



POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED
百田石油國際集團有限公司

(Stock Code 股份代號: 8011)



2018 Annual Report
年報

Characteristics of the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)之特色

GEM之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。**GEM**之較高風險及其他特色表示**GEM**較適合專業及其他資深投資者。

由於**GEM**上市公司之新興性質所然，在**GEM**買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在**GEM**買賣之證券會有高流通量之市場。

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本報告乃遵照聯交所**GEM**證券上市規則(「**GEM**上市規則」)之規定而提供有關百田石油國際集團有限公司(「本公司」)之資料。本公司各董事(「董事」)對此共同及個別地承擔全部責任。董事在作出一切合理查詢後確認，就彼等深知及確信：(1)本報告所載資料在各重大方面均為準確及完整，且並無誤導成份；(2)本報告並無遺漏其他事項致使本報告所載任何陳述有所誤導；及(3)所有在本報告內表達之意見乃經過審慎周詳考慮後始行作出，並以公平合理之基準及假設為依據。



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Corporate Information

公司資料

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Executive Directors

Mr. Zhao Zhiyong (*Chairman*)
(appointed on 25 August 2017)
Mr. Kuai Wei
(Resigned on 1 July 2019)
Mr. Lai Chun Liang
Mr. Lin Zhang

Independent Non-Executive Directors

Mr. Pai Hsi-Ping
Ms. Xie Qun
Mr. Kwan King Chi George

Compliance Officer

Mr. Kuai Wei
(Resigned on 1 July 2019)
Mr. Zhao Zhiyong

Company Secretary

Mr. Cheng Yun Sing *CPA*
(Appointed on 20 November 2018)
Mr. Chan Francis Ping Kuen *CPA*
(Resigned on 12 November 2018)

Authorised Representatives

Mr. Lai Chun Liang
(Appointed on 1 July 2019)
Mr. Kuai Wei
(Resigned on 1 July 2019)
Mr. Cheng Yun Sing *CPA*
(Appointed on 20 November 2018)
Mr. Chan Francis Ping Kuen
(Resigned on 12 November 2018)

Audit Committee

Mr. Kwan King Chi George (*Chairman*)
Mr. Pai Hsi-Ping
Ms. Xie Qun

Remuneration Committee

Mr. Pai Hsi-Ping (*Chairman*)
Ms. Xie Qun
Mr. Lai Chun Liang

Nomination Committee

Ms. Xie Qun (*Chairman*)
Mr. Pai Hsi-Ping
Mr. Lin Zhang

Registered Office

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

執行董事

趙智勇先生(*主席*)
(於二零一七年八月二十五日獲委任)
鄺偉先生
(於二零一九年七月一日辭任)
來俊良先生
林漳先生

獨立非執行董事

白旭屏先生
謝群女士
關敬之先生

監察主任

鄺偉先生
(於二零一九年七月一日辭任)
趙智勇先生

公司秘書

鄭潤成先生 *CPA*
(於二零一八年十一月二十日獲委任)
陳炳權先生 *CPA*
(於二零一八年十一月十二日辭任)

獲授權代表

來俊良先生
(於二零一九年七月一日獲委任)
鄺偉先生
(於二零一九年七月一日辭任)
鄭潤成先生 *CPA*
(於二零一八年十一月二十日獲委任)
陳炳權先生
(於二零一八年十一月十二日辭任)

審核委員會

關敬之先生(*主席*)
白旭屏先生
謝群女士

薪酬委員會

白旭屏先生(*主席*)
謝群女士
來俊良先生

提名委員會

謝群女士(*主席*)
白旭屏先生
林漳先生

註冊辦事處

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

Legal Adviser

Stevenson, Wong & Co.
4th-5th Floors, Central Tower
No. 28 Queen's Road Central
Hong Kong

Principal Place of Business in Hong Kong

Room 801-802, 8th Floor
Shanghai Industrial Investment Building
48-62 Hennessy Road
Wanchai
Hong Kong

Principal Share Registrar and Transfer Office in Cayman Islands

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

Hong Kong Branch Share Registrar and Transfer Office

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

Auditors

Confucius International CPA Limited
Certified Public Accountants
Room 1501-08, Tai Yau Building
181 Johnston Road, Wan Chai, Hong Kong

Principal Banker

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

Company's Website Address

www.ppig.com.hk

法律顧問

史蒂文生黃律師事務所
香港
皇后大道中28號
中匯大廈4-5樓

香港主要營業地點

香港
灣仔
軒尼詩道48-62號
上海實業大廈
8樓801-802室

開曼群島主要股份過戶登記處

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

香港股份過戶登記分處

卓佳標準有限公司
香港灣仔
皇后大道東183號
合和中心54樓

核數師

天健國際會計師事務所有限公司
執業會計師
香港灣仔莊士敦道181號
大有大廈1501-08室

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

公司網頁地址

www.ppig.com.hk

Chairman's Statement

主席報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

I would like to present to the shareholders the annual report of Polyard Petroleum International Group Limited and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018.

2018 had remained a year of moderate recovery of world economy clouded with instability and uncertainties in the international political and economic environments. Nonetheless, management continued to make efforts in development and production while strengthening cost controls.

On February 24, 2018, the sixth appraisal well, Polyard-9 well ("P9") successfully spudded in. On March 6, 2018, it reached the total depth of 860m. Then a DST started on March 11, 2018 and ended on June 3, 2018. The DST revealed that one layer could deliver oil at 5.79m³ per day. Based on well logging interpretation, this layer had thickness of 13m and the oil was light waxy oil. This well also proved that there are oil and gas reservoirs in structurally lower position in west flank of Alegria anticline, expanding the productive area of P8 fault block under this project.

On March 12, 2018, CIMP entered into a Crude Oil Sales and Purchase Agreement ("SPA") with Tom's Power Petroleum Distributor Inc. ("TPPDI"). TPPDI is a company established under the laws of the Philippines and engages in trading and sale of oil products in the Philippines. Based on SPA, CIMP shall gradually increase the oil sales to TPPDI based on its production increase, but it is subject to actual loading volume. The purchase price would be determined based on international oil price as per the terms of SPA.

On March 14, 2018, DOE Secretary (on behalf of Philippines government) and CIMP signed a Joint Declaration of Commerciality for oil jointly announcing that Alegria oil field in Southern Cebu Island has been proven to have a commercial quantity of oil production.

本人謹向各股東提呈百田石油國際集團有限公司及其附屬公司(下文統稱「本集團」)截至二零一八年十二月三十一日止年度之年報。

二零一八年全球經濟溫和復甦，但國際政治和經濟環境仍然不穩定及不明朗。雖然如此，管理層繼續努力發展及促進生產、同時加強成本控制。

二零一八年二月二十四日第六口評價井Polyard-9井成功開鑽，並於二零一八年三月六日完鑽，井深860米。後續從二零一八年三月十一日開始進行試油作業，並於二零一八年六月三日試油結束。通過試油，此井在其中的一層井段中，獲得日產5.79立方米的商業油流，測井解釋的油層厚度為13米，屬於輕質含蠟油。本井鑽探證明了Alegria背斜西翼構造低部位存在油氣藏，擴大了南宿霧油氣項目中的P8斷塊含油面積。

二零一八年三月十二日百田石油附屬公司CIMP與Tom's Power Petroleum Distributor Inc. (TPPDI)共同簽訂原油買賣協議。TPPDI是一間依照菲律賓法律成立的公司，其在菲律賓從事油品的貿易。根據原油買賣協議，中國國際礦業將按產量逐步增加向TPPDI銷售原油，但按照實際裝載數量為準。購買價將會根據原油買賣協議條款參考國際油價而釐定。

二零一八年三月十四日，菲律賓共和國政府能源部(「能源部」)部長代表菲律賓政府與CIMP於菲律賓馬尼拉共同簽署SC49石油商業聯合聲明，發佈在宿務島南部Alegria石油田擁有經確認具有商業產量之石油儲量。

While CIMP was implementing some work under the evaluation and development plan of Alegria gas field, it discovered petroleum accumulation in an oil/gas trap near Alegria anticline. Then CIMP and DOE agreed that (1) the Contractor would comply with all the terms in the Oil Development Plan (“OPD”) approved on December 19, 2017; (2) Pursuant to Articles from 9.01 to 9.04, CIMP and DOE jointly determined that Alegria oil field in Southern Cebu Island has been proven to have a commercial quantity of oil production; (3) The oil resource development shall launch based on the schedule listed in the approved OPD for the purpose to increase oil production from Alegria oilfield. Accordingly, SC49 entered into a 25-years production period (from March 1, 2015 to February 29, 2040), which can be repeatedly extended for a period of five years but cannot exceed 40 years in total. This production period was dating back to the exploration period expiry date, i.e. March 1, 2015. The production area is 430km². DOE and CIMP estimated that the gross oil reserves were about 27,930,000bbls; the recoverable oil volume was 3,350,000bbls (or 12% of gross oil reserves based on conservative estimate). The gross gas reserves were about 9.42bcf; the recoverable gas volume was approximately 6.6bcf (or 70% of gross gas reserves). CIMP is making preparation to speed up to enter into production and development.

On May 19, 2018, President of the Philippines, Rodrigo Duterte, visited SC49 project, participated in the valve-opening ceremony and was debriefed on SC49 development. President Duterte highly affirmed the development results obtained in SC49, encouraging CIMP to further expand the oil field construction and make greater contributions to the development of the Philippines' energy.

In 2018, the Group placed orders for jacket furnaces, triphase separators, middle- and large-sized oil tanks and other production equipment in order to further promote

中國國際礦業在執行有關Alegria氣田開發的評價及開發計劃的部分工作時，在Alegria背斜中鄰近的油氣圈閉發現了石油聚集。CIMP與DOE約定：1. 承包商將遵守二零一七年十二月十九日獲批的石油生產開發計劃中的所有條件；2. 依照SC49合同第9.01-9.04條聯合判定在宿務島南部Alegria油田擁有經確認具有商業產量之石油儲量；3. 將根據獲批的生產開發計劃中規定的時間表進行石油資源開發，OPD的設計宗旨在於提高所述油田的石油產量。據此，SC49由二零一五年三月一日起轉為生產期，為期25年至二零四零年二月二十九日，並可再以5年一系列延期，但總時間不可超過40年。該生產期乃追溯至勘探期滿日二零一五年三月一日及由該日起計算而作出。該批准生產地區面積為430平方公里。能源部及中國國際礦業估計約27,930,000桶原油，其可能生產回收量為3,350,000桶，或保守估計為總油儲量約12%。而天然氣儲量約9,420,000,000立方英尺，可回收天然氣約為6,600,000,000立方英尺，或總天然氣儲量約70%。中國國際礦業正部署加快進入生產開發。

二零一八年五月十九日，菲律賓總統杜特爾特一行視察了SC49區塊並啟動投產儀式，聽取了SC49區塊開發情況彙報。杜特爾特總統對SC49區塊項目取得的開發成果給予了充分肯定，同時鼓勵CIMP進一步加大油田建設，為菲律賓能源發展作出更大的貢獻。

為更進一步推動原油開發及買賣，百田石油於二零一八年訂購了多項生產設備，包括水套爐、三項分離器、中型及大型油罐等。其中四個灰罐，容積為

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

the development and trading of crude oil. Four bulk tanks capable to carry 43m³ per tank were shipped to and install on the well site in August 2018 and then put into operation.

In December 2018, CIMP negotiated with Greater Alegria Oil (GAO), a Philippine buyer and expected to sign a crude oil sales contract in early 2019.

As to the Central Luzon gas project, due to the previously-reported delay and considering that DOE's permission on the extension of the 1st sub-phase and 2nd sub-phase under Exploration Phase to February 28, 2017 is conditional upon (i) drilling two exploration wells or (ii) drilling one exploration well or acquiring, processing and interpreting 200 line kilometers 2D seismic data within the new sub-phase. In October 2016, due to various force majeure reasons, the project informed DOE that the 1st sub-phase work plan would not be completed by the due date and requested further extension. On May 9, 2017, DOE approved this request and granted that the consolidated 1st sub-phase would expire on November 9, 2019, subject to drill two exploration wells before the sub-phase ended.

As to the San Miguel coal mine the project has progressed into the production and development phase. Phase-2 Road Construction was launched in the 2nd quarter in 2011 to have vehicles accessing to the initial mining area, but was pending for the governmental agencies to issue a tree-cutting permit. The construction can be resumed any time after the issuance of tree-cutting permit. DOE has approved the moratorium on work commitments for the Coal Mine Project to December 17, 2018.

As mentioned above, the development suspension can only be resumed after the issuance of tree-cutting permit. Therefore, the project requested a moratorium from DOE in April 2018 once again and, as per DOE's requirement, requested a 10-years extension to the production period in December 2018.

43方／罐，於二零一八年八月運至井場，並完成安裝，開始啟用。

二零一八年十二月，CIMP與另外一家菲律賓買家 Greater Alegria Oil進行協商，預計2019年初簽訂原油買賣協議，進行賣油。

中呂宋天然氣項目誠如過去報告對項目的延誤所述，結合勘探期內第一及第二次階段內工作計劃獲能源部批准並獲延期至二零一七年二月二十八日，條件為必須於新次階段完結前(i)鑽探兩口勘探井或(ii)鑽探一口勘探井及採集、處理及解釋200線公里的二維地震資料。於二零一六年十月，因着種種不可抗力的原因公司知會能源部第一次階段內指定的工作計劃於到期日將無法及時完成，並要求進一步延期。於二零一七年五月九日，能源部批准該第一合併次階段之到期日延期至二零一九年十一月九日，條件為於次階段完結前鑽探兩口勘探井。

San Miguel煤礦項目已進入開發階段。建設第二階段之道路將令汽車可達道路伸延至首採區，其建設已於二零一一年第二季開始，惟因須待監督環境保護之政府機構發出核准而暫停。建設工程只能於授出砍樹許可證後恢復。能源部已就項目之工程承諾授出暫緩令至二零一八年十二月十七日。

誠如以上所述，煤礦項目之開發已暫時停止及只能於取到砍樹許可證後恢復。因此煤礦項目再次於二零一八年四月向能源部申請暫緩令，之後並依照能源部要求，於二零一八年十二月提出生產年限延長十年的申請。



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In preparing ourselves for production, the Company will at the same time continue to evaluate commercial feasibility of potential projects, in particular in respect of small to medium-sized oil fields. Our in-house experts, with years of experience in the field, will provide valuable advice in the portfolio expansion plan of the Group. Through merger and acquisitions, it is hoped that the asset base of the Company will be expanded. Despite the increased cautiousness of the capital market in investing in the oil projects, the Company will continue its efforts in seeking operating funds from the financial market.

On behalf of the Company, I would like to thank our management, our employees and my fellow Board members for their continued hard work and dedication. I also want to thank the shareholders for your continued support for the past years. It has been a very challenging year but with all your support and determination, I am confident that we will definitely stride to a successful future.

For and on behalf of the Board
Zhao Zhiyong
Chairman

Hong Kong, 6 January 2020

在準備生產同時，本公司將會繼續評估潛在項目的商業可行性，特別對中小型油田進行評估。我們擁有多年實地經驗的內部專家，為本集團的組合擴展計劃提供寶貴意見。通過併購，有望擴大本公司的資產基礎。儘管資本市場對石油項目投資日趨謹慎，本公司將繼續力求從金融市場取得運營資金。

本人謹代表本公司感謝管理層、員工和董事會成員的不斷努力工作與奉獻。本人亦感謝股東過去的無間斷支持。儘管過去一年困難重重，但憑藉您們的支持和決心，本人相信，我們未來定必邁向成功。

代表董事會
趙智勇
主席

香港，二零二零年一月六日

Management Discussion and Analysis

管理層討論及分析

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Financial Review

The Group did not generate any turnover for the year ended 31 December 2018 (2017: Nil). The Group recorded a net loss attributable to owners of the Company of approximately HK\$40,694,000 for 2018 (2017: approximately HK\$31,992,000).

Loss for the year included an impairment loss of approximately HK\$37,000 on the Oil and Gas Project in South Cebu, the Philippines as a result of changes in oil prices. Loss for 2017 included a reversal of impairment loss of approximately HK\$20,880,000 on the Oil and Gas Project in South Cebu, the Philippines as a result of increased valuation due to the rise in oil prices.

Administrative and other operating expenses for the year ended 31 December 2018 amounted to approximately HK\$26,262,000 representing a decrease of approximately HK\$1,711,000 or 6%, as compared with the corresponding period last year. The decrease was mainly attributable to decrease in various business expenses such as employee costs and entertainment expenses.

Finance costs for the year ended 31 December 2018 amounted to approximately HK\$16,535,000 (2017: approximately HK\$19,135,000). The decrease in interest costs was mainly resulted from expiry of the convertible bonds and thus decrease in the imputed interest.

財務回顧

截至二零一八年十二月三十一日止年度，本集團並無產生營業額(二零一七年：無)。二零一八年本集團錄得本公司擁有人應佔虧損淨額約港幣40,694,000元(二零一七年：約港幣31,992,000元)。

本年度虧損包含有關菲律賓南宿霧油氣項目約港幣37,000元之減值虧損，此乃由於石油價格波動而導致。二零一七年年末虧損包含有關菲律賓南宿霧油氣項目約港幣20,880,000元之減值虧損撥回，此乃由於石油價格上升以至估值增加而導致。

截至二零一八年十二月三十一日止年度之行政及其他營運開支約為港幣26,262,000元，較去年同期減少約港幣1,711,000元或6%。減少乃主要由於各樣業務開支(包括僱員成本及招待開支)減少所致。

截至二零一八年十二月三十一日止年度之融資成本約為港幣16,535,000元(二零一七年：約港幣19,135,000元)。利息成本減少乃主要由於可換股債券到期導致推算利息減少所致。

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Liquidity, Financial Resources, Capital and Gearing

As at 31 December 2018, the Group had net assets amounted to approximately HK\$143.40 million (2017: approximately HK\$185.1 million) and net current liabilities amounted to approximately HK\$155.8 million (2017: approximately HK\$132.1 million). The current ratio was 21% (2017: 25%). The gearing ratio of the Group based on the net debt to the total equity was 181% (2017: 115%).

Operations of the Group are mainly conducted in Renminbi (“RMB”), Hong Kong Dollars (“HKD”), United States Dollars (“USD”) and Philippine Pesos (“PHP”) and its revenue, expenses, assets and liabilities and borrowings are principally denominated in RMB, HKD, USD and PHP, which do not pose significant foreign currency risk at present. The Group currently does not have a foreign currency hedging policy. However, the management monitors closely foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

流動資金、財務資源、資本及資產負債

於二零一八年十二月三十一日，本集團之淨資產約為港幣143,400,000元(二零一七年：約港幣185,100,000元)，淨流動負債則約為港幣155,800,000元(二零一七年：約港幣132,100,000元)。流動比率為21%(二零一七年：25%)。本集團之資產負債比率按淨債務除以總權益計算為181%(二零一七年：115%)。

本集團之業務主要以人民幣(「人民幣」)、港幣(「港幣」)、美元(「美元」)及菲律賓披索(「披索」)進行，而其收益、開支、資產、負債及借款均主要以人民幣、港幣、美元及菲律賓披索作為貨幣單位，該等貨幣現時不會構成重大外匯風險。本集團目前並無外匯對沖政策。然而，管理層密切監控外匯風險，並將於需要時考慮對沖重大外匯風險。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

On 31 May 2018, the Company, Silver Star, Mr. Lam Nam, a ultimate controlling party of the Company (“Personal Guarantor”) and the holder of Convertible Bonds A in principal amount of HK\$100,000,000 entered into a the Deed of Undertaking; and the Company, the Personal Guarantor and the holder of CB A entered into the Supplemental Deed, together with the Deed of Undertaking, pursuant to which both parties had agreed that the maturity date of CB A to be been extended from 21 July 2017 to 21 May 2019. On 3 January 2020, the Company had entered into a legally binding Memorandum of Understanding (“MOU”) with East Asia Oil Engineering Group Limited (“East Asia”) where East Asia had undertaken to take over CB A from the original holder (“Original Holder”). On the same date, the Original Holder of CB A had completed transfer of convertible bond with principal amount of HK\$75,000,000 (“\$75M CB A1”) to East Asia. By the same MOU between the Company and East Asia, East Asia had committed that it would not demand for repayment of CB A by the Company within thirty months from the date of the MOU. The remaining principal balance of HK\$25,000,000 of CB A not yet transferred to East Asia (“\$25M CB A2”) are still registered in the name of the Original Holder and is guaranteed by Mr. Lam Nam, the ultimate controlling party of the Company, until its disposal. In view of the above arrangement, the Directors anticipate that the \$25M CB A2 will not be called for repayment in the foreseeable future.

On 15 October 2018, the Company and holder of Convertible Bonds B in principal amount of HK\$50,000,000 also entered into an amendment deed pursuant to which both parties had agreed that the maturity date of CB B to be extended from 28 January 2018 to 31 March 2019. Up to the date of this report, the Company and the holder of CB B are in the process of negotiation regarding the settlement arrangement of CB B.

Details were disclosed in the Company’s announcements dated 31 May 2018 and 15 October 2018.

於二零一八年五月三十一日，本公司、Silver Star、本公司最終控制方林南先生（「個人擔保人」）與本金額為港幣100,000,000元的可換股債券A的持有人訂立承諾契據；及本公司、個人擔保人與可換股債券A的持有人訂立補充契據以及承諾契據，據此，各方同意將可換股債券A的到期日由二零一七年七月二十一日延長至二零一九年五月二十一日。於二零二零年一月三日，本公司與東亞油田工程集團有限公司（「東亞」）簽訂了具有法律約束力的諒解備忘錄（「諒解備忘錄」），東亞已承諾從原持有人手中接管可換股債券A（「原始持有人」）。於同日，可換股債券A的原持有人已完成將本金為75,000,000港元（「7,500萬元可換股債券A1」）的可換股債券轉移至東亞。根據公司與東亞之間的同一諒解備忘錄，東亞承諾不會在諒解備忘錄簽署之日起三十個月內要求公司償還可換股債券A。尚未轉移至東亞的可換股債券A的本金餘額25,000,000港元（「2,500萬元可換股債券A2」）仍以原持有人的名義登記，並由本公司的最終控制方林南先生擔保，直到將其處置。鑑於上述安排，董事預計在可預見的將來不會被要求償還這筆2,500萬元可換股債券A2。

於二零一八年十月十五日，本公司與本金額為港幣50,000,000元的可換股債券B的持有人亦訂立修訂契據，據此，雙方同意將可換股債券B的到期日由二零一八年一月二十八日延長至二零一九年三月三十一日。直至本報告日，本公司與可換股債券B的持有人已在進行商議關於可換股債券B的還款安排。

詳情於本公司日期為二零一八年五月三十一日及二零一八年十月十五日之公佈披露。

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Employee Information

The Group had a total number of staff of 58 (2017: 51). Remuneration packages are reviewed on a periodical basis. Bonus is awarded to employees according to the assessment of individual performance. Staff cost (including directors' emoluments) was approximately HK\$15.7 million for the year as compared with that of approximately HK\$16.1 million in 2017.

Business Review and Prospects

Philippines Central Luzon Gas Project

As described in previous reports on the delay of the project, consolidation of the work programs under exploration Sub-phases 1 and 2 was granted by the Department of Energy ("DOE") to extend the expiry day to 28 February 2017, on condition that (i) two exploration wells will be drilled or (ii) one exploration well will be drilled and 200 line-kilometer of 2D seismic data will be acquired, processed and interpreted by end of the new Sub-phase. In October 2016, the responsible officer of the project informed DOE that the prescribed work program under Sub-phase 1 would not be timely completed upon expiration by reasons of force majeure, and further extension was requested. On 9 May 2017, DOE granted an approval to extend the expiry of the consolidated Sub-phase 1 to 9 November 2019 with the condition to drill two exploration wells by end of the Sub-phase.

Although further extension was granted by the Department of Energy, due to the delay of the development of the project, the recoverability of the Gas Project was still in doubt. Management determined that it was appropriate to adopt a prudence approach to fully write down the carrying amount of the deferred exploration expenditure associated with the Gas Project. As a result, an impairment loss of approximately HK\$25.5 million was made in the financial year ended 31 December 2016 in respect of the Gas Project. An additional impairment loss of approximately HK\$0.7 million was made in the financial year ended 31 December 2017.

僱員資料

本集團員工人數合共58人(二零一七年：51人)。本公司對薪酬組合會作定期檢討，另會依據僱員個別工作表現給予花紅獎勵。本年度之員工成本(包括董事酬金)約為港幣15,700,000元，而二零一七年則約為港幣16,100,000元。

業務回顧及前景

菲律賓中呂宋天然氣項目

誠如過去報告對項目的延誤所述，結合勘探期內第一及第二次階段內工作計劃獲能源部批准並獲延期至二零一七年二月二十八日，條件為必須於新次階段完結前(i)鑽探兩口勘探井或(ii)鑽探一口勘探井及採集、處理及解釋200線公里的二維地震資料。於二零一六年十月，因着種種不能抗拒的原因，項目負責人知會能源部第一次階段內指定的工作計劃於到期日將無法及時完成，並要求進一步延期。於二零一七年五月九日，能源部批准該第一合併次階段之到期日延期至二零一九年十一月九日，條件為於次階段完結前鑽探兩口勘探井。

雖然獲能源部批准進一步延期，但由於該項目之開發有所延誤，天然氣項目之可回收性仍存著不確定性。管理層認為採納審慎方法將有關天然氣項目遞延勘探開支之賬面值作全面減值較為適當。據此，本公司於截至二零一六年十二月三十一日止財政年度就該天然氣項目作出減值虧損約港幣25,500,000元。本公司於截至二零一七年十二月三十一日止財政年度作出額外減值虧損約港幣700,000元。

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Philippines San Miguel Coal Mine Project

The project has progressed into the development phase. Construction of the phase-2 road, which will extend the vehicle-assessable road into the initial mining area, began in the second quarter 2011 but was suspended pending receipt of clearance from governmental agencies overseeing environmental protection. Construction can only be resumed upon the grant of tree cutting permit. A moratorium on the work commitments for the project has been granted by DOE to 17 December 2018. The Group is in the process of applying the renewal of a moratorium on the work commitments for the project.

As described in the above, the development of the Coal Mine Project has been suspended and could only be resumed after obtaining a tree cutting permit. In addition, upon the new president was elected in 2016, the new Philippines government planned to review coal-generated power projects and to seek for the increased use of renewable energy in response to the protests of anti-coal activists and environmental advocates. Hence, the condition of the development of the associate's coal mine in the Philippines has become considerably more unfavourable to the Group. In view to the ongoing suspension for the development of the coal mine and the pessimistic business outlook of the coal industry in the Philippines, management was in its view that the issue might not be resolved in the short term and it was appropriate to adopt a prudence approach to fully write down the carrying amount of the project. As a result, an impairment loss of approximately HK\$27.4 million was made in the financial year ended 31 December 2016 in respect of the Coal Mine Project.

菲律賓San Miguel煤礦項目

該項目已進入開發階段。建設第二階段之道路將令汽車可達道路伸延至首採區，其建設已於二零一一年第二季開始，惟因須待監督環境保護之政府機構發出核准而暫停。建設工程只能於授出砍樹許可證後恢復。能源部已就項目之工程承諾授出暫緩令至二零一八年十二月十七日。本集團正申請重續就項目工程承諾授出的暫緩令。

誠如以上所述，煤礦項目之開發已暫時停止及只能於取到砍樹許可證後恢復。此外，於二零一六年新總統獲選後，菲律賓新政府計劃審查煤電項目及尋求提高再生能源的採用，以回應反煤炭活動激進人士及環保倡議者之抗議。因此，聯營公司於菲律賓的煤礦開發狀況變得對本集團相當不利。鑑於煤礦開發之持續停頓及煤炭行業於菲律賓的黯淡前景，管理層認為該問題在短期內將會不能解決及採納審慎方法將項目的賬面值作全面減值屬適當。據此，本公司於截至二零一六年十二月三十一日止財政年度就煤礦項目作出減值虧損約港幣27,400,000元。

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Philippines South Cebu Oil and Gas Project (“SC49”)

The SC49 is situated at the southern part of Cebu, central Philippines. China International Mining Petroleum Company Limited (“CIMP”) acquired 80% participating interests of SC49 and became the operator of SC49 in July 2009. The Group indirectly acquired 51% of CIMP’s issued capital in October 2012, and an additional 12% in April 2014, bringing the effective interest in the project to 50.4% after the latest acquisition.

Between 2014 and 2016, the project had drilled, wireline-logged, and cemented five appraisal wells, namely Polyard-1, Polyard-2, Polyard-3, Polyard-6 and Polyard-8. According to results of well logging and oil testing, all wells have different levels of oil and gas shows, with discoveries of multiple oil and gas layers. All five wells converted into production wells.

Given the commercial quantity of gas discovery by Polyard-2, on 22 December 2015 DOE confirmed that SC49 was converted from the exploration period to the production period effective from 1 March 2015 for a period of 25 years to 29 February 2040, thereafter renewable for a series of 5-year periods but shall in no case exceed a total of 15 years. The production period is made retroactive to the date of the expiration of the exploration period on 1 March 2015 and shall be reckoned from the said date. The approved production block area is 430 sq. km.

There was no well drilling in 2017. Efforts were made in analyzing drilling results of the appraisal wells by the Sinotech Research Institute and in preparing the plan of development (“Oil POD”) for the oil blocks, comprising technical and financial data of the South Cebu SC49 project, which was submitted to the DOE of the Government of the Republic of the Philippines in March 2017 for its consideration and approval. On 19 December

菲律賓南宿霧油氣項目(「SC49」)

項目SC49位於菲律賓中部宿霧島南端。於二零零九年七月中國國際礦業石油有限公司(「中國國際礦業」)獲得SC49區塊80%的參與權益，並成為SC49項目的操作方。本集團於二零一二年十月間接收購中國國際礦業51%之已發行股本，並於二零一四年四月增購額外12%。於收購完成後，本集團最終擁有該項目50.4%之實際權益。

於二零一四至二零一六年間，本項目曾鑽探、測錄及固井五口評價井，稱為Polyard-1、Polyard-2、Polyard-3、Polyard-6及Polyard-8井。根據現場測井及試油結果，所有井有着不同程度的油氣顯示，並已發現多套油氣層。五口井已全部轉為生產井。

因着Polyard-2井擁有商業產量之天然氣顯示，於二零一五年十二月二十二日能源部確認SC49由二零一五年三月一日起勘探期轉為生產期，為期25年至二零四零年二月二十九日，並可再以5年一系列延期，但總延期時間不可超過15年。該生產期乃追溯至勘探期期滿日二零一五年三月一日及由該日起計算而作出。該批准生產地區面積為430平方公里。

二零一七年沒有鑽井活動。中科研院專注於對評價井的鑽井結果進行分析，並準備南宿霧SC49項目油井區塊的開發計劃(「石油開發計劃」)，其中包括技術以及財務數據，該計劃於二零一七年三月遞交給菲律賓共和國政府能源部(「能源部」)審議和批

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2017, the DOE granted the approval of the Oil POD for the SC49 Block, which served as the basis for the Joint Declaration of Commerciality. The Group is required to submit a revised project timeline and commence the development within one year from the date of approval. The Group will need to drill at least one development well and submit to the DOE within one year an oil purchase agreement with a potential buyer.

During the year, the project team has carried out preparation work for drilling, the sixth appraisal well, Polyard-9 Well, in the first quarter of 2018, including drilling designing of geological and engineering designs, land leasing and compensation negotiation, as well as applying for tree-cutting permit from environmental protection authority. Polyard-9 Well was successfully spudded on 24 February 2018 and completed drilling on 6 March 2018 at the final depth of 860 meters. The well logging was completed on 11 March 2018. According to initial on-site logging interpretation, multiple oil and gas zones were discovered. The total thickness of oil and gas intervals is 78.1 meters, including 39.1 meters of oil zone and 39.0 of gas zone. Oil testing will follow after well completion, and it will convert into a production well.

As part of the conditions stated in the approved Oil POD, on 12 March 2018 CIMP entered into a sales and purchase agreement (the "Crude Oil SPA") with Tom's Power Petroleum Distributor Inc. ("TPPDI") for the sale and purchase of crude oil in the Philippines. TPPDI is a company incorporated under the laws of the Philippines and is a trading company which engages in the sales of petroleum products in the Philippines. Pursuant to the Crude Oil SPA, CIMP shall sell crude oil to TPPDI according to the increasing production quantity but actual quantity shall be determined upon loading. The purchase price shall be determined with reference to

准。二零一七年十二月十九日，能源部批准SC49區塊的石油開發計劃，該石油開發計劃將作為商業聯合聲明的基礎。本集團須於批准日期起計一年內，提交經修訂項目時間表並開始開發。本集團將需要鑽探至少一個開發井，並在一年內向能源部提交與潛在買方的石油採購協議。

年內，項目團隊進行了第六個評價井Polyard-9井的鑽井準備工作，會於二零一八年第一季度鑽探，包括鑽探地質和工程設計、土地租賃和補償談判，以及向環保部門申請砍伐許可證。Polyard-9井於二零一八年二月二十四日成功開鑽，並於二零一八年三月六日完鑽，總深達860米。於二零一八年三月十一日完成測井，根據現場初步測井解釋，發現多個油氣層，油氣層總厚度為78.1米，包括油層39.1米及氣層39.0米。完成固井後，將開始試油作業，並將轉為生產井。

作為獲批准石油開發計劃其中一個條件，於二零一八年三月十二日，中國國際礦業與Tom's Power Petroleum Distributor Inc. (「TPPDI」)訂立一份買賣協議(「原油買賣協議」)，於菲律賓買賣原油。TPPDI是一間依照菲律賓法律註冊成立並在菲律賓從事銷售石油產品的貿易公司。根據原油買賣協議，中國國際礦業將按產量逐步增加向TPPDI銷售原油(以實際裝載數量為準)。購買價將根據原油買

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the international oil prices pursuant to the terms of the Crude Oil SPA. The Crude Oil SPA shall last for a period of one year from the date of the Crude Oil SPA, and the term shall automatically extend yearly unless otherwise specified under the Crude Oil SPA. To satisfy the increasing production of CIMP in future, TPPDI agreed after signing of the Crude Oil SPA to increase the oil container storage capacity in its pier facility.

On 14 March 2018, the DOE and CIMP have announced the Joint Declaration of Commerciality for oil of SC49 at Manila, the Philippines, and both parties have signed the Joint Declaration of Commerciality for oil, pursuant to which the parties jointly determine that the Alegria Oil Field in SC49 located in Southern Cebu contains certified hydrocarbon reserves in commercial quantity.

CIMP as the Contractor and taking part in its appraisal and development plan for the development of the Alegria Gas Field, which was earlier jointly determined by the parties to contain commercial quantity of natural gas, discovered an oil accumulation in adjacent hydrocarbon traps within the Alegria Anticlines in 2016.

In view of the foregoing, the parties stipulated and agreed as follows:

1. That the Contractor shall comply with all the conditions stated in the approved Oil Plan of Development dated 19 December 2017;
2. That the Alegria Oil Field located in Southern Cebu which contains certified hydrocarbon reserves is hereby jointly determined by the parties to be in commercial quantity as contemplated under Section 9.01 to 9.04 of SC49; and
3. For consistency, the development of the oil resource will commence according to the timeline as stipulated in the submitted and approved Oil Plan of Development for the discovered oil resource which is designed to increase the oil production rates from the said Field.

賣協議條款的規定參考國際油價而釐定。原油買賣協議將會從原油買賣協議日期起計，為期一年，及除非該原油買賣協議有另外訂明，年期將會每年自動延長。且TPPDI在簽署買賣協議後，承諾將在自建碼頭擴建更大原油儲罐存量，以滿足中國國際礦業未來產量逐步增加的需求。

於二零一八年三月十四日，能源部與中國國際礦業於菲律賓馬尼拉發佈SC49石油商業聯合聲明，雙方並簽署石油商業聯合聲明，據此，雙方聯合判定在SC49於宿霧島南部Alegria石油田擁有經確認具有商業產量之石油儲量。

中國國際礦業作為承包商在執行有關Alegria氣田開發的評價及開發計劃的部分工作時(雙方早前曾共同確定該氣田具備商業產量的天然氣)，於二零一六年在Alegria背斜中鄰近的油氣圈閉發現了石油聚集。

根據以上雙方茲約定且同意如下：

1. 承包商將遵守二零一七年十二月十九日獲批的石油開發計劃中的所有條件；
2. 雙方茲依照SC49合同第9.01-9.04條聯合判定在宿霧島南部Alegria石油田擁有經確認具有商業產量之石油儲量；及
3. 為保持一致性，將根據所提交且獲批的已發現石油資源的石油開發計劃中規定的時間表進行石油資源開發，該時間表的設計旨在於提高所述油田的石油產量。

Management Discussion and Analysis 管理層討論及分析

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The DOE and CIMP discovered an estimated 27.93 million barrels of oil reserves with a possible production recovery of 3.35 million barrels or a conservative estimate of 12% of total oil reserves. For natural gas, about 9.42 billion cubic feet reserves were found, with the recoverable resource estimated at 6.6 billion cubic feet or about 70% of total natural gas reserves. CIMP is speeding up its preparation for the commencement of production and development.

An impairment loss of approximately HK\$37,000 (2017: reversal of impairment loss approximately HK\$20.8 million) was made in the financial year in respect of the Oil and Gas Project.

On reading the above decision, an impairment analysis with the assistance of an independent valuer has been undertaken. The independent valuer adopted income approach to determine the recoverable amount of the Oil and Gas Project as at 31 December 2018. The income approach was based on discounted cash flow projection covering twenty-two period using a discount rate of 16.15% p.a.

The Company believes that the estimates/assumptions applied in the assessment of recoverable amount by the independent valuer are reasonable. However, these estimates/assumptions are subject to significant uncertainties and judgments. The Company has made its best estimates of all relevant factors to be included in the income approach based on the latest information available. However, it is possible that the underlying estimates/assumptions can be changed significantly and further impairment charges/reversal of charges may be required in future period.

能源部及中國國際礦業發現估計約27,930,000桶原油的儲量，其可能生產回收量為3,350,000桶，或保守估計為總油儲量約12%。而發現天然氣儲量估計約9,420,000,000立方英尺，可回收資源量約為6,600,000,000立方英尺，或總天然氣儲量約70%。中國國際礦業正部署加快進入生產開發。

本公司於財政年度就油氣項目作出減值虧損約港幣37,000元(二零一七年：減值虧損撥回約港幣20,880,000元)。

上述決定乃基於經減值分析在獨立估值師之援助下進行。獨立估值師採用收益法以取得油氣項目於二零一八年十二月三十一日之可收回金額。收益法乃基於二十二年期之折現現金流量預測及採用16.15%之折貼率進行折現。

本公司認為，獨立估值師評估可收回金額所採用之估計／假設屬合理。然而，該等估計／假設涉及重大不確定性及需作出判斷。本公司已對所有相關因素作出其最佳估計，以根據最新可得消息載入收益法。然而，有關估計／假設可能出現重大變動，且未來期間或需額外減值費用／撥回減值費用。

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Significant Investments, Acquisitions and Disposals

Apart from the investment as disclosed in the “Business Review and Prospects” section, there were no significant investments held, acquisitions or disposals of subsidiaries and affiliated companies by our Group throughout the year ended 31 December 2018. Our Group did not have other plans for significant investments, acquisitions and disposal of subsidiaries as at 31 December 2018.

Charges on Assets

As at 31 December 2018, the Group did not charge any of its assets (31 December 2017: nil) as securities for any facilities granted to the Group.

Contingent Liabilities

Other than the disclosure under note 30 “Operating Leases” and note 31 “Capital Commitments” to the consolidated financial statements of this annual report, the Group did not have any other material contingent liabilities as at 31 December 2018.

Subsequent events

On 3 January 2020, the Company has entered into a memorandum of understanding for share subscription with GuangDong Namyue Capital Investment Co., Ltd. (the “Subscriber”) pursuant to which, the Company is agreeing to allot and the Subscriber is willing to subscribe 200,000,000 shares at the price of HK\$0.18 per share which shall rank pari passu with all existing shares of the Company.

重大投資、收購及出售

除於「業務回顧及前景」一節所披露的投資外，本集團於截至二零一八年十二月三十一日止年度概無於附屬公司或聯屬公司持有重大投資，或收購或出售附屬公司或聯屬公司。本集團於二零一八年十二月三十一日並無其他附屬公司重大投資、收購及出售計劃。

資產抵押

於二零一八年十二月三十一日，本集團並未抵押任何資產(二零一七年十二月三十一日：零)作為授予本集團的任何融資的抵押品。

或然負債

除本年度報告綜合財務報表附註30「經營租約」及附註31「資本承擔」所載披露外，本集團於二零一八年十二月三十一日並無任何其他主要或然負債。

期後事項

於二零二零年一月三日，本公司已與廣東南粵資本投資有限公司(「認購人」)訂立一份股份認購的諒解備忘錄，據此，本公司同意配發，而認購人願意認購 200,000,000股股份，每股價格為0.18港元，與本公司所有現有股份享有同等地位。

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Summary of Expenditure Incurred for Projects

該等項目產生之開支概要

A summary of expenditure incurred for the above projects by the Group for the year ended 31 December 2018 is as follows:

本集團以上項目截至二零一八年十二月三十一日止年度產生之開支概要如下：

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|-------------------|-------------------------|-------------------------|
| | | <i>HK\$'000</i> 港幣千元 | <i>HK\$'000</i> 港幣千元 |
| Philippines Central Luzon Gas Project | 菲律賓中呂宋天然氣項目 | 141 | 717 |
| Philippines San Miguel Coal Mine Project | 菲律賓San Miguel煤礦項目 | — | 10 |
| Philippines South Cebu Oil and Gas Project | 菲律賓南宿霧油氣項目 | 3,944 | 5,822 |



Corporate Governance Report 企業管治報告

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Introduction

The Company had applied the principles and complied with the code provisions and recommended best practices set out in Appendix 15 of the GEM Listing Rules throughout the year ended 31 December 2018 by establishing formal and transparent procedures to protect and maximize the interests of shareholders.

Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Upon the Company's specific enquiry, all Directors confirmed that they have fully complied with the code of conduct and the required standard of dealings regarding securities transactions throughout the year ended 31 December 2018.

Board of Directors

The Board, which comprises 6 Directors, is responsible for the Group's corporate policy formulation, business strategy planning, business development, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Details of the Chairman and the other Directors of the Group are set out in the section "Biographical Details of Directors and Senior Management" of this report. All Directors have given sufficient time and attention to the affairs of the Group.

