



新時代能源有限公司*

NEW TIMES ENERGY

corporation limited

(incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock code 股份代號 : 00166)



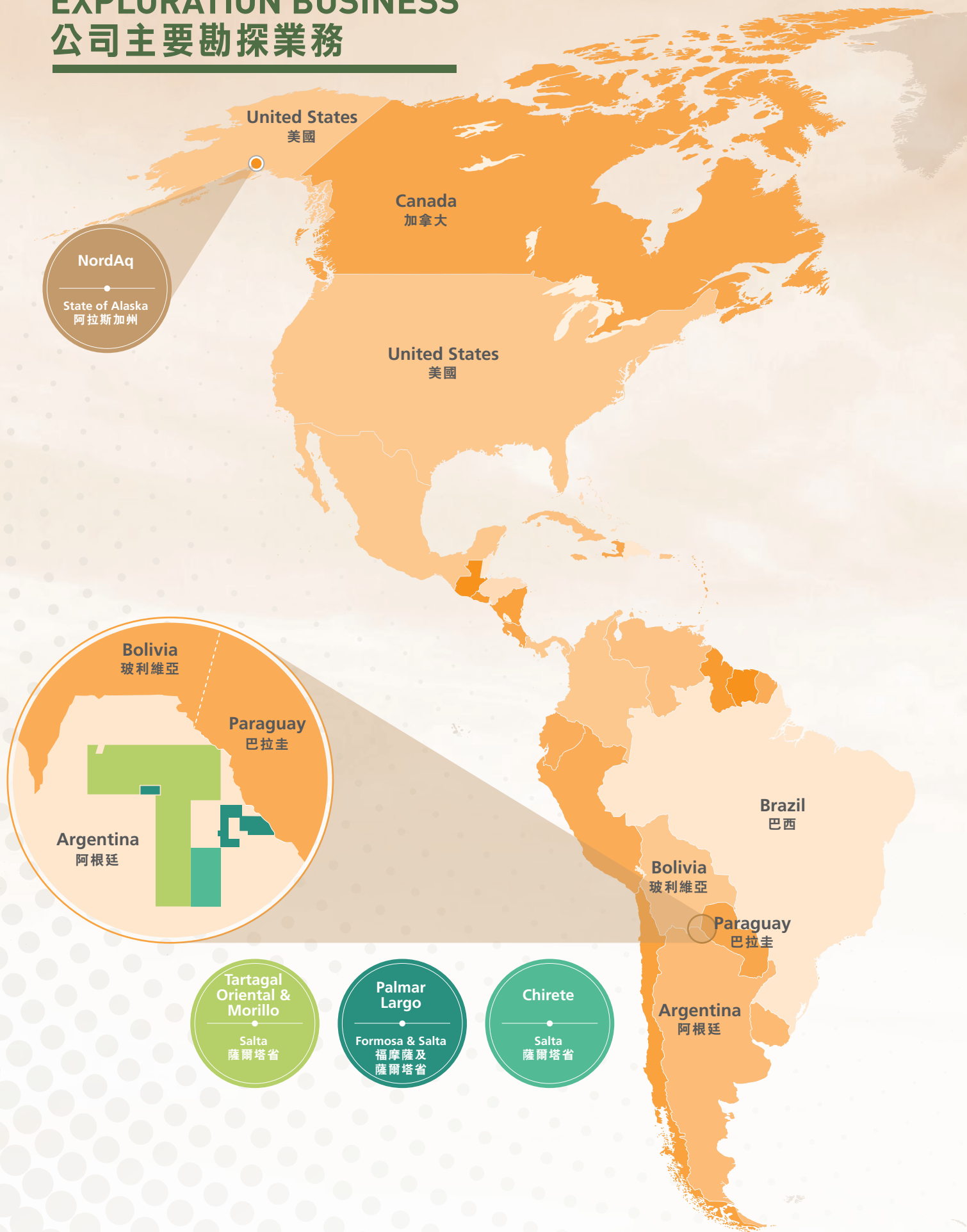
2018

年報 ● ANNUAL REPORT

* For identification purpose only
* 僅供識別

OUR MAJOR EXPLORATION BUSINESS

公司主要勘探業務



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

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

Non-executive Director

Mr. Lee Chi Hin, Jacob

Independent non-executive Directors

Mr. Chan Chi Yuen
Mr. Yung Chun Fai, Dickie
Mr. Chiu Wai On

AUDIT COMMITTEE

Mr. Chiu Wai On (*Chairman*)
Mr. Lee Chi Hin, Jacob
Mr. Chan Chi Yuen
Mr. Yung Chun Fai, Dickie

REMUNERATION COMMITTEE

Mr. Chan Chi Yuen (*Chairman*)
Mr. Cheng Kam Chiu, Stewart
Mr. Lee Chi Hin, Jacob
Mr. Yung Chun Fai, Dickie
Mr. Chiu Wai On

NOMINATION COMMITTEE

Mr. Chan Chi Yuen (*Chairman*)
Mr. Cheng Kam Chiu, Stewart
Mr. Lee Chi Hin, Jacob
Mr. Yung Chun Fai, Dickie
Mr. Chiu Wai On

EXECUTIVE COMMITTEE

Mr. Cheng Kam Chiu, Stewart (*Chairman*)
Mr. Tang, John Wing Yan

董事會

執行董事

鄭錦超先生(*主席*)
鄧永恩先生(*行政總裁*)

非執行董事

李志軒先生

獨立非執行董事

陳志遠先生
翁振輝先生
招偉安先生

審核委員會

招偉安先生(*主席*)
李志軒先生
陳志遠先生
翁振輝先生

薪酬委員會

陳志遠先生(*主席*)
鄭錦超先生
李志軒先生
翁振輝先生
招偉安先生

提名委員會

陳志遠先生(*主席*)
鄭錦超先生
李志軒先生
翁振輝先生
招偉安先生

執行委員會

鄭錦超先生(*主席*)
鄧永恩先生

COMPANY SECRETARY

Ms. Lam, Katrina Lai Kuen

AUDITOR

KPMG

LEGAL ADVISERS

On Hong Kong law
Reed Smith Richards Butler

On Bermuda law
Conyers Dill & Pearman

On US law
Haynes and Boone, LLP

On Argentina law
Nicholson y Cano Abogados
Saravia Frias Abogados

PRINCIPAL BANKERS

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

公司秘書

林麗娟女士

核數師

畢馬威會計師事務所

法律顧問

香港法律
禮德齊伯禮律師行

百慕達法律
康德明律師事務所

美國法律
Haynes and Boone, LLP

阿根廷法律
Nicholson y Cano Abogados
Saravia Frias Abogados

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

總辦事處及主要營業地點

香港
皇后大道中16-18號
新世界大廈一期14樓1402室

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

INFORMATION FOR STAKEHOLDERS

權益人資料

SHARE INFORMATION

First listed on the Stock Exchange

13 October 1998

Place of listing

Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

0166.HK

Board Lot

2,000 shares

Financial Year End

31 December

As at 31 December 2018

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

Closing price: HK\$0.104 per share

Market capitalisation: HK\$910.92 million

SHARE REGISTRAR AND TRANSFER OFFICE

Principal Share Registrar

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

Hong Kong Branch Registrar

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

INVESTOR RELATIONS

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

WEBSITE

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

股份資料

首次在聯交所上市

一九九八年十月十三日

上市地點

香港聯合交易所有限公司主板

股份代號

0166.HK

每手買賣單位

2,000股

財政年度年結日

十二月三十一日

於二零一八年十二月三十一日

已發行股份數量：8,758,880,988股

收盤價：每股0.104港元

市值：910,920,000港元

股份過戶登記處

股份過戶登記總處

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

股份過戶登記香港分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

投資者關係

可將查詢發送至電郵：
info@nt-energy.com

網址

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

FINANCIAL HIGHLIGHTS

財務摘要

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元
Revenue	收益	297,989	287,557
(Loss)/profit before taxation	除稅前(虧損)/溢利	(246,447)	95,260
(Loss)/profit for the year	年內(虧損)/溢利	(257,224)	101,697
Basis (loss)/earnings per share (HK cent)	每股基本(虧損)/盈利(港仙)	(2.91)	1.26

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元
Total assets	總資產	3,480,089	3,783,649
Total equity	權益總值	3,129,976	3,467,316
Debt ratio ⁽¹⁾	債項比率 ⁽¹⁾	10.06%	8.36%
Gearing ratio ⁽²⁾	資產負債比率 ⁽²⁾	6.73%	6.17%
Net asset value per share ⁽³⁾ (HK\$)	每股資產淨值 ⁽³⁾ (港元)	0.36	0.39

Remarks:

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

附註:

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

CHAIRMAN'S STATEMENT

主席報告



Mr. Cheng Kam Chiu, Stewart

Chairman & Executive Director

鄭錦超先生

主席兼執行董事

Dear Shareholders,

On behalf of the Board of Directors (the “**Board**”) of New Times Energy Corporation Limited (the “**Company**” or “**New Times Energy**”) and its subsidiaries (collectively, the “**Group**”), I hereby present the annual results and audited consolidated financial statements of the Group for the year ended 31 December 2018.

2018 Highlights

After a number of years of oil exploration activities in Argentina, I am pleased to report an oil discovery was made by the Group in the Chirete Concession as first announced on 12 December 2018. This is an outstanding result, and reinforces the Group’s successful drilling campaign in Chirete, with 2 out of 2 exploratory wells culminating in oil discoveries. The latest achievement underlines the Group’s decision in April 2015 to farm-in to the block, and to diversify its exploration risk in Argentina.

Presently, the Group is conducting extended well test and logging analysis of its recent oil discovery, to evaluate its commercial viability. Preliminary test data to date is promising, initial indications are that the HLG.St.LB.x-2001 exploratory well contains light crude oil with an American Petroleum Index (“**API**”) index of approximately 37, with virtually zero water content and an indicative maximum oil flow rate to date of approximately 2,295 barrels of production per day from a choke size of 10mm diameter.

各位股東：

本人謹代表新時代能源有限公司(「**本公司**」或「**新時代能源**」)及其附屬公司(統稱「**本集團**」)董事會(「**董事會**」)提呈本集團截至二零一八年十二月三十一日止年度之全年業績及經審核綜合財務報表。

二零一八年摘要

本集團經過多年來在阿根廷進行的石油勘探活動，在Chirete特許權區發現石油資源，並於二零一八年十二月十二日首次為此作出公告。本集團在Chirete特許權區內的兩個勘探井均發現石油資源，此卓越成就不但奠定了本集團在Chirete鑽探活動的成功，更印證了本集團在二零一五年四月購入該區塊，並分散其於阿根廷的勘探風險，作出了正確的決定。

本集團正在對其Chirete特許權區的石油發現進行延伸測試及測井分析，以評估其商業可行性。迄今的初步測試數據令人鼓舞，初步測試結果顯示HLG.St.LB.x-2001勘探井含有輕質原油，其美國石油指數(「**API**」)約為37點，含水量近乎零。在使用直徑10毫米的油嘴測試時，最大石油流率約為約每日產2,295桶石油。



CHAIRMAN'S STATEMENT 主席報告

Upon the completion of the extended well test, the Group will be able to establish the final and optimum rate of production achievable, and the technical characteristics of the oil. A development plan for the commercial production of crude oil in the Chirete Concession is expected to be finalised towards Q4 2019.

The oil discovery at the Chirete Concession capped off a momentous 2018 and allowed the Group to quickly put behind the disappointment of losing the Palmar Largo Concessions, following the unexpected rejection by the provincial regulatory authorities of its 10 year extension application to continue operating the oilfield. The Group relinquished the Palmar Largo Concessions, and ceased oil production activities on 30 November 2018, after having only received 9 days' notice from the province to vacate the facilities and the block.

Despite the highlight of an oil discovery in the year, the Group for the year ended 31 December 2018 reports a consolidated net loss after tax of HK\$257.22 million. This was primarily attributable to the mark-to-market write down of our investments in Beijing Gas Blue Sky Holdings Limited and Foothill Exploration Inc., as well as provisions for certain promissory note and other receivables.

Due to the Group's accounting policy of recognising exploration and evaluation assets at cost, the consolidated results of the Group does not financially reflect the positive value which may have arisen as a consequence of the HLG.St.LB.x-2001 oil discovery.

於延伸測試完成後，本集團將能確實石油的技術性特徵，並釐定最佳的石油生產率。於Chirete特許權區商業化原油生產的發展計劃，預期將於二零一九年第四季度作出定案。

Chirete特許權區的石油發現，為意義重大的二零一八年度畫上完滿句號。本集團雖然出乎意料地遭Formosa省級監管機構拒絕其於Palmar Largo特許權區經營油田的10年續期申請，並僅從該省收到9天要求騰出設施及區塊的通知後，於二零一八年十一月三十日放棄Palmar Largo特許權區及停止石油生產活動，仍能迅速從失去Palmar Largo特許權區一事的陰霾中走出。

儘管年內發現石油令人鼓舞，本集團於截至二零一八年十二月三十一日止年度錄得除稅後綜合淨虧損約257,220,000港元。主因為本集團對北京燃氣藍天控股有限公司及Foothills Exploration Inc.投資按市值的撇減，以及就若干應收承兌票據及其他應收款項作出撥備。

由於本集團的會計政策是按確認勘探成本作資產評估，故本集團的綜合業績並無反映HLG.St.LB.x-2001勘探井在Chirete特許權區發現石油後可能產生的正面財務價值。

CHAIRMAN'S STATEMENT

主席報告

Other Developments in 2018

The HLG.St.LB.x-2001 exploratory well was the Group's second drilling campaign using its own rig. Both the rig and the crew performed exemplary. There was minimal non-productive time attributable to either health and safety incidents or mechanical failure. This is a testament to the professionalism and dedication of the Group's drilling and rig services division. It is the every intention of the Group to continue to utilise its own rig for the Morillo Deep exploratory drill in the Tartagal Oriental & Morillo Concessions targeted for Q2 2020. The Morillo Deep exploration well is located approximately 17 km from the latest successful drilling of HLG.St.LB.x-2001.

Following the Group's re-entry into the business of commodities trading in August 2017, the Group continued to successfully engage and close out a number of commodities trades involving non-ferrous metals during the year. This is in line with the Group's strategic objective to diversify its revenue base and source of profit generation.

Looking Ahead

New Times Energy continues to proactively manage, structure, and position its business to best serve the interests of its shareholders. The Group is committed to maximising shareholder value by exploring and developing oil and gas prospects in a safe, environmentally, socially and ethically responsible manner.

The Group is well aware of the importance to continually reassess and diversify its current business and geographical portfolio to better position itself for the future. Thanks to the financial support of its investors, the Group is well funded to seek and capture suitable investment opportunities in the energy sector, wherever that may be in the world.

二零一八年的其他進展

HLG.St.LB.x-2001鑽探井為本集團第二次使用其自備鑽機進行的鑽探活動。鑽機及工作團隊的表現均堪稱典範，乃因其健康及安全事故，或機件故障而導致停產的時間極短，亦證明本集團在鑽井及鑽機服務的專業及敬業精神。本集團計劃於二零二零年第二季度繼續使用其自備鑽機在Tartagal Oriental & Morillo特許權區的Morillo Deep進行勘探鑽井。Morillo Deep勘探井與最近成功鑽探的HLG.St.LB.x-2001距離約17公里。

本集團於二零一七年八月再度涉足商品貿易業務，隨後本集團於年內成功從事及完成多宗涉及有色金屬的商品貿易。此舉充分體現了本集團的策略目標，是以多元化收益為其基礎及溢利來源。

展望

新時代能源繼續對其業務進行積極管理、組織及定位，以為其股東取得最佳利益。本集團將不遺餘力，以安全、環保、及對社群以有道德和負責任的方式進行發展石油及天然氣事業，藉以對股東實現最大的價值。

本集團深知其不斷重新評估、分散當前業務、地域組合等策略，對未來籌劃的重要性。本人衷心感謝投資者的財務支持，令本集團資金充裕，可於全球能源行業內物色及把握適當的投資機遇。

CHAIRMAN'S STATEMENT

主席報告

Appreciation

With the possible commercialisation of oil production in the Chirete Concession in 2019, I would like to take this opportunity to express my sincerest gratitude to the Board, the management team, and all staff members of New Times Energy group for their hard work and dedication in getting the business to where it is today. I am also much obliged to our shareholders, investors, business partners, bankers, customers and suppliers for all their continued support. Last but not least, I would like to pay tribute to our former independent non-executive Director, Mr. Peter Wong, who passed away on 11 March 2019. The Board and I convey our heartfelt condolences to his family, and we sincerely thank him for his invaluable and insightful contributions to the Company over the past years.

Cheng Kam Chiu, Stewart

Chairman

Hong Kong, 26 March 2019

致謝

隨著Chirete特許權區將於二零一九年實現商業化石油生產，本人藉此機會對新時代能源的董事會、管理團隊及全體員工，為取得迄今成就所作出的努力及貢獻，致以衷心謝意。同時，本人非常感謝各位股東、投資者、業務夥伴、銀行、客戶及供應商的不斷支持。最後，本人謹代表董事會各成員，向於二零一九年三月十一日離世的前獨立非執行董事王敏剛先生表示敬意，並對多年來其獨特且深刻的見解，為本公司作出寶貴貢獻，致以衷心謝意。本人謹代表董事會各成員，向其家人致以深切慰問。

鄭錦超

主席

香港，二零一九年三月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GENERAL REVIEW

While the Group is celebrating the likelihood of a significant oil discovery in the Chirete Concession (pending the final results from the extended well test), the Group hereby informs that for the year ended 31 December 2018, the Group incurred a consolidated net loss after tax of HK\$257.22 million.

The consolidated net loss after tax was primarily attributable to:

- net fair value loss recognised on the Group's investment holding in certain equity securities listed in Hong Kong;
- an impairment loss on a promissory note;
- impairment loss recognised on certain trade and other receivables; and
- net foreign exchange loss.

Due to the Group's accounting policy of recognising exploration and evaluation assets at cost, the consolidated results of the Group for the year ended 31 December 2018 does not reflect the positive financial value (if any) which may be created as a result of the Group's recent oil discovery in the Chirete Concession.

On 21 November 2018, the Formosa provincial regulatory authorities (the "Formosa Authorities") unexpectedly rejected the Group's application for a 10 years extension in the Palmar Largo Concessions (the "PL Concessions"). This was after 2 years of false hope and repeated verbal assurances from the Formosa Authorities that the extension would be granted. On 30 November 2018, the Group subsequently terminated and ceased oil production activities, and relinquished its 38.15% participating interest in the PL Concessions, having been given only 9 days' notice to vacate.

The PL Concessions was a mature, marginal oilfield with declining production rates. Combined with the effect of the low oil prices offered by Refinor, the only major refinery in Northern Argentina, the Group's oil sales revenue in 2018 suffered a further year on year decline.

整體回顧

儘管本集團於Chirete特許權區發現重大石油資源(唯最終資源儲量數據有待延伸測試的結果)，截至二零一八年十二月三十一日止之年度，本集團錄得除稅後的綜合淨虧損約257,220,000港元。

錄得綜合除稅後淨虧損主要歸因於以下各項：

- 本集團投資控股在香港上市的股本證券錄得淨公允價值虧損；
- 承兌票據之減值虧損；
- 若干貿易及其他應收款項的減值虧損；及
- 匯率虧損。

由於本集團採用成本確認勘探及評估資產，截至二零一八年十二月三十一日止年度，綜合除稅後的淨虧損並未反映近日於Chirete特許經營區發現石油後可能創造的正面財務價值(如有)。

於二零一八年十一月二十一日，福摩薩省監管機構(「福摩薩當局」)出乎意料地拒絕了本集團就於特許權區(「PL特許權區」)繼續進行開採及生產活動延期10年的申請。福摩薩當局以往曾多次對該延期申請將獲批准作出口頭承諾及保證，現卻在兩年後反悔。在通知期僅有九日的情況下，本集團於二零一八年十一月三十日終止及結束於PL特許權區的石油生產活動，隨後放棄其38.15%參與權益。

PL特許權區為一個老化且生產率不斷下降的邊際油田。加上阿根廷北部唯一的煉油廠Refinor提供的低石油採購價，導致本集團於二零一八年的石油銷售收益與過往幾年相比進一步轉差。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's net earnings from PL Concessions also worsened due to higher operating costs, as a result of unavoidable slickline unit interventions, and essential maintenance of aged production facilities. This was in a year where Argentina experienced an annual inflation rate of 47.6%, the highest on record since 1991.

During Q4 2018, the Group drilled the exploratory well, HLG.St.LB.x-2001 located at Los Blancos in the Chirete Concession, in which the Group is a farmee with a 50% participating interest in the oil concession. The well is located approximately 2.8km point to point south of the HLG.St.LB.x-1002 exploratory well drilled in October 2015. The Group attained the target drill depth of 2,705 meters on 29 November 2018, where significant oil and gas shows were intersected from the depth of 2,670 meters onwards.

由於需要進行必要的鋼絲操作項目及對老化生產設施作出基本的維護，經營成本增加亦使淨收益進一步惡化，同時阿根廷的47.6%通脹率亦創下自1991年以來的最高紀錄。

於二零一八年第四季度，本集團鑽探位於Chirete特許權區 Los Blancos 的 HLG.St.LB.x-2001 勘探井，本集團為購入50%參與權益的收購方。該油井位處二零一五年十月鑽探的 HLG.St.LB.x-1002 勘探井以南約2.8公里。該鑽探工程於二零一八年十一月二十九日成功達到目標鑽探深度2,705米，並自2,670米深度開始發現了重大的石油及天然氣跡象。



■ Drilling Operation at HLG.St.LB.x-2001

The Group is presently conducting extended well test and logging analysis of the HLG.St.LB.x-2001 exploratory well, in order to evaluate its commercial viability. Preliminary test data is promising. Initial indication to date is that the HLG.St.LB.x-2001 exploratory well contains light crude oil with an American Petroleum Index ("API") index of approximately 37, with a significant oil flow rate (Refer to

本集團現正對 HLG.St.LB.x-2001 勘探井進行延伸測試及測井分析，以評估其商業可行性。初步測試數據令人鼓舞。迄今的初步跡象顯示 HLG.St.LB.x-2001 勘探井含有輕質原油，其美國石油指數 ([API]) 指數約為 37 點及具有高石油流量 (進一步詳情請參閱標題為「Chirete

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section entitled Chirete Concession for further details) and virtually zero water content. Upon the completion of the extended well test, the Group will be able to establish the final rate of production achievable.

In respect of the Tartagal Oriental and Morillo Concessions (the “**T&M Concessions**”), the Group owns a 69.25% participating interest. As a result of the recent oil discovery in the Chirete Concession, the Group has identified a sizeable prospect, the Morillo Deep Prospect (the “**Morillo Deep**”), approximately 17 km from the HLG.St.LB.x-2001 exploratory well.

Planning of the next exploratory well at Morillo Deep has begun with the preliminary environmental impact assessment studies of the proposed access road and location with a view to commencing the civil engineering works in the second half of 2019. The Group is targeting a drill spud date in Q2 2020.

The Group’s current exploration permit in the T&M Concessions is due to expire on 13 September 2019. The Group will be filing its application for a 3 years extension to the Salta provincial regulatory authorities (the “**Salta Authorities**”) in May 2019.

特許權區」一節)，且含水量近乎零。於延伸測試完成後，本集團將能夠釐定可實現的最終生產率。

本集團擁有 Tartagal Oriental 及 Morillo 特許權區（「**T&M 特許權區**」）69.25% 的參與權益。基於近期於 Chirete 特許權區發現的石油，本集團現已識別出一個大型勘探遠景，即 Morillo Deep 勘探遠景（「**Morillo Deep**」），距離 HLG.St.LB.x-2001 勘探井約 17 公里。

本集團已展開對下一個勘探井 Morillo Deep 就道路建設及鑽探地點進行初步環境影響評估研究，並預期將於二零一九年下半年完成。本集團的目標鑽探日期為二零二零年第二季度。

本集團現有的勘探許可證將於二零一九年九月十三日屆滿。本集團將於二零一九年五月，向薩爾塔當局（「**薩爾塔當局**」）申請將勘探許可證延長三年。

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BUSINESS REVIEW

The Group's oil and gas participation in Argentina during 2018 was solely in the Northwest Basin located in the provinces of Salta and Formosa.

Following the Formosa Authorities' unexpected rejection of a 10 years extension to continue exploitation and production activities in the PL Concessions, the Group's involvement in the province of Formosa formally ended on 30 November 2018.

In addition to the Group's oil and gas exploration and production activities, the Group was engaged in the business of commodities trading.

Northwest Basin, Argentina

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

As at 31 December 2018, the Group held the following concessions in the Northwest Basin situated in Northern Argentina:

業務回顧

本集團於二零一八年期間在阿根廷的石油及天然氣活動，全部位於薩爾塔省及福摩薩省的西北盆地。

繼福摩薩當局出乎意料地拒絕了繼續在PL特許權區進行開採及生產活動的10年延期申請後，本集團在福摩薩省的參與於二零一八年十一月三十日正式結束。

除了本集團的石油及天然氣勘探及生產活動外，本集團於年內從事商品貿易業務。

阿根廷西北盆地

西北盆地為阿根廷天然氣產量最大的盆地之一。由於四大主要盆地的疊加及自晚侏羅紀時代至早白堊世時代的斷裂延伸以及第三紀時代安第斯山脈擠壓的大地構造影響，該盆地的地質及大地結構極其複雜。本集團認為其複雜的地質結構，能在勘探活動時製造開發常規輕油及天然氣的機會。

於二零一八年十二月三十一日，本集團在阿根廷北部的西北盆地持有以下特許權區：

Concessions	Participating interest	Surface area	Prospective Resources	2P Reserves	Group's Net Interest
特許權區	參與權益	地表面積 (in km ²) (平方公里)	遠景資源量 (MMBOE) (百萬桶 油當量)	2P 儲量 (MMBOE) (百萬桶 油當量)	本集團的 淨權益 (MMBOE) (百萬桶 油當量)
Tartagal Oriental and Morillo Tartagal Oriental及 Morillo	69.25%	10,583	187.7	–	130.0
Chirete Chirete	50.00%	897	8.6	–	4.3

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Exploration, Development and Production activities Tartagal Oriental and Morillo Concessions (the “T&M Concessions”)

The T&M Concessions comprising of the Tartagal Oriental block and the Morillo block, located in the Province of Salta in Northern Argentina, are the Group's core exploration assets. The Group holds a 69.25% participating interest in the concessions and is the Operator. The concessions cover a total surface area of 10,583 km² and have an estimated Net Prospective Resources of 130.0 MMBOE for the Group.

Morillo Deep Exploration well

Following the completion of the recent HLG.St.LB.x-2001 exploratory drill in the Chirete Concession, the Group's attention has shift towards the preparations of its next planned exploratory well at Morillo Deep in the T&M Concessions located approximately 17 km from the wellsite of the Group's recent oil discovery. The target completion date for the access road and drill location preparation is scheduled for Q4 2019 with a spud date of Q2 2020.

Morillo Deep is one out of a number of prospects that had previously been identified by the Group's in-house geological and geophysical team, which had been cross verified for their suitability and potentiality by independent third party geological and geophysical experts. Environmental impact assessment studies for the proposed access road and drill location at Morillo Deep has already begun in earnest. Upon its completion, the Group shall submit the necessary reports to the relevant bodies within the Salta Authorities for their review and granting of permits to enable the civil engineering works to commence.

With the successful deployment of the Group's own drilling rig on the previous two exploratory drills in El Pacara, T&M Concessions and Los Blancos, Chirete Concession, the Group's intention is to continue this arrangement in the Morillo Deep campaign. To date, the Group's drilling rig has performed exemplarily. There has been minimal non-productive time (“NPT”) attributable to health and safety incidents or mechanical failure. This is a testament to the professionalism and dedication of the Group's drilling and rig services division.

勘探、開發及生產活動

Tartagal Oriental及Morillo特許權區(「T&M 特許權區」)

T&M特許權區(包括Tartagal Oriental區塊及Morillo區塊)位於阿根廷北部薩爾塔省，為本集團的核心勘探資產。本集團持有特許權區的69.25%參與權益並為營運商。特許權區的總地表面積為10,583平方公里，而本集團的推測遠景資源量淨額為130百萬桶油當量。

Morillo Deep 勘探井

繼近日在Chirete特許權區完成HLG.St.LB.x-2001勘探鑽井後，本集團會將注意力轉移至T&M特許權區內的Morillo Deep資源遠景，為下一個勘探展開籌備工作。該勘探井與本集團近日發現石油的勘探井相距約17公里，通路及鑽探地點規劃預期將於二零一九年第四季度完成，目標鑽探日期為二零二零年第二季度。

Morillo Deep為其中一個由本集團內部地質及地球物理團隊識別出的潛在資源遠景，經獨立第三方地質及地球物理專家驗證其合適性及潛力。現正切實對Morillo Deep建議道路及鑽探地點進行環境影響評估研究。於完成後，本集團將向薩爾塔當局內相關機構提交所需報告，供彼等審閱及授出許可證，從而開展土木工程。

緊隨本集團曾成功運用自備鑽機在T&M特許權區El Pacara及Chirete特許權區Los Blancos兩個勘探井進行鑽探，本集團擬在Morillo Deep活動中繼續此項安排。迄今，本集團的自備鑽機表現優秀。因健康及安全事故或機件故障而導致停產的時間(「停產時間」)極短。這證明本集團鑽井及鑽機服務分部的專業和敬業精神。

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Exploration permit extension

As disclosed in the 2018 Interim Report, the Group successfully secured a 24 months extension on its exploration permit in the T&M Concessions until 13 September 2019 from the Salta Authorities. The extension application took approximately 12 months duration from date of the Group's application submission to the date the formal decree ratifying the extension was issued by the Salta Authorities on 23 March 2018. This represents a delay of 6 months from the exploration permit expiration date to the date the decree granting the extension was issued.

As at 2018 year end, the Group had an official outstanding commitment of 3,547 Work Units on the T&M Concessions to be fulfilled. The number of outstanding Work Units is a disputed matter between the Group and the Salta Authorities. The number of Work Units recognised by the Salta Authorities was below the Group's expectation, based on the unclaimed qualifying expenditure application submitted by the Group. It is the Group's intention to appeal the Salta Authorities' recent decision.

Furthermore, the Group will be seeking a 3 years extension of its exploration permit until 13 September 2022 from the Salta Authorities in May 2019. This is for the purposes of realistically completing the two remaining exploratory wells commitment in the T&M Concessions. Detailed drilling plans, schedules and analysis will be submitted as part of the Group's latest extension application.

Chirete Concession

The Chirete Concession covers a surface area of approximately 897 km² in the Province of Salta in Northern Argentina, and the Group's estimated Net Prospective Resources is 4.3 MMBOE. The Chirete Concession is an oil concession in which the Group has farmed into a 50% participating interest, with Pampa Energia S.A. being the owner of the other 50%. The Group is responsible for the day to day operational activities.

HLG.St.LB.x-2001 exploration well

The Group drilled the HLG.St.LB.x-2001 exploratory well as scheduled in Q4 2018. The well is located approximately 2.8km point to point south on the same geological structure as the HLG.St.LB.x-1002 exploratory well drilled in October 2015, where indications of hydrocarbon was previously encountered.

勘探許可證延期

誠如二零一八年中期報告所披露，本集團已成功獲得薩爾塔當局將T&M特許權區許可證屆滿日延期24個月至二零一九年九月十三日的法令。由本集團提交延期申請後，薩爾塔當局耗時約12個月，方於二零一八年三月二十三日批出正式延期法令。因此，勘探許可證屆滿日期與授出延期法令日期間具六個月之延誤。

於二零一八年年底，本集團在T&M特許權區尚未完成的正式承諾有3,547個工作單位。工作單位的數量為本集團與薩爾塔當局之間的爭議事項。根據本集團提交合資格而尚未成功申索的開支申請，薩爾塔當局認可的工作單位數目低於本集團預期。本集團擬就薩爾塔當局最近的決定提出上訴。

此外，本集團將於二零一九年五月向薩爾塔當局尋求將其勘探許可證延長三年，至二零二二年九月十三日，乃為能切實完成T&M特許權區內餘下的兩口勘探井承諾。本集團將提交詳細的鑽探計劃、時間表及分析作為本集團最新延期申請之一部分。

Chirete 特許權區

Chirete特許權區的地表面積約為897平方公里，位於阿根廷北部薩爾塔省，而本集團的推測遠景資源量淨額為4.3百萬桶油當量。Chirete特許權區為由本集團購入50%參與權益的石油特許權區，而Pampa Energía S.A.購入其餘50%權益。本集團負責日常營運。

HLG.St.LB.x-2001 勘探井

本集團於二零一八年第四季度進行HLG.St.LB.x-2001勘探井的鑽探工作。該油井位處與二零一五年十月鑽探的HLG.St.LB.x-1002勘探井同一地質結構以南約2.8公里，HLG.St.LB.x-1002勘探井。曾發現碳氫化合物的跡象。

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The Group utilising its own drilling rig attained the target drill depth of 2,705 meters for the HLG.St.LB.x-2001 exploratory well on 29 November 2018, where significant oil and gas shows were intersected from the depth of 2,670 meters onwards.

Presently, the Group is conducting extended well test and logging analysis of the HLG.St.LB.x-2001 exploratory well, in order to evaluate the commercial viability of the oil discovery for future development and production. Additionally, the Group is expecting part of the concession's estimated prospective resources to be upgraded to reserves before the end of 2019.

The Group is optimistic and encouraged by the extended test data to date, which indicate light crude oil with an estimated API index of 37 with virtually zero water content and free of other contaminants. The crude oil flow rates under different choke size during the extended well test to date are summarised in the table below:

本集團於二零一八年十一月二十九日使用自備鑽機成功達到HLG.St.LB.x-2001勘探井目標鑽探深度2,705米，當中自2,670米深度開始發現了重大石油及天然氣跡象。

本集團現正對HLG.St.LB.x-2001勘探井進行延伸測試及測井分析，以評估其未來開發及生產的商業可行性。此外，本集團預期可能將特許權區的部分推測遠景資源量於二零一九年年末前升級為儲量。

本集團對迄今的延伸測試數據抱樂觀態度，該測試顯示輕質原油的估計API指數為37點，含水量近乎零且並無其他污染物。下表概述於至今的延伸測試中不同油嘴尺寸下的原油流率：

Choke Size	油嘴尺寸	Average Barrels of Production per Day ("BOPD") 日均石油產量 (桶石油／每日)
4mm	4毫米	533
6mm	6毫米	1,276
8mm	8毫米	1,800
10mm	10毫米	2,295

As of 18 March 2019, the cumulative production of crude oil from the HLG.St.LB.x-2001 well was approximately 82,000 barrels.

截至二零一九年三月十八日，HLG.St.LB.x-2001勘探井的累計原油產量約為82,000桶。



■ HLG.St.LB.x-2001 Wellhead

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Upon the completion of the extended well test, the Group will be able to definitively determine the rate of production and technical characteristics of the oil. A development plan for the production of crude oil is expected to be finalised towards Q4 2019.

Exploration permit extension

The Chirete permit for the Third Exploratory Period expired on 18 November 2018. In order to continue and complete the commercial viability studies of the recent oil discovery at HLG.St.LB.x-2001 exploratory well, the Group duly submitted to the Salta Authorities, an application for a 12 months extension as permitted under the Hydrocarbons Law of Argentina.

On 22 February 2019, the Group successfully received the decree from the Salta Authorities confirming the approval of the extension for a further 12 month term until 18 November 2019. As a condition for the granting of the extension, the Group is required to submit on a fortnightly basis, the oil production volumes attained during the extended test phase of the HLG.St.LB.x-2001 exploratory well.

Subject to the progress of the extended test, the Group will consider whether it requires more time to continue its commercial viability studies, or proceed straight with the application to the Salta Authorities for an exploitation and production permit of between 20 to 25 years to operate the oilfield.

於延伸測試完成後，本集團將能夠確實釐定石油的生產率及技術特徵。生產原油的發展計劃預期將於二零一九年第四季度作出定案。

勘探許可證延期

Chirete許可證的第三個勘探期已於二零一八年十一月十八日屆滿。為繼續及完成最近在HLG.St.LB.x-2001勘探井發現石油的商業可行性研究，本集團正式向薩爾塔當局提交根據阿根廷《碳氫化合物法》所允准延期12個月的申請。

本集團於二零一九年二月二十二日成功收到薩爾塔當局批准延期12個月的法令，將勘探期延期至二零一九年十一月十八日。當中授出延期法令的條件為本集團須每兩星期就HLG.St.LB.x-2001勘探井延期試驗階段所達到的石油提交一份產量報告。

視乎延伸測試的進度，本集團將考慮是否需要更多時間繼續進行其商業可行性研究，或直接向薩爾塔當局申請為期20至25年的開發及生產許可證以經營油田。

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■ An aerial view of the Palmar Largo crude oil production facility

Palmar Largo Concessions (the “PL Concessions”)

The PL Concessions comprise of three blocks, namely the Palmar Largo block located in the Province of Formosa which contains the producing fields, together with the Balbuena Este block and the El Chorro block located in the Province of Salta. The concessions had a 25 years term which expired on 23 December 2017.

During the eleven month period to 30 November 2018, the Group owned a 38.15% interest in the PL Concessions and was the Operator of the production facilities in the Palmar Largo block.

Palmar Largo 特許權區 (「PL 特許權區」)

PL 特許權區包括三個區塊：位於福摩薩省的 Palmar Largo 區塊（擁有產油油田）及位於薩爾塔省的 Balbuena Este 區塊及 El Chorro 區塊。該特許權區的許可期為 25 年，並已於二零一七年十二月二十三日屆滿。

於截至二零一八年十一月三十日止十一個月期間，本集團於 PL 特許權區擁有 38.15% 參與權益，並為 Palmar Largo 區塊內生產設施的營運商。



■ Aerial view of Palmar Largo battery tanks



■ Oil battery tanks at Palmar Largo facility

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Operations update

The Group conducted a number of slickline unit interventions on its older wells with mixed success during the eleven month period to 30 November 2018. The purpose of the slickline unit interventions were in an attempt to preserve the production rates of a mature, marginal and declining oilfield. Essential planned maintenance was also performed in order to ensure continued safe working conditions.

No workover intervention was undertaken, or contemplated in 2018, due to the Group's on-going negotiations with the Formosa Authorities regarding its application for a 10 years extension, which concluded with the sudden and unexpected rejection by the Formosa Authorities on 21 November 2018, and the repossession of the Palmar Largo block on the midnight of 30 November 2018.

Due to only 9 days notice served by the Formosa Authorities informing of its decision to repossess the Palmar Largo Block on 30 November 2018, the Group had no option but to relinquish the oil production facilities before it could practicably withdraw all movable, non-essential to production assets, inventory, and unsold oil stock which legally belonged to the Union of Temporary Enterprise (the "UTE") in which is the Group is a 38.15% participating interest owner.

The Group is currently in discussions with both the new concession owner and operator, as well as the Formosa Authorities for a prompt and amicable resolution to this matter, including the unfettered access by the Group to physically recover the UTE properties. In the event the matter becomes unnecessarily protracted, the Group together with the UTE will have no option, but to consider taking legal action in order to retrieve the UTE properties illegally and collectively seized by the new incumbents of the Palmar Largo block.

During the eleven months to 30 November 2018, and prior the relinquishment of the Palmar Largo block, the average daily production achieved for the Group's 38.15% participating interest was approximately 250 BOPD (2017: 338 BOPD). The Group's share of oil production for the same period equated close to 83 MBBL (2017: 123 MBBL for the year).

Due to a combination of declining production rates in the Palmar Largo block and the continuing low oil prices in Northern Argentina, the oil sales of the Group's 38.15% participating interest in the PL Concessions contributed to a revenue of approximately HK\$32.96 million for the eleven month period (2017: approximately HK\$43.47 million for the year).

業務最新進展

於截至二零一八年十一月三十日止十一個月期間，本集團對較舊的油井進行多項鋼絲操作項目，當中部分取得成功。進行鋼絲操作項目之目的為維持該老化的油田少量及下滑的生產率。本集團亦進行所需的修護計劃，以維持並確保安全的工作環境。

由於與福摩薩當局持續商討及其延遲授出10年續期生產許可證，故二零一八年並無進行或擬進行已修復項目。最終，福摩薩當局於二零一八年十一月二十一日出乎意料地拒絕有關續期申請並於二零一八年十一月三十日午夜接管Palmar Largo區塊。

由於福摩薩當局僅以九日的通知期知會本集團其於二零一八年十一月三十日接管Palmar Largo區塊的決定，本集團別無選擇，只能放棄石油生產設施，撤走其所有可移動且非必要的生產資產、存貨及法律上屬於Union of Temporary Enterprise (「UTE」)(本集團為38.15%參與權益的擁有人)的未售出石油庫存。

本集團現正與新特許權區擁有人及營運商以及福摩薩當局進行商討，圖以迅速及友好的方式化解此事，讓本集團在不受約束下取回UTE財產。倘事件不必要地被拖延，本集團及UTE將別無選擇下考慮採取法律行動以收回由Palmar Largo區塊新繼任人共同非法扣押的UTE財產。

於截至二零一八年十一月三十日止十一個月內，在放棄Palmar Largo區塊之前，本集團擁有38.15%參與權益的日均產量約為每日250桶石油(二零一七年：每日338桶石油)。本集團同期按份額佔有的石油產量接近83,000桶石油(二零一七年：年內123,000桶石油)

由於Palmar Largo區塊的生產率不斷下降加上阿根廷北部的油價維持低位，使本集團於PL特許權區的38.15%參與權益的原油銷售為十一個月期間帶來收益約32,960,000港元(二零一七年：年內約43,470,000港元)。

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■ Crude oil dispatch during Extended Well Test at HLG.St.LB.x-2001

Oil price

Following the lifting of the import ban of foreign oil into Argentina, and the move to a free market oil economy by the incumbent government in 2017; the premium that Argentina oil price once commanded over international price has been eroded. In Northern Argentina, where the Group produces and sells its crude oil, the change in government policy has had a more detrimental effect on the oil price. This primarily is due to the fact that there is only one major oil refinery in the region; Refinor.

The impact has not only hurt the Group's own revenues, but also fellow oil producers in the region. Consequently, the Group has lobbied its concerns to the provincial government, and warned of the potential irreversible damage to the region's oil and gas industry and its attractiveness, as a result of the major refinery's unfair practices.

During the year, the Group engaged the Argentinean anti-trust agency to investigate this matter. Furthermore, the Group may initiate legal proceedings against Refinor for retrospective compensation of historical shortfall in revenues as a result of below the market value oil prices paid.

For the 2018 year, the average selling price the Group received was US\$54.05 (2017: US\$48.63) per barrel.

油價

隨着現任政府於二零一七年取消禁止進口外國石油至阿根廷之禁令並轉向自由石油市場經濟，曾超出國際油價之阿根廷油價亦隨之下調。在本集團生產及銷售原油的阿根廷北部，政府政策的變動對油價的不利影響較過往尤甚。此乃主要由於該地區只有一間煉油廠所致。

上述不僅損害了本集團自身的收益，亦損害了該地區的同業石油生產商。隨後，本集團已向省政府陳述其擔憂，並警告主要煉油廠的不正當手段，對該地區的油氣行業及其吸引力造成不可挽回的損害。

本集團於年內已委聘阿根廷反壟斷機構調查此事宜。此外，本集團可能向Refinor提出法律訴訟，為因支付低於石油市價而造成之損失索償。

於二零一八年度，本集團收取的平均售價為每桶54.05美元(二零一七年：48.63美元)。

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Exploitation and production permit extension

The Palmar Largo block is situated in the Province of Formosa, where the Group was the Operator of the UTE with a 38.15% participating interest. The Group's exploitation and production permit in the block had expired since 23 December 2017.

On 30 November 2018, the Group and the UTE relinquished the Palmar Largo block to the Formosa Authorities, and accordingly terminated and ceased productions operations. As a consequence of the termination, the Group recognised net loss on disposal of non-current assets of Palmar Largo Concession of approximately HK\$7.186 million for the year ended 31 December 2018.

Drilling Rig

In Q4 2018, the Group successfully deployed its drilling rig for the HLG.St.LB.x-2001 exploratory well in the Chirete Concession. The Group is pleased to report that there was minimal NPT attributable to health and safety incidents or mechanical failure of the rig during this latest campaign.

The HLG.St.LB.x-2001 exploratory well was the Group's second drilling campaign using its own rig and equipment staffed by local crew.

