



**ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED**  
**能源國際投資控股有限公司\***

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)  
(Stock code 股份代號: 353)

# 2018

## Annual Report

### 年報



\* For identification purpose only  
僅供識別



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Lan Yongqiang (*Chairman*)  
Ms. Wang Meiyuan  
Mr. Chan Wai Cheung Admiral  
Ms. Jin Yuping  
Mr. Cao Sheng  
Mr. Yu Zhiyong

#### Independent Non-Executive Directors

Mr. Tang Qingbin  
Mr. Wang Jinghua  
Mr. Fung Nam Shan

#### AUDIT COMMITTEE

Mr. Tang Qingbin (*Chairman*)  
Mr. Wang Jinghua  
Mr. Fung Nam Shan

#### REMUNERATION COMMITTEE

Mr. Tang Qingbin (*Chairman*)  
Mr. Wang Jinghua  
Mr. Fung Nam Shan  
Mr. Chan Wai Cheung Admiral

#### NOMINATION COMMITTEE

Mr. Tang Qingbin (*Chairman*)  
Mr. Wang Jinghua  
Mr. Fung Nam Shan  
Mr. Chan Wai Cheung Admiral

#### COMPANY SECRETARY

Mr. Chan Wai Cheung Admiral

#### AUTHORISED REPRESENTATIVES

Ms. Wang Meiyuan  
Mr. Chan Wai Cheung Admiral

#### REGISTERED OFFICE

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

### 董事會

#### 執行董事

藍永強先生 (*主席*)  
王美艷女士  
陳偉璋先生  
金玉萍女士  
曹晟先生  
于志勇先生

#### 獨立非執行董事

唐慶斌先生  
王靖華先生  
馮南山先生

#### 審核委員會

唐慶斌先生 (*主席*)  
王靖華先生  
馮南山先生

#### 薪酬委員會

唐慶斌先生 (*主席*)  
王靖華先生  
馮南山先生  
陳偉璋先生

#### 提名委員會

唐慶斌先生 (*主席*)  
王靖華先生  
馮南山先生  
陳偉璋先生

#### 公司秘書

陳偉璋先生

#### 授權代表

王美艷女士  
陳偉璋先生

#### 註冊辦事處

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

# CORPORATE INFORMATION

## 公司資料

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

Units 4307-08, Office Tower, Convention Plaza  
1 Harbour Road, Wanchai  
Hong Kong

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

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

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman  
KY1-1111  
Cayman Islands

### LEGAL ADVISERS TO THE COMPANY

*As to Hong Kong Law:*  
C.L. Chow & Mackson Chan, Solicitors  
Cheung & Choy  
Lawrence Chan & Co.

*As to Cayman Islands Law:*  
Conyers Dills & Pearman

### AUDITOR

BDO Limited

### PRINCIPAL BANKERS

DBS Bank (HK) Limited  
Bank of China

### COMPANY'S WEBSITE

<http://website.energyintinv.wisdomir.com>

### 香港總辦事處及主要營業地點

香港  
灣仔港灣道1號  
會展廣場辦公大樓4307-08室

### 香港股份過戶登記分處

卓佳登捷時有限公司  
香港  
皇后大道東183號  
合和中心22樓

### 開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman  
KY1-1111  
Cayman Islands

### 本公司法律顧問

*香港法例：*  
周卓立陳啟球陳一理律師事務所  
張世文蔡敏律師事務所  
陳振球律師事務所

*開曼群島法律：*  
Conyers Dills & Pearman

### 核數師

香港立信德豪會計師事務所有限公司

### 主要往來銀行

星展銀行(香港)有限公司  
中國銀行

### 公司網址

<http://website.energyintinv.wisdomir.com>

# CHAIRMAN'S STATEMENT

## 主席報告

### Dear shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Energy International Investments Holdings Limited (the "Company"), I am pleased to present to you the annual report of the Company and the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2018.

During the year ended 31 December 2018, the principal activities of the Group include: (1) oil production representing the business of oil production; (2) oil and liquefied chemical terminal representing the business of leasing of oil and liquefied chemical terminal, together with its storage and logistics facilities (the "Port and Storage Facilities") and (3) insurance brokerage service representing the business of providing insurance brokerage service.

## BUSINESS REVIEW

### OIL PRODUCTION

Our oil production business continued to suffer loss during the year, principally due to the fluctuations in oil price. The oil price increased significantly in most of time in 2018 due to factors such as crude oil price was at low level for certain years, decline in global oil production and growth in demand for crude oil in India and China. The crude oil price for New York Mercantile Exchange West Texas Intermediate ("NYMEX WTI"), one of the oil price benchmarks, reached a four-year high of US\$75 per barrel in October 2018. However, due to the trade frictions and geopolitical uncertainties, the oil price in late 2018 underwent a downward plunge. Even though China's GDP hit RMB 90 trillion for the first time, the growth rate slowing down to 6.6%. Given that China is one of the key consumers of the global oil, a slow down of the economy could hamper its demand for crude oil and may cause oil price to fall.

### 各位股東：

本人謹代表能源國際投資控股有限公司（「本公司」）董事（「董事」）會（「董事會」），欣然提呈本公司之年報及本公司及其附屬公司（統稱為「本集團」）截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

於截至二零一八年十二月三十一日止年度，本集團的主要業務包括：(1) 產油，指產油業務；(2) 油品及液體化工品碼頭，指經營租賃油品及液體化工品碼頭連同其儲存及物流設施（「港口及儲存設施」）業務及(3) 保險經紀服務，指提供保險經紀服務業務。

## 業務回顧

### 產油

年內，本集團產油業務繼續虧損，主要由於油價的波動。於二零一八年大部分時間，油價大幅上升，主要由於原油價格幾年來處於低水平、全球石油產量下降及印度及中國對原油需求增加等因素所致。於二零一八年十月，紐約商品期貨交易所輕質低硫原油（「紐約商品期貨交易所輕質低硫原油」）（用作石油定價的一種基準）價格達到四年來每桶75美元新高。然而，由於受貿易摩擦及地緣政治的不明朗因素影響，油價於二零一八年年末暴跌。儘管中國國內生產總值首次突破90萬億人民幣，但增速回落至6.6%。鑑於中國為全球主要石油消費國之一，及中國經濟放緩可能打擊其對原油之需求，其可能導致油價下跌。

# CHAIRMAN'S STATEMENT

## 主席報告

### OIL AND LIQUEFIED CHEMICAL TERMINAL

Following all requisite licenses and regulatory approvals for operation have been obtained, the Port and Storage Facilities located at Dongying Port Economic Development Zone, Shangdong Province, the People's Republic of China (the "PRC") has achieved full-scale operation in May 2018. The Group is entitled to receive full rental income from the lessee (an independent third party) at RMB125 million per annum (including value-added tax ("VAT")). This stable rental income provides an opportunity for the Group to expedite its recovery of investment costs and delivers reasonable return to the Group.

As a result of the increase in average crude oil price as well as full operation from the Port and Storage Facilities, for the financial year ended 31 December 2018, the Group recorded a revenue from continuing operations of approximately HK\$152 million (2017: HK\$30 million), representing a significant increase by approximately HK\$122 million as compared to last year. The gross profit in 2018 increased by more than 14 times to approximately HK\$126 million (2017: HK\$9 million).

The loss attributable to owners of the Company amounted to approximately HK\$76 million, which was improved from last year of approximately HK\$187 million, and resulting in the decrease in the basic loss per share from HK4.7 cents last year (restated) to HK1.2 cent this year. Despite the improvement in revenue and gross profit of the Group, an impairment loss of approximately HK\$63 million (2017: HK\$176 million) was recognised in relation to the Group's oil production business.

### PROSPECTS

Since the commencement of operation of the Port and Storage Facilities in September 2017, the rental income of the project has started to contribute a significant and consistent operating cash inflow and revenue to the Group going forward. In view of the fluctuations in the oil market, the Group will carefully monitor the oil production business by adopting conservative investment strategy to lower the business risk.

### 油品及液體化工品碼頭

於獲得營運所需的所有牌照及監管批文後，於二零一八年五月，位於中華人民共和國（「中國」）山東省東營市港口經濟開發區的港口及儲存設施已實現全面運營。本集團有權收取承租人（一名獨立第三方）全部租金收入每年人民幣125,000,000元（包括增值稅（「增值稅」））。該穩定的租金收入為本集團提供加快本集團收回投資成本及實現合理資金回報的機會。

於截至二零一八年十二月三十一日止財政年度，由於原油均價上升以及港口及儲存設施全面運營，本集團錄得持續經營業務收益約152,000,000港元（二零一七年：30,000,000港元），較去年大幅增加約122,000,000港元，二零一八年毛利增加逾14倍至約126,000,000港元（二零一七年：9,000,000港元）。

本公司擁有人應佔虧損約76,000,000港元，較去年虧損約187,000,000港元有所改善，導致每股基本虧損由去年4.7港仙（重列）減為本年度1.2港仙。儘管本集團之收益及毛利有所改善，但就本集團之產油業務確認減值虧損約63,000,000港元（二零一七年：176,000,000港元）。

### 前景

由於港口及儲存設施於二零一七年九月開始營運，該項目租金收入已開始為本集團的發展貢獻重大及持續的經營現金流入及收益。鑑於油品市場的波動，本集團將透過採取保守的投資策略審慎監察產油業務以降低業務風險。

# CHAIRMAN'S STATEMENT

## 主席報告

The Board is actively looking for new opportunities to diversify the income stream of the Group. Following the completion of the acquisition of an insurance brokerage entity in August 2018, the Company has entered into two memoranda of understanding (individually referred to as the "MOU") on 30 October 2018 and 19 November 2018 for the purpose to invest in the fast-growing fintech industry and a port and building material related project in the PRC respectively. Even though the negotiations in respect of these investments are ongoing, the Directors recognise the opportunity to expand into existing and different business segments and believe the proposed entry into new sector can benefit to the Company as a whole.

Looking ahead, we believe the year of 2019 will be a very challenging year. In view of the trade tension between the United States and China, the business environment remain uncertain. Meanwhile, coupled with uncertainty of Brexit and economic situation in Europe, the investment market is filled with uncertainty. However, the Group remains optimistic and is actively exploring opportunities in expanding our business in existing and different industries to drive the Group's sustainable growth and strengthen its financial position.

### APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to our shareholders, business partners, colleagues and my fellow Directors who have continuously supported the Group.

**Lan Yongqiang**  
*Chairman*

Hong Kong, 28 March 2019

董事會正積極尋求新的機會以多元化本集團收入來源。於二零一八年八月完成收購一間保險經紀實體後，本公司已於二零一八年十月三十日及二零一八年十一月十九日訂立兩份諒解備忘錄（各份單獨稱為「諒解備忘錄」），以分別投資快速增長的金融科技行業及中國的港口及建築材料相關項目。儘管有關該等投資正在協商中，董事認同擴大現有及不同業務分部及建議進入新行業對為本公司整體帶來裨益。

展望未來，我們相信二零一九年為極具挑戰的一年。鑑於美國與中國的貿易緊張關係，業務環境仍不明朗。同時，加上英國脫歐及歐洲的經濟形勢的不明朗，投資市場充滿不確定因素。然而，本集團仍保持樂觀，並積極尋求拓展現有業務及不同行業的投資機會，從而促使本集團可持續增長及鞏固其財務狀況。

### 致謝

本人謹代表董事會，向一貫全力支持本集團的全體股東、業務夥伴、同事及各位董事致以衷心謝意。

*主席*  
**藍永強**

香港，二零一九年三月二十八日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### OPERATING RESULTS

The Group is principally engaged in the oil production, the leasing of oil and liquefied chemical terminal and insurance brokerage service.

#### (i) Revenue

For the year ended 31 December 2018, the Group's record revenue from continuing operations was approximately HK\$152 million (2017: HK\$30 million), representing an increase of approximately HK\$122 million or approximately 407% as compared to last year. The Group's revenue is mainly contributed from the sale of crude oil of the oil production business and rental income of the oil and liquefied chemical terminal.

#### (ii) Gross profit

As compared to gross profit made in 2017 of less than HK\$9 million, the Group enhanced the gross profit position during the year, representing a significant improvement of approximately HK\$117 million. The improvement of gross profit is mainly attributable to the increase in oil selling price, the result from certain cost saving measures and the commencement of leasing of the Group's oil and liquefied chemical terminal since late September 2017.

The Board believes that the stable rental income generated from the leasing of oil and liquefied chemical terminal, coupled with the continuation of the cost saving measures, enable the Group to maintain the gross profit position.

#### (iii) Loss attributable to the owners of the Company

The loss attributable to the owners of the Company for the year ended 31 December 2018 was approximately HK\$76 million (2017: HK\$187 million). The loss of the Group has decreased by approximately HK\$111 million or approximately 59% as compared to last year. The loss was mainly resulted from (1) the impairment losses on property, plant and equipment ("PPE") and intangible assets relating to the cash-generating unit to which the PPE and intangible assets of the Group's oil production business belong (the "Oil Production CGU") amounted to approximately HK\$63 million in total; and (2) the finance costs amounted to approximately HK\$64 million.

### 經營業績

本集團主要從事產油、租賃油品及液體化工品碼頭以及保險經紀服務。

#### (i) 收益

截至二零一八年十二月三十一日止年度，本集團持續經營業務錄得收益約152,000,000港元（二零一七年：30,000,000港元），較去年增加約122,000,000港元或約407%。本集團之收益主要來自產油業務之原油銷售及油品及液體化工品碼頭業務之租金收入。

#### (ii) 毛利

相較於二零一七年錄得毛利少於9,000,000港元，本集團本年度之毛利增加，相當於大幅提升約117,000,000港元。毛利改善主要由於油價上升及實施若干成本節約措施及本集團之油品及液體化工品碼頭自二零一七年九月下旬起開始出租所致。

董事會相信租賃油品及液體化工品碼頭產生穩定的租金收入加上持續實施成本節約措施，能夠使本集團保持毛利。

#### (iii) 本公司擁有人應佔虧損

截至二零一八年十二月三十一日止年度，本公司擁有人應佔虧損約76,000,000港元（二零一七年：187,000,000港元）。相較去年，本集團之虧損減少約111,000,000港元或約59%。虧損主要由於(1)與本集團產油業務的物業、廠房及設備（「物業、廠房及設備」）以及無形資產所屬現金產生單位（「產油現金產生單位」）相關的物業、廠房及設備以及無形資產減值虧損總額約63,000,000港元；及(2)財務成本約64,000,000港元。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

#### Oil business

The international crude oil market has fluctuated significantly during the year. The price increased significantly in most of the time in 2018 due to factors such as crude oil price was at low level for certain years, decline in global oil production and growth in demand for crude oil in India and China. The crude oil price for NYMEX WTI reached a four-year high of US\$75 per barrel in October 2018. As compared with 2017, average oil selling price of the Group increased by approximately 40% in 2018. However, due to the trade frictions and geopolitical uncertainties, the oil price in late 2018 underwent a downward plunge. The oil selling price of the Group in December month end dropped significantly to a similar level as in late December 2017. Overall, benefit from the increased average selling price, the Group has extracted approximately 11,306 metric tonnes (2017: 8,932 metric tonnes) of oil during 2018.

The results from operations and costs incurred in oil business are detailed as below. In 2018, the Group achieved a turnover of approximately HK\$37 million (2017: HK\$20 million), representing an increase of approximately 85% as compared with last year. The reportable segment profit of oil production before write-off of PPE and impairment losses on PPE and intangible assets for 2018 amounted to approximately HK\$5 million (2017: loss of HK\$22 million). The significant improvement is primarily due to the increase in the average oil selling price and sale volume.

#### Results from operations

### 業務回顧

#### 石油業務

國際原油市場於年內大幅波動。二零一八年大部分時間價格大幅上升，乃由於原油價格近幾年來處於低位、全球油品產量減少以及印度及中國對原油的需求增加等因素。於二零一八年十月，紐約商品期貨交易所輕質低硫原油價格達到四年來每桶75美元新高。於二零一八年，本集團油品平均銷售價格較二零一七年上升約40%。然而，受貿易摩擦及地緣政治的不明朗因素影響，油價於二零一八年底暴跌。於十二月底，本集團石油銷售價格大幅下跌至二零一七年十二月底類似水平。整體而言，受益於平均售價的上升，本集團已於二零一八年開採約11,306公噸石油（二零一七年：8,932公噸）。

石油業務之經營業績及所涉之成本詳列如下。於二零一八年，本集團錄得之營業額約37,000,000港元（二零一七年：20,000,000港元），較去年增加約85%。於二零一八年產油報告分類錄得之溢利（未計物業、廠房及設備撇銷以及物業、廠房及設備及無形資產減值虧損）約5,000,000港元（二零一七年：虧損22,000,000港元）。上述大幅改善主要由於平均石油售價上升及銷量提高。

#### 經營業績

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Net sales to a customer	一位客戶銷售淨額	37,247	20,192
Other income	其他收入	6	42
Operating expenses	經營開支	(29,369)	(36,813)
Depreciation	折舊	(2,633)	(5,097)
Write-off of property, plant and equipment	撇銷物業、廠房及設備	(1,559)	(13,051)
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	(526)	(5,469)
Impairment loss on intangible assets	無形資產之減值虧損	(62,801)	(170,710)
Results from operations before income tax	除所得稅前經營業績	(59,635)	(210,906)

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### *Songliao Contract impairment*

As at 31 December 2018, the Company reviewed the carrying amounts of its assets related to the petroleum contract entered into between China Era Energy Power Investment Limited, a wholly-owned subsidiary of the Company, and China National Petroleum Corporation on 13 August 2007 (the "Songliao Contract"), and determined that impairment would be necessary. The impairment losses were mainly due to the accumulative decrease in the projected volume of drilling and extraction and decrease in the projected crude oil prices. The planned drilling and extraction schedules were adjusted mainly due to the following factors:

- The drop in projected crude oil price based on the rate of change in the forecast from NYMEX WTI;
- More time spent on the research on the detail structure of underground oil reserve;
- Further determination of the type of wells to be drilled;
- Insufficient funding to expand the production; and
- Environmental concern near the site areas expressed by the local authority.

Accordingly, the Company determined that the carrying amounts of the assets related to the Songliao Contract before any impairment is likely to exceed their recoverable amount based on the revised timing of future cash flows projected from the Songliao Contract.

In assessing the recoverable amount of the Oil Production CGU at 31 December 2018, the Company calculated the value-in-use derived by the discounted cash flow analysis to reflect deferral of development of the property by the revised price and cost considerations. The projected cash flows are based on the following key assumptions:

- Total estimated operating and construction costs of wells of the PRC oil field for the remaining terms of the Songliao Contract;

### *松遼合約減值*

於二零一八年十二月三十一日，本公司已檢討中國年代能源投資有限公司(本公司的全資附屬公司)與中國石油天然氣集團公司於二零零七年八月十三日訂立的石油合約(「松遼合約」)的有關資產賬面值，並斷定資產須作出減值。減值虧損主要由於預測鉆探及開採量累計減少及預測原油價格下降。原定的鑽探及開採時間表乃主要由於以下因素而予以調整：

- 根據預測的變化幅度紐約商品期貨交易所輕質低硫原油預測價格降低；
- 對地下石油儲量結構進行詳盡研究花費更多時間；
- 進一步釐定將予鑽挖的油井種類；
- 缺乏足夠資金擴充生產；及
- 地方機關對開採附近地區的環境表示關注。

據此，本公司斷定，鑑於松遼合約預測的未來現金流產生時間已修訂，松遼合約有關資產於任何減值前的賬面值很可能超過收回金額。

評估二零一八年十二月三十一日產油現金產生單位的可收回金額時，本公司採用現金流折現分析，以經修訂價格及成本代價，計算使用價值，以反映出財產延遲開發的影響。預測現金流是基於以下關鍵假設計算：

- 松遼合約餘下限期內的中國油田油井估計營運及建設成本總額；

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- The discount rate by reference to market comparable; and
- The crude oil price projection basis by reference to market price of NYMEX WTI at the end of 2018 and the selling price of the Group. The oil price projections between the years 2019 and 2021 were based on the rate of change in the forecast from NYMEX WTI. For the years from 2022 to 2031, an annual growth rate for the oil price of 3% was assumed, reflecting the long-term average growth rate for China, being the country in which the Oil Production CGU operates.
- 折現率是參考市場可比較數據定出；及
- 原油價格預測基準參考二零一八年年底紐約商品期貨交易所輕質低硫原油之市價及本集團銷售價格。二零一九年至二零二一年之油品價格預測乃根據紐約商品期貨交易所輕質低硫原油預測之變化幅度計算。自二零二二年至二零三一年，油品價格假設年度增長率為3%，反映中國（產油現金產生單位營運所在國家）之長期平均增長率。

The review on the carrying amounts of the Oil Production CGU resulted in total impairment losses of approximately HK\$63 million (2017: HK\$176 million). The impairment losses have been presented on the face of the consolidated income statement and relates to the Company's oil production segment.

檢討產油現金產生單位之賬面值產生減值虧損總額約63,000,000港元（二零一七年：176,000,000港元）。該減值虧損已於綜合損益表內呈列，並與本公司產油分類資料有關。

For the purpose of calculating the recoverable amount of the Oil Production CGU, the following major variables and assumptions were adopted:

就計算產油現金產生單位之可收回金額，已採用下列主要變量及假設：

- (i) According to the terms of the Songliao Contract, when determining the oil price, reference should be made to the transaction prices in the world's major oil markets. Same as last year, the Company has adopted crude oil prices with reference to the rate of change of NYMEX WTI forecast on crude oil prices.
- (ii) The average of the next five years' projected crude oil price based on the rate of change in the forecast from NYMEX WTI and adopted in the cash flow projection of the Oil Production CGU has dropped from US\$70.0 per barrel as at 31 December 2017 to US\$64.4 per barrel as at 31 December 2018.
- (iii) The estimated operating costs of the PRC oil field for the remaining terms of the Songliao Contract would increase and a growth rate of 3% (2017: 3%) was being adopted, which reflected the long-term average growth rate for China, being the country in which the Oil Production CGU operates.
- (i) 根據松遼合約之條款，於釐定油價時應參考世界主要石油市場之交易價格。與去年相同，本公司所採納之原油價格是參考紐約商品期貨交易所輕質低硫原油對原油價格預測之變化幅度。
- (ii) 根據紐約商品期貨交易所輕質低硫原油預測之變化幅度，對下個五年預測的平均原油價格及產油現金產生單位現金流預測價格從二零一七年十二月三十一日的每桶70美元下降至二零一八年十二月三十一日的每桶64.4美元。
- (iii) 松遼合約餘下年期內的中國油田估計營運成本將會增加，採用之增長率為3%（二零一七年：3%），反映中國（產油現金產生單位營運所在國家）之長期平均增長率。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

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|---|---|
| <p>(iv) The exchange rates used for conversion between (a) Hong Kong dollars (“HK\$”) and Renminbi (“RMB”) is RMB1.00 = HK\$1.14 (2017: RMB1.00 = HK\$1.20); and (b) United States dollars (“US\$”) and RMB is approximately US\$1.00 = RMB6.88 (2017: US\$1.00 = RMB6.51).</p> | <p>(iv) (a) 港元(「港元」)兌人民幣(「人民幣」)所用匯率為人民幣 1.00 元=1.14 港元(二零一七年：人民幣 1.00 元=1.20 港元)；及 (b) 美元(「美元」)兌人民幣所用匯率為約 1.00 美元=人民幣 6.88 元(二零一七年：1.00 美元=人民幣 6.51 元)。</p> |
| <p>(v) The discounted cash flow analysis on the Oil Production CGU was based on cash flow projection for a period of 13 years up to 2031, being the year of expiry under the fixed contractual term of the Songliao Contract unless extended.</p>                               | <p>(v) 產油現金產生單位之折現現金流量分析乃根據截至二零三一年止十三年期間(即松遼合約固定合約期之屆滿年度，延期則另作別論)之現金流量預測計算。</p>   |
| <p>(vi) As compared with last year’s calculation, the management has adopted an adjusted drilling and extraction schedules as detailed below:</p>   | <p>(vi) 相對於去年之計算，管理層採用經調整的鑽探及開採時間表，詳情如下：</p>  |

### Drilling and extraction schedules

#### 鑽探及開採時間表

Years 年度		Variables used in current year projection 本年度預測所用之變量		Variables used in previous year projection 過往年度預測所用之變量	
		New wells 新油井	Million metric tonnes 百萬公噸	New wells 新油井	Million metric tonnes 百萬公噸
2018	二零一八年	(actual)(實際)–	(actual)(實際)0.011	18	0.015
2019	二零一九年	–	0.011	20	0.113
2020 to 2031	二零二零年至 二零三一年	64	0.510	76	0.686
Total	合計	64	0.532*	114	0.814

\* For the current year projection, as compared with previous year projection and having considered the production capacity, approximately 282,000 metric tonnes of oil production are assumed to be deferred after the Songliao Contract period i.e., year 2031.

\* 就本年度預測而言，相較過往年度預測及計及產能後，約 282,000 公噸石油生產假設延至松遼合約期(即二零三一年)後。

The adjustments are mainly due to the following factors:

調整之主要因素如下：

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>– Cost effective consideration as the projected crude oil price based on the rate of change in the forecast from NYMEX WTI dropped;</li> <li>– Additional time spent on the research on the detail structure of the underground oil reserves;</li> </ul> | <ul style="list-style-type: none"> <li>– 對成本效益的考慮，原因為根據紐約商品期貨交易所輕質低硫原油預測之變化幅度預測的原油價格下降；</li> <li>– 對地下石油儲量結構進行詳盡研究花費更多時間；</li> </ul> |
|---|--|

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- Additional time required to determine the type of wells to be drilled;
  - Insufficient funding to expand the production in the short run; and
  - Tighten environmental concern near the site area expressed by the local authority.
- 釐定將予鑽挖之油井種類需要更多時間；
  - 短期內缺乏足夠資金擴充生產；及
  - 地方機關對開採附近地區收緊環境政策。
- (v) The funding requirements for capital expenditure, including well development and well maintenance, on the planned drilling were detailed below:
- (v) 計劃鑽探之資本開支（包括油井開發及油井維護）的資金需求詳情如下：

Years 年度		Capital expenditure 資本開支	
		Variables used in current year projection 本年度預測 所用之變量 HK\$' million 百萬港元	Variables used in previous year projection 過往年度預測 所用之變量 HK\$' million 百萬港元
2018	二零一八年	(actual) (實際) –	51
2019	二零一九年	–	57
2020 to 2031	二零二零年至二零三一年	197	215
Total	合計	197	323

The management planned to obtain necessary funding for the capital expenditure from both internal and external sources. In current year, since the net cash used in operating activities of the Group amounted to approximately HK\$76 million, the management is of the view that it was not beneficial to the Group to spend significant amount on capital expenditure under the current and forecast oil price. Therefore the management has reduced the capital expenditure for subsequent years.

管理層計劃從內部及外部資源撥付資本開支所需資金。於本年度，由於本集團之營運活動所動用之現金淨額約為76,000,000港元，管理層認為，於現時及預測油價條件下花費大量資金用於資本開支對本集團並無益處。因此，管理層削減了往後年度之資本開支。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

(vi) The management assumed that the discount rate will be close to market comparable and a pre-tax discount rate used to determine value-in-use is 15.4% (2017: 17.7%). The pre-tax discount rate was used to discount the free cash flows to the Oil Production CGU, by reference to the weighted-average-cost-of-capital derived from the cost of equity and the cost of debt. The cost of equity is calculated using the Capital Assets Pricing Model based on the risk-free rate of 3.31% (2017: 3.9%) per annum (by reference to China sovereignty bond yield), the expected market return (by reference to the internal rate of return of China stock markets), the equity risk premium (being the difference between the expected market return and the risk-free rate), the small company risk premium (by reference to research results of international consulting firms), the levered beta (by reference to the average unlevered beta and average debt to equity ratio of market comparable companies listed in Hong Kong engaging in similar industries) and the tax rate of 25% (2017: 25%) in China. The cost of debt is calculated using the standard long-term (for loans with a term of over five years) lending rate quoted by the People's Bank of China of 4.9% (2017: 4.9%) per annum, after 25% (2017: 25%) tax.

The review on the carrying amounts of the Oil Production CGU resulted in total impairment losses of approximately HK\$63 million (2017: HK\$176 million), which is mainly due to the accumulative decrease in the projected volume of drilling and extraction and decrease in the projected crude oil prices.

### Information of oil reserves

Changes in estimated quantities of proved crude oil reserves for the years ended 31 December 2017 and 2018 are indicated as follows:

(vi) 管理層假設折現率將接近市場可資比較折現率，而用以釐定使用價值之除稅前折現率為15.4%（二零一七年：17.7%）。除稅前折現率用以折現產油現金產生單位之自由現金流量，並參考按權益成本及債務成本計算得出之加權平均資本成本。權益成本採用資本資產定價模式計算，基於無風險利率每年3.31%（二零一七年：3.9%）（參考中國主權債券收益率）、預期市場回報（參考中國股市的內部回報率）、權益風險溢價（即預期市場回報與無風險利率之差額）、小型公司風險溢價（參考國際諮詢公司的調研結果）、槓桿化貝塔值（參考從事類似行業之香港上市市場可資比較公司之平均無槓桿化貝塔值及平均債務對權益比率）及中國稅率25%（二零一七年：25%）。債務成本採用中國人民銀行所報之標準長期（就超過五年期之貸款而言）借貸率每年4.9%（二零一七年：4.9%），扣除25%（二零一七年：25%）稅項後計算。

檢討產油現金產生單位賬面值產生減值虧損總額約為63,000,000港元（二零一七年：176,000,000港元），主要由於預測鑽探及開採量累計減少及預測原油價格下降。

### 石油儲量資料

截至二零一七年及二零一八年十二月三十一日止年度，探明原油儲量之估計數量之變動列載如下：

		<b>Crude oil</b> 原油 (million metric tonnes) (百萬公噸)
Reserves as at 1 January 2017	於二零一七年一月一日之儲量	3.648
Changes resulted from: Production	因以下事項而產生變動：生產	(0.009)
Changes resulted from: Loss of reserves	因以下事項而產生變動：儲量損失	(0.708)
Reserves as at 31 December 2017	於二零一七年十二月三十一日之儲量	2.931
Changes resulted from: Production	因以下事項而產生變動：生產	(0.011)
Reserves as at 31 December 2018	於二零一八年十二月三十一日之儲量	2.920

Note: Based on the Group's share of participated interests in the oil field through jointly controlled operations.

附註：根據本集團透過共同控制營運分佔於油田之參與權益計算。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Operation of liquid chemical terminal, storage and logistics facilities business

By end of 2015, the Group has injected RMB115 million (approximately HK\$136 million) to Shandong Shundong Port Services Company Limited (“Shundong Port”) to obtain 51% equity interest in Shundong Port. Shundong Port owns two sea area use rights covering an aggregate area available for land-forming and reclamation construction of approximately 31.59 hectares in Dongying Port, Shandong Province, the PRC and permitting the construction of reclamation and land-forming for use in sea transportation and port facilities for a 50-years’ period running from 13 November 2014 to 12 November 2064 and 23 February 2016 to 22 February 2066 respectively. Shundong Port has completed the construction and commenced leasing of its Port and Storage Facilities during 2017. Full commercial operation has been achieved in May 2018 and approximately HK\$115 million rental income was generated during the year.

### GOING CONCERN BASIS

During the year ended 31 December 2018, the Group incurred a loss of HK\$73,847,000 (2017: HK\$201,430,000) and recorded net current liabilities of HK\$228,926,000 (2017: HK\$1,075,777,000) as at 31 December 2018. As at 31 December 2018, the total outstanding construction costs included in current liabilities which are repayable within one year after the reporting date amounted to HK\$344,955,000 (2017: HK\$484,044,000), out of which HK\$307,223,000 (2017: HK\$403,946,000) and HK\$37,732,000 (2017: HK\$80,098,000) were recognised under other payables and other borrowings respectively, and the capital commitments for construction costs were HK\$2,452,000 (2017: HK\$3,078,000) as at 31 December 2018. In addition, other borrowings included in current liabilities of HK\$42,795,000 (2017: HK\$30,054,000) have been overdue for repayments as at 31 December 2018. These conditions indicate a material uncertainty exists that may cast significant doubts about the Group’s ability to continue as a going concern.

Notwithstanding the foregoing, the Directors have prepared the consolidated financial statements on a going concern basis, the appropriateness of which depends upon the outcome of the underlying assumptions and measures as detailed in note 3(a)(ii) to the consolidated financial statements and extracted as below:

### 經營液體化工品碼頭、儲存及物流設施業務

截至二零一五年年底，本集團已向山東順東港務有限公司（「順東港務」）注資人民幣115,000,000元（約136,000,000港元），以取得順東港務51%股權。順東港務擁有兩項使用海域之權利，涵蓋中國山東省東營港可用作土地平整及填海建設總面積為約31.59公頃，並獲許建設填海及土地平整，以供海洋運輸及港口設施使用，營運期為50年，分別自二零一四年十一月十三日起至二零六四年十一月十二日止及二零一六年二月二十三日起至二零六六年二月二十二日止。於二零一七年，順東港務已完成建設並開始出租其港口及儲存設施，於二零一八年五月實現全面商業運營及本年度產生租金收入約115,000,000港元。

### 持續經營基準

截至二零一八年十二月三十一日止年度，本集團產生虧損73,847,000港元（二零一七年：201,430,000港元），於二零一八年十二月三十一日錄得流動負債淨值228,926,000港元（二零一七年：1,075,777,000港元）。於二零一八年十二月三十一日，納入流動負債於報告日期後一年內償還的未償還建設成本總額為344,955,000港元（二零一七年：484,044,000港元），其中307,223,000港元（二零一七年：403,946,000）及37,732,000港元（二零一七年：80,098,000港元）分別於其他應付款項及其他借款項下確認，及建設成本資本承擔為2,452,000港元（二零一七年：3,078,000港元）。此外，於二零一八年十二月三十一日，納入流動負債之其他借款42,795,000港元（二零一七年：30,054,000港元）逾期未還，該等情況反映存在重大不明朗因素，或會對本集團持續經營之能力產生重大質疑。

儘管上文所述，董事已按持續經營基準編製綜合財務報表，其合適性主要取決於綜合財務報表附註3(a)(ii)所述的相關假設及措施之結果並摘錄如下：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- (a) Subsequent to the reporting date, in February 2019, the Group successfully obtained a five-year credit facility from a financial institution in the PRC in the amount of RMB150,000,000 (approximately HK\$171,000,000) which includes a three-year loan facility of RMB90,000,000 (approximately HK\$102,600,000) for the purpose of repaying the outstanding construction costs and bank and other borrowings that are repayable within one year after the reporting date. In March 2019, the Group obtained another loan facility from another financial institution in the PRC in the amount of RMB300,000,000 (approximately HK\$342,000,000), with a credit period of 36 months;
- (a) 報告日期後，於二零一九年二月，本集團已自一間中國財務機構成功獲得一筆五年期信貸融資人民幣150,000,000元（約171,000,000港元），其中包括一筆三年期貸款融資人民幣90,000,000元（約102,600,000港元），以償還報告日期後一年內償還之未付建築成本及銀行及其他借款。於二零一九年三月，本集團已自中國另外一間財務機構獲得另外一筆貸款融資人民幣300,000,000元（約342,000,000港元），信貸期為三十六個月；
- (b) In light of the above new loan facilities, the Group has plans to repay the outstanding construction costs amounting to HK\$232,903,000 in the coming twelve months after the reporting period. For the remaining balances of total construction costs, based on the good relationship with the contractors, it is assumed that the contractors will extend the repayment dates over twelve months after 31 December 2018;
- (b) 鑑於上述新貸款融資，本集團已計劃於報告日期後未來十二個月內償還未償還建設成本232,903,000港元。而就總建設成本之餘下結餘而言，基於與承包商的友好關係，假設承包商將延長償還日期至二零一八年十二月三十一日後超過十二個月；
- (c) The Directors are of the view that since its full operation in May 2018, the Oil and Liquefied Chemical Terminal segment is able to contribute and generate a significant and consistent operating cash inflow to the Group in the coming twelve months after the reporting date which mainly derived from rental income receipt in the amount of RMB125,000,000 before VAT (approximately HK\$142,500,000) as stipulated in the lease agreement;
- (c) 董事認為，於二零一八年五月全面運營後，油品及液體化工品碼頭分類於報告日期後未來十二個月內能夠為本集團貢獻帶來重大及持續的經營現金流入，主要來自租賃協議訂明的扣除增值稅前的租金收入收據人民幣125,000,000元（約142,500,000港元）；
- (d) The Directors are of the view that the loan receivables in the amount of HK\$72,098,000 will be recovered without default in the coming twelve months after the reporting date under the loan agreements and the management's assessment of their recoverability; and
- (d) 根據貸款協議及管理層對其可收回性評估，董事認為72,098,000港元之應收貸款將於報告日期後未來十二個月內收回（並無違約）；及



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

(e) During the year ended 31 December 2018, the Company paid an amount of RMB100,000,000 (approximately HK\$114,000,000) as refundable deposits under the terms of MOU, which was entered into between the Company and the potential vendors, pursuant to which the Company proposed to invest in not less than 45% issued shares in a target company. The Directors are of the view that the investment is still under preliminary negotiation and it is uncertain as to whether the transaction will proceed to completion with the potential vendors before the lapse date of the MOU (i.e. 30 April 2019), and therefore, the balance will be recovered in the coming twelve months.

The Directors have reviewed the Group's cash flow forecast prepared by management which covers a period of not less than twelve months from 31 December 2018. After taking into account the above assumptions and measures, the Directors consider that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2018 and believe that the Group will continue as a going concern and consequently have prepared the consolidated financial statements on a going concern basis.

## FINANCIAL REVIEW

### Liquidity, financial resources and capital structure

As at 31 December 2018, the Group had total assets of approximately HK\$2,217 million (2017: HK\$1,993 million), total liabilities of approximately HK\$1,287 million (2017: HK\$1,622 million), indicating a gearing ratio of 0.58 (2017: 0.81) on the basis of total liabilities over total assets. The current ratio of the Group for the year was 0.70 (2017: 0.12) on basis of current assets over current liabilities.

Loan receivables amounted to approximately HK\$72 million represented loans to independent third parties which bear fixed interest rate ranging from 4% to 10% annually. Deposits amounted to approximately RMB100 million (approximately HK\$114 million), which is included in prepayments, deposits and other receivables, relating to the deposit paid for the proposed investment in a fintech project in the PRC. Details of which can be referred to the announcement of the Company dated 30 October 2018.

(e) 於截至二零一八年十二月三十一日止年度，根據本公司與潛在賣方訂立之諒解備忘錄條款（根據諒解備忘錄，本公司建議投資不少於45%目標公司已發行股本），本公司已付人民幣100,000,000元（約114,000,000港元）作為可退還按金。董事認為該投資正在初步協商中，不確定與潛在賣方之交易於諒解備忘錄失效前（即二零一九年四月三十日）是否會完成，因此，結餘將於未來十二個月內收回。

董事已審閱本集團管理層編製之現金流量預測，該現金流量預測涵蓋自二零一八年十二月三十一日起計的不少於十二個月之預測。經考慮上述假設及措施，董事認為本集團將擁有充足的營運資金為其經營業務撥資及於二零一八年十二月三十一日起計十二個月內到期時滿足其財務承擔，並相信本集團將持續經營並按持續經營基準編製該綜合財務報表。

## 財務回顧

### 流動資金、財務資源及股本架構

於二零一八年十二月三十一日，本集團之資產總值約2,217,000,000港元（二零一七年：1,993,000,000港元），負債總額約1,287,000,000港元（二零一七年：1,622,000,000港元），按負債總額除以資產總值計算，資本負債比率為0.58（二零一七年：0.81）。本年度本集團之流動比率（按流動資產除以流動負債計算）為0.70（二零一七年：0.12）。

應收貸款約72,000,000港元，指向獨立第三方提供的貸款，按固定年利率4%至10%計息。存款約人民幣100,000,000元（約114,000,000港元），該款項計入有關建議投資一個位於中國的金融科技項目支付按金的預付款，按金及其他應收款項。有關詳情請參閱本公司日期為二零一八年十月三十日之公告。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

As at 31 December 2018, the Group had bank and other borrowings of approximately HK\$235 million and HK\$172 million respectively (2017: HK\$295 million and HK\$160 million respectively). The aggregate bank deposits and cash in hand of the Group were approximately HK\$277 million (2017: HK\$57 million), represented an increase by approximately 385%, due primarily to the issuance of convertible bonds during the year.

Movements of convertible bonds during the year are as follows:

As at 31 December 2017, the convertible bonds outstanding principal amount of approximately HK\$628 million, had been due on 31 December 2015 not carrying any interest with right to convert the convertible bonds into ordinary Shares of the Company (the "Shares"). The adjusted conversion price is HK\$0.8 per Share (subject to adjustments) and a maximum number of 785,200,000 Shares may be allotted and issued upon exercise of the conversion rights attached to the convertible bonds in full. During the year, full conversion of these convertible bonds to 785,200,000 Shares has been made.

As at 31 December 2018, the convertible bonds outstanding principal amount of HK\$32 million are due on 15 September 2018 ("2015 CB") carrying interest of 5% per annum with right to convert the convertible bonds into shares. The conversion price is HK\$0.158 per share (subject to adjustments) and a maximum number of 202,531,645 Shares may be allotted and issued upon exercise of the conversion rights attached to the convertible bonds in full. During the year, convertible bonds with principal amount of HK\$158 million were converted to 999,999,996 Shares, leaving behind outstanding principal amount of HK\$32 million unconverted and unredeemed beyond its maturity on 15 September 2018 up to the year end date of 31 December 2018.

On 17 September 2018, the Company completed and issued convertible bonds ("CB9") with the principal amount of HK\$200 million and HK\$249 million to Giant Crystal Limited ("Giant Crystal") and independent third parties respectively, both carrying interest of 3% per annum with right to convert the convertible bonds into Shares. The conversion price of these convertible bonds is HK\$0.255 per share (subject to adjustments) and a maximum number of 784,313,725 and 976,470,588 Shares may be allotted and issued upon exercise of the conversion rights attached to the convertible bonds in full to Giant Crystal and independent third parties respectively. During the year, no CB9 was converted into the Shares.

於二零一八年十二月三十一日，本集團銀行及其他借款分別為約235,000,000港元及172,000,000港元(二零一七年：分別為295,000,000港元及160,000,000港元)。本集團之銀行存款及手頭現金合計為約277,000,000港元(二零一七年：57,000,000港元)增加約385%，主要由於年內發行可換股債券。

於本年度，可換股債券變動如下：

於二零一七年十二月三十一日，未償還可換股債券之本金額約628,000,000港元，已於二零一五年十二月三十一日到期及不計利息，並且附有權利可將可換股債券兌換為本公司普通股(「股份」)。經調整兌換價為每股0.8港元(可予調整)，而倘可換股債券附帶之兌換權獲悉數行使，可配發及發行最多785,200,000股股份。年內，該等可換股債券已獲悉數兌換為785,200,000股股份。

於二零一八年十二月三十一日，未償還可換股債券(「二零一五年可換股債券」)之本金額為32,000,000港元，乃於二零一八年九月十五日到期及按年利率5%計息，並且附有權利可將可換股債券兌換為股份。兌換價為每股0.158港元(可予調整)，而倘可換股債券附帶之兌換權獲悉數行使，可配發及發行最多202,531,645股股份。年內，本金額為158,000,000港元之可換股債券已獲兌換為999,999,996股股份，餘下未償還本金32,000,000港元於二零一八年九月十五日到期日至二零一八年十二月三十一日未轉換及未贖回。

於二零一八年九月十七日，本公司已完成及發行可換股債券(「可換股債券第九批債券」)，本金總額為200,000,000港元及249,000,000港元，分別發行予鉅晶有限公司(「鉅晶」)及獨立第三方。均按年利率3%計息，並且附有權利可將可換股債券兌換為股份。該等可換股債券兌換價為每股0.255港元(可予調整)，而倘鉅晶及獨立第三方之可換股債券附帶之兌換權獲悉數行使，可分別配發及發行最多784,313,725股及976,470,588股股份。年內，並無已發行可換股債券第九批債券兌換為股份。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Contingent liabilities

As at 31 December 2018, the Group did not have any significant contingent liabilities.

### Capital and other commitments

The Group had capital and other commitments contracted but not provided for of approximately HK\$2 million (2017: HK\$3 million) and HK\$43 million (2017: HK\$47 million) respectively as at 31 December 2018.

### Charges on assets

As at 31 December 2018, entire investment properties of approximately HK\$1,425 million, entire paid up capital of Shundong Port and certain trade receivables of approximately HK\$12 million were pledged for the Group's bank and other borrowings and finance lease liabilities.

As at 31 December 2017, entire investment properties of approximately HK\$1,500 million and bank deposits of approximately HK\$51 million were pledged for Group's bills payables, bank borrowings and finance lease liabilities.

### Exchange exposure

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

### 或然負債

於二零一八年十二月三十一日，本集團並無任何重大或然負債。

### 資本及其他承擔

本集團於二零一八年十二月三十一日有已訂約但未撥備之資本及其他承擔分別約2,000,000港元（二零一七年：3,000,000港元）及43,000,000港元（二零一七年：47,000,000港元）。

### 資產抵押

於二零一八年十二月三十一日，全部投資物業約1,425,000,000港元，順東港務全部繳足股本及若干應收貿易賬項約12,000,000港元已抵押本集團銀行及其他借款及融資租賃負債。

於二零一七年十二月三十一日，全部投資物業約1,500,000,000港元及銀行存款約51,000,000港元已抵押本集團應收票據、銀行借款及融資租賃負債。

### 外匯風險

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Employee information

As at 31 December 2018, the Group employed 132 full-time employees (2017: 149). The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually in line with industry practice. The Group also provides provident fund schemes (as the case may be) to its employees depending on the location of such employees.

### Dividend

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

## FUTURE PLAN AND PROSPECTS

### Oil business

In 2019, since the international crude oil price is highly sensitive to the economic condition and market sentiment, the trade war between China and the United States of America loomed in the early 2018 and getting fierce since late 2018, resulting a negative expectation on the economy as well as worsening the oil price. Even though China's GDP hit RMB 90 trillion for the first time, the growth rate slowing down to 6.6%. Given that China is one of the key consumers of the global oil, a downturn of the economy could hamper its demand for crude oil, which may causes oil prices to fall. Despite the complicated operation environment, the Group will continue to improve extraction techniques as well as adopt a stringent standard on its internal control to enhance production efficiency.

Taking into accounts the production capacity of existing wells and facilities and the demand in oil market, it is estimated that the annual oil production of the oil field of the Lower Cretaceous System Quantou Formation Third Member Yangdachengzi Layer which is situated at Liangjing Block of the Songliao Basin at Jilin Province of the PRC in 2019 would be approximately 11,000 metric tonnes (equivalent to 80,300 barrels of oil).

In the meantime, the Group has also explored the possibility of disposing the oil business so as to focus on other businesses with brighter prospect. During the year, the Company has entered into a non-legally binding MOU with a third party purchaser in relation to the proposed disposal of, either entirely or partially, the oil production business. No formal agreement has been signed as at the date of this annual report.

### 僱員資料

於二零一八年十二月三十一日，本集團僱用132名全職僱員（二零一七年：149名）。本集團之薪酬政策按個別僱員表現而釐定，並每年檢討以便與業界慣例相符。本集團亦按該等僱員之工作地點向僱員提供公積金計劃（按情況而定）。

### 股息

董事不建議派付截至二零一八年十二月三十一日止年度之任何股息（二零一七年：無）。

## 未來規劃及展望

### 石油業務

於二零一九年，國際原油價格對經濟狀況及市場氣氛高度敏感，中國與美國之貿易戰於二零一八年年初升溫並於二零一八年年末愈演愈烈，導致經濟負面預期以及油價惡化。儘管中國國內生產總值首次突破90萬億人民幣，但增速回落至6.6%。鑑於中國為全球主要石油消費國之一，中國經濟下滑可能打擊其對原油之需求，其可能導致油價下跌。儘管面對複雜營運環境，本集團將繼續提高開採技術以及採用嚴格的內部監控標準以提高產出效率。

計及現有油井及設施之產能以及石油市場之需求，估計位於中國吉林省松遼盆地兩井區塊之下白堊統泉頭組三段楊大城子油層之油田於二零一九年之年產油量將約為11,000公噸（相當於80,300桶石油）。

同時，本集團亦探索出售石油業務之可能性以專注於更有發展前景之其他業務。本年度，本公司已與一名第三方就建議出售全部或部分石油業務訂立不具法律約束力諒解備忘錄。於本年報日期，並無訂立正式協議。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Operation of liquid chemical terminal, storage and logistics facilities business

Since the completion of the acquisition of 51% effective interest in Shundong Port by the Group in December 2015, the Group had been proactively promoting the continual construction of the Port and Storage Facilities. The original design of the Port and Storage Facilities anticipated four berths for chemical tankers of 10,000 tonnage and two berths for chemical tankers of 5,000 tonnage. The construction was completed in late September 2017 and the terminal had commenced operation partially in late September 2017 and fully in May 2018.

On 24 October 2016, Shundong Port entered into a lease agreement (the "Lease Agreement") to lease the Port and Storage Facilities to an independent third party (the "Lessee"). The rent payable by the Lessee to Shundong Port for the Port and Storage Facilities under the Lease Agreement before VAT is RMB125 million (approximately HK\$145 million) per annum, which shall be payable in twelve equal instalments on monthly basis in advance. The Lease Agreement became effective in May 2018. Details of the Lease Agreement can be referred to the circular of the Company dated 17 February 2017.

The Lease Agreement provides an opportunity for the Company to generate a stable rental income from the Port and Storage Facilities, which is expected to expedite the Group's recovery of investment costs and to deliver reasonable return on capital to the Group on this project. In addition, the Lease Agreement is expected to improve the Group's asset and liabilities position in the long run, and to enhance the fund-raising capabilities of Shundong Port in the short run. It is currently expected that any cash derived from the rental income of the Lease Agreement will be retained by Shundong Port for its settlement of indebtedness, ongoing expansion and development plans.

### Exploration and mining business

As disclosed in the Company's 2015 annual report, the Board found out that in 2010, the exploration licence held by Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") had been transferred to Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited (內蒙古小紅山源森礦業有限公司) ("Yuen Xian Company") without the Company's knowledge, consent or approval (the "Change of Exploration Right Agreement").

### 經營液體化工品碼頭、儲存及物流設施業務

自二零一五年十二月本集團完成收購順東港務51%實際權益以來，本集團一直積極推動續建港口及儲存設施。港口及儲存設施之原定設計預期為四個10,000噸化工船泊位及兩個5,000噸化工船泊位。碼頭已於二零一七年九月下旬完成建設並開始進行部分商業營運及於二零一八年五月全面運營。

於二零一六年十月二十四日，順東港務簽訂一份租賃協議（「租賃協議」），以向一名獨立第三方（「承租人」）出租港口及儲存設施，根據租賃協議，承租人須就港口及儲存設施向順東港務每年支付除增值稅前租金人民幣125,000,000元（約145,000,000港元），有關租金須分十二期等額按月預付。該租賃協議於二零一八年五月生效。租賃協議之詳情可參閱本公司日期為二零一七年二月十七日之通函。

租賃協議為本公司提供以港口及儲存設施賺取穩定租金收入的機會，預期可加快本集團收回投資成本之速度，並讓本集團透過此項目實現合理資金回報。此外，租賃協議長遠可望改善本集團資產及負債狀況，並可於短期內加強順東港務之集資能力。目前預期租賃協議所得任何現金租金收入將由順東港務用於償付債務、持續擴充及發展計劃。

### 勘探及開採業務

誠如本公司二零一五年年報所披露，董事會發現，由青海森源礦業開發有限公司（「青海森源」）持有之勘探牌照已於二零一零年轉讓予內蒙古小紅山源森礦業有限公司（「源森公司」），而本公司並不知悉、同意或批准（「探礦權變更協議」）。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Since then, the Group had commenced legal proceedings (the “Mining Litigations”) against Yuen Xian Company with the view to invalidating the Change of Exploration Right Agreement dated 11 November 2009 (which caused the loss of the exploration license by QHFSMI) and seeking to regain the control of QHFSMI and the exploration license. In the past few years, the Group suspended its exploration and mining business pending the outcome of the Mining Litigations.

