



# 中油燃氣集團有限公司

CHINA OIL AND GAS GROUP LIMITED

*(Incorporated in Bermuda with Limited Liability)*

(於百慕達註冊成立之有限公司)

Stock Code: 603

股份代號：603



2019 年報  
ANNUAL REPORT



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## Financial Highlights 財務摘要

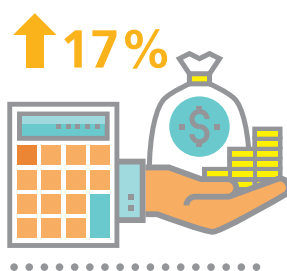
### Revenue 營業額



FY2019  
2019財年 **10,261** million HKD  
百萬元

FY2018  
2018財年 **9,410** million HKD  
百萬元

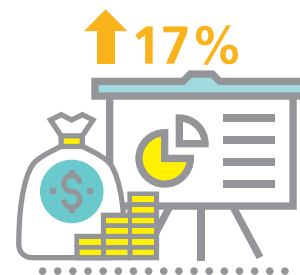
### Profit Attributable to Owners of the Company 公司擁有人應佔溢利



FY2019  
2019財年 **331** million HKD  
百萬元

FY2018  
2018財年 **282** million HKD  
百萬元

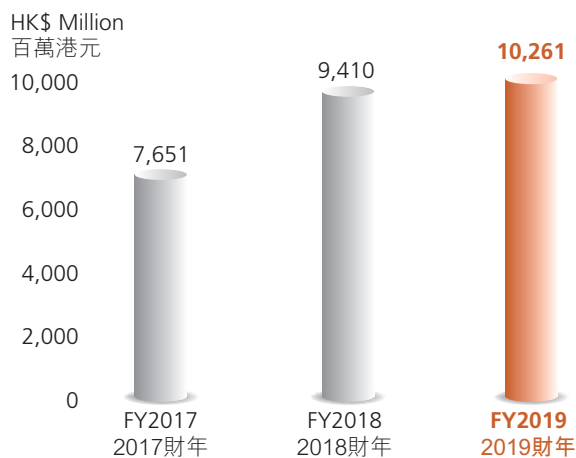
### Earnings per Share 每股盈利



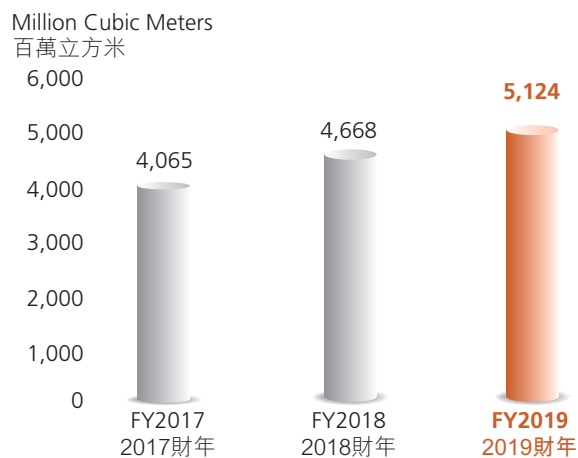
FY2019  
2019財年 **6.642** HK cents  
港仙

FY2018  
2018財年 **5.664** HK cents  
港仙

### Revenue 營業額



### Natural Gas Sales and Transmission Volume 銷輸氣量



For the period (in HK\$ million)  
期內(百萬元)

		FY2019 2019財年	FY2018 2018財年	Changes 變動
Revenue	營業額	10,261	9,410	+9%
Gross Profit	毛利	1,505	1,365	+10%
Profit for the year	年內溢利	779	678	+15%
Profit attributable to owners of the Company	公司擁有人應佔溢利	331	282	+17%
Earnings per Share (HK cents)	每股盈利(港仙)	6.642	5.664	+17%



# Enterprise Culture 企業文化





## Corporate Profiles

### 公司簡介

China Oil And Gas Group Limited (the “Company”) (stock code: 603) and its subsidiaries (together, the “Group”) are principally engaged in investment in natural gas and energy related business. Operations of the Group include piped city gas business, pipeline design and construction; transportation, distribution and sale of compressed natural gas (“CNG”) and liquefied natural gas (“LNG”); and development, production and sale of crude oil and natural gas and other upstream energy resources.

As a piped city natural gas service provider, the Group supplies city natural gas through long-distance transmission pipelines. With 71 concession rights, the Group has built up city pipeline networks which offer stable and sufficient natural gas resources to local household, industrial, commercial and other users. As a non-pipeline natural gas provider, the Group has established 2 LNG plants in Qinghai Province, the PRC. Meanwhile, the Group has also built certain CNG primary stations to ensure a smooth supply of natural gas all year round. These facilities support supplies of natural gas to cities not yet covered by pipeline networks and are treated as emergency backup gas sources for the Group.

As a major national operator of natural gas stations for automobile natural gas filling, the Group has built 39 CNG stations, 10 LNG stations and 6 L/CNG stations across the country. All kinds of automobiles, city buses and long-distance buses can be converted into natural gas operation system by paying an affordable fee. Some of the provinces will provide subsidy to automobile owners who are willing to convert their automobile into natural gas operating system. With support from the PRC government, the Group offers inexpensive, clean and environmental friendly natural gas to the transportation sector.

As an operator of natural gas branch pipelines, the Group has already completed 13,023 km natural gas pipelines in 16 provinces and autonomous regions. Apart from bringing in stable natural gas transmission revenue, the branch pipelines constructions will also facilitate the development of projects along the down-stream.

The Group has well established a large-scale developed natural gas transport and logistics operation in the PRC, including the set up of LNG and CNG fleets which have reinforced the mobility and coverage of our natural gas supplies.

As an upstream energy resources producer, the Group engages in the development, production and sale of crude oil and gas and other resources in Alberta of Canada. The exploration and production business of the Group has the proved reserves of approximately 26.12 million barrels of oil equivalent and the proved plus probable reserves of approximately 41.69 million barrels of oil equivalent. Its average daily production was 5,625 barrels of oil equivalent in 2019. Our exploration and production business possesses energy business in production, a very experienced management team with proven tracking records, a stable production assets portfolio and strong profitability with considerable potential for growth.

中油燃氣集團有限公司(「公司」)(股份代號：603)及其附屬公司(統稱為「集團」)主要從事天然氣及能源相關業務之投資。集團之業務包括城市管道燃氣營運、管道設計及建造；壓縮天然氣(「CNG」)及液化天然氣(「LNG」)之運輸、分銷及銷售；及原油及天然氣等其他上游能源資源開發、生產及銷售。

作為城市管道燃氣服務供應商，集團透過長距離輸送管道供應城市天然氣。集團已獲得71個燃氣特許經營權，建立了城市管道網絡，為當地家庭、工商等用戶提供穩定及充裕之天然氣資源。作為非管道天然氣供應商，集團於中國青海省建立了兩座LNG工廠。同時，集團已建造多個CNG加氣母站，確保集團之天然氣供應全年保持穩定。該等設施有助於向尚未有管道網絡覆蓋的城市供應天然氣，並被視為集團之應急備用燃氣來源。

作為全國車用天然氣加氣站之主要營運商，集團已在全國範圍內建立CNG加氣站39座、LNG加氣站10座及L/CNG加氣站6座。各類汽車、公共交通汽車及長途客運車均可以通過改裝，即以可承擔之費用轉換成天然氣運行系統。並且，部分省份將為願意將汽車轉換成天然氣運行系統的車主提供補貼。在國家政府之支持下，集團向運輸界提供價格低廉、清潔及環保之天然氣能源。

作為天然氣支線管道經營之營運商，集團已於16個省及自治區投資建成總長度達13,023公里的天然氣管道，除了增加天然氣管道運輸收入外，更可帶動下游沿線天然氣市場的開發。

集團已於中國發展龐大的天然氣運輸及物流業務，已建立LNG及CNG運輸車隊，增強了集團天然氣供應之流動性以及擴大了其覆蓋範圍。

作為上游能源資源之生產商，集團於加拿大阿爾伯塔省從事原油及天然氣等資源的開發、生產及銷售，集團油氣生產業務之探明儲量約為2,612萬桶油當量及探明加控制儲量約為4,169萬桶油當量，二零一九年平均每日產量為5,625桶油當量。集團之油氣生產業務擁有在產的能源業務及一個經驗豐富、業績卓越的管理團隊，具穩定的生產資產組合，較強的盈利能力及廣闊的增長空間。



# Natural Gas Distribution Business in China

## 中國天然氣分銷業務

### Main trunk pipelines 主要幹線管網

- West-to-East line 1  
西氣東輸一線
- West-to-East line 2  
西氣東輸二線
- - - West-to-East line 3  
西氣東輸三線
- Se-Ning-Lan line  
澀寧蘭線
- Shaan-Jing line 4  
陝京四線
- Shaan-Jing line 3  
陝京三線
- Cang-Zi Line  
滄淄線
- Zhong-Wu Line  
忠武線
- Myanmar-China Line  
中緬線

### Company operating assets / data 公司運營資產及數據

- Branch pipeline  
公司自有支線管道
- City gas project with concession right  
公司城市天然氣項目
- ▲ LNG processing plant  
公司液化天然氣工廠
- CNG/LNG/L-CNG station  
公司天然氣加氣站
- Province with natural gas sales volume > 500mn m<sup>3</sup> in 2019  
公司二零一九年銷氣量5.0億立方米以上省份
- Province with natural gas sales volume between 100mn m<sup>3</sup> and 500mn m<sup>3</sup> in 2019  
公司二零一九年銷氣量1.0-5.0億立方米省份
- Province with natural gas sales volume < 100mn m<sup>3</sup> in 2019  
公司二零一九年銷氣量1.0億立方米以下省份
- Province to enter in near term  
公司於近期內準備開展業務的省份



Note: For illustrative purpose only, actual scale and location might differ slightly  
 註：此圖僅為示意圖，比例與位置可能和實際情況略有出入



# Oil and Gas Production Business in Canada

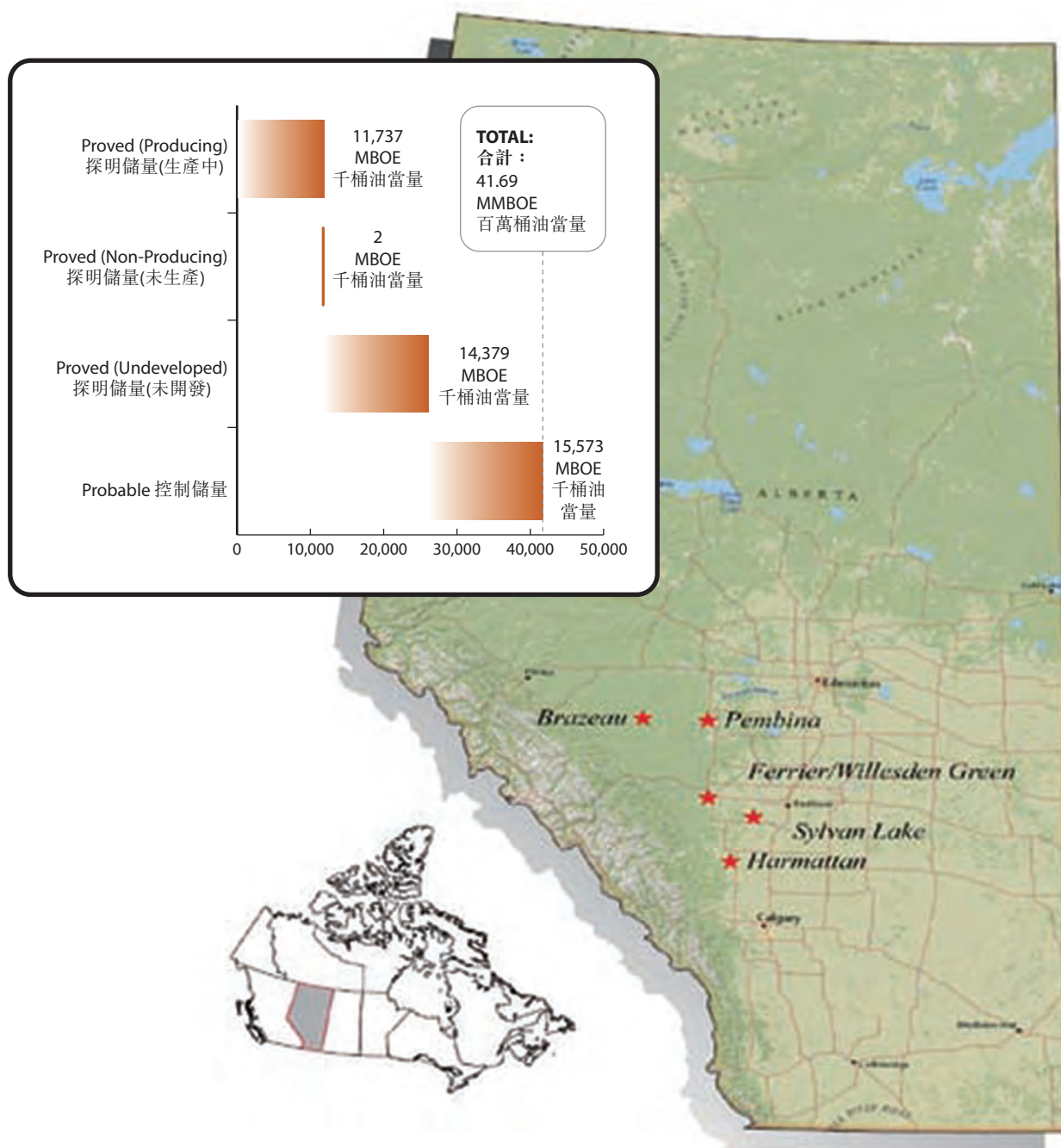
## 加拿大油氣生產業務

### RESERVES

As at 31 December 2019

### 儲量

於二零一九年十二月三十一日





## Corporate Information 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

XU Tie-liang (*Chairman and Chief Executive Officer*)  
GUAN Yijun  
LIU Chunsun

#### Independent Non-Executive Directors

LI Yunlong  
WANG Guangtian  
YANG Jie

### COMPANY SECRETARY

CHAN Yuen Ying Stella

### AUTHORISED REPRESENTATIVES

XU Tie-liang  
CHAN Yuen Ying Stella

### AUDIT COMMITTEE

LI Yunlong (*Chairman*)  
WANG Guangtian  
YANG Jie

### REMUNERATION COMMITTEE

LI Yunlong (*Chairman*)  
WANG Guangtian  
GUAN Yijun

### NOMINATION COMMITTEE

WANG Guangtian (*Chairman*)  
LI Yunlong  
LIU Chunsun

### CORPORATE GOVERNANCE COMMITTEE

XU Tie-liang (*Chairman*)  
GUAN Yijun  
LIU Chunsun  
LAW Yin Shan Jenny  
CHAN Yuen Ying Stella

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants and Registered PIE Auditor

### 董事局

#### 執行董事

許鈺良(*主席兼行政總裁*)  
關懿君  
劉春筍

#### 獨立非執行董事

李雲龍  
王廣田  
楊杰

### 公司秘書

陳婉縈

### 授權代表

許鈺良  
陳婉縈

### 審核委員會

李雲龍(*主席*)  
王廣田  
楊杰

### 薪酬委員會

李雲龍(*主席*)  
王廣田  
關懿君

### 提名委員會

王廣田(*主席*)  
李雲龍  
劉春筍

### 企業管治委員會

許鈺良(*主席*)  
關懿君  
劉春筍  
羅盈珊  
陳婉縈

### 核數師

羅兵咸永道會計師事務所  
執業會計師及註冊公眾利益實體核數師







## Corporate Information

### 公司資料

(continued) (續)

#### LEGAL ADVISERS

(As to Hong Kong Law)  
LI & Partners

(As to PRC Law)  
Beijing Huaao Law & Partners

#### PRINCIPAL REGISTRARS

MUFG Fund Services (Bermuda) Limited  
4th floor North Cedar House  
41 Cedar Avenue  
Hamilton HM12  
Bermuda

#### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

#### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

#### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2805, 28th Floor  
Sino Plaza  
255-257 Gloucester Road  
Causeway Bay  
Hong Kong

#### PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

#### STOCK CODE

603

#### WEBSITE AND E-MAIL ADDRESS

Website: <http://www.hk603.com>  
E-mail: [info@hk603.com](mailto:info@hk603.com)

#### 法律顧問

(香港法律)  
李偉斌律師行

(中國法律)  
北京市華澳律師事務所

#### 主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited  
4th floor North Cedar House  
41 Cedar Avenue  
Hamilton HM12  
Bermuda

#### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓1712-1716號舖

#### 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

#### 總辦事處及香港之主要營業地點

香港  
銅鑼灣  
告士打道255-257號  
信和廣場  
28樓2805室

#### 主要往來銀行

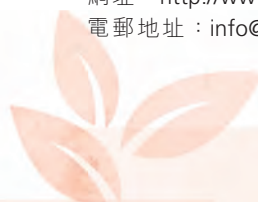
香港上海滙豐銀行有限公司

#### 股份代號

603

#### 網址及電郵地址

網址：<http://www.hk603.com>  
電郵地址：[info@hk603.com](mailto:info@hk603.com)



**Chairman's Statement  
and Management  
Discussion and Analysis**  
主席報告及管理層  
討論及分析



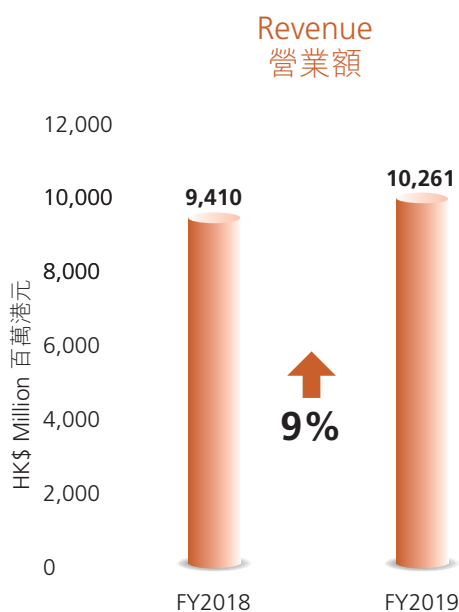


## Chairman's Statement 主席報告

### BUSINESS REVIEW

Despite the ongoing China-U.S. trade tensions, increased risks in global economy and economic stagnation, changes in policies and intense market competition, in 2019, China's demand for domestic consumption of natural gas reached 304.8 billion cubic meters, with a year-on-year increase of 9%. Conforming to the trend of reform of the national oil and gas system, the Group adjusted its positioning, adopted visionary strategies and seized opportunities for high-quality development. Management of the Group actively developed markets and resources, stabilized price differences, controlled operating risks, strengthened staff training and improved management. In line with the objectives of creating value for customers, creating future for employees and creating returns for shareholders, the Group has completed its business targets and achieved encouraging results through the hard work and solidarity of all employees of the Group.

The Group's total revenue was increased by 9% to HK\$10,261 million. Thanks to the steady increase in sales and distribution of natural gas, gross profit increased by 10% to HK\$1,505 million. Profit attributable to owners of the Company for the year recorded an increase of 17% to HK\$331 million from HK\$282 million in 2018.

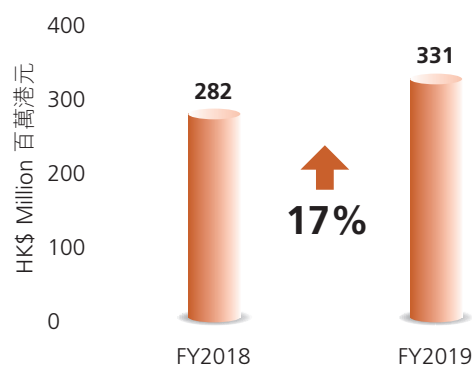


### 業務回顧

2019年，在中美貿易摩擦持續、宏觀調控與經濟下行風險加大、政策多變及市場競爭激烈的環境下，中國天然氣表觀消費量仍然達到3,048億立方米，同比增長9%。集團認清形勢，順應國家油氣體制改革大勢，找準定位、明晰戰略，搶抓產業高品質發展的機遇，客戶至上，謀求上下游客戶的深度合作，全力推進業務發展。各級管理人員努力開資源、拓市場；穩價差，控風險；抓管理，強三基；弘文化，揚正氣；抓培訓，帶隊伍。集團全體同仁本著為股東創造回報、為客戶創造價值、為員工創造前途的宗旨，精誠團結，攻堅克難，奮鬥拼搏，完成了主要經營指標，取得了喜人的業績。

集團2019年的營業額為102.61億港元，較去年增長9%。受惠於天然氣分銷業務的穩定增長，毛利潤增加10%至15.05億港元。公司擁有人應佔溢利錄得3.31億港元，比去年的2.82億港元上升17%。

### Profit attributable to owners of the Company 公司擁有人應佔溢利





## Chairman's Statement 主席報告

(continued) (續)

### CITY PIPELINE NATURAL GAS BUSINESS

#### Sales and distributions of natural gas

For the year ended 31 December 2019, the Group recorded sales and distribution of natural gas income of HK\$9,255 million (2018: HK\$8,476 million), representing a 9% growth and accounting for 90% of total revenue. During the year, the Group's total gas sales volume increased by 10% to 4,079 million cubic meters (2018: 3,725 million cubic meters). Gas sales volume for industrial and commercial users increased by 12%, residential users gas sales volume increased by 11% and gas stations decreased by 5%, with each representing 65%, 25% and 10% of the total gas sales volume (2018: 64%, 24% and 12%), respectively. The gas transmission volume was 1,045 million cubic meters (2018: 943 million cubic meters), representing a 11% increase.

### 城市管道天然氣業務

#### 銷售及輸送天然氣

截至2019年12月31日止年度，集團錄得銷售及輸送天然氣收入92.55億港元(2018年：84.76億港元)，增長9%，佔總收入的90%。年內，集團總銷氣量增長10%至40.79億立方米(2018年：37.25億立方米)。其中，工商業用戶用量增長12%；居民用戶用量增長11%；加氣站用量減少5%，分別佔總銷氣量的65%、25%及10%(2018年：64%、24%及12%)。管輸量10.45億立方米(2018年：9.43億立方米)，增長11%。

### Gas Sales Volume Breakdown — By Province 天然氣銷售量分類 — 按省份

Province	省份	2019 二零一九年	2018 二零一八年
Qinghai	青海	38.3%	39.8%
Shandong	山東	9.5%	9.7%
Hunan	湖南	8.7%	8.8%
Jiangsu	江蘇	16.8%	13.8%
Guangdong	廣東	4.0%	5.1%
Jiangxi	江西	7.2%	7.1%
Hubei	湖北	3.6%	3.2%
Shanxi	山西	8.0%	8.6%
Guizhou	貴州	2.6%	2.8%
Others	其他	1.3%	1.1%



# Chairman's Statement

## 主席報告

(continued) (續)

### Development of new users

During the year, the Group connected 122,572 new residential users, and 912 new industrial and commercial users. Total connections for residential users were 1,466,416 (2018: 1,343,844), representing a year-on-year increase of 9% over 2018. Total connections for industrial and commercial users were 12,724 (2018: 11,812), representing a year-on-year increase of 8% over 2018. In light of the increasing number of users, the Group will continue to expand natural gas sales and provide services for more natural gas end-users, laying a solid foundation for the Group's future natural gas sales.

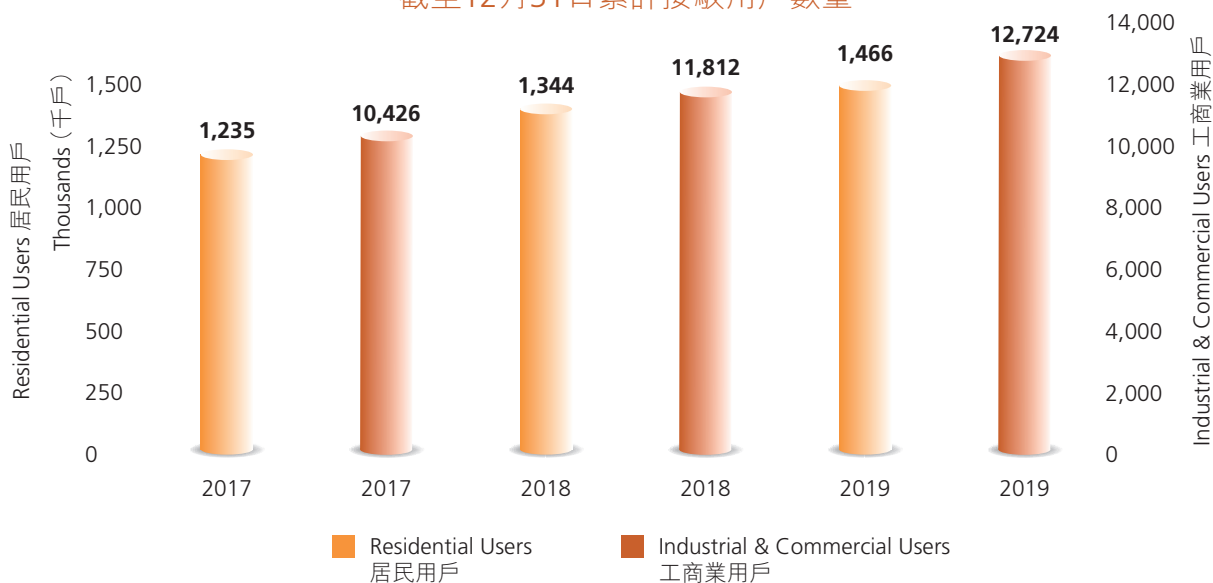
As of 31 December 2019, the Group had established a total of 141 natural gas project companies in 16 provinces and autonomous regions, with 71 gas concession rights in the PRC and the total length of natural gas pipelines constructed was approximately 13,023 KM.

### 新用戶開發

年內，集團開發居民用戶122,572戶及工商業用戶912戶，累計接駁居民用戶1,466,416戶（2018年：1,343,844戶）及工、商業用戶12,724戶（2018年：11,812戶），較2018年分別增長9%及8%。隨著用戶數量的增加，集團將繼續擴大天然氣銷售，為更多天然氣終端客戶提供服務，為集團未來的天然氣銷售奠定了穩固的基礎。

截至2019年12月31日，集團於中國16個省及自治區成立天氣項目公司合共141家，擁有71項燃氣特許經營權，累計投資建設天然氣管道約13,023公里。

Total Connected Users as of 31 December  
截至12月31日累計接駁用戶數量





# Chairman's Statement 主席報告

(continued) (續)

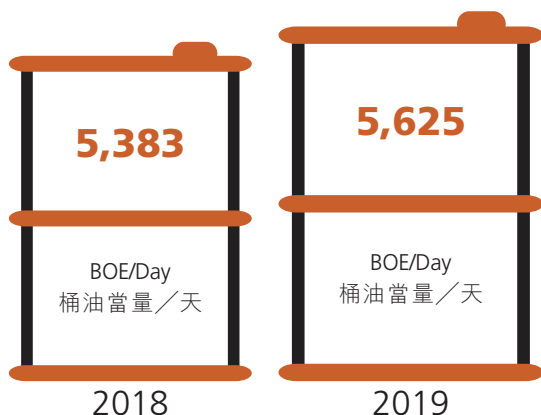
## EXPLOITATION AND PRODUCTION OF CRUDE OIL AND NATURAL GAS BUSINESS

In 2019, international crude oil price remained stable, and the Group realised average crude oil price remained at CAD66.88 per barrel (2018: CAD66.92 per barrel). Throughout the year, the average daily production was 5,625 barrels of oil equivalent and the average operating netback was CAD25.92 per barrel of oil equivalent (2018: 5,383 barrels of oil equivalent per day, CAD25.24 per barrel of oil equivalent), representing an increase of 5% and 3% respectively. According to the reserve report prepared by GLJ Petroleum Consultants for the year ended 31 December 2019, the Group has proved plus probable reserves of 41.69 million barrels of oil equivalent (2018: 39 million barrels of oil equivalent), representing a year-on-year increase of 7%.

## 開採生產原油和天然氣業務

2019年，國際原油價格維持平穩，集團平均實現原油價格也與去年同期持平於66.88加元／桶(2018年：66.92加元／桶)。全年平均產量為5,625桶油當量／天(2018年：5,383桶油當量／天)，實現平均運營淨回值25.92加元／桶油當量(2018年：25.24加元／桶油當量)，分別上升5%及3%。根據由GLJ Petroleum Consultants編製的截至2019年12月31日止年度儲量報告，集團探明加控制儲量為4,169萬桶油當量(2018年：3,900萬桶油當量)，同比增加7%。

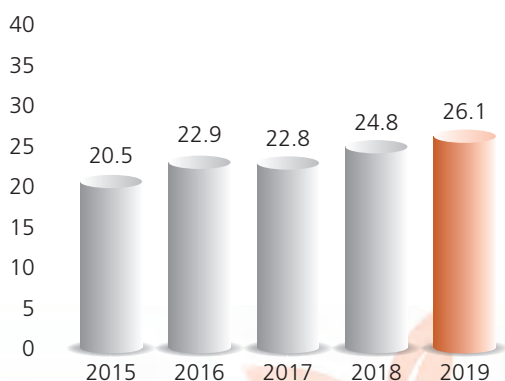
Average Annual Production  
全年平均產量



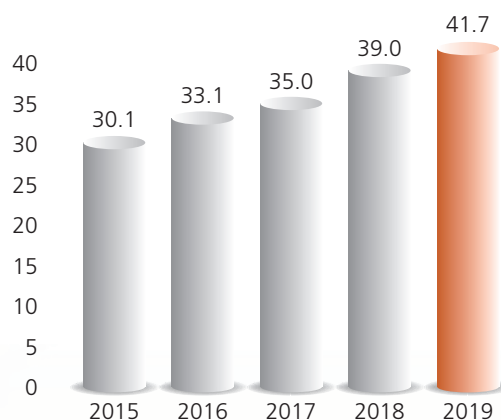
The Group's upstream business average annual production increased to 5,625 BOE/Day by 5%

集團上游業務的全年平均產量上升至5,625桶油當量／天，增幅達5%

Proved Reserve (MMBOE)  
探明儲量(百萬桶油當量)



Proved Plus Probable Reserve (MMBOE)  
探明加控制儲量(百萬桶油當量)





## Chairman's Statement 主席報告

(continued) (續)

### CREDIT RATINGS

Rating agencies	Ratings
Standard & Poor	BB (Stable)
Moody's	Ba2 (Stable)

The Group was rated "BB" by Standard & Poor with a stable rating outlook, and was rated "Ba2" by Moody's with a stable rating outlook, reflecting the Company's healthy financial position and promising operational prospects.

### BUSINESS PROSPECTS

#### Opportunities and challenges

##### Opportunities

In 2019, China's natural gas market ushered in major opportunities and changes. After years of efforts, the China-Russia east-route natural gas pipeline has been officially connected, an additional of 30 billion cubic meters of pipeline natural gas will be delivered to China every year. The upstream oil and gas sectors were fully opened up, and qualified domestic and foreign enterprises could enter China's oil and gas exploration and exploitation market. The National Oil and Gas Pipeline Network Company was formally established to realize the separation of pipeline & network and the separation of transportation & marketing. The "trade war" between China and the United States broke the ice and reached a phase-one agreement, improving the international business environment for Chinese enterprises. The "Regulation on Optimizing the Business Environment", the "Foreign Investment Law", and the "Foreign Enterprises Implementation Regulations" are implemented by the Chinese Government on 1 January 2020, which have significant meanings to further optimize the business environment of foreign and private enterprises. In 2019, China's primary energy consumption was about 4.79 billion tons of standard coal, with a year-on-year increase of 3.2%. The transformation of clean energy, conservation and emission reduction are undertaking massive responsibility. The future for the development of natural gas integrated projects is splendid in order to promote "coal-to-gas" and "connect natural gas to every town". Even though the pandemic brings harsh challenges to the economy, the Chinese Government adopted strong measures to control the situation within a short amount of time, which help to keep the economy stable and functional. The strategy of preventing and controlling pollution and the fundamentals of the Chinese economy have not been changed. Its economy is growing continuously. In 2020, the revolution of China's oil and gas industry will enter into the implementation stage with policies being applied. Recently, NDRC suggested that natural gas price as "viewing marketization of the natural gas industry as a revolution" and other positive policies, as the whole nation of China getting back on production and work, the target for the demand for domestic consumption of natural gas to reach 330 billion cubic meters can be achieved.

### 信貸評級

評級機構	評級
標準普爾	BB (穩定)
穆迪	Ba2 (穩定)

評級機構標準普爾公司給集團的信貸評級為BB級，評級展為穩定，而穆迪公司所給的信貸評級為Ba2級，評級展望為穩定，反映公司的財務及營運前景良好。

### 業務展望

#### 機遇和挑戰

##### 機遇

2019年，中國天然氣市場迎來重大機遇和變化。經過多年的努力，中俄東線正式通氣，為我國每年新增300億立方米管道天然氣。油氣上游業務全面放開，符合條件的內外資企業可進入中國油氣勘查開採市場。國家油氣管網公司正式成立，實現管網分離、運銷分離。中美「貿易戰」破冰，達成第一階段協定，中國企業的國際營商環境得到改善。2020年1月1日中國政府實施的《優化營商環境條例》、《外商投資法》及《外商投資法實施條例》對進一步優化外資及民營企業的營商環境意義重大。2019年，中國一次能源消費約47.9億噸標準煤，同比增加3.2%，清潔能源轉型，節能減排任重道遠，推動「氣代煤」「鎮鎮通」天然氣綜合利用發展前景廣闊。雖然疫情給經濟發展帶來嚴峻挑戰，但中國採取強有力的措施，在短時間內控制了疫情蔓延的勢頭，為經濟平穩運行奠定了基礎。中國經濟持續向好的基本面沒有改變，中央政府提出的打好污染防治攻堅戰方向沒有改變。中國經濟繼續增長。2020年，中國油氣產業改革將進入政策落地實施階段，近期，國家發改委提出天然氣價格「視天然氣市場化改革進程適時放開由市場形成」等有利政策導向，隨著全國企業順利復產復工，預計天然氣消費量達到3300億立方米的目標定能實現。



## Chairman's Statement 主席報告

(continued) (續)

### Challenges

Since the spreading of COVID-19 in early 2020, the global economy has faced major impacts, especially on the supply and demand sides of societies. In addition to the decline in international oil prices and capital markets, the epidemic has increased the uncertainty of the world economy, which will hinder the improvement of domestic economic situation. The Group's upstream and downstream customers have all been affected to a certain extent, and that would cause difficulties in the Group's operating activities and the realisation of the annual targets. In the past eighteen years, despite various difficulties and challenges, the Group has adhered to the mission of "Develop business of clean energy and Contribute sustainability to society", and has been making continuous progress with the hard work all the staff has put in. It has been proven that the management team of the Group is indomitable. The Group will give full play to the advantages of the industry and resources, review the situation, optimize the strategic layout, seize opportunities, actively explore the market, optimize management, and continuously improve the quality of the workforce. We will provide customers with sufficient clean energy supply and quality services, and work hard to achieve the 2020 business goals.

### 挑戰

2020年之始，新型冠狀病毒疫情擴散，全球經濟面臨重大影響，特別是對社會供給側和需求側的衝擊嚴重，疫情疊加國際油價及資本市場的下跌，增加了世界經濟的不確定性，勢必影響和制約國內經濟形勢的好轉，集團所處行業上下游客戶業務也均會受到一定衝擊，進而給集團經營活動及全年目標的實現造成困難。十八年來，集團在前進的道路上，曾經歷過種種困難和挑戰，但集團全體同仁，秉承「發展清潔能源事業，保障人類持續發展」的使命，砥礪前行，腳踏實地，使公司不斷發展進步。實踐證明，集團管理團隊是一支百折不撓，英勇善戰的隊伍，這困難，那困難，在中油燃氣人面前無困難。集團將發揮行業和資源優勢，審時度勢，優化戰略佈局，把握機遇，積極開拓市場，優化管理，不斷提升員工隊伍素質。為客戶提供充足的清潔能源供應和優質服務，為實現2020年經營目標而努力奮鬥。







## Management Discussion and Analysis 管理層討論及分析

The following discussions should be read in conjunction with the audited consolidated financial statements of the Group and its notes and other sections in the annual report for the year ended 31 December 2019.

### FINANCIAL REVIEW

Leveraging its strong sales network and gas source advantages, the Group has seized those favourable opportunities to achieve rapid business growth. During the year of 2019, the Group recorded a total revenue of HK\$10,261 million (2018: HK\$9,410 million), representing an increase of 9%. Gross profit amounted to HK\$1,505 million (2018: HK\$1,365 million), representing an increase of 10% comparing to last year. The Group's profit for the year was HK\$779 million (2018: HK\$678 million), representing an increase of 15% as compared to 2018. Profit attributable to the owners of the Company recorded a 17% growth to HK\$331 million in 2019.

The Group's principal activities are divided into three segments.

- (1) Sales and distribution of natural gas and other related products ("Sales and distribution of natural gas")

The Group's natural gas sales were increased by 10% to 4,079 million cubic meters, and transmission volume was increased by 11% to 1,045 million cubic meters in 2019. Sales and distribution of natural gas continued to be the Group's principal source of revenue and constituted 90% of the total revenue (2018: 90%). Revenue related to this segment showed an increase of 9% to HK\$9,255 million (2018: HK\$8,476 million) and segment results increased by 17% to HK\$908 million (2018: HK\$774 million), whereas segment profit ratio was 10% (2018: 9%).

- (2) Gas pipeline construction and connection ("Connection")

Revenue related to Connection business constituted around 5.5% (2018: 5.5%) of our total revenue in 2019 and amounted to HK\$567 million (2018: HK\$517 million).

- (3) Exploitation and production of crude oil and natural gas ("Exploitation and production")

Revenue related to Exploitation and production amounted to HK\$439 million (2018: HK\$417 million) in 2019, with a growth of 5%. Crude oil prices remained stable in 2019, while West Texas Intermediate (WTI) averaging US\$57.04 per barrel as compared to US\$64.78 per barrel in 2018. The Group realized crude oil price of CAD66.88 per barrel in 2019, which was in line with that of CAD66.92 per barrel in 2018.

下列討論應與集團截至二零一九年十二月三十一日止年度年報中所載經審核綜合財務報表及其附註以及其他章節一併閱讀。

### 財務回顧

集團得益於可觀的銷、輸氣量增長，年內錄得總營業額102.61億港元，相比二零一八年的94.10億港元增長9%。集團錄得毛利15.05億港元(二零一八年：13.65億港元)，相比去年增長10%。年內溢利為7.79億港元，相比二零一八年的6.78億港元增加15%。公司擁有人應佔溢利增長17%至3.31億元。

集團之主要運營活動分為三個分部。

- (1) 銷售及輸送天然氣及其他相關產品(「銷售及輸送天然氣」)

二零一九年，集團天然氣銷售量為40.79億立方米，增長10%；輸氣量為10.45億立方米，增長11%。銷售及輸送天然氣業務繼續是集團營業額之主要來源，佔總營業額90%(二零一八年：90%)。該分部錄得營業額增加9%至92.55億港元(二零一八年：84.76億港元)及錄得分部業績增長17%至9.08億港元(二零一八年：7.74億港元)，分部利潤率為10%(二零一八年：9%)。

- (2) 燃氣管道建造及接駁(「接駁」)

二零一九年，接駁業務收入佔總營業額5.5%(二零一八年：5.5%)，為5.67億港元(二零一八年：5.17億港元)。

- (3) 開採及生產原油及天然氣(「開採及生產」)

二零一九年，開採及生產業務錄得營業額4.39億港元(二零一八年：4.17億港元)，增長5%。於二零一九年，原油價格維持平穩，西德州中級原油平均價格為每桶57.04美元，而二零一八年為每桶64.78美元。於二零一九年，集團實現原油價格每桶66.88加元，與二零一八年的每桶66.92加元一致。



## Management Discussion and Analysis 管理層討論及分析

(continued) (續)

The Group's sales and distribution cost increased by 18% to HK\$67 million in 2019 from HK\$57 million in 2018; administrative expenses decreased by 1% from HK\$365 million in 2018 to HK\$360 million in 2019. Both costs together represented approximately 4% of total revenue and represented a growth of 1%.

Finance cost was HK\$282 million (2018: HK\$207 million). During 2019, the Company has successfully redeemed an aggregate principal amount of US\$300 million at the redemption price of 101.25%, which incurred a one-off expense of HK\$50 million in financial cost.

### LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

It is the Group's policy to adopt conservative financial strategies by using the cash flow generated from operations as the principal source of fund to finance its capital expenditures. As at 31 December 2019, the Group's total indebtedness (including bank borrowings, other borrowings and senior notes) was HK\$6,846 million (2018: HK\$6,549 million). Total available credit facility amounted to HK\$3,748 million as at 31 December 2019 (2018: HK\$4,563 million) with an utilisation rate of 25% (2018: 33%).

As at 31 December 2019, the Group had cash and cash equivalents and time deposits with maturity over three months of approximately HK\$2,817 million (2018: HK\$2,667 million). Total assets increased by 5% to HK\$16,832 million (2018: HK\$16,028 million), among which current assets were HK\$4,864 million (2018: HK\$4,707 million). Total liabilities of the Group were HK\$10,389 million (2018: HK\$10,116 million), and among which current liabilities were HK\$4,518 million (2018: HK\$4,611 million). The Group's debt-to-asset ratio, measured on the basis of total indebtedness divided by total assets, was 41% (2018: 41%). The current ratio (current assets divided by current liabilities) of the Group was 1.08 times (2018: 1.02 times).

The Group's financial and liquidity ratios remained stable, and hence the Group is well prepared for its development in the future.

### EMPLOYEES AND REMUNERATION POLICY

At the end of 2019, the Group employed a total of 3,693 (2018: 3,595) full-time employees, most of whom were stationed in the PRC. Total staff cost for the year amounted to HK\$389 million (2018: HK\$384 million). The Group remunerates its employees based on their performance, working experience and the prevailing market wage level. The total remuneration of the employees consist of basic salary, cash bonus and share-based incentives.

二零一九年，集團的銷售及分銷費用由二零一八年的5,700萬港元增加18%至6,700萬港元；行政開支由二零一八年的3.65億港元減少1%至二零一九年的3.60億港元。該兩項成本合共僅佔總營業額約4%，相當於增長1%。

財務費用為2.82億港元(二零一八年：2.07億港元)，於二零一九年，公司已成功以贖回價的101.25%贖回本金總額3億美元，產生一次性費用5,000萬港元的財務費用。

### 流動資金、財務及資本資源

集團採取保守的財務策略，使用經營業務所得現金流量作為主要資金來源，以撥付資金用於資本開支。於二零一九年十二月三十一日，集團的債務總額(包括銀行借貸、其他借貸及優先票據)為68.46億港元(二零一八年：65.49億港元)。於二零一九年十二月三十一日，可動用之信貸融資總額為37.48億港元(二零一八年：45.63億港元)，使用率25%(二零一八年：33%)。

於二零一九年十二月三十一日，集團的現金及現金等值項目及到期日期為三個月以上的定期存款為約28.17億港元(二零一八年：26.67億港元)。總資產增加5%至168.32億港元(二零一八年：160.28億港元)，其中流動資產為48.64億港元(二零一八年：47.07億港元)。集團之總負債為103.89億港元(二零一八年：101.16億港元)，其中流動負債為45.18億港元(二零一八年：46.11億港元)。集團以總債務除以總資產計量之資產負債率為41%(二零一八年：41%)。集團之流動比率(流動資產除以流動負債)為1.08倍(二零一八年：1.02倍)。

集團的財務及流動比率保持平穩，為集團未來的發展充分作好準備。

### 僱員及酬金政策

於二零一九年末，集團共有3,693名(二零一八年：3,595名)全職員工，其中大部分員工駐於中國。年內員工總成本3.89億港元(二零一八年：3.84億港元)。集團根據員工的工作表現、工作經驗及現行市場工資水平釐定其酬金。員工之總酬金包括基本薪金、現金花紅及股份獎勵。



## Management Discussion and Analysis

### 管理層討論及分析

(continued) (續)

#### PLEDGE OF ASSETS

No assets of the Group have been pledged for the outstanding borrowings as at 31 December 2019.

#### CONTINGENT LIABILITY

The Group had no material contingent liability as at 31 December 2019.

#### FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group is responsible for the financial risk management, and its treasury function at the head office in Hong Kong. One of the major objectives of the Group's treasury policies is to manage its exposure to fluctuation in interest rates and foreign currency exchange rates. It is the Group's policy not to engage in speculative activities.

The Group conducts its business primarily in Renminbi. The Group's certain bank deposits are denominated in Hong Kong dollars, Renminbi and United States dollars, and the Group's offshore bank loans and senior notes are denominated in Renminbi, United States dollars and Canadian dollars.

Other than those disclosed, the Group does not have any material exposures to foreign exchange fluctuations. The Group does not have a foreign currency hedging policy. However, the Group monitors its foreign currency exposure closely and may, depending on the circumstances and trend of foreign currencies, consider adopting a significant foreign currency hedging policy in the future.

#### LITIGATION

As at 31 December 2019, the Group had no significant litigation.

#### CAPITAL STRUCTURE

As at 31 December 2019, the issued share capital of the Company was approximately HK\$57,670,438 divided into 5,767,043,834 shares with a nominal value of HK\$0.01 each.

#### FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2019.

#### 資產抵押

集團於二零一九年十二月三十一日並無任何未清償債項以資產作抵押。

#### 或然負債

集團於二零一九年十二月三十一日並無任何重大或然負債。

#### 財務管理及庫務政策

集團負責財務風險管理及其庫務職能屬香港總辦事處。集團庫務政策之主要目標之一為管理其利率及匯率波動風險。集團的政策為不從事投機行為。

集團主要以人民幣經營業務。集團若干銀行存款以港元、人民幣及美元計值，而集團的境外銀行貸款及優先票據則以人民幣、美元及加元計值。

除上述所披露者外，集團並無承受任何重大外匯匯率波動風險。集團並無訂立外匯對沖政策。然而，集團會緊密監察外匯風險及日後可能(視情況及外幣走勢而定)考慮採用重大外匯對沖政策。

#### 訴訟

於二零一九年十二月三十一日，集團並無牽涉任何重大訴訟。

#### 資本架構

於二零一九年十二月三十一日，公司的已發行股本約為57,670,438港元，分為5,767,043,834股每股面值0.01港元之股份。

#### 末期股息

董事局不建議就截至二零一九年十二月三十一日止年度派付末期股息。



## Biographical Details of Directors 董事履歷簡介

### CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

**Mr. Xu Tie-liang**, aged 56, was appointed as an executive Director, the Chairman of the Board of the Company on 30 August 2006. He was also appointed as the Chief Executive Officer of the Company on 4 November 2009. Mr. Xu is the chairman of the Corporate Governance Committee of the Company (the "CG Committee"), also the chairman of China Oil and Gas Investment Group Co., Ltd, China City Natural Gas Investment Group Co., Ltd and Baccalieu Energy Inc. Canada and director of certain subsidiaries of the Company. Mr. Xu is also a Honorary Life Chairman of Cross-Strait Peaceful Development Federation; vice chairman of Hong Kong Energy, Mining And Commodities Association; Honorary Chairman of The Hong Kong Chinese Enterprises Association (Shandong). Mr. Xu graduated from Xi'an Shiyou University (西安石油大學), and postgraduate from the University of International Business and Economics (對外經濟貿易大學), and completed a doctorate course in law, postgraduate from the School of Economics and Management of EMBA Tsinghua University (清華大學經管學院). He is also a senior PRC lawyer and certified public accountant. Mr. Xu has more than 30 years' experience in management, investments, legal and finance.

### EXECUTIVE DIRECTORS

**Ms. Guan Yijun**, aged 55, was appointed as an executive Director of the Company on 10 September 2010. She was appointed as the vice president of the Company on 1 September 2006. Ms. Guan is a member of each of the Corporate Governance Committee and the Remuneration Committee. She is also a director of certain subsidiaries of the Company. She graduated from Changchun Normal University in the early years and studied at the Advanced Business Administration of Peking University. She has extensive business operation management experiences over 20 years.

**Mr. Liu Chunsun**, aged 61, was appointed as an executive Director of the Company on 12 June 2018. He is a member of each of the nomination committee of the Company (the "Nomination Committee") and the CG Committee. Mr. Liu graduated from China University of Mining And Technology in 1987 and completed correspondence course at China University of Petroleum in 1996. He is a certified accountant. He is engaged in oil industry for 40 years and gas industry over 18 years. Since 2002, he joined China City Natural Gas Investment Group Co., Ltd. (中油中泰燃氣集團投資有限公司), a non-wholly owned subsidiary of the Company, served successively as deputy general manager of investment department, manager of financial division, assistant to general manager, vice president, director and chief member of remuneration and assessment committee. Mr. Liu has extensive investment and financial management experiences.