The Group is optimistic that it can build on the success of the HLG.St.EP.x-2001 and HLG.St.LB.x-2001 drilling campaigns, when it deploys its rig to drill the Morillo Deep exploratory well in T&M Concessions in Q2 2020, subject to the timely receipt of drill location and access road permits.

Argentina Economy

During 2018, the Argentine Peso devalued by approximately 100% against the United States Dollar, whilst inflation in the country was at 47.6%, the highest on record since 1991. The Argentina government have been working with the International Monetary Fund ("IMF") in an attempt to stabilise the Argentine Peso.

With the upcoming General Elections in October 2019, the Group is of the view that the outlook of Argentina economically can only improve. However, the Group is closely monitoring political developments in order to assess the country's possible economic future direction and its implications to commerce.

開採及生產許可證延期

Palmar Largo區塊位於福摩薩省，而本集團為擁有38.15%參與權益的UTE營運商。本集團在該區塊的開採及生產許可證已於二零一七年十二月二十三日屆滿。

於二零一八年十一月三十日，本集團及UTE將Palmar Largo區塊交回福摩薩當局，因而終止及停止生產業務。有關終止令本集團於截至二零一八年十二月三十一日止年度處置Palmar Largo特許權區的非流動資產而造成損失約7,186,000港元。

鑽機

於二零一八年第四季度，本集團成功在Chirete特許權區的HLG.St.LB.x-2001勘探井使用自備鑽機。本集團欣然報告，過程中甚少因健康及安全事故或鑽機發生機械故障造成停產。

HLG.St.LB.x-2001鑽探井為本集團第二項由當地人員配置設備下使用自備鑽機的鑽探活動。

憑藉HLG.St.EP.x-2001及HLG.St.LB.x-2001鑽探活動的成功，本集團對於能夠於二零二零年第二季度使用其自備鑽機在T&M特許權區進行Morillo Deep勘探井鑽探樂觀態度，惟仍須有待適時取得鑽探地點及道路許可證。

阿根廷經濟

於二零一八年，阿根廷披索兌美元貶值約100%，而國內通脹率達47.6%，為一九九一年以來最高。阿根廷政府正與國際貨幣基金組織（「國際貨幣基金組織」）合作嘗試穩定阿根廷披索。

由於大選將於二零一九年十月舉行，本集團認為阿根廷的經濟前景將會改善。然而，本集團密切關注政局發展，以評估該國的可能未來經濟方向及其影響。

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Commodities Trading

During the year, the Group successfully engaged and closed out a number of commodities trades involving non-ferrous metals. This is in line with the Group's continuing strategic objective to diversify its revenue base and source of profit generation.

The Group was previously engaged in commodities trading before 2008, where invaluable experience and business partners were gained. The Group plans to continue activities in this business segment in the upcoming year.

USE OF PROCEEDS

As at 1 January 2018, the Group had total unused net proceeds of HK\$921.59 million. This comprised of HK\$251.30 million balance from the Subscription Shares, and HK\$670.29 million balance from the Open Offer.

The Group conducted no additional fund raising activities during the year, and utilised HK\$35.14 million in respect of its Argentina operations, HK\$15.63 million for overhead expenses of the Group's Hong Kong office, and HK\$10.39 million for the servicing of debt and interest payments.

On 27 August 2018, the Board resolved to change the use of the Group's remaining unutilised net proceeds from the Open Offer by reallocating HK\$100 million from the HK\$600 million originally designated for the purposes of investment/acquisition of suitable business opportunities, to general working capital requirements of the Group, in particular, the servicing of debt and interest payments, and payment of overhead expenses of the Group's Hong Kong office.

As at 31 December 2018, the Group's total unused net proceeds amounted to HK\$860.43 million. This comprised of HK\$216.16 million balance from the Subscription Shares, and HK\$644.27 million balance from the Open Offer. The Group's intended use for the remainder monies shall continue to be for the same purposes as previously disclosed i.e. general working capital requirements of the Group, of which HK\$144.27 million balance is available for payment of overhead expenses of the Group's Hong Kong office, HK\$216.16 million balance for operational requirements in Argentina, and HK\$500.00 million for possible investment/acquisition of suitable business opportunities.

For more details, kindly refer to the section entitled Capital Structure, Liquidity and Financial Resources, and Change in Use of Proceeds further below.

商品貿易

年內，本集團已成功從事及完成多宗涉及有色金屬的商品貿易。這符合本集團令其收益基礎及溢利來源多元化的策略性目標。

本集團曾早於二零零八年前從事商品貿易，並從中獲取了寶貴經驗及業務夥伴。本集團計劃於未來一年繼續在該業務分部開展業務。

所得款項用途

於二零一八年一月一日，本集團尚未動用所得款項淨額合共為921,590,000港元，其中包括認購股份的結餘251,300,000港元及公開發售的結餘670,290,000港元。

本集團於年內並無進行額外集資活動，並已動用35,140,000港元作阿根廷營運用途、15,630,000港元作支付本集團香港辦事處之經常開支，以及10,390,000港元作償還債務及支付利息。

於二零一八年八月二十七日，董事會議決變更本集團公開發售所得款項之未動用結餘，將原指定用於投資／收購合適業務機遇的600,000,000港元當中的100,000,000港元重新分配至本集團一般營運資金需求，尤其是償還債務及支付利息，以及支付本集團香港辦事處之經常開支。

於二零一八年十二月三十一日，本集團尚未動用所得款項淨額合共為860,430,000港元，其中包括認購股份的結餘216,160,000港元及公開發售的結餘644,270,000港元。本集團擬將餘下結餘繼續之前所披露之相同用途使用，即本集團一般營運資金用途，其中144,270,000港元之結餘用作支付本集團香港辦事處之經常開支、216,160,000港元結餘用作阿根廷營運需求，以及500,000,000港元用作投資／收購合適的業務機遇。

進一步詳情請參閱下文標題為「資本結構、流動資金及財務資源以及所得款項用途變更」一節。

MANAGEMENT DISCUSSION AND ANALYSIS

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FUTURE PROSPECTS AND DEVELOPMENTS

The objective of the Group is to maximise profitability and increase cash flows for the purpose of funding its exploration and development activities, whilst at the same time ensuring its obligations to health, safety and the environment are not compromised.

With the recent oil discovery in the Chirete Concession, the Group is pleased that it can quickly put behind the disappointment of recent events at PL Concessions. The Group is presently continuing with its extended test and logging analysis of the HLG.St.LB.x-2001 exploratory well, in order to evaluate its commercial viability. The Group is optimistic and encouraged by the extended test results to date, which indicate light crude oil with an estimated API index of 37. Final flow rate of crude oil for production will be determined after the completion of all on-going tests.

Looking ahead, the Group is excited by the prospect of bringing the HLG.St.LB.x-2001 exploratory well into commercial production. Additionally, there is the exploratory drill at Morillo Deep in the T&M Concessions planned for Q2 2020 to look forward to, as well as the possibility of further revenue generation from its drilling & rig services division. The Group is also studying the HLG.St.LB.x-1002 well, with a view to possibly putting it into production in the second half of 2019.

With adequate cash reserve, the Group is also continuing to seek value adding and complimentary investment opportunities in the energy and related sectors in other regions of the world, in order to broaden and diversify its risk and revenue stream.

FINANCIAL REVIEW

The Group's revenue for the year ended 31 December 2018 was approximately HK\$297.99 million, which represents an increase of approximately 3.63% as compared to approximately HK\$287.56 million for the corresponding period in 2017. The increase in revenue was mainly attributable to the revenue generated from commodities trading. The revenue derived from commodities trading for the year ended 31 December 2018 was approximately HK\$265.03 million. This represents an increase of approximately 8.58% as compared to the HK\$244.09 million revenue generated for the corresponding period in 2017. Additionally, revenue derived from the sale of oil products under the Group's oil exploration and production business for the year ended 31 December 2018 was approximately HK\$32.96 million. This represents a decrease of approximately 24.18% as compared to the HK\$43.47 million revenue generated for the corresponding period in 2017. The Group reported a gross profit of approximately HK\$11.13 million (2017: HK\$6.91 million). The increase in gross profit was mainly contributed by the Group's oil exploration and production business.

未來前景及發展

本集團的目標在於盡力提高盈利能力及增加現金流，以便為其勘探及開發活動提供資金，同時確保其有關健康、安全及環境之責任不會因此而作出妥協。

隨著Chirete特許權區最近發現石油，本集團迅速從近日失去PL特許權區一事的陰霾中走出。本集團現正繼續進行HLG.St.LB.x-2001勘探井的延伸測試及測井分析，以評估其商業可行性。本集團對迄今的延伸測試結果抱樂觀態度且感到鼓舞，跡象顯示輕質原油的估計API指數為37點。可供生產的最終原油流率將於現正進行的測試完成後確定。

展望未來，本集團對於將HLG.St.LB.x-2001勘探井商業投產的前景感到興奮。此外，預期計劃於二零二零年第二季度在T&M特許權區的Morillo Deep進行勘探鑽井，並期望鑽井及其鑽機服務進一步創收的可能性。本集團亦正就HLG.St.LB.x-1002勘探井進行研究，並可能於二零一九年下半年投入生產。

憑藉充裕的現金儲備，本集團亦繼續在世界各地的能源及相關行業尋求增值的投資良機，務求擴闊及分散其風險與收益來源。

財務回顧

截至二零一八年十二月三十一日止年度，本集團收益約為297,990,000港元，較二零一七年同期的287,560,000港元增加約3.63%。收益增加主要來自商品貿易收益所致。截至二零一八年十二月三十一日止年度，源自商品貿易的收益約為265,030,000港元，較二零一七年同期產生之收益244,090,000港元增加約8.58%。此外，源自本集團石油勘探及生產之石油產品銷售收益於截至二零一八年十二月三十一日止年度約為32,960,000港元，較二零一七年同期產生之收益43,470,000港元減少約24.18%。本集團錄得毛利約11,130,000港元(二零一七年：6,910,000港元)。毛利增加乃主要來自本集團石油勘探及生產業務。

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General and administrative expenses of the Group for the year ended 31 December 2018 was approximately HK\$53.22 million, which represents a decrease of approximately 15.96% as compared to approximately HK\$63.33 million for the corresponding period in 2017.

The Group recognised an impairment loss on promissory note receivable, and trade and other receivables of approximately HK\$38.85 million (2017: Nil) and approximately HK\$33.93 million (2017: Nil) respectively for the year ended 31 December 2018. For the year ended 31 December 2017, the Group recognised an impairment loss on available-for-sale investments of approximately HK\$19.43 million; whilst there was no such impairment loss recognised for the year ended 31 December 2018.

For the year ended 31 December 2017, the Group recognised a reversal of impairment loss on exploration and evaluation assets in respect of the Union of Temporary Enterprise in Tartagal Oriental and Morillo Concessions of approximately HK\$248.04 million; whilst there was no such reversal of impairment loss for the corresponding period in 2018.

The Group recognised a net investment loss in respect of financial instruments of approximately HK\$100.32 million (2017: HK\$37.49 million) for the year ended 31 December 2018.

The Group recognised exploration expenses in relation to a dry hole of approximately HK\$0.37 million (2017: HK\$35.54 million) for the year ended 31 December 2018.

For the year ended 31 December 2017, the Group recorded a gain of approximately HK\$3.30 million on the partial disposal of interest in a joint venture of the Group (the “**Partial Disposal**”). The Partial Disposal was completed in January 2017 resulting in the Group’s interest in the joint venture being decreased from 42.10% to 29.92%.

Finance costs of the Group for the year ended 31 December 2018 was approximately HK\$15.69 million, which represents a decrease of approximately 18.66% as compared to approximately HK\$19.29 million for the corresponding period in 2017.

截至二零一八年十二月三十一日止年度，本集團的一般及行政開支約為53,220,000港元，較二零一七年同期約63,330,000港元減少約15.96%。

截至二零一八年十二月三十一日止年度，本集團就應收承兌票據及貿易及其他應收款項確認減值虧損分別約38,850,000港元(二零一七年：無)及約33,930,000港元(二零一七年：無)。截至二零一七年十二月三十一日止年度，本集團就可供出售投資確認減值虧損約19,430,000港元，而截至二零一八年十二月三十一日止年度並沒有上述減值虧損。

截至二零一七年十二月三十一日止年度，就位於Tartagal Oriental特許權區及Morillo特許權區的Union of Temporary Enterprise的勘探及評估資產確認減值虧損約248,040,000港元，而二零一八年同期並無有關回撥的減值虧損。

截至二零一八年十二月三十一日止年度，本集團確認金融工具投資虧損淨額約100,320,000港元(二零一七年：37,490,000港元)。

截至二零一八年十二月三十一日止年度，本集團就乾井確認勘探開支約370,000港元(二零一七年：35,540,000港元)。

截至二零一七年十二月三十一日止年度，本集團就出售本集團合營企業之部分權益(「**部分出售事項**」)錄得收益約3,300,000港元。部分出售事項已於二零一七年一月完成，導致本集團於合營企業之權益由42.10%減少至29.92%。

截至二零一八年十二月三十一日止年度，本集團的融資成本約為15,690,000港元，較二零一七年同期約19,290,000港元減少約18.66%。

MANAGEMENT DISCUSSION AND ANALYSIS

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Share of losses of joint ventures of the Group for the year ended 31 December 2018 were approximately HK\$4.45 million, which represents an increase of approximately 7.23% as compared to approximately HK\$4.15 million for the corresponding period in 2017.

Income tax charge of the Group for the year ended 31 December 2018 was approximately HK\$10.78 million; whilst it was an income tax credit of approximately HK\$6.44 million for the corresponding period in 2017.

For the year ended 31 December 2018, the Group recorded a loss for the year of approximately HK\$257.22 million; whilst it was a profit of approximately HK\$101.70 million for the corresponding period in 2017.

Basic loss per share for the year ended 31 December 2018 was approximately HK2.91 cents; whilst it was basic earnings per share of approximately HK1.26 cents for the corresponding period in 2017.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

In respect of the aggregate net proceeds of approximately HK\$557.23 million (“**2016 Subscription Shares Proceeds**”) raised from the subscription of shares in July 2016 and November 2016, amongst which approximately HK\$305.93 million had been utilised up to 31 December 2017 towards its intended use as stated in the circular of the Company dated 28 June 2016 and the announcement of the Company dated 28 October 2016. As at 31 December 2017, the unutilised balance of the 2016 Subscription Shares Proceeds was approximately HK\$251.3 million. The actual use of the 2016 Subscription Shares Proceeds during the year ended 31 December 2018 was, as to approximately HK\$35.14 million, for Argentina operational purposes as intended. As at 31 December 2018, the unutilised balance of the 2016 Subscription Shares Proceeds was approximately HK\$216.16 million.

截至二零一八年十二月三十一日止年度，應佔本集團合營企業虧損約為4,450,000港元，較二零一七年同期約4,150,000港元增加約7.23%。

本集團截至二零一八年十二月三十一日止年度的所得稅開支約為10,780,000港元，而二零一七年同期則為所得稅抵免約6,440,000港元。

截至二零一八年十二月三十一日止年度，本集團錄得虧損約257,220,000港元，而二零一七年同期則為溢利約101,700,000港元。

截至二零一八年十二月三十一日止年度的每股基本虧損約為2.91港仙，而二零一七年同期則為每股基本盈利約1.26港仙。

資本結構、流動資金及財務資源

就於二零一六年七月及二零一六年十一月認購股份籌集的所得款項淨額合共約557,230,000港元（「**二零一六年認購股份所得款項**」）而言，直至二零一七年十二月三十一日，其中約305,930,000港元已用於本公司日期為二零一六年六月二十八日的通函及本公司日期為二零一六年十月二十八日的公告所述的擬定用途。於二零一七年十二月三十一日，二零一六年認購股份所得款項的尚未動用結餘約為251,300,000港元。截至二零一八年十二月三十一日止年度，二零一六年認購股份所得款項的實際用途為約35,140,000港元按擬定用於阿根廷營運目的。於二零一八年十二月三十一日，二零一六年認購股份所得款項的尚未動用結餘約為216,160,000港元。

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The following table summarises the use of net proceeds for the 2016 Subscription Shares Proceeds during the year ended 31 December 2018.

下表概述截至二零一八年十二月三十一日止年度之二零一六年認購股份所得款項之所得款項淨額用途。

Intended use	擬定用途	Unutilised amount of	Utilised amount of	Unutilised amount of
		net proceeds as at 31 December 2017 於二零一七年 十二月三十一日 之所得款項淨額 尚未動用金額 HK\$ million 百萬港元	net proceeds during the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度之所得款項 淨額已動用金額 HK\$ million 百萬港元	net proceeds as at 31 December 2018 於二零一八年 十二月三十一日 之所得款項淨額 尚未動用金額 HK\$ million 百萬港元
Argentina operational purposes	阿根廷營運目的	251.30	(35.14)	216.16

In respect of the net proceeds of approximately HK\$736.40 million (“Open Offer Proceeds”) raised from the open offer in April 2017, amongst which approximately HK\$66.11 million had been utilised up to 31 December 2017 towards its intended use as stated in the circular of the Company dated 28 February 2017 and the offering memorandum dated 27 March 2017. As at 31 December 2017, the unutilised balance of the Open Offer Proceeds was approximately HK\$670.29 million. The actual use of the Open Offer Proceeds during the year ended 31 December 2018 was, as to approximately HK\$26.02 million, for general working capital requirements including the repayment of loan and payment of overhead expenses as intended. As at 31 December 2018, the unutilised balance of Open Offer Proceeds was approximately HK\$644.27 million.

就於二零一七年四月自公開發售籌集的所得款項淨額約736,400,000港元(「公開發售所得款項」)而言，直至二零一七年十二月三十一日，其中約66,110,000港元已用於本公司日期為二零一七年二月二十八日的通函及日期為二零一七年三月二十七日的發售備忘錄所述的擬定用途。於二零一七年十二月三十一日，公開發售所得款項的尚未動用結餘約為670,290,000港元。截至二零一八年十二月三十一日止年度，公開發售所得款項約26,020,000港元的實際用途按擬定用作一般營運資金需求，包括償還貸款及支付經常開支。於二零一八年十二月三十一日，公開發售所得款項的尚未動用結餘約為644,270,000港元。

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The following table summarises the use of net proceeds for the Open Offer Proceeds during the year ended 31 December 2018.

下表概述截至二零一八年十二月三十一日止年度之公開發售所得款項之所得款項淨額用途。

Intended use	擬定用途	Unutilised amount of net proceeds as at 31 December 2017	Change in use of proceeds	Utilised amount of net proceeds during the year ended 31 December 2018	Unutilised amount of net proceeds as at 31 December 2018
		於二零一七年十二月三十一日之所得款項淨額尚未動用金額 HK\$ million 百萬港元		所得款項用途變更 HK\$ million 百萬港元	截至二零一八年十二月三十一日止年度之所得款項淨額已動用金額 HK\$ million 百萬港元
General working capital requirements	一般營運資金需求	11.00	100.00	(26.02)	84.98
Argentina operational purposes	阿根廷營運目的	59.29	-	-	59.29
Investment for oil and gas portfolio	投資油氣組合	600.00	(100.00)	-	500.00
		670.29	-	(26.02)	644.27

In relation to the change in use of proceeds as disclosed in the announcement of the Company dated 27 August 2018, the Board resolved to change the use of net proceeds of HK\$600 million originally designated for investment for oil and gas portfolio as follows:

就於本公司日期為二零一八年八月二十七日的公告所披露的所得款項用途變更而言，董事會議決變更原指定用於投資油氣組合之所得款項淨額600,000,000港元之用途如下：

- (i) HK\$100.00 million for general working capital requirements (including approximately HK\$30.00 million for the general and administrative expenses and approximately HK\$70.00 million for the repayment of interest and debts upon due), which is expected to be utilised within the next twelve months from the date of the announcement of the Company dated 27 August 2018; and
- (ii) HK\$500.00 million for investment for oil and gas portfolio, when suitable opportunities arise.

- (i) 100,000,000港元用作一般營運資金需求(包括約30,000,000港元用於一般行政開支及約70,000,000港元用於償還即將到期之利息及債務)，預期將自本公司於二零一八年八月二十七日之公告日期起計未來12個月內動用；及
- (ii) 500,000,000港元用於合適的機會出現時投資油氣組合。

Details of the change in use of proceeds are set out in the announcement of the Company dated 27 August 2018.

有關所得款項用途變更的詳情載於本公司日期為二零一八年八月二十七日的公告。

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

As at 31 December 2018, the Group's net current assets amounted to approximately HK\$907.82 million (31 December 2017: HK\$1,217.66 million) and the Group had cash and cash equivalents of approximately HK\$928.48 million (31 December 2017: HK\$843.95 million).

Cash and cash equivalents of the Group as at 31 December 2018 were mainly denominated in Hong Kong Dollar, United States Dollar and Argentine Peso.

As at 31 December 2018, total equity of the Group was approximately HK\$3,129.98 million (31 December 2017: HK\$3,467.32 million). Net asset value per share equated to approximately HK\$0.36 (31 December 2017: HK\$0.39). Debt ratio, calculated as total liabilities divided by total assets, was approximately 10.06% (31 December 2017: 8.36%).

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

Borrowings

As at 31 December 2018, total borrowings of the Group was approximately HK\$210.79 million (31 December 2017: HK\$213.78 million), which comprised of debt securities in issue.

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

於二零一八年十二月三十一日，本集團的流動資產淨值約為907,820,000港元(二零一七年十二月三十一日：1,217,660,000港元)，而本集團的現金及現金等價物約為928,480,000港元(二零一七年十二月三十一日：843,950,000港元)。

本集團於二零一八年十二月三十一日之現金及現金等價物主要以港元、美元及阿根廷披索計值。

於二零一八年十二月三十一日，本集團權益總值約為3,129,980,000港元(二零一七年十二月三十一日：3,467,320,000港元)。每股資產淨值相等於約0.36港元(二零一七年十二月三十一日：0.39港元)。債項比率(按負債總額除以資產總值計算)約為10.06%(二零一七年十二月三十一日：8.36%)。

本集團一般以其營運資金、借貸及本公司發行新股之所得款項為營運撥付資金。

借貸

於二零一八年十二月三十一日，本集團之借貸總額約為210,790,000港元(二零一七年十二月三十一日：213,780,000港元)，由已發行債務證券組成。

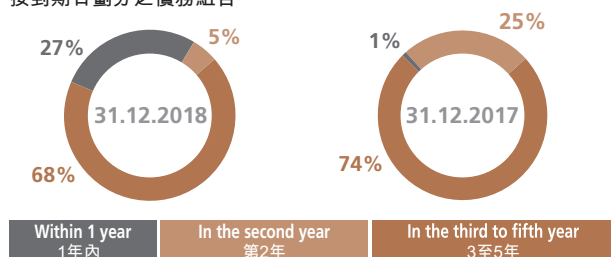
MANAGEMENT DISCUSSION AND ANALYSIS

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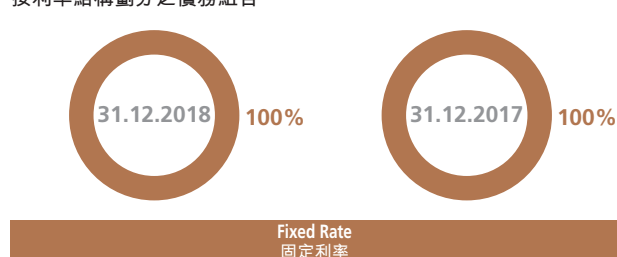
As at 31 December 2018, the debt profile of the Group is detailed below:

於二零一八年十二月三十一日，本集團的借貸組合詳述如下：

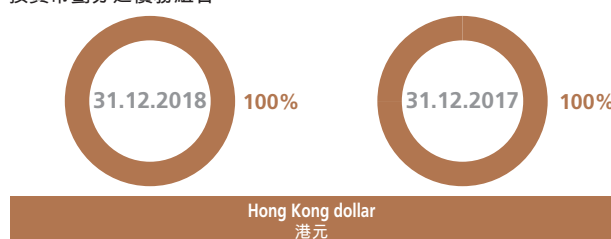
Debt Profile by Maturity 按到期日劃分之債務組合



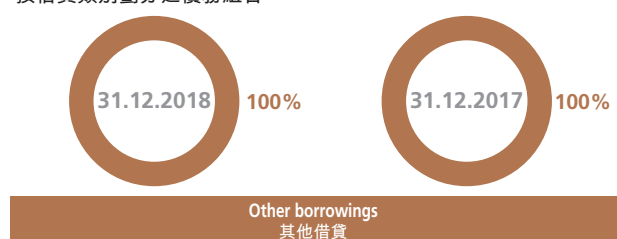
Debt Profile by Interest Rate Structure 按利率結構劃分之債務組合



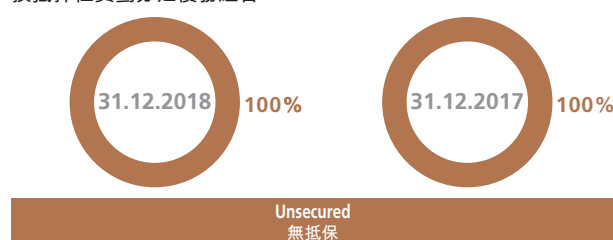
Debt Profile by Currencies 按貨幣劃分之債務組合



Debt Profile by Types of Borrowings 按借貸類別劃分之債務組合



Debt Profile by Security Nature 按抵押性質劃分之債務組合



Financial covenants

As at 31 December 2018, the Group's other borrowings of approximately HK\$54.40 million (31 December 2017: HK\$54.40 million) are subject to the fulfilment of financial covenants relating to the Company's assets/liabilities ratio and the Group's consolidated adjusted net tangible assets, as are commonly found in lending arrangements with financial institutions. If the Group were to be in breach of these financial covenants, the Group's other borrowings would become payable on demand. As at 31 December 2018 and 31 December 2017, none of the financial covenants relating to other borrowings were breached.

財務契約

於二零一八年十二月三十一日，本集團之其他借貸約54,400,000港元(二零一七年十二月三十一日：54,400,000港元)須履行與本公司的資產／負債比率及本集團綜合經調整有形資產淨值相關的財務契約，此類財務契約常見於金融機構的借貸安排中。倘本集團違反該等財務契約，則本集團之其他借貸將須按要求償還。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，本集團並無違反有關其他借貸的財務契約。

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Gearing ratio

As at 31 December 2018, gearing ratio, calculated on the basis of interest bearing borrowings divided by total equity, was approximately 6.73% (31 December 2017: 6.17%).

Charge on Assets

As at 31 December 2018, the Group did not have any charge on its assets (31 December 2017: Nil).

Contingent Liabilities

As at 31 December 2018, the Group did not have any material contingent liabilities (31 December 2017: Nil).

Capital Commitments

Details of the capital commitments of the Group as at 31 December 2018 are set out in note 33 to the consolidated financial statements.

Principal Risks and Uncertainties

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

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

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

資產負債比率

於二零一八年十二月三十一日，以計息借貸除以權益總值計算的資產負債比率約為6.73% (二零一七年十二月三十一日：6.17%)。

資產抵押

於二零一八年十二月三十一日，本集團並無任何資產抵押(二零一七年十二月三十一日：無)。

或然負債

於二零一八年十二月三十日，本集團並無任何重大或然負債(二零一七年十二月三十一日：無)。

資本承擔

本集團於二零一八年十二月三十一日的資本承擔詳情載於綜合財務報表附註33。

主要風險及不確定性

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

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

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

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In the normal course of business, the Group is exposed to credit risk, liquidity risk, interest rate risk, currency risk, price risk arising from prices fluctuation of crude oil and commodities, and equity price risk arising from its investment in equity securities. Details of the financial risk management of the Group are set out in note 31 to the consolidated financial statements.

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

Foreign Exchange Exposure

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

Employees

As at 31 December 2018, the Group employed a total of 47 (2017: 51) permanent employees in Hong Kong and Argentina. Total employee remuneration (including directors' remuneration and benefits) for the year ended 31 December 2018 amounted to HK\$20.64 million (2017: HK\$27.59 million). The Group provides its employees with competitive remuneration packages relative to their job performance, qualifications, experience, and prevailing market conditions in the respective geographical locations and businesses in which the Group operates.

Relationship with Suppliers, Customers and other Stakeholders

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

於一般業務過程中，本集團因原油及商品價格波動而面臨信貸風險、流動資金風險、利率風險、貨幣風險及價格風險，亦因其股權證券投資而面臨股價風險。本集團的財務風險管理之詳情載列於綜合財務報表附註31內。

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

外匯風險

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

僱員

於二零一八年十二月三十一日，本集團於香港及阿根廷僱用合共47名(二零一七年：51名)長期僱員。截至二零一八年十二月三十一日止年度，僱員薪酬總額(包括董事酬金及福利)約為20,640,000港元(二零一七年：27,590,000港元)。本集團向其僱員提供具競爭力的薪酬方案，乃與彼等的個人表現、資歷及經驗相符，以及按本集團營運所在各地區及業務的相關市況釐定。

與供應商、客戶及其他權益人的關係

本集團明白與其供應商、客戶、社會團體及政府維持良好關係，對本集團實現其目標及長遠目標十分重要。除標題為「業務回顧」一節披露者外，本集團與其供應商、客戶及／或其他權益人於年內並無重大糾紛。

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Material Acquisitions and Disposals

The Group did not have any material acquisitions and disposals of subsidiaries, associated companies, and joint ventures during the year ended 31 December 2018.

Environmental Policies and Performance

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

Significant Investments

As at 31 December 2018, the Group held other investment in equity securities and other financial assets amounting to approximately HK\$18.69 million and HK\$80.47 million respectively.

(i) Other investment in equity securities

As at 31 December 2018, the Group's other investment in equity securities comprised of unlisted equity investments in NordAq Energy Inc. ("**NordAq**") and Foothills Exploration Inc. ("**Foothills Exploration**") amounting to approximately HK\$17.88 million and HK\$0.81 million respectively.

NordAq is an oil and gas company based in Anchorage, Alaska and is mainly engaged in exploration, appraisal and development of hydrocarbon reserves in the State of Alaska, the United States of America. For the year ended 31 December 2018, the Group recognised a loss of approximately HK\$13.36 million on the change in fair value of the equity investment in NordAq in the consolidated statement of other comprehensive income.

Foothills Exploration is an oil and gas exploration and production company engaged in the acquisition and development of oil and natural gas properties in the United States of America. For the year ended 31 December 2018, the Group recognised a loss of approximately HK\$4.56 million on the change in fair value of the equity investment in Foothills Exploration in the consolidated statement of other comprehensive income.

重大收購及出售事項

本集團於截至二零一八年十二月三十一日並無附屬公司、關聯公司及合營企業之重大收購或出售事項。

環境政策及表現

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

重大投資

於二零一八年十二月三十一日，本集團持有其他股本證券投資及其他金融資產分別約為18,690,000港元及80,470,000港元。

(i) 其他股本證券投資

於二零一八年十二月三十一日，本集團的其他股本證券投資包括於 NordAq Energy Inc. (「**NordAq**」) 及 Foothills Exploration Inc. (「**Foothills Exploration**」) 的非上市股權投資分別約為17,880,000港元及810,000港元。

NordAq為一間總部設於阿拉斯加安克雷奇之油氣公司，主要在美利堅合眾國阿拉斯加州從事勘探、評估及開發碳氫化合物儲量。截至二零一八年十二月三十一日止年度，本集團於綜合其他全面收益表中就於NordAq之股權投資之公允價值變動確認虧損約13,360,000港元。

Foothills Exploration為一間在美利堅合眾國從事石油及天然氣財產收購及開發的油氣勘探及生產公司。截至二零一八年十二月三十一日止年度，本集團於綜合其他全面收益表中就於Foothills Exploration的股權投資確認虧損約4,560,000港元。

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管理層討論及分析

(ii) Other financial assets

As at 31 December 2018, the Group's other financial assets comprised of listed equity securities at fair value amounting to approximately HK\$80.47 million. During the year ended 31 December 2018, the Group disposed all of unlisted investment funds which were held and classified as other financial assets as at 31 December 2017. Additionally, the Group's unlisted equity-linked securities, which were held and classified as other financial assets as at 31 December 2017, were early redeemed by the issuer. For the year ended 31 December 2018, the Group recognised a net investment loss of approximately HK\$1.81 million in respect of these disposed investments in the consolidated statement of profit or loss.

As at 31 December 2018, listed equity securities at fair value represented shares in Beijing Gas Blue Sky Holdings Limited (Stock Code: 6828) ("Blue Sky"). The principal activity of Blue Sky is investment holding and Blue Sky's subsidiaries are principally engaged in sales and distribution of natural gas and other related products. For the year ended 31 December 2018, the Group recognised a net investment loss of approximately HK\$100.49 million in respect of the shares in Blue Sky in the consolidated statement of profit or loss.

(ii) 其他金融資產

於二零一八年十二月三十一日，本集團其他金融資產包括按公允價值列賬的上市股本證券約80,470,000港元。截至二零一八年十二月三十一日止年度，本集團出售所有於二零一七年十二月三十一日持有及分類為其他金融資產的非上市投資基金。此外，本集團於二零一七年十二月三十一日持有及分類為其他金融資產的非上市股本掛鈎證券獲發行人提前贖回。截至二零一八年十二月三十一日止年度，本集團於綜合損益表中就該等投資確認投資虧損淨額約1,810,000港元。

於二零一八年十二月三十一日，按公允價值列賬的上市股本證券指北京燃氣藍天控股有限公司(股份代號：6828) (「藍天」)的股份。藍天之主要業務為投資控股，而藍天之附屬公司則主要從事天然氣及其他相關產品銷售及分銷。截至二零一八年十二月三十一日止年度，本集團於綜合損益表中就藍天的股份確認投資虧損淨額約100,490,000港元。

INFORMATION ON NEW TIMES ENERGY'S OIL AND GAS RESERVES AND RESOURCES 新時代能源之油氣儲量及資源之資料

NORTHWEST BASIN, ARGENTINA

阿根廷西北盆地

Tartagal Oriental and Morillo Concessions (the "T&M Concessions")

Tartagal Oriental及Morillo特許權區 (「T&M特許權區」)

The prospective oil and gas resources in the T&M Concessions are as follows:

於T&M特許權區之遠景油氣資源如下：

Prospective Resources	遠景資源	At 31 December 2018		At 31 December 2017	
		Oil (in MMBBL) 石油 (百萬桶)	Gas (in BCF) 天然氣 (十億立方呎)	Oil (in MMBBL) 石油 (百萬桶)	Gas (in BCF) 天然氣 (十億立方呎)
Category Gross (100%)	類別總計(100%)				
Low Estimate	最低估計	75.5	488.2	75.5	488.2
Best Estimate	最佳估計	187.7	1,564.6	187.7	1,564.6
High Estimate	最高估計	459.8	5,075.9	459.8	5,075.9

Notes:

附註：

- The technical report was prepared and updated by Netherland, Sewell & Associates, Inc. ("NSAI"), an international independent qualified technical adviser, as of 1 January 2018 in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers. As at 31 December 2018, there were no material changes in our prospective resources since the effective date of the aforementioned NSAI report and as disclosed in the table above.
- The prospective resources shown above have been estimated using probabilistic methods and are dependent on a petroleum discovery being made. Unrisked prospective resources are estimated ranges of recoverable oil and gas volumes assuming their discovery and development and are based on estimated ranges of undiscovered in-place volumes. Geologic risking of prospective resources addresses the probability of success for the discovery of a significant quantity of potentially moveable petroleum; this risk analysis is conducted independent of estimations of petroleum volumes and without regard to the chance of development. Principal geologic risk elements of the petroleum system including (1) trap and seal characteristics; (2) reservoir presence and quality; (3) source rock capacity, quality, and maturity; and (4) timing, migration, and preservation of petroleum in relation to trap and seal formation. Risk assessment is a highly subjective process dependent upon the experience and judgment of the evaluators and is subject to revision with further data acquisition or interpretation. There was no material change on the assumptions adopted in the updated report in compare with the previous report.

- 技術報告由國際獨立合資格技術顧問Netherland, Sewell & Associates, Inc. (「NSAI」)於二零一八年一月一日根據石油工程師學會認可之二零零七年石油資源管理制度(PRMS)所載之定義及指引編製及更新。自上述NSAI報告生效日期起及如上表所披露，於二零一八年十二月三十一日，本集團的遠景資源量並無重大變動。
- 上表所示之遠景資源量乃採用概率方法估計，並取決於發現石油量。未經風險評估遠景資源量為假設發現及開發石油及天然氣而可開採石油及天然氣量之估計範圍，並以未發現含量之估計範圍為基準。遠景資源量之地質風險著重於成功發現大量潛在可移動石油之可能性；此風險分析乃獨立於石油量估計而進行，並與開發機會無關。石油系統之主要地質風險元素包括(1)封閉和密封特性；(2)儲油氣層是否存在以及其質量；(3)源岩容量、質量及成熟期；及(4)封閉和密封層之時期、移動及石油保存狀況。風險評估過程非常主觀，取決於評估員之經驗及判斷，並須待取得進一步數據或詮釋後修訂。經更新報告採納之假設與上一份報告比較並無重大變動。

INFORMATION ON NEW TIMES ENERGY'S OIL AND GAS RESERVES AND RESOURCES 新時代能源之油氣儲量及資源之資料

Chirete Concession

The prospective oil and gas resources in the Chirete Concession are as follows:

Chirete 特許權區

於Chirete特許權區之遠景油氣資源如下：

Prospective Resources	遠景資源	At 31 December 2018 於二零一八年 十二月三十一日	At 31 December 2017 於二零一七年 十二月三十一日
		Oil (in MMBBL) 石油 (百萬桶)	Oil (in MMBBL) 石油 (百萬桶)
Category Gross (100%)	類別總計(100%)		
Low Estimate	最低估計	2.2	2.2
Best Estimate	最佳估計	8.6	8.6
High Estimate	最高估計	25.2	25.2

Notes:

(1) In July 2016, New Times Energy became a 50% participating partner in the Chirete Concession having met all the conditions precedent as stipulated in the farm-in agreement entered into with Pampa Energia S.A. (formerly Petrobras Argentina S.A.) in April 2015.

(2) The technical report was prepared by Netherland, Sewell & Associates, Inc. ("NSAI"), an international independent qualified technical adviser, as of 1 January 2018 in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers.

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

As announced on 12 December 2018, an oil discovery was made at the HLG.St.LB. x-2001 exploratory well in Los Blancos. Extended well test and logging analysis are presently ongoing. Upon its completion, an update to the above table in accordance with the definitions and guidelines of the PRMS can be expected. This entails the possible reclassification of the current prospective resources in the Chirete Concession to contingent resources or reserves.

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

附註：

(1) 於二零一六年七月，新時代能源已符合與Pampa Energia S.A. (前稱Petrobras Argentina S.A.)於二零一五年四月訂立之購入安排之所有先決條件，成為Chirete特許權區50%參與方。

(2) 技術報告由國際獨立合資格技術顧問Netherland, Sewell & Associates, Inc. (「NSAI」)於二零一八年一月一日根據石油工程師學會認可之二零零七年石油資源管理制度(PRMS) 所載之定義及指引編製。

由於遠景天然氣資源量微不足道，NSAI技術報告並未作出對天然氣的估計。

如二零一八年十二月十二日所公告，我們於Los Blancos的HLG.St.LB. x-2001勘探井發現石油。現正進行延伸測試及測井分析，完成後預期將根據PRMS所載之定義及指引更新，可能需將於Chirete特許權區的現時遠景資源重新分類為或有資源或儲備。

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

INFORMATION OF DIRECTORS

董事資料

EXECUTIVE DIRECTORS

Mr. CHENG Kam Chiu, Stewart, aged 64, was appointed as an executive Director in February 2008 and the Chairman in May 2009. Mr. Cheng holds a Bachelor's degree in Civil and Environmental Engineering from the University of Wisconsin-Madison, the United States of America ("USA"); a Master's degree in Civil Engineering from the University of California, Berkeley, USA; and a Master's degree in Business Administration from the Chinese University of Hong Kong. Being a member of The Hong Kong Institution of Engineers, Mr. Cheng is a professional engineer with extensive experience in property development and construction management. Mr. Cheng is a member of the Shunde District, Foshan City Committee of the Chinese People's Political Consultative Conference since November 2006.

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

Mr. TANG, John Wing Yan, aged 66, was appointed as an executive Director in June 2017. Mr. Tang joined the Group as general manager in August 2015. He brings with him over 20 years of senior management experience and has held top executive positions with various international companies prior to joining the Group.

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

執行董事

鄭錦超先生，64歲，於二零零八年二月獲委任為執行董事，並於二零零九年五月獲委任為主席。鄭先生持有美國威斯康辛州麥迪遜大學土木及環境工程學士學位、美國加州大學柏克萊分校土木工程碩士學位，以及香港中文大學工商管理碩士學位。彼為香港工程師學會會員。鄭先生為專業工程師，於物業發展及工程管理方面累積豐富經驗。鄭先生自二零零六年十一月起出任中國人民政治協商會議佛山市委員會順德區委員。

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

鄧永恩先生，66歲，於二零一七年六月獲委任為執行董事。鄧先生於二零一五年八月加入本集團擔任總經理。鄧先生擁有超過二十年的高級管理經驗，並於加入本集團前曾任多家跨國公司最高行政主管。

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

INFORMATION OF DIRECTORS

董事資料

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

NON-EXECUTIVE DIRECTOR

Mr. LEE Chi Hin, Jacob, aged 36, is currently a senior vice president of Chow Tai Fook Enterprises Limited ("CTFE") with responsibilities in making strategic and private equity investments globally. CTFE is an indirect subsidiary of Chow Tai Fook Capital Limited which is a controlling shareholder of the Company. Mr. Lee joined CTFE in March 2013 and has over 10 years of professional experience in corporate finance, investment, international capital markets and asset management. He previously worked at the investment banking department of The Hongkong and Shanghai Banking Corporation Limited and Deutsche Bank AG in Hong Kong. Mr. Lee holds a Master of Science degree in Accounting and Finance from The London School of Economics and Political Science to the University of London in London, United Kingdom and a Bachelor of Business Administration degree from the University of Michigan in Ann Arbor, United States of America. He is also a Chartered Financial Analyst Charterholder.

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Chi Yuen, aged 52, was re-designated as an independent non-executive Director in May 2012. He acted as an executive Director and the Chairman from May to October 2006 and a non-executive Director from October 2006 to May 2012. Mr. Chan holds a Bachelor's degree with honours in Business Administration and a Master of Science degree with distinction in Corporate Governance and Directorship. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. He is a practicing certified public accountant and has extensive experience in financial management, corporate development, corporate finance and corporate governance.

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

非執行董事

李志軒先生，36歲，現為周大福企業有限公司(「周大福企業」)高級副總裁，負責全球策略和私募股權投資。周大福企業為Chow Tai Fook Capital Limited之間接附屬公司，而Chow Tai Fook Capital Limited為本公司的控股股東。李先生於二零一三年三月加入周大福企業，在企業融資、投資、國際資本市場和資產管理方面擁有逾十年的專業經驗。此前，彼曾在香港上海匯豐銀行有限公司及德意志銀行(香港)的投資銀行部門工作。李先生先生擁有英國倫敦政治經濟學院會計與金融理學碩士學位和美國安娜堡密歇根大學工商管理學士學位。彼為特許金融分析師特許資格認證持有人。

李先生現為綜合環保集團有限公司的非執行董事，其股份於聯交所上市。

獨立非執行董事

陳志遠先生，52歲，於二零一二年五月調任獨立非執行董事。於二零零六年五月至十月期間，彼為執行董事兼主席，而於二零零六年十月至二零一二年五月期間則為非執行董事。陳先生持有工商管理榮譽學士學位及公司管治與董事學理學碩士學位(優異)。彼為香港會計師公會、特許公認會計師公會及英格蘭及威爾斯特許會計師公會之資深會員。彼為執業會計師，於財務管理、企業發展、企業融資及企業管治方面具備豐富經驗。

INFORMATION OF DIRECTORS

董事資料

Mr. Chan is currently an executive director of Great Wall Belt & Road Holdings Limited (formerly known as e-Kong Group Limited), Noble Century Investment Holdings Limited and Royal Century Resources Holdings Limited, and an independent non-executive director of Asia Energy Logistics Group Limited, China Baoli Technologies Holdings Limited, Media Asia Group Holdings Limited and Leyou Technologies Holdings Limited, which shares are listed on the Stock Exchange. Mr. Chan was an independent non-executive director of Jun Yang Financial Holdings Limited (currently known as Power Financial Group Limited) from January 2015 to October 2017 and U-RIGHT International Holdings Limited (currently known as Fullsun International Holdings Group Co., Limited) from November 2010 to December 2017 and Affluent Partners Holdings Limited from December 2016 to September 2018.