As announced by the Company on 11 June 2015, 12 June 2015 and 9 March 2016, the Higher People’s Court of Qinghai Province had made a final judgment that the change of exploration right agreement was between QHFSMI and Yuen Xian Company was invalid and the Qinghai Province People’s Procuratorate had expressed its “no-support” as to the review of the abovementioned final judgement, respectively. Following the conclusion of the Mining Litigations, the Company has appointed the legal advisers in the PRC to enforce the judgement to uphold the Group’s right. In the event that the Group could regain the control of QHFSMI, the Group will be in the position to have access to the relevant exploration and mining license and thereafter the Group will perform due diligence review on the mining site. The Group is conducting regular re-assessment on the progress made by its legal advisers and the prospect of the Group’s mining segment from time to time.

### Insurance brokerage business

Following the completion of the acquisition of an insurance brokerage entity (as detailed in the Company’s announcement dated 7 May 2018), the Group creates an independent business segment in August 2018. The Board believes that the Group can benefit from the diversification of its operations into this industry and through better deployment of available resources, can bring values to the Group and the shareholders of the Company (the “Shareholders”) as a whole.

自此之後，本集團已針對源森公司展開法律訴訟（「礦業訴訟」），旨在尋求判令日期為二零零九年十一月十一日之探礦權變更協議（此協議導致青海森源失去勘探牌照）無效，並尋求重新取得青海森源及勘探牌照之控制權。於過去多年，本集團一直暫停其勘探及開採業務，以待礦業訴訟的結果。

誠如本公司於二零一五年六月十一日、二零一五年六月十二日及二零一六年三月九日所公佈，青海省高級人民法院作出最終判決，即青海森源與源森公司簽署之探礦權變更協議無效，及青海省人民檢察院表明其「不支持」對上述最終判決的監督申請。礦業訴訟結束後，本公司已委任中國法律顧問執行判決，以維護本集團之權利。倘本集團能重新取得青海森源之控制權，本集團將能取得相關勘探及開採牌照，且本集團其後將對礦場進行盡職審查。本集團將不時對其法律顧問取得之進展及本集團開採分類之前景定期進行重新評估。

### 保險經紀業務

於完成收購一間保險經紀實體後（誠如本公司日期為二零一八年五月七日之公告所詳述），本集團於二零一八年八月建立一個獨立業務分類。董事會相信，本集團可受惠於將其業務拓展至該行業，並透過更好地部署可用資源，可為本集團及本公司股東（「股東」）整體創造價值。

# BIOGRAPHICAL DETAILS OF DIRECTORS

## 董事履歷詳情

### EXECUTIVE DIRECTORS

**Mr. Lan Yongqiang**, aged 51, was appointed as an independent non-executive Director in July 2014 and was re-designated as an executive Director in December 2014. Mr. Lan was appointed as the Chairman of the Board in March 2018. He holds a Bachelor of Laws Degree from Lanzhou University. Mr. Lan has extensive experience in investment, mergers and acquisitions as well as in the business of public listing laws. Mr. Lan is currently a director of Shenzhen Kangmei Biotechnology Co., Ltd. (stock code: 835541) which is quoted on the National Equities Exchange and Quotations System (the New Third Board); and a director of Jinhui Liquor Co., Ltd. (stock code: 603919) which is listed on the Shanghai Stock Exchange. Mr. Lan was an independent director of Guangdong Shunna Electric Co., Ltd. (formerly known as Guangdong Macro Co., Ltd.) (stock code: 000533) from August 2010 to October 2015 and the chairman of Guangdong Golden Dragon Development Inc. (stock code: 000712) from July 2016 to June 2018, both of which are listed on the Shenzhen Stock Exchange; and an independent director of Top Score Fashion Co., Ltd. (formerly known as Topscore Fashion Shoes Co., Ltd.) (stock code: 603608), which is listed on the Shanghai Stock Exchange, from May 2015 to May 2018.

**Ms. Wang Meiyang**, aged 56, was appointed as executive Director in January 2011. She graduated from a vocational education institute. She was a senior officer of the Office of Dongying Municipal Committee, Shandong Province, Geology Research Institute of Shengli Oilfield, Huaren Group of Shenyang Military Area Command, Chinese Enterprises Daguan Magazine, the Association of Chinese Enterprises Television Stations, American Pan Asia Investment Group Corporation and Kashgar project of Tarim Oilfield in Xinjiang. Ms. Wang has extensive experience in corporate management and leadership.

**Mr. Chan Wai Cheung Admiral**, aged 45, was appointed as an independent non-executive Director in March 2012 and was re-designated as an executive Director in November 2013. He was also appointed as the company secretary of the Company in November 2016. Mr. Chan is currently the member of each of the nomination committee and remuneration committee of the Company. He holds a Bachelor of Arts (Honours) in Accountancy from City University of Hong Kong. Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in the accounting and auditing fields. Mr. Chan is a non-executive director of China Nonferrous Metals Company Limited (stock code: 8306), which is listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Chan is also an independent non-executive director of each of Carnival Group International Holdings Limited (stock code: 996), SFund International Holdings Limited (stock code: 1367) and Zhong Ao Home Group Limited (stock code: 1538), all of which are listed on the Main Board of the Stock Exchange ("Main Board"). He was an independent non-executive director of EJE (Hong Kong) Holdings Limited (formerly known as Jia Meng Holdings Limited) (stock code: 8101), which is listed on GEM, from September 2013 to May 2016.

### 執行董事

**藍永強先生**，51歲，於二零一四年七月獲委任為獨立非執行董事，並於二零一四年十二月調任為執行董事。藍先生於二零一八年三月獲委任為董事會主席。藍先生持有蘭州大學法學學士學位。藍先生於投資、合併與收購及上市法律業務擁有豐富經驗。藍先生現為深圳康美生物科技股份有限公司(股份代號：835541)董事，該公司於新三板掛牌；及金徽酒股份有限公司(股份代號：603919)董事，該公司於上海證券交易所上市。藍先生自二零一零年八月至二零一五年十月曾為廣東順鈉電氣股份有限公司(前稱廣東萬家樂股份有限公司)(股份代號：000533)之獨立董事及自二零一六年七月至二零一八年六月曾為廣東錦龍發展股份有限公司(股份代號：000712)董事長，該兩間公司均於深圳證券交易所上市；及自二零一五年五月至二零一八年五月曾為天創時尚股份有限公司(前稱廣州天創時尚鞋業股份有限公司)(股份代號：603608)獨立董事，該公司於上海證券交易所上市。

**王美艷女士**，56歲，於二零一一年一月獲委任為執行董事。彼擁有中專學歷，並先後在山東省東營市委辦公室、勝利油田地質研究院、瀋陽軍區華仁集團、中國企業大觀雜誌社、中國企業電視台協會、美國泛亞投資集團公司及新疆塔里木油田喀什項目部任高級職員。王女士有著豐富的企業管理經驗和領導經驗。

**陳偉璋先生**，45歲，於二零一二年三月獲委任為獨立非執行董事，並於二零一三年十一月調任為執行董事。彼亦於二零一六年十一月獲委任為本公司之公司秘書。陳先生現為本公司提名委員會及薪酬委員會各自之成員。彼持有香港城市大學會計學文學士(榮譽)學位。陳先生為香港會計師公會會員。彼於會計及審核方面累積豐富經驗。陳先生現時為中國有色金屬有限公司(股份代號：8306)之非執行董事，該公司於香港聯合交易所有限公司(「聯交所」)GEM上市。陳先生亦為嘉年華國際控股有限公司(股份代號：996)、廣州基金國際控股有限公司(股份代號：1367)及中奧到家集團有限公司(股份代號：1538)各自之獨立非執行董事，該些公司均於聯交所主板(「主板」)上市。彼自二零一三年九月至二零一六年五月曾擔任GEM上市公司壹家壹品(香港)控股有限公司(前稱家夢控股有限公司)(股份代號：8101)之獨立非執行董事。

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事履歷詳情

**Ms. Jin Yuping**, aged 47, was appointed as executive Director in July 2014. She graduated from the undergraduate program in Petroleum Engineering from China University of Petroleum (Huadong) and holds a Master's Degree in Oil and Gas Engineering from China University of Petroleum (Huadong). Ms. Jin has served as head of oil production team and deputy director of oil production in Gudong Oil Production Centre of Sinopec Shengli Oilfield during the period from 2006 to 2012. Currently, Ms. Jin is a Vice President of Beijing Huaxia Taiyue Energy Investment Company Limited. Ms. Jin has accumulated over 20 years of working experience in oil production.

**Mr. Cao Sheng**, aged 45, was appointed as executive Director in March 2018. He graduated from Shandong Academy of Governance in 1999 majoring in Economics and Management. Mr. Cao has many years of management experience in China in the industries of vessel and offshore platform engineering and business consultancy.

**Mr. Yu Zhiyong**, aged 49, was appointed as executive Director in March 2018. He graduated from Shenyang Gold Institute (now part of the Northeastern University, China) in 1994 majoring in Mining and Engineering Surveying. Mr. Yu has many years of management experience in China in the industries of logistics, system engineering and business consultancy. Mr. Yu has been the president of Hong Kong Dongying Chamber of Commerce since February 2017. Mr. Yu has been appointed as a member of the Eighth Dongying Municipal Committee of the Chinese People's Political Consultative Conference since March 2019.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Tang Qingbin**, aged 55, was appointed as independent non-executive Director in January 2019. Mr. Tang is currently the chairman of each of the audit committee, nomination committee and remuneration committee of the Company. He holds a Bachelor of Economics degree from Shandong Economics College. Mr. Tang is registered as a member of the Chinese Institute of Certified Public Accountants and has over 20 years of experience in the accounting and auditing field in China. He is currently an independent non-executive director of Shandong Molong Petroleum Machinery Company Limited (stock code:568), a company listed on the Main Board of the Stock Exchange. He is also an independent director of Luxin Venture Capital Group Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 600783)

**金玉萍女士**，47歲，於二零一四年七月獲委任為執行董事。彼在中國石油大學(華東)採油工程本科畢業及持有中國石油大學(華東)石油與天然氣工程碩士學位。於二零零六年至二零一二年期間，金女士曾任中國石油化工勝利油田孤東採油廠採油隊長及採油副礦長。金女士現為北京華夏泰岳能源投資有限公司副總經理。金女士於採油方面累積逾二十年的工作經驗。

**曹晟先生**，45歲，於二零一八年三月獲委任為執行董事。彼於一九九九年畢業於山東行政學院，主修經濟管理。曹先生於中國具有多年的船舶及海上平台工程及商業諮詢領域之管理風險。

**于志勇先生**，49歲，於二零一八年三月獲委任為執行董事。彼於一九九四年畢業於沈陽黃金學院(現為中國東北大學之一部分)，主修採礦及工程測量。于先生於中國具有多年的物流、系統工程及商業諮詢領域之管理經驗。于先生自二零一七年二月起一直擔任香港東營商會之會長。于先生於二零一九年三月獲委任為第八屆中國政治協商會議東營市委委員。

### 獨立非執行董事

**唐慶斌先生**，55歲，於二零一九年一月獲委任為獨立非執行董事。唐先生是現任審核委員會、提名委員會及薪酬委員會各自之主席。彼持有山東經濟學院的經濟學學士學位。唐先生目前為中國註冊會計師協會之登記會員，並於中國的會計及審計領域擁有逾20年經驗。唐先生現為山東墨龍石油機械股份有限公司(一間於聯交所主板上市的公司，股份代號：568)的獨立非執行董事。唐先生也是魯信創業投資集團股份有限公司(一間於上海交易所上市的公司，股份代號：600783)的獨立董事。



## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事履歷詳情

**Mr. Wang Jinghua**, aged 37, was appointed as independent non-executive Director in July 2011. Mr. Wang is currently the member of each of the audit committee, nomination committee and remuneration committee of the Company. He graduated from University of Exeter, United Kingdom. He holds two Bachelor of Arts degrees with major in Internet Computing and Economics & Finance and a Master of Science degree with International Management. From 2009, Mr. Wang acted as a General Manager Assistant in China Western Holdings Co., Ltd. He has most experience in the investment program and contract in the urban construction project.

**Mr. Fung Nam Shan**, aged 42, was appointed as an independent non-executive Director in May 2015. Mr. Fung is currently the member of each of the audit committee, nomination committee and remuneration committee of the Company. He holds a bachelor's degree in commerce awarded by the University of Newcastle, Australia. Mr. Fung is a member of the Hong Kong Institute of Certified Public Accountants and a CPA member of the Australian Institute of Certified Public Accountants. Mr. Fung is currently the company secretary and authorised representative of each of Seamless Green China (Holdings) Limited (listed on GEM, stock code: 8150) and Yat Sing Holdings Limited (listed on Main Board, stock code: 3708) and the company secretary of each of Camsing International Holding Limited (listed on Main Board, stock code: 2662) and Thelloy Development Group Limited (listed on Main Board, stock code: 1546). Mr. Fung was the joint company secretary of Future Bright Mining Holdings Limited (listed on Main Board, stock code: 2212) during the period from November 2015 to October 2016, and the company secretary and authorised representative of China Ocean Fishing Holdings Limited (listed on GEM, stock code: 8047) during the period from May 2015 to May 2017 and China Investment Development Limited (listed on Main Board, stock code : 204) during the period from August 2018 to November 2018. Mr. Fung served Zhejiang Chang'an Renheng Technology Co., Ltd. (listed on GEM, stock code: 8139) as the financial controller and company secretary from April 2013 to March 2014. Mr. Fung was employed as the financial controller and company secretary of South China Land Limited (listed on GEM, stock code: 8155) from February 2010 to April 2013. Mr. Fung served for a reputable property development group as the financial controller from 2009 to 2010. He has worked for PricewaterhouseCoopers as an audit manager for several years which brought him strong experience in auditing, accounting and taxation in Hong Kong and the PRC. He has been one of the marketing committee members of The Hong Kong Youth Hostels and also a member of its charity walk organising committee since 2012.

**王靖華先生**，37歲，於二零一一年七月獲委任為獨立非執行董事。王先生亦是現任審核委員會、提名委員會及薪酬委員會各自之成員。彼畢業於英國埃克賽特大學。彼持有國際商業管理碩士學位、經濟與金融學士學位及計算機專業學士學位。從二零零九年，王先生曾擔任西部發展控股有限公司總經理助理的職務。他擁有投資項目及城市建設項目合同的豐富經驗。

**馮南山先生**，42歲，於二零一五年五月獲委任為獨立非執行董事。馮先生亦是現任審核委員會、提名委員會及薪酬委員會各自之成員。彼持有澳大利亞紐卡素大學頒發之商業學士學位。馮先生為香港會計師公會會員及澳大利亞註冊會計師協會註冊會計師會員。彼現時為無縫綠色中國(集團)有限公司(於創業板上市，股份代號：8150)及日成控股有限公司(於主板上市，股份代號：3708)之公司秘書和授權代表以及為承興國際控股有限公司(於主板上市，股份代號：2662)及德萊建業集團有限公司(於主板上市，股份代號：1546)之公司秘書。馮先生於二零一五年十一月至二零一六年十月期間擔任高鵬礦業控股有限公司(於主板上市，股份代號：2212)之聯席公司秘書及於二零一五年五月至二零一七年五月期間擔任中國海洋捕撈控股有限公司(於創業板上市，股份代號：8047)及於二零一八年八月至二零一八年十一月期間擔任中國投資開發有限公司(於主板上市，股份代號：204)之公司秘書和授權代表。馮先生於二零一三年四月至二零一四年三月擔任浙江長安仁恒科技股份有限公司(於創業板上市，股份代號：8139)之財務總監及公司秘書。馮先生曾於二零一零年二月至二零一三年四月擔任南華置地有限公司(於創業板上市，股份代號：8155)之財務總監及公司秘書。馮先生曾於二零零九年至二零一零年擔任一家知名物業發展集團之財務總監。彼曾於羅兵咸永道會計師事務所任職審核經理多年，因此彼於香港及中國之審核、會計及稅務領域具有豐富經驗。彼自二零一二年起一直擔任香港青年旅舍協會市場推廣委員會成員及慈善步行組織委員會之成員。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company is committed to maintain a high standard of corporate governance, holding the beliefs of transparency, honesty and accountability. The Board considers that sound corporate management and governance practices are essential to the Company's healthy growth under all business environments. Therefore, we continuously review and improve our corporate governance standards to ensure maximum compliance with the relevant laws and codes.

### CORPORATE GOVERNANCE PRACTICES

The Company and the Board have applied the principles in the code provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") by adopting the code provisions of the CG Code.

During the year, the Board has adopted and complied with the code provisions of the CG Code in so far they are applicable with the exception of the deviation from A.2.1 of the CG Code, the roles of chairman and chief executive officer (the "CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing. Since the position of the CEO is vacated, the Company is still looking for a suitable candidate to fill the vacancy of the CEO.

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

A.6.7 of the CG Code, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders, Mr. Wang Jinghua, the independent non-executive Director, was unable to attend the annual general meeting (the "AGM") and the extraordinary general meeting (the "EGM") of the Company held on 11 June 2018 and 17 August 2018 respectively due to his other prior engagements.

本公司致力維持高水平之企業管治，以維持其透明度、誠信及問責性。董事會認為，穩健之企業管理及管治常規對本公司在所有業務環境下有穩健增長是不可或缺。因此，本公司持續檢討及改善本集團之企業管治標準，以確保在最大程度下遵循相關法例及守則。

### 企業管治常規

本公司及董事會已採納聯交所證券上市規則（「上市規則」）附錄十四所載之企業管治守則及企業管治報告（「企業管治守則」）之守則條文，遵守企業管治守則之守則條文。

年內，董事會已採納並一直遵守適用之企業管治守則之守則條文，惟偏離企業管治守則第A.2.1條。根據該條守則條文，主席及行政總裁（「行政總裁」）之角色應獨立區分，且不應由同一人擔任。主席與行政總裁間之職責區分應書面清晰訂明。本公司行政總裁之職位目前空缺，本公司仍在物色合適人選填補行政總裁之空缺。

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

根據企業管治守則第A.6.7條，獨立非執行董事應出席股東大會，對股東的意見有公正的了解。因其他事先安排，本公司獨立非執行董事王靖華先生未能出席本公司分別於二零一八年六月十一日及二零一八年八月十七日舉行之股東週年大會（「股東週年大會」）及股東特別大會（「股東特別大會」）。

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. The Company has made specific enquiries with all Director and all of them confirmed that they had complied with the required standards set out in the Model Code throughout the year ended 31 December 2018.

### BOARD OF DIRECTORS

The Board determines and keeps under review the objectives of the Group. It makes decisions on overall strategies and actions necessary for achieving these objectives, monitors and controls financial and operating performance, formulates appropriate policies, and identifies and ensures best practices of corporate governance. The Board members are fully committed to their roles and have acted in good faith to maximise the Shareholders' value in the long run, and have aligned the Group's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management. It has given clear directions as to the powers of management, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

### Board Composition

As at the date of this annual report, the Board comprises nine members, including six executive Directors and three independent non-executive Directors. The Board members during the year and up to the date of this annual report were:

#### Executive Directors

Mr. Lan Yongqiang (Chairman)  
Ms. Wang Meiyang  
Mr. Chan Wai Cheung Admiral  
Ms. Jin Yuping  
Mr. Cao Sheng (Appointed on 15 March 2018)  
Mr. Yu Zhiyong (Appointed on 15 March 2018)

#### Independent Non-Executive Directors

Mr. Lee Hoi Yan (Resigned on 1 January 2019)  
Mr. Tang Qingbin (Appointed on 1 January 2019)  
Mr. Wang Jinghua  
Mr. Fung Nam Shan

### 董事之證券交易活動

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」)。本公司已向全體董事作出具體查詢，彼等均已確認於截至二零一八年十二月三十一日止全年一直遵守標準守則所載之規定準則。

### 董事會

董事會釐定本集團之目標，並持續作出檢討。其就達到有關目標之所須整體策略及措施作出決策，監察及控制財務及營運表現，制定合適政策，並指出及確保執行最佳企業管治常規。董事會成員均盡忠職守，並真誠地盡量為提高股東長遠價值行事，並把本集團之目標和發展方向與目前經濟及市場環境配合。而日常運作及管理則交託管理層負責。董事會已就管理層之權力發出清晰指引，尤其是關於在甚麼情況，管理層須先匯報及向董事會取得事先批准，方可代表本公司作出決定或訂立任何承諾。

### 董事會組成

於本年報日期，董事會由九名成員組成，包括六名執行董事及三名獨立非執行董事。年內及直至本年報日期，董事會成員為：

#### 執行董事

藍永強先生(主席)  
王美艷女士  
陳偉璋先生  
金玉萍女士  
曹晟先生(於二零一八年三月十五日獲委任)  
于志勇先生(於二零一八年三月十五日獲委任)

#### 獨立非執行董事

李凱恩先生(於二零一九年一月一日辭任)  
唐慶斌先生(於二零一九年一月一日獲委任)  
王靖華先生  
馮南山先生

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Biographical details of the Directors as at the date of this annual report are set out in the “Biographical Details of Directors” section on pages 22 to 24 of this annual report. None of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

The Company has received an annual confirmation of independence from each of its independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmation, the Company considers that all the independent non-executive Directors are independent and that they have met the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

### Appointment, Re-election and Rotation of Directors

All Directors were not appointed for any specific terms and they are subject to re-election by the Shareholders at the AGM of the Company and at least once every three years on a rotation basis in accordance with Article 108 of the Articles. A retiring Director shall be eligible for re-election at the AGM of the Company and shall continue to act as a Director throughout the meeting which he retires. Where vacancies arise at the Board, candidates are proposed and put forward to the Board by the nomination committee of the Company as more fully explained below under the section headed “Nomination Committee”.

### Directors' Training

In compliance with the Code Provision A.6.5 of the CG Code, the Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge, skills and understanding of the Group and its business or to update their skills and knowledge on the latest development or changes in the relevant regulations, the Listing Rules and corporate governance practices. The Company will also update the Directors of any material changes in the rules and regulations from time to time. According to the confirmations provided by the Directors, all Directors have participated in the continuous professional developments during the year.

### Board Diversity Policy

On 29 August 2013, the Company adopted the board diversity policy (the “Board Diversity Policy”) in accordance with the requirement set out in the CG Code. The Company recognises that the Board diversity is an essential element contributing to the sustainable development of the Company. In designing the Board’s composition, the Board diversity has been considered from a number of aspects, including but not limited to the skills, knowledge, gender, age, cultural and educational background or professional experience. All Board appointments are based on merits and considered against a variety of objective criteria, having due regard for the benefits of diversity on the Board.

The nomination committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

於本年報日期，董事履歷詳情載於本年報第22頁至第24頁「董事履歷詳情」一節。董事會成員之間並無任何財務、業務、家庭或其他重大或相關關係。

根據上市規則第3.13條，本公司已自各獨立非執行董事收到一份年度獨立確認書。根據有關確認書內容，本公司認為所有獨立非執行董事均獨立於本公司，且符合上市規則第3.13條所載之特定獨立指引。

### 董事委任、重選及輪替

全體董事並無獲委以特定任期，根據細則第108條，彼等均須最少每三年一次，輪流於本公司股東週年大會上由股東重選連任。退任董事符合資格於本公司股東週年大會上膺選連任，以及應繼續於其退任之大會上擔任董事。倘董事會出缺，本公司提名委員會可向董事會建議人選，更多詳情於下文「提名委員會」一節闡述。

### 董事培訓

為遵守企業管治守則之守則條文第A.6.5條，本公司鼓勵董事參加持續專業進修以發展及更新知識、技能及對本集團及其業務之理解，或應相關法規、上市規則及企業管治常規之最新發展或變動向彼等提供相關方面之最新技能及知識。本公司亦會不時向董事提供有關規則及法規之任何重大變動之最新資料。根據董事提供之確認，本年度內所有董事均已參加持續專業發展。

### 董事會成員多元化政策

於二零一三年八月二十九日，本公司根據企業管治守則所載之規定，採納董事會成員多元化政策（「董事會成員多元化政策」）。本公司視董事會成員多元化為支持其維持可持續發展的關鍵元素。於設計董事會組成時，本公司從多方面考慮董事會成員多元化，包括但不限於技能、知識、性別、年齡、文化及教育背景或專業經驗。董事會所有委任以用人唯才為原則，並在考慮人選時以多個客觀條件充分顧及董事會成員多元化的裨益。

提名委員會將不時適當審議董事會成員多元化政策以確保其行之有效。

### Nomination Policy

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

### Board Meetings

During the year ended 31 December 2018, thirteen Board meetings, one AGM and one EGM were held and details of attendance are set out as follows:

### 提名政策

本公司有一項具有多元化技能及經驗董事會的提名政策。甄選及建議委任之董事獲董事會批准前提呈予本公司提名委員會考慮，且根據章程細則重選董事。評估候選人之標準包括其是否能夠投入足夠時間及精力參與本公司事務，包括出席董事會議及服務委員會，以為董事會帶來業務經驗並為董事會成員多元化作出貢獻。倘建議候選人為獨立非執行董事，其獨立性須根據上市規則之規定予以評估。候選人之教育、資格及經驗須評估其合適性時予以評估。

### 董事會會議

截至二零一八年十二月三十一日止年度，本公司舉行十三次董事會會議、一次股東週年大會及一次股東特別大會，各董事之出席率詳述如下：

		Number of meetings attended/eligible to attend	
		出席/合資格出席會議次數	
		Board meetings	AGM/EGM
		董事會會議	股東週年大會/ 股東特別大會
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Lan Yongqiang (Chairman)	藍永強先生(主席)	12/13	1/2
Ms. Wang Meiyang	王美艷女士	10/13	0/2
Mr. Chan Wai Cheung Admiral	陳偉璋先生	13/13	2/2
Ms. Jin Yuping	金玉萍女士	8/13	0/2
Mr. Cao Sheng (Appointed on 15 March 2018)	曹晟先生(於二零一八年三月十五日獲委任)	9/10	1/2
Mr. Yu Zhiyong (Appointed on 15 March 2018)	于志勇先生(於二零一八年三月十五日獲委任)	10/10	2/2
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Lee Hoi Yan (Resigned on 1 January 2019)	李凱恩先生(於二零一九年一月一日辭任)	12/13	2/2
Mr. Tang Qingbin (Appointed on 1 January 2019)	唐慶斌先生(於二零一九年一月一日獲委任)	N/A	N/A
		不適用	不適用
Mr. Wang Jinghua	王靖華先生	8/13	0/2
Mr. Fung Nam Shan	馮南山先生	13/13	2/2

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## 企業管治報告

Every Board member has full and timely access to Board papers and related materials and has unrestricted access to the advice and services of the company secretary, and has the liberty to seek external professional advice if so required.

The Company has attached much importance to the risk management about Directors' liabilities and has arranged appropriate liability insurance for the Directors and senior management of the Company. The insurance coverage is reviewed on an annual basis.

### REMUNERATION COMMITTEE

The remuneration committee, established in compliance with the CG Code, currently comprises three independent non-executive Directors and one executive Director, is responsible for reviewing and evaluating the remuneration packages of the Directors and senior management of the Company and making recommendations to the Board from time to time.

The remuneration committee has adopted written terms of reference prepared by reference to the suggested terms of reference stated under the Code Provision B.1.2 of the CG Code. The terms of reference of the remuneration committee has been uploaded to the Company's website.

During the year ended 31 December 2018, the remuneration committee held three meetings to review and consider the remuneration package of the existing and newly appointed Board members and the senior management. Composition of the remuneration committee and details of the members' attendance to the committee are as follows:

每位董事會成員均可全面並適時查閱董事會文件及相關資料，並可隨時取得公司秘書之意見和享用其所提供之服務，及有自由在需要時尋求外部專業意見。

本公司非常重視對董事責任之風險管理，並已就董事及本公司高級管理層安排適當責任保險。保險保障範圍會每年檢討。

### 薪酬委員會

本公司遵照企業管治守則成立薪酬委員會，現時成員包括三名獨立非執行董事及一名執行董事，負責審閱及評估本公司董事及高級管理層之薪酬待遇，並不時向董事會提供推薦建議。

薪酬委員會已採用根據企業管治守則之守則條文B.1.2條所述之建議職權範圍而編製之明文職權範圍。薪酬委員會之職權範圍已上載至本公司網站。

截至二零一八年十二月三十一日止年度，薪酬委員會舉行了三次會議，以檢討及考慮現時及新委任之董事會成員及高級管理層之薪酬待遇。薪酬委員會之組成及委員會成員之出席率詳述如下：

		Number of meetings attended/eligible to attend 出席／合資格 出席會議次數
Mr. Lee Hoi Yan ( <i>Resigned on 1 January 2019</i> )	李凱恩先生(於二零一九年一月一日辭任)	3/3
Mr. Tang Qingbin ( <i>Appointed on 1 January 2019</i> )	唐慶斌先生(於二零一九年一月一日獲委任)	N/A 不適用
Mr. Wang Jinghua	王靖華先生	1/3
Mr. Fung Nam Shan	馮南山先生	3/3
Mr. Chan Wai Cheung Admiral	陳偉璋先生	3/3

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## 企業管治報告

### NOMINATION COMMITTEE

The nomination committee, established in compliance with the CG Code, currently comprises three independent non-executive Directors and one executive Director, is responsible for making recommendations to the Board on the appointment of Directors and management of the Board succession.

The nomination committee has adopted written terms of reference prepared by reference to the suggested terms of reference stated under the Code Provision A.5.2 of the CG Code. The terms of reference of the nomination committee has been uploaded to the Company's website.

During the year ended 31 December 2018, four meetings of the nomination committee were held. Details of the members' attendance to the committee are as follows:

		<b>Number of meetings attended/eligible to attend</b>
		<b>出席／合資格 出席會議次數</b>
Mr. Lee Hoi Yan ( <i>Resigned on 1 January 2019</i> )	李凱恩先生 (於二零一九年一月一日辭任)	3/4
Mr. Tang Qingbin ( <i>Appointed on 1 January 2019</i> )	唐慶斌先生 (於二零一九年一月一日獲委任)	N/A 不適用
Mr. Wang Jinghua	王靖華先生	2/4
Mr. Fung Nam Shan	馮南山先生	4/4
Mr. Chan Wai Cheung Admiral	陳偉璋先生	4/4

### AUDIT COMMITTEE

The audit committee of the Company was established with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the suggested terms of reference stated under the Code Provision C.3 of the CG Code. The audit committee currently comprises three independent non-executive Directors and is chaired by Mr. Tang Qingbin. The audit committee is responsible for review of the Group's accounting principles, practices internal control procedures and financial reporting matters including the review of the interim and final results of the Group prior to recommending to the Board for approval.

The terms of reference of the audit committee has been uploaded to the Company's website.

### 提名委員會

本公司遵照企業管治守則成立提名委員會，現時成員包括三名獨立非執行董事及一名執行董事，負責就委任董事及董事會管理層之繼任事宜向董事會提供推薦建議。

提名委員會已採用根據企業管治守則之守則條文A.5.2條所述之建議職權範圍而編製之明文職權範圍。提名委員會之職權範圍已上載至本公司網站。

截至二零一八年十二月三十一日止年度，提名委員會舉行過四次會議。成員出席委員會之詳情如下：

		<b>Number of meetings attended/eligible to attend</b>
		<b>出席／合資格 出席會議次數</b>

### 審核委員會

本公司之審核委員會已根據上市規則第3.21條及企業管治守則之守則條文C.3條所述之建議職權範圍而編製之明文職權範圍所成立。審核委員會目前由三名獨立非執行董事組成，主席為唐慶斌先生。審核委員會負責審閱本集團之會計原則、常規內部監控程序及財務匯報事項，包括於建議董事會批准前，審閱本集團之中期及年度業績。

審核委員會之職權範圍已上載至本公司網站。

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Two meetings of the audit committee were held during the year to review and approve the financial statements of the Company for the year ended 31 December 2017 and for the six months period ended 30 June 2018, and to review the effectiveness of the Group's internal control systems. The attendances at these meetings are as follows:

年內審核委員會已舉行兩次會議，以審批本公司截至二零一七年十二月三十一日止年度及截至二零一八年六月三十日止六個月期間之財務報表，並檢討本集團內部監控體系的效力。該等會議之出席率列載如下：

		Number of meetings attended/eligible to attend 出席／合資格 出席會議次數
Mr. Lee Hoi Yan (Resigned on 1 January 2019)	李凱恩先生(於二零一九年一月一日辭任)	2/2
Mr. Tang Qingbin (Appointed on 1 January 2019)	唐慶斌先生(於二零一九年一月一日獲委任)	N/A 不適用
Mr. Wang Jinghua	王靖華先生	0/2
Mr. Fung Nam Shan	馮南山先生	2/2

### AUDITOR'S REMUNERATION

The audit committee reviews and monitors the independent auditor's independence and objectivity and effectiveness of the audit process. It holds meetings with representatives of the independent auditor to consider the scope of its audit, approve its fees, and the scope and appropriateness of non-audit services, if any, to be provided by it. The audit committee also makes recommendations to the Board on the appointment and retention of the independent auditor.

During the year, BDO Limited ("BDO") was appointed as the auditor of the Company and to hold office until the conclusion of the next AGM of the Company.

The following table sets forth the types of, and estimated fees for, the principal audit services and non-audit services provided by BDO to the Group for the year ended 31 December 2018:

### 核數師酬金

審核委員會檢討及監督獨立核數師之獨立性及審核過程之客觀性及效能。審核委員會與獨立核數師之代表舉行會議，考慮審核範圍，批准其費用，以及其將提供之非審核服務(如有)之範圍及是否適當。審核委員會亦就委聘及續聘獨立核數師向董事會提出推薦建議。

年內，香港立信德豪會計師事務所有限公司(「香港立信德豪」)獲委聘為本公司之核數師，並留任至本公司下一屆股東週年大會完結為止。

下表載列截至二零一八年十二月三十一日止年度由香港立信德豪提供予本集團之主要核數服務及非核數服務之種類及估計收費：

		Fees paid/payable HK\$'000 已付／應付費用 千港元
<b>Services rendered</b>	<b>所提供服務</b>	
Audit services	核數服務	1,050
Non-audit services	非核數服務	-
Total	共計	1,050



### RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibilities of (i) reviewing risk management and internal control to the audit committee; and (ii) designing, implementing and monitoring of the risk management and internal control systems to the management. The Group's internal audit staff is responsible for analysing and appraising the adequacy and effectiveness of risk management and internal control systems.

The Board, through the audit committee, has conducted a review of the effectiveness of the risk management and internal control systems of the Group for the year ended 31 December 2018, including financial, operational and compliance controls and risk management function.

The management shall report to the Board as soon as practicable for any event which may constitute inside information, and the Board shall decide to make relevant disclosure in a timely manner, if required.

### COMPANY SECRETARY

Mr. Chan Wai Cheung Admiral, the executive Director, was appointed as the company secretary of the Company in November 2016. Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants. He is responsible to the Board for ensuring the Board procedures and all applicable laws, rules and regulations are followed. According to the requirements of Rule 3.29 of the Listing Rules, Mr. Chan had taken no less than 15 hours of relevant professional training during the year.

### SHAREHOLDERS' RIGHT

The rights of the Shareholders and the procedures for them to demand a poll on resolutions at the Shareholders' meetings are contained in the Articles. Details of such rights to demand a poll and the poll procedures are included in all circulars to the Shareholders and will be explained during the proceedings of meetings. Poll results, if any, will be posted on both the websites of the Stock Exchange and of the Company on or before the next business day of the Shareholders' meeting.

### 風險管理及內部監控

董事會深知其負責風險管理及內部監控系統以及檢討其成效。該等制度旨在管理而非消除無法實現業務目標之風險，且僅能提供有關重大失實陳述或損失之合理但非絕對的保證。

董事會已將其(i)審閱風險管理及內部監控的職責授予審核委員會；及(ii)設計、實施及監察風險管理及內部監控系統的職責授予管理層。本集團的內部審核人員負責分析及評估風險管理及內部監控系統之充分性及有效性。

董事會透過審核委員會已就本集團截至二零一八年十二月三十一日止年度之風險管理及內部監控系統(包括財務、營運及合規監控以及風險管理效能)之成效進行檢討。

管理層應於切實可行的情況下盡快就任何可能構成內幕消息的事宜向董事會報告，且董事會應及時決定作出相關披露(倘要求)。

### 公司秘書

執行董事陳偉璋先生於二零一六年十一月獲委任為本公司之公司秘書。陳先生為香港會計師公會會員。彼對董事會負責，確保董事會議事規則以及所有適用法律、規則及規例得到遵守。根據上市規則第3.29條，陳先生於年內已接受不少於15小時之相關專業培訓。

### 股東權利

股東要求在股東大會就決議案以投票方式表決之權利及程序載於細則。要求以投票方式表決之有關權利及投票程序詳情載於寄發予股東之所有通函，並將於會議上予以說明。投票結果(如有)將於股東大會下一個營業日或之前刊登於聯交所及本公司網站。

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### Convening of Extraordinary General Meeting

Pursuant to Article 64 of the Articles, an EGM shall be convened on the written requisition of one or more Shareholders for the attention of the Board or the company secretary of the Company.

The written requisition shall specify the purpose of requiring the EGM and signed by the requisitioner(s), provided that such requisitioner(s) held as at the date of deposit of the written requisition not less than one tenth of the paid up capital of the Company having the right of voting at general meetings.

If within 21 days of such deposit the Directors fail to proceed to convene the EGM, the requisitioner(s) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Directors shall be reimbursed to the requisitioner(s) by the Company.

### Procedures for Shareholders to propose a person for election as a Director

Pursuant to Article 113 of the Articles, no person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office at least seven clear days before the date of the general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, the following documents must be validly served at the Company's head office or the registration office within the period specified in Article 113 of the Articles, namely, (1) his/her notice of intention to propose a resolution to elect a nominated candidate as a Director at the AGM; (2) a notice signed by the nominated candidate of the candidate's willingness to be elected; (3) the nominated candidate's information as required to be disclosed under rule 13.51(2) of the Listing Rules; and (4) the nominated candidate's written consent to the publication of his/her personal data.

### INVESTOR RELATIONS

The general meetings of the Company provide a platform for communication between the Shareholders and the Board. Our Directors are available at the Shareholders' meetings to answer questions and provide information which the Shareholders may enquire. The Company continues to enhance communications and relationships with its investors. Enquiries from investors are dealt with in an informative and timely manner.

Taking advantages of various resources, the Company keeps communicating with its shareholders regularly and properly to ensure that the Shareholders are adequately aware of any important issues during the course of the Company's operations, and then exercise their rights as the Shareholders with sufficient knowledge. Investors are welcome to write directly to the Company at its Hong Kong registered office for any inquiries.

### 召開股東特別大會

根據細則第64條，一名或以上股東可向董事會或本公司之公司秘書提交書面要求，召開股東特別大會。

書面要求須列明要求召開股東特別大會之目的，並由要求者簽署，惟該一名或多名人士於提交書面要求之日期，須持有不少於本公司有權於股東大會上投票之實繳股本十分之一。

倘董事於提出該項要求後21日內未能召開股東特別大會，提出的一名或多名人士可以相同方式召開大會，而本公司須向提出要求人士償付所有由提出要求人士因董事未能召開大會而產生之合理開支。

### 股東提名董事候選人之程序

根據細則第113條，除退任之董事外，概無人士合乎資格於股東大會內膺選董事職位（獲董事會推薦參選者則除外），除非有簽署確認表明有意提名該人士參選董事的書面通知，連同該受提名人士確認有意參選的書面通知書於股東大會日期前至少七個整日前遞交至本公司總辦事處或註冊辦事處。

因此，倘一名股東有意提名他人於股東週年大會上參選董事，則須於細則第113條指定的期間內將下列文件送達本公司的總辦事處或註冊辦事處，即(1)該名股東於股東週年大會上提呈推選該獲提名候選人出任董事的決議案的意向通知書；(2)由獲提名候選人簽署表明其願意參選的通知書；(3)根據上市規則第13.51(2)條規定須予披露的獲提名候選人資料；及(4)獲提名候選人有關刊登其個人資料的同意書。

### 投資者關係

本公司之股東大會為股東及董事會提供了一個溝通平台。董事將於股東大會上回答問題，並提供股東可能問詢之資料。本公司繼續加強與投資者之溝通及關係。投資者查詢乃以充分數據及時作出處理。

本公司利用各種資源，與股東保持定期及適時之溝通，以確保股東充分獲悉本公司業務過程中之任何重要事項，並在知情情況下行使其當時作為股東之權利。如有任何查詢，投資者可直接致函本公司之香港註冊辦事處。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### DIVIDEND POLICY

The Company adopts a dividend policy. The Board shall consider the following factors before declaring or recommending dividends:

- current and prospective financial performance of the Company;
- growth and investment opportunities;
- other macro and micro economic factors; and
- other factors/events that the Board may deem as relevant.

The payment of dividend is also subject to any restrictions under the applicable laws and the Articles.

### DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

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

During the year ended 31 December 2018, the Group incurred a loss of HK\$73,847,000 and recorded net current liabilities of HK\$228,926,000 as at 31 December 2018. Construction costs of HK\$344,955,000 are recorded as current liabilities which are repayable within one year after the reporting date, out of which HK\$307,223,000 and HK\$37,732,000 were recognised under other payables and other borrowings respectively. The capital commitment for construction costs was HK\$2,452,000 as at 31 December 2018. In addition, other borrowings included in current liabilities of HK\$42,795,000 was overdue as at 31 December 2018. These conditions indicate the existence of material uncertainty that may cast significant doubts about the Group's ability to continue as a going concern. Save as disclosed above, the Directors are not aware of any other events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Notwithstanding the foregoing, the Directors have prepared the consolidated financial statements on a going concern basis, the appropriateness of which depends upon the outcome of the underlying assumptions and measures as detailed in note 3(a)(ii) to the consolidated financial statements.

The statement of the external auditor of the Company, BDO, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 51 to 59 of this annual report.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, all the resolutions set out in the notice of the forthcoming AGM of the Company will be voted by poll.

### 股息政策

本公司已採納股息政策。董事會在宣佈派發或建議派發股息前，須考慮下列因素：

- 本公司現時及未來財務表現；
- 增長及投資機會；
- 其他宏觀及微觀經濟因素；及
- 董事會認為有關其他因素／事項。

派發股息亦須受任何適用法律及組織章程細則規限。

### 董事就編製財務報表所承擔之責任

董事會明白其負責編製本集團之財務報表，以確保本集團之財務報表之編製符合所有有關法規及適用會計準則之規定。董事會亦須確保本集團財務報表適時刊發。

於截至二零一八年十二月三十一日止年度期間，本集團產生虧損73,847,000港元並於二零一八年十二月三十一日錄得流動負債淨額228,926,000港元。記錄為流動負債之建設成本344,955,000港元於報告日期後一年內償還，其中307,223,000港元及37,732,000港元分別於其他應付款項及其他借款項下確認。於二零一八年十二月三十一日，建設成本資本承擔為2,452,000港元。此外，納入流動負債之其他借款42,795,000港元於二零一八年十二月三十一日已逾期。該等情況反映存在重大不明朗因素，或會對本集團持續經營之能力產生重大質疑。除上述外，董事並不知悉存在任何其他重大不確定因素而可能引致對本公司之持續經營能力造成重大疑慮之事件或情況。

儘管上文所述，董事已按持續經營基準編製綜合財務報表，其合適性主要取決於綜合財務報表附註3(a)(ii)所述的相關假設及措施的結果。

本公司之外部核數師香港立信德豪就彼等對本集團財務報表之申報責任作出之聲明載於本年報第51頁至第59頁之獨立核數師報告。

### 投票表決

根據上市規則第13.39(4)條，股東於股東大會上之任何表決均須以投票方式進行。因此，本公司應屆股東週年大會通告所載全部決議案均將以投票方式進行表決。



# REPORT OF THE DIRECTORS

## 董事會報告

The Directors present their report and the audited financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Its principal subsidiaries are engaged in the oil production, the leasing of oil and liquefied chemical terminal together with its storage and logistics facilities and insurance brokerage service. Details of the Company's principal subsidiaries as at 31 December 2018 are set out in note 38 to the financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 4 to 6 and pages 7 to 21 respectively of this annual report.

### RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2018 are set out in the Consolidated Income Statement and Consolidated Statement of Comprehensive Income on pages 60 and 61 respectively.

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

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

董事會謹提呈董事會報告及本集團截至二零一八年十二月三十一日止年度之經審核財務報表。

### 主要業務及業務回顧

本公司之主要業務為投資控股。其主要附屬公司從事產油及租賃油品及液體化工品碼頭連同其儲存及物流設施及保險經紀服務。本公司於二零一八年十二月三十一日之主要附屬公司之詳情載於財務報表附註38。

香港公司條例附表5所規定該等活動的進一步討論及分析，包括本集團所面臨的主要風險及不明朗因素的描述以及本集團業務未來可能發展的跡象，可參閱本年報分別於第4至第6頁所載「主席報告」及第7頁至第21頁所載「管理層討論及分析」。該討論構成本董事會報告的一部分。

### 業績及股息

本集團截至二零一八年十二月三十一日止年度之業績分別載於第60頁及第61頁之綜合損益表及綜合全面收入表中。

截至二零一八年十二月三十一日，本集團之財務狀況載於第62頁至第63頁之綜合財務狀況表中。

董事會不建議派付本年度之任何股息。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results of the Group for the last five financial years, and the assets, liabilities and non-controlling interests of the Group as at each of the reporting dates.

#### Results

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	<b>152,328</b>	30,338	40,926	87,480	227,923
(Loss)/profit attribute to:	應佔（虧損）／溢利：					
Owners of the Company	本公司擁有人	<b>(76,478)</b>	(187,121)	(189,971)	(492,568)	(673,621)
Non-controlling interests	非控股股東權益	<b>2,631</b>	(14,309)	(10,993)	(39,408)	(86,153)
		<b>(73,847)</b>	(201,430)	(200,964)	(531,976)	(759,774)

### Assets, liabilities and non-controlling interests

### 資產、負債及非控股股東權益

		As at 31 December 於十二月三十一日				
		2018	2017	2016	2015	2014
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	<b>1,687,493</b>	1,843,919	1,483,549	1,115,057	1,257,568
Current assets	流動資產	<b>529,038</b>	149,327	362,881	395,769	122,577
Total assets	資產總值	<b>2,216,531</b>	1,993,246	1,846,430	1,510,826	1,380,145
Current liabilities	流動負債	<b>757,964</b>	1,225,104	716,008	500,682	216,374
Non-current liabilities	非流動負債	<b>529,296</b>	397,402	665,140	322,933	305,846
Total liabilities	負債總額	<b>1,287,260</b>	1,622,506	1,381,148	823,615	522,220
Net assets	資產淨值	<b>929,271</b>	370,740	465,282	687,211	857,925
Non-controlling interests	非控股股東權益	<b>165,946</b>	167,210	115,494	134,411	24,361

### 財務資料概要

下文載有本集團過往五個財政年度之已刊登綜合業績以及本集團於各報告日期之資產、負債及非控股股東權益之概要。

#### 業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	<b>152,328</b>	30,338	40,926	87,480	227,923
(Loss)/profit attribute to:	應佔（虧損）／溢利：					
Owners of the Company	本公司擁有人	<b>(76,478)</b>	(187,121)	(189,971)	(492,568)	(673,621)
Non-controlling interests	非控股股東權益	<b>2,631</b>	(14,309)	(10,993)	(39,408)	(86,153)
		<b>(73,847)</b>	(201,430)	(200,964)	(531,976)	(759,774)

### Assets, liabilities and non-controlling interests

### 資產、負債及非控股股東權益

		As at 31 December 於十二月三十一日				
		2018	2017	2016	2015	2014
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	<b>1,687,493</b>	1,843,919	1,483,549	1,115,057	1,257,568
Current assets	流動資產	<b>529,038</b>	149,327	362,881	395,769	122,577
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Current liabilities	流動負債	<b>757,964</b>	1,225,104	716,008	500,682	216,374
Non-current liabilities	非流動負債	<b>529,296</b>	397,402	665,140	322,933	305,846
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Net assets	資產淨值	<b>929,271</b>	370,740	465,282	687,211	857,925
Non-controlling interests	非控股股東權益	<b>165,946</b>	167,210	115,494	134,411	24,361



# REPORT OF THE DIRECTORS

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 15 to the financial statements.

### INVESTMENT PROPERTIES

Details of the movements during the year ended 31 December 2018 in the investment properties of the Group are set out in note 20 to the financial statements.

### SHARE CAPITAL

Details of the share capital during the year are set out in note 33 to the financial statements.

### PRE-EMPTIVE RIGHTS

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

### 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.

### RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 34(b) to the financial statements and in the Consolidated Statement of Changes in Equity respectively. The Company had no reserve available for distribution to the Shareholders as at 31 December 2018.

### 物業、廠房及設備

本集團物業、廠房及設備於年內之變動詳情載於財務報表附註15。

### 投資物業

本集團投資物業於截至二零一八年十二月三十一日止年度之變動詳情載於財務報表附註20。

### 股本

年內股本之詳情載於財務報表附註33。

### 優先購買權

細則或本公司註冊成立之司法管轄權區開曼群島法例並無關於優先購買權之條文，使本公司須按比例向現有股東提呈發售新股。

### 購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度並無購買、出售或贖回本公司任何上市證券。

### 儲備及可供分派儲備

年內，本公司及本集團之儲備變動詳情分別載於財務報表附註34(b)及綜合權益變動表。於二零一八年十二月三十一日，本公司並無儲備可供分派予股東。

# REPORT OF THE DIRECTORS

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the sales to the Group's five largest customers accounted for 100% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 76%.

During the year, none of the Group's supplier accounted for more than 5% of the Group's purchases.

None of the Directors, any of their associates or Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any beneficial interests in the Group's five largest customers and/or suppliers.

### DIRECTORS

The Directors of the Company Board members during the year and up to the date of this report were:

#### Executive Directors

Mr. Lan Yongqiang (*Chairman*)  
Ms. Wang Meiyang  
Mr. Chan Wai Cheung Admiral  
Ms. Jin Yuping  
Mr. Cao Sheng  
Mr. Yu Zhiyong

#### Independent Non-executive Directors

Mr. Lee Hoi Yan (*Resigned on 1 January 2019*)  
Mr. Tang Qingbin (*Appointed on 1 January 2019*)  
Mr. Wang Jinghua  
Mr. Fung Nam Shan

In accordance with Article 108(A) of the Articles, Ms. Jin Yuping, Mr. Wang Jinghua and Mr. Fung Nam Shan will retire by rotation at the forthcoming AGM of the Company and are eligible to offer themselves for re-election as Directors.

### 主要客戶及供應商

年內，銷售予本集團五大客戶之數額佔本集團本年度總銷售額100%，當中銷售予最大客戶之數額約佔76%。

年內，概無本集團供應商佔本集團採購額超過5%。

董事、其各自之任何聯繫人或股東（據董事所知擁有本公司已發行股本逾5%者），概無於本集團五大客戶及／或供應商中擁有任何實質權益。

### 董事

年內及截至本報告日期，本公司之董事如下：

#### 執行董事

藍永強先生 (*主席*)  
王美艷女士  
陳偉璋先生  
金玉萍女士  
曹晟先生  
于志勇先生

#### 獨立非執行董事

李凱恩先生 (*於二零一九年一月一日辭任*)  
唐慶斌先生 (*於二零一九年一月一日獲委任*)  
王靖華先生  
馮南山先生

根據細則第108(A)條，金玉萍女士、王靖華先生及馮南山先生將於本公司即將舉行之股東週年大會上輪值告退，並符合資格及願膺選連任董事。

# REPORT OF THE DIRECTORS

## 董事會報告

In accordance with Article 112 of the Articles, Mr. Tang Qingbin, who was newly appointed as Director since the last AGM of the Company, shall hold office until the next general meeting of the Company following his appointment and being eligible, offer himself for re-election.

Details of the resolutions to be proposed at the forthcoming AGM of the Company for the re-election of retiring Directors will be proposed in the Company's circular in relation to re-election of Directors and notice of AGM.

### BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of the Directors are set out on pages 22 to 24 of the annual report.

### DIRECTORS' SERVICE CONTRACTS

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

### DIRECTORS' REMUNERATION

Details of the remuneration of the Directors during the year ended 31 December 2018 are set out in note 14(a) to the financial statements.