### 主席、行政總裁及執行董事

許鉄良先生，五十六歲，於二零零六年八月三十日獲委任為公司執行董事、董事局主席。於二零零九年十一月四日，他亦獲兼任為公司的行政總裁。許先生是企業管治委員會（「企業管治委員會」）主席，兼任中油燃氣投資集團、中油中泰燃氣投資集團及加拿大Baccalieu Energy Inc. 董事長及若干附屬公司的董事。許先生亦為兩岸和平發展聯合總會永遠名譽會長；香港能源礦產與大宗商品聯合會副會長；香港中國企業協會山東分會名譽會長。許先生先畢業於西安石油大學；系對外經濟貿易大學研究生畢業並修畢法學博士課程；清華大學經管學院高級工商管理EMBA研究生畢業，碩士學位，亦為資深中國律師和註冊會計師。許先生在管理、投資、法律、及財務等方面擁有超過三十年經驗。

### 執行董事

關懿君女士，五十五歲，於二零一零年九月十日獲委任為公司執行董事。她於二零零六年九月一日獲委任為公司之副總裁。關女士是公司企業管治委員會及薪酬委員會各自之成員。關女士是公司若干附屬公司的董事。她早年畢業於長春師範大學，後於北京大學高級工商管理深造。關女士從事企業經營管理工作超過二十年，具有豐富經驗。

劉春笋先生，六十一歲，於二零一八年六月十二日獲委任為公司執行董事。他是公司提名委員會（「提名委員會」）及企業管治委員會各自之成員。劉先生於一九八七年畢業於中國礦業大學，並於一九九六年完成在中國石油大學（華東）的函授課程。他具有會計師資格。他從事石油行業達40年，從事天然氣行業逾18年。他自二零零二年加入中油中泰燃氣集團投資有限公司（一間公司非全資附屬公司），歷任投資部副經理、財務部經理、總經理助理、副總裁、董事及薪酬與考核委員會主要委員。劉先生於投資及財務管理方面具有豐富經驗。





## Biographical Details of Directors 董事履歷簡介

(continued) (續)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Li Yunlong**, aged 68, was appointed as an independent non-executive Director of the Company on 18 April 2008. He is the chairman of each of the audit committee of the Company (the "Audit Committee") and the Remuneration Committee, and a member of the Nomination Committee. Mr. Li graduated from the Accounting School of Zhongnan University of Economics and Law (中南財經政法大學會計學院) with a Bachelor Degree in Economics. Mr. Li is a registered certified public accountant in the PRC and possesses the qualification of PRC senior auditor. Mr. Li had been working at the National Audit Office of the PRC for over 18 years in various audit departments, and he is currently a partner of Hua Wen CPA Ltd (華聞會計師事務所) in the PRC. He was employed as senior researcher (professor grade) by The Institute of Modern Communication Research, Shandong University. He is also a national financial expert of The Ministry of Science and Technology of the PRC. He is the financial consultant of various companies in the PRC. He has extensive experience in legal, accounting, auditing and finance aspects.

**Mr. Wang Guangtian**, aged 56, was appointed as an independent non-executive Director of the Company on 4 November 2009. He is the chairman of the Nomination Committee, and a member of each of the Audit Committee and the Remuneration Committee of the Company. He holds a master degree in world economics from the Hebei University and has over 35 years of experience in financial and administrative management. He is currently the managing director of Gainful Investment Corporation and Guofu (Hong Kong) Holdings Limited. He was an independent non-executive director of ENN Energy Holdings Limited, a company listed on the Stock Exchange, from December 2000 to May 2015. He was appointed as a managing director of Hebei Overseas Listed Equity Investment Fund Co., Ltd in June 2015.

**Mr. Yang Jie**, aged 56, was appointed as an independent non-executive Director of the Company on 18 May 2017. He is a member of the Audit Committee of the Company. Mr. Yang holds a bachelor degree at University of International Business Economics. Mr. Yang is currently serving as executive director and chief executive officer of MEC Advisory Limited which is the sole advisor of Can-China Global Resource Fund, and executive director of EMC Financial Limited, the general partner of Can-China Global Resource Fund. Mr. Yang has more than 20 years of experience in mining investment and capital operation. He served as a board member of several Canadian listed mining companies and senior adviser of several Chinese companies for their overseas investment. He served as vice chairman of Greater China Mining Group, a director and an executive vice president of Continental Mineral Corp. and senior vice president and partner in Hunter Dickinson Inc. He has participated in corporate financing, mergers and acquisitions for numerous Canadian mining companies.

### 獨立非執行董事

**李雲龍先生**，六十八歲，於二零零八年四月十八日起獲委任為公司獨立非執行董事。他是公司審核委員會(「審核委員會」)及薪酬委員會之各自主席以及提名委員會成員。李先生畢業於中南財經政法大學會計學院，持有經濟學學士學位。李先生是中國註冊執業會計師及擁有中國高級審計師資格。李先生曾經在中國國家審計署多個審計部門工作超過十八年，他現為中國華聞會計師事務所的合夥人。他獲山東大學現代傳播研究所聘請為高級研究員(教授級)，他也是中國科技部創新基金評審之國家級財務專家。他在多間中國公司任財務顧問。他在法律、會計、審計及財務等方面擁有豐富經驗。

**王廣田先生**，五十六歲，於二零零九年十一月四日起獲委任為公司獨立非執行董事。他是公司提名委員會主席以及審核委員會及薪酬委員會之各自成員。他持有河北大學世界經濟學碩士學位，於財務管理及行政管理方面擁有逾三十五年經驗。他現為國富投資集團及國富(香港)控股有限公司董事長。他在二零零零年十二月至二零一五年五月擔任新奧能源控股有限公司(一間於聯交所上市的公司)的獨立非執行董事。王先生於二零一五年六月獲委任為河北境外上市股權投資基金有限公司董事長。

**楊杰先生**，五十六歲，於二零一七年五月十八日獲委任為公司獨立非執行董事。他為審核委員會成員。楊先生畢業於對外經貿大學，獲得學士學位。楊先生目前擔任中國-加拿大自然资源投資合作基金之投資顧問公司MEC Advisory Limited執行董事兼總裁及中國-加拿大自然资源投資合作基金普通合夥人EMC Financial Limited執行董事。楊先生擁有超過二十年的礦產投資和資本運作經驗。他曾擔任多家加拿大上市礦產公司董事和多家中國企業的海外投資顧問。他曾擔任大中華礦業集團副主席，大陸礦業公司董事和行政副總裁，加拿大HDI集團高級副總裁及合夥人。他已參與多家加拿大礦產公司的企業的融資、併購、上市。



## Report of the Directors 董事報告書

The Board is pleased to submit their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in investments in natural gas and energy related businesses.

### RESULTS AND APPROPRIATIONS

The Group's profit for the year ended 31 December 2019 and the state of affairs of the Group as at that date are set out in the consolidated financial statements on pages 64 to 211.

### BUSINESS REVIEW

#### Review of the Company's Business

A review of the business of the Group for the year ended 31 December 2019 and a discussion on the Group's future business development, and also the Group's performance during the year ended 31 December 2019 using the key financial performance indicators are provided in the "Chairman's Statement" and "Management Discussion and Analysis" on pages 10 to 18. No important event affecting the Group has occurred since the end of the year under review.

#### Principal Risks and Uncertainties Facing the Company

The Group's financial conditions, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The following are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those as shown below which are not known to the Group or may not be material now but could turn out to be material in the future.

董事局欣然提呈彼等之報告連同集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

公司之主要業務為投資控股。集團主要從事於天然氣及能源相關業務之投資。

### 業績及分配

集團截至二零一九年十二月三十一日止年度之溢利及集團於當日之業務狀況載於綜合財務報表第64頁至第211頁。

### 業務回顧

#### 公司業務回顧

集團於截至二零一九年十二月三十一日止年度的業務回顧及有關集團未來業務發展的討論以及集團於截至二零一九年十二月三十一日止年度內採用財務表現關鍵指標的表現載於第10至18頁的「主席報告」及「管理層討論及分析」。自回顧年度後概無影響集團之重要事件。

#### 公司面臨的主要風險及不明朗因素

集團的財務狀況、營運業績及業務前景可能受到與集團業務直接或間接相關的若干風險及不明朗因素的影響。以下為集團知悉的主要風險及不明朗因素。除下文所列者外，或會存在集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不明朗因素。





## Report of the Directors 董事報告書

(continued) (續)

### Natural Gas Price Control Risk

The Group is principally engaged in distribution of natural gas in the PRC. The city-gate price of natural gas is determined with reference to the wellhead price and transmission charges. In China, wellhead prices for residential and fertilizer users are fixed, while wellhead prices for industrial and commercial users may vary from the benchmark price set by the PRC National Development and Reform Commission. Piped gas end-user tariffs are determined by local pricing bureaus. There may be risks that the Group is unable to obtain approval for passing through any increase in natural gas price which would deteriorate the Group's profit.

### Foreign exchange risk

The Group's principal business is located in the PRC and Canada and its major transactions are conducted in Renminbi. Most of its assets and liabilities are denominated in Renminbi and Canadian dollars.

The Renminbi is not freely convertible. There is a risk that the Chinese government may take actions affecting exchange rates which may have a material adverse effect on the Group's net assets, earnings and any dividends it declares if such dividend is to be exchanged or converted into foreign exchange. The Group has not entered into any hedging transactions to manage the potential fluctuation in foreign currencies. The Group does not consider that it has any significant exposure to the risk of fluctuation in the exchange rate between HK\$ and RMB.

### Liquidity Risk

Liquidity risk is the potential risk that the Group will be unable to meet its obligations when they fall due because of an inability to obtain adequate funding or liquidate assets. In managing liquidity risk, the Group monitors cash flows and maintains an adequate level of cash and cash equivalents to ensure the ability to finance the Group's operations and reduce the effects of fluctuation in cash flows.

### Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Responsibility for managing operational risks basically rests with every function at divisional and departmental levels.

Key functions in the Group are guided by their standard operating procedures, limits of authority and reporting framework. The management will identify and assess key operational exposures regularly so that appropriate risk response can be taken.

### 天然氣價格控制風險

集團主要從事於中國輸送天然氣。天然氣城市門站價格乃經參考井口價格及輸氣費用釐定。於中國，居民用戶及肥料用戶的井口價格固定，而工商業用戶的井口價格可能與中國國家發展和改革委員會設定的基準價格不一致。管道燃氣終端用戶價格由當地物價局釐定。可能存在集團未能取得提高天然氣價格的批文的風險，此將令集團溢利受損。

### 外匯風險

集團主要業務位於中國及加拿大，而主要交易均以人民幣進行。集團大多數資產及負債均以人民幣及加元計值。

由於人民幣不可自由兌換，集團須承受中國政府可能會採取行動影響匯率的風險，該等行動可能會對集團的資產淨值、盈利以及任何所宣派股息（倘若有關股息須兌換或換算為外匯）構成重大不利影響。集團並無進行任何對沖交易以管理外幣波動的潛在風險。集團認為其所承擔的港元及人民幣之間的匯率波動風險不大。

### 流動資金風險

流動資金風險即是集團由於未能取得充足資金或變現資產，在責任到期時未能履約的可能性風險。管理流動資金風險時，集團監察現金流量，並維持充足之現金及現金等值項目水平，以確保能為集團營運提供資金及降低現金流量波動之影響。

### 營運風險

營運風險指因內部程序、人員或制度不足或缺失，或因外部事件導致之損失風險。管理營運風險之責任基本上由各個功能之分部及部門肩負。

集團之主要功能經由本身之標準營運程序、權限及匯報框架作出指引。管理層將會定期識別及評估主要之營運風險，以便採取適當風險應對。



## Report of the Directors 董事報告書

(continued) (續)

### Environmental Policy and Performance

Both the government and the public continue to pay utmost attention to environmental issues, despite the fact that certain expensive and environment friendly measures were planned and implementation will soon be taken place. Stricter requirements may be put into practice to address these issues.

The environmental, social and governance report of the Company for the year ended 31 December 2019 containing the information required under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") will be published on the Stock Exchange's website and the Company's website within three months after the publication of the Company's 2019 annual report.

### Compliance with the Relevant Laws and Regulations

The Company was incorporated in Bermuda and therefore the Company is subject to The Bermuda Companies Act. In addition, the Company is registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) (the "Companies Ordinance") and therefore is subject to the relevant provisions under the Companies Ordinance.

The Company is listed on the Stock Exchange and therefore the Company is subject to the governance of the Listing Rules, including the disclosure requirements and corporate governance provisions therein. Under the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "SFO"), the Company is required to maintain a register of interests in shares and short positions and a register of directors' and chief executives' interests and short positions and is obliged to make timely disclosure of inside information.

During the year under review, as far as the Board and management are concerned, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on its businesses and operations.

## RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus the Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

### 環保政策及表現

政府及公眾均十分重視環保問題，儘管若干花費巨大的環保措施已計劃並將很快付諸實施。可能實行更嚴苛的規定解決此類問題。

公司截至二零一九年十二月三十一日止年度之環境、社會及管治報告(當中載列香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄27規定之資料)將於公司二零一九年年報刊發後三個月內刊登於聯交所網站及公司網站。

### 遵守相關法律法規

公司於百慕達註冊成立及因此公司須遵守百慕達公司法。此外，公司根據香港法例第622章公司條例(「公司條例」)第16部註冊為非香港公司及因此須遵守公司條例的相關條文。

公司於聯交所上市及因此公司須受上市規則(包括當中的披露規定及企業管治條文)規管。根據香港法例第571章證券及期貨條例(「證券及期貨條例」)，公司須備存股份權益及淡倉登記冊以及董事及主要行政人員之權益及淡倉登記冊，並須及時披露內幕消息。

於回顧年度內，就董事局及管理層所關注，集團概無嚴重違反或不遵守對集團業務及營運產生重大影響的適用法律及法規。

### 與持份者之間的關係

公司認同，僱員是我們的寶貴資產。故此，集團提供具競爭力的薪酬待遇，以吸引並激勵僱員。集團定期檢討僱員的薪酬待遇，並會因應市場標準而作出必要的調整。







## Report of the Directors 董事報告書

(continued) (續)

The Group also understands that it is important to maintain good relationship with business partners and bank enterprises to achieve its long term goals. Accordingly, the management have kept good communication, promptly exchanged ideas and shared business updates with them when appropriate. During the year under review, there was no material and significant dispute between the Group and its business partners or bank enterprises.

### FINAL DIVIDEND

The Board resolved not to recommend the payment of final dividend for the year ended 31 December 2019 (2018: distribution of HK cent 0.40 per share, totalling HK\$23,356,000).

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of the shareholders to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 16 June 2020 ("2020 AGM"), the register of members of the Company will be closed from Wednesday, 10 June 2020 to Tuesday, 16 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2020 AGM, all transfers of shares accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 9 June 2020.

### SUMMARY OF FINANCIAL INFORMATION

A summary of the results and of assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out on page 212. That summary does not form part of the consolidated financial statements.

集團亦明白，與商業夥伴及銀行企業保持良好關係，是其達成長遠目標的重要要素。故此，管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享最新業務資料。於回顧年度內，集團與商業夥伴或銀行企業之間並沒有重大而明顯的糾紛。

### 末期股息

董事局議決不建議就截至二零一九年十二月三十一日止年度派付末期股息(二零一八年：分派每股0.40港仙，合共23,356,000港元)。

### 暫停辦理股份過戶登記

為釐定股東出席公司將於二零二零年六月十六日(星期二)舉行之應屆股東週年大會(「二零二零年股東週年大會」)並於會上投票的資格，公司將於二零二零年六月十日(星期三)至二零二零年六月十六日(星期二)(包括首尾兩日)暫停辦理股份登記手續，期內將不會辦理任何股份過戶登記手續。為符合取得出席二零二零年股東週年大會並於會上投票的資格，所有股份過戶文件連同有關股票須於二零二零年六月九日(星期二)下午四時三十分前送交公司的香港股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室，辦理股份登記手續。

### 財務資料之概覽

集團過往五個財政年度之業績、資產及負債概覽(摘錄自經審核綜合財務報表並再分類(如適合))載於第212頁。該概覽並不構成綜合財務報表之一部分。



# Report of the Directors

## 董事報告書

(continued) (續)

### SEGMENT INFORMATION

An analysis of the Group's revenue and results by operating segments for the year ended 31 December 2019 is set out in note 6 to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

### CHARITABLE DONATIONS

The Group did not make any charitable donations during the year (2018: Nil).

### SHARE CAPITAL

Details of movement in the Company's share capital during the year are set out in note 32(a) to the consolidated financial statements.

### SHARES ISSUED

The Company did not issue any share during the year ended 31 December 2019.

### DEBENTURES ISSUED

In July 2019, the Company issued US\$320 million senior notes (the "Notes") bearing an interest rate of 5.5% per annum due 2023 and further issued in October 2019 an additional US\$30 million. The Company used the net proceeds from the issue of the Notes to repay certain indebtedness including the 2014 senior notes and for general corporate purpose. Details are set out in note 29 to the consolidated financial statements.

### EQUITY-LINKED AGREEMENTS

Save for the share option scheme and the restricted share award scheme of the Group as set out in this Report of the Directors and in note 32(b) and 32(c) to the consolidated financial statements respectively, no equity-linked agreements were entered into by the Group during the year or subsisting at the end of the year.

### 分部資料

集團截至二零一九年十二月三十一日止年度之營業額及按經營分部劃分之業績貢獻分析載於綜合財務報表附註6。

### 物業、廠房及設備

年內，集團物業、廠房及設備之變動之詳情載於綜合財務報表附註16。

### 慈善捐款

年內，集團並無作出任何慈善捐款(二零一八年：無)。

### 股本

有關公司股本年內之變動詳情載於綜合財務報表附註32(a)。

### 股份發行

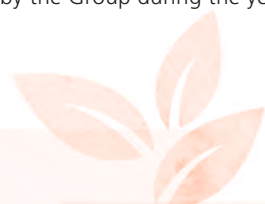
公司於截至二零一九年十二月三十一日止年度概無發行任何股份。

### 債券發行

於二零一九年七月，公司發行於二零二三年到期320,000,000美元的按年利率5.5厘計息的優先票據(「票據」)以及於二零一九年十月進一步發行額外30,000,000美元。公司已將發行票據所得款項淨額用於償還若干債務(包括二零一四年優先票據)及一般公司用途。有關詳情載於綜合財務報表附註29。

### 股票掛鈎協議

除本董事報告書及綜合財務報表內附註32(b)及32(c)分別所載集團的購股權計劃及限制性股份獎勵計劃外，年內，集團概無訂立或於年末仍然有效的股票掛鈎協議。



## Report of the Directors 董事報告書

(continued) (續)

### SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") at the special general meeting of the Company held on 23 November 2011. Pursuant to the Share Option Scheme, the Board may at its discretion offer options to any eligible participant including, but not limited to any person being an employee, executive directors or non-executive directors of the Group or any invested entity (including independent non-executive directors of the Group or any invested entity) and any suppliers, consultants or advisers who will provide or have provided services to the Group or any invested entity. Details of the Share Option Scheme are set out in note 32(b) to the consolidated financial statements.

Details of movements in the share options granted under the Share Option Scheme are as follows:

Name or category of participants	Exercise price	Date of grant	Exercisable period	Outstanding as at 1 January 2019	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding as at 31 December 2019
參與者姓名或類別	行使價 (HK\$) (港元)	授出日期	行使期	於二零一九年一月一日尚未行使	年內授出	年內行使	年內失效	於二零一九年十二月三十一日尚未行使
Director 董事								
Liu Chunsun	0.46	22/01/2016	22/01/2018 to 21/01/2026	1,540,000	—	—	—	1,540,000
劉春筍		二零一六年一月二十二日	二零一八年一月二十二日至二零二六年一月二十一日					
Employees	0.46	22/01/2016	22/01/2018 to 21/01/2026	85,020,000	—	—	—	85,020,000
僱員		二零一六年一月二十二日	二零一八年一月二十二日至二零二六年一月二十一日					
<b>Total</b> 總計				<b>86,560,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>86,560,000</b>

### 購股權計劃

公司在於二零一一年十一月二十三日舉行的公司股東特別大會上採納一項購股權計劃(「購股權計劃」)。根據購股權計劃，董事局可酌情提呈購股權予任何合資格參與者，包括但不限於集團或任何投資實體之僱員、執行董事或非執行董事(包括集團或任何投資實體之獨立非執行董事)，以及任何將會或曾經為集團或任何投資實體提供服務之供應商、諮詢人或顧問。購股權計劃詳情載於綜合財務報表附註32(b)。

根據購股權計劃授出之購股權變動詳情載列如下：



## Report of the Directors 董事報告書

(continued) (續)

Note:

These share options are exercisable in the following manner:

- (i) 30% of the share options are exercisable on 22 January 2018;
- (ii) 30% of the share options are exercisable on 22 January 2019; and
- (iii) 40% of the share options are exercisable on 22 January 2020.

These share options were granted on 22 January 2016, the closing price of the shares on 21 January 2016, being the date immediately before the date of grant, was HK\$0.43. During the year ended 31 December 2019, no share options were granted, cancelled, exercised or lapsed.

### RESTRICTED SHARE AWARD SCHEME

On 4 November 2011, the Board adopted a restricted share award scheme (the "Restricted Share Award Scheme") as an incentive to recognise the contributions by employees and to give incentives in order to retain them for their continuing operation and development and to attract suitable personnel for further development of the Group, details of the Restricted Share Award Scheme are set out in note 32(c) to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws of the Company (the "Bye-Laws") or the laws of Bermuda, 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.

附註：

該等購股權可按下列方式行使：

- (i) 30%的購股權於二零一八年一月二十二日可行使；
- (ii) 30%之購股權於二零一九年一月二十二日可行使；及
- (iii) 40%之購股權於二零二零年一月二十二日可行使。

該等購股權於二零一六年一月二十二日授出，股份於二零一六年一月二十一日(即緊接授出日期前之日)之收市價為0.43港元。於截至二零一九年十二月三十一日止年度，並無購股權獲授出、註銷、行使或失效。

### 限制性股份獎勵計劃

於二零一一年十一月四日，董事局採納限制性股份獎勵計劃(「限制性股份獎勵計劃」)作為獎勵以嘉許僱員之貢獻，並為集團持續經營及發展作為激勵以挽留僱員，並為集團進一步發展吸納合適人才，限制性股份獎勵計劃詳情載於綜合財務報表附註32(c)。

### 優先購買權

公司細則(「細則」)或百慕達(公司註冊成立所在之司法管轄區)法律並無任何規定公司須按比例基準向現有股東發售新股之優先購買權。





## Report of the Directors 董事報告書

(continued) (續)

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2019, the Company repurchased 72,080,000 shares of HK\$0.01 each in the capital of the Company at prices ranging from HK\$0.241 to HK\$0.300 per share on the Stock Exchange. Details of the repurchases are as follows:

Month 月	Number of shares repurchased 購回股份數目	Purchase price per share 每股購買價格		Aggregate purchase consideration (excluding expenses) 總購買代價 (不包括開支) HKD 港元
		Highest 最高 HKD 港元	Lowest 最低 HKD 港元	
September 九月	28,220,000	0.280	0.241	7,201,760.00
October 十月	12,420,000	0.295	0.275	3,579,100.00
November 十一月	31,440,000	0.300	0.260	8,925,800.00
	<u>72,080,000</u>			<u>19,706,660.00</u>

In addition, during the year, the Company, through the trustee of the Restricted Share Award Scheme, purchased from the market 540,000 shares for the purpose of the Restricted Share Award Scheme.

Save as aforesaid, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

### DISTRIBUTABLE RESERVES

As at 31 December 2019, the amount standing to the credit of the Company's share premium account in the amount of HK\$13,208,000 may also be distributed in the form of fully paid bonus shares, and the Company's contributed surplus account in the amount of HK\$1,447,454,000 may be distributed under certain circumstances.

### 購買、贖回或出售公司上市證券

截至二零一九年十二月三十一日止年度，公司以每股0.241港元至0.300港元價格於聯交所購回72,080,000股公司每股面值0.01港元的股份。購回詳情如下：

此外，公司於年內透過限制性股份獎勵計劃的受託人為限制性股份獎勵計劃從市場購入540,000股股份。

除以上所述者外，公司或其任何附屬公司於年內概無購買、出售或贖回公司的任何上市證券。

### 可分派儲備

於二零一九年十二月三十一日，公司股份溢價賬之進賬金額13,208,000港元可按以繳足紅股形式分派，而公司實繳盈餘賬金額1,447,454,000港元在若干情況亦可予以分派。



## Report of the Directors 董事報告書

(continued) (續)

### MAJOR CUSTOMERS AND SUPPLIERS

The percentage of purchases and sales attributable to the Group's major suppliers and customers are as follows:

Purchases	採購
— the largest supplier	— 最大供應商
— five largest suppliers combined	— 五大供應商合計
Turnover	營業額
— the largest customer	— 最大客戶
— five largest customers combined	— 五大客戶合計

None of the Directors or any of their associates (as defined in the Listing Rules) or any shareholders (who, to the knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interests in the Group's five largest customers or five largest suppliers.

### DIRECTORS

The Directors during the year and up to the date of this report are as follows:

#### Executive Directors

Mr. XU Tie-liang (*Chairman and Chief Executive Officer*)  
Ms. GUAN Yijun  
Mr. LIU Chunsun

#### Independent Non-Executive Directors

Mr. LI Yunlong  
Mr. WANG Guangtian  
Mr. YANG Jie

In accordance with Bye-law 87(1) of the Bye-Laws, Mr. Xu Tie-liang and Mr. Yang Jie shall retire from office as Directors by rotation at the 2020 AGM and being eligible, offer themselves for re-election at the 2020 AGM.

### 主要客戶及供應商

集團主要供應商及客戶應佔之採購及銷售額百分比如下：

2019 二零一九年 %	2018 二零一八年 %
--------------------	--------------------

Purchases	採購		
— the largest supplier	— 最大供應商	23.0	32.3
— five largest suppliers combined	— 五大供應商合計	54.4	87.9
Turnover	營業額		
— the largest customer	— 最大客戶	4.1	2.0
— five largest customers combined	— 五大客戶合計	14.0	8.4

概無董事或任何其聯繫人士(定義見上市規則)或任何股東(就董事所知擁有公司股本超逾5%之股東)於集團五大客戶或五大供應商中擁有任何實益權益。

### 董事

於年度內及截至本報告日期之董事如下：

#### 執行董事

許鈇良先生(主席兼行政總裁)  
關懿君女士  
劉春筍先生

#### 獨立非執行董事

李雲龍先生  
王廣田先生  
楊杰先生

根據細則第87(1)條，許鈇良先生及楊杰先生須於二零二零年股東週年大會上輪席退任董事職務，並合資格且願意於二零二零年股東週年大會上膺選連任。





## Report of the Directors 董事報告書

(continued) (續)

### INDEPENDENCE CONFIRMATION

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

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed "SHARE OPTION SCHEME", "RESTRICTED SHARE AWARD SCHEME" and "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in this report and in notes 32(b) and 32(c) to the consolidated financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### DIRECTORS' SERVICE CONTRACTS

Mr. Xu Tie-liang entered into a service contract with the Company 10 April 2017 for a term of three years commencing from 10 April 2017.

None of the Directors who are proposed for re-election at the 2020 AGM has a service contract with the Company which is not determinable 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 Company were entered into or existed during the year.

### DIRECTORS' INTERESTS IN CONTRACTS

No Director had a significant beneficial interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Group or any of its subsidiaries was a party subsisted at 31 December 2019 or at any time during the year ended 31 December 2019.

### 確認獨立性

公司已獲取各獨立非執行董事根據上市規則第3.13條作出之年度獨立性確認函。公司認為所有獨立非執行董事均為獨立人士。

### 董事購入股份或債券之權利

除於本報告「購股權計劃」、「限制性股份獎勵計劃」及「董事及主要行政人員於股份、相關股份及債券之權益」各節以及於綜合財務報表附註32(b)及32(c)內所披露者外，於本年度任何時間內，公司或其任何附屬公司概無作出任何安排，以令董事可藉此於任何其他法團實體中獲取該等權利。

### 董事服務合約

許鈺良先生於二零一七年四月十日與公司訂立服務合約，自二零一七年四月十日起為期三年。

擬於二零二零年股東週年大會上接受重選之董事，概無與公司訂立不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

### 管理合約

於本年度，並無訂立或存在任何與公司業務全部或任何主要部分的管理及行政有關的合約。

### 董事於合約之權益

董事概無於集團或其於二零一九年十二月三十一日或截至二零一九年十二月三十一日止年度任何時間存續的附屬公司作為訂約方參與訂立並對集團之業務構成重大影響之任何交易、安排或合約中直接或間接擁有任何重大實際權益。



## Report of the Directors 董事報告書

(continued) (續)

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 December 2019, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO), which were 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 are taken or deemed to have under such provision of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required to notify to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), are set out below:

#### Interests in shares, underlying shares and debentures of the Company

### 董事及主要行政人員於股份、相 關股份及債券之權益

於二零一九年十二月三十一日，董事及公司之主要行政人員於公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部而須知會公司及聯交所之權益或淡倉(包括根據證券及期貨條例之有關條文而被視作或當作擁有之權益或淡倉)；或根據證券及期貨條例第352條須記錄於該條例所述之登記冊之權益或淡倉；或根據上市發行人董事進行證券交易之標準守則(「標準守則」)而須知會公司及聯交所之權益或淡倉如下：

#### 於公司之股份、相關股份及債券之權益

Name of Director	Capacity	Long position/ short position	Notes	Number of ordinary shares held 持有普通股 數目	Approximate percentage of the Company's issued share capital 佔公司已發行股 本概約百分比	Amount of debentures held 所持債券金額
董事姓名	身份	好倉／淡倉	附註			
XU Tie-liang 許鉄良	Interest in controlled corporations 受控制法團之權益	Long position 好倉	1,2	1,494,634,130	25.92%	US\$3,540,000 3,540,000美元
	Interest in controlled corporations 受控制法團之權益	Long position 好倉	2	—	—	US\$3,500,000 3,500,000美元
GUAN Yijun 關誌君	Interest of spouse 配偶權益	Long position 好倉	1,2	1,494,634,130	25.92%	US\$3,540,000 3,540,000美元
	Interest of spouse 配偶權益	Long position 好倉	2	—	—	US\$1,500,000 1,500,000美元
	Interest of controlled corporation 受控制法團之權益	Long position 好倉	2	—	—	US\$2,000,000 2,000,000美元
LIU Chunsun 劉春筍	Beneficial owner 實益擁有人	Long position 好倉	3	2,200,000	0.04%	—







## Report of the Directors 董事報告書

(continued) (續)

### Notes:

- 353,120,130 ordinary shares and 1,141,514,000 ordinary shares of the Company ("Shares") are held through Sino Advance Holdings Ltd ("Sino Advance") and Sino Vantage Management Limited ("Sino Vantage") respectively, both of which were incorporated in the British Virgin Islands with limited liability and are wholly-owned by Sino Best International Group Limited ("Sino Best") (a company incorporated in the British Virgin Islands with limited liability) which in turn is wholly and beneficially owned by Mr. Xu Tie-liang ("Mr. Xu"). Therefore, Mr. Xu is deemed to be interested in 1,494,634,130 Shares pursuant to the SFO. Ms. Guan Yijun ("Ms. Guan") is the spouse of Mr. Xu, therefore, Ms. Guan is also deemed to be interested in 1,494,634,130 Shares pursuant to the SFO.
- (i) An amount of US\$2,000,000 of the US\$350,000,000 4.625% senior notes of the Company due 2022 (the "2022 Notes") is held through Moral High Limited which is owned by Mr. Xu and Ms. Guan 50% each; (ii) an amount of US\$1,500,000 of the 2022 Notes is held through Sino Advance; and (iii) an amount of US\$3,540,000 of the US\$320,000,000 5.5% senior notes of the Company due 2023 is held through Sino Vantage.
- These 2,200,000 Shares include (i) 660,000 Shares held beneficially by Mr. Liu Chunsun; and (ii) 1,540,000 derivative shares which are derived from the share options granted under the Share Option Scheme adopted by the Company on 23 November 2011, which carrying right to subscribe for 1,540,000 Shares at the exercise price of HK\$0.46 per share.

Save as disclosed above, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company which were recorded on the register required to be kept under section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code as at 31 December 2019.

### 附註：

- 透過Sino Advance Holdings Ltd (「Sino Advance」)及Sino Vantage Management Limited (「Sino Vantage」)(該兩間公司均為在英屬維爾京群島註冊成立的有限公司並由中泰國際集團有限公司(「中泰國際」)(在英屬維爾京群島註冊成立的有限公司)全資擁有，而中泰國際則由許鉄良先生(「許先生」)全資及實益擁有)持有公司353,120,130股普通股及1,141,514,000股普通股(「股份」)。因此，根據證券及期貨條例，許先生被視為於1,494,634,130股股份中持有權益。關懿君女士(「關女士」)為許先生之配偶，因此，根據證券及期貨條例，關女士亦被視為於1,494,634,130股股份中持有權益。
- (i)公司350,000,000美元於二零二二年到期之4.625厘優先票據(「二零二二年票據」)中2,000,000美元乃透過德高有限公司(由許先生及關女士分別擁有50%)持有；(ii)1,500,000美元之二零二二年票據透過Sino Advance持有；及(iii)公司320,000,000美元於二零二三年到期之5.5厘優先票據中3,540,000美元透過Sino Vantage持有。
- 該等2,200,000股股份包括(i)由劉春筍先生實益持有的660,000股股份；及(ii)來自根據公司於二零一一年十一月二十三日採納的購股權計劃授出購股權的1,540,000股衍生股份，其附帶可以每股0.46港元的行使價認購1,540,000股股份的權利。

除上文所披露者外，於二零一九年十二月三十一日，董事或公司之主要行政人員概無於公司股份、相關股份或債券中擁有記錄於根據證券及期貨條例第352條規定須予存置之登記冊，或根據標準守則知會公司及聯交所之任何權益或淡倉。



## Report of the Directors 董事報告書

(continued) (續)

### SUBSTANTIAL SHAREHOLDERS

At 31 December 2019, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO showed that other than the interests disclosed above in respect of certain Directors and chief executives, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

#### Interests in the shares and underlying shares of the Company

Name of shareholder 股東姓名／名稱	Capacity 身份	Long position/ short position 好倉／淡倉	Number of ordinary shares held 持有普通股 數目	Approximate percentage of the Company's issued share capital 佔公司已發行 股本概約百分比
Sino Advance Sino Advance	Beneficial owner 實益擁有人	Long position 好倉	353,120,130	6.13%
Sino Vantage Sino Vantage	Beneficial owner 實益擁有人	Long position 好倉	1,141,514,000	19.79%
Sino Best 中泰國際	Interest in controlled corporations 受控制法團之權益	Long position 好倉	1,494,634,130	25.92%

Note:

Sino Advance and Sino Vantage are wholly-owned by Sino Best which in turn is wholly and beneficially owned by Mr. Xu.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 31 December 2019.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Company confirmed that all Directors have complied with the required standards set out in the Model Code throughout the year.

### 主要股東

於二零一九年十二月三十一日，根據證券及期貨條例第336條由公司存置之主要股東登記名冊顯示，除上文所披露若干董事及主要行政人員之權益外，以下股東已通知公司其於公司已發行股本中之相關權益：

#### 於公司股份及相關股份之權益

Long position/ short position 好倉／淡倉	Number of ordinary shares held 持有普通股 數目	Approximate percentage of the Company's issued share capital 佔公司已發行 股本概約百分比
Long position 好倉	353,120,130	6.13%
Long position 好倉	1,141,514,000	19.79%
Long position 好倉	1,494,634,130	25.92%

附註：

Sino Advance及Sino Vantage由中泰國際全資擁有，而中泰國際則由許先生全資及實益擁有。

除上文所披露者外，於二零一九年十二月三十一日，概無其他人士於公司的股份或相關股份中擁有須記錄於根據證券及期貨條例第336條規定須存置之登記冊的任何權益或淡倉。

### 董事進行證券交易之標準守則

公司已採納標準守則作為董事進行證券交易之操守守則。公司向所有董事進行特定查詢後確認，彼等於整個年度內一直遵守標準守則所載之規定標準。





## Report of the Directors 董事報告書

(continued) (續)

### PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance when the Report of the Board of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

### CONNECTED TRANSACTION

#### Exempt continuing connected transaction

The following continuing connected transaction constitutes an exempt continuing connected transaction for the Company under Chapter 14A of the Listing Rules:

#### Appointment of Trustee for Restricted Share Award Scheme

The Trustee (Note) was appointed by the Company as trustee for the administration of the Restricted Share Award Scheme adopted by the Board on 4 November 2011. Service fee will be paid by the Company to the Trustee according to the share award trust deed entered into between the Company and the Trustee on 4 November 2011. The payment of the service fees to the Trustee by the Company constitutes a continuing connected transaction of the Company, but is exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.76(1) of the Listing Rules.

HK\$200,000 was paid/payable to the Trustee for the financial year ended 31 December 2019.

Note:

Best Thinker Limited (the "Trustee"), a company wholly-owned by Mr. Xu Tie-liang, an executive Director, the Chairman and the Chief Executive Officer of the Company, is regarded as a connected person of the Company.

### RELATED PARTY TRANSACTION

During the year ended 31 December 2019, the Group had entered into certain related party transactions but these transactions were not regarded as connected transactions or continuing connected transactions under the Listing Rules or were exempt from reporting, announcement and shareholders' approval requirements under the Listing Rules. Details of these related party transactions are disclosed in note 37 to the consolidated financial statements.

### 獲准許之彌償條文

公司已為董事及高級管理人員安排合適保險，以涵蓋彼等因企業活動而招致法律行動所產生之責任。倘由董事編製之董事局報告按照公司條例第391(1)(a)條獲批准，則以董事為受益人獲准許之彌償條文已按照公司條例第470條之規定生效。

### 關連交易

#### 豁免持續關連交易

根據上市規則第14A章，下列持續關連交易構成公司的豁免持續關連交易：

#### 委任限制性股份獎勵計劃的受託人

受託人(附註)已獲公司委任為受託人，管理董事局於二零一一年十一月四日採納之限制性股份獎勵計劃。根據公司與受託人於二零一一年十一月四日訂立之股份獎勵信託契據，公司須支付予受託人服務費。公司向受託人支付服務費構成公司之持續關連交易，惟獲豁免遵守上市規則第14A.76(1)條項下之申報、年度回顧、公佈及獨立股東批准規定。

截至二零一九年十二月三十一日止財政年度，支付／應付受託人200,000港元。

附註：

Best Thinker Limited(「受託人」)為公司執行董事、主席兼行政總裁許銜良先生全資擁有之公司，故為公司之關連人士。

### 關連人士交易

截至二零一九年十二月三十一日止年度，集團已進行若干關連人士交易，惟該等交易不視為上市規則項下之關連交易或持續關連交易，或獲豁免遵守上市規則項下之申報、公佈及股東批准規定。有關該等關連人士交易的詳情披露於綜合財務報表附註37。



## Report of the Directors 董事報告書

(continued) (續)

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as required under the Listing Rules during the year and up to the date of this report.

### CORPORATE GOVERNANCE

A report on the principle corporate governance practices adopted by the Company is set out on pages 37 to 54 of the annual report.

### AUDIT COMMITTEE

The Company established the Audit Committee in 1998 with written terms of reference in compliance with the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (the "CG Code"), which is currently made available on the Stock Exchange's website and the Company's website.

The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor; to approve the remuneration and terms of engagement of the external auditor, to provide recommendations for any questions regarding the resignation or dismissal of such auditor; to review the interim and annual reports, and financial statements of the Group; to oversee the Company's financial reporting system including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget, and to review the risk management and internal control system.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Li Yunlong (as chairman), Mr. Wang Guangtian and Mr. Yang Jie. The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 December 2019.

### 公眾持股量

根據公司可以得悉、而董事亦知悉之公開資料，公司根據上市規則規定於年內並直至本報告日期已維持足夠之公眾持股量。

### 企業管治

有關公司所採納之主要企業管治常規之報告，載於年報第37頁至第54頁。

### 審核委員會

公司於一九九八年成立審核委員會，並遵照上市規則附錄十四中企業管治守則（「企業管治守則」）訂立書面職權範圍，有關職權範圍目前可於聯交所網站及公司網站查閱。

審核委員會主要負責就委任、重新委任及罷免外聘核數師、批准外聘核數師之酬金及委聘條款以及有關核數師罷免或被辭退之任何問題向董事局提供推薦建議；審閱集團中期及年度報告與財務報表；及監察公司之財務申報制度（包括資源充裕度、負責公司財務申報職能的員工之資格及經驗以及其培訓安排及預算）與檢討風險管理及內部監控系統。

審核委員會現由三名獨立非執行董事李雲龍先生（擔任主席）、王廣田先生及楊杰先生組成。審核委員會已審閱集團截至二零一九年十二月三十一日止年度的經審核財務報表。





## Report of the Directors 董事報告書

(continued) (續)

### AUDITOR

There was no change in auditor of the Company in the past three years.

A resolution will be submitted to the 2020 AGM to re-appoint PricewaterhouseCoopers as auditor of the Company.

On behalf of the Board  
**China Oil And Gas Group Limited**  
**Xu Tie-liang**  
*Chairman*

Hong Kong, 27 March 2020

### 核數師

公司之核數師於過往三年概無變動。

於二零二零年股東週年大會上將提呈一項決議案，續聘羅兵咸永道會計師事務所為公司核數師。

代表董事局  
中油燃氣集團有限公司  
主席  
許鈇良

香港，二零二零年三月二十七日





## Corporate Governance Report 企業管治報告

The Company is committed to maintain good corporate governance standard and procedures to ensure the integrity, transparency and quality of disclosure in order to enhance the shareholders' value.

### CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the CG Code as its own code of corporate governance.

During the year ended 31 December 2019, the Company was in compliance with the relevant code provisions set out in the CG Code except for the deviations as explained below.

Code provision A.2.1 of the CG Code provides that the responsibilities between chairman and chief executive officer should be divided. Mr. Xu Tieliang is the Chairman and the Chief Executive Officer of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by current Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

Code provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive Directors are not appointed for a specific term, but they are subject to retirement from office by rotation at least once every three years in accordance with the Bye-Laws.

Code provision D.1.4 of the CG Code requires directors should clearly understand delegation arrangements in place, therefore that the Company should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for Directors (except for Mr. Xu Tieliang). However, the Directors shall be subject to retirement by rotation in accordance with the Bye-Laws. In addition, the Directors are required to refer to the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Non-executive Directors" (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors. Besides, the Directors are required to comply with the requirements under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

公司致力維持優秀企業管治標準及程序，以確保披露事項之完整性、透明度及質素，從而提高股東價值。

### 企業管治常規

公司已採納企業管治守則所載之守則條文，作為其本身企業管治守則。

截至二零一九年十二月三十一日止年度內，公司遵守企業管治守則所載之相關守則條文，惟有所偏離守則條文說明如下。

企業管治守則之守則條文第A.2.1條訂明主席及行政總裁之職責須有所區分。許鈺良先生為公司主席兼行政總裁。董事局相信，集團由同一名人士同時擔任主席及行政總裁兩個職位，可確保集團貫徹重大決策之領導，更有效能及效率實現集團之整體策略。董事局相信現時之安排不會損害職權及授權兩者間之平衡，而現時由經驗豐富及高素質之人才(其中有充足人數擔任獨立非執行董事)組成之董事局亦能確保此平衡。

企業管治守則之守則條文第A.4.1條規定非執行董事應有特定任期及須膺選連任。獨立非執行董事均無特定任期，惟彼等須至少每三年一次按照細則輪值告退。

企業管治守則之守則條文第D.1.4規定，董事應清晰了解授權安排，因此公司應有正式的董事委任書，訂明有關委任的主要條款及條件。公司並無正式董事委任書(許鈺良先生除外)。然而，董事須按照細則輪值告退。此外，於履行其董事職責及責任時，董事須參照公司註冊處發出的「董事責任指引」以及香港董事學會頒佈的「董事指引」及「獨立非執行董事指南」(如適用)內所列各項指引。另外，董事須遵守法規及普通法、上市規則、法律及其他監管規定以及公司的業務及管治政策下的規定。





## Corporate Governance Report 企業管治報告

(continued) (續)

Save as the aforesaid and in the opinion of the Directors, the Company has met the relevant code provisions as set out in the CG Code during the year ended 31 December 2019.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year.

### BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company, and is responsible for setting up the overall strategy as well as reviewing the operation and financial performance of the Group. The Board reserved for its decision or consideration matters covering overall Group strategy, major acquisitions and disposals, annual budgets, annual and interim results, approval of major capital transactions and other significant operational and financial matters. The management was delegated the authority and responsibility by the Board for the daily management of the Group. In addition, the Board has also delegated various responsibilities to the Board committees. Further details of these committees are set out in this report.

The Board currently consists of six Directors including three executive Directors and three independent non-executive Directors:

#### Executive Directors

Mr. XU Tie-liang (*Chairman and Chief Executive Officer*)

Ms. GUAN Yijun

Mr. LIU Chunsun

#### Independent Non-Executive Directors

Mr. LI Yunlong

Mr. WANG Guangtian

Mr. YANG Jie

Save for Ms. Guan Yijun is the spouse of Mr. Xu Tie-liang, the Board members have no financial, business, family or other material/relevant relationships with each other. Such balanced Board composition is formed to ensure strong independence exists across the Board. The composition of the Board reflects the balanced skills and experience for effective leadership.

The biographical information of the Directors are set out on pages 19 to 20 under the section headed "Biographical Details of Directors".

除以上所述外，董事認為，公司已於截至二零一九年十二月三十一日止年度符合企業管治守則所載之相關守則條文。

### 董事之證券交易

公司已採納標準守則所載有關董事進行證券交易的操守準則。經對全體董事作出具體查詢，公司確認，全體董事於整個年度內一直遵守標準守則所載規定標準。

### 董事局

董事局負責領導及控制公司，並負責制定整體策略以及查核集團的經營及財務表現。董事局保留其決定權或斟酌權的事項包括集團整體策略、重大收購及出售、年度預算、年度及中期業績、批准重大資本交易以及其他重大經營及財務事宜。董事局授予管理層負責集團日常管理之職權及職責。此外，董事局亦授權董事局委員會履行多項職責。此等委員會之進一步詳情載於本報告內。

董事局現時由六名董事組成，包括三名執行董事及三名獨立非執行董事：

#### 執行董事

許鈺良先生 (*主席兼行政總裁*)

關懿君女士

劉春筍先生

#### 獨立非執行董事

李雲龍先生

王廣田先生

楊杰先生

除關懿君女士為許鈺良先生之配偶外，董事局成員間概無財務、業務、家屬或其他重大／相關關係。董事局之組成平衡，以確保董事局之高度獨立性。董事局之組成反映均稱技能及經驗以便有效作出領導。

董事之履歷資料載於第19至20頁「董事履歷簡介」一節。



# Corporate Governance Report 企業管治報告

(continued) (續)

The Board decides on corporate strategies, approves overall business plans and evaluates the Group's financial performance and management. Specific tasks that the Board delegates to the Group's management include the implementation of strategies approved by the Board, the monitoring of operating budgets, the implementation of internal controls procedures, and the ensuring of compliance with relevant statutory requirements and other rules and regulations.

## Directors' Training

According to the code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

All Directors have participated in continuous professional development and provided a record of training they received for the financial year ended 31 December 2019 to the Company.

The individual training record of each Director received for the year ended 31 December 2019 is set out below:

### Name of Director

#### 董事姓名

Mr. XU Tie-liang  
Ms. GUAN Yijun  
Mr. LIU Chunsun  
Mr. LI Yunlong  
Mr. WANG Guangtian  
Mr. YANG Jie

許鉄良先生  
關懿君女士  
劉春笋先生  
李雲龍先生  
王廣田先生  
楊杰先生

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## Chairman and Chief Executive Officer

The Company does not have a separate chairman and chief executive officer, and Mr. Xu Tie-liang currently performs these two roles. The Board believes that by taking the roles of both Chairman and Chief Executive Officer in the same person, it has the benefit of maintaining a consistent leadership and enables a more effective and efficient overall strategic planning within the Group. The Board believes that the present arrangement will not impair its balance of power and authority, and this is ensured by current Board members, which comprise experienced and high calibre individuals with sufficient number of independent non-executive Directors.