Mr. YUNG Chun Fai, Dickie, aged 66, was appointed as an independent non-executive Director in March 2013. Mr. Yung holds a Master's degree in Business Administration from the University of East Asia, Macau. He is a member of the Institute of Management and a fellow of the Chartered Management Institute. Mr. Yung has been engaged in finance and banking businesses for over 27 years. He was the chief executive officer of Landbridge Holdings Limited, the deputy chief executive officer of Industrial & Commercial Bank of China (Macau) Limited and an executive director, deputy general manager and alternate chief executive officer of Industrial & Commercial International Capital Limited (currently known as ICBC International Holdings Limited), a wholly-owned subsidiary of Industrial & Commercial Bank of China Limited.

Mr. CHIU Wai On, aged 49, was appointed as an independent non-executive Director in November 2006. Mr. Chiu is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the UK. He possesses extensive professional experience in accounting and auditing services. Mr. Chiu is currently an independent non-executive director of DeTai New Energy Group Limited, whose shares are listed on the Stock Exchange.

陳先生現為長城一帶一路控股有限公司(前稱e-Kong Group Limited)、仁瑞投資控股有限公司及仁德資源控股有限公司之執行董事，以及亞洲能源物流集團有限公司、中國寶力科技控股有限公司、寰亞傳媒集團有限公司及樂遊科技控股有限公司之獨立非執行董事，上述公司之股份均在聯交所上市。陳先生於二零一五年一月至二零一七年十月擔任君陽金融控股有限公司(現稱權威金融集團有限公司)之獨立非執行董事，於二零一零年十一月至二零一七年十二月擔任佑威國際控股有限公司(現稱福晟國際控股集團有限公司)之獨立非執行董事，以及於二零一六年十二月至二零一八年九月擔任錢唐控股有限公司之獨立非執行董事。

翁振輝先生，66歲，於二零一三年三月獲委任為獨立非執行董事。翁先生持有澳門東亞大學之工商管理碩士學位。彼為管理學會會員及特許管理學會資深會員。翁先生已從事金融及銀行業務超過二十七年。彼曾任是嵐橋控股有限公司之行政總裁，中國工商銀行(澳門)有限公司之副行政總裁，中國工商銀行股份有限公司之全資附屬公司工商國際金融有限公司(現稱工銀國際控股有限公司)之執行董事、副總經理及替任行政總裁。

招偉安先生，49歲，於二零零六年十一月獲委任為獨立非執行董事。招先生為香港會計師公會會員及英國特許公認會計師公會資深會員。彼於會計及核數服務方面擁有豐富專業經驗。招先生現時為德泰新能源集團有限公司之獨立非執行董事，該公司之股份在聯交所上市。

INFORMATION OF SENIOR MANAGEMENT

高級管理人員資料

SENIOR MANAGEMENT

Financial Controller

Mr. MAK, Peter Kwok Ming, aged 42, joined the Group in October 2015 as a Project Manager. Mr. Mak holds a M.A. Honours degree in Business Organisation from Heriot-Watt University, Edinburgh, UK. He is a qualified Chartered Accountant of The Institute of Chartered Accountants in England and Wales (ICAEW), with over 20 years professional accounting and auditing experience. Prior to joining the Group, Mr. Mak gained over 6 years relevant oil and gas industry experience in his previous roles as audit manager with KPMG and financial controller with Schlumberger, where his last posting was with WesternGeco in Penang, Malaysia.

高級管理人員

財務總監

麥國明先生，42歲，於二零一五年十月加入本集團，曾出任項目經理。麥先生擁有英國愛丁堡赫瑞瓦特大學*(Heriot-Watt University)商業組織的榮譽學士學位。彼為英格蘭及威爾斯特許會計師公會*(ICAEW)的合資格特許會計師，擁有超過20年的專業會計及審計經驗。於加入本集團之前，麥先生有6年以上石油及天然氣行業相關的經驗，曾擔任畢馬威會計師事務所的審計經理，並在斯倫貝謝有限公司*(Schlumberger)出任財務總監，彼被最後一次委派其於馬來西亞檳城的分公司西方奇科地球物理公司*(Western Geco)工作。

* 中文譯名

DIRECTORS' REPORT

董事會報告

The board (the “**Board**”) of directors (the “**Directors**”) of New Times Energy Corporation Limited (the “**Company**”) submits herewith their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2018 (the “**Year**”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities and other particulars of its principal subsidiaries are set out in note 16 to the consolidated financial statements.

BUSINESS REVIEW

An overview and the outlook of the Group's business are provided in the sections headed “Chairman's Statement” and “Management Discussion and Analysis” of this annual report. Save as disclosed in the above sections, no important event affecting the Group has occurred since the end of the Year. Certain financial key performance indicators can be found in the section headed “Financial Highlights”.

The financial risk management objectives and policies of the Group are disclosed in note 31 to the consolidated financial statements.

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

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 December 2018 (2017: Nil).

新時代能源有限公司(「本公司」)董事(「董事」)會(「董事會」)謹此提呈彼等之報告及本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度(「本年度」)之經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股，其主要附屬公司之業務及其他詳情載於綜合財務報表附註16。

業務回顧

本年報「主席報告」及「管理層討論及分析」各節提供本集團的業務概覽及展望。除以上章節所披露者外，自本年度末以來並無發生影響本集團之重要事項。若干財務關鍵表現指標載於「財務摘要」一節。

本集團的財務風險管理目標及政策披露於綜合財務報表附註31。

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

遵守相關法律及規例

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

股息

董事會建議不派付任何截至二零一八年十二月三十一日止年度的末期股息(二零一七年：無)。

DIRECTORS' REPORT

董事會報告

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

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

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

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

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

During the year ended 31 December 2018, the Company repurchased 106,602,000 shares on the Stock Exchange for an aggregate consideration of approximately HK\$13.92 million including expenses. The repurchased shares were subsequently cancelled. The repurchase was effected because the Board considered that the repurchase enhanced the net asset value of the Company and/or its earnings per share which benefit the Company and its shareholders as a whole and that it presented a good opportunity for the Company to repurchase Shares.

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

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

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

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

購買、出售或贖回上市證券

截至二零一八年十二月三十一日止年度，本公司於聯交所購回106,602,000股股份，未扣除開支的總代價約為13,920,000港元。購回股份隨後已被註銷。有關購回乃因董事會認為購回提升本公司資產淨值及／或每股盈利，有利本公司及整體股東，且為本公司購回股份的合適時機而作出。

DIRECTORS' REPORT

董事會報告

Details of the shares repurchased are as follows:

購回股份的詳情如下：

Month of repurchase	購回月份	No. of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate Consideration
		購回股份數目	每股股份最高價格	每股股份最低價格	總代價
			HK\$	HK\$	HK\$'000
			港元	港元	千港元
September 2018	二零一八年九月	39,210,000	0.1320	0.0966	4,624
October 2018	二零一八年十月	33,110,000	0.1420	0.1269	4,585
November 2018	二零一八年十一月	34,282,000	0.1349	0.1328	4,711
Total	總計	106,602,000			13,920

Save as disclosed above, neither the Company nor any member of the Group purchased, sold or redeemed any of the Company's shares during the year ended 31 December 2018.

除上文所披露者外，於截至二零一八年十二月三十一日止年度，本公司或本集團任何成員公司概無購買、出售或贖回任何本公司股份。

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the year ended 31 December 2018. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the year ended 31 December 2018.

重大訴訟

本公司於截至二零一八年十二月三十一日止年度概無涉及任何重大訴訟或仲裁。董事亦不知悉本集團於截至二零一八年十二月三十一日年度有任何待決或面臨重大訴訟或申索。

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 30 May 2019 to Wednesday, 5 June 2019 (both days inclusive), for the purpose of determining shareholders' entitlement to attend and vote at the forthcoming annual general meeting to be held on Wednesday, 5 June 2019. During this period, no transfers of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Wednesday, 29 May 2019.

暫停辦理股份過戶登記

本公司將自二零一九年五月三十日(星期四)起至二零一九年六月五日(星期三)止(包括首尾兩日)暫停辦理股份過戶登記手續，以確定股東出席將於二零一九年六月五日(星期三)舉行之應屆股東週年大會並於會上投票之資格，該期間將不會進行股份過戶登記。為符合出席股東週年大會並於會上投票之資格，所有過戶文件連同有關股票必須於二零一九年五月二十九日(星期三)下午四時三十分前送達本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓。

FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 223 of this annual report.

五年概要

本集團過去五個財政年度之業績及資產負債概要載於本年報第223頁。

DIRECTORS' REPORT

董事會報告

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 13 to the consolidated financial statements.

OTHER BORROWINGS

Particulars of other borrowings of the Company and the Group as at 31 December 2018 are set out in note 26 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company during the Year are set out in note 30 to the consolidated financial statements.

DEBENTURE

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company, under the Company's bye-laws (the "Bye-laws") or the laws of Bermuda, being the jurisdiction in which the Company was incorporated.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

TAX RELIEF AND EXEMPTION

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

物業、廠房及設備

本集團物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註13。

其他借貸

本公司及本集團於二零一八年十二月三十一日之其他借貸詳情載於綜合財務報表附註26。

股本

本公司股本於本年度之變動詳情載於綜合財務報表附註30。

債券

於本年度，本公司並無發行債券或債權證。

優先購買權

本公司之公司細則(「公司細則」)或本公司註冊成立之司法權區百慕達之法例，並無有關優先購買權之條文而令本公司有責任按比例向本公司現有股東提呈發售新股份。

購買、出售或贖回本公司上市證券

於本年度，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

稅務減免及豁免

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

DIRECTORS' REPORT

董事會報告

RESERVES

Details of movements in the reserves of the Company and the Group during the Year are set out in note 30(a) to the consolidated financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company had no retained profits available for cash distribution and/or distribution in specie. Pursuant to the Company Act 1981 of Bermuda (as amended), the Company's contributed surplus of HK\$740,880,000 is currently not available for distribution. The Company's share premium account of HK\$4,868,181,000 may be distributed in the form of fully paid bonus shares.

Details of the above are set out in note 30(e) to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate revenue attributable to the Group's five largest customers accounted for 100% and the largest customer accounted for approximately 88.94% of the Group's total revenue for the Year. The aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 91.68% and the largest suppliers accounted for approximately 80.24% of the Group's total purchases from continuing operations for the Year.

At no time during the Year have the Directors, their associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers and suppliers.

TRANSACTIONS DISCLOSED IN ACCORDANCE WITH THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

Continuing Connected Transactions

Certain amounts of the transactions as set out in note 32(b)(i) and (ii) to the consolidated financial statements fall within Rule 14A.76(1) of the Listing Rules and each constitutes a de minimis transaction which were exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

儲備

於本年度，本公司及本集團之儲備變動詳情分別載於綜合財務報表附註30(a)及綜合權益變動表。

可供分派儲備

於二零一八年十二月三十一日，本公司概無保留溢利可供現金分派及／或實物分派。根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘740,880,000港元現時不可作分派。本公司之股份溢價賬4,868,181,000港元可以繳足紅利股份方式分派。

上述事項詳情載於綜合財務報表附註30(e)。

主要客戶及供應商

於本年度，本集團五大客戶佔本集團本年度總收益額100%，而最大客戶則佔本集團總收益約88.94%。於本年度，本集團五大供應商佔本集團之總採購額約91.68%，而最大供應商則佔本集團持續經營業務總採購額約80.24%。

於本年度任何時間，本公司董事、彼等之聯繫人士或據董事所深知擁有本公司已發行股份數目5%以上之股東，概無於該等主要客戶及供應商中擁有任何權益。

根據香港聯合交易所有限公司證券上市規則披露的交易

持續關連交易

綜合財務報表附註32(b)(i)及(ii)所載若干交易額符合上市規則第14A.76(1)條之規定，各自構成最低限額交易，該等交易根據上市規則第14A章可豁免遵守申報、公告及獨立股東批准之規定。

DIRECTORS' REPORT

董事會報告

RELATED PARTY TRANSACTIONS

Save as disclosed above, the remaining related party transactions for the Year as set out in note 32(b) to the consolidated financial statements under the heading of "Material related party transactions" did not constitute connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the Year.

DIRECTORS

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

Executive Directors

Mr. Cheng Kam Chiu, Stewart (*Chairman*)
Mr. Zhang Kun (*resigned on 9 February 2018*)
Mr. Tang, John Wing Yan (*Chief Executive Officer*)

Non-executive Directors

Mr. Cheng Ming Kit (*resigned on 13 April 2018*)
Mr. Lee Chi Hin, Jacob (*appointed on 1 April 2019*)

Independent non-executive Directors

Mr. Wong Man Kong, Peter (*deceased on 11 March 2019*)
Mr. Chan Chi Yuen
Mr. Yung Chun Fai, Dickie
Mr. Chiu Wai On

Biographical details of the Directors are set out on pages 36 to 38 of this annual report.

RETIREMENT AND RE-ELECTION OF DIRECTORS

Mr. Lee Chi Hin, Jacob ("**Mr. Lee**") has been appointed as a non-executive Director with effect from 1 April 2019. In accordance with bye-law 86(2) of the Bye-Laws, Mr. Lee shall hold office only until the forthcoming annual general meeting of the Company (the "**AGM**") and, being eligible, will offer himself for re-election at the AGM.

關聯方交易

除上文所披露者外，根據上市規則第14A章，綜合財務報表附註32(b)「重大關聯方交易」項下所載本年度餘下關聯方交易並不構成本公司之關連交易或持續關連交易。

管理合約

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

董事

於本年度及截至本報告日期止之董事如下：

執行董事

鄭錦超先生(主席)
張堃先生(於二零一八年二月九日辭任)
鄧永恩先生(行政總裁)

非執行董事

鄭明傑先生(於二零一八年四月十三日辭任)
李志軒先生(於二零一九年四月一日獲委任)

獨立非執行董事

王敏剛先生(於二零一九年三月十一日離世)
陳志遠先生
翁振輝先生
招偉安先生

董事之履歷詳情載於本年報第36頁至第38頁。

董事退任及重選連任

李志軒先生(「李先生」)獲委任為非執行董事，由二零一九年四月一日起生效。根據公司細則第86(2)條，李先生任期僅至本公司股東週年大會(「股東週年大會」)為止，並將合資格於股東週年大會上膺選連任。

DIRECTORS' REPORT

董事會報告

In accordance with bye-law 87(1) of the Bye-laws, each of Mr. Chan Chi Yuen and Mr. Yung Chun Fai, Dickie shall retire by rotation at the AGM and, being eligible, offer themselves for re-election as an independent non-executive Director.

Share Option Scheme

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

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

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

根據公司細則第87(1)條，陳志遠先生及翁振輝先生須於股東週年大會輪值告退，彼等符合資格並願意膺選連任獨立非執行董事。

購股權計劃

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

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

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

DIRECTORS' REPORT 董事會報告

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

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

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

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

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

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

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

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

DIRECTORS' REPORT

董事會報告

The offer of a grant of share options under the Share Option Scheme may be accepted within 28 days from the date of the offer upon payment of a consideration of HK\$1 by the grantee.

During the Year, no share options were granted nor cancelled under the Share Option Scheme. As at 31 December 2018, the Company had no other outstanding share options.

INDEMNITY OF DIRECTORS

A permitted indemnity provision (as defined in section 467 of the Hong Kong Companies Ordinance) for the benefit of the Directors of the Company is currently in force and was in force throughout the Year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as otherwise disclosed, none of the Directors of the Company nor a connected entity of the Directors had any beneficial interests, whether direct or indirect, in any significant transactions, arrangements or contracts to which the Company or any of its holding companies, subsidiaries or fellow subsidiaries was a party at any time during the Year.

None of the Directors had any service contract, which is not determinable by the employer within one year without payment of compensation (other than statutory compensation), with the Company or any of its subsidiaries during the Year.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Directors' Interests in Securities" and "Share Option Scheme", at no time during the period under review was the Company or the Company's subsidiary or holding company or a subsidiary of the Company's holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

獲授予人士可於授出購股權計劃項下購股權的日期起計28日內接納購股權，並支付代價1港元。

於本年度，根據購股權計劃，並無授出購股權或取消購股權。於二零一八年十二月三十一日，本公司並無未行使購股權。

董事之彌償

為保障本公司董事利益而制定之獲准許彌償條文(定義見香港公司條例第467條)目前已生效並於本年度全年有效。

董事於交易、安排或合約之利益

除已披露者外，於本年度任何時間，概無本公司董事或董事之關連實體於本公司或其任何控股公司、附屬公司或同系附屬公司所訂立之任何重要交易、安排或合約內，擁有直接或間接之實際利益。

於本年度，概無董事與本公司或其任何附屬公司訂立任何僱主若不作出賠償(法定賠償除外)，則不能於一年內終止之服務合約。

董事購買股份或債券之權利

除「董事於證券之權益」及「購股權計劃」兩節所披露者外，於回顧期內任何時間，本公司或其附屬公司或控股公司或本公司控股公司之附屬公司概無訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2018, as recorded in the register kept by the Company under section 352 of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO") in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or chief executive of the Company pursuant to the SFO or to the Model Code for Securities Transactions by Directors of Listed Issuers (or any other applicable code), there were no interests, whether long or short positions, held or deemed to be interested by any of the Directors or chief executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any rights to subscribe for any shares, underlying shares or debentures of the Company and its associated corporations held or deemed to be interested by any of them as at 31 December 2018.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

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

DIRECTORS' REMUNERATION AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Particulars of the Directors' remuneration and five individuals with highest emoluments are set out in notes 8 and 9 to the consolidated financial statements respectively.

RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes are set out in note 27 to the consolidated financial statements.

董事於證券之權益

於二零一八年十二月三十一日，根據本公司按香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條而存置的登記冊所載錄，就涉及根據證券及期貨條例或上市發行人董事進行證券交易的標準守則（或任何其他適用守則）本公司的董事及／或主要行政人員須向本公司及聯交所發出通知的資料而言，任何本公司的董事或主要行政人員皆無持有或被當作持有本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證的好倉或淡倉權益，彼等於二零一八年十二月三十一日亦無持有或被當作持有可認購本公司及其相聯法團任何股份、相關股份或債權證的任何權利。

董事於競爭業務之權益

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

董事酬金及五位最高薪酬人士

董事酬金及五位最高薪酬人士詳情分別載於綜合財務報表附註8及9。

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註27。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 December 2018, the following persons/corporations had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO and in accordance with information received by the Company.

主要股東之權益

於二零一八年十二月三十一日，以下人士／法團於本公司的股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文規定須向本公司披露或記入本公司根據證券及期貨條例第336條須予存置登記冊及符合本公司所接獲之資料的權益或淡倉。

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

主要股東於本公司已發行普通股之好倉

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

DIRECTORS' REPORT

董事會報告

Name of Shareholders	Capacity/ Nature of interests	Number of issued ordinary shares held	Approximate percentage of the total issued share capital
股東名稱	身份／權益性質	所持已發行普通股數目	佔已發行股本總額概約百分比 (note (vii)) (附註(vii))
Cheng Yu Tung Family (Holdings) Limited ("CYTFH") (note (v))	Interests in a controlled corporation	5,761,900,848	65.78%
Cheng Yu Tung Family (Holdings) Limited (「CYTFH」)(附註(v))	受控法團權益		
Cheng Yu Tung Family (Holdings II) Limited ("CYTFH-II") (note (vi))	Interests in a controlled corporation	5,761,900,848	65.78%
Cheng Yu Tung Family (Holdings II) Limited (「CYTFH-II」)(附註(vi))	受控法團權益		
Elberta Holdings Limited	Beneficially owned	794,850,000	9.07%
	實益擁有		

Notes:

As at 31 December 2018:

- (i) The entire issued share capital of Max Sun was legally and beneficially owned by CTFNL.
- (ii) CTFNL held 100% direct interest in Max Sun and was accordingly deemed to have an interest in the shares held by Max Sun.
- (iii) CTFHL held 99.70% direct interest in CTFNL and was accordingly deemed to have an interest in the shares of CTFNL.
- (iv) CTFC held 81.03% direct interest in CTFHL and was accordingly deemed to have an interest in the shares of CTFHL.
- (v) CYTFH held 48.98% direct interest in CTFC and was accordingly deemed to have an interest in the shares of CTFC.
- (vi) CYTFH-II held 46.65% direct interest in CTFC and was accordingly deemed to have an interest in the shares of CTFC.
- (vii) The approximate percentage of interests held was calculated on the basis of 8,758,880,988 ordinary shares of the Company in issue.

附註：

於二零一八年十二月三十一日：

- (i) 萬新之全部已發行股本由周大福代理人合法及實益擁有。
- (ii) 周大福代理人直接持有萬新之100%權益，因此被視為於萬新所持之股份中擁有權益。
- (iii) 周大福控股直接持有周大福代理人之99.70%權益，因此被視為於周大福代理人之股份中擁有權益。
- (iv) CTFC直接持有周大福控股之81.03%權益，因此被視為於周大福控股之股份中擁有權益。
- (v) CYTFH直接持有CTFC之48.98%權益，因此被視為於CTFC之股份中擁有權益。
- (vi) CYTFH-II直接持有CTFC之46.65%權益，因此被視為於CTFC之股份中擁有權益。
- (vii) 所持權益概約百分比乃按本公司之8,758,880,988股已發行普通股之基準計算。

DIRECTORS' REPORT

董事會報告

Save as disclosed above, there is no other interest recorded in the register that is required to be kept under Section 336 of the SFO as at 31 December 2018.

CHANGES OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of information of Directors are as follows:

- The annual remuneration of Mr. Cheng Kam Chiu, Stewart, the Chairman and executive Director, has been adjusted to HK\$2,160,000;
- The annual remuneration of Mr. Tang, John Wing Yan, the executive Director and Chief Executive Officer of the Company, has been adjusted to HK\$2,400,000; and
- Mr. Chan Chi Yuen, an independent non-executive Director, has resigned as an independent non-executive director of Affluent Partners Holdings Limited with effect from 13 September 2018.

PUBLIC FLOAT

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

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 54 to 68 of this annual report.

REVIEW OF ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2018 have been reviewed by the Audit Committee of the Company.

除上文披露者外，於二零一八年十二月三十一日，概無其他權益須記入根據證券及期貨條例第336條置存之登記冊。

根據上市規則第13.51B(1)條的董事資料變動

根據上市規則第13.51B(1)條，董事資料之變動載列如下：

- 主席兼執行董事鄭錦超先生的年度薪酬已調整至2,160,000港元；
- 執行董事兼行政總裁鄧永恩先生的年度薪酬已調整至2,400,000港元；及
- 獨立非執行董事陳志遠先生已辭任錢唐控股有限公司之獨立非執行董事，自二零一八年九月十三日起生效。

公眾持股量

據本公司可公開查閱之資料及據董事所知，本公司已按照上市規則於本年度及截至本年報日期止維持規定的公眾持股量。

企業管治

本公司致力維持高水平的企業管治。有關本公司所採納的企業管治措施的資料，載於本年報第54頁至第68頁的「企業管治報告」。

全年業績審閱

本公司之審核委員會已審閱本集團截至二零一八年十二月三十一日止年度之全年業績。

DIRECTORS' REPORT

董事會報告

AUDITOR

The consolidated financial statements of the Group for the Year have been audited by Messrs. KPMG.

Messrs. KPMG will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. KPMG as independent auditor of the Company is to be proposed at the forthcoming annual general meeting of the Company.

By order of the Board

Cheng Kam Chiu, Stewart
Chairman

Hong Kong, 26 March 2019

核數師

本集團本年度的綜合財務報表已由畢馬威會計師事務所審核。

畢馬威會計師事務所將退任並符合資格獲重新委任。有關重新委任畢馬威會計師事務所為本公司獨立核數師之決議案將於本公司應屆股東週年大會上提呈。

承董事會命

主席
鄭錦超

香港，二零一九年三月二十六日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE AND OTHER INFORMATION

Corporate Governance Code

The Group strives to attain and maintain high standards of corporate governance best suited to the needs of its businesses and the best interests of its stakeholders as the Board believes that effective governance is essential to the maintenance of the Group's competitiveness and to its healthy growth. The Company has adopted and applied the principles of the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules. The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. In the opinion of the Directors, the Company was in compliance with the applicable code provisions of the CG Code for the year ended 31 December 2018 and, where appropriate, the applicable recommended best practices of the CG Code, save and except for the following deviations:

Code Provision A.4.1

Under code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term and subject to re-election. During the period under review, all non-executive Director and independent non-executive Directors were not appointed for a specific term. They were, however, subject to the requirements of retirement and re-election at least once every three years at the annual general meetings of the Company in accordance with the relevant provisions of the Company's bye-laws (the "Bye-laws") and code provision A.4.2 of the CG Code. As such, the Company considers that sufficient measures were taken to ensure that the Company's corporate governance practices were no less exacting than those in the code provisions of the CG Code. Furthermore, Mr. Lee Chi Hin, Jacob has been appointed as a non-executive Director for a term of three years commencing from 1 April 2019.

Code Provision A.6.7

Under code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings. During the period under review, an independent non-executive Director was unable to attend the annual general meeting of the Company as he had other business engagements.

企業管治及其他資料

企業管治守則

董事會相信有效的管治是本集團保持競爭力及穩健發展的要素。因此，本集團務求符合企業管治並保持在高水平，從而最切合其業務需要，並為權益人謀求最大利益。本公司已採納及應用上市規則附錄十四所載企業管治守則（「企業管治守則」）守則條文的原則。本公司定期檢討其企業管治常規，以確保其持續遵守企業管治守則。董事認為截至二零一八年十二月三十一日止年度，本公司一直遵守企業管治守則的適用守則條文，以及（如適用）企業管治守則的適用建議最佳常規，惟下文偏離者除外：

守則條文第A.4.1條

根據企業管治守則的守則條文第A.4.1條，非執行董事應按特定任期委任，並須重選連任。於回顧期內，全體非執行董事及獨立非執行董事的委任並無特定任期委任惟須遵守本公司細則（「細則」）的相關條文及企業管治守則的守則條文第A.4.2條，彼等須至少每3年於本公司股東週年大會上輪值告退及重選連任一次。因此，本公司認為已採取足夠措施，確保本公司的企業管治常規比企業管治守則的守則條文所訂的標準相同或更高。此外，李志軒先生自二零一九年四月一日起獲委任為非執行董事，為期三年。

守則條文第A.6.7條

根據企業管治守則的守則條文第A.6.7條，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應出席股東大會。於回顧期內，一名獨立非執行董事因有其他事務在身而未能出席本公司的股東週年大會。

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Code Provision C.1.2

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

MODEL CODE FOR DIRECTOR'S SECURITIES TRANSACTIONS

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

All members of the Board as at 26 March 2019 have confirmed, following specific enquiry by the Company, that they have complied with the Model Code throughout the Year.

守則條文第C.1.2條

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

進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）。

經向全體董事作出具體查詢後，於二零一九年三月二十六日，全體董事確認彼等於本年度內一直遵守標準守則。

CORPORATE GOVERNANCE REPORT

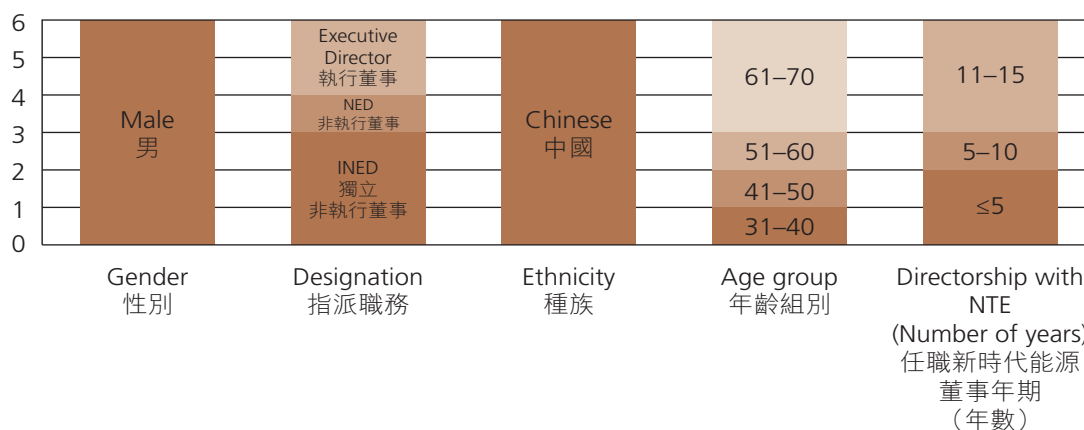
企業管治報告

BOARD OF DIRECTORS

Composition

The Board currently comprises two executive Directors, namely Mr. Cheng Kam Chiu, Stewart and Mr. Tang, John Wing Yan; one non-executive Director, namely Mr. Lee Chi Hin, Jacob; and three independent non-executive Directors, namely, Mr. Chan Chi Yuen, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On.

Number of Directors
董事人數



The Directors have brought a balance of valuable and diversified business and professional expertise, experiences and independent judgement to the Board for the efficient and effective management of the Company's business.

The biographical details of the Directors are set out in the section headed "Information of Directors" in this annual report which demonstrate a diversity of skills, expertise, experience and qualifications.

Relationship amongst Directors

Mr. Cheng Kam Chiu, Stewart is the uncle of Mr. Cheng Ming Kit (who resigned from the Board on 13 April 2018).

Save as aforesaid, the Board members do not have any financial, business, family or other material and/or relevant relationships with each other.

董事會

組成

董事會現時由兩名執行董事(即鄭錦超先生及鄧永恩先生);一名非執行董事(即李志軒先生);及三名獨立非執行董事(即陳志遠先生、翁振輝先生及招偉安先生)組成。

董事具備廣泛而寶貴之商業及專業知識、經驗及獨立判斷力，分配均衡，有助董事會有效及高效地管理本公司之業務。

董事之簡歷詳情載於本年報「董事資料」一節，當中載列董事各方面才能、專業知識、經驗及資歷。

董事之間的關係

鄭錦超先生為鄭明傑先生(彼於二零一八年四月十三日於董事會辭任)之叔父。

除上述者外，董事會成員之間在財務、業務、家族或其他重大及／或相關方面並無關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Diversity Policy

The Company has a board diversity policy (the “**Policy**”) which sets out the approach to diversify the Board. The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, professional and industrial experience, skills, knowledge, length of service, and any other factors that the Board might consider relevant and applicable. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

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

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

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

Responsibilities of the Board

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

董事會成員多元化政策

本公司採納董事會成員多元化政策(「**政策**」)，當中載列促使董事會成員多元化而採取之方針。本公司藉考慮多項因素，包括但不限於性別、年齡、文化及教育背景、專業及行業經驗、技能、知識、服務年期以及董事會認為相關及適用的任何其他因素，實現董事會成員多元化。最終決定將取決於所選定候選人將為董事會帶來的價值及貢獻。

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

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

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

董事會之責任

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

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate governance functions

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

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

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

Number of Board Meetings and Directors' Attendance

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

During the Year, the Board held four regular meetings. To facilitate maximum attendance of the Directors and to provide opportunity to include matters in the agenda for the Board meetings, notices of regular Board meetings are served to all Directors at least 14 days before the regular meetings while reasonable notice is generally given for other meetings. Meeting agenda together with all appropriate, complete and reliable information are normally given to all Directors no less than 3 days prior to each Board meeting to enable them to make informed decisions.

企業管治職能

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

根據企業管治守則，董事會履行企業管治職能之職務包括：

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

董事會會議舉行次數及董事出席情況

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

於本年度，董事會舉行四次例會。為了讓更多董事出席會議，並提供機會讓董事於董事會會議議程內加入任何事項，董事會常規會議通告須最少於常規會議舉行前14天送達全體董事；而其他會議則一般於合理時間內發出通知。會議議程連同所有適當、完整及可靠的資料通常於各董事會會議舉行前不少於3日給予全體董事，以便彼等得以作出知情決定。

CORPORATE GOVERNANCE REPORT

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Details of the Directors' attendance at the Company's general meetings and the regular Board meetings held during the Year are set out below:

本公司於本年度舉行之股東大會及常規董事會會議之董事出席情況詳情載列如下：

Name of Director	董事姓名	Meetings attended/held 會議出席／舉行次數	
		Board Meeting 董事會會議 (Note) (附註)	Annual General Meeting 股東週年大會 (Note) (附註)
Executive Directors		執行董事	
Mr. Cheng Kam Chiu, Stewart	鄭錦超先生	7/7	1/1
Mr. Zhang Kun (resigned on 9 February 2018)	張堃先生 (於二零一八年二月九日辭任)	N/A 不適用	N/A 不適用
Mr. Tang, John Wing Yan	鄧永恩先生	7/7	1/1
Non-executive Director		非執行董事	
Mr. Cheng Ming Kit (resigned on 13 April 2018)	鄭明傑先生 (於二零一八年四月十三日辭任)	N/A 不適用	N/A 不適用
Independent non-executive Directors		獨立非執行董事	
Mr. Wong Man Kong, Peter (deceased on 11 March 2019)	王敏剛先生 (於二零一九年三月十一日離世)	6/7	0/1
Mr. Chan Chi Yuen	陳志遠先生	7/7	1/1
Mr. Yung Chun Fai, Dickie	翁振輝先生	7/7	1/1
Mr. Chiu Wai On	招偉安先生	7/7	1/1

Note: The attendance figure represents actual attendance/the number of meetings a Director was entitled to attend during his tenure as a Director during the year of 2018.

附註：出席次數為董事於二零一八年年末出任董事之任期內可出席之實際出席次數／會議次數。

To further maximise the contribution from non-management Directors, a separate meeting between the Chairman and independent non-executive Directors was held in December 2018 to address business and related issues of the Group.

為進一步令非管理層董事作出最大貢獻，主席與獨立非執行董事於二零一八年十二月舉行了一次獨立會議，集中討論本集團業務及相關事宜。

Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer ("CEO") are held by Mr. Cheng Kam Chiu, Stewart and Mr. Tang, John Wing Yan respectively. Their respective responsibilities are clearly established and defined.

主席及行政總裁

主席及行政總裁(「行政總裁」)角色分別由鄭錦超先生及鄧永恩先生擔任。彼等各自之責任已清晰確立及界定。

CORPORATE GOVERNANCE REPORT

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

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

Independent non-executive Directors

The Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The number of independent non-executive Directors on the Board was four and meets the one-third requirements under the Listing Rules throughout the Year.

The Company has received written annual confirmation from each of the current independent non-executive Directors, namely Mr. Chan Chi Yuen, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On, of their independence pursuant to the requirements of Rules 3.13 of the Listing Rules. Accordingly, the Company considers all of them to be independent in accordance with the independence guidelines set out in the Listing Rules.

Appointment and re-election of Directors

The Board retains the functions for the selection and approval of candidates to become Board members. Under the Bye-laws, all Directors who are appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. In addition, one-third of the Directors, who have been longest on the Board since their last election, must retire from office by rotation but then be eligible for re-election at each annual general meeting of the Company. As such, every Director is subject to retirement by rotation at least once every three years.

INDUCTION, INFORMATION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

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

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

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

獨立非執行董事

本公司已符合上市規則第3.10(1)、3.10(2)及3.10A條之規定。董事會之獨立非執行董事人數為四名，並於本年度一直符合上市規則的規定，佔董事會成員最少三分之一。

根據上市規則第3.13條之規定，本公司已收到現任獨立非執行董事(分別為陳志遠先生、翁振輝先生及招偉安先生)各自之年度獨立性確認書。因此，本公司認為，根據上市規則所載獨立指引，所有獨立非執行董事均屬獨立。

委任及重選董事

董事會之職能為甄選及核准董事會候選成員。根據公司細則，獲委任以填補臨時空缺或新加入董事會之全體董事僅可留任至本公司下一屆股東大會，屆時將符合資格重選連任。此外，三分之一董事(自上一次當選後任期最長之董事)須輪值告退但符合資格於本公司每一屆股東週年大會重選連任。因此，各董事應至少每三年輪值告退一次。

就任須知、資訊及持續專業發展

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

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

In compliance with the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development (the "CPD") to develop and refresh their knowledge and skills. During the Year, the Company encouraged all Directors to attend training courses, seminars or conferences which were relevant to their respective duties and responsibilities at the Company's expenses, and provided relevant materials and updates for their reading. According to the records available to the Company, the Directors participated in the following CPD programmes during the Year:

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

為符合企業管治守則之守則條文第A.6.5條，全體董事須參與持續專業發展（「持續專業發展」），以發展及重溫其知識及技能。於本年度，本公司鼓勵全體董事出席與彼等各自之職務及職責有關之培訓課程、座談會或會議，費用由本公司承擔，並已提供相關資料及最新消息以供彼等閱覽。根據本公司可獲得的記錄，於本年度董事已參與以下持續專業發展：

Directors	董事	Type of Trainings 培訓類別	
		Attending or watching webcast training programme courses, seminars or conferences 出席或通過網絡廣播觀看培訓課程、座談會或會議	Reading materials or updates 閱覽資料或最新消息
Executive Directors		執行董事	
Mr. Cheng Kam Chiu, Stewart (Chairman)	鄭錦超先生(主席)	✓	✓
Mr. Tang, John Wing Yan (Chief Executive Officer)	鄧永恩先生(行政總裁)	✓	✓
Independent non-executive Directors		獨立非執行董事	
Mr. Wong Man Kong, Peter (deceased on 11 March 2019)	王敏剛先生(於二零一九年三月十一日離世)		✓
Mr. Chan Chi Yuen	陳志遠先生	✓	✓
Mr. Yung Chun Fai, Dickie	翁振輝先生	✓	✓
Mr. Chiu Wai On	招偉安先生	✓	✓

CORPORATE GOVERNANCE REPORT

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BOARD COMMITTEES

There are currently 4 committees of the Board (each the “Committee”) to oversee particular aspects of the Company’s affairs. All Committees are established with defined written terms of reference setting out their respective authorities and duties, which are available on the Company’s website. The Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expenses.

Remuneration Committee

The Remuneration Committee is currently chaired by Mr. Chan Chi Yuen, an independent non-executive Director, with the Chairman of the Board, Mr. Cheng Kam Chiu, Stewart, one non-executive Director, Mr. Lee Chi Hin, Jacob, and two independent non-executive Directors, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On as members.

The Remuneration Committee is mainly responsible for making recommendations on and approving the remuneration packages of the executive Directors and the senior management of the Company. Details of the authority and duties of the Remuneration Committee are available on the Company’s website.

During the Year, the Remuneration Committee convened one meeting to, *inter alia*, review the remuneration packages of the executive Directors and the senior management of the Company. Members and their attendance are as follows:

Name of Director	董事姓名	Meetings attended/held 會議出席／舉行次數
Mr. Chan Chi Yuen (<i>Chairman</i>)	陳志遠先生(主席)	1/1
Mr. Cheng Kam Chiu, Stewart	鄭錦超先生	1/1
Mr. Wong Man Kong, Peter (<i>deceased on 11 March 2019</i>)	王敏剛先生 (於二零一九年三月十一日離世)	1/1
Mr. Yung Chun Fai, Dickie	翁振輝先生	1/1
Mr. Chiu Wai On	招偉安先生	1/1

The remuneration of the members of senior management of the Company by band for the Year is set out below:

Range of Remuneration	薪酬範圍	Number of persons 人數
HK\$500,001 – HK\$1,000,000	500,001港元至1,000,000港元	2
HK\$1,000,000 – HK\$1,500,000	1,000,000港元至1,500,000港元	1

董事委員會

董事會現時有四個委員會(均為「委員會」)監察本公司不同層面之事務。所有委員會之成立均有書面界定之職權範圍，載列各委員會之職權及職務(可於本公司網站查閱)。委員會獲得充足資源以履行彼等之職務，並在合理要求下，可於適當情況尋求獨立專業意見，費用由本公司承擔。

薪酬委員會

薪酬委員會現時由獨立非執行董事陳志遠先生擔任主席，成員為董事會主席鄭錦超先生、一名非執行董事李志軒先生以及兩名獨立非執行董事翁振輝先生及招偉安先生。

薪酬委員會主要負責就執行董事及本公司高級管理人員之薪酬待遇提供推薦意見及加以審批。有關薪酬委員會職權及職責之詳情，可於本公司網站查閱。

於本年度，薪酬委員會召開一次會議以(其中包括)檢討執行董事及本公司高級管理層的薪酬待遇。成員及出席次數如下：

本公司高級管理人員於本年度的薪酬範圍如下：

CORPORATE GOVERNANCE REPORT

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Nomination Committee

The Nomination Committee is currently chaired by Mr. Chan Chi Yuen, an independent non-executive Director, with the Chairman of the Board, Mr. Cheng Kam Chiu, Stewart, one non-executive Director, Mr. Lee Chi Hin, Jacob and two independent non-executive Directors, Mr. Yung Chun Fai, Dickie and Mr. Chiu Wai On as members.

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

By such policy, the selection of candidates are based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The ultimate decision is based on merit and contribution that the selected candidates brings to the Board.

During the Year, the Nomination Committee convened one meeting to review the structure, size, composition and diversity of the Board. Members and their attendance are as follows:

提名委員會

提名委員會現時由獨立非執行董事陳志遠先生擔任主席，成員為董事會主席鄭錦超先生、一名非執行董事李志軒先生及兩名獨立非執行董事翁振輝先生及招偉安先生。

提名委員會負責(其中包括)識別適當成為董事會成員之合資格人士、考慮續聘董事、審核董事會成員多元化政策及多元化政策之相關實施以及就上述事宜向董事會作出推薦建議。有關提名委員會職權及職責之詳情，可於本公司網站查閱。

在該政策下，甄選人選按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識以及服務年期。最終按人選的長處及可為董事會提供的貢獻而作決定。

於本年度，提名委員會召開一次會議，以審閱董事會之架構、規模、組成及成員多元化。成員及彼等之出席次數如下：

Name of Director	董事姓名	Meetings attended/held 會議出席/舉行次數
Mr. Chan Chi Yuen (<i>Chairman</i>)	陳志遠先生(主席)	1/1
Mr. Cheng Kam Chiu, Stewart	鄭錦超先生	1/1
Mr. Wong Man Kong, Peter (<i>deceased on 11 March 2019</i>)	王敏剛先生 (於二零一九年三月十一日離世)	0/1
Mr. Yung Chun Fai, Dickie	翁振輝先生	1/1
Mr. Chiu Wai On	招偉安先生	1/1

CORPORATE GOVERNANCE REPORT

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Audit Committee

The Audit Committee is currently chaired by Mr. Chiu Wai On, and Mr. Lee Chi Hin, Jacob, Mr. Chan Chi Yuen and Mr. Yung Chun Fai, Dickie. All of them possess the relevant qualifications, experiences and skills to contribute to the financial, governance, internal controls and risk management of the Company.

The main duties of the Audit Committee include reviewing the consolidated financial statements and reports and considering any significant or unusual financial items; overseeing the relationship between the Company and the external auditor; and reviewing the adequacy and effectiveness of the Company's financial controls and risk management and internal control systems. Details of the authority and duties of the Audit Committee are on the Company's website.