### PERMITTED INDEMNITY PROVISION

A permitted indemnity provision that provides for indemnity against liability incurred by Directors and officers of the Group is currently in force and was in force throughout the year.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed elsewhere in this annual report, no Director had a significant beneficial interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

根據細則第 112 條，自本公司上屆股東週年大會以來新獲委任為董事的唐慶斌先生之任期須於彼等委任後之本公司下屆股東大會屆滿，並符合資格及願意應選連任。

就重選退任董事將於本公司應屆股東週年大會上提呈的決議案詳情將於有關重選董事及股東週年大會通告的本公司通函內提呈。

### 董事履歷詳情

董事履歷詳情載於本年報第 22 頁至第 24 頁。

### 董事之服務合約

概無董事被提名於本公司即將舉行之股東週年大會上重選之董事，概無與本公司訂立任何本公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

### 董事酬金

截至二零一八年十二月三十一日止年度之董事酬金詳情載於財務報表附註 14(a)。

### 獲准許彌償條文

規定就本集團董事及高級職員產生之負債作出彌償的獲准許彌償條文現時有效且於整個年度一直有效。

### 董事於交易、安排或合約之權益

除本年報其他部分所披露者外，董事概無於本公司或其任何附屬公司於年內訂立而與本集團業務有重大關係之任何交易、安排或合約中直接或間接擁有重大實質權益。



# REPORT OF THE DIRECTORS

## 董事會報告

### 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 were in existence during the year.

### FUND RAISING ACTIVITIES THROUGH ISSUE OF EQUITY/CONVERTIBLE BONDS

Set out below is the fund raising activities of the Company during the year:

There were two fund raising activities of the Company during the year:

- (1) The net proceeds from the placement of 609,940,000 new Shares at the placing price HK\$0.143 per Share were approximately HK\$85.1 million, which was completed on 14 February 2018.

### 管理合約

年內並無訂立或存在有關本公司整體或任何重大部分業務之管理及行政合約。

### 透過發行權益／可轉換證券進行集資活動

下表載列本年度內本公司之集資活動：

本年度，本公司進行了兩次集資活動：

- (1) 按配售價每股0.143港元配售609,940,000股新股份，所得款項淨額約85,100,000港元，配售已於二零一八年二月十四日完成。

		Amount utilised		Unused as at
	Intended use of proceeds	31 December 2018	31 December 2018	31 December 2018
	所得款項擬定用途	截至二零一八年十二月三十一日已動用金額	於二零一八年十二月三十一日之未動用	
	HK\$'million	HK\$'million	HK\$'million	
	百萬港元	百萬港元	百萬港元	
Repayment of debt and liabilities	償還債務及負債	63.3	(63.3)	-
General working capital of the Group	本集團一般營運資金	21.8	(2.7)	19.1
		85.1	(66.0)	19.1

# REPORT OF THE DIRECTORS

## 董事會報告

(2) The total net proceeds from the subscription of HK\$449 million convertible bonds by Giant Crystal and not less than six places were approximately HK\$441.0 million, which was completed on 17 September 2018.

(2) 由鉅晶及不少於六名承配人認購449,000,000港元可換股債券，所得款項總淨額為441,000,000港元，已於二零一八年九月十七日完成。

Intended use of proceeds	Revised allocation after the changes	Amount utilised up to 31 December 2018	Amount unused as at 31 December 2018	Amount utilised subsequent to the year end	Amount unused as at 17 April 2019*
所得款項擬定用途	變化後經修訂分配	截至二零一八年十二月三十一日已動用金額	於二零一八年十二月三十一日之未動用金額	年末後已動用金額	於二零一八年四月十七日之未動用金額*
Repayment of debt and liabilities (including the amounts set aside for liabilities accrued or imminently accruing)	償還債務及負債 (包括預留作應計負債或迫切負債之款項)	371.0	(12.8)	(255.4)	13.8
Expansion and business development of the Group's newly acquired financial consulting business	本集團新收購之財務顧問業務之擴張及業務發展	20.0	(0.4)	(0.5)	19.1
Maintenance of the Group's existing businesses of oil production and oil and liquefied chemical terminal, storage and logistics	維護本集團現有產油業務及油品及液體化工品碼頭儲存及物流業務	25.0	-	-	25.0
Possible financing of acquisition opportunities (Note)	可能收購機會融資(附註)	25.0	(114.0)	-	-
		441.0	(127.2)	(255.9)	57.9

\* 17 April 2019 was the latest practicable date for ascertaining these figures prior to the publication of this report

\* 二零一九年四月十七日即刊發本報告前確定該等數字之最後實際可行日期

# REPORT OF THE DIRECTORS

## 董事會報告

### Note:

Subsequent to the completion of the issue of CB9, the Company has entered into a non-legally binding MOU with the vendors, pursuant to which the Company proposed to invest in a target company which is engaged in the fintech industry in the PRC. A refundable deposit of RMB100 million (approximately HK\$114 million) had been paid under the terms of MOU, details of which are disclosed in the announcement of the Company dated 30 October 2018. No legally binding agreement has been entered between the Company and the vendors as at the date of this annual report.

The acquisition opportunity of the fintech project only arose after the completion of the issue of CB9. In addition, subsequent to the issue of CB9, it transpired to the Company that out of principal amount of the 2015 CB of HK\$98 million which has remained outstanding and unconverted as at July 2018, HK\$66 million were converted prior to maturity in September 2018 leaving behind only approximately HK\$32 million unconverted at maturity requiring cash redemption by the Company. The Company has therefore reallocated part of its net proceeds from the issue of CB9 originally set aside for debt repayment to the potential acquisition of this fintech project. As disclosed in the Company's announcement dated 30 October 2018, the Company considered that the proposed investment in the fintech project as contemplated by the MOU, if materialises, provides the Company with the opportunity to invest in the fast-growing fintech industry in the PRC and enable the Group to broaden its recurring income stream. Therefore, the Directors (including the independent non-executive Directors) considered that the entering into of the MOU for the investment in the fintech project is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Save as disclosed above, the Company has not conducted other fund raising activities through equity/convertible securities during the year ended 31 December 2018.

### 附註：

完成發行可換股債券第九批債券後，本公司已與賣方訂立不具法律約束力諒解備忘錄，據此，本公司建議投資目標公司（於中國從事金融科技行業）。本公司已根據諒解備忘錄條款支付可退還按金人民幣100,000,000元（約114,000,000港元），有關詳情請於本公司日期為二零一八年十月三十日之公告內披露。截至本年報日期，本公司與賣方並無訂立具法律約束力協議。

金融科技項目的收購機會僅於完成發行可換股債券第九批債券後進行。此外，發行可換股債券第九批債券後，於二零一八年七月本公司仍未償還且未轉換的二零一五年可換股債券98,000,000港元本金額中，66,000,000港元於二零一八年九月到期前已轉換，僅餘下約32,000,000港元需要本公司到期以現金贖回。本公司因此重新分配發行可換股債券第九批債券部分所得款項淨額由原預留作償還債務至潛在收購金融科技公司。誠如本公司日期為二零一八年十月三十日之公告所披露，本公司認為諒解備忘錄項下擬進行的建議投資金融科技項目倘能實現，將為本公司提供投資於中國快速增長的金融科技行業的機會，並能夠擴闊本公司經常性收入來源。因此，董事（包括獨立非執行董事）認為訂立諒解備忘錄投資金融科技公司屬公平合理並符合本公司及股東整體利益。

除上文所述者外，於截至二零一八年十二月三十一日止年度，本公司概無透過權益／可轉換證券進行其他集資活動。

# REPORT OF THE DIRECTORS

## 董事會報告

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

As at 31 December 2018, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required to be entered in the register referred to therein pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules, are set out below:

### 董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一八年十二月三十一日，董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有已根據證券及期貨條例第XV部第7及8分部通知本公司及聯交所，或須根據證券及期貨條例第352條規定於該規定所指之登記冊記錄，或須根據上市規則附錄十所載之標準守則通知本公司及聯交所之權益或淡倉載列如下：

Name of Directors	Capacity	Long positions 好倉			Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比
		Shares	Underlying shares	Total number of shares and underlying shares held 所持股份及相關股份總數	
董事姓名	身份	股份	相關股份		
Mr. Cao Sheng ("Mr. Cao") 曹晟先生(「曹先生」)	Interest of controlled corporation 受控制法團權益	1,370,000,000	784,313,725	2,154,313,725*	39.57%
Mr. Yu Zhiyong ("Mr. Yu") 于志勇先生(「于先生」)	Interest of controlled corporation 受控制法團權益	1,370,000,000	784,313,725	2,154,313,725*	39.57%

# REPORT OF THE DIRECTORS

## 董事會報告

\* According to the filings under Disclosure of Interest (the “DI Filings”) under Part XV of the SFO retrieved by the Company from public records, these 2,154,313,725 shares and underlying shares comprise (a) 1,370,000,000 Shares held by Giant Crystal; and (b) 784,313,725 underlying Shares falling to be issued upon full conversion of the CB9 subscribed by Giant Crystal. Giant Crystal is 100% legally and beneficially owned by Cosmic Shine International Limited (“Cosmic Shine”), which is in turn legally and beneficially owned as to 50% by Mr. Cao and as to the other 50% by Mr. Yu, both being executive Directors. Cosmic Shine and Giant Crystal are regarded as controlled corporations of Mr. Cao and Mr. Yu and therefore, Mr. Cao and Mr. Yu are deemed to be interested in all the 2,154,313,725 shares and underlying shares interested in by Cosmic Shine and Giant Crystal. The deemed interest under Part XV of the SFO of Mr. Cao and Mr. Yu duplicate with each others completely.

\* 根據本公司從公共記錄取得之證券及期貨條例第XV部項下之權益披露申報(「權益披露申報」)，該等2,154,313,725股股份及相關股份包括(a)鉅晶持有之1,370,000,000股股份；及(b)鉅晶所認購之可換股債券第九批債券獲悉數行使時將予發行之784,313,725股相關股份。鉅晶由Cosmic Shine International Limited(「Cosmic Shine」)合法及實益擁有100%權益，而Cosmic Shine則由執行董事曹先生及于先生分別合法及實益擁有50%權益。Cosmic Shine及鉅晶被視為曹先生及于先生之受控法團，因此，曹先生及于先生被視為於Cosmic Shine及鉅晶所擁有權益之全部2,154,313,725股股份及相關股份中擁有權益。曹先生及于先生於證券及期貨條例第XV部項下被視為擁有之權益彼此完全重疊。

## DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

## 董事購入股份或債券之權利

於年內任何時間，任何董事或其配偶或未滿18歲之子女概無獲授可藉購入本公司之股份或債券而獲益之權利，亦無行使有關權利；或本公司或其任何附屬公司亦無訂立任何安排，致使董事可收購任何其他法人團體之上述權利。

# REPORT OF THE DIRECTORS

## 董事會報告

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

As at 31 December 2018, so far as any Directors are aware based on the DI Filings, persons (other than the Directors or chief executives of the Company) who have interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

### 主要股東於股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，據任何董事所知，根據權益披露申報，以下人士（董事或本公司主要行政人員除外）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉或須記錄於本公司根據證券及期貨條例第336條須予存置之登記冊之權益或淡倉：

Name of Shareholders	Capacity	Shares	Long positions		Approximate percentage of issued share capital of the Company 佔本公司已發行股本概約百分比
			Underlying Shares	Total number of Shares and underlying Shares held	
股東姓名	身份	股份	相關股份	所持股份及相關股份總數	
Giant Crystal 鉅晶	Beneficial owner 實益擁有人	1,370,000,000	784,313,725	2,154,313,725*	39.57%
Cosmic Shine Cosmic Shine	Interest of controlled corporation 受控制法團權益	1,370,000,000	784,313,725	2,154,313,725*	39.57%

\* Based on the DI Filings, these 2,154,313,725 Shares and underlying Shares comprise (a) 1,370,000,000 Shares held by Giant Crystal; and (b) 784,313,725 underlying Shares falling to be issued upon full conversion of the CB9 subscribed by Giant Crystal. Giant Crystal is 100% legally and beneficially owned by Cosmic Shine. Giant Crystal is regarded as controlled corporation of Cosmic Shine and therefore, Cosmic Shine is deemed to be interested in all the 2,154,313,725 Shares and underlying Shares interested in by Giant Crystal. The deemed interest under Part XV of the SFO of Cosmic Shine and Giant Crystal duplicate with each others completely.

\* 根據權益披露申報，該等2,154,313,725股股份及相關股份包括(a)鉅晶持有之1,370,000,000股股份；及(b)鉅晶所認購之可換股債券第九批債券獲悉數行使時將予發行之784,313,725股相關股份。鉅晶由Cosmic Shine合法及實益擁有100%權益，鉅晶被視為Cosmic Shine之受控法團，因此，Cosmic Shine被視為於鉅晶所擁有權益之全部2,154,313,725股股份及相關股份中擁有權益。Cosmic Shine及鉅晶於證券及期貨條例第XV部項下被視為擁有之權益彼此完全重疊。

# REPORT OF THE DIRECTORS

## 董事會報告

All the interests stated above represent long positions in the Shares. As at 31 December 2018, no short positions were recorded in the register maintained by the Company under section 336 of the SFO.

Save as disclosed above, so far as the Directors are aware up to 31 December 2018, no other person had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

### SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the EGM of the Company held on 24 June 2013, the Stock Exchange granted approval of the listing of and permission to deal in the Shares to be issued under the share option scheme (the "Share Option Scheme") on 26 June 2013. The purpose of the Share Option Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Share Option Scheme include Directors, employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company. The Share Option Scheme was adopted on 24 June 2013 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The Share Option Scheme will expire on 23 June 2023. There was no share option granted and exercised during the year under review and no outstanding share option as at 31 December 2018.

### EQUITY-LINKED AGREEMENTS

For the year, save for the Share Option Scheme as previously mentioned, the Company has not entered into any equity-linked agreements, and there did not subsist any equity-linked agreement entered into by the Company as at 31 December 2018.

上述所有權益指股份之好倉。於二零一八年十二月三十一日，於本公司根據證券及期貨條例第336條存置之登記冊中並無淡倉記錄。

除以上所披露者外，就董事所知，直至二零一八年十二月三十一日，概無其他人士於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露或須記錄於本公司根據證券及期貨條例第336條存置之登記冊中之權益或淡倉。

### 購股權計劃

根據本公司於二零一三年六月二十四日舉行之股東特別大會上通過之普通決議案，聯交所於二零一三年六月二十六日批准根據購股權計劃（「購股權計劃」）將予發行之股份上市及買賣。購股權計劃乃旨在獎勵及回饋對本集團營運業績的成功曾付出貢獻之合資格參與者。購股權計劃之合資格參與者包括董事以及本集團或本集團持有其權益之公司或該公司之附屬公司之僱員、顧問、客戶、供應商、代理商、夥伴、諮詢人或承包商。購股權計劃乃於二零一三年六月二十四日採納，除非另行註銷或修訂，否則由該日期起計十年維持有效。購股權計劃將於二零二三年六月二十三日屆滿。於回顧年度內概無授出或行使購股權，而於二零一八年十二月三十一日並無未行使之購股權。

### 股權關連協議

年內，除前述購股權計劃外，本公司並無訂立任何股權關連協議，且於二零一八年十二月三十一日並不存在任何由本公司訂立之股權關連協議。



# REPORT OF THE DIRECTORS

## 董事會報告

### CONNECTED AND CONTINUING CONNECTED TRANSACTIONS

On 14 June 2018, the Company entered into the subscription agreement with Giant Crystal pursuant to which Giant Crystal has conditionally agreed to subscribe for convertible bonds in the aggregate principal amount of HK\$200,000,000, carrying interest at 3% per annum and maturing on the date falling on the second anniversary of the date of issue. The subscription was approved by independent Shareholders at the EGM held on 17 August and was completed on 17 September 2018. Details of the subscription are set out in the circular of the Company dated 27 July 2018.

Save and disclosed herein and elsewhere in the financial statements, there were no other transactions required to be disclosed as connected or continuing connected transactions in accordance with the requirements of the Listing Rules.

### DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, no Directors are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, as defined by the Listing Rules, other than those businesses of which the Directors have been appointed as Directors to represent the interests of the Company and/or of the Group.

### ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

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

Particulars of the Company's corporate governance practices and principles are set out in the Corporate Governance Report on pages 25 to 34 of this annual report.

### 關連及持續關連交易

於二零一八年六月十四日，本公司與鉅晶訂立認購協議，據此，鉅晶已有條件同意認購本金總額為200,000,000港元之可換股債券，按年利率3%計息，並於發行日期第二週年當日到期。該認購事項獲獨立股東於八月十七日舉行之股東特別大會上批准，並於二零一八年九月十七日完成。認購事項詳情載於本公司日期為二零一八年七月二十七日之通函。

除財務報表此處及其他地方所披露外，概無其他交易須根據上市規則之規定作為關連及持續關連交易予以披露。

### 董事於競爭業務之權益

年內及直至本報告日期，概無董事被視為於與本集團業務直接或間接構成競爭或可能構成競爭之業務內擁有權益（有關競爭之定義見上市規則），惟董事獲委任出任董事以代表本公司及／或本集團之權益之業務則除外。

### 環境、社會及企業管治

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

本公司之企業管治常規及原則的詳情載於本年報第25頁至第34頁之企業管治報告中。



# REPORT OF THE DIRECTORS

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company maintained the amount of public float as required under the Listing Rules during the year ended 31 December 2018.

### LITIGATIONS

Details of the litigations of the Group are set out in note 48 to the financial statements.

### EVENTS AFTER THE REPORTING DATE

Details of the events after the reporting date are set out in note 49 to the financial statements.

### RELATIONSHIP WITH STAKEHOLDERS

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

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

The details of environmental, social and governance policies and performance of the Group will be disclosed in a standalone Environmental, Social and Governance Report, which will be issued in or before July 2019.

### 足夠公眾持股量

根據本公司可取得之公開資料及就董事所知，董事確認截至二零一八年十二月三十一日止年度，本公司維持上市規則所規定之足夠公眾持股量。

### 訴訟

本集團之訴訟之詳情載於財務報表附註48。

### 報告日期後事項

報告日期後事項詳情載於財務報表附註49。

### 與權益持有人的關係

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

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

本集團環境、社會及管治政策及表現之詳情將於單獨刊發之環境、社會及管治報告中披露，該報告將於二零一九年七月或之前刊發。

# REPORT OF THE DIRECTORS

## 董事會報告

### CHANGE IN INFORMATION OF DIRECTORS

During the year ended 31 December 2018 and up to the date of this annual report, the update information on Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follow:

### 董事資料變動

截至二零一八年十二月三十一日止年度及直至本年報日期，根據上市規則第13.51B(1)條須予披露更新的董事資料如下：

Name of Directors 董事姓名	Details of changes 變動詳情
Mr. Lan Yongqiang 藍永強先生	<ul style="list-style-type: none"><li>- Ceased to act as the chairman of Guangdong Golden Dragon Development Inc. (listed on the Shenzhen Stock Exchange, stock code: 000712) with effect from June 2018.</li><li>- 不再擔任廣東錦龍發展股份有限公司(於深圳證券交易所上市，股份代號：000712)董事長，自二零一八年六月生效。</li><li>- Ceased to act as an independent director of Top Score Fashion Co., Ltd. (formerly known as Topscore Fashion Shoes Co., Ltd.) (listed on the Shanghai Stock Exchange, stock code: 603608) with effect from May 2018.</li><li>- 不再擔任天創時尚股份有限公司(前稱廣州天創時尚鞋業股份有限公司)(於上海證券交易所上市，股份代號：603608)獨立董事，自二零一八年五月生效。</li></ul>
Mr. Yu Zhiyong 于志勇先生	<ul style="list-style-type: none"><li>- Appointed as a member of the Eighth Dongying Municipal Committee of the Chinese People's Political Consultative Conference since March 2019.</li><li>- 自二零一九年三月獲委任為第八屆中國政治協商會議東營市委委員。</li></ul>
Mr. Tang Qingbin 唐慶斌先生	<ul style="list-style-type: none"><li>- Appointed as an independent non-executive Director and chairman of each of the audit committee, nomination committee and remuneration committee of the Company in January 2019.</li><li>- 於二零一九年一月獲委任為獨立非執行董事及本公司審核委員會、提名委員會及薪酬委員會主席。</li><li>- Remuneration of his appointment as an independent non-executive Director is fixed at HK\$10,000 per month.</li><li>- 擔任非執行董事薪酬為每月10,000港元。</li><li>- Appointed as an independent director of Luxin Venture Capital Group Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600783) in January 2019.</li><li>- 於二零一九年一月獲委任為魯信創業投資集團股份有限公司(於上海證券交易所上市，股份代號：600783)獨立董事。</li></ul>
Mr. Fung Nam Shan 馮南山先生	<ul style="list-style-type: none"><li>- Acted as the company secretary and authorised representative of China Investment Development Limited (listed on Main Board, stock code: 204) from August 2018 to November 2018.</li><li>- 於二零一八年八月至二零一八年十一月擔任中國投資開發有限公司(於主板上市，股份代號：204)公司秘書及授權代表。</li></ul>
Mr. Lee Hoi Yan 李凱恩先生	<ul style="list-style-type: none"><li>- Resigned as a non-executive Director and chairman of each of the audit committee, nomination committee and remuneration committee of the Company with effect from January 2019.</li><li>- 辭任非執行董事及本公司審核委員會、提名委員會及薪酬委員會主席，並於二零一九年一月生效。</li></ul>

# REPORT OF THE DIRECTORS

## 董事會報告

### AUDIT COMMITTEE

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters including a review of the audited financial statements of the Company for the year ended 31 December 2018. The audit committee of the Company comprises three independent non-executive Directors.

### AUDITOR

The financial statements for the year ended 31 December 2018 were audited by BDO. BDO retired and, being eligible, offer themselves for reappointment. A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO as auditor of the Company.

On behalf of the Board

**Mr. Lan Yongqiang**  
*Chairman*

Hong Kong, 28 March 2019

### 審核委員會

本公司之審核委員會已與管理層審閱本集團所採納之會計原則及慣例，並就內部監控及財務報告事宜進行討論，包括審閱本公司截至二零一八年十二月三十一日止年度之經審核財務報表。本公司的審核委員會成員包括三名獨立非執行董事。

### 核數師

截至二零一八年十二月三十一日止年度之財務報表由香港立信德豪審核。香港立信德豪將退任，並符合資格且願意應聘連任。本公司將於即將舉行之股東週年大會上提呈一項決議案，以重新委任香港立信德豪為本公司之核數師。

代表董事會

主席  
**藍永強先生**

香港，二零一九年三月二十八日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



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### TO THE SHAREHOLDERS OF ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED

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

## OPINION

We have audited the consolidated financial statements of Energy International Investments Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 60 to 228, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 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"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 致能源國際投資控股有限公司股東

*(於開曼群島註冊成立的有限公司)*

## 意見

本核數師(以下簡稱「我們」)已審核列載於第60頁至228頁能源國際投資控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務，此綜合財務報表已包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收入表、綜合權益變動表及綜合現金流量表，及綜合財務報表附註(包括重大會計政策概述)。

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》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規定妥為編製。

## 意見之基礎

我們已根據香港會計師公會頒佈的《香港審核準則》(「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》(以下簡稱「守則」)，我們獨立於貴集團，並已根據守則履行其他專業道德責任。我們相信，我們所獲得的審核憑證能足夠及適當地為我們的意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3(a)(ii) to the consolidated financial statements, which indicates that (i) the Group incurred a loss of HK\$73,847,000 during the year; (ii) as at 31 December 2018, the Group had net current liabilities of HK\$228,926,000; (iii) as at 31 December 2018, included in current liabilities were total outstanding construction costs of HK\$344,955,000, that are repayable within one year after the reporting date, in which amounts of HK\$307,223,000 and HK\$37,732,000 were recognised under other payables (note 26) and other borrowings (note 29) respectively and the capital commitments for construction cost was HK\$2,452,000 (note 42); and (iv) as at 31 December 2018, included in current liabilities were other borrowings of HK\$42,795,000 that have been overdue for repayments. As stated in note 3(a)(ii), these conditions indicate that a material uncertainty exists that may cast significant doubts about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

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

### 有關持續經營之重大不明朗因素

我們注意到綜合財務報表附註3(a)(ii)，顯示(i)本集團於年內產生虧損73,847,000港元；(ii)於二零一八年十二月三十一日，本集團錄得流動負債淨值228,926,000港元；(iii)於二零一八年十二月三十一日，納入流動負債之可於報告日期後一年內償還的未償還建設成本總額為344,955,000港元，其中307,223,000港元及37,732,000港元分別於其他應付款項(附註26)及其他借款(附註29)下確認及建設成本的資本承擔為2,452,000港元(附註42)；及(iv)於二零一八年十二月三十一日，納入流動負債之逾期未還之其他借款為42,795,000港元。如附註3(a)(ii)所載，該等情況反映存在重大不明朗因素，或會對本集團持續經營之能力產生重大質疑。我們的意見並無就此方面修改。

### 關鍵審核事項

關鍵審核事項是根據我們的專業判斷，審核本期綜合財務報表中最重要的事項。我們於審核整體綜合財務報表時處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。除於與「持續經營有關之重大不明朗因素」一節所述之事項外，我們已釐定下述事項為於我們的報告中予以傳達之關鍵審計事項。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Impairment assessment on non-financial assets

(Refer to note 18 and the Group's critical accounting estimates and judgements in relation to impairment of non-financial assets set out in notes 4(v) and 4(vii) to the consolidated financial statements.)

The continuing reporting loss of the Oil Production segment for the year is the factor which heightens the risk of impairment associated with its non-financial assets carried at cost, comprising property, plant and equipment and intangible assets amounting to HK\$1,237,000 and HK\$154,141,000 as at 31 December 2018 respectively.

Management has performed impairment test on non-financial assets of the Oil Production cash-generating unit ("CGU") in accordance with the Group's accounting policies. Management also appointed an independent valuation firm to estimate the recoverable amounts of property, plant and equipment and intangible assets attributable to their relevant CGU determined by higher of fair value less cost of disposal and value-in-use calculation, as detailed in note 18 to the consolidated financial statements and concluded that there is impairment in respect of property, plant and equipment and intangible assets amounting to HK\$526,000 and HK\$62,801,000 respectively.

We have identified impairment assessment on non-financial assets as a key audit matter because of its significance to the consolidated financial statements and because estimation of the value-in-use calculation of the CGU involve significant management judgement with the respect to its underlying 13-years period cash flow forecasts, discount rate and future growth rates and the estimation of fair value less cost of disposal.

### 非財務資產減值評估

(請參閱綜合財務報表附註18及載於綜合財務報表附註4(v)及4(vii)的貴集團有關非財務資產減值的重大會計估計及判斷。)

於二零一八年十二月三十一日，本年度產油分類持續呈報虧損為按成本列帳之非財務資產(包括物業、廠房及設備以及無形資產)減值風險升高，分別為約1,237,000港元及154,141,000港元。

管理層已根據本集團會計政策對產油現金產生單位(「現金產生單位」)進行非財務資產減值測試。管理層亦委任一間獨立估值公司對物業、廠房及設備及由無形資產所屬的現金產生單位之可收回金額，可收回金額為公允價值減出售成本及使用價值的較高者。詳情請參閱綜合財務報表附註18並總結物業、廠房及設備及無形資產分別減值526,000港元及62,801,000港元。

我們認為非財務資產減值評估為一項關鍵審計事項，原因為其對於綜合財務報表的重要性及使用價值現金產生單位估計涉及管理層對相關十三年期現金流預測、折現率及未來增長率及出售成本公平值估計運用重大判斷。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### *Our response:*

Our procedures in relation to the management's impairment assessment on non-financial assets included:

- Evaluating the independent valuation firm's competence, capabilities and objectivity;
- Assessing the reasonableness of key assumptions based on our knowledge of the business and industry, in particular those relating to the 13-year period cash flow forecasts underlying the value-in-use calculation and the estimation of fair value less cost of disposal;
- Checking, on a sample basis, the accuracy and relevance of the data provided by the management, such as growth rate and discount rate used;
- Conducting in-depth discussions with the management about the cash flow projections used in the value-in-use calculation and assessing the appropriateness of the significant assumptions and critical judgement areas which affect the value-in-use calculation;
- Benchmarking the growth rate and discount rate used in the value-in-use calculation against independent industry data and comparable companies; and
- Evaluating and assessing the appropriateness of the key assumptions used in the value-in-use calculation and fair value less cost of disposal calculation.

### *我們的回應：*

我們有關管理層對非財務資產減值評估的程序包括：

- 評估獨立估值公司之勝任程度、能力及客觀性；
- 根據我們對有關業務及行業的了解而評估關鍵假設是否合理，特別是與使用價值計算及公平值減出售成本估計所依據的十三年期現金流量預測有關的假設；
- 抽樣檢查管理層提供的數據的準確和相關程度，例如增長率 and 使用的折現率；
- 與管理層深入討論計算使用價值時所用之現金流量預測，並評估可影響使用價值計算的重大假設及關鍵判斷範疇是否合適；
- 將計算使用價值時所用之增長率及折現率與獨立行業數據及可資比較公司進行對比；及
- 衡量及評估計算使用價值及公平值減出售成本計量時所用之關鍵假設是否合適。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Fair value measurement of investment properties

(Refer to note 20 and the Group's critical accounting estimates and judgements in relation to the fair value measurement of investment properties set out in note 4(ii) to the consolidated financial statements.)

Management estimated the fair value of investment properties at approximately HK\$1,425,000,000 as at 31 December 2018, with a fair value loss of approximately HK\$5,986,000 recognised in the profit or loss for the year. The fair value of the investment properties was arrived on the basis of the valuation carried out by an independent valuation firm.

We have identified the fair value measurement of investment properties as a key audit matter because of its significant to the consolidated financial statements and the valuation of the Group's investment properties are dependent on valuation model used by management, certain key assumptions and estimations that require significance management judgement. Details of the valuation technique and significant unobservable inputs used in valuation are disclosed in note 20 to the consolidated financial statements.

#### **Our response:**

Our procedures in relation to the management's fair value measurement on investment properties included:

- Evaluating the independent valuation firm's competence, capabilities and objectivity;
- Assessing the reasonableness of the key assumptions based on our knowledge of the business and the industry, in particular those relating to the 5-year period cash flow projection used by the income approach for the fair value measurement;
- Checking, on a sample basis, the accuracy and relevance of the data provided by the management, such as capitalisation rate and discount rate used;
- Conducting in-depth discussions with management about the cash flow projections used in the income approach calculation and assessing the appropriateness of the significant assumptions and critical judgement areas which affect the income approach calculation; and
- Evaluating and assessing the appropriateness of the key assumptions used in the income-approach calculation.

### 投資物業公平值計量

(請參閱附註20及載於綜合財務報表附註4(ii)有關本集團投資物業公平值計量所用關鍵會計估計及判斷。)

於二零一八年十二月三十一日，管理層已評估投資物業公平值約為1,425,000,000港元，公平值虧損約5,986,000港元，於本年度損益表中確認。投資物業公平值基於獨立估值公司之進行之評估。

我們認為投資物業公平值計量作為一項關鍵審計事項，因為其對財務報表之重要性及本集團投資物業評估依靠管理層所用之評估模式，若干會計假設及估計須用重大會計判斷。評估所用之估值技術及重大不可觀察輸入數據於本財務報表附註20披露。

#### **我們的回應：**

管理層進行投資物業公平值計量所用之程序包括：

- 評估獨立估值公司的勝任程度，能力和客觀性；
- 根據吾等對有關業務及行業的了解而評估關鍵假設是否合理，特別是與用收入法對公平值計量時所依據的五年期現金流量預測有關的假設；
- 抽樣檢查管理層提供的數據是否準確及相關，例如所用的資本化率及折現率；
- 與管理層深入討論收入法計算時所用之現金流量預測，並評估可影響收入法計算的重大假設及關鍵判斷範疇是否合適；及
- 衡量及評估計算收入法時所用之關鍵假設是否合適。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Other Information in the Annual Report

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

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

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

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 年報中其他資料

董事對其他資料負責。其他資料包括載於本公司年報的資料，惟不包括綜合財務報表及我們就此發出的核數師報告。

我們對綜合財務報表作出的意見並無涵蓋其他資料，我們亦不對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，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獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。基於我們已執行的工作，倘若我們認為其他資料出現重大錯誤陳述，我們須報告有關事實。就此，我們並無須報告事項。

### 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編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實貴公司董事認為編製綜合財務報表所必要的內部控制，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。

董事編製綜合財務報表時須負責評估貴集團持續經營的能力、披露持續經營相關事宜（如適用），以及運用持續經營會計基準，除非貴公司董事有意將貴集團清盤或結業，或在沒有其他實際可行辦法、唯有選擇清盤或結業的情況下，則屬例外。

董事亦負責監察貴集團的財務申報程序。審核委員會將協助董事履行有關監察貴集團財務報告程序的責任。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 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 the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

### 核數師就審計綜合財務報表須承擔的責任

我們的目標為合理確定此等綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。根據委託條款，我們僅向全體股東作出報告，除此之外，本報告不作其他用途。我們概不就本報告之內容向任何其他人士負責或承擔責任。

合理確定屬高層次的核證，惟不能保證根據香港審核準則進行的審核工作總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

作為按照香港審核準則進行的審計工作一部分，在整個審計過程中，我方會進行專業判斷並保持專業的質疑態度。此外，我方也將：

- 確定和評估綜合財務報表重大錯報的風險（無論是由於欺詐或錯誤引起），設計和執行針對這些風險作出響應的審計程序，並獲得足夠和適當的審計證據為我方的意見提供依據。未發現欺詐造成重大錯報的風險高於錯誤導致的錯報風險，其中欺詐可能涉及串通、偽造、故意遺漏、虛假陳述或內部控制權超控。
- 瞭解有關審計的內部控制，以便設計適於此類情況的審計程序，但並非旨在發表對集團內部控制有效性的意見。
- 評估董事採用的會計政策的適用性以及會計估計和相關披露的合理性。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

- 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.
- 根據所獲得的審計證據，總結董事使用持續經營會計基準的適用性，以及是否存在與可能對集團持續經營能力產生重大懷疑的事件或條件有關的重大不確定性。若我方發現存在重大不確定性，則需在審計師報告中提請注意綜合財務報表中的相關披露，或者，若此類披露不足，則修改我方的意見。我方的結論均以截至審計師報告日期前所獲得的審計證據為基礎。但未來出現的事件或情況也有可能導致集團無法持續經營。
- 評估綜合財務報表的總體情況、結構和內容，包括披露情況，綜合財務報表是否以實現公允的方式表明基礎交易和事件。
- 獲取關於集團內實體或業務活動的財務信息的充分適當審計證據，以便就綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們對我們的審計意見承擔全部責任。

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

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

我們就(其中包括)計劃審核範圍、審核時間及重大審核發現(包括吾等在審核期間識別出內部控制的任何重大缺陷)與審核委員會進行溝通。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德規範，並就一切被合理認為會影響吾等獨立性的關係和其他事項以及相關保障措施(如適用)與彼等進行溝通。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

From the matters communicated with the directors, 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.

**BDO Limited**

*Certified Public Accountants*

**Au Yiu Kwan**

Practising Certificate Number P05018

Hong Kong, 28 March 2019

從與董事溝通的事項中，我們確定了在當期綜合財務報表審計中最重要的事項，並將其歸為關鍵審計事項。我們在審計師報告中對這些事項予以了描述，除非法律或法規禁止公開披露有關事項，或者在極少數情況下，我們確定不得在我們報告中傳達有關事項，因為根據合理預期，這樣做的不利後果將超出此類傳達的公共利益。

香港立信德豪會計師事務所有限公司

執業會計師

歐耀均

執業證書編號 P05018

香港，二零一九年三月二十八日

# CONSOLIDATED INCOME STATEMENT

## 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

		Notes 附註	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>			
Revenue	收益	5	152,328	30,338
Cost of sales	銷售成本		(26,801)	(21,532)
Gross profit	毛利		125,527	8,806
Other income and gains	其他收入及收益	5	9,685	7,095
Selling and distribution expenses	銷售及分銷開支		(6,790)	(6,219)
Administrative expenses	行政開支		(37,955)	(36,248)
Other operating expenses	其他經營開支		(2,116)	(20,207)
Fair value loss on investment properties	投資物業公平值虧損	20	(5,986)	–
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	15	(526)	(5,469)
Impairment loss on intangible assets	無形資產減值虧損	18	(62,801)	(170,710)
Finance costs	財務成本	7	(64,155)	(8,587)
Loss before income tax	除所得稅前虧損	8	(45,117)	(231,539)
Income tax (expenses)/credit	所得稅(開支)/抵免	9	(28,730)	39,679
<b>Loss for the year from continuing operations</b>	<b>持續經營業務之 本年度虧損</b>		<b>(73,847)</b>	<b>(191,860)</b>
<b>Discontinued operation</b>	<b>已終止經營業務</b>			
Loss for the year from discontinued operation	已終止經營業務之 本年度虧損	11	–	(9,570)
<b>Loss for the year</b>	<b>本年度虧損</b>		<b>(73,847)</b>	<b>(201,430)</b>
<b>(Loss)/profit for the year attributable to:</b>	<b>應佔本年度(虧損)/溢利:</b>			
Owners of the Company	本公司擁有人			
– from continuing operations	– 持續經營業務		(76,478)	(178,056)
– from discontinued operation	– 已終止經營業務		–	(9,065)
			<b>(76,478)</b>	<b>(187,121)</b>
Non-controlling interests	非控股股東權益			
– from continuing operations	– 持續經營業務		2,631	(13,804)
– from discontinued operation	– 已終止經營業務		–	(505)
			<b>2,631</b>	<b>(14,309)</b>
			<b>(73,847)</b>	<b>(201,430)</b>
<b>Loss per share for loss attributable to the owners of the Company</b>	<b>本公司擁有人應佔虧損 之每股虧損</b>	12		(Restated) (重列)
Basic and diluted	基本及攤薄			
– from continuing operations	– 持續經營業務		(HK cent 1.2 港仙)	(HK cents 4.5 港仙)
– from discontinued operation	– 已終止經營業務		N/A 不適用	(HK cent 0.2 港仙)
– from continuing and discontinued operations	– 持續經營業務及 已終止經營業務		(HK cent 1.2 港仙)	(HK cents 4.7 港仙)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收入表

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

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Loss for the year</b>	本年度虧損	<b>(73,847)</b>	(201,430)
<b>Other comprehensive income, net of tax</b>	其他全面收入，扣除稅項		
<b>Item that will not be reclassified to profit or loss:</b>	不會重新分類至損益之項目：		
Fair value adjustment upon transfer from owner-occupied properties to investment properties	由自用物業轉撥至投資物業時的公平值調整	-	66,402
<b>Items that may be reclassified subsequently to profit or loss:</b>	其後可能重新分類至損益之項目：		
Exchange (loss)/gain on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌(虧損)/收益	<b>(26,621)</b>	28,842
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司時解除匯兌儲備	-	(10,888)
<b>Other comprehensive income for the year, net of tax</b>	本年度其他全面收入，扣除稅項	<b>(26,621)</b>	84,356
<b>Total comprehensive income for the year</b>	本年度全面收入總額	<b>(100,468)</b>	(117,074)
<b>Total comprehensive income attributable to:</b>	應佔全面收入總額：		
- Owners of the Company	- 本公司擁有人	<b>(99,016)</b>	(146,258)
- Non-controlling interests	- 非控股股東權益	<b>(1,452)</b>	29,184
		<b>(100,468)</b>	(117,074)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

		Notes	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
		附註		
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	6,519	9,650
Prepaid land lease payments	預付土地租賃款項	16	–	–
Sea area use rights	海域使用權	17	–	–
Intangible assets	無形資產	18	154,141	217,769
Goodwill	商譽	19	1,440	–
Investment properties	投資物業	20	1,425,000	1,500,000
Deposits and other receivables	按金及其他應收款項	22	57,204	66,116
Deferred tax assets	遞延稅項資產	32	43,189	50,384
			<b>1,687,493</b>	<b>1,843,919</b>
<b>Current assets</b>	<b>流動資產</b>			
Trade receivables	應收貿易賬項	21	15,211	8,372
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	150,791	68,087
Loan receivables	應收貸款	23	72,098	–
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	24	14,407	15,809
Pledged bank deposits	已抵押銀行存款	25	–	51,360
Cash and bank balances	現金及銀行結存	25	276,531	5,699
			<b>529,038</b>	<b>149,327</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Bills and other payables and accruals	應付票據及其他應付款項及應計款項	26	389,097	542,976
Amounts due to non-controlling shareholders	應付非控股股東款項	27	–	101,600
Bank borrowings	銀行借款	28	157,320	68,984
Other borrowings	其他借款	29	126,877	158,956
Finance lease liabilities	融資租賃負債	30	39,584	146,863
Convertible bonds	可換股債券	31	35,258	195,400
Tax payables	應付稅項		9,828	10,325
			<b>757,964</b>	<b>1,225,104</b>
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(228,926)</b>	<b>(1,075,777)</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>1,458,567</b>	<b>768,142</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

		Notes	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
		附註		
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Amount due to a non-controlling shareholder	應付非控股股東款項	27	<b>259,418</b>	–
Bank borrowings	銀行借款	28	<b>77,520</b>	225,600
Other borrowings	其他借款	29	<b>44,649</b>	1,036
Finance lease liabilities	融資租賃負債	30	<b>2,459</b>	68,994
Convertible bonds	可換股債券	31	<b>25,250</b>	–
Deferred tax liabilities	遞延稅項負債	32	<b>120,000</b>	101,772
			<b>529,296</b>	397,402
<b>Net assets</b>	<b>資產淨值</b>		<b>929,271</b>	370,740
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to the owners of the Company</b>	<b>本公司擁有人應佔權益</b>			
Share capital	股本	33	<b>544,484</b>	304,970
Reserves	儲備	34	<b>218,841</b>	(101,440)
			<b>763,325</b>	203,530
<b>Non-controlling interests</b>	<b>非控股股東權益</b>		<b>165,946</b>	167,210
<b>Total equity</b>	<b>總權益</b>		<b>929,271</b>	370,740

The consolidated financial statements on pages 60 to 228 were approved and authorised for issue by the board of directors of the Company on 28 March 2019 and are signed on its behalf by:

第60至第228頁所載綜合財務報表已於二零一九年三月二十八日由本公司董事會批准及授權刊發，並由下列董事代表簽署：

**Lan Yongqiang**  
藍永強  
Director  
董事

**Cao Sheng**  
曹晟  
Director  
董事



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Equity attributable to the owners of the Company 本公司擁有人應佔權益									
		Share capital	*Share premium	*Capital reserve	*Exchange reserve	*Convertible bonds equity reserve	*Revaluation reserve	*Accumulated losses	Total	Non-controlling interests	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	*股份溢價	*資本儲備	*匯兌儲備	*可換股債券權益儲備	*重估儲備	*累計虧損	總計	非控股股東權益	總權益
		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
At 1 January 2017	於二零一七年一月一日	304,970	2,363,920	177,027	5,070	462,708	-	(2,963,907)	349,788	115,494	465,282
Derecognition of non-controlling interests upon disposal of subsidiaries (note 11)	於出售附屬公司時終止確認非控股股東權益(附註11)	-	-	-	-	-	-	-	-	22,532	22,532
<b>Transaction with owners</b>	<b>與擁有人之交易</b>	-	-	-	-	-	-	-	-	22,532	22,532
Loss for the year	本年度虧損	-	-	-	-	-	-	(187,121)	(187,121)	(14,309)	(201,430)
<b>Other comprehensive income, net of tax</b>	<b>其他全面收入，扣除稅</b>										
<i>Item that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益之項目：</i>										
- Fair value adjustment upon transfer from owner-occupied properties to investment properties (note 20)	- 由自用物業轉發至投資物業時的公平值調整(附註20)	-	-	-	-	-	33,865	-	33,865	32,537	66,402
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目</i>										
- Exchange gains on translation of financial statements of foreign operations	- 換算海外業務財務報表之匯兌收益	-	-	-	17,886	-	-	-	17,886	10,956	28,842
- Release of exchange reserve upon disposal of subsidiaries (note 11)	- 出售附屬公司時解除匯兌儲備(附註11)	-	-	-	(10,888)	-	-	-	(10,888)	-	(10,888)
<b>Total comprehensive income for the year</b>	<b>本年度全面收入總額</b>	-	-	-	6,998	-	33,865	(187,121)	(146,258)	29,184	(117,074)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>304,970</b>	<b>2,363,920</b>	<b>177,027</b>	<b>12,068</b>	<b>462,708</b>	<b>33,865</b>	<b>(3,151,028)</b>	<b>203,530</b>	<b>167,210</b>	<b>370,740</b>
<b>At 1 January 2018</b>	<b>於二零一八年一月一日</b>	<b>304,970</b>	<b>2,363,920</b>	<b>177,027</b>	<b>12,068</b>	<b>462,708</b>	<b>33,865</b>	<b>(3,151,028)</b>	<b>203,530</b>	<b>167,210</b>	<b>370,740</b>
Issuance of shares upon placing (note 33(iii))	配售時發行股份(附註33(iii))	60,994	26,227	-	-	-	-	-	87,221	-	87,221
Share issue expenses (note 33(iii))	股份發行開支(附註33(iii))	-	(2,125)	-	-	-	-	-	(2,125)	-	(2,125)
Release upon maturity of convertible bonds (note 31)	可換股債券到期時解除(附註31)	-	-	-	-	(9,145)	-	9,145	-	-	-
Recognition of equity component of convertible bonds (note 31)	確認可換股債券權益部分(附註31)	-	-	-	-	416,628	-	-	416,628	-	416,628
Issuance of shares upon conversion of convertible bonds (note 31)	兌換可換股債券時發行股份(附註31)	178,520	432,130	-	-	(453,563)	-	-	157,087	-	157,087
Acquisition of non-controlling interests (note 40)	收購非控股股東權益(附註40)	-	-	-	-	-	-	-	-	49	49
Capital contribution from a non-controlling shareholder	非控股股東注資	-	-	-	-	-	-	-	-	139	139
<b>Transaction with owners</b>	<b>與擁有人之交易</b>	<b>239,514</b>	<b>456,232</b>	<b>-</b>	<b>-</b>	<b>(46,080)</b>	<b>-</b>	<b>9,145</b>	<b>658,811</b>	<b>188</b>	<b>658,999</b>
(Loss)/profit for the year	本年度(虧損)/溢利	-	-	-	-	-	-	(76,478)	(76,478)	2,631	(73,847)
<b>Other comprehensive income, net of tax</b>	<b>其他全面收入，扣除稅項</b>										
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>										
- Exchange loss on translation of financial statements of foreign operations	- 換算海外業務財務報表之匯兌虧損	-	-	-	(22,538)	-	-	-	(22,538)	(4,083)	(26,621)
<b>Total comprehensive income for the year</b>	<b>本年度全面收入總額</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,538)</b>	<b>-</b>	<b>-</b>	<b>(76,478)</b>	<b>(99,016)</b>	<b>(1,452)</b>	<b>(100,468)</b>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>544,484</b>	<b>2,820,152</b>	<b>177,027</b>	<b>(10,470)</b>	<b>416,628</b>	<b>33,865</b>	<b>(3,218,361)</b>	<b>763,325</b>	<b>165,946</b>	<b>929,271</b>

\* The total of these reserve accounts comprise the consolidated reserves of HK\$218,841,000 (2017: deficits of HK\$101,440,000).

\* 該等儲備賬目總額包括綜合儲備218,841,000港元(二零一七年：虧絀101,440,000港元)。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

	Notes 附註	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Cash flows from operating activities</b>	<b>經營業務現金流量</b>		
Loss before income tax	除所得稅開支前虧損		
– From continuing operations	– 持續經營業務	<b>(45,117)</b>	(231,539)
– From discontinued operation	– 已終止經營業務	–	(9,570)
Adjustments for:	就下列項目作出調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>3,498</b>	5,624
Amortisation of intangible assets	無形資產攤銷	<b>870</b>	1,023
Amortisation of sea area use rights	海域使用權攤銷	–	1,824
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	<b>526</b>	5,469
Impairment loss of intangible assets	無形資產減值虧損	<b>62,801</b>	170,710
Gain on disposals of property, plant and equipment	出售物業、廠房及設備收益	<b>(19)</b>	(65)
Gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之財務資產的收益	<b>(76)</b>	–
Write-off of property, plant and equipment	撇銷物業、廠房及設備	<b>1,559</b>	13,051
Fair value loss/(gain) on financial assets at fair value through profit or loss	按公平值計入損益之財務資產之公平值虧損/(收益)	<b>920</b>	(2,290)
Fair value loss on investment properties	投資物業公平值虧損	<b>5,986</b>	–
Interest income	利息收入	<b>(1,894)</b>	(826)
Interest expenses	利息開支	<b>64,155</b>	8,587
Operating profit/(loss) before working capital changes	營運資金變動前之經營溢利/(虧損)	<b>93,209</b>	(38,002)
Increase in inventories	存貨之增加	–	(54)
Increase in trade receivables	應收貿易賬項之增加	<b>(7,258)</b>	(4,332)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項之減少/(增加)	<b>33,676</b>	(79,000)
Payment to acquire financial assets at fair value through profit or loss	取得按公平值計入損益之財務資產之付款	–	(163)
Increase in trade payables	應付貿易賬項之增加	–	212
(Decrease)/increase in bills and other payables and accruals	應付票據、其他應付款項以及應計款項之(減少)/增加	<b>(192,201)</b>	80,024
<b>Net cash used in operating activities</b>	<b>經營業務所用之現金淨額</b>	<b>(72,574)</b>	(41,315)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

	Notes	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
	附註		
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>		
Purchases of property, plant and equipment	購買物業、廠房及設備	(6,197)	(283,752)
Additions to investment properties	添置投資物業	–	(164)
Proceeds on disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	–	90
Proceeds from sale of financial assets at fair value through profit or loss	出售按公平值計入損益之財務資產所得款項	558	1,251
Net cash inflow from disposal of subsidiaries	出售附屬公司之現金流入淨額	11	1,178
Net cash outflow from business acquisition	業務收購現金流出淨額	40	–
Payment of refundable deposit	可退還按金付款	22	–
Decrease/(increase) in pledged bank deposits	已抵押銀行存款減少/(增加)	48,792	(4,537)
Decrease in short-term deposits with an original maturity of more than 3 months	原始到期期限超過三個月的短期存款減少	–	5,500
Loans to third parties	第三方借款	(71,480)	–
Interest received	已收利息	1,276	826
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	<b>(142,358)</b>	<b>(279,608)</b>
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>		
New bank borrowings	新銀行借款	44	343,200
New other borrowings	新增其他借款	44	41,754
New finance leases	新增融資租賃	44	132,000
New non-controlling shareholder's loans	新非控股股東貸款	44	–
Proceeds from issue of convertible bonds	發行可換股債券所得款項	44	–
Proceeds from issue of ordinary shares upon share placing	配售發行普通股所得款項	33(ii)	–
		85,096	–
Repayments of bank borrowings	償還銀行借款	44	(229,793)
Repayments of other borrowings	償還其他借款	44	(70,040)
Repayments of obligations under finance lease	償還融資租賃負債	44	–
		(167,372)	(82,800)
Repayments of non-controlling shareholders' loans	償還非控股股東貸款	44	–
		(132,315)	–
Interest paid	已付利息	44	(1,000)
		(24,833)	(1,000)
<i>Net cash generated from financing activities</i>	<i>融資活動產生之現金淨額</i>	<b>483,847</b>	<b>133,321</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等值項目之增加/(減少)淨額</b>	<b>268,915</b>	<b>(187,602)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>於一月一日之現金及現金等值項目</b>	<b>5,699</b>	<b>190,393</b>
Effect of foreign exchange rate changes	匯率變動之影響	1,917	2,908
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日之現金及現金等值項目</b>	<b>276,531</b>	<b>5,699</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 1. GENERAL INFORMATION

Energy International Investments Holdings Limited (the “Company”) is a limited liability company incorporated and domiciled in the Cayman Islands. Its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is changed from Unit 1508, 15th Floor, The Center, 99 Queen’s Road Central, Hong Kong to Units 4307-08, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong with effect from 7 December 2018. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

During the year, the principal activities of the Company and its subsidiaries (together referred to as the “Group”) include:

- oil production representing the business of oil production;
- oil and liquefied chemical terminal representing the business of leasing of oil and liquefied chemical terminal together with its storage and logistics facilities; and
- insurance brokerage service representing the business of providing insurance brokerage service (new segment during the year and acquired on 31 August 2018 (note 40)).

The principal activities and other particulars of its subsidiaries are set out in note 38.

The financial statements on pages 60 to 228 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange.

The financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) unless otherwise stated.

