之利率。

##### (vi) 股本工具

本公司發行之股本工具乃按已收所得款項(扣除直接發行成本)入賬。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (A) Accounting policies applied from 1 January 2018 (Continued)

###### (vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (A) 自二零一八年一月一日應用之會計政策(續)

###### (vii) 終止確認

當有關金融資產之未來現金流量之合約權利屆滿時，或當已轉讓金融資產而有關轉讓符合香港財務報告準則第9號之終止確認準則，本集團便終止確認該項金融資產。

當相關合約中規定之義務解除、取消或到期時，便會終止確認該項金融負債。

倘本集團因重新磋商負債條款而向債權人發行本身之股本工具以償付全部或部分金融負債，所發行之股本工具即代表已付代價，並初步按有關金融負債(或當中部分)註銷當日之公平價值確認及計量。倘已發行股本工具之公平價值無法可靠計量，則股本工具按反映已註銷金融負債之公平價值計量。已註銷金融負債(或當中部分)之賬面值與已付代價之差額乃於年內損益中確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. Accordingly, the comparative financial information provided continues to be accounted for in accordance with the Group's previous accounting policy.

###### (i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

Financial assets at fair value through profit or loss

These assets include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments or financial guarantee contracts.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策

本集團已追溯應用香港財務報告準則第9號，惟已選擇不會重列比較資料。因此，所提供之比較財務資料繼續按照本集團過往會計政策入賬。

###### (i) 金融資產

本集團視乎收購資產之目的而定，於初步確認時將其金融資產分類。按公平價值於損益列賬之金融資產初步按公平價值計量，而所有其他金融資產則初步按公平價值加收購該等金融資產直接應佔之交易成本計量。從一般途徑購買或出售之金融資產按交易日基準確認及終止確認。從一般途徑購買或出售指金融資產按合約購買或出售，其條款規定須按市場規例或慣例普遍訂立之時限內交付資產。

按公平價值於損益列賬之金融資產

該等資產包括持作買賣之金融資產。倘金融資產之購入目的是於短期內出售，則列為持作買賣。衍生工具(包括個別嵌入式衍生工具)亦分類為持作買賣，除非其被指定為有效對沖工具或財務擔保合約。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (i) Financial assets (Continued)

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

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade debtors), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (i) 金融資產(續)

按公平價值於損益列賬之金融資產(續)

於初步確認後，按公平價值於損益列賬之金融資產按公平價值計量，其公平價值變動於產生期間在損益內確認。

貸款及應收款項

該等資產為有固定或可確定付款之非衍生金融資產，在活躍市場上並無報價，主要來自向客戶提供貨品及服務(貿易應收賬款)，亦包括其他類型的合約現金資產。初步確認後，彼等以實際利率法按攤銷成本減任何已識別減值虧損計量。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (i) Financial assets (Continued)

Available-for-sale financial assets

These assets are non-derivative financial assets that are designated as available-for-sale or are not included in other categories of financial assets. Subsequent to initial recognition, these assets are carried at fair value with changes in fair value recognised in other comprehensive income, except for impairment losses and foreign exchange gains and losses on monetary instruments, which are recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (i) 金融資產(續)

可供出售金融資產

該等資產乃界定為可供出售或不計入金融資產其他分類的非衍生金融資產。經初步確認後，該等資產按公平價值列賬，其公平價值變動於其他全面收益確認，惟減值虧損及貨幣工具的匯兌收益及虧損除外。減值虧損及貨幣工具的匯兌收益及虧損於損益內確認。

於活躍市場上並無市場報價且其公平價值無法可靠計量的可供出售股本投資以及與交付相關無報價股本工具掛鈎及須藉此結付的衍生工具須按成本減任何已確認減值虧損後予以計量。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (ii) Impairment loss on financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; and
- it becoming probable that the debtor will enter bankruptcy or other financial reorganization.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (ii) 金融資產減值虧損

本集團於各報告期末評估金融資產有否出現減值之任何客觀跡象。倘因初步確認資產後發生之一項或多項事件而出現客觀減值跡象，且該事件對金融資產之估計未來現金流量具有影響而該影響能可靠地估計，該項金融資產即出現減值。減值跡象可包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 因債務人有財務困難而授予寬免；及
- 債務人很可能宣佈破產或其他財務重組。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (ii) Impairment loss on financial assets (Continued)

For Loans and receivables

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

For Available-for-sale financial assets

Where a decline in the fair value constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognised in profit or loss.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (ii) 金融資產減值虧損(續)

就貸款及應收款項而言

倘客觀跡象顯示資產減值，即於損益中確認減值虧損，計量方式為資產賬面值與按原實際利率貼現之估計未來現金流量現值的差額。金融資產之賬面值透過使用撥備賬調減。若釐定金融資產有任何部分不能收回，則於有關金融資產之撥備賬撤銷。

就可供出售金融資產而言

倘公平價值減少構成減值的客觀憑證，虧損金額於股本中移除並於損益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including other payables and accruals, borrowings, amount due to a shareholder, amounts due to non-controlling interests and the debt element of convertible notes issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (iii) 金融負債

本集團視乎產生負債之目的為其金融負債分類。按公平價值於損益列賬之金融負債初步按公平價值計量，而按攤銷成本計量之金融負債初步按公平價值計量並須扣除所產生的直接應佔成本。

按攤銷成本列賬之金融負債

按攤銷成本列賬之金融負債包括其他應付款項及應計款項、借款、應付一名股東款項、應付非控股權益款項及本集團發行的可換股票據的債務部分，其後以實際利率法按攤銷成本計算。相關利息開支於損益中確認。

當有關負債終止確認及透過攤銷程序攤銷成本時，其收益或虧損於損益中確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (iv) Convertible notes

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into their respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible notes reserve).

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (iv) 可換股票據

本集團發行的可換股票據包括負債及轉換權部分，乃於初步確認時各自分類為負債及股權部分。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股權工具方式結清的轉換權乃分類為股權工具。

於初步確認時，負債部分的公平價值乃按類似不可轉換債務的現行市場利率釐定。發行可換股票據的所得款項與撥往負債部分的公平價值的差額(代表讓持有人將票據轉換為股本的轉換權)應列入股本(可換股票據儲備)內。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

##### (B) Accounting policies applied until 31 December 2017 (Continued)

##### (iv) Convertible notes (Continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes reserve until the embedded option is exercised (in which case the balance stated in convertible notes equity reserve will be transferred to share capital and share premium). Where the option remains unexercised at the expiry dates, the balance stated in convertible notes reserve will be released to the retained earnings. No gain or loss is recognised upon conversion or expiration of the option.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

##### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

##### (iv) 可換股票據(續)

於往後期間，可換股票據的負債部分乃以實際利率法按已攤銷成本列賬。股本部分(代表可將負債部分轉換為本公司普通股的選擇權)將保留於可換股票據儲備，直至嵌入式轉換權獲行使為止(於此情況下，可換股票據權益儲備的結餘將轉撥至股本及股份溢價)。倘轉換權於到期日尚未獲行使，可換股票據儲備的結餘將解除至保留盈利。轉換權獲轉換或到期時不會於損益中確認任何盈虧。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (j) Financial Instruments (Continued)

###### (B) Accounting policies applied until 31 December 2017 (Continued)

###### (v) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

###### (vi) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

###### (vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

#### 4. 重大會計政策(續)

##### (j) 金融工具(續)

###### (B) 直至二零一七年十二月三十一日止應用之會計政策(續)

###### (v) 實際利率法

實際利率法為用於計算金融資產或負債攤銷成本及於有關期間內分配利息收入或利息開支之方法。實際利率為於金融資產或負債預計期限或於較短期間(如適用)內準確折現估計未來現金收入或支出之利率。

###### (vi) 股本工具

本公司發行之股本工具乃按已收所得款項(扣除直接發行成本)入賬。

###### (vii) 終止確認

當有關金融資產之未來現金流量之合約權利屆滿時，或當已轉讓金融資產而有關轉讓符合香港會計準則第39號之終止確認準則，本集團便終止確認該項金融資產。

當相關合約中規定之義務解除、取消或到期時，便會終止確認該項金融負債。

**4. SIGNIFICANT ACCOUNTING POLICIES***(Continued)***(k) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(l) Revenue recognition*****Revenue recognition (accounting policies applied from 1 January 2018)***

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- 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.

**4. 重大會計政策(續)****(k) 現金及等同現金**

現金及等同現金包括手頭現金、銀行通知存款以及原定到期日為三個月或以下隨時可轉換為已知數額現金且價值變動風險不大之其他短期高流通投資。銀行透支須應要求償還，屬於本集團現金管理一部分，亦作為現金流量表內現金及等同現金之一部分。

**(l) 收益確認*****收益確認(自二零一八年一月一日起應用之會計政策)***

客戶合約收益於商品或服務的控制權轉移予客戶時確認，有關金額反映本集團預期有權就交換該等商品或服務收取之代價(不包括代表第三方收取之款項)。收益不包括增值稅或其他銷售稅，及已扣除任何交易折扣。

視乎合約條款及適用於合約之法律而定，商品或服務之控制權或會隨時間或於某一時間點轉移。倘本集團在履約方面出現以下情況，則商品或服務之控制權會隨時間轉移：

- 提供客戶同時取得及消耗之所有利益；
- 於本集團履約時創建或提升由客戶控制之資產；或
- 並無創建對本集團有替代用途之資產，且本集團有可強制執行權利以收取迄今已完成履約之款項。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Revenue recognition (Continued)

###### **Revenue recognition (accounting policies applied from 1 January 2018) (Continued)**

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

- (i) Revenue from sales of goods is recognised at a point in time when control of the goods is transferred to the customer, which is typically at the time of delivery to customer. Revenue is only recognised when there are sufficient information to estimate the selling price and to the extent that it is highly probable that a significant reversal will not occur.
- (ii) Interest income is recognised on a time-apportioned basis, taking into account the principal amounts outstanding and the interest rates applicable.

#### 4. 重大會計政策(續)

##### (I) 收益確認(續)

###### **收益確認(自二零一八年一月一日起應用之會計政策)(續)**

倘商品或服務之控制權隨時間轉移，收益於合約期限內參考完成滿足該履約責任之進度予以確認。否則，收益於客戶取得商品或服務控制權之時間點確認。

倘合約包含融資成分，而該融資成分為客戶提供轉移商品或服務予客戶超過一年之重大融資利益時，收益按應收款項之現值計量，並按將於本集團與客戶在簽訂合約時之單一融資交易反映之折現率折現。倘合約包含為本集團提供重大融資利益之融資成分，根據該合約確認之收益包括按實際利率法計算之合約負債累計利息開支。就付款與轉移所承諾商品或服務之期間為一年或以下之合約而言，交易價格使用香港財務報告準則第15號中之可行權宜方法，不會就重大融資成分之影響進行調整。

- (i) 來自銷售商品之收益於商品控制權轉移予客戶之時間點確認(通常為交付予客戶時)。收益僅於具足夠資料估計售價且不大可能出現重大撥回之情況下方會予以確認。
- (ii) 利息收入按時間分配基準經計及未償還本金按適用利率確認。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (I) Revenue recognition (Continued)

###### **Revenue recognition (accounting policies applied from 1 January 2018) (Continued)**

- (iii) Revenue from sales of natural gas from the Group's share of income (including cost recovery gas, investment recovery gas and etc.) according to the terms stipulated in the Petroleum Contract is recognised at a point in time when control of the natural gas is transferred to the customer, being when the natural gas is delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the natural gas. Revenue is only recognised when there are sufficient information to estimate the selling price of the natural gas and to the extent that it is highly probable that a significant reversal will not occur.
- (iv) Distribution income from pipeline is recognised at a point in time when the natural gas is used by the customers.

###### **Revenue recognition (accounting policies applied until 31 December 2017)**

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the consolidated statement of comprehensive income as follows:

- (i) Revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which is at the time of delivery and title is passed to customer.
- (ii) Interest income is recognised on a time-apportioned basis, taking into account the principal amounts outstanding and the interest rates applicable.

#### 4. 重大會計政策(續)

##### (I) 收益確認(續)

###### **收益確認(自二零一八年一月一日起應用之會計政策)(續)**

- (iii) 來自本集團根據石油合約訂明的條款分佔收入的天然氣銷售(包括成本回收氣及投資回收氣等)之收益於天然氣之控制權轉移予客戶之時間點(即天然氣交付予客戶及並無可能影響客戶接納天然氣之未履行責任時)確認。收益僅於具足夠資料估計天然氣售價且不大可能出現重大撥回之情況下會予以確認。
- (iv) 來自管道之分銷收入於客戶使用天然氣之時間點確認。

###### **收益確認(直至二零一七年十二月三十一日應用之會計政策)**

若經濟利益可能流入本集團，而其收益及成本(如適用)能可靠計量，收益將按以下方式於綜合全面收益表確認：

- (i) 售賣貨品之收益乃於貨品之擁有權風險及回報轉移予買方時，即於貨品交付及業權轉移予客戶時確認。
- (ii) 利息收入按時間分配基準根據未償還本金及適用利率確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

- (iii) Revenue from sales of natural gas is recognised on transfer of risks and rewards of ownership, which is at the time of delivery and title is passed to customer, and when the amount of revenue can be estimated reliably.
- (iv) Distribution income from pipeline represents income recognised based on usage of the pipeline for distribution of natural gas

##### (m) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

#### 4. 重大會計政策(續)

- (iii) 售賣天然氣之收益於擁有權風險及回報轉移予買方時，即於交付及業權轉移予客戶時確認，及收益金額亦可準確估計時確認。
- (iv) 管道的分銷收入指就根據分銷天然氣而使用管道所確認的收入。

##### (m) 所得稅

年內所得稅包括當期稅項及遞延稅項。

當期稅項乃按已就毋須就所得稅課稅或不可扣減所得稅之項目作出調整之日常業務溢利或虧損，按報告期末已頒佈或實際頒佈之稅率計算。

遞延稅項乃就財務報告之資產與負債之賬面值與就稅務所用相應數值間之暫時性差額確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債外，會就所有暫時差額確認遞延稅項負債。遞延稅項資產於有可能動用應課稅溢利抵銷可扣減暫時差額之情況下確認。遞延稅項按預期適用於變現資產或清償負債賬面值且報告期末已頒佈或實際頒佈之稅率計量。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (m) Income taxes (Continued)

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and jointly controlled entities, 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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

#### 4. 重大會計政策(續)

##### (m) 所得稅(續)

在釐定計量遞延稅項金額時所用適當稅率的一般規定中，根據香港會計準則第40號「投資物業」按公平價值列賬之投資物業屬例外情況。除非該假定被推翻，否則此等投資物業之遞延稅項金額乃以出售此等投資物業時將採用之稅率按其於報告日期之賬面值計量。當該投資物業可予折舊及以目標為隨時間推移（而非透過銷售）消耗該物業所包含之絕大部分經濟利益之業務模式持有時，該假定即被推翻。

於附屬公司及共同控制實體之投資產生之應課稅暫時差異均確認遞延稅項負債，惟本集團能控制暫時差異撥回，以及暫時差異很大可能不在可見將來撥回之情況除外。

所得稅乃於損益確認，惟所得稅與於其他全面收益中確認之項目有關則除外，在此情況下，所得稅亦於其他全面收益確認，其中與直接於權益確認之項目有關的稅項亦直接於權益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (n) Foreign currencies

Transactions entered into by the group entities in currencies other than the currency of the primary economic environment in which they operate (the “**functional currency**”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

#### 4. 重大會計政策(續)

##### (n) 外幣

本集團各實體以其經營所在主要經濟環境之貨幣(「**功能貨幣**」)以外之貨幣進行交易，乃以進行交易時之現行匯率記賬。外幣貨幣資產及負債按報告期末之現行匯率換算。按公平價值以外幣計值之非貨幣項目按釐定公平價值當日之匯率重新換算。按歷史成本以外幣計量之非貨幣項目不作重新換算。

結算及換算貨幣項目所產生之匯兌差額於其產生期間於損益中確認。重新換算非貨幣項目所產生之匯兌差額按公平價值計入該期間之損益，惟重新換算有關盈虧在其他全面收益確認之非貨幣項目所產生之差額除外，在此情下，有關匯兌差額亦於其他全面收益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (n) Foreign currencies (Continued)

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as translation reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as translation reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the translation reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the translation reserve.

#### 4. 重大會計政策(續)

##### (n) 外幣(續)

於綜合賬目時，境外業務之收支項目乃按年度平均匯率換算為本集團之呈列貨幣(即港元)，惟倘匯率於期內大幅波動則除外，在此情下，則按進行交易時採用之概約匯率換算。境外業務之所有資產及負債按報告期末之適用匯率換算。由此產生之匯兌差額(如有)於其他全面收益確認，並於權益累計為換算儲備(歸屬於非控股權益(如適用))。於集團實體之獨立財務報表中就換算組成本集團境外業務投資淨額一部分之長期貨幣項目而於損益確認之匯兌差額，重新分類至其他全面收益，並於權益累計為換算儲備。

出售境外業務時，在換算儲備中已確認有關直至出售當日該項業務之累計匯兌差額，重新分類為損益作為出售損益之一部分。

於二零零五年一月一日或之後因收購海外業務而產生之已收購可識別資產之商譽及公平價值調整將視為海外業務之資產及負債，並按報告期末之匯率進行換算。所產生之匯兌差額於換算儲備中確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (o) Employee benefits

###### (i) Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

###### (ii) Employment Ordinance long service payments

Certain employees of the Group have completed the required number of years of service under the Employment Ordinance of Hong Kong (the “**Employment Ordinance**”) to be eligible for long service payments upon termination of their employment. The Group is only liable to make such payments where the termination meets the required circumstances specified in the Employment Ordinance.

