



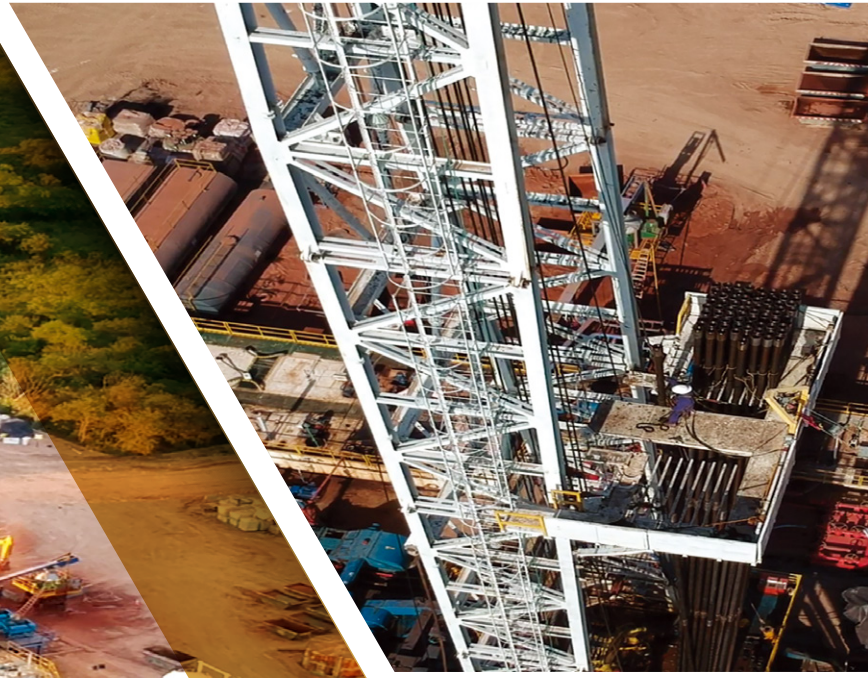
新時代能源有限公司*
NEW TIMES ENERGY
corporation limited

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock code 股份代號: 00166)

ANNUAL
REPORT
2020
年 報



*For identification purpose only
僅供識別

OUR BUSINESS

公司業務



United States
美國

Canada
加拿大

United States
美國

Borealis
State of Alaska
阿拉斯加州

Los Blancos
Salta
薩爾塔省

Brazil
巴西

Argentina
阿根廷

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. CHENG, Kam Chiu Stewart (*Chairman*)
Mr. TANG, John Wing Yan (*Chief Executive Officer*)

Non-executive Director

Mr. LEE, Chi Hin Jacob

Independent non-executive Directors

Mr. YUNG, Chun Fai Dickie
Mr. CHIU, Wai On
Mr. HUANG, Victor (*Appointed on 19 June 2020*)

AUDIT COMMITTEE

Mr. CHIU, Wai On (*Chairman*)
Mr. LEE, Chi Hin Jacob
Mr. YUNG, Chun Fai Dickie
Mr. HUANG, Victor (*Appointed on 28 August 2020*)

REMUNERATION COMMITTEE

Mr. YUNG, Chun Fai Dickie (*Chairman*)
Mr. CHENG, Kam Chiu Stewart
Mr. CHIU, Wai On
Mr. HUANG, Victor (*Appointed on 28 August 2020*)

NOMINATION COMMITTEE

Mr. YUNG, Chun Fai Dickie (*Chairman*)
Mr. LEE, Chi Hin Jacob
Mr. CHIU, Wai On
Mr. HUANG, Victor (*Appointed on 28 August 2020*)

EXECUTIVE COMMITTEE

Mr. CHENG, Kam Chiu Stewart (*Chairman*)
Mr. TANG, John Wing Yan

COMPANY SECRETARY

Mr. LEE, Kun Yin

董事會

執行董事

鄭錦超先生 (*主席*)
鄧永恩先生 (*行政總裁*)

非執行董事

李志軒先生

獨立非執行董事

翁振輝先生
招偉安先生
黃偉德先生
(於二零二零年六月十九日獲委任)

審核委員會

招偉安先生 (*主席*)
李志軒先生
翁振輝先生
黃偉德先生
(於二零二零年八月二十八日獲委任)

薪酬委員會

翁振輝先生 (*主席*)
鄭錦超先生
招偉安先生
黃偉德先生
(於二零二零年八月二十八日獲委任)

提名委員會

翁振輝先生 (*主席*)
李志軒先生
招偉安先生
黃偉德先生
(於二零二零年八月二十八日獲委任)

執行委員會

鄭錦超先生 (*主席*)
鄧永恩先生

公司秘書

李冠賢先生

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor

LEGAL ADVISERS

On Hong Kong law

Reed Smith Richards Butler
Deacons

On Bermuda law

Conyers Dill & Pearman

On US law

Haynes and Boone, LLP

On Argentina law

Nicholson y Cano Abogados
Saravia Frias Abogados

PRINCIPAL BANKERS

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 1402, 14/F., New World Tower I
16-18 Queen's Road Central
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

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

法律顧問

香港法律

禮德齊伯禮律師行
的近律師行

百慕達法律

康德明律師事務所

美國法律

Haynes and Boone, LLP

阿根廷法律

Nicholson y Cano Abogados
Saravia Frias Abogados

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

總辦事處及主要營業地點

香港
皇后大道中16-18號
新世界大廈一期14樓1402室

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

INFORMATION FOR STAKEHOLDERS

權益人資料

SHARE INFORMATION

First listed on the Stock Exchange

13 October 1998

Place of listing

Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

0166.HK

Board Lot

2,000 shares

Financial Year End

31 December

As at 31 December 2020

Number of issued shares: 8,758,880,988 shares

Closing price: HK\$0.065 per share

Market capitalisation: HK\$569.33 million

SHARE REGISTRAR AND TRANSFER OFFICE

Principal Share Registrar

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Hong Kong Branch Registrar

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

INVESTOR RELATIONS

Enquiries may be directed to e-mail:
info@nt-energy.com

WEBSITE

<http://www.nt-energy.com>

股份資料

首次在聯交所上市

一九九八年十月十三日

上市地點

香港聯合交易所有限公司主板

股份代號

0166.HK

每手買賣單位

2,000股

財政年度年結日

十二月三十一日

於二零二零年十二月三十一日

已發行股份數量：8,758,880,988股

收盤價：每股0.065港元

市值：569,330,000港元

股份過戶登記處

股份過戶登記總處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

股份過戶登記香港分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

投資者關係

可將查詢發送至電郵：
info@nt-energy.com

網址

<http://www.nt-energy.com>

FINANCIAL HIGHLIGHTS

財務摘要

		Year ended 31 December 2020 截至 二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2019 截至 二零一九年 十二月三十一日 止年度 HK\$'000 千港元
Revenue	收益	5,034,518	236,646
Loss before taxation	除稅前虧損	(64,558)	(2,310,385)
Loss for the year	年內虧損	(79,494)	(2,290,137)
Loss per share – basis (HK cent)	每股虧損－基本(港仙)	(0.91)	(26.15)
		Year ended 31 December 2020 截至 二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2019 截至 二零一九年 十二月三十一日 止年度 HK\$'000 千港元
Total assets	總資產	1,021,168	1,095,294
Total equity	權益總額	758,956	846,455
Debt ratio ⁽¹⁾	債項比率 ⁽¹⁾	25.68%	22.72%
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	19.25%	17.90%
Net asset value per share ⁽³⁾ (HK\$)	每股資產淨值 ⁽³⁾ (港元)	0.09	0.10

Remarks:

- (1) Debt ratio: Total liabilities divided by total assets
- (2) Gearing ratio: Interest bearing borrowings divided by total equity
- (3) Net asset value per share: Net assets divided by number of issued shares

備註:

- (1) 債項比率: 總負債除以總資產
- (2) 資產負債比率: 計息借款除以權益總額
- (3) 每股資產淨值: 資產淨值除以已發行股份數目

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of New Times Energy Corporation Limited (the "Company" or "New Times Energy") and its subsidiaries (collectively, the "Group"), I hereby present the annual results and audited consolidated financial statements of the Group for the year ended 31 December 2020.

OVERVIEW OF 2020

With the coronavirus pandemic affecting all corners of the world, 2020 without a doubt has been one of the most challenging years in recent history. The virus has infected millions of people, and paralysed both local economies and international commerce. It has reduced oil demand and weakened oil prices to unprecedented levels in mid-2020.

Thankfully, with the rapid deployment of vaccination programs across the world in recent months, we have started to witness a renewed sense of hope. The recovery of international oil prices in early 2021 to pre-pandemic levels is a signal of cautious optimism for the new 2021 year ahead.

At the Group level, despite heavy write-down of oil and gas related investments in the year 2020, New Times Energy still maintain a healthy, cash-rich financial position. The Group continues to contemplate and pursue potential new merger and acquisition opportunities in the oil and gas sector, as well as the renewable energy business.

The Group is committed to the investment and future development of clean energy for global sustainability. We are investigating various technologies towards Carbon-Capture, Utilization and Storage (CCUS) to eventually achieving Net Zero Emissions. Potentially, by acquiring producing natural gas assets, New Times Energy would be in the position to capitalize on long term energy projects that support a low carbon economy.

New Times Energy in October 2020 successfully secured an exploitation permit for the Los Blancos Concession from the provincial authorities of Salta, Argentina for its commercial oil discovery in the area. The permit officially entitles the Group to produce crude oil in the area for the next 25 years.

各位股東：

本人謹代表新時代能源有限公司（「本公司」或「新時代能源」）及其附屬公司（統稱「本集團」）董事會（「董事會」）提呈本集團截至二零二零年十二月三十一日止年度之全年業績及經審核綜合財務報表。

二零二零年概覽

隨著新冠病毒疫情橫掃全球每個角落，二零二零年無疑是近代歷史上最具有挑戰的年度。新冠病毒對全球各地的人們造成了影響，本地經濟及全球商業陷入癱瘓，二零二零年中期石油需求下滑及油價疲軟到史無前例的水平。

慶幸的是，近幾個月來世界各地快速部署疫苗接種計劃，我們開始看到新的希望。國際油價於二零二一年初回暖至疫情前水平，實屬對未來二零二一年展望的審慎樂觀。

於集團層面，儘管石油及天然氣相關投資於二零二零年大幅撇減，惟新時代能源仍保持穩健，現金充裕的財務狀況。本集團繼續考慮並追求石油及天然氣領域以及可再生能源業務潛在的新併購機會。

本集團致力於投資並於未來發展清潔能源，促進全球可持續發展。我們正在調查各種碳捕獲、利用及儲存技術，旨在最終實現零排放淨額。新時代能源能可能透過收購生產天然氣資產，將能夠利用支持低碳經濟的長期能源項目。

新時代能源於二零二零年十月成功從阿根廷薩爾塔省當局取得Los Blancos特許權區，營運此地區商業化石油發現的開採許可證。該許可證正式賦予本集團於未來二十五年於該地區生產原油的權利。

CHAIRMAN'S STATEMENT

主席報告

Operationally, the Los Blancos well is continuing to perform to expectation. Average daily production achieved during the year for the Group's 50% participating interest was approximately 240 barrels of per day. The well continues to freely flow unaided, under its own wellhead pressure. The oil produced is good quality light crude with zero water content, and free of sulphur and other contaminants.

In June 2020 the Group further expanded its commodities trading business in precious metals, and entered into physical gold trading in Hong Kong. As we witnessed a dramatic increase of the Group's revenue by the end of 2020, the Group is likely to expand further its business of trading precious metals in 2021.

In the fourth quarter of 2020, the Group also set up a new subsidiary in Nanjing, China for the purposes of trading of hydrocarbon products, including crude oil, bitumen and isoprene in the region, due to commence in early 2021.

Despite challenges presented by the coronavirus pandemic, the Group for the year ended 31 December 2020 reports a consolidated net loss after tax of approximately HK\$79.49 million. This is an improvement from the net loss after tax reported of HK\$2,290.13 million in 2019, which was primarily attributable to the recognition of a provision for full impairment loss on the Group's exploration and evaluation assets in the Tartagal Oriental and Morillo Concession in Argentina last year, and continued cost rationalisation efforts in 2020.

The net loss after tax in 2020 was primarily attributable to mark to market losses and impairment provisions incurred from the Group's investment in shares of oil and gas companies, such as Beijing Gas Blue Sky Holdings Limited, as well as losses arising from the Group's joint venture interest in an oil and gas services company, in addition to the net effect of foreign exchange losses and hyperinflationary accounting adjustments arising from the Group's wholly owned Argentina subsidiary.

在營運上，Los Blancos發現井生產表現繼續符合預期。於本年度，本集團的50%參與權益實現平均每日產量為約240桶石油／每日。該發現井在其自身的井口壓力下繼續自動流出。所生產的石油為優良品質的輕質原油，含水量為零且並無其他污染物質。

於二零二零年六月，本集團進一步拓展貴金屬的商品貿易並於香港涉足實物黃金交易。由於本集團收益於二零二零年底出現大幅上升，故本集團很可能於二零二一年進一步擴大其貴金屬買賣業務。

於二零二零年第四季度，本集團亦於中國南京設立新的附屬公司，目的是進行碳氫化合物產品的交易，包括該地區的原油、瀝青和異戊二烯，並於二零二一年初開始營業。

儘管新冠病毒疫情帶來挑戰，本集團就截至二零二零年十二月三十一日止年度錄得除稅後綜合淨虧損約79,490,000港元，較於二零一九年所報告的除稅後淨虧損2,290,130,000港元有所改善，其乃主要由於去年本集團就阿根廷Tartagal Oriental及Morillo特許權區的勘探及評估資產確認悉數減值虧損撥備及於二零二零年作出成本合理化的持續努力所致。

二零二零年的稅後虧損淨額主要歸因於本集團於北京燃氣藍天控股有限公司等石油及天然氣公司的股份投資以及本集團於石油及天然氣服務公司的合營企業權益所產生的市場虧損及減值撥備調整，另加上由本集團於阿根廷的附屬公司產生的淨外匯虧損及惡性通脹會計調整影響。

CHAIRMAN'S STATEMENT

主席報告

MERGERS AND ACQUISITIONS

During the year, the Group contemplated and made a number of non-binding acquisition offers for attractive investment opportunities in the oil and gas sector, and one in the power generation business. Due to the Group's long term outlook of the future of oil price, which impacts business valuations, the Group has yet to successfully secure such new opportunities. Nevertheless, the Group will continue its efforts to seek suitable mergers and acquisitions opportunities to grow and diversify its portfolio.

LOOKING FORWARD

New Times Energy continues to proactively manage and structure its business to best serve the interests of its shareholders. The Group is committed to maximising shareholder value by exploring and developing oil and gas prospects in a safe, environmentally, socially and ethically responsible manner. ESG considerations will play an increasingly important role in the way the Group conducts its business in 2021 and beyond. The Group plans to commence implementation of Carbon-Capture, Utilization and storage (CCUS) technologies for global sustainable growth.

The Group is well aware of the significance to continually reassess and diversify its current business and geographical portfolio to better position itself for the future. It is also critical that, the Group continues to maintain a healthy cash position to enable it to actively seek out value adding and complementary investment opportunities in the energy sector, wherever that may be in the world.

The Group is mindful of the increasing global trend and appetite for renewable energy sources, particularly in the developed economies. While our present principal business is that of oil and gas exploration and production, the Group is taking aggressive steps in transforming its business model into clean and sustainable energy, in line with the Group's vision and mission statement: "We develop energy for the new times. Diversify for climate change and the environment.

As mentioned previously, the Group is committed to the investment and future development of clean energy for global sustainability. Achieving Net Zero Emissions will be given top priorities in all future potential acquisitions.

The Group will continue to aggressively grow its trading business, both in precious metals and hydrocarbon-based commodities.

併購

年內，本集團考慮並提出了多項不具約束力的收購建議，以尋求在石油和天然氣領域以及在發電業務中的具吸引力的投資機會。由於本集團對未來油價的長期展望，該展望影響業務估值，本集團目前尚未成功取得有關新機遇。然而，本集團將會繼續致力尋求合適的併購機會，以發展及多元化其投資組合。

展望未來

新時代能源繼續對其業務進行積極管理及調整業務，以為其股東取得最佳利益。本集團將不遺餘力，以安全、環保、及對社群以有道德和負責任的方式進行發展石油及天然氣事業，藉以對股東實現最大的價值。環境、社會及管治原則考量將對本集團於二零二一年及以後開展其業務的方式中扮演越來越重要的角色。本集團計劃開始實行碳捕獲、利用及儲存技術，促進全球可持續發展。

本集團深知其不斷重新評估、分散當前業務、地域組合等策略，籌劃未來為重要。本集團繼續維持健康的現金狀況，能積極於全球能源行業內物色適當的增值及投資機遇亦尤其重要。

本集團意識到可再生能源日益增加的全球趨勢及需求，尤其對於發達經濟體。儘管我們當前主要業務為石油及天然氣的勘探及生產，本集團正採取積極行動，將其業務模式轉變為清潔可持續能源，以符合本集團「我們為新時代開發能源。致力應對氣候變化及環境保護轉型」的願景及使命說明。

誠如前文所述，本集團致力於投資並於未來發展清潔能源，促進全球可持續發展。我們於日後的所有潛在收購將優先考慮實現零排放淨額。

本集團將繼續積極發展其貴金屬及基於碳氫化合物商品的交易業務。

CHAIRMAN'S STATEMENT

主席報告

APPRECIATION

In closing, I would like to take this opportunity to once again, express my sincerest gratitude to the Board, the management team, and all staff members for their efforts and dedication during a challenging and uncertain year. I am also much obliged to our shareholders, investors, business partners, bankers, customers and suppliers for their continued and invaluable support. I sincerely wish you all good health.

CHENG, Kam Chiu Stewart

Chairman

Hong Kong, 18 March 2021

致謝

最後，本人藉此機會再次向董事會、管理團隊及全體員工，在不明朗及充滿挑戰的一年內所作出的努力及貢獻致以衷心謝意。同時，本人非常感謝各位股東、投資者、業務夥伴、銀行、客戶及供應商持續及寶貴的支持。本人衷心希望大家身體健康。

鄭錦超

主席

香港，二零二一年三月十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GENERAL REVIEW

With the coronavirus pandemic dominating 2020, affecting millions of people worldwide, paralysing global economies, and dampening oil demand and prices to unprecedented levels, 2020 has been an extraordinarily challenging year for the Group's main operations in Argentina.

Due to the difficult business conditions imposed by the coronavirus pandemic, the Group for the year ended 31 December 2020, recorded a loss after tax of approximately HK\$79.49 million. The majority of the loss in 2020 was primarily attributable to losses incurred from the Group's investment in shares of oil and gas companies, such as Beijing Gas Blue Sky Holdings Limited, as well as losses arising from the Group's joint venture interest in an oil and gas services company, in addition to the net effect of foreign exchange losses and hyperinflationary accounting adjustments arising from the Group's wholly owned Argentina subsidiary.

Facing this unforeseen event, and during a time of travel restriction in many parts of the world, the Group in June 2020 expanded its commodities trading business in precious metals and entered into the business of physical gold trading in Hong Kong.

In the fourth quarter of 2020, the Group also set up a new subsidiary in Nanjing, China, for the purposes of trading of hydrocarbon-based products, including crude oil, bitumen and isoprene in the region, which is due to commence in early 2021.

Despite heavy write-downs of oil and gas related investments in the year 2020, the Group still maintains a healthy, cash-rich financial position. The Group continues to contemplate and pursue potential new merger and acquisition opportunities in the oil and gas sector, as well as in the renewable energy business.

The Group is committed to the investment and future development of clean energy for global sustainability. Serious considerations to achieving Net Zero Emissions will be taken in all potential acquisitions.

With the approval of various vaccination programs, and a gradual reduction in the rate of coronavirus infection in many countries, together with the recent recovery of international oil prices back to pre-pandemic levels in early 2021, the Group is cautiously optimistic for the year ahead.

整體回顧

隨著新冠病毒疫情於二零二零年的肆虐，其對全球各地人們造成的影響，全球經濟癱瘓及石油需求及價格被抑制到史無前例的水平，二零二零年對本集團於阿根廷的主要業務而言實屬極端挑戰的一年。

由於新冠病毒疫情所帶來的嚴峻營商環境，於截至二零二零年十二月三十一日止年度，本集團錄得稅後虧損約79,490,000港元。二零二零年的大部分虧損主要歸因於本集團於北京燃氣藍天控股有限公司等石油及天然氣公司的股份投資產生虧損，以及本集團於石油及天然氣服務公司的合營企業權益所產生的虧損，另加上由本集團於阿根廷的附屬公司產生的淨外匯虧損及惡性通脹會計調整影響。

面對不可預見的事件，及在世界眾多地區實施出入境限制的時期，本集團於二零二零年六月拓展貴重金屬的商品貿易業務並於香港涉足實物黃金的交易業務。

於二零二零年第四季度，本集團亦在中國南京設立新附屬公司進行基於碳氫化合物的產品的交易，包括該地區的原油、瀝青和異戊二烯，並於二零二一年初開始營業。

儘管二零二零年年內大量撇減石油及天然氣相關投資，本集團仍保持穩健及現金豐富的財務狀況。本集團繼續考慮及尋求石油及天然氣領域以及可再生能源業務的新的潛在併購機會。

本集團致力於全球可持續發展的潔淨能源的投資及未來發展。在所有潛在的收購事項中鄭重考慮達到零排放淨額的目標。

隨著各種疫苗計劃獲批及新冠病毒在眾多國家的傳染率的逐步下跌，加上近期國際石油價格於二零二一年初回暖至疫情前的水平，本集團對未來前景抱持審慎樂觀態度。

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BUSINESS REVIEW

The Group's oil and gas participation in Argentina during 2020 was solely in the Northwest Basin located in the province of Salta. In addition to the Group's oil and gas exploration and production activities, the Group was also engaged in the business of commodities trading, including physical gold trading since June 2020.

Northwest Basin, Argentina

The Northwest Basin is one of the significant gas producing basins in Argentina. This basin is geologically and structurally complex because of the superposition of four main basins and tectonic influences, including a Late Jurassic to Early Cretaceous-aged rift extension and Tertiary-aged Andean compression. The Group is of the view that the complex geological structures create opportunities for the discovery of conventional light oil and natural gas during exploration activities.

As at 31 December 2020, the Group held the following concession in the Northwest Basin situated in Northern Argentina:

Concession	特許權區	Participating interest 參與權益	Surface area (in km ²) 地表面積 (平方公里)	Proven Reserves (MMBOE) 探明儲量 (百萬桶油當量)	Probable Reserves (MMBOE) 概略儲量 (百萬桶油當量)	Possible Reserves (MMBOE) 可能儲量 (百萬桶油當量)	Prospective Resources (MMBOE) 遠景資源量 (百萬桶油當量)	Group's Net 2P Reserves (MMBOE) 本集團的 2P級淨儲量 (百萬桶油當量)
Los Blancos	Los Blancos	50.00%	897	1.82	1.81	1.36	2.50	1.82

Exploration, Development and Production activities

Los Blancos Concession

Operated by High Luck Group Limited ("High Luck"), the Group's Argentina wholly owned subsidiary, the Los Blancos Concession (formerly known as the Chirete Concession) covers a surface area of approximately 897 km² in the Province of Salta in Northern Argentina. Base on competent, independent third party analysis of the reservoir and historical production data for the past two years, the Group's estimated net interest of 2P Reserves is 1.82 MMBOE ("Million Barrels of Oil Equivalent") as stated in the table above.

The Los Blancos Concession is an oil concession in which the Group has farmed into a 50% participating interest, with Pampa Energia S.A. being the owner of the other 50%. Being the Operator of the concession, High Luck is responsible for the day to day operational and management of the field.

業務回顧

本集團於二零二零年期間在阿根廷進行的石油及天然氣活動，全部位於薩爾塔省的西北盆地。除本集團的石油及天然氣勘探及生產活動外，本集團亦從事商品貿易業務，包括自二零二零年六月起的實物黃金交易。

阿根廷西北盆地

西北盆地為阿根廷重要天然氣生產的盆地之一。由於四大主要盆地的疊加及自晚侏羅紀時代至早白堊世時代的斷裂延伸以及第三紀時代安第斯山脈擠壓的大地構造所影響，該盆地的地質及構造極其複雜。本集團認為，其複雜的地質結構，可在勘探活動時發現常規輕油及天然氣創造機會。

於二零二零年十二月三十一日，本集團在阿根廷北部的西北盆地持有以下特許權區：

勘探、開發及生產活動

Los Blancos特許權區

Los Blancos特許權區（前稱Chirete特許權區）由本集團於阿根廷的獨資附屬公司高運集團有限公司（「高運」）運作，位於阿根廷北部薩爾塔省，地表面積約為897平方公里。如上表所述，本集團的2P級儲量的估計淨權益為1.82百萬桶油當量（「百萬桶油當量」），此基於有法定資格且獨立的第三方對儲藏和過去兩年的歷史生產資料分析。

Los Blancos特許權區為本集團擁有50%的參與權益的石油特許權區，而Pampa Energia S.A.則擁有餘下50%的參與權益。作為該特許權區的營運商，高運負責該特許權區的日常營運管理。

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Operations update

Following the first recorded cases of coronavirus infection in Argentina in the beginning of March 2020, emergency social distancing measures were promptly introduced nationwide by the Argentina government on 20 March 2020, in an attempt to control the contagion.

Argentina's oil demand and prices consequently plummeted and remained depressed for the most part of the remainder of the 2020 year, as domestic economic activity stagnated. For the country's oil refineries and producers, there was a temporary suspension or slowdown in oil production and related activities during June 2020, as a result of physical oil storage constraints caused by the lack of demand.

For the Group, the situation was no different, where gross oil production (i.e. for 100% participating interest) at the Los Blancos Concession was scaled down from pre-pandemic levels of 600 barrels of oil per day ("bopd") in January 2020, to approximately 30 bopd in June, before returning back to normal production levels in August, and ramped up to 800 bopd from the beginning of October 2020.

Despite the intervention efforts by the Argentina government to reinvigorate the domestic oil market with the enactment of Decree No. 488/20 on 18 May 2020, which mandated oil activities to be sustained at pre-pandemic levels, and the establishment of a minimum USD45 per barrel price (when international oil prices during 2020 was between a historic low of USD20 per barrel to USD40 per barrel), there was almost zero compliance with the decree by oil refineries across the whole country, before the decree was subsequently repealed.

On 15 October 2020, under Decree No. 622/20 issued by the provincial authorities of Salta, High Luck was granted an Exploitation Permit for the Los Blancos Concession, following its commercial oil discovery in 2018. The Exploitation Permit officially entitles High Luck to produce crude oil in the area for the next 25 years.

營運最新情況

於二零二零年三月初阿根廷錄得首例新冠病毒感染個案後，為嘗試控制傳染，阿根廷政府於二零二零年三月二十日採取全國緊急社交隔離措施。

由於阿根廷經濟活動停滯不前，因此國內石油需求及價格隨後驟跌，並於二零二零年大部分時間持續低迷。就該國的煉油廠及石油生產商而言，由於需求不足造成實物石油儲備受限，與石油生產及相關的活動於二零二零年六月期間暫停或放緩。

就本集團而言，形勢並無不同，Los Blancos特許權區的石油產量（即就100%參與權益而言）由二零二零年一月疫情前的600桶石油／每日（「桶石油／每日」）降至六月份約30桶石油／每日，隨後在八月份返回正常生產水平，從二零二零年十月初開始提升至800桶石油／每日。

儘管阿根廷政府於二零二零年五月十八日頒佈第488/20號法令，努力採取干預措施重振國內石油市場，該法令規定石油業務將維持在疫情前的水平，並規定每桶石油最低價格為45美元（二零二零年期間國際石油價格處於歷史低點每桶20美元至每桶40美元），但全國煉油廠在該法令於隨後取消之前，幾乎完全沒有遵守有關規定。

於二零二零年十月十五日，薩爾塔省當局頒佈第622/20號法令，高運緊隨二零一八年發現商業石油之後獲授Los Blancos特許權區的開採許可證。開採許可證正式賦予高運於未來二十五年於該地區生產原油的權利。

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During the year to 31 December 2020, the average daily production achieved for the Group's 50% participating interest in the Los Blancos Concession was approximately 240 bopd. The Group's gross oil production for the year was approximately 175 MBBL. Light crude oil continues to freely flow unaided under its own wellhead pressure with an API index of approximately 37° at zero water content, free of sulphur and other contaminants.

Tartagal Oriental and Morillo Concessions

The Tartagal Oriental and Morillo Concessions (the "T&M Concessions") are located in the Province of Salta in Northern Argentina and comprise of two oil blocks. The concessions cover a total surface area of 10,583 km² and have an estimated net resource of 130.0 MMBOE attributable to the Group.

Prior to the refusal to grant the Group an exploration permit extension beyond the expiry date of 13 September 2019 by the previous provincial authorities of Salta, the Group was a 69.25% participating interest holder in the concessions and the operator of the field.

Following the ruling by the law court of Salta in favour of the Group, which stated the provincial authorities must exhaust all administration processes in regard to the Group's previous appeals pertaining to the disputed working units' recognition matter in the T&M Concessions, there has been no further progress, news or decision from the provincial government office. The Group has made impairment provision for the entire value of T&M Concessions in 2019. With the province of Salta still in partial lockdown due to the coronavirus pandemic, the Group does not anticipate significant progress to be made anytime soon. The Group intends to work towards a resolution to the current stalemate with the Provincial Government of Salta when appropriate in the near future.

於截至二零二零年十二月三十一日止年度，本集團於Los Blancos特許權區的50%參與權益實現平均每日產量為約240桶石油／每日。本集團年內石油總產量為約175千桶石油。輕質原油繼續自由流動，在其自身的井口壓力下，API指數為37度，含水量為零且並無其他污染物。

Tartagal Oriental及Morillo特許權區

Tartagal Oriental及Morillo特許權區（「T&M特許權區」）位於阿根廷北部薩爾塔省，包括兩個石油區塊。該等特許權區涵蓋總地表面積10,583平方公里，而本集團的推測資源量淨額為130.0百萬桶油當量。

於薩爾塔前當局拒絕向本集團授出二零一九年九月十三日屆滿日期後的勘探許可證續期前，本集團於特許權區持有69.25%參與權益，且為特許權區營運商。

在薩爾塔法院作出有利於本集團的判決後，該判決指明薩爾塔省當局必須就T&M特許權區中有爭議的工作單位認可事宜的先前上訴用盡所有行政流程，省政府當局並無進一步的進展、新聞或決定。本集團於二零一九年就T&M特許權區的價值悉數作出減值撥備。由於新冠疫情，薩爾塔省仍處於部分封鎖，本集團預期近期不會出現任何重大進展。本集團擬於近期適當的時候努力尋求薩爾塔省當局尋找解決當前僵局的方案。

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Palmar Largo Concessions

The Group ceased oil production operations at the Palmar Largo Concessions (the “**PL Concessions**”) on 30 November 2018, after the sudden and unexpected relinquishment of the Palmar Largo block at the request of the Province of Formosa, which in the opinion of the Group, may amount to illegal seizure of the Group’s assets by the provincial authorities of Formosa.

Whilst impairment provisions have already been made in 2018 for all the assets in PL Concessions, the Group continues to seek a resolution with the new owner and operator of the concessions, and the provincial authorities of Formosa.

However, due to a clear lack of intention by the aforementioned parties to compensate or provide physical access for the Group to recover the oil inventory and assets illegally seized by the new operator during the past two years after the Groups’ forced relinquishment of the PL Concessions, the Group will prepare to file lawsuits against both parties.

Oil Price

During the year ended 31 December 2020, international oil prices witnessed one of the biggest falls in decades. Following the outbreak of the coronavirus pandemic, Brent Oil had traded for as low as USD20 per barrel. As the global community has adapted to the new reality, and started executing its vaccination programs, international crude oil prices have seen a recovery back to pre-pandemic levels, as a new sense of optimism for global economic recovery spreads.

In Argentina, despite the government’s attempts to reinvigorate the domestic oil market with the issuance of Decree No. 488/20 on 18 May 2020, which mandated oil activities be restored to pre-pandemic levels, and set a USD45 minimum domestic oil price per barrel, both measures proved ineffective as a result of the government’s inability to enforce the decree among nearly all the oil refineries in the country, before the decree was subsequently repealed.

Palmar Largo特許權區

應福摩薩省突然及意外要求撤出Palmar Largo區塊後，本集團已於二零一八年十一月三十日停止Palmar Largo特許權區（「**PL特許權區**」）的石油生產運作，本集團認為，該行為可能構成福摩薩省當局對本集團資產的非法扣押。

雖然已於二零一八年對PL特許權區的所有資產作出減值撥備，但本集團將繼續向該特許權區的新擁有人及營運商以及福摩薩省當局尋求解決方案。

然而，本集團於被強制放棄PL區塊後的兩年內，上述各方缺乏明確讓本集團實際收回或補償被新營運商非法扣押的石油庫存和資產的意向，本集團將會準備對雙方提起訴訟。

油價

截至二零二零年十二月三十一日止年度期間，見證了幾十年來國際油價的最大跌幅。新冠病毒疫情爆發之後，布倫特石油的交易價格低至每桶20美元。隨著國際社會適應新現實，並開始執行疫苗接種計劃，並隨著對全球經濟復蘇，新樂觀情緒的到來，國際原油價格已經回暖至疫情前的水平。

在阿根廷，儘管政府為重振國內石油市場，於二零二零年五月十八日通過頒佈第488/20號法令，命令石油開採活動恢復至疫情前水平，並設定該國的石油價格不低於每桶45美元，由於政府無法令該國幾乎所有煉油廠實施該法令導致兩項措施並無成效，該法令隨後被廢除。

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In Northern Argentina, where the Group's oil production facilities are situated, the average price paid by Refinor was approximately USD36 per barrel during the year to 31 December 2020. This was below the USD45 minimum domestic price per barrel set by Decree 488/20, and also below prevailing domestic prices in Argentina. In order to reduce the Group's reliance on Refinor, and to counteract their almost monopolistic status in the region, the Group continues to develop and build its new customer base, with the goal of securing a fairer market price for its oil.

Devaluation of the Argentine Pesos and Hyperinflation

During 2020, the Argentine Pesos ("ARS") further devalued from a rate of ARS59.8 per USD at the beginning of the year, to ARS84.1 per USD by 31 December 2020. This equated to 40.6% devaluation of the ARS (2019: 70.3% devaluation).

In regard to the Argentina economy, the country continues to be burdened with spiralling hyperinflation. For the year, the annualised inflation rate was 36.1%, which was an improvement on the previous year's inflation of 54%.

With the substantial depreciation of the Argentine Pesos and hyperinflation, there are signs that economic stability in Argentina is slowly being restored, since the newly-elected government took office in December 2019. However, as Argentina historically and of recent years has always been challenging environment for businesses to operate in, the Group remains cautious about the country's political and economic outlook.

在本集團石油生產設施所在的阿根廷北部，Refinor於截至二零二零年十二月三十一日止年度期間支付的平均價格為約每桶36美元。該價格低於第488/20號法令規定的該國每桶最低價格45美元，亦低於阿根廷國內現行價格。為減少本集團對Refinor的倚賴，並抵銷彼等在該地區的幾乎壟斷地位，本集團繼續發展和建立新的客戶群，以確保其石油的市場價格更公平。

阿根廷披索貶值及惡性通脹

於二零二零年期間，阿根廷披索進一步貶值，匯率由年初的59.8阿根廷披索兌1美元，下跌至於二零二零年十二月三十一日的84.1阿根廷披索兌1美元，跌幅達40.6%（二零一九年：跌幅70.3%）。

阿根廷經濟方面，國家持續受惡性通脹壓力所困擾。於本年度錄得36.1%的全年通脹，較上年度錄得54%的通脹有一定改善。

儘管阿根廷披索的大幅貶值及惡性通脹，仍有跡象顯示，自二零一九年十二月新當選的政府上台以來，阿根廷正緩慢恢復經濟穩定。然而，阿根廷歷來及近年來一直對於此營業的企業造成極具挑戰的環境，本集團對阿根廷的政治及經濟前景仍持謹慎態度。

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COMMODITIES TRADING

With the coronavirus pandemic prompting governments around the world to implement emergency social distancing measures and travel restrictions, the Group expanded its existing business in commodities trading. On 1 June 2020, the Group expanded locally in Hong Kong, its commodities trading of non-ferrous metals, also into physical gold trading.

The Group's physical gold trades are conducted via an established and reputable intermediary, with a long-established history and presence in Hong Kong. To ensure the Group is not financially exposed to the daily market fluctuations of gold spot prices, all physical trades and physical inventories held by the Group of this precious metal are fully hedged with financial hedging instruments. For the last 7 months of the 2020, the Group had aggregated trading volume totalling HK\$4,975.37 million.

The Group is committed to the expanding its physical gold trading business with additions of factory facilities and refining capacities to improve trading volumes and profit margins in 2021.

During the fourth quarter of the year, the Group also established a new wholly owned foreign enterprise (“WOFE”) in Nanjing, China for the purpose of trading of hydrocarbon-based products, including crude oil, bitumen and isoprene in the region, which will commence in early 2021.

MERGERS AND ACQUISITIONS, FUTURE DEVELOPMENT & FUNDING

During the year, the Group considered and made a number of non-binding offers for investment opportunities in the oil and gas sector, and also one in the power generation business. While negotiation on some of these opportunities are still ongoing into 2021, the Group continuously looks for oil and gas assets at reasonable and sustainable prices to enhance its shareholders' value.

The Group wishes to emphasise that it is committed to future investment and development of clean energy for global sustainability. In considering potential acquisitions, the Group will seriously investigate their possibility of transforming oil and gas productions to achieving Net Zero Emissions.

While the Group plans its acquisition of oil and gas assets in 2021 as well as investigating the possibility of building its own refining facilities to enhance its physical gold trading business, these activities will be financed by existing internal resources and that no public fund raising by the Company is anticipated in 2021.

商品貿易

隨著新冠病毒疫情促使世界各國政府採取緊急社會隔離措施及出入境限制，本集團擴大其商品貿易現有業務。於二零二零年六月一日，本集團擴大其於香港本地的有色金屬商品貿易至包括實物黃金買賣。

本集團的實物黃金買賣通過歷史及業務基礎悠久的聲譽良好香港中介機構進行。為確保本集團在財務上不受黃金現貨價格的日常市場波動的影響，本集團所持全部實物黃金買賣及實物黃金存貨均利用財務對沖工具對沖。截至二零二零年最近七個月，本集團的總交易量達4,975,370,000港元。

本集團致力於通過增設工廠設施和提煉能力來擴大其實物黃金貿易業務，以提高二零二一年的交易量和利潤率。

於二零二零年第四季度，本集團亦在中國南京設立新外商獨資企業（「外商獨資企業」）。目的是進行碳氫化合物產品的交易，包括該地區的原油、瀝青和異戊二烯，並於二零二一年初開始營業。

併購、未來發展及融資

年內，本集團考慮並提出了多項不具約束力的收購建議，以尋求在石油和天然氣領域以及在發電業務中的投資機會。儘管二零二一年仍有若干該等機會正在磋商中，本集團繼續尋找價格合理及具可持續的石油及天然氣資產的機遇，以為股東增值。

本集團擬強調本集團致力全球可持續發展潔淨能源的未來投資及發展。在考慮潛在收購事項時，本集團將會鄭重調查石油及天然氣生產轉型至達成零排放淨額目標的可能性。

雖然本集團擬於二零二一年收購石油及天然氣資產，以及調查建設其本身的黃金精煉廠設施的可能性，以提升其實物黃金交易業務，該等計劃將會以現有內部資源撥付資金。本公司並無預期於二零二一年度進行公開募集資金。

MANAGEMENT DISCUSSION AND ANALYSIS

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CHANGE IN USE OF PROCEEDS

With the Los Blancos Concession commercially producing oil, the Group's Argentina operation is able to generate cash to be financially self-sufficient in the near future. Consequently, the Board of the Company has resolved to reallocate HK\$59.29 million from the unutilised Open Offer Proceeds, which was set for Argentina operational purposes, and to re-designate this amount for the purposes of investment in oil and gas, power generation, and renewable energy. The Board considers this latest proposed change in use of proceeds is in the best interests of the Company and its shareholders as a whole.

The following table summarises the latest proposed change in use of proceeds and the resulting new allocation for the unutilised amount of net proceeds of the Open Offer Proceeds at the date of this annual report.

變更所得款項用途

隨著Los Blancos特許權區批量生產石油，本集團之阿根廷業務可於不久將來產生於財務方面滿足自身需求之現金。因此，本公司董事會已議決分配作阿根廷營運用途之尚未動用公開發售所得款項59,290,000港元並重新分配該款項作投資石油及天然氣、發電及可再生能源用途。董事會認為，此所得款項用途之最新建議變更符合本公司及其股東之整體最佳利益。

下表概述所得款項用途之最新建議變更及由此導致之於本年報日期之公開發售所得款項淨額尚未動用金額之重新分配。

Intended use	擬定用途	Unused	Change	Change	Actual use of	Approved	New allocation
		amount of net proceeds as at 31 December 2019	in use of proceeds on 26 March 2020	in use of proceeds on 29 April 2020	net proceeds during the year ended 31 December 2020	change in use of proceeds as at 18 March 2021	
		於二零一九年 十二月三十一日 的所得款項淨額 尚未動用金額	於二零二零年 三月二十六日 所得款項 用途之變動	於二零二零年 四月二十九日 所得款項 用途之變動	截至二零二零年 十二月三十一日 止年度的 所得款項淨額 實際用途	於二零二一年 三月十八日 批准所得款項 用途之變動	餘下部分所得 款項之 重新分配
		HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元
Open Offer Proceeds:	公開發售所得款項：						
Argentina operational purposes	阿根廷營運目的	59.29	-	-	-	(59.29)	-
Investment for oil and gas portfolio	投資油氣組合	500.00	(500.00)	-	-	-	-
Investment in oil and gas, power generation, and renewable energy	投資石油及天然氣、發電及可再生能源	-	500.00	(350.00)	-	59.29	209.29
Expansion of metal commodities trading	擴張金屬商品貿易	-	-	350.00	(85.52)	-	264.48
Total	總計	559.29	-	-	(85.52)	-	473.77

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FINANCIAL REVIEW

The Group's revenue for the year ended 31 December 2020 was approximately HK\$5,034.52 million (2019: HK\$236.65 million). The revenue derived from commodities trading for the year ended 31 December 2020 was approximately HK\$4,975.37 million (2019: HK\$216.33 million). The increase in revenue derived from commodities trading was contributed by revenue from sales of physical gold for the year ended 31 December 2020. The revenue derived from sales of petroleum-related products for the year ended 31 December 2020 was approximately HK\$33.56 million (2019: Nil). The revenue derived from sales of oil products under the Group's oil exploration and production business for the year ended 31 December 2020 was approximately HK\$25.59 million. This represents an increase of approximately 25.94% as compared to the HK\$20.32 million revenue generated for the corresponding period in 2019. The Group reported a gross profit of approximately HK\$23.50 million (2019: HK\$11.92 million) for the year ended 31 December 2020. The increase in gross profit was mainly contributed by the increase in gross profit of the Group's oil exploration and production business, and physical gold trading business.

General and administrative expenses of the Group for the year ended 31 December 2020 was approximately HK\$39.64 million, which represents a decrease of approximately 24.13% as compared to approximately HK\$52.25 million for the corresponding period in 2019.

For the year ended 31 December 2020, the Group recognised an impairment loss on right-of-use assets amounting to approximately HK\$5.82 million. For the year ended 31 December 2019, the Group recognised impairment losses on exploration and evaluation assets in respect of the Union of Temporary Enterprise in Tartagal Oriental and Morillo concessions, and inventories amounting to approximately HK\$2.24 billion and HK\$6.82 million respectively.

財務回顧

截至二零二零年十二月三十一日止年度，本集團收益約為5,034,520,000港元（二零一九年：236,650,000港元）。截至二零二零年十二月三十一日止年度，源自商品貿易的收益約為4,975,370,000港元（二零一九年：216,330,000港元）。源自商品貿易的收益增加由截至二零二零年十二月三十一日止年度源自實物黃金銷售的收益貢獻。截至二零二零年十二月三十一日止年度，源自石油相關產品銷售的收益約為33,560,000港元（二零一九年：無）。截至二零二零年十二月三十一日止年度，源自本集團石油勘探及生產業務之石油產品銷售的收益約為25,590,000港元，較二零一九年同期產生之收益20,320,000港元增加約25.94%。截至二零二零年十二月三十一日止年度，本集團錄得毛利約23,500,000港元（二零一九年：11,920,000港元）。毛利增加主要歸因於本集團石油勘探及生產業務及實物黃金貿易業務的毛利增加。

截至二零二零年十二月三十一日止年度，本集團一般及行政開支約為39,640,000港元，較二零一九年同期約52,250,000港元減少約24.13%。

截至二零二零年十二月三十一日止年度，本集團就使用權資產確認減值虧損約5,820,000港元。截至二零一九年十二月三十一日止年度，本集團就Union of Temporary Enterprise Tartagal Oriental及Morillo特許權區勘探及評估資產及存貨分別確認減值虧損約2,240,000,000港元及6,820,000港元。

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The Group recognised net investment loss in respect of financial instruments of approximately HK\$29.62 million (2019: HK\$4.21 million) for the year ended 31 December 2020.

For the year ended 31 December 2019, the Group recognised exploration expenses in relation to a dry hole of approximately HK\$0.20 million; whilst there were no such expenses recognised for the year ended 31 December 2020.

Finance costs of the Group for the year ended 31 December 2020 was approximately HK\$11.12 million, which represents a decrease of approximately 19.48% as compared to approximately HK\$13.81 million for the corresponding period in 2019.

Share of losses of joint ventures of the Group for the year ended 31 December 2020 were approximately HK\$7.08 million, which represents an increase of approximately 48.12% as compared to approximately HK\$4.78 million for the corresponding period in 2019.

Income tax charge of the Group for the year ended 31 December 2020 was approximately HK\$14.94 million; whilst it was an income tax credit of approximately HK\$20.25 million for the corresponding period in 2019.

For the year ended 31 December 2020, the Group recorded a loss for the year of approximately HK\$79.49 million (2019: HK\$2.29 billion).

Basic loss per share for the year ended 31 December 2020 was approximately HK0.91 cent (2019: HK26.15 cents).

The board of directors of the Company does not recommend the payment of any final dividend for the year ended 31 December 2020 (2019: Nil).

截至二零二零年十二月三十一日止年度，本集團確認金融工具投資虧損淨值約29,620,000港元（二零一九年：4,210,000港元）。

截至二零一九年十二月三十一日止年度，本集團就乾井確認勘探開支約200,000港元；而截至二零二零年十二月三十一日止年度並無確認有關開支。

截至二零二零年十二月三十一日止年度，本集團的融資成本約為11,120,000港元，較二零一九年同期約13,810,000港元減少約19.48%。

截至二零二零年十二月三十一日止年度，應佔本集團合營企業虧損約為7,080,000港元，較二零一九年同期約4,780,000港元增加約48.12%。

截至二零二零年十二月三十一日止年度，本集團的所得稅開支約為14,940,000港元；而二零一九年同期則為所得稅抵免約20,250,000港元。

截至二零二零年十二月三十一日止年度，本集團錄得年內虧損約79,490,000港元（二零一九年：2,290,000,000港元）。

截至二零二零年十二月三十一日止年度的每股基本虧損約為0.91港仙（二零一九年：26.15港仙）。

本公司董事會建議不派付截至二零二零年十二月三十一日止年度的任何末期股息（二零一九年：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

In respect of the aggregate net proceeds of approximately HK\$557.23 million (“**2016 Subscription Shares Proceeds**”) raised from the subscription of shares in July 2016 and November 2016, amongst which approximately HK\$357.16 million had been used up to 31 December 2019 towards its intended use as stated in the circular of the Company dated 28 June 2016, and the announcements of the Company dated 28 October 2016 and 27 August 2018. On 26 March 2020, the Company announced a change on its intended use of the unused balances of the 2016 Subscription Shares Proceeds and the Open Offer Proceeds (as defined below). Details of the change were set out in the announcement of the Company dated 26 March 2020. As at 31 December 2019, the unused balance of the 2016 Subscription Shares Proceeds was approximately HK\$200.07 million. The actual use of the 2016 Subscription Shares Proceeds during the year ended 31 December 2020 was, as to approximately HK\$0.21 million, for Argentina operational purposes as intended, and as to approximately HK\$68.82 million, for general administrative purposes including the repayment of debt and interest, and payment of overhead as intended. As at 31 December 2020, the unused balance of the 2016 Subscription Shares Proceeds was approximately HK\$131.04 million.