### 1. 一般資料

能源國際投資控股有限公司(「本公司」)為一間於開曼群島註冊成立並以開曼群島為居籍之有限責任公司。其註冊辦事處位於 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, 而主要營業地點則由香港皇后大道中 99 號中環中心 15 樓 1508 室更改為香港灣仔港灣道 1 號會展廣場辦公大樓 4307-08 室, 由二零一八年十二月七日生效。本公司之股份於香港聯合交易所有限公司(「聯交所」)主板上市。

於本年度, 本公司及其附屬公司(統稱「本集團」)之主要業務包括:

- 產油, 指產油業務;
- 油品及液體化工品碼頭, 指經營租賃油品及液體化工品碼頭連同儲存及物流設施業務; 及
- 保險經紀服務指提供保險經紀服務業務(本年度新分類並於二零一八年八月三十一日收購(附註 40))。

其附屬公司之主要業務及其他詳情載於附註 38。

於第 60 至第 228 頁之財務報表乃根據香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」), 該統稱涵蓋所有適用之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)編製。財務報表亦包括香港公司條例及聯交所證券上市規則之適用披露規定。

財務報表以本公司之功能貨幣港元(「港元」)呈列, 除另有指明外, 所有金額均概約至最接近之千位數字(「千港元」)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018

In the current year, the Group has applied for the first time the following new or amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2018:

Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property

### 2. 採納新訂或經修訂香港財務報告準則

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效

於本年度，本集團已首次應用下列由香港會計師公會頒佈之新訂或經修訂香港財務報告準則，其與本集團於二零一八年一月一日開始之年度期間之財務報表有關並對其有效：

香港財務報告準則二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號之修訂，首次採納香港財務報告準則
香港財務報告準則第9號	財務工具
香港財務報告準則第15號	來自客戶合約的收益
香港財務報告準則第15號之修訂	來自客戶合約的收益(香港財務報告準則第15號之澄清)
香港會計準則第40號之修訂	轉撥投資物業

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### A. *Annual Improvements to HKFRSs 2014-2016 Cycle – Amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards*

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, removing transition provision exemptions relating to accounting periods that had already passed and were therefore no longer applicable.

The adoption of these amendments has no impact on the financial statements as the periods to which the transition provision exemptions related have passed.

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### A. *香港財務報告準則二零一四 年至二零一六年週期之年度 改進 – 香港財務報告準則第 1號之修訂，首次採納香港 財務報告準則*

根據年度改進過程頒佈之此等修訂對現時並不清晰之多項準則作出細微且並不急切之修訂，其中包括對香港財務報告準則第1號，首次採納香港財務報告準則之修訂，當中刪去與已結束因而不再適用之會計期間有關的過渡條文豁免。

因與過渡條文豁免有關的期間已結束，故採納該等修訂對該等財務報表並無影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments

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

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

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效(續)

##### B. 香港財務報告準則第9號 – 財務工具

###### (i) 財務工具分類及計 量

香港財務報告準則第9號於二零一八年一月一日或之後開始的年度期間取代了香港會計準則第39號財務工具：確認及計量，合併財務工具會計處理的所有三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自二零一八年一月一日起採納香港財務報告準則第9號已導致本集團會計政策及綜合財務報表所確認的金額產生變動。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (i) 財務工具分類及計 量 (續)

香港財務報告準則第9號秉承香港會計準則第39號之財務負債確認、分類及計量規定，惟指定為按公平值計入損益（「按公平值計入損益」）之財務負債除外，其因負債信貸風險變動而產生之公平值變動金額乃於其他全面收入中確認，除非此舉會引致或擴大會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號中有關終止確認財務資產及財務負債之要求，但取消香港會計準則第39號先前有關持有至到期日財務資產、貸款及應收款項及可供出售財務資產之財務資產分類。採納香港財務報告準則第9號對本集團有關財務負債及衍生財務工具之會計政策並無重大影響。香港財務報告準則第9號對本集團在分類及計量財務資產之影響載列於下文。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (i) 財務工具分類及計 量 (續)

根據香港財務報告準則第9號，除若干貿易應收賬款（根據香港財務報告準則第15號，貿易應收賬款並無包括重大融資成分）外，實體於初次確認時須按公平值加交易成本（倘為並非按公平值計入損益的財務資產）計量財務資產。財務資產分類為：(i) 按攤銷成本計量的財務資產；(ii) 按公平值列入其他全面收益（「按公平值列入其他全面收益」）的財務資產；或(iii) 按公平值計入損益（定義見上文）。根據香港財務報告準則第9號，財務資產的分類一般基於兩個準則：(i) 受管理財務資產的業務模式及(ii) 合約現金流特征（僅支付本金及利息準則，亦稱作「僅支付本金及利息準則」）。根據香港財務報告準則第9號，嵌入式衍生工具毋須與主體財務資產分開列示。取而代之，混合式財務工具須整體評估分類。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

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

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

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

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (i) 財務工具分類及計 量 (續)

當財務資產同時符合以下條件，且並無指定按公平值計入損益，則該財務資產按攤銷成本計量：

- 該財務資產由一個旨在通過持有財務資產收取合約現金流量的業務模式所持有；及
- 該財務資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

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

- 該債務投資由一個旨在收取合約現金流量及銷售財務資產的業務模式所持有；及

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

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

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (i) 財務工具分類及計 量 (續)

- 該財務資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。所有其他並非按上述分類為按攤銷成本計量或按公平值列入其他全面收益的財務均分類為按公平值計入損益。此包括所有衍生財務資產。於初次確認時，本集團可不可撤回地指定財務資產（於其他方面符合按攤銷成本計量或按公平值列入其他全面收益的規定）為按公平值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

At FVTPL These are subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.

At amortised cost These are subsequently measured using effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

### 2. 採納新訂或經修訂香港財務報告準則(續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效(續)

##### B. 香港財務報告準則第9號 – 財務工具(續)

###### (i) 財務工具分類及計量(續)

以下會計政策將適用於本集團的財務資產如下：

按公平值計入損益 按公平值計入損益其後按公平值計量。公平值、股息及利息收入的變動均於損益確認。

按攤銷成本 該等財務資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 HK\$'000 根據香港會計準則 第39號於 二零一八年一月一日 的賬面值 千港元	Carrying amount as at 1 January 2018 under HKFRS 9 HK\$'000 根據香港財務報告 準則第9號於 二零一八年一月一日 的賬面值 千港元
Listed equity securities	Financial assets at fair value through profit or loss (note 2(a)B(i)(a))	At FVTPL	15,809	15,809
上市股本證券	按公平值計入損益的財務資產(附註2(a)B(i)(a))	按公平值計入損益		
Trade receivables	Loans and receivables (note 2(a)B(ii))	At amortised cost	8,372	8,372
應收貿易賬項	貸款及應收款項(附註2(a)B(ii))	按攤銷成本		
Deposits and other receivables	Loans and receivables (note 2(a)B(ii))	At amortised cost	52,002	52,002
按金及其他應收款項	貸款及應收款項(附註2(a)B(ii))	按攤銷成本		
Pledged bank deposits	Loans and receivables (note 2(a)B(ii))	At amortised cost	51,360	51,360
已抵押銀行存款	貸款及應收款項(附註2(a)B(ii))	按攤銷成本		
Cash and bank balances	Loans and receivables (note 2(a)B(ii))	At amortised cost	5,699	5,699
現金及銀行結存	貸款及應收款項(附註2(a)B(ii))	按攤銷成本		

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效(續)

##### B. 香港財務報告準則第9號 – 財務工具(續)

##### (i) 財務工具分類及計 量(續)

下表概述本集團於二零一八年一月一日各類財務資產根據香港會計準則第39號原有分類及計量類別及根據香港財務報告準則第9號的新分類及計量類別：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

- (a) As of 1 January 2018, certain investments in listed equity securities were classified as FVTPL. The Group intends to hold these equity instruments for short-term trading purpose. Under HKFRS 9, the Group has designated these equity investments at the date of initial application as measured at FVTPL.

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

The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit losses ("ECLs") model". HKFRS 9 requires the Group to recognise ECLs for trade receivables, financial assets at amortised costs, contract assets and debt investment at FVOCI earlier than HKAS 39.

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

##### (i) 財務工具分類及計 量 (續)

- (a) 於二零一八年一月一日，若干上市股本證券分類為按公平值計入損益。本集團擬將持作該等權益工具作短期貿易用途。根據香港財務報告準則第9號，本集團已於首次應用日期將此等股本投資指定為按公平值計入損益計量。

##### (ii) 財務資產減值

採納香港財務報告準則第9號更改了本集團的減值模式，將香港會計準則第39號「已產生虧損模式」更改為預期信貸虧損（「預期信貸虧損模式」）。香港財務報告準則第9號規定本集團以較香港會計準則第39號為先就貿易應收賬款、按攤銷成本計量的財務資產、合約資產及按公平值列入其他全面收益的債務投資確認預期信貸虧損。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

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

###### Measurement of ECLs

The Group's financial assets which are subject to the new ECLs model include trade receivables, deposits and other receivables, loan receivables, pledged bank deposits and cash and bank balances. The Group is required to revise its impairment methodology under HKFRS 9 for these financial assets.

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (ii) 財務資產減值 (續)

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1) 12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2) 年限內預期信貸虧損：此乃於財務工具預計年期內所有可能的違約事件產生的預期信貸虧損。

###### 預期信貸虧損的計量

本集團受新預期信貸虧損模式的財務資產包括應收貿易賬項、按金及其他應收款項、應收貸款、已抵押銀行存款及現金及銀行結存。本集團須根據香港財務報告準則第9號就其該等資產修訂其減值方法。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

###### Measurement of ECLs (Continued)

ECLs are a probability-weighted estimate of credit losses and are measures as the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

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

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (ii) 財務資產減值 (續)

###### 預期信貸虧損的計量 (續)

預期信貸虧損乃以概率加權估計的信貸虧損且其於根據合約應付的合約現金流與本集團預期收取的所有現金流量之間的差額。該差額其後按資產原實際利率相近的比率貼現。

本集團選擇採用香港財務報告準則第9號簡化方法計量應收貿易賬項的虧損撥備，並已根據年限內預期信貸虧損計算預期信貸虧損。本集團已根據其過往信貸虧損經驗制定撥備矩陣，有關矩陣已就應收賬項特定的前瞻性因素及經濟環境予以調整。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

###### Measurement of ECLs (Continued)

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

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (ii) 財務資產減值 (續)

###### 預期信貸虧損的計量 (續)

其他財務資產按12個月預期信貸虧損計量。12個月預期信貸虧損為年限內預期信貸虧損的一部份，其源自可能在報告日期末後的12個月內發生的財務工具違約事件。然而，自發生以來信貸風險顯著增加時，撥備將以年限內預期信貸虧損為基準。當釐定財務資產的信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得的合理及可靠資料。此包括根據本集團的過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

###### Measurement of ECLs (Continued)

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

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

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

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (ii) 財務資產減值 (續)

###### 預期信貸虧損的計量 (續)

本集團假設，倘逾期超過30日，財務資產的信貸風險會大幅增加。

本集團認為財務資產於下列情況下為違約：(1) 借款人不可能在本集團無追索權（例如：實現擔保）（如持有）下向本集團悉數支付其信貸義務；或(2) 該財務資產逾期超過90日。

於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

###### Impact of the ECLs model

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which recognises a lifetime ECLs for trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Other financial assets at amortised cost of the Group includes deposits and other receivables, loan receivables, pledged bank deposits and cash and bank balances. Since there is no increase in credit risk, the loss allowance recognised during the year was therefore limited to 12-months ECLs. Management considers the probability of default is low on deposits and other receivables and loan receivables since the counterparties are in good credit quality and no historical default is noted. Besides, management considers the probability of default is low on pledged bank deposits and bank balances since they are placed at the financial institutions with good credit rating. The Group has assessed and concluded that impact of ECLs on trade receivables, deposits and other receivables, loan receivables and pledged bank deposits and cash and bank balances are insignificant as at 1 January 2018 and 31 December 2018.

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (ii) 財務資產減值 (續)

###### 預期信貸虧損模式的影響

誠如上文所述，本集團應用香港財務報告準則第9號簡化法計量預期信貸虧損，確認應收貿易賬項全期信貸虧損。為計量預期信貸虧損，應收貿易賬項已根據攤分信貸風險之特點及逾期日數分類。本集團按攤銷成本計量之其他財務資產包括按金及其他應收款項、應收貸款、已抵押銀行存款及現金及銀行結存。鑑於信貸虧損並無增加，年內虧損撥備確認限於12個月預期信貸虧損。管理層認為存款及其他應收款項及應收貸款違約概率低微，因為對方信貸質素良好並無歷史違約記錄。此外，管理層認為已抵押銀行存款及銀行結存違約概率低微，因為其存放於信貸評級良好的財務機構。本集團已評估及確定於二零一八年一月一日及二零一八年十二月三十一日，預期信貸虧損對應收貿易賬項、存款及其他應收款項、應收貸款及已抵押銀行存款及現金及現金結存的影響並不重大。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

###### (iii) Hedge accounting

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

###### (iv) Transition

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

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (iii) 對沖會計

由於本集團並無就其對沖關係應用對沖會計處理，故香港財務報告準則第9號之對沖會計處理對本集團並無影響。

###### (iv) 過渡安排

本集團已應用香港財務報告準則第9號之過渡條文，以使香港財務報告準則第9號全面獲採納而毋須重列比較資料。因此，重新分類及新預期信貸虧損規則產生之調整（如有）並無於二零一七年十二月三十一日之綜合財務狀況表內反映，惟於二零一八年一月一日之綜合財務狀況表內確認。其指採納香港財務報告準則第9號產生之財務資產與財務負債賬面金額差異於二零一八年一月一日之累計虧損及其他儲備內確認。因此，就二零一七年呈列之資料並不反映香港財務報告準則第9號之規定，惟反映香港會計準則第39號之規定。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### B. HKFRS 9 – Financial Instruments (Continued)

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

The assessments of the determination of the business model within which a financial asset is held, have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9.

##### C. HKFRS 15 – Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Based on the assessment, the adoption of HKFRS 15 has no significant impact on the Group's revenue recognition of sale of crude oil and agency income and the revenue recognition of interest income and rental income are not within the scope of HKFRS 15.

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

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### B. 香港財務報告準則第9號 – 財務工具 (續)

###### (iv) 過渡安排 (續)

釐定持有財務資產之業務模式之評估乃根據香港財務報告準則第9號初次應用日期存在之事實及情況而作出。

##### C. 香港財務報告準則第15號 – 來自客戶合約之收入

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收入及相關詮釋。香港財務報告準則第15號建立一個五步模式，以將客戶合約產生之收入列賬。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨品或服務作交換時有權獲得之代價金額確認。基於該評估，採納香港財務報告準則第15號對本集團的原油銷售及代理收入及利息收入及租金收入的收入確認並無重大影響，因為其不在香港財務報告準則第15號範圍內。

本集團已採用累計影響法採納香港財務報告準則第15號(無可行權宜方法)。採用香港財務報告準則第15號之累計影響確認為於初次應用日期(即二零一八年一月一日)對累計虧損年初結餘之調整。因此，就二零一七年呈列之財務資料並無重列。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### C. HKFRS 15 – Revenue from Contracts with Customers (Continued)

Details of the new significant accounting policies and the nature of the changes to previous accounting policies in relation to the Group's various goods and services are set out below:

Notes	Product/service	Nature of the goods or services, satisfaction of performance obligations and payment terms	Nature of change in accounting policy and impact on 1 January 2018
附註	產品/服務	貨品或服務、達成履約責任及付款條款性質	二零一八年一月一日會計政策變動之性質及影響
(a)	Sale of crude oil	Customer obtains control of crude oil when the crude oil is delivered to and have been accepted. Revenue is thus recognised from the Group's share of income (including cost recovery oil, investment recovery oil and share oil) according to the terms stipulated in the contract, details of which are set out in note 36, upon when the customer accepted the crude oil. There is generally only one performance obligation. Invoices are usually payable within 30 days. In the comparative period, revenue from sale of crude oil is recognised on its transfer of risks and rewards of ownership, which was taken as at the time of delivery and the title is passed to customer.	HKFRS 15 did not result in significant impact on the Group's accounting policies.
		Right of return Customer has no right of return under the contract terms.	
		Volume rebate There is no rebate under the contract terms.	
(a)	銷售原油	根據合約條款規定，客戶於原油交付及獲接納時取得原油控制權。因此，收入份額中確認時點為當客戶接受原油（包括收回成本石油及收回投資石油及共享石油），詳情載於附註36。履約責任一般只有一項。發票通常於30日內應付。對比期間，銷售原油的收益於所有權的風險及回報轉移時確認，即於交付且所有權轉至客戶之時。	香港財務報告準則第15號並無對本集團的會計政策產生重大影響。
		退還權 根據合約條款，客戶無權利退還。	
		銷量回扣 根據合約條款，並無銷量回扣。	
(b)	Insurance brokerage service	Agency income is recognised at point in time as contracts are signed with the ultimate customers. Invoices for brokerage service usually payable within 30 days.	HKFRS 15 did not result in significant impact on the Group's accounting policies
(b)	保險經紀服務	代理收入按與最終客戶簽訂合約時間點確認，經紀服務發票通常30天內支付。	香港財務報告準則第15號對本集團會計政策並無重大影響。

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效 (續)

##### C. 香港財務報告準則第15號 – 來自客戶合約之收入 (續)

與本集團各項貨品及服務有關之新主要會計政策及過往會計政策變動之性質詳情載列如下：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### C. *HKFRS 15 – Revenue from Contracts with Customers (Continued)*

Upon the adoption of the HKFRS 15, if there is any satisfied performance obligation but where the Group does not have an unconditional right to consideration, the Group should recognise a contract asset. No contract asset and contract liabilities is recognised upon transition and at the end of the reporting period.

##### D. *Amendments HKFRS 15 – Revenue from Contracts with Customers (Clarifications to HKFRS 15)*

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on the financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in this, its first, year.

### 2. 採納新訂或經修訂香港財務報告準則(續)

#### (a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日首次生效(續)

##### C. *香港財務報告準則第15號 – 來自客戶合約之收入(續)*

於採納香港財務報告準則第15號後，倘有任何履行責任但本集團並無無條件審議權，則本集團應確認合約資產。在過渡及報告期末並無確認合約資產及合約負債。

##### D. *香港財務報告準則第15號 – 來自客戶合約之收入(香港財務報告準則第15號之澄清)*

香港財務報告準則第15號的修訂載有關於確定履約責任；主事人與代理人的應用；知識產權授權；及過渡規定的澄清。

由於本集團先前並無採納香港財務報告準則第15號並首次於本年度採納該等釐清，故採納該等修訂對該等財務報表並無影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) Adoption of new or amended HKFRSs – first effective on 1 January 2018 (Continued)

##### *E. Amendments to HKAS 40, Investment Property – Transfers of Investment Property*

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred.

The adoption of these amendments has no impact on the financial statements as the clarified treatment is consistent with the manner in which the Group has previously assessed transfers.

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (a) 採納新訂或經修訂香港財 務報告準則 – 於二零一八 年一月一日首次生效(續)

##### *E. 香港會計準則第40號修 訂，投資物業 – 轉撥投資物 業*

該等修訂澄清轉入或轉出投資物業必須有用途之改變，以及就作出此項決策提供指引該項澄清說明，當物業符合或不再符合投資物業之定義及具有支持證據證明已發生改變時，即表示將發生用途之改變。

該等修訂亦將該準則中之證據清單重新定性為非詳盡清單，致使其他形式之證據可支之方式一致。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (b) New or amended HKFRSs that have been issued but are not yet effective

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

##### **HKFRS 16 – Leases**

This is effective for accounting periods beginning on or after 1 January 2019. HKFRS 16, which upon the effective date will supersede HKAS 17 "Leases" and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

### 2. 採納新訂或經修訂香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

下列可能與本集團財務報表有關之新訂或經修訂香港財務報告準則經已頒佈但尚未生效，且並未獲本集團提早採納。本集團現擬於生效當日應用此等變動。

##### **香港財務報告準則第16號－租賃**

該項對二零一九年一月一日或之後開始的會計期間有效。香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產為低價值資產則另作別論。特別是，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其使用相關租賃資產的權利）及租賃負債（表示其支付租賃款項的義務）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理肯定將行使選擇權延續租賃或行使選擇權終止租賃的情況下，將於選擇期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據舊有準則香港會計準則第17號分類為經營租賃的租賃。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

##### HKFRS 16 – Leases (Continued)

Lessees will be also required to re-measure the lease liability upon the occurrence of certain events (e.g. a change in lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

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

The Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying assets is of low value.

##### Transition of HKFRS 16

As at 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK\$20,347,000 (note 41(b)). Of these commitments, an amount of approximately HK\$621,000 relates to short-term leases which will be recognised on straight-line method as an expense in profit or loss.

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則 (續)

##### 香港財務報告準則第16號－租賃 (續)

該準則要求在某些事項發生時，承租人需要重新計量租賃負債，例如租賃條款的修改或者源於確定未來租賃付款額的指數或利率的變換產生的該付款額變動。承租人通常將租賃負債的重新計量金額確認為對使用權資產的調整。

就出租人會計法而言，香港財務報告準則第16號大致繼承香港會計準則第17號的出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且對兩類租賃進行不同的會計處理。

本集團選擇用租賃合約標準建議之豁免情況，用租期結束12個月內作為初始應用日期，與租約有關之資產為低值。

##### 香港財務報告準則第16號之過渡

於二零一八年十二月三十一日，本集團擁有不可撤銷經營租賃承擔約20,347,000港元(附註41(b))。該等承擔中，約621,000港元有關之短期租賃基於直線法於損益中確認為開支。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

##### HKFRS 16 – Leases (Continued)

##### Transition of HKFRS 16 (Continued)

During the year, the Group has performed a detailed impact assessment of HKFRS 16. In summary of the impact of the adoption HKFRS 16, based on the operating lease commitment as at 31 December 2018, is expected to be, as follows:

Impact on consolidated statement of financial position (increase/(decrease)) for the year ending 31 December 2019:

#### Assets

Property, plant and equipment  
(right-of-use assets)

#### Liabilities

Lease liabilities  
Other payables

#### Net impact on equity

#### 資產

物業、廠房及設備(使用權資產)

#### 負債

租賃負債  
其他應付款項

#### 權益影響淨額

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則(續)

##### 香港財務報告準則第16號－租賃(續)

##### 香港財務報告準則第16號之過渡(續)

年內，本集團已對香港財務報告準則第16號進行詳細的影響評估。根據二零一八年十二月三十一日的經營租賃承擔，採納香港財務報告準則第16號的影響預期總結如下：

對於截至二零一九年十二月三十一日年度綜合財務狀況表的影響(增加/減少)：

		2019 HK\$'000 二零一九年 千港元
		11,354
		12,549
		(877)
		(318)

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

##### HKFRS 16 – Leases (Continued)

##### Transition of HKFRS 16 (Continued)

Impact on consolidated income statement (increase/  
(decrease)) for the year ending 31 December 2019:

Lease-related depreciation	租賃相關折舊
Operating lease expenses	經營租賃開支
Operating profit	經營溢利
Finance costs	財務成本
<b>Net impact of results for the year</b>	<b>對本年度業績的淨影響</b>

As a result of the adoption of HKFRS 16, the Group's operating profit and finance costs will increase for the year ending 31 December 2019. This is due to the change in the accounting for expenses of leases that were reclassified as operating lease under HKAS 17.

### 2. 採納新訂或經修訂香港財務 報告準則 (續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則 (續)

##### 香港財務報告準則第16號－租賃(續)

##### 香港財務報告準則第16號之過渡(續)

對截至二零一九年十二月三十一  
日止年度綜合收入表的影響(增  
加/(減少)):

2019 HK\$'000 二零一九年 千港元
<b>6,802</b>
<b>(7,345)</b>
<b>543</b>
<b>861</b>
<b>(318)</b>

截至二零一九年十二月三十一日  
止年度，由於採納香港財務報告準則  
第16號，本集團經營溢利及財務成  
本將增加。此乃由於租賃開支會計  
處理重新分類為香港會計準則第17  
號項下經營租賃。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

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

This interpretation is effective for accounting periods beginning on or after 1 January 2019. The interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

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

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則(續)

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

此項詮釋對二零一九年一月一日或之後開始之會計期間生效。該詮釋透過對如何反映所得稅會計處理不確定性影響提供指引，支持香港會計準則第12號，所得稅之要求。

根據該詮釋，實體須基於更能預測不確定性解決方案之方法來釐定應分開或集體考慮各項不確定稅務處理。實體亦須假設稅務機關將審查其有權審查之款項，並在作出該等審查時完全知識所有相關資料。倘實體釐定稅務機關將有可能接受不確定之稅務處理，則實體應按照其稅務申報計量即期及遞延稅項。倘實體釐定為不可能，則釐定稅項之不確定性採用「最可能金額」或「預期價值」方法(以更能預測不確定性解決方案者為準)來反映。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

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

These amendments are effective for accounting periods beginning on or after 1 January 2019. The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

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

These amendments are effective for accounting periods beginning on or after 1 January 2019. The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則(續)

##### *香港財務報告準則2015-2017週期 之年度改進-香港財務報告準則第 11號之修訂，合營安排*

該等修訂於二零一九年一月一日或之後開始的會計期間生效。於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第11號修訂，其闡明於參與(但並非擁有共同控制權)為一項業務的聯合經營的一方隨後取得聯合經營之共同控制權時，先前持有之股權不得重新計量至其收購日期之公平值。

##### *香港財務報告準則二零一五年至二 零一七年週期之年度改進-香港會 計準則第12號修訂，所得稅*

該等修訂於二零一九年一月一日或之後開始的會計期間生效。於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第12號修訂，其闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於損益、其他全面收益或直接於權益內確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

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

These amendments are effective for accounting periods beginning on or after 1 January 2019. The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

##### *Amendments to HKFRS 3 – Definition of a Business*

These amendments are effective for accounting periods beginning on or after 1 January 2020. Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business.

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則(續)

##### *香港財務報告準則二零一五年至二 零一七年週期之年度改進—香港會 計準則第23號修訂，借貸成本*

該等修訂於二零一九年一月一日或之後開始的會計期間生效。於年度改進過程中頒佈的該等修訂對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第23號修訂，其闡明為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

##### *香港財務報告準則第3號修訂—業 務的定義*

該等修訂詮釋對二零二零年一月一日或之後開始的會計期間生效。香港財務報告準則第3號之修訂釐清並提供有關業務定義的額外指引。該等修訂釐清，一組整合的活動及資產如果要構成業務，必須至少包括一項投入及一項實質性過程，二者可以共同顯著促進創造產出的能力。不包括創造產出所需的所有投入及過程亦可構成業務。該等修訂取消對市場參與者是否有能力獲得業務並繼續創造產出的評估，而是重點關注所獲得的投入及取得的實質性過程是否可以共同顯著促進創造產出的能力。該等修訂亦縮小產出的定義，重點關注向客戶提供的貨品或服務、投資收入或一般業務活動產生的其他收入。此外，該等修訂提供指引以評估所取得的過程是否為實質性過程，並引入選擇性的公平值集中度測試，允許就所獲得的一組活動及資產是否並非一項業務執行簡化評估。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

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

##### *Amendments to HKAS 1 and HKAS 8 – Definition of Material*

These amendments are effective for accounting periods beginning on or after 1 January 2020. Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

Save as disclose in the foregoing paragraphs about the impact of HKFRS 16 to the Group's financial statements, the directors of the Company have also performed an preliminary assessment on other new standards and amendments, and have concluded on a preliminary basis that other new standards and amendments would have no significant impact on the Group's financial statements in subsequent years.

### 2. 採納新訂或經修訂香港財務 報告準則(續)

#### (b) 已頒佈但尚未生效之新訂 或經修訂香港財務報告準 則(續)

##### *香港會計準則第1號及香港會計準 則第8號修訂 – 重大的定義*

該等修訂詮釋對二零二零年一月一日或之後開始之會計期間生效。香港會計準則第1號及香港會計準則第8號修訂對重大性提供新定義。新定義列明，倘資料遭遺漏、錯誤陳述或使模糊可合理地預期會影響一般用途財務報表的主要使用者根據該等財務報表所作出的決定，則有關資料屬重大。該等修訂闡明，重大性將視乎資料的性質或重大程度而定。倘資料可合理地預期會影響主要使用者所作出的決定，則資料的錯誤陳述屬重大。

除以上段落披露香港財務報告準則第16號對本集團的財務報表之影響外，本公司董事亦對其他新準則及修訂作出初步評估，並初步確認其他新準則及修訂在其後幾年並不會對本集團財務報表產生重大影響。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements have been prepared under historical cost convention, except for investment properties and financial assets at FVTPL, which are measured at fair value. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in the preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### (i) Oil production sharing contract (the "Songliao Contract")

In 2010, the Group completed the acquisition of 100% equity interest in China International Energy Investments (Hong Kong) Limited ("China International Energy") which holds the oil production sharing contract entered into between China Era Energy Power Investment Limited ("China Era"), a wholly-owned subsidiary of China International Energy, and a state-owned enterprise engaged in oil exploration industry, namely China Petroleum Corporation (to be referred as the "State-owned Enterprise" throughout the notes to the consolidated financial statements) on 13 August 2007 (the "Songliao Contract") from the vendor, Greater China Limited ("Greater China"), details of which are set out in note 36. China International Energy was wholly owned by an individual ("Mr. A") at the time of obtaining the Songliao Contract.

### 3. 重大會計政策概述

#### (a) 編製基準

編製該等財務報表所應用之重大會計政策於下文概述。除另有訂明者外，該等政策一直貫徹應用於各個呈報年度。

該等財務報表乃以歷史成本法編製（惟投資物業及按公平值計入損益之財務資產乃按公平值計量）。計算方式於下列會計政策中細述。

應注意於財務報表編製時曾運用會計估計及假設。儘管該等估計乃根據管理層對目前事項及行動之所知及判斷而作出，但最終實際結果或會與該等估計有所差異。涉及更高判斷或複雜程度之範圍，或假設及估計對財務報表而言屬重大之範圍於附註4披露。

#### (i) 產油業務共享合約（「松遼合約」）

於二零一零年，本集團完成自賣方 Greater China Limited（「Greater China」）收購中國國際能源投資（香港）有限公司（「中國國際能源」）之 100% 股權，其持有由中國年代能源投資有限公司（「中國年代」，為中國國際能源之全資附屬公司）與一家從事石油勘探行業的國有企業中國石油天然氣集團公司（於本綜合財務報表附註中均稱為「國有企業」）於二零零七年八月十三日所訂立之產油業務共享合約（「松遼合約」），有關詳情載於附註36。於取得松遼合約時，中國國際能源由一位人士（「A先生」）全資擁有。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (i) Oil production sharing contract (the “Songliao Contract”) (Continued)

In 2015, the directors of the Company was informed that Mr. A was formally charged by prosecution authorities in the People’s Republic of China (the “PRC”) for illegal operation (the “Charge”), possibly involved allegations about improper conduct in obtaining of the Songliao Contract.

As soon as the directors of the Company found the Charge, the Group commenced legal proceedings in the Cayman Islands against various parties including Mr. A, Greater China, Mr. Li Weijun (Greater China’s warrantor) and Giant Crystal Limited (“Giant Crystal”) (which was nominated by Greater China as the allottee of the promissory notes, consideration shares and convertible bonds for the consideration of the Songliao Contract) (the “Defendants”) on the basis that (a) the Greater China’s warranties and/or representations given in the acquisition were false and misleading and knowing that the Group entered into the acquisition agreement in reliance thereon; and (b) the Defendants of the litigation wrongly conspired and combined together to defraud the Group to pay the consideration.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (i) 產油業務共享合約 (「松遼合約」) (續)

於二零一五年，本公司董事獲悉A先生遭中國人民共和國(「中國」)檢控機關正式控告非法經營(「該指控」)，可能涉及其於獲得松遼合約時有不當行為之控告。

本公司董事發現該指控後，本集團入稟開曼群島，針對包括A先生、Greater China、李衛軍先生(Greater China之保證人)及鉅晶有限公司(「鉅晶」，獲Greater China指定為松遼合約代價之本票、代價股份及可換股債券之獲配發人)的多方人士(「被告人」)展開法律程序，理據為(a) Greater China於收購事項中作出之保證及/或聲明為虛假及具誤導性，而明知本集團乃依據該等保證及/或聲明訂立收購協議；及(b)訴訟之被告人不當串謀及聯手詐騙本集團支付代價。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (i) Oil production sharing contract (the "Songliao Contract") (Continued)

In the litigation, the Group sought (1) a declaration that they are entitled to validly rescind the acquisition agreement; (2) an order that the consideration be repaid, a declaration that the promissory notes and convertible bonds are at all material times null and void and of no legal effect; (3) a declaration that Giant Crystal held and continue to hold the consideration shares and any shares issued upon exercise of the convertible bonds on trust for the Company; (4) an injunction against all Defendants that they be restrained from disposing of, encumbering or otherwise dealing with or diminishing the value of, and/or exercising any rights or powers (including but not limited to voting rights in general and/or extraordinary meeting(s) in respect of, and/or entering into any agreement to effect any transaction in relation to, the consideration shares and the converted shares; (5) an injunction against all Defendants from completing and/or procuring the conversion and/or transferring of the convertible bonds; (6) damages for fraud and/or deceit; and (7) an order that the Defendants compensate the Group in equity.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (i) 產油業務共享合約 (「松遼合約」) (續)

於訴訟中，本集團尋求(1)獲宣告有權有效撤銷收購協議；(2)獲頒發命令以收回代價，並宣告本票及可換股債券在所有關鍵時刻均為無效且不具法律效力；(3)獲宣告鉅晶以往及繼續以信託形式為本公司持有代價股份及因可換股債券被轉換所發行之任何股份；(4)向所有被告人頒發禁制令，禁止彼等出售或以其他方式買賣代價股份及換股股份、對代價股份及換股股份設立產權負擔或縮減其價值，及／或行使任何權利或權力(包括但不限於就代價股份及換股股份於股東大會及／或股東特別大會上投票之權利)，及／或訂立任何協議使涉及代價股份及換股股份之任何交易生效；(5)向所有被告人頒發禁制令，禁止彼等完成及／或促使可換股債券之轉換及／或轉讓；(6)獲得遭詐騙及／或欺騙之損害賠償；及(7)獲頒發命令，使被告人依衡平法向本集團作出賠償。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (i) Oil production sharing contract (the “Songliao Contract”) (Continued)

In December 2017, the Group received a legal letter from the representative lawyer of Mr. A that the Charge was acquitted after the Municipal Court had issued the first adjudication of the Charge. As Mr. A was not found guilty in respect of the Charge, the Songliao Contract should continue to be valid to the Group and the Group is able to carry out business relating to the oil production as stipulated under the Songliao Contract without the questioning of its validity. On that basis, after taking the legal advice from the Company’s legal advisers, on 4 January 2018, the Company reached a settlement with the Defendants pursuant to which the Company will apply to the Grand Court of the Cayman Islands (the “Cayman Court”) for discontinuance of the litigation, as a result of which the injunction order and the Company’s undertaking are expected to be discharged in the foreseeable future such that the Defendants should no longer be restrained from disposing of, encumbering or otherwise dealing with or diminishing the value of, and/or exercising any rights or powers (including but not limited to voting rights in general and/or extraordinary meeting(s) in respect of, and/or entering into any agreement to effect any transaction in relation to, the consideration shares and the converted shares). In May 2018, a consent order was granted by the Cayman Court regarding the discontinuation of the litigation and the discharge of the injunction order.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (i) 產油業務共享合約(「松遼合約」)(續)

於二零一七年十二月，本集團接獲A先生之代理律師發來之法律函件，指在市政法院宣佈該指控之首次判決後，該指控罪名不成立。由於A先生就該指控被認定無罪，松遼合約對本集團將繼續有效，本集團得以開展松遼合約下規定的產油相關業務，而不質疑合約之有效性。有鑑於此，經計及本公司法律顧問之法律意見後，於二零一八年一月四日，本公司與被告人達成和解，據此，本公司將向開曼群島大法院(「開曼法院」)申請終止訴訟，因此預期禁制令及本公司之承諾將於可預見未來解除，致使被告人不再被限制出售或以其他方式買賣代價股份及換股股份、對代價股份及換股股份設立產權負擔或縮減其價值，及/或行使任何權利或權力(包括但不限於就代價股份及換股股份於股東大會及/或股東特別大會上投票之權利，及/或訂立任何協議使涉及代價股份及換股股份之任何交易生效)。於二零一八年五月，開曼群島法院已就中止訴訟及解除禁制令發出同意令。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (i) Oil production sharing contract (the “Songliao Contract”) (Continued)

Included in the consolidated statement of financial position as at 31 December 2018 are property, plant and equipment and intangible assets with carrying amounts of approximately HK\$1,237,000 (2017: HK\$6,977,000) and HK\$154,141,000 (2017: HK\$217,769,000) respectively. Property, plant and equipment and intangible assets are collectively referred to as the “Oil Production Assets”. The Oil Production Assets relate to the operation of oil production business, pursuant to the Songliao Contract, entered into with the State-owned Enterprise to develop and produce crude oil in Liangjing Block on Songliao Basin in Jilin, the PRC, details of which are set out in note 36.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (i) 產油業務共享合約 (「松遼合約」) (續)

二零一八年十二月三十一日之綜合財務狀況表內載有賬面值分別為約1,237,000港元(二零一七年: 6,977,000港元)及154,141,000港元(二零一七年: 217,769,000港元)之物業、廠房及設備及無形資產。物業、廠房及設備及無形資產統稱為「產油資產」。根據與國有企業訂立以於中國吉林松遼盆地兩井區塊開發及生產原油之松遼合約, 產油資產乃關於產油業務之營運, 有關詳情載於附註36。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (i) Oil production sharing contract (the "Songliao Contract") (Continued)

As at 31 December 2018, the directors of the Company estimated the recoverable amount of the cash-generating unit to which the Oil Production Assets belong (the "Oil Production CGU"). As the carrying amounts of the Oil Production CGU exceeded its recoverable amount, impairment losses of approximately HK\$62,801,000 (2017: HK\$170,710,000) and HK\$526,000 (2017: HK\$5,469,000) were recognised for the year ended 31 December 2018 on intangible assets and property, plant and equipment respectively.

In estimating the recoverable amount of Oil Production CGU, having taken account of the legal letter from Mr. A's representative lawyer in December 2017, the directors of the Company consider that the Songliao Contract continues valid, thus the Group's oil production business will continue in operation throughout the Songliao Contract period and executed as planned since there is no longer any charge by any prosecution authority that would lead to the Stated-owned Enterprise to impose any potential claim or to question the validity of the Songliao Contract since the adjudication of the Charge.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (i) 產油業務共享合約(「松遼合約」)(續)

於二零一八年十二月三十一日，本公司董事已估計產油資產所屬現金產生單位(「產油現金產生單位」)的可收回金額。由於產油現金產生單位的賬面值超過其可收回金額，截至二零一八年十二月三十一日止年度就無形資產及物業、廠房及設備分別確認減值虧損約62,801,000港元(二零一七年：170,710,000港元)及526,000港元(二零一七年：5,469,000港元)。

於二零一七年十二月，在估計產油現金產生單位之可收回金額時，經考慮A先生之代理律師發來之法律函件，本公司董事認為松遼合約繼續有效，因此本集團之產油業務將在松遼合約整個期限內繼續運作並已按計劃執行，原因為自從宣判控訴以來，概無來自任何檢控機關的指控以令國有企業提出任何潛在申索，或對松遼合約的有效性提出質疑。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

##### (ii) Going concern basis

The consolidated financial statements have been prepared on a going concern basis which notwithstanding that (i) the Group incurred a loss of HK\$73,847,000 (2017: HK\$201,430,000) during the year; (ii) as at 31 December 2018, the Group had net current liabilities of HK\$228,926,000 (2017: HK\$1,075,777,000); (iii) as at 31 December 2018, included in current liabilities were the total outstanding construction costs of HK\$344,955,000 (2017: HK\$484,044,000), that are repayable within one year after the reporting date, in which amounts of HK\$307,223,000 (2017: HK\$403,946,000) and HK\$37,732,000 (2017: HK\$80,098,000) were recognised under other payables (note 26) and other borrowings (note 29) respectively and capital commitments for construction costs were HK\$2,452,000 (2017: HK\$3,078,000) (note 42); and (iv) as at 31 December 2018, included in current liabilities were other borrowings of HK\$42,795,000 (2017: HK\$30,054,000) that have been overdue for repayments. These conditions indicate that a material uncertainty exists that may cast significant doubts about the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The directors of the Company have prepared the consolidated financial statements based on a going concern on the assumptions and measures that:

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (ii) 持續經營基準

綜合財務報表已根據持續經營基準編製，惟(i)本集團於本年度產生虧損73,847,000港元(二零一七年：201,430,000港元)；(ii)於二零一八年十二月三十一日，本集團錄得流動負債淨值為228,926,000港元(二零一七年：1,075,777,000港元)；(iii)於二零一八年十二月三十一日，納入流動負債之於報告日期後一年內償還的未償還建設成本總額達344,955,000港元(二零一七年：484,044,000港元)，其中307,223,000港元(二零一七年：403,946,000港元)及37,732,000港元(二零一七年：80,098,000港元)分別於其他應付款項(附註26)及其他借款內確認，建設成本的資本承擔為2,452,000港元(二零一七年：3,078,000港元)(附註42)；及(iv)於二零一八年十二月三十一日，納入流動負債之42,795,000港元(二零一七年：30,054,000港元)的其他借貸逾期未還。該等情況反映存在重大不明朗因素，或會對本集團持續經營之能力產生重大質疑及因此，本集團可能無法於其一般業務過程中變現其資產及償還其負債。本公司董事乃基於以下假設按持續經營基準編製綜合財務報表：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

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

- (a) Subsequent to the reporting date, on 28 February 2019, the Group has successfully obtained a new long-term credit facility from a financial institution in the PRC amounted to RMB150,000,000 (approximately HK\$171,000,000) to repay the outstanding construction costs and bank and other borrowings that are required to repay within one year after the reporting date, in which an amount of RMB90,000,000 (approximately HK\$102,600,000) is expected to be drawdown in the first quarter of 2019, if necessary, and repayable in February 2022. On 8 March 2019, the Group has further obtained another new long-term credit facility from another financial institution in the PRC amounted to RMB300,000,000 (approximately HK\$342,000,000), with a credit period of 36 months;
- (b) In light of the above new credit facilities, the Group will be able to repay the outstanding construction costs amounting to HK\$232,903,000 in the coming twelve months after the reporting period. For the remaining balances of total construction costs, based on the good relationship with the contractors, it is assumed that the contractors will extend the repayment dates over twelve months after 31 December 2018;

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (ii) 持續經營基準 (續)

- (a) 報告日期後，於二零一九年二月二十八日，本集團已成功獲得一間中國財務機構一筆新長期信貸融資人民幣150,000,000元（約171,000,000港元），以償還未付建築成本及須報告日後一年內償還之銀行及其他借款。其中，人民幣90,000,000元（約102,600,000港元）預期於二零一九年第一季度提取（如需要），並於二零二二年二月償還。於二零一九年三月八日，本集團已進一步得到中國另外一間財務機構的另外一筆新長期信貸融資人民幣300,000,000元（約342,000,000港元），信貸期為三十六個月；
- (b) 鑑於上述新信貸融資，本集團將於報告期間後未來十二個月內償還未償還建設成本232,903,000港元。而就總建設成本之餘下結餘而言，基於與承包商的友好關係，假設承包商將延長償還日期至於二零一八年十二月三十一日後逾十二個月；



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

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

- (c) The directors of the Company are of the view that the Oil and Liquefied Chemical Terminal segment since fully operated in May 2018, is able to contribute and generate a significant and consistent operating cash inflow to the Group in the coming twelve months after the reporting date which mainly derived from its rental income receipt amounting to RMB125,000,000 before value-added tax (approximately HK\$142,500,000) as stipulated in the lease agreement;
- (d) The directors of the Company are of the view that the loan receivables amounted to HK\$72,098,000 (note 23) will be recovered without default in the coming twelve months after the reporting date under the loan agreements and the management assessment of its recoverability; and

### 3. 重大會計政策概述(續)

#### (a) 編製基準(續)

##### (ii) 持續經營基準(續)

- (c) 本公司董事認為，於二零一八年五月全面運營後，油品及液體化工品碼頭分類於報告日期後未來十二個月內能夠為本集團貢獻帶來重大及持續的經營現金流入，其主要來自租賃協議訂明的扣除增值稅前的租金收入收據人民幣125,000,000元（約142,500,000港元）；
- (d) 根據貸款協議及管理層對可收回性評估，本公司董事認為72,098,000港元（附註23）之應收貸款將於報告日期後未來十二個月內收回（並無違約）；及

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

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

- (e) During the year ended 31 December 2018, the Company paid an amount of RMB100,000,000 (approximately HK\$114,000,000) as refundable deposits under the terms of memorandum of understanding, which entered between the Company and the potential vendors, pursuant to which the Company proposed to invest in not less than 45% issued shares in a target company. The directors of the Company are of the view that the investment is still under preliminary negotiation and uncertain of the completion of the transaction with the potential vendors before the lapse date of the memorandum of understanding (i.e. 30 April 2019), therefore, the balance will be recovered in the coming twelve months.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (ii) 持續經營基準 (續)

- (e) 於截至二零一八年十二月三十一日止年度，根據本公司與潛在賣方訂立之諒解備忘錄條款(根據諒解備忘錄，本公司建議投資不少於45%目標公司已發行股本)，本公司已付人民幣100,000,000元(約114,000,000港元)作為可退還按金。本公司董事認為該投資正在初步協商中，不確定與潛在賣方之交易於諒解備忘錄失效前(即二零一九年四月三十日)會完成，因此，結餘將於未來十二個月內收回。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

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

The directors of the Company have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 31 December 2018. After taking into account the above assumptions and measures, the directors of the Company consider that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2018 and believe that the Group will continue as a going concern and consequently have prepared the consolidated financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made in the consolidated financial statements to reduce the values of the assets to their estimated realisable values, to provide for any further liabilities which may arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

##### (ii) 持續經營基準 (續)

本公司董事已審閱本集團管理層編製之現金流量預測。該現金流量預測涵蓋自二零一八年十二月三十一日起計的不少於十二個月。經考慮上述假設及措施，本公司董事認為，本集團於二零一八年十二月三十一日起計十二個月內將擁有充足的營運資金為其經營業務撥資及於到期時滿足其財務承擔，並相信本集團將持續經營並按持續經營基準編製該綜合財務報表。

倘本集團無法持續經營業務，將須於綜合財務報表作出調整以撇減資產價值至其估計可變現價值，及就可能產生之任何進一步負債作出撥備，並將非流動資產及負債分別重新分類為流動資產及負債。此等調整的影響並無於綜合財務報表反映。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

- (iii) **Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited (“QHFSMI”) and Inner Mongolia Forest Source Mining Industry Developing Company Limited (“IMFSMI”) and de-consolidating QHFSMI and IMFSMI**

*Ms Leung Lai Ching (“Ms Leung”)’s legal status as director and legal representative in QHFSMI and IMFSMI remained unchanged in the absence of her cooperation*

Ms Leung was a director and legal representative of both QHFSMI and IMFSMI. In September 2009, the sole shareholder of QHFSMI and IMFSMI (i.e. a wholly-owned subsidiary of the Company) resolved to remove Ms Leung’s capacity as director and legal representative of both QHFSMI and IMFSMI with immediate effect. However, the respective members of the board of directors and legal representative of QHFSMI and IMFSMI were not officially changed up to the date of authorisation for issue of the Group’s financial statements as Ms Leung, being the legal representative, was not cooperative and failed to provide the requested documents and corporate seals.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

- (iii) **失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權及不再將青海森源及內蒙古森源綜合入賬**

*梁儷瀨女士(「梁女士」)作為青海森源及內蒙古森源之董事及法定代表之法律地位因其不合作而維持不變*

梁女士曾為青海森源及內蒙古森源之董事及法定代表。於二零零九年九月，青海森源及內蒙古森源唯一股東(即本公司的一間全資附屬公司)議決罷免梁女士出任青海森源及內蒙古森源之董事及法定代表職務，即時生效。然而，由於法定代表梁女士不配合及未能提供所需文件及公司印章，直至授權刊發本集團財務報表日期，青海森源及內蒙古森源各自之董事會成員及法定代表仍未正式更改。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

(iii) **Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited (“QHFSMI”) and Inner Mongolia Forest Source Mining Industry Developing Company Limited (“IMFSMI”) and de-consolidating QHFSMI and IMFSMI (Continued)**

*Transfer of exploration licence without the Company’s knowledge, consent or approval*

The Group acquired QHFSMI from Ms Leung in 2007. QHFSMI was the holder of an exploration licence, which conferred QHFSMI the rights to conduct exploration work for the mineral resources in the titanium mine at Xiao Hong Shan in Inner Mongolia, the PRC. In 2010, the board of directors of the Company discovered that the exploration licence held by QHFSMI was transferred to a company known as 內蒙古小紅山源森礦業有限公司 (in English, for identification purpose only, Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited) (“Yuen Xian Company”) at a consideration of RMB8,000,000 (the “Change of Exploration Right Agreement”) without the Company’s knowledge, consent or approval. Ms Leung is one of the directors and the legal representative of Yuen Xian Company. Without the exploration licence, QHFSMI no longer had the rights to, among other things, carry out exploration of the mineral resources of the titanium mine, access to the titanium mine and neighbouring areas and has no priority in obtaining the mining rights of the titanium mine.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

(iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權及不再將青海森源及內蒙古森源綜合入賬 (續)

*在本公司不知情及未經本公司同意或批准下轉讓勘探牌照*

本集團於二零零七年向梁女士收購青海森源。青海森源持有一個勘探牌照，該牌照賦予青海森源在位於中國內蒙古小紅山之鈦礦進行礦產資源勘探工作之權利。於二零一零年，本公司董事會發現，在本公司不知情及未經本公司同意或批准下，青海森源所持勘探牌照以人民幣8,000,000元的代價轉讓予一家名為內蒙古小紅山源森礦業有限公司(「源森公司」)的公司(「探礦權變更協議」)。梁女士為源森公司的董事之一及法定代表。倘無勘探牌照，青海森源不再擁有(其中包括)於鈦礦進行礦產資源勘探、進入鈦礦及鄰近區域以及優先獲得鈦礦之開採權。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

- (iii) *Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") and de-consolidating QHFSMI and IMFSMI (Continued)*

*Final decision on the Change of Exploration Right Agreement*

As soon as the Group had discovered the loss of QHFSMI's exploration licence, the Group commenced the legal proceedings against Ms Leung for getting back the exploration licence. In March 2016, the Company received the final decision letter from the Qinghai Procuratorate that the Change of Exploration Right Agreement was invalid. As Yuen Xian Company had already obtained the mining licence on the titanium mine at Xiao Hong Shan in Inner Mongolia, the PRC, the Group is now seeking for the legal advices to resolve this matter.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

- (iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權及不再將青海森源及內蒙古森源綜合入賬(續)

*對探礦權變更協議的最終判決*

本集團發現失去青海森源之勘探牌照後，即對梁女士提起法律訴訟，以收回勘探牌照。於二零一六年三月，本公司接獲青海檢察院的最終判決書，判決探礦權變更協議無效。由於源森公司已取得中國內蒙古小紅山之鈦礦的採礦牌照，本集團現正尋求法律意見以解決該問題。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (a) Basis of preparation (Continued)

- (iii) *Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") and de-consolidating QHFSMI and IMFSMI (Continued)*

##### *De-consolidating QHFSMI and IMFSMI*

Given that (i) the discovery of the loss of significant assets of QHFSMI; (ii) Ms Leung's legal status as director and legal representative in QHFSMI and IMFSMI remained unchanged; and (iii) the Group was unable to obtain the financial information of QHFSMI and IMFSMI, the directors of the Company considered that the Group had no power over QHFSMI and IMFSMI, exposure, or rights, to variable returns from QHFSMI and IMFSMI and the ability to use its power to affect those variable returns. The Group appointed the PRC lawyers to handle the matters in regaining its controlling power over QHFSMI and IMFSMI. In the opinion of the directors of the Company, the aforesaid legal proceedings have no material impact on the financial position and operations of the Group as the Group is still in the process of regaining the controlling power over QHFSMI and IMFSMI which had already been de-consolidated since 2010.