序言

於截至二零一八年十二月三十一日止年度，本公司一直採用GEM上市規則附錄十五所載原則並遵守其守則條文及建議最佳常規，制定正統而具透明度程序，以保障及為股東獲取最佳利益。

有關董事進行證券交易之操守準則

本公司已採納有關董事進行證券交易之操守準則，其條款不比GEM上市規則第5.48至5.67條所載之交易必守標準寬鬆。本公司作出特定查詢後，所有董事確認彼等於截至二零一八年十二月三十一日止年度內，一直遵守有關證券交易之操守準則及交易必守標準。

董事會

本集團由六名董事組成之董事會負責制訂集團企業政策、規劃業務策略、發展業務、管理風險、重大收購、出售及資金交易，以及其他重大營運及財務事宜。本集團主席及其他董事之詳細資料詳載於本報告「董事及高級管理人員簡介」一節。所有董事均能付出足夠時間及精神以處理本集團之事務。

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The Company complies with Rules 5.05(1) and (2) of the GEM Listing Rules, and has three independent non-executive Directors and at least one of whom has appropriate professional qualifications or accounting or related financial management expertise.

During the year, the Board adopted a board diversity policy setting out the approach to diversity of members of the Board. The Company recognizes and embraces the benefits of diversity of Board members. It endeavors to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

Board Meetings

The Board regularly meets in person or through other means of electronic communication at least four times a year. At least 14 days' notice of regular Board meetings is given to all Directors, who are all given an opportunity to include matters in the agenda for discussion. The Company Secretary assists the Directors in preparing the agenda for the meetings, and ensures that all applicable rules and regulations regarding the meetings are observed.

本公司一直遵守GEM上市規則第5.05(1)及(2)條之規定，擁有一名獨立非執行董事，而其中最少一名具備適當專業資格或會計或相關財務管理專業知識。

年內，董事會採納董事會成員多元化政策，旨在列載為達致董事會成員多元化而採取之方針。本公司確認和相信董事會成員多元化之好處，可確保董事會就適合本公司業務所需之技能，經驗和多元化方面取得平衡。董事會所有委任均以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終將按人選的長處及可為董事會提供的貢獻而作決定。

董事會會議

董事會定期開會，每年最少召開董事會會議四次，董事們皆能親身出席或透過其他電子通訊方法參與。召開定期董事會會議前，董事在不少於14天前收到通知，全體董事皆有機會提出商討事項列入會議議程。公司秘書協助董事為會議準備議程，以確保有關會議遵守所有適用守則及規例。

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The attendance records of the individual Directors at the regular Board meetings during the year are set out below:

Executive Directors:

Mr. ZHAO Zhiyong
(appointed on 25 August 2017)
Mr. KUAI Wei
(resigned on 1 July 2019)
Mr. LAI Chun Liang
Mr. LIN Zhang

Independent Non-executive Directors:

Mr. PAI Hsi-Ping
Ms. XIE Qun
Mr. KWAN King Chi George

During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performances and discuss the annual and interim and quarterly results, as well as discuss and decide on other significant matters. Execution of daily operational matters is delegated to management. Apart from the regular Board meetings, the Board meets on other occasions when a Board level decision on a particular matter is required.

The Company Secretary records the proceedings of each Board meeting by keeping detailed minutes, including all decisions by the Board together with concerns raised and dissenting views expressed (if any). Drafts of Board minutes are circulated to all Directors for comment and approval as soon as practicable after the meeting. All minutes are open for inspection at any reasonable time on request by any Director.

本年度，於董事會定期會議上各董事之出席記錄載列如下：

Attendance 出席次數

執行董事：

| | |
|----------------------------|-----|
| 趙智勇先生 (於二零一七年八月二十五日獲委任) | 4/4 |
| 鄺偉先生 (於二零一九年七月一日辭任) | 4/4 |
| 來俊良先生 | 4/4 |
| 林漳先生 | 4/4 |

獨立非執行董事：

| | |
|-------|-----|
| 白旭屏先生 | 4/4 |
| 謝群女士 | 4/4 |
| 關敬之先生 | 4/4 |

於董事會定期會議中，董事們商討並制定本集團之整體策略，監察財政表現及商討年度及中期及季度業績，及商討及作出其他重大決定。管理日常運作之責任則交予管理層執行。除定期董事會會議外，董事會當有需要就特定事宜作決定時會舉行董事會會議。

公司秘書就每次董事會會議作出詳細會議記錄，包括董事會作出之一切決定，以及任何疑慮或表達之反對意見(如有)。董事會會議結束後，在實際可行情況下盡快將會議記錄之初稿發送給全體董事，以供表達意見及審批。所有會議記錄均可供任何董事於任何合理時間查閱。

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All Directors have access to relevant and timely information at all times as the Chairman ensures that management will supply the Board and its committees with all relevant information in a timely manner. They may make further enquiries if in their opinion it is necessary or appropriate to request for further information. They also have unrestricted access to the advice and services of the Company Secretary, who is responsible to the Board for providing Directors with Board papers and related materials, and ensuring that all proper Board procedures are followed and that all applicable laws and regulations are complied with. If considered to be necessary and appropriate by the Directors, they may retain independent professional advisors at the Group's expense.

In case where a conflict of interest may arise involving a substantial shareholder or a Director, such matter will be discussed through an actual meeting and will not be dealt with by written resolutions. Independent non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues.

The Board committees, including the Audit Committee, the Nomination Committee and the Remuneration Committee, have all adopted the applicable practices and procedures used in Board meetings for all committee meetings.

主席確保管理層向董事會及其轄下委員會適時提供一切有關之資料，以使全體董事能夠隨時掌握有關及適時之資料。董事如認為取得進一步資料屬必要或適當時可進一步查詢。所有董事亦可在不受限制之情況下取得公司秘書之意見和獲得其服務，包括向董事提供有關董事會之文件及相關資料，及確保符合適當之董事會程序及一切適用之法律及規例均能遵守。如董事認為有需要及在適當之情況下，可尋求獨立專業顧問意見，費用由本集團支付。

若主要股東或董事可能涉及利益衝突時，有關事項不會以書面決議之方式處理，而董事將會就該事項舉行現場會議。無利益衝突之獨立非執行董事將會出席處理有關衝突事件之會議。

董事會轄下委員會，包括審核委員會、提名委員會及薪酬委員會，均就所有委員會會議採納董事會沿用之適用原則及程序。

Chairman and Chief Executive Officer

The Chairman of the Group is Mr. Zhao Zhiyong and the Chief Executive Officer of the Group is Mr. Lai Chun Liang. The roles of Chairman and Chief Executive Officer are segregated and not performed by the same individual to ensure segregation of duties.

The Chairman of the Group is primarily responsible for the leadership and effective running of the Board, in formulating the overall strategies of the Group, whereas the Chief Executive Officer is primarily responsible for the running of the Group's business and implementation of the Group's strategies in achieving the overall commercial objectives.

Non-Executive Directors

Code Provision A.4.1 provides that non-executive Directors should be appointed for a specific term and subject to re-election. The Company issues appointment letters to each of the independent non-executive Directors setting out the terms and conditions of their appointment. The Company's independent non-executive Directors are required by the Company's Articles of Association to retire from office by rotation at the Company's annual general meeting. A retiring Director shall be eligible for re-election.

The Company has received from each of independent non-executive Directors an annual confirmation of his/her independence, and the Company considers such Directors to be independent in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules.

主席及行政總裁

本集團主席乃趙智勇先生，而本集團之行政總裁乃來俊良先生。主席與行政總裁之角色有區分，並非由一人同時兼任，以確保職責分離。

本集團主席主要負責領導及有效運作董事會，並制定集團整體策略，而行政總裁則主要負責主持本集團業務及執行本集團策略以達致整體商業目標。

非執行董事

守則條文A.4.1規定非執行董事之委任應有指定任期，並須接受重新選舉。本公司向各獨立非執行董事發出的委任書，載列彼等之任期及委任條款。根據本公司之公司章程，本公司之獨立非執行董事須於本公司之股東週年大會上輪值告退。退任董事可膺選連任。

本公司已從每位獨立非執行董事收到確認其獨立性之年度確認，並根據GEM上市規則第5.09條所列出之指引認為每位有關董事均為獨立。

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Remuneration Committee

The Remuneration Committee comprises three members, namely Mr. Lai Chun Liang, an executive Director, and Ms. Xie Qun and Mr. Pai Hsi-Ping, both independent non-executive Directors. Mr. Pai Hsi-Ping is the Chairman of the Remuneration Committee.

The role and function of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for directors' and senior management remuneration, making recommendations to the Board on the remuneration packages of executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and making recommendations to the Board on the remuneration of non-executive Directors. The Remuneration Committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration.

Upon the recommendation of Remuneration Committee, the Board has considered and reviewed the existing terms of employment contracts of the executive Directors and senior management and considers that the existing terms of employment contracts of the executive Directors and senior management are fair and reasonable. The Remuneration Committee meets at least once a year. Details of the attendance of the meetings of the Remuneration Committee during 2018 are as follows:

Mr. PAI Hsi-Ping
Ms. XIE Qun
Mr. LAI Chun Liang

薪酬委員會

薪酬委員會包括三名成員，分別為執行董事來俊良先生及獨立非執行董事謝群女士及白旭屏先生。白旭屏先生為薪酬委員會之主席。

薪酬委員會之角色及職務包括向董事會就本公司董事及高級管理人員的薪酬政策及架構、執行董事及高級管理人員之薪酬待遇，包括實物利益、退休金權益及補償(包括任何離職或入職補償)，以及就非執行董事之薪酬向董事會提供建議。薪酬委員會應考慮之各種因素包括：比較其它同類型公司所付薪金、董事所投注時間及職責、本集團內僱傭條件及按表現發放薪酬之適切性。

按薪酬委員會之建議，董事會已考慮及審閱執行董事及高級管理人員僱傭合約之現有條款，並認為執行董事及高級管理人員僱傭合約之現有條款屬公平合理。薪酬委員會每年至少召開一次會議。於二零一八年內薪酬委員會會議之出席記錄詳情如下：

Attendance 出席次數

白旭屏先生 2/2
謝群女士 2/2
來俊良先生 2/2

Nomination Committee

The Nomination Committee comprises three members, namely Mr. Lin Zhang, an executive Director, Mr. Pai Hsi-Ping and Ms. Xie Qun, both independent non-executive Directors. Ms. Xie Qun is the Chairman of the Nomination Committee.

The duties of the Nomination Committee include reviewing the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, skills, knowledge and professional experience) of the Board annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become Board members and making recommendations to the Board on selection of individuals nominated for directorships, assessing the independence of independent non-executive Directors, and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the chief executive. In carrying out the responsibility for identifying suitably qualified candidates to become members of the Board, the Committee will give adequate consideration to the board diversity policy.

Details of the attendance of the meetings of the Nomination Committee during 2018 are as follows:

Ms. XIE Qun
Mr. PAI Hsi-Ping
Mr. LIN Zhang

提名委員會

提名委員會包括三名成員，分別為執行董事林漳先生、獨立非執行董事白旭屏先生及謝群女士。謝群女士為提名委員會之主席。

提名委員會之職責包括每年檢討董事會之架構、規模、組成及成員多元化(包括但不限於性別、年齡、文化及教育背景、技能、知識及專業經驗)；向董事會任何建議變動作出推薦建議，以符合本公司之企業策略；識別合資格成為董事會成員之人士，並向董事會就提名董事之人選作出推薦建議；評估獨立非執行董事之獨立性，以及向董事會就委任、重新委任及董事之繼任計劃(特別是主席及行政總裁)提出推薦建議。於履行物色合資格人選為董事會成員之職責時，委員會將充分考慮董事會成員多元化政策。

於二零一八年內提名委員會會議之出席記錄詳情如下：

Attendance 出席次數

| | |
|-------|-----|
| 謝群女士 | 4/4 |
| 白旭屏先生 | 4/4 |
| 林漳先生 | 4/4 |

Corporate Governance Report

企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the Audit Committee include reviewing the Company's annual report, half-year report and quarterly financial reports and providing advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing the Company's financial controls, risk management and internal control systems. It is also responsible for making recommendations to the Board on the appointment, re-appointment and removal of external auditor, approving the remuneration and terms of engagement of the external auditor, reviewing and monitoring the external auditor's independence and objectivity, and meeting the external auditor at least twice a year regarding the review of the financial reports and accounts.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Pai Hsi-Ping, Ms. Xie Qun and Mr. Kwan King Chi George. Mr. Kwan King Chi George is the Chairman of the Audit Committee.

The Group's unaudited quarterly and interim results and audited annual results for the year ended 31 December 2018 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosure have been made.

審核委員會

本公司已根據GEM上市規則第5.28及5.33條成立具書面職權範圍之審核委員會。審核委員會之主要職責包括審閱本公司年報、中期報告及季度財務報告，並就此向董事會提出建議及意見。審核委員會亦負責檢討本公司之財務監控、風險管理及內部監控制度。其亦負責向董事會就委任、重新委任及免任外聘核數師提供推薦建議、批准外聘核數師之薪酬及委聘條款、審核及監察外聘核數師之獨立性及客觀性，以及就財務報告及賬目的審閱會見外聘核數師不少於一年兩次。

審核委員會由三名獨立非執行董事組成，分別為白旭屏先生、謝群女士及關敬之先生。關敬之先生為審核委員會之主席。

本集團於截至二零一八年十二月三十一日止年度之未經審核季度及中期業績，以及經審核全年業績已由審核委員會審閱。審核委員會認為，該等業績乃按照適用會計準則、聯交所及法律規定編製，並已作出充分披露。

Corporate Governance Report

企業管治報告

Annual Report 2018 二零一八年年報

The Audit Committee held 4 meetings during the year under review. Details of the attendance of the Audit Committee meetings are as follows:

Mr. PAI Hsi-Ping
Ms. XIE Qun
Mr. KWAN King Chi George

審核委員會於回顧年度曾舉行四次會議。審核委員會會議之出席記錄詳情如下：

| | Attendance |
|-------|-------------------|
| | 出席次數 |
| 白旭屏先生 | 4/4 |
| 謝群女士 | 4/4 |
| 關敬之先生 | 4/4 |

Auditors' Remuneration

The Company has appointed Confucius International CPA Limited as the auditors of the Group. The Board is authorised in the annual general meeting to determine the remuneration of the auditors.

During the year ended 31 December 2018, a summary of the total fee paid/payable in respect of audit and non-audit services provided by the Company's external auditors is set out below:

核數師之酬金

公司已任命天健國際會計師事務所有限公司為本集團核數師。董事會於股東周年大會獲授權決定核數師之酬金。

於截至二零一八年十二月三十一日止年度，本公司外聘核數師提供審核及非審核服務之已付／應付酬金總額總結如下：

| | | 2018 二零一八年 | 2017 二零一七年 |
|--------------------------|--------------|-------------------------|-------------------------|
| | | <i>HK\$'000</i> 港幣千元 | <i>HK\$'000</i> 港幣千元 |
| Types of services | 服務種類： | | |
| Audit services | 審核服務 | 600 | 1,050 |
| Non-audit services | 非審核服務 | — | — |
| Total | 總計 | 600 | 1,050 |

Corporate Governance Report

企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Directors' and Auditors' Responsibilities for Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Group. In preparing the financial statements, the general accepted accounting standards in Hong Kong have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made. The responsibilities of the external auditors are set out in the Independent Auditors' Report to the members of the Company on pages 97 to 105 of this annual report.

Directors' Training

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged inhouse trainings for Directors in the form of seminar and provision of training materials. A summary of training received by Directors during the year according to the records provided by the Directors is as follows:

董事及核數師就財務報表之責任

董事確認其就編製本集團財務報表之責任。於編製財務報表之過程中，本公司已採用香港通用會計準則、持續地應用適當之會計政策、作出合理及謹慎之判斷及估計。外聘核數師之責任載於本年報第97至105頁致本公司全體成員之獨立核數師報告。

董事培訓

本公司鼓勵全體董事參與持續專業發展，以發展及更新彼等的知識及技能。本公司已透過舉行研討會及向董事提供培訓資料，為董事安排內部培訓。根據董事提供的記錄，董事於本年度接受的培訓概要如下：

Training on corporate governance, regulatory development and other relevant topics
企業管治、監管發展及其他相關主題培訓

Executive Directors:

Mr. ZHAO Zhiyong
(appointed on 25 August 2017)
Mr. KUAI Wei
(resigned on 1 July 2019)
Mr. LAI Chun Liang
Mr. LIN Zhang

執行董事：
趙智勇先生
(於二零一七年八月二十五日獲委任)
鄒偉先生
(於二零一九年七月一日辭任)
來俊良先生
林漳先生

✓
✓
✓
✓

Independent Non-executive Directors:

Mr. PAI Hsi-Ping
Ms. XIE Qun
Mr. KWAN King Chi George

獨立非執行董事：
白旭屏先生
謝群女士
關敬之先生

✓
✓
✓

Company Secretary

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. The Company Secretary reports to the Chairman and is responsible for advising the Board on governance matters. For the year under review, the Company Secretary has confirmed that he has taken no less than 15 hours of relevant professional training.

Shareholders' Rights

Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to Article 58 of the Articles of Association of the Company, any one or more shareholders, holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

公司秘書

公司秘書為本公司全職僱員，並對本公司的日常事務有所認識。公司秘書向主席匯報，並負責就管治事宜向董事會提供建議。就回顧年度而言，公司秘書確認其已接受不少於15小時的相關專業培訓。

股東權利

召開股東特別大會及於股東會議上提呈議案

根據本公司組織章程細則第58條，任何一個或多個股東，在申請提交之日，持有不少於本公司繳足股本十分之一，而且在本公司股東大會上行使投票權，隨時有權透過向董事會或本公司秘書遞交書面申請，請求董事會針對該申請中指定的任何事務處理召開特別股東大會；該等會議應在該申請提交後的兩(2)個月內召開。若在該申請提交後的二十一(21)天內，董事會未能召開該會議，申請人本身可以相同方式召開，對於因董事會失責而使申請人產生的合理費用，本公司將償付予申請人。

Corporate Governance Report

企業管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Procedures for Shareholders to Propose a Person for Election as a Director of the Company

If a shareholder wishes to propose a person (the “Candidate”) for election as a director of the Company at a general meeting, he/she shall deposit a written notice (the “Notice”) at the Company’s head office. The Notice (i) must include the personal information of the Candidate as required by Rule 17.50(2) of the GEM Listing Rules; and (ii) must be signed by the shareholder concerned and signed by the Candidate indicating his/her willingness to be elected and consent of publication of his/her personal information. The period for lodgment of the Notice shall commence on the day after the despatch of the notice of general meeting and end no later than seven (7) clear days prior to the date of such general meeting.

Enquiries to the Board


Enquiries may be put to the Board through the Company’s Investor Relations Department at Room 801-802, 8/F., Shanghai Industrial Investment Building, 48-62 Hennessy Road, Wanchai, Hong Kong (email: info-hk@ppig.com.hk).

股東提名人選參選董事的程序

若股東擬提名個別人士(「候選人」)於股東大會上參選為本公司董事，須把一份書面通知(「提名通知」)送交本公司的總辦事處。該提名通知必須：(i)包括候選人按《GEM上市規則》第17.50(2)條的規定而須披露的資料；及(ii)由有關股東簽署，以及候選人簽署以表示其願意接受委任和同意公布其個人資料。遞交提名通知的期間將由股東會議的通告發送後開始，至該股東會議舉行日期前足七(7)天止的期間。

向董事會作出查詢

如欲向董事會作出任何查詢，可聯絡本公司投資者關係部，地址為香港灣仔軒尼詩道48-62號上海實業大廈8樓801-802室(電郵：info-hk@ppig.com.hk)。



Corporate Governance Report 企業管治報告

Annual Report 2018 二零一八年年報

Communication with Shareholders

The Board and senior management maintain a continuing dialogue with the Company's shareholders and investors through various channels including the Company's annual general meeting. The Chairman, other members of the Board and external auditors attend the annual general meeting. The Directors will answer questions raised by the shareholders on the performance of the Group. Our corporate website which contains corporate information, quarterly and annual reports, announcements and circulars issued by the Group as well as the recent developments of the Group enables the Company's shareholders to have a timely and updated information of the Group. Shareholders can refer to the "Shareholders' Communication Policy" posted on the Company's website for more details.

Constitutional Documents

During 2012, the Directors proposed to the shareholders adoption of new Memorandum and Articles of Association of the Company, which was approved by way of passing special resolutions proposed at an Extraordinary General Meeting, to adopt the new Memorandum and Articles of Association in order to bring the constitution of the Company in line with the amendments to the GEM Listing Rules that came into effect on 1 January 2012 and 1 April 2012.

Internal Control and Risk Management

The Board is responsible for ensuring that appropriate and effective internal control and risk management systems are maintained to safeguard the assets of the Company and to respond appropriately to significant business, operational, financial, compliance and other risks. The Board, through the Audit Committee, has conducted a review of the effectiveness of the internal control and risk management systems of the Group and considered these systems to be effective and adequate.

與股東的溝通

董事會及高級管理層透過本公司股東週年大會等不同渠道與本公司股東及投資者維持溝通。主席、董事會其他成員及外聘核數師均會出席股東週年大會。董事將回答股東提出有關本集團表現的問題。本公司的網站載有公司資料、本集團刊發的季度及年度報告、公告及通函以及本集團最近期的發展，使本公司股東可適時地取得本集團最新的資訊。有關更多詳情，股東可參閱本公司網站刊登的「股東通訊政策」。

章程文件

於二零一二年，董事向股東建議採納本公司之新組織章程大綱及細則，並於股東特別大會上以特別決議案方式提呈及獲股東通過，令本公司之組織章程大綱及細則符合GEM上市規則於二零一二年一月一日及於二零一二年四月一日生效之修訂。

內部監控及風險管理

董事會負責確保維持合適及有效的內部監控及風險管理系統，以保障本公司的資產及對重大業務、營運、財務、合規及其他風險作出適當反應。董事會透過審核委員會已就本集團的內部監控及風險管理系統的有效性進行檢討，並認為該等系統為有效及充足。

Environmental, Social and Governance Report

環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

About the Report

This Environmental, Social and Governance (“ESG”) Report (the “Report”) serves as a review on the efforts and achievements made by Polyard Petroleum International Group Limited (“PPIG” or the “Company”) and its subsidiaries (collectively referred to as the “Group” or “we”) for its sustainability issues in 2018. The Report discloses the Group’s policies and practices for its commitment to sustainable development. As a platform for communication with all stakeholders, the Report also makes responses to the major expectations of all stakeholders in efforts to facilitate mutual understandings. The Report is to be read in conjunction with the Group’s Annual Report 2018, in particular the Corporate Governance Report contained therein.

Reporting Boundary

The Report covers the business activities controlled by the Group which have significant environmental and social impacts. The Report mainly includes the China International Mining Petroleum Company Limited (Philippines Branch) (“CIMP”), which is the subsidiary of the Company in the Republic of the Philippines (“Philippines”). Unless otherwise stated, the Report covers specific ESG policies and performance from 1 January 2018 to 31 December 2018 (the “Reporting Period”) and is consistent with the Group’s Annual Report 2018.

The major operation activities during the Reporting Period includes the Group’s project of well drilling, well testing and crude oil production activities of the Polyard-9 oil well located in the southern part of Cebu, central Philippines (“SC49”).

關於本報告

本環境、社會及管治(「ESG」)報告(「本報告」)是對百田石油國際集團有限公司(「PPIG」或「本公司」)及其附屬公司(「本集團」或「我們」)於2018年在可持續發展方面所作的努力與取得的成果。本報告披露本集團為實現可持續發展承諾而制定的政策和採取的措施。作為利益相關方的交流平台，本報告亦會就各利益相關方關注的議題進行回應，以促進他們與本集團的相互理解。本報告應與本集團2018年年度報告，特別是當中的「企業管治報告」一併閱讀。

報告範圍

本報告涵蓋本集團具有控制權且在環境及社會方面有重要影響的經營業務。本報告的組織範圍主要包括本公司在菲律賓共和國(「菲律賓」)的附屬公司，即中國國際礦業石油有限公司(菲律賓分公司)(「CIMP」)的原油生產井場。如無另行說明，本報告涵蓋由2018年1月1日至2018年12月31日(「本報告期」)的ESG具體政策與表現，時間範圍與本集團2018年年度報告一致。

本報告期內的主要營運活動包括本集團位於菲律賓中部宿霧島南端項目(「SC49」)對Polyard-9油井的開鑽、試井及油田原油生產活動。



Environmental, Social and Governance Report

環境、社會及管治報告

Annual Report 2018 二零一八年年報

Preparation Basis

The Report complies with all the “comply or explain” provisions of the ESG Reporting Guide under Appendix 20 of the Growth Enterprise Market Board Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), and was prepared in adherence to the four reporting principles: materiality, quantitative, balance and consistency.

Confirmation and Approval

The Board of the Group is fully responsible for the Company’s environmental and social strategies and reporting, and has reviewed and approved the Report in March 2019.

Publication of the Report

The Report shall be published in both Chinese and English. In case of doubt or discrepancy in the two versions, the English version shall prevail.

Hearing from You

The Group welcomes any comments and suggestions readers may have on the Report. Comments and suggestions can be sent to PPIG at info-hk@ppig.com.hk.

編製依據

本報告遵守香港聯合交易所有限公司(「聯交所」)發佈的創業板上市規則附錄二十《環境、社會及管治報告指引》中有關「不遵守就解釋」的條文，並且以重要性、量化、平衡及一致性的匯報原則作為編製基礎。

確認及批准

本集團董事會全面負責本集團之環境及社會策略及匯報，且本報告已於2019年3月經審閱及批准。

報告發佈

本報告將以中文和英文版本同時發佈。如果中文和英文版本有任何差異，應以英文版本為準。

您的意見

本集團歡迎讀者對本報告提出任何意見與建議。請將意見與建議發送至info-hk@ppig.com.hk予PPIG。

Environmental, Social and Governance Report

環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

1. Stakeholder Engagement

The Group attaches great importance to the views of its stakeholders, continues to maintain good communication with key stakeholders through various channels to fully understand their views and expectations of the Group's business. The Group identifies its main stakeholders as government and regulatory bodies, local environmental non-governmental organizations, shareholders, employees, suppliers, customers and local residents, and communicates with them through corporate reports and other announcements, general meetings, official website, email, etc. Additionally, as the Group's operations involve activities carried out in well sites with residential communities nearby, the Group is exceedingly concerned about the views of the local population. Hence, the Group has organised a number of Information, Education and Communication ("IEC") campaigns to comprehend the concerns and expectations of the local community, with a view to minimising the possible environmental and social impacts of the business.

Integrating the feedback the Group receives from its stakeholders regularly, the results of comparison with the concerns of companies in the same industry, and together with the views of the Group's management, the Group identifies three sustainable development issues that are of greatest concern of its stakeholders ("material issues"), namely (1) safety and health management, (2) environmental protection, and (3) community connection. The Report details in the subsequent sections the work implemented on these three material issues during the Reporting Period in response to the expectations of stakeholders.

1. 利益相關方參與

本集團非常重視利益相關方的意見，持續通過不同渠道與主要利益相關方保持良好溝通，充分了解他們對本集團業務的觀點與期望。本集團識別其主要的利益相關方為政府及監管機構、當地環境非政府組織、股東、員工、供應商、客戶及當地社區居民，並通過企業報告及公告、股東大會、官方網站、電郵等方式與本集團的利益相關方溝通。此外，因本集團的營運業務涉及在附近有居民居住的井場內進行的活動，本集團十分關注當地居民的意見，舉辦多場信息、教育和溝通(「IEC」)活動，了解當地社區的關注事項和期望，希望把業務可能帶來的環境及社會影響降至最低。

綜合分析本集團利益相關方持續給予的反饋、與同行業的關注進行比較及本集團管理層的意見，本集團識別出利益相關方最關注的三項可持續發展議題(「重要性議題」)：(1)安全與健康管理；(2)環境保護；及(3)社區聯繫。本報告將在後續章節針對這三項重要性議題於本報告期內所做出的工作進行描述，以回應利益相關方的期望。

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2. Sustainable Operation

The Group is well aware that the safety management of oilfield is an integral part of our business and is of equal importance to service quality and profitability. Hence, the Group has been implementing its Health, Safety and Environmental Policy. During the Reporting Period, the Group optimised the policy and decided to incorporate the element of “security” into the policy, refining it into the Health, Safety, Security and Environment (“HSSE”) Policy. The Group regards HSSE as the main approach to achieving sustainable operations, and firmly believes that an intertwining relationship exists within the Group’s HSSE performance, operational efficiency, employee motivation, employee morale and financial success.

The HSSE Policy outlines that the Group strives to protect the safety and health of all employees and others that may be affected by the Group’s operations as well as to protect the environment where the Group operates by requiring every employee to comply with the Group’s HSSE Policy. This enables employees of different departments along the production line to have specialised skills to solve HSSE-related problems through the implementation of corresponding prevention and protection measures. The Policy also clearly describes the Group’s HSSE management structure, emergency response plans, safety prevention and protection measures, employee health management measures, environmental protection measures, etc. In addition, the Policy requires all projects held within the Group to formulate a project specific HSSE plan to be implemented by HSSE responsible personnel (as shown in Figure 1).

During the Reporting Period, no major accidents related to production safety occurred in the Group.

2. 可持續營運

本集團深知油田安全生產管理是我們業務中不可或缺的一部分，與本集團的服務品質及盈利能力同樣重要。因此，本集團一直執行本集團的健康、安全和環境政策。於本報告期內，本集團對政策進行優化，決定把「安保」元素納入政策之中，把政策完善為健康、安全、安保和環境（「HSSE」）政策。本集團視HSSE為實現可持續營運的核心，堅信本集團的HSSE績效與營運效率、員工動力、員工士氣及企業業績有著密不可分的關係。

HSSE政策內說明本集團致力保障每一位員工及其他可能受本集團營運影響的人士的健康和安全，並保護本集團業務營運所在地的生態環境，要求每一位員工遵守本集團的HSSE政策，讓生產線上不同部門的員工均擁有專門技能以解決有關HSSE的問題，實行相應的預防和保護措施。政策亦明確說明本集團的HSSE管理架構、各項緊急預案、安全預防與保護措施、員工健康管理措施、環境保護措施等。除此之外，政策內規範本集團的項目必須制定項目適用的HSSE方案，並由HSSE負責人員執行（如圖1所示）。

於本報告期內，本集團沒有發生任何與生產安全有關的重大事故。

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2.1. HSSE Management Structure

The Group established a clear HSSE management structure, defining the safety production responsibilities of each department.

2.1. 健康、安全、安保和環境(「HSSE」)管理架構

本集團建立清晰的HSSE管理架構，明確各部門的安全生產責任。



Figure 1. HSSE Management Structure
圖1. HSSE管理架構

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2.2. Employee Safety and Health Management

The Group commits to securing the health and safety of employees, strictly complies with laws and regulations that have a significant impact on the Group's operations in the Philippines in relation to providing a safe working environment and protecting employees from occupational hazards (please refer to Appendix 1 for details). During the Reporting Period, the Group did not receive any violations or complaints relating to occupational health and safety that have a significant impact on the Group.

The HSSE Policy of the Group provides a clear framework for the implementation of prevention and protection measures, and also outlines various tools that could be used for detailed recording and comprehensive analysis. The Safety Training Observation Programme and Jobs Safety Analysis are implemented to identify potential hazards, propose safety precautions and recommend areas for improvement. The "Permit To Work" and "Confined Space Entry" mechanisms serve as platforms for communication between the management, supervisors and contractors. These mechanisms ensure that employees performing particular tasks clearly understand the nature of the task at hand, as well as the potential hazards and risks involved. Appropriate precautions could then be taken prior to the start of the task, during the task and after the completion of the task. Emergency Response Plans ("ERPs") for major potential hazards have been established to provide a concise guideline in case of emergency, and the specifics of the plans and duties are communicated to all employees. In addition, mandatory drills are conducted regularly requiring all relevant employees to participate. Subsequent to the completion of the drill, the drill supervisor will prepare the performance evaluation report of the drill.

2.2. 員工安全與健康管理

本集團致力保障員工的健康與安全，嚴格遵守菲律賓有關提供安全工作環境及保障僱員避免職業性危害並對本集團有重大影響的法律法規(詳細請參考附錄一)。於本報告期內，本集團未曾接獲任何與職業健康與安全相關並對本集團有重大影響的違規事件或任何投訴。

HSSE政策為本集團實施預防與保護措施提供明確的框架，並且列出用於詳細記錄和全面分析的各種工具。安全培訓檢察計劃和工作安全分析用於識別潛在危害並提出安全預防措施與改進建議。工作許可證系統和密閉空間作業則是管理層、督導員和承包商之間的溝通平台。這些機制確保進行特定項目的員工能清楚地了解當前項目的性質、存在的潛在危害與風險，並在項目開始之前、項目期間和項目完成之後採取相應的預防措施。本集團亦已針對主要潛在危害建立應急響應計劃(「ERP」)，以便在緊急情況下提供簡明指引，並且向所有員工說明特定員工於ERP中擔當的角色。此外，本集團定期舉辦演習，並強制要求所有有關員工參加，演習完成後由督導員簽署演習績效評估報告。

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Table 1. The general prevention and protection measures in the HSSE management

表1：HSSE管理的一般預防和保護措施機制

| | Measures 機制 |
|------------------|---|
| Prevention 預防 | <ul style="list-style-type: none"> • Safety Training Observation Programme (STOP) 安全培訓檢察計劃(STOP) • Jobs Safety Analysis (JSA) 工作安全分析(JSA) • Permit to Work (PTW) 工作許可證(PTW) • Confined Space Entry (CSE) 密閉空間作業(CSE) • Drills (fire, first aid, toxic gas leakage etc.) 演習(滅火、急救、有毒氣體洩漏等) • Emergency Response Plan (ERP) 應急預案(ERP) • Safety induction briefing 安全指引簡報會 • Safety training (International Well Control Certificate, HSSE Certificate, Operation Certificate) 安全訓練(國際井控證書、HSSE證書、營運證書等) |
| Protection 保護 | <ul style="list-style-type: none"> • Requesting pre-employment physical examination 要求進行就業前體檢 • Providing regular and physical examinations as needed 提供定期和專項體檢 • Providing first aid kits in project sites 在項目所在地提供急救包 • Hygiene of living quarters 生活衛生 • Supply of personal protection equipment 個人防護用具的供應 |



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The Group is committed to offering a comprehensive medical system with an integrated hygiene programme to its employees. Each employee (including contract employee and contractor employee) underwent physical examination prior to employment. Following the confirmation of their employment, employees are entitled to receive regular physical examinations. The Group thoroughly tracks the health conditions of each employee through regular physical examination, which allows the Group to detect abnormalities or symptoms of employees' health as early as possible and to make corresponding working adjustments. In addition to offering regular physical examinations, additional physical examinations are provided to employees resuming work after suffering from injury or illness. To provide on-site first aid assistance, designated first aid kits are placed in each project site, and kit inventories including equipment and medicine are maintained by medical personnel. Hygiene practices specifically addressing living quarters are required to be maintained by all staff, and catering staff are required to strictly adhere to the Group's hygiene rules.

本集團致力於建立一個全面的醫療體系，並為員工提供綜合醫療服務。每名員工(包括合同員工和承包商員工)在入職前都會獲安排進行身體檢查。在正式入職後，本集團為員工提供定期身體檢查。本集團通過常規的身體檢查全面地分析每名員工的健康情況，讓本集團能夠盡早發現員工身體的異常或病徵，並為其作出合適的工作安排。除提供常規身體檢查之外，對於受傷和生病的員工，本集團在其恢復工作時還會提供額外的身體檢查。為提供現場急救，本集團於每個項目所在地配備特定的急救包，急救包內的設備和藥物由醫務人員統一管理。員工需維持日常生活的衛生實踐，餐廳員工亦需嚴格遵守本集團的衛生規定。

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The importance of safety is communicated to employees through various platforms, with the development of employees' safety awareness as the overarching aim. Safety induction trainings are provided to new employees, with a test subsequent to the training to ensure employees has attained sufficient knowledge in safety. Instructions on project details, the placement and function of various alarms and emergency procedures are communicated to each employee assigned to project sites. Drills on fire protection, gas detection, hazardous material handling and personal protection are offered to employees on a regular basis. The project supervisor prepares a full HSSE report that includes the evaluations of various hazards' case studies upon the completion of each well drilled and is provided to on-site workers to foster their understanding of the safety issues at project sites.

The HSSE Policies of the Group target all third parties working in the oilfield, and the Group takes responsibility for the improvement of their HSSE performance. Compliance with the Group's HSSE Policy is mandatory for all contractors, sub-contractors and suppliers. The Group maintains a two-way communication with contractors, regularly communicates the HSSE plans to contractors and requires them to report regularly on relevant HSSE issues at project sites. Under all circumstances, contractors are obligated to report any HSSE event or incident to the Group.

本集團以提高員工的安全意識為首要目標，通過各種方式向員工強調安全的重要性。本集團為新員工提供安全指引培訓，然後對員工進行測試以確保他們獲得足夠的安全知識。每名員工獲指派到項目所在地後，都會獲得有關項目細節，各種警報和緊急程序的設置與功能的指示的詳細說明。本集團定期與員工進行有關火災、氣體檢測、危險材料處理和個人防護等演練活動。每次鑽井完成後，項目督導員需為井場員工準備一份完整的HSSE報告，分析各種危害案例，務求促進員工對項目所在地安全問題的了解。

本集團的HSSE政策同樣適用於在油田工作的所有第三方，並視提高所有第三方的HSSE績效為本集團的責任。所有承包商、分包商及供應商都必須遵守本集團的HSSE政策。本集團保持與承包商的雙向溝通，定期把HSSE計劃傳達給承包商，並要求承包商定期報告項目相關的HSSE問題。在任何情況下，承包商有義務向本集團報告任何有關HSSE的事件或意外。

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The employees of CIMP performed first aid drill.
CIMP員工進行急救演練。



The employees of CIMP performed fire drill.
CIMP員工進行消防演練。



The safety and environmental warnings of the Polyard-2 oil well of CIMP.
CIMP Polyard-2油井井場外安全環保警示。



The Head of Technical Management Department of CIMP delivered an oil well technical training for employees.

CIMP技術管理部主管為員工進行油井技術培訓。



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Prevention Practice 1 – Blowout Prevention

Blowouts, an uncontrolled flow of gas, oil or other releases of fluids into the environment, have been identified as one of the major hazards in the oil and gas industry. Apart from the contamination of water, land and ecosystems, blowouts are closely related to massive fires and huge explosion, which are both identified as major hazards. The occurrences of fires and huge explosion are, to a certain extent, dependent on the occurrence of blowouts. As such, the Group takes blowout prevention seriously, and greatly values the safety of both employees and local community. During the Reporting Period, no blowouts were reported across project sites.

Table 2. Preventive measures against blowouts by type

| Type of measure 措施類型 | Specific Measure 具體措施 |
|-------------------------|---|
| Management 管理 | <ul style="list-style-type: none"> • Blowout drill 井噴演習 • Regular revision in systems and procedures 定期審查系統和程序 • Emergency Response Plan (ERP) 應急預案(ERP) |
| Technology 技術 | <ul style="list-style-type: none"> • Detectors 探測器 • Blowout Preventer (BOP) 防噴器(BOP) • Relief well 減壓井 |

預防實踐1：防止井噴

井噴是指氣體、原油或其它地流體不受控制地流入環境中。井噴已被確定為石油和天然氣行業的主要危害之一。井噴除了污染水源、土地和生態系統還可能造成巨大的火災和爆炸。火災和爆炸皆被認為是重大危害，且兩者的發生機會在一定程度上取決於井噴的發生。因此，本集團認真預防井噴，重視員工和當地社區的安全。於本報告期內，本集團未接獲項目所在地有關井噴的報告。

表2：按類型劃分的預防井噴的措施



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Risk management plays a critical role in blowout prevention. Specified personnel across project sites are required to attend regular blowout drills and the attendance of each drill is recorded. The performances of supervisors and employees involved in the drill are evaluated by the project manager. A regular review of blowout prevention is conducted, and in cases where areas of improvement are identified during the review, appropriate changes are incorporated. ERP for blowouts are prepared and communicated with personnel that are responsible for taking emergency actions.

Early detection of undesired pressure formation is fundamental to blowout prevention. A “kick” is formed when fluid, such as crude oil and water, are forced to flow due to the imbalance between formation pressure and hydrostatic pressure. Uncontrolled kicks eventually result in a blowout, and hence pressure detectors are installed at all wells to detect undesired pressure formations.

A Blowout Preventer (“BOP”) is routinely integrated within the drilling system to prevent oil, gas and other liquid leakages into the environment. Essentially, a BOP on a drilling rig is attached to the heavy surface casing before drilling activity begins, and it acts as a lid of the hole being drilled to shut down a well, if the flow of fluid is detected to be out of control.

風險管理在預防井噴中起著至關重要的作用。指定員工必須參與定期的井噴演習，每次演習的出席情況均被記錄，且項目經理會評估項目督導員和員工參與演習的表現。本集團定期進行井噴預防審查，如本集團發現需要改進的地方，則落實適當的改進方案。本集團已制定井噴ERP，並與負責在緊急情況下採取行動的員工進行培訓。

盡早檢測過度的地層壓力是防止井噴的基礎。當地層壓力與流體靜壓不平衡時，流體諸如原油和水會被迫流動而形成「井涌」。不受控制的「井涌」最終導致井噴。因此，本集團於所有項目的井口安裝壓力檢測器以探測過度的地層壓力。

防噴器（「BOP」）通常與鑽井系統結合，以防止原油、氣體和其他液體滲漏到環境中。一般情況下，在鑽井工作開始前，鑽機上的BOP已連接到重型的地表鑽蓋上。在檢測到地層中流體失控時，BOP作為井口蓋可關閉油井。

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A relief well is drilled if a blowout cannot be controlled from the surface. There are extreme cases, such as the case when the energy accumulated due to enormous land pressure formed is difficult to dissipate significantly, and that the blowouts can be so forceful that ordinary control measures are deemed inadequate. In that situation, the Group will drill a relief well and inject the well with high-density fluids to allow the relief well to intercept with the concerned well to generate a hydrostatic pressure which effectively shuts off the flow of fluid along the well.

Prevention Practice 2 – Preventing Release of Hydrogen Sulphide

Some naturally occurring toxic gases in oil and gas deposits can be forced out by undesired pressure. Hydrogen sulphide is a common gas found at oil and gas well sites. The Group is well aware of the potentially lethal nature of hydrogen sulphide release and the likelihood of its occurrence. Workers, and even the local community, can be incidentally exposed to this toxic gas during exploration activities. The Group pays particular attention to hydrogen sulphide, sets up detection measures as its first line of defence to prevent the release of hydrogen sulphide at project sites and continuously conducts real-time monitoring of gas emission during well drilling. The Group has not recorded any significant hydrogen sulphide releases since the launch of the SC49 project.