During the Year, the Audit Committee held two meetings, *inter alia*, to review the 2017 annual results and the 2018 interim results of the Group and to review the Group's internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function. In addition, the Audit Committee met the external auditor once without the presence of the management to discuss any areas of concerns. Members and their attendance are as follows:

審核委員會

審核委員會現時由招偉安先生擔任主席，成員為李志軒先生、陳志遠先生及翁振輝先生。彼等均具備相關資格、經驗及技能，對本公司之財務、管治、內部監控及風險管理均作出貢獻。

審核委員會之主要職務包括審閱綜合財務報表及報告並審議任何重大或特殊財務事項；監察本公司與外聘核數師之關係；及檢討本公司財務監控、風險管理及內部監控制度是否足夠及有效。有關審核委員會職權及職責之詳情，可於本公司網站查閱。

於本年度，審核委員會召開兩次會議，以（其中包括）審閱本集團二零一七年之年度業績及二零一八年之中期業績；審閱本集團之內部監控制度，包括本集團會計及財務匯報職能之資源充足性、員工之資格及經驗。此外，審核委員會與外聘核數師在管理人員缺席的情況下進行一次會面，討論所值得關注的問題。成員及彼等之出席次數如下：

Name of Director	董事姓名	Meetings attended/held 會議出席／舉行次數
Mr. Chiu Wai On (Chairman)	招偉安先生(主席)	2/2
Mr. Wong Man Kong, Peter (deceased on 11 March 2019)	王敏剛先生 (於二零一九年三月十一日離世)	1/2
Mr. Chan Chi Yuen	陳志遠先生	2/2
Mr. Yung Chun Fai, Dickie	翁振輝先生	2/2

Executive Committee

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

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

執行委員會

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

執行委員會的主要職責包括監督本公司的一般管理及日常營運、監督董事會批准之本公司業務戰略的執行情況、批准授予高級管理人員的授權範圍的任何變動以及董事會特別授予的任何其他事項。

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During the Year, the Executive Committee held sixteen meetings. Members and their attendance are as follows:

於本年度，執行委員會召開十六次會議，成員及出席次數如下：

Name of Director	董事姓名會議	Meetings attended/held 出席／舉行次數
Mr. Cheng Kam Chiu, Stewart (<i>Chairman</i>)	鄭錦超先生(主席)	16/16
Mr. Zhang Kun (<i>ceased as a member on 9 February 2018</i>)	張堃先生 (於二零一八年二月九日不再為成員)	N/A 不適用
Mr. Tang, John Wing Yan	鄧永恩先生	16/16

ACCOUNTABILITY AND AUDIT

Financial reporting

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

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

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

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

問責及審核

財務匯報

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

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

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

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

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Save as disclosed in note 18 to the consolidated financial statements, the Directors also confirm that, to the best of their knowledge, information and belief, having made all reasonable enquires, they are not aware of any material uncertainties relating to events of conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The reporting responsibilities of the external auditor, Messrs KPMG ("KPMG"), are set out in the Independent Auditor's Report on pages 86 to 93 to this annual report.

Auditor's remuneration

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

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

除綜合財務報表附註18所披露者外，據董事作出一切合理查詢後所深知、全悉及確信，彼等亦確認並不知悉有任何可能對本公司之持續經營能力構成重大懷疑之相關事項重大不明朗因素。

外聘核數師畢馬威會計師事務所(「畢馬威」)之報告責任載於本年報第86頁至第93頁之獨立核數師報告。

核數師酬金

審核委員會已獲知會畢馬威履行非審核服務之性質及服務收費，認為對其審核工作之獨立性並無構成負面影響。

於本年度，畢馬威提供之審核及非審核服務概要以及其相應酬金如下：

Nature of services	服務性質	Amount 款額 HK\$'000 千港元
Audit service for the year ended 31 December 2018	截至二零一八年十二月三十一日止年度之審核服務	2,550
Others (including review of interim results, review of preliminary announcement of annual results, tax consultancy and other non-audit services)	其他(包括審閱中期業績、審閱全年業績初步公告、稅務諮詢及其他非審核服務)	687

RISK MANAGEMENT AND INTERNAL CONTROLS

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

風險管理及內部監控

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

CORPORATE GOVERNANCE REPORT

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

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

The Group maintains its internal audit function through its outsourcing to an independent advisory firm. During the Year, the Group engaged an independent advisory firm to conduct reviews over the Group's internal control systems in order to assist the Board in reviewing its effectiveness. The reviews, normally performed once a year, covered all material controls, in the areas of finance, operations, compliance and risk management, with a focus on the core business of the Group (i.e. the upstream business in Argentina). Relevant report from the independent advisory firm was presented to and reviewed by the Audit Committee and the Board. Based on the results of internal audit reviews for the Year and the assessment of the Audit Committee thereon, no significant irregularities or deficiency in the risk management and internal control systems were drawn to the attention of the Audit Committee, but appropriate recommendations for further enhancing the internal control systems have been taken. The Board therefore considers that the Company has maintained appropriate and effective risk management and internal control systems.

COMPANY SECRETARY

During the Year, Mr. Lam Hon Hing resigned as the Company Secretary of the Company on 30 June 2018. Ms. Lam, Katrina Lai Kuen was appointed as the Company Secretary of the Company on the same date.

The Company Secretary directly reports to the Board. Minutes of all meetings of the Board and the Committees, recording sufficient details of matters considered and decisions reached, are kept by the Company Secretary, and are open for inspection by the Directors upon request.

For the Year, Ms. Lam, Katrina Lai Kuen confirmed that she has taken no less than 15 hours of relevant professional training.

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

本集團風險管理及內部監控制度可合理(但並非絕對)保證及避免不會出現財務報表的重大錯誤陳述，以及妥善管理本集團之管理系統失靈和達成本集團目標過程中所存在之風險。該制度僅管理而非消除所有重大錯誤陳述、錯誤、損失或欺詐風險。

本集團通過外判獨立顧問公司維持其內部審核職能。於本年度，本集團聘請獨立顧問公司對本集團內部監控制度進行檢討，以協助董事會檢討該制度的有效性。每年通常執行一次檢討，涵蓋財務、營運、合規以及風險管理等領域所有重大監控，以本集團的核心業務(即阿根廷的上游業務)為重點。獨立顧問公司的相關報告已提交審核委員會及董事會審查。根據本年度的內部審核檢討結果及審核委員會對其的評估，風險管理及內部控監控制度概無重大違規或不足引起審核委員會的關注，但已提出適當建議進一步加強內部監控制度。因此，董事會認為，本公司已維持適當且有效的風險管理及內部監控制度。

公司秘書

於本年度，林漢馨先生已於二零一八年六月三十日辭任公司秘書職務。同日，林麗娟女士已獲委任為本公司之公司秘書。

公司秘書直接向董事會匯報。所有董事會及委員會會議上考慮事項及所作決定詳情之會議記錄由公司秘書保存，並於董事要求下可供查閱。

於本年度，林麗娟女士確認已出席不少於15小時之相關專業培訓。

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SHAREHOLDERS

Communications with Shareholders

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

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

Shareholders' rights

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

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

Shareholders' enquiries and proposals

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

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

股東

與股東之溝通

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

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

股東權利

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

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

股東查詢及建議

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

THE SCOPE AND REPORTING PERIOD OF THIS REPORT

The Group hereby presents its 2018 ESG report, highlighting its Environmental, Social, and Governance (the “ESG”) performance, with disclosure made by reference to the ESG Reporting Guide as described in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and Guidance set out by The Stock Exchange of Hong Kong Limited.

The Group is principally engaged in the exploration, development, and operation of oil and gas projects. In accordance with reporting principle and materiality assessment of the Group’s ESG aspects, it was identified that the subsidiary, High Luck Group Limited (“HLGL”) was a key business for disclosure in this reporting year, by virtue of its carbon footprint in relation to that of the Group. This ESG report covers the Environmental and Social performance of the HLGL business operations in Argentina for the year ended 31 December 2018, unless otherwise stated.

Additionally, the Group is involved the business of commodities trading, via its subsidiary, Grand Rich Trading Limited. For 2018 ESG reporting purposes, this was excluded from the ESG reporting scope on the grounds that the business of commodities trading had limited consequential environmental and social impacts.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

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

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

本報告的範圍及報告期

本集團謹此提呈其二零一八年環境、社會及管治報告，重點描述其環境、社會及管治（「環境、社會及管治」）表現，有關披露及參照香港聯合交易所有限公司證券上市規則（「上市規則」）附錄二十七所述的環境、社會及管治報告指引及香港聯合交易所有限公司所載指引而作出。

本集團主要進行石油及天然氣項目的勘探、開發及營運。根據本集團就環境、社會及管治方面的報告原則及重要性評估確認附屬公司高運集團有限公司（「高運」）為本年內披露的主要業務，與本集團的碳足跡相關。本環境、社會及管治報告涵蓋高運截至二零一八年十二月三十一日止年度位於阿根廷業務營運的環境及社會表現。

此外，本集團透過一間附屬公司鴻富貿易有限公司從事商品貿易業務。對於二零一八年環境、社會及管治報告而言，這被屏除在二零一八年環境、社會及管治報告範圍之外，理由是商品貿易業務對環境和社會影響有限。

權益人溝通及關鍵性分析

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

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

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

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

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

STAKEHOLDERS' FEEDBACK

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

THE GROUP'S MISSION AND VISION ON SUSTAINABILITY

Mission

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

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

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

通常，權益人可透過以下渠道獲得環境、社會及管治資訊：

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

權益人回饋

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

本集團有關可持續性的使命與願景

使命

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

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

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Vision

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

A. ENVIRONMENTAL PROTECTION

1. Environmental Impact and Legal Compliance

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

(i) Type of Emissions

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

2. Greenhouse Gas Emission

There were 925.2 tonnes (2017: 999.1 tonnes) of carbon dioxide equivalent (tCO₂-eq) greenhouse gases (mainly carbon dioxide, methane, and nitrous oxide) produced by the Group in the year. The Group's gross annual production was 218,694 barrels (bbl) (2017: 295,815 bbl) of crude oil. The calculated carbon intensity of scope 1, 2, and 3 combined was 0.0042 tCO₂-eq/bbl (2017: 0.0034 tCO₂-eq/bbl). Our HLGL operation in Argentina accounted for most of the Group's carbon emissions during the year.

願景

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

A. 環境保護

1. 環境影響及公司合規

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

(i) 排放物類型

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

2. 溫室氣體排放

本集團於年內生產的二氧化碳當量(tCO₂-eq)溫室氣體為925.2噸(二零一七年：999.1噸)(主要為二氧化碳、甲烷及一氧化氮)。本集團年產總原油218,694桶(桶)(二零一七年：295,815桶)。範圍1、2及3合計碳強度為0.0042 tCO₂-eq/桶(二零一七年：0.0034 tCO₂-eq/桶)。本年度，高運於阿根廷的業務佔本集團的大部分碳排放。

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

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

Scope of Greenhouse Gas Emissions 溫室氣體排放範圍		Emission Sources 排放來源	Emission 排放量 (in tonnes of CO ₂ eq) (CO ₂ eq噸數)		Total Emission 合計排放量 (in percentage) (百分比)	
			2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
Scope 1 範圍1						
Direct Emission 直接排放	Consumption of Diesel fuel by the Group and its Contractors Fleets (176,300 litres) 本集團及其承包商的柴油消耗 (176,300公升)		32.41	33.09	3.50%	3.31%
Scope 2 範圍2						
Indirect Emission 間接排放	Consumption of Purchased Electricity (1,518,000 kWh) 所購電力消耗(1,518,000千瓦時)		844.25	921.00	91.25%	92.93%
Scope 3 範圍3						
Other Indirect Emission 其他間接排放	Business air travel 商務航空旅行		48.53	45.01	5.25%	3.76%
Total 合計			925.19	999.10	100%	100%

Notes:

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

Combined margin emission factor (average) of 0.518 t-CO₂/MWh was used for purchased electricity in Argentina.

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

附註：

於阿根廷柴油的二氧化碳排放量乃根據國際標準計算。

因應阿根廷所購電力所用的合併邊際排放因素(平均)為0.518 t-CO₂/兆瓦時。

商務航空旅行的排放量使用國際民用航空組織提供的在線工具進行計算。

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3. Emission Sources

(i) Fuel Consumption

The Group utilises vans, pickup trucks and cars for transportation. All motor vehicles operate using diesel fuel. The Group's annual consumption of diesel was 15,520 litres. When selecting vehicles, the Group considers factors such as safety, reliability, maintenance cost, fuel efficiency, in addition to the primary determining factor of cost.

During 2018, the Group's own diesel powered drilling rig was deployed in the exploratory drilling of the HLG.St.LB.x-2001 well in the Chirete Concession. A total of 136,000 litres (2017: 132,000 litres) of diesel was consumed for that campaign and also for the year.

Air emission including nitrogen oxides (NO_x), sulphur oxides (SO_x) and respiratory suspended particles (PM) from fuel combustion of all vehicles operated by the Group contributed the following: 11.95 kg of NO_x emission, 0.24 kg of SO_x emission and 0.88 kg of PM.

(ii) Electricity Consumption

Electricity consumption by the Group was 1,640,000 Kilowatt-hour (kWh) (2017: 1,778,000 kWh), with an energy intensity of 7.4991 kWh/bbl (2017: 5.1338 kWh/bbl). To achieve the energy use efficiency initiative, the Group encourages its staff to minimize energy consumption where practicable. For example, the Group encourages the switching off of unnecessary lighting and electronic appliances when not required or not in use. Furthermore, the Group has a procurement policy of purchasing energy efficient equipment.

3. 排放來源

(i) 燃料消耗

本集團使用貨車、皮卡車和汽車運輸。所有機動車輛都使用柴油燃料。本集團每年柴油消耗量為15,520公升。在選擇車輛時，本集團除考慮成本的主要決定因素外，還考慮安全性、可靠性、維護成本、燃油效率等因素。

在二零一八年期間，本集團自身的柴油動力鑽機被部署在Chirete特許權區的HLG.St.LB.x-2001勘探井的探索性鑽探中。該活動共消耗了136,000公升的柴油(二零一七年：132,000公升)，對該年度而言亦是如此。

由本集團經營的所有車輛燃料燃燒產生的氮氧化物(NO_x)、硫氧化物(SO_x)和呼吸懸浮顆粒物(PM)等空氣排放物如下：11.95千克氮氧化物排放量、0.24千克硫氧化物排放量和0.88千克呼吸懸浮顆粒物。

(ii) 用電

本集團的用電量為1,640,000瓦時(二零一七年：1,778,000千瓦時)，能源強度為7.4991千瓦時／桶(二零一七年：5.1338千瓦時／桶)。為達到能源使用效率計劃的目標，本集團提供培訓，鼓勵員工留意盡量減少能源消耗(如適用)。例如，本集團鼓勵於不需要或使用時關閉不必要的燈光及電器。此外，本集團訂有採購辦公室節能設備的政策，並規定於所有空調機組裝設恆溫器。

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(iii) Water Consumption

Water consumption by the Group was 23,191 cubic meters (m³) (2017: 25,299 m³). The Group supplies its water from nearby existing wells, and the electricity consumed to pump the underground water is converted to GHG emission which is included in Scope 2.

(iv) Paper and Packaging Material Consumption

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

(v) Hazardous Waste Produced

During the process of oil production, hazardous waste may be generated from possible minor spillage, replacement of spare parts and lubrication oil, discarded gloves and other materials. A total of 4.63 tonnes of hazardous waste was generated during the reporting year (2017: 4.56 tonnes). Preventative measures adopted by the Group include the following:

- Scheduled inspection and maintenance of plant and equipment
- Re-injection of water from oil-water separation process into fluid disposal wells
- Transportation of contaminated water to appropriate treating facilities
- Training and education of employees
- Conduct pre-job briefing
- Spillage prevention programs and remedial action plans
- Close supervision
- Continuous improvement plans

(iii) 用水

本集團的水消耗量為23,191立方米(二零一七年: 25,299立方米)。本集團以附近現有水井供應其用水,而所用泵送地下水的電力轉換為計入範圍2的溫室氣體排放量。

(iv) 紙張及包裝物料消耗

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

(v) 生產有害廢物

於石油生產過程中,有害廢物可能從輕微漏油、更換備件及潤滑油、手套丟棄及其他帶油物料引入土壤。於本報告年度內產生有害廢物4.63噸(二零一七年: 4.56噸)。本集團採取的預防措施包括:

- 定期檢查及維護廠房及設備
- 在水油分離過程中向注入井重新注入水份
- 運送污染水至適當的處理設施
- 培訓及教育員工
- 職前簡報
- 防止漏油措施及補救行動計劃
- 嚴密監察
- 持續改善計劃

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

(vi) Non-hazardous Waste Produced

During the year, the Argentina operation generated 42.28 tonnes of organic and inorganic waste (2017: 50.44 tonnes). Inorganic waste includes plastic and glass, whilst organic waste was mainly the by-product generated from the site catering facility. The Group provides directive procedures for segregation and classification of non-hazardous waste to aid recycling initiatives. For non-hazardous waste treatment, the organic waste is buried and composted, while the inorganic waste is incinerated.

(vii) Industrial Wastewater Produced

The Palmar Largo production facility operates a wastewater treatment plant, managing an annual discharge of 10,976 m³ of wastewater (2017: 11,239 m³). Wastewater is chlorinated in its final treatment and accumulated in a maturation lagoon from where it evaporates.

At Chirete, a total 9,000 m³ of wastewater was discharged from third-party contracted treatment plant, restaurant and catering services. These were collected and deposited in a controlled environment within Tartagal municipality by certified handlers.

4. Environmental Conservation Initiatives

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

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

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

(vi) 生產的非有害廢物

本年度，阿根廷業務產生有機及無機廢物42.28噸(二零一七年：50.44噸)。無機廢物包括塑料及玻璃，有機廢物主要來自生產設施的廚房的副產品。本集團就非有害廢物的分隔及分類訂明指引程序以助進行回收計劃。在非有害廢物處理方面，有機廢物被土埋及堆肥，而無機廢物則於營地焚化。

(vii) 生產的工業廢水

Palmar Largo的生產設施營運廢水處理廠房，管理每年廢水排放量為10,976立方米(二零一七年：11,239立方米)。廢水的最終處理點進行氯化後，到達進行蒸發的瀉湖。

在Chirete，共有9,000立方米的廢水從第三方承包的處理廠、餐廳和餐飲服務中排出。它們被收集並存於市內的受控環境中，由認證的處理人員處理。

4. 環境保護措施

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

- 使用回收紙
- 打印機設定為雙面列印

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- Return of used printer and copier ink toner cartridge to manufacturer for recycling and reuse
- Switching-off lights, computers and office equipment when not in use
- Replacement of energy efficient alternatives
- Adjustment of air conditioning settings to reduce power consumption
- 經使用打印機及影印機的碳粉盒送回製造商回收再用
- 在不使用時關掉燈、電腦及辦公室設備
- 重置具能源效益的設施
- 調節空調以減低電力消耗

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

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

B. SOCIAL

1. Employment and Labour Practices

(i) Employment

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

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

B. 社會

1. 僱用及勞工常規

(i) 僱用

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

Promotion and Performance Evaluation

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

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

Dismissal

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

Employee Turnover Rate

During the year, there were 4 (2017: 5) staff turnover to report. These persons left on amicable terms and for reasons of personal development or relocation.

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

晉升及表現評估

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

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

解僱

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

員工流失率

於年內，報有4名員工(二零一七年:5名)流失。該等員工因個人其他發展或調職以友好條款離職。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Workplace Rights and Competitive Compensation

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

工作地點權利及具競爭力薪酬

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

Equal Opportunity

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

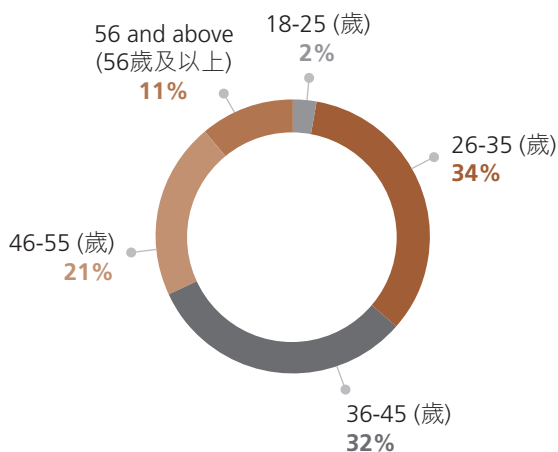
平等機會

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

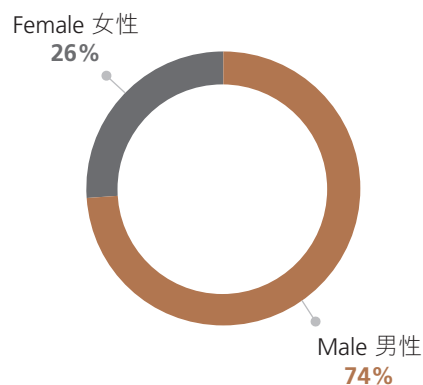
Furthermore, the Group does not discriminate against or deprive of any opportunities in respect of recruitment, training and development, job advancement, and compensation and benefits. The Group's Codes of Ethic adopts a strict zero tolerance approach to any forms of discrimination or harassment in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

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

Workforce by Age Distribution in 2018
於二零一八年按年齡分佈劃分的僱員團隊



Workforce by Gender in 2018
於二零一八年按性別劃分的僱員團隊



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As of 31 December 2018, there were 38 (2017: 41) full-time employees in HLGL, across its Salta and Palmar Largo locations. 10 (2017: 10) female and 28 (2017: 31) male employees.

於二零一八年十二月三十一日，高運(薩爾塔及Palmar Largo 地區)有38名全職僱員，10名女性員工(二零一七年：10名)及28名男性員工(二零一七年：31名)。

Employee's Age Distribution	僱員年齡分佈	18-25 18-25歲	26-35 26-35歲	36-45 36-45歲	46-55 46-55歲	56 and above 56歲及以上
2018	二零一八年	1	13	12	8	4
2017	二零一七年	1	13	12	8	7

Employee's Gender Distribution	僱員性別分佈	Female 女性	Male 男性
2018	二零一八年	10	28
2017	二零一七年	10	31

Workplace and Corporate Communication

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

工作地點及企業通訊

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

(ii) Health and Safety

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

(ii) 健康及安全

基於本集團從事的業務性質，健康及安全乃屬必需。

Laws and Regulation Compliance

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

法例及法規合規情況

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

Health and Safety Measures

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

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

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

安健措施

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Road Transportation Safety Measures

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

Safety Incident

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

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

道路運輸安全措施

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

安全事故

本集團透過多項指標（如工傷率及死亡率、零損傷工時及病假等）監察安健表現。

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

Occupational Health and Safety Data 職業安健數據		2018 二零一八年	2017 二零一七年
Work related fatality	因工死亡宗數	0	0
Work injury cases >3 days	損失三天以上的工傷個案	1	0
Work injury cases <3 days	損失三天以下的工傷個案	1	1
Lost days due to work injury	因工傷損失的工作日數	5	1

(iii) Development and Training

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

(iii) 發展及培訓

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

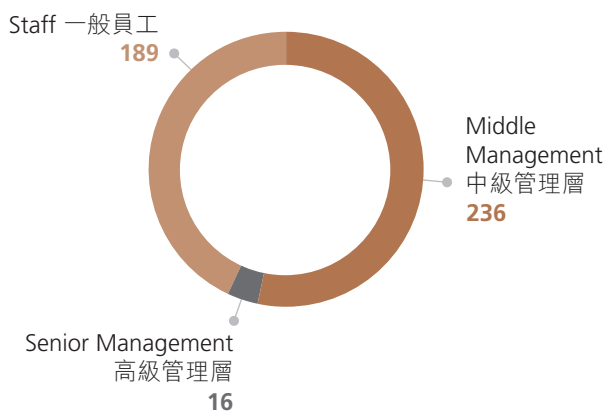
本集團提供外間訓練課程、內部在職培訓及同輩輔導。於報告年度內僱員參加的課程包括語言技能、商業管理、領導才能、衝突管理、會計、安全、項目管理、石油及天然氣工程相關課題。

A total of 431 hours was spent on external training in the year.

於年內的外部培訓時數共431小時。

Training Data		2018 二零一八年	2017 二零一七年
Training Hours, Staffs	僱員總數	38	41
Training Hours, Staffs	一般員工之培訓時數	180	189
Training Hours, Middle Management	中級管理層之培訓時數	223	236
Training Hours, Senior Management	高級管理層之培訓時數	28	16
Total Training Hours	合計培訓時數	431	441
Average Training Hours Per Employee	每名僱員之平均培訓時數	11.34	10.75

Sum of Training Hours by Employee Category in 2018
於二零一八年按僱員類別劃分的培訓總計時數



(vi) Labour Standard

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

(vi) 勞工標準

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2. Operating Practices

(i) Supply Chain Management

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

During the year, the geographical location of HLGL's suppliers covered 13 regions within Argentina. 42 suppliers originated from Salta (2017: 42), with 12 suppliers from Formosa (2017: 12). The Group believes by sourcing locally, it can minimise its carbon emission in relation to logistic. The Group's second largest supplier location was Buenos Aires.

(ii) Product Responsibility

Consumer Data Protection

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

Quality Assurance and Complaints

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

(iii) Anti-corruption

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

2. 營運常規

(i) 供應鏈管理

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

本年度，高運供應商的地理位置涵蓋阿根廷13個地區，於薩爾塔省及福摩薩省的供應商數目分別為42個(二零一七年：42個)及12個(二零一七年：12個)。本集團認為，在當地採購可最小化物流產生的碳排放。本集團第二大供應商位於布宜諾斯艾利斯市。

(ii) 產品責任

客戶數據的保護

本集團從事原油生產及銷售業務，有關業務受與客戶協議之條款及條件規管。

品質保證及投訴

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

(iii) 反腐

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

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

C. COMMUNITY

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

1. Community Liaison

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

2. Community Advancement

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

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

C. 社區

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

1. 社區聯絡

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

2. 社區改善

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

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Additionally, in relation to the exploratory drilling at Chirete Concession, people from local communities were hired during the access road and drilling site construction. They were also employed as traffic control signalers during the rig mobilisation and demobilisation, and as roustabouts during the drilling campaign.

此外，有關於Chirete特許權區進行的勘探鑽井，於修建道路及鑽井地盤期間僱用當地社區人民。彼等亦於鑽井動員及遣散期間受僱為交通控制信號員，並於鑽井活動期間受僱為工人。

FUTURE DIRECTIONS TOWARD SUSTAINABILITY DEVELOPMENT

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

CONCLUSION

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

可持續發展的未來方向

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

結論

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report
to the shareholders of New Times Energy Corporation Limited
(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of New Times Energy Corporation Limited ("the Company") and its subsidiaries ("the Group") set out on pages 94 to 222, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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.

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") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in Bermuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告
致新時代能源有限公司各股東
(於百慕達註冊成立之有限公司)

意見

我們已審核載於第94頁至第222頁的新時代能源有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此財務報表包括於二零一八年十二月三十一日的綜合財務狀況表，及截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一八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》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審核準則》進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)以及對審核百慕達綜合財務報表相關的道德要求，我們獨立於貴集團，並已履行守則及道德要求中的其他專業道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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.

ASSESSMENT OF IMPAIRMENT/REVERSAL OF IMPAIRMENT OF EXPLORATION AND EVALUATION ASSETS

Refer to note 12 to the consolidated financial statements and the accounting policies on pages 141 to 142.

The Key Audit Matter 關鍵審核事項

As at 31 December 2018, exploration and evaluation assets, which totalled HK\$2,337,497,000, principally related to the Group's exploration rights and the exploration and evaluation activities for the Tartagal Oriental and Morillo Concessions ("T&M Concessions") in Argentina. In March 2018, the Group obtained a decree for extending the exploration permits in the T&M Concessions to 13 September 2019 and the Group will file an application to the Secretary of Energy of Province of Salta for a further extension of the exploration permits before their expiration. 於二零一八年十二月三十一日，主要與貴集團在阿根廷Tartagal Oriental和Morillo特許權區(T&M特許權區)的勘探權以及勘探和評估活動相關的勘探及評估資產總值為2,337,497,000港元。於二零一八年三月，貴集團獲得法令將勘探許可延期至二零一九年九月十三日且貴集團會在屆滿前向福摩薩省能源部長提交申請程序以進一步延期現有勘探權。

關鍵審核事項

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

勘探及評估資產減值／減值回撥的評估

請參閱綜合財務報表附註12及第141頁至142頁的會計政策。

How the matter was addressed in our audit 我們的審核如何處理該事項

Our audit procedures to assess the impairment/reversal of impairment of exploration and evaluation assets included the following:

我們評估勘探及評估資產減值／減值回撥的程序包括以下各項：

- assessing the design and implementation of key internal controls over the preparation and review of the impairment assessment;
- 對編製和審查減值評估之關鍵內部控制的設計及實施進行評估；
- evaluating management's methodology applied in the preparation of the discounted cash flow forecast with reference to the requirements of the prevailing accounting standards, taking into account business changes during the year;
- 參考現行會計準則的要求，並考慮本年度業務的變化情況，對管理層編製貼現現金流量預測中採用的方法進行評估；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

The Key Audit Matter

關鍵審核事項

The carrying amounts of exploration and evaluation assets are reviewed annually and adjusted for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. With reference to the valuation reports issued by an independent appraisal firm, the recoverable amount was estimated by discounting expected cash flows to be generated by the exploration and evaluation assets to their present value. The preparation of a discounted cash flow forecast involves the exercise of significant judgement, particularly in forecasting production volumes, crude oil prices, production costs, capital expenditure, remaining life of the oil fields and in determining an appropriate discount rate.

每年均對勘探及評估資產的賬面值進行審查，並且在事件或情況變化表明不可收回賬面值時進行減值調整。倘用於釐定可收回金額的估計出現有利變動，則減值虧損會撥回。經參考獨立評估公司出具的估值報告後，可收回金額乃透過將勘探及評估資產產生的預期現金流量折現至其現值而估計得出。編製折現現金流量預測涉及重大判斷，特別是在預測產量、原油價格、生產成本、資本支出、油田剩餘壽命以及確定適當的折現率方面。

As at 31 December 2018, on the basis that the extension of the exploration permits in the T&M Concessions could be obtained, no impairment loss was recognised or reversed for the exploration and evaluation assets.

於二零一八年十二月三十一日，倘T&M特許權區勘探許可獲延期，故並無就勘探及評估資產確認或撥回減值虧損。

How the matter was addressed in our audit

我們的審核如何處理該事項

- assessing the competence, capability and objectivity of the independent appraisal firm engaged by the Group to estimate the recoverable amounts of exploration and evaluation assets and evaluating whether the methodology adopted by the independent appraisal firm was consistent with recognised industry standards;
- 對貴集團聘請開展勘探及評估資產可回收金額預估的獨立評估公司的勝任能力、專業素質和客觀性進行評估，以及評估獨立評估公司採用的方法是否符合公認的行業標準；
- challenging the key assumptions adopted in the discounted cash flow forecast, which included forecast production volumes, forecast crude oil prices, forecast production costs and forecast capital expenditure by comparison with market and other externally available information, historical production information, prospective resources of the T&M Concessions shown in technical reports issued by independent qualified technical consultants and internal exploration and exploitation plans;
- 通過與市場和其他外部可用資料、歷史生產資料、獨立合資格技術顧問出具的技術報告中顯示的T&M特許權區預期資源以及內部的勘探和開發計劃進行對比，對貼現現金流量預測中採用的關鍵假設(包括生產量預測、原油價格預測、生產成本預測及資本支出預測)進行審查；
- evaluating management assessment on the feasibility of obtaining further extension of the exploration permits in the T&M Concessions by obtaining the legal opinion from an independent Argentinian legal counsel engaged by the Group and assessing the competence, capability and objectivity of the independent Argentinian legal counsel;
- 透過取得貴集團委聘的獨立阿根廷法律顧問的法律意見，評估管理層對取得T&M特許權區勘探許可進一步延期可行性的評估，並評估獨立阿根廷法律顧問的勝任能力、專業素質及客觀性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

The Key Audit Matter

關鍵審核事項

We identified assessment of impairment/reversal of impairment of exploration and evaluation assets as a key audit matter because of the inherent uncertainties involved in estimating the recoverable amounts of exploration and evaluation assets and because the selection of the various assumptions adopted in the discounted cash flow forecast could be subject to management bias.

我們認為評估勘探及評估資產減值／減值回撥是一項關鍵的審核事項，因為在預估勘探及評估資產可收回金額時包含的內在不確定性，以及在貼現現金流量預測中各種採用假設的選擇可能會受到管理層偏見的影響。

How the matter was addressed in our audit

我們的審核如何處理該事項

- assessing specific inputs to the determination of the discount rate applied in the cash flow forecast with the assistance of our internal valuation specialists, including the risk-free rate and country risk premium together with gearing and cost of debt, and benchmarking such inputs against similar companies in international markets in which the Group operates;
- 在內部估值專家的協助下評估對釐定現金流量預測採用的貼現率相關的特定輸入數據，其中包括無風險利率、國家風險溢價以及負債比率和債務成本，並對貴集團經營所在國際市場中的類似公司的上述輸入數據進行基準化分析；
- evaluating the sensitivity of the outcomes of the impairment assessment by considering possible downside scenarios against reasonably plausible changes to the key assumptions, which included lower crude oil prices, a higher discount rate and delays in the exploration work schedule, and considering the possibility of management bias in the selection of the assumptions;
- 通過根據關鍵假設的合理可行變化，考慮可能的下行情景，其中包括更低的原油價格、更高的貼現率、勘探工作進度的延遲，來評估減值評估結果敏感度以及考慮管理層在選擇假設時可能存在的偏見；
- comparing the actual results for the current year with management's forecasts prepared in the previous year to assess the historical accuracy of the management's forecasting process; and
- 將本年度的實際結果與管理層上一年編製的預測進行對比，以評估管理層預測程序的過往準確性；及
- considering the disclosures in the consolidated financial statements in respect of the impairment assessment with reference to the requirements of the prevailing accounting standards.
- 參考現行會計準則的要求，考慮綜合財務報表中有關減值評估的披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

綜合財務報表及其核數師報告以外的資料

董事需對其他資料負責。其他資料包括刊載於年報內的全部資料，但不包括綜合財務報表及我們的核數師報告。

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

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

倘若我們基於已執行的工作認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities 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. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助董事履行監督貴集團的財務匯報過程的責任。

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們所發表意見的核數師報告。我們是按照《百慕達一九八一年公司法》第90條的規定，僅向閣下(作為一個整體)報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審核準則》進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與可能導致對貴集團的持續經營能力產生重大疑慮的事項或情況有關的重大不確定性。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當修改我們的意見。我們的結論是基於核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責集團審核的指導、監督和執行。我們為審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Kwok Keung Raymond.

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

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

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

出具本獨立核數師報告的審核項目合夥人是吳國強。

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
26 March 2019

畢馬威會計師事務所

執業會計師

香港中環
遮打道10號
太子大廈8樓
二零一九年三月二十六日

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
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年	2017 二零一七年 (note) (附註)
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	4	297,989	287,557
Cost of sales	銷售成本		(286,863)	(280,651)
Gross profit	毛利		11,126	6,906
Other income	其他收入	5	(10,747)	16,250
General and administrative expenses (Provision)/reversal of impairment loss of assets	一般及行政開支 (計提)/回撥資產減值 虧損	6(c)	(53,224)	(63,332)
Net investment loss	投資虧損淨額	6(d)	(72,771)	228,611
Exploration expenses	勘探開支	12(c)	(100,321)	(37,492)
Gain on partial disposal of interest in a joint venture	出售部分合營企業權益 之收益	17	(371)	(35,544)
			-	3,304
(Loss)/profit from operations	經營(虧損)/溢利		(226,308)	118,703
Finance costs	融資成本	6(a)	(15,687)	(19,293)
Share of losses of joint ventures	應佔合營企業虧損		(4,452)	(4,150)
(Loss)/profit before taxation	除稅前(虧損)/溢利	6	(246,447)	95,260
Income tax	所得稅	7	(10,777)	6,437
(Loss)/profit for the year	年內(虧損)/溢利		(257,224)	101,697
Attributable to:	應佔:			
Owners of the Company	本公司擁有人		(257,218)	101,710
Non-controlling interests	非控股權益		(6)	(13)
(Loss)/profit for the year	年內(虧損)/溢利		(257,224)	101,697
(Loss)/earnings per share	每股(虧損)/盈利	11		
Basic (HK cent)	基本(港仙)		(2.91)	1.26
Diluted (HK cent)	攤薄(港仙)		(2.91)	1.26

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).

附註：本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。

The notes on pages 101 to 222 form part of these financial statements. Details of dividends payable to owners of the Company are set out in note 30(b).

載於第101頁至第222頁之附註為本財務報表之一部分。有關應付本公司擁有人股息詳情載於附註30(b)。

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
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 (note (i)) (附註(i)) HK\$'000 千港元
(Loss)/profit for the year		(257,224)	101,697
Other comprehensive income for the year (after tax and reclassification adjustments):			
Item that will not be reclassified to profit or loss:	10		
Other investment in equity securities at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserves (non-recycling)	其後不可能重新分類至損益之項目： 以公允價值計入其他全面收益之其他權益證券的投資（「以公允價值計入其他全面收益」）– 公允價值儲備（不可回收）變動淨值	(17,923)	–
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas and the People's Republic of China ("PRC") subsidiaries	其後可能重新分類至損益之項目： 換算海外及中華人民共和國（「中國」）附屬公司財務報表產生之匯兌差異	409,850	(19,660)
Available-for-sale investments: net movement in the fair value reserve (recycling) (note (iii))	可供出售投資：公允價值儲備（可回收）變動淨值（附註(ii)）	–	(2,383)
Other comprehensive income for the year		391,927	(22,043)
Total comprehensive income for the year		134,703	79,654
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	134,709	79,667
Non-controlling interests	非控股權益	(6)	(13)
Total comprehensive income for the year		134,703	79,654

Notes:

- (i) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).
- (ii) This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018, the balance of fair value reserve (recycling) has been reclassified to fair value reserve (non-recycling) and will not be reclassified to profit or loss in any future periods. See note 2(d)(i).

附註：

- (i) 本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。
- (ii) 該金額源自於二零一八年一月一日前的適用會計準則。作為於二零一八年一月一日年初結餘之調整的一部分，公允價值儲備（可回收）的結餘已重列至公允價值（不可回收）及於未來期間將不會重列至損益。見附註2(d)(i)。

The notes on pages 101 to 222 form part of these financial statements.

載於第101頁至第222頁之附註為本財務報表之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年	2017 二零一七年 (note) (附註)
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產			
Exploration and evaluation assets	勘探及評估資產	12	2,337,497	2,303,481
Property, plant and equipment	物業、廠房及設備	13	32,811	49,301
Intangible assets	無形資產	14	–	16,296
Goodwill	商譽	15	–	234
Interest in joint ventures	於合營企業之權益	17	12,827	18,104
Other investment in equity securities	其他於權益證券的投資	20	18,694	–
Available-for-sale investments	可供出售投資	20	–	36,617
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	15,462	40,286
Deferred tax assets	遞延稅項資產	28(b)	–	11,149
Total non-current assets	非流動資產總值		2,417,291	2,475,468
Current assets	流動資產			
Inventories	存貨	21	21,032	17,144
Trade and other receivables	應收貿易賬款及其他應收款項	22	32,756	74,659
Promissory note receivable	應收承兌票據	19	–	42,687
Current tax recoverable	可收回即期稅項	28(a)	66	133
Other financial assets	其他金融資產	23	80,468	329,610
Cash and cash equivalents	現金及現金等價物	24	928,476	843,948
Total current assets	流動資產總值		1,062,798	1,308,181
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	25	93,057	88,142
Other borrowings	其他借貸	26	56,792	2,380
Provision	撥備	29	5,131	–
Total current liabilities	流動負債總額		154,980	90,522
Net current assets	流動資產淨值		907,818	1,217,659
Total assets less current liabilities	總資產減流動負債		3,325,109	3,693,127

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 (note) (附註) HK\$'000 千港元
Non-current liabilities	非流動負債			
Other borrowings	其他借貸	26	154,000	211,400
Deferred tax liabilities	遞延稅項負債	28(b)	31,436	–
Provisions	撥備	29	9,697	14,411
Total non-current liabilities	非流動負債總額		195,133	225,811
NET ASSETS	資產淨值		3,129,976	3,467,316
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	30(c)	87,589	88,655
Reserves	儲備		3,042,180	3,427,346
Total equity attributable to owners of the Company	本公司擁有人應佔權益總值		3,129,769	3,516,001
Non-controlling interests	非控股權益		207	(48,685)
TOTAL EQUITY	權益總值		3,129,976	3,467,316

Approved and authorised for issue by the board of directors on 26 March 2019.

董事會已於2019年3月26日批准及授權刊發。

Cheng Kam Chiu, Stewart

鄭錦超
Director
董事

Tang, John Wing Yan

鄧永恩
Director
董事

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).

附註：本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。

The notes on pages 101 to 222 form part of these financial statements.

載於第101頁至第222頁之附註為本財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度
(Expressed in Hong Kong dollars) (以港元列示)

		Attributable to owners of the Company 本公司擁有人應佔										Non-controlling interests	Total equity
		Share capital	Share premium	Capital reserve	Exchange reserve	Fair value reserve (recycling)	Fair value reserve (non-recycling)	Contributed surplus	Warrants reserve	Accumulated losses	Total		
		股本	股份溢價	資本儲備	外匯儲備	公允價值儲備 (可回收)	公允價值儲備 (不可回收)	實繳盈餘	儲備	累計虧損	總計	非控股權益	權益總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	59,103	4,174,190	9,591	(396,033)	8,393	-	740,880	1,801	(1,897,988)	2,699,937	(48,672)	2,651,265
Changes in equity for 2017:	二零一七年權益的變動:												
Profit/(loss) for the year	年內溢利/(虧損)	-	-	-	-	-	-	-	-	101,710	101,710	(13)	101,697
Other comprehensive income	其他全面收益	-	-	-	(19,660)	(2,383)	-	-	-	-	(22,043)	-	(22,043)
Total comprehensive income	全面收益總額	-	-	-	(19,660)	(2,383)	-	-	-	101,710	79,667	(13)	79,654
Shares issued under open offer (note 30(c)(ii))	根據公開發售發行股份 (附註30(c)(ii))	29,552	706,845	-	-	-	-	-	-	-	736,397	-	736,397
Lapse of warrants issued (note 30(d)(vii))	已發行認股權證失效 (附註30(d)(vii))	-	-	-	-	-	-	-	(1,801)	1,801	-	-	-
Balance at 31 December 2017 (note)	於二零一七年十二月三十一日的結餘 (附註)	88,655	4,881,035	9,591	(415,693)	6,010	-	740,880	-	(1,794,477)	3,516,001	(48,685)	3,467,316
Impact on initial application of HKFRS 9 (note 2(d))	首次應用香港財務報告第9號的影響 (附註2(d))	-	-	-	-	(6,010)	(86,587)	-	-	84,821	(7,776)	-	(7,776)
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	88,655	4,881,035	9,591	(415,693)	-	(86,587)	740,880	-	(1,709,656)	3,508,225	(48,685)	3,459,540
Changes in equity for 2018:	二零一八年權益的變動:												
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(257,218)	(257,218)	(6)	(257,224)
Other comprehensive income	其他全面收益	-	-	-	409,850	-	(17,923)	-	-	-	391,927	-	391,927
Total comprehensive income	全面收益總額	-	-	-	409,850	-	(17,923)	-	-	(257,218)	134,709	(6)	134,703
Impact of hyperinflation (note 2(c))	惡性通貨膨脹的影響 (附註2(c))	-	-	-	-	-	-	-	-	(499,245)	(499,245)	48,898	(450,347)
Purchase of own shares (note 30(c)(iii))	購買自身的股份 (附註30(c)(iii))	(1,066)	(12,854)	-	-	-	-	-	-	-	(13,920)	-	(13,920)
Balance at 31 December 2018	於二零一八年十二月三十一日結餘	87,589	4,868,181	9,591	(5,843)	-	(104,510)	740,880	-	(2,466,119)	3,129,769	207	3,129,976

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transitions methods chosen, comparative information is not restated. See note 2(d).

附註：本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。

The notes on pages 101 to 222 form part of these financial statements.