In respect of the net proceeds of approximately HK\$736.40 million (“**Open Offer Proceeds**”) raised from the open offer in April 2017, amongst which approximately HK\$177.11 million had been used up to 31 December 2019 towards its intended use as stated in the circular of the Company dated 28 February 2017, the offering memorandum of the Company dated 27 March 2017, and the announcement of the Company dated 27 August 2018. On 26 March 2020 and 29 April 2020, the Company announced changes on its intended use of the unused balances of the 2016 Subscription Shares Proceeds and the Open Offer Proceeds. Details of the changes were set out in the announcements of the Company dated 26 March 2020 and 29 April 2020. As at 31 December 2019, the unused balance of the Open Offer Proceeds was approximately HK\$559.29 million. The actual use of the Open Offer Proceeds during the year ended 31 December 2020 was, as to approximately HK\$85.52 million, for expansion of metal commodities trading as intended. As at 31 December 2020, the unused balance of Open Offer Proceeds was approximately HK\$473.77 million.

資本結構、流動資金及財務資源

就於二零一六年七月及二零一六年十一月認購股份籌集的所得款項淨額合共約557,230,000港元(「二零一六年認購股份所得款項」)而言,直至二零一九年十二月三十一日,其中約357,160,000港元已用於本公司日期為二零一六年六月二十八日的通函及本公司日期為二零一六年十月二十八日及二零一八年八月二十七日的公告所述的擬定用途。於二零二零年三月二十六日,本公司宣佈二零一六年認購股份所得款項及公開發售所得款項(定義見下文)之未動用結餘之擬定用途變動。變動詳情載於本公司日期為二零二零年三月二十六日之公告。於二零一九年十二月三十一日,二零一六年認購股份所得款項的尚未動用結餘約為200,070,000港元。截至二零二零年十二月三十一日止年度,二零一六年認購股份所得款項的的實際用途約210,000港元按擬定用於阿根廷營運目的,及約68,820,000港元按擬定用作一般行政用途,包括償還債務及利息及支付經常費用。於二零二零年十二月三十一日,二零一六年認購股份所得款項的尚未動用結餘約為131,040,000港元。

就於二零一七年四月自公開發售籌集的所得款項淨額約736,400,000港元(「公開發售所得款項」)而言,直至二零一九年十二月三十一日,其中約177,110,000港元已用於本公司日期為二零一七年二月二十八日的通函、本公司日期為二零一七年三月二十七日的發售備忘錄以及本公司日期為二零一八年八月二十七日的公告所述的擬定用途。於二零二零年三月二十六日及二零二零年四月二十九日,本公司宣佈二零一六年認購股份所得款項及公開發售所得款項之未動用結餘之擬定用途變動。變動詳情載於本公司日期為二零二零年三月二十六日及二零二零年四月二十九日之公告。於二零一九年十二月三十一日,公開發售所得款項的尚未動用結餘約為559,290,000港元。截至二零二零年十二月三十一日止年度,公開發售所得款項的實際用途金額約為85,520,000港元,按擬定用於擴張金屬商品貿易。於二零二零年十二月三十一日,公開發售所得款項的尚未動用結餘約為473,770,000港元。

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The following table summaries the use of net proceeds for the 2016 Subscription Shares Proceeds and Open Offer Proceeds during the year ended 31 December 2020.

下表概述截至二零二零年十二月三十一日止年度的二零一六年認購股份所得款項及公開發售所得款項的的所得款項淨額用途。

Intended use	擬定用途	Unused amount of net proceeds as at 31 December 2019	Change in use of proceeds on 26 March 2020	Change in use of proceeds on 29 April 2020	Actual use of net proceeds during the year ended 31 December 2020	Unused amount of net proceeds as at 31 December 2020
		於二零一九年十二月三十一日的所得款項淨額尚未動用金額 HK\$ million 百萬港元	於二零二零年三月二十六日所得款項用途之變動 HK\$ million 百萬港元 (Note 5) (附註5)	於二零二零年四月二十九日所得款項用途之變動 HK\$ million 百萬港元 (Note 5) (附註5)	截至二零二零年十二月三十一日止年度的所得款項淨額之實際使用金額 HK\$ million 百萬港元	於二零二零年十二月三十一日的所得款項淨額之尚未動用金額 HK\$ million 百萬港元
2016 Subscription Shares Proceeds: 二零一六年認購股份所得款項:						
Argentina operational purposes	阿根廷營運目的	200.07	(179.36)	-	(0.21)	20.50 (Note 1) (附註1)
Investment in oil and gas, power generation, and renewable energy	投資石油及天然氣、發電及可再生能源	-	79.36	-	-	79.36 (Note 2) (附註2)
Investment in short to medium term financial instruments, and general administrative purposes	投資短期至中期金融工具及一般行政目的	-	100.00	-	(68.82)	31.18 (Note 3) (附註3)
Total	合計	200.07	-	-	(69.03)	131.04
Open Offer Proceeds: 公開發售所得款項:						
Argentina operational purposes	阿根廷營運目的	59.29	-	-	-	59.29 (Note 1) (附註1)
Investment for oil and gas portfolio	投資油氣組合	500.00	(500.00)	-	-	-
Investment in oil and gas, power generation, and renewable energy	投資石油及天然氣、發電及可再生能源	-	500.00	(350.00)	-	150.00 (Note 2) (附註2)
Expansion of metal commodities trading	擴張金屬商品貿易	-	-	350.00	(85.52)	264.48 (Note 4) (附註4)
Total	合計	559.29	-	-	(85.52)	473.77

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Notes:

1. The expected timeline in relation to the use of the unused amount of net proceeds as at 31 December 2020 will depend on the Group's business, and oil and gas investment plans in Argentina, which are discussed in the sections headed "Operations update" and "Change in use of proceeds" under Management Discussion and Analysis to this annual report.
2. The expected timeline in relation to the use of the unused amount of net proceeds as at 31 December 2020 will depend on the availability and timing of suitable opportunities.
3. The unused amount of net proceeds as at 31 December 2020 is expected to be utilised on or before the year ending 31 December 2021.
4. The unused amount of net proceeds as at 31 December 2020 is expected to be utilised on or before the year ending 31 December 2023.
5. Details of the change in use of proceeds are set out in the announcements of the Company dated 26 March 2020 and 29 April 2020 respectively.

The Group maintained a treasury policy (as reviewed or modified from time to time when deemed necessary) for the investment of surplus cash. Surplus cash is mainly maintained in the form of term deposits with the licensed banks. The management of the Group closely monitors the Group's liquidity position to ensure that the Group has sufficient financial resources to meet its funding requirements from time to time.

The Group entered into certain derivative financial instruments for economic hedging purposes in order to mitigate the financial impact of gold price fluctuations in gold inventories and gold bullion purchased or held by the Group. The use of these derivative financial instruments is closely monitored and controlled by the Group.

As at 31 December 2020, the Group's net current assets amounted to approximately HK\$649.84 million (2019: HK\$842.50 million) and the Group had cash and cash equivalents of approximately HK\$640.92 million (2019: HK\$771.66 million).

Cash and cash equivalents of the Group as at 31 December 2020 were mainly denominated in Hong Kong Dollar, United States Dollar, Argentine Peso and Renminbi.

附註:

1. 使用二零二零年十二月三十一日該所得款項淨額尚未動用金額的預期時間將取決於本集團於阿根廷之業務以及油氣投資計劃，詳情已於本年報中管理層討論及分析下之「營運最新情況」及「變更所得款項用途」章節討論。
2. 使用二零二零年十二月三十一日該所得款項淨額尚未動用金額的預期時間將取決於適當機遇出現與否及出現時間。
3. 於二零二零年十二月三十一日該所得款項淨額尚未動用金額預期將於截至二零二一年十二月三十一日止年度或之前動用。
4. 於二零二零年十二月三十一日該所得款項淨額尚未動用金額預期將於截至二零二三年十二月三十一日止年度或之前動用。
5. 該所得款項用途變更詳情載於本公司日期分別為二零二零年三月二十六日及二零二零年四月二十九日的公告。

本集團維持以盈餘現金進行投資之庫務政策（在被視為必要時不時檢討或修改）。盈餘現金主要以持牌銀行定期存款的方式存置。本集團的管理層密切監察本集團之流動資金狀況，以確保本集團有足夠財務資源以應付其不時之資金需求。

本集團訂立若干作經濟對沖用途之衍生金融工具以減輕本集團所購買或持有黃金存貨及金條之金價波動之財務影響。本集團密切監視及控制該等衍生金融工具之用途。

於二零二零年十二月三十一日，本集團的流動資產淨值約為649,840,000港元（二零一九年：842,500,000港元），而本集團的現金及現金等價物約為640,920,000港元（二零一九年：771,660,000港元）。

本集團於二零二零年十二月三十一日之現金及現金等價物主要以港元、美元、阿根廷披索及人民幣計值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2020, total equity of the Group was approximately HK\$758.96 million (2019: HK\$846.46 million). Net asset value per share equated to approximately HK\$0.09 (2019: HK\$0.10). Debt ratio, calculated as total liabilities divided by total assets, was approximately 25.68% (2019: 22.72%).

The Group financed its operations generally from a combination of working capital, borrowings and proceeds from the issuance of shares of the Company.

Borrowings

As at 31 December 2020, included in the carrying amount of borrowings of the Group was unsecured debt securities of approximately HK\$141.32 million (2019: HK\$151.54 million) denominated in Hong Kong Dollar and carrying interest at fixed rate. The remaining balance was unsecured short-term loan of approximately HK\$4.75 million (2019: Nil) denominated in Renminbi and carrying interest at fixed rate. Details of the maturity of the carrying amount of the Group's borrowings are set out in Note 27 to the consolidated financial statements.

Gearing Ratio

As at 31 December 2020, gearing ratio, calculated on the basis of interest bearing borrowings divided by total equity, was approximately 19.25% (2019: 17.90%).

Charge on Assets

As at 31 December 2020, the Group did not have any charge on its assets (2019: Nil).

Contingent Liabilities

As at 31 December 2020, the Group did not have any material contingent liabilities (2019: Nil).

Capital Commitments

Details of the capital commitments of the Group as at 31 December 2020 are set out in Note 35 to the consolidated financial statements.

於二零二零年十二月三十一日，本集團權益總額約為758,960,000港元（二零一九年：846,460,000港元）。每股資產淨值相等於約0.09港元（二零一九年：0.10港元）。債項比率（按負債總額除以資產總額計算）約為25.68%（二零一九年：22.72%）。

本集團一般以其營運資金、借貸及本公司發行股份之所得款項為營運撥付資金。

借貸

於二零二零年十二月三十一日，載入本集團以港元計值的借貸賬面金額的款項為無抵押債務證券約141,320,000港元（二零一九年：151,540,000港元），並按固定利率計息。餘額為以人民幣計值的無抵押短期貸款約4,750,000港元（二零一九年：無），並按固定利率計息。本集團借貸賬面金額的到期詳情載於綜合財務報表附註27。

資產負債比率

於二零二零年十二月三十一日，以計息借貸除以權益總額計算的資產負債比率約為19.25%（二零一九年：17.90%）。

資產抵押

於二零二零年十二月三十一日，本集團並無任何資產抵押（二零一九年：無）。

或然負債

於二零二零年十二月三十一日，本集團並無任何重大或然負債（二零一九年：無）。

資本承擔

本集團於二零二零年十二月三十一日的資本承擔詳情載於綜合財務報表附註35。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Principal Risks and Uncertainties

The Group's financial condition, results of operations, businesses and prospects are subject to a number of risks and uncertainties including business risks, operational risks and financial risks.

The Group's business of commodities trading is exposed to development risk, as well as supply chain risk. The Group mitigates these risk factors by developing its customer base in order to achieve better operating performance on its commodities trades, and also by expanding its supplier base to achieve a stable supply of commodities.

The Group's business activities in exploration, development, production and sale of crude oil are susceptible to geological, exploration and development risks. The Group strives to establish and maintain comprehensive technical and operational teams. Through detailed planning, analysis and discussion amongst the teams, and with support from experienced consultants and experts, the Group is able to manage and mitigate the risks arising from changes in the business environment to a reasonably acceptable level.

In the normal course of business, the Group is exposed to credit risk, liquidity risk, interest rate risk, currency risk, price risk arising from prices fluctuation of crude oil and commodities, and equity price risk arising from its investment in equity securities. Details of the financial risk management of the Group are set out in Note 3 to the consolidated financial statements.

In addition to the abovementioned risks and uncertainties, there may be other risks and uncertainties which the Group has not identified, or is aware of, or considers it to be of minimal impact to the Group presently, which however has the potential to become significant in the future.

Foreign Exchange Exposure

Assets and liabilities of the Group are mainly denominated in Hong Kong Dollar, United States Dollar, Argentine Peso and Renminbi. Most of these assets and liabilities are in the functional currency of the operations to which the transactions relate. The currencies giving rise to foreign exchange risk is primarily those from the Group's exploration and production activities in Argentina and investments in foreign companies. The Group currently does not have a foreign currency hedging policy. However, the management of the Group will monitor the foreign exchange exposures on an on-going basis and will consider hedging instruments should the need arise.

主要風險及不確定性

本集團的財務狀況、經營業績、業務及前景受制於一定的風險及不確定性，包括業務風險、經營風險及財務風險。

本集團的商品貿易業務面臨發展風險及供應鏈風險。本集團通過發展其客戶基礎以在商品貿易方面實現較佳的營運表現，並透過擴大其供應商基礎達致穩定的商品供應，從而緩解該等風險因素。

本集團在勘探、開發、生產及銷售原油方面的業務活動易受地質、勘探及開發風險影響。本集團致力建立及維持全面的技術及經營團隊。透過團隊間細緻的規劃、分析及討論，以及經驗豐富的顧問及專家的支持，本集團能夠將營商環境變化引致的風險約束並緩解至可以承受的合理範圍內。

於一般業務過程中，本集團因原油及商品價格波動而面臨信貸風險、流動資金風險、利率風險、貨幣風險及價格風險，亦因其股權證券投資而面臨股價風險。本集團的財務風險管理之詳情載於綜合財務報表附註3。

除上述風險及不確定性外，亦可能有其他本集團並未識別或知悉或目前認為對本集團的影響不大但日後可能變成重大的風險及不確定性。

外匯風險

本集團資產及負債主要以港元、美元、阿根廷披索及人民幣計值。此等資產及負債大部分以與交易有關之業務的功能貨幣計值。貨幣外匯風險主要來自本集團於阿根廷進行勘探及生產活動以及於外國公司之投資。本集團現時並無外幣對沖政策。然而，本集團管理層將持續監察外匯風險，並將於有需要時考慮對沖工具。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employees

As at 31 December 2020, the Group employed a total of 44 (2019: 38) permanent employees in Hong Kong, China and Argentina. Total employee remuneration (including directors' remuneration and benefits) for the year ended 31 December 2020 amounted to approximately HK\$16.38 million (2019: HK\$19.58 million). The Group provides its employees with competitive remuneration packages relative to their job performance, qualifications, experience, and prevailing market conditions in the respective geographical locations and businesses in which the Group operates.

Relationship with Suppliers, Customers and other Stakeholders

The Group understands the importance of maintaining a good relationship with its suppliers, customers, social communities and governments to meet its objectives and long-term goals. Save as disclosed in the section headed "Business Review", there was no material or significant dispute between the Group and its suppliers, customers and/or stakeholders during the year.

Material Acquisitions and Disposals

The Group did not have any material acquisitions and disposals of subsidiaries, associated companies, and joint ventures during the year ended 31 December 2020.

Environmental Policies and Performance

The Group is committed to the long term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavors to comply with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction. Details of the environmental policies and performance of the Group are set out in "Environmental, Social and Governance Report" section of this annual report.

Significant Investments

As at 31 December 2020, the Group held financial assets at fair value through profit or loss and gold investment in gold bullion amounting to approximately HK\$74.09 million and HK\$68.59 million respectively.

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

As at 31 December 2020, the Group's financial assets at fair value through profit or loss comprised of listed equity securities, listed debt securities and unlisted debt securities amounting to approximately HK\$53.05 million, HK\$14.95 million and HK\$6.09 million respectively.

僱員

於二零二零年十二月三十一日，本集團於香港、中國及阿根廷僱用合共44名（二零一九年：38名）長期僱員。截至二零二零年十二月三十一日止年度，僱員薪酬總額（包括董事酬金及福利）約為16,380,000港元（二零一九年：19,580,000港元）。本集團向其僱員提供具競爭力的薪酬方案，乃與彼等的個人表現、資歷及經驗相符，以及按本集團營運所在各地區及業務的相關市況釐定。

與供應商、客戶及其他權益人的關係

本集團明白與其供應商、客戶、社會團體及政府維持良好關係，對本集團實現其目標及長遠目標而言十分重要。除標題為「業務回顧」一節披露者外，本集團與其供應商、客戶及／或權益人於年內並無重要或重大糾紛。

重大收購及出售事項

本集團於截至二零二零年十二月三十一日止年度並無附屬公司、關聯公司及合營企業之重大收購或出售事項。

環境政策及表現

本集團致力於環境及其經營所在社區的長期可持續發展。本集團透過對環境負責的方式遵守有關環境保護的法律及規例並採納有效方式以高效利用資源、節約能源並減少廢物。本集團環境政策及表現之詳情載列於本年度報告「環境、社會及管治報告」一節。

重大投資

於二零二零年十二月三十一日，本集團持有按公允價值計入損益之金融資產及於金條的黃金投資分別約為74,090,000港元及68,590,000港元。

(i) 按公允價值計入損益之金融資產

於二零二零年十二月三十一日，本集團按公允價值計入損益之金融資產包括上市股本證券、上市債務證券及非上市債務證券分別約53,050,000港元、14,950,000港元及6,090,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2020, details of the listed equity securities are set out below:

於二零二零年十二月三十一日，上市股本證券之詳情載列如下：

Name of company	Principal business	Fair value at 31 December 2020	Net investment loss for the year ended 31 December 2020
公司名稱	主要業務	於二零二零年十二月三十一日的公允價值 HK\$ million 百萬港元	截至二零二零年十二月三十一日止年度投資虧損淨值 HK\$ million 百萬港元
Beijing Gas Blue Sky Holdings Limited (Stock Code: 6828) 北京燃氣藍天控股有限公司 (股份代號: 6828)	Sales and distribution of natural gas and other related products 天然氣及其他相關產品銷售及分銷	43.27	(30.76) (Note (i)) (附註(i))
NWS Holdings Limited (Stock Code: 659) 新創建集團有限公司 (股份代號: 659)	Development of, investment in and/or operation of roads, commercial aircraft leasing, construction and insurance; and investment in and/or operation of environmental and logistic projects, facilities and transport 道路、商用飛機租賃、建築及保險開發、投資及／或經營；及環境及物流項目、設施及運輸投資及／或經營	3.74	(1.26) (Note (i)) (附註(i))
China Overseas Land & Investment Ltd. (Stock Code: 688) 中國海外發展有限公司 (股份代號: 688)	Property development and investment, and other operations 物業發展及投資以及其他業務	6.04	(1.96) (Note (i)) (附註(i))
Total 總計		53.05	(33.98)

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Note:

- (i) Balance represented a loss arising from the change in fair value for the year ended 31 December 2020.

The carrying value for each of the above listed equity securities is less than 5% of the total assets of the Group.

At as 31 December 2020, the Group held three investments of debt securities listed in Hong Kong or overseas and an investment of unlisted debt securities. The carrying value for each of these four investments is less than 5% of the total assets of the Group. For the year ended 31 December 2020, the Group recognised a net investment income of approximately HK\$1.60 million, which comprised interest income of approximately HK\$1.88 million and a loss arising from the change in fair value of approximately HK\$0.28 million, on the listed and unlisted debt securities in the consolidated statement of profit or loss.

(ii) *Gold investment*

During the year ended 31 December 2020, the Group purchased gold bullion at a cost of approximately HK\$62.47 million. As at 31 December 2020, the fair value of the gold bullion was approximately HK\$68.59 million, representing approximately 6.72% of the total assets of the Group. For the year ended 31 December 2020, the Group recognised a gain arising from the change in fair value of approximately HK\$6.12 million on the gold bullion. The purposes of holding gold bullion are to support the development of the Group's physical gold trading business, and to achieve capital appreciation and capture the effectiveness of gold as inflation-proofing instrument. The Group entered into certain derivative financial instruments for economic hedging purposes in order to mitigate the financial impact of gold price fluctuations.

附註：

- (i) 結餘指於截至二零二零年十二月三十一日止年度公允價值變動產生的虧損。

前述上市股本證券各自賬面值低於本集團總資產之5%。

於二零二零年十二月三十一日，本集團持有三項於香港或海外上市的債務證券的投資及一項非上市債務證券的投資。該四項投資各自賬面值低於本集團總資產之5%。截至二零二零年十二月三十一日止年度，本集團就上市及非上市債務證券於綜合損益表確認投資收入淨額約1,600,000港元，包括利息收入約1,880,000港元及公允價值變動產生的虧損約280,000港元。

(ii) *黃金投資*

截至二零二零年十二月三十一日止年度，本集團按成本約62,470,000港元購買金條。於二零二零年十二月三十一日，金條的公允價值約為68,590,000港元，佔本集團總資產約6.72%。截至二零二零年十二月三十一日止年度，本集團就金條確認公允價值變動產生的收益約6,120,000港元。持有金條的目的為支持本集團實物黃金買賣業務的發展，旨在實現升值及把握黃金作為防通脹的時效。本集團就經濟對沖目的訂立若干衍生金融工具，旨在降低黃金價格波動的財務影響。

INFORMATION ON NEW TIMES ENERGY'S OIL RESERVES AND RESOURCES 新時代能源之石油儲量及資源之資料

LOS BLANCOS CONCESSION (FORMERLY KNOWN AS CHIRETE CONCESSION)

The oil Reserves and Prospective Resources in the Los Blancos Concession are as follows:

LOS BLANCOS 特許權區 (前稱 CHIRETE特許權區)

於Los Blancos特許權區之石油儲量及遠景資源量如下：

Category Gross (100%)		類別總計(100%)	At 31 December 2020 於二零二零年十二月三十一日 Oil (in MMBBL) 石油 (百萬桶)	At 31 December 2019 於二零一九年十二月三十一日 Oil (in MMBBL) 石油 (百萬桶)
Reserves (2019: Recoverable Volume)	儲量 (二零一九年: 可採量)			
Proven and Probable	探明及概略		3.6	2.4
Possible	可能		1.4	–
Prospective Resources	遠景資源量			
Low Estimate	最低估計		1.1	1.1
Best Estimate	最佳估計		2.5	2.5
High Estimate	最高估計		5.2	5.2

Notes:

- In July 2016, New Times Energy became a 50% participating partner in the Los Blancos Concession (formerly known as Chirete Concession) having met all the conditions precedent as stipulated in the farm-in agreement entered into with Pampa Energia S.A. (formerly Petrobras Argentina S.A.) in April 2015.
- The technical reports in respect of the Reserves for the year ended 31 December 2020 (2019: Recoverable Volume) was prepared, using probabilistic methods by Gaffney, Cline & Associates, Inc., an international oil and gas consultancy and subsidiary of Baker Hughes, in accordance with the definitions and guidelines established by the Society of Petroleum Engineers.

In October 2018, New Times Energy spudded the HLG.St.LB.x-2001 exploratory well (the "Well"). The Well was completed on December 2018. As a result of the positive indications from the Well, New Times Energy prepared and submitted an oil discovery report to the provincial authorities of Salta (the "Authorities") on 26 December 2018. Following successful extended testing of the Well in early 2019, New Times Energy filed a commerciality declaration and exploitation permit request to the Authorities on 26 April 2019. The permit was granted on 15 October 2020 under Decree 622/20, formally entitling the Group to produce crude oil in the area for the next 25 years.

附註：

- 於二零一六年七月，新時代能源已符合與Pampa Energia S.A. (前稱Petrobras Argentina S.A.)於二零一五年四月訂立之購入安排之所有先決條件，成為Los Blancos特許權區(前稱Chirete特許權區)50%參與方。
- 有關截至二零二零年十二月三十一日止年度儲量(二零一九年:可採量)的技術報告乃由Gaffney, Cline & Associates, Inc (一間國際油氣顧問公司及為Baker Hughes的附屬公司)根據石油工程師學會制定的定義及指引採用概率法編製。

於二零一八年十月，新時代能源挖掘HLG.St.LB.x-2001勘探井(「該發現井」)。該發現井於二零一八年十二月完成。由於該發現井的良好反饋，新時代能源於二零一八年十二月二十六日編製及向薩爾塔省機關(「當局」)遞交石油發現報告。於二零一九年初延伸測試成功後，新時代能源於二零一九年四月二十六日向當局遞交商業性聲明及勘探許可要求。根據第622/20號法令，許可已於二零二零年十月十五日授出，正式授權本集團於未來25年內在該地區生產原油。

INFORMATION ON NEW TIMES ENERGY'S OIL RESERVES AND RESOURCES

新時代能源之石油儲量及資源之資料

As New Times Energy in 2019 was awaiting receipt of the exploitation permit from the Authorities, the Recoverable Volume as herewith disclosed that year, did not fully meet the definition of reserves as defined under the Petroleum Resources Management System (PRMS). However, upon receipt of the aforementioned permit on 15 October 2020, the recoverable volume subsequently qualified to be reclassified as Reserves for the year ended 31 December 2020.

- (3) The technical report in respect of the Prospective Resources was prepared by Netherland, Sewell & Associates, Inc. ("NSAI"), an international independent qualified technical adviser, as of 31 December 2019 in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers. As at 31 December 2020, there were no material changes in the Prospective Resources since the date of the aforementioned NSAI technical report and as disclosed in the table above.

Due to the existence of insignificant quantities of prospective gas resources, no estimate of this gas was made in NSAI's technical report.

- (4) The Prospective Resources shown above have been estimated using probabilistic methods and are dependent on a petroleum discovery being made. Unrisked Prospective Resources are estimated ranges of recoverable oil and gas volumes assuming their discovery and development and are based on estimated ranges of undiscovered in-place volumes. Geologic risking of Prospective Resources addresses the probability of success for the discovery of a significant quantity of potentially moveable petroleum; this risk analysis is conducted independent of estimations of petroleum volumes and without regard to the chance of development. Principal geologic risk elements of the petroleum system including (1) trap and seal characteristics; (2) reservoir presence and quality; (3) source rock capacity, quality, and maturity; and (4) timing, migration, and preservation of petroleum in relation to trap and seal formation. Risk assessment is a highly subjective process dependent upon the experience and judgment of the evaluators and is subject to revision with further data acquisition or interpretation. There was no material change on the assumptions adopted in the updated report in compare with the previous report.

由於新時代能源於二零一九年正等待當局授予勘探許可，此處披露的該年度可採量並非完全符合石油資源管理系統(PRMS)所界定之儲量之定義。然而，於二零二零年十月十五日收到上述許可後，可採量隨後合資格重新分類為截至二零二零年十二月三十一日止年度之儲量。

- (3) 遠景資源量的技術報告由國際獨立合資格技術顧問Netherland, Sewell & Associates, Inc. (「NSAI」)於二零一九年十二月三十一日根據石油工程師學會認可之二零零七年石油資源管理制度(PRMS)所載之定義及指引編製。於二零二零年十二月三十一日，誠如上表所披露者，自上述NSAI技術報告日期起，遠景資源量並未發生重大變化。

由於遠景天然氣資源量微不足道，NSAI技術報告並未作出對天然氣的估計。

- (4) 上表所示之遠景資源量乃採用概率方法估計，並取決於發現石油量。未經風險評估遠景資源量為假設發現及開發石油及天然氣而可開採石油及天然氣量之估計範圍，並以未發現含量之估計範圍為基準。遠景資源量之地質風險著重於成功發現大量潛在可移動石油之可能性；此風險分析乃獨立於石油量估計而進行，並與開發機會無關。石油系統之主要地質風險元素包括(1)封閉和密封特性；(2)儲油氣層是否存在以及其質量；(3)源岩容量、質量及成熟期；及(4)封閉和密封層之時期、移動及石油保存狀況。風險評估過程非常主觀，取決於評估員之經驗及判斷，並須待取得進一步數據或詮釋後修訂。經更新報告採納之假設與上一份報告比較並無重大變動。

INFORMATION OF DIRECTORS

董事資料

EXECUTIVE DIRECTORS

Mr. CHENG, Kam Chiu Stewart, aged 66, was appointed as an executive Director in February 2008 and the Chairman in May 2009. Mr. Cheng holds a Bachelor's degree in Civil and Environmental Engineering from the University of Wisconsin-Madison, the United States of America ("USA"); a Master's degree in Civil Engineering from the University of California, Berkeley, USA; and a Master's degree in Business Administration from the Chinese University of Hong Kong. Being a member of The Hong Kong Institution of Engineers, Mr. Cheng is a professional engineer with extensive experience in property development and construction management. Mr. Cheng is a member of the Shunde District, Foshan City Committee of the Chinese People's Political Consultative Conference since November 2006.

Mr. Cheng joined Hip Hing Construction Company Limited in 1984 as a project manager and was subsequently appointed as director. From 1993 to 1997, Mr. Cheng was transferred to New World Development (China) Limited as a director and an assistant general manager, overseeing property development in the People's Republic of China ("PRC"). He was a director of NWS Service Management Limited from 1997 to 2006, and was mainly responsible for the construction and the electrical and mechanical engineering businesses and pursuing business opportunities in the PRC. Mr. Cheng is the managing director of Cheung Hung Development (Holdings) Limited, principally engaging in property development in both Hong Kong and the PRC. He was an executive director of International Entertainment Corporation from January 2008 to June 2017, which shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Mr. TANG, John Wing Yan, aged 68, was appointed as an executive Director in June 2017. Mr. Tang joined the Group as general manager in August 2015. He brings with him over 20 years of senior management experience and has held top executive positions with various international companies prior to joining the Group.

執行董事

鄭錦超先生，66歲，於二零零八年二月獲委任為執行董事，並於二零零九年五月獲委任為主席。鄭先生持有美國（「美國」）威斯康辛州麥迪遜大學土木及環境工程學士學位、美國加州大學柏克萊分校土木工程碩士學位，以及香港中文大學工商管理碩士學位。彼為香港工程師學會會員。鄭先生為專業工程師，於物業發展及工程管理方面累積豐富經驗。鄭先生自二零零六年十一月起出任中國人民政治協商會議佛山市委員會順德區委員。

於一九八四年，鄭先生加入協興建築有限公司擔任項目經理，其後獲委任為董事。於一九九三年至一九九七年間，鄭先生轉投新世界發展（中國）有限公司，出任董事兼助理總經理，負責監督於中華人民共和國（「中國」）之物業發展業務。彼於一九九七年至二零零六年間出任新創建服務管理有限公司之董事，主要負責建設工程及機電工程業務以及物色中國商機。鄭先生為長虹發展（集團）有限公司之董事總經理，主要於香港及中國從物業開發工作。彼於二零零八年一月至二零一七年六月年間為國際娛樂有限公司之執行董事，該公司之股份於香港聯合交易所有限公司（「聯交所」）上市。

鄧永恩先生，68歲，於二零一七年六月獲委任為執行董事。鄧先生於二零一五年八月加入本集團擔任總經理。鄧先生擁有超過二十年的高級管理經驗，並於加入本集團前曾任多家跨國公司最高行政主管。

INFORMATION OF DIRECTORS

董事資料

Formally trained as a structural engineer, Mr. Tang was a Chartered Engineer in the United Kingdom (“UK”) as well as a Registered Professional Engineer in USA and Canada. Author and co-author of peer-reviewed publications in several technical journals and conferences, he is also the holder of U.S. Patent US6329589 pertaining to wireless transmission of solar power for exterior curtain wall in buildings.

Mr. Tang holds a Bachelor’s degree in Civil Engineering, Magna Cum Laude, from the University of Massachusetts, USA; a Master’s degree in Engineering from the University of California, Berkeley, USA; and a Graduate-Level Diploma in Financial Engineering from Stanford University, USA.

NON-EXECUTIVE DIRECTOR

Mr. LEE, Chi Hin Jacob, aged 38, was appointed as a non-executive Director in March 2019. Mr. Lee is currently a senior vice president of Chow Tai Fook Enterprises Limited (“CTFE”) with responsibilities in making strategic and private equity investments globally. CTFE is an indirect subsidiary of Chow Tai Fook Capital Limited which is a controlling shareholder of the Company. Mr. Lee joined CTFE in March 2013 and has over 10 years of professional experience in corporate finance, investment, international capital markets and asset management. He previously worked at the investment banking department of The Hongkong and Shanghai Banking Corporation Limited and Deutsche Bank AG in Hong Kong. Mr. Lee holds a Master of Science degree in Accounting and Finance from The London School of Economics and Political Science to the University of London in London, United Kingdom and a Bachelor of Business Administration degree from the University of Michigan in Ann Arbor, United States of America. He is also a Chartered Financial Analyst Charterholder.

Mr. Lee is currently a non-executive director of Integrated Waste Solutions Group Holdings Limited which shares are listed on the Stock Exchange.

鄧先生在修畢結構工程師課程後，分別在英國（「英國」）註冊為特許工程師，以及在美國及加拿大註冊為專業工程師。鄧先生曾以個人及與他人合作身份於若干學術期刊及科技論壇發表學術論文；彼率先研發運用無線技術傳送樓宇外部太陽能光電幕牆所產生的電能，並憑此項技術取得美國註冊專利（編號為US6329589）。

鄧先生學術資歷深厚，先後獲得美國馬薩諸塞大學土木工程學士學位（極優等）、美國加州大學柏克萊分校工程碩士學位，以及美國史丹佛大學金融工程研究生文憑。

非執行董事

李志軒先生，38歲，於二零一九年三月獲委任為非執行董事。李先生現為周大福企業有限公司（「周大福企業」）高級副總裁，負責全球策略和私募股權投資。周大福企業為Chow Tai Fook Capital Limited之間接附屬公司，而Chow Tai Fook Capital Limited為本公司的控股股東。李先生於二零一三年三月加入周大福企業，在企業融資、投資、國際資本市場和資產管理方面擁有逾十年的專業經驗。此前，彼曾在香港上海匯豐銀行有限公司及德意志銀行（香港）的投資銀行部門工作。李先生先生擁有英國倫敦政治經濟學院會計與金融理學碩士學位和美國安娜堡密歇根大學工商管理學士學位。彼為特許金融分析師特許資格認證持有人。

李先生現為綜合環保集團有限公司的非執行董事，其股份於聯交所上市。

INFORMATION OF DIRECTORS

董事資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. YUNG, Chun Fai Dickie, aged 68, was appointed as an independent non-executive Director in March 2013. Mr. Yung holds a Master's degree in Business Administration from the University of East Asia, Macau. He is a member of the Institute of Management and a fellow of the Chartered Management Institute. Mr. Yung has been engaged in finance and banking businesses for over 26 years. He was the chief executive officer of Landbridge Holdings Limited, the deputy chief executive officer of Industrial & Commercial Bank of China (Macau) Limited and an executive director, deputy general manager and alternate chief executive officer of Industrial & Commercial International Capital Limited (currently known as ICBC International Holdings Limited), a wholly-owned subsidiary of Industrial & Commercial Bank of China Limited.

Mr. CHIU, Wai On, aged 51, was appointed as an independent non-executive Director in November 2006. Mr. Chiu is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the UK. He possesses extensive professional experience in accounting and auditing services. Mr. Chiu is currently an independent non-executive director of DeTai New Energy Group Limited, whose shares are listed on the Stock Exchange.

Mr. HUANG, Victor, aged 49, was appointed as an independent non-executive Director in June 2020. Mr. Huang has over 28 years of experience in professional accounting, capital market and merger and acquisition. Mr. Huang joined PricewaterhouseCoopers Hong Kong in January 1993 and admitted to partnership in July 2005. He left PricewaterhouseCoopers Hong Kong in July 2014. From July 2014 to August 2017, he was a partner of KPMG in Hong Kong.

獨立非執行董事

翁振輝先生，68歲，於二零一三年三月獲委任為獨立非執行董事。翁先生持有澳門東亞大學之工商管理碩士學位。彼為管理學會會員及特許管理學會資深會員。翁先生已從事金融及銀行業務超過二十六年。彼曾為嵐橋控股有限公司之行政總裁，中國工商銀行（澳門）有限公司之副行政總裁，中國工商銀行股份有限公司之全資附屬公司工商國際金融有限公司（現稱工銀國際控股有限公司）之執行董事、副總經理及替任行政總裁。

招偉安先生，51歲，於二零零六年十一月獲委任為獨立非執行董事。招先生為香港會計師公會會員及英國特許公認會計師公會資深會員。彼於會計及核數服務方面擁有豐富專業經驗。招先生現時為德泰新能源集團有限公司之獨立非執行董事，該公司之股份在聯交所上市。

黃偉德先生，49歲，於二零二零年六月獲委任為獨立非執行董事。黃先生於專業會計、資本市場及併購方面擁有超過28年經驗。黃先生於一九九三年一月加入香港羅兵咸永道會計師事務所並於二零零五年七月成為合夥人。彼於二零一四年七月從香港羅兵咸永道會計師事務所辭任。自二零一四年七月至二零一七年八月，彼曾任香港畢馬威會計師事務所的合夥人。

INFORMATION OF DIRECTORS 董事資料

Mr. Huang is currently an independent non-executive director of (i) Laobaixing Pharmacy Chain Joint Stock Company (stock code: 603883.SH), a company listed on the Shanghai Stock Exchange; (ii) Qingdao Haier Biomedical Co., Ltd. (stock code: 688139.SH), a company listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange; and the following companies which are listed on the Hong Kong Stock Exchange, namely (iii) COSCO SHIPPING Energy Transportation Co., Ltd. (stock code: 1138), (iv) Evergrande Property Services Group Limited (stock code: 6666), (v) ManpowerGroup Greater China Limited (stock code: 2180), (vi) Scholar Education Group (stock code: 1769) and (vii) Topsports International Holdings Limited (stock code: 6110). Mr. Huang was an independent non-executive director of Trinity Limited (stock code: 0891) from December 2018 to December 2020 and China Bright Culture Group (stock code: 1859) from February 2020 to November 2020.

Mr. Huang is a member of the Hong Kong Institute of Certified Public Accountants and The Hong Kong Independent Non-Executive Director Association. He is also a Certified Independent Non-executive Director by the Shanghai Stock Exchange. Mr. Huang received a bachelor's degree of arts from the University of California, Los Angeles in September 1992.

黃先生現時為(i)老百姓大藥房連鎖股份有限公司(於上交所上市之公司,股份代碼:603883.SH);(ii)青島海爾生物醫療股份有限公司(於上交所科創板上市之公司,股份代碼:688139.SH);及下列多家於香港聯交所上市之公司,即(iii)中遠海運能源運輸股份有限公司(股份代碼:1138);(iv)恒大物業集團有限公司(股份代碼:6666);(v)萬寶盛華大中華有限公司(股份代碼:2180);(vi)思考樂教育集團(股份代碼:1769)及(vii)滔搏國際控股有限公司(股份代碼:6110)之獨立非執行董事。黃先生於二零一八年十二月至二零二零年十二月及於二零二零年二月至二零二零年十一月分別擔任利邦控股有限公司(股份代碼:0891)及煜盛文化集團(股份代碼:1859)的獨立非執行董事。

黃先生為香港會計師公會及香港獨立非執行董事協會會員。彼亦獲上交所認可為合資格獨立非執行董事。黃先生於一九九二年九月取得加州大學洛杉磯分校文學學士學位。

INFORMATION OF MANAGEMENT TEAM

管理層團隊資料

OPERATIONS MANAGEMENT

Mr. CAVALLERI, Pablo, is a Geologist and is currently the Operations Manager of the Group. He graduated at the National University of Salta Argentina in 2005 with a bachelor's degree in Geology. Pablo has 15 years of experience in the oil and gas industry, predominately in Argentina and Saudi Arabia. Pablo joined the Group in January 2014 initially as a Development Geologist but later promoted to Operations Manager from 2017. Prior to joining the Group, he worked in companies such as Geoservices, Orion Excel Company, Schlumberger D&M Middle East And Asia as a Field Engineer (Saudi Arabia), and YPF Argentina as a Development Geologist. Pablo is an author and co-author of several written publications including a publication in technical national and international congress for the Oil Discovery in Ordovician Prerift Sequences Las Breñas Formation, Lomas de Olmedo Sub-Basin, Northwestern Argentina; Argentinian Geological Congress, August 2017, Tucumán-Argentina; Exploration and Development Hydrocarbon Congress, November 2018, Mendoza – Argentina, and AAPG 2019 International Convention & Exhibition, Buenos Aires, August 28th 2019, Argentina. Pablo is also the Vice-President 2nd of Directive committee of IAPG (Oil and Gas Argentinian Institute), branch office Tartagal, Salta Argentina since December 2017.

營運管理人員

CAVALLERI, Pablo先生，為一名地質學家及現任本集團營運經理。彼於二零零五年畢業於阿根廷薩爾塔國立大學 (National University of Salta Argentina)，獲得地質學學士學位。Pablo主要於阿根廷及沙特阿拉伯的油氣行業擁有15年經驗。Pablo最初於二零一四年一月加入本集團，擔任開發地質學家，隨後自二零一七年起晉升為營運經理。於加入本集團前，彼曾任職於Geoservices、Orion Excel Company、Schlumberger D&M Middle East And Asia，擔任場外工程師（沙特阿拉伯），以及於YPF Argentina擔任開發地質學家。Pablo為若干著作刊物之著者及合著者，包括有關於Ordovician Prerift Sequences Las Breñas Formation、Lomas de Olmedo Sub-Basin、阿根廷西北部發現石油的國家與國際技術大會：地質學大會（二零一七年八月，阿根廷圖庫曼）；油氣勘探與開發大會（二零一八年十一月，門多薩）及AAPG二零一九年國際展會（二零一九年八月二十八日，阿根廷布宜諾賽勒斯）的刊物。Pablo亦自二零一七年十二月起擔任阿根廷石油天然氣研究所（Oil and Gas Argentinian Institute）指導委員會塔塔加爾分會的第二屆副理事長。

DIRECTORS' REPORT

董事會報告

The board (the “**Board**”) of directors (the “**Directors**”) of New Times Energy Corporation Limited (the “**Company**”) present their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2020 (the “**Year**”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries are set out in Note 18 to the consolidated financial statements.

BUSINESS REVIEW

An overview and the outlook of the Group’s business are provided in the sections headed “Chairman’s Statement” and “Management Discussion and Analysis” of this annual report. Save as disclosed in the above sections, no significant event affecting the Group has occurred since the end of the Year.

The financial risk management objectives and policies of the Group are disclosed in Note 3 to the consolidated financial statements. An analysis of the Group’s performance using financial key performance indicators are set out in the section headed “Financial Highlights” of this annual report.

An account of the Group’s relationship with its key stakeholders and discussions on the Group’s environmental policies and performance are included in the respective sections headed “Corporate Governance Report” and “Environmental, Social and Governance Report”.

COMPLIANCE WITH LAWS AND REGULATIONS

As far as the Directors and management of the Company are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

The Company was not involved in any material litigation or arbitration during the Year. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Year.

新時代能源有限公司(「本公司」)董事(「董事」)會(「董事會」)呈列彼等之報告及本公司及其附屬公司(統稱「本集團」)截至二零二零年十二月三十一日止年度(「本年度」)之經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股，其主要附屬公司之業務載於綜合財務報表附註18。

業務回顧

本年報「主席報告」及「管理層討論及分析」各節提供本集團的業務概覽及展望。除以上章節所披露者外，自本年度末以來並無發生影響本集團之重大事項。

本集團的財務風險管理目標及政策披露於綜合財務報表附註3。使用財務關鍵表現指標對本集團表現的分析載於本年報「財務摘要」一節。

本集團與主要持份者關係之闡述及本集團的環境政策及表現的探討載於「企業管治報告」及「環境、社會及管治報告」各節。

遵守法律及規例

就董事及本公司管理層所知悉，本集團已遵守對本集團業務及經營有重大影響的相關法律及規例的重大方面。於年內，本集團並無重大違反或未有遵守適用之法律及規例的情況。

於年內，本公司並無涉及任何重大訴訟或仲裁。於年內，董事亦不知悉本集團有任何待決或面臨威脅的重大訴訟或申索。

DIRECTORS' REPORT

董事會報告

RESULTS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and the consolidated statement of comprehensive income on pages 92 to 93 of this annual report.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 203 of this annual report.

DIVIDEND POLICY AND DIVIDENDS

The Directors did not recommend the payment of a final dividend for the Year (2019: Nil).

In order to enhance transparency of the Company and facilitate the shareholders of the Company (the “**Shareholders**”) and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 26 March 2019 (the “**Dividend Policy**”).

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- a. the actual and expected financial performance of the Group;
- b. retained earnings and distributable reserves of the Company and each of the members of the Group;
- c. the liquidity positions of the Group;
- d. the future cash requirements and availability of the Group, including its expected working capital requirements, capital expenditure requirements and future expansion plans;
- e. any restrictions on payments of dividends that may be imposed by the Group's lenders;
- f. the general market conditions, business cycle of the Group's business and other internal and external factors that may have an impact on the business or financial performance and position of the Group; and
- g. any other factor that the Board may consider appropriate.

業績

本集團於本年度的業績載於本年報第92頁至93頁的綜合損益表及綜合全面收益表。

五年財務概要

本集團過去五個財政年度之業績及資產負債概要載於本年報第203頁。

股息政策及股息

董事建議不派付年內末期股息（二零一九年：無）。

為增加本公司透明度以及協助本公司股東（「股東」）及投資者就本公司作出知情的投資決定，董事會於二零一九年三月二十六日採納股息政策（「股息政策」）。

根據股息政策，未來決定是否宣派任何股息及釐定股息金額時，本公司應考慮多項因素，包括但不限於：

- a. 本集團的實際及預期財務表現；
- b. 本公司及本集團各成員公司的保留盈利及可供分派儲備；
- c. 本集團的流動資金狀況；
- d. 本集團的未來現金需求及可動用現金，包括其預期營運資金要求、資本開支需求及未來擴充計劃；
- e. 本集團借貸人就派付股息可能施加的任何限制；
- f. 本集團業務的整體市況、業務週期及其他可能影響本集團業務或財務表現及狀況的其他內部及外部因素；及
- g. 董事會可能認為合適的任何其他因素。

DIRECTORS' REPORT

董事會報告

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board will review the Dividend Policy on a regular basis.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period from Monday, 31 May 2021 to Thursday, 3 June 2021 (both days inclusive), during which no transfers of shares will be registered, for the purpose of determining shareholders' entitlement to attend and vote at the forthcoming annual general meeting to be held on Thursday, 3 June 2021 (the "AGM"). In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Friday, 28 May 2021.

MATERIAL ACQUISITIONS AND DISPOSALS

For the year ended 31 December 2020, the Company has made no material acquisitions and disposals.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in Note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the Year are set out in Note 32(a) to the consolidated financial statements.

DEBENTURES

There were no issue of bonds or debentures of the Company during the Year.

EQUITY-LINKED AGREEMENTS

Save as the share option scheme of the Company disclosed below, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year.