如本集團不能從地表控制井噴，則需開鑽一口減壓井。在一些極端情況下，巨大地層壓力累積的能量很難顯著減少，井噴可能過於強烈，以致平常的控制措施不起作用。在這種情況下，本集團將通過開鑽減壓井並注入高密度流體的方法，讓井內產生流體靜壓並切斷沿井的流體流動。

預防實踐2：防止硫化氫釋出

原油和天然氣資源中天然生成的有毒氣體可能會因過度壓力而被釋放。硫化氫是油氣井(油氣為原油與天然氣)中一種常見氣體，本集團清楚地意識到硫化氫釋出可能帶來的致命性和其發生的可能性。在開採活動期間，員工以至當地社區的人員均可能意外地暴露於這種有毒氣體之中。本集團對硫化氫予以特別重視，以檢測措施為項目所在地防止硫化氫釋出的第一道防線，持續在鑽井期間對氣體排放進行實時監測。本集團從SC49項目開展以來並沒有任何重大硫化氫釋放的記錄。



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The Group strictly requires fixed gas detection systems for continuous monitoring and a minimum of 2 portable electronic gas detectors to be installed at each project site. The detectors are placed strategically to ensure monitoring is effective. All the detectors are regularly inspected, and maintained for use at all times.

A hydrogen sulphide incident drill is an important part of preparation. The Group places considerable emphasis on the need for employees to develop a strong sense of safety, and executes simulations of drilling activities in a suspected or known hydrogen sulphide area. Drill simulations are conducted twice a week and all relevant personnel are required to participate. Prior to drilling into sulphur-bearing formation, the project manager is responsible for organising a hydrogen sulphide prevention drill and sending out warnings to employees of all levels. Prior to drilling, rigorous inspections for hydrogen sulphide prevention measures are carried out by the project manager to ensure the appropriateness and effectiveness of the implementation of the measures. During the Reporting Period, release of hydrogen sulphide was not detected across project sites and no personal injury case related to the release of hydrogen sulphide was reported.

本集團嚴格規定於每個項目所在地需要配備用於連續監測的固定氣體檢測系統和至少兩個便攜式電子氣體檢測器，並且有策略地放置檢測器使監測更有效率。所有檢測器都經過定期檢查及維護，以便隨時能夠使用。

硫化氫演習是預防事故的重要組成部分。本集團十分重視提高員工的安全意識，在可能存在或者已知存在硫化氫的項目地區開展模擬演習。演習每週進行兩次，所有相關人員都必須參加。在鑽進含硫地層前，項目經理應負責組織一次防止硫化氫演習，並對各級員工發出警告指示。在進行鑽井前，項目經理必須對硫化氫防治措施進行嚴格檢查，並保證這些措施是合適且有效的。於本報告期內，本集團沒有發現任何項目所在地硫化氫釋出的情況，並且沒有收到任何因硫化氫釋出而導致人員傷害的報告。

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2.3. Oilfield Security

Apart from the safety measures and trainings applied in the crude oil production process, the Group also places immense importance to the security work of oilfields. During the Reporting Period, the Group has formulated the security plan of oilfields to prevent anyone from trespassing to or interfering with work in the oilfield, ensuring the oilfield to operate in a safe environment. The Group has arranged local police to patrol the oilfields on a weekly basis and has conducted monthly security meetings with them. Additionally, taking advantage of local residents' familiarity with the local community, the Group employs them as well site security guards to effectively prevent any illegal trespassing of strangers. Meanwhile, the Group ensures that well sites that are in the production phase are guarded 24 hours a day. The Group has established a good relationship with the police force and regularly reports to the force and seeks for their advice on the safety condition of the well sites. During the Reporting Period, no incidents related to oilfield security occurred in the Group.

2.3. 油田安保工作

除了應用在原油生產操作過程的安全措施及培訓外，本集團亦十分重視油田的安保工作。於本報告期內，本集團制定油田的保安規定，防止任何人非法侵入或干擾油田工作，以確保油田能夠在安全的環境下運行。本集團已安排當地警察每週在油田巡邏，並每月與警隊進行安全會議。此外，本集團聘用當地居民擔當井場保安的角色，利用他們熟悉當地居民的優勢，以更有效地防止任何陌生人的非法入侵。同時，本集團確保正在生產階段的井場有保安二十四小時當值。本集團與警隊建立良好的關係，定期向警方匯報及諮詢井場內的安全情況。於本報告期內，本集團沒有發生任何與油田安保有關的事故。

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CIMP arranged local police to patrol the oilfields on a weekly basis.

CIMP安排當地警察每週在油田巡邏。



CIMP employed local residents as well site security guards.

CIMP聘用當地居民擔當井場保安的角色。



2.4. Product Responsibility

Oil is a natural product, which the quality depends on the nature of the oil reservoir. The technology used in oil extraction and transportation could also impact oil quality affecting the water and mud contents. Hence, there are many international standards and technical specifications for oil extraction and transportation. Currently, the Group's oil wells employ a closed production process that does not involve water use, while static settlement method is also employed to remove mud and water to ensure that no foreign substances are mixed into oil. In the future, with the increasing amount of oil extracted and the decrease of oil reservoir pressure, water will be injected into the oil well during the oil extraction process to improve the pressure of the oil reservoir. For the purpose to ensure quality we plan to install the dewatering and desilting facility if water injection is applied.

2.4. 產品責任

石油是天然產物，其質量取決於油藏的自然屬性，開採及輸送的技術可對原油質量造成影響，主要是含水與含泥，因此國際上已有許多石油開採和輸送的標準及技術規範。目前，本集團的油井採用密閉生產流程，在過程中並不涉及到用水，同時使用靜止沉降方法脫泥脫水，確保沒有外來物質混入原油中。日後隨著石油採出總量不斷增加，油層壓力下降，採油的過程將需要向油井注水以提高油層壓力。在油井注水後，本集團將加裝原油脫水脫泥處理裝置，務求保持原油的質量。

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Meanwhile, the Group has also formulated policies governing the delivery of products to minimise the health and safety risk posed by our products. In 2018, the Group entered into contract with a crude oil distributor to sell the crude oil produced in the CIMP's oilfield. Although the crude oil distributor takes responsibility for the transportation of the crude oil produced in CIMP's oilfield, the Group has nonetheless established the *CIMP General Rules on Hauling of Crude Oil* to ensure a safe and quality crude oil transportation process. It stipulates rules on tank trucks' preparations before leaving the oilfield, including loading, assaying, HSSE requirements and other operational requirements in order to achieve perfection in both hardware and software to prevent the occurrence of any oil leakage accident. During the Reporting Period, the Group has not received any reports of improper handling of crude oil during the hauling of crude oil at the project sites.

The Group has always had confidence in its business, and it was a great honour for us to be visited by Duterte, the President of the Philippines on 19 May 2018 and Mr. Donato D. Marcos, the Department of Energy ("DOE") Undersecretary of the Philippines on 19 Feb 2018, at the crude oil production site of the Group's SC49 project. The visitation allowed government officials to understand the crude oil production process and the quality of the crude oil samples. President Duterte gave recognition to the development of the SC49 project, meanwhile, he encouraged the Group to further expand oilfield construction to make greater contributions to the energy development in the Philippines.

此外，本集團亦制定產品輸送相關管理政策以減少產品可能造成的健康和安全风险。本集團於2018年與原油分銷商簽訂合同並授權其出售由CIMP營運油田生產的原油。儘管CIMP營運油田的原油輸送由原油分銷商負責，為保障安全優質的原油輸送過程，本集團訂立《原油裝車出庫規範》，嚴格規定原油裝車於出庫前的準備，包括裝車、化驗分析及HSSE等操作要求，務求在硬件及軟件上都做到盡善盡美，防止任何原油洩漏的事故發生。於本報告期內，本集團未接獲項目所在地有關原油裝車輸送原油過程不當的報告。

本集團一直對自身業務深具信心，非常榮幸地獲菲律賓總統杜特爾先生及菲律賓能源部副部長Donato D. Marcos先後於2018年5月19日及2018年2月19日到本集團SC49項目的原油生產現場進行考察。考察讓政府官員了解到原油生產過程並查看了井口取樣的原油樣品。總統杜特爾對SC49項目取得的開發成果給予了充分肯定，同時鼓勵本集團進一步加大油田建設，為菲律賓能源發展作出更大的貢獻。

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Duterte, the President of the Philippines visited the crude oil production site of the Group's SC49 project on 19 May 2018.

2018年5月19日菲律賓總統杜特爾到本集團SC49項目的原油生產現場進行考察。



The Group ensures that customer data is not divulged or used for inappropriate purposes. During the Reporting Period, the Group neither experienced any customer data leakage nor received any complaints about inappropriate use of customer information. Meanwhile, the Group has not carried out any advertising and labelling activities, hence advertising and labelling matters are not significant to the Group during the Reporting Period.

Mr. Donato D. Marcos, the DOE Undersecretary of the Philippines visited the crude oil production site of the Group's SC49 project on 19 Feb 2018.

2018年2月19日菲律賓能源部副部長Donato D. Marcos先生到本集團SC49項目的原油生產現場進行考察。



本集團確保不會洩露客戶的信息或用於不適當的目的。於本報告期內，本集團未有接獲任何涉及洩露客戶資料或不合理使用客戶信息的投訴。另外，本集團並無進行任何廣告活動及標籤活動，所以廣告和標籤事宜對於本集團並不重大。

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3. Sustainable Environment

The Group strongly recognises the potential environmental impacts generated by its operations. The Group is principally engaged in the exploration and development of oil, natural gas and coal, of which the operations are mainly stationed in the Southeast Asia region. The major operation activities during the Reporting Period includes the well drilling, well testing and crude oil production activities of the Polyard-9 oil well of the Group's SC49 project. The Group's main environmental impacts are the direct greenhouse gas ("GHG") emissions, drill cuttings, electricity consumption, water consumption and others generated from the oil extraction and production by CIMP. In addition, the Group's indirect GHG emissions were mainly derived from its purchased electricity.

3. 可持續環境

本集團深刻認識到其營運所產生的潛在環境影響。本集團主要從事勘探、開採及開發(前三項統稱為「開採」)石油、天然氣及煤炭，其業務主要位於東南亞地區。於本報告期內，主要營運活動包括本集團SC49項目對Polyard-9井的開鑽、試井及油田原油生產活動；本集團的主要環境影響來源於CIMP進行石油開採和生產時所產生的直接溫室氣體排放、鑽硝、電力消耗、水資源使用等。另外，本集團的間接溫室氣體排放主要由其購買電力產生。



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The Group strictly complies with laws and regulations that have a significant impact on the Group's operations in the Philippines in relation to air and GHG emissions, discharges into water and land, and generation of waste (please refer to Appendix 1 for details). The Group strives to reduce environmental impacts at all phases of a project, running from early project planning to operation. The Group's HSSE Policy encompasses the Group's work on environmental protection. It outlines that the Group shall give full consideration while conducting operation in oilfields by requiring all projects to make plans to minimise waste and efficiently use natural resources. Furthermore, the Policy also states that an environmental assessment shall be conducted on all well sites annually, and to be led by the project supervisor along with members of the inspection team. There have been no significant changes in the Group's environmental policies in 2018. During the Reporting Period, the Group did not receive any violations or complaints relating to environmental protection that have a significant impact on the Group. During the Reporting Period, since the Group's well drilling and well testing activities were controlled and carried out by contractors, and the initial phase of production did not require consumption of additional energy due to the sufficient pressure that enabled an overflow of crude oil, the main operating activities for which the Group has control on do not involve significant air pollutant emissions and direct energy consumption, hence information on the management and policies relating to air pollutant emissions and energy consumption are not disclosed in the Report. Nonetheless, the Group regulates contractors' activities by entering into contracts with contractors to minimise environmental impact, and pays close attention to the possible environmental impacts arising from the upcoming changes in the crude oil production process.

本集團嚴格遵守菲律賓有關廢氣排放、溫室氣體排放、向水及土地排放及廢棄物排放並對本集團有重大影響的法律法規(詳細請參考附錄一)。本集團致力於從項目早期規劃至營運過程中的每個階段減少環境影響。本集團的HSSE政策包含本集團於環境保護上的工作，說明本集團在任何油田作業時，必須充分考慮對環境的影響，規範各項目制定方案，減少浪費並且有效利用自然資源。另外，政策亦說明各井場必須由項目督導帶領本集團內部的考察隊成員每年進行一次環境評估。本集團的環境政策於2018年並無發生重大變化。於本報告期內，本集團未曾接獲任何與環境保護相關並對本集團有重大影響的違規事件或任何申訴。於本報告期內，本集團的鑽井和試井活動均由承包商控制和進行，同時，足夠的壓差使原油溢出，讓生產最初階段不需要消耗額外能源，因此，本集團具有控制權的主要營運活動並不涉及重大的大氣污染物排放和直接能源消耗，並且未於本報告中披露相關管理和政策的資料。儘管如此，本集團通過與承包商簽訂合約規範其活動以盡量降低環境影響，並且密切注意因未來原油生產過程的變化而可能引起的環境影響。

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Philippines South Cebu Oil and Natural Gas Project

Project Application and Planning Phase

Philippines South Cebu Oil and Gas Project SC49 is located on Montpellier village in the municipality of Alegria, province of Cebu. Oil exploration and development have significant impacts on the local environment and community, if not properly controlled; in particular, land and water are at risk. During the project application and planning phase, the Company and CIMP have worked to satisfy all the requirements set by the Department of Environment and Natural Resources (“DENR”) of the Philippines on the application of the Environmental Compliance Certificate (“ECC”). An environmental study was conducted and an Environmental Impact Statement (“EIS”) was prepared and submitted to the Environmental Management Bureau (“EMB”), an agency under DENR. The EIS is a major requirement for the issuance of an ECC and it contains comprehensive information of the project components that potentially have a significant impact on the environment, the prevailing environmental conditions at the project site, the impacts of the project on these conditions, and the mitigating measures the proponent commits to implement. It also has a social development component that outlines the Group’s programs to alleviate the living conditions of affected families, its commitment to help villages through social services, and the assurance that the Group operates projects safely through the conduction of an Environmental Risk Assessment (“ERA”). Permission was granted to the SC49 project to begin production after CIMP received the ECC from DENR. The project involves various compliance requirements based on the conditions outlined in the ECC.

菲律賓南宿霧石油和天然氣項目

項目申請和計劃階段

菲律賓南宿霧石油和天然氣項目SC49位於宿霧省Alegria市Montpellier村。如果控制不當，開採石油會對當地環境和社區造成重大影響，尤其是在土地和水資源方面造成重大影響的風險。在項目申請和計劃階段中，本公司與CIMP一直努力符合菲律賓環境及自然資源部(「DENR」)設立的申請環境合規證書(「ECC」)的所有要求。本公司與CIMP已進行環境研究，編製環境影響聲明(「EIS」)，並提交給DENR下的環境管理局(「EMB」)。作為獲發ECC的主要要求，提交的EIS包含：可能對環境產生重大影響的項目組成部分的全面信息、項目地點當前的環境條件、項目開展對業務運營所在地環境條件的影響以及項目發起者承諾實施的減輕環境影響的措施等。EIS亦包含社會發展部分，包括概述本集團如何緩和受影響家庭的生活環境的計劃、透過社會服務幫助村莊的承諾、通過環境風險評估(「ERA」)確保當地社區營運安全的保證等。當CIMP收到DENR的ECC後，SC49項目獲准開始生產。該項目涉及各種需要滿足ECC的合規要求。

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During the Reporting Period, the Group established a Multi-partite Monitoring Team (“MMT”), comprising the mayor of Alegria, the local village head and representatives from the DOE, DENR, EMB, contractors and the Group, to continuously monitor the project’s compliance.

MMT signed the Memorandum of Agreement in 2018.
多方監控小組(「MMT」)於2018年簽署合約備忘錄。



Drilling and Well Testing Phase

Various actions are taken in the planning stage to examine the environmental impacts associated with the exploration and development of oil and gas. The exploration and development of oil and gas involve a series of activities to extract crude oil and natural gas from existing reservoirs. These activities include material and equipment procurement, civil construction and well drilling. A screening process to identify potential impacts and compliance requirements related to the abovementioned activities is completed in the early planning stage, including the screening of impacts on topography, water availability and air quality. Subsequent to the screening process, an environmental impact assessment is performed to identify mitigation measures and to propose implementations across various stages of exploration and development. Mitigation measures are implemented by both the Group and project-related parties. No ceilings for implementation costs of all mitigating measures are set to ensure that required structures or systems can be adequately implemented.

本集團於本報告期內成立多方監控小組(「MMT」)，成員包括Alegria市市長、當地村長及來自菲律賓能源部(「DOE」)、DENR、EMB、承包商及本集團的代表，以持續監控項目的合規性。

鑽探和試井階段

本集團於開採原油和天然氣項目的規劃階段中，採取多種行動以評估其對環境的相關影響。油氣開採是一系列從現有油藏中提取原油和天然氣的活動。這些活動包括材料和設備採購、土木建設和鑽井。在項目的早期規劃階段，本集團會通過篩選過程識別與上述活動相關的潛在影響與合規要求，包括對地形、水供應和空氣質量的影響。在篩選過程之後，本集團通過環境影響評估識別於油氣開採中各個階段的緩解措施，並提出實施細則。本集團及項目相關方共同採取緩解措施。所有實施緩解措施的費用均不設上限，以確保能夠實施所需的架構或體系。

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The Group invites contractors with a proven track record for adopting suitable techniques to a high standard to undertake drilling and well testing for the Group's projects. Well drilling is the core process of exploration and development, and the Group recognises that these processes impact the local environment. Drilling contractor management is taken very seriously, and drilling contractors are required to strictly adhere to the environmental regulations of the Group and the country in which it operates in. The Group is responsible for disclosing and explaining all information regarding the project to the contractor. Contractors are required to provide relevant certificates and inspection reports of each rig to demonstrate their qualification before spudding. Any event or incident related to the environment, whether it has a direct impact on the operation or not, and under all circumstances is required to be reported to the Group. Contractors are responsible for waste disposal and rehabilitation of the well site subsequent to well completion or well abandonment.

Production Phase

The SC49 project is situated at the Alegria Lumpan area of onshore reservoirs with sufficient pressure difference. Crude oil was ejected (overflow) at the initial phase of production without the consumption of additional energy, the setup of diesel-powered mechanical equipment or the use of a large amount of water. Crude oil was directly loaded and transported away by the customer.

本集團邀請具有良好往績記錄的承包商採用合適的高標準技術為其項目進行鑽探和試井。鑽井是開採的核心過程，本集團深刻明白其對當地環境的影響。本集團認真對待鑽井承包商的管理，要求承包商必須嚴格遵守本集團業務開展所在國家的相關環境法規。本集團亦負責向承包商披露和解釋與項目有關的所有信息。承包商在開鑽定位前必須提供每台鑽機的相關證書或檢驗報告以證明其鑽機資格。在任何情況下，與環境相關的任何事件或意外，無論是否對營運產生直接影響，承包商都需要向本集團報告。承包商亦應負責於完井與棄井後對井場的廢物進行處置，並且對場地進行復原。

生產階段

SC49項目Alegria Lumpan區域的陸上油藏擁有足夠的壓差，生產最初階段原油自行噴出（溢流），因此生產過程中並不需要消耗大量額外的能源、設置大量機動設備和使用大量的水資源。原油生產後將直接由客戶安排的輸送車裝載並運走。



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3.1. Avoiding Oil Spill

The Group designates their top priority to avoid oil spills, but even under the most stringent risk management, oil spills or blowout can still occur during drilling, delivery and storage stages. Oil spills can occur due to delivery pipeline and storage tank malfunctions, and the release of crude oil can cause fatal damage to the ecosystem and contaminate the land and sea. The Group actively works to prevent crude oil deposit releases through the implementation of technology and the development of risk management strategies.

The Group is committed to taking impactful actions to protect human life, infrastructure, property and environmental resources in major oil spill incidents. An oil spill contingency plan is developed through the risk management system to ensure that a safe, timely, effective and coordinated response to oil spills can be provided whenever and wherever necessary. The Group takes an active leadership role in the event of an oil spill and the corresponding clean-up and recovery activities in the environment that may be contaminated. An onsite oil spill emergency response team is maintained to handle minor and major spills which may occur during the project life cycle. The team is divided into three main sections, which include the operation, planning and logistics sections. The operation section takes a leading role in resource identification, protection and treatment for contaminated areas and oily waste handing. The planning and logistics sections manage spills in coordination with the local government unit and other parties through the provision of equipment and trained personnel. The Group determinedly strives to protect people, property and the environment through practicable environmentally-sound and economically-feasible mitigation measures.

3.1. 原油洩漏的預防

本集團將防止漏油列為首要任務，但即使在最嚴格的風險管理下，鑽井、運輸及儲存階段仍然有可能發生原油洩漏或出現井噴。輸送管道和儲存罐發生故障時亦可能造成漏油的發生。原油的洩漏可能會對生態系統造成嚴重損害並污染陸地和海洋。本集團通過技術實施和風險管理策略開發防止原油意外洩漏。

本集團承諾在重大原油洩漏事故發生時採取有效的行動，以保障人身、基礎設施、財產及環境資源的安全。本集團通過風險管理系統制定漏油應急計劃，以確保可以提供安全、及時、有效及協調的應對方案。在原油洩漏事件及後續的污染環境清理與修復活動中，本集團將積極發揮領導作用。本集團設有現場漏油應急響應小組，以處理項目週期中發生的漏油事故。該小組分為三個主要部分，分別是行動部門、計劃部門和物流部門。行動部門於資源識別及保護與污染區域及含油廢物處理的過程中擔任領導角色。計劃部門與物流部門透過提供設備和受訓有素的員工，與地方政府單位和其他各方協調處理事故。本集團致力於通過最環保和經濟的緩解措施來保障人民、財產和環境的安全。

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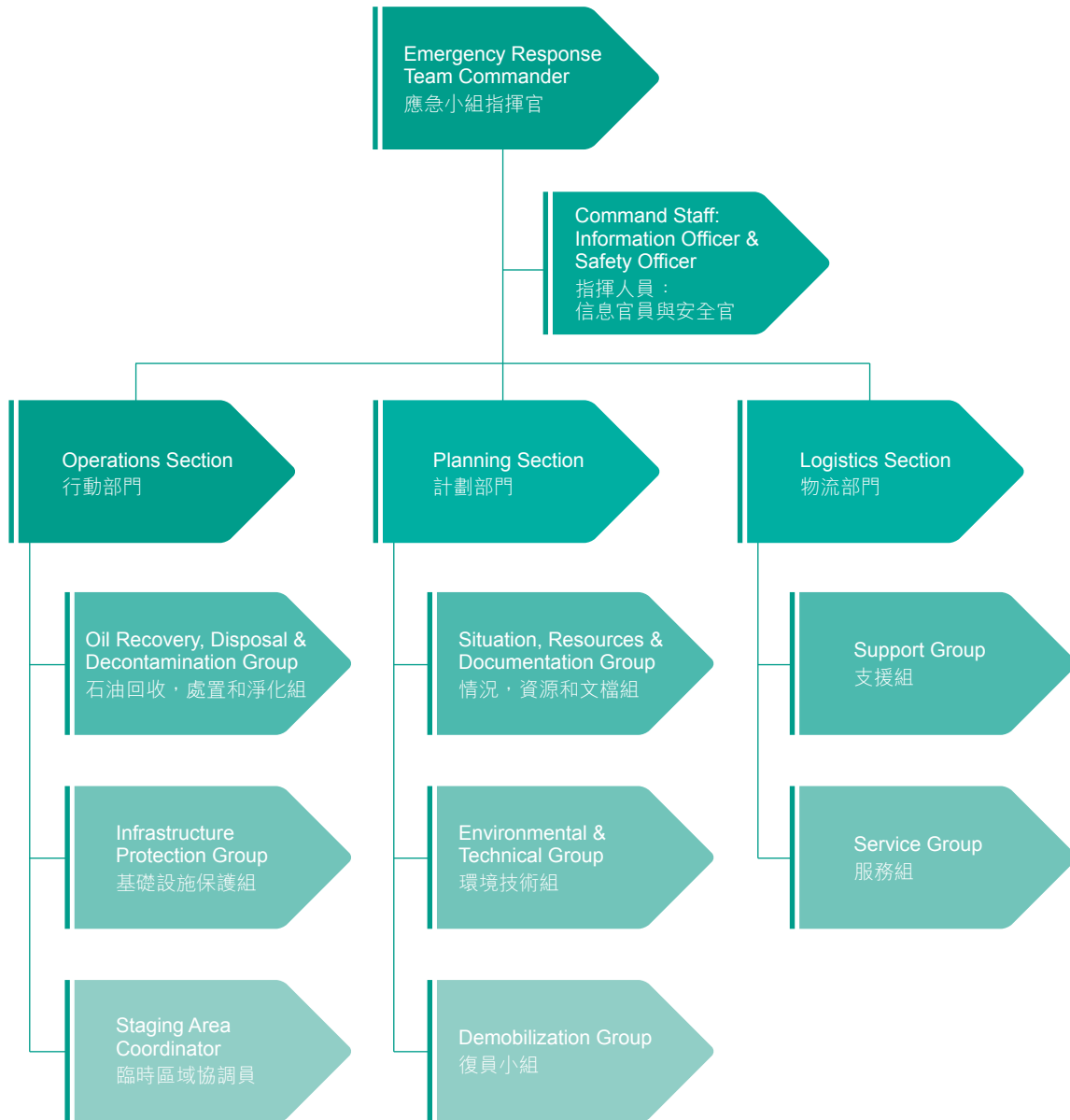


Figure 2. The structure of the oil spill emergency response team
圖2.漏油應急響應團隊的架構



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3.2. Solid Waste Management

The Group considers waste management as an important part of environmental and resource management. The well drilling and testing activities of SC49 are all outsourced to drilling contractors. Selected drilling contractors are required to comply with the HSSE Policy of the Group, which strictly regulates the treatment of waste. Under the HSSE Policy, wastes are categorised and treated independently. Drilling is an activity that generates several types of solid wastes that include domestic waste, packaging materials, wastes associated with drilling and hazardous wastes. Domestic wastes include personal waste such as plastics, paper, food, etc. Packaging materials include materials used in the mud component transportation and storage, packing materials for equipment, etc. Wastes associated with drilling include drill cuttings and excess materials. Drill cuttings are produced by the grinding of rocks against the drill bit on the bottom of the well. Excess materials can be generated from slope cutting, widening of roads and the lowering grades of road, which are performed to facilitate drilling. Hazardous wastes include fluorescent lights and bulbs, paints, batteries, etc. Currently, the production phase of the SC49 project mainly produces drill cuttings and does not produce significant hazardous waste.

3.2. 固體廢物管理

本集團認為廢物管理是環境和資源管理的重要組成部分。由於SC49項目的鑽井和試井活動均外判予鑽井承包商進行，本集團要求所選擇的承包商必須遵守本集團的HSSE政策，其中包含嚴格監管廢物處理。根據HSSE政策，廢物需被分類並獨立處理。鑽井活動可以產生不同類型的固體廢物，主要包括生活廢物、包裝材料、鑽井相關廢物和危險廢物等。生活廢物包括諸如塑料、紙、食物渣滓等。包裝材料包括用於泥漿運輸及儲存與用於設備的包裝材料等。鑽井相關廢物包括鑽屑和多餘材料，其中鑽屑是在鑽井底部的岩石和鑽頭研磨產生的，而多餘材料是在為方便鑽井而進行的斜坡切割、道路擴寬和道路坡度降低等情況下產生。危險廢物則包括破碎的熒光燈、燈泡、油漆和電池等。目前，SC49項目的生產階段主要產生的廢棄物為鑽屑，並不產生重大的危險廢物。

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Proper waste minimisation, segregation and treatment have been developed and well-implemented in each project site. Waste minimisation and effective use of resource are monitored at the level of natural resource usage and waste generation. Solid wastes are further categorised into 4 groups: recyclables/reusables, biodegradables, disposables and hazardous. Wastes associated with drilling can only be placed in a pre-designated area, and these are collected and later disposed to a local authority-designated dumpsite or landfill site. Domestic wastes generated by workers, offices, pantries, etc. are collected in garbage bins provided. Catering in project sites are outsourced to third parties and kitchen wastes are collected and disposed accordingly.

The Group reuses the materials produced in the course of operations when feasible to reduce waste generation by selling recyclable materials to local residents and allowing employees to take away the recyclable materials as needed. Repairable spare parts of equipment are recorded and stored for future repairing usage. Other wastes are placed in garbage bins and sent to the municipal landfill for disposal.

Hazardous waste is arranged for collection by an authority-accredited hazardous waste service. Drill cuttings are disposed through on-site solidification or burial if not hazardous. Otherwise, they are arranged for collection by the waste service for proper handling and treatment.

本集團於每個項目場地已制定並良好地實施適當的廢物減量、隔離和處理措施。本集團從天然資源使用和廢物產生兩方面出發，監測廢物減量和資源有效利用的情況。項目營運過程中產生的固體廢物可進一步分為四類：可回收／可重複使用、可生物降解、一次性用品和危險廢物。鑽井相關廢物只能放置在預先指定的區域，並隨後運輸至當地政府指定的垃圾場或垃圾堆填區進行處置。員工於辦公室和食堂等地方產生的生活垃圾則收集至本集團提供的垃圾桶。本集團將項目所在地的餐飲服務外判予外部團體，並對廚餘垃圾進行妥善收集與處置。

本集團在可行的情況下重複使用營運過程中產生的材料，對當地市民出售可回收利用的材料，並讓有需要員工帶走可回收利用的材料，減少廢物產生。本集團記錄並於保管室放置可修復的設備零件以便將來修理。其他廢物放置在垃圾箱中並隨後運輸至市政垃圾堆填區。

危險廢物只能由官方認可的危險廢物處理商收集。不含有危險廢物的鑽屑需通過現場固化或埋藏處置。除此以外，本集團安排廢物收集服務以便進行適當的處理。



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3.3. Water Management and Waste Water Treatment

The Group recognises the importance of long-term water management and water recycling as the Group's operations require long-term demand for water. The Group uses fresh water to form drilling fluid, which principally acts as a lubricant. Examination of water sourcing, wastewater disposal and water recycling plays a vital role in the Group's water management.

Drilling generates tremendous friction, which can damage the drill bit. Drilling fluid minimises the friction, reduces the heat of drilling and reduces the risk of friction-related complications. The Group implements various measures to source water reliably and optimise the usage of drilling fluid. Water used in the formation of drilling fluid is required to be obtained from reliable sources authorised by the local government in order to minimise its impact on local fresh water. In Cebu, the Group sources water from the municipal water network. Initiatives to reuse water are also implemented through drilling process. Drilling fluid is circulated throughout the system, and materials are tripped from the borehole before cycling fluid back through screens and into the system. The recirculation process is designed to minimise the waste by reusing as much fluid as possible, and the final disposal of fluid and cuttings is treated in an environmentally safe manner.

3.3. 水資源管理和廢水處理

因本集團的營運對水資源有長期的需求，本集團認識到長遠的水資源管理和循環用水的重要性。本集團使用淡水組成主要作為潤滑劑的鑽井液。對水源索取、廢水處理和循環用水的審視於本集團的水資源管理中發揮著至關重要的作用。

鑽井產生的巨大摩擦力能夠損壞鑽頭。鑽井液可使摩擦力降至最低，減少鑽探的熱量，降低因摩擦而引起的風險。本集團實施不同的措施以尋找可靠的水源和優化鑽井液的使用，且用於製成鑽井液的水必須從當地政府授權的可靠水源獲得，以減少對當地淡水水源的影響。在宿霧，本集團從市政水網獲得水資源。本集團於鑽井系統中設置篩網，過濾鑽井液中的物質並回流至系統重新使用，通過設計再循環過程盡可能重複使用鑽井液，以盡量減少廢液的產生和排放。本集團以對環境安全的方式進行鑽井液和鑽屑的最終處置。

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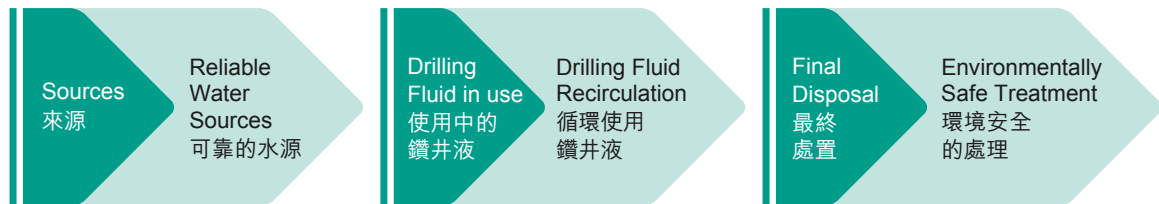


Figure 3. The drilling fluid management

圖3.鑽井液的管理

Water contamination is not a major concern during regular activities of exploration and development. The major sources of contamination are the materials used in drilling, in particular those used in the production of drilling fluid. However, the main components are non-toxic and therefore considered as non-hazardous substances. In order to further minimise impacts on local water bodies, the Group has integrated a wastewater treatment system into its drilling operations to ensure that the drilling fluids used do not affect the water quality of the surrounding water bodies when released.

水污染不是常規開採活動中重點關注的問題，其主要的來源僅限於鑽井過程中使用的材料，例如生產鑽井液的原料等。但由於鑽井液的原料均為無毒無害，所以可被視為無害物質。但為進一步減少鑽井液對當地水體的影響，本集團已在鑽井作業中加入廢水處理系統，以確保所使用的鑽井液在排放時不影響周圍水體的水質。



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The problems associated with the combined impact of the Group's activities and local weather are considered by the Group. The Group took into consideration the climate system and the ecological environment of the SC49 project site at the planning stage, and the risk of water pollution by siltation was identified. The project site is situated within a Type 3 climate, which is categorised by the Philippine Atmospheric, Geophysical and Astronomical Services Administration. Type 3 climate is characterised by no pronounced seasons, relatively dry from November to April and wet for the remainder of the year. Sediments in the well construction sites that are washed out by storm runoff can potentially pollute the streambeds, and so the well sites are provided with appropriate silt traps and siltation ponds to settle sediments and reduce silt deposition in the streambeds.

Currently, the production phase of the SC49 project does not require significant consumption of water resources.

3.4. Greenhouse Gas ("GHG") Emissions

The Group recognises the importance of GHG emission control. Direct GHG emissions include carbon dioxide, methane and nitrous oxide. During the Reporting Period, flaring in the production process and purchased electricity consumption were identified as the major sources of direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2) from the Group, respectively.

本集團考慮到其活動與當地天氣綜合產生的有關影響。在規劃階段SC49項目時，考慮所在地的氣候系統和生態環境，並識別因泥沙淤積而導致的水污染風險。項目所在地屬於由菲律賓大氣地球物理和天文服務管理局劃分的三類氣候。三類氣候的特點是沒有明顯的季節區分，11月至4月相對乾燥，其餘時間則相對潮濕。井場施工場地中因暴雨徑流而沖走的沉積物可污染河床，因此井場已設置適當的淤泥捕集器和淤積池，以沉澱沉積物並減少河床中的淤泥沉積。

目前，SC49項目的生產階段並不需要消耗大量水資源。

3.4. 溫室氣體排放

本集團認識控制溫室氣體排放的重要性。直接溫室氣體排放包括二氧化碳、甲烷和一氧化二氮。於本報告期內，本集團識別生產過程中的火炬燃燒為本集團的直接溫室氣體排放(範圍一)的主要來源，而使用購買電力為本集團的間接溫室氣體排放(範圍二)的主要來源。

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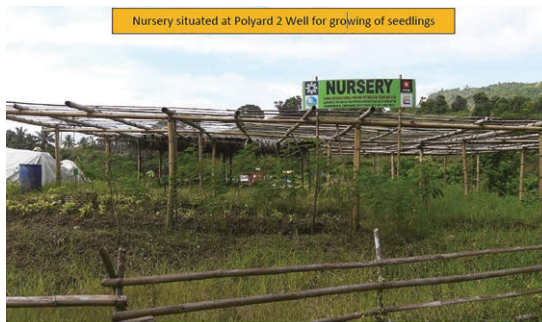
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Since methane is the main component of the associated gas in the oil well, the Group transforms methane (higher Global Warming Potential) into carbon dioxide (lower Global Warming Potential) through flaring, reducing GHG emission effectively.

The Group is aware of the importance to manage the ecological environment of oilfields, and hence proactively promotes greening projects to build a better environment. CIMP has been planting trees that are suitable for the local environment at drilled well sites and has constructed a nursery. CIMP conducts maintenance for the trees and soil to ensure the trees to have a high survival rate. During the Reporting Period, CIMP has planted a total of 8,180 trees as an effort to reduce GHG emissions.

CIMP constructed a nursery at the drilled Polyard-2 well.

CIMP在Polyard-9井成功完鑽後建設苗圃。



Nursery situated at Polyard 2 Well for growing of seedlings

由於甲烷為油井中伴生氣的主要組成成分，本集團通過火炬燃燒將擁有較高全球變暖潛能值的甲烷轉變為較低全球變暖潛能值的二氧化碳，因此有效降低溫室氣體排放。

本集團意識到油田生態環境治理的重要性，積極推動綠化計劃，建設美好環境。CIMP透過在已成功完鑽的井場上廣建樹木並建設苗圃，種植適合在該處環境生長的樹木。CIMP定期修理樹木及護理土壤，以確保樹木擁有高存活率。於本報告期內，CIMP共種植8,180棵樹，助力減少溫室氣體排放量。

CIMP employees organised tree-planting activities to create a greener environment.

CIMP員工組織植樹活動以營造更加綠色的環境。



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3.5. The Environmental Performance 2018

3.5. 2018年的環境表現

| GHG Emission 溫室氣體排放 | | | | | |
|--|---|----------------|-------------------|---|--|
| Emission Source 排放來源 | Type 類別 | Quantity 數值 | Unit 單位 | Intensity ¹ 密度 ¹ | Unit 單位 |
| Total GHG Emissions 總溫室氣體排放量 | | | | | |
| Total Emissions 總排放量 | CO ₂ Equivalent 二氧化碳當量 | 132.65 | Metric tons 公噸 | 0.49 | Metric tons/ Metric tons of crude oil production 公噸/每公噸原油產量 |
| Scope 1: Direct Emission 範圍一：直接排放 | | | | | |
| The Combustion Emission of Associated Gas ² 伴生氣的燃燒排放 ² | CO ₂ Equivalent 二氧化碳當量 | 122.10 | Metric tons 公噸 | – | – |
| Scope 2: Indirect Emission 範圍二：間接排放 | | | | | |
| Purchased Electricity ³ 外購電力 ³ | CO ₂ Equivalent 二氧化碳當量 | 10.55 | Metric tons 公噸 | – | – |
| Use of Resources 資源使用量 | | | | | |
| Purchased Electricity 外購電力 | | 21,000.00 | kWh 千瓦時 | 77.55 | kWh/ Metric tons of crude oil production 千瓦時/每公噸原油產量 |
| Purchased Water 外購自來水 | | 1,630.00 | Metric tons 公噸 | 6.02 | Metric tons/ Metric tons of crude oil production 公噸/每公噸原油產量 |

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| Total Waste Generated 廢棄物總量 | | | | | |
|--------------------------------------|------------|----------------|-------------------|---|--|
| Emission Source 排放來源 | Type 類別 | Quantity 數值 | Unit 單位 | Intensity ¹ 密度 ¹ | Unit 單位 |
| Drill Cutting 鑽屑 | | 97.93 | Metric tons 公噸 | 0.36 | Metric tons/ Metric tons of crude oil production 公噸/每公噸原油產量 |
| Other Non-hazardous Waste 其他無害廢棄物 | | 9.50 | Metric tons 公噸 | 0.04 | Metric tons/ Metric tons of crude oil production 公噸/每公噸原油產量 |
| Hazardous Waste 有害廢棄物 | | 0.22 | Metric tons 公噸 | 8.12 x 10 ⁻⁴ | Metric tons/ Metric tons of crude oil production 公噸/每公噸原油產量 |

¹ The intensity is calculated based on the oil production of the oilfield during the Reporting Period in metric tons.

² This calculation of GHG emissions (Scope 1) includes the associated gas produced and flared by the oil well of CIMP, respective calculation method and emission factors were set out based on the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* and the *GHG Protocol tool for stationary combustion. Version 4.7* published by the IPCC and the World Resources Institute, respectively. The estimation of flaring emission does not involve the emission of N₂O.

³ Since the Group has begun to conduct drilling, well testing and production, the Group therefore expanded its GHG emissions (Scope 2) scope to include the well site of CIMP located in Alegria, Cebu, and the calculation and respective emission factors were set out based on the *GHG Protocol tool for stationary combustion. Version 4.7* published by the World Resources Institute.

¹ 密度的計算是基於油田於報告期內的原油產量(公噸)。

² 此溫室氣體排放(範圍一)的計算範圍包括CIMP的油井所產生並經過燃燒的伴生氣，其計算方法及相關排放系數計算乃參考由政府間氣候變化專門委員會發佈的《2006 IPCC Guidelines for National Greenhouse Gas Inventories》及由世界資源研究所發佈的《GHG Protocol tool for stationary combustion. Version 4.7》所制訂。伴生氣燃燒排放的估算並不包含N₂O的排放。

³ 由於本集團於2018年開始鑽井、試井及生產，因此本集團於2018年的溫室氣體排放(範圍二)的計算範圍擴大收集範圍至CIMP位於宿霧省Alegria市的井場，其計算方法及相關排放系數計算乃參考由世界資源研究所發佈的《GHG Protocol tool for stationary combustion. Version 4.7》所制訂。



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4. Sustainable Community

The Group continues to create employment opportunities for the local community and employs residents to promote the interaction between the Group and the local community. Therefore, the Group's policies on employment and community investment are complementary and indispensable.

4.1. Building a Reliable Workforce

The Group firmly believes that employees are one of the Group's most important assets, strictly complies with laws and regulations that have a significant impact on the Group's operations in the Philippines in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare (please refer to Appendix 1 for details). During the Reporting Period, the Group did not receive any violations or complaints relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have a significant impact on the Group.