載於第101頁至第222頁之附註為本財務報表之一部分。

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
(Expressed in Hong Kong dollars) (以港元列示)

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 (note) (附註) HK\$'000 千港元
Operating activities	經營業務		
(Loss)/profit before taxation	除稅前(虧損)/溢利	(246,447)	95,260
Adjustments for:	已終止經營業務除稅前 溢利調整:		
Depreciation	折舊	4,585	4,881
Amortisation of intangible assets	無形資產攤銷	1,156	2,905
Provision/(reversal) of impairment loss of assets	計提/(回撥)資產減值 虧損	72,771	(228,611)
Exploration expenses	勘探開支	371	35,544
Interest income	利息收入	(16,608)	(15,362)
Interest expense	利息開支	15,687	19,293
Net foreign exchange loss	外匯虧損淨值	46,399	4,840
Gain on partial disposal of interest in a joint venture	出售於一間合營企業之 部分權益之收益	-	(3,304)
Hyperinflation monetary adjustments	惡性通貨膨脹貨幣性調 整	(4,009)	-
Net loss on disposal of non-current assets of Palmar Largo concession	處置Palmar Largo特許權 區之非流動資產的虧 損淨額	7,186	-
Share of loss of joint ventures	應佔合營企業虧損	4,452	4,150
Operating cash flows before changes in working capital	營運資金變動前經營現金 流量	(114,457)	(80,404)
Changes in working capital:	營運資金變動:		
Decrease/(increase) in inventories	存貨減少/(增加)	3,078	(1,803)
Decrease/(increase) in other financial assets	其他金融資產減少/ (增加)	217,156	(57,329)
(Increase)/decrease in trade and other receivables	應收貿易賬款及其他應 收款項(增加)/減少	(16,175)	8,750
Increase in trade and other payables	應付貿易賬款及其他應 付款項增加	28,352	44,178
Cash generated from/(used in) operations	經營業務所得/(所用) 現金	117,954	(86,608)
Interest paid	已付利息	(15,675)	(25,848)
Interest received	已收利息	12,689	8,461
Income tax refund/(paid)	退回/(已付)所得稅	52	(11)
Net cash generated from/ (used in) operating activities	經營業務所得/(所用) 現金淨額	115,020	(104,006)

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
(Expressed in Hong Kong dollars) (以港元列示)

			2018 二零一八年	2017 二零一七年 (note) (附註)
	Note 附註		HK\$'000 千港元	HK\$'000 千港元
Investing activities		投資活動		
Payment for purchase of exploration and evaluation assets		購買勘探及評估資產支付之款項	(38,405)	(34,633)
Payment for purchase of property, plant and equipment		購買物業、廠房及設備支付之款項	(2,441)	(9,076)
Proceeds from redemption of other financial assets		贖回其他金融資產之所得款項	41,986	-
Payment for purchase of other financial assets		購買其他金融資產之款項	(10,000)	(30,000)
Net cash used in investing activities		投資活動所用現金淨額	(8,860)	(73,709)
Repayment of other borrowings		償還其他借貸款項	(3,000)	(111,843)
Payment for purchase of own shares		購買自身股份支付之款項	(13,920)	-
Proceeds from issue of new shares, net of transaction costs	24(b)	發行新股份所得款項 (扣除交易成本)	-	736,397
Net cash (used in)/generated from financing activities		融資活動(所用)/所得現金淨額	(16,920)	624,554
Net increase in cash and cash equivalents		現金及現金等價物增加淨額	89,240	446,839
Cash and cash equivalents at 1 January		於一月一日之現金及現金等價物	843,948	398,633
Effect of foreign exchange rate changes		匯率變動影響	(4,712)	(1,524)
Cash and cash equivalents at 31 December	24(a)	於十二月三十一日之現金及現金等價物	928,476	843,948

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).

附註：本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。

The notes on pages 101 to 222 form part of these financial statements.

載於第101頁至第222頁之附註為本財務報表之一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

1 BACKGROUND INFORMATION

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

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”). Significant accounting policies adopted by the Company and its subsidiaries (together referred as the “Group”) are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(d) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1 背景資料

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

2 重大會計政策

(a) 合規聲明

該等財務報表已根據所有適用香港財務報告準則(統稱為香港財務報告準則，包括香港會計師公會(「香港會計師公會」)頒佈之所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港普遍採納之會計原則及香港公司條例之披露規定編製。本財務報表亦遵守香港聯合交易所證券上市規則(「上市規則」)之適用披露條文。本公司及其附屬公司(統稱為「本集團」)採用的重大會計政策披露如下。

香港會計師公會已頒佈若干於本集團當前會計期間首次生效或可供提早採納之新訂及經修訂香港財務報告準則。附註2(d)載列初次應用該等與本集團當前及以往會計期間有關之財務準則及已於本財務報表內反映之資料。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2018 comprise the Company and its subsidiaries and the Group's interest in joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- other investment in equity securities (see note 2(h)); and
- derivative financial instruments (see note 2(i)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the 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.

2 重大會計政策(續)

(b) 財務報表編製基準

截至二零一八年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司及本集團於合營企業之權益。

編製財務報表所用之計量基準為歷史成本基準，惟以下資產及負債以其公允價值計值，並以下文所載會計政策解釋：

- 其他於權益證券的投資(見附註2(h))；及
- 衍生金融工具(見附註2(i))。

於編製符合香港財務報告準則之財務報表時，管理層須作出對政策應用以及資產、負債、收入及開支之報告金額構成影響之判斷、估計及假設。此等估計及相關假設乃根據過往經驗及於有關情況下視為合理之多項其他因素作出，其結果構成判斷明顯無法從其他途徑得到有關資產及負債賬面值之依據。實際結果可能有別於該等估計。

估計及有關假設按持續基準審閱。倘會計估計之修訂僅影響修訂估計之期間，則該等修訂於該期間內確認；或倘修訂對目前及未來期間均有影響，則於作出修訂之期間和未來期間確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Basis of preparation of the financial statements

(Continued)

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

In determining the appropriate basis of preparation of the financial statements, the directors of the Company have reviewed the Group's cash flow projections prepared by management based on estimations of future revenue from sales of crude oil and other products, future production costs, committed and planned capital expenditure and the availability of financing, which cover a period of twelve months from the reporting period end date. They are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due and committed future capital expenditure within the next twelve months from the end of the current reporting period and that there are no material uncertainties in this respect which individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern.

(c) Adoption of hyperinflation accounting in Argentina

In May 2018, the Argentine peso underwent a severe devaluation resulting in the three-year cumulative inflation of Argentina to exceed 100%, thereby triggering the requirement to transition to hyperinflation accounting as prescribed by HKAS 29, *Financial Reporting in Hyperinflationary Economies*. HKAS 29 requires to report the results of the Group's operations in Argentina as if these were highly inflationary as of 1 January 2018.

2 重大會計政策(續)

(b) 財務報表編製基準(續)

有關管理層就應用對財務報表構成重大影響之香港財務報告準則所作判斷，以及估計不確定因素之主要來源，於附註3討論。

在釐定財務報表之合適編製基準時，本公司董事已審閱管理層根據對未來銷售原油及其他產品之收益、未來生產成本、承諾及計劃資本支出及可用融資作出的估計而編製的本集團現金流預測，涵蓋期間由報告期末當日起計十二個月。彼等認為本集團將擁有足夠營運資金於到期時應付其財務責任，以及自本報告期末起計未來十二個月的承諾資本支出，且就此而言並無重大不確定因素個別或共同地對本集團持續經營能力構成重大懷疑。

(c) 於阿根廷採納惡性通貨膨脹會計法

於二零一八年五月，阿根廷披索經歷嚴重貶值，導致阿根廷三年逾100%的累計通貨膨脹，因此引發按照香港會計準則第29號，*惡性通脹經濟財務申報*的規定，須過渡至惡性通貨膨脹會計法的要求。香港會計準則第29號規定，於二零一八年一月一日本集團於阿根廷的經營業績應被視為具有惡性通貨膨脹以作報告。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Adoption of hyperinflation accounting in Argentina (Continued)

Under HKAS 29, the non-monetary assets and liabilities stated at historical cost, the equity and the income statement of subsidiaries operating in hyperinflationary economies are restated for changes in the general purchasing power of the local currency applying a general price index, and monetary items that are already stated at the measuring unit at the end of the reporting period are not restated. These re-measured accounts are used for conversion into Hong Kong dollar at the period closing exchange rate.

Consequently, the Group has applied hyperinflation accounting for its Argentine subsidiaries for the first time in these consolidated financial statements applying the HKAS 29 rules as follows:

- Hyperinflation accounting was applied as of 1 January 2018;
- Non-monetary assets and liabilities stated at historical cost (e.g. exploration and evaluation assets, property plant and equipment, and etc.) and equity of the Argentine subsidiaries were restated using an inflation index. The hyperinflation impacts resulting from changes in the general purchasing power until 31 December 2017 were reported in accumulated losses and the impacts of changes in the general purchasing power from 1 January 2018 are reported through the consolidated statement of profit or loss on "Hyperinflation monetary adjustments" for gain or loss on net monetary position in other income (see note 5);

2 重大會計政策(續)

(c) 於阿根廷採納惡性通貨膨脹會計法(續)

根據香港會計準則第29號規定，以歷史成本列示的非貨幣性資產及負債、權益及附屬公司的收入表於惡性通脹經濟，該等金額均須就當地目前所應用的一般消費物價指數的一般購買力之變動重列，以及已於報告期末以計量單位列示的貨幣性項目概不須重列。該等重新計量的賬目均用作換算為港元，以按收市匯率。

因此，本集團已首於為其阿根廷附屬公司於該等綜合財務表應用惡性通貨膨脹會計法，所應用的香港會計準則第29號如下：

- 已於二零一八年一月一日應用惡性通貨膨脹會計法；
- 以歷史成本列示的非貨幣性資產及負債(如：勘探及評估資產、物業、廠房及設備及其他項目)及阿根廷附屬公司的權益均以一項通脹指數重列。來自截至二零一七年十二月三十一日一般購買力之變動惡性通貨膨脹之影響已於累計虧損報告以及自二零一八年一月一日一般購買力之變動的影響已透過計入綜合損益表中有關貨幣性淨額狀況的收益或虧損的「惡性通貨膨脹貨幣性調整」報告。(見附註5)；

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Adoption of hyperinflation accounting in Argentina (Continued)

- The consolidated statement of profit or loss is adjusted at the end of each reporting period using the change in the general price index and is converted at the closing exchange rate of each period (rather than the year to date average rate for non-hyperinflationary economies);
- To measure the impact of inflation on the Group's financial position and results, the Group has elected to use the Wholesale Price Index (Indice de Precios Mayoristas) for periods up to 31 December 2016, and the Retail Price Index (Indice de Precios al Consumidor) thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences.
- In accordance with HKAS 21, *The Effects of Changes in Foreign Exchange Rates*, when amounts are translated into the currency of non-hyperinflationary economy, the comparative amounts are not adjusted for subsequent changes in the price level or exchange rates. Therefore, the comparative amounts of Argentine operations in these consolidated financial statements were not restated.

2 重大會計政策(續)

(c) 於阿根廷採納惡性通貨膨脹會計法(續)

- 綜合損益表已於各個報告期末，以一般消費物價指數之變動及按照於各期間的收市匯率調整(並非按照非惡性通脹經濟的年初至今平均利率)；
- 為計量通脹對本集團的財務狀況及業績所造成的影響，本集團於直至二零一六年十二月三十一日期間已選用批發價值指數(Indice de Precios Mayoristas)，以及於其後選用零售價值指數(Indice de Precios al Consumidor)。該等價值指數經由阿根廷聯邦局經濟科學專業理事會的政府委員會建議。
- 根據香港會計準則第21號，*外匯兌換率之變動的影響*，當金額已換算成惡性通脹經濟的貨幣，對比金額均無需就隨後價格水平或兌換率而調整。因此，於該等綜合財務表阿根廷營運的對比金額均無重列。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- (i) HKFRS 9, *Financial instruments*
- (ii) HKFRS 15, *Revenue from contracts with customers*
- (iii) HK(IFRIC) 22, *Foreign currency transactions and advance consideration*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(i) **HKFRS 9, Financial instruments**

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 January 2018. Therefore, comparative information continues to be reported under HKAS 39.

2 重大會計政策(續)

(d) 會計政策變動(續)

香港會計師公會已頒佈多項新訂香港財務報告準則及已對香港財務報告準則作出若干修訂，該等修訂於本集團之本會計期間首次生效。其中，以下發展為與本集團財務報表相關：

- (i) 香港財務報告準則第9號，**金融工具**
- (ii) 香港財務報告準則第15號，**來自客戶合約的收益**
- (iii) 香港(國際財務報告詮釋委員會)詮釋第22號，**外匯交易及預付代價**

本集團未有應用任何於本會計期間生效的新準則或詮釋。

(i) **香港財務報告準則第9號**

香港財務報告準則第9號取代香港會計準則第39號，**金融工具：確認及計量**。其呈列確認及計量金融資產、金融負債及部分為購買或銷售非貨幣性項目合約的要求。

本集團已根據過渡要求追溯應用香港財務報告準則第9號至於二零一八年一月一日存在的項目。本集團已確認首次應用的累計影響為於二零一八年一月一日年初權益的調整。因此，對比資料繼續根據香港會計準則第39號報告。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

The following table summarises the impact of transition to HKFRS 9 on accumulated losses and reserves and the related tax impact at 1 January 2018.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

下表概括過渡至香港財務報告準則第9號對於二零一八年一月一日累積虧損及儲備的影響及相關稅項影響。

		HK\$'000 千港元
Accumulated losses	累積虧損	
Transferred to fair value reserve (non-recycling) relating to impairment of other investment in equity securities now measured at FVOCI	轉結至相關於其他權益證券投資的減值公允價值儲備(不可回收)現按公允價值計入其他全面收益計量	92,597
Recognition of additional expected credit losses on:	以下方面的額外預期信貸虧損之確認:	
– trade and other receivables	– 應收貿易賬款及其他應收款項	(16)
– promissory note receivable	– 應收承兌票據	(7,760)
Net decrease in accumulated losses at 1 January 2018	於二零一八年一月一日累積虧損的淨虧損	84,821

NOTES TO THE FINANCIAL STATEMENTS

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

		HK\$'000 千港元
Fair value reserve (recycling)		
Transferred to fair value reserve (non-recycling) relating to other investment in equity securities now measured at FVOCI at 1 January 2018	轉結至相對於其他權益證券投資的公允價值儲備(不可回收)現在於二零一八年一月一日按公允價值計入其他全面收益計量	(6,010)
Fair value reserve (non-recycling)		
Transferred from accumulated losses relating to impairment of other investment in equity securities now measured at FVOCI	轉結自有關現時按公允價值計入其他全面收益計量的其他股本證券投資的減值的累積虧損	(92,597)
Transferred from fair value reserve (recycling) relating to other investment in equity securities now measured at FVOCI	轉結自有關現時按公允價值計入其他全面收益計量的其他股本證券投資的減值的公允價值儲備(可回收)	6,010
Net decrease in fair value reserve (non-recycling) at 1 January 2018	於二零一八年一月一日公允價值儲備(不可回收)的淨虧損	(86,587)

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

a. Classification of financial assets and financial liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at FVOCI and at fair value through profit or loss ("FVPL"). These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

以往會計政策變動之性質及影響的進一步詳情及過渡方法載列如下：

a. 金融資產及金融負債的分類

香港財務報告準則第9號將金融資產分為三大類別：按攤銷成本、透過其他全面收益按公允價值列賬及按公允價值計入損益列賬（「按公允價值計入損益列賬」）計量。該等分類取代香港會計準則第39號的類別，分別為持有至到期投資、貸款及應收款項、可供出售金融資產及按公允價值計入損益列賬計量的金融資產。金融資產分類乃基於管理金融資產的業務模式及其合約現金流量特徵。根據香港財務報告準則第9號，置於合約的衍生項目，主體為一項於標準範圍的金融資產並無獨立於主體。相反，混合工具以一整體作分類分析。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

a. Classification of financial assets and financial liabilities (Continued)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

a. 金融資產及金融負債的分類(續)

下表顯示根據香港會計準則第39號各類本集團的金融資產的原來計量分類及根據香港會計準則第39號所釐訂的該等金融資產賬面值與香港財務報告準則第9號所釐訂的賬面值之對賬。

		HKAS 39 carrying amount at 31 December 2017 於二零一七年 十二月三十一日 香港會計準則 第39號 的賬面值 HK\$'000 千港元	Reclassification	Remeasurement	HKFRS 9 carrying amount at 1 January 2018 於二零一八年 一月一日 香港財務報告準 則第9號 的賬面值 HK\$'000 千港元
			重分類 HK\$'000 千港元	重計量 HK\$'000 千港元	
Financial assets carried at amortised cost	按攤銷成本列賬的金融資產				
Cash and cash equivalents	現金及現金等價物	843,948	-	-	843,948
Trade and other receivables	應收貿易賬款及其他應收款項	16,319	-	(16)	16,303
Promissory note receivable	應收承兌票據	42,687	-	(7,760)	34,927
		902,954	-	(7,776)	895,178
Financial assets measured at FVOCI (non-recyclable)	按公允價值計入其他全面收益(不可回收)計量的金融資產				
Other investment in equity securities (note (i))	其他權益證券投資(附註(i))	-	36,617	-	36,617
Financial assets carried at FVPL	按公允價值計入損益列賬的金融資產				
Other financial assets (note (ii))	其他金融資產(附註(ii))	329,610	-	-	329,610
Financial assets classified as available-for-sale under HKAS 39 (note (i))	根據香港會計準則第39號分類為可供出售的金融資產(附註(i))	36,617	(36,617)	-	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

a. Classification of financial assets and financial liabilities (Continued)

Notes:

- (i) Under HKAS 39, equity securities not held for trading were classified as available-for-sale financial assets. These equity securities are classified as at FVPL under HKFRS 9, unless they are eligible for and designated at FVOCI by the Group. At 1 January 2018, the Group designated its investment in NordAq Energy Inc. ("NordAq") and investment in Foothills Exploration Inc. ("Foothills Exploration") at FVOCI (non-recycling), as the investments are not held for trading.

- (ii) Other financial assets including listed equity securities and unlisted investment funds, which were classified as financial assets at FVPL, and unlisted equity-linked securities, which were designated as FVPL under HKAS 39. These assets continue to be measured at FVPL under HKFRS 9.

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

a. 金融資產及金融負債的分類(續)

附註：

- (i) 根據香港會計準則第39號，不持作買賣的權益證券已分類至可供出金融資產。該等權益證券已根據香港財務報告準則第9號按公允價值計入損益，除非由本集團指定按公允價值計入其他全面收益列賬。於二零一八年一月一日，由於該等投資不可持作買賣，本集團指定其於 NordAq Energy Inc. (「NordAq」) 及 Foothills Exploration. (「Foothills Exploration」) 的投資按公允價值計入其他全面收益列賬(不可回收)。

- (ii) 其他金融資產包括分類為按公允價值列賬的金融資產之上市股本證券及非上市投資基金，以及根據香港會計準則第39號指定為按公允價值計入損益的非上市股本掛鈎證券。根據香港財務報告準則第9號，該等資產持續按公允價值計入損益計量。

就所有金融負債的計量類別維持相同。於二零一八年一月一日，所有金融負債的賬面值不受首次應用香港財務報告準則第9號所影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

a. Classification of financial assets and financial liabilities (Continued)

Notes: (Continued)

(ii) (Continued)

Except for the unlisted equity-linked securities described in note (ii) above, the Group did not designate or de-designate any financial asset or financial liability at FVPL at 1 January 2018.

b. Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (ECL) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” accounting model in HKAS 39.

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including trade and other receivables and promissory note receivable);

For further details on the Group’s accounting policy for accounting for credit losses, see note 2(n)(i).

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

a. 金融資產及金融負債的分類(續)

附註：(續)

(ii) (續)

除上述附註(ii)指出上的市股本掛鈎證券外，本集團概無指定或重新指定任何金融資產或金融負債於二零一八年一月一日按公允價值計入損益列賬。

b. 信貸虧損

香港財務報告準則第9號以「預期信貸虧損」(預期信貸虧損)模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式要求持續計量金融資產相關的信貸風險，因此確認預期信貸虧損的時間較根據香港會計準則第39號之「已產生虧損」會計模式確認的時間為早。

本集團將新預期信貸虧損模式應用於以下項目：

- 按攤銷成本計量的金融資產(包括應收貿易賬款及其他應收款項及應收承兌票據)

本集團就信貸虧損列賬的會計政策的進一步詳情，見附註2(n)(i)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

b. Credit losses (Continued)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

	HK\$'000 千港元
Loss allowance at 31 December 2017 under HKAS 39	3,810
Additional credit loss recognised at 1 January 2018 on:	
– Trade and other receivables	16
– Promissory note receivable	7,760
Loss allowance at 1 January 2018 under HKFRS 9	11,586

c. Transition

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except as described below:

- Information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in accumulated losses and reserves as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39 and thus may not be comparable with the current period.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

b. 信貸虧損(續)

下表為根據香港會計準則第39號於二零一七年十二月三十一日所釐訂的年末虧損撥備與根據香港財務報告準則第9號於二零一八年一月一日所釐訂的年初虧損撥備的對賬。

c. 過渡

香港財務報告準則第9號的採納所導致的會計政策之變動已獲追溯應用，惟下列所述者除外：

- 有關比較期間的資料並無重列。應用香港財務報告準則第9號導致的金融資產賬面值差額於二零一八年一月一日於累計虧損及儲備中確認。因此，二零一七年呈列的資料繼續根據香港會計準則第39號呈報且因此可能無法與本期間進行比較。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(i) HKFRS 9, Financial instruments (Continued)

c. Transition (Continued)

- The following assessments have been made on the basis of the facts and circumstances that existed at 1 January 2018 (the date of initial application of HKFRS 9 by the Group):
 - the determination of the business model within which a financial asset is held; and
 - the designation of certain investments in equity instruments not held for trading to be classified as at FVOCI (non-recycling).
 - If, at the date of initial application, the assessment of whether there has been a significant increase in credit risk since initial recognition would have involved undue cost or effort, a lifetime ECL has been recognised for that financial instrument.

2 重大會計政策(續)

(d) 會計政策變動(續)

(i) 香港財務報告準則第9號，金融工具(續)

c. 過渡(續)

- 以下評估乃根據於二零一八年一月一日(本集團初步應用香港財務報告準則第9號的日期)存在的事實及情況而作出：
 - 釐定持有金融資產之業務模式；及
 - 若干於權益工具的投資並非持作買賣指定被分類為按公允價值計入其他全面收益(不可回收)。
 - 倘於初步應用日期評估信貸風險自初步確認以來有否大幅上升將涉及過多成本或努力，則就該金融工具確認整個有效期的預期信貸虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(ii) HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

HKFRS 15 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The adoption of HKFRS 15 does not have any material impact on the financial position and the financial results of the Group.

(iii) HK(IFRIC) 22, Foreign currency transactions and advance consideration

This interpretation provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

2 重大會計政策(續)

(d) 會計政策變動(續)

(ii) 香港財務報告準則第15號，來自客戶合約的收益

香港財務報告準則第15號為確認收益及部分來自客戶合約收益及若干成本而建立一套全面的框架。香港財務報告準則第15號取代香港會計準則第18號，*收益*，其涵蓋來自銷售產品及提供服務的收益，以及取代香港會計準則第11號，*建築合約*，其詳列有關建築合約的會計。

香港財務報告準則第15號亦實施額外的定質及定量披露規則，目標為容許財務表使用者明白來自客戶合約的收益及現金流的性質、金額、時間及不確定性。

香港財務報告準則第15號的採納並無對本集團的財務狀態及財務業績造成重大影響。

(iii) 香港(國際財務報告詮釋委員會)詮釋第22號，外匯交易及預付代價

此詮釋為釐訂用於首次確認有關來自一項交易的資產、開支或收入(或其部分)兌換率的目的，就釐訂「交易日」提供指引，該項交易來自一名實體以外幣預先收取或支付代價。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(d) Changes in accounting policies (Continued)

(iii) HK(IFRIC) 22, Foreign currency transactions and advance consideration (Continued)

The Interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way. The adoption of HK(IFRIC) 22 does not have any material impact on the financial position and the financial result of the Group.

(e) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2 重大會計政策(續)

(d) 會計政策變動(續)

(iii) 香港(國際財務報告詮釋委員會)詮釋第22號，外匯交易及預付代價(續)

該詮釋釐清「交易日」為首次確認來自預先支付或收取款項的非貨幣性資產或負債的日期。倘出現多項確認有關項目的預先支付或收取款項，各項支付或收取款項的交易日應以此方法釐訂。香港(國際財務報告詮釋委員會)詮釋第22號的採納並無對本集團的財務狀況及財務業績造成任何重大影響。

(e) 附屬公司及非控股權益

附屬公司為由本集團控制之實體。當本集團承受或享有參與實體所得的可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。在評估本集團是否擁有控制權時，只考慮實質權利(由本集團及其他合約方持有)。

於附屬公司之投資自控制權開始之日起，直至控制權終止之日為止綜合計入綜合財務報表。集團內公司間之結餘及交易，以及集團內公司間交易產生之任何現金流量及任何未變現溢利乃於編製綜合財務報表時全數對銷。集團內公司間交易產生之未變現虧損按與未變現收益相同之方式對銷，惟僅限於並無減值證據之情況。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Subsidiaries and non-controlling interests

(Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(q) or (r) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

2 重大會計政策(續)

(e) 附屬公司及非控股權益(續)

非控股權益是指並非由本公司直接或間接於附屬公司應佔的權益，及本集團並未與該等權益的持有人達成任何額外條款，從而令本集團在總體上對該等權益產生合約性責任，使其符合金融負債的定義。就各業務合併而言，本集團可選擇按公允價值或按非控股權益於附屬公司可識別淨資產之分佔比例計量任何非控股權益。

非控股權益計入綜合財務狀況表權益內，與本公司擁有人應佔權益分開呈列。於本集團業績內，非控股權益於綜合損益表及綜合損益及其他全面收益報表呈列為非控股權益與本公司擁有人年內損益總額及全面收益總額分配。視乎負債性質，來自非控股權益持有人之貸款及該等持有人之其他合約性責任根據附註2(q)或(r)於綜合財務狀況表呈列為金融負債。

本集團於附屬公司不構成失去控制權之權益變動乃以權益轉撥列賬，當中在綜合權益內控股權益及非控股權益之數量會被調整以反映相對權益之變動，惟商譽不予調整，損益亦不會被確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Subsidiaries and non-controlling interests

(Continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(h)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2(f)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(n)), unless the investment is classified as held for sale (or included in a disposal Group that is classified as held for sale).

(f) Joint arrangement and associates

The Group is a party of joint arrangement when it exercises joint control over arrangement by acting collectively with other parties and decisions about the relevant activities require unanimous consent of the parties sharing control. The joint arrangement is either a joint operation or a joint venture depending on the rights and obligations of the parties to the arrangement.

In relation to interest in joint operations, the Group recognises: (i) its assets, including its share of any assets held jointly, (ii) liabilities, including its share of any liabilities incurred jointly, (iii) revenue from the sale of its share of the output arising from the joint operation, (iv) its share of the revenue from the sale of the output by the joint operations, and (v) its expenses, including its share of any expenses incurred jointly.

2 重大會計政策(續)

(e) 附屬公司及非控股權益(續)

當本集團失去附屬公司之控制權，會以出售該附屬公司的全部權益列賬，因而產生之損益乃於損益表中確認。於前附屬公司於失去控制權當日留有之權益會以公允價值確認，而該款額乃被視為該金融資產(見附註2(h))於最初確認時之公允價值或(倘適用)於聯營公司或合營企業之投資於最初確認時之成本(見附註2(f))。

於本公司財務狀況表內，於一間附屬公司之投資乃按成本扣除任何減值虧損(見附註2(n))列賬，惟該項投資已分類為持作出售投資(或已包括在列作出售之出售組別者除外)。

(f) 合營安排及聯營公司

本集團為合營安排訂約一方，其通過與其他方共同行動行使共同控制權時，有關相關活動之決定須經共同控制各方一致同意。根據協議各方於此協議項下之權利及責任，合營安排既非合營業務亦非合營企業。

本集團就於合營業務之權益確認：(i)其資產，包括其分佔任何共同持有資產，(ii)其負債，包括其分佔共同產生之負債，(iii)出售其分佔合營業務產出之收益，(iv)其分佔銷售合營業務產出之收益及(v)其開支，包括其分佔共同產生之開支。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Joint arrangement and associates (Continued)

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2(n)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

2 重大會計政策(續)

(f) 合營安排及聯營公司(續)

聯營公司乃指一家本集團或本公司對其管理包括財務及營運政策制定之參與有重大影響(但非操控或聯合操控其管理)之實體。

合營企業為本集團或本公司與其他合約方同意共同控制該安排，及對該安排之資產淨值享有權利。

於聯營公司或合營企業之投資按權益法計入綜合財務報表，除非該投資已分類為持作出售或計入分類為持作出售之出售組別則作別論。根據權益法，投資初步按成本記錄，並就本集團應佔投資對象之可識別資產淨值於收購日公允價值與投資成本之差額作出調整(如有)。投資成本包括購入價、其他投資收購直接應佔的成本及任何直接投資於構成本集團權益投資一部分的聯營及合營公司。其後就本集團應佔投資對象之資產淨值及任何有關投資的減值虧損之收購後變動作出調整(見附註2(n))。收購日公允價值與成本之差額、本集團應佔收購後、投資對象除稅後年內業績及任何減值虧損於綜合損益表確認，而本集團應佔投資對象其他全面收益之收購後除稅後項目於綜合損益及其他全面收益表確認。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(f) Joint arrangement and associates (Continued)

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, 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 that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(h)).

2 重大會計政策(續)

(f) 合營安排及聯營公司(續)

當本集團之應佔虧損超出其於聯營公司或合營企業之權益，本集團之權益會減至零，並終止繼續確認進一步虧損，惟本集團已產生法律或推定責任或曾代表投資對象支付費用則除外。就此而言，本集團之權益乃根據權益法計算之投資賬面值連同構成本集團於該聯營公司或合營企業之淨投資之長期權益部分。

本集團與其聯營公司及合營企業進行交易所產生之未變現溢利及虧損，均以本集團於投資對象之權益對銷，惟可證實已轉讓資產減值之未變現虧損則不在此限，在此情況下，該未變現虧損即時在損益表內確認。

倘於聯營公司之投資成為於合營企業之投資或反之，保留權益不會重新計量。相反，投資繼續按權益法入賬。

若屬所有其他情況，如本集團失去對聯營公司的重大影響或對合營企業之共同控制權，會以出售該投資對象之全部權益列賬，因而產生之損益乃於損益表中確認。於前投資對象於失去重大影響力或共同控制權當日留有之任何權益會以公允價值確認，而該款額乃被視為該金融資產於最初確認時之公允價值(見附註2(h))。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(g) Goodwill

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(n)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(h) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries and joint ventures, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 31(g). These investments are subsequently accounted for as follows, depending on their classification.

2 重大會計政策(續)

(g) 商譽

商譽指：

- (i) 所轉讓代價的公允價值、非控股權益於被收購方的金額，以及本集團過往所持被收購方股本權益的公允價值的總額；超出
- (ii) 被收購方可辨別資產及負債於收購日期的公允價值淨值的部分。

當(ii)大於(i)時，超出部分即時以溢價購買收益計入損益表中。

商譽按成本減累計減值虧損列賬。業務合併所產生的商譽會分配至各現金產生單位或現金產生單位組別(預期會自合併的協同效益得益)，並每年進行減值測試(見附註2(n))。

於年內出售現金產生單位時，任何已收購商譽之應佔金額均包括在計算出售損益內。

(h) 其他債務及股本證券投資

本集團之債券及股本證券投資政策(於附屬公司及合營企業之投資除外)如下：

於本集團承諾購入／出售投資當日已確認／取消確認債務及股本證券投資。初始以公允價值加直接應佔交閉成本列示的投資，惟該等按公允價值計入損益的投資，其交易成本直接於損益確認。對於本集團如何釐訂金融工具的公允價值的說明，見附註31(g)。該等投資其後視乎其分類按以下方式入賬：

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Other investments in debt and equity securities

(Continued)

(A) Policy applicable from 1 January 2018

Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(w)(iv)).
- FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

2 重大會計政策(續)

(h) 其他債務及股本證券投資

(續)

(A) 自二零一八年一月一日起適用政策

權益投資以外的投資

本集團所持有的非權益投資分類為下述計量類別的其中一項：

- 攤銷成本 – 倘持有投資的目的為收取僅作支付本金及利息的合約現金流量。投資所得利息收入乃採用實際利率法計算(見附註2(w)(iv))。
- 以公允價值計入其他全面收益(可回收) – 倘投資的合約現金流量僅包含支付本金及利息，而持有投資的業務模式乃以收取合約現金流量及銷售以達成目標。除於損益中確認預期信貸虧損、利息收入(採用實際利率法計算)及滙兌收益及虧損外，公允價值的變動於其他全面收益中確認。當投資撤銷確認時，於其他全面收益中累計的金額自股本權益回轉至損益。
- 按公允價值計入損益列賬 – 倘投資並不符合按攤銷成本或以公允價值計入其他全面收益(可回收)計量的要求。投資(包括利息)的公允價值變動於損益中確認。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Other investments in debt and equity securities

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to accumulated losses. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 2(w)(iii).

2 重大會計政策(續)

(h) 其他債務及股本證券投資

(續)

(A) 自二零一八年一月一日起適用政策(續)

權益投資

權益證券投資分類為透過損益賬以公允價值列賬，除非股本投資並非持作買賣用途，且於初步確認投資時，集團選擇指定投資為透過其他全面收益(不可回收)按公允價值列賬，以致公允價值的後續變動於其他全面收益確認。有關選擇以個別工具為基準作出，惟僅或會在發行人認為投資符合權益的定義的情況下作出。作出有關選擇後，於其他全面收益內累計的金額仍將保留在公允價值儲備(不可回收)內直至投資出售為止。出售時，於公允價值儲備(不可回收)內累計的金額轉撥至累計虧損，且不會劃轉至損益。權益證券投資的股息(不論分類為透過損益賬以公允價值列賬或透過其他全面收益按公允價值列賬)於損益內，根據附註2(w)(iii)所載列的政策而確認為其他收入。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Other investments in debt and equity securities

(Continued)

(B) Policy applicable prior to 1 January 2018

Investments in securities held for trading were classified as financial assets measured at FVPL. Any attributable transaction costs were recognised in profit or loss as incurred. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in profit or loss.

Dated debt securities that the Group had the positive ability and intention to hold to maturity were classified as held-to-maturity securities. Held-to-maturity securities were stated at amortised cost (for impairment see note 2(n)(i) – policy applicable prior to 1 January 2018).

Investments which did not fall into any of the above categories were classified as available-for-sale financial assets. At the end of each reporting period the fair value was remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve (recycling). As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less accumulated impairment losses (see note 2(n)). Dividend income from equity investments and interest income from debt securities calculated using the effective interest method were recognised in profit or loss in accordance with the policies set out in notes 2(w)(iii) and (iv), respectively. Foreign exchange gains and losses arising from debt securities were also recognised in profit or loss. When the investments were derecognised or impaired, the cumulative gain or loss recognised in equity was reclassified to profit or loss.

2 重大會計政策(續)

(h) 其他債務及股本證券投資

(續)

(B) 二零一八年一月一日起前適用政策

持作買賣之證券投資分類為透過損益賬以公允價值列賬的金融資產。任何應佔交易成本於產生時在損益賬確認。公允價值於各報告期末重新計量，所產生的收益或虧損於損益賬確認。

本集團有明確能力及意願持有至到期的定期債務證券分類為持有至到期證券。持有至到期證券乃按攤銷成本列賬(減值見附註2(n)(i)–二零一八年一月一日前適用的政策)。

不屬任何上述類別的投資會被分類為可供出售金融資產。公允價值於各報告期末重新計量，所產生的收益或虧損於其他全面收益確認，並個別於公允價值儲備(可回收)內的權益下累計。作為此項的例外，並無類似工具於活躍市場之報價，且其公允價值不能可靠計量的股本證券投資，乃按成本減去累計減值虧損在財務狀況表確認(見附註2(n))。股本投資所得股息收入及以實際利率法計算的債券證券所得利息收入分別按附註2(w)(iii)及(iv)，所載的政策於損益賬確認。因債務證券所產生的匯兌盈虧亦於損益賬確認。當終止確認該等投資或有關投資出現減值時，已於權益確認的累計盈虧會被重新分類至損益。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(i) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting periods, the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(j) Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are carried at cost less any accumulated impairment losses (see note 2(n)), no depreciation and/or amortisation is charged during the exploration and evaluation phase. Exploration and evaluation costs are accumulated on a field-by-field basis. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are recognised in profit or loss.

Exploration and evaluation assets include the cost of exploration rights and the expenditures incurred in the search for natural resources as well as the determination of the technical feasibility and commercial viability of extracting those resources.

When the technical feasibility and commercial viability of extracting natural resources become demonstrable, previously recognised exploration and evaluation assets are reclassified as either intangible assets or property, plant and equipment. These assets are assessed for impairment, and any impairment loss recognised, before reclassification.

2 重大會計政策(續)

(i) 衍生金融工具

衍生金融工具按公允價值確認。公允價值於各報告期末重新計量。重新計量公允價值之收益或虧損隨即於損益確認。

(j) 勘探及評估資產

勘探及評估資產初步確認時按成本確認。於初步確認後，勘探及評估資產按成本減任何累計減值虧損(見附註2(n))入賬。於勘探及評估階段概無扣除折舊及／或攤銷。勘探及評估成本以每塊油田之基準累計。直接與探井及勘探和物業租賃收購成本相關之成本會被資本化，直至就確定儲量作出評估為止。倘確定儲量不足以作商業用途，則有關成本會於損益表確認。

勘探及評估資產包括勘探權之成本及尋找天然資源產生之開支，如決定採挖該等資源之技術可行性及其商業可行性。

當採挖天然資源的技術可行性及商業可行性獲得證明，先前確認的勘探及評估資產會重新分類為無形資產或物業、廠房及設備。該等資產就減值進行評估，而任何減值虧損會於重新分類前確認。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(k) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(n)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(y)).

Gains or losses arising from the retirement or disposal of items of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Leasehold improvements	4–5 years
Machinery	5–10 years
Furniture, fixtures and office equipment	3–5 years
Motor vehicles	3–5 years

Depreciation of oil production assets is calculated on unit of production method based upon the estimated proved and probable oil reserves to write off the cost of each asset, less any estimated residual value.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2 重大會計政策(續)

(k) 物業、廠房及設備

物業、廠房及設備按成本減去累計折舊及減值虧損後列賬(見附註2(n))。

自行建造的物業、廠房及設備之成本包括材料成本、直接人工、最初估計的相關拆除、移動及修復成本和適當部分的製造費用及借貸費用(見附註2(y))。

物業、廠房及設備的報廢或出售所產生的收益或虧損，釐定為出售所得款項淨額與項目賬面值之間的差額，並於報廢或出售當日於損益表中確認。

折舊以直線法按物業、廠房及設備之以下估計可使用年期撇銷項目成本減估計剩餘價值(如有)計算：

租賃物業裝修	4–5年
機器	5–10年
傢私、裝置及辦公室設備	3–5年
汽車	3–5年

石油生產資產之折舊主要以生產數量法按估算石油證實儲存量及概略儲存量撇銷各項資產之成本經減扣估算剩餘價值計算。

倘物業、廠房及設備項目部分之可使用年期不同，項目成本於各部分之間按合理基準分配，而各部分將分開計算折舊。資產可使用年期及其剩餘價值(如有)會每年審閱。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(I) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(n)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives.

Amortisation of rights on oil sharing and oil exploration rights are calculated on unit of production method based upon the estimated proved and probable oil reserves to write off the cost of each asset, less any estimated residual value.

Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

2 重大會計政策(續)

(I) 無形資產(商譽除外)

本集團所收購之無形資產按成本減累計攤銷(倘估計可使用年期有限)及減值虧損(見附註2(n))列賬。

有確定可使用年期之無形資產按其估計可使用年期以直線法於損益表內列銷。

石油共享及石油勘探權攤銷主要以生產數量法按估算石油證實儲存量及概略儲存量撇銷各項資產之成本經減扣估算剩餘價值計算。

本集團對攤銷週期及方法進行年度審閱。

無形資產於其被評為具有無限可使用年期時不予攤銷。無形資產是否具有無限可使用年期之結論會每年檢討，以確定事件及情況是否持續支持該項資產具有無限可使用年期之評估。倘有關情況及事件並無持續，則可使用年期評估由無限轉為有限之變動，會自變動當日起按上文所載適用於具有有限可使用年期之無形資產之攤銷政策追溯入賬。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) *Classification of assets leased to the Group*

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) *Assets acquired under finance leases*

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(k). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(n). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2 重大會計政策(續)

(m) 租賃資產

倘本集團決定一項安排涉及於協定期限內將特定資產或資產使用權出讓以換取一筆或連串款項，則包括一項交易或連串交易之有關安排屬於或包括一項租賃。該項決定乃根據實質評估安排作出，而不論該項安排是否採取租賃之法律形式。

(i) *向本集團租賃資產之分類*

由本集團根據租約持有，而其中絕大部分風險及擁有權回報撥歸本集團之資產乃分類為根據融資租約持有。不會向本集團轉移絕大部分風險及擁有權回報之租約乃分類為經營租約。

(ii) *根據融資租約購入之資產*

如本集團以融資租賃獲得資產的使用權，會將相當於租賃資產公允價值或最低租賃付款額的現值(如為較低的數額)確認為物業、廠房及設備及相應負債扣除融資費用後則列為融資租賃承擔。折舊是在相關的租賃期或資產的可用期限(本集團可能取得資產的所有權)內沖銷資產成本或估值的比率計提；有關的資產可用期限載列於附註2(k)。減值虧損按照附註2(n)所載的會計政策入賬。租賃付款內含的融資費用會於租賃期內的損益表中扣除，使每個會計期間的融資費用佔承擔餘額的比率大致相同。或有租金在其產生的會計期間自損益表中扣除。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Leased assets (Continued)

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(n) Credit losses and impairment of assets

(i) Credit losses from financial instruments

(A) Policy applicable from 1 January 2018

The Group recognises a loss allowance for expected credit losses ("ECLs") on the following items:

- financial assets measured at amortised cost (including trade and other receivables and promissory note receivable).

Financial assets measured at fair value, including equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

2 重大會計政策(續)

(m) 租賃資產(續)

(iii) 經營租約支出

如本集團是以經營租賃獲得資產的使用權，其租賃的支出於損益表中根據其租賃期所涵蓋的會計期間，等額扣除。如有其他基準能更清晰地反映其租賃資產所產生的收益模式則除外。租賃所涉及的鼓勵措施的收入均在損益表中確認為租賃淨付款總額的組成部分。或有租金在其產生的會計期間內在損益表中扣除。

以經營租賃持有土地的收購成本以直線法於租賃期內攤銷。

(n) 資產的信貨虧損及減值

(i) 來自金融工具的信貨虧損

(A) 自二零一八年一月一日適用的政策

本集團就預期信貨虧損(「預期信貨虧損」)於以下項目確認一項虧損撥備：

- 按攤銷成本計量的金融資產(包括應收貿易賬款及其他應收款項及應收承兌票據)。

按公允價值計量的金融資產，包括按公允價值計量計入損益的權益證券、指定按公允價值計量計入其他全面收益(不可回收)的權益證券及衍生金融資產均不受預期信貨虧損所規限。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- trade and other receivables and promissory note receivable: effective interest rate determined at initial recognition or an approximation thereof.