本公司並無任何預設的股息分派比例或分派比率。股息宣派、派付及金額將由董事會酌情決定。董事會將定期審閱股息政策。

暫停辦理股份過戶登記

本公司將自二零二一年五月三十一日(星期一)起至二零二一年六月三日(星期四)止(包括首尾兩日)期間暫停辦理股份過戶登記手續,該期間將不會進行股份過戶登記,以確定股東出席於二零二一年六月三日(星期四)舉行的應屆股東週年大會(「股東週年大會」)並於會上投票之資格。為符合出席股東週年大會並於會上投票之資格,所有過戶文件連同有關股票必須於二零二一年五月二十八日(星期五)下午四時三十分前送達本公司之香港股份過戶登記分處卓佳登捷時有限公司進行登記,地址為香港皇后大道東183號合和中心54樓。

重大收購及出售事項

於截至二零二零年十二月三十一日止年度,本公司並無作出重大收購及出售事項。

物業、廠房及設備

本集團物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註17。

股本

本公司股本於本年度之變動詳情載於綜合財務報表附註32(a)。

債券

於本年度,本公司並無發行債券或債權證。

股票掛鈎協議

除以下披露的本公司購股權計劃外,本公司於年內任何期間或本年度終結日並無訂立或仍然存續任何股票掛鈎協議。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEME

At the annual general meeting of the Company held on 17 May 2011, the Shareholders approved the adoption of a new share option scheme (the “**Share Option Scheme**”) in place of the old share option scheme adopted on 30 August 2002 (the “**Old Scheme**”). No further share options may be granted under the Old Scheme upon its termination and share options granted and unexercised prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Old Scheme.

The Share Option Scheme is adopted under the relevant requirements of Chapter 17 of the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and its purpose is to provide incentives or rewards to the eligible participants thereunder for their contribution or would be contributions to the Group and/or enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. Eligible participants include any Director (including non-executive Director and independent non-executive Director), employee (whether full time or part time), any supplier of goods or services to the Group, any customer of the Group, any agent or consultant that provides research, development, technological support or other services to the Group, any shareholder or any member of the Group or any holder of any securities issued by the Group. The Share Option Scheme, unless otherwise terminated or amended, will remain in force for 10 years from the date of coming into effect.

The maximum number of shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the shares of the Company in issue as at the date of approval of the limit and such limit may be refreshed by the Shareholders in general meeting. In addition, the total maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of all share options granted and to be granted (including both exercised and outstanding options) under the Share Option Scheme to each eligible participants (other than an independent non-executive Director or a substantial Shareholder of the Company or any of their respective associates) in any 12-month period up to and including the date of the latest grant of share options must not exceed 1% of the shares in issue at such date. Any further grant of share options under the Share Option Scheme in excess of this limit is subject to Shareholders' approval in a general meeting of the Company.

購股權計劃

於本公司二零一一年五月十七日舉行之股東週年大會上，股東批准採納新購股權計劃（「**購股權計劃**」）以取代於二零零二年八月三十日採納之舊購股權計劃（「**舊計劃**」）。舊計劃終止後，不可再據此授出其他購股權，而終止前已授出而未行使購股權則繼續有效及根據舊計劃的條文可予行使。

購股權計劃乃根據香港聯合交易所有限公司證券上市規則（「**上市規則**」）第17章的有關規定而採納，其旨在向為本集團作出貢獻或將會作出貢獻之合資格參與者提供獎勵或回報及／或讓本集團招聘及挽留優秀僱員及吸引對本集團而言屬寶貴之人力資源。合資格參與者包括本集團任何董事（包括非執行董事及獨立非執行董事）、僱員（不論全職或兼職）、向本集團提供貨物或服務之任何供應商、本集團任何客戶、向本集團提供研究、開發、技術支援或其他服務之任何代理或顧問、本集團任何股東或任何成員公司或本集團所發行任何證券之任何持有人。除非另行終止或修訂，購股權計劃於生效日期起計十年內有效。

因行使根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權而可能發行的最高股份數目合計不得超過批准限額日期本公司已發行股份的10%，而該限額可由股東於股東大會上更新。此外，於根據購股權計劃及本公司任何其他購股權計劃發行在外而未行使的購股權倘獲行使而可予發行的最高股份數目，不得超過不時已發行股份的30%。

於截至及包括購股權最後授出日期的任何十二個月期間內，因行使根據購股權計劃向各合資格參與者（除本公司獨立非執行董事或主要股東，或彼等各自的任何聯繫人士）授出及將授出的全部購股權（包括已行使及尚未行使購股權）而發行及將發行的股份總數，不得超過當日已發行股份的1%。倘根據購股權計劃進一步授出購股權，而超出此限額，則須於本公司股東大會上取得股東批准。

Under the Share Option Schemes, any grant of share options to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates are subject to approval by the independent non-executive Directors. In addition, any share options granted to an independent non-executive Director or a substantial Shareholder of the Company, or any of their respective associates, which would result in the shares issued and to be issued upon exercise of all share options already granted or to be granted under the Share Option Scheme (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the shares in issue; and (ii) having an aggregate value (based on the closing price of the shares at the date of grant) in excess of HK\$5 million, such grant of share options by the Board must be approved by Shareholders in general meeting of the Company.

The period within which share options may be exercised under the Share Option Scheme will be determined by the Board in its absolute discretion save that such period shall not be more than 10 years from the date of grant of the share options and that the Board may at its discretion determine the minimum period for which the share options have to be held before the exercise of the subscription right attaching thereto.

The exercise price of the share options under the Share Option Scheme is determinable by the Board in its absolute discretion, but in any event shall not be less than the highest of: (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of such share options; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of such share options; and (iii) the nominal value of the Company's shares.

The offer of a grant of share options under the Share Option Scheme may be accepted within 28 days from the date of the offer upon payment of a consideration of HK\$1.00 by the grantee.

During the Year, no share options were granted nor cancelled under the Share Option Scheme. As at 31 December 2020, the Company had no other outstanding share options.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws (the "Bye-laws") and there is no restriction against such rights under the laws of Bermuda.

根據購股權計劃，倘授出任何購股權予本公司董事、主要行政人員或主要股東或彼等各自的任何聯繫人士，須由獨立非執行董事批准。此外，倘授出任何購股權予本公司獨立非執行董事或主要股東，或彼等各自的任何聯繫人士，將導致於截至及包括有關授出日期的十二個月期間內，因行使根據購股權計劃已授出及將授出的全部購股權（包括已行使、註銷或未行使購股權）而發行及將發行的股份(i)合計超過已發行股份的0.1%；及(ii)總值超過5,000,000港元（根據授出日期股份的收市價計算），由董事會授出之有關購股權須於本公司股東大會上取得股東批准。

根據購股權計劃，購股權可行使之期限將由董事會以絕對酌情權釐定，惟該行使期不得超過自購股權授出日期起計10年，董事會可酌情釐定行使購股權所附帶之認購權前須持有購股權之最短期間。

根據購股權計劃，購股權的行使價由董事會以絕對酌情權釐定，但無論如何不得低於以下各項中的最高者：(i)本公司股份於授出該等購股權日期於聯交所日報表所報的收市價；(ii)本公司股份於緊接授出該等購股權日期前五個交易日於聯交所日報表所報的平均收市價；及(iii)本公司股份的面值。

獲授予人士可於授出購股權計劃項下購股權的日期起計28日內接納購股權，並支付代價1.00港元。

於本年度，根據購股權計劃，並無授出購股權或取消購股權。於二零二零年十二月三十一日，本公司並無未行使購股權。

優先購買權

根據本公司之公司細則（「公司細則」），並無有關優先購買權之條文及根據百慕達之法例，並無針對該等權利之限制。

DIRECTORS' REPORT

董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

TAX RELIEF AND EXEMPTION

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

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in Note 32(b) to the consolidated financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company had no retained profits available for cash distribution and/or distribution in specie. Pursuant to the Company Act 1981 of Bermuda (as amended), the Company's contributed surplus of HK\$740,880,000 is currently not available for distribution. The Company's share premium account of HK\$4,868,181,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate revenue attributable to the Group's five largest customers accounted for 92.14% and the largest customer accounted for approximately 67.53% of the Group's total revenue for the Year. The aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 59.04% and the largest supplier accounted for approximately 21.48% of the Group's total purchases from continuing operations for the Year.

During the Year, none of the Directors or any of their associates, or any shareholders of the Company (which to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any interest in any of the Group's five largest suppliers and customers.

購買、出售或贖回本公司上市證券

於本年度，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

稅務減免及豁免

本公司並不知悉股東因持有本公司證券而可獲得任何稅務減免及豁免。倘股東不確定購買、持有、出售、交易或行使與本公司證券有關之任何權利之稅務影響，彼等應諮詢其專業顧問。

儲備

於本年度，本公司及本集團之儲備變動詳情分別載於綜合財務報表附註32(b)及綜合權益變動表。

可供分派儲備

於二零二零年十二月三十一日，本公司概無保留溢利可供現金分派及／或實物分派。根據百慕達一九八一年公司法（經修訂），本公司之繳入盈餘740,880,000港元現時不可作分派。本公司之股份溢價賬4,868,181,000港元可以繳足紅利股份方式分派。

主要客戶及供應商

於本年度，本集團五大客戶佔本集團本年度總收益額92.14%，而最大客戶則佔本集團總收益約67.53%。於本年度，本集團五大供應商佔本集團之總採購額約59.04%，而最大供應商則佔本集團持續經營業務總採購額約21.48%。

於本年度，概無董事或任何彼等之聯繫人士，或據董事所深知擁有本公司已發行股本5%以上之任何本公司股東，於本集團任何一家五大供應商及客戶中擁有任何權益。

CONNECTED TRANSACTION

Jumbo Hope Group Limited (“**Jumbo Hope**”) a wholly owned subsidiary of the Company entered with New World Tower Company Limited (the “**Landlord**”) into the following documents:

- (i) an offer letter of the tenancy in respect of the lease of the office unit at Room 1402, 14/F, New World Tower I, 16–18 Queen’s Road Central, Hong Kong for a term commencing from 15 March 2020 to 14 March 2023 (both dates inclusive), at a monthly rental of HK\$81,091 (exclusive of services charges and government rates) on 25 March 2020; and
- (ii) an offer letter of a tenancy in respect of the lease of the office unit at Room 1401, 14/F, New World Tower I, 16–18 Queen’s Road Central, Hong Kong for a term commencing from 1 June 2020 to 31 May 2023 (both dates inclusive), at a monthly rental of HK\$247,091 (exclusive of service charges and government rates) on 27 May 2020, to be equally borne by Jumbo Hope and Cheung Hung Development (Holdings) Limited (“**Cheung Hung**”).

On 27 May 2020, Chow Tai Fook Capital Limited (“**CTFC**”) is a substantial shareholder of the Company. The Landlord, being a 30% controlled company (as defined in the Listing Rules) of CTFC, is an associate of CTFC. Cheung Hung is an associate of Mr. CHENG, Kam Chiu Stewart, a director and the chairman of the Company. Accordingly, each of the Landlord and Cheung Hung is a connected person of the Company, and the entering into of the offer Letters of tenancy constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

With the exception of Mr. CHENG, Kam Chiu Stewart, who abstained from voting on the relevant resolutions to approve the entering into of the offer Letters of tenancy on the grounds of being member of the board of directors of Cheung Hung, and also a relative (as defined in the Listing Rules) of Dr. CHENG, Kar Shun Henry, the chairman of New World Development Limited, the immediate parent company of the Landlord. The Board, including the Independent non-executive Directors, has reviewed the connected transaction and confirmed that they were:

- (i) entered into by the Group in its ordinary and usual course of businesses;
- (ii) conducted on normal commercial terms or on terms no less favourable than those available to or from independent third parties; and
- (iii) fair and reasonable and in the interests of the Company and its Shareholders as a whole.

關連交易

本公司全資附屬公司明協集團有限公司(「**明協**」)與New World Tower Company Limited(「**業主**」)訂立下列文件:

- (i) 於二零二零年三月二十五日訂立之租賃意向書,內容有關租賃位於香港皇后大道中16–18號新世界大廈14樓1402室之辦公室單位,租期自二零二零年三月十五日起至二零二三年三月十四日(包括首尾兩日)止,月租81,091港元(不包括服務費及政府差餉);及
- (ii) 於二零二零年五月二十七日訂立之租賃意向書,內容有關租賃位於香港皇后大道中16–18號新世界大廈14樓1401室之辦公室單位,租期自二零二零年六月一日起至二零二三年五月三十一日(包括首尾兩日)止,月租247,091港元(不包括服務費及政府差餉),將由明協及長虹發展(集團)有限公司(「**長虹**」)平均分擔。

於二零二零年五月二十七日,Chow Tai Fook Capital Limited (「**CTFC**」)為本公司的主要股東。業主(即CTFC擁有30%控制權的公司(定義見上市規則))為CTFC的聯繫人。長虹為本公司董事兼主席鄭錦超先生的聯繫人。因此,業主及長虹各自為本公司之關連人士,根據上市規則第14A章,訂立租賃意向書構成本公司的關連交易。

除鄭錦超先生已就批准訂立租賃意向書之相關決議案放棄投票外,原因為鄭錦超先生為長虹董事會之成員,亦為鄭家純博士(新世界發展有限公司(業主之直接母公司)之主席)之親屬(定義見上市規則)。董事會(包括獨立非執行董事)已審閱關連交易及確認其:

- (i) 乃由本集團於日常及一般業務過程中訂立;
- (ii) 乃按一般商業條款或不遜於向或自獨立第三方可獲得之條款進行;及
- (iii) 屬公平合理,並符合本公司及股東之整體利益。

DIRECTORS' REPORT

董事會報告

EXEMPT CONTINUING CONNECTED TRANSACTIONS, EXEMPT CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

Save as disclosed above, certain amounts of the transactions as set out in Note 34(b) and Note 34(c) to the consolidated financial statements fall within rule 14A.76(1) or rule 14A.90 of the Listing Rules, but each of the transactions sets out in Note 34(b) and Note 34(c) constitutes a de minimis or fully exempt transaction which was free from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

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 in existence during the Year.

DIRECTORS

The Directors during the Year and up to the date of this annual report were/are:

Executive Directors

Mr. CHENG, Kam Chiu Stewart (*Chairman*)
Mr. TANG, John Wing Yan (*Chief Executive Officer*)

Non-executive Director

Mr. LEE, Chi Hin Jacob

Independent non-executive Directors

Mr. YUNG, Chun Fai Dickie
Mr. CHIU, Wai On
Mr. HUANG, Victor (Note)
Mr. CHAN, Chi Yuen (*resigned on 24 March 2020*)

Note: On 19 June 2020, Mr. HUANG, Victor was appointed by the Board as an Independent non-executive Director. He was subsequently appointed as a member of each of the Audit Committee, Remuneration Committee and Nomination Committee with effect from 28 August 2020.

Biographical details of the Directors are set out on pages 30 to 33 of this annual report.

豁免持續關連交易、豁免關連交易及關聯方交易

除上文所披露者外，綜合財務報表附註34(b)及附註34(c)所載若干交易額符合上市規則第14A.76(1)條或第14A.90條之規定，惟附註34(b)及附註34(c)所載交易各自構成最低限額交易或悉數豁免交易，該等交易根據上市規則第14A章可豁免遵守申報、公告及獨立股東批准之規定。本公司已遵守根據上市規則第14A章之披露規定（就目前所適用者）。

管理合約

於本年度，本公司並無訂立或存有與本公司全部或任何重大部分業務之管理及行政有關之合約。

董事

於本年度及截至本年報日期止之董事如下：

執行董事

鄭錦超先生（主席）
鄧永恩先生（行政總裁）

非執行董事

李志軒先生

獨立非執行董事

翁振輝先生
招偉安先生
黃偉德先生（附註）
陳志遠先生（於二零二零年三月二十四日辭任）

附註：於二零二零年六月十九日，黃偉德先生獲董事會委任為獨立非執行董事。隨後彼獲委任為審核委員會、薪酬委員會及提名委員會各自的成員，自二零二零年八月二十八日起生效。

董事之履歷詳情載於本年報第30頁至第33頁。

In accordance with bye-law 87(1) of the Bye-laws and the code provision A.4.2 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, Mr. TANG, John Wing Yan, Mr. LEE, Chi Hin Jacob and Mr. HUANG, Victor shall retire by rotation at the AGM and, being eligible, offer themselves for re-election. Information on Directors proposed for re-election will be set out in the circular to the Shareholders accompanying the resolutions to re-elect them at the AGM.

PERMITTED INDEMNITY PROVISIONS

A permitted indemnity provision (as defined in section 467 of the Hong Kong Companies Ordinance) for the benefit of the Directors and officers of the Company is currently in force and was in force throughout the Year. Pursuant to the Bye-laws, the Directors and the officers of the Company shall be indemnified and secured harmless out of the assets of the Company which may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duties. The Company has maintained liability insurance to provide appropriate cover for the directors and officers of the Group.

DIRECTORS' SERVICE CONTRACTS

During the Year, none of the Directors had entered into a service contract with the Group which was not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as otherwise disclosed, no transactions, arrangements and contracts of significance to which the Company, or any of its subsidiaries, its holding companies or its fellow subsidiaries was party and in which a Director of the Company had a material interest, either directly or indirectly, subsisted at the end of the Year or at any time during the Year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

根據公司細則第87(1)條及上市規則附錄十四所載企業管治守則之守則條文第A.4.2條，鄧永恩先生、李志軒先生及黃偉德先生須於股東週年大會輪值告退，彼等符合資格並願意膺選連任。有關擬重選董事的資料將載列於向股東寄發的通函中，連同將於股東週年大會上重選彼等之決議案。

彌償條文

為保障本公司董事及高級管理人員利益而制定之獲准許彌償條文（定義見香港公司條例第467條）目前已生效並於本年度全年有效。根據公司細則，本公司董事及高級管理人員將獲以本公司資產作為彌償保證及擔保，使其不會因於執行職務期間作出、同意或遺漏之任何行為而將會或可能招致或蒙受損害。本公司已購買責任保險，為本集團董事及高級管理人員提供適當保障。

董事服務合約

於本年度，概無董事與本集團已訂立若不作出賠償（法定賠償除外），則不能於一年內終止之服務合約。

董事於交易、安排及合約之利益

除另有披露者外，於年末或本年度任何時間，概無存續本公司或其任何附屬公司、其控股公司或同系附屬公司為訂約方而本公司董事於當中直接或間接擁有重大權益的任何重大交易、安排及合約。

董事購買股份或債券之權利

除本年報所披露者外，於本年度任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, as recorded in the register kept by the Company under section 352 of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO") in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or chief executive of the Company pursuant to the SFO or to the Model Code for Securities Transactions by Directors of Listed Issuers (or any other applicable code), there were no interests, whether long or short positions, held or deemed to be interested by any of the Directors or chief executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any rights to subscribe for any shares, underlying shares or debentures of the Company and its associated corporations held or deemed to be interested by any of them as at 31 December 2020.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, to the best knowledge of the Directors, none of the Directors and their respective associates was considered to have any interest in any businesses that competes with or is likely to compete with the businesses of the Group.

DIRECTORS' REMUNERATION AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

The remuneration of Directors is recommended by the Remuneration Committee of the Company and approved by the Board, based on the job responsibilities, the prevailing market conditions of the industry and the Company's remuneration policy, operating performance and profitability.

Particulars of the Directors' remuneration and five individuals with highest emoluments are set out in Notes 11 and 12 to the consolidated financial statements respectively.

RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes are set out in Note 2.23(b) to the consolidated financial statements.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, the following corporations had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO and in accordance with information received by the Company.

董事及主要執行人員於股份、相關股份及債券之權益及淡倉

於二零二零年十二月三十一日，根據本公司按香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條而存置的登記冊所載錄，就涉及根據證券及期貨條例或上市發行人董事進行證券交易的標準守則（或任何其他適用守則）本公司的董事及／或主要行政人員須向本公司及聯交所發出通知的資料而言，任何本公司的董事或主要行政人員皆無持有或被當作持有本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證的好倉或淡倉權益，彼等於二零二零年十二月三十一日亦無持有或被當作持有可認購本公司及其相聯法團任何股份、相關股份或債權證的任何權利。

董事於競爭業務之權益

於本年度，就董事所深知，概無董事或彼等各自之聯繫人士被認為於與本集團業務構成競爭或可能構成競爭之任何業務中擁有任何權益。

董事酬金及五位最高薪酬人士

董事酬金乃根據工作職責、行業當時市場情況及公司的薪酬政策、經營業績及盈利能力，由本公司薪酬委員會推薦並由董事會批准。

董事酬金及五位最高薪酬人士詳情分別載於綜合財務報表附註11及12。

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註2.23(b)。

主要股東之權益及於股份及相關股份的淡倉

於二零二零年十二月三十一日，以下法團於本公司的股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文規定須向本公司披露或記入本公司根據證券及期貨條例第336條須予存置登記冊及符合本公司所接獲之資料的權益或淡倉。

DIRECTORS' REPORT

董事會報告

Long position of substantial Shareholders' interests in issued ordinary shares of the Company

主要股東於本公司已發行普通股權益之好倉

Name of Shareholders 股東名稱	Capacity/Nature of interests 身份／權益性質	Number of issued ordinary shares held 所持已發行普通股數目	Approximate percentage of the total issued share capital 佔已發行股本總額概約百分比 (Note (vii)) (附註(vii))
Max Sun Enterprises Limited ("Max Sun") (Note (i)) 萬新企業有限公司 (「萬新」) (附註(i))	Beneficially owned 實益擁有	5,737,129,098	65.50%
Chow Tai Fook Nominee Limited ("CTFNL") (Note (ii)) 周大福代理人有限公司 (「周大福代理人」) (附註(ii))	Interests in a controlled corporation 受控法團權益	5,737,129,098	65.50%
Chow Tai Fook (Holding) Limited ("CTFHL") (Note (iii)) 周大福(控股)有限公司 (「周大福控股」) (附註(iii))	Interests in a controlled corporation 受控法團權益	5,761,900,848	65.78%
Chow Tai Fook Capital Limited ("CTFC") (Note (iv)) Chow Tai Fook Capital Limited (「CTFC」) (附註(iv))	Interests in a controlled corporation 受控法團權益	5,761,900,848	65.78%
Cheng Yu Tung Family (Holdings) Limited ("CYTFH") (Note (v)) Cheng Yu Tung Family (Holdings) Limited (「CYTFH」) (附註(v))	Interests in a controlled corporation 受控法團權益	5,761,900,848	65.78%
Cheng Yu Tung Family (Holdings II) Limited ("CYTFH-II") (Note (vi)) Cheng Yu Tung Family (Holdings II) Limited (「CYTFH-II」) (附註(vi))	Interests in a controlled corporation 受控法團權益	5,761,900,848	65.78%
Elberta Holdings Limited	Beneficially owned 實益擁有	794,850,000	9.07%

DIRECTORS' REPORT

董事會報告

Notes:

As at 31 December 2020:

- (i) The entire issued share capital of Max Sun was legally and beneficially owned by CTFNL.
- (ii) CTFNL held 100% direct interest in Max Sun and was accordingly deemed to have an interest in the shares held by Max Sun.
- (iii) CTFHL held 99.90% direct interest in CTFNL and was accordingly deemed to have an interest in the shares of CTFNL.
- (iv) CTFC held 81.03% direct interest in CTFHL and was accordingly deemed to have an interest in the shares of CTFHL.
- (v) CYTFH held 48.98% direct interest in CTFC and was accordingly deemed to have an interest in the shares of CTFC.
- (vi) CYTFH-II held 46.65% direct interest in CTFC and was accordingly deemed to have an interest in the shares of CTFC.
- (vii) The approximate percentage of interests held was calculated on the basis of 8,758,880,988 ordinary shares of the Company in issue.

Save as disclosed above, as at 31 December 2020, the register maintained by the Company pursuant to Section 336 of the SFO recorded no other interests or short positions in the shares or underlying shares of the Company.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section "Exempt Continuing Connected Transactions and Related Party Transactions" in this directors' report, no contract of significance had been entered into between the Company or any of its subsidiaries, and any controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries during the Year.

CHANGES IN INFORMATION OF DIRECTORS

The changes in information of Directors are set out below pursuant to rule 13.51B(1) of the Listing Rules:

- The annual remuneration of Mr. CHENG, Kam Chiu Stewart, the executive Director and chairman of the Company, has been adjusted to HK\$2,584,800;

附註：

於二零二零年十二月三十一日：

- (i) 萬新之全部已發行股本由周大福代理人合法及實益擁有。
- (ii) 周大福代理人直接持有萬新之100%權益，因此被視為於萬新所持之股份中擁有權益。
- (iii) 周大福控股直接持有周大福代理人之99.90%權益，因此被視為於周大福代理人之股份中擁有權益。
- (iv) CTFC直接持有周大福控股之81.03%權益，因此被視為於周大福控股之股份中擁有權益。
- (v) CYTFH直接持有CTFC之48.98%權益，因此被視為於CTFC之股份中擁有權益。
- (vi) CYTFH-II直接持有CTFC之46.65%權益，因此被視為於CTFC之股份中擁有權益。
- (vii) 所持權益概約百分比乃按本公司之8,758,880,988股已發行普通股之基準計算。

除上文披露者外，於二零二零年十二月三十一日，根據證券及期貨條例第336條由本公司存置之登記冊於本公司股份或相關股份中並無錄得其他權益或淡倉。

控股股東於重大合約的權益

除本董事會報告「豁免持續關連交易及關聯方交易」一節所披露者外，於本年度，本公司或其任何附屬公司及本公司或其任何附屬公司的任何控股股東（定義見上市規則）之間概無訂立任何重大合約。

董事資料變動

根據上市規則第13.51B(1)條，董事資料之變動載列如下：

- 執行董事及本公司主席鄭錦超先生的年度薪酬已調整至2,584,800港元；

DIRECTORS' REPORT

董事會報告

- The annual remuneration of Mr. TANG, John Wing Yan, the executive Director and chief executive officer of the Company, has been adjusted to HK\$2,896,000;
 - The annual remuneration of Mr. LEE, Chi Hin Jacob, the non-executive Director and a member of the Audit Committee and Nomination Committee, has been adjusted to HK\$524,800.
 - Each of the independent non-executive Directors, Mr. YUNG, Chun Fai Dickie and Mr. CHIU, Wai On, has entered into a letter of appointment with the Company for a specific term of three years commencing from on 5 June 2019. Director's fee for each of Mr. Yung and Mr. Chiu remains at HK\$200,000 per annum; and
 - Mr. HUANG, Victor was appointed as an Independent non-executive Director on 19 June 2020 with a director's fee of HK\$200,000 per annum. He was subsequently appointed as a member of each of the Audit Committee, Remuneration Committee and Nomination Committee with effect from 28 August 2020.
- 執行董事兼本公司行政總裁鄧永恩先生的年度薪酬已調整至2,896,000港元；
 - 非執行董事以及審核委員會及提名委員會成員李志軒先生的年度薪酬已調整至524,800港元。
 - 獨立非執行董事翁振輝先生及招偉安先生各自已與本公司訂立委任書，自二零一九年六月五日起計，具體為期三年。翁先生及招先生各自的董事袍金仍為每年200,000港元；及
 - 於二零二零年六月十九日，黃偉德先生獲委任為獨立非執行董事，董事袍金為每年200,000港元。於二零二零年八月二十八日，彼隨後獲委任為審核委員會、薪酬委員會及提名委員會各自的成員。

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules throughout the Year and up to the date of this annual report.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 49 to 65 of this annual report.

公眾持股量

據本公司可公開查閱之資料及據董事所知，本公司已按照上市規則於整個年度及截至本年報日期止維持25%的最低公眾持股量。

企業管治

本公司致力維持高水平的企業管治。有關本公司所採納的企業管治措施的資料，載於本年報第49頁至第65頁的「企業管治報告」。

DIRECTORS' REPORT

董事會報告

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, the Group does not have any material subsequent events after 31 December 2020 and up to the date of this report.

AUDITOR

PricewaterhouseCoopers was appointed as auditor of the Company with effect from 11 November 2020 to fill the casual vacancy following the resignation of KPMG and to hold office until the conclusion of the forthcoming AGM of the Company. Save as disclosed above, there were no other changes in the auditor of the Company during the past three years.

The consolidated financial statements for the Year have been audited by PricewaterhouseCoopers, Certified Public Accountants, who will retire at the conclusion of the AGM. PricewaterhouseCoopers, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as the auditor of the Company will be proposed at the AGM.

OUTLOOK

The Company will continue to develop and grow while aiming to improve its financial position, business operation and industry reputation in order to create long-term value for shareholders.

By order of the Board

CHENG, Kam Chiu Stewart

Chairman

Hong Kong, 18 March 2021

報告期後事項

除上文所述外，本集團於二零二零年十二月三十一日後及截至本報告日期並無任何重大期後事項。

核數師

羅兵咸永道會計師事務所已獲委任為本公司之核數師，自二零二零年十一月十一日起生效，以填補畢馬威辭任後出現之臨時空缺，並任職至本公司應屆股東週年大會結束為止。除上文所披露者外，於過去三年，本公司核數師並無其他變動。

本年度的綜合財務報表已由執業會計師羅兵咸永道會計師事務所審核，其將於股東週年大會結束時退任。羅兵咸永道會計師事務所符合資格將獲重新委任。有關重新委任羅兵咸永道會計師事務所為本公司核數師之決議案將於股東週年大會上提呈。

展望

本公司將繼續發展及增長，並嘗試改善財政狀況、業務營運及行業聲譽，以提升長期股東價值。

承董事會命

主席

鄭錦超

香港，二零二一年三月十八日

CORPORATE GOVERNANCE REPORT

企業管治報告

The board (the “**Board**”) of directors (the “**Directors**”) of the Company and management of the Group strive to attain and maintain high standards of corporate governance best suited to the needs of its businesses and interest and value of the shareholders of the Company (the “**Shareholders**”) as the Board believes that effective governance is essential to the maintenance of the Group’s competitiveness and to its healthy growth.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted and applied the principles of the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. For the year ended 31 December 2020 (the “**Year**”), the Company complied with all code provisions of the CG Code and adopted the recommended best practices of the CG Code insofar as they are relevant and practicable, apart from the deviations as described in this Corporate Governance Report.

Code Provision C.1.2

Under code provision C.1.2 of the CG Code, management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the Company’s performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under rule 3.08 and Chapter 13 of the Listing Rules. During the Year under review, the management of the Company did not provide monthly updates to all members of the Board as required by the code provision C.1.2 of the CG Code, as all the executive Directors were involved in the daily operations of the Group and were fully aware of the performance, position and prospects of the Company, and the management of the Company had provided to all Directors (including, non-executive Director and independent non-executive Directors) quarterly updates giving a balanced and understandable assessment of the Company’s performance, position and prospects in sufficient details prior to the regular board meetings. In addition, the management of the Company had provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Group and sufficient background or explanatory information for matters brought before the Board.

本公司董事(「**董事**」)會(「**董事會**」)及本集團管理層相信有效的管治是本集團保持競爭力及穩健發展的要素。因此，董事會及本集團管理層務求符合企業管治並保持在高水平，從而最切合其業務需要及本公司股東(「**股東**」)的利益及價值。

企業管治守則

本公司已採納及應用香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)附錄十四所載企業管治守則(「**企業管治守則**」)守則條文的原則。本公司定期檢討其企業管治常規，以確保其持續遵守企業管治守則。截至二零二零年十二月三十一日止年度(「**本年度**」)，本公司一直遵守企業管治守則的所有守則條文，並於有關及實際可行的情況下採納企業管治守則的適用建議最佳常規，惟下文所述之偏離者除外。

守則條文第C.1.2條

根據企業管治守則的守則條文第C.1.2條，管理層應每月向董事會全體成員提供載列有關本公司績效、狀況及前景作出平衡及可理解評估的每月報告，內容詳情足以讓董事會及各董事履行上市規則第3.08條及第13章的職責。於回顧期內，由於所有執行董事均有參與本集團的日常運作，故彼等均對本公司的績效、狀況及前景具充份了解，且本公司管理層已於常規董事會會議舉行前向全體董事(包括非執行董事及獨立非執行董事)提交詳細載列有關本公司的績效、狀況及前景作出平衡及可理解評估的詳細季度報告，本公司管理層並無按照企業管治守則的守則條文第C.1.2條的規定，向董事會全體成員提交每月報告。此外，本公司管理層已於其績效、狀況及前景有任何重大變動時，及時向董事會全體成員提供有關的更新資料，以及董事會事宜的詳細背景或說明資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, each of the Directors has confirmed that he had complied with the required standard set out in the Model Code throughout the Year.

BOARD OF DIRECTORS

Composition of the Board

The Board currently comprises two executive Directors, one non-executive Director and three independent non-executive Directors as follows:

Executive Directors

Mr. CHENG, Kam Chiu Stewart (*Chairman*)
Mr. TANG, John Wing Yan (*Chief Executive Officer*)

Non-executive Director

Mr. LEE, Chi Hin Jacob

Independent non-executive Directors

Mr. YUNG, Chun Fai Dickie
Mr. CHIU, Wai On
Mr. HUANG, Victor (Note)

Note: On 19 Jun 2020, Mr. HUANG, Victor was appointed by the Board as an Independent non-executive Director. He was subsequently appointed as a member of each of the Audit Committee, Remuneration Committee and Nomination Committee with effect from 28 August 2020.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）。經向全體董事作出具體查詢後，董事各自已確認彼等於本年度內一直遵守標準守則所載之規定標準。

董事會

董事會組成

董事會現時由以下兩名執行董事、一名非執行董事及三名獨立非執行董事組成：

執行董事

鄭錦超先生（主席）
鄧永恩先生（行政總裁）

非執行董事

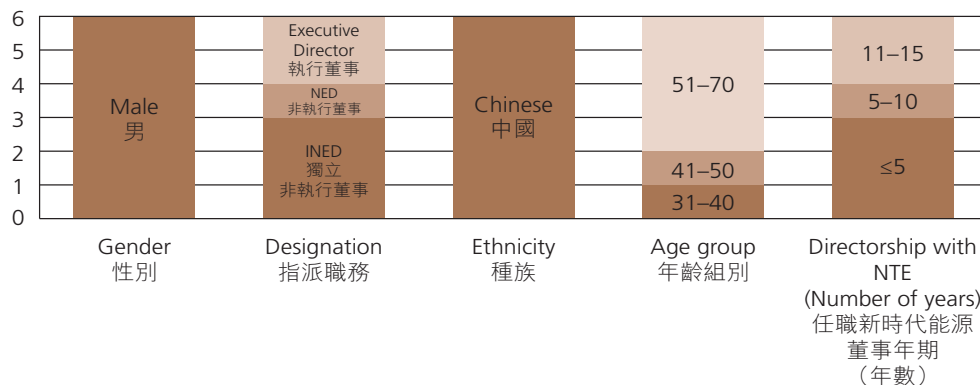
李志軒先生

獨立非執行董事

翁振輝先生
招偉安先生
黃偉德先生（附註）

附註：於二零二零年六月十九日，黃偉德先生獲董事會委任為獨立非執行董事。隨後彼獲委任為審核委員會、薪酬委員會及提名委員會各自的成員，自二零二零年八月二十八日起生效。

Number of Directors
董事人數



CORPORATE GOVERNANCE REPORT

企業管治報告

The Board has a balanced composition of Executive and Non-executive Directors with each Director having sound knowledge, experience and expertise contributing to the performance and development of the Group. All Directors are aware of their collective and individual responsibilities to the Shareholders and have exercised their duties of care, skill and diligence.

The Board members do not have any financial, business, family or other material and/or relevant relationships with each other. Biographical details of the Board members are set out in the "Information of Directors" section of this annual report.

Board Diversity Policy

The Company has a board diversity policy (the "Policy") which sets out the approach to diversify the Board. 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, professional and industrial experience, skills, knowledge, length of service, and any other factors that the Board might consider relevant and applicable. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee has set the measurable objectives based on gender, age, cultural and educational background, professional experience and skills and knowledge for the implementation of Board diversity of the Company.

The Nomination Committee and the Board will review the Policy, on a regular basis, to ensure its continued effectiveness from time to time. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

Having reviewed the Policy and taken into account the measurable objectives, the Nomination Committee and the Board considered that the Board's composition has complied with the requirements of the Policy during the Year.

董事會具有執行董事及非執行董事的均衡組合，每名董事均具備為本集團之表現及發展作出貢獻之豐富知識、經驗及專長。全體董事均知悉彼等對股東須共同及個別承擔責任及審慎、有技巧及勤勉地履行彼等的職責。

董事會成員相互之間並無任何財務、業務、親屬或其他重大及／或相關關係。董事會成員之簡歷詳情載於本年報「董事資料」一節。

董事會成員多元化政策

本公司採納董事會成員多元化政策（「政策」），當中載列促使董事會成員多元化而採取之方針。本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、專業及行業經驗、技能、知識、服務年期以及董事會認為相關及適用的任何其他因素，實現董事會成員多元化。最終決定將取決於所選定候選人將為董事會帶來的價值及貢獻。

提名委員會已按性別、年齡、文化及教育背景、專業經驗以及技能及知識制定可計量目標，以實現本公司董事會成員多元化。

提名委員會及董事會將定期審核有關政策，以確保其持續有效。提名委員會將討論任何可能須作出的修訂，再向董事會提出該等修訂建議，以供董事會考慮及批准。

經審核有關政策並考慮有關可計量目標，提名委員會及董事會認為，董事會之組成於本年度已符合有關政策之要求。

CORPORATE GOVERNANCE REPORT

企業管治報告

Responsibilities of the Board

The Board is responsible for the leadership and control of the Company and collectively responsible for promoting success of the Company by directing and supervising the Company's affairs. The Board also formulates objectives, overall corporate strategies and business plans, and oversees the financial and management performance of the Group. Day-to-day functions and authorities are delegated to the management, which include the implementation of objectives, strategies and plans adopted by the Board and the day-to-day management of the Group's business. There are established procedures for the Directors upon reasonable request, to seek independent advice in appropriate circumstances, at the Company's expense.

Apart from the regular Board meetings and pursuant to code provision A.2.7 of the CG Code, the chairman has also met with the independent non-executive Directors without the presence of executive Directors during the year. The independent non-executive Directors are encouraged to provide their independent views to the Board.

Corporate governance functions

It is the responsibility of the Board to determine the appropriate corporate governance practices applicable to the Company's circumstances and to ensure processes and procedures are in place to achieve the Company's corporate governance objectives.

The duties of the Board performing corporate governance functions under the CG Code include:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of Directors of the Company;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (in any) applicable to employees and Directors of the Company; and
5. to review the Company's compliance with the CG Code and disclosure in the Corporate Governance.

董事會之責任

董事會負責領導及統管本公司並共同負責通過直接監察本公司之事務促進本公司之成就。董事會亦負責制定本集團之目標、總體公司策略及業務規劃以及監管本集團之財務及管理表現。董事會向管理人員轉授日常職能及權力，包括實施董事會採納之目標、策略及計劃以及本集團業務之日常管理。本公司已訂立程序，讓董事在適當情況下作出合理要求尋求獨立意見，由本公司承擔相關費用。

除定期董事會會議之外及根據企業管治守則第A.2.7條之守則條文，主席亦已於本年度在並無執行董事出席的情況下與獨立非執行董事進行會面。在會面中鼓勵獨立非執行董事向董事會提供彼等之獨立意見。

企業管治職能

董事會負責因應本公司的情況而釐定合適的企業管治常規，並確保有關流程及程序得以切實執行，以達致本公司之企業管治目標。

根據企業管治守則，董事會履行企業管治職能之職務包括：

1. 制定及檢討本公司有關企業管治之政策及常規；
2. 檢討及監察本公司董事之培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察本公司僱員及董事適用之操守守則及合規手冊（如有）；及
5. 檢討本公司遵守企業管治守則的情況及於企業管治內之披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Meetings

The Board meets regularly and at least four times a year for the reviewing and approval of the Company's financial and operating performance, as well as the consideration and approval of the overall strategies and policies of the Company. Apart from the regular board meetings, the Board met on other occasions where necessary. Throughout the Year, Directors also participate in the consideration and approval of routine and operational matters of the Company by way of circulating resolutions.

During the Year, the Board held four regular meetings. To facilitate maximum attendance of the Directors and to provide opportunity to include matters in the agenda for the Board meetings, notices of regular Board meetings are served to all Directors at least 14 days before the regular meetings while reasonable notice is generally given for other meetings. Meeting agenda together with all appropriate, complete and reliable information are normally given to all Directors no less than 3 days prior to each Board meeting to enable them to make informed decisions. The Company Secretary is responsible to ensure that Board meetings comply with the relevant procedures, rules and regulations. All Board meeting minutes record the details of the matters discussed and decisions made. Board minutes are kept by the Company Secretary and signed by respective Directors.

Directors' attendance of the Board Meetings and Annual General Meeting ("AGM") held during the Year are set out below:

董事會會議

董事會每年最少定期舉行四次會議，以檢討及核准本公司財務及營運表現，以及考慮及審批本公司之整體策略及政策。除董事會常規會議外，董事會亦會另行召開其他會議（倘需要）。於本年度，董事亦透過傳閱決議案，參與考慮及批准本公司日常及營運事宜。

於本年度，董事會舉行四次例會。為了讓更多董事出席會議，並提供機會讓董事於董事會會議議程內加入任何事項，董事會常規會議通告須最少於常規會議舉行前14天送達全體董事；而其他會議則一般於合理時間內發出通知。會議議程連同所有適當、完整及可靠的資料通常於各董事會會議舉行前不少於3日給予全體董事，以便彼等得以作出知情決定。公司秘書負責確保董事會會議符合相關程序、規則及規定。所有董事會會議記錄記載有關所討論事宜及所作出決定之詳情。董事會會議記錄由公司秘書保存並由相關董事簽署。

本公司於本年度舉行之董事會會議及股東週年大會（「股東週年大會」）之董事出席情況詳情載列如下：

Name of Directors	董事姓名	Number of Board Meetings attended/held 董事會會議出席/舉行次數	AGM attended/held 出席/舉行股東週年大會
Executive of Directors			
Mr. CHENG, Kam Chiu Stewart (Chairman)	鄭錦超先生 (主席)	9/9	1/1
Mr. TANG, John Wing Yan (Chief Executive Officer)	鄧永恩先生 (行政總裁)	9/9	1/1
Non-executive Director			
Mr. LEE, Chi Hin Jacob	李志軒先生	9/9	0/1
Independent Non-executive Directors			
Mr. YUNG, Chun Fai Dickie	翁振輝先生	9/9	1/1
Mr. CHIU, Wai On	招偉安先生	9/9	1/1
Mr. HUANG, Victor	黃偉德先生	3/3*	-
Mr. CHAN, Chiu Yuen (resigned on 24 March 2020)	陳志遠先生 (於二零二零年三月二十四日辭任)	3/3**	-
* During the Year, three board meetings of the Companies were held after the appointment of Mr. HUANG, Victor on 19 June 2020.		* 年內，自黃偉德先生於二零二零年六月十九日獲委任之後，本公司共舉行三次董事會會議。	
** During the Year, three board meetings of the Companies were held before the resignation of Mr. CHAN, Chiu Yuen on 24 March 2020.		** 年內，自陳志遠先生於二零二零年三月二十四日辭任後，本公司共舉行三次董事會會議。	

CORPORATE GOVERNANCE REPORT

企業管治報告

Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer are held by two executive Directors, Mr. CHENG, Kam Chiu Stewart and Mr. TANG, John Wing Yan respectively. Their respective responsibilities are clearly established and defined.

The Chairman provides leadership for the Board and is accountable to the Board ultimately. The Chairman takes the lead to encourage Directors to make active contribution to the Board's affairs and ensure that the Board acts in the best interests of the Company.

The Chief Executive Officer represents the management of the Company and is accountable to the Board. His main responsibilities include overseeing the implementation of the Group's strategies, objectives and policies as well as monitoring day-to-day management of the Group's businesses and operations.

Non-executive Director and Independent Non-executive Directors

The non-executive Director and the independent non-executive Directors give the Board the benefit of their skills, expertise, varied background and experiences. Through active participation in Board meetings and serving on various Board Committees, the non-executive Director and the independent non-executive Directors bring in independent judgment and make valuable contributions to the effective direction and strategic decision-making of the Group.

The Company has received an annual confirmation of independence from each of the three independent non-executive Directors. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his independence. During the Year, the Nomination Committee has assessed the independence of each of the independent non-executive Directors based on the guidelines as set out in Rule 3.13 of the Listing Rules and considered them to be independent.

Between 24 March 2020 and 18 June 2020, the Company was unable to meet the requirement of having a minimum number of three independent non-executive Directors under Rule 3.10(1) of the Listing Rules.

Except for the deviation stated in the above period, the Company has complied with the requirements under Rules 3.10(1) of the Listing Rules throughout the year.

主席及行政總裁

主席及行政總裁角色分別由兩名執行董事（鄭錦超先生及鄧永恩先生）擔任。彼等各自之責任已清晰確立及界定。

主席領導董事會及最終向董事會負責。主席負責帶領董事對董事會事務作出積極貢獻，並確保董事會行事符合本公司之最佳利益。

行政總裁代表本公司之管理層，並向董事會負責。其主要職責包括監管本集團策略、目標及政策之實施，以及監察本集團業務之日常管理及營運。

非執行董事及獨立非執行董事

非執行董事及獨立非執行董事之技能、專業知識、不同的背景及經驗為董事會帶來裨益。透過積極參與董事會會議及為董事會轄下各委員會服務，非執行董事及獨立非執行董事均對本集團之業務方向及策略性決策帶來獨立判斷及作出寶貴貢獻。

本公司已接獲三名獨立非執行董事各自就其獨立性作出年度確認。倘出現任何可能影響其獨立性之變動，每名獨立非執行董事須在實際可行情況下盡快通知本公司。於本年度，提名委員會已根據上市規則第3.13條所載之指引評估每名獨立非執行董事之獨立性，並認為彼等屬獨立。

於二零二零年三月二十四日至二零二零年六月十八日，本公司未能滿足上市規則第3.10(1)條項下擁有最少三名獨立非執行董事之規定。

除以上所載於上述期間的偏離外，本公司於本年度一直符合上市規則第3.10(1)條的規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

Appointment and re-election of Directors

In compliance with the requirements under the Listing Rules and the Bye-laws of the Company (the “Bye-laws”), (i) any Director who is appointed to fill a casual vacancy is subject to election by the Shareholders at the first general meeting after appointment; and (ii) all Directors should be subject to retirement by rotation at least once every three years and are eligible for re-election.

Accordingly, the Directors, Mr. TANG, John Wing Yan and Mr. LEE, Chi Hin Jacob will retire from office by rotation at the AGM and being eligible, offer themselves for re-election at the same meeting.

Mr. HUANG, Victor who was appointed as an independent non-executive Director in June 2020, will hold office only until the AGM and will offer himself for re-election at the AGM in accordance with the Bye-Laws 86(2).

INDUCTION, INFORMATION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Upon appointment to the Board, Directors will receive an induction package covering the general understanding of the Group and its businesses and operations. Meetings will also be arranged with the Company’s external legal adviser on directors’ legal role and responsibilities.

委任及重選董事

遵照上市規則及公司細則（「公司細則」）之規定，(i)任何獲委任以填補臨時空缺之董事，須於獲委任後首個股東大會上獲股東推選；及(ii)全體董事須最少每三年輪值告退一次，並符合資格膺選連任。

故此，董事鄧永恩先生及李志軒先生將於股東週年大會上輪值告退，及彼等合資格並願意於同一大會上膺選連任。

黃偉德先生於二零二零年六月獲委任為獨立非執行董事，任期將僅至股東週年大會結束時止，及將願意根據公司細則第86(2)條於股東週年大會上膺選連任。

就任須知、資訊及持續專業發展

董事獲委任加入董事會時將獲發整套包括本集團一般認知及其業務與營運的資料。本公司之外聘法律顧問亦會就董事之法律職務及職責安排會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

All Directors are kept informed on a timely basis of major changes on the relevant laws, rules and regulations. Timely updates on the Group's financial performance, businesses and developments are also provided to the Directors. They also have full and timely access to information on the Group and independent professional advice at all times whenever deemed necessary.