董事局負責決定企業策略、批准整體業務計劃及評估集團之財務表現和管理層。董事局授權集團管理層之特定工作包括推行董事局批准之策略、監察營運預算、實行內部監控程序及確保符合有關法定規定及其他規則與規例。

## 董事之培訓

根據企業管治守則之守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事局作出貢獻。

全體董事均已參加持續專業培訓，並向公司提供其於截至二零一九年十二月三十一日止財政年度所接受培訓的記錄。

截至二零一九年十二月三十一日止年度所接獲各董事之個別培訓記錄載列如下：

### Attending or participating in seminars/ inhouse briefing or reading materials relevant to the Group's business/ director's duties

出席或參與與集團業務/  
董事職責相關之講座/  
內部簡報會或閱讀相關材料

## 主席及行政總裁

公司沒有區別主席及行政總裁之職務，許鉄良先生現時兼任兩職。董事局相信，由同一名人士同時擔任主席及行政總裁兩個職位，可確保貫徹重大決策之領導，更有效能及效率實現集團之整體策略。董事局相信現時之安排不會損害職權及授權兩者間之平衡，而現時由經驗豐富及高素質之人才(其中有充足人數擔任獨立非執行董事)組成之董事局亦能確保此平衡。





# Corporate Governance Report

## 企業管治報告

(continued) (續)

### Non-executive Directors

The three independent non-executive Directors are high caliber individuals, with academic and professional qualifications and experience in the fields of accounting, finance and investment. With their accumulated experience gained from various sectors, they can provide strong support towards the Board's effective discharge of the duties and responsibilities. Each independent non-executive Director has given an annual confirmation of his independence to the Company, and the Company considered that each of them is independent based on the independence guidelines set out in Rule 3.13 of the Listing Rules. The independent non-executive Directors are not appointed for specific term, but are subject to retirement by rotation in accordance with the Bye-Laws.

### Board Diversity Policy

The Board has adopted a Board Diversity Policy on 26 August 2013 (the "Policy") which sets out the approach to achieve its diversity. The Company recognises that increasing diversity at Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve Board diversity through the consideration of a number of factors, including, but not limited, to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimum composition of the Board.

The Board delegates certain duties to the Nomination Committee under the Policy. The Nomination Committee will discuss and review the necessity to set measurable objectives for the implementation of the Policy from time to time, to ensure their appropriateness and the progress made towards these objectives are achievable and ascertainable.

The Nomination Committee will review the Policy, as appropriate, to ensure its continued effectiveness from time to time.

### Board Meetings

The Board has four scheduled meetings held quarterly each year, and additional meetings will take place as and when required. These Board meetings are planned in advance. During the regular meeting, the Board examines the Company's operation and financial performance, reviews and approves its annual and interim results.

### 非執行董事

三名獨立非執行董事均為幹練人才，持有會計、財務及投資領域的學術及專業資格以及經驗。彼等於各行業累積之經驗，可為有效履行董事局之職務及職責提供強大支援。各獨立非執行董事已就其獨立身份向公司發出年度確認書，而公司已根據上市規則第3.13條所載獨立指引認為彼等各自屬獨立人士。獨立非執行董事並無特定任期，惟須按照細則輪席告退。

### 董事局成員多元化政策

董事局於二零一三年八月二十六日採納董事局成員多元化政策（「政策」），該政策載列達致成員多元化的方法。公司知悉董事局層面日益多元化將為達成公司策略目標及可持續發展提供支持。公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限，務求達致董事局成員多元化。公司決定董事局最佳成員組合時，亦將不時考慮其本身業務模式及具體需要。

董事局根據政策向提名委員會授予若干職權。提名委員會將就執行政策不時討論及檢討可計量目標，以確保其合適及確定可達成及可確定的該等目標的進度。

提名委員會將審閱政策，確保其不時持續有效（視適用情況而定）。

### 董事局會議

董事局每年舉行四次會議，每季一次，並會於有需要時舉行額外會議。該等董事局會議之議定舉行日期會預先進行規劃。於定期會議上，董事局審查公司之經營及財務表現、審閱及批准年度及中期業績。



# Corporate Governance Report

## 企業管治報告

(continued) (續)

During the year ended 31 December 2019, the Board held 8 meetings. All Directors were given opportunities to include any matters in the agenda for the regular Board meetings, and were given sufficient time to review documents and information relating to matters to be discussed in the Board meetings.

截至二零一九年十二月三十一日止年度，董事局曾舉行8次會議。所有董事均有機會把任何議題納入董事局定期會議議程內，並獲提供充分時間審閱於董事局會議將予討論之事宜有關之文件和資料。

Name of Director 董事姓名		Number of attendance 出席會議次數
Mr. XU Tie-liang (Chairman and Chief Executive Officer)	許鉄良先生 (主席兼行政總裁)	8/8
Ms. GUAN Yijun	關懿君女士	8/8
Mr. LIU Chunsun	劉春筍先生	8/8
Mr. LI Yunlong	李雲龍先生	8/8
Mr. WANG Guangtian	王廣田先生	8/8
Mr. YANG Jie	楊杰先生	8/8

Board minutes are open for inspection by the Directors. Every Board member is entitled to have access to Board papers and related materials and unrestricted access to the advice and services of the Company Secretary, and has the liberty to seek external professional advice if so required.

董事局會議記錄可供董事查閱。每名董事局成員均有權查閱董事局文件及相關資料，亦可在不受限制下取得公司秘書之意見及服務，並可於需要時尋求外界專業意見。

### General Meeting

During the year ended 31 December 2019, the Company held 1 general meeting, being the annual general meeting of the Company held on 29 May 2019 (the "2019 AGM").

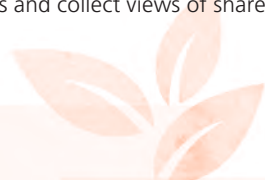
### 股東大會

截至二零一九年十二月三十一日止年度，公司於二零一九年五月二十九日舉行1次股東大會，即公司股東週年大會（「二零一九年股東週年大會」）。

Name of Director 董事姓名		Number of attendance 出席會議次數
Mr. XU Tie-liang (Chairman and Chief Executive Officer)	許鉄良先生 (主席兼行政總裁)	1/1
Ms. GUAN Yijun	關懿君女士	1/1
Mr. LIU Chunsun	劉春筍先生	1/1
Mr. LI Yunlong	李雲龍先生	1/1
Mr. WANG Guangtian	王廣田先生	0/1
Mr. YANG Jie	楊杰先生	1/1

The Board is responsible for maintaining an on-going dialogue with the shareholders and in particular, making use of the annual general meetings or other general meetings to communicate with them and encourage their participation. Mr. Xu Tie-liang, being the Chairman of the Board and the chairman of the CG Committee, Mr. Li Yunlong, being the chairman of each of the Audit Committee and Remuneration Committee, attended the 2019 AGM to answer questions and collect views of shareholders.

董事局負責保持與股東持續對話，尤其是利用股東週年大會或其他股東大會與股東溝通並鼓勵股東參與。董事局主席以及企業管治委員會主席許鉄良先生、審核委員會及薪酬委員會各自之主席李雲龍先生出席了二零一九年股東週年大會，回答股東提問並收集股東意見。





## Corporate Governance Report 企業管治報告

(continued) (續)

### NOMINATION COMMITTEE

In considering the nomination of new Directors, the Board takes into account the qualification, ability, working experience, leadership and professional ethics of the candidates, especially their experience in the natural gas industry and/or other professional area.

The Company established the Nomination Committee on 15 March 2006 and currently consists of two independent non-executive Directors, namely Mr. Wang Guangtian (as chairman) and Mr. Li Yunlong and one executive Director, namely Mr. Liu Chunsun.

The terms of reference of the Nomination Committee are currently made available on the Stock Exchange's website and the Company's website.

Terms of reference of the Nomination Committee are aligned with the code provisions set out in the CG Code.

The functions of the Nomination Committee are to review and monitor the structure, size and diversity of the Board; to provide recommendations on any proposed changes to the Board in order to complement the Group's strategy; to identify qualified individuals in becoming members of the Board; to assess the independence of independent non-executive directors; to review the measurable objectives that the Board has set for implementing the Policy, and the progress on achieving the objectives; and to provide recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer.

To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

### 提名委員會

於考慮提名新董事時，董事局將考慮候選人士之資歷、才能、工作經驗、領導能力及專業操守，特別是彼等於天然氣行業及／或其他專業範疇之經驗。

公司已於二零零六年三月十五日成立提名委員會，現由兩名獨立非執行董事王廣田先生(擔任主席)及李雲龍先生，以及一名執行董事劉春筍先生組成。

提名委員會的職權範圍現可於聯交所網站及公司網站查閱。

提名委員會的職權範圍符合企業管治守則內所載的守則條文。

提名委員會之職能為檢討及監控董事局之架構、規模及成員多元化，並就董事局的任何建議變動提供推薦建議以對集團策略作出補充；物色合資格人選出任董事局成員；評估獨立非執行董事之獨立身份；檢討董事局執行政策設定之可計量目標及達致目標之進程以及就委任或重新委任董事以及董事繼任計劃(尤其是主席及行政總裁)向董事局提供推薦建議。

為確保董事局組成人員的變動不會帶來不適當的干擾，公司應設有正式、經審慎考慮並具透明度的董事甄選、委任及重新委任程序，並設定有秩序的董事繼任計劃(如認為有需要)，包括定期檢討此類計劃。委任新董事(作為新增董事或填補所出現的臨時空缺)或重新委任任何董事乃經提名委員會推薦建議候選人後由董事局作出決定。



## Corporate Governance Report 企業管治報告

(continued) (續)

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:

- (a) participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
- (b) taking the lead where potential conflicts of interests arise;
- (c) serving on the Audit Committee, and the Remuneration Committee and the Nomination Committee (in the case of candidate for nonexecutive Director) and other relevant Board committees, if invited;
- (d) bringing a range of business and financial experience to the Board, giving the Board and any committees on which he or she serves the benefit of his or her skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/committee meetings;
- (e) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;
- (f) ensuring the Committees on which he or she serves to perform their powers and functions conferred on them by the Board; and
- (g) conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate.

If the candidate is proposed to be appointed as an independent non-executive Director, his or her independence shall be assessed in accordance with, among other things, the factors as set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time. Where applicable, the totality of the candidate's education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an independent non-executive Director with such qualifications or expertise as required under Rule 3.10(2) of the Listing Rules.

用於考慮候選人士是否符合資格的標準，應視乎候選人士是否能投入足夠時間及精神以處理公司事務，並促進董事局成員多元化，使董事局能有效履行其職責，尤其是下文所載各項：

- (a) 參與董事局會議為策略、政策、表現、職責、資源、主要委任及操守準則等事項作出獨立判斷；
- (b) 於發生潛在利益衝突時發揮領導作用；
- (c) 服務於審核委員會、薪酬委員會及提名委員會(如為非執行董事候選人士)以及其他相關董事局轄下之委員會(如獲邀請)；
- (d) 為董事局引入一系列營商及財務經驗，透過出席及參與董事局／委員會會議，而使彼所服務的董事局及任何委員會受惠於其技能、專長、各種背景及資格以及成員多元化；
- (e) 監察公司在達致議定之企業宗旨及目標方面的表現及監督相關表現的申報情況；
- (f) 確保彼所服務的委員會履行董事局授予的權力及職能；及
- (g) 遵守董事局不時訂定，或公司憲章文件不時所載，或法例或上市規則不時訂立的任何規定、指示及規例(如適用)。

倘建議委任候選人士為獨立非執行董事，則須根據(其中包括)上市規則第3.13條(經聯交所可能不時作出任何修訂)所載的因素評估其獨立性。倘適用，則亦須評估該候選人士的學歷、資格及經驗等整體情況，以考慮彼是否具備合適的專業資格或會計或相關財務管理專長(即上市規則第3.10(2)條所規定的相關資格或專長)以擔任獨立非執行董事。





## Corporate Governance Report 企業管治報告

(continued) (續)

During the year ended 31 December 2019, the Nomination Committee held 1 meeting. The Nomination Committee reviewed the structure, size and diversity of the Board, assessed the independence of independent non-executive Directors, considered and provided recommendations to the Board on the re-election of Directors and the proposed appointment of Director.

截至二零一九年十二月三十一日止年度，提名委員會曾舉行1次會議。提名委員會檢討董事局結構、規模及多元化，評估獨立非執行董事之獨立身份、考慮董事重選及建議委任董事事宜並就此向董事局提出推薦建議。

Name of Director 董事姓名		Number of attendance 出席會議次數
Mr. WANG Guangtian (Chairman)	王廣田先生(主席)	1/1
Mr. LI Yunlong	李雲龍先生	1/1
Mr. LIU Chunsun	劉春筍先生	1/1

### REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 13 January 2006 with written terms of reference and currently consists of two independent non-executive Directors, namely Mr. Li Yunlong (as chairman) and Mr. Wang Guangtian, and one executive Director, namely Ms. Guan Yijun.

The terms of reference of the Remuneration Committee are currently made available on the Stock Exchange's website and the Company's website.

Terms of reference of the Remuneration Committee are aligned with the code provisions set out in the CG Code.

The functions of the Remuneration Committee are to provide recommendations to the Board on the Company's remuneration policy, the remuneration packages for all Directors' and senior management, and the establishment of a formal and transparent procedure for formulating the remuneration policy.

During the year ended 31 December 2019, the Remuneration Committee held 1 meeting. The Committee reviewed the remuneration packages of the Directors and senior management.

### 薪酬委員會

公司已於二零零六年一月十三日成立薪酬委員會，並訂定書面職權範圍。薪酬委員會現由兩名獨立非執行董事李雲龍先生(擔任主席)及王廣田先生，以及一名執行董事關懿君女士組成。

薪酬委員會的職權範圍現可於聯交所網站及公司網站查閱。

薪酬委員會的職權範圍符合企業管治守則內所載的守則條文。

薪酬委員會的職能為就公司薪酬政策、全體董事及高級管理層的薪酬待遇以及就設立制定薪酬政策的正式及透明程序向董事局提供推薦建議。

截至二零一九年十二月三十一日止年度，薪酬委員會曾舉行1次會議。委員會檢討董事及高級管理層之薪酬待遇。



# Corporate Governance Report

## 企業管治報告

(continued) (續)

Name of Director 董事姓名		Number of attendance 出席會議次數
Mr. Li Yunlong (Chairman)	李雲龍先生(主席)	1/1
Mr. WANG Guangtian	王廣田先生	1/1
Ms. GUAN Yijun	關懿君女士	1/1

The Company has adopted the Share Option Scheme on 23 November 2011. The purpose of the Share Option Scheme is to enable the Board to grant options to selected eligible participants as incentives or rewards, for their contributions to the Group. The Board has also adopted the Restricted Share Award Scheme on 4 November 2011 as an incentive to recognise the employees' contributions, in order to retain them for the Group's continuing operation and development, and to attract suitable personnel for its further development.

Details of the Share Option Scheme and the Restricted Share Award Scheme are set out in note 32 to the consolidated financial statements.

The emolument payable to Directors and senior management will depend on their respective contractual terms under the employment agreements, if any, and is determined by the Board with reference to the recommendation of the Remuneration Committee, the performance of the Group and the prevailing market conditions.

The remuneration of the Directors and senior management of the Company for the year ended 31 December 2019, by bands is set out in note (11(b) to the consolidated financial statements.

Details of the remuneration of the Directors and senior management for the year ended 31 December 2019 are also set out in notes 12 and 11 to the consolidated financial statements.

### AUDIT COMMITTEE

The Company established the Audit Committee in 1998. The Audit Committee comprises three independent non-executive Directors, namely Mr. Li Yunlong (as chairman), Mr. Wang Guangtian and Mr. Yang Jie.

The terms of reference of the Audit Committee are currently made available on the Stock Exchange's website and the Company's website.

公司於二零一一年十一月二十三日採納購股權計劃。購股權計劃旨在讓董事局向選定合資格參與人士授出購股權，作為彼等對集團所作貢獻之激勵及獎勵。董事局亦於二零一一年十一月四日採納限制性股份獎勵計劃作為獎勵以嘉許僱員之貢獻，並為集團持續經營及發展作為激勵以挽留僱員，並為集團進一步發展吸納合適人才。

購股權計劃及限制性股份獎勵計劃詳情載於綜合財務報表附註32。

董事及高級管理層應獲支付之酬金取決於彼等各自於僱傭協議(如有)下的合約條款，並由董事局根據薪酬委員會之推薦建議、集團表現及現行市況釐定。

截至二零一九年十二月三十一日止年度，公司董事及高級管理層按薪酬組別劃分之酬金載於綜合財務報表附註11(b)。

截至二零一九年十二月三十一日止年度，董事及高級管理層之酬金詳情亦載於綜合財務報表附註12及11。

### 審核委員會

公司於一九九八年成立審核委員會。審核委員會現由三名獨立非執行董事李雲龍先生(擔任主席)、王廣田先生及楊杰先生組成。

審核委員會的職權範圍現可於聯交所網站及公司網站查閱。





## Corporate Governance Report 企業管治報告

(continued) (續)

Terms of reference of the Audit Committee are aligned with the code provisions set out in the CG Code.

The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor; to approve the remuneration and terms of engagement of the external auditor, to provide recommendations for any questions regarding the resignation or dismissal of such auditor; to review the interim and annual reports, and financial statements of the Group; to oversee the Company's financial reporting system including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget, and to review the risk management and internal control system.

The Audit Committee meets the external auditor regularly to discuss any area of concern during the audit. The Audit Committee reviews the interim and annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices, but also on the compliance with accounting standards, the Listing Rules and the legal requirements in the review of the Company's interim and annual reports.

During the year ended 31 December 2019, the Audit Committee held 2 meetings.

### Name of Director

董事姓名

### Number of attendance

出席會議次數

Mr. Li Yunlong ( <i>Chairman</i> )	李雲龍先生 ( <i>主席</i> )	2/2
Mr. WANG Guangtian	王廣田先生	2/2
Mr. YANG Jie	楊杰先生	2/2

During the year ended 31 December 2019, the Audit Committee reviewed the 2018 annual results and 2019 interim results of the Group, and were in the opinion that the preparation of such results complied with the applicable accounting standards and the Listing Rules.

The Audit Committee noted the existing risk management and internal control systems of the Group and also noted that review of the same will be carried out annually.

審核委員會的職權範圍符合企業管治守則內所載的守則條文。

審核委員會主要負責就委任、重新委任及罷免外聘核數師及批准外聘核數師之酬金及委聘條款以及有關核數師罷免或被辭退之任何問題向董事局提供推薦建議；審閱集團中期及年度報告與財務報表；及監察公司之財務申報制度(包括資源充裕度、負責公司財務申報職能的員工之資格及經驗以及其培訓安排及預算)與檢討風險管理及內部監控系統。

審核委員會定期與外聘核數師會面，以討論審核過程中任何關注事宜。審核委員會於向董事局提呈中期及年度報告前，會先行作出審閱。審核委員會不僅著重會計政策及慣例變動之影響，於審閱公司之中期及年度報告時，亦著重於會計準則、上市規則及法例規定是否已得到遵守。

截至二零一九年十二月三十一日止年度，審核委員會曾舉行2次會議。

截至二零一九年十二月三十一日止年度，審核委員會審閱集團之二零一八年年度業績及二零一九年中期業績，並認為編製該等業績符合適用會計準則及上市規則。

審核委員會注意集團之現有風險管理及內部控制系統，亦知悉每年將進行一次年度檢討。



# Corporate Governance Report

## 企業管治報告

(continued) (續)

### CORPORATE GOVERNANCE COMMITTEE

The Company established the CG Committee with written terms of reference on 20 March 2012. The CG Committee comprises three executive Directors, namely Mr. Xu Tie-liang (as chairman), Ms. Guan Yijun and Mr. Liu Chunsun, Ms. Law Yin Shan Jenny, the Chief Financial Officer of the Company and Ms. Chan Yuen Ying Stella, the Company Secretary of the Company.

Terms of reference of the CG Committee are aligned with the code provisions set out in the CG Code.

The functions of the CG Committee are to develop and review the Company's policies and practices on corporate governance; to comply with the CG Code and other legal or regulatory requirements and make recommendations to the Board; to oversee the Company's orientation program for new Director; to review and monitor the training and continuous professional development of Directors and senior management; to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and to review the Company's disclosure in the Corporate Governance Report.

During the financial year ended 31 December 2019, the CG Committee held 1 meeting. The CG Committee reviewed the training and continuous professional development of Directors and senior management; and also reviewed the Company's compliance with the CG Code during the year ended 31 December 2018.

#### Name of Director 董事姓名

Mr. XU Tie-liang (Chairman)  
Ms. GUAN Yijun  
Mr. LIU Chunsun  
Ms. LAW Yin Shan Jenny  
Ms. Chan Yuen Ying Stella

許鉄良先生(主席)  
關懿君女士  
劉春筍先生  
羅盈珊女士  
陳婉縈女士

#### Number of attendance 出席會議次數

1/1  
1/1  
1/1  
1/1  
1/1

### 企業管治委員會

公司於二零一二年三月二十日成立企業管治委員會，並訂定書面職權範圍。企業管治委員會由三名執行董事許鉄良先生(擔任主席)、關懿君女士及劉春筍先生、公司財務總監羅盈珊女士及公司之公司秘書陳婉縈女士組成。

企業管治委員會的職權範圍符合企業管治守則內所載的守則條文。

企業管治委員會的職能為制定及檢討公司關於企業管治的政策及常規；遵守企業管治守則及其他法律或監管規定，並向董事局提供推薦建議；監察公司新董事入職安排；檢討及監察董事及高級管理層的培訓及持續專業發展；制定、檢討及監察僱員及董事適用的操行守則及合規手冊(如有)；及檢討公司於企業管治報告內的披露事項。

截至二零一九年十二月三十一日止財政年度，企業管治委員會舉行1次會議。企業管治委員會檢討董事及高級管理層的培訓及持續專業發展；亦檢討公司於截至二零一八年十二月三十一日止年度遵守企業管治守則的情況。







# Corporate Governance Report

## 企業管治報告

(continued) (續)

### AUDITOR'S REMUNERATION

During the year, the remuneration paid/payable to the Company's auditor is set out below:

#### Services rendered 所提供服務

Audit services  
Non-audit services

審核服務  
非審核服務

Fee paid/payable  
已付／應付費用  
HK\$'000  
千港元

2,620

1,400

4,020

### COMPANY SECRETARY

The Company engaged an external professional company secretarial services provider, Uni-1 Corporate Services Limited ("Uni-1"), to provide compliance and full range of company secretarial services to the Group in order to assist the Group to cope with the changing regulatory environment and to suit different commercial needs.

Ms. Chan Yuen Ying Stella ("Ms. Chan"), the representative of Uni-1, was appointed as the named Company Secretary of the Company. Ms. Law Yin Shan Jenny, the Chief Financial Officer of the Company, is the primary point of contact at the Company for the Company Secretary.

According to the requirements of Rule 3.29 of the Listing Rules, Ms. Chan had taken no less than 15 hours of relevant professional training for the year ended 31 December 2019.

### DIVIDEND POLICY

In considering the payment of dividends, there shall be a balance between retaining adequate reserves for the Group's future growth and rewarding the shareholders of the Company.

The Board shall also take into account, among other things, the following when considering the declaration and payment of dividends:

- the Group's overall results of operation, financial condition, working capital requirements, capital expenditure requirements, liquidity position and future expansions plans;

### 核數師之酬金

本年度內，已付／應付公司核數師之酬金載列如下：

### 公司秘書

為協助集團適應變化的監管環境及滿足不同的商業需求，公司已委聘一家外部專業秘書服務提供商：統一企業服務有限公司（「統一」）為集團提供合規及全面的公司秘書服務。

統一的代表陳婉瑩女士（「陳女士」）獲委任為公司的署名公司秘書。公司財務總監羅盈珊女士為公司與公司秘書的主要聯絡人。

根據上市規則第3.29條之規定，陳女士於截至二零一九年十二月三十一日止年度已接受不少於15小時的相關專業培訓。

### 股息政策

在考慮支付股息時，須在為集團未來增長保留充足儲備與獎勵公司股東之間取得平衡。

董事局在考慮宣派及派付股息時，亦須考慮（其中包括）以下事項：

- 集團的整體經營業績、財務狀況、營運資金需求、資本開支要求、流動資金狀況及未來擴展計劃；



# Corporate Governance Report

## 企業管治報告

(continued) (續)

- the amount of retained earnings and distributable reserves of the Company;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Board deems relevant.

The declaration and payment of dividends by the Company is subject to any restrictions under the laws of Bermuda, the Company's Bye-Laws, the Listing Rules and any other applicable laws and regulations.

The Company does not have any pre-determined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time.

### SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as determined by the Board. Each general meeting, other than an annual general meeting, shall be called a special general meeting. The Board may call special general meetings whenever it thinks fit.

#### Shareholders to convene a special general meeting

Shareholders may convene a special general meeting of the Company according to the provisions as set out in the Bye-Laws and the Companies Act of Bermuda. The procedures that shareholders can use to convene a special general meeting are set out in the document entitled "Procedures for a Shareholder to Propose a Person for Election as a Director", which is currently available on the Company's website.

- 公司的保留盈利和可分派儲備金額；
- 整體經濟狀況、集團業務之業務週期及其他可能影響集團的業務或財務表現及狀況之內在或外在因素；及
- 董事局認為相關之任何其他因素。

公司宣派及派付股息須遵守百慕達法例、公司之細則、上市規則及任何其他適用法律及規例項下之任何限制。

公司沒有任何預先確定之股息分配比率。公司過去的股息分配記錄不會用作決定公司未來可能宣派或派付的股息水平之參考或依據。

股息政策概不構成集團就日後股息作出之具法律約束力之承諾，及／或不會以任何方式令集團有責任於任何時間或不時宣派股息。

董事局將持續檢討股息政策，且享有絕對酌情權保留隨時更新、修訂、修改及／或取消股息政策之權利。

### 股東權利

公司股東大會為股東與董事局之間提供溝通機會。公司須每年於董事局可能決定的地點舉行股東週年大會。除股東週年大會外，股東大會均稱為股東特別大會。董事局可於其認為合適的時間召開股東特別大會。

#### 股東召開股東特別大會

股東可根據細則所載條文及百慕達公司法召開公司股東特別大會。股東可用以召開股東特別大會的程序載於文件「股東提名人選參選董事之程序」內(該文件現時可於公司網站查閱)。





## Corporate Governance Report 企業管治報告

(continued) (續)

### Putting enquiries by shareholders to the Board

Shareholders of the Company may send written enquires to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong.

### Procedures for putting forward proposals by shareholders at shareholders' meeting

The number of members necessary for a requisition for putting forward a proposal at a general meeting shall be:

- (a) any number of members representing not less than one-twentieth of the total voting rights at the date of the requisition; or
- (b) not less than one hundred members.

A copy or copies of requisition signed by all requisitionists shall be deposited, with a sum reasonably sufficient to meet the Company's expenses in giving notice of the proposed resolution or circulating any necessary statement, at the Company's principal place of business in Hong Kong in the case of:

- (i) a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
- (ii) any other requisition, not less than one week before the meeting.

The Company will verify the requisition and upon confirming that the requisition is proper and in order, the Board will proceed with the necessary procedures.

## VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at the general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions to be set out in the notice of 2020 AGM will be voted by poll.

### 股東向董事局提出查詢

公司股東可向公司之公司秘書發送書面查詢，寄至公司於香港之主要營業地點。

### 股東於股東大會上提呈建議的程序

要求在股東大會上提呈建議的必需股東人數為：

- (a) 佔不少於提出要求當日之總投票權二十分之一的任何數目之股東；或
- (b) 不少於一百名股東。

經全體要求人士簽署的要求(隨附合理足夠彌補公司發出建議決議案通告或發送任何必要文檔之費用之款項)副本須送達公司的香港主要營業地點，其中：

- (i) 有關寄發決議案通告的要求應不遲於大會前六周送達；及
- (ii) 任何其他要求應不遲於大會前一周送達。

公司將核實相關要求，而董事局將於確認要求屬適當且符合程序之後執行必要程序。

## 以投票方式表決

根據上市規則第13.39(4)條，股東於股東大會上的任何表決必須以投票方式進行，惟主席真誠決定允許就純粹有關程序或行政事項之決議案進行舉手表決則除外。因此，二零二零年股東週年大會通告內所載的全部決議案將以投票形式進行表決。



# Corporate Governance Report

## 企業管治報告

(continued) (續)

### INVESTOR RELATIONS

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its shareholders.

Information of the Company is disseminated to the shareholders in the following manner:

- Delivery of annual and interim reports to all shareholders;
- Publication of announcements on the annual and interim results on the Stock Exchange website, and issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- The general meeting of the Company is also an effective communication channel between the Board and shareholders.

Mr. Xu Tie-liang, the Chairman of the Board and the chairman of the CG Committee, together with Mr. Li Yunlong, the chairman of each of the Audit Committee and the Remuneration Committee, and Mr. Wang Guangtian, the chairman of the Nomination Committee, attended the 2019 AGM to answer questions of the meeting and collect views of shareholders.

### DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board acknowledges its responsibility to prepare the Company's consolidated financial statements for each financial year, which give a true and fair view of the financial position of the Group, its financial performance and cash flows for that year. In preparing the consolidated financial statements for the year ended 31 December 2019, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable, and prepared the accounts on a going concern basis.

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group, to prevent and detect fraud, as well as other irregularities.

The Directors, after appropriate enquiries were made, considered that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

### 投資者關係

公司堅持採取開誠佈公的態度，定期與股東溝通並向他們作出合理的資料披露。

公司資料以下列方式向股東傳達：

- 向全體股東送呈年度及中期報告；
- 按照上市規則之持續披露責任，在聯交所網站上刊發年度及中期業績公佈和發表其他公佈以及股東通函；及
- 公司之股東大會，亦是董事局與股東進行溝通之有效渠道之一。

董事局主席及企業管治委員會主席許鈺良先生連同審核委員會及薪酬委員會之主席李雲龍先生及提名委員會主席王廣田先生出席了二零一九年股東週年大會，在會上回答提問並收集股東意見。

### 董事對財務報表之責任

董事局肩負於每個財政年度編製公司綜合財務報表之職責，該等財務報表須真實公平地反映該年度內集團財務狀況、其財務表現及現金流量。編製截至二零一九年十二月三十一日止年度之綜合財務報表時，董事局已選定及貫徹應用合適之會計政策，作出審慎、公平及合理之判斷及估計，並採納持續經營基準編製有關賬目。

董事負責採取一切合理及所需步驟保障集團資產、防止及偵查欺詐以及其他不當情況。

董事經作出適當查詢後，認為集團有充裕資源於可見未來持續經營，因此採納持續經營基準編製綜合財務報表乃屬合適。





# Corporate Governance Report

## 企業管治報告

(continued) (續)

### RISK MANAGEMENT AND INTERNAL CONTROL

During the year, the Group has complied with Principle C.2 of the CG Code by establishing appropriate and effective risk management and internal control system. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control system are described in the sections below:

#### Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- Evaluation: Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitoring of the residual risks.

Based on the risk assessments conducted in 2019, no significant risk was identified.

#### Internal Control System

The Company has an internal control system in place which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework. The framework enables the Group to achieve objectives regarding the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follows:

- Control Environment: A set of standards, processes and structures that provide the basis for carrying out the internal control across the Group.
- Risk Assessment: A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.

### 風險管理及內部監控

年內，集團經由設立適當有效的風險管理及內部監控系統遵守企業管治守則準則C.2。管理層負責設計、執行及監察相關系統，而董事局則持續監督管理層履行其職責。風險管理及內部監控系統的主要特徵於下列各節說明：

#### 風險管理系統

集團已採納一項風險管理系統以管理有關其業務及營運的風險。該系統包括以下層面：

- 識別：識別風險所有權、業務目標及可能影響目標達成的風險。
- 評估：分析風險的可能性及影響並對風險組合作出相應評估。
- 管理：考慮風險應對，確保與董事局已就風險進行有效溝通並持續監察剩餘風險。

根據於二零一九年進行的風險評估，概無識別任何顯著風險。

#### 內部監控系統

公司已制定符合the Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)於二零一三年發出的框架之內部監控系統。該框架可促使集團達致營運有效性及效率性、財務報告可靠性及遵守適用法例及規例的目標。該框架由以下關鍵部份組成：

- 監控環境：為集團開展內部監控提供基礎的一套標準、程序及結構。
- 風險評估：識別及分析達成集團目標的風險並就釐定如何管理風險形成依據的動態交互流程。



## Corporate Governance Report 企業管治報告

(continued) (續)

- Control Activities: Activities established by policies and procedures to help ensure that management directives are carried out, objectives are achieved, and risks are mitigated.
  - Information and Communication: To provide the Group's internal and external communication, together with the information needed to carry out day-to-day controls.
  - Monitoring: Ongoing and separate evaluations to ascertain whether each component of the internal control is present and functioning.
- 監控行動：政策及程序為幫助確保管理層指令獲執行、目標獲達成及風險獲減輕而制定的行動。
  - 資料及通訊：為集團提供進行日常監控所需內部及外部通訊及資料。
  - 監察：為確定內部監控的各組成部份是否存在及運行而進行的持續及單獨評估。

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
  - Confidentiality agreements are in place when the Group enters into significant negotiations.
  - The executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.
- 為加強集團處理內幕消息的系統，並為確保其公開披露的真實性、準確性、完整性和及時性，集團亦採納及執行一套內幕消息政策及程序。集團已不時採納若干合理措施以確保存在適當保障以防止違反有關集團的披露規定，其中包括：
  - 僅少數僱員可按需要查閱相關資料。掌握內幕消息的僱員充分熟知彼等的保密責任。
  - 集團進行重大磋商時將會訂立保密協議。
  - 當與外界團體例如媒體、分析師或投資者溝通時，執行董事為代表公司發言之指定人士。

Based on the internal control reviews conducted in 2019, no significant control deficiency was identified.

根據於二零一九年進行的內部監控審查，概無識別任何顯著的監控缺陷。

### Internal Auditors

The Group has an Internal Audit ("IA") function, which consists of professional staff with relevant expertise (such as Certified Public Accountant). The IA function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control system by conducting interviews, walkthroughs and tests of operating effectiveness.

### 內部核數師

集團設有內部審計(「內部審計」)部門，由具備有關專長的專業人員(例如執業會計師)組成。內部審計部門獨立於集團的日常經營，以面談、走訪及測試經營效能之方式對風險管理及內部監控系統進行評估。

An IA plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually, and afterwards the results are reported to the Board via Audit Committee.

董事局已批准內部審計計劃。根據已制定的計劃，每年會對風險管理及內部監控系統進行審查，其後經由審核委員會向董事局報告審查結果。





# Corporate Governance Report

## 企業管治報告

(continued) (續)

### Effectiveness of the Risk Management and Internal Control System

The Board is responsible for the risk management and internal control system of the Group and ensuring review of the system's effectiveness is conducted annually. Several areas have been considered during the Board's reviews, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment, and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control system.

The Board, through its reviews and the reviews made by IA function and Audit Committee, concluded that the risk management and internal control system were effective and adequate. Such system, however, is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

### CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the year ended 31 December 2019.

### 風險管理及內部監控系統的效能

董事局負責集團的風險管理及內部監控系統並確保每年審查該系統的效能。進行該等董事局審查時已考慮若干方面，包括但不限於(i)自上年度審查後的重度風險之性質及程度變動及集團對其業務及外部環境變動作出回應的能力，及(ii)管理層持續監察風險及內部監控系統的範圍及質素。

透過其審查以及由內部審計部門及審核委員會進行的審查，董事局認為風險管理及內部監控系統屬有效及足夠。然而，相關系統旨在管理而非消除不能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失提供合理但並非絕對之保證。董事局亦認為有關資源、員工資歷及有關員工的經驗屬足夠，並已提供足夠的培訓課程及預算。

### 章程文件

公司之章程文件於截至二零一九年十二月三十一日止年度並無任何變動。



# Independent Auditor's Report

## 獨立核數師報告書



To the Shareholders of China Oil and Gas Group Limited  
(incorporated in Bermuda with limited liability)

### Opinion

#### What we have audited

The consolidated financial statements of China Oil And Gas Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 64 to 211, which comprise:

- the consolidated statement of financial position as at 31 December 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

#### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

羅兵咸永道

致中油燃氣集團有限公司股東  
(於百慕達註冊成立之有限公司)

### 意見

#### 我們已審計的內容

中油燃氣集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第64至211頁的綜合財務報表，包括：

- 於二零一九年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

#### 我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一九年十二月三十一日之綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。







# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### Key Audit Matters

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

Key audit matters identified in our audit are summarised as follows:

- Impairment assessments of loan and interest receivables from and interest in an associate
- Impairment assessment of goodwill

### 羅兵咸永道

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

### 意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表須承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

### 關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 應收一間聯營公司貸款及利息以及於該聯營公司的權益減值評估
- 商譽減值評估



# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



羅兵咸永道

To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理 關鍵會計事項
<p><b>Impairment assessments of loan and interest receivables from and interest in an associate</b></p>	<p>Our procedures in relation to management's impairment assessment of loan and interest receivables from this associate included the evaluation of the appropriateness of the expected credit loss provisioning methodology.</p>	<p>應收一間聯營公司貸款及利息以及於該聯營公司的權益減值評估</p>	<p>我們與管理層對於應收該聯營公司貸款及利息的減值評估相關的程序包括對計提預期信貸虧損撥備的方法是否適當進行評估。</p>
<p>Refer to note 5 (a) critical accounting estimates and judgements and notes 21 and 24 (d) to the Group's consolidated financial statements.</p>	<p>Our procedures in relation to management's impairment assessment of loan and interest receivables from this associate included the evaluation of the appropriateness of the expected credit loss provisioning methodology.</p>	<p>參考 貴集團綜合財務報表附註5(a)重大會計估計及判斷以及附註21及24(d)。</p>	<p>我們與管理層對於應收該聯營公司貸款及利息的減值評估相關的程序包括對計提預期信貸虧損撥備的方法是否適當進行評估。</p>
<p>The Group had loan and interest receivables from an associate of approximately HK\$784,649,000 and HK\$296,940,000 respectively, and interest in this associate of approximately HK\$254,974,000 as at 31 December 2019.</p>	<p>We assessed the reasonableness of key assumptions, including default rate and loss given default rate with assistance of our valuation experts.</p>	<p>於二零一九年十二月三十一日，貴集團應收一間聯營公司貸款及利息分別約為784,649,000港元及296,940,000港元以及於該聯營公司擁有的權益約為254,974,000港元。</p>	<p>我們在估值專家的協助下對關鍵假設是否合理性進行評估，包括違約概率及違約損失率。</p>
<p>Management assessed the provision of expected credit loss of approximately HK\$20,360,000 against the loan and interest receivables from the associate. Management estimated the level of expected loss, with reference to historical observed default rates, loss given default rates of comparable companies and industry, and forward-looking economic factors.</p>	<p>We challenged the appropriateness of forward-looking economic factors applied by management for the adjustment of the level of expected loss.</p> <p>Our procedures in relation to management's impairment assessment of interest in the associate included the evaluation of the appropriateness of valuation methodology and reasonableness of the key assumptions used with assistance of our internal experts.</p>	<p>我們對管理層就調整預期虧損水平而應用的前瞻性經濟因素是否適當提出質疑。</p> <p>管理層就應收聯營公司貸款及利息評估預期信貸虧損撥備約20,360,000港元。管理層參考可資比較公司及行業的過往已觀察違約概率及違約損失率以及前瞻性經濟因素對預期虧損水平進行估計。</p>	<p>我們對管理層就調整預期虧損水平而應用的前瞻性經濟因素是否適當提出質疑。</p> <p>我們與管理層對於聯營公司權益的減值評估相關的程序包括在內部專家的協助下對所採用的估值方法是否適當及關鍵假設是否合理進行評估。</p>



# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Impairment assessments of loan and interest receivables from and interest in an associate (continued)</b></p> <p>Management assessed the recoverability of interest in the associate based on the recoverable amount of the associate's business valuation applying the fair value less costs of disposal method. The key underlying assumptions were set out in notes 5 (a) and 21 to the Group's consolidated financial statements.</p> <p>We focused on this area due to the magnitude of the loan and interest receivables from and interest in this associate. Moreover, significant judgments and estimates were involved in estimating the provision of expected credit loss for the loan and interest receivables, and recoverable amount of the interest in the associate.</p>	<p>We evaluated management's estimated commodity price growth rate by challenging management's rationale to support their projections. We researched the most up-to-date commodity price and performed independent market research on the commodity price growth that was in line with management's forecasts.</p> <p>We compared the future production profile against the reserve estimation report conducted by management's expert and evaluated the competence, capacity and objectivity of the expert.</p> <p>We evaluated the reasonableness of the discount rate, applied by benchmarking management's assumptions with those applied by comparable companies and industry forecasts.</p> <p>We physically inspected the site and discussed with local management to understand the current status of operation.</p> <p>We challenged management's sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in these key assumptions.</p> <p>We found the management's judgements and assumptions used in the impairment assessments of loan and interest receivables from and interest in the associate were supported by the available evidence.</p>

### 羅兵咸永道

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

關鍵審計事項	我們的審計如何處理關鍵會計事項
<p><b>應收一間聯營公司貸款及利息以及於該聯營公司的權益減值評估(續)</b></p> <p>根據公平值減出售成本法計算的聯營公司業務可收回金額估值，管理層對於聯營公司權益的可收回性進行評估。關鍵相關假設載於貴集團綜合財務報表附註5(a)及21。</p> <p>我們因應收該聯營公司貸款及利息以及於該聯營公司擁有的權益金額甚巨而關注此領域。此外，估計應收貸款及利息之預期信貸虧損撥備以及於聯營公司權益之可收回金額時涉及重大判斷及估計。</p>	<p>通過對管理層用以支持其預測的基本原理提出質疑，我們對管理層的估計商品價格增長率進行評估。我們研究最近期的商品價格，並就與管理層預測相一致的商品價格增長進行獨立市場調研。</p> <p>我們將未來生產概況與管理層專家進行的儲量估算報告進行對比，並評估專家的專長、能力及客觀性。</p> <p>通過將管理層的假設與可資比較公司及行業所採用預測進行比較，我們對所採用的貼現率之合理性進行評估。</p> <p>我們進行實地現場視察並與當地管理層討論，以了解當前營運狀況。</p> <p>我們就該等主要假設可能合理出現之不利變動之潛在影響，對管理層準備敏感度分析提出質疑。</p> <p>我們發現，管理層在應收聯營公司貸款及利息以及於該聯營公司的權益減值評估中應用的判斷及假設獲現有證據支持。</p>



# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



羅兵咸永道

To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

Key Audit Matter	How our audit addressed the Key Audit Matter	關鍵審計事項	我們的審計如何處理關鍵會計事項
<p><b>Impairment assessment of goodwill</b></p> <p>Refer to note 5 (b) critical accounting estimates and judgements and note 20 to the Group's consolidated financial statements.</p> <p>The Group carried goodwill of approximately HK\$935,951,000 as at 31 December 2019, which was allocated to a group of cash generating units ("CGUs") relating to the sales and distribution of natural gas and other related products business ("Natural Gas Business") CGUs.</p> <p>Management estimated the recoverable amount of the Natural Gas Business CGUs based on value-in-use calculations that applied the key assumptions and inputs set out in notes 5 (b) and 20 to the Group's consolidated financial statements. Based on value-in-use calculations, management has concluded there was no impairment of the goodwill as at 31 December 2019.</p> <p>We focused on this area due to the magnitude of the goodwill balance and the significant judgements made by management in estimating the recoverable amount of the goodwill.</p>	<p>Our procedures in relation to testing management's goodwill impairment assessment of the Natural Gas Business CGUs included the evaluation of the appropriateness of valuation methodology and reasonableness of the key assumptions used with assistance of our valuation experts.</p> <p>We challenged management on the estimated growth rate, expected changes to selling prices and direct costs assumptions and compared cash flows generated during the year ended 31 December 2019 with prior years' performance. We evaluated the reasonableness of the discount rate applied by benchmarking management's assumptions with those applied by comparable companies and industry forecasts. Furthermore, we evaluated the terminal growth rate with reference to the long term inflation rate.</p> <p>We found the management's judgement and assumptions used in the impairment assessment of goodwill were supported by the available evidence.</p>	<p><b>商譽減值評估</b></p> <p>參考 貴集團綜合財務報表附註5(b)重大會計估計及判斷以及附註20。</p> <p>於二零一九年十二月三十一日，貴集團錄得商譽約935,951,000港元。商譽分配至一組現金產生單位(「現金產生單位」)，該組現金產生單位乃與銷售及分銷天然氣及其他相關產品業務(「天然氣業務」)現金產生單位有關。</p> <p>管理層根據使用價值計算法對天然氣業務現金產生單位的可收回金額進行估計。該方法應用 貴集團綜合財務報表附註5(b)及20所載的重大假設及數據。根據使用價值計算，管理層已斷定，於二零一九年十二月三十一日概無任何商譽減值。</p> <p>我們因商譽結餘甚巨且管理層於對商譽的可收回金額進行估計時作出的重大判斷而關注此領域。</p>	<p>我們測試管理層對天然氣業務現金產生單位商譽減值評估相關的程序包括在我們的估值專家協助下對所採用的估值方法是否適當及關鍵假設是否合理進行評估。</p> <p>我們就估計增長率、預期售價變動及直接費用假設對管理層提出質疑，並將截至二零一九年十二月三十一日止年度之現金流量與上年表現進行對比。通過將管理層的假設與可資比較公司及行業所採用的相關假設及預測進行比較，我們對所採用的貼現率之合理性進行評估。另外，根據長期通脹率，我們對最終增長率進行評估。</p> <p>我們發現，管理層在商譽減值評估中應用的判斷及假設獲現有證據支持。</p>



# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

### Other Information

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

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

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

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

### Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

### 羅兵咸永道

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

### 其他資料

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。



# Independent Auditor's Report

## 獨立核數師報告書

(continued) (續)



To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

### 羅兵咸永道

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

### 核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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





## Independent Auditor's Report 獨立核數師報告書

(continued) (續)



To the Shareholders of China Oil And Gas Group Limited (continued)  
(incorporated in Bermuda with limited liability)

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

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

### 羅兵咸永道

致中油燃氣集團有限公司股東(續)  
(於百慕達註冊成立之有限公司)

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

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排及重大審計發現等，包括我們在審計過程中識別出內部控制的任何重大缺陷。



## Independent Auditor's Report 獨立核數師報告書

(continued) (續)



### To the Shareholders of China Oil And Gas Group Limited (continued) (incorporated in Bermuda with limited liability)

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chung Kit Yi, Kitty.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 27 March 2020

### 羅兵咸永道

### 致中油燃氣集團有限公司股東(續) (於百慕達註冊成立之有限公司)

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審核事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是鍾潔儀。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零二零年三月二十七日





# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	營業額	6	10,260,654	9,410,131
Cost of sales	銷售成本		(8,755,230)	(8,045,299)
Gross profit	毛利		1,505,424	1,364,832
Other income	其他收入	7	36,557	30,069
Other gains, net	其他收益，淨額	8	22,194	18,936
Selling and distribution costs	銷售及分銷費用		(66,727)	(57,270)
Administrative expenses	行政開支		(359,625)	(364,847)
Impairment on oil and gas properties under property, plant and equipment	物業、廠房及設備項下 油氣資產減值	16	(30,395)	—
Operating profit	經營溢利	9	1,107,428	991,720
Finance income	財務收入	10	151,491	146,818
Finance costs	財務費用	10	(281,773)	(206,712)
Share of losses of investments accounted for using the equity method, net	分佔使用權益法入賬之 投資的虧損，淨額	21	(3,636)	(3,300)
Profit before taxation	除稅前溢利		973,510	928,526
Taxation	稅項	13	(194,391)	(250,301)
Profit for the year	年內溢利		779,119	678,225
Other comprehensive (loss)/income: <i>Items that may be reclassified to profit or loss</i>	其他全面(虧損)/收益： 可重新分類至損益的項目			
Currency translation differences	貨幣換算差額		(76,700)	(539,424)
Change in value of debt investments at fair value through other comprehensive income	按公平值計入其他全面 收益之債務投資 價值變動		31,358	(51,267)
<i>Item that will not be reclassified to profit or loss</i>	將不會重新分類至損益的項目			
Change in value of equity investments at fair value through other comprehensive income	按公平值計入其他全面 收益之股本投資 價值變動		(19,025)	(4,830)
Other comprehensive loss for the year, net of tax	年內其他全面虧損， 扣除稅項		(64,367)	(595,521)
Total comprehensive income for the year	年內全面收益總額		714,752	82,704



## Consolidated Statement of Comprehensive Income

### 綜合全面收益表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(continued) (續)

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to:	應佔溢利：			
Owners of the Company	公司擁有人		330,984	281,904
Non-controlling interests	非控股權益		448,135	396,321
			<b>779,119</b>	<b>678,225</b>
Total comprehensive income/(loss) for the year attributable to:	年內應佔全面收益／(虧損)總額：			
Owners of the Company	公司擁有人		309,104	(55,158)
Non-controlling interests	非控股權益		405,648	137,862
			<b>714,752</b>	<b>82,704</b>
Earnings per share for profit attributable to owners of the Company for the year	公司擁有人年內應佔溢利之每股盈利	15		
– Basic (HK cents)	— 基本(港仙)		6.642	5.664
– Diluted (HK cents)	— 攤薄(港仙)		6.642	5.641

The notes on pages 73 to 211 are an integral part of these consolidated financial statements.