4. 可持續社區

本集團持續為當地社區創造就業機會，僱用當地居民以推動本集團與當地社區的交流，因此，本集團於僱傭及社區投資方面的政策是相輔相成、缺一不可的。

4.1. 培養可靠員工

本集團堅信員工是本集團最重要的資產之一，嚴格遵守菲律賓有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面對本集團有重大影響的法律法規(詳細請參考附錄一)。於本報告期內，本集團未曾接獲任何有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面對本集團有重大影響的違規事件或任何投訴。

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The Group is determined to provide equal opportunities to all qualified persons without regard to creed, race, age, gender and regional origin. Employment contracts are prepared based on labour laws to protect employees' rights. The Group proactively checks the identity cards of applicants during recruitment and employment to prevent hiring child labour, and absolutely prohibits forced labour. The Group works towards a diversified composition of employees with various races, education background, work experience, nationalities, knowledge and skills. The Group clearly sets the working hours per day for employees. In addition, the on-site employees work on a rotational basis. The Group is impartial and equally selects applicants on the basis of their education, work experience, compatibility with work culture and their potential for future advancement. The Group has clear policies on compensation, recruitment, employment, training and development. The termination of labour contracts and dismissal of employees are conducted in strict compliance with the relevant laws and regulations so as to fully protect the rights and obligations of employees and the Group. During the Reporting Period, there were no significant changes in the labour and employment-related policies of the Group.

本集團致力於為所有合資格人士提供平等的機會，不因其信仰、種族、年齡、性別和地區而給予差別待遇。本集團的勞工合同是根據營運當地的勞工法制定，以保障員工權利。本集團在招聘過程中嚴格審查申請人的身份信息，以防止僱傭童工。同時，本集團禁止強制勞工。本集團致力於豐富本集團的員工組成，打造包含不同種族、教育背景、工作經驗、國籍、技能的多元化工作團隊。本集團明確規定員工每天的工作時間。此外，駐場員工上班採取輪班制。本集團公正平等地對待所有申請者，根據申請者的學歷、工作經驗、工作文化兼容性和發展潛力進行選擇。本集團擁有清晰的薪酬、招聘、培訓和發展政策。終止勞工合同和解除僱員均嚴格按照相關法律法規，以充分保護員工和本集團的權利和義務。於本報告期內，本集團的勞工和僱傭相關政策沒有重大變化。



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Motivating employees to continue developing their skills is important to the Group. The Group has a policy to provide employees with career training and development opportunities in accordance with their growth potential and job interests. Employees are encouraged to attend external courses, and the Group reimburses employees with the cost of fees and examinations undertaken, to enhance their capabilities and their operating performance in the aspects of safety and management.

A Performance Appraisal System is developed to regularly monitor the work performance of each employee. It helps employees to identify their strengths and areas for improvement, and allows department heads to better utilise employees' potential and to unleash employees' capabilities. The Group also offers internal promotions to employees, and the major factors considered are employees' abilities, performance and development potential.

The concept of work-life balance has gradually been integrated into the various management systems of the Group. The Group aims to maintain the mental health, physical health and productivity of employees by nurturing an atmosphere of unity based upon fellowship and camaraderie. Hospitalisation and medical benefits are established to upkeep employees' healthiness and accident insurance is provided to all permanent employees. In addition to ensuring that employees are enjoying statutory holidays, the Group also grants leaves relating to personal matters, such as examination leave and marriage leave. The Group has also established plans to promote employees' recreation, sports and social activities.

鼓勵員工不斷提升其工作技能對本集團而言非常重要。本集團根據員工的發展潛力和工作興趣為其提供職業生涯培訓和發展機會。本集團鼓勵員工參加外部課程，並報銷員工的培訓費用和考試費用。培訓可以增強員工的工作能力，從而提高員工於工作時在安全和管理等方面的表現。

本集團建立績效評估系統定期考察每位員工的工作績效。該系統有助員工識別自身的優勢及需改進的方面，同時也有助部門主管更好地利用和發展員工的潛力。本集團亦根據員工的能力、表現和發展潛力為員工提供內部晉升機會。

平衡工作與生活的理念已逐漸融入本集團的管理體系中。本集團致力於保持員工的身心健康和生產力，讓員工在友誼的基礎上營造出團結的氛圍。為保持員工身體健康，本集團已建立住院和醫療的福利制度，並向所有正式員工提供意外保險。本集團除確保員工享有法定假期外，還給予員工個人假期，例如考試假和婚假。本集團亦已製定相應計劃，推廣員工的康樂、體育及社會活動。

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CIMP employees participated in the Sinulog Festival in Cebu.
CIMP員工參加宿霧市的聖嬰節。



The Group adopts a zero-tolerance attitude towards bribery, extortion, fraud and money laundering. The Group strictly complies with laws and regulations that have a significant impact on the Group's operations in the Philippines in relation to bribery, extortion, fraud and money laundering (please refer to Appendix 1 for details). No whistleblowing disclosures related to anti-bribery and anti-corruption were received. Clear rules and statements against corruption are indicated in the staff handbook, which all employees have access to. Contractors, sub-contractors and suppliers are clearly informed to follow the anti-corruption rules of the Group. The Group takes steps to improve the internal anti-corruption system and to promote the importance of integrity amongst employees.

During the Reporting Period, the Group did not receive any allegation against the Group or its employees of bribery, extortion, fraud and money laundering that would have a significant impact on the Group.

本集團對賄賂、勒索、詐騙和洗黑錢持零容忍態度。本集團嚴格遵守菲律賓有關防止賄賂、勒索、欺詐及洗黑錢並對本集團有重大影響的法律法規(詳細請參考附錄一)。本集團的員工手冊對反貪污有明確的規定和聲明，並向所有承包商、分包商及供應商明確聲明必須遵守本集團的反貪污政策。本集團採取措施以改善內部反腐系統，並提升員工的誠信意識。

於本報告期內，本集團未曾接獲對本集團及其員工提出的賄賂、勒索、欺詐及洗黑錢等對本集團產生重大影響的指控，亦沒有接獲有關賄賂和貪污的舉報信息。



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4.2. Close Community Connection

The Group has always listened to the voices of the community where it thrives and has proactively responded to the livelihood concerns of the community by setting up a cross-sectoral platform that enables stakeholders in the community to express their views freely. CIMP organises IEC campaigns regularly to understand the concerns and expectations of local communities as well as to share information related to the benefits and potential impacts of the project to the local community, providing them with a broader picture and meanwhile enhances the transparency of the project.

Prior to each IEC campaign, mitigation measures for environmental and social concerns are prepared to facilitate a better communication with local residents hoping that consensus could be reached between the Group and the local residents. The Group hopes to address local residents' concerns at an early stage of the project to avoid any potential disagreement that may impact the Group's business activities.

The Group commits to responding to every community concern and in complying with relevant local laws and regulations to minimise impact on the local community. Meanwhile, the Group engages actively in building the community and in bringing positive impact to the community.

4.2. 緊密社區聯繫

本集團一直用心聆聽本集團營運所在地的社區的聲音，並且積極回應社區關注的民生事項，通過成立跨界平台，讓社區內不同利益相關方都能夠自由地表達他們的意見。CIMP定期舉辦IEC活動，了解當地社區的關注事項和期望並把項目的益處和潛在影響的相關資訊分享給當地社區，以提供全面的項目概況並提高項目透明度。

在每次IEC活動舉辦之前，CIMP將預先準備有關項目對環境和社會影響的具體緩解措施，以便與當地居民溝通，期望能夠在活動中與社區居民達到共識，在項目的早期階段解決他們關注的問題，避免任何潛在的分歧可能對本集團的業務活動造成的影響。

本集團承諾回應每一項社區關注，並承諾遵守當地相關法律法規以盡量減少對當地社區的影響。同時，本集團積極參與社區建設，期望為社區帶來正面的影響。

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In 2018, CIMP organised a number of IEC campaigns prior to the drilling of Polyard-9 well, communicating with municipal officials, community residents and students in the community where the Group operates.

於2018年，CIMP在Polyard-9井開鑽前舉辦多次IEC活動，與本集團營運所在地的社區的市政官員、社區居民及學生溝通。



In addition to focusing on the potential impact of the Group's business on the ecological environment and the safety of residents' everyday lives, the local community is also concerned about the economic benefits that the projects could bring. Therefore, the Group commits to creating employment opportunities for local communities, employing local residents to advance project development as well as to facilitating communication of both sides. During the Reporting Period, CIMP has employed over 80% of Filipino residents, of which over 40% were from Alegria. In the future, the Group will continue to provide job opportunities for the local community in the oil and gas industry in an effort to bring greater economic benefits to the local community.

當地社區除了關注本集團業務對生態環境及居民日常安全的潛在影響之外，他們還十分關注項目能夠為當地社區帶來的經濟效益。因此，本集團承諾為當地社區創造就業機會，僱用當地居民以促進項目發展並推動CIMP與當地社區的交流。於本報告期內，CIMP共聘用超過八成菲律賓居民，其中近四成員工來自Alegria市。未來，本集團將繼續為當地社區提供石油和天然氣行業的工作機會，致力為當地社區帶來更大的經濟效益。



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Furthermore, the Group is dedicated to putting the Group's corporate social responsibility into practice, strongly supports the development of the community where the Group operates, with a view to codevelop with the community. The Group encourages employees to actively integrate into the community and to establish close and friendly relationships with the local residents. During the Reporting Period, the Group participated in various community activities enthusiastically, including:

- Sponsored the Parish Fiesta celebrations in the Kawayan Festival held in Alegria, Cebu to pay homage to the Patron Saint, Saint Francis Xavier
- Donated bags of rice to local municipalities and distribute to residents with living difficulties in the community
- Donated road cement to villages where oilfields are located
- Hosted Miss Alegria Tourism well site tour
- 贊助宿霧省Alegria市Kawayan節教區嘉年華慶祝活動以向Saint Francis Xavier致敬
- 向當地市政府捐贈大米並向社區有生活困難的居民派發
- 向油田所在地村莊捐助修路水泥
- 舉辦Miss Alegria Tourism井場參觀活動

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CIMP sponsored the annual Parish Fiesta celebrations in the Kawayan Festival held in Alegria, Cebu.
CIMP贊助一年一度的宿霧省Alegria市Kawayan節教區嘉年華慶祝活動。



CIMP donated road cement to villages where oilfields are located.
CIMP向油田所在地村莊捐助修路水泥。



CIMP donated bags of rice to local municipalities and distributed to local residents.
CIMP向當地政府捐贈大米，並由員工向當地居民派發。



CIMP hosted Miss Alegria Tourism well site tour.
Miss Alegria Tourism 成員參觀CIMP井場。



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Appendix 1: Major laws and regulations the Group complied with during the Reporting Period⁴

附錄一：本集團於本報告期內遵守的重大法律法規⁴

Laws and regulations corresponding to the aspects of the Environmental, Social, Governance Reporting Guide^{5, 6}
《環境、社會及管治報告指引》各層面對應的法律和法規^{5, 6}

A. Environment A. 環境

Aspect A1: Emissions 層面A1：排放物

Presidential Decree No. 151 – Philippine Environmental Policy
151號總統令《菲律賓環境法》

Presidential Decree No. 984 – Pollution Control Law
984號總統令《污染控制法》

Presidential Decree No. 1586 – The Philippine Environmental Impact Statement System
1586號總統令《環評法規》

Republic Act No. 6969 – Toxic Substances and Hazardous & Nuclear Waste Management of the Philippines
6969號共和國法案《有毒物質、有害和放射性廢棄物管理法》

Republic Act No. 8749 – Comprehensive Air Pollution Control Policy
8749號共和國法案《潔淨空氣法》

Republic Act No. 9275 – Comprehensive Water Quality Management
9275號共和國法案《潔淨水法》

Republic Act No. 9003 – Ecological Solid Waste Management
9003號共和國法案《生態性固體廢棄物管理法》

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Laws and regulations corresponding to the aspects of the Environmental, Social, Governance Reporting Guide^{5, 6} 《環境、社會及管治報告指引》各層面對應的法律和法規^{5, 6}

B. Society B. 社會

Aspect B1: Employment 層面B1：僱傭

Labor Code of the Philippines^{B4}
《菲律賓勞工法例》^{B4}

Republic Act No. 7877 – Anti-Sexual Harassment Law
7877號共和國法案《反性騷擾法》

Republic Act No. 8504 – Philippine AIDS Prevention and Control
8504號共和國法案《菲律賓愛滋病預防和控制》

Republic Act No. 9165 – Comprehensive Dangerous Drug Act
9165號共和國法案《綜合危險藥物法》

Department Order No. 53-03 – Drug Free Workplace Policies and Programs^{B2}
53-03勞工和就業部指令《為私營公司實施無毒品工作場所政策和方案指南》^{B2}

Department Order No. 73-0 5– Policy and Program on Tuberculosis Prevention and Control
73-05勞工和就業部指令《結核病預防和控制政策和方案》

DOLE Department Advisory No. 05 Series of 2010 Guidelines for the Implementation of a Workplace Policy and Program on Hepatitis V
勞工和就業部2010年《關於實施工作場所五型肝炎政策和方案的準則》第05系列諮詢

Aspect B2: Health and Safety 層面B2：健康與安全

Republic Act No. 11058 – Occupational Safety and Health Standards Act
11058號共和國法案《職業安全和健康標準法》

Aspect B6: Product Responsibility 層面B6：產品責任

Republic Act No. 10173 – Data Privacy Act
10173號共和國法案《資料隱私權法》

Aspect B7: Anti-corruption 層面B7：反貪污

Republic Act No. 9160 – Anti-Money Laundering Act
9160號共和國法案《反洗錢法》

Republic Act No. 3019 – Anti-Graft and Corrupt Practices
3019號共和國法案《反貪污腐敗法》

⁴ The laws and regulations in this appendix are applicable laws and regulations in the Philippines.

⁵ Some of the laws cover a number of aspects; these laws are marked with an asterisk and the aspect it covers.

⁶ The laws and regulations that the Group complied with cannot be fully recorded here, only laws and regulations that have a significant impact on the group are disclosed in the appendix.

⁴ 此附錄中的法律法規均為菲律賓適用的法律法規。

⁵ 部分法律涵蓋「層面」中規定的若干主題；這些法律標有星號和涵蓋的層面代碼。

⁶ 此處不能盡錄所有本集團遵守的法律法規，只披露對本集團具有重大影響的法律法規。

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Appendix 2: The Environmental, Social and Governance Reporting Guide Index

附錄二：《環境、社會及管治報告指引》內容索引

| General Disclosures and Key Performance Indicators 一般披露及關鍵績效指標 | Description 描述 | Corresponding section in the Report or other descriptions 本報告有關章節或其他說明 |
|---|--|---|
| A. Environmental A. 環境範疇 | | |
| Aspect A1: Emission 層面A1：排放物 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 3. Sustainable Environment 3. 可持續環境 |
| KPI A1.1 | The types of emissions and respective emissions data. 排放物種類及相關排放數據。 | Not applicable ⁷ 不適用 ⁷ |
| KPI A1.2 | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) | 3.5. The Environmental Performance 2018 3.5. 2018年的環境表現 |
| KPI A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) | 3.5. The Environmental Performance 2018 3.5. 2018年的環境表現 |
| KPI A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算) | 3.5. The Environmental Performance 2018 3.5. 2018年的環境表現 |
| KPI A1.5 | Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果 | 3.4. GHG Emissions 3.4. 溫室氣體排放 |
| KPI A1.6 | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果 | 3.2. Solid Waste Management 3.2. 固體廢物管理 |

⁷ During the Reporting period, the Group's main operating activities did not involve significant emissions of air pollutants and direct energy consumption, and therefore relevant data were not disclosed in the Report.

⁷ 於本報告期內，本集團的主要營運活動並不涉及重大的大氣污染物排放和直接能源消耗，因此並未於本報告中披露相關資料。

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| General Disclosures and Key Performance Indicators 一般披露及關鍵績效指標 | Description 描述 | Corresponding section in the Report or other descriptions 本報告有關章節或其他說明 |
|---|---|--|
| A. Environmental A. 環境範疇 | | |
| Aspect A2: Use of Resources 層面A2：資源使用 | | |
| General Disclosure 一般披露 | Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策 | 3. Sustainable Environment 3. 可持續環境 |
| KPI A2.1 | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算) | 3.5. The Environmental Performance 2018 3.5. 2018年的環境表現 |
| KPI A2.2 | Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算) | 3.5. The Environmental Performance 2018 3.5. 2018年的環境表現 |
| KPI A2.3 | Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果 | Not applicable ⁷ 不適用 ⁷ |
| KPI A2.4 | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果 | 3.3. Water Management and Waste Water Treatment 3.3. 水資源管理和廢水處理 |
| KPI A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量 | Not applicable ⁸ 不適用 ⁸ |
| Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源 | | |
| General Disclosure 一般披露 | Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策 | 3. Sustainable Environment 3. 可持續環境 |
| KPI A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動 | 3.1. Avoiding Oil Spill 3.4. GHG Emissions 3.1. 原油洩漏的預防 3.4. 溫室氣體排放 |

⁸ The Group's main operational activities during the Reporting period included drilling, well testing and crude oil production activities for oil wells, and packaging materials were not important for the above activities.

⁸ 於本報告期內的主要營運活動包括油井的開鑽、試井及油田原油生產活動，包裝材料對於上述活動並不重要。

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| General Disclosures and Key Performance Indicators 一般披露及關鍵績效指標 | Description 描述 | Corresponding section in the Report or other descriptions 本報告有關章節或其他說明 |
|---|--|---|
| B. Social B. 社會範疇 | | |
| Aspect B1: Employment 層面B1：僱傭 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 4.1. Building a Reliable Workforce 4.1. 培養可靠員工 |
| Aspect B2: Health and Safety 層面B2：健康與安全 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 2.2. Employee Safety and Health Management 2.2. 員工安全與健康管理 |
| Aspect B3: Development and Training 層面B3：發展及培訓 | | |
| General Disclosure 一般披露 | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動 | 4.1. Building a Reliable Workforce 4.1. 培養可靠員工 |

Environmental, Social and Governance Report

環境、社會及管治報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

| General Disclosures and Key Performance Indicators 一般披露及關鍵績效指標 | Description 描述 | Corresponding section in the Report or other descriptions 本報告有關章節或其他說明 |
|---|--|--|
| B. Social B. 社會範疇 | | |
| Aspect B4: Labour Standards 層面B4：勞工準則 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 4.1. Building a Reliable Workforce 4.1. 培養可靠員工 |
| Aspect B5: Supply Chain Management 層面B5：供應鏈管理 | | |
| General Disclosure 一般披露 | Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策 | 2.2. Employee Safety and Health Management 3. Sustainable Environment 2.2. 員工安全與健康管理 3. 可持續環境 |
| Aspect B6: Product Responsibility 層面B6：產品責任 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 2.4. Product Responsibility ⁹ 2.4. 產品責任 ⁹ |

⁹ The Group's main operational activities during the Reporting period included drilling, well testing and crude oil production activities for oil wells, advertising and product labelling matters were not important for the Group.

⁹ 於本報告期內的主要營運活動包括油井的開鑽、試井及油田原油生產活動，廣告及標籤事宜對於本集團並不重要。

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|---|--|---|
| B. Social B. 社會範疇 | | |
| Aspect B7: Anti-corruption 層面B7：反貪污 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料 | 4.1. Building a Reliable Workforce 4.1. 培養可靠員工 |
| Aspect B8: Community Investment 層面B8：社區投資 | | |
| General Disclosure 一般披露 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | 4.2. Close Community Connection 4.2. 緊密社區聯繫 |

Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Executive Directors

Mr. Zhao Zhiyong, aged 64, Chairman of the Board, holds a doctoral degree of economics, majoring in monetary banking from the Southwestern University of Finance and Economics. He has over 35 years of experience in the profession of banking and finance, investment and business management. He previously worked for People's Bank of China. He also held various positions as General Manager in the securities and fund custodian department and Branch President of Industrial and Commercial Bank of China. He was the Chairman of China Huamao Investment Limited (中國華貿投資有限公司) and President of Huamao Fund Management Corporation Limited (華貿基金管理股份有限公司). He is currently the President of China Wheat (Shenzhen) Equity Investment Fund Management Limited (中麥田(深圳)股權投資基金管理有限公司). He joined the Group in August 2017.

Mr. Lai Chun Liang, aged 54, joined Polyard Petroleum International Co., Ltd., a wholly-owned subsidiary of the Company as an Executive Vice President in 2003. He was appointed as the Chief Operating Officer of the Group in September 2009, the Chief Executive Officer in June 2010, and an executive Director in May 2012. He holds a bachelor degree in electronic engineering from the Feng Chia University, Taiwan. Prior to joining the Group, he had over 10 years of experience in the development of angiography monitoring instrument and research on GPS and navigation system. He has over 16 years of experience in the operation and management of companies.

執行董事

趙智勇先生，64歲，董事會主席，持有西南財經大學經濟學博士學位，專業貨幣銀行學。彼於銀行及財務、投資及商業管理專業方面擁有逾35年經驗。他曾在中國人民銀行工作，他亦於中國工商銀行擔任過總行證券基金託管部總經理及省行行長等不同職位，他曾任中國華貿投資有限公司總裁及華貿基金管理股份有限公司董事長。他現為中麥田(深圳)股權投資基金管理有限公司董事長。他於二零一七年八月加入本集團。

來俊良先生，54歲，於二零零三年加入百田石油國際有限公司(彼為本公司一間全資擁有之附屬公司)出任行政副總裁，其後於二零零九年九月獲委任為本集團首席營運總裁，於二零一零年六月獲委任為行政總裁，並於二零一二年五月獲委任為執行董事。彼持有台灣私立逢甲大學電子工程學士學位。加入本集團前，彼於發展心血管監察儀器及研究衛星導航系統方面擁有逾10年經驗。彼擁有逾16年經營及管理公司經驗。

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Mr. Lin Zhang, aged 37, holds a bachelor degree in economics from the Tianjin University of Commerce. Prior to joining the Company in November 2007, Mr. Lin worked in the Indonesia branch of Chinaoil USA (Macao) Company Limited for two years and was responsible for the petroleum exploitation, development and related trading business. He was appointed as Deputy Chief Executive Officer of the Group in August 2017.

Independent Non-Executive Directors

Mr. Pai Hsi-Ping, aged 61, holds a bachelor degree in international trade from the National Chen-Chi University, Taiwan. He has over 25 years of working experience in management and is currently the Chief Executive Officer of a consultancy company in Taiwan. Besides, he previously held directorship and other major appointment in three listed public companies in Taiwan. He is currently the Director of Taiyen Biotech Company Limited. In addition, he was the Director of Formosa Plastics Corporation during the period from June 2006 to March 2008 and the Chairperson of Far East Air Transport Corporation for the period from April 2008 to May 2008. Mr. Pai was appointed as an independent non-executive Director of the Company in July 2009.

Ms. Xie Qun, aged 54, holds a Ph.D. Degree in English Language of The Chinese University of Hong Kong and a Master of Arts Degree and a Bachelor of Arts Degree in English Language of Central China Normal University. She has over 25 years of experience in the profession of education. While devoting herself to the fields of higher education research, foreign literature studies and enterprise culture research, Ms. Xie participated and completed one national social science fund project and one national publishing fund project. She was responsible for many research programs at provincial level as well as other academic projects, and published more than 10 academic books and textbooks and released over 20 research papers in literature on major local and international journals. She is currently the Professor in School of Foreign Languages of Zhongnan University of Economics and Law. Ms. Xie was appointed as independent non-executive Director of the Company in September 2013.

林漳先生，37歲，持有天津商業大學經濟學學士學位。於二零零七年十一月加入本公司前，林先生曾於中國聯合石油美國(澳門)有限公司印尼分公司工作兩年，負責石油勘探、開發及貿易等相關工作。彼於二零一七年八月獲委任為集團副行政總裁。

獨立非執行董事

白旭屏先生，61歲，持有台灣國立政治大學國際貿易學士學位。彼擁有逾25年管理工作經驗，現於台灣一顧問公司任職行政總裁。此外，彼曾於三間台灣上市公司擔任董事職務及其他主要職務。彼現為台鹽實業股份有限公司之董事。此外，彼亦於二零零六年六月至二零零八年三月期間擔任台灣塑膠工業股份有限公司之董事及於二零零八年四月至二零零八年五月期間擔任遠東航空股份有限公司之董事長。白先生於二零零九年七月獲委任為本公司獨立非執行董事。

謝群女士，54歲，持有香港中文大學英語語言博士學位、華中師範大學英語語言文學碩士及學士學位。彼於教育專業方面擁有逾25年經驗。在高等教育研究、外國文學研究、企業文化研究等領域潛心鑽研，謝女士曾參與並完成國家社科基金項目一項，國家出版基金項目一項。彼主持省部級課題及其他學術課題多項。同時出版學術著作和教材十幾本。在國內外重要期刊上發表論文二十餘篇。彼現任中南財經政法大學外國語學院教授。謝女士於二零一三年九月獲委任為本公司之獨立非執行董事。

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Mr. Kwan King Chi George, aged 69 holds a Master Degree of Science (Finance) with Honours from the National University of Ireland and a Bachelor Degree of Business Administration from the Royal Melbourne Institute of Technology. He also obtained a Doctoral Degree of History from the Wuhan University in 2016. He has over 40 years of experience in the profession of banking and finance, accounting, investment and business management. He had been the Assistant General Manager and Chief Operation Officer of ICBC (Asia) Limited, the Senior Vice President and Head of Operations of International Bank of Asia Limited (now Fubon Bank (Hong Kong) Limited), and the Senior Manager in the International Banking Department of Bank of Hawaii. Mr. Kwan is a member of The Hong Kong Institute of Directors. He was appointed as independent non-executive Director of the Company in November 2014.

Senior Management

Mr. Wang Dengwen, aged 49, Deputy General Manager and Chief Engineer of China International Mining Petroleum Company Limited (subsidiary of the Company), Philippines Branch, joined the Company in January 2016. He holds a bachelor degree from University of Petroleum (East China), majoring in geophysical prospecting and a master degree in geologic engineering from University of Petroleum (Beijing). Prior to joining the Company, Mr. Wang worked for Shandong Kerui Group as Dean of Petroleum Engineering Technology Institute where he managed geological research, reserves estimation, development program design, economic evaluation, oil well sand control technology, oil well paraffin control technology, oil well nitrogen injection technology etc. for 27 blocks in 18 countries, including Kazakhstan, Republic of Dagestan, Trinidad and Tobago, Columbia, Gabon, Albania, Mexico, Sudan, Tadjikistan and

關敬之先生，69歲，持有愛爾蘭國立大學科學(金融)榮譽碩士學位及皇家墨爾本理工學院工商管理學士學位。他並於二零一六年取得武漢大學歷史學博士學位。彼於銀行及財務、會計、投資及商業管理專業方面擁有逾40年經驗。彼曾任中國工商銀行(亞洲)有限公司助理總經理及營運總監、港基銀行有限公司(現富邦銀行(香港)有限公司)高級副總裁及營運總監及美國夏威夷銀行國際部高級經理。關先生現為香港董事學會會員。他於二零一四年十一月獲委任為本公司獨立非執行董事。

高級管理人員

王登穩先生，49歲，中國國際礦業石油有限公司(本公司之附屬公司)菲律賓分公司副總經理兼總工程師，於二零一六年一月加入本公司。他持有石油大學(華東)物探專業學位及石油大學(北京)地質工程碩士學位。加入本公司前，王先生出任山東科瑞集團石油工程技術研究院院長，負責18國家(包括哈薩克斯坦、達吉斯坦共和國、特立尼達和多巴哥、哥倫比亞、加蓬、阿爾巴尼亞、墨西哥、蘇丹、塔吉克及印尼)27個區塊的開展地質研究、儲量計算、開發方案設計編寫設計、經濟評價、油井防砂工藝、油井防蠟工藝、油井注氮工藝等工作。他亦曾在中石化勝利油田東勝油公司生產部、地質中心及



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Indonesia. He also worked for Production Department and Geological Center of Dongsheng Oil Company and geological institute of Gudao Oil Production Plant, Shengli Oilfield, SINOPEC as Senior Engineer, Chief Geologist and Deputy Director. Mr. Wang is responsible for implementing exploration and development strategies of the Company's oil and gas fields, monitoring production operations, applying hydrocarbon recovery engineering technology to downhole operations and taking care of QHSE issues etc.

Ms. Zhang Xia, aged 62, joined the Company in August 2009 as a Senior Engineer. Ms. Zhang holds a bachelor degree in science, majoring in petroleum geology from the Jiangnan Petroleum Institute. She has over 30 years of experience in geological research, stratigraphic correlation, sedimentary facies analyses, hydrocarbon source rock research, exploration well appraisal and evaluation, and well position deployment. She participated in and was responsible for the Sinopec Jiangnan oil project and CNPC Xinjiang oil field projects operated by China National Petroleum Corporation. She is currently the Vice Dean of Sinotech Research Institute.

Mr. Chen Hao, aged 60, Philippines Country Manager and General Manager of China International Mining Petroleum Company Limited (Subsidiary of the Company), Philippines Branch, joined the Company in September 2016 as Deputy Chief Geologist of Sinotech Polyard Institute. He graduated from the Geology Department of Northwest University, majored in petroleum and natural gas exploration. He has devoted himself to geological research on progressive exploration and development of petroleum for 35 years. He possesses rich experiences in geological research and planning design for progressive exploration and development of complex fault-block reservoir, carbonate reservoir and igneous rock reservoir as well as hydrocarbon reserves management. He was the Deputy Dean of Zhongyuan Oilfield Exploration and Production Research Institute under SINOPEC and Chief Subsurface Consultant of Eco Orient Resource (Thailand)

孤島採油廠地質所工作，擔任高級工程師、主任地質師及副主任。王先生負責執行公司對於油氣田發展戰略規劃、生產運行、採油採氣工程技術、井下作業、品質和安全等工作。

張霞女士，62歲，於二零零九年八月加入本公司，出任高級工程師。張女士自江漢石油學院取得科學學士學位(主修石油地質學)。她於地質研究及分析工作、沉積相劃分、煙源岩研究和勘探開發井位部署等方面有逾30年經驗。彼曾參與及負責中石化江漢石油項目及由中國石油天然氣集團經營之中國石油天然氣集團新疆油田項目。她現為中科百田研究院常務副院長。

陳昊先生，60歲，菲律賓國家經理兼中國國際礦業石油有限公司(本公司之附屬公司)菲律賓分公司總經理，於二零一六年九月加入本公司出任中科百田研究院副總地質師。他畢業於西北大學地質系石油與天然氣勘探專業。35年來他一直致力於石油與天然氣滾動勘探開發地質研究，具有複雜斷塊油氣藏、碳酸鹽岩油氣藏和火成岩油氣藏滾動勘探開發地質研究與部署設計及油氣儲量管理的豐富經驗。曾任中國石油化工集團公司中原油田勘探開發研究院副院長及香港中華煤氣公司旗下易高(泰國)公司之總地質顧問。先後在東僕窪陷、鄂爾多斯盆地、蘇丹國穆格萊德盆地、塔里木盆地、泰國碧差汶盆地和菲律賓宿霧盆地從事石油與天然氣滾動勘探

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Ltd. under Hong Kong and China Gas Company Limited. He was involved in geological research on progressive exploration and development of petroleum in Dongpu Depression, Ordos Basin, Muglad Basin in Sudan, Tarim Basin, Phetchabun Basin in Thailand and Cebu Basin in the Philippines. He had won four Science Technology Progress Awards under CNPC and SINOPEC and was the Senior Consultant for the Editorial Department of an academic journal titled "Fault-Block Oil & Gas Field". Mr. Chen is a member of the Chinese Petroleum Society (CPS) and the Society of Petroleum Engineers (SPE).

Mr. Zhou Jintang, aged 54, graduated from Wuhan Geological Institute with a major in Geology and from University of Petroleum (Beijing), with a Master's Degree in Mineral Prospecting and Exploration. Prior to joining the Company, Mr. Zhou provided services to Sinopec's Henan Oilfield Research Institute and a logging company in Henan's oilfield as Senior Engineer and Project Manager. He joined the Company in October 2007 and is currently the Deputy Chief Geologist of Sinotech Research Institute and one of the major researchers for the oil and gas exploration of the Group. He is mainly responsible for exploration research and management of the two projects in the Philippines and, meanwhile, undertakes the evaluation of oil and gas potentials for other overseas blocks.

Mr. Wang Shuquan, aged 52, graduated from Guangdong Petroleum College (major in Petroleum Geology) and Jiangnan Petroleum Institute (now called Yangtze University, major in Petroleum Engineering). He has over 20 years of experience in operational skills in geological supervision and management. He joined the Company as Geologic Director in July 2014. Mr. Wang is an expert in the on-site geological production and management, familiar with technology of on-site geological logging, strata of continental, marine and their transitional facies, geosteering technology of horizontal wells, mud logging and DST, identification and evaluation

發地質研究。他曾四次獲得中國石油、中國石化科技進步獎，及為學術期刊《斷塊油氣田》編輯部擔任高級顧問。陳先生現為中國石油學會(CPS)會員及美國石油工程師學會(SPE)會員。

周金堂先生，54歲，畢業於武漢地質學院地質專業，並在石油大學(北京)獲得礦產普查和勘探專業碩士學位。加入本公司前，周先生曾在中石化河南油田研究院及一間河南油田錄井公司工作，為高級工程師及項目經理。二零零七年十月加入本公司，現為中科百田研究院副總地質師，及集團油氣勘探專業主要研究者之一，主要從事菲律賓兩個項目的勘探研究及專案管理，同時承擔其他海外區塊油氣潛力評價工作。

王述權先生，52歲，畢業於廣東石油學校石油地質專業及江漢石油學院(現長江大學)石油工程專業。彼擁有超過20年有關地質監督及管理的操作工作經驗，他於二零一四年七月加入本公司，出任地質總監。王先生為一位地質現場生產及管理專家，熟悉地質錄井現場技術、陸相、海相、海陸過渡相的地層、水準井地質導向技術、測錄試生產管理、現場油氣水顯示識別和評價、HSE管理體系和品質標準體系。他具有於不同區域包括江漢盆地、南陽盆地、襄陽凹陷、塔里木盆地、渤海灣盆地、四川盆地、松遼盆地、及蘇北盆地等的工作經驗。王先生亦曾在CNODC蘇丹六區塊、CNOOC緬甸專案、



Biographical Details of Directors and Senior Management 董事及高級管理人員簡介

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of traces of oil, gas and water at sites, HSE management system and quality standards system. He had working experience in various regions including Jiangnan Basin, Nanyang Basin, Xiangzao Sag, Tarim Basin, Bohai Bay Basin, Sichuan Basin, Songliao Basin and Northern Jiangsu Basin. Mr. Wang was also appointed as the Geologic Supervisor or Geologic Director of CNODC Sultan No.6 Block, CNOOC Myanmar project, CNODC Mauritania project, SIPC Algeria project, CNPC Turkmenistan Amu Darya gas project, SIPC Myanmar project and Iran Yada project Phase I.

CNODC茅利塔尼亞項目、SIPC阿爾及利亞、CNPC土庫曼斯坦阿姆河天然氣項目、SIPC緬甸項目和伊朗雅達一期項目從事地質監督或地質總監工作。

Report of the Directors

董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The Directors would like to submit their report together with the audited consolidated financial statements for the year ended 31 December 2018.

Principal Activities

The principal activity of the Company is investment holding. The Group is principally engaged in the exploration, exploitation and development of oil, natural gas and coal, provision of technical services and trading of petroleum-related products. The principal activities of its subsidiaries are set out in note 33 to the consolidated financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in note 13 to the consolidated financial statements.

Results

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 106.

Risk Factors

The Group's business and financial performance may be affected by risks and uncertainties as set out below. Such risks are by no means exhaustive and there may be other risks which are not known to the Group.

1. Price Fluctuation of Crude Oil Risk

The Group is engaged in the exploration and development of oil and natural gas and trading of petroleum-related products. The prices of crude oil, natural gas and refined products in the international market are affected by various factors such as changes in demand and supply of oil and gas and the general state of the global economy, which could adversely affect the valuation of the projects and financial results of the Group.

董事謹提呈截至二零一八年十二月三十一日止年度之報告連同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。本集團主要從事勘探、開採及開發石油、天然氣及煤炭、提供技術服務以及買賣石油相關產品。其附屬公司之主要業務載於綜合財務報表附註33。本集團本年度之業務及地區分部表現分析載於綜合財務報表附註13。

業績

本集團本年度之業績詳列於第106頁之綜合損益表。

風險因素

本集團業務及財務表現或會受到下文載列的風險及不確定因素的影響。該等風險因素並無詳盡列出且或會存在本集團未知的其他風險。

1. 原油價格波動風險

本集團從事石油及天然氣的勘探及開發以及石油相關產品的買賣。國際市場上的原油、天然氣及精煉產品的價格受到諸如石油及天然氣供需以及全球經濟的整體狀況變化等各種因素的影響，該等因素可對本集團的項目估值及財務業績產生不利影響。

2. Overseas Investment Risk

As the Group's principal investment projects are all located in the Philippines, it is subject to the influences of the stability of the local political environment, taxation policies and other legal and regulatory requirements. The Group will continue to mitigate the concentration investment risk by exploring other investment opportunities in other countries.

3. Operational Risk

Oil and gas exploration and development involve hazard risks such as accidents, personal injuries or death, property and environment damages, natural disasters such as typhoon and tsunami etc., which may cause stoppage and losses to the operations. The Group has implemented a HSE (Health, Safety and Environment) management system which requires strict compliance by the employees, contractors, sub-contractors, suppliers and third party personnel working on the Group's project sites or facilities.

4. Financial and Capital Risk

The Group also faces financial risks including foreign currency risk, interest rate risk, credit risk and liquidity risk as well as capital risk, details of which are set out in note 32 to the consolidated financial statements.

2. 海外投資風險

由於本集團主要投資項目全部位於菲律賓，受當地政治環境、稅務政策及其他法律及法規規定的穩定性的影響。本集團將繼續通過在其他國家尋求其他投資機遇降低集中投資風險。

3. 運營風險

石油及天然氣勘探及開發涉及事故、人員傷亡、財產及環境損害、颱風及海嘯等自然災害等危險風險，可能導致運營停工及虧損。本集團已實施HSE(健康、安全及環境)管理系統，要求僱員、承包商、分包商、供應商及第三方人員於本集團項目場所或設施工作時嚴格遵守該系統。

4. 財務及資本風險

本集團亦面臨外幣風險、利率風險、信貸風險及流動資金風險等財務風險及資本風險，詳情載於綜合財務報表附註32。

Report of the Directors

董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Environmental Policies and Performance

The Group's operations are subject to the environmental laws and regulations in relation to the oil and gas exploration and development in the Philippines. An independent environmental consultant is engaged by the Group to conduct environmental impact assessments at all of the projects, which are submitted to the Department of Environment and Natural Resources (DENR) for approval. After satisfying the requirements in the application, and with the recommendation of the Environmental Management Bureau (EMB), the DENR will grant the Environmental Compliance Certificate (ECC) to the project. With the issue of the ECC, the Group will need to implement measures to protect and mitigate the project's adverse impacts on community health, welfare and the environment throughout all phases of the project. The Group is required to secure all necessary permits in areas such as hazardous waste materials and wastewater management and control, transportation of oil, drainage systems and road networks etc. The environmental consultant and Company team will ensure the compliance of the project with the requirements of the ECC conditions. The Group has also put in place a strict HSE management system in the protection of health, safety and environment. The Group is in compliance in all material aspects with the applicable environmental laws and regulations in the Philippines.

Dividends

The Directors do not recommend the payment of any dividend for the year.

環境政策及表現

本集團於菲律賓勘探及開發石油及天然氣的營運活動須遵守環境法律法規。本集團委任一名獨立環境顧問就遞交予環境及自然資源部(環境及自然資源部)審批的所有項目進行環境影響評估。於滿足所有申請要求並經環境管理局(環境管理局)建議，環境及自然資源部將授予項目環境合規證書(環境合規證書)。經頒發環境合規證書，本集團須於整個項目各階段落實措施保護及減輕項目對社區健康、福利及環境的不利影響。本集團須確保獲得各領域所有必要的許可，如有害廢料及廢水的管理及控制、石油運輸、排水系統及道路網絡等。環境顧問及本公司團隊會確保項目遵守環境合規證書規定的情況。本集團亦設有保護健康、安全及環境的HSE管理體系。本集團於各重大方面均遵守菲律賓適用環境法律及法規。

股息

董事不建議派發任何本年度之股息。

Reserves

Details of movements in the reserves of the Company during the year are set out in note 35(i) to the consolidated financial statements. Details of movements in the reserves of the Group during the year are presented in the consolidated statement of changes in equity on page 110.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

Convertible Bonds

Details of movements in the convertible bonds of the Company are set out in note 24 to the consolidated financial statements.

Share Capital

Details of the movements in share capital of the Company are set out in note 27 to the consolidated financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws of Cayman Islands, which would oblige the Company to offer new shares on a prorata basis to existing shareholders.

儲備

本公司於年內儲備變動之詳情載於綜合財務報表附註35(i)。本集團於年內儲備變動之詳情載於第110頁之綜合權益變動表內。

物業、廠房及設備

本集團物業、廠房及設備變動之詳情載於綜合財務報表附註14。

可換股債券

本公司可換股債券變動之詳情載於綜合財務報表附註24。

股本

本公司股本變動之詳情載於綜合財務報表附註27。

優先購買權

本公司之組織章程細則及開曼群島法例並無有關優先購買權之條文，致促使本公司須按比例向現有股東提呈發售新股份。

Report of the Directors

董事報告

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Distributable Reserves

Details of distributable reserves of the Company at 31 December 2018 are set out in note 35(i) to the consolidated financial statements.

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years ended 31 December 2018 is set out on page 248 of the annual report.

Directors

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

Executive Directors:

Mr. ZHAO Zhiyong (appointed on 25 August 2017)
Mr. KUAI Wei (resigned on 1 July 2019)
Mr. LAI Chun Liang
Mr. LIN Zhang

Independent Non-executive Directors:

Mr. PAI Hsi-Ping
Ms. XIE Qun
Mr. KWAN King Chi George

By virtue of Articles 83(3), 84(1) and 84(2) of the Company's Articles of Association, Mr. Zhao Zhiyong, Mr. Kwan King Chi George and Mr. Lai Chun Liang will hold office until the forthcoming annual general meeting of the Company, and being eligible, offer themselves for re-election at that meeting.