In compliance with the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development (the "CPD") to develop and refresh their knowledge and skills. During the Year, the Company encouraged all Directors to attend training courses, seminars, webcasts or conferences which were relevant to their respective duties and responsibilities at the Company's expenses, and provided relevant materials and updates for their reading. The Directors are required to provide the Company with details of CPD training taken by them from time to time. The training records are kept by the Company Secretary. Based on the records provided, the Directors participated in the following CPD programmes during the Year:

所有董事均按時獲悉有關相關法例、法規及規例之重大變動，董事亦會適時獲提供本集團財務表現、業務及發展的最新消息。彼等均可完全而及時地得到本集團的資料及於有需要時隨時取得獨立專業意見。

為符合企業管治守則之守則條文第A.6.5條，全體董事須參與持續專業發展（「持續專業發展」），以發展及重溫其知識及技能。於本年度，本公司鼓勵全體董事出席與彼等各自之職務及職責有關之培訓課程、座談會、網播課或會議，費用由本公司承擔，並已提供相關資料及最新消息以供彼等閱覽。董事須向本公司提供有關彼等不時接受之持續專業發展培訓之詳情。培訓記錄由公司秘書保存。根據所提供之記錄，於本年度董事已參與以下持續專業發展：

		Directors' Training in 2020 董事於二零二零年的培訓	
Name of Directors 董事姓名		Attending training courses, seminars, webcasts or conferences 出席培訓課程、 座談會、 網播課或會議	Reading materials or updates 閱覽資料或 最新消息
		Executive of Directors Mr. CHENG, Kam Chiu Stewart (Chairman)	執行董事 鄭錦超先生(主席)
Mr. TANG, John Wing Yan (Chief Executive Officer)	鄧永恩先生(行政總裁)	✓	✓
Non-executive Director Mr. LEE, Chi Hin Jacob	非執行董事 李志軒先生	✓	✓
Independent Non-executive Directors Mr. YUNG, Chun Fai Dickie	獨立非執行董事 翁振輝先生	✓	✓
Mr. CHIU, Wai On	招偉安先生	✓	✓
Mr. HUANG, Victor	黃偉德先生	✓	✓

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES

As an important part of a sound corporate governance practice, the Board has established four Board Committees: the Nomination Committee, Remuneration Committee, Audit Committee and Executive Committee to assist the Board to discharge its functions. Each Committee has specific written terms of reference which sets out clearly the Committee's duties and authority. The terms of reference and the list of members of each committee are published on the websites of the Hong Kong Stock Exchange and/or the Company.

The Board Committees are provided with sufficient resources to perform their duties, including the management support and engagement of independent professional advice at the Company's expense. The Committees report to the Board on their decisions or recommendations and maintain an effective and constructive communication with the Board.

Remuneration Committee

The Remuneration Committee currently comprises four Directors namely Mr. CHENG, Kam Chiu Stewart, Mr. YUNG, Chun Fai Dickie, Mr. CHIU, Wai On and Mr. HUANG, Victor with majority members being independent non-executive Directors. Mr. YUNG, Chun Fai Dickie, the independent non-executive Director, is currently the chairman of the Remuneration Committee.

The Remuneration Committee is mainly responsible for making recommendations on and approving the remuneration packages of the executive Directors of the Company. Details of the authority and duties of the Remuneration Committee are available on the websites of the Company and Stock Exchange.

During the Year, the Remuneration Committee convened two meetings to, inter alia, review the remuneration packages of the executive Directors, and approve the appointment letter and remuneration packages for the new Independent non-executive Director. Members' attendance of the Remuneration Committee Meetings held during the Year are set out below:

董事委員會

作為健全之企業管治常規的重要部分，董事會已設立四個董事會委員會：即提名委員會、薪酬委員會、審核委員會及執行委員會，以協助董事會履行其職能。各委員會均具備書面特定職權範圍，清楚載列委員會之職權及職責。各委員會之職權範圍及成員名單登載於香港聯交所及／或本公司網站。

董事委員會獲提供充足資源以履行其職責，包括管理層的支援及由本公司承擔費用之獨立專業意見諮詢。委員會向董事會匯報其決策或建議，並與董事會保持有效及具建設性的溝通。

薪酬委員會

薪酬委員會現時包括四名董事（即鄭錦超先生、翁振輝先生、招偉安先生及黃偉德先生），其中多數成員為獨立非執行董事。獨立非執行董事翁振輝先生現在為薪酬委員會主席。

薪酬委員會主要負責就本公司執行董事之薪酬待遇提供推薦意見及加以審批。有關薪酬委員會職權及職責之詳情，可於本公司及聯交所網站查閱。

於本年度，薪酬委員會召開兩次會議以（其中包括）檢討執行董事的薪酬待遇，並批准新獨立非執行董事之委任函及薪酬待遇。於本年度舉行之薪酬委員會會議之成員出席次數載列如下：

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Name of Members	董事姓名	Number of Meetings attended/held 會議出席／ 舉行次數
Mr. YUNG, Chun Fai Dickie (<i>Chairman</i>)	翁振輝先生 (主席)	2/2
Mr. CHENG, Kam Chiu Stewart	鄭錦超先生	2/2
Mr. CHIU, Wai On	招偉安先生	2/2
Mr. HUANG, Victor	黃偉德先生	1/1*
Mr. CHAN, Chi Yuen (<i>Chairman</i>) (resigned on 24 March 2020)	陳志遠先生 (主席) (於二零二零年三月二十四日辭任)	–
Mr. LEE, Chi Hin Jacob (resigned on 24 March 2020)	李志軒先生 (於二零二零年三月二十四日辭任)	–

* One Remuneration Committee meeting was held after the appointment of Mr. HUANG, Victor on 28 August 2020.

* 自黃偉德先生於二零二零年八月二十八日獲委任之後，本公司舉行一次薪酬委員會會議。

Nomination Committee

The Nomination Committee currently comprises four Directors namely Mr. LEE, Chi Hin Jacob, Mr. YUNG, Chun Fai Dickie, Mr. CHIU, Wai On and Mr. HUANG, Victor with majority members being independent non-executive Directors. Mr. YUNG, Chun Fai, Dickie, the independent non-executive Director, is currently the chairman of the Nomination Committee.

The Nomination Committee is responsible for, amongst other things, identifying individuals suitably qualified to become Board members, considering the re-appointment of Directors, reviewing the Board's diversity policy and relevant implementation of the diversity policy, and making recommendations to the Board in respect of the aforesaid matters.

By such policy, the selection of candidates is based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision is based on merit and contribution that the selected candidates bring to the Board. Details of the authority and duties of the Nomination Committee are available on the websites of the Company and Stock Exchange.

提名委員會

提名委員會現時包括四名董事（即李志軒先生、翁振輝先生、招偉安先生及黃偉德先生），其中多數成員為獨立非執行董事。獨立非執行董事翁振輝先生現在為提名委員會主席。

提名委員會負責（其中包括）識別適當成為董事會成員之合資格人士、考慮續聘董事、審核董事會成員多元化政策及多元化政策之相關實施以及就上述事宜向董事會作出推薦建議。

在該政策下，甄選人選按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識以及服務年期。最終按人選的長處及可為董事會提供的貢獻而作決定。有關提名委員會職權及職責之詳情，可於本公司及聯交所網站查閱。

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During the Year, the Nomination Committee convened three meetings to review the structure, size, composition and diversity of the Board, and recommendation of appointment of the Independent non-executive Director. Members' attendance of the Nomination Committee Meeting held during the Year are set out below:

於本年度，提名委員會召開三次會議，以審閱董事會之架構、規模、組成及成員多元化以及建議委任獨立非執行董事。於本年度舉行之提名委員會會議之成員出席次數載列如下：

Name of Members	董事姓名	Number of Meeting attended/held 會議出席／ 舉行次數
Mr. YUNG, Chun Fai Dickie (<i>Chairman</i>)	翁振輝先生 (主席)	3/3
Mr. CHIU, Wai On	招偉安先生	3/3
Mr. LEE, Chi Hin Jacob	李志軒先生	3/3
Mr. HUANG, Victor	黃偉德先生	1/1*
Mr. CHENG, Kam Chiu Stewart (<i>resigned on 24 March 2020</i>)	鄭錦超先生 (於二零二零年三月二十四日辭任)	-
Mr. CHAN, Chi Yuen (<i>Chairman</i>) (<i>resigned on 24 March 2020</i>)	陳志遠先生 (主席) (於二零二零年三月二十四日辭任)	-

* During the Year, one Nomination Committee meeting was held after the appointment of Mr. HUANG, Victor on 28 August, 2020.

* 年內，自黃偉德先生於二零二零年八月二十八日獲委任之後，本公司舉行一次提名委員會會議。

Audit Committee

The Audit Committee currently comprises four Directors namely Mr. LEE, Chi Hin Jacob, Mr. YUNG, Chun Fai Dickie, Mr. CHIU, Wai On and Mr. HUANG, Victor with majority members being independent non-executive Directors. All of them possess the relevant qualifications, experiences and skills to contribute to the financial, governance, internal controls and risk management of the Company. Mr. CHIU, Wai On, the independent non-executive Director, with professional qualifications and accounting and related financial management expertise is currently the chairman of the Audit Committee.

The main duties of the Audit Committee include reviewing the consolidated financial statements and reports and considering any significant or unusual financial items; overseeing the relationship between the Company and the external auditor; considering the scope of its audit, approving the audit fees and the appropriateness of non-audit services; and reviewing the adequacy and effectiveness of the Company's financial controls and risk management and internal control systems. Details of the authority and duties of the Audit Committee are available on the websites of the Company and Stock Exchange.

審核委員會

審核委員會現時包括四名董事（即李志軒先生、翁振輝先生、招偉安先生及黃偉德先生），其中多數成員為獨立非執行董事。彼等均具備相關資格、經驗及技能，對本公司之財務、管治、內部監控及風險管理均作出貢獻。具備專業資格及會計以及相關財務管理專長之獨立非執行董事招偉安先生現時為審核委員會主席。

審核委員會之主要職務包括審閱綜合財務報表及報告並審議任何重大或特殊財務事項；監察本公司與外聘核數師之關係；考慮其審核範圍、批准審核費用及非審核服務的適當性；及檢討本公司財務監控、風險管理及內部監控制度是否足夠及有效。有關審核委員會職權及職責之詳情，可於本公司及聯交所網站查閱。

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During the Year, the Audit Committee held five meetings, inter alia, to review the 2019 annual results and the 2020 interim results of the Group and to review the Group's internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function. In addition, the Audit Committee met the external auditor once without the presence of the management to discuss any areas of concerns. Members' attendance of the Audit Committee Meetings held during the Year are set out below:

於本年度，審核委員會召開五次會議，以（其中包括）審閱本集團二零一九年之年度業績及二零二零年之中期業績；審閱本集團之內部監控制度，包括本公司會計及財務匯報職能之資源充足性、員工之資格及經驗。此外，審核委員會與外聘核數師在管理人員缺席的情況下進行一次會面，討論所值得關注的問題。於本年度舉行之審核委員會成員出席次數載列如下：

Name of Members	董事姓名	Number of Meetings attended/held 會議出席／舉行次數
Mr. CHIU, Wai On (<i>Chairman</i>)	招偉安先生（主席）	5/5
Mr. LEE, Chi Hin Jacob	李志軒先生	4/5
Mr. YUNG, Chun Fai Dickie	翁振輝先生	5/5
Mr. HUANG, Victor	黃偉德先生	2/2*
Mr. CHAN, Chi Yuen (<i>resigned on 24 March 2020</i>)	陳志遠先生 (於二零二零年三月二十四日辭任)	2/2**

* During the Year, two Audit Committee meetings were held after the appointment of Mr. HUANG, Victor on 28 August 2020.

* 年內，自黃偉德先生於二零二零年八月二十八日獲委任之後，本公司舉行兩次審核委員會會議。

** During the Year, two Audit Committee meetings were held before the resignation of Mr. CHAN, Chi Yuen on 24 March 2020.

** 年內，於陳志遠先生於二零二零年三月二十四日辭任之前，本公司舉行兩次審核委員會會議。

Executive Committee

The Executive Committee was established on 30 August 2017 and is currently chaired by the Chairman of the Board, Mr. CHENG, Kam Chiu Stewart with the CEO, Mr. TANG, John Wing Yan as member. The executive Directors involved in operations of the Group and are fully aware of the performance, position, and prospects of the Company.

執行委員會

執行委員會於二零一七年八月三十日成立，現由董事會主席鄭錦超先生擔任主席，成員包括行政總裁鄧永恩先生。執行董事參與本集團的營運，並完全了解本公司的表現、狀況及前景。

The main duties of the Executive Committee include overseeing the general management and day-to-day operations of the Company, monitoring the execution of the Company's business strategy as approved by the Board, approving any changes to the scope of authority delegated to the management and any other matters specifically delegated to it by the Board. Details of the authority and duties of the Executive Committee are available on the Company's website.

執行委員會的主要職責包括監督本公司的一般管理及日常營運、監督董事會批准的本公司業務戰略的執行情況、批准授予管理人員的授權範圍的任何變動以及董事會特別授予的任何其他事項。有關執行委員會職權及職責之詳情，可於本公司網站查閱。

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During the Year, the Executive Committee held sixteen meetings. Members' attendance of the Executive Committee Meetings held during the Year are set out below:

於本年度，執行委員會召開十六次會議。於本年度舉行之執行委員會會議之成員出席次數載列如下：

Name of Members	董事姓名	Number of Meetings attended/held 會議出席／ 舉行次數
Mr. CHENG, Kam Chiu Stewart (Chairman)	鄭錦超先生(主席)	16/16
Mr. TANG, John Wing Yan (Chief Executive Officer)	鄧永恩先生(行政總裁)	16/16

ACCOUNTABILITY AND AUDIT

Financial reporting

The Directors acknowledge their responsibility for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Listing Rules, the Hong Kong Companies Ordinance and other applicable regulatory requirements, and for such internal control as the Directors determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board is responsible for presenting balanced, clear and understandable annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management has provided the Directors such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

In determining the appropriate basis of preparation of the consolidated financial statements, the Directors have reviewed the Group's cash flow projections prepared by management based on estimations of future revenue from sales of crude oil, future production costs, committed and planned capital expenditure and the availability of financing, which cover a period of twelve months from the reporting period end date. They are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due and committed future capital expenditure within the next twelve months from the end of the current reporting period.

問責及審核

財務匯報

董事確認彼等編製綜合財務報表之責任，須負責根據香港會計師公會頒佈的香港財務報告準則及上市規則、香港公司條例之適用披露規定以及其他適用監管規定編製真實而公平的綜合財務報表，及董事釐定編製綜合財務報表的必要內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

董事會負責根據上市規則及其他法定及監管規定呈列全面、清晰及可理解的年報及中期報告、內幕消息公告及其他披露事宜。

管理層已向董事提供所需的解釋及資料，以使董事會能夠對本公司財務報表作出知情評估，並提交董事會批准。

在決定綜合財務報表之合適編製基準時，董事已審閱管理層根據對未來銷售原油之收益、未來生產成本、承諾及計劃資本支出及可用融資作出的估計而編製的本集團現金流預測，涵蓋期間由報告期末當日起計十二個月。彼等認為本集團將擁有足夠營運資金於到期時應付其財務責任，以及自本報告期末起計未來十二個月的承諾未來資本支出。

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The Directors also confirm that, to the best of their knowledge, information and belief, having made all reasonable enquires, they are not aware of any material uncertainties relating to events of conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The reporting responsibilities of the external auditor, PricewaterhouseCoopers ("PwC"), are set out in the Independent Auditor's Report on pages 82 to 91 to this annual report.

Auditor's remuneration

The Audit Committee has been notified of the nature and service charges of the non-audit services performed by PwC and considered that such services have no adverse effect on the independence of their audit works.

A summary of audit and non-audit services provided by PwC for the Year and their corresponding remuneration is as follows:

據董事作出一切合理查詢後所深知、全悉及確信，彼等亦確認並不知悉有任何可能對本公司之持續經營能力構成重大懷疑之相關事項重大不明朗因素。

外聘核數師羅兵咸永道會計師事務所（「羅兵咸永道」）之報告責任載於本年報第82頁至第91頁之獨立核數師報告。

核數師酬金

審核委員會已獲知會羅兵咸永道履行非審核服務之性質及服務收費，認為該等服務對其審核工作之獨立性並無構成負面影響。

於本年度，羅兵咸永道提供之審核及非審核服務概要以及其相應酬金如下：

Nature of Services	服務性質	Amount 款額 (HK\$'000) (千港元)
Audit service for the Year	於本年度之審核服務	1,880
Others (including agreed-upon procedures in respect of preliminary announcement of the annual results)	其他（包括有關全年業績初步公告之協定程序）	20

RISK MANAGEMENT AND INTERNAL CONTROL

The Board, recognising its overall responsibility in ensuring the risk management and internal control systems of the Group and reviewing its effectiveness, is committed to implementing an effective and sound risk management and internal control systems to safeguard the interests of the Shareholders and the assets of the Group. The Audit Committee has been delegated by the Board to review the risk management and internal control systems.

Procedures have been designed to (i) safeguard assets from inappropriate use; (ii) maintain proper accounting records; (iii) ensure compliance with applicable laws, rules and regulations; and (iv) manage the risk of failure to achieve business objectives. To safeguard confidentiality, information access is managed on a need-to-know basis. Use of computers, especially access to the internet and e-mail systems, is similarly regulated with a view towards security.

風險管理及內部監控

董事會知悉其就確保本集團風險管理及內部監控制度及檢討其有效性之全面職責，承諾執行有效及穩健之風險管理及內部監控制度，以保障股東權益及本集團資產。審核委員會已獲董事會委任以檢討風險管理及內部監控制度。

本集團已設計程序(i)防止不恰當使用資產；(ii)存有適當會計記錄；(iii)確保遵守適用法例、法規及規例；及(iv)管理無法達致業務目標之風險。為保障機密性，資訊取用乃按需要知道的基礎上進行管理。使用電腦，特別是使用互聯網及電子郵件系統，同樣受到安全監管。

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The risk management and internal control systems of the Group provide a reasonable, but not absolute, assurance that material misstatement of the financial statements are prevented, potential interruption of the Group's management system is detected, and risks existing in the course of arriving at the Group's objectives are properly managed. It can only manage, rather than eliminate, all risks of material misstatement, errors, loss or fraud.

During the Year, the Company engaged an independent advisory firm, to perform an internal control review to assess the Group's internal control systems in order to assist the Board in reviewing its effectiveness. The reviews, normally performed once a year, covered the effectiveness of the financial, operational and compliance controls and risk management functions of the Group, with a focus on the core business of the Group (i.e. the upstream business in Argentina). Relevant report from the independent advisory firm was presented to and reviewed by the Audit Committee and the Board. Based on the results of internal control review for the Year and the assessment of the Audit Committee thereon, no material inadequacies or deficiencies in the risk management and internal control systems were drawn to the attention of the Audit Committee, but appropriate recommendations for further enhancing the internal control systems have been taken. The Board is of the view that the internal control systems were effective and adequate and no irregularities, fraud or other deficiencies were identified for the financial year ended 2020.

COMPANY SECRETARY

The Company Secretary directly reports to the Board. The Company Secretary is responsible for supporting and advising the Board on governance matters. All Directors have access to the advice and service of the Company Secretary to ensure that Board procedures, all applicable rules and regulations are followed.

Mr. LEE, Kun Yin was appointed as the Company Secretary of the Company in March 2020 and confirmed that he has taken no less than 15 hours of relevant professional training.

本集團風險管理及內部監控制度可合理(但並非絕對)保證避免出現財務報表的重大錯誤陳述,以及檢測本集團管理系統之潛在運作中斷,和妥善管理達成本集團目標過程中所存在之風險。該制度僅管理而非消除所有重大錯誤陳述、錯誤、損失或欺詐風險。

於本年度,本公司聘請獨立顧問公司開展內部控制檢討以評估本集團內部監控制度,以協助董事會檢討該制度的有效性。每年通常執行一次檢討,涵蓋本集團有關財務、營運及合規控制以及風險管理職能方面的有效性,以本集團的核心業務(即阿根廷的上游業務)為重點。獨立顧問公司的相關報告已提交審核委員會及董事會審查。根據本年度的內部控制檢討結果及審核委員會對其的評估,風險管理及內部控監控制度概無缺陷或不足引起審核委員會的關注,但已提出適當建議進一步加強內部監控制度。因此,董事會認為,內部控制系統乃充足有效及於截至二零二零年止之財政年度內概無發現違規、欺詐或其他不足之處。

公司秘書

公司秘書直接向董事會匯報。公司秘書負責就管治事宜向董事會提供支持及意見。所有董事均可獲得公司秘書之意見及服務,以確保董事會之程序及所有適用規則及規例均獲得遵守。

李冠賢先生於二零二零年三月獲委任為本公司的公司秘書並確認彼已參加不少於15小時之相關專業培訓。

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SHAREHOLDERS

Communications with Shareholders

The Board recognises the importance of continuing communications with the Company's Shareholders and investors, and maintains ongoing dialogues with them through various channels. The formal communication channels between the Company and the Shareholders are announcements, circulars and interim and annual reports. All Shareholders' communications are available on the Company's website. During the Year, there was no change in the Company's constitutional documents. An up-to-date consolidated version of the Bye-laws is also available on the websites of the Company and Hong Kong Exchanges and Clearing Limited.

Shareholders are encouraged to participate in general meetings of the Company which provide a useful forum for the Shareholders to exchange views with the Board. The Board members and management of the Company are available to answer Shareholders' questions and explain the procedures for demanding and conducting a poll, if necessary.

Shareholders' rights

Under the Bye-laws, Shareholders holding not less than 10% of the paid-up capital of the Company at the date of deposit of written requisition to the Board or the Company Secretary, can at all times request a special general meeting to be called by the Board for addressing specific issues of the Company within 21 days from the date of deposit of such requisition to the Company's head office address in Hong Kong.

The Group recognises Shareholders' rights in exercising control proportionate to their equity ownership. The Company has been conducting voting at the general meetings by way of poll, which is conducted and scrutinised by the Company's branch share registrar in Hong Kong. Procedures for conducting a poll are explained by the Chairman of the Board in the general meetings prior to the taking of the poll. Poll results are announced and posted on the websites of both the Company and Hong Kong Exchanges and Clearing Limited.

股東

與股東之溝通

董事會認同本公司股東與投資者透過不同渠道保持溝通以及持續對話之重要性。公告、通函及中期與年度報告乃本公司與股東之間之正式溝通渠道。所有與股東通訊均可於本公司網站查閱。於本年度，本公司憲章文件概無變動。本公司最新的公司細則綜合版本已上載至本公司與香港交易及結算有限公司之網站。

股東獲鼓勵參與股東大會，為股東提供與董事會交換意見之實用討論平台。本公司董事會成員及管理層會解答股東之提問，並於需要時解釋要求及進行按股數投票表決之程序。

股東權利

根據公司細則，於遞呈書面要求予董事會或公司秘書之日期持有不少於本公司繳足股款之10%股本之股東，可自遞呈該要求至本公司香港總辦事處地址之日起計21日內，隨時要求董事會召開股東特別大會，以解決本公司特定事項。

本集團認同股東行使與其股權擁有權相稱之控制權之權利。本公司於股東大會上按投票方式進行表決，並由本公司之香港股份過戶登記分處進行及核對。董事會主席於進行表決前，於股東大會上解釋進行投票之程序。表決結果均於本公司及香港交易及結算有限公司之網站公佈和登載。

CORPORATE GOVERNANCE REPORT

企業管治報告

Constitutional Documents

The Company's Memorandum of Association and Bye-laws are available on the websites of the Company and the Hong Kong Stock Exchange. During the Year, there was no change to the Memorandum of Association and Bye-laws of the Company.

Shareholders' enquiries and proposals

Shareholders may direct their enquiries about their shareholdings to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, in person or by post. Contact details are set out in the "Information for Stakeholders" section to this annual report.

Enquiries and proposals by Shareholders requiring the Board's attention can be sent in writing to the Company Secretary at the Hong Kong head office address of the Company.

Investor relations

During the year, the Company has proactively enhanced its corporate transparency and communications with its shareholders and the investors through the announcement of its interim and final reports. Through the timely distribution of other announcements, including but not limited to notices of meetings, circulars and other relevant Company's information, the Company has also kept the public aware of its latest developments.

Conclusion

Going forward, the Company will continue to review its corporate governance practices on a timely basis to continue its high level of transparency. The Company will also try to enhance its competitiveness, industry knowledge and operating efficiency in order to generate greater returns for its stakeholders.

組織章程文件

本公司之組織章程大綱及公司細則可於本公司及香港聯交所網站查閱。於本年度，本公司之組織章程大綱及公司細則概無任何變動。

股東查詢及建議

股東可就彼等之持股量親身或以郵寄方式向本公司之香港股份過戶登記分處卓佳登捷時有限公司查詢。聯絡資料載於本年報「權益人資料」一節。

股東需董事會關注之查詢及建議可以書面形式郵寄至本公司之香港總辦事處地址，交由公司秘書處理。

投資者關係

於本年度，本公司透過發佈中期及末期報告，積極提升其企業透明度以及加強與其股東及投資者溝通。本公司亦透過適時刊發其他公告，包括但不限於會議通告、通函及本公司其他相關資料，使公眾能掌握其最新發展情況。

結語

展望未來，本公司將繼續按時間基準審閱其企業管治守則，以繼續保持其高水平的透明度，亦嘗試加強本公司之競爭力、行業知識及營運效率，為持份者帶來更大回報。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

THE SCOPE AND REPORTING PERIOD OF THIS REPORT

The Group hereby presents its 2020 ESG report, highlighting its Environmental, Social, and Governance (the “ESG”) performance, with disclosure made by reference to the ESG Reporting Guide as described in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Guidance set out by The Stock Exchange of Hong Kong Limited.

The Group is principally engaged in the exploration, development, and operation of oil and gas projects. In accordance with reporting principle and materiality assessment of the Group’s ESG aspects, it was identified that the subsidiary, High Luck Group Limited (“HLGL”) was a key business for disclosure in this reporting year, by virtue of its carbon footprint in relation to that of the Group. This ESG report covers the Environmental and Social performance of the HLGL business operations in Argentina for the year ended 31 December 2020, unless otherwise stated.

Additionally, the Group is involved the business of commodities trading, via its subsidiaries, Grand Rich Trading Limited, United Resources Trading Limited, and Absolute Champ Limited. For 2020 ESG reporting purposes, this was excluded from the ESG reporting scope on the grounds that the business of commodities trading had limited consequential environmental and social impacts.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

During the year, the Group engaged in regular meetings and events to communicate with various stakeholders to obtain information, relevant comments, and feedback from the participants to understand their expectation in the development of the Group’s business portfolio and sustainability.

In order to identify the most significant aspects of the Group for ESG reporting purposes, key stakeholders including investors, shareholders and employees have been involved to identify the areas of attention, to facilitate the Group in setting the overall direction of this report.

本報告的範圍及報告期

本集團謹此提呈其二零二零年環境、社會及管治報告，重點描述其環境、社會及管治（「環境、社會及管治」）表現，有關披露及參照香港聯合交易所有限公司證券上市規則（「上市規則」）附錄二十七所述的環境、社會及管治報告指引及香港聯合交易所有限公司所載指引而作出。

本集團主要進行石油及天然氣項目的勘探、開發及營運。根據本集團就環境、社會及管治方面的報告原則及重要性評估確認附屬公司高運集團有限公司（「高運」）為本年內披露的主要業務，與本集團的碳足跡相關。本環境、社會及管治報告涵蓋高運截至二零二零年十二月三十一日止年度位於阿根廷業務營運的環境及社會表現。

此外，本集團透過附屬公司鴻富貿易有限公司、聯邦資源貿易有限公司及煌鑫有限公司從事商品貿易業務。對於二零二零年環境、社會及管治報告而言，這被屏除在環境、社會及管治報告範圍之外，理由是商品貿易業務對環境和社會影響有限。

權益人溝通及關鍵性分析

於年內，本集團與各權益人進行定期會議及溝通活動，以取得參與者的資料、有關評語及意見，以了解他們對本集團業務組合及可持續性的發展之期望。

為確認本集團就本環境、社會及管治報告而須作匯報的本集團最主要範疇，本集團會與投資者、股東及員工等主要權益人定期溝通，以識別關注範圍，以及協助本集團訂定本報告的方向。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The Group is planning to further involve and engage its stakeholders in an effort to further improve the usefulness of its ESG reporting. Our concession partners are also periodically engaged in UTE operational committee meetings for their latest views.

In general, stakeholders may locate ESG information through the following channels:

- Annual general meeting and notices
- Annual reports, interim report, consolidated financial statements and announcements
- Corporate website
- Investors briefings
- Notice and Circulars
- Bilateral contracts and supplier agreements
- Code of conduct

STAKEHOLDERS' FEEDBACK

The Group welcomes stakeholders' feedback on its Environmental, Social and Governance initiatives via email at info@nt-energy.com.

THE GROUP'S MISSION AND VISION ON SUSTAINABILITY

Mission

As an oil and gas exploration and production company, the Group operates under the ethos of "Health & Safety First" by adopting best practices to ensure the health and safety of its employees, contractors, customers and communities. The Group strives to continuously improve its health & safety management practices with the goal of achieving an injury-free workplace.

The Group is committed to ensuring all its plant and equipment are operationally safe and free of hazards. Furthermore, the Group is committed to ensuring its employees are properly trained in safe working practices and that they have a clear understanding of their responsibilities for taking positive steps to improve health and safety.

本集團計劃於之後的環境、社會及管治報告周期保持與權益人作進一步溝通。本集團亦與我們的特許權區合作夥伴定期舉行UTE營運委員會會議，以獲取彼等的最新意見。

通常，權益人可透過以下渠道獲得環境、社會及管治資訊：

- 股東週年大會及通告
- 年報、中期報告、綜合財務報表及公告
- 企業網站
- 投資者簡介會
- 通告及通函
- 雙邊合約及供應商協議
- 行為守則

權益人回饋

本集團歡迎權益人就其環境、社會及管治計劃提出意見，電郵至info@nt-energy.com。

本集團有關可持續性的使命與願景

使命

作為一家石油及天然氣勘探及生產公司，本集團的經營原則是「健康及安全第一」。我們採用最佳範例，使員工、承包商、客戶以及社區的健康及安全得到保障。本集團致力於不斷改善健康及安全管理規範，以達至工作地點零工傷為目標。

本集團的承諾是，所有廠房及設備均安全操作，所有工作地點已消除危害。此外，本集團承諾，所有僱員均獲提供有關實踐工作安全的適當訓練，並將確保彼等明確知悉他們有責任採取積極行動以改善健康及安全。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Vision

The Group is committed to its Corporate Social Responsibility, Health and Safety, Environmental Protection, Human Resources and Labour Practices, and Community Involvement and Sustainable Value Creation policies when conducting business activities wherever it operates in.

A. ENVIRONMENTAL PROTECTION

1. Environmental Impact and Legal Compliance

As an oil and gas exploration and production company, the Group is well-aware of the impacts and potential risks that its field operations pose to the environment and the surrounding ecosystem. The Group adopts an Environmental Management System (EMS) in its management of the environmental risks arising from its operations. The Group strictly complies with all relevant environmental laws and regulations in each jurisdiction in which the Group operates in.

(i) Type of Emissions

During the year, the Group's main emission sources were from diesel fuel, electricity, water, and paper consumption. With regards to emissions, our business is strictly regulated under the national laws and regulations of Argentina.

2. Greenhouse Gas Emission

There were 427.3 tonnes (2019: 428.1 tonnes) of carbon dioxide equivalent (tCO₂-eq) greenhouse gases (mainly carbon dioxide, methane, and nitrous oxide) produced by the Group in the year. The Group's gross annual production was 175,308 barrels (bbl) (2019: 123,408 bbl) of crude oil. The calculated carbon intensity of scope 1, 2, and 3 combined was 0.0024 tCO₂-eq/bbl (2019: 0.0035 tCO₂-eq/bbl). Our HLGL operation in Argentina accounted for most of the Group's carbon emissions during the year.

願景

本集團承諾於其業務所在國家進行業務期間，定必恪守企業社會責任，並同時注重健康及安全、環境保護、人力資源及勞工常規、社區參與及創造可持續價值政策。

A. 環境保護

1. 環境影響及公司合規

作為石油及天然氣勘探及生產公司，本集團十分注重其油田營運對環境以致週遭生態系統造成的影響及潛在風險。本集團採納一套作業環境管理系統，以指引本集團於營運方面的環境風險管理。本集團於其目前各個業務所在司法權區均嚴守所有相關環境法例及法規。

(i) 排放物類型

本年度，本集團的排放物主要來自柴油、電力、水及紙張消耗，排放物方面，我們的業務嚴格受阿根廷國家法律及法例規管。

2. 溫室氣體排放

本集團於年內生產的二氧化碳當量 (tCO₂-eq) 溫室氣體為427.3噸 (二零一九年：428.1噸) (主要為二氧化碳、甲烷及一氧化氮)。本集團年產總原油175,308桶 (桶) (二零一九年：123,408桶)。範圍1、2及3合計碳強度為0.0024 tCO₂-eq/桶 (二零一九年：0.0035 tCO₂-eq/桶)。本年度，高運於阿根廷的業務佔本集團的大部分碳排放。

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Due to Scope 3 emissions from paper consumption and wastewater treatment being determined as less than 0.5% of total greenhouse gas emission from the 2016 reporting, these items have been excluded for reporting purposes since then, by virtue of their insignificance.

由於紙張消耗和廢水處理的範圍3排放被定為不到二零一六年報告中溫室氣體排放總量的0.5%，因此該等項目因其量少而自當時起已屏除在報告之外。

Scope of Greenhouse Gas Emissions 溫室氣體排放範圍		Emission Sources 排放來源	Emission 排放量 (in tonnes of CO ₂ eq) (CO ₂ eq噸數)		Total Emission 合計排放量 (in percentage) (百分比)	
			2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年
Scope 1 範圍1						
Direct Emission 直接排放	Consumption of Diesel fuel by the Group and its Contractors Fleets (162,826 litres) 本集團及其承包商的柴油消耗 (162,826公升)	423	154	99%	20%	
Scope 2 範圍2						
Indirect Emission 間接排放	Consumption of Purchased Electricity (17,200 kWh) 所購電力消耗 (17,200千瓦時)	4	575	1%	75%	
Scope 3 範圍3						
Other Indirect Emission 其他間接排放	Business air travel 商務航空旅行	–	41	–	5%	
Total 合計		427	770	100%	100%	

Notes:

The calculation methodology of CO₂ emission of diesel fuel in Argentina is based on the International Standard.

Emissions from business air travel were calculated using online tool provided by International Civil Aviation Organization.

附註：

於阿根廷柴油的二氧化碳排放量乃根據國際標準計算。

商務航空旅行的排放量使用國際民用航空組織提供的在線工具進行計算。

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3. Emission Sources

(i) Fuel Consumption

The Group utilises vans, pickup trucks and cars for transportation. All motor vehicles operate using diesel fuel. The Group's annual consumption of diesel was 8,619 litres. When selecting vehicles, the Group considers factors such as safety, reliability, maintenance cost, fuel efficiency, in addition to the primary determining factor of cost.

Air emission including nitrogen oxides (NO_x), sulphur oxides (SO_x) and respiratory suspended particles (PM) from fuel combustion of all vehicles operated by the Group contributed the following: 7.05 kg of NO_x emission, 0.14 kg of SO_x emission and 0.52 kg of PM.

(ii) Electricity Consumption

Electricity consumption by the Group was 17,200 Kilowatt-hour (kWh) (2019: 817,000 kWh), with an energy intensity of 0.098 kWh/bbl (2019: 6.620 kWh/bbl). To achieve the energy use efficiency initiative, the Group encourages its staff to minimize energy consumption where practicable. For example, the Group encourages the switching off of unnecessary lighting and electronic appliances when not required or not in use. Furthermore, the Group has a procurement policy of purchasing energy efficient equipment.

3. 排放來源

(i) 燃料消耗

本集團使用貨車、皮卡車和汽車運輸。所有機動車輛都使用柴油燃料。本集團每年柴油消耗量為8,619公升。在選擇車輛時，本集團除考慮成本的主要決定因素外，還考慮安全性、可靠性、維護成本、燃油效率等因素。

由本集團經營的所有車輛燃料燃燒產生的氮氧化物(NO_x)、硫氧化物(SO_x)和呼吸懸浮顆粒物(PM)等空氣排放物如下：7.05千克氮氧化物排放量、0.14千克硫氧化物排放量和0.52千克呼吸懸浮顆粒物。

(ii) 用電

本集團的用電量為17,200千瓦時(二零一九年：817,000千瓦時)，能源強度為0.098千瓦時／桶(二零一九年：6.620千瓦時／桶)。為達到能源使用效率計劃的目標，本集團提供培訓，鼓勵員工留意盡量減少能源消耗(如適用)。例如，本集團鼓勵於不需要或使用時關閉不必要的燈光及電器。此外，本集團訂有採購辦公室節能設備的政策，並規定於所有空調機組裝設恆溫器。

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(iii) Water Consumption

Water consumption by the Group was 329 cubic meters (m³) (2019: 11,527 m³).

(iv) Paper and Packaging Material Consumption

Paper consumption was insignificant to the Group's operation. No packaging material is used during the production of crude oil, as this is stored in large oil tanks until customers purchase, whereupon it is delivered by oil tanker trucks.

(v) Hazardous Waste Produced

During the process of oil production, hazardous waste may be generated from possible minor spillage, replacement of spare parts and lubrication oil, discarded gloves and other materials. A total of 2.74 tonnes of hazardous waste was generated during the reporting year (2019: 3.42 tonnes). Preventative measures adopted by the Group include the following:

- Scheduled inspection and maintenance of plant and equipment
- Transportation of contaminated water to appropriate treating facilities
- Training and education of employees
- Conduct pre-job briefing
- Spillage prevention programs and remedial action plans
- Close supervision
- Continuous improvement plans

(iii) 用水

本集團的水消耗量為329立方米（二零一九年：11,527立方米）。

(iv) 紙張及包裝物料消耗

紙張消耗就本集團的營運而言微不足道。於生產期間概無使用包裝物料，所生產的原油貯存於大型油罐，直至客戶購買為止，屆時將以油罐卡車交付。

(v) 生產有害廢物

於石油生產過程中，有害廢物可能從輕微漏油、更換備件及潤滑油、手套丟棄及其他帶油物料引入土壤。於本報告年度內產生有害廢物2.74噸（二零一九年：3.42噸）。本集團採取的預防措施包括：

- 定期檢查及維護廠房及設備
- 運送污染水至適當的處理設施
- 培訓及教育員工
- 職前簡報
- 防止漏油措施及補救行動計劃
- 嚴密監察
- 持續改善計劃

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The hazardous and non-hazardous wastes are separated at origin. For hazardous waste, the treatment, collection and final disposal is managed by qualified professional handlers.

(vi) Non-hazardous Waste Produced

During the year, the Argentina operation generated 6.98 tonnes of organic and inorganic waste (2019: 13.56 tonnes). Inorganic waste includes plastic and glass, whilst organic waste was mainly the by-product generated from the site catering facility. The Group provides directive procedures for segregation and classification of non-hazardous waste to aid recycling initiatives. For non-hazardous waste treatment, the organic waste is buried and composted, while the inorganic waste is incinerated.

4. Environmental Conservation Initiatives

Sustainability initiatives and green culture permeates through the whole Group. We strive to operate in an environmentally friendly manner by adopting practicable green office practices including:

- Use of recycled paper
- Printers configured to print double sided by default

有害廢物及非有害廢物於源頭分隔。在有害廢物方面，由合資格專業處置者管理其處理、收集及最終處置。

(vi) 生產的非有害廢物

本年度，阿根廷業務產生有機及無機廢物6.98噸（二零一九年：13.56噸）。無機廢物包括塑料及玻璃，有機廢物主要來自生產設施的廚房的副產品。本集團就非有害廢物的分隔及分類訂明指引程序以助進行回收計劃。在非有害廢物處理方面，有機廢物被土埋及堆肥，而無機廢物則於營地焚化。

4. 環境保護措施

可持續發展措施及綠色文化貫穿本集團整個架構。我們致力以環保的方式營運，採用可行的環保辦公室常規包括：

- 使用回收紙
- 打印機設定為雙面列印

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- Return of used printer and copier ink toner cartridge to manufacturer for recycling and reuse
- Switching-off lights, computers and office equipment when not in use
- Replacement of energy efficient alternatives
- Adjustment of air conditioning settings to reduce power consumption

For replaced furniture and computer equipment, the Group's practice is to first offer these items to employees for personal use, before it is disposed or recycled.

- 經使用打印機及影印機的碳粉盒送回製造商回收再用
- 在不使用時關掉燈、電腦及辦公室設備
- 重置具能源效益的設施
- 調節空調以減低電力消耗

對於替換的傢具及電腦設備，本集團的常規是在處置或回收前先把有關物品向員工提供作個人使用。

B. SOCIAL

1. Employment and Labour Practices

(i) Employment

The Group fully recognises its employees are a critical asset of the entity. Therefore, the policy of the Group is to hire and retain employees with professional skills that enable the Group to achieve its strategic objectives. This is based on the following recruitment principles:

- Respect and trust at all levels, in all circumstances without exception
- Transparency and honesty in professional relationship
 - a. Effective communication
 - b. Emphasis of transparency
- Willingness to cooperate and help others

B. 社會

1. 僱用及勞工常規

(i) 僱用

本集團把僱員充分確認為本身的關鍵資產。因此本集團的政策是聘用及留任具個人及專業技能的員工，使本集團實現其戰略目標。本集團的招聘原則如下：

- 所有階級及所有情況皆以尊重及信任為原則，絕無例外情況
- 專業關係中的透明度及誠信
 - a. 有效溝通
 - b. 重視透明度
- 願意合作及協助他人

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Recruitment and compensation is based on qualification, experience, skills and performance. The Group offers competitive compensation and benefits packages in line with the local market rates for comparable roles and responsibilities in the industry. The Company's hiring practice is to recruit locally, with the exception of certain key managerial, technical or professional posts, where it may not be possible or appropriate to fill locally.

Promotion and Performance Evaluation

Promotion and salary increase, outside of the Group's discretionary annual inflationary increase, is subject to a responsibilities and performance evaluation. An individual's promotion and remuneration is closely correlated to their job responsibilities and performance. The Group operates a policy of internal promotion, whenever possible.

The Group ensures that its employees are evaluated on their job performance through the application of objective measures. The human resources department coordinates and verify the performance of each employee, in relation to mutually agreed objectives established at the beginning of each appraisal year. The performance evaluation is carried out once a year by the employee's immediate supervisor.

Dismissal

The Group may at any time, terminate an employee when his or her behaviour or attitude is not satisfactory, or does not meet the performance standards established/necessary for the position. In all cases, termination procedures will strictly adhere to minimum requirements established by the Law in the Labour Code or relevant local laws.

Employee Turnover Rate

During the year, there were 4 (2019: 8) staff turnover to report. These persons left on amicable terms and for reasons of personal development or relocation.

招聘及薪酬以資歷、經驗、技能及表現為基準。本集團提供具競爭力的薪酬及福利組合，符合業內同類職位及職責的當地市場水平。本公司的聘用方式為聘用當地人，惟若干未能在當地聘用或在當地聘用並不符合策略所需的主要管理技術人員或專業人員職位則除外。

晉升及表現評估

本集團每年因應通脹酌情加薪以外的晉升及加薪乃視乎僱員的職責及表現評估而定。個別僱員的晉升及加薪過程往往與其職責及表現密切相關，並會在可行情況下實施內部晉升政策。

本集團的客觀計量確保根據僱員的工作表現進行評估。人力資源部就每年評審年初為每位員工訂立互相認用的目標與其表現評估作出比較及驗證。表現評估乃由員工的直屬上級每年進行一次。

解僱

倘員工的行為或態度欠佳、未達就其職位所需及勞工法或相關當地法例在任何情況下所訂標準，終止流程將嚴格遵守最低要求，本集團可於任何時候終止僱傭關係。

員工流失率

於年內，報有4名員工（二零一九年：8名）流失。該等員工因個人其他發展或調職以友好條款離職。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Workplace Rights and Competitive

Compensation

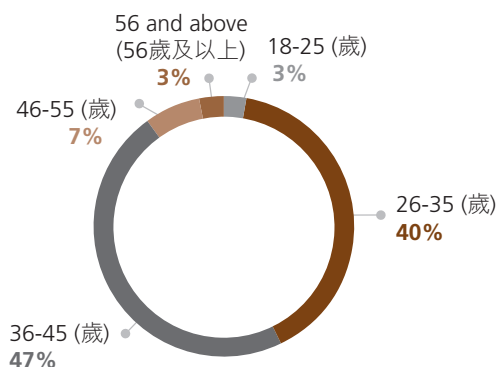
HLGL operates in accordance with the Argentine Labour Contract laws regarding salaries, working hours, overtime and benefits. In addition, the company offers medical benefits and life insurance coverage equivalent to OSDE 210 medical coverage.

Equal Opportunity

The Group is proud to be an equal opportunity employer and believes in the fair treatment of all existing and prospective employees, regardless of their age, gender, marital status, family status, disability, pregnancy, nationality, ethnicity, sexual orientation, religion and culture, or any other discrimination prohibited by applicable law.

Furthermore, the Group does not discriminate against or deprive of any opportunities in respect of recruitment, training and development, job advancement, and compensation and benefits. The Group's Codes of Ethic adopts a strict zero tolerance approach to any forms of discrimination or harassment in the workplace.

Workforce by Age Distribution in 2020
於二零二零年按年齡分佈劃分的僱員團隊



工作地點權利及競爭力

薪酬

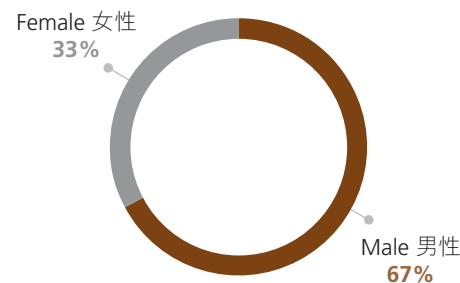
高運根據阿根廷勞工合約法律訂立薪金、工作時間、超時及福利進行營運。此外，公司提供相當於OSDE 210醫療保險合約的醫療福利及壽險保障。

平等機會

本集團很榮幸成為平等機會僱主，並奉行公平對待所有現有及準員工的政策，而不論彼等的年齡、性別、婚姻狀況、家庭狀況、殘疾、懷孕、國籍、民族、性取向、宗教及文化或適用法律禁止的任何其他歧視。

此外，本集團於招聘、培訓及發展、職位晉升以及薪酬及福利方面並無任何歧視，亦無剝奪僱員在此等範疇的任何權利。本集團的倫理守則對工作場合內任何形式的歧視或騷擾採取嚴格的零容忍態度。

Workforce by Gender in 2020
於二零二零年按性別劃分的僱員團隊



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As of 31 December 2020, there were 30 (2019: 29) full-time employees in HLGL, across its Salta and Los Blancos Concession locations. 10 (2019: 11) female and 20 (2019: 18) male employees.

於二零二零年十二月三十一日，高運（薩爾塔及Los Blancos特許權區地區）有30名全職僱員（二零一九年：29名），10名女性員工（二零一九年：11名）及20名男性員工（二零一九年：18名）。

Employee's Age Distribution	僱員年齡分佈	18-25 18-25歲	26-35 26-35歲	36-45 36-45歲	46-55 46-55歲	56 and above 56歲及以上
2020	二零二零年	1	12	14	2	1
2019	二零一九年	1	12	12	3	1

Employee's Gender Distribution	僱員性別分佈	Female 女性	Male 男性
2020	二零二零年	10	20
2019	二零一九年	11	18

Workplace and Corporate Communication

The Group adopts an "open door" policy to encourage open communication, feedback, and discussion with its employees. Through this "open door" policy, the Group aims to create a culture of mutual trust, respect and understanding, to foster strong, cooperative working relationships. Routine emails and regular office-wide meetings are held to circulate information and provide updates to all employees.

(ii) Health and Safety

Health and Safety ("H&S") is fundamental to the Group given nature of the business it is engaged in.

Laws and Regulation Compliance

Critical to all oil and gas operations is rigorous and robust H&S. The Group endeavours to adopt best practices in health and safety management and is strictly in compliance with all relevant laws and regulations governing H&S, in the jurisdictions it operates in.

工作地點及企業通訊

本集團採納「門戶開放」政策，以鼓勵與僱員進行開明溝通、反饋及討論。本集團銳意透過此「門戶開放」政策建立互信、互重及互解的文化，培育穩固和團結的工作關係。以日常電郵及辦事處全體定期會議向所有僱員發放消息及提供最新資料。

(ii) 健康及安全

基於本集團從事的業務性質，健康及安全乃屬必需。

法例及法規合規情況

對所有石油及天然氣經營者而言，嚴謹及健全的安健措施均屬至關重要。本集團致力採用在健康及安全管理方面的最佳範例，並在業務所在的司法權區嚴守監管安健問題的所有相關法例及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A policy of open communication is actively encouraged whereby employees can raise and share any H&S concerns that they may encounter, with their team and management.