第73至211頁之附註為本綜合財務報表之組成部分。



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	16	8,068,912	7,924,722
Right-of-use assets	17	499,190	–
Exploration and evaluation assets	18	153,063	182,981
Land use rights	19	–	415,234
Intangible assets	20	970,166	974,526
Investments accounted for using the equity method	21	378,823	312,754
Financial assets at fair value through other comprehensive income	22	693,942	439,120
Other non-current assets	24	1,195,673	1,063,841
Deferred tax assets	30	8,968	7,646
		<b>11,968,737</b>	<b>11,320,824</b>
<b>Current assets</b>			
Inventories	23	262,850	282,777
Contract assets, deposits, trade and other receivables	24	1,777,940	1,751,116
Current tax recoverable		6,168	6,024
Time deposits with maturity over three months	25	295,590	158,679
Cash and cash equivalents	25	2,521,199	2,508,223
		<b>4,863,747</b>	<b>4,706,819</b>
<b>Total assets</b>		<b>16,832,484</b>	<b>16,027,643</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	26	1,289,056	1,415,917
Contract liabilities	27	1,571,197	1,470,128
Short-term borrowings	28	1,408,814	1,455,839
Current tax payable		236,649	269,369
Lease liabilities	17	12,761	–
		<b>4,518,477</b>	<b>4,611,253</b>



## Consolidated Statement of Financial Position

### 綜合財務狀況表

As at 31 December 2019  
於二零一九年十二月三十一日  
(continued) (續)

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current liabilities</b>			
Senior notes	29	5,411,161	5,029,991
Long-term borrowings	28	26,466	63,642
Lease liabilities	17	48,113	-
Deferred tax liabilities	30	237,408	270,019
Assets retirement obligation	31	147,844	140,678
		<b>5,870,992</b>	<b>5,504,330</b>
<b>Total liabilities</b>		<b>10,389,469</b>	<b>10,115,583</b>
<b>Equity</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	32	57,670	58,391
Reserves		3,400,614	3,137,516
		<b>3,458,284</b>	<b>3,195,907</b>
Non-controlling interests		2,984,731	2,716,153
<b>Total equity</b>		<b>6,443,015</b>	<b>5,912,060</b>
<b>Total equity and liabilities</b>		<b>16,832,484</b>	<b>16,027,643</b>

The notes on pages 73 to 211 are an integral part of these consolidated financial statements.

The financial statements on pages 64 to 211 were approved by the Board of Directors on 27 March 2020 and were signed on its behalf.

第73至211頁之附註為本綜合財務報表之組成部分。

第64至211頁之財務報表已於二零二零年三月二十七日獲董事局批准並簽署。

**Xu Tie-liang**  
Director

**Guan Yijun**  
Director

**許鉄良**  
董事

**關懿君**  
董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		Attributable to owners of the Company 公司擁有人應佔									
		Share capital	Share premium	Shares held for share award scheme 為股份獎勵計劃所持股份	(Note) Other reserves (附註) 其他儲備	Exchange fluctuation reserve 匯兌波動儲備	Share-based compensation reserve 以股份為基礎的酬金儲備	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	計劃所持股份	其他儲備	匯兌波動儲備	以股份為基礎的酬金儲備	保留溢利	總額	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At 1 January 2018</b>	於二零一八年一月一日	58,257	24,578	(408,972)	1,552,519	(252,737)	7,194	2,292,195	3,273,034	2,861,109	6,134,143
<b>Profit for the year</b>	年內溢利	-	-	-	-	-	-	281,904	281,904	396,321	678,225
<b>Other comprehensive loss:</b>	其他全面虧損：										
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	-	-	-	-	(280,965)	-	-	(280,965)	(258,459)	(539,424)
Changes in value of debt investments at fair value through other comprehensive income	按公平值計入其他全面收益之債務投資價值變動	-	-	-	(51,267)	-	-	-	(51,267)	-	(51,267)
Changes in value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資價值變動	-	-	-	(4,830)	-	-	-	(4,830)	-	(4,830)
<b>Total comprehensive (loss)/income for the year</b>	年內全面(虧損)/收益總額	-	-	-	(56,097)	(280,965)	-	281,904	(55,158)	137,862	82,704
Transfer of fair value gain on equity investments at fair value through other comprehensive income to retained profits upon disposal	於出售後轉撥按公平值計入其他全面收益之股本投資公平值收益至保留溢利	-	-	-	(2,873)	-	-	2,873	-	-	-
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	-	-	17,316	-	-	(17,316)	-	-	-	-
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	(29,030)	-	-	-	-	(29,030)	-	(29,030)
Value of employee services	僱員服務價值	-	-	-	-	-	21,269	-	21,269	-	21,269
Proceeds from shares issued upon exercise of share options	於購股權獲行使後發行股份的所得款項	134	7,755	-	-	-	(1,707)	-	6,182	-	6,182
Capital injection by subsidiaries to non-controlling interests	附屬公司向非控股權益注資	-	-	-	-	-	-	-	-	1,528	1,528
Dividend paid to non-controlling interests	派付股息予非控股權益	-	-	-	-	-	-	-	-	(284,346)	(284,346)
Final dividend for the year ended 31 December 2017 (Note 14)	截至二零一七年十二月三十一日止年度之末期股息(附註14)	-	-	-	(20,390)	-	-	-	(20,390)	-	(20,390)
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	58,391	32,333	(420,686)	1,473,159	(533,702)	9,440	2,576,972	3,195,907	2,716,153	5,912,060



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(continued) (續)

		Attributable to owners of the Company 公司擁有人應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Shares held for share award scheme 為股份獎勵計劃所持股份	(Note) Other reserves (附註) 其他儲備	Exchange fluctuation reserve 匯兌波動儲備	Share-based compensation reserve 以股份為基礎的酬金儲備	Retained profits	Total	Non-controlling interests	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	計劃所持股份 HK\$'000 千港元	其他儲備 HK\$'000 千港元	匯兌波動儲備 HK\$'000 千港元	以股份為基礎的酬金儲備 HK\$'000 千港元	保留溢利 HK\$'000 千港元	總額 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
At 1 January 2019 as originally presented	於二零一九年一月一日原呈列	58,391	32,333	(420,686)	1,473,159	(533,702)	9,440	2,576,972	3,195,907	2,716,153	5,912,060
Change in accounting policy (Note 2)	會計政策變動(附註2)	-	-	-	-	-	-	(1,617)	(1,617)	(1,542)	(3,159)
Restated total equity as at 1 January 2019	於二零一九年一月一日經重列權益總額	58,391	32,333	(420,686)	1,473,159	(533,702)	9,440	2,575,355	3,194,290	2,714,611	5,908,901
Profit for the year	年內溢利	-	-	-	-	-	-	330,984	330,984	448,135	779,119
Other comprehensive (loss)/income:	其他全面(虧損)/收益:										
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	-	-	-	-	(34,213)	-	-	(34,213)	(42,487)	(76,700)
Changes in value of debt investments at fair value through other comprehensive income	按公平值計入其他全面收益之債務投資價值變動	-	-	-	31,358	-	-	-	31,358	-	31,358
Changes in value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資價值變動	-	-	-	(19,025)	-	-	-	(19,025)	-	(19,025)
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	-	-	-	12,333	(34,213)	-	330,984	309,104	405,648	714,752
Transfer of fair value gain on equity investments at fair value through other comprehensive income to retained profits upon disposal	於出售後轉撥按公平值計入其他全面收益之股本投資公平值收益至保留溢利	-	-	-	(1,393)	-	-	1,393	-	-	-
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	-	-	484	-	-	(484)	-	-	-	-
Share repurchases	股份購回	(721)	(19,125)	-	-	-	-	-	(19,846)	-	(19,846)
Value of employee services	僱員服務價值	-	-	-	-	-	2,285	-	2,285	-	2,285
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(4,193)	-	-	(4,193)	-	(4,193)
Dividend paid to non-controlling interests	支付股息予非控股權益	-	-	-	-	-	-	-	-	(135,528)	(135,528)
Final dividend for the year ended 31 December 2018 (Note 14)	截至二零一八年十二月三十一日止年度之末期股息(附註14)	-	-	-	(23,356)	-	-	-	(23,356)	-	(23,356)
At 31 December 2019	於二零一九年十二月三十一日	57,670	13,208	(420,202)	1,460,743	(572,108)	11,241	2,907,732	3,458,284	2,984,731	6,443,015

Note:

As at 31 December 2019, other reserves mainly comprise capital and other reserve amounting to HK\$63,042,000 (2018: HK\$52,102,000) and contribution surplus amounting to HK\$1,397,701,000 (2018: HK\$1,421,057,000).

The notes on pages 73 to 211 are an integral part of these consolidated financial statements.

附註:

於二零一九年十二月三十一日，其他儲備主要包括資本及其他儲備63,042,000港元(二零一八年: 52,102,000港元)及繳入盈餘1,397,701,000港元(二零一八年: 1,421,057,000港元)。

第73至211頁之附註為本綜合財務報表之組成部分。



# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Cash flows from operating activities			
Profit for the year		779,119	678,225
Adjustments for:			
Taxation		194,391	250,301
Finance costs		281,773	206,712
Finance income		(151,491)	(146,818)
Share of losses of investments accounted for using the equity method		3,636	3,300
Equity-settled share-based payments		2,285	21,269
Amortisation of intangible assets	20	2,912	3,192
Depreciation and depletion of property, plant and equipment	16	488,964	470,165
Depreciation of right-of-use assets	17	27,457	–
Amortisation of land use rights	19	–	8,769
Impairment on oil and gas properties under property, plant and equipment	16	30,395	–
Impairment loss of loan and interest receivables from an associate	24(d)	3,830	–
Losses on disposal of property, plant and equipment		2,393	872
Gain on disposal of a land use right	8	–	(4,618)
Gains on disposal of financial assets at fair value through other comprehensive income	8	(5,281)	(2,097)
Gains on disposal of subsidiaries	8	(16,913)	–
Gain on bargain purchase	8	–	(12,221)
Written off of exploration and evaluation assets	18	19,377	5,651
Provision for assets retirement obligation	31	6,307	13,333
		<b>1,669,154</b>	<b>1,496,035</b>
Changes in working capital:			
Inventories		16,616	(52,598)
Contract assets, deposits, trade and other receivables		11,058	(173,729)
Trade and other payables		(97,527)	186,040
Contract liabilities		116,082	(21,475)



## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(continued) (續)

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Note 附註		
Cash generated from operations	經營產生現金		<b>1,715,383</b>	1,434,273
Taxation paid	已付稅項		<b>(269,412)</b>	(161,856)
<b>Net cash generated from operating activities</b>	<b>經營活動產生的現金淨額</b>		<b>1,445,971</b>	1,272,417
Cash flows from investing activities	投資活動現金流量			
Interest received	已收利息		<b>110,651</b>	103,698
Purchases of property, plant and equipment, exploration and evaluation assets, land use rights and prepaid construction costs	購買物業、廠房及設備、勘探及評估資產、土地使用權以及預付建設成本		<b>(874,325)</b>	(1,009,417)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		<b>1,803</b>	6,718
Proceed from disposal of a land use right	出售一項土地使用權所得款項		-	15,533
Net cash inflow as a result of disposal of subsidiaries	因出售附屬公司現金流入淨額	34	<b>3,416</b>	-
Purchases of other intangible assets	購置其他無形資產	20	<b>(1,668)</b>	(3,080)
Purchases of financial assets at fair value through other comprehensive income	購買按公平值計入其他全面收益之財務資產		<b>(472,144)</b>	(164,966)
Proceeds from disposal of financial assets at fair value through other comprehensive income	出售按公平值計入其他全面收益之財務資產所得款項		<b>234,936</b>	317,048
Acquisition of business, net of cash	收購業務，扣除現金	33	-	(52,193)
Loan to an associate	貸款予一間聯營公司		<b>(82,433)</b>	(108,408)
Increase in time deposits with maturity over three months	存款期超過三個月的定期存款增加		<b>(138,315)</b>	(112,979)
Site restoration expenditure	工地恢復支出		<b>(3,448)</b>	(4,698)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(1,221,527)</b>	(1,012,744)





## Consolidated Statement of Cash Flows

### 綜合現金流量表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(continued) (續)

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from financing activities			
Interest paid		(239,585)	(303,935)
New borrowings raised		754,397	1,404,438
Redemption of senior notes	29	(2,370,532)	–
Repayments of borrowings		(835,603)	(547,048)
Capital injection by non-controlling interests		–	1,528
Dividend paid to non-controlling interests		(135,528)	(410,174)
Proceeds from issuance of senior notes net of transaction costs	29	2,701,369	–
Proceeds from shares issued upon exercise of share options		–	6,182
Repayments of lease liabilities (including interest)	17	(17,889)	–
Dividend paid		(23,356)	(20,390)
Share repurchases		(19,846)	–
Purchases of own shares for share award scheme		–	(29,030)
Net cash (used in)/generated from financing activities		(186,573)	101,571
Net increase in cash and cash equivalents		37,871	361,244
Cash and cash equivalents at 1 January		2,508,223	2,290,447
Effect of foreign exchange rate changes		(24,895)	(143,468)
Cash and cash equivalents at 31 December	25	2,521,199	2,508,223

The notes on pages 73 to 211 are an integral part of these consolidated financial statements.

第73至211頁之附註為本綜合財務報表之組成部分。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 1 General information

China Oil And Gas Group Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business is at Suite 2805, 28th Floor, Sino Plaza, 255–257 Gloucester Road, Causeway Bay, Hong Kong. The Company is an investment holding company. Its subsidiaries are principally engaging in investment in energy related business in various regions in the People’s Republic of China (“PRC”) and West Central Alberta, Canada, including but not limited to 1) piped city gas business, pipeline design and construction; 2) transportation, distribution and sales of compressed natural gas (“CNG”) and liquefied natural gas (“LNG”); and 3) development, production and sale of oil and gas and other upstream energy resources. The Company and its subsidiaries are collectively referred to the “Group”.

These financial statements are presented in Hong Kong dollars, unless otherwise stated.

### 2 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets at fair value through other comprehensive income, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

### 1 一般資料

中油燃氣集團有限公司(「公司」)為於百慕達註冊成立之獲豁免有限公司，而其股份在香港聯合交易所有限公司(「聯交所」)上市。註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。主要營業地點之地址為香港銅鑼灣告士打道255–257號信和廣場28樓2805室。公司為一間投資控股公司。其附屬公司主要於中華人民共和國(「中國」)及加拿大阿爾伯塔省中西部多個地區從事能源相關業務之投資，包括但不限於1)進行城市管道燃氣營運、管道設計及建造；2)壓縮天然氣(「CNG」)及液化天然氣(「LNG」)之運輸、分銷及銷售；及3)原油及天然氣等其他上游能源資源開發、生產及銷售。公司及其附屬公司統稱為「集團」。

除非另有說明，否則該等財務報表以港元呈列。

### 2 編製基準

公司之綜合財務報表乃依據香港財務報告準則(「香港財務報告準則」)及香港法例第622章香港公司條例的規定而編製。綜合財務報表乃依據歷史成本慣例而編製，並經重估以公平值列賬之若干按公平值計入其他全面收益之財務資產後作出修訂。

編製符合香港財務報告準則之財務報表要求使用若干關鍵會計估計。其亦要求管理層於應用集團之會計政策時行使其判斷。涉及較高程度判斷或較為複雜之範疇，或對綜合財務報表而言屬重大之假設及估計已於附註5披露。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 2 Basis of preparation (Continued)

#### (a) Changes in accounting policy and disclosures

The Group has adopted the following new standard, interpretation and amendments to standards which are relevant to the Group's operations and are mandatory for the financial year beginning on or after 1 January 2019:

Annual Improvements Project (Amendments)	Annual Improvements 2015–2017 Cycle
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK (IFRIC)-Int 23	Uncertainty over Income Tax Treatments

The Group had to change its accounting policies as a result of adopting HKFRS 16. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 January 2019. This is disclosed as below. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### HKFRS 16 "Leases"

As indicated in above, the Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The new accounting policies are disclosed in Note 3(y).

### 2 編製基準(續)

#### (a) 會計政策及披露的變動

集團已採納下列與集團的經營有關及於二零一九年一月一日或之後的財政年度強制執行的新訂準則、詮釋及修訂本：

年度改進項目 (修訂本)	二零一五年至二零一七 年週期之年度改進 計劃修訂、縮減或支付
香港會計準則 第19號 (修訂本)	計劃修訂、縮減或支付
香港會計準則 第28號 (修訂本)	於聯營公司及合營企業 之長期權益
香港財務報告準則 第9號 (修訂本)	具有負補償之預付款項 特性
香港財務報告準則 第16號	租賃
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

由於採納香港財務報告準則第16號，集團須改變其會計政策。集團選擇追溯採納有關新規定，惟已確認於二零一九年一月一日首次採納新準則的累計影響。有關詳情於下文披露。其他上述所列的其他修訂本對過往期間確認的金額沒有任何影響，並且預計不會對當期或未來期間產生重大影響。

#### 香港財務報告準則第16號「租賃」

誠如上文所示，集團自二零一九年一月一日起追溯採用香港財務報告準則第16號，並且按該準則的特定過渡條款所允許，未重述二零一八報告期間的比較數字。因此，因採用新租賃準則而作出的重新分類及調整在二零一九年一月一日期初資產負債表內確認。新會計政策於附註3(y)披露。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 2 Basis of preparation (Continued)

#### (a) Changes in accounting policy and disclosures (Continued)

##### HKFRS 16 "Leases" (Continued)

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 4.8%.

#### (i) Measurement of lease liabilities

### 2 編製基準(續)

#### (a) 會計政策及披露的變動(續)

##### 香港財務報告準則第16號「租賃」 (續)

因採用香港財務報告準則第16號，集團為之前根據香港會計準則第17號的規定分類為「經營租賃」的租賃確認了租賃負債。該等負債以剩餘租賃付款額按截至二零一九年一月一日的承租人增量借款利率折現的現值計量。於二零一九年一月一日租賃負債適用的承租人加權平均增量借款利率為4.8%。

#### (i) 租賃負債計量

		2019 二零一九年 HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承諾	87,313
Discounted using the lessee's incremental borrowing rate at the date of initial application	首次應用日期使用承租人增量借款利率進行折現	70,244
Less: short-term leases recognised on a straight-line basis as expense	減：按直線法確認為開支的短期租賃	(2,488)
Lease liability recognised as at 1 January 2019	於二零一九年一月一日確認的租賃負債	67,756
Of which are:	其中包括：	
Current lease liabilities	流動租賃負債	13,665
Non-current lease liabilities	非流動租賃負債	54,091
		67,756



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 2 Basis of preparation (Continued)

#### (a) Changes in accounting policy and disclosures (Continued)

##### HKFRS 16 "Leases" (Continued)

#### (ii) Measurement of right-of-use assets

All the right-of-use assets were measured on a retrospective basis as if the new rules had always been applied. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application. For land use rights previously presented as a separate item on consolidated statement of financial position are grouped as part of right-of-use assets with effect from 1 January 2019.

#### (iii) Adjustments recognised in the consolidated statement of financial position on 1 January 2019

The following table shows the adjustment for change in accounting policy recognised for each individual line item. Line items that were not affected by the changes have not been included.

Statement of consolidated financial position (Extract)	綜合財務狀況表(摘錄)	31 December 2018 As previously reported 二零一八年十二月三十一日 過往呈報 HK\$'000 千港元	HKFRS 16 香港財務報告準則第16號 HK\$'000 千港元	1 January 2019 二零一九年一月一日 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Right-of-use assets	使用權資產	-	478,780	<b>478,780</b>
Land of use rights	土地使用權	415,234	(415,234)	-
Deferred tax assets	遞延稅項資產	7,646	1,051	<b>8,697</b>
<b>LIABILITIES</b>	<b>負債</b>			
<b>Current liabilities</b>	<b>流動負債</b>			
Lease liabilities	租賃負債	-	13,665	<b>13,665</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	-	54,091	<b>54,091</b>
<b>EQUITY</b>	<b>權益</b>			
Retained profits	保留溢利	2,576,972	(1,617)	<b>2,575,355</b>
Non-controlling interests	非控股權益	2,716,153	(1,542)	<b>2,714,611</b>

### 2 編製基準(續)

#### (a) 會計政策及披露的變動(續)

##### 香港財務報告準則第16號「租賃」(續)

#### (ii) 使用權資產計量

所有使用權資產按追溯基準計量，猶如新規則一直獲應用。概無規定於首次應用日期就使用權資產作出調整的一次性租賃合約。先前於綜合財務狀況表呈列為單獨項目的土地使用權於二零一九年一月一日起組成使用權資產的一部分。

#### (iii) 於二零一九年一月一日在綜合財務狀況表確認的調整

下表列示因會計政策變動而就每個個別項目確認的調整。沒有受變動影響的個別項目不包括在內。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 2 Basis of preparation (Continued)

#### (a) Changes in accounting policy and disclosures (Continued)

##### HKFRS 16 "Leases" (Continued)

#### (iv) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- using single discount rate to a portfolio of leases with reasonably similar characteristics,
- relying on previous assessments on whether leases are onerous,
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases,
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 and Interpretation 4 "Determining whether an Arrangement contains a Lease".

#### (v) Impact on segment disclosures

The segment assets located in Hong Kong, Mainland China, and Canada has increased by HK\$1,805,000, HK\$51,464,000, and HK\$1,987,000 at 31 December 2019 respectively as a result of the change in accounting policy.

### 2 編製基準(續)

#### (a) 會計政策及披露的變動(續)

##### 香港財務報告準則第16號「租賃」 (續)

#### (iv) 應用實際權宜法

於首次應用香港財務報告準則第16號，集團已使用準則下允許的實際權宜法：

- 對具有合理相似特徵的租賃組合使用單一貼現率，
- 依賴以往關於租賃是否為繁重的評估，
- 將於二零一九年一月一日餘下租期少於12個月之經營租賃會計處理為短期租賃，
- 在首次應用日期排除計量使用權資產的初始直接成本，及
- 在釐定合約包含延長或終止租賃選擇權的租賃期限時使用事後方法。

集團亦已選擇不重新評估合約於首次應用日期是否為租賃合約或包含租賃。相反，對於在過渡日期之前訂立之合約，集團依據其應用香港會計準則第17號及詮釋第4號「釐定安排是否包括租賃」作出評估。

#### (v) 對分部披露之影響

於二零一九年十二月三十一日，位於香港、中國內地及加拿大的分部資產因會計政策變動分別增加1,805,000港元、51,464,000港元及1,987,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 2 Basis of preparation (Continued)

#### (b) New standard and amendments to standards not yet adopted

The following are new standard and amendments to standards that have been issued but are not effective for the financial year beginning 1 January 2019 and have not been early adopted.

		Effective for accounting periods beginning on or after 於自以下日期或 其後開始的會計期間生效
HKAS 1 and HKAS 8 (Amendments) 香港會計準則第1號及香港會計準則 第8號(修訂本)	Amendments to Definition of Material 重大性定義的修訂	1 January 2020 二零二零年一月一日
HKFRS 3 (Amendments) 香港財務報告準則第3號(修訂本)	Definition of Business 業務的定義	1 January 2020 二零二零年一月一日
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments) 香港會計準則第39號、香港財務報告準則 第7號及香港財務報告準則第9號 (修訂本)	Hedge Accounting 對沖會計	1 January 2020 二零二零年一月一日
Conceptual Framework for Financial Reporting 2018 二零一八年財務報告概念框架	Revised Conceptual Framework for Financial Reporting 經修訂財務報告之概念框架	1 January 2020 二零二零年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合約	1 January 2021 二零二一年一月一日
HKAS 28 (Amendments) and HKFRS 10 香港會計準則第28號(修訂本)及 香港財務報告準則第10號	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的資產出售或 注資	To be determined 待定

The Group will apply the above new standard and amendments to standards when they become effective. The directors of the Company assess that the adoption of the new standard and amendments to standards is not expected to have any significant impact on the results and the financial position of the Group.

### 2 編製基準(續)

#### (b) 尚未採納之新準則及準則的修訂本

以下新準則及準則的修訂本已頒佈但尚未於二零一九年一月一日開始之財政年度生效且並無提早採納。

集團將於上述新準則及準則修訂本生效時應用。公司董事評定，預期採納新準則及準則修訂本不會對集團的業績及財務狀況產生任何重大影響。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Subsidiaries

##### (i) Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

##### (1) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

### 3 主要會計政策概要

於編製此等綜合財務報表時應用之主要會計政策載於下文。除另有說明外，該等政策乃貫徹應用於所有年度。

#### (a) 附屬公司

##### (i) 綜合賬目

附屬公司指集團對其具有控制權的實體(包括結構性實體)。當集團因參與該實體而對可變回報承擔風險或享有權利，並有能力透過其對該實體的權力影響此等回報時，集團即控制該實體。附屬公司在控制權轉移至集團之日起綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

##### (1) 業務合併

集團採用收購法將業務合併入賬。被收購方的前擁有人所轉讓資產、所產生的負債及集團發行的股本權益的公平值。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公平值。在業務合併中所收購可識別的資產以及所承擔的負債及或有負債，首先以彼等於收購日期的公平值計量。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (a) Subsidiaries (Continued)

##### (i) Consolidation (Continued)

#### (1) Business combinations (Continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

### 3 主要會計政策概要(續)

#### (a) 附屬公司(續)

##### (i) 綜合賬目(續)

#### (1) 業務合併(續)

集團按逐項收購基準，確認在被收購方的任何非控股權益，而被收購方的非控股權益若屬現時擁有權益且賦予持有人在清盤時按比例應佔實體的淨資產，則可按公平值或按現時擁有權益應佔被收購方可識別淨資產的確認金額比例而計量。非控股權益的所有其他組成部分按收購日期的公平值計量，除非香港財務報告準則規定必須以其他計量基準計算。

收購的相關成本於產生時支銷。

倘業務合併分階段進行，收購方先前持有的被收購方股本權益於收購當日的賬面值重新計量為於收購當日的公平值；因相關重新計量而產生的任何盈虧於損益內確認。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (a) Subsidiaries (Continued)

##### (i) Consolidation (Continued)

#### (1) Business combinations (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

#### (2) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

### 3 主要會計政策概要(續)

#### (a) 附屬公司(續)

##### (i) 綜合賬目(續)

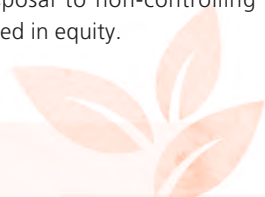
#### (1) 業務合併(續)

所轉讓代價、於被收購方的任何非控股權益金額及任何先前於被收購方的權益於收購日期的公平值高於所收購可辨認資產淨值的公平值時，其差額以商譽列賬。就議價購買而言，如轉讓代價、已確認非控股權益及先前持有的權益總額低於所收購附屬公司資產淨值的公平值，其差額將直接在損益內確認。

集團內公司之間的交易、結餘及交易的未變現收益予以對銷。未變現虧損亦予以對銷。如有必要，附屬公司報告的金額已按需要作出調整，以確保與集團採用的會計政策一致。

#### (2) 不會導致失去控制權之附屬公司所有權權益變動

不會導致失去控制權之非控股權益交易入賬列作權益交易——即以彼等為附屬公司擁有人之身份與擁有人進行交易。任何已付代價公平值與所收購相關應佔附屬公司資產淨值賬面值之差額列作權益。向非控股權益出售所得盈虧亦列作權益。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (a) Subsidiaries (Continued)

##### (i) Consolidation (Continued)

#### (3) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, a joint venture or a financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

##### (ii) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

### 3 主要會計政策概要(續)

#### (a) 附屬公司(續)

##### (i) 綜合賬目(續)

#### (3) 出售附屬公司

若集團不再擁有控制權，其於該實體之任何保留權益按其於失去控制權當日之公平值重新計算，而賬面值變動則於損益中確認。其後此保留權益將入賬列作聯營公司、合營企業或財務資產，並以公平值為初始之賬面值。此外，過往於其他全面收益內確認與該實體有關之任何金額按猶如集團已直接出售有關資產或負債之方式入賬。即先前在其他全面收益內確認之金額重新分類至損益。

##### (ii) 獨立財務報表

於附屬公司投資按成本值扣除減值入賬。成本亦包括直接應佔投資成本。公司按已收及應收股息基準入賬附屬公司之業績。

倘於附屬公司投資所收取之股息超過附屬公司於股息宣派期間之全面收益總額或於獨立財務報表中有關投資之賬面值超過投資對象之淨資產(包括商譽)於綜合財務報表中之賬面值，則於收取該等投資之股息時，須對附屬公司之投資進行減值測試。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit of investments accounted for using equity method in the profit or loss.

### 3 主要會計政策概要(續)

#### (b) 聯營公司

聯營公司指集團對其有重大影響力但並無控制權之所有實體，通常同時持有其20%至50%有表決權股份。於聯營公司投資以權益法核算。投資以權益法初步按成本確認。集團於聯營公司投資包括收購時確定之商譽。收購於一間聯營公司的擁有權權益後，聯營公司成本與集團分佔聯營公司的可識別資產及負債之公平淨值之間的差額入賬列作商譽。

倘於聯營公司所有權權益減少但重大影響力獲保留，則先前於其他全面收益已確認之金額中僅有一定份額重新分類至損益(如適用)。

集團應佔收購後溢利或虧損之份額於損益中確認，其應佔收購後其他全面收益變動則於其他全面收益中確認，並對投資賬面值作出相應調整。當集團應佔一間聯營公司虧損等於或超過其於該聯營公司所擁有權益(包括任何其他無抵押應收款項)時，集團不再進一步確認虧損，除非其招致法定或推定義務或代表該聯營公司付款。

集團於各報告日期確定是否有任何客觀證據顯示於聯營公司投資出現減值。倘若確實如此，集團根據聯營公司可收回金額與其賬面值差額計算減值金額並於損益中將有關金額確認為分佔以權益法入賬之投資溢利。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (b) Associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the profit or loss.

#### (c) Joint arrangement

The Group has applied HKFRS 11 to all joint arrangements. Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangement and determined it to be joint venture. Joint venture is accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investment in joint venture include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in joint venture equals or exceeds its interest in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

### 3 主要會計政策概要(續)

#### (b) 聯營公司(續)

集團與其聯營公司之間上下游交易產生之溢利及虧損僅以非相關投資者於聯營公司之權益為限於集團財務報表內確認。未變現虧損予以抵銷，表明所轉讓資產已發生減值之交易除外。聯營公司會計政策已按需要變更，以確保與集團所採納政策貫徹一致。

有關聯營公司股權攤薄的盈虧於損益確認。

#### (c) 共同安排

集團已就所有共同安排應用香港財務報告準則第11號。根據香港財務報告準則第11號，於共同安排之投資視乎各投資者之合約權利及責任而分類為合營業務或合營企業。集團已評估其共同安排之性質，並將其共同安排界定為合營企業。合營企業採用權益法入賬。

根據權益會計法，於合營企業的權益乃按成本初步確認，其後予以調整以確認集團應佔收購後的損益及於其他全面收益的變動。集團於合營企業的投資包括收購識別的商譽。收購於一間合營企業的擁有權權益後，合營企業成本與集團分佔合營企業的可識別資產及負債之公平淨值之間的任何差額入賬列作商譽。當集團分佔合營企業虧損等於或超過其佔合營企業之權益時(包括任何長期權益，而該長期權益實質上構成集團於該合營企業的投資淨額之一部分)，集團不再確認進一步虧損，除非集團代合營企業承擔負債或支付款項。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (c) Joint arrangement (Continued)

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the interest in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount adjacent to share of profit of investment accounted for using equity method in the profit or loss.

#### (d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

#### (e) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and the Group's presentation currency.

### 3 主要會計政策概要(續)

#### (c) 共同安排(續)

集團與其合營企業交易的未變現收益與集團於合營企業的權益對銷。未變現虧損亦予以對銷，除非交易時有證據表明所轉讓資產出現減值。合營企業會計政策於需要時作出改變，以確保與集團所採納政策貫徹一致。

集團於各報告日期確定是否有任何客觀證據顯示於合營企業的權益出現減值。倘確實如此，則集團以該合營企業可收回金額及其賬面值之差額計算減值金額，並將金額確認於損益上列於分佔以權益法入賬的投資溢利。

#### (d) 分部報告

經營分部的報告方式與提供予主要經營決策制定者之內部報告所使用報告方式一致。負責分配資源及評估經營分部業績的主要經營決策制定者，被認為制定戰略決策的執行董事。

#### (e) 外幣換算

##### (i) 功能及呈報貨幣

集團各實體之財務報表所包括項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以公司之功能及集團之呈報貨幣港元呈列。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (e) Foreign currency translation (Continued)

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

All other foreign exchange gains and losses are presented in the consolidated profit or loss within “administrative expenses”.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Transaction differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity held at fair value through profit or loss (“FVPL”) are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity classified as fair value through other comprehensive income (“FVOCI”) are recognised in other comprehensive income.

### 3 主要會計政策概要(續)

#### (e) 外幣換算(續)

##### (ii) 交易及結餘

外幣交易均按交易或項目重新計量日期當時之匯率換算為功能貨幣。因該等交易結算及按年結日之匯率換算以外幣計值之貨幣資產及負債而產生之外幣匯兌損益，均於損益確認。

所有其他匯兌損益在綜合損益內的「行政開支」中列報。

外幣中按公平值計量之非貨幣項目使用公平值釐定當日之匯率換算。按公平值列賬之資產及負債之交易差額呈報為公平值收益或虧損之一部分。舉例而言，非貨幣資產及負債(如按公平值經損益入賬(「按公平值經損益入賬」)之權益)之換算差額於損益確認為公平值收益或虧損之一部分，而非貨幣資產(如分類為按公平值計入其他全面收益(「按公平值計入其他全面收益」)之權益)則於其他全面收益確認。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (e) Foreign currency translation (Continued)

##### (iii) Group companies

The results and financial position of all the foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange fluctuation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the year end closing rate. Currency translation differences arising are recognised in other comprehensive income.

### 3 主要會計政策概要(續)

#### (e) 外幣換算(續)

##### (iii) 集團公司

所有海外業務(全部均非採用高通脹經濟體系之貨幣)如持有與呈報貨幣不一致之功能貨幣，其業績及財務狀況均按以下方法換算為呈報貨幣：

- 各財務狀況表呈列之資產及負債均按照該財務狀況表日期之收市匯率換算；
- 各損益之收入及開支按照平均匯率換算(除非平均匯率並非交易日期現行匯率的累計影響的合理約數，在此情況下，收支項目按交易日期的匯率換算)；及
- 所有產生之匯兌差額均於其他全面收益確認並單獨於權益中的匯兌波動儲備內累計。

因收購海外實體而產生之商譽及公平值調整，均視作為該海外實體之資產及負債處理，並於年末結算日的匯率折算。所產生的匯兌差額在其他全面收益中確認。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (e) Foreign currency translation (Continued)

##### (iv) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

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

Property, plant and equipment comprise mainly buildings, plant and machinery, oil and gas properties, pipelines and construction in progress. Accounting policies for oil and gas properties are set out in Note 3(g). All other property, plant and equipment is stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is 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 expensed in the profit or loss during the year in which they are incurred. Except for oil and gas properties and construction in progress, depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	12.5 to 40 years or remaining lease period of the land where applicable
Plant and machinery	3 to 20 years
Pipelines	20 years
Others	3 to 20 years

### 3 主要會計政策概要(續)

#### (e) 外幣換算(續)

##### (iv) 出售海外業務

於出售海外業務(即出售集團於一項海外業務之全部權益,或涉及失去包含海外業務之附屬公司控制權之出售,或涉及失去包含海外業務之合營公司共同控制權之出售,或涉及失去對包含海外業務之聯營公司重大影響力之出售)時,公司擁有人應佔就有關業務於權益累計之所有匯兌差額重新分類至損益。

#### (f) 物業、廠房及設備

物業、廠房及設備,主要包括樓宇、廠房及機器、油氣資產、管道及在建工程。油氣資產之會計政策載於附註3(g)。所有其他物業、廠房及設備按歷史成本扣除折舊及減值(如有)後入賬。歷史成本包括收購項目直接應佔之開支。

僅當與項目有關之未來經濟利益有可能流入集團及項目成本能可靠計量時,其後成本方會計入資產賬面值或確認為一項獨立資產(如適用)。已更換零件的賬面值已被剔除入賬。所有其他維修及保養費用在產生的年度內於損益內支銷。除油氣資產及在建工程外,物業、廠房及設備之折舊乃採用直線法於其估計可使用年限內按成本分配至剩餘價值,年率如下:

樓宇	12.5至40年或按該土地之租約餘期(倘適用)
廠房及機器	3至20年
管道	20年
其他	3至20年



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (f) Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each date of the statement of financial position. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3(j)).

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within "administrative expenses" in profit or loss.

Construction in progress represents, buildings under development for future owner-occupied purpose and pipelines under construction, which is stated at cost less any accumulated impairment losses, and is not depreciated. Costs comprise direct and indirect incremental costs of acquisition or construction. Completed items are transferred from construction in progress to proper categories of property, plant and equipment when they are ready for their intended use.

#### (g) Oil and gas properties

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of commercially proven development wells, is capitalised within construction in progress under property, plant and equipment. When development is completed on a specific field, it is transferred to oil and gas properties under property, plant and equipment. No depreciation and depletion is charged during the development phase.

Oil and gas properties are aggregated exploration and evaluation assets and development expenditures associated with the production of proved reserves.

### 3 主要會計政策概要(續)

#### (f) 物業、廠房及設備(續)

資產剩餘價值及可使用年限於各財務狀況表日期檢討，並作出調整(如適用)。倘資產之賬面值超過估計可收回金額，則資產之賬面值即時撇減至可收回金額(附註3(j))。

出售收益及虧損乃透過比較所得款項與賬面值釐定，並於損益內確認為「行政開支」。

在建工程指未來自用在建樓宇及在建管道並以成本減任何累計減值虧損列賬，且不予折舊。成本包括收購或建造之直接及間接增加成本。已完成項目當其可用作既定用途時，由在建工程轉撥至物業、廠房及設備之適當類別。

#### (g) 油氣資產

興建、安裝或完成平台、管道等基礎設施及鑽探商業開發井之開支乃撥充作物業、廠房及設備項下之在建工程。當對特定油田完成開發時，其會轉撥至物業、廠房及設備項下之油氣資產。於開發階段概無扣除折舊及損耗。

油氣資產合共為勘探及評估資產以及與探明儲量生產有關的開發開支。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (g) Oil and gas properties (Continued)

Oil and gas properties are depreciated and depleted using the unit-of-production method. Unit-of-production rates are based on total proved plus probable reserves, which are oil, gas and other mineral reserves estimated to be recovered using current operating methods and taking into account estimated future development costs necessary to bring those reserves into production. Future development costs are estimated taking into account the level of development required to produce the reserve.

Proven oil and gas properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

#### (h) Exploration and evaluation assets

Oil and gas exploration and evaluation expenditures are accounted for using the successful efforts method of accounting. Costs are accumulated on a field-by-field basis. Geological, geophysical costs and pre-licence costs are expensed as incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised within exploration and evaluation assets until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

Once commercial reserves are found, exploration and evaluation assets are tested for impairment and transferred to construction in progress under property, plant and equipment. No depreciation and depletion is charged during the exploration and evaluation phase.

### 3 主要會計政策概要(續)

#### (g) 油氣資產(續)

油氣資產按單位生產法折舊及損耗。單位生產率按探明加概算總儲量計算，即從現有設施以現有營運方法去估計可採收之石油及天然氣以及其他礦產儲量及考慮生產該等儲量所需的估計未來開發成本。未來開發成本經考慮儲量產出所需的開發水平而估計。

倘出現事件或情況變動顯示可能無法收回其賬面值，則探明油氣資產作減值檢討。減值虧損按資產之賬面值超出其可收回金額之金額予以確認。可收回金額為資產之公平值減出售成本與使用價值之較高者。就評估減值而言，資產乃按可個別識別現金流量之最低級別分組。

#### (h) 勘探及評估資產

石油及天然氣勘探及評估開支使用成果會計法入賬。成本按逐段累計。地質、地理成本及取得牌照前成本於產生時支銷。與探井直接有關的成本，及勘探及物業租賃收購成本於勘探及評估資產內資本化直至儲量釐定得到評估。倘釐定尚未達致商業發現，該等成本自開支扣除。

一旦發現商業儲量時，勘探及評估資產會作減值測試，並轉撥至物業、廠房及設備下的在建工程。於勘探及評估階段概無扣除折舊及損耗。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

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

Exploration and evaluation assets are tested for impairment when reclassified to construction in progress, or whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the exploration and evaluation assets' carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets' fair value less costs of disposal and their value in use.

#### (i) Intangible assets

##### (i) Goodwill

Goodwill arises on the acquisition of businesses represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually and more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less cost of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

### 3 主要會計政策概要(續)

#### (h) 勘探及評估資產(續)

重新分類至在建工程時，或任何時候有事實及情況表示減值，則勘探及評估資產進行減值測試。減值虧損按勘探及評估資產的賬面值超出其可收回金額時的金額予以確認。可收回金額為勘探及評估資產的公平值減出售成本及其使用價值的較高者。

#### (i) 無形資產

##### (i) 商譽

商譽於收購業務時產生，即所轉讓的代價、於被收購方的非控股權益及先前於被收購方的股權於收購日期的公平值，超過所收購可識別資產淨值公平值的差額。

就減值測試而言，業務合併所獲得之商譽會分配至預期將受益於合併協同效應之各個現金產生單位（「現金產生單位」）或現金產生單位組別。商譽所分配的各個單位或單位組別為實體內就內部管理目的而監察商譽之最低層次。商譽乃於經營分部層次進行監察。

商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。含有商譽之現金產生單位賬面值與可收回金額作比較，可收回金額為使用價值與公平值減出售成本兩者中之較高者。任何減值即時確認為開支，且其後不會撥回。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (i) Intangible assets (Continued)

##### (ii) Other intangible assets

Other intangible assets comprise mainly exclusive rights, club membership and computer operating system.

Exclusive rights are shown at historical cost. Exclusive rights have definite useful lives and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of exclusive rights over their estimated useful lives ranging from 30 to 48 years for natural gas supply services.

Investment in club membership is shown at historical cost. Investment in club membership has indefinite useful life and is tested annually for impairment and carried at cost less any accumulated impairment losses and is not amortised.

Computer operating system is shown at historical cost. Computer operating system has definite useful lives and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of computer operating system over its estimated useful lives of 2 to 10 years.

### 3 主要會計政策概要(續)

#### (i) 無形資產(續)

##### (ii) 其他無形資產

其他無形資產主要包括獨家購買權、會所會籍及電腦操作系統。

獨家購買權以歷史成本列賬。獨家購買權為有限使用年期及按成本減累計攤銷列賬。攤銷乃使用直線法按天然氣供應服務之估計使用年期由30至48年不等分配獨家購買權成本。

於會所會籍之投資乃按歷史成本列賬。於會所會籍之投資具有不確定使用年期及每年進行減值測試，並按成本減任何累計減值虧損列賬且不予攤銷。

電腦操作系統以歷史成本列賬。電腦操作系統為有限使用年期及按成本減累計攤銷列賬。攤銷乃使用直線法按其估計使用年期由2至10年分配電腦操作系統成本。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (j) Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### (k) Land use rights

Land use rights are lump sum upfront payments to acquire long-term interest in lessee-occupied properties. Land use rights relating to buildings of the Group under operating lease arrangements are stated at cost and are amortised over the period of the lease on the straight-line basis to the profit or loss prior to 1 January 2019.

### 3 主要會計政策概要(續)

#### (j) 非財務資產之減值

無限定使用年限之資產(例如商譽或未供使用之無形資產)毋需攤銷,惟須每年進行減值測試。需攤銷之資產則當有事件出現或情況變動顯示賬面值可能無法收回時,將檢討須攤銷資產是否減值。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額為資產之公平值扣除銷售成本及使用價值兩者間之較高者。於評估減值時,資產計入可分開識辨現金流量(現金產生單位)的最低層次組別。商譽以外出現減值之非財務資產會於各報告日期獲檢討減值撥回的可能性。

#### (k) 土地使用權

土地使用權指於購入由承租人佔用之物業的長期權益時須一次過先付的數額。於二零一九年一月一日之前,經營租賃安排下與集團樓宇有關之土地使用權均以成本列賬及於租賃期內按直線法攤銷並列入損益。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (l) Investments and other financial assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity investments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

### 3 主要會計政策概要(續)

#### (l) 投資及其他財務資產

##### (i) 分類

集團按以下計量類別對其財務資產進行分類：

- 後續以公平值計量(且其變動計入其他全面收益(「其他全面收益」)或損益)的財務資產，及
- 以攤銷成本計量的財務資產。

該分類取決於集團管理財務資產的業務模式以及現金流量合約條款。

對於以公平值計量的財務資產，其收益及損失計入損益或其他全面收益。對於非持作交易股本投資之投資，其收益及損失將取決於集團在初始確認時是否作出不可撤銷的選擇而將其以按公平值計入其他全面收益之股本投資入賬。

集團於且僅於管理該等資產之業務模式改變時方重新分類債務投資。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (i) Investments and other financial assets (Continued)

##### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

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

### 3 主要會計政策概要(續)

#### (i) 投資及其他財務資產(續)

##### (ii) 確認及終止確認

常規途徑買賣之財務資產於交易日期確認，交易日期為集團須購買或出售資產之日期。財務資產於收取財務資產現金流之權利屆滿或已轉讓，且集團已將擁有權之所有風險及回報大致轉讓時終止確認。

##### (iii) 計量

對於不被分類為按公平值經損益入賬之財務資產，集團按其公平值加上可直接歸屬於購入該項財務資產的交易成本進行初始確認。按公平值經損益入賬之財務資產的交易成本於損益支出。

對於包含嵌入式衍生工具的財務資產，於釐定其現金流量是否僅為支付本金和利息時，從財務資產之整體進行考慮。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (i) Investments and other financial assets (Continued)

##### (iii) Measurement (Continued)

##### 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 two measurement categories into which the Group classifies its debt instruments:

- 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gains, net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains, net". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains, net" and impairment expenses are presented as separate line item in profit or loss.

### 3 主要會計政策概要(續)

#### (i) 投資及其他財務資產(續)

##### (iii) 計量(續)

##### 債務工具

債務工具之後續計量取決於集團管理資產之業務模式及該項資產之現金流量特徵。集團將其債務工具分類為兩種計量類別：

- 攤銷成本：為收取合約現金流量而持有且現金流量僅為支付本金及利息之資產按攤銷成本計量。該等財務資產之利息收入按實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益確認，並於「其他收益淨額」中與外匯收益及虧損一併列示。減值虧損於損益中作為獨立項目列示。
- 按公平值計入其他全面收益：持作收取合約現金流量及出售財務資產之資產，倘該等資產現金流量僅指支付本金及利息，則按公平值計入其他全面收益計量。賬面值變動計入其他全面收益，惟於損益中確認之減值收益或虧損、利息收益及外匯收益及虧損之確認除外。財務資產終止確認時，先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並於「其他收益淨額」中確認。該等財務資產之利息收入按實際利率法計入財務收入。外匯收益及虧損呈列於「其他收益淨額」中，而減值虧損則於損益中作為獨立項目列示。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (i) Investments and other financial assets (Continued)

##### (iii) Measurement (Continued)

###### Equity investments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Impairment losses and reversal of impairment losses on equity investments measured at FVOCI are not reported separately from other changes in fair value.

##### (iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 4.2(b) for further details.

### 3 主要會計政策概要(續)

#### (i) 投資及其他財務資產(續)

##### (iii) 計量(續)

###### 股本投資

集團所有股本投資隨後按公平值計量。倘集團管理層已選擇將股本投資之公平值收益及虧損於其他全面收益呈列，則終止確認投資後，概無後續重新分類公平值收益及虧損至損益。集團收取付款之權利確立時，有關投資之股息繼續於損益中確認為其他收入。

對於按公平值計入其他全面收益計量的股本投資，其減值虧損及減值虧損撥回不會與其他公平值變動分開呈報。

##### (iv) 減值

集團按前瞻性基準評估按攤銷成本及按公平值計入其他全面收益列賬之債務工具相關之預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

就貿易應收款項而言，集團應用香港財務報告準則第9號允許之簡化法，其要求於應收款項初始確認時確認預期全期虧損，詳情見附註4.2(b)。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less all costs to completion and all direct costs necessary make the sale.