###### (iii) Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

###### (iv) Termination benefits

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

#### 4. 重大會計政策 (續)

##### (o) 僱員福利

###### (i) 短期僱員福利

短期僱員福利指離職福利以外的僱員福利，預期於僱員提供相關服務的年度報告期間結束後十二個月內結清。短期僱員福利於本年僱員提供相關服務時確認。

###### (ii) 僱傭條例長期服務金

根據香港僱傭條例(「**僱傭條例**」)，本集團若干僱員已達到所規定符合資格於終止僱傭時候獲取長期服務金之年資。本集團僅須負責作出符合僱傭條例所列明的規定情況之終止僱傭款項。

###### (iii) 定額供款退休計劃

定額供款額退休計劃之供款於僱員提供服務時在損益確認為開支。

###### (iv) 離職福利

離職福利於本集團不再能撤回福利或本集團確認涉及支付離職福利的重組費用時(以較早者為準)確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (p) Impairment of assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of investment in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent 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 in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

Value in use is based on the estimated future cash flows expected to be derived from the asset or cash generating unit (see Note 4(d)), 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 cash generating unit.

#### 4. 重大會計政策(續)

##### (p) 資產(不包括金融資產)減值

於各報告期末，本集團檢討在附屬公司之投資之賬面值，以確定是否有跡象顯示該等資產已蒙受減值虧損或以往確認之減值虧損不再存在或已減少。

倘資產之估計可收回金額(即公平價值減出售成本及使用價值之較高者)低於其賬面值，則將該資產之賬面值減低至其可收回金額。減值虧損即時確認為開支，除非相關資產根據另一項香港財務報告準則按重估金額列賬，在該情況下，減值虧損被視為根據該香港財務報告準則的重估價值減少處理。

倘減值虧損於其後撥回，資產之賬面值增加至其可收回金額之重新估計值，惟增加後之賬面值不能超過倘該資產過往年度並無確認減值虧損而原應釐定之賬面值。減值虧損之撥回即時確認為收入，除非相關資產根據另一項香港財務報告準則按重估金額列賬，在該情況下，減值虧損撥回被視為根據該香港財務報告準則的重估價值增加處理。

使用價值根據資產預期產生的估計未來現金流量或現金產生單位(見附註4(d))，採用能夠反映當前市場對貨幣時間值的評估及該資產或現金產生單位的特定風險的稅前貼現率貼現至其現值。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (q) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probably will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

##### (r) 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 over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.

#### 4. 重大會計政策(續)

##### (q) 撥備及或然負債

對於期限或款額不明確之負債，或本集團因過往事件負有法律或推定責任而可能引致可以可靠估計之經濟利益流出之數額，均會確認撥備。

凡不可能需要經濟利益流出，或數額不能可靠估計時，則此責任將披露為或然負債，除非經濟利益流出之機會甚微。有可能之責任，倘其存在僅可由一項或多項未來事件之出現與否確定，亦披露為或然負債，除非經濟利益流出之機會甚微。

##### (r) 關聯人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
  - (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；或
  - (iii) 為本集團或本公司母公司的主要管理層成員。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (r) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions apply:
- (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 the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

#### 4. 重大會計政策(續)

##### (r) 關聯人士(續)

- (b) 倘符合下列任何條件，即實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
  - (ii) 一間實體為另一實體的聯營公司或合營公司(或另一實體為集團旗下成員公司之聯營公司或合營公司)。
  - (iii) 兩間實體均為同一第三方的合營公司。
  - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
  - (vi) 實體受(a)所識別人土控制或受共同控制。
  - (vii) 於(a)(i)所識別人土對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
  - (viii) 實體或其所屬集團的任何成員，向本集團或本集團母公司提供主要管理人員服務。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

##### (r) Related parties (Continued)

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 and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

#### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors 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 differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### 4. 重大會計政策(續)

##### (r) 關聯人士(續)

該名人士之近親為預期將會影響與實體進行交易之該名人士或受其影響之該等家族成員和包括：

- (i) 該名人士之子女及配偶或同居伴侶；
- (ii) 該名人士之配偶或同居伴侶之子女；及
- (iii) 該名人士或該名人士之配偶或同居伴侶之受養人。

#### 5. 關鍵會計判斷及估計不明朗因素之主要來源

於應用本集團的會計政策時，董事須就從其他來源不顯而易見之資產和負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及認為屬有關之其他因素為基礎。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響該期間，則有關修訂會在修訂估計期間確認。倘若有關修訂影響當期及未來期間，則有關修訂會在修訂期間及未來期間確認。

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

In addition to information disclosed elsewhere in these consolidated financial statements, other key sources of estimates uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows.

#### (i) Impairment of financial assets

The measurement of impairment losses under HKFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源(續)

除此等綜合財務報表其他地方披露之資料外，有重大風險可在下個財政年度導致資產及負債有重大調整之其他估計不明朗因素之主要來源如下。

#### (i) 金融資產之減值

根據香港財務報告準則第9號，計量所有類別金融資產之減值虧損均需作出判斷，尤其是在釐定減值虧損及評估信貸風險有否大幅增加時，就未來現金流量及抵押品價值之金額及時間作出估計。該等估計由若干因素驅動，其中變化可能導致不同之撥備水平。

於各報告日期，本集團透過比較報告日期與初步確認日期之間預期年限發生違約之風險，評估自初步確認以來面臨之信貸風險有否大幅增加。本集團認為與此相關及毋須過多成本或努力即可獲得之資料屬合理可靠，當中包括定量及定性資料，以及前瞻性分析。

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

#### (ii) Estimation of oil and gas resources and/or reserves

Engineering estimates of the Group's oil and gas reserves and resources are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated oil and gas reserves can be designated as "proved". Proved reserves estimates will be updated at least annually and take into account recent production and technical information about each field. In addition, as prices and cost levels change from year to year, the estimate of proved reserves also changes. The change will be considered as a change in estimation for accounting purposes and is reflected on a prospective basis in related depreciation rates.

Despite the inherent imprecision in these engineering estimates, these estimates are used in determining amortisation expense, impairment expense and future dismantlement costs. Amortisation rates are determined based on estimated proved reserve quantities (the denominator) and capitalised costs of producing properties (the numerator). Producing properties' capitalised costs are amortised based on the unit-of-production method.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源 *(續)*

#### (ii) 油氣資源及／或儲量估計

鑒於編製這些資料涉及主觀的判斷，本集團油氣及資源儲量的工程估計存有內在的不精確性，並僅屬相若數額。估計油氣儲量可確定為「探明儲量」之前，需要遵從若干有關工程標準的權威性指引。探明儲量的估計將至少每年更新一次，並計入各個油田最近的生產和技術資料。此外，由於價格及成本水平按年變更，因此，探明儲量的估計也會出現變動。就會計目的而言，這些變動將視為估計變更處理，並按預期基準反映在相關的折舊率中。

儘管工程估計存有內在的不精確性，這些估計被用作釐定攤銷費用、減值開支及未來的拆除費用的基準。攤銷率按估計探明儲量(分母)和生產資產的已資本化成本(分子)計算。生產資產的已資本化成本按單位產量法攤銷。

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### (iii) Recognition of deferred income tax assets

According to the accounting policy as stated in Note 4(m) to the consolidated financial statements, deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised, and it is measured at the tax rates that are expected to apply when the related deferred income tax assets are realised. In determining the deferred income tax assets to be recognised, management is required to estimate the future applicable tax rate for each subsidiary of the Company at each tax jurisdiction and the profitability of each subsidiary, so as to estimate the future utilisation of tax losses. Any difference between these estimates and the actual outcome will impact the Group's result in the period in which the actual outcome is determined.

#### (iv) Revenue

Pursuant to the Petroleum Contract disclosed in Note 18 to the consolidated financial statements, China Era Energy Power Investment (Hong Kong) Limited ("China Era") is entitled to gas generated from the Akemomu Gas Field during the exploration period in accordance to the entitlement method stated on the Petroleum Contract. During the year ended 31 December 2018, 244,942,000 (2017: 186,040,000) cubic meters of gas was produced by the jointly controlled operation. According to the Petroleum Contract, all gas produced from the Akemomu Gas Field should be sold to CNPC, unless otherwise agreed and a Gas Sales Agreements ("GSA") should be entered into by CNPC and China Era to specify the unit price charged by CNPC to the jointly controlled operation. As at 31 December 2018, the GSA has not yet been signed between the Group and CNPC. Based on the current information available to the directors, the directors expected that the GSA could be finalised in the year of 2019.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源(續)

#### (iii) 確認遞延所得稅資產

根據綜合財務報表附註4(m)所載會計政策規定，遞延所得稅資產於有可能出現未來應課稅溢利以抵銷可扣稅暫時差額及稅項虧損時方予以確認，且按變現相關遞延所得稅資產時預計應用之稅率計量。釐定將予確認之遞延所得稅資產時，管理層須為本公司位於各稅務權區之附屬公司估算日後適用之稅率及各附屬公司之盈利能力，以預計稅項虧損之日後使用情況。該等估計與實際結果間的任何差異均將影響本集團於釐定實際結果期間內之業績。

#### (iv) 收益

根據綜合財務報表附註18所披露的石油合約，中國年代能源投資(香港)有限公司(「中國年代」)有權根據石油合約列明的權益法，於勘探期內獲得產自阿克莫木氣田的天然氣。於截至二零一八年十二月三十一日止年度，共同控制業務產出244,942,000(二零一七年：186,040,000)立方米的天然氣。根據石油合約，除另有協定者外，所有產自阿克莫木氣田的天然氣，應售予中國石油集團，而中國石油集團應與中國年代訂立售氣協議(「售氣協議」)，列明就中國石油集團向共同控制業務所收取的單位價格。於二零一八年十二月三十一日，本集團尚未與中國石油集團簽訂天然氣銷售協議。根據董事所得之資料，董事預期天然氣銷售協議將於二零一九年落實。

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

#### (iv) Revenue *(Continued)*

Despite that the GSA has yet been signed up to 31 December 2018 and the date of this report. During the year ended 31 December 2018, significant progress has been made on the negotiation of GSA during the year, the Group have conducted several rounds of negotiation with CNPC mainly focused on the detail of the GSA including the pricing mechanism of the gas being sold by CNPC. After taking into account of the PRC legal opinion, although the GSA has not been signed up to the date of the report, with the selling price information and other documents exchanged and items agreed during the joint committee meeting between the representative of CNPC and the Group, the Group considered that they had agreed with CNPC the terms of the sales of natural gas delivered during and before year 2018. Both parties agreed to formalise these agreed terms of sales of natural gas by entering into agreements. Although the properly executed agreements are yet signed as of the date of this report, based on the current progress, the directors considered that the conditions for revenue recognition were met during the year, and therefore recognised the revenue generated from the production sharing contract in the current year. The revenue recognised during the year represents gas produced by the jointly controlled operations and shared by the Group between 1 June 2009 till 31 December 2018.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源 *(續)*

#### (iv) 收益 *(續)*

儘管直至二零一八年十二月三十一日及本報告日期尚未簽訂售氣協議，於截至二零一八年十二月三十一日止年度，售氣協議之磋商已於年內取得重大進展，本集團與中國石油集團已進行數輪磋商，主要集中在討論售氣協議詳情，包括由中國石油集團銷售之天然氣之定價機制。經考慮中國法律意見後，雖然直至本報告日期尚未簽訂售氣協議，但根據中國石油集團與本集團代表於聯合委員會會議上交換之售價資料及其他文件以及所協定之條款，本集團認為，彼等已與中國石油集團協定於二零一八年度內及之前交付之天然氣銷售之條款。訂約雙方同意訂立協議，正式訂立該等已協定之天然氣銷售條款。儘管直至本報告日期，尚未簽署正式簽立之協議，惟根據目前進度，董事認為已符合於年內確認收益之條件，因此確認於本年度自產量分成合約產生之收益。於年內確認之收益指於二零零九年六月一日至二零一八年十二月三十一日期間由共同控制業務產出及由本集團分成之天然氣。

## 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

### (v) Impairment on exploration and evaluation assets and intangible assets

The Group tests the exploration and evaluation assets and intangible assets for impairment according to accounting policies stated in Notes 4(g) and 4(i) to the consolidated financial statements. The assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates. While conducting an impairment review of the assets, the Group makes certain judgement in making assumptions including the volume of gas to be extracted during the forecast period, the timing in commencing the development stage and commercial production, future gas prices and production costs, changes in these estimates may result in significant variance to the consolidated statement of comprehensive income. In estimating the value in use of exploration and evaluation assets and intangible assets, the Group has made reference to the natural gas price based on the selling price information and other documents exchanged and items agreed during the joint committee meeting between the representative of CNPC and the Group. As at 31 December 2018, the carrying amount of exploration and evaluation assets and intangible assets was approximately HK\$474,224,000 and HK\$1,250,254,000 respectively (2017: approximately HK\$369,087,000 and HK\$1,523,512,000 respectively). Impairment losses on exploration and evaluation assets and intangible assets of approximately HK\$36,000,000 and HK\$95,000,000 (2017: approximately HK\$39,000,000 and HK\$162,000,000 respectively) were recognised during the year ended 31 December 2018 respectively.

## 5. 關鍵會計判斷及估計不明朗因素之主要來源(續)

### (v) 勘探及評估資產及無形資產減值

本集團根據綜合財務報表附註4(g)及4(i)所述的會計政策，對勘探及評估資產及無形資產進行減值測試。當發生任何事件或情況有變，顯示資產的賬面值超出其可收回金額時，則會對資產進行減值檢討。資產或現金產生單位的可收回金額乃根據使用價值計算法釐定，當中需要運用假設及估計。當為資產進行減值檢討時，本集團須就於預測期間的天然氣開採量、開展開發階段及商業投產時機、日後天然氣價格及生產成本等作出假設而作出若干判斷，而該等估計的任何變化，或會導致綜合全面收益表出現重大變動。於估計勘探及評估資產及無形資產之使用價值時，本集團參考根據中國石油集團與本集團代表於聯合委員會會議上交換之售價資料及其他文件以及所協定之條款釐定之天然氣價格。於二零一八年十二月三十一日，勘探及評估資產以及無形資產之賬面值分別為約474,224,000港元及1,250,254,000港元(二零一七年：分別約369,087,000港元及1,523,512,000港元)。勘探及評估資產以及無形資產減值虧損分別約36,000,000港元及95,000,000港元(二零一七年：分別約39,000,000港元及162,000,000港元)已於截至二零一八年十二月三十一日止年度內確認。

### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

#### (vi) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

#### (vii) Going concern

The directors of the Company have prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the foreseeable future, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors, about the future outcome of events or conditions which are inherently uncertain. The directors consider that, after taking into account of all major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption as set out in Note 3(b)(ii) to the consolidated financial statements, the Group has the capability to continue as a going concern.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源 *(續)*

#### (vi) 商譽減值

本集團至少每年釐定商譽是否減值。這要求評估獲分配商譽之現金產生單位之使用價值。估計使用價值時，本集團須估計現金產生單位之預期未來現金流量，亦須選擇合適之折現率，以計算該等現金流量之現值。

#### (vii) 持續經營

本公司董事編製綜合財務報表時已假設本集團在可見將來將能持續經營，其為一項關鍵判斷，對綜合財務報表內確認的款項影響最大。持續經營假設之評估涉及董事對本身具不確定性的未來事件結果或狀況作出判斷。經考慮可能產生業務風險而個別或共同對綜合財務報表附註3(b)(ii)所載持續經營假設造成重大質疑之所有主要事項或狀況後，董事認為本集團有能力持續經營。



### 5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### (viii) Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated income statement.

### 6. REVENUE AND SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segment and to assess its performance. In accordance with the Group's internal organisation and reporting structure, the operating segments are based on nature of business.

The Group has the following three reportable segments:

The Exploration, Production and Distribution of Natural Gas segment is engaged in the exploration, development, production and sales of natural gas and the usage of pipeline for distribution of natural gas.

The Sales of Food and Beverages Business segment is engaged in the sales of food and beverages.

The Money Lending Business segment is engaged in provision of loans to third parties.