可供派儲備

本公司於二零一八年十二月三十一日之可供分派儲備之詳情載於綜合財務報表附註35(i)。

五年財務概要

本集團過往截至二零一八年十二月三十一日止五個財政年度之業績、資產及負債概要載於本年報第248頁。

董事

本公司於年內及直至本報告日期之董事如下：

執行董事：

趙智勇先生(於二零一七年八月二十五日獲委任)
鄒偉先生(於二零一九年七月一日辭任)
來俊良先生
林漳先生

獨立非執行董事：

白旭屏先生
謝群女士
關敬之先生

根據本公司之組織章程細則第83(3)、84(1)及84(2)條，趙智勇先生、關敬之先生及來俊良先生之董事職務將於本公司應屆股東週年大會上結束，彼等合乎資格並願意於會上膺選連任。

Directors' Service Contracts

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Directors' Interest in Contracts

None of the Directors had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party at any time during the year ended 31 December 2018.

Permitted Indemnity Provision

Pursuant to the Company's Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all loss or liabilities (the Companies Ordinance (Cap. 622)) which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group.

Biographical Details of Directors and Senior Management

Biographical details of Directors of the Company and senior management of the Group are set out on pages 80 to 85 of the annual report.

董事服務合約

董事概無與本公司或其任何附屬公司訂立本集團於一年內不作出賠償(法定賠償除外)即不能予以終止之服務合約。

董事之合約權益

於截至二零一八年十二月三十一日止年度內任何時間，董事概無於任何本公司、其控股公司或其任何附屬公司作為一方訂立對本集團業務屬重要合約中直接或間接擁有重大實益權益。

獲准許之彌償條文

根據本公司組織章程細則，每位董事有權就其任期內，或因執行其職務而可能遭致或發生與此相關之一切損失或責任(按公司條例(第622章))從本公司資產中獲得賠償。本公司已安排為本集團董事及高級職員購買適當的董事及高級職員責任保險作為保障。

董事及高級管理人員簡介

本公司董事及本集團高級管理人員簡介載於本年報第80頁至85頁。

Report of the Directors

董事報告

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Directors' and Chief Executive's Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporations

As at 31 December 2018, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to the securities transactions by Directors.

董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券中之權益及／或淡倉

於二零一八年十二月三十一日，任何董事及本公司最高行政人員概無於本公司或其任何相聯法團（證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有任何根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉，或根據證券及期貨條例第352條須記載於該條所述之登記冊內之權益或淡倉，或根據GEM上市規則第5.46至第5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。

Report of the Directors 董事報告

Annual Report 2018 二零一八年年報

Substantial Shareholders' Interests and/or Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2018, the interests and short positions of persons, other than Directors or chief executive of the Company, in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or substantial shareholders as recorded in the register of substantial shareholders required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東於本公司股份及相關股份之權益及／或淡倉

於二零一八年十二月三十一日，除董事或本公司最高行政人員外，於本公司之股份及／或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司及聯交所披露之權益及淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上之權益之人士，或按本公司根據證券及期貨條例第336條須存置之主要股東登記冊所記錄之主要股東如下：

| Name of person 人士名稱 | Number of shares held 所持股份數目 (Note 1) (附註1) | Capacity 身份 | Approximate percentage of interest 概約權益百分比 |
|--|--|--|---|
| Silver Star Enterprises Holdings Inc. | 1,890,295,931 (L) (Note 2) (附註2) | Beneficial owner 實益擁有人 | 64.35% |
| Lam Nam 林南 | 1,890,295,931 (L) (Note 2) (附註2) | Interest of a controlled corporation 受控制公司之權益 | 64.35% |
| | 48,480,000 | Beneficial owner 實益擁有人 | 1.65% |
| Haitong International Securities Company Limited 海通國際證券有限公司 | 250,000,000 (L) (Note 3) (附註3) | Beneficial owner 實益擁有人 | 8.51% |
| Shu Xin 舒心 | 152,580,000 | Beneficial owner 實益擁有人 | 5.19% |

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Notes:

1. The letter "L" denotes long positions in shares or underlying shares.
2. The entire issued share capital of Silver Star Enterprises Holdings Inc. is beneficially owned by Mr. Lam Nam. Mr. Lam Nam is deemed to be interested in 1,890,295,931 shares held by Silver Star Enterprises Holdings Inc.
3. These shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds issued by the Company.

Save as disclosed above, as at 31 December 2018, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares and/or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

1. 「L」字母指該人士於股份或相關股份之權益。
2. Silver Star Enterprises Holdings Inc.之全部已發行股本由林南先生實益擁有。林南先生被視作於Silver Star Enterprises Holdings Inc.持有之1,890,295,931股股份中擁有權益。
3. 該等股份於行使本公司發行之可換股債券附帶之兌換權而可予配發及發行。

除上文所披露者外，於二零一八年十二月三十一日，就董事所知，除本公司董事或主要行政人員外，概無任何其他人士於本公司之股份及／或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司及聯交所披露之權益或淡倉，或直接或間接擁有附有權利於任何情況下在本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上之權益，或任何其他主要股東擁有須記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

Directors' Rights to Acquire Shares and Debentures

At no time during the year were rights to acquire benefits by means of acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors, their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangements to enable the Directors, their respective spouses or children under 18 years of age to acquire such rights in the Company or any other body corporate.

Major Customers and Suppliers

None of the Directors, their respective associates or any shareholders of the Company (who to the knowledge of the Directors owns more than 5% of the issued share capital of the Company) had any interests in the Group's five largest suppliers or customers.

Sufficiency of Public Float

Based on the information that is publicly available to and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares at the latest practicable date prior to the issuance of this report.

董事購入股份及債券之權利

於本年內任何時間，概無授予董事、彼等各自之配偶或未滿十八歲子女可透過收購本公司或任何其他法人團體之股份或債券而獲取利益之權利，或由彼等行使有關權利；而本公司或其任何附屬公司亦無參與任何安排，令董事、彼等各自之配偶或未滿十八歲子女取得本公司或任何其他法人團體之該等權利。

主要客戶及供應商

根據董事所知，各董事、彼等各自之聯繫人士及任何擁有本公司已發行股本5%以上之股東概無於本集團之五大供應商或客戶中擁有任何權益。

足夠公眾持股量

根據公眾所得資料及就董事所知，已確定於本報告刊發前之最後實際可行日期有足夠公眾持股量，其最少佔本公司已發行股份之25%。

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Competing Interests

None of the Directors or the management shareholders of the Company (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group.

Auditor

The consolidated financial statements for the year have been audited by Confucius International CPA Limited who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board
Zhao Zhiyong
Chairman

Hong Kong, 6 January 2020

競爭權益

本公司各董事或管理層股東(定義見GEM上市規則)概無擁有任何現時或可能與本集團業務構成競爭之業務權益。

核數師

本年度之綜合財務報表已由天健國際會計師事務所有限公司審核。天健國際會計師事務所有限公司將退任並符合資格於本公司應屆股東週年大會上膺選連任。

代表董事會
趙智勇
主席

香港，二零二零年一月六日

Independent Auditor's Report 獨立核數師報告

Annual Report 2018 二零一八年年報



天健國際會計師事務所有限公司
Confucius International CPA Limited

Certified Public Accountants

香港灣仔莊士敦道181號大有大廈15樓1501-8室
Rooms 1501-8, 15th Floor, Tai Yau Building,
181 Johnston Road, Wanchai, Hong Kong.
電話 Tel: (852) 3103 6980
傳真 Fax: (852) 3104 0170

**TO THE MEMBERS OF
POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED**
(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Polyard Petroleum International Group Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 106 to 247, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, 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.

致
百田石油國際集團有限公司全體成員
(於開曼群島註冊成立之有限公司)

意見

我們已審核載列於第106至247頁百田石油國際集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註(包括重大會計政策概要)。

我們認為，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」)真實而公平地反映貴集團於二零一八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之披露規定妥為擬備。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Basis for Opinion

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

Material Uncertainty Related to Going Concern

The accompanying consolidated financial statements for the year ended 31 December 2018 have been prepared assuming that the Group will continue as a going concern. We draw attention to note 2 to the consolidated financial statements which indicates that the Group incurred a net loss attributable to owners of the Company of approximately HK\$40,694,000 for the year ended 31 December 2018 and, as of that date, the Group had net current liabilities of approximately HK\$155,820,000. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Management’s arrangements to address the going concern issue are also described in note 2 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified in respect of this matter.

意見基礎

我們已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審計。該等準則要求我們遵守的道德規範將在我們報告的綜合財務報表部分的審計責任中進一步說明。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

有關持續經營之重大不明朗因素

編製隨附的截至二零一八年十二月三十一日止年度綜合財務報表時，假設貴集團將持續營運。我們自綜合財務報表附註2中注意到，截至二零一八年十二月三十一日止年度，貴集團錄得貴公司擁有人應佔虧損淨值約港幣40,694,000元及截至該日，貴集團淨流動負債約為港幣155,820,000元。此等情況顯示存在重大不明朗因素，而可能對貴集團之持續經營能力構成重大疑問。管理層應對持續經營問題的安排亦於綜合財務報表附註2詳述。綜合財務報表並未包括任何該不明朗因素可能導致的調整。而就此事項而言，我們並未修改意見。



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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter

Impairment assessment of interests in a joint venture and amounts due from parties to a joint venture

As disclosed in notes 16 and 19 to the consolidated financial statements, the Group had interests in a joint venture of approximately HK\$361,377,000 which is engaged in exploration, exploitation and development of oil and gas in the Philippines and amounts due from parties to the joint venture of approximately HK\$38,639,000 as at 31 December 2018. The directors of the Company had engaged an independent professional valuer to assist them in their impairment assessment in relation to the interests in the joint venture as at 31 December 2018 and as a result of the impairment assessment had recognised in the consolidated statement of profit or loss for the year ended 31 December 2018, an impairment loss in respect of the interests in the joint venture amounting to approximately HK\$37,000 attributable to the Group's interests in the joint venture.

主要審計事項

根據我們的專業判斷，主要審計事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。除有關持續經營之重大不明朗因素一節中所述事項外，我們釐定下文所述為會在報告中予以披露的主要審計事項。

主要審計事項

於合營企業的權益及應收合營企業方款項之減值評估

如綜合財務報表附註16及19所披露，於二零一八年十二月三十一日，貴集團於在菲律賓從事油氣勘探、開採及開發之合營企業中擁有權益約港幣361,377,000元及應收合營企業方款項約港幣38,639,000元。貴公司董事已聘用一間獨立專業估值師行協助彼等進行二零一八年十二月三十一日於合營企業的權益的減值評估。由於已在截至二零一八年十二月三十一日止年度之綜合損益表確認減值評估，已就貴集團應佔合營企業之權益合營企業權益減值虧損約港幣37,000元。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

In addition, the amounts due from parties to the joint venture are secured by the parties' participating interests in the joint venture. The directors of the Company were of the opinion that there was no impairment of the amounts due from parties to the joint venture as at 31 December 2018 as, based on the carrying amounts of the interests in the joint venture, the recoverable amount of such interest attributable to the parties' participating interests in the joint venture exceeded the carrying amount of the amounts due from parties to the joint venture as at 31 December 2018.

How our audit addressed the key audit matter

Our procedures in relation to the valuation assessment of the impairment assessment of interests in the joint venture and amounts due from parties to the joint venture.

- We discussed with management of the Company and the independent professional valuer engaged by the Company the valuation methodology, bases and assumptions used in determining the recoverable amount of the interests in the joint venture.
- We checked the objectivity, competence, capability and independence of the valuer.
- We assessed the reasonableness and appropriateness of the adopted valuation methodology, bases and assumption used in arriving at the recoverable amount of the interests in the joint venture.

此外，應收合營企業方款項以合營企業方的參與權益作抵押。貴公司董事認為，由於根據於合營企業權益的可收回金額，於合營企業的合營企業方參與權益應佔有關權益的可收回金額超出應收合營企業方款項於二零一八年十二月三十一日的賬面值，應收合營企業方款項於二零一八年十二月三十一日並無減值。

我們的審計如何處理主要審計事項

我們有關於合營企業的權益及應收合營企業方款項之減值評估的估值評估程序。

- 我們已與貴公司管理層及貴公司委聘之獨立專業估值師討論釐定於合營企業權益之可收回金額時所用估值方法、基準及假設。
- 我們已檢查估值師之客觀性、資格、能力及獨立性。
- 我們已評估達致於合營企業權益之可收回金額時所用估值方法、基準及假設之合理性及適當性。



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- We conducted a site visit to the oil production facilities operated by the joint venture.
- We checked the mathematical accuracy of the valuation.
- 我們已實地考察合營企業所營運之產油設施。
- 我們已檢查估值之算術準確性。

Other Information

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

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

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

其他資料

貴公司董事負責其他資料。其他資料包括年報所載資料，惟綜合財務報表及本核數師報告除外。

我們對綜合財務報表的意見並不涵蓋其他資料，我們不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，我們的責任為閱讀上文指出的其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審計過程中所了解的情況有重大抵觸，或者可能有重大錯誤陳述。基於我們就於本核數師報告日期前獲得的其他資料已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

Responsibilities of the Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

董事及管理人員就綜合財務報表須承擔責任

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要求編製真實而公平的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，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。

管理人員負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目的是獲取綜合財務報表作為一個整體是否存在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合理保證，並按照協定委聘條款向閣下(作為整體)出具一份包含我們意見的核數師報告，除此之外本報告別無其他用途。我們並無就本報告的內容向任何人士承擔責任或接受責任。合理保證屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。



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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 依據香港審計準則，作為我們審計的一部分，我們在整個審計過程中行使職業判斷並保持職業懷疑態度。我們亦：
- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
 - 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
 - 評估所使用的會計政策的恰當性和作出會計估計的合理性以及董事所披露的相關內容。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

- 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.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如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，則我們應當修改意見。我們的結論乃基於核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團旗下實體或業務活動的財務資料取得足夠的合適審計證據，以發表對綜合財務報表的意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

我們與管理人員溝通了(其中包括)計劃的審計範圍、時間安排及重大審計發現等，包括我們在審計中發現的內部控制的任何重大缺陷。



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

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

Confucius International CPA Limited
Certified Public Accountants

Wong Kam Hing
Practising Certificate Number: P05697
Hong Kong
6 January 2020

我們亦向管理人員提交聲明，說明我們已符合有關獨立性的相關道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係及其他事項，以及在適用的情況下，相關的防範措施。

我們確定與管理人員所溝通的事項是對本期綜合財務報表計量最為重要之事項，因而這些事項均構成主要的審計事項。我們在核數師報告中會對該等事項予以描述，惟法律法規不允許公開披露者則除外，若我們在報告中溝通某事項造成的負面後果超過產生的公眾利益（這屬於極端罕見的情況），則在此情形下我們決定不會在報告中溝通該事項。

天健國際會計師事務所有限公司
執業會計師

王鑑興
執業證書編號：P05697
香港
二零二零年一月六日

Consolidated Statement of Profit or Loss

綜合損益表

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

| | | | 2018 二零一八年 | 2017 二零一七年 |
|--|------------------|-------------|------------------|------------------|
| | | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Turnover | 營業額 | 6 | — | — |
| Other income | 其他收入 | 6 | 1,897 | 1,276 |
| Administrative and other operating expenses | 行政及其他營運開支 | | (26,262) | (27,973) |
| Finance costs | 融資成本 | 7 | (16,535) | (19,135) |
| Impairment losses recognised on deferred exploration expenditure | 就遞延勘探開支確認之減值虧損 | 17 | (141) | (717) |
| Impairment losses recognised on amounts due from associates | 就應收聯營公司款項確認之減值虧損 | 18 | — | (20) |
| Share of results of a joint venture | 應佔合營企業業績 | 16 | (37) | 20,880 |
| Loss before income tax | 除所得稅前虧損 | 8 | (41,078) | (25,689) |
| Income tax credit | 所得稅抵免 | 9 | 36 | 631 |
| Loss for the year | 本年度虧損 | | (41,042) | (25,058) |
| Attributable to: | 應佔： | | | |
| Owners of the Company | 本公司擁有人 | | (40,694) | (31,992) |
| Non-controlling interests | 非控制性權益 | | (348) | 6,934 |
| | | | (41,042) | (25,058) |
| Loss per share | 每股虧損 | 11 | | |
| — Basic (in HK cents) | — 基本(港仙) | | (1.39) cents 仙 | (1.09) cents 仙 |
| — Diluted (in HK cents) | — 攤薄(港仙) | | (1.39) cents 仙 | (1.09) cents 仙 |

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

隨附之附註為本綜合財務報表之一部份。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

Annual Report 2018 二零一八年年報

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|-----------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Loss for the year | 本年度虧損 | (41,042) | (25,058) |
| Other comprehensive income (expense) | 其他全面收益(支出) | | |
| Items 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 | 換算國外營運所產生之 匯兌差額 | (647) | 2,130 |
| Total comprehensive expense for the year | 本年度全面支出 總額 | (41,689) | (22,928) |
| Attributable to: | 應佔： | | |
| Owners of the Company | 本公司擁有人 | (41,531) | (30,417) |
| Non-controlling interests | 非控制性權益 | (158) | 7,489 |
| | | (41,689) | (22,928) |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018
於二零一八年十二月三十一日

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

| | | | 2018 二零一八年 | 2017 二零一七年 |
|---|------------------|-------------|------------------|------------------|
| | | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 363 | 637 |
| Interests in associates | 於聯營公司之權益 | 15 | — | — |
| Interests in a joint venture | 於合營企業的權益 | 16 | 361,377 | 357,470 |
| Deferred exploration expenditure | 遞延勘探開支 | 17 | — | — |
| | | | 361,740 | 358,107 |
| CURRENT ASSETS | 流動資產 | | | |
| Amounts due from associates | 應收聯營公司款項 | 18 | — | — |
| Other receivables | 其他應收款項 | 19 | 41,516 | 39,307 |
| Cash and cash equivalents | 現金及現金等值物 | 20 | 243 | 4,894 |
| | | | 41,759 | 44,201 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Other payables | 其他應付款項 | 21 | (36,981) | (20,283) |
| Amounts due to directors | 應付董事款項 | 22 | (10,540) | (6,054) |
| Convertible bonds | 可換股債券 | 24 | (150,000) | (149,781) |
| Obligations under finance leases — current portion | 融資租賃責任 — 流動部份 | 26 | (58) | (171) |
| | | | (197,579) | (176,289) |
| NET CURRENT LIABILITIES | 淨流動負債 | | (155,820) | (132,088) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | | 205,920 | 226,019 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018
於二零一八年十二月三十一日

Annual Report 2018 二零一八年年報

| | | | 2018 二零一八年 | 2017 二零一七年 |
|---|-------------------|-------------|------------------|------------------|
| | | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Amounts due to a shareholder | 應付股東款項 | 23 | (62,540) | (40,870) |
| Deferred tax liabilities | 遞延稅項負債 | 25 | — | (36) |
| Obligations under finance leases — non-current portion | 融資租賃責任 — 非流動部份 | 26 | — | (44) |
| | | | (62,540) | (40,950) |
| NET ASSETS | 淨資產 | | 143,380 | 185,069 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 27 | 117,502 | 117,502 |
| Reserves | 儲備 | | (24,619) | 16,912 |
| Equity attributable to owners of the Company | 本公司擁有人 應佔權益 | | 92,883 | 134,414 |
| Non-controlling interest | 非控制性權益 | | 50,497 | 50,655 |
| TOTAL EQUITY | 總權益 | | 143,380 | 185,069 |

Approved and authorised for issue by the Board of Directors on 6 January 2020.

經董事會於二零二零年一月六日核准及授權刊印。

Zhao Zhiyong
Director

LIN Zhang
Director

趙智勇
董事

林漳
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | Non-controlling interests 非控制性權益 | | Total |
|---|-------------------------|---|-----------------------|-----------------------|--------------------------|--------------------------------------|----------------------------|-------------------------------------|------------------|----------|
| | | Share capital 股本 | Share premium 股份溢價 | Share reserve 股份儲備 | Exchange reserve 匯兌儲備 | Convertible bonds reserve 可換股債券儲備 | Accumulated losses 累計虧損 | Total | Total | |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | |
| At 1 January 2017 | 於二零一七年一月一日 | 117,502 | 998,012 | 985 | (1,560) | 3,285 | (953,393) | 164,831 | 43,166 | 207,997 |
| (Loss) profit for the year | 年內(虧損)溢利 | — | — | — | — | — | (31,992) | (31,992) | 6,934 | (25,058) |
| Other comprehensive income for the year | 本年度其他全面收益 | — | — | — | 1,575 | — | — | 1,575 | 555 | 2,130 |
| Total comprehensive income (expense) for the year | 本年度全面收益(支出)總額 | — | — | — | 1,575 | — | (31,992) | (30,417) | 7,489 | (22,928) |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日及二零一八年一月一日 | 117,502 | 998,012 | 985 | 15 | 3,285 | (985,385) | 134,414 | 50,655 | 185,069 |
| Loss for the year | 年內虧損 | — | — | — | — | — | (40,694) | (40,694) | (348) | (41,042) |
| Other comprehensive income (expense) for the year | 本年度其他全面收益(支出) | — | — | — | (837) | — | — | (837) | 190 | (647) |
| Total comprehensive expense for the year | 本年度全面支出總額 | — | — | — | (837) | — | (40,694) | (41,531) | (158) | (41,689) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 117,502 | 998,012 | 985 | (822) | 3,285 | (1,026,079) | 92,883 | 50,497 | 143,380 |

Consolidated Statement of Cash Flows

綜合現金流量表

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

Annual Report 2018 二零一八年年報

| | | 2018 | 2017 |
|--|-------------------|-----------------|-----------------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| OPERATING ACTIVITIES | 經營業務 | | |
| Loss before income tax | 除所得稅前虧損 | (41,078) | (25,689) |
| Adjustments for: | 調整： | | |
| Interest income | 利息收入 | (1) | (1) |
| Interest expenses | 利息支出 | 16,535 | 19,135 |
| Depreciation | 折舊 | 301 | 300 |
| Share of results of a joint venture | 應佔合營企業業績 | 37 | (20,880) |
| Impairment losses recognised on deferred exploration expenditure | 就遞延勘探開支確認之減值虧損 | 141 | 717 |
| Impairment losses recognised on amounts due from associates | 就應收聯營公司款項確認之減值虧損 | - | 20 |
| Operating loss before movements in working capital | 營運資金變動前之經營虧損 | (24,065) | (26,398) |
| Increase in other receivables | 其他應收款項增加 | (175) | (695) |
| Increase in amounts due from associates | 應收聯營公司款項增加 | - | (20) |
| Increase in other payables | 其他應付款項增加 | 5,516 | 3,797 |
| NET CASH USED IN OPERATING ACTIVITIES | 經營業務所耗現金淨額 | (18,724) | (23,316) |
| INVESTING ACTIVITIES | 投資活動 | | |
| Interest received | 已收利息 | 1 | 1 |
| Additional investment in a joint venture | 於合營企業之額外投資 | (3,944) | (5,822) |
| Purchase of property, plant and equipment | 購置物業、廠房及設備 | (16) | (19) |
| Advance to parties to a joint venture | 墊付合營企業方 | (2,034) | (3,092) |
| NET CASH USED IN INVESTING ACTIVITIES | 投資活動所耗現金淨額 | (5,993) | (8,932) |

Consolidated Statement of Cash Flows

綜合現金流量表

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

| | | 2018 | 2017 |
|--|----------------------|----------------|----------------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| FINANCING ACTIVITIES | 融資活動 | | |
| Interest paid | 已付利息 | (5,048) | (14,980) |
| Advance from directors | 來自董事墊款 | 4,486 | 5,319 |
| Advance from a shareholder | 來自股東墊款 | 21,670 | 40,861 |
| Repayment of obligations under finance leases | 融資租賃責任還款 | (157) | (162) |
| NET CASH GENERATED FROM FINANCING ACTIVITIES | 融資活動產生之現金淨額 | 20,951 | 31,038 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等值物減少淨額 | (3,766) | (1,210) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR | 年初之現金及現金等值物 | 4,894 | 4,698 |
| Effect of foreign exchange rate changes | 外幣匯率變動之影響 | (885) | 1,406 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | 年終之現金及現金等值物 | 243 | 4,894 |
| ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS | 現金及現金等值物之結餘分析 | | |
| Cash and bank balances | 現金及銀行結餘 | 243 | 4,894 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

1. General Information

Polyard Petroleum International Group Limited (the “Company”) is a public limited company incorporated in the Cayman Islands and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited. Its parent is Silver Star Enterprises Holdings Inc. (incorporated in the British Virgin Islands) and the ultimate controlling party is Mr. Lam Nam. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the exploration, exploitation and development of oil, natural gas and coal, trading of petroleum related products and provision of technical services.

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

1. 一般資料

百田石油國際集團有限公司(「本公司」)為一間於開曼群島註冊成立的上市有限公司，其股份於香港聯合交易所有限公司GEM上市。其母公司為Silver Star Enterprises Holdings Inc. (於英屬處女群島註冊成立)及最終控制方為林南先生。本公司的註冊辦事處及主要營業地點的地址披露於本年報公司資料一節。

本公司之主要業務為投資控股，其附屬公司之主要業務則為勘探、開採及開發石油、天然氣及煤炭，買賣石油相關產品以及提供技術服務。

本綜合財務報表乃以本公司之功能貨幣港幣(「港幣」)呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

2. Basis of Preparation of Consolidated Financial Statements

Going concern

The Group incurred a net loss attributable to owners of the Company of approximately HK\$40,694,000 for the year ended 31 December 2018 and, as of that date, the Group had net current liabilities of approximately HK\$155,820,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

In order to ensure the Group's ability to operate as a going concern, the directors of the Company have implemented measures as follow:

2. 綜合財務報表的編製基準

持續經營

本集團於截至二零一八年十二月三十一日止年度錄得貴公司擁有人應佔虧損淨值約港幣40,694,000元及截至該日，本集團淨流動負債約為港幣155,820,000元。此等情況顯示存在重大不明朗因素，而可能對本集團之持續經營能力構成重大疑問，因而使本集團無法於正常業務過程中變現資產及清償債務。

為確保本集團持續經營的能力，本公司董事已實施以下措施：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

2. Basis of Preparation of Consolidated Financial Statements (Continued)

Going concern (Continued)

- (i) In relation to the convertible bonds with principal amount of HK\$100,000,000 (“CB A”), subsequent to the reporting period, on 3 January 2020, the Company had entered into a legally binding Memorandum of Understanding (“MOU”) with East Asia Oil Engineering Group Limited (“East Asia”) where East Asia had undertaken to take over CB A from the original holder (“Original Holder”). On the same date, the Original Holder of CB A had completed transfer of convertible bond with principal amount of HK\$75,000,000 (“\$75M CB A1”) to East Asia. By the same MOU between the Company and East Asia, East Asia had committed that it would not demand for repayment of CB A by the Company within thirty months from the date of the MOU. The remaining principal balance of HK\$25,000,000 of CB A not yet transferred to East Asia (“\$25M CB A2”) are still registered in the name of the Original Holder and is guaranteed by Mr. Lam Nam, the ultimate controlling party of the Company, until its disposal. In view of the above arrangement, the Directors anticipate that the \$25M CB A2 will not be called for repayment in the foreseeable future.

In relation to the convertible bonds with principal amount of HK\$50,000,000 (“CB B”), up to the date of this report, the Company and the holder of CB B are in the negotiation regarding the settlement arrangement of CB B.

2. 綜合財務報表的編製基準(續)

持續經營(續)

- (i) 就本金額為港幣100,000,000元「可換股債券A」而言，於報告期後，於二零二零年一月三日，本公司與東亞油田工程集團有限公司(「東亞」)簽訂了具有法律約束力的諒解備忘錄(「諒解備忘錄」)，東亞已承諾從原持有人手中接管可換股債券A(「原始持有人」)。於同日，可換股債券A的原持有人已完成將本金為75,000,000港元(「7,500萬元可換股債券A1」)的可換股債券轉移至東亞。根據公司與東亞之間的同一諒解備忘錄，東亞承諾不會在諒解備忘錄簽署之日起三十個月內要求公司償還可換股債券A。尚未轉移至東亞的可換股債券A的本金餘額25,000,000港元(「2,500萬元可換股債券A2」)仍以原持有人的名義登記，並由本公司的最終控制方林南先生擔保，直到將其處置。鑑於上述安排，董事預計在可預見的將來不會被要求償還這筆2,500萬元可換股債券A2。

就本金額為港幣50,000,000元的可換股債券B而言，直至本報告日，本公司與可換股債券B的持有人已在進行商議關於可換股債券B的還款安排。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

2. Basis of Preparation of Consolidated Financial Statements (Continued)

Going concern (Continued)

- (ii) The Company has planned and is in negotiation with potential investors to raise sufficient funds through fund-raising arrangement;
- (iii) The ultimate controlling party has undertaken to provide adequate funds to enable the Group to meet its liabilities and to settle financial obligations to third parties as and when they fall due so that the Group can continue as a going concern and carry on its business without a significant curtailment of operations for the twelve months from the date of approval of these consolidated financial statements. In addition, the ultimate controlling party will not demand the Company for repayment of such loans until all other liabilities of the Group have been satisfied.
- (iv) The directors of the Company will continue to implement measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

2. 綜合財務報表的編製基準(續)

持續經營(續)

- (ii) 本公司擬及正與潛在投資者就透過集資安排籌得足夠資金進行磋商。
- (iii) 最終控制方已承諾提供充足資金，讓本集團滿足其債務，並於財務責任到期時向第三方償還，使本集團由批准該等綜合財務報表日期起十二個月內可持續經營及經營業務而不會面對重大阻礙。此外，最終控制方不會要求本公司償還有關貸款，直至本集團所有其他債務經已清償。
- (iv) 本公司董事將繼續實施旨在改善本集團營運資金及現金流量的措施，包括密切監察一般行政開支及營運成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

2. Basis of Preparation of Consolidated Financial Statements (Continued)

Going concern (Continued)

The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of the above measures, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. Accordingly, the consolidated financial statements for the year ended 31 December 2018 have been prepared on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amount, to provide for future liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

2. 綜合財務報表的編製基準(續)

持續經營(續)

本公司董事經考慮上述措施的影響，已對本集團自報告日期起的未來十二個月的現金流量預測進行了詳細的檢討，本公司董事相信，本集團將有充裕現金資源滿足其未來營運資金及其他融資需要。因此，截至二零一八年十二月三十一日止年度的該等綜合財務報表乃按持續經營基準編製。

倘本集團未能持續經營，則將須作出調整對資產價值撇減至其可收回金額、就可能產生之任何進一步負債計提撥備以及重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整之影響尚未反映在綜合財務報表內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

| | |
|-----------------------|---|
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers and the related Amendments |
| HK (IFRIC)-Int 22 | Foreign Currency Transactions and Advance Consideration |
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions |
| Amendments to HKFRS 4 | Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts |
| Amendments to HKAS 28 | As part of the Annual Improvements to HKFRSs 2014-2016 Cycle |
| Amendments to HKAS 40 | Transfers of Investment Property |

Except as described below, the application of the above new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效之新訂及經修訂香港財務報告準則

於本年度內，本集團已首次採納以下由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則：

| | |
|-------------------------|--------------------------------------|
| 香港財務報告準則第9號 | 財務工具 |
| 香港財務報告準則第15號 | 客戶合約收入及相關修訂本 |
| 香港（國際財務報告詮釋委員會）— 詮釋第22號 | 外幣交易及墊付代價 |
| 香港財務報告準則第2號修訂本 | 以股份支付交易之分類及計量 |
| 香港財務報告準則第4號修訂本 | 與香港財務報告準則第4號保險合約一併應用之香港財務報告準則第9號財務工具 |
| 香港會計準則第28號修訂本 | 作為二零一四年至二零一六年週期香港財務報告準則之年度改進之一部分 |
| 香港會計準則第40號修訂本 | 轉移投資物業 |

誠如以下所述，於本年度採用新訂及經修訂香港財務報告準則並無對本集團本年度及過往年度的財政表現及狀況及／或該等綜合財務報表所載的披露造成任何重大影響。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue* and HKAS 11 *Construction Contracts* and the related interpretations.

Based on the assessment by the directors of the Company, the application of HKFRS 15 has had no significant impact on the timing and amounts of revenue recognised in the current year and the accumulated losses at 1 January 2018.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號客戶合約收益

本集團於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用是項準則的累計影響於首次應用日期二零一八年一月一日確認。於首次應用日期的任何差額均會於期初累計虧損中確認，惟並無對比較資料進行重列。此外，根據香港財務報告準則第15號的過渡性條文，本集團已選擇僅對於二零一八年一月一日尚未完成的合約追溯應用本準則。因此，若干比較資料可能未必能夠與根據香港會計準則第18號收益及香港會計準則第11號建築合約及相關詮釋所編製之比較資料進行比較。

根據本公司董事的評估，應用香港財務報告準則第15號對本年度收益的確認時間及金額以及二零一八年一月一日的累計虧損並無重大影響。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 9 Financial Instruments

In the current year, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 4 to the consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號財務工具

於本年度內，本集團已採納香港財務報告準則第9號財務工具及其他香港財務報告準則的相關修訂本。香港財務報告準則第9號引入有關下列各項的新規定：1) 財務資產及財務負債的分類及計量，2) 財務資產的預期信貸損失（「預期信貸損失」）及3) 一般對沖會計處理。

本集團已根據香港財務報告準則第9號所載的過渡性條文應用香港財務報告準則第9號，即對於二零一八年一月一日（初始應用日期）尚未終止確認的工具追溯應用分類及計量規定（包括預期信貸損失模式下的減值），且未有對於二零一八年一月一日已經終止確認的工具應用該等規定。二零一七年十二月三十一日的賬面值與二零一八年一月一日的賬面值之間的差異於期初累計虧損及其他權益部分中確認，而並無重列可資比較資料。

因此，由於可資比較資料乃根據香港會計準則第39號金融工具：確認及計量編製，故未必可比較若干可資比較資料。

應用香港財務報告準則產生的會計政策於綜合財務報表附註4中披露。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 9 Financial Instruments (Continued)

Summary of effects arising from initial application of HKFRS 9

Classification and measurement of financial assets and financial liabilities at amortised cost

All recognised financial assets and financial liabilities that are within the scope of HKFRS 9 are subsequently measured at amortised cost.

Impairment under ECL model

Financial assets at amortised cost mainly comprise of other debtors, which loss allowances are measured on 12m ECL basis, and there have been no significant increase in credit risk since initial recognition.

Based on the assessment by the Group, the accumulated amount of impairment loss to be recognised under the expected credit loss model of HKFRS 9 is immaterial to the Group and therefore no additional credit loss allowance is recognised against accumulated losses as at 1 January 2018.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號財務工具（續）

首次應用香港財務報告準則第9號所產生之影響概要

財務資產及財務負債（按攤銷成本計）的分類及計量

所有屬於香港財務報告準則第9號範疇內的已確認財務資產及財務負債其後按攤銷成本計量。

預期信貸虧損模型下的減值

按攤銷成本列賬的財務資產主要包括其他應收款項，其虧損撥備按12個月預期信貸虧損基準計量，且自初始確認以來信貸風險並無大幅增加。

根據本集團的評估，根據香港財務報告準則第9號的預期信貸虧損模型將予確認的累計減值虧損金額對本集團而言並不重大，因此，並無於二零一八年一月一日就累積虧損確認額外信貸虧損撥備。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

| | |
|------------------------------------|--|
| HKFRS 16 | Leases ¹ |
| HKFRS 17 | Insurance Contracts ² |
| HK (IFRIC)-Int 23 | Uncertainty over Income Tax Treatments ¹ |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| Amendments to HKAS 19 | Plan Amendment, Curtailment or Settlement ¹ |
| Amendments to HKAS 28 | Long-term Interests in Associates and Joint Ventures ¹ |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2015-2017 Cycle ¹ |

¹ Effective for annual periods beginning on or after 1 January 2019.

² Effective for annual periods beginning on or after 1 January 2021.

³ Effective date to be determined.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

| | |
|----------------------------|---|
| 香港財務報告準則第16號 | 租賃 ¹ |
| 香港財務報告準則第17號 | 保險合約 ² |
| 香港(國際財務報告詮釋委員會)–詮釋第23號 | 所得稅處理之不確定性 ¹ |
| 香港財務報告準則第9號修訂本 | 含有反向補償的提前償付特徵 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號修訂本 | 投資者與其聯營公司或合營企業之間的資產出售或注資 ³ |
| 香港會計準則第19號修訂本 | 計劃修訂、縮減或結算 ¹ |
| 香港會計準則第28號修訂本 | 於聯營公司及合營企業的長期權益 ¹ |
| 香港財務報告準則修訂本 | 二零一五年至二零一七年週期之香港財務報告準則年度改進 ¹ |

¹ 於二零一九年一月一日或以後開始之年度期間生效。

² 於二零二一年一月一日或以後開始之年度期間生效。

³ 生效日期待定。

除下文所述的新訂及經修訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則於可見將來將不會對綜合財務報表構成重大影響。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號介紹了一個全面的模型，以確定出租人和承租人的租賃安排和會計處理。香港財務報告準則第16號於生效時將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃和服務合約。此外，香港財務報告準則第16號規定售後租回交易須根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修訂的規定。

經營租賃及融資租賃之差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代，惟短期租賃及低價值資產租賃則除外。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any re-measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for own use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

使用權資產初始按成本計量，而其後按成本（不包括若干例外情況）減累計折舊及減值虧損計量，並就重新計量租賃負債作出調整。租賃負債初始按截至有關日期未支付租賃付款之現值計量。其後，租賃負債就（其中包括）利息及租賃付款以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將預付租賃款項呈列為與自用租賃土地及分類為投資物業的租賃土地有關的投資現金流量，而其他經營租賃款項則呈列為經營現金流量。應用香港財務報告準則第16號後，租賃負債相關的租賃費用將被分配到本金和利息部分，並將分別作為融資及經營現金流呈現。

根據香港會計準則第17號，本集團為融資租賃安排及所在租賃土地上作為承租人的預付租賃款項已確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產分類的潛在變動，這取決於本集團是否分開或在同一行項目中呈現使用權資產（若有關基礎資產作為本集團所擁有呈列）。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK\$1,324,000 as disclosed in note 30 to the consolidated financial statements. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

3. 應用新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

除同樣適用於出租人的若干規定外，就出租人之會計處理而言，香港財務報告準則第16號大致繼承香港會計準則第17號之出租人會計處理規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求廣泛披露。

於二零一八年十二月三十一日，本集團不可撤銷經營租賃的承諾於綜合財務狀況表附註30中披露，為港幣1,324,000元。初步評估顯示該等安排將符合租賃的定義。應用香港財務報告準則第16號後，本集團將就所有租賃確認使用權資產及相應負債，除非符合資格獲得低價值或短期租賃。

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3. Application of New and Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$530,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

此外，本集團現時認為約港幣530,000元之已支付可退回租賃按金為適用於香港會計準則第17號項下之租賃的權利及義務。根據香港財務報告準則第16號項下的租賃付款定義，該等按金並非有關使用相關資產的權利的付款，因此，該等按金的賬面值可調整至攤銷成本。已支付可退回租賃按金的調整將被視作額外租賃款項並包含在使用權資產的賬面值。

應用新規定或會導致上文所指計量、呈列及披露出現變動。

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4. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

4. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司GEM證券上市規則（「上市規則」）及香港公司條例之適用披露規定。

本綜合財務報表按下文所載會計政策所闡釋之於各報告期末的歷史成本基準進行編製。

歷史成本一般根據交換商品及服務所付代價之公平值而釐定。

公平值指於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否可使用其他估值方法直接可觀察或估計。於估計資產或負債之公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮之資產或負債特點。該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟於香港財務報告準則第2號「以股份為基礎的支付」範圍內之股份付款交易、香港會計準則第17號「租賃」範圍內之租賃交易及與公平值類似但並非公平值之計量（如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值）除外。

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4. Significant Accounting Policies (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

4. 主要會計政策(續)

此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一、第二及第三級，載述如下：

- 第一級輸入數據為實體有能力於計量日期獲得之相同資產或負債之活躍市場報價(未經調整)；
- 第二級輸入數據為不包括第一級報價之資產或負債之可直接或間接觀察之輸入數據；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下：

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4. Significant Accounting Policies (Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

4. 主要會計政策(續)

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。本公司在以下情況下取得控制權：

- 擁有對被投資公司之權力；
- 因參與被投資公司之營運而面對回報可變之風險或有權享有可變回報；及
- 有能力運用其權力影響其回報金額。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對被投資公司擁有控制權。

附屬公司於本集團取得對附屬公司控制權時開始綜合入賬，並於本集團失去對附屬公司控制權時終止綜合入賬。尤其是，於年內收購或出售附屬公司之收益及開支，會由本集團取得控制權之日期直至本集團對附屬公司控制權終止之日期計入綜合損益表內。

損益及其他全面收益之各項目，均歸屬於本公司擁有人及非控制性權益。即使會使非控制性權益會出現虧絀結餘，附屬公司之全面收益總額仍會歸屬於本公司擁有人及非控制性權益。

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4. Significant Accounting Policies (Continued)

Basis of consolidation (Continued)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

4. 主要會計政策(續)

綜合賬目基準(續)

如有需要，附屬公司之財務報表已作適當調整，以令其會計政策與本集團之會計政策一致。

所有集團內資產及負債、權益、收入、開支以及與本集團成員公司之間交易有關之現金流量均於綜合賬目時全數撇銷。

於附屬公司的非控股權益與本集團的權益獨立呈列，以表示現時所有權權益賦予彼等擁有人權利於清盤時按比例分佔相關附屬公司的資產淨值。

於聯營公司及合營企業之投資

聯營公司乃本集團於其中有重大影響力之實體。重大影響力指參與被投資公司之經營及財務決策，而非控制或共同控制該等政策之權力。

合營企業乃一項合營安排，據此，對安排具有共同控制權之各方有權享有合營安排之淨資產。共同控制權為合約協定分享安排之控制權，僅在相關活動決策必須獲分享控制權之人士一致同意方會存在。

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4. Significant Accounting Policies (Continued)

Investments in associates and joint ventures (Continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

4. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

於聯營公司及合營企業之業績與資產及負債乃按權益會計法計入該等綜合財務報表內。就權益會計法而言，聯營公司及合營公司的財務報表乃以與本集團就類似情況下同類交易及事件所使用會計政策貫徹一致的會計政策編製。根據權益法，於聯營公司或合營企業之投資初步在綜合財務狀況表按成本確認，並於其後就確認本集團應佔該聯營公司或合營企業之損益及其他全面收益而作出調整。損益及其他全面收益以外的聯營公司／合營企業資產淨值變動不會入賬，除非該等變動導致本集團持有的擁有權權益出現變動。當本集團應佔一間聯營公司或合營企業虧損超出本集團於該聯營公司或合營企業之權益時(包括任何實際上構成本集團於聯營公司或合營企業投資淨值其中部份之長期權益)，本集團會終止確認其應佔之進一步虧損。當本集團產生法定或推定責任或代表該聯營公司或合營企業付款時，方會確認額外虧損。

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4. Significant Accounting Policies (Continued)

Investments in associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

4. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

於聯營公司或合營企業之投資乃自被投資公司成為聯營公司或合營企業日期起採用權益法入賬。於收購於聯營公司或合營企業之投資時，投資成本超出本集團分佔被投資公司可予識別資產及負債公平淨值之任何差額，確認為商譽，有關商譽計入投資賬面值內。本集團分佔可予識別資產及負債於重新評估後的公平值淨值超出投資成本之任何差額，在收購該項投資期間即時於損益確認。

本集團會評估是否存在客觀證據證明於一間聯營公司或合營企業的權益將會減值。倘存在任何客觀證據，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產之方式進行減值測試，方法是比較其可收回金額(即使用價值與公平值減出售成本之較高者)與賬面值。任何已確認之減值虧損構成該項投資之賬面值之一部份。該減值虧損之任何撥回乃於該項投資之可收回金額其後增加之情況下根據香港會計準則第36號確認。

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4. Significant Accounting Policies (Continued)

Investments in associates and joint ventures (Continued)

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9/HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

4. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

當本集團對聯營公司不再有重大影響或失去合營公司之共同控制權時，則入賬列為出售該被投資公司之全數權益，產生之收益或虧損於損益中確認。當本集團保留於前聯營公司或合營企業之權益，且保留權益為屬於香港財務報告準則第9號／香港會計準則第39號範圍之財務資產時，則本集團於當日按公平值計量保留權益，而公平值則被視為初步確認時之公平值。該聯營公司或合營企業之賬面值與任何保留權益之公平值及出售相關聯營公司或合營企業權益所得任何所得款項之間之差額，乃計入釐定出售該聯營公司或合營企業之收益或虧損。此外，本集團會以該聯營公司或合營企業已直接出售有關資產或負債之相同方式，將所有以往因該聯營公司或合營企業而於其他全面收益確認之所有金額入賬。故此，若以往由該聯營公司或合營企業於其他全面收益確認之收益或虧損會於出售有關資產或負債時重新分類至損益，本集團會於出售／部分出售相關聯營公司或合營企業時將該收益或虧損由權益重新分類至損益(作為重新分類調整)。

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4. Significant Accounting Policies (Continued)

Investments in associates and joint ventures (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

4. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

當於聯營公司之投資成為於合營企業之投資，或於合營企業之投資成為於聯營公司之投資時，本集團繼續採用權益法。出現該等擁有權益變動後不會重新計量公平值。

倘本集團減少其於聯營公司或合營企業之擁有權益但本集團繼續使用權益法，則本集團於出售有關資產或負債時會將該收益或虧損重新分類至損益之情況下，會將先前就該等擁有權益減少而於其他全面收益確認之收益或虧損按比例重新分類至損益。

倘集團實體與本集團之聯營公司或合營企業進行交易，與該聯營公司或合營企業交易所產生之損益僅會在有關聯營公司或合營企業之權益與本集團無關之情況下，方會於本集團之綜合財務報表中確認。

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4. Significant Accounting Policies (Continued)

Revenue from contracts with customers

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

Service fee income is recognised when the related services are rendered and the amount receivable can be measured reliably.