### 3. 重大會計政策概述 (續)

#### (a) 編製基準 (續)

- (iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權及不再將青海森源及內蒙古森源綜合入賬 (續)

##### 不再將青海森源及內蒙古森源綜合入賬

鑑於(i)發現失去青海森源之重大資產；(ii)梁女士作為青海森源及內蒙古森源董事及法定代表的法律地位保持不變；及(iii)本集團無法獲取青海森源及內蒙古森源的財務資料，本公司董事認為本集團對青海森源及內蒙古森源並無權力，不再享有青海森源及內蒙古森源可變回報或對其擁有權利，亦無能力行使其權利以影響該等可變回報。本集團已就重獲其對青海森源及內蒙古森源之控制權一事委聘中國律師處理。本公司董事認為，上述法律訴訟對本集團的財務狀況及營運並無任何嚴重影響，原因為本集團重獲對青海森源及內蒙古森源之控制權一事仍在進行中，而該等公司自二零一零年起已不再綜合入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

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

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

### 3. 重大會計政策概述 (續)

#### (b) 綜合基準

綜合財務報表包括截至每年度十二月三十一日止本公司及其附屬公司之財務報表。

由控制權轉移至本集團當日起，附屬公司納入綜合計算。該等公司由控制權失效當日起，不計入綜合計算。

集團內公司間交易及結餘連同未實現交易收益於編製綜合財務報表時全數對銷。未實現交易虧損亦予以對銷，除非交易提供已轉讓資產出現減值之證據，在此情況下，虧損於損益中確認。

年內收購或出售附屬公司之業績自收購之日開始或至出售之日停止計入綜合其他全面收益表（如適用）。附屬公司之財務報表已作調整（如需要），以確保其會計政策與本集團其他成員公司所用者一致。

收購附屬公司或業務採用收購法入賬。收購成本以已轉讓資產、已產生負債以及本集團作為收購方發行之股本權益於收購日公平值總和計量。購入可識別資產及所承擔負債主要按收購日公平值計量。本集團過往於被收購方持有之股本權益按收購日公平值重新計量，由此產生之收益或虧損於損益內確認。本集團可選擇以逐項交易基準按公平值或應佔被收購方可識別資產淨值比例計量反映現時於附屬公司擁有權益之非控股股東權益。所產生之收購相關成本列作開支，除非是因發行權益工具而產生的成本，在此情況下，成本自權益扣減。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation (Continued)

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

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

#### (c) Subsidiaries

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

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

### 3. 重大會計政策概述 (續)

#### (b) 綜合基準 (續)

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

收購後，代表於附屬公司現有擁有權權益之非控股股東權益之賬面值為該等權益於初步確認時之款額加非控股股東權益應佔權益其後變動之部分。即使會導致非控股股東權益出現虧絀結餘，全面收入總額仍歸屬於非控股股東權益。

#### (c) 附屬公司

附屬公司指本公司能對其行使控制權之被投資方。倘達成以下全部三項條件，本公司即控制被投資方：對被投資方具有權力；對來自被投資方之浮動回報承擔風險或享有權利；及能行使其權力以影響該等浮動回報。倘有事實及情況顯示任何該等控制條件可能有變，則重新評估有關控制權。

於本公司之財務狀況表中，於附屬公司投資按成本值減去減值虧損（如有）列賬。附屬公司之業績由本公司按已收及應收股息入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Accounting for production sharing contracts

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

The Group classifies its interests in joint arrangements as either:

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

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

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

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

### 3. 重大會計政策概述 (續)

#### (d) 生產共享合約之會計處理

當有合約安排使本集團與至少一名其他方共同控制該安排之相關活動，則本集團為聯合安排之一方。評估共同控制之原則與評估附屬公司控制權相同。

本集團將其於聯合安排之權益分類為：

- (i) 合營企業：本集團僅對聯合安排之淨資產享有權利；或
- (ii) 共同經營：本集團享有聯合安排資產之權利並承擔其負債之義務。

於評估聯合安排權益之分類時，本集團考慮：

- (i) 聯合安排之架構；
- (ii) 聯合安排之法律形式為一個獨立載體結構；
- (iii) 聯合安排協議之合約條款；及
- (iv) 任何其他事實及情況（包括任何其他合約安排）。

本集團將共同經營權益入賬之方式為根據合約賦予之權利及義務確認其分佔之資產、負債、收入及開支。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into HK\$. Assets and liabilities have been translated into HK\$ at the closing rates at the reporting date. Income and expenses have been converted into HK\$ at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

### 3. 重大會計政策概述 (續)

#### (e) 外幣換算

在綜合實體之個別財務報表內，外幣交易以交易日期當時之匯率換算為個別實體之功能貨幣。於報告日期，以外幣計值之貨幣資產及負債乃按報告日期通用之匯率換算。該等交易結算及於報告日期重新換算貨幣資產及負債而產生之外匯收益及虧損均在損益表內確認。

以外幣計值及以公平值列賬之非貨幣項目，會在決定公平值當日以當時匯率重新換算，並列賬為公平值收益或虧損之一部分。以外幣之歷史成本計算之非貨幣項目不會重新換算。

於綜合財務報表內，原來按與本集團呈列貨幣不同之貨幣呈報之海外業務所有個別財務報表，已轉換至港元。資產及負債亦在報告日期以收市匯率換算為港元。收入及開支則以交易日期通用之匯率或報告期間之平均匯率兌換至港元，惟有關匯率須並無大幅波動。任何由此程序產生之差異已在其他全面收入中確認，並單獨在權益匯兌儲備內累計。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

When a foreign operation is sold, such exchange differences are reclassified from equity to profit or loss as part of the gain or loss on sale.

#### (f) Goodwill

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

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 3(v)), and whenever there is an indication that the unit may be impaired.

### 3. 重大會計政策概述 (續)

#### (e) 外幣換算 (續)

因於二零零五年一月一日或之後收購海外業務而產生之已收購可識別資產之商譽及公平值調整作為有關海外業務之資產及負債處理，並於報告期末現行匯率換算。所產生之匯兌差額確認為匯兌儲備。

當出售海外業務時，有關匯兌差額由權益重新分類，在損益表確認為出售收益或虧損之一部分。

#### (f) 商譽

倘可識別資產及負債之公平價值高於所付代價之公平價值、於被收購方之任何非控股權益之金額以及收購方先前於被收購方持有之股本權益之收購日期公平價值的總額，則超出部份於重估後於收購日期在損益表確認。

商譽乃按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位是其產生的現金流入基本上獨立於其他資產或資產組別的現金流入的最小可識別資產組合。獲分配商譽之現金產生單位會每年透過將其賬面值與其可收回金額(見附註3(v))作比較而進行減值測試及於有跡象顯示該單位可能出現減值時進行減值測試。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Goodwill (Continued)

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

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

Property, plant and equipment (other than construction in progress ("CIP")) are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to the working condition and location for its intended use.

Other than oil properties, depreciation is provided to write off the cost less their estimated residual values, if any, over their estimated useful lives, using straight-line method. The estimated useful lives are as follows:

Buildings	The shorter of lease terms and 29 years
Plant and machinery	10 to 15 years
Leasehold improvements, furniture, office equipment and motor vehicles	3 to 10 years

### 3. 重大會計政策概述 (續)

#### (f) 商譽 (續)

就於財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。當現金產生單位之可收回金額少於該單位賬面值時，減值虧損會首先分配至撇減該單位獲分配之任何商譽之賬面值，繼而基於該單位內各資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會令到獨立資產之賬面值減至低於其公平價值減出售成本（如可計量）或其使用價值（如可釐定）（以較高者為準）。商譽之任何減值虧損於損益確認，而不會於往後期間撥回。

#### (g) 物業、廠房及設備

物業、廠房及設備（在建工程（「在建工程」）除外）按成本減累計折舊及任何減值虧損列賬。資產之成本包括購買價以及將資產達致擬定用途之工作狀況及地點之任何直接應佔成本。

除石油財產外，折舊按估計可使用年期以直線法撇銷成本減其估計殘值（如有）計算。估計可使用年期如下：

樓宇	按租期及29年 (以較短者為準)
廠房及機器	10至15年
租賃物業裝修、傢俬、辦公設備及汽車	3至10年

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Depreciation on oil properties is provided to write off the cost of oil properties using unit of production method utilising only proved developed oil reserves as the depletion base.

The assets' estimated useful lives, depreciation methods and estimated residual values are reviewed, and adjusted if appropriate, at each reporting date.

Gain or loss arising on retirement or disposal is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

CIP represents property, plant and equipment under construction, which is stated at cost less any impairment losses and is not depreciated. Cost comprises direct costs incurred during the periods of construction, installation and testing. CIP is reclassified to the appropriate category of property, plant and equipment and depreciation commences when the construction work is completed and the asset is ready for use.

An asset is written down to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

### 3. 重大會計政策概述 (續)

#### (g) 物業、廠房及設備 (續)

石油財產之折舊僅按探明已開發石油儲量作為損耗基礎以生產單位法撇銷石油財產之成本計算。

資產之估計可使用年期、折舊方法及估計殘值會在各報告日期檢討及在有需要時調整。

報廢或出售所產生之收益或虧損乃按資產出售所得款項淨額與其賬面值之差額釐定，並於損益表內確認。

其後成本僅於與該項目相關之日後經濟利益有可能流入本集團，且該項目之成本能可靠計算時，方會計入資產之賬面值或確認為獨立資產（如適用）。所有其他成本（如維修及保養）均於產生之財政期間自損益表扣除。

在建工程指在建物業、廠房及設備，乃按成本減任何減值虧損列賬，且不予折舊。成本包括建設、安裝及測試期間產生之直接成本。在建工程於完工及資產可供使用時重新分類為物業、廠房及設備之適當類別並開始作出折舊。

倘資產之賬面值高於資產之估計可收回金額，即撇減至其可收回金額。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income or for capital appreciation or for both but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are recognised in the profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year of the retirement or disposal.

When the Group holds a property interest under an operating lease to earn rental income or for capital appreciation, or for both purpose, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 3(l)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 3(l).

### 3. 重大會計政策概述 (續)

#### (h) 投資物業

投資物業乃於土地及樓宇持有之權益(包括根據某一物業之經營租約以其他方式符合投資物業定義之租賃權益)，用以賺取租金收入或資本升值，或為賺取租金收入及資本升值但並未於一般業務過程中持作銷售、用於產品或服務之生產或供應或行政用途。該等物業初始按成本(包括交易成本)計量。初始確認後，投資物業以公平價值列賬，於報告期末反映市場狀況。

投資物業公平價值變動產生之損益於其產生年度之損益內確認。

因投資物業報廢或出售而產生之任何損益於報廢或出售年度之損益內確認。

倘本集團根據經營租賃持有一項物業權益以賺取租金收入或作資本增值，或為以上兩個目的，該權益則按不同的物業而分類及入賬為投資物業。任何此等已分類為投資物業的物業權益之列賬方式猶如根據融資租賃(參見附註3(l))持有的權益，相同於根據融資租賃持有的其他投資物業的權益的會計政策亦適用。租金付款如附註3(l)所述入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (i) Prepaid land lease payments

Upfront payments made to acquire land held under an operating lease are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on straight-line method over the term of lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

#### (j) Sea area use rights

Upfront payments made to acquire the maritime space held under an operating lease are stated at cost less accumulated amortisation and any impairment losses. Sea area use rights are amortised on straight-line method over the terms of the right of use.

#### (k) Intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any impairment losses. Amortisation is charged in other operating expenses in profit or loss and is provided as follows:

- Exploration and evaluation assets under oil production business is amortised on unit of production method.
- Interests in oil production sharing contracts under oil production business is amortised on unit of production method.

### 3. 重大會計政策概述 (續)

#### (i) 預付土地租賃款項

就收購根據經營租約持有之土地所作出之預付款項乃以成本減累計攤銷及任何減值虧損列賬。攤銷乃於租期／用權期限內以直線法計算，惟倘若有另一基準更能代表本集團透過使用有關土地產生利益之時間模式則除外。

#### (j) 海域使用權

就收購根據經營租約持有的海域所作出的預付款項按成本減累計攤銷及任何減值虧損列賬。海域使用權以直線法於使用權的期限進行攤銷。

#### (k) 無形資產

分開購入之無形資產初步按成本確認。於業務合併購入之無形資產之成本，為收購日期之公平值。隨後，有限使用年期之無形資產按成本減累計攤銷及任何減值虧損列賬。攤銷開支計入損益之其他經營開支，並按以下方式作出撥備：

- 產油業務之勘探及評估資產按生產單位法攤銷。
- 產油業務之產油共享合約之權益按生產單位法攤銷



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Leases

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.

#### *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 with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 3(h)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

### 3. 重大會計政策概述 (續)

#### (I) 租賃

倘本集團確定一項安排賦予於經議定期間內使用指定資產之權利，而使用者須付款或作出一系列付款作為回報，則該安排（包括一項交易或一系列交易）為一項或包含一項租賃。本集團評估該項安排之實際內容後，作出上述確定，並不會考慮該項安排是否擁有租約之法定形式。

#### *本集團租賃資產之分類*

本集團以租賃方式持有之資產，倘租賃使擁有權之絕大部分風險和回報轉移至本集團，有關資產便歸入融資租賃持有類別；倘租賃不會使擁有權之絕大部分風險和回報轉移至本集團，則歸類為經營租賃，惟以下各項例外：

- 以經營租賃持有但在其他方面均符合投資物業定義之物業會逐項劃歸為投資物業，倘分類為投資物業，其入賬方式會如同以融資租賃（參見附註3(h)）持有一致；及
- 以經營租賃持作自用，但無法在租賃開始時將其公平值與建於其上之建築物之公平值分開計量之土地，是按以融資租賃持有方式入賬；但清楚地以經營租賃持有之建築物除外。就此而言，租賃之開始時間是指本集團首次訂立租約時，或自前承租人接收建築物時。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Leases (Continued)

##### *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 (the "Initial Value"), of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance lease charges, are recorded as finance lease liabilities.

Subsequent accounting for assets held under finance leases corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance lease charges.

##### *Assets under finance leases are depreciated the same as owned assets*

A sale and leaseback transaction involves the sale of an asset and the leasing back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated as a package. If a sale and leaseback transaction results in a finance lease, the previous carrying value is left unchanged, with the sales proceeds being shown as a liability.

##### *Operating lease charges as the lessee*

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating lease. Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss using straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. 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 which they are incurred.

### 3. 重大會計政策概述 (續)

#### (I) 租賃 (續)

##### *以融資租賃方式購入之資產*

倘本集團是以融資租賃購入資產之使用權，便會將相當於租賃資產公平值或最低租賃付款額之現值（以較低者為準）（「初始值」）記入物業、廠房及設備，而扣除融資費用後之相應負債則列為融資租賃負債。

按融資租約持有之資產其後之會計處理方法與可資比較購入資產所用者相同。相關融資租約負債會按租金付款減融資租約支出調減。

##### *融資租賃項下資產按與自有資產相同的方式折舊*

售後租回交易涉及資產之出售及租回同一資產。由於出售及回租乃一併進行，所以租賃款項及出售價通常為相關的。倘售後租回交易產生融資租賃，則先前賬面值維持不變，出售所得款項列示為負債。

##### *經營租約費用 (作為承租人)*

如租賃不會使所有權之絕大部分風險及回報轉移至本集團，則劃歸為經營租約。倘本集團有權使用根據經營租約持有之資產，則除非有另一基準更能代表租賃資產產生利益之時間模式，否則根據租約作出之付款，會在租期內採用直線法於損益表中扣除。所收之租賃獎勵，作為已繳付租賃付款淨值總額之整體部分於損益表中確認。或然租金於其發生之會計期間從損益表中扣除。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (l) Leases (Continued)

##### *Operating lease charges as the lessor*

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018)

##### (i) Financial assets

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

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

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

### 3. 重大會計政策概述 (續)

#### (l) 租賃 (續)

##### *經營租約費用 (作為出租人)*

經營租約產生之租金收入按有關租賃之期間以直線法計入損益。磋商及安排經營租約所產生之初始直接成本計入該項租賃資產之賬面價值，並於租期內以直線法確認為支出。

#### (m) (A) 財務工具 (自二零一八年一月一日起應用之會計政策)

##### (i) 財務資產

財務資產 (並無重大融資部份的應收賬款除外) 首次按公平值加上收購財務資產應佔的直接交易成本計量 (倘屬並非按公平值計入損益的財務資產)。按公平值計入損益的財務資產的交易成本於損益支銷。並無重大融資部份的應收賬款首次按交易價格計量。

所有以常規方式買賣的財務資產均於交易日 (即目標業務承諾買賣該資產當日) 予以確認。常規方式買賣指規定須於一般市場規例或慣例確立之期間內交付資產的財務資產買賣。

附帶嵌入衍生工具的財務資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018) (Continued)

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

###### Debt instruments

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

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

### 3. 重大會計政策概述 (續)

#### (m) (A) 財務工具(自二零一八年一月一日起應用之會計政策)(續)

##### (i) 財務資產(續)

###### 債務工具

其後計量債務工具視乎目標集團管理資產的業務模式及資產的現金流量特徵。本集團將債務工具分類為一種計量類別：

**攤銷成本：**為收取合約現金流量而持有，且現金流量僅為支付本金及利息之資產按攤銷成本計量。其其後用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018) (Continued)

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

###### Equity instruments

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

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

The Group recognises loss allowances for ECLs on trade receivables and other financial assets measured at amortised cost. ECLs are measured on the basis as described in full details in note 2(a) B(ii).

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

### 3. 重大會計政策概述 (續)

#### (m) (A) 財務工具(自二零一八年一月一日起應用之會計政策)(續)

##### (i) 財務資產(續)

###### 權益工具

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。按公平值列入其他全面收益的股本投資按公平值計量，股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他權益工具分類為按公平值計入損益，公平值變動、股息及利息收入於損益中確認。

##### (ii) 財務資產減值虧損

本集團確認應收貿易賬項及其他按攤銷成本計量之財務資產預期信貸虧損撥備。預期信貸虧損計量基礎詳情請參見附註2(a)B(ii)。

信貸減值財務資產利息收入按該財務資產的攤銷成本計算(即總賬面值減虧損撥備)，非信貸減值財務資產利息收入根據該財務資產的賬面值總額計算。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018) (Continued)

##### (iii) Financial liabilities

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

##### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost including bills and other payables, accruals, amounts due to non-controlling shareholders, bank and other borrowings and finance lease liabilities are subsequently measured at amortised cost, using effective interest method. The related interest expense is recognised in profit or loss.

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

##### (iv) Convertible bonds

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

### 3. 重大會計政策概述 (續)

#### (m) (A) 財務工具(自二零一八年一月一日起應用之會計政策)(續)

##### (iii) 財務負債

本集團視乎財務負債產生的目的將其財務負債分類。按公平值計入損益的財務負債乃按公平值初步計量，而按攤銷成本計量的財務負債初步按公平值減所產生的直接應佔成本計量。

##### *按攤銷成本計算的財務負債*

本集團將其財務負債歸類為按攤銷成本計算的財務負債，包括應付票據及其他應付款項、應計費用、應付非控股股東款項、銀行及其他借款及融資租賃負債，其後使用實際利息法按攤銷成本計量。有關利息開支於損益確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

##### (iv) 可換股債券

本集團發行之可換股貸款票據包括負債及於初始確認時單獨分類至彼等各自項目之兌換權部分。可以固定金額之現金或另一項財務資產交換公司固定數目之擁有權益工具以外之方式結清之兌換權分類為權益工具。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018) (Continued)

##### (iv) Convertible bonds (Continued)

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

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

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using effective interest method.

### 3. 重大會計政策概述 (續)

#### (m) (A) 財務工具(自二零一八年一月一日起應用之會計政策)(續)

##### (iv) 可換股債券(續)

於初步確認時，負債部份的公平值按類似的不可轉換債務的現行市場利率釐定。可換股債券的整體公平值與分配給負債部份(代表持有人用於將可換股債券兌換為權益的換股權)的公平值之間的差額，為計入權益(可換股債券權益儲備)的權益部份。

隨後期間，可換股債券的負債部分以實際利率法按攤銷成本列賬。權益部分(指可將負債部分轉換為本公司普通股的換股權)將保留於可換股債券權益儲備內，直至該嵌入式換股權獲行使為止(於此情況下，可換股債券權益儲備的結餘將轉撥至股份溢價)。倘換股權於到期日尚未獲行使，可換股債券權益儲備的結餘將解除至累計虧損。換股權獲轉換或到期時不會於損益確認任何收益或虧損。

與發行可換股債券有關之交易成本根據所得款項淨額的分配按比例分配至負債及權益部分。直接與權益部分有關之交易成本即時於權益扣除。與負債部分有關之交易成本計入負債部分之賬面值，並於可換股債券期限內按實際利率法攤銷。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (A) Financial instruments (accounting policies applied from 1 January 2018) (Continued)

##### (v) *Effective interest method*

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

##### (vi) *Derecognition*

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

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

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

### 3. 重大會計政策概述 (續)

#### (m) (A) 財務工具(自二零一八年一月一日起應用之會計政策)(續)

##### (v) 實際利率法

實際利息法乃就有關期間計算財務資產或財務負債之攤銷成本及分配利息收入或利息開支之方法。實際利率是將估計未來現金收款或付款透過財務資產或財務負債之預期年期或(倘適用)更短期間準確貼現之利率。

##### (vi) 終止確認

當就財務資產之未來現金流量的合約權利屆滿時，或財務資產已轉讓且該轉讓符合香港財務報告準則第9號之終止確認規定，本集團會終止確認該項財務資產。

當相關合約中訂明之責任獲解除、註銷或到期時，會終止確認財務負債。

倘由於重新磋商財務負債之條款，本集團向債權人發行其自身權益工具以支付全部或部分之財務負債，則已發行之權益工具為已付代價並於抵銷財務負債或其部分日期按彼等之公平值初步確認及計量。倘已發行權益工具之公平值不能可靠計量，則權益工具將計量以反映所抵銷財務負債之公平值。所抵銷財務負債或其部分之賬面值與已付代價之差額於年內損益中確認。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017)

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

##### (i) Financial assets

The Group's financial assets are classified as loans and receivables and financial assets at FVTPL. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

De-recognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured at amortised cost using effective interest method, less any impairment loss. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策)

本集團應用香港財務報告準則第9號進行追溯，但選擇未重列比較資料。因此，比較資料依舊按照與以往相一致的會計政策入帳。

##### (i) 財務資產

本集團之財務資產分為貸款及應收款項及按公平值計入損益之財務資產。管理層於首次確認時依據收購財務資產之目的將其歸類，並在許可及適當之情況下，於各報告日期重新評估財務資產之分類。

惟當本集團成為訂立有關工具合約條文之一方時，所有財務資產方予以確認。以正常方式購買及出售之財務資產於交易日確認。財務資產首次予以確認時乃按公平值加應佔直接交易成本計量。

當收取投資現金流量之權利屆滿或轉移及擁有權之絕大部分風險與回報已轉移時解除確認財務資產。

貸款及應收款項為附帶固定或可釐定付款之非衍生財務資產，且並無在活躍市場計算報價。其後採用實際利率法以攤銷成本減任何減值虧損列賬。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本之組成部分之各項費用。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

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

Financial assets at FVTPL include financial assets held for trading if they are acquired for the purpose of sale in the near term. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

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

At each reporting date, financial assets are reviewed to determine whether there is any objective evidence of impairment. Financial assets are impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the assets and that event has an impact on the estimated future cash flows of the financial assets that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (i) 財務資產 (續)

按公平值計入損益之財務資產包括持作交易用途，為近期出售而購入之財務資產。初步確認後，按公平值計入損益之財務資產按公平值計量，公平值變動於產生期間於損益確認。

##### (ii) 財務資產減值虧損

於各報告日期會對財務資產進行審閱，以釐定是否有任何客觀減值證據。倘於初步確認資產後發生一項或多項事項，而該等事項對該財務資產之估計未來現金流產生重大影響且能可靠地估計，導致出現客觀減值證據，則作出財務資產減值。減值證據包括：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還本息；

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

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

- granting concession to a debtor because of debtor's financial difficulty; or
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of loss is recognised in profit or loss of the period in which the impairment occurs.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (ii) 財務資產減值虧損 (續)

- 由於債務人財務困難，向債務人授出寬免；及
- 債務人可能會破產或進行其他財務重組。

有關一組財務資產之虧損事項包括可觀察資料顯示該組財務資產之估計未來現金流量出現可計量之減少。有關可觀察資料包括但不限於本集團債務人之付款狀況出現不利變動，及與拖欠本集團資產有關之國內或本地經濟狀況。

倘有客觀證據顯示貸款及應收款項出現減值虧損，則虧損金額按資產賬面值與估計未來現金流量（不包括未產生之未來信貸虧損）按財務資產之原實際利率（即首次確認時計算之實際利率）折現之現值兩者之差額計量。虧損金額於減值出現期間在損益表中確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

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

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

##### (iii) Financial liabilities

The Group's financial liabilities include bills and other payables, accruals, bank and other borrowings, amounts due to non-controlling shareholders, finance lease liabilities and convertible bonds.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (see note 3(w)).

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (ii) 財務資產減值虧損 (續)

倘其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件相關，則撥回過往確認之減值虧損，惟於撥回減值當日不得導致財務資產賬面值超過如無確認減值之原有攤銷成本。撥回金額於撥回發生期間在損益表中確認。

##### (iii) 財務負債

本集團之財務負債包括應付票據及其他應付款項、應計款項、銀行及其他借款、應付非控股股東款項、融資租賃負債及可換股債券。

財務負債在本集團成為有關工具合約條文訂約方時確認。所有相關利息開支根據本集團借款成本之會計政策確認 (請參閱附註3(w))。

當負債之責任解除、取消或到期，則會取消確認財務負債。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

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

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

*Bills and other payables, accruals and amounts due to non-controlling shareholders*

These are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method. The related interest expense is recognised in profit or loss.

##### (iv) Convertible bonds

Convertible bonds that can be converted to share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability and an equity component.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (iii) 財務負債 (續)

倘現有財務負債由同一貸款人按非常不同之條款以另一項財務負債取代，或現有負債條款經大幅修改，則有關交換或修改視作取消確認原有負債及確認新負債，而有關賬面值間之差額則於損益表中確認。

*應付票據及其他應付款項、應計款項及應付非控股股東款項*

該等款項首次按公平值確認，其後按實際利率法以攤銷成本計量。有關利息開支於損益確認。

##### (iv) 可換股債券

可按持有人選擇兌換為股本之可換股債券，倘於換股時將予發行之股份數目及屆時將可收取之代價價值不變，則作為同時含有負債及權益部分之複合財務工具入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

##### (iv) Convertible bonds (Continued)

Convertible bonds that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate for similar non-convertible debts. The difference between the proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the call option for conversion of the bonds into equity, is included in equity as convertible bond equity reserve.

Liability component is subsequently carried at amortised cost using effective interest method whilst equity component will remain in equity until conversion or redemption of the bonds.

When the bonds are converted, the convertible bond equity reserve and the carrying value of the liability component at the time of conversion are transferred to share capital and share premium as the consideration for the shares issued. If the bonds are redeemed, the convertible bond equity reserve is released directly to accumulated losses.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (iv) 可換股債券 (續)

可換股債券包含財務負債及權益部分，乃於首次確認時獨立分類為負債及權益部分。於首次確認時，負債部分之公平值乃按類似非可換股債務之現行市場利率釐定。發行可換股債券之所得款項與轉撥負債部分之公平值之差額，即可將債券兌換為權益之認購選擇權，計入權益作為可換股債券權益儲備。

負債部分其後採用實際利率法按攤銷成本列賬。權益部分在兌換或贖回債券前仍保留於權益內。

倘債券獲兌換，可換股債券權益儲備及負債部分之賬面值於兌換時轉入股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，可換股債券權益儲備將直接解除至累計虧損。

有關發行可換股債券之交易成本按所得款項之分配比例分配至負債及權益部分。有關權益部分之交易成本直接於權益扣除。有關負債部分之交易成本計入負債部分之賬面值並於可換股債券之期間內使用實際利率法攤銷。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) (B) Financial instruments (accounting policies applied until 31 December 2017) (Continued)

##### (v) Borrowings

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

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

##### (vi) Finance lease liabilities

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see note 3(l)).

#### (n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of coal was determined using weighted average method. All other cost was determined using first-in, first-out method. Net realisable value is the estimated selling prices in the ordinary course of business less the estimated costs necessary to make the sale.

### 3. 重大會計政策概述 (續)

#### (m) (B) 財務工具 (截至二零一七年十二月三十一日止應用的會計政策) (續)

##### (v) 借款

借款乃按公平值扣除交易成本初步確認。借款隨後以攤銷成本列賬；所收款項（扣除交易成本）與贖回價值間之任何差異，按實際利率法於借款期間內在損益表內確認。

除非本集團擁有無條件權利延遲清償負債至報告日期後至少12個月，否則借款被歸類為流動負債。

##### (vi) 融資租賃負債

融資租賃負債以初始值減租賃還款的資本部分計量（見附註3(l)）。

#### (n) 存貨

存貨按成本及可變現淨值兩者中之較低者列賬。煤炭成本按加權平均法計算。所有其他成本則按先進先出法計算。可變現淨值為日常業務過程中之估計售價減估計銷售所需成本。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (o) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows presentation, cash and cash equivalents which are repayable on demand and form an integral part of the Group's cash management.

#### (p) Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issue of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

#### (q) (A) Revenue recognition (accounting policies applied from 1 January 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

### 3. 重大會計政策概述 (續)

#### (o) 現金及現金等值項目

現金及現金等值項目包括銀行結存及手頭現金、銀行活期存款及原定到期日為三個月或以下且可隨時兌換為已知現金數額及價值變動風險不大之高流動性短期投資。就呈列現金流量表而言，現金及現金等值項目包括應要求償還且構成本集團現金管理組成部分之銀行透支。

#### (p) 股本

普通股股份被歸類為權益。股本按已發行股份之面值釐定。與股份發行有關之任何交易成本均從股份溢價(扣除任何有關所得稅利益)扣除，惟其須為直接因權益交易而產生之增量成本。

#### (q) (A) 收入確認(自二零一八年一月一日起應用之會計政策)

來自客戶合約的收益於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價(不包括代表第三方收取的金額)。收益不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) (A) Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

### 3. 重大會計政策概述 (續)

#### (q) (A) 收入確認 (自二零一八年一月一日起應用之會計政策) (續)

貨品或服務的控制權是在一段時間內或某一時間點轉移，取決於合約的條款與適用於合約的法律規定。倘本集團在履約過程中符合下列條件，貨品或服務的控制權乃在一段時間內轉移：

- 提供全部利益，而客戶亦同步收到並消耗有關利益；
- 本集團履約時創建及優化由客戶控制的資產；或
- 並無產生對本集團有替代用途的資產，且本集團可強制執行其權利以收取累計至今已完成履約部分的款項。

倘貨品或服務的控制權在一段時間內轉移，則收益乃於整個合約期間經參考完成履行履約責任的進度確認。否則，收益於客戶獲得貨品或服務控制權的時間點確認。

當合約包含融資成分並向客戶提供超過一年為轉移貨品或服務進行融資的重大利益時，收入於合約開始時按應收金額現值計量，並使用貼現率貼現，有關貼現率將於本集團與客戶之間之獨立融資交易中反映。就客戶付款與轉移所承諾貨品或服務間之期間為一年或以內的合約，交易價使用香港財務報告準則第15號可行權宜方法，不會就重大融資成分的影響予以調整。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) (A) Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

##### *Sale of crude oil*

Customer obtains control of crude oil when the crude oil is delivered to and have been accepted. Revenue is thus recognised from the Group's share of income (including cost recovery oil, investment recovery oil and share oil) according to the terms stipulated in the contract, details of which are set out in note 36, upon when the customer accepted the crude oil. There is generally only one performance obligation. Invoices are usually payable within 30 days.

##### *Rental income*

Rental income is recognised on a straight-line basis over the respective lease terms.

##### *Agency income*

Agency income is recognised at point in time as contracts are signed with the ultimate customers. Invoices for brokerage service are usually payable within 30 days.

##### *Interest income*

Interest income is recognised using effective interest method. When a loan receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan receivables is recognised using original effective interest rate.

### 3. 重大會計政策概述 (續)

#### (q) (A) 收入確認(自二零一八年一月一日起應用之會計政策)(續)

##### *原油銷售*

根據合約條款規定，客戶於原油交付及獲接納時取得原油控制權。因此，收入份額中確認時點為當客戶接受原油(包括收回成本石油及收回投資石油及共享石油)，詳情載於附註36。履約責任一般只有一項。發票通常於30日內應付。

##### *租金收入*

租金收入於各租期內按直線法確認。

##### *代理收入*

由於與最終客戶訂立合約，代理收入按時間點確認收入。經紀服務之發票通常30天內支付。

##### *利息收入*

利息收入按實際利率法確認。當應收貸款減值時，本集團會將賬面值削減至其可收回金額(即按應收貸款的原實際利率折現的估計未來現金流量)，然後繼續以調整後的賬面值計算利息收益。減值了的應收貸款的利息收益採用原實際利率確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) (B) Revenue recognition (accounting policies applied until 31 December 2017)

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, lease of properties and the use by others of the Group's assets yielding interest, and dividends, net of rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

- (i) sale of crude oil is recognised from the Group's share of income (including cost recovery oil, investment recovery oil and share oil) according to the terms stipulated in the contract, details of which are set out in note 36;
- (ii) rental income is recognised on a straight-line basis over the respective lease terms; and
- (iii) interest income is recognised on time proportion basis using effective interest method.

#### (r) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets.

### 3. 重大會計政策概述 (續)

#### (q) (B) 收入確認 (截至二零一七年十二月三十一日應用的會計政策)

收益包括銷售貨品、出租物業以及他人使用本集團資產之已收或應收代價之公平值而產生之利益及股息，扣除回扣及折扣。倘可能為本集團帶來經濟利益及能可靠計量收益與成本(如適用)時，則按以下方式確認收益：

- (i) 銷售原油自本集團根據合約所列條款分佔之收入(包括收回成本石油、收回投資石油及共享石油)確認，有關詳情載於附註36；
- (ii) 租金收入於各租期內按直線法確認；及
- (iii) 利息收入使用實際利率法按時間比例確認。

#### (r) 政府補助

在合理地保證本集團會遵守政府補助的附帶條件以後，政府補助方會予以確認及將會得到補助。

政府補助乃就本集團確認的有關支出(預期補助可予抵銷成本的支出)期間按系統化的基準於損益中確認。與可折舊資產相關的政府補助乃於綜合財務狀況表中確認為遞延收入，並於有關資產的可使用年期內轉移至損益。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

### 3. 重大會計政策概述 (續)

#### (s) 所得稅

本年度所得稅包括當期稅項及遞延稅項。

當期稅項乃日常業務所得損益(已就毋須繳納所得稅或不獲寬減所得稅之項目作出調整),按於報告期間完結時已頒佈或實質上已頒佈之稅率計算。

遞延稅項會就用作財務報告用途之資產及負債賬面值與用作稅項用途之相應金額之暫時差異確認。除商譽及不影響會計或應課稅溢利之已確認資產及負債外,遞延稅項負債就所有應課稅暫時差異進行確認。倘有可用以抵銷可扣減暫時差異之應課稅溢利,則會確認遞延稅項資產。遞延稅項乃按適用於資產或負債之賬面值獲變現或結算之預期方式及於報告期間完結時已頒佈或實質上已頒佈之稅率計量。

當投資物業根據香港會計準則第40號「投資物業」按公平值列賬時,有關釐定計量遞延稅項金額所用適當稅率之一般規定將會例外。除非假設被推翻,否則該等投資物業之遞延稅項金額按於報告日期按賬面值出售該等投資物業所適用之稅率計量。當投資物業可予折舊,並於旨在隨時間消耗物業所包含之絕大部分經濟利益而非透過出售之業務模式內持有時,有關假設會被推翻。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (s) Income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

#### (t) Retirement benefits costs and short-term employee benefits

Retirement benefits to employees are provided through defined contribution plans.

##### *Defined contribution plans*

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF scheme. Assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

### 3. 重大會計政策概述 (續)

#### (s) 所得稅 (續)

遞延稅項負債就投資於附屬公司所產生的應課稅暫時差額確認，惟本集團能夠控制暫時差額之撥回及暫時差額可能於可預見將來不會撥回除外。

所得稅於損益賬內確認，惟倘所得稅與於其他全面收益內確認之項目相關除外，在此情況下，稅項亦在其他全面收益中確認。

#### (t) 退休福利成本及短期僱員福利

僱員退休福利乃透過定額供款計劃而提供。

##### *定額供款計劃*

根據強制性公積金計劃條例，本集團為所有香港僱員設立定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款乃按僱員基本薪金之百分比計算，並於根據強積金計劃之規定須作出供款時自損益表扣除。強積金計劃之資產以獨立管理基金形式持有，與本集團之資產分開。本集團就強積金計劃支付之僱主供款全部歸僱員所有。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (t) Retirement benefits costs and short-term employee benefits (Continued)

##### *Defined contribution plans (Continued)*

According to the relevant regulations in the PRC, the subsidiaries of the Group operating in the PRC are required to participate in central pension schemes operated by the respective local municipal governments, whereby the PRC subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the scheme to fund their retirement benefits. The scheme is responsible for the entire pension obligations payable to the retired employees and the Group has no further obligations for the actual pension payments or other post-retirement benefits beyond the employer contributions. Contributions under the scheme are charged to profit or loss as they become payable in accordance with the rules and regulations in the PRC.

##### *Short-term employee benefits*

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for unused annual leave as a result of services rendered by employees up to the reporting date. Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

### 3. 重大會計政策概述 (續)

#### (t) 退休福利成本及短期僱員福利 (續)

##### *定額供款計劃 (續)*

根據中國相關規定，本集團於中國經營之附屬公司須參與由個別地方市政府管理之中央退休金計劃，據此，中國附屬公司須將其僱員基本薪金之若干百分比撥歸有關計劃，作為退休福利所需之款項。有關計劃須承擔向退休僱員支付所有退休金之責任，除僱主供款外，本集團就實際退休金款項或其他退休後福利概不承擔更多責任。根據有關計劃作出之供款乃於其根據中國法律及法規而應付時在損益表內扣除。

##### *短期僱員福利*

當僱員成為正式僱員時，即可享有年假。本集團會就僱員至報告日期所提供之服務而未動用之年假所產生之估計負債作出撥備。如病假及產假等非累計計薪休假於提取假期時方予確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (u) Share-based compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees and directors.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

For other goods or services received by the Group in exchange for the grant of any share-based compensation, they are directly measured at the fair value of the goods or services received.

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in the share option reserve in equity. If vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally vested.

### 3. 重大會計政策概述 (續)

#### (u) 以股份為基礎之補償

本集團就僱員及董事薪酬設立以股本結算之以股份為基礎之補償計劃。

本集團就交換僱員服務而授出之任何以股份為基礎之補償均按公平值計算價值，以所授出購股權之價值間接釐定。計價以授出日期為準，須扣除非市場歸屬條件影響之價值（如盈利能力及銷售增長目標）。

本集團為其他貨品或服務而授出之任何以股份為基礎之補償，乃直接按所接獲之貨品或服務之公平值計量。

所有以股份為基礎之補償除非合資格確認為資產，否則於歸屬期於損益表確認為開支（倘歸屬條件適用），或於授出當日所授出權益工具即時歸屬時全數確認為開支，並相應增加權益內之購股權儲備。倘歸屬條件適用，則根據對預期將會歸屬之權益工具數目作出之最佳估計於歸屬期內確認開支。對預期將歸屬之權益工具數目之假設包括非市場歸屬條件。倘其後有跡象顯示預期歸屬之權益工具數目有別於之前所估計數目，則其後對估計作出修訂。倘最終行使之購股權少於原先估計，則不會對以往期間確認之開支作出調整。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (u) Share-based compensation (Continued)

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

#### (v) Impairment of assets (other than financial assets)

The Group's goodwill, property, plant and equipment, prepaid land lease payments, sea area use rights, intangible assets and the Company's interests in subsidiaries are subject to impairment testing. Goodwill and intangible assets with indefinite useful life or those not yet available for use are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

### 3. 重大會計政策概述 (續)

#### (u) 以股份為基礎之補償 (續)

購股權獲行使時，先前於購股權儲備中確認之金額會轉撥至股份溢價。於歸屬日後，倘已歸屬之購股權被沒收或於屆滿日期尚未行使，則先前已於購股權儲備內確認之金額將轉撥至累計虧損。

#### (v) 資產(不包括財務資產)減值

本集團之商譽、物業、廠房及設備、預付土地租賃款項、海域使用權、無形資產及於附屬公司之權益會進行減值測試。無限定使用年限商譽及或無形資產或尚未供動用的無形資產每年進行減值測試，不論有否出現減值跡象，均會將其賬面值與可收回金額互相比較，以進行減值測試。倘有跡象顯示所有其他資產賬面值未必能收回，有關資產將進行減值測試。

倘若一項資產之可收回金額(即公平值減出售成本及使用價值較高者)估計低於其賬面值，該資產之賬面值減至其可收回金額。減值虧損即時確認為開支，除非相關資產乃根據另一香港財務報告準則按重估金額計量其賬面值，在此情況下減值虧損視作該香港財務報告準則項下重估金額減少。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (v) Impairment of assets (other than financial assets) (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or cash-generating unit ("CGU") discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### (w) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

### 3. 重大會計政策概述 (續)

#### (v) 資產(不包括財務資產)減值(續)

倘若減值虧損在其後期間撥回，資產之賬面值增加至其經修訂估計可收回金額，惟增加後之賬面值不得超過如過往年度未就資產確認減值虧損而應釐定之賬面值。減值虧損撥回即時確認為收入，除非相關資產乃根據另一香港財務報告準則按重估金額計量其賬面值，在此情況下減值虧損撥回視作該香港財務報告準則項下重估金額增加。

使用價值乃基於來自資產或現金產生單位(「現金產生單位」)之估計未來現金流量，採用稅前折現率折現至其現值，而有關折現率反映現時市場對金錢時間值及有關資產或現金產生單位特有風險之評估。現金產生單位為最小可產生現金流入之可分辨資產組合，有關現金流入大致獨立於其他資產或資產組合之現金流入。

#### (w) 借款成本

直接因收購、建設或製造任何合資格資產所產生之借款成本作為該等資產成本之一部分資本化，合資格資產為需要長時間達到擬定用途或銷售狀況之資產。尚未使用特定借款暫時投資所得收益自己資本化之借款成本中扣減。所有其他借款成本於產生期間於損益內確認。

在使合資格資產投入擬定用途或銷售所需的絕大部分準備工作完成後，不再將借貸成本資本化。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (x) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

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 uncertain future events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### (y) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors of the Company are determined following the Group's major product lines.

### 3. 重大會計政策概述 (續)

#### (x) 撥備及或然負債

撥備於本集團因過往事件而現在負有債務(法定或推定)，及有可能需要經濟利益支出以清償債務，且能得出可靠估計時予以確認。倘貨幣之時間價值重大時，撥備將按預期清償債務之支出之現值列賬。所有撥備均於每個報告日期經過審查，並經調整以反映當期之最佳估計。

倘有可能不需要經濟利益支出，或者金額無法可靠估計，則除非經濟利益支出之機會極微，否則債務將作為或然負債予以披露。如果本集團之潛在責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在，亦會披露為或然負債，但經濟利益支出之可能性極低則除外。

#### (y) 分類報告

本集團根據定期向本公司執行董事匯報以供決定分配資源至本集團業務分部及檢討該等分部表現之內部財務資料，確立營運分類及編製分類資料。向本公司執行董事報告之內部財務資料之業務分部乃按照本集團主要產品種類釐定。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (y) Segment reporting (Continued)

The Group has identified the following reportable segments:

- (i) Oil production;
- (ii) Oil and liquefied chemical terminal;
- (iii) Insurance brokerage service (acquired on 31 August 2018 (note 40)); and
- (iv) Supply of electricity and heat (discontinued in 2017 in connection with the disposal of subsidiaries (note 11)).

Each of these operating segments is managed separately as each of the product line requires different resources as well as marketing approaches. All inter-segment transfers are priced with reference to prices charged to external parties for similar orders.

The measurement policies the Group used for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that finance costs, income tax and corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

No asymmetrical allocations have been applied to reportable segments.

### 3. 重大會計政策概述 (續)

#### (y) 分類報告 (續)

本集團已確立以下報告分類：

- (i) 產油；
- (ii) 油品及液體化工品碼頭；
- (iii) 保險經紀業務(於二零一八年八月三十一日收購(附註40))；及
- (iv) 熱電供應(於二零一七年出售附屬公司後終止營業(附註11))。

由於各產品種類需要不同資源及不同推銷方式，上述各營運分類單獨分開管理。所有分類間轉讓乃參考同類訂單向外間人士收取之價格定價。

本集團根據香港財務報告準則第8號報告分類業績所用之計量政策與根據香港財務報告準則編製之財務報表所採用者相同，惟並非任何營運分類業務活動直接產生之財務成本、所得稅及公司收入及開支不計入營運分類之營運業績。

分類資產包括所有資產，但並非直接與任何營運分類業務活動有關之公司資產不會分配至任何分類，而主要歸入本集團總部。

分類負債不包括並非任何營運分類業務活動直接產生之公司負債，該公司負債亦不會分配至任何分類。

非對稱分配不應用於報告分類。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (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 key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

### 3. 重大會計政策概述 (續)

#### (z) 關連人士

- (a) 符合以下條件之一的人士或其直系家庭成員將被視為本集團的關聯方：
- (i) 對本集團有控制或共同控制；
  - (ii) 對本集團有重大影響；或
  - (iii) 本集團或本公司母公司主要管理人員的成員。
- (b) 符合以下條件之一的企業將被視為本集團的關聯方：
- (i) 企業和本集團為同一集團下的成員(即母公司、附屬公司及同系附屬公司均為相互的關聯方)；
  - (ii) 企業為另外一家企業的聯營公司或合營公司(或企業為該另外一家企業的集團成員的聯營公司或合營公司)；
  - (iii) 兩家企業同為一個第三方的合營公司；
  - (iv) 企業為一家第三方企業的合營公司及另一家企業為該第三方企業的聯營公司；

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (z) Related parties (Continued)

(b) (Continued)

- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity); and
- (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 parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 3. 重大會計政策概述 (續)

#### (z) 關連人士 (續)

(b) (續)

- (v) 企業為一僱員退休福利計劃，且該福利計劃的受益人為本集團的僱員或本集團任何關聯方；
- (vi) 企業被在註釋(a)下認定的人士控制或共同控制；
- (vii) 在註釋(a)(i)下認定的人士對企業有重大影響，或該人士為企業(或企業的母公司)的主要管理人員；及
- (viii) 向本集團或向本公司之母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

個人的直系家庭成員是指預期他們在與企業的交易中，可能會影響該個人或受其影響的家屬，當中包括：

- (i) 該名人士之子女及配偶或同居伴侶；
- (ii) 該名人士之配偶或同居伴侶之子女；及
- (iii) 該名人士或其配偶或其同居伴侶之受養人。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### (i) Operating lease commitments – Group as lessor

The Group has entered into commercial property lease on its investment properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangement, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

#### (ii) Estimated fair value of investment properties

The Group appointed an independent valuation firm to assess the fair value of the investment properties. In determining the fair value, the valuers have used a method of valuation which involves input of certain estimates. The directors of the Company have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

### 4. 重大會計估計及判斷

估計及判斷會持續進行評估，並根據過往經驗及其他因素進行評價，包括在有關情況下相信為合理之對未來事件之預測。

本集團對未來作出估計及假設。所得之會計估計因其性質使然，很少會與實際結果一致。下述估計及假設存在可能導致須於下個財政年度對資產及負債之賬面值作出重大調整之重大風險：

#### (i) 經營租約承擔 – 本集團作為出租人

本集團已就其投資物業訂立商用物業租賃。根據一項對有關安排的條款及條件的評估，本集團決定，在按經營租約出租該等物業時，其將保留物業所有權涉及的全部重大風險及回報。

#### (ii) 投資物業之估計公平值

本集團委聘獨立估值事務所評估投資物業之公平值。於釐定公平值時，估值師採用涉及輸入若干估計之估值方法。本公司董事已作出判斷並信納估值方法可反映現行市況。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (iii) Useful lives of property, plant and equipment

Other than oil properties and CIP, the Group depreciates its property, plant and equipment using straight-line method over their estimated useful lives in order to determine the amount of depreciation expenses to be recorded. The estimated useful lives reflect the directors of the Company's estimate of the periods that the Group intends to derive future economic benefits from the use of these property, plant and equipment. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid. Such reviews take into account the technological changes, prospective economic utilisation and physical condition of the assets concerned.

#### (iv) Impairment of financial assets at amortised cost

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For other financial assets at amortised cost are measured by 12-months ECLs.

At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's financial assets at amortised cost is disclosed in note 46(a) to the financial statements.

### 4. 重大會計估計及判斷(續)

#### (iii) 物業、廠房及設備之可使用年期

除石油資產及在建工程外，本集團之物業、廠房及設備乃採用直線法按其估計可使用年期折舊，以釐定將錄得之折舊開支。估計可使用年期反映本公司董事對本集團擬透過使用該等物業、廠房及設備取得未來經濟效益之年期之估計。本集團亦就有關可使用年期作出之估計是否持續有效進行年度檢討。有關檢討已考慮技術變更、預期經濟使用率及有關資產的實際狀況。

#### (iv) 按攤銷成本計量之財務資產減值

本集團使用撥備矩陣計算應收貿易賬項之預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定。撥備矩陣初步基於本集團歷史可觀察違約率。該集團將通過調整矩陣以調整歷史信用損失經驗與前瞻性資訊。其他按攤銷成本計量財務資產的損失撥備主要按十二個月預期信貸虧損基準計量。

於各報告日期，本集團將更新歷史觀察違約率，並分析前瞻估計變動。評估可觀察歷史違約率、預測經濟情況及預期信貸虧損之間的關係為一項重大估計。預期信貸虧損對環境及經濟情況的變化敏感。本集團歷史信貸虧損經驗及經濟情況預測可能不代表客戶未來違約率。有關本集團按攤銷成本計量之財務資產信貸虧損詳情於財務報表附註46(a)披露。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (v) Estimated impairment of intangible assets and property, plant and equipment

The Group assesses at the end of each reporting period whether there is any indication that a non-financial asset may be impaired. If any such indications exists, the Group makes an estimate of the recoverable amount of the asset. The recoverable amounts of the CGUs to which the asset is allocated are determined based on value-in-use. These calculations require the use of estimates about future cash flows, discount rate and oil reserves. In the process of estimation, management makes assumptions about future cash flow, costs and oil reserves which related to the Oil Production Assets. Details of impairment assessment are set out in note 18 to the financial statements.

#### (vi) Loss of control on QHFSMI and IMFSMI

As described in note 3(a)(iii) to the financial statements, as soon as the Group had discovered the loss of QHFSMI's exploration licence, without the Company's knowledge, consent or approval, the Group obtained advice from its legal advisers. Given that (i) the discovery of the loss of significant controls over QHFSMI; (ii) Ms Leung's legal status as director and legal representative in QHFSMI and IMFSMI remained unchanged; and (iii) the Group was unable to obtain the financial information of QHFSMI and IMFSMI, the directors of the Company considered that the Group had no power over QHFSMI and IMFSMI, exposure, or rights, to variable returns from QHFSMI and IMFSMI and the ability to use its power to affect those variable returns. As the Group is still in the process of regaining the controlling power over QHFSMI and IMFSMI, the Group was still unable to exercise of its power over QHFSMI and IMFSMI. Accordingly, the directors of the Company consider that it was inappropriate to consolidate the financial statements of QHFSMI and IMFSMI into the Group for the year and these two wholly-owned entities had been de-consolidated since 2010.