### 5. 關鍵會計判斷及估計不明朗因素之主要來源(續)

#### (viii) 投資物業之公平價值

投資物業乃基於獨立專業估值師進行之估值按公平價值列賬。釐定公平價值時，估值師依據之估值方法涉及若干對市場狀況之估計。本公司董事於依賴估值報告時已行使其判斷，並信納估值所用之假設可反映現時市場狀況。該等假設之變動將導致本集團投資物業之公平價值出現變動，並須對綜合收益表所呈報之損益金額作出相應調整。

### 6. 收益及分部資料

本集團根據主要營運決策者定期審閱的內部報告，釐定其經營分部，以向分部調配資源並評估其表現。根據本集團的內部組織及報告架構，經營分部乃按業務性質劃分。

本集團有下列三個可呈報分部：

天然氣勘探、生產及分銷分部，從事天然氣勘探、開發、生產及銷售及使用管道分銷天然氣業務。

銷售食品及飲料業務分部，從事銷售食品及飲料之業務。

放債業務分部，從事提供貸款予第三方。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 6. REVENUE AND SEGMENT INFORMATION

(Continued)

The segment information provided to the Board for the reportable segments for the years ended 31 December 2018 and 2017 are as follows:

#### (a) Information about reportable segment revenue, profit or loss and other information

### 6. 收益及分部資料(續)

截至二零一八年及二零一七年十二月三十一日止年度，就可呈報分部向董事會提供的分部資料如下：

#### (a) 有關可呈報分部收益、溢利或虧損的資料及其他資料

		Exploration, Production and Distribution of Natural Gas 天然氣勘探、 生產及分銷 HK\$'000 千港元	Sales of Food and Beverages Business 銷售食品 及飲料業務 HK\$'000 千港元	Money Lending Business 放債業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>For the year ended 31 December 2018</b>	<b>截至二零一八年 十二月三十一日止年度</b>				
Disaggregated by timing of revenue recognition	按收益確認時間細分				
Point in time	在某一時間點	477,784	-	-	477,784
Over time	隨時間	-	-	5	5
Revenue from external customers	外部客戶收益	477,784	-	5	477,789
Reportable segment profit/(loss) before income tax	除所得稅前可呈報分部溢利/(虧損)	163,523	(1,990)	(241)	161,292
Segment results included:	分部業績包括：				
Interest income	利息收入	23	-	-	23
Interest expense	利息開支	(1,496)	-	-	(1,496)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(3,532)	(245)	-	(3,777)
Impairment and amortisation of intangible assets	無形資產減值及攤銷	(212,727)	-	-	(212,727)
Impairment of exploration and evaluation assets	勘探及評估資產減值	(36,000)	-	-	(36,000)
Impairment of goodwill	商譽減值	(1,151)	-	-	(1,151)
Income tax expense	所得稅開支	(111,041)	-	-	(111,041)
Deferred tax liabilities	遞延稅項負債	(11,649)	-	-	(11,649)
Additions to non-current assets	非流動資產添置	162,452	-	-	162,452
Reportable segment assets	可呈報分部資產	2,198,733	11,370	20	2,210,123
Reportable segment liabilities	可呈報分部負債	(662,637)	(90)	-	(662,727)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 6. REVENUE AND SEGMENT INFORMATION

(Continued)

#### (a) Information about reportable segment revenue, profit or loss and other information (Continued)

### 6. 收益及分部資料(續)

#### (a) 有關可呈報分部收益、溢利或虧損的資料及其他資料(續)

		Exploration, Production and Distribution of Natural Gas 天然氣勘探、 生產及分銷 HK\$'000 千港元	Sales of Food and Beverages Business 銷售食品 及飲料業務 HK\$'000 千港元	Money Lending Business 放債業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>For the year ended</b>	<b>截至二零一七年</b>				
<b>31 December 2017</b>	<b>十二月三十一日止年度</b>				
Disaggregated by timing of revenue recognition	按收益確認時間細分				
Point in time	在某一時間點	12,630	–	–	12,630
Over time	隨時間	–	–	409	409
Revenue from external customers	外部客戶收益	<u>12,630</u>	<u>–</u>	<u>409</u>	<u>13,039</u>
Reportable segment (loss)/profit before income tax	除所得稅前可呈報分部(虧損)/溢利	<u>(216,136)</u>	<u>(1,939)</u>	<u>207</u>	<u>(217,868)</u>
Segment results included:	分部業績包括：				
Interest income	利息收入	5	16	–	21
Interest expense	利息開支	(552)	–	–	(552)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(2,485)	(245)	–	(2,730)
Impairment of intangible assets	無形資產減值及攤銷	(162,000)	–	–	(162,000)
Impairment of exploration and evaluation assets	勘探及評估資產減值	(39,000)	–	–	(39,000)
Impairment of goodwill	商譽減值	(6,000)	–	–	(6,000)
Income tax credits	所得稅抵免	6,774	–	–	6,774
Deferred tax assets	遞延稅項資產	99,673	–	–	99,673
Additions to non-current assets	非流動資產添置	630	–	–	630
Reportable segment assets	可呈報分部資產	<u>2,041,921</u>	<u>31,924</u>	<u>20</u>	<u>2,073,865</u>
Reportable segment liabilities	可呈報分部負債	<u>(506,373)</u>	<u>(46)</u>	<u>–</u>	<u>(506,419)</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 6. REVENUE AND SEGMENT INFORMATION

(Continued)

#### (b) Reconciliation of reportable segment profit or loss, assets and liabilities

### 6. 收益及分部資料(續)

#### (b) 可呈報分部溢利或虧損、資產及負債之對賬

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Profit/(Loss) before income tax</b>	<b>除所得稅前溢利/(虧損)</b>		
Reportable segment profit/(loss) before income tax	可呈報分部除所得稅前溢利/(虧損)	<b>161,292</b>	(217,868)
Other income	其他收入	<b>19,765</b>	236
Fair value (loss)/gain of financial assets at fair value through profit or loss	按公平價值計入損益之金融資產之公平價值(虧損)/收益	<b>(13,064)</b>	15,678
Fair value loss of investment properties	投資物業公平價值虧損	<b>(10,849)</b>	-
Finance costs	融資成本	<b>(6,978)</b>	(6,450)
Unallocated head office and corporate expenses	未分配總辦事處及公司開支	<b>(11,937)</b>	(33,223)
		<b>138,229</b>	(241,627)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	<b>138,229</b>	(241,627)
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可呈報分部資產	<b>2,210,123</b>	2,073,865
Property, plant and equipment	物業、廠房及設備	<b>474</b>	-
Investment properties	投資物業	<b>57,600</b>	-
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>28,866</b>	64,553
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產	<b>61,476</b>	74,540
Cash and bank balances	現金及銀行結餘	<b>53,034</b>	136,521
Total assets	總資產	<b>2,411,573</b>	2,349,479

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 6. REVENUE AND SEGMENT INFORMATION

(Continued)

#### (b) Reconciliation of reportable segment profit or loss, assets and liabilities

(Continued)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可呈報分部負債	662,727	506,419
Convertible notes	可換股票據	71,467	64,489
Amount due to a shareholder	應付一名股東款項	39,363	40,402
Other payables and accruals	其他應付款項及應計費用	3,357	36,929
		<u>776,914</u>	<u>648,239</u>
Total liabilities	總負債	<u>776,914</u>	<u>648,239</u>

#### (c) Geographic information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than deferred tax assets ("Specified non-current assets").

### 6. 收益及分部資料(續)

#### (b) 可呈報分部溢利或虧損、資產及負債之對賬(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可呈報分部負債	662,727	506,419
Convertible notes	可換股票據	71,467	64,489
Amount due to a shareholder	應付一名股東款項	39,363	40,402
Other payables and accruals	其他應付款項及應計費用	3,357	36,929
		<u>776,914</u>	<u>648,239</u>
Total liabilities	總負債	<u>776,914</u>	<u>648,239</u>

#### (c) 地區資料

下表載列本集團有關來自外部客戶之收益及非流動資產(遞延稅項資產除外)(「指定非流動資產」)的分析。

	Revenue from external customers		Specified non-current assets	
	2018	2017	2018	2017
	二零一八年	二零一七年	二零一八年	二零一七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Hong Kong (place of domicile)	5	409	58,959	2,063
PRC	477,784	12,630	1,749,722	1,922,865
	<u>477,789</u>	<u>13,039</u>	<u>1,808,681</u>	<u>1,924,928</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 7. OTHER INCOME

### 7. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank interest income	銀行利息收入	43	25
Exchange gain, net	匯兌收益淨額	256	49
Dividend income from financial assets at fair value through profit or loss	來自按公平價值計入損益之金融資產之股息收入	228	325
Reversal of expected credit losses	預期信貸虧損撥回	6,268	-
Gain on disposal of subsidiary	出售附屬公司的收益	12,697	-
Others	其他	641	-
		<u>20,133</u>	<u>399</u>

### 8. FINANCE COSTS

### 8. 融資成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on bank borrowings (Note 27)	銀行借貸利息(附註27)	919	-
Interest on convertible notes (Note 28)	可換股票據利息(附註28)	6,978	6,450
Interest on other payables (Note 25)	其他應付款項利息(附註25)	577	552
		<u>8,474</u>	<u>7,002</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 9. PROFIT/(LOSS) BEFORE INCOME TAX

### 9. 除所得稅前溢利／(虧損)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit/(loss) before income tax is arrived at after charging/(crediting):	除所得稅前溢利／(虧損) 已扣除／(計入)：		
Auditor's remuneration	核數師酬金	925	1,070
Staff costs (including directors' remuneration)	員工成本(包括董事酬金)		
— Wages and salaries and other benefits	— 工資及薪金及其他福利	14,895	11,238
— Pension fund contributions	— 退休計劃供款	69	61
		<u>14,964</u>	<u>11,299</u>
Reversal of expected credit losses	預期信貸虧損撥回	<u>(6,268)</u>	—

### 10. INCOME TAX (EXPENSE)/CREDIT

### 10. 所得稅(開支)／抵免

The amount of taxation in the consolidated statement of comprehensive income represents:

綜合全面收益表內的稅額代表：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期稅項		
— Tax for the year	— 本年度稅項	(152)	(6)
Deferred tax	遞延稅項		
— Origination and reversal of temporary difference (Note 21(a))	— 臨時差異之產生及撥回 (附註21(a))	(110,889)	6,780
Total income tax (expense)/credit	所得稅(開支)／抵免總額	<u>(111,041)</u>	<u>6,774</u>

No provision for Hong Kong profits tax has been made as the Group did not have assessable profit for the year (2017: Nil). PRC enterprise income tax is calculated at 25% on the estimated assessable profit for the year (2017: Nil).

由於本集團本年度並無應課稅溢利(二零一七年：無)，故並無就香港利得稅作出撥備。中國企業所得稅乃按本年度之估計應課稅溢利之25%計算(二零一七年：無)。

### 10. INCOME TAX (EXPENSE)/CREDIT (Continued)

The income tax expense/(credit) for the year can be reconciled to the profit/(loss) before income tax in the consolidated statement of comprehensive income as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	<b>138,229</b>	(241,627)
Effect of tax at Hong Kong profits tax rate of 16.5% (2017: 16.5%)	按香港利得稅稅率 16.5% (二零一七年：16.5%) 之稅務影響	<b>22,808</b>	(39,868)
Effect of different tax rate of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司稅率不同之影響	<b>35,791</b>	(2,834)
Tax effect of income not taxable for tax purposes	非課稅收入之稅務影響	<b>(3,568)</b>	(6)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	<b>51,090</b>	35,778
Temporary difference not recognised	未確認之暫時差額	<b>4,549</b>	-
Utilisation of tax losses	動用稅項虧損	<b>119</b>	-
Tax effect of unused tax losses not recognised	未確認之未動用稅項虧損之稅務影響	<b>252</b>	156
Income tax expense/(credit) for the year	年內所得稅開支／(抵免)	<b>111,041</b>	(6,774)

### 10. 所得稅(開支)／抵免(續)

本年度所得稅開支／(抵免)可與綜合全面收益表內之除所得稅前溢利／(虧損)對賬如下：

### 11. DIVIDEND

The board of directors of the Company did not recommend any payment of dividend during the year (2017: Nil).

### 11. 股息

本公司董事會建議本年度不派付任何股息(二零一七年：無)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 12. EARNINGS/(LOSS) PER SHARE

#### (a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

### 12. 每股盈利／（虧損）

#### (a) 基本

每股基本盈利／（虧損）乃由本公司擁有人應佔溢利／（虧損）除以年內已發行普通股加權平均數計算。

		2018 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Profit/(loss) attributable to — Owners of the Company	以下人士應佔溢利／（虧損） — 本公司擁有人	<u>27,544</u>	<u>(235,510)</u>
		<i>Number of shares 股份數目</i>	<i>Number of shares 股份數目</i>
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	<u>9,505,344,000</u>	<u>9,505,344,000</u>
		<i>HK Cents 港仙</i>	<i>HK Cents 港仙</i>
Basic earnings/(loss) per share	每股基本盈利／（虧損）	<u>0.29</u>	<u>(2.48)</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 12. EARNINGS/(LOSS) PER SHARE (Continued)

#### (b) Diluted

The calculation of the diluted earnings per share attributable to the owners of the Company during the year is based on the following data:

### 12. 每股盈利／(虧損)(續)

#### (b) 攤薄

本公司擁有人應佔之每股攤薄盈利於年內乃按下列數據計算：

		2018 二零一八年 HK\$'000 千港元
Profit attributable to owners of the Company	本公司擁有人應佔溢利	27,544
Adjustments for interest on convertible notes	就可換股票據之利息作出調整	6,978
		<u>34,522</u>
		<b>Number of shares 股份數目</b>
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	9,505,344,000
Effect of dilutive potential ordinary shares on convertible notes	可換股票據潛在攤薄普通股之影響	4,045,654,761
		<u>13,550,998,761</u>
		<b>HK Cents 港仙</b>
Diluted earnings per share	每股攤薄盈利	<u>0.25</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 12. EARNINGS/(LOSS) PER SHARE (Continued)

#### (b) Diluted (Continued)

For the year ended 31 December 2017, diluted loss per share is the same as basic loss per share as the potential ordinary shares on convertible notes are anti-dilutive.

### 12. 每股盈利／（虧損）（續）

#### (b) 攤薄（續）

於截至二零一七年十二月三十一日止年度，每股攤薄虧損與每股基本虧損相同，此乃由於可換股票據之潛在普通股具反攤薄性質。

### 13. DIRECTORS' EMOLUMENTS

Directors' emoluments is disclosed as follows:

#### Year ended 31 December 2018

### 13. 董事之酬金

董事之酬金披露如下：

截至二零一八年十二月三十一日止年度

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	2018 Total
		HK\$'000	薪金、津貼及實物利益	退休計劃供款	二零一八年總額
		千港元	HK\$'000	千港元	HK\$'000
		千港元	千港元	千港元	千港元
<b>Executive director</b>	<b>執行董事</b>				
Zhao Guoqiang	趙國強	1,482	-	-	1,482
<b>Non-executive directors</b>	<b>非執行董事</b>				
Ngan Mei Ying (i)	顏美瑩 (i)	150	-	-	150
Gu Quan Rong	顧全榮	120	-	-	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Cheng Chun Ying	鄭振鷹	120	-	-	120
Lee Man Tai	李文泰	120	-	-	120
Zong Ketao	宗科濤	120	-	-	120
		<b>2,112</b>	<b>-</b>	<b>-</b>	<b>2,112</b>

(i) Ms. Ngan Mei Ying appointed as a non-executive director on 10 April 2017 and resigned on 31 October 2018.

(i) 顏美瑩女士於二零一七年四月十日獲委任為非執行董事並於二零一八年十月三十一日辭任。

### 13. DIRECTORS' EMOLUMENTS (Continued)

Year ended 31 December 2017

		Salaries, allowances and benefits in kind 薪金、津貼 及實物利益	Retirement scheme contributions 退休計劃供款	2017 Total 二零一七年 總額	
	Directors' fees 董事袍金 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>Executive director</b>	<b>執行董事</b>				
Zhao Guoqiang	趙國強	1,092	144	–	1,236
<b>Non-executive directors</b>	<b>非執行董事</b>				
Ngan Mei Ying (i)	顏美瑩(i)	135	–	–	135
Gu Quan Rong	顧全榮	120	–	–	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Cheng Chun Ying	鄭振鷹	120	–	–	120
Lee Man Tai	李文泰	120	–	–	120
Zong Ketao	宗科濤	120	–	–	120
		<u>1,707</u>	<u>144</u>	<u>–</u>	<u>1,851</u>

None of the directors waived or agreed to waive any emoluments during the year ended 31 December 2018 (2017: Nil). No emoluments were paid by the Company to the directors as an inducement to join or upon joining the Company or as compensation for loss of office during the year ended 31 December 2018 (2017: Nil).