Health and Safety Measures

The Group is committed to providing a safe and healthy working environment for its employees, and continuously promotes a strong H&S culture and mindset. Examples of these measures include:

- Internal employees and external parties and subject to H&S orientation at the beginning of their employment or engagement
- All visitors of field operations being subject to safety briefing of the site
- Dedicated H&S specialists on site responsible for performing risk assessments, and developing safe working practices
- On a daily basis, and prior to the commencement of field operations, H&S briefings and planning meetings are conducted with participation by all employees including management team
- On a weekly basis, employees participate in H&S review meetings to discuss any important H&S events
- On a quarterly basis, all field and office staff receive free health check service
- Dedicated 24 hours' nurse arrangements on site to deal with any first aid or medical emergency

本集團積極鼓勵開明的溝通政策，僱員可向與其團隊及管理層提出及分享彼等可能遇到的任何安健問題。

安健措施

本集團積極致力為僱員提供安全健康的工作環境，並持續推廣強大的安健文化及態度。該等措施包括：

- 內部僱員於開始受聘及外部人士開始獲委託時均須接受安健入門簡介
- 油田運作的所有訪客須接受工地的安全簡介
- 派駐工地的安健專家負責進行風險評估，並制定職安改善常規
- 在開始油田運作前，僱員（包括管理層團隊）均會每天參與安健簡報及規劃會議
- 僱員均會每星期參與安健檢討大會，討論任何重要安健事項
- 所有油田及辦事處員工每季均會接受免費的健康檢查服務
- 安排護士在地盤24小時值班，以處理任何急救或醫療緊急情況

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Road Transportation Safety Measures

- Employees are trained and encouraged in the art of defensive driving
- Company vehicles are installed with GPS monitoring systems to track journey and any inappropriate or unsafe driving behaviours
- The Group's driving policy restrict employees to only drive during daylight hours, where possible, and to consider the necessity of any journey, before embarking

Safety Incident

The Group monitors its H&S performance via a number of metrics, including injury and fatal incident rates, injury free work hours, and sick days.

Contractors are also subject to the same stringent Group H&S standards. Proof of adequate H&S training and certification are requested before the Group engages and endorses a contractor to operate on its exploration or production facilities.

道路運輸安全措施

- 僱員會接受安全駕駛培訓及鼓勵安全駕駛
- 公司車輛均會安裝全球定位監控系統，以追蹤路程及任何不適當或不安全的駕駛行為
- 本集團駕駛政策限制僱員僅於白天駕駛（視乎可能情況），及在出發前考量任何路程的必要性

安全事故

本集團透過多項指標（如工傷率及死亡率、零損傷工時及病假等）監察安健表現。

此外，承包商受同樣嚴格的公司安健標準所規管。本集團在聘用及錄用承包商操作本集團的勘探及生產設施前，會要求承包商出示足夠的安健培訓證明及證書。

Occupational Health and Safety Data		職業安健數據	2020 二零二零年	2019 二零一九年
Work related fatality	因工死亡宗數		0	0
Work injury cases >3 days	損失三天以上的工傷個案		0	0
Work injury cases <3 days	損失三天以下的工傷個案		2	1
Lost days due to work injury	因工傷損失的工作日數		2	2

(iii) Development and Training

The human resources department coordinates training activities according to the business needs identified in the staff performance evaluation, or when the position requires. All training requirements, follow the conventional training procedure set out in the Human Resources Policies.

(iii) 發展及培訓

人力資源部會根據在員工表現評估中識別的業務需要或於職位要求時安排培訓活動。所有培訓需要按照人力資源政策所載的常規培訓程序處理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group offers external training courses as well internal on-the job training and peer coaching. Example of courses attended by employees during the reporting year included language skills, business administration, leadership, conflict management, accounting, safety, project management, oil and gas engineering related subjects.

A total of 253 hours was spent on external training in the year.

本集團提供外間訓練課程、內部在職培訓及同輩輔導。於報告年度內僱員參加的課程包括語言技能、商業管理、領導才能、衝突管理、會計、安全、項目管理、石油及天然氣工程相關課題。

於年內的外部培訓時數共253小時。

Training Data	培訓數據	2020 二零二零年	2019 二零一九年
Training Hours, Staffs	僱員總數		
Training Hours, Staffs	一般員工之培訓時數	143	162
Training Hours, Middle Management	中級管理層之培訓時數	95	153
Training Hours, Senior Management	高級管理層之培訓時數	15	56
Total Training Hours	合計培訓時數	253	371
Average Training Hours Per Employee	每名僱員之平均培訓時數	8.6	12.8

(vi) Labour Standard

Governed by fair employment practices, the Group strictly complies with the requirements of local Labour Laws and regulations, and strictly prohibits the use of any child and forced labour, or any forms of illegal labour in the Group operations.

(vi) 勞工標準

本集團受平等僱用常規規管，經營業務時均嚴守當地勞工法例及法規的規定，並嚴禁僱用任何兒童及非自願勞工或任何形式的非法勞工。

2. Operating Practices

(i) Supply Chain Management

The Group has a standardised procurement procedure in the selections of its suppliers and vendors, which includes technical and commercial evaluation.

During the year, the geographical location of HLGL's suppliers covered 13 regions within Argentina. 19 suppliers originated from Salta (2019: 27), with 4 suppliers from Formosa (2019: 8). The Group believes by sourcing locally, it can minimise its carbon emission in relation to logistic. The Group's second largest supplier location was Buenos Aires.

2. 營運常規

(i) 供應鏈管理

本集團透過供應商甄選程序（包括技術及商業評估層面），訂立劃一的採購管理程序。

本年度，高運供應商的地理位置涵蓋阿根廷13個地區，於薩爾塔省及福摩薩省的供應商數目分別為19個（二零一九年：27個）及4個（二零一九年：8個）。本集團認為，在當地採購可最小化物流產生的碳排放。本集團第二大供應商位於布宜諾斯艾利斯市。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

(ii) **Product Responsibility**

Consumer Data Protection

The Group is engaged in the business of crude oil production and sales, as governed by the terms and conditions of the agreements with its customers.

Quality Assurance and Complaints

The quality and quantity of crude oil sold is subject to the IRAM or ASTM international standards. The Group received no product or service complaints in the year.

(iii) **Anti-corruption**

The Group is committed to managing its business without undue influence, and in an open, honest and fair manner. All employees are required to strictly follow the Group's Code of Ethics to prevent potential bribery, extortion, fraud and money laundering. Employees are regularly reminded about the Group's anti-corruption policies and their need for strict adherence.

Whistle-blowing procedures on misconduct and malpractice (including corruption) are also established in the Group's Anti-corruption policy. When a suspected case is received, the Group undergoes investigation procedures with strict confidentiality. The Group has established a whistle-blowing escalation system, whereby the procedure is to report any suspicious activities and incidences to the whistle-blower's immediate supervisor. If the matter involves the immediate supervisor, then the whistleblower is advised to report direct to management. Alternatively, the matter may be confidentially reported via the Group's whistle-blowing and ethics hotline.

(ii) **產品責任**

客戶數據的保護

本集團從事原油生產及銷售業務，有關業務受與客戶協議之條款及條件規管。

品質保證及投訴

出售原油的品質及數量的測量須符合IRAM或ASTM國際標準。本集團於年內概無接獲有關產品或服務的投訴。

(iii) **反腐**

本集團承諾會不以不當的影響力管理所有業務，並視公平、誠信及公平為核心價值。所有僱員均須嚴格遵守本集團的道德準則，以防可能出現的賄賂、勒索、欺詐及洗黑錢行為。本集團並會定期提醒員工有關本集團的反腐政策以及彼等須嚴格遵守的必要性。

本集團的反腐政策訂有舉報不當行為及瀆職（包括貪腐）的程序。當接獲懷疑個案時，本集團會展開調查程序，並對投訴人身份嚴加保密。本集團訂有舉報越級系統，讓舉報人可以保密方式向直屬上級報告任何可疑活動及事故。倘事件涉及該名舉報人的直屬上級，本集團建議舉報者直接向管理層舉報，又或透過本集團的舉報及道德操守熱線秘密作出舉報。

C. COMMUNITY

Potentially disruptive social impacts from the Group's drilling projects and production facilities on nearby local communities are mitigated by maintaining open channels of communications, with affected landowners and local communities, to develop and maintain a harmonious co-existence.

C. 社區

為減少本集團鑽井項目及生產設施對附近地方社區帶來潛在的破壞性社會影響，本集團維持公開的溝通渠道，並盡可能回饋受影響地主及當地社區，以發展及維持和諧共融社區。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

1. Community Liaison

The Group has a dedicated community liaison officer who works closely with any affected indigenous people. The Group maintains regular dialogue to ensure operational transparency and to understand and resolve any affected communities' concerns.

2. Community Advancement

The Group positively contributed to the standard of living for the local indigenous communities during the year by a number of initiatives and programs. This included upskilling people by providing training on electrical maintenance, and donation of materials and basic essential tools, in order to promote and improve their self-sustainability.

The Group also contributed to a number of community improvement projects, including the construction of catering facilities at the main school, construction of fences for farmers, and improvements at local municipality offices and chapel.

1. 社區聯絡

本集團聘有專責的社區聯絡主任，負責與任何受影響土著人民緊密聯繫。本集團維持定期對話，以確保經營透明度，以及了解及解決受影響社區的任何疑慮。

2. 社區改善

本集團於年內通過一系列舉措及計劃為當地土著社區的生活水平作出積極貢獻。其中包括通過提供電器維護培訓以及捐贈材料及基本所需工具以提升人民的技能，從而促進及提高彼等的自我可持續性。

本集團亦為數項社區改善項目作出貢獻，包括於主要學校建設餐飲設施、為農民建設籬笆，以及為當地市政辦公室及小教堂進行維修。

FUTURE DIRECTIONS TOWARD SUSTAINABILITY DEVELOPMENT

Going forward, the Group plans to extend its community engagement activities and find more ways of "giving back", by exploring how the Group can also contribute in non-financial ways, such as volunteering, school talks, and donating of used computer and office equipment. For environmental initiatives, the Group is continuing to enhance its recycle program to handle domestic waste.

CONCLUSION

The Group has conducted the ESG reporting in accordance with the HKEx Environmental, Social, Governmental Reporting Guide (Appendix 27 of the Listing Rules), all the ESG information available for the reporting year are included in this report. The Group is committed to continuing the ESG reporting on a regular basis and to improve on policies and procedures for the management, measurement and monitoring of ESG related activities.

可持續發展的未來方向

展望將來，本集團計劃會擴展其社會服務範圍，並尋求更多「回饋」方法。我們會探索如何可以非財務方式貢獻社區，如義工服務、學校講座及捐出舊電腦及辦公室設備。在環保措施方面，本集團正繼續加強其回收計劃以處理家庭廢物。

結論

本集團根據香港交易所《環境、社會及管治報告指引》（上市規則附錄27）進行環境、社會及管治報告工作，報告年度內的所有環境、社會及管治資料均載於本報告內。本集團致力定期持續進行環境、社會及管治報告，並改進有關環境、社會及管治活動的管理、計量及監察政策及程序。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

Independent Auditor's Report
To the Members of New Times Energy Corporation Limited
(incorporated in Bermuda with limited liability)

獨立核數師報告
致新時代能源有限公司各股東
(於百慕達註冊成立之有限公司)

OPINION

意見

What we have audited

The consolidated financial statements of New Times Energy Corporation Limited (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 92 to 202, which comprise:

我們審核的內容

載於第92頁至第202頁的新時代能源有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)的綜合財務報表，此等財務報表包括：

- the consolidated statement of financial position as at 31 December 2020;
 - the consolidated statement of profit or loss for the year then ended;
 - 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 cash flow statement for the year then ended; and
 - the notes to the consolidated financial statements, which include a summary of significant accounting policies.
- 於二零二零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損益表；
 - 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。

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 2020, 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.

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(「**香港會計師公會**」)頒佈的《香港財務報告準則》(「**香港財務報告準則**」)真實而中肯地反映了 貴集團於二零二零年十二月三十一日的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》的披露要求妥為擬備。

INDEPENDENT AUDITOR'S REPORT

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BASIS FOR OPINION

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

We 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:

- Revenue recognition in respect of sales of physical gold under general and commodities trading segment
- Recoverable amount of oil properties under upstream segment

意見的基礎

我們已根據香港會計師公會頒佈的《**香港審核準則**》進行審核。我們在該等準則下承擔的責任已在本報告核數師就審核綜合財務報表承擔的責任部分中作進一步闡述。

我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

獨立性

根據香港會計師公會頒佈的專業會計師道德守則（「**守則**」），我們獨立於 貴集團，並已履行守則的其他專業道德責任。

關鍵審核事項

關鍵審核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核最為重要的事項。這些事項在我們審核整體綜合財務報表及出具意見時進行處理。我們不會對這些事項提供單獨的意見。

我們審核中識別的關鍵審核事項概述如下：

- 有關一般及商品貿易分部項下銷售實物黃金之收益確認
- 上游分部項下之石油資產之可收回金額

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Key Audit Matters

關鍵審核事項

How our audit addressed the Key Audit Matters

我們的審核如何處理關鍵審核事項

Revenue recognition in respect of sales of physical gold under general and commodities trading segment

有關一般及商品貿易分部項下銷售實物黃金之收益確認

Refer to note 2.26 significant accounting policies and note 5 revenue and segment reporting to the Group's consolidated financial statements.

參閱 貴集團之綜合財務報表附註2.26重大會計政策及附註5收益及分部報告。

The Group expanded its commodities trading segment to include physical gold trading during the year ended 31 December 2020. Revenue from sales of physical gold under general and commodities trading segment amounted to approximately HK\$4,975,370,000 for the year, which represented approximately 99% of total revenue of the Group. Revenue is recognised, on a gross basis, when control of the underlying products has been transferred to the customers, which is generally at the point of time when the physical gold products are delivered to customers, and the customers have been accepted the products in accordance with the terms of the sales documents.

於截至二零二零年十二月三十一日止年度，貴集團將其商品貿易分部擴張至包括實物黃金買賣。一般及商品貿易分部項下之實物黃金銷售之年內收益為約4,975,370,000港元，佔 貴集團總收益之約99%。收益於相關產品之控制權轉讓予客戶（通常於實物黃金產品交付予客戶且客戶已根據銷售文件之條款接受產品時的某一時間點）時按總額基準確認。

In auditing the presentation, occurrence and cut-off of revenue of sales of physical gold under general and commodities trading segment, we have performed following key audit procedures:

於審核一般及商品貿易分部項下實物黃金銷售收益之呈列、發生及截止時，我們已進行以下關鍵審核程序：

Presentation

呈列

- We discussed with management and understood the indicators considered by management when assessing the revenue recognition on a gross basis.
- 我們與管理層討論並知悉管理層於評估按總額基準確認收益時考慮之指標。
- We understood and evaluated the revenue recognition policy of the Group by reviewing the agency agreement entered with sales agent, and, on a sample basis, the sales documents entered with customers, and corroborating with management explanations regarding the indicators applied, such as the primarily responsible for fulfilling the promise to provide the physical gold products, inventory risk, and discretion in establishing the price, when assessing revenue recognition on a gross basis.
- 我們透過審閱與銷售代理商訂立之代理協議及（以抽樣方式）與客戶訂立之銷售文件知悉及評估 貴集團之收益確認政策，並核實管理層對於評估按總額基準確認收益時所採用指標之解釋，如履行提供實物黃金產品之承諾之主要責任、存貨風險及確定價格之酌處權。
- We performed background checks to the sales agent and customers, on a sample basis, by examining the statutory records and other relevant supporting documents.
- 我們透過以抽樣方式檢查法定記錄及其他相關證明文件對銷售代理及客戶進行背景調查。
- We physically inspected the site of the sales agent and discussed with its key personnel to corroborate management's explanations of the Group's business relationship in the gold trading arrangement.
- 我們對銷售代理場地進行實地檢查並與其主要人員進行討論，以核實管理層對 貴集團於黃金買賣安排之業務關係之解釋。

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The determination of whether revenue should be reported on a gross or net basis is based on the assessment of whether the Group acts as a principal or an agent in the transactions, taking into account the nature of its promise to provide the specified gold products and whether the Group obtains controls of the products before transferring to customers. Management considers in combination whether (a) the Group is primarily responsible for fulfilling the promise to provide the physical gold products; (b) the Group bears certain inventory risk, and (c) the Group has discretion in establishing the price.

貴集團乃經考慮提供指定黃金產品承諾之性質及在轉交予客戶之前 貴集團是否獲得產品之控制權，對 貴集團是否作為交易的委託人或代理人作出評估，以確定是否應按總額或淨額基準報告收益。管理層會綜合考慮(a) 貴集團是否主要負責履行提供實物黃金產品之承諾；(b) 貴集團是否承擔一定存貨風險；及(c) 貴集團是否有權確定價格。

We focused on the presentation, occurrence and cut-off of revenue due to the magnitude of revenue amount generated from sales of physical gold under general and commodities trading segment, and also there is an inherent risk of manipulation of the timing and amount of recognition of revenue by management to meet specific targets or expectations.

我們專注於收益之呈列、發生及截止乃由於一般及商品貿易分部項下之實物黃金銷售產生之收益金額幅度，且亦存在管理層為達致特定目標或期望而操控收益確認時間及金額之固有風險。

How our audit addressed the Key Audit Matters

我們的審核如何處理關鍵審核事項

Occurrence and cut-off:

發生及截止：

- We understood, evaluated and tested management's key controls, on a sample basis, in respect of revenue recognition from the initiation and the approval of customer order to recording of the sales transaction in the general ledger.
我們以抽樣方式知悉、評估及測試管理層有關收益確認之關鍵控制措施，涉及從客戶訂單發起及批准至於總賬記錄銷售交易。
- We reconciled revenue from sales of physical gold to cash receipts during the year. We performed substantive testing of settled sales transactions recognised during the year and tested unsettled sales transactions, on a sample basis, by examining the relevant supporting documents including goods delivery notes, cash receipts and other relevant supporting documents.
年內，我們將實物黃金銷售所得收益與現金收款進行對賬。我們以抽樣方式對年內確認之已結算銷售交易進行實質檢測並測試未結算銷售交易，方法為檢查有關證明文件（包括發貨單、現金收據及其他相關證明文件）。
- We confirmed all the trade receivables balances on the consolidated statement of financial position date and tested the reconciliations between the book amounts and confirmed amounts if these were different.
我們確認於綜合財務狀況表日期之所有應收貿易賬款結餘並檢測賬面值與已確認金額之對賬（倘存在差異）。
- We tested sales transactions recorded before and after the consolidated statement of financial position date, on a sample basis, by tracing to the relevant customers' acceptance documents to assess whether revenue was recognised in the correct reporting periods.
我們以抽樣方式檢測於綜合財務狀況表日期前後入賬之銷售交易，方法為追蹤有關客戶之收貨文件評估收益是否於正確報告期間確認。

Based on our work performed, the presentation, occurrence, and cut-off of revenue recognition from the sales of physical gold under general and commodities trading segment were supported by evidences obtained.

根據我們進行之工作，所獲得之證據支持一般及商品貿易分部項下實物黃金銷售收益確認之呈列、發生及截止。

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Recoverable amount of oil properties under upstream segment

上游分部項下之石油資產之可收回金額

Refer to note 2.12 significant accounting policies, note 5 critical accounting estimates and judgements and note 16 and 17 to the Group's consolidated financial statements.

參閱 貴集團之綜合財務報表附註2.12重大會計政策、附註5重大會計估計及判斷以及附註16及17。

The Group's upstream segment had oil properties which engaged in the exploration, development, production and sales of crude oil in Argentina. The carrying amounts of oil properties are mainly included under "machinery" and "oil production assets" of property, plant and equipment, and exploration and evaluation assets totalled of approximately HK\$124,578,000 as at 31 December 2020, which are related to Los Blancos Concession (formerly known as Chirete Concession) in the Province of Salta in Argentina. 貴集團上游分部擁有之石油資產於阿根廷從事原油勘探、開發、生產及銷售。石油資產之賬面值主要計入物業、廠房及設備之「機器」及「石油生產資產」，於二零二零年十二月三十一日之勘探及評估資產合共為約124,578,000港元，其與阿根廷薩爾塔省之Los Blancos 特許權區（前稱Chirete特許權區）有關。

Given the volatile crude oil price and the potential adverse impact on the performance of upstream business as a result of COVID-19 pandemic, management performed impairment assessment for the oil properties as at 31 December 2020.

鑑於原油價格波動以及COVID-19大流行對上游業務表現產生之潛在不利影響，管理層於二零二零年十二月三十一日對石油資產進行減值評估。

In auditing the recoverable amount of the oil properties, we have performed following key audit procedures on the value-in-use calculation prepared by management and the key assumptions used in determining the recoverable amount of the oil properties:

於審核石油資產之可收回金額時，我們就管理層編製之使用價值計算以及用於確定石油資產之可收回金額之主要假設執行以下關鍵審核程序：

We obtained an understanding of the management's internal control in respect of the assessment of recoverable amount of oil properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as significant judgement and estimation involved in determining recoverable amount of oil properties.

我們透過考慮估計不確定性程度及其他固有風險因素（如確定石油資產之可收回金額涉及之重大判斷及估計）之水平知悉管理層有關評估石油資產之可收回金額之內部控制並評估重大錯誤陳述之固有風險。

We evaluated the key controls relating to the preparation of discounted cash flow forecast and the determination of recoverable amount of oil properties.

我們評估與編製貼現現金流量預測及確定石油資產之可收回金額有關之主要控制措施。

We compared the estimates of future crude oil prices adopted by the Group against a range of reputable published crude oil price forecasts.

我們將 貴集團採納之未來原油價格估計與多個著名已公佈原油價格預測進行比較。

We compared the estimated future production profiles against the crude oil reserve estimation report and the forecast production volume for the remaining concession period prepared by the management. We also performed procedures to evaluate the competence, capability and objectivity of the independent qualified technical consultant engaged by management for preparing the reserve estimation report.

我們將估計未來生產概況與管理層編製之原油儲量估計報告及剩餘特許權期之預測產量進行比較。我們亦執程序以評估由管理層就編製儲量估計報告聘請之獨立合資格技術顧問之勝任能力、專業素質及客觀性。

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The recoverable amount of oil properties was determined using value-in-use calculation prepared by management, by preparing discounted cash flow forecast with reference to the crude oil reserve estimation report issued by an independent qualified technical consultant. The key assumptions used in the discounted cash flow forecast included estimated future crude oil prices, estimated future production volume, estimated future production cost, estimated future capital expenditure and discount rate. Management concluded that the oil properties were not impaired as at 31 December 2020.

石油資產之可收回金額乃使用管理層編製之使用價值計算確定，方法為參考獨立合資格技術顧問發佈之原油儲量估計報告編製貼現現金流量預測。貼現現金流量預測使用之主要假設包括估計未來原油價格、估計未來產量、估計未來生產成本、估計未來資本支出及貼現率。管理層認為，於二零二零年十二月三十一日，石油資產並無減值。

We focused on auditing the recoverable amount of oil properties under upstream segment because the estimation of recoverable amount is subject to high degree of estimation uncertainty. The inherent risk in relation to the estimating of recoverable amount of oil properties under upstream segment is considered significant due to the subjectivity of significant assumptions used in determining the recoverable amount of the oil properties.

由於可收回金額之估計受高度估計不確定性影響，我們專注於審核上游分部項下石油資產之可收回金額。由於確定石油資產之可收回金額時使用之重要假設具有主觀性，與估計上游分部項下石油資產之可收回金額有關之固有風險被認為屬重大。

We compared the future cost profiles and capital expenditure against historical costs, relevant budget and other relevant supporting documents.

我們將未來成本概況及資本支出與歷史成本、有關預算及其他相關證明文件進行比較。

We evaluated the reasonableness of discount rate applied by comparing the range that was independently developed using publicly available market data of comparable companies in the same industry with assistance of our internal expert.

在內部專家的協助下，我們透過比較使用同業之可資比較公司之公開市場數據獨立制定之範圍評估貼現率之合理性。

We assessed the appropriateness of valuation methodology in calculation of value-in-use of the oil properties, and tested mathematical accuracy of the discounted cash flow forecast with assistance of our internal expert.

在內部專家的協助下，我們評估計算石油資產之使用價值之估值方法之恰當性並測試貼現現金流量預測之數學準確性。

We performed sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in estimated future crude oil prices, estimated future production volume, estimated future production cost and discount rate.

經計及估計未來原油價格、估計未來產量、估計未來生產成本及貼現率之合理可能下行變化之潛在影響，我們進行敏感度分析。

Based on our work performed, we found the management's judgement and assumptions used in the estimation of recoverable amount of oil properties were supported by the available evidences.

根據我們進行之工作，我們認為可得證據支持管理層於估計石油資產之可收回金額時所使用之判斷及假設。

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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.

其他資料

貴公司董事需對其他資料負責。其他資料包括刊載於年報內的全部資料，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資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

倘若我們基於已執行的工作認為其他資料存在重大錯誤陳述，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。

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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.

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.

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

審核委員會負責監督貴集團的財務匯報過程。

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否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，並出具包括我們所發表意見的核數師報告。我們是按照《百慕達一九八一年公司法》第90條的規定，僅向閣下（作為一個整體）報告我們的意見。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平的保證，但不能保證按照《香港審核準則》進行的審核，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，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴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《香港審核準則》進行審核的過程中，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，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與可能導致對 貴集團的持續經營能力產生重大疑慮的事項或情況有關的重大不確定性。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，則我們應當修改我們的意見。我們的結論是基於核數師報告日期止所取得的審核憑證。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相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責集團審核的指導、監督和執行。我們為審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.

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, actions taken to eliminate threats or safeguards applied.

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 Wilson Chan.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 18 March 2021

我們與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核中識別出內部控制的任何重大缺陷。

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專業道德要求，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，為消除威脅而採取的行動或相關的防範措施。

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核最為重要，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傳達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傳達該事項。

出具本獨立核數師報告的審核項目合夥人是陳偉信。

羅兵咸永道會計師事務所
執業會計師

香港，二零二一年三月十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益	5,034,518	236,646
Cost of sales	銷售成本	(5,011,019)	(224,724)
Gross profit	毛利	23,499	11,922
Other income, gains and losses, net	其他收入、收益及虧損淨額	5,226	3,026
General and administrative expenses	一般及行政開支	(39,644)	(52,248)
Assets impairment losses	資產減值虧損	(5,823)	(2,250,076)
Net investment loss	投資虧損淨值	(29,623)	(4,211)
Exploration expenses	勘探開支	–	(202)
Finance costs	融資成本	(11,115)	(13,812)
Share of losses of joint ventures	應佔合營企業虧損	(7,078)	(4,784)
Loss before taxation	除稅前虧損	(64,558)	(2,310,385)
Income tax (expense)/credit	所得稅(開支)/抵免	(14,936)	20,248
Loss for the year	年內虧損	(79,494)	(2,290,137)
Loss attributable to:	由下列項目應佔虧損：		
Owners of the Company	本公司擁有人	(79,483)	(2,290,086)
Non-controlling interests	非控股權益	(11)	(51)
		(79,494)	(2,290,137)
Loss per share for loss attributable to owners of the Company for the year	本公司擁有人應佔年內每股虧損		
Basic (HK cent)	基本(港仙)	(0.91)	(26.15)
Diluted (HK cent)	攤薄(港仙)	(0.91)	(26.15)

The notes on pages 99 to 202 are an integral part of these consolidated financial statements.

載於第99頁至第202頁之附註為本綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元 (Restated) (經重列)
Loss for the year	年內虧損	(79,494)	(2,290,137)
Other comprehensive loss	其他全面虧損：		
Item that will not be reclassified to profit or loss:	將不會重新分類至損益之項目：		
Change in fair value of equity securities at fair value through other comprehensive income	以公允價值計入其他全面收益之權益證券的公允價值變動	(16,060)	(2,626)
Item that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences on translation of foreign operations	換算海外業務之匯兌差異	(21,053)	(26,763)
Other comprehensive loss for the year, net of tax	年內其他全面虧損，扣除稅項	(37,113)	(29,389)
Total comprehensive loss for the year	年內全面虧損總額	(116,607)	(2,319,526)
Total comprehensive loss attributable to:	由下列項目應佔全面虧損總額：		
Owners of the Company	本公司擁有人	(116,596)	(2,319,475)
Non-controlling interests	非控股權益	(11)	(51)
		(116,607)	(2,319,526)

The notes on pages 99 to 202 are an integral part of these consolidated financial statements.

載於第99頁至第202頁之附註為本綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

	Note	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	附註		
Non-current assets			
Exploration and evaluation assets	16	63,128	103,835
Property, plant and equipment	17	62,150	28,539
Investments in joint ventures	19	941	7,849
Financial assets at fair value through other comprehensive income	20	8	16,068
Prepayments, deposits and other receivables	22	4,316	10,911
		130,543	167,202
Current assets			
Inventories	21	28,800	14,304
Trade and other receivables	22	76,833	21,985
Current tax recoverable		1,398	41
Financial assets at fair value through profit or loss	23	74,090	120,100
Gold investment	24	68,589	–
Cash and cash equivalents	25	640,915	771,662
		890,625	928,092
Current liabilities			
Trade and other payables	26	70,478	64,246
Borrowings	27	143,067	10,544
Lease liabilities	28	3,162	834
Derivative financial instruments	30	2,925	–
Provisions	31	20,117	9,968
Income tax payable		1,040	–
		240,789	85,592
Net current assets		649,836	842,500
Total assets less current liabilities		780,379	1,009,702

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Note	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
		附註		
Non-current liabilities	非流動負債			
Borrowings	借貸	27	3,000	141,000
Lease liabilities	租賃負債	28	3,503	–
Deferred tax liabilities	遞延稅項負債	29	14,920	11,711
Provisions	撥備	31	–	10,536
			21,423	163,247
Net assets	資產淨值		758,956	846,455
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	32	87,589	87,589
Reserves	儲備		671,418	758,710
			759,007	846,299
Non-controlling interests	非控股權益		(51)	156
Total equity	權益總額		758,956	846,455

The consolidated financial statements on pages 99 to 202 were approved and authorised for issue by the board of directors on 18 March 2021 and signed on its behalf.

董事會已於二零二一年三月十八日批准及授權刊發。第99頁至第202頁之綜合財務報表並由以下人士代為簽署。

CHENG, Kam Chiu Stewart

鄭錦超
Director
董事

TANG, John Wing Yan

鄧永恩
Director
董事

The notes on pages 99 to 202 are an integral part of these consolidated financial statements.

載於第99頁至第202頁之附註為本綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Capital reserve	Exchange reserve	Fair value reserve (non-recycling) (公允價值儲備 (不可回收))	Contributed surplus	Accumulated losses	Total	Non-controlling interests	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元 (Restated) (經重列)	公允價值儲備 (不可回收) HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	累計虧損 HK\$'000 千港元 (Restated) (經重列)	總計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
Balance at 1 January 2019 as originally presented	於二零一九年一月一日結餘 (原列)	87,589	4,868,181	9,591	(5,843)	(104,510)	740,880	(2,466,201)	3,129,687	207	3,129,894
Change in accounting policy (Note 2.2)	會計政策變動 (附註2.2)	-	-	-	(487,089)	-	-	487,089	-	-	-
Adjusted balance at 1 January 2019	於二零一九年一月一日的經調整結餘	87,589	4,868,181	9,591	(492,932)	(104,510)	740,880	(1,979,112)	3,129,687	207	3,129,894
Loss for the year	年內虧損	-	-	-	-	-	-	(2,290,086)	(2,290,086)	(51)	(2,290,137)
Other comprehensive loss (restated)	其他全面虧損 (經重列)	-	-	-	(26,763)	(2,626)	-	-	(29,389)	-	(29,389)
Total comprehensive loss (restated)	全面虧損總額 (經重列)	-	-	-	(26,763)	(2,626)	-	(2,290,086)	(2,319,475)	(51)	(2,319,526)
Impact of hyperinflation – restatement effect	惡性通脹之影響 – 重列影響	-	-	-	-	-	-	36,087	36,087	-	36,087
Balance at 31 December 2019	於二零一九年十二月三十一日結餘	87,589	4,868,181	9,591	(519,695)	(107,136)	740,880	(4,233,111)	846,299	156	846,455
Loss for the year	年內虧損	-	-	-	-	-	-	(79,483)	(79,483)	(11)	(79,494)
Other comprehensive loss	其他全面虧損	-	-	-	(21,053)	(16,060)	-	-	(37,113)	-	(37,113)
Total comprehensive loss	全面虧損總額	-	-	-	(21,053)	(16,060)	-	(79,483)	(116,596)	(11)	(116,607)
Dividends paid to non-controlling interests	支付予非控股權益之股息	-	-	-	-	-	-	-	-	(196)	(196)
Impact of hyperinflation – restatement effect	惡性通脹之影響 – 重列影響	-	-	-	-	-	-	29,304	29,304	-	29,304
		-	-	-	-	-	-	29,304	29,304	(196)	29,108
Balance at 31 December 2020	於二零二零年十二月三十一日結餘	87,589	4,868,181	9,591	(540,748)	(123,196)	740,880	(4,283,290)	759,007	(51)	758,956

The notes on pages 99 to 202 are an integral part of these consolidated financial statements.

載於第99頁至第202頁之附註為本綜合財務報表之一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Note	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Operating activities			
Loss before taxation		(64,558)	(2,310,385)
Adjustments for:	就以下各項作出之調整：		
Assets impairment losses	資產減值虧損 8	5,823	2,250,076
Depreciation	折舊 7	8,987	6,780
Exploration expenses	勘探開支	–	202
Fair value losses on derivative financial instruments	衍生金融工具之公允價值虧損	2,925	–
Fair value gains on gold investment	黃金投資之公允價值收益	(6,119)	–
Finance costs	融資成本 10	11,115	13,812
Hyperinflation monetary adjustments	惡性通脹貨幣性調整	(5,871)	–
Bank interest income	銀行利息收入 6	(6,995)	(14,935)
Net investment loss	投資虧損淨值 9	29,623	4,211
Net foreign exchange losses	外匯虧損淨值	1,803	34,865
Share of losses of joint ventures	應佔合營企業虧損 19	7,078	4,784
Operating cash flows before changes in working capital	營運資金變動前經營現金流量	(16,189)	(10,590)
Changes in working capital:	營運資金變動：		
Increase in inventories	存貨增加	(15,783)	(2,502)
Increase in trade and other receivables	應收貿易賬款及其他應收款項增加	(56,318)	(1,931)
Increase/(decrease) in trade and other payables	應付貿易賬款及其他應付款項增加/(減少)	18,472	(19,012)
Cash used in operations	經營業務所用現金	(69,818)	(34,035)
Interest paid	已付利息	(11,108)	(15,569)
Interest received	已收利息	6,995	14,935
Income tax paid	已付所得稅	(1,369)	(9)
Net cash used in operating activities	經營業務所用現金淨額	(75,300)	(34,678)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Investing activities			
Payment for purchase of financial assets at fair value through profit or loss		(67,139)	(78,915)
Payment for purchase of gold investment		(62,470)	-
Payment for purchase of exploration and evaluation assets	16	(1,151)	(8,381)
Payment for purchase of property, plant and equipment		(56)	(526)
Proceeds from redemption of financial assets at fair value through profit or loss		79,793	32,000
Interest received from financial assets at fair value through profit or loss		3,880	2,427
Dividend received from financial assets at fair value through profit or loss		150	-
Net cash used in investing activities		(46,993)	(53,395)
Financing activities			
Repayment of borrowings		(10,000)	(57,400)
Payment for lease liabilities (including interest)		(2,387)	(2,166)
Dividend paid to non-controlling interests		(196)	-
Proceeds from borrowings		4,497	-
Net cash used in financing activities		(8,086)	(59,566)
Net decrease in cash and cash equivalents		(130,379)	(147,639)
Cash and cash equivalents at 1 January		771,662	928,476
Effect of foreign exchange rate changes		(368)	(9,175)
Cash and cash equivalents at 31 December	25	640,915	771,662

The notes on pages 99 to 202 are an integral part of these consolidated financial statements.

載於第99頁至第202頁之附註為本綜合財務報表之一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

New Times Energy Corporation Limited (the “**Company**”) is a limited liability company incorporated in Bermuda as an exempted company and its registered office and principal place of business are Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Room 1402, 14/F., New World Tower I, 16-18 Queen’s Road Central, Hong Kong respectively. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company is an investment holding company. Details of the principal activities of the Company’s subsidiaries are set out in Note 18. The Company and its subsidiaries are collectively referred to the “**Group**”.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”). The consolidated financial statements have been prepared under the historical cost convention except for the following:

- financial assets at fair value through other comprehensive income (“**FVOCI**”), financial assets and liabilities at fair value through profit or loss (“**FVPL**”) (including derivative financial instruments) measured at fair value;

1 一般資料

新時代能源有限公司(「**本公司**」)為於百慕達註冊成立之獲豁免有限公司，其註冊辦事處及主要營業地點分別位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及香港皇后大道中16至18號新世界大廈一期14樓1402室。本公司於香港聯合交易所有限公司(「**聯交所**」)主板上市。本公司為投資控股公司。本公司附屬公司的主要業務詳情載於附註18。本公司及其附屬公司統稱為「**本集團**」。

除另有指明外，該等綜合財務報表乃以港元呈列。

2 重大會計政策概要

本附註提供編製該等綜合財務報表所採納重大會計政策清單。除另有指明外，該等政策於呈列之所有年度貫徹應用。

2.1 編製基準

本公司之該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)及香港公司條例第622章之披露規定編製。該等綜合財務報表亦遵守聯交所證券上市規則(「**上市規則**」)之適用披露條文。除以下各項外，綜合財務報表已根據歷史成本法編製：

- 按公允價值計入其他全面收益(「**按公允價值計入其他全面收益**」)之金融資產、按公允價值計入損益(「**按公允價值計入損益**」)之金融資產及負債(包括按公允價值計量之衍生金融工具)；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

- gold investment measured at fair value; and
- adjustments for the effect of inflation where entities operate in a hyperinflationary economy.

The preparation of the consolidated financial statements in conformity with HKFRSs 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 a judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(a) Amended standards and improvement by the HKICPA and IFRS Interpretation Committee ("IFRIC") agenda decision adopted by the Group

A number of amended standards, improvement and IFRIC agenda decision became applicable for the current reporting period and the Group had to change its accounting policies and make retrospective adjustments as a result of adopting the following agenda decision issued by IFRIC:

IFRIC Agenda Decision	Translation of a Hyperinflationary Foreign Operation – Presenting Exchange Differences
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The impact of the changes in accounting policy from the application of the agenda decision is disclosed in Note 2.2 below.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

- 按公允價值計量之黃金投資；及
- 就通脹影響作出調整（倘實體於惡性通脹經濟營運）。

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，亦要求管理層於應用本集團會計政策之過程中行使判斷。涉及高度判斷或複雜之範疇，或假設及估計對財務報表有重大影響之範疇於附註4披露。

(a) 本集團採納之經修訂準則及香港會計師公會之改進以及國際財務報告準則詮釋委員會（「國際財務報告準則詮釋委員會」）議程決定

多項經修訂準則、改進及國際財務報告準則詮釋委員會議程決定適用於本報告期間及本集團須變更其會計政策並因採納以下國際財務報告準則詮釋委員會頒佈之議程決定作出追溯調整：

國際財務報告準則詮釋委員會議程決定	換算惡性通脹海外業務—呈列匯兌差額
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應用議程決定導致之會計政策變更影響於下文附註2.2披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(a) Amended standards and improvement by the HKICPA and IFRS Interpretation Committee (“IFRIC”) agenda decision adopted by the Group (Continued)

The following amendments to existing standards and improvement are effective to the Group for accounting periods beginning on or after 1 January 2020 but did not result in any significant impact on the results and financial position of the Group. No retrospective adjustments are required.

HKAS 1 and HKAS 8 (Amendments)	Definition of Material
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Hedge Accounting
HKFRS 3 (Amendments)	Definition of Business
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(a) 本集團採納之經修訂準則及香港會計師公會之改進以及國際財務報告準則詮釋委員會(「國際財務報告準則詮釋委員會」)議程決定 (續)

以下現有準則之修訂本及改進於本集團自二零二零年一月一日或之後開始之會計期間生效，惟並無對本集團之業績及財務狀況造成任何重大影響。毋須作出追溯調整。

香港會計準則第1號及香港會計準則第8號 (修訂本)	重大性的定義
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)	對沖會計
香港財務報告準則第3號 (修訂本)	業務的定義
二零一八年度財務報告的概念框架	經修訂財務報告的概念框架

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New and amended standards, interpretation and accounting guideline by the HKICPA not yet adopted

The following new standard, amendments to existing standards, interpretation and accounting guideline have been issued but are not effective for the financial year beginning on or after 1 January 2020 and have not been early adopted:

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) 尚未採納之香港會計師公會頒佈之新訂及經修訂準則、詮釋及會計指引

以下新訂準則、現有準則之修訂本、詮釋及會計指引已獲發佈，但於二零二零年一月一日或之後開始的財政年度尚未生效，且未獲提前採納：

		Effective for annual periods beginning on or after 自以下日期或之後開始之年度期間生效
HKAS 1 (Amendments) 香港會計準則第1號 (修訂本)	Classification of Liabilities as Current or Non-current 負債分為流動負債或非流動負債	1 January 2023 二零二三年一月一日
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments) 香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號 (修訂本)	Interest Rate Benchmark Reform – Phase 2 利率基準改革 – 第二階段	1 January 2021 二零二一年一月一日
HKFRS 16 (Amendments) 香港財務報告準則第16號 (修訂本)	Covid-19 Related Rent Concessions Covid-19相關租金寬減	1 June 2020 二零二零年六月一日
Annual Improvements to HKFRS Standards 2018 – 2020 香港財務報告準則二零一八年至二零二零年的年度改進	Annual Improvements to HKFRSs Standards 2018 – 2020 香港財務報告準則二零一八年至二零二零年的年度改進	1 January 2022 二零二二年一月一日
Amendments to HKFRS 3, HKAS 16, and HKAS 37 香港財務報告準則第3號、香港會計準則第16號及香港會計準則第37號 (修訂本)	Narrow-scope Amendments 適用範圍較窄之修訂	1 January 2022 二零二二年一月一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) **New and amended standards, interpretation and accounting guideline by the HKICPA not yet adopted (Continued)**

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) **尚未採納之香港會計師公會頒佈之新訂及經修訂準則·詮釋及會計指引 (續)**

		Effective for annual periods beginning on or after 自以下日期或之後開始之年度期間生效
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合同	1 January 2023 二零二三年一月一日
Hong Kong Accounting Guideline 5 (Revised) 香港會計指引5(經修訂)	Merger Accounting for Common Control Combinations 共同控制合併之合併會計法	1 January 2022 二零二二年一月一日
HK(IFRIC) – Int 5 香港(國際財務報告詮釋委員會) – 詮釋第5號	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause 財務報表的呈列 – 借款人對載有按要求還款條款的定期貸款之分類	1 January 2023 二零二三年一月一日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者及其聯營公司或合營企業之間的資產出售或注資	To be determined by the HKICPA 待由香港會計師公會確定

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) *New and amended standards, interpretation and accounting guideline by the HKICPA not yet adopted (Continued)*

The Group will adopt the above new standards, amendments to existing standards, interpretation and accounting guideline when they become effective. The Group has already commenced an assessment of the related impact of adopting the above new standards, amendments to existing standards, interpretation and accounting guideline, none of which is expected to have significant effect on the consolidated financial statements of the Group.

2.2 Changes in accounting policies

In March 2020, the IFRIC issued a set of agenda decisions on translating the results of a hyperinflationary foreign operation into the non-hyperinflationary presentation currency in the parent's consolidated financial statements, and concluded that the entity presents either:

- The restatement and translation effects in other comprehensive income, if the entity considers that the combination of those two effects meet the definition of an exchange difference in HKAS 21; or
- The translation effect in other comprehensive income, if the entity considers that only the translation effect meets the definition of an exchange difference in HKAS 21.

The Group has voluntarily changed its accounting policy to conform with the IFRIC's decision and the change in accounting policy has applied retrospectively. The new accounting policy are disclosed in Note 2.8.

2 重大會計政策概要 (續)

2.1 編製基準 (續)

(b) *尚未採納之香港會計師公會頒佈之新訂及經修訂準則、詮釋及會計指引 (續)*

本集團將於其生效時採納上述新訂準則、現有準則之修訂本、詮釋及會計指引。本集團已開始評估採納上述新訂準則、現有準則之修訂本、詮釋及會計指引之有關影響，惟預計概不會對本集團的綜合財務報表產生重大影響。

2.2 會計政策變動

於二零二零年三月，國際財務報告準則詮釋委員會頒佈一套有關將惡性通脹海外業務的業績於母公司綜合財務報表中換算為非惡性通脹呈列貨幣的議程決定，並認為實體：

- 於其他全面收益呈列重列及換算影響，倘實體認為合併該兩項影響符合香港會計準則第21號之匯兌差額定義；或
- 於其他全面收益呈列換算影響，倘實體認為僅換算影響符合香港會計準則第21號之匯兌差額定義。

本集團已自願變更其會計政策以符合國際財務報告準則詮釋委員會之決定並追溯應用會計政策之變動。新會計政策於附註2.8披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

The accounting policy change resulted in all the translation effects to be presented in other comprehensive income as opposed to directly in equity and presented the cumulative pre-hyperinflation foreign exchange differences in the exchange reserve, while having no overall impact on the Group's total equity. The cumulated losses from the translation of hyperinflationary foreign operation in the accumulated losses as at 1 January 2019, 31 December 2019 and 31 December 2020 amounting to approximately HK\$487,089,000, HK\$26,808,000 and HK\$21,121,000 has been reclassified to exchange reserve.

The impact of the consolidated statement of comprehensive income for the years ended 31 December 2019 and 2020 is presented as below:

Statement of comprehensive income (extract) – For the year ended 31 December 2019 全面收益表(摘要) – 截至二零一九年十二月三十一日止年度	As originally presented 原列 HK\$'000 千港元	Change of accounting policy 會計政策之變動 HK\$'000 千港元	As restated 經重列 HK\$'000 千港元
Exchange differences on translation of foreign operations 換算海外業務之匯兌差額	45	(26,808)	(26,763)
Other comprehensive loss for the year, net of tax 年內其他全面虧損，扣除稅項	(2,581)	(26,808)	(29,389)
Total comprehensive loss for the year 年內全面虧損總額	(2,292,718)	(26,808)	(2,319,526)
Total comprehensive loss attributable to owners of the Company 本公司擁有人應佔全面虧損總額	(2,292,667)	(26,808)	(2,319,475)

2 重大會計政策概要(續)

2.2 會計政策變動(續)

會計政策變動導致於其他全面收益呈列所有過渡影響而非直接於權益呈列，於匯兌儲備呈列累計惡性通脹前匯兌差額，而對本集團之總權益並無整體影響。累計虧損內於二零一九年一月一日、二零一九年十二月三十一日及二零二零年十二月三十一日之換算惡性通脹海外業務之累計虧損約487,089,000港元、26,808,000港元及21,121,000港元已重新分類至匯兌儲備。

截至二零一九年及二零二零年十二月三十一日止年度之綜合全面收益表之影響呈列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policies (Continued)

Statement of comprehensive income (extract) – For the year ended 31 December 2020 全面收益表(摘要) – 截至二零二零年十二月三十一日止年度		Under old accounting policy 根據舊會計政策 HK\$'000 千港元	Change of accounting policy 會計政策之變動 HK\$'000 千港元	As restated 經重列 HK\$'000 千港元
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	68	(21,121)	(21,053)
Other comprehensive loss for the year, net of tax	年內其他全面虧損，扣除稅項	(15,992)	(21,121)	(37,113)
Total comprehensive loss for the year	年內全面虧損總額	(95,486)	(21,121)	(116,607)
Total comprehensive loss attributable to owners of the Company	本公司擁有人應佔全面虧損總額	(95,475)	(21,121)	(116,596)

2.3 Principles of consolidation and equity accounting

2.3.1 Subsidiary

A subsidiary is an 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.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 2.4).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重大會計政策概要(續)

2.2 會計政策變動(續)

2.3 綜合原則及權益會計

2.3.1 附屬公司

附屬公司指本集團擁有控制權的實體。當本集團承受或享有參與實體所得之可變回報，且有能力透過其於實體之權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團之日起開始綜合入賬，並自控制權喪失之日起終止綜合入賬。

本集團採用收購會計法為業務合併列賬(參閱附註2.4)。

集團內公司間交易、結餘及交易的未變現收益予以抵銷。未變現虧損亦予以抵銷，除非交易有證據顯示所轉讓資產出現減值。本公司已在必要情況下對附屬公司之會計政策作出修訂，以確保與本集團所採納之政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

2.3.1 Subsidiary (Continued)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity respectively.

2.3.2 Joint arrangement

Under HKFRS 11 "Joint Arrangements", investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint ventures only.