### 4. 重大會計估計及判斷(續)

#### (v) 無形資產及物業、廠房及設備之估計減值

本集團於各報告期末評估是否有任何跡象顯示非財務資產或會減值。倘存在任何該等跡象，則本集團對該資產的可收回金額作出估計。獲分配資產之現金產生單位之可收回金額按使用價值釐定。該等計算方法要求使用估計日後現金流量、貼現率及石油儲量。在進行估計時，管理層對日後現金流量、成本及有關產油資產的石油儲量作出假設。減值評估之詳情載於財務報表附註18。

#### (vi) 失去對青海森源及內蒙古森源之控制權

如財務報表附註3(a)(iii)所述，本集團發現在本公司不知情及未經本公司同意或批准下失去青海森源之勘探牌照後，已獲得本集團法律顧問之意見。鑑於(i)發現喪失對青海森源之重大控制權；(ii)梁女士作為青海森源及內蒙古森源之董事及法定代表之法律地位因其不合作而維持不變；及(iii)本集團無法獲取青海森源及內蒙古森源的財務資料，本公司董事認為本集團對青海森源及內蒙古森源並無權力，不再享有青海森源及內蒙古森源可變回報或對其擁有權利，亦無能力行使其權力以影響該等可變回報。由於本集團仍在努力取回對青海森源及內蒙古森源之控制權，故本集團仍無法行使其對青海森源及內蒙古森源之權力。因此，本公司董事認為，本年度不宜將青海森源及內蒙古森源之財務報表綜合計入本集團之賬目內，故該兩間全資擁有實體自二零一零年起不再綜合計入賬目內。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (vii) Estimation of oil reserves

Oil reserves are key elements in the Company's investment decision-making process. They are also an important element in testing for impairment. Changes in oil reserves will affect unit of production depreciation, depletion and amortisation recorded in the financial statements for oil properties and intangible assets related to oil production activities. A reduction in oil reserves will increase depreciation, depletion and amortisation (assuming constant production) and reduce net profit. Oil reserve estimates are subject to revision, either upward or downward, based on new information, such as from developing drilling and production activities or from changes in economic factors, including product prices or development plans. In general, changes in the technical maturity of oil reserves resulting from new information becoming available from development and production activities have tended to be the most significant cause of annual revisions.

#### (viii) Taxation

The Group is subject to income taxes in Hong Kong and the PRC. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such final tax liabilities determination is made.

### 4. 重大會計估計及判斷(續)

#### (vii) 石油儲量之估計

石油儲量對本公司之投資決策過程至關重要，亦為進行減值測試之重要因素。石油儲量之變動將影響財務報表就與石油生產活動相關之石油資產及無形資產所記錄之單位產量折舊、損耗及攤銷。石油儲量之減少將增加折舊、損耗及攤銷金額（假設持續生產），並令純利減少。石油儲量估計乃按照開採鑽探及生產活動之新資訊或產品價格或開發方案等經濟因素變化而上下調整。整體而言，開發及生產活動所帶來之新資訊會導致石油儲量之技術純熟度出現變動，將成為年度調整之最主要因素。

#### (viii) 稅項

本集團須繳納香港及中國所得稅。於日常業務過程中，若干交易及計算難以釐定最終稅項。本集團根據估計是否存在到期額外稅項而確認預期稅項之負債。倘該等事宜之最終稅務結果與初始入賬金額不同，該等差額將會影響釐定有關最終稅項負債期間之所得稅撥備。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (viii) Taxation (Continued)

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse, and a judgement as to whether there will be sufficient taxable income available to offset the tax assets when they do reverse. These judgements are subject to risk and uncertainty and therefore, to the extent assumptions regarding future profitability change, there can be a material increase or decrease in the amounts recognised in the consolidated income statement in the period in which the change occurs.

#### (ix) Estimated impairment of goodwill

The Group tests on annual basis whether goodwill is impaired in accordance with the accounting policy stated in note 3(v). The recoverable amounts of CGU are determined based on value-in-use calculation. These calculations require the use of judgement and estimates of the future cash flows expected to arise from the CGU, the timeframe for the cash flows forecast and the suitable discount rate in order to calculate the present value. Details in impairment assessment are set out in note 19 to the financial statements.

#### (x) Valuation of convertible bonds

The directors of the Company use their judgement in selecting an appropriate valuation technique for the Group's convertible bonds which are not quoted in the active market. Valuation techniques commonly used by market practitioners are applied. The fair value of the financial liability and equity component varies with different variables of certain subjective assumptions. Any change in these variables so adopted may materially affect the estimation of the fair value of these components.

### 4. 重大會計估計及判斷(續)

#### (viii) 稅項(續)

遞延稅項資產僅在其被認為可收回時方予確認。此涉及評估該等遞延稅項資產將於何時有可能回轉，及判斷當稅項資產回轉時，是否有足夠之應課稅收入抵銷稅項資產。該等判斷受風險及不確定因素影響，因此，如有關未來盈利能力之假設發生變化，於發生變化期間之綜合收益表確認之金額可能大幅增加或減少。

#### (ix) 商譽估計減值

根據附註3(v)呈列之會計政策，本集團每年就商譽是否出現減值進行測試。現金產生單位之可收回金額應基於使用價值計算。該等計算須採用預期現金產生單位所產生未來現金流量之判斷及估計、現金流量預測時間表以及適合貼現率，以計算現值。有關減值估計之詳情載於財務報表附註19。

#### (x) 可換股債券估值

董事憑藉彼等之判斷為本集團並無於活躍市場報價之可換股債券選取合適之估值方法。所應用之估值方法為市場參與者通常使用之方法。可換股債券之負債及權益部分之公平值因涉及若干主管假設之變數而不同。一旦所採用之變數出現改變，可能對該等部分之公平值估計造成重大影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (xi) Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are:

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs;

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures investment properties and financial assets at fair value through profit or loss at fair value as at 31 December 2018. Detailed information in relation to the fair value measurement are set out in notes 20, 24 and 45.

### 4. 重大會計估計及判斷(續)

#### (xi) 公平值計量

計入本集團財務報表之若干資產及負債須按公平值計量及／或作出公平值披露。

本集團財務及非財務資產及負債之公平值計量盡可能使用市場可觀察輸入值及數據。釐定公平值計量所用之輸入值乃基於估值技術所用輸入值之可觀察程度而分類為不同等級：

第一級：相同項目之活躍市場報價(未經調整)；

第二級：第一級輸入值以外之直接或間接可觀察輸入值；

第三級：不可觀察輸入值(即並非衍生自市場數據)。

項目乃根據對該項目之公平值計量具有重要影響之最低等級輸入值而分類至上述等級。等級之間的項目轉移於發生期間確認。

於二零一八年十二月三十一日，本集團按公平值計量投資物業及按公平值計入損益之財務資產。有關公平值計量之詳細資料載於附註20、24及45。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

#### (xii) Going concern

The directors of the Company have prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the foreseeable future, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors of the Company, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that, after taking into account of all major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in note 3(a)(ii) to the consolidated financial statements, the Group has the capability to continue as a going concern.

### 4. 重大會計估計及判斷(續)

#### (xii) 持續經營

本公司董事乃基於本集團於可預見未來能夠持續經營之假設編製綜合財務報表。該假設屬重大判斷，對綜合財務報表內已確認金額具有重大影響力。對持續經營假設之評估，涉及本公司董事就本質上不確定之事件或狀況之未來結果作出判斷。經考慮綜合財務報表附註3(a)(ii)所載可能導致業務風險(可能個別或共同引發對持續經營假設之重大疑慮)之所有重大事件或狀況後，本公司董事認為本集團有能力持續經營。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 5. REVENUE AND OTHER INCOME AND GAINS

The Group's principal activities are disclosed in note 1 to the financial statements. Revenue from the Group's principal activities and other income and gains recognised are as follows:

### 5. 收益及其他收入及收益

本集團之主要業務於財務報表之附註1披露。本集團主要業務之收益及已確認其他收入及收益載列如下：

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Revenue</b>	<b>收益</b>		
<b>Continuing operations</b>	<b>持續經營業務</b>		
Sale of crude oil	銷售原油	37,247	20,192
Rental income from investment properties	投資物業之租金收入	115,080	10,146
Agency income from insurance brokerage service	保險經紀服務代理收入	1	-
		<b>152,328</b>	<b>30,338</b>
<b>Other income and gains</b>	<b>其他收入及收益</b>		
<b>Continuing operations</b>	<b>持續經營業務</b>		
Interest income	利息收入		
– Bank deposits	– 銀行存款	1,276	826
– Loan receivables	– 應收貸款	618	-
		<b>1,894</b>	<b>826</b>
Other tax refunds	其他稅項退還	-	1,002
Fair value gain on financial assets through profit or loss	於損益計量之財務資產的公平值收益	-	2,290
Exchange gain, net	外匯收入淨額	-	2,757
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	19	65
Gain on disposal of financial assets through profit or loss	出售於損益計量之財務資產收益	76	-
Rental income from sub-letting of leased assets	分租租賃資產之租金收入	164	-
Government grants (note)	政府補貼(附註)	6,914	-
Sundry income	各項收入	618	155
		<b>9,685</b>	<b>7,095</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 5. REVENUE AND OTHER INCOME AND GAINS (Continued)

Note:

In April 2018, a subsidiary of the Company has been granted from the Ministry of Transport a subsidy of RMB5,810,000 (approximately HK\$6,914,000) in respect of usage of clean energy in the operations of the oil and liquefied chemical terminal in the PRC.

### 6. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to management of the Group for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to management of the Group are determined based on the Group's major product and service lines. The Group has identified the following reportable segments:

- (a) Oil Production segment represents the business of oil production;
- (b) Oil and Liquefied Chemical Terminal segment represents the business of leasing of oil and liquefied chemical terminal, together with its storage and logistics facilities;
- (c) Insurance Brokerage Service segment represents the business of providing insurance brokerage service (new segment during the year and acquired on 31 August 2018 (note 40)); and
- (d) Supply of electricity and heat segment (discontinued in 2017 in connection with the disposal of subsidiaries (note 11)).

### 5. 收益及其他收入及收益 (續)

附註：

於二零一八年四月，本公司一間附屬公司就於中國使用清潔能源營運油品及液體化學品碼頭已自交通部獲得補貼人民幣5,810,000元(約6,914,000港元)。

### 6. 分類資料

本集團已根據定期向本集團管理層匯報以供決定分配資源至本集團業務分部及檢討該等分部表現之內部財務資料，確立其營運分類及編製分類資料。向本集團管理層進行內部報告之業務分部乃按照本集團主要產品及服務種類釐定。本集團已確立以下報告分類：

- (a) 產油分類，指產油業務；
- (b) 油品及液體化工品碼頭分類，指租賃油品及液體化工品碼頭連同儲存及物流設施業務；
- (c) 保險經紀服務分類指提供保險經紀服務(本年度新分類並於二零一八年八月三十一日收購(附註40))；及
- (d) 熱電供應分類(已於二零一七年終止業務，與出售附屬公司有關(附註11))。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

### 6. 分類資料(續)

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Revenue from contracts with customer within the scope of HKFRS 15:</b>			
香港財務報告準則第15號範圍內來自客戶合約的收入：			
Sale of crude oil from Oil Production	產油業務中原油銷售	37,247	20,192
Agency income from Insurance Brokerage Service	保險經紀服務代理收入	1	-
		<b>37,248</b>	<b>20,192</b>
<b>Revenue from other source:</b>			
其他來源收入：			
Rental income from leasing of Oil and Liquefied Chemical Terminal	租賃油品及液體化學品碼頭租金收入	115,080	10,146

Note:

The Group has applied HKFRS 15 using cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18.

Sale of crude oil from Oil Production is recognised at point in time when there is evidence that the control of crude oil has been transferred to the customer, the customer has adequate control over crude oil and the Group has no unfulfilled obligations that affect customer accepting the crude oil.

Agency income from Insurance Brokerage Service is recognised at point in time as contracts are signed with the ultimate customers.

附註：

本集團已使用累計影響法首次應用香港財務報告準則第15號。根據該方式，比較資料不予重列，並根據香港會計準則第18號編製。

產油業務中原油銷售於有證據顯示原油控制權已轉移予客戶，客戶對原油擁有足夠控制權，且本集團並無未履行責任足以影響客戶接受原油之時間點確認。

保險經紀服務代理收入於與最終客戶訂立合約的時間點確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

There was no inter-segment sale and transfer during the year (2017: Nil).

### 6. 分類資料 (續)

於年內並無分類間之出售及轉讓(二零一七年：無)。

	Continuing operations 持續經營業務				Discontinued operation 已終止經營業務				Total 總計	
	Oil Production 產油		Oil and Liquefied Chemical Terminal 油品及液體化工品碼頭		Insurance Brokerage Service 保險經紀		Supply of Electricity and Heat 熱電供應			
	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Reportable segment revenue: From external customers	報告分類收益： 來自外間客戶之收益									
	37,247	20,192	115,080	10,146	1	-	-	-	152,328	30,338
Reportable segment (loss)/profit	報告分類(虧損)/溢利	(59,635)	(210,906)	94,629	(2,261)	(290)	-	(449)	34,704	(213,616)
Interest income	利息收入	6	6	1,133	820	-	-	-	5	1,139
Depreciation	折舊	(2,633)	(5,097)	(746)	(509)	(6)	-	-	(3,385)	(5,606)
Amortisation of sea area use rights	海域使用權攤銷	-	-	-	(1,824)	-	-	-	-	(1,824)
Amortisation of intangible assets	無形資產攤銷	(870)	(1,023)	-	-	-	-	-	(870)	(1,023)
Write-off of property, plant and equipment	物業、廠房及設備攤銷	(1,559)	(13,051)	-	-	-	-	-	(1,559)	(13,051)
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	(526)	(5,469)	-	-	-	-	-	(526)	(5,469)
Impairment loss of intangible assets	無形資產之減值虧損	(62,801)	(170,710)	-	-	-	-	-	(62,801)	(170,710)
Fair value loss of investment properties	投資物業公平值虧損	-	-	(5,986)	-	-	-	-	(5,986)	-
<b>Reportable segment assets</b>	<b>報告分類資產</b>	<b>203,633</b>	<b>279,993</b>	<b>1,522,475</b>	<b>1,695,735</b>	<b>2,721</b>	-	-	<b>1,728,829</b>	<b>1,975,728</b>
Additions to non-current segment assets during the year	本年度非流動分類資產增加	2,622	-	-	510,091	19	-	-	2,641	510,091
<b>Reportable segment liabilities</b>	<b>報告分類負債</b>	<b>(195,359)</b>	<b>(247,908)</b>	<b>(977,763)</b>	<b>(1,144,879)</b>	<b>(630)</b>	-	-	<b>(1,173,752)</b>	<b>(1,392,787)</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

The totals present for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

### 6. 分類資料 (續)

就本集團營運分類所呈列之總金額與綜合財務報表中呈列之本集團主要財務數字之對賬如下：

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Revenue</b>	<b>收益</b>		
Reportable segment revenue and consolidated revenue	報告分類收益及綜合收益	<b>152,328</b>	30,338
<b>Loss before income tax</b>	<b>除所得稅前虧損</b>		
Reportable segment profit/(loss)	報告分類溢利/(虧損)	<b>34,704</b>	(213,616)
Segment loss before income tax from discontinued operation	已終止經營業務除所得稅前分類虧損	-	449
Finance costs	財務成本	<b>(64,155)</b>	(8,587)
Other unallocated income	其他未分配收入	<b>833</b>	2,378
Other unallocated expenses (note a)	其他未分配開支(附註a)	<b>(16,499)</b>	(12,163)
Consolidated loss before income tax from continuing operations	持續經營業務除所得稅前綜合虧損	<b>(45,117)</b>	(231,539)
		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	報告分類資產	<b>1,728,829</b>	1,975,728
Property, plant and equipment	物業、廠房及設備	<b>3,538</b>	59
Cash and bank balances	現金及銀行結存	<b>274,824</b>	575
Other corporate assets (note b)	其他企業資產(附註b)	<b>209,340</b>	16,884
Group assets	本集團資產	<b>2,216,531</b>	1,993,246
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	報告分類負債	<b>1,173,752</b>	1,392,787
Convertible bonds	可換股債券	<b>60,508</b>	195,400
Other corporate liabilities	其他企業負債	<b>53,000</b>	34,319
Group liabilities	本集團負債	<b>1,287,260</b>	1,622,506

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 6. SEGMENT INFORMATION (Continued)

Notes:

- (a) Other unallocated expenses mainly included unallocated administrative expenses.
- (b) Other corporate assets mainly included unallocated financial assets at FVTPL, loan receivables and refundable deposits for a potential investment.

Customers from Oil Production and the Oil and Liquefied Chemical Terminal segment are located in the PRC (domicile) whereas those customers from Insurance Brokerage Service are located in Hong Kong. Geographical location of customers is based on the location at which the goods are delivered and the contracts are negotiated and entered with the customers. No geographical location of non-current assets is presented as substantial non-current assets are physically based in the PRC.

Revenue from major customers is as follows:

	<b>2018</b> <b>HK\$'000</b> 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Customer A (derived from the Oil and Liquefied Chemical Terminal segment) 客戶A(來源於油品及液體化工品碼頭分類)	<b>115,080</b>	10,146
Customer B (derived from the Oil Production segment) 客戶B(來源於產油分類)	<b>37,247</b>	20,192
	<b>152,327</b>	30,338

### 6. 分類資料 (續)

附註：

- (a) 其他未分配開支主要包括未分配行政開支。
- (b) 其他企業資產主要包括未分配按公平值計入損益之財務資產，應收貸款及潛在投資之可退還按金。

來自產油及油品及液體化學品碼頭分類客戶位於中國(居住國)，而來自保險經紀服務客戶位於香港。客戶地理位置基於貨品交付地點及與客戶協商及訂立合約地點。並無呈列非流動資產地理位置，此乃由於大部分非流動資產實際位於中國。

來自主要客戶之收益如下：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 7. FINANCE COSTS

### 7. 財務成本

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Imputed interest on convertible bonds (note 31)	可轉換債券之推算利息(附註31)	17,414	30,924
Interest on bank and other borrowings	銀行及其他借款之利息	30,966	23,391
Finance lease charges	融資租約費用	4,675	28,839
Interest on amounts due to non-controlling shareholders	應付非控股股東款項之利息	11,100	4,034
		<b>64,155</b>	87,188
Less: Amount capitalised*	減：資本化金額*	-	(78,601)
		<b>64,155</b>	8,587

\* Borrowing costs capitalised in 2017 arose on the specific borrowings and general borrowing pool which were calculated by applying a capitalisation rate of 10.88%, to expenditure on qualifying assets.

\* 於二零一七年，已撥充資本的借貸成本產生自特定借貸及一般借貸組合，採用資本化比率10.88%計算，計入合資格資產的支出。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 8. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging the following:

<b>Continuing operations</b>	<b>持續經營業務</b>		
Depreciation (note 15) <sup>^</sup>	折舊(附註15) <sup>^</sup>	<b>3,498</b>	5,624
Amortisation of sea area use rights (note 17)*	海域使用權攤銷(附註17)*	–	1,824
Amortisation of intangible assets (note 18)*	無形資產攤銷(附註18)*	<b>870</b>	1,023
Direct operating expenses arising from investment properties that generated rental income #	產生租金收入之投資物業產生之直接經營開支#	<b>4,906</b>	4,525
Fair value loss on financial assets at FVTPL*	按公平值計入損益之財務資產之公平值虧損*	<b>920</b>	–
Auditor's remuneration	核數師酬金	<b>1,075</b>	1,178
Write-off of property, plant and equipment (note 15)	撤銷物業、廠房及設備(附註15)	<b>1,559</b>	13,051
Exchange loss, net	匯兌虧損淨額	<b>1,071</b>	–
Operating lease charges on land and buildings	土地及樓宇之經營租約費用	<b>4,923</b>	5,453
Employee costs, including directors' emoluments (note 13)	員工成本，包括董事酬金(附註13)	<b>23,509</b>	17,003

\* Included in "other operating expenses" in the consolidated income statement.

# Included in "selling and distribution expenses" in the consolidated income statement.

<sup>^</sup> Depreciation expenses of approximately HK\$2,633,000 (2017: HK\$3,623,000) and approximately HK\$865,000 (2017: HK\$2,001,000) were included in cost of sales and administrative expenses respectively for the year ended 31 December 2018.

### 8. 除所得稅前虧損

除所得稅前虧損已扣除以下各項：

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Continuing operations</b>		
Depreciation (note 15) <sup>^</sup>	<b>3,498</b>	5,624
Amortisation of sea area use rights (note 17)*	–	1,824
Amortisation of intangible assets (note 18)*	<b>870</b>	1,023
Direct operating expenses arising from investment properties that generated rental income #	<b>4,906</b>	4,525
Fair value loss on financial assets at FVTPL*	<b>920</b>	–
Auditor's remuneration	<b>1,075</b>	1,178
Write-off of property, plant and equipment (note 15)	<b>1,559</b>	13,051
Exchange loss, net	<b>1,071</b>	–
Operating lease charges on land and buildings	<b>4,923</b>	5,453
Employee costs, including directors' emoluments (note 13)	<b>23,509</b>	17,003

\* 已計入綜合損益表之「其他經營開支」。

# 已計入綜合損益表之「銷售及分銷開支」。

<sup>^</sup> 於截至二零一八年十二月三十一日止年度，折舊開支約2,633,000港元(二零一七年：3,623,000港元)及約865,000港元(二零一七年：2,001,000港元)分別計入銷售成本及行政開支。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 9. INCOME TAX EXPENSES/(CREDIT)

No Hong Kong profits tax has been provided for as the Group had no estimated assessable profits arising in or derived from Hong Kong for both years.

<b>Continuing operations</b>	<b>持續經營業務</b>
Current tax – PRC	當期稅項 – 中國
– Current year	– 本年度
– PRC withholding tax	– 中國預扣稅
Deferred tax – PRC	遞延稅項 – 中國
– Current year (note 32)	– 本年度 (附註 32)
Income tax expenses/(credit)	所得稅開支/(抵免)

The Group's PRC subsidiaries and branches are subject to PRC enterprise income tax at the tax rate of 25% (2017: 25%) for the year.

Pursuant to the PRC Corporate Income Tax Law, PRC Value-added Tax Law and other related regulations, non-PRC-resident enterprises are levied withholding tax at 10%, 6% and various tax rate (unless reduced by tax treaties/arrangements) respectively on interest receivable from PRC enterprises for income earned since 1 January 2008. The Group has adopted withholding tax rate of 10%, 6% and various tax rate on corporate income tax, value-added tax ("VAT") and other taxes for PRC withholding tax purpose during the year ended 31 December 2018.

### 9. 所得稅開支/(抵免)

由於本集團於兩個年度均無在香港導致或產生任何估計應課稅溢利，故並無就香港利得稅作出撥備。

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
45	12
925	1,395
27,760	(41,086)
<b>28,730</b>	<b>(39,679)</b>

本集團中國附屬公司及分公司本年度須按 25% (二零一七年：25%) 之稅率繳納中國企業所得稅。

根據中國企業所得稅法、中國增值稅法及其他相關條例，自二零零八年一月一日起，非中國居民企業須就所賺取收入應收中國企業的利息分別按 10%、6% 及多項不同稅率 (根據稅務條款/安排作出下調則除外) 之稅率繳納預扣稅。於截至二零一八年十二月三十一日止年度，本集團就繳納中國預扣稅採用 10%、6% 及多項不同稅率的企業所得稅、增值稅 (「增值稅」) 及其他稅項的預扣稅率。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 9. INCOME TAX EXPENSES/(CREDIT) (Continued)

Reconciliation between income tax expenses/(credit) and the accounting loss at applicable tax rates:

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Loss before income tax	除所得稅前虧損	<b>(45,117)</b>	(231,539)
Tax at the applicable rates to loss in the tax jurisdictions concerned	對於所涉稅務司法權區之虧損按適用稅率計算之稅項	<b>(8,958)</b>	(54,792)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司不同稅率的影響	<b>925</b>	1,395
Tax effect of non-taxable income	非課稅收入之稅務影響	<b>(2,167)</b>	(1,412)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	<b>22,194</b>	12,434
Tax effect of unrecognised temporary differences	未確認暫時差額之稅務影響	-	528
Tax effect of unrecognised tax losses	未確認稅務虧損之稅務影響	<b>16,736</b>	2,168
Income tax expenses/(credit)	所得稅開支/(抵免)	<b>28,730</b>	(39,679)

### 10. DIVIDENDS

The board of directors of the Company did not recommend any payment of dividends during the year (2017: Nil).

### 9. 所得稅開支/(抵免)(續)

按適用稅率計算之所得稅開支/(抵免)與會計虧損之對賬如下：

### 10. 股息

年內，本公司董事會建議不派付任何股息(二零一七年：無)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 11. DISCONTINUED OPERATION

In 2015, the Group entered into the sale and purchase agreement with an independent third party, pursuant to which the Group agreed to sell the issued shares and the sale loan of Sunlight Rise Limited (together with its subsidiaries referred to as the "Sunlight Group" engaged in the supply of electricity and heat) which holds 60% equity interests in Shanxi Zhong Kai Group Lingshi Heat and Power Limited at a consideration of HK\$1,500,000 (the "Disposal"). The Disposal was completed on 17 March 2017 (the "Disposal Date") and constitutes a discontinued operation under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" as the supply of electricity and heat represented one of the major line of business of the Group.

(a) Analysis of the results of the discontinued operation:

		Period from 1 January 2017 to the Disposal Date HK\$'000 自二零一七年 一月一日起至 出售日期止期間 千港元
Loss for the period	期內虧損	(449)
Loss on disposal of subsidiaries (note b)	出售附屬公司虧損(附註b)	(9,121)
		<u>(9,570)</u>
Other income	其他收入	5
Administrative expenses	行政開支	(454)
Loss for the period	期內虧損	<u>(449)</u>

### 11. 已終止經營業務

於二零一五年，本集團與一名獨立第三方訂立買賣協議，據此，本集團同意出售昇暉有限公司(連同其附屬公司統稱「昇暉集團」，從事熱電供應，該公司持有山西中凱集團靈石熱電有限公司之60%股權)的已發行股份及待售貸款，代價為1,500,000港元(「出售事項」)，出售事項於二零一七年三月十七日(「出售日期」)已告完成，且構成香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」下所指之已終止經營業務，原因是熱電供應曾為本集團一項主要業務線。

(a) 已終止經營業務之業績分析：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 11. DISCONTINUED OPERATION (Continued)

(b) Disposal of subsidiaries:

		HK\$'000 千港元
Net liabilities disposed of:	出售的負債淨額：	
Property, plant and equipment (note 15)	物業、廠房及設備(附註15)	31,796
Prepaid land lease payments	預付土地租賃款項	4,516
Inventories	存貨	2,047
Trade and other receivables	應收貿易及其他賬項	71,122
Cash and cash equivalents	現金及現金等值項目	322
Trade and other payables	應付貿易及其他賬項	(42,776)
Bank borrowings	銀行借款	(51,531)
Amount due to the Group	應付本集團的款項	(81,388)
Amounts due to a non-controlling shareholder	應付非控股股東的款項	(16,519)
Non-controlling interests	非控股股東權益	22,532
		(59,879)
Disposal of amount due to the Group (the "Sale Loan")	出售應付本集團款項(「待售貸款」)	81,388
Release of exchange reserve upon disposal	出售時解除匯兌儲備	(10,888)
Loss on disposal of subsidiaries	出售附屬公司虧損	(9,121)
Total consideration	代價總額	1,500

An analysis of the net cash flow arising on disposal of the discontinued operation was as follows:

出售已終止經營業務產生之現金流量淨額分析如下：

		HK\$'000 千港元
Cash consideration	現金代價	1,500
Cash and cash equivalents disposed of	出售之現金及現金等值項目	(322)
Net cash inflows arising from the disposal of subsidiaries	出售附屬公司產生之現金流入淨額	1,178



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## 財務報表附註

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

### 11. DISCONTINUED OPERATION (Continued)

#### (b) Disposal of subsidiaries: (Continued)

The carrying amounts of the assets and liabilities of the Sunlight Group at the Disposal Date are approximately HK\$109,803,000 and HK\$192,214,000 respectively. A loss of approximately HK\$9,121,000 arose on the Disposal, being the proceeds of Disposal of HK\$1,500,000 less net asset value disposed of in the amount of approximately HK\$10,621,000, being the net amount of (i) the Sale Loan of approximately HK\$81,388,000; (ii) the equity attributable to the owners of the Sunlight Group of approximately HK\$59,879,000 (in negative); and (iii) the release of the exchange reserve upon Disposal of approximately HK\$10,888,000. No tax charge or credit arose from the Disposal.

### 12. LOSS PER SHARE

The calculations of basic loss per share attributable to the owners of the Company are based on the following data:

### 11. 已終止經營業務 (續)

#### (b) 出售附屬公司：(續)

昇暉集團於出售日期的資產及負債的賬面值分別約為109,803,000港元及192,214,000港元。出售昇暉集團產生虧損約9,121,000港元，即出售所得款項1,500,000港元減去所售資產淨值約10,621,000港元，乃以下各項的淨額(i)待售貸款約81,388,000港元；(ii)昇暉集團擁有人應佔權益約59,879,000港元(為負)；及(iii)於出售時解除匯兌儲備約10,888,000港元。出售事項並無產生任何稅項開支或抵免。

### 12. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	用以計算每股基本虧損之本公司擁有人應佔本年度虧損		
– From continuing operations	– 持續經營業務	(76,478)	(178,056)
– From discontinued operation	– 已終止經營業務	–	(9,065)
		<b>(76,478)</b>	<b>(187,121)</b>
<b>Number of shares</b>	<b>股份數目</b>	<b>'000 千股</b>	<b>'000 千股 (Restated) (重列)</b>
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之普通股加權平均數	<b>6,309,686</b>	<b>3,982,817</b>

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## 財務報表附註

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

### 12. LOSS PER SHARE (Continued)

The calculation of basic loss per share is based on the loss attributable to the owners of the Company and the weighted average number of ordinary shares.

For the year ended 31 December 2017, the weighted average number of ordinary shares in issue was restated, after adjusting for the bonus elements in share issued under the placing (note 33(ii)).

For the years ended 31 December 2018 and 2017, no adjustment has been made to the basic loss per share amount presented in respect of a dilution as the impact of the convertible bonds outstanding had an anti-dilutive effect on the basic loss per share amount presented.

### 13. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

### 12. 每股虧損 (續)

每股基本虧損乃根據本公司擁有人應佔虧損及普通股加權平均數計算。

截止二零一七年十二月三十一日止年度，已發行普通股加權平均數已重列(根據配售經調整已發行股份花紅因素)(附註33(ii))。

截至二零一八年及二零一七年十二月三十一日止年度，由於未兌換之可換股債券對所呈列之每股基本虧損金額具有反攤薄影響，並無對就攤薄呈列之每股基本虧損金額作出調整。

### 13. 僱員福利開支(包括董事酬金)

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Continuing operations</b>	<b>持續經營業務</b>		
Wages, salaries and allowances	工資、薪金及津貼	<b>22,422</b>	24,152
Pension costs – defined contribution retirement plans	退休金成本— 定額供款退休計劃	<b>1,087</b>	844
		<b>23,059</b>	24,996
Less: Amount capitalised in construction in progress (note 15)	減：在建工程內資本化之金額(附註15)	–	(7,993)
		<b>23,059</b>	17,003

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

### 14. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

#### (a) Directors' emoluments

		Salaries, allowances and benefits in kind	Contribution to retirement benefit scheme	Total	
	Fees HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	袍金 千港元	薪金、津貼及 實物福利 千港元	退休福利 計劃供款 千港元	總計 千港元	
<b>2018</b>	<b>二零一八年</b>				
<b>Executive directors</b>	<b>執行董事</b>				
Mr. Lan Yongqiang	藍永強先生	–	621	–	621
Ms. Wang Meiyang	王美艷女士	–	386	–	386
Mr. Chan Wai Cheung Admiral	陳偉璋先生	–	991	18	1,009
Ms. Jin Yuping	金玉萍女士	–	120	–	120
Mr. Cao Sheng (appointed on 15 March 2018)	曹晟先生(於二零一八年 三月十五日獲委任)	–	191	–	191
Mr. Yu Zhiyong (appointed on 15 March 2018)	于志勇先生(於二零一八年 三月十五日獲委任)	–	191	–	191
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Mr. Wang Jinghua	王靖華先生	54	–	–	54
Mr. Lee Hoi Yan (Resigned on 1 January 2019)	李凱恩先生(於二零一九年 一月一日辭任)	138	–	–	138
Mr. Fung Nam Shan	馮南山先生	138	–	–	138
		<b>330</b>	<b>2,500</b>	<b>18</b>	<b>2,848</b>
<b>2017</b>	<b>二零一七年</b>				
<b>Executive directors</b>	<b>執行董事</b>				
Mr. Lan Yongqiang	藍永強先生	–	390	–	390
Ms. Wang Meiyang	王美艷女士	–	739	–	739
Mr. Chan Wai Cheung Admiral	陳偉璋先生	–	650	18	668
Ms. Jin Yuping	金玉萍女士	–	120	–	120
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>				
Mr. Wang Jinghua	王靖華先生	36	–	–	36
Mr. Lee Hoi Yan	李凱恩先生	120	–	–	120
Mr. Fung Nam Shan	馮南山先生	120	–	–	120
		<b>276</b>	<b>1,899</b>	<b>18</b>	<b>2,193</b>

### 14. 董事及五位最高薪酬人士酬金

#### (a) 董事酬金

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Contribution to retirement benefit scheme HK\$'000	Total HK\$'000
	袍金 千港元	薪金、津貼及 實物福利 千港元	退休福利 計劃供款 千港元	總計 千港元
<b>2018</b>				
<b>Executive directors</b>				
Mr. Lan Yongqiang	–	621	–	621
Ms. Wang Meiyang	–	386	–	386
Mr. Chan Wai Cheung Admiral	–	991	18	1,009
Ms. Jin Yuping	–	120	–	120
Mr. Cao Sheng (appointed on 15 March 2018)	–	191	–	191
Mr. Yu Zhiyong (appointed on 15 March 2018)	–	191	–	191
<b>Independent non-executive directors</b>				
Mr. Wang Jinghua	54	–	–	54
Mr. Lee Hoi Yan (Resigned on 1 January 2019)	138	–	–	138
Mr. Fung Nam Shan	138	–	–	138
	<b>330</b>	<b>2,500</b>	<b>18</b>	<b>2,848</b>
<b>2017</b>				
<b>Executive directors</b>				
Mr. Lan Yongqiang	–	390	–	390
Ms. Wang Meiyang	–	739	–	739
Mr. Chan Wai Cheung Admiral	–	650	18	668
Ms. Jin Yuping	–	120	–	120
<b>Independent non-executive directors</b>				
Mr. Wang Jinghua	36	–	–	36
Mr. Lee Hoi Yan	120	–	–	120
Mr. Fung Nam Shan	120	–	–	120
	<b>276</b>	<b>1,899</b>	<b>18</b>	<b>2,193</b>

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

### 14. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

#### (a) Directors' emoluments (Continued)

During the year, no emoluments were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office (2017: Nil).

There were no arrangements under which a director of the Company waived or agreed to waive any remuneration during the year (2017: Nil).

#### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year included 2 directors (2017: 1 director) and their emoluments are included in the above analysis. Details of the emoluments of the remaining 3 (2017: 4) individuals during the year are as follows:

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Basic salaries, housing benefits, other allowances and benefits in kind	2,245	3,615
Pension costs – defined contribution retirement benefit plans	35	18
	<b>2,280</b>	<b>3,633</b>

Number of the remaining highest paid individuals whose emoluments fell within the following band is as follows:

	2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	2	2
HK\$1,000,001 to HK\$1,500,000	1	2

During the year, no emoluments were paid by the Group to the above highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2017: Nil).

### 14. 董事及五位最高薪酬人士酬金 (續)

#### (a) 董事酬金 (續)

年內，本集團並無向本公司董事支付任何酬金，作為加入本集團或於加盟時之獎金或作為離職補償(二零一七年：無)。

年內，並無任何本公司董事放棄或同意放棄任何酬金之安排(二零一七年：無)。

#### (b) 五位最高薪酬人士

年內，本集團五位最高薪酬人士包括兩位董事(二零一七年：一位董事)，彼等之酬金詳情參考上文分析。年內，餘下三位(二零一七年：四位)人士之酬金詳情如下：

酬金介乎以下範圍之餘下最高薪酬人士數目如下：

年內，本集團並無向上述最高薪酬人士支付任何酬金，作為加入本集團或於加盟時之獎金或作為離職補償(二零一七年：無)。

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## 財務報表附註

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

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Oil and liquefied chemical terminal HK\$'000	Buildings HK\$'000	Oil properties HK\$'000	Plant and machinery HK\$'000	Leasehold improvements, furniture, office equipment and motor vehicles HK\$'000	Construction in progress HK\$'000	Total HK\$'000
		油品及液體化 工品碼頭 千港元	樓宇 千港元	石油財產 千港元	廠房及機器 千港元	租賃物業裝修、 傢俬、辦公設備 及汽車 千港元	在建工程 千港元	總計 千港元
<b>Year ended 31 December 2017</b>	<b>截至二零一七年 十二月三十一日止年度</b>							
Opening net carrying amount	年初賬面淨值	-	13,354	24,803	17,579	2,700	860,824	919,260
Additions	添置	-	-	-	-	4,004	366,431	370,435
Transfer from CIP	轉撥自在建工程	1,291,826	-	-	-	-	(1,291,826)	-
Disposals of subsidiaries (note 11)	出售附屬公司(附註11)	-	(13,527)	-	(16,823)	(1,209)	(237)	(31,796)
Disposals	出售	-	-	-	-	(112)	-	(112)
Write-off (note 8)	撇銷(附註8)	-	-	(13,051)	-	-	-	(13,051)
Exchange differences	匯兌差額	2,665	173	4,003	(640)	(1,575)	65,872	70,498
Depreciation (note 8)	折舊(附註8)	-	-	(4,855)	(116)	(653)	-	(5,624)
Transfer to investment properties (note 20)	轉撥至投資物業(附註20)	(1,294,491)	-	-	-	-	-	(1,294,491)
Impairment loss	減值虧損	-	-	(4,789)	-	(212)	(468)	(5,469)
<b>Closing net carrying amount</b>	<b>年終賬面淨值</b>	-	-	6,111	-	2,943	596	9,650
<b>At 31 December 2017</b>	<b>於二零一七年十二月 三十一日</b>							
Cost	成本	-	-	432,949	319	28,598	8,126	469,992
Accumulated depreciation and impairment	累計折舊及減值	-	-	(426,838)	(319)	(25,655)	(7,530)	(460,342)
<b>Net carrying amount</b>	<b>賬面淨值</b>	-	-	*6,111	-	*2,943	*596	9,650

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## 財務報表附註

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

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

### 15. 物業、廠房及設備 (續)

	Oil and liquefied chemical terminal HK\$'000	Buildings HK\$'000	Oil properties HK\$'000	Plant and machinery HK\$'000	Leasehold improvements, furniture, office equipment and motor vehicles HK\$'000	Construction in progress HK\$'000	Total HK\$'000
	油品及液體化工品碼頭 千港元	樓宇 千港元	石油財產 千港元	廠房及機器 千港元	租賃物業裝修、傢俬、辦公設備及汽車 千港元	在建工程 千港元	總計 千港元
<b>Year ended 31 December 2018</b>	<b>截至二零一八年十二月三十一日止年度</b>						
Opening net carrying amount	-	-	6,111	-	2,943	596	9,650
Additions	-	-	845	-	3,720	1,651	6,216
Acquisition of a subsidiary (note 40)	-	-	-	-	19	-	19
Disposals	-	-	-	-	(2)	-	(2)
Write-off (note 8)	-	-	(327)	-	(2)	(1,230)	(1,559)
Exchange differences	-	-	(3,346)	-	(531)	96	(3,781)
Depreciation (note 8)	-	-	(2,633)	-	(865)	-	(3,498)
Impairment loss	-	-	(194)	-	-	(332)	(526)
<b>Closing net carrying amount</b>	<b>-</b>	<b>-</b>	<b>456</b>	<b>-</b>	<b>5,282</b>	<b>781</b>	<b>6,519</b>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>						
Cost	-	-	412,110	-	32,826	3,926	448,862
Accumulated depreciation and impairment	-	-	(411,654)	-	(27,544)	(3,145)	(442,343)
<b>Net carrying amount</b>	<b>-</b>	<b>-</b>	<b>*456</b>	<b>-</b>	<b>5,282</b>	<b>*781</b>	<b>6,519</b>

\* The balance of HK\$1,237,000 (2017: HK\$6,977,000) included in these amounts represents property, plant and equipment relating to the Oil Production CGU.

\* 計入該等金額的結餘1,237,000港元(二零一七年: 6,977,000港元)為與產油現金產生單位相關的物業、廠房及設備。

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## 財務報表附註

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

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The buildings located on the prepaid land lease payments in the PRC was disposed in 2017 (note 11).

#### Oil Production:

As a result of the closure of certain oil wells at the request of the municipal government to protect the natural environment, property, plant and equipment relating to the infrastructure of the affected oil wells, approximately HK\$13,051,000 were written off in 2017.

During the year, provision for impairment loss of the property, plant and equipment relating to the Oil Production CGU of approximately HK\$526,000 (2017: HK\$5,469,000), was recognised in profit or loss to write down to its recoverable amount due to the accumulative decrease in the projected volume of drilling and extraction and decrease in the projected crude oil price (note 18(i)).

#### Oil and Liquefied Chemical Terminal:

In late September 2017, the carrying amount of CIP of approximately HK\$1,291,826,000 relating to the Group's oil and liquefied chemical terminal facilities, which together with all necessary land-forming and reclamation construction and facilities installation, were completed and transferred to oil and liquefied chemical terminal in property, plant and equipment. On the same date, this amount was transferred to investment properties due to the change of actual use at the time of commencement of the lease. Additions in 2017 included capitalised interest and staff costs of approximately HK\$78,601,000 (note 7) and HK\$7,993,000 (note 13) respectively.

### 15. 物業、廠房及設備 (續)

樓宇位於中國之預付土地租賃款項，已於二零一七年出售(附註11)。

#### 產油：

由於響應市政府保護自然環境的號召而關閉若干油井，二零一七年已撤銷與相關油井之基礎設施相關之物業、廠房及設備約13,051,000港元。

年內，產油現金產生單位減值虧損撥備約526,000港元(二零一七年：5,469,000港元)，乃於損益確認以撇減至其可收回金額，原因為預測鑽探及開採量累計減少及預測原油價格下降(附註18(i))。

#### 油品及液體化工品碼頭：

於二零一七年九月末，在建工程賬面值包括金額約1,291,826,000港元與本集團油品及液體化工品碼頭設施相關的金額，該等設施連同所有必需土地平整及填海建設及設施安裝均完成並已轉撥至物業、廠房及設備之油品及液體化工品碼頭。於同日，該金額轉撥至投資物業，原因是於開始租賃時其實際用途改變。於二零一七年，添置包括資本化利息及員工成本分別約78,601,000港元(附註7)及7,993,000港元(附註13)。

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### 16. PREPAID LAND LEASE PAYMENTS

The Group's interests in leasehold land and land use rights in the PRC was disposed in 2017 (note 11).

### 17. SEA AREA USE RIGHTS

Sea area use rights were acquired through acquisition of Shandong Shundong Port Services Company Limited ("Shundong Port") in 2015.

In 2017, the balance of HK\$113,924,000 (note 20) was transferred to investment properties due to the change of actual use at the time of commencement of lease.

### 16. 預付土地租賃款項

本集團於中國持有之租賃土地及土地使用權之權益於二零一七年出售(附註11)。

### 17. 海域使用權

海域使用權乃透過於二零一五年收購山東順東港務有限公司(「順東港務」)取得。

於二零一七年，結餘113,924,000港元(附註20)轉撥至投資物業，原因為租期開始時實際用途發生變化。

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Opening net carrying amount	年初賬面淨值	-	106,367
Exchange differences	匯兌差額	-	9,381
Amortisation (note 8)	攤銷(附註8)	-	(1,824)
Transferred to investment properties (note 20)	轉撥至投資物業(附註20)	-	(113,924)
Closing net carrying amount	年終賬面淨值	-	-



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## 財務報表附註

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### 18. INTANGIBLE ASSETS

At 1 January 2017	於二零一七年一月一日			
Amortisation for the year (note 8)	本年度攤銷(附註8)			
Impairment loss	減值虧損			
Exchange difference	匯兌差額			
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			
Amortisation for the year (note 8)	本年度攤銷(附註8)			
Impairment loss	減值虧損			
Exchange difference	匯兌差額			
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>			

All intangible assets relate to the Oil Production CGU.

Notes:

- (i) Exploration and evaluation assets are mainly classified as exploration and evaluation assets arising from the Oil Production segment when the technical feasibility and commercial viability of extracting the oil resource had been determined and that the commercial production commences are recognised initially at cost.
- (ii) Interests in oil production sharing contract were recognised at fair value on business combination and are charged to profit or loss on unit of production method. Details of the oil production sharing contract are set out in note 36.

### 18. 無形資產

Exploration and evaluation assets	Interests in oil production sharing contract	Total
HK\$'000	HK\$'000	HK\$'000
(note (i))	(note (ii))	
勘探及評估資產	產油業務共享合約之權益	總計
千港元	千港元	千港元
(附註(i))	(附註(ii))	
198	388,886	389,084
(12)	(1,011)	(1,023)
(266)	(170,444)	(170,710)
418	-	418
<b>338</b>	<b>217,431</b>	<b>217,769</b>
<b>(21)</b>	<b>(849)</b>	<b>(870)</b>
<b>(107)</b>	<b>(62,694)</b>	<b>(62,801)</b>
<b>43</b>	<b>-</b>	<b>43</b>
<b>253</b>	<b>153,888</b>	<b>154,141</b>

所有無形資產與產油現金產生單位相關。

附註：

- (i) 勘探及評估資產於釐定開採石油資源之技術及商業可行性及開始商業生產時，主要從來自產油分類之勘探及評估資產進行分類，初步按成本確認。
- (ii) 產油業務共享合約之權益按業務合併之公平值確認，並以生產單位法自損益表扣除。產油業務共享合約之詳情載於附註36。

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## 財務報表附註

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### 18. INTANGIBLE ASSETS (Continued)

For the purpose of impairment testing as at 31 December 2018, the recoverable amount of property, plant and equipment, exploration and evaluation assets and interests in oil production sharing contract relating to the Oil Production CGU was determined based on the higher of fair value less cost of disposal and value-in-use calculation. Value-in-use calculation is derived by using discounted cash flow analysis which adopts cash flow projection for a period of 13 years up to 2031 (2017: 14 years up to 2031) with a growth rate of 3% (2017: 3%) for direct cost and cash expenses. The growth rate reflects the long-term average growth rate for the country in which the entity of the Oil Production CGU operates. Having reflected specific risks relating to the Oil Production CGU, the pre-tax discount rate used to determine the value-in-use in 2018 is 15% (2017: 18%).

In order to determine the recoverable amount of the Oil Production CGU, management made reference to the valuation report on the Group's Oil Production CGU issued by APAC Asset Valuation and Consulting Limited, an independent qualified professional valuation firm together with other variables and assumptions related to the operations. Key assumptions used for discounted cash flow calculations are as follows:

Key assumptions also include budgeted gross margin based on past performance, estimated crude oil reserve of technical report and management expectations of market development. The discount rate used is pre-tax and reflects specific risks relating to the Oil Production CGU.

During the year, recoverable amount of HK\$155,378,000 for the Oil Production CGU is derived from value-in-use calculation, resulted in impairment loss of approximately HK\$63,327,000 (2017: HK\$176,179,000) and is charged pro rata to the assets related to the Oil Production CGU. Impairment losses in respect of property, plant and equipment, exploration and evaluation assets and interests in oil production sharing contract of approximately HK\$526,000 (2017: HK\$5,469,000) (note 15), HK\$107,000 (2017: HK\$266,000) and HK\$62,694,000 (2017: HK\$170,444,000) respectively, are recognised as expenses in profit or loss as the assets' carrying amounts exceed their recoverable amounts.

### 18. 無形資產(續)

就於二零一八年十二月三十一日之減值測試而言，有關產油現金產生單位之物業、廠房及設備、勘探及評估資產及產油業務共享合約之權益之可收回金額按照公平價值減出售成本及使用價值較高者計算，使用價值計算使用折現現金流量分析，折現現金流量分析採用截至二零三一年止十三年期間(二零一七年：截至二零三一年止十四年期間)之現金流量預測，直接成本及現金開支之增長率為3%(二零一七年：3%)。增長率反映產油現金產生單位實體經營所在國家之長期平均增長率。已反映有關產油現金產生單位特定風險，於二零一八年用以釐定使用價值之除稅前折現率為15%(二零一七年：18%)。

為釐定產油現金產生單位之可收回金額，管理層參考獨立合資格專業估值機構亞太資產評估及顧問有限公司有關本集團產油現金產生單位之估值報告連同其他有關業務的變數及假設而釐定。折現現金流量計算的主要假設如下：

	2018 二零一八年	2017 二零一七年
Pre-tax discount rate 除稅前折現率	15%	18%
Growth rate 增長率	3%	3%

主要假設亦包括根據過往表現而釐定之預算毛利率、技術報告之估計原油儲蓄及管理層預期之市場發展。所使用折現率乃除稅前，及反映與該等無形資產有關之特定風險。

年內，產油現金產生單位可收回金額155,378,000港元，採用使用價值計算達至，導致減值虧損約63,327,000港元(二零一七年：176,179,000港元)，並按比例計入關於產油現金產生單位之資產。有關物業、廠房及設備、勘探及評估資產及產油業務共享合約之權益的減值虧損分別約為526,000港元(二零一七年：5,469,000港元)(附註15)、107,000港元(二零一七年：266,000港元)及62,694,000港元(二零一七年：170,444,000港元)，由於資產賬面值超越其可收回金額而於損益確認為開支。

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### 18. INTANGIBLE ASSETS (Continued)

As a result of the accumulative decrease in the projected volume of drilling and extraction and decrease in the projected crude oil price, the carrying amount of the Oil Production CGU has been reduced to its recoverable amount of HK\$155,378,000 (after impairment) (2017:HK\$224,746,000) as at 31 December 2018. Any adverse change in the key assumptions used to calculate the recoverable amount would result in further impairment loss.

### 19. GOODWILL

At 1 January	於一月一日
Acquired through business combinations (note 40)	透過業務合併獲得(附註40)
At 31 December	於十二月三十一日

For the purpose of impairment testing, goodwill is allocated to the CGU to which the Insurance Brokerage Service segment belongs (the "Insurance Brokerage Service CGU"), which derived from the business combination on 31 August 2018 (note 40).

The recoverable amount of the Insurance Brokerage Service CGU has been determined by value-in-use calculations based on cash flow projections from formally approved budgets covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3%, which does not exceed the long-term growth rate for the insurance brokerage service industry in Hong Kong.

### 18. 無形資產(續)

由於預測鑽探及開採量累計減少及預測原油價格下降，於二零一八年十二月三十一日，產油現金產生單位之賬面值已撇減至其可收回金額155,378,000港元(扣除減值後)(二零一七年：224,746,000港元)。用以計算可收回金額之主要假設倘出現任何不利變動，均會導致進一步出現減值虧損。

### 19. 商譽

		2018 HK\$'000 二零一八年 千港元
At 1 January	於一月一日	-
Acquired through business combinations (note 40)	透過業務合併獲得(附註40)	1,440
At 31 December	於十二月三十一日	1,440

為進行減值測試，商譽已於二零一八年八月三十一日分配至業務合併中保險經紀服務分類所屬之現金產生單位(「保險經紀服務現金產生單位」)項下(附註40)。

保險經紀服務現金產生單位項下已可收回款項根據涵蓋五年期正式獲批准預算所載現金流量預測計算的使用價值釐定。超過五年期的現金流量按估計加權平均增長率3%推算，該增長率並無超過香港的保險經紀服務長期增長率。

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

### 19. GOODWILL (Continued)

#### Significant unobservable inputs

Discount rate  
Terminal yield

#### 重大不可觀察輸入值

折現率  
最終收益率

2018  
二零一八年

19%

3%

The discount rate used is pre-tax and reflect specific risks relating to the relevant CGU. The operating margin and growth rate within the five-year period have been based on past experience and management expectations of market development.

As at 31 December 2018, the carrying amount of the Insurance Brokerage Service CGU exceeds to its recoverable amount. No impairment loss is recognised during the year.

所有折現率為稅前並反映與相關現金產生單位有關之特定風險。五年期間內經營利潤率及增長率以過往經驗及管理層對市場發展的預期為基準。

於二零一八年十二月三十日，保險經紀服務現金產生單位賬面值超過可收回金額。於年內並無確認減值虧損。

### 20. INVESTMENT PROPERTIES

### 20. 投資物業

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Fair value</b>	<b>公平值</b>		
At 1 January	於一月一日	1,500,000	–
Additions	添置	5,732	3,049
Transferred from property, plant and equipment (note 15)	轉撥自物業、廠房及設備(附註15)	–	1,294,491
Transferred from sea area use rights (note 17)	轉撥自海域使用權(附註17)	–	113,924
Fair value adjustment upon the transfer recognised in other comprehensive income	於其他全面收入中確認之轉撥時之公平值調整	–	88,536
Fair value loss recognised in profit or loss	於損益中確認的公平值虧損	(5,986)	–
Exchange difference	匯兌差額	(74,746)	–
At 31 December	於十二月三十一日	1,425,000	1,500,000

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### 20. INVESTMENT PROPERTIES (Continued)

In October 2016, the Group entered into a conditional lease agreement relating to oil and liquefied chemical terminal with an independent third party, in which the rent payable by the lessee to the Group before VAT is RMB125,000,000 (approximately HK\$148,750,000) per annum. Initial terms of the lease were for five years running from 1 April 2017 to 31 March 2022 (subject to further renewals).