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

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

預期信貨虧損計量

預期信貨虧損是信貨虧損的概率加權估計。信貨虧損以所有預期現金不足額(即本集團根據合約應得的現金流量及本集團預期收到的現金流之間的差額)的現值估算。

如果貼現的影響重大，預期現金不足額將使用以下貼現率貼現：

- 應收貿易賬款及其他應收款項以及應收承兌票據：初步確認時的實際利率或其近似值。

於估計預期信貨虧損時考慮的最長期間為本集團承受信貨風險之最長合約期間。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

(A) Policy applicable from 1 January 2018 (Continued)

Measurement of ECLs (Continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損 (續)

(A) 自二零一八年一月一 日適用的政策(續)

預期信貨虧損計量 (續)

在計量預期信貨虧損時，本集團考慮合理及有理據而無需付出不必要之成本或資源獲得的資料。這包括過去事件、當前狀況及未來經濟狀況預測等資料。

預期信貨虧損基於下列其中一個基準計量：

- 12個月的預期信貨虧損：預計在報告日期後12個月內可能發生的違約事件而導致之虧損；及
- 整個生命週期的預期信貨虧損：預計該等採用預期信貨虧損模式的項目在預期生命週期內所有可能發生之違約事件而導致之虧損。

應收貿易賬款之虧損撥備一般是以整個生命週期之預期信貨虧損的金額計量。這些金融資產之預期信貨虧損是利用基於本集團過往信貨虧損經驗的撥備矩陣進行估算，並按在報告日期債務人之個別因素及對當前及預測整體經濟狀況之評估進行調整。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. 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.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

預期信貨虧損計量(續)

至於所有其他金融工具，本集團會以相等於12個月之預期信貨虧損金額確認虧損撥備，除非自初步確認後該金融工具的信貨風險顯著增加，在此情況下，虧損撥備會以整個生命周期之預期信貨虧損金額計量。

信貨風險顯著增加
在評估財務工具之信貨風險自初步確認後是否顯著增加時，本集團將於報告日期評估財務工具之違約風險與初步確認時評估的違約風險作比較。在進行這項重新評估時，本集團認為倘(i)於本集團不借助套現抵押品(倘持有任何抵押品)等行動下，借方不太可能向本集團悉數支付信貨責任；或(ii)金融資產已逾期90日，則本集團視為發生違約事件。本集團會考慮合理及有理據的定量和定性資料，包括無需付出不必要的成本或資源獲得的過往經驗及前瞻性資料。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

信貨風險顯著增加(續)

尤其在評估自初步確認後信貨風險是否顯著增加時，會考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具外部或內部的信貨評級(如有)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 環境(包括技術、市場、經濟或法律)之現有或預測改變對債務人履行其對本集團責任之能力構成重大不利影響。

根據金融工具的性质，信貨風險顯著增加的評估按個別項目或集體基準進行。當評估以集體基準進行時，會按照財務工具的共同信貨風險特徵(例如過期狀態及信貨風險評級)歸類。

NOTES TO THE FINANCIAL STATEMENTS

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Significant increases in credit risk (Continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with note 2(w)(iv) 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 the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

信貨風險顯著增加(續)

預期信貨虧損於各報告日期重新計量，以反映自初步確認後金融工具信貨風險之變化。預期信貨虧損金額之任何變化均在損益中確認為減值收益或虧損。集團確認金融工具的減值收益或虧損時，會透過虧損撥備賬對其賬面值進行相應調整。

利息收入的計算基準
利息收入根據附註2(w)(iv)按金融資產之賬面總值計算，除非金融資產出現信貨減值，在這種情況下，利息收入按金融資產之攤銷成本(即賬面總值減虧損撥備)計算。

於各報告日期，本集團評估金融資產是否出現信貨減值。當一項或多項對金融資產未來現金流的估計有負面影響的事件發生時，金融資產會被視為出現信貨減值。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Basis of calculation of interest income

(Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

利息收入的計算基準(續)

一項金融資產為已作信貨減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變以致對債務人造成不利影響；或
- 由於發行者的財務困難，證券的活動市場消失。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(A) Policy applicable from 1 January 2018

(Continued)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at FVPL (e.g. trade and other receivables and available-for-sale investments). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(A) 自二零一八年一月一日適用的政策(續)

註銷政策

倘並無實際可回轉的前景，金融資產之賬面總額(部分或全部)會被註銷。一般情況下，註銷金額為本集團認為債務人沒有資產或收入來源可產生足夠的現金流量以償還該款項。

過往註銷之資產之其後回轉在回轉期間被確認為減值撥回計入損益。

(B) 於二零一八年一月一日前適用的政策

於二零一八年一月一日前，並非以按公允價值計入損益列賬計量之金融資產乃按「已產生虧損」模式計量減值虧損(例如貿易及其他應收款項及可供出售投資)。根據「已產生虧損」模式，減值虧損僅於客觀證據表明存在減值時確認。減值的客觀證據包括：

- 債務人有重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(B) Policy applicable prior to 1 January 2018

(Continued)

- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(B) 於二零一八年一月

一日前適用的政策(續)

- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變以致對債務人造成不利影響；及
- 股本工具投資之公允價值大幅下跌至低於其成本或長期低於其成本。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(B) Policy applicable prior to 1 January 2018

(Continued)

If any such evidence existed, an impairment loss was determined and recognised as follows:

- For trade and other receivables and other financial assets carried at amortised cost, impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(B) 於二零一八年一月

一日前適用的政策(續)

倘任何此等證據存在，任何減值虧損按以下方式釐定及確認：

- 就以攤銷成本列賬之應收貿易賬款及其中應收款項以及其他金融資產而言，如貼現之影響屬重大，減值虧損以資產之賬面值與以金融資產原有實際利率(即在初次確認有關資產時計算之實際利率)貼現估計未來現金流量現值間之差額計量。倘按攤銷成本列賬之金融資產具備類似之風險特徵，例如類似之逾期情況及並未個別被評估為減值，則有關評估會共同進行。金融資產之未來現金流量會根據與共同組別具有類似信貸風險特徵資產之過往虧損共同評估減值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(B) Policy applicable prior to 1 January 2018

(Continued)

If in a subsequent period the amount of an impairment loss decreased and the decrease could be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss was reversed through profit or loss. A reversal of an impairment loss was only recognised to the extent that it did not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

When the recovery of a trade and other receivables or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(B) 於二零一八年一月一日前適用的政策(續)

倘減值虧損於往後期間減少，且該減少客觀地與確認減值虧損後發生之事件有關，則減值虧損於損益表撥回。減值虧損撥回後資產之賬面值不得超逾其在過往年度並無確認任何減值虧損而應已釐定之數額。

倘按攤銷成本入賬的應收貿易賬款及其他應收款項確認被視為呆賬而並非不能收回，在此情況下，有關減值虧損以撥備賬入賬。倘本集團認為難以收回，則視為不可收回之金額直接於應收貿易賬款及其他應收款項中撇銷。其後收回早前計入撥備賬之款項，則於撥備賬撥回。撥備賬之其他變動及其後收回早前直接撇銷之金額均於損益表確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(i) Credit losses from financial instruments

(Continued)

(B) Policy applicable prior to 1 January 2018

(Continued)

- For available-for-sale investments, the cumulative loss that had been recognised in the fair value reserve (recycling) was reclassified to profit or loss. The amount of the cumulative loss that was recognised in profit or loss was the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities were not reversed through profit or loss. Any subsequent increase in the fair value of such assets was recognised in other comprehensive income.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(i) 來自金融工具的信貨虧損(續)

(B) 於二零一八年一月

一日前適用的政策(續)

- 對於可供出售投資，已於公允價值儲備(可回收)確認之累計虧損重新分類至損益表。在損益表內確認累計虧損之金額是收購成本(扣除任何本金還款及攤銷)和現行公允價值之差額，減去任何以前在損益表確認有關該資產之減值虧損。

就可供出售股本證券於損益表確認之減值虧損不得於損益表撥回。該等資產公允價值之任何其後增加於其他全面收益確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(ii) Impairment of exploration and evaluation assets

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment loss whenever one of the following events or changes in circumstances indicates that the carrying amount may not be recoverable:

- the period for which the entity 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 entity has decided to discontinue such activities in the specific area.
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full from successful development or by sale.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(ii) 勘探及評估資產之減值

勘探及評估資產之賬面值會每年審閱，並於以下任何一項事項或情況變動顯示賬面值可能無法收回時就減值虧損作出調整：

- 實體有權於特定地區勘探之時限於期間屆滿或將於不久將來屆滿，且預計不獲續期。
- 於特定地區進一步勘探及評估礦產資源之實際支出不在預算或計劃之內。
- 於特定地區勘探及評估礦產資源的結果未能發現達商業可行數量的礦產資源，而實體已決定終止於該特定地區進行該項活動。
- 儘管很可能發展該特定地區，惟存在足夠數據指出勘探及評估資產之賬面值多數不能因成功發展或銷售而全面收回。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(ii) Impairment of exploration and evaluation assets (Continued)

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount in accordance with note 2(n)(iii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(n)(iii).

(iii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(ii) 勘探及評估資產之減值(續)

根據附註2(n)(iii)，倘一項資產之賬面值超出其可收回金額時，則減值虧損於損益表內確認。釐定可收回金額(按附註2(n)(iii)計算)的估計出現利好變化時，可撥回減值虧損。

(iii) 其他非流動資產減值

內部及外來資料來源均於每個報告期末審閱，以識別是否有跡象顯示以下資產可能減值(除商譽外)或先前確認之減值虧損不再存在或可能有所減少：

- 物業、廠房及設備；
- 無形資產；
- 商譽；及
- 計入本公司財務狀況表的於附屬公司之投資。

倘存在任何有關跡象，則估計資產之可收回金額。此外，商譽、未供使用之無形資產及擁有無限可使用年期之無形資產之可收回金額會每年估計，而不論是否有任何減值跡象。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(iii) Impairment of other non-current assets

(Continued)

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(iii) 其他非流動資產減值(續)

- 計算可收回金額
資產之可收回金額乃其公允價值減出售成本與使用價值之較高者。評估使用價值時，乃以除稅前貼現率將估計未來現金流量貼現至現值，而該貼現率反映當時市場對金錢時間價值之評估及該項資產之特定風險。倘某項資產並無產生大致獨立於其他資產所產生之現金流入，可收回金額乃按可獨立產生現金流入之最小資產組別(即現金產生單位)釐定。

- 確認減值虧損
於資產賬面值或其所屬現金產生單位的賬面值高於其可收回金額時，會於損益表確認減值虧損。就現金產生單位確認之減值虧損會分配，以減少任何分配至現金產生單位(或該組單位)商譽之賬面值，及其後按比例減少單位(或該組單位)內其他資產之賬面值，惟資產之賬面值不得減至低於其個別公允價值減出售成本後所得數額(如能計量)或其使用價值(如能釐定)。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(n) Credit losses and impairment of assets

(Continued)

(iii) Impairment of other non-current assets

(Continued)

- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iv) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(n)(i), (ii) and (iii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

2 重大會計政策(續)

(n) 資產的信貨虧損及減值(續)

(iii) 其他非流動資產減值(續)

- 撥回減值虧損
就商譽以外資產而言，倘用以釐定可收回金額之估計出現有利轉變，則撥回減值虧損。商譽之減值虧損不會撥回。

撥回之減值虧損僅限於倘過往年度並未確認減值虧損而釐定之資產賬面值。撥回之減值虧損乃於確認撥回之年度計入損益表。

(iv) 中期財務報告及減值

根據上市規則，本集團須根據香港會計準則第34號「中期財務報告」編製有關財政年度首六個月之中期財務報告。於中期期間結束時，本集團採用與其於財政年度年結日相同之減值測試、確認方法及撥回準則(見附註2(n)(i)、(ii)及(iii))。

於中期期間就商譽確認之減值虧損不會於往後期間撥回。倘僅於與中期期間相關之財政年度年結日評估減值，即使並無確認虧損或虧損較少，亦不會撥回。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(o) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 重大會計政策(續)

(o) 存貨

存貨為於日常業務情況下、就該等銷售的生產過程中或在生產過程或提供勞務過程中耗用的材料和物料的方式持作銷售。

存貨按成本與可變現淨值之較低者列賬。

成本按加權平均成本方式計算，包括所有購買成本、加工成本及將存貨達至現行地點及狀況所產生之其他成本。

可變現淨值為於日常業務中之估計售價，減估計完成成本及出售所需估計成本。

出售存貨時，該等存貨之賬面值會於確認相關收益之期間確認為開支。撇減存貨至可變現淨值之款額及所有存貨虧損，均於有關撇減或虧損產生期間確認為開支。由於任何存貨撇減撥回金額確認為存貨金額減少，有關款項於撥回產生期間確認為開支。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(p) Trade and other receivables

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

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(n)(i)).

(q) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(y)).

(r) Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2 重大會計政策(續)

(p) 應收貿易賬款及其他應收款項

當本集團有權無條件接受代價，一項應收款項已獲確認。使接受代價的權利成為無條件，於代價到期前，僅有時間的過去為必須。

應收款項使用實際利率法按攤銷成本減呆賬減值撥備入賬(見附註2(n)(i))。

(q) 計息借貸

計息借貸初步按公允價值減應佔交易成本計量。初步確認後，計息借貸使用實際利率法按攤銷成本列賬。利息開支根據本集團的會計政策就借貸成本確認(見附註2(y))。

(r) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步按公允價值確認及其後按攤銷成本列賬，除非貼現影響並不重大，於該情況下，則按成本列賬。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(t) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

2 重大會計政策(續)

(s) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、於銀行及其他金融機構之活期存款，以及可隨時轉換為已知金額現金及價值變動風險輕微、於購入後三個月內到期之短期高流通性投資。

(t) 僱員福利

(i) 短期僱員福利及定額供款退休計劃供款

薪金、年度花紅、有薪年假、定額供款退休計劃供款及非貨幣福利成本會在僱員提供相關服務之年度內計提。倘延遲付款或清償會產生重大影響，有關金額則按其現值列賬。

(iii) 終止福利

終止福利於本集團不再能取消提供該等福利時及本集團確認涉及支付終止福利之重組成本時之較早者確認。

(u) 所得稅

年內所得稅包括即期稅項以及遞延稅項資產及負債變動。即期稅項以及遞延稅項資產及負債變動於損益表確認，惟倘與於其他全面收益及直接於權益確認之項目相關者則除外，在該情況下，稅項相關金額分別於其他全面收益或直接於權益確認。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Income tax (Continued)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 重大會計政策(續)

(u) 所得稅(續)

即期稅項為年內應課稅收入之預期應繳稅項，按於報告期末已頒佈或實質頒佈之稅率計算，並就過往年度應繳稅項作出調整。

遞延稅項資產及負債分別源自可扣減及應課稅暫時差額，即就財務申報之資產及負債賬面值與稅基間之差額。遞延稅項資產亦源自未動用稅項虧損及未動用稅項抵免。

除若干有限例外情況外，所有遞延稅項負債及可能有可動用資產用以抵銷日後應課稅溢利之所有遞延稅項資產均予確認。可支持確認源自可扣減暫時差額之遞延稅項資產之日後應課稅溢利，包括現有應課稅暫時差額撥回，惟該等差額須與相同稅務機關及相同應課稅實體相關，且預期在可扣減暫時差額預計撥回之相同期間，或來自遞延稅項資產之稅項虧損可撥回或結轉之多個期間撥回。相同標準應用在決定現時應課稅暫時差額能否支持確認來自未動用稅項虧損及抵免之遞延稅項資產，即與相同稅務機關及相同應課稅實體有關，且預期在可動用稅項虧損或抵免之一段或多段期間撥回，則會計入該等差額。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 重大會計政策(續)

(u) 所得稅(續)

確認遞延稅項資產及負債之有限制例外情況為，該等不可扣稅之商譽所產生暫時差額、初步確認不影響會計或應課稅溢利之資產或負債(惟不得為業務合併其中部分)，及與於附屬公司投資有關之暫時差額，惟以下列情況為限：就應課稅暫時差額而言，本集團能控制撥回時間，且差額於可見將來有可能不會撥回，或就可扣減差額而言，則除非其有可能在日後撥回。

所確認之遞延稅項金額乃按照資產及負債賬面值之預期變現或償還方式，根據報告期末已執行或實質上已執行的稅率計量。遞延稅項資產及負債毋須計算貼現值。

遞延稅項資產賬面值於各報告期末審閱，在不再可能有足夠應課稅溢利可供動用相關稅務利益之情況下予以扣減。任何有關扣減於有可能具備足夠應課稅溢利之情況下予以撥回。

因分派股息而產生之額外所得稅在支付有關股息之責任確立時確認。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(v) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

2 重大會計政策(續)

(u) 所得稅(續)

即期稅項結餘及遞延稅項結餘以及有關變動會個別列賬，且不予抵銷。倘本集團擁有可依法執行權利，以即期稅項資產抵銷即期稅項負債，且符合下列其他條件，則即期稅項資產會抵銷即期稅項負債，而遞延稅項資產則會抵銷遞延稅項負債：

- 就即期稅項資產及負債而言，本集團擬按淨額基準結算，或同時變現資產及清償負債；或
- 就遞延稅項資產及負債而言，倘若其與同一稅務機關所徵收所得稅相關，而所得稅乃由以下實體徵收：
 - 相同應課稅實體；或
 - 不同應課稅實體，而在預期將清償或收回大額遞延稅項負債或資產之未來各個期間，擬按淨額基準變現即期稅項資產及清償即期稅項負債，或同時進行變現及清償。

(v) 撥備及或然負債

倘本集團或本公司因過去事件須承擔法定或推定責任，而解除有關責任將有可能導致經濟利益流出，並能夠可靠估算金額，則確認撥備。倘金錢之時間價值重大，撥備按預期解除責任開支之現值列賬。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(v) Provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(w) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, and the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of goods

Revenue is recognised when the customer takes possession of and accepts the goods which was taken to be the point in time when the customer obtain control of the goods.

In the comparative period, revenue from sales of goods was recognised when the goods were delivered to the customers' premises, which was taken to be the point in time when the customer had accepted the goods and the related risks and rewards of ownership.

2 重大會計政策(續)

(v) 撥備及或然負債(續)

倘不可能需要流出經濟利益，或未能可靠估計有關金額，則有關責任會披露為或然負債，除非經濟利益流出之可能性極低則作別論。僅於發生或不發生一件或多件未來事件方能確認其存在與否之可能產生責任亦披露為或然負債，除非經濟利益流出之可能性極低則作別論。

(w) 收益及其他收入

本集團將其日常業務過程中源自銷售貨品、提供服務的收益分類為收入。

當貨品或服務的控制權按本集團預期有權獲取的承諾代價數額(不包括代表第三方收取的金額)轉移至客戶時，收入予以確認。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

有關本集團收入及其他收益確認政策的進一步詳情載列如下：

(i) 銷售貨品

收入乃於客戶擁有並接受貨品時，即客戶取得產品控制權的時間點確認。

於比較期間，來自銷售貨品的收入於貨品配送至顧客地點時確認，該時間點為客戶接受該貨品及所有權相關風險及回報時。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(w) Revenue and other income (Continued)

(ii) Rendering of services

The Group recognises revenue over time as the services are provided. Where a contract has two or more performance obligations, the Group allocates the transaction price to each service in proportion to those stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions.

(iii) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(n)(i)).

2 重大會計政策(續)

(w) 收益及其他收入(續)

(ii) 提供服務

本集團於提供服務時隨時間確認收入。如合約包含兩項或多項履約義務，本集團按各項服務的單獨售價的相對比例，將交易價格分攤至各項服務。交易價格按本集團於單獨交易銷售服務的報價而釐定。

(iii) 股息

來自非上市投資之股息收入於確立股東收取付款之權利時確認。

上市投資的股息收入於投資的股價除息時確認。

(iv) 利息收入

利息收入採用實際利率法於產生時確認，即將金融資產在預計存續期的估計未來現金收款額準確折現為該工具賬面總值所使用的利率。就按攤銷成本或按公允價值計入其他全面收益(可回收)計量且並無出現信貸減值之金融資產而言，實際利率用於該資產之賬面總值。就出現信貸減值之金融資產而言，實際利率用於資產之攤銷成本(即賬面總值扣除虧損撥備)(見附註2(n)(i))。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations whose functional currency is the currency of a non-hyperinflationary economy are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

The results of foreign operations whose functional currency is the currency of a hyperinflationary economy applies hyperinflation accounting in accordance with HKAS 29 as described in note 2(c). When the economy ceases to be hyperinflationary, the Group will discontinue the application of hyperinflation accounting and the amounts presented in the measuring unit current at the end of the previous reporting period will become the basis for the carrying amounts in its subsequent financial statements.

2 重大會計政策(續)

(x) 外幣換算

年內外幣交易均按交易當日之匯率換算。以外幣結算之貨幣資產及負債均按報告期末之匯率換算。匯兌收益及虧損於損益表確認。

以歷史成本計量的外幣非貨幣資產與負債按交易日的匯率換算。交易日為本集團初步確認該等非貨幣資產與負債的日期。以公允價值列賬的外幣結算非貨幣資產與負債，則按計量公允價值當時匯率換算。

海外業務之業績(其功能性貨幣為非惡性通脹經濟的貨幣)按於交易日與外幣匯率相若之匯率換算為港元。財務狀況表項目則按報告期末之外幣匯率換算為港元。所產生之匯兌差額於其他全面收益確認並於外匯儲備股本部分獨立累計。

海外業務之業績(其功能性貨幣為惡性通脹經濟的貨幣)如附註2(c)所述根據香港會計準則第29號應用惡性通貨膨脹會計法。倘經濟脫離惡性通貨膨脹，本集團將取消持續應用惡性通貨膨脹會計法及於以往報告期間末的當前計量單位所呈列之金額將成為其隨後財務報表的賬面值之基準。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(x) Translation of foreign currencies (Continued)

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(z) 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.

2 重大會計政策(續)

(x) 外幣換算(續)

於出售海外業務時，倘損益於出售時予以確認，則有關該海外業務之外匯差額累計金額自權益重新分類至損益表。

(y) 借貸成本

直接由於收購、興建或生產資產時需耗用大量時間以達致其擬定用途或作銷售而產生之借貸成本均撥充資本，作資產的部分成本。其他借貸成本於產生期間支銷。

於資產錄得開支、借貸成本產生及準備資產作擬定用途或銷售之活動進行時，開始將借貸成本撥充資本，作為合資格資產之部分成本。倘將合資格資產準備作擬定用途或銷售之絕大部分活動遭到干擾或完成，借貸成本將暫停或停止撥充資本。

(z) 關聯方

(a) 如屬以下人士，則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力；或
- (iii) 為本集團或本集團母公司之主要管理層成員。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(z) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (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.

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.

2 重大會計政策(續)

(z) 關聯方(續)

- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體的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的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
 - (vi) 實體受(a)所識別人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(或該實體的母公司)主要管理層成員。
 - (viii) 向本集團或本集團母公司提供主要管理人員服務的該實體或其中成員群組的任何成員。

一位人士之近親為與實體進行交易時預期影響該人士或受該人士影響之家族成員。

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2 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(aa) 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.

2 重大會計政策(續)

(aa) 分類呈報

經營分部及於財務報表呈報之各分部項目金額按就向本集團不同業務及地理位置作出資源分配及評估其表現而定期向本集團最高級行政管理層提供的財務資料確定。

除非分部擁有類似經濟特點及類似產品與服務性質、生產過程性質、顧客種類或類別、分銷產品或提供服務方法及監管環境性質，否則個別重大經營分部不會就財務呈報目的合併計算。並非個別重大之經營分部如具備大部分相同條件，則或會合併計算呈報。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Note 31 contains information about the assumptions and their risk factors relating to financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Oil and gas properties and reserves

Engineering estimates of the Group's oil and gas resources and reserves are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated oil and gas reserves can be designated as "proved". Proved and probable reserves estimates are updated at least annually and take into account recent production and technical information about each field. In addition, as prices and cost levels change from year to year, the estimate of proved and probable reserves also changes. This change is considered a change in estimate for accounting purposes and is reflected on a prospective basis in related depreciation rates.

Future dismantlement costs for oil and gas properties are estimated with reference to engineering estimates after taking into consideration the anticipated method of dismantlement required in accordance with industry practices in similar geographic area, including estimation of economic life of oil and gas properties, technology and price level. The present values of these estimated future dismantlement costs are capitalised as oil and gas properties with equivalent amounts recognised as provisions for dismantlement costs.

Despite the inherent imprecision in these engineering estimates, these estimates are used in determining depreciation expense, impairment expense and future dismantlement costs. Depreciation rates are determined based on estimated proved and probable reserve quantities (the denominator) and capitalised costs of producing properties (the numerator). Producing properties' capitalised costs are amortised based on the units of oil and gas produced.

3 會計判斷及估計

附註31載有有關金融工具之假設及風險因素之資料。其他主要估計來源之不明朗因素如下：

(i) 油氣資產和儲量

鑒於編製有關資料涉及主觀的判斷，本集團油氣資源儲量的工程估計存有內在的不精確性，並僅屬相若數額。在估計油氣儲量可確定為「探明儲量」之前，需要遵從若干有關工程標準的權威性指引。探明及概略已開發儲量的估計須至少每年更新一次，並計入各個油田最近的生產和技術資料。此外，由於價格及成本水平按年變更，因此，探明及概略已開發儲量的估計也會出現變動。就會計目的而言，有關變動視為估計變更處理，並按預期基準反映在相關的折舊率中。

本集團對油氣資產未來的拆除費用的估計是按照類似區域目前的行業慣例考慮預期的拆除方法，包括油氣資產預期的經濟年限、技術和價格水平的因素，並參考工程的估計後進行的。預計未來拆除費用的現值資本化為油氣資產，並且以同等金額計入相應的拆除成本的預計負債中。

儘管工程估計存有內在的不精確性，有關估計被用作折舊費用、減值虧損及未來的拆除費用的基準。折舊率按評估的已探明及可能儲量(分母)和生產裝置的已資本化成本(分子)計算。生產裝置的已資本化成本按油氣產量法攤銷。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(ii) Impairment losses of non-current assets

In considering the impairment losses that may be required for certain of the Group's assets which include exploration and evaluation assets, property, plant and equipment, intangible assets, goodwill and investments in joint ventures, recoverable amount of the asset needs to be determined. The recoverable amount is the greater of the fair value less costs to sell and the value in use. It is difficult to precisely estimate selling price because quoted market prices for these assets may not be readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling price and amount of operating costs.

(iii) Depreciation and amortisation

Property, plant and equipment and intangible assets, other than oil production assets, oil exploration rights and rights on oil sharing, are depreciated and amortised on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual values, if any. The Group reviews the estimated useful lives and the residual values of the assets regularly in order to determine the amount of depreciation and amortisation expense to be recorded during any reporting period. The determination of the useful lives and the residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation and amortisation expense for future periods are adjusted if there are significant changes from previous estimates.

3 會計判斷及估計(續)

(ii) 非流動資產減值虧損

鑒於本集團若干資產(包括勘探及評估資產、物業、廠房及設備、無形資產、商譽及於合營企業之投資)可能會出現減值虧損，須釐定有關資產之可收回金額。可收回值是以公允價值減銷售成本與使用價值兩者中的較高者計算。由於本集團難以獲得資產的公開市價，因此難以準確地估計售價。在釐定使用價值時，該資產所產生的預期現金流量會貼現至其現值，因而需要對銷售額、售價和經營成本等作出重大判斷。本集團在釐定與可收回數額相若的合理數額時會採用所有容易可供使用的資料，包括根據合理和可支持的假設所作出的估計和銷售額、售價及經營成本的預測。

(iii) 折舊及攤銷

物業、廠房及設備以及無形資產(石油生產資產、石油勘探權及石油分成權除外)的折舊及攤銷乃於考慮估計殘值後，按資產的預計可使用年限，以直線法計算。本集團定期審核資產的預計可使用年限及殘值，以於任何報告期間釐定記錄的折舊及攤銷支出金額。可使用年限及殘值乃根據相近資產的過往經驗計算，並考慮預計的技術轉變。倘過往的估計出現重大變動，則日後期間的折舊支出亦會作出調整。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(iv) Income tax

The Group is subject to various taxes in Hong Kong, PRC, Argentina and the United States of America ("US") where the Group entities operate. Judgment is required in determining the provision for current and deferred tax. There are transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises tax liabilities based on the historical experience and with reference to the tax rules and regulations enacted at the reporting period end date. Where the final tax outcome of these matters is different from the amounts that are initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

4 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are (i) exploration, development, production and sale of natural resources; (ii) commodities trading. Further details regarding the Group's principal activities are disclosed in note 4(b).

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第15號 涵蓋範圍內來自客戶合約的 收益		
Disaggregated by major products or service lines	以主要產品或服務線細分		
Sale of oil products under oil exploration and production	銷售石油勘探及生產之石油產品	32,959	43,467
Sale of non-ferrous metals under commodities trading	銷售商品貿易之有色金屬	265,030	244,090
		297,989	287,557

3 會計判斷及估計(續)

(iv) 所得稅

本集團須繳納香港、中國、阿根廷及美利堅合眾國(「美國」)(本集團實體的經營所在地)的各種稅項。釐定即期及遞延稅項撥備需作出判斷。所涉及的交易及計算均難以對最終稅務作出明確釐定。本集團根據過往經驗及參考報告期間未已制定稅收規例及法規確認稅項負債。倘該等事項的最終稅項結果與初步記錄金額有別，該差異將影響釐定稅項期間的即期及遞延稅項撥備。

4 收益及分部報告

本集團之主要業務為(i)勘探、開發、生產及銷售天然資源；(ii)商品貿易。有關本集團主要業務的進一步詳情已於附註4(b)披露。

(a) 收益的細分

來自客戶合約的收益以主要產品或服務線細分如下：

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4 REVENUE AND SEGMENT REPORTING

(Continued)

(a) Disaggregation of revenue (Continued)

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in notes 4(b)(i) and 4(b)(iii) respectively.

The Group has two (2017: four) customers and the amounts of individual customer are disclosed as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer 1	客戶一	265,030	52,882
Customer 2	客戶二	32,959	43,467
Customer 3	客戶三	—	146,996
Customer 4	客戶四	—	44,212

Details of concentrations of credit risk arising from these customers are set out in note 31(a).

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

Details of the Group's reportable segments as follows:

- Upstream: This segment is engaged in the exploration, development, production and sale of crude oil. Currently the Group's activities in this regard are carried out in Argentina.
- Commodities trading: This segment includes trading of non-ferrous metals and other products.

4 收益及分部報告(續)

(a) 收益的細分(續)

來自客戶合約收益按確認收益的時間及市場地區之細分已分別於附註4(b)(i)及4(b)(iii)披露。

本集團具有兩名(二零一七年:四名)個別客戶，其金額披露如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer 1	客戶一	265,030	52,882
Customer 2	客戶二	32,959	43,467
Customer 3	客戶三	—	146,996
Customer 4	客戶四	—	44,212

來自客戶之集中信貸風險詳情載於附註31(a)。

(b) 分部報告

本集團按業務單位及地區位置劃分及管理其業務分部。以就分配資源及評核表現而向本集團主要營運決策者內部呈報資料相符之方式，本集團已呈列下列兩個可呈報分部。下列可呈報分部並無合併任何經營分部。

本集團呈報分部如下：

- 上游：此分部從事原油勘探、開發、生產及銷售業務。目前，本集團於阿根廷開展該業務。
- 商品貿易：此分部從事有色金屬及其他商品貿易。

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4 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's chief operating decision maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interests in joint ventures, other investment in equity securities, available-for-sale investments, deferred tax assets and unallocated corporate assets. Segment liabilities include all the liabilities with the exception of deferred tax liabilities and unallocated corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment profit/loss includes the Group's share of profit/loss arising from the activities of the Group's joint operation.

Segment profit/loss represents the profit/loss resulted by each segment without allocation of provision/reversal of impairment loss of assets, share of losses of joint ventures, net investment loss, unallocated interest income and expense and other net expense in corporate head office. This is the measure reported to the Group's chief executive decision maker for the purposes of resource allocation and performance assessment.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2(aa).

4 收益及分部報告(續)

(b) 分部報告(續)

(i) 分類業績、資產及負債

就評估分部表現及分部間資源分配，本集團主要營運決策者按以下基準監控各呈報分部應佔之業績、資產與負債：

分部資產包括所有有形、無形資產及流動資產，但並不包括於合營企業之權益、其他權益證券投資、可供出售投資、遞延稅項資產及未分配企業資產。分部負債包括全部負債，但不包括遞延稅項負債及未分配企業負債。

收益及開支乃按該等分部產生之銷售額、該等分部產生之開支或該等分部應佔之資產所產生折舊或攤銷分配至呈報分部。分部溢利／虧損計入本集團聯合經營活動產生的應佔溢利／虧損。

分部溢利／虧損指各分部所產生之溢利／虧損，且未分配資產減值虧損撥備／回撥、應佔合營企業虧損、投資虧損淨值、未分配利息收入及開支及公司總部之其他開支淨額。此為就資源分配及表現評估而向本集團主要營運決策者報告之方式。

可報告分部之會計政策與本集團載列於附註2(aa)之會計政策相同。

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4 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities

(Continued)

Disaggregation of revenue from contracts with customers, as well as information regarding the Group's reportable segments as provided to the Group's chief operating decision maker for the purposes of resource allocation and performance assessment for the year is set out below:

		Upstream 上游		Commodities trading 商品貿易		Total 總計	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Reportable segment revenue (note)	可呈報分部收益 (附註)	32,959	43,467	265,030	244,090	297,989	287,557
Reportable segment loss	可呈報分部虧損	(47,290)	(67,419)	(179)	(108)	(47,469)	(67,527)
Depreciation and amortisation	折舊及攤銷	5,624	7,570	–	–	5,624	7,570
Exploration expenses	勘探開支	371	35,544	–	–	371	35,544
Interest income	利息收入	5	–	–	–	5	–
Interest expense	利息開支	–	36	–	–	–	36
Reversal of impairment loss of exploration and evaluation assets	回撥資產減值虧損 – 勘探及評估資產	–	(248,040)	–	–	–	(248,040)
Additions to non-current segment assets during the year	年內非流動分部資產增加	40,821	43,690	–	–	40,821	43,690
Reportable segment assets	可呈報分部資產	2,455,299	2,469,723	–	–	2,455,299	2,469,723
Reportable segment liabilities	可呈報分部負債	(53,559)	(47,601)	(601)	(201)	(54,160)	(47,802)

Note:

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during both the current and prior years. All of the Group's revenue is recognised at a point in time.

附註:

上文所報之分部收益指來自向外客戶銷售之收益。於本年度及以往年度，並無分部間銷售額。本集團的所有收益於一個時點已獲確認。

4 收益及分部報告 (續)

(b) 分部報告 (續)

(i) 分類業績、資產及負債 (續)

年內，提供予本集團主要營運決策者用作資源分配及分部表現評估之來自客戶合約收益之細分及本集團呈報分部資料如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

4 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

4 收益及分部報告(續)

(b) 分部報告(續)

(ii) 可呈報分部收益及損益、資產及負債之對賬表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益		
Reportable segment revenue	可呈報分部收益	297,989	287,557
(Loss)/profit	(虧損)/溢利		
Reportable segment loss	可呈報分部虧損	(47,469)	(67,527)
Unallocated interest income	未分配利息收入	16,603	15,362
Unallocated interest expense	未分配利息開支	(15,687)	(19,257)
(Provision)/reversal of impairment loss of assets	(計提)/回撥資產減值虧損	(72,771)	228,611
Other net expenses in corporate head office	公司總部其他開支淨額	(22,350)	(23,591)
Share of losses of joint ventures	應佔合營企業之虧損	(4,452)	(4,150)
Gain on partial disposal of interest in a joint venture	出售於一間合營企業之部分權益之收益	-	3,304
Net investment loss	投資虧損淨值	(100,321)	(37,492)
Consolidated (loss)/profit before taxation	除稅前綜合(虧損)/溢利	(246,447)	95,260

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

4 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

(Continued)

4 收益及分部報告(續)

(b) 分部報告(續)

(ii) 可呈報分部收益及損益、資產及負債之對賬表(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產		
Reportable segment assets	可呈報分部資產	2,455,299	2,469,723
Interest in joint ventures	於合營企業之權益	12,827	18,104
Other investment in equity securities	其他權益證券投資	18,694	–
Available-for-sale investments	可供出售投資	–	36,617
Deferred tax assets	遞延稅項資產	–	11,149
Unallocated corporate assets	未分配企業資產		
– Cash and cash equivalents	– 現金及現金等價物	904,935	833,451
– Other financial assets	– 其他金融資產	80,468	329,610
– Promissory note receivable	– 應收承兌票據	–	42,687
– Other receivables	– 其他應收款項	7,472	41,810
– Others	– 其他	394	498
Consolidated total assets	綜合資產總值	3,480,089	3,783,649
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	(54,160)	(47,802)
Deferred tax liabilities	遞延稅項負債	(31,436)	–
Unallocated corporate liabilities	未分配企業負債		
– Other borrowings	– 其他借貸	(210,792)	(213,780)
– Deposit received	– 已收按金	(48,880)	(48,880)
– Others	– 其他	(4,845)	(5,871)
Consolidated total liabilities	綜合負債總額	(350,113)	(316,333)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

4 REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment reporting (Continued)

(iii) 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 non-current assets other than other investment in equity securities, available-for-sale investments and deferred tax assets ("specified non-current assets"). The geographical location of the Group's revenue is based on the locations of customers. The geographical location of the specified non-current assets is based on (i) the physical location of the asset, in the case of property, plant and equipment and exploration and evaluation assets; and (ii) the location of the operation to which they are allocated, in the case of intangible assets, goodwill, prepayments, deposits and other receivables. In the case of interest in joint ventures, it is based on the location of the operation of such joint ventures.

4 收益及分部報告(續)

(b) 分部報告(續)

(iii) 地區資料

下表載列(i)本集團來自外部客戶之收益；及(ii)本集團之非流動資產，不包括其他權益證券投資、可供出售投資及遞延稅項資產(「特定非流動資產」)地理位置之資料。本集團收益之地理位置乃基於客戶所在地。特定非流動資產之所在地乃基於(i)就物業、廠房及設備及勘探及評估資產而言，資產本身位處之地點；及(ii)就無形資產、商譽、預付款項、按金及其他應收款項而言，彼等獲分配之營運地區。就於合營企業之權益而言，則以該合營企業業務所在地點為準。

		Revenues from external customers 來自外部客戶之收益		Specified non-current assets 特定非流動資產	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Singapore	新加坡	265,030	52,882	–	–
Hong Kong	香港	–	191,208	1,173	1,541
PRC	中國	–	–	11,733	16,733
Argentina	阿根廷	32,959	43,467	2,385,691	2,409,427
		297,989	287,557	2,398,597	2,427,701

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

5 OTHER INCOME

5 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank interest income	銀行利息收入	12,689	6,804
Interest income on promissory note receivable	應收承兌票據之利息收入	3,919	6,900
Other interest income	其他利息收入	–	1,658
Total interest income on financial assets not at fair value through profit or loss	非透過損益以公允價值列賬的金融資產利息收入總額	16,608	15,362
Net foreign exchange loss	匯兌虧損淨額	(46,399)	(4,840)
Net loss on disposal of non-current assets of Palmar Largo concession (note 18)	處置Palmar Largo特許權區之非流動資產的虧損淨額(附註18)	(7,186)	–
Drilling service income	鑽井服務收入	14,588	–
Hyperinflation monetary adjustments (note 2(c))	惡性通貨膨脹貨幣性調整(附註2(c))	4,009	–
Others	其他	7,633	5,728
		(10,747)	16,250

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

6 (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/
(crediting):

(a) Finance costs

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on other borrowings 其他借貸利息	15,687	19,293

(b) Staff costs (including directors' remuneration)

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, wages and other benefits 薪金、津貼及其他福利	16,034	23,536
Contributions to defined contribution retirement plan 定額供款退休計劃供款	4,604	4,053
	20,638	27,589

(c) Provision/(reversal) of impairment loss of assets

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Exploration and evaluation assets 勘探及評估資產	-	(248,040)
Available-for-sale investments 可供出售投資	-	19,429
Promissory note receivable (note 19) 應收承兌票據(附註19)	38,846	-
Trade and other receivables 應收貿易賬款及其他應收款項	33,925	-
	72,771	(228,611)

6 除稅前(虧損)/溢利

除稅前(虧損)/溢利乃經扣除/(計入)
下列各項:

(a) 融資成本

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on other borrowings 其他借貸利息	15,687	19,293

(b) 員工成本(包括董事酬金)

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, wages and other benefits 薪金、津貼及其他福利	16,034	23,536
Contributions to defined contribution retirement plan 定額供款退休計劃供款	4,604	4,053
	20,638	27,589

(c) 計提/(回撥)資產減值虧損

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Exploration and evaluation assets 勘探及評估資產	-	(248,040)
Available-for-sale investments 可供出售投資	-	19,429
Promissory note receivable (note 19) 應收承兌票據(附註19)	38,846	-
Trade and other receivables 應收貿易賬款及其他應收款項	33,925	-
	72,771	(228,611)

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).

附註：本集團已於二零一八年一月一日初步應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方法，對比資料不作重列。見附註2(d)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

6 (LOSS)/PROFIT BEFORE TAXATION (Continued) 6 除稅前(虧損)/溢利(續)

(d) Net investment loss

(d) 投資虧損淨額

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed equity securities at fair value	以公允價值列賬之上市股本證券 23(i)	100,492	39,532
Unlisted investment funds at fair value	以公允價值列賬之非上市投資基金 23(ii)	1,955	(1,524)
Unlisted equity-linked securities	非上市股本掛鈎證券 23(iii)	(2,126)	(516)
		100,321	37,492

(e) Other items

(e) 其他項目

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Amortisation of intangible assets	無形資產攤銷	1,156	2,905
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	4,585	4,881
Operating leases charges:	經營租賃費用：		
minimum lease payments	最低租賃付款		
– leasehold land and buildings	– 租賃土地及樓宇	2,764	2,759
Auditor's remuneration	核數師酬金		
– audit services	– 審核服務	2,550	2,520
– other services	– 其他服務	687	889
Cost of inventories (note)	存貨成本(附註)	286,863	280,651

Note:

Cost of sales includes approximately HK\$1,584,000 (2017: HK\$3,981,000) relating to depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above for each of these types of expenses.

附註：

銷售成本包括約1,584,000港元(二零一七年：3,981,000港元)，乃與折舊及攤銷開支有關，該金額亦計入就各類此等費用於上文分別披露的各自總金額內。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

7 綜合損益表內之所得稅

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表內之稅項指：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax 即期稅項 – 香港利得稅		
Provision for the year 年內撥備	–	–
Current tax – overseas 即期稅項 – 海外		
Provision for the year 年內撥備	–	23
Over-provision in respect of prior years 就往年過渡撥備	(55)	–
	(55)	23
Deferred tax 遞延稅項		
Origination and reversal of temporary differences 臨時差額之產生及撥回	10,832	(6,460)
	10,777	(6,437)

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands (“BVI”), the Company and its subsidiaries incorporated in Bermuda and the BVI are not subject to any income tax in Bermuda and the BVI for both the current and prior years.

No provision for Hong Kong profits tax has been made as the Group's operations in Hong Kong had no assessable profits for the year. The provision for Hong Kong profits tax for 2018 is calculated at 16.5% (2017: 16.5%) of the estimated assessable profit for the years.

根據百慕達及英屬處女群島(「英屬處女群島」)之規則及法規，本公司及其附屬公司於當前及過往年度均無須繳納百慕達及英屬處女群島任何所得稅。

年內，由於本集團於香港之業務並無應課稅溢利，故並無計提香港利得稅撥備。於二零一八年，香港利得稅撥備乃根據年內之估計應課稅溢利按16.5% (二零一七年：16.5%)之稅率計算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

(a) Taxation in the consolidated statement of profit or loss represents: (Continued)

Subsidiaries of the Group in Argentina are subject to Argentina corporate income tax ("CIT") at 30% (2017: 35%) and minimum presumed income tax ("MPIT"). MPIT is supplementary to CIT and is chargeable at the applicable tax rate of 1% on the tax basis of certain assets. The tax liabilities of subsidiaries of the Group in Argentina are the higher of CIT and MPIT.

Taxation for other overseas subsidiaries of the Group is charged at the appropriate current rates of taxation ruling in the relevant countries and regions.

(b) Reconciliation between tax charge/(credit) and accounting (loss)/profit at applicable tax rates:

7 綜合損益表內之所得稅(續)

(a) 綜合損益表內之稅項指：(續)

本集團於阿根廷之附屬公司須按30%稅率(二零一七年：35%)繳納阿根廷企業所得稅(「企業所得稅」)及推測最低所得稅(「推測最低所得稅」)。推測最低所得稅為企業所得稅之補充，並就若干資產之稅基按1%實際稅率徵收。本集團於阿根廷之稅項負債為企業所得稅及推測最低所得稅之較高者。

本集團其他海外附屬公司之稅項按相關國家及地區之現行適當稅率收取。

(b) 稅務開支/(抵免)與會計(虧損)/溢利按適用稅率之對賬：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(246,447)	95,260
Notional tax on (loss)/profit before taxation, calculated at the rates applicable to loss in the jurisdictions concerned	有關除稅前(虧損)/溢利之名義稅項，按適用於有關稅務司法權區虧損之稅率計算	(38,035)	109
Tax effect of non-taxable income	非課稅收入之稅務影響	(2,118)	(42,426)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	25,910	24,500
Tax effect of hyperinflation impact	惡性通貨膨脹的影響之稅務影響	20,654	-
Tax effect of tax losses and temporary differences not recognised	未確認稅務虧損及暫時差額之稅務影響	4,421	9,860
Over-provision in respect of prior years	就往年過度撥備	(55)	-
Effect on deferred tax balance resulting from a change in tax rate	稅率變動引起之遞延稅項結餘影響	-	1,520
Actual tax expense/(credit)	實際稅務開支/(抵免)	10,777	(6,437)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

8 DIRECTORS' REMUNERATION

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事薪酬

董事薪酬根據香港公司條例第383(1)條及公司(披露董事利益資料)規則第2部規定披露如下：

		2018 二零一八年				
		Salaries, Directors' fees	allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
		薪金、津貼及 董事袍金	實物福利	酌情花紅	退休計劃 供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<i>Chairman</i>	<i>主席</i>					
Mr. Cheng Kam Chiu, Stewart	鄭錦超先生	–	2,040	510	18	2,568
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Tang, John Wing Yan	鄧永恩先生	–	2,040	510	–	2,550
Mr. Zhang Kun (resigned on 9 February 2018)	張堃先生(於二零一八年 二月九日辭任)	–	71	100	2	173
<i>Non-executive director</i>	<i>非執行董事</i>					
Mr. Cheng Ming Kit (resigned on 13 April 2018)	鄭明傑先生(於二零一八年 四月十三日辭任)	57	–	–	–	57
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Chan Chi Yuen	陳志遠先生	200	–	–	–	200
Mr. Chiu Wai On	招偉安先生	200	–	–	–	200
Mr. Wong Man Kong, Peter (deceased on 11 March 2019)	王敏剛先生(於二零一九年 三月十一日離世)	200	–	–	–	200
Mr. Yung Chun Fai, Dickie	翁振輝先生	200	–	–	–	200
		857	4,151	1,120	20	6,148

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

8 DIRECTORS' REMUNERATION (Continued)

8 董事薪酬 (續)

		2017 二零一七年				
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<i>Chairman</i>	<i>主席</i>					
Mr. Cheng Kam Chiu, Stewart	鄭錦超先生	-	1,920	306	18	2,244
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Zhang Kun	張堃先生	-	600	-	20	620
Mr. Tang, John Wing Yan (appointed on 30 June 2017) (note)	鄧永恩先生(於二零一七年六月三十日獲委任) (附註)	-	942	-	6	948
<i>Non-executive director</i>	<i>非執行董事</i>					
Mr. Cheng Ming Kit (redesignated on 30 June 2017 and resigned on 13 April 2018)	鄭明傑先生(於二零一七年六月三十日獲委任及於二零一八年四月十三日辭任)	100	306	-	9	415
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Chan Chi Yuen	陳志遠先生	200	-	-	-	200
Mr. Chiu Wai On	招偉安先生	200	-	-	-	200
Mr. Wong Man Kong, Peter (deceased on 11 March 2019)	王敏剛先生(於二零一九年三月十一日離世)	200	-	-	-	200
Mr. Yung Chun Fai, Dickie	翁振輝先生	200	-	-	-	200
		900	3,768	306	53	5,027

Note: Mr. Tang, John Wing Yan was appointed as an executive director of the Company and the chief executive officer of the Company with effect from 30 June 2017. The emoluments from 1 January 2017 up to the date of appointment as an executive director were HK\$1,251,000.