### 13. 董事之酬金(續)

截至二零一七年十二月三十一日止年度

	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益	Retirement scheme contributions 退休計劃供款	2017 Total 二零一七年 總額	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>Executive director</b>	<b>執行董事</b>			
Zhao Guoqiang	趙國強	144	–	1,236
<b>Non-executive directors</b>	<b>非執行董事</b>			
Ngan Mei Ying (i)	顏美瑩(i)	–	–	135
Gu Quan Rong	顧全榮	–	–	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>			
Cheng Chun Ying	鄭振鷹	–	–	120
Lee Man Tai	李文泰	–	–	120
Zong Ketao	宗科濤	–	–	120
		<u>144</u>	<u>–</u>	<u>1,851</u>

截至二零一八年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金(二零一七年：無)。截至二零一八年十二月三十一日止年度，本公司並無向董事支付酬金以吸引彼加入本集團或作為加入獎金或離職補償(二零一七年：無)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 14. FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, one (2017: one) was director of the Company whose emolument is included in the disclosures in Note 13 above. The emoluments of the remaining four (2017: four) individuals who were senior management of the Group were as follows:

Wages and salaries and other benefits	工資及薪金以及其他福利
Pension fund contributions	退休金供款

<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
<b>4,962</b>	4,008
<b>36</b>	36
<b><u>4,998</u></b>	<b><u>4,044</u></b>

Their emoluments were within the following bands

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元

零至1,000,000港元	2
1,000,001港元至1,500,000港元	2

### 14. 五名最高薪酬人士

在本集團五位最高薪酬人士當中，一位（二零一七年：一位）本公司董事之薪酬於上文附註13披露。其餘四位（二零一七年：四位）人士（為本集團高級管理人員）之薪酬如下：

<b>2018</b> 二零一八年 <b>HK\$'000</b> 千港元	2017 二零一七年 HK\$'000 千港元
<b>4,962</b>	4,008
<b>36</b>	36
<b><u>4,998</u></b>	<b><u>4,044</u></b>

彼等之薪酬均介乎下列範圍

<b>2018</b> 二零一八年 <b>No. of</b> <b>employees</b> 僱員人數	2017 二零一七年 No. of employees 僱員人數
<b>2</b>	2
<b>2</b>	2

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Natural gas pipeline 天然氣管道 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>					
At 1 January 2017	於二零一七年一月一日	660	660	6,114	-	7,434
Additions	添置	222	124	284	-	630
Acquisition of a subsidiary	收購一間附屬公司	-	68	440	27,791	28,299
Exchange differences	匯兌差額	55	54	332	1,488	1,929
		<u>937</u>	<u>906</u>	<u>7,170</u>	<u>29,279</u>	<u>38,292</u>
At 31 December 2017	於二零一七年十二月三十一日	937	906	7,170	29,279	38,292
Additions	添置	285	126	-	-	411
Exchange differences	匯兌差額	-	(43)	(223)	(1,234)	(1,500)
		<u>1,222</u>	<u>989</u>	<u>6,947</u>	<u>28,045</u>	<u>37,203</u>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>1,222</b>	<b>989</b>	<b>6,947</b>	<b>28,045</b>	<b>37,203</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>					
At 1 January 2017	於二零一七年一月一日	660	508	2,870	-	4,038
Charge for the year	本年度費用	-	80	839	1,842	2,761
Exchange differences	匯兌差額	48	39	198	30	315
		<u>708</u>	<u>627</u>	<u>3,907</u>	<u>1,872</u>	<u>7,114</u>
At 31 December 2017	於二零一七年十二月三十一日	708	627	3,907	1,872	7,114
Charge for the year	本年度費用	52	74	927	2,787	3,840
Exchange differences	匯兌差額	(32)	(29)	(162)	(131)	(354)
		<u>728</u>	<u>672</u>	<u>4,672</u>	<u>4,528</u>	<u>10,600</u>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>728</b>	<b>672</b>	<b>4,672</b>	<b>4,528</b>	<b>10,600</b>
<b>Carrying amount</b>	<b>賬面值</b>					
At 31 December 2018	於二零一八年十二月三十一日	<u>494</u>	<u>317</u>	<u>2,275</u>	<u>23,517</u>	<u>26,603</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>229</u>	<u>279</u>	<u>3,263</u>	<u>27,407</u>	<u>31,178</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 16. INVESTMENT PROPERTIES

### 16. 投資物業

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>		
At 1 January	於一月一日	-	-
Additions	添置	68,449	-
Change in fair value	公平價值變動	(10,849)	-
		<u>57,600</u>	<u>-</u>
At 31 December	於十二月三十一日	<u>57,600</u>	<u>-</u>

The fair value of the Group's investment properties at 31 December 2018 have been arrived at on market value basis carried out by APAC Asset Valuation and Consulting Limited ("APAC"), an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment properties being valued.

The fair value of investment properties is a level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below:

本集團之投資物業於二零一八年十二月三十一日之公平價值由獨立估值師亞太資產評估及顧問有限公司(「亞太」)以市場價值為基準達致，該估值師擁有獲認可及相關專業資格及所估值投資物業所在地區及類別的近期經驗。

投資物業之公平價值屬第三級經常性公平價值計量。年初及年終公平價值結餘之對賬如下：

		2018 二零一八年 HK\$'000 千港元
Opening balance (level 3 recurring fair value)	年初結餘(第三級經常性公平價值)	68,449
Additions	添置	68,449
Change in fair value	公平價值變動	(10,849)
		<u>57,600</u>
Closing balance (level 3 recurring fair value)	年終結餘(第三級經常性公平價值)	<u>57,600</u>
Change in unrealised losses for the year included in profit or loss for assets held at 31 December	計入損益之於十二月三十一日所持資產之年內未變現虧損之變動	<u>10,849</u>

### 16. INVESTMENT PROPERTIES (Continued)

Fair value is determined by applying the direct comparison approach which is based on prices realised on actual transactions for properties with similar sizes, characters, locations and other relevant factors.

#### Significant unobservable inputs

重大不可觀察輸入數據

Direct comparison approach:

直接比較法：

Market selling price (transacted price) per square metre

每平方米市場售價(交易價格)

HK\$13,156–18,661

13,156至18,661港元

The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

During the year ended 31 December 2018 there were no transfers into or out of Level 3 or any other Level. The Group's policy is to recognise transfers between Levels of the fair value hierarchy as at the end of the reporting period in which they occur.

### 16. 投資物業(續)

公平價值乃基於擁有類似面積、特點、位置及其他相關因素之物業於實際交易中變現之價格，應用直接比較法釐定。

#### Range

範圍

公平價值計量乃基於上述物業在最大限度上達致最佳用途(與其實際用途並無差異)。

於截至二零一八年十二月三十一日止年度，並無轉入或轉出第三級或任何其他層級。本集團之政策為於出現轉撥之報告期末確認公平價值層級之間之轉撥。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 17. EXPLORATION AND EVALUATION ASSETS

### 17. 勘探及評估資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>		
At 1 January	於一月一日	<b>689,832</b>	643,064
Additions	添置	<b>162,326</b>	–
Exchange differences	匯兌差額	<b>(34,780)</b>	46,768
		<hr/>	<hr/>
At 31 December	於十二月三十一日	<b>817,378</b>	689,832
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Accumulated impairment</b>	<b>累計減值</b>		
At 1 January	於一月一日	<b>320,745</b>	262,644
Impairment loss	減值虧損	<b>36,000</b>	39,000
Exchange differences	匯兌差額	<b>(13,591)</b>	19,101
		<hr/>	<hr/>
At 31 December	於十二月三十一日	<b>343,154</b>	320,745
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Carrying amount</b>	<b>賬面值</b>		
At 31 December	於十二月三十一日	<b>474,224</b>	369,087
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

The exploration and evaluation assets represents costs directly associated with exploratory wells (drilling cost and others) that are capitalised and pending a determination of whether sufficient quantities of potentially economic gas reserves have been discovered.

For the year ended 31 December 2018, provision for impairment loss of HK\$36,000,000 (2017: HK\$39,000,000) was recognised in profit or loss as the carrying amount of the related cash-generating unit ("CGU") exceeds its recoverable amount due to delay in the production schedules of the Kashi Project (as defined and detailed in Note 18) as the approval of ODP has been delayed.

勘探及評估資產指勘探井之直接相關成本(鑽探成本及其他)，其將資本化，而尚待釐定是否已發現足夠數量的具潛在經濟效益的天然氣儲備。

截至二零一八年十二月三十一日止年度，由於相關現金產生單位(「現金產生單位」)之賬面值超過其可收回金額，減值虧損撥備36,000,000港元(二零一七年：39,000,000港元)已於損益確認，因為尚未取得總體開發方案之批文，導致喀什項目(定義及詳情見附註18)生產時間表出現延誤。

### 18. INTANGIBLE ASSETS

### 18. 無形資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>		
At 1 January	於一月一日	2,849,785	2,656,579
Exchange differences	匯兌差額	(120,754)	193,206
		<u>2,729,031</u>	<u>2,849,785</u>
At 31 December	於十二月三十一日	<u>2,729,031</u>	<u>2,849,785</u>
<b>Accumulated impairment</b>	<b>累計減值</b>		
At 1 January	於一月一日	1,326,273	1,085,339
Amortisation	攤銷	117,727	–
Impairment loss (Note)	減值虧損(附註)	95,000	162,000
Exchange differences	匯兌差額	(60,223)	78,934
		<u>1,478,777</u>	<u>1,326,273</u>
At 31 December	於十二月三十一日	<u>1,478,777</u>	<u>1,326,273</u>
<b>Carrying amount</b>	<b>賬面值</b>		
At 31 December	於十二月三十一日	<u>1,250,254</u>	<u>1,523,512</u>

The intangible assets represent the interests in the Petroleum Contract which were amortised on unit of production method. No amortisation was provided for the year ended 31 December 2017. Details of the contract as described as below:

On 22 December 2008, China Era entered into the Petroleum Contract with CNPC in relation to the drilling, exploration, exploitation and production of oil and/or natural gas in North Kashi Block, Tarim Basin in the PRC. CNPC is a stated-owned company established in the PRC (the “Kashi Project”).

Pursuant to the Petroleum Contract signed in December 2008, China Era agreed to provide funds and apply its advanced technology and managerial experience to cooperate with CNPC for the development and production of crude oil and/or natural gas in North Kashi Block on Tarim Basin in Xinjiang, the PRC. The maximum term of the Petroleum Contract is 30 years from 1 June 2009, subject to extension.

無形資產指石油合約權益，其按生產單位法攤銷。截至二零一七年十二月三十一日止年度並無計提攤銷撥備。合約之詳情載述如下：

於二零零八年十二月二十二日，中國年代與中國石油集團訂立了石油合約，以於中國塔里木盆地喀什北區塊鑽探、勘探、開發及生產石油及／或天然氣。中國石油集團為於中國成立的國有企業（「喀什項目」）。

根據於二零零八年十二月簽訂之石油合約，中國年代同意提供資金及應用其先進科技及管理經驗與中國石油集團合作，以於中國新疆塔里木盆地喀什北區塊開發及生產原油及／或天然氣。石油合約之最長年期為自二零零九年六月一日起計30年，期限可予延展。

### 18. INTANGIBLE ASSETS (Continued)

Pursuant to Petroleum Contract, China Era shall bear all costs required for the evaluation operations, and the development costs shall be borne by CNPC and China Era in the proportions of 51% and 49%, respectively. In addition, CNPC's portion of operating costs shall be advanced by China Era and recovered from the production of crude oil.

Under the terms of the Petroleum Contract, the evaluation costs, development costs and operating costs are to be recovered according to a mechanism of cost recovery oil and investment recovery oil. Remaining oil, after cost recovery, all applicable taxes and royalty that might apply in the PRC, is share oil, which is apportioned between 51% by CNPC and 49% by China Era.

In March 2015, the Group has issued formal application to CNPC to apply for a two-year extension of the exploration period of the Kashi Project beyond the original deadline of 31 May 2015, as the exploration efforts in the cooperation site has not been completed. On 6 December 2017, the Group and CNPC entered into a supplement agreement to extend the exploration period.

The Group has been carrying out exploration and evaluation activities at the site and working with professional parties to prepare data and information that are required for the ODP for government approval before full production could be started. As at 31 December 2018, the approval of ODP from National Development and Reform Commission ("NDRC") has not yet been obtained. The delay in finalising the ODP is the major reason for the delay in government approval. During the year, the Company and CNPC were given to understand that the approval requirement of the ODP by the NDRC formerly imposed on the Kashi Project (being an oil and gas sino-foreign cooperation) will be relaxed. The cancellation of ODP approval requirement was formally announced by the State Council of the PRC under its circular No.6 of 2019 (國發[2019]6號) on 27 February 2019. Under the new regime, the ODP approval is no longer required and will be replaced by a filing system. The implementation procedures regarding the new ODP filing system are yet announced.

### 18. 無形資產(續)

根據石油合約，中國年代須承擔評估業務所需所有成本，而開發成本須由中國石油集團及中國年代分別按51%及49%之比例承擔。此外，中國石油集團所佔經營成本部分應由中國年代墊付，並透過生產原油收回。

根據石油合約之條款，評估成本、開發成本及經營成本須根據成本回收油及投資回收油機制收回。就收回成本、繳納中國適用的所有適用稅項及專利稅後剩餘之石油而言，為分成油，由中國石油集團及中國年代分別分佔51%及49%。

於二零一五年三月，本集團向中國石油集團正式提出如下申請：由於合作區塊內的勘探任務沒有全部完成，因此喀什項目之勘探期限原訂於二零一五年五月三十一日到期而步入開發期，現在向中國石油集團申請將勘探期限延長兩年。於二零一七年十二月六日，本集團與中國石油集團已訂立補充協議，以延長勘探期限。

本集團一直在地盤開展勘探及評估活動，現正與專業人士合力制定總體開發方案所需之數據及資料，以供政府審批，其後方能開展全面生產。於二零一八年十二月三十一日，尚未獲得國家發展和改革委員會(「發改委」)之總體開發方案批文。延遲敲定總體開發方案是尚未取得政府批文之主因。年內，據本公司與中國石油集團了解，發改委原對喀什項目(即油氣中外合作項目)實施的總體開發方案審批要求將會放寬。於二零一九年二月二十七日，中國國務院根據二零一九年第6號通知(國發[2019]6號)正式宣佈取消總體開發方案審批要求。在新制度下，不再需要總體開發方案審批，其將被一個備案機制取代。尚未宣佈任何有關新總體開發方案備案機制之實施程序。

### 18. INTANGIBLE ASSETS (Continued)

Based on current information available to the directors, the directors assume the ODP would be submitted to the relevant government authority before 31 December 2019, the development stage and commercial production of the Project will start after the submission of the ODP.

Note:

Impairment loss of intangible assets in the amounts of HK\$95,000,000 (2017: HK\$162,000,000) was recognised during the year ended 31 December 2018 as the carrying amount of the CGU for the Kashi Project exceeds its recoverable amount. The recoverable amount of the CGU for the Kashi Project was HK\$1,726,000,000 (2017: HK\$1,894,000,000) based on value in use calculation and by reference to the valuation report produced by APAC. The pre-tax discount rate used for value in use calculations is 19.5% (2017: 23.1%) for the year ended 31 December 2018.

The reduction in the recoverable amount of the CGU related to the exploration and production segment was due to delay in the production schedules of the Kashi Project. The Company's management expect that the development and production period should start immediately after the ODP finalisation. As a result, it is necessary and appropriate to revise the production forecast of the Kashi Project for the remaining contract period.

Set out below is the summary of assets, liabilities and results for the year recognised in the consolidated financial statements in relation to the Group's interest in the Petroleum Contract:

#### (a) Result for the year

During the year ended 31 December 2018, the Group has recognised revenue approximately of HK\$466,880,000 (2017: Nil) from the sales of natural gas arising from its interests in a Petroleum Contract during the exploration and evaluation period from 2009 to 2018 and the profit before income tax for the year for the sales of natural gas was approximately HK\$165,034,000 (2017: loss before income tax HK\$209,266,000).

### 18. 無形資產(續)

根據董事目前可得資料，董事假設總體開發方案將於二零一九年十二月三十一日前提交予相關政府部門，該項目的發展階段及商業生產將於提交總體開發方案後開展。

附註：

於截至二零一八年十二月三十一日止年度，因喀什項目之現金產生單位之賬面值超過其可收回金額而確認之無形資產減值虧損為95,000,000港元(二零一七年：162,000,000港元)。喀什項目之現金產生單位之可收回金額為1,726,000,000港元(二零一七年：1,894,000,000港元)，該金額乃根據使用價值計算及參考亞太編製的估值報告釐定。截至二零一八年十二月三十一日止年度，計算使用價值所採用的稅前貼現率為19.5%(二零一七年：23.1%)。

有關勘探及生產分部的現金產生單位可收回金額減少乃由於喀什項目生產時間表出現延誤所致。本公司管理層預期發展及生產期將於敲定總體開發方案後立刻開展。因此，修訂於餘下合約期喀什項目之產量預測為有必要及合適。

下文載列綜合財務報表於年內確認之資產、負債及業績概要，內容與本集團於石油合約之權益有關：

#### (a) 本年度業績

於截至二零一八年十二月三十一日止年度，本集團已確認於二零零九年及二零一八年勘探及評估期內自於石油合約之權益產生之天然氣銷售收益約466,880,000港元(二零一七年：無)而年內之天然氣銷售除所得稅前溢利約為HK\$165,034,000港元(二零一七年：除所得稅前虧損209,266,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 18. INTANGIBLE ASSETS (Continued)

#### (b) Assets and liabilities

Property, plant and equipment	物業、廠房及設備
Exploration and evaluation assets	勘探及評估資產
Intangible assets	無形資產
Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net assets	資產淨值

#### (c) Commitments

Capital commitments:	資本承擔：
Contracted but not provided for in respect of:	已訂約但未就下列事項撥備：
— Exploration and evaluation expenditures	— 勘探及評估開支

### 18. 無形資產(續)

#### (b) 資產及負債

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	1,254	1,743
	474,224	369,087
	1,250,254	1,523,512
	–	99,673
	(11,649)	–
	446,695	6,538
	(496,501)	(392,935)
	(143,736)	–
	<u>1,520,541</u>	<u>1,607,618</u>

#### (c) 承擔

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	104,834	141,254

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 19. GOODWILL

### 19. 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>		
At 1 January	於一月一日	7,151	–
Business acquisition	業務收購	–	7,151
		<hr/>	<hr/>
At 31 December	於十二月三十一日	7,151	7,151
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Accumulated impairment</b>	<b>累計減值</b>		
At 1 January	於一月一日	6,000	–
Impairment loss (Note)	減值虧損(附註)	1,151	6,000
		<hr/>	<hr/>
At 31 December	於十二月三十一日	7,151	6,000
		<hr/>	<hr/>
<b>Carrying value</b>	<b>賬面值</b>		
At 31 December	於十二月三十一日	–	1,151
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

### 19. GOODWILL (Continued)

#### Impairment testing on goodwill

On 24 April 2017, the Group completed the acquisition of 100% of the equity interest of Di Maria Limited and its subsidiaries (the “**Di Maria Group**”) at an aggregated consideration of HK\$11,276,000 whose principal activity is distribution of natural gas using pipeline.