The change of application procedures of permits for operation of port in second half of 2017 resulted in further postpone of the 5-years lease period. Nevertheless, certain portion of the port was able to rent out under trial permit for operation of port in late September 2017. The Group obtained the formal permit for operation of port in late March 2018 to replace its trial one.

In May 2018, all leasing conditions were fulfilled and the Company has received a full rental income stipulated in the lease agreement.

All of the Group's property interests held under operating leases (i.e. sea area use rights) to earn rentals or for capital appreciation purposes are measured using fair value model and are classified and accounted for as investment properties. In light of the commencement of the lease of the oil and liquefied chemical terminal, the oil and liquefied chemical terminal under the property, plant and equipment and the sea area use rights were transferred to investment properties on 30 September 2017 (the "Date of Transfer").

With respect of the passage of a short period of time, the directors of the Company were of the opinion that the change in the fair values of the investment properties between the Date of Transfer and the year ended date of 31 December 2017 was considered as minimal.

The fair value measurement of the Group's investment properties as at reporting date have been determined by income approach carried out by APAC Asset Valuation and Consulting Limited, an independent professional valuer who holds recognised and relevant professional qualifications.

### 20. 投資物業(續)

於二零一六年十月，本集團與一名獨立第三方簽訂有條件租賃協議，內容有關油品及液體化工品碼頭，其中，承租人須向本集團每年支付除增值稅前租金人民幣125,000,000元(於約148,750,000港元)，租期自二零一七年四月一日起至二零二二年三月三十一日止初步為期五年(可進一步續期)。

由於二零一七年下半年港口經營牌照申請程序發生變化，導致五年租期進一步延長，然而，部分港口根據港口經營試用許可證於二零一七年九月下旬租出。本集團已於二零一八年三月下旬取得正式港口經營許可證，取代其試用經營許可證。

於二零一八年五月，所有租賃條件已獲達成，本公司悉數收到租賃協議規定之租金。

本集團根據經營租約持有以賺取租金或作資本增值目的之所有物業權益(即海域使用權)乃採用公平值模式計量，並分類為及入賬列作投資物業。鑑於開始租賃油品及液體化工品碼頭，物業、廠房及設備以及海域使用權下的液體化工品碼頭於二零一七年九月三十日(「轉撥日期」)轉撥至投資物業。

由於僅經過一段短時間，本公司董事認為投資物業自轉撥日期至年結日期二零一七年十二月三十一日間之公平值變化甚微。

本集團投資物業於本報告日期之公平值計量乃由持有獲認可及相關專業資格之獨立專業估值師亞太資產評估及顧問有限公司根據收入法釐定。

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### 20. INVESTMENT PROPERTIES (Continued)

The fair value of investment properties is a level 3 recurring fair value measurement. During the year, there were no transfers into or out of level 3 or any other level. The Group's policy is to recognise transfers between levels of the fair value hierarchy as at the end of the reporting period in which they occur. A reconciliation of the opening and closing fair value balances is provided below:

Opening balance (level 3 recurring fair value)	年初結餘(第三級經常性公平值)
Initial recognition	初始確認
Addition	添置
Fair value change	公平值變動
Exchange difference	匯兌差額
Closing balance (level 3 recurring fair value)	年終結餘(第三級經常性公平值)

As at 31 December 2018, fair value is determined by applying the income approach, using the discounted cash flow method, based on the contractual rental value of the properties. The fair value measurement also includes the estimated terminal value at the end of the projection period.

Except the rental value derived from the lease agreement mentioned above, other significant unobservable inputs are disclosed as follow:

Rent growth rate per annum	租金年增長率
Discount rate	貼現率
Capitalisation rate	資本化率

### 20. 投資物業(續)

投資物業的公平值按第三級經常性公平值計量。年內，概無轉入或轉出第三級或任何其他級別。本集團之政策為於出現轉撥之報告期末確認公平值等級間之轉撥。年初及年終公平值結餘之對賬如下：

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
1,500,000	—
—	1,500,000
5,732	—
(5,986)	—
(74,746)	—
1,425,000	1,500,000

於二零一八年十二月三十一日，公平值乃根據該等物業之合約租賃價值運用貼現現金流量法、應用收入法釐定。估值亦包括預測期間末之估計最終價值。

除上述自租賃協議之租賃價值外，其他重大不可觀察輸入值如下：

2018 二零一八年	2017 二零一七年
0% to 6%	Nil
8%	8%
4.5%	4.5%

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### 20. INVESTMENT PROPERTIES (Continued)

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including terminal value. This method involves the projection of a series of cash flows on a property interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset. The capitalisation rate is separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by the lease period of the lease agreement signed on 24 October 2016. The periodic cash flow is estimated as gross income less non-recoverable expenses, collection losses, lease incentives, maintenance costs and other operating and management expenses if any. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

A significant increase/decrease in the rental value in isolation would result in a significant increase/decrease in the fair value of the investment properties. A significant increase/decrease in the discount rate and capitalisation rate in isolation would result in a significant decrease/increase in the fair value of the investment properties. Generally, a change in the assumption made for the rental value is accompanied by a directionally similar change in the rent growth per annum.

The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

All investment properties have been pledged to secure banking facilities granted to the Group (note 28(i)) and finance lease liabilities (note 30) as at 31 December 2018 and 2017.

### 20. 投資物業(續)

根據貼現現金流量法，公平值乃採用假設有關於所有權的利益及負債超過資產之壽命(包括最終價值)進行估計。該方法涉及對物業權益之一連串現金流量之預測。市場衍生之貼現率適用於預測現金流量，以便確立與資產有關之收入來源之現值。資本化率單獨釐定且有別於貼現率。

現金流量的持續時間及流入和流出的具體時間乃由於二零一六年十月二十四日簽訂的租賃協議之租期決定。定期現金流量按總收入扣除不可收回開支、收取虧損、租金獎勵、維修費用及其他經營和管理開支估計。該一系列定期經營收入淨額，連同預計於預測期終結時的最終價值估計金額予以貼現。

租賃價值大幅增加/減少會導致投資物業公平值大幅增加/減少。貼現率及資本化率單大幅增加/減少會導致投資物業公平值大幅減少/增加。一般而言，就租賃價值作出的假設的變動會導致租金年增長出現類似方向變動。

公平值計量乃基於上述物業得到完全充分使用(與其實際用途相同)。

於二零一八年及二零一七年十二月三十一日，所有投資物業均已抵押，以為本集團獲授予之銀行融資(附註28(i))及融資租賃負債(附註30)作抵押。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 21. TRADE RECEIVABLES

Trade receivables 應收貿易賬項

The Group normally allows trading credit terms of 30 days (2017: 30 days) to its established customers. Each customer has a maximum credit limit. For certain customers with long established relationship and good past repayment history, a longer credit period may be granted. Trade receivables are non-interest bearing.

As at 31 December 2018, trade receivables of approximately HK\$11,874,000 (2017: Nil) have been pledged to secure the finance lease liabilities (note 30).

Ageing analysis of trade receivables, based on the invoice date, is as follows:

1 – 90 days 1至90日

At 31 December 2018 and 2017, there were no trade receivables that were individually determined to be impaired. The Group did not hold any collateral over these balances.

### 21. 應收貿易賬項

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
15,211	8,372

本集團一般給予已建立關係之客戶30日之貿易信貸期(二零一七年:30日)。每個客戶設有信貸上限。就若干已建立長期關係且具有良好還款記錄的客戶而言,可能授出較長的信貸期。應收貿易賬項及票據並不計息。

於二零一八年十二月三十一日,應收貿易賬項約11,874,000港元(二零一七年:無),該款項已用於融資租賃負債之抵押(附註30)。

應收貿易賬項及票據根據發票日期之賬齡分析如下:

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
15,211	8,372

於二零一八年及二零一七年十二月三十一日,並無應收貿易賬項個別釐定為減值。本集團並無就該等結餘持有任何抵押品。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

<b>Current:</b>	<b>即期：</b>
Prepayments	預付款項
Deposits	按金
Refundable deposits for a potential investment (note i)	潛在投資可予退還按金(附註i)
Advances to staff	員工墊款
Other receivables (note ii)	其他應收款項(附註ii)
<b>Non-current:</b>	<b>非即期：</b>
Deposits	按金
Other receivables (note ii)	其他應收款項(附註ii)

### 22. 預付款項、按金及其他應收款項

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
1,219	1,221
426	4,152
114,000	-
14,766	4,803
20,380	57,911
<b>150,791</b>	<b>68,087</b>
1,375	-
55,829	66,116
<b>57,204</b>	<b>66,116</b>

Notes:

- (i) On 30 October 2018, the Company entered into a memorandum of understanding (the "MOU") with the vendors, independent third parties, pursuant to which the Company proposed to invest in not less than 45% issued shares of a target company with an estimated consideration of RMB675,000,000 (approximately of HK\$769,500,000). Under the terms of the MOU, the Company paid to the vendors a refundable deposit of RMB100,000,000 (approximately of HK\$114,000,000). Should the parties to the MOU not proceed to the signing of the formal investment agreement within six months after the date of the MOU, the deposit shall be refunded to the Company. The directors of the Company are of the view that as this potential investment is still under preliminary negotiation and uncertain of the completion of the transaction with the vendors before the lapse date of the MOU, the balance is classified as current asset in the consolidated statement of financial position. When the MOU proceeds to the signing of the binding agreement with the vendors, the refundable deposit will be reclassified as a non-current asset.
- (ii) Other receivables comprises VAT recoverables of approximately HK\$68,784,000 (2017: HK\$80,980,000), of which an amount of approximately HK\$12,955,000 (2017: HK\$14,864,000) will be used to offset output VAT within one year and hence is accounted for as a current asset whereas the remaining VAT recoverables of approximately HK\$55,829,000 (2017: HK\$66,116,000) is classified as a non-current assets. Other receivables in 2017 comprised an amount of HK\$41,258,000 due from an employee of a subsidiary of the Company who held the deposits on behalf of the Group for the pledge of bill payables (note 26(ii)).

附註：

- (i) 二零一八年十月三十日，本公司與賣方(獨立第三方)訂立諒解備忘錄(「諒解備忘錄」)，據此，本公司建議投資目標公司不少於45%已發行股份，估計代價為人民幣675,000,000元(約769,500,000港元)。根據諒解備忘錄條款，本公司向賣方支付可退還按金人民幣100,000,000元(約114,000,000港元)。倘於諒解備忘錄日期後六個月內，訂約方並無進行至簽訂正式投資協議，按金將退還予本公司。本公司董事認為，由於該潛在投資正在初步協商中，並不能確定諒解備忘錄失效前與賣方之交易會完成。結存於綜合財務狀況表內分類為流動資產。當諒解備忘錄進行至與賣方訂立具約束力協議時，可退還按金將分類為非流動資產。
- (ii) 包括可收回增值稅在內的其他應收款項約68,784,000港元(二零一七年：80,980,000港元)，其中約12,955,000港元(二零一七年：14,864,000港元)將用於抵消一年內銷項增值稅，因此列賬為流動資產，而餘下可收回增值稅約55,829,000港元(二零一七年：66,116,000港元)分類為非流動資產。二零一七年其他應收款項包括應收本公司一間附屬公司一名職員(代表本集團持有按金)款項41,258,000港元用於抵押應付票據(附註26(ii))。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 23. LOAN RECEIVABLES

The balance as at 31 December 2018 represents loans to independent third parties, which bear fixed interest rate ranging from 4% to 10% annually and are repayable within one year.

### 24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

These represented investments in the listed equity securities held for trading purposes. The balances at the reporting dates are stated at fair values which have been determined by reference to their market prices at the reporting dates.

### 25. PLEDGED BANK DEPOSITS AND CASH AND BANK BALANCES

As at 31 December 2018, included in cash and bank balances of the Group were approximately HK\$158,757,000 (2017: HK\$4,514,000) of bank balances denominated in RMB placed with banks in the PRC.

As at 31 December 2017, the Group pledged its bank deposits of HK\$51,360,000 in order to fulfil collateral requirements for bills payables (note 26).

Pledged bank deposits of HK\$51,360,000 as at 31 December 2017 were denominated in RMB, earned interest at rates ranging 1.3% to 1.56% per annum. Cash at banks earns interest at the floating rates based on the daily bank deposits rates.

### 23. 應收貸款

於二零一八年十二月三十一日之結餘指向獨立第三方提供之貸款，按固定年利率介乎4%至10%計息並於一年內償還。

### 24. 以公平值計入損益之財務資產

該等資產即為於已上市股權證券之投資，持作交易用途。其於報告日期之餘額按公平值呈報，公平值參照其於報告日期之市價釐定。

### 25. 已抵押銀行存款以及現金及銀行結存

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Cash and bank balances 現金及銀行結存	276,531	5,699

於二零一八年十二月三十一日，本集團現金及銀行結存約158,757,000港元(二零一七年：4,514,000港元)，包括以人民幣計值並存放於中國境內多家銀行之結存。

於二零一七年十二月三十一日，本集團已抵押其銀行存款51,360,000港元以滿足應付票據抵押品要求(附註26)。

於二零一七年十二月三十一日，已抵押銀行存款51,360,000港元，以人民幣計值，按年利率介乎1.3%至1.56%計息。銀行結存根據每日銀行存款利率按浮動利率計息。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 26. BILLS AND OTHER PAYABLES AND ACCRUALS

### 26. 應付票據及其他應付款項以及應計款項

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Construction cost payables	應付建築成本	307,223	403,946
Amount transferred from other borrowings (note i)	自其他借款轉撥的款項(附註i)	29,000	-
Bills payables (note ii)	應付票據(附註ii)	-	92,618
Other payables	其他應付款項	21,169	11,145
Amounts due to a shareholder (note iii)	應付一名股東款項(附註iii)	1,335	1,325
Other tax payables	其他應付稅項	5,212	4,681
Accrued salaries and pension costs (note iv)	應計薪金及退休金成本(附註iv)	10,843	17,015
Accruals	應計款項	14,315	12,246
		<b>389,097</b>	<b>542,976</b>

Notes:

- (i) The balance was transferred from other borrowings (note 29 (vii)). On 31 December 2018, the Company entered into a non-legal binding memorandum of understanding with a third party, which is independent and not connected with the Company, in relation to the proposed disposal of the Group's entire or partial shareholding interest in a wholly-owned subsidiary, China Era. The parties to the memorandum of understanding on 31 December 2018 agreed that the Group indebted to this third party amounted to HK\$29,000,000 (included in Loan N in note 29(vii)) will be re-assigned as a deposit for a potential disposal of Chia Era. Details of which can be referred to the announcement of the Company dated 31 December 2018.
- (ii) The balance as at 31 December 2017 was secured by pledged bank deposits and other receivables amounting to HK\$51,360,000 (note 25) and HK\$41,258,000 (note 22(ii)) respectively.
- (iii) The balances were unsecured, interest-free and repayable on demand.
- (iv) As at 31 December 2018, approximately HK\$5,800,000 has been reclassified from amounts due to non-controlling shareholders (note 27(ii)) since the parties ceased to hold any equity interest in a subsidiary of the Group during the year.

附註：

- (i) 該結餘轉撥自其他借款(附註29(vii))。於二零一八年十二月三十一日，本公司與一名獨立第三方(獨立於本公司且與本公司概無關聯)訂立不具法律約束力諒解備忘錄，內容有關建議出售本集團一間全資附屬公司中國年代全部或部分股權。於二零一八年十二月三十一日，諒解備忘錄各方同意本集團欠付該第三方29,000,000港元之款項(包括附註29(vii)貸款N)將重新分配作為潛在出售中國年代之按金。有關詳情請參閱本公司日期為二零一八年十二月三十一日止公告。
- (ii) 於二零一七年十二月三十一日之結餘已分別由已抵押銀行存款51,360,000港元(附註25)及其他應收款項41,258,000港元(附註22(ii))抵押。
- (iii) 該結餘為無抵押、免息及按要求償還。
- (iv) 於二零一八年十二月三十一日，約5,800,000港元之結餘已自應付非控股股東款項重新分類(附註27(ii))，乃由於各方於年內已不再持有本集團附屬公司任何權益。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 27. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS

### 27. 應付非控股股東款項

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Current:</b>	<b>即期：</b>		
Due to non-controlling shareholder B (notes ii and iii)	應付非控股股東B款項 (附註ii及附註iii)	-	5,872
Due to non-controlling shareholder B (notes i and iii)	應付非控股股東B款項 (附註i及附註iii)	-	6,421
Due to non-controlling shareholder B (notes i and iv)	應付非控股股東B款項 (附註i及附註iv)	-	44,662
Due to non-controlling shareholder C (notes i and iv)	應付非控股股東C款項 (附註i及附註iv)	-	17,858
Due to non-controlling shareholder D (notes i and iv)	應付非控股股東D款項 (附註i及附註iv)	-	26,787
		-	101,600
<b>Non-current:</b>	<b>非即期：</b>		
Due to non-controlling shareholder A (note i)	應付非控股股東A款項 (附註i)	259,418	-
		259,418	-

Notes:

- (i) During the year, non-controlling shareholders B, C and D transferred all their equity interests (in aggregate 49%) in a subsidiary of the Group to a company, non-controlling shareholder A ("NCI-A"). Non-controlling shareholders A, B, C and D agreed that except the balance under note (ii) as below, the Group currently indebted to non-controlling shareholders B, C and D was to be assigned to NCI-A. In addition, the Group and NCI-A agreed that all amounts due to NCI-A are repayable on 30 June 2020.

During the year, the Group, NCI-A and a lender of the Group also entered into a debt assignment agreement such that other borrowings of RMB42,659,000 (approximately HK\$50,765,000) which granted by the lender during the year are now assigned to NCI-A. Accordingly, it is included in the amount due to NCI-A as at 31 December 2018. This balance is unsecured, interest-bearing at 7% per annum and repayable on 30 June 2020.

附註：

- (i) 年內，非控股股東B、C及D轉讓彼等於本集團一間附屬公司之全部股權(合共49%)予一間公司非控股股東A([NCI-A])。非控股股東A、B、C及D同意除下文附註(ii)之結餘外，本集團現欠付非控股股東B、C及D之款項轉讓予NCI-A。此外，本集團及NCI-A已同意所有應付NCI-A的款項於二零二零年六月三十日償還。

年內，本集團、NCI-A及本集團之一名貸款方亦訂立債務轉讓協議，因此，貸款方年內授出之其他借款人民幣42,659,000元(約50,765,000港元)現轉讓予NCI-A。因此，於二零一八年十二月三十一日，其計入應付NCI-A之款項。該結存無抵押、按年利率7%計息並於二零二零年六月三十日償還。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 27. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS (Continued)

Notes: (Continued)

(i) (Continued)

During the year, NCI-A further entered into two loan agreements with the Group with terms set out as follows:

- (a) Principal amount of RMB9,800,000 (approximately HK\$11,200,000) is unsecured, interest-free, and repayable on 30 June 2020.
- (b) Principal amount of RMB86,000,000 (approximately HK\$98,000,000) is unsecured, interest-bearing at 7% per annum and repayable on 30 June 2020.

All the above are now classified as non-current liabilities.

- (ii) This balance has been reclassified to other payables (note 26(iv)) as non-controlling shareholder B no longer holding any equity interest in a subsidiary of the Group pursuant to the arrangement as set out in (i) above.
- (iii) These balances were unsecured, interest-free and repayable on demand.
- (iv) These balances were unsecured, interest bearing at 5% per annum and repayable on 31 March 2018.

### 28. BANK BORROWINGS

### 27. 應付非控股股東款項 (續)

附註：(續)

(i) (續)

年內，NCI-A與本集團進一步訂立了兩筆貸款協議，條款如下：

- (a) 人民幣9,800,000元(約11,200,000港元)之本金為無抵押、免息，及於二零二零年六月三十日償還。
- (b) 人民幣86,000,000元(約98,000,000港元)之本金為無抵押、按年利率7%計息並於二零二零年六月三十日償還。

所有上述款項分類為非流動負債。

- (ii) 該結存已重新分類為其他應付款項(附註26(iv))，原因為根據載於上述(i)之安排，非控股股東B已不再持有本集團附屬公司任何權益。
- (iii) 該等結餘無抵押、免息及按要求償還。
- (iv) 該等結餘無抵押、按年利率5%計息及於二零一八年三月三十一日償還。

### 28. 銀行借款

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Current</b>	<b>即期</b>		
Bank loans, secured (notes i and ii)	銀行貸款，有抵押(附註i及ii)	157,320	68,984
<b>Non-current</b>	<b>非即期</b>		
Bank loans, secured (note i)	銀行貸款，有抵押(附註i)	77,520	225,600
		<b>234,840</b>	<b>294,584</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 28. BANK BORROWINGS (Continued)

At 31 December 2018, total current and non-current bank borrowings were scheduled to repay as follows:

Due within one year	於一年內到期
Due in the second to fifth years	於第二至第五年到期

Notes:

- (i) The balances of HK\$136,800,000 (2017: HK\$68,984,000) and HK\$77,520,000 (2017: HK\$225,600,000) are under current liabilities and non-current liabilities respectively as at 31 December 2018 are denominated in RMB, charged at a fixed interest rate of 6.5% (2017: 6.5%) per annum pledged by entire investment properties of HK\$1,425,000,000 (2017: HK\$1,500,000,000) (note 20) and guaranteed by independent third parties. These are under the Oil and Liquefied Chemical Terminal segment.
- (ii) The remaining balance of HK\$20,520,000 as at 31 December 2018, also denominated in RMB, is charged at a fixed interest rate of 15% per annum, guaranteed by independent third parties and repayable within one year.

All of the bank borrowings do not contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion as at 31 December 2018 and 2017.

### 28. 銀行借款 (續)

於二零一八年十二月三十一日，即期與非即期銀行借款預定償還如下：

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
157,320	68,984
77,520	225,600
<b>234,840</b>	<b>294,584</b>

附註：

- (i) 於二零一八年十二月三十一日，136,800,000 港元(二零一七年：68,984,000 港元)及 77,520,000 港元(二零一七年：225,600,000 港元)之該等結餘分別列於流動負債及非流動負債項下，以人民幣計值，按固定年利率 6.5% 計息(二零一七年：6.5%)，由全部投資物業 1,425,000,000 港元(二零一七年：1,500,000,000 港元)(附註 20)作抵押並由第三方擔保。該等結餘列於油品及液體化工品碼頭分類項下。
- (ii) 於二零一八年十二月三十一日，餘下結餘 20,520,000 港元亦以人民幣計值，按固定年利率 15% 計息，並由獨立第三方擔保並於一年內償還。

於二零一八年及二零一七年十二月三十一日，所有銀行借款不包含貸款方有無條件權利隨時酌情要求還款之條文。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 29. OTHER BORROWINGS

### 29. 其他借款

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Current:</b>	<b>即期：</b>		
<b>Obtained from independent third parties:</b>	<b>取自獨立第三方：</b>		
Loan A (note i)	貸款 A (附註 i)	5,415	5,880
Loan B (note i)	貸款 B (附註 i)	873	1,039
Loan C (note i)	貸款 C (附註 i)	15,094	16,309
Loan D (note i)	貸款 D (附註 i)	1,539	1,620
Loan E (note i)	貸款 E (附註 i)	340	1,090
Loan F (note i)	貸款 F (附註 i)	4,265	4,116
Loan G (note i)	貸款 G (附註 i)	7,413	10,939
Loan H (note i)	貸款 H (附註 i)	2,793	2,940
Loan I (note ii)	貸款 I (附註 ii)	456	–
Loan J (note iii)	貸款 J (附註 iii)	–	36,165
Loan K (note iv)	貸款 K (附註 iv)	83,056	–
Loan L (note v)	貸款 L (附註 v)	–	12,725
Loan M (note vi)	貸款 M (附註 vi)	5,633	5,058
Loan N (note vii)	貸款 N (附註 vii)	–	61,075
		<b>126,877</b>	<b>158,956</b>
<b>Non-current:</b>	<b>非即期：</b>		
<b>Obtained from independent third parties:</b>	<b>取自獨立第三方：</b>		
Loan I (note ii)	貸款 I (附註 ii)	–	480
Loan M (note vi)	貸款 M (附註 vi)	–	556
Loan N (note vii)	貸款 N (附註 vii)	34,170	–
Loan O (note viii)	貸款 O (附註 viii)	10,479	–
		<b>44,649</b>	<b>1,036</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 29. OTHER BORROWINGS (Continued)

Notes:

- (i) These loans totalling to approximately HK\$37,732,000 (2017: approximately HK\$30,054,000) were interest-free and repayable on demand as at the reporting dates. As at 31 December 2017, loans amounted to HK\$13,879,000 were interest-free and repayable in July 2018.
- (ii) This loan was interest-free and repayable in 2019.
- (iii) This loan was charged at fixed interest rate of 15% per annum and had been repaid during the year.
- (iv) This loan was charged at fixed interest rate of 9.6% per annum and repayable in June 2019, which was also pledged by the entire paid up capital of Shundong Port (note 38(a)).
- (v) This loan was interest-free and had been repaid during the year.
- (vi) An amount of approximately HK\$5,063,000 (2017: HK\$4,544,000) was charged at fixed interest rate of 4.75% per annum and repayable on demand as at reporting dates. The remaining balance of approximately HK\$570,000 (2017: approximately HK\$1,070,000) is repayable in 2019.
- (vii) An amount of HK\$29,000,000 carried forward from 2017 has been transferred to other payables (note 26(i)) as at 31 December 2018. The remaining balance of approximately HK\$34,170,000 (2017: Nil) as at 31 December 2018 was charged at a fixed interest rate of 5% per annum and repayable in July 2020.
- (viii) On 26 April 2018, the Company issued a three-year corporate bond to an independent third party with a principal amount of HK\$10,000,000. The bond is denominated in HK\$, unsecured, interest bearing at 7% per annum. Interest is due for repayment annually.

As at 31 December 2018, weighted average interest rate of all other borrowings was 6.15% (2017: 2.61%) per annum.

### 29. 其他借款 (續)

附註：

- (i) 總額約37,732,000港元(二零一七年：30,054,000港元)之貸款為免息期並於報告日期按要求償還。於二零一七年十二月三十一日，13,879,000港元貸款為免息並於二零一八年七月償還。
- (ii) 該貸款為免息並須於二零一九年償還。
- (iii) 該貸款按固定年利率15%計息並已於年內償還。
- (iv) 該貸款按固定年利率9.6%計息並須於二零一九年六月償還，該貸款由順東港務全部已繳足股本抵押(附註38(a))。
- (v) 該貸款為免息並已於年內償還。
- (vi) 約5,063,000港元(二零一七年：4,544,000港元)之款項按固定年利率4.75%計息並於報告日期按要求償還。餘下結存約570,000港元(二零一七年：約1,070,000港元)於二零一九年償還。
- (vii) 自二零一七年，29,000,000港元之款項已於二零一八年十二月三十一日轉撥至其他應付款項(附註26(i))。於二零一八年十二月三十一日，約34,170,000港元(二零一七年：無)之餘下結存按固定年利率5%計息並須於二零二零年七月償還。
- (viii) 於二零一八年四月二十六日，本公司向一名獨立第三方發行三年期企業債券，本金金額為10,000,000港元。該債券以港幣計值、無抵押，按年利率7%計息，利息按年償還。

於二零一八年十二月三十一日，所有其他借款加權平均年利率為6.15%(二零一七年：2.61%)。



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## 財務報表附註

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

### 30. FINANCE LEASE LIABILITIES

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Total minimum lease payments:</b>	<b>最低租賃付款總額：</b>		
Due within one year	於一年內到期	<b>40,725</b>	157,857
Due in the second to fifth years	於第二至第五年到期	<b>527</b>	71,595
Due after five years	於五年後到期	<b>5,392</b>	5,953
		<b>46,644</b>	235,405
Future finance charges on finance leases	融資租賃之未來融資費用	<b>(4,601)</b>	(19,548)
Present value of finance lease liabilities	融資租賃負債之現值	<b>42,043</b>	215,857

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>Present value of minimum lease payments:</b>	<b>最低租賃付款之現值：</b>		
Due within one year	於一年內到期	<b>39,584</b>	146,863
Due in the second to fifth years	於第二至第五年到期	<b>474</b>	66,747
Due after five years	於五年後到期	<b>1,985</b>	2,247
		<b>42,043</b>	215,857
Less: Portion due within one year included under current liabilities	減：計入流動負債項下於一年內到期之部分	<b>(39,584)</b>	(146,863)
Non-current portion included under non-current liabilities	計入非流動負債項下之非即期部分	<b>2,459</b>	68,994

The Group entered into finance leases for investment properties under the Oil and Liquefied Chemical Terminal segment. The leases run for an initial period of one to three years (2017: one to three years) and do not have any contingent rental provisions. The Group has the right to purchase the assets outright at the end of the minimum lease term by paying a nominal amount.

As at 31 December 2018 and 2017, sea area use rights as included in the Group's investment properties are classified as a finance lease and are included in the above analysis. The lease runs for an initial period of 50 years and does not have any contingent rental provisions.

本集團就油品及液體化工品碼頭分類項下投資物業訂立融資租賃。該等租賃初步為期一至三年(二零一七年：一至三年)，並無任何或然租金撥備。本集團有權於最短租期結束後支付名義金額徹底收購有關資產。

於二零一八年及二零一七年十二月三十一日，計入本集團投資物業之海域使用權亦分類為納入上述分析的融資租賃。租賃初步為期五十年且並無任何或然租金撥備。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 30. FINANCE LEASE LIABILITIES (Continued)

Finance lease liabilities are secured by the underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default by repayment by the Group. The underlying assets are investment properties of HK\$1,425,000,000 (note 20); and trade receivables of HK\$11,874,000 (note 21) (2017: investment properties of HK\$1,500,000,000 (note 20) and equity interests of Shundong Port (note 38(a)).

### 31. CONVERTIBLE BONDS

#### CB2 and CB4

According to the sale and purchase agreements dated 8 July 2007 and 8 April 2008, zero-coupon convertible bonds with face value of HK\$400,000,000 ("CB2") and HK\$380,780,000 ("CB4") will be issued on the fifth business day following the date of receipt of mining licence in respect of the underlying mine. CB2 and CB4 are convertible into shares of the Company at the conversion price of HK\$0.60 and HK\$0.25 per share respectively. As mentioned in note 3(a)(iii), as the exploration licence was transferred without the Company's knowledge, consent or approval, the Company is now seeking for legal opinion on this matter.

#### CB6 and CB7

In December 2010, the Company issued zero coupon convertible bonds ("CB6") in the principal amount of HK\$526,880,000 as a part of the consideration for the acquisition of China International Energy. CB6 bore no interest and was due to mature on 31 December 2015. According to the terms of CB6, any bond principal which remained outstanding at maturity on 31 December 2015 shall be converted automatically into the shares of the Company at the conversion price of HK\$0.08 per share (subject to the standard adjustment clauses relating to share sub-division, share consolidation, capitalisation issues and rights issues).

### 30. 融資租賃負債(續)

融資租賃負債是以相關資產作抵押，原因為倘若本集團未有如期還款，租賃資產之權利將會復歸予出租人。相關資產為投資物業款項為1,425,000,000港元(附註20)；及應收貿易賬項相關資產為11,874,000港元(附註21)(二零一七年：投資物業1,500,000,000港元(附註20)及順東港務股權(附註38(a))。

### 31. 可換股債券

#### 可換股債券第二批債券及可換股債券第四批債券

根據日期為二零零七年七月八日及二零零八年四月八日之買賣協議，面值分別為400,000,000港元(「可換股債券第二批債券」)及380,780,000港元(「可換股債券第四批債券」)之零票息可換股債券將於取得有關礦區之開採牌照當日後之第五個營業日發行。可換股債券第二批債券及可換股債券第四批債券分別可按兌換價每股0.60港元及0.25港元兌換為本公司股份。如附註3(a)(iii)所提述，勘探牌照在本公司不知情及未經本公司同意或批准之情況下被轉讓，本公司現正就此尋求法律意見。

#### 可換股債券第六批債券及可換股債券第七批債券

於二零一零年十二月，本公司發行本金額526,880,000港元之零票息可換股債券(「可換股債券第六批債券」)，作為收購中國國際能源之部分代價。可換股債券第六批債券不計息並已於二零一五年十二月三十一日到期。根據可換股債券第六批債券條款，於二零一五年十二月三十一日到期仍未償還之任何債券本金可按兌換價每股0.08港元自動兌換為本公司股份(須遵從股份拆細、股份合併、資本化發行及配股相關之標準調整條款)。

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## 財務報表附註

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

### 31. CONVERTIBLE BONDS (Continued)

#### CB6 and CB7 (Continued)

As a part of the consideration for the acquisition of China International Energy, the Company issued zero coupon convertible bonds ("CB7") in the principal amount of HK\$526,880,000 during the year ended 31 December 2010. CB7 carried no interest and was due to mature on 31 December 2015. According to the terms of CB7, any bond principal which remained outstanding at maturity on 31 December 2015, shall be converted automatically into the shares of the Company at the conversion price of HK\$0.08 per share (subject to the standard adjustment clauses relating to share sub-division, share consolidation, capitalisation issues and rights issues).

On 4 January 2018, the Company has reached a settlement with the Defendants (note 3(a)(i)) pursuant to which CB6 and CB7 are eligible for conversion during the year. Full conversion of CB6 and CB7 to 785,200,000 ordinary shares of the Company has been made during the year.

#### CB8

In September 2015, the Company issued convertible bonds ("CB8") with a principal amount of HK\$300,000,000 due in 2018. CB8 are denominated in HK\$, unsecured, bear interest at 5% per annum and mature on the date falling on the third anniversary of the issue of CB8. Interest will be payable annually. Neither the Company nor the holders of CB8 may demand early redemption of the CB8 in any event. CB8 are convertible into approximately 1,898,734,000 shares of the Company at the holder's option before maturity at an initial conversion price of HK\$0.158 per share (subject to adjustments).

The fair value of the liability components of CB8 was calculated using market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion component, was included in convertible bonds equity reserve in the owners' equity.

### 31. 可換股債券(續)

#### 可換股債券第六批債券及可換股債券第七批債券(續)

作為收購中國國際能源之部分代價，截至二零一零年十二月三十一日止年度，本公司發行零票息可換股債券（「可換股債券第七批債券」），本金額為526,880,000港元，可換股債券第七批債券為免息並於二零一五年十二月三十一日到期。根據可換股債券第七批債券條款，於二零一五年十二月三十一日到期仍未償還的任何債券本金可按兌換價每股0.08港元自動兌換為本公司股份（須遵從股份拆細、股份合併、資本化發行及配股相關之標準調整條款）。

於二零一八年一月四日，本公司與原告達成和解（附註3(a)(i)），據此，年內，可換股債券第六批債券及可換股債券第七批債券合資格兌換。年內，可換股債券第六批債券及可換股債券第七批債券已悉數兌換為785,200,000股本公司普通股。

#### 可換股債券第八批債券

於二零一五年九月，本公司發行可換股債券（「可換股債券第八批債券」），本金額為300,000,000港元並於二零一八年到期。可換股債券第八批債券以港元列值、無抵押、按年利率5%計息及將於可換股債券第八批債券發行後三週年屆滿之日到期。利息按年支付。本公司或可換股債券第八批債券之持有人均不可於任何情況下要求提前贖回可換股債券第八批債券。持有人可選擇於到期前將可換股債券第八批債券按初始兌換價每股0.158港元兌換為約1,898,734,000股本公司股份（可予調整）。

可換股債券第八批債券負債部分之公平值乃按同等不可換股債券之市場利率計算。餘下金額即為權益轉換部分之價值，並計入擁有人權益之可換股債券權益儲備。

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

### 31. CONVERTIBLE BONDS (Continued)

#### CB8 (Continued)

During the year, part of CB8 has been converted into 999,999,996 shares of the Company. As certain CB8 holders did not exercise their conversion upon maturity date in 2018, a payable amount of approximately HK\$35,258,000 was recorded under current liabilities as at 31 December 2018.

#### CB9

In September 2018, the Company issued convertible bonds ("CB9") with a principal amount of HK\$449,000,000, in which HK\$200,000,000 and HK\$249,000,000 were issued to Giant Crystal, a substantial shareholder of the Company, and independent third parties respectively. CB9 are denominated in HK\$, unsecured, bear interest of 3% per annum and mature on the date falling on the second anniversary of the issue of CB9 at their principal amount or can be converted into approximately 1,760,784,000 ordinary shares of the Company at the holder's option at the conversion price of HK\$0.255 per share of the outstanding principal. The Company may at its own discretion redeem the CB9, in whole or in part, at any time commencing on the date of issue of CB9 and ending at maturity on 16 September 2020. The early redemption price shall be equivalent to the principal amount of the redeemed CB9 plus interest of 3% per annum calculated from the date of issue of the CB9 up to and including the date of redemption. According to the terms of CB9, any bond principal which remained outstanding at maturity on 16 September 2020, shall be converted automatically into the shares of the Company at the conversion price of HK\$0.255 per share (subject to the standard adjustment clauses relating to share sub-division, share consolidation, capitalisation issues and rights issues).

The fair value of the liability component of CB9, which is included in non-current liabilities, was calculated using market interest rate for an equivalent non-convertible bonds. The residual amount, representing the value of the equity conversion component, is included in convertible bonds equity reserve in the owner's equity.

### 31. 可換股債券(續)

#### 可換股債券第八批債券(續)

年內，部分可換股債券第八批債券已轉換為999,999,996股本公司股份。由於若干可換股債券第八批債券之持有者於二零一八年到期日並無行使換股權，於二零一八年十二月三十一日，約35,258,000港元之應付款項計入流動負債。

#### 可換股債券第九批債券

於二零一八年九月，本公司發行可換股債券（「可換股債券第九批債券」），本金額為449,000,000港元，其中200,000,000港元及249,000,000港元分別發行予本公司主要股東鉅晶及獨立第三方。可換股債券第九批債券以港幣計值、無抵押，按年利率3%計息並於發行日期兩週年當日到期或可轉換為約1,760,784,000股本公司普通股，按未償還本金每股兌換價為0.255港元，股東可自行選擇。自發行可換股債券第九批債券日期起至二零二零年九月十六日到期止任何期間，本公司可隨時酌情贖回全部或部分可換股債券第九批債券。提早贖回價為已贖回可換股債券第九批債券本金額加上從可換股債券第九批債券發行日期至贖回當日（包括該日）止之利息（以年利率3%計算）。根據可換股債券第九批債券之條款，任何於二零二零年九月十六日到期未償還之債券本金應自動轉換為本公司股份，換股價為每股0.255港元（可按標準調整條款就股份分拆、股份合併、資本化發行及供股作出調整）。

可換股債券第九批債券負債部分的公平值（計入非流動負債）採用等值非可換股債券的市場利率計算。剩餘金額（為權益轉換部分的價值）計入擁有人權益中之可換股債券權益儲備。

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### 31. CONVERTIBLE BONDS (Continued)

CB6, CB7, CB8 and CB9 recognised in the consolidated statement of financial position are calculated as follows:

		CB6	CB7	CB8	CB9
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		可換股債券 第六批債券	可換股債券 第七批債券	可換股債券 第八批債券	可換股債券 第九批債券
		千港元	千港元	千港元	千港元
Face value of convertible bonds issued	已發行可換股債券之面值	526,880	526,880	300,000	449,000
Proceeds of issue (fair value on initial recognition)	發行收益(首次確認之公平值)	342,557	342,557	300,000	441,601
Equity component	權益部分	(342,557)	(342,557)	(87,358)	(416,628)
Liability component	負債部分	–	–	212,642	24,973

#### Movements of liability component

Movements of liability component for the years ended 31 December 2018 and 2017 is as follows:

		CB8	CB9	2018 Total	2017 CB8
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		可換股債券 第八批債券	可換股債券 第九批債券	二零一八年 總計	二零一七年 可換股債券 第八批債券
		千港元	千港元	千港元	千港元
At 1 January	於一月一日	195,400	–	195,400	165,476
Initial recognition	首次確認	–	24,973	24,973	–
Imputed interest expenses (note 7)	推算利息費用(附註7)	17,137	277	17,414	30,924
Interest paid	已付利息	(4,191)	–	(4,191)	(1,000)
Conversion during the year	年內兌換	(173,088)	–	(173,088)	–
At 31 December	於十二月三十一日	35,258	25,250	60,508	195,400
Current portion	即期部分	(35,258)	–	(35,258)	(195,400)
Non-current portion	非即期部分	–	25,250	25,250	–

### 31. 可換股債券(續)

於綜合財務狀況表中確認的可換股債券第六批債券、可換股債券第七批債券、可換股債券第八批債券及可換股債券第九批債券按以下方式計算：

#### 負債部分變動

截至二零一八年及二零一七年十二月三十一日止年度之負債部分變動如下：

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## 財務報表附註

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

### 31. CONVERTIBLE BONDS (Continued)

#### Movements of equity component

Movements of equity component for the years ended 31 December 2018 and 2017 are as follows:

	CB6	CB7	CB8	CB9	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	可換股債券 第六批債券	可換股債券 第七批債券	可換股債券 第八批債券	可換股債券 第九批債券	總計
	千港元	千港元	千港元	千港元	千港元
At 1 January 2017, 31 December 2017 and 1 January 2018					
Initial recognition (note 34(b))	137,106	271,299	54,303	-	462,708
Issuance of shares upon conversion of convertible bonds (note 34(b))	-	-	-	416,628	416,628
Release upon maturity of convertible bonds (note 34(b))	(137,106)	(271,299)	(45,158)	-	(453,563)
	-	-	(9,145)	-	(9,145)
<b>At 31 December 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>416,628</b>	<b>416,628</b>

The fair value of liability component of CB8 at the date of issue amounted to approximately HK\$208,708,000. Interest expense was calculated using effective interest method with interest rate of 18.5% per annum to the liability component of CB8.

The fair value of liability component of CB9 at the date of issue amounted to approximately HK\$24,973,000. Interest expense was calculated using effective interest method with interest rate ranged from 3.3% to 4.2% per annum to the liability component of CB9.

### 31. 可換股債券(續)

#### 權益部分變動

截至二零一八年及二零一七年十二月三十一日止年度之權益部分並無變動如下：

	CB6	CB7	CB8	CB9	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	可換股債券 第六批債券	可換股債券 第七批債券	可換股債券 第八批債券	可換股債券 第九批債券	總計
	千港元	千港元	千港元	千港元	千港元
At 1 January 2017, 31 December 2017 and 1 January 2018					
Initial recognition (note 34(b))	137,106	271,299	54,303	-	462,708
Issuance of shares upon conversion of convertible bonds (note 34(b))	-	-	-	416,628	416,628
Release upon maturity of convertible bonds (note 34(b))	(137,106)	(271,299)	(45,158)	-	(453,563)
	-	-	(9,145)	-	(9,145)
<b>At 31 December 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>416,628</b>	<b>416,628</b>

於發行日，可換股債券第八批債券負債部分之公平值約為208,708,000港元。利息費用乃按實際利率法以年利率18.5%就可換股債券第八批債券負債部分計算。

於發行日，可換股債券第九批債券負債部分之公平值約為24,973,000港元。利息費用乃按實際利率法以年利率介乎3.3%至4.2%就可換股債券第九批債券負債部分計算。

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## 財務報表附註

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

### 32. DEFERRED TAX

Details of deferred tax assets and liabilities recognised and movements during the current and prior years are as follows:

		Accelerated capital allowances HK\$'000 加速 資本撥備 千港元	Fair value adjustment on business combination HK\$'000 業務合併之 公平值調整 千港元	Fair value adjustment on investment properties HK\$'000 投資物業之 公平值調整 千港元	Total HK\$'000 總計 千港元
At 1 January 2017	於二零一七年一月一日	49,724	(120,511)	-	(70,787)
(Charged)/credited to profit or loss (note 9)	(自損益表扣除)/計入 損益表(附註9)	(2,160)	43,246	-	41,086
Charged to equity for the year	自年內權益扣除	-	-	(22,134)	(22,134)
Exchange differences	匯兌差額	2,820	(2,373)	-	447
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	<b>50,384</b>	<b>(79,638)</b>	<b>(22,134)</b>	<b>(51,388)</b>
(Charged)/credited to profit or loss (note 9)	(自損益表扣除)/計入 損益表(附註9)	<b>(5,773)</b>	<b>41,166</b>	<b>(63,153)</b>	<b>(27,760)</b>
Exchange differences	匯兌差額	<b>(1,422)</b>	<b>-</b>	<b>3,759</b>	<b>2,337</b>
<b>At 31 December 2018</b>	<b>於二零一八年十二月 三十一日</b>	<b>43,189</b>	<b>(38,472)</b>	<b>(81,528)</b>	<b>(76,811)</b>

For the purpose of presentation in consolidated statement of financial position, the following is the analysis of the deferred tax balances for financial reporting purposes:

### 32. 遞延稅項

本年度及過往年度的已確認遞延稅項資產及負債及其變動詳情如下：

就呈列綜合財務狀況表而言，以下為就財務申報而作出的遞延稅項結餘分析：

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Deferred tax assets	遞延稅項資產	<b>43,189</b>	50,384
Deferred tax liabilities	遞延稅項負債	<b>(120,000)</b>	(101,772)
		<b>(76,811)</b>	(51,388)

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## 財務報表附註

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

### 32. DEFERRED TAX (Continued)

Pursuant to the PRC Corporate Income Tax Law, 10% withholding tax is levied on dividends declared to foreign investment enterprises established in the PRC effective from 1 January 2008. The Group is liable to withholding taxes on dividends distributed by the subsidiaries established in the PRC in respect of earnings generated from 1 January 2008. As at 31 December 2018 and 2017, the Group's PRC subsidiaries are in accumulated losses position and no withholding tax is recognised.

As at 31 December 2018, the Group has not recognised deferred tax assets in respect of the tax losses of HK\$74,076,000 (2017: HK\$59,883,000) as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses will be expired within five years under current tax legislation.

### 33. SHARE CAPITAL

Authorised:	法定股本：
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股
At 1 January	於一月一日
Increased in authorised capital (note i)	已增加法定股本(附註i)
At 31 December	於十二月三十一日
Issued and fully paid:	已發行及繳足股本：
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股
At 1 January	於一月一日
Issuance of shares upon share placing (note ii)	於股份配售時發行股份(附註ii)
Issuance of shares upon conversion of convertible bonds (note iii)	於轉換可換股債券時發行股份(附註iii)
At 31 December	於十二月三十一日

### 32. 遞延稅項(續)

根據中國企業所得稅法，向中國成立之外資企業宣派之股息須按10%之稅率繳納預扣稅，由二零零八年一月一日起生效。本集團須就該等於中國成立之附屬公司就二零零八年一月一日起產生之盈利而分派之股息繳交預扣稅。於二零一八年及二零一七年十二月三十一日，本集團之中國附屬公司處於累計虧損狀態及並無確認預扣稅。

於二零一八年十二月三十一日，本集團並無就74,076,000港元之稅項虧損(二零一七年：59,883,000港元)確認遞延稅項資產，因於相關稅項司法權區及有關實體未來出現應課稅溢利須動用該等虧損以作抵銷之機會不大。根據現行稅務法例，稅項虧損將於五年內到期。

### 33. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares '000	HK\$'000	Number of shares '000	HK\$'000
		股份數目 千股	千港元	股份數目 千股	千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股				
At 1 January	於一月一日	5,000,000	500,000	5,000,000	500,000
Increased in authorised capital (note i)	已增加法定股本(附註i)	10,000,000	1,000,000	-	-
At 31 December	於十二月三十一日	15,000,000	1,500,000	5,000,000	500,000
Issued and fully paid:	已發行及繳足股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股				
At 1 January	於一月一日	3,049,705	304,970	3,049,705	304,970
Issuance of shares upon share placing (note ii)	於股份配售時發行股份(附註ii)	609,940	60,994	-	-
Issuance of shares upon conversion of convertible bonds (note iii)	於轉換可換股債券時發行股份(附註iii)	1,785,200	178,520	-	-
At 31 December	於十二月三十一日	5,444,845	544,484	3,049,705	304,970



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## 財務報表附註

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

### 33. SHARE CAPITAL (Continued)

Notes:

- (i) By an ordinary resolution dated 11 June 2018, the authorised share capital of the Company was increased from HK\$500,000,000 divided into 5,000,000,000 ordinary shares of HK\$0.1 each to HK\$1,500,000,000 divided into 15,000,000,000 ordinary shares of HK\$0.1 each by the creation of an additional of 10,000,000,000 new ordinary shares of HK\$0.1 each ranking pari passu in all respects with the existing ordinary shares of the Company.
- (ii) On 14 February 2018, the Company completed a share placing for an aggregate for 609,940,000 shares at a placing price of HK\$0.143 per share to independent investors. Net proceeds (after deducting all applicable costs) from the placement were approximately HK\$85,096,000. Details of the placement are set out in the Company's announcements dated 22 January 2018 and 14 February 2018.
- (iii) During the year, 785,200,000 shares have been converted under CB6 and CB7 and 999,999,996 shares have been converted under CB8.

### 34. RESERVES

#### (a) Group

The amounts of the Group's reserves and the movements therein during the year are presented in the consolidated statement of changes in equity.

#### Share premium

- (i) the difference between the combined net asset value of the subsidiaries acquired pursuant to the Group reorganisation in 2001, over the nominal value of the share capital of the Company issued in exchange therefor;
- (ii) the premium arising from the capitalisation issue in the previous years;

### 33. 股本 (續)

附註：

- (i) 根據日期為二零一八年六月十一日之普通決議案，本公司藉增設額外10,000,000,000股每股面值0.1港元之新普通股將法定股本由500,000,000港元(分為5,000,000,000股每股面值0.1港元之普通股)增加至1,500,000,000港元(分為15,000,000,000股每股面值0.1港元之普通股)，有關額外股份在所有方面與本公司現有普通股股份享有同等地位。
- (ii) 於二零一八年二月十四日，本公司完成向獨立投資者股份配售合共609,940,000股，配售價每股0.143港元。配售股份收益淨額(扣除所有適用費用後)約85,096,000港元。配售事項詳情載於本公司日期為二零一八年一月二十二日及二零一八年二月十四日之公告。
- (iii) 年內，可換股債券第六批債券及可換股債券第七批債券已轉換為785,200,000股股份，可換股債券第八批債券已轉換為999,999,996股股份。

### 34. 儲備

#### (a) 本集團

本集團於年內之儲備金額及儲備變動情況載於綜合權益變動表。

#### 股份溢價

- (i) 根據本集團於二零零一年之重組收購之附屬公司之合併資產淨值超出本公司就交換而發行之股本面值之差額；
- (ii) 過往年度資本化發行產生之溢價；

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## 財務報表附註

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

### 34. RESERVES (Continued)

#### (a) Group (Continued)

- (iii) issue of shares of the Company at a premium net of the transaction costs associated with the issue of shares; and
- (iv) amount transferred from other equity reserves upon exercise of share options and conversion of convertible bonds.

#### **Capital reserve**

Capital reserve mainly arose from the Company's capital reorganisation in 2005 and represented the reduction of share capital of the Company.

#### **Exchange reserve**

Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. HK\$) are recognised directly in other comprehensive income and accumulated in exchange reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in note 3(e).

#### **Convertible bonds equity reserve**

Under HKAS 32, convertible bonds issued are split into liability and equity components at initial recognition by recognising the liability component at its fair value determined using market interest rate for equivalent non-convertible bonds and attributing to the equity component the difference between the proceeds from issue and the fair value of the liability component. The liability component is subsequently carried at amortised cost whilst equity component is recognised in convertible bonds equity reserve until the bonds are either converted (in which case it is transferred to share premium) or the bonds are redeemed (in which case it is released directly to accumulated losses).