4. 主要會計政策(續)

客戶合約收入

根據香港財務報告準則第15號，本集團於完成履約責任之時(或就此)確認收益，即於特定履約責任相關貨品或服務的「控制權」移交客戶時。

履約責任指個別的商品及服務(或一組商品或服務)或一系列大致相同的個別商品或服務。

控制權隨時間轉移，而倘符合其中一項下列標準，則收益乃參照完成相關履約責任的進度按時間確認：

- 在本集團履約時，客戶同時取得並享有本集團履約所提供的利益；
- 本集團的履約產生及提升客戶於本集團履約時控制的資產；或
- 本集團的履約並未產生對本集團具有替代用途的資產，而本集團可強制執行權利以收取迄今已完成履約部分的款項。

否則，收益於客戶獲得明確商品或服務的控制權時確認。

服務費收入於提供相關服務，且應收款項金額能可靠地計量時確認。

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4. Significant Accounting Policies (Continued)

Lease

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

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below).

4. 主要會計政策(續)

租賃

凡租約條款將有關擁有權之絕大部份風險及回報轉嫁予承租人之租賃，均列為融資租賃。所有其他租賃均列為經營租賃。

本集團作為承租人

根據融資租賃持有之資產按租賃起初之公平值或最低租金現值之較低者確認為本集團資產。出租人之相應負債於綜合財務狀況表列作融資租賃承擔。

租金按比例於融資費用及租約承擔減少之間分配，從而就計算該等負債應付餘額得出固定息率。融資費用直接自損益扣除，惟直接源自合資格資產則除外，在此情況下，根據本集團之一般借貸成本政策資本化(見下文之會計政策)。

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4. Significant Accounting Policies (Continued)

Lease (Continued)

The Group as lessee (Continued)

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

經營租賃付款(包括取得以經營租賃持有土地的成本)按直線法在租約期內確認為開支，除非有另一系統基準為更具代表性之時間段以能體現租賃資產之經濟利益於該時間段被消耗除外。

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4. Significant Accounting Policies (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates/joint ventures.

4. 主要會計政策(續)

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣之外貨幣(外幣)進行之交易乃以交易日期之現行匯率記錄。於報告期末，以外幣列值之貨幣項目以該日之現行匯率重新換算。以外幣結算且按公平值列賬之非貨幣項目以釐定公平值當日之現行匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間於損益確認，惟應收或應付海外業務而結算並無計劃亦不可能發生(因此構成海外業務投資淨額之一部分)之貨幣項目之匯兌差額外，該等匯兌差額初步於其他綜合收益內確認，並於出售或部分出售本集團於聯營公司及合營企業權益時自權益重新分類至損益。

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4. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

4. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團營運之資產及負債均按各報告期末之現行匯率以本集團之呈列貨幣(即港幣)列值。收入及開支項目乃按期間平均匯率換算，除非期內匯率出現重大波動，於此情況下，則採用交易當日之現行匯率。所產生匯兌差額(如有)乃於全面收益確認，並於匯兌儲備之權益累計(計入非控制性權益(如適用))。

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4. Significant Accounting Policies (Continued)

Borrowing costs

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

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

Retirement benefit costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund ("MPF") Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

4. 主要會計政策(續)

借貸成本

與收購、建設或生產需要長時間方能達致計劃用途或推出銷售之合資格資產直接有關之借貸成本，均加入為該等資產之部份成本，直至該等資產大致可作擬定用途或銷售為止。

一切其他借貸成本均於其產生期間在損益確認。

退休福利成本

向國家管理退休福利計劃及強制性公積金計劃(「強積金計劃」)支付之款項乃於僱員提供服務而有權獲得有關供款時確認為開支。

短期僱員福利

短期僱員福利按僱員提供服務時預期將予支付福利的未貼現金額確認。除非另一項香港財務報告準則規定或允許將福利計入資產成本內，否則所有短期僱員福利均確認為開支。

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4. Significant Accounting Policies (Continued)

Short-term employee benefits (Continued)

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 主要會計政策(續)

短期僱員福利(續)

僱員累計福利(如工資與薪金、年假及病假)經扣除任何已付金額後，確認為負債。

稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按年內應課稅溢利計算。應課稅溢利與除稅前虧損不同，此乃由於其他年度之應課稅或可扣稅收入或開支項目及毋須課稅或不能扣稅之項目。本集團之本期稅項負債乃使用截至報告期末已制定或大致制定之稅率計算。

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4. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 主要會計政策(續)

稅項(續)

遞延稅項乃按綜合財務報表中之資產及負債賬面值及計算應課稅溢利相應稅基之臨時差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時提撥。若於一項交易中，因業務合併以外原因初始確認資產及負債而引致之臨時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。此外，倘暫時差額乃於初步確認商譽時產生，則遞延稅項負債將不會確認。

遞延稅項負債乃就附屬公司及聯營公司之投資及於合營公司之權益而引致之應課稅臨時差異而確認，惟若本集團可控制臨時差異之逆轉，以及臨時差異可能不會於可見將來逆轉者除外。與該等投資及權益相關之可扣減臨時差額所產生之遞延稅項資產，僅在按可能出現可用作抵銷臨時差額之足夠應課稅溢利時，並預期於可見將來撥時確認。

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4. Significant Accounting Policies (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss.

4. 主要會計政策(續)

稅項(續)

遞延稅項資產之賬面值於每個報告期末作檢討，並於不再可能有足夠應課稅溢利恢復全部或部份資產價值時作調減。

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用之稅率及基於於報告期末已頒佈或實際頒佈之稅率(及稅法)計算。

遞延稅項負債及資產之計量反映本集團預期於報告期末將出現之稅務後果，以收回其資產或清償其負債之賬面值。

即期或遞延稅項於損益內確認。

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4. Significant Accounting Policies (Continued)

Exploration and evaluation expenditure

Exploration and evaluation are capitalised and recognised at cost on initial recognition. Subsequent to initial recognition, these assets are stated at cost less any accumulated impairment losses. Exploration and evaluation expenditures include the cost of mining and exploration rights and the expenditures incurred in search for resources as well as the determination of the technical feasibility and commercial viability of extracting resources become demonstrable previously capitalised exploration and evaluation expenditures are reclassified as either intangible or tangible assets. These assets are assessed for impairment before reclassification.

They are assessed for impairment when facts and circumstances suggest that the carrying amount of capitalised exploration and evaluation expenditures may exceed their recoverable amount.

Impairment of capitalised exploration and evaluation expenditures

The carrying amount of the capitalised exploration and evaluation expenditures are reviewed annually and adjusted for impairment in accordance with HKAS 36 Impairment of Assets whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

4. 主要會計政策(續)

勘探及評估開支

勘探及評估開支於初步確認時按成本資本化及確認。於初步確認後，該等資產乃按成本扣除任何累計減值虧損列賬。勘探及評估包括開採及勘探權的成本及尋找資源時產生的開支，以及釐定技術可行性和開採資源的商業可行性成為明顯可證時，先前已資本化之勘探及評估開支重新分類為無形或有形資產。該等資產於重新分類前會進行減值評估。

如有事實及情況顯示已資本化勘探及評估開支可能超過其可收回金額，則會進行減值評估。

已資本化勘探及評估開支之減值

已資本化勘探及評估開支之賬面值會根據香港會計準則第36號「資產減值」，每年及每當以下任何一項事件或情況變動顯示賬面值可能無法收回時進行檢討，並作出減值調整(以下清單並非巨細無遺)：

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4. Significant Accounting Policies (Continued)

Exploration and evaluation expenditure (Continued)

Impairment of capitalised exploration and evaluation expenditures (Continued)

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

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

4. 主要會計政策(續)

勘探及評估開支(續)

已資本化勘探及評估開支之減值(續)

- 本集團有權於特定區域勘探之期限於有關期間已屆滿，或將於短期內屆滿，且預期不會續期；
- 於特定區域進一步勘探及評估礦產資源有相當支出並無預算亦未有規劃；
- 於特定區域勘探及評估礦產資源之結果並無發現有充分並具商業價值之礦產資源，且本集團已決定終止該特定區域之有關活動；或
- 現有足夠數據顯示，雖然在特定區域發展很可能進行，但勘探及評估資產之賬面值不大可能從成功開發或銷售獲全數收回。

每當資產賬面值超過其可收回金額，即會於綜合損益表中確認減值虧損。

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4. Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment including leasehold improvement, equipment, furniture and fixtures and motor vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. 主要會計政策(續)

物業、廠房及設備

持作用於生產或提供商品或服務或用作行政用途的物業、廠房及設備(包括租賃物業裝修、辦公室設備、傢俬及裝置以及汽車)於綜合財務狀況表按成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

確認折舊按撇銷資產項目成本減估計可使用年期剩餘價值乃以直線法計算。估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

根據融資租賃持有之資產乃於其預期可使用年期按與自置資產相同之基準折舊。然而，倘未能合理地確定將在租賃期末取得擁有權，則資產須按租賃年期及其可使用年期(以較短者為準)折舊。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時取消確認。因出售物業、廠房及設備項目或物業、廠房及設備項目報廢而產生的任何損益乃按出售所得款項與資產賬面值的差額釐定，並於損益中確認。

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4. Significant Accounting Policies (Continued)

Impairment of tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

4. 主要會計政策(續)

有形資產減值

於報告期末，本集團檢討其有限可用年期的有形資產之賬面值，以確定該等資產有否任何跡象顯示出現減值虧損。倘任何該跡象存在，則估計相關資產之可收回金額，以確定減值虧損(如有)之程度。

有形資產之可收回金額將單獨估計，倘未能估計個別資產之可收回金額，本集團將估計資產所屬現金產生單位之可收回金額。於可識別合理和一貫分配基準的情況下，企業資產亦會被分配到個別現金產生單位，否則或會被分配到可識別合理及一貫分配基準的最小現金產生單位組別中。

可收回金額乃公平值減出售成本及使用中價值之較高者。在評估使用價值時，預計未來現金流量按照可以反映當前市場對貨幣時間價值及該資產(或現金產生單位)之特定風險評估(而未來現金流量之估計並無就此調整)之稅前折現率折算至現值。

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4. Significant Accounting Policies (Continued)

Impairment of tangible assets (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

4. 主要會計政策(續)

有形資產減值(續)

如果估計資產(或現金產生單位)之可收回金額低於其賬面值，則將該資產(或現金產生單位)之賬面值減至其可收回金額。減值虧損會立即於損益確認。

倘減值虧損隨後撥回，資產(或現金產生單位)之賬面值將調高至經修訂之估計可收回金額，但增加之賬面值不超過資產(或現金產生單位)假設於以往年度並無已確認減值虧損之賬面值。減值虧損撥回會即時於損益內確認。

撥備

倘本集團因過往事件而承擔現有責任(法定或推定)，而本集團可能須履清償該責任及可對該責任金額作出可靠估計時，則確認撥備。

確認為撥備的金額為，經計及該責任的風險及不明朗因素後，於報告期末清償現有責任所需代價的最佳估計。倘撥備使用清償現有責任的估計現金流量計量，其賬面值為該等現金流量的現值(倘貨幣的時間值影響屬重大)。

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4. Significant Accounting Policies (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4. 主要會計政策(續)

財務工具

當本集團之實體參與訂立有關工具之合約條文時，則確認財務資產及財務負債。所有正常購買或出售財務資產乃按交易日基準確認及取消確認。正常購買或出售乃購買或銷售財務資產，並要求於市場上按規則或慣例設定之時間框架內交付資產。

財務資產及財務負債初步按公平值計量，惟來自客戶合約的貿易應收款項自二零一八年一月一日起初步按國際財務報告準則第15號計量。初步確認時，收購或發行財務資產及財務負債直接產生之交易成本(按公平值計入損益列賬之財務資產或財務負債除外)將視乎情況於初步確認時加入或扣除自財務資產或財務負債之公平值。按公平值計入損益列賬之財務資產及財務負債直接應佔之交易成本會即時於損益確認。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as other income.

4. 主要會計政策(續)

財務工具(續)

實際利率法乃計算財務資產或財務負債之攤銷成本及分配相關期間利息收入及利息開支之方法。實際利率乃按財務資產或負債預計年期或適用之較短期間將估計未來現金收入及付款(包括實際利率重要組成部份之已支付或已收全部費用及差價、交易成本及其他溢價或折讓)實際貼現至初步確認時之賬面淨值。

來自本集團日常業務過程之利息收入呈列為其他收入。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 with transitions in accordance in note 3 to the consolidated financial statements)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. 主要會計政策(續)

財務工具(續)

財務資產

財務資產的分類及後續計量(根據綜合財務報表附註3應用香港財務報告準則第9號過渡後)

符合以下條件的財務資產其後按攤銷成本計量：

- 以收取合約現金流量為目的之業務模式持有的財務資產；及
- 合約條款引致於指定日期的現金流量僅為支付本金和未償還的本金利息。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 with transitions in accordance in note 3 to the consolidated financial statements) (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產的分類及後續計量(根據綜合財務報表附註3應用香港財務報告準則第9號過渡後)(續)

攤銷成本及利息收入

其後按攤銷成本計量之財務資產以及按公平值計入其他全面收益計量之債務工具／應收款項的利息收入乃使用實際利率法確認。利息收入乃對財務資產總賬面值應用實際利率予以計算，惟其後出現信貸減值的財務資產除外(見下文)。對於其後出現信貸減值的財務資產，利息收入乃自下一報告期起對財務資產攤銷成本應用實際利率確認。倘信貸減值財務工具的信貸風險好轉，使財務資產不再為信貸減值，利息收入乃自該資產獲斷定不再為信貸減值後緊接之報告期初起對財務資產總賬面值應用實際利率確認。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)

本集團根據香港財務報告準則第9號就發生減值之財務資產確認預期信貸虧損的虧損撥備。預期信貸損失的金額於各報告日期更新，以反映自初步確認後信用風險的變化。

存續期預期信貸虧損指於相關工具預期可使用期內所有可能發生的違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件導致之存續期預期信貸虧損部分。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (Continued)

For all instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

就所有工具而言，本集團計量的虧損撥備等於12個月預期信貸虧損，惟倘信貸風險自初始確認以來出現顯著上升，則本集團會確認存續期內預期信貸虧損。評估是否應確認存續期內預期信貸虧損乃根據自初步確認以來所發生違約的可能性或風險是否大幅增加。

(i) 信貸風險顯著增加

於評估自初步確認後信貸風險是否顯著增加時，本集團將財務工具於報告日期發生違約之風險與財務工具於初步確認日期發生違約之風險進行比較。作此評估時，本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (Continued)

(i) Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(i) 信貸風險顯著增加(續)

尤其，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 財務工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標嚴重惡化(如債務人的信貸息差及信貸違約掉期價格大幅增加)；
- 業務、財務或經濟狀況出現預計會導致債務人償債能力大幅下降的現有或預期不利變化；

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application
HKFRS 9 with transitions in accordance with note 3)
(Continued)

(i) Significant increase in credit risk (Continued)

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(i) 信貸風險顯著增加(續)

- 債務人經營業績實際或預期顯著惡化；
- 導致債務人償債能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變化。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明則當別論。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過後)(續)

(ii) 違約的定義

就內部信貸風險管理而言，倘內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)，則本集團認為違約事件發生。

不論以上所述，本集團認為倘財務資產逾期超過90日，則違約已發生，除非本集團擁有合理且可靠資料顯示一項更滯後的違約標準更為合適。

(iii) 財務資產信貸減值

當發生對財務資產的估計未來現金流量產生不利影響的一宗或多宗違約事件時，該財務資產即出現信貸減值。財務資產信貸減值的證據包括以下事件的可觀察數據：

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application
HKFRS 9 with transitions in accordance with note 3)
(Continued)

(iii) Credit-impaired financial assets (Continued)

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(iii) 財務資產信貸減值(續)

- 發行人或借款人有重大財務困難；或
- 違反合約，例如違約或逾期事件；
- 借款人的貸款人出於與借款人財困相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；
- 借款人有可能破產或進行其他財務重組；或
- 因財務困難而令該財務資產失去活躍市場。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(iv) 撇銷政策

倘有資料顯示交易對手陷入嚴重財困，且並無可能實際收回財務資產時(例如交易對手已清算或進入破產程序時，或倘為應收賬，則金額逾期超過一年時(以較早者為準))，本集團會撇銷財務資產。撇銷的財務資產可能需根據本集團的收回程序進行法律行動及聽取法律建議(如適用)。撇銷構成取消確認事件。其後所有收回於損益確認。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application
HKFRS 9 with transitions in accordance with note 3)
(Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the collective basis:

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約可能性、違約損失率(即出現違約時的損失幅度)及違約風險的函數。違約概率及違約損失率根據經前瞻性資料調整的過往數據進行評估。預期信貸虧損的估計反映無偏頗及概率加權的數額，其乃根據加權的相應違約風險而釐定。

一般而言，預期信貸虧損為按照合約應付本集團之所有合約現金流量與本集團預期將收取之現金流量之間的差額，並按於初步確認時釐定的實際利率貼現。

倘預期信貸虧損按綜合基準計量，或以處理個別工具層面的信貸風險顯著上升證據尚未可得，財務工具乃按綜合基準分組：

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 3) (Continued)

(v) Measurement and recognition of ECL (Continued)

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(根據附註3應用香港財務報告準則第9號過渡後)(續)

(v) 預期信貸虧損的計量及確認(續)

- 財務工具的性質(即本集團的貿易及其他應收款項、融資租賃應收款項及應收客戶款項分別作為單獨組別評估。關連人士貸款按個別基準評估預期信貸虧損);
- 逾期狀況;
- 債務人的性質、規模及行業;及
- 可用的外部信貸測評。

管理層定期檢討分類的方法,以確保各類別的組成部分仍然具有類似的信貸風險特徵。

利息收入乃根據財務資產之賬面總額計算,除非財務資產出現信貸減值,在此情況下,利息收入根據財務資產之攤銷成本計算。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

The Group's financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity investments, AFS financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產分類及後續計量(於二零一八年一月一日應用香港財務報告準則第9號前)

本集團之財務資產分類為以下特定類別：按公平值計入損益列賬之財務資產、持有至到期投資、可供出售財務資產及貸款及應收款項。分類乃由財務資產之性質及目的所釐定並於初始確認時予以釐定。所有正常購買或出售財務資產乃按交易日基準確認及取消確認。正常購買或出售乃購買或銷售財務資產，並要求於市場上按規則或慣例設定之時間框架內交付資產。

貸款及應收款項

貸款及應收款項為並非於活躍市場報價而具備固定或可釐定款項之非衍生工具財務資產。於初步確認後，貸款及應收款項(包括其他應收款項及現金及現金等值物)乃以實際利率法按攤銷成本減任何減值計量。

除所確認利息並不重大之短期應收款項外，利息收入均應用實際利率確認。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- or disappearance of an active market for that financial asset because of financial difficulties.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(於二零一八年一月一日應用香港財務報告準則第9號前)

財務資產(按公平值計入損益列賬之財務資產除外)於各報告期末評估有否減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令財務資產估計未來現金流量受到影響，則財務資產會被視為將予減值。

就所有財務資產而言，減值的客觀證據可包括以下各項：

- 發行人或對手方有重大財務困難；或
- 違約，如逾期或拖欠利息或本金付款；或
- 借款人有可能破產或進行財務重組；或
- 因財務困難而令該財務資產失去活躍市場。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When an other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

就按攤銷成本列賬之財務資產而言，已確認減值虧損金額乃資產賬面值與按財務資產原實際利率貼現之估計未來現金流量現值之差額。

就按成本列賬之財務資產而言，減值虧損金額乃按資產賬面值與按類似財務資產目前市場回報率貼現之估計未來現金流量現值兩者之差額計量。該等減值虧損將不會於其後期間撥回。

就所有財務資產而言，財務資產之賬面值乃以減值虧損直接扣減，惟其他應收賬款除外，其賬面值乃透過使用撥備賬扣減。撥備賬之賬面值變動於損益確認。當其他應收賬款被視為不可收回，其將於撥備賬內撇銷。倘過往已撇銷之款項其後收回，則計入損益。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(於二零一八年一月一日應用香港財務報告準則第9號前)(續)

就按攤銷成本計量之財務資產而言，如在隨後某一期間減值虧損之金額減少，而有關減少可客觀地與確認減值後發生之事件相關連，則之前已確認之減值虧損將透過損益撥回，惟該項投資於撥回減值該日之賬面值不超出倘並無確認減值則應有之攤銷成本。

取消確認財務資產

僅於資產現金流量之合約權利屆滿時，或將財務資產及資產所有權之絕大部份風險及回報轉讓予另一實體時，本集團方會取消確認財務資產。倘本集團並未轉讓亦未保留所有權之絕大部份風險及回報，並繼續控制已轉讓資產，則本集團確認該資產之保留權益及可能需支付的相關負債金額。倘本集團保留已轉讓財務資產所有權之絕大部份風險及回報，則本集團繼續確認該財務資產並亦確認已收所得款項之有抵押借款。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets (Continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

4. 主要會計政策(續)

財務工具(續)

財務資產(續)

取消確認財務資產(續)

取消確認按攤銷成本計量的財務資產時，資產賬面值與已收及應收代價總額之差額乃於損益確認。

財務負債及權益

分類為債務或權益

債務及股本工具乃根據合約安排的內容以及財務負債與股本工具的定義分類為財務負債或權益。

股本工具

股本工具乃證明實體資產經扣除其所有負債後剩餘權益之任何合約。本公司發行之股本工具按已收所得款項扣除直接發行成本確認。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities including other payables, amounts due to directors, convertible bonds, obligations under finance leases, amounts due to a shareholder are subsequently measured at amortised cost, using the effective interest method.

Convertible notes

Convertible notes issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

4. 主要會計政策(續)

財務工具(續)

財務負債及權益(續)

財務負債，按攤銷成本計

財務負債(包括其他應付款項、應付董事款項、可換股債券、融資租賃責任及應付一名股東款項)隨後採用實際利率法以攤銷成本計量。

可換股票據

由本公司發行之可換股票據，按所訂立之合約安排性質及財務負債及股本工具之定義獨立分類為財務負債及股本工具。將以固定金額現金或另一項財務資產交換固定數量之本公司股本工具之模式結付之換股權，分類為股本工具。

於發行日期，負債部份之公平值乃按類似不可轉換工具之現行市場利率估計。此金額乃以實際利率法按攤銷成本基準記錄為負債，直致兌換時抵銷或工具到期日為止。

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4. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Convertible notes (Continued)

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

4. 主要會計政策(續)

財務工具(續)

可換股票據(續)

被分類為權益之換股權乃透過從整體複合工具之公平價值中扣減負債部份金額而釐定。其將於扣除所得稅影響後在權益中確認及入賬，且隨後不可重新計量。此外，被分類為權益之換股權將一直保留於權益內，直至換股權獲行使為止，而在此情況下，在權益中確認之結餘將轉撥至股份溢價。倘換股權於可換股票據到期日仍未獲行使，在權益中確認之結餘將轉撥至保留盈利。在換股權獲轉換或到期時，不會在損益確認任何收益或虧損。

發行可換股票據之相關交易成本會按所得款項總額之分配比例，分配至負債及權益部份。權益部份之相關交易成本直接於權益確認。負債部份之相關交易成本計入負債部份之賬面值，並於可換股票據之年期內以實際利率法攤銷。

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4. Significant Accounting Policies (Continued)

Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third party.

4. 主要會計政策(續)

關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間實體均為同一第三方之合營企業。

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4. Significant Accounting Policies (Continued)

Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

4. 主要會計政策(續)

關連人士(續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：(續)
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
 - (vi) 實體受(a)所識別人士控制或受共同控制。
 - (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供管理要員服務。

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4. Significant Accounting Policies (Continued)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- (i) the person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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.

4. 主要會計政策(續)

關連人士(續)

任何人士之近親是指與該實體交易時預期可影響該名人士或受該人士影響之家庭成員，包括：

- (i) 該人士之子女及配偶或同居伴侶；
- (ii) 該人士配偶或同居伴侶之子女；及
- (iii) 該人士或該人士配偶或同居伴侶的家屬。

分部報告

經營分部及財務報表所呈報各分部項目的金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務報告而言，除非分部具備相似經濟特徵以及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境性質方面相似，否則各個重大經營分部不會進行合算。個別非重大之經營分部，倘若符合上述大部份標準，則可進行合算。

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4. Significant Accounting Policies (Continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks or other financial institutions and short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and having been within three months of maturing at acquisition.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 4 to the consolidated financial statements, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. 主要會計政策(續)

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括銀行及手頭現金、銀行或其他金融機構活期存款以及短期高流動性投資，該等投資可隨時兌換為已知金額現金且價值變動風險屬不重大並於購入後三個月內到期。

5. 重大會計判斷及估計不確定因素的主要來源

應用綜合財務報表附註4所述的本集團會計政策時，本公司董事須對無法從其他來源得知的資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被視為相關之因素作出。實際的結果可能與該等估計存在差異。

該等估計及相關假設乃以持續基準審閱。倘會計估計之修訂僅影響會計估計作出修訂之期間，則會計估計之修訂於此期間內確認，或倘修訂影響本期間及未來期間，則修訂於修訂期間及未來期間內確認。

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5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Critical judgements in applying accounting policies

In the application of the Group's accounting policies, which are described in note 4 to the consolidated financial statements, the management has made the following judgement which has the most significant effect on the amounts recognised in the consolidated financial statements.

Joint arrangements

As at 31 December 2018, the Group held 80% (2017: 80%) participating interests in a joint arrangement. The Group and the other participants have joint control over the arrangement as decisions about the relevant activities require unanimous consent from all participants sharing the control.

All participants have rights to the net assets of the joint arrangement. Therefore, based on the judgement of the management, the joint arrangement is classified as a joint venture in the consolidated financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of the Group's assets and liabilities within the next financial year are discussed below.

5. 重大會計判斷及估計不確定因素的主要來源(續)

應用會計政策的關鍵判斷

應用綜合財務報表附註4所述的本集團會計政策時，管理層曾作出下列對綜合財務報表中已確認金額影響最大的判斷。

合營安排

於二零一八年十二月三十一日，本集團持有合營安排之80%（二零一七年：80%）參與權益。由於有關活動的決策要求擁有控制權的各參與者一致同意，故本集團與其他參與者對此安排擁有共同控制權。

所有參與者均有權持有合營安排之資產淨值，因此，根據管理層之判斷，合營安排在綜合財務報表中被分類為合營企業。

估計不確定性的主要來源

下文討論於報告期間結束時極可能導致本集團之資產與負債賬面值於下一個財政年度需要做出重大調整之未來相關重要假設及導致估計不可靠之其他重要因素。

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5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Impairment of assets and assessment of cash generating units (“CGU”)

The Group reviews the recoverability of the carrying amounts of its interests in a joint venture to determine whether there is any indication that those assets are impaired. In making assessments for impairment, assets that do not generate independent cash flows are allocated to an appropriate CGU. The recoverable amount of those assets, or CGU, is measured at the higher of their fair value less costs of disposal and value in use.

The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The fair value estimation requires the Group to use market observable data to the extent that it is available. The Group engaged an independent professional valuer to establish appropriate techniques and inputs for the determination of recoverable amounts in relation to interests in a joint venture. Where the recoverable amount is less than the carrying amount, a material impairment loss may arise.

Changes to the inputs and assumptions underlying the assessment of the recoverable amount may result in changes to impairment charges, either through further impairment charges or reversal of previously recognised impairments, which could have a significant impact on the financial information in future periods.

As at 31 December 2018, the carrying amounts of interests in a joint venture was approximately HK\$361,377,000 (2017: approximately HK\$357,470,000).

5. 重大會計判斷及估計不確定因素的主要來源(續)

資產減值及評估現金產生單位(「現金產生單位」)

本集團檢討於合營企業之權益之賬面值，以釐定該等資產有否減值跡象。評估減值時，不會產生獨立現金流之資產會分配至合適之現金產生單位。該等資產或現金產生單位之可收回金額按公平值減銷售成本與使用價值之較高者計量。

使用價值的計算需本集團估計預期產自現金產生單位的未來現金流量及合適的折現率以計算現值。公平值的估算需本集團在可以取得的範圍內使用市場可觀察的數據。本集團委聘獨立評估師建構合適的方法和輸入數據對合營公司權益作出估值。當合營公司權益的可收回價值低於其賬面值，有可能需要作出重大減值。

可收回價值評估所涉輸入數據及假設之改變或會透過進一步確認減值費用或撥回之前已確認之減值而導致減值費用變更，因而可能對未來期間之財務資料產生重大影響。

於二零一八年十二月三十一日，於合營企業權益的賬面值約為港幣361,377,000元(二零一七年：約為港幣357,470,000元)。

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5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Impairment of amounts due from parties to a joint venture

The Group reviews the recoverability of the carrying amounts of its amounts due from parties to a joint venture to determine whether there is any indication that those assets are impaired. The recoverability of the carrying amounts of the assets are reviewed annually and adjusted for impairment whenever certain events or changes in circumstances indicate that the carrying amounts may not be recoverable. In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to exercise judgment in the area of asset impairment, particularly in assessing: (i) whether an event has occurred that may indicate that the related asset value may not be recoverable; (ii) whether the carrying amount of an asset can be supported by the recoverable amount, being the fair value less costs to sell. The carrying value of amounts due from parties to a joint venture as at 31 December 2018 were approximately HK\$38,639,000 (2017: approximately HK\$36,605,000).

5. 重大會計判斷及估計不確定因素的主要來源(續)

應收合營企業方款項之減值

本集團檢討於應收合營企業方款項之賬面值的可收回性，以釐定該等資產有否減值跡象。本集團每年檢討其賬面值的可收回性，倘有若干事件或改變致使其賬面值並不能完全收回，賬面值會依減值虧損金額作調整。在釐定該資產已經減值或之前令其減值之事件不再存在時，管理層須作出判斷資產減值之範圍，尤其是在評估：(i)有沒有已發生之事件顯示相關資產的價值會不能收回；(ii)資產的賬面價值是否高於其可收回金額，可收回金額即其公平值減銷售成本。於二零一八年十二月三十一日，應收合營企業方款項之賬面值約為港幣38,639,000元(二零一七年：約為港幣36,605,000元)。

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6. Turnover and Other Income

The Group did not have any turnover during the year (2017: Nil) and an analysis of the Group's other income for the year is as follows:

| | | 2018 二零一八年 | 2017 二零一七年 |
|----------------------------|--------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Bank interest income | 銀行利息收入 | 1 | 1 |
| Other miscellaneous income | 其他雜項收入 | 793 | 79 |
| Service income | 服務收入 | 1,103 | 1,196 |
| | | 1,897 | 1,276 |

6. 營業額及其他收入

本集團年內並無產生任何營業額(二零一七年：無)及本集團之本年度其他收入分析如下：

7. Finance Costs

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Interest expenses on bank overdraft | 銀行透支之利息開支 | 87 | 102 |
| Late charges of interest expenses on convertible bonds | 可換股債券利息開支之逾期費用 | 1,222 | 232 |
| Interest expenses on convertible bonds | 可換股債券之利息 | 15,219 | 18,786 |
| Finance lease charges | 融資租賃費用 | 7 | 15 |
| | | 16,535 | 19,135 |

7. 融資成本

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8. Loss Before Income Tax

Loss before income tax is arrived at after charging the following items:

8. 除所得稅前虧損

除所得稅前虧損已扣除以下項目：

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|-----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Staff costs (including directors' emoluments) | 員工成本(包括董事酬金) | | |
| — Salaries, allowances and benefits in kind | — 薪金、津貼及實物利益 | 15,529 | 15,912 |
| — Discretionary bonus | — 酌情花紅 | — | — |
| — Retirement scheme contributions | — 退休計劃供款 | 128 | 179 |
| | | 15,657 | 16,091 |
| Auditor's remuneration | 核數師酬金 | | |
| — Audit service | — 審核服務 | 600 | 1,050 |
| — Non-audit service | — 非審核服務 | — | — |
| | | 600 | 1,050 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 301 | 300 |
| Operating lease payments for land and buildings and equipment | 土地及樓宇及設備之經營租約款項 | 1,738 | 2,009 |

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9. Income Tax Credit

9. 所得稅抵免

Income tax credit recognised in profit or loss

於損益內確認之所得稅抵免

| | | 2018 二零一八年 | 2017 二零一七年 |
|---------------------------------------|-----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Current income tax | 本期稅項 | – | – |
| Deferred tax | 遞延稅項 | 36 | 631 |
| Income tax credit for the year | 本年度所得稅抵免 | 36 | 631 |

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9. Income Tax Credit (Continued)

No Hong Kong Profits Tax has been provided as the Group had no assessable profits in Hong Kong for the year (2017: Nil).

Under the law of the PRC on Enterprises Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the applicable PRC EIT rate of the Group's PRC subsidiaries is 25% for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Deferred tax for the year represents tax income recognised on reversal of temporary differences arising from convertible bonds.

No deferred tax asset has been recognised in respect of such tax losses due to unpredictability stream of future taxable profits that will be available against which the tax losses can be utilised.

There was no material unprovided deferred tax liabilities as at the end of the year (2017: Nil).

9. 所得稅抵免(續)

由於本集團於本年度並無在香港產生應課稅溢利(二零一七年：無)，因而並無計提香港利得稅。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本集團中國附屬公司於兩個年度之適用中國企業所得稅率為25%。

於其他司法權區產生之稅項按相關司法權區之通行稅率計算。

本年度之遞延稅項為就撥回可換股債券所產生暫時差額確認之稅項收入。

由於可利用稅務虧損抵銷之未來應課稅溢利之來源難以預測，故並無就有關稅項虧損確認遞延稅項資產。

於年終並無重大未計提撥備遞延稅項負債(二零一七年：無)。

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9. Income Tax Credit (Continued)

The income tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss as follows:

9. 所得稅抵免(續)

本年度所得稅抵免可與綜合損益表之除所得稅前虧損對賬如下：

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|-----------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Loss before income tax | 除所得稅前虧損 | (41,078) | (25,689) |
| Notional income tax, calculated at the tax rates applicable to the jurisdictions concerned | 按有關司法權區適用稅率計算之所得稅之名義稅 | (6,821) | (3,372) |
| Tax effect of share of results of a joint venture | 應佔合營企業業績之稅務影響 | 6 | (3,445) |
| Tax effect of impairment losses recognised on amounts due from associates | 應收聯營公司款項減值虧損確認之稅務影響 | — | 3 |
| Tax effect of impairment losses recognised on deferred exploration expenditure | 遞延勘探開支減值虧損確認之稅務影響 | — | 118 |
| Tax effect of losses not allowable | 不可扣稅虧損之稅務影響 | 6,835 | 5,757 |
| Tax effect of allowable losses not recognised | 未確認可扣稅虧損之稅務影響 | — | 939 |
| Utilisation of allowable losses previously not recognised | 利用以前未確認的允許損失 | (20) | — |
| Deferred tax on convertible bonds | 有關可換股債券之遞延稅項 | (36) | (631) |
| Income tax credit for the year | 本年度所得稅抵免 | (36) | (631) |

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10. Directors' Emoluments and Individuals with Highest Emoluments

(i) Directors' Emoluments

Directors' emoluments for the year, disclosed pursuant to the Listing Rules, 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:

10. 董事薪酬及最高薪酬人士

(i) 董事薪酬

根據上市規則、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部份披露之董事酬金詳情如下：

| 2018 二零一八年 | | Salaries, allowances and Fees | benefits in kind 薪金、津貼及 實物利益 | Discretionary Bonus 酌情花紅 | Retirement scheme contributions 退休 計劃供款 | Total 總計 |
|--------------------------------------|----------|-------------------------------------|------------------------------------|--------------------------------|---|------------------|
| | | 袍金 | 實物利益 | 酌情花紅 | 計劃供款 | 總計 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Executive directors: | 執行董事： | | | | | |
| KUAI Wei (note a) | 鄺偉(附註a) | — | 360 | — | 18 | 378 |
| LIN Zhang | 林漳 | — | 1,159 | — | 15 | 1,174 |
| LAI Chun Liang | 來俊良 | — | 420 | — | — | 420 |
| ZHAO Zhiyoung | 趙智勇 | — | 600 | — | — | 600 |
| Independent non-executive directors: | 獨立非執行董事： | | | | | |
| PAI Hsi-Ping | 白旭屏 | 60 | — | — | — | 60 |
| XIE Qun | 謝群 | 60 | — | — | — | 60 |
| KWAN King Chi George | 關敬之 | 60 | — | — | — | 60 |
| | | 180 | 2,539 | — | 33 | 2,752 |

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10. Directors' Emoluments and Individuals with Highest Emoluments (Continued)

10. 董事薪酬及最高薪酬人士(續)

(i) Directors' Emoluments (Continued)

(i) 董事薪酬(續)

| 2017 二零一七年 | | Fees 袍金 | Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 | Discretionary Bonus 酌情花紅 | Retirement scheme contributions 退休 計劃供款 | Total 總計 |
|---|----------|------------------|---|--------------------------------|---|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Executive directors: | 執行董事： | | | | | |
| KUAI Wei (note a) | 鄺偉(附註a) | — | 360 | — | 18 | 378 |
| LIN Zhang | 林漳 | — | 1,087 | — | 15 | 1,102 |
| LAI Chun Liang | 來俊良 | — | 258 | — | — | 258 |
| ZHAO Zhiyoung | 趙智勇 | — | 211 | — | — | 211 |
| Independent non-executive directors: | 獨立非執行董事： | | | | | |
| PAI Hsi-Ping | 白旭屏 | 60 | — | — | — | 60 |
| XIE Qun | 謝群 | 60 | — | — | — | 60 |
| KWAN King Chi George | 關敬之 | 60 | — | — | — | 60 |
| | | 180 | 1,916 | — | 33 | 2,129 |

Note:

附註：

(a) Resigned on 1 July 2019.

(a) 於二零一九年七月一日辭任。

Salaries, allowances and benefits in kind paid to or for the executive directors are generally entitlements paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

支付予執行董事的薪金、津貼或實物利益一般為已支付的權益或彼等有關管理本公司及其附屬公司事務的其他服務之應收款項。

None of the directors waived or agreed to waive any emoluments during the year ended 31 December 2018 (2017: Nil). No emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year ended 31 December 2018 (2017: Nil).

於截至二零一八年十二月三十一日止年度內，概無董事豁免或同意豁免任何酬金(二零一七年：無)。於截至二零一八年十二月三十一日止年度內，本集團概無向董事支付酬金以作為邀請其加入本集團或加盟本集團後的獎勵或離職補償(二零一七年：無)。

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10. Directors' Emoluments and Individuals with Highest Emoluments (Continued)

(ii) Individuals with Highest Emoluments

Of the 5 individuals with the highest emoluments in the Group, 2 (2017: 1) were directors of the Company. The emoluments of the remaining 3 (2017: 4) individuals were as follows:

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 1,999 | 2,638 |
| Discretionary bonus | 酌情花紅 | — | — |
| Retirement scheme contributions | 退休計劃供款 | 17 | 18 |
| | | 2,016 | 2,656 |

The emoluments of those 3 (2017: 4) individuals with the highest emoluments are within the following bands:

| | | Number of individuals 人數 | |
|--------------------------------|---------------------------|-----------------------------|---------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| HK\$0 to HK\$1,000,000 | 港幣0元至港幣1,000,000元 | 3 | 3 |
| HK\$1,000,001 to HK\$1,500,000 | 港幣1,000,001元至港幣1,500,000元 | — | 1 |

10. 董事薪酬及最高薪酬人士(續)

(ii) 最高薪酬人士

本集團五名最高薪酬人士中，兩名(二零一七年：一名)為本公司董事。餘下三名(二零一七年：四名)人士之薪酬如下：

該三名(二零一七年：四名)最高薪酬人士之薪酬介乎下列範圍：

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11. Loss Per Share

Basic and diluted loss per share

The calculations of the basic and diluted loss per share are based on the following data:

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|---------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Loss for the year attributable to the owners of the Company | 本公司擁有人應佔本年度虧損 | (40,694) | (31,992) |

11. 每股虧損

每股基本及攤薄虧損

每股基本及攤薄虧損乃根據下列數據計算：

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|--------------|---------------|---------------|
| | | '000 千股 | '000 千股 |
| Weighted average number of ordinary shares for the year | 本年度之普通股加權平均數 | 2,937,538 | 2,937,538 |

During the years ended 31 December 2018 and 2017, the computation of diluted loss per share does not assume the conversion of the outstanding convertible bonds since it would result in a decrease in loss per share, and is regarded as anti-dilutive.