In accordance with HKAS 36 “Impairment of assets”, management of the Group performed impairment test for goodwill allocated to the Group’s CGUs by comparing their recoverable amounts to their carrying amounts at the end of the reporting period. The recoverable amount of a CGU is determined based on value in use calculation.

Impairment loss of HK\$1,151,000 (2017: HK\$6,000,000) was recognised during the year ended 31 December 2018 as the carrying amount of relevant CGU attributable to the Group exceeds its recoverable amount. The estimated recoverable amount of the CGU is RMB13,000,000 (equivalent to approximately HK\$14,690,000) (2017: RMB24,500,000 equivalent to approximately HK\$28,910,000) and determined from value in use calculation based on cash flow projections approved by the directors. The pre-tax discount rate of 17.3% (2017: 20.4%) per annum is used in the calculation of cash flow projections which was performed by an independent valuer.

### 19. 商譽(續)

#### 商譽減值測試

於二零一七年四月二十四日，本集團完成收購迪瑪利亞有限公司及其附屬公司(「**迪瑪利亞集團**」)之100%股權，總代價為11,276,000港元，其主要業務為使用管道分銷天然氣。

根據香港會計準則第36號「資產減值」，本集團管理層已為分配至本集團現金產生單位的商譽進行減值測試，方法是於報告期末比較其可收回金額與其賬面值。現金產生單位的可收回金額按使用價值計算法釐定。

減值虧損1,151,000港元(二零一七年：6,000,000港元)於截至二零一八年十二月三十一日止年度確認為相關現金產生單位之賬面值超出其可收回金額。現金產生單位的估計可收回金額為人民幣13,000,000元(相當於約14,690,000港元)(二零一七年：人民幣24,500,000元，相當於約28,910,000港元)，並根據使用價值計算法，基於董事批准的預測現金流量釐定。現金流量預測使用每年17.3%(二零一七年：20.4%)貼現率乃由一名獨立估值師計算得出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 20. INTERESTS IN SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2018 are as follows:

Name 公司名稱	Form of business structure 營業結構形式	Country/place of incorporation/ establishment 註冊成立/ 成立國家/地點	Country/place of operation 經營國家/地點	Principal Activities 主要業務	Issued and fully paid share capital 已發行及繳足股本	Percentage of interests held 持有權益百分比	
						Directly 直接	Indirectly 間接
China Energy Resources Holdings Ltd 中西能源控股有限公司	Limited liability company 有限公司	Hong Kong 香港	Hong Kong 香港	Sales of food and beverages and investment holding 銷售食品及飲料業務及投資控股	Ordinary share HK\$1 普通股 1 港元	100%	-
Totalbuild Investments Group (Hong Kong) Limited 共創投資集團(香港)有限公司	Limited liability company 有限公司	British Virgin Islands 英屬處女群島	Hong Kong 香港	Investment holding 投資控股	Ordinary share US\$1 普通股 1 美元	100%	-
China Era Energy Power Investment (Hong Kong) Limited 中國年代能源投資(香港)有限公司	Limited liability company 有限公司	Hong Kong 香港	PRC 中國	Oil and gas exploration 油氣勘探	Ordinary share HK\$1 普通股 1 港元	-	100%
Zhong Neng Finance Limited 中能財務有限公司	Limited liability company 有限公司	Hong Kong 香港	Hong Kong 香港	Money lending 放債	Ordinary share HK\$1 普通股 1 港元	-	100%
Di Maria Limited 迪瑪利亞有限公司	Limited liability company 有限公司	Hong Kong 香港	Hong Kong 香港	Investment holding 投資控股	Ordinary share HK\$10,000 普通股 10,000 港元	-	100%
Team Lucky Development Limited 添興發展有限公司	Limited liability company 有限公司	Hong Kong 香港	Hong Kong 香港	Investment holding 投資控股	Ordinary share HK\$2 普通股 2 港元	-	100%
Fortune Great Limited 巨運有限公司	Limited liability company 有限公司	Hong Kong 香港	Hong Kong 香港	Investment holding 投資控股	Ordinary share HK\$1 普通股 1 港元	-	100%
克拉瑪依富海石油化工有限公司 (Karamay Fuhai Petroleum Chemical Engineering Co., Limited)* 克拉瑪依富海石油化工有限公司	Limited liability company 有限公司	PRC 中國	PRC 中國	Investment holding 投資控股	Ordinary share RMB5,000,000 普通股人民幣 5,000,000 元	-	51%
克拉瑪依偉潤燃氣有限公司 (Karamay Weirun Gas Co., Limited)* 克拉瑪依偉潤燃氣有限公司	Limited liability company 有限公司	PRC 中國	PRC 中國	Distribution of natural gas 分銷天然氣	Ordinary share RMB130,000,000 普通股人民幣 130,000,000 元	-	26.01%

None of the subsidiaries had issued any debt securities at the end of the year.

\* For identification purposes only

本公司於二零一八年十二月三十一日之主要附屬公司之詳情如下：

### 20. 於附屬公司之權益

該等附屬公司於年末概無發行任何債務證券。

\* 僅供識別



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 21. DEFERRED TAXATION

- (a) The components of deferred tax assets/(liabilities) in the consolidated statement of financial position are as follows:

Deferred tax assets/(liabilities) arising from:

		Exploration costs 勘探成本 HK\$'000 千港元 (Note) (附註)	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	86,373	-	86,373
Movements for the year (Note 10)	年度變動(附註10)	6,780	-	6,780
Exchange differences	匯兌差額	6,520	-	6,520
At 31 December 2017	於二零一七年十二月三十一日	<b>99,673</b>	-	<b>99,673</b>
Movements for the year (Note 10)	年度變動(附註10)	<b>(180,902)</b>	<b>70,013</b>	<b>(110,889)</b>
Exchange differences	匯兌差額	<b>1,961</b>	<b>(2,394)</b>	<b>(433)</b>
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	<b>(79,268)</b>	<b>67,619</b>	<b>(11,649)</b>

Note: Deferred tax assets/(liabilities) represented deductible/taxable temporary difference in relation to exploration and evaluation activities in the PRC and the recoverability depends on the future profitability of the Kashi Project.

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax (liabilities)/assets	<b>(11,649)</b>	99,673

### 21. 遞延稅項

- (a) 於綜合財務狀況表之遞延稅項資產/(負債)組成部分如下:

遞延稅項資產/(負債)產生自:

	Exploration costs 勘探成本 HK\$'000 千港元 (Note) (附註)	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2017	86,373	-	86,373
Movements for the year (Note 10)	6,780	-	6,780
Exchange differences	6,520	-	6,520
At 31 December 2017	<b>99,673</b>	-	<b>99,673</b>
Movements for the year (Note 10)	<b>(180,902)</b>	<b>70,013</b>	<b>(110,889)</b>
Exchange differences	<b>1,961</b>	<b>(2,394)</b>	<b>(433)</b>
<b>At 31 December 2018</b>	<b>(79,268)</b>	<b>67,619</b>	<b>(11,649)</b>

附註: 遞延稅項資產/(負債)代表關於在中國之勘探及評估活動之臨時可扣減/應課稅差額, 而可收回性取決於喀什項目之未來盈利能力。

就財務申報目的之遞延稅項結餘分析如下:

### 21. DEFERRED TAXATION (Continued)

#### (b) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative Hong Kong and the PRC tax losses of approximate HK\$18,166,300 and HK\$892,000 as at 31 December 2018 respectively (2017: HK\$17,226,000 and HK\$1,369,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction of the entity. The Hong Kong tax losses will not expire under the current relevant tax legislation while the PRC tax losses will expire in five years.

10% PRC dividend withholding tax would be payable on the distribution of undistributed profits of the Group's subsidiaries established in the PRC. As at 31 December 2018, no deferred tax liabilities have been recognised as the Group's PRC subsidiaries have no undistributed profits (2017: Nil).

### 21. 遞延稅項 (續)

#### (b) 未確認遞延稅項資產

本集團並無就於二零一八年十二月三十一日累計香港及中國稅項虧損分別約18,166,300港元及892,000港元(二零一七年:17,226,000港元及1,369,000港元)確認遞延稅項資產,原因為於實體之相關稅項司法權區不大可能有可動用該等虧損之未來應課稅溢利。根據現行相關稅法,香港稅項虧損將不會到期,而中國稅項虧損將於五年內到期。

本集團須按10%就分派於中國成立之附屬公司之未分派溢利繳納中國股息預扣稅。於二零一八年十二月三十一日,因為本集團之中國附屬公司並無尚未分派溢利(二零一七年:無),概無確認有關遞延稅項負債。

### 22. ACCOUNT RECEIVABLES

### 22. 應收賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Sales of natural gas (Note (a))	天然氣銷售(附註(a))	439,739	-
Loan and interest receivables	應收貸款及利息		
— money lending business (Note (b))	— 放債業務(附註(b))	-	-
— others (Note (c))	— 其他(附註(c))	37,100	37,100
		<b>476,839</b>	37,100
Less: Expected credit losses	減: 預期信貸虧損	<b>(37,243)</b>	(37,100)
		<b>439,596</b>	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 22. ACCOUNT RECEIVABLES (Continued)

Movement in the expected credit losses in respect of account receivable is as follows:

Balance at 1 January	於一月一日之結餘
Expected credit losses recognised during the year	於年內確認之預期信貸虧損
Balance at 31 December	於十二月三十一日之結餘

Notes:

- (a) Sales of natural gas represent the receivables recognised under the production sharing contract with CNPC for the Group's operation in Kashi, the PRC. The Group recognised the revenue in relation to this operation during the current period. The entire balance of sales of natural gas as at 31 December 2018 are not yet past due. The Group did not hold any collateral over the balance.

The balance of sales of natural gas are non-interest-bearing and pledged to secure the bank borrowings of the Group in Note 27.

- (b) During the year ended 31 December 2017, the Group has advanced a loan of HK\$27,500,000 to China Harvest HK Investment Limited ("China Harvest"), which has defaulted in payment. The loan is secured by a legal charge over the entire issued share capital of China Harvest. To protect the interest of the Group, due to the default in payment by the borrower, the shares of China Harvest transferred to the Group during the year ended 31 December 2017. Based on the information available to the Company, the principal assets of China Harvest are two advances made to two independent third parties totalling HK\$61 million, and its principal liabilities are an amount due to the former shareholder and the amount due to the Group. These balances have been recognised under other receivables and other payables in this consolidated financial statements.

### 22. 應收賬款(續)

應收賬款預期信貸虧損之變動如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 1 January	37,100	37,100
Expected credit losses recognised during the year	143	—
Balance at 31 December	37,243	37,100

附註：

- (a) 天然氣銷售指根據與中國石油集團訂立之產量分成合約就本集團於中國喀什之業務確認之應收款項。本集團於本期間就該業務確認收益。天然氣銷售之全部結餘於二零一八年十二月三十一日尚未逾期。本集團並無就該結餘持有任何抵押品。

天然氣銷售之結餘為不計息，並已作抵押以擔保於附註27所述之本集團銀行借貸。

- (b) 於截至二零一七年十二月三十一日止年度，本集團已向中興香港投資發展有限公司(「中興」)貸款墊付27,500,000港元，惟中興拖欠還款。貸款以中興的全部已發行股份的法定押記為抵押。由於借款人拖欠付款，為保障本集團的利益，中興股份已於截至二零一七年十二月三十一日止年度轉至本集團。根據本公司可取得之資料，中興的主要資產為向兩名獨立第三方作出的兩項墊款，總額為61,000,000港元，而其主要負債為應付前股東款項及應付本集團款項。該等結餘於本綜合財務報表的其他應收款項及其他應付款項確認。

### 22. ACCOUNT RECEIVABLES (Continued)

Notes: (Continued)

- (c) Loan receivable from an independent third party, Sing Pao Media Enterprises Limited (“Sing Pao”), which was unsecured, interest-bearing at 1% per month and repayable within 1 year have been fully impaired during the year ended 31 December 2011. The loan receivable from Sing Pao is secured by a personal guarantee of a third party.

Sing Pao’s shares were listed on the SEHK but was delisted on 18 August 2015. During the year ended 31 December 2015, a winding-up order was made against Sing Pao and the Group has already submitted proof of debt form to liquidator of Sing Pao on 7 January 2016. On 2 November 2017, the Group’s legal advisor was informed by the liquidator that the process of realisation of assets of Sing Pao was completed and there was unlikely to be any surplus assets for distribution to creditors (including the Company) after payment of the costs of the liquidation.

### 23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Trading securities listed in Hong Kong, 於香港上市之買賣證券，  
at fair value 按公平價值

The fair value of financial assets at fair value through profit or loss are based on their current bid price in an active market.

### 22. 應收賬款(續)

附註：(續)

- (c) 應收一名獨立第三方成報傳媒集團有限公司(「成報」)貸款為無抵押、按每月利率1%計息，並須於一年內償還，該款項已於截至二零一一年十二月三十一日止年度悉數減值。應收成報貸款由一名第三方的個人擔保作抵押。

成報股份之前於香港聯交所上市，然後於二零一五年八月十八日除牌。截至二零一五年十二月三十一日止年度，成報被頒下清盤令，而本集團亦已於二零一六年一月七日向成報的清盤人提交債權證明表。於二零一七年十一月二日，本集團的法律顧問獲清盤人告知，成報的資產變現已完成，支付清盤成本後存在盈餘資產可供分派予債權人(包括本公司)的可能性極低。

### 23. 按公平價值計入損益之金融資產

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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<b>61,476</b>	<b>74,540</b>
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按公平價值計入損益之金融資產之公平價值乃基於其於活躍市場之現時標價。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 24. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

### 24. 其他應收款項、訂金及預付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other receivables, deposits and prepayments (Note (a))	其他應收款項、訂金及預付款項 (附註(a))	19,466	90,295
Refundable deposits — Mr. Wang Jian Guo (Note (b))	可退回訂金 — 王建國先生(附註(b))	20,725	20,725
Refundable deposits — (Note (c))	可退回訂金—(附註(c))	29,000	—
		<u>69,191</u>	<u>111,020</u>
Less: Expected credit losses	減：預期信貸虧損		
— Refundable deposit (Note (b))	— 可退回訂金(附註(b))	(20,725)	(20,725)
— Other receivables and deposits	— 其他應收款項及按金	(14,730)	(11,883)
		<u>(35,455)</u>	<u>(32,608)</u>
		<u>33,736</u>	<u>78,412</u>

Movement in the expected credit losses in respect of other receivables and deposits is as follows:

有關其他應收款項及按金之預期信貸虧損變動如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 31 December under HKAS 39	根據香港會計準則第39號於十二月三十一日之結餘	32,608	32,608
Impact on initial application of HKFRS 9 (Note 2(a) A)	初次應用香港財務報告準則第9號之影響(附註2(a) A)	21,367	—
Adjusted balance at 1 January	於一月一日之經調整結餘	53,975	32,608
Reversal of expected credit losses during the year	年內撥回預期信貸虧損	(6,411)	—
Disposal of subsidiary	出售附屬公司	(12,109)	—
Balance at 31 December	於十二月三十一日之結餘	<u>35,455</u>	<u>32,608</u>

### 24. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (a) As at 31 December 2017, as detailed in Note 22(b), included in other receivables are two advances made to two independent third parties totalling HK\$61 million recognised by the Group as a results of default in payment by China Harvest.
- (b) On 24 September 2007, Mr. Wang Jian Guo, an independent third party and Joy Even International Limited (“**Joy Even**”), a subsidiary of the Group, entered into the agreement in relation to the proposed acquisition of the 51% equity interest in each of the target companies, Bu Tuo County Wu Zhou Minerals Limited Liability Company (布拖縣五洲礦產有限責任公司) and Hui Li County Wan Feng Mining Limited Liability Company (會理縣萬豐礦業有限責任公司) of an aggregate consideration of RMB498 million (equivalent of HK\$516 million) (the “**Agreement**”). Both companies are limited liability companies established in the PRC. The principal activities of both companies are in the development of mines in the PRC. A refundable deposit of HK\$20,725,000 was paid (equivalent to RMB20,000,000) to Mr. Wang Jian Guo upon signing of the agreement. On 31 July 2008, the Company executed the Deed of termination regarding the proposed acquisitions, whereby subject to the return of the refundable deposit, both parties shall be released and discharged from their respective obligations under the Agreement. On 10 March 2011, Joy Even issued a Writ of Summons against Mr. Wang Jian Guo claiming the principal and interest on the refundable deposits. On 18 June 2013, the Court of First Instance adjudged that Mr. Wang Jian Guo shall pay to Joy Even the sum of RMB22,723,287 or Hong Kong Dollar equivalent. The Group is now considering actions to recover the said amount from Mr. Wang Jian Guo. As at 31 December 2018 and 2017, all of the refundable deposits were impaired and there is no provision for impairment (2017: Nil) charged to profit or loss for the year.
- (c) On 31 December 2018, the Group entered into a non-legally binding memorandum of understanding (the “**MOU**”) with a third party vendor which is independent of and not connected with the Group and its connected persons, in relation to the proposed investment by the Group in a energy project in mainland China which is owned and operated by corporate entities whose issued share capitals are ultimately wholly-owned by the vendor. Reference to the announcements of the Group dated 31 December 2018 in relation to the MOU, the deposit of HK\$29,000,000 shall be refundable if the proposed investment does not proceed to completion for whatever reason.