Investments in joint ventures are accounted for using the equity method (see Note 2.3.3 below), after initially being recognised at cost in the consolidated statement of financial position.

2.3.3 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

2 重大會計政策概要 (續)

2.3 綜合原則及權益會計 (續)

2.3.1 附屬公司 (續)

於附屬公司之業績及權益之非控股權益分別單獨呈列於綜合損益表、綜合全面損益表、綜合財務狀況表及綜合權益變動表。

2.3.2 合營安排

根據香港財務報告準則第11號「合營安排」，合營安排下的投資分類為合營業務或合營企業。分類取決於各投資方的合約權利及義務，而非按合營安排的法定結構。本集團僅擁有合營企業。

於合營企業之投資在綜合財務狀況表中初步按成本確認後以權益法入賬（見下文附註2.3.3）。

2.3.3 權益法

根據權益會計法，投資初步按成本確認，其後進行調整以於損益確認本集團應佔被投資方收購後溢利或虧損並於其他全面收入確認本集團應佔被投資方其他全面收入的變動。已收或應收聯營公司及合營企業的股息確認為投資賬面值扣減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

2.3.3 Equity method (Continued)

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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

The carrying amount of equity-accounted investments is tested for impairment in accordance with Note 2.12.

2.4 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 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 and the fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 重大會計政策概要 (續)

2.3 綜合原則及權益會計 (續)

2.3.3 權益法 (續)

倘本集團應佔權益入賬投資的虧損等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項),則本集團不會確認進一步虧損,除非已代表另一實體承擔責任或作出付款。

本集團與其合營企業之間交易的未變現收益按本集團於該等實體的權益予以對銷。未變現虧損亦會予以對銷,除非該交易顯示已轉讓資產減值的證據。權益入賬被投資方的會計政策已在需要時作出調整,以確保與本集團所採納會計政策一致。

權益入賬投資的賬面值根據附註2.12進行減值測試。

2.4 業務合併

本集團使用收購法為業務綜合入賬。收購附屬公司的轉讓代價為已轉讓資產、已產生擔負債以及本集團發行的股本權益的公允價值。所轉讓代價包括因或然代價安排而產生的任何資產或負債的公允價值及於附屬公司的任何現有股權的公允價值。於業務合併中收購的可識別資產以及承擔的負債及或然負債初步按於收購日期的公允價值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 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.

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 profit or loss.

2.5 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost 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 a dividend 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.

2 重大會計政策概要 (續)

2.4 業務合併 (續)

本集團按逐項收購基準確認於被收購方的任何非控股權益。屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔被收購方資產淨值的被收購方非控股權益以公允價值或現時擁有權權益應佔被收購方可識別資產淨值中已確認款額的比例計量。除香港財務報告準則規定採用其他計量基準外，非控股權益的所有其他部分以其收購日期的公允價值計量。

收購相關成本於產生時支銷。

所轉讓代價、被收購方之任何非控制性權益金額及任何先前於被收購方之股權於收購日期之公允價值超逾所收購可識別淨資產公允價值之差額，乃入賬列作商譽。倘轉讓的代價、已確認非控制性權益及先前持有的權益計量之總額低於所收購附屬公司淨資產之公允價值（於議價收購之情況下），則該差額會直接於損益確認。

2.5 獨立財務報表

於附屬公司的投資按成本扣除減值列賬。成本包括直接應佔投資成本。附屬公司的業績乃由本公司按已收股息及應收款項基準入賬。

倘股息超出附屬公司宣派股息期間全面收益總額，或倘獨立財務報表中投資賬面值超出綜合財務報表所示投資對象資產淨值（包括商譽）的賬面值，則須於自該投資收取股息時，對該等投資進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 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 of the Company that makes strategic decisions.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2.7 Foreign currency translation

(a) Functional and presentation currency

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

(b) 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 currency are recognised in profit or loss. All foreign exchange gains and losses are presented in the consolidated statement of profit or loss within "other income, gains and losses, net".

2 重大會計政策概要 (續)

2.6 分部報告

經營分部的報告方式須與主要經營決策者獲提供的內部報告方式一致。負責分配資源及評估經營分部表現的主要經營決策者被識別為作出策略性決策的本公司執行董事。

就財務報告而言，個別重要經營分類不會合併呈報，除非該等分類具有類似經濟特徵以及有關產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用之方式及監管環境性質類似。倘並非個別重大之經營分類符合該等標準大部分特徵，則可合併呈報。

2.7 外幣換算

(a) 功能及呈列貨幣

計入本集團各實體財務報表的項目，乃按該實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。合併財務報表乃以本公司功能貨幣及本集團呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易採用交易或項目重新計量的估值日期的匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在損益確認。所有外匯收益及虧損於綜合損益表內之「其他收入、收益及虧損淨額」呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(b) Transactions and balances (Continued)

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 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 FVOCI are recognised in other comprehensive income.

(c) Group companies

The results and financial position of foreign operations, which do not have the currency of a hyperinflationary economy and 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 statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of 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 currency translation differences are recognised in other comprehensive income.

2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(b) 交易及結餘 (續)

以公允價值計量的外幣非貨幣性項目，採用公允價值確定日的匯率折算。以公允價值計量的資產和負債的折算差額作為公允價值損益的一部分進行報告。例如，非貨幣資產和負債，如以公允價值計量且其變動計入損益的股權的轉換差異在損益中確認為公允價值損益的一部分，以及分類為股票的非貨幣性資產的轉換差異其他全面收益的公允價值在其他全面收益中確認。

(c) 集團公司

功能貨幣與呈列貨幣不同的海外業務（當中沒有惡性通脹經濟貨幣）的業績及財務狀況按如下方法換算為呈列貨幣：

- 每份呈報的財務狀況表內的資產及負債按該財務狀況表日期的收市匯率換算；
- 每份損益表內的收入和費用按平均匯率換算（除非此匯率並不代表交易日期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
- 所有由此產生的貨幣換算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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(c) Group companies (Continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The results and the financial position of group entity which is accounted for as entity operating in a hyperinflationary economy and that has a functional currency different from the presentation currency of the Group are translated into the presentation currency at the closing rate at the date of the statement of financial position, and all the resulting translation differences are recognised in other comprehensive income.

(d) 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, or a disposal involving loss of joint control over a joint venture 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.

2 重大會計政策概要 (續)

2.7 外幣換算 (續)

(c) 集團公司 (續)

收購海外業務產生的商譽及公允價值調整視為海外業務的資產和負債，並按期末匯率換算。

集團實體（作為在惡性通貨膨脹經濟經營的實體入賬，且功能貨幣有別於本集團呈列貨幣者）的業績及財務狀況乃按財務狀況表日期的收市匯率換算為呈列貨幣，及所有由此產生的換算差額於其他全面收益確認。

(d) 出售海外業務

出售海外業務時（即出售本集團於海外業務的全部權益，或出售涉及失去對擁有海外業務的附屬公司的控制權，或出售涉及失去對擁有海外業務的合營企業的共同控制權），本公司擁有人應佔有關該業務的所有累計於權益的貨幣換算差額，均重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Hyperinflation accounting

As the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level or exchange rates in the current year. Differences between these comparative amounts and the hyperinflation adjusted equity opening balances are recognised as below:

- The restatement effects for the equity opening balances are recognised directly in equity; and
- The translation effects for the equity opening balances are recognised in exchange reserves through other comprehensive income.

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognised in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount.

Gains or losses on the net monetary position are recognised in the consolidated statement of profit or loss.

All items recognised in the consolidated statement of profit or loss are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

At the beginning of the first period of application, the components of owners' equity, except accumulated losses, are restated by applying a general price index from the dates the components were contributed or otherwise arose. The restatement effects are recognised directly in equity, and the translation effects are recognised in exchange reserves through other comprehensive income. Restated accumulated losses are derived from the residual amounts in the restated statement of financial position.

At the end of the first period and in the subsequent periods, all components of owners' equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

All items in the consolidated statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

2 重大會計政策概要 (續)

2.8 惡性通脹會計

由於本集團的呈列貨幣為非惡性通貨膨脹經濟體的貨幣，因此未按本年度價格水平或匯率變動調整比較金額。該等比較金額與惡性通貨膨脹經調整權益期初餘額之間的差異確認如下：

- 權益期初餘額的重列影響直接於權益中確認；及
- 權益期初餘額的換算影響通過其他綜合收益於匯兌儲備中確認。

對非貨幣性資產及負債的賬面價值進行調整，以反映自收購日期起至報告期末的一般價格指數的變化。倘非貨幣項目的重列金額超過其估計可收回金額，則減值虧損於損益確認。

淨貨幣狀況的收益或虧損乃於綜合損益表確認。

綜合損益表中確認的所有項目均透過應用最初賺取或產生的收入及開支項目當日的一般價格指數變化進行重列。

於應用首個期間開始時，除累計虧損外，擁有人權益的組成部分乃透過應用組成部分獲出資或以其他方式產生當日的一般價格指數進行重列。該等重列影響直接於權益中確認，且換算影響通過其他綜合收益於匯兌儲備中確認。重列的累計虧損來自經重列財務狀況表中的剩餘金額。

於首個期間末及其後期間，擁有人權益的所有組成部分乃透過自期初或出資當日起應用的一般價格指數進行重列（如較遲）。

綜合現金流量表中的所有項目均以報告期末的一般價格指數表示。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Property, plant and equipment

Property, plant and equipment comprise mainly leasehold improvements, machinery, furniture, fixtures and office equipment, motor vehicles, oil production assets and right-of-use assets. Accounting policies for oil production assets and right-of-use assets are set out in Note 2.10 and Note 2.28 respectively. All other property, plant and equipment are 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 any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are expensed in the consolidated statement of profit or loss during the year in which they are incurred. Except for oil production assets, 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:

Leasehold improvements	4-5 years
Machinery	5-10 years
Furniture, fixtures and office equipment	3-5 years
Motor vehicles	3-5 years

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 2.12).

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within "other income, gains and losses, net" in the consolidated statement of profit or loss.

2 重大會計政策概要(續)

2.9 物業、廠房及設備

物業、廠房及設備主要包括租賃物業裝修、機器、傢私、裝置及辦公室設備、汽車、石油生產資產及使用權資產。石油生產資產及使用權資產之會計政策分別載於附註2.10及附註2.28。所有其他物業、廠房及設備按歷史成本減累計折舊及減值(如有)列賬。歷史成本包括收購該等項目直接產生的開支。

當後續成本可能於未來為本集團帶來與該項目相關的經濟利益，而項目成本能可靠計量時，有關後續成本方會計入資產賬面值或確認為一項獨立資產(視情況)。入賬列作單獨資產之任何部分之賬面值於替換時終止確認。所有其他維修及保養成本在產生時的年度於綜合損益表中扣除。除石油生產資產外，物業、廠房及設備的折舊以直線法計算，以於其估計可使用年期將其成本分配至其餘值，有關估計可使用年期如下：

租賃物業裝修	4-5年
機器	5-10年
傢私、裝置及辦公室設備	3-5年
汽車	3-5年

於各財務狀況報表日期，本集團會審閱對資產的餘值及可使用年期，並視乎情況作出調整。倘資產的賬面值超過其估計可收回數額，則資產的賬面值將即時撇減計至其可收回數額(附註2.12)。

出售盈虧為所得款項與賬面值之間的差額，並於綜合損益表中「其他收入、收益及虧損淨額」內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Oil production assets

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 production assets under property, plant and equipment. No depreciation is charged during the development phase.

Oil properties are aggregated exploration and evaluation assets (refer to Note 2.11) and development expenditures associated with the production of proved reserves.

Oil production assets are depreciated using the unit-of-production method. Unit-of-production rates are based on total proved reserves, which are crude oil reserves estimated to be recovered using current operating methods.

Proven oil production assets 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.

2 重大會計政策概要 (續)

2.10 石油生產資產

建設、安裝或完成如平台、管道等基礎設施以及鑽探證實可作商業生產之發展礦井之開支，將於物業、廠房及設備項下之在建工程中撥充資本。當特定礦田之發展完成時，其將轉撥至物業、廠房及設備項下之石油生產資產。於發展期間，並不會扣除折舊。

採油資產匯總為勘探及評估資產（參閱附註2.11）及與生產探明儲量相關之發展開支。

石油生產資產按單位生產法折舊。單位生產率按探明儲量總額計算，即以現有營運方法去估計可採收之原油儲量。

倘出現事件或情況變動顯示可能無法收回其賬面值，則石油生產資產作減值檢討。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允價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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 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. Subsequent to initial recognition, exploration and evaluation assets are carried at cost less any accumulated impairment losses, no depreciation and/or amortisation is charged during the exploration and evaluation phase. 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 reclassified to property, plant and equipment. No depreciation is charged during the exploration and evaluation phase.

Exploration and evaluation assets are tested for impairment when reclassified to property, plant and equipment, 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.

2.12 Impairment of non-financial assets

Assets that are subject to depreciation and 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.

2 重大會計政策概要 (續)

2.11 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。於初始確認後，勘探及評估資產按成本減任何累計減值虧損列賬，且於勘探及評估階段不計提折舊及／或攤銷。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，該等成本自成本扣除。

一旦發現商業儲量時，勘探及評估資產會作減值測試，並重新分類至物業、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。

重新分類至物業、廠房及設備時，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允價值減出售成本及其使用價值的較高者。

2.12 非金融資產減值

當有事件出現或情況變動顯示賬面值可能無法收回時，將檢視須折舊及攤銷資產是否減值。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允價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審閱減值撥回的可能性。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 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 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.

(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.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產

(i) 分類

本集團將其金融資產按以下計量類別分類：

- 隨後將按公允價值計量（計入其他全面收益或計入損益）；及
- 將按攤銷成本計量。

該分類取決於本集團管理金融資產及現金流量合約期之業務模式。

按公允價值計量的資產而言，收益及虧損將於損益或其他全面收益列賬。對於並非持作買賣權益投資的投資，則取決於本集團是否於初始確認時不可撤銷地選擇按公允價值計入其他全面收益對權益投資列賬。

僅當管理該等資產之業務模式發生變動時，本集團對債務投資進行重新分類。

(ii) 確認及終止確認

金融資產的定期收購及出售，均於交易日（即本集團承諾收購或出售該資產當日）確認。當本集團從該等金融資產收取現金流量的權利已到期或已被轉讓且本集團已將大部分擁有權的所有風險及回報轉移，則會終止確認該等金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets

(Continued)

(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.

Debt instruments

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

- 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 income, gains and losses, net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

(iii) 計量

初始計量時，本集團按金融資產之公允價值加（倘並非透過損益按公允價值計量之金融資產）直接歸屬於金融資產收購之交易成本計量。透過損益按公允價值計量之金融資產之交易成本於損益列作開支。

在確定具有嵌入衍生工具的金融資產的現金流量是否僅為支付本金及利息時，需從金融資產的整體進行考慮。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及有關資產之現金流量特徵。本集團將其債務工具分類為三個計量類別：

- 攤銷成本：持作收回合約現金流量之資產，該等現金流量僅指支付之本金及利息。該等金融資產的利息收入採用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，並與匯兌收益及虧損一併於「其他收入、收益及虧損淨額」內列報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Investments and other financial assets

(Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- 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 income, gains and losses, 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 income, gains and losses, net" and impairment expenses are presented as separate line item in profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within "net investment loss" in the period in which it arises.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

(iii) 計量 (續)

債務工具 (續)

- 按公允價值計入其他全面收益：持作收回合約現金流量及出售金融資產之資產，倘該等資產現金流量僅指支付本金及利息，則按公允價值計入其他全面收益。賬面值變動計入其他全面收入，惟於損益內確認之減值收益或虧損、利息收益及匯兌收益及虧損之確認除外。於金融資產終止確認時，先前於其他全面收入確認之累計收益或虧損由權益重新分類至損益並於「其他收入、收益及虧損淨額」確認，而減值開支則於損益作為獨立項目呈列。
- 以公允價值計入損益：不符合攤銷成本或按公允價值計入其他全面收益標準之資產則以公允價值計入損益。隨後以公允價值計入損益之債務投資之收益或虧損於其產生期間於損益內按淨額於「投資虧損淨值」確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 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 and presented within "net investment loss" when the Group's right to receive payments is established.

Change in the fair value of financial assets at FVPL are recognised in "net investment loss" in the statement of profit or loss as applicable. 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 3.2(b) for further details.

2 重大會計政策概要 (續)

2.13 投資及其他金融資產 (續)

(iii) 計量 (續)

權益投資

本集團按公允價值後續計量所有權益投資。倘本集團管理層選擇於其他全面收益列報權益投資之公允價值收益及虧損淨額，終止確認投資後，概無後續重新分類公允價值收益及虧損至損益。當本集團有權收取股息付款時，該等投資之股息繼續於損益確認及呈列為「投資虧損淨值」。

透過損益按公允價值計量之金融資產之公允價值變動在適當情況下於損益表中的「投資虧損淨值」確認。按公允價值計入其他全面收益之權益投資之減值虧損及減值虧損撥回不會因其他公允價值變動而分開列報。

(iv) 減值

本集團按前瞻性原則，對按攤銷成本列賬及按公允價值計入其他全面收益的債務工具相關的預期信貸虧損進行評估。所採用的減值方法取決於信貸風險是否大幅增加。

就應收賬款而言，本集團採用香港財務報告準則第9號允許的簡化方法，其中要求全期預期虧損須自首次確認應收款項時確認，進一步詳情見附註3.2(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group and the counterparty.

2.15 Derivatives

Derivatives are initially recognised at fair value on the date of a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

2.16 Inventories

Inventories comprise of gold held for trading, consumables and crude oil are stated at the lower of cost and net realisable value. Cost comprises invoiced cost and other direct costs, and is determined on a weighted average cost method. Cost of purchased inventory are determined after deducting discount if applicable. Net realisable value is the estimated selling price in the ordinary course of business, less all costs to completion and all direct costs necessary to make the sale.

2.17 Trade and other receivables

Trade receivables are amounts due from customers from goods sold and 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.

2 重大會計政策概要 (續)

2.14 抵銷金融工具

倘本集團當前擁有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，財務資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘本集團及對手方一旦出現違約、無償債能力或破產時可強制執行。

2.15 衍生工具

衍生工具最初按訂立衍生工具合約日期之公允價值確認，隨後按各報告期末之公允價值重新計量。

2.16 存貨

存貨（包括持作交易黃金、易耗品及原油）乃按成本與可變現淨值之較低者列賬。成本包括發票成本及其他直接成本及按加權平均成本法釐定。所購買存貨之成本於扣除適用折讓後釐定。可變現淨值為在一般業務過程中的估計售價減所有完成成本及作出銷售所需之所有直接成本。

2.17 應收貿易賬款及其他應收款項

應收貿易賬款為在一般業務過程中就已售商品及已提供服務應收客戶的款項。倘預期應收貿易賬款及其他應收款項可於一年或以內（或如為較長時間，在正常業務營運週期中）收回，其被分類為流動資產。否則將呈列為非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Trade and other receivables (Continued)

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.

2.18 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, and 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.

2.19 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.

2 重大會計政策概要 (續)

2.17 應收貿易賬款及其他應收款項 (續)

應收貿易賬款及其他應收款項初始按無條件代價金額確認，除非其包含重大融資成份，則在此情況下按公平價確認。本集團以收取合約現金流量為目的持有應收貿易賬款及其他應收款項，因此，其後採用實際利率法按攤銷成本計量。

2.18 現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括手頭現金、銀行通知存款及於三個月或以下期間到期的短期高流動性投資（可即時兌換已知金額現金且面臨較低價值變動風險）。

2.19 應付貿易賬款

應付貿易賬款為於日常業務過程中採購供應商貨品或服務的付款責任。倘付款於一年內或以內（或於業務正常營運週期內（倘較長時間））到期，則應付貿易賬款分類為流動負債，反之，則呈列為非流動負債。

應付貿易賬款初步按公允價值確認，其後採用實際利率法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 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 removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

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.

2.21 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.

2 重大會計政策概要 (續)

2.20 借貸

借貸初始按公允價值減產生的交易成本確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值的任何差額採用實際利率法於借款期間內在綜合損益確認。

倘將有可能提取部份或全部融資，則設立貸款融資支付的費用會確認為貸款交易成本。在此情況下，該費用將遞延至提取融資為止。倘無證據證明將有可能提取部份或全部融資，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。

當合約中規定的責任解除、取消或屆滿時，借貸從財務狀況表中剔除。

除非本集團有權無條件將負債的結算遞延至報告期末後至少十二個月，否則借貸分類為流動負債。

2.21 借貸成本

直接歸屬於收購、興建或生產合資格資產（需經過相當長時間方能達致其擬定用途或銷售者）的一般及特定借款成本計入該等資產的成本內，直至資產大致達致其擬定用途或可供銷售為止。

特定借款用作合資格資產開支前作為臨時投資所賺取的投資收入，會自合資格撥充資本的借款成本中扣除。

所有其他借款成本在產生期間於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax

The income 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 and its 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 and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(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. Deferred income tax is also 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.

2 重大會計政策概要 (續)

2.22 當期及遞延所得稅

本期間的所得稅開支包括當期及遞延稅項。稅項於損益確認，但與其他綜合收益中或直接在權益中確認的項目有關者則除外。在該情況下，稅項亦分別在其他綜合收益或直接在權益中確認。

(i) 當期所得稅

即期所得稅支出根據本集團及其合營企業營運及產生應課稅收入所在國家於財務狀況表日期已頒布或實質頒布的稅務法例計算。管理層就適用稅務法例以詮釋為準的情況定期評估稅項收益狀況及考慮稅務機關是否可能接受不確定的稅務處理。本集團根據最可能金額或預期價值計量其稅項結餘，而其取決於何種方法可更好預測不確定性之結果。

(ii) 遞延所得稅

遞延所得稅使用負債法就資產與負債之稅基與其於綜合財務報表之賬面值兩者產生之暫時差額悉數提供。然而，倘遞延稅項資產因初始確認商譽產生，則不予確認。倘遞延所得稅乃因資產或負債在一宗交易（業務合併除外）中獲初始確認而產生，並且於交易時對會計或應課稅溢利或虧損均無影響，則遞延所得稅亦不計算入賬。遞延所得稅採用在財務狀況表日期已頒佈或實質頒佈，並在變現有關遞延所得稅資產或償付遞延所得稅負債時預期將會適用之稅率（及法例）釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Current and deferred income tax (Continued)

(ii) Deferred income tax (Continued)

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax assets and liability 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 the reversal of the temporary difference and it is probable that the temporary difference 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 where the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.23 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

2 重大會計政策概要 (續)

2.22 當期及遞延所得稅 (續)

(ii) 遞延所得稅 (續)

遞延所得稅資產僅在未來應課稅金額將可用於利用該等暫時差異及虧損時予以確認。

倘本集團能控制撥回暫時差額的時間，並且該等暫時性差異很可能不會於可見將來撥回，則不會就外國業務投資賬面值與稅基之間的暫時差額確認遞延所得稅資產及負債。

(iii) 抵銷

倘存在可依法強制執行的權利將即期稅項資產與即期稅項負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延所得稅資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期稅項資產與負債抵銷。

2.23 僱員福利

(a) 短期責任

僱員直至報告期末之服務獲確認工資及薪金負債（預期在僱員提供相關服務期間結束後十二個月內悉數結算）並按結算有關負債之預期金額計量。負債於綜合財務狀況表內呈列為即期僱員福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Employee benefits (Continued)

(b) Pension obligations

The Group maintains a number of defined contribution plans in the countries in which it operates, the assets of the retirement benefit are generally held in separate trustees-administered funds. The retirement plans are generally funded by payments from employees and by the Group.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2019: HK\$30,000). Contributions to the plan vest immediately.

The Group also participates in the employees' pension schemes of the respective municipal governments in various places (including the Mainland China and the Argentine Republic) where the Group operates. The Group makes monthly contributions calculated as a percentage of the monthly basic salary and the relevant municipal government undertakes to assume the retirement benefit obligations of all existing and future retirees of the Group.

2 重大會計政策概要 (續)

2.23 僱員福利 (續)

(b) 退休金責任

本集團在其經營業務所在國家設有多項界定供款計劃，退休福利資產一般由受託人管理之獨立基金持有。退休計劃一般由僱員及本集團作出的付款撥資。

界定供款計劃是一項養老金計劃，本集團根據該計劃支付固定的供款予一個獨立的實體。倘基金沒有足夠資產向所有僱員支付有關在當期及之前期間的僱員服務福利，本集團並無法定或推定責任支付進一步的供款。

本集團根據香港強制性公積金計劃條例為受香港僱傭條例管轄之司法權區受聘之僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃是由獨立受託人管理之定額供款退休計劃。根據強積金計劃，僱主及僱員各自均須按僱員有關收入之5%向計劃作出供款，而每月有關收入之上限為30,000港元（二零一九年：30,000港元）。計劃供款即時歸屬。

本集團亦參與本集團於各地（包括中國內地及阿根廷共和國）營運之有關市政府之僱員養老保險計劃。本集團每月就每月基本薪金之百分比作出供款，而有關市政府承擔本集團現時及將來退休員工之退休福利責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Employee benefits (Continued)

(c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2.24 Gold investment

Gold investment comprises the investment in gold bullions for the purposes of capital appreciation and capturing the effectiveness of gold as inflation-proofing instrument. Gold investment is initially measured at cost. Subsequently, gold investment is stated at the gold price prevailing at the date of the statement of financial position. Changes in fair value of gold prices are presented in the statement of profit or loss as part of "other income, gains and losses, net".

2.25 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. Restructuring provisions comprise lease termination penalties and employee termination payments. 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.

2 重大會計政策概要 (續)

2.23 僱員福利 (續)

(c) 僱員假期福利

僱員年假於賦予僱員時確認。因僱員於截至有關期間末止所提供服務享有之年假之估計負債已作出撥備。

僱員病假及產假於放假時始予確認。

2.24 黃金投資

黃金投資包括金條投資，作資本增值及抓住黃金作為防通脹的有效性。黃金投資初步按成本計量。隨後，黃金投資按於財務狀況表日期之現行黃金價格列賬。黃金價格公允價值之變動在損益表呈列為「其他收入、收益及虧損淨額」之一部分。

2.25 撥備

倘本集團因過往事件而承擔現有法定或推定責任；有可能須耗用資源以履行責任；及數額能可靠估計，則會確認環境復原、重建成本及法律申索的撥備。重建撥備包括租約終止罰金及僱員終止僱傭的付款。本公司並不會就未來經營虧損確認撥備。

倘存在多項同類責任，須耗用資源履行責任的概率視乎整體責任的類別而定。即使同類責任中的任何一項責任須耗用資源的概率較低，但仍會確認撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Provisions (Continued)

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.

2.26 Revenue recognition

(i) Sale of goods – sales of physical gold, oil and petroleum-related products

The Group sells a range of commodities and products including physical gold, oil and petroleum-related products under the general and commodities trading segment and upstream segment. Sales are recognised when control of the products has transferred, being when the products are delivered to customers, the customers have accepted the products, the collection of the related consideration is probable and there is no unfilled obligation that could affect the customers' acceptance of the products. It is generally satisfied at a point in time when the legal title has passed to customers.

The determination of whether revenue should be reported on a gross or net basis is based on an assessment of whether the Group is acting as the principal or an agent in the transactions. For the sales of physical gold, in determining whether the Group acts as the principal or an agent, the Group follows the accounting guidance for principal-agent considerations in HKFRS 15. Such determination involves judgement and is based on an evaluation of the terms and the substance in the physical gold trading arrangement as follows:

2 重大會計政策概要 (續)

2.25 撥備 (續)

撥備按預期須履行責任之開支現值，採用可反映現行市場評估貨幣時間價值及責任指定風險之稅前比率計量。因時間過去而增加之撥備確認為利息開支。

2.26 收益確認

(i) 銷售貨品 – 銷售實物黃金及石油相關產品

本集團銷售多種商品及產品，包括普通及商品貿易分部及上游分部項下之實物黃金及石油相關產品。銷售在產品控制權轉移時（即產品交付予客戶，而客戶接納產品，而收取相關代價的可能性甚高，且概無足以影響客戶接納產品的未履行責任時）確認，其一般於合法業權轉讓予客戶時達成。

確定是否應按總額或淨額基準報告收益乃基於對本集團是否作為交易的委託人或代理人作出的評估。就銷售實物黃金而言，在釐定本集團是否作為委託人亦或代理人時，本集團遵循香港財務報告準則第15號委託人與代理人考量的會計指引。這種確定涉及判斷，並基於對條款及實物黃金買賣安排內容作出如下評估：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Revenue recognition (Continued)

(i) Sale of goods – sales of physical gold, oil and petroleum-related products (Continued)

The Group has engaged a sales agent to conduct and handle the physical gold trading on behalf of the Group and entered an agency agreement with the sales agent during the year. In determination of whether revenue of sales of physical gold should be recognised on a gross or net basis, while none of the factors individually are considered presumptive or determinative, the Group is the principal in the physical gold trading arrangement as it controls the physical gold products before the products are transferred to customers, because (i) the Group is primarily responsible for delivering the specified physical gold products to customers. The Group has its discretion to trade with particular suppliers and customers proposed by the sales agent. The Group obtains the control of the physical gold products and has the discretion to direct the sales agent to deliver the physical gold products to customers on behalf of the Group; (ii) the Group is subject to inventory risk including but not limited to purity and quality issues which cannot be compensated by the sales agent or other counterparties; and (iii) the Group has the discretion to approve the range of selling price, which represented the spot market price plus or minus the premium and discount, proposed by the sales agent charged to customers. Therefore the Group recognised the revenue on a gross basis.

(ii) Drilling service income

The Group recognises revenue in the consolidated statement of profit or loss upon completion of the services.

(iii) Financing components

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

2 重大會計政策概要 (續)

2.26 收益確認 (續)

(i) 銷售貨品 – 銷售實物黃金及石油相關產品 (續)

本集團已於年內委聘銷售代理人代表本集團進行及處理實物黃金買賣及與銷售代理人訂立代理協議。在確定是否應按總額或淨額基準確認實物黃金買賣收益時，儘管並無任何因素可被單獨視為推定或決定性因素，由於將產品轉讓予客戶前，本集團控制實物黃金產品，故本集團為實物黃金買賣安排的委託人，概因(i)本集團主要負責向客戶交付特定黃金實物產品。本集團具有酌情權與銷售代理人建議的特定供應商及客戶交易。本集團取得實物黃金產品的控制權及具有酌情權指示銷售代理人代表本集團向客戶交付實物黃金產品；(ii)本集團面臨存貨風險，包括但不限於純度及質量問題，銷售代理人或其他對手方無法賠償問題；及(iii)本集團具有酌情權批准售價的範圍，指現銷售代理人向客戶收取的貨價格加或減溢價及折讓。因此，本集團按總額基準確認收益。

(ii) 鑽井服務收入

本集團於服務完成時於綜合損益表確認收益。

(iii) 融資組成部分

本集團預期概無任何合約自所承諾貨品或服務轉移至客戶起至客戶付款期間將超過一年。因此，本集團並無就貨幣時間價值調整任何交易價格。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Interest income

Interest income on financial assets at FVPL is included in “net investment loss” on these assets, see Note 9 below.

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the statement of 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).

2.28 Leases

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.

Contracts may contain both lease and non-lease components. The Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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.

2 重大會計政策概要 (續)

2.27 利息收入

按公允價值計入損益之金融資產之利息收入計入該等資產之「投資虧損淨值」(見下文附註9)。

按攤銷成本計量的金融資產採用實際利率法計算的利息收入，於損益表確認為融資收入的一部分。

利息收入乃經對金融資產的總賬面值應用實際利率計算，其後成為信貸減值的金融資產除外。就信貸減值的金融資產而言，則對金融資產的賬面淨值(扣除虧損撥備)應用實際利率。

2.28 租賃

租賃在租賃資產可供本集團使用之日確認為使用權資產及相應負債。

合約可能包含租賃及非租賃組成部分。本集團其選擇將租賃及非租賃組成部分入賬為單一租賃組成部分，並無將兩者區分。

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(包括實質上的固定付款)的淨現值，減去任何應收租賃優惠。

租賃付款使用租賃中隱含之利率貼現。倘無法輕易地釐定該利率(為本集團租賃之一般情況)，則使用承租人之新增借貸利率，即個別承租人為於類似之經濟環境下以類似之條款、擔保物及條件取得具有類似使用權資產價值之資產借入所需資金而需支付之利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Leases (Continued)

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;
- any initial direct cost; and
- restoration costs.

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.

Payments associated with short-term leases 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.

2 重大會計政策概要 (續)

2.28 租賃 (續)

為釐定新增借貸利率，本集團使用個別承租人最近獲得之第三方融資為起步點（倘可能），並作出調整以反映自獲得第三方融資以來融資條件之變動，及對租賃作出特定調整。

租賃付款於本金及財務成本之間作出分配。財務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：

- 租賃負債的初始計量金額；
- 在開始日期或之前支付的任何租賃付款減去已收任何租賃優惠；
- 任何初始直接成本；及
- 修復費用。

使用權資產一般於資產可使用年期或租約期（以較短者為準）按直線法計算折舊。

與短期租賃及所有低價值資產租賃有關的付款按直線法於損益中確認為開支。短期租賃指租期為12個月或以下的租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.29 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.

2.30 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial instruments by categories

	Notes	Financial assets at FVPL	Financial assets at FVOCI	Financial assets at amortised cost	Financial liabilities at FVPL	Financial liabilities at amortised cost
	附註	按公允價值計入損益的金融資產 HK\$'000 千港元	按公允價值計入其他全面收益的金融資產 HK\$'000 千港元	按成本攤銷的金融資產 HK\$'000 千港元	按公允價值計入損益的金融負債 HK\$'000 千港元	按成本攤銷的金融負債 HK\$'000 千港元
As at 31 December 2020	於二零二零年十二月三十一日					
Debt investments	債務投資 23	21,036	-	-	-	-
Equity investments	權益投資 20, 23	53,054	8	-	-	-
Derivatives	衍生工具 30	-	-	-	2,925	-
Trade and other receivables	應收貿易賬款及其他應收款項 22	-	-	72,204	-	-
Cash and cash equivalents	現金及現金等價物 25	-	-	640,915	-	-
Trade and other payables	應付貿易賬款及其他應付款項 26	-	-	-	-	70,219
Borrowings	借貸 27	-	-	-	-	146,067
Lease liabilities	租賃負債 28	-	-	-	-	6,665
		74,090	8	713,119	2,925	222,951

2 重大會計政策概要 (續)

2.29 股本

普通股歸類為權益。與發行新股份或期權直接相關的遞增成本於權益內顯示為所得款項的扣減（扣除稅項）。

2.30 股息分派

向本公司股東進行的股息分派，在本公司股東或董事（如適用）批准股息的期間於本集團的財務報表內確認為負債。

3 財務風險管理

3.1 按類別劃分的金融工具

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理 (續)

3.1 Financial instruments by categories (Continued)

3.1 按類別劃分的金融工具 (續)

	Notes	Financial assets at FVPL	Financial assets at FVOCI	Financial assets at amortised cost	Financial liabilities at FVTPL	Financial liabilities at amortised cost
	附註	按公允價值計入損益的金融資產 HK\$'000 千港元	按公允價值計入其他全面收益的金融資產 HK\$'000 千港元	按成本攤銷的金融資產 HK\$'000 千港元	按公允價值計入損益的金融負債 HK\$'000 千港元	按成本攤銷的金融負債 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	23	30,528	-	-	-
Equity investments	權益投資	20, 23	81,545	16,068	-	-
Equity-linked securities	股本掛鈎證券	23	8,027	-	-	-
Trade and other receivables	應收貿易賬款及其他應收款項	22	-	-	15,344	-
Cash and cash equivalents	現金及現金等價物	25	-	-	771,662	-
Trade and other payables	應付貿易賬款及其他應付款項	26	-	-	-	63,975
Borrowings	借貸	27	-	-	-	151,544
Lease liabilities	租賃負債	28	-	-	-	834
			120,100	16,068	787,006	-
						216,353

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors

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.

(a) Market risk

(i) Currency risk

The Group is exposed to currency risk primarily through carrying out exploration activities in Argentina and general and commodities trading in Hong Kong, with respect to United States dollar ("US\$"). Currency risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

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. Presently, there is no hedging policy with respect to the foreign exchange exposure.

3 財務風險管理 (續)

3.2 財務風險因素

本集團在一般業務過程及金融工具中涉及多項財務風險：市場風險（包括外匯風險、價格風險及利率風險）、信貸風險及流動資金風險。管理層對該等風險進行管理及監控以確保可以及時以有效之方式實施合適之措施。

(a) 市場風險

(i) 貨幣風險

本集團主要透過於阿根廷開展勘探活動及於香港開展普通及商品貿易面臨有關美元（「美元」）之貨幣風險。外匯風險來自未來商業交易、已確認資產及負債以及於海外業務之投資淨額。

管理層已制定政策規定集團公司管理功能貨幣產生的外匯風險。主要包括管理因相關集團公司以本身功能貨幣以外貨幣進行買賣時所承受者。本集團亦通過對本集團的淨外匯風險進行定期審視，以管理其外匯風險。目前，並無有關外匯風險的對沖政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Currency risk (Continued)

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollar, translated using the spot rate at the year-end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

		Exposure to US\$ (expressed in HK\$) 美元風險 (港元)	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade and other receivables	應收貿易賬款及 其他應收款項	27,801	7,843
Cash and cash equivalents	現金及現金等價物	163,680	97,167
Trade and other payables	應付貿易賬款及 其他應付款項	(55,007)	(51,253)
Financial assets at FVPL	按公允價值計入損益 之金融資產	21,036	30,528
Net exposure arising from recognised assets and liabilities	已確認資產及負債 所產生風險淨額	157,510	84,285

The directors of the Company considered that the Group's exposure to currency risk is not significant and accordingly, no sensitivity analysis has been presented. It is assumed that the pegged rate between the Hong Kong dollar and the US\$ would not be materially affected by any changes in movement in value of the US\$ against other currencies.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(a) 市場風險 (續)

(i) 貨幣風險 (續)

下表詳述本集團於報告期末面對因以有關實體功能貨幣以外之貨幣計值之已確認資產或負債而產生之貨幣風險。就呈報目的，風險承擔金額以港元呈列，採用年度結算日之即期匯率折算。海外業務財務報表換算為本集團呈列貨幣產生之匯兌差額不包括在內。

本公司董事認為，本集團面對之外幣風險並不重大，故無呈列敏感度分析。本集團假設港元與美元之間的聯繫匯率不會因美元兌換其他貨幣價值波動之任何變動而受到重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 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 in the consolidated statement of financial position either as at financial assets at FVOCI or at FVPL amounted to approximately HK\$8,000 (2019: HK\$16,068,000) and approximately HK\$74,090,000 (2019: HK\$120,100,000) respectively. Most of these investments are listed either on the Stock Exchange in Hong Kong or other countries.

Equity investments have been chosen based on their longer term growth potential and are monitored regularly for performance against expectations.

Debt investments are closely monitored by the Group on the credit quality and financial positions of counterparties, and the Group considers appropriate action if the market value of those securities decline by a pre-determined threshold.

At 31 December 2020, it is estimated that an increase/decrease of 5% in the price of relevant financial instruments, with all other variables held constant, would have decreased/increased the Group's loss before taxation and other comprehensive income by approximately HK\$3,705,000 (2019: HK\$6,005,000) and approximately HK\$400 (2019: HK\$803,000) respectively as a result of the change in fair value of debt and equity investments.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 價格風險

本集團就分別於綜合財務狀況表分類為按公允價值計入其他全面收益或以公允價值計入損益的金融資產約8,000港元(二零一九年: 16,068,000港元)及約74,090,000港元(二零一九年: 120,100,000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。

權益投資乃根據其較長遠增長潛力挑選, 並定期監察表現與預期是否相符。

本集團就對手方之信貸質素及財務狀況密切監控債務投資且本集團於該等證券市值下降預定期限時採取適當行動。

於二零二零年十二月三十一日, 估計相關金融工具價格增長/下降5%, 而所有其他變量維持不變情況下, 本集團將因債務及權益投資公允價值變動而減少/增加除稅前虧損及其他全面收益分別約3,705,000港元(二零一九年: 6,005,000港元)及約400港元(二零一九年: 803,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Price risk (Continued)

Commodity price risk is the risk that fair value or future cash flows will fluctuate as a result of changes in commodity prices. Crude oil prices and gold prices are affected by a number of economic, political and military factors which are not within the control by the Group.

The change in gold prices expose the Group to price risk as the Group conducts business activities in physical gold trading and also gold investment. The Group entered into certain derivative financial instruments for economic hedge purpose so as to mitigate price risk arising from gold price fluctuations. Hence, the Group considered the price risk arising from gold price fluctuations is significantly reduced.

The change in crude oil prices expose the Group to price risk as the Group conducts petroleum-related activities in Argentina. A decrease in such prices could adversely affect the Group's financial performance. The Group has not used any derivative instruments to hedge against potential price fluctuations of crude oil. The management will consider appropriate hedging policy when the need arises.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 價格風險 (續)

商品價格風險指公允價值或未來現金流會因商品價格變動而波動的風險。原油價格及黃金價格受多項本集團無法控制的經濟、政治及軍事因素所影響。

黃金價格變動令本集團面臨價格風險，原因為本集團開展實物黃金買賣及黃金投資業務活動。本集團為經濟對沖目的而訂立若干衍生金融工具，以減輕黃金價格波動產生的價格風險。因此，本集團認為已大幅降低黃金價格波動產生的價格風險。

原油價格變動令本集團面臨價格風險，原因為本集團於阿根廷開展石油相關活動。該等價格下降可能對本集團表現造成不利影響。本集團並無使用任何衍生工具以對沖原油及商品之潛在價格波動。管理層將考慮於未來需要時的適當對沖政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 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 and debt investments, 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 and debt investments are not expected to change significantly.

The Group's interest rate risk arises from borrowings with fixed-rate of interests. The directors of the Company considered that the Group's exposure to interest rate risk is not significant, no sensitivity analysis has been presented accordingly.

Details of the Group's borrowings are set out in Note 27.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(a) 市場風險 (續)

(iii) 利率風險

由於本集團除短期銀行存款及債務投資外，並無重大計息資產，本集團收入及經營現金流量大部分不受市場利率變動影響。由於預期銀行存款及債務投資利率並無重大變動，管理層預期利率變動對計息資產並無重大影響。

本集團的利率風險由具有估定利率的借貸產生。本公司董事認為本集團面對之利率風險並不重大，因而並無呈列利率風險之敏感度分析。

本集團的借貸詳情載於附註27。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, and cash at banks with a maximum exposure equal to the carrying amounts of these financial instruments which are stated as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	應收貿易賬款	61,271	2,505
Deposits and other receivables	按金及其他應收款項	10,933	12,839
Cash at banks	銀行現金	640,903	771,645
Maximum exposure to credit risk	最高信貸風險	713,107	786,989

(i) Trade receivables

The management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and taking into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not require collateral in respect of its financial assets. Debts are usually due within 30 days (2019: 30 days) from the date of billing. As at 31 December 2020, the largest customer of the Group, with the largest amount of revenue during the year, accounted for approximately 27% (2019: Nil) to the trade receivables of the Group.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(b) 信貸風險

本集團之信貸風險主要歸因於應收貿易賬款及其他應收款項以及銀行現金，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：

(i) 應收貿易賬款

管理層已制定信貸政策，並持續監察該等信貸風險狀況。本集團定期對每名主要客戶之財務狀況及情況進行信貸評估。該等評估集中於客戶過往於賬款到期時之還款記錄及目前的還款能力，並考慮客戶之特定資料以及與客戶經營業務所在經濟環境相關之資料。一般情況下，本集團並無就其金融資產要求抵押品。債務通常由開出賬單當日起30日（二零一九年：30日）內到期。於二零二零年十二月三十一日，本集團之最大客戶（年內收益最高之客戶），佔本集團應收貿易賬款總額之約27%（二零一九年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Trade receivables (Continued)

To mitigate credit risk with respect to receivables arising from sale of physical gold, the Group usually requires customers to pay significant amount of advanced payments to the Group when goods are delivered. Hence, the Group considered the credit risk is significantly reduced. There was no significant amount of overdue receivables arising from other customers as at 31 December 2020 (2019: Nil).

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 trade receivables.

To measure the expected credit losses, trade receivables have been assessed on an individual basis. Management has applied the expected credit risk model and estimated the probability of default rate and loss given default rate after considering the current economic environment and the forward-looking economic factors. The directors of the Company are of the opinion that the expected credit loss of these customers is not significant and no provision has been made as at 31 December 2020 and 2019.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(b) 信貸風險 (續)

(i) 應收貿易賬款 (續)

為減輕實物黃金銷售所產生的應收款項信貸風險，本集團通常要求客戶於交付貨品時向本集團支付大額墊款。因此，本集團認為已大幅降低信貸風險。於二零二零年十二月三十一日，其他客戶並無產生大額逾期應收款項（二零一九年：無）。

本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，該規定允許對應收貿易賬款採用全期預期信貸虧損撥備。

為計量預期信貸虧損，應收貿易賬款已按個別基準進行評估。管理層已於計及當前經濟環境及前瞻性經濟因素後應用預期信貸風險模型並估計違約概率及違約虧損率。本公司董事認為，該等客戶之預期信貸虧損並不重大且於二零二零年及二零一九年十二月三十一日並無作出撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Credit risk of cash at banks

Management considers that the Group has limited credit risk with its banks which are leading and reputable with high credit ratings. The Group has not incurred significant loss from non-performance by these parties in the past and management does not expect so in the future. Therefore, expected credit loss rate of cash at bank is assessed to be close to zero and no provision was made as of 31 December 2020 and 2019.

(iii) Deposits and other receivables

Deposits and other receivables were mainly interest receivables, rental deposits, and refundable deposits placed to third parties. The credit quality of deposits and other receivables has been assessed with reference to historical information about the default rates and financial position of the counterparties. The directors of the Company are of the opinion that the risk of default by these counterparties is not significant and there was no significant increase in credit risk. The expected credit loss was limited to 12-month expected credit losses. Therefore, 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 2020 and 2019.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 銀行現金之信貸風險

管理層認為，本集團與聲譽昭著且信貸評級高的主要銀行交易，故其面對的信貸風險有限。本集團過往並無因該等訂約方不履約而產生重大虧損，而管理層預期日後不會出現有關虧損。因此，評估銀行現金之預期信貸虧損率接近為零及截至二零二零年及二零一九年十二月三十一日並無計提撥備。

(iii) 按金及其他應收款項

按金及其他應收款項主要為應收利息、租賃按金及存入第三方的可退還按金。按金及其他應收款項之信貸質素經參考違約率及交易對方財務狀況之歷史資料進行評估。本公司董事認為該等交易對方的違約風險並不重大及信貸風險並無大幅增加。預期信貸虧損限受限於12個月預期信貸虧損。因此，按金及其他應收款項之信貸虧損率被評估為接近零及於二零二零年及二零一九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

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(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 board of directors of the Company 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.