#### (n) Trade and other receivables

Trade receivables are amounts due from customers for sales and distribution of oil and natural gas and other related products or gas pipeline construction and connection services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

#### (o) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

### 3 主要會計政策概要(續)

#### (m) 存貨

存貨按成本或可變現淨值兩者之較低者入賬。成本按先入先出法釐定。製成品及在建工程成本包括原料、直接人工、其他直接成本及有關之生產經常費用(按正常經營能力)，以及不包括借貸成本。可變現淨值為日常業務過程中的估計售價減完成的所有開支及出售所需的所有直接開支。

#### (n) 貿易及其他應收款項

貿易應收款項為對客戶銷售及輸送石油及天然氣及其他相關產品之款項或於正常業務過程中提供天然氣管道建造及接駁服務之款項。倘貿易及其他應收款項預計於一年或以內(或若更長則在業務正常經營週期內)收回，則歸類為流動資產。否則，於非流動資產中呈列。

貿易及其他應收款項初步按無條件代價金額確認，但當其包含重大融資成分時，按公平值進行確認。集團持有貿易及其他應收款項的目的是收取合約現金流量，因此後續使用實際利率法按攤銷成本計量應收賬款。

#### (o) 現金及現金等值項目

於綜合現金流量表中，現金及現金等值項目包括手頭現金、非定期銀行存款、其他原到期日為三個月或更短可隨時轉換為已知金額現金且毋須承受重大價值變動的短期高流動性投資。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (p) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### (q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### 3 主要會計政策概要(續)

#### (p) 貿易應付賬款

貿易應付賬款為在日常經營活動中從供應商購買商品或服務而應支付款項之責任。如貿易應付賬款之支付日期在一年或以內(或若更長則在業務正常經營週期內)，貿易應付賬款被分類為流動負債；否則呈列為非流動負債。

貿易應付賬款初始以公平值確認，其後利用實際利率法按攤銷成本計量。

#### (q) 借貸

借貸初始以公平值確認(扣除所產生的交易成本)。借貸其後以攤銷成本列賬；所得款項(扣除交易成本)及贖回價值之任何差額，以實際利率法於借貸期間在綜合損益內予以確認。

在借貸將很有可能部分或全部提取的情況下，就設立借貸融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取借貸發生時。在並無跡象顯示該借貸將很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

借貸分類為流動負債，惟集團具有無條件權利可將償還負債的日期遞延至各報告期末後至少十二個月者除外。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (r) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (s) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 3 主要會計政策概要(續)

#### (r) 借貸成本

收購、建造或生產合資格資產(即需要長時間才可以達到擬定用途或出售狀態之資產)直接應佔之一般及特定借貸成本計入該等資產的成本，直至資產大致可達到擬定用途或出售狀態時為止。

等待作為合資格資產開支之特別借貸之暫時投資所賺取之投資收入在符合資格可資本化之借貸成本中扣除。

所有其他借貸成本於產生期間在損益內確認。

#### (s) 股本

普通股分類為權益。與發行新股或購股權直接有關的增量成本，於權益列為所得款項的減項(扣除稅項)。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the sales and distribution of natural gas and other related products, provision of gas pipeline construction and connection services, and the exploitation and production of crude oil and natural gas, stated net of value added taxes.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customers and the payment by the customers exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

When either party to a contract has performed, the Group presents the contract in the consolidated balance sheet as a contract asset or a contract liability, depending on the relationship between the Group's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods that the Group has transferred to a customer. Incremental costs incurred to obtain a contract, if recoverable, are capitalised and presented as assets and subsequently amortised when the related revenue is recognised.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers the promised goods to the customer, the Group presents the contract as a contract liability when the payment is received or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer the promised goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

### 3 主要會計政策概要(續)

#### (t) 收入確認

收入按已收或應收代價之公平值計量，及表示就銷售及分銷天然氣及其他有關產品、提供天然氣管道建造及接駁服務以及開採及生產原油及天然氣應收之金額，按扣除增值稅呈列。

集團預計並無任何自所承諾貨品轉讓予客戶至客戶付款期限超過一年的合約。因此，集團並無就貨幣時間價值調整任何交易價格。

當合約的任一訂約方已履約，集團根據集團履約責任及客戶付款之間的關係將其合約於綜合資產負債表呈列為合約資產或合約負債。

合約資產為集團對其已向客戶轉移的貨品收取代價的權利。獲得合約所產生之增量成本如可收回，會資本化及呈列為資產，並於其後確認有關收入時予以攤銷。

倘於集團向客戶轉讓所承諾貨品前，客戶支付代價或集團擁有無條件收取代價的權利，則集團於收取款項或應收款項入賬時(以較早者為準)將合約呈列為合約負債。合約負債是集團因其已向客戶收取代價(或到期應收客戶的代價金額)而向客戶轉讓所承諾貨品的責任。

應收款項於集團擁有無條件收取代價的權利時入賬。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (t) Revenue recognition (Continued)

Revenue is recognised when, or as, the control of the goods or services is transferred to the customer. Depending on the terms of the contract and the laws applicable, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and 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.

If control of the goods and 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 and services.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best depict the Group's performance in satisfying the performance obligation:

- Direct measurements of the value transferred by the Group to the customer; or
- The Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected efforts or inputs.

### 3 主要會計政策概要(續)

#### (t) 收入確認(續)

收入於貨品或服務的控制權轉移至客戶時確認。視乎合約條款及適用法律，貨品或服務的控制權乃在一段時間內或某一時間點轉移。倘集團在履約過程中符合下列條件，則貨品或服務的控制權乃在一段時間內轉移：

- 提供所有由客戶同時收到且消耗的利益；
- 集團於履約時創建或提升由客戶控制的資產；或
- 並無產生對集團具有替代用途的資產，且集團擁有強制執行權以收取迄今已完成履約部分的款項。

倘貨品及服務的控制權在一段時間內轉移，則收入乃經參考完成履約責任的進度於整個合約期間確認。否則，收入於客戶獲得貨品及服務控制權的時間點確認。

計量完成履約責任的進度乃基於下列最能描述集團完成履約責任表現的其中一種方法：

- 直接計量集團已向客戶轉移的價值；或
- 集團為完成履約責任所作的努力或投入(相對於預期努力或投入總額)。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (t) Revenue recognition (Continued)

Revenue is recognised when specific criteria have been met for the Group's activity described below:

##### (i) Sales and distribution of natural gas

Sales and distribution of natural gas are recognised at a point in time when control is transferred to customers, which generally coincides with the time when gas is transmitted and used by the customers, and is based on the gas consumption derived from meter readings. Payment of the transaction price is due immediately at the point the customer consume the gas. Payments received in advance on pre-paid I/C cards that are related to sales of natural gas not yet delivered are recognised as contract liabilities and deferred in the consolidated statements of financial position.

##### (ii) Gas pipeline construction and connection

The Group provides gas pipeline construction and connection services to its end-customers under fixed-price contracts. Revenue from the provision of gas pipeline construction and connection services is recognised over time as the Group's performance creates or enhances an asset that the customer controls.

The Group satisfies a performance obligation over time, by measuring the progress using output method on the basis of direct measurements of the value the customer of the promised goods or services transferred to date certified by internal engineers, relative to the value of total goods or services promised under the contract with customer. The Group recognises revenue over time only if it can reasonably measure its progress toward complete satisfaction of the performance obligation. However, if the Group cannot reasonably measure the outcome but expects to recover the costs incurred in satisfying the performance obligation, then it recognises revenue to the extent of the costs incurred.

### 3 主要會計政策概要(續)

#### (t) 收入確認(續)

收入於就集團活動滿足特定條件時確認，詳情概述如下：

##### (i) 銷售及輸送天然氣

銷售及輸送天然氣於控制權轉讓予客戶的時間點(一般為天然氣輸送至客戶同時由客戶使用時)確認，並基於氣錶讀數得出天然氣消耗量。交易價格於客戶使用天然氣時即時到期應付。以預付I/C卡支付銷售未輸送天然氣之已收預付款項於綜合財務狀況表中確認為合約負債並遞延。

##### (ii) 天然氣管道建造及接駁

集團根據固定價格合約向其終端客戶提供天然氣管道建造及接駁服務。提供天然氣管道建造及接駁服務的收入於一段時間內確認，原因為集團於履約時創建或提升由客戶控制的資產。

集團於一段時間內達成履約責任，當中透過使用產量法計量進度，即透過直接計量迄今已轉讓予客戶的所承諾貨品或服務價值(經內部工程師核證)，相對客戶合約下所承諾提供的貨品或服務價值確認收入。集團僅於其可合理計量達成履約責任的進度時方確認收入。然而，倘集團未能合理計量後果，惟預期可收回於達成履約責任產生的成本，其將按已產生的成本為限確認收入。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (t) Revenue recognition (Continued)

##### (ii) Gas pipeline construction and connection (Continued)

Estimates of costs or extent of progress toward completion are revised if circumstances change. Any change in estimation of progress are reflected in profit or loss in the period which the circumstances that give rise to the revision become known by management.

The customers are required to pay in advance for full or certain contract amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payment exceed the services rendered, a contract liability is recognised.

##### (iii) Revenue from exploitation and production of crude oil and natural gas

The revenue from the sales of crude oil, natural gas and natural gas liquids is measured based on consideration specified in contracts with customers. Revenue is recognised at a point in time when customers obtain legal title to the oil and gas which is when it is physically transferred to pipeline or other transportation method agreed upon.

##### (iv) Sales of equipment

Revenue from sales of equipment are recognised when control of the equipment has transferred, being when the equipment are delivered to the customers, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the equipment have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the equipment in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

### 3 主要會計政策概要(續)

#### (t) 收入確認(續)

##### (ii) 天然氣管道建造及接駁(續)

倘情況有變，成本或已完成進度比例之估計值會予以修訂。進度估計之任何變動於管理層知悉需要作出修訂之期間之損益中反映。

客戶須根據付款時間表預付全部或部分合約金額。倘集團提供的服務超出款項，則確認合約資產。而倘付款超出所提供服務，則確認合約負債。

##### (iii) 開採及生產原油及天然氣所得收入

銷售原油、天然氣及液化天然氣的收入按客戶合約中規定之代價計量。收入於客戶獲得原油及天然氣合法所有權(即實際輸送至管道或協定之其他輸送方法)的時間點確認。

##### (iv) 銷售設備

銷售設備收入於轉交設備控制權時(即設備交付予客戶且概無未履行責任可影響客戶接收設備時)確認。當設備已付運至特定地點，報廢及虧損風險已轉移客戶，且客戶已根據銷售合約(接受條文已失效)接收設備或集團有客觀證據證明已符合所有接收的準則，則視作交付。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (t) Revenue recognition (Continued)

##### (iv) Sales of equipment (Continued)

Revenue from these sales is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term of 60 to 90 days, which is consistent with market practice.

No refund liability and right to the returned equipment are recognised as insignificant amount of returns are expected based on previous experience.

A receivable is recognised when the equipment are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

#### (u) Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the profit or loss as part of finance income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### 3 主要會計政策概要(續)

#### (t) 收入確認(續)

##### (iv) 銷售設備(續)

該等銷售的收入按合約指定價格確認。由於銷售按60至90日的信貸期(符合市場慣例)進行，故並不存在融資因素。

由於根據過往經驗，預期退貨金額並不重大，故不會確認任何遭退回設備還款責任及權利。

應收款項於設備交付時確認，即代價僅隨時間推移即會到期應付而成為無條件的時間點。

#### (u) 利息收入

按攤銷成本計量的財務資產之利息收入使用實際利息法計算，於損益中融資收入內確認。

利息收入乃按財務資產賬面總值乘以實際利率來計算，惟後續發生信用減值的財務資產除外。就發生信用減值的財務資產而言，實際利率已乘以財務資產的賬面淨值(扣除虧損撥備後)。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (v) Employee benefits

##### (i) Retirement benefit costs

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administered funds managed by the provincial governments.

The Group also operates a defined contribution Mandatory Provident Fund Scheme in Hong Kong (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those qualifying employees employed under the jurisdiction of the Hong Kong Employment Ordinance, and who are eligible to participate in the MPF Scheme. Under the rules of the MPF Scheme, contributions to the scheme by the Group and the employees are calculated as a percentage of employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000. The retirement benefit scheme costs charged to profit or loss represent contributions payable by the Group in accordance with the rules of the MPF Scheme. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

### 3 主要會計政策概要(續)

#### (v) 僱員福利

##### (i) 退休福利成本

根據中國規則和法規，集團之中國僱員參與由中國有關省市政府營辦之若干界定供款退休福利計劃。據此，集團和中國僱員須每月按僱員薪金某個百分比向這些計劃作出供款。

省市政府承諾承擔上述計劃應付所有現有及日後退休中國僱員之退休福利責任。集團除該等每月供款外，並無其他涉及支付僱員退休及其他退休後福利之責任。該等計劃之資產由省級政府管理之獨立管理基金持有，並與集團之資產分開。

集團亦根據強制性公積金計劃條例在香港為所有符合資格參與強制性公積金計劃（「強積金計劃」）之受香港僱用條例管轄之合資格僱員設有界定供款之強積金計劃。根據強積金計劃之規則，集團及僱員向計劃之供款乃按僱員有關收入之百分比計算，惟每月有關收入的最高上限為30,000港元。於損益內扣除的退休福利計劃成本指集團根據強積金計劃規則之應付供款。集團作出之僱主供款，於向強積金計劃供款時全部歸屬於僱員。強積金計劃資產與集團的資產分開持有，由獨立管理基金管理。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (v) Employee benefits (Continued)

##### (ii) Employee entitlements

Employee entitlements to annual leave and long service payment are recognised when they accrue to the employees. A provision is made for the estimated liability for annual leave and long service payment as a result of services rendered by employees up to the statement of financial position date.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

##### (iii) Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of share options or restricted shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options or restricted shares granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

### 3 主要會計政策概要(續)

#### (v) 僱員福利(續)

##### (ii) 僱員應獲權利

僱員應得之年假及長期服務金於應計予僱員時確認。就截至財務狀況表日期因僱員提供服務而應得之年假及長期服務金，將估計有關負債而作出撥備。

僱員應得之病假及產假或父方陪產假直至取假時方予確認。

##### (iii) 以股份為基礎之付款

集團設有多項以權益結算以股份為基礎的報酬計劃，根據該等計劃，實體收取僱員的服務以作為集團權益工具的代價。僱員為換取獲授購股權或限制性股份而提供服務的公平值確認為費用。將予支銷的總金額乃經參考授出購股權或限制性股份的公平值後釐定：

- 包括任何市場表現條件(例如，實體之股價)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標以及於特定期間內仍為實體僱員)之影響；及
- 包括任何非歸屬條件之影響(例如，對僱員之要求或在某特定時期持有股份)。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (v) Employee benefits (Continued)

##### (iii) Share-based payments

Non-market vesting conditions are included in assumptions about the number of options or restricted shares that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options or restricted shares that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

##### Share option scheme

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

### 3 主要會計政策概要(續)

#### (v) 僱員福利(續)

##### (iii) 以股份為基礎之付款

非市場歸屬條件包括在有關預期可予歸屬之購股權或限制性股份數目之假設內。總支銷金額於歸屬期內確認，即符合所有列明之歸屬條件的期間。於各報告期末，實體根據非市場歸屬條件修訂其估計預期將予歸屬之購股權或限制性股份數目。實體在損益內確認修訂原估計之影響(如有)，並對權益作出相應調整。

##### 購股權計劃

於購股權獲行使時，公司發行新股份。於購股權獲行使時之已收所得款項於減去所有直接應佔交易成本後撥入股本(面值)及股份溢價。

公司向集團附屬公司的僱員授予權益工具的購股權被視為資本投入。所獲得僱員服務之公平值乃參考授出日期之公平值計量，於歸屬期內確認為增加對附屬公司之投資，並相應計入權益。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (v) Employee benefits (Continued)

##### (iii) Share-based payments (Continued)

###### Share award scheme

When restricted shares are granted, the fair value of restricted shares are recognised as expense with a corresponding adjustment to equity over the vesting period.

Where the Group purchases the Company's shares from the market, the consideration paid, including any directly attributable incremental costs, is presented as "shares held for share award scheme" and deducted from total equity.

The social security contributions payable in connection with the grant of the share options and restricted shares is considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.

#### (w) Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 3 主要會計政策概要(續)

#### (v) 僱員福利(續)

##### (iii) 以股份為基礎之付款(續)

###### 股份獎勵計劃

倘授出限制性股份，限制性股份的公平值會確認為開支，並於歸屬期內對權益作出相應調整。

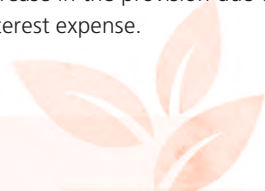
倘集團在市場內購入公司股份，已付代價(包括任何直接應佔增加成本)作為「為股份獎勵計劃所持股份」呈列，並從權益總額內扣除。

就有關授出購股權及限制性股份而應付的社會保障供款被視為授出本身的一個組成部分，而其費用被視為以現金結算的交易。

#### (w) 撥備

對環境復原、重組成本及法律索償之撥備於下列情況下予以確認：集團須就過往事件承擔現有的法定或推定責任，而履行該責任很有可能導致資源外流，並能對有關金額作出可靠的估計。未來經營虧損毋須作出撥備確認。

倘有多項類似責任時，解除該等責任導致資源流出的可能性按責任的類別作整體考慮。即使在同一類別責任內任何一個項目導致資源流出的可能性很低，亦須就此確認撥備。撥備採用稅前利率按照預期需解除責任的支出現值計量，該利率反映當時市場對貨幣時間價值和有關責任固有風險的評估。隨著時間過去而增加的撥備確認為利息費用。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (x) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

##### (i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group, its associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

##### (ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### 3 主要會計政策概要(續)

#### (x) 當期及遞延所得稅

期內稅項開支包括當期及遞延稅項。稅項於損益確認，惟與於其他全面收益或於權益直接確認之項目有關者除外。在此情況下，稅項亦分別於其他全面收益或於權益直接確認。

##### (i) 當期所得稅

當期所得稅支出根據集團、其聯營公司及合營企業營運及產生應課稅收入所在之國家於財務狀況表日期已通過或實質上通過之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

##### (ii) 遞延所得稅

遞延所得稅以負債法按資產及負債之稅基與彼等賬面值產生之暫時差額，於綜合財務報表內悉數計提。然而，倘遞延稅項負債源自商譽的首次確認，則不會確認遞延稅項負債，倘屬業務合併以外且交易當時並不影響會計或稅務盈虧之交易，則首次確認資產或負債所產生遞延所得稅不予入賬。遞延所得稅以財務狀況表日期已通過或實質上通過之稅率(及稅法)釐定，預計將於有關遞延所得稅資產變現或遞延所得稅負債清償時應用。

遞延所得稅資產僅於日後可能有應課稅數額以供動用該等暫時差額及虧損之情況方予確認。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (x) Current and deferred income tax (Continued)

##### (ii) Deferred income tax (Continued)

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

##### (iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### (y) Leases

As explained in Note 2 above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change in Note 2.

Until 31 December 2018, leases in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

### 3 主要會計政策概要(續)

#### (x) 當期及遞延所得稅(續)

##### (ii) 遞延所得稅(續)

遞延稅項資產及負債並未就於海外業務投資的賬面值與稅基之間的暫時差額予以確認，惟集團能控制暫時差額之撥回時間，且差額可能不會於可見將來撥回。

##### (iii) 抵銷

當有法定可執行權利可將當期稅項資產與當期稅務負債抵銷，而遞延所得稅資產及負債涉及同一稅務機關向應課稅實體或不同應課稅實體徵收之所得稅，並有意按淨額結算餘款，則可將遞延所得稅資產與負債抵銷。

#### (y) 租賃

誠如上文附註2所闡述，集團已變更其作為承租人的租賃會計政策。新政策於下文載述，而有關變動的影響載於附註2。

直至二零一八年十二月三十一日，所有權的絕大部分風險和回報並無轉移至集團(作為承租人)的租賃，均列作經營租賃。根據經營租賃(扣除從出租人獲取的任何優惠)作出的付款按租期以直線法於損益內扣除。

自二零一九年一月一日起，租賃於租賃資產可供集團使用當日會確認為使用權資產及相應負債。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (y) Leases (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct cost.

### 3 主要會計政策概要(續)

#### (y) 租賃(續)

租賃產生的資產及負債初步以現值基準計量。租賃負債包括固定付款(包括實質固定付款)減任何應收租賃優惠的淨現值。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率(集團的租賃一般屬此類情況)，則使用承租人增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定增量借款利率，集團在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動，並對租約作出特定調整。

租賃付款於本金及融資成本之間作出分配。融資成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額；
- 在開始日期或之前作出的任何租賃付款減任何已收租賃優惠；及
- 任何初始直接成本。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 3 Summary of significant accounting policies (Continued)

#### (y) Leases (Continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of properties, equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

#### (z) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the profit or loss on a straight-line basis over the expected lives of the related assets.

### 3 主要會計政策概要(續)

#### (y) 租賃(續)

使用權資產一般按直線法以資產可使用年期及租期(以較短者為準)計算折舊。倘集團合理確定行使採購選擇權，則使用權資產於相關資產的可使用年期內予以折舊。

與短期物業、設備及汽車租賃以及所有低價值資產租賃相關的付款按直線法於損益確認為開支。短期租賃指租賃期為12個月或以下的租賃。

#### (z) 政府補助

當能合理確定將收到政府的補助，而集團將遵守所有附帶條件時，政府補助按其公平值確認。

與成本有關的政府補助將被遞延，並於與其擬定補償的成本配對在所需期間內於損益中確認。

與物業、廠房及設備有關的政府補助列入非流動負債作為遞延政府補助，並按直線法於相關資產預計年限計入損益。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management

#### 4.1 Financial instruments by categories

### 4 財務風險管理

#### 4.1 按類別劃分之金融工具

		Note	Financial assets at fair value through other comprehensive income 按公平值計入 其他全面收益之 財務資產 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本 計量之財務資產 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本 計量之財務負債 HK\$'000 千港元
As at 31 December 2019	於二零一九年十二月 三十一日				
Debt investments	債務投資	22	614,601	-	-
Equity investments	股本投資	22	79,341	-	-
Deposits, trade and other receivables (excluding prepayment and other tax recoverable)	按金、貿易及其他應收 款項(不包括預付 款項及其他可收回 稅項)		-	1,933,779	-
Time deposits, bank balances and cash	定期存款、銀行結餘及 現金	25	-	2,816,789	-
Trade and other payables	貿易及其他應付款項		-	-	1,237,789
Borrowings	借貸	28	-	-	1,435,280
Lease liabilities	租賃負債	17	-	-	60,874
Senior notes	優先票據	29	-	-	5,411,161
			<b>693,942</b>	<b>4,750,568</b>	<b>8,145,104</b>



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

### 4 財務風險管理(續)

#### 4.1 Financial instruments by categories (Continued)

#### 4.1 按類別劃分之金融工具(續)

			Financial assets at fair value through other comprehensive income 按公平值計入 其他全面收益之 財務資產	Financial assets at amortised cost 按攤銷成本 計量之財務資產	Financial liabilities at amortised cost 按攤銷成本 計量之財務負債
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
As at 31 December 2018					
Debt investments	22	330,174	-	-	
Equity investments	22	108,946	-	-	
Deposits, trade and other receivables (excluding prepayment and other tax recoverable)		-	1,846,840	-	
Time deposits, bank balances and cash	25	-	2,666,902	-	
Trade and other payables		-	-	1,382,522	
Borrowings	28	-	-	1,519,481	
Senior notes	29	-	-	5,029,991	
		439,120	4,513,742	7,931,994	

#### 4.2 Financial risk factors

#### 4.2 財務風險因素

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk arising in the normal course of its business and financial instruments. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

集團活動面臨多種財務風險：市場風險(包括貨幣風險、價格風險及利率風險)、信貸風險及日常業務過程及金融工具產生之流動資金風險。管理層管理及監控該等風險，以保證及時有效地實施適當措施。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 4 Financial risk management (Continued)

##### 4.2 Financial risk factors (Continued)

###### (a) Market risk

###### (i) Currency risk

The Group is exposed to currency risk arising from various currency exposures, primarily with respect to United States dollars (“US\$”), Canadian dollars (“CAD”) and Renminbi (“RMB”). Currency risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. In addition, the conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. This currency exposure is managed primarily through sourcing supplies denominated in the same currency.

Management has set up a policy to require group companies to manage their foreign exchange risk against functional currency. It mainly includes managing the exposures arise from sales and purchases made by the relevant group companies in currencies other than their own functional currencies. The Group also manages its foreign exchange risk by performing regular reviews of the Group’s net foreign exchange exposures. The Group has not used any forward foreign exchange contracts to hedge its exposure.

#### 4 財務風險管理(續)

##### 4.2 財務風險因素(續)

###### (a) 市場風險

###### (i) 貨幣風險

集團面臨因持有不同貨幣(以美元(「美元」)、加拿大元(「加元」)及人民幣(「人民幣」)為主)產生的貨幣風險。貨幣風險由未來商業交易、確認資產及負債及國外業務淨投資而產生。此外，人民幣兌換為外幣須受中國政府頒佈之外匯管制規則及法規所規限。此貨幣風險主要透過採購以相同貨幣計值的供應而進行管理。

管理層已制訂政策，要求集團公司管理各自功能貨幣的外匯風險。其主要包括管理相關集團公司以其自身功能貨幣以外之貨幣買賣產生的風險。集團亦通過定期審閱集團匯兌淨額管理其外匯風險。集團概無使用任何遠期外匯合約對沖其風險。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (i) Currency risk (Continued)

Prices for oil and natural gas in Canada are determined in global markets and generally denominated in US\$. Oil and natural gas prices obtained by the Group are influenced by both United States and Canadian demand and the corresponding North American supply, and recently, by imports of liquefied natural gas. The exchange rate effect cannot be quantified but generally an increase in the value of CAD as compared to US\$ will reduce the prices received by the Group for its petroleum and natural gas sales. At 31 December 2019 and 2018, there has no financial instrument denominated in US\$ in the books of subsidiaries with functional currency denominated in CAD.

As US\$ is pegged with HK\$ under the Linked Exchange Rate System, the Group has minimal exposure to currency risk arising from US\$. Accordingly, no sensitivity analysis is performed. As at 31 December 2019, if RMB had weakened/strengthened by 5% against HK\$, with all other variables held constant, post-tax profit for the year would have been HK\$115,570,000 (2018: HK\$91,970,000) lower/higher, mainly as a result of foreign exchange losses/gains on translation of RMB denominated cash and cash equivalents.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (a) 市場風險(續)

##### (i) 貨幣風險(續)

加拿大石油及天然氣價格於全球市場中釐定且一般以美元列值。集團獲得的石油及天然氣價格受美國及加拿大需求以及相應北美供應的影響，以及近期受液化天然氣進口影響。匯率影響不可被量化，但一般加元兌美元升值將降低集團就其石油及天然氣銷售所取得的價格。於二零一九年及二零一八年十二月三十一日，概無以加元為功能貨幣計值的附屬公司於賬目中有以美元計值的金融工具。

因根據聯繫匯率制度美元與港元掛鈎，故集團承受由美元產生之貨幣風險較少。因此，並無作敏感性分析。於二零一九年十二月三十一日，在其他因素保持不變的情況下，倘人民幣兌港元貶值／升值5%，年內除稅後溢利將減少／增加115,570,000港元(二零一八年：91,970,000港元)，主要由於換算以人民幣計值之現金及現金等值項目的匯兌虧損／收益所致。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 4 Financial risk management (Continued)

##### 4.2 Financial risk factors (Continued)

###### (a) Market risk (Continued)

###### (ii) Price risk

The Group is exposed to price changes arising from debt and equity investments classified as financial assets at fair value through other comprehensive income amounted to HK\$693,942,000 (2018: HK\$439,120,000). Most of these investments are listed either on the stock exchanges of Hong Kong or other countries.

Equity investments are held as long-term strategic investments and have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations. The portfolio is diversified in terms of industry distribution, in accordance with the limits set by the Group.

Debt investments are placed with counterparties with sound credit quality. The Group closely monitors the credit quality and financial positions of counterparties and consider appropriate action if the market value of those securities decline by a pre-determined threshold.

Commodity price risk is the risk that fair value or future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for oil and natural gas in Canada are impacted by the relationship between CAD and US\$ as well as world economic events that dictate the levels of supply and demand.

#### 4 財務風險管理(續)

##### 4.2 財務風險因素(續)

###### (a) 市場風險(續)

###### (ii) 價格風險

集團就分類為按公平值計入其他全面收益之財務資產的債務及股本投資 693,942,000 港元(二零一八年：439,120,000 港元)面臨價格變動風險。該等投資之絕大多數於香港或其他國家之證券交易所上市。

股本投資持作長期策略投資，乃按長期增長潛力挑選並定期監察其表現是否達致預期。該投資組合已按照集團制定的限制在行業分佈方面符合分散原則。

債務投資存放於信譽良好之對手方。集團密切監控對手方之信貸質素及財務狀況並於該等證券市值下降預定限度時採取適當行動。

商品價格風險指公平值或未來現金流會因商品價格變動而波動的風險。加拿大石油及天然氣商品價格受加元及美元關係以及決定供求情況的全球經濟事件的影響。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (iii) Interest rate risk

As the Group has no significant interest-bearing assets, except for short-term bank deposits, loan to an associate and loans to third parties, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact on interest-bearing assets resulted from changes in interest rates because the interest rates of bank deposits are not expected to change significantly.

The Group's interest rate risk arises from borrowings and senior notes. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk.

Details of the Group's borrowings and senior notes are set out in Notes 28 and 29 respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk as the interest rate risk exposure is not significant. In order to manage the cash flow interest rate risk, the Group will repay the corresponding borrowings when it has surplus funds.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (a) 市場風險(續)

##### (iii) 利率風險

由於集團除短期銀行存款、貸款予一間聯營公司及貸款予第三方外，並無重大計息資產，集團收入及經營現金流量大部分不受市場利率變動影響。由於預期銀行存款利息並無重大變動，管理層預期利率變動對計息資產並無重大影響。

集團利率風險由借貸及優先票據產生。按浮息取得之借貸使集團面臨現金流量利率風險。定息借貸則使集團面臨公平值利率風險。

集團借貸及優先票據之詳情分別載於附註28及29。

由於利率風險並不重大，集團並無使用任何利率掉期對沖其利率風險承擔。為管控現金流量利率風險，集團在有盈餘資金時會償還有關借貸。







## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### (iii) Interest rate risk (Continued)

At 31 December 2019, it is estimated that a general increase or decrease of 100 basis points in interest rates on floating rate borrowings, with all other variables held constant, would decrease/increase the Group's post-tax profit for the year by approximately HK\$3,126,000 (2018: HK\$3,491,000). The above sensitivity analysis has been determined assuming that the change in interest rates had occurred at the date of the statement of financial position and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the year until the next annual statement of financial position date. The analysis was performed on the same basis for 2018.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (a) 市場風險(續)

##### (iii) 利率風險(續)

於二零一九年十二月三十一日，估計浮息借貸之利率普遍上升或下跌100個基點，而所有其他變數保持不變，則集團年內除稅後溢利將減少／增加約3,126,000港元(二零一八年：3,491,000港元)。上述敏感度分析乃假設利率變動於財務狀況表日期發生及一直應用於於該日存在的金融工具的利率風險。上升或下跌100個基點指管理層評估利率於年內直至下一全年財務狀況表日期期間的可能合理變動。二零一八年的分析按同一基準進行。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

### 4 財務風險管理(續)

#### 4.2 Financial risk factors (Continued)

#### 4.2 財務風險因素(續)

##### (b) Credit risk

##### (b) 信貸風險

The Group's credit risk is primarily attributable to contract assets, deposits, trade and other receivables, debt investments at FVOCI, time deposits with maturity over three months, and cash at banks with a maximum exposure equal to the carrying amounts of these financial instruments which are stated as follows:

集團之信貸風險主要歸因於合約資產、按金、貿易及其他應收款項、按公平值計入其他全面收益之債務投資、到期日為三個月以上的定期存款以及銀行現金，所面對之最高風險相等於該等金融工具之賬面值，如下所述：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract assets, deposits, trade and other receivables (excluding prepayment and other tax recoverable)	合約資產、按金、貿易及其他應收款項(不包括預付款項及其他可收回稅項)	2,040,600	1,956,050
Debt investments at FVOCI	按公平值計入其他全面收益之債務投資	614,601	330,174
Time deposits with maturity over three months	到期日為三個月以上的定期存款	295,590	158,679
Cash at banks	銀行現金	2,518,640	2,504,490
Maximum exposure to credit risk	最高信貸風險	<b>5,469,431</b>	<b>4,949,393</b>

Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

管理層已制定現成之信貸政策，並對該等信貸風險持續監控。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (i) Credit risk of cash at banks and time deposits with maturity over three months

As at 31 December 2019 and 2018, all of the Group's bank deposits are deposited in major financial institutions located in the PRC and Hong Kong, which the management believes are of high credit quality without significant credit risk. There has been no recent history of default in relation to these financial institutions. The expected credit loss is close to zero.

The Group's bank deposits as at 31 December 2019 and 2018 were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
State-owned or listed banks	國有或上市銀行	1,746,755	1,814,897
Other banks	其他銀行	1,067,475	848,272
		<b>2,814,230</b>	<b>2,663,169</b>

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

##### (i) 超過三個月到期的銀行現金及定期存款之信貸風險

於二零一九年及二零一八年十二月三十一日，集團所有銀行存款均存放於管理層認為沒有重大信貸風險的高信貸質素之中國及香港主要金融機構。該等金融機構近期並無違約歷史。預期信貸虧損接近於零。

於二零一九年及二零一八年十二月三十一日，集團之銀行存款如下：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

###### (ii) Credit risk of loan and interest receivables from an associate

The directors of the Company consider the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis during the year ended 31 December 2019. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated:

- Actual or expected significant adverse change in business, financial economic conditions that are expected to cause a significant change to the associate's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the associate;
- Significant changes in the expected performance and behaviour of the associate, including changes in the payment status of the associate.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

###### (ii) 來自一間聯營公司貸款及應收利息之信貸風險

公司董事考慮資產自初始確認時違約的可能性，以及於截至二零一九年十二月三十一日止年度信貸風險是否持續顯著增加。為評估信貸風險是否顯著增加，集團將於報告日期資產產生違約的風險與於初始確認日期的違約風險進行比較。特別納入下列指標：

- 業務、財務經濟狀況的實際或預期重大不利變動預計將導致聯營公司履行其義務的能力發生重大變化；
- 聯營公司經營業績的實際或預期重大變化；
- 聯營公司預期表現及行為的重大變化，包括聯營公司付款狀態的變化。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 4 Financial risk management (Continued)

##### 4.2 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (ii) Credit risk of loan and interest receivables from an associate (Continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if the associate is more than 30 days past due in making a contractual payment/repayable demanded.

A default on a financial asset is when the counterparty fails to make contractual payments/repayable demanded within 90 days when they fall due.

The management considers the credit risk on loan and interest receivables from an associate after considering the financial conditions of the associate and concluded that there was no significant increase in credit risk, and the expected credit losses was limited to 12 months expected credit losses. Management has applied the expected credit risk model and estimated the probability-weighted default rate of 3.5% (2018: 2.8%) and loss given default rate of 60.2% (2018: 60.2%) after considering the current economic environment and the forward looking economic factors. Loss allowance of HK\$20,360,000 (2018: HK\$17,000,000) is recognised as at 31 December 2019 and impairment loss amounted to HK\$3,830,000 (2018: Nil) is recognised during current reporting period.

#### 4 財務風險管理(續)

##### 4.2 財務風險因素(續)

###### (b) 信貸風險(續)

###### (ii) 來自一間聯營公司貸款及應收利息之信貸風險(續)

儘管上文分析，倘聯營公司逾期超過30天未按合約支付／按要求償還，則信貸風險顯著增加。

財務資產違約指交易對方未能在到期後90天內按合約支付／按要求償還。

管理層於考慮聯營公司的財務狀況後，來自聯營公司之貸款及應收利息的信貸風險被視為低信貸風險並得出結論信貸風險概無顯著增加，預期信貸虧損受限於12個月預期信貸虧損。經考慮當前經濟環境及前瞻性經濟因素，管理層應用預期信貸虧損模式及估計違約率為3.5%（二零一八年：2.8%）及違約損失率為60.2%（二零一八年：60.2%）。於二零一九年十二月三十一日確認虧損撥備20,360,000港元（二零一八年：17,000,000港元）及於本報告期間確認減值虧損3,830,000港元（二零一八年：無）。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Credit risk of deposits and other receivables

Deposits and other receivables were mainly rental deposits, refundable deposits placed to suppliers, note receivables and miscellaneous receivables from customers. The credit quality of deposits and other receivables has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. Given the track record of repayment in full, the directors of the Company are of the opinion that the risk of default by these counterparties is not significant and does not expect any losses from non-performance by the counterparties. Therefore, expected credit loss rate of the deposits and other receivables is assessed to be close to zero and no provision was made as at 31 December 2019 and 2018.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

##### (iii) 按金及其他應收款項之信貸風險

按金及其他應收款項主要為租賃押金、存入供應商的可退換按金、應收票據及客戶雜項應收款項。按金及其他應收款之信貸質素經參考交易對方違約率及交易對方財務狀況之歷史資料進行評估。根據悉數還款的往績記錄，公司董事認為該等交易對方的違約風險並不重大及預計不會因交易對方不履約而蒙受任何損失。因此，按金及其他應收款項之預期信貸虧損率被評估為接近於零及於二零一九年及二零一八年十二月三十一日並無計提撥備。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 4 Financial risk management (Continued)

##### 4.2 Financial risk factors (Continued)

###### (b) Credit risk (Continued)

###### (iv) Credit risk of contract assets and trade receivables

For sales and distribution of natural gas and other related products, and the provision of pipeline construction and connection services in the PRC, the Group generally requests advances from these customers. For exploitation and production of crude oil and natural gas in Canada, receivables from oil and natural gas marketers are normally collected on the 25th day of the month following production. In circumstances of credit sales, to manage the credit risk in respect of contract assets and trade receivables, the Group has policies in place to ensure that sales are made to customers with appropriate credit history and the Group performs credit evaluations of its customers, and generally does not require collateral from the customers on the outstanding balances.

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss provision for all contract assets and trade receivables.

#### 4 財務風險管理(續)

##### 4.2 財務風險因素(續)

###### (b) 信貸風險(續)

###### (iv) 合約資產及貿易應收款項之信貸風險

就天然氣及其他相關產品的銷售及分銷，以及在中國提供管道建設及接駁服務，集團通常須向該等客戶收取墊款。就於加拿大開採及生產原油及天然氣，石油及天然氣銷售商的應收款項通常於生產後一個月的第25天收取。在賒銷的情況下，為管理合約資產及貿易應收款項的信貸風險，集團已訂有政策，以保證銷售乃向具有適當信用記錄的客戶作出及集團對客戶進行信用評估，一般毋須客戶就未清償結餘提供抵押。

集團應用香港財務報告準則第9號所訂明的簡化方法就預期信貸虧損作出撥備，該規定允許對所有合約資產及貿易應收款項採用全期預期信貸虧損撥備。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iv) Credit risk of contract assets and trade receivables (Continued)

To measure the expected credit losses, contract assets and trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2019 and 1 January 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. For customers relating to the sales and distribution of natural gas and other related products as well as the provision of pipeline construction and connection services in the PRC, the Group has identified the GDP growth rate of the PRC to be the most relevant factor. For oil and natural gas marketers relating to the exploitation and production of crude oil and natural gas in Canada, the Group has identified that commodity price fluctuation to be the most relevant factor. The Group adjusts the historical loss rates based on expected changes in these factors accordingly.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

##### (iv) 合約資產及貿易應收款項之信貸風險(續)

為計量預期信貸虧損，合約資產及貿易應收款項已按共通信貸風險特徵及逾期天數分類。合約資產涉及未結算在建工程，且與相同類型合約的貿易應收款項具有大致相同的風險特徵。因此，集團合理認為貿易應收款項的預期損失率與合約資產的虧損率相若。

預期虧損率根據於二零一九年十二月三十一日及二零一九年一月一日前36個月期間的銷售付款組合及該期間的相應歷史信貸虧損計算。調整歷史虧損率，以反映影響客戶結算應收款項能力的當前及前瞻性宏觀經濟因素。就在中國銷售及分銷天然氣及其他相關產品以及提供管道建設及接駁服務的客戶，集團認為中國國內生產總值增長率是最相關的因素。就於加拿大開採及生產原油及天然氣的石油及天然氣銷售商而言，集團認為，大宗商品價格波動是最相關的因素。集團根據該等因素的預期變化調整歷史虧損率。







## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iv) Credit risk of contract assets and trade receivables (Continued)

Contract assets and trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 1 year past due.

Impairment losses on contract assets and trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Given the track record of regular repayment of receivables from the customers, the directors of the Company are of the opinion that the risk of default by these customers is not significant. Therefore, expected credit loss rate of contract assets and trade receivables is assessed to be close to zero.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

##### (iv) 合約資產及貿易應收款項之信貸風險(續)

當不存在可收回的合理預期時，集團會撤銷合約資產及貿易應收款項。不存在可收回的合理預期的指標包括(其中包括)債務人無法與集團達成還款計劃，及未能於逾期超過一年的期間內作出合約付款。

合約資產及貿易應收款項之減值虧損於經營溢利內呈列為減值虧損淨額。先前撤銷之後續收回金額均計入相同項目。

根據應收客戶款項之定期還款之往績記錄，公司董事認為該等客戶之違約風險並不重大。因此合約資產及貿易應收款項之預期信貸虧損被評估為接近於零。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (v) Credit risk of debt investments

Debt investments held by the Group are normally only in liquid securities quoted on a recognised stock exchange, except where entered into for long-term strategic purposes. Management considers “low credit risk” for listed bonds to be an investment grade credit rating with at least one major rating agency (Moody’s: Baa3 or above; Standard & Poor’s: BBB- or above; Fitch: BBB- or above). Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The Group has assessed that the expected credit losses for these financial assets are not material under the 12 months expected credit loss method. Thus no loss allowance provision was recognised as at the balance sheet date.

The Group does not provide any other guarantees which would expose the Group to credit risk.

##### (c) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the Company’s Board when the borrowings exceed certain predetermined levels of authority. The Group’s policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (b) 信貸風險(續)

##### (v) 債務投資之信貸風險

集團持有的債務工具一般僅為於在認可證券交易所掛牌買賣的流通證券，惟為長遠策略性目的而進行者除外。管理層認為，投資信貸評級的上市債券之「低信用風險」是至少由一家主要評級機構(穆迪：Baa3或以上；Standard & Poor: BBB-或以上；Fitch: BBB-或以上)。當其他工具的違約風險較低，且發行者在短期內履行其合約現金流量責任時，則其他工具之信貸風險被認為較低。根據12個月預期信貸虧損法，集團評估該等財務資產的預期信貸虧損屬不重大。因此，並無於資產負債表日期確認虧損撥備。

集團並無提供任何其他可使集團承擔信貸風險之擔保。

##### (c) 流動資金風險

集團內個別經營實體負責彼等本身的現金管理，包括現金盈餘的短期投資及籌集貸款以彌補預期現金需求，當借貸超過若干預定權限水平時，須獲公司董事局批准方可作實。集團政策為定期監控現時及預期流動資金需求，以保證保持足夠現金儲備及隨時變現的有價證券以及充足之主要金融機構之承諾資金額度，以符合短期及較長期的流動資金需要。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.2 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

The following tables detail the remaining contractual maturities at date of the statement of financial position of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the statement of financial position date) and the earliest date the Group can be required to pay:

Group	集團	Total carrying amount	Total contractual undiscounted	Less than 1 year or on demand	Between 1 to 2 years	Between 2 to 5 years	Over 5 years
		賬面總額 HK\$'000 千港元	合約未折現總計 HK\$'000 千港元	1年內或 按要求支付 HK\$'000 千港元	1至2年 HK\$'000 千港元	2至5年 HK\$'000 千港元	5年以上 HK\$'000 千港元
As at 31 December 2019	於二零一九年十二月三十一日						
Trade and other payables	貿易及其他應付款項	1,237,789	1,237,789	1,237,789	-	-	-
Borrowings	借貸	1,435,280	1,461,101	1,433,029	1,383	26,689	-
Senior notes (Note 29)	優先票據(附註29)	5,411,161	6,214,316	295,547	296,669	5,622,100	-
Lease liabilities	租賃負債	60,874	71,999	15,045	10,297	28,088	18,569
		<b>8,145,104</b>	<b>8,985,205</b>	<b>2,891,410</b>	<b>308,349</b>	<b>5,676,877</b>	<b>18,569</b>
As at 31 December 2018	於二零一八年十二月三十一日						
Trade and other payables	貿易及其他應付款項	1,382,522	1,382,522	1,382,522	-	-	-
Borrowings	借貸	1,519,481	1,561,380	1,469,484	57,925	33,971	-
Senior notes (Note 29)	優先票據(附註29)	5,029,991	5,551,577	239,344	2,481,596	2,830,637	-
		<b>7,931,994</b>	<b>8,495,479</b>	<b>3,091,350</b>	<b>2,539,521</b>	<b>2,864,608</b>	<b>-</b>

Note:

The Group complied with senior notes covenant and did not trigger the callable terms as at and for the year ended 31 December 2019.

### 4 財務風險管理(續)

#### 4.2 財務風險因素(續)

##### (c) 流動資金風險(續)

下表詳述集團財務負債於財務狀況表日期的剩餘合約到期日，乃根據合約未折現現金流量(包括使用合約利率計算的利息付款或如屬浮息，按財務狀況表日期的現行利率計算)及集團可能須支付的最早日期為依據：

附註：

集團於及截至二零一九年十二月三十一日止年度遵守優先票據契約及並無觸發隨時通知償還條款。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.3 Capital risk management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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 expenditure and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repurchase the Company's shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of available cash and cash equivalents and current ratio as shown in and derived from the consolidated statement of financial position. The table below analyses the Group's capital structure:

	2019 二零一九年	2018 二零一八年
Cash and cash equivalents (HK\$'000)	2,521,199	2,508,223
Current ratio (Current assets divided by current liabilities)	1.08	1.02

The Group's strategy is to maintain the current ratio above 1.00 and sufficient cash and cash equivalents to support the operations and development of its business in the long term.

### 4 財務風險管理(續)

#### 4.3 資本風險管理

集團之資本管理主要目標為保障集團按持續基準經營之能力，以持續為股東帶來回報及為其他權益關涉者帶來利益，並保持最優資本架構以減少資本成本。

集團積極定期檢討及管理資本架構，並經考慮集團之日後資金需求及資本效益、當前及預期盈利能力及預期營運現金流量、預期資本開支及預期策略投資機會而確保優化資本架構及股東回報。為保持或調整資本架構，集團或會調整支付予股東之股息金額，回購公司股份，向股東回報資本，發行新股或銷售資產以減少債務。

集團根據綜合財務狀況表所示及計算所得之可用現金及現金等值項目及流動比率監控資本。下表為集團資本結構之分析：

集團之策略是將流動比率保持在1.00以上，並且維持足夠之現金及現金等值項目，以支持其業務的長遠營運及發展。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 4 Financial risk management (Continued)

##### 4.4 Fair value estimation

###### (i) Financial instruments carried at fair value

The following table presents the carrying value of the financial instruments measured at fair value at the statement of financial position date across the three levels of the fair value hierarchy defined in HKFRS 7, Financial Instruments: Disclosures, with the fair value of each financial instruments categorised in its entirety based on the lowest level of input that is significant to that fair value measurement.

The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments.
- Level 2: fair values measured using quoted prices in active market for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable data.
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

#### 4 財務風險管理(續)

##### 4.4 公平值估計

###### (i) 以公平值列賬之金融工具

下表呈列於財務狀況表日期在香港財務報告準則第7號「金融工具：披露」所界定之公平值三個層次中，以公平值列賬之金融工具之賬面值，而各金融工具之公平值以對該公平值計量屬重大之最低層次輸入數據而整體分類。

所界定之層次如下：

- 第一層次(最高層次)：以可識別金融工具活躍市場報價(未經調整)計量公平值。
- 第二層次：以類似金融工具活躍市場報價，或以估值技術(其中所有重大輸入數據乃直接或間接以可觀察數據為本)計量公平值。
- 第三層次(最低層次)：以估值技術(其中任何重大輸入數據乃並非可觀察市場數據為本)計量公平值。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

### 4 財務風險管理(續)

#### 4.4 Fair value estimation (Continued)

#### 4.4 公平值估計(續)

(i) Financial instruments carried at fair value  
(Continued)

(i) 以公平值列賬之金融工具  
(續)

		Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2019	於二零一九年十二月三十一日				
Financial assets at FVOCI:	按公平值計入其他全面收益之財務資產：				
– Listed equity investments	– 上市股本投資	79,341	–	–	79,341
– Listed debt investments	– 上市債務投資	614,151	–	–	614,151
– Unlisted debt investments	– 非上市債務投資	–	450	–	450
		<b>693,492</b>	<b>450</b>	<b>–</b>	<b>693,942</b>
As at 31 December 2018	於二零一八年十二月三十一日				
Financial assets at FVOCI:	按公平值計入其他全面收益之財務資產：				
– Listed equity investments	– 上市股本投資	108,946	–	–	108,946
– Listed debt investments	– 上市債務投資	329,724	–	–	329,724
– Unlisted debt investments	– 非上市債務投資	–	450	–	450
		<b>438,670</b>	<b>450</b>	<b>–</b>	<b>439,120</b>

During the year, there were no transfers between instruments in level 1 and level 2.