### 24. 其他應收款項、訂金及預付款項 (續)

附註：

- (a) 於二零一七年十二月三十一日，誠如附註 22(b)所詳述，其他應收款項包括向兩名獨立第三方作出的兩項墊款，總額為61,000,000港元，而本集團因中興拖欠付款已確認該等款項。
- (b) 於二零零七年九月二十四日，王建国先生(獨立第三方)與悅順國際有限公司(「悅順」)(本集團之附屬公司)訂立協議(「該協議」)，內容有關建議收購目標公司布拖縣五洲礦產有限責任公司及會理縣萬豐礦業有限責任公司各自之51%股權，總代價為人民幣498,000,000元(相等於516,000,000港元)。兩間公司均為於中國成立之有限公司，主要業務均為於中國開發礦場。本集團已於簽訂協議時向王建国先生支付可退回訂金20,725,000港元(相等於人民幣20,000,000元)。於二零零八年七月三十一日，本公司簽立關於建議收購事項之終止契據，據此，須退回可退回訂金。雙方解除各自於該協議之責任。於二零一一年三月十日，悅順向王建国先生發出傳訊令狀，追討可退回按金之本金連利息。於二零一三年六月十八日，原訟法庭判決王建国先生須向悅順支付金額人民幣22,723,287元或等價港元。本集團現正考慮採取行動，向王建国先生收回上述金額。於二零一八年及二零一七年十二月三十一日，全部可退回按金均已減值，且並無於本年度之損益扣除減值撥備(二零一七年：無)。
- (c) 於二零一八年十二月三十一日，本公司與第三方賣方(其獨立於本集團及其關連人士且與彼等概無關連)訂立一份不具法律約束力之諒解備忘錄(「諒解備忘錄」)，內容有關本集團擬投資由賣方最終全資擁有已發行股本的企業實體所擁有和經營位於中國內地的一個能源項目。經參考本集團日期為二零一八年十二月三十一日有關諒解備忘錄的公佈，倘該建議投資因任何原因未能完成交割，按金29,000,000港元可予退還。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 25. OTHER PAYABLES AND ACCRUALS

### 25. 其他應付款項及應計款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current:	非流動：		
Exploration and evaluation cost payables (Note (a))	勘探及評估應付成本(附註(a))	<u>143,736</u>	—
Current:	流動：		
Exploration and evaluation cost payables (Note (a))	勘探及評估應付成本(附註(a))	<u>353,956</u>	421,119
Other payables and accruals (Note (b))	其他應付款項及應計款項(附註(b))	<u>90,812</u>	115,783
		<u>444,768</u>	536,902
		<u>588,504</u>	536,902

Notes:

- (a) Exploration and evaluation cost payables represents balances payable to sub-contractors engaged by the Group to perform exploration and evaluation works on the area designated in the Petroleum Contract as disclosed in Note 17 to the consolidated financial statements.
- (b) Included above is other payables bearing fixed interest rates ranging from 4% to 6% (2017: ranging from 4% to 6%) per annum amounted to HK\$11,580,000 (2017: HK\$11,000,000).

附註：

- (a) 如綜合財務報表附註17所披露，應付勘探及評估成本指應付予本集團委聘、按石油合約指定之區域進行勘探評估工作之分包商的結餘。
- (b) 上述項目包括按固定年利率介乎4%至6%(二零一七年：介乎4%至6%)計息之其他應付款項，金額為11,580,000港元(二零一七年：11,000,000港元)。

### 26. BALANCES WITH RELATED PARTIES

### 26. 與關聯人士之結餘

#### Amounts due to a shareholder and non-controlling interests

#### 應付一名股東及非控股權益款項

The amounts due are unsecured, interest free and repayable on demand.

該等款項為無抵押、免息及應要求償還。

### 27. BANK BORROWINGS

### 27. 銀行借貸

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Secured bank borrowings — current	<u>65,931</u>	<u>—</u>

The bank loans are secured by the account receivables of sale of natural gas (Note 22) under the Petroleum Contract dated 22 December 2008 and the supplemental contract dated 6 December 2017.

The effective interest rates of the bank loans was 6.98% per annum at 31 December 2018.

All of the banking facilities are subject to the fulfillment of covenants relating to certain of the Company's financial position ratios, as are commonly found in lending arrangements with financial institutions. If the Company was to breach the covenants the drawn down facilities would become repayable on demand. In addition, certain of the Company's term loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Company has complied with the covenants and met the scheduled repayment obligations.

The Company regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the term loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the Company continues to meet these requirements. Further details of the Company's management of liquidity risk are set out in Note 40(b). As at 31 December 2018 none of the covenants relating to drawn down facilities had been breached.

銀行借貸以根據日期為二零零八年十二月二十二日之石油合約及日期為二零一七年十二月六日之補充合約之天然氣銷售之應收賬款(附註22)為抵押。

於二零一八年十二月三十一日，銀行貸款之實際年利率為6.98%。

所有銀行融資均須遵守與本公司若干財務狀況比率相關之契約，此類契約常見於與財務機構之借款安排中。倘本公司違反契約，已提取融資可被要求立即償還。此外，本公司之若干定期貸款協議包含賦予放債人全權酌情要求於任何時間即時還款之權利(不論本公司是否已遵守契約及履行既定還款責任)之條款。

本公司定期監察其遵守該等契約之情況以及是否符合定期貸款償還時間表，並認為只要本公司繼續符合該等規定，銀行不大可能行使其酌情權要求還款。有關本公司管理流動資金風險之進一步詳情載於附註40(b)。於二零一八年十二月三十一日，概無違反有關已提取融資之契約。



### 28. CONVERTIBLE NOTES

On 22 January 2009, the Company, Totalbuild Investments Holdings Group Limited (the “**Vendor**”), Mr. Wang Guoju, as guarantor and beneficial owner of the entire issued share capital of the Vendor, China Era, as a guarantor for the Vendor, entered into the agreement (the “**Agreement**”) in relation to proposed acquisition of 100% equity interest in Totalbuild Investments Group (Hong Kong) Limited (“**Totalbuild Investments**”). Totalbuild Investments held the entire issued share capital of China Era which had entered into the Petroleum Contract with CNPC as disclose in Note 18 to the consolidated financial statements.

On 3 January 2011, all the conditions of the acquisition of the first designated area of the Akemomu Gas Field (the “**First Designated Area**”) and the entire issued share capital (the “**Acquisition**”) of Totalbuild Investments and its subsidiaries (the “**Totalbuild Investments Group**”) have been fulfilled.

As a result of completion of the Acquisition and the First Designated Area, the Tranche 1 consideration in the sum of HK\$2,558,000,000 was paid by the Company with Tranche 1 convertible notes of HK\$2,558,000,000 at the conversion price of HK\$0.168 each, to the Vendor including the shortfall amount of HK\$1,279,000,000 which was deposited with an escrow agent pursuant to the Agreement. The sale loan consideration payable by the Company in the sum of HK\$906,299,000 was satisfied by deducting the deposit in the sum of HK\$804,000,000 and with the balance of HK\$102,299,000 to be settled in cash or otherwise agreed.

### 28. 可換股票據

於二零零九年一月二十二日，本公司、共創投資控股有限公司（「賣方」）及王國巨先生（作為賣方之擔保人及賣方全部已發行股本之實益擁有人）、中國年代（作為賣方之擔保人）就建議收購共創投資集團（香港）有限公司（「共創投資」）之100%股本權益而訂立協議（「該協議」）。共創投資當時持有中國年代全部已發行股本，而中國年代與中國石油集團已訂立了石油合約（如綜合財務報表附註18所披露）。

於二零一一年一月三日，收購於阿克莫木氣田之第一指定地區（「第一指定地區」）及共創投資及其附屬公司（「共創投資集團」）之全部已發行股本（「收購事項」）之所有條件已獲達成。

由於完成收購事項及第一指定地區，故本公司已按每股轉換價0.168港元向賣方發行第一批2,558,000,000港元之可換股票據，以支付第一批代價2,558,000,000港元（包括已根據協議存放於託管代理的差額1,279,000,000港元）。本公司應付之銷售貸款代價906,299,000港元已透過扣減按金804,000,000港元而償付，而餘額102,299,000港元則以現金或協定之其他方式償付。

### 28. CONVERTIBLE NOTES (Continued)

According to the Agreement, the shortfall amount of HK\$1,279,000,000 convertible notes (“**Shortfall Notes**”) should only be released to the Vendor upon the Company having received a written certificate issued by the competent evaluator confirming that the First Designated Area be evaluated on the basis of unrisks economic evaluation on or before 31 May 2015 (the “**Relevant Period**”). No such written certificate was received by the Company on or before 31 May 2015. Under the terms of the Agreement, the Shortfall Notes have been returned to the Company for cancellation. During the year ended 31 December 2015, a gain of HK\$92,459,000 was recognised in profit or loss, and approximately HK\$1,309,405,000 related to equity component of the convertible notes have been transferred from convertible notes reserve to accumulated losses as the result of the cancellation of convertible notes.

In addition, according to the Agreement, the Group is not entitled to the benefits and interests of the second designated area in the Akemomu Gas Field. A separate shareholders’ approval will be required for the Acquisition of the second designated area by issuing additional convertible notes of not more than HK\$7,442,000,000 subjected to the fulfillment of certain conditions as stipulated in the Agreement within the Relevant Period.

The Tranche 1 zero coupon convertible notes with principal amount of HK\$2,558,000,000 with maturity in 30 years was issued on 3 January 2011. The convertible notes do not bear any interest and are freely transferable, provided that where the convertible notes are intended to be transferred to a connected person (as defined in the Listing Rules) of the Group (other than the associates of the noteholder) such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the SEHK, if any.

### 28. 可換股票據(續)

根據該協議，差額1,279,000,000港元之可換股票據(「**差額票據**」)僅可於本公司已收取專利估值師發出書面證書確認第一指定地區已於二零一五年五月三十一日或之前(「**有關期間**」)根據無風險經濟評估基準評估後，方可解除。本公司於二零一五年五月三十一日或之前並無接獲有關書面證書。根據該協議之條款，差額票據已退回公司作註銷。截至二零一五年十二月三十一日止年度，本公司因註銷可換股票據而於損益確認收益92,459,000港元，可換股票據權益部分相關之約1,309,405,000港元已由可換股票據儲備轉移至累積虧損。

此外，根據該協議，本集團並無獲授阿克莫木氣田第二指定地區之利益及權益。於有關期間達成該協議指明之若干條件後發行不超過7,442,000,000港元之額外可換股票據以收購第二指定地區，須於取得獨立股東批准後，方可作實。

第一批零票息可換股票據本金額為2,558,000,000港元。可換股票據之到期日為發行日期二零一一年一月三日起計三十年屆滿。可換股票據不計息及可自由轉讓，惟倘可換股票據擬轉讓予票據持有人聯繫人士以外之本集團關連人士(定義見上市規則)，則有關轉讓須符合上市規則之規定及／或聯交所實施之規定(如有)。

### 28. CONVERTIBLE NOTES (Continued)

The noteholders may at any time during the 30 years from the issue date convert the whole or part of the principal amount of the convertible notes into new ordinary shares of the Company at the conversion price of HK\$0.168 per share, provided that (i) no conversion rights attached to the convertible notes may be exercised, to the extent that following such exercise, a holder of the convertible notes and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in 30% or more of the entire issued shares of the Company (or in such percentage of the issued share capital of the Company as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer); and (ii) no holder of the convertible notes shall exercise the conversion right attached to the convertible notes held by such holders if immediately after such conversion, the public float of the shares fall below the minimum public float requirement stipulated under Rule 8.08 of the Listing Rules as required by the SEHK. The conversion price of HK\$0.168 per share is subject to adjustment for consolidation, sub-division or re-classification of shares, capital reduction, rights issues and other events which have diluting effects on the issued share capital of the Company.

The fair values of the liability component and the equity component were determined at the issuance of the convertible notes. The fair value of the liability component, included in the non-current liabilities, was calculated using a market interest rate of equivalent non-convertible notes. The effective interest rate of the liabilities component is 11% and the interest expenses will be charged to profit or loss over the loan periods. The equity component of the convertible notes, representing the difference of the fair value of the convertible notes and the fair value of the liabilities component, was included in the owner's equity and denoted as convertible notes reserves.

### 28. 可換股票據(續)

票據持有人可於發行日期起計三十年內，隨時按換股價每股0.168港元將全部或部分可換股票據本金額兌換為本公司新普通股，惟(i)倘有關行使後，可換股票據持有人及與其一致行動人士將合共直接或間接控制或擁有30%或以上本公司全部已發行股份權益(或香港公司收購及合併守則可能不時訂明會引發強制性全面收購建議之本公司已發行股本之百分比)，則不得行使可換股票據所附兌換權；及(ii)倘緊隨兌換後，股份之公眾持股量降至低於上市規則第8.08條所訂明聯交所規定之最低公眾持股量規定，則可換股票據持有人不得行使該等持有人所持可換股票據所附兌換權。換股價每股0.168港元可因應股份合併、拆細或重新分類、削減股本、供股及其他對本公司已發行股本具攤薄影響之事項作出調整。

負債部分及權益部分之公平價值於發行可換股票據時釐定。負債部分之公平價值(包括於非流動負債)使用同等非可換股票據之市場利率計算。負債部分之實際利率為11%，而利息開支將於貸款期內在損益扣除。可換股票據之權益部分(代表可換股票據公平價值與負債部分公平價值之差額)計入擁有人之權益內及表示為可換股票據儲備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 28. CONVERTIBLE NOTES (Continued)

The movement of the principal amount, liability component and equity component of the convertible notes are as follows:

At 1 January 2017	於二零一七年一月一日		
Interest expenses (Note 8)	利息開支(附註8)	58,039	695,828
		6,450	-
At 31 December 2017	於二零一七年十二月三十一日	<b>64,489</b>	<b>695,828</b>
Interest expenses (Note 8)	利息開支(附註8)	<b>6,978</b>	-
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>71,467</b>	<b>695,828</b>

Up to 31 December 2018, convertible notes with principal amount of HK\$599,330,000 have converted into ordinary shares of the Company. No convertible notes have been converted during the years ended 31 December 2018 and 2017.

The convertible notes with outstanding principal amount of HK\$679,670,000 as at 31 December 2018 and 2017 have maturity date falling 30 years from the date of issue on 3 January 2011.

### 28. 可換股票據(續)

可換股票據本金額、負債部分及權益部分之變動如下：

		Carrying amount 賬面值	
		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	58,039	695,828
Interest expenses (Note 8)	利息開支(附註8)	6,450	-
At 31 December 2017	於二零一七年十二月三十一日	<b>64,489</b>	<b>695,828</b>
Interest expenses (Note 8)	利息開支(附註8)	<b>6,978</b>	-
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>71,467</b>	<b>695,828</b>

直至二零一八年十二月三十一日，本金額為599,330,000港元之可換股票據已兌換為本公司普通股。截至二零一八年及二零一七年十二月三十一日止年度，並無可換股票據獲兌換。

於二零一八年及二零一七年十二月三十一日，可換股票據之未償還本金額為679,670,000港元，而到期日為發行日(即二零一一年一月三日)起計滿三十年。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 29. SHARE CAPITAL

### 29. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.05 each At 1 January and 31 December	每股面值0.05港元之普通股 於一月一日及 十二月三十一日	<u>25,000,000,000</u>	<u>1,250,000</u>	<u>25,000,000,000</u>	<u>1,250,000</u>
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.05 each At 1 January and 31 December	每股面值0.05港元之普通股 於一月一日及 十二月三十一日	<u>9,505,344,000</u>	<u>475,267</u>	<u>9,505,344,000</u>	<u>475,267</u>

### 30. SHARE OPTION SCHEME

### 30. 購股權計劃

Under the terms of the share option scheme (the "Scheme") adopted conditionally by the Company on 25 June 2013, the directors of the Company may, at its discretion, grant options to the directors, employees and consultants of the Company and its subsidiaries to subscribe for shares of the Company.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 30% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

根據本公司於二零一三年六月二十五日有條件採納之購股權計劃(「該計劃」)條款，本公司董事可酌情向本公司及其附屬公司之董事、僱員及顧問授出購股權以認購本公司之股份。

根據該計劃本公司現行可授予之未行使購股權之上限數目等同於該等購股權獲行使時，本公司於任何時間已發行股份之30%。任何超過此上限進一步授出之購股權必須於股東大會上得到股東批准。

### 30. SHARE OPTION SCHEME (Continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their associates are subject to approval in advance by the independent non-executive directors. In addition, any share option granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within 12 months period, are subject to shareholders' approval in advance in a general meeting.

An option may be exercised in accordance with the terms of the Scheme at any time during the period commencing immediately after the date on which the option is deemed to be granted and accepted and expiring on a date to be notified by the directors to each grantee which shall not be more than 10 years from the date on which the option is deemed to be granted and accepted. According to the Scheme, there is no provision requiring a minimum holding period before an option may be exercised. A nominal consideration of HK\$1 is payable on acceptance on grant of an option under the Scheme.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the SEHK closing price of the Company's shares on the date of grant of the share options; (ii) the average SEHK closing price of the Company's shares for the five trading days immediately preceding the date of the grant; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No shares options were granted and exercised during the years ended 31 December 2018 and 2017.