於截至二零一八年及二零一七年十二月三十一日止年度，由於轉換未兌換可換股債券將減少每股虧損而被視為具有反攤薄影響，故於計算每股攤薄虧損時假設並未進行有關轉換。

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12. Dividends

No dividend has been paid, declared or proposed during the year, nor has any dividend been proposed since the end of reporting period (2017: Nil).

13. Segment Information

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

For the years ended 31 December 2017 and 2018, the Group has two reportable and operating segments — (1) exploration of oil, natural gas and coal, and (2) provision of technical services for oil and gas exploration and development. These segments are managed separately as they belong to different industries and require different operating systems and strategies.

The Group accounts for inter-segment revenue and transfers as if the revenue or transfers were to third parties. All inter-segment revenue and transfers are eliminated on consolidation.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit or loss represents profit or loss reported by each segment without allocation of central administration costs including directors' emoluments, finance costs and income tax. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance.

12. 股息

本年度並無派付，宣派或建議派付股息，亦無自報告期末起建議派付任何股息(二零一七年：無)。

13. 分部資料

本集團按首席經營決策人所審閱用以作出策略性決定之報告釐定其經營分部。

截至二零一七年及二零一八年十二月三十一日止年度，本集團有兩個報告及經營分部—(1) 勘探石油、天然氣及煤炭及(2)就油氣勘探及開發提供技術服務。由於該等分部屬於不同行業及需要不同經營系統及策略，故分開管理。

本集團把分部間收益及轉讓入賬，猶如對第三方收益或轉讓。所有分部間收益及轉讓已在綜合入賬時撤銷。

經營分部的會計政策與本集團的會計政策一致。分部損益代表各分部所產生之損益及並未分配中央行政成本(包括董事薪酬、融資成本及所得稅)。此方法用作計量分部資料，呈報給主要營運決策人作分配資源及評估表現之用。

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13. Segment Information (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than unallocated corporate assets.
- all liabilities are allocated to operating segments other than unallocated corporate liabilities.

An analysis of the Group's reportable segment revenues, results, assets, liabilities and other selected financial information is presented below.

13. 分部資料(續)

就監控分部表現及分部之間的資源分配而言：

- 除未分配企業資產外，所有資產被分配至其相關經營分部。
- 除未分配企業負債外，所有負債被分配至其相關經營分部。

本集團報告分部收益、業績、資產、負債及其他經挑選財務資料之分析呈列如下。

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13. Segment Information (Continued)

13. 分部資料(續)

(a) Reportable Segments

(a) 報告分部

| 2018 二零一八年 | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Elimination 撤銷 | Total 總計 |
|--|---|---|-------------------|------------------|
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Revenue from external customer | — | — | — | — |
| Inter-segment revenue | — | 5,515 | (5,515) | — |
| Reportable segment revenue | — | 5,515 | (5,515) | — |
| Reportable segment loss before income tax | (4,812) | (7,160) | — | (11,972) |
| Unallocated corporate expenses | | | | (12,393) |
| Share of results of a joint venture | (37) | | | (37) |
| Impairment losses recognised on deferred exploration expenditure | (141) | | | (141) |
| Unallocated interest expenses | | | | (16,535) |
| Loss before income tax | | | | (41,078) |

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13. Segment Information (Continued)

13. 分部資料(續)

(a) Reportable Segments (Continued)

(a) 報告分部(續)

| 2017 二零一七年 | | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Elimination 撤銷 | Total 總計 |
|---|----------------------|---|---|-------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Revenue from external customer | 來自外部客戶之收益 | — | — | — | — |
| Inter-segment revenue | 分部間收益 | — | 5,982 | (5,982) | — |
| Reportable segment revenue | 報告分部收益 | — | 5,982 | (5,982) | — |
| Reportable segment loss before income tax | 報告分部之除所得稅 前虧損 | (4,985) | (8,853) | — | (13,838) |
| Unallocated corporate income | 未分配企業收益 | | | | 17 |
| Unallocated corporate expenses | 未分配企業開支 | | | | (12,876) |
| Impairment losses recognised on amounts due from associates | 就應收聯營公司款項 確認之減值虧損 | (20) | | | (20) |
| Share of results of a joint venture | 應佔合營企業業績 | 20,880 | | | 20,880 |
| Impairment losses recognised on deferred exploration expenditure | 就遞延勘探開支確認 之減值虧損 | (717) | | | (717) |
| Unallocated interest expenses | 未分配利息開支 | | | | (19,135) |
| Loss before income tax | 除所得稅前虧損 | | | | (25,689) |

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13. Segment Information (Continued)

13. 分部資料(續)

(a) Reportable Segments (Continued)

(a) 報告分部(續)

| 2018 二零一八年 | | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Elimination 撤銷 | Total 總計 |
|-----------------------------------|------------|---|---|-------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Assets: | 資產： | | | | |
| Segment assets | 分部資產 | 38,597 | — | — | 38,597 |
| Interests in a joint venture | 於合營企業的權益 | 361,377 | | | 361,377 |
| Unallocated corporate assets | 未分配企業資產 | | | | 3,525 |
| Total assets | 總資產 | | | | 403,499 |
| Liabilities: | 負債： | | | | |
| Segment liabilities | 分部負債 | 3,351 | — | — | 3,351 |
| Unallocated corporate liabilities | 未分配企業負債 | | | | 256,768 |
| Total liabilities | 總負債 | | | | 260,119 |

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13. Segment Information (Continued)

13. 分部資料(續)

(a) Reportable Segments (Continued)

(a) 報告分部(續)

| 2017 二零一七年 | | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Elimination 撤銷 | Total 總計 |
|-----------------------------------|------------|---|---|-------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Assets: | 資產： | | | | |
| Segment assets | 分部資產 | 41,506 | 1,662 | — | 43,168 |
| Interests in a joint venture | 於合營企業的權益 | 357,470 | | | 357,470 |
| Unallocated corporate assets | 未分配企業資產 | | | | 1,670 |
| Total assets | 總資產 | | | | 402,308 |
| Liabilities: | 負債： | | | | |
| Segment liabilities | 分部負債 | 2,525 | 7,101 | — | 9,626 |
| Unallocated corporate liabilities | 未分配企業負債 | | | | 207,613 |
| Total liabilities | 總負債 | | | | 217,239 |

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13. Segment Information (Continued)

(a) Reportable Segments (Continued)

Other segment information

| 2018 二零一八年 | | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Unallocated 未分配 | Total 總計 |
|---------------------------------|---------|---|---|--------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Depreciation | 折舊 | 99 | 36 | 166 | 301 |
| Additions to non-current assets | 添置非流動資產 | 3,960 | — | — | 3,960 |

13. 分部資料(續)

(a) 報告分部(續)

其他分部資料

| 2017 二零一七年 | | Exploration of oil natural gas and coal 勘探石油、 天然氣及煤炭 | Provision of technical services 提供 技術服務 | Unallocated 未分配 | Total 總計 |
|---------------------------------|---------|---|---|--------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Depreciation | 折舊 | 94 | 37 | 169 | 300 |
| Additions to non-current assets | 添置非流動資產 | 5,827 | — | 14 | 5,841 |

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13. Segment Information (Continued)

(b) Geographical Information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, interests in associates and a joint venture ("specified non-current assets"). The geographical location of customers is based on the location in which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets in the case of property, plant and equipment, and the location of operation in the case of interests in associates and a joint venture.

13. 分部資料(續)

(b) 地區資料

下表載列有關(i)本集團來自外部客戶之收益及(ii)本集團物業、廠房及設備，以及於聯營公司及合營企業權益(「特定非流動資產」)之地區位置資料。客戶之地區位置是根據提供服務或付運貨物之地點而決定。特定非流動資產之地區位置是根據(如屬物業、廠房及設備)資產實質所在位置，以及(如屬於聯營公司及合營企業)營運地點而決定。

| | | Revenue from external customers | | Specified non-current assets | |
|---------------------------|---------|---------------------------------|----------|------------------------------|----------|
| | | 來自外部客戶之收益 | | 特定非流動資產 | |
| | | 2018 | 2017 | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Mainland China, including | 中國內地，包括 | | | | |
| Hong Kong and Macau | 香港及澳門 | — | — | 213 | 404 |
| Philippines | 菲律賓 | — | — | 361,527 | 357,703 |
| | | — | — | 361,740 | 358,107 |

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14. Property, Plant and Equipment

14. 物業、廠房及設備

| | | Leasehold improvement 租賃裝修 | Equipment 設備 | Furniture fixtures 傢俱及裝置 | Motor vehicles 汽車 | Total 總計 |
|---|-----------------------------|-------------------------------|------------------|-----------------------------|----------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Cost: | 成本： | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | 130 | 295 | 968 | 1,891 | 3,284 |
| Additions | 添置 | — | 14 | 5 | — | 19 |
| Exchange adjustment | 匯兌調整 | — | — | 27 | 3 | 30 |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日 及二零一八年一月一日 | 130 | 309 | 1,000 | 1,894 | 3,333 |
| Additions | 添置 | — | — | 16 | — | 16 |
| Exchange adjustment | 匯兌調整 | — | — | (21) | 1 | (20) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 130 | 309 | 995 | 1,895 | 3,329 |
| Depreciation and impairment losses: | 折舊及減值虧損： | | | | | |
| At 1 January 2017 | 於二零一七年一月一日 | 130 | 264 | 807 | 1,171 | 2,372 |
| Provided for the year | 本年度撥備 | — | 14 | 51 | 235 | 300 |
| Exchange adjustment | 匯兌調整 | — | — | 23 | 1 | 24 |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日 及二零一八年一月一日 | 130 | 278 | 881 | 1,407 | 2,696 |
| Provided for the year | 本年度撥備 | — | 11 | 56 | 234 | 301 |
| Exchange adjustment | 匯兌調整 | — | — | (32) | 1 | (31) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 130 | 289 | 905 | 1,642 | 2,966 |
| Carrying amounts | 賬面值 | | | | | |
| At 31 December 2018 | 於二零一八年十二月三十一日 | — | 20 | 90 | 253 | 363 |
| At 31 December 2017 | 於二零一七年十二月三十一日 | — | 31 | 119 | 487 | 637 |

At the end of the reporting period, the net carrying amount of motor vehicles held under finance lease of the Group was approximately HK\$110,000 (2017: approximately HK\$265,000).

於報告期末，本集團根據融資租賃持有的汽車賬面淨值為約港幣110,000元(二零一七年：約港幣265,000元)。

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15. Interests in Associates

This represents the Group's share of the interests in associates which are engaged in the exploration, exploitation and development of coal mine in the Philippines.

15. 於聯營公司之權益

此乃本集團分佔於菲律賓從事煤礦勘探、開採及開發之聯營公司之權益。

| | | 2018 二零一八年 | 2017 二零一七年 |
|-----------------------------------|-----------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Share of net assets of associates | 分佔聯營公司淨資產 | | |
| At the beginning of the year | 於年初 | — | — |
| Share of results of associates | 應佔聯營公司業績 | — | — |
| At the end of the year | 於年終 | — | — |

Details of associates are as follows:

聯營公司之詳情如下：

| Name 名稱 | Place of Incorporation/ operation 註冊成立/ 經營地點 | Registered capital 註冊資本 | Attributable equity interest held by in indirect wholly-owned subsidiary of the Group 應佔本集團經一間間接擁有之全資附屬公司持有之股權 | | Principal activity 主要業務 | | |
|--|--|-------------------------------|--|---------------|-------------------------------|------------------|----------------------------|
| | | | 2018 二零一八年 | 2017 二零一七年 | Directly 直接 | Indirectly 間接 | Directly 直接 |
| Great Wall Mining and Power Corp. ("Great Wall") | Philippines 菲律賓 | PHP2,500,000 2,500,000披索 | 40% | 24% | 40% | 24% | Coal mining 煤礦開採 |
| Eastern Star Mining and Power Corp. ("Eastern Star") | Philippines 菲律賓 | PHP2,500,000 2,500,000披索 | 40% | — | 40% | — | Investment holding 投資控股 |

Note: The boards of Great Wall and Eastern Star are not controlled by the Group.

附註：Great Wall及Eastern Star之董事會不受本集團控制。

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15. Interests in Associates (Continued)

All of the above associates are accounted for using equity method in the consolidated financial statements.

The development of the associate's coal mine had been suspended due to the Department of Environment and Natural Resources of Philippines ("DENR") has not granted a tree cutting permit which would have enabled the associate to build a road to get access to the mining area. In addition, upon election of the new president in the year 2016, the new Philippines government planned to review coal power projects and to seek for the increase use of renewable energy in response to the protest of anti-coal activists and environmental advocates. Hence, the condition of the development of the associate's coal mine in the Philippines became considerably unfavourable to the Group. In view of the ongoing suspension for the development of the coal mine and the pessimistic business outlook of the coal industry in the Philippines, the management had concluded that no future economic benefits were expected to be generated by the associate. Accordingly, full impairment losses of interests in associates, amounting to HK\$27,436,000 attributable to the Group's interests therein was recognised in consolidated profit or loss for the year ended 31 December 2016.

Although a moratorium of the work commitments for the project was subsequently granted by the Department of Energy of the Philippines to 17 December 2018, the management of the Group considered that due to the construction of the project can only be resumed upon the grant of tree cutting permit, no recoverable amount of interests in associates was expected before the free cutting was issued.

15. 於聯營公司之權益(續)

上述所有聯營公司均使用權益法於綜合財務報表入賬。

聯營公司之煤礦開發已經暫停，原因是菲律賓環境及自然資源部(「環境及自然資源部」)並無授出可讓聯營公司修建接通採礦區之公路所需之砍樹許可證。此外，於2016年新總統獲選後，菲律賓新政府計劃審查煤電項目及尋求提高再生能源的採用，以回應反煤炭活動激進人士及環保倡議者之抗議。因此，聯營公司於菲律賓的煤礦開發狀況變得對本集團相當不利。鑑於煤礦開發之持續停頓和煤炭行業於菲律賓的黯淡前景，管理層已得出結論，聯營公司預期將不會產生任何未來經濟利益。因此，本集團已就應佔聯營公司之權益，在截至二零一六年十二月三十一日止年度，確認於聯營公司權益之全數減值虧損港幣27,436,000元。

雖然菲律賓能源部於期後就項目之工程承諾授出暫緩令至二零一八年十二月十七日，但由於項目的建設工程只能於授出砍樹許可證後恢復，本集團管理層認為，在發出砍樹許可證前於聯營公司的權益不存在可收回金額。

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15. Interests in Associates (Continued)

15. 於聯營公司之權益(續)

Summarised financial information in respect of the Group's associates is set out below:

有關本集團聯營公司之財務資料概述如下：

| | | Eastern Star | | Great Wall | | Total 總計 | |
|------------------------------------|----------|--------------|----------|------------|----------|-------------|----------|
| | | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Total non-current assets | 總非流動資產 | 235 | 235 | 13,791 | 14,516 | 14,026 | 14,751 |
| Total current assets | 總流動資產 | 130 | 137 | 1,002 | 1,055 | 1,132 | 1,192 |
| Total non-current liabilities | 總非流動負債 | — | — | — | — | — | — |
| Total current liabilities | 總流動負債 | (101) | (106) | (14,661) | (15,433) | (14,762) | (15,539) |
| Net assets | 淨資產 | 264 | 266 | 132 | 138 | 396 | 404 |
| Total revenue | 總收益 | — | — | — | — | — | — |
| Loss for the year | 本年度虧損 | — | (9) | — | (1) | — | (10) |
| Other comprehensive expense | 其他全面支出 | — | — | — | — | — | — |
| Total comprehensive expense | 全面支出總額 | — | (9) | — | (1) | — | (10) |
| Dividends received from associates | 已收聯營公司股息 | — | — | — | — | — | — |

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15. Interests in Associates (Continued)

Reconciliation of above summarised financial information to carrying amount of interests in associates to the consolidated financial statements:

15. 於聯營公司之權益(續)

上述有關聯營公司之概述財務資料與綜合財務報表內的聯營公司權益之賬面值對賬：

| | Eastern Star | | Great Wall | | Total 總計 | |
|---|--------------|----------|------------|----------|-------------|----------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Net assets of associates before fair value adjustment at acquisition | 264 | 266 | 132 | 138 | 396 | 404 |
| Group's effective interest | 40% | 40% | 64% | 64% | | |
| Group's share of net assets of associates before fair value adjustment at acquisition | 106 | 106 | 84 | 88 | 190 | 194 |
| Effect of fair value adjustment at acquisition | — | — | 81,915 | 81,915 | 81,915 | 81,915 |
| Effect of accumulated impairment losses recognized in application of equity accounting by the Group | (110) | (110) | (81,605) | (81,605) | (81,715) | (81,715) |
| Unrecognised share of losses of associates | — | 4 | — | 1 | — | 5 |
| Others | 4 | — | (394) | (399) | (390) | (399) |
| Carrying amounts of Group's interests in associates | — | — | — | — | — | — |

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15. Interests in Associates (Continued)

15. 於聯營公司之權益(續)

Unrecognised share of losses of associates

未確認之分佔聯營公司虧損

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|-----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| The unrecognised share of losses of associates for the year | 本年度未確認之分佔聯營公司虧損 | — | 5 |

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Cumulative unrecognised share of losses of associates | 累計未確認之分佔聯營公司虧損 | 5 | 5 |

At the end of reporting period, the provision of cost for rehabilitation is not recognised in the interests in associates as the extent of rehabilitation has not yet been defined and agreed as they will be defined and imposed by the authority on issuing the tree-cutting licence.

於報告期末，復原成本撥備並未於聯營公司的權益確認，因復原程度將在有關部門授出砍伐許可證時釐定及規定，因此復原程度尚未釐定及協定。

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16. Interests in a Joint Venture

The interests held by the Group in a joint venture which is engaged in the exploration, exploitation and development of oil and gas in the Philippines is 80% (2017: 80%).

16. 於合營企業的權益

本集團於菲律賓從事油氣勘探、開採及開發之合營企業持有之實際權益為80% (二零一七年：80%)。

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|---------------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At the beginning of the year | 於年初 | 357,470 | 330,768 |
| Additional investment | 額外投資 | 3,944 | 5,822 |
| Share of result of joint venture, including reversal of impairment losses recognised | 應佔合營企業業績，包括 已確認之減值虧損撥回 | (37) | 20,880 |
| At the end of the year | 於年終 | 361,377 | 357,470 |

Details of impairment test on interests in a joint venture are as follows:

At the end of the reporting periods, i.e. 31 December 2018 and 31 December 2017, the management of the Group engaged an independent professional valuer to assist the management of the Group in determining the recoverable amounts of the Group's interests in a joint venture. The recoverable amounts were determined by using discounted cash flow method at the end of the reporting period.

於合營企業權益之減值測試詳情如下：

於二零一八年十二月三十一日及二零一七年十二月三十一日報告期末，本集團管理層已委聘一間獨立專業估值師行協助本集團管理層釐定於合營企業權益之可收回金額。可收回金額乃參照於報告期末之折現現金流量計量。

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16. Interests in a Joint Venture (Continued)

The carrying amounts of the Group's interests in a joint venture exceeded the recoverable amounts as at 31 December 2018, resulting in an impairment losses amounting to approximately HK\$37,000 (2017: reversal of impairment losses recognised approximately HK\$20,880,000) attributable to the Group's interests in a joint venture, which was recognised in the consolidated statement of profit or loss for the year ended 31 December 2018.

Movements in accumulated impairment losses on interests in a joint venture are as follows:

16. 於合營企業的權益(續)

於二零一八年十二月三十一日，本集團於合營企業權益之賬面值超出合營企業權益之可收回金額，導致本集團應佔合營企業之權益於截至二零一八年十二月三十一日止年度的綜合損益表確認減值虧損約港幣37,000元(二零一七年：減值虧損撥回約港幣20,880,000元)。

有關合營企業累計減值虧損之變動如下：

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|---------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Accumulated impairment losses | 累計減值虧損 | | |
| At the beginning of the year | 於年初 | 121,144 | 142,024 |
| Important loss recognised | 確認之減值虧損 | 37 | — |
| Reversal of impairment losses recognised | 已確認之減值虧損撥回 | — | (20,880) |
| At the end of the year | 於年終 | 121,181 | 121,144 |

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16. Interests in a Joint Venture (Continued)

Recoverable amounts of interests in a joint venture, measured by using discounted cash flow method at the end of the reporting period

(i) Fair value hierarchy

The fair value measurement of the Group's interests in a joint venture, measured at the end of reporting period for the Group's impairment assessment purposes, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement", falls into Level 3.

(ii) Valuation techniques and key assumptions used in Level 3 fair value measurement

The fair value measurement of the Group's interests in a joint venture is determined using income approach based on discounted cash flow projection covering twenty-two-year period. Cash flows beyond the twenty-two-year period use estimated growth rate of 3%. The cash flows are discounted using a discount rate of 16.15% p.a.

16. 於合營企業的權益(續)

合營企業權益的可收回金額(按報告期末按折現現金流量方法計量)

(i) 公平值層級

本集團合營企業權益的公平值(按報告期末其減值評估目的計量)，分為三級公平值層級(定義見香港財務報告準則第13號「公平值計量」)，歸類為第三級。

(ii) 第三級公平值計量使用之估值方法及主要假設

本集團的合營企業權益的公平值計量乃採用收益法釐定，而該收益法乃基於二十二年期之折現現金流量預測。超過二十二年之現金流量採用3%之預計增長率。現金流量採用每年16.15%之折現率進行折現。

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16. Interests in a Joint Venture (Continued)

Recoverable amounts of interests in a joint venture, measured by using discounted cash flow method at the end of the reporting period (Continued)

(iii) Valuation inputs and relations to fair value

The following table summarises the quantitative information about the significant valuation inputs used in the fair value measurements of the Group's interests in a joint venture.

16. 於合營企業的權益(續)

合營企業權益的可收回金額(按報告期末按折現現金流量方法計量)(續)

(iii) 估值輸入數據與公平值的關係

下表概述有關計量本集團於合營企業權益的公平值所用重大估值輸入數據的定量資料。

| Description 描述 | Valuation Methodology 估值方法 | Valuation key input 估值主要輸入數據 | Range of inputs 輸入數據範圍 | | Relationship of valuation inputs to fair value 估值輸入數據與公平值的關係 |
|--|---|--|----------------------------|--------------------------|--|
| | | | 2018 二零一八年 | 2017 二零一七年 | |
| Interests in a joint venture 於合營企業的權益 | Market approach 市場法 | Petroleum reserve & resource 石油儲量及資源量 | | | The higher petroleum reserve & resource, the higher the fair value 石油儲量及資源量越高，公平值越高 |
| | | — Oil portion — 石油部份 | N/A | 46.3 MMBBL 46.3百萬桶 | |
| | | — Gas portion — 天然氣部份 | N/A | 87.5 MMBOE 87.5百萬桶油當量 | |
| | Price per reserve & resource 儲量及資源量的單價 | N/A | US\$3.987/BBL 3.987美元/桶 | | |
| | Discounted cash flow projection 折現現金流量預測 | Discount rate 折現率 | 16.15% | N/A | The higher the discount rate, the lower the fair value 貼現率越高公平值越低 |

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16. Interests in a Joint Venture (Continued)

Summarised financial information in respect of the Group's joint venture are set out below:

16. 於合營企業的權益(續)

有關本集團合營企業之財務資料概述如下：

| | | Philippines 菲律賓 | |
|--|-------------------------------|--------------------|------------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Total non-current assets | 總非流動資產 | 224,445 | 215,225 |
| Total current assets | 總流動資產 | 16 | 13 |
| Total non-current liabilities | 總非流動負債 | — | — |
| Total current liabilities | 總流動負債 | — | — |
| Net assets | 淨資產 | 224,461 | 215,238 |
| The above amounts include the followings: | 以上金額包括下列各項： | | |
| Cash and cash equivalents | 現金及現金等值物 | 16 | 13 |
| Current financial liabilities (excluding trade and other payables and provision) | 流動財務負債 (不包括應付賬款及其他應付款及撥備) | — | — |
| Non-current financial liabilities (excluding trade and other payables and provision) | 非流動財務負債 (不包括應付賬款及其他應付款及撥備) | — | — |

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16. Interests in a Joint Venture (Continued)

16. 於合營企業的權益(續)

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Total revenue | 總收益 | — | — |
| Loss | 虧損 | — | (398) |
| Other comprehensive income | 其他全面收益 | — | — |
| Total comprehensive expense | 全面支出總額 | — | (398) |
| Dividends received from the joint venture | 從合營企業收到之股息 | — | — |
| The above profit or loss includes the following: 以上損益包括下列各項： | | | |
| Depreciation and amortization | 折舊及攤銷 | — | — |
| Interest income | 利息收入 | — | — |
| Interest expense | 利息支出 | — | — |
| Income tax expense | 所得稅開支 | — | — |

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16. Interests in a Joint Venture (Continued)

Reconciliation of above summarised financial information to carrying amounts of interests in a joint venture in the consolidated financial statements:

16. 於合營企業的權益(續)

上述有關合營企業之概述財務資料與綜合財務報表內的合營企業權益之賬面值對賬：

| | | Philippines 菲律賓 | |
|---|-----------------------|--------------------|------------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Net assets of joint venture as shown in its financial statements | 合營企業財務報表所載淨資產 | 224,461 | 215,238 |
| Group's effective interest | 本集團有效權益 | 80% | 80% |
| Group's share of joint venture's net assets | 本集團應佔合營企業淨資產 | 179,569 | 172,190 |
| Effect of fair value adjustment at acquisition | 於收購時作出公平值調整之影響 | 309,804 | 309,804 |
| Effect of accumulated impairment loss recognised in application of equity accounting by the Group | 本集團應用權益會計法確認累計減值虧損之影響 | (121,181) | (121,144) |
| Others | 其他 | (6,815) | (3,380) |
| Carrying amounts of Group's interests in a joint venture | 本集團於合營企業權益之賬面值 | 361,377 | 357,470 |

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17. Deferred Exploration Expenditure

17. 遞延勘探開支

| | | 2018 | 2017 |
|-------------------------------|-------------|----------|----------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Exploration phase | 勘探階段 | | |
| At cost | 按成本 | 26,406 | 26,265 |
| Less: Impairment losses | 減：減值虧損 | (26,406) | (26,265) |
| Net carrying amount | 賬面淨值 | — | — |
| Reconciliation of movements: | 變動對賬： | | |
| At the beginning of the year | 於年初 | — | — |
| Amount recognised | 已確認金額 | 141 | 717 |
| Impairment losses | 減值虧損 | (141) | (717) |
| At the end of the year | 於年終 | — | — |

Deferred exploration expenditure represented the expenses incurred for the exploration of a gas project in Central Luzon of the Philippines.

The exploration period of the gas project had expired on 28 February 2017, the management of the Group concluded that no future economic benefits would be expected to be generated by the gas project and full impairment loss of approximately HK\$141,000 (2017: approximately HK\$717,000) was recognised during the year ended 31 December 2018.

Although an extension was subsequently granted by Department of Energy of the Philippines to 9 November 2019, the management of the Group considered that due to the delay in the development of the gas project, the recoverability of the gas project was still in doubt.

遞延勘探開支乃就菲律賓中呂宋天然氣項目產生之勘探費用。

天然氣項目勘探期已於二零一七年二月二十八日到期，是故本集團管理層預期天然氣項目將不會產生任何未來經濟利益，並於截至二零一八年十二月三十一日止年度確認全數減值虧損約港幣141,000元(二零一七年：約港幣717,000元)。

雖然菲律賓能源部於期後批准續期至二零一九年十一月九日，但由於天然氣項目之開發有所延誤，本集團管理層認為該項目之可收回性仍存著不確定性。

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18. Amounts due from Associates

18. 應收聯營公司款項

| | | 2018 二零一八年 | 2017 二零一七年 |
|-----------------------------|----------|-------------------------|-------------------------|
| | | <i>HK\$'000</i> 港幣千元 | <i>HK\$'000</i> 港幣千元 |
| Amounts due from associates | 應收聯營公司款項 | 16,307 | 16,307 |
| Impairment losses | 減值虧損 | (16,307) | (16,307) |
| | | — | — |

As explained in note 15 to the consolidated financial statements, due to the ongoing suspension for the development of coal mine and the pessimistic business outlook of the coal industry in the Philippines, the management of the Group concluded that the amounts due from associates were expected to be irrecoverable and fully impaired.

The amounts due from associates are unsecured and non-interest bearing and have no fixed terms of repayment.

誠如綜合財務報表附註15所載，由於煤礦開發持續暫停及於菲律賓煤炭行業的黯淡前景，本公司管理層認為本年度應收聯營公司款項預期為不可收回並完全減值。

應收聯營公司款項為無抵押、免息及無固定還款期。

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19. Other Receivables

19. 其他應收款項

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|---------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Prepayments | 預付款項 | 1,499 | 1,905 |
| Deposits and other debtors | 按金及其他應收款項 | 1,378 | 797 |
| Amounts due from parties to a joint venture (Note) | 應收合營企業方款項(附註) | 38,639 | 36,605 |
| | | 41,516 | 39,307 |

Note:

The amounts due from parties to a joint venture represent the expenditure for the joint venture to be recovered from parties to a joint venture. The amounts are interest-free, repayable on demand and could be recovered from the parties to a joint venture through their participating interests and profit sharing in their joint venture.

The carrying amounts of the Group's other receivables are denominated in the following currencies:

附註：

應收合營企業方款項指代表將由合營企業方償還的合營企業開支。該等款項為免息，須按要求並會由合營企業方通過由其於合營企業中的參與股份及溢利分成收回償還。

本集團其他應收款項的賬面值以下列貨幣計值：

| | | 2018 二零一八年 | 2017 二零一七年 |
|-----------------|-------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| HK dollars | 港元 | 530 | 796 |
| Renminbi | 人民幣 | 1,126 | 949 |
| Macau Pataca | 澳門幣 | 12 | 12 |
| Philippine Peso | 菲律賓披索 | 61 | — |
| US dollars | 美元 | 39,787 | 37,550 |
| | | 41,516 | 39,307 |

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19. Other Receivables (Continued)

None of the other receivables is either past due or impaired. The financial assets included in the above balances are related to receivables for which there has been no recent history of default.

The maximum exposure to credit risk at the reporting date is carrying value of each class of receivables mentioned above.

19. 其他應收款項(續)

概無其他應收款項為逾期或已減值。上述結餘包括之財務資產乃與最近並無拖欠記錄之應收款項有關。

於報告日期的信貸風險最高承擔額為上述各項應收款的賬面值。

20. Cash and Cash Equivalents

20. 現金及現金等值物

| | | 2018 二零一八年 | 2017 二零一七年 |
|---------------|------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Cash at banks | 銀行現金 | 221 | 4,853 |
| Cash in hand | 手頭現金 | 22 | 41 |
| | | 243 | 4,894 |

The Group's cash and cash equivalents of approximately HK\$55,000 (2017: HK\$251,000) were deposited with banks in the PRC. The remittance of these funds out of the PRC is subject to exchange control restrictions imposed by the PRC government.

本集團的現金及現金等值物約港幣55,000元(二零一七年: 251,000港幣元)已存放於中國銀行。將此等資金匯出中國須受到中國政府推行之外匯控制規定之限制。

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20. Cash and Cash Equivalents (Continued)

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 statement of cash flows as cash flows from financing activities.

20. 現金及現金等值物(續)

融資活動所產生負債的對賬

下表列示本集團融資活動所產生負債變動之詳情，包括現金及非現金變動。融資活動所產生之負債乃指該些負債之過往或將來之現金流量均會在本集團之綜合現金流量表中，被歸類融資活動所產生現金流量。

| | | Amounts due to directors 應付董事款項 | Amounts due to a shareholder 應付股東款項 | Interest payables 應付利息 | Convertible bonds 可換股債券 | Obligations under finance lease 融資租賃責任 | Total 總計 |
|--|---------------|------------------------------------|--|---------------------------|----------------------------|---|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At 1 January 2018 | 於二零一八年一月一日 | 6,054 | 40,870 | 6,603 | 149,781 | 215 | 203,523 |
| Changes from financing cash flows: | 融資現金流量之變動： | | | | | | |
| Advances from directors | 來自董事墊款 | 4,486 | - | - | - | - | 4,486 |
| Advances from a shareholder | 來自股東墊款 | - | 21,670 | - | - | - | 21,670 |
| Interest paid/payable | 已付/應付利息 | - | - | (5,041) | - | (7) | (5,048) |
| Capital elements of finance lease paid/payable | 已付/應付融資租賃本金 | - | - | - | - | (157) | (157) |
| Total changes from financing cash flows | 融資現金流量之變動總額 | 4,486 | 21,670 | (5,041) | - | (164) | 20,951 |
| Other changes: | 其他變動： | | | | | | |
| Interest expenses | 利息支出 | - | - | 16,222 | 219 | 7 | 16,448 |
| Total other changes | 其他變動總額 | - | - | 16,222 | 219 | 7 | 16,448 |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 10,540 | 62,540 | 17,784 | 150,000 | 58 | 240,922 |

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21. Other Payables

21. 其他應付款項

| | | 2018 二零一八年 | 2017 二零一七年 |
|-------------------|--------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Accrued charges | 應計費用 | 18,246 | 12,566 |
| Interest payables | 應付利息 | 17,784 | 6,603 |
| Other payables | 其他應付款項 | 951 | 1,114 |
| | | 36,981 | 20,283 |

The carrying amounts of the above balances are denominated in the following currencies:

以上款項的賬面值以下列貨幣計值：

| | | 2018 二零一八年 | 2017 二零一七年 |
|--------------|-----|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| HK dollars | 港元 | 34,457 | 18,583 |
| Renminbi | 人民幣 | 199 | 291 |
| Macau Pataca | 澳門幣 | 2,280 | 1,308 |
| US dollars | 美元 | 45 | 101 |
| | | 36,981 | 20,283 |

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22. Amounts due to Directors

22. 應付董事款項

| | | 2018 二零一八年 | 2017 二零一七年 |
|----------------|-----|-------------------------|-------------------------|
| | | <i>HK\$'000</i> 港幣千元 | <i>HK\$'000</i> 港幣千元 |
| LAI Chun Liang | 來俊良 | 435 | 601 |
| LIN Zhang | 林漳 | 10,105 | 5,453 |
| | | 10,540 | 6,054 |

The amounts due to directors are unsecured, interest-free and have no fixed terms of repayment.

應付董事款項為無抵押、免息及無固定還款期。

23. Amounts due to a Shareholder

23. 應付股東款項

| | | 2018 二零一八年 | 2017 二零一七年 |
|---------|----|-------------------------|-------------------------|
| | | <i>HK\$'000</i> 港幣千元 | <i>HK\$'000</i> 港幣千元 |
| LAM Nam | 林南 | 62,540 | 40,870 |

The amounts are unsecured, interest-free and have no fixed repayment terms.

款項為無抵押、免息及無固定還款期。

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24. Convertible Bonds

24. 可換股債券

| | | Convertible Bonds A | Convertible Bonds B | Total |
|---|-----------------------------|------------------------|------------------------|----------------|
| | | 可換股債券A | 可換股債券B | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 |
| At 1 January 2017 | 於二零一七年一月一日 | 98,874 | 47,086 | 145,960 |
| Interest charged | 已徵收利息 | 11,092 | 7,694 | 18,786 |
| Interest paid/payable | 已付／應付利息 | (9,966) | (4,999) | (14,965) |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日 及二零一八年一月一日 | 100,000 | 49,781 | 149,781 |
| Interest charged | 已徵收利息 | 10,000 | 5,219 | 15,219 |
| Interest paid/payable | 已付／應付利息 | (10,000) | (5,000) | (15,000) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 100,000 | 50,000 | 150,000 |

| | | 2018 | 2017 |
|----------------------------|----------|----------------|----------------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Carrying amount repayable: | 須償還之賬面值： | | |
| Overdue | 逾期 | 150,000 | 100,000 |
| Within one year | 一年內到期 | - | 49,781 |
| | | 150,000 | 149,781 |

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24. Convertible Bonds (Continued)

The details of convertible bonds issued by the Company are as follows:

24. 可換股債券(續)

本公司發行的可換股債券資料如下：

| | Convertible Bonds A ("CB A") 可換股債券A(「可換股債券A」) | Convertible Bonds B ("CB B") 可換股債券B(「可換股債券B」) |
|---|---|---|
| Principal amount: 本金額： | HK\$100,000,000 in HKD settlement 港幣100,000,000元，以港幣償付 | HK\$50,000,000 in HKD settlement 港幣50,000,000元，以港幣償付 |
| Interest: 利率： | 10% p.a. payable quarterly 按年利率10厘計息，須每季支付 | 10% p.a. payable semi-annually 按年利率10厘計息，須每半年支付 |
| Issue date: 發行日期： | 21 July 2015 二零一五年七月二十一日 | 28 January 2016 二零一六年一月二十八日 |
| Maturity date: 到期日： | 21 July 2017 (Note (a)) 二零一七年七月二十一日(附註(a)) | 28 January 2018 (Note (b)) 二零一八年一月二十八日(附註(b)) |
| Conversion price per share: 每股換股價： | HK\$0.4 港幣0.4元 | HK\$0.414 港幣0.414元 |
| Particulars of guarantee: 擔保詳情： | Personal guarantee given by Mr. Lam Nam, the controlling shareholder of the Company 由本公司控股股東林南先生作出個人擔保 | Personal guarantee given by Mr. Lam Nam, the controlling shareholder of the Company 由本公司控股股東林南先生作出個人擔保 |
| Survival of conversion right: 換股權持續生效條款： | Exercisable until fully settled 完全償還前，換股權持續有效 | Exercisable until fully settled 完全償還前，換股權持續有效 |

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24. Convertible Bonds (Continued)

Notes:

- (a) On 31 May 2018, the Company, its holding Company, Silver Star, and Mr. Lam Nam, the ultimate controlling party of the Company (“Personal Guarantor”) and the holder of CB A entered into the Deed of Undertaking; and the Company, the Personal Guarantor and the holder of CB A entered into the Supplemental Deed, together with the Deed of Undertaking, (the “Extension Arrangement”) pursuant to which the parties agreed that the maturity date of CB A to be extended from 21 July 2017 to 21 May 2019.

Subsequent to reporting period, on 3 January 2020, the Company had entered into a legally binding Memorandum of Understanding (“MOU”) with East Asia Oil Engineering Group Limited (“East Asia”) where East Asia had undertaken to take over CB A from the original holder (“Original Holder”). On the same date, the Original Holder of CB A had completed transfer of convertible bond with principal amount of HK\$75,000,000 (“\$75M CB A1”) to East Asia. By the same MOU between the Company and East Asia, East Asia had committed that it would not demand for repayment of CB A by the Company within thirty months from the date of the MOU. The remaining principal balance of HK\$25,000,000 of CB A not yet transferred to East Asia (“\$25M CB A2”) are still registered in the name of the Original Holder and is guaranteed by Mr. Lam Nam, the ultimate controlling party of the Company, until its disposal. In view of the above arrangement, the Directors anticipate that the \$25M CB A2 will not be called for repayment in the foreseeable future.

- (b) On 15 October 2018, the Company and holder of CB B entered into an amendment deed pursuant to which both parties agreed that the maturity date of CB B to be extended from 28 January 2018 to 31 March 2019. Up to the date of this report, the Company and the holder of CB B are in the process of negotiation regarding the settlement arrangement of CB B.

24. 可換股債券(續)

附註：

- (a) 於二零一八年五月三十一日，本公司、其控股公司Silver Star、本公司最終控制方林南先生(「個人擔保人」)與可換股債券A的持有人訂立承諾契據；及本公司、個人擔保人與可換股債券A的持有人訂立補充契據(聯同承諾契據統稱為「延長安排」)，據此，各方同意將可換股債券A的到期日(待聯交所批准上市後)由二零一七年七月二十一日延長至二零一九年五月二十一日。

於報告期後，於二零二零年一月三日，本公司與東亞油田工程集團有限公司(「東亞」)簽訂了具有法律約束力的諒解備忘錄(「諒解備忘錄」)，東亞已承諾從原持有人手中接管可換股債券A(「原始持有人」)。於同日，可換股債券A的原持有人已完成將本金為75,000,000港元(「7,500萬元可換股債券A1」)的可換股債券轉移至東亞。根據公司與東亞之間的同一諒解備忘錄，東亞承諾不會在諒解備忘錄簽署之日起三十個月內要求公司償還可換股債券A。尚未轉移至東亞的可換股債券A的本金餘額25,000,000港元(「2,500萬元可換股債券A2」)仍以原持有人的名義登記，並由本公司的最終控制方林南先生擔保，直到將其處置。鑑於上述安排，董事預計在可預見的將來不會被要求償還這筆2,500萬元可換股債券A2。

- (b) 於二零一八年十月十五日，本公司與可換股債券B的持有人亦訂立修訂契據，據此，雙方同意將可換股債券B的到期日(待聯交所批准上市後)由二零一八年一月二十八日延長至二零一九年三月三十一日。直至本報告日，本公司與可換股債券B的持有人已在進行商議關於可換股債券B的還款安排。

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25. Deferred Taxation

The Group's major deferred tax liabilities recognised and movements thereon during the current and prior years are summarised below:

25. 遞延稅項

本集團於本年度及上年度確認之重大遞延稅項負債及其變動概述如下：

| | | Convertible bonds 可換股債券 HK\$'000 港幣千元 |
|--|-----------------------------|---|
| At 1 January 2017 | 於二零一七年一月一日 | 667 |
| Credit to income statement for the year (note 9) | 本年度計入收益表(附註9) | (631) |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日及 二零一八年一月一日 | 36 |
| Credit to income statement for the year (note 9) | 本年度計入收益表(附註9) | (36) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | — |

No deferred tax asset has been recognised in the consolidated financial statements of the Group in respect of tax losses of approximately HK\$35,146,000 (2017: approximately HK\$35,225,000) available to offset future profits due to the unpredictability of future profit streams against which the asset can be utilised. The unrecognised deferred tax asset of the Group in respect of deductible temporary differences attributable to unused tax losses as at 31 December 2018 amounted to approximately HK\$6,181,000 (2017: approximately HK\$6,201,000).