於本年度，第一層次及第二層次之間之工具概無轉撥。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.4 Fair value estimation (Continued)

(i) *Financial instruments carried at fair value (Continued)*

**(a) Financial instruments in level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily Hong Kong and Dow Jones equity and debt investments classified as financial assets at FVOCI (2018: same).

**(b) Financial instruments in level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

### 4 財務風險管理(續)

#### 4.4 公平值估計(續)

(i) *以公平值列賬之金融工具(續)*

**(a) 第一層次金融工具**

於交投活躍市場買賣之金融工具之公平值根據財務狀況表日期之市場報價計算。交投活躍市場乃指可輕易地及定期從交易所、經銷商、經紀人、行業集團、報價服務或規管機構取得報價之市場，而有關報價是在經常進行之真實公平交易之基礎上呈現。集團所持財務資產所用之市場報價為當時買入價。該等工具會被列為第一層次。被列為第一層次之工具主要包括分類為按公平值計入其他全面收益之財務資產的香港及道瓊斯指數證券及債務投資(二零一八年：相同)。

**(b) 第二層次金融工具**

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公平值利用估值技術釐定。該等估值技術儘量利用可觀察市場數據(如有)，儘量少依賴實體的特定估計。如計量一金融工具的公平值所需的所有重大輸入數據為可觀察數據，則該工具列入第二層次。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 4 Financial risk management (Continued)

#### 4.4 Fair value estimation (Continued)

##### (ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's financial instruments, including non-current assets carried at amortised cost are not materially different from their fair values as at 31 December 2019 and 2018.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term borrowings. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying values less allowance for impairment of current receivables and of current payables are a reasonable approximation of their fair values. Estimated discounted cash flows at the current market interest rate are used to determine fair value for these financial instruments (i.e. level 3-lowest level).

### 5 Critical accounting estimates and judgements

The Group's management makes assumptions, estimates and judgements in the process of applying the Group's accounting policies that affect the assets, liabilities, income and expenses in the consolidated financial statements prepared in accordance with HKFRS. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



### 4 財務風險管理(續)

#### 4.4 公平值估計(續)

##### (ii) 以非公平值列賬之金融工具之公平值

集團的金融工具(包括以攤銷成本列賬之非流動資產)之賬面值, 與其於二零一九年及二零一八年十二月三十一日之公平值並無重大差別。

集團使用多種方法, 並按各財務狀況表日期當時之市況作出假設。長期借貸乃使用同類工具之市場價或交易商之報價。釐定其餘金融工具之公平值時則使用其他技術, 例如估計折現現金流量。

賬面值減即期應收賬款及即期應付賬款之減值撥備乃公平值之合理約數。按現行市率計算之估計折現現金流量乃用以釐定該等金融工具之公平值(即第三層次—最低層次)。

### 5 重大會計估計及判斷

集團的管理人員於應用影響根據香港財務報告準則編撰的綜合財務報表所載資產、負債、收入及開支的會計政策時作出假設、估計及判斷。相關假設、估計及判斷乃基於過往經驗及相信於當時情況屬合理的其他因素作出。雖然管理人員會不斷檢討彼等之判斷、估計及假設, 但實際結果甚少與估計相同。

有關估計及判斷定期予以評估, 並以過往經驗及其他因素為基準, 包括對相信於有關情況下屬合理的未來事項的預期。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 5 Critical accounting estimates and judgements (Continued)

The matters described below are considered to be the most critical in understanding the estimates and judgements that are involved in preparing the Group's consolidated financial statements.

##### (a) Estimate of impairment of loan and interest receivables from and interest in an associate

The loss allowances for loan and interest receivables from an associate are based on assumptions about default rate and loss given default rate. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 4.2(b).

The Group conducts impairment reviews of the interest in an associate if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the investment (a "loss event") and that loss event has an impact on the estimated future cash flows from the investment that can be reliably estimated. Business valuation of the associate was performed by management to determine the recoverability of the interest in associate after taking into account of marketability and minority interest discount in interest held which involves management estimates and judgments such as commodity price growth, future production profile, and discount rate.

Favourable changes to some assumptions may decrease the impairment amount whereas unfavourable changes may increase the provisions.

#### 5 重大會計估計及判斷(續)

下文所述事項就理解編製集團綜合財務報表所涉估計及判斷而言，尤為重要。

##### (a) 應收一間聯營公司之貸款及利息，以及於一間聯營公司之權益減值評估

應收一間聯營公司之貸款及利息虧損撥備乃基於違約率及違約虧損率之假設而定。於各報告期末，根據集團的過往記錄、現時市場狀況及前瞻性估計，集團於作出該等假設及挑選輸入數據計算減值時使用判斷方法。有關所用主要假設及輸入數據之詳情披露於附註4.2(b)。

倘出現客觀證據證明因首次確認資產後發生一宗或多宗事件導致出現減值(「虧損事項」)，而該虧損事項對該項投資的估計未來現金流量構成的影響可合理估計，則集團會對於一間聯營公司之權益進行減值檢討。管理層對聯營公司進行業務估值，以釐定於聯營公司之權益之可回收性，經計及涉及管理層對持有權益之市場及少數權益貼現賬目所作出之估計及判斷，如商品價格上升、未來生產規模及折現率。

上述假設之有利變動或會使減值賬目減少，而不利變動或會使撥備增加。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 5 Critical accounting estimates and judgements (Continued)

#### (b) Estimation of impairment of non-financial assets

The Group tests at least annually whether goodwill has suffered any impairment. Property, plant and equipment and other non-financial assets are also reviewed for possible impairments whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Determination as to whether and how much an asset is impaired involves management estimates and judgements such as future prices of natural gas and crude oil. However, the impairment reviews and calculations are based on assumptions that are consistent with the Group's business plans. Favourable changes to some assumptions may allow the Group to avoid the need to impair any assets in these years, whereas unfavourable changes may cause the assets to become impaired.

The Group relied on experts to assess the geological prospects for the discovery of oil in the oilfield and estimated the value of oil to be produced in the future at a suitable discount rate in order to calculate the present value. For drilling costs and other exploration and evaluation assets, the Group determined whether the related well costs are expensed if it is determined that such economic viability is not attained after performing further feasibility studies. Judgement is required by the Board to determine key assumptions adopted in the cash flow projections and changes to key assumptions can significantly affect these cash flow projections and therefore the results of the impairment reviews.

### 5 重大會計估計及判斷(續)

#### (b) 非財務資產減值估計

集團至少每年測試商譽有否減值。當事件或情況變化顯示賬面值可能無法收回時，物業、廠房及設備以及其他非財務資產亦予以檢討是否可能減值。確定資產是否減值及減值之金額涉及管理層之估計及判斷，例如天然氣及原油之未來價格。然而，減值檢討及計算乃根據與集團之業務計劃一致之假設而作出。若干假設之有利變動或會令集團避免於該等年度對任何資產進行減值，而不利變動或會使資產減值。

集團依賴專家對油田中發現石油的地質評估及按適當折現率估計未來將生產的石油價值，以計算現值。就鑽井成本及其他勘探及評估資產而言，倘確定於進一步進行可行性研究後無法實現經濟可行性，集團釐定有關油井支出是否支銷。董事局須作出判斷以釐定現金流量預測所採納的主要假設，而主要假設變動可重大影響該等現金流量預測，從而影響減值檢討的結果。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 5 Critical accounting estimates and judgements (Continued)

- (c) Estimation of useful lives and residual values of property, plant and equipment under the segment of “sales and distribution of natural gas and other related products”

The Group’s management determines the estimated useful lives and residual values for the Group’s property, plant and equipment in the segment of “Sales and distribution of natural gas and other related products”. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. It could change significantly as a result of technological advancement and innovations in the natural gas industry. Management will adjust the depreciation charge where residual values vary with previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation in the future periods.

- (d) Estimate of petroleum reserve under the segment of “exploitation and production of crude oil and natural gas”

Estimates of petroleum reserves are key elements in the Group’s investment decision-making process. They are also an important element in testing for impairment. Changes in total proved plus probable petroleum reserves will affect unit-of-production depreciation and depletion recorded in the Group’s consolidated financial statements for property, plant and equipment related to oil and gas production activities. A reduction in proved plus probable reserves will increase depreciation and depletion charges. Petroleum reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms or development plans.

#### 5 重大會計估計及判斷(續)

- (c) 「銷售及輸送天然氣及其他相關產品」分部物業、廠房及設備之使用年期及剩餘價值估計

集團管理層釐定集團於「銷售及輸送天然氣及其他相關產品」分部內的物業、廠房及設備之估計可使用年期及剩餘價值。此估計乃基於對類似性質及功能的物業、廠房及設備之實際可使用年期及剩餘價值以及土地使用權的歷史經驗而作出。此估計可因天然氣行業的技術進步及創新而大幅轉變。如剩餘價值與先前估計有差別，管理層將調整折舊費用，或撇銷或撇減技術上過時或被廢棄或出售的非策略性資產。實際剩餘價值可能與估計剩餘價值不同。定期檢討可能導致可折舊年期及剩餘價值轉變，因此於未來期間出現折舊。

- (d) 「開採及生產原油及天然氣」分部石油儲量之估計

石油儲量之估計對集團之投資決策過程至關重要，亦是減值測試之重要因素。探明加概算石油總儲量之變化將影響於集團綜合財務報表就與石油及天然氣生產活動相關之物業、廠房及設備所入賬之單位產量折舊及損耗。探明加概算儲量之減少將增加折舊及損耗金額。石油儲量估計可根據新資料作出向上或向下修訂，例如，來自開發鑽探及生產活動或來自經濟因素之變化，包括產品價格、合同條款或開發計劃等。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 6 Revenue and segment information

The Group's principal activities are the sales and distribution of natural gas, crude oil and other related products and provision of construction and connection services of gas pipelines in the PRC, and the exploitation and production of crude oil and natural gas in Canada. Revenue for the year comprises the following:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Sales and distribution of natural gas and other related products	9,254,902	8,475,905
Gas pipeline connection and construction services income	566,807	517,422
Revenue from exploitation and production of crude oil and natural gas	438,945	416,804
	<b>10,260,654</b>	<b>9,410,131</b>

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for the purposes of resource allocation and assessment of performance focuses more specifically on sales of natural gas, gas pipeline construction and connection; and exploitation and production of crude oil and natural gas.

The Group has presented the following three reportable segments for the year ended 31 December 2019:

- sales and distribution of natural gas and other related products
- gas pipeline construction and connection
- exploitation and production of crude oil and natural gas

No operating segments have been aggregated to form the above reportable segments.

### 6 營業額及分部資料

集團主要從事銷售及分銷天然氣、原油及其他相關產品及於中國提供燃氣管道建造及接駁服務，以及在加拿大開採及生產原油及天然氣。年內營業額包括以下各項：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
銷售及輸送天然氣及其他相關產品	9,254,902	8,475,905
燃氣管道接駁及建造服務收入	566,807	517,422
開採及生產原油及天然氣所得收入	438,945	416,804
	<b>10,260,654</b>	<b>9,410,131</b>

集團根據定期向執行董事匯報供資源分配及表現評估之內部財務資料識別其經營分部及編製分部資料，並更多側重於銷售天然氣、燃氣管道建造及接駁以及開採及生產原油及天然氣。

截至二零一九年十二月三十一日止年度，集團已呈列以下三個可報告分部：

- 銷售及輸送天然氣及其他相關產品
- 燃氣管道建造及接駁
- 開採及生產原油及天然氣

沒有匯總經營分部以組成上述可報告分部。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 6 Revenue and segment information (Continued)

The executive directors assess the performance of the business segments based on profit before taxation without allocation of other gains, net, interest income, finance costs, share of losses of investments accounted for using the equity method, impairment on oil and gas properties under property, plant and equipment, written off of exploration and evaluation assets, impairment on loan and interest receivables from an associate and other unallocated corporate expenses, which is consistent with these in the consolidated financial statements. Meanwhile, the Group does not allocate assets and liabilities to its segments and report the sales from external customers by geographical market, as the executive directors do not use this information to allocate resources to or evaluate the performance of operating segments. Therefore, the Group does not report a measure of segment assets and liabilities for each reportable segment and a measure of sales by geographical market.

Information regarding the Group's reportable segments as provided to the executive directors for the purpose of resources allocation and assessment of segment performance for the years ended 31 December 2019 and 2018 is set out below.

#### 6 營業額及分部資料(續)

執行董事根據除稅前溢利就業務分部之表現進行評估，而並無分配其他收益淨額、利息收入、財務費用、分佔使用權益法入賬之投資的虧損、物業、廠房及設備項下油氣資產減值、勘探及評估資產沖銷、應收一間聯營公司貸款及利息減值以及其他未分配企業開支，與綜合財務報表所述者一致。與此同時，集團並無分配資產及負債予其分部及呈報來自地區市場外部客戶的銷售額，因為執行董事並無使用該等資料分配資源或評估其經營分部表現。因此，集團並無就各可報告分部呈報分部資產及負債之計量及按地區市場銷售額之計量。

截至二零一九年及二零一八年十二月三十一日止年度，向執行董事提供以用作資源分配及分部表現評估有關集團可報告分部之資料載列如下。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 6 Revenue and segment information (Continued)

### 6 營業額及分部資料(續)

For the year ended 31 December 2019:

截至二零一九年十二月三十一日止年度：

		Sales and distribution of natural gas and other related products 銷售及輸送天然氣及其他相關產品 HK\$'000 千港元	Gas pipeline construction and connection 燃氣管道建造及接駁 HK\$'000 千港元	Exploitation and production of crude oil and natural gas 開採及生產原油及天然氣 HK\$'000 千港元	Group 集團 HK\$'000 千港元
<b>Segment revenue and results</b>	<b>分部收入及業績</b>				
Segment revenue	分部收入				
Recognised at a point in time	於某一時間點確認	9,254,902	-	438,945	9,693,847
Recognised over time	於一段時間內確認	-	566,807	-	566,807
Sales to external customers	外部客戶銷售額	9,254,902	566,807	438,945	10,260,654
Segment results	分部業績	<u>908,005</u>	<u>263,972</u>	<u>77,841</u>	<u>1,249,818</u>
Interest income	利息收入				151,491
Other gains, net	其他收益，淨額				22,194
Finance costs	財務費用				(281,773)
Impairment on loan and interest receivables from an associate	應收一間聯營公司貸款及利息減值				(3,830)
Impairment on oil and gas properties under property, plant and equipment	物業、廠房及設備項下油氣資產減值				(30,395)
Written off of exploration and evaluation assets	勘探及評估資產沖銷	-	-	(19,377)	(19,377)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損				(3,636)
Unallocated corporate expenses	未分配企業開支				(110,982)
Profit before taxation	除稅前溢利				973,510
Taxation	稅項				(194,391)
Profit for the year	年內溢利				<u>779,119</u>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 6 Revenue and segment information (Continued)

### 6 營業額及分部資料(續)

For the year ended 31 December 2018:

截至二零一八年十二月三十一日止年度：

	Sales and distribution of natural gas and other related products 銷售及輸送天然氣及其他相關產品 HK\$'000 千港元	Gas pipeline construction and connection 燃氣管道建造及接駁 HK\$'000 千港元	Exploitation and production of crude oil and natural gas 開採及生產原油及天然氣 HK\$'000 千港元	Group 集團 HK\$'000 千港元
<b>Segment revenue and results</b>	<b>分部收入及業績</b>			
Segment revenue	分部收入			
Recognised at a point in time	於某一時間點確認	8,475,905	416,804	8,892,709
Recognised over time	於一段時間內確認	-	-	517,422
Sales to external customers	外部客戶銷售額	8,475,905	416,804	9,410,131
Segment results	分部業績	774,131	60,057	1,092,208
Interest income	利息收入			146,818
Other gains, net	其他收益，淨額			18,936
Finance costs	財務費用			(206,712)
Written off of exploration and evaluation assets	勘探及評估資產沖銷	-	(5,651)	(5,651)
Share of losses of investments accounted for using the equity method	分佔使用權益法入賬之投資虧損			(3,300)
Unallocated corporate expenses	未分配企業開支			(113,773)
Profit before taxation	除稅前溢利			928,526
Taxation	稅項			(250,301)
Profit for the year	年內溢利			678,225

No external customers of the Group contributed over 10.0% of the Group's revenue for the years ended 31 December 2019 and 2018.

截至二零一九年及二零一八年十二月三十一日止年度，集團沒有外部客戶於集團之收入中貢獻超過10.0%。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 6 Revenue and segment information (Continued)

Analysis of the Group's assets by geographical market for the years ended 31 December 2019 and 2018 is set out below:

### 6 營業額及分部資料(續)

截至二零一九年及二零一八年十二月三十一日止年度，集團按地區市場劃分之資產之分析載列如下：

		2019 二零一九年		2018 二零一八年	
		Total assets	Additions to non-current assets	Total assets	Additions to non-current assets
		總資產	非流動資產添置	總資產	非流動資產添置
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	139,269	-	145,069	-
Mainland China	中國內地	13,111,217	844,715	12,692,966	835,760
Canada	加拿大	2,500,265	217,642	2,430,088	321,559
Total	總計	<b>15,750,751</b>	<b>1,062,357</b>	15,268,123	1,157,319
Unallocated	未分配				
Investments accounted for using the equity method	使用權益法入賬之投資	378,823		312,754	
Deferred tax assets	遞延稅項資產	8,968		7,646	
Financial assets through other comprehensive income	計入其他全面收益之財務資產	693,942		439,120	
Total assets	總資產	<b>16,832,484</b>		16,027,643	





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 7 Other income

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Government subsidies	政府補貼	21,824	18,885
Service income	服務收入	6,034	5,853
Dividend income	股息收入	1,231	1,256
Others	其他	7,468	4,075
		<b>36,557</b>	<b>30,069</b>

#### 7 其他收入

#### 8 Other gains, net

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gains on disposal of debt investments at fair value through other comprehensive income	出售按公平值計入其他全面收益之債務投資收益	5,281	2,097
Gains on disposal of subsidiaries (Note 34)	出售附屬公司收益(附註34)	16,913	-
Gain on bargain purchase (Note 33)	議價收購收益(附註33)	-	12,221
Gain on disposal of a land use right	出售土地使用權收益	-	4,618
		<b>22,194</b>	<b>18,936</b>

#### 8 其他收益，淨額



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 9 Operating profit

Operating profit has been arrived after charging/(crediting) the following items:

### 9 經營溢利

經營溢利已扣除/(計入)以下各項後達至：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Employee benefit expenses (Note 11)	僱員福利開支(附註11)	389,246	384,358
Minimum lease payments under leases for leasehold land and buildings	租賃土地及樓宇的最低經營租賃付款	-	13,600
Cost of inventories recognised as expense	確認為開支的存貨成本		
- Purchase of inventories	- 購買存貨	7,581,958	6,982,544
- Change of inventories during the year	- 年內存貨變動	(19,927)	38,340
Auditor's remuneration	核數師酬金		
- Audit services	- 審核服務	2,620	2,300
- Non-audit services	- 非審核服務	1,400	-
Depreciation and depletion of property, plant and equipment (Note 16)	物業、廠房及設備折舊及損耗(附註16)	488,964	470,165
Depreciation of right-of-use assets (Note 17)	使用權資產折舊(附註17)	27,457	-
Amortisation of land use rights (Note 19)	土地使用權攤銷(附註19)	-	8,769
Amortisation of intangible assets (Note 20)	無形資產攤銷(附註20)	2,912	3,192
Short term lease expenses	短期租賃開支	2,502	-
Losses on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	2,393	872
Impairment loss of loan and interest receivables from an associate (Note 24(d))	應收一間聯營公司貸款及利息減值虧損(附註24(d))	3,830	-
Net exchange losses/(gains)	匯兌虧損/(收益)淨額	100	(527)
Write off of exploration and evaluation assets (Note 18)	勘探及評估資產沖銷(附註18)	19,377	5,651



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 10 Finance income and costs

### 10 財務收入及費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Finance income from:	財務收入來自：		
Interest income on bank deposits	銀行存款的利息收入	50,834	50,133
Interest income on debt investments at fair value through other comprehensive income	按公平值計入其他全面收益之債務投資的利息收入	33,671	37,076
Loan to an associate (Note 24(d))	貸款予一間聯營公司 (附註24(d))	66,074	58,657
Loans to third parties	貸款予第三方	912	952
		<b>151,491</b>	<b>146,818</b>
Finance costs from:	財務費用來自：		
Interest expense on:	利息費用：		
Bank borrowings	銀行借貸	(63,972)	(56,466)
Other borrowings	其他借貸	(1,107)	(1,351)
Lease liabilities (Note 17)	租賃負債(附註17)	(3,252)	-
Senior notes	優先票據	(274,096)	(246,942)
Accretion of assets retirement obligation (Note 31)	資產報廢承擔添加(附註31)	(3,112)	(2,970)
Less: Amounts capitalised (Note 16(ii))	減：資本化金額(附註16(ii))	97,632	101,017
		<b>(247,907)</b>	<b>(206,712)</b>
Loss on early redemption of a senior note	提早贖回優先票據虧損	(33,866)	-
		<b>(281,773)</b>	<b>(206,712)</b>



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 11 Employee benefit expenses, including directors' emoluments

### 11 僱員福利開支，包括董事酬金

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, wages and bonuses	薪金、工資及獎金	344,564	322,496
Pension costs – defined contribution plans	退休金成本 — 界定供款計劃	42,397	40,593
Share option	購股權	1,801	3,953
Share awards	股份獎勵	484	17,316
		<b>389,246</b>	<b>384,358</b>

#### (a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include 1 (2018: 1) director whose emolument is reflected in the analysis presented in Note 12(a). The emoluments paid or payable to the remaining 4 (2018: 4) individuals during the year are as follows:

#### (a) 五名最高薪酬人士

集團年內五名最高酬金之人士包括1名(二零一八年：1名)董事，其酬金已載於附註12(a)呈列的分析。年內已付或應付予其餘4名(二零一八年：4名)人士的酬金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	22,072	24,769
Retirement benefits scheme contributions	退休福利計劃供款	18	18
		<b>22,090</b>	<b>24,787</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 11 Employee benefit expenses, including directors' emoluments (Continued)

#### (a) Five highest paid individuals (Continued)

The number of employees whose remuneration fell within the following band was as follows:

HK\$5,000,001 to HK\$6,000,000	5,000,001港元至6,000,000港元
--------------------------------	-------------------------

No emoluments were paid or payable to the above highest paid individuals as an inducement to join the Group or as compensation for loss of office during the financial years ended 31 December 2019 and 2018.

#### (b) Senior management's emoluments

Details of remuneration paid to members of senior management fell within the following bands:

HK\$0 to HK\$1,000,000	0港元至1,000,000港元
HK\$1,000,001 to HK\$2,000,000	1,000,001港元至2,000,000港元
HK\$2,000,001 to HK\$3,000,000	2,000,001港元至3,000,000港元
HK\$3,000,001 to HK\$4,000,000	3,000,001港元至4,000,000港元
HK\$4,000,001 to HK\$5,000,000	4,000,001港元至5,000,000港元
HK\$5,000,001 to HK\$6,000,000	5,000,001港元至6,000,000港元

### 11 僱員福利開支，包括董事酬金 (續)

#### (a) 五名最高薪酬人士 (續)

屬以下酬金範圍之僱員人數如下：

Number of employees 僱員人數	
2019 二零一九年	2018 二零一八年
4	4

截至二零一九年及二零一八年十二月三十一日止財政年度，集團並無支付或應付任何酬金予董事及上述最高薪酬之人士，作為招攬彼等加盟集團或作為彼等離職之補償。

#### (b) 高級管理層成員薪酬

屬以下酬金範圍的已付高級管理層成員酬金詳情：

Number of employees 僱員人數	
2019 二零一九年	2018 二零一八年
9	-
1	8
3	1
-	2
-	-
5	5



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

12 Benefits and interests of directors (disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) and HK Listing Rules)

12 董事利益及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規則(第622G章)及香港上市規則要求披露)

(a) Directors' emoluments

(a) 董事酬金

Emoluments paid or receivable in respect of person's services as a director or services in connection with the management of the affairs, whether of the Company or its subsidiary undertakings:

已付出任公司或其附屬公司董事或提供與管理事務有關的服務之人士之酬金或其應收酬金如下：

		Fees	Salaries, allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Total
		袍金	薪金、津貼及實物利益	僱主對退休福利計劃的供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Executive directors:</b>	<b>執行董事：</b>				
Xu Tie-liang (Chief Executive Officer)	許鈇良(行政總裁)	120	7,325	18	7,463
Guan Yijun	關懿君	120	1,370	18	1,508
Liu Chunsun	劉春筭	120	474	-	594
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
Li Yun-long	李雲龍	120	-	-	120
Wang Guang-tian	王廣田	120	-	-	120
Yang Jie	楊杰	120	-	-	120
<b>Total</b>	<b>總計</b>	<b>720</b>	<b>9,169</b>	<b>36</b>	<b>9,925</b>



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 12 Benefits and interests of directors (disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) and HK Listing Rules) (Continued)

##### (a) Directors' emoluments (Continued)

Details of remuneration of directors for the year ended 31 December 2018 were as follows:

	Fees	Salaries, allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Total
	袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	僱主對退休福利計劃的供款 HK\$'000 千港元	總額 HK\$'000 千港元
<b>Executive directors:</b>				
Xu Tie-liang (Chief Executive Officer)	120	7,211	18	7,349
Cheung Shing (resigned on 12 June 2018)	54	-	-	54
Guan Yijun	120	1,170	18	1,308
Zhu Yuan (resigned on 12 June 2018)	54	-	-	54
Liu Chunsun	67	780	-	847
<b>Independent non-executive directors:</b>				
Li Yun-long	120	-	-	120
Wang Guang-tian	120	-	-	120
Yang Jie	120	-	-	120
<b>Total</b>	<b>775</b>	<b>9,161</b>	<b>36</b>	<b>9,972</b>

No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an accepting office as director or as a compensation for loss of office as director.

#### 12 董事利益及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規則(第622G章)及香港上市規則要求披露)(續)

##### (a) 董事酬金(續)

截至二零一八年十二月三十一日止年度之董事酬金詳情如下：

	Fees	Salaries, allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Total
	袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	僱主對退休福利計劃的供款 HK\$'000 千港元	總額 HK\$'000 千港元
<b>Executive directors:</b>				
Xu Tie-liang (Chief Executive Officer)	120	7,211	18	7,349
Cheung Shing (resigned on 12 June 2018)	54	-	-	54
Guan Yijun	120	1,170	18	1,308
Zhu Yuan (resigned on 12 June 2018)	54	-	-	54
Liu Chunsun	67	780	-	847
<b>Independent non-executive directors:</b>				
Li Yun-long	120	-	-	120
Wang Guang-tian	120	-	-	120
Yang Jie	120	-	-	120
<b>Total</b>	<b>775</b>	<b>9,161</b>	<b>36</b>	<b>9,972</b>

概無公司董事放棄任何酬金，集團亦無向任何公司董事支付酬金，作為接受董事職位之獎勵或離任董事職位之補償。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 12 Benefits and interests of directors (disclosures required by section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) and HK Listing Rules) (Continued)

#### (b) Directors' retirement benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking (2018: Nil).

#### (c) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the year (2018: Nil).

#### (d) Consideration provided to third parties for making available directors' services

No payment was made to the former employer of directors for making available the services of them as a director of the Company (2018: Nil).

#### (e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the year (2018: Nil).

#### (f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company 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 (2018: Nil).

### 12 董事利益及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規則(第622G章)及香港上市規則要求披露)(續)

#### (b) 董事退休福利

董事並無就其有關管理公司或其附屬公司事務之其他服務獲支付或應收退休福利(二零一八年：無)。

#### (c) 董事離職福利

年內，並無向董事作出提前終止任命的補償(二零一八年：無)。

#### (d) 就獲取董事服務向第三方支付代價

並無就獲取董事作為公司董事提供的服務而向其前僱主作出付款(二零一八年：無)。

#### (e) 有關以董事、該等董事的受控制法團及關連實體為受益人的貸款、準貸款及其他交易的資料

年內，概無以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易(二零一八年：無)。

#### (f) 董事於交易、安排或合約的重大權益

公司概無於年終或年內任何時間訂有任何公司董事於當中直接或間接擁有任何重大權益且與集團業務有關之重大交易、安排及合約(二零一八年：無)。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 13 Taxation

No provision for Hong Kong profits tax has been made as the Group did not have any assessable profits subject to Hong Kong profits tax for the year (2018: Nil).

Pursuant to the relevant PRC corporate income tax rules and regulations, withholding tax is imposed on dividends declared in respect of profits earned by the Company's PRC subsidiaries from 1 January 2008 onwards at 10% (2018: 10%). Certain entities of the Group with Hong Kong business and directly owns at least 25% of the capital of the PRC subsidiaries are entitled to the lower withholding tax rate at 5% (2018: 5%).

In accordance with the relevant PRC corporate income tax laws, regulations and implementation guidance note, subsidiaries in Mainland China are subject to the PRC corporate income tax rate at 25% (2018: 25%). Certain subsidiaries are entitled to tax concessions and tax relief whereby the profits of those subsidiaries are taxed at a preferential income tax rate of 15% (2018: 15%).

Canada income tax has been provided for at the rate of 26.5% on the estimated assessable profits for the year (2018: 27%), which represented the tax rate in Alberta, Canada and the Canada's federal tax rate of 11.5% (2018: 12%) and 15% (2018: 15%) respectively.

Taxation on other overseas profits has been calculated on the estimated assessable profit for the year at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

### 13 稅項

由於集團於本年度並無賺取任何須繳納香港利得稅之應課稅溢利，故並無為香港利得稅作提撥準備(二零一八年：無)。

根據相關中國企業所得稅法及條例，自二零零八年一月一日起，就公司中國附屬公司所賺取之溢利申報股息按10%(二零一八年：10%)之稅率繳納預扣稅。若干擁有香港業務且直接擁有中國附屬公司至少25%股本之集團實體享有5%(二零一八年：5%)之較低預扣稅。

根據相關中國企業所得稅法、條例及實施細則，於中國內地的附屬公司按25%(二零一八年：25%)之稅率繳納中國企業所得稅。若干附屬公司享有稅務優惠及寬免，據此，該等附屬公司之溢利以優惠所得稅稅率15%(二零一八年：15%)納稅。

年內加拿大所得稅乃按26.5%估計應課稅溢利計提(二零一八年：27%)，即加拿大阿爾伯塔省稅率及加拿大聯邦稅率分別為11.5%(二零一八年：12%)及15%(二零一八年：15%)。

其他海外溢利稅項乃以集團經營所在司法權區適用現行稅率按年內估計應課稅溢利計算稅項。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax:	當期稅項：		
PRC corporate income tax	中國企業所得稅	225,987	224,985
Under-provision in prior years	過往年度撥備不足	6,803	3,743
		<b>232,790</b>	228,728
Deferred tax (Note 30)	遞延稅項(附註30)	<b>(38,399)</b>	21,573
Taxation	稅項	<b>194,391</b>	250,301



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 13 Taxation (Continued)

There is no tax impact relating to components of other comprehensive income for the year ended 31 December 2019 (2018: Nil).

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Group as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>973,510</b>	928,526
Tax calculated at the applicable rates in the tax jurisdictions concerned	按有關稅務司法權區之適用稅率計算的稅項	<b>277,538</b>	282,266
Tax effect of income not subject to taxation	毋須課稅收入的稅務影響	<b>(27,845)</b>	(27,180)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可減免開支的稅務影響	<b>15,163</b>	16,064
Tax effect of tax concessions	稅收減免的稅務影響	<b>(41,305)</b>	(34,296)
Unrecognised tax losses	未確認稅項虧損	<b>4,397</b>	7,500
Utilisation of unrecognised tax losses	動用未確認稅項虧損	<b>(7,524)</b>	(5,725)
Withholding tax on dividend income	股息收入預扣稅	<b>10,073</b>	7,929
Effect on change in tax rate (Note)	稅率變動的影響(附註)	<b>(42,909)</b>	-
Under-provision in prior years	過往年度撥備不足	<b>6,803</b>	3,743
<b>Taxation</b>	<b>稅項</b>	<b>194,391</b>	250,301

The weighted average applicable tax rate is 28.5% (2018: 30.4%). The decrease is caused by change in the profitability of the Group's subsidiaries in the respective jurisdictions, especially due to the decrease in the loss before taxation for entities with zero tax rate in certain tax jurisdictions, and the decrease in the Canada income tax rate. For details, refer to Note below.

Note:

During the year ended 31 December 2019, the tax rate in Alberta, Canada decreased from 12% to 11.5%, and the tax rate for 2020, 2021 and 2022 decreased to 10%, 9% and 8% respectively. There was no change to the Canada's federal tax rate.

### 13 稅項(續)

截至二零一九年十二月三十一日止年度，並無有關其他全面收益組成部分之稅務影響(二零一八年：無)。

集團除稅前溢利之稅項與使用適用集團溢利之加權平均稅率產生之理論金額差異如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>973,510</b>	928,526
Tax calculated at the applicable rates in the tax jurisdictions concerned	按有關稅務司法權區之適用稅率計算的稅項	<b>277,538</b>	282,266
Tax effect of income not subject to taxation	毋須課稅收入的稅務影響	<b>(27,845)</b>	(27,180)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可減免開支的稅務影響	<b>15,163</b>	16,064
Tax effect of tax concessions	稅收減免的稅務影響	<b>(41,305)</b>	(34,296)
Unrecognised tax losses	未確認稅項虧損	<b>4,397</b>	7,500
Utilisation of unrecognised tax losses	動用未確認稅項虧損	<b>(7,524)</b>	(5,725)
Withholding tax on dividend income	股息收入預扣稅	<b>10,073</b>	7,929
Effect on change in tax rate (Note)	稅率變動的影響(附註)	<b>(42,909)</b>	-
Under-provision in prior years	過往年度撥備不足	<b>6,803</b>	3,743
<b>Taxation</b>	<b>稅項</b>	<b>194,391</b>	250,301

加權平均適用稅率為28.5%(二零一八年：30.4%)。該減少乃由於集團於各司法權區之附屬公司之盈利能力變動，尤其是若干稅收司法權區稅率為零之企業實體的除稅前虧損減少，以及加拿大所得稅稅率減少所致，詳情請參閱下文附註。

附註：

截至二零一九年十二月三十一日止年度，加拿大阿爾伯塔省稅率由12%減至11.5%，二零二零年、二零二一年及二零二二年的稅率則分別減至10%、9%及8%。加拿大聯邦稅率無變動。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 14 Dividend

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
No final dividend proposed (2018: HK cents 0.4 per ordinary share)	概無擬派末期股息(二零一八年： 每股普通股0.4港仙)	—	23,356

The final dividend relating to the year ended 31 December 2018 amounted to HK\$23,356,000 was fully paid on 24 June 2019.

截至二零一八年十二月三十一日止年度之末期股息23,356,000港元已於二零一九年六月二十四日悉數支付。

The Board has decided not to propose final dividend for the year ended 31 December 2019. (2018: HK cents 0.4 per ordinary share).

董事局已議決不就截至二零一九年十二月三十一日止年度擬派末期股息(二零一八年：每股普通股0.4港仙)。

### 15 Earnings per share

#### Basic

The calculation of basic earnings per share is based on the Group's profit attributable to owners of the Company of approximately HK\$330,984,000(2018: HK\$281,904,000) and weighted average number of ordinary shares in issue less shares held under share award scheme during the year of approximately 4,983,413,000 shares (2018: 4,976,719,000 shares).

### 15 每股盈利

#### 基本

於計算每股基本盈利時乃基於公司擁有人應佔集團溢利約330,984,000港元(二零一八年：281,904,000港元)及年內已發行普通股減股份獎勵計劃項下所持股份後之加權平均數約4,983,413,000股(二零一八年：4,976,719,000股)。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 15 Earnings per share (Continued)

#### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options and shares held under the share award scheme during the year. For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options and future service cost.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to owners of the Company	公司擁有人應佔溢利	330,984	281,904
Weighted average number of ordinary shares in issue less shares held under the share award scheme during the year (thousands)	年內已發行普通股減股份獎勵計劃項下所持股份後之加權平均數(千股)	4,983,413	4,976,719
Adjustment for share options and awarded shares (thousands)	購股權及獎勵股份調整(千股)	-	20,933
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利普通股加權平均數(千股)	<b>4,983,413</b>	4,997,652

The diluted earnings per share is equal to the basic earnings per share for the year ended 31 December 2019 as the outstanding share options did not have dilutive effect because the exercise price per share option was higher than the average share price of the Company for the year ended 31 December 2019.

### 15 每股盈利(續)

#### 攤薄

每股攤薄盈利乃在假設所有具攤薄潛力之普通股已轉換之情況下，計算經調整發行在外的普通股之加權平均數。公司有兩類具攤薄潛力之普通股：購股權及年內為股份獎勵計劃而持有的股份。就購股權而言，有關計算是根據所有附於未行使購股權之認購權之貨幣價值按公平值(以公司股份之全年平均市場股價計算)購入之股份數目及未來服務成本來計算。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to owners of the Company	公司擁有人應佔溢利	330,984	281,904
Weighted average number of ordinary shares in issue less shares held under the share award scheme during the year (thousands)	年內已發行普通股減股份獎勵計劃項下所持股份後之加權平均數(千股)	4,983,413	4,976,719
Adjustment for share options and awarded shares (thousands)	購股權及獎勵股份調整(千股)	-	20,933
Weighted average number of ordinary shares for diluted earnings per share (thousands)	每股攤薄盈利普通股加權平均數(千股)	<b>4,983,413</b>	4,997,652

每股攤薄盈利等於截至二零一九年十二月三十一日止年度的每股基本盈利，原因為未行使的購股權並無攤薄潛力，此乃由於每份購股權之行使價高於公司截至二零一九年十二月三十一日止年度之平均股價。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 16 Property, plant and equipment

### 16 物業、廠房及設備

		Buildings	Plant and machinery	Oil and gas properties	Pipelines	(Note (i)) Others (附註(i))	(Note (ii)) Construction in progress (附註(ii))	Total
		樓宇	廠房及機器	油氣資產	管道	其他	在建工程	總計
		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
<b>As at 1 January 2018</b>	<b>於二零一八年一月一日</b>							
Cost	成本	836,175	1,095,468	3,830,865	3,378,691	397,775	1,491,814	11,030,788
Accumulated depreciation, depletion and impairment	累計折舊、損耗及減值	(181,298)	(415,024)	(1,693,343)	(765,359)	(250,545)	-	(3,305,569)
Net book value	賬面淨值	654,877	680,444	2,137,522	2,613,332	147,230	1,491,814	7,725,219
<b>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>							
At 1 January 2018	於二零一八年一月一日	654,877	680,444	2,137,522	2,613,332	147,230	1,491,814	7,725,219
Currency realignment	貨幣調整	(39,766)	(37,655)	(111,284)	(169,680)	(8,299)	(96,166)	(462,850)
Acquisition of business (Note 33)	收購業務(附註33)	-	-	64,971	-	-	-	64,971
Additions	添置	2,612	6,122	264,346	11,911	25,664	743,214	1,053,869
Transfers	轉撥	54,575	29,506	-	499,304	1,318	(584,703)	-
Transfer from exploration and evaluation assets (Note 18)	轉撥自勘探及評估資產(附註18)	-	-	21,268	-	-	-	21,268
Disposal/written-off	出售/沖銷	-	(1,337)	-	(5,636)	(617)	-	(7,590)
Depreciation and depletion for the year	年內折舊及損耗	(26,151)	(74,692)	(173,575)	(163,741)	(32,006)	-	(470,165)
At 31 December 2018	於二零一八年十二月三十一日	646,147	602,388	2,203,248	2,785,490	133,290	1,554,159	7,924,722
<b>As at 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>							
Cost	成本	841,702	1,062,561	3,980,739	3,661,474	386,037	1,554,159	11,486,672
Accumulated depreciation, depletion and impairment	累計折舊、損耗及減值	(195,555)	(460,173)	(1,777,491)	(875,984)	(252,747)	-	(3,561,950)
Net book value	賬面淨值	646,147	602,388	2,203,248	2,785,490	133,290	1,554,159	7,924,722



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 16 Property, plant and equipment (Continued)

### 16 物業、廠房及設備(續)

		Buildings	Plant and machinery	Oil and gas properties	Pipelines	(Note (i)) Others (附註(i))	(Note (ii)) Construction in progress (附註(ii))	Total
		樓宇 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	油氣資產 HK\$'000 千港元	管道 HK\$'000 千港元	其他 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
<b>Year ended 31 December 2019</b>	<b>截至二零一九年十二月三十一日止年度</b>							
At 1 January 2019	於二零一九年一月一日	646,147	602,388	2,203,248	2,785,490	133,290	1,554,159	7,924,722
Currency realignment	貨幣調整	(6,854)	(5,924)	64,621	(32,519)	(648)	(10,947)	7,729
Disposal of subsidiaries (Note 34)	出售附屬公司(附註34)	(855)	(10,049)	-	(23,929)	(2,263)	(154,783)	(191,879)
Additions	添置	40,556	135,221	212,892	234,497	25,452	185,572	834,190
Transfers	轉撥	52,282	28,267	-	192,331	1,262	(274,142)	-
Transfer from exploration and evaluation assets (Note 18)	轉撥自動勘探及評估資產(附註18)	-	-	17,705	-	-	-	17,705
Disposal/written-off	出售/沖銷	-	(3,686)	-	-	(510)	-	(4,196)
Depreciation and depletion for the year	年內折舊及損耗	(26,665)	(80,102)	(182,731)	(165,013)	(34,453)	-	(488,964)
Impairment loss	減值虧損	-	-	(30,395)	-	-	-	(30,395)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>704,611</b>	<b>666,115</b>	<b>2,285,340</b>	<b>2,990,857</b>	<b>122,130</b>	<b>1,299,859</b>	<b>8,068,912</b>
<b>As at 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>							
Cost	成本	924,691	1,182,399	4,320,517	4,014,360	396,946	1,299,859	12,138,772
Accumulated depreciation, depletion and impairment	累計折舊、損耗及減值	(220,080)	(516,284)	(2,035,177)	(1,023,503)	(274,816)	-	(4,069,860)
<b>Net book value</b>	<b>賬面淨值</b>	<b>704,611</b>	<b>666,115</b>	<b>2,285,340</b>	<b>2,990,857</b>	<b>122,130</b>	<b>1,299,859</b>	<b>8,068,912</b>

Notes:

- (i) Others mainly represent motor vehicles, furniture, fixtures and equipment, and tool and moulds with net book values amounting to approximately HK\$30,240,000(2018: HK\$34,684,000), HK\$30,124,000(2018: HK\$31,741,000) and HK\$61,766,000(2018: HK\$66,865,000) respectively.
- (ii) During the year, the Group has capitalised borrowing costs amounting to HK\$97,632,000 (2018: HK\$101,017,000) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of its general borrowings of 5.9% (2018: 5.3%).

附註：

- (i) 其他主要指汽車、傢俬、裝置及設備及工具以及模具，賬面淨值分別約為30,240,000港元(二零一八年：34,684,000港元)、30,124,000港元(二零一八年：31,741,000港元)及61,766,000港元(二零一八年：66,865,000港元)。
- (ii) 年內，集團就合資格資產資本化借貸成本97,632,000港元(二零一八年：101,017,000港元)。借貸成本按其一般借貸的加權平均比率5.9%(二零一八年：5.3%)資本化。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 16 Property, plant and equipment (Continued)

Notes: (Continued)

- (iii) The recoverable amount of oil and gas properties is determined at the value-in-use using a discounted cash flow method and is assessed at the cash generating units (“CGUs”) level within the segment of “exploitation and production of crude oil and natural gas”.

The Group regularly assesses market commodity prices, costs to carry out planned drilling programs, drilling results, and reservoir performance to determine if there are any indicators of impairment of the Group’s assets.

The fair value measurement of the Group’s oil and gas properties is designated Level 3 on the fair value hierarchy.

The key assumptions for the calculation are those regarding the discount rates and expected changes in future oil prices. The expected future oil prices for the next five years ranged from US\$61.0 to US\$69.5 per barrel (2018: US\$58.6 to US\$72.8 per barrel). Forecast benchmark crude oil price assumptions tended to be stable because short-term increases or decreases in prices were not considered indicative of long-term price levels, but were nonetheless subject to change. The Group used a pre-tax discount rates ranging from 8% to 20% (2018: 8% to 20%) to discount future cash flows from the Group’s CGU(s). These rates differed based upon classification of reserve type, commodity type, timing of future development expenditures and operating burdens.

As at 31 December 2019, the Group determined that one of its CGUs with the business segment of “exploitation and production of crude oil and natural gas” has impairment indicator due to the decrease in the commodity price forecast. As a result, impairment test was performed for that CGU at 31 December 2019. Impairment loss of approximately HK\$30,395,000 was recognised during the year ended 31 December 2019.

As at 31 December 2019, a one percent increase in the pre-tax discount rate would result in an impairment of approximately HK\$46,488,000 (2018: HK\$110,700,000), while a five percent decrease in the forecast operating cash flows would result in an impairment of approximately \$63,176,000 (2018: HK\$98,600,000).

#### 16 物業、廠房及設備(續)

附註：(續)

- (iii) 油氣資產的可收回金額採用貼現現金流量法按使用價值釐定，並在「開採及生產原油及天然氣業務」分部的現金產生單位（「現金產生單位」）層級進行評估。

為確定集團的資產是否存在任何減值跡象，集團定期對市場商品價格、規劃鑽井程序、鑽井結果及儲集性能進行評估。

集團的油氣資產的公平值計量指定為公平值層次的第三層。

該計算方法的主要假設為折現率及日後油價預期變化。未來五年的日後預期油價介乎每桶油當量61.0美元至69.5美元（二零一八年：每桶油當量58.6美元至72.8美元）。預測基準原油價假設趨於穩定，由於價格短期上升或下跌並不視為長期價格水平的指標，但仍會變動。集團使用介乎8%至20%（二零一八年：8%至20%）的除稅前折現率折現集團現金產生單位的未來現金流量。該等利率基於儲量類型、商品類型、未來開發支出的時間及經營負擔的分類而變化。

於二零一九年十二月三十一日，由於商品價格預測下降，故集團釐定「開採及生產原油及天然氣」業務分部的其中一個現金產生單位有減值跡象。因此，於二零一九年十二月三十一日就該現金產生單位進行減值測試。截至二零一九年十二月三十一日止年度確認減值虧損約30,395,000港元。

於二零一九年十二月三十一日，除稅前折現率增加百分之一將會導致減值約46,488,000港元（二零一八年：110,700,000港元），而預測經營現金流量下降百分之五將會導致減值約63,176,000港元（二零一八年：98,600,000港元）。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 17 Leases

(i) Right-of-use assets

		Land use rights	Office and other properties	Total
		土地使用權 HK\$'000 千港元	辦公室及 其他物業 HK\$'000 千港元	總計 HK\$'000 千港元
<b>At 1 January 2019</b>	於二零一九年一月一日	–	–	–
Change in accounting policy (Note 2)	會計政策變動(附註2)	415,234	63,546	478,780
<b>Restated total at 1 January 2019</b>	於二零一九年一月一日的 重列總計	415,234	63,546	478,780
Inception of lease contracts	訂立租賃合約	59,136	8,155	67,291
Disposal of subsidiaries (Note 34)	出售附屬公司(附註34)	(13,367)	–	(13,367)
Depreciation (Note 9)	折舊(附註9)	(12,429)	(15,028)	(27,457)
Exchange difference	匯兌差額	(4,640)	(1,417)	(6,057)
<b>At 31 December 2019</b>	於二零一九年十二月 三十一日	<u>443,934</u>	<u>55,256</u>	<u>499,190</u>

The Group obtains right to control the use of office and other properties for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain a wide range of different terms and conditions including lease payments and lease terms ranging from 1 to 50 years.

The Group also obtained the land use rights through lease contracts with local governments in the PRC with 50 years term.

During the year ended 31 December 2019, depreciation of right-of-use assets has been charged in "Administrative expenses". The Group's lease expenses (see Note 9) are primarily for short-term leases.