### 30. 購股權計劃(續)

授予本公司董事、行政總裁或主要股東或其任何聯繫人士之購股權必須事先得到獨立非執行董事之批准。此外，任何在十二個月內授予本公司主要股東或獨立非執行董事或其任何聯繫人士之購股權，如超過本公司任何時間已發行股份之0.1%或總值超過5,000,000港元之股份（按授出日期之本公司股份價格計算）須事先於股東大會獲得股東批准。

緊隨購股權被視作授出及被接納之日至董事通知各承授人購股權到期之日期間，可按照該計劃之條款隨時行使購股權，該段期間自購股權被視作授出及被接納之日起計不得超逾十年。根據該計劃，行使購股權前並無最短持有期之規定。根據該計劃接納授出之購股權付出之象徵式代價為1港元。

購股權行使價將由董事釐定，惟不得少於下列三者之最高者，即(i)於授出購股權之日聯交所報本公司股份之收市價；(ii)緊接授出購股權之前五個交易日聯交所報本公司股份之平均收市價；及(iii)本公司股份面值。

購股權並無賦予其持有人收取股息或於股東大會上投票之權利。

截至二零一八年及二零一七年十二月三十一日止年度，並無授出及行使購股權。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 31. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

### 31. 控股公司財務狀況表

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之權益		<b>1,590,593</b>	1,601,938
			<b>1,590,593</b>	1,601,938
<b>Current assets</b>	<b>流動資產</b>			
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產		<b>61,476</b>	74,540
Other receivables, deposits and prepayments	其他應收款項、訂金及預付款項		<b>28,764</b>	1,097
Cash and bank balances	現金及銀行結餘		<b>48,694</b>	131,724
			<b>138,934</b>	207,361
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付款項及應計款項		<b>3,331</b>	6,845
Amount due to a shareholder	應付一名股東款項		<b>40,402</b>	40,402
			<b>43,733</b>	47,247
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>95,201</b>	160,114
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>1,685,794</b>	1,762,052
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Convertible notes	可換股票據		<b>71,467</b>	64,489
			<b>71,467</b>	64,489
<b>Net assets</b>	<b>資產淨值</b>		<b>1,614,327</b>	1,697,563
<b>Equity</b>	<b>權益</b>			
Share capital	股本	29	<b>475,267</b>	475,267
Reserves	儲備	32	<b>1,139,060</b>	1,222,296
<b>Total equity</b>	<b>總權益</b>		<b>1,614,327</b>	1,697,563

The financial statement was approved and authorised for issue by the board of directors on 29 March 2019.

董事會於二零一九年三月二十九日批准及授權刊發該等財務報表。

**Zhao Guoqiang**  
趙國強  
Director  
董事

**Gu Quan Rong**  
顧全榮  
Director  
董事

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 32. RESERVES OF THE COMPANY

### 32. 本公司儲備

		Contributed surplus 實繳股本盈餘 HK\$'000 千港元 (Note (a)) (附註(a))	Share premium 股份溢價 HK\$'000 千港元 (Note (b)) (附註(b))	Convertible notes reserve 可換股票據儲備 HK\$'000 千港元 (Note (c)) (附註(c))	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總值 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	91,349	1,679,187	695,828	(1,135,520)	1,330,844
Loss and total comprehensive income for the year	本年度虧損及全面收益總額	-	-	-	(108,548)	(108,548)
At 31 December 2017	於二零一七年十二月三十一日	<b>91,349</b>	<b>1,679,187</b>	<b>695,828</b>	<b>(1,244,068)</b>	<b>1,222,296</b>
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	(83,236)	(83,236)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b><u>91,349</u></b>	<b><u>1,679,187</u></b>	<b><u>695,828</u></b>	<b><u>(1,327,304)</u></b>	<b><u>1,139,060</u></b>

Notes:

- (a) The contributed surplus represents the difference between the nominal value of the shares of the Company issued in exchange for the issued share capital of the subsidiaries and the value of the underlying assets of the subsidiaries pursuant to the Group Reorganisation on 17 January 2002.
- (b) Under the Companies Law of the Cayman Islands, the share premium account is distributable to the shareholders of the Company under certain circumstances. It represents the excess of the nominal value of shares issued by the Company.
- (c) The convertible notes reserve represents the equity component of the convertible notes issued (i.e. option to convert the note into share capital).

附註：

- (a) 實繳股本盈餘乃根據二零零二年一月十七日本集團重組時，用以交換附屬公司之已發行股本而發行之本公司股份之面值及附屬公司之相關資產值兩者之差額。
- (b) 根據開曼群島公司法之規定，股份溢價賬在若干情況下可分派予本公司股東。股份溢價指超出本公司已發行股份面值之數額。
- (c) 可換股票據儲備指已發行可換股票據之權益部分（即可兌換票據至股本之選擇權）。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 33. COMMITMENTS

#### (a) Operating lease commitments

The Group leases certain of its staff quarters, offices and warehouses under non-cancellable operating lease arrangements with lease terms ranging from one to two years. At 31 December 2018 and 2017, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	於一年內	3,862	3,959
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	5,097	9,110
		<u>8,959</u>	<u>13,069</u>

#### (b) Capital commitments

Contracted but not provided for in respect of:

— exploration and evaluation expenditures	— 勘探及評估開支	104,834	141,254
— capital contribution in a subsidiary	— 對附屬公司注資	118,650	123,900
		<u>118,650</u>	<u>123,900</u>

### 33. 承擔

#### (a) 經營租賃承擔

本集團根據不可撤銷經營租賃安排租用若干員工宿舍、辦公室及倉庫，租期為一至兩年不等。於二零一八年及二零一七年十二月三十一日，本集團根據於下列年期到期之不可撤銷經營租賃之未來應付最低租金總額為：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	於一年內	3,862	3,959
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	5,097	9,110
		<u>8,959</u>	<u>13,069</u>

#### (b) 資本承擔

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted but not provided for in respect of:	已訂約但未就下列事項撥備：		
— exploration and evaluation expenditures	— 勘探及評估開支	104,834	141,254
— capital contribution in a subsidiary	— 對附屬公司注資	118,650	123,900
		<u>118,650</u>	<u>123,900</u>

### 34. RELATED AND CONNECTED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Save as those disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with related and connected parties which are not members of the Group:

#### Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 13 to the consolidated financial statements.

### 34. 關聯及關連人士交易

本公司與其屬於本公司關聯人士之附屬公司進行之交易已於綜合賬目時對銷，並無於本附註披露。除綜合財務報表其他部分披露者外，本集團與非本集團成員公司之關聯及關連人士有以下重大交易：

#### 主要管理人員酬金

給予本集團主要管理人員之酬金（包括向本公司董事支付之金額）披露於綜合財務報表附註13。

### 35. LITIGATION

Reference is made to the Company's announcements (a) dated 16 September 2013 in relation to media reports about Mr. Wang Guoju; (b) dated 7 June 2015 in relation to charges against Mr. Wang Guoju for illegal operation crime involving allegations about improper conduct during the obtaining of the Petroleum Contract (the "**Illegal Operation Charge**"); (c) dated 17 June 2015 in relation to the commencement of the Litigation in the Grand Court of the Cayman islands (the "**Cayman Court**") against (inter alia) the Defendants (including Mr. Wang Guoju and UK Prolific) with the view to obtaining Cayman Court's order to have the Totalbuild Transaction declared void or rescinded and have damages awarded to the Company; (d) dated 25 June 2015 in relation to the obtaining by the Company of the Injunction Order from the Cayman Court restraining the Defendants from disposing of, transferring, dealing in, diminishing the value of or exercising voting rights in respect of 1.86 billion issued Shares (the "**Restrained Shares**"), and restraining the Defendants from converting convertible bonds representing 13,366,190,476 underlying Shares (the "**Restrained CBs**"); (e) dated 18 August 2015 in relation to the continuation of the Injunction Order against the Company's undertaking not to issue or deal with additional Shares or securities without leave of the Cayman Court until the conclusion of the trial relating to the Litigation or further order by the Cayman Court (the "**Company's Undertaking**"); and (f) dated 6 December 2017 in relation to the signing of the Supplemental Contract between the Group and CNPC to extend the First Phase exploration period by way of supplement and amendment to the original Petroleum Contract. Unless the context otherwise requires, capitalized terms used in this section shall have the same meanings as defined in the said announcements.

### 35. 訴訟

茲提述本公司(a)日期為二零一三年九月十六日的公佈，內容有關王國巨先生的傳媒報道；(b)日期為二零一五年六月七日的公佈，內容有關王國巨先生被起訴非法經營罪，其中涉及其於獲得石油合約時有不當行為的指控(「非法經營罪」)；(c)日期為二零一五年六月十七日的公佈，內容有關對(其中包括)被告(包括王國巨先生及UK Prolific)於開曼群島大法院(「開曼群島法院」)開展訴訟，尋求取得開曼群島法院的禁制令，使共創交易事項被宣告無效或被撤銷和本公司獲得賠償；(d)日期為二零一五年六月二十五日的公佈，內容有關本公司取得開曼群島法院的禁制令，以禁制被告出售、轉讓、買賣1,860,000,000股已發行股份(「受限制股份」)或減損有關股份價值或行使投票權，和禁制被告轉換涉及13,366,190,476股相關股份的可換股債券(「受限制可換股債券」)；(e)日期為二零一五年八月十八日的公佈，內容有關禁制令獲得延續，根據本公司承諾，直至有關訴訟的審訊完結或開曼群島法院的進一步命令之前，本公司不會在未取得開曼群島法院許可的情況下發行或處理額外股份或證券(「本公司的承諾」)；及(f)日期為二零一七年十二月六日的公佈，內容有關本集團與中國石油集團簽訂補充協議，透過補充及修訂原訂石油合約，將勘探期第一階段延長。除文義另有所指，本節所用詞彙與上述公佈所界定者具有相同涵義。

### 35. LITIGATION (Continued)

As disclosed in the Company's announcement dated 27 December 2017, following the signing of the Supplemental Contract with CNPC on 6 December 2017, the Company was informed by Mr. Wang Guoju and his legal representative that the Illegal Operation Charge against Mr. Wang Guoju was acquitted. On that basis and after taking legal advice from the Company's legal advisers, the Company has on 27 December 2017 reached settlement with the Defendants pursuant to which the Company will apply to the Cayman Court for discontinuance of the Litigation, as a result of which the Injunction Order and the Company's Undertaking would be discharged.

As disclosed in the Company's announcement dated 23 May 2018, on 10 May 2018, a Consent Order was granted by the Cayman Court regarding the discontinuation of the Litigation and the discharge of the Injunction Order and the Company's Undertaking, such that the Defendants should no longer be restrained in respect of the Restrained Shares and the Restrained CBs and the Company should no longer be restrained from issuing or dealing with additional Shares or securities in the Company.

### 36. EVENTS AFTER THE REPORTING PERIOD

On 20 March 2019, the Group entered into a loan agreement (the "Loan Agreement") with the controller of a substantial shareholder of the Company (the "Lender") regarding the continual provision of a loan facility of up to HK\$45 million by the Lender to the Company a 5% per annum, 3-year loan facility. Under the Loan Agreement, interest shall start to accrue with effect from 1 January 2019, and the lender reserves the overriding right to demand early repayment.

### 35. 訴訟(續)

誠如本公司日期為二零一七年十二月二十七日的公佈所披露，於二零一七年十二月六日與中國石油集團簽立補充協議後，本公司獲王國巨先生及其法律代表告知，針對王國巨先生的非法經營罪指控不成立。有鑒於此，本公司在諮詢法律顧問的法律意見後已於二零一七年十二月二十七日與被告和解，據此，本公司將向開曼群島法院申請終止訴訟，禁制令及本公司的承諾因而被解除。

誠如本公司日期為二零一八年五月二十三日的公佈所披露，於二零一八年五月十日，開曼群島法院已就終止訴訟以及解除禁制令和本公司的承諾發出同意令，故被告此後不再就受限制股份及受限制可換股債券遭受限制，本公司此後發行或處理本公司額外股份或證券不再被限制。

### 36. 報告期後事項

於二零一九年三月二十日，本集團與本公司一名主要股東的控制人(「貸款方」)就貸款方向本公司持續提供一筆上限為45,000,000港元的貸款融資訂立貸款協議(「貸款協議」)，該貸款融資為年利率5%的3年期貸款融資。根據貸款協議，自二零一九年一月一日起開始計息，而貸款方保留凌駕性權利可要求提早還款。

### 36. EVENTS AFTER THE REPORTING PERIOD

*(Continued)*

The Lender, being the controller of a substantial shareholder of the Company, is a connected person of the Company as defined under the Listing Rules. The Directors (including the independent non-executive Directors) noted that the terms of the Loan Agreement were determined after arm's length negotiations between the Company and the Lender and are of the view that the terms of the Loan Agreement are normal commercial terms or better from the Company's perspective, are fair and reasonable and in the interests of the Group and substantial shareholder as a whole. Accordingly, the Loan Agreement is fully exempt from all disclosure, annual review, circular and shareholders' approval requirements under Rule 14A.90 of the Listing Rules.

### 37. NON-CONTROLLING INTERESTS

克拉瑪依偉潤燃氣有限公司, an effective 26.01% owned subsidiary of the Company, has material non-controlling interests (NCI). The NCI of all other subsidiaries that are not 100% owned by the group are considered to be immaterial.

### 36. 報告期後事項(續)

貸款方(即本公司一名主要股東的控制人)為本公司之關連人士(定義見上市規則)。董事(包括獨立非執行董事)注意到貸款協議之條款乃經本公司及貸款方公平磋商後釐定,並認為就本公司而言,貸款協議之條款乃按一般商業條款或更佳的條款訂立,屬公平合理且符合本集團及主要股東的整體利益。因此,貸款協議獲全面豁免遵守上市規則第14A.90條項下的所有披露、年度審閱、通函及股東批准規定。

### 37. 非控股權益

本公司實際擁有26.01%權益之附屬公司克拉瑪依偉潤燃氣有限公司擁有重大非控股權益(「非控股權益」)。所有其他並非由本集團擁有全部非控股權益之附屬公司均被認為並不重大。

### 37. NON-CONTROLLING INTERESTS (Continued)

Summarised financial information in relation to the NCI of 克拉瑪依偉潤燃氣有限公司, before intra-group eliminations, is presented below:

### 37. 非控股權益(續)

有關克拉瑪依偉潤燃氣有限公司非控股權益之財務資料概要(未計及集團內抵銷前)呈列如下:

		<b>1 January 2018 to 31 December 2018</b>	4 April 2017 (date of acquisition) to 31 December 2017
		二零一八年 一月一日至 二零一八年 十二月三十一日 <b>HK\$'000</b> 千港元	二零一七年 四月四日 (收購日期)至 二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元
<b>For the year/period ended 31 December</b>	<b>截至十二月三十一日止年度/期間</b>		
Revenue	收益	<u>10,904</u>	12,630
Loss for the year	年內虧損	<u>(477)</u>	(889)
Total comprehensive income	全面收益總額	<u>(4,409)</u>	(2,254)
<b>Total comprehensive income allocated to NCI</b>	<b>分配予非控股權益之全面收益總額</b>	<u>(3,262)</u>	(1,668)
<b>For the year/period ended 31 December</b>	<b>截至十二月三十一日止年度/期間</b>		
Cash flows from operating activities	來自經營活動之現金流量	<b>1,234</b>	(3,801)
Cash flows from investing activities	來自投資活動之現金流量	-	41
Cash flows from financing activities	來自融資活動之現金流量	-	-
Net cash outflows	現金流出淨額	<u><b>1,234</b></u>	<u>(3,760)</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 37. NON-CONTROLLING INTERESTS (Continued)

### 37. 非控股權益(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>As at 31 December</b>	<b>於十二月三十一日</b>		
Current assets	流動資產	<b>3,508</b>	12,248
Non-current assets	非流動資產	<b>23,791</b>	27,845
Current liabilities	流動負債	<b>(10,685)</b>	(22,282)
Non-current liabilities	非流動負債	-	-
Net assets	資產淨值	<b>16,614</b>	17,811
Accumulated non-controlling interests	累計非控股權益	<b>12,293</b>	13,178

### 38. NOTES SUPPORTING CASH FLOW STATEMENT

### 38. 現金流量表附註

#### (a) Cash and cash equivalents comprise

#### (a) 現金及等同現金包括

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash available on demand	按要求提供之現金	<b>68,084</b>	171,926

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

### 38. NOTES SUPPORTING CASH FLOW STATEMENT (Continued)

#### (b) Reconciliation of liabilities arising from financing activities:

		Bank borrowings	Amount due to a shareholder	Amount due to non-controlling interests
		銀行借貸 HK\$'000 千港元 (Note 27) (附註27)	應付股東款項 HK\$'000 千港元 (Note 26) (附註26)	應付非控股 權益款項 HK\$'000 千港元 (Note 26) (附註26)
At 1 January 2017	於二零一七年一月一日	-	40,402	-
<b>Changes from cash flows:</b>	<b>來自現金流量之變動：</b>			
Advance from a shareholder	來自一名股東之墊款	-	224	-
Advance from non-controlling interests	來自非控股權益之墊款	-	-	6,222
		<u>-</u>	<u>-</u>	<u>6,222</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>-</u>	<u>40,626</u>	<u>6,222</u>
At 1 January 2018	於二零一八年一月一日			
<b>Changes from cash flows:</b>	<b>來自現金流量之變動：</b>			
Repayment to a shareholder	向一名股東還款	-	(1,263)	-
Repayment to non-controlling interests	向非控股權益還款	-	-	(6,222)
Proceeds from bank borrowings	銀行借貸所得款項	69,903	-	-
Repayment of bank borrowings	償還銀行借貸	(1,638)	-	-
Interest paid	已付利息	(919)	-	-
		<u>67,346</u>	<u>(1,263)</u>	<u>(6,222)</u>
Others:	其他：			
Interest on bank borrowings	銀行借貸利息	919	-	-
Exchange adjustments	匯兌調整	(2,334)	-	-
		<u>(1,415)</u>	<u>(1,263)</u>	<u>(6,222)</u>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<u><b>65,931</b></u>	<u><b>39,363</b></u>	<u><b>-</b></u>

### 38. 現金流量表附註(續)

#### (b) 產生自融資活動之負債對賬：



### 39. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are:

- To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders;
- To support the Group's stability and growth; and
- To provide capital for the purpose of strengthening the Group's risk management capability.