附註：鄧永恩先生已獲委任為本公司執行董事及本公司行政總裁，自二零一七年六月三十日起生效。自二零一七年一月一日直至獲委任為執行董事之日的薪酬為1,251,000港元。

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財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2017: two) are directors whose emoluments are disclosed in note 8. During the year ended 31 December 2018, the aggregate of the emoluments in respect of the other three individuals (2017: three) were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,336	2,283
Discretionary bonuses	酌情花紅	221	553
Retirement scheme contributions	退休計劃供款	128	27
		2,685	2,863

During the year ended 31 December 2018, the emoluments of the three (2017: three) individuals with the highest emoluments were within the following bands:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
HK\$500,001–HK\$1,000,000	500,001港元–1,000,000港元	2	2
HK\$1,000,001–HK\$1,500,000	1,000,001港元–1,500,000港元	1	1

10 OTHER COMPREHENSIVE INCOME

Other comprehensive income does not have any tax effect for the year ended 31 December 2018 (2017: HK\$Nil).

9 最高薪酬人士

五位最高薪酬人士當中，兩位(二零一七年：兩位)為董事，其酬金於附註8披露。截至二零一八年十二月三十一日止年度，其餘三位(二零一七年：三位)人士之合共酬金如下：

截至二零一八年十二月三十一日止年度，三位(二零一七年：三位)最高薪酬人士之酬金範圍如下：

10 其他全面收益

截至二零一八年十二月三十一日止年度，其他全面收益並無任何稅務影響(二零一七年：零港元)。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

11 (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

(i) (Loss)/profit attributable to owners of the Company (basic)

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss)/profit attributable to owners of the Company	(257,218)	101,710

(ii) Weighted average number of ordinary shares (basic)

	2018 二零一八年 '000 千港元	2017 二零一七年 '000 千港元
Issued ordinary shares at 1 January	8,865,483	5,910,322
Effect of purchase of own shares (note 30(c)(iii))	(22,723)	-
Effect of shares issued under open offer (note 30(c)(ii))	-	2,145,528
Effect of bonus element on shares issued under open offer	-	43,098
Weighted average number of ordinary shares (basic) at 31 December	8,842,760	8,098,948

(b) Diluted (loss)/earnings per share

For the year ended 31 December 2018, basic and diluted loss per share was the same as there were no potentially dilutive ordinary shares in issue during the year. For the year ended 31 December 2017, basic and diluted earnings per share was the same as the effect of the potential ordinary shares outstanding was anti-dilutive.

11 每股(虧損)/盈利

(a) 每股基本(虧損)/盈利

(i) 本公司擁有人應佔(基本) (虧損)/溢利

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss)/profit attributable to owners of the Company	(257,218)	101,710

(ii) 普通股(基本)加權平均數

	2018 二零一八年 '000 千港元	2017 二零一七年 '000 千港元
Issued ordinary shares at 1 January	8,865,483	5,910,322
Effect of purchase of own shares (note 30(c)(iii))	(22,723)	-
Effect of shares issued under open offer (note 30(c)(ii))	-	2,145,528
Effect of bonus element on shares issued under open offer	-	43,098
Weighted average number of ordinary shares (basic) at 31 December	8,842,760	8,098,948

(b) 每股攤薄(虧損)/盈利

截至二零一八年十二月三十一日止年度，由於年內概無發行潛在可攤薄的普通股份，故每股基本及攤薄虧損相同。截至二零一七年十二月三十一日止年度，已發行潛在普通股具有反攤薄影響，故每股基本及攤薄收益相同。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

12 EXPLORATION AND EVALUATION ASSETS 12 勘探及評估資產

		Exploration rights 勘探權 HK\$'000 千港元	Exploratory drilling 勘探鑽井 HK\$'000 千港元	Geological studies 地質研究 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 January 2017	於二零一七年一月一日	3,229,499	105,589	106,404	34,495	3,475,987
Additions	添置	894	33,739	-	-	34,633
Write off (note (c))	撇銷(附註(c))	-	(35,544)	-	-	(35,544)
Exchange adjustments	匯兌調整	(1,222)	(10,920)	(10,210)	(504)	(22,856)
At 31 December 2017	於二零一七年十二月三十一日	3,229,171	92,864	96,194	33,991	3,452,220
At 1 January 2018	於二零一八年一月一日	3,229,171	92,864	96,194	33,991	3,452,220
Additions	添置	893	37,512	-	-	38,405
Write off (note (c))	撇銷(附註(c))	-	(371)	-	-	(371)
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整(附註2(c))	(351)	(3,667)	91,730	-	87,712
At 31 December 2018	於二零一八年十二月三十一日	3,229,713	126,338	187,924	33,991	3,577,966
Accumulated impairment	累計減值					
At 1 January 2017	於二零一七年一月一日	1,261,385	6,802	106,404	34,495	1,409,086
Reversal of impairment loss of assets (note (b))	回撥減值虧損(附註(b))	(248,040)	-	-	-	(248,040)
Exchange adjustments	匯兌調整	200	(1,793)	(10,210)	(504)	(12,307)
At 31 December 2017	於二零一七年十二月三十一日	1,013,545	5,009	96,194	33,991	1,148,739
At 1 January 2018	於二零一八年一月一日	1,013,545	5,009	96,194	33,991	1,148,739
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整(附註2(c))	-	-	91,730	-	91,730
At 31 December 2018	於二零一八年十二月三十一日	1,013,545	5,009	187,924	33,991	1,240,469
Net book value	賬面淨值					
At 31 December 2018	於二零一八年十二月三十一日	2,216,168	121,329	-	-	2,337,497
At 31 December 2017	於二零一七年十二月三十一日	2,215,626	87,855	-	-	2,303,481

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12 EXPLORATION AND EVALUATION ASSETS

(Continued)

Notes:

(a) As at 31 December 2018, the Group holds 69.25% interest in the Tartagal concession and Morillo concession (collectively the "T&M concessions") which are the concessions in the province of Salta in northern Argentina, through an Union of Temporary Enterprise ("T&M UTE"). Exploration permits were granted for oil and developments of hydrocarbons in the T&M concessions for an initial period of four years starting from 29 December 2006 and additional extensions up to an aggregate of nine years may be obtained. The Group submitted applications to the Secretary of Energy of Province of Salta, Argentina ("Salta SOE") for extensions of the exploration permits and obtained the approvals in July 2010, July 2011, December 2013, March 2016 and March 2018 respectively. Pursuant to the approval document issued in March 2018, the exploration permits were extended to 13 September 2019. The Group will file an application to the Salta SOE for a further extension of the exploration permits before expiration. If successful hydrocarbon discoveries are made, the exploration permits can be converted to exploitation permits for a term of 25 years with a possible extension of 10 years.

(b) As at 31 December 2017, on the basis that the extension of the exploration permits in the T&M concessions were to be obtained in a reasonable period of time, the Group reversed impairment loss of HK\$248,040,000 for exploration and evaluation assets in respect of T&M UTE. The reversal of impairment loss was provided based on the calculations with reference to a valuation report issued by an independent appraisal firm, Roma Appraisals Limited. These calculations used cash flow projections based on financial forecasts prepared by management with reference to technical reports issued by Netherland, Sewell & Associates, Inc., an independent qualified technical consultant.

The cash flow projections covered the remaining life of the oil fields for a 22-year period for Tartagal concession and a 23-year period for Morillo concession. Pre-tax discount rates of 25.23% and 25.00% for Tartagal concession and Morillo concession respectively were applied in the cash flow projections. The reversal of impairment loss was mainly attributable to a decrease in pre-tax discount rate driven by the lower country risk premium of Argentina and lower systematic risk of oil and gas companies.

As at 31 December 2018, on the basis that the extension of the exploration permits in the T&M Concessions could be obtained, no impairment loss was recognised or reversed for the exploration and evaluation assets with reference to a valuation report issued by an independent appraisal firm, Roma Appraisals Limited.

(c) During the year ended 31 December 2018, exploration and evaluation assets of HK\$371,000 (for the year ended 31 December 2017 HK\$35,544,000) in respect of an exploration well in T&M UTE which was determined to be non-commercial and has been recognised as exploration expense for dry hole.

12 勘探及評估資產(續)

附註：

(a) 於二零一八年十二月三十一日，本集團透過Union of Temporary Enterprise (「T&M UTE」)持有Tartagal特許權區及Morillo特許權區(統稱「T&M特許權區」，位於阿根廷北部薩爾塔省的特許權區)69.25%的權益。T&M特許權區內之石油及碳氫化合物開發獲授勘探許可，自二零零六年十二月二十九日起最初為期四年，並可額外續期，最多合共九年。本集團已向阿根廷薩爾塔省能源部長(「薩爾塔省能源部長」)遞交勘探許可延期申請，並分別於二零一零年七月、二零一一年七月、二零一三年十二月及二零一六年三月及二零一八年三月獲得批准。根據於二零一八年三月獲發的批准文件，勘探許可可延至二零一九年九月十三日。本集團將於到期前向薩爾塔省能源部長遞交進一步的勘探許可延期申請。倘成功發現碳氫化合物，勘探許可可能夠轉換為為期25年的開採許可，並可能延期10年。

(b) 於二零一七年十二月三十一日，基於延期T&M特許權區勘探許可將於合理時期內取得，本集團就T&M UTE的勘探及評估資產撥回減值虧損248,040,000港元。減值虧損撥回乃根據參考獨立評估公司羅馬國際評估有限公司發出的估值報告作出的計算計提。該等計算採用基於管理層經參考由獨立合資格技術顧問Netherland, Sewell & Associates, Inc.發出之技術報告而按財務預測編製的現金流量預測。

現金流量預測涵蓋Tartagal特許權區油田餘下使用年期22年及Morillo特許權區餘下使用年期23年。Tartagal特許權區及Morillo特許權區的現金流量預測分別應用25.23%及25.00%的除稅前貼現率。撥回減值虧損主要由於受阿根廷較低國家風險溢價及油氣公司較低系統性風險推動，除稅前貼現率下降所致。

於二零一八年十二月三十一日，倘T&M特許權區勘探許可可能獲延期，參考獨立評估公司羅馬國際評估有限公司發出的估值報告，故並無就勘探及評估資產確認或撥回減值虧損。

(c) 截至二零一八年十二月三十一日止年度，有關釐定為不具商業性的T&M UTE勘探井的勘探及評估資產371,000港元(截至二零一七年十二月三十一日止年度：35,544,000港元)，已就乾井作為勘探開支確認。

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13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold Improvements 租賃物業 裝修 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Furniture, fixtures and office equipment 傢私、裝置及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Oil production assets 石油生產 資產 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本							
At 1 January 2017	於二零一七年 一月一日	639	355	2,654	916	6,162	42,516	53,242
Additions	添置	-	-	214	-	-	8,862	9,076
Disposals	撇銷	-	-	(44)	-	-	-	(44)
Transfer	轉讓	-	51,356	-	-	-	(51,356)	-
Exchange adjustments	匯兌調整	-	(551)	(299)	(122)	(890)	(22)	(1,884)
At 31 December 2017	於二零一七年 十二月三十一日	639	51,160	2,525	794	5,272	-	60,390
At 1 January 2018	於二零一八年 一月一日	639	51,160	2,525	794	5,272	-	60,390
Additions	添置	-	2,381	60	-	-	-	2,441
Disposals	撇銷	-	-	(13)	(15)	(2,642)	-	(2,670)
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整 (附註2(c))	-	(12,808)	746	448	(2,630)	-	(14,244)
At 31 December 2018	於二零一八年 十二月三十一日	639	40,733	3,318	1,227	-	-	45,917

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13 PROPERTY, PLANT AND EQUIPMENT

(Continued)

13 物業、廠房及設備 (續)

		Leasehold Improvements	Machinery	Furniture, fixtures and office equipment	Motor vehicles	Oil production assets	Construction in progress	Total
		租賃物業裝修	機器	傢私、裝置及 辦公室設備	汽車	石油生產資產	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Accumulated depreciation and impairment	累計折舊及減值							
At 1 January 2017	於二零一七年 一月一日	419	142	1,857	474	4,872	-	7,764
Charge for the year	年內開支	160	2,784	718	287	932	-	4,881
Written back on disposals	出售事項撥回	-	-	(44)	-	-	-	(44)
Exchange adjustments	匯兌調整	-	(329)	(265)	(95)	(823)	-	(1,512)
At 31 December 2017	於二零一七年 十二月三十一日	579	2,597	2,266	666	4,981	-	11,089
At 1 January 2018	於二零一八年 一月一日	579	2,597	2,266	666	4,981	-	11,089
Charge for the year	年內開支	60	3,758	281	49	437	-	4,585
Written back on disposals	出售事項撥回	-	-	(13)	(15)	(2,642)	-	(2,670)
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整 (附註2(c))	-	1,864	576	438	(2,776)	-	102
At 31 December 2018	於二零一八年 十二月三十一日	639	8,219	3,110	1,138	-	-	13,106
Net book value	賬面淨值							
At 31 December 2018	於二零一八年 十二月三十一日	-	32,514	208	89	-	-	32,811
At 31 December 2017	於二零一七年 十二月三十一日	60	48,563	259	128	291	-	49,301

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14 INTANGIBLE ASSETS

14 無形資產

		Rights on oil sharing 石油分成權 HK\$'000 千港元 (note) (附註)
Cost	成本	
At 1 January 2017	於二零一七年一月一日	32,019
Exchange adjustments	匯兌調整	(4,263)
At 31 December 2017	於二零一七年十二月三十一日	27,756
At 1 January 2018	於二零一八年一月一日	27,756
Disposals (note 18)	撇銷(附註18)	(44,271)
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整(附註2(c))	16,515
At 31 December 2018	於二零一八年十二月三十一日	-
Accumulated amortisation and impairment	累計攤銷及減值	
At 1 January 2017	於二零一七年一月一日	10,243
Charge for the year	年內開支	2,905
Exchange adjustments	匯兌調整	(1,688)
At 31 December 2017	於二零一七年十二月三十一日	11,460
At 1 January 2018	於二零一八年一月一日	11,460
Charge for the year	年內開支	1,156
Written back on disposals (note 18)	處置事項撥回(附註18)	(37,345)
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整(附註2(c))	24,729
At 31 December 2018	於二零一八年十二月三十一日	-
Net book value	賬面淨值	
At 31 December 2018	於二零一八年十二月三十一日	-
At 31 December 2017	於二零一七年十二月三十一日	16,296

Note: It represented the rights on oil sharing relating to the Palmar Largo concession areas. Amortisation was calculated using the unit of production method based upon the estimated proved and probable oil reserves.

The net book value of intangible assets of HK\$6,926,000 in respect of Palmar Largo concession has been disposed of in November 2018.

附註：其代表有關Palmar Largo特許權區的石油分成權。攤銷按概略及探明石油儲備，並採用產量單位法計算。

於二零一八年十一月，Palmar Largo特許權區之無形資產已獲處置賬面值為6,926,000港元。

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15 GOODWILL

15 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost:	成本：		
At 1 January	於一月一日	234	270
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整 (附註2(c))	26	—
Disposals (note 18)	處置(附註18)	(260)	(36)
At 31 December	於十二月三十一日	—	234

Note: The remaining carrying amount of goodwill of HK\$260,000 in respect of Palmar Largo concession has been disposed of in November 2018.

附註：於二零一八年十一月，Palmar Largo特許權區餘下的賬面值為260,000港元之商譽已獲處置。

16 INVESTMENTS IN SUBSIDIARIES

16 於附屬公司之投資

Details of the Company's subsidiaries as at 31 December 2018 are as follows:

於二零一八年十二月三十一日，本公司附屬公司詳情如下：

Name of company 公司名稱	Place of establishment/ incorporation and business 成立/註冊成立及 營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團之 實際權益	Held by the Company 本公司 所持有者	Held by the subsidiary 附屬公司 所持有者	
Total Belief Limited 確信有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	100%	—	Investment holding 投資控股
Jade Honest Limited	BVI 英屬處女群島	2,700 ordinary shares of US\$1 each 2,700股每股面值1美元之普通股	100%	100%	—	Dormant 未有業務活動
Absolute Champ Limited 煌鑫有限公司	Hong Kong 香港	1 ordinary share at HK\$1 each 1股每股面值1港元之普通股	100%	—	100%	Investment holding 投資控股
Ace Diamond Trading Limited	BVI 英屬處女群島	100 ordinary shares at US\$1 each 100股每股面值1美元之普通股	100%	—	100%	Investment holding 投資控股
Big Trade Investments Limited	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	—	100%	Investment holding 投資控股
Bright Rise Group Limited 明揚集團有限公司	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	—	100%	Investment holding 投資控股
Cheer Profit Group Limited 展澤集團有限公司	BVI 英屬處女群島	1 ordinary share at US\$1 each 1股每股面值1美元之普通股	100%	—	100%	Investment holding 投資控股
Discovery Operating LLC	US 美國	Nil paid 零	100%	—	100%	Dormant 未有業務活動

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16 INVESTMENTS IN SUBSIDIARIES (Continued)

16 於附屬公司之投資(續)

Name of company 公司名稱	Place of establishment/ incorporation and business 成立/註冊成立及 營業地點	Particulars of issued and paid up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activities 主要業務
			Group's effective interest 本集團之 實際權益	Held by the Company 本公司 所持有者	Held by the subsidiary 附屬公司 所持有者	
ET-LA, LLC	US 美國	Registered capital of US\$500 註冊資本500美元	100%	-	100%	Investment holding 投資控股
First Continent Holdings Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
First Apex Global Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
Giant Perfect Holdings Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
Grand Rich Trading Limited	BVI	1 ordinary share of US\$1 each	100%	-	100%	Investment holding/ Commodities trading 投資控股/商品貿易
鴻富貿易有限公司	英屬處女群島	1股每股面值1美元之普通股				
Happy Light Group Limited 悅光集團有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
High Luck Holding (Hong Kong) Limited 高運控股(香港)有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	100%	-	100%	Investment holding 投資控股
High Luck Group Limited 高運集團有限公司	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
Jumbo Hope Group Limited 明協集團有限公司	Hong Kong 香港	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	100%	-	100%	Investment holding 投資控股
Novastar Capital Limited	BVI 英屬處女群島	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
Power Jet Group Limited	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	-	100%	Dormant 未有業務活動
Techno Wealth Limited 德富有限公司	BVI 英屬處女群島	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	100%	-	100%	Investment holding 投資控股
United Oil & Resources Trading Limited 聯邦石油資源貿易有限公司	Hong Kong 香港	100 ordinary shares of HK\$1 each 100股每股面值1港元之普通股	100%	-	100%	Dormant 未有業務活動
深圳市源協貿易有限公司*	PRC 中國	Registered capital of US\$1,000,000 註冊資本1,000,000美元	100%	-	100%	Investment holding 投資控股
High Luck Group Limited Tartagal Oriental and Morillo - UTE	Argentina 阿根廷	Not applicable 不適用	69.25%	-	69.25%	Exploration of oil and gas 油氣勘探
United Resources Trading Limited 聯邦資源貿易有限公司	BVI/Hong Kong 英屬處女群島/ 香港	100 ordinary shares of US\$1 each 100股每股面值1美元之普通股	51%	-	51%	Trading of oil products 買賣石油產品

* Wholly foreign owned enterprise established under the PRC law

* 根據中國法律註冊為外商獨資企業

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17 INTEREST IN JOINT VENTURES

17 於合營企業之權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Share of net assets	分佔資產淨值	12,827	18,104

Details of the Group's interest in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

有關本集團於合營企業權益(按權益法於綜合財務報表入賬)之詳情如下:

Name of joint ventures	Form of business structure	Place of incorporation and business	Particulars of issued and paid up capital	Proportion of ownership interest		Principal activities
				Group's effective interest	Held by a subsidiary	
合營企業名稱	業務架構形式	註冊成立及營業地點	已發行及繳足股本詳情	本集團之實際權益	一家附屬公司所持	主要業務
Smart Win International Limited	Incorporated	BVI	200 ordinary shares of US\$1 each	50%	50%	Investment Holding
凱智國際有限公司	註冊成立	英屬處女群島	200股每股面值1美元之普通股			投資控股
Full Charming Limited	Incorporated	BVI	1 ordinary share of HK\$1 each	29.9%	29.9%	Investment Holding
	註冊成立	英屬處女群島	1股每股面值1港元之普通股			投資控股
Hong Kong Oil Development Ltd.	Incorporated	Hong Kong	1 ordinary share of HK\$1 each	29.9%	29.9%	Investment Holding
香港石油發展有限公司	註冊成立	香港	1股每股面值1港元之普通股			投資控股
盤錦遼河曙光實業有限公司*	Incorporated	PRC	Registered capital of RMB6,000,000	28.4%	28.4%	Provision of oil services
	註冊成立	中國	註冊資本人民幣6,000,000元			提供石油服務

* Limited liability company established under the PRC law

* 根據中國法律註冊為有限責任公司

The Group's joint ventures are unlisted corporate entities whose quoted market prices are not available.

本集團之合營企業為未上市公司實體，並無市場報價。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

17 INTEREST IN JOINT VENTURES (Continued)

Full Charming Limited and its subsidiaries ("Full Charming Group") is determined to be a material joint venture. Summarised financial information of Full Charming Group, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

17 於合營企業之權益(續)

Full Charming Limited及其附屬公司(「FullCharming集團」)被視作一間重大合營企業。下文披露Full Charming集團之財務資料概要(已就會計政策的任何差異進行調整)以及與綜合財務報表賬面值之對賬分析：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Gross amounts of Full Charming Group's	Full Charming集團之總金額		
Current assets	流動資產	9,158	15,563
Non-current assets	非流動資產	36,624	47,131
Current liabilities	流動負債	(2,886)	(2,207)
<hr/>			
Equity	權益	42,896	60,487
Included in the above assets and liabilities:	計入上述資產及負債：		
Cash and cash equivalents	現金及現金等價物	219	99
Revenue	收益	890	-
Loss for the year	年內虧損	(14,686)	(14,586)
Other comprehensive income	其他全面收益	(2,904)	5,198
Total comprehensive income	全面收益總額	(17,590)	(9,388)
Reconciled to the Group's interest in Full Charming Group	與本集團於Full Charming集團的權益對賬		
Gross amounts of equity attributable to the owners of Full Charming Group	Full Charming集團擁有人應佔權益之總金額	40,443	57,155
The Group's effective interest	本集團的實際權益	29.9%	29.9%
The Group's share of equity attributable to the owners of Full Charming Group	Full Charming集團擁有人應佔本集團權益	12,101	17,101
Elimination of unrealised profits on upstream transactions	對銷上游交易未變現溢利	(368)	(368)
Carrying amount in the consolidated financial statements	綜合財務報表賬面值	11,733	16,733

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

17 INTEREST IN JOINT VENTURES (Continued)

In January 2017, Total Belief Limited, a direct wholly-owned subsidiary of the Company (the "Vendor"), entered into a sale and purchase agreement with an independent third party (the "Purchaser"), pursuant to which the Vendor agreed to dispose of, and the Purchaser agreed to acquire, the 12.18% equity interest in Full Charming Limited and the receivable (the "Shareholder's Loan") due from Full Charming Limited to the Vendor (the "Partial Disposal") at a total consideration of approximately HK\$21,362,000. Completion of the Partial Disposal took place in January 2017. The Shareholder's Loan was assigned to the Purchaser, and a gain on the Partial Disposal of approximately HK\$3,304,000 was recognised in the consolidated statement of profit or loss.

Aggregate information of joint venture that is not individually material:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Aggregate carrying amount of individually immaterial joint venture in the consolidated financial statements	綜合財務報表中個別非重大合營企業賬面總金額	1,094	1,371
Aggregate amounts of the Group's share of the joint venture's:	本集團應佔該合營企業總金額：		
Loss for the year	年內虧損	(277)	(4)
Total comprehensive income	全面收益總額	(277)	(4)

17 於合營企業之權益 (續)

於二零一七年一月，一家本公司直接全資附屬公司確信有限公司(「賣方」)與一名獨立第三方(「買方」)訂立買賣協議，據此，賣方同意出售而買方同意收購 Full Charming Limited 之 12.18% 股權及 Full Charming Limited 應收賣方的款項(「股東貸款」)「部分出售事項」，總代價約 21,362,000 港元。部分出售事項於二零一七年一月完成。股東貸款轉讓予買方，以及部分出售事項收益約 3,304,000 港元於綜合損益表內確認。

非個別重大的合營企業匯總資料：

18 INTEREST IN JOINT OPERATION

18 於合營業務之權益

Significant joint operation 重大合營業務	Country of operation 營運所在國家	Principal activity 主要業務	2018 二零一八年	2017 二零一七年
Palmar Largo UTE Interest	Argentina	Exploration, development and exploitation of hydrocarbons	-	38.15%
Palmar Largo UTE 權益	阿根廷	碳氫化合物勘探、開發及開採		

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

18 INTEREST IN JOINT OPERATION (Continued)

On 26 February 2014, the Group acquired 38.15% participating interest in Palmar Largo Union of Temporary Enterprise (the "Palmar Largo UTE Interest"). The Palmar Largo UTE Interest consists of (i) rights and obligations arising from the joint venture contract that aims at the exploration, development and exploitation of hydrocarbons in the Palmar Largo concession area and (ii) interest in the production equipment and facilities required to perform and execute the exploitation work. The hydrocarbons exploitation rights on the Palmar Largo concession area have a term of 25 years from 23 December 1992 to 23 December 2017, extendible for another 10 years up to 23 December 2027 upon the unanimous decision of the Palmar Largo UTE parties and the approval of the relevant local government.

Pursuant to Palmar Largo UTE agreement, all the participants in the joint operation approve the operating and capital budgets and therefore the Group has joint control over the relevant activities of Palmar Largo UTE. According to Palmar Largo UTE agreement, the participants in Palmar Largo UTE have joint control over the rights to the assets and obligations for the liabilities relating to Palmar Largo UTE. Accordingly, Palmar Largo UTE Interest is accounted for as a joint operation with the accounting policy in note 2(f).

On 23 December 2017, the exploitation rights were expired and the Group initiated the application process with the Secretary of Energy of Province of Formosa, Argentina ("Formosa SOE") for further extension of the exploitation rights. In November 2018, the operations in Palmar Largo concession were terminated because the extension of the exploitation rights will not be granted according to the final notice from Formosa SOE.

Therefore, the non-current assets in respect of Palmar Largo concession have been disposed of, and a net loss on disposal amounting to approximately HK\$7,186,000 has been charged to profit or loss (note 5).

18 於合營業務之權益 (續)

於二零一四年二月二十六日，本集團收購Palmar Largo Union of Temporary Enterprise的38.15%參與權益（「Palmar Largo UTE權益」）。Palmar Largo UTE權益包括(i)合營企業合約旨在勘探、發展及開發Palmar Largo特許權區內碳氫化合物之權利及責任以及(ii)於實施及執行開採作業所需之生產設備及設施中所佔權益。Palmar Largo特許權區之碳氫化合物開發權利為期二十五年，自一九九二年十二月二十三日至二零一七年十二月二十三日，於Palmar Largo UTE參與方一致決定及相關當地政府批准後可延期十年至二零二七年十二月二十三日。

根據Palmar Largo UTE協議，合營業務各參與方批准營運及資本預算，因此本集團於Palmar Largo UTE相關活動具有共同控制權。根據Palmar Largo UTE協議，Palmar Largo UTE參與方就Palmar Largo UTE相關資產及負債之責任享有共同控制權，因此，根據附註2(f)的會計政策，Palmar Largo UTE權益入賬列作共同經營。

於二零一七年十二月二十三日，勘探權已到期，而本集團已向阿根廷福摩薩省能源部長（「福摩薩省能源部長」）提交申請程序，以進一步延期現有勘探權。於二零一八年十一月，由於根據福摩薩省能源部長的最後通知，將不會獲予勘探權的延期，Palmar Largo特許權區的營運已終止。

因此，Palmar Largo特許權區的非流動資產已獲處置，且其處置虧損淨值約7,186,000港元已於損益表扣除（附註5）。

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19 PROMISSORY NOTE RECEIVABLE

19 應收承兌票據

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Promissory note receivable	應收承兌票據	46,606	42,687
Less: impairment loss	減：減值虧損	(46,606)	-
		-	42,687

Note: The promissory note was issued by Foothills Exploration Operating, Inc. ("Foothills") and guaranteed by Foothills Exploration, the indirect holding company of Foothills, as part of the consideration of the disposal of its subsidiaries in the US, and is bearing no interest and repayable on 30 June 2018. The promissory note carries effective interest rate of 19.18% per annum.

The Group has initially applied HKFRS 9 at 1 January 2018, under the transition method chosen, comparative information is not restated. The Group has recognised additional ECLs amounting to HK\$7,760,000 as an adjustment to the opening balance of equity at 1 January 2018. See note 2(d).

The Group did not receive any repayment in respect of the outstanding promissory note and the said event constituted a default in repayment by Foothills. The Group is currently in negotiation with Foothills for the repayment of the past due promissory note. Foothills' principal activities are the acquisition and development of oil and gas properties in the US. In view of the adverse financial and operating circumstances of Foothills Exploration and its subsidiaries and the recent default, the Group provided additional impairment loss of approximately HK\$38,846,000 on the past due balance of promissory note receivable at 31 December 2018.

附註：承兌票據由Foothills Exploration Operating, Inc. (「Foothills」) 發行並由Foothills Exploration擔保(一家Foothills的間接控股公司)，為於美國出售附屬公司之部分代價及不計息並須於二零一八年六月三十日償還。承兌票據按每年實際利率19.18%計息。

本集團已於二零一八年一月一日首次應用香港財務報告準則第9號，根據所選擇之過渡方法，比較資料不予重列。本集團已確認額外預期信貸虧損7,760,000港元為對二零一八年一月一日之權益期初結餘之調整。見附註2(d)。

本集團並無就尚未償還承兌票據收到任何還款，上述事項構成Foothills拖欠還款。本集團目前正就償還逾期承兌票據之尚未償還金額與Foothills進行磋商。Foothills之主要業務為於美國收購及開發油氣資產。鑑於Foothills Exploration及其附屬公司之不利財務及營運狀況以及近期拖欠事件，於二零一八年十二月三十一日，本集團就應收承兌票據之逾期結餘計提額外減值虧損約38,846,000港元。

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20 OTHER INVESTMENT IN EQUITY SECURITIES 20 其他權益證券投資

		Notes 附註	31/12/2018 二零一八年 十二月三十一日 HK\$'000 千港元	01/01/2018 二零一八年 一月一日 HK\$'000 千港元	31/12/2017 二零一七年 十二月三十一日 HK\$'000 千港元
Equity securities designated at FVOCI (non-recycling)	被定為按公允價值計入其他全面收益之權益證券投資(不可回收)				
- NordAq	- NordAq	(i)	17,879	31,244	-
- Foothills Exploration	- Foothills Exploration	(ii)	815	5,373	-
Total	總計		18,694	36,617	-
Available-for-sale investments	可供出售之金融資產				
- NordAq	- NordAq		-	-	31,244
- Foothills Exploration	- Foothills Exploration		-	-	5,373
Total	總計		-	-	36,617

Notes:

- (i) The equity interest in NordAq is carried at fair value. The fair value is determined by the directors with reference to a valuation report issued by an independent appraisal firm, Roma Appraisal Limited using the market approach with reference to the private placing of shares and warrants by NordAq during the year and the average share price fluctuations of comparable companies between the dates of private placing of shares and warrants and the reporting period end date.

During the year ended 31 December 2018, the decrease of fair value in respect of investment in NordAq's equity securities of HK\$13,365,000 (2017: HK\$2,383,000) has been recognised in other comprehensive income.

- (ii) The equity interest in Foothills Exploration is carried at fair value. The fair value was determined by the directors with reference to the market price of shares of Foothills Exploration.

During the year ended 31 December 2018, the decrease of fair value in respect of investment in Foothills's equity securities of HK\$4,558,000 (2017: HK\$19,429,000) has been recognised in other comprehensive income.

附註：

- (i) NordAq之股權按公允價值列賬。該公允價值由董事參照獨立評估公司羅馬國際評估有限公司發出之估值報告，使用市場法參照本年度內NordAq私募配售股份及認股權證以及可比較公司於私募配售股份及認股權證日期與本報告期末之平均股價波動而釐定。

於截至二零一八年十二月三十一日止年度期間，於其他全面收入中確認NordAq之權益證券投資的公允價值之減少為13,365,000港元(二零一七年：2,383,000港元)。

- (ii) 所持有於Foothills Exploration的股權以公允價值列賬。公允價值由董事參照Foothills Exploration股份的市場價格所釐訂。

於截至二零一八年十二月三十一日止年度期間，於其他全面收入中確認Foothills的權益證券投資的公允價值之減少為4,558,000港元(二零一七年：19,429,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

21 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Oil products	石油產品	1,125	1,127
Consumables	易耗品	19,907	16,017
		21,032	17,144

(b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount of inventories sold (note 6(e))	已出售存貨之賬面值 (附註6(e))	286,863	280,651

21 存貨

(a) 於綜合財務狀況表之存貨包括：

(b) 已確認為開支並計入損益表之存貨金額之分析如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

22 TRADE AND OTHER RECEIVABLES

22 應收貿易賬款及其他應收款項

		Notes 附註	31/12/2018 二零一八年 十二月三十一日 HK\$'000 千港元	01/01/2018 二零一八年 一月一日 HK\$'000 千港元	31/12/2017 二零一七年 十二月三十一日 HK\$'000 千港元
Trade receivables, net of loss allowance	應收貿易賬款，減虧損撥備		3,184	7,461	7,461
Other debtors	其他債務人		15,471	8,528	8,528
Amount due from a joint venture	應收合營公司的金額		314	314	330
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	(i)	18,969	16,303	16,319
VAT recoverable	可收回增值稅		15,462	48,396	48,396
Other tax recoverable	其他可收回稅項		6,165	8,484	8,484
Other prepayment and deposits	其他預付款項及按金	(i)	7,622	41,746	41,746
			48,218	114,929	114,945
Reconciliation to the consolidated statement of financial position:	於綜合財務狀況表之對賬：				
Non-current	非流動		15,462	40,286	40,286
Current	流動	(ii)	32,756	74,643	74,659
			48,218	114,929	114,945

Notes:

- (i) Upon the adoption of HKFRS 9, an opening adjustment of approximately HK\$16,000 as at 1 January 2018 was made to recognise additional ECLs on trade and other receivables (see note 2(d)(i)).
- (ii) All of the current trade and other receivables are expected to be recovered or recognised as expense within one year.

附註：

- (i) 採納香港財務報告第9號後，於二零一八年一月一日，已就應收貿易賬款及其他應收款項為額外預期信貸虧損作出年初調整16,000元(附註2(d)(i))。
- (ii) 所有即期應收貿易賬款及其他應收款項預期於一年內撥回或確認為開支。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

22 TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(iii) The following is an ageing analysis of trade receivables, presented based on the invoice date and net of loss allowance is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0-30 days	0至30日	-	7,461
31-60 days	31至60日	3,184	-
		3,184	7,461

Trade receivables are due within 30 days (2017: 30 days) from the date of billing. Further details on the Group's credit policy are set out in note 31(a).

22 應收貿易賬款及其他應收款項(續)

附註：(續)

(iii) 應收貿易賬款按發票日期及虧損撥備淨值呈列之賬齡分析如下：

應收貿易賬款自開出票據日期起30日(二零一七年：30日)內到期。有關本集團信貸政策之進一步詳情載於附註31(a)。

23 OTHER FINANCIAL ASSETS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed equity securities at fair value (note (i))	以公允價值列賬之上市股本證券(附註(i))	80,468	198,972
Unlisted investment funds at fair value (note (ii))	以公允價值列賬之非上市投資基金(附註(ii))	-	100,778
Unlisted equity-linked securities (note (iii))	非上市股本掛鈎證券(附註(iii))	-	29,860
		80,468	329,610

23 其他金融資產

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

23 OTHER FINANCIAL ASSETS (Continued)

Notes:

- (i) The listed equity securities at fair value represent listed shares of Beijing Gas Blue Sky Holdings Limited ("Blue Sky"). During the year ended 31 December 2018, the net investment loss of listed equity securities amounting to HK\$100,492,000 (2017: loss of HK\$39,532,000) has been charged to profit or loss.
- (ii) As at 31 December 2017, the unlisted investment funds at fair value represented investments in a wide range of equity or debt investment products, which were disposed of during the year ended 31 December 2018, and the net investment loss of HK\$1,955,000 (2017: gain of HK\$1,524,000) has been charged to profit or loss.
- (iii) During the years ended 31 December 2017 and 31 December 2018, the Group acquired equity-linked securities which contained embedded derivative, the return of which were determined with reference to the closing price of certain equity securities listed on the Stock Exchange. The unlisted equity-linked securities were designated as at FVPL at initial recognition. During the year ended 31 December 2018, the unlisted equity-linked securities have been redeemed, and the net investment gain of HK\$2,126,000 (2017: gain of HK\$516,000) has been recognised in profit or loss.

23 其他金融資產(續)

附註：

- (i) 以公允價值列賬之上市股本證券為北京燃氣藍天控股有限公司(「藍天」)發行的上市股份。截至二零一八年十二月三十一日止年度，上市股本證券的投資虧損淨值為100,492,000港元(二零一七年：虧損39,532,000港元)已於損益表扣除。
- (ii) 於二零一七年十二月三十一日，按公允價值列賬之非上市投資基金指於廣泛的股權或債務投資產品的投資，其已於截至二零一八年十二月三十一日止年度被出售，而投資虧損淨值1,955,000港元(二零一七年：收益1,524,000港元)已於損益表扣除。
- (iii) 截至二零一七年十二月三十一日及二零一八年十二月三十一日止年度，本集團收購包含嵌入式衍生工具之股本掛鈎證券，其回報乃參考若干於聯交所上市之股本證券之收市價釐定。非上市股本掛鈎證券於初步確認時指定為以按公允價值計入損益列賬。截至二零一八年十二月三十一日止年度，非上市股本掛鈎證券已被贖回，而投資收益淨值2,126,000港元(二零一七年：516,000港元)已於損益表確認。

24 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents in the consolidated statement of financial position and consolidated statement of cash flows	928,476	843,948

綜合財務狀況表及簡明
綜合現金流量表中之
現金及現金等價物

24 現金及現金等價物

(a) 現金及現金等價物包括：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	928,476	843,948

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

24 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (Continued)

(b) 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.

24 現金及現金等價物(續)

(b) 來自融資活動的負債之對賬

下表詳述本集團來自融資活動的負債之變動，包括現金及非現金變動。來自融資活動的負債指其現金流量乃是或其未來現金流量將會獲分類至本集團綜合現金流量表作為融資活動所得現金流量的負債。

		Other borrowings 其他借貸 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	331,759
Changes from financing cash flows:	來自融資現金流量的變動：	
Repayment of other borrowings	償還其他借貸	(111,843)
Other changes:	其他變動：	
Decrease in interest payable	應付利息的減少	(6,555)
Others	其他	419
Total other changes	其他變動總計	(6,136)
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	213,780
Changes from financing cash flows:	來自融資現金流量的變動：	
Repayment of other borrowings	償還其他借貸	(3,000)
Other changes:	其他變動：	
Increase in interest payable	應付利息的增加	12
Total other changes	其他變動總計	12
At 31 December 2018	於二零一八年十二月三十一日	210,792

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

25 TRADE AND OTHER PAYABLES

25 應付貿易賬款及其他應付款項

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	應付貿易賬款	(ii)	27,544	28,077
Other creditors and accrued charges	其他應付款項及應計費用	(iii)	65,492	11,130
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債		93,036	39,207
Deposit received	已收按金	(iii)	–	48,880
Receipt in advance	預收款項		21	55
			93,057	88,142

Notes:

- (i) All of the trade and other payables are expected to be settled within one year or are repayable on demand.
- (ii) The following is an ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period:

附註：

- (i) 預期所有應付貿易賬款及其他應付款項須於一年內償付或按要求償還。
- (ii) 於報告期末，應付貿易賬款(計入應付貿易賬款及其他應付款項)按發票日期呈列之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 days	0至30日	21,940	15,050
31–60 days	31至60日	4,231	10,342
61–90 days	61至90日	399	1,393
Over 90 days	90日以上	974	1,292
		27,544	28,077

- (iii) The amounts include a deposit of HK\$48,880,000 received from two independent third parties which appointed a subsidiary of the Company as trustee to pursue an acquisition. As at 31 December 2018, the potential acquisition has been cancelled and the deposit received is classified as “other creditors and accrued charges” as it is to be returned to those third parties in 2019.

- (iii) 該金額包括從兩名獨立第三方收到48,880,000港元的按金，該等第三方委任本公司一間附屬公司為受託人以尋求一項收購。於二零一八年十二月三十日，該項潛在收購已被取消，其已收按金被分類為「其他應付款項及應計費用」，乃由於其將於二零一九年退還予兩名獨立第三方。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

26 OTHER BORROWINGS

26 其他借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Term loans due for repayment within 1 year	一年內到期償還之定期貸款	56,792	2,380
Term loans due for repayment after 1 year:	一年後到期償還之定期貸款：		
After 1 year but within 2 years	一年後但兩年內	10,000	54,400
After 2 years but within 5 years	兩年後但五年內	144,000	157,000
		154,000	211,400
		210,792	213,780
Reconciliation to the consolidated statement of financial position:	於綜合財務狀況表之對賬：		
Current liabilities	流動負債	56,792	2,380
Non-current liabilities	非流動負債	154,000	211,400
		210,792	213,780

Notes:

Certain of the Group's other borrowings are subject to the fulfilment of covenants relating to the Company's assets/liabilities ratio and the Group's consolidated adjusted tangible net assets, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the Group's other borrowings would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 31(b). As at 31 December 2018 and 31 December 2017, none of the covenants relating to other borrowings had been breached.

附註：

本集團之若干其他借貸須受達成本公司資產／負債比率以及本集團綜合經調整有形資產淨值有關的契諾所限，有關契諾常見於與金融機構作出之借貸安排。倘本集團違反契諾，本集團其他借貸須按要求償還。本集團定期監控其遵守該等契諾的情況。有關本集團管理流動資金風險的進一步詳情載於附註31(b)。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，概無違反任何有關其他借貸之契諾。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

27 EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2017: HK\$30,000). Contributions to the plan vest immediately.

The Group also participates in the employees’ pension schemes of the respective municipal governments in various places (including Argentina) where the Group operates. The Group makes monthly contributions calculated as a percentage of the monthly basic salary and the relevant municipal government undertakes to assume the retirement benefit obligations of all existing and future retirees of the Group.