The following tables detail the remaining contractual maturities at date of the statement of financial position of the Group's non-derivative financial liabilities and lease 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. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(c) 流動資金風險

本集團旗下個別營運實體負責其本身之現金管理，包括現金盈餘的短期投資及作出貸款以滿足預期現金需求，惟借貸超過若干既定授權水平時須經本公司董事會批准。本集團之政策為定期監察當前及預期流動資金需要，確保其維持足夠之現金儲備以及容易變現的有價證券以及向各大金融機構取得足夠的承諾信貸融資額度，以滿足其短期及較長期流動資金需要。

下表詳述本集團之非衍生金融負債及租賃負債（有關負債乃根據合約未貼現現金流量（包括使用合約利率或（如屬浮動利率，則按財務狀況表日期之利率）計算所得之利息款項）計算）於財務狀況表日期之剩餘合約到期期限以及本集團可能須付款之最早日期。於12個月內到期之結餘等於其賬面結餘，原因為貼現影響並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The Group's derivative financial instruments with negative fair value of approximately HK\$2,925,000 represented the gold future contracts and paper gold, which were settled on a net basis and has been included within "less than 1 year or on demand" time bucket based on an expected maturity basis. This is because the contractual maturity is not essential for an understanding of the timing of the cash flows.

3 財務風險管理 (續)

3.2 財務風險因素 (續)

(c) 流動資金風險 (續)

本集團具有負公允價值約2,925,000港元之衍生金融工具指黃金期貨合約及紙黃金，其按淨額基準結算並根據預期到期基準計入「1年以內或按要求」一欄。此乃由於合約到期日對了解現金流量的時間並非必須。

		Total carrying amount	Total contractual undiscounted	Less than 1 year or on demand	Between 1 to 2 years	Between 2 to 5 years
		總賬面值	總合約未貼現	1年以內或	1至2年	2至5年
		HK\$'000	HK\$'000	按要求	1至2年	2至5年
		千港元	千港元	千港元	千港元	千港元
As at 31 December 2020	於二零二零年十二月三十一日					
Trade and other payables	應付貿易賬款及其他應付款項	70,219	70,219	70,219	-	-
Borrowings	借貸	146,067	150,547	147,545	3,002	-
Lease liabilities	租賃負債	6,665	7,019	3,227	3,792	-
Net-settled derivative financial instruments	淨額結算衍生金融工具	2,925	2,925	2,925	-	-
		225,876	230,710	223,916	6,794	-
As at 31 December 2019	於二零一九年十二月三十一日					
Trade and other payables	應付貿易賬款及其他應付款項	63,975	63,975	63,975	-	-
Borrowings	借貸	151,544	166,902	21,401	142,499	3,002
Lease liabilities	租賃負債	834	839	839	-	-
		216,353	231,716	86,215	142,499	3,002

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 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 maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-capital ratio. For this purpose, net debt is defined as total debt which includes borrowings and lease liabilities. Total equity is the balance as shown in the consolidated statement of financial position.

3 財務風險管理 (續)

3.3 資本風險管理

本集團之資本管理主要目標為保障本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。

本集團積極及定期檢討及管理其資本結構，以在較高借款水平可能取得的較高股東回報與穩健資本狀況提供的優勢及保障之間保持平衡，並就經濟狀況變動對資本結構作出調整。

本集團根據負債淨額對資本比率監察其資本結構。就此目的，本集團將負債淨額界定為負債總額（包括借貸及租賃負債）。權益總額為綜合財務狀況表所示結餘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Capital risk management (Continued)

During the year ended 31 December 2020, the Group's strategy, which was unchanged from 2019, was to maintain the net debt-to-capital ratio at a reasonable level. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The table below analyses the net debt-to-capital ratio as at 31 December 2020 and 2019:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Borrowings (Note 27)	借貸 (附註27)	146,067	151,544
Lease liabilities (Note 28)	租賃負債 (附註28)	6,665	834
		152,732	152,378
Total equity	權益總額	758,956	846,455
Net debt-to-capital ratio	債務淨額對資本比率	20.1%	18.0%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

3.4 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 date of statement of financial position 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.

3 財務風險管理 (續)

3.3 資本風險管理 (續)

於截至二零二零年十二月三十一日止年度，本集團秉承二零一九年之策略，維持債務淨額對資本比率於一個合理水平。為維持或調整資本結構，本集團可能會對派付予股東的股息金額作出調整、發行新股份或出售資產以減債。下表分析於二零二零年及二零一九年十二月三十一日之債務淨額對資本比率：

本公司及其任何附屬公司均不受任何外部的資本規定所限制。

3.4 公允價值估計

(i) 按公允價值入賬之金融工具

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」所界定之公允價值三個層次中，以公允價值列賬之金融工具之賬面值，而各金融工具之公允價值以對該公允價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（最高層次）：以可識別金融工具活躍市場所報價格（未經調整）計量公允價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

(i) Financial instruments carried at fair value (Continued)

- 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.

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(i) 按公允價值入賬之金融工具 (續)

- 第二層：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）計量公允價值。
- 第三層（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）計量公允價值。

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2020	於二零二零年十二月三十一日				
Assets	資產				
Financial assets at FVOCI:	按公允價值計入其他全面 收益之金融資產：				
- Unlisted equity investments	- 非上市權益投資	-	8	-	8
Financial assets at FVPL:	按公允價值計入損益的 金融資產：				
- Listed equity investments	- 上市權益投資	53,054	-	-	53,054
- Listed debt investments	- 上市債務投資	14,945	-	-	14,945
- Unlisted debt investments	- 非上市債務投資	-	6,091	-	6,091
		67,999	6,099	-	74,098
Liabilities	負債				
Derivative financial instruments:	衍生金融工具：				
- Gold future contracts	- 黃金期貨合約	644	-	-	644
- Paper gold	- 紙黃金	2,281	-	-	2,281
		2,925	-	-	2,925

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

(i) Financial instruments carried at fair value (Continued)

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 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				
Assets	資產				
Financial assets at FVOCI:	按公允價值計入其他全面 收益之金融資產：				
- Unlisted equity investments	- 非上市權益投資	-	16,068	-	16,068
Financial assets at FVPL:	按公允價值計入損益的 金融資產：				
- Listed equity investments	- 上市權益投資	80,618	-	-	80,618
- Listed debt investments	- 上市債務投資	30,528	-	-	30,528
- Unlisted equity-linked securities	- 非上市股本掛鈎證券	-	8,027	-	8,027
- Unlisted funds	- 非上市基金	-	927	-	927
		111,146	25,022	-	136,168

During the years ended 31 December 2020 and 2019, there were no transfers between instruments in level 1 and level 2. During the year ended 31 December 2020, the Group transferred an unlisted equity investment measured at FVOCI from level 2 into level 3 due to no recent private placing of shares and warrants by the issuer nor any comparable transactions for the valuation. For the information about level 3 fair value measurements, please refer to Note 3.4(i)(c).

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(i) 按公允價值入賬之金融工具 (續)

於截至二零二零年及二零一九年十二月三十一日止年度，第一層及第二層之間之工具概無轉撥。截至二零二零年十二月三十一日止年度，由於發行人近期並無就有關估值私募配售股份及認股權證亦無任何可資比較交易，本集團已將按公允價值計入其他全面收益計量非上市股本投資由第二級轉撥至第三級。有關第三級公允價值計量方法的資料，請參閱附註3.4(i)(c)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 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 equity and debt investments listed in the Singapore Exchange Securities Trading Limited ("**Singapore Exchange**") and the Stock Exchange classified as financial assets at FVPL.

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(i) 按公允價值入賬之金融工具 (續)

(a) 第一層金融工具

於交投活躍市場買賣之金融工具之公允價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。本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。被列為第一層之工具主要包括分類為按公允價值計入損益的金融資產的股本及債務投資（於新加坡證券交易所有限公司（「新加坡交易所」）及聯交所上市）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

(i) Financial instruments carried at fair value (Continued)

(b) Financial instruments in level 2

As at 31 December 2019, the equity interest in Borealis Alaska Oil, Inc. (“**Borealis**”, formerly known as NordAq Energy Inc.) is classified as equity investment and carried at fair value. The fair value is valued with reference to the private placing of shares and warrants by Borealis and the average share price fluctuations of comparable companies from the relevant private placing date to 31 December 2019. For the details of fair value measurements for the equity interest in Borealis, please refer to Note 3.4(i)(c).

The equity interest in Foothills Exploration, Inc. (“Foothills Exploration”) is classified as equity investment and carried at fair value. The fair value is valued using the market approach with reference to the market price of shares of Foothills Exploration (2019: the market approach with reference to the market price of shares of Foothills Exploration).

The unlisted debt investments, unlisted equity-linked securities and unlisted funds are classified as financial assets at FVPL. The fair value is determined based on quoted market prices provided by banks.

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(i) 按公允價值入賬之金融工具 (續)

(b) 第二層金融工具

於二零一九年十二月三十一日，於 Borealis Alaska Oil, Inc. (「**Borealis**」，前稱為 NordAq Energy Inc.) 之股權分類為權益投資，並按公允價值入賬。公允價值乃經參考 Borealis 之股份及認股權證私募配售以及可資比較公司自相關私募配售日期至二零一九年十二月三十一日之平均股價波動予以估值。有關 Borealis 股權的公允價值計量的詳情，請參閱附註 3.4(i)(c)。

Foothills Exploration, Inc. (「Foothills Exploration」) 之股權分類為權益投資，並按公允價值入賬。公允價值乃經參考 Foothills Exploration 之股份市價並採用市場法 (二零一九年：參考 Foothills Exploration 之股份市價並採用市場法) 估值。

非上市債券投資，非上市股權掛鈎證券及非上市基金乃分類為按公允價值計入損益的金融資產。公允價值乃使用銀行提供的市場報價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

(i) **Financial instruments carried at fair value**
(Continued)

(c) **Financial instruments in level 3**

During the year ended 31 December 2020, the equity interest in Borealis measured at FVOCI with carrying amount of approximately HK\$15,925,000 as at 31 December 2019 was transferred out of level 2 into level 3 of the fair value hierarchy. The transfer was mainly due to no recent private placing of shares and warrants issued by Borealis nor any comparable transactions for the valuation. The fair value of the equity interest in Borealis measured at FVOCI was measured based on its net asset value attributable to the Group as at 31 December 2020. Other than the net asset value of the equity interest in Borealis, no other significant unobservable inputs were noted. Fair value loss of approximately HK\$15,925,000 was recognised in other comprehensive income during the year ended 31 December 2020.

(ii) **Fair values of financial instruments carried at fair value**

The carrying amounts of the Group's financial instruments, including non-current assets carried at cost or amortised cost are not materially different from their fair values as at 31 December 2020 and 2019, due to their short maturities.

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(i) **按公允價值入賬之金融工具**
(續)

(c) **第3層金融工具**

截至二零二零年十二月三十一日止年度，按公允價值計入其他全面收益之Borealis股權於二零一九年十二月三十一日的賬面值約為15,925,000港元，由第二層轉撥至第三層公允價值層次。該轉撥主要由於Borealis近期並無就有關估值私募配售股份及認股權證亦無任何可資比較交易。按公允價值計入其他全面收益之Borealis股權的公允價值乃基於本集團於二零二零年十二月三十一日應佔資產淨值而計量。除Borealis股權的資產淨值外，並無注意到其他重大不可觀察的輸入數據。截至二零二零年十二月三十一日止年度，公允價值虧損約15,925,000已於其他全面收益表內確認。

(ii) **按公允價值列賬之金融工具之公允價值**

於二零二零年及二零一九年十二月三十一日，由於其到期日較短，本集團按成本或攤銷成本入賬之金融工具（包括非流動資產）的賬面值與其公允價值並無重大差異。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.4 Fair value estimation (Continued)

(iii) Fair values of non-financial assets carried at fair value

The fair value estimation of the physical gold investment, which included in “gold investment” (Note 24), is categorised in Level 1 hierarchy. The fair value is based on quoted market prices in an active market at the date of the statement of financial position.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

4 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.

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.

3 財務風險管理 (續)

3.4 公允價值估計 (續)

(iii) 按公允價值列賬之非金融資產之公允價值

實物黃金投資 (計入「黃金投資」(附註24))之公允價值估計獲分類為第一層級。公允價值乃基於財務狀況表日期活躍市場之市場報價。

年內並無第一層及第二層之間的經常性公允價值計量轉讓。

4 重大會計估計及判斷

本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，但實際結果甚少於估計相同。

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。

下文所述事項就理解編製本集團綜合財務報表所涉估計及判斷而言，尤為重要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(i) Impairment losses of non-current assets

Property, plant and equipment and other non-financial assets, including exploration and evaluation assets, are 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. 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 of directors of the Company 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.

4 重大會計估計及判斷 (續)

(i) 非流動資產之減值虧損

當事件或情況變化顯示賬面值可能無法收回時，物業、廠房及設備及其他非金融資產（包括勘探及評估資產）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。然而，減值檢討及計算乃根據與本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本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。

本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，本集團釐定有關油井支出是否支銷。本公司董事會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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(ii) Estimated production volume and dismantlement costs for oil properties

Estimates of future production volume 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 oil future production volume will affect unit-of-production depreciation recorded in the Group's consolidated financial statements for property, plant and equipment related to oil production activities. A reduction in proved future production volume will increase depreciation charges. Future production volume 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.

Dismantlement costs for oil properties are estimated with reference to engineering estimates after taking into consideration the anticipated method of dismantlement required in accordance with industry practices in similar geographic area, including estimation of economic life of oil properties, technology and price level. The ultimate dismantlement costs are uncertain and cost estimates can be varied in response to many factors including changes to relevant legal requirements, the emergence of new restoration technique or experience at other production sites. The expected timing and amount of expenditure can also change, for example, in response to changes in reserves or changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provision established which would affect future financial results.

4 重大會計估計及判斷 (續)

(ii) 估計產量及石油資產的拆除費用

對未來產量的估計乃本集團投資決策過程中之關鍵要素，亦為減值測試之重要因素。探明未來石油總產量的變動將影響本集團與石油生產活動有關的物業、廠房及設備的綜合財務報表所記錄之單位生產折舊。探明未來產量減少將增加折舊費用。未來產量估計將根據新資料（如開發鑽井及生產活動或經濟因素（包括產品價格、合約條款或開發計劃））上調或下調。

石油資產的拆除費用乃經計及根據類似地區之行業慣例所需拆除的預期方法參考工程估計進行估計，包括石油資產之經濟壽命、技術及價格水平之估計。土地復原及清拆的最終成本並不確定，而成本估計可因多項因素而異，包括相關法律規定改變、出現新的復原技術或其他生產場地的經驗等。預計時間及開支金額亦可能基於，如儲備變動或法律法規及其詮釋變動而不同。因此，所確定的撥備或會有重大調整而將影響未來財務業績。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(iii) Fair value of unlisted equity investment measured at FVOCI

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select valuation method and makes assumptions that are mainly based on conditions existing at the end of each reporting period. The Group bases its assumptions on observable data as far as possible but this is not always available, in that case the Group uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at each reporting date. Details of which are set out in Note 3.4.

4 重大會計估計及判斷 (續)

(iii) 按公允價值計入其他全面收益計量之非上市股本投資之公允價值

並無在活躍市場上買賣的金融工具公允價值乃透過採用估值法釐定。本集團使用其判斷以選擇估值法及作出假設，乃主要基於各報告期末現存的條件而作出。本集團盡可能根據可觀察數據作出假設，惟可觀察數據未必經常可得，在該情況下，本集團會使用當前可得的最佳資料作出假設。估計公平值可能與各報告日期公平交易中可實現的實際價格有所不同。有關詳情載於附註3.4。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are (i) exploration, development, production and sale of natural resources in Argentina; and (ii) general and commodities trading in Hong Kong and the Mainland China. Further details regarding the Group's principal activities are disclosed in Note 5(b).

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號涵蓋範圍內來自客戶合約的收益		
– Sales of physical gold under general and commodities trading	– 銷售普通及商品貿易之實物黃金	4,975,370	–
– Sales of non-ferrous metals and petroleum-related products under general and commodities trading	– 銷售普通及商品貿易之有色金屬及石油相關產品	33,559	216,331
– Sales of oil products under oil exploration and production	– 銷售石油勘探及生產之石油產品	25,589	20,315
		5,034,518	236,646

5 收益及分部報告

本集團之主要業務為(i)於阿根廷勘探、開發、生產及銷售天然資源；及(ii)於香港及中國內地之普通及商品貿易。有關本集團主要業務的進一步詳情已於附註5(b)披露。

(a) 收益的細分

來自客戶合約的收益以主要產品或服務線細分如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

(Continued)

(a) Disaggregation of revenue (Continued)

Revenue from major customers who have individually contributed 10% or more of the total revenue of the Group for the year ended 31 December 2020 are disclosed as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Customer 1	客戶1	3,399,716	–
Customer 2	客戶2	818,606	–

The above customers are included in general and commodities trading segment. No revenue was generated from these customers during the year ended 31 December 2019. Details of concentrations of credit risk arising from these customers are set out in Note 3.2(b).

(b) Segment reporting

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to making strategic decisions. The chief operating decision-maker is identified as the executive directors of the Company. The executive directors assess the performance of the operating segments based on the segment assets, segment liabilities, segment revenue and segment results for the purposes of allocating resources and assessing performance. These reports are prepared on the same basis as these consolidated financial statements.

5 收益及分部報告 (續)

(a) 收益的細分 (續)

於截至二零二零年十二月三十一日止年度個別貢獻本集團10%或以上總收益之主要客戶之收益披露如下：

上述客戶計入普通及商品貿易分部。該等客戶於截至二零一九年十二月三十一日止年度並無產生收益。該等客戶產生信貸風險集中詳情載於附註3.2(b)。

(b) 分部報告

管理層已根據主要經營決策者審閱的用以作出策略決策的報告釐定經營分部。主要經營決策者獲認定為本公司的執行董事。執行董事根據分部資產、分部負債、分部收益及分部業績評估經營分部的表現作分配資源及評估表現用途。該等報告按與該等綜合財務報表相同之基準呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

During the year ended 31 December 2020, the Group expanded its commodities trading of non-ferrous metal to include physical gold trading. In addition, the Group also entered into the trading of petroleum-related products in the Mainland China. The trading of petroleum-related products in the Mainland China is not a reportable operating segment, as it did not meet the quantitative threshold accordance with HKFRS 8. The results of the general trading have been aggregated into one segment with commodities trading as they have similar nature of business and similar average gross margins. As a result, "commodities trading" segment has been renamed to "general and commodities trading" segment.

Management has identified two reportable segments based on the Group's business model:

- Upstream: This segment is engaged in the exploration, development, production and sale of crude oil. Currently the Group's activities in this regard are carried out in Argentina.
- General and commodities trading: This segment includes trading of non-ferrous metals, gold and petroleum-related products.

Segment assets include all the assets with the exception of investments in joint ventures, financial assets at FVOCI and unallocated corporate assets. Segment liabilities include all the liabilities with the exception of deferred tax liabilities and unallocated corporate liabilities.

Segment profit/loss represents the profit/loss resulted by each segment without allocation of assets impairment losses, share of losses of joint ventures, net investment loss, unallocated interest income and expense and other expenses in corporate head office. This is the measure reported to the Group's chief executive decision maker for the purposes of resource allocation and performance assessment.

5 收益及分部報告 (續)

(b) 分部報告 (續)

於截至二零二零年十二月三十一日止年度，本集團將其有色金屬商品貿易擴展至包括實物黃金買賣。此外，本集團亦於中國內地進軍石油相關產品貿易。中國內地之石油相關產品貿易並非呈報經營分部，原因為根據香港財務報告準則第8號，其並未達致定量下限。普通貿易之業績與商品貿易合併計入一個分部，原因為其具有類似業務性質及類似平均毛利率。因此，「商品貿易」分部重新命名為「普通及商品貿易」分部。

管理層已根據本集團之業務模式識別兩個呈報分部：

- 上游：此分部從事原油勘探、開發、生產及銷售。目前，本集團於阿根廷開展該業務。
- 普通及商品貿易：此分部包括有色金屬、黃金及石油相關產品貿易。

分部資產包括所有資產，但並不包括於合營企業之投資、按公允價值計入其他全面收益之金融資產及未分配企業資產。分部負債包括全部負債，但不包括遞延稅項負債及未分配企業負債。

分部溢利／虧損指各分部所產生之溢利／虧損，且未分配資產減值虧損、應佔合營企業虧損、投資虧損淨值、未分配利息收入及開支及公司總部之其他開支。此為就資源分配及表現評估而向本集團主要營運決策者報告之方式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

Capital expenditure comprises addition to exploration and evaluation assets and property, plant and equipment for the years ended 31 December 2020 and 2019.

(i) Segment results, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's chief executive decision maker for the purposes of resource allocation and performance assessment for the year is set out below:

5 收益及分部報告 (續)

(b) 分部報告 (續)

截至二零二零年及二零一九年十二月三十一日止年度，資本開支包括新增的勘探及評估資產及物業、廠房及設備。

(i) 分部業績、資產及負債

年內，提供予本集團主要營運決策者用作資源分配及分部表現評估之有關本集團呈報分部資料如下：

	Upstream 上游		General and commodities trading 普通及商品貿易		Total 總計	
	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Reportable segment revenue (Note) 可呈報分部收益 (附註)	25,589	20,315	5,008,929	216,331	5,034,518
Reportable segment result 可呈報分部業績	(2,534)	(26,600)	5,662	(259)	3,128	(26,859)
Depreciation and amortisation 折舊及攤銷	6,547	4,617	49	-	6,596	4,617
Exploration expenses 勘探開支	-	202	-	-	-	202
Fair value gains on gold investment 黃金投資之公允價值收益	-	-	6,119	-	6,119	-
Losses on derivative financial instruments 衍生金融工具之虧損	-	-	(9,489)	-	(9,489)	-
Interest income 利息收入	798	44	1	-	799	44
Interest expenses 利息開支	-	-	11	-	11	-
Addition to non-current segment assets 非流動分部資產增加	1,187	19,804	507	-	1,694	19,804
Reportable segment assets 可呈報分部資產	162,324	168,798	278,984	4,861	441,308	173,659
Reportable segment liabilities 可呈報分部負債	(28,063)	(30,083)	(22,109)	(848)	(50,172)	(30,931)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities

(Continued)

Note:

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during both the current and prior year. All of the Group's revenue is recognised at a point in time.

(ii) Reconciliations of reportable segment revenues, loss before taxation, assets and liabilities:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	5,034,518	236,646
Result	業績		
Reportable segment result	可呈報分部業績	3,128	(26,859)
Unallocated interest income	未分配利息收入	6,196	14,891
Unallocated interest expenses	未分配利息開支	(11,104)	(13,812)
Assets impairment losses	資產減值虧損	(5,823)	(2,250,076)
Other expenses in corporate head office	公司總部其他開支	(20,254)	(25,517)
Share of losses of joint ventures	應佔合營企業之虧損	(7,078)	(4,784)
Net investment loss	投資虧損淨值	(29,623)	(4,228)
Loss before taxation	除稅前虧損	(64,558)	(2,310,385)

5 收益及分部報告 (續)

(b) 分部報告 (續)

(i) 分部業績、資產及負債

(續)

附註：

上文所呈報之分部收益指來自外部客戶之收益。於本年度及過往年度，並無分部間銷售額。本集團之所有收益於某一時間點確認。

(ii) 可呈報分部收益、除稅前虧損、資產及負債之對賬表：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(iii) Geographical information

The Company is domiciled in Bermuda while the Group operates its business primarily in Hong Kong, the Mainland China and Argentina.

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets other than financial assets at FVOCI ("specified non-current assets"). The geographical location of the Group's revenue is based on the locations of customers. The geographical location of the specified non-current assets is based on (i) the physical location of the asset, in the case of property, plant and equipment and exploration and evaluation assets; and (ii) the location of the operation to which they are allocated, in the case of prepayments, deposits and other receivables. In the case of investments in joint ventures, it is based on the location of the operation of such joint ventures.

5 收益及分部報告 (續)

(b) 分部報告 (續)

(iii) 地區資料

本公司於百慕達註冊，而本集團主要於香港、中國內地及阿根廷經營業務。

下表載列(i)本集團來自外部客戶之收益；及(ii)本集團之非流動資產，不包括按公允價值計入其他全面收益之金融資產（「特定非流動資產」）地理位置之資料。本集團收益之地理位置乃基於客戶所在地。特定非流動資產之地理位置乃基於(i)就物業、廠房及設備及勘探及評估資產而言，資產本身位處之地點；及(ii)就預付款項、按金及其他應收款項而言，彼等獲分配之營運地區。就於合營企業之投資而言，則以該合營企業業務所在地點為準。

		Revenues from external customers		Specified non-current assets	
		來自外部客戶之收益		特定非流動資產	
		2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	4,771,343	4,459	1,682	1,697
Mainland China	中國內地	33,559	–	483	6,903
Argentina	阿根廷	25,589	20,315	128,370	142,534
Singapore	新加坡	168,809	211,872	–	–
United Arab Emirates	阿拉伯聯合酋長國	35,218	–	–	–
		5,034,518	236,646	130,535	151,134

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

6 OTHER INCOME, GAINS AND LOSSES, NET

6 其他收入、收益及虧損淨額

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Bank interest income	銀行利息收入	6,995	14,935
Drilling service income	鑽井服務收入	978	1,523
Losses on derivative financial instruments	衍生金融工具虧損	(9,489)	-
Fair value gains on gold investment	黃金投資之公允價值收益	6,119	-
Hyperinflation monetary adjustments (Note)	惡性通脹貨幣性調整(附註)	7,659	21,416
Net foreign exchange losses	外匯虧損淨額	(7,622)	(34,865)
Others	其他	586	17
		5,226	3,026

Note:

In May 2018, the Argentine peso (“ARS”) underwent a severe devaluation resulting in the three-year cumulative inflation of Argentina to exceed 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by HKAS 29, “Financial Reporting in Hyperinflationary Economies”, for the activities of the Argentine subsidiaries and branches from 1 January 2018 onwards.

Under HKAS 29, the non-monetary assets and liabilities stated at historical cost, the equity and the statement of profit or loss of subsidiaries and branches operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index, and monetary items that are already stated at the measuring unit at the end of the reporting period are not restated.

To measure the impact of inflation on the Group’s financial position and results, the Group has elected to use the Wholesale Price Index (Indice de Precios Mayoristas) for periods up to 31 December 2016, and the Retail Price Index (Indice de Precios al Consumidor) thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences.

Current year hyperinflation monetary adjustment for the change in price index amounting to approximately HK\$7,659,000 (2019: HK\$21,416,000) was recognised in the consolidated statement of profit or loss.

附註：

於二零一八年五月，阿根廷披索（「阿根廷披索」）經歷嚴重貶值，導致阿根廷三年逾100%的累計通脹，因此引發阿根廷附屬公司及分公司之活動自二零一八年一月一日起按照香港會計準則第29號「惡性通脹經濟財務申報」的規定，須過渡至惡性通脹會計法的要求。

根據香港會計準則第29號，按歷史成本列賬之非貨幣性資產與負債、權益及於惡性通脹經濟環境營運之附屬公司及分公司之損益表，須採用一項一般物價指數就當地貨幣一般購買力之變動予以重列，而已於報告期末按計量單位列示之貨幣性項目則不予重列。

為計量通脹對本集團的財務狀況及業績所造成的影響，本集團於直至二零一六年十二月三十一日期間已選用批發價值指數(Indice de Precios Mayoristas)，以及於其後選用零售價值指數(Indice de Precios al Consumidor)。該等價值指數經由阿根廷聯邦局經濟科學專業理事會的政府委員會建議。

價格指數變動之本年度惡性通脹貨幣調整約7,659,000港元(二零一九年：21,416,000港元)於綜合損益表確認。

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7 EXPENSES BY NATURE

Operating loss has been arrived after charging the following items:

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cost of inventories recognised as expense	確認為開支之存貨成本	5,000,333	224,724
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,568	4,661
Depreciation of right-of-use assets	使用權資產折舊	2,419	2,119
Employee benefit expenses (including directors' remuneration)	僱員福利開支 (包括董事酬金)	16,379	19,577
Processing charges	加工費用	7,823	–
Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	1,880	1,900
– Non-audit services	– 非審核服務	20	850
Others	其他	15,241	23,343
Total cost of sales, general and administrative expenses, and exploration expenses	銷售成本、一般及行政開支及勘探開支總額	5,050,663	277,174

7 按性質劃分之開支

經營虧損乃經扣除以下項目後達致：

8 ASSETS IMPAIRMENT LOSSES

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Exploration and evaluation assets	勘探及評估資產	–	2,243,254
Property, plant and equipment	物業、廠房及設備	5,823	–
Inventories	存貨	–	6,822
		5,823	2,250,076

8 資產減值虧損

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9 NET INVESTMENT LOSS

9 投資虧損淨值

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	
Net losses in listed equity securities	上市股本證券之 虧損淨額	23	32,906	6,850
Net gains in listed and unlisted debt securities	上市及非上市債務 證券之收益淨額	23	(1,599)	(1,010)
Net gains in unlisted equity-linked securities	非上市股本掛鉤 證券之收益淨額	23	(1,684)	(1,612)
Gain in unlisted funds	非上市基金之收益		-	(17)
			29,623	4,211

10 FINANCE COSTS

10 融資成本

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest on borrowings	借貸利息	10,888	13,721
Interest on lease liabilities	租賃負債利息	227	91
		11,115	13,812

11 STAFF COSTS (INCLUDING DIRECTORS' REMUNERATION)

11 員工成本(包括董事酬金)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, wages and other benefits	薪金、薪資及其他福利	14,827	17,674
Contributions to defined contribution retirement plan	定額供款退休計劃供款	1,552	1,903
		16,379	19,577

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11 STAFF COSTS (INCLUDING DIRECTORS' REMUNERATION) (Continued)

Five highest paid individuals

Of the five individuals with the highest emoluments, two (2019: two) are directors whose emoluments are disclosed in Note 12. During the year ended 31 December 2020, the aggregate of the emoluments in respect of the other three individuals (2019: three) were as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,279	2,365
Discretionary bonuses	酌情花紅	188	316
Retirement scheme contributions	退休計劃供款	54	54
		2,521	2,735

No emoluments were paid by the Group to these individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

The emoluments of this highest paid individual fall within the following band:

		2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
HK\$500,001 – HK\$1,000,000	500,001港元–1,000,000港元	2	2
HK\$1,000,001 – HK\$1,500,000	1,000,001港元–1,500,000港元	1	1

11 員工成本（包括董事酬金） (續)

五位最高薪酬人士

五位最高薪酬人士當中，兩位（二零一九年：兩位）為董事，其酬金於附註12披露。截至二零二零年十二月三十一日止年度，其他三位（二零一九年：三位）人士之合共酬金如下：

本集團並無向該等人士支付任何酬金作為加盟本集團或加盟時之獎勵及作為離職補償。

最高薪酬人士之酬金範圍如下：

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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 LISTING RULES)

12 董事福利及利益 (香港公司條例 (第622章) 第383條及公司 (披露董事利益資料) 規例 (第622G章) 及上市規則規定所作之披露)

(a) Directors' remuneration

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

(a) 董事薪酬

董事薪酬根據香港公司條例第383(1)條及公司 (披露董事利益資料) 規例第2部規定披露如下:

		2020 二零二零年				
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Employer's contribution to a retirement benefit scheme	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	僱員退休福利計劃供款	總計
		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
<i>Chairman</i>	<i>主席</i>					
Mr. CHENG, Kam Chiu Stewart	鄭錦超先生	-	2,225	360	-	2,585
<i>Executive director</i>	<i>執行董事</i>					
Mr. TANG, John Wing Yan	鄧永恩先生	-	2,496	400	-	2,896
<i>Non-executive director</i>	<i>非執行董事</i>					
Mr. LEE, Chi Hin Jacob	李志軒先生	485	-	40	-	525
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. CHAN, Chi Yuen (resigned on 24 March 2020)	陳志遠先生 (於二零二零年三月二十四日辭任)	46	-	-	-	46
Mr. CHIU, Wai On	招偉安先生	200	-	-	-	200
Mr. YUNG, Chun Fai Dickie	翁振輝先生	200	-	-	-	200
Mr. HUANG, Victor (appointed on 19 June 2020)	黃偉德先生 (於二零二零年六月十九日獲委任)	107	-	-	-	107
		1,038	4,721	800	-	6,559

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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 LISTING RULES) (Continued)

12 董事福利及利益 (香港公司條例 (第622章) 第383條及公司 (披露董事利益資料) 規例 (第622G章) 及上市規則規定所作之披露) (續)

(a) Directors' remuneration (Continued)

Details of remuneration of directors for the year ended 31 December 2019 were as follows:

(a) 董事薪酬 (續)

截至二零一九年十二月三十一日止年度，董事薪酬詳情如下：

		2019 二零一九年				
		Directors' fees	Salaries, allowances and benefits in kind 薪金、津貼及實物福利	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<i>Chairman</i>	<i>主席</i>					
Mr. CHENG, Kam Chiu Stewart	鄭錦超先生	-	2,160	510	14	2,684
<i>Executive director</i>	<i>執行董事</i>					
Mr. TANG, John Wing Yan	鄧永恩先生	-	2,400	510	-	2,910
<i>Non-executive director</i>	<i>非執行董事</i>					
Mr. LEE, Chi Hin Jacob (appointed on 1 April 2019)	李志軒先生 (於二零一九年四月一日獲委任)	360	-	-	-	360
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. CHAN, Chi Yuen	陳志遠先生	200	-	-	-	200
Mr. CHIU, Wai On	招偉安先生	200	-	-	-	200
Mr. YUNG, Chun Fai Dickie	翁振輝先生	200	-	-	-	200
Mr. WONG, Man Kong Peter (deceased on 11 March 2019)	王敏剛先生 (於二零一九年三月十一日離世)	39	-	-	-	39
		999	4,560	1,020	14	6,593

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 (2019: Nil).

概無本公司董事放棄任何酬金，本集團亦無向任何本公司董事支付酬金，作為接受董事職位之獎勵或離任董事職位之補償 (二零一九年：無)。

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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 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 (2019: Nil).

(c) Directors' termination benefits

No payment was made to directors as compensation for the early termination of the appointment during the year (2019: 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 (2019: 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 (2019: 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 (2019: Nil).

12 董事福利及利益 (香港公司條例 (第622章) 第383條及公司 (披露董事利益資料) 規例 (第622G章) 及上市規則規定所作之披露) (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 (二零一九年: 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 (二零一九年: 無)。

(d) 就獲取董事服務向第三方支付之代價

並無就獲取董事作為本公司董事提供的服務而向其前僱主作出付款 (二零一九年: 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、或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 (二零一九年: 無)。

(f) 董事於交易、安排或合約的重大權益

本公司概無於年終或年內任何時間訂有任何本公司董事於當中直接或間接擁有任何重大權益且與本集團業務有關之重大交易、安排及合約 (二零一九年: 無)。

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13 INCOME TAX

13 所得稅

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the year	年內撥備	1,040	–
Current tax – overseas	即期稅項 – 海外		
Under-provision in respect of prior years	就往年撥備不足	–	9
Deferred tax	遞延稅項		
Charged/(credited) to the profit or loss	於損益扣除／(計入)	13,896	(20,257)
		14,936	(20,248)

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands (“BVI”), the Company and its subsidiaries incorporated in Bermuda and the BVI are not subject to any income tax in Bermuda and the BVI for both the current and prior year.

Hong Kong profits tax has been provided for at the rate of 16.5% for the year ended 31 December 2020 (2019: 16.5%) on the estimated assessable profit for the year. No provision for Hong Kong profits tax has been made for the year ended 31 December 2019 as the Group’s operations in Hong Kong had no assessable profits.

Subsidiaries of the Group in Argentina are subject to Argentina corporate income tax (“AIT”) at 30% (2019: 30%) and minimum presumed income tax (“MPIT”). MPIT is supplementary to AIT and is chargeable at the applicable tax rate of 1% on the tax basis of certain assets. The tax liabilities of subsidiaries of the Group in Argentina are the higher of AIT and MPIT.

根據百慕達及英屬處女群島(「英屬處女群島」)之規則及法規，本公司及其附屬公司於百慕達及英屬處女群島註冊成立且於當前及過往年度均無須繳納百慕達及英屬處女群島任何所得稅。

於截至二零二零年十二月三十一日止年度，香港利得稅乃根據本年度之估計應課稅溢利按16.5%（二零一九年：16.5%）之稅率作出撥備。截至二零一九年十二月三十一日止年度，由於本集團於香港之業務並無應課稅溢利，故並無計提香港利得稅撥備。

本集團於阿根廷之附屬公司須按30%稅率（二零一九年：30%）繳納阿根廷企業所得稅（「阿根廷所得稅」）及推測最低所得稅（「推測最低所得稅」）。推測最低所得稅為阿根廷所得稅之補充，並就若干資產之稅基按1%實際稅率徵收。本集團附屬公司於阿根廷之稅項負債為阿根廷所得稅及推測最低所得稅之較高者。

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13 INCOME TAX (Continued)

Subsidiaries of the Group in the Mainland China are subject to Corporate Income Tax ("CIT") in accordance with the Law of the PRC on Corporate Income Tax (the "CIT Law"). Under the CIT Law, the income tax rate applicable to these subsidiaries is 25% (2019: 25%).

Taxation for other overseas subsidiaries of the Group is charged at the appropriate current rates of taxation ruling in the relevant countries and regions.

The tax on the Group's loss before taxation differs from the theoretical amount that would arise using the enacted tax rate of the Group's subsidiaries as follows:

13 所得稅 (續)

本集團於中國大陸的附屬公司須根據中國企業所得稅法(「企業所得稅法」)繳納企業所得稅(「企業所得稅」)。根據企業所得稅法，該等附屬公司適用的所得稅稅率為25%(二零一九年：25%)。

本集團其他海外附屬公司之稅項按相關國家及地區之現行適當稅率收取。

本集團除稅前虧損之稅項與使用本集團附屬公司的已頒佈稅率產生之理論金額差異如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(64,558)	(2,310,385)
Notional tax on loss before taxation, calculated at the rates applicable to loss in the jurisdictions concerned	有關除稅前虧損之名義稅項，按適用於有關稅務司法權區虧損之稅率計算	(8,198)	(57,969)
Tax effect of non-taxable income	非課稅收入之稅務影響	(1,358)	(2,793)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	5,466	4,141
Tax effect of hyperinflation impact	惡性通脹的影響之稅務影響	8,859	23,171
Tax effect of utilisation of tax losses previously not recognised as deferred tax assets	動用過往並未確認為遞延稅項資產之稅項虧損之稅務影響	(2,676)	-
Tax effect of tax losses and temporary differences not recognised	未確認稅務虧損及暫時差額之稅務影響	4,719	13,193
Tax effect of derecognition of deferred tax assets	取消確認遞延稅項資產之稅務影響	7,366	-
Tax effect on change in tax rate (Note)	有關稅率變動的稅項影響(附註)	758	-
Under-provision in respect of prior years	就往年撥備不足	-	9
Income tax expense/(credit)	所得稅開支/(抵免)	14,936	(20,248)

Note:

The tax rate of AIT decreased from 30% to 25% for the year ending 31 December 2021 onwards.

附註：

截至二零二一年十二月三十一日止年度，阿根廷企業所得稅稅率自30%降至25%。

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14 DIVIDEND

The board of directors of the Company does not recommend the payment of any final dividend for the year ended 31 December 2020 (2019: Nil).

15 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the Group's loss attributable to owners of the Company of approximately HK\$79,483,000 (2019: HK\$2,290,086,000) and weighted average number of ordinary shares in issue during the year of approximately 8,758,881,000 shares (2019: 8,758,881,000 shares).

(b) Diluted loss per share

For the years ended 31 December 2019 and 2020, basic and diluted loss per share was the same as there were no potentially dilutive ordinary shares in issue during the year.

14 股息

本公司董事會不建議就截至二零二零年十二月三十一日止年度宣派任何末期股息(二零一九年:無)。

15 每股虧損

(a) 每股基本虧損

每股基本虧損乃根據本公司擁有人應佔虧損約79,483,000港元(二零一九年:2,290,086,000港元)及本年度已發行普通股加權平均數約8,758,881,000股(二零一九年:8,758,881,000股)計算。

(b) 每股攤薄虧損

截至二零一九年及二零二零年十二月三十一日止年度，由於年內概無發行潛在可攤薄的普通股份，故每股基本及攤薄虧損相同。

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16 EXPLORATION AND EVALUATION ASSETS

16 勘探及評估資產

		Exploration rights 勘探權	Exploratory drilling 勘探鑽井	Geological studies 地質研究	Others 其他	Total 總計
		(Note (a)) (附註(a))	(Notes (a) and (b)) (附註(a)及(b))			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日					
Cost	成本	3,229,713	126,338	187,924	33,991	3,577,966
Accumulated impairment	累計減值	(1,013,545)	(5,009)	(187,924)	(33,991)	(1,240,469)
		2,216,168	121,329	-	-	2,337,497
Year ended 31 December 2019	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	2,216,168	121,329	-	-	2,337,497
Addition	添置	-	19,285	-	-	19,285
Write off	撇銷	-	(202)	-	-	(202)
Impairment (Note (a))	減值(附註(a))	(2,214,726)	(28,528)	-	-	(2,243,254)
Hyperinflation adjustments	惡性通脹調整	(1,442)	(8,049)	-	-	(9,491)
At 31 December 2019	於二零一九年十二月三十一日	-	103,835	-	-	103,835
At 31 December 2019	於二零一九年十二月三十一日					
Cost	成本	3,228,271	137,372	181,986	33,991	3,581,620
Accumulated impairment	累計減值	(3,228,271)	(33,537)	(181,986)	(33,991)	(3,477,785)
		-	103,835	-	-	103,835
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度					
At 1 January 2020	於二零二零年一月一日	-	103,835	-	-	103,835
Addition	添置	-	1,151	-	-	1,151
Transfers (Note (b))	轉讓(附註(b))	-	(28,619)	-	-	(28,619)
Hyperinflation adjustments	惡性通脹調整	-	(13,239)	-	-	(13,239)
At 31 December 2020	於二零二零年十二月三十一日	-	63,128	-	-	63,128
At 31 December 2020	於二零二零年十二月三十一日					
Cost	成本	3,226,181	89,212	137,637	31,429	3,484,459
Accumulated impairment	累計減值	(3,226,181)	(26,084)	(137,637)	(31,429)	(3,421,331)
		-	63,128	-	-	63,128

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16 EXPLORATION AND EVALUATION ASSETS

(Continued)

Notes:

- (a) The balances of exploration rights and exploratory drilling amounting to approximately HK\$2,216,168,000 and HK\$29,157,000 as at 1 January 2019 represent the Group's 69.25% interest in the Tartagal concession and Morillo concession (collectively the "T&M Concessions") which are the concessions in the province of Salta in northern Argentina, through an Union of Temporary Enterprise. Exploration permits were granted for oil and developments of hydrocarbons in the T&M Concessions for an initial period of four years starting from 29 December 2006 and additional extensions up to an aggregate of nine years may be obtained. The Group submitted applications to the Secretary of Energy of Province of Salta, Argentina ("Salta SOE") for extensions of the exploration permits and obtained the approvals in July 2010, July 2011, December 2013, March 2016 and March 2018 respectively. Pursuant to the approval document issued in March 2018, the exploration permits were extended to 13 September 2019. If successful hydrocarbon discoveries are made, the exploration permits could be converted to exploitation permits for a term of 25 years with a possible extension of 10 years.

The Group submitted its application to the Salta SOE for a further extension of the exploration permits in May 2019, and for entering the second exploratory period in early September 2019.

However, on 17 September 2019, the Salta SOE issued resolutions rejecting both the Group's applications of one-year extension and entering into the second exploratory period in the T&M Concessions ("Resolutions"). In late September 2019, the Group have submitted its appeal to the Minister of Production in the Province of Salta in order to seek the revocation of the Resolutions. Based on the latest communication with the related authorities in the Province of Salta and a legal opinion obtained from an independent Argentinian legal counsel, the Group believes there is significant uncertainty in regard to the timing and possibility of a positive appeal result in favour of the Group. The Group recognised full impairment of approximately HK\$2,243,254,000 in respect of the exploration and evaluation assets related to the T&M Concessions as at 31 December 2019.

There was no significant update on the appeal in respect of the revocation of the Resolutions during the year ended 31 December 2020.

16 勘探及評估資產 (續)

附註：

- (a) 於二零一九年一月一日之勘探權及勘探鑽井的結餘達約2,216,168,000港元及29,157,000港元指本集團透過Union of Temporary Enterprise持有Tartagal特許權區及Morillo特許權區(統稱「T&M特許權區」，位於阿根廷北部薩爾塔省的特許權區) 69.25%的權益。T&M特許權區內之石油及碳氫化合物開發獲授勘探許可，自二零零六年十二月二十九日起最初為期四年，並可額外續期，最多合共九年。本集團已向阿根廷薩爾塔省能源部長(「薩爾塔省能源部長」)遞交勘探許可續期申請，並分別於二零一零年七月、二零一一年七月、二零一三年十二月、二零一六年三月及二零一八年三月獲得批准。根據於二零一八年三月獲發的批准文件，勘探許可延至二零一九年九月十三日。倘成功發現碳氫化合物，勘探許可可能夠轉換為為期25年的開採許可，並可能續期10年。

本集團於二零一九年五月向薩爾塔省能源部長遞交勘探許可進一步續期申請，並於二零一九年九月初遞交進入第二個勘探期申請。

然而，於二零一九年九月十七日，薩爾塔省能源部長發出決議案，否決本集團於T&M特許權區續期一年及進入第二個勘探期的兩份申請(「決議案」)。於二零一九年九月底，本集團向薩爾塔省生產部提起上訴，旨在尋求撤銷決議案。基於與薩爾塔省相關部門的最新溝通及從阿根廷獨立法律顧問獲得的法律意見，本集團認為，有利於本集團的正面上訴結果的時間及可能性存在重大不確定性。於二零一九年十二月三十一日，本集團就有關T&M特許權區的勘探及評估資產確認悉數減值約2,243,254,000港元。

於截至二零二零年十二月三十一日止年度，並無有關撤銷決議案上訴的重大最新資料。

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16 EXPLORATION AND EVALUATION ASSETS

(Continued)

Notes: (Continued)

- (b) As at 31 December 2020, the balance of exploratory drilling represents the drilling activities in the Los Blancos Concession (formerly known as Chirete Concession) in the province of Salta in Northern Argentina (“**Los Blancos Concession**”), in which the Group farmed into 50% participating interest under a farm-in agreement with Pampa Energia S.A.

In 2016, the Group had an oil discovery in the HLG.St.LB.x-1002 exploratory well drilled in October 2015 in the Los Blancos Concession and agreed with Pampa Energia S.A that the additional cost for further drilling activities would be financed by the two participants.

In 2018, the Group drilled another exploratory well, HLG.St.LB.x-2001 in the Los Blancos Concession and significant oil and gas were discovered.

In 2019, the construction of the Group’s permanent production facilities at HLG.St.LB.x-2001 exploratory well has been completed.

On 15 October 2020, the exploitation permit for Los Blancos Concession (formerly known as Chirete Concession) has been granted by the provincial authorities of Salta. The exploitation permit officially entitles the Group to produce crude oil in the Los Blancos Concession for the next 25 years. The carrying amount of approximately HK\$28,619,000 in exploratory drilling has been assessed for impairment before reclassification to property, plant and equipment. The key assumptions used in the value-in-use calculation included estimated future crude oil prices, estimated future production volume, estimated future production cost, estimated future capital expenditure and discount rate. Estimated future crude oil prices are compiled based on forecasted oil prices published by a principal agency of a governmental authority. Estimated future production volume, future production cost, and future capital expenditure are estimated based on the approved production profile and relevant budget. Pre-tax discount rate of 40% has been applied in the value-in-use calculation. Since the recoverable amount exceeded its carrying amount, no impairment loss is considered as necessary on the date of reclassification.

For details of the impairment assessment on the remaining balance of exploration and evaluation assets as at 31 December 2020, please refer to Note 17.