The capital structure of the Group consists of equity attributable to owners of the Company only, comprising share capital and reserves of HK\$475,267,000 (2017: HK\$475,267,000) and HK\$1,147,086,000 (2017: HK\$1,214,193,000) respectively as at 31 December 2018.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group has not adopted any formal dividend policy. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt. For details of cash flow forecast carried out by the directors, please refer to Note 3(b)(ii) "Going concern basis".

### 39. 資本風險管理

本集團管理資本之目標為：

- 保證本集團能持續經營，繼續為股東及其他權益持有人分別帶來回報及利益；
- 支持本集團之穩定性及增長；及
- 提供資本以加強本集團之風險管理能力。

於二零一八年十二月三十一日，本集團資本架構僅包括本公司擁有人應佔權益，當中包括股本及儲備分別為475,267,000港元(二零一七年：475,267,000港元)及1,147,086,000港元(二零一七年：1,214,193,000港元)。

本集團積極及定期檢討及管理其資本架構，以確保理想資本架構及股東回報。這些資本架構及股東回報已考慮到本集團之未來資金需要及資本效率、現行及預測盈利能力、預測經營現金流量、預測資本開支及預測策略性投資機會。本集團並無採納任何正式股息政策。根據董事的推薦建議，本集團將透過支付股息、發行新股、購回股份，以及發行新債或贖回現有債務，平衡其整體資本架構。有關董事進行的現金流量預測的詳情，請參閱附註3(b)(ii)「持續經營基準」。

### 40. FINANCIAL RISK MANAGEMENT

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The main risks arising from the Group's financial instruments in the normal course of the Group's business are credit risk, liquidity risk, interest rate risk, currency risk and equity price risk.

These risks are limited by the Group's financial management policies and practices described below.

#### (a) Credit risk

Credit risk is managed on a group basis. Except for account receivables from sales of natural gas, loan and interest receivables, and the other receivables and deposits that were further explained in Notes 22 and 24 to the consolidated financial statements respectively, the Group principal financial assets are the financial assets at fair value through profit or loss and bank balances placed in financial institution and reputable banks separately. Given their high credit standing, management does not expect any credit risk exposure for those financial assets at fair value through profit or loss and bank balances. For credit exposures to customers, Group management has policies in place to ensure that sales are made to customers with an appropriate credit history. For credit exposures associated with the refundable deposits and loan receivables, Group management had assessed the credit quality of the debtors, taking into account their financial position, their business developments and other factors. In addition, the Group ensures that the amount of the loan is within the limit set by the Group.

### 40. 財務風險管理

信貸、流動資金、利率及貨幣風險乃在本集團業務之正常過程中產生。本集團亦承受自其於其他實體之股本投資之股本價格風險。

在本集團業務之正常過程中自本集團金融工具產生之主要風險為信貸風險、流動資金風險、利率風險、貨幣風險及股本價格風險。

該等風險受下列本集團之財務管理政策及實務所制約。

#### (a) 信貸風險

信貸風險乃按組合基準管理。除分別於綜合財務報表附註22及24詳述之來自天然氣銷售之應收賬款、應收貸款及利息及其他應收款項及按金外，本集團之主要金融資產為按公平價值計入損益之金融資產及分別存放於金融機構及信譽良好之銀行之銀行結餘。鑒於該等銀行具備高信貸評級，管理層預期不會就該等按公平價值計入損益之金融資產及銀行結餘面對信貸風險。就有關客戶之信貸風險方面，本集團管理層訂有政策確保本集團向擁有適當信貸記錄之客戶進行銷售。至於與可退回訂金及應收貸款有關之信貸風險，本集團經計及債務人之財務狀況、業務發展及其他因素後已評估彼等之信貸質素。此外，本集團確保貸款金額為於本集團所設上限之內。

## 40. FINANCIAL RISK MANAGEMENT (Continued)

## (a) Credit risk (Continued)

**Account receivables**

The Group measures loss allowances for account receivables at an amount equal to lifetime ECLS. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for account receivables as at 31 December 2018:

		Expected loss Rate 預期虧損率	Gross carrying amount 賬面總值	Loss allowance 虧損撥備
		(%)	HK\$'000	HK\$'000
		(%)	千港元	千港元
Current (not past due)	即期(未逾期)	0.03	439,739	143
More than 90 days past due	逾期90日以上	100	37,100	37,100
			<b>476,839</b>	<b>37,243</b>

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the receivables.

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see Note 4(j)B(ii)). At 31 December 2017, trade receivables of HK\$37,100,000 was determined to be impaired.

## 40. 財務風險管理(續)

## (a) 信貸風險(續)

**應收賬款**

本集團以相等於全期預期信貸虧損之金額計量應收賬款之虧損撥備。由於本集團過往之信貸虧損經驗並無顯示不同客戶分部之虧損模式有重大差異，故基於逾期狀況計算之信貸虧損並無在本集團不同客戶群之間作進一步區分。

下表提供有關於二零一八年十二月三十一日本集團應收賬款所面臨之信貸風險及預期信貸虧損之資料：

預期虧損率乃根據過往五年實際虧損經驗計算。此等比率已作調整，以反映收集過往數據期間內之經濟狀況、現時狀況及本集團認為應收款項預期年限之經濟狀況之間之差異。

於二零一八年一月一日前，只有在客觀跡象顯示減值時方會確認減值虧損(見附註4(j)B(ii))。於二零一七年十二月三十一日，貿易應收款項37,100,000港元被釐定為已減值。

### 40. FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Credit risk (Continued)

Movement in the loss allowance account in respect of account receivables during the year is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 1 January	於一月一日之結餘	37,100	37,100
Expected credit losses recognised during the year	於年內確認之預期信貸虧損	143	—
Balance at 31 December	於十二月三十一日之結餘	<u>37,243</u>	<u>37,100</u>

The following significant changes in the gross carrying amounts of account receivables contributed to the increase in the loss allowance during 2018:

- Origination of new account receivables net of those settled resulted in an increase in loss allowance of HK\$143,000.

#### (b) Liquidity risk

The directors have carried out a detailed review of the cash flow forecast of the Group covering a period of not less than twelve months from the end of the reporting period, and other measures taken by the management as referred to in Notes 3(b)(ii) to the consolidated financial statements, and consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the twelve months from 31 December 2018.

### 40. 財務風險管理(續)

#### (a) 信貸風險(續)

年內有關應收賬款之虧損撥備賬變動如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 1 January	37,100	37,100
Expected credit losses recognised during the year	143	—
Balance at 31 December	<u>37,243</u>	<u>37,100</u>

以下應收賬款賬面總值之重大變動導致二零一八年內虧損撥備增加：

- 產生新應收賬款(扣除已結算賬款後)導致虧損撥備增加143,000港元。

#### (b) 流動資金風險

董事已詳細審閱本集團涵蓋自報告期末起計不少於十二個月期間的現金流量預測及管理層採取的其他措施(如綜合財務報表附註3(b)(ii)之提述)，認為本集團將擁有充足營運資金，可以應付由二零一八年十二月三十一日起計十二個月內到期之財務責任。

### 40. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Liquidity risk (Continued)

The maturity dates of all financial liabilities are within one year as at the end of each reporting period, except for certain exploration and evaluation cost payables as disclosed in Note 25 and convertible notes as disclosed in Note 28 to the consolidated financial statements which are interest free with maturity date over one year. The contractual undiscounted cash flows of financial liabilities equal their carrying amounts as shown on the consolidated statements of financial position as the impact of discounting is not significant, except for convertible notes with the principal undiscounted cash flows amount of HK\$679,670,000 (2017: HK\$679,670,000) as at 31 December 2018, but stated at the carrying amount of HK\$71,467,000 (2017: HK\$64,489,000) as at 31 December 2018 as disclosed in Note 28 to the consolidated financial statements. These zero coupon convertible notes have maturity date falling 30 years from the date of issue on 3 January 2012.

#### (c) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial liabilities will fluctuate because of the changes in market interest rates.

The Group's interest rate risk arises mainly from bank borrowings. Bank borrowings in Note 27 at floating interest rate expose the Group to fair value interest rate risk. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. The Group has not formulated a policy to manage the interest rate risk. The policies to manage interest rate risk have been followed by the Group are considered to be effective.

### 40. 財務風險管理(續)

#### (b) 流動資金風險(續)

於每個報告期末，所有金融負債之到期日為一年內，惟於附註25所披露之若干勘探及評估應付成本及於綜合財務報表附註28披露之可換股票據(免息及到期日為一年以上)除外。由於貼現之影響並不重大，故金融負債之合約非貼現現金流量相等於其於綜合財務狀況表內所示之賬面值，惟於二零一八年十二月三十一日之非貼現現金流量本金額679,670,000港元(二零一七年：679,670,000港元)之可換股票據(於二零一八年十二月三十一日按賬面值71,467,000港元(二零一七年：64,489,000港元)列賬)則除外(如綜合財務報表附註28所披露)。該等零票息可換股票據之到期日為發行日(即二零一二年一月三日)起計滿三十年之日。

#### (c) 利率風險

利率風險與金融負債之公平價值或現金流量因市場利率變動而出現波動之風險有關。

本集團之利率風險主要由銀行借貸產生。附註27所述之浮動利率銀行借貸使本集團面臨公平價值利率風險。本集團並無使用任何衍生合約對沖其利率風險，亦無制定政策管理利率風險。本集團一直遵守管理利率風險之政策，並認為該等政策有效。

### 40. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Interest rate risk (Continued)

##### *Sensitive analysis*

As of 31 December 2018, if the interest rate on our then outstanding bank borrowings had been 100 basis points higher/lower, with all other variables held constant, our profit before tax for the respective years ended would have been decreased/increased by HK\$659,000.

Except for bank borrowings explained above and certain other payables that were further explained in Note 25 to the consolidated financial statements and, the Group has no significant interest-bearing financial liabilities, and the financial assets are bank balances held with financial institutions. The Group's income and operating cash flows are substantially independent of changes in market interest rate.

#### (d) Currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to market risk for changes in foreign currency exchange rates relates primarily to certain bank balances and other receivables in currencies other than the functional currency of the group entity to which the balances relate. The currency giving rise to this risk is primarily Hong Kong Dollar.

At 31 December 2018, it is estimated that a 3% strengthen/weakening of the Hong Kong dollars against Renminbi would have increased/decreased profit before income tax by HK\$164,000 (2017: HK\$115,377). This sensitivity analysis assumes that all other variables, in particular interest rates, remain constant.

### 40. 財務風險管理(續)

#### (c) 利率風險(續)

##### *敏感度分析*

截至二零一八年十二月三十一日，倘當時未償還銀行借貸利率上升／下降100個基點，而所有其他變數維持不變，截至該日止年度之相關除稅前溢利將會減少／增加659,000港元。

除上述闡釋的銀行借貸及綜合財務報表附註25所進一步闡釋的若干其他應付款項外，本集團並無重大計息金融負債，而金融資產為於財務機構持有之銀行結餘。本集團之收入及經營現金流量大致獨立於市場利率變動。

#### (d) 貨幣風險

貨幣風險指金融工具之公平價值或未來現金流量因外幣匯率變動而波動之風險。本集團因外幣匯率變動承擔之市場風險，主要與以集團實體功能貨幣以外的貨幣列值之若干銀行結餘及其他應收款項相關。產生有關風險的貨幣主要為港元。

於二零一八年十二月三十一日，本公司估計倘港元兌人民幣升值／貶值3%，則除所得稅前溢利將會增加／減少164,000港元(二零一七年：115,377港元)。該敏感度分析假設所有其他變數(尤其是利率)維持不變。

### 40. FINANCIAL RISK MANAGEMENT (Continued)

#### (e) Price risk

The Group is exposed to equity price changes arising from equity instruments classified as trading securities. All of these investments are listed.

The Group's listed investments are listed on the Stock Exchange of Hong Kong. Decisions to buy and sell trading securities are based on daily monitoring of the performance of individual securities compared to that of the Index and other industry indicators, as well as the Group's liquidity needs. The portfolio is diversified in terms of industry distribution, in accordance with the limits set by the Group.

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of reporting period for those trading securities. If equity price had been 5% higher, the profit for the year ended 31 December 2018 would have been increased by HK\$3,074,000 (2017: HK\$3,112,000). Had the relevant equity price been 5% lower, there would be an equal and opposite impact on the profit.

#### (f) Fair value estimation

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs other than quoted price included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

### 40. 財務風險管理(續)

#### (e) 價格風險

本集團承受分類為買賣證券之股本工具所產生之股本價格變動風險。所有該等投資均為上市。

本集團之上市投資於香港聯交所上市。買入及賣出買賣證券之決定乃按每日監察個別證券表現與指數及其他行業指標表現之比較以及本集團之流動資金需要作出。投資組合根據本集團設定之限額在行業分佈上多元化分散。

以下買賣證券的敏感度分析乃按於報告期末股本價格風險釐定。倘股本價格上升5%，則截至二零一八年十二月三十一日止年度之溢利將增加3,074,000港元(二零一七年：3,112,000港元)。倘有關股本價格下跌5%，則對溢利將有金額對等及相反影響。

#### (f) 公平價值估計

下表為按公平價值列賬之金融工具根據公平價值層級之分析：

第一級 — 在活躍市場就相同資產或負債取得之報價(未經調整)。

第二級 — 以第一級報價以外之資產或負債之可觀察輸入數據，無論是直接(即價格)或間接(即按價格推算)。

第三級 — 指透過運用並非基於可觀察市場數據之資產或負債輸入數據(不可觀察輸入數據)。

### 40. FINANCIAL RISK MANAGEMENT (Continued)

#### (f) Fair value estimation (Continued)

At 31 December 2018 and 2017, the Group's financial assets at fair value through profit or loss as disclosed in Note 23 to the consolidated financial statements are measured at fair value, which is categorised as financial assets at fair value through profit or loss and measured fair value based on Level 1 fair value measurement hierarchy.

The Group's policy is to recognise transfers into/out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or into or out of Level 3.

### 40. 財務風險管理(續)

#### (f) 公平價值估計(續)

於二零一八年及二零一七年十二月三十一日，本集團按公平價值計入損益之金融資產(披露於綜合財務報表附註23)乃按公平價值計量，分類為按公平價值計入損益之金融資產及根據公平價值計量層級第一級計算。

本集團之政策為於導致轉讓之事件或情況變動日期確認公平價值層級轉入／轉出。

於截至二零一八年及二零一七年十二月三十一日止年度，第一級及第二級之間概無轉移或轉入或轉出第三級。

### 41. FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of the Group's financial assets and liabilities as recognised at 31 December 2018 and 2017 may be categorised as follows:

### 41. 金融資產及負債

本集團金融資產及負債於二零一八年及二零一七年十二月三十一日確認之賬面值可分類如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產	61,476	74,540
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	539,998	-
Loan and receivables	貸款及應收款項	-	248,931
		<u>601,474</u>	<u>248,931</u>
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	765,265	648,239



# Five-Year Financial Summary

## 五年財務概要

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

<b>Results</b>		<b>2018</b>	2017	2016	2015	2014
<b>業績</b>		<b>二零一八年</b>	二零一七年	二零一六年	二零一五年	二零一四年
		<b>HK\$'000</b>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	<b>477,789</b>	13,039	1,117	7,399	37,261
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	<b>138,229</b>	(241,627)	(165,489)	(1,283,919)	(40,240)
Income tax (expense)/credit	所得稅(開支)／抵免	<b>(111,041)</b>	6,774	2,801	2,483	3,586
Profit/(loss) for the year	本年度溢利／(虧損)	<b>27,188</b>	(234,853)	(162,688)	(1,281,436)	(36,654)
Loss/(profit) attributable to Non-controlling interests	非控股權益應佔虧損／(溢利)	<b>356</b>	(657)	—	—	—
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利／(虧損)	<b>27,544</b>	(235,510)	(162,688)	(1,281,436)	(36,654)
<b>Assets and liabilities</b>		<b>2018</b>	2017	2016	2015	2014
<b>資產及負債</b>		<b>二零一八年</b>	二零一七年	二零一六年	二零一五年	二零一四年
		<b>HK\$'000</b>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	<b>2,411,573</b>	2,349,479	2,337,043	2,656,320	4,199,837
Total liabilities	負債總額	<b>(776,914)</b>	(648,239)	(531,380)	(559,467)	(654,718)
Non-controlling interests	非控股權益	<b>(12,306)</b>	(11,780)	—	(753)	(753)
Attributable to owners of the Company	本公司擁有人應佔	<b>1,622,353</b>	1,689,460	1,805,663	2,096,100	3,544,366