27 僱員退休福利

本集團根據香港僱傭條例為僱員按香港強制性公積金計劃條例設立強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立信託人管理之定額供款退休計劃。根據強積金計劃，僱主及其僱員均須按有關僱員之收入5%向計劃作出供款，惟有關月入上限為30,000港元(二零一七年：30,000港元)。計劃供款即時歸屬。

本集團亦參與本集團經營所在的各個地區(包括阿根廷)的各個地方政府的僱員公積金計劃。本集團每月作出供款，金額按每月基本薪金的某個百分比計算，而相關地方政府則承擔本集團所有現有及未來退休僱員的退休福利責任。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

28 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax recoverable – Argentina Corporate Income Tax	66	133

(b) Deferred tax assets/(liabilities):

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Tax losses and others 稅項虧損 及其他 HK\$'000 千港元	Hyperinflation adjustments for non- monetary assets 就貨幣資產作 出的惡性通貨 膨脹調整 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	6,240	–	6,240
Credited to profit or loss	6,460	–	6,460
Exchange adjustments	(1,551)	–	(1,551)
At 31 December 2017	11,149	–	11,149
At 1 January 2018	11,149	–	11,149
Credited/(charged) to profit or loss	9,822	(20,654)	(10,832)
Hyperinflation adjustments (note 2(c))	–	(31,753)	(31,753)
At 31 December 2018	20,971	(52,407)	(31,436)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position.

28 綜合財務狀況表內之所得稅

(a) 綜合財務狀況表內之即期稅項為：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax recoverable – Argentina Corporate Income Tax	66	133

(b) 遞延稅項資產／(負債)：

於綜合財務狀況表確認之遞延稅項資產及負債組成部分及於本年度之變動載列如下：

	Tax losses and others 稅項虧損 及其他 HK\$'000 千港元	Hyperinflation adjustments for non- monetary assets 就貨幣資產作 出的惡性通貨 膨脹調整 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	6,240	–	6,240
Credited to profit or loss	6,460	–	6,460
Exchange adjustments	(1,551)	–	(1,551)
At 31 December 2017	11,149	–	11,149
At 1 January 2018	11,149	–	11,149
Credited/(charged) to profit or loss	9,822	(20,654)	(10,832)
Hyperinflation adjustments (note 2(c))	–	(31,753)	(31,753)
At 31 December 2018	20,971	(52,407)	(31,436)

為作呈報目的，在綜合財務狀況表中部份遞延稅項資產及負債已予抵銷。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

28 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (Continued)

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 2(u), the Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$80,516,000 (2017: HK\$69,516,000) and impairment of non-current assets of HK\$53,291,000 (2017: HK\$53,291,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses do not expire under current tax legislation.

29 PROVISIONS

The carrying amount of the Group's provisions mainly represented the provisions for asset retirement obligations. Movements of provisions during the year are set out as follows:

		2018 二零一八年 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	14,411
Provision during the year	年內撥備	328
Hyperinflation adjustments (note 2(c))	惡性通貨膨脹調整(附註2(c))	89
At 31 December 2018	於二零一八年十二月三十一日	14,828
Less: amount included under "current liabilities"	減：「流動負債」項下所包括的金額	(5,131)
		9,697

In accordance with the relevant rules and regulations and the agreements with the surface owners, the Group is obliged to accrue the costs related to the future costs of plugging and abandoning its oil and gas properties, the removal of equipment and facilities from lease acreage and returning such land to its original condition, and indemnification of surface owners for the damages caused by the exploration activities. These costs reflect the estimated legal and contractual obligations associated with the normal operation of oil and gas properties and were capitalised by increasing the carrying amounts of the related assets. The provisions have been determined by the directors based on their best estimates of the level of expenditure and extent of work required.

28 綜合財務狀況表內之所得稅 (續)

(c) 並無確認遞延稅項資產

根據附註2(u)所列之會計政策，本集團並無就累計稅項虧損80,516,000港元(二零一七年：69,516,000港元)及非流動資產減值53,291,000港元(二零一七年：53,291,000港元)確認遞延稅項資產，此乃由於在有關稅務司法權區及實體內，不太可能有未來應課稅溢利以抵銷可供動用之稅項虧損。根據現行稅務規例，稅項虧損並未過期。

29 撥備

本集團撥備之賬面值主要指資產報廢責任撥備。年內撥備變動載述如下：

根據有關規則及法規以及與土地擁有人之協議，本集團須累計插入及廢置其油氣資產未來成本、自租賃範圍移除設備及設施以及將土地還原為其原本狀況之相關成本及由於開發活動導致損害的土地擁有人賠償金。該等成本反映隨附於油氣資產之一般營運之估計法律及合約責任，並透過增加有關資產之賬面值將其資本化。撥備由董事按開支水平及所須工作範圍作出之最佳估計而釐定。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

30 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company

		Share capital	Share premium	Capital reserve	Fair value reserve (non-recycling)	Contributed surplus	Warrants reserve	Accumulated losses	Total equity
		股本	股份溢價	資本儲備	公允價值儲備 (不可回收)	實繳盈餘	認股權證儲備	累計虧損	權益總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	59,103	4,174,190	9,591	-	740,880	1,801	(2,479,471)	2,506,094
Changes in equity for 2017	二零一七年之權益變動								
Profit for the year	年內溢利	-	-	-	-	-	-	229,410	229,410
Shares issued under open offer (note 30(c)(ii))	根據公開發售發行之股份 (附註30(c)(ii))	29,552	706,845	-	-	-	-	-	736,397
Lapse of warrants issued	已發出認股權證失效	-	-	-	-	-	(1,801)	1,801	-
Balance at 31 December 2017 (note)	於二零一七年十二月三十一日 (附註)	88,655	4,881,035	9,591	-	740,880	-	(2,248,260)	3,471,901
Impact on initial application of HKFRS 9 (note 2(d))	首次應用香港財務報告第9號之影響 (附註2(d))	-	-	-	(4,696)	-	-	4,680	(16)
Adjusted balance on 1 January 2018	於二零一八年一月一日經調整結餘	88,655	4,881,035	9,591	(4,696)	740,880	-	(2,243,580)	3,471,885
Changes in equity for 2018	二零一八年之權益變動								
Loss for the year	年內虧損	-	-	-	-	-	-	(19,504)	(19,504)
Purchase of own shares (note 30(c)(iii))	購買自身的股份 (附註30(c)(iii))	(1,066)	(12,854)	-	-	-	-	-	(13,920)
Balance at 31 December 2018	於二零一八年十二月三十一日結餘	87,589	4,868,181	9,591	(4,696)	740,880	-	(2,263,084)	3,438,461

Note: The Group, including the Company, has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 2(d).

30 資本、儲備及股息

(a) 權益部分變動

本集團綜合權益各部分於期初及期末結餘之對賬載於綜合權益變動表。本公司個別權益部分於年初及年末間之變動詳情如下：

本公司

附註：本集團(包括本公司)已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。見附註2(d)。

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(b) Dividends

There is no dividend declared attributable to the year ended 31 December 2018 (2017: HK\$Nil).

There is no dividend payable to owners of the Company attributable to previous financial year, approved and paid during the year ended 31 December 2018 (2017: HK\$Nil).

(c) Share capital

(i) Authorised and issued share capital

		2018 二零一八年		2017 二零一七年	
		No. of shares 股份數目	HK\$'000 千港元	No. of shares 股份數目	HK\$'000 千港元
		'000 千股		'000 千股	
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股	200,000,000	2,000,000	200,000,000	2,000,000
Ordinary shares, issued and fully paid:	普通股，已發行及 繳足：				
At 1 January	於一月一日				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股	8,865,483	88,655	5,910,322	59,103
Shares issued under open offer (note 30(c)(ii))	根據公開發售發行之 股份(附註30(c)(ii))	-	-	2,955,161	29,552
Purchase of own shares (note 30(c)(iii))	購買自身的股份 (附註30(c)(iii))	(106,602)	(1,066)	-	-
At 31 December	於十二月三十一日				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股	8,758,881	87,589	8,865,483	88,655

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息及有權於本公司大會上就每股投一票。就本公司之剩餘資產而言，所有普通股股份均享有同等地位。

30 資本、儲備及股息(續)

(b) 股息

並無就截至二零一八年十二月三十一日止年度宣派股息(二零一七年：零)。

截至二零一八年十二月三十一日止年度，並無就上一財政年度批准並派付應付本公司擁有人之股息(二零一七年：零)。

(c) 股本

(i) 法定及已發行股本

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(c) Share capital (Continued)

(ii) Shares issued under open offer

In April 2017, the Company completed an open offer of 2,955,160,996 ordinary shares of the Company at a subscription price of HK\$0.25 per share for net proceeds of approximately HK\$736,397,000, of which approximately HK\$29,552,000 and approximately HK\$706,845,000 were credited to the share capital and the share premium accounts respectively.

(iii) Purchase of own shares

During the year, the Company repurchased and cancelled its own ordinary shares on the Stock Exchange as follows:

30 資本、儲備及股息(續)

(c) 股本(續)

(ii) 根據公開發售發行股份

於二零一七年四月，本公司按每股0.25港元之認購價完成公開發售2,955,160,996股本公司普通股，所得款項淨額約736,397,000港元，其中約29,552,000港元及約706,845,000港元分別計入股本及股份溢價賬。

(iii) 購買自身的股份

年內，本公司於香港聯合交易所有限公司回購及註銷其自身普通股如下：

Month/year		Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate consideration
月/年		已回購股份數量	最高每股已支付價格	最低每股已支付價格	已支付價格總額
			HK\$ 港元	HK\$ 港元	HK\$'000 千港元
September 2018	二零一八年九月	39,210,000	0.1320	0.0966	4,624
October 2018	二零一八年十月	33,110,000	0.1420	0.1269	4,585
November 2018	二零一八年十一月	34,282,000	0.1349	0.1328	4,711
Total	總計	106,602,000			13,920

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(d) Nature and purpose of reserves

(i) Share premium

The application of the share premium account is governed by the Bermuda Companies Act 1981.

(ii) Capital reserve

The capital reserve of the Group and the Company represents (i) the difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid upon acquisition of additional interests in non-wholly owned subsidiaries during the year ended 31 December 2012 and (ii) the difference between the nominal value of ordinary shares issued by the Company and the aggregate of the share capital and share premiums of subsidiaries acquired through a reorganisation in preparation for the listing of the Company's shares on the Stock Exchange in October 1998.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(x).

(iv) Fair value reserve (recycling)

Prior to 1 January 2018, this reserve included the cumulative net change in the fair value of available-for-sale financial assets held at the end of the reporting period in accordance with HKAS 39. This amount has been reclassified to fair value reserve (non-recycling) upon the initial adoption of HKFRS 9 at 1 January 2018 (see note 2(d)(i)).

30 資本、儲備及股息(續)

(d) 儲備之性質及目的

(i) 股份溢價

股份溢價賬之使用須受百慕達一九八一年公司法規管。

(ii) 資本儲備

本集團及本公司資本儲備指(i)非控股權益經調整金額與截至二零一二年十二月三十一日止年度購非全資附屬公司額外權益已付代價公允價值之間的差額；及(ii)本公司已發行普通股面值與為籌備本公司股份於一九九八年十月在聯交所上市而透過重組所收購附屬公司之股本及股份溢價總額間之差額。

(iii) 匯兌儲備

匯兌儲備包括海外業務財務報表換算產生之所有匯兌差額。該儲備乃根據附註2(x)所列會計政策處理。

(iv) 公允價值儲備(可回收)

於二零一八年一月一日前，根據香港會計準則第39號，該儲備已包括於報告期末所持有的可供出售投資之累計公允價值變動淨值。根據首次應用香港財務報告第9號，該金額已於二零一八年一月一日重分類至公允價值儲備(不可回收)(見附註2(d)(i))。

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(d) Nature and purpose of reserves (Continued)

(v) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 2(h)).

(vi) Contributed surplus

The contributed surplus of the Group and the Company represented the credit arising from capital reduction in prior years.

Under Section 54 of the Bermuda Companies Act 1981, contributed surplus is available for distribution as dividends to shareholders subject to the provisions of the Company's bye-laws and provided that immediately following the distribution, the Company is able to pay its liabilities as and when they fall due or the realisable value of the Company's assets would not be less than the aggregate of its liabilities and its issued share capital and share premium account.

(vii) Warrants reserve

On 15 July 2017, all unlisted warrants in issue were lapsed and accordingly warrants reserve of HK\$1,801,000 was released to accumulated losses.

30 資本、儲備及股息(續)

(d) 儲備之性質及目的(續)

(v) 公允價值儲備(不可回收)

公允價值儲備(不可回收)包括根據香港財務報告第9號指定按公允價值計入其他全面收益，並於報告期末所持有的投資之累計公允價值變動淨值(見附註2(h))。

(vi) 實繳盈餘

本集團及本公司之實繳盈餘指過往年度削減股本產生之進賬額。

根據百慕達一九八一年公司法第54條，本公司之實繳盈餘可供向股東分派股息，惟須受其公司細則條文所規限，且於緊隨分派後，本公司仍有能力支付其到期負債，或本公司資產之可變現價值不會低於其負債、已發行股本和股份溢價賬總和情況下方可派付。

(vii) 認股權證儲備

於二零一七年七月十五日，所有已發出非上市認股權證失效及因此認股權證儲備1,801,000港元已撥至累計虧損。

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(e) Distributability of reserves

At 31 December 2018, the Company had no reserves available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus in the amount of HK\$740,880,000 (2017: HK\$740,880,000) is currently not available for distribution. The Company's share premium account in the amount of HK\$4,868,181,000 as at 31 December 2018 (2017: HK\$4,881,035,000) may be distributed in the form of fully paid bonus shares.

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of a net debt-to-capital ratio. For this purpose, net debt is defined as total debt which includes interest-bearing borrowings. Total equity is the balance as shown in the consolidated statement of financial position.

During 2018, the Group's strategy, which was unchanged from 2017, was to maintain the net debt-to-capital ratio at a reasonable level. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

30 資本、儲備及股息(續)

(e) 可供分派儲備

於二零一八年十二月三十一日，本公司概無儲備可供現金分派及／或實物分派。根據百慕達一九八一年公司法，本公司之實繳盈餘740,880,000港元(二零一七年：740,880,000港元)現不可分派。於二零一八年十二月三十一日，本公司之股份溢價賬為4,868,181,000港元(二零一七年：4,881,035,000港元)，可以繳足紅股方式分派。

(f) 資金管理

本集團資金管理之主要目標為保障本集團繼續作為持續經營實體之能力，與風險水平相對應之產品和服務定價以及獲得合理本的融資，旨在為股東提供回報及令其他權益人受惠。

本集團會積極及定期審閱及管理其資金結構，以維持較高股東回報(其可能具有較高借貸水平)及穩健資金狀況間之平衡，並就經濟狀況之變動調整資金結構。

本集團以經調整之淨負債資本比率監控其資本架構。對於該目的，債務淨值被界定為債務總額，當中包括計息借貸。權益總值為綜合財務狀況表所示之結餘。

於二零一八年，本集團之策略為維持淨負債資本比率處於合理範圍內，與二零一七年維持不變。為維持或調整資本結構，本集團或會調整支付予股東之股息金額、發行新股份或出售資產以減低負債。

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30 CAPITAL, RESERVES AND DIVIDENDS

(Continued)

(f) Capital management (Continued)

The net debt-to-capital ratio as at 31 December 2018 and 2017 was as follow:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other borrowings (note 26)	其他借貸(附註26)	210,792	213,780
Total equity	權益總值	3,129,976	3,467,316
Net debt-to-capital ratio	淨負債資本比率	7%	6%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司及其任何附屬公司概無須遵守外界規定的資本要求。

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate, currency and price risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivable. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks, for which the Group considers to have low credit risk.

30 資本、儲備及股息(續)

(f) 資金管理(續)

於二零一八年及二零一七年十二月三十一日的淨負債資本比率如下：

31 財務風險管理及金融工具公允價值

本集團面臨於一般業務過程中產生之信貸風險、流動資金風險、利率風險、貨幣及價格風險。本集團亦由於股權投資而面臨股價風險。

本集團所面臨之該等風險及本集團就管理該等風險所採納之財務風險管理政策及常規載於下文。

(a) 信貸風險

信貸風險指交易對手違反其合約責任而導致本集團財務損失之風險。本集團的信貸風險主要來自應收貿易賬款及其他應收款項。由於對方乃是本集團認為較低信貸風險的銀行，本集團面臨來自現金及現金等價物的信貸風險有限。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(a) Credit risk (Continued)

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of industry and country in which customers operate also has an influence on credit risk. At the end of the reporting period, save for the concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk.

In respect of trade and other receivables, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and taking into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not require collateral in respect of its financial assets. Debts are usually due within 30 days (2017: 30 days) from the date of billing.

31 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

應收貿易賬款及其他應收款項

本集團面對之信貸風險主要受各客戶之個別情況影響。客戶經營業務所在行業及國家之失責風險亦會對信貸風險產生影響。於報告期末，除了流動資金(存入若干高信貸評級的銀行)信貸風險集中，本集團並無面對任何其他重大集中信貸風險。

就應收貿易賬款及其他應收款項而言，管理層已制定信貸政策，並持續監察該等信貸風險狀況。本集團定期對每名主要客戶之財務狀況及情況進行信貸評估。該等評估集中於客戶過往於賬款到期時之還款記錄及目前的還款能力，並考慮客戶之特定資料以及與客戶經營業務所在經濟環境相關之資料。一般情況下，本集團並無就其金融資產要求抵押品。債務通常由開出賬單當日起30日(二零一七年：30日)內到期。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(a) Credit risk (Continued)

Trade and other receivable (Continued)

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

As there was no significant amount of overdue trade receivables as at 31 December 2018 and 31 December 2017, the expected credit loss based on the Group's historical credit loss experience was considered insignificant. Therefore, the Group did not recognise loss allowance in regard of trade receivables. Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

31 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

應收貿易賬款及其他應收款項(續)

本集團按相等於全期預期信貸虧損的金額就應收貿易賬款及其他應收款項計量虧損撥備，並使用撥備矩陣計算虧損撥備。由於本集團的歷史信貸虧損經歷並無指示就不同客戶分部而具有重大差異模式，故不會就本集團不同客戶群而進一步區分虧損撥備按逾期狀況。

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，由於應收貿易賬款及其他應收款項概無重大逾期金額，預期信貸虧損按歷史信貸虧損經歷被視為不重大。因此，本集團並無就應收貿易賬款確認虧損。預期信貸虧損為按實際虧損經驗列賬。該等經調整利率以反映期內經濟狀況(當中的歷史數據已獲收集)、即期狀況與本集團對應收款項預定期限內的經濟狀況之意見的差異。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(a) Credit risk (Continued)

Comparative information under HKAS 39

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 2(n)(i) – policy applicable prior to 1 January 2018). At 31 December 2017, no trade receivables were determined to be impaired. The aging analysis of trade debtors that were not considered to be impaired was as follows:

	2017 二零一七年 HK\$'000 千港元
Neither past due nor impaired	7,461

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

Movement in the loss allowance account in respect of trade and other receivables during the year is as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 31 December 2017 under HKAS 39	—	—
Impact on initial application of HKFRS 9 (note 2(d)(ii))	16	—
Balance at 1 January 2018 and 31 December 2018	16	—

31 財務風險管理及金融工具公允價值(續)

(a) 信貸風險(續)

根據香港會計準則第39號的對比資料

於二零一八年一月一日前，一項減值虧損僅於減值具有客觀證據時獲確認(見附註2(n)(i) – 適用於二零一八年一月一日前政策)。於二零一七年十二月三十一日，概無應收貿易賬款獲釐定為將須減值。不被視為須作減值的貿易債務人賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元
未到期亦無須減值	7,461

未到期或未減值之應收款項關於廣泛類別的客戶，彼等過往並無拖欠款項之紀錄。

有關多名與本集團紀錄良好的獨立客戶到期但尚未減值的應收款項。根據以往經驗，管理層相信，就該等結餘概不需要減值撥備，乃是由於信貸質素並無重大變動及結餘仍被視為可以全數收回。

就年內應收貿易賬款及其他應收款項的虧損撥備賬目的變動如下：

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table shows the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	2018 二零一八年					2017 二零一七年				
	Within 1 year or on demand 於一年內或 於要求時 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年 但少於五年 HK\$'000 千港元	Total 總值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Within 1 year or on demand 於一年內或 於要求時 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年 但少於五年 HK\$'000 千港元	Total 總值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Trade and other payables 應付貿易賬款及其他應付款項	93,057	-	-	93,057	93,057	88,142	-	-	88,142	88,142
Other borrowings 其他借貸	70,616	11,097	157,301	239,014	210,792	18,202	68,374	171,604	258,180	213,780
	163,673	11,097	157,301	332,071	303,849	106,344	68,374	171,604	346,322	301,922

31 財務風險管理及金融工具公允價值(續)

(b) 流動資金風險

本集團旗下個別營運實體負責其本身之現金管理，包括現金盈餘的短期投資及作出貸款以滿足預期現金需求，惟借貸超過若干既定授權水平時須經母公司董事會批准。本集團之政策為定期監察流動資金需要及遵守相關借款契約，確保其維持足夠之現金儲備以及容易變現的有價證券以及向各大金融機構取得足夠的承諾信貸融資額度，以滿足其短期及較長期流動資金需要。

下表呈列本集團之金融負債(有關負債乃根據合約未貼現現金流量(包括使用合約利率或(如屬浮動利率，則按報告期末當日之利率)計算所得之利息款項)計算)於報告期末之剩餘合約到期期限以及本集團可能須付款之最早日期：

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from interest-bearing borrowings.

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

		2018 二零一八年		2017 二零一七年	
		Effective interest rate	HK\$'000	Effective interest rate	HK\$'000
		實際利率	千港元	實際利率	千港元
		%	%	%	%
Net fixed rate borrowings:	固定利率借貸淨額：				
Other borrowings	其他借貸	5.00%–8.00%	210,792	5.00%–8.00%	213,780
Less: Promissory note receivable	減：應收承兌票據	19.18%	-	19.18%	(42,687)
			210,792	171,093	

(ii) Sensitivity analysis

The directors of the Company considered that the Group's exposure to interest rate risk is not significant, no sensitivity analysis has been presented accordingly.

(d) Currency risk

The Group is exposed to currency risk primarily through carrying out exploration activities which give rise to cash and cash equivalents, trade and other receivables and trade and other payables that are denominated in a currency other than the functional currency of the operations to which the transactions relate. Presently, there is no hedging policy with respect to the foreign exchange exposure.

31 財務風險管理及金融工具公允價值(續)

(c) 利率風險

利率風險指金融工具的公允價值或未來現金流量將會因市場利率之變動而波動。本集團之利率風險主要因計息借貸而產生。

(i) 利率組合

下表詳列本集團之借貸於報告期末之利率情況。

(ii) 敏感度分析

本公司董事認為本集團面對之利率風險並不重大，因而並無呈列利率風險之敏感度分析。

(d) 貨幣風險

本集團主要因進行勘探活動而產生以交易所涉及的業務的功能貨幣以外的貨幣計值的現金及現金等價物、應收貿易賬款及其他應收款項及應付貿易賬款及其他應付款項而面臨貨幣風險。目前，本集團並無就外匯風險採取對沖政策。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(d) Currency risk (Continued)

(i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

		Exposure to foreign currency (expressed in HK\$)	
		外幣風險(以港元呈列)	
		2018	2017
		二零一八年	二零一七年
		US\$	US\$
		美元	美元
		HK\$'000	HK\$'000
		千港元	千港元
Promissory note receivable	應收承兌票據	—	42,687
Trade and other receivables	應收貿易賬款及 其他應收款項	70,300	12,852
Cash and cash equivalents	現金及現金等價物	135,117	112,229
Trade and other payables	應付貿易賬款及 其他應付款項	(117,233)	(50,387)
Other financial assets	其他金融資產	—	40,228
Net exposure arising from recognised assets and liabilities	已確認資產及負債所 產生風險淨額	88,184	157,609

(ii) Sensitivity analysis

The directors of the Company considered that the Group's exposure to currency risk is not significant and accordingly, no sensitivity analysis has been presented. It is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would not be materially affected by any changes in movement in value of the United States dollar against other currencies.

31 財務風險管理及金融工具公允價值(續)

(d) 貨幣風險(續)

(i) 須面對之貨幣風險

下表詳述本集團於報告期末面對因以有關實體功能貨幣以外之貨幣計值之已確認資產或負債而產生之貨幣風險。就呈報目的，風險承擔金額以港元呈列，採用年度結算日之即期匯率折算。海外業務財務報表換算為本集團呈列貨幣產生之匯兌差額不包括在內。

(ii) 敏感度分析

本公司董事認為，本集團面對之外幣風險並不重大，故無呈列敏感度分析。本集團假設港元與美元之間的聯繫匯率不會因美元兌換其他貨幣價值波動之任何變動而受到重大影響。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(e) Price risk

The Group is engaged in petroleum-related and commodities trading activities. Prices of crude oil and commodities are affected by a wide range of global and domestic political, economic and military factors which are beyond the control of the Group. A decrease in such prices could adversely affect the Group's financial position. The Group has not used any derivative instruments to hedge against potential price fluctuations of crude oil and commodities. The management will consider appropriate hedging policy when the need arises.

(f) Equity price risk

The Group is exposed to equity price changes arising from equity investments held for trading and non-trading purposes (see note 20 and 23).

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

At 31 December 2018, it is estimated that an increase/decrease of 5% in the price of relevant financial instruments, with all other variables held constant, would have decreased/increased the Group's loss after tax and other comprehensive income by HK\$4,958,000 (2017: increased/decreased the Group's profit after tax and other comprehensive income by HK\$18,311,000) as a result of the change in fair value of other financial assets and other investment in equity securities.

31 財務風險管理及金融工具公允價值(續)

(e) 價格風險

本集團主要從事石油相關及商品貿易業務。原油及商品價格會受包括但不限於全球及國內政治、經濟及軍事等多種因素影響，而該等因素並非本集團所能控制。該等價格下降可能對本集團表現造成不利影響。本集團並無使用任何衍生工具以對沖原油及商品之潛在價格波動。管理層將考慮於未來需要時的適當對沖政策。

(f) 股價風險

本集團面對可持作買賣及非買賣用途之股權投資產生之股價變動風險(見附註20及23)。

敏感度分析

下文敏感度分析根據報告期末所面對之股本價格風險釐定。

於二零一八年十二月三十一日，估計相關金融工具價格增長／下降5%，而所有其他變量維持不變情況下，本集團將因其他金融資產公允價值變動及其他權益證券投資而減少／增加除稅後虧損及其他全面收益4,958,000港元(二零一七年：本集團除稅後溢利及其他全面收益增加／減少18,311,000港元)。

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(g) Fair values measurement

(i) *Financial assets and liabilities measured at fair value*

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

31 財務風險管理及金融工具公允價值(續)

(g) 公允價值計量

(i) *按公允價值計量之金融資產及負債*

公允價值等級

下表呈列本集團於報告期末按經常性基準計量之金融工具之公允價值，根據香港財務報告準則第13號公允價值計量之定義分類為三層公允價值等級。公允價值計量之層級分類乃經參考估值技術中採用之輸入數據之可觀察性及重要性釐定如下：

- 第一層估值：僅採用第一層輸入數據計量之公允價值，即於計量日期在活躍市場上相同資產或負債之未經調整報價
- 第二層估值：採用第二層輸入數據(即不符合第一級公允價值之可觀察輸入數據)計量之公允價值，而非採用重大不可觀察輸入數據。不可觀察輸入數據指並無市場數據可作參考之輸入數據
- 第三層估值：採用重大不可觀察輸入數據計量之公允價值等級

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(g) Fair values measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

31 財務風險管理及金融工具公允價值(續)

(g) 公允價值計量(續)

(i) 按公允價值計量之金融資產及負債(續)

公允價值等級(續)

		Fair value measurements as at 31 December 2018 categorised into 於二零一八年十二月三十一日分類之公允價值計量			
		Fair value at 31 December 2018 於二零一八年 十二月三十一日 之公允價值 HK\$'000 千港元	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元
Recurring fair value measurement	經常性公允價值計量				
Assets:	資產:				
Other investment in equity securities:	其他權益證券投資:				
- Unlisted equity investments	- 非上市權益投資	18,694	-	18,694	-
Other financial assets	其他金融資產:				
- Listed equity securities at fair value	- 以公允價值列賬的上市股本證券	80,468	80,468	-	-

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31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(g) Fair values measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

31 財務風險管理及金融工具公允價值(續)

(g) 公允價值計量(續)

(i) 按公允價值計量之金融資產及負債(續)

公允價值等級(續)

Fair value at 31 December 2017 於二零一七年 十二月三十一日 之公允價值 HK\$'000 千港元	Fair value measurements as at 31 December 2017 categorised into 於二零一七年十二月三十一日分類之公允價值計量		
	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元

Recurring fair value measurement

經常性公允價值計量

Assets:

資產：

Available-for-sale investments:

可供出售投資：

- Unlisted equity investments

- 非上市權益投資

36,617

-

36,617

-

Other financial assets

其他金融資產：

- Listed equity securities at fair value

- 以公允價值列賬的上市股本證券

198,972

198,972

-

-

- Unlisted investment funds at fair value

- 以公允價值列賬的非上市投資基金

100,778

100,778

-

-

- Unlisted equity-linked securities

- 非上市股權掛鉤證券

29,860

-

29,860

-

For the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

截至二零一八年及二零一七年十二月三十一日止年度，第一層與第二層之間並無轉撥，或並無轉入或轉出第三層。本集團政策為於報告期末公允價值等級發生轉撥時確認有關轉撥。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(Continued)

(g) Fair values measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 fair value measurements

The equity interest in NordAq is classified as equity investment and carried at fair value. The fair value is valued using the market approach with reference to the private placing of shares and warrants by NordAq and the average share price fluctuations of comparable companies.

The equity interest in Foothills Exploration is classified as equity investment and carried at fair value. The fair value is valued using the market approach with reference to the market price of shares of Foothills Exploration.

The unlisted equity-linked securities are classified as other financial assets and carried at fair value. The fair value are determined based on quoted market prices provided by bank.

(ii) Fair value of financial assets and liabilities carried other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2018 and 2017.

31 財務風險管理及金融工具公允價值(續)

(g) 公允價值計量(續)

(i) 按公允價值計量之金融資產及負債(續)

第二層公允價值計量採用之估值技術及輸入數據

於NordAq之股權被分類為權益投資，並按公允價值入賬。公允價值乃經參考NordAq之股份及認股權證私募配售以及可資比較公司之平均股價波動採用市場法進行評估。

Foothills Exploration之股權分類為權益投資，並按公允價值入賬。公允價值乃經參考Foothills Exploration之股份市價並採用市場法估值。

非上市股權掛鈎證券乃分類為其他金融資產並按公允價值入賬。公允價值使用銀行提供的市場報價。

(ii) 按公允價值以外方式入賬之金融資產及負債之公允價值

於二零一八年及二零一七年十二月三十一日，本集團按成本或攤銷成本入賬之金融工具的賬面值與其公允價值並無重大差異。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

32 MATERIAL RELATED PARTY TRANSACTIONS 32 重大關聯方交易

The Group has a related party relationship with the following parties:

本集團年內與下列公司擁有關聯方關係：

Name of party 關聯方名稱	Relationship 關係
New World Tower Company Limited	The company is an associate of Chow Tai Fook (Holding) Limited, an intermediate parent of the Company 該公司為本公司中間母公司周大福(控股)有限公司之聯營公司
CiF Solutions Limited 創庫系統有限公司	The company is an associate of Chow Tai Fook (Holding) Limited, an intermediate parent of the Company 該公司為本公司中間母公司周大福(控股)有限公司之聯營公司
Blue Sky 藍天	Mr. Cheng Ming Kit, who was the non-executive director of the Company, was a common director until he resigned as the non-executive director of the Company with effect from 13 April 2018. 鄭明傑先生(曾為本公司非執行董事)為共同董事，直至於二零一八年四月十三日辭任本公司非執行董事
盤錦遼河曙光實業有限公司	The company is a subsidiary of Full Charming Limited, which is a joint venture of the Group 該公司為本集團合營企業Full Charming Limited之附屬公司
Max Sun Enterprises Limited 萬新企業有限公司	The company is an indirect non-wholly owned subsidiary of Chow Tai Fook (Holding) Limited, an intermediate parent of the Company 該公司為本公司中間母公司周大福(控股)有限公司之間接非全資附屬公司

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

32 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

32 重大關聯方交易 (續)

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions:

除綜合財務報表其他地方所披露者外，本集團進行之重大關聯方交易如下：

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, is as follows:

(a) 主要管理層人員酬金

本集團主要管理層人員酬金(包括已付予附註8所披露本公司董事及附註9所披露若干最高薪酬僱員之款項)如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	8,573	9,596
Post-employment benefits	離職後福利	48	105
		8,621	9,701

Total remuneration is included in "staff costs" (see note 6(b)).

酬金總額計入「員工成本」(見附註6(b))。

(b) Other related party transactions

(b) 其他關聯方交易

Related parties 關聯方	Nature of transactions 交易性質	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(i) New World Tower Company Limited	Rent, rates and management fee 租金及管理費	2,281	2,166
(ii) CiF Solutions Limited 創庫系統有限公司	IT management and support 資訊科技管理及支援	119	113
(iii) Max Sun Enterprises Limited 萬新企業有限公司	Underwriting commission 包銷佣金	-	2,394

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

32 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Applicability of Listing Rules relating to connected transactions

For the year ended 31 December 2018 and 2017, the related party transactions as disclosed in note 32(b)(i), 32(b)(ii) and 32(b)(iii) above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in sections headed "Connected Transactions" and "Continuing Connected Transactions" of the Directors' Report. Certain amounts of the related party transactions as disclosed in note 32(b)(i), 32(b)(ii) and 32(b)(iii) above are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as the amounts in respect of note 32(b)(i), 32(b)(ii) and 32(b)(iii) are below the de minimis threshold under Rule 14A.76(1) of the Listing rules.

33 COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2018 not provided for in the consolidated financial statements were as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Authorised but not contracted for 已授權但未訂約	138,905	175,393

- (b) As at 31 December 2018, total future minimum lease payments under non-cancellable operating leases payable as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year 一年內	2,361	2,599
After 1 year but within 5 years 一年後但五年內	758	3,119
	3,119	5,718

The Group leases its offices under operating lease arrangements. The leases for properties are negotiated for a term of one to three years. None of the leases includes contingent rentals.

32 重大關聯方交易 (續)

(c) 關連交易相關上市規則之適用性

截至二零一八年及二零一七年十二月三十一日止年度，上文附註32(b)(i)、32(b)(ii)及32(b)(iii)披露之關聯方交易構成上市規則第14A章界定之關連交易或持續關連交易。上市規則第14A章規定之披露載於董事會報告內「關連交易」及「持續關連交易」兩節。上文附註32(b)(i)、32(b)(ii)及32(b)(iii)披露之若干關聯方交易款項低於上市規則第14A.76(1)條之最低標準而獲豁免遵守上市規則第14A章之披露規定。

33 承擔

- (a) 於二零一八年十二月三十一日尚未清還惟未有於綜合財務報表撥備之資本承擔如下：

- (b) 於二零一八年十二月三十一日，根據不可撤銷經營租約應付未來最低租金總額如下：

本集團根據經營租約安排租賃其辦公室。有關物業租約之期限議定為介乎一至三年。概無租約包含或然租金。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

34 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

34 公司層面的財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註	
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	2,031,767	2,031,767
Total non-current assets	非流動資產總值	2,031,767	2,031,767
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	774,864	764,983
Other financial assets	其他金融資產	–	130,638
Cash and cash equivalents	現金及現金等價物	897,750	814,555
Total current assets	流動資產總額	1,672,614	1,710,176
Current liabilities	流動負債		
Other payables	其他應付款項	55,128	56,262
Other borrowings	其他借貸	56,792	2,380
Total current liabilities	流動負債總額	111,920	58,642
Net current assets	流動資產淨值	1,560,694	1,651,534
Total assets less current liabilities	總資產減流動負債	3,592,461	3,683,301
Non-current liabilities	非流動負債		
Other borrowings	其他借貸	154,000	211,400
Total non-current liabilities	非流動負債總額	154,000	211,400
NET ASSETS	資產淨值	3,438,461	3,471,901
CAPITAL AND RESERVES	股本及儲備		
Share capital	股本	87,589	88,655
Reserves	儲備	3,350,872	3,383,246
TOTAL EQUITY	權益總值	3,438,461	3,471,901

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

35 COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2(d).

35 可比數字

本集團已於二零一八年一月一日首次應用香港財務報告第15號及香港財務報告第9號。根據已選過渡方式，對比資料不會重列。有關會計政策之變動的進一步詳情已於附註2(d)披露。

36 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2018, the directors consider the immediate parent and ultimate controlling party of the Group to be Max Sun Enterprises Limited and Chow Tai Fook Capital Limited respectively, which are incorporated in the BVI.

36 直接及最終控股方

於二零一八年十二月三十一日，董事認為本集團的直接母公司及最終控股方分別為於英屬處女群島註冊成立之萬新企業有限公司及Chow Tai Fook Capital Limited。

37 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

37 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋可能產生之影響

截至本財務報表刊發日期為止，香港會計師公會已頒佈下列於截至二零一八年十二月三十一日止年度尚未生效及尚未於本財務報表採納之多項修訂、新訂準則及詮釋。該等修訂、準則及詮釋包括下列可能與本集團有關者。

Effective for accounting periods beginning on or after
自以下日期或之後開始之會計期間生效

HKFRS 16, <i>Leases</i> 香港財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i> 香港(國際財務報告詮釋委員會)詮釋第23號，所得稅待遇之不確定性	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015–2017 Cycle 香港財務報告準則年度改進2015–2017年週期	1 January 2019 二零一九年一月一日
Amendments to HKAS 28, <i>Long-term interest in associates and joint ventures</i> 香港會計準則第28號(修訂本)，於聯營公司名合營公司之長期股權	1 January 2019 二零一九年一月一日

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

37 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ended 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

HKFRS 16, Leases

As disclosed in note 2(m), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

37 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋可能產生之影響(續)

本集團正在評估此等修訂、新訂準則及詮釋於首次應用期間預期產生之影響。雖然有關香港財務報告準則第16號之評估已基本完成，但首次採納該等準則時之實際影響可能有所不同，因為至今完成之評估乃根據本集團現時可得資料作出，而於本集團截至二零一九年六月三十日止六個月之中期財務報告內首次應用該等準則前可能會識別其他影響。本集團亦可能變更其會計政策選擇(包括過渡選擇)，直至該財務報告內首次應用該等準則。

香港財務報告準則第16號，租賃

如附註2(m)所披露，目前本集團將租賃分類為金融租賃及經營租賃，並根據租賃分類分別進行租賃安排。本集團作為承租人訂立若干租約。

預期香港財務報告準則第16號將不會大幅影響出租人根據租約將彼等權利及義務入賬的方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受實際權宜方法的規限，承租人將以類似方式將所有租約入賬列作現有融資租賃會計處理方法，即於該租約開始日期，承租人將按最低日後租賃款項的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所產生的利息開支及使用權資產折舊，而非於租期內按系統基準確認根據經營租約所產生的租賃開支的現有政策。作為實際的權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明外，所有金額均以港元列示)

37 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss over the period of the lease.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. As allowed by HKFRS 16, the Group plans to use the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group will therefore apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

The Group plans to elect to use the modified retrospective approach for the adoption of HKFRS 16 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019 and will not restate the comparative information. As disclosed in note 33(b), at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amounting to HK\$3,119,000 for properties, the majority of which is payable within 1 year. Upon the initial adoption of HKFRS 16, the Group expects that the transition adjustments to be made will not be material.

37 截至二零一八年十二月三十一日止年度已頒佈但尚未生效之修訂、新訂準則及詮釋可能產生之影響(續)

香港財務報告準則第16號將主要影響本集團作為租約承租人就物業(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，並影響租約期間於綜合損益表確認開支的時間。

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。根據香港財務報告準則第16號項下，本集團計劃使用融入先前評估的可行權宜方法，當中現有安排為(或包含)租賃。本集團因此僅將香港財務報告準則第16號對租賃的新定義應用於首次應用日期或之後訂立的合約。再者，本集團計劃選取可行權宜方法，不將此會計模式應用於短期租賃及低價值資產的租賃。

本集團計劃選取遵從經修訂可追溯方式，於二零一九年一月一日確認對首次應用年初權益期初結餘的累計效應調整以採納香港財務報告準則第16號及將不會重列對比資料。如附註33(b)所披露，於二零一八年十二月三十一日，本集團於不可撤銷經營租約項下就物業的未來最低租約款項將達3,119,000港元，大部分於一年內應付。於首次採納香港財務報告準則第16號後，本集團預期將予作出的過渡調整將不大。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

Set out below is a summary of the results and a statement of net assets of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate.

下文為本集團於過去五個財政年度之業績及資產淨值報表概要，乃摘錄自經審核綜合財務報表並已在適當情況下重新分類。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
REVENUE	收益					
Continuing operations	持續經營業務	297,989	287,557	57,108	66,725	81,105
Discontinued operations	已終止經營業務	-	-	53	2,582	7,633
		297,989	287,557	57,161	69,307	88,738
(LOSS)/PROFIT BEFORE TAXATION	除稅前(虧損)/溢利					
Continuing operations	持續經營業務	(246,447)	95,260	(229,615)	(1,549,322)	(88,254)
Discontinued operations	已終止經營業務	-	-	(7,055)	(198,399)	(29,657)
		(246,447)	95,260	(236,670)	(1,747,721)	(117,911)
INCOME TAX	所得稅					
Continuing operations	持續經營業務	(10,777)	6,437	6,021	3,371	(6,352)
Discontinued operations	已終止經營業務	-	-	(1)	38,656	2,140
		(10,777)	6,437	6,020	42,027	(4,212)
(LOSS)/PROFIT ATTRIBUTABLE TO	應佔(虧損)/溢利					
Owners of the Company	本公司擁有人	(257,218)	101,710	(123,349)	(1,666,254)	(120,448)
Non-controlling interests	非控股權益	(6)	(13)	(1,672)	(21,280)	(1,675)
		(257,224)	101,697	(125,021)	(1,687,534)	(122,123)
		As at 31 December 於十二月三十一日				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	2,417,291	2,475,468	2,282,239	2,404,147	4,015,938
Current assets	流動資產	1,062,798	1,308,181	783,190	336,550	491,178
Total assets	資產總值	3,480,089	3,783,649	3,065,429	2,740,697	4,507,116
Current liabilities	流動負債	154,980	90,522	81,883	186,415	298,684
Non-current liabilities	非流動負債	195,133	225,811	332,281	311,927	387,457
Total liabilities	負債總額	350,113	316,333	414,164	498,342	686,141
NET ASSETS	資產淨值	3,129,976	3,467,316	2,651,265	2,242,355	3,820,975

GLOSSARY

詞彙

“BBL” [BBL]	指	Barrel 桶
“BCF” [BCF]	指	Billion cubic feet 十億立方呎
“BOPD” [BOPD]	指	Barrels of oil per day 桶石油／每日
“km ² ” [km ²]	指	Square kilometers 平方公里
“MBBL” [MBBL]	指	Thousand barrels of oil 千桶石油
“MMBBL” [MMBBL]	指	Million barrels of oil 百萬桶石油
“MMBOE” [MMBOE]	指	Million barrels of oil equivalent 百萬桶油當量
“Prospective Resources” [遠景資源量]	指	Quantities of petroleum which are estimated to be potentially recovered from undiscovered accumulations 估計可能從待發現油田中開採的石油量
“Probable Reserves” [概略儲量]	指	Additional reserves that are less certain to be recovered than Proven Reserves but which, together with Proven Reserves, are as likely as not to be recovered 相比探明儲量不大可能確定能否開採油氣的額外儲量，惟其與探明儲量均可能不可開採油氣
“Proven Reserves” [探明儲量]	指	Proven oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible 探明油氣儲量乃通過地質及工程資料分析，可以估算並合理確定經濟上可生產的油氣儲量
“2P Reserves” [2P儲量]	指	Proven Reserves+Probable Reserves 探明儲量及概略儲量



新時代能源有限公司*
NEW TIMES ENERGY
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(incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
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