集團透過租賃安排獲得於一段期間控制辦公室及其他物業之用途的權利。租賃安排按個別基準磋商並包含各項不同的條款及條件，包括租賃付款及介乎1至50年的租期。

集團亦透過與中國地方政府訂立租賃合約獲得為期50年的土地使用權。

截至二零一九年十二月三十一日止年度，使用權資產折舊自「行政開支」扣除。集團的租賃開支(見附註9)主要來自短期租賃。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 17 Leases (Continued)

#### (ii) Lease liabilities

		2019 二零一九年 HK\$'000 千港元
<b>At 1 January</b>	於一月一日	-
Change in accounting policy (Note 2)	會計政策變動(附註2)	<b>67,756</b>
<b>Restated total at 1 January</b>	於一月一日的重列總計	<b>67,756</b>
Inception of lease contracts	訂立租賃合約	<b>8,155</b>
Interest expenses on lease liabilities (Note 10)	租賃負債的利息開支(附註10)	<b>3,252</b>
Payment for lease liabilities (including interest)	租賃負債付款(包括利息)	<b>(17,889)</b>
Exchange difference	匯兌差額	<b>(400)</b>
<b>At 31 December</b>	於十二月三十一日	<b>60,874</b>
Amount due for settlement within 12 months (shown under current liabilities)	於12個月內到期結算的款項 (列於流動負債項下)	<b>12,761</b>
Amount due for settlement after 12 months	於12個月後到期結算的款項	<b>48,113</b>
		<b>60,874</b>

The maturity analysis of lease liabilities is disclosed in Note 4.2(c).

租賃負債的到期分析披露於附註4.2(c)。

#### (iii) Short-term leases, low-value leases and not yet commenced lease

As at 31 December 2019, the total future lease payments for short-term leases and low value leases amounted to HK\$406,000. As at 31 December 2019, leases committed but not yet commenced are relatively insignificant.

#### (iii) 短期租賃、低價值租賃及尚未開始的租賃

於二零一九年十二月三十一日，短期租賃及低價值租賃的未來租賃付款總額為406,000港元。於二零一九年十二月三十一日，已承諾但尚未開始的租賃金額相對較少。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 18 Exploration and evaluation assets

### 18 勘探及評估資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost	成本		
At 1 January	於一月一日	<b>182,981</b>	215,189
Currency realignment	貨幣調整	<b>4,114</b>	(9,669)
Additions	添置	<b>3,050</b>	4,380
Written off (Note 9)	沖銷(附註9)	<b>(19,377)</b>	(5,651)
Transfer to oil and gas properties under property, plant and equipment (Note 16)	轉撥至物業、廠房及設備項下油氣資產(附註16)	<b>(17,705)</b>	(21,268)
At 31 December	於十二月三十一日	<b>153,063</b>	182,981

Exploration and evaluation assets represent the Group's costs of acquiring licenses and interests in undeveloped lands in West Central Alberta, Canada, which are pending the determination of proven or probable oil and gas reserves. The costs are accumulated in cost centers by well, field, or exploration area pending determination of technical feasibility and commercial viability.

The technical feasibility and commercial viability of extracting mineral resource is considered to be determined when proven reserves are determined to exist. A review of each exploration license or field is carried out, at least annually, to ascertain whether proven reserves have been discovered.

勘探及評估資產指集團於加拿大阿爾伯塔省中西部未開發土地的許可證及權益收購成本，須待釐定已探明及待探明油氣儲量。有關成本透過油井、油田或勘探區域於成本中心累積，待釐定技術及商業可行性。

當釐定存在探明儲量時，開採礦產資源的技術及商業可行性被認為已確定。至少每年對各勘探許可證或油田進行檢討，確保是否已發現探明儲量。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 19 Land use rights

#### 19 土地使用權

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net book value	賬面淨值		
At 1 January	於一月一日	415,234	456,458
Changes in accounting policy (Note 2)	會計政策變動(附註2)	(415,234)	-
Restated total at 1 January	於一月一日的重列總計	-	456,458
Currency realignment	貨幣調整	-	(25,426)
Additions	添置	-	3,886
Disposal	出售	-	(10,915)
Amortisation for the year (Note 9)	年內攤銷(附註9)	-	(8,769)
At 31 December	於十二月三十一日	-	415,234

From 1 January 2019, land use rights are reclassified to right-of-use assets, see Note 17. Refer to Note 2 for details about the changes in accounting policy.

自二零一九年一月一日起，土地使用權重新分類為使用權資產，見附註17。有關會計政策的變動詳情，請參閱附註2。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 20 Intangible assets

#### 20 無形資產

		(Note) Goodwill (附註) 商譽 HK\$'000 千港元	Other intangible assets 其他無形資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>As at 1 January 2018</b>	於二零一八年一月一日			
Cost	成本	997,499	48,586	1,046,085
Accumulated amortisation	累計攤銷	-	(10,761)	(10,761)
Net book value	賬面淨值	997,499	37,825	1,035,324
<b>Year ended 31 December 2018</b>	截至二零一八年十二月三十一日止年度			
At 1 January 2018	於二零一八年一月一日	997,499	37,825	1,035,324
Currency realignment	貨幣調整	(58,694)	(1,992)	(60,686)
Additions	添置	-	3,080	3,080
Amortisation for the year (Note 9)	年內攤銷(附註9)	-	(3,192)	(3,192)
At 31 December 2018	於二零一八年十二月三十一日	938,805	35,721	974,526
<b>As at 31 December 2018</b>	於二零一八年十二月三十一日			
Cost	成本	938,805	49,045	987,850
Accumulated amortisation	累計攤銷	-	(13,324)	(13,324)
Net book value	賬面淨值	938,805	35,721	974,526
<b>Year ended 31 December 2019</b>	截至二零一九年十二月三十一日止年度			
At 1 January 2019	於二零一九年一月一日	938,805	35,721	974,526
Currency realignment	貨幣調整	(2,854)	(262)	(3,116)
Additions	添置	-	1,668	1,668
Amortisation for the year (Note 9)	年內攤銷(附註9)	-	(2,912)	(2,912)
At 31 December 2019	於二零一九年十二月三十一日	935,951	34,215	970,166
<b>As at 31 December 2019</b>	於二零一九年十二月三十一日			
Cost	成本	935,951	50,281	986,232
Accumulated amortisation	累計攤銷	-	(16,066)	(16,066)
Net book value	賬面淨值	935,951	34,215	970,166





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 20 Intangible assets (Continued)

Note:

Goodwill is allocated to a group of CGUs identified for sales and distribution of natural gas and other related products business, which is also an operating segment, representing the lowest level within the Group at which goodwill is monitored for internal management purposes.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The recoverable amount of the group of CGUs is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates a discount rate of 13.0% (2018: 13.6%) using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to this group of CGUs. The growth rate of 3.0% (2018: 3.0%) for the next five years are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The value in use calculations is derived from cash flow projections based on the most recent financial budgets for the next 5 years approved by management. Cash flows beyond 5-year period have been extrapolated using growth rates of 3.0% (2018: 3.0%) per annum, which is based on industry growth forecasts. The Board considered no impairment loss is necessary as at 31 December 2019.

Since the carrying amounts of the group of CGUs are not sensitive to the changes in assumption, no sensitivity analysis is disclosed.

#### 20 無形資產(續)

附註：

商譽分配到按銷售及輸送天然氣及其他相關產品業務所識別的一組現金生產單位(亦是一個經營分部，為集團為內部管理目的而對商譽實施監控的最低層次)。

可收回金額為資產公平值減出售成本及使用價值之最高者。該組現金生產單位之可收回金額乃按照使用價值而計算。使用價值之關鍵假設涉及年內折現率、增長率及售價及直接成本之預期變動。管理層使用反應當前市場評估貨幣時間價值及該組現金生產單位特定風險之稅前利率估計折現率13.0%(二零一八年：13.6%)。未來五年3.0%(二零一八年：3.0%)之增長率乃基於行業增長預測。售價及直接成本變動乃基於過往慣例及對市場未來變動之預期。

使用價值計算乃根據管理層准許的未來五年內最近之財務預算而作出的現金流量預測衍生而來。超過5年的現金流量使用每年3.0%(二零一八年：3.0%)的增長率推斷，此乃基於行業增長預測。董事局認為於二零一九年十二月三十一日，並無必要的減值虧損。

由於集團現金生產單位的賬面值對假設變動並不敏感，故並無披露任何敏感度分析。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 21 Investments accounted for using the equity method

The amounts recognised in the consolidated statement of financial position are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Associates	聯營公司	369,629	296,922
Joint venture	合營企業	9,194	15,832
At 31 December	於十二月三十一日	<b>378,823</b>	<b>312,754</b>

The amounts recognised in the consolidated profit or loss are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Associates	聯營公司	2,751	4,491
Joint venture	合營企業	(6,387)	(7,791)
For the year ended 31 December	截至十二月三十一日止年度	<b>(3,636)</b>	<b>(3,300)</b>

### 21 使用權益法入賬之投資

於綜合財務狀況表確認之金額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Associates	聯營公司	369,629	296,922
Joint venture	合營企業	9,194	15,832
At 31 December	於十二月三十一日	<b>378,823</b>	<b>312,754</b>

於綜合損益表確認之金額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Associates	聯營公司	2,751	4,491
Joint venture	合營企業	(6,387)	(7,791)
For the year ended 31 December	截至十二月三十一日止年度	<b>(3,636)</b>	<b>(3,300)</b>



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 21 Investments accounted for using the equity method (Continued)

##### Interests in associates

Nature of investments in associates, which are unlisted limited liability companies, as at 31 December 2019:

Name	Registered capital	Country of establishment	Principal activities	Percentage of interest held indirectly
名稱	註冊資本	成立之國家	主要業務	間接持有權益百分比
青海中油潔神能源有限公司 ("潔神能源")	RMB20,000,000	PRC	Trading of natural gas	49%
青海中油潔神能源有限公司 ("潔神能源")	人民幣20,000,000元	中國	天然氣買賣	
Sino Director Limited (Note (a))	US\$10,000	BVI	Investment holding	25%
Sino Director Limited (附註(a))	10,000美元	英屬維爾京群島	投資控股	
青海中油超飛信息技術有限公司	RMB10,000,000	PRC	Provision of IT services	50%
青海中油超飛信息技術有限公司	人民幣10,000,000元	中國	提供IT服務	
江蘇豐港天然氣有限公司	RMB80,000,000	PRC	Trading of natural gas	20%
江蘇豐港天然氣有限公司	人民幣80,000,000元	中國	天然氣買賣	
中油燃氣(南京)有限公司 ("中油南京") (Note (b))	RMB80,000,000	PRC	Trading of natural gas	49%
中油燃氣(南京)有限公司 ("中油南京") (附註(b))	人民幣80,000,000元	中國	天然氣買賣	
潮州中油燃氣有限公司 ("潮州中油") (Note (b))	RMB30,000,000	PRC	Trading of natural gas	49%
潮州中油燃氣有限公司 ("潮州中油") (附註(b))	人民幣30,000,000元	中國	天然氣買賣	

#### 21 使用權益法入賬之投資(續)

##### 於聯營公司權益

於二零一九年十二月三十一日，於聯營公司(為非上市有限公司)投資之性質：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 21 Investments accounted for using the equity method (Continued)

#### Interests in associates (Continued)

Notes:

- (a) As at 31 December 2019, the Group invested HK\$254,974,000 (2018: HK\$257,250,000) in Sino Director Limited with 25% equity interests as an associate. The subsidiary of Sino Director Limited is the beneficial owner of the mining rights granted by the local government authority of the PRC. Sino Director Limited and its subsidiary are collectively regarded as the "Sino Director Group".

A business valuation was performed for the underlying assets of Sino Director Limited. The recoverable amount is determined based on fair value less costs of disposal using discounted cash flow method. The key assumptions are discount rates, marketability and minority interest discount rate, forecasted production volume and forecasted commodity prices. Management estimates a discount rate of 11.1% (2018: 11.4%) using a pre-tax rates that reflects current market assessment of time value and the specific risks relating to the Sino Director Group.

The commodity price growth rate of 3.0% (2018: 3.0%) used in the calculations is based on inflation growth forecasts. The Board considered no impairment loss on the Group's total investment in associate is necessary as at 31 December 2019.

As at 31 December 2019, the Group determined that the recoverable amount of Sino Director Limited amounting to approximately HK\$555,100,000 (2018: HK\$595,175,000) exceeded its carrying value amounting to approximately HK\$300,126,000 (2018: HK\$337,925,000).

- (b) During the year ended 31 December 2019, the Group disposed its 51% equity interests in its wholly-owned subsidiaries, namely 中油南京 and 潮州中油, at aggregate cash consideration of approximately RMB66,137,000 (equivalent to HK\$75,396,000). The remaining equity interests in both 中油南京 and 潮州中油 were then re-measured at their fair value as of the date of disposal and accounted for using equity method of accounting. For details, please refer to Note 34.

### 21 使用權益法入賬之投資 (續)

#### 於聯營公司權益 (續)

附註：

- (a) 於二零一九年十二月三十一日，集團已向Sino Director Limited投資254,974,000港元(二零一八年：257,250,000港元)，持有該聯營公司的25%股權。Sino Director Limited之附屬公司為於中國當地相關政府部門所授出開採許可權證之實益擁有人。Sino Director Limited及其附屬公司統稱為「Sino Director集團」。

Sino Director Limited的相關資產已進行業務估值。可收回金額乃使用折現現金流量法根據公平值減出售成本釐定。關鍵假設為折現率、市場折現率、少數權益折現率、預測產量及預測商品價格。管理層使用反映當前市場對時間價值評估之稅後利率及Sino Director集團之特定風險估計折現率11.1%(二零一八年：11.4%)。

計算中採用的商品價格增長率3.0%(二零一八年：3.0%)乃基於通脹增長預測。於二零一九年十二月三十一日，董事局認為集團於聯營公司的總投資並無必要的減值虧損。

於二零一九年十二月三十一日，集團釐定Sino Director Limited的可收回金額約為555,100,000港元(二零一八年：595,175,000港元)，高於其賬面值約300,126,000港元(二零一八年：337,925,000港元)。

- (b) 於截至二零一九年十二月三十一日止年度，集團出售其全資附屬公司(分別為中油南京及潮州中油)的51%股權，總現金代價為約人民幣66,137,000元(相當於75,396,000港元)。餘下中油南京及潮州中油的股權按其於出售日期的公平值重新計量並使用權益會計法入賬。有關詳情，請參閱附註34。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 21 Investments accounted for using the equity method (Continued)

#### Interests in associates (Continued)

None of these entities are currently considered material to the Group. The aggregated financial information for associates which accounted for using the equity method was as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
- Total assets	- 總資產	1,721,751	1,291,873
- Total liabilities	- 總負債	(1,247,920)	(939,240)
Net assets	資產淨值	<b>473,831</b>	352,633
Revenue	營業額	<b>112,003</b>	101,834
Profit and total comprehensive income for the year	年內溢利及全面收益總額	<b>9,243</b>	11,191

There are no material commitments or contingent liabilities relating to the Group's interest in associates.

#### Interest in a joint venture

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of net assets:	應佔資產淨值：		
At 1 January	於一月一日	15,832	24,435
Currency realignment	貨幣調整	(251)	(812)
Share of loss in a joint venture	應佔一間合營企業虧損	(6,387)	(7,791)
At 31 December	於十二月三十一日	<b>9,194</b>	15,832

### 21 使用權益法入賬之投資(續)

#### 於聯營公司權益(續)

該等實體當前概無被認為對集團屬重大。使用權益法入賬的聯營公司匯總財務資料如下：

並無與集團於合營企業權益有關之任何重大承擔或或然負債。

#### 於一間合營企業權益



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 21 Investments accounted for using the equity method (Continued)

#### Interest in a joint venture (Continued)

Nature of investment in a joint venture, which is an unlisted limited liability company, as at 31 December 2019:

Name	Registered capital	Country of establishment	Principal activities	Percentage of interest held indirectly
名稱	註冊資本	成立之國家	主要業務	間接持有權益百分比
山西國興煤層氣輸配有限公司	RMB100,000,000 人民幣100,000,000元	PRC 中國	Trading of coalbed methane 煤層氣買賣	35%

The joint venture is currently considered not material to the Group. The summarised financial information for the joint venture which accounted for using the equity method was as follows:

### 21 使用權益法入賬之投資(續)

#### 於一間合營企業權益(續)

於二零一九年十二月三十一日，於合營企業(為非上市有限公司)投資之性質：

合營企業當前概無被認為對集團屬重大。使用權益法入賬的合營企業財務資料概述如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
– Total assets	– 總資產	586,228	613,761
– Total liabilities	– 總負債	(559,960)	(568,527)
Net assets	資產淨值	26,268	45,234
Revenue	營業額	125,253	187,417
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	(18,246)	(22,260)

There are no material commitments or contingent liabilities relating to the Group's interest in the joint venture.

並無與集團於合營企業權益有關之任何重大承擔或或然負債。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 22 Financial assets at fair value through other comprehensive income

##### (i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise:

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

##### (ii) Equity investments at fair value through other comprehensive income

Equity investments at fair value through other comprehensive income comprise the following investments:

Equity securities: 股本證券：  
– listed in Hong Kong – 香港上市

On disposal of these equity securities, any related balance within other reserves is reclassified to retained earnings.

#### 22 按公平值計入其他全面收益之財務資產

##### (i) 按公平值計入其他全面收益之財務資產之分類

按公平值計入其他全面收益之財務資產包括：

- 並非持作買賣的股本證券，及集團已於初步確認時不可撤回地選擇將其於此類別內確認的股本證券。該等證券為戰略投資，且集團認為此分類更有相關性。
- 合約現金流量純粹為支付本金及利息的債務證券，且集團業務模式的目標以收取合約現金流量及出售財務資產的方式實現。

##### (ii) 按公平值計入其他全面收益之股本投資

按公平值計入其他全面收益之股本投資包括以下投資：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity securities: 股本證券： – listed in Hong Kong – 香港上市	<b>79,341</b>	108,946

出售該等股本證券時，其他儲備內之任何有關結餘重新分類至保留盈利。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 22 Financial assets at fair value through other comprehensive income (Continued)

#### (iii) Debt investments at fair value through other comprehensive income

Debt investments at fair value through other comprehensive income comprise the following investments in listed and unlisted bonds:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Debt securities:	債務證券：		
– listed in Hong Kong	– 香港上市	60,554	99,356
– listed outside Hong Kong	– 香港以外上市	553,597	230,368
– unlisted	– 非上市	450	450
		<b>614,601</b>	<b>330,174</b>

On disposal of these debt investments, any related balance within the fair value through other comprehensive income reserve is reclassified to profit or loss.

#### (iv) Amounts recognised in profit or loss and other comprehensive income

During the year, the following gains/(losses) were recognised in profit or loss and other comprehensive income.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gains/(losses) recognised in other comprehensive income	於其他全面收益中確認之收益／(虧損)	17,614	(54,000)
Gains reclassified from other comprehensive income to profit or loss on the sale of debt investments at fair value through other comprehensive income	出售按公平值計入其他全面收益之債務工具後自其他全面收益重新分類至損益之收益	5,281	2,097
Dividends from equity investments held at fair value through other comprehensive income recognised in profit or loss in other income (Note 7)	於損益內其他收入確認的來自按公平值計入其他全面收益持有之股本投資之股息(附註7)	1,231	1,256

### 22 按公平值計入其他全面收益之財務資產(續)

#### (iii) 按公平值計入其他全面收益之債務投資

按公平值計入其他全面收益之債務投資包括下列上市及非上市債券投資：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Debt securities:	債務證券：		
– listed in Hong Kong	– 香港上市	60,554	99,356
– listed outside Hong Kong	– 香港以外上市	553,597	230,368
– unlisted	– 非上市	450	450
		<b>614,601</b>	<b>330,174</b>

於出售該等債務投資後，按公平值計入其他全面收益儲備內之任何有關結餘重新分類至損益。

#### (iv) 於損益及其他全面收益中確認之金額

年內，下列收益／(虧損)已於損益及其他全面收益中確認。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gains/(losses) recognised in other comprehensive income	於其他全面收益中確認之收益／(虧損)	17,614	(54,000)
Gains reclassified from other comprehensive income to profit or loss on the sale of debt investments at fair value through other comprehensive income	出售按公平值計入其他全面收益之債務工具後自其他全面收益重新分類至損益之收益	5,281	2,097
Dividends from equity investments held at fair value through other comprehensive income recognised in profit or loss in other income (Note 7)	於損益內其他收入確認的來自按公平值計入其他全面收益持有之股本投資之股息(附註7)	1,231	1,256

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 22 Financial assets at fair value through other comprehensive income (Continued)

##### (v) Financial assets pledged as security

At 31 December 2019 and 2018, no financial assets at FVOCI is pledged to any banking facilities.

##### (vi) Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair value is provided in Note 4.4.

Debt securities at fair value through other comprehensive income are considered to be low risk, and therefore the impairment provision is determined as 12 months expected credit losses. The Group has assessed that the expected credit losses for these financial assets are not material under the 12 months expected credit loss method. Thus no loss allowance provision was recognised as at the balance sheet date. For details of the risk management, please refer to Note 4.2.

The carrying amounts of the financial assets at fair value through other comprehensive income are denominated in the following currencies:

#### 22 按公平值計入其他全面收益之財務資產(續)

##### (v) 質押為抵押品之財務資產

於二零一九年及二零一八年十二月三十一日，概無按公平值計入其他全面收益之財務資產質押予任何銀行融資。

##### (vi) 公平值、減值及風險

有關釐定公平值所用方法及假設的資料載於附註4.4。

按公平值計入其他全面收益之債務證券被視為低風險，因此減值撥備乃按12個月預期信貸虧損釐定。集團已根據12個月預期信貸虧損方法評估該等財務資產之預期信貸虧損屬不重大。因此，於結算日並無確認虧損準備撥備。有關風險管理之詳情，請參閱附註4.2。

按公平值計入其他全面收益之財務資產賬面值按以下貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
US\$	美元	613,781	330,174
HK\$	港元	80,161	108,946
		<b>693,942</b>	<b>439,120</b>



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 23 Inventories

### 23 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	原料	125,520	127,760
Work-in-progress	在建工程	63,309	76,878
Finished goods and natural gas	製成品及天然氣	74,021	78,139
		<b>262,850</b>	<b>282,777</b>

### 24 Contract assets, deposits, trade and other receivables

### 24 合約資產、按金、貿易及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables (Notes (b) and (c))	貿易應收款項(附註(b)及(c))	487,627	625,352
Contract assets (Notes (b) and (e))	合約資產(附註(b)及(e))	106,821	109,210
Loan to an associate (Note (d))	貸款予一間聯營公司(附註(d))	767,649	695,486
Loans to third parties	貸款予第三方	22,400	22,600
		<b>1,384,497</b>	<b>1,452,648</b>
Prepaid construction costs	預付建設成本	177,767	141,719
Prepayment for acquisition of land use rights	收購土地使用權預付款項	-	67,634
Prepaid natural gas costs	預付天然氣成本	422,516	346,848
Prepaid material and equipment costs	預付材料及設備成本	219,147	197,092
Interest receivables from an associate (Note (d))	應收一間聯營公司利息(附註(d))	293,580	252,945
Amounts due from associates (Note (g))	應收聯營公司款項(附註(g))	57,258	-
Consideration receivables (Note 34)	應收代價(附註34)	65,038	-
Other interest receivables	其他應收利息	6,614	5,769
Other prepayments	其他預付款項	113,583	105,614
Note receivables	應收票據	70,974	84,408
Other receivables	其他應收款項	162,639	160,280
		<b>2,973,613</b>	<b>2,814,957</b>
Less: Non-current portion	減：非流動部分	<b>(1,195,673)</b>	<b>(1,063,841)</b>
Current portion	流動部分	<b>1,777,940</b>	<b>1,751,116</b>



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 24 Contract assets, deposits, trade and other receivables (Continued)

Notes:

- (a) The Board considers that the carrying amounts of deposits, trade and other receivables approximate their fair values as the impact of discounting is not significant.
- (b) The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The Group has assessed that the expected credit losses for these financial assets are not material. Thus no loss allowance provision was recognised as at the statement of financial position date. For details of the calculation of the allowance, please refer to Note 4.2(b).

Information about the impairment of trade receivables and contract assets, and the Group's exposure to credit risk and risk management can be found in Note 4.2.

- (c) The Group allows an average credit period ranging from 60 to 90 days to its trade customers and keeps monitoring its outstanding trade receivables. Overdue balances are regularly reviewed by senior management of the Group.

The ageing analysis of trade receivables based on invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Up to 3 months	三個月以內	440,707	552,984
3 to 6 months	三至六個月	26,583	43,421
Over 6 months	六個月以上	20,337	28,947
Total	合計	<b>487,627</b>	625,352

#### 24 合約資產、按金、貿易及其他應收款項(續)

附註：

- (a) 由於折讓影響並不重大，董事局認為，按金、貿易及其他應收款項之賬面值與其公平值相若。
- (b) 集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，為所有貿易應收款項及合約資產使用全期預期虧損撥備。集團已評估該等財務資產的預期信貸虧損，金額並不重大。因此，於財務狀況表日期並無確認任何虧損準備撥備。有關撥備計算之詳情，請參閱附註4.2(b)。

有關貿易應收款項及合約資產減值，以及集團面臨之信貸風險及風險管理之資料載於附註4.2。

- (c) 集團給予其貿易客戶之平均信貸期介乎60至90日之間，並且不斷監控其尚未償還之貿易應收款項。集團高級管理層定期審閱逾期未還之結餘。

根據發票日期的貿易應收款項之賬齡分析如下：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 24 Contract assets, deposits, trade and other receivables (Continued)

Notes: (Continued)

(d) Loan and interest receivables from an associate

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loan to an associate	貸款予一間聯營公司	784,649	708,486
Interest receivables from an associate	應收一間聯營公司利息	296,940	256,945
		<b>1,081,589</b>	965,431
Loss allowance	虧損撥備	<b>(20,360)</b>	(17,000)
Total	總額	<b>1,061,229</b>	948,431

On 23 September 2011, the Group entered into a loan agreement for the construction of assets with Sino Director Limited, an associate, with interest bearing at 6.2% per annum. On 1 January 2018, the Group has renewed the agreement with the associate and the interest rate has been revised as 8.5% per annum. As at 31 December 2019, the Group's loan to Sino Director Limited amounted to approximately HK\$784,649,000 (2018: HK\$708,486,000). The outstanding interest amounted to approximately HK\$296,940,000 (2018: HK\$256,945,000). Both the loan and interest receivables are repayable on demand.

Management considered that there was no significant increase in credit risk among the loan to the associate, and therefore the impairment provision is determined at 12 months expected credit losses. Applying the expected credit risk model resulted in the recognition of a loss allowance of HK\$20,360,000 (2018: HK\$17,000,000) as at 31 December 2019 for the loan and interest receivables from the associate and impairment loss of HK\$3,830,000 has been recognised during the year ended 31 December 2019.

(e) The contract assets primarily relate to the Group's rights to consideration for gas pipeline construction and connection services completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

### 24 合約資產、按金、貿易及其他應收款項(續)

附註：(續)

(d) 應收一間聯營公司貸款及利息

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loan to an associate	貸款予一間聯營公司	784,649	708,486
Interest receivables from an associate	應收一間聯營公司利息	296,940	256,945
		<b>1,081,589</b>	965,431
Loss allowance	虧損撥備	<b>(20,360)</b>	(17,000)
Total	總額	<b>1,061,229</b>	948,431

於二零一一年九月二十三日，集團與聯營公司Sino Director Limited訂立貸款協議(關於資產建設)，按6.2%之年利率計息。於二零一八年一月一日，集團與聯營公司重續協議及年利率已修改為8.5%。於二零一九年十二月三十一日，集團向Sino Director Limited提供貸款約784,649,000港元(二零一八年：708,486,000港元)。未還利息約為296,940,000港元(二零一八年：256,945,000港元)。該等應收貸款及利息均須按要求償還。

管理層認為，貸款予聯營公司面臨的信貸風險並無大幅增加，因此按12個月預期信貸虧損釐定減值撥備。採用預期信貸風險模式導致於二零一九年十二月三十一日就應收聯營公司貸款及利息確認虧損撥備20,360,000港元(二零一八年：17,000,000港元)及於截至二零一九年十二月三十一日止年度確認減值虧損3,830,000港元。

(e) 合約資產主要與集團就於報告日期已完成天然氣管道建造及接駁服務但未開具發票的收款權有關。合約資產於該權利成為無條件時轉撥至應收款項。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 24 Contract assets, deposits, trade and other receivables (Continued)

Notes: (Continued)

- (f) The carrying amounts of the deposits, trade and other receivables (excluding prepayments and other tax recoverables) are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	1,791,537	1,736,466
CAD	加元	46,955	19,622
Others	其他	95,287	90,752
		<b>1,933,779</b>	<b>1,846,840</b>

- (g) The amounts due from associates are non-secured, interest-free and repayable on demand.

#### 24 合約資產、按金、貿易及其他應收款項(續)

附註：(續)

- (f) 按金、貿易及其他應收款項(不包括預付款項及其他可收回稅項)之賬面值按以下貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	1,791,537	1,736,466
CAD	加元	46,955	19,622
Others	其他	95,287	90,752
		<b>1,933,779</b>	<b>1,846,840</b>

- (g) 應收聯營公司款項為無抵押、免息及須按要求償還。

#### 25 Time deposits, bank balances and cash

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash at banks and on hand	銀行及手頭現金	2,192,199	2,496,198
Short-term bank deposits	短期銀行存款	624,590	170,704
		<b>2,816,789</b>	2,666,902
Less: Time deposits with maturity over three months	減：存款期超過三個月的定期存款	<b>(295,590)</b>	(158,679)
Cash and cash equivalents	現金及現金等值項目	<b>2,521,199</b>	2,508,223

The interest rates for short-term bank deposits was approximately from 2.2% to 4.2% (2018: 2.9% to 4.2%) per annum. The deposits have a maturity of ranging from 90 to 183 days (2018: 90 to 183 days).

#### 25 定期存款、銀行結餘及現金

短期銀行存款的年利率介乎約2.2%至4.2%(二零一八年：2.9%至4.2%)。存款期介乎90日至183日(二零一八年：90日至183日)。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 25 Time deposits, bank balances and cash (Continued)

Included in bank deposits, bank balances and cash are amounts of approximately HK\$2,734,660,000 or RMB2,441,660,000 (2018: HK\$2,601,884,000 or RMB2,302,552,000) denominated in RMB which are deposited with banks in Mainland China. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of Mainland China is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

The carrying amounts of the time deposits, bank balances and cash are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	2,734,703	2,605,104
US\$	美元	39,426	37,637
HK\$	港元	40,220	23,497
CAD	加元	2,017	664
Pound sterling	英鎊	423	-
		<b>2,816,789</b>	<b>2,666,902</b>

### 26 Trade and other payables

Trade payables	貿易應付款項	492,869	505,977
Construction cost payables	應付建設成本	358,023	433,485
Interest payable	應付利息	141,453	58,330
Salaries payables	應付薪金	34,140	26,725
Other tax payables	其他應付稅項	17,127	6,670
Other payables and accruals	其他應付款項及應計費用	245,444	384,730
		<b>1,289,056</b>	<b>1,415,917</b>

The Board considers that the carrying amounts of trade and other payables approximate their fair values.

### 25 定期存款、銀行結餘及現金 (續)

銀行存款、銀行結餘及現金約2,734,660,000港元或人民幣2,441,660,000元(二零一八年: 2,601,884,000港元或人民幣2,302,552,000元)均以人民幣計值,並存於中國內地的銀行。該等人民幣計值結餘兌換成外幣及從中國內地匯出資金須遵守中國政府頒佈的外匯管理規章制度。

定期存款、銀行結餘及現金之賬面值以下列貨幣計值:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	2,734,703	2,605,104
US\$	美元	39,426	37,637
HK\$	港元	40,220	23,497
CAD	加元	2,017	664
Pound sterling	英鎊	423	-
		<b>2,816,789</b>	<b>2,666,902</b>

### 26 貿易及其他應付款項

Trade payables	貿易應付款項	492,869	505,977
Construction cost payables	應付建設成本	358,023	433,485
Interest payable	應付利息	141,453	58,330
Salaries payables	應付薪金	34,140	26,725
Other tax payables	其他應付稅項	17,127	6,670
Other payables and accruals	其他應付款項及應計費用	245,444	384,730
		<b>1,289,056</b>	<b>1,415,917</b>

董事局認為,貿易及其他應付款項之賬面值與其公平值相若。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 26 Trade and other payables (Continued)

The ageing analysis of trade payables based on invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Up to 3 months	三個月以內	391,660	402,076
3 to 6 months	三個月至六個月	39,850	40,910
Over 6 months	六個月以上	61,359	62,991
Total	合計	<b>492,869</b>	<b>505,977</b>

The carrying amounts of trade and other payables (excluding other tax payables and salaries payables) are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	1,102,733	1,217,902
HK\$	港元	46,491	35,135
CAD	加元	88,565	129,485
		<b>1,237,789</b>	<b>1,382,522</b>

#### 26 貿易及其他應付款項(續)

根據發票日期的貿易應付款項之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Up to 3 months	三個月以內	391,660	402,076
3 to 6 months	三個月至六個月	39,850	40,910
Over 6 months	六個月以上	61,359	62,991
Total	合計	<b>492,869</b>	<b>505,977</b>

貿易及其他應付款項(不包括其他應付稅款及應付薪金)的賬面值以下列貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	1,102,733	1,217,902
HK\$	港元	46,491	35,135
CAD	加元	88,565	129,485
		<b>1,237,789</b>	<b>1,382,522</b>



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 27 Contract liabilities

### 27 合約負債

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Receipt in advance for sales of natural gas and other related products	銷售天然氣及其他相關產品之預收款項	1,442,725	1,356,955
Receipt in advance for connections of gas pipelines	燃氣管道接駁之預收款項	128,472	113,173
		<b>1,571,197</b>	<b>1,470,128</b>

(a) The contract liabilities primarily relate to the payments received in advance for sales and distribution of natural gas and other related products, included the amount received from customers using I/C cards amounting to approximately HK\$1,042,815,000 (2018: HK\$867,423,000) not yet delivered to customers. Revenue is recognised when gas is used by customers. Below is the movement for the amount received from customers using I/C cards:

(a) 合約負債主要與銷售及輸送天然氣及其他相關產品之已收預收款項有關，包括已收客戶使用I/C卡支付的款項約1,042,815,000港元(二零一八年：867,423,000港元)，但貨品尚未交付予客戶。收益乃於客戶使用燃氣時確認。以下為已收客戶使用I/C卡支付的款項的變動：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	867,423	883,205
Currency realignment	貨幣調整	(10,808)	(48,837)
Payments received in advance	已收預收款項	5,214,433	4,321,324
Redemption during the year	年內贖回	(5,028,233)	(4,288,269)
At 31 December	於十二月三十一日	<b>1,042,815</b>	<b>867,423</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 27 Contract liabilities (Continued)

#### (b) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Revenue recognised that was included in the contract liability balance at the beginning of the year</i>	<i>於年初計入合約負債結餘之已確認收益</i>		
Sales and distribution of natural gas and other related products	銷售及輸送天然氣及其他相關產品	1,157,202	964,335
Gas pipeline construction and connection services	燃氣管道建造及接駁服務	90,538	172,362

There is no revenue recognised during the current year related to performance obligations that were satisfied in prior years.

#### (c) Unsatisfied contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its fixed-price construction and connection contracts, as well as sales and distribution of natural gas and other products contracts, such that the information about revenue that the Group will be entitled to when it satisfied the remaining performance obligations under those contracts that had an original expected duration of one year or less is not disclosed.

### 27 合約負債(續)

#### (b) 有關合約負債之已確認收益

下表列示於本年度與結轉合約負債有關的已確認收益金額。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Revenue recognised that was included in the contract liability balance at the beginning of the year</i>	<i>於年初計入合約負債結餘之已確認收益</i>		
Sales and distribution of natural gas and other related products	銷售及輸送天然氣及其他相關產品	1,157,202	964,335
Gas pipeline construction and connection services	燃氣管道建造及接駁服務	90,538	172,362

本年度概無與過往年度已獲達成履約責任有關的已確認收益。

#### (c) 未獲達成客戶合約

集團已就其固定價格的建造及接駁合約以及銷售及輸送天然氣及其他產品合約應用香港財務報告準則第15號第121段之實際可行權宜之計，從而使集團在履行該等原預期期限為一年或更短的合約項下之剩餘履約責任時豁免披露有關收益之資料。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 28 Borrowings

### 28 借貸

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank borrowings, unsecured	銀行借貸 – 無抵押	1,400,336	1,451,455
Other borrowings, unsecured	其他借貸 – 無抵押	34,944	68,026
		<b>1,435,280</b>	1,519,481
Less: amounts due within one year classified under current liabilities	減：分類為流動負債於一年內到期之款項	<b>(1,408,814)</b>	(1,455,839)
Non-current portion	非流動部分	<b>26,466</b>	63,642

The carrying amounts of the borrowings are denominated in the following currencies and carried at the following interest rates:

借貸的賬面值以下列貨幣計值，並以下列利率列賬：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB	人民幣	1,055,970	1,284,268
CAD	加元	379,310	235,213
		<b>1,435,280</b>	1,519,481
At fixed rates	固定利率	<b>1,029,504</b>	1,047,736
At floating rates	浮動利率	<b>405,776</b>	471,745
		<b>1,435,280</b>	1,519,481
Weighted average effective interest rates (per annum):	加權平均實際年利率：		
– Bank borrowings	– 銀行借貸	<b>4.0%</b>	4.7%
– Other borrowings	– 其他借貸	<b>5.9%</b>	6.0%



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 29 Senior notes

### 29 優先票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
US\$ denominated senior notes	以美元計值之優先票據	<b>5,411,161</b>	5,029,991

On 11 November 2014, the Company issued senior notes, with an aggregate nominal value of US\$300,000,000 (equivalent to HK\$2,325,000,000) at par value (the "Senior Notes A"), which bear interest at 5.00% per annum and the interest is payable semiannually in arrears. The net proceeds after deducting the direct issuance costs, amounted to approximately US\$296,900,000 (equivalent to HK\$2,300,975,000). The Senior Notes A will mature on 7 May 2020 and are listed on the Hong Kong Stock Exchange.

於二零一四年十一月十一日，公司按面值發行賬面總值為300,000,000美元(相等於2,325,000,000港元)的優先票據(「優先票據A」)，按每年5.00%計息且利息每半年支付。扣除直接發行費用後之所得款項淨額為約296,900,000美元(相等於2,300,975,000港元)。優先票據A將於二零二零年五月七日期到期及於香港聯交所上市。

On 11 April 2017, the Company issued senior notes, with an aggregate nominal value of US\$350,000,000 (equivalent to HK\$2,712,500,000) at par value (the "Senior Notes B"), which bear interest at 4.625% per annum and the interest is payable semi-annually in arrears. The net proceeds after deducting the direct issuance costs, amounted to approximately US\$346,556,000 (equivalent to HK\$2,685,809,000). The Senior Note B will mature on 20 April 2022 and are listed on the Hong Kong Stock Exchange.

於二零一七年四月十一日，公司按面值發行賬面總值為350,000,000美元(相等於2,712,500,000港元)的優先票據(「優先票據B」)，按每年4.625%計息且利息每半年支付。扣除直接發行費用後之所得款項淨額為約346,556,000美元(相等於2,685,809,000港元)。優先票據B將於二零二二年四月二十日期到期及於香港聯交所上市。

On 25 July 2019, the Company issued senior notes, with an aggregate nominal value of US\$320,000,000 (equivalent to HK\$2,498,867,000) at price of 99,373% (the "Senior Notes C"), which bear interest at 5.5% per annum and the interest is payable semi-annually in arrears. The net proceeds after deducting the direct issuance costs, amounted to approximately US\$315,932,000 (equivalent to HK\$2,467,100,000). The Senior Notes C will mature on 25 January 2023 and are listed on the Singapore Exchange Securities Trading Limited.

於二零一九年七月二十五日，公司發行賬面總值為320,000,000美元(相等於2,498,867,000港元)的優先票據(「優先票據C」)，發行價格為賬面值的99,373%，按每年5.5%計息且利息每半年支付。扣除直接發行費用後之所得款項淨額為約315,932,000美元(相等於2,467,100,000港元)。優先票據C將於二零二三年一月二十五日期到期及於新加坡證券交易所有限公司上市。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 29 Senior notes (Continued)

On 21 August 2019, the Company redeemed in full of the outstanding aggregate principal amount of US\$300,000,000 of Senior Notes A before their maturity at a total redemption price of US\$303,750,000 (equivalent to HK\$2,370,532,000), representing 101.25% of the principal amount plus accrued and unpaid interest, by using part of the net proceeds from the offering of Senior Notes C.

On 4 November 2019, the Company issued senior notes, with an aggregate nominal value of US\$30,000,000 (equivalent to HK\$234,269,000) at par value, which bear interest at 5.5% per annum and the interest is payable semi-annually in arrears and consolidated with Senior Note C to form a single class.

As at 31 December 2019, the fair value of the senior notes amounted to approximately HK\$5,439,105,000 (2018: HK\$4,876,916,000). The effective interest is 5.92% (2018: 4.92%). The fair value of the senior notes traded in active markets is based on quoted market prices at the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The senior notes are within level 1 of the fair value hierarchy.

### 29 優先票據(續)

於二零一九年八月二十一日，公司於到期日前透過動用部分發售優先票據C所得款項淨額悉數贖回優先票據A未償還本金總額300,000,000美元，總贖回價303,750,000美元(相等於2,370,532,000港元)，為本金總額的101.25%加應計及未付利息。

於二零一九年十一月四日，公司按面值發行賬面總值為30,000,000美元(相等於234,269,000港元)的優先票據，按每年5.5%計息且利息每半年支付，與優先票據C合併形成單一類別。

於二零一九年十二月三十一日，優先票據之公平值約為5,439,105,000港元(二零一八年：4,876,916,000港元)。實際利率為5.92%(二零一八年：4.92%)。於交投活躍市場買賣之優先票據之公平值根據財務狀況表日之市場報價計算。交投活躍市場乃指可輕易地及定期從交易所、經銷商、經紀人、行業集團、報價服務或規管機構取得報價之市場，而有關報價是在經常進行之真實公平市場交易之基礎上呈現。該等優先票據被列為公平值第一層次。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 30 Deferred income tax

Deferred income tax is calculated in full on temporary differences under the liability method using the tax rates enacted or substantively enacted by the statement of financial position date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes related to the same fiscal authority.

#### 30 遞延所得稅

遞延所得稅採用負債法就暫時差額按財務狀況表日期已頒佈或實質頒佈之稅率全數計算。

當有法定可執行權利可將當期稅項資產與當期稅務負債抵銷，而遞延所得稅涉及同一財務機關時，則可將遞延所得稅資產與負債抵銷。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets	遞延所得稅資產	(8,968)	(7,646)
Deferred tax liabilities	遞延所得稅負債	237,408	270,019
Deferred tax liabilities (net)	遞延所得稅負債(淨額)	<b>228,440</b>	<b>262,373</b>

The net movements in the deferred income tax account are as follows:

遞延所得稅賬戶之變動淨額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	262,373	255,563
Change in accounting policy (Note 2)	會計政策變動(附註2)	(1,051)	-
Restated total at 1 January	於一月一日經重列總額	261,322	255,563
Currency realignment	貨幣調整	5,517	(14,763)
(Credited)/charged to consolidated profit and loss (Note 13)	於綜合損益內(計入)/扣除(附註13)	(38,399)	21,573
At 31 December	於十二月三十一日	<b>228,440</b>	<b>262,373</b>



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 30 Deferred income tax (Continued)

The movements in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

#### Deferred income tax assets

	Lease liabilities 租賃負債		Asset retirement obligation 資產報廢承擔		Tax losses 稅項虧損		Total 合計	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	At 1 January 於一月一日	-	-	(37,981)	(35,186)	(99,719)	(103,072)	(137,700)
Change in accounting policy (Note 2) 會計政策變動 (附註2)	(15,972)	-	-	-	-	-	(15,972)	-
Currency alignment 貨幣調整	(15,972)	-	(37,981)	(35,186)	(99,719)	(103,072)	(153,672)	(138,258)
Credited/(charged) to consolidated profit or loss 於綜合損益內 計入/(扣除)	115	-	(873)	1,900	(1,899)	5,339	(2,657)	7,239
	1,517	-	4,852	(4,695)	14,076	(1,986)	20,445	(6,681)
At 31 December 於十二月三十一日	(14,340)	-	(34,002)	(37,981)	(87,542)	(99,719)	(135,884)	(137,700)

### 30 遞延所得稅(續)

年內遞延所得稅資產及負債(與同一稅務司法權區之結餘抵銷前)之變動如下:

#### 遞延所得稅資產

	Lease liabilities 租賃負債		Asset retirement obligation 資產報廢承擔		Tax losses 稅項虧損		Total 合計	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	At 1 January 於一月一日	-	-	(37,981)	(35,186)	(99,719)	(103,072)	(137,700)
Change in accounting policy (Note 2) 會計政策變動 (附註2)	(15,972)	-	-	-	-	-	(15,972)	-
Currency alignment 貨幣調整	(15,972)	-	(37,981)	(35,186)	(99,719)	(103,072)	(153,672)	(138,258)
Credited/(charged) to consolidated profit or loss 於綜合損益內 計入/(扣除)	115	-	(873)	1,900	(1,899)	5,339	(2,657)	7,239
	1,517	-	4,852	(4,695)	14,076	(1,986)	20,445	(6,681)
At 31 December 於十二月三十一日	(14,340)	-	(34,002)	(37,981)	(87,542)	(99,719)	(135,884)	(137,700)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 30 Deferred income tax (Continued)

### 30 遞延所得稅(續)

#### Deferred income tax liabilities

#### 遞延所得稅負債

	Right-of-use Assets 使用權資產		Accelerated tax depreciation and depletion 加速稅項折舊及損耗		Others 其他		Total 合計	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January 於一月一日	-	-	372,569	358,254	27,504	35,567	400,073	393,821
Change in accounting policy (Note 2) 會計政策變動 (附註2)	14,921	-	-	-	-	-	14,921	-
Currency alignment (Credited)/charged to consolidated profit or loss 貨幣調整 於綜合損益內 (計入)/扣除	(104)	-	8,448	(20,133)	(170)	(1,869)	8,174	(22,002)
	(1,653)	-	(53,474)	34,448	(3,717)	(6,194)	(58,844)	28,254
At 31 December 於十二月三十一日	13,164	-	327,543	372,569	23,617	27,504	364,324	400,073

During 2019, deferred income tax liabilities to the extent of approximately HK\$26,655,000 (2018: HK\$34,989,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries because the Board considers that the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Such amounts are considered for permanent reinvestment. Unremitted earnings totaled approximately HK\$1,654,205,000 (2018: HK\$1,276,072,000) as at 31 December 2019 and HK\$10,273,000 (2018: HK\$7,929,000) has been recognised as deferred tax liability for the withholding tax.

於二零一九年，並無就預扣稅及其他稅項（將可用於支付某些附屬公司之未匯出盈利）確認遞延所得稅負債，上限為約26,655,000港元（二零一八年：34,989,000港元），乃由於董事局認為撥回暫時差額時間由集團控制且此暫時差額有可能將不會在可見未來撥回。有關款項被視為永久性再投資。於二零一九年十二月三十一日，未匯出盈利總金額約為1,654,205,000港元（二零一八年：1,276,072,000港元）及10,273,000港元（二零一八年：7,929,000港元）已就預扣稅確認為遞延稅項負債。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 30 Deferred income tax (Continued)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at 31 December 2019, the Group had unrecognised deferred tax assets for its tax losses of approximately HK\$117,209,000(2018: HK\$112,812,000) to carry forward against future taxable income. All the tax losses will be expired within the next 5 years.

### 31 Assets retirement obligation

The movements in assets retirement obligation are as below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	140,678	130,311
Currency realignment	貨幣調整	3,416	(7,036)
Acquisition of business (Note 33)	收購業務(附註33)	-	557
Accretion (Note 10)	添加(附註10)	3,112	2,970
Site restoration expenditure	場地恢復支出	(3,448)	(4,698)
Change in estimates and discount rate	估計及折現率變動	(2,221)	5,241
Provision for the year	年內撥備	6,307	13,333
At 31 December	於十二月三十一日	<b>147,844</b>	<b>140,678</b>

Note:

In accordance with the relevant rules and regulations in Canada, the Group is obliged to accrue the cost for land reclamation and site closures for the Group's ownership interest in oil and natural gas assets including well sites and gathering systems. The provision for asset retirement obligation has been determined by the directors based on their best estimates in accordance with the relevant rules and regulations.