16 勘探及評估資產 (續)

附註：(續)

- (b) 於二零二零年十二月三十一日，勘探鑽井結餘指阿根廷北部薩爾塔省的Los Blancos特許權區（前稱Chirete特許權區）（「**Los Blancos特許權區**」）的鑽井活動，本集團根據與Pampa Energia S.A.訂立之購入安排購入Los Blancos特許權區的50%參與權益。

於二零一六年，本集團就二零一五年十月鑽探的Los Blancos特許權區HLG.St.LB.x-1002勘探井發現石油並與Pampa Energia S.A.達成協定，進一步鑽井活動的額外開支將由兩個參與方撥付。

於二零一八年，本集團於Los Blancos特許權區的HLG.St.LB.x-2001鑽探另一處勘探井，並發現大量石油及天然氣。

於二零一九年，本集團於HLG.St.LB.x-2001勘探井的永久性生產設施興建完成。

於二零二零年十月十五日，薩爾塔省當局已授出Los Blancos特許權區（前稱Chirete特許權區）的勘探許可。勘探許可證正式授權本集團在未來25年於Los Blancos特許權區生產原油。勘探鑽井的賬面值約28,619,000港元於重新分類至物業、廠房及設備前已進行減值評估。使用價值計量使用的主要假設包括估計未來原油價格、估計未來產量、估計未來生產成本、估計未來資本開支及折現率。估計未來原油價格乃按政府部門的委託代理發佈的預測油價編製。估計未來產量、未來生產成本及未來資本開支乃根據已批准的生產概況及相關預算估計。於計算使用價值時已使用40%的除稅前折現率。由於可收回金額超過其賬面值，故於重新分類日期，概無減值虧損被視作必須。

有關於二零二零年十二月三十一日對勘探及評估資產結餘的減值評估的詳情，請參閱附註17。

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17 PROPERTY, PLANT AND EQUIPMENT

17 物業、廠房及設備

		Machinery 機器	Oil production assets 石油生產 資產	Others 其他 (Note (a)) (附註(a))	Right-of- use assets 使用權資產	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日					
Cost	成本	40,733	–	5,184	6,358	52,275
Accumulated depreciation and impairment	累計折舊及減值	(8,219)	–	(4,887)	(3,531)	(16,637)
		32,514	–	297	2,827	35,638
Year ended 31 December 2019	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	32,514	–	297	2,827	35,638
Addition	添置	513	–	13	–	526
Depreciation	折舊	(4,548)	–	(113)	(2,119)	(6,780)
Hyperinflation adjustments	惡性通脹調整	(830)	–	(15)	–	(845)
At 31 December 2019	於二零一九年十二月三十一日	27,649	–	182	708	28,539
At 31 December 2019	於二零一九年十二月三十日					
Cost	成本	38,087	–	4,710	6,358	49,155
Accumulated depreciation and impairment	累計折舊及減值	(10,438)	–	(4,528)	(5,650)	(20,616)
		27,649	–	182	708	28,539
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度					
At 1 January 2020	於二零二零年一月一日	27,649	–	182	708	28,539
Addition	添置	24	–	32	7,991	8,047
Transfers	轉讓	–	28,619	–	–	28,619
Depreciation	折舊	(3,692)	(2,837)	(39)	(2,419)	(8,987)
Impairment (Note 8)	減值(附註8)	–	–	–	(5,823)	(5,823)
Hyperinflation adjustments	惡性通脹調整	1,840	9,878	11	–	11,729
Exchange differences	匯兌差額	–	–	–	26	26
At 31 December 2020	於二零二零年十二月三十一日	25,821	35,660	186	483	62,150
At 31 December 2020	於二零二零年十二月三十一日					
Cost	成本	36,858	38,392	4,553	14,377	94,180
Accumulated depreciation and impairment	累計折舊及減值	(11,037)	(2,732)	(4,367)	(13,894)	(32,030)
		25,821	35,660	186	483	62,150

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17 PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (a) Others mainly represented furniture, fixtures and office equipment, and motor vehicles, with net book values amounting to approximately HK\$157,000 (2019: HK\$148,000), and HK\$29,000 (2019: HK\$34,000) respectively.
- (b) Due to the volatile crude oil price and the potential adverse impact on the performance of upstream business as a result of COVID-19 pandemic, the Group conducted the impairment assessment for its oil properties, which mainly included "machinery" and "oil production assets" of property, plant and equipment and exploration and evaluation assets (Note 16), totalled of approximately HK\$124,578,000 as at 31 December 2020.

The recoverable amount of oil properties in respect of Los Blancos Concession (formerly known as Chirete Concession) is determined using value-in-use calculation. The calculation used discounted cash flow model based on financial forecasts prepared by management and covered the expected life of the oil fields. The key assumptions used in the value-in-use calculation included estimated future crude oil prices, estimated future production volume, estimated future production cost, estimated future capital expenditure and discount rate. Estimated future crude oil prices are compiled based on forecasted oil prices published by a principal agency of a governmental authority. Estimated future production volume, future production cost, and future capital expenditure are estimated based on the approved production profile and relevant budget. Pre-tax discount rate of 40% has been applied in the value-in-use calculation. The board of directors of the Company considered that no impairment loss is necessary as at 31 December 2020.

17 物業、廠房及設備 (續)

附註：

- (a) 其他主要指賬面值淨額分別為約157,000港元(二零一九年：148,000港元)及29,000港元(二零一九年：34,000港元)的傢私、裝置及辦公室設備及汽車。
- (b) 由於原油價格波動及因新冠肺炎疫情導致對上游業務表現的潛在不利影響，本集團對其石油資產進行減值評估，主要包括物業、廠房及設備的「機器」及「石油生產資產」及勘探及評估資產(附註16)，於二零二零年十二月三十一日合共達約124,578,000港元。

有關Los Blancos 特許權區(前稱Chirete特許權區)的石油資產的可收回金額乃使用使用價值計算釐定。該計算乃基於管理層編製的財務預測使用折現現金流量模式並涵蓋油田的預期年限。使用價值計算使用的主要假設包括估計未來原油價格、估計未來產量、估計未來生產成本、估計未來資本開支及折現率。估計未來原油價格乃按政府部門的委託代理發佈的預測油價編製。估計未來產量、估計未來生產成本及估計未來資本開支乃根據已批准的生產概況及相關預算估計。於計算使用價值時已使用40%的除稅前折現率。於二零二零年十二月三十一日，本公司董事會認為減值虧損屬不必要。

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18 INVESTMENTS IN SUBSIDIARIES

Details of the Company's subsidiaries as at 31 December 2020 are as follows:

18 於附屬公司之投資

於二零二零年十二月三十一日，本公司附屬公司詳情如下：

Name of company 公司名稱	Place of establishment/ incorporation and business 成立／註冊成立 及營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團之 實際權益	Directly held 直接 持有	Indirectly held 間接 持有	
Total Belief Limited 確信有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	100%	–	Investment holding 投資控股
Jade Honest Limited	BVI 英屬處女群島	2,700 ordinary shares of US\$1 each 2,700股每股面值1美元之普通股	100%	100%	–	Dormant 未有業務活動
Absolute Champ Limited 煌鑫有限公司	Hong Kong 香港	1 ordinary share at HK\$1 each 1股每股面值1港元之普通股	100%	–	100%	Trading of physical gold products 實物黃金產品買賣
Ace Diamond Trading Limited	BVI 英屬處女群島	100 ordinary shares at US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Big Trade Investments Limited	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Bright Rise Group Limited 明揚集團有限公司	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Cheer Profit Group Limited 展澤集團有限公司	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Discovery Operating LLC	United States of America ("US") 美國(「美國」)	Nil paid 零	100%	–	100%	Dormant 未有業務活動
ET-LA, LLC	US 美國	Registered capital of US\$500 註冊資本500美元	100%	–	100%	Investment holding 投資控股
First Continent Holdings Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股

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18 INVESTMENTS IN SUBSIDIARIES (Continued)

18 於附屬公司之投資 (續)

Name of company 公司名稱	Place of establishment/ incorporation and business 成立/註冊成立 及營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團之實際權益	Directly held 直接持有	Indirectly held 間接持有	
First Apex Global Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Giant Perfect Holdings Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Grand Rich Trading Limited 鴻富貿易有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Happy Light Group Limited 悅光集團有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
High Luck Holding (Hong Kong) Limited 高運控股(香港)有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	100%	–	100%	Investment holding 投資控股
High Luck Group Limited 高運集團有限公司	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Exploration of oil and gas 勘探石油及天然氣
Jumbo Hope Group Limited 明協集團有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	100%	–	100%	Investment holding 投資控股
New Times Power Limited	BVI 英屬處女群島	1,000 ordinary shares of US\$1 each 1,000股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
New Times Energy Canada Inc.	Canada 加拿大	500,000 Class A common shares of CAD0.01 each 500,000股每股面值0.01加元之A類普通股	100%	–	100%	Investment holding 投資控股
Novastar Capital Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
Power Jet Group Limited	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Dormant 未有業務活動

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18 INVESTMENTS IN SUBSIDIARIES (Continued)

18 於附屬公司之投資 (續)

Name of company 公司名稱	Place of establishment/ incorporation and business 成立/註冊成立 及營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團之實際權益	Directly held 直接持有	Indirectly held 間接持有	
Techno Wealth Limited 德富有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	–	100%	Investment holding 投資控股
United Oil & Resources Trading Limited 聯邦石油資源貿易有限公司	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股每股面值1港元之普通股	100%	–	100%	Investment holding 投資控股
深圳市源協貿易有限公司*	PRC 中國	Registered capital of US\$1,000,000 註冊資本1,000,000美元	100%	–	100%	Investment holding 投資控股
新能裕(江蘇)貿易有限公司*	PRC 中國	Registered capital of US\$5,000,000 註冊資本5,000,000美元	100%	–	100%	Trading of petroleum-related products 石油相關產品貿易
United Resources Trading Limited 聯邦資源貿易有限公司	BVI/Hong Kong 英屬處女群島/ 香港	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	51%	–	51%	Commodities trading 商品貿易

* Wholly foreign owned enterprise established under the PRC law

* 根據中國法律註冊為外商獨資企業

As at 31 December 2020, non-controlling interests was attributable to United Resources Trading Limited, which is not material to the Group.

於二零二零年十二月三十一日，非控股權益歸屬於聯邦資源貿易有限公司，其對本集團而言並不重大。

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19 INVESTMENTS IN JOINT VENTURES

19 於合營企業之投資

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Share of net assets	分佔資產淨值	941	7,849
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 1 January	於一月一日	7,849	12,827
Share of results of joint ventures	應佔合營企業業績	(7,078)	(4,784)
Exchange differences	匯兌差額	170	(194)
		941	7,849

Details of the Group's interest in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

有關本集團於合營企業權益(按權益法於綜合財務報表入賬)之詳情如下:

Name of joint ventures 合營企業名稱	Place of incorporation and business 註冊成立及營業地點	Proportion of ownership interest 所有權權益比例		Principal activities 主要業務	
		Particulars of issued and paid up capital 已發行及繳足股本詳情	Group's effective interest 本集團之實際權益		Held by a subsidiary 一家附屬公司持有
Smart Win International Limited 凱智國際有限公司	BVI 英屬處女群島	200 ordinary share of US\$1 each 200股每股面值1美元之普通股	50%	50%	Investment holding 投資控股
Full charming Limited	BVI 英屬處女群島	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	29.9%	29.9%	Investment holding 投資控股
Hong Kong Oil Development Co. Limited 香港石油發展有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	29.9%	29.9%	Investment holding 投資控股
盤錦遼河曙光實業有限公司*	PRC 中國	Registered capital of Renminbi ("RMB") 6,000,000 註冊資本人民幣6,000,000元	28.4%	28.4%	Provision of oil services 提供石油服務

* Limited liability company established under the PRC law

* 根據中國法律註冊為有限責任公司

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19 INVESTMENTS IN JOINT VENTURES (Continued)

None of these entities are material to the Group.

The Group's joint ventures are unlisted corporate entities whose quoted market prices are not available.

There are no contingent liabilities relating to the Group's investments in joint ventures and these entities also had no material contingent liabilities.

Aggregate information of joint ventures that are not individually material:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Total assets	資產總額	11,464	29,073
Total liabilities	負債總額	(11,628)	(4,052)
Total losses	虧損總額	(25,784)	(16,607)

19 於合營企業之投資 (續)

該等實體對本集團而言屬不重大。

本集團之合營企業為未上市公司實體，並無市場報價。

並無或然負債與本集團於合營企業之投資有關及該等實體亦並無重大或然負債。

非個別重大的合營企業匯總資料：

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20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

20 按公允價值計入其他全面收益之金融資產

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Equity securities at FVOCI	按公允價值計入其他全面收益之股本證券		
– Borealis	– Borealis	–	15,925
– Foothills Exploration	– Foothills Exploration	8	143
		8	16,068

Notes:

- (i) Financial assets at FVOCI 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.
- (ii) During the year ended 31 December 2020, fair value loss of approximately HK\$16,060,000 (2019: HK\$2,626,000) on the equity securities at FVOCI was recognised in other comprehensive income. No dividend or other income from equity securities at FVOCI was recognised in the consolidated statement of profit or loss (2019: Nil).
- (iii) Information about the methods and assumptions used in determining fair value is provided in Note 3.4.
- (iv) All of the financial assets at FVOCI are denominated in US\$. For an analysis of the sensitivity of the assets to price risk, details of which refer to Note 3.2(a)(ii).

附註：

- (i) 按公允價值計入其他全面收益之金融資產包括並非持作買賣用途之股本證券，及本集團已不可撤銷的選擇於初始確認時於此類別對其進行確認。其為戰略投資及本集團認為此分類更為相關。
- (ii) 於截至二零二零年十二月三十一日止年度，有關按公允價值計入其他全面收益的股本證券的公允價值虧損約16,060,000港元（二零一九年：2,626,000港元）於其他全面收益確認。概無於綜合損益表確認按公允價值計入其他全面收益的股本證券的股息或其他收入（二零一九年：無）。
- (iii) 有關釐定公允價值所使用的方法及假設的資料載於附註3.4。
- (iv) 所以按公允價值計入其他全面收益的金融資產均以美元計值。有關資產對價格風險的敏感度分析，詳情請參閱附註3.2(a)(ii)。

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21 INVENTORIES

21 存貨

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Gold held for trading, at cost	按成本價持有用作交易的黃金	15,980	-
Consumables	易耗品	12,756	14,206
Oil products	石油產品	64	98
		28,800	14,304

The analysis of the amount of inventories recognised as an expense and included in consolidated statement of profit or loss is as follows:

已確認為開支並計入綜合損益表之存貨金額之分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount of inventories sold (Note 7)	已出售存貨之賬面值 (附註7)	5,000,333	224,724
Write down of inventories (Note 8)	撇減存貨(附註8)	-	6,822
		5,000,333	231,546

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22 TRADE AND OTHER RECEIVABLES

22 應收貿易賬款及其他應收款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables (Notes (b) and (c))	應收貿易賬款 (附註(b)及(c))	61,271	2,505
Other debtors	其他債務人	5,168	7,790
Deposits	按金	5,200	4,488
Amount due from a joint venture (Note (d))	應收合營企業的金額 (附註(d))	565	561
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	72,204	15,344
VAT recoverable	可收回增值稅	3,618	10,911
Other tax recoverable	其他可收回稅項	1,858	4,024
Other prepayments	其他預付款項	3,469	2,617
		81,149	32,896
Reconciliation to the consolidated statement of financial position:	於綜合財務狀況表之對賬：		
Non-current	非流動	4,316	10,911
Current	流動	76,833	21,985
		81,149	32,896

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22 TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) The board of directors of the Company considers that the carrying amounts of deposits, trade and other receivables approximate their fair values as the impact of discounting is not significant.
- (b) Trade receivables are due within 30 days (2019: 30 days) from the date of billing. The following is an ageing analysis of trade receivables, presented based on the invoice date and net of loss allowance, is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0 – 30 days	0至30日	59,801	2,321
31 – 60 days	31至60日	85	–
61 – 90 days	61至90日	1,178	–
Over 90 days	90日以上	207	184
		61,271	2,505

- (c) The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. See Note 3.2(b) for further information about expected credit loss provision.
- (d) The amount due from a joint venture is non-secured, interest-free and repayable on demand.
- (e) The carrying amounts of trade and other receivables measured at amortised cost approximate their fair value and are denominated in the following currencies:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
RMB	人民幣	40,064	–
US\$	美元	27,801	7,843
ARS	阿根廷披索	3,030	3,066
HK\$	港元	1,309	4,435
		72,204	15,344

22 應收貿易賬款及其他應收款項 (續)

附註：

- (a) 由於折現的影響並不重大，本公司董事會認為按金、應收貿易賬款及其他應收款項的賬面值與其公允價值相若。
- (b) 應收貿易賬款自開出票據日期起30日（二零一九年：30日）內到期。應收貿易賬款按發票日期及扣除虧損撥備呈列後之賬齡分析如下：

- (c) 本集團採納香港財務報告準則第9號規定的簡化方法為預期信貸虧損計提撥備，有關準則允許使用存續期預期虧損為應收貿易賬款計提撥備。有關預期信貸虧損撥備的更多詳情，請參閱附註3.2(b)。
- (d) 應收合營企業的款項為無抵押、免息及按要求償還。
- (e) 按攤銷成本計量之應收貿易賬款及其他應收款項的賬面值與其公允價值相若及以以下貨幣計值：

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23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23 按公允價值計入損益之金融資產

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed equity securities (Note (i))	上市股本證券(附註(i))	53,054	80,618
Listed debt securities (Note (ii))	上市債務證券(附註(ii))	14,945	30,528
Unlisted debt securities (Note (ii))	非上市債務證券(附註(ii))	6,091	-
Unlisted equity-linked securities (Note (iii))	非上市股本掛鈎證券(附註(iii))	-	8,027
Unlisted funds	非上市基金	-	927
		74,090	120,100

Notes:

- (i) The listed equity securities represent listed shares on the Stock Exchange and are stated at fair value. Net investment loss of approximately HK\$32,906,000 (2019: HK\$6,850,000) has been recognised in profit or loss during the year ended 31 December 2020.
- (ii) The listed debt securities represent the senior notes listed on the Singapore Exchange or the Stock Exchange and are stated at fair value. The unlisted debt securities are issued by a company listed on the Stock Exchange and are designated as FVPL. Net investment income of approximately HK\$1,599,000 (2019: HK\$1,010,000) has been recognised in profit or loss during the year ended 31 December 2020.
- (iii) The unlisted equity-linked securities represent securities which contained embedded derivatives, the return of which were determined with reference to the closing price of certain equity securities listed on the Stock Exchange. The unlisted equity-linked securities were designated as FVPL. The unlisted equity-linked securities have been disposed of during the year ended 31 December 2020. Net investment income of approximately HK\$1,684,000 (2019: HK\$1,612,000) has been recognised in profit or loss during the year ended 31 December 2020.

附註：

- (i) 上市股本證券為於聯交所上市股份及按公允價值列賬。截至二零二零年十二月三十一日止年度，投資虧損淨值約32,906,000港元(二零一九年：6,850,000港元)已於損益內確認。
- (ii) 上市債務證券為於新加坡交易所或聯交所上市之優先票據及按公允價值列賬。非上市債務證券乃由一間於聯交所上市的公司發行及指定為按公允價值計入損益。於截至二零二零年十二月三十一日止年度之投資收入淨額約1,599,000港元(二零一九年：1,010,000港元)已於損益內確認。
- (iii) 非上市股本掛鈎證券為包含嵌入式衍生工具之證券，其回報乃參考若干於聯交所上市之股本證券之收市價釐定。非上市股本掛鈎證券指定為按公允價值計入損益。非上市股本掛鈎證券已於截至二零二零年十二月三十一日止年度出售。於截至二零二零年十二月三十一日止年度之投資收入淨額約1,684,000港元(二零一九年：1,612,000港元)已於損益內確認。

24 GOLD INVESTMENT

24 黃金投資

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Gold held for investment, at fair value	持作投資之黃金，按公允價值	68,589	-

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24 GOLD INVESTMENT (Continued)

The balance represented investment in physical gold bullions which measured at fair value. The purposes of holding physical gold bullions are to support the development of the Group's physical gold trading business, and to achieve capital appreciation and capture the effectiveness of gold as inflation-proofing instrument. The fair value gain of approximately HK\$6,119,000 has been recognised in profit or loss during the year ended 31 December 2020 (2019: Nil).

For details of the accounting policy, please refer to Note 2.24.

For the fair value measurement of gold investment, please refer to Note 3.4.

24 黃金投資 (續)

結餘指於按公允價值計量的實物金條的投資。持有實物金條的目的乃為支持本集團實物黃金買賣業務的發展，及實現資本增值及抓住黃金作為防通脹的有效性。於截至二零二零年十二月三十一日止年度，已於損益中確認公允價值收益約6,119,000港元（二零一九年：零）。

有關會計政策的詳情，請參閱附註2.24。

有關黃金投資之公允價值計量，請參閱附註3.4。

25 CASH AND CASH EQUIVALENTS

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cash at bank and cash in hand	銀行現金及手頭現金	640,915	771,662

Notes:

- (a) The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
HK\$	港元	466,853	672,958
US\$	美元	163,680	97,167
RMB	人民幣	3,050	27
ARS	阿根廷披索	7,319	1,498
Others	其他	13	12
		640,915	771,662

- (b) Significant restrictions

Cash and cash equivalents of approximately HK\$3,034,000 (2019: HK\$11,000) and HK\$7,496,000 (2019: HK\$1,804,000) are held in the Mainland China and Argentine Republic respectively, and are subject to local exchange control regulations. These local exchange control regulations provide for certain restrictions on exporting capital from the Mainland China and Argentine Republic.

附註：

- (a) 本集團現金及現金等價物的賬面值以以下貨幣計值：

- (b) 重大限制

現金及現金等價物約3,034,000港元（二零一九年：11,000港元）及7,496,000港元（二零一九年：1,804,000港元）乃分別於中國內地及阿根廷共和國持有，須遵守當地的外匯管制條例。該等當地外匯管制條例對來自中國內地及阿根廷共和國的出口資本作出了若干限制。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

26 TRADE AND OTHER PAYABLES

26 應付貿易賬款及其他應付款項

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade payables	(ii)	5,695	6,401
Other creditors and accrued charges	(iii)	64,524	57,574
Financial liabilities measured at amortised cost		70,219	63,975
Other tax payables		228	59
Receipt in advance		31	212
		70,478	64,246

Notes:

- (i) All of the trade and other payables are expected to be settled within one year or are repayable on demand.
- (ii) The following is an ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period:

附註：

- (i) 預期所有應付貿易賬款及其他應付款項須於一年內償付或按要求償還。
- (ii) 於報告期末，應付貿易賬款按發票日期呈列之賬齡分析如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0 – 30 days	4,147	3,460
31 – 60 days	50	536
61 – 90 days	48	1,152
Over 90 days	1,450	1,253
	5,695	6,401

- (iii) Included in other creditors and accrued charges was a deposit of approximately HK\$44,994,000 (2019: HK\$48,880,000) received from two independent third parties which appointed a subsidiary of the Company as trustee to pursue an acquisition. The potential acquisition had been cancelled and the deposit is to be returned to those third parties.

- (iii) 其他應付款項及應計費用包括自兩名獨立第三方收到約44,994,000港元(二零一九年：48,880,000港元)的按金，該等第三方委任本公司一間附屬公司為受託人以尋求一項收購。該項潛在收購已被取消，按金將退還予該等第三方。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

27 BORROWINGS

27 借貸

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unsecured term loans due for repayment within 1 year 一年內到期償還之無抵押定期貸款	143,067	10,544
Unsecured term loans due for repayment after 1 year: 一年後到期償還之無抵押定期貸款：		
After 1 year but within 2 years 一年後但兩年內	3,000	138,000
After 2 years but within 5 years 兩年後但五年內	-	3,000
	3,000	141,000
	146,067	151,544
Reconciliation to the consolidated statement of financial position: 與綜合財務狀況表的對賬：		
Current portion 流動部分	143,067	10,544
Non-current portion 非流動部分	3,000	141,000
	146,067	151,544

The term loans carried fixed interest rates ranging from 4.00% to 8.00% (2019: 5.00% to 8.00%) per annum.

定期貸款按年利率介乎4.00%至8.00% (二零一九年：5.00%至8.00%) 計息。

The carrying amounts of borrowings are denominated in the following currencies:

借貸的賬面值以以下貨幣計值：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
HK\$ 港元	141,316	151,544
RMB 人民幣	4,751	-
	146,067	151,544

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28 LEASE LIABILITIES

The Group obtains right to control the use of offices for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis with lease terms of from two to three years. For details of right-of-use assets, please refer to Note 17.

The following table shows the remaining contractual maturities of the Group's lease liabilities as at 31 December 2020 and 2019:

		2020 二零二零年		2019 二零一九年	
		Present value of the minimum lease payments 最低租賃付款現值 HK\$'000 千港元	Total minimum lease payments 最低租賃付款總額 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃付款現值 HK\$'000 千港元	Total Minimum lease payments 最低租賃付款總額 HK\$'000 千港元
Within 1 year	一年內	3,162	3,227	834	839
After 1 year but within 2 years	一年後但兩年內	3,503	3,792	-	-
		6,665	7,019	834	839
Less: total future interest expenses	減：日後利息開支總額		(354)		(5)
Present value of lease liabilities	租賃負債現值		6,665		834
Represented by:	為：				
Current portion	流動部分		3,162		834
Non-current portion	非流動部分		3,503		-
			6,665		834

As at 31 December 2020 and 2019, there was no significant short-term lease, low-value lease nor lease committed but not yet commenced.

28 租賃負債

本集團透過租賃安排獲得在一段時間內控制辦公室的使用的權利。租賃安排按個別基準磋商，租期為兩至三年。有關使用權資產的詳情，請參閱附註17。

下表呈列本集團之租賃負債於二零二零年及二零一九年十二月三十一日之剩餘合約到期期限：

於二零二零年及二零一九年十二月三十一日，並無重大短期租賃、低價值租賃，亦無已承諾但尚未開始的租賃。

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29 DEFERRED TAX LIABILITIES

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 relate to the same fiscal authority. The net amounts are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	6,590	19,208
Deferred tax liabilities	遞延稅項負債	(21,510)	(30,919)
Deferred tax liabilities, net	遞延稅項負債淨額	(14,920)	(11,711)

The movement in net deferred tax liabilities is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 1 January	於一月一日	(11,711)	(31,436)
(Charged)/credited to profit or loss	於損益(扣除)/計入	(13,896)	20,257
Hyperinflation adjustments	惡性通脹調整	10,687	(532)
At 31 December	於十二月三十一日	(14,920)	(11,711)

All the deferred tax assets and liabilities are expected to be recovered after more than 12 months.

29 遞延稅項負債

當有法定可執行權力將當期稅項資產與當期稅項負債抵銷，且當遞延所得稅與同一稅務機關有關時，則可將遞延稅項資產與負債互相抵銷。

遞延稅項負債淨額之變動如下：

所有遞延稅項資產及負債預期將於12個月後收回。

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29 DEFERRED TAX LIABILITIES (Continued)

The movements in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

Deferred tax assets	遞延稅項資產	Provisions		Loans		Others		Total	
		撥備		貸款		其他		總計	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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	於一月一日	4,477	2,934	14,495	8,260	236	325	19,208	11,519
(Charged)/credited to profit or loss	於損益(扣除)/計入	(165)	2,641	(7,511)	9,326	889	33	(6,787)	12,000
Hyperinflation adjustments	惡性通脹調整	(1,303)	(1,098)	(4,222)	(3,091)	(306)	(122)	(5,831)	(4,311)
At 31 December	於十二月三十一日	3,009	4,477	2,762	14,495	819	236	6,590	19,208

29 遞延稅項負債(續)

年內遞延稅項資產及負債之變動(於相同稅務司法權區內抵消結餘前)如下:

Deferred tax liabilities	遞延稅項負債	Exploration and evaluation assets		Property, plant and equipment		Others		Total	
		勘探及評估資產		物業、廠房及設備		其他		總計	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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	於一月一日	14,433	39,885	3,312	-	13,174	3,070	30,919	42,955
(Credited)/charged to profit or loss	於損益(計入)/扣除	(2,405)	(25,789)	1,465	360	8,049	17,172	7,109	(8,257)
Hyperinflation adjustments	惡性通脹調整	397	337	2,941	3,156	(19,856)	(7,272)	(16,518)	(3,779)
At 31 December	於十二月三十一日	12,425	14,433	7,718	3,516	1,367	12,970	21,510	30,919

Deferred income tax assets are recognised for tax losses carry-forward to the extent that realisation of the related tax benefits through future taxable profit is probable. In accordance with the accounting policy set out in Note 2.22, the Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK\$120,674,000 (2019: HK\$112,841,000) and impairment of non-current assets of approximately HK\$59,114,000 (2019: HK\$53,291,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

倘可能透過未來應課稅溢利變現有關稅務利益，則就稅項虧損確認遞延所得稅資產。根據附註2.22所載的會計政策，本集團尚未就累計稅項虧損約120,674,000港元(二零一九年：112,841,000港元)及非流動資產減值約59,114,000港元(二零一九年：53,291,000港元)確認遞延稅項資產，乃由於相關稅務司法權區及實體不大可能擁有可用以抵銷虧損的未來應課稅溢利。根據現行稅法，稅項虧損不會屆滿。

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30 DERIVATIVE FINANCIAL INSTRUMENTS

30 衍生金融工具

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Liabilities	負債		
Current liabilities	流動負債		
Gold future contracts	黃金期貨合約	644	—
Paper gold	紙黃金	2,281	—
		2,925	—

Derivatives are only used for economic hedging purposes and not as speculative investments. For details, please refer to Note 3.2(a)(ii). Since the Group did not adopt hedging accounting, all derivatives are classified as “held for trading” for accounting purposes and are accounted for at FVPL.

The maturity dates of the outstanding gold future contracts and paper gold are within one year and are classified as current liabilities.

As at 31 December 2020, the notional principal amount of the outstanding gold future contracts and paper gold was approximately HK\$67,996,000 (2019: Nil) and HK\$163,065,000 (2019: Nil) respectively.

For the fair value measurement of derivatives, please refer to Note 3.4.

衍生工具僅用於經濟對沖目的，不用於投機性投資。有關詳情，請參閱附註3.2(a)(ii)。由於本集團並無採納對沖會計，故就會計目的而言，所有衍生工具均分類為「持作買賣」並按公允價值計入損益入賬。

尚未行使的黃金期貨合約及紙黃金到期日為一年內並分類為流動負債。

於二零二零年十二月三十一日，尚未行使的黃金期貨合約及紙黃金的名義本金額分別為約67,996,000港元（二零一九年：零）及163,065,000港元（二零一九年：零）。

有關衍生工具的公允價值計量，請參閱附註3.4。

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31 PROVISIONS

The carrying amount of the Group's provisions mainly represented the provisions for asset retirement obligations for the upstream business in Argentina. Movements of provisions during the year are set out as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 1 January	於一月一日	20,504	14,828
(Reversal)/provision during the year	年內(撥回)/撥備	(201)	4,029
Hyperinflation adjustments	惡性通脹調整	(186)	1,647
At 31 December	於十二月三十一日	20,117	20,504
Less: amount included under "current liabilities"	減:「流動負債」項下所包括的金額	(20,117)	(9,968)
		-	10,536

In accordance with the relevant rules and regulations and the agreements with the surface owners, the Group is obliged to accrue the costs related to the future costs of plugging and abandoning its oil properties, the removal of equipment and facilities from lease acreage and returning such land to its original condition, and indemnification of surface owners for the damages caused by the exploration activities. These costs reflect the estimated legal and contractual obligations associated with the normal operation of oil properties and were capitalised by increasing the carrying amounts of the related assets. The provisions have been determined by the directors based on their best estimates of the level of expenditure and extent of work required.

31 撥備

本集團撥備之賬面值主要指有關阿根廷的上游業務資產報廢責任撥備。年內撥備變動載述如下：

根據有關規則及法規以及與土地擁有人之協議，本集團須累計插入及廢置其石油資產未來成本、自租賃範圍移除設備及設施以及將土地還原為其原本狀況之相關成本及由於開發活動導致損害的土地擁有人賠償金。該等成本反映隨附於石油資產之一般營運之估計法律及合約責任，並透過增加有關資產之賬面值將其資本化。撥備由董事按開支水平及所須工作範圍作出之最佳估計而釐定。

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32 CAPITAL AND RESERVES

32 資本及儲備

(a) Share capital

(a) 股本

(i) Authorised and issued share capital

(i) 法定及已發行股本

	2020 二零二零年		2019 二零一九年	
	No. of shares 股份數目 '000 千股	HK\$'000 千港元	No. of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised: At 1 January and 31 December	法定： 於一月一日及 十二月三十一日			
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股			
	200,000,000	2,000,000	200,000,000	2,000,000
Ordinary shares, issued and fully paid: At 1 January and 31 December	普通股，已發行及繳足： 於一月一日及十二月 三十一日			
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股			
	8,758,881	87,589	8,758,881	87,589

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息及有權於本公司大會上就每股投一票。就本公司之剩餘資產而言，所有普通股股份均享有同等地位。

(b) Nature and purpose of reserves

(b) 儲備之性質及目的

(i) Share premium

(i) 股份溢價

The application of the share premium account is governed by the Bermuda Companies Act 1981.

股份溢價賬之使用須受百慕達一九八一年公司法規管。

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32 CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(ii) Capital reserve

The capital reserve of the Group represents (i) the difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid upon acquisition of additional interests in non-wholly owned subsidiaries during the year ended 31 December 2012 and (ii) the difference between the nominal value of ordinary shares issued by the Company and the aggregate of the share capital and share premiums of subsidiaries acquired through a reorganisation in preparation for the listing of the Company's shares on the Stock Exchange in October 1998.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, including the translation effect for entities operating in hyperinflating economy. The reserve is dealt with in accordance with the accounting policy set out in Note 2.7.

(iv) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of financial assets at FVOCI that are held at the end of the reporting period (see Notes 2.13 and 20).

32 資本及儲備 (續)

(b) 儲備之性質及目的 (續)

(ii) 資本儲備

本集團資本儲備指(i)非控股權益經調整金額與截至二零一二年十二月三十一日止年度收購非全資附屬公司額外權益已付代價公允價值之間的差額；及(ii)本公司已發行普通股面值與為籌備本公司股份於一九九八年十月在聯交所上市而透過重組所收購附屬公司之股本及股份溢價總額間之差額。

(iii) 匯兌儲備

匯兌儲備包括海外業務財務報表換算產生之所有外匯差額，包括於惡性通脹經濟運營實體的重列及過渡影響。該儲備乃根據附註2.7所列會計政策處理。

(iv) 公允價值儲備 (不可回收)

公允價值儲備 (不可回收) 包括按公允價值計入其他全面收益，並於報告期末所持有的金融資產之累計公允價值變動淨值 (見附註2.13及20)。

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32 CAPITAL AND RESERVES (Continued)

(b) Nature and purpose of reserves (Continued)

(v) Contributed surplus

The contributed surplus of the Group and the Company represented the credit arising from capital reduction in prior years.

Under Section 54 of the Bermuda Companies Act 1981, contributed surplus is available for distribution as dividends to shareholders subject to the provisions of the Company's bye-laws and provided that immediately following the distribution, the Company is able to pay its liabilities as and when they fall due or the realisable value of the Company's assets would not be less than the aggregate of its liabilities and its issued share capital and share premium account.

33 CASH FLOW INFORMATION

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as "cash flow used in financing activities".

32 資本及儲備 (續)

(b) 儲備之性質及目的 (續)

(v) 實繳盈餘

本集團及本公司之實繳盈餘指過往年度削減股本產生之進賬額。

根據百慕達一九八一年公司法第54條，本公司之實繳盈餘可供向股東分派股息，惟須受其公司細則條文所規限，且於緊隨分派後，本公司仍有能力支付其到期負債，或本公司資產之可變現價值不會低於其負債、已發行股本和股份溢價賬總和情況下方可派付。

33 現金流量資料

來自融資活動的負債之對賬

下表詳述本集團來自融資活動的負債之變動，包括現金及非現金變動。來自融資活動的負債指其現金流量乃是或其未來現金流量將會獲分類至本集團綜合現金流量表作為「融資活動所用現金流量」的負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

33 CASH FLOW INFORMATION (Continued)

33 現金流量資料 (續)

Reconciliation of liabilities arising from financing activities (Continued)

來自融資活動的負債之對賬 (續)

		Borrowings 其他借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	210,792	2,909	213,701
Changes from financing cash flows:	來自融資現金流量的變動：			
Capital element of lease rentals paid	已付租金的資本部分	-	(2,075)	(2,075)
Interest element of lease rentals paid	已付租金的利息部分	-	(91)	(91)
Repayment of borrowings	償還借貸	(57,400)	-	(57,400)
Other changes:	其他變動：			
Accrued in interest payable	應付應計利息	13,721	91	13,812
Interest paid	已付利息	(15,569)	-	(15,569)
Total other changes	其他變動總計	(1,848)	91	(1,757)
At 31 December 2019	於二零一九年十二月三十一日	151,544	834	152,378
Changes from financing cash flows:	來自融資現金流量的變動：			
Capital element of lease rentals paid	已付租金的資本部分	-	(2,160)	(2,160)
Interest element of lease rentals paid	已付租金的利息部分	-	(227)	(227)
Proceeds from borrowings	借貸之所得款項	4,497	-	4,497
Repayment of borrowings	償還借貸	(10,000)	-	(10,000)
Other changes:	其他變動：			
Accrued in interest payable	應付應計利息	10,888	227	11,115
Interest expenses paid	已付利息開支	(11,108)	-	(11,108)
Inception of lease contracts	訂立租賃合約	-	7,991	7,991
Exchange differences	匯兌差額	246	-	246
Total other changes	其他變動總計	26	8,218	8,244
At 31 December 2020	於二零二零年十二月三十一日	146,067	6,665	152,732

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綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

34 MATERIAL RELATED PARTY TRANSACTIONS

The directors of the Company consider the immediate parent and ultimate controlling party of the Group to be Max Sun Enterprises Limited and Chow Tai Fook Capital Limited respectively, which are incorporated in the BVI.

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions:

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 12 and certain of the highest paid employees as disclosed in Note 11, is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	7,594	7,667
Post-employment benefits	離職後福利	18	31
		7,612	7,698

34 重大關聯方交易

本公司董事認為本集團的直接母公司及最終控股方分別為於英屬處女群島註冊成立之萬新企業有限公司及Chow Tai Fook Capital Limited。

就該等綜合財務報表而言，倘一方有能力直接或間接於本集團作出財務及經營決策時發揮重大影響力，則有關各方即被視為與本集團有關聯。關聯方可能為個人（即主要管理層成員、主要股東及／或彼等的近親）或其他實體，包括受本集團屬個人的關聯方重大影響的實體。受共同控制的各方亦被視為有關聯。

除綜合財務報表其他地方所披露者外，本集團進行之重大關聯方交易如下：

(a) 主要管理層人員酬金

本集團主要管理層人員酬金（包括已付予附註12所披露本公司董事及附註11所披露若干最高薪酬僱員之款項）如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

34 MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Other related party transactions

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Rent and management fee paid to an associate of an intermediate parent of the Company (Note)	已付本公司間接母公司之聯營公司租金及管理費(附註)	2,354	2,302
IT management and support fees paid to an associate of an intermediate parent of the Company	已付本公司間接母公司之聯營公司資訊科技管理及支援費	131	125

Note:

The Group entered into lease contracts in respect of its office with an associate of an intermediate parent of the Company. As at 31 December 2020, the aggregated balance of lease liabilities due to related party in respect of the leased office was amounting to approximately HK\$6,187,000 (2019: HK\$834,000).

(c) Loan from a related party

In December 2020, the Group entered into a loan agreement with an associate of an intermediate parent of the Company (the "Lender"), pursuant to which the Group agreed to accept, and the Lender agreed to grant, an unsecured loan in the principal amount of RMB4,000,000 (equivalent to approximately HK\$4,497,000) carrying interest at 4% per annum for a term of one month maturing on 15 January 2021. As at 31 December 2020, included in borrowings (see note 27) was the aggregated amount of loan and accrued interest due to the Lender of approximately RMB4,007,000 (equivalent to approximately HK\$4,751,000) (2019: Nil).

34 重大關聯方交易 (續)

(b) 其他關聯方交易

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Rent and management fee paid to an associate of an intermediate parent of the Company (Note)	已付本公司間接母公司之聯營公司租金及管理費(附註)	2,354	2,302
IT management and support fees paid to an associate of an intermediate parent of the Company	已付本公司間接母公司之聯營公司資訊科技管理及支援費	131	125

附註：

本集團與本公司間接母公司之聯營公司訂立有關辦公室的租賃合約。於二零二零年十二月三十一日，就租賃辦公室應付關聯方之租賃負債總結餘為約6,187,000港元(二零一九年：834,000港元)。

(c) 應收一名關聯方貸款

於二零二零年十二月，本集團與本公司間接母公司之聯營公司(「貸方」)訂立貸款協議，據此，本集團同意接受，而貸方同意授出本金為人民幣4,000,000元(相當於約4,497,000港元)之無抵押貸款，按年利率4%計息，期限為一個月，於二零二一年一月十五日期到期。於二零二零年十二月三十一日，借貸(見附註27)包括應付貸方之貸款及應計利息總額約人民幣4,007,000元(相當於約4,751,000港元)(二零一九年：無)。

35 COMMITMENTS

The Group had the following capital commitments at the date of consolidated statement of financial position:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Authorised but not contracted for	已授權但未訂約	236,606	43,608

35 承擔

於綜合財務狀況表日期本集團擁有之資本承擔如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Authorised but not contracted for	已授權但未訂約	236,606	43,608

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

36 STATEMENT OF FINANCIAL POSITION OF THE COMPANY 36 本公司財務狀況表

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	–	–
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	222,612	799,165
Financial assets at fair value through profit or loss	按公允價值計入損益之金融資產	30,816	45,142
Cash and cash equivalents	現金及現金等價物	499,116	761,928
		752,544	1,606,235
Current liabilities	流動負債		
Other payables	其他應付款項	50,915	55,438
Borrowings	借貸	138,316	10,544
		189,231	65,982
Net current assets	流動資產淨值	563,313	1,540,253
Total assets less current liabilities	總資產減流動負債	563,313	1,540,253
Non-current liabilities	非流動負債		
Borrowings	借貸	3,000	141,000
Net assets	資產淨值	560,313	1,399,253
Capital and reserves	股本及儲備		
Share capital	股本	87,589	87,589
Reserves	儲備	472,724	1,311,664
Total Equity	權益總額	560,313	1,399,253

The statement of financial position of the Company was approved by the board of directors of the Company on 18 March 2021 and was signed on its behalf.

本公司財務狀況表已於二零二一年三月十八日經本公司董事會通過並由下列人士代表簽署：

CHENG, Kam Chiu Stewart
鄭錦超
Director
董事

TANG, John Wing Yan
鄧永恩
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

37 RESERVES OF THE COMPANY

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

37 本公司儲備

本集團綜合權益各部分於期初及期末結餘之對賬載於綜合權益變動表。本公司個別權益部分於年初及年末間之變動詳情如下：

		Share capital	Share premium	Capital Reserve	Fair value reserve (non-recycling) 公允價值儲備 (不可回收)	Contributed surplus	Accumulated losses	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	(不可回收) HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	累計虧損 HK\$'000 千港元	權益總值 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	87,589	4,868,181	9,591	(4,696)	740,880	(2,263,084)	3,438,461
Total comprehensive loss	全面虧損總額							
Loss for the year	年內虧損	-	-	-	-	-	(2,039,208)	(2,039,208)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	87,589	4,868,181	9,591	(4,696)	740,880	(4,302,292)	1,399,253
Total comprehensive loss	全面虧損總額							
Loss for the year	年內虧損	-	-	-	-	-	(838,940)	(838,940)
At 31 December 2020	於二零二零年十二月三十一日	87,589	4,868,181	9,591	(4,696)	740,880	(5,141,232)	560,313

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

Set out below is a summary of the results and a statement of net assets of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate.

下文為本集團於過去五個財政年度之業績及資產淨值報表概要，乃摘錄自經審核綜合財務報表並已在適當情況下重新分類。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2020 二零二零年 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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
REVENUE	收益					
Continuing operations	持續經營業務	5,034,518	236,646	297,989	287,557	57,108
Discontinued operations	已終止經營業務	-	-	-	-	53
		5,034,518	236,646	297,989	287,557	57,161
(LOSS)/PROFIT BEFORE TAXATION	除稅前(虧損)/溢利					
Continuing operations	持續經營業務	(64,558)	(2,310,385)	(246,447)	95,260	(229,615)
Discontinued operations	已終止經營業務	-	-	-	-	(7,055)
		(64,558)	(2,310,385)	(246,447)	95,260	(236,670)
INCOME TAX	所得稅					
Continuing operations	持續經營業務	(14,936)	20,248	(10,777)	6,437	6,021
Discontinued operations	已終止經營業務	-	-	-	-	(1)
		(14,936)	20,248	(10,777)	6,437	6,020
(LOSS)/PROFIT ATTRIBUTABLE TO	應佔(虧損)/溢利					
Owners of the Company	本公司擁有人	(79,483)	(2,290,086)	(257,218)	101,710	(123,349)
Non-controlling interests	非控股權益	(11)	(51)	(6)	(13)	(1,672)
		(79,494)	(2,290,137)	(257,224)	101,697	(125,021)
		As at 31 December 於十二月三十一日				
		2020 二零二零年 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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	130,543	167,202	2,417,291	2,475,468	2,282,239
Current assets	流動資產	890,625	928,092	1,062,798	1,308,181	783,190
Total assets	資產總額	1,021,168	1,095,294	3,480,089	3,783,649	3,065,429
Current liabilities	流動負債	240,789	85,592	154,980	90,522	81,883
Non-current liabilities	非流動負債	21,423	163,247	195,133	225,811	332,281
Total liabilities	負債總額	262,212	248,839	350,113	316,333	414,164
NET ASSETS	資產淨值	758,956	846,455	3,129,976	3,467,316	2,651,265

GLOSSARY

詞彙

“BBL” [BBL]	指	Barrel 桶
“BOPD” [BOPD]	指	Barrels of oil per day 桶石油／每日
“km ² ” [km ²]	指	Square kilometers 平方公里
“MBBL” [MBBL]	指	Thousands of barrels of oil 千桶石油
“MMBBL” [MMBBL]	指	Million barrels of oil, a barrel is equivalent to 42 U.S. Gallons or 0.158987 m ³ 百萬桶石油，一桶等於42美加侖或0.158987立方米
“MMBOE” [MMBOE]	指	Million barrels of oil equivalent, a barrel is 42 U.S. gallons or 0.158987 m ³ 百萬桶油當量，一桶等於42美加侖或0.158987立方米
“Recoverable Volume” [可採量]	指	Quantities of petroleum anticipated to be commercially recoverable by the application of development projects to known accumulations, which at present does not fully meet the definition of Reserves as defined under the Petroleum Resources Management System (PRMS) due to pending exploitation permit. 透過應用從已知成藏中的發展項目估計可進行商業可收回的石油藏量，由於尚未取得開採許可，其現時未能符合石油資源管理系統(PRMS)所界定之儲量之定義
“Prospective Resources” [遠景資源量]	指	Quantities of petroleum which are estimated to be potentially recovered from undiscovered accumulations 估計可能從待發現油田中開採的石油量
“Probable Reserves” [概略儲量]	指	Additional reserves that are less certain to be recovered than Proven Reserves but which, together with Proven Reserves, are as likely as not to be recovered 相比探明儲量不大可能確定能否開採油氣的額外儲量，惟其與探明儲量均可能不可開採油氣
“Possible Reserves” [可能儲量]	指	Unproved reserves which analysis of geological and engineering data suggests are less likely to be recoverable than probable reserves 地質與工程數據分析顯示可採量較概略儲量為低的未探明儲量
“Proven Reserves” [探明儲量]	指	Proven oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible 探明油氣儲量乃通過地質及工程資料分析，可以估算並合理確定經濟上可生產的油氣儲量
“2P Reserves” [2P 儲量]	指	Proven Reserves+Probable Reserves 探明儲量及概略儲量



新時代能源有限公司*
NEW TIMES ENERGY
corporation limited

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock code 股份代號: 00166)

Room 1402, 14/F, New World Tower I,
16-18 Queen's Road Central, Hong Kong
香港皇后大道中16-18號
新世界大廈一期14樓1402室

www.nt-energy.com