由於未能預測會否有未來溢利來源可以資產予以抵銷，故並無就可予抵銷未來溢利之稅務虧損約港幣35,146,000元(二零一七年：約港幣35,225,000元)於本集團之綜合財務報表確認遞延稅項資產。於二零一八年十二月三十一日，本集團尚未就本集團未使用稅務虧損應佔可扣稅暫時差異確認之遞延稅項資產約為港幣6,181,000元(二零一七年：約港幣6,201,000元)。

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26. Obligations under Finance Leases

The Group leased a motor vehicle under finance leases during the year. The lease term is 5 years. Interest rate is fixed at 4.84% per annum at the contract date. The Group has an option to purchase the motor vehicle for a nominal amount at the end of the lease terms. No arrangements have been entered into for contingent rental payments.

26. 融資租賃責任

於年內本集團以融資租約租賃一機動車輛，租期五年，於合約日以固定年利率4.84%計息。於租賃期滿本集團可選擇以面值購買該機動車輛。該租約未有就或有租金作出安排。

| | | Minimum lease payments 最低租金 | | Present value of minimum lease payments 最低租金現值 | |
|---|-------------------------------------|--------------------------------|------------------|--|------------------|
| | | 2018 二零一八年 | 2017 二零一七年 | 2018 二零一八年 | 2017 二零一七年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Amounts payable under finance leases: | 融資租賃應付款項： | | | | |
| Within one year | 一年內到期 | 58 | 177 | 58 | 171 |
| In more than one year and not more than five years | 二至五年期 | — | 44 | — | 44 |
| | | 58 | 221 | 58 | 215 |
| Less: Future finance charges | 減：未來融資開支 | — | (6) | N/A | N/A |
| Present value of lease obligations | 租約責任現值 | 58 | 215 | 58 | 215 |
| Less: Amounts due for settlement within 12 months (shown under current liabilities) | 減：十二個月內 應到期支付的 款項(列入流動 負債) | | | (58) | (171) |
| Amounts due for settlement after 12 months | 十二個月後應到期 支付的款項 | | | — | 44 |

The Group's obligations under finance leases are secured by the lessor's title to the leased assets.

租賃人根據融資租賃持有資產的所有權已作抵押，作為本集團融資租賃責任之擔保。

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27. Share Capital

27. 股本

| | | Number of shares 股份數目 | | Amount 金額 | |
|-------------------------------------|-------------------------|--------------------------|---------------|------------------|------------------|
| | | 2018 二零一八年 | 2017 二零一七年 | 2018 二零一八年 | 2017 二零一七年 |
| | | '000 千股 | '000 千股 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Authorised: | 法定： | | | | |
| Ordinary shares of HK\$0.04 each | 每股面值 港幣0.04元的 普通股 | 5,000,000 | 5,000,000 | 200,000 | 200,000 |
| Issued and fully paid: | 已發行及繳足： | | | | |
| Ordinary shares of HK\$0.04 each | 每股面值港幣0.04元 的普通股 | 2,937,538 | 2,937,538 | 117,502 | 117,502 |

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28. Retirement Benefit Schemes

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions at HK\$1,500 or 5% of the relevant payroll costs, whichever is the lower, to the scheme. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The employees of the Group's subsidiaries in the People's Republic of China are members of a state-managed retirement benefit scheme operated by the local government. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

28. 退休福利計劃

本集團為香港所有合資格僱員經營一項強制性公積金計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開處理，由獨立受託人控制之基金持有。根據強積金計劃之規定，僱主及其僱員均須各自向該計劃繳納港幣1,500元或相關薪金成本5% (以較低者為準)之供款。本集團就強積金計劃具有之唯一責任為根據該計劃繳納所需供款。

本集團於中華人民共和國境內附屬公司之僱員是一項由當地政府經營之國家管理退休福利計劃之成員。該等附屬公司須按薪金成本之指定百分比向該退休福利計劃供款，以便為該等福利提供資金。本集團就該退休福利計劃具有之唯一責任為繳納指定供款。

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29. Related Party Transactions

Save as disclosed in elsewhere in these consolidated financial statements, the Group had transactions with the following related parties during the year:

- (a) Transactions and balances between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.
- (b) Remuneration for key management personnel of the Group, including the Company's Directors and certain highest paid employees, is set out in note 10 to the financial statements.
- (c) During the year, the Group made/received advances to/from related parties. Details and balances outstanding as at 31 December 2018 are disclosed in notes 18, 19, 22 and 23 to the financial statements.
- (d) During the year, the Group paid office rentals in amounts of approximately HK\$528,000 (2017: approximately HK\$542,000) to the company controlled by Mr. Lam Nam, the ultimate controlling party of the Group.

The related party transactions in respect of (b), (c) and (d) above constituted connected transactions as defined in Chapter 20 of the GEM Listing Rules. However, the transactions were exempt from the disclosure requirements in Chapter 20 of the GEM Listing Rules.

The related party transactions in respect of (a) above do not constitute connected transactions as defined in Chapter 20 of the GEM Listing Rules.

29. 關連方交易

除於本綜合財務報表其他地方所披露外，本集團於年內與關聯方進行以下交易：

- (a) 本公司與其附屬公司(為本公司關連方)之交易及結餘已於綜合賬目撇銷及並無在本附註中披露。
- (b) 本集團主要管理人員(包括本公司董事及若干最高薪酬僱員)之酬金載於財務報表附註10。
- (c) 於年內，部份本集團向關連方作出/收取墊款。詳情及於二零一八年十二月三十一日之未償還結餘於財務報表附註18、19、22及23部份披露。
- (d) 於年內，本集團向本集團之最終控制方林南先生控制的公司支付辦公室租金約港幣528,000元(二零一七年：約港幣542,000元)。

以上關連方交易(b)、(c)和(d)構成GEM上市規則第二十章所定義之關連交易。此等交易豁免遵守GEM上市規則第二十章內的披露規定。

以上關連方交易(a)並不構成GEM上市規則第二十章所定義之關連交易。

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30. Operating Leases

Minimum lease payments paid by the Group as lessee under operating leases during the year:

| | | 2018 二零一八年 | 2017 二零一七年 |
|------------------------|-------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Premises and equipment | 物業及設備 | 1,738 | 2,009 |

At the reporting date, the total commitments for future minimum lease payments under non-cancelable operating leases are as follows:

| | | 2018 二零一八年 | 2017 二零一七年 |
|-----------------------------------|-----------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Premises and equipment | 物業及設備 | | |
| — within 1 year | — 一年內 | 1,259 | 1,254 |
| — after 1 year but within 5 years | — 一年後但五年內 | 65 | 68 |
| | | 1,324 | 1,322 |

30. 經營租約

本集團於年內根據經營租約支付之最低租金：

於報告日期，根據不可撤銷經營租約有關未來最低租金之總承擔如下：

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31. Capital Commitments

At the reporting date, the capital commitments outstanding contracted for but not provided for in these consolidated financial statements are as follows:

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Contributions to a joint venture | 出資予合營企業 | 1,480 | 49,158 |
| Contributions to a gas project in Central Luzon of the Philippines | 出資予菲律賓中呂宋天然氣項目 | 21,140 | 21,100 |
| | | 22,620 | 70,258 |

31. 資本承擔

於報告日期，已訂約惟未於本綜合財務報表撥備之尚未履行資本承擔如下：

32. Financial Risk and Capital Risk Management

(a) Financial risk management

(i) Categories of financial instruments

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|-------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Financial assets at amortised cost | 按攤銷成本之財務資產 | | |
| Financial assets included in other receivables | 計入其他應收款項的財務資產 | 40,017 | 37,402 |
| Cash and cash equivalents | 現金及現金等值物 | 243 | 4,894 |
| | | 40,260 | 42,296 |

32. 財務風險及資本風險管理

(a) 財務風險管理

(i) 財務工具之分類

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(i) Categories of financial instruments (Continued)

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(i) 財務工具之分類(續)

| | | 2018 二零一八年 | 2017 二零一七年 |
|---|--------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Financial liabilities, at amortised cost | 財務負債，按攤銷成本計 | | |
| Other payables | 其他應付款項 | 36,981 | 20,283 |
| Amounts due to directors | 應付董事款項 | 10,540 | 6,054 |
| Convertible bonds | 可換股債券 | 150,000 | 149,781 |
| Obligations under finance leases | 融資租賃責任 | 58 | 215 |
| Amounts due to a shareholder | 應付股東款項 | 62,540 | 40,870 |
| | | 260,119 | 217,203 |

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies

The Group's major financial instruments are disclosed in section (a) of this note. The risks associated with these financial instruments include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk and policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(1) Market risk management

Foreign currency risk

The Group has certain foreign currency cash and cash equivalents, other receivables, amounts due from associates and other payables denominated in foreign currencies other than the respective functional currencies of the entities and thus expose the Group to foreign currency risk. The management continuously monitors the foreign exchange exposure and will consider hedging foreign currency risk should the need arise.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策

本集團之主要財務工具於本附註(a)部份披露。有關該等財務工具之風險包括市場風險(外幣風險及利率風險)、信貸風險及流動資金風險，而減低該等風險之政策於下文載列。管理層管理及監察該等風險，以確保適時實行有效之適當措施。

(1) 市場風險管理

外幣風險

本集團擁有以外幣(實體之有關功能貨幣除外)列值之外幣現金及現金等值物、其他應收款項、應收聯營公司及其他應付款項，因此本集團須承受外幣風險。管理層持續監察外幣風險，並將於有需要時考慮對沖外幣風險。

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(1) Market risk management (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's significant foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(1) 市場風險管理(續)

外幣風險(續)

於報告日期，本集團以外幣列值之重大貨幣資產及貨幣負債之賬面值如下：

| | | Assets 資產 | |
|---------------------|-------|-------------------|------------------|
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | HK\$'000 | HK\$'000 港幣千元 |
| Renminbi | 人民幣 | 2,214 | 1,278 |
| Macau Pataca | 澳門幣 | 20 | 18 |
| United State dollar | 美元 | 39,826 | 37,013 |
| Philippine Peso | 菲律賓披索 | 58 | 501 |
| | | Liabilities 負債 | |
| | | 2018 二零一八年 | 2017 二零一七年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Renminbi | 人民幣 | 1,850 | 7,146 |
| Macau Pataca | 澳門幣 | 2,133 | 692 |
| United State dollar | 美元 | 70 | 169 |
| Philippine Peso | 菲律賓披索 | — | 73 |

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(1) Market risk management (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

The following table indicates the changes in the Group's loss for the year and consolidated equity that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. As the Hong Kong dollar is pegged to the United State dollar, the risk of movements in exchange rates between the Hong Kong dollar and the United States dollar is assumed to be insignificant. The analysis is performed on the same basis in 2018 and 2017.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(1) 市場風險管理(續)

外幣風險(續)

敏感度分析

下表列明在假設所有其他風險變量不變的情況下，集團面對重大風險之外匯匯率如在報告期末出現變動，對本集團的損益和綜合權益的變動。由於港幣與美元掛鈎，因此預設港元與美元之間的匯率波動風險並不重大。二零一八年和二零一七年的分析是在同一基礎上進行。

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(1) Market risk management (Continued)

Foreign currency risk (Continued)

Sensitivity analysis (Continued)

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(1) 市場風險管理(續)

外幣風險(續)

敏感度分析(續)

| | | 2018 二零一八年 | | | 2017 二零一七年 | | |
|---------------------|-------|---------------------------------|--|---|---------------------------------|--|---------|
| | | Increase (decrease) | Increase (decrease) | Increase (decrease) | Increase (decrease) | Increase (decrease) | |
| | | in foreign exchange rates | in loss for the year and accumulated losses | (decrease) in consolidated equity | in foreign exchange rates | in loss for the year and accumulated losses | |
| | | 匯率百分比 增加(減少) | 本年度虧損 及累計虧損 增加(減少) | 綜合權益 增加(減少) | 匯率百分比 增加(減少) | 本年度虧損 及累計虧損 增加(減少) | |
| | | HKS'000 港幣千元 | HKS'000 港幣千元 | HKS'000 港幣千元 | HKS'000 港幣千元 | HKS'000 港幣千元 | |
| Renminbi | 人民幣 | 5% | 18 | (18) | 5% | (293) | 293 |
| | | (5%) | (18) | 18 | (5%) | 293 | (293) |
| Macau Pataca | 澳門幣 | 5% | (106) | 106 | 5% | (34) | 34 |
| | | (5%) | 106 | (106) | (5%) | 34 | (34) |
| United State dollar | 美元 | 5% | 1,988 | (1,988) | 5% | 1,842 | (1,842) |
| | | (5%) | (1,988) | 1,988 | (5%) | (1,842) | 1,842 |
| Philippine Peso | 菲律賓披索 | 5% | 3 | (3) | 5% | 21 | (21) |
| | | (5%) | (3) | 3 | (5%) | (21) | 21 |

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(1) Market risk management (Continued)

Interest rate risk

The Group's interest rate risk is primarily from the convertible bonds issued at fixed rate which exposes the Group to fair value interest rate risk. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

(2) Credit risk management

As at 31 December 2018, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(1) 市場風險管理(續)

利率風險

本集團之利率風險主要來自按固定利率發行之可換股債券，令本集團承擔公平值利率風險。本集團目前並無利率對沖政策。然而，管理層監察利率風險，並會於有需要時考慮對沖重大利率風險。

(2) 信貸風險管理

於二零一八年十二月三十一日，本集團所面對之最高信貸風險(將因對方未能履行責任而對本公司構成財務虧損)為綜合財務狀況表所述相關已確認財務資產之賬面值。

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(2) Credit risk management (Continued)

In order to minimise the credit risk in relation to amounts due from parties to a joint venture, the Group obtained collateral from parties to a joint venture. In relation to other receivables, the management has strengthened the monitoring of credit limits, granting of credit approvals and other credit review procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management reviews the recoverable amount of the individual receivable at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management considers that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the majority of the counterparties are reputable banks or banks with high credit ratings assigned by international credit rating agencies.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(2) 信貸風險管理(續)

為減低有關應收合營企業方款項之信貸風險，本集團已獲取合營企業方的抵押品。有關其他應收款項，管理層已加強監管信貸額、信貸審批及其他信貸評估程序，以確保採取跟進行動以收回逾期債務。此外，管理層於各報告日期均會檢討各個別應收款項之可收回金額，以確保已就不可收回金額作出足夠減值虧損。就此而言，管理層認為，本集團之信貸風險已大大減低。

由於交易對方大部份為信譽良好之銀行或獲國際信貸評級機構授予高信貸評級之銀行，故流動資金之信貸風險有限。

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(3) Liquidity risk management

In the management of the liquidity risk, the management manages its funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operational need. Various bank facilities and credit lines will be considered to fund any emergency liquidity requirements. The Group relies on fund raising activities from issuance of shares and convertible bonds as principal sources of liquidity. Further details of measures taken in order to improve the liquidity of the Group are explained in note 3 to the consolidated financial statements.

Cash flow forecasts are prepared by management of the operating segments of the Group and aggregated by the directors of the Company to monitor forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(3) 流動資金風險管理

於管理流動資金風險時，管理層透過維持足夠水平之現金及現金等值物，保守管理其資金，以應付持續經營需要。本集團將考慮多項銀行融資及信貸額度，以為任何緊急流動資金需要提供資金。本集團倚賴發行股份及可換股債券之集資活動作為流動資金之主要來源。有關本集團改善流動資金之措施之進一步詳情於綜合財務報表附註3內解釋。

現金流量預測乃於本集團各營運分部編製，並由本公司董事彙集，監察本集團的預測流動資金需求，確保本集團有充足現金應付營運所需。

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32. Financial Risk and Capital Risk Management (Continued)

(a) Financial risk management (Continued)

(ii) Financial risk management and policies (Continued)

(3) Liquidity risk management (Continued)

The following tables detail the Group's remaining contractual maturity for its financial liabilities, which are based on the undiscounted cash flows of financial liabilities and the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

32. 財務風險及資本風險管理(續)

(a) 財務風險管理(續)

(ii) 財務風險管理及政策(續)

(3) 流動資金風險管理(續)

下表詳述本集團就其財務負債之餘下合約到期情況，乃基於財務負債之未貼現現金流量以及本集團可能須支付之最早日期而定。下表包括利息及主要現金流量。

| | | On demand or less than 1 year | More than 1 year | Total undiscounted cash flows | Total carrying amount at 31/12/2017 |
|------------------------------------|--------|-------------------------------------|---------------------|-------------------------------------|---|
| | | 按要求或 少於一年 | 多於一年 | 未貼現現金 流量總額 | 於二零一七年 十二月三十一日 之賬面總值 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| 2018 | 二零一八年 | | | | |
| Obligations under financial leases | 融資租賃責任 | 58 | - | 58 | 58 |
| Other payables | 其他應付款項 | 36,981 | - | 36,981 | 36,981 |
| Amounts due to a shareholder | 應付股東款項 | - | 62,540 | 62,540 | 62,540 |
| Amounts due to directors | 應付董事款項 | 10,540 | - | 10,540 | 10,540 |
| Convertible bonds | 可換股債券 | 150,000 | - | 150,000 | 150,000 |
| | | 197,579 | 62,540 | 260,119 | 260,119 |

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32. Financial Risk and Capital Risk Management (Continued)

32. 財務風險及資本風險管理(續)

(a) Financial risk management (Continued)

(a) 財務風險管理(續)

(ii) Financial risk management and policies (Continued)

(ii) 財務風險管理及政策(續)

(3) Liquidity risk management (Continued)

(3) 流動資金風險管理(續)

| | On demand or less than 1 year | More than 1 year | Total undiscounted cash flows | Total carrying amount at 31/12/2017 於二零一七年 十二月三十一日 之賬面總值 |
|------------------------------------|-------------------------------------|---------------------|-------------------------------------|---|
| | 按要求或 少於一年 | 多於一年 | 未貼現現金 流量總額 | 十二月三十一日 之賬面總值 |
| | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| 2017 | | 二零一七年 | | |
| Obligations under financial leases | 177 | 44 | 221 | 215 |
| Other payables | 20,283 | — | 20,283 | 20,283 |
| Amounts due to a shareholder | — | 40,870 | 40,870 | 40,870 |
| Amounts due to directors | 6,054 | — | 6,054 | 6,054 |
| Convertible bonds | 165,000 | 5,096 | 170,096 | 149,781 |
| | 191,514 | 46,010 | 237,524 | 217,203 |

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32. Financial Risk and Capital Risk Management (Continued)

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net debt-to-equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities (including current and non-current liabilities as shown in the consolidated statement of financial position) less cash and cash equivalents. Total equity represents the equity as shown in the consolidated statement of financial position.

32. 財務風險及資本風險管理(續)

(b) 資本風險管理

本集團管理資本之目的為保障本集團持續經營之能力，以為股東提供回報及為其他利益相關者提供利益，並維持最佳資本架構以減低資本成本。

為維持或調整資本架構，本集團可調整已付予股東之股息金額、退還資本予股東、發行新股份或出售資產以減少債務。

與業內其他企業一致，本集團按淨債務對權益比率監察資本。比率以淨債務除以總權益計算。淨債務以總負債(包括綜合財務狀況表所示之流動及非流動負債)減現金及現金等值物計算。總權益指綜合財務狀況表所示之權益。

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32. Financial Risk and Capital Risk Management (Continued)

32. 財務風險及資本風險管理(續)

(b) Capital risk management (Continued)

During 2018, the Group's strategy, which was unchanged from 2017, was to maintain the net debt-to-equity ratio at an acceptable level. The net debt-to-equity ratios at 31 December 2018 and 2017 are as follows:

(b) 資本風險管理(續)

於二零一八年內，本集團之策略(自二零一七年起維持不變)為將淨債務對權益比率維持於可接受水平。於二零一八年及二零一七年十二月三十一日之淨債務對權益比率如下：

| | | 2018 二零一八年 | 2017 二零一七年 |
|---------------------------------|------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Total debts | 總債務 | 260,119 | 217,239 |
| Less: Cash and cash equivalents | 減：現金及現金等值物 | (243) | (4,894) |
| Net debt | 淨債務 | 259,876 | 212,345 |
| Total equity | 總權益 | 143,380 | 185,069 |
| Net debt-to-equity ratio | 淨債務對權益比率 | 181% | 115% |

(c) Fair value measurement

The Group has no financial assets and financial liabilities that are measured at fair value on a recurring basis.

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

(c) 公平值計量

本集團並無財務資產及財務負債需按經常性基準以公平值計量。

董事認為於綜合財務報表確認之財務資產及財務負債之賬面值與其公平值相若。

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33. Particulars of Subsidiaries

Particulars of the Company's subsidiaries at 31 December 2018 were as follows:

33. 附屬公司詳情

於二零一八年十二月三十一日，本公司之附屬公司詳情如下：

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ operation 註冊成立/經營地點 | Forms of legal equity 法定實體形式 | Issued and fully paid share capital/ registered capital* 已發行及繳足股本/ 註冊資本* | Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本所佔面值比例 | | | | Principal activities 主要業務 |
|---|---|--|---|--|------------------|----------------|------------------|--|
| | | | | 2018 二零一八年 | | 2017 二零一七年 | | |
| | | | | Directly 直接 | Indirectly 間接 | Directly 直接 | Indirectly 間接 | |
| Kanstar Environmental Technology Group Limited | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$1,000 1,000美元 | 100% | — | 100% | — | Investment holding 投資控股 |
| Win Easy International International Limited | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$1 1美元 | 100% | — | 100% | — | Investment holding 投資控股 |
| Polyard Petroleum Resources Development Inc | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$1 1美元 | 100% | — | 100% | — | Investment holding 投資控股 |
| Mexford Holdings Limited | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$50,000 50,000美元 | — | 100% | — | 100% | Investment holding 投資控股 |
| Carson Coal Trading Co., Limited 佳信煤炭銷售有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$1 港幣1元 | — | 100% | — | 100% | Trading of minerals and energy products 礦物及能源產品買賣 |
| Blue Sky Power Company Limited (formerly Polyard Natural Gas Power Plant Group Limited) (前稱為百田天然氣發電集團有限公司) | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$30,000,000 港幣30,000,000元 | — | 100% | — | 100% | Operation of power plant 發電廠營運 |
| Modern Lucky International Limited 新運通國際有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$2 港幣2元 | — | 100% | — | 100% | Investment holding 投資控股 |
| Polyard Petroleum (Hong Kong) Limited 百田石油(香港)有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$1 港幣1元 | — | 100% | — | 100% | Investment holding 投資控股 |

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33. Particulars of Subsidiaries (Continued)

33. 附屬公司詳情(續)

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ operation 註冊成立/經營地點 | Forms of legal equity 法定實體形式 | Issued and fully paid share capital/ registered capital* 已發行及繳足股本/ 註冊資本* | Proportion of nominal value of issued capital/registered capital held by the Company 本公司持有之已發行股本/ 註冊資本所佔面值比例 | | | | Principal activities 主要業務 |
|--|---|--|---|--|------------------|----------------|------------------|--|
| | | | | 2018 二零一八年 | | 2017 二零一七年 | | |
| | | | | Directly 直接 | Indirectly 間接 | Directly 直接 | Indirectly 間接 | |
| Polyard Petroleum International Company Limited 百田石油國際有限公司 | Macau 澳門 | Limited Liability Company 有限責任公司 | MOP40,000,000 40,000,000澳門幣 | — | 100% | — | 100% | Investment holding 投資控股 |
| Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$100,000 港幣100,000元 | — | 70% | — | 70% | Provision of consultancy services for oil and gas exploration and development 提供油氣勘探及發展顧問服務 |
| Sinotech Polyard (Beijing) Resource Science and Technology Limited 中科百田(北京)資源科技有限公司 | PRC 中國 | Limited Liability Company 有限責任公司 | HK\$4,000,000 港幣4,000,000元 | — | 92.5% | — | 92.5% | Provision of consultancy services for oil and gas exploration and development 提供油氣勘探及發展顧問服務 |
| Polyard International Mining Company Limited 百田國際礦業有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$1,000,000 港幣1,000,000元 | — | 100% | — | 100% | Investment holding 投資控股 |
| Joyful View International Limited 景悅國際有限公司 | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$1,000 1,000美元 | 100% | — | 100% | — | Investment holding 投資控股 |
| Polyard Petroleum Philippines Company Limited, Inc. | Philippines 菲律賓 | Limited Liability Company 有限責任公司 | PHP10,000,000 10,000,000披索 | — | 100% | — | 100% | Mineral and energy related business 礦物及能源相關業務 |
| Mass Leader Inc. | British Virgin Islands 英屬處女群島 | International Business Company 國際商務公司 | US\$50,000 50,000美元 | — | 63% | — | 63% | Investment holding 投資控股 |
| China International Mining Petroleum Company Limited 中國國際礦業石油有限公司 | Hong Kong 香港 | Limited Liability Company 有限責任公司 | HK\$10,000,000 港幣10,000,000元 | — | 63% | — | 63% | Mineral and energy related business 礦物及能源相關業務 |

None of the subsidiaries had issued any debt securities at the end of the year.

於年終，概無附屬公司發行任何債務證券。

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34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material noncontrolling interests:

34. 擁有重大非控制性權益之非全資附屬公司詳情

下表列示本集團擁有重大非控制性權益之非全資附屬公司詳情：

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ principle place of business 註冊成立/ 主要營業地點 | Proportion of ownership interest and voting rights held by non-controlling interests 非控制性權益所持擁有權權益 及投票權比例 | | (Loss)/profit allocated to non-controlling interests 非控制性權益 所佔(虧損)/溢利 | | Accumulated non-controlling interests 累計非控制性權益 | |
|--|---|---|-------|--|------------------|--|------------------|
| | | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 | 二零一八年 | 二零一七年 |
| | | | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Mass Leader Inc | BVI/Hong Kong 英屬處女群島/香港 | 37% | 37% | (3) | (2) | 112 | 115 |
| China International Mining Petroleum Company Limited 中國國際礦業石油有限公司 | Hong Kong 香港 | 37% | 37% | (149) | 7,720 | 53,810 | 53,959 |
| Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司 | Hong Kong 香港 | 30% | 30% | (671) | (794) | (4,103) | (3,432) |
| Individually immaterial subsidiaries with non-controlling interests 擁有非控制性權益之個別 不屬重大附屬公司 | | | | 665 | 565 | 678 | 13 |
| | | | | (158) | 7,489 | 50,497 | 50,655 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intergroup eliminations.

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

本集團擁有重大非控制性權益之各附屬公司之財務資料概要載列如下。下文之財務資料概要呈示集團內對銷前之金額。

| Mass Leader Inc | | 2018 | 2017 |
|--|------------|----------|----------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Current assets | 流動資產 | 14,072 | 14,072 |
| Non-current assets | 非流動資產 | 10,000 | 10,000 |
| Current liabilities | 流動負債 | 23,767 | 23,760 |
| Non-current liabilities | 非流動負債 | — | — |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 193 | 197 |
| Non-controlling interests | 非控制性權益 | 112 | 115 |
| Revenue | 收益 | — | — |
| Expenses | 開支 | (8) | (7) |
| Loss for the year | 本年度虧損 | (8) | (7) |
| Loss attributable to owners of the Company | 本公司擁有人應佔虧損 | (5) | (5) |
| Loss attributable to the non-controlling interests | 非控制性權益應佔虧損 | (3) | (2) |
| Loss for the year | 本年度虧損 | (8) | (7) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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Annual Report 2018 二零一八年年報

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

| Mass Leader Inc | | 2018 | 2017 |
|---|------------------|------------|------------|
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Other comprehensive income attributable to owners of the Company | 本公司擁有人應佔其他全面收益 | — | — |
| Other comprehensive income attributable to the non-controlling interests | 非控制性權益應佔其他全面收益 | — | — |
| Other comprehensive income for the year | 本年度其他全面收益 | — | — |
| Total comprehensive expense attributable to owners of the Company | 本公司擁有人應佔全面支出總額 | (5) | (5) |
| Total comprehensive expense attributable to the non-controlling interests | 非控制性權益應佔全面支出總額 | (3) | (2) |
| Total comprehensive expense for the year | 本年度全面支出總額 | (8) | (7) |
| Net cash outflow from operating activities | 經營業務現金流出淨額 | — | (18) |
| Net cash inflow from investing activities | 投資活動現金流入淨額 | — | — |
| Net cash inflow from financing activities | 融資活動現金流入淨額 | — | 18 |
| Effect of foreign exchange rate changes | 外幣匯率變動之影響 | — | — |
| Net cash inflow | 現金流入淨額 | — | — |

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綜合財務報表附註

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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

| China International Mining Petroleum Company Limited 中國國際礦業石油有限公司 | | 2018 二零一八年 | 2017 二零一七年 |
|--|------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Current assets | 流動資產 | 39,245 | 37,403 |
| Non-current assets | 非流動資產 | 361,527 | 357,703 |
| Current liabilities | 流動負債 | 266,813 | 258,471 |
| Non-current liabilities | 非流動負債 | — | — |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 84,394 | 81,962 |
| Non-controlling interests | 非控制性權益 | 49,565 | 54,673 |
| Revenue | 收益 | — | — |
| Expenses | 開支 | (366) | (5,996) |
| Share of (loss) profit of a joint venture | 應佔合營企業溢利 | (37) | 20,880 |
| (Loss) profit for the year | 年內溢利 | (403) | 14,884 |
| (Loss) profit attributable to owners of the Company | 本公司擁有人應佔溢利 | (254) | 7,164 |
| (Loss) profit attributable to the non-controlling interests | 非控制性權益應佔溢利 | (149) | 7,720 |
| (Loss) profit for the year | 年內溢利 | (403) | 14,884 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

| China International Mining Petroleum Company Limited 中國國際礦業石油有限公司 | | 2018 二零一八年 | 2017 二零一七年 |
|--|------------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Other comprehensive income attributable to owners of the Company | 本公司擁有人應佔其他全面收益 | 273 | 1,012 |
| Other comprehensive income attributable to the non-controlling interests | 非控制性權益應佔其他全面收益 | 160 | 595 |
| Other comprehensive income for the year | 本年度其他全面收益 | 433 | 1,607 |
| Total comprehensive income attributable to owners of the Company | 本公司擁有人應佔全面收益總額 | 19 | 8,176 |
| Total comprehensive income attributable to the non-controlling interests | 非控制性權益應佔全面收益總額 | 11 | 8,315 |
| Total comprehensive income for the year | 本年度全面收益總額 | 30 | 16,491 |
| Net cash outflow from operating activities | 經營業務現金流出淨額 | (5,200) | (8,086) |
| Net cash inflow from investing activities | 投資活動現金流入淨額 | (3,944) | (5,822) |
| Net cash inflow from financing activities | 融資活動現金流入淨額 | 8,711 | 13,846 |
| Effect of foreign exchange rate changes | 外幣匯率變動之影響 | — | 1 |
| Net cash outflow | 現金流出淨額 | (433) | (61) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

| Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司 | | 2018 二零一八年 | 2017 二零一七年 |
|--|------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Current assets | 流動資產 | 39,114 | 33,947 |
| Non-current assets | 非流動資產 | 1,000 | 1,000 |
| Current liabilities | 流動負債 | 53,791 | 46,387 |
| Non-current liabilities | 非流動負債 | — | — |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | (9,574) | (8,008) |
| Non-controlling interests | 非控制性權益 | (4,103) | (3,432) |
| Revenue | 收益 | 5,515 | 5,982 |
| Expenses | 開支 | (7,752) | (8,628) |
| Loss for the year | 本年度虧損 | (2,237) | (2,646) |
| Loss attributable to owners of the Company | 本公司擁有人應佔虧損 | (1,566) | (1,852) |
| Loss attributable to the non-controlling interests | 非控制性權益應佔虧損 | (671) | (794) |
| Loss for the year | 本年度虧損 | (2,237) | (2,646) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

34. Details of Non-Wholly-Owned Subsidiaries that have Material Non-Controlling Interests (Continued)

34. 擁有重大非控制性權益之非全資附屬公司詳情(續)

| Sinotech Polyard Petroleum Exploration & Development Research Institute Limited 中科百田石油勘探開發研究院有限公司 | | 2018 二零一八年 | 2017 二零一七年 |
|--|----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Other comprehensive income attributable to owners of the Company | 本公司擁有人應佔其他全面收益 | — | — |
| Other comprehensive income attributable to the non-controlling interests | 非控制性權益應佔其他全面收益 | — | — |
| Other comprehensive income for the year | 本年度其他全面收益 | — | — |
| Total comprehensive expense attributable to owners of the Company | 本公司擁有人應佔全面支出總額 | (1,566) | (1,852) |
| Total comprehensive expense attributable to the non-controlling interests | 非控制性權益應佔全面支出總額 | (671) | (794) |
| Total comprehensive expense for the year | 本年度全面支出總額 | (2,237) | (2,646) |
| Net cash outflow from operating activities | 經營業務現金流出淨額 | (4) | (669) |
| Net cash inflow from investing activities | 投資活動現金流入淨額 | — | — |
| Net cash inflow from financing activities | 融資活動現金流入淨額 | — | 667 |
| Effect of foreign exchange rate changes | 外幣匯率變動之影響 | — | — |
| Net cash outflow | 現金流出淨額 | (4) | (2) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
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Polyard Petroleum International Group Limited 百田石油國際集團有限公司

35. Information about the Statement of Financial Position of the Company

35. 有關本公司財務狀況表之資料

| | | 2018 二零一八年 | 2017 二零一七年 |
|--|-----------------|------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| NON-CURRENT ASSETS | 非流動資產 | | |
| Property, plant and equipment | 物業、廠房及設備 | — | — |
| Interest in subsidiaries | 於附屬公司之權益 | 228,024 | 237,687 |
| | | 228,024 | 237,687 |
| CURRENT ASSETS | 流動資產 | | |
| Other receivables | 其他應收款項 | 209 | 434 |
| Cash and bank balances | 現金及銀行結餘 | 10 | 4 |
| | | 219 | 438 |
| CURRENT LIABILITIES | 流動負債 | | |
| Other payables | 其他應付款項 | (25,647) | (10,391) |
| Amounts due to directors | 應付董事款項 | (136) | — |
| Convertible bonds | 可換股債券 | (150,000) | (149,781) |
| | | (175,783) | (160,172) |
| NET CURRENT LIABILITIES | 淨流動負債 | (175,564) | (159,734) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | 52,460 | 77,953 |
| NON-CURRENT LIABILITIES | 非流動負債 | | |
| Deferred tax liabilities | 遞延稅項負債 | — | (36) |
| NET ASSETS | 淨資產 | 52,460 | 77,917 |
| CAPITAL AND RESERVES | 股本及儲備 | | |
| Share capital | 股本 | 117,502 | 117,502 |
| Reserves | 儲備 | (65,042) | (39,585) |
| | | (i) | |
| TOTAL EQUITY | 總權益 | 52,460 | 77,917 |

Approved and authorised for issue by the board of directors on 6 January 2020.

經董事會於二零二零年一月六日核准及授權刊印。

Zhao Zhiyong
Director

LIN Zhang
Director

趙智勇
董事

林漳
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Annual Report 2018 二零一八年年報

35. Information about the Statement of Financial Position of the Company (Continued)

35. 有關本公司財務狀況表之資料(續)

(i) Reserves

(i) 儲備

| | | Share premium 股份溢價 | Accumulated losses 累計虧損 | Contributed bonds reserve 可換股債券儲備 | Total 總計 |
|---|-----------------------------|-----------------------|----------------------------|--------------------------------------|------------------|
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At 1 January 2017 | 於二零一七年一月一日 | 998,012 | (1,007,850) | 3,285 | (6,553) |
| Loss for the year | 本年度虧損 | — | (33,032) | — | (33,032) |
| At 31 December 2017 and 1 January 2018 | 於二零一七年十二月三十一日 及二零一八年一月一日 | 998,012 | (1,040,882) | 3,285 | (39,585) |
| Loss for the year | 本年度虧損 | — | (25,457) | — | (25,457) |
| At 31 December 2018 | 於二零一八年十二月三十一日 | 998,012 | (1,066,339) | 3,285 | (65,042) |

(a) Nature and purpose of reserves

(a) 儲備之性質及目的

(i) Share premium

(i) 股份溢價

Under the Companies Law (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution or dividend, the Company is able to pay its debts as they fall due in the ordinary course of business.

根據開曼群島公司法(經修訂)第22章,本公司之股份溢價可用以分派或派付股息予股東,惟須按照其公司組織章程大綱或細則之規定,及於緊隨分派或派付股息後,本公司須有能力償還其日常業務中之到期債務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

35. Information about the Statement of Financial Position of the Company (Continued)

(i) Reserves (Continued)

(a) Nature and purpose of reserves (Continued)

(ii) Convertible bonds reserve

The convertible bonds reserve has been set up and is dealt with in accordance with the accounting policies adopted for convertible bonds in note 4(p).

(b) Distributability of reserves

At the end of the reporting period, the Company had no reserves available for distribution to owners of the Company (2017: HK\$Nil).

35. 有關本公司財務狀況表之資料(續)

(i) 儲備(續)

(a) 儲備之性質及目的(續)

(ii) 可換股債券儲備

可換股債券儲備經已設立，並根據附註4(p)所載就可換股債券採納之會計政策處理。

(b) 可供分派儲備

於報告期末，本公司並無儲備可供分派予本公司擁有人(二零一七年：無)。

36. Events After The Reporting Period

- i. Subsequent to the end of the reporting period, in the first half of year 2019, the Group's joint venture had formally commenced its oil production operation in Cebu, Philippines.

36. 報告期後事項

- i. 報告期結束後，於2019年上半年，本集團的合資企業已在菲律賓宿霧正式開始其石油生產業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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36. Events After The Reporting Period (Continued)

- ii. On 3 January 2020, the Company had entered into a legally binding Memorandum of Understanding (“MOU”) with East Asia Oil Engineering Group Limited (“East Asia”) where East Asia had undertaken to take over CB A from the original holder (“Original Holder”). On the same date, the Original Holder of CB A had completed transfer of convertible bond with principal amount of HK\$75,000,000 (“\$75M CB A1”) to East Asia. By the same MOU between the Company and East Asia, East Asia had committed that it would not demand for repayment of CB A by the Company within thirty months from the date of the MOU. The remaining principal balance of HK\$25,000,000 of CB A not yet transferred to East Asia (“\$25M CB A2”) are still registered in the name of the Original Holder and is guaranteed by Mr. Lam Nam, the ultimate controlling party of the Company, until its disposal. In view of the above arrangement, the Directors anticipate that the \$25M CB A2 will not be called for repayment in the foreseeable future.
- iii. On 3 January 2020, the Company has entered into a memorandum of understanding for share subscription with GuangDong Namyue Capital Investment Co., Ltd. (the “Subscriber”) pursuant to which, the Company is agreeing to allot and the Subscriber is willing to subscribe 200,000,000 shares at the price of HK\$0.18 per share which shall rank pari passu with all existing shares of the Company.

37. Comparative Figures

Certain comparative figures have been classified to conform to current year's presentation.

36. 報告期後事項(續)

- ii. 二零二零年一月三日，本公司與東亞油田工程集團有限公司(「東亞」)簽訂了具有法律約束力的諒解備忘錄(「諒解備忘錄」)，東亞已承諾從原持有人手中接管可換股債券A(「原始持有人」)。於同日，可換股債券A的原持有人已完成將本金為75,000,000港元(「7,500萬元可換股債券A1」)的可換股債券轉移至東亞。根據公司與東亞之間的同一諒解備忘錄，東亞承諾不會在諒解備忘錄簽署之日起三十個月內要求公司償還可換股債券A。尚未轉移至東亞的可換股債券A的本金餘額25,000,000港元(「2,500萬元可換股債券A2」)仍以原持有人的名義登記，並由本公司的最終控制方林南先生擔保，直到將其處置。鑑於上述安排，董事預計在可預見的將來不會被要求償還這2,500萬元可換股債券A2。
- iii. 於二零二零年一月三日，本公司已與廣東南粵資本投資有限公司(「認購人」)訂立一份股份認購的諒解備忘錄，據此，本公司同意配發，而認購人願意認購200,000,000股股份，每股價格為0.18港元，與本公司所有現有股份享有同等地位。

37. 比較數字

若干數字已予分類，以符合本年度的呈列方式。

Five Year Financial Summary 五年財務概要

Polyard Petroleum International Group Limited 百田石油國際集團有限公司

The summarised consolidated results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Group, are set out below:

本集團於過去五個財政年度之綜合業績、資產及負債之概要(摘錄自本集團之經審核綜合財務報表)載列如下:

Results

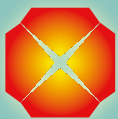
業績

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | | |
|-------------------------------|----------|--|------------------|------------------|------------------|------------------|
| | | 2014 二零一四年 | 2015 二零一五年 | 2016 二零一六年 | 2017 二零一七年 | 2018 二零一八年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Turnover | 營業額 | — | — | — | — | — |
| Profit (loss) attributable to | 應佔虧損 | | | | | |
| — Owners of the Company | — 本公司擁有人 | (1,076,075) | (99,583) | (51,694) | (31,992) | (40,694) |
| — Non-controlling interests | — 非控制性權益 | (43,344) | (38,360) | 29,855 | 6,934 | (348) |
| | | (1,119,419) | (137,943) | (21,839) | (25,058) | (41,042) |

Assets and liabilities

資產及負債

| | | At 31 December 於十二月三十一日 | | | | |
|-------------------|-----|----------------------------|------------------|------------------|------------------|------------------|
| | | 2014 二零一四年 | 2015 二零一五年 | 2016 二零一六年 | 2017 二零一七年 | 2018 二零一八年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Total assets | 總資產 | 274,724 | 273,781 | 371,898 | 402,308 | 403,499 |
| Total liabilities | 總負債 | (149,656) | (107,160) | (163,901) | (217,239) | (260,119) |
| Net assets | 淨資產 | 125,068 | 166,621 | 207,997 | 185,069 | 143,380 |



POLYARD PETROLEUM INTERNATIONAL GROUP LIMITED
百田石油國際集團有限公司

Room 801-802, 8/F, Shanghai Industrial Investment Building
48-62 Hennessy Road, Wan Chai, Hong Kong

香港灣仔軒尼詩道48-62號上海實業大廈8樓801-802室

www.ppig.com.hk