### 30 遞延所得稅(續)

遞延所得稅資產以相關的稅務利益透過可從未來應課稅盈利變現為上限，為稅務虧損結轉而確認。於二零一九年十二月三十一日，集團之未確認遞延稅項資產之稅項虧損約117,209,000港元(二零一八年：112,812,000港元)以結轉與未來應課稅收入對銷。所有稅項虧損將於下個五年內屆滿。

### 31 資產報廢承擔

資產報廢承擔之變動如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	140,678	130,311
Currency realignment	貨幣調整	3,416	(7,036)
Acquisition of business (Note 33)	收購業務(附註33)	-	557
Accretion (Note 10)	添加(附註10)	3,112	2,970
Site restoration expenditure	場地恢復支出	(3,448)	(4,698)
Change in estimates and discount rate	估計及折現率變動	(2,221)	5,241
Provision for the year	年內撥備	6,307	13,333
At 31 December	於十二月三十一日	<b>147,844</b>	<b>140,678</b>

附註：

根據加拿大有關規則及法規，集團有責任就集團於石油及天然氣資產(包括油井及集氣系統)的土地開墾及關閉場地支付成本。有關資產報廢承擔的撥備已由董事以彼等最佳估計為基礎根據有關規則及法規釐定。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 32 Share capital, share option and share award schemes

##### (a) Share capital

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each 每股0.01港元之普通股			
Authorised shares At 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	法定股份 於二零一八年一月一日、二零一八年 十二月三十一日、二零一九年一月一日 及二零一九年十二月三十一日	125,000,000	1,250,000
Issued and fully paid At 1 January 2018, 31 December 2018 and 1 January 2019	已發行及繳足 於二零一八年一月一日、二零一八年 十二月三十一日及二零一九年 一月一日	5,839,124	58,391
Share repurchases	股份購回	(72,080)	(721)
At 31 December 2019	於二零一九年十二月三十一日	5,767,044	57,670

During the year ended 31 December 2019, the Company repurchased 72,080,000 shares of HK\$0.01 each in the capital of the Company at prices ranging from HK\$0.241 to HK\$0.300 per share on the Stock Exchange.

截至二零一九年十二月三十一日止年度，公司以每股0.241港元至0.300港元價格於聯交所購回72,080,000股公司每股面值0.01港元的股份。

##### (b) Share option scheme

The Company adopted a share option scheme (the "Share Option Scheme") pursuant to a resolution passed by the shareholders on 23 November 2011.

Under the Share Option Scheme, the Board may at its discretion offer options to any eligible participant who is an employee, executive or officer of the Company or its subsidiaries (including executive and non-executive directors of the Company or its subsidiaries) and any suppliers, consultants or advisers who will provide or have provided services to the Company or its subsidiaries.

##### (b) 購股權計劃

根據股東於二零一一年十一月二十三日通過之決議案，公司採納購股權計劃（「購股權計劃」）。

根據購股權計劃，董事局可酌情提呈購股權予任何合資格參與者。合資格參與者為公司或其附屬公司之僱員、行政人員或高級職員（包括公司或其附屬公司之執行及非執行董事），以及任何將會或曾經為公司或其附屬公司提供服務之供應商、專家顧問或顧問。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 32 Share capital, share option and share award schemes (Continued)

#### (b) Share option scheme (Continued)

The maximum number of shares in respect of which options may be granted under the Share Option Scheme is 10% of the issued shares of the Company from time to time.

The maximum entitlement of each eligible participant in any 12 month-period shall not exceed 1% of the number of shares in issue on the date of offer of an option.

The offer of a grant of options may be accepted within 21 days after the date of the offer, with a consideration of HK\$1 for the grant thereof. Exercise period in respect of the options granted shall be determined by the Board and in any event such period of time shall not exceed a period of 10 years commencing on the date upon which such option is deemed to be granted and accepted.

The exercise price in relation to each option offered to an eligible participant under the Share Option Scheme shall be determined by the Board at its absolute discretion but in any event shall not be less than the highest of: (a) the official closing price of the shares as stated in the daily quotation sheet of the Stock Exchange on the date of offer of an option; (b) the average of the official closing price of the shares as stated in the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of offer of an option; and (c) the nominal value of a share.

The Share Option Scheme was valid for 10 years from 23 November 2011.

### 32 股本及購股權／獎勵計劃 (續)

#### (b) 購股權計劃(續)

根據購股權計劃及原有購股權計劃授出之購股權涉及之股份數目上限為公司不時之已發行股份之10%。

於任何十二個月期間，每位合資格參與者之配額上限不得超逾購股權提呈之日已發行股份數目之1%。

獲授購股權之人士可於購股權提呈之日起計21日內繳付1港元之代價後接納獲提呈授予之購股權。購股權之行使期限由董事局決定，而在任何情況下，有關期限不得超逾有關購股權被視為授出及獲接納之日起計十年。

董事局全權酌情就根據該購股權計劃提呈予合資格參與者之每份購股釐定行使價，惟在任何情況下該價格不得低於以下之最高者：(a)購股權提呈當日股份於聯交所每日報價中所列之正式收市價；(b)在緊接提呈購股權當日前五個營業日股份於聯交所每日報價中所列之正式收市價平均數；及(c)股份面值。

購股權計劃從二零一一年十一月二十三日起有效期為期十年。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 32 Share capital, share option and share award schemes (Continued)

#### (b) Share option scheme (Continued)

On 22 January 2016, in order to motivate and reward the Company's staff, the Company had granted to certain eligible participants of the Company share options to subscribe for an aggregate of 100,000,000 ordinary shares of HK\$0.01 each in share capital of the Company. The share options shall be exercisable in the following periods:

- 30% of the share options are exercisable from 22 January 2018 to 21 January 2026;
- 30% of the share options are exercisable from 22 January 2019 to 21 January 2026; and
- the remaining share options are exercisable from 22 January 2020 to 21 January 2026

(i) The number and weighted average exercise prices of the share options are as follows:

		2019 二零一九年		2018 二零一八年	
		Exercise price 行使價 HK\$ 港元	Number of options 購股權數目 '000 千份	Exercise price 行使價 HK\$ 港元	Number of options 購股權數目 '000 千份
Outstanding at 1 January	於一月一日尚未行使	0.46	86,560	0.46	100,000
Exercised during the year	年內行使	-	-	0.46	(13,440)
Outstanding at 31 December	於十二月三十一日 尚未行使	0.46	86,560	0.46	86,560

### 32 股本及購股權／獎勵計劃 (續)

#### (b) 購股權計劃(續)

於二零一六年一月二十二日，為激勵及獎勵公司員工，公司已向其若干合資格參與者授出可認購合共100,000,000股公司股本中每股面值0.01港元之普通股的購股權。購股權可於下列期間行使：

- 30%的購股權於二零一八年一月二十二日至二零二六年一月二十一日可予行使；
- 30%的購股權於二零一九年一月二十二日至二零二六年一月二十一日可予行使；及
- 其餘購股權於二零二零年一月二十二日至二零二六年一月二十一日可予行使

(i) 購股權的數目及加權平均行使價如下：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 32 Share capital, share option and share award schemes (Continued)

#### (b) Share option scheme (Continued)

(ii) The following table discloses details of the Company's share options held by employees as at 31 December 2019:

	Date of grant	Exercise price per share	Exercise period	Outstanding at 31 December 2019
	授出日期	每股行使價 HK\$ 港元	行使期	於二零一九年 十二月三十一日 尚未行使
Employees 僱員	22 January 2016 二零一六年一月二十二日	0.46	22 January 2018 to 21 January 2026 二零一八年一月二十二日至 二零二六年一月二十一日	16,560
	22 January 2016 二零一六年一月二十二日	0.46	22 January 2019 to 21 January 2026 二零一九年一月二十二日至 二零二六年一月二十一日	30,000
	22 January 2016 二零一六年一月二十二日	0.46	22 January 2020 to 21 January 2026 二零二零年一月二十二日至 二零二六年一月二十一日	40,000
Total 總計				86,560

The fair value of the options granted in 2016 determined using the binomial option pricing model was approximately HK\$0.127, HK\$0.148 and HK\$0.171 per share respectively. The significant inputs into the model were share price of HK\$0.455 as at the grant date, exercise price as shown above, volatility of 40.99%, 40.97% and 42.56%, expected life of options of seven and six years, and annual risk-free interest rate of 0.993%, 1.056% and 1.184% respectively. The volatility measured at the standard deviation of expected share price returns is based on the historical volatility of the Company's share price over a period of eight, seven and six years before the date when the options were granted.

### 32 股本及購股權／獎勵計劃 (續)

#### (b) 購股權計劃 (續)

(ii) 下表披露僱員於二零一九年十二月三十一日所持公司購股權之詳情：

採用二項式期權定價模式，於二零一六年授出的購股權已釐定公平值分別約為每股0.127港元、0.148港元及0.171港元。模式內的重重大輸入數據為於授出日期之股價0.455港元、上表所示行使價、分別為40.99%、40.97%及42.56%之波幅、購股權年期分別為七年及六年之預計年期以及分別為0.993%、1.056%及1.184%之無風險年利率。按預期股價回報的標準差計量的波幅乃是基於公司股價於購股權授出日期之前八年、七年及六年期間之歷史波幅。







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 32 Share capital, share option and share award schemes (Continued)

##### (c) Share award scheme

On 4 November 2011, the Board approved the adoption of a share award scheme (the “Restricted Share Award Scheme”) with the objective to recognise the contributions by eligible employees within the Group and to give incentives in order to retain them for their continuing operation and development and to attract suitable personnel for further development of the Group.

Pursuant to the rules relating to the Restricted Share Award Scheme (“Scheme Rules”), shares are comprised of (i) shares subscribed for or purchased by the Company and delivered to the Trustee appointed by the Company (Note 38(c)) subsequently; or (ii) the Trustee out of cash arranged to be paid by the Company out of the Company’s funds to the Trustee and be held on trust for the relevant eligible grantees until such shares are vested with the relevant eligible grantees in accordance with the Scheme Rules (“Restricted Shares”). The Board implements the Restricted Share Award Scheme in accordance with the terms of the Scheme Rules including providing necessary funds to the Trustee to purchase or subscribe for shares up to 10% of the issued share capital of the Company from time to time.

Under the Restricted Share Award Scheme, the Restricted Shares are granted to eligible employees of the Company or any one of its subsidiaries for no consideration but subject to certain conditions (including but not limited to, lock-up period) to be decided by the Board at the time of grant of the Restricted Shares under the Restricted Share Award Scheme. The Restricted Share Award Scheme will remain in force for 10 years from the date of adoption.

The Restricted Share Award Scheme operates in parallel with the Share Option Scheme. All options granted under the Share Option Scheme continue to be valid and exercisable subject to and in accordance with the terms of the Share Option Scheme, respectively.

#### 32 股本及購股權／獎勵計劃 (續)

##### (c) 股份獎勵計劃

於二零一一年十一月四日，董事局已批准採納一項購股權計劃（「限制性股份獎勵計劃」）作為獎勵以嘉許集團合資格僱員之貢獻，為集團持續經營及發展為激勵以挽留僱員，為集團進一步發展吸納合適人才。

根據限制性股份獎勵計劃有關規則（「計劃規則」），股份來自(i)公司認購或購買並隨後送交予公司委託的受託人（附註38(c)）之股份；或(ii)由受託人以公司自公司資金安排支付予受託人之現金認購或購買並為有關經合資格承授人以信託方式持有之股份（「限制性股份」），直至該等股份根據計劃規則歸屬於有關合資格承授人為止。董事局會根據計劃規則實施限制性股份獎勵計劃，包括向受託人提供所需資金，以購入或認購最多佔公司不時之已發行股本10%之股份。

根據限制性股份獎勵計劃，限制性股份可以零代價授予公司合資格承授人或公司任何一家附屬公司，但受限於董事局根據限制性股份獎勵計劃授出限制性股份時決定的若干條件（包括但不限於，禁售期）。限制性股份獎勵計劃將從採納日起生效，為期十年。

限制性股份獎勵計劃與購股權計劃並行。根據購股權計劃授出的所有購股權將繼續有效及可行使，惟須分別遵守及依照購股權計劃的條款。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 32 Share capital, share option and share award schemes (Continued)

#### (c) Share award scheme (Continued)

Pursuant to the Scheme Rules, the Board may, from time to time, at their absolute discretion select the eligible grantees after taking into account various factors as they deem appropriate for participation in the Restricted Share Award Scheme as a grantee and determines the number of Restricted Shares to be awarded. The Board shall cause to pay the Trustee the purchase price and the related expenses from the Company's resources for the shares to be purchased by the Trustee.

The Trustee shall hold such Restricted Shares on trust for the eligible grantees until they are vested. When the relevant eligible grantee has satisfied all vesting conditions specified by the Board at the time of making the award and become entitled to the Restricted Shares, the Trustee shall transfer the relevant Restricted Shares to that grantee.

For awardees who cease employment with the Group before vesting, the unvested shares are forfeited. The forfeited shares are held by the Trustee of the Restricted Share Award Scheme who may award such shares to other awardees as instructed by the Board.

During the year ended 31 December 2019, 1,180,000 (2018: 30,860,000) Restricted Shares have been awarded to employees without vesting condition.

### 32 股本及購股權／獎勵計劃 (續)

#### (c) 股份獎勵計劃(續)

根據計劃規則，董事局可不時按其絕對酌情權及彼等認為適用參與限制性獎勵計劃的不同因素挑選合資格承授人，並釐定將授出之限制性股份數目。董事局須就受託人即將購入之股份，以公司之資源向受託人支付購入價及相關費用。

受託人將以信託方式代合資格承授人持有相關限制性股份，直至彼等獲歸屬。待相關合資格承授人達成董事局於作出獎勵時所特定之一切歸屬條件，將有權獲得限制性股份，受託人將轉讓該有關限制性股份予承授人。

在歸屬前不再受僱於集團之受獎人，未歸屬股份即予沒收。沒收股份由限制性股份獎勵計劃受託人持有，而受託人根據董事局指示獎勵該等股份予其他受獎人。

截至二零一九年十二月三十一日止年度，已向僱員授出1,180,000股(二零一八年：30,860,000股)限制性股份，並無歸屬條件。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 32 Share capital, share option and share award schemes (Continued)

#### (c) Share award scheme (Continued)

##### Details of the Restricted Shares awarded during the year

For the year ended 31 December 2019:

Date of award 授出日期	Number of shares awarded 授出股份數目 HK\$ 港元	Fair value per share 每股股份公平值	Vesting period 歸屬期
Employees 僱員 3 May 2019 二零一九年五月三日	1,180,000	0.41	Without vesting condition 無歸屬條件

For the year ended 31 December 2018:

Date of award 授出日期	Number of shares awarded 授出股份數目 HK\$ 港元	Fair value per share 每股股份公平值	Vesting period 歸屬期
Employees 僱員 7 May 2018 二零一八年五月七日	860,000	0.60	Without vesting condition 無歸屬條件
Employees 僱員 19 December 2018 二零一八年十二月十九日	30,000,000	0.56	Without vesting condition 無歸屬條件

As at 31 December 2019, there was no outstanding share awards granted to employees (2018: same).

During the year ended 31 December 2018, the Trustee acquired under the Share Award Scheme 53,640,000 ordinary shares of the Company through purchases on the open market with a price range of HK\$0.54 to HK\$0.65 per share at a total cost (including related transaction costs) of HK\$29,030,000 which was credited to shares held for Share Award Scheme account of the Company as an equity component of the Company.

### 32 股本及購股權／獎勵計劃 (續)

#### (c) 股份獎勵計劃(續)

##### 年內授出限制性股份的詳情

截至二零一九年十二月三十一日止年度：

截至二零一八年十二月三十一日止年度：

於二零一九年十二月三十一日，概無授予僱員的尚未行使股份獎勵(二零一八年：同)。

於截至二零一八年十二月三十一日止年度，受託人根據股份獎勵計劃按介乎每股0.54港元至0.65港元的價格在公開市場購入公司53,640,000股普通股，總成本(包括相關交易成本)為29,030,000港元，已計入公司就股份獎勵計劃持有的股份賬目，作為公司的股本部分。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 33 Acquisition of business

Effective from 30 August 2018, the Group has completed a business acquisition consisting of oil and gas assets in West Central Alberta, Canada from an independent third party at cash consideration of CAD8,627,000 (approximately HK\$52,193,000). The Group commenced to account for the business combination from the effective date when the Group gained control over the business. The gain on bargain purchase amounted to approximately HK\$12,221,000 was attributable to the acquisition. Details of net assets acquired and gain on bargain purchase are as follows:

		HK\$'000 千港元
Total cash consideration	總現金代價	52,193
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的已確認金額	
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	64,971
Asset retirement obligation (Note 31)	資產報廢承擔(附註31)	(557)
Total identifiable net assets	可識別淨資產總值	64,414
Gain on bargain purchase (Note 8)	議價收購收益(附註8)	12,221

Acquisition related costs were not significant and have been charged to administrative expenses in the consolidated statement of comprehensive income for the year ended 31 December 2018.

The acquired business contributed revenues of HK\$7,260,000 and net profit of HK\$2,420,000 since the date of acquisition to 31 December 2018, if the acquisition has occurred on 1 January 2018, consolidated pro-forma revenue and profit for the year ended 31 December 2018 would have been HK\$40,535,000 and HK\$26,620,000 respectively.

### 33 收購業務

自二零一八年八月三十日起，集團完成向一名獨立第三方進行的業務收購，收購包括加拿大阿爾伯塔省中西部的油氣資產，現金代價為8,627,000加元(約52,193,000港元)。集團自生效日期(即集團獲得對業務的控制權時)開始將業務合併入賬。因該收購而錄得溢價收購收益約12,221,000港元。已收購資產淨值及議價收購收益詳情如下：

相關收購成本並不重大且已自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內的行政開支扣除。

自收購日期起至二零一八年十二月三十一日，所收購業務貢獻營業額7,260,000港元及純利2,420,000港元，倘收購事項已於二零一八年一月一日進行，截至二零一八年十二月三十一日止年度綜合備考營業額及溢利將分別為40,535,000港元及26,620,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 34 Disposal of subsidiaries

On 15 November 2019 and 4 December 2019, the Group entered into sale and purchase agreements with an independent third party, pursuant to which the independent third party agreed to purchase, and the Group agreed to sell, 51% of equity interests in 中油南京 and 潮州中油 at cash consideration of RMB45,431,000 (approximately HK\$51,690,000) and RMB20,706,000 (approximately HK\$23,706,000), respectively.

The transactions were completed in December 2019 resulting gains on disposal of approximately HK\$9,690,000 and HK\$7,223,000, respectively.

The following table summarises the consideration received for the disposal of subsidiaries and the amounts of the identifiable assets and liabilities disposed of at the disposal date:

### 34 出售附屬公司

於二零一九年十一月十五日及二零一九年十二月四日，集團與一名獨立第三方訂立買賣協議，據此，獨立第三方同意購買及集團同意出售於中油南京及潮州中油的51%股權，現金代價分別為人民幣45,431,000元(約51,690,000港元)及人民幣20,706,000元(約23,706,000港元)。

該等交易已於二零一九年十二月完成，產生出售收益分別約9,690,000港元及7,223,000港元。

下表概列就出售附屬公司已收取的代價及於出售日期所出售的可識別資產及負債金額：

		2019 二零一九年 HK\$'000 千港元
Cash consideration received	已收現金代價	10,358
Consideration receivables (Note 24)	應收代價(附註24)	65,038
Fair value of equity interest as of the date of disposal	於出售日期的股權公平值	72,440
		147,836
Less: Assets and liabilities disposed of:	減：已出售資產及負債：	
– Property, plant and equipment (Note 16)	– 物業、廠房及設備(附註16)	191,879
– Right-of-use assets (Note 17)	– 使用權資產(附註17)	13,367
– Inventories	– 存貨	809
– Deposits, trade and other receivables	– 按金、貿易及其他應收款項	33,451
– Tax recoverable	– 可收回稅項	9,197
– Cash and cash equivalents	– 現金及現金等值項目	6,942
– Trade and other payables	– 貿易及其他應付款項	(115,162)
– Contract liabilities	– 合約負債	(2,003)
– Tax payable	– 應付稅項	(3,364)
Net asset value	資產淨值	135,116
Add: Release of exchange reserve upon disposal of subsidiaries	加：出售附屬公司時撥回匯兌儲備	4,193
Gain on disposal of subsidiaries (Note 8)	出售附屬公司之收益(附註8)	16,913



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 34 Disposal of subsidiaries (Continued)

An analysis of the cash flows in respect of the disposal of subsidiaries is as follows:

		2019 二零一九年 HK\$'000 千港元
Cash consideration received	已收現金代價	10,358
Less: Cash and cash equivalents included in the disposal of subsidiaries	減：計入出售附屬公司之現金及現金等值項目	(6,942)
Net inflow of cash and cash equivalents included in the cash flows from investing activities	計入投資活動所得現金流量的現金及現金等值項目流入淨額	<b>3,416</b>

### 34 出售附屬公司(續)

有關出售附屬公司之現金流量分析如下：

### 35 Cash flow information

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

Net Debt 債務淨額		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值項目	2,521,199	2,508,223
Borrowings – repayable within one year	借貸 – 應於一年內償還	(1,408,814)	(1,455,839)
Borrowings – repayable after one year	借貸 – 應於一年後償還	(26,466)	(63,642)
Senior notes – repayable after one year	優先票據 – 應於一年後償還	(5,411,161)	(5,029,991)
Lease liabilities	租賃負債	(60,874)	–
Net debt	債務淨額	<b>(4,386,116)</b>	(4,041,249)
Cash and cash equivalents	現金及現金等值項目	2,521,199	2,508,223
Gross debt – fixed interest rates	債務總額 – 固定利率	(6,501,539)	(6,077,727)
Gross debt – variable interest rates	債務總額 – 浮動利率	(405,776)	(471,745)
Net debt	債務淨額	<b>(4,386,116)</b>	(4,041,249)

### 35 現金流量資料

本節載列各所示年度債務淨額的分析及債務淨額的變動。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 35 Cash flow information (Continued)

#### 35 現金流量資料(續)

	Other assets 其他資產	Liabilities from financing activities 融資活動產生的負債				Total 總計	
		Cash and cash equivalents 現金及現金等值項目 HK\$'000 千港元	Borrowings due within 1 year 於一年內到期的借貸 HK\$'000 千港元	Borrowings due after 1 year 於一年後到期的借貸 HK\$'000 千港元	Senior notes due after 1 year 於一年後到期的優先票據 HK\$'000 千港元		Lease liabilities 租賃負債 HK\$'000 千港元
Net debts as at 1 January 2018	於二零一八年一月一日之 債務淨額	2,290,447	(689,258)	(60,000)	(5,024,752)	–	(3,483,563)
Cash flows	現金流量	325,095	(786,142)	(10,460)	241,703	–	(229,804)
Finance costs	財務費用	–	(54,456)	(3,361)	(246,942)	–	(304,759)
Reclassify from non-current to current	由非流動重新分類至流動	–	(7,200)	7,200	–	–	–
Foreign exchange adjustments	外匯調整	(107,319)	81,217	2,979	–	–	(23,123)
Net debts as at 31 December 2018	於二零一八年十二月三十一日 之債務淨額	2,508,223	(1,455,839)	(63,642)	(5,029,991)	–	(4,041,249)
Change in accounting policy (Note 2)	會計政策變動(附註2)	–	–	–	–	(67,756)	(67,756)
Cash flows	現金流量	37,871	106,239	40,046	(73,208)	17,889	128,837
Inception of lease contracts	於租賃合約開始時	–	–	–	–	(8,155)	(8,155)
Finance costs	財務費用	–	(61,896)	(3,183)	(307,962)	(3,252)	(376,293)
Foreign exchange adjustments	外匯調整	(24,895)	2,682	313	–	400	(21,500)
Net debts as at 31 December 2019	於二零一九年十二月三十一日 之債務淨額	2,521,199	(1,408,814)	(26,466)	(5,411,161)	(60,874)	(4,386,116)



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 36 Commitments

#### (a) Operating leases

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 year to 20 years.

At 31 December 2019, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Land and buildings expiring:	於下列期限到期的土地及樓宇：		
Within one year	一年內	-	18,763
After one year but within five years	一年後但五年內	-	38,918
After five years	五年後	-	29,632
		-	<u>87,313</u>

From 1 January 2019, the Group has recognised right-of-use assets for these leases, except for short-term and low-value leases, see Note 17 for further information.

自二零一九年一月一日起，集團就該等租賃確認使用權資產，惟短期及低價值租賃除外，進一步資料請參閱附註17。

#### (b) Capital commitments

The Group had the following capital commitments outstanding not provided for at the date of statement of financial position:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	<u>94,396</u>	<u>127,140</u>

### 36 承擔

#### (a) 經營租賃

集團根據經營租賃安排租賃其部分辦公物業。租賃物業的租期經磋商介乎1年至20年之間不等。

於二零一九年十二月三十一日，集團根據不可撤銷經營租賃到期應付的未來最低租賃付款總額如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Land and buildings expiring:	於下列期限到期的土地及樓宇：		
Within one year	一年內	-	18,763
After one year but within five years	一年後但五年內	-	38,918
After five years	五年後	-	29,632
		-	<u>87,313</u>

自二零一九年一月一日起，集團就該等租賃確認使用權資產，惟短期及低價值租賃除外，進一步資料請參閱附註17。

#### (b) 資本承擔

集團於財務狀況表日期有以下未撥備的未履行資本承擔：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	<u>94,396</u>	<u>127,140</u>





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 37 Related party transactions

As at 31 December 2019, the Company was indirectly owned by Sino Best International Group Limited (“Sino Best”), a company incorporated in the British Virgin Islands (“BVI”) which in turn was wholly and beneficially owned by Mr. Xu Tie-liang, the Chairman and executive director of the Company, as to approximately 25.9%. The remaining 74.1% of the Company’s shares were widely held. Mr. Xu Tie-liang and other directors of the Company are considered to be related as they are members of the key management personnel of the Company.

#### Transactions with key management personnel

The directors of the Company are considered as key management personnel of the Group. The remuneration of the key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. Details of the remuneration paid to them are set out in Note 12.

### 38 Particulars of the principal subsidiaries and controlled structured entities

(a) Details of the principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Profaitth Group Limited	BVI, Wholly foreign-owned enterprise 英屬維爾京群島·外商獨資企業	US\$1	-	100.0%	Investment holding 投資控股
All Praise Investment Limited	BVI, Wholly foreign-owned enterprise 英屬維爾京群島·外商獨資企業	US\$1	100.0%	-	Investment holding 投資控股
China Oil And Gas Group Limited	BVI, Wholly foreign-owned enterprise 英屬維爾京群島·外商獨資企業	US\$1	100.0%	-	Investment holding 投資控股
China Oil And Gas Management Limited	Hong Kong, Wholly foreign-owned enterprise 香港·外商獨資企業	HK\$1	-	100.0%	Investment holding 投資控股
中油燃氣集團有限公司	BVI, Wholly foreign-owned enterprise 英屬維爾京群島·外商獨資企業	1美元			投資控股
中油燃氣管理有限公司	Hong Kong, Wholly foreign-owned enterprise 香港·外商獨資企業	1港元			投資控股

### 37 關連人士交易

於二零一九年十二月三十一日，公司由中泰國際集團有限公司（「中泰國際」）（於英屬維爾京群島（「英屬維爾京群島」）註冊成立的公司，由公司主席及執行董事許鈺良先生全資實益擁有）間接擁有約25.9%。公司其餘74.1%股份被廣泛持有。許鈺良先生及公司其他董事均為公司主要管理人員而被視為公司的關連人士。

#### 與主要管理人員的交易

公司董事被視為集團主要管理人員。主要管理人員之酬金乃由薪酬委員會經考慮個別人士之表現及市場趨勢後釐定。付予該等人士之酬金詳情載於附註12。

### 38 主要附屬公司及受控制結構實體之詳情

(a) 主要附屬公司詳情如下：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

### 38 主要附屬公司及受控制結構實體之詳情(續)

(a) Details of the principal subsidiaries are as follows:  
(Continued)

(a) 主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Alta Financial Holdings Limited	BVI, Wholly foreign-owned enterprise	US\$1,000	-	100.0%	Investment holding
恒泰金融集團有限公司	英屬維爾京群島，外商獨資企業	1,000美元			投資控股
Zhongda Industrial Group Inc	BVI, Wholly foreign-owned enterprise	US\$10,000	-	100.0%	Investment holding
中大工業集團有限公司	英屬維爾京群島，外商獨資企業	10,000美元			投資控股
China Oil And Gas Group (Asia) Limited	Hong Kong, Wholly foreign-owned enterprise	HK\$1	-	100.0%	Investment holding
中油燃氣集團(亞洲)有限公司	香港，外商獨資企業	1港元			投資控股
Hong Kong China Oil And Gas Group Limited	Hong Kong, Wholly foreign-owned enterprise	HK\$1	-	100.0%	Investment holding
香港中油燃氣集團有限公司	香港，外商獨資企業	1港元			投資控股
Accelstar Pacific Limited	BVI, Wholly foreign-owned enterprise	US\$50,000	-	100.0%	Investment holding
	英屬維爾京群島，外商獨資企業	50,000美元			投資控股
Plentigreat Holdings Limited	BVI, Wholly foreign-owned enterprise	US\$10,000	-	100.0%	Investment holding
	英屬維爾京群島，外商獨資企業	10,000美元			投資控股
Vast China Group Limited	BVI, Wholly foreign-owned enterprise	US\$1	-	100.0%	Investment holding
	英屬維爾京群島，外商獨資企業	1美元			投資控股
Sino Invent Holdings Limited	BVI, Wholly foreign-owned enterprise	US\$1	-	100.0%	Investment holding
	英屬維爾京群島，外商獨資企業	1美元			投資控股
China City Natural Gas Investment Group Company Limited ("CCNG")	PRC, Wholly foreign-owned enterprise	RMB1,000,000,000	-	51.0%	Investment holding and trading of natural gas
中油中泰燃氣投資集團有限公司 (「中油中泰」)	中國，外商獨資企業	人民幣 1,000,000,000元			投資控股及天然氣買賣



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(a) Details of the principal subsidiaries are as follows:  
(Continued)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
西寧中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB65,874,000 人民幣 65,874,000元	-	40.8%(i)	Trading of natural gas, gas pipeline construction and operation of natural gas stations 天然氣買賣、天然氣管道建造 及天然氣站經營
青海宏利燃氣管道安裝工程 有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB44,000,000 人民幣 44,000,000元	-	40.8%(i)	Gas pipeline construction 天然氣管道建造
青海中油壓縮天然氣 銷售有限公司	PRC, Limited liability company 中國·有限責任公司	RMB20,800,000 人民幣 20,800,000元	-	40.8%(i)	Trading of natural gas 天然氣買賣
西寧中油商貿有限公司	PRC, Limited liability company 中國·有限責任公司	RMB900,000 人民幣 900,000元	-	40.8%(i)	Trading of natural gas- related equipment 天然氣相關設備買賣
醴陵中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB100,000,000 人民幣 100,000,000元	-	30.6%(i)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
濱州中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB50,000,000 人民幣 50,000,000元	-	40.8%(i)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
惠民中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB25,000,000 人民幣 25,000,000元	-	50.5%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造

#### 38 主要附屬公司及受控制結構 實體之詳情(續)

(a) 主要附屬公司詳情如下：(續)



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(a) Details of the principal subsidiaries are as follows:  
(Continued)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
湖南中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB45,000,000 人民幣 45,000,000元	-	30.6%(i)	Natural gas transmission through pipeline 管道天然氣輸送
泰州中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB100,000,000 人民幣 100,000,000元	-	51.0%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
潮安縣華明燃氣有限公司	PRC, Limited liability company 中國·有限責任公司	RMB12,000,000 人民幣 12,000,000元	-	40.8%(i)	Trading of natural gas 天然氣買賣
中油中泰物流(珠海)有限公司	PRC, Limited liability company 中國·有限責任公司	RMB75,000,000 人民幣 75,000,000元	-	100.0%	Transportation services 運輸服務
青海中油管道燃氣有限公司	PRC, Limited liability company 中國·有限責任公司	RMB32,000,000 人民幣 32,000,000元	-	51.0%	Natural gas transmission through pipeline 管道天然氣輸送
泰州中油管輸天然氣有限公司	PRC, Limited liability company 中國·有限責任公司	RMB111,000,000 人民幣 111,000,000元	-	47.1%(i)	Gas pipeline design and construction, natural gas transmission through pipeline 天然氣管道設計及建造, 管道 天然氣輸送
鄒平中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB20,000,000 人民幣 20,000,000元	-	35.7%(i)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
中油中泰(深圳)新能源有限公司	PRC, Limited liability company 中國·有限責任公司	RMB71,000,000 人民幣 71,000,000元	-	51.0%	Investment holding 投資控股
仙桃中油燃氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB67,910,000 人民幣 67,910,000元	-	35.7%(i)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造

### 38 主要附屬公司及受控制結構實體之詳情(續)

(a) 主要附屬公司詳情如下:(續)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(a) Details of the principal subsidiaries are as follows:  
(Continued)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
仙桃市潔能天然氣有限公司	PRC, Limited liability company 中國·有限責任公司	RMB2,000,000 人民幣2,000,000元	-	35.7%(i)	Trading of natural gas 天然氣買賣
武漢東方市天然氣有限責任公司	PRC, Limited liability company 中國·有限責任公司	RMB75,000,000 人民幣75,000,000元	-	35.7%(i)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
西寧中油中泰管道燃氣有限公司	PRC, Limited liability company 中國·有限責任公司	RMB50,000,000 人民幣50,000,000元	-	40.8%(i)	Gas pipeline design and construction 天然氣管道設計及建造
南京潔寧燃氣有限公司	PRC, Wholly foreign-owned enterprise 中國·外商獨資企業	HK\$187,500,000 187,500,000港元	-	100.0%	Investment holding, construction of natural gas stations and trading of natural gas 投資控股、天然氣站建造及天然氣買賣
安徽中油燃氣有限公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	RMB18,000,000 人民幣18,000,000元	-	80.4%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
中油燃氣投資集團 有限公司(前稱中油燃氣 (廣東)投資有限公司)	PRC, Wholly foreign-owned enterprise 中國·外商獨資企業	US\$75,000,000 75,000,000美元	-	100.0%	Investment holding 投資控股
恒泰國際融資租賃有限公司	PRC, Limited liability company 中國·有限責任公司	US\$26,981,000 26,981,000美元	-	100.0%	Provision for finance 提供融資
新疆恒泰融資租賃有限公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	RMB170,000,000 人民幣170,000,000元	-	100.0%	Provision for finance 提供融資
揚州中油燃氣有限責任公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	RMB40,000,000 人民幣40,000,000元	-	38.8%(ii)	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
青海中油甘河工業園區燃氣 有限公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	RMB26,000,000 人民幣26,000,000元	-	60.4%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造

#### 38 主要附屬公司及受控制結構實體之詳情(續)

(a) 主要附屬公司詳情如下：(續)



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

### 38 主要附屬公司及受控制結構實體之詳情(續)

(a) Details of the principal subsidiaries are as follows:  
(Continued)

(a) 主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及法律實體類型	Nominal value of issued share capital/ registered capital 已發行股本面值/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
南通中油燃氣有限責任公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	RMB15,000,000	-	75.0%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
萍鄉市燃氣公司	PRC, Sino-foreign equity joint venture 中國·中外合資合營企業	人民幣15,000,000元 RMB284,400,000	-	51.0%	Trading of natural gas and gas pipeline construction 天然氣買賣及天然氣管道建造
Baccalieu Energy Inc.	Canada 加拿大	CAD 141,040,000 141,040,000加元	-	100.0%	Exploitation and distribution of crude oil and natural gas 開採及分銷原油及天然氣

Notes:

- (i) The Group holds controlling interests in these subsidiaries through a 51.0% owned subsidiary, CCNG. Therefore the Group has control over these entities and they are considered as subsidiaries of the Company.
- (ii) The Group holds controlling interests in this subsidiary through CCNG and a wholly owned subsidiary, Hong Kong China Oil and Gas Group Limited ("HKCOGG"). Therefore the Group has control over this entity and it is considered as subsidiary of the Company.
- (iii) The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

附註：

- (i) 集團透過擁有51.0%權益的附屬公司中油中泰持有該等附屬公司控股權益。因此，集團擁有該等實體的控制權，而該等實體被視為公司的附屬公司。
- (ii) 集團透過中油中泰及全資附屬公司香港中油燃氣集團有限公司(「香港中油燃氣」)持有該附屬公司控股權益。因此，集團擁有該實體控制權，而該實體被視為公司的附屬公司。
- (iii) 董事認為，上表所列公司附屬公司主要影響本年度業績或佔集團資產淨值重大部分。董事認為，提供其他附屬公司之詳情會導致篇幅冗長。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(b) Set out below are the summarised consolidated financial information of CCNG and its subsidiaries that have non-controlling interests that are material to the Group. The information below is the amount before inter-company eliminations:

#### 38 主要附屬公司及受控制結構實體之詳情(續)

(b) 以下載列中油中泰及其附屬公司(擁有對集團而言屬重大之非控股權益)綜合財務資料概要。下述資料為公司間對銷前之金額：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total assets	總資產	9,463,084	8,906,970
Total liabilities	總負債	(4,924,828)	(4,759,378)
Net assets	資產淨值	4,538,256	4,147,592
Revenue	營業額	8,362,333	7,577,665
Profit for the year	年內溢利	692,409	649,997
Other comprehensive loss	其他全面虧損	(44,336)	(152,952)
Total comprehensive income	全面收益總額	648,073	497,045
Dividend paid to non-controlling interests	支付股息予非控股權益	99,420	126,605



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(b) Set out below are the summarised consolidated financial information of CCNG and its subsidiaries that have non-controlling interests that are material to the Group. The information below is the amount before inter-company eliminations (Continued):

### 38 主要附屬公司及受控制結構實體之詳情(續)

(b) 以下載列中油中泰及其附屬公司(擁有對集團而言屬重大之非控股權益)綜合財務資料概要。下述資料為公司間對銷前之金額(續)：

		CCNG 中油中泰 2019 二零一九年 HK\$'000 千港元	CCNG 中油中泰 2018 二零一八年 HK\$'000 千港元
Net cash generated from operating activities	經營業務產生之現金淨額	1,208,961	917,108
Net cash used in investing activities	投資活動所用之現金淨額	(370,256)	(1,067,136)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生之現金淨額	(598,573)	427,162
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額	240,132	277,134
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	1,619,747	1,430,538
Effect of foreign exchange rate changes	匯率變動影響	(17,116)	(87,925)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值項目	<b>1,842,763</b>	<b>1,619,747</b>







## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(continued) (續)

#### 38 Particulars of the principal subsidiaries and controlled structured entities (Continued)

(c) Details of the controlled structured entity are as follows:

The Company controls a structured entity which operates in Hong Kong, particulars of which are as follows:

Structured entities 結構實體	Principal activities 主要業務
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Best Thinker Limited (“Trustee”)

Best Thinker Limited (「受託人」)

Purchases, administers and holds the Company’s shares for the Restricted Share Award Scheme for the benefit of eligible employees of the Group

為集團合資格僱員利益就限制性股份獎勵計劃購入、管理及持有公司股份

As the Trustee is set up solely for the purpose of purchasing, administering and holding the Company’s shares for the Restricted Share Award Scheme (Note 32(c)), the Company has the power to govern the financial and operating policies of the Trustee and it can derive benefits from the services of the employees who have been awarded the Restricted Shares through their continued employment with the Group. The assets and liabilities of the Trustee are included in the consolidated statement of financial position from its adoption and the Company’s shares held by the Trustee are presented as a deduction in equity as “shares held for share award scheme”.

由於受託人乃專為就限制性股份獎勵計劃(附註32(c))購入、管理及持有公司股份而設置，公司有權控制受託人的財政及營運政策，並可從獲授限制性股份的僱員予持續受僱於集團時所提供的服務獲得利益。受託人的資產及負債自信託獲採納時起均包括在綜合財務狀況表中，並將受託人持有的公司股份作為一個扣減項目在權益中呈報，列作「為股份獎勵計劃所持股份」。

#### 38 主要附屬公司及受控制結構實體之詳情(續)

(c) 受控制結構實體詳情如下：

公司控制一間在香港營運的結構實體，其詳情如下：



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 39 Subsequent events

Since January 2020, there have been numerous confirmed cases of Coronavirus (“COVID-19”) in Mainland China and other countries. The COVID-19 outbreak is considered a non-adjusting subsequent event and its related financial impact has not been reflected in the financial statements of the Group as at and for the year ended 31 December 2019.

Following the COVID-19 outbreak, a series of precautionary and control measures have been and continued to be implemented in Mainland China. It will inevitably and unfavorably affect commercial and industrial gas sales in the short term to some extent. The impact of the COVID-19 on the economy of Mainland China for the whole of 2020 is still uncertain. While it is expected that when the epidemic is over, the Group’s businesses will return to normal within a relatively short period of time.

Further, the Group measures its investments in debt and equity securities at fair value through other comprehensive income. As at 31 December 2019, the total fair value of the investments in debt and equity securities amounted to HK\$693,942,000 (Note 22). In 2020, fair value of the investments in debt and equity securities may be subject to fluctuation due to the COVID-19 outbreak, the impact of which is still under assessment.

Apart from the disclosed above, the outbreak is expected to affect the financial results of the Group and the macro-economic environment in Mainland China, Canada and Hong Kong as a whole, the effect of which cannot be estimated as of the date of the report.

Management will continue to assess the impact on the Group’s operation and financial performance and closely monitor the Group’s exposure to the risks and uncertainties in connection with COVID-19.

### 40 Approval of consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 27 March 2020.

### 39 期後事件

自二零二零年一月以來，於中國大陸及其他國家確診多宗新型冠狀病毒肺炎(「新冠肺炎」)的感染個案。新冠肺炎的爆發於會計上被視為非調整的期後事件，故其相關財務影響尚未反映於集團截至二零一九年十二月三十一日止年度的財務報表內。

於爆發新冠肺炎疫情後，中國大陸已採取並繼續實施一系列預防及控制之措施，惟其將無可避免地在短期內對工商業天然氣銷售帶來負面影響。新冠肺炎疫情對於中國大陸二零二零年整年的經濟影響仍存在不確定性。待疫情過後，管理層認為集團業務將在較短時間內得以回復正常。

此外，集團採用公平值計入其他全面收益以計量其債務及股本投資。於二零一九年十二月三十一日，債務及股本投資的公平值總額為693,942,000港元(附註22)。於二零二零年，債務及股本投資的公平值可能會隨著新冠肺炎的爆發而波動，其影響仍有待評估。

除上述披露外，管理層預計疫情將影響集團的財務業績，以及中國大陸、加拿大及香港整體宏觀經濟環境，惟截至報告日期，其影響尚無法估計。

管理層將繼續評估新冠肺炎疫情對集團營運及財務表現之影響，並密切監察集團就新冠肺炎所承受之相關風險及不確定因素。

### 40 批准綜合財務報表

董事局於二零二零年三月二十七日批准及授權刊發綜合財務報表。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

(continued) (續)

### 41 Statement of financial position of the Company

### 41 公司財務狀況表

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產			
Intangible assets	無形資產		1,702	1,702
Interests in subsidiaries	於附屬公司權益		5,785,212	5,736,642
			<b>5,786,914</b>	<b>5,738,344</b>
Current assets	流動資產			
Other receivables	其他應收款項		56,846	57,400
Cash and cash equivalents	現金及現金等值項目		26,758	10,673
			<b>83,604</b>	<b>68,073</b>
Current liabilities	流動負債			
Other payables	其他應付款項		(100,473)	(49,554)
Net current (liabilities)/assets	流動(負債)/資產淨值		<b>(16,869)</b>	<b>18,519</b>
Total assets less current liabilities	總資產減流動負債		<b>5,770,045</b>	<b>5,756,863</b>
Non-current liabilities	非流動負債			
Senior notes	優先票據		(5,411,161)	(5,029,991)
Net assets	資產淨值		<b>358,884</b>	<b>726,872</b>
Equity	權益			
Equity attributable to owners of the Company	公司擁有人應佔權益			
Share capital	股本	32	57,670	58,391
Reserves	儲備	42	301,214	668,481
Total equity	權益總額		<b>358,884</b>	<b>726,872</b>

The statement of financial position of the Company was approved by the Board of Directors on 27 March 2020 and was signed on its behalf.

公司財務狀況表已於二零二零年三月二十七日獲董事局批准並由以下董事代為簽署。

**Xu Tie-liang**  
Director

**Guan Yijun**  
Director

**許鈇良**  
董事

**關懿君**  
董事



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(continued) (續)

### 42 Reserves of the Company

### 42 公司儲備

		Share premium	Capital redemption reserve	Shares held for share award scheme	Share-based compensation reserve	Exchange fluctuation reserve	(Note) Contributed surplus	Accumulated losses	Total
		股份溢價	資本贖回 儲備	為股份獎勵 計劃所持股份	以股份為基礎 的酬金儲備	匯兌波動 儲備	(附註) 繳入盈餘	累計虧損	總額
		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
At 1 January 2018	於二零一八年一月一日	24,578	998	(408,972)	7,194	(18,344)	1,491,200	(1,042,390)	54,264
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	-	-	17,316	(17,316)	-	-	-	-
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	-	-	-	-	(131)	-	-	(131)
Equity-settled share-based payments	以權益結算以股份為基礎的付款	-	-	-	21,269	-	-	-	21,269
Shares purchased for share award scheme	為股份獎勵計劃購買股份	-	-	(29,030)	-	-	-	-	(29,030)
Proceeds from shares issued upon exercise of share options	於行使購股權時發行股份所得款項	7,755	-	-	(1,707)	-	-	-	6,048
Final dividend for the year ended 31 December 2017	截至二零一七年十二月三十一日止年度之末期股息	-	-	-	-	-	(20,390)	-	(20,390)
Profit for the year	年內溢利	-	-	-	-	-	-	636,451	636,451
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>32,333</b>	<b>998</b>	<b>(420,686)</b>	<b>9,440</b>	<b>(18,475)</b>	<b>1,470,810</b>	<b>(405,939)</b>	<b>668,481</b>
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	-	-	484	(484)	-	-	-	-
Equity-settled share-based payments	以權益結算以股份為基礎的付款	-	-	-	2,285	-	-	-	2,285
Share repurchases	購回股份	(19,125)	-	-	-	-	-	-	(19,125)
Final dividend for the year ended 31 December 2018	截至二零一八年十二月三十一日止年度之末期股息	-	-	-	-	-	(23,356)	-	(23,356)
Loss for the year	年內虧損	-	-	-	-	-	-	(327,071)	(327,071)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>13,208</b>	<b>998</b>	<b>(420,202)</b>	<b>11,241</b>	<b>(18,475)</b>	<b>1,447,454</b>	<b>(733,010)</b>	<b>301,214</b>

Note:

The contributed surplus of the Company represents the excess of the net assets value of the subsidiaries acquired pursuant to the Group's reorganisation in 1993 over the nominal value of the Company's shares issued in exchange thereof. Under the Companies Act of Bermuda 1981 (as amended), the contributed surplus of the Company is distributable to the shareholders in certain circumstances which the Company is able to satisfy.

附註：

公司之繳入盈餘指集團於一九九三年因重組而收購附屬公司之資產淨值超出公司就收購而發行股份之面值之金額。根據一九八一年百慕達公司法(修訂本)，公司之繳入盈餘在若干情況下可供分派予股東，惟目前公司能符合此等情況。



## Five Year Financial Summary 五年財務摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified as appropriate, is set out below.

以下載列集團於過去五個財政年度之業績及資產與負債，乃摘錄自己刊登之經審核財務報表並予以重新適當分類。

		For the year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Results	業績					
Revenue	營業額	<b>10,260,654</b>	9,410,131	7,651,280	6,446,452	7,373,902
Profit before taxation	除稅前溢利	<b>973,510</b>	928,526	811,466	842,129	50,190
Taxation	稅項	<b>(194,391)</b>	(250,301)	(188,527)	(184,461)	(20,857)
Profit for the year	年內溢利	<b>779,119</b>	678,225	622,939	657,668	29,333
Attributable to:	以下應佔：					
Owners of the Company	公司擁有人	<b>330,984</b>	281,904	250,467	311,791	(183,831)
Non-controlling interests	非控股權益	<b>448,135</b>	396,321	372,472	345,877	213,164
		<b>779,119</b>	678,225	622,939	657,668	29,333
		As at 31 December 於十二月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	總資產	<b>16,832,484</b>	16,027,643	15,546,601	13,603,839	14,087,638
Total liabilities	總負債	<b>(10,389,469)</b>	(10,115,583)	(9,340,946)	(8,352,885)	(8,887,384)
Total equity	權益總額	<b>6,443,015</b>	5,912,060	6,205,655	5,250,954	5,200,254
Non-controlling interests	非控股權益	<b>(2,984,731)</b>	(2,716,153)	(2,861,109)	(2,420,523)	(2,423,190)
Equity attributable to owners of the Company	公司擁有人應佔權益	<b>3,458,284</b>	3,195,907	3,344,546	2,830,431	2,777,064