### 34. 儲備(續)

#### (a) 本集團(續)

- (iii) 本公司以溢價(已扣除發行股份相關交易成本)發行股份；及
- (iv) 於行使購股權及兌換可換股債券時從其他權益儲備轉撥之款項。

#### **資本儲備**

資本儲備主要來自本公司於二零零五年進行的資本重組並指本公司股本削減。

#### **匯兌儲備**

將本集團海外業務之資產淨值按其功能貨幣換算為本集團呈列貨幣(即港元)而產生的匯兌差額直接於其他全面收入確認及於匯兌儲備累計。該儲備乃根據附註3(e)所載之外幣會計政策作會計處理。

#### **可換股債券權益儲備**

根據香港會計準則第32號，已發行可換股債券於初步確認時分為負債及權益部分，負債部分乃按採用同等不可換股債券之市場利率釐定其公平值予以確認，權益部分則包括發行之所得款項與負債部分公平值之差額。負債部分其後按攤銷成本列賬。權益部分於可換股債券權益儲備確認，直至可債券獲兌換(於此情況下其將轉撥至股份溢價)或債券獲贖回(於此情況下其將直接解除至累計虧損)。

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## 財務報表附註

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

### 34. RESERVES (Continued)

#### (b) Company

		Share premium HK\$'000 股份溢價 千港元	Capital reserve HK\$'000 資本儲備 千港元	Convertible bonds equity reserve HK\$'000 可換股債券 權益儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
1 January 2017	於二零一七年一月一日	2,363,920	157,960	462,708	(2,918,074)	66,514
Loss for the year	年內虧損	-	-	-	(176,559)	(176,559)
At 31 December 2017	於二零一七年十二月三十一日	2,363,920	157,960	462,708	(3,094,633)	(110,045)
Issuance of share upon placing (note 33)	於股份配售時發行股份 (附註33)	26,227	-	-	-	26,227
Share issue expenses	股份發行費用	(2,125)	-	-	-	(2,125)
Release upon maturity of convertible bonds (note 31)	可換股債券到期時解除 (附註31)	-	-	(9,145)	9,145	-
Issuance of share upon conversion of convertible bonds (note 31)	於轉換可換股債券時發行 股份(附註31)	432,130	-	(453,563)	-	(21,433)
Recognition of equity component of convertible bonds (note 31)	可換股債券權益部分確認 (附註31)	-	-	416,628	-	416,628
Loss for the year	本年度虧損	-	-	-	(49,318)	(49,318)
At 31 December 2018	於二零一八年十二月三十一日	2,820,152	157,960	416,628	(3,134,806)	259,934

Details of share premium and convertible bonds equity reserve of the Company are set out in note 34(a) above. Capital reserve arose from the Company's capital reorganisation on 10 March 2005 and represented the reduction of share capital of the Company.

### 34. 儲備(續)

#### (b) 本公司

本公司股份溢價及可換股債券權益儲備之詳情載於上述附註34(a)。資本儲備來自本公司於二零零五年三月十日進行的資本重組並指本公司股本削減。

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## 財務報表附註

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

### 35. SHARE-BASED COMPENSATION

The Company has a share option scheme, which was adopted by the shareholders on 24 June 2013 (the "Scheme") and unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption. Eligible participants of the Scheme include the Company's directors, independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity that provides research, development or other technological support to the Group and any non-controlling shareholder in the Company's subsidiaries.

Pursuant to the extraordinary general meeting passed on 24 June 2013, the general scheme limit of the Scheme is set to 1,746,849,000 shares, which have been adjusted to 174,685,000 shares pursuant to the share consolidation in 2014, representing 10% of the Company's issued share capital on the date of meeting, with the passing of ordinary resolution, which allows the Company to grant further options carrying the rights to subscribe for a maximum of 174,685,000 shares. This is also the maximum unexercised share options currently permits to be granted under the Scheme at any time.

Maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1%, of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company. In addition, share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

### 35. 以股份為基礎之補償

本公司由股東於二零一三年六月二十四日採納一項購股權計劃(「計劃」)，除非另行取消或修訂，否則計劃由採納日期起計10年內一直有效。計劃之合資格參與者包括本公司之董事、獨立非執行董事、本集團之其他僱員、本集團之貨品或服務供應商、本集團之顧客、向本集團提供研究、開發或其他技術支援之任何人士或實體及本公司附屬公司之任何非控股股東。

根據於二零一三年六月二十四日通過之股東特別大會，計劃之一般計劃限額已設定為1,746,849,000股股份(已根據二零一四年股份合併調整為174,685,000股股份)(佔大會舉行日期本公司已發行股本之10%)，隨著普通決議案獲通過，本公司可進一步授出附有最多可認購174,685,000股股份權利之購股權。此亦為於任何時間根據計劃容許授出之尚未行使購股權之最高數目。

在任何十二個月期間內，根據購股權可向計劃內之每名合資格參與者發行之最高股份數目不得超逾本公司於任何時間已發行股份之1%。倘進一步授出超逾此限額之購股權，則須在股東大會上取得股東批准。

授予本公司董事、主要行政人員或主要股東或彼等之任何聯繫人之購股權，須事先取得本公司獨立非執行董事之批准。此外，在任何十二個月期間內授予本公司之主要股東或獨立非執行董事或彼等之任何聯繫人之購股權，倘超逾本公司於任何時間已發行股份之0.1%或總值超逾5,000,000港元(根據於授出日期本公司之股價而釐定)者，則須事先在股東大會上取得股東批准。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 35. SHARE-BASED COMPENSATION (Continued)

The offer of a grant of share options may be accepted within 14 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors of the Company, but may not be less than the higher of:

- (a) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options;
- (b) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and
- (c) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

There has been no share option granted or exercised since the Scheme was adopted in June 2013. As at 31 December 2018 and 2017, the Group has no outstanding share option.

### 35. 以股份為基礎之補償 (續)

授出購股權之建議須於授出購股權建議之日起計 14 日內獲接納，承授人亦須就此繳交合共 1 港元之名義代價。所授出之購股權之行使期由本公司董事決定，期限在一段歸屬期後開始，而屆滿日期不得遲於建議授出購股權日期起計 10 年或計劃屆滿之日（以較早發生者為準）。

購股權之行使價由本公司董事決定，惟不得低於以下之較高者：

- (a) 於建議授出購股權之日期本公司股份於聯交所之收市價；
- (b) 本公司股份於緊接建議授出購股權日期前五個交易日在聯交所之平均收市價；及
- (c) 股份之面值。

購股權並無賦予持有人收取股息或於股東大會上投票之權利。

自二零一三年六月採納計劃以來，並無授出或行使購股權。於二零一八年及二零一七年十二月三十一日，本集團並無尚未行使之購股權。

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## 財務報表附註

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

### 36. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT

In August 2007, China Era, previously owned by Mr. A and subsequently sold to the Group as a subsidiary in 2010, entered into the Songliao Contract with the State-owned Enterprise to develop and produce crude oil in Liangjing Block on Songliao Basin in Jilin, the PRC (the “Songliao Oil Basin”).

In accordance with the Songliao Contract, China Era provides funds and applies its technology and managerial experience to cooperate with the State-owned Enterprise for the development and production of crude oil in the Songliao Oil Basin. The production period will be ended in 2031, unless extended.

China Era bears all costs required for the evaluation operations and development operations. Operating costs incurred are paid by the State-owned Enterprise and China Era in accordance with 51% and 49% respectively. However, the State-owned Enterprise’s portion of operating costs are advanced by China Era and recovered from the production of crude oil.

Under the terms of the Songliao Contract, evaluation costs, development costs and operating costs are to be recovered according to a mechanism of cost recovery oil and investment recovery oil. Remaining oil, after cost recovery, all applicable taxes and royalty that might apply in the PRC, is shared in the proportion of 51% and 49% by the State-owned Enterprise and China Era respectively.

In December 2009, the approval of Overall Development Program from the State Development and Reform Commission was obtained. The technical feasibility and commercial viability of extracting oil are demonstrated. The State-owned Enterprise is the holder of oil exploitation licence.

Set out below is the summary of assets, liabilities and results for the year recognised in the consolidated financial statements in relation to the Group’s interest in the Songliao Contract under joint operation:

### 36. 產油業務共享合約－松遼合約

於二零零七年八月，中國年代(之前由A先生所有並隨後於二零一零年出售予本集團成為附屬公司)，與國有企業訂立松遼合約，以於中國吉林松遼盆地(「松遼石油盆地」)兩井區塊開發及生產原油。

根據松遼合約，中國年代同意與國有企業合作，提供資金及應用其技術及管理經驗，以在松遼石油盆地開發及生產原油。除非延期，生產期將於二零三一年結束。

中國年代承擔評估營運及開發營運所需之全部成本。產生之營運成本由國有企業與中國年代分別按51%及49%之比例支付。然而，國有企業承擔之營運成本部分由中國年代墊付，並從原油生產中收回。

根據松遼合約之條款，評估成本、開發成本及營運成本將根據收回成本石油及收回投資石油機制收回。在扣除收回成本、所有可能在中國應用之適用稅項及礦區使用費後，餘下的石油將分別按51%及49%之比例由國有企業及中國年代攤分。

於二零零九年十二月，國家發展改革委員會批准整體開發計劃。開採石油之技術及商業可行性可以確定。國有企業持有石油開採牌照。

以下載列本年度於綜合財務報表確認之本集團於聯合經營之松遼合約項下權益之資產、負債及業績之概要：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 36. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT (Continued)

#### (a) Results for the year

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Revenue	收益	37,247	20,192
Other income	其他收入	4	41
Expenses	開支	(32,332)	(58,472)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	4,919	(38,239)
Income tax expense	所得稅開支	(5,905)	(2,160)
Loss for the year	本年度虧損	(986)	(40,399)

#### (b) Assets and liabilities

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Property, plant and equipment	物業、廠房及設備	1,237	6,228
Intangible assets	無形資產	252	338
Other non-current assets	其他非流動資產	43,056	50,383
Current assets	流動資產	4,212	3,786
Current liabilities	流動負債	(155,927)	(179,154)
Non-current liabilities	非流動負債	-	(1,036)
Net liabilities	負債淨額	(107,170)	(119,455)

### 36. 產油業務共享合約－松遼合約 (續)

#### (a) 年度業績

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Revenue	37,247	20,192
Other income	4	41
Expenses	(32,332)	(58,472)
Profit/(loss) before income tax	4,919	(38,239)
Income tax expense	(5,905)	(2,160)
Loss for the year	(986)	(40,399)

#### (b) 資產及負債

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Property, plant and equipment	1,237	6,228
Intangible assets	252	338
Other non-current assets	43,056	50,383
Current assets	4,212	3,786
Current liabilities	(155,927)	(179,154)
Non-current liabilities	-	(1,036)
Net liabilities	(107,170)	(119,455)

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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### 36. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT (Continued)

#### (c) Other commitments

Contracted but not provided for in respect of administrative fee and training fee	已訂約但未就管理費及培訓費計提撥備
Operating lease commitments in respect of leasehold land and buildings and equipment rental	有關租賃土地及樓宇以及租賃設備之經營租約承擔

As detailed in note 3(a)(i), in 2015, the directors of the Company was informed that Mr. A was formally charged by prosecution authorities in the PRC for illegal operation, possibly involved allegations about improper conduct in obtaining of the Songliao Contract. In December 2017, the Group received a legal letter from the representative lawyer of Mr. A that the Charge was acquitted after the Municipal Court issued the first adjudication of the Charge. As Mr. A is not guilty in respect of the Charge, Songliao Contract should continue to be valid to the Group since then. The directors of the Company consider that the Songliao Contract will continue to be valid and will be executed as planned as the Group has close working relationship with the State-owned Enterprise which able the Group to carry out business relating to oil production as stipulated under the Songliao Contract without the questioning of its validity.

### 36. 產油業務共享合約－松遼合約 (續)

#### (c) 其他承擔

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Contracted but not provided for in respect of administrative fee and training fee	42,973	46,919
Operating lease commitments in respect of leasehold land and buildings and equipment rental	1,274	2,016
	<b>44,247</b>	<b>48,935</b>

如附註3(a)(i)所詳述，於二零一五年，本公司董事會獲悉A先生遭中國檢控機關正式控告非法經營罪，其中可能涉及其於獲得松遼合約時有不當行為。於二零一七年十二月，本集團接獲A先生之代理律師發來之法律函件，告知於市級法院宣佈該指控之首次判決後，該指控罪名不成立。由於A先生就該指控被認定無罪，松遼合約對本集團將繼續有效。本公司董事認為松遼合約將繼續有效並按計劃予以執行，蓋因本集團與國有企業建立緊密合作關係，可令本集團從事與松遼合約所規定之產油相關的業務，而不會面臨對其有效性提出的質疑。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 37. STATEMENT OF FINANCIAL POSITION OF THE HOLDING COMPANY

### 37. 控股公司財務狀況表

	Notes	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
	附註		
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	3,502	13
Interests in subsidiaries	於附屬公司之權益	794,065	414,483
		<b>797,567</b>	414,496
<b>Current assets</b>	<b>流動資產</b>		
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	14,407	15,809
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,033	666
Loan receivables	應收貸款	35,618	–
Cash and bank balances	現金及銀行結存	104,962	514
		<b>156,020</b>	16,989
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計款項	34,809	4,658
Amount due to a subsidiary	應付一間附屬公司款項	43,373	36,502
Convertible bonds	可換股債券	35,258	195,400
		<b>113,440</b>	236,560
<b>Net current assets/(liabilities)</b>	<b>流動資產／(負債)淨額</b>	<b>42,580</b>	(219,571)
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>840,147</b>	194,925
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Convertible bonds	可換股債券	25,250	–
Other borrowings	其他借款	10,479	–
		<b>35,729</b>	–
<b>Net assets</b>	<b>資產淨值</b>	<b>804,418</b>	194,925
<b>EQUITY</b>	<b>權益</b>		
Share capital	股本	544,484	304,970
Reserves	儲備	259,934	(110,045)
<b>Total equity</b>	<b>總權益</b>	<b>804,418</b>	194,925

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## 財務報表附註

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

### 38. SUBSIDIARIES

(a) Particulars of the principal subsidiaries as at 31 December 2018 are as follows:

Name	Place of incorporation/ establishment	Paid-up share/ registered capital	Percentage of ownership interests/ voting rights/ profit share	Principal activities and place of operation
公司名稱	註冊成立/ 成立地點	實繳股本/ 註冊資本	擁有權益/ 表決權/ 利潤分成百分比	主要業務及經營地點
<b>Indirectly held</b>				
<b>間接持有</b>				
Treasure Tone Limited 富裕通有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	100%	Investment holding, Hong Kong 投資控股, 香港
Hong Kong Forest Source Mining Industry Holding Company Limited 香港森源礦業控股有限公司	Hong Kong 香港	Ordinary share HK\$70,000,000 普通股 70,000,000 港元	100%	Investment holding, Hong Kong 投資控股, 香港
Mission Achiever Limited Mission Achiever Limited	Samoa 薩摩亞	Ordinary share US\$1 普通股 1 美元	100%	Investment holding, Hong Kong 投資控股, 香港
Mid-Ocean Hong Kong Investment Limited 中海香港投資有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	100%	Investment holding, Hong Kong 投資控股, 香港
China Era Energy Power Investment Limited 中國年代能源投資有限公司	Hong Kong 香港	Ordinary share HK\$10 普通股 10 港元	100%	Oil production, the PRC 石油生產, 中國
Shandong Shundong Port Services Company Limited* 山東順東港務有限公司* <sup>^</sup>	PRC 中國	RMB204,081,633 人民幣 204,081,633 元	51%	Leasing of oil and liquefied chemical terminal, the PRC 租賃油品及液體化工品碼頭, 中國
IECO Financial Consulting Limited 奕高理財顧問有限公司	Hong Kong 香港	Ordinary share HK\$1,200,000 普通股 1,200,000 港元	80%	Insurance Brokerage Service, Hong Kong 保險經紀服務, 香港

\* Established in the PRC as a Sino-foreign equity enterprise.  
^ The entire paid-up capital is pledged for the Group's finance lease liabilities as at 31 December 2017 (note 30) and pledged for the Group's other borrowings as at 31 December 2018 (note 29(iv)).

### 38. 附屬公司

(a) 於二零一八年十二月三十一日之主要附屬公司詳情如下：

Name	Place of incorporation/ establishment	Paid-up share/ registered capital	Percentage of ownership interests/ voting rights/ profit share	Principal activities and place of operation
公司名稱	註冊成立/ 成立地點	實繳股本/ 註冊資本	擁有權益/ 表決權/ 利潤分成百分比	主要業務及經營地點
<b>Indirectly held</b>				
<b>間接持有</b>				
Treasure Tone Limited 富裕通有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	100%	Investment holding, Hong Kong 投資控股, 香港
Hong Kong Forest Source Mining Industry Holding Company Limited 香港森源礦業控股有限公司	Hong Kong 香港	Ordinary share HK\$70,000,000 普通股 70,000,000 港元	100%	Investment holding, Hong Kong 投資控股, 香港
Mission Achiever Limited Mission Achiever Limited	Samoa 薩摩亞	Ordinary share US\$1 普通股 1 美元	100%	Investment holding, Hong Kong 投資控股, 香港
Mid-Ocean Hong Kong Investment Limited 中海香港投資有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	100%	Investment holding, Hong Kong 投資控股, 香港
China Era Energy Power Investment Limited 中國年代能源投資有限公司	Hong Kong 香港	Ordinary share HK\$10 普通股 10 港元	100%	Oil production, the PRC 石油生產, 中國
Shandong Shundong Port Services Company Limited* 山東順東港務有限公司* <sup>^</sup>	PRC 中國	RMB204,081,633 人民幣 204,081,633 元	51%	Leasing of oil and liquefied chemical terminal, the PRC 租賃油品及液體化工品碼頭, 中國
IECO Financial Consulting Limited 奕高理財顧問有限公司	Hong Kong 香港	Ordinary share HK\$1,200,000 普通股 1,200,000 港元	80%	Insurance Brokerage Service, Hong Kong 保險經紀服務, 香港

\* 於中國成立為中外合資企業  
^ 於二零一七年十二月三十一日, 全部繳足股本為本集團之融資租賃負債作抵押(附註30)及於二零一八年十二月三十一日, 為其他借款作抵押(附註29(iv))

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 38. SUBSIDIARIES (Continued)

- (a) Particulars of the principal subsidiaries as at 31 December 2018 are as follows: (Continued)

The above tables list the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

- (b) Particulars of the wholly-owned entities de-consolidated since 2010 are as follows:

Name	Place of establishment	Paid-up share/ registered capital	Percentage of ownership interests/ voting rights/ profit share 擁有權益/ 表決權/ 利潤分成百分比	Principal activities and place of operation
公司名稱	成立地點	實繳股本/註冊資本		主要業務及經營地點
<b>Indirectly held</b>				
<b>間接持有</b>				
QHFSMI (note 3(a)(iii))	PRC, wholly-owned foreign enterprise ("WOFE")	HK\$40,000,000	100%	Exploration of mine, the PRC
青海森源(附註3(a)(iii))	中國·外商獨資企業(「外商獨資企業」)	40,000,000港元	100%	礦區勘探·中國
IMFSMI (note 3(a)(iii))	PRC, WOFE	Not yet paid up	100%	Not yet commenced business
內蒙古森源(附註3(a)(iii))	中國·外商獨資企業	尚未繳足	100%	尚未開始經營業務

### 38. 附屬公司(續)

- (a) 於二零一八年十二月三十一日之主要附屬公司詳情如下：(續)

上表載列本公司董事認為於本年度對本集團之業績有重大影響或佔本集團絕大部分資產淨值之本公司之附屬公司。本公司董事認為，提供其他附屬公司之詳情將過於冗長。

所有附屬公司於年結日均無發行任何債務證券。

- (b) 自二零一零年起不再綜合入賬之實體詳情如下：

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### 39. NON-CONTROLLING INTERESTS

Shundong Port, a 51% owned subsidiary of the Group, has material non-controlling interests. Except the above, non-controlling interests of all other subsidiaries of the Group that are not 100% owned by the Group are considered to be immaterial.

Summarised financial information in relation to non-controlling interests of Shundong Port, a 51% owned subsidiary of the Group, before intra-group eliminations, is presented below:

### 39. 非控股股東權益

順東港務(本集團擁有51%之附屬公司)擁有重大非控股股東權益。除上述外,本集團並無全資擁有之所有其他附屬公司之非控股股東權益並不重大。

有關順東港務(本集團擁有51%之附屬公司)非控股股東權益之財務資料概要(作出集團內公司間對銷前)呈列如下:

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>		
Revenue	收益	115,080	10,146
Profit/(loss) for the year	本年度溢利/(虧損)	5,488	(28,171)
Total comprehensive income	全面收入總額	2,845	(62,163)
Profit/(loss) allocated to non-controlling interests	分配至非控股股東權益之溢利/(虧損)	2,689	(13,804)
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>		
Cash (used in)/generated from operating activities	(用於)/來自營運之現金	(120,278)	7,331
Cash generated from/(used in) investing activities	來自/(用於)投資活動之現金	50,932	(359,675)
Cash generated from financing activities	來自融資活動之現金	26,031	125,236
Net cash outflows	現金流出淨額	(43,315)	(227,108)
<b>At 31 December</b>	<b>於十二月三十一日</b>		
Current assets	流動資產	39,913	127,004
Non-current assets	非流動資產	1,368,826	1,489,905
Current liabilities	流動負債	(663,257)	(933,657)
Non-current liabilities	非流動負債	(407,084)	(342,009)
Net assets	資產淨額	338,398	341,243
Accumulated non-controlling interests	累計非控股股東權益	165,815	167,210

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## 財務報表附註

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

### 40. BUSINESS ACQUISITION

On 31 August 2018, the Group acquired 80% of the equity interests of iECO Financial Consulting Limited (“iECO”), a company incorporated in Hong Kong and its principal activity is provision of insurance brokerage service.

The fair value of identifiable assets and liabilities of iECO as at the date of acquisition was:

### 40. 業務收購

於二零一八年八月三十一日，本集團收購奕高理財顧問有限公司（「奕高理財顧問」）（於香港註冊成立之有限公司，其主要業務為提供保險經紀服務）80% 股權。

奕高理財顧問有限公司可辨認資產及負債於收購日期的公平值如下：

		HK\$'000 千港元	HK\$'000 千港元
Property, plant and equipment (note 15)	物業、廠房及設備(附註15)	19	
Other receivables	其他應收款項	178	
Cash and cash equivalents	現金及現金等值項目	247	
Accruals	應計款項	(160)	
Deposit paid and other payables	已付按金及其他應付款項	(95)	
Amount due to non-controlling shareholders	應付非股東款項	(21)	
Income tax payables	應付所得稅	(5)	
Fair value of identifiable assets and liabilities	可辨認資產及負債公平值		163
Non-controlling interests	非控股股東權益		(49)
Less: fair value of consideration transferred:	減：已轉讓代價的公平價值：		
Cash	現金		1,554
Goodwill (note 19)	商譽(附註19)		1,440
Net cash outflow arising from acquisition of subsidiary:	收購附屬公司產生淨現金流出：		
Cash consideration	現金代價		1,554
Cash and cash equivalent acquired	已收購的現金及現金等值項目		(247)
Purchase consideration settled by cash	以現金結算之購買代價		1,307

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## 財務報表附註

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### 40. BUSINESS ACQUISITION (Continued)

The carrying amount of all assets and liabilities are considered to be approximately to their fair value. No contractual amount is expected to be uncollectible.

The goodwill of approximately HK\$1,440,000, which is not deductible for tax purposes, comprises the acquired workforce and the value of expected synergies arising from the combination of the acquired business with the existing operations of the Group.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The Group elected to recognise the non-controlling interests in at its proportionate share of the acquired net identifiable assets. Non-controlling interest at the acquisition date amounted to approximately HK\$49,000.

Since the acquisition date, iECO has contributed approximately HK\$1,000 and loss of HK\$290,000 to the Group's revenue and profit or loss respectively. If the acquisition had occurred on 1 January 2018, the Group's revenue and loss would have been approximately HK\$152,335,000 and HK\$74,006,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

The acquisition-related costs of approximately HK\$115,000 have been expensed and are included in administrative expenses.

### 40. 業務收購 (續)

所有資產及負債的賬面值被視為與其公平值相若。並無合約款項預期不能收回。

約1,440,000港元不用於扣稅的商譽，其包含所收購之勞動力以及預期所收購業務與本集團現有營運合併後產生的協同效益之價值。

本集團按公平值或按非控股股東權益應佔已收購實體的可識別淨資產的比例，於已收購實體中確認非控股權益。本集團選擇根據非控股股東權益應佔所收購可識別資產淨額的比例確認非控股股東權益。於收購日期非控股股東權益約49,000港元。

自收購日期開始，奕高理財顧問有限公司分別向本集團貢獻收益及損益約1,000港元及虧損290,000港元。倘收購於二零一八年一月一日發生，本集團收益及虧損分別為約152,335,000港元及74,006,000港元。該備考資料僅供說明用途，且不一定為倘收購於二零一八年一月一日完成本集團實際應能實現之收益及經營業績之指標，亦無意作為未來業績之預測。

與收購相關的成本約115,000港元已列作支銷，並計入行政開支。

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## 財務報表附註

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

### 41. OPERATING LEASE COMMITMENTS

#### (a) As Lessor

At 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenant falling due as follows:

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Within one year	一年內	128,378	101,345
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	427,933	540,541
After five years	五年後	-	33,790
		<b>556,311</b>	<b>675,676</b>

The Group leases its investment properties (note 20) under an operating lease arrangement, with leases negotiated for terms of five years (2017: Five years). The operating lease do not include contingent rentals.

#### (b) As Lessee

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating lease falling due as follows:

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Within one year	一年內	7,966	1,709
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	12,381	1,308
		<b>20,347</b>	<b>3,017</b>

The Group leases certain leasehold land and buildings and equipment under operating leases. The leases run for an initial period of one to five years (2017: one to eight years), with an option to renew the lease and renegotiate the terms at expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases includes contingent rentals.

### 41. 經營租約承擔

#### (a) 作為出租人

於二零一八年十二月三十一日，本集團於下列年期內屆滿之不可撤銷經營租約之未來最少租賃付款總額如下：

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Within one year	128,378	101,345
In the second to fifth years, inclusive	427,933	540,541
After five years	-	33,790
	<b>556,311</b>	<b>675,676</b>

本集團根據經營租約安排租賃其投資物業(附註20)，租期磋商為五年(二零一七年：五年)。經營租約不包括或然租金。

#### (b) 作為承租人

於二零一八年十二月三十一日，本集團於下列年期內屆滿之不可撤銷經營租約之未來最少租賃付款總額如下：

	2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Within one year	7,966	1,709
In the second to fifth years, inclusive	12,381	1,308
	<b>20,347</b>	<b>3,017</b>

本集團根據經營租約租用若干租賃土地及樓宇以及設備。該等租約初步為期一年至五年(二零一七年：一年至八年)，可於到期日或本集團與有關業主／出租人共同商定之日期選擇續租及重訂租約條款。該等租約不包括或然租金。

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### 42. CAPITAL AND OTHER COMMITMENTS

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Capital commitments for construction cost of oil and liquefied chemical terminal	油品及液體化工品碼頭建築成本之資本承擔	2,452	3,078
Other commitments in respect of administrative fees and training fees	就管理費及培訓費之其他承擔	42,973	46,919
		<b>45,425</b>	<b>49,997</b>

### 42. 資本及其他承擔

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Capital commitments for construction cost of oil and liquefied chemical terminal	油品及液體化工品碼頭建築成本之資本承擔	2,452	3,078
Other commitments in respect of administrative fees and training fees	就管理費及培訓費之其他承擔	42,973	46,919
		<b>45,425</b>	<b>49,997</b>

### 43. RELATED PARTY TRANSACTIONS

Apart from the balances and transactions with related parties disclosed elsewhere in the financial statements, the Group had the following transactions with its related parties during the year:

#### Compensation of key management personnel

Included in employee costs are key management personnel compensation (including directors' emoluments) and comprises the following categories:

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Short-term employee benefits	短期僱員福利	2,830	2,175
Contribution to retirement benefit scheme	退休福利計劃之供款	18	18
		<b>2,848</b>	<b>2,193</b>

### 43. 關連人士交易

除財務報表其他部分所披露之結餘及與關連人士之交易外，年內，本集團與其關連人士尚有如下交易：

#### 主要管理人員之補償

主要管理人員之補償(包括董事酬金)乃計入員工成本，包括以下類別：

		2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
Short-term employee benefits	短期僱員福利	2,830	2,175
Contribution to retirement benefit scheme	退休福利計劃之供款	18	18
		<b>2,848</b>	<b>2,193</b>



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## 財務報表附註

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

### 44. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) 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.

### 44. 綜合現金流量表附註

#### (a) 來自融資活動之負債對帳

下表載列本集團來自融資活動負債之變動詳情，包括現金及非現金變動。來自融資活動的負債乃現金流量或未來現金流量將於本集團綜合現金流量表內劃分為來自融資活動現金流量之負債。

		Bank borrowings HK\$'000 (note 28)	Other borrowings HK\$'000 (note 29)	Finance lease liabilities HK\$'000 (note 30)	Convertible bonds HK\$'000 (note 31)	Amounts due to non-controlling shareholders HK\$'000 (note 27) 應付非控股股東款項 千港元 (附註27)	Total HK\$'000 總計 千港元
<b>At 1 January 2018</b>	於二零一八年一月一日	294,584	159,992	215,857	195,400	101,600	967,433
<b>Financing cash inflows/(outflows)</b>	<b>融資現金流入/(流出)</b>						
Interest paid	已付利息	(15,810)	(157)	(4,675)	(4,191)	-	(24,833)
Proceeds from issue of convertible bonds	發行可換股債券收益	-	-	-	441,601	-	441,601
Proceeds from new non-controlling shareholders' loans	向新非控股股東貸款收益	-	-	-	-	246,044	246,044
Proceeds from new borrowings	新借款之所得款項	21,420	143,357	-	-	-	164,777
Repayments of non-controlling shareholders' loans	償還非控股股東貸款	-	-	-	-	(132,315)	(132,315)
Repayments of borrowings	償還借款	(67,830)	(61,321)	-	-	-	(129,151)
Repayments of obligations under finance lease	融資租賃承擔之還款	-	-	(167,372)	-	-	(167,372)
<b>Other changes</b>	<b>其他變動</b>						
Recognition of equity component of convertible bonds	可換股債券權益部分確認	-	-	-	(416,628)	-	(416,628)
Conversion of shares	轉換股份	-	-	-	(173,088)	-	(173,088)
Accrued salaries	應計薪金	-	-	-	-	1,190	1,190
Rental expense	租金費用	-	-	-	-	208	208
Debt assignment from other borrowings	有其他借款債務轉讓	-	(50,765)	-	-	50,765	-
Reclassified to a deposit (note 26 (i))	重新分類至按金 (附註26(i))	-	(29,000)	-	-	-	(29,000)
Reclassified to other payables	重新分類至其他應付款項	-	-	-	-	(6,650)	(6,650)
Interest expenses (note 7)	利息開支 (附註7)	15,231	15,735	4,675	17,414	11,100	64,155
<b>Exchange adjustments</b>	<b>匯兌調整</b>	(12,755)	(6,315)	(6,442)	-	(12,524)	(38,036)
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	234,840	171,526	42,043	60,508	259,418	768,335

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### 44. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (a) Reconciliation of liabilities arising from financing activities (Continued)

		Bank borrowings HK\$'000 (note 28)	Other borrowings HK\$'000 (note 29)	Finance lease liabilities HK\$'000 (note 30)	Convertible bonds HK\$'000 (note 31)	Amounts due to non-controlling shareholders HK\$'000 (note 27)	Total HK\$'000
		銀行借款 千港元 (附註28)	其他借款 千港元 (附註29)	融資租賃負債 千港元 (附註30)	可換股債券 千港元 (附註31)	應付非控股股東的款項 千港元 (附註27)	總計 千港元
At 1 January 2017	於二零一七年一月一日	214,627	171,418	132,000	165,476	100,071	783,592
Financing cash inflows/(outflows)	融資現金流入/(流出)						
Interest paid	已付利息	-	-	-	(1,000)	-	(1,000)
Proceeds from new borrowings	新借款之所得款項	343,200	41,754	-	-	-	384,954
Proceeds from new finance leases	新融資租賃之所得款項	-	-	132,000	-	-	132,000
Repayment of borrowings	償還借款	(229,793)	(70,040)	-	-	-	(299,833)
Repayment of obligations under finance lease	償還融資租賃負債	-	-	(82,800)	-	-	(82,800)
Other changes	其他變動						
Capitalised borrowing costs (note 7)	資本化借款成本(附註7)	4,573	14,834	24,236	30,924	4,034	78,601
Capitalised staff costs	資本化員工成本	-	-	-	-	5,800	5,800
Additions to investment properties	添置投資物業	-	-	2,885	-	-	2,885
Disposal of subsidiaries (note 11)	出售附屬公司(附註11)	(51,531)	-	-	-	(16,519)	(68,050)
Interest expenses (note 7)	利息開支(附註7)	3,984	-	4,603	-	-	8,587
Exchange adjustments	匯兌調整	9,524	2,026	2,933	-	8,214	22,697
At 31 December 2017	於二零一七年十二月三十一日	294,584	159,992	215,857	195,400	101,600	967,433

### 44. 綜合現金流量表附註(續)

#### (a) 來自融資活動之負債對帳(續)

#### (b) Non-cash transaction

As disclosed in note 26, the lender of Loan N has entered into a non-legal binding agreement with the Group to re-assign part of the Loan N amounted to HK\$29,000,000 under other borrowing (note 29(vii)) to bills and other payables and accruals (note 26(i)) as a deposit paid to the Company for a potential acquisition of China Era. It is considered as a significant non-cash transaction of the reporting period.

#### (b) 非現金交易

誠如附註26所披露，貸款N之貸款方與本集團訂立一項不具法律約束力協議，以重新分配於其他借款項下部份貸款N 29,000,000港元(附註29(vii))至應付票據及其他應付款項及應計費用(附註26(i))予本公司作為潛在收購中國年代之按金。其被視為報告期間重大非現金交易。

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

### 45. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

### 45. 按分類劃分之財務資產及財務負債概要

		2018 二零一八年		2017 二零一七年	
		Carrying Amount HK\$000 賬面值 千港元	Fair value HK\$000 公平值 千港元	Carrying amount HK\$000 賬面值 千港元	Fair value HK\$000 公平值 千港元
<b>Financial assets</b>	<b>財務資產</b>				
Financial assets measured at amortised cost/Loan and receivables	按攤銷成本/貸款及應收款項計量之財務資產				
- Cash and bank balances	- 現金及銀行結存	276,531	276,531	5,699	5,699
- Pledged bank deposits	- 已抵押銀行存款	-	-	51,360	51,360
- Trade and bills receivables	- 應收貿易賬項及票據	15,211	15,211	8,372	8,372
- Deposits and other receivables	- 按金及其他應收款項	137,992	137,992	52,002	52,002
- Loan receivables	- 應收貸款	72,098	72,098	-	-
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	14,407	14,407	15,809	15,809
		<b>516,239</b>	<b>516,239</b>	133,242	133,242
<b>Financial liabilities</b>	<b>財務負債</b>				
<b>Current liabilities</b>	<b>流動負債</b>				
Financial liabilities measured at amortised cost	按攤銷成本計量之財務負債				
- Bills and other payables and accruals	- 應付票據及其他應付款項以及應計款項	389,097	389,097	542,976	542,976
- Amounts due to non-controlling shareholders	- 應付非控股股東款項	-	-	101,600	101,600
- Bank borrowings	- 銀行借款	157,320	157,320	68,984	68,984
- Other borrowings	- 其他借款	126,877	126,877	158,956	158,956
- Finance lease liabilities	- 融資租賃負債	39,584	39,584	146,863	146,863
- Convertible bonds	- 可換股債券	35,258	35,258	195,400	195,400
<b>Non-current liabilities</b>	<b>非流動負債</b>				
Financial liabilities measured at amortised cost	按攤銷成本計量之財務負債				
- Amounts due to non-controlling shareholders	- 應付非控股股東款項	259,418	259,418	-	-
- Bank borrowings	- 銀行借款	77,520	77,520	225,600	225,600
- Other borrowings	- 其他借款	44,649	44,649	1,036	1,036
- Finance lease liabilities	- 融資租賃負債	2,459	2,459	68,994	68,994
- Convertible bonds	- 可換股債券	25,250	25,250	-	-
		<b>1,157,432</b>	<b>1,157,432</b>	1,510,409	1,510,409

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 45. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

Due to their short-term nature, the carrying amounts of cash at cash and bank balances, pledged bank deposits, trade and other receivables, loan receivables, bills and other payables and accruals, bank and other borrowings, finance lease liabilities and amounts due to non-controlling shareholders approximate to their fair value.

The fair value of non-current portion of bank and other borrowings, finance lease liabilities and amounts due to non-controlling shareholders for disclosure purposes has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities and is classified as level 3 in the fair value hierarchy. Significant inputs include the discount rate used to reflect the credit risks of the borrowers or the Group. The fair value of the liability portion of the convertible bonds is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration of the Group's own non-performance risk and is classified as level 3 in the fair value hierarchy. The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### 45. 按分類劃分之財務資產及財務負債概要(續)

由於其短期性質使然，現金及銀行結存、已抵押銀行存款、應收貿易及其他賬項、應收貸款、應付票據及其他應付款項以及應計款項、銀行及其他借款、融資租賃負債及應付非控股股東款項之賬面值與其公平值相若。

就披露而言，銀行及其他借款、融資租賃負債及應付非控股股東款項之非即期部分之公平值乃按適用於具有類似條款、信貸風險及剩餘年期之工具之現行利率折現預期未來現金流量計算，並於公平值等級中分類為第三級。重大輸入數據包括用以反映借款人或本集團信貸風險之貼現率。可換股債券負債部份之公平值乃透過將預期未來現金流量以類似可換股債券之相同市場利率貼現，並考慮本集團之非表現風險後作出估計，並於公平值等級中分類為第三級。下表載列按公平值等級劃分之按公平值計量之財務工具分析：

- 第一級：相同資產或負債之活躍市場報價(未經調整)；
- 第二級：第一級報價以外，可就資產或負債直接(即價格)或間接(自價格衍生)觀察得出之輸入值；及
- 第三級：並非根據可觀察市場數據得出之資產或負債輸入值(不可觀察輸入值)。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and its investing activities.

The carrying amounts of financial assets at amortised cost presented in the consolidated statement of financial position are net of impairment losses, if any. The Group minimises its exposure to the credit risk by rigorously selecting the counterparties, performing ongoing credit evaluation on the financial conditions of its debtors and tightly monitoring the ageing of the receivables. Follow-up actions are taken in case of overdue balances on an ongoing basis. In addition, management monitors and reviews the recoverable amount of the receivables individually or collectively at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In respect of trade receivable, deposits and other receivables and loan receivables, individual credit evaluations are performed on all debtors requiring credit over a certain amount. These evaluations focus on the debtors' past history of making payments when due and current ability to pay, and take into account information specific to the debtors as well as pertaining to the economic environment in which the debtors operate. Normally, the Group does not obtain collateral from its customer. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor.

### 46. 財務風險管理

#### (a) 信貸風險

信貸風險指財務工具之對手方未能履行其於財務工具條款項下之責任而引致本集團蒙受財務損失之風險。本集團之信貸風險主要來自於其日常業務營運過程中授予客戶之信貸及其投資業務。

按攤銷成本計量的財務資產於綜合財務狀況表呈列之賬面值已扣除減值虧損(如有)。本集團透過審慎挑選對手方、對其債務人之財務狀況進行持續信貸評估,以及緊密監控應收款項之賬齡,最大程度降低其所承擔之信貸風險。本集團採取持續跟進措施收回逾期結餘。此外,管理層會於各報告日期個別或共同監控及檢討應收款項之可收回金額,確保就不可收回金額作出足夠之減值虧損。就應收貿易賬項按金及其他應收款項及應收貸款而言,對於所有要求若干信貸金額之債務人均會進行個別信貸評估。此等評估主要針對債務人以往到期時之還款記錄及現時之還付能力,並考慮債務人之個別資料及債務人所處之經濟環境之資料。一般而言,本集團並無自客戶取得抵押品。本集團面對之信貸風險主要受各債務人之個別情況影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Credit risk (Continued)

As the Group trades only with recognised and creditworthy counterparties, there is no requirement for collateral.

Default risk of the industry in which customers operate also has an influence on credit risk but to a lesser extent. As at 31 December 2018, the Group has a certain concentration of credit risk as 78% (2017: 66%) and 100% (2017: 100%) of total receivables was due from the Group's largest trade debtor and the three largest trade debtors respectively.

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.

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The Group concluded that impact of ECLs on trade receivables are insignificant as at 31 December 2018.

### 46. 財務風險管理 (續)

#### (a) 信貸風險 (續)

由於本集團只與獲認可及信譽良好之對手方進行交易，故毋須抵押品。

客戶經營行業之固有風險亦對信貸風險有影響，惟較輕微。於二零一八年十二月三十一日，本集團有若干集中信貸風險，原因是應收款項總額中分別有78%（二零一七年：66%）及100%（二零一七年：100%）來自本集團最大貿易借款人及三名最大貿易借款人。

本集團按等同於整個有效期的預期信貸虧損的金額計量貿易應收款項之虧損撥備，其乃使用提列矩陣進行計算。由於本集團過往的信貸虧損並未就不同客戶分部顯示重大不同虧損模式，基於逾期狀態的虧損撥備不會進一步於本集團不同客戶基礎之間進一步區分。

預期虧損率乃根據過往五年的實際虧損經驗得出。該等比率會作出調整以反映已蒐集歷史數據的期間的經濟狀況、當前狀況及本集團對應收款項預期期間的經濟狀況的觀點的差異。於二零一八年十二月三十一日，本集團認為應收貿易賬項的預期信貸虧損影響並不重大。

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## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Credit risk (Continued)

Other financial assets at amortised cost of the Group includes deposits and other receivables, loan receivables, pledged bank deposits and cash and bank balances. Since there is no increase in credit risk, the loss allowance recognised during the year was therefore limited to 12-months expected credit losses. Management considers the probability of default is low on deposits and other receivables and loan receivables since the counterparties are in good credit quality and no historical default noted. Besides, management considers the probability of default is low on pledged bank deposits and bank balances since they are placed at the financial institutions with good credit rating. The Group concluded that impact of ECLs on other financial assets are insignificant as at 31 December 2018.

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see note 3(m)(B)(ii)). As at 31 December 2017, none of the trade receivables was determined to be impaired.

Trade receivables that were neither past due nor impaired related to two customers for whom there was no recent history of default.

Based on past experience, management believed that no impairment allowance was necessary in respect of all financial assets as there had been no significant change in credit quality and the balances were considered fully recoverable.

The credit policies are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

As at 31 December 2018 and 2017, there is no financial guarantees issued by the Group.

### 46. 財務風險管理 (續)

#### (a) 信貸風險 (續)

本集團按攤銷成本計量之其他財務資產包括按金及其他應收款項、應收貸款、已抵押銀行按金及現金及銀行結餘。鑑於信貸風險並無增加，年內虧損確認僅限於十二個月預期信貸虧損。管理層認為按金及其他應收款項及應收貸款違約率低微，此乃由於對方信貸質素良好及並無違約歷史。此外，管理層認為已抵押銀行按金及銀行結餘違約率低微，此乃由於其存放於信貸評級高的金融機構。於二零一八年十二月三十一日，本集團認為預期信貸虧損對其他財務資產的影響並不重大。

於二零一八年一月一日前，減值虧損僅於有客觀證據證明時方予確認（參見附註3(m)(B)(ii)）。於二零一七年十二月三十一日，概無應收貿易賬項釐定減值。

有關兩名顧客之應收貿易賬項並不逾期或減值，彼等並無近期違約歷史。

基於過往經驗，管理層認為因信貸質素尚無重大變動且結餘仍視為可悉數收回，故就所有財務資產而言毋需作出減值撥備。

該等信貸政策被視為已有效地將本集團承擔之信貸風險限制在理想水平。

於二零一八年及二零一七年十二月三十一日，本集團並無發出任何財務擔保。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Foreign currency risk

Revenue and expenses of the Group are mostly in US\$ and RMB. Exposures to currency exchange rates arise from certain of the Group's cash and bank balances which are denominated in US\$. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and does not consider its foreign exchange risk to be significant.

The following table details the Group's exposure at the reporting date to foreign currency risk from the above stated items denominated in a currency other than the functional currency of relevant group companies.

Cash and cash equivalents denominated in US\$	按美元列值之現金及現金 等值項目
--	---------------------

By assessing foreign currency risk on cash and bank balances, the effect arising from a reasonably possible change in the exchange rates of HK\$ against US\$ in the next twelve months was not material to the loss for the year and accumulated losses at each of the reporting date, on the basis that all other variables remain constant.

### 46. 財務風險管理 (續)

#### (b) 外匯風險

本集團之收益及開支主要以美元及人民幣列值。外匯風險來自本集團以美元列值之若干現金及銀行結存。本集團並未使用衍生財務工具對沖其外匯風險。本集團定期檢討其外匯風險，並認為其外匯風險並不重大。

下表詳列於報告日期本集團上述項目按有關集團公司之功能貨幣以外之貨幣列值之外匯風險。

2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元
19	19

經評估現金及銀行結存之外匯風險，並假設所有其他變量保持不變，未來十二個月港元兌美元之匯率合理可能變動產生之影響對年內之虧損及各報告日期之累計虧損並不重大。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Interest rate risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's bank balances which subject to floating interest rates. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The following table indicates the approximate change in the Group's loss after income tax and accumulated losses in response to reasonably possible changes in the interest rate, to which the Group has significant exposure at the reporting date.

Increase in interest rate by 0.1%	利率上升0.1%
Decrease in interest rate by 0.1%	利率下降0.1%

The sensitivity analysis above is determined assuming that the change in interest rate had occurred at the reporting date and had been applied to the exposure to interest rate risk for non-derivative financial instruments (i.e. bank balances) in existence at that date. The 0.1% increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date.

### 46. 財務風險管理 (續)

#### (c) 利率風險

本集團因利率變動所承擔之利率風險主要與本集團按浮動利率計息之銀行結存有關係。本集團並未使用任何衍生合約對沖其利率風險。然而，管理層對利率風險進行監控，並於需要時考慮對沖重大利率風險。

下表列載本集團之除所得稅後虧損及累計虧損因利率合理可能變動（本集團於報告日期承受重大風險）而產生之概約變動。

	2018 Effect on loss after income tax and accumulated losses HK\$'000 二零一八年 對除所得稅後 虧損及累計虧損 之影響 千港元	2017 Effect on loss after income tax and accumulated losses HK\$'000 二零一七年 對除所得稅後 虧損及累計虧損 之影響 千港元
	<b>132</b>	43
	<b>(132)</b>	(43)

上述敏感度分析乃假設利率於報告日期已發生變動而釐定，並已應用於該日已存在之非衍生財務工具（即銀行結餘）所面臨之利率風險中。上升／下降0.1%乃管理層就直至下一年度報告日期止期間內利率之合理可能變動所作之估計。

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## 財務報表附註

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of its financial obligations, its cash flow management. As mentioned in note 3(a)(ii), the Group's ability to meet its financial obligations when they fall due is dependent upon the sustainability of the cash flow forecast with underlying assumptions. Management of the Group is satisfied that the Group will be able to meet in full their financial obligations as and when they fall due in the foreseeable future.

The Group maintains a level of cash and cash equivalents assessed as adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on internally generated funding and borrowings as significant sources of liquidity.

The maturity profile of the Group's financial liabilities as at the reporting dates, based on the contractual undiscounted payments, were as follows:

### 46. 財務風險管理 (續)

#### (d) 流動資金風險

流動資金風險指本集團不能履行其與透過交付現金或其他財務資產清償之財務負債有關之責任之風險。本集團面對之流動資金風險與清償其財務負債、其現金流量管理有關。如附註3(a)(ii)所提述，本集團於財務責任到期時履行財務責任之能力取決於相關假設前提下之可持續現金流量預測。本集團管理層信納本集團將有能力於財務責任於可預見將來到期時悉數履行財務責任。

本集團維持管理層認為充足之現金及現金等值項目，以向本集團業務經營提供資金及減輕現金流量波動之影響。本集團以內部產生資金及借款作為流動資金之重要來源。

本集團根據合約性無貼現款項於報告日期之財務負債到期日情況如下：

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

### 46. FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Liquidity risk (Continued)

Carrying amount	HK\$'000	賬面值 千港元	2018 二零一八年				
			Total contractual undiscounted cash flow	Within 6 months or on demand	More than 6 months to 12 months	More than 1 year	More than 1 year
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			合約性無貼現 現金流量總額	六個月以內 或按要求	多於六個月至 十二個月	十二個月	一年以上
			千港元	千港元	千港元	千港元	千港元
Other payables and accruals			389,097	389,097	389,097	-	-
Amounts due to non-controlling interests			259,418	280,638	-	-	280,638
Bank borrowings			234,840	246,607	74,733	93,179	78,695
Other borrowings			171,526	178,597	130,891	1,759	45,947
Finance lease liabilities			42,043	46,644	30,187	10,538	5,919
Convertible bonds			60,508	62,198	35,258	-	26,940
			<b>1,157,432</b>	<b>1,203,781</b>	<b>660,166</b>	<b>105,476</b>	<b>438,139</b>

### 46. 財務風險管理 (續)

#### (d) 流動資金風險 (續)

Carrying amount	HK\$'000	賬面值 千港元	2017 二零一七年				
			Total contractual undiscounted cash flow	Within 6 months or on demand	More than 6 months to 12 months	More than 1 year	More than 1 year
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			合約性無貼現 現金流量總額	六個月以內 或按要求	多於六個月至 十二個月	十二個月	一年以上
			千港元	千港元	千港元	千港元	千港元
Bills and other payables and accruals			542,976	542,976	542,976	-	-
Amounts due to non-controlling interests			101,600	102,629	102,629	-	-
Bank borrowings			294,584	325,127	16,650	70,027	238,450
Other borrowings			159,992	162,943	147,929	13,930	1,084
Finance lease liabilities			215,857	235,405	94,618	63,239	77,548
Convertible bonds			195,400	215,447	-	215,447	-
			<b>1,510,409</b>	<b>1,584,527</b>	<b>904,802</b>	<b>362,643</b>	<b>317,082</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

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

### 47. CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for stakeholders;
- (b) To support the Group's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group. The Group currently does not adopt any formal dividend policy. Management regards total equity as capital, for capital management purpose. The amount of capital as at 31 December 2018 amounted to approximately HK\$929,271,000 (2017: HK\$370,740,000), which management considers as satisfactory having considered the projected capital expenditures and the forecast strategic investment opportunities.

### 48. LITIGATION

#### Transfer of the exploration licence

Details of litigations are set out in note 3(a)(iii).

### 49. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the Group has successfully obtained two credit facilities of RMB300,000,000 (approximately HK\$342,000,000) and RMB150,000,000 (approximately HK\$171,000,000), which are guaranteed by a related party and an independent third party respectively. These credit facilities are generally due for repayments in 2022 and 2024 respectively. In light of these, the directors of the Company consider that the Group will have sufficient working capital to meet the liabilities as and when they fall due within the next twelve months. Details are set out in note 3(a)(ii)(a).

### 47. 資本管理

本集團之資本管理目標為：

- (a) 保障本集團有能力繼續作為持續經營公司，持續為股東帶來回報及利益；
- (b) 支持本集團穩定營運及增長；及
- (c) 為本集團提供資本以鞏固其風險管理能力。

本集團定期積極檢討及管理其資本結構，確保資本結構及股東回報達致最佳狀態，考慮事項包括本集團未來資本需求。目前，本集團並無採納任何正式股息政策。就資本管理目的而言，管理層將總權益減可換股債券權益部分認作資本。於二零一八年十二月三十一日之資本金額約為929,271,000港元(二零一七年：370,740,000港元)，經考慮預計資本開支及預測策略投資機會，管理層認為有關金額已達最佳水平。

### 48. 訴訟

#### 轉讓勘探牌照

有關此訴訟詳情載於附註3(a)(iii)。

### 49. 報告日期後事項

報告日期後，本集團已成功獲得兩筆分別為人民幣300,000,000元(約342,000,000港元)及人民幣150,000,000元(約171,000,000港元)的信貸融資，分別由關聯方及獨立第三方擔保。該等信貸融資通常分別將於二零二二年及二零二四年償還。鑑於該等因素，本公司董事認為本集團將有足夠運營資金償還未來十二個月內到期的債務。有關詳情載列於附註3(a)(ii)(a)。



**ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED**  
能源國際投資控股有